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PROCEEDINGS AND DEBATES OF THE 93^{d} CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Thursday, September 20, 1973*

The House met at 12 o'clock noon.

Rev. W. Ernest Hogge, United Methodist Church, Oakton, Va., offered the following prayer:

Eternal God, whom we seek to serve and to whom we look for guidance, grant unto us the exhilarating awareness of Your presence, not only in this meeting, but in each session.

We are mindful of the many experiences and events which bind us together. We pray that there will be a harmonious spirit in our midst, that while we have difference of opinion, we nevertheless maintain unity of action.

In the midst of complicated situations and unsolved problems of the world, save us from the feeling of futility and any attitude of defeatism. Help us to understand that Your power and love have never been obstructed by difficulties.

In the name of Him who left His peace as a gift to all, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Marks, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendments of the House with an amendment to a bill of the Senate of the following title:

S. 1148. An act to provide for operation of all domestic volunteer service programs by the ACTION Agency, to establish certain new such programs, and for other purposes.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2016) entitled "An act to amend the Rail Passenger Service Act of 1970 to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. HARTKE, Mr. STEVENSON, Mr. COOK, and Mr. BEALL to be the conferees on the part of the Senate.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 8619, AGRICULTURE, ENVIRONMENTAL AND CONSUMER PROTECTION APPROPRIATIONS, 1974

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 8619) making appropriations for agriculture, environmental and consumer protection programs for the fiscal year ending June 30, 1974, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 93–520)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8619) "making appropriations for the Agriculture-Environmental and Consumer Protection programs for the fiscal year ending June 30, 1974, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 6, 7a, 7b, 8, 10, 11, 20, 23, 25, 26, 27, 28, 31, 45, 50, 58, 62, 63, 65, and 66.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 14, 21, 24, 33, 34, 35, 36, 37, 38, 39, 41, 51, 53, 54, 60, 68, 70, 74, and 75, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter stricken insert:

None of the funds provided by this Act shall be used to pay the salaries of any personnel which carries out the provisions of section 610 of the Agricultural Act of 1970, except for research in an amount not to exceed $3,000,000; projects to be approved by the Secretary as provided by law.

None of the funds provided by this Act shall be used to pay the salaries of personnel who formulate or carry out programs for the 1974 crop year which exceed the limitations provided by section 101 of Public Law 93–86, enacted on August 10, 1973, which provides as follows:

"SEC. 101. Notwithstanding any other provision of law—

"(1) The total amount of payments which a person shall be entitled to receive under one or more of the annual programs established by titles IV, V, and VI of this Act for the 1974 through 1977 crops of the commodities shall not exceed $20,000.

"(2) The term 'payments' as used in this section shall not include loans or purchases, or any part of any payment which is determined by the Secretary to represent compensation for resource adjustment or public access for recreation.

"(3) If the Secretary determines that the total amount of payments which will be earned by any person under the program in effect for any crop will be reduced under this section, the set-aside acreage for the farm or farms on which such person will be sharing in payments earned under such program shall be reduced to such extent and in such manner as the Secretary determines will be fair and reasonable in relation to the amount of the payment reduction.

"(4) The Secretary shall issue regulations defining the term 'person' and prescribing such rules as he determines necessary to assure a fair and reasonable application of such limitation: *Provided,* That the provisions of this Act which limit payments to any person shall not be applicable to lands owned by States, political subdivisions, or agencies thereof, so long as such lands are farmed primarily in the direct furtherance of a public function, as determined by the Secretary. The rules for determining whether corporations and their stockholders may be considered as separate persons shall be in accordance with the regulations issued by the Secretary on December 18, 1970."

And the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$175,938,400"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,203,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,500,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$89,880,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$137,717,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,500,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$199,527,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$15,780,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$239,051,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$314,587,00"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$7,500,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,000,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert "$470,000,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$200,000,000; and community facility loans, $50,000,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$49,675,000"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$161,775,000"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$257,100,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,700,000"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$46,150,000"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$30,600,000"; and the Senate agree to the same.

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$696,918,000"; and the Senate agree to the same.

Amendment numbered 73: That the House recedes from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$22,110,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 12, 40, 42, 48, 57, 59, 64, and 69.

JAMIE L. WHITTEN,
GEORGE E. SHIPLEY,
FRANK E. EVANS,
BILL D. BURLISON,
WILLIAM H. NATCHER,
NEAL SMITH,
BOB CASEY,
GEORGE MAHON,
MARK ANDREWS,
ROBERT H. MICHEL,
BILL SCHERLE,
J. K. ROBINSON,
ELFORD A. CEDERBERG,
Managers on the Part of the House.

GALE W. MCGEE,
JOHN L. MCCLELLAN,
WILLIAM PROXMIRE,
ROBERT C. BYRD,
HERMAN E. TALMADGE,
HIRAM L. FONG,
ROMAN L. HRUSKA,
MILTON R. YOUNG,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8619) making appropriations for agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1974, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment No. 1: The following provision in the opening paragraph of the Senate bill, "and shall be made available for expenditure except as specifically provided by law" was not agreed to by the conferees because it was deemed to be an unnecessary restatement of existing provisions of law. It was therefore deleted without prejudice.

TITLE I—AGRICULTURE PROGRAMS

Department of Agriculture

Personnel Ceilings

Of particular concern to the conferees is the fact that as personnel requirements increase for individual agencies such as the Animal and Plant Health Inspection Service for meat inspectors, offsetting decreases are imposed on other agencies of the Department to the detriment of those programs.

Therefore, the conferees direct that the additional personnel provided for fiscal year 1974 shall not be restricted by any personnel or monetary ceiling heretofore or hereafter applied, levied or charged against the Department and shall be considered an incremental increase in personnel ceiling to be accounted for separately. Additional personnel provided for laboratory staffing shall be accounted for by laboratory.

In addition, all personnel engaged in the preparation of Environmental Impact Statements, now estimated at 200 in the Soil Conservation Service alone, shall also be considered an addition to any personnel ceiling and shall be accounted for separately, including the cost thereof.

Departmental management

Office of the Secretary

Amendment No. 2: Appropriates $10,822,000 for the Office of the Secretary as proposed by the House instead of $10,872,000 as proposed by the Senate.

Amendment No. 3: Corrects legislative citation as proposed by the Senate.

Amendment No. 4: Includes amended language similar to the original House language stricken by the Senate which will provide the $20,000 limitation on farm payments now in the law and limits funds available under section 610 of the Agricultural Act of 1970 to $3,000,000 for research only, with the projects to be approved by the Secretary as provided by law. The amendment provides the following language:

None of the funds provided by this Act shall be used to pay the salaries of any personnel which carries out the provisions of section 610 of the Agricultural Act of 1970, except for research in an amount not to exceed $3,000,000; projects to be approved by the Secretary as provided by law.

None of the funds provided by this Act shall be used to pay the salaries of personnel who formulate or carry out programs for the 1974 crop year which exceed the limitations provided by section 101 of Public Law 93-86, enacted on August 10, 1973, which provides as follows:

"Sec. 101. Notwithstanding any other provision of law—

"(1) The total amount of payments which a person shall be entitled to receive under one or more of the annual programs established by titles IV, V, and VI of this Act for the 1974 through 1977 crops of the commodities shall not exceed $20,000.

"(2) The term 'payments' as used in this section shall not include loans or purchases, or any part of any payment which is determined by the Secretary to represent compensation for resource adjustment or public access for recreation.

"(3) If the Secretary determines that the total amount of payments which will be earned by any person under the program in effect for any crop will be reduced under this section, the set-aside acreage for the farm or farms on which such person will be sharing in payments earned under such program shall be reduced to such extent and in such manner as the Secretary determines will be fair and reasonable in relation to the amount of the payment reduction.

"(4) The Secretary shall issue regulations defining the term 'person' and prescribing such rules as he determines necessary to assure a fair and reasonable application of such limitation: *Provided,* That the provisions of this Act which limit payments to any person shall not be applicable to lands owned by States, political subdivisions, or agencies thereof, so long as such lands are farmed primarily in the direct furtherance of a public function, as determined by the Secretary. The rules for determining whether corporations and their stockholders may be considered as separate persons shall be in accordance with the regulations issued by the Secretary on December 18, 1970."

Agreement on the language to be offered was reached after receiving evidence that the original House action would prohibit the sale or lease of cotton allotment by more than 214,000 small farmers with cotton allotments of ten acres or less in six States and a lesser number in 14 additional States leaving them no way to stay in business or without any income from such acreage. Such a situation would be disastrous to these thousands of small farmers and would further reduce the amount of cotton produced in this period of inadequate supply.

Evidence submitted by the Department of Agriculture pointed out that as a result of the House language prohibiting sale or lease of cotton acreage, farms adversely affected in six major States would be as follows:

	Farms
Alabama	41,375
Georgia	31,071
Mississippi	27,970
North Carolina	38,182
South Carolina	24,489
Texas	34,450

Fourteen other States would be affected to a lesser degree.

Of this number 214,000 farms have an allotment of ten acres or less.

We had this experience in 1955 when the Department by refusing to sell cotton and other commodities on hand in the Commodity Credit Corporation used such supply to restrict acreage in cotton thus forcing more than 55,000 farm families off the farm, and largely into our cities. (See pages 31–32 of Part 9 of the printed House Hearings on the 1974 appropriations bill.)

With regard to the provisions of section 610 of the Agricultural Act of 1970 which authorizes funds for cotton research and development, the conference report includes language which limits the amount of funding for this program to $3,000,000 for research only. In addition, the conference language specifically provides that each project sponsored under this program must have approval by the Secretary of Agriculture as provided by law. The conferees direct that research under this program be coordinated with other cotton research activity of the Department of Agriculture.

This action was taken as a result of the findings of the General Accounting Office and the report of the Department of Agriculture to the Congress. The House Appropriations Committee spelled out directives for the operations of this activity in its report on the 1974 appropriations bill, and such directives, as repeated below, are approved by the conferees.

Excerpt from House Report 93–275

During the past several months, the Committee has received increasingly critical reports on the handling of research and promotional funds in the cotton industry. It would appear that the criticisms are of sufficient stature to warrant an immediate general review by the Department of all activities in this connection in order to make certain that the intent of the law for the use of these funds is being carried out without exception. Immediate corrective action should be taken where deficiencies are noted. The Committee will expect periodic reports informing it of the progress being made in this connection.

The Committee does not wish to prejudge the merit of these programs at this time. However, in order to provide the maximum benefits from funds made available from the Treasury and from producers as a result of Federal law, the Committee directs the Secretary to maintain annual supervision, including approval in advance, of the use of Federal funds, as well as producer funds which are collected as a result of Federal law; to maintain annual audits of Cotton, Inc., including surveillance of salaries paid and programs sponsored and funds spent; and to require full reports from Cotton Council International as a condition precedent to cooperation in either promotion or research, all in order to obtain maximum results and to promote the use of American cotton.

We are in the throes of a serious shortage of cotton. Current prices on the cotton market are about three times what they were a year ago. Commodity Credit Corporation stocks of cotton are practically nonexistent. The export demand for cotton is booming. Many of the textile mills in this country are unable to obtain sufficient supplies of cotton. Additional research breakthroughs in lowering production costs and increasing supplies are vital.

The conferees are in agreement that to obtain coordination, to avoid duplication of effort, and to obtain maximum results funds available for this program under the one dollar per bale check-off (7 U.S.C. 2106) shall be subject to the same scrutiny by the Secretary of Agriculture as those provided under section 610 of the Agricultural Act of 1970.

SCIENCE AND EDUCATION PROGRAMS

Agricultural Research Service

Amendment No. 5: Appropriates $175,938,400 for Agricultural Research Service instead of $172,790,000 as proposed by the House and $178,946,900 as proposed by the Senate. The increase over the amount provided by the House includes $200,000 for research on smut disease affecting sugar production; $500,000 for establishment of a Tropical Agriculture and Training Center; $750,000 for staffing of the Meat Animal Research Center at Clay Center, Nebraska; $600,000 for soybean research; $300,000 for staffing the Human Nutrition Laboratory at Grand Forks, North Dakota; $100,000 for staffing the laboratories at Corvallis, Oregon and Puyallup, Washington; $75,000 for saline seep research in Montana; $32,000 for peach tree life research; $20,000 for wild rice research; $41,800 for continuation of research at Hood River, Oregon; $300,000 for expanded research on nonlethal methods of predator control; $22,400 for pecan research; $125,000 for Tropical Fruit Fly research; $58,200 for revegetation of strip mined areas; and $24,000 for grass breeding research at Mandan, North Dakota.

The conferees are in agreement that within available funds a research contingency fund of $250,000 shall be established for continued contract research to improve utilization and the development of cottonseed products in the food protein areas.

The conferees direct the Department to perform an analysis of additional research needs required to increase soybean production to more adequately meet existing demand and to advise the House and Senate Appropriations Committees accordingly.

The Department is also directed to provide the House and Senate Appropriations Committees with a report indicating what efforts have been made to date to devise a means of extracting ethyl alcohol from grain for use as fuel and what has been accomplished in this connection.

In regard to the $680,000 in the Senate bill for planning for a dairy cattle management and forage research laboratory to be located in Wisconsin, the Senate has receded. The conferees agree that the Department should look into this matter and report their findings to the Congress.

Staffing for Agricultural Research Laboratories has been insufficient for several years. The Department is directed to take the necessary action to improve this situation at the earliest possible date. The additional staffing for laboratories funded in this bill has purposely been kept to a minimum in recognition of the difficulty that has been experienced in obtaining adequate staffing of laboratories.

Amendment No. 6: Deletes language proposed by the Senate providing that $830,000 of funds appropriated shall remain available until expended for plans, construction, and improvement of facilities.

Amendment No. 7a: Deletes language proposed by the Senate earmarking $100,000 of funds appropriated for conducting a study to determine the feasibility of extracting fuel from grain.

Amendment No. 7b: Deletes language proposed by the Senate earmarking $18,000 of funds provided for the purpose of offsite improvements adjacent to the Grain Marketing Research Laboratory, Manhattan, Kansas.

Scientific Activities Overseas

(Special Foreign Currency Program)

Amendment No. 8: Appropriates $5,000,000 for Scientific Activities Overseas as proposed by the House instead of $10,000,000 as proposed by the Senate.

Animal and Plant Health Inspection Service

Amendment No. 9: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment providing $285,925,000 for Animal and Plant Health Inspection Service instead of $287,171,000 as proposed by the House and $342,871,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The reduction below the amount provided by the Senate includes $49,000,000 for repayment to the Commodity Credit Corporation; $6,700,000 for construction of a quarantine facility at Fleming Key, Florida; and $1,246,000 for screwworm eradication in Mexico.

The conferees direct the Department to immediately evaluate the overall need for additional quarantine facilities and if urgently needed now, various alternatives available to alleviate this situation should be reported to the Office of Management and Budget for inclusion in any supplemental request to the Congress for consideration by the Congress.

Amendment No. 10: Deletes language proposed by the Senate earmarking $49,000,000 for repayment to the Commodity Credit Corporation.

Amendment No. 11: Deletes language proposed by the Senate earmarking $6,700,000 to remain available until expended for plans, construction, and improvement of facilities.

Cooperative State Research Service

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment providing $70,104,000 for payment to Agricultural Rural Experiment Stations under the Hatch Act and penalty mail instead of $68,565,000 as proposed by the House and $69,104,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The increase over the amount proposed by the Senate includes an additional $1,000,000 for pay increase costs.

Amendment No. 13: Provides $6,203,000 for cooperative forestry research instead of $5,962,000 as proposed by the House and $6,444,000 as proposed by the Senate.

Amendment No. 14: Provides $11,583,000 for contracts and grants for scientific research as proposed by the Senate instead of $11,183,000 as proposed by the House.

Amendment No. 15: Provides $1,500,000 for rural development research instead of $500,000 as proposed by the House and $2,500,000 as proposed by the Senate.

Amendment No. 16: Appropriates $89,880,000 in total for Cooperative State Research Service instead of $86,700,000 as proposed by the House and $90,121,000 as proposed by the Senate.

Extension Service

Amendment No. 17: Provides $137,717,000 for cooperative agricultural rural extension work instead of $134,217,000 as proposed by the House and $141,217,000 as proposed by the Senate. The increase over the amount provided by the House includes $2,500,000 for increased salary costs of Extension personnel; and $1,000,000 for penalty mail.

Amendment No. 18: Provides $1,500,000 for rural development education instead of $500,000 as proposed by the House and $2,500,000 as proposed by the Senate.

Amendment No. 19: Appropriates $199,527,000 in total (excluding Federal administration and coordination costs) for the Extension Service instead of $195,027,000 as proposed by the House and $204,027,000 as proposed by the Senate.

Amendment No. 20: Deletes language proposed by the Senate providing $15,000 for employment of consultants. The conferees are in agreement that the Washington office of the Extension Service shall provide full and complete liaison assistance to the 1890 Land Grant Colleges and Tuskegee Institute in order to assure that programs at these institutions are productive and efficient.

AGRICULTURAL ECONOMICS

Statistical Reporting Service

Amendment No. 21: Appropriates $22,859,200 for the Statistical Reporting Service as proposed by the Senate instead of $22,834,200 as proposed by the House.

Economic Research Service

Amendment No. 22: Appropriates $15,780,000 for the Economic Research Service instead of $15,505,000 as proposed by the House and $15,880,000 as proposed by the Senate. The increase of $275,000 over the amount provided by the House is for economic research and statistical data on predator control and problems as they relate to the livestock industry.

Amendment No. 23: Deletes language proposed by the Senate earmarking $100,000 for a study of the existing crisis in rural transportation. However, the conferees direct the Department to analyze existing data relative to the current crisis in rural transportation and provide the House and the Senate with a summary of the information.

MARKETING SERVICES

Agricultural Marketing Service

Marketing Services

Amendment No. 24: Appropriates $34,865,000 for marketing services as proposed by the Senate instead of $34,528,000 as proposed by the House.

Funds for Strengthening Markets, Income, and Supply

(Section 32)

Amendment No. 25: Provides $508,560,000 as proposed by the House instead of $510,560,000 as proposed by the Senate.

Amendment No. 26: Deletes language proposed by the Senate earmarking $2,000,000 to assist local public or nonprofit agencies with the cost of distributing supplemental foods to pregnant and lactating women and to infants.

Public Law 92-433 which was approved on September 26, 1972 authorized a special supplemental food program for pregnant or lactating women and infants determined to be nutritional risks because of inadequate nutrition and inadequate income. The Act authorized a program for fiscal year 1973 and 1974.

The Department had not issued implementing regulations by the spring of 1973. As a result court action was brought against the Department and a U.S. District Court ordered the Department to implement the program as expeditiously as possible. Regulations were issued in July 1973.

Action has been postponed on the Senate increase since the Food and Nutrition Service is currently reviewing the proposals received from bidders who responded to a request for proposal to carry out the medical evaluation necessary in carrying out the program. A technical panel was established to review and evaluate the technical aspects of these proposals prior to submission to the Agency's Board of Contract Awards. This panel includes eminent medical personnel who are outstanding experts in their respective fields of pediatrics, obstetrics, and nutrition. FNS expects to award the evaluation contract in the near future.

Packers and Stockyards Administration

Amendment No. 27: Appropriates $4,054,650 for Packers and Stockyards Administration as proposed by the House instead of $4,154,650 as proposed by the Senate.

INTERNATIONAL PROGRAMS

Foreign Agricultural Service

Amendment No. 28: Appropriates $25,805,000 as proposed by the House for Foreign Agricultural Service instead of $26,000,000 as proposed by the Senate.

Amendment No. 29: Appropriates $239,051,000 for title I of the Agriculture Trade Development and Assistance Act of 1954 instead of $189,051,000 as proposed by the House and $289,051,000 as proposed by the Senate.

The conferees are in agreement these funds shall not be used in a manner to further aggravate the current food situation in this country. In addition, the conferees direct that there shall be no sales for soft currencies to any country the recipient of which is engaged in the sale of the same commodity.

Amendment No. 30: Appropriates $314,587,000 for title II of the Agriculture Trade Development and Assistance Act of 1954 instead of $264,587,000 as proposed by the House and $364,587,000 as proposed by the Senate.

Amendment No. 31: Deletes language proposed by the Senate making the availability of this appropriation contingent upon enactment of necessary legislative authorization.

TITLE II—RURAL DEVELOPMENT PROGRAMS

Department of Agriculture

The conferees are concerned with the action of the Government in freezing funds and reducing personnel of existing rural development programs such as housing, sewer and water grants and loans, rural electrification loans and other programs while promoting by public announcement the Rural Development Act (Public Law 92-419) without action or apparent plan or purpose. This was not the intent of Congress. The Rural Development Act was enacted to amplify and extend existing and needed services to the rural areas of this country. The following tabulation indicates the extent of rural development activities administered prior to the enactment of the new legislation which have been adversely affected by governmental action.

ACCOMPLISHMENTS IN RURAL DEVELOPMENT UNDER AUTHORITIES PREDATING THE RURAL DEVELOPMENT ACT OF 1972

	Number	Amount (thousands)
FHA [1]		
Community loans and grants:		
Water and waste disposal loans	9,956	$1,836,536
Water and waste disposal grants	5,179	263,961
Recreation loans to associations	977	105,968
Recreation loans to individuals	231	7,208
Watershed works of improvement	319	72,394
Flood prevention	26	3,774
Resource conservation and development	161	13,168
Subtotal, community programs	16,849	2,303,009
Housing loans and grants:		
Individual building loans	724,370	7,961,285
Rural rental housing loans	3,115	244,037
Farm labor housing loans	283	31,451
Farm labor housing grants	52	23,838
Mutual and self-help housing site loans	67	5,069
Mutual and self-help housing grants	48	7,067
Housing loans and grants—Continued		
Rural housing buildings grants to individuals	10,553	8,196
Subtotal, FHA housing	738,488	8,277,943
Total, FHA	755,337	10,580,952
REA [2]		
Electric loans	17,570	8,746,398
Telephone loans	3,987	2,002,537
Telephone bank loans	221	240,913

[1] Since 1939 or program initiation through 1973.
[2] Since 1936 or program inception through 1973.

The conferees fully endorse the objectives of the Rural Development Act, but are convinced the enactment of new authority was to amplify, coordinate and enlarge existing programs that have proved their worth through the test of time and experience.

Section 817 of Public Law 93-86 provides "no grant or loan authorized to be made under this act shall require or be subject to the prior approval of any officer, employee, or agency of any State." The conferees direct that those responsible for the administration of the Rural Development Act abide by this provision of the law in order that program development may be administered on an efficient and practical basis.

While funding has been provided in the amount of $200,000,000 for rural industrial development, the conferees have some reservation regarding the ability of the Department of Agriculture to administer this phase of the program in an effective manner because of lack of previous experience in this type of endeavor. Departmental officials are therefore directed to take the fullest possible advantage of the expertise available in this area that can be obtained from the Economic Development Administration or the Small Business Administration, and to make efforts to obtain trained personnel from such agencies, the numbers of which shall be in addition to any existing or hereafter imposed personnel ceiling.

Rural Development Grants and Technical Assistance

Amendment No. 32: Appropriates $10,000,000 for rural development grants and technical assistance instead of $5,000,000 as proposed by the House and $20,000,000 as proposed by the Senate.

The Department is directed to keep the House and Senate Appropriations Committees fully advised of progress being made in this program and to take advantage to the maximum extent possible of the expertise of personnel in other departments of the government who have had extensive experience in this type of program. The increase over the amount provided by the House is for grants for community facilities.

Soil Conservation Service

Resource Conservation and Development

The conferees are in agreement with the Senate report language which recommends 25 new project starts instead of 15 programmed in the budget estimate.

More favorable consideration must be given to the operations of the Soil Conservation Service in connection with personnel limitations. The work of this agency has greatly expanded especially with the requirement that Environmental Impact Statements be prepared for each project. Yet the conferees note that the personnel allowance has decreased from 14,457 in fiscal year 1970 to 13,060 in fiscal year 1974.

Rural Electrification Administration

Amendments Nos. 33 and 34: Provide that insured loans pursuant to authority of section 305 of Public Law 93-32 shall be not less than $618,000,000 but not more than $750,000,000 as proposed by the Senate instead of the House provision which stipulated a loan level of $618,000,000.

Amendments Nos. 35 and 36: Provide a loan level for rural telephone loans of not less than $140,000,000 but not more than $200,000,000 as proposed by the Senate instead of the House provision which stipulated a loan level of $140,000,000.

The Congress passed and the President signed on May 11, 1973, P.L. 93–32 following a long dialogue with the Administration which was to be the basis for funding REA programs—from the Rural Electrification and Telephone Revolving Fund to the extent of its assets—and that P.L. 93–32 would be promptly implemented by the REA Administrator. This has not happened. Under P.L. 93–32, the Administrator was both authorized to make insured loans at 5%, and to guarantee non-Federal loans at interest rates to be agreed upon by the borrower and lender. Insured electric loans were to be made available under Congressional mandates that assured a loan program of not less than $618 million nor more than $750 million. The REA's "guarantee" authority was written to facilitate and support the ability of REA borrowers to obtain loans from non-REA lenders at prevailing market interest rates and terms when their borrowing needs are beyond the fund available for REA insured loans.

Now, over four months after the passage of Public Law 93–32, and nine months after the termination of the previous programs on January 1, 1973, the Administration has still not implemented REA's loan "guarantee" program.

To end this delay, and to assure the availability of credit to the REA, an amendment was proposed to the 1974 Agriculture Appropriation Act to implement the loan guarantee program by preventing the payment of certain salaries and expenses for persons associated with that delay. However, the amendment was withheld upon receiving assurances from the Director of the Office of Management and Budget that he would recommend and support implementation of this program.

In addition to these explicit comments and assurances, the Conference wants to make clear that the Office of Management and Budget also provided assurance that insofar as OMB was involved, all additional roadblocks to the implementation and operation of these REA programs would be removed imminently.

Farmers Home Administration

Rural Housing Insurance Fund

Amendments Nos. 37, 38, and 39: Provide insured loan levels of $2,144,000,000 as proposed by the Senate instead of $1,500,000,000 as proposed by the House. The amendments also provide that of the total not less than $1,200,000,000 shall be available for subsidized interest loans to low-income borrowers, instead of $500,000,000 as proposed by the House.

Amendment No. 40: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment providing language to authorize the Secretary of Agriculture to sell any notes in the fund or to sell certificates of beneficial ownership therein to the Secretary of the Treasury, to the private market, or to such other sources as the Secretary may determine.

Amendment No. 41: Provides technical correction proposed by the Senate.

Agricultural Credit Insurance Fund

Amendment No. 42: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment providing language to authorize the Secretary of Agriculture to sell any notes in the fund or to sell certificates of beneficial ownership therein to the Secretary of the Treasury, to the private market, or to such other sources as the Secretary may determine.

Rural Housing for Domestic Farm Labor

Amendment No. 43: Appropriates $7,500,000 instead of $5,000,000 as proposed by the House and $15,000,000 as proposed by the Senate. The conferees direct the Secretary of Agriculture to review existing regulations to assure that the program is administered in accord with the intent of Congress; that the program should be directed at those who need it; and that local sponsors should provide as much of the costs as they can from their own resources.

Mutual and Self-Help Housing

Amendment No. 44: Appropriates $4,000,000 for mutual and self-help housing instead of $3,000,000 as proposed by the House and $5,000,000 as proposed by the Senate.

Rural Development Insurance Fund

Amendments Nos. 45, 46 and 47: These amendments all involve loan levels for water, sewer, industrial development, and other community facilities. The House bill provided $445,000,000 for water and sewer loans and $50,000,000 for other community facility loans. The Senate bill provided $545,000,000 for water, sewer and community facility loans. For industrial development loans, the House bill provided $100,000,000 and the Senate bill provided $400,000,000.

With respect to water and sewer loans the conferees agreed to $470,000,000. The conferees agreed to $50,000,000 for community facility loans and for industrial development loans the conferees agreed to $200,000,000.

The conferees are extremely disappointed by the Department's failure to develop a plan for the use of these industrial development loans. The conferees strongly support this program but did not feel it prudent to agree to the higher loan authorization level until the Department knows how to proceed with the program. Once such a plan is developed, the conferees agree that they will be inclined to look with favor upon funding requests.

To effectuate the conference agreements, the amendments would be disposed of as follows:

Amendment No. 45: The Senate recedes.

Amendment No. 46: Provides $470,000,000 for water and sewer loans.

Amendment No. 47: Provides $200,000,000 for industrial development loans and $50,000,000 for community facility loans.

Amendment No. 48: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment. The Senate bill provided language that would allow the Secretary of Agriculture to sell notes or certificates in the Rural Development Insurance Fund. In addition, the Senate bill also provided that loans provided to rural communities under the Rural Development Insurance Fund may allow for a grace period of not to exceed three years on the repayment of principal and interest on direct and insured loans if they have serious economic problems that such industrial expansion would help to alleviate. The conferees agreed to the language providing for the sale of notes or certificates but did not agree to the three year grace period. The conferees will expect the Department to report to the Committees on the need for such a grace period. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

TITLE III—ENVIRONMENTAL PROGRAMS

Council on Environmental Quality

The conferees agree that of the $715,000 provided in both the House and Senate versions of the bill for research studies, not less than $400,000 shall be utilized for carrying out the research studies specified by the House Report. The conferees will expect the Council, in the future, to justify their requests for research funds in detail.

Environmental Protection Agency

Personnel Ceilings

The conferees are concerned about the apparent lack of coordination between the Washington office of EPA and the Regional Office. Far too much delay is being encountered because of this lack of coordination. To help improve this situation the bill as passed by both the House and Senate provided for 232 new positions for the Agency. However, the House bill had eliminated 345 other new positions requested by the Agency. The Senate bill restored these 345 positions. The conferees have agreed to include 173 of the positions eliminated in the House bill. The action of the conferees will establish a year-end ceiling of 9,263 permanent positions. However, this ceiling may be revised upward to reflect the transfer of temporary employees to permanent status.

The conferees direct that the 405 additional positions provided for fiscal year 1974 shall not be included in any personnel or monetary ceiling heretofore or hereafter applied, levied or charged against the Agency and shall be considered an incremental increase to be accounted for separately.

Agency and Regional Management

Amendment No. 49: Appropriates $49,675,000 for agency and regional management activities instead of $49,475,000 as proposed by the House and $50,375,000 as proposed by the Senate. The Senate bill restored House reductions of $500,000 for temporary employees and $400,000 for permanent employees. The conferees agree that $200,000 above the House amount shall be available for permanent employees. The Senate recedes from the increase of $500,000 for temporary employees.

Amendment No. 50: The House bill provided that the Environmental Protection Agency prepare environmental impact statements as required by the National Environmental Policy Act, the same as all other agencies of the Federal Government. The Senate bill provided that the Agency prepare "environmental explanations" rather than environmental impact statements. The conferees agree that the Agency shall be required to prepare environmental impact statements on all major actions of the Agency having a significant impact on the environment.

Because of the need to maintain a common sense approach to our efforts to improve and restore our environment, all points of view need to be heard and taken into consideration. Therefore, the conferees expect the Administrator of the Environmental Protection Agency and the Chairman of the Council on Environmental Quality to work with the Secretary of Commerce so that the advice and recommendations of private industry, so essential to the economy and well-being of the people, will be given full consideration in the formulation of environmental policy.

It is the opinion of the conferees that had the Agency prepared environmental impact statements and given consideration to such things as cost to consumers and producers our present and foreseeable energy problems would likely not be as serious as they now appear to be.

Research and Development

Amendment No. 51: Provides language which will allow the Agency to purchase uniforms and lab coats as proposed by the Senate.

Amendments Nos. 52 and 53: Appropriate $161, 775,000, of which $9,000,000 will be derived from unexpended balances, instead of $154,175,000 (which included $13,000,000 in unexpended balances) as proposed by the House and $182,975,000 (which included $9,000,000 in unexpended balances) as proposed by the Senate.

The conferees concurred in the House reduction of $1,000,000 for temporary employees. The Senate had restored the House reduction of $1,000,000.

The conferees agreed to a reduction of $200,000 for permanent employees instead of a reduction of $400,000 as proposed by the House.

The conferees agreed to an increase of $10,000,000 to speed up initiation and implementation of new sulfur dioxide control techniques to existing large coal fired electrical generation plants instead of an increase of $20,000,000 as proposed by the Senate.

The Senate receded on the proposed increase of $5,000,000 for Sec. 208 grants.

The House receded on the Senate reduction of $3,600,000 for the Solid Waste Program. The Agency proposed transferring $3,600,000 from Research and Development to Abatement and Control to more accurately reflect the workload of the program.

The House receded on the Senate increase of $1,000,000 for Solid Waste Research.

The Senate receded on the general reduction proposed by the House. The bill provides increases of $5,000,000 for research on pesticides and $5,000,000 for preparation of environmental impact statements. Funds for some of this work had been included in the budget estimate, therefore, the conferees agreed to the general reduction proposed by the House.

Abatement and Control

Amendment No. 54: Provides language which will allow the Agency to purchase uniforms and lab coats as proposed by the Senate.

Amendments Nos. 55 and 56: Appropriate $257,100,000, of which $3,700,000 will be derived from unexpended balances, for abatement and control activities. The House proposed $251,100,000 (which included $5,700,000 in unexpended balances) and the Senate proposed $258,500,000 (which included $1,700,000 in unexpended balances).

The conferees concurred in the House reduction of $1,000,000 for temporary employees. The Senate had restored the House reduction of $1,000,000.

The conferees agreed to a reduction of $400,000 for permanent employees instead of a reduction of $800,000 as proposed by the House.

The House concurred in the transfer of $3,600,000 from Research and Development to Abatement and Control as proposed by the Senate.

The House receded in the Senate increase of $2,000,000 for initial funding of Sec. 115 of P.L. 92–500 to begin the identification and removal of toxic pollutants from harbor areas.

Amendment No. 57: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment. The Senate bill added language making funds available to carry out section 104(g) (1) and (2) of the Federal Water Pollution Control Act. The authorization for both of these sections expired on June 30, 1973.

Amendment No. 58: The Senate receded in the proposed increase of $15,000,000 for carrying out section 314 of the Federal Water Pollution Control Act. The conferees will expect the Agency to expedite their work in connection with the identification of euthropic lakes and develop a program to carry out their restoration. Once such a program has been developed, the plan should be submitted to the appropriate committees of Congress for review.

Amendment No. 59: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment. The Senate added language which provides for the transfer of $15,000,000 to the Agricultural Conservation Program (REAP) for conservation and pollution abatement practices including animal waste storage and diversion facilities.

Enforcement

Amendment No. 60: Provides language which will allow the Agency to purchase uniforms and lab coats as proposed by the Senate.

Amendment No. 61: Appropriates $46,150,000 for enforcement activities instead of $45,950,000 as proposed by the House and $46,850,000 as proposed by the Senate. The Senate receded on the increase of $500,000 for temporary employees. The Senate had restored the House reduction of $400,000 for permanent employees and the conferees agreed to a reduction of $200,000 or $200,000 above the House bill.

Construction Grants

Amendment No. 62: Deletes language providing that EPA shall obligate no less than $200,000,000 for reimbursement for waste treatment facilities built between 1956 and 1966 as proposed by the Senate.

Scientific Activities Overseas

(Special Foreign Currency Program)

Amendment No. 63: Appropriates $2,000,000 for scientific activities overseas as proposed by the House instead of $4,000,000 as proposed by the Senate.

National Commission on Water Quality

Amendment No. 64: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment, the effect of which will be to provide $10,000,000 for the Commission as proposed by the Senate. In addition, the House amendment will also extend the availability of the funds until June 30, 1975 and prohibit the use of the funds to delay any existing project heretofore authorized. The conferees also agreed to change the name of the Commission to reflect the new name officially adopted by the members of the Commission. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Farmers Home Administration and Housing and Urban Development Water and Sewer Grants

The Conferees wish to express their concern over the need to implement the HUD and FHA water and sewer programs as provided in the bill. Both the House and Senate versions of the bill were identical; therefore, the water and sewer program funding was not an item in conference. The bill provides for the FHA program an appropriation of $30,000,000 and the reappropriation of $120,000,000 in frozen funds for a total program level of $150,000,000 in 1974. In the case of HUD, the bill provides for the reappropriation of $400,000,000 in frozen prior year funds, including $100,000,000 to be transferred to EPA to start the Great Lakes Program.

Both of these highly important programs were cancelled by the Administration during fiscal year 1973, and the Great Lakes Program was never started. Part of the rationale given is that $5 billion was provided to EPA for the construction grant program and P.L. 92–500 gave EPA the authority to make sewer grants; therefore, there was no longer a need for the FHA and HUD programs. While EPA does have the authority to make sewer grants, the agency does not have the authority to make grants for water systems, as do the FHA and HUD programs. Moreover, EPA's grants are made on the basis of a priority listing developed by the States and traditionally sewer systems are of low priority, as compared to treatment plants.

In addition to the above, P.L. 92–500 changed the allocation formula of how funds were distributed to the States. In terms of the $5 billion made available for grants during fiscal years 1973 and 1974, this change in formula resulted in 19 States receiving more funds than under the old formula, but 31 States receiving a reduction in funds. For example, the four largest increases and the four largest decreases were in the following States:

	Old formula	New formula	Change		Old formula	New formula	Change
New Jersey	$172,916,450	$385,200,000	+$212,283,550	Texas	$269,923,250	$138,470,000	−$131,453,250
Michigan	213,978,550	399,070,000	+185,091,450	North Carolina	123,150,750	46,145,000	−77,005,750
Maryland	94,982,250	212,910,000	+117,927,750	Alabama	83,933,150	18,060,000	−65,873,150
New York	437,697,550	552,890,000	+115,192,450	Georgia	111,263,400	48,650,000	−62,613,400

In reviewing the 31 States that lost funds as a result of the formula change; clearly, rural America was the big loser. The FHA and HUD programs were a major factor in the effort of rural America toward a better life. The change in the allocation formula plus the cancellation of the FHA and HUD water and sewer programs were a severe blow to this effort.

Therefore, the Conferees direct that the FHA and HUD water and sewer programs be reestablished at the level provided by this bill. Reestablishment of these important programs will help to offset to some degree the losses sustained by rural America by the formula change in the distribution of EPA construction grant funds.

DEPARTMENT OF AGRICULTURE

Soil Conservation Service

Conservation Operations

Amendment No. 65: Deletes language proposed by the Senate authorizing necessary expenses for carrying out responsibilities under section 302 of the Rural Development Act of 1972 (Public Law 92–419).

Amendment No. 66: Appropriates $160,000,000 for conservation operations as proposed by the House instead of $168,069,000 as proposed by the Senate.

The conferees are in agreement that more favorable consideration must be given to the operations of the Soil Conservation Service with regard to the imposition of personnel limitations because of the increased workload resulting from expanded operations and additional duties being incurred by the requirement for filing environmental impact statements. Additional personnel needed to carry out the programs under the increased funding provided in this bill shall be in addition to any personnel limitations heretofore or hereafter imposed. It is most important that the essential services of the Soil Conservation Service not be curtailed.

Watershed Planning

Amendment No. 67: Appropriates $10,000,000 for watershed planning instead of $7,053,000 as proposed by the House and $12,000,000 as proposed by the Senate.

Agricultural Stabiliaztion and Conservation Service

Agricultural Conservation Program (REAP)

Title X of the Agriculture and Consumer Protection Act of 1973 (Public Law 93-86) provides for a "Rural Environmental Conservation Program." The conferees are in agreement that funds and authorities provided in this bill to the Agricultural Stabilization and Conservation Service for the Agricultural Conservation Program (REAP) shall also be available for the Rural Environmental Conservation Program.

County ASCS Committees shall retain authority to select and approve cost sharing practices, including the application of minerals or other materials where such Committees find such practices essential to land development or preservation. The conferees further direct that State and County ASCS Committeemen should not be arbitrarily dismissed.

Many of the practices authorized under the Rural Environmental Conservation Program will involve multi-year programs on a contractual basis. For the purpose of computing new obligational authority for each fiscal year in these instances, only the amount of obligation for a particular fiscal year shall be considered. To include the total obligation of the contractual period in any one fiscal year would greatly reduce the annual scope of program activity under this program.

Under the provisions of the Soil Conservation and Domestic Allotment Act of 1936, the Agricultural Stabilization and Conservation Service has provided financial assistance for tree planting for forestry purposes and timber stand improvement practices. Assistance for tree planting has been available since 1958. Under these practices, over one million farmers have planted about 5.5 million acres with cost-share systems amounting to approximately $120 million. The number of trees planted on the 5.5 million acres is about 4.9 billion trees. Practically all States have participated in this phase of the program.

Section 1009 of the Agriculture and Consumer Protection Act of 1973 (Public Law 93-86) provides for a forestry incentives program. It is to be noted that the legislation stipulates that "The programs, contracts, and authority authorized under this title shall be in addition to and not in substitution for, other programs in such areas authorized by this or any other title or act, . . ." In view of previous experience gained in this program, the conferees direct that the Agricultural Stabilization and Conservation Service administer the so-called "forestry incentives program" in conjunction with the tree planting program that the agency has administered since 1926.

Water Bank Act Program

Amendment No. 68: Appropriates $10,000,000 for the Water Bank Act Program as proposed by the Senate.

TITLE IV—CONSUMER PROGRAMS

DEPARTMENT OF HEALTH, EDUCATION AND WELFARE

Office of Consumer Affairs

Amendment No. 69: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment with an amendment, the effect of which will be to provide $1,140,000 rather than $1,200,000 as provided by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The conferees will expect the Office of Consumer Affairs to obtain necessary legislative authorization prior to the consideration of next year's bill.

Food and Drug Administration

Amendment No. 70: Provides language proposed by the Senate that funds expended for tea inspection by the Food and Drug Administration in fiscal year 1974 shall not exceed the fees collected during the same period.

Federal Trade Commission

Amendment No. 71: Appropriates $30,600,000 instead of $29,600,000 as proposed by the House and $32,090,000 as proposed by the Senate. The conference agreement includes $1,000,000 for a study of the energy industry. This study shall be in conjunction with the study made heretofore which was limited to the petroleum industry and shall include a report to the Committee and to the Congress at the earliest practicable moment consistent with compiling an adequate study. As in the earlier petroleum study, the study should also include consideration of the effects of decisions by government departments and agencies, including environmental agencies, on the price and supply of energy. The study shall be conducted within the regular organizational structure of the Federal Trade Commission and under normal procedures. The conferees have not restored the 40 positions deleted by the House because of the failure to fill all of the 130 positions provided by Congress last year.

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Child Nutrition Programs

Amendment No. 72: Appropriates $696,918,000 for the Child Nutrition Programs instead of $690,918,000 as proposed by the House and $702,918,000 as proposed by the Senate.

Amendment No. 73: Provides $22,110,000 for nonfood assistance instead of $16,110,000 as proposed by the House and $28,110,000 as proposed by the Senate.

Special Milk Program

Amendment No. 74: Appropriates $97,123,000 for the Special Milk Program as proposed by the Senate instead of $25,000,000 as proposed by the House. This amount shall be available to carry out the special school milk program pursuant to appropriate legislative authorization. The conferees wish to make certain that milk is made available to all school children.

Food Stamp Program

Amendment No. 75: Appropriates $2,500,000,000 for food stamps as proposed by the Senate instead of $2,200,000,000 as proposed by the House. The conferees have agreed to $2,500,000,000, the same as the amount appropriated for fiscal year 1973 but $300,000,000 more than the budget request, because of recent actions by the Congress. At the time the Department appeared before the House Committee, the Committee was assured that the figure of $2,200,000,000 would meet all known requirements under the law. However, with the recent passage of the Farm Bill eligibility for this program was greatly expanded. The conferees were advised that a supplemental budget request in excess of $700,000,000 is currently being developed by the Executive Branch to meet this broadened eligibility. Therefore, the conferees agreed to the $2,500,000,000 which should result in reducing the amount that will have to be provided by a supplemental appropriation.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1974 recommended by the Committee of Conference, with comparisons to the fiscal year 1973 total, the 1974 budget estimate total, and the House and Senate bills follows:

New budget (obligational) authority, fiscal year 1973	$12,738,992,700
Budget estimates of new (obligational) authority, fiscal year 1974	9,519,550,600
House bill, fiscal year 1974	9,385,737,600
Senate bill, fiscal year 1974	10,176,926,500
Conference agreement	9,927,667,000
Conference agreement compared with—	
New budget (obligational) authority, fiscal year 1973	−2,811,325,700
Budget estimates of new (obligational) authority (as amended), fiscal year 1974	+408,116,400
House bill, fiscal year 1974	+541,929,400
Senate bill, fiscal year 1974	−249,259,500

The conference report is $2.8 billion below last year's appropriation. $300 million has been added for food stamps because eligibility requirements were liberalized in the Farm Bill which was passed after both houses had acted on the bill. The conferees have been advised that a supplemental in excess of $700,000,000 for the food stamp amendments is currently being considered in the Executive Branch. The effect is that the present conference agreement is $408,116,400 above the present budget request, but is well within the budget request which is in process.

Jamie L. Whitten,
George E. Shipley,
Frank E. Evans,
Bill D. Burlison,
William H. Natcher,
Neal Smith,
Bob Casey,
George Mahon,
Mark Andrews,
Robert H. Michel,
Bill Scherle,
J. K. Robinson,
Elford A. Cederberg,
Managers on the Part of the House.

Gale W. McGee,
John L. McClellan,
William Proxmire,
Robert C. Byrd,
Herman E. Talmadge,
Hiram L. Fong,
Roman L. Hruska,
Milton R. Young,
Managers on the Part of the Senate.

COMMENDATION OF PRESIDENT FOR ACTION TO STOP DISCRIMINATION AGAINST WOMEN

(Mrs. GRIFFITHS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. GRIFFITHS. Mr. Speaker, it is possible I do not agree with all parts of the housing message, but I should like to tell the Members one thing. It is the first time in American history, I believe, that a President of the United States has singled out women as being a discriminated-against class in an individual law and has asked that such discrimination be cured. I applaud the President for his action, and I hope he will look at the rest of the laws.

THE MILITARY ALL-VOLUNTEER CONCEPT—FOURTH SEGMENT

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, to continue my 1 minute speeches on the volunteer concept, by hard recruiting the Army National Guard has in most States kept its strength levels up; however, the Army Guard has a shortfall of 18,000.

If the Congress will pass enlistment and reenlistment bonuses and the full-time life insurance legislation, then the Army Guard should be able to maintain its strength levels.

The Air Guard was the only Reserve unit to be given an increase in personnel by the Congress. They are keeping their strengths up, but they do need incentives.

Mr. Speaker, I cannot understand why we can give incentives to the Regulars like they are going out of style but none to the Reserves.

The only incentive given to the Army National Guard recently is that long-haired guardsmen can now wear wigs to cover their long hair, but these wigs must be dark, blond, or gray, but not purple, as one guardsman showed up at summer camp wearing. However, the Air Guard has not permitted its airmen to wear wigs up to this time.

Yes, Mr. Speaker, things certainly have changed in the military since you and I served. Would you believe what color a soldier's wig should be is now an important decision?

REPORT ON PARKING

(Mr. SISK asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SISK. Mr. Speaker, I simply would like to alert the membership to the fact that the Committee on Parking has been striving to increase the amount of parking for our staff people.

We have received a very large number of requests for additional parking.

We feel that we are making progress. I simply am taking this opportunity to place some remarks in the RECORD outlining the procedure through which we are moving certain set-hour employees to an adjacent parking lot near the R. F. K. Stadium, and we will be busing these people to and from the Capitol.

Mr. Speaker, we are getting a few kicks because some of these people, for some reason, seem to feel that they have an inherent right to park right in a particular spot.

We know that we are at least a couple thousand parking spaces short. All I ask is that the Members bear with us. We are moving ahead. We will be moving not only the policemen but employees of the Architect's Office, employees of the Clerk's office, employees of the Building Superintendent, and so on, in stages out to this parking lot. We will continue to give them security for their automobiles.

Mr. Speaker, we will be able thereby to make available parking spots for the Members' staffs, we hope, very shortly, in additional numbers.

Mr. Speaker, as chairman of the Select Committee on Parking I have been designated by the committee to report to the House on the progress we are making in trying to provide additional parking spaces for our ever-increasing personnel and to improve the overall parking situation on the House side of the Capitol.

First, I should like to thank my distinguished colleague, Chairman BOB CASEY of the Legislative Appropriations Subcommittee for requesting the necessary funds to put these plans into effect.

Second, as you may know we started on August 20 with a plan to utilize the parking lots at R.F.K. Stadium coupled with a regularly scheduled shuttle bus system to add to our usable spaces.

From the beginning our intention was to place most House employees with set working hours at the new facility. We decided to use the Capitol Police as the first group because of the fine cooperation we have received from them in the past.

Following the successful test run with the police and the Library of Congress employees, it is our intention to start parking employees from the Architect's office on September 24; House Office Building personnel on October 1; Clerk's office personnel on October 9; and cafeteria workers on October 15, at the new facility.

As you know we will provide free parking as well as free transportation to and from Capitol Hill. We are currently using GPO, Capitol Police, and Library of Congress buses, but will shortly contract with Metro to provide the transportation.

Once we have completed the schedule for stadium parking it will open up spaces on the Hill which will be made available to Members and committees.

After filling these newly opened spaces we will then also offer spaces at the stadium for Members and committees.

The committee will be conducting a continuing study which will include reorganizing the arrangement of the present spaces within the garages and lots on the House side which will provide even more additional spaces in these garages and lots.

We recognize that many will be inconvenienced, but because all of us are seeking the same goal of adequate parking for all we are sure of having your cooperation.

By minor inconveniences to some who have always had parking we will now be able to provide parking for some who have never had a parking space.

One of our greatest complaints has been from those with lot stickers but no assigned space, who have been forced to drive around for a long time to the various lots but find them all full. Consequently, in our reorganization, the outside lot permit holders will from now on be guaranteed space in a specific lot or area.

Please remember that those who park under House of Representatives auspices will have free parking, free transportation, and guarded parking lots which we all recognize is a very desirable situation in comparison to other Washington area parking problems.

Needless to say, without your cooperation and that of the others involved this program cannot be successful. I think we all recognize the tremendous problem with which we are faced and only under such a program can we provide the spaces for the great number of requests we presently have.

Hopefully the new plan will go a long way toward correcting our problems.

PARKING FACILITIES FOR INTERN PROGRAM EMPLOYEES

Mr. GROSS. Mr. Speaker, I wonder if the Members who supported the intern-program the other day will now be asking, in view of the shortage of parking spaces, for parking space for the interns they intend to employ at a cost to the taxpayers of $500 per month for 2 months?

Mr. SISK. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from California.

Mr. SISK. Mr. Speaker, I might say that the gentleman from Iowa (Mr. GROSS) is a member of my committee.

In answer to his question, I would hope not. We have at present, as my colleagues know, some 300 or 400 requests from Members for additional spaces for their staffs and for committee staffs, and these are the reasons why we are doing some of the things we are doing. We will make these facilities available, and let us not ask for parking for interns.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS HOUSING MESSAGE IS LIMBO FOLLOWED BY SUSPENDED ANIMATION

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, yesterday President Nixon submitted his housing program to the Congress. Unfortunately, the only kind of housing it bears any resemblance to is an ivory tower.

The low- and moderate-income people of this Nation do not need a lesson in housing theory—or a list of things that might work. What they need is housing.

To strip away all the hemming and hawing, President Nixon's message simply says that he has no new proposals to replace the established housing programs that he shut off so brutally last January.

The President is telling us that 8 months of housing limbo will be followed by a year of suspended animation.

For example, President Nixon said that cash payments to the elderly and poor might work. But he did not say he was going to do that. He said he might do it in 1974 or 1975 or whenever.

He spoke of "forward commitments" and "tandem plans" and a jumble of experimental programs that nibble at the problem.

Then he finally fell back on the tested

and functioning programs that Congress has established and that he condemned so roundly last January. He said he would relax his freeze on these programs long enough to let them provide 200,000 new units of housing.

President Nixon seriously aggravated this Nation's housing crunch by shutting off those programs to begin with. Now—once again—he fails to deal with a problem for which he bears major responsibility.

His kind of housing program is not even enough to repair a leaky roof.

CONGRESS ENTERS NEW ERA

(Mr. BROOKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOKS. Mr. Speaker, I congratulate the distinguished gentleman from Ohio, the chairman of the Committee on House Administration (Mr. HAYS) on his recent breakthrough in improving the informational assets of the Congress.

I refer specifically to the announcement last week that he and Senator CANNON, the able chairman of the Senate Committee on Rules and Administration, had set forth on an integrated congressional bill status system. The Senate is adopting the system developed by the Committee on House Administration. This is a significant step forward, but it is equally important as heralding future unified congressional efforts to improve information capability.

As vice chairman of the Joint Committee on Congressional Operations and previously as a member of the Joint Committee on the Organization of the Congress, I have been aware of the benefits to be derived from such cooperation between the two bodies. To quote Senator CANNON:

> This is but one of a number of examples by which a planned cooperative development effort can provide benefits to both the House and the Senate.

Again, I congratulate my colleague (Mr. HAYS) and express my appreciation as a Member who has a longtime interest in improving our computer utilization. I know that such advances take considerable planning, and I commend him for moving ahead in this vital area.

WE MUST CONCENTRATE ON WHAT THE HANDICAPPED CAN DO, NOT UPON WHAT THEY CANNOT DO

(Mr. FREY asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. FREY. Mr. Speaker, the White House has announced that, starting October 7, we will have a "hire the handicapped week."

This is a great step, but it is not enough. The handicapped at all levels of government and society are either highly discriminated against or in many instances entirely ignored.

Let me just cite a few examples.

I worked for a year and a half to get a young man into the Navy who had a bad leg. He could not run a 4-minute mile, but I doubt that there is any Member in this House who can run a 4-minute mile. But he wanted to serve his country, and he was not able to because of the law.

I have a nephew who is handicapped because my sister-in-law happened to get caught in the rubella epedemic, like about 100,000 other families, and my nephew is hard of hearing. But he is participating in school, is learning to lip read, and can talk.

Furthermore this young man can do many things that other people cannot do. For instance, he could work around jet engines without having to wear ear plugs.

So, Mr. Speaker, I would say that the emphasis in this country has to be more on what the handicapped people can do, and not upon what they cannot do. What we need in this Nation today is a National Conference on the Handicapped, where we can look at the total problems, from the viewpoint of the handicapped. For instance we know that we have many, many people in wheel chairs, and they are unable to move around freely because there are no inclines at the curbs, or even proper facilities in the bathrooms. I repeat, we need a National Conference on the Handicapped. Therefore I am circulating a dear colleague letter requesting the President to sponsor such a conference. I hope all the Members of the House will join with me in this effort to see what the problems are, and to see what steps must be taken at all levels to help the handicapped and to establish what these American's can do.

1972 ANNUAL REPORT OF THE ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93–154)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Public Works and ordered to be printed with illustrations:

To the Congress of the United States:

I herewith transmit the 1972 Annual Report of the St. Lawrence Seaway Development Corporation. This report has been prepared in accordance with section 10 of Public Law 83–358 and covers the period January 1, 1972, through December 31, 1972.

RICHARD NIXON.

THE WHITE HOUSE, *September 20, 1973.*

REPORT ON 1971 UPLAND COTTON PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Agriculture:

To the Congress of the United States:

In accordance with the provisions of section 609, Public Law 91–524, I transmit herewith for the information of the Congress the report on the 1971 upland cotton program.

RICHARD NIXON.

THE WHITE HOUSE, *September 20, 1973.*

CALL OF THE HOUSE

Mr. CEDERBERG. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 469]

Adams
Alexander
Ashbrook
Bell
Boggs
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Carey, N.Y.
Chisholm
Clark
Clay
Conyers
Dorn
Eckhardt
Esch
Fish
Flynt
Gray
Hanna
Hansen, Idaho
Harsha
Holifield
Jones, Ala.
Lott
Lujan
McEwen
McKinney
Mann
Mills, Ark.
Mizell
Moorhead, Pa.
Murphy, Ill.
Owens
Patman
Pepper
Pike
Powell, Ohio
Rees
Reid
Rhodes
Roy
Sandman
Stanton, James V.
Stokes
Sullivan
Talcott
Teague, Tex.
Udall
Widnall
Wolff
Young, Tex.
Zwach

The SPEAKER. On this rollcall 381 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DOMESTIC VOLUNTEER SERVICE ACT OF 1973

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the Senate bill (S. 1148), an act to provide for operation of all domestic volunteer service programs by the ACTION Agency, to establish certain new such programs, and for other purposes, with Senate amendment to the House amendments thereto and agree to the Senate amendment to the House amendments.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendments to the House amendments as follows:

> In lieu of the matter proposed to be inserted by the House engrossed amendment to the text of the bill insert: That this Act, with the following table of contents, may be cited as the "Domestic Volunteer Service Act of 1973":

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TITLE I—NATIONAL VOLUNTEER ANTI-POVERTY PROGRAMS

PART A—VOLUNTEERS IN SERVICE TO AMERICA

STATEMENT OF PURPOSE

SEC. 101. This part provides for the Volunteers in Service to America (VISTA) program of full-time volunteer service, together with appropriate powers and responsibilities designed to assist in the development and coordination of such program. The purpose of this part is to strengthen and supplement efforts to eliminate poverty and poverty-related human, social, and environmental problems in the United States by encouraging and enabling persons from all walks of life and all age groups, including elderly and retired Americans, to perform meaningful and constructive volunteer service in agencies, institutions, and situations where the application of human talent and dedication may assist in the solution of poverty and poverty-related problems and secure and exploit opportunities for self-advancement by persons afflicted with such problems.

AUTHORITY TO OPERATE VISTA PROGRAM

SEC. 102. The Director may recruit, select, and train persons to serve in full-time volunteer programs consistent with the provisions and to carry out the purpose of this part.

ASSIGNMENT OF VOLUNTEERS

SEC. 103. (a) The Director, upon request of Federal, State, or local agencies, or private nonprofit organizations, may assign such volunteers to work in the several States in appropriate projects and programs—

(1) in meeting the health, education, welfare, or related needs of Indians living on reservations or Federal trust lands, of migratory and seasonal farmworkers and their families, and of residents of the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, or the Virgin Islands;

(2) in the care and rehabilitation of mentally ill, developmentally disabled, and other handicapped individuals, especially those with severe handicaps, under the supervision of nonprofit institutions or facilities; and

(3) in connection with programs or activities authorized, supported, or of a character eligible for assistance under this Act or the Economic Opportunity Act of 1964, as amended (42 U.S.C. chapter 34) in furtherance of the purpose of this title.

(b) The Director, wherever feasible and appropriate, shall assign low-income community volunteers to serve in their home communities in teams with nationally recruited specialist volunteers. Prior to the assignment of any such community volunteer, the Director shall insure that each such volunteer is provided an individual plan designed to provide an opportunity for job advancement or for transition to a situation leading to gainful employment. One hundred and twenty days prior to the completion of such community volunteer's term of service, the Director shall insure that such plan is updated and reviewed with the volunteer.

(c) Except as provided in subsection (d), the assignment of volunteers under this section shall be on such terms and conditions (including restrictions on political activities that appropriately recognize the special status of volunteers living among the persons or groups served by programs to which they have been assigned) as the Director may determine, including work assignments in their own or nearby communities.

(d) Volunteers under this part shall not be assigned to duties or work in any State unless such program has been submitted to the Governor or other chief executive officer of the State concerned, and has not been disapproved by him within forty-five days of such submission. The assignment of a volunteer shall be terminated by the Director when so requested by the Governor or chief executive officer of the State concerned not later than thirty days after such request has been made, or at a time after such request has been made as agreed upon by such Governor or chief executive officer of the State concerned and the Director.

TERMS AND PERIODS OF SERVICE

SEC. 104. (a) Volunteers serving under this part shall be required to make a full-time personal commitment to combating poverty and poverty-related human, social, and environmental problems. To the maximum extent practicable, this shall include a commitment to live among and at the economic level of the people served, and to remain available for service without regard to regular working hours, at all times during their periods of service, except for authorized periods of leave.

(b) Volunteers serving under this part may be enrolled for periods of service not exceeding two years, but for not less than one-year periods of service, except that volunteers serving under this part may be enrolled for periods of service of less than one year when the Director determines, on an individual basis, that a period of service of less than one year is necessary to meet a critical scarce-skill need. Volunteers serving under this part may be reenrolled for periods of service totaling not more than two years. No volunteer shall serve for more than a total of five years under this part.

(c) Volunteers under this part shall, upon enrollment, take the oath of office as prescribed in section 5(j) of the Peace Corps Act, as amended (22 U.S.C. 2504(j)), except that persons legally residing within a State but who are not citizens or nationals of the United States, may serve under this part without taking or subscribing to such oath, if the Director determines that the service of such persons will further the interests of the United States. Such persons shall take such alternative oath or affirmation as the Director shall deem appropriate.

(d) The Director shall establish a procedure, including notice and opportunity to be heard, for volunteers under this part to present and obtain resolution of grievances and to present their views in connection with the terms and conditions of their service. The Director shall promptly provide to each volunteer in service on the date of enactment of this Act, and to each such volunteer beginning service thereafter, information regarding such procedure and the terms and conditions of their service.

SUPPORT SERVICES

SEC. 105. (a) (1) The Director may provide a stipend to volunteers, while they are in training and during their assignments, enrolled for periods of service of not less than one year under this part, except that the Director may, on an individual basis, make an exception to provide a stipend to a volunteer enrolled under this part for an extended period of service not totaling one year. Such stipend shall not exceed $50 per month during the volunteer's service, except that the Director may provide a stipend not to exceed $75 per month in the case of persons who have served for at least one year and who, in accordance with standards established in regulations which the Director shall prescribe, have been designated volunteer leaders on the basis of experience and special skills and a demonstrated leadership among volunteers.

(2) Stipends shall be payable only upon completion of a period of service, except that in extraordinary circumstances the Director may from time to time advance all or a portion of the accrued stipend to or on behalf of a volunteer. In the event of the death of a volunteer during service, the amount of any unpaid stipend shall be paid in accordance with the provisions of section 5582 of title 5, United States Code.

(b) The Director shall also provide volunteers such living, travel (including travel to and from places of training), and leave allowances, and such housing, supplies, equipment, subsistence, clothing, health and dental care, transportation, supervision, technical assistance, and such other support as he deems necessary and appropriate to carry out the purpose and provisions of this part, and shall insure that each such volunteer has available such allowances and support as will enable the volunteer to carry out the purpose and provisions of this part and to effectively perform the work to which such volunteer is assigned.

PARTICIPATION OF BENEFICIARIES

SEC. 106. To the maximum extent practicable, the people of the communities to be served by volunteers under this title shall participate in planning, developing, and implementing programs thereunder, and the Director, after consultation with sponsoring agencies (including volunteers assigned to them) and the people served by such agencies, shall take all necessary steps to establish, in regulations he shall prescribe, a continuing mechanism for the meaningful participation of such program beneficiaries.

PARTICIPATION OF OLDER PERSONS

SEC. 107. In carrying out this part and part C of this title, the Director shall take necessary steps, including the development of special projects, where appropriate, to encourage the fullest participation of older persons and older persons membership groups as volunteers and participant agencies in the various programs and activities authorized under such parts and, because of the high proportion of older persons within the poverty group, shall encourage the development of a variety of volunteer services to older persons, including special projects, to assure that such persons are served in proportion to their need.

PART B—SERVICE-LEARNING PROGRAMS

STATEMENT OF PURPOSE

SEC. 111. This part provides for the University Year for ACTION (UYA) program of full-time volunteer service by students enrolled in institutions of higher education, together with appropriate powers and responsibilities designed to assist in the development and coordination of such programs. The purpose of this part is to strengthen and supplement efforts to eliminate poverty and poverty-related human, social, and environmental problems by enabling students at such cooperating institutions to perform meaningful and constructive volunteer service in connection with the satisfaction of such students' course work during their periods of service, while attending such institutions, in agencies, institutions, and situations where the application of human talent and dedication may assist in the solution of poverty and poverty-related problems and secure and exploit opportunities for self-advancement by persons afflicted with such problems. Its purpose further is to encourage other students and faculty members to engage, on a part-time, self-supporting basis, in such volunteer service and work along with volunteers serving under this part; and to promote participation by such institutions in meeting the needs of the poor in the surrounding community through expansion of service-learning programs and otherwise. Its purpose further is to provide for a program of part-time or short-term service—learning by secondary and post-secondary school students to strengthen and supplement efforts to eliminate poverty and poverty-related human, social, and environmental problems.

AUTHORITY TO OPERATE UNIVERSITY YEAR FOR ACTION PROGRAM

SEC. 112. Except as otherwise provided in this part, the Director is authorized to conduct or make grants and contracts for, or both, programs to carry out the purposes of this part in accordance with the authorities and subject to the restrictions in the provisions of part A of this title, except for the provisions of sections 103(d) and 104(d), and except that the Director may, in accordance with regulations he shall prescribe, determine to reduce or eliminate the stipend for volunteers serving under this part on the basis of the value of benefits provided such volunteers by the institution in question (including the reduction or waiver of tuition).

SPECIAL CONDITIONS

SEC. 113. (a) Volunteers serving under this part shall be enrolled for periods of service as provided for in subsection (b) of section 104, and may receive academic credit for such service in accordance with the regulations of the sponsoring institution of higher education.

(b) Grants to and contracts with institutions to administer programs under this part shall provide that prospective student volunteers shall participate substantially in the planning of such programs and that such institutions shall make available to the poor in the surrounding community all available facilities, including human resources, of such institutions in order to assist in meeting the needs of such poor persons.

(c)(1) In making grants or contracts for the administration of UYA programs under this part, the Director shall insure that financial assistance under this Act to programs carried out pursuant to section 112 of this part shall not exceed 90 per centum of the total cost (including planning costs) of such program during the first year and such amounts less than 90 per centum as the Director, in consultation with the institution, may determine for not more than four additional years, including years in which support was received under title VIII of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2991–2994d). Each such grant or contract shall stipulate that the institution will make every effort to (A) assume an increasing proportion of the cost of continuing a program carrying out the purpose of this part while the institution receives support under this part; (B) waive or otherwise reduce tuition for participants in such program, where such waiver is not prohibited by law; (C) utilize students and faculty at such institution to carry out, on a self-supporting basis, appropriate planning for such programs; and (D) maintain similar service-learning programs after such institution no longer receives support under this part.

(2) The Director shall take necessary steps to monitor the extent of compliance by such institutions with commitments entered into under paragraph (1) of this subsection and shall advise the Secretary of Health, Education, and Welfare of the extent of each such institution's compliance.

SPECIAL SERVICE-LEARNING PROGRAMS

SEC. 114. (a) Of the funds appropriated for the operation of programs under this part, up to 10 per centum may be used, notwithstanding any other provisions of this part, to encourage and enable students in secondary, secondary vocational, and post-secondary schools to participate in service-learning programs on an in- or out-of-school basis in assignments of a character and on such terms and conditions as described in subsections (a) and (c) of section 103.

(b) Persons serving as volunteers under this section shall not be deemed to be Federal employees for any purpose.

(c) The Director may provide volunteers serving under this section a living allowance and only such other support or allowances as he determines, pursuant to regulations which he shall prescribe, are required because of unusual or special circumstances affecting the program.

PART C—SPECIAL VOLUNTEER PROGRAMS

STATEMENT OF PURPOSE

SEC. 121. This part provides for special emphasis and demonstration volunteer programs, together with appropriate powers and responsibilities designed to assist in the development and coordination of such programs. The purpose of this part is to strengthen and supplement efforts to meet a broad range of human, social, and environmental needs, particularly those related to poverty, by encouraging and enabling persons from all walks of life and from all age groups to perform meaningful and constructive volunteer service in agencies, institutions and situations where the application of human talent and dedication may help to meet such needs.

AUTHORITY TO ESTABLISH AND OPERATE PROGRAMS

SEC. 122. (a) The Director is authorized to conduct or make grants or contracts, or both, for special volunteer programs or demonstration programs (such as but not limited to a program to provide alternatives to the incarceration of youthful offenders; a program to promote educational opportunities for veterans; and a program to provide community-based peer group outreach and counseling for drug abusers) designed to stimulate and initiate improved methods of providing volunteer services, to encourage wider volunteer participation on a full-time, part-time, or short-term basis to further the purpose of this part, and to identify particular segments of the poverty community which could benefit from volunteer and other anti-poverty efforts.

(b) Except as provided in subsection (c) of this section, assignment of volunteers under this section shall be on such terms and conditions as the Director shall determine, pursuant to regulations which he shall prescribe.

(c) The Director, in accordance with regulations he shall prescribe, may provide to persons serving as full-time volunteers in a program of at least one year's duration under this part such allowances and stipends, to the extent and in amounts not in excess of those authorized to be provided under part A of this title; as he determines are necessary to carry out the purpose of this part.

TITLE II—NATIONAL OLDER AMERICAN VOLUNTEER PROGRAMS

PART A—RETIRED SENIOR VOLUNTEER PROGRAM

GRANTS AND CONTRACTS FOR VOLUNTEER SERVICE PROJECTS

SEC. 201. (a) In order to help retired persons to avail themselves of opportunities for volunteer service in their community, the Director is authorized to make grants to State agencies (established or designated pursuant to section 304(a)(1) of the Older Americans Act of 1965, as amended (42 U.S.C. 3024(a)(1)) or grants to or contracts with other public and nonprofit private agencies and organizations to pay part or all of the costs for the development or operation, or both, of volunteer service programs under this section, if he determines, in accordance with regulations he shall prescribe, that—

(1) volunteers will not be reimbursed for other than transportation, meals, and other out-of-pocket expenses incident to the provision of services under this part;

(2) only individuals aged sixty or over will be enrolled as volunteers to provide services under this part (except for administrative purposes), and such services will be performed in the community where such individuals reside or in nearby communities either (A) on publicly owned and operated facilities or projects, or (B) on local projects sponsored by private nonprofit organizations (other than political parties), other than projects involving the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship;

(3) the program includes such short-term training as may be necessary to make the most effective use of the skills and talents of participating volunteers and individuals, and provide for the payment of the reasonable expenses of such volunteers while undergoing such training; and

(4) the program is being established and will be carried out with the advice of persons competent in the field of service involved, and of persons with interest in and knowledge of the needs of older persons.

(b) The Director shall not award any grant or contract under this part for a project in any State to any agency or organization unless, if such State has a State agency established or designated pursuant to section 304 (a)(1) of the Older Americans Act of 1965, as amended (42 U.S.C. 3024(a)(1)), such agency itself is the recipient of the award or such agency has been afforded at least sixty days in which to review the project application and make recommendations thereon.

PART B—FOSTER GRANDPARENT PROGRAM AND OLDER AMERICAN COMMUNITY SERVICE PROGRAMS

GRANTS AND CONTRACTS FOR VOLUNTEER SERVICE PROJECTS

SEC. 211. (a) The Director is authorized to make grants to or contracts with public and nonprofit private agencies and organizations to pay part or all of the cost of development and operation of projects (including direct payments to volunteers serving under this part) designed for the purpose of providing opportunities for low-income persons aged sixty or over to serve as volunteers to provide supportive person-to-person services in health, education, welfare, and related settings to children having exceptional needs, including services by volunteers serving as "foster grandparents" to children receiving care in hospitals, homes for dependent and neglected children, or other establishments providing care for children with special needs. The Director may approve assistance in excess of 90 per centum of the costs of the development and operation of such projects only if he determines, in accordance with regulations he shall prescribe establishing objective criteria, that such action is required in furtherance of the purpose of this section. Provision for such assistance shall be effective as of September 19, 1972. In the case of any project with respect to which, prior to such date, a grant or contract has been made under section 611(a) of the Older Americans Act of 1965, as amended (42 U.S.C. 3044b) or with respect to any project under the Foster Grandparent program in effect prior to September 17, 1969, contributions in cash or in kind from the Bureau of Indian Affairs, Department of the Interior, toward the cost of the project may be counted as part of the cost thereof which is met from non-Federal sources.

(b) The Director is also authorized to make grants or contracts to carry out the purpose described in subsection (a) of this section in the case of persons (other than children) having exceptional needs, including services by volunteers serving as "senior health aides" to work with persons receiving home health care, nursing care, or meals on wheels or other nutritional services, and as "senior companions" to persons having developmental disabilities or other special needs for companionship.

CONDITIONS OF GRANTS AND CONTRACTS

SEC. 212. (a)(1) In carrying this part, the Director shall insure that volunteers receiving assistance in any project are older persons of low income who are no longer in the regular work force.

(2) The Director shall not award a grant or contract under this part which involves a project proposed to be carried out throughout the State or over an area more comprehensive than one community unless—

(A) the State agency established or designated under section 304(a)(1) of the Older Americans Act of 1965, as amended (42 U.S.C. 3024(a)(1)) is the applicant for such grant or contract or, if not, such agency has been afforded a reasonable opportunity to apply for and receive such award and to administer or supervise the administration of the project; and

(B) in cases in which such agency is not the grantee or contractor (including cases to which clause (A) applies but in which such agency has not availed itself of the opportunity to apply for and receive such award), the application contains or is supported by satisfactory assurances that the project has been developed, and will to the extent appropriate be conducted, in consultation with, or with the participation of, such agency.

(3) The Director shall not award a grant or contract under this part which involves a project proposed to be undertaken entirely in a community served by a community action agency unless—

(A) such agency is the applicant for such grant or contract or, if not, such agency has been afforded a reasonable opportunity to apply for and receive such award and to administer or supervise the administration of the project;

(B) in cases in which such agency is not the grantee or contractor (including cases to which clause (A) applies but in which such agency has not availed itself of the opportunity to apply for and receive such award), the application contains or is supported by satisfactory assurances that the project has been developed, and will to the extent appropriate be conducted in consultation with, or with the participation of, such agency; and

(C) if such State has a State agency established or designated pursuant to section 304(a)(1) of the Older Americans Act of 1965, as amended (42 U.S.C. 3024(a)(1)), such agency has been afforded at least forty-five days in which to review the project application and make recommendations thereon.

(b) The term "community action agency" as used in this section means a community action agency as defined in title II of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2781-2837).

PART C—GENERAL PROVISIONS

COORDINATION WITH OTHER FEDERAL PROGRAMS

SEC. 221. In carrying out this title, the Director shall consult with the Office of Economic Opportunity, the Departments of Labor and Health, Education, and Welfare, and any other Federal agencies administering relevant programs with a view to achieving optimal coordination with such other programs, and shall promote the coordination of projects under this title with other public or private programs or projects carried out at State and local levels. Such Federal agencies shall cooperate with the Director in disseminating information about the availability of assistance under this title and in promoting the identification and interest of low-income and other older persons whose services may be utilized in projects under this title.

PAYMENTS

SEC. 222. Payments under this title pursuant to a grant or contract may be made (after necessary adjustment, in the case of grants, on account of previously made overpayments, or underpayments) in advance or by way of reimbursement, in such installments and on such conditions, as the Director may determine.

MINORITY GROUP PARTICIPATION

SEC. 223. The Director shall take appropriate steps to insure that special efforts are made to recruit, select, and assign qualified individuals sixty years and older from minority groups to serve as volunteers under this title.

TITLE III—NATIONAL VOLUNTEER PROGRAMS TO ASSIST SMALL BUSINESSES AND PROMOTE VOLUNTEER SERVICE BY PERSONS WITH BUSINESS EXPERIENCE

STATEMENT OF PURPOSE

SEC. 301. This title provides for programs in which persons with business experience volunteer to assist persons, especially those who are economically disadvantaged, engaged in, or who seek to engage in, small business enterprises, and to make available their expertise as volunteers in programs authorized by, or of a character eligible for assistance under, this Act, the Economic Opportunity Act of 1964, as amended (42 U.S.C. ch. 34) (particularly title VII thereof), or the Small Business Act (15 U.S.C. ch. 14A). The purpose of this title is to utilize the skills and expertise of persons with business experience to assist persons in, or seeking to enter, business enterprises, or to carry out management and financial counseling activities in furtherance of the purposes of this Act.

AUTHORITY TO ESTABLISH, COORDINATE, AND OPERATE PROGRAMS

SEC. 302. (a) The Director is authorized to establish and conduct, and to recruit, select, and train volunteers for (and to make grants or enter into contracts therefor), volunteer programs, including a Service Corps of Retired Executives (SCORE) and an Active Corps of Executives (ACE) and programs in which SCORE and ACE volunteers expand the application of their expertise beyond Small Business Administration clients, to carry out the purpose of this title: *Provided however*, That the services of volunteers who are assisting persons or enterprises seeking to obtain, or receiving, financial or management counseling assistance from the Small Business Administration shall be performed under the direction of the Administrator of the Small Business Administration (hereinafter referred to in this title as the "Administrator") pursuant to section 8(b)(1) of the Small Business Act (15 U.S.C. 637 (b)(1)).

(b) The assignment of volunteers engaged in programs under this title shall be on such terms and conditions as the Director may determine, except that he shall prescribe such terms and conditions in agreement with the Administrator with respect to the service of volunteers described in the proviso in subsection (a) of this section.

(c)(1) Such volunteers, while carrying out activities under this title and section 8(b)(1) of the Small Business Act (15 U.S.C. 637(b)(1)), shall be deemed Federal employees for the purpose of the Federal tort claims provisions in title 28, United States Code.

(2) The Director is authorized to reimburse such volunteers only for such necessary out-of-pocket expenses incident to their provision of services under this Act as he shall determine, in accordance with regulations which he shall prescribe, and, while they are carrying out such activities away from their homes or regular places of business, for travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for individuals serving without pay.

(3) Such volunteers shall in no way (A) participate for the benefit of the Small Business Administration (rather than on behalf of their clients) in any screening or evaluation activities in connection with applications for loans from such Administration, or (B) provide services to a client of such Administration with a delinquent loan outstanding, except upon a specific request signed by such client for assistance in connection with such matter.

(d) The Director and the Administrator shall cooperate in order to make available to such volunteers, or groups thereof, such use of the office facilities and related supplies, materials, and services of the Small Business Administration and the ACTION Agency as they deem appropriate to assist such volunteers to carry out such activities including authorized meetings of groups of volunteers.

(e) Except as otherwise provided in this Act, activities authorized to be carried out both by this title and by section 8(b)(1) of the Small Business Act (15 U.S.C. 637(b)(1)) shall be carried out under this title to the maximum extent feasible.

TITLE IV—ADMINISTRATION AND COORDINATON

ESTABLISHMENT OF AGENCY

SEC. 401. There is hereby established in the executive branch of the Government an agency to be known as the ACTION Agency. Such Agency shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code. There shall also be in such agency a Deputy Director who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code. The Deputy Director shall perform such functions as the Director shall from time to time prescribe, and shall act as Director of the ACTION Agency during the absence or disability of the Director. There shall also be in such agency two Associate Directors who will be appointed by the President by and with the advice and consent of the Senate, and shall be compensated at the rate provided for level V of the Executive Schedule under section 5316 of title 5, United States Code. One such Associate Director shall be designated "Associate Director for Domestic and Anti-Poverty Operations" and shall carry out operational responsibility for all programs authorized under this Act, and the other such Associate Director shall be designated "Associate Director for International Operations" and shall carry out operational responsibility for all programs authorized under the Peace Corps Act (22 U.S.C. 2501 et seq.). There shall also be in such agency no more than two Assistant Directors appointed by the President by and with the advice and consent of the Senate, who shall be compensated at the rate provided for level V of the Executive Schedule under section 5316 of title 5, United States Code. Each such Assistant Director shall perform such staff and support functions for such Associate Directors as the Director shall from time to time prescribe. There shall also be in such agency one Deputy Associate Director, under the Associate Director for Domestic and Anti-Poverty Operations, primarily responsible for programs caried out under parts A and B of title I of this Act and one Deputy Associate Director, under the Associate Director for Domestic and Anti-Poverty Operations, primarily responsible for programs carried out under title II of this Act, each of whom shall be appointed by the Director.

AUTHORITY OF THE DIRECTOR

SEC. 402. In addition to the authority conferred upon him by other sections of this Act, the Director is authorized to—

(1) appoint in accordance with the Civil Service laws such personnel as may be necessary to enable the ACTION Agency to carry out its functions, and, except as otherwise provided herein, fix the compensation of such personnel in accordance with chapter 51 of title 5, United States Code;

(2)(A) employ experts and consultants or organizations thereof as authorized by section 3109 of title 5, United States Code, except that no individual may be employed under the authority of this subsection for more than one hundred days in any fiscal year; (B) compensate individuals so employed at rates not in excess of the daily equivalent of the rate payable to a GS-18 employee under section 5332 of such title, including travel-time; (C) allow such individuals, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of such title for persons in the Government service employed intermittently, while so employed; and (D) annually renew contracts for such employment under this clause;

(3) with the approval of the President, arrange with and reimburse the heads of other Federal agencies for the performance of any of the provisions of this Act and, as necessary or appropriate, delegate any of his functions under this Act and authorize the redelegation thereof subject to provisions to assure the maximum possible liaison between the ACTION Agency and such other agencies at all operating levels, which shall include the furnishing of complete operational information by such other agencies to the ACTION Agency and the furnishing of such information by the ACTION Agency to such other agencies;

(4) with their consent, utilize the services and facilities of Federal agencies without reimbursement, and, with the consent of any State or a political subdivision of a State, accept and utilize the services and facilities of the agencies of such State or subdivision without reimbursement;

(5) accept in the name of the ACTION Agency, and employ or dispose of in furtherance of the purposes of this Act, or of any title thereof, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise;

(6) accept voluntary and uncompensated services;

(7) allocate and expend, or transfer to other Federal agencies for expenditure, funds made available under this Act as he deems necessary to carry out the provisions hereof, including (without regard to the provisions of section 4774(d) of title 10, United States Code), expenditure for construction, repairs, and capital improvements;

(8) disseminate, without regard to the provisions of section 3204 of title 39, United States Code, data and information, in such form as he shall deem appropriate to public agencies, private organizations, and the general public;

(9) adopt an official seal, which shall be judicially noticed;

(10) collect or compromise all obligations to or held by him and all legal or equitable rights accruing to him in connection with the payment of obligations in accordance with Federal Claims Collection Act of 1966 (31 U.S.C. 951–53);

(11) expend funds made available for purposes of this Act as follows: (A) for printing and binding, in accordance with applicable law and regulations; and (B) without regard to any other law or regulation, for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by him; but the Director shall not utilize the authority contained in this subclause (B)—

(i) except when necessary to obtain an item, service, or facility, which is required in the proper administration of this Act, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form, or under conditions in which, it is needed, and

(ii) prior to having given written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) of his intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority.

(12) notwithstanding any other provision of law, make grants to or contracts with Federal or other public departments or agencies and private nonprofit organizations for the assignment or referral of volunteers under this Act (except for volunteers serving under part A of title I thereof), which may provide that the agency or organization shall pay all or a part of the costs of the program;

(13) provide or arrange for educational and vocational counseling of volunteers and recent former volunteers under this Act to (A) encourage them to use in the national interest the skills and experience which they have derived from their training and service, particularly working in combating poverty as members of the helping professions, and (B) promote the development, and the placement therein of such volunteers, of appropriate opportunities for the use of such skills and experience;

(14) establish such policies, standards, criteria, and procedures, prescribe such rules and regulations, enter into such contracts and agreements with public agencies and private organizations and persons, and make such payments (in lump sum or installments, and in advance or by way of reim-

bursement, and in the case of grants otherwise authorized under this Act, with necessary adjustments on account of overpayments and underpayments) as are necessary or appropriate to carry out the provisions of this Act; and

(15) generally perform such functions and take such steps, consistent with the purposes and provisions of this Act, as he deems necessary or appropriate to carry out the provisions of this Act.

POLITICAL ACTIVITIES

Sec. 403. (a) No part of any funds appropriated to carry out this Act, or any program administered by the ACTION Agency, shall be used to finance, directly or indirectly, any activity designed to influence the outcome of any election to Federal office, or any voter registration activity, or to pay the salary of any officer or employee of the ACTION Agency, who, in his official capacity as such an officer or employee, engages in any such activity. As used in this section, the term "election" has the same meaning given such term by section 301(a) of the Federal Election Campaign Act of 1971 (Public Law 92–225), and the term "Federal office" has the same meaning given such term by section 301(c) of such Act.

(b) Programs assisted under this Act shall not be carried on in a manner involving the use of funds, the provision of services, or the employment or assignment of personnel in a manner supporting or resulting in the identification of such programs with (1) any partisan or non-partisan political activity or any other political activity associated with a candidate, or contending faction or group, in an election for public or party office, (2) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election, or (3) any voter registration activity. The Director, after consultation with the Civil Service Commission, shall issue rules and regulations to provide for the enforcement of this section, which shall include provisions for summary suspension of assistance for no more than thirty days until notice and an opportunity to be heard can be provided or other action necessary to permit enforcement on an emergency basis.

SPECIAL LIMITATIONS

Sec. 404. (a) The Director shall prescribe regulations and shall carry out the provisions of this Act so as to assure that the service of volunteers assigned, referred, or serving pursuant to grants, contracts, or agreements made under this Act is limited to activities which would not otherwise be performed by employed workers and which will not supplant the hiring of or result in the displacement of employed workers, or impair existing contracts for service.

(b) All support, including transportation provided to volunteers under this Act, shall be furnished at the lowest possible cost consistent with the effective operation of volunteer programs.

(c) No agency or organization to which volunteers are assigned hereunder, or which operates or supervises any volunteer program hereunder, shall request or receive any compensation for services of volunteers supervised by such agency or organization.

(d) No funds authorized to be appropriated herein shall be directly or indirectly utilized to finance labor or antilabor organization or related activity.

(e) Persons serving as volunteers under this Act shall provide such information concerning their qualifications, including their ability to perform their assigned tasks, and their integrity, as the Director shall prescribe and shall be subject to such procedures for selection and approval as the Director determines are necessary to carry out the purposes of this Act. The Director may establish such special procedures for the recruitment, selection, training, and assignment of low-income residents of the area to be served by a program under this Act who wish to become volunteers as he determines will further the purposes of this Act.

(f) Notwithstanding any other provision of law and except as provided in the second sentence of this subsection, the Director shall assign or delegate any substantial responsibility for carrying out programs under this Act only to persons appointed or employed pursuant to clauses (1) and (2) of section 402, and persons assigned or delegated such substantial responsibilities on the effective date of this Act and who are receiving compensation in accordance with provisions of law other than the applicable provisions of title 5, United States Code, on such date shall, by operation of law on such date, be assigned a grade level pursuant to such latter provisions so as to fix the compensation of such persons under such authority at no less than their compensation rate on the day preceding such date. The Director may personally make exceptions to the requirement set forth in the first sentence of this subsection for persons he finds will be assigned to carrying out functions under the Peace Corps Act (22 U.S.C. 2501 et seq.) within six months after the effective date of this Act.

(g) Notwithstanding any other provision of law except as may be provided expressly in limitation of this subsection, payments to volunteers under this Act shall not in any way reduce or eliminate the level of or eligibility for assistance or services any such volunteers may be receiving under any governmental program.

NATIONAL VOLUNTARY SERVICE ADVISORY COUNCIL

Sec. 405. (a) There is hereby established in the ACTION Agency a National Voluntary Service Advisory Council (hereinafter referred to as the "Council") to be composed of not more than twenty-five members appointed, not later than ninety days after the date of the enactment of this Act, by and serving at the pleasure of the President. Such members shall be representative of public and private organizations, groups, and individuals interested in serving and benefited by programs carried out under this Act and the Peace Corps Act (22 U.S.C 2501 et seq.). The President shall designate a temporary chairperson from such members and shall call the initial meeting of the Council within thirty days after appointment of such Council. Members of the Council shall designate a permanent chairperson from such members and shall meet at the call of such chairperson, but not less than four times in each year. Members of the Council, other than those regularly employed by the Federal Government, while attending meetings of such Council shall receive compensation and travel expenses as provided in section 402(2) of this Act with respect to experts and consultants. The Director and Deputy Director of the ACTION Agency shall be ex officio members of the Council.

(b) The Council shall—

(1) advise the Director with respect to policy matters arising in the administration of this Act and the Peace Corps Act (22 U.S.C. 2501 et seq.); and

(2) upon the request of the Director, review the effectiveness and the operation of programs under this Act and the Peace Corps Act and make recommendations (including such proposals for changes in such Acts as the Council deems appropriate) concerning (A) the improvement of such programs (B) the elimination of duplication of effort, and (C) the coordination of such programs with other Federal programs designed to assist the beneficiaries of such Acts.

(c) Not later than January 1 of each calendar year beginning with the calendar year 1975, the Council shall make an annual report of its findings and recommendations to the President for transmittal by the President to the Congress together with his comments and recommendations.

LABOR STANDARDS

Sec. 406. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration, or repair, including painting and decorating, of projects, buildings, and works which are federally assisted under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a—5). The Secretary of Labor shall have, with respect to such labor standards, the authorizing and functions set forth in Reorganization Plan Number 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and in section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, ch. 492, as amended; 40 U.S.C. 276c).

REPORTS

Sec. 407. Not later than one hundred and twenty days after the end of each fiscal year, the Director shall prepare and submit to the President for transmittal by the President to the Congress a full and complete report on the activities of the ACTION Agency during such year.

JOINT FUNDING

Sec. 408. Pursuant to regulations prescribed by the President, and to the extent consistent with the other provisions of this Act, where funds are provided for a single project by more than one Federal agency to an agency or organization assisted under this Act, the Federal agency principally involved may be designated to act for all in administering the funds provided, and, notwithstanding any other provision of law, in such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each agency. When the principal agency involved is the ACTION Agency, it may waive any grant or contract requirement (as defined by such regulations) under or pursuant to any law other than this Act, which requirement is inconsistent with the similar requirements under or pursuant to this Act.

PROHIBITION OF FEDERAL CONTROL

Sec. 409. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any education institution or school system.

COORDINATION WITH OTHER PROGRAMS

Sec. 410. The Director shall take necessary steps to coordinate volunteer programs authorized under this Act with one another, with community action programs, and with other related Federal, State, and local programs. The Director shall also consult with the heads of other Federal, State, and local agencies responsible for programs related to the purposes of this Act with a view to encouraging greater use of volunteer services in those programs and establishing in connection with them systematic procedures for the recruitment, referral, or necessary preservice orientation or training of volunteers serving pursuant to this Act.

PROHIBITION

Sec. 411. In order to assure that existing Federal agencies are used to the fullest extent possible in carrying out the purposes of this Act, no funds appropriated to carry out this Act shall be used to establish any new department or office when the intended function is being performed by an existing department or office.

NOTICE AND HEARING PROCEDURES FOR SUSPENSION AND TERMINATION OF FINANCIAL ASSISTANCE

Sec. 412. The Director is authorized, in accordance with the provisions of this section, to suspend further payments or to terminate payments under any contract or grant providing assistance under this Act, whenever he determines there is a material failure to comply with the applicable terms and conditions of any such grant or contract. The Director shall prescribe procedures to insure that—

(1) assistance under this Act shall not be suspended for failure to comply with applicable terms and conditions, except in emergency situations for thirty days, nor shall an application for refunding under this Act be denied, unless the recipient has been given reasonable notice and opportunity to show cause why such action should not be taken; and

(2) assistance under this Act shall not be terminated for failure to comply with applicable terms and conditions unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing.

DURATION OF PROGRAM

SEC. 413. The Director shall carry out the programs provided for in this Act during the fiscal year ending June 30, 1974, and the three succeeding fiscal years. For each such fiscal year, only such sums may be appropriated as the Congress may authorize by law.

DISTRIBUTION OF BENEFITS BETWEEN RURAL AND URBAN AREAS

SEC. 414. The Director shall adopt appropriate administrative measures to assure that the benefits of and services under this Act will be distributed equitably between residents of rural and urban areas.

APPLICATION OF FEDERAL LAW

SEC. 415. (a) Except as provided in subsections (b), (c), (d), and (e) of this section, volunteers under this Act shall not be deemed Federal employees and shall not be subject to the provisions of laws relating to Federal officers and employees and Federal employment.

(b) Individuals enrolled in programs under title I of this Act for periods of service of at least one year shall, with respect to such service or training, (1) for the purposes of subchapter III of chapter 73 of title 5, United States Code, be deemed persons employed in the executive branch of the Federal Government, (2) for the purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.), be deemed employees of the United States, and any service performed by an individual as a volunteer (including training) shall be deemed to be performed in the employ of the United States, (3) for the purposes of the Federal Tort Claims provisions of title 28, United States Code, be deemed employees of the United States, and (4) for the purposes of subchapter I of chapter 81 of title 5, United States Code (relative to compensation to Federal employees for work injuries), shall be deemed civil employees of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply except as follows: (A) in computing compensation benefits for disability or death, the monthly pay of a volunteer shall be deemed that received under the entrance salary for a grade GS–7 employee, and subsections (a) and (b) of section 8113 of title 5, United States Code, shall apply, and (B) compensation for disability shall not begin to accrue until the day following the date on which the injured volunteer is terminated.

(c) Any period of service of a volunteer enrolled in a program for a period of service of at least one year under part A of title I of this Act, and any period of full-time service of a volunteer enrolled in a program for a period of service of at least one year under part B or C of title I of this Act, shall be credited in connection with subsequent employment in the same manner as a like period of civilian employment by the United States Government—

(1) for the purposes of section 852(a)(1) of the Foreign Service Act of 1946, as amended (22 U.S.C. 1092(a)(1)), and every other Act establishing a retirement system for civilian employees of any United States Government agency; and

(2) except as otherwise determined by the President, for the purposes of determining seniority, reduction in force, and layoff rights, leave entitlement, and other rights and privileges based upon length of service under the laws administered by the Civil Service Commission, the Foreign Service Act of 1946, and every other Act establishing or governing terms and conditions of service of civilian employees of the United States Government: *Provided*, That service of a volunteer shall not be credited toward completion of any probationary or trial period or completion of any service requirement for career appointment.

(d) Volunteers serving in programs for periods of service of at least one year under part A of title I of this Act, and volunteers serving for such periods under title VIII of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2991–2994d), including those whose service was completed under such Act, who the Director determines, in accordance with regulations he shall prescribe, have successfully completed their periods of service, shall be eligible for appointment in the competitive service in the same manner as Peace Corps volunteers as prescribed in Executive Order Number 11103 (April 10, 1963).

(e) Notwithstanding any other provision of law, all references in any other law to persons serving as volunteers under title VIII of the Economic Opportunity Act of 1964, as amended, shall be deemed to be references to persons serving as full-time volunteers in a program of at least one year's duration under part A, B, or C of title I of this act.

EVALUATION

SEC. 416. (a) The Director shall periodically measure and evaluate the impact of all programs authorized by this Act, their effectiveness in achieving stated goals in general, and in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services. Evaluations shall be conducted by persons not immediately involved in the administration of the program or project evaluated.

(b) The Director shall develop and publish general standards for evaluation of program and project effectiveness in achieving the objectives of this Act. Reports submitted pursuant to section 407 shall describe the actions taken as a result of evaluations carried out under this section.

(c) In carrying out evaluations under this title, the Director shall, whenever possible, arrange to obtain the opinions of program and project participants about tht strengths and weaknesses of such programs and projects.

(d) The Director shall publish summaries of the results of evaluations of program and project impact and effectiveness no later than sixty days after the completion thereof.

(e) The Director shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds shall become the property of the United States.

(f) The Director is authorized to use such sums as are required, but not to exceed 1 per centum of the funds appropriated under this Act, to conduct program and project evaluations (directly, or by grants or contracts) as required by this Act. In the case of allotments from such an appropriation, the amount available for such allotments (and the amount deemed appropriate therefor) shall be reduced accordingly.

NONDISCRIMINATION

SEC. 417. (a) The Director shall not provide financial assistance for any program under this Act unless the grant, contract, or agreement with respect to such program specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any such program because of race, creed, belief, color, national origin, sex, age, or political affiliation.

(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with, any program or activity receiving assistance under this Act. The Director shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964 (42 U.S.C. 2000d–1). Section 603 of such Act shall apply with respect to any action taken by the Director to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with any program or activity receiving assistance under this Act.

ELIGIBILITY FOR OTHER BENEFITS

SEC. 418. Notwithstanding any other provision of law, no payment for supportive services or reimbursement of out-of-pocket expenses made to persons serving pursuant to titles II and III of this Act shall be subject to any tax or charge or be treated as wages or compensation for the purposes of unemployment, temporary disability, retirement, public assistance, or similar benefit payments, or minimum wage laws. This section shall become effective with respect to all payments made after the effective date of this Act.

LEGAL EXPENSES

SEC. 419. Notwithstanding any other provision of law and pursuant to regulations which the Director shall prescribe, counsel may be employed and counsel fees, court costs, bail, and other expenses incidental to the defense of volunteers may be paid in judicial or administrative proceedings to which full-time volunteers (or part-time volunteers when such proceedings arises directly out of the performance of activities pursuant to this Act or section 8(b)(1) of the Small Business Act, as amended (15 U.S.C. 637(b)(1)) serving under this Act have been made parties.

GUIDELINES

SEC. 420. All rules, regulations, guidelines, instructions, and application forms published or promulgated pursuant to this Act shall be published in the Federal Register at least thirty days prior to their effective date.

DEFINITIONS

SEC. 421. For the purposes of this Act—

(1) the term "Director" means the Director of the ACTION agency;

(2) the terms "United States" and "States" mean the several States, the District of Columbia, the Virgin Islands, Puerto Rico, Guam, and American Samoa and, for the purposes of title II of this Act, the Trust Territory of the Pacific Islands;

(3) the term "nonprofit" as applied to any agency, institution, or organization means an agency, institution, or organization which is, or is owned and operated by, one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual; and

(4) the term "poor" or "low-income" persons, individuals, or volunteers means such individuals whose incomes fall at or below the poverty line as set forth in section 625 of the Economic Opportunity Act of 1964, as

amended by Public Law 92-424 (42 U.S.C. 2971d): *Provided*, That in determining who is "poor" or "low-income", the Director shall take into consideration existing poverty guidelines as appropriate to local situations.

AUDIT

SEC. 422. (a) Each recipient of Federal grants, subgrants, contracts, subcontracts, or loans entered into under this Act other than by formal advertising, and which are otherwise authorized by this Act, shall keep such records as the Director shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Director and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of three years after completion of the project or undertaking referred to in subsection (a) of this section, have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients which in the opinion of the Director of the Comptroller General may be related or pertinent to the grants, contracts, subcontracts, subgrants, or loans referred to in subsection (a).

TITLE V—AUTHORIZATION OF APPROPRIATIONS

NATIONAL VOLUNTEER ANTIPOVERTY PROGRAMS

SEC. 501. (a) There are authorized to be appropriated $37,600,000 for the fiscal year ending June 30, 1974, and such sums as may be necessary each for the fiscal years ending June 30, 1975, and June 30, 1976, for the purpose of carrying out title I of this Act. In each such year, of the sums appropriated pursuant to this title not less than $29,600,000 shall be expended on programs designed to eliminate poverty and poverty-related human, social, and environmental problems. Of this amount not less than $22,300,000 shall be expended on programs authorized under part A of title I in each such fiscal year.

(b) Any sums authorized to be appropriated for title I of this Act in excess of $37,600,000 shall be reflected in a commensurate increase in the sums to be made available for part A of such title.

NATIONAL OLDER AMERICANS VOLUNTEER PROGRAMS

SEC. 502. (a) There are authorized to be appropriated $17,500,000 for the fiscal year ending June 30, 1974, and $20,000,000 each for the fiscal year ending June 30, 1975, and for the fiscal year ending June 30, 1976, respectively, to be used for the purpose of carrying out programs under part A of title II of this Act.

(b)(1) There are authorized to be appropriated $32,500,000 for the fiscal year ending June 30, 1974, and $40,000,000 each for the fiscal years ending June 30, 1975, and June 30, 1976, respectively, for the purpose of carrying out programs under part B of such title of which (A) $26,500,000 for the fiscal year ending June 30, 1974, and $32,000,000 each for the fiscal years ending June 30, 1975, and June 30, 1976, respectively, shall be available for such years for grants or contracts under subsection (a) of section 211, and (B) $6,000,000 for the fiscal year ending June 30, 1974, and $8,000,000 each for the fiscal years ending June 30, 1975, and June 30, 1976, respectively, shall be available for such years for grants or contracts under subsection (b) of such section.

(2) If the sums authorized to be appropriated under paragraph (1) of this subsection are not appropriated and made available in full for each such fiscal year, then such sums as are appropriated and made available for each such fiscal year shall be allocated so that—

(A) any amounts appropriated not in excess of a sum which when added to carryover balances otherwise available for obligation under subsection (a) of section 211 equal $25,000,000 shall be used for grants or contracts under such subsection; and

(B) any amounts appropriated in excess of a sum which when added to carry over balances otherwise available for obligation under subsection (a) of section 211 equals $31,000,000 for the fiscal year ending June 30, 1974, and $33,000,000 each for the fiscal years ending June 30, 1975, and June 30, 1976, respectively, shall be used for grants or contracts for such fiscal years under such subsection.

NATIONAL VOLUNTEER PROGRAMS TO ASSIST SMALL BUSINESSES AND PROMOTE VOLUNTEER SERVICE BY PERSONS WITH BUSINESS EXPERIENCE

SEC. 503. There are authorized to be appropriated $208,000 for the fiscal year ending June 30, 1974, and such sums as may be necessary each for the fiscal years ending June 30, 1975, and June 30, 1976, respectively, for the purpose of carrying out programs under title III of this Act.

ADMINISTRATION AND COORDINATION

SEC. 504. There are authorized to be appropriated each for the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976, respectively, such sums as may be necessary for the administration of this Act as authorized in title IV of such Act.

AVAILABILITY OF APPROPRIATIONS

SEC. 505. Notwithstanding any other provision of law, unless enacted in express and specific limitation of the provisions of this section, funds appropriated for any fiscal year to carry out any program under this Act or any predecessor authority shall remain available, in accordance with the provisions of this Act, for obligation and expenditure until expended.

TITLE VI—AMENDMENTS TO OTHER LAWS AND REPEALERS

SUPERSEDENCE OF REORGANIZATION PLAN NUMBER 1 OF JULY 1, 1971

SEC. 601. (a) Sections 1, 2(a), 3, and 4 of Reorganization Plan Number 1 of 1971 (July 1, 1971) are hereby superseded.

(b) The personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with the functions transferred to the Director of the ACTION Agency by sections 2(a) and 4 of such reorganization plan are hereby transferred to the ACTION Agency established by section 401. All grants, contracts, and other agreements awarded or entered into under the authority of such reorganization plan will be recognized under comparable provisions of this Act so that there is no disruption of ongoing activities for which there is continuing authority.

(c) All official actions taken by the Director of the ACTION Agency, his designee, or any other person under the authority of such reorganization plan which are in force on the effective date of this Act and for which there is continuing authority under the provisions of this Act, and the length of the period of service of volunteers serving or undergoing training under title VIII of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2991-2994d) on the effective date of this Act, shall continue in full force and effect until modified, superseded, or revoked by the Director.

(d) All references to ACTION, or the Director of ACTION in any statute, reorganization plan, Executive order, regulation, or other official document or proceeding shall, on and after the effective date of this Act, be deemed to refer to the ACTION Agency established by section 401 and the Director thereof.

(e) No suit, action, or other proceeding, and no cause of action, by or against the agency known as ACTION created by such reorganization plan, or any action by any officer thereof acting in his official capacity, shall abate by reason of enactment of this Act.

(f) Persons appointed by the President, by and with the advice and consent of the Senate, to positions requiring such advice and consent under such reorganization plan may continue to serve in the same capacity in the ACTION Agency without the necessity of an additional appointment by the President or further such advice and consent by the Senate.

CREDITABLE SERVICE FOR CIVIL SERVICE RETIREMENT

SEC. 602. Section 8332(b)(7) of title 5, United States Code (relating to creditable service to civil service retirement), is amended by inserting a comma and "or a period of service of a full-time volunteer enrolled in a program of at least one year's duration under part A, B, or C of title I of the Domestic Volunteer Service Act of 1973 (— U.S.C. —)" after "Economic Opportunity Act of 1964".

REPEAL OF TITLE VIII OF THE ECONOMIC OPPORTUNITY ACT

SEC. 603. Title VIII of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2991-2994d), is hereby repealed.

REPEAL OF TITLE VI OF THE OLDER AMERICANS ACT

SEC. 604. (a) Title VI of the Older Americans Act of 1965, as amended (42 U.S.C. 3044-3044e), is hereby repealed.

(b) Section 908 of the Older Americans Comprehensive Services Amendments Act of 1973 (Public Law 93-29) is amended by striking out "1973," and "1974," and inserting in lieu thereof "1974," and "1975,", respectively.

Mr. HAWKINS (during the reading). Mr. Speaker, the amendment appears on pages 30435 to 30442 of the RECORD. I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from California to concur in the Senate amendment to the House amendments?

Mr. GROSS. Mr. Speaker, reserving the right to object, I should like to ask the gentleman, what is the parliamentary situation? Is the gentleman asking that we concur in a Senate amendment?

Mr. HAWKINS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from California.

Mr. HAWKINS. Yes. The Senate amendments were highly technical in nature. They were the result of a conference with the administration. They were accepted by the sponsors on the Senate side. My understanding is there is no objection to them.

This is the ACTION bill, which the House passed under a suspension of the rules procedure on Monday.

I was not in the actual conference. I believe the gentleman from Wisconsin (Mr. STEIGER) was. As to the substantive nature of the amendments I would defer to the gentleman from Wisconsin (Mr.

Steiger) to respond more definitely to the question.

Mr. GROSS. Let me ask the gentleman from Wisconsin, if I may, a question. Do these amendments deal with the money figures in the bill?

Mr. STEIGER of Wisconsin. Mr. Speaker, if the gentleman will yield, they do not. These amendments which were added by the Senate were developed jointly by the House, the Senate and the administration. They were worked out prior to the August recess and I believe serve to clarify certain provisions and do not substantially alter the bill as passed by the House. When we developed the compromise we also drafted a joint explanatory statement on it. I will not take the time to read the entire statement but will insert it in the Record at this point:

Joint Explanatory Statement Regarding House/Senate Compromise on S. 1148/H.R. 7265

1. With respect to section 104(b) regarding periods of service of VISTA volunteers enrolled under part A of title I, the Committees in both Houses wish to make clear that the language in the Senate bill "including or excluding periods of time devoted to training as the Director may determine", although not included in the compromise, is considered to be implicit therein and in section 113(a) which cross references section 104(b) as to the periods of service for UYA part B volunteers. Also, with respect to this subsection, the Committees wish to stress, and the agency concurs, that it is imperative that VISTA volunteer applicants be advised, at the time they receive invitations to training, of the length of service for which they are being invited. This will constitute a change in Agency procedures. It is necessary because of the varying periods of service authorized for VISTA volunteers under the subsection in the compromise.

2. With respect to the language in section 105(a)(1) in the compromise permitting the Director, as an exception, to provide stipends to VISTA volunteers under part A of title I for extended periods of service not totalling one year in individual cases, the Committees intend that such extended periods of service not be less than ten months (including or excluding training as the Director may determine).

3. With respect to section 112 in the compromise permitting payment of stipends to University Year for ACTION (UYA) volunteers serving under part B of title I in accordance with the provisions of section 105 in part A, the discussion in item 2 above also applies with respect to their "extended periods of service not totalling one year".

4. With respect to section 114(c) in the compromise regarding the payment of living allowances and the provision of other support and allowances as the Director may determine to short-term or part-time volunteers in special service-learning programs, the Committees have deliberately excluded the authority to pay stipends to any such volunteers. It is further intended by the Committees that the periods of service for volunteers in special service-learning programs under section 114 in the compromise may be of such length as the Director may determine without regard to any provisions of part A or B, and that the discussion in items 2 and 3 above with respect to payment of stipends, in individual cases, to VISTA and UYA volunteers serving extended periods of service has no application to section 114 volunteers whatsoever.

5. With respect to title III—National Volunteer Programs To Assist Small Businesses and Promote Volunteer Service by Persons With Business Experience—which represents technical improvements in the provisions of the Senate bill and the House amendment, the Committees wish to stress the following: (a) that the "assignment of volunteers" under such title refers to a work situation which has been explained to and accepted by the volunteer in question; (b) that the compromise in section 302(b) expressly requires the agreement of the Small Business Administration (SBA) Administrator to the terms and conditions of service prescribed by the ACTION Agency Director for SCORE/ACE volunteers with respect to their provision of assistance to persons or enterprises seeking to obtain, or receiving, financial or management counselling assistance from the SBA (which assistance is performed under the SBA's direction); (c) that the authority in section 302(c)(1) in the compromise to reimburse title III volunteers for necessary out-of-pocket expenses (which shall include, as under the Senate bill, parking and mileage in the event of appropriate uses of automobiles, meals, telephone calls, and the cost of necessary temporary secretarial services not available from either the ACTION Agency or the SBA) incident to their provision of services and the payment to them of travel expenses (including per diem in lieu of subsistence) while providing such services, includes the payment of such travel expenses for any necessary travel in connection with the performance of any such services, and that this authority is available without regard to the number of miles of such travel by such volunteers, in contrast to the limited authority in section 8(b)(1) of the Small Business Act which imposes a 50-mile minimum on the exercise of the SBA Administrator's travel-expenses payment authority; (d) that it is the intention and understanding of the Committees that SCORE/ACE and other title III volunteers, while carrying out official activities pursuant to such title, are covered under the Federal Employees' Compensation Act (subchapter I of chapter 81 of title 5, U.S.C.) for work-related injuries as individuals providing services to the U.S. Government without compensation such as if they were on invitational travel orders, and further, that this same coverage logically extends to volunteers serving under title II—National Older American Volunteer Programs—while they are carrying out official activities pursuant to such title; (e) that a very appropriate application of the expertise of SCORE/ACE and other title III volunteers beyond the counselling of SBA clients would be for such volunteers, either separately or working in conjunction with title II (especially in the new Senior Companions program) and title I volunteers, to provide financial and investment counselling to senior citizens and others living on fixed incomes in order to enable them to make the maximum use of their limited resources.

The Committee also expect that the Agencies will consult with appropriate SCORE/ACE volunteers in carrying out the provisions of title III.

6. With respect to section 404(f) in the compromise regarding the assignment or delegation of substantial responsibility for carrying out ACTION Agency domestic programs under the Act, the Committees do not intend the reference to clause (2) of section 402 in any way to authorize the delegation of authorities which may be otherwise prohibited to experts or consultants employed by the Agency under such clause. Further the Committee stress that the substitution of the word "programs" for the word "functions" in the first sentence of subsection (f) and the deletion of the last sentence of the subsection, as contained in the Senate bill is intended to simplify and clarify the subsection and to carry out the same purpose intended by such language in the Senate bill—namely, that the provisions of the subsection have no application to persons carrying out administrative functions in support of other than program-related activities in the Agency, that is, no application to persons in the category characterized by the Agency as "Agency-wide support" (generally those persons who are carrying out staff and volunteer recruitment, selection, personnel, budget and finance, legislative, legal, and public information activities in support of both the domestic and international operations of the Agency).

7. With respect to section 405(a) in the compromise regarding the membership on the National Voluntary Service Advisory Council, the language "individuals interested in serving and benefited by programs" carried out by the Agency includes former Peace Corps, VISTA, and other former volunteers under Agency programs, and also the persons served by such programs. Further, it is the expectation of the Committees that a full 25-member Council will be appointed and that in addition to appropriate representation on the Council of such international and domestic program beneficiaries, the Council will include at least one former Peace Corps volunteer and one former volunteer from each of the major domestic programs authorized under this Act.

8. With respect to section 419 in the compromise regarding the status of title II and title III volunteers with respect to eligibility for certain benefits, the Committees note that the inclusion of this section in the compromise in the form included in the Senate bill makes unnecessary the inclusion of subsections (d) in both sections 201 and 211, as included in the House amendment—these subsections are identical to subsections (d) of both section 601 and 611 of the Older Americans Act of 1965, as added by P.L. 93-29, included in title VI which would be repealed by section 604 of this Act—and that the subsections were thus not included in the compromise.

9. With respect to section 417(a) in the compromise regarding nondiscrimination in programs carried out under the Act, the reference to disability was not included in the compromise because of the difficulty of defining that term with precision and because it was believed to be inappropriate to legislate a distinction between physical and mental handicap or disability. The Committees expect and understand that there will be no discrimination based on physical or mental handicap in ACTION Agency programs when all eligibility and program criteria are met. Moreover, the Committees note that the subject of discrimination based upon physical or mental handicap in connection with Federal contracts or subcontracts and with Federal grants is fully dealt with in both House and Senate (S. 1875) versions of H.R. 8070, the proposed Rehabilitation Act of 1973, now pending in House/Senate conference.

10. With respect to the language of the compromise in section 501 regarding authorizations of appropriations for title I provisions, it is the understanding of the Committees in both Houses that the $29.6 million earmarked for poverty and poverty-related programs in subsection (a) will be expended in full and that the programs for which it will be expended will be full-time volunteer programs. The Committees also understand the Administration's view that these authorization provisions should not be considered as a precedent for other legislation.

Further, with respect to the language in subsection (b) requiring that if amounts are appropriated in excess of $37.6 million under title I, a "commensurate" increase be made in the sums made available for part A of title I, the Committee adopt as the meaning of the word "commensurate" as that term is used therein, the definition in *Webster's New International Dictionary Second Edition, Unabridged* (1955), on page 537 as follows: "1. equal in measure or extent; also proportionate; corresponding;".

11. With respect to section 504 in the compromise regarding authorizations of appropriations for the administration of the Act,

the Committees note that the two administrative expenses limitations contained in subsections (a) and (b) of this section in the Senate bill were not included in the compromise in order to permit the General Accounting Office to complete its study, requested by the Senate Foreign Relations Committee and the Senate Special Subcommittee on Human Resources, regarding appropriate methods of allocating costs for Agency-wide support activities as between international and domestic program appropriations items. This treatment in the compromise is in line with actions of the Congress in deleting from H.R. 5293, the Peace Corps FY 1974 authorization Act (now P.L. 93–49), certain similar restrictive provisions regarding administrative expenses and personnel appointments. It is the intention of the Committees, after having received and reviewed this report of the General Accounting Office and after taking into consideration any comments thereon submitted by the Agency, to work together with the Foreign Relations and Foreign Affairs Committees in the respective bodies to develop and enact legislation providing for one administrative expenses funding mechanism (management fund) to support the Agency-wide administrative "support" functions. Moreover, the Committees urge that the General Accounting Office complete its report at the earliest possible date in order that this troublesome matter can be expeditiously resolved in the best interests of the programs administered by the Agency. The Committees further note that the Agency's operations under the figures included in the President's FY 1974 budget request will satisfy both of the administrative expenses limitations included in the Senate bill, and that they expect Agency-wide administrative support costs thereafter to continue to be less than 10 per cent of the total amount appropriated for domestic programs.

Mr. GROSS. The amendments are germane; is that correct?

Mr. STEIGER of Wisconsin. The amendments are germane.

If the gentleman will yield further, the amendments are to the House bill. Essentially this is the House bill with 12 modifications which were offered by the Senate to our version. I would add one other point. As I said on the floor Monday when we considered this bill, this legislation is balanced, flexible, and reasonable. I think that these amendments clearly strengthen the bill and reinforce my earlier statement. I am confident that ACTION's Director, Mike Balzano, will carry out this legislation and will raise the agency to new heights in service to America. I have confidence in him because it has been said that he is a prince.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment to the House amendments was concurred in.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 8917, DEPARTMENT OF INTERIOR AND RELATED AGENCIES APPROPRIATIONS, 1974

Mrs. HANSEN of Washington. Mr. Speaker, I call up the conference report on the bill (H.R. 8917) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1974, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentlewoman from Washington?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of September 17, 1973.)

Mrs. HANSEN of Washington (during the reading). Mr. Speaker, I ask unanimous consent that the statement of the managers be considered as read.

The SPEAKER. Is there objection to the request of the gentlewoman from Washington?

There was no objection.

(Mrs. HANSEN of Washington asked and was given permission to revise and extend her remarks and include extraneous matter.)

Mrs. HANSEN of Washington. Mr. Speaker, the conference agreement on the bill H.R. 8917, making appropriations for the Department of the Interior and related agencies for fiscal year 1974 comes to a total of $2,443,137,200 in new obligational authority.

The amount agreed to in conference is over the House figure by $173,583,000; under the Senate by $45,636,500; and under the amount available in fiscal year 1973 by $206,269,100. The principal reason that the conference agreement shows such a large increase over the House is that the Senate considered more than $95 million in budget requests which were not considered by the House.

There were 50 amendments involving 180 items to be settled in conference. I believe that the conference report we are presenting today represents a reasonable compromise of the difference between the two Houses. I would like to point out that Senate action on the bill reduced items in the House version of the bill by $39,304,500. The conference restored $30,315,500 of these reductions. Some of the more significant items cut by the Senate and restored in part or in full in conference are the following:

Housing improvement program, BIA, $1,000,000;

Santa Rosa School construction, BIA, $4,500,000;

Riverside School design, BIA, $250,000;

Chilocco School design, BIA, $200,000;

Colorado River Indian Irrigation Project, BIA, $1,000,000;

Coal mine health and safety research, $2,000,000;

Other energy research, $4,100,000;

Warm Springs fish hatchery, $1,300,000;

La Crosse Fishery laboratory, $500,000;

St. Marks Wildlife Refuge, $200,000;

Allegheny National Fish Hatchery, $150,000;

Land Acquisition Delaware Water Gap, $10,000,000;

Numerous forest research projects, $430,000;

Cooperative forest fire control (CM2), $1,000,000;

Numerous Forest Service construction projects amounting to $6,355,000;

Dental care for Indians, $300,000;

Pilot urban Indian health projects, $500,000; and

Community health representatives, $500,000.

The conference agreement includes a total of $118,275,000 for the National Foundation on the Arts and Humanities. The total for the arts is $60,775,000. This includes $46,025,000 for grants to groups and individuals, $8,250,000 for grants to State arts councils, and $6,500,000 in matching grant funds. The total for humanities is $51,000,000 which includes $44,500,000 for grants to groups and individuals and $6,500,000 in matching grant funds. A total of $6,500,000 is available for administration of the program.

As I mentioned a moment ago, there were several items in conference which were not considered by the House. Three items were not authorized at the time the House considered the bill: Trust Territory of the Pacific Islands, for which the budget estimate was $56,000,000 and the conference agreement is $47,776,000; preservation of historic properties, for which the budget estimate was $15,505,000 and the conference agreement is $11,505,000, and the Office of Saline Water, for which the budget estimate was $2,527,000 and the conference agreement is $3,627,000.

The two principal activities for which the conference agreement exceeds the budget estimate are the Indian Education Act program, $40,000,000 and energy research programs, $55,700,000. In the case of the Indian Education Act, there was no budget estimate at all for 1974. The Congress provided $18 million in 1973. The administration proposed not to spend the $18 million but was forced to spend it by the courts. The $40,000,000 provided in the conference agreement will permit the continuation and expansion of this new program. In the case of energy research programs, the administration is on record as promising an additional $100,000,000 but no request has yet been forwarded to the Congress. The funds provided in the conference agreement will permit an early start on this program.

Mr. Speaker, before concluding my remarks on the conference report, I would like to express my appreciation to the very distinguished chairman of the Senate Subcommittee on the Department of the Interior and Related Agencies Appropriations, Senator ALAN BIBLE. Our committee has always found it a distinct pleasure to work with him and we will all miss him when he retires. His understanding of the problems is tremendous and he is most knowledgeable in all fields pertaining to items funded in this bill.

Mr. Speaker, I recommend adoption of the conference by the House and I include at this point in the RECORD pertinent tables relating to the funds provided in the conference report:

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1974 (H.R. 8917)

Agency and item	New budget (obligational) authority appropriated, 1973	Budget estimates of new (obligational) authority, 1974	Allowances			Conference allowance compared with—		
			House	Senate	Conference	Budget estimates of new (obligational) authority, 1974	House allowance	Senate allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
TITLE I—DEPARTMENT OF THE INTERIOR								
PUBLIC LAND MANAGEMENT								
Bureau of Land Management								
Management of lands and resources	[1] $96,565,000	$91,347,000	$83,872,000	$83,932,000	$83,932,000	−$7,415,000	+$60,000	
Construction and maintenance	7,965,000	6,300,000	6,300,000	6,300,000	6,300,000			
Public lands development roads and trails (appropriation to liquidate contract authority)	(3,265,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)			
Oregon and California grant lands (indefinite, appropriation of receipts)	17,500,000	17,500,000	17,500,000	17,500,000	17,500,000			
Range improvements (indefinite, appropriation of receipts)	2,714,000	3,376,000	3,376,000	3,376,000	3,376,000			
Recreation development and operation of recreation facilities (indefinite, special fund)		165,000	165,000	165,000	165,000			
Total, Bureau of Land Management	124,744,000	118,688,000	111,213,000	111,273,000	111,273,000	−7,415,000	+60,000	
Bureau of Indian Affairs								
Education and welfare services	[2] 303,285,000	299,785,000	298,476,000	300,550,000	301,704,000	+1,919,000	+3,228,000	+$1,154,000
Education and welfare services (appropriation to liquidate contract authority)	(271,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)			
Resources management	[1] 86,041,000	85,358,000	86,022,000	86,108,000	86,208,000	+850,000	+186,000	+100,000
Construction	56,078,000	44,000,000	53,343,000	48,287,000	53,703,000	+9,703,000	+360,000	+5,416,000
Road construction (appropriation to liquidate contract authority)	(45,539,000)	(43,000,000)	(43,000,000)	(43,000,000)	(43,000,000)			
Alaska native fund	50,000,000	70,000,000	70,000,000	70,000,000	70,000,000			
Payment to Ute Tribe of Uintah and Ouray Reservation	65,000							
General administrative expenses	6,200,000	5,319,000	5,244,000	5,244,000	5,244,000	−75,000		
Tribal funds (definite)	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000			
Tribal funds (indefinite)	13,530,000	13,505,000	13,505,000	13,505,000	13,505,000			
Total, Bureau of Indian Affairs	518,199,000	520,567,000	529,590,000	526,694,000	533,364,000	+12,397,000	+3,774,000	+6,670,000
Bureau of Outdoor Recreation								
Salaries and expenses	[3] 4,150,000	4,436,000	4,396,000	4,396,000	4,396,000	−40,000		
Land and Water Conservation Fund								
Appropriation of receipts (indefinite)	300,000,000	55,223,000	71,223,000	87,223,000	76,223,000	+21,000,000	+5,000,000	−11,000,000
Territorial Affairs								
Administration of territories	22,375,000	15,000,000	15,000,000	14,500,000	14,500,000	−500,000	−500,000	
Permanent appropriation (special fund)	(469,000)	(420,000)	(420,000)	(420,000)	(420,000)			
Transferred from other accounts (special fund)	(470,000)	(645,000)	(645,000)	(645,000)	(645,000)			
Trust Territory of the Pacific Islands	60,000,000	56,000,000		47,776,000	47,776,000	−8,224,000	+47,776,000	
Total, Territorial Affairs	82,375,000	71,000,000	15,000,000	62,276,000	62,276,000	−8,724,000	+47,276,000	
Total, Public Land Management	1,029,468,000	770,314,000	731,422,000	791,862,000	787,532,000	+17,218,000	+56,110,000	−4,330,000
MINERAL RESOURCES								
Geological Survey								
Surveys, investigations, and research	[4] 150,450,000	156,000,000	155,974,000	162,190,000	159,536,000	+3,536,000	+3,562,000	−2,654,000
Bureau of Mines								
Mines and minerals	[5] 157,465,000	136,824,000	145,424,000	151,324,000	152,224,000	+15,400,000	+6,800,000	+900,000
Office of Coal Research								
Salaries and expenses	43,490,000	52,500,000	61,500,000	95,000,000	94,300,000	+41,800,000	+32,800,000	−700,000
Office of Oil and Gas								
Salaries and expenses	1,558,000	16,145,000	2,585,000	2,585,000	2,585,000	−13,560,000		
Total, Mineral Resources	352,963,000	361,469,000	365,483,000	411,099,000	408,645,000	+47,176,000	+43,162,000	−2,454,000
FISH AND WILDLIFE AND PARKS								
Bureau of Sport Fisheries and Wildlife								
Resource management	[1] 76,639,500	79,004,000	80,137,000	80,377,000	80,437,000	+1,433,000	+300,000	+60,000
Construction and anadromous fish	2,333,000	9,233,000	12,846,500	5,933,000	8,126,500	−1,106,500	−4,720,000	+2,193,500
Migratory bird conservation account (definite, repayable advance)	7,100,000			7,100,000	3,500,000	+3,500,000	+3,500,000	−3,600,000
Total, Bureau of Sport Fisheries and Wildlife	86,072,500	88,237,000	92,983,500	93,410,000	92,063,500	+3,826,500	−920,000	−1,346,500
National Park Service								
Operation of the National Park System	[1] 162,918,000	176,780,000	176,720,000	187,577,000	183,052,000	+6,272,000	+6,332,000	−4,525,000
Planning and construction	[1] 54,146,000	20,000,000	20,000,000	19,744,000	20,000,000			+256,000
Road construction (appropriation to liquidate contract authority)	(5,416,000)	(35,000,000)	(35,000,000)	(35,000,000)	(35,000,000)			
Preservation of historic properties	11,559,000	19,559,000	4,054,000	15,559,000	15,559,000	−4,000,000	+11,505,000	
Planning, development and operation of recreation facilities (indefinite, special fund)		32,925,000	31,531,000	29,145,000	30,378,000	−2,547,000	−1,153,000	+1,233,000
John F. Kennedy Center for the Performing Arts	2,000,000	2,400,000	2,400,000	2,400,000	2,400,000			
Total, National Park Service	230,623,000	251,664,000	234,705,000	254,425,000	251,389,000	−275,000	+16,684,000	−3,036,000
Total, Fish and Wildlife and Parks	316,695,500	339,901,000	327,688,500	347,835,000	343,452,500	+3,551,500	+15,764,000	−4,382,500

Footnotes at end of table.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1974 (H.R. 8917)—Continued

Agency and item	New budget (obligational) authority appropriated, 1973	Budget estimates of new (obligational) authority, 1974	Allowances			Conference allowance compared with—		
			House	Senate	Conference	Budget estimates of new (obligational) authority, 1974	House allowance	Senate allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
TITLE I——DEPARTMENT OF THE INTERIOR—Continued								
Office of Water Resources Research								
Salaries and expenses	[6] $16, 344, 000	$13, 149, 000	$13, 689, 000	$13, 689, 000	$13, 689, 000	+$540, 000		
Office of Saline Water								
Salaries and expenses	26, 871, 000	2, 527, 000		3, 727, 000	3, 627, 000	+1, 100, 000	+$3, 627, 000	−$100, 000
Office of the Solicitor								
Salaries and expenses	7, 360, 000	7, 850, 000	7, 500, 000	7, 800, 000	7, 500, 000	−350, 000		−300, 000
Office of the Secretary								
Salaries and expenses	15, 295, 100	18, 926, 000	15, 495, 000	16, 026, 000	15, 495, 000	−3, 431, 000		−531, 000
Departmental operations	4, 466, 000	5, 737, 000	5, 737, 000	5, 737, 000	5, 737, 000			
Central energy research and development fund		25, 000, 000				−25, 000, 000		
Salaries and expenses (special foreign currency program)	500, 000	1, 630, 000	670, 000	1, 000, 000	670, 000	−960, 000		−330, 000
Total, Office of the Secretary	20, 261, 100	51, 293, 000	21, 902, 000	22, 763, 000	21, 902, 000	−29, 391, 000		−861, 000
Total, new budget (obligational) authority, Department of the Interior	1, 769, 962, 600	1, 546, 503, 000	1, 467, 684, 500	1, 598, 775, 000	1, 586, 347, 500	+39, 844, 500	+118, 663, 000	−12, 427, 500
Consisting of—								
Appropriations	1, 769, 962, 600	1, 546, 503, 000	1, 467, 684, 500	1, 598, 775, 000	1, 586, 347, 500	+39, 844, 500	+118, 663, 000	−12, 427, 500
Definite appropriations	(1, 436, 218, 600)	(1, 423, 809, 000)	(1, 330, 384, 500)	(1, 447, 861, 000)	(1, 445, 200, 500)	(+21, 391, 500)	(+114, 816, 000)	(−2, 660, 500)
Indefinite appropriations	(333, 744, 000)	(122, 694, 000)	(137, 300, 000)	(150, 914, 000)	(141, 147, 000)	(+18, 453, 000)	(+3, 847, 000)	(−9, 767, 000)
Memoranda—								
Appropriations to liquidate contract authority	(54, 491, 000)	(83, 500, 000)	(83, 500, 000)	(83, 500, 000)	(83, 500, 000)			
Total, new budget (obligational) authority and appropriations to liquidate contract authority	(1, 824, 453, 600)	(1, 630, 003, 000)	(1, 551, 184, 500)	(1, 682, 275, 000)	(1, 669, 847, 500)	(+39, 844, 500)	(+118, 663, 000)	(−12, 427, 500)
TITLE II—RELATED AGENCIES								
DEPARTMENT OF AGRICULTURE								
Forest Service								
Forest protection and utilization:								
Forest land management	[17] 299, 231, 000	246, 324, 000	259, 701, 000	257, 961, 000	257, 461, 000	+11, 137, 000	−2, 240, 000	−500, 000
Forest research	[1] 62, 146, 000	57, 275, 000	59, 145, 000	59, 880, 000	60, 160, 000	+2, 885, 000	+1, 015, 000	+280, 000
State and private forestry cooperation	[1] 32, 837, 000	23, 760, 000	27, 760, 000	26, 760, 000	27, 760, 000	+4, 000, 000		+1, 000, 000
Total, forest protection and utilization	394, 214, 000	327, 359, 000	346, 606, 000	344, 601, 000	345, 381, 000	+18, 022, 000	−1, 225, 000	+780, 000
Construction and. and acquisition	[1] 48, 794, 900	25, 498, 000	26, 353, 000	24, 357, 000	26, 443, 000	+945, 000	+90, 000	+2, 086, 000
Youth conservation corps	3, 500, 000	10, 000, 000	10, 000, 000	10, 000, 000	10, 000, 000			
Forest roads and trails (appropriation to liquidate contract authority)	(158, 840, 000)	(87, 700, 000)	(90, 700, 000)	(90, 700, 000)	(90, 700, 000)	(+3, 000, 000)		
Acquisition of lands for national forests:								
Special acts (special fund, indefinite)	80, 000	94, 000	94, 000	94, 000	94, 000			
Acquisition of lands to complete land exchanges		55, 300	55, 300	55, 300	55, 300			
Cooperative range improvements (special fund, indefinite)	700, 000	700, 000	700, 000	700, 000	700, 000			
Assistance to States for tree planting	1, 020, 000	1, 020, 000	1, 013, 000	1, 013, 000	1, 013, 000	−7, 000		
Construction and operation of recreation facilities (indefinite, special fund)		3, 546, 000	3, 546, 000	3, 546, 000	3, 546, 000			
Scientific activities overseas (special foreign currency program)		1, 000, 000		500, 000		−1, 000, 000		−500, 000
Total, new budget (obligational) authority, Forest Service	448, 308, 900	369, 272, 300	388, 367, 300	384, 866, 300	387, 232, 300	+17, 960, 000	−1, 135, 000	+2, 366. 000
COMMISSION OF FINE ARTS								
Salaries and expenses	135, 000	144, 000	143, 000	143, 000	143, 000	−1, 000		
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE								
Health Services and Mental Health Administration								
Indian health services	[8] 172, 748, 000	176, 968, 000	184, 118, 000	182, 803, 000	184, 283, 000	+7, 315, 000	+165, 000	+1, 480, 000
Indian health facilities	44, 549, 000	41, 717, 000	46, 027, 000	50, 107, 000	49, 927, 000	+8, 210, 000	+3, 900, 000	−180, 000
Total, Health Services and Mental Health Administration	217, 297, 000	218, 685, 000	230, 145, 000	232, 910, 000	234, 210, 000	+15, 525, 000	+4, 065, 000	+1, 300, 000
Office of Education								
Indian education	18, 000, 000			65, 000, 000	40, 000, 000	+40, 000, 000	+40, 000, 000	−25, 000, 000
INDIAN CLAIMS COMMISSION								
Salaries and expenses	1, 075, 000	1, 086, 000	1, 086, 000	1, 086, 000	1, 086, 000			
NATIONAL CAPITAL PLANNING COMMISSION								
Salaries and expenses	1, 425, 000	1, 462, 000	1, 459, 000	1, 459, 000	1, 459, 000	−3, 000		

Agency and item	New budget (obligational) authority appropriated, 1973	Budget estimates of new (obligational) authority, 1974	Allowances			Conference allowance compared with—		
			House	Senate	Conference	Budget estimates of new (obligational) authority, 1974	House allowance	Senate allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
TITLE II—RELATED AGENCIES—Continued								
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES								
SALARIES AND EXPENSES								
Endowment for the arts	$34,700,000	$65,000,000	$49,675,000	$58,250,000	$54,275,000	−$10,725,000	+$4,600,000	−$3,975,000
Endowment for the humanities	34,500,000	65,000,000	42,500,000	50,000,000	44,500,000	−20,500,000	+2,000,000	−5,500,000
Administrative expenses	5,314,000	8,000,000	6,500,000	6,500,000	6,500,000	−1,500,000		
Subtotal, salaries and expenses	74,514,000	138,000,000	98,675,000	114,750,000	105,275,000	−32,725,000	+6,600,000	−9,475,000
MATCHING GRANTS								
Endowment for the arts (indefinite)	3,500,000	7,500,000	4,000,000	7,500,000	6,500,000	−1,000,000	+2,500,000	−1,000,000
Endowment for the humanities (indefinite)	3,500,000	7,500,000	4,000,000	7,500,000	6,500,000	−1,000,000	+2,500,000	−1,000,000
Subtotal, matching grants	7,000,000	15,000,000	8,000,000	15,000,000	13,000,000	−2,000,000	+5,000,000	−2,000,000
Total, National Foundation on the Arts and the Humanities	81,514,000	153,000,000	106,675,000	129,750,000	118,275,000	−34,725,000	+11,600,000	−11,475,000
SMITHSONIAN INSTITUTION								
Salaries and expenses	51,633,000	56,438,000	55,438,000	55,438,000	55,438,000	−1,000,000		
Museum programs and related research (special foreign currency program)	3,500,000	9,000,000	4,500,000	4,500,000	4,500,000	−4,500,000		
Science information exchange	1,600,000	1,665,000	1,650,000	1,650,000	1,650,000	−15,000		
Construction and improvements, National Zoological Park	675,000	3,850,000	3,650,000	3,850,000	3,790,000	−60,000	+140,000	−60,000
Restoration and renovation of buildings	5,014,000	1,220,000	1,070,000	1,070,000	1,070,000	−150,000		
Construction	13,000,000							
Construction (contract authority)	27,000,000							
Construction (appropriation to liquidate contract authority)		(27,000,000)	(17,000,000)	(17,000,000)	(17,000,000)	(−10,000,000)		
Salaries and expenses, National Gallery of Art	5,420,000	5,832,000	5,832,000	5,832,000	5,832,000			
Salaries and expenses, Woodrow Wilson International Center for Scholars	800,000	800,000	800,000	800,000	800,000			
Operation and maintenance, John F. Kennedy Center for the Performing Arts	[9] 1,500,000							
Total, Smithsonian Institution	110,142,000	78,805,000	72,940,000	73,140,000	73,080,000	−5,725,000	+140,000	−60,000
HISTORICAL AND MEMORIAL COMMISSIONS								
Franklin Delano Roosevelt Memorial Commission	38,000							
American Revolution Bicentennial Commission: Salaries and Expenses	[10] (6,224,000)	[10] (7,100,000)				[10] (−7,100,000)		
NATIONAL COUNCIL ON INDIAN OPPORTUNITY								
Salaries and expenses	290,000	300,000	100,000	300,000	200,000	−100,000	+100,000	−100,000
FEDERAL METAL AND NONMETALLIC MINE SAFETY BOARD OF REVIEW								
Salaries and expenses	160,000	160,000	60,000	150,000	60,000	−100,000		−90,000
JOINT FEDERAL-STATE LAND USE PLANNING COMMISSION FOR ALASKA								
Salaries and expenses	708,800	750,000	694,400	694,400	694,400	−55,600		
PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION								
Salaries and expenses	[1] 350,000	200,000	200,000	500,000	350,000	+150,000	+150,000	−150,000
Total, new budget (obligational) authority, related agencies	879,443,700	823,864,300	801,869,700	889,998,700	856,789,700	+32,925,400	+54,920,000	−33,209,000
Consisting of—								
Appropriations	852,443,700	823,864,300	801,869,700	889,998,700	856,789,700	+32,925,400	+54,920,000	−33,209,000
Definite appropriations	(844,663,700)	(804,524,300)	(789,529,700)	(870,658,700)	(839,449,700)	(+34,925,400)	(+49,920,000)	(−31,209,000)
Indefinite appropriations	(7,780,000)	(19,340,000)	(12,340,000)	(19,340,000)	(17,340,000)	(−2,000,000)	(+5,000,000)	(−2,000,000)
Contract authority	27,000,000							
Memoranda—								
Appropriations to liquidate contract authority	(158,840,000)	(114,700,000)	(107,700,000)	(107,700,000)	(107,700,000)	(−7,000,000)		
Total, new budget (obligational) authority and appropriations to liquidate contract authority	(1,038,283,700)	(938,564,300)	(909,569,700)	(997,698,700)	(964,489,700)	(+25,925,400)	(+54,920,000)	(−33,209,000)
RECAPITULATION								
Grand total, new budget (obligational) authority, all titles	2,649,406,300	2,370,367,300	2,269,554,200	2,488,773,700	2,443,137,200	+72,769,900	+173,583,000	−45,636,500
Consisting of—								
Appropriations	2,622,406,300	2,370,367,300	2,269,554,200	2,488,773,700	2,443,137,200	+72,769,900	+173,583,000	−45,636,500
Definite appropriations	(2,280,882,300)	(2,228,333,300)	(2,119,914,200)	(2,318,519,700)	(2,284,650,200)	(+56,316,900)	(+164,736,000)	(−33,869,500)
Indefinite appropriations	(341,524,000)	(142,034,000)	(149,640,000)	(170,254,000)	(158,487,000)	(+16,453,000)	(+8,847,000)	(−11,767,000)
Contract authority	27,000,000							
Memoranda—								
Appropriations to liquidate contract authority	(213,331,000)	(198,200,000)	(191,200,000)	(191,200,000)	(191,200,000)	(−7,000,000)		
Grand total, new budget (obligational) authority and appropriations to liquidate contract authority	(2,862,737,300)	(2,568,567,300)	(2,460,754,200)	(2,679,973,700)	(2,634,337,200)	(+65,769,900)	(+173,583,000)	(−45,636,500)

Footnotes on following page.

[1] Includes the following amounts contained in the 2d Supplemental bill fiscal year 1973:

Bureau of Land Management, "Management of lands and resources"	$18,500,000
Bureau of Indian Affairs, "Resources management"	2,900,000
Bureau of Sport Fisheries and Wildlife, "Resource management"	900,000
National Park Service:	
Operation of the National Park System	4,040,000
Planning and construction	3,100,000
Forest Service:	
Forest land management	43,627,000
Forest research	1,003,000
State and private forestry cooperation	77,000
Construction and land acquisition	213,000
Pennsylvania Avenue Development Corporation,"Salaries and expenses"	350,000
Total	74,710,000

[2] In addition $2,040,000 transferred from "Salaries and expenses", Office of Water Resources Research and $286,000 from "Surveys, investigations, and research," Geological Survey pursuant to the 2d Supplemental bill fiscal year 1973.

[3] In addition $72,000 transferred from "Surveys, investigations, and research," Geological Survey pursuant to the 2d Supplemental bill fiscal year 1973.

[4] Includes $1,064,000 transferred to other Interior Agencies pursuant to the 2d Supplemental bill fiscal year 1973.

[5] In addition $706,000 transferred from "Surveys, investigations, and research," Geological Survey pursuant to the 2d Supplemental bill fiscal year 1973.

[6] Includes $2,040,000 transferred to "Education and welfare services," Bureau of Indian Affairs pursuant to the 2d Supplemental bill fiscal year 1973.

[7] In addition $3,173,000 transferred from "Forest Research" and $5,000,000 from "State and private forestry cooperation" pursuant to the 2d Supplemental bill fiscal year 1973.

[8] In addition $2,734,000 transferred from "Special benefits for disabled coal miners," pursuant to the 2d Supplemental bill fiscal year 1973.

[9] Appropriated in fiscal year 1973 for obligations incurred in fiscal year 1972. Fiscal year 1973 funding is included in the National Park Service Appropriation.

[10] Figures not included in totals since fiscal year 1974 budget request was not considered by either the House or the Senate.

Mr. YATES. Mr. Speaker, will the gentlewoman yield?

Mrs. HANSEN of Washington. Yes, I will be delighted to yield to the gentleman from Illinois (Mr. YATES), a member of the committee.

Mr. YATES. Mr. Speaker, as the conference report indicates, I excepted to amendment No. 49, which is the amendment offered by the gentleman from Ohio (Mr. SEIBERLING). It prohibited the granting of leases for strip mining in the national parks, the wilderness areas, and along scenic rivers. The conferees deleted that language, and I should like the gentlewoman to tell the House, if she would, why the House deleted that language.

Mrs. HANSEN of Washington. I will be delighted to respond to the distinguished gentleman from Illinois, a member of the conference committee.

As the gentleman is aware, the Senate deleted the language, and in the discussions at the conference they were rather determined to keep the Senate position.

They did it for a wide number of reasons. These reasons are summarized on a paper provided by the Department of the Interior. I will not take the time to read to the House the entire document, but I will place it in the RECORD. I will read the following excerpts from it for the gentleman:

> Section 303 should not be included in H.R. 8917 when it is reported by the Conference Committee, for the reasons outlined below.
>
> There is at the present time no surface mining of coal, under Federal leases, in any of the four systems covered by section 303, nor does any such activity appear to be planned.

They go on to say:

> No new prospecting permits for coal exploration are being granted by the Department of the Interior on any Federal lands, pending an evaluation of coal leasing policies . . . and no new permits would be given in any event for national wildlife refuges, national parks, wild and scenic river system components, or wilderness areas.
>
> It appears therefore that there is no need at this time for restrictions such as those contained in section 303.
>
> Even though there is no present need for section 303, the language of that section could nonetheless subject the Federal Government to considerable liability for the taking of vested rights.

They continue a little later and state:

> The Federal Government would, under the provisions of section 303, be put in the position of purchasing rights where there was previously no threat of development, and where government regulatory authority, rather than outright purchase, would probably be adequate either to prevent surface mining or to regulate it strictly.

Then they go on a little further to say:

> The provision of section 303 which includes "study rivers" raises special problems. First, there is no definite geographical area which can be pointed to as the limits of a study river.

The statement concludes:

> In addition, if section 303 resulted in a taking of existing property rights in coal deposits along the river, the Department could be required to compensate the owner for the interest taken, whether or not the river was eventually added to the system. This appears to be an unwise use of scarce acquisition funds. This problem would occur more frequently in the West, where coal deposits are often Federally owned than in the East, where coal rights are usually in private ownership.
>
> It appears, in sum, that section 303 is unnecessary legislation, which could create a substantial, and unnecessary liability.

The complete statement follows:

SECTION 303 OF DEPARTMENT OF INTERIOR 1974 APPROPRIATIONS BILL

Section 303 of H.R. 8917, the Department of the Interior 1974 Appropriations bill, as passed by the House of Representatives provides that no part of the funds appropriated by that Act shall be expended for any expense in connection with any lease, permit, approval or other action hereafter authorizing surface coal mining on any lands within any area of the National Park System, the National Refuge System, the National Wilderness System, or the Wild and Scenic Rivers System, including "study rivers" designated under section 5(a) of the Wild and Scenic Rivers Act.

Section 303 was deleted from H.R. 8917, as passed by the Senate.

Section 303 should not be included in H.R. 8917 when it is reported by the Conference Committee, for the reasons outlined below.

There is at the present time no surface mining coal, under Federal leases, in any of the four systems covered by section 303, nor does any such activity appear to be planned. (Strip mining is taking place or may take place in the future near or at several rivers under study for addition to the Wild and Scenic Rivers System: Obed River, Tennessee; Clarion, Pennsylvania; Lower Allegheny, Pennsylvania; and Little Beaver, Ohio. However, since this coal is privately owned and the Federal Government would not be granting leases or permits, section 303 would not appear to apply to these rivers.)

Further, no new prospecting permits for coal exploration are being granted by the Department of the Interior on any Federal lands, pending an evaluation of coal leasing policies. (38 Federal Register 4682 (February 20, 1973).) Granting of permits is discretionary under section 2 of the Mineral Leasing Act, as amended (30 U.S.C. § 201), and no new permits would be given in any event for national wildlife refuges, national parks, wild and scenic river system components, or wilderness areas.

It appears therefore that there is no need at this time for restrictions such as those contained in section 303.

Even though there is no present need for section 303, the language of that section could nonetheless subject the Federal Government to considerable liability for the taking of vested rights. Such vested rights could exist, for example, in certain permit holders or lease holders. The exact extent of such possible liability is not known, but it could be substantial. The Federal Government would, under the provisions of section 303, be put in the position of purchasing rights where there was previously no threat of development, and where government regulatory authority, rather than outright purchase, would probably be adequate either to prevent surface mining or to regulate it strictly. Such regulatory authority, would be strengthened further by legislation now being considered by the Congress to revise the mining and mineral leasing laws, such as H.R. 5442.

The provision of section 303 which includes "study rivers" raises special problems. First, there is no definite geographical area which can be pointed to as the limits of a study river. The only limits are generally the upstream and downstream borders, and the overall limitation in the Act on how many acres per mile can be included in a wild, scenic or recreational river when it is finally added to the system. It would not be at all clear what area would be included in the prohibitions of section 303 (In addition, if section 303 resulted in a taking of existing property rights in coal deposits along the river, the Department could be required to compensate the owner for the interest taken, whether or not the river was eventually added to the system. This appears to be an unwise use of scarce acquisition funds.) This problem would occur more frequently in the West, where coal deposits are often federally owned than in the East, where coal rights are usually in private ownership.

It appears, in sum, that section 303 is unnecessary legislation, which could create a substantial, and unnecessary liability.

Mr. YATES. Will the gentlewoman yield further?

Mrs. HANSEN of Washington. Yes.

Mr. YATES. It was represented, too, during the conference that the legislative committees of both the House and the Senate have under consideration at the present time language which would deal with that problem.

Mrs. HANSEN of Washington. The gentleman is entirely correct. The legislative committee is considering this entire matter, and it seems to me that the legislative committee will have the wisdom and good judgment to provide adequate protection for these areas.

Every member of the conference committee is agreed that there is no intention, no desire, no wish, to have strip mining in the national parks, the wildlife refuges, the wilderness areas, and in all the beautiful spots which are being set aside for the eternal enjoyment of all mankind.

I would also assure the gentleman from Illinois that I would be glad to talk to the authorizing committee and convey to them the thoughts of the Members in the entire conference committee. I am glad the gentleman from Illinois discussed this subject today. I say that because I think it is a very difficult question to settle on an appropriation bill. I do hope that a thorough and wide-ranging discussion will be held in the authorizing committee as to the appropriate kind of legislation to protect these areas.

Mr. YATES. I thank the gentlewoman from Washington for her explanation. I would have preferred to see this language retained by the conferees, but I think the explanation by the gentlewoman from Washington (Mrs. HANSEN) is comprehensive and really explains the thinking of the conferees. Those of us who favor the language recognize that the legislative committee should have covered it, with the assurance that the legislative committees will cover it in legislation that they have now under consideration, we deferred to the other conferees, and did not choose to make any kind of a floor fight on the matter. The gentlewoman from Washington is right in stating that all of the conferees indicated their objection to the idea of strip mining in any of the areas therein named. They expressed with us their expectation that the legislative committee will take care of the situation.

Again I thank the gentlewoman for yielding to me.

Mrs. HANSEN of Washington. I thank the distinguished gentleman from Illinois, who is a very able and distinguished member of our subcommittee.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentlewoman yield?

Mrs. HANSEN of Washington. I will be delighted to yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, I would like to commend and congratulate the chairman of the subcommittee, the very able and distinguished gentlewoman from Washington (Mrs. HANSEN) for the very strong statement she has made against strip mining in priceless public areas. This statement will provide guidance for the legislative committee in writing strong language to establish the fact that strip mining must not be allowed in these areas. I think the gentlewoman from Washington has stated very eloquently the opposition to the strip mining in the national wilderness, wildlife refuges, and wild and scenic river systems, and the national park systems, and again I commend the gentlewoman for her forthright statement.

The gentleman from Ohio (Mr. SEIBERLING) submitted an excellent amendment which was overwhelmingly adopted by a voice vote in the House. Subsequent to the action of the House, the Department of the Interior submitted an ex parte statement which unfortunately was not given the opportunity to be analyzed. This statement, which the able gentlewoman from Washington quoted, admitted that although no strip mining was occurring in these areas the Department of the Interior objected to a clear ban on strip mining in these areas. Similar objections have been voiced to the House Committee on Interior and Insular Affairs, and I am confident the legislative committee will adequately respond to that challenge.

Mrs. HANSEN of Washington. I thank the distinguished gentleman from West Virginia.

Mr. RONCALIO of Wyoming. Mr. Speaker, will the gentlewoman yield?

Mrs. HANSEN of Washington. I yield to the distinguished gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO of Wyoming. Mr. Speaker, I thank the gentlewoman from Washington for yielding to me, and I wish to compliment the gentlewoman on the excellent work that she and the members of the subcommittee have done on this bill. I would like to assure the gentlewoman from Washington and her subcommittee that, working on the legislative committee in preparing authorizations with reference to these matters, we will exclude strip mining from the areas mentioned by the gentlewoman from Washington (Mrs. HANSEN), the gentleman from Illinois (Mr. YATES), and the gentleman from West Virginia (Mr. HECHLER).

And may I now, because of a personal interest in it, ask the gentlewoman from Washington whether we could have an explanation as to the deletion of the $320,000 for the construction of the Ethete High School in the Wind River Indian Reservation of the Shoshone and Arapaho Indians of Wyoming?

Mrs. HANSEN of Washington. I will be glad to explain to the gentleman from Wyoming.

When the other body placed funds in this bill for the Ethete High School, they did not place the necessary authorizing language that would allow the money to be spent. As the gentleman from Wyoming is well aware, many of these school projects are not authorized and require specific language in the appropriation bill. We have pointed this out to the authorizing committees for many years. Something should be done, and we are hopeful that this can be accomplished, in the proper manner.

Mr. RONCALIO of Wyoming. May I ask the gentlewoman from Washington whether the proper place would be the next supplemental bill?

Mrs. HANSEN of Washington. Provided that the necessary language is included in that bill.

Mr. RONCALIO of Wyoming. I thank the gentlewoman from Washington.

Mr. McDADE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this conference report. Like all conference reports and most of our legislation, it represents give and take with the other body, and it is not precisely the kind of bill we all may have wanted, but on balance it is a bill I think that can be enthusiastically supported by the Members of this Chamber. It is the major resources bill that we will have before us this year, and I urge its adoption.

Mr. Speaker, I rise in support of the conference report on the bill H.R. 8917 making appropriations for the Department of Interior and related agencies for fiscal 1974 and to urge its approval by the House of Representatives.

Mr. Speaker, this bill contains two items of particular importance to the people of my congressional district. The first item concerns a $10 million initiative to provide funds through the land and water conservation fund for accelerated land acquisition in the Delaware Water Gap National Recreation Area. Many times in the last several years I have come to my colleagues here in the House to alert you to the plight of the many homeowners, businessmen and residents of the area of this long incompleted park. Earlier this year the House version of this bill contained $10 million. The Senate deleted $5 million. However, in the interim I have received written and verbal assurances from the Army Corps of Engineers that they could obligate $10 million this fiscal year and in the process take a giant step forward in acquiring the land necessary to complete the park. Accordingly, the Senate has agreed to my position and accepted the $10 million figure.

Another item contained in the bill is a $700,000 allocation to the U.S. Bureau of Mines for environmental improvement projects in northeastern Pennsylvania. During the past several years, through the Bureau's efforts, we have made tremendous strides in attacking the after effects of both surface and strip mining. These funds will be used to continue the Bureau's ongoing programs of demonstrating how scarred lands can be rehabilitated for recreational, residential, and commercial use. This item was likewise deleted in the Senate bill. However, I am pleased that the conferees agreed to my request to restore the funds.

I think the Members are aware that this bill represents a significant increase in new budget authority above the House-passed version of the bill. It is important to note that when the House considered the bill many of the budgeted accounts funded in this conference report had not been authorized. Therefore, your committee withheld funding recommendations for them. I am speaking specifically of funds for Indian education, the trust territories, the historic preservation programs of the National Park Service, and the Office of Saline Water.

I would also call the Members' attention to the committee's action regarding a significant increase for energy related research through the Office of Coal Research. These funds are provided with the understanding that the additional impetus such forward funding will give our energy programs is absolutely essential to meeting our energy needs. The Office of Coal Research and the Department of the Interior are expected to consult closely with the committee in the subsequent implementation of these funds. These programs, when considered separately, account for practically all but several million of new budget authority.

Mr. Speaker, the committee has also moved to provide funds for the many States who have actively participated in the land and water conservation fund by providing two provisions relating to the formula for usage. Anticipating that many States will exhaust their limited allocations, the committee has provided language in the report which will allow a State to provide more than 50 percent of its share if the State has funds available. This action has the support of most States who have long desired more flexibility in the use of the fund. Second, the Members will note that that 18 million of the State share of the fund be made available to those States who expect to exhaust their prior allocations during the coming fiscal year. The Secretary of the Interior will fund such projects on a project by project basis with the approval of the "needy" allocations not to be subtracted from future State shares. I am hopeful that these actions when taken with the dollar amounts in the bill will allow an active outdoor recreation program for all of the States through the coming year.

Mr. Speaker, I believe this bill is one of the most important pieces of legislation we will consider this year. With our energy needs so close at hand, with the human needs of millions of native Americans so dependent on its provisions and with the orderly development and protection of our national resources so vital, the moneys we invest here today will return dividends many times over. I urge the adoption of the conference report by the Members of this House.

Mr. McDADE. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, If I might, I should like to direct several questions to the gentlewoman from Washington relating to research and development money and ongoing money for fire protection in our national forests. As I know the gentlewoman is well aware, the Forest Service has had an active program to develop firefighting equipment that can be utilized in Air Force C–130's. This equipment was successfully tested in Idaho and used in two forest fires in California, most successfully this past year. As I understand it, this conference has done nothing to reduce the roughly $1 million for the future purchase of this kind of equipment; is that basically correct?

Mrs. HANSEN of Washington. Mr. Speaker, if the gentleman will yield, may I say that the conference made no reduction in research funds for forest fire prevention and control. May I say that the U.S. Forest Service has done an outstanding job in research on fire prevention and control. They simply do not have the money, as the gentleman is well aware, to purchase all the planes and equipment that are desirable. I trust that the gentleman from California, who is so interested in this program, would join the committee in urging that the Office of Management and Budget provide adequate funds in next year's budget for firefighting research, prevention, and control.

Mr. ROUSSELOT. I thank the gentlewoman, and I support that effort. I appreciate her comments that nothing by this conference has been done to reduce any influence in the purchasing of the previously described firefighting equipment.

I should like to ask additionally, if I might, of my good colleague, the gentleman from Oregon (Mr. WYATT) who I know has spent a great deal of time exploring with all of us how effective this kind of equipment that has now been used in fighting fires actually is, if it is clearly his understanding that in this conference nothing was done to reduce the possibility of the Forest Service using roughly $1 million for the purchase of this kind of equipment which can be put in existing aircraft, C–130's, by the Air Force without the requirement of purchasing additional aircraft. Is that basically correct?

Mr. WYATT. I thank the gentleman for yielding to me. I went to California to inspect the areas in southern California east of Los Angeles, and to observe the great need they have because of the explosive nature and the threat of fire. I followed with a great deal of interest the use of the equipment in the existing C–130's this summer, in fact in the past month in this work in particular, and it is my understanding the money is available and that the techniques are quite well established to make this an effective way to fight fires.

I do not understand the gentleman's attempt, or the Forest Service or our conference committee, to provide in this bill for the buying of additional aircraft.

Mr. ROUSSELOT. There is no need to buy aircraft, just desperately needed firefighting equipment.

Mr. WYATT. The money can be used for adapting existing aircraft now with this improved equipment.

Mr. McDADE. Mr. Speaker, I yield to the gentleman from California (Mr. ROUSSELOT) 1 additional minute.

Mr. ROUSSELOT. I thank the gentleman for yielding.

The gentleman from Oregon was most helpful in coming to California with many of our colleagues from California who have joined in this effort to make sure the Forestry Service does proceed on this purchase course. As a result of the purchasing of this equipment primarily as a follow-on to the tremendous fires that occurred in 1970, we found many Air Force aircraft that are available. The Forestry Service can purchase this equipment to be inserted in existing Air Force aircraft, so as the gentleman from Oregon has so constructively pointed out there will be no requirement to purchase any aircraft.

Mr. WYATT. That is my understanding.

Mr. ROUSSELOT. I thank the gentleman.

Mr. McDADE. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, according to the information that has been provided me concerning this conference report, it calls for spending in the Department of Interior and related agencies in the current fiscal year of $2,634,337,200. That is $173,583,000 above the bill as it left the House, and $65,769,900 above the President's budget. If those figures are not correct, I wish someone would correct them.

My concern with this substantially increased expenditure involves, among other things, those wonderful institutions known as the arts and the humanities and they are here in all their tax-eating, Nixon-blessed glory for spending on them has been increased. Let me give the Members a little history.

In fiscal year 1966, when the arts and the humanities took off, there was actually appropriated $2.5 million for the arts and $2.5 million for the humanities, a total of $5 million for both. That was only 8 fiscal years ago.

What is to be spent this year? Again I hope these figures are correct and I would be glad to be corrected if they are not. This bill as I understand it provides no less than $54,275,000 for the arts and $44,500,000 for the humanities, plus $6.5 million for administration.

That is $105,275,000. From that relatively modest beginning of $5 million, the arts and humanities have taken flight.

But wait a minute—that is not all. Under the heading of "Matching Grants," there is another $6,500,000 for the arts and another $6,500,000 for the humanities or a grand total of $118,275,000 for these two outfits in this fiscal year. They are not only in flight—they are in orbit.

Evidently very few around here are concerned that before this session of Congress adjourns it is going to have to increase the debt ceiling.

Yes, Congress has gone from $5 million for both of these do-good organizations to $118,275,000 in 8 short years.

On September 15 there appeared a story in the Washington Post and I would like to read an excerpt or two from it. It says:

> President Nixon yesterday reappointed Nancy Hanks as chairman of the National Endowment for the Arts and National Council on the Arts and said earlier fears that the Government would attempt to dominate the arts through such organizations have been dispelled.
>
> The President called his Administration's sponsorship of the arts "one of our more successful achievements" and said that Miss Hanks had been able to get "about a 900-percent increase" in Federal support of the arts since 1970.

Of course, that is since the President came to power. The article said:

> "I don't want *anything else* increased like that," he (the President) said with a laugh as he announced Miss Hanks' reappointment at a meeting with members of the Council in his office.

Incidentally, a picture goes with the story showing the President patting Nancy's hand. Nancy and the President have done real well in raiding the Treasury. But let me say that this kind of business is not going to stop inflation or put much in the way of bacon and beans in the stomach of anyone who is hungry in the country.

I have no quarrel with the arts and humanities, but they ought to take their place far down the line of priority in spending. And it ill behooves the President to boast that he has increased spending for this purpose 900 percent since 1970. The Members can be sure that if I can get the job done, there will be a vote on amendment No. 40, and the succeeding amendment which would validate this totally unnecessary spending.

Mr. McDADE. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. Quie).

Mr. QUIE. Mr. Speaker, I am going to talk a little bit more about the arts and humanities when the authorization conference report comes to the House. I guess I am taking the other approach from the gentleman from Iowa (Mr. Gross).

As the Members will recall, not too long ago we had a real stiff battle here because the administration wanted to increase the arts and humanities to $145 million, and we carried the day; we used "such sums" for 1975 and 1976. When the bill went to the House, there was $100 million appropriated in the appropriation bill. The Senate got $123 million and the conference on appropriations agreed to $118 million.

What really bothers me is how this body by a majority vote could agree to $145 million and now come back with $118 million. We are deluding somebody around here. We gave the impression that we were going to back the budget request by this amount of $145 million. There was no amendment offered in the House in order to increase the House $100 million figure. There was no amendment in the Senate, and incidentally, they put their authorization at $160 million instead of $145 million. There was no amendment offered over there to raise that $123 million either to the House or Senate figure in the authorization.

This is what is really bothering me, that we are telling the people one thing in authorization bills and telling people another thing in appropriations bills.

I am going into this more when the authorizing conference report comes back and point out how each year since this thing began, how we have not reached the mark of what we promised. We have got to quit promising so blamed much and face reality.

If all we wanted to put up for the arts and humanities was $118 million, we should have said that to begin with, or at least come closer to the authorization figure. We are going to authorize $200 million for 1975 and $252 million for 1976. That is not a jump from $145 authorized; that is going to be a jump from the $118 million appropriated up to $200 million authorized in 1975. That certainly cannot be a realistic figure.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. McDADE. Mr. Speaker, I yield 1 additional minute to the gentleman from Minnesota.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. QUIE. Let me finish the statement, and I think I will have time to yield.

I signed the conference report. I was bothered a while about doing it because I felt the $200 million was a figure that was beyond what the administration would ask for and certainly beyond what this Appropriation Committee and this Congress would appropriate, but because it is acceptable downtown, I signed the conference report.

I just wanted to point this out, that we have got to come closer together in our authorizations and appropriations.

Mr. Speaker, I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, is the gentleman merely suffering because they did not get everything they wanted on this bill?

Mr. QUIE. I am suffering, having won the day with some more of my colleagues on the Education and Labor Committee, on the authorization bill for $145 million. We worked like everything for that to get $145 million and a majority of the House went along with it. Now, a majority of both bodies are going for $118 million. Perhaps that $118 million may be all right.

I felt that the $145 million had been well-planned for by the administration because of moving to the Bicentennial. We really will be in trouble if we undershoot the mark this much.

Mr. McDADE. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Oregon (Mr. Wyatt).

Mr. WYATT. Mr. Speaker, I rise in support of the conference report. I should like to commend the leadership of our subcommittee for having worked out a very reasonable, sensible, and good compromise with the other body.

I should like to point out that we have agreed with tc an increase of $9.5 million for reforestation on Federal lands and timber stand improvement. I should point out this will barely permit us to stay even with the enormous backlog of federally owned lands, some approximately 5 million acres of lands capable of reforestation which are not being reforested.

We have gone about as far as anybody can expect us to go in the Congress in this regard. We need a massive infusion of money if we are to meet the wood and fiber demands tomorrow within the framework of reasonable environmental protection.

I merely point that out in passing.

Mrs. HANSEN of Washington. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Indiana (Mr. Brademas).

Mr. BRADEMAS. Mr. Speaker, I thank the distinguished gentlewoman of the subcommittee (Mrs. Hansen), and I wish to commend her for her continuing leadership in support of the arts and humanities.

Mr. Speaker, as some of my colleagues know, I have found it easy to restrain my enthusiasm for most of the works of the administration of President Nixon, but I must say that I believe the President has been well advised in the splendid support he has given to the programs provided under the Arts and Humanities Foundation.

If Members will recall the debate on the authorizing bill in the House, they will remember the eloquent words of the distinguished minority leader, the gentleman from Michigan (Mr. Ford), in which he made clear his own strong support for this program, as did many other Members both on the majority and minority sides.

If I understood what my colleague from Minnesota (Mr. Quie), who has contributed significantly to the shaping of this legislation, said just now, I, too, join in feeling that the Committee on Appropriations should have appropriated the full $145 million authorized in the legislation and recommended by the President. But if that was not possible, I hope very much there will certainly be firm resistance to any efforts to reduce the appropriations for a program which, as much as any other program we have been considering in this body, has come to command the confidence and support of Members on both the majority and minority sides and of Presidents of the United States of both political parties.

Mrs. HANSEN of Washington. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Illinois (Mr. Annunzio).

Mr. ANNUNZIO. I thank the gentlewoman for yielding.

Mr. Speaker, I have been a strong supporter of this program.

The word "suffering" was used today. I am just wondering how much suffering is going to take place since we are reducing this amount to $118 million while we are closing 12 public service hospitals.

As we appropriate this money, our wonderful, wonderful citizens will be watching the concerts, and the hospitals will be closed. I am wondering who is going to do more suffering?

Mrs. HANSEN of Washington. Mr. Speaker, I yield 1 minute to the distinguished gentleman from West Virginia (Mr. Hechler).

Mr. HECHLER of West Virginia. Mr. Speaker, to meet the critical energy needs of this Nation in this century it is absolutely essential that we move forward on speedy research for the desulfurization of coal and for the liquefaction and gasification of coal. I was very pleased to note that the conference had increased the amount of money for coal research in these areas. I was disappointed to note the reduction made in the Senate on coal mine health and safety research. But thanks to the efforts of my able colleague from West Virginia (Mr. ROBERT C. BYRD) additional funds were added in the Senate and adopted by the conference to enhance the utilization of our abundant reserves in coal.

I would like to ask the distinguished chairman of the subcommittee whether she feels that the emphasis on coal gasification and liquefaction included in the final conference figures will be sufficient to speed up our utilization of this very necessary fuel?

Mrs. HANSEN of Washington. Mr. Speaker, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentlewoman from Washington?

Mrs. HANSEN of Washington. Mr. Speaker, this will give us a start. May I say that the committee is convinced that this is merely a first step. I think that is the reason why we are having this discussion.

The distinguished gentleman from Iowa says that we are over the budget. Yes, frankly, we are over the budget. The President knows we are over the budget, and the Director of the Office of Management and Budget sat down with us to discuss the problem of the energy crisis.

The question is: Which is more important, the matter of the budget as of this moment, or the budget supplementals coming up in a short while to add to this amount and correct a critical situation?

Mr. HECHLER of West Virginia. Mr. Speaker, I am delighted with the action of the conference committee in this wise investment which will speed up our efforts to meet the Nation's energy needs through increasing the use of our vast coal reserves.

Mr. SEIBERLING. Mr. Speaker, I wish to commend the gentlewoman from Washington (Mrs. HANSEN) for a very fine statement of support for the principle that Congress should make its position abundantly clear against strip mining of coal in the national park system and related systems. Certainly it is gratifying to learn that the Department of the Interior has gone on record that it has no intention of exercising its discretionary powers to grant any new permits for such mining in national parks, national wildlife refuges, national wilderness areas, or components of the wild and scenic rivers system.

However, such are the pressures from certain elements in the coal mining industry that I do not think we should merely rely on assurances as to the present intentions and present policies of the Interior Department. Another Secretary of the Interior or another administration may adopt a different approach. It is unthinkable that we would permit such activities in our national parks system unless all other alternatives are exhausted. Therefore, it is especially gratifying to have the expression of the gentlewoman from Washington and other members of her subcommittee in support of the inclusion of an appropriate prohibition in general legislation now pending in the House Interior Committee.

I can appreciate that the questions raised by the Department of the Interior with which the conference committee was confronted were such as to suggest the advisability of allowing the matter to be handled in the general legislation rather than in the appropriations bill. It is unfortunate, however, that the Department supplied only the vaguest basis for the fears it expresed as to possible Government liability, since, under the circumstances, there was no opportunity to show the extent to which these concerns are groundless.

In any event, there will be such an opportunity in the course of the discussion in the Interior Committee.

Certainly our deliberations in the Interior Committee will be aided by the support we have received from the gentlewoman from Washington and the other members of her subcommittee who have expressed themselves today on this subject.

Mrs. HANSEN of Washington. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. RUTH

Mr. RUTH. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. RUTH. Mr. Speaker, I am, in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. RUTH moves to recommit the conference report to the committee of conference.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 385, nays 14, not voting 35, as follows:

[Roll No. 470]

YEAS—385

Abdnor
Abzug
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Donohue
Downing
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Podell
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Symington
Symms

Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Zablocki
Zion
Zwach

NAYS—14

Collins, Tex.
Crane
Dickinson
Fountain
Goodling
Gross
Landgrebe
Mathis, Ga.
Poage
Powell, Ohio
Ruth
Satterfield
Shuster
Treen

NOT VOTING—35

Adams
Ashbrook
Bell
Burke, Fla.
Burleson, Tex.
Carey, N.Y.
Diggs
Dingell
Dorn
Duncan
Flynt
Gray
Gubser
Hansen, Idaho
Hébert
Heckler, Mass.
Hillis
Lujan
McEwen
McKinney
Mann
Mills, Ark.
Nedzi
Patman
Pepper
Rhodes
Roy
Sandman
Stanton, James V.
Sullivan
Talcott
Teague, Tex.
Udall
Wilson, Charles, Tex.
Young, Tex.

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Carey of New York with Mr. Roy.
Mrs. Sullivan with Mr. James V. Stanton.
Mr. Teague of Texas with Mr. Rhodes.
Mr. Pepper with Mr. Dorn.
Mr. Hébert with Mr. McKinney.
Mr. Gray with Mr. Charles Wilson of Texas.
Mr. Flynt with Mr. McEwen.
Mr. Burleson of Texas with Mr. Ashbrook.
Mr. Adams with Mr. Lujan.
Mr. Mills of Arkansas with Mr. Bell.
Mr. Young of Texas with Mr. Hillis.
Mr. Mann with Mr. Burke of Florida.
Mr. Talcott with Mr. Dingell.
Mr. Diggs with Mr. Udall.
Mr. Duncan with Mr. Patman.
Mr. Nedzi with Mr. Gubser.
Mr. Sandman with Mrs. Heckler of Massachusetts.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: Page 6, line 6, strike out "$299,976,000" and insert in lieu thereof "$302,050,000".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. Hansen of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 4 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$303,204,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: On page 6, line 7, after "000" insert: "of which $3,528,000 shall be available to reimburse other agencies for obligations incurred on and after February 1, 1973."

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. Hansen of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 5 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: On page 6, line 18, strike out "$86,022,000" and insert in lieu thereof "$86,108,000".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. Hansen of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 6 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$86,208,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 7: On page 6, line 25, strike out "$53,343,000" and insert in lieu thereof "$48,287,000".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. Hansen of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 7 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$53,703,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 8: On page 8, line 6, after *"Provided, That"* insert: "in addition to the funds heretofore advanced".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. Hansen of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 8 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12: On page 13, line 19, insert the following:

TRUST TERRITORY OF THE PACIFIC ISLANDS

For the expenses necessary for the Department of the Interior in administration of the Trust Territory of the Pacific Islands pursuant to the Trusteeship Agreement approved by joint resolution of July 18, 1947 (61 Stat. 397), and the Act of June 30, 1954 (68 Stat. 330), as amended (84 Stat. 1559), including the expenses of the High Commissioner of the Trust Territory of the Pacific Islands; compensation and expenses of the Judiciary of the Trust Territory of the Pacific Islands; grants to the Trust Territory of the Pacific Islands in addition to local revenues, for support of governmental functions and payment to the Trust Territory Economic Development Loan Fund pursuant to Public Law 92–257; $47,776,000, to remain available until expended: *Provided*, That all financial transactions of the Trust Territory, including such transactions of all agencies or instrumentalities established or utilized by such Trust Territory, shall be audited by the General Accounting Office in accordance with the provisions of the Budget and Accounting Act, 1921 (42 Stat. 23), as amended, and the Accounting and Auditing Act of 1950 (64 Stat. 834): *Provided further*, That the government of the Trust Territory of the Pacific Islands is authorized to make purchases through the General Services Administration: *Provided further*, That appropriations available for the administration of the Trust Territory of the Pacific Islands may be expended for the purchase, charter, maintenance, and operation of surface vessels for official purposes and for commercial transportation purposes found by the Secretary to be necessary in carrying out the provisions of article 6(2) of the Trustee Agreement approved by Congress.

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. Hansen of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: On page 17, line 9, strike out "$145,424,000" and insert in lieu thereof "$151,324,000".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. Hansen of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 15 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$152,224,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 17: On page 19, line 10, strike out "$80,137,000" and insert in lieu thereof "$80,377,000".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. Hansen of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 17 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$80,437,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 29: On page 29, line 21, strike out "$259,701,000" and insert in lieu thereof "$257,961,000".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. HANSEN of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 29 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$257,461,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 32: On page 30, line 22, strike out "$26,353,000" and insert in lieu thereof "$24,357,000".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. HANSEN of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 32 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$26,443,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 30: On page 30, line 8, strike out "$59,145,000" and insert in lieu thereof "$59,880,000".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. HANSEN of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 30 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$60,160,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 34: Page 35, strike out the word "or" and insert the word "to."

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. HANSEN of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 34 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment, in disagreement.

The Clerk read as follows:

Senate amendment No. 35: Page 35, strike out "of the National Forest System of the Forest Service" and insert "to move or close any regional office for research, State and private forestry, and National Forest System administration of the Forest Service, Department of Agriculture, without the consent of the Committee on Appropriations and Committee on Agriculture and Forestry in the U.S. Senate and U.S. House of Representatives."

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. HANSEN of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 35 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 36: Page 36, strike out "$184,118,000" and insert in lieu thereof "$182,803,000".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. HANSEN of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 36 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$184,283,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 39: Page 39, strike out "$93,675,000", and insert in lieu thereof "$114,750,000".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. HANSEN of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 39 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$105,275,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 40: Page 39, strike out, "$41,425,000" and insert in lieu thereof "$50,000,000".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. HANSEN of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 40 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert: "$46,025,000".

The SPEAKER. The question is on the motion offered by the gentlewoman from Washington.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—years 326, nays, 73, not voting 35, as follows:

[Roll No. 471]

YEAS—326

Abdnor
Abzug
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Ashley
Aspin
Badillo
Baker
Barrett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Ginn
Goldwater
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Wash.
Harrington
Harvey
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hogan
Holifield
Holtzman
Horton
Howard
Hungate
Hunt
Hutchinson
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
King
Kluczynski
Koch
Kuykendall
Kyros
Landrum
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
McClory
McCloskey
McCormack
McDade
McFall
McKay
McSpadden
Macdonald
Madden
Mahon
Mailliard
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nichols
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Podell
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Saylor
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Staggers

Stanton, J. William
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Symington
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Ware
Whalen
White
Whitehurst
Widnall
Williams
Wilson, **Bob**
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Ga.
Young, Ill.
Zablocki

NAYS—73

Archer
Armstrong
Bafalis
Bauman
Beard
Bennett
Blackburn
Bray
Burgener
Butler
Camp
Clancy
Clawson, Del
Collins, Tex.
Conlan
Crane
Daniel, Robert W., Jr.
Dennis
Derwinski
Devine
Dickinson
Froehlich
Gilman
Goodling
Gross
Grover
Gunter
Harsha
Hinshaw
Holt
Hosmer
Huber
Hudnut
Ketchum
Landgrebe
Latta
Lott
McCollister
Madigan
Mathis, Ga.
Michel
Milford
Miller
Mizell
Moorhead, Calif.
Myers
Nelsen
O'Brien
Poage
Powell, Ohio
Price, Tex.
Rarick
Robinson, Va.
Rousselot
Ruth
Satterfield
Scherle
Shuster
Skubitz
Snyder
Spence
Symms
Taylor, Mo.
Treen
Vander Jagt
Wampler
Whitten
Wilson, Charles H., Calif.
Young, Alaska
Young, Fla.
Young, S.C.
Zion
Zwach

NOT VOTING—35

Adams
Ashbrook
Bell
Bowen
Burke, Fla.
Burleson, Tex.
Carey, N.Y.
Davis, Ga.
Dorn
Evins, Tenn.
Flynt
Gray
Hansen, Idaho
Hastings
Hébert
Hillis
Ichord
Lujan
McEwen
McKinney
Mann
Mills, Ark.
Patman
Pepper
Rhodes
Roy
Sandman
Sikes
Stanton, James V.
Sullivan
Talcott
Teague, Tex.
Wiggins
Wilson, Charles, Tex.
Young, Tex.

So the motion was agreed to.

The Clerk announced the following pairs:

Mr. Carey of New York with Mr. Roy.
Mrs. Sullivan with Mr. James V. Stanton.
Mr. Teague of Texas with Mr. Rhodes.
Mr. Pepper with Mr. Dorn.
Mr. Hébert with Mr. McKinney.
Mr. Gray with Mr. Charles Wilson of Texas.
Mr. Flynt with Mr. McEwen.
Mr. Burleson of Texas with Mr. Ashbrook.
Mr. Adams with Mr. Lujan.
Mr. Mills of Arkansas with Mr. Bell.
Mr. Young of Texas with Mr. Hillis.
Mr. Mann with Mr. Burke of Florida.
Mr. Talcott with Mr. Bowen.
Mr. Davis of Georgia with Mr. Evins of Tennessee.
Mr. Hastings with Mr. Ichord.
Mr. Patman with Mr. Sikes.
Mr. Wiggins with Mr. Taylor of North Carolina.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 41: Page 39, line 13, strike out "$42,500,000" and insert $50,000,000".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. Hansen of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 41 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$44,500,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 42: Page 40, line 5, strike out "$8,000,000" and insert "$15,000,000".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. Hansen of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 42 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$13,000,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 47: Page 45, line 11, insert "in the contiguous 48 States".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. Hansen of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 47 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the last amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 48: Page 45, line 14, insert ": *Provided*, That this limitation shall not apply to specific quantities and species of timber which said Secretaries determine are surplus to domestic needs".

MOTION OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mrs. Hansen of Washington moves that the House recede from its disagreement to the amendment of the Senate numbered 48 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert: ": *Provided*, That this limitation shall not apply to specific quantities of grades and species of timber which said Secretaries determine are surplus to domestic lumber and plywood manufacturing needs".

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE

Mrs. HANSEN of Washington. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentlewoman from Washington?

There was no objection.

LAW ENFORCEMENT AND FIREFIGHTER PERSONNEL RETIREMENT

Mr. BRASCO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9281) to amend title 5, United States Code, with respect to the retirement of certain law enforcement and firefighter personnel, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from New York (Mr. Brasco).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9281, with Mrs. Griffiths in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from New York (Mr. Brasco) will be recognized for 30 minutes, and the gentleman from Iowa (Mr. Gross) will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York.

Mr. BRASCO. Madam Chairman, I yield to the distinguished chairman of the committee, the gentleman from New York (Mr. Dulski), as much time as he may consume.

Mr. DULSKI. Madam Chairman, I rise in support of H.R. 9281, which is designed to more effectively attain the objective for which preferential retirement treatment was originally accorded Federal law enforcement personnel, and more recently, firefighting personnel. That is, to maintain a staff of relatively young and vigorous men capable of carrying out the Government's criminal law enforcement and firefighting functions by the replacement of older men who, because of the stringent physical requirements of their positions and the unusual mental, emotional, and physical stresses encountered in performing their duties, are no longer able to perform at peak efficiency.

The original legislation, enacted a quarter of a century ago, provided a differential of 33 percent between the annuity computation formulas. While the computation multiplier for employees in general was 1½ percent of average salary for each year of service, the Congress provided a 2 percent multiplier for law enforcement employees. The more liberal computation factor was provided not as a reward for the performance of hazardous duties, but because a more generous formula was necessary to make earlier retirement, with resultant shorter service, economically feasible.

Over the intervening years the computation formula has been improved for the bulk of Federal employees, but the initial flat 2 percent multiplier for law enforcement employees has remained unchanged. The differential presently approximates only 7 percent after 30 years of service.

Experience demonstrates that the

initial objective has not been realized with only a relatively few eligible employees having taken advantage of the early retirement opportunity at age 50 or prior to reaching age 55. I believe the reason is clear—it is not economically feasible for a man with 20 to 25 years of service to retire in his early 50's at the present rate of computation. Most are too old to begin a second career or, at best, have fewer opportunities even in less demanding occupations.

H.R. 9281 will, I believe, make it more economically practicable for these employees to retire before reduced proficiency and stamina make them a greater risk to themselves and others.

Madam Chairman, I urge the adoption of this legislation.

Mr. BRASCO. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, the purposes of H.R. 9281 are:

First, to assist in maintaining a relatively young, vibrant, and effective work force in the Federal law enforcement agencies and the Federal firefighters. To achieve this we must make it economically feasible for them to retire at an early age.

Second, to make the recruitment programs for these agencies competitive with local law enforcement and firefighters agencies.

While the intent of the legislation is not to reward our law enforcement officers and firefighters for performing their dangerous duties, but rather in recognition of the everyday psychological stress they must endure, it is a fact that these public servants do suffer fatalities and serious injuries during the course of daily activities. In an effort to make the record complete, I include at this point the 1973 analysis of assaults on Federal officers:

ANALYSIS OF ASSAULTS ON FEDERAL OFFICERS, SEMIANNUAL REPORT—1973 UNIFORM CRIME REPORTS

ASSAULTS ON FBI AGENTS

Eighty-two Special Agents of the Federal Bureau of Investigation (FBI) were assaulted in the line of duty in 47 separate incidents during the first six months of 1973. There were 53 Special Agents assaulted in 31 incidents during the same period in 1972. Forty-seven Special Agents were assaulted in 28 incidents in the line of duty from January through June of 1971. For the first six months of 1973 as compared with the first six months of 1972, there was a startling 55 percent increase in assaults on FBI Agents. The percentage increase in assaults for the first six months of 1972 compared with the same period in 1971 was computed at 13 percent.

Thirty-nine Agents were assaulted through the use of personal weapons such as hands, fists and feet; 17 by firearms; six by vehicles; four by knives; and four by blunt instruments. Eleven Agents were victims of threats made on their lives. One Agent was attacked when an assailant threw a hand grenade into the living room of his home.

The nature of injuries incurred by Agents of the FBI in the first six months were more serious than in previous years. One Agent was shot and killed in the line of duty while pursuing bank robbery fugitives. This is the twenty-fourth Agent to lose his life in the history of the FBI.

Three agents received gunshot wounds while engaged in gun battle situations. Fourteen Agents were reported to have received abrasions, lacerations, bruises, contusions and human bites. One Agent required medical attention for cuts inside his mouth. These attacks resulted only in temporary incapacities to the victim Agents. No significant duty time was lost by the Agents as a result of these assault incidents.

During the period January–June, 1973, the incidents involving the receipt of gunshot wounds are portrayed as follows:

FBI Agents in Charlotte, North Carolina, located two known bank robbery fugitives at a motel. One of the subjects was apprehended when both tried to effect an escape on foot. Two other Agents continued to pursue the second subject on foot. During the chase, the subject and Agents exchanged gunfire. The subject shot and killed one of the Agents as the gun battle continued. The second Agent apprehended the subject receiving a grazing wound to the head while the subject was shot twice. The Agent subsequently disarmed the subject and placed him under arrest.

Two Agents, while on special assignment northwest of Wounded Knee, South Dakota, were instructed to arrest the driver and occupants of an Econoline van for transporting weapons to the occupied area of Wounded Knee. As the Agents approached the van, the driver accelerated in an effort to flee. While being chased by the Agents, one of the subjects started to shoot at the Agents. Both Agents returned fire immediately. As the exchange continued, one of the Agents received wounds to both his hands. The pursuit ended because the wounded Agent needed medical treatment.

Three Agents arrested an unlawful flight to avoid prosecution fugitive. Prior to the arrest, it was necessary for the Agents to force their way into a house in pursuit of the fugitive. While searching the bedroom, the subject appeared in a barricaded position in the bathroom just off the bedroom and fired two shots at the Agents. The Agents returned fire. As a result of this, one Agent was wounded in the hand by the subject. The subject subsequently surrendered and was placed under arrest.

During the first six-month period of 1973, as in 1972, more Agents were assaulted while making arrests than in any other activity. Fifty-eight Agents were assaulted in arrest situations; eight in investigations; three while taking custody of prisoners; two in search of premises; two while off duty; one as retribution against an Agent; and eight in miscellaneous activities. The arrests during which the assaults occurred were made as a result of alleged violations of eleven different Federal laws within the jurisdiction of the FBI. The number of assaults in arrest situations for Bank Robbery and Military Desertion were the greatest with 16 assaults in each of these violations.

In ten incidents, a total of 14 Agents were assaulted by persons who were not the subjects of the cases being investigated. These persons included relatives of the subjects, friends of the subjects or bystanders who apparently were unrelated to the subjects.

CLASSIFICATION OF ALLEGED OFFENSE IN ARREST ACTIVITY OF AGENT AT TIME OF ASSAULT

Classification	Number of victims	Number of known offenders
Military desertion	16	11
Bank robbery	16	8
Unlawful flight to avoid prosecution	10	5
Extortion	4	1
Interstate transportation of stolen property	3	2
Fraud against the Government	2	1
Theft from interstate shipment	2	1
Escaped Federal prisoner	2	1
Assaulting a Federal officer	1	1
Kidnapping	1	1
Antiracketeering	1	1
Total	58	33

Forty-nine of the subjects assaulting FBI Agents in the 47 incidents were identified and arrested. To date, the following table shows the status of prosecution and judicial handling of these assault cases:

Status	Number o. victims	Number of known offenders
Pending trial	39	22
Sentenced	7	4
Prosecution declined	9	7
Pending prosecutive opinion	22	12
Charge dismissed	3	2
Acquitted		
Justifiable homicide	1	2
Insufficient information to conduct investigation	1	Unknown
Total	82	49

Of the four offenders convicted in the first six months of 1973 of assaulting FBI Agents under the Assaulting Federal Officers Statute, one received life imprisonment; one was sentenced to nine years' confinement; one received a sentence of three years' confinement; and the fourth received a six-month confinement.

The 82 assaulted Agents were assigned in 31 Field Offices at the time of the respective assaults. In this analysis, the New York Office had the greatest number of Agents assaulted with nine in the first six months of 1973. The assaults on Agents were distributed as shown in the following table:

New York City	9
Minneapolis	7
Baltimore	5
Knoxville	5
Los Angeles	5
San Juan	5
Columbia	4
Philadelphia	4
Charlotte	3
Cleveland	3
Pittsburgh	3
Buffalo	2
Dallas	2
Memphis	2
Miami	2
Milwaukee	2
New Orleans	2
Saint Louis	2
San Diego	2
Tampa	2

Albany, Atlanta, Denver, El Paso, Houston, Louisville, New Haven, Oklahoma City, Portland, Richmond and San Francisco each had one Agent assaulted.

ASSAULTS ON OTHER FEDERAL OFFICERS

During the first six months of 1973, there were 79 cases of assaults on Federal Officers based on reports received by the Federal Bureau of Investigation (FBI) in connection with the FBI's investigative jurisdiction concerning these violations. One hundred and ten Federal Officers were assaulted by 95 known offenders in these 79 cases. This compares with 143 Federal Officers assaulted by 121 known offenders in 91 incidents in 1972 for the same period.

The agency with the greatest number of officers assaulted was the Bureau of Prisons with 28 victims in 18 incidents and 22 known offenders. The agency with the second greatest number of victims of assaults was the United States Border Patrol with 22 victims in 16 incidents with 24 offenders identified. The United States Marshals Service was the third highest in number of victims with 16. These officers were assaulted in ten incidents wherein 14 offenders were identified. The following table shows all the agencies included in this six-month analysis as compared to last year at this time:

OFFICERS ASSAULTED IN OTHER FEDERAL AGENCIES

Agency	Number of victims		Number of known offenders	
	1972	1973	1972	1973
Bureau of Prisons	38	28	27	22
U.S. Border Patrol	28	22	17	24
U.S. Marshals Service	30	16	31	14
Bureau of Indian Affairs	9	11	11	9
Immigration and Naturalization Service	8	10	7	7
U.S. Park Service	8	4	7	4
Drug Enforcement Administration (formerly BNDD)	7	11	7	13
Federal judiciary	7	5	8	1
U.S. Fish and Wildlife Service	2		3	
U.S. Forest Service	2		2	
U.S. Meal Inspector	2		1	
General Services Administration	2	1		1
Assistant U.S. Attorney and U.S. Attorney		2		
Total	143	110	121	95

A breakdown of the weapons used in these assaults shows that 51 of the victims were assaulted with the use of hands, fists and feet. Firearms were used to commit 30 of the assaults. Threats and verbal abuse were directed at ten officers. Knives were used to perpetrate eleven assaults and seven officers were assaulted with blunt instruments. A vehicle was used in an attempt to run down one of the victim officers.

There are presently five cases involving seven known offenders pending court disposition. Investigation is continuing in 39 cases involving 48 known offenders. Convictions have occurred in eleven cases involving 14 known offenders. Fifteen cases involving 16 offenders were declined; three cases involving five known offenders were dismissed; and in one case the offender was acquitted. Four known offenders, in two cases, were justifiably killed in assault matters. In three cases, because of insufficient information, no suspects were identified.

WEAPONS USED IN ASSAULTS OF OTHER FEDERAL OFFICERS

Agency	Hands, fists and feet	Firearm	Knives	Blunt instrument	Vehicle	Threat
Bureau of Prisons	16		7	5		
U.S. Border Patrol	14	6	2			
U.S. Marshals service	12	4				
Bureau of Indian Affairs	1	7	1	1		1
Immigration and Naturalization Service	5	2			1	2
U.S. Park Service	2	1		1		
Drug Enforcement Administration	1	10				
Federal Judiciary						5
Assistant U.S. Attorney and U.S. Attorney						2
General Services Administration			1			
Total	51	30	11	7	1	10

Sentences were handed down to 14 offenders totaling 15 years' and 21 days' confinement; nine years' and 90 days' probation; and fines totaling $500. Three offenders were sentenced under the Federal Youth Corrections Act and one offender was deported.

Wounded Knee

Because of the unusual circumstances which encompassed the siege at Wounded Knee, South Dakota, this incident has been handled separately from the six-month analysis of Federal Officers.

The occupation which began on February 27, 1973, and ended on May 8, 1973, involved Agents of the FBI as well as Federal Officers of the U.S. Marshals Service and the Bureau of Indian Affairs. These agencies engaged in a paramilitary-type action against a known militant Indian group illegally occupying Wounded Knee.

Because of this particular situation, it was necessary to employ the use of road blocks as well as armored personnel carriers and military weapons. FBI Agents, U.S. Marshals and personnel of the Bureau of Indian Affairs manned a total of seven road blocks positioned on various routes leading to Wounded Knee. Militant Indians were utilizing ten bunkers in order to defend a close perimeter to Wounded Knee as of March 6, 1973, one week into the occupation.

On numerous occasions, gunfire was exchanged between the Officers and Indians. Many rounds of ammunition were expended by each side during the siege. As a result of these gun battles, a total of six Indians were wounded and another two were killed. One FBI Agent and one U.S. Marshal were the only officers to be wounded during the siege. The wounds incurred by the U.S. Marshal may result in his being paralyzed for life.

Investigations are presently being conducted by the FBI involving 261 subjects who allegedly took part in the occupation of Wounded Knee, South Dakota.

ASSAULTS ON OFFICERS OF THE DEPARTMENT OF THE TREASURY

During the first six months of 1973, a total of 49 Treasury Agents considered to be in an enforcement or investigative capacity were assaulted in 38 incidents involving 47 known offenders. A breakdown by agencies under the Department of the Treasury shows the Bureau of Customs had the greatest number of personnel assaulted with 28 in 22 separate incidents involving 26 known offenders; U.S. Secret Service had eight agents assaulted in five incidents involving eleven known offenders; the Bureau of Alcohol, Tobacco and Firearms (ATF) reported seven Agents assaulted by five known offenders in six separate incidents; and the Internal Revenue Service (IRS) reported six Agents assaulted by five known offenders in five separate incidents.

OFFICERS ASSAULTED IN TREASURY DEPARTMENT JANUARY–JUNE, 1973

Agency	Number of victims	Number of known offenders
Bureau of Customs	28	26
U.S. Secret Service	8	11
Bureau of Alcohol, Tobacco and Firearms	7	5
Internal Revenue Service	6	5
Total	49	47

A total of 31 Agents were assaulted through the use of hands, fists and feet. Specifically, 25 Customs officers, five Secret Service Agents and one IRS Agent were assaulted by personal weapons. Firearms were used in ten assaults. Specifically, six ATF Agents, three IRS Agents and one Secret Service Agent were assaulted with these weapons. Two Customs officers and one ATF Agent were assaulted with knives. Two Secret Service Agents and one Customs officer were assaulted by a blunt instrument in two assaults. A total of two IRS Agents were assaulted by means of a vehicle and a threat made against the life of one of these officers.

WEAPONS USED IN ASSAULTS ON OFFICERS OF THE U.S. TREASURY DEPARTMENT

Agency	Hands, fists and feet	Firearms	Knives	Blunt instruments	Other
Bureau of Customs	25		2	1	
U.S. Secret Service	5	1		2	
Bureau of Alcohol, Tobacco and Firearms		6	1		
Internal Revenue Service	1	3			2
Total	31	10	3	3	2

During this period, 27 Treasury Agents were assaulted while conducting searches of premises and persons. Twenty-five of the 27 Agents assaulted during this activity were Customs Officers. Their main responsibility is to conduct searches at all points of entry into the United States. Eleven Agents were assaulted while carrying out investigation and eleven agents were assaulted while making arrests.

Four Agents of the Bureau of Alcohol, Tobacco and Firearms were reported to have received gunshot wounds as a result of these assaults. One of the four agents wounded was considered to be in critical condition.

Of the 38 incidents that occurred during the first six months of 1973, prosecution has been authorized in 25 cases involving 26 known offenders. Court disposition is pending in six cases involving ten known offenders; three cases involving four known offenders were declined; and two cases involving two offenders were acquitted. In two cases involving three offenders, sentences were handed down totalling eight and one-half years' confinement. Of two offenders in connection with the above case, one was justifiably shot and killed while charges against another were dismissed.

PROSECUTIVE AND JUDICIAL HANDLING OF ASSAULTS OF U.S. TREASURY PERSONNEL—JANUARY–JUNE, 1973

Classification	Number of victims	Number of known offenders
Pending trial	7	10
Sentenced	4	3
Prosecution declined	4	4
Pending prosecutive opinion	31	26
Charge dismissed		1
Acquitted	3	2
Justifiable homocide		1
Insufficient information to conduct investigation		
Total	49	47

To accomplish the objectives I mentioned earlier, H.R. 9281 would do the following:

First, it changes the method of computing retirement annuities, increasing the computation rate from the present 2 percent of average pay multiplied by the years of service to 2½ percent for

20 years of service plus 2 percent for every year over 20.

Second, it would include uncontrollable overtime hours worked by law enforcement officers as part of their base pay. Firefighters now have such pay credited to them.

Third, it would require mandatory retirement for an otherwise eligible law enforcement officer or firefighter at age 55, or upon completion of 20 years of service, whichever occurs later. It does, however, allow the agency to retain an employee until age 60 if it so desires.

Fourth, it gives the agency the authority to set minimum and maximum entry ages.

Fifth, it is estimated that the bill would increase the unfunded liability of the civil service retirement fund by $664 million. To partially compensate for this there is a provision in the bill raising the employer contribution to the retirement fund from 7 percent to 7½ percent. This includes both regular and premium pay.

H.R. 9281 was approved by unanimous vote of the Subcommittee on Retirement and Employee Benefits with each member cosponsoring a clean bill. It passed the full committee by a voice vote.

During debate, you will no doubt hear that the committee, by its action, is favoring a select group of Federal employees. That is not so, because their qualifications and duties are different than those of any other Federal employees. Most of them must be college graduates with 2 years of business experience, and ready to accept assignments anywhere in the continental United States and, in some agencies, assignments abroad. They are asked to put their lives on the line daily.

No other category of employee requires this. These employees are firefighters and law officers involved in the apprehension and detention of criminals. They are agents of the Federal Bureau of Investigation, Marshalls, Secret Service, Bureau of Narcotics and Dangerous Drugs, Immigration and Naturalization Service, Internal Revenue Service, Criminal Division, Bureau of Customs, Bureau of Prisons, and intelligence officers of the Department of Defense.

Yes, they are different because we have asked them to do a difficult and dangerous job.

You will also hear in debate that this legislation affects only some 56,000 employees, and that the cost is out of line in comparison to the people it benefits. Madam Chairman, I maintain that the bill affects 220,000,000 Americans. The strength of our society and our cities and towns across the country depends in large part on our law enforcement personnel and our firefighters, who put their lives on the line each and every day, 24 hours a day.

The job is terribly dangerous. There is much loneliness and isolation associated with it, particularly in the area of law enforcement.

Therefore, Madam Chairman, I suggest that the cost is quite small, when one considers that all of us will benefit by a younger, more active and more vigilant law enforcement and firefighting work force.

During debate, you will hear that the administration cannot support the bill in its present form, so it must be perfected by amendment.

While I cannot speak for the administration, I know that the past actions of the President would indicate he does not agree with some of his people on this issue, because on October 26, 1970, the President signed into law Public Law 91-509, under which the Metropolitan Police Force, the District of Columbia Fire Department, the U.S. Park Police, the Executive Protection Service, and certain members of the Secret Service were given a 2½-percent computation factor; but, at the end of 20 years, instead of being reduced, it goes up to 3 percent plus a $50,000 death benefit annuity.

The point is, however, that in signing that bill into law the President recognized the needs of the employees covered by this legislation.

I believe it is important to point out that during the course of the hearings on this bill the committee learned that unless we begin to take the type of action contemplated in H.R. 9281, the Federal Government is just not going to be able to compete with many local law enforcement agencies and fire departments in attracting and holding qualified and effective employees.

We heard testimony, for example, from Ed Kiernan, former president of the New York City Patrolmen's Benevolent Association, that the only educational requirement for New York City patrolmen is a high school diploma, that they have a wide range of benefits that the Federal law enforcement officer does not have . . . free medical care, free eyeglasses, eye care, dental care, and also free prescription drugs for himself and his family. They receive a $25,000 death benefit and for this the policeman pays only 2½ percent of his salary toward the retirement fund.

To attempt to defeat or amend this legislation on the grounds that it costs too much or that our law enforcement personnel and firefighters have adequate benefits, is to close one's eyes to what the situation is in the real world in which these men find themselves.

In my view I believe that a vote for H.R. 9281 is a vote for a responsible approach in helping to solve an extremely serious problem and to do otherwise would be an injustice to these loyal and dedicated public servants.

I urge my colleagues to support H.R. 9281 and defeat all amendments.

Mr. FUQUA. Madam Chairman, will the gentleman yield?

Mr. BRASCO. I yield to the gentleman from Florida.

Mr. FUQUA. Madam Chairman, I thank the distinguished gentleman for yielding to me, the chairman of the subcommittee, who is bringing this bill to the floor, and the fine work the committee has done.

In section 4 of the bill, I note that a law enforcement officer who is eligible for retirement and entitled to an annuity, must be separated from service on the last day of the month in which he becomes 55 or completes 20 years of service if then over that age.

Therefore, if an employee is over 55 years of age and has completed fewer than 20 years of service, I take it he would be able to complete a full last year of service—his 20th year?

Mr. BRASCO. Yes.

Mr. FUQUA. Another question: If, however, an employee has completed more than 20 years of service and is less than 55 years of age on January 1, 1977, he would be separated on the last day of the month in which he becomes 55, regardless whether or not this date left him with some fraction of a last full year of service?

Mr. BRASCO. Yes.

Mr. FUQUA. Another question: Under existing law, is an employee entitled to complete a full year of service even though he reaches the mandatory separation age of 70 prior to completion of a full last year of service?

Mr. BRASCO. Yes.

Mr. FUQUA. Another question: Under existing law and under the bill, is an employee's annuity computed on total number of full years completed or would he be given credit for additional months and even days of service in computing his annuity?

Mr. BRASCO. He is given credit for fractions of the year—months and even days.

Mr. FUQUA. The last question: Notwithstanding present laws and the fact that fractions of a last year of service are credited, would the committee look with favor upon an amendment which would permit such an employee to remain in service beyond the date upon which he reaches the mandatory retirement age so that the employee might complete a full last year of service?

Mr. BRASCO. No. Present law requires mandatory separation for that employee who reaches 70 years of age regardless of whether this would leave him with a fraction for his last year of service. An employee is credited with the fraction in computing his annuity. The bill gives the agency authority to continue the employee in service until his 60th birthday in certain cases.

Mr. FUQUA. Madam Chairman, I thank the gentleman.

Mr. BRASCO. Madam Chairman, I might point out also to my good friend from Florida that he has referred to me as the chairman of the subcommittee. I am not. The distinguished gentleman from California (Mr. WALDIE) is chairman of the subcommittee. He will be managing the next bill.

I also would be remiss if I did not thank all of my colleagues on both sides of the aisle who put a tremendous effort into this bill.

Again, Madam Chairman, I urge its prompt passage.

Mr. GROSS. Madam Chairperson, I yield myself such time as I may consume.

Madam Chairman, I was interested to hear the gentleman speak of the special benefits given to municipal employees of the city of New York. I would say to my colleagues in the House that is probably one of the reasons why the city of New York has a municipal debt of $6 to $7 billion and is probably one of the worst debt-ridden cities in the entire United States.

Madam Chairman, this legislation, H.R. 9281, is but another example of unneeded, and unmerited "special interest" legislation designed to benefit 56,000 Federal personnel who already enjoy a more liberal retirement formula than other executive branch employees. In addition, the bill unjustly places the cost of these special benefits on all Federal employees, not just those employees who will receive them.

This legislation proposes to change the retirement computation formula for law enforcement and firefighting personnel from 2 to 2½ percent for the first 20 years, plus 2 percent for years of service exceeding 20.

Presently, law enforcement and Government firefighting personnel may retire with an annuity based on 2 percent of their high-3-year average pay times total years of service. They may retire voluntarily at age 50 with 20 years of service with no reduction for being under age 55, an early retirement penalty which other Federal employees are subjected to. Federal law enforcement and firefighting personnel accordingly receive the following percentage of their high-3 average pay for their service on the following basis:

For 20 years of service—40 percent.

For 25 years of service—50 percent.

For 30 years of service—60 percent.

H.R. 9281 would permit law enforcement and firefighting personnel to retire with 20 years of service at 50 percent of their high-3 average pay, with 25 years of service at 60 percent; and with 30 years of service at 70 percent of average pay.

This legislation is highly discriminatory and subverts the principal concepts of the Civil Service Retirement System by using the retirement fund as a reward for a particular type of service.

The Civil Service Commission estimates that the normal cost—that is the percentage of the total Federal payroll required to pay for retirement benefits—would increase by one-tenth of 1 percent—a cost which all employees would soon have to share—and the unfunded liability of the retirement fund will be increased by $664 million. This incremental increase in the unfunded liability will have to be paid, under existing provisions of law, in 30 equal installments of approximately $41.1 million for a total 30-year cost of over $1.2 billion, and I repeat for 56,000.

Madam Chairman, this is ill-conceived legislation at any point in time. There is no demonstrated need for improving retirement benefits for law enforcement and firefighting personnel, which are already quite liberal. And, in addition, this legislation is before us when the administration and the Congress are supposedly embarked on a joint cooperative effort to hold down Federal spending, in an effort to fight inflation.

This is bad legislation. It should be defeated.

Mr. MILFORD. Madam Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. MILFORD. With this $40 million per year for 30 years, are we not in effect committing future Congresses to pay that? Putting it another way, is that another back-door-spending item to be added to the budgets for the next 30 years?

Mr. GROSS. Yes. It is a mortgage upon the children of today and their grandchildren.

Mr. DOMINICK V. DANIELS. Madam Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New Jersey.

Mr. DOMINICK V. DANIELS. In reply to the question just asked by my respected colleague, I must disagree. This is not back-door spending.

In the 91st Congress, during which I had the honor of chairing the Retirement Subcommittee, we devoted our full time and attention to developing a positive plan of action to improve the financial status of the Civil Service Retirement System—the lack of which would otherwise have resulted in its bankruptcy in a matter of a relatively few years. That plan, enacted into law in October 1969 as Public Law 91–93, was the result of the administration's recommendations and a bipartisan effort of the Congress.

One of the major items of that measure was designed to provide for the orderly funding of new or liberalized benefits resulting from any newly enacted statues so as to control the growth of the system's then existing $60 billion unfunded liability.

Having been the sponsor of that legislation, I was then, and am now, fully aware that unfunded liabilities would be created in each instance when amendments to the retirement law are made. However, in that joint effort we laid down the policy that we would identify and recognize the costs of any such liberalizations, and fund those added costs by 30 equal annual appropriations.

I, for one, am willing to recognize that this bill will create an unfunded liability of $664 million. However, I will point out to the gentleman, and to the Members of this body, that the present unfunded liability will not be increased by such an amount, since the existing financing provision of the law will amortize the cost of this bill; thus, precluding any growth in fund deficiencies attributable to this bill.

If it were not for that 30-year funding provision, whereby the cost of this bill will be amortized at the rate of $41 million in each of the next 30 years, a growth in the unfunded liability of $664 million would, under another statutory mechanism, require annual transfers from the Treasury to the retirement fund of approximately $33 million in each year into infinity.

I thank the gentleman for yielding.

Mr. GROSS. Madam Chairman, let me ask the gentleman this question:

Where will the barren Federal Treasury or should I say the bare Federal Treasury get the billions of dollars that the gentleman states will be necessary?

Mr. DOMINICK V. DANIELS. Madam Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New Jersey.

Mr. DOMINICK V. DANIELS. Madam Chairman, I have conceded the fact that the unfunded liability will be increased by $664 million, but due to the provisions of the 1969 act, to place the Civil Service Retirement Fund on a sound fiscal basis, we provided then for taking out a 30-year mortgage to amortize these unfunded liabilities.

Mr. GROSS. It will still be necessary to find the money. We would probably have to borrow or start the printing presses to get the money in the Treasury to pay these bills; is that not correct?

Mr. DOMINICK V. DANIELS. Madam Chairman, may I point out to the gentleman that if we want improved police protection, if we want to protect the President of the United States and protect all of the distinguished visitors who come to this country, if we want to preserve our streets from crime and muggings and all the other types of criminal offenses that are taking place, if we are going to provide for such protection, it is going to have to be paid for.

Mr. GROSS. I will say, Madam Chairman, in answer to my friend, the gentleman from New Jersey, that these are Federal employees and they already have hazardous duty pay written into their paychecks.

Mr. DOMINICK V. DANIELS. Madam Chairman, I do not think their paychecks are adequate in relation to the hazardous duties they have to undertake, and, therefore, I disagree with the gentleman's philosophy.

Mr. ST GERMAIN. Madam Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Rhode Island.

Mr. ST GERMAIN. Madam Chairman, do I understand that these people have to retire at age 55, that it is mandatory that they retire at age 55 without any reduction in pension?

Mr. GROSS. Yes, on the basis of their years in service.

Mr. ST GERMAIN. With 20 years in service, right.

I understand also that if they retire prior to age 55, there is no reduction in the amount of pension; is that correct?

Mr. GROSS. I believe that is right.

Mr. ST GERMAIN. Now, does this include the guards of the Federal buildings? As far as the employees involved here are concerned, the Federal police and fire employees, do these categories include, for instance, the guards at some of the office buildings where our local offices are located?

Mr. GROSS. There are 56,000 law enforcement and fire fighter personnel to be benefited by this special privilege legislation.

Mr. ST GERMAIN. Madam Chairman, GSA has put on these Federal guards. They have uniforms, and they carry firearms. Are they included?

Mr. GROSS. I assume some of them are included.

Mr. BRASCO. Madam Chairman, will the gentleman yield?

Mr. GROSS. Yes, I yield to the gentleman from New York.

Mr. BRASCO. Madam Chairman, the answer to the question which was asked is "No."

This bill covers, very simply, the people I mentioned. The generic definition covers those who are involved in criminal investigation, apprehension, or detention of criminals. Therefore, the building guards would not be covered. Of course, the firefighter is covered by virtue of a previous act of Congress which was signed into law by the President and would not be in this category of retirement that we are talking about now.

Mr. ST GERMAIN. Thank you.

Mr. MILFORD. Will the gentleman yield?

Mr. BRASCO. Yes. I yield to the gentleman.

Mr. MILFORD. I wonder about these dangers that our Federal police officers and our Federal firefighters face. How are they different from those the Grand Prairie, Tex., police officers and firemen must face? As I understand it, they risk their lives just as greatly, yet do not draw near the pay and certainly do not have the benefits as those paid to Federal officers. I wonder where our sense of fairness is.

Mr. GROSS. Perhaps the proponents of this bill can answer that. I do think this is a bad bill. They are already compensated for hazardous duty. It is a part of their pay structure.

The CHAIRMAN. For the benefit of Members, the Chair would like to announce that the Chair is properly addressed as Madam Chairman. While she seems to be neutral, she is not neuter.

Mr. BRASCO. Madam Chairman, I yield 2 minutes to the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Madam Chairman, it surprises me that, when the President of the United States declares war against narcotics, we find some of the spokesmen in these great Halls debating as to whether or not we will be able to obtain the soldiers and what price we will have to pay for them.

As a former assistant U.S. attorney, I have worked very closely with the FBI and the Bureau of Narcotics and Dangerous Drugs, and have found it almost impossible to put a dollar sign on the hazards faced by the men and women in these professions because of their fearless dedication to the protection of this country against those that would destroy it. It does not bother me that we should consider certain people as being entitled to special types of benefits. The legislative record of this Congress does not show that we have excluded ourselves from special benefits, and yet, I do not believe, with the exception of a few of us, that we can consider our jobs as being hazardous. Nevertheless, when the House is faced with the opportunity of providing extra benefits to our Federal law enforcement agents and firefighters who are engaged in the most dangerous of activities, I find that many of my colleagues are unwilling to provide these dedicated public servants with the types of benefits already being offered to persons similarly employed on the State and local levels.

We have heard a great deal about how this bill is going to create unfunded liabilities in the retirement fund, and that the bill only helps a few thousand workers, and that these are serious problems that are reason enough to defeat this bill. On the other hand, the gentleman from California, whose entire subcommittee supports the bill and who held extensive hearings on the bill, as well as my colleague from New York, tells us that the bill does not create problems. Indeed, the bill provides the House with an opportunity to vastly improve the Federal law-enforcement and firefighting services and I see no reason why we should not grasp this opportunity.

Let us see exactly what the bill would do. First, it would increase the computation rate in determining an employee's annuity, for the first 20 years of service from 2 to 2½ percent. Second, it would include uncontrollable overtime in base pay and, as a result, increase the amount of the employee's annuity. Third, it would require mandatory retirement at age 55 or upon completion of 20 years of service, whichever occurs later.

It is quite obvious, therefore, that what the bill is doing is encouraging Federal law enforcement officers and firefighters to retire after 20 years. Why? Primarily so that these work forces will remain organizations with young people doing the hazardous work in which they are so involved. To put employees engaged in a hazardous occupation on the same level as other Federal employees with respect to retirement benefits is simply not proper. The Federal offices and firefighter experiences hazards, isolation, loneliness, and indefinite hours and locations that other employees do not. And it takes young men to do the good job we require of them under these conditions.

I know this to be true from personal experience. As a U.S. attorney in New York, I have seen firsthand the problems and difficulties faced by Federal law enforcement officers, particularly the agents of the Bureau of Narcotics and Dangerous Drugs. Isolation from one's neighbors and friends is a common problem for these officers, but what may be even worse is the necessary lack of communication with one's family regarding his day-to-day activities. Combined with the hazards we all are aware of and the indefinite working hours, isolation makes the officer's years of duty a continuous string of stressful days and nights. Yet I ask, where would we be without his dedication and selfless efforts in combating organized crime?

Beyond the fact that passage of this bill is commonsense in terms of maintaining younger work forces, it is absolutely necessary if the Government is going to remain at all competitive with State and local governments in finding qualified and willing law enforcement officers and firefighters. In my city of New York, the policeman already has considerably better benefits than the Federal officer and yet we require the Federal officer to have a better education and more experience than the rookie city policeman. The New York City policeman pays 2 or 2.5 percent of his salary to the retirement fund, the Federal officer now pays 7 percent. The city policeman's benefits are higher. He receives free eyeglasses and eye care for himself and his family. And he receives prescription drugs for himself and his family. And, he has a dental care program with a schedule of fees on dental benefits. Federal officers do not have this at all.

The list of benefits the New York patrolman has is much longer, and is only an example, of what exists elsewhere. But the point is obvious. Although the bill we have before us is not going to give the Federal officer parity with his city colleague, it at least is going to prevent him from falling further and further behind.

We cannot complain about the past, that people are being paid too much. What we need to consider is where can we recruit these people; are they available or are we willing to pay the price? It seems to me if we are so anxious to declare a war, we should be able to pay for the warriors.

Mr. BRASCO. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. BRASCO. Madam Chairman, I yield the gentleman 1 additional minute.

Mr. RANGEL. I yield to the gentleman.

Mr. BRASCO. My good friend was assistant U.S. attorney and I was assistant district attorney in Kings County.

This is in response to a question raised by our distinguished colleague about the fact that the risks involved in the job of the Federal law enforcement officer are not the same as the local risks.

Would the gentleman not agree with me that particularly, in most of our efforts where there is concerted action between the Federal law enforcement officers, FBI, police, and dangerous and narcotic drug police, with the local police department on the same raid, going in there for the same criminals, where they are doing the same job, but the inequities in terms of retirement and other benefits are so different, is that not a reason?

Mr. RANGEL. There is no question about that. Even when the Federal law enforcement officers are operating separately from the local police officers, the difference in pay, the difference in benefits are always a morale factor. It is something similar to having our troops in Korea, soldiering next to the Korean troops, where they are getting $5 a month, and our troops are getting $500 a month.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GROSS. Madam Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Madam Chairman, the legislation under consideration, H.R. 9281, is designed as a special benefit for some 56,000 Federal law enforcement and firefighting personnel and as such is bad legislation.

The package which finally emerged from the committee was conceived as H.R. 2654, a bill that had as its specific purpose a generous liberalization of retirement benefits for a group of Federal employees who already enjoy special benefits. Specifically, the original bill proposed to increase the special multiplier used to compute law enforcement annuities from 2 to 2½ percent of average salary. Since the reported bill carries forward this, in addition to other objectionable features, I cannot support it.

In a report to our committee on the original bill, the Office of Management and Budget offered some significant objections and clearly stated why preferential treatment for law enforcement employees is not warranted.

OMB made the point that there is no evidence that agencies which employ law enforcement personnel are encountering difficulty in recruitment. This is in marked contrast, they said, to the situation in most municipal police departments, where maintaining full strength is a continual problem.

The OMB report also pointed out that working conditions of Federal law enforcement personnel are not directly comparable to those of municipal police forces, but their compensation and fringe benefits compare favorably with the better metropolitan police systems.

The Civil Service Commission put its finger directly on the flaw in H.R. 9281 in its report on this legislation stating:

> We would object to any proposal to establish a preferential computation formula as a reward for a particular kind of service, because we believe no one type of service merits a greater retirement reward than any other. The value of service of any kind is reflected in pay, which in turn directly affects ultimate retirement income. A purely preferential formula cannot be rationalized by asking the employee to pay a higher contribution rate. Almost any identifiable class of Federal employees would gladly pay more for a clearly more liberal computation method.

Madam Chairman, while H.R. 9281 must be opposed as a package, it might be salvageable. I have good reason to believe that if the proper alterations are made to the bill, it is likely to find its way to final enactment. With this in mind and in the interest of enhancing the track record of this body, I propose, at the appropriate time, to offer a few amendments to the bill. In doing so, my purpose is to remodel the legislation so that it fulfills its objective of encouraging a young and vigorous work force of Federal law enforcers and firefighters and improves its chances for acceptance.

The amendments I have prepared would deal with the following matters:

The U.S. Civil Service Commission concurs in the proposal to authorize a maximum age limit for entering into occupations covered by the bill. However, the Commission considers that the determination of the age limit on an agency-by-agency basis, as would be provided under H.R. 9281, is not an appropriate approach. Instead, it proposes that uniform age limits be set for these positions.

The Commission objects to the new 2½ percent a year computation formula proposed by H.R. 9281 as being excessively generous. It believes that the basic annuity formula used for employees generally, but with a guaranteed amount of not less than 50 percent of high-three average pay, as now applies to air traffic controllers, would be a more appropriate incentive for early retirement of law enforcers and firefighters, would assure an economically feasible retirement income, and would discourage covered employees from delaying retirement long enough to raise annuity above the 50-percent level.

I find that the Commission's suggestions are constructive suggestions, and recommend that H.R. 9281 be amended to conform with them. The amended bill will not just be a better one, it will be one more likely to find its way to final enactment.

Madam Chairman, before I continue with my prepared remarks I would point out to the members of the committee that I have a great affection and regard for the gentleman from New York (Mr. BRASCO). In this body where we have a great deal of talent, I consider the gentleman from New York (Mr. BRASCO) to be one of the unsung statesmen of this period. I think it is most appropriate that the gentleman is finally starting to show his wonderful ability by the surge of leadership he is demonstrating this afternoon.

Madam Chairman, I now must state my objection against the bill, and I would suggest that, having spent a few years in this body, I can almost see the inevitable passage of the bill, but I do not believe this necessarily will be one of the brighter moments in the history of the House of Representatives.

Basically what this bill does is provide special benefits to 56,000 Federal employees and, as such, this is bad legislation.

The argument in behalf of this bill that this is necesary to attract and keep qualified personnel is actually refuted by the record.

But, Madam Chairman, in the hope of salvaging something from a basically bad bill I intend to offer at the proper time amendments which I hope would receive the specific attention of the Members. The amendments will deal with the following matters:

The U.S. Civil Service Commission concurs in the proposal to authorize a maximum age limit for entering into occupations covered by the bill. However, the Commission considers that the determination of the age limit on an agency-by-agency basis as provided under this bill is not the appropriate approach. Instead, it proposes as a matter of fact that age limits be set for these jobs.

The Commission also objects to the 2.5 percent per year computation formula proposed under this bill. They feel it is excessively generous. It believes that the basic annuity formula used for employees generally with a guaranteed amount of not less than 50 percent of the high 3-year average pay as now applying to air traffic controllers will be a more appropriate incentive for early retirement for law enforcement officers and firefighters, and will insure an economically feasible retirement income, and would discourage covered employees from delaying retirement long enough to raise their annuity above the 50-percent level.

I find that the Commission's suggestions are constructive. I believe that they improve H.R. 9281 to the point where it might be acceptable, and I would trust at the time I offer amendments that I would receive the necessary support.

Mr. BRASCO. Madam Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from New York.

Mr. BRASCO. As the gentleman indicated, as one of the unsung heroes of the House, the gentleman would agree that we served on the same committee for a number of years—as a matter of fact, since I have been a Member of Congress on the Committee on Post Office and Civil Service—and we have gone through the entire gamut of categories of Federal employees. To that extent I would think that the gentleman does not really mean it when he states that we are carving out this group of employees for special consideration.

Is it not a fact that their job descriptions and the assignments that we in the Congress want them to perform, and the service the American people expect to receive, make them different because they are firefighters and law enforcement personnel and must put their lives on the line daily, 24 hours a day, which is not so of any other Federal employee in our committee's jurisdiction.

Mr. DERWINSKI. Their training and actually their compensation takes this into account.

Mr. BRASCO. That is a different point, but wculd the gentleman not agree that they are different, per se and we are not creating a special category?

Mr. DERWINSKI. Yes; we are. In that sense we are treating them differently.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DERWINSKI. Will the gentleman from Iowa yield me 1 additional minute?

Mr. GROSS. I yield 1 additional minute to the gentleman from Illinois.

Mr. DERWINSKI. May I make a point to the distinguished gentleman from New York. Please understand I am trying to be objective and not create an unnecessary furor, but I think part of the problem that we in our committee face, and I think this charge could be made against any other committee of Congress, is that we get so engrossed in the subjects that have our immediate attention that we lose our perspective. I think we have spent so much time hearing from and being pressured by the Federal employee organizations that we do not maintain objectivity. I think this is a case where we have listened to the requests of some of these organizations, and we have not kept in mind the impact on the taxpayer which this precedent sets.

Mr. BRASCO. Madam Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from New York.

Mr. BRASCO. I thank the gentleman for yielding. With respect to that, if the gentleman knows the history of this bill, in the last session of Congress in the full Committee on Post Office and Civil Service, notwithstanding the enormous pressures the gentleman said they were under, Mr. DANIELS of New Jersey made a motion to send this same bill back to the subcommittee to do certain things with it that would make it more responsive and responsible; so that we are not really under pressure when we try to do what the members of the committee and all members of the subcommittee have indicated before, which is to bring forth a bill that would do the job and be responsive.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BRASCO. Madam Chairman, I yield to the distinguished chairman of the subcommittee, the gentleman from California (Mr. WALDIE), as much time as he may consume.

Mr. WALDIE. I thank the gentleman for yielding.

Madam Chairman, I simply want to commend the gentleman for the work he has done on the bill.

Madam Chairman, I just want to make a brief comment on the statement we have heard today that the civil service retirement fund is in some trouble and this bill will only add to its problems.

I would point out that there is now an enormous surplus in the fund. In fact, it is estimated that employees have been contributing more into the fund, for several years, than what has been paid out of the fund in benefits—so much so that the Civil Service Commission has used $450 million that employees contributed to retire fund debt instead of pay benefits.

It stands to reason that there is only two courses of action to take to correct this overpayment by Federal employees—either reduce the percent of contribution to the fund or provide additional benefits. We do not have legislation before us today to reduce the contribution rate, although we may well do so later. However, we do have legislation to provide needed additional retirement benefits.

So I say again to the Members: The retirement fund is not in trouble. More than enough money is coming into the fund to pay required, existing benefits. And even more important, the need for this bill is so obvious that I find it impossible to believe that anyone who seriously examines the law enforcement and firefighting pension program, would oppose it.

Mr. GROSS. Madam Chairman, I have no further requests for time.

Mr. BRASCO. Madam Chairman, I yield to the distinguished gentleman from New Jersey (Mr. DOMINICK V. DANIELS) much time as he may consume.

Mr. DOMINICK V. DANIELS. Madam Chairman, as one of its cosponsors, I rise in support of the bill under consideration, H.R. 9281.

In so doing, I invite the attention of the Members to the statements appearing on pages 3 and 4 of the committee's report on this legislation, and wish to emphasize the committee's intent in amending the provision of law, as proposed.

I believe that the legislative history of providing preferential retirement benefits to Federal criminal law enforcement employees and firefighters is abundantly clear. Its primary purpose was to improve the quality, efficiency, and productivity of those workforces by making that activity a relatively "young man's service," by reducing the turnover among younger men while, at the same time, accelerating the retirement of older men. It is equally clear to me that the more generous computation formula was necessarily provided to make it economically practicable for those employees to retire at earlier than normal retirement age with the inherent shorter lengths of service.

While the element of hazard was, and is, recognized, I wish to emphasize that the special treatment originally and presently accorded these employees, and the benefit levels proposed in this bill, are provided not as a reward for them having been subjected to an inordinate degree of hazard during the performance of their primary duties.

The Retirement Subcommittee has been concerned for some time that in actual operation these special retirement privileges, enacted as far back as 25 years ago, have been only partially effective in attaining their originally intended purposes.

Such ineffectiveness, I believe, might be attributable to two deficiencies in the law. First, the fact that the early retirement option is available only to the employee, with management having no bilateral prerogative to retire, without stigma, one who suffers a loss of proficiency. Second, that the existing computation formula does not, in fact, make it economically possible for an individual to retire much before reaching the age of 60 and completing a substantially full career in Federal service.

Madam Chairman, in referring to the committee's report, at this point let me invite the Members' attention to the fact that a printing omission occurs in the last sentence of the third paragraph of page 4 of the report—an omission of the word "not." Let the record properly show that the committee does not—I repeat—does not accede to the concept that the more generous privileges provided by either existing law or those proposed in this bill are extended as a reward to an employee for his having performed hazardous duties.

Rather, I subscribe, as does the committee, to the original policy that the early retirement eligibility and preferred computation provisions are accorded as a means to assure a highly effective workforce to carry out Federal law enforcement and firefighting activities, by providing an incentive for young men and women to enter and remain in such careers, and that replacements within the service might be facilitated at younger ages without undue hardship.

Madam Chairman, in the belief that all of the elements of this bill will more effectively achieve the basic objectives for which special retirement treatment was originally designed, I urge its adoption.

Mr. HUNT. Madam Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from New Jersey (Mr. HUNT).

Mr. HUNT. Madam Chairman, I take this opportunity to compliment the gentleman in the well, my colleague from the State of New Jersey, and to add my support to H.R. 9281.

I am sure the gentleman can recall that shortly after the close of World War II, the State of New Jersey in 1947 and through 1948, did enact legislation that radically changed the retirement system for the New Jersey State Police. I am a veteran of more than 30 years service in county, State, and Federal law enforcement and I know whereof I speak in regard to retirement.

Someone said on the floor that this is a particular type of service. I refer to my colleague from the State of Iowa. That statement is correct, it is a particular type of service.

Someone else said, I believe it was the gentleman from New York (Mr. RANGEL) that we need a younger law enforcement group today. That is exactly what we did in 1947 and 1948 in New Jersey, and I am proud to have been the servant of the ad hoc committee that wrote the bill for the New Jersey State Police. It is practically identical to the bill we have before us today, almost verbatim. Our bill provided 50 years of age with 20 years of service and 55 years of age with 25 years of service, and later it was said they could be retained in an administrative position until age 60.

The screams of the do-gooders were heard from the Delaware River to the Atlantic Ocean. The bureaucrats and others including the do-gooders screamed to the high heavens. They said that it was a selective pensioning. Not one of them mentioned the fact that the Federal judges have a noncontributory pension to which they do not contribute one dime, I have never heard anybody in this House object to that, I never heard anybody object to it in my time in this House or in New Jersey or while I served on various committees in New Jersey.

I say today that this is exactly what we seek to do. The men who are in the particular grouping that this bill covers are as described by the gentleman from Iowa—not adversely, I hope—and it is a particular type of service.

The Federal Bureau of Investigation is undoubtedly one of the greatest law enforcement bureaus this Nation or any other nation has ever seen, contrary to what we have heard sometimes in the media. There should be some people here who would be very happy to pension off those fellows who have done such a great job at 55, be real happy to get rid of them. I wonder how many Members in this House have faced the gun, the knife, or the ax in law enforcement work; I wonder how they would measure up or how their wives would like it. They would like it no better than mine did. Many members of the grouping covered by this bill seldom spend more than a few nights each week with their families. So, they have given their lives to law enforcement and it is no more than right that we give these men some privilege, some real reason to stay in.

We need better law enforcement; we are getting it. They are getting better schooling, better education, better training and measuring up to higher standards. Therefore, it must be that they have some incentive to come into the service and that incentive is to permit them to move up in the ranks when the time comes and not be hampered by a bunch of old do-does who are on top of the heap and will not get off.

That is one reason why I say this bill is so particular in my mind, that it resembles that of the State of Delaware where State police retire with 20 years service regardless of age. The State of Maryland has a bill in the same respect, and the gentleman from Texas (Mr. MILFORD) wants to compare this to his hometown in Texas. All they have to do down there in Texas is pass a bill of this nature because that comes under the State legislature and not the Federal.

Madam Chairman, I want to congratulate the committee and add my support to this bill because it is a wonderful opportunity for us to rejuvenate, as far as we are able, to help those men who have given so much of their time and service—20 years service facing a gun is a long time.

Mr. DOMINICK V. DANIELS. Madam Chairman, I want to thank the distinguished gentleman from New Jersey (Mr. HUNT) for his comments today and for his support of this very important legislation. I think that the provisions of the bill under consideration carry out the legislative objective of the legislation when it was originally enacted 25 years ago.

Madam Chairman, I urge all Members of the House to support the bill under consideration.

Mr. MILFORD. Madam Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Texas.

Mr. MILFORD. Madam Chairman, I would like to take just a moment to reply to the gentleman from New Jersey. Texas, indeed, is doing its best for its law enforcement officers. However, we have a constitutional amendment which prohibits us from spending money we do not have. I think the gentleman will find that some of these fancy retirement plans are in States which have also equally fancy debts. Proudly, I can say that Texas does not have, and I hope this country and this Nation will so not have, either.

Mr. LEGGETT. Madam Chairman, I am not in complete agreement with the committee's reasoning on this bill. Nevertheless, on balance I believe it is desirable legislation and I shall vote for it.

Basically the bill is a modification of the retirement benefit structure for Federal law enforcement and firefighting personnel. Its purpose is to encourage and facilitate early retirement so as to maintain a young work force capable of the intense physical activity these jobs require.

Under the present system, apparently some of the most vigorous and desirable men in their 50s have retired, whereas some others have remained until the mandatory retirement age of 70.

This bill would fix mandatory retirement at age 55 in most cases and would authorize the fixing of appropriate minimum and maximum ages for appointment and at 60 when in the public interest. It would increase retirement benefits derived from the first 20 years of service by 25 percent, allow credit for overtime, and increase employee contributions to pay for it.

In this way, it would require early retirement while at the same time being more than fair to the employees involved.

Now I do not share the committee's acceptance of the concept, mentioned in the report, that "more generous privileges are provided as a reward to an employee for his having performed hazardous duties." On the contrary, I must agree with the Civil Service Commission that hazardous duty differential should be provided in salaries, and reflected in retirement benefits in this way only. After all, "hazardous duty" means very simply that you can get killed on your job. The man who is killed would never see a hazardous duty retirement increment; we should give him a salary increment he can enjoy while he's alive.

But this reservation is parenthetical, since it deals with the reasoning behind the bill rather than the bill itself. The effect of H.R. 9281 will be to build a young, effective force while providing equitable treatment to the men involved; for this reason it deserves our support.

Mr. MATSUNAGA. Madam Chairman, I am pleased to express my complete support for H.R. 9281, which would make a number of improvements in the retirement system covering Federal firefighters and law enforcement personnel.

Congress long ago recognized that these activities are primarily "young men's service," best carried out by a youthful and vigorous work force. However, the statutory framework now in effect has not adequately promoted that goal.

Despite the provision permitting retirement after only 20 years of duty in the hazardous service, the average retirement age has been only 2½ months younger than all Federal employees. The length of employment has averaged only 2.4 years less. The Post Office and Civil Service Committee points out in its report on H.R. 9281 that those who have taken advantage of the early retirement law have tended to be the more alert and vigorous members of the force, with many of those remaining tending to stay until the mandatory retirement age of 70.

H.R. 9281, therefore, provides a system with both incentives and requirements that will promote earlier retirement:

Retirement would be required at age 55, or after 20 years of service, whichever comes later, unless the agency head permits continued service until age 60 is reached.

The present requirement that the Agency and the Civil Service Commission approve an early retirement request is deleted.

Retirement benefits themselves are improved, in two ways. First, the formula for computing the retiree's annuity is increased from 2 to 2½ percent, times the high 3-year pay average, for each year of hazardous service up to 20. Later years are to continue to be computed at 2 percent. Second, the "basic pay" on which the annuity computation is based would include premium pay for uncontrollable overtime. To partially offset the increased costs occasioned by these improvements, the employee's contribution to his retirement fund is increased from 7 to 7½ percent.

In addition, the bill would give the employing agency discretion over the minimum and maximum ages, within which original appointments could be made. Madam Chairman, we are not speaking of a large number of people, but their role is vital.

In my own State of Hawaii, for example, the work done by brave firefighters is indispensable to our military installations. Federal firefighters must be able, at a moment's notice, to handle fuel tank explosions and jet aircraft crashes, among other exigencies. Today, in addition, nuclear materials are becoming commonplace at Federal installations and in the event of a nuclear accident, the Federal firefighter is the first one called upon to respond.

These professionals are currently doing a commendable job and are demonstrating the finest fire preventing program in operation today. But the hazardous duties they face daily demand a force of young, skilled, and physically able individuals. For this reason, I urge the passage of this bill which would, in effect, furnish added incentives for early retirement.

For these compelling reasons, Madam Chairman, I urge the passage of H.R. 9281.

Mr. MARTIN of Nebraska. Madam Chairman, this rule should be drafted this afternoon. It is fiscally irresponsible. This will create an additional unfunded liability in the retirement fund of $664 million. That retirement fund, Mr. Speaker, is in not too good financial shape at the present time. There are approximately 56,000 employees in this category of emergency firefighter and law enforcement officers who would receive these benefits. That is 56,000. They are going to be charged an additional one-half of 1 percent increase, from 7 to 7.5 percent for these retirement benefits, but that amounts only to about $50 a person a year.

We have a total amount that is going to have to be amortized over 30 annual appropriations of $41,100,000. This $50 per year for 56,000 employees will amount to $2.8 million a year, so the general treasury is going to be tapped for approximately $38 million to take care of this legislation if it is enacted into law.

This is not the kind of legislation which the Congress should be considering at the present time. The gentleman spoke about savings. There are no savings here. That is a phony argument. The only fact here is that we are going to create an unfunded amount in retirement funds of $664 million, and require appropriations for the next 30 years of

$41.1 million, a total of over $1.2 billion, in amortizing that over 30 years.

The true cost is going to be about double the amount of the unfunded part of the retirement fund over 30 years time.

Mr. Speaker, I urge the Members to defeat this rule.

Mr. BRASCO. Madam Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3307 of title 5, United States Code, is amended—

(1) by striking out in subsection (a) thereof "subsections (b) and (c)" and inserting in lieu thereof "subsections (b), (c), and (d)"; and

(2) by adding the following new subsection at the end thereof:

"(d) The head of any agency may, with the concurrence of such agent as the President may designate, determine and fix the minimum and maximum limits of age within which an original appointment may be made to a position as a law enforcement officer or firefighter, as defined by sections 8331 (20) and (21), respectively, of this title."

SEC. 2. (a) Section 8331(3) of title 5, United States Code, is amended—

(1) by striking out the word "and" at the end of clause (B) (ii);

(2) by inserting the word "and" immediately after the semicolon at the end of subparagraph (C);

(3) by adding immediately below subparagraph (C) the following new subparagraph:

"(D) with respect to a law enforcement officer, premium pay under section 5545 (c)(2) of this title;"; and

(4) by striking out "subparagraphs (B) and (C) of this paragraph" and inserting in lieu thereof "subparagraphs (B), (C), and (D) of this paragraph".

(b) Section 8331 of title 5, United States Code, is amended by adding at the end thereof the following:

"(20) 'law enforcement officer' means an employee, the duties of whose position are primarily the investigation, apprehension, or detention of individuals suspected or convicted of offenses against the criminal laws of the United States, including an employee engaged in this activity who is transferred to a supervisory or administrative position. For the purpose of this paragraph, 'detention' includes the duties of—

"(A) employees of the Bureau of Prisons and Federal Prison Industries, Incorporated;

"(B) employees of the Public Health Service assigned to the field service of the Bureau of Prisons or of the Federal Prison Industries, Incorporated;

"(C) employees in the field service at Army or Navy disciplinary barracks or at confinement and rehabilitation facilities operated by any of the armed forces; and

"(D) employees of the Department of Corrections of the District of Columbia, its industries and utilities;

whose duties in connection with individuals in detention suspected or convicted of offenses against the criminal laws of the United States or of the District of Columbia or offenses against the punitive articles of the Uniformed Code of Military Justice (chapter 47 of title 10) require frequent (as determined by the appropriate administrative authority with the concurrence of the Commission) direct contact with these individuals in their detention, direction, supervision, inspection, training, employment, care, transportation, or rehabilitation.

"(21) 'firefighter' means an employee, the duties of whose position are primarily to perform work directly connected with the control and extinguishment of fires or the maintenance and use of firefighting apparatus and equipment, including an employee engaged in this activity who is transferred to a supervisory or administrative position."

SEC. 3. (a) The first sentence of section 8334(a)(1) of title 5, United States Code, is amended by inserting "a law enforcement officer, and a firefighter," following "Congressional employee,".

(b) The first sentence of section 8334(c) of title 5, United States Code, is amended by adding at the end thereof the following new schedule:

"Law enforcement officer for law enforcement service and firefighter for firefighter service.	2½	August 1, 1920, to June 30, 1926.
	3½	July 1, 1926, to June 30, 1942.
	5	July 1, 1942, to June 30, 1948.
	6	July 1, 1948, to October 31, 1956.
	6½	November 1, 1956, to December 31, 1969.
	7	January 1, 1970, to December 31, 1973.
	7½	After December 31, 1973.".

SEC. 4. Section 8335 of title 5, United States Code, is amended by adding the following new subsection at the end thereof:

"(g) A law enforcement officer or a firefighter who is otherwise eligible for immediate retirement under section 8336(c) of this title shall be separated from the service on the last day of the month in which he becomes fifty-five years of age or completes twenty years of service if then over that age. The head of the agency, when in his judgment the public interest so requires, may exempt such an employee from automatic separation under this subsection until that employee becomes sixty years of age. The employing office shall notify the employee in writing of the date of separation at least sixty days in advance thereof. Action to separate the employee is not effective, without the consent of the employee, until the last day of the month in which the sixty-day notice expires."

SEC. 5. Section 8336(c) of title 5, United States Code, is amended to read as follows:

"(c) An employee who is separated from the service after becoming fifty years of age and completing twenty years of service as a law enforcement officer or firefighter, or any combination of such service totaling at least twenty years, is entitled to an annuity."

SEC. 6. Section 8339(d) of title 5, United States Code, is amended to read as follows:

"(d) The annuity of an employee retiring under section 8335(g) or 8336(c) of this title is—

"(A) 2½ per centum of his average pay multiplied by so much of his total service as does not exceed twenty years; plus

"(B) 2 per centum of his average pay multplied by so much of his total service as exceeds twenty years."

SEC. 7. The amendments made by the first section, and sections 2(b), 5, and 6, of this Act shall become effective on the date of enactment of this Act. The amendments made by sections 2(a) and 3 of this Act shall become effective at the beginning of the first applicable pay period which begins after December 31, 1973. The amendment made by section 4 of this Act shall become effective on January 1, 1977.

Mr. BRASCO (during the reading). Madam Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OFFERED BY MR. BROYHILL OF VIRGINIA

Mr. BROYHILL of Virginia. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROYHILL of Virginia: On page 2, immediately after the comma in line 25, insert "including a member of the police force of the Washington National Airport and a member of the police force of the Dulles International Airport and".

Mr. BROYHILL of Virginia. Madam Chairman, I offer an amendment to H.R. 9281, to include in section 2(b) thereof, with respect to the definition of "law enforcement officer," members of the police forces of the Washington National and Dulles International Airports.

Our airports today are in many respects mobile communities, with an hourly population exceeding that of many of our cities. Larger airports are being built or are on the drawing boards and air travel is growing daily.

Yet, Madam Chairman, we have sorely neglected the security of two of the Nation's major airports, National and Dulles, where travelers from all over the world and all over the Nation come and go with a confidence that is an illusion, a confidence that the only two airports owned and operated by the Federal Government must be the safest in the land.

Any crime known to any city in America has at one time or another happened at these two airports. Skyjackings, bomb threats, drug smuggling, murder, armed assault and injury against officers and civilians, armed robbery, and mischance of unlimited varieties confront these underpaid, underpensioned, and often undertrained policemen. Yet their records of dedication and courage are unquestioned.

Promotions are slow or nonexistent; they face as many daily hazards as any policeman on a city beat; the potential for disaster lives with them every moment they stay on duty, most doing hours more overtime on a regular basis than any metropolitan police force would consider safe for its personnel. And yet, Madam Chairman, they are denied pay commensurate with their responsibility; they are undermanned and underappreciated. They should at least be paid equal to the men who police the docile, caged animals at the National Zoo, but they are not.

The police forces at National and Dulles Airports, who once were charged mainly with directing traffic into and out of the airport facilities and passengers onto and off waiting passenger planes, are now called upon to defend passengers, crews, airport personnel, international travelers, and all who do business in this Nation's Capital from an almost unlimited variety of offenses against person and property. The force at Dulles has been called upon three times to handle skyjacked planes, the force at National has lost count of the number of bomb threats they have handled with maximum efficiency and minimum inconvenience to travelers. All members of the Dulles force are sworn in when hired as special deputy U.S. marshals so that they can patrol the 14 miles of high-speed highway on the Dulles access highway and be prepared to assist Customs and Immigration personnel in handling attempted smuggling and other violations by both domestic and foreign travelers.

Few of the officers at either airport would benefit from inclusion under provisions of this bill but the forces themselves would be drastically improved in the months to come. At National only 12 men could qualify for hazardous duty retirement, because the remainder of that force of 42 men—7 under authorized strength—are retired military men who can combine their military retirement with the miserably inadequate police pay to provide a reasonable income for themselves and their families. On the other hand, inclusion of these forces, and offering prospective candidates attractive salaries and fringe benefits could not help but result in rejuvenating both forces and in improving the forces themselves. Dulles had an authorized strength of 43 in June, with 41 onboard, 1 awaiting retirement and one who has since died. The new responsibility for screening passengers has brought them authorization for 38 additional positions, but thus far they have only been able to find 5 eligible candidates. One officer at Dulles told me the other day that the men have worked more overtime in the first 6 months of this year than in all of 1972.

The men at National and Dulles do the best they can with masses of people, hour after hour and day after day. But our neglect of them and their needs denies the realities of present air travel and future growth, and the burden laid on them when they don the uniform of their services.

I believe that we can and must do better by the men in airport police uniform and the thousands of men and women—citizen tourists of America and visitors of stature and whose international importance is vital to this Nation, and who use these major air travel gates to our Capital City.

We use them ourselves in our congressional travels and in our congressional duties. We, in a sense, use them as an adjunct to the Government of the United States and the men employed to protect these facilities are entitled to be treated as equals, along with any other agency of the Government assigned to duties of utmost importance to the smooth operation of the Capital of the United States.

Madam Chairman, I urge adoption of the amendment I offer to H.R. 9281.

Mr. BRASCO. Madam Chairman, will the gentleman yield?

Mr. BROYHILL of Virginia. I yield to the gentleman from New York.

Mr. BRASCO. I must oppose the gentleman's amendment. I do so quite reluctantly, because I know of the gentleman's great interest in and of his service as a former member of the Committee on Post Office and Civil Service, toward the advancement of salaries and fringe benefits for Federal employees.

However, I want to point out to the gentleman that the firefighters are included in this retirement program by a bill on which we had hearings, which both Houses passed, which was signed into law by the President.

The other people in the categories we are talking about now are people who by statute are defined as individuals who are involved in criminal investigation and detention of criminals. The gentleman would concede that the airport people do not come within that category.

I understand the gentleman's great concern for the status of the airport patrolmen. I have discussed this matter with the gentleman from California (Mr. Waldie) the chairman of the Retirement Subcommittee. I can assure the gentleman in the well we are also concerned. If the gentleman will withdraw his amendment I believe there is a satisfactory way of getting action on what he is trying to do, because I am well aware the gentleman has introduced a bill to upgrade the salaries paid to these individuals. I agree with the gentleman they are extremely low.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

(On request of Mr. Brasco, and by unanimous consent, Mr. Broyhill of Virginia was allowed to proceed for 1 additional minute.)

Mr. BRASCO. I will tell the gentleman publicly, if the gentleman does withdraw his amendment we will have immediate consideration with respect to hearings on his bill and will make every effort to pass it.

Mr. BROYHILL of Virginia. Madam Chairman, let me say in answer to the gentleman that I am a realist, and I realize how difficult it would be if I attempted to proceed to get this amendment adopted without the support of the gentleman from New York and the Committee on Post Office and Civil Service.

With the assurances that have been made by the gentleman from New York, as well as those made by the gentleman from California, and realizing that the gentleman is sincere and does share with me a concern about the conditions, the salaries, and the protection of those men out at Washington National Airport and Dulles Airport, I am delighted to cooperate with him, as he has offered to cooperate with me.

Madam Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

AMENDMENTS OFFERED BY MR. DERWINSKI

Mr. DERWINSKI. Madam Chairman, I offer two amendments, and I ask unanimous consent that they may be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read as follows:

> Amendments offered by Mr. Derwinski: On page 4, strike out all of section 3 of the bill and renumber the succeeding sections accordingly. On page 5, strike out all of section 6 and insert in lieu thereof the following:
>
> Sec. 5. Section 8339(d) of title 5, United States Code, is amended to read as follows:
>
> "(d) The annuity of an employee retiring under section 8335(g) or 8336(c) of this title is computed under subsection (a) of this section. That annuity may not be less than 50 percent of the average pay of the employee."

Mr. DERWINSKI. Madam Chairman, in support to my amendment, I want to reiterate one of the points I made in my statement earlier during general debate.

My amendment strikes out the 2½-percent annuity computation in this bill and substitutes language which puts these law enforcement and firefighting personnel on the same retirement footing as air traffic controllers. The amendment also eliminates the extra employee and agency contribution as this would be unnecessary under my amendment.

In support of my amendment, I would like to quote from the report of the U.S. Civil Service Commission on this bill:

> To help pay these additional costs, section 3 of the bill would increase the contribution rate of law enforcement officers and firefighters from the present 7% to a new 7½% with a corresponding increase in the agency contribution rate. The Commission objects to this provision, believing that preferential benefit provisions for any class of employees can be justified only when they serve a management purpose. We could agree to changes in the law which would increase costs—early retirement and a guaranteed annuity of 50% of average pay after 20 years of service—but these are not special rewards or liberalizations intended primarily to benefit the class of employees affected. They are part of a plan to benefit management by keeping law enforcement and fire fighting services young and vigorous. The higher annuity rate provided for early retirement is for the sole purpose of making it economically feasible for employees to retire in their early fifties.
>
> We would object to any proposal to establish a preferential computation formula as a reward for a particular kind of service, because we believe no one type of service merits a greater retirement reward than any other. The value of service of any kind is reflected in pay, which in turn directly affects ultimate retirement income. A purely preferential formula cannot be rationalized by asking the employee to pay a higher contribution rate. Almost any identifiable class of Federal employees would gladly pay more for a clearly more liberal computation method.
>
> Thus, one of the purposes intended by H.R. 9281 is to achieve the management objective of a young and vigorous service, through a system of early retirements, and employees should not in our opinion be asked to help pay for a management tool.

The Commission objects to the new 2½-percent-a-year computation formula proposed by H.R. 9281 as being excessively generous. It believes that the basic annuity formula used for employees generally, but with a guaranteed amount of not less than 50 percent of high-three average pay, as now applies to air traffic controllers, would be a more appropriate incentive for early retirement of law enforcers and firefighters, would assure an economically feasible retirement income, and would discourage covered employees from delaying retirement long enough to raise annuity above the 50-percent level.

The minimum guaranteed annuity of 50 percent of high-three average pay, provided for air traffic controllers, is perhaps, one of the most significant civil service retirement provisions enacted by the Congress in recent years. It is preferable to the 2 percent per year of service computation formula currently used for law enforcers and firefighters. The current formula tends to neutralize the incentive for early retirement by continuing the more liberal computation rate for employees who stay in service past the time when they first become eligible to retire. The guaranteed 50-percent formula provides 50 percent of average pay as annuity after 20 years' service rather than after 25 years' service, and provides no special incentive in the form of a higher annuity for working longer than 20 years.

Mr. BRASCO. Madam Chairman, I rise in opposition to the amendments.

Madam Chairman, I am strongly opposed to the amendment offered by the gentleman from Illinois (Mr. DERWINSKI) because I believe that after I am finished with the remarks as to why I am opposed to this amendment, the Members will find that the amendment offered by the gentleman is reading some of the employees that we are trying to assist right out of benefits in which they are presently vested.

The gentleman is advocating that we accord law enforcement personnel the same treatment which we extended to air traffic control personnel in the last Congress. Right at that point we have a different situation than what we are talking about today.

Madam Chairman, what the gentleman fails to tell us concerning that bill, although he does tell us about the 50-percent minimum, is this: He fails to tell us that the air traffic controller is guaranteed 2 years of retraining benefits, with all tuition, fees, and expenses paid by the Federal Aviation Administration, as well as continued payment of 2 years of his salary during that period of time.

What about the cost of that? We do not have any special provision in our bill, so right there in and of itself is a reason to defeat the gentleman's amendment.

Let me give you now a few examples of the limited effect of the amendment offered by the gentleman from Illinois and some examples of the circumstances under which an employee would realize no benefit whatsoever under the gentleman's amendment but would, as a matter of fact, reduce the benefits he gets under existing law.

For instance, if you have an individual who was appointed at age 26 with 24 years of service and retires at age 50, under existing law he gets 48 percent of his salary. Under the bill on the House floor today he would get 58 percent of his salary. Under the gentleman's amendment he would get 50 percent. So we only help him 2 percent.

Now let us listen to the next case. We take a gentleman who was appointed at age 26 with 26 years of service and he retires at age 52. Under existing law he gets 52 percent of his salary. We would attempt to give him 62 percent of his salary. Under the gentleman's amendment he would get 50 percent of his salary. So that gentleman would be penalized by subtracting 2 percentiles off what he already gets under existing law.

Let me give you another case in which we subtract even more. We have someone coming into the service at age 26 with 28 years of service. He retires at age 54. Under existing law he gets 56 percent of his salary. We would hope to give him 66 percent of his salary under the bill before the House today. Under the gentleman's amendment he would get 52¾ percent of his salary, which is a subtraction of 3¼ percent of what he gets under existing law. That is like giving ice away in the wintertime.

I have examples, but I do not want to belabor the Committee with them, of different arrangements of retirement situations where the gentleman's amendment, which he sets off as a perfecting amendment, does nothing more than turn this whole thing around. It penalizes most of the people that we are attempting to help under this bill.

Under those circumstances, I urge the committee to very resoundingly defeat the gentleman's amendment.

Mr. SMITH of New York. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise to ask a question of the gentleman from Illinois (Mr. DERWINSKI) in regard to, not only the amendment, but the bill.

Is it correct to say that at the present time this group of Federal law enforcement employees and Federal firefighters receive the same benefits and are covered by the same pension scheme as all other Federal employees?

Mr. DERWINSKI. That is not correct.

Mr. SMITH of New York. Is it correct to say that generally they are covered by roughly the same pension requirements and provisions as other Federal employees?

Mr. DERWINSKI. I think the answer would be that it is slightly better. They have at the present time an improved pension plan over that of, a normal clerk in a Government office.

Mr. SMITH of New York. I am talking only about civil service employees, of course, because we have a different pension system for judges and some other noncivil service Federal employees. Is there at the present time any evidence that it is difficult to recruit these people who do have a more dangerous function, probably, with the Government than some of the other employees?

Mr. DERWINSKI. No; the answer is no. As a matter of fact, a few minutes ago I read and I will again emphasize that, based on the report from the Office of Management and Budget, there is no evidence that agencies employing law enforcement personnel are encountering difficulty in recruitment.

Mr. SMITH of New York. Madam Chairman, I have one further question of the gentleman from Illinois, and that is this:

As a class, are the Federal law-enforcement personnel and the Federal firefighter personnel paid at a somewhat higher rate than people in the general services of equal GS status?

Mr. DERWINSKI. They receive a premium pay in lieu of overtime, and because of the unique nature of their assignments they are classified at higher levels.

Mr. SMITH of New York. I have one further question of the gentleman from Illinois, and that is this: Does this premium pay then actually amount in dollars and cents to a higher pension when they retire than the average civil servant might receive?

Mr. DERWINSKI. Not at the present time, but under this bill one of the provisions would in effect use their premium pay as part of base pay for their pension. In other words, this is an additional provision which is being offered in this bill.

Mr. SMITH of New York. It is not now counted?

Mr. DERWINSKI. No; not now.

Mr. SMITH of New York. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. DERWINSKI).

The amendment was rejected.

Mr. DERWINSKI. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I would appreciate the attention of the gentleman from New York (Mr. BRASCO) the excellent tactician on this legislation, and I would ask the distinguished gentleman, if he would entertain an unusual question on my part.

I have three other amendments here, and they are at the gentleman's desk. Would I be correct in assuming that the gentleman would also oppose these three amendments, just as the gentleman has the one that was just defeated?

Mr. BRASCO. That would be a correct assumption on the gentleman's part.

Mr. DERWINSKI. Regardless of any overpowering arguments on my part, the gentleman would also oppose them?

Mr. BRASCO. Yes, I would.

Mr. DERWINSKI. Frankly, Madam Chairman, this is one of those situations where I have counted noses, and I am afraid that I do not have the vote.

May I suggest to the gentleman from New York, in an effort to cooperate with the gentleman, since we have a Tuesday-to-Thursday Club operating this week, that instead of offering these amendments, I will incorporate them in a motion to recommit this legislation to the committee, and thus expedite time.

I thank the gentleman from New York for his courtesy in communicating to me his position.

Mr. BRASCO. I thank the gentleman from Illinois.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mrs. GRIFFITHS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 9281) to amend title 5, United States Code, with respect to the retirement of certain law enforcement and firefighter personnel, and for other purposes, pursuant to House Resolution 547, she reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. DERWINSKI

Mr. DERWINSKI. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. DERWINSKI. I am, Mr. Speaker, in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DERWINSKI moves to recommit the bill, H.R. 9281, to the Committee on Post Office and Civil Service with instructions to report the same back forthwith with the following amendments:

On page 1, strike out line 9 and all that follows through the end of line 4 on page 2 and insert in lieu thereof the following:

"(d) The President or such agent as he may designate, shall determine and fix the maximum limit of age within which an original appointment may be made to a position as a law enforcement officer or firefighter, as defined by section 8331 (20) and (21), respectively, of this title."

On page 2, strike out line 5 and all that follows through the end of line 18; and

On page 2, line 19, strike out "(b)" and insert in lieu thereof "SEC. 2".

On page 4, strike out all of section 3 of the bill and renumber the succeeding sections accordingly. On page 5, strike out all of section 6 and insert in lieu thereof the following:

SEC. 5. Section 8339(d) of title 5, United States Code, is amended to read as follows:

"(d) The annuity of an employee retiring under section 8335(g) or 8336(c) of this title is computed under subsection (a) of this section. That annuity may not be less than 50 percent of the average pay of the employee."

On page 6, strike out all of section 7 of the bill and insert in lieu thereof the following:

SEC. 6. The amendments made by the first section, and sections 2, 4 and 5 of this Act shall become effective on the date of enactment of this Act. The amendment made by section 3 of this Act shall become effective on January 1, 1977.

The SPEAKER. Does the gentleman from Illinois desire to be heard on his motion?

Mr. DERWINSKI. Yes, Mr. Speaker.

Very briefly, Mr. Speaker, this motion to recommit with instructions covers three basic points. It strikes the 2½-percent computation and substitutes a guaranteed annuity. It eliminates the premium pay as a basis for retirement compensation. It provides that the President shall fix the uniform maximum age of retirement. All of these recommendations are Civil Service Commission recommendations which are incorporated in the report covered by the minority views in part, and they are in effect amendments requested by the Civil Service Commission.

Mr. Speaker, I yield back the balance of my time.

Mr. BRASCO. Mr. Speaker, I rise in opposition to the motion to recommit.

I just want to take a moment of the Members' time to let them understand that the gentleman has incorporated all of his amendments in a motion to recommit. The first one was resoundingly defeated. These are along the same lines and only do damage to a program that I feel is responsible and necessary.

I ask the Members to vote against the motion to recommit.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the "noes" appeared to have it.

Mr. DERWINSKI. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 116, nays 282, not voting 36, as follows:

[Roll No. 472]

YEAS—116

Abdnor
Archer
Arends
Armstrong
Beard
Blackburn
Bray
Broyhill, N.C.
Buchanan
Burgener
Burlison, Mo.
Butler
Carter
Casey, Tex.
Cederberg
Chamberlain
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Dellenback
Dennis
Derwinski
Drinan
du Pont
Erlenborn
Findley
Fish
Fisher
Ford, Gerald R.
Forsythe
Fountain
Frenzel
Froehlich
Goodling
Gross
Gunter
Guyer
Haley
Hammerschmidt
Hanrahan
Harvey
Hechler, W. Va.
Heckler, Mass.
Heinz
Hinshaw
Huber
Hudnut
Hutchinson
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Kemp
Kuykendall
Landgrebe
Latta
Lott
McClory
Mallary
Martin, Nebr.
Martin, N.C.
Mayne
Michel
Miller
Minshall, Ohio
Montgomery
Mosher
O'Brien
Perkins
Pike
Poage
Powell, Ohio
Price, Tex.
Quie
Rarick
Regula
Robinson, Va.
Robison, N.Y.
Runnels
Ruppe
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shuster
Sikes
Skubitz
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Symms
Taylor, Mo.
Treen
Ware
Williams
Wylie
Wyman
Young, Alaska
Young, Ill.
Young, S.C.
Zion
Zwach

NAYS—282

Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Burke, Calif.
Burke, Mass.
Burton
Byron
Camp
Carey, N.Y.
Carney, Ohio
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clay
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
de la Garza
Delaney
Dellums
Denholm
Dent
Devine
Dickinson
Diggs
Dingell
Donohue
Downing
Dulski
Duncan
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Flood
Flowers
Foley
Ford, William D.
Fraser
Frelinghuysen
Frey
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Hamilton
Hanley
Hanna
Hansen, Wash.
Harrington
Hastings
Hawkins
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Hungate
Hunt
Ichord
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keating
Ketchum
King
Kluczynski
Koch
Kyros
Landrum
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Maraziti
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pettis
Pickle
Podell
Preyer
Price, Ill.
Pritchard
Quillen
Railsback
Randall
Rangel
Rees
Reid
Reuss
Riegle
Rinaldo
Roberts
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Shoup
Shriver
Sisk
Smith, Iowa
Staggers
Stark
Steed
Steele
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Symington
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Widnall
Wilson, Bob
Wilson, Charles H. Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Yates
Yatron
Young, Fla.
Young, Ga.
Zablocki

NOT VOTING—36

Adams
Alexander
Ashbrook
Bell
Breaux
Burke, Fla.
Burleson, Tex.
Davis, S.C.
Dorn
Esch
Flynt
Gray
Hansen, Idaho
Harsha
Hays
Hébert
Lujan
McEwen
McKinney
Mann
Mills, Ark.
Nelsen
Patman
Pepper
Peyser
Rhodes
Roy
Sandman
Slack
Stanton, James V.
Sullivan
Talcott
Teague, Tex.
Wiggins
Wilson, Charles, Tex.
Young, Tex.

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Breaux.

Mr. Adams with Mr. Slack.

Mr. Davis of South Carolina with Mr. Burke of Florida.

Mr. Burleson of Texas with Mr. Lujan.

Mr. Mills of Arkansas with Mr. McKinney.

Mr. Gray with Mr. Wiggins.

Mr. Hays with Mr. Talcott.

Mr. Pepper with Mr. Rhodes.

Mrs. Sullivan with Mr. Peyser.

Mr. Young of Texas with Mr. McEwen.

Mr. Mann with Mr. Esch.

Mr. Flynt with Mr. Ashbrook.

Mr. Dorn with Mr. Nelsen.

Mr. Patman with Mr. Harsha.

Mr. Teague of Texas with Mr. Bell.

Mr. Charles Wilson of Texas with Mr. Joseph V. Stanton.

Mr. Alexander with Mr. Roy.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The **SPEAKER**. The question is on the passage of the bill.

Mr. **DERWINSKI**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 299, nays 93, not voting 42, as follows:

[Roll No. 473]

YEAS—299

Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burke, Calif.
Burke, Mass.
Burton
Butler
Byron
Camp
Carey, N.Y.
Carney, Ohio
Carter
Chisholm
Clancy
Clark
Clausen, Don H.
Clay
Cochran
Collier
Collins, Ill.
Conlan
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
de la Garza
Delaney
Dellums
Denholm
Dent
Dickinson
Dingell
Donohue
Downing
Dulski
Duncan
Edwards, Calif.
Eilberg
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Flood
Flowers
Foley
Ford, William D.
Forsythe
Fraser
Frelinghuysen
Frey
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Grover
Gubser
Gude
Gunter
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Wash.
Harrington
Hastings
Hawkins
Heckler, Mass.
Helstoski
Henderson
Hicks
Hillis
Hogan
Holt
Holtzman
Horton
Hosmer
Howard
Hungate
Hunt
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Landrum
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
McCloskey
McCollister
McCormack
McDade
McFall
McKay
Macdonald
Madden
Madigan
Mahon
Mailliard
Maraziti
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Nix
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Perkins
Pettis
Pickle
Pike
Podell
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Randall
Rangel
Rees
Reid
Reuss
Riegle
Rinaldo
Roberts
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Schroeder
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Slack
Smith, Iowa
Spence
Staggers
Steele
Steiger, Ariz.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Symington
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Waggonner
Waldie
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Zablocki
Zion
Zwach

NAYS—93

Abdnor
Archer
Arends
Armstrong
Beard
Blackburn
Broyhill, N.C.
Burgener
Burlison, Mo.
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clawson, Del
Cleveland
Cohen
Collins, Tex.
Conable
Conyers
Crane
Davis, Wis.
Dellenback
Dennis
Derwinski
Drinan
du Pont
Edwards, Ala.
Erlenborn
Findley
Fish
Fisher
Ford, Gerald R.
Fountain
Frenzel
Froehlich
Goodling
Griffiths
Gross
Guyer
Haley
Hanrahan
Harvey
Hechler, W. Va.
Heinz
Hinshaw
Huber
Hudnut
Hutchinson
Ichord
Jarman
Johnson, Colo.
Jones, Okla.
Landgrebe
Latta
McClory
Mallary
Martin, Nebr.
Martin, N.C.
Mayne
Michel
Milford
Miller
Mosher
Obey
O'Brien
Poage
Powell, Ohio
Price, Tex.
Rarick
Regula
Robinson, Va.
Robison, N.Y.
Ruppe
Saylor
Scherle
Schneebeli
Sebelius
Shuster
Skubitz
Smith, N.Y.
Snyder
Stanton, J. William
Steelman
Steiger, Wis.
Symms
Taylor, Mo.
Taylor, N.C.
Treen
Vigorito
Ware
Wylie
Wyman
Young, S.C.

NOT VOTING—42

Adams
Alexander
Ashbrook
Bell
Burke, Fla.
Burleson, Tex.
Davis, S.C.
Devine
Diggs
Dorn
Eckhardt
Esch
Flynt
Gray
Hansen, Idaho
Harsha
Hays
Hébert
Holifield
Lujan
McEwen
McKinney
McSpadden
Mann
Mills, Ark.
Nelsen
Patman
Pepper
Peyser
Railsback
Rhodes
Roy
Sandman
Stanton, James V.
Stark
Steed
Sullivan
Talcott
Teague, Tex.
Wiggins
Wilson, Charles, Tex.
Young, Tex.

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Devine.
Mr. Adams with Mr. Diggs.
Mr. Davis of South Carolina with Mr. Burke of Florida.
Mr. Burleson of Texas with Mr. Lujan.
Mr. Mills of Arkansas with Mr. McKinney.
Mr. Gray with Mr. Wiggins.
Mr. Hays with Mr. Talcott.
Mr. Pepper with Mr. Rhodes.
Mrs. Sullivan with Mr. Peyser.
Mr. Young of Texas with Mr. McEwen.
Mr. Mann with Mr. Esch.
Mr. Flynt with Mr. Ashbrook.
Mr. Dorn with Mr. Nelsen.
Mr. Patman with Mr. Harsha.
Mr. Teague of Texas with Mr. Bell.
Mr. Charles Wilson of Texas with Mr. James V. Stanton.
Mr. Alexander with Mr. Roy.
Mr. Holifield with Mr. McSpadden.
Mr. Railsback with Mr. Stark.
Mr. Steed with Mr. Eckhardt.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. **BRASCO**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks, and to include extraneous matter, on the bill just passed, H.R. 9281.

The **SPEAKER**. Is there objection to the request of the gentleman from New York?

There was no objection.

INCREASING OF GOVERNMENT CONTRIBUTIONS FOR FEDERAL EMPLOYEES HEALTH BENEFITS

Mr. **WALDIE**. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9256) to increase the contribution of the Government to the costs of health benefits for Federal employees, and for other purposes.

The **SPEAKER**. The question is on the motion offered by the gentleman from California (Mr. Waldie).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9256, with Mr. Bevill in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The **CHAIRMAN**. Under the rule, the gentleman from California (Mr. Waldie) will be recognized for 30 minutes, and the gentleman from Iowa (Mr. Gross) will be recognized for 30 minutes.

The Chair recognizes the gentleman from California.

Mr. **WALDIE**. Mr. Chairman, I yield such time as he may consume to the distinguished chairman of the full committee, the gentleman from New York (Mr. Dulski).

Mr. **DULSKI**. Mr. Chairman, H.R. 9256 will accomplish, both initially and ultimately, what the Committee on Post Office and Civil Service had in mind when the Federal employees' health benefits program was enacted 14 years ago. It was then our belief that the Government initially should share premium costs at least equally with its employees and retirees. But at that time, because we had no previous experience, a dollar limitation was written into the law fixing a maximum contribution to be paid by the Government, and geared to the least expensive governmentwide low option plan.

Because of such dollar limitation, the Government's share of costs in 1970 was down to less than 25 percent and only a few low-option plans received a Government contribution equal to half the total premium charge. The enactment of Public Law 91–418, effective in January 1971, eliminated the maximum dollar amounts and expressed the Government contribution in terms of a percentage—that is, 40 percent of total charges—which is still well below the 50–50 sharing ratio initially contemplated.

This legislation will also fulfill the long-range intent of the 86th Congress, as expressed in the report that accompanied the enabling legislation, which reads as follows:

> The Committee recognized that the maximum amounts indicated could not remain unchanged over a long period of years, any more than the cost-of-living has remained frozen. Medical care costs will undoubtedly fluctuate at least as widely as other items of living costs. The Committee believes that the Congress will continue to be responsive to the needs of the employees and will appropriately act to keep the proposed program in consonance with future developments.

Mr. Chairman, the studies and hearings conducted by our subcommittee during the 92d Congress and in this Congress fully justify the change to the graduated sharing ratios provided for in this legislation. H.R. 9256 is designed to update the health insurance program to a point where it will be in consonance with intervening and future developments, and whereby Federal employees and annuitants will be more reasonably on a par with those employed in the private sector.

I commend the chairman of our Subcommittee on Retirement and Employee Benefits, the gentleman from California (Mr. WALDIE), for the leadership he has demonstrated in obtaining committee approval of the bill. I commend the members of the subcommittee for their development and cosponsorship of the reported bill, and those members of the full committee, on both sides of the aisle, for their approval of this essential measure.

I urge the Members of this body to lend their support to the committee's endeavors by giving their approval to this legislation.

Mr. WALDIE. Mr. Chairman, I yield to the gentleman from Hawaii (Mr. MATSUNAGA) such time as he may consume.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 9256, a bill to increase the Federal Government's share of its employees' health insurance premiums from the present 40 percent, over a 4-year period, to 75 percent. I commend the distinguished gentleman from California (Mr. WALDIE) for the leadership he has displayed in bringing this bill to the floor.

More than 2½ years ago, in his health message to Congress, President Nixon proposed legislation to require private employers to contribute at least 75 percent of the cost of health insurance. Indeed, many major employers already pay the entire cost of their employees' health insurance.

It seems only reasonable, Mr. Chairman, for the Federal Government itself to provide the same sort of cost-sharing as the administration would require of the private sector.

That is the simple purpose of H.R. 9256. It would increase the Government share immediately to 55 percent, and increase that by 5 percent each year until it reached 75 percent.

There is no escaping the fact that this bill, if enacted, will cost the Federal Government money. But there is also no doubt, Mr. Chairman, that the Federal employee has suffered, as has his private sector counterpart, from skyrocketing health care costs. Over the past 10 years, those costs have more than doubled.

As the business of Government becomes ever more complex, we are faced with the growing problem of recruiting the highly skilled work force needed by the Federal Government. In some cases there are statutory restrictions on pay increases. An important benefit from H.R. 9256 will be an easing of the pressure for higher level civil servants to leave the Government altogether.

But the principal benefit will accrue to lower-level employees, a larger portion of whose income is expended for health care. This legislation will stem the rising tide of cost increases which has plagued the health sector of our economy.

Along with the major provision of H.R. 9256 which would increase the Government's share of health insurance premiums, other provisions would extend full health insurance coverage to elderly retired Federal employees not previously eligible for coverage. Those who retired prior to July 1960 are covered under a less comprehensive system and frequently are eligible for medicare or medicaid. H.R. 9256 would afford them the same status as those who retired after July 1960.

Mr. Chairman, if we are to encourage continued improvement of health service plans by employers, for the benefit of our vital and able work force, the Federal Government must lead the way. Our action in favor of this bill will be an important message to private firms, as well as serving to reward and assist the Federal work force.

I urge the passage of H.R. 9256.

Mr. GROSS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the American public can ill-afford the inflationary consequences of this legislation, H.R. 9256 which increases the Government's contribution to health benefits from 40 to 75 percent. If the Members of this House seriously desire to deal responsibility with the crisis of inflation that confronts us, then they should conclude there is no justification, whatsoever, to commit the Federal Government to the unbudgeted spending that would be dictated by this bill.

A little over a week ago the President, in his message to the Congress, stated:

> The battle against inflation must be our first priority for the remainder of this year.

Yet, in the face of this announced goal, we have before us a bill to increase the Federal Government's contribution to the Federal employee's health benefits program, and proposing an additional outlay by the Government for this program of over $231 million in fiscal year 1974. And the bill goes even further. By authorizing incremental increases on the part of the Government, by fiscal year 1978, the added cost to the Government will be $649 million annually.

The 5-year cumulative price tag on this legislation is, Mr. Chairman, in excess of $2 billion $142 million.

Approval of this legislation during the current period of acute inflation is, I contend, unconscionable.

Mr. Chairman, the law which this legislation proposes to amend fixes at 40 percent the Federal Government's contribution toward the employee's health benefits program premium. This 40 percent is calculated on the basis of the average premium of the six largest plans offered under the program. Since its enactment in the 91st Congress, this law has proved to be satisfactory. Following a substantial adjustment in January 1971, the Federal employee has enjoyed a measure of protection against rising health benefits premiums in January 1972 and January 1973 inasmuch as the 40-percent payment on the part of the Government translated in each instance into higher dollar amounts.

From the viewpoint of the Federal Government as an employer, studies show that the fringe benefit package as a whole—which is the only objective way to measure such benefits—offered by the Federal Government favorably compares with fringe benefits offered by large employers in both the public and private sector. A recent study by the U.S. Civil Service Commission showed that the Federal Government's program is surpassed by only one employer, the State of New York.

Mr. Chairman, I cannot emphasize too strongly the inflationary impact of this legislation. Its approval, I suggest, will provide added evidence to the American taxpayer that the Congress is completely insensitive to the economic crisis in our Nation.

I would remind the House that in fiscal year 1973, the civilian payroll cost of the Federal Government totaled $33.3 billion—an all-time high. This is more than a billion and a half dollars higher than the previous fiscal year. There is just no way that we can begin to get a control over these payroll costs if we continue to enact legislation like these two bills now before you.

Mr. Chairman, regardless of how desirable or attractive this bill might be; regardless of the arguments pro and con; and, regardless of the views of the individual members of this committee on the bill, I sincerely believe that this is not the time to bring legislation of this nature to the House floor.

Mr. WALDIE. Mr. Chairman, I yield to the gentleman from New Jersey (Mr. DOMINICK V. DANIELS).

Mr. DOMINICK V. DANIELS. Mr. Chairman, I rise to urge the membership of this House to lend their support to the legislation under consideration, H.R. 9256, the major purpose of which is to relieve employees and annuitants from continuing to bear a disproportionately large share of the premium charges under the Federal employees' health benefits program.

Our committee has had a continuing concern over the spiraling costs of providing health benefits protection under the program within its jurisdiction—that concern being demonstrated by the subcommittee's extensive investigation of the program's administration and the operations of the participating carriers. The problem of escalating medical care costs is, of course, not peculiar to the Federal employees' program, but is a problem common to all Americans. Unfortunately, our scope of activity can have little impact upon minimizing or arresting escalating medical care costs.

The fact of the matter is that premiums must be sufficient to pay for the benefits provided, and rate increases are recurrently approved in order to maintain the financial soundness of participating plans. As medical care costs rise, the portion of them not covered by insurance constitutes an increasing burden for retirees and employees, and, as premiums increase to cover those costs, an additional burden is imposed on them. These two facts add up to enrollees being faced with the increasingly difficult problem of paying for health benefits.

Testimony developed by the Subcommittee on Retirement and Employee Benefits during public hearings on this legislation supports, I believe, the contention that the Federal Government, as a major employer, lags far behind large employers in the private sector in this vitally important area of fringe benefit programs. The evidence, which is confirmed by Government analyses and statistics, showed that major industrial employers are paying, if not the total cost, most of the costs of their employees' health insurance, and providing benefits comparable to those offered in the Federal employee program.

It is the consensus of the committee, therefore, that the Government's contribution to subscription charges of this program be increased to achieve a more equitable sharing ratio similar to that which the President has proposed for the remainder of the Nation's workforce. That objection is embodied in the bill before us today. The need for this legislation is demonstrated by the fact that H.R. 9256 was overwhelmingly approved by both the subcommittee and the full committee.

I urge, Mr. Chairman, that this body also lend its overwhelming support to this legislation.

Mr. WALDIE. Mr. Chairman, I yield myself such time as I may consume, and that will not be much time.

Mr. Chairman, I just simply want to relate some history of this bill to the members of the committee present on the floor. Last year, we passed this almost identical bill by an overwhelming margin in the House of Representatives. It did not pass the Congress, however, because the Senate rejected the inclusion that was contained in the House version of the postal employees. Therefore, we were not able to get this bill through the Congress and to the President.

This year, the postal employees are not included in the bill, and so to that extent the bill is less inclusive and therefore less costly. The reason they are not included is because the postal employees, through the collective bargaining process, negotiated an increase in the employer portion of health benefit premiums larger than the increase provided in this bill. They negotiated an increase from the Postal Service from 40 percent to 55 percent in the first year—which is provided in our bill—and in the second year an additional 10 percent, whereas in this bill it is only 5 percent. So, it differs in that respect.

There is a contention made that to grant this increase in premium from 40 percent to 55 percent the first year and then to an ultimate 75 percent in 5 years would be granting the employees a pay raise during a time when we can ill afford to incur additional costs. The employees have already sustained a pay cut, because of our inability to keep pace in terms of our contribution to the premiums that are being paid with the increases in those premiums granted to the insurance companies that carry the health insurance for the Federal employees.

For example, 2 years ago Blue Cross-Blue Shield had sought a 53-percent increase, although after a variety of actions seeking a reduction of that request they were ultimately only granted a 22-percent increase in health insurance premiums, but that resulted in a reduction in take-home pay of the employees, or a pay cut, by the amount of that increase in the premium.

This year, we do not know what they will be seeking or what they will be granted, because those figures are still under negotiation, but it is assumed it will be about a 20–25-percent increase in health insurance premiums, meaning that our Federal employees will again assume an additional pay cut. So, when we are asking the Federal Government, as the largest employer in the land, to increase its contribution to health benefits from 40 percent to 55 percent in 1 year, and 5 percent thereafter until it reaches 75 percent of the total premium, we are in fact probably not granting in any way a pay increase to these employees. We will be lucky if we stay even with the increase in the insurance premium that will be granted by the Civil Service Commission to the carriers from whom they purchase their policies.

The genesis of this bill is interesting, and I think that it should be particularly interesting to the minority side. The genesis of this bill was the President's health message to the Congress of 2 years ago when he said that in his view it would be a worthy objective to have all private employers in the United States pay up to 75 percent of the premium of their employees' insurance for health benefits.

I noted that message, and felt that it was in fact a progressive and a humane and a proper approach. I then drafted legislation to require the Federal employer, the largest employer in the United States, to have equally progressive guidelines in terms of how it treats its employees, so that when we speak as to how private employers should perform in terms of their responsibility to their employees, we could in fact buttress that record with an indication we have a commitment to the rhetoric, because we, too, as the most progressive employer in the land, pick up 75 percent of the employee premiums.

Well, we will not meet that objective the President seeks for the private employers, because we are postponed at least 1 year in reaching that objective and in the timetable, but we will come close to it if Congress will adopt this bill.

It is hard for me to believe the President would veto the bill—and I have no indication he would do so—inasmuch as it is in compliance essentially with his instructions to the private sector of our country. I would, therefore, hope it would be supported by the members of the committee, and I ask for a "aye" vote on the measure.

Mr. BRASCO. Mr. Chairman, will the gentleman yield?

Mr. WALDIE. I am happy to yield to the gentleman from New York.

Mr. BRASCO. I just take a moment to rise in support of H.R. 9256 and to commend the distinguished gentleman from California, the chairman of the subcommitte, for his untiring efforts to bring this much needed legislation to the floor.

The Committee on Post Office and Civil Service considers the operation of the health benefits program to be one of its most important responsibilities. In fact, with the incessant inflation in medical care costs, it is fast becoming our greatest concern.

The Federal employee programs reflect the same experience common to all segments of our society, the same anguish of subscribers and providers of health insurance, as witnessed by the multitude of discussions on skyrocketing costs by various congressional committees and throughout the country. The obvious consequence of rising medical costs has been that premiums constantly have to be increased to maintain present standards of benefits. A further consequence, because of the Government's 40-percent contribution limitation, is that employees and annuitants are continuously burdened with an evergrowing share of premium charges.

I am reasonably certain that all Members of Congress recognize that the sharply rising costs of care and, consequently, the increases in that portion of premiums not paid by the Government, have resulted in less take-home pay for employees and annuitants. I am equally certain that most of us will agree that the Government should responsibly share the financial burden of such increases—the relevant variable being the percentage that the Government will equitably assume.

The bill under consideration, while not attaining the ideal of providing a cost-free health benefits program to Federal workers and retirees, offers a reasonable answer to the problem faced by several million employees, annuitants, and dependents by increasing immediately the Government's share from its present 40 to 55 percent of premiums, and gradually increasing by 5 percent each year until it reaches a more appropriate 75–25 cost-sharing ratio.

Mr. Chairman, H.R. 9256 will update the funding formula in a manner which assures that the Government is at least striving to match private industry's trend toward providing its workers cost-free health insurance. I urge the bill's unanimous adoption.

Mr. MOAKLEY. Mr. Chairman, will the gentleman yield?

Mr. WALDIE. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Chairman, I rise in support of this legislation to modernize the funding mechanism of the Federal employees' health benefits program. H.R. 9256 will, to a large extent, help Federal employees to reach the level of health insurance benefits offered by employees in private industry.

The promise of at least equal sharing of costs has been there since the inception of the program, but the actual Government participation at that level has failed to materialize. In fact, that promise has been quite elusive—the maximum contribution having attained 40 percent only within the past 15 or 16 months. Prior to January 1971, the Government was sharing only one-fourth of the costs.

The continuation of soaring increases in daily hospital charges and doctors' fees has raised the premiums an individual pays to receive coverage to a point whereby some of our Federal employees and annuitants cannot either afford coverage or many of them being unable to afford adequate protection. Few, if any, employees and retirees can afford not to have medical insurance, yet the day may be approaching when many will lack the financial ability to assure themselves and their dependents protection in the event of major illness.

In 1962 the Congress enacted the Federal Salary Reform Act, providing that Federal salary rates shall be comparable with those in private industry. Prior to that, in 1959, the Congress enacted a health benefits program for Federal employees which was intended to be comparable to that of employees in the private sector. While Federal employees have now approached comparability in terms of pay, they fall short of having attained comparability in terms of the Government, as the employer, paying an equitable share of health benefits premiums. In private industry today, the employer contribution, as a percentage of basic wages, is twice that of the Federal Government, more than half of private industry health insurance plans being financed solely by the employer, and with the employer paying more than half where the plan is financed jointly.

In my opinion, Mr. Chairman, the proposal embraced in this legislation is essential if the promise of comparability is to be kept. Therefore, Mr. Chairman, I urge the adoption of H.R. 9256.

Mr. GROSS. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. HOGAN).

Mr. HOGAN. Mr. Chairman, I rise in support of H.R. 9256, a long overdue proposal to increase the U.S. Government's contribution to health benefits premiums to 55 percent in fiscal year 1974, and an additional 5 percent thereafter until the contribution rate reaches 75 percent in fiscal year 1978.

As a cosponsor of this legislation, I believe it is an equitable approach to the need for updating the health benefits program to keep step with the rising cost of living, and the rising cost of medical expenses and insurance premiums and to reach comparability with private industry.

Medical care costs in this country are at the crisis point. This fact is not disputable. To indicate the gravity of the problem, the President of the United States, on February 18, 1971, in his message to the Congress on the National Health Insurance Partnership Act, described the situation as follows:

> One of the biggest problems is that fully 60 percent of the growth in medical expenditures in the last ten years has gone not for additional services but merely to meet price inflation. Since 1960, medical costs have gone up twice as fast as the cost of living. Hospital costs have risen five times as fast as other prices. For growing numbers of Americans, the cost of care is becoming prohibitive. And even those who can afford most care may find themselves impoverished by a catastrophic medical expenditure.

This legislation endorsed by the President proposed that private employers provide 65 percent of the cost of basic health insurance coverage for employees as of July 1, 1973, and 75 percent of the total cost in 1976.

The trend in private industry has been toward the employer assuming the major cost of employees' health insurance premiums and in many cases the full cost. Not only are major industrial employers paying a major portion of the premium costs, but they are also providing a level of benefits comparable to those provided under the various Federal employee plans. Many firms pay 100 percent of the costs of health benefits premiums and I have for the last three Congresses introduced legislation which would require the Federal Government to pay 100 percent of the cost of health benefits.

The Civil Service Commission prepared a report in December 1972, comparing the benefits offered by the Federal Government as an employer, and benefits offered by a sampling of private and public employers. The summary on health benefits coverage reads in part:

> The financing of health benefits has long been a troublesome aspect of the Federal program, and the situation has not improved during the past year. While the numbers of employers who pay all or most of the health plan premiums for employees continues to increase, the Federal formula remains unchanged. In addition to lagging behind the private sector, the Federal contribution rate is now exceeded by many public employers at all levels.
>
> Although one of the strengths of the Federal program has always been the generosity of its benefit levels, its pre-eminence in this area is being seriously threatened by the strides made by other employers in the past year. Overall, the program is still somewhat more generous than those of most employers, but not by a sufficient amount to constitute a significant competitive advantage.

As a personal note, my own company consisting of nine employees at our highest peak, which I ran before I was elected to Congress, paid 100 percent of medical insurance premiums.

The fact of the matter is that the Federal Government, the largest employer in the country, is lagging behind other non-Federal employers in providing health insurance coverage. For sometime now, I have been a strong advocate of having the Federal Government lead in the area of providing fringe benefits for its employees rather than follow. Unfortunately, that view has not prevailed. Therefore, the situation now is that the Federal Government is not only not the leader in providing health benefits coverage, but is a poor follower.

To remain competitive in the employment of competent employees, the Federal Government must provide better fringe benefits, in this particular instance, health care benefits, at least comparable to those offered by other large non-Federal employers. To do less is not playing fair with our Federal employees. This kind of personnel policy can only create and foster a situation which will work to the detriment of the Federal Government.

Mr. Chairman, the graduated approach proposed in this bill to increase the Government contribution to health benefits premium is realistic and should be approved.

Mr. WALDIE. Mr. Chairman, I have no further requests for time.

Mr. GROSS. Mr. Chairman, I yield 2 minutes to the highly distinguished gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. I thank the gentleman from Iowa. I wish he would be as complimentary of me when I am handling bills involving the beloved United Nations of ours.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Iowa.

Mr. GROSS. I deeply regret I failed to refer to the gentleman also as being the former United States of America Representative to the United Nations.

Mr. DERWINSKI. Mr. Chairman, I forgive the gentleman for his oversight.

With all due respect to the future Governor of California, I rise to oppose the bill.

Mr. Chairman, the real question before us today is not whether the Federal Government needs to increase its contribution to health benefits premium to remain competitive with other large employers, which the proponents of this legislation claim, but rather is the Federal Government going to continue to fan the fires of inflation by spending money it does not have on unwarranted proposals.

Today, the administration is in an uphill battle to arrest the growth of inflation in our economy. To achieve this objective, the President has called on the Congress to control the Federal budget. The President stated in his recent message to the Congress:

> Every dollar we cut from the Federal deficit is another blow against higher prices. And nothing we could do at this time would be more effective in beating inflation than to wipe out the deficit altogether and to balance the Federal budget.

This is not only a desirable and necessary goal, but one which is realistic. However, if the Congress intends to cooperate in this effort, then it must reject proposals such as H.R. 9256, which is not only costly but without merit.

In December 1972, the Civil Service Commission completed a study which compared the overall fringe benefit package of the Federal Government to the fringe benefit packages that are offered by 11 large non-Federal employers. The results showed the Federal Government fringe benefits package is more liberal than four employers; comparable with six employers; and was only less liberal than one—the State of New York. Therefore, in effect, the overall fringe benefits package offered by the Federal Government is either better or equal to 10 of the 11 large employers surveyed. These include New York State, Aetna, city of Baltimore, Du Pont, General Motors, IBM, the State of Michigan, the State of Georgia, Pacific Gas & Electric, United States Steel, and the State of Wisconsin.

On the basis of this study, the majority can hardly argue that the Federal Government is not competitive in the area of fringe benefits. In fact, the opposite seems to be true. The Federal Government is not only a fair employer, but I might add, a generous one.

As a note to this discussion, I would like to point out that if this bill is enacted into law the cost to the Government for its contribution for coverage for Members of Congress will be:

Fiscal year 1974—$50,000—additional cost.

Fiscal year 1975—$75,000—additional cost.

Fiscal year 1976—$104,000—additional cost.

Fiscal year 1977—$125,000—additional cost.

Fiscal year 1978—$145,000—additional cost.

These figures were received from the Civil Service Commission and are based on a total of 501 enrollees using the "dynamic" model of costs.

Mr. Chairman, there is no demonstrated need for this legislation which is estimated to cost the Federal Government $231.7 million in fiscal year 1974 and eventually will increase to $649.9 million in fiscal year 1978.

It should be rejected.

Mr. GROSS. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. Mr. Chairman, I must oppose this legislation because there is no justifiable need for increasing the Federal Government's contribution to health benefits premium and because it is too costly.

The Congress is committed to the principle of pay comparability for Federal employees, to which I also subscribe. I believe we have an obligation to compensate Federal employees, in pay and fringe benefits, on a level comparable with other large employers in the private sector. This is a fair and equitable policy.

Now, the majority argues that the Government contribution to health benefits premium must be increased because it is not comparable with other large non-Federal employers. This may be true; however, what must be borne in mind is that the Federal Government compares most favorably with other large employers when the overall fringe benefit package is considered.

To illustrate this point, the Bureau of Labor Statistics, in its 1972 study on the subject of pay supplements, reported that in private industry employer expenditures for pay supplements amounted to 26.6 percent of basic wages and salaries, and in the Federal Government, expenditures amounted to 27.8 percent of basic wages and salaries.

The Civil Service Commission also conducted a study comparing the fringe benefits of the Federal Government and 11 other large employers. The finding was the Federal Government was equal to or superior to 10 of the employers surveyed.

On the basis of these studies, I find it incredible that such a proposal, as H.R. 9256, is before us. It is logically indefensible and fiscally irresponsible.

Lately, we have been hearing much on the subject of rising prices and the need to fight inflation. This is important. But, no amount of talk or bureaucratic regulations will solve our economic needs. To fight inflation the Congress must begin at its source—excessive Government spending.

Today, we can demonstrate what we have been talking about by defeating this legislation, which cannot be justified, and which will cost the taxpayers of this country a whopping $2,242,000,000 over the next 5 years. Thereafter, the increased annual costs to the Government are estimated to be over $649 million.

Mr. Chairman, if the Congress is serious about being fiscally responsible, then it must defeat proposals such as this legislation.

Mr. GROSS. Mr. Chairman, I yield such time as he may require to the gentleman from Indiana (Mr. Hillis).

Mr. HILLIS. Mr. Chairman, this legislation, H.R. 9256, which I cosponsored, is a constructive proposal to increase the Federal Government's contribution rate to health benefits premium.

Under the present law, the Federal Government, the Nation's largest employer, contributes 40 percent of the average high option of six large representative plans to the total subscription charge for an enrollee's health benefits plan. To illustrate, in 1973, the monthly Government contribution is $8.75 for a self-only and $22.03 for a family enrollment. Under the provisions of H.R. 9256, this contribution would be increased in fiscal year 1974 to 55 percent, resulting in a dollar increase to $12.03 for a self-only and $30.29 for a family enrollment.

In subsequent years, the average for the six plans will be computed in the event of changes in premium rates, with the Government's contribution being adjusted upward in accordance with the percentages prescribed.

This legislative approach which progressively increases the Government's contribution rate to 75 percent in fiscal year 1978 is a step in the right direction. For too long now, medical care costs have been increasing at an alarming rate, resulting in higher health insurance premium rates. Yet, the Federal Government's contribution rate has remained pegged at 40 percent. This rate is unrealistic in view of the high premium charges and the fact that many major non-Federal employers are currently paying 100 percent of the health benefits premium.

If current trends in medical costs continue—and at this time there is little likelihood they will not—and the Federal Government rate of contribution to health benefits premium continues pegged at 40 percent, then I am afraid what we will witness is a significant number of low- and middle-paid Federal employees just not being financially able to provide proper medical care for themselves and families. They will not be able to afford the premium.

I do not believe that is the intent of those opposing this bill, but I am fearful that is what will happen unless the Congress provides some relief as outlined in this legislation.

Mr. Chairman, this legislation provides equitable treatment to Federal employees, and should be approved.

Mr. LEGGETT. Mr. Chairman, again in the 93d Congress we are discussing legislation to increase the Federal contribution to our employees' health benefit plans. The need for this legislation remains the same; if anything, employee expenses for health care have increased since we debated this measure last year. We are all aware that medical costs are increasing faster than either wages or the cost of living as a whole since 1960. Federal employees are not immune from these costs.

There are, of course, many figures I could cite as evidence of this meteoric increase:

In 1960, 5.3 percent of our gross national product went for health care; in 1971, it was 7 percent.

In 1970, the average health bill for an American family was $324; in 1960, it was $145.

From 1967 to 1972, the consumer price index increased 27.3 percent while medical costs increased 34.4 percent.

That these costs are a major concern of all employers is very ably demonstrated on pages 4 and 5 of the committee's report on this bill. In just the last year the number of States paying more than 50 percent of employee medical insurance premiums rose from 16 to 22. Of 17 major employers who have changed their premium structures in the past year, 12 are now paying two-thirds or more of health insurance premiums.

There is a vital point which I would like to make in answer to those who say that this bill is fiscally not responsible. First, as the committee has so ably pointed out, the President himself called for even more generous contributions than are provided in this bill. Under the President's proposal our contribution would have been 65 percent of premiums next year instead of the 55 percent in this bill, and he would have had us contributing 75 percent in 1976 instead of the 70 percent recommended here. I would like to commend the committee at this time for its exercise of fiscal restraint in this area.

Second, the committee lists on page 4 of its report a number of major private employers who pay the full cost of their employees' health insurance benefits. This is a very impressive list, particularly when one notes how profitable some of these corporations have been. I would like to add to the names of some of these companies listed by the committee the profit increase they showed in the second quarter of 1973 over a similar period in 1972:

International Paper, 73.2 percent increase; Union Carbide, 47.9 percent increase; Alcoa, 46.9 percent increase; Dupont, 39.5 percent increase; Ford Motor Co., 39.4 percent increase; Minnesota Mining & Manufacturing, 28.6 percent increase; Caterpillar Tractor, 20 percent increase.

And there are others. Only one of the companies listed by the committee for which I have profit figures, American Airlines did not show a profit in the second quarter of 1973. Gentlemen, if those are the results of fiscal irresponsibility, I say we need a lot more of it.

As employers, we have a responsibility to our employees that has obviously been recognized by the companies I mentioned to their great benefit. I strongly urge that we take a lesson from their example and pass this bill without delay.

Mrs. HOLT. Mr. Chairman, I rise to express my support for the passage of H.R. 9256 which will increase the Government's contribution to the Federal employee's health benefits program.

The need for this action can be demonstrated by a speedy review of health care costs and a comparison of the Federal program versus those available in private industry. The dramatic increase in health care costs in America in recent years is evident to all of us. As these costs increase, the portion of them not covered by the program constitutes a greater burden for Federal employees and annuitants.

I think it is also evident that the Federal contribution rate is now far behind most of the private sector and it is even exceeded by many public employers at the State and local level. The Bureau of Labor Statistics in 1966 reported that 64 percent of plant workers and 49 percent of office workers were employed by establishments which paid the full cost of health insurance coverage. This can be compared to the current Government contribution rate of 40 percent.

The bill before us today would remedy this situation by increasing the Government contribution to 75 percent over a 4-year period. I strongly urge my colleagues to join with me and support the passage of H.R. 9256.

Mr. BROYHILL of Virginia. Mr. Chairman, I rise in support of H.R. 9256, a long overdue effort to bring the Federal Government as an employer more into line with the private sector with regard to its employer contribution to employee group health benefits.

As our colleagues know, both Houses of Congress agreed to the necessity for an increase in the Federal contribution to Federal employee health insurance last year, but a difference between two bills as passed by House and Senate resulted in a disagreement and failure to enact the needed legislation.

I was privileged to serve on the Committee on Post Office and Civil Service when we first inaugurated the health insurance program for Federal employees in 1959. We were even then some years behind private industry at that time.

In 1959 we determined that a 50–50 participation plan was fair and reasonable. But because it was a new program and the cost to the Government was not yet estimated, we adopted a formula wherein the Government would pay 50 percent of the cost of the least expensive low-option family program. By virtue of the type of insurance plan the employees adopted, however, the cost distribution at the time of enactment amounted to a 38-percent cost to the Government and a 62-percent cost to the employee.

By 1970 when Congress considered the plans again, high medical costs and premium increases had reduced the formula to a 24–76 ratio. That year the House acted to restore the program to the 50–50 ratio Congress originally intended only to have the amount of Federal contribution reduced to 40 percent in a conference after tremendous opposition from the administration to even so large an amount.

When the President sent his message to Congress on February 18, 1971, proposing as a major part of his legislative program a national health insurance program which would require every employer in the Nation to pay 65 percent of the premium of his employees' health insurance for 2½ years, then 75 percent thereafter, those of us who had worked for years for a more equitable formula for Federal employees were most encouraged. Unfortunately, Uncle Sam as an employer did not feel compelled to serve as a leader and example to other employers, for the Civil Service Commission once again recommended against enactment of this legislation.

When I appeared before our colleagues on the House Committee on Post Office and Civil Service in September of that year, I expressed my inability to understand how the administration could oppose this legislation for so-called economy reasons when just a few weeks later they would be parading before the Committee on Ways and Means urging passage of their brand new health insurance proposal for the private sector. A few weeks later, on October 20, 1971, I had the opportunity of posing that question directly to then Secretary of Health, Education and Labor, the Honorable Elliot Richardson, in the Ways and Means Committee. As I believe his response represented total agreement with our position today, I should like to read a brief extract from the Ways and Means hearing for that day at this point:

> Mr. BROYHILL. Mr. Secretary, under the administration's plan, employers would be required to contribute 75 percent of the insurance costs for their employees. Under existing law, which we amended in 1970, we provide for a 40-percent contribution on the part of the Federal Government, as the employer, for health insurance programs for Federal employees. Actually, we were late in even inaugurating a health insurance program for Federal employees. I think it was 1959 when the Federal Government reluctantly put through a health insurance program for its employees after industry already had been providing such programs for a good many years. I believe since the Federal program has been in effect, the average contribution on the part of the Government as the employer, has been in the neighborhood of 25 to 30 percent.
>
> The administration opposed the 40-percent program last year. Actually, there was a 50-percent contribution proposed last year, and again this year a proposal for a 50-percent Federal Government contribution, as an employer contribution, was again vigorously opposed by the administration.
>
> My question is, Since the administration feels that it is fair and equitable and proper to require all employers to contribute ultimately 75 percent of the cost of a health insurance program, why shouldn't the Federal Government take the lead and initiative as an employer, to provide a 75-percent, or at least a 50-percent, contribution for its employees? I am sure you feel that Federal employees should be treated equally with other employees.
>
> Secretary RICHARDSON. Well, I can only say, Mr. Broyhill, that your logic is irrefutable. I think the Federal Government should be a model employer, and I think that the recommendation that we make for other employees should cause a reconsideration of the position the Federal Government takes in the cost sharing of health insurance of its own employees.
>
> Mr. BROYHILL. What would be the effective date of the administration bill?
>
> Secretary RICHARDSON. July 1, 1973.
>
> Mr. BROYHILL. At that point, it would be 65 percent, would it not?
>
> Secretary RICHARDSON. Yes.
>
> Mr. VENEMAN. Not to exceed 35 percent for the worker.
>
> Mr. BROYHILL. It might be a great encouragement to industry if the administration would send its people to the Post Office and Civil Service Committee to recommend that a 65-percent contribution be effective around January 1, 1973. I am a cosponsor of the legislation, and I would accept the amendment to make it effective January 1, 1973, and you might find that, since the Federal Government has taken the initiative in that area, the employers throughout the country, along with the big unions that Mrs. Griffiths is talking about, might put this into effect without your requiring it through legislation.
>
> Secretary RICHARDSON. I think that we could certainly pursue this, Mr. Broyhill. As far as the Federal employees are concerned, I would have to, of course, enlist the interest of my colleagues in the administration.
>
> Mr. BROYHILL. There may be some disagreement in the administration, regarding the Federal employee program.
>
> Secretary RICHARDSON. I have no reason to think that the general validity of the point that you have made that we should be prepared as an employer to do what we are asking other employers to do, would be the subject of serious dispute, but I am only saying that that is not a matter that falls directly within my province to say.

Mr. Chairman, under provisions of this legislation, the Federal Government's contribution to the employee plan will be increased to 55 percent 30 days after enactment with increased increments in January of each year until 1977, when it will reach 75 percent that recommended by the administration for all employers outside Government. Moving in this way we will attain this goal just 1 year after private industry would have had the

President's proposal of February 1971 enacted into law. The President in his message on human resources in March of this year reaffirmed that "a major goal of this administration has been to develop an insurance system which can guarantee adequate financing of health care for every American family." With enactment of this legislation we will assure that goal for at least those families whose breadwinners serve as Federal employees.

Another desirable provision in this legislation is the section which permits pre-1960 annuitants to participate in the more comprehensive Federal employees' health benefit program. For those annuitants enrolled in the retired Federal employees' health benefits program who are covered by medicare parts A and B, the retired program provides a supplement to their basic medicare protection. However, for those not eligible for full medicare, career employees who never worked under social security, the retired program benefits are inadequate. Since the aged are hardest hit by the continued rise in medical costs, I am glad to see this problem addressed in H.R. 9256.

Finally, experience has shown that in instances in which the carrier has refused to pay certain benefits, and the Civil Service Commission has determined they should be paid, the Commission is without authority under law to comply payment. Under provisions of H.R. 9256, a determination by the Commission in favor of the employee or retiree shall be binding on the carrier, as it should be.

Mr. Chairman, each time health benefits premiums are increased employees receive smaller checks, sometimes smaller than they did prior to a cost-of-living pay increase. We made a step toward preventing such reductions in pay in January 1971, when we eliminated the maximum dollar amounts of Federal contribution and expressed the Government contribution in terms of a percentage of total subscription charges. Since we did not even then come up to the 50–50 we had contemplated in first inaugurating the program we might say that we started then, but started behind. Now with passage of H.R. 9256 we start forward, first with 55 percent Federal contribution, then gradually on up to 75 percent. We still have a long way to go, and we are competing with private industry, a large segment of which is now paying the full premium for its employees, but we are starting forward, and I urge our colleagues today to take this long delayed and greatly overdue start.

Mr. Chairman, I urge immediate passage of H.R. 9256.

Mr. **BOB WILSON**. Mr. Chairman, as the sponsor of very similar legislation, I would like to express my strong support for H.R. 9256, which would increase the Federal Government's contribution under the Federal employees' health benefits program.

With the upward climb in hospital and other medical expenses in the past decade, we have become increasingly concerned about the need to assure that all Americans have access to quality health care at reasonable cost. Both the administration and the Congress have devoted much attention to this subject and a number of proposals are currently under consideration. Since the President has proposed that employers provide health insurance for their employees on a cost-sharing basis, it is incumbent upon the Federal Government, as a major employer, to set a good example. H.R. 9256 coincides with the administration's goal of requiring the employer to pay 75 percent of the premium cost on a phased-in basis. The Government's contribution, under the provisions of this legislation, would reach 75 percent in 1977.

In addition, this legislation contains an important section which would permit pre-1960 annuitants to participate in the more comprehensive Federal employees' health benefits program available to post-1960 retirees. For those annuitants enrolled in the retired Federal employees' health benefits program who are covered by medicare parts A and B, the retired program provides a supplement to their basic medicare protection. However, for those not eligible for full medicare, these benefits may not be adequate. The aged are hardest hit by the continued rise in medical costs, and I am pleased that this legislation deals directly with this problem.

H.R. 9256 is a major step forward in health care legislation and I urge my colleagues' favorable consideration.

Mr. **PRICE** of Illinois. Mr. Chairman, I rise in support of the bill H.R. 9256, which the House is called upon to consider today. This important legislation would increase the Government share of Federal employees' health premiums.

The cost of health care has increased alarmingly over the past few years, and the trend continues. Citizens are offered no choice; when it comes to their health, they cannot afford not to pay for the care they need. Some sort of insurance to cover costly catastrophes is essential today, but the rising cost of health care carries with it the cost of insurance coverage.

At the present time, the Federal Government contributes 40 percent of the premium payments under Federal employees' health benefit plans. H.R. 9256 would increase this contribution to 55 percent beginning in 1973 with an additional 5 percent increase each subsequent year until 1977 when the Government contribution would reach 75 percent.

The bill further provides that the 2 million annuitants who retired prior to July 1, 1960, and who are now covered under the Retired Federal Employees' Health Benefits Act may elect instead coverage under the more comprehensive health benefit plan for active employees. The employees who retired after June 30, 1960 already have the option.

The existing law does not provide for an adequate administrative remedy for Federal employees who receive favorable decisions on claims from the Civil Service Commission only to learn that the insurance carriers refuse to comply. Section 3 of H.R. 9256 would require an insurance contractor to pay for or provide a service or supply whenever the Civil Service Commission determines that a covered individual is so entitled under the terms of the contract.

Mr. Chairman, I believe it is consistent with the highest aspirations of our Nation to provide increased Government service in matters of health protection, and I urge my colleagues in the House to vote for this proposal.

Mr. **HARSHA**. Mr. Chairman, as the recipient of the 1973 Award of Life for my work on highway safety legislation presented by the American Safety Belt Council, it will be necessary for me to be in Vail, Colo., for the presentation of this award.

Therefore, I will necessarily have to be absent when the House considers H.R. 9256 to increase the Government contribution for Federal employees' health benefits and will, unfortunately, miss the vote on this important measure.

I am a strong supporter of this legislation and, if present, would vote for its passage. Although the cost of living in recent years has increased considerably, the cost of medical care and services has soared astronomically. As a result, the premium charges have risen substantially and this has constituted an additional financial burden on Federal employees and retirees.

The Federal program has always been most generous in its benefit levels and in the past served as a model for other health insurance programs. However, in recent years the trend in private industry has been to assume all or a larger percentage of the costs of employee health insurance premiums, and the Federal program has been falling behind. I feel the Federal Government should follow the lead of employers in the private sector and hope the House will see fit to approve this legislation which is designed to assure that the Government is at least striving to match private industry's efforts to relieve its workers and retirees of the financial burden of today's high cost of health insurance.

During the last Congress, I supported similar legislation to increase the Federal contribution, but, most regrettably, final action was not realized on this proposal although it was approved by both the House and the Senate in different forms. I earnestly hope a similar imbroglio will not develop this year and that we will be successful in enacting this much-needed and long-overdue measure.

Mr. **GROSS**. Mr. Chairman, I have no further requests for time.

Mr. **WALDIE**. Mr. Chairman, I have no further requests for time.

The **CHAIRMAN**. If there are no further requests for time, the Clerk will read the bill.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsections (a) and (b) of section 8906 of title 5, United States Code, are amended to read as follows:

"(a) The Commission shall determine the average of the subscription charges in effect on the beginning date of each contract year with respect to self alone or self and family enrollments under this chapter, as applicable, for the highest level of benefits offered by—

"(1) the service benefit plan;

"(2) the indemnity benefit plan;

"(3) the two employee organization plans with the largest number of enrollments, as determined by the Commission; and

"(4) the two comprehensive medical plans with the largest number of enrollments, as determined by the Commission.

"(b)(1) Except as provided by paragraph (2) of this subsection, the biweekly Government contribution for health benefits for an employee or annuitant enrolled in a health benefits plan under this chapter shall be adjusted, beginning on the first day of the first applicable pay period of each year, to an amount equal to the following percentage, as applicable, of the average subscription charge determined under subsection (a) of this section: 55 percent for applicable pay periods commencing in 1973; 60 percent for applicable pay periods commencing in 1974; 65 percent for applicable pay periods commencing in 1975; 70 percent for applicable pay periods commencing in 1976; and 75 percent for applicable pay periods commencing in 1977 and in each year thereafter.

"(2) The biweekly Government contribution for an employee or annuitant enrolled in a plan under this chapter shall not exceed 75 percent of this subscription charge.".

(b) Section 8906(c) of title 5, United States Code, is amended by striking out "subsections (a) and (b)" and inserting "subsection (b)" in lieu thereof.

(c) Section 8906(g) of title 5, United States Code, is amended by striking out "subsection (a) of".

Sec. 2. (a) Notwithstanding any other provision of law, an annuitant, as defined under section 8901 (3) of title 5, United States Code, who is participating or who is eligible to participate in the health benefits program offered under the Retired Federal Employees Health Benefits Act (74 Stat. 849; Public Law 86–724), may elect in accordance with regulations prescribed by the United States Civil Service Commission, to be covered under the provisions of chapter 89 of title 5, United States Code, in lieu of coverage under such Act.

(b) An annuitant who elects to be covered under the provisions of chapter 89 of title 5. United States Code, in accordance with subsection (a) of this section, shall be entitled to the benefits under such chapter 89.

Sec. 3. Section 8902 of title 5, United States Code, is amended by adding at the end thereof the following subsection:

"(j) Each contract under this chapter shall require the carrier to agree to pay for or provide a health service or supply in an individual case if the Commission finds that the employee, annuitant, or family member is entitled thereto under the terms of the contract.".

Sec. 4. (a) The first section of this Act shall take effect on the first day of the first applicable pay period which begins on or after the thirtieth day following the date of enactment.

(b) Section 2 shall take effect on the one hundred and eightieth day following the date of enactment or on such earlier date as the United States Civil Service Commission may prescribe.

(c) Section 3 shall become effective with respect to any contract entered into or renewed on or after the date of enactment of this Act.

(d) The determination of the average of subscription charges and the adjustment of the Government contributions for 1973, under section 8906 of title 5, United States Code, as amended by the first section of this Act, shall take effect on the first day of the first applicable pay period which begins on or after the thirtieth day following the date of enactment of this Act.

Mr. WALDIE (during the reading). Mr. Chairman, I ask unanimous consent that the bill may be considered as read, printed at this point in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENT OFFERED BY MR. WALDIE

Mr. WALDIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Waldie: On page 2, line 22, strike out the word "this" and insert in lieu thereof the word "the".

Mr. WALDIE. Mr. Chairman, the amendment corrects a typographical error. That is all that it is offered for.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Waldie).

The amendment was agreed to.

The CHAIRMAN. Are there any further amendments? If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Bevill, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 9256) to increase the contribution of the Government to the costs of health benefits for Federal employees, and for other purposes, pursuant to House Resolution 546, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ROUSSELOT. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 217, nays 155, not voting 62, as follows:

[Roll No. 474]

YEAS—217

Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Aspin
Badillo
Barrett
Bauman
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Bolling
Brademas
Brasco
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, Va.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carney, Ohio
Carter
Chisholm
Clark
Clausen, Don H.
Clay
Collins, Ill.
Conyers
Corman
Cotter
Cronin
Culver
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
de la Garza
Delaney
Dellums
Dent
Dickinson
Diggs
Donohue
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Flood
Flowers
Foley
Ford, William D.
Forsythe
Fraser
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Pa.
Grover
Gude
Gunter
Hamilton
Hanley
Harrington
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Holtzman
Howard
Hungate
Hunt
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Kyros
Leggett
Lehman
Lent
Long, La.
Long, Md.
McCloskey
McCollister
McCormack
McDade
McFall
McKay
Macdonald
Madden
Mailliard
Maraziti
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Nix
Obey
O'Hara
O'Neill
Parris
Patten
Perkins
Pike
Podell
Preyer
Price, Ill.
Pritchard
Randall
Rangel
Rees
Reid
Reuss
Riegle
Rodino
Roe
Rogers
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Shoup
Shriver
Sikes
Slack
Smith, Iowa
Staggers
Stark
Steele
Stokes
Stubblefield
Stuckey
Studds
Symington
Thompson, N.J.
Thomson, Wis.
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Veysey
Vigorito
Waldie
Walsh
Whalen
White
Whitehurst
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wydler
Yatron
Young, Alaska
Zablocki
Zion

NAYS—155

Abdnor
Andrews, N.C.
Archer
Arends
Armstrong
Ashley
Bafalis
Baker
Beard
Bennett
Bergland
Blackburn
Boland
Bowen
Breaux
Broyhill, N.C.
Buchanan
Burgener
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Coughlin
Crane
Daniel, Dan
Davis, Wis.
Dellenback
Denholm
Dennis
Derwinski
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Eshleman
Findley
Fish
Fisher
Ford, Gerald R.
Fountain
Frelinghuysen
Gibbons
Goldwater
Goodling
Green, Oreg.
Griffiths
Gross
Gubser
Guyer
Haley
Hammerschmidt
Hanrahan
Harvey
Hastings
Hinshaw
Horton
Hosmer
Huber
Hudnut
Hutchinson
Ichord
Jarman
Johnson, Colo.
Jones, Okla.
Jones, Tenn.
Keating
Kemp
Ketchum
King
Kuykendall
Landgrebe
Landrum
Latta
Litton
Lott
McClory
McSpadden
Madigan
Mahon
Mallary
Martin, Nebr.
Mayne
Michel
Miller
Mizell
Montgomery
Moorhead, Calif.
Mosher
Nelsen
O'Brien
Owens
Passman
Pettis
Poage
Powell, Ohio
Price, Tex.
Quie
Rarick
Regula
Roberts
Robinson, Va.
Robison, N.Y.
Roncalio, Wyo.
Rousselot
Runnels
Ruppe
Ruth
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shuster
Skubitz
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steed

Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Symms
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thone
Thornton
Towell, Nev.
Treen
Vander Jagt
Waggonner
Ware
Whitten
Wylie
Wyman
Yates
Young, Fla.
Young, S.C.
Zwach

NOT VOTING—62

Adams
Alexander
Annunzio
Ashbrook
Bell
Bray
Brooks
Brown, Ohio
Burke, Fla.
Burleson, Tex.
Carey, N.Y.
Conte
Davis, S.C.
Devine
Dingell
Dorn
Drinan
Esch
Flynt
Frenzel
Gettys
Hanna
Hansen, Idaho
Hansen, Wash.
Harsha
Hays
Hébert
Jones, Ala.
Jordan
Lujan
McEwen
McKinney
Mann
Martin, N.C.
Milford
Mills, Ark.
Minish
Mollohan
Patman
Pepper
Peyser
Pickle
Quillen
Railsback
Rhodes
Rinaldo
Roy
Roybal
Ryan
Sandman
Sisk
Stanton, James V.
Sullivan
Talcott
Teague, Tex.
Wampler
Wiggins
Wilson, Charles, Tex.
Wyatt
Young, Ga.
Young, Ill.
Young, Tex.

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Mollohan for, with Mr. Hébert against.

Mr. Annunzio for, with Mr. Mann against.

Mr. Davis of South Carolina for, with Mr. Pickle against.

Mr. Peyser for, with Mr. Martin of North Carolina against.

Mr. Rinaldo for, with Mr. Rhodes against.

Mr. Sandman for, with Mr. Devine against.

Mr. Burke of Florida for, with Mr. Talcott against.

Mr. Minish for, with Mr. Bray against.

Mr. Wampler for, with Mr. Milford against.

Mr. Railsback for, with Mr. Quillen against.

Mr. Carey of New York for, with Mr. Wiggins against.

Mr. Drinan for, with Mr. Young of Illinois against.

Mrs. Sullivan for, with Mr. Burleson of Texas against.

Until further notice:

Mr. Adams with Miss Jordan.

Mr. Esch with Mr. Alexander.

Mr. Dingell with Mr. Ashbrook.

Mr. Brooks with Mr. Bell.

Mr. Hanna with Mr. McEwen.

Mr. Wyatt with Mr. Frenzel.

Mr. Young of Georgia with Mr. James V. Stanton,

Mr. Sisk with Mr. Roy.

Mr. Harsha with Mr. Conte.

Mr. Flynt with Mr. Brown of Ohio.

Mr. Dorn with Mr. McKinney.

Mr. Hays with Mr. Gettys.

Mrs. Hansen of Washington with Mr. Lujan.

Mr. Mills of Arkansas with Mr. Ryan.

Mr. Young of Texas with Mr. Jones of Alabama.

Mr. Roybal with Mr. Pepper.

Mr. Teague of Texas with Mr. Charles Wilson of Texas.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WALDIE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the bill H.R. 9256, just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL EXPLANATION

Mr. YOUNG of Illinois. Mr. Speaker, I should like to say that I was present on the floor during the last vote on the bill (H.R. 9256) to increase the contribution of the Government to the costs of health benefits for Federal employees, and I failed to get my vote recorded. I should like for the RECORD to show that if I had recorded the vote I would have recorded it against that bill.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute, to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I ask for this opportunity to proceed for 1 minute for the purposes of inquiring of the distinguished majority leader as to what the program will be for the balance of the week and for the following week.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield, I will announce the program.

There is no further legislative business for today. Upon the announcement of the program for next week, I will ask unanimous consent that we go over until Monday.

The program for the week of September 24 is as follows:

Monday is District day and there are no bills.

Tuesday there will be consideration of House Joint Resolution 727, continuing appropriations, fiscal year 1974; and H.R. 981, Immigration and Nationality Act amendments, under an open rule, with 2 hours of debate.

Wednesday we will consider S. 1914, Radio Free Europe, under an open rule, with 1 hour of debate; and H.R. 10088, Big Cypress National Preserve, Fla., subject to a rule being granted.

Thursday and Friday are religious holidays.

That is the program for the week.

Conference reports may be brought up at any time, and any further program will be announced later.

ADJOURNMENT OVER TO MONDAY, SEPTEMBER 24, 1973

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERSONAL EXPLANATION

Mr. REES. Mr. Speaker, on rollcall No. 452, on September 13, 1973, I was recorded as voting "present."

Obviously, Mr. Speaker, I made a mistake with the voting machine. My desire would have been, if I had voted correctly, to vote "aye."

RETIREMENT OF WILLIAM P. ROGERS

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GERALD R. FORD. Mr. Speaker, I think it is fair to say that I know of no public official who has worn so well or who has changed so little in his essential character over the years as Bill Rogers who recently retired as Secretary of State. His contributions to this country have been enormous and certainly merit the gratitude of this House and of all Americans. He already had two distinguished careers before joining President Nixon's Cabinet 4½ years ago, serving throughout the Eisenhower administration as Deputy Attorney General and Attorney General of the United States and since 1960 in the private practice of law to which he now returns, still a relatively young man.

Bill began his Washington career on Capitol Hill as chief counsel for the Senate War Investigating Committee and his relations with the Congress have always been mutually satisfying and genuinely cordial. His word has always been good and his respect has always been sincere and reciprocated by those of us who have worked with him, regardless of political differences. He is known as a close and loyal friend of the President, and I believe Bill is as good an example as I have seen of the counsel Shakespeare put in the mouth of Polonius:

> This above all, to thine own self be true;
> and it must follow as the night the day, thou
> cans't not then be false to any man.

Mr. Speaker, not many Americans have done as much for peace in the world, and for civility and courtesy in government, as the Honorable William P. Rogers. I value his friendship and on behalf of my wife Betty and myself wish him and his charming wife Adele all the best in the years ahead.

Mr. MAILLIARD. Mr. Speaker, I would like to pay tribute today to a distinguished American, William P. Rogers.

Bill Rogers who retired on September 3 as Secretary of State is deserving of the highest praise and appreciation for his contribution to the momentous developments in U.S. foreign policy that occurred during the 4½ years he served as the President's chief cabinet officer for foreign policy.

We all know of Secretary Rogers' talents in the field of quiet persuasion—talents which lend themselves to largely unsung accomplishments in the conduct of foreign policy.

But we should take note of the many accomplishments for which this very human, modest, and diplomatic man can take a large measure of credit. He was intimately involved in ending the war in Vietnam, particularly the closing phase of our involvement in that war. He was instrumental in bringing about the cease-fire in the Middle East, a cease-fire that now has lasted 3 years. He played a key role in bringing about the satisfactory conclusion of the first phase of the Conference on Security and Cooperation in Europe.

Bill Rogers also deserves credit for the tremendous amount of time he devoted to keeping the Congress informed on foreign policy. I always found him to be well informed, responsive, and gracious as a witness before the House Committee on Foreign Affairs and in my personal dealings with him.

Of course, all of us know of his prior public service in which he served with distinction as Deputy Attorney General and then Attorney General in President Eisenhower's administration. Much of his appreciation and respect for the role of Congress no doubt dates back to his early years of public service when in the late 1940's he served as Chief Counsel of the Senate War Investigating Committee and the Senate Investigations Subcommittee of the Executive Expenditures Committee.

We will miss Bill Rogers, and I wish him well as he returns to private life.

COST OF LIVING COUNCIL

(Mr. ICHORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ICHORD. Mr. Speaker, while the American people are facing the dilemma of whether to watch Bonnie and Clyde take on the FBI or to watch the battle of the sexes between Bobby Riggs and Billie Jean King, I have been drafting an open letter to the President of the United States calling for the dismissal of John Dunlop and a restructuring of the Cost of Living Council.

Mr. Speaker, the recent action of the Cost of Living Council freezing retail gas prices at the January 10 level and the wholesale gas prices at the May 15 level without permitting retail gas merchants to pass on interim wholesale price increases forces one to the conclusion that Cost of Living Council is either incompetent, in collusion with the large oil companies to force independent gas station owners out of business, or intentionally trying to subvert any efforts to curb inflation by price control.

Mr. Speaker, the action of the same Council in freezing the price of phosphate and nitrogen in this country and at the same time failing to institute concommitant export controls, I fear, has severely and irrevocably damaged the ability of the American farmer to increase the production of food and fiber in this country.

At this point I would like to insert my letter to the President in the RECORD.

SEPTEMBER 20, 1973.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: In 1970 I reluctantly advocated and voted for the Economic Stabilization Act because of the failure of the Federal Government to place its fiscal house in order and to take other steps to alleviate imminent runaway inflation. Recent events, however, have caused me not only to regret my vote but also to consider the feasibility of introducing legislation to repeal the Stabilization Act.

The Cost of Living Council, under the leadership of Dr. John Dunlop, has established a program of price controls so ill-conceived and ill-planned that thousands of independent gas retailers are facing economic ruin and this nation's capacity to increase its production of food has already been severely, and I fear, irreparably damaged.

The recent action of the Cost of Living Council in freezing retail gas prices at the January 10th levels and wholesale gas prices at the May 15th levels without permitting retail gas merchants to pass on interim wholesale price increases forces one to the conclusion that the Cost of Living Council is either incompetent, in collusion with the large oil companies to force independent gas station owners out of business, or intentionally trying to subvert any efforts to curb inflation by price controls.

The action of the Cost of Living Council freezing the domestic price of nitrogen and phosphate below world prices without the concomitant use of export controls has caused nitrogen and phosphate producers to sell their fertilizer abroad making only small amounts of phosphate and nitrogen available to the American market. Several fertilizer dealers have informed me that they cannot buy phosphate or nitrogen on the American market at this time. The experts also advise me that so much nitrogen has been sold abroad that we do not have the capacity to meet the fertilizer needs of the American farmer next spring.

Mr. President, the price control program as conceived and administered by the Cost of Living Council has been a dismal failure. The actions of the Council on gas and fertilizer alone, in my opinion, are grounds for the immediate dismissal of the Council and its Chairman and the restructuring of the Council to insure a "common sense" administration of the price control program. I respectfully request that you take immediate steps to correct the gross errors of the Cost of Living Council which not only threaten the financial destruction of thousands of our small independent businessmen but are assured of my cooperation and support for any such action.

Sincerely,

RICHARD H. ICHORD,
Member of Congress.

PRESENTATION BY MRS. ARLO HULLINGER

(Mr. CULVER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CULVER. Mr. Speaker, last night my wife, Ann, and I were very pleased to be able to attend a dinner of 100 Iowa Farm Bureau Federation women delegates representing each county farm bureau in the State of Iowa who are visiting the Nation's Capital this week.

A most excellent presentation was made on this occasion by one attending delegate, Mrs. Arlo Hullinger, who spoke about the concerns of the Midwest and Iowa farmers. Many of her views, I am sure, are representative of the concerns being expressed today by many of the Nation's farmers.

In her talk, Mrs. Hullinger discusses the effect the recent soybean embargo had upon "confused and frustrated" farmers, the concern of farmers over having adequate grain storage space and railroad transportation and gas shortage for crop drying this fall, the possible threat to the family farmer from increasing instances of tax-loss farming activities, the need for and problems of expanded crop production, and the deep concern of farmers about misguided economic policies with regard to food products and inflation in our Nation. All of these are issues on which I have expressed my own profound concern in the past and which must receive greater attention by Congress and the administration in the future.

Mr. Speaker, I believe this presentation can be very useful in helping my urban colleagues both appreciate and better understand some of the many problems being faced by the Nation's farmers in these critical areas. It is in the interests of their own constituents that they do so. As Mrs. Hullinger states, these farmer's wives from Iowa have a story to tell, and they are not going to be bashful about telling it, nor should they be, for what they are saying is very much in the national interest.

I include Mrs. Hullinger's presentation at this point in the RECORD:

SPEECH BY MRS. ARLO HULLINGER

Distinguished guests and Farm Bureau friends, I am so very happy to be here representing the Iowa Farm Bureau women. I really appreciate the time you have taken to come here tonight to be with us. I feel I can call most of the senators and representatives by their first names and have really enjoyed their friendship, patience and understanding.

I would like to begin by saying Farm Bureau protests extension of soybean export controls. Administration and consumers keep agriculture reeling by surprise moves that keep farmers confused and frustrated. We are told that more production is needed and then government tells us that more production is not economically feasible because of price ceilings, export controls and/or rising production costs. Our signals and rules keep changing until we find it difficult to make production plans. We hope the Commerce Department will reconsider and lift export controls soon.

Farm Bureau seeks immediate action to aid bankrupt railroads. There is a crucial need for legislation by the Congress to provide a mechanism for maintenance and reconstruction of vital rail service. Such action may be necessary as a temporary measure to continue vital rail services. Midwest grain producers are concerned that the loss of rail service will directly affect the midwest farmers' grain market.

An Iowa Farm Bureau survey of the Iowa grain marketing system indicates that storage space and railroad transportation facilities will not be adequate to handle the 1973 crop. There is a large carryover of corn and soybeans on farms and at elevators. Elevator managers in North Central Iowa expect to receive only ⅓ of the railroad cars needed to move the grain. In central and southwest Iowa, elevators are holding grain equal to 60% of their capacity. In Eastern Iowa elevators are about ⅓ full. These circumstances will result in four possible situations. (1) No cash market for grain due to lack of storage and transportation, (2) Some areas where there will be no elevator purchases of corn, (3) Substantial discounts where transportation is limited only to trucks, (4) A definite need for more on-farm grain storage.

Less than 4% will store grain on the ground this year. Most will buy only when the space is available.

Gas shortage during the heavy drying season concerns many managers.

Strong support is also voiced for year around navigation on the Mississippi River.

Inflation is by far the top issue today. It overshadows the Watergate scandal. Economy is the overriding issue. "America's pride has been hurt by Watergate, but our economy is the issue" was one of the statements heard as Congress returned after recess.

The index may show that farm prices increased more than 20% during the month of August and that the over-all wholesale price index increased by more than a staggering 45%. This increase would far exceed the post-World War II record increase of 2.8% in July 1950. Economists say most of the big increase in retail food prices still lies ahead.

We still recommend that Congress attack the cause of inflation by bringing federal spending into line with federal revenue. If this can be accomplished, we would be able to abandon wage and price controls which, in the long run, cannot succeed in a private enterprise economy. The present level of food prices is not out of line when you consider the costs of other items. Food production is being increased and further price controls will disrupt this production and lead to chaotic conditions.

Farmers are deeply concerned over inflation in our nation and the world. We do not feel that inflation can be curbed by applying direct wage and price controls on raw farm production.

In my prepared speech last spring (that the snowstorm prevented me from giving), I stated that we had real concerns on price ceilings set on meat products. Inevitably this would lead to shortage of meat products for the consumer. History shows that direct controls on farm products have never been successful any place in the world.

At a Farmers Union meeting in Ames last week, farmers were told by an assistant to Senator Clark that there has been a drastic drop in the value of Iowa's four major products since August 13, a 19 to 45% decline. Such fluctuations in prices this year have seen commodity prices soar to record levels. This is not good for farmers either. It has been 20 years since farmers achieved 102% of parity in prices.

The Secretary of Treasury conceded that the U.S. got burned in the Soviet wheat deal. He said, "they were very sharp in their buying practices." I ask why weren't we "very sharp" in our selling practices? We must wake up to the fact that Russia and other countries knew more about world conditions than we did and took advantage of it. We ask how many costly economic lessons must we endure?

An increasing number of non-farm people are involving themselves in livestock operations with the purpose of showing book losses for tax purposes. Farm Bureau members in our area consider such tax loss involvements attracting additional capital and people into farming as a threat to the family farmer and we feel this provision should be eliminated.

I read where 5% of crop losses are due to pollution, 8% are due to weeds and 12% are due to diseases and insects. I would be the first one to help in controlling pollution—we Farm Bureau women have had several good lessons on pollution and ways to control it, but I think in some areas we are over-doing the pollution bit. We are not in favor of the total ban on DDT. Also Farm Bureau recommend continued use of Aldrin for corn insects. This insecticide is used to protect this first year corn from southern corn rootworm, wireworm and cutworm. It is not used on continuous corn. The use of the insecticide is important in our area because when corn is planted early, soil conditions are favorable to damage from these insects. There are no sickness or ill effects reported from the use of these chemicals that I am aware of.

We don't think it is right that Bureaus can be appointed to have the power to hand down rules and regulations and enforce by fines. Citizens should have the right to be able to change these lawmakers. How far are we going in this direction?

Iowa dirt farmers hesitate to expand for several reasons: (1) We have been sold this "feed the world" bit before, (2) We need some sort of guarantee that we could get a fair price, (3) We're in trouble if we get another drought, (4) It's a gamble to buy feeder cattle anyway and this fall it's suicide, (5) Some think the farm program out to have more soil conservation in it, more money to put in terraces and protection for our land, (6) We can't put all of our land in crops—we need grass for cow-calf herds and for beef raising purposes.

Agriculture—greatest industry in the world. I'm proud to be a farmer's wife and to help contribute to an expanding world economy. I believe that our executive and legislative branches of government should work together and not be gnashing at each other all the time. The Watergate has disillusioned us in our government and we wonder who we can trust and if our government will fade away as we have known it. I know we can be proud of our senators and representatives we have chosen to serve us from Iowa. We must be alert to elect them for their courage to stand up for what they believe is right and then be willing to back them in their decisions when we believe they are right.

I've tried to touch on some of the main concerns of the midwest Iowa farmers. I realize we have good times, record prices and production; we also have bad times. I'm not here to complain, but to just talk over some of our problems that seem to jump up in our way.

Farmers need to continue to tell their story. There is criticism of food prices by consumers. Everyone is looking for a culprit. The Iowa Farm Bureau and county Farm Bureau public relations committees are taking advantage of opportunities to tell the tremendous story of agriculture. Agriculture rates top marks in productivity and efficiency. We believe our efficiency in agriculture has been an antidote for inflation. We are passing along the benefits.

We, the farmers' wives from Iowa have a story to tell, and we're not going to be bashful about telling it!

SOUTH DAKOTA'S WATER RESOURCES

(Mr. ABDNOR asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ABDNOR. Mr. Speaker, today I have introduced two measures to provide for more efficient and effective management of two relatively minor sources of South Dakota's relatively scant water resources. One of these would authorize the construction of a dam and reservoir on the Little White River near Rosebud, S. Dak., and the other would authorize the construction, operation, and maintenance of a larger, more adequate spillway for the Belle Fourche Dam near Belle Fourche, S. Dak.

Please note that when I refer to "minor sources" and "scant water resources" I say "relatively."

Relatively minor and relatively scant are exactly what I mean in referring to these water resources. The Little White River may be a relatively minor source of water by comparison to the Potomac, but only relatively so. The water of the Little White River is just as important to the residents of the Little White River Basin as the water of the Potomac, polluted though it be, is to the residents of Washington, D.C., and the millions who reside in the suburbs.

The Belle Fourche Dam may be a relatively insignificant structure as public works go, but the people living below the dam are subject to drowning just as much as the more than 230 persons who perished in the Rapid City flood. Rapid City is not far from Belle Fourche, nor is the washout of the dilapidated and inadequate spillway far from the realm of immediate possibility.

South Dakota's water resources may be scant, but only relatively so. In matter of fact, South Dakota has abundant water resources which are scantily, inefficiently, and ineffectively used—not relatively, but absolutely.

The Corps of Engineers maintains that the Little White River Dam is not justified because the "tangible benefits are exceeded by the costs by a wide margin." The corps does point out, however, that economic benefits to the people of the basin would result.

The corps also recognizes that the basin, much of which is taken up by Indian reservation lands, is an economically depressed area. The population of the basin is declining, but the population of the reservations continues to increase at a level far exceeding the population growth of other segments of American society.

The exodus from this small portion of rural America contributes to the already overcrowded conditions of urban America. The increase in the Indian population in the lack of economic opportunity contributes more poor, discouraged, and discontented people.

The problems of the Indian people have been the subject of much concern and great expenditures of funds over the years. We are all painfully aware of the recent incidents at the BIA in Washington and at Wounded Knee. These are tragedies which have created great strains on Indian/non-Indian relations, as well as causing dissention among the Indian people themselves. If there is any possible good which may come from these incidents, however, it will be that Congress will be forced to take a whole new look at Indian programs. Those programs which will emerge will be those which stress providing economic opportunities. The Little White River Dam is just that sort of program.

Of course funds are short in every area of need. If we can afford to spend $2 million to repair the BIA building, $67,000 to send the militants home, and then $5 million to guard them at Wounded Knee once we had given them time to regroup and reentrench themselves, however, we can afford to invest a roughly equal sum—$7.5 million—in a project which addresses the roots of the problem.

Nor will the "intangible" benefits to the Indian people be the only benefits which do not make the corps cost-benefit calculations.

The Belle Fourche Dam spillway has been given more favorable consideration by the Bureau of Reclamation than the Little White River Dam has received from the Corps of Engineers.

The Bureau has notified my office that they believe that this problem should be given high priority to avert a disaster. They have also informed me, however, that legislation will be required to authorize construction. I trust that Congress will give expeditious consideration to this measure.

There is no single factor which so limits the future of my district, and the State of South Dakota, as water resource development. Nor is there a factor which gives us such hopes.

Without economic development, South Dakota's young will continue the exodus to opportunities in the urban centers and our Indian people will continue to be poor, discouraged, and discontent.

In South Dakota economic development and water resource development are one. Congress favorable consideration for these relatively minor proposals will reap relatively great rewards.

EMERGENCY MEDICAL SERVICES LEGISLATION

(Mr. HEINZ asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HEINZ. Mr. Speaker, last week the House sustained the President's veto of S. 504, the Emergency Medical Services Act. As nearly all of our House colleagues would agree, EMS legislation is a high congressional priority if we are to correct the appalling weaknesses in this country's emergency medical facilities and practices.

As one who strongly supports Federal legislation to improve emergency health care, I regret that the amendment of S. 504 to include nongermane legislation relating to the Public Health Service hospitals compelled me to vote to sustain the President's veto.

But the need for EMS in this country is overwhelmingly clear. Just in the treatment of victims of heart attacks and of auto accidents, conservative estimates are that as many as 35,000 Americans could be saved each year from tragic, senseless deaths.

This is why on September 11, 50 Members of the House, including all minority members of the Public Health and Environment Subcommittee joined in introducing the Emergency Medical Services Act. This new bill, H.R. 10175, is identical to H.R. 6458, the bill reported earlier this year from our Health Subcommittee and the full Interstate and Foreign Commerce Committee. It contains no provision relating to the Public Health Service hospitals.

On Tuesday, September 18, all five minority members of the Health Subcommittee, including the ranking minority member, the gentleman from Minnesota, wrote President Nixon of our intention to push hard for congressional passage of H.R. 10175 and inviting Presidential support in the fight for critically needed Federal assistance for EMS. This complements yesterday's Senate vote of 93 to 0 for a similar EMS bill.

I hope the President will quickly accept our invitation to join us in the battle to improve emergency health care, and I hope to hear no talk of Presidential veto.

In my opinion, the support in the House of Representatives for EMS is much broader and deeper than for the bill, S. 504, which veto was narrowly sustained.

The conflict engendered by a prospective Presidential veto of H.R. 10175 will not help any American.

But, if we all cooperate—Republicans and Democrats, Congress and the executive branch—we can make this legislation the law of the land in a matter of weeks.

Mr. Speaker, I include the letter to the President at this point:

WASHINGTON, D.C.,
September 18, 1973.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On Tuesday, September 11, we, the Republican members of the House Public Health and Environment Subcommittee with a total of 50 Republican House members, joined in introducing the Emergency Medical Service Act, H.R. 10175. This bill is identical to the bill, H.R. 6458, reported with bipartisan support earlier this year from our Subcommittee and the full Interstate and Foreign Commerce Committee. As you know, this original EMS legislation reported by our Committee contained no provisions requiring the retention of the Public Health Service Hospitals. Similarly, our new EMS bill does not contain any reference to these hospitals.

We strongly support enactment of H.R. 10175 and pledge our full and immediate attention to reporting to the full committee and to the House floor without further delay. Additionally, an EMS bill identical to H.R. 10175 has also been introduced in the Senate, and we confidently hope for and expect rapid congressional action on this legislation.

Last Monday in your second State of the Union Message, you spoke most appropriately of the need for cooperation between the Executive and the Legislative branches, if we are to solve our Nation's problems. In the spirit of that message of reconciliation, we would like to urge your strong support and leadership on this legislation establishing a critically needed federal program to improve our Nation's emergency medical care.

Justifiably, the American people have become intensively aware of the tragic and unnecessary deficiencies in the quality and availability of emergency medical care in this country. The recent conflict over the vetoed S. 504 has further served to emphasize the public's interest. We believe there is wide and deep popular support for the implementation of emergency health care. Moreover, we feel the public fully recognizes your historical commitment to progressive and necessary health legislation of benefit to all Americans. This is why we, as members of the Health Subcommittee, have pledged our strongest efforts to accelerate legislative consideration of H.R. 10175. We are strongly convinced that failure to adopt this legislation will mean a lost opportunity to significantly improve the health care delivery system of this country, and, therefore, respectfully urge your careful consideration and support of H.R. 10175.

We invite you to join us in the battle for emergency medical services. Your leadership would assure the rapid enactment of this legislation.

Respectfully yours,
H. JOHN HEINZ III,
JAMES F. HASTINGS,
ANCHER NELSEN,
TIM LEE CARTER,
WILLIAM H. HUDNUT III,
Members of Congress.

FINANCIAL SOUNDNESS IS KEY ELEMENT OF H.R. 9682—DISTRICT OF COLUMBIA SELF-GOVERNMENT ACT

(Mr. REES asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. REES. Mr. Speaker, the House will soon have before it for consideration H.R. 9682, the District of Columbia Self-Government and Governmental Reorganization Act. I would like to commend the efforts of my distinguished colleagues on the Subcommittee on Government Operations and the full committee which has produced this comprehensive legislation.

I would like to take this opportunity to call particular attention to those sections of the bill which establish a sound financial management system for all the District of Columbia governmental operations. Financial management in the

District government is unusually complex because of the District's unique relationship with the Federal Government and its responsibility for a combination of State, county, and municipal functions. As in other areas of District affairs, the financial provisions of H.R. 9682 combine major reforms in the organization and operation of the District government with a recognition that locally elected officials should be responsible for those government matters which are local in nature.

The Commission on the Organization of the Government of the District of Columbia, often referred to as the Nelsen commission, recognized in the early stages of their work that financial management in the city lacked a focal point of responsibility. Responding to this deficiency, Mayor Walter E. Washington established a financial management improvement system under his personal direction. The program has already made significant progress in developing new basic accounting principles and in centralizing responsibility in the new Office of Budget and Financial Management. The provisions in H.R. 9682 build on this foundation, and will result in improved procedures and in timely financial information being forwarded to both the Council and the Congress as well as to the general public. These provisions are detailed, but workable and have been developed in consultation with the General Accounting Office and the Mayor's budget staff.

There are two important aspects of a sound financial management system: First, budget formulation and approval; and second, budget execution. This bill mandates improvements in both of these areas.

BUDGET FORMULATION AND APPROVAL

Part D of title IV of the bill institutes a comprehensive program budget system for both operating and capital outlay activities of the new city government. The Mayor is responsible for the preparation and submission to both the Council and the Congress of the city's budget consisting of seven documents:

First. Detailed, balanced budget for the next fiscal year which provides the basis for revenue measures and line-item, balanced budget appropriations by the Council;

Second. Budget message and supporting financial and statistical material;

Third. Multiyear plan which places annual expenditure and revenue plans in the context of past experience and future plans and requires analysis of major program changes, anticipated revenue gaps, salary increases, pension plans, and debt service requirements;

Fourth. Multiyear capital improvement plan which identifies all projects on a full funding basis, requires coordination with land use plans, and assures that capital projects which are considered will not result in financial burdens in excess of the debt ceiling imposed by Congress under H.R. 9682;

Fifth. Program performance report which compares actual performance against budget plans and includes status of efforts to comply with the reports of the District of Columbia Auditor and the Comptroller General of the United States;

Sixth. Issue analysis statement providing in-depth consideration of issues identified during budget deliberations of the previous year; and

Seventh. Summary to be distributed to the general public.

Taken together these documents and the planning required to produce them will provide the District of Columbia with an excellent budgeting system which identifies both broad program analysis and detailed line item expenditures. A sound budgeting system cannot, of course, guarantee good decisions. But a sound system, especially one which provides for full public disclosure of information, increases substantially the probability of good decisions.

I would especially like to emphasize that the budget system I have described, combined with the Federal payment provisions of title V, will assure adequate congressional oversight of District financial affairs. The planning requirements of the budget process and the year in advance Federal payment request together will result in the elimination of much of the surprise and crisis element which has, unfortunately, characterized the financing of local services in the District of Columbia. For example, the provision for multiyear expenditure plans specifically will require the city to set forth its plan for financing the various employee retirement systems and will facilitate orderly handling of the outstanding unfunded liability in the police and firemen's retirement fund. The multiyear capital improvements plan is required to include a complete plan for the city's payment of bonds issued on its capital projects and the debt servicing of congressionally approved projects.

BUDGET EXECUTION

Under H.R. 9682 the Mayor is responsible generally for the administration of the financial affairs of the District of Columbia—collection and dispersement of funds and accounting supervision and control. In carrying out these duties, however, there are very definite standards which are set forth in the bill to assure soundness of the budget execution process.

Since more than 60 percent of the District of Columbia's operating expenditures are for employee salaries and benefits, a most important standard is that contained in section 447 of the bill. Under this section the Mayor is required to maintain consistency between the budget, accounting, and personnel systems. Employees can only be hired according to allotments in balanced budgets approved by the Council.

Legal and proper expenditure of all District funds is also safeguarded through three separate audits. First, the Mayor's office conducts an internal audit of all accounts, operations and agency records to verify that bills paid are in fact legal transactions. Second, H.R. 9682 creates the office of the District of Columbia Auditor. The Auditor is selected and approved by the Council and conducts on an ongoing basis a thorough review of all the city's accounts and operations. The Auditor/Council relationship is modeled after the GAO/Congress relationship. Third, the bill authorizes an independent audit by the General Accounting Office of the accounts and operations of the District to determine if programs are being conducted on an efficient and effective manner and in line with the purposes for which the monies were appropriated. Such an audit by GAO would, of course, include the proper expenditure of the federal payment to the District. GAO will submit its audit reports to the Congress, the Mayor, and the Council and the Mayor is required within a time limit to respond to this report. In the program performance statement of the budget the Mayor is also required annually to indicate progress being made to comply with audit reports. I would point out that each of these auditing provisions were developed in close consultation with the Comptroller General.

In conclusion, the executive budget system prescribed in this important legislation recognizes that the budget process is an important tool for the implementation of policy, but does not obscure its equally important function as a management control mechanism for producing improved accounting based budgets and for exercising controls to insure that funds are spent for the purpose approved by the Mayor, the Council, and the Congress.

THE PRESIDENT'S MESSAGE ON HOUSING POLICY RECOMMENDATIONS

(Mr. WIDNALL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WIDNALL. Mr. Speaker, yesterday, the President sent over his long-awaited housing message, and on the whole, I am enthusiastic about his statement. We must realize that the recommendations are based upon a concentrated study, including an extensive effort to consider the views of all interested parties. It must be viewed as a goals-oriented package, one that seeks to serve the national needs across a broad range of complex requirements. The acceptance and implementation of many of the specific elements now rest with the Congress, particularly the Housing Subcommittee. I, as ranking minority member of the subcommittee, certainly plan to urge careful and open-minded discussion among all those involved. The subject of housing is much too important to be clouded by partisan rhetoric.

With the present mortgage credit situation, immediate action to moderate this tight money problem is clearly needed to provide new mortgage money for prospective homebuyers. The President's recommendations for a program of forward commitments from the Federal Home Loan Bank Board, a revival of the tandem plan for the Government National Mortgage Association, and raising the permissible mortgage amounts of FHA loans, are crucial to resolving the problem. These solutions are, of course, intertwined with national fiscal policy and regulatory authorities. We will want to look closely at such proposals.

With respect to the specific provisions of providing a tax credit for mortgage portfolio interest, while this proposal has considerable promise for stabilizing funds in the mortgage market, the congressional jurisdiction is with the Ways and Means Committee. I would hope that the committee would find the opportunity to explore the question.

The President's proposals concerning housing for low-income persons and the efforts to improve assistance to communities, I read with great interest. The emphasis apparently being placed on rehabilitated housing in connection with the housing allowance program, and the ability of the recipient of such aid to better choose the neighborhood in which he wises to live are two of the elements I find most appealing. This is specifically due to the focus being placed on aiding the elderly. I will be particularly interested to see the details of the promised housing allowance program, to be proposed in 1974 or early 1975, as a result of careful studies now being conducted around the country.

Further, I was pleased that there is to be an immediate release of $60 million for section 312 rehabilitation loan programs, and that housing production under section 23 leased housing will be resumed and expanded. The fact that section 23 will be recognized as a prime vehicle in housing low-income families is gratifying to one who authored the concept in 1965, and has urged its increased use over the years.

The additional proposals for improving the operation of present public housing, neighborhood preservation, improving rural housing, and assuring equal opportunity, all have merit. I look forward to the promised studies and legislative efforts concerning these topics.

With particular respect to the operation of public housing the administration's proposals parallel legislation I have sponsored. The questions of minimum rent and the definition of income for tenants in public housing were embodied in H.R. 8102 which I introduced on May 23, and added to H.R. 8879 in the Housing Subcommittee. Administration support for the provisions is certainly welcomed.

All in all, I must say that the administration is offering a carefully outlined blueprint for consideration. In those areas where there is great departure from established systems, the thought is to begin with experimental programs or at least modest initiation of expandable concepts. To me, this is reasonable and commendable. I would hate to see us rush headlong into another high-production quagmire, which gets us in over our heads. The approach is sound and we will be anxious to consider the merits of each proposal when the details are submitted. It is certainly deserving of immediate attention in the Congress. The national urgency in the housing dilemma will not permit further delay.

In addition, I have sponsored two provisions dealing with the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation which would expand the operation of these secondary markets to assist home purchasers throughout the country. While these have been favorably acted upon by the Housing Subcommittee, I hope we can get full committee action as soon as possible.

PROPOSED LEGISLATION TO AMEND THE FEDERAL ELECTION CAMPAIGN ACT OF 1971

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from Illinois (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Illinois. Mr. Speaker, committees of the Congress are presently considering proposed legislation to amend the Federal Election Campaign Act of 1971.

Currently, there are many different proposals for setting new standards in this area.

I am introducing today two bills which I believe will contribute to improvements in campaign financing, which, in turn, will generate greater public confidence in our political system.

The proposals which I am making are important and far-reaching, and will cover the following:

First, provide for the administration of the campaign law by a commission with full powers of subpena and enforcement;

Second, provide for a "central campaign committee" to collate reports of all committees supporting the same candidate;

Third, limit campaign spending to $50,000 in a primary and $175,000 in the general election for candidates in the House of Representatives, with an extra $15,000 available for a challenger to an incumbent;

Fourth, limit individual contributions to $3,000 in a primary and $6,000 in a general election for congressional candidates, and $100,000 for Presidential candidates;

Fifth, provide for public financing of five and one half-hour television programs for Presidential candidates, three and one half-hour programs for senatorial candidates, and two and one half-hour programs for House of Representatives candidates;

Sixth, increase deductions for political contributions up to $100 per candidate with an aggregate deduction limitation of $500.

I am opposed to general public financing of political campaigns for candidates for the House of Representatives or for the Senate. I think that the public should not be required to pay for political campaigns. The need for public financing is eliminated when we put limitations on the amount of money that can be spent.

I would favor limited public financing for the Presidential campaign—limited to free television time to the major party Presidential candidates.

HUMAN RIGHTS IN CHILE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. Fraser) is recognized for 10 minutes.

Mr. FRASER. Mr. Speaker, today I am introducing a concurrent resolution along with eight cosponsors which would call on the new government in Chile to insure protection of the rights of all persons, Chilean and non-Chilean, who are now being held in custody for political reasons. In the other body, Senator KENNEDY is introducing an identical resolution.

As a result of last week's coup d'etat in Santiago it is reported that more than 5,000 persons are now being held in custody. Those being held include former high government officials, members of both houses of the Chilean Congress, numerous students and professors and non-Chilean nationals who are political refugees from their home countries. These prisoners are civilians, but the Government of Chile has announced its intention to try them in military courts. All of us have a responsibility to express our concern, through our own Government, that the cases of these prisoners be handled in compliance with international legal standards and conventions on human rights.

Although the change in government in Chile is a matter which should be free from active foreign intervention, the protection of human rights is a legitimate interest of all persons throughout the world who believe in maintaining standards of due process under humanitarian laws. Such standards do exist and it is the responsibility of every government to see that they are observed. In the current situation in Chile, the relevant international legal instruments are the Universal Declaration of Human Rights, the Geneva Conventions, the UN Standard Minimum Rules for the Treatment of Prisoners, the Declaration on Territorial Asylum and the Convention and Protocol Relating to the Status of Refugees. These instruments make guarantees such as the right of political asylum and safe conduct and humane treatment of prisoners.

Regarding the large number of non-Chilean nationals who are political refugees from their home countries, these instruments prohibit Chile from deporting them to their home countries or other countries where they would likely be subject to persecution. The United Nations High Commissioner for Refugees has issued a statement asking that foreign refugees in Chile not be repatriated against their will. But so far there is no indication that the United States has taken a firm stand in behalf of these refugees.

In an atmosphere of international suspicion concerning the U.S. role in the coup in Chile, it is particularly important for this country to make strong representations on behalf of the rights of the political prisoners. If the United States remains silent on this subject, our motives will become even more suspect in the international community.

The resolution I am introducing neither condemns the new Chilean Government nor criticizes U.S. policy. It merely asks that the Chilean Government demonstrate respect for human rights and that the American Government support respect for human rights. In calling for protection of the rights of political prisoners, the resolution also asks that a list of the names of those being held be published as soon as possible along with the charges brought against them. Such a public disclosure would do a great deal for building confidence and credibility in the new Government of Chile.

I believe our foreign policy must at all times reflect the values of human decency to which this country has traditionally aspired for its own citizens. Too often, we become preoccupied with power politics, forgetting what the effect of our policy will be on the lives of individuals. The resolution I am introducing today is a reaffirmation of those values.

The text of the resolution and a list of cosponsors follow:

H. CON. RES. 308

Resolved by the House of Representatives (the Senate concurring),

Whereas in the aftermath of the change of government in Chile there is widespread concern over the possible danger to human lives and human rights in that couintry;

Whereas thousands of people are being held in custody including former cabinet-level officials, members of both Houses of Congress, students and professors of universities and non-Chilean nationals who are political refugees from their home countries;

Whereas the Government of Chile has stated an intention to apply military justice to those being held in custody;

Now, therefore, be it resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President should request the Government of Chile to undertake the following:

(a) to ensure protection of human rights of all individuals, Chilean and foreign, as provided in the Universal Declaration of Human Rights and other relevant international legal instruments guaranteeing the granting of asylum, safe conduct and humane treatment of prisoners as provided in Article 3 of the Geneva Conventions, Article 14 of the Universal Declaration of Human Rights, the UN Standard Minimum Rules for the Treatment of Prisoners, the Declaration on Territorial Asylum, and the Convention and Protocol Relating to the Status of Refugees; and

(b) to publish as soon as possible the names of those being held in custody and the charges against them.

LIST OF COSPONSORS

Robert W. Kastenmeier of Wisconsin.
Paul N. McCloskey, Jr. of California.
Ogden R. Reid of New York.
William A. Steiger of Wisconsin.
David R. Obey of Wisconsin.
Joe Moakley of Massachusetts.
Charles W. Whalen, Jr. of Ohio.
Andrew Young of Georgia.

BILL FOR FUNDS TO AID HEMOPHILIACS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, there are 25,400 hemophiliacs in our country today, and I understand that it is not unusual to find annual medical bills of $10,000 to $20,000 among these afflicted. I received a letter from one of my constituents who suffers from hemophilia, and he informed me that it cost him $2,000 last fall for 4 days of treatment. I am sure we all would agree that such a cost is outlandish. Hemophilia is, in short, an economic as well as a physical disaster. Ironically, the high cost is due to the very advances that now make it possible for hemophiliacs to lead a near-normal life.

I am proposing legislation today that will be of help to all hemophiliacs. My bill would guarantee individuals suffering from hemophilia their entitlement to care commensurate with the technology and skills that are available. The Federal Government would pay a portion of this treatment. Just how large a portion would be determined by the individual's own financial situation. Presumably, low-income hemophiliacs would end up paying very little for care, while more affluent ones still would shoulder most of their own expenses. A second provision of this bill calls for the establishment of a network of hemophilia treatment and diagnostic centers.

I am sure that we all agree that treatment, and the most advanced treatment, should be available to all persons suffering from hemophilia, regardless of their financial situation, and my bill would accomplish just that. I believe that it is not unreasonable to expect our Government, which promises life, liberty, and the pursuit of happiness to all citizens, to find the funds necessary to aid our Nation's hemophiliacs. I plan to work toward this end, and I hope many of my colleagues will join me in this task.

PRESIDENTIAL CAMPAIGN FINANCING ACT OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, I am today introducing a bill, the Presidential Campaign Financing Act of 1973, that would provide for the public financing of Presidential primary and general elections.

This bill would: first, set strict limitations on the amount of money spent in Presidential primaries and general elections; second, place a ceiling on individual contributions; and third, authorize the payment of Federal funds to meet a substantial proportion of Presidential campaign expenses.

I should note, Mr. Speaker, that a companion Presidential campaign financing bill has been introduced in the Senate by the distinguished Senator from Minnesota, WALTER F. MONDALE, who has been one of the great leaders in the effort to seek meaningful election campaign reform.

Mr. Speaker, public confidence in our Government is today being seriously eroded. The integrity of conscientious public officials—Democrats, Republicans, and Independents, alike—is being seriously questioned.

This decline in public confidence was underscored in a recent Harris poll which found that only 45 percent of the American people felt that they could trust the Government "most of the time." This figure is in contrast with a 66 percent favorable response in 1966.

And, Mr. Speaker, the same poll found that only 27 percent of the people had "a great deal of confidence" in the executive branch of the Government—a drop from 41 percent in 1966.

Mr. Speaker, I believe this decline in confidence is due in great measure to our system of financing Federal election campaigns, which relies heavily on large, private contributions.

The whole series of events which has come to be called "Watergate," including revelations of widespread spending abuses and violations of law during the 1972 campaign, has come to symbolize the corrupting influence on the political process of huge private contributions.

The illegalities, the excessive influence of political contributions, or simply the appearance of excessive influence can be eliminated only when our system of political financing no longer relies on big money contributions.

Mr. Speaker, the bill I am introducing today would provide a blend of private and public financing of primary and general elections for the Presidency of the United States.

The bill would create a Presidential primary matching payment fund, financed by funds from the Federal Treasury. This fund would provide matching payments to each candidate in Presidential primaries for contributions of up to $100. To guard against frivolous candidates, the bill would require that, in order to qualify for Federal funds, each candidate collect at least $100,000 in matchable contributions. The bill would make matching funds available for 14 months before the date of the general election and would impose an overall spending limit of $15 million during the prenomination period.

For the general elections, the bill would retain and strengthen the existing $1 check-off system by providing that every dollar designated by an individual be matched by another dollar from the Treasury. The bill would impose a $30 million limit on general election expenditures. Major party candidates would be entitled to check-off funds of approximately $20 to $22 million. Minor party candidates or new candidates would be entitled to a proportionately smaller share of public funds.

In addition, the bill would limit individual contributions to $3,000 or less, prohibit cash transactions of $100 or more, and require that each candidate designate a single campaign committee and single campaign depository. The bill would also double the existing tax credit and tax deduction for political contributions.

Mr. Speaker, although I strongly support the principle of public financing, I am not committed to each and every provision of the bill which Senator MONDALE and I are sponsoring. Rather, I hope the introduction of the Presidential Campaign Finance Act of 1973 will stimulate serious discussions in the House of public financing as a means of election campaign reform with the result of effective new legislation.

Mr. Speaker, this measure would go a long way toward restoring a balance to our Presidential campaigns and public confidence in elected officials. Under the Mondale-Brademas bill, the corrosive influence of big money so prevalent in the past would be greatly reduced, if not eliminated. America's President, of either party, would thus be far more likely to represent the true interests of the majority of Americans who elected him.

A BILL TO PROHIBIT THE MAILING OF KNIVES TO MINORS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, I rise today to introduce legislation which would prohibit the mail-order sale of knives of any kind to children under 18. My bill is designed to strictly limit access to these deadly weapons, so that only responsible, experienced adult sportsmen can buy them. Knives, particularly long-bladed hunting and stiletto models, can easily inflict serious injury when held in unskilled hands, and have no place in children's games. Therefore, I believe the Congress must move to control their proliferation.

This grave situation was brought to my attention by a resident of my district, Mr. Fred E. Ahlert, Jr., when he sent me lurid advertisements and two knives ordered and received by his 13-year-old son from a mail-order house specializing in small weapons. This youngster paid less than $5 for two folding lock knives with blades 3½ and 4 inches long. I am certain other Members share my concern that these lethal weapons be kept away from children.

There is ample precedent for this bill. In 1958, the Congress enacted legislation to outlaw switchblade knives, and in the last 5 years, we have moved to keep guns out of the hands of minors. We have already recognized the wisdom of keeping guns away from young people; we should now act to keep them from obtaining knives, as well.

I have written my colleagues to ask their support and urge their cosponsorship of this bill. No one denies that knives are useful and necessary in hunting and fishing; I also believe we all realize that youngsters ought to learn from experienced adults the proper ways to use knives, under safe and supervised conditions. However, if we allow children unlimited access to these weapons, we deny them the opportunity to learn the proper way to use them and expose these children to the risk of grave harm.

At this point in the RECORD, I would like to include Mr. Ahlert's letter along with the text of my bill. I hope many of you will join me in urging early consideration of this measure.

GREAT NECK, N.Y.,
July 26, 1973.

Congressman LESTER L. WOLFF,
Washington, D.C.

DEAR CONGRESSMAN WOLFF: Enclosed herewith are two knives that my 13 year old son purchased from an ad in a magazine.

Upon examining these knives, I think you will agree that these are dangerous weapons and should not be readily available to just anyone. As a concerned parent I don't know if there is anything that can be done to stop this type of business but you are the only person I can turn to for help.

Surely the people who sell these knives don't have a handwriting analyst at their disposal (nor do I think they care) but I'm sure if they looked at the handwriting on the sales request it would be obvious that the handwriting of a 13 year old is certainly not that of an adult.

I don't think I am off base in calling this to your attention and I do hope that you feel there is some merit to my complaint.

Best wishes.

Yours sincerely,

FRED E. AHLERT, Jr.

THE ADMINISTRATION AGAIN FAILS TO COMPLY WITH A CONGRESSIONAL ENACTMENT

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. MELCHER) is recognized for 5 minutes.

Mr. MELCHER. Mr. Speaker, on August 10, which was 41 days ago, the Agriculture and Consumer Protection Act was signed by the President and became law.

The act contained a section (818) dealing with an Agricultural Census, which reads:

AGRICULTURAL CENSUS

SEC. 818. Notwithstanding any other provision of law, the Secretary of Commerce shall conduct a census of agriculture in 1974 as required by section 142 of title 13, United States Code, and shall submit to the Congress, within thirty days after the date of enactment of the Agriculture and Consumer Protection Act of 1973, an estimate of the funds needed to conduct such census.

The 30 days for submission of a budget estimate has elapsed. I have made inquiry and have been advised that no budget estimate has been submitted to the Congress by the Department of Commerce as required by that law.

The intent of Congress in that section is completely clear. But despite the clarity of the language—it is completely definitive—the Secretary of Commerce has not complied with the statute.

Because of the history of the effort to kill off the Agricultural Census of 1974, in which the Office of Management and Budget has had a key role, this failure to comply with section 818 takes on more than casual significance.

The message I get, after compiling a chronology of events in relation to the Agricultural Census issue, is that someone downtown is making a test case of this matter and that the failure to get a budget estimate up to Congress is more than just an oversight, or clerical negligence:

If the Secretary of Commerce or someone else has decided that, as an agent of the President, he does not have to comply with definitive orders either of the Supreme Court or the Congress, then we need to know it, and determine whether it is a Cabinet officer or a member of the President's personal staff who is behind it.

I am including the chronology of events in relation to this matter in the RECORD with these remarks.

Unless the required budget estimate is forthcoming, I expect to request the Agriculture Committee to hold a hearing on this new evidence of executive disdain and disregard for either congressional or judicial directives to determine where the responsibility lies for this particular flaunting of our specific and definitive directive.

The chronicle of the long road of circumvention and disregard for enacted law—including the continued impoundment of $1.3 million in funds appropriated in the past for the agricultural census—is as follows:

September and October 1972—Bureau of Census submitted FY 1974 budget plans to include funds for 1974 Census of Agriculture and also funds for mid-decade survey of population.

October 1972—Office of Management and Budget advised Department of Commerce that funds to conduct mid-decade survey must come from some other program.

Department of Commerce determined to postpone 1974 Census of Agriculture and to use those funds for mid-decade survey of population (FY 1973 funds for Census of Agriculture impounded).

November 1972 to February 1973—Data users requested information on status of 1974 Census following impoundment of 1973 funds. Members of Congress also attempted to obtain answers. No one was able to obtain anything but an ambiguous answer.

Late January 1973—FY 74 budget submitted to the Congress—it included a statement to the effect that a census of agriculture is required by law in 1974 but that the administration had elected to ignore the law and at some later time would submit legislative proposal to get Congress to legitimize their actions.

February 23, 1973—Agricultural Advisory Committee members met and stated strongly that: they had never been consulted and that a Census of Agriculture should be conducted.

Mid April 1973—S.J. Res. 95 and H.J. Res. 518 introduced by Sen. Humphrey and Congressman Evans—Colo.

Two days later a proposal to change the law was sent to the Congress by the Department of Commerce.

Subsequently, H.J. Res. 554 and H.J. Res. 580 were introduced. (Identical to H.J. Res. 518.)

Mid May 1973—Department of Commerce changes its stance—and says a 1974 Census of Agriculture is needed.

Office of Management and Budget says "No—but we can meet the letter of the law by authorizing a survey to provide some State level estimates."

The proposal is for $8 million spread over 4 years rather than $20 million.

Commerce reluctantly agrees to OMB dictate.

May 18, 1973—Hearings held by Senate Post Office and Civil Service Committee. Data users state a complete Census with County data is needed.

June 18, 1973—Senate included an amendment to the Farm Bill stating that "Sec. 818. Notwithstanding any other provision of law, the Secretary of Commerce shall conduct a census of agriculture in 1974 as required by Section 142 of Title 13, United States Code, and shall submit to the Congress, within thirty days after the date of enactment of the Agriculture and Consumer Protection Act of 1973, an estimate of the funds needed to conduct such census."

June 19 1973—Senate Post Office and Civil Service Committee reports out S.J. Res. unanimously. The report stated in part . . .

"Nevertheless, the Committee's hearings have revealed a consensus to the effect that considerable restructuring is necessary to insure that agricultural data and statistics are produced, not only in timely fashion, but in terms that meet the needs of the Nation and of its largest industry—agriculture. So, not only do we need a Census of Agriculture or its equivalent, but we need one that reflects more accurately the reality of the industry. In short, new concepts are needed. The Committee believes that careful attention should be given to hooking these new concepts onto the vehicle of the 1974 census while still insuring that all farms and farmers, however small, are counted and considered.

Under current law, a Census of Agriculture is mandated for 1974. This Resolution, therefore, would result in no additional costs not now required by law. The 1974 Census of Agriculture is estimated at a cost of $28 million, spread over a five-year period."

House Agriculture Committee by a vote of 17–16 decided not to include the Census amendment in the House version of the Farm Bill. The question of germaneness was raised.

June 22, 1973—The House Appropriations Committee on June 22 in approving the Appropriations bill for the Department of State, Justice, Commerce, the Judiciary, and related agencies recommended that the House order the $1.36 million appropriated last year to the Census of Agriculture "be transferred to and merged with this appropriation" of expenses necessary to prepare for taking, compiling, and publishing . . . the census of agriculture. . . ." This Committee action was taken in recognition of the testimony before Congressman Rooney's Subcommittee, where James A. Taff, Acting Administrator of the Social and Economic Statistics Administration, stated:

". . . With respect to the financing, we did have money appropriated in fiscal 1973 for beginning the 1974 Census of Agriculture. That was $1,360,000. We would use that for the 1974 work if we are required to take the census. If additional funds are required, we would probably have to ask for a supplemental appropriation."

June 22, 1973—Senate approved S.J. Res. 95 and sent it to the House.

June 27 and 28, 1973—House Post Office and Civil Service Committee holds hearings on H.J. 580 (and others). Data users are emphatic stating that a complete Census providing county data is needed.

July 11, 1973—House Post Office and Civil Service Committee held additional hearings to ask questions of an Office of Management and Budget representative.

July 24, 1973—OMB seeks to obtain funds to conduct a survey providing State estimates in lieu of taking a Census of Agriculture. Hearings are scheduled in the Senate Appropriations Subcommittee.

Aug. 1, 1973—The Census Subcommittee of the House Post Office and Civil Service Committee met and reported out S.J. Res. 95 without amendment.

Aug. 3, 1973—The House and Senate approved the 1973 Agriculture and Consumer Protection Act (Farm Bill) which included the amendment requiring the 1974 Census of Agriculture.

Aug. 10, 1973—The President signed the Farm Bill containing the Census amendment.

Sept. 20, 1973—$1.3 million impounded monies have not been released.

Appropriation request has not been submitted to the Congress in accordance with enacted law.

LEGISLATION TO CURB "SILENCING" AT WEST POINT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. HARRINGTON) is recognized for 5 minutes.

Mr. HARRINGTON. Mr. Speaker, James Pelosi, a June graduate of the U.S. Military Academy at West Point, was "silenced" for 19 months for a minor infraction of the cadet honor code. He had been accused of cheating on a test by continuing to write after the instructor had asked the class to stop.

The Cadet Honor Committee found him initially guilty. Pelosi denied the charge and produced witnesses on his behalf. Although Lt. Gen. William Knowlton, the Superintendent for West Point, ordered the case dismissed for "command influence"—a note from an officer urged the committee to "expedite" the case because it was thought to be a clear-cut honor violation— a referendum was nevertheless held anyway, resulting in the silencing of Pelosi.

Beginning in November 1971 and continuing until his graduation, the cadet was completely ostracized from all contact with the student body. He talked to no one and no one talked to him except on official business. He ate alone. He roomed alone. He was barred from social activities. Other, and more serious tactics employed against him ranged from physical assault and direct threats to destruction of mail, nondelivery of messages, and theft of personal property.

The "silence" is rarely imposed. It is saved for those found guilty of an honor violation and refuses to resign from the Academy when insufficient evidence is found to warrant discharge.

The decision to "silence" is the choice of cadets. Neither is it officially sanctioned nor is it specifically prohibited. It is a cadet conspiracy to abridge the rights of another cadet.

On August 26, 1973, the U.S. Military Academy issued new cadet regulations. One provision prohibits "hazing," which is defined as "any unauthorized assumption of authority by one cadet over another whereby the latter shall suffer or be exposed to any cruelty, indignity, humiliation, hardship, or other oppression, deprivation or abridgement of his legal rights." Although not specifically mentioning the "silence," it could be interpreted as such. Further, the Cadet Honor Committee decided to discontinue the practice. However, nothing in the future would prevent its reinstitution by the Corps of Cadets.

Mr. Speaker, the legislation I am introducing would put into law the cadet decision and would strengthen the antihazing provision. It would prohibit any cadet from conspiring or engaging in any act which deprives any cadet of any right or privilege to which such cadet is entitled. Any cadet who violates this provision would be barred from receiving any academic credits for the session in which the violation occurred. Second offenders would be dismissed from the Academy, with the option to request a court martial. Further, any professor, instructor, or commissioned or cadet officer who has knowledge of such an offense and fails to report it to the superintendent shall also be penalized.

This bill is based on an antihazing law enacted by Congress in 1906 and applicable to the Naval Academy. It is hoped that the wisdom of Congress in 1906 will still be evident today.

The "silence" is a form of cruel and unusual punishment that has no place anywhere in American life, and particularly not in an institution of higher learning where respect for law is supposedly taught.

Mr. Speaker, I would like to insert a copy of the bill in the CONGRESSIONAL RECORD so that it may be considered by my colleagues:

H.R. —

A bill to amend chapter 403 of title 10, United States Code, to prohibit the administration of any unauthorized or unofficial deprivation of any right or privilege against any member of the Corps of Cadets of the United States Military Academy

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 403 of title 10, United States Code, is amended by redesignating sections 4354 and 4355 as sections 4355 and 4356, respectively, and by inserting immediately after section 4353 the following new section:

"§ 4354. Cadets: Prohibition of unauthorized sanctions

"(a) No cadet shall engage, or conspire to engage, in any act which is not authorized by regulations issued by the Superintendent of the Academy and which deprives any other cadet of any right or privilege to which such cadet is entitled as a member of the Corps of Cadets.

"(b) Any cadet who violates the provisions of subsection (a) shall be barred from receiving any credit for his course of instruction during the academic session in which such violation occurs. For a second offense, the cadet shall be dismissed from the Academy.

"(c) Any cadet charged with a violation of the provisions of subsection (a) which is punishable by dismissal from the Academy may request in writing a trial by general court-martial, and, upon making such request, may not be dismissed for such violation except under sentence of such court.

"(d) Any cadet dismissed under this section may not be reappointed to the Corps of Cadets and shall be ineligible for appointment as a commissioned officer in a regular component of the Army, Navy, Air Force, or Marine Corps, until two years after the graduation of his class at the Academy.

"(e)(1) Any person who is a professor, assistant professor, instructor, academic officer, cadet, or other officer or employee of the Academy and has knowledge of any violation of subsection (a), shall report such knowledge as soon as possible to the Superintendent of the Academy.

"(2) Any cadet who violates the provisions of paragraph (1) shall be barred from receiving any credit for his course of instruction during the academic session in which such violation occurs. Any officer other than a cadet who violates such provisions shall be tried by a general court-martial and, if convicted, dismissed from the service. Any civilian instructor or other employee of the Academy who violates such provisions shall be dismissed from the Academy."

SEC. 2. The table of sections for chapter 403 of title 10, United States Code, is amended by striking out the items relating to sections 4354 and 4355 and inserting in lieu thereof the following new items:

"4354. Cadets: Prohibition of unauthorized sanctions.
"4355. Buildings and grounds: Memorial hall; buildings for religious worship.
"4356. Board of Visitors."

SCANDALOUS TREATMENT OF SOVIET JEWISH SPORTS FANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of South Carolina. Mr. Speaker, the following news article is from the National Conference on Soviet Jewry. The tone of the article deals with the scandalous treatment of Soviet Jewish sports fans at the recent World University Games in Moscow. This condition was allowed, perhaps even encouraged, by the Soviet Government. By allowing this condition to exist, the U.S.S.R. shows itself to be unconscionable, but for America to allow this action to go unchallenged would be unthinkable. I would like to present the article for consideration.

The news from Moscow that some Soviet Jews with tickets were barred from the World University Games, and others beaten, is a shocking reminder of the gap between Soviet promises and realities, especially in regard to its Jewish citizens. The violence committed against Jews was an unconscionable and organized act of terror by Soviet authorities.

The incident was the latest in a series of events in blatant violation of the spirit of international sports cooperation which have made the games a political battleground. Contrary to the right of free information, Israeli journalists were barred from Moscow despite their initial invitation. At the games, organized claques shouted anti-Semitic epithets against the Israeli athletes who were functioning under the shadow of the recent massacre of their colleagues at the Munich Olympics.

We contrast these acts by Soviet authorities with the friendly welcome in the United States of Soviet participants in the International Trot at Roosevelt Raceway, and the soccer matches between Soviet and American championship teams. Clearly, efforts towards international cooperation on all levels have been flouted by the Soviet Union.

As a result of the ugly anti-Jewish and anti-Israel action by Soviet authorities at the World University Games, the National Conference on Soviet Jewry, on behalf of millions of American Jews and non-Jews, is this day:

(1) Sending a formal protest to the International Federation of University Sports urging that Soviet athletes be barred from future events it sponsors until a full redress of wrongs and an official apology are made by Soviet authorities.

(2) Demanding that consideration of Moscow as a site for the 1980 Olympics be withdrawn, since the U.S.S.R. has failed this 1973 dress rehearsal by turning the sports arena into a political arena.

(3) Preparing to seek a halt to the gathering of funds for the 1980 Olympics if Moscow should be chosen as a site.

(4) Launching a protest by American sports figures in the interest of true cooperation and international sports competition.

We cannot stand idle while Soviet officials encourage violence, anti-Semitism and international hostility.

Mr. Speaker, I would like to add my voice to the National Conference on Soviet Jewry and protest the possible selection of Russia as the host site of the 1980 Oympics. I feel it would be difficult to support such a bid when the fans are "roughed up" when they try to cheer for their team. Such a display is not only boorish, but has the added possibility of turning brutal. Until such time as the Soviet Union can show without qualification they are truly ready for "detente," I believe the United States should keep all options open.

RESULTS OF QUESTIONNAIRE SUBMITTED TO POSTAL PATRONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. HENDERSON) is recognized for 10 minutes.

Mr. HENDERSON. Mr. Speaker, I am inserting in the RECORD a copy of a questionnaire submitted to all postal patrons in my district in the early summer, and I wish to share with my colleagues the results of this survey:

The federal government is in some ways like an American household. There is almost no limit on the amount of money your household could spend on things which are useful, desirable, or enjoyable. But, because your income is limited, you must decide what is really urgent and spend your money on that first. Only if you have money left after having met the most urgent needs, should you consider items which are desirable, but not absolutely necessary.

There are literally thousands of "good causes" on which the federal government spends money. The result is that we have spent more than we have taken in every year for a long time. This has created a national debt of staggering proportions. Even many so-called "liberals" are now conceding that we need a rigid budget and a new order of priorities.

Below is a listing of ten major categories of federal spending. Indicate your own set of priorities by designating whether you favor more, less, or about the same amount of federal spending in each category. Each adult member of the household is invited to express an opinion.

(Choice of more, less, same for man of the house, woman of the house, or other adult of the house.)

1. Solving the problems of the farmer and the consumer of farm products.
2. Providing aid to cities for solution to housing, transportation, sanitation problems and urban blight generally.
3. Continuing space exploration.
4. Maintaining our national defense.
5. Giving federal aid to education in addition to state and local funding.
6. Assisting foreign nations both militarily and economically (including repair of war damage in Vietnam).
7. Renewing the "War on Poverty' by providing programs designed to assist poor people through community action and other channels.
8. Increasing assistance to elderly persons through increased Social Security, medical and nursing home care, special tax considerations, etc.
9. Establishing a program for general health care for all citizens.
10. Stressing environmentally oriented goals such as clean air, clean water, etc.
11. What other categories, in addition to the above, do you feel should get increased funding?
12. What other categories do you feel should get decreased fundings?
13. What do you feel to be the most vital task facing the Congress today?

Although it is not necessary to sign your name(s) or to indicate your age category or sex, information as to age and sex will be helpful in my tabulations if you do give it. And, of course, if you indicate below that you would like to have my newsletter sent to someone in your household, I will need that person's name and address.

Approximate age: Man of the house; woman of the house; other adult of the house.

Do you receive my weekly newsletter?

If not, would you like to be added to the mailing list?

Name(s)
Man of the House:
Woman of the House:
Other Adult of the House:
Address:
Box number, street, or rural route:
City:
Zip Code:

OVERALL TOTALS AND PERCENTAGES

	More	Less	Same	Total response	Percent of total
1. Solving the problems of the farmer and the consumer of farm products	2,567	579	1,066	4,212	
Percent	60.9	13.7	25.3		
Breakdown by age group:					
Age 18 to 35	943	154	316	1,413	
Percent	66.9	10.8	22.3		33.5
Age 35 to 55	1,012	270	463	1,745	
Percent	57.9	15.4	26.5		41.4
Age 55 and over	612	155	287	1,054	
Percent	58.0	14.7	27.2		25.0

OVERALL TOTALS AND PERCENTAGES—Continued

	More	Less	Same	Total response	Percent of total
2. Providing aid to cities for solution to housing, transportation, sanitation problems and urban blight generally	1,173	1,359	1,601	4,133	
Percent	28.3	32.8	38.7		
Breakdown by age group:					
Age 18 to 35	479	396	529	1,404	
Percent	34.1	28.2	37.6		33.9
Age 35 to 55	416	620	682	1,718	
Percent	24.2	36.0	35.6		41.5
Age 55 and over	278	343	390	1,011	
Percent	27.4	33.9	38.5		24.4
3. Continuing space exploration	428	2,684	1,062	4,174	
Percent	10.2	64.3	25.4		
Breakdown by age group:					
Age 18 to 35	200	795	425	1,425	
Percent	14.0	55.9	29.9		34.0
Age 35 to 55	164	1,102	459	1,725	
Percent	9.5	63.8	26.6		41.3
Age 55 and over	64	787	178	1,029	
Percent	6.2	76.4	17.2		24.6
4. Maintaining our national defense	1,313	766	2,117	4,196	
Percent	31.2	18.2	50.4		
Breakdown by age group:					
Age 18 to 35	409	319	685	1,413	
Percent	28.9	22.5	48.4		33.6
Age 35 to 55	558	279	905	1,742	
Percent	32.0	16.0	51.9		41.5
Age 55 and over	346	168	527	1,041	
Percent	33.2	16.1	50.6		24.8
5. Giving Federal aid to education in addition to State and local funding	1,516	1,243	1,428	4,187	
Percent	36.2	29.6	34.1		
Breakdown by age group:					
Age 18 to 35	676	269	472	1,417	
Percent	47.7	18.9	33.3		33.8
Age 35 to 55	585	576	571	1,732	
Percent	33.7	33.2	32.9		41.3
Age 55 and over	255	398	385	1,038	
Percent	24.5	38.3	37.0		24.7
6. Assisting foreign nations both militarily and economically (including repair or war damage in Vietnam)	101	3,663	390	4,154	
Percent	2.4	88.1	9.3		
Breakdown by age group:					
Age 18 to 35	32	1,226	158	1,416	
Percent	2.2	86.5	11.1		34.0
Age 35 to 55	34	1,511	159	1,704	
Percent	1.9	88.6	9.3		41.0
Age 55 and over	35	926	73	1,034	
Percent	3.7	89.5	7.0		24.8
7. Renewing the war on poverty by providing programs designed to assist poor people through community action and other channels	1,014	2,104	1,087	4,205	
Percent	24.1	50.0	25.8		
Breakdown by age group:					
Age 18 to 35	364	664	390	1,418	
Percent	25.6	46.8	27.5		33.7
Age 35 to 55	371	947	415	1,733	
Percent	21.4	54.6	23.9		41.5
Age 55 and over	279	493	282	1,054	
Percent	26.4	46.7	26.7		25.0
8. Increasing assistance to elderly persons through increased social security, medical and nursing home care, special tax considerations, etc	2,794	344	1,129	4,267	
Percent	65.4	8.0	26.4		
Breakdown by age group:					
Age 18 to 35	922	139	366	1,427	
Percent	64.6	9.7	25.6		33.4
Age 35 to 55	1,117	141	504	1,762	
Percent	63.3	8.0	28.6		41.2
Age 55 and over	755	64	259	1,078	
Percent	70.0	5.9	24.0		25.2
9. Establishing a program for health care for all citizens	2,058	1,130	968	4,156	
Percent	49.5	27.1	23.2		
10. Breakdown by age group:					
Age 18 to 35	659	417	333	1,409	
Percent	46.7	29.5	23.6		33.9
Age 35 to 55	818	502	390	1,710	
Percent	47.8	29.3	22.8		41.1
Age 55 and over	519	211	245	1,037	
Percent	56.0	20.3	23.6		24.9
11. Stressing environmentally oriented goals such as clean air, clean water, etc	2,474	479	1,270	4,223	
Percent	58.5	11.3	30.0		
Breakdown by age group:					
Age 18 to 35	981	128	324	1,433	
Percent	69.4	8.9	22.6		33.9
Age 35 to 55	907	214	612	1,733	
Percent	52.3	12.3	35.3		41.0
Age 55 and over	586	137	334	1,057	
Percent	55.4	12.9	31.9		25.0

It is seen that with more than 4,000 of my constituents responding, in only 3 of the 10 categories did a clear majority favor maintaining the present level.

Almost two-thirds of all respondents—64.3 percent—favored reduced spending for space exploration. Among those age 55 or over, this percentage rose to 76.4 percent—more than 3 out of 4.

Foreign aid—including repair of war damage in Vietnam—was heavily opposed, with 88.1 percent favoring less spending and many writing special notes to urge that no U.S. funds at all be appropriated for this purpose.

An even 50 percent urged less spending for the war on poverty, with 24.1 percent favoring more and 25.8 percent advocating the maintenance of current levels.

The rural nature of the district was reflected in the response on solving the problems of the farmer and the consumer of farm products as compared to solving city and urban problems.

More than 60 percent favored increased spending on farm and farm-related consumer problems, while only 28.3 percent favored increased spending to solve city and urban problems. Nearly a third—32.8 percent—favored less for this purpose.

A slight majority favored maintaining current levels of spending for national defense—50.4 percent—with 31.2 percent feeling that this should be increased and only 18.2 percent believing that it should be reduced.

Almost two-thirds—65.4 percent—favored more assistance to elderly persons through increased social security, medical and nursing home care, special tax considerations, et cetera.

This support was consistent in all age groups: 64.6 percent in the 18–35 category; 63.3 percent in the 35–55 category; and, as might be expected, 70 percent in the age 55-and-over group.

Almost half—49.5 percent—favored more spending to establish a program for health care for all citizens, with 23.2 percent favoring maintaining such spending at current levels. Again, in the older age category—55 and over—support was stronger with 56 percent of this group favoring more spending for a health care program for all citizens.

Age, also, was reflected in support for increased spending for education. Overall, 36.2 percent of the respondents favored increased spending; 29.6 percent, less; and 34.1 percent, about the same.

In the 18–35 age group, 41.7 percent wanted more Federal spending, with only 18.9 percent favoring less. By contrast, in the 55-and-over group, only 24.5 percent favored increased Federal funding for education, with 38.3 percent advocating less.

The same kind of result appeared in support for more spending for environmentally oriented goals. In the 18–35 age group, a huge majority—69.4 percent—favored increased spending, while in the age 55-and-over category, only 55.4 percent gave such an indication.

My staff has not completed the processing of all the data obtained by the survey. Eventually, I will have county-by-county breakdowns, as well as breakdowns by sex on each issue specifically covered by the survey.

The survey clearly shows that my constituents are opposed to high levels of spending for space, foreign aid, and the poverty program.

They are cool toward spending to solve urban problems, but strongly support farm and farm-related consumer programs, national defense, and aid to elderly persons. Younger constituents, particularly, want an increased Federal effort in the areas of education and the environment.

The most impressive thing to me from the preliminary processing of the survey was the strong support for increased aid to elderly persons. Obviously, this is an area which has gotten a lot of attention from Congress in recent years, but the people of the Third District of North Carolina, at least, feel that it needs more. With the lifespan increasing, due to better health care and other factors, we are going to have to give increasing attention to the problems of the aging.

CONGRESSIONAL RIGHT TO INFORMATION ACT

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, today I have introduced a bill designed to alleviate serious problems we face concerning congressional access to information in the possession of members of the various executive departments. This bill has been introduced in the other Chamber with bipartisan support and has been reported favorably by the Senate Subcommittee on Intergovernmental Relations of the Committee on Government Operations. The bill would amend title III of the Legislative Reorganization Act of 1970 by adding a new part 4, "Keeping the Congress Informed."

The proposal would enable the several committees of Congress to compel the production of information from the executive branch, punish the arbitrary refusal to comply with a congressional request for information, and provide for the judicial settlement of disputes over information sought by Congress and which officials of the executive branch want to withhold.

A section-by-section description of the measure follows:

Section 341(a) would require every Federal agency to keep each joint committee and standing committee "fully and currently informed" of all matters relating to the agency and within the respective committees' jurisdiction.

Section 341(b) would allow a joint or standing committee, or two-fifth's of the members thereof, to request any information relating to any matter within the committee's jurisdiction. It will be the duty of the Federal agency receiving such a request to provide that information.

Section 342(a) provides that when an officer or employee of the United States is summoned to testify or to produce information, he shall do so unless instructed otherwise by the President in writing.

Section 342(b) provides that the joint or standing committee requesting the information or testimony would determine whether the Presidential instruction is without foundation in law, and if it so determines, the officer or employee may be ordered by the committee to appear and produce the information requested of him.

Section 342(c) provides that if the committee then determines that the officer or employee has failed to comply with that order, it shall introduce a resolution in its respective House citing the failure to comply. Such a resolution would be privileged business for immediate consideration.

Section 343(a–d) establishes the mechanism to proceed toward a resolution finding the officer who failed to comply with the request for information in violation of this act. Adoption of the resolution would bring an immediate suspension of the salary of the officer or employee and his supervisor unless and until he complies with the order to produce the information. An elaborate procedure for dealing with specific procedural problems is also dealt with in this section.

Section 344(a–d) provides that the aggrieved officer or employee may initiate a civil action in the U.S. District Court for the District of Columbia for appropriate relief on the grounds that the joint or standing committees' determination with respect to the sought information was invalid because: (1) there was no failure to comply with the provisions of the bill or the committee's order to produce information, or (2) that the failure to comply with the provisions of the bill or the committee's order was proper and justified.

Section 345 provides that each House of Congress and the joint and standing committees of each House of Congress would be required to adopt appropriate measures to ensure the confidentiality of any information so obtained.

Section 346 provides that the term "Federal Agency" has the same meaning as the term under section 207 of this Act and includes the Executive Office of the President.

Section 347 provides that nothing in the bill would be construed to require the production of any information if such production of information is prohibited by an Act of Congress.

RESPONSE TO CRITICISM OF SES PROGRAM

(Mr. HÉBERT asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HÉBERT. Mr. Speaker, in the absence of press coverage by the local papers of a release I issued Wednesday, I want to include it and documentary material from the Navy in the Record.

I believe that the Members of the House have a right to know and they have a right to get two sides of a story. As you will note, my release answers criticism of the Navy's surface effect ship program. The criticism came from a member of my committee, the House Armed Services Committee; namely, Mr. Les Aspin.

I think you will find that the following speaks for itself. I never object to criticism or the press giving coverage to anyone, but I would hope that they also give coverage to me as well.

The release follows:

Press Release

Washington.—Chairman F. Edward Hébert of the House Armed Services Committee today openly attacked challenges made by a member of his panel to the Navy's efforts to develop a Surface Effect Ship, which will speed across the water on a cushion of air.

Rep. Les Aspin, D-Wis., issued a press release Tuesday in which he said that the program to develop the Surface Effect Ships is experiencing "serious technical difficulties."

"I am tired of these continuous statements being made without the House Armed Services Committee being furnished with the documentation of these headline-catching phrases," Hébert said.

He noted that Aspin's release, which was highly critical of the Surface Effect Ship program, said that "there is clearly a problem of cost overruns and mismanagement in the program."

"Aspin has provided no documentation, made no request to the committee to look into the situation, and failed to bring this up when the Surface Effect Ship program was before the committee," the chairman said.

Hébert said that the Navy's intensive efforts to develop a new war ship, capable of speeds well in excess of 80 miles per hour, is critical to future national security and deserves the support of the Congress.

"If Aspin is sincere in his support of the need for the development of this type of naval vessel, he would be doing his nation a great service if he presented his allegations together with the documentation to the House Armed Services Committee, which has responsibility over these matters, Hébert said.

The chairman noted that Aspin said failures in the program have seriously impeded the ongoing test program on this craft, leaving the impression that the program is bogged down.

"The fact is that this is a research and development program requiring new advances in technology and design which inevitably require adjustment, the chairman said.

"However, the mechanical problems encountered in the program have been overcome and the test crafts have been operating successfully at speeds of more than 80 miles an hour," he added.

Hébert said Aspin pointed out that he favors development of these "super-speedy" ships if the cost can be kept within reason, but he carefully avoided identifying a suggested ceiling on these costs.

In Aspin's release, he mentioned a $69 million cost increase in the program and attributed it to cost overruns, costs of correcting technical problems and inflation. Hébert said he could not comment on this so-called increase because Aspin "hasn't even attempted to convey this information to the committee where it will do some good."

The chairman released documentation provided by the Navy on the present condition of the program. "If Mr. Aspin has any substantial information to refute the facts outlined in these documents, I hope he will bring them to the attention of the Armed Services Committee at the earliest possible moment," Hébert said.

"In my judgment," the chairman said, "critics of Defense programs who obtain publicity by being negative and offer no constructive criticism or alternatives are doing a disservice to the country and are creating more problems than they solve.

"It is about time for Aspin to put up or shut up. From now on I will challenge every erroneous, misleading, and distorted statement he makes," Hébert said.

NAVY COMMENTS ON CONGRESSMAN LES ASPIN'S RELEASE ON SURFACE EFFECT SHIPS

The Navy disagrees with statements made by Congressman Les Aspin in a press release dated Sept. 18th to the effect that cost increases and technical problems are plaguing the Navy's efforts to develop high speed "surface effect" ships.

Congressman Aspin has evidentially misinterpreted information provided to him by the Navy on the technical status of this research and development program, its past expenditures and future cost projection.

The Navy's surface effect ship program, which began several years ago, has developed a wide base of technological knowledge and has included construction and test of several high speed craft including two of 100-tons each. These test craft have had some mechanical problems in their early stages of testing which is not unusual for a research and development effort, but within the past 18 months these problems have been progressively overcome and the craft have been operated successfully at speeds of over 80 miles an hour.

The cost of the development, construction, and operation of these developmental test craft and the associated supporting technology programs through 30 June 1973 has grown by approximately $25M over the period of time since construction on these craft was started in 1970. This represents roughly a 30% increase in 3 years which is not unusual in a program involving new technology. Also, we have seen a large inflationary increase in labor and material cost.

Concomitantly, the early difficulties with these craft delayed the Navy's decision to begin the next phase of the program, i.e., design effort on 2200-ton ocean-going surface effect ship until the fall of 1972 when the Navy awarded preliminary design contracts to four industrial teams to study the basic design of a 2200-ton ocean-going surface effect ship. Results of these studies, combined with the favorable results of the two 100-ton test craft over the past year, have laid the foundation for the Navy's plan for detailed design and construction of ocean-going prototype ships. The Navy has requested sufficient funds this fiscal year to support two major design contractors during the design stage. If test results and development progress warrants, the Navy will recommend the actual construction of two such ships beginning in fiscal year 1975. The total program cost from its inception in 1967 through the completion of these ships in approximately 1977, is estimated by the Navy to approach a half billion dollars. If successful, this program will have demonstrated the Navy's capability to have revolutionary ships capable of 80–100 knots in the fleet of the future.

The cost of this program has increased from a 1970 estimate of $210M to $507M primarily due to Navy decision to budget for two rather than one ocean-going prototype ships. Although only one ship may ultimately be built, the Navy considers it prudent to budget for two ships in order to permit the development and test of alternate techniques for achieving a viable Surface Effect Ship platform. Many of our weapons development programs have found such an approach necessary and valuable. Economic escalation over which the Navy has no control has also increased costs, while the Navy has made a decision to install after successful platform demonstration, a modest suit of combat equipment in order that the military utility of such ships can be demonstrated, the primary objective of the program is, and always has been to develop viable Surface Effect Ship platforms.

The only funds spent so far by the Navy on the 2200-ton ships have been approximately $10M for preliminary design studies. The Navy has spent no funds to date for armament of the two 100-ton ships that had been built and are currently in operation. These are research platforms.

Congressman Aspin has accused the Navy of refusing to estimate the cost of a fully equipped surface effect ship. The Navy has provided Congressman Aspin, to the best of its ability, with the total estimated cost of the currently planned development program. Beyond that, it is premature, at this stage, to speculate on the costs of future warships employing the surface effect platform technology until such time as the development prototype ships have been successfully demonstrated.

Q. Has the cost of research and development for the SES program increased from $210.6M to nearly half a billion dollars?

A. Yes. The cost of the program from inception in 1967 to estimated completion in 1977 has increased from an original estimate of $210.6M to approximately $500M. This increase is due almost entirely to increases in the program scope and to the estimated effect of inflation—not due to contract cost overruns, excessive technical difficulties or other evidences of mismanagement.

Q. What are the basic reasons for the Navy's estimated increases in cost?

A. The increase is primarily in the projected cost of the 2200-ton phase of the program due to decisions to plan and budget for development of two ships rather than one, and to equip these ships, after their successful test as a surface fleet ship platform, with sufficient combat equipment to fairly demonstrate their military utility to the Navy. Projected economic escalation is a third major factor, not originally included in the Navy's estimate. Approximately 25M of the increase in total program costs of requirements to modify the 100 ton test craft. Such modifications are to be expected in any new technology development program.

Q. Has Rep. Aspin accurately portrayed the current and projected status of the SES program?

A. Rep. Aspin has evidently misinterpreted the information provided to him on the program by attributing some projected future cost increases related to the proposed 2200-ton ships to the cost of the 100-ton test craft currently being tested.

Q. Has there been a $69M cost increase related to the 100-ton craft program as alleged by Rep. Aspin?

A. The basis for the $69M figure is not clear to the Navy. Actual cost increases in the 100-ton test craft and related technology effort since 1970 have included:

The total of $3.1M for design changes.

The total of $1.5M for back-up transmission for the SES 100–B.

The total of $7.3M for contract cost increases, including the ship modifications to insure adequate performance.

A total of $11.9M.

In addition, the cost of testing these craft has increased by $13.0M. Increased testing and delays are to be expected in a new technology program of this scope.

These figures include the effects of inflation through June 1973 but do not include the estimated program costs due to economic escalation from now to program completion.

Q. Has the Navy equipped the 100-ton craft with armament?

A. No.

Q. Does the Navy intend to equip the 2200-ton ships with armament?

A. Yes. The Navy plans after successful surface effect ship platform demonstration, to equip these ships with appropriate combat equipment in order to demonstrate their military utility. Final decisions have not been made, however, and no funds have been spent on this portion of the program.

Q. Have the 100-ton test craft suffered serious technical difficulties?

A. In the past both craft have experienced numerous mechanical and electrical failures which caused delays in their testing. These difficulties, which are to be expected in such a program, have been progressively overcome, and both craft have operated repeatedly at high speeds. Since Feb. of this year the SES 100–B has consistently met its test schedules, including demonstration of its ability to operate in relatively rough seas.

Engine problems in the SES 100–A have been a source of continuing concern to the Navy primarily because of the interruptions caused in the test program. It should be noted, however, that the engine used in the 100–A by no means compares with the large marine gas turbine that is planned for the 2200-ton ships. This turbine will be a proven, off-the-shelf item.

Q. Is the Navy proper in pushing forward with the building of larger ships even though all the technical difficulties may not have been corrected in the 100-ton craft?

A. As in any research and development program, there is some degree of technical risk. Air cushion vehicles and surface effect ships are in successful operation in several countries. Our own 100-ton test craft results have clearly validated the theory that is the basis for design of 2200-ton ships. Our preliminary design studies for the 2200-ton ship have confirmed the feasibility of undertaking the design and construction of such ships. These studies have also measured the technical risks involved in scaling up to 2200-tons and the area where emphasis must be given in the supporting technology program during the design of the ships. Also, these are to be prototype ships and no initiation of a building program for fleet ships will be initiated until these prototypes have been proven successful.

By comparison with many other major development that have been successful, the ocean-going surface effect ship does not represent an unwarranted technical risk. On the contrary, the payoff of success in this program, both to the Navy and to the Maritime industry, will be very great and the program therefore deserves the highest priority that we are able to give it.

Q. Has the Navy refused to estimate the cost of a fully equipped surface effect ship?

A. The Navy has provided the Congress with its best estimate of the comprehensive research and development program needed to design, build, and test two 2200-ton surface effect ships, including an estimate of the combat equipment that is planned for these ships. It is premature to speculate on the costs of operational surface effect warships of the future until such time as the 2200-ton R&D prototypes have been evaluated.

NATIONAL CAMPSITE ASSISTANCE ACT

(Mr. WHITEHURST asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WHITEHURST. Mr. Speaker, today I am introducing the National Campsite Assistance Act, which would provide assistance to the States for the planning, acquisition, development, and maintenance of a campsite system. The need for this legislation stems from the vast increase in camping by our citizens in recent years and the resulting overcrowding which has occurred in our national and State parks.

The rapid and continuing growth of our Nation's population, the increasing mobility of the American public in pursuit of recreation, and the growing awareness of and apreciation for the outdoors and America's natural beauty have all contributed to the tremendous increase in the popularity of camping. The Department of the Interior has estimated that Americans will participate in 173 million camping occasions each year by 1980, and 328 million by the year 2000. This represents an increase of over 200 percent above the current level.

Unless the Congress acts now to assist the States in the planning and development of new campsites, serious overcrowding is bound to result. Even now, at many campsites trailers are crowded together, and tent stakes and support lines overlap.

A related problem is the unplanned proliferation of commercial recreation areas. As Russell E. Train, Director of the Environmental Protection Agency, said a few months ago:

> To date we are only beginning to perceive that an uncontrolled recreational land boom threatens to destroy the very values that attract people in the first place.

My bill will provide the States with the capacity to plan in a comprehensive way, so that the commercial areas can be developed in conjunction with the State and national parks, to insure that the environment will be protected and that campsites will be readily available to the greatest number of people.

The Federal assistance would be derived from a user tax on the sale of camper trailers, travel trailers, truck campers, motor homes, pick-up covers, and tents used for recreation purposes. This method of financing would enable us to begin this important program without putting further strain on our already overburdened Federal budget. In addition, it is an equitable tax, since those who enjoy the benefits of the campsites would pay for their improvement.

A user tax on this type is not new. It has precedent in the Dingell-Johnson Sport Fish Restoration Act, the Land and Water Conservation fund, the Pittman-Robertson Wildlife Restoration Act, and the excise tax on tires, gasoline, and oil used in highway construction. The 4 percent tax that is provided in the bill would raise an estimated $100 million in revenue each year. This amount would be sufficient to assist the States in developing outstanding campsite systems.

Camping as an outdoor recreation is a singularly important process for encouraging beneficial economic development, enhancing the environment, and maintaining conditions conducive to improving the quality of life. The American people deserve nothing less. I urge prompt approval of this measure.

BUDGET REFORM RECOMMENDATIONS

(Mr. GIAIMO asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GIAIMO. Mr. Speaker, our colleagues, DAVID R. OBEY and WILLIAM A. STEIGER, both of Wisconsin have prepared a scholarly and a very well-thought-out statement on budget reform recommendations. They presented this statement to the Rules Committee on September 18, 1973, as part of their testimony in favor of budgetary reform. I believe all Members should be aware of this statement and under unanimous-consent order I include it in the RECORD.

BUDGET REFORM RECOMMENDATIONS

(By Representatives DAVID R. OBEY and WILLIAM A. STEIGER, both of Wisconsin)

Over the past six months we have been among those who have been raising questions about proposals made by the Joint Study Committee on Budget Control contained in H.R. 7130. That does not mean we do not believe that there is a strong need for budget reform. We need it badly, and if we get it, it will be in no small measure due to the efforts of members of the Joint Study Committee—especially the efforts of Al Ullman and Jamie Whitten.

We hope Congress will enact a budget procedures reform bill in this session, but it must be a workable bill that will be compatible with the processes and traditions of Congress. In our statement here today we will try to do two things:

(1) Explain why we strongly question certain procedural aspects of H.R. 7130, the Joint Study Committee proposal, and

(2) Give some suggestions as to modification of that plan which we believe would make it acceptable.

1. *What is wrong with the Joint Study Committee Proposal?*

That proposal already has been modified by its sponsors substantially in an effort to soften some of its harsher provisions. But there still remain basic procedural defects that cannot be remedied merely by expanding the composition of the budget committees or by a slight relaxation of the rigid rules which would be imposed on the consideration of budget matters.

The problem, as we see it, is that supporters of H.R. 7130 simply come before the committee and say "we have a terrible problem; the budget process is impossible"—which everyone agrees with. But then they jump to the statement "so let's pass our bill."

We agree that something must be done. But we think it is critically important that that something be the *right thing*. If it isn't, if it is unnecessarily complicated and does not reflect reality in the House, it will fail. The price of the 1947–49 legislative budget fiasco was 25 years of waiting before another drive for budget reform could get off the ground. If we fail again, it may be difficult to move on this matter for another generation. We dare not bequeath to the 1980's the tale: "They tried to change it in 1973, but it didn't work." If we are not to repeat the mistakes of the 1940's, we must not readopt the simplistic notion of a legislative budget.

Let us briefly outline the four problems we see with H.R. 7130:

Problem No. 1: A monopoly of budgetary power. Virtually every reform that the House has adopted in the last four years has tried to do two things:

1. Provide additional tools for the Leadership, and

2. Build an increased sense of participation on the part of individual members of the House.

The problem with H.R. 7130 in this regard is that its thrust is just the opposite. Under the original plan Members of the new budget committee would have been largely self-appointed (from Ways and Means and Appropriations). Elaborate procedure and the two-thirds requirement would have denied to a majority of the House an opportunity to work its will on the most important piece of legislation we deal with each year.

In short, it would have created a tremendously powerful committee which could set ceilings and subceilings for the over-all budget and all of its subcategories before the average House Member even knew what was in the budget recommended by the Budget Committee. Gentlemen, that is not a procedure which the membership of the House will allow to stand over the long run.

Problem No. 2: Premature spending decisions. The problem with the proposal is that it calls for the establishment of the over-all budget ceiling and subceilings early in the year, before public hearings have been held on the various budgets by Appropriations. A number of problems are associated with that procedure which we believe are profoundly unrealistic and needlessly complicated.

The Congress is forced to make macro-economic and priority choices at a time when their best judgments about future economic conditions are nothing more than seat of the pants guesstimates.

Priority choices will be made without adequate opportunity for review by any outside groups—giving any President an advantage in the budget process he should not have.

Problem No. 3: A hopelessly complicated process. The establishment of an early session budget resolution adds another step to an already complicated budget process and will further delay the passage of actual appropriations bills.

A. If the over-all ceilings and subceilings are binding—as they are in the original Whitten-Ullman proposal and in the Senate bill—the most controversial and important budget decisions each member is asked to make—i.e., over-all spending levels and priority choices—will be made at the time when individual members of Congress are least able to make intelligent choices.

The will be at a much greater disadvantage in terms of budget information available to them than will members of the budget committee. They will not even have any reasonably firm estimates regarding program spending levels in the previous fiscal year. For example, as late as June 1972, the Administration was several billion dollars off in its projection of the amount of money that would be spent in the fiscal year that ended only one month later.

They will not have been able to read appropriations subcommittee hearing records to determine what facts were brought before the committee by witnesses who know the most about individual programs—including administration witnesses.

That procedure will put a very few people—members of the budget committee—in the driver's seat. It will severely handicap every other member of the House.

The winners in such an arrangement would be 21 members of the House who would collectively wield more power than any group since the time of Speaker Cannon.

The losers would be many:

Individual members of the House—especially younger members—who are interested in and want to retain their ability to have an effect on budget priorities;

The appropriations process itself, because the appropriations process would become meaningless. The ceilings for the committee and each subcommittee would be established by the concurrent resolution of the budget committee, and while the committee could change its priorities within a subcommittee, it could not significantly alter the emphasis between subcommittees by, for example, cutting money for defense and using it for health, except within certain very narrow limits;

The elected Leadership of both caucuses, who would have even less input in budget decisions rather than the additional input which is badly needed;

The public because budget levels would be established before the public has had a chance, through hearings in the Appropriations Committee process, to assess the adequacy of Presidential budgetary recommendations and to try to effect changes which they deem necessary;

The authorizing committees which would be deprived of an opportunity for meaningful participation in setting program priorities. The new budget committee would be able to work its will without regard for the oversight work conducted by the other committees. Thus, while authorizing legislation would have a June 30 cutoff date under H.R. 7130, the concurrent resolution on the budget would have been decided two months earlier, by May 1.

In short, we would be replacing one solitary king in the budget-making process—the President—with a collection of 21 new and enormously powerful demi-gods—members of the budget committee itself.

B. If the ceilings and subceilings are merely suggestive in nature—in other words unbinding targets—they will be a meaningless additional layer of procedures on top of an already complicated appropriations procedure and the result will be more delay. In short, it will not get the country off a continuing resolution, and that is the main procedural problem facing this Congress in budget reform.

Problem No. 4: The needless creation of another committee. H.R. 7130 would needlessly complicate the appropriations process by adding another committee. At the present time, the Bolling Committee (Select Committee on Committees) is trying to remedy problems of committee jurisdictions. Many of these problems arise from the tendency of the House to create another committee or subcommittee whenever a problem arises. It is ironic that a budget reform aimed to do something about the incredible fragmentation of the budget process proposes to further fragment the process by layering still another committee into the process. What we need is not additional committees, but a sensible restructuring of the committee process already in place.

What supporters of Whitten-Ullman say is that the traditional role of the Appropriations Committee—the coordination of Congressional budget actions has been so eroded that the Appropriations Committee no longer can do the job. It exercises control over only a minority portion of the budget. Backdoor spending—contract authority—and the like, is in other hands. A new budget committee is created to piece together the pieces. It is given the power to make macro-economic decisions.

Gentlemen, that is a Rube Goldberg approach. If you do that, you will have a three-stage authorizing and appropriating process.

Authorizing committees will authorize.

Appropriating committees will appropriate.

The budget committee will reconcile the results with fiscal reality.

Gentlemen, if you are going to do that, you are really suggesting that the Appropriations Committee should be abolished. The logical outcome of the creation of another committee—the budget committee to reconcile committee action with economic and fiscal considerations—is the abolition of the Appropriations Committee. Members of Congress will look at the system in a few years and they will say "since the budget committee decides priorities and reconciles spending with macro-economic reality, why do we need the Appropriations Committee anymore? Why not just abolish the Appropriations Committee, add their functions to the budget committee, let the budget committee set over-all ceilings and subceilings and let the authorizing committees parcel out the money to individual programs within the targets set out by the budget committee?"

If that is what should be done, let's do it now. Let's not refuse to face the logic of our decisions. Let's not add yet another layer. Let's do it right the first time.

And gentlemen, we think we can do it right—and do it within the present committee structure in a very simple way.

AN ALTERNATIVE APPROACH TO BUDGET REFORM

The Joint Study Committee recommended that Congress equip itself to do two things: Give Congress an opportunity to deal with macro-economic questions; and give Congress an opportunity to deal with priorities within a comprehensive decision process.

Both of these opportunities are absolutely necessary and we suggest we can do them without passing a premature budget resolution each year; without setting up another layer of budget committees; and without concentrating unprecedented budget power in a budget committee.

The remedy must fit the problem. The evidence gathered by the Joint Study Committee points to a different conclusion than the one it drew. The evidence is that concerning those matters within the province of the Appropriations Committee, Congressional action is timely and responsible. In each of the past 20 years, the Appropriations Committees have carefully examined the money bills brought before them and have reduced the amounts recommended by the President. Even as it operates through subcommittees—as any Congressional committee with a broad workload must—the Appropriations Committees have kept an eye on spending totals. Some would say that they have done too good a job of budget-cutting, but none can accuse them of being reckless spenders.

The Joint Study Committee also showed that appropriations action usually comes only a short time after the authorizations bottleneck has been removed. It is not the appropriations process that is responsible for the flood of continuing resolutions, and no change in that process will bring relief from this undesirable practice.

Let's recognize that fact and act accordingly.

What should be done?

1. *Move the fiscal year to October 1st.* As Comptroller General Staats has stated: "It is clear that the Congress cannot reasonably be expected to complete appropriation action on the budget by July 1." An October 1st date would enable the Congress to adequately consider the budget and it would enable the President to submit a budget using actual prior year figures. That would do a great deal to solve the most pressing problem we have—getting the country off continuing resolutions—*provided* that it is accompanied by other budget reforms. Other advantages are outlined by Mr. Staats, and we will not outline them here.

2. *Early Congressional access to budget estimates.* Require federal agencies to give Congress their budget estimates at the same time they are submitted to OMB in the Fall of each year. This would give Congress an early start on preparing the next year's appropriations, and equally important, it would give Congress some independence from the dogmatic estimates contained in the President's budget. While this might seem to be a radical breach in the executive budget process, it is nothing of the sort. When we served in the Wisconsin Legislature, we obtained agency estimates at the time they went to the Governor. In fact, this practice is followed in well over half of the states—without any dire consequences and, in many instances, with continuing cooperation between the executive and legislative branches.

3. *June 30 deadline for new authorizations.* Prohibit appropriation of money for any program unless it has been authorized by June 30, three months before the start of the new fiscal year (which would begin on October 1). Of course, there would be ample provision for the Rules Committee to vote exceptions in emergency cases. Two advantages would flow from early authorizations. First, the main cause of delays and continuing resolutions would be eliminated. The authorizing committees would have a full half year to report new legislation, but (with the fiscal year change) there still will be three months for completion of all appropriations. Second, these committees will be freed during the second half of each year to review and evaluate agency programs, a responsibility which currently often is pre-empted by the continuing pressure of authorizing legislation. (Of course, even more lead time could be obtained by simply requiring authorizations to be completed the previous calendar year. Either approach would be preferable to the present system.)

4 *Return jurisdiction over backdoors to the Appropriations Committee.* The Joint Study Committee presented conclusive evidence that backdoor spending is the practice which accounts for the fragmentation of the budget process and the inability of Congress to maintain effective control over spending. Backdoor practices means that rather than one set of committees with authority over appropriations, any committee can play the backdoor game. Backdoors come in a number of forms—contract authority, borrowing authority, mandatory spending—but their over-all effect is to put certain categories of spending beyond the reach of Congress. It is now common to hear that 75 percent of the budget is uncontrollable. One of the main reasons why this percentage is so high is the upsurge in backdoor spending in recent years.

At the present time, more than $100 billion in spending does not go through the Appropriations committees. Most of this money is in the form of permanent appropriations, which doesn't go through any committee of Congress—it is appropriated automatically. As a matter of fact, we soon will reach the point where more spending—in the form of tax expenditures and direct expenditures—will go through the Ways and Means Committee than will go through Appropriations.

If the backdoor is again policed by Appropriations, it will be possible to control total spending in accord with economic policy and to balance the spending needs of all programs within the regular appropriations process.

5. *Expand the initial overview hearings of the Appropriations Committee.* Now the

Committee hears only the Administration's witnesses: Treasury OMB, etc. Expand hearings somewhat along the lines suggested by Comptroller General Staats by providing each department head—such as Defense, HEW, HUD—an opportunity to discuss major program developments and issues in their particular agencies. Presently the Appropriations Committee functions too exclusively on the subcommittee level. A two-week period of hearings on major developments in every policy field would give the Appropriations Committee members a better understanding of budget policy problems in areas other than their own subcommittee jurisdiction.

Also give the Joint Economic Committee and the Ways and Means Committee an opportunity in the same hearing, to respond to the major macro-economic policy judgments in the President's budget. This could provide an early Congressional response to the President's over-all budget decisions by those best qualified to make that response without locking Congress into an early decision on those decisions.

That is important in this year's budget because early macro-economic decisions by Congress this year would not be worth a plugged nickel today because of the rapid changes in the economic situation (in the 4-month period between Feb. 1 and June 1 revenue estimates increased by $10 billion). Finally, the Committee would hear outside witnesses from national organizations which have made special studies of federal programs, expenditures and their impacts.

6. *Give authorizing committees greater input into appropriations process.* Have the Appropriations subcommittees proceed with hearings on submitted budgets just as they do now with one change. After the department secretaries present their policy statements to the appropriate Appropriations subcommittee, provide an opportunity for comment by the chairman and ranking minority members of each of the authorizing committees involved. This cooperative procedure should help to narrow the authorizations-appropriations gap which has proved so troublesome in recent years. The authorizing committees would have a direct channel of input into appropriations.

7. *Individual appropriations bills.* Allow the Appropriations Committee to bring each bill to the floor just as it now does. Allow the Committee of the Whole to work its will on each appropriations bill but in contrast to present procedure, when Committee of the Whole consideration is completed, instead of putting the bill to a final vote in the House, recommit it to the Appropriations Committee with instructions to report it back unchanged later in the session as part of an over-all omnibus appropriations bill. (A possible variation would be to allow the House to complete action on each appropriation bill and send it to the Senate. After the Senate has acted, the subcommittees would go to conference and bring back the bills just as they do now. When the House finally acts on the conference report, refer that back to Appropriations for inclusion in the later omnibus bill. That would mean we would deal in the omnibus bill with the end product of the Congress rather than just the House. It would have the advantage of reducing the items in disagreement between each house in the final conference and it could vote the final conference faster and more manageably.)

8. After all 13 appropriation bills have been dealt with by the House, require the Appropriations Committee, acting in its budget control capacity, to bring back to the floor two measures:

(a) *An omnibus appropriations bill* representing the sum total of all the actions taken by the House on appropriations (including backdoor spending), and

(b) *A substitute amendment* representing its best judgment as to the reductions that are necessary in the light of fiscal and economic realities. Those recommendations would be made by Appropriations on the basis of prior recommendations to the House by the Joint Economic Committee on the preferable income, outgo, deficit or surplus given economic conditions at the time.

The final Appropriations Committee report on the omnibus bill could indicate the over-all budget policy underlying its recommedations much the way the President provides such estimates associated with his recommendations for Congressional action on the budget.

This report could include:

A. The revenues estimated to be available given the current tax structure and the latest readings on the economy.

B. The estimated outlays associated with the committee recommendations on budget authority.

C. A statement of the estimated deficit or surplus, and the borrowing necessary to fund the spending plan.

D. A comprehensive listing of tax expenditures and the associated revenue losses.

This aspect of the report could be based on consultation between the Ways and Means Committee and Appropriations Committee thereby providing the House with an up-to-date and comprehensive picture of the over-all budget at the time when final spending decisions are under consideration. This reporting procedure could be carried through the conference stage.

It could be possible to stage the process so that action on the individual appropriations measures is completed prior to the August recess—one month after the authorizations deadline, but two months before the new fiscal year starts. Congress would take up the omnibus measure upon its return in September.

With this improved timetable, we will be able to put an end to continuing resolutions or markedly shorten their duration.

9. *Final action on appropriations.* The House would then work its will on the recommendation of the Appropriations Committee. It could stick to its original action. It could accept Appropriations Committee recommendations, or it could modify them.

We believe this procedure would have a number of advantages.

1. It relies as much as possible on the current committee structures of the House; and

2. It is relatively simple and uncomplicated. It contains no reserve funds, no contingency funds as under the Joint Study Committee plan. It provides for no early straight-jacket on the Congress.

And most importantly:

1. It does give the Congress an opportunity to deal with the crucial problem of priorities.

2. It does give the Congress an opportunity to confront and make decisions about over-all economic and fiscal reality facing the country and the government.

It provides for consideration of both these questions at a time in which the maximum number of House members are informed to the greatest possible extent about individual programs, the content of individual budgets, and the economic problems of the country—at the end of this decision-making process—not at the beginning. It would parallel the construction of the President's budget which, after all, is the sum total of a great many individual decisions. It would be what it should be—an end product of the decision-making process, not an early stage, running, flying guess based on little specific information.

It also provides that macro-economic decisions will be made at a time which gives the Congress the best chance of actually guessing right. It gives Congress the opportunity to obtain the very latest economic news possible before making its economic decisions.

It also provides an opportunity for a greater degree of party accountability in the budget-making process by providing the leadership of each caucus an opportunity to help influence the outcome.

These procedures do not guarantee that Congress will make the right choices. But, they do guarantee that Congress will have the opportunity as it does not now have, to accomplish the two goals laid out in H.R. 7130:

1. To determine priorities among competing programs.

2. To face the economic and funding problems for the country, and decide clearly whether it will be responsible or not.

And it does it in a way which we believe is workable. It contains no magic procedural formula for guaranteeing that Congress will make the right decisions, but it does contain a practical way to make Congress face its choices clearly with knowledge and forewarning of the consequences of its acts. And in a legislative body of 435 people that is all you can ask. When we finish with budget action under this procedure, it will be clear who did what and the public will be able to hold us accountable.

We would like to file with the Committee later a bill which reflects in greater detail the recommendations which we are making now.

GENERAL LEAVE

Mr. O'BRIEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 days to extend their remarks following those of the minority leader (Mr. GERALD R. FORD) on the public service of former Secretary of State William P. Rogers.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

Mr. O'NEILL requests leave of absence for Mr. PEPPER, for today, on account of official business.

Mr. GERALD R. FORD requests leave of absence for Mrs. HECKLER of Massachusetts through September 30, 1973, on account of official business.

Mr. GERALD R. FORD requests leave of absence for Mr. RINALDO through September 30, 1973, on account of official business.

Mr. GERALD R. FORD requests leave of absence for Mr. RONCALLO of New York through September 30 on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. O'BRIEN) to revise and extend their remarks and include extraneous matter:

Mr. YOUNG of Illinois, for 5 minutes, today.

Mr. KEMP, for 15 minutes, today.

Mr. STEELE, for 10 minutes, today.

(The following Members (at the request of Mr. THORNTON) to revise and extend their remarks and include extraneous matter:)

Mr. FRASER, for 10 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. BRADEMAS, for 5 minutes, today.

Mr. WOLFF, for 5 minutes, today.

Mr. MELCHER, for 5 minutes, today.

Mr. HARRINGTON, for 5 minutes, today.

Mr. DAVIS of South Carolina, for 5 minutes, today.

Mr. HENDERSON, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GERALD R. FORD, to extend his remarks in the body of the RECORD.

Mr. STEIGER of Wisconsin, and to include extraneous matter, immediately preceding action on the Senate amendment to the House amendments to the ACTION bill.

Mr. SEIBERLING, immediately following the debate on the strip mining prohibition during consideration of the conference report on H.R. 8917 today.

Mr. GIAIMO, and to include extraneous matter notwithstanding the fact that it exceeds 2¼ pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $470.25.

(The following Members (at the request of Mr. O'BRIEN) and to include extraneous matter:)

Mr. CONTE in two instances.

Mr. BOB WILSON in two instances.

Mr. NELSEN.

Mr. HOSMER in three instances.

Mr. SPENCE.

Mr. QUILLEN in two instances.

Mr. WINN.

Mr. BURGENER in two instances.

Mr. FISH in two instances.

Mr. WIDNALL.

Mr. HUBER.

Mr. FRENZEL.

Mr. SYMMS.

Mr. KEATING in two instances.

Mr. WHALEN.

Mr. COUGHLIN in two instances.

Mr. KEMP in four instances.

Mr. ZWACH in five instances.

Mr. QUIE.

Mr. MCDADE.

(The following Members (at the request of Mr. THORTON) and to include extraneous matter:)

Mr. CONYERS.

Mr. BRINKLEY.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. BENNETT in three instances.

Mr. MILFORD.

Mr. DAN DANIEL.

Mr. DINGELL in two instances.

Mr. REID.

Mr. FUQUA in three instances.

Mr. WOLFF.

Mr. DULSKI in six instances.

Mr. MCKAY.

Mr. FASCELL in three instances.

Mr. HARRINGTON in four instances.

Mr. HAWKINS in two instances.

Mr. DOWNING.

Mr. NIX.

Mr. STOKES.

Mr. HUNGATE.

Mr. PODELL.

Mr. ROE in two instances.

Mr. VAN DEERLIN in two instances.

Mr. CULVER.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 666. An act for the relief of Slobodan Babic.

ADJOURNMENT

Mr. THORNTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p.m.), under its previous order, the House adjourned until Monday, September 24, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1367. A letter from the Secretary of Commerce, transmitting an estimate of the cost of conducting a 1974 Census of Agriculture, pursuant to section 818 of Public Law 93-86; to the Committee on Agriculture.

1368. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting watershed plans of improvement for Prickett Creek, W. Va., and Lost Creek, Mo., neither of which involves a structure which provides more than 4,000 acre-feet of total capacity, pursuant to 16 U.S.C. 1005; to the Committee on Agriculture.

1369. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting plans for works of improvement in various watersheds, each of which involves at least one structure which provides more than 4,000 acre-feet of total capacity, pursuant to 16 U.S.C. 1005; to the Committee on Public Works.

RECEIVED FROM THE COMPTROLLER GENERAL

1370. A letter from the Comptroller General of the United States, transmitting a report on progress made by Federal agencies in developing and improving their accounting systems, covering the 18 months ended June 30, 1973; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON. Committee on Appropriations. House Joint Resolution 727. Joint resolution making further continuing appropriations for the fiscal year 1974, and for other purposes (Rept. No. 93–519). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee of conference. Conference report on H.R. 8619 Rept. 93–520). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABDNOR (for himself and Mr. DENHOLM):

H.R. 10410. A bill to authorize the Secretary of the Interior to construct, operate, and maintain a larger and adequate spillway, and to improve the upstream slope protection of Belle Fourche Dam, Belle Fourche project, Belle Fourche, S. Dak., and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 10411. A bill authorizing the construction of a dam and reservoir on the Little White River, S. Dak. (Rosebud site); to the Committee on Public Works.

By Mr. BINGHAM:

H.R. 10412. A bill to authorize the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 10413. A bill to establish a *procedure* assuring Congress the full and prompt production of information requested from Federal officers and employees; to the Committee on Rules.

By Mr. BLACKBURN (for himself, Mrs. COLLINS of Illinois, Mr. BRASCO, Mrs. HOLTZMAN, and Mr. WALDIE):

H.R. 10414. A bill to amend the Clayton Act to encourage competition in the production, refining, and marketing branches of the petroleum industry by prohibting any oil company from engaging in more than one such branch of the industry; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H.R. 10415. A bill to amend section 1905 of title 44 of the United States Code relating to depository libraries; to the Committee on House Administration.

By Mr. BROYHILL of Virginia (by request):

H.R. 10416. A bill to provide a government for the District of Columbia; to the Committee on the District of Columbia.

By Mr. CHAMBERLAIN:

H.R. 10417. A bill to require the licensing by the States or the Federal Government of operators of certain vessels on waters subject to the jurisdiction of the United States, and on the high seas; to the Committee on Merchant Marine and Fisheries.

By Mr. DINGELL (for himself, Mr. WILLIAM D. FORD, Mr. PODELL, Mr. CONYERS, Mr. HELSTOSKI, Mr. CORMAN, Mr. EDWARDS of California, Mr. DRINAN, Mr. BROWN of California, Ms. ABZUG, Mr. STARK, and Mr. ROYBAL):

H.R. 10418. A bill to regulate commerce by assuring adequate supplies of energy resource products will be available at the lowest possible cost to the consumer, and for other purposes; to the Committee on the Judiciary.

By Mr. DULSKI (for himself, Mr. HENDERSON, and Mr. DERWINSKI) (by request):

H.R. 10419. A bill to amend title 5, United States Code, to provide for additional positions in grades GS–16, 17, and 18; to the Committee on Post Office and Civil Service.

By Mr. FISH:

H.R. 10420. A bill to provide for the continued supply of petroleum products to independent oil marketers; to the Committee on Interstate and Foreign Commerce.

By Mr. FRASER:

H.R. 10421. A bill to amend the Clean Air Act to require the Administrator of the

Environmental Protection Agency to prescribe regulations to promote greater fuel economy in motor vehicles subject to Federal emission standards; to the Committee on Interstate and Foreign Commerce.

By Mr. FRENZEL (for himself, Mr. McKinney, and Mr. Heinz):

H.R. 10422. A bill to amend the Economic Stabilization Act of 1970 to make mandatory the systematic allocation of petroleum products in accordance with the procedures established under that act; to the Committee on Banking and Currency.

By Mr. GONZALEZ:

H.R. 10423. A bill to amend the Public Health Service Act to provide for programs for the diagnosis and treatment of hemophilia; to the Committee on Interstate and Foreign Commerce.

By Mr. HAMILTON:

H.R. 10424. A bill to amend title 10 of the United States Code in order to specify those officials of the Department of Defense who are entitled to the use of Government-owned passenger vehicles for transportation between their places of domicile and places of employment; to the Committee on Armed Services.

By Mr. HAMMERSCHMIDT:

H.R. 10425. A bill to amend the Economic Stabilization Act of 1970, as amended; to the Committee on Banking and Currency.

H.R. 10426. A bill to amend the Economic Stabilization Act of 1970, as amended; to the Committee on Banking and Currency.

By Mr. HANNA:

H.R. 10427. A bill to provide for the appointment of additional district judges, and for other purposes; to the Committee on the Judiciary.

By Mr. HARRINGTON (for himself and Ms. Holtzman):

H.R. 10428. A bill to amend section 102 of the National Security Act of 1947 to prohibit certain activities by the Central Intelligence Agency and to limit certain other activities by such Agency; to the Committee on Armed Services.

By Mr. HAWKINS:

H.R. 10429. A bill to amend title III of the act of March 3, 1933, commonly referred to as the "Buy American Act", with respect to determining when the cost of certain articles, materials, or supplies is unreasonable; to define when articles, materials, and supplies have been mined, produced or manufactured in the United States; to make clear the right of any State to give preference to domestically produced goods in purchasing for public use, and for other purposes; to the Committee on Public Works.

By Mr. HÉBERT (for himself and Mr. Bray) (by request):

H.R. 10430. A bill to amend title 10, United States Code, to authorize officers of flag rank to serve in the Medical Service Corps in the Navy, and for other purposes; to the Committee on Armed Services.

By Mr. JOHNSON of Pennsylvania:

H.R. 10431. A bill to amend the Community Mental Health Centers Act to reorganize certain grant programs, and for other purposes; to the Committee on Intertsate and Foreign Commerce.

By Mr. KEMP:

H.R. 10432. A bill to restore the value of the dollar and restrain inflation by providing for a Federal budget in which expenditures shall not exceed Federal revenues; to the Committee on Government Operations.

By Mr. KING:

H.R. 10433. A bill to amend the Tariff Schedules of the United States with respect to the entry of horses; to the Committee on Ways and Means.

By Mr. LENT:

H.R. 10434. A bill to amend the Rules of the House of Representatives and the Senate to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Director and Staff, and for other purposes; to the Committee on Rules.

By Mr. MORGAN (for himself and Mr. Gaydos):

H.R. 10435. A bill to authorize the disposal of zinc from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

By Mr. REUSS:

H.R. 10436. A bill to amend the Natural Gas Act in order to expand the jurisdiction of the Federal Power Commission under such act; to the Committee on Interstate and Foreign Commerce.

By Mr. REUSS (for himself and Mr. Kastenmeier):

H.R. 10437. A bill to amend the Federal Credit Union Act with respect to the termination of insured status under the act of credit unions other than Federal credit unions; to the Committee on Banking and Currency.

By Mr. RINALDO:

H.R. 10438. A bill to restore, support, and maintain modern, efficient rail service in the northeast region of the United States, to designate a system of essential rail lines in the northeast region, to provide financial assistance to rail carriers in the northeast region, to improve competitive equity among surface transportation modes, to improve the process of Government regulation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RODINO (for himself and Mr. Hutchinson):

H.R. 10439. A bill to amend title 28 of the United States Code to provide for an exclusive remedy against the United States in suits based upon acts or omissions of U.S. employees, and for other purposes; to the Committee on the Judiciary.

By Mr. ROONEY of Pennsylvania (for himself, Mr. Hechler of West Virginia, Mr. Andrews of North Dakota, Mr. de Lugo, Mr. Podell, Mr. Gude, Mr. Helstoski, Mr. Murphy of New York, Mr. Roush, Mr. Moakley, Mr. Nix, Mr. Charles H. Wilson of California, Mr. Eckhardt, Mr. Mathis of Georgia, and Mr. Roncallo of New York):

H.R. 10440. A bill to amend section 223 of the Communications Act of 1934 to prohibit harassing telephone calls made to collect alleged debts, and to inform the public of their right to be free from harassing, coercive, abusive, and obscene telephone calls; to the Committee on Interstate and Foreign Commerce.

By Mrs. SCHROEDER (for herself, Ms. Boggs, Mr. Fascell, and Ms. Holtzman):

H.R. 10441. A bill to provide for the establishment within the Department of Health, Education, and Welfare of a National Center on Child Development and Abuse Prevention, to provide financial assistance for demonstration programs, and for other purposes; to the Committee on Education and Labor.

By Mr. STEIGER of Arizona:

H.R. 10442. A bill to provide for the general welfare of the Fort Mojave Indian Tribe; to the Committee on Interior and Insular Affairs.

By Mr. UDALL (for himself and Mr. Hanley):

H.R. 10443. A bill to amend title 5, United States Code, to provide for appropriate pay relationships under the level V pay limitation in pay comparability adjustments under subchapter I of chapter 53 of such title; to the Committee on Post Office and Civil Service.

By Mr. VANIK:

H.R. 10444. A bill to provide that the special cost-of-living increase in social security benefits enacted by Public Law 93-66 shall become effective immediately, and for other purposes; to the Committee on Ways and Means.

By Mr. VANIK (for himself and Mr. Preyer):

H.R. 10445. A bill to prohibit most-favored-nation treatment and commercial and guarantee agreements with respect to any nonmarket economy country which denies to its citizens the right to emigrate or which imposes more than nominal fees upon its citizens as a condition to emigration; to the Committee on Ways and Means.

By Mr. WHITE (for himself, Mr. Fisher, Mr. Mann, Mr. Won Pat, Mr. Runnels, and Mr. Udall):

H.R. 10446. A bill to amend the Immigration and Nationality Act to provide for the issuance of nonimmigrant visas to certain aliens entering the United States to perform services or labor of a temporary or seasonal nature under specific contracts of employment and fair employment conditions; to require an immigrant alien to maintain a permanent residence as a condition for entering and remaining as an immigrant of the United States; and for other purposes; to the Committee on the Judiciary.

By Mr. WHITE (for himself and Mr. Hanley):

H.R. 10447. A bill to amend title 13, United States Code, to prohibit delaying or postponing the preparation, the taking or the publishing of any of the statistical compilations or periodic censuses required by said title, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST:

H.R. 10448. A bill to establish a national campsite system, to authorize the Secretary of the Interior to make grants to encourage and assist the States to prepare, implement, and maintain a campsite system, and for other purposes; to the Committee on Ways and Means.

By Mr. BOB WILSON:

H.R. 10449. A bill to amend title II of the Social Security Act to increase from $2,100 to $3,600 the amount of outside earnings permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. WOLFF:

H.R. 10450. A bill to amend title 39, United States Code, to prohibit the mailing of knives to persons under the age of 18 years, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. YOUNG of Florida:

H.R. 10451. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. ANDERSON of California (for himself, Ms. Holtzman, and Mr. Frey):

H.R. 10452. A bill to provide for a 7-percent increase in social security benefits beginning with benefits payable for the month of January 1974; to the Committee on Ways and Means.

By Mr. BRADEMAS:

H.R. 10453. A bill to amend the Internal Revenue Code of 1954 to increase the maximum credit and deduction allowable with respect to contributions to candidates for public office, to make certain changes in subtitle H of such code with respect to the financing of Presidential election campaigns, and for other purposes; to the Committee on Ways and Means.

By Mr. DENT (for himself, Mr. Andrews of North Carolina, Mr. Biester, Mr. Brinkley, Mr. Carter, Mr. Chappell, Mr. Coughlin, Mr. Eshleman, Mr. Fuqua, Mr. Goodling, Mr. Heinz, Mr. Nichols, Mr. Preyer, Mr. Saylor, Mr. Shuster, Mr. Ware, and Mr. Young of Georgia):

H.R. 10454. A bill to require that a percentage of U.S. oil imports be carried on

U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. FRASER:

H.R. 10455. A bill to establish within the Department of State a Bureau of Humanitarian Affairs, and for other purposes; to the Committee on Foreign Affairs.

By Mr. GUDE:

H.R. 10456. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

By Mr. PODELL:

H.R. 10457. A bill to provide that the value added to the private real estate of any person who is protected by the Secret Service under section 3056 of title 18 of the United States Code, by reason of any improvement made at Government expense, other than an improvement reasonably related to the security or protection of such persons, shall be recoverable by the United States and constitutes a lien against the real estate so improved; to the Committee on the Judiciary.

By Mr. QUIE (for himself, Mr. Erlenborn, Mr. Dellenback, Mr. Esch, Mr. Kemp, Mr. Towell of Nevada, Mr. Zwach, Mr. Mayne, Mr. Ware, Mr. Keating, Mr. Lent, and Mr. Frelinghuysen):

H.R. 10458. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act, and for other purposes; to the Committee on Education and Labor.

By Mr. RINALDO:

H.R. 10459. A bill to authorize the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities designed to achieve educational equity for all students, men and women, and for other related educational purposes; to the Committee on Education and Labor.

By Mr. ROSENTHAL (for himself, Mr. Brown of California, Mr. Burton, and Ms. Holtzman):

H.R. 10460. A bill to amend title 5, United States Code, to provide for the establishment of a special cost-of-living pay schedule containing increased pay rates for Federal employees in heavily populated cities and metropolitan areas to offset the increased cost of living, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROYBAL:

H.R. 10461. A bill to prohibit revenue sharing under Federal laws and programs designed to assist or serve migrant and seasonal farmworkers; to the Committee on Education and Labor.

H.R. 10462. A bill to provide for the establishment of a National Office for Migrant and Seasonal Farmworkers within the Department of Health, Education, and Welfare, with responsibility for the coordinated administration of all of the programs of that Department serving migrant and seasonal farmworkers; to the Committee on Education and Labor.

By Mr. YOUNG of Illinois:

H.R. 10463. A bill to improve the regulation of Federal election campaign activities; to the Committee on House Administration.

H.R. 10464. A bill to amend section 218 of the Internal Revenue Code of 1954 to increase the maximum deduction allowable with respect to contributions to candidates for public office; to the Committee on Ways and Means.

By Mr. HUDNUT:

H.J. Res. 738. Joint resolution proposing an amendment to the Constitution of the United States relating to open admissions to public schools; to the Committee on the Judiciary.

By Mr. FUQUA:

H. Con. Res. 304. Concurrent resolution expressing the sense of Congress with respect to the missing in action in Southeast Asia; to the Committee on Foreign Affairs.

By Mr. FUQUA (for himself, Mr. Teague of Texas, Mr. Mosher, Mr. Bell, Mr. Bergland, Mr. Brown of California, Mr. Camp, Mr. Conlan, Mr. Cotter, Mr. Cronin, Mr. Davis, of Georgia, Mr. Downing, Mr. Esch, Mr. Flowers, Mr. Frey, Mr. Goldwater, Mr. Gunter, Mr. Hanna, Mr. McCormack, Mr. Martin of North Carolina, Mr. Milford, Mr. Parris, Mr. Pickle, and Mr. Roe):

H. Con. Res. 305. Concurrent resolution designating the week of October 1 through 7, 1973, as "National Space Week"; to the Committee on the Judiciary.

By Mr. FUQUA (for himself, Mr. Teague of Texas, Mr. Mosher, Mr. Symington, Mr. Thornton, Mr. Winn, and Mr. Wydler):

H. Con. Res. 306. Concurrent resolution designating the week of October 1 through 7, 1973, as "National Space Week"; to the Committee on the Judiciary.

By Mr. FRASER:

H. Con. Res. 307. Concurrent resolution expressing the sense of the Congress with respect to the forthcoming diplomatic conference being convened by the International Committee of the Red Cross to revise the laws of war; to the Committee on Foreign Affairs.

By Mr. FRASER (for himself, Mr. Kastenmeier, Mr. McCloskey, Mr. Reid, Mr. Obey, and Mr. Steiger of Wisconsin):

H. Con. Res. 308. Concurrent resolution expressing the sense of the Congress with respect to the observance of human rights in Chile; to the Committee on Foreign Affairs.

By Mr. FRASER (for himself, Mr. Kastenmeier, Mr. Young of Georgia, Mr. McCloskey, Mr. Reid, Mr. Steiger of Wisconsin, Mr. Moakley, and Mr. Whalen):

H. Con. Res. 309. Concurrent resolution expressing the sense of the Congress with respect to the observance of human rights in Chile; to the Committee on Foreign Affairs.

By Mr. FRASER (for himself and Mr. Findley):

H. Con. Res. 310. Concurrent resolution expressing the sense of the Congress with respect to the organization of the United Nations in the field of human rights; to the Committee on Foreign Affairs.

H. Con. Res. 311. Concurrent resolution expressing the sense of the Congress with respect to the structure of the United Nations for the prevention of human rights violations; to the Committee on Foreign Affairs.

H. Con. Res. 312. Concurrent resolution expressing the sense of the Congress with respect to measures to be taken by the United Nations to prevent the practice of torture; to the Committee on Foreign Affairs.

H. Con. Res. 313. Concurrent resolution expressing the sense of the Congress with respect to U.S. participation in the United Nations Decade for Action to Combat Racism and Racial Discrimination; to the Committee on Foreign Affairs.

By Mr. HUBER (for himself and Mr. Fulton):

H. Con. Res. 314. Concurrent resolution expressing the sense of Congress with respect to the missing in action in Southeast Asia; to the Committee on Foreign Affairs.

By Mr. FRASER:

H. Res. 556. Resolution expressing the sense of the House with respect to access to the International Court of Justice; to the Committee on Foreign Affairs.

By Mr. FRASER (for himself and Mr. Findley):

H. Res. 557. Resolution expressing the sense of the House with respect to the proposed ratification by the U.S. Senate of international conventions concerning human rights; to the Committee on Foreign Affairs.

By Mr. HARRINGTON (for himself and Ms. Holtzman):

H. Res. 558. Resolution to amend the Rules of the House of Representatives to create a standing committee to be known as the Committee on the Central Intelligence Agency, and for other purposes; to the Committee on Rules.

By Mr. MOAKLEY:

H. Res. 559. Resolution establishing a Select Committee on Separation of Powers; to the Committee on Rules.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

By Mrs. BOGGS:

H.R. 10465. A bill for the relief of John T. Knight; to the Committee on the Judiciary.

By Mr. YOUNG of Illinois:

H.R. 10466. A bill for the relief of the Continental Chemiste Corp.; to the Committee on the Judiciary.

SENATE—*Thursday, September 20, 1973*

The Senate met at 9:15 a.m. and was called to order by the Acting President pro tempore (Mr. Metcalf).

PRAYER

The Reverend Father Robert M. Beach, Our Lady of Guadalupe Parish, Taos, N. Mex., offered the following prayer:

O Holy Lord, almighty Father, eternal God, bless most abundantly our beloved Nation and make it true to the ideals of freedom and justice and brotherhood for all which make it great. Guard us from war, from calamity and disaster, from compromise, insecurity, fear, and confusion.

Be close to these Senators, to all our lawmakers, to our President, our diplomats. Give them vision and courage as they ponder decisions affecting peace and love, the dignity of man, and the future of all Your creation.

Let every citizen become more deeply aware of his heritage—realizing not only his rights and privileges, but also his duties and responsibilities as a part of this grand Nation of ours.

Make this great land and all its people know clearly Your will, that we may all fulfill the destiny ordained for us in the salvation of the nations and the restoring of all things in Your divine providence. Hear and answer our humble prayer. O good God. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, September 19, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar Nos. 369 and 371.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DESIGNATION OF CERTAIN LANDS IN SHENANDOAH NATIONAL PARK, VA., AS WILDERNESS

The Senate proceeded to consider the bill (S. 988) to designate certain lands in the Shenandoah National Park, Va., as wilderness, which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 1, at the beginning of line 3, strike out "That, in accordance with section 3(c) of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1132(c)), certain lands in the Shenandoah National Park, Virginia, which comprise about seventy-three thousand two hundred and eighty acres, and which are depicted on the map entitled 'Wilderness Plan, Shenandoah National Park, Virginia,' numbered NP SHE/MP 8D and dated October 1970, are hereby designated as wilderness, and shall be known as the 'Shenandoah Wilderness.'" and insert "That, in accordance with section 3(c) of the Wilderness Act (78 Stat. 890, 892; 16 U.S.C. 1132 (c)), certain lands in the Shenandoah National Park, which comprise about seventy-nine thousand six hundred and ninety-nine acres, designated 'Wilderness', and which are depicted on the map entitled 'Wilderness Plan, Shenandoah National Park, Virginia', numbered 134–20001 and dated May 1973, are hereby designated wilderness. The lands which comprise about five hundred and sixty acres, designated on such map as 'Potential Wilderness Addition', are effective upon publication in the Federal Register of a notice by the Secretary of the Interior that all uses thereon prohibited by the Wilderness Act have ceased, hereby designated wilderness. The map and a description of the boundaries of such lands shall be on file and available for public inspection in the office of the National Park Service, Department of the Interior."; and, on page 2, after line 24, strike out:

Sec. 3. Wilderness areas designated by or pursuant to this Act shall be administered in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act, and any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary who has administrative jurisdiction over the area.

And, in lieu thereof, insert:

Sec. 3. The wilderness area designated by this Act shall be known as the "Shenandoah Wilderness" and shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act, and any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary of the Interior.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 3(c) of the Wilderness Act (78 Stat. 890, 892; 16 U.S.C. 1132(c)), certain lands in the Shenandoah National Park, which comprise about seventy-nine thousand six hundred and ninety-nine acres, designated "Wilderness", and which are depicted on the map entitled "Wilderness Plan, Shenandoah National Park, Virginia", numbered 134–20001 and dated May 1973, are hereby designated wilderness. The lands which comprise about five hundred and sixty acres, designated on such map as "Potential Wilderness Addition", are, effective upon publication in the Federal Register of a notice by the Secretary of the Interior that all uses thereon prohibited by the Wilderness Act have ceased, hereby designated wilderness. The map and a description of the boundaries of such lands shall be on file and available for public inspection in the office of the National Park Service, Department of the Interior.

Sec. 2. As soon as practicable after this Act takes effect, a map of the wilderness area and a definition of its boundaries shall be filed with the Interior and Insular Affairs Committees of the United States Senate and the House of Representatives, and such map and definition shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such map and definition may be made.

Sec. 3. The wilderness area designated by this Act shall be known as the "Shenandoah Wilderness" and shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act, and any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary of the Interior.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 93–393), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF BILL

The purpose of S. 988 is to designate as wilderness approximately 80,000 acres in the Shenandoah National Park, Va., under the provisions of the Wilderness Act of September 3, 1964 (78 Stat. 890). The recommendation for inclusion in the wilderness system of this acreage within the Park was made to the Congress by the President on April 28, 1971, following study and favorable recommendation by the Department of the Interior.

BACKGROUND

Senator Byrd of Virginia sponsored S. 988 and also sponsored similar legislation in the 92d Congress. The Public Lands Subcommittee held open hearings during the 92d Congress on the legislation, and following those hearings, the Department of the Interior reexamined the wilderness potential of some of the lands which were not included in the original proposal. The Department has determined that an additional 6,419 acres presently qualify as wilderness and that approximately 560 acres, comprising the corridors for the Trayfoot powerline and administrative road, and the Paine Run, administrative road, should be designated wilderness as soon as the improvements located thereon have been removed.

The Trayfoot road and powerline are used in conjunction with the Trayfoot Mountain radio repeater, which the committee is advised will be relocated shortly. The Paine Run road is used for agricultural purposes, and the committee is also informed that this use will terminate eventually.

NEED

The Shenandoah National Park lies within 90 miles of Washington, D.C. and 100 miles of Richmond. In addition to its proximity to these centers of population, the park is bordered by rapidly growing areas in which some 225,000 people reside.

National Park Service figures indicate that during the first part of 1973 911,000 visitors came to Shenandoah, an increase of more than 15 percent over the figures for the same period in 1972. Thus, it is the view of the committee that the preservation of a portion of this park as unspoiled wilderness is essential at this time.

AMENDMENT

The committee amended S. 988 to reflect the inclusion of the additional acres recommended by the Department of the Interior and made a technical amendment also requested by the Department in the interest of legislative uniformity involving wilderness lands which it administers.

COST

The enactment of S. 988 will result in no additional cost to the Federal Government.

DEFINITIONS OF WIDOW AND WIDOWER UNDER CIVIL SERVICE RETIREMENT SYSTEM

The bill (S. 2174) to amend the civil service retirement system with respect to the definitions of widow and widower, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) clauses (1)(A) and (2)(A) of section 8341(a) of title 5, United States Code, are amended by striking out "2 years" wherever it appears and inserting in lieu thereof "1 year".

(b) The amendments made by subsection

(a) of this section shall not apply in the cases of employees, Members, or annuitants who died before the date of enactment of this Act. The rights of such individuals and their survivors shall continue in the same manner and to the same extent as if such amendments had not been enacted.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 93–395), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of this legislation is to amend the definitions of "widow" and "widower" of a deceased Federal employee, Member of Congress, or Federal annuitant eligible for survivor benefits under the Federal retirement system. Under present law, a surviving spouse is one who (1) was married to the decedent for at least 2 years immediately prior to the date of death or (2) was the parent of issue by that marriage. S. 2174 would change the 2-year marriage requirement to a 1-year requirement. This change would be prospective and would not apply in the cases of employees, Members of Congress, or annuitants who died before the date of the bill's enactment.

BACKGROUND

The Federal Civil Service Retirement Act became law on May 22, 1920. However, it was not until January 1, 1940, under the provisions of Public Law 76–263, that the principle of surviving protection was adopted as a part of the retirement system. That retiring for age or under the optional retirement provision, to elect a reduced annuity for himself and an annuity benefit for a named survivor. There was no requirement of relationship or dependency. The 1940 law did provide that the employee's election of a reduced annuity with a survivor benefit would be void if he died within 30 days after retirement. Apparently, the purpose of this 30-day provision was to safeguard the Civil Service Retirement and Disability Fund against "deathbed" marriages or elections.

The survivor protection provisions enacted in 1940 were changed by Public Law 80–826, enacted February 28, 1948. Under this 1948 amendment to the Federal Civil Service Retirement Act, a married male employee, retiring for any reason except on 5-year discontinued service or deferred annuity, could provide an annuity for his widow by taking a reduction in his own benefit.

The Senate version of the bill which became Public Law 80–426, contained a 5-year marriage requirement, but it was deleted and a 2-year marriage requirement was adopted in conference.

Public Law 81–310, enacted September 30, 1949 extended this same option to married female employees in behalf of their dependent widowers.

JUSTIFICATION

The legislative history of the 2-year marriage requirement indicates that that particular time period was selected out of compromise and was clearly arbitrary.

The protection given the Civil Service Retirement and Disability Fund by this statutory restriction is in practice mostly nominal and causes undue anxiety and concern on the part of the employee who desires to provide for his widow.

The trend throughout the major retirement systems has been to liberalize similar restrictions. For example:

1. Prior to 1967, the Veterans Administration required a marriage of 5 years duration for the payment of benefits to otherwise qualified widows or widowers. This statutory requirement was changed to 1 year in 1967.

2. In 1968, the Social Security System reduced the marriage requirement from 1 year's duration to 9 months (3 months in case of accidental death or death in line of duty in the Armed Forces). Public Law 92–603—the Social Security Amendments of 1972—further liberalized this requirement by providing for the waiver of either the 3-month or 9-month requirement under certain circumstances.

These examples contrast with the Civil Service Retirement System, which has retained the 2-year marriage requirement since 1948.

The Committee believes that it is completely in order to bring the marriage duration requirement applicable to survivor's benefits under the Civil Service Retirement System more in line with other Federally sponsored systems. The Committee believes that 1 year is an adequate time period to protect against so-called "deathbed" marriages and would ease the situation with regard to providing for the surviving spouses of Federal employees, Members of Congress and annuitants.

COST

The unfunded liability of the civil service retirement fund would be increased by $75 million and the normal cost will be increased by .01 percent of payroll. This cost would be amortized by 30 equal annual installments of $4.6 million as authorized under Section 8348(f) of Title 5, United States Code.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination in the Environmental Protection Agency.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ENVIRONMENT PROTECTION AGENCY

The second assistant legislative clerk read the nomination of John R. Quarles, Jr., of Virginia, to be Deputy Administrator of the Environmental Protection Agency.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

REDUCTION OF U.S. FORCES IN EUROPE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a letter to the editor of the Washington Post from Edward L. King, executive director, Coalition on National Priorities and Military Policy, entitled "The Case for Reducing U.S. Forces in Europe to About 150,000," published in the Washington Post of September 14, 1973, be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

[From the Washington Post, Sept. 14, 1973]

The Case for Reducing U.S. Forces in Europe to About 150,000

It is interesting that Robert Komer, one of the architects of some of our disastrous policies in South Vietnam, has now become a "Europe-firster" ("Keeping GIs in Europe"—August 30, 1973).

It is difficult indeed to reconcile his newfound concern for maintaining U.S. conventional troop levels in Europe, with his previous acquiescence in the slashing of those same troop levels in 1967–1969 to provide trained military men to work in his special Vietnam program.

Komer now cavalierly labels many past arguments about removing U.S. troops from Europe as "simplistic" and calls for a more informed discussion of the issue. Despite his long preoccupation with Vietnam he must be aware that serious critics such as Senator Mansfield have been carrying on informed discussions for 10 years.

Komer's article certainly adds nothing new to the discussion. It does, however, raise some questions about the facts and his understanding of them.

For example, he contends that four and one third U.S. divisions—stationed mostly in southern Germany — are defending "the shortest high speed avenues of attack by which a Warsaw Pact offensive could split NATO, much as the Germans did . . . in 1940." But the major high speed approaches are located north of the U.S. divisions, and in two world wars the Germans attacked France from the north, not through the area where most U.S. divisions are stationed today.

Komer says it cost $4 billion to maintain U.S. troops in Europe. That is only the cost of the pay and maintenance of the men and their dependents. If you also consider the cost of their arms and equipment, that figure is correctly $7.7 billion. And he makes no mention of the $1.5 billion deficit in U.S. military balance of payments caused by the presence of over 300,000 U.S. troops and dependents in Europe.

Pages 190–194 of the FY 1974 Department of Defense Military Manpower Requirements Report clearly show that over 50% of our general purpose forces are predicated solely on a NATO conflict—not one major and one minor conflict in Europe or elsewhere as Komer claims.

He also repeats the tired old argument that it costs almost as much to keep our troops at home as in Europe. Yet last year—before devaluation—DOD witnesses testified before the Senate Armed Services Committee that first year savings of $42 million would be realized from withdrawing one mechanized division from Germany and stationing it in the U.S.

After his Vietnam years, perhaps Komer considers $42 million an insignificant amount. I doubt that other taxpayers would agree.

Komer missed a central point in joining the decade-long debate on U.S. troops in Europe. That is, why should the taxpayer pay $17 billion (cost of all U.S. forces committed to NATO), or $7 billion (cost of those in Europe), when less than 25% of those troops are assigned to combat skill jobs that direct fire on an enemy in actual combat defense of the American people?

I agree with Komer's call for keeping "substantial" U.S. forces in Europe. I submit that Senator Mansfield's proposal to keep around 150,000 U.S. troops in Europe is exactly such a "substantial" force.

EDWARD L. KING.

Washington.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the Senator from Michigan desire recognition?

Mr. GRIFFIN. No, Mr. President.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia (Mr. ROBERT C. BYRD) is recognized for not to exceed 15 minutes.

LIMITATION OF DEBATE ON AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as S. 2335—to amend the Foreign Assistance Act of 1961, and for other purposes—is laid before the Senate and made the pending business there be a limitation thereon of 3 hours for debate, to be equally divided between the distinguished majority leader and the distinguished minority leader, or their designees; that there be a limitation on any amendment thereto of 1 hour; and a limitation on any amendment to an amendment, debatable motion, or appeal of 30 minutes; and that the agreement be in the usual form.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The text of the unanimous-consent agreement is as follows:

Ordered, That, during the consideration of S. 2335, a bill to amend the Foreign Assistance Act of 1961, debate on any amendment shall be limited to 1 hour, to be equally divided and controlled by the mover of such and the manager of the bill, and that debate on any amendment to an amendment, debatable motion or appeal shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided,* That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 3 hours, to be equally divided and controlled, respectively, by the majority and minority leaders, or their designees: *Provided,* That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I charge the time against my time.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator from West Virginia has 9 minutes remaining.

Mr. ROBERT C. BYRD. I thank the Chair.

DO NUCLEAR POWERPLANTS THREATEN U.S. SECURITY?

Mr. ROBERT C. BYRD. Mr. President, while inadequate supplies of oil and natural gas, and the current controversy regarding the use of high-sulfur fossil fuels versus clean air, are the two aspects of our energy crisis that are foremost in peoples' minds, there is another consideration about which I am becoming increasingly concerned.

I refer to the widening opinion being expressed by reputable scientists and engineers that the construction of nuclear powerplants in close proximity to our major cities and defense establishments constitutes a danger of such magnitude that the time has come for the Atomic Energy Commission, and the administration, to make clear to the American people whether the fears expressed have foundation in fact, or are wholly unfounded.

I am not a scientist, and I can therefore offer no firm judgment in this matter. Nor am I an alarmist. But I have been sufficiently impressed by what I have read, and by what I have been told by competent scientists, to raise the question of whether surface-emplaced nuclear power reactors constitute a major risk to the security of this Nation.

According to my information, each large nuclear reactor at full fission product inventory contains radioactive poisons vastly greater in lethal potential than the world total of chemical warfare poisons. After running at full power for several months, interference with the heat removal systems will inevitably result in the uncontrollable fuming meltdown of the critical array and core vessel. Again, according to my information, breaching of the containment shell would permit the dispersal of fission product fume.

In stories published in the Wall Street Journal and the Washington Post of August 17, such a contingency is described by the Atomic Energy Commission as "an unlikely accident," but one which, if it happened, could kill upward of 5,000,000 people.

I emphasize, Mr. President, that I am raising these questions as a U.S. Senator and as a concerned citizen. I claim no expertise, as is undoubtedly held by the distinguished members of the Joint Committee on Atomic Energy, but I am curious when I read the standard-text recitation of the nuclear electric power proponents that "electricity from uranium is incomparably clean, altogether safe, and much cheaper than energy derived from conventional fossil fuels," and then elsewhere I read that all uranium available to the United States—including all producible at up to five times the current cost—converted to electricity by commercial technology, would supplement our fossil fuels potential by only one-half of 1 percent.

I am further advised by scientific sources that "fast neutron" systems, which have been put forward as a major solution to future energy needs, because of their fantastically high power density and inherent uncontrollability at full fission product inventory, are thermodynamically and mechanically impossible of commercialization.

If the apprehensions being voiced by some members of our scientific and engineering community as to the efficiency and potential danger of nuclear power reactors are wholly without foundation in scientific fact, I would feel much easier in my mind if the Atomic Energy Commission, or the administration, or some other scientific body of impeccable professional integrity, would so reassure the American people.

If, on the other hand, these apprehensions have validity, it becomes imperative that the appropriate authorities tell the Congress and the people exactly what hazards we face. Nuclear power, atomic reactors, full fission product inventory—these are scientific terms that are not within the knowledge or comprehension of 99 percent of the people, and their potential for good or evil is likewise beyond common understanding. But they are understood by the tiny segment of our population whose business it is to understand them, and when even a few individuals in that small segment of America raise relevant questions that affect every living soul in this Nation, then their questions deserve attention. It may turn out that these scientists and engineers who are asking the questions are cranks—but anyone who has read even a little of the history of scientific achievement is aware of how often in the saga of mankind, the "cranks" have turned out to be the great discoverers, despite the obloquy heaped upon them by their peers.

The principal questions posed by this minority of scientists are:

First. Is the vast R. & D. expenditure undertaken by the United States in the field of commercial nuclear power justified in the light of what some experts claim is the very limited availability of uranium?

Second. Just how "unlikely" is an "unlikely accident," as described by the AEC, and is the AEC completely satisfied that every possible safety precaution is being taken at all times in the commercial power reactor plants that soon will number almost 100 all over the United States?

Third. Is the AEC confident that the security plans against subversive action at surface nuclear reactor plants by enemies of this Nation, are totally adequate to prevent a disaster of almost inconceivable magnitude?

Fourth. Are the AEC, and the administration satisfied that in the event of war, this proliferation of surface nuclear reactor plants does not present a target for demolition by enemy action, the successful completion of which would cause a population loss so devastating that defense of the United States would become meaningless?

Fifth. Has the AEC ever considered placing a moratorium on the construction of surface nuclear reactor powerplants, with their obvious vulnerability, and insisted that all such nuclear reactor plant construction be underground?

Sixth. Have the additional costs of underground construction vis-a-vis surface construction been a controlling factor in the construction and location of these facilities, to the possible jeopardy of the lives and property of the American people?

Mr. President, I do not know the answers to these questions, but I feel certain that if the Atomic Energy Commission could possibly make a full public disclosure of the answers, a vital and valuable public service would be rendered to the American people.

Toward this end, I have today written a letter to the Chairman of the Atomic Energy Commission, in which I ask the questions that are included in this statement, with the hope that appropriate answers—at least, some of the answers—will be forthcoming.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may reserve the remainder of my time, if I have any.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia has 2 minutes remaining. Without objection, he may reserve the 2 minutes.

Under the previous order, the Senator from New Mexico (Mr. DOMENICI) is recognized for not to exceed 15 minutes.

The Senator from New Mexico.

FATHER ROBERT M. BEACH, TAOS, N. MEX., VISITING CHAPLAIN

Mr. DOMENICI. Mr. President, before I begin my prepared remarks, let me thank the Reverend Father Robert Beach, who came from New Mexico, from a northern community, a small city, to preside and pray over us today.

In thanking him I thank the many little people that have made his life, because that has been his business. He has served the average person in a small kind of town, in a small way, but when we add it all up, it makes a great service.

I was privileged to turn his name in as a possible chaplain, and I thank our distinguished Chaplain of the Senate for selecting him. I also thank the people of the city of Taos, N. Mex., who knew, as he came here and presided and delivered a prayer before the Senate, that he would not have this opportunity again; and in their generosity and in their own way, they provided the ways and means for this rather lengthy and costly trip and his 3 or 4 days to see the Capital of the United States. In behalf of the Senate, I thank them, also.

BUDGETARY REFORM

Mr. DOMENICI. Mr. President, many thousands of words are spoken in these Halls each session.

I contribute my share of those. Like all Members, I occasionally fear many of those words go unheeded when they should be clearly heard.

That fear haunts me a little as I speak today, because I rise to make as serious a statement as any I have heard here. I hope it will not go unheeded.

Let me put my charge as simply and clearly as I can: The body to which we belong, the Congress of the United States, has no rational way to budget its enormous expenditures of our Nation's wealth. Insofar as this is so, we fail to do well the major task assigned us by the Constitution, and so we fail the very citizens who sent us here.

That is a serious accusation, which I propose to substantiate to the best of my ability in a continuing series of statements later. But before I do that, let us look at some of the results of the disorderly, disorganized, and inefficient budgetary practices which prevail.

What are some of the pictures an American citizen sees as he looks at his world today?

He sees a rate of inflation which, though it is slowing, still must seem to him a kind of unending drain on his personal resources and a threat to the value of everything he owns. He sees a currency once sound enough to serve as a standard for the world now so dubious that some foreign businessmen refuse it in payment for goods or services. He sees a spiral of taxation which has gone so high that, in the period in which our population doubled, our tax burden actually increased 3,000 percent.

Underlying it all, he sees a national debt which is a major cause of all those gloomy economic facts.

That debt is in large part the result of Congress unwillingness to establish even rudimentary budget systems—and so it is a measure of our failure to do what the Constitution bids us do.

To make clear how bad I think the present lack of system is, let me say that I believe it makes it virtually impossible for any of us to do the job for which we were elected.

If that sounds offensively strong, let me put it this way: How can any individual Member, under the present order, determine intelligently which proposed functions and programs of the Federal Government should be funded and which should not? All any of us can do, in respect to any individual measure, is go by intuition, by "feel," by whether it is "good" or "bad" for the country. What results is a series of decisions on the part of any Member so individualized and personalized that they often appear to observers to be the consequence of mere whim or caprice.

The truth is what we simply do not have the facts on which to base rational judgments, and facts are necessary to every business decision—not least of all in the biggest business in the world.

Who is there here who will not honestly admit that this leads to the excessive spending to which I have already referred? Who can deny that in practice we displace our funding priorities, so that primary needs are often shunted aside in favor of programs of nebulous or dubious worth? And who will refuse to say that, time after time, these Houses continue to fund programs which are beyond the legitimate scope of responsibility of the Federal Government?

All this, it seems to me, comes about because we have no real system for preparing and keeping to budget systems which even the smallest businessman knows are essential to economic health.

The Constitution clearly vests in Congress the power of the purse strings. Surely there goes with that power the obligation to use it rationally and with care.

For the first 75 years of the Federal Government, each House of Congress had only one committee to consider budgetary matters—Ways and Means in the House and Finance in the Senate. When, after the heavy expenses of the Civil War, it was first proposed in the House that spending and taxing functions be separated, many Members expressed misgivings, I admire their foresight; I believe, in light of present-day affairs, that their worst fears have come to pass. Yet not only did the House so organize itself, but 2 years later the Senate followed suit.

By the start of this century, consideration of taxes and spending have been so dispersed among committees of both Houses that there was no longer any overall consideration of expenditure programs—the situation in which we find overselves today. As the Joint Committee on Budget Control said earlier this year—

> There is now no way . . . for making a choice between competing expenditure programs.

Back in 1921, when total appropriations were about one one-hundredth of what they are today, an effort was made to bring some order out of this chaos. But the major effect of the Budget and Accounting Act of that year was to create the concept of an executive budget, not a congressional one, and to make the former Bureau of the Budget, an executive agency, the point of control over budgeting.

Since that time, Congress has done almost nothing effective about budgetary proceedings, though it has from time to time shown indications that it was at least aware of some vague and unfulfilled obligations in the matter. In 1946, for example, there was the Legislative Reorganization Act, which made some feeble efforts toward budget control—and was quickly abandoned. Later efforts to enact budget ceilings, though they turned out to be rubbery, indeed, were at least indications of Congress cognizance of the fact that the Constitution vests this onerous but essential task in our two bodies.

So where does a legislator find himself today? Our mutual experience shows us we have at least these major deficiencies to work against.

First, there is from Congress no overview of expected income to provide a figure against which to measure the reasonableness of expected spending.

Second, there is never sufficient information on which to judge spending priorities, though such priorities are considered essential in any well-run business enterprise.

Third, there is one process for authorizing expenditures and another for appropriating them, and the two processes are totally unrelated to one another.

Fourth, the appropriation process is totally fragmented, with 13 different appropriations bills presented annually. In addition, each individual bill may contain a mishmash of programs, no one of which is clearly related to any other.

Finally, I believe it is not unjust to be somewhat critical of the present system, which places such a heavy burden and so much responsibility almost exclusively on the shoulders of chairmen and senior members of those committees and subcommittees which are concerned with appropriations. I am sure these gentlemen, who devote so much time to this task, feel the need for additional observations from and even the counsel of more Members of this body as they perform this onerous task. I am sure they would consider any change which provided some sharing of their burden a healthy one, even though it will not diminish their responsibility.

I do not believe it is necessary for me now to review the bills so far introduced to bring about some degree or another of budgetary reform, but I would make these observations about them.

Senator McClellan has been proposing a bill to create a joint committee on the budget faithfully since at least the 89th Congress, now 7 years in the past.

Many of the bills, with the rationale behind them, have been compiled in the very effective reports of the Joint Study Committee on Budget Control and the Subcommittee on Budgeting, Management, and Expenditures of the Committee on Government Operations. I believe they merit the most intense study of every Member of this body.

I am so convinced that this is so, that almost at the start of this session Senator Sam Nunn and I, in a letter cosigned by the other 13 freshmen Members of the Senate, urged our leadership to make consideration and revision of the budgetary process our first order of business, before consideration of appropriations of any kind. I do not think today that that request was a mistaken one; if anything, I am more positive now of the urgency of this matter than I was when that letter was written.

Because that is what I believe, I intend to continue to address myself to this problem in a series of statements which establish in detail the reasoning behind each of the general criticisms I have made today. I would be glad to hear the views of all Members of this body on this important subject; perhaps, with the addition of their voices, this can become an ongoing dialog, not a mere monolog.

Perhaps then our combined voices will be heard and reason prevail, instead of going unheeded, as I began by suggesting it may, in the words of Pogo—

> We have met the enemy and he is us.

Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator from New Mexico has 4 minutes remaining.

Mr. DOMENICI. Mr. President, I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Louisiana (Mr. Johnston) is recognized for not to exceed 15 minutes.

EXPORT CONTROLS ON AGRICULTURAL COMMODITIES

Mr. JOHNSTON. Mr. President, I have asked for a few minutes this morning to express my views on an issue that is emerging as one of the key issues of this session. We are hearing more and more about the need for export controls on agricultural commodities as a vehicle for confining the surging demand, and disturbing price rises, in these products.

The administration has asked for increased authority to impose controls on agricultural exports. The Committee on Banking, Housing, and Urban Affairs, of which I am a member, has held hearings on the proposed amendments to the Export Administration Act, but as yet the bill has not been reported out.

Only last Thursday, the Senator from New York (Mr. Javits) and the Senator from Illinois (Mr. Stevenson) introduced legislation to create an apparently permanent scheme for regulating exports of all American agricultural commodities.

It is easy to understand the impetus for this legislation. Food prices are rising faster than ever before. In a year of devastating inflation, food prices have led the way to a public attitude approaching an inflationary panic—the first I can recall in recent American history.

In August alone, farm product prices jumped 23 percent—the greatest 1-month increase since the Government began keeping price records in 1913. That 23-percent increase was more than twice the 11-percent increase in July of 1946, just after World War II.

In August alone, grain products rose 69.5 percent to 166.9 percent above a year ago; livestock prices were up 22.1 percent in August, 64.3 percent over a year ago; poultry 42.3 percent in August and 52.5 percent over a year ago, and so on down the list of our agricultural mainstays.

At the same time, agricultural exports reached record levels. In a recent release, the Foreign Agricultural Service of the Department of Agriculture states proudly that:

> US farm exports rose an astonishing three-fifths to a record $12.9 billion in FY 1973.

Exports to Japan, the Soviet Union, and Western Europe led the way.

Our total agricultural exports to Japan rose from $1.2 billion in fiscal year 1972 to $2.3 billion in fiscal year 1973—an increase of 97 percent or practically double in a single year.

Exports to Western Europe increased by nearly half, from $3 billion to $4.5 billion.

And most dramatically—owing largely to the notorious wheat deal—agricultural exports to the Soviet Union increased nearly six times over the level of the previous year—from $150 million to $905 million. Wheat exports to the Soviet Union alone amounted to 345 million bushels worth $563 million, compared with a negligible total of only 100,000 bushels in fiscal year 1972. Exports of soybeans to Russia rose from zero in fiscal year 1972 to 31 million bushels, worth $119 million, in fiscal year 1973.

It is now generally accepted that this enormous growth in our agricultural exports was spurred on by two devaluations of the dollar. For example, the purchasing power of the yen increased by some 27 percent in relation to the dollar during fiscal year 1973.

If we put these two developments together—booming exports, rising prices—it seems clear that in fiscal year 1973 growing foreign purchases of U.S. agricultural products had a substantial effect on what the American consumer paid for food here at home. No observer of the agricultural scene, so far as I am aware, would dispute the existence of a causal relationship between these two phenomena. In a word, foreign buyers have bid up the price of American commodities.

It is by no means obvious, however, that the strong sedative of export controls is the proper medicine for last year's overheated agricultural price structure. Prof. John Kenneth Galbraith, in opposing the administration's request for additional power to impose export controls, has stated:

> There is an Alice-in-Wonderland aspect about a liberal feeling called upon to oppose this legislation. It should be opposed by every principled conservative in the country. And it should never have been proposed by a conservative Administration. It involves an interference with market forces at one of the precise points where these work to the advantage of the United States in particular and people in general.

I am not one who seeks to be labeled either a conservative or a liberal. I do not consistently agree, or disagree, with Professor Galbraith's analysis of our economic problems. In this instance, however, nothing could summarize my own feelings about agricultural export controls more succinctly than Professor Galbraith's words.

First, agricultural export controls, by dampening the farmer's incentives to increase investment and production, threaten to curtail supplies and increase, rather than depress, consumer prices.

Second, agricultural export controls would deprive the American farmer of the full realization of a long overdue period of prolonged prosperity.

Third, agricultural export controls would have a substantial adverse impact on our trade deficit, on the dollar, and on the prices consumers pay for imported and domestic goods of a nonagricultural kind.

Fourth, agricultural export controls would harm established trading relationships and undermine the thrust of our trade policy of at least a decade by politicizing foreign trade in agricultural commodities.

First, the basic point is that commodity supplies will be expanded most rapidly and most efficiently if foreign demand is permitted to have its full impact on the American market. Farming is typically characterized by high, fixed capital investments in land, buildings, and machinery. The variable costs—seed, fertilizer and labor—required to increase production are much lower. As a result, expanding production to meet rising foreign demand promises to spread these high, fixed capital costs over more production, lowering per-unit costs. Increased volumes and lower per-unit costs mean more net farm income for producers and lower food costs for consumers—both here and abroad. The alternative—attempting to recover one's cost from fewer units of production—means higher prices, greater dependence upon taxpayers and less dynamism in rural America.

A similar economics applies to the system for handling, storing, transporting and processing farm products. Elevators, processing facilities, transportation facilities—all of these represent high initial fixed capital costs. Moving larger volumes through this marketing and distribution network means reduced per-unit costs. A secure and expanding agriculture would also attract the capital, management skills and innovations which would help to augment our efficiencies even further. These underlying economics—coupled with our natural advantages of land and climate—are the most powerful arguments one can have for seizing the opportunities of the present to continue to expand our marketing prospects.

Second, we are seeing a long-term trend toward increased world demand for more expensive foods, especially animal proteins, which require large multiples of feedgrains to produce. Demand is growing not only in the nations which stand out conspicuously in our agricultural export statistics, but also in a number of countries we do not customarily associate with rapid economic growth and rising prosperity. Spain, Mexico, Taiwan, Korea, Yugoslavia—these are among the nations whose hunger for meats and feedgrains have created a golden opportunity for the American farmer, and for the American economy as a whole. In a very real sense, our wheat and corn and soybeans have become as valuable on the world market as the oil of the Arab States—more valuable, perhaps, since if properly managed our capacity for agricultural production is inexhaustible.

For the American farmer, the growing world demand for food offers the first real chance to achieve economic prosperity equivalent to that experienced by other segments of our society in recent years. In the 1950's, the after-tax income of farm people averaged only 54 percent as much as the average for nonfarm people. In the 1960's, the after-tax income of farm people averaged only 67 percent as much as the nonfarm average. Now, for the first time in many years, farmers are free to expand production under the new farm bill. Some 60 million acres will be released for production this year under the new legislation.

If past experience is any guide, there is every reason to think that the American farmer will—with the unique combination of favorable demand conditions and unrestricted production opportunities—be able to meet or surpass the growing demand for farm products. By 1973, even when the farms of our country were still under legislative wraps, feedgrain production in the United States had increased 56 percent over 1963 levels, while feedgrain production rose 34 percent during the same period. Farm productivity per man has been increasing in recent years at a rate nearly twice that of manufacturing industries. I am told that in only 2 years, between 1970 and 1972, many corn farmers have been able to increase the per acre yield of that crop from 32 to 97 bushels.

Of course, the beneficial effects of the rising U.S. agricultural export trade are not confined to the farmer. More farm exports mean more business for American ports and American shipping, more jobs for Americans of all walks of life associated with the business of preparing and sending American agricultural commodities abroad.

Third, of even broader significance is the fact that our enormous international trade deficit in nonagricultural products is subsidized and offset by our substantial international trade balance in agricultural products. In fiscal year 1973, the U.S. agricultural trade balance rose from $3.6 billion to a record $5.6 billion, despite a 20-percent increase in our own agricultural imports to a record $7.3 billion. This favorable agricultural trade balance helped to offset the U.S. trade deficit in nonagricultural products, which amounted to $9.1 billion in fiscal year 1973.

The balance of payments is not a technical game played solely by international economists. It is an issue of vital concern to every American consumer because the balance of payments affects the prices consumers pay for every item they purchase. And that is why I disagree with those who say that a free and expanding international trade in agricultural commodities is fine for the farmer but disastrous for the consumer.

Both the consumer's interest and that of the farmer are best served by permitting free trade in agricultural commodities in all but the most unusual circumstances.

If our balance of payments goes further in the red, we will face additional devaluations of the dollar caused by an excess of foreign purchasing power hanging over U.S. markets. If the dollar is revalued again, the price of every imported item will go up—from radios and cameras to steel to clothing to foreign cars. At the same time, U.S. products which are comparable will go up in price as they become cheaper to foreign buyers—thus bidding up the price of domestic consumer goods as well as foreign goods. In fact, it is precisely this kind of price action in agricultural commodities, resulting in part from two devaluations of the dollar within a year, that has produced the current concern about foreign demand.

It would be most unwise to respond to what appears to be a short term supply shortage in some agricultural commodities with an economic policy which promises only more of the same price inflation in other sectors of the economy where hope of increased production is not nearly so bright.

Fourth, moreover, export controls destroy our international trading relationships. Export controls encourage other nations to close their markets to American products that we are very anxious to export, and to close their markets to U.S. agricultural products in times of domestic surplus.

Last week, the Washington Post reported on the world trade negotiations now in progress in Japan. The Post quotes Mr. Eberle, the President's representative, as stating that our hastily imposed export controls on soybeans have allowed foreign nations to argue that the United States is no longer a dependable supplier of food. Thus, the foreign nations argue, import restrictions are vital for those countries to protect their own farmers—even when they can not produce as cheaply as American farmers—in order to safeguard those foreign countries' supplies of food in the event that the export climate in the United States sours.

Finally, as the distinguished Senator from Kansas (Mr. DOLE) has said, export controls are an administrative nightmare. Because an export control bureaucracy would supplant the present operation of the free market, decisions normally made predominantly on the basis of market price would be subject to considerations so cosmic in scope as to defy analysis. To paraphrase the Senator from Kansas:

> What level of commodity exports

would it be prudent to authorize for this year?

To which countries should such exports go and in what quantities?

How much should farm prices in the United States be permitted to fall and who should be the beneficiaries of these drops in prices?

Above all, I fear that our foreign trade policies will be politicized, for inevitably administrative allocations of American commodity exports would have to be attuned to American foreign policy objectives—diplomatic and strategic objectives wholly unrelated to economic efficiency.

The entire thrust of our efforts in recent years has been to free world trade from these demoralizing constraints. Yet now, in the aftermath of a most atypical year for agricultural trade, we are ready to turn our backs on free trade.

I am, then, firmly opposed to controls on the export of agricultural products as an ongoing instrument of economic policy.

To some, the expedient of export controls may seem attractive. In the short run export controls unquestionably will stifle demand and help to hold down prices. But in the long run, controls will undermine the incentive and the productivity potential of the American farmer. Indeed, to impose controls today would destroy the farmer's incentive to meet present market conditions without ever having given the farmer a fair chance to respond to those market forces.

In the long run, export controls would close important markets to American goods, compound the balance-of-payments problem, devalue the dollar, and increase the price of thousands of products—including food products—to the American consumer.

This does not mean that I favor a complete hands-off policy when it comes to agricultural exports. The Department of Agriculture did not adequately monitor the Russian grain deal and the results were disastrous. Speculation and market-cornering activities must be closely regulated, and I believe the administration has taken desirable steps in that direction by its new reporting requirements, which require all exporters to report on a weekly basis by country and month of shipment all exports and sales for exports of certain grains, oilseeds, and primary products of oilseeds.

American sellers must be fully informed of the market activities of foreign buyers. But sensible regulation need not result in closing off the gates of American agriculture to the rest of the world.

Unquestionably, there will be times when domestic supplies are threatened, as they were by the usual market conditions of this past year. In such times, there will be need for short-range export controls. But controls in those circumstances—should be imposed only after consultation with our trading partners and only when it is perfectly clear that controls are absolutely necessary.

AMENDMENT OF INTERNATIONAL ECONOMIC POLICY ACT OF 1972—CONFERENCE REPORT

The PRESIDING OFFICER (Mr. HUDDLESTON). Under the previous order, the Senate will now proceed to the consideration of the conference report on S. 1636, which the clerk will state.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1636) to amend the International Economic Policy Act of 1972, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of July 23, 1973 at pp. 25428–29.)

Mr. TOWER. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum with the time to be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. SPARKMAN. Mr. President, the conference report has been laid before the Senate.

The PRESIDING OFFICER. It has been laid before the Senate.

The Chair observes that debate on this conference report is limited to 2 hours, to be equally divided between and controlled by the Senator from Alabama (Mr. SPARKMAN) and the Senator from Texas (Mr. TOWER), with 30 minutes on any debatable motion or appeal.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the following members of the staff of the Committee on Banking, Housing and Urban Affairs be granted the privilege of the floor during the debate on this conference report: Reginald Barnes, Michael Burns, and Steven Paradise.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, in a conference with the House on July 19, 1973, the Senate conferees agreed to what is, I believe, a good version of S. 1636, a bill to amend the International Economic Policy Act of 1972. All members of the conference signed the conference report.

The conference agreed to extend the life of the act until June 30, 1977. This is an amendment to the House version.

The conference version would permit the President to appoint the Chairman of the Council of International Economic Policy from the statutory members or any other person he names as a member of the Council. This retains the Senate version of the bill. The conference version also contains a provision of the House version which adds the Secretary of Transportation as a statutory member of CIEP.

The conference version of the bill would require that all future Executive Directors of CIEP should be subject to Senate confirmation. This retains the House version.

The conference version of the bill contains an authorization for appropriations for the CIEP for $1.4 million for fiscal year 1974. This is the House version.

The conference version of the bill also contains a provision of the House version which requires an annual report regarding certain activities and policies of the United States, the European community, Japan, and in some cases the U.S.S.R. The report would also contain recommendations for programs and policies to insure that American business is competitive in international commerce.

Mr. President, I recommend that the Senate approve this report. There was a full, free, and clear conference in which we reached this agreement, and all members of the conference committee signed the report and sent it to the floor of the Senate.

Mr. TOWER. I yield myself such time as I may require.

Mr. President, the conference report before the Senate is a good resolution of issues before the conferees, concerning the Council on International Economic Policy. The report represents some aspects of each of the two versions of the bills involved.

The objection has been voiced, however, to the report by some Members that the so-called prospective confirmation provision, because it differs from the Senate "incumbent confirmation" provision, somehow violates Senate rules on conferences. I do not know of any Senate rule that requires that Senate conferees must come back with the Senate version intact. Otherwise, what is the point of a conference? We could just tell the House every time we pass a bill that they either take our version or there will be no legislation at all.

In fact, as we all know, we go to conference with the knowledge that there will be some give and take on both sides of the conference before a compromise satisfactory to both sides is achieved. Each side might well go into conference proclaiming loudly that its version is the only good version it will accept, but usually this is merely a posturing maneuver in the intricate system of bargaining which characterizes controversial conferences.

In fact, circumstances may make such a tactic unnecessary or undesirable for some reason, and conferees may well go into conference fully aware of where feasible, sound compromises lie. In this particular conference, on the issue of confirmation, the House did not want incumbent confirmation and was relying on existing precedents against such confirmation. The Senate had concurred in establishing those precedents on other executive branch positions. On one attempt where the Senate had tried to legislate incumbent confirmation, it was successfully rebuffed in a sustained veto, and the Senate agreed thereafter to the prospective confirmation approach. So the Senate conferees had a pretty clear idea that only prospective confirmation had a realistic chance of eventual passage, and were prepared to recede on that issue in return for other compromises on the part of the House. The fact that this realistic compromise was apparent to our conferees at the beginning of the conference should not run against the merits of the compromise itself.

It is, I feel, reasonable to adopt the prospective confirmation approach since the precedent has been set in other bills and after the sustainable veto has been demonstrated in a recent incumbent confirmation attempt. The Senate has access to the incumbent director virtually at will, and there is no issue here of lack of cooperation from that director or his organization.

I think that the Senate can accept this report without surrendering any of its prerogatives with respect to foreign policy or accountability of the executive branch.

Therefore, I join the chairman of the committee in urging the adoption of the report.

I might point out that conferences with the House conferees with the Banking and Currency Committee over there are not always the easiest matters in the world to resolve; as a matter of fact, they are very difficult. We still have two bills languishing in conference because of the difficulty in resolving differences between the House and the Senate. Although I think we are sometimes very adamant and posture ourselves very strongly, the House can be as adamant as we can and, too, they have a rules phenomenon that makes it very difficult for us to resolve matters in conference.

Having successfully resolved this very important measure in conference with them, I think no useful purpose would be served in rejecting this conference report on an extremely important piece of legislation dealing with our commercial intercourse with other nations. The incumbent council director is already abroad and working, and I think we should enhance his position by acting today in an affirmative way on the conference report.

Mr. President, there are 2 hours on the bill and the time is allotted to the distinguished chairman of the committee and me as the ranking minority member. In fairness, the opponents should have some time. Therefore, if the Senator from Alabama will yield them such time as they request, if they run short I shall be glad to yield some of my time.

I yield 30 minutes of my time to the control of the Senator from Florida (Mr. CHILES).

Mr. SPARKMAN. Mr. President, at this time I yield 15 minutes to the Senator from Florida and it may be that later I will have more time, but make 15 minutes definite.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. CHILES. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. SPARKMAN. Mr. President, if the Senator will yield, so that the Senator will have a definite amount of time to count on, I yield 30 minutes of my time.

Mr. CHILES. I thank the Senator.

The PRESIDING OFFICER. The Senator from Florida may proceed.

Mr. CHILES. Mr. President, I ask Senators to vote against this conference report and to support a subsequent motion to further disagree with the House substitute amendment which struck from the Senate bill a provision for the confirmation of the incumbent Executive Director of the Council of International Economic Policy—CIEP. I am asking you to vote against this conference report on S. 1636 solely as a procedural matter so as to be able to ask for a further conference with the House to restore the confirmation provision.

On the desks of Senators is a "Dear Colleague" letter concerning this matter. It has the support and the signatures of 24 Senators. This indicates some very broad concern in the Senate for this matter. Let me explain, Mr. President, why there is such wide concern.

TRADE POLICY AUTHORITY

Currently before Congress is major trade legislation which contains sweeping discretionary power for the President in trade policy. I want a strong trade bill. I think we need to give our negotiators at least as much leverage as their counterparts have to get concessions and changes from our trade partners.

But there is now a much larger issue of how our Government should operate and what the relationship should be between the different branches of Government. For our Government to function properly, there has to be respect between the different branches. Each branch must play its role. The Congress is given the authority by the Constitution—

> To regulate commerce with foreign nations.

Yet the executive branch must be the one to negotiate trade agreements with other countries. The only way each branch can fulfill its responsibilities in the trade areas is if there is comity between the branches.

The only way we will get the changes we want in trade is if the executive branch and the Congress can work together and if the Congress is fully involved in the process. This means that there has to be some change in the way the executive branch goes about its relations with the Congress from the way it has been in the recent past on issues of war and the budget. Unless there is some change, I would take the position that we have to wait a few more years to begin trade negotiations even though I think we have some urgent trade problems to resolve with other countries. Congress cannot be in the position again of surrendering power and authority to the executive without assurances that its own prereogatives are going to be protected.

Confirmation of the nomination of the Executive Director of the Council in the executive branch, which has broad coordinating responsibility for international economic policy under the President and the Secretary of the Treasury, is essential as we enter this period of trade negotiations. This confirmation is a minimum condition for guaranteeing comity between the branches on trade.

ACCOUNTABILITY

Senate bill, S. 1636, as originally drafted was intended to make the Council on International Economic Policy a permanent part of the Executive Office of the President. The Council was created on January 19, 1971, by a Presidential order on the basis of a recommendation in 1970 by the Advisory Council on Executive Organization presided over by Mr. Roy Ash, who is now, of course, Director of the Office of Management and Budget. So after more than 2 years of operation under a Presidential order and with new trade talks in the offing, S. 1636 was intended to give the Council permanent status within the executive.

However, as the Senate Committee on Banking, Housing, and Urban Affairs considered the bill, the committee recommended that CIEP be authorized for a 2-year period, after which it would be subject to reevaluation by the Congress. This would be done because it was felt that the flux of circumstances affecting the international economic policy might make today's decisionmaking structure inappropriate tomorrow and to insure accountability to Congress. So it is clear that from the beginning of its consideration in Congress, the Committee on Banking, Housing and Urban Affairs was the first Senate committee to work on the bill and the issue of accountability to Congress was a primary consideration which was made manifest in limiting the authorization to 2 years.

THE SENATE POSITION ON CONFIRMATION

The Committee on Banking, Housing and Urban Affairs reported the bill with a provision requiring confirmation of the nomination of the incumbent Executive Director of the Council by June 30, 1973. The Finance Committee agreed with the intent of the Banking, Housing and Urban Affairs Committee that the nomination of the individual serving in the Office of Executive Director of the Council be subject to confirmation through advice and consent of the Senate. The Finance Committee felt that the June 30 deadline was unfair to the incumbent Executive Director because it would prevent him from continuing in office if no action had been taken by the Senate on his nomination by June 30. So the Finance Committee amended the provision to preserve the principle of confirmation of the nomination of the incumbent and assure that the incumbent could continue to serve so as to be able to be subject to confirmation. The Foreign Relations Committee supported the Finance Committee's amended version of the bill.

So three Senate committees—Banking, Housing and Urban Affairs; Finance; and Foreign Relations—all reported S. 1636 with the provision of confirmation of the nomination of the incumbent Executive Director of the Council in it. Accountability was very much on the minds of the members of the committees, as they all kept to the 2-year authorization limit as well as retained the confirmation provision.

This bill with the confirmation provision passed the Senate on June 22. So the Senate position on this particular confirmation is abundantly clear. It was expressed earlier in the session in a separate bill, S. 590, which was reported by the Government Operations Committee. This bill required the confirmation of the incumbent Executive Director of the Council and two other high executive branch officials. This bill contained no other provisions and served no other purpose. It passed the Senate on May 9 by a vote of 72 to 21.

Even though the Senate position on this confirmation has been sustained by four Senate committees and the passage of two Senate bills, nevertheless the confirmation provision was removed by the Senate conferees in conference with the House.

I am asking that Senators vote today against the conference report on S. 1636 solely for the purpose of restoring the confirmation provision, in order that the will of the Senate may in fact be carried into law.

BROADER ISSUES

There is more that can be said about some of the broader issues involved in restoring the confirmation provision to this bill.

It is clear that the Senate has had a general tendency in recent months to reassert its authority in a number of important areas to restore balance to our system of government. It seems to me that the gradual shift in power to the executive branch has been going on for a long time, ever since the New Deal in the 1930's. In 1973, Congress has begun to reverse this trend in a number of important areas—war powers, impoundment, budget formulation, and foreign policy in general. This is a time of transition—of restoring balance to the system. This is one of the most healthy developments in recent times. I would hate to see the Senate at this important stage simply give away by default its authority in a critical area like trade and to renege on the principle of accountability unwittingly. Now is precisely the time, Mr. President, when we should be especially careful not to give away authority that is rightly that of Congress and when we should insist on accountability in every way we can, including confirmation of the nominations of high executive officials in order to assure that balance is restored to our system. Now is not the time to let matters of principle pass for reasons of expediency.

Mr. President, I reserve the remainder of my time.

Mr. SPARKMAN. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SPARKMAN. Mr. President, I listened with interest to the statement made by the Senator from Florida. I recall the measures he points out, in which confirmation was required, but in practically every case in which prospective confirmation was discussed and made a part of the bill, the Senate has voted in favor of it.

The Senator from Florida mentioned the one with reference to the Director of the Budget, and two others, I believe, that the Senate passed, requiring their confirmation. I do not recall that the question of prospective confirmation came up at all. The President vetoed that bill, and later the Government Operations Committee reported another bill, S. 2045, that provided for prospective confirmation. That bill came back to the Senate, and the Senate passed it, I believe, by a vote of 64 to 21, and the Senator from Florida voted for it.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. SPARKMAN. That is one of the most important positions we could find in the whole Government, but the Senator from Florida voted for prospective confirmation.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CHILES. I think the Senator is correct in the statement he has made today, except I think one thing has been left out. As I recall, in the bill that required confirmation of Mr. Roy Ash, the Senate passed that bill. Congress passed that bill——

Mr. SPARKMAN. That is right.

Mr. CHILES. And the President vetoed the bill.

Mr. SPARKMAN. I stated that.

Mr. CHILES. The Senate overrode the veto.

Mr. SPARKMAN. Yes, but the House did not.

Mr. CHILES. And the House did not.

Mr. SPARKMAN. So I stand on what I said.

Mr. CHILES. I said the Senator was correct.

Mr. SPARKMAN. The bill came back providing specifically for prospective confirmation, and the Senate voted for it, and the Senator from Florida and the Senator from Illinois, and I believe every Member who was present whose name is included in this "Dear Colleague" letter voted for it.

Mr. CHILES. I cannot speak for the others——

Mr. SPARKMAN. No, but I have it. Here is the record. I think I will put it in the Record.

Mr. CHILES. I wish the Senator would.

Mr. SPARKMAN. I ask unanimous consent to include this record, in which the Senator from Florida voted for prospective confirmation.

There being no objection, the vote was ordered to be printed in the Record, as follows:

The result was announced—yeas 64, nays 21, as follows:

[No. 219 Leg.]

YEAS—64

Abourezk, Allen, Baker, Bayh, Bentsen, Bible, Brooke, Burdick, and Byrd, Harry F., Jr.

Byrd, Robert C., Cannon, Case, Chiles, Church, Cook, Cranston, Domenici, Dominick, Eagleton, Eastland, and Ervin.

Fulbright, Griffin, Hart, Hartke, Hatfield, Hathaway, Hollings, Huddleston, Humphrey, Inouye, and Jackson.

Javits, Johnston, Long, Magnuson, Mansfield, McClellan, McClure, McGee, McGovern, McIntyre, and Metcalf.

Mondale, Montoya, Moss, Nelson, Packwood, Pastore, Pearson, Pell, Percy, Proxmire, and Randolph.

Ribicoff, Roth, Schweiker, Scott, Pa., Stevens, Stevenson, Symington, Talmadge, Tunney, and Weicker.

NAYS—21

Aiken, Bartlett, Beall, Bellmon, Bennett, Brock, and Buckley.

Curtis, Dole, Fannin, Fong, Goldwater, Gurney, and Hansen.

Hruska, Saxbe, Scott, Va., Stafford, Thurmond, Tower, and Young.

NOT VOTING—15

Biden, Clark, Cotton, Gravel, Haskell, Helms, Hughes, Kennedy, Mathias, Muskie, Nunn, Sparkman, Stennis, Taft, and Williams.

Mr. SPARKMAN. Furthermore, just a few weeks ago we had a bill, S. 1828, before the Senate which provided for Senate confirmation of the Head of the Mining Enforcement and Safety Administration, a new position. Included in this bill was the requirement of Senate confirmation of four or five offices in which incumbents were already serving. It was stated by the Senator from Montana (Mr. Metcalf) definitely on the floor that none of the incumbents in the offices would be affected by the legislation. Senator Metcalf stated that the Interior Committee wanted to make the confirmations prospective only.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SPARKMAN. Mr. President, I yield myself 1 more minute.

That bill passed by the Senate by a vote of 91 to 2, and every signer of this "Dear Colleague" letter who was present and voting voted for prospective confirmation.

It just does not add up to say that it is something out of the ordinary. As a matter of fact, we have been doing it the other way.

Mr. President, I ask unanimous consent to have printed in the Record at this point the rollcall that was made on the bill when the Senator from Florida voted with his other 90 colleagues for prospective confirmation, and every Senator who signed this "Dear Colleague" letter who was present and voting voted likewise.

There being no objection, the vote was ordered to be printed in the Record, as follows:

The result was announced—yeas 91, nays 2, as follows:

[No. 325 Leg.]

YEAS—91

Aiken, Allen, Baker, Bartlett, Bayh, Beall, Bellmon, Bennett, Bentsen, Bible, Biden, and Brock.

Brooke, Buckley, Burdick, Byrd, Harry F., Jr., Byrd, Robert C., Cannon, Case, Chiles, Church, Clark, Cook, Dole, Domenici, Dominick, Eagleton, Ervin, Fong, and Fulbright.

Goldwater, Gravel, Griffin, Gurney, Hansen, Hart, Hartke, Haskell, Hatfield, Hathaway, Helms, and Hollings.

Hruska, Huddleston, Hughes, Humphrey,

Inouye, Jackson, Javits, Johnston, Kennedy, Long, Magnuson, Mansfield, Mathias, McClellan, McClure, McGee, McGovern, McIntyre, and Metcalf.

Mondale, Montoya, Moss, Muskie, Nelson, Nunn, Packwood, Pastore, Pearson, Pell, Percy, and Proxmire.

Ribicoff, Roth, Schweiker, Scott, Pa., Scott, Va., Sparkman, Stafford, Stevens, Stevenson, Symington, Taft, Talmadge, Thurmond, Tower, Tunney, Weicker, Williams, and Young.

NAYS—2

Fannin and Saxbe.

NOT VOTING—7

Abourezk, Cotton, Cranston, Curtis, Eastland, Randolph, and Stennis.

Mr. SPARKMAN. Mr. President, there are other matters that I could bring up, and I hope to bring them up, but I want to repeat that every member of the Senate conference committee signed this conference report. It was not pulling the wool over the eyes of anybody. They sent it to the Senate with the recommendation that it be adopted. I reserve the remainder of my time.

Mr. TOWER. Mr. President, I might just note that one of the reasons why the House was particularly adamant about the question of confirmation of the incumbent was that they have received excellent cooperation from the incumbent chairman and did not want to do anything to jeopardize his continued efforts in that particular position. Mr. Flanigan has shown himself to be willing to appear before committees of Congress. He has made a personal commitment to the chairman and to myself that he will appear before any relevant committees of the Senate whenever summoned. I think that is all the commitment we can require.

Therefore, I see no reason to go through this long drawn out process of referring the conference report back to conference, maybe getting an agreement with the House, and maybe not, and, if successful, going through the long confirmation process and then going through the long process here on the floor. Therefore, I think, considering the urgency of the situation, we should adopt the conference report as is and defeat any effort to send it back to conference.

Mr. President, at this time I would like to yield to the Senator from West Virginia (Mr. ROBERT C. BYRD) for the purpose of propounding a unanimous-consent request, and I ask unanimous consent that the time consumed be charged to neither side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I have discussed this with Mr. SPARKMAN, Mr. TOWER, Mr. CHILES and, through Mr. CHILES, Mr. STEVENSON.

I ask unanimous consent that the vote on the adoption of the conference report occur today at the hour of 12:30 p.m.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. SPARKMAN. Mr. President, I yield myself 1 additional minute.

The Senator from Texas mentioned this letter and the assurances cited from Mr. Flanigan. I ask unanimous consent to have that letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, D.C., August 29, 1973.

DEAR MR. CHAIRMAN: You have requested from me a statement on the position of the Administration with regard to the conference report on S. 1636 now pending before the Senate. You have specifically asked about the merger of the staffs on the Council on International Economic Policy (CIEP) and the Office of the Special Trade Representative (STR). As you know, the Administration expressed its intention to merge these two staffs, at some future date, when it transmitted legislation extending the authorization of CIEP to the Congress last spring.

Since that time various members of the Administration, both in public testimony and in private conversation, have discussed the issue of the merger with the various concerned Committees of the Congress. As you know, the activities of the Special Trade Representative fall within the jurisdiction in the Senate of the Committee on Finance and in the House on the Committee of the Ways and Means. In Senate Report No. 93-218, the Committee on Finance stated its views on the proposed merger as follows:

"The Committee is aware of the explicit intention of the President to merge the functions and staff of the Office of the Special Trade Representative (STR) with the Council on International Economic Policy (CIEP), both of which are in the Executive Office of the President. Such a merger can be accomplished without authorizing legislation, and S. 1636 neither authorizes nor prevents such a merger.

"Since the Council on International Economic Policy is the overall policy coordinating body within the administration for foreign economic policy, the committee feels that the activities of the special trade representative should be within the policy scope and coordinating functions of the Council. The committee recognizes that the President should have the flexibility to determine the procedures which he deems appropriate to coordinate the flow of information and the decisionmaking process within the Executive Office of the President. However, the committee does anticipate that the special trade representative will continue to be the negotiating arm of the President on trade matters, and will be vested with full authority to perform his functions in accordance with the policy direction of the legislation which authorizes such negotiations, as coordinated through the Council."

In the House, the proposed merger was less formally considered. However, after considerable discussions on the pros and cons of the merger with Chairman Mills of the Committee on Ways and Means, he agreed not to oppose it and so informed the Committee on Banking and Currency.

As you are further aware, additional Committees of the Senate also explicitly addressed the merger issue. As you will recall, the Banking Committee voted not to deprive the President of his authority to "proceed with the merger as planned" on the understanding that it did not "in any way detract from the Special Trade Representative's effectiveness or from his accountability to the Congress". That understanding I am happy to reaffirm in this letter. The Committee on Foreign Relations also considered the question of the merger and its report states that it took no action with regard to it "largely because it had no evidence that the Special Trade Representative and his Deputies were opposed to the projected reorganization".

As all have agreed, the Office of the Special Trade Representative, as opposed to the statutory position which he occupies, is a creation of a Presidential Executive Order. Thus, no one has questioned the President's authority to make such revisions in this structure as he deems appropriate "to coordinate the flow of information and the decisionmaking process within the Executive Office of the President". (See page 2 of the Senate Finance Committee Report.)

In seeking a reauthorization of the council on International Economic Policy, we did believe that candor required us to lay clearly before the Congress the outline of the international Economic Policy staff within the Executive Office of the President contemplated for the remainder of his term. It seemed to us plain that one integrated foreign economic staff was far more desirable than two separate ones with overlapping responsibilities. We are, of course, gratified to observe that various Committees of the Congress considering the question have concurred in this judgment.

The other issue which has been raised with regard to the conference report on S. 1636 regards requiring Senate confirmation of the incumbent Executive Director. As you are aware, the conference report provides for Senate confirmation for all future Executive Directors of the Council. This same approach was adopted in S. 2045 passed by the Senate 64 to 21 on June 25 of this year. In that bill, appointments of the Director and Deputy Director of the Office of Management and Budget, the Executive Director of the Domestic Council, and the Executive Secretary of the National Security Council are all made subject to Senate confirmation. However, Section 4 of S. 2045 explicitly provides that "the provisions of this Act . . . shall apply to appointments made after the date of enactment of this Act". Thus, the conference report on S. 1636 seems to parallel precisely the approach the Senate adopted with regard to the similar offices considered in S. 2045.

As a matter of Constitutional law, the Administration has opposed the *de facto* removal from office of incumbents by the imposition of a Senate confirmation requirement after their appointment. This objection is based upon the fact that the Constitution explicitly provides a method by which the Congress can remove officials of the Executive Branch, and does not empower the Congress to employ indirect or "back door" methods to accomplish the same result.

As a matter of public administration, further delay in the enactment of S. 1636 as well as additional delays inherent in a Senate confirmation procedure are bound to have a seriously detrimental effect upon the work of the Council and its coordination of international economic policy. For example, because of the lack of an authorization, the Council has been omitted from its proper appropriations bill and has been subjected to the uncertainties inherent in operating through the continuing resolution. This uncertainty has cost us considerably in terms of recruitment and the morale of the current staff.

As you know, it has been my practice to make myself readily available for testimony before Committees of the Congress concerning my duties as Executive Director of the Council on International Economic Policy. This will continue to be my practice. I, of course, will specifically continue to consult as I have in the past with the Chairmen of the Finance and Ways and Means Committees on all matters relating to international trade. In addition, if any Senator has reservations about my qualifications or fitness to hold this office, I would certainly pledge to meet with him at any time in order to resolve any questions he may have.

I am hopeful that, based upon the facts outlined above, the Senate will see fit to give its prompt approval to the conference report accompanying S. 1636.

With very best wishes,

Respectfully yours,

PETER M. FLANIGAN,
Assistant to the President for International Economic Affairs.

Mr. SPARKMAN. Mr. President, it also refers to what he promises with reference to working with the special trade representative and with the two committees, the House Ways and Means Committee and the Senate Finance Committee, and cooperating with them.

There has been something said about the special trade representative. I ask unanimous consent to have included in the RECORD at this point a letter from Mr. W. D. Eberle, who is special representative. He is well pleased with his status and with the fact that they work well together.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
September 7, 1973.

DEAR MR. CHAIRMAN: I understand you have inquired as to (a) the relationship between myself and Peter Flanigan, and my position on (b) permanent authorization for CIEP included in *S1636* and (c) the Office of Management & Budget letter proposing a "closer relationship" between CIEP and STR.

First let me assure you that, taking into account the normal human differences in style and occasional disagreement between reasonable men, my relationships with Mr. Flanigan are fine.

As to the proposed CIEP changes my comments relate solely to the two aspects in (b) and (c) above. First I have testified before the Banking and Foreign Relations Committees that I believe the proposed permanent authorization for CIEP and the structural changes in the Council are sound. Second, as to the letter accompanying the legislation, from Director of the Office of Management & Budget, stating that the President intended to bring STR into "a closer relationship with the Council" when the CIEP is given a firm statutory basis, I also have testified that I believe the President must have the right to determine how he will organize the Executive Office of the President.

At the same time I have indicated both in Congressional testimony and to my associates that in such a "closer relationship" certain factors relating to STR operations should prevail. Some of these factors are also covered in Mr. Flanigan's Congressional testimony and in Secretary Shultz's letter to your committee. I would be happy to discuss these factors with you.

In sum, I believe the proposed permanent status and specific structural changes in CIEP are sound and appropriate, and I believe a closer STR-CIEP relationship can be satisfactorily worked out. To clarify my position I am sending copies of this letter to you to ranking members of the Congressional committees which have been concerned with this matter.

Sincerely,

W. D. EBERLE,
Special Representative.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. CHILES. Mr. President, the distinguished Senator from Alabama is correct in the reference he made. I noted in my colloquy with him that after the Senate voted for the confirmation of Mr. Ash, the House voted. The measure then went to the President. The President vetoed it. The Senate overrode the veto, and the House failed to override it. After that, the House reported out a bill, and the Senate voted for that.

We have learned that if we cannot override a veto, we then take what we can get after we have tried and exhausted all other remedies.

In that issue, the Senate certainly tried and exhausted all remedies and voted to confirm Mr. Ash. It then overrode the veto of the President. Only after that did they come up with the new legislation that has anything to do with not requiring confirmation——

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. CHILES. I yield to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, what does the Senator say about the vote recently on the Senate floor in the mine safety bill S. 1828? The Senate voted either four or five prospective confirmations when it is stated definitely in the bill and definitely on the floor of the Senate that it would provide for prospective confirmations. As I recall, every Member who signed the "Dear Colleague" letter voted for that.

Mr. CHILES. Mr. President, the Senator from Florida would have to say on the mine safety bill that it does not happen to ring a bell.

Mr. SPARKMAN. Mr. President, I would be glad to refresh the Senator's memory.

Mr. CHILES. Mr. President, I am not sure that I did not vote for it. However, the point I want to bring out is that mine safety does not trigger my mind as being a matter of overriding concern to the Senate. Certainly we cannot equate international policy matters with trade. For that reason, it does not have much to do with my position on the prospect of whether we are going to require accountability on items which the Senate has a constitutional duty to perform.

There is a difference here when we are talking about the requirement of prospective confirmations. We are dealing with something created only by Executive order. That is not like the OMB that was already created. It was not like some other agency on which our position might be weaker on requiring confirmation, because the Director was already there.

This was an Executive order. It now comes under the statutory requirement and has an air of permanency. It hits the Senate completely fresh. In addition to that, this is not just an economic policy. It is the fact that we are now talking about putting our special trade representatives, three or four who are confirmed by the Senate, under this appointee who is not confirmed by the Senate.

That is a distinct future that makes this a completely different question from what we had before.

Mr. President, I yield such time to the Senator from Illinois as he may require.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. STEVENSON. Mr. President, first I want to respond very briefly to some of the comments made by the Senator from Alabama and the Senator from Texas.

I was a member of the conference with the House and feel that I must differ with a point made by the Senator from Texas. The House conferees were not adamant on this issue. In fact, before there was any serious discussion of the issue, the motion to recede from the Senate position was made by the Senator from Texas and supported by a majority of the Senate conferees. The position was not defended by a majority of the Senate conferees. If it had been, it is quite possible that the House conferees would have receded.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. STEVENSON. I yield.

Mr. TOWER. Mr. President, before the conference I had spoken with a member of the House conferees. I found out that the House conferees appeared to me to be very adamant and stubborn. That is why I made the motion to recede.

Mr. STEVENSON. Mr. President, we obviously spoke to different House conferees. I stand by what I have already said.

With respect to the OMB bill discussed by the Senator from Alabama, we are not at this point faced with a Presidential veto. The Senate has repeatedly taken the position that appointments by the President, including the Director of the Office of Management and Budget, should be subject to confirmation. In S. 590, which passed the Senate earlier this year by a vote of 72 to 21, we provided for the confirmation of the incumbent Executive Director of CIEP. The Senator from Alabama voted for that bill.

The Senate's position has been clear. It should be made clear again. If, after requiring confirmation of the Executive Director, this bill were to be vetoed, we would then for the first time be faced with the necessity of considering whether to recede from what has been a very consistent position and, I think, a very sound position taken by the Senate. That position is simply stated. An exception should not be logically made for individuals simply because they are incumbents.

Mr. President, the international economic policy has assumed unprecedented importance in our foreign policy. We are now embarking on trade negotiations that will affect every trading country in the world and virtually every industry in the United States for the rest of the decade.

The Committee on Ways and Means in the other body has rewritten the administration's trade bill so as to provide for greater executive accountability to the Congress.

The Senate now takes up the question: "Should the Senate deny itself the opportunity to confirm the incumbent Executive Director of the Council on International Economic Policy, Peter Flanigan?

The Senate version of this bill was referred to three committees—Banking, Finance, and Foreign Relations—all of which recommended that the confirmation requirement extend to the incumbent. During the Senate floor debate, that provision went unchallenged, and the bill passed unanimously.

The House and Senate agree that the position in question is one to which the confirmation requirement should apply. The only remaining issue is whether a special exception should be carved out for the incumbent Executive Director.

I believe there is no basis for such an exception.

First, the administration has announced that it will merge the Office of the Special Representative for Trade Negotiations into the Council upon enactment of the legislation under consideration. If that merger occurs, three officials who have been confirmed by the Senate—Ambassador Eberle and his two principal deputies, Ambassador Pearce and Ambassador Malmgren—will serve under the Executive Director of the Council.

By what conceivable logic can we justify an organizational arrangement in which the subordinates are subject to confirmation, but the superior is not? Such an arrangement is preposterous on its face, and it can only generate confusion about the Council's relationship to Congress.

The confirmation requirement should in no way detract from Mr. Flanigan's ability to discharge his important duties.

The distinguished chairman mentioned his own correspondence with Ambassador Eberle. Since Mr. Flanigan will be assuming final responsibility for some of Ambassador Eberle's duties if the proposed merger takes place, I would like for the Record to mention my correspondence with Ambassador Eberle. I wrote Ambassador Eberle on September 10 to inquire about the effect of the confirmation requirement on the discharge of his duties.

The response I received stated that Ambassador Eberle does not regard his confirmation as in any way inhibiting or restricting his performance of his duties. Moreover, he has found it helpful in his relations with Congress.

I ask unanimous consent that the exchange of correspondence which I have had with Ambassador Eberle on this subject be printed in the Record at this point.

There being no objection, the letters were ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., September 10, 1973.
Hon. William D. Eberle,
Special Representative for Trade Negotiations, Washington, D.C.

Dear Mr. Ambassador: I have a copy of your letter of September 7 to Chairman Sparkman concerning the relationship between the Office of the Special Representative for Trade Negotiations and the Council on International Economic Policy, and on certain provisions of S. 1636.

As I read your letter, you have not taken a position for or against Senate confirmation of the incumbent Executive Director of the Council on International Economic Policy. Is that interpretation correct?

You and your two Deputies, Ambassador Pearce and Ambassador Malmgren, have been confirmed by the Senate. Has the accountability to Congress which arises out of your Senate confirmation in any way interfered with your ability to discharge your duties in the areas of trade negotiation and trade policy formulation?

I look forward to your response to my questions and to your continued leadership in the effort to create a fair and workable international trading system for the 1970's and beyond.

With best wishes,
Sincerely,
Adlai E. Stevenson.

Office of the Special Representative for Trade Negotiations,
Washington, D.C., September 10, 1973.
Hon. Adlai E. Stevenson, III
Committee on Banking, Housing and Urban Affairs, Washington, D.C.

Dear Senator Stevenson: In response to your letter of September 10, which I have discussed with Ambassador Eberle in Tokyo, he has asked me to reply on his behalf in his absence that your understanding and interpretation of his letter to Senator Sparkman is correct. He also has authorized me to say that he does not regard his confirmation as in any way inhibiting or restricting his performance of his duties. Moreover, he has found it helpful in his relations with Congress.

Sincerely yours,
John H. Jackson, *General Counsel.*

Mr. STEVENSON. A special exemption for the incumbent Executive Director operates at cross purposes with the trade bill as rewritten by the Committee on Ways and Means. Although Members of Congress differ widely on one or another provision of the trade bill, there is virtural unanimity within Congress that the executive must be made more accountable to Congress in the formulation and implementation of trade policy. That goal cannot be attained if the administration's chief trade policy official is not subject to confirmation.

Failure to apply the confirmation requirement to the incumbent may render that requirement a nullity. At the hearings held by the Senate Subcommittee on International Finance, of which I am the chairman, witness after witness testified that the next administration might well wish to abolish CIEP and formulate its international economic policy some other way, as previous administrations have. If that were to happen Mr. Flanigan might be the only Executive Director the Senate will ever have the opportunity to confirm—an opportunity it should not deny itself.

Mr. President, this is above all a question of principle. It is not a question of personalities. The principle here is the same one which underlies legislation on war powers, impoundment, budget review, and a host of other issues. The principle is that Congress must reassert its constitutional prerogatives against the executive, so that representative government will work as it is supposed to work.

Theoretically, the Council on International Economic Policy is concerned with investment policy, monetary policy, and trade. The fact of the matter is that CIEP and Mr. Flanigan concentrate primarily on trade.

The importance of our trade negotiations with other nations could not be exaggerated. The conduct of those negotiations is essential to the maintenance of amicable political relationships abroad, as well as to the maintenance of commercially profitable relationships with other nations.

Whoever is in charge of the conduct of those negotiations has enormous power with which to enhance or to impair our relations, both political and commercial, abroad. He has the power to wipe out whole communities in this country, and entire industries. That power, Mr. President, ought to be reposed in the hands of professional independent career public servants, not in the hands of a political appointee not confirmed by this body.

Congress has recognized that point. It created the office of the Special Trade Representative, and ever since its origins, the relationship between the STR and the Congress has been a special one. Now, ironically, at this point in time, the President proposes to merge the office of the STR into his Council on International Economic Policy. It is an aggrandizement of power which flies in the face of everything this Congress has been attempting. It flies in the face of concern and anxiety throughout the country about the accumulation and centralization of power within the White House.

We do not ask for much. We ask only that the Executive Director of the Council on International Economic Policy, who under this proposal for merger of the STR into that body will take over trade negotiations abroad, be subject to Senate confirmation. That is little enough, Mr. President.

Mr. CHILES. Mr. President, will the Senator yield at that point?

Mr. STEVENSON. I am glad to yield to the Senator from Florida.

Mr. CHILES. I notice, in looking at the letter from Mr. Flanigan that has now been put in the Record, the letter that he wrote to the distinguished chairman, the Senator from Alabama, he says in that letter, after being asked to comment on his confirmation:

> As a matter of Constitutional law, the Administration has opposed the de facto removal from office of incumbents by the imposition of a Senate confirmation requirement after their appointment. This objection is based on the fact that the Constitution explicitly provides a method by which Congress can remove officials of the Executive Branch, and does not empower Congress to employ indirect or "back door" methods to accomplish the same result.

Now, in that he was an appointee under a Presidential order—not any statutory thing by Congress—can the Senator tell me whether this language, the constitutional point he has cited here, would apply to Mr. Flanigan in his present position as a Presidential appointee under an Executive order, and not any legislation by Congress, and whether this is a back door approach to evade the Constitution on the part of the Senate and on the part of Congress?

Mr. STEVENSON. The Senator is absolutely right in raising the question. There is no conceivable constitutional protection for the "incumbent" in this office; and I would just add that the office has changed. We are talking about an entirely new office now.

Mr. CHILES. So in fact we are not talking about an incumbent, are we?

Mr. STEVENSON. We are not talking

about an incumbent, because the whole complexion of the office is being changed. With the merger of the STR into CIEP, Peter Flanigan becomes the czar, for the first time, of trade negotiations in the United States, one of the most powerful people in this world, and without any accountability to Congress.

Mr. CHILES. So his duty is changed, his title in effect is changed, his role is changed, and his authority is changed, because his office now becomes a creature of law rather than of Presidential order.

Mr. STEVENSON. His office becomes a creature of the President, and the STR, which was a creature of Congress, becomes his creature.

Mr. CHILES. And the Senate has disclosed its position through four committees, three committees on this particular bill, the Government Operations Committee on the Percy bill, and twice through passage of legislation, by saying that the Senate thinks that he should be confirmed?

Mr. STEVENSON. The Senator is absolutely right.

The distinguished chairman of the Government Operations Committee has addressed himself to this alleged constitutional question. It was his committee which reported S. 590. He has found absolutely no constitutional question. The issue here is whether the Senate will preserve its position, its rights and its duties under the Constitution, and also the integrity of the office of the Special Trade Representative established under the statutes.

Mr. CHILES. Now the Percy bill included the Office of International Economic Policy and two other positions. That bill passed the Senate by a vote of 72 to 21. Then we had this bill itself, which passed the Senate. So that it has, in effect, on two votes taken on the floor of the Senate, expressed its position that it requires confirmation.

Mr. STEVENSON. The Senator is absolutely right.

Mr. CHILES. As I understand it, we are being asked, if we adopt the conference report, to reverse the position the Senate has taken in two votes on the floor and which four Senate committees have taken; to reverse that on the basis of Senate conferees' action which never really came to a test with the House conferees in the conference report.

Mr. STEVENSON. A majority of the Senate conferees on this question receded. The motion was made by a Senate conferee to recede from the Senate position. That position was not defended in the conference. What the distinguished Senator from Florida is attempting to do—and I commend him for it—is, at this late hour, to defend the Senate position in the Senate.

Mr. PASTORE. Mr. President, will the Senator from Alabama yield me 5 minutes?

Mr. SPARKMAN. I yield 5 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER (Mr. BIDEN). The Senator from Rhode Island is recognized for 5 minutes.

Mr. PASTORE. Mr. President, at the proper time, I think I shall subscribe to everything that has been said here by the distinguished Senators from Illinois and Florida. There is no question that the Senate, time and time again, has taken a position that in these strategic positions, where the welfare of the Nation is involved and a tremendous responsibility reposes in an individual, there should be a sharing of the responsibility on the part of Congress and that these appointments should be confirmed by the Senate.

As a matter of fact, the committee recognized that when the committee reported the bill, and the Senate recognized that fact also when it passed it on the floor of the Senate.

Now, here we are, confronted with a practical situation. I think that the position being taken by our two distinguished colleagues from Illinois and Florida was pretty well thrashed out in the conference. I would suspect this, although I was not there, and am not on that particular committee, but I think I know a little something about trade negotiations. The office of Mr. Eberle comes under my jurisdiction and I found him to be a distinguished and devoted individual who—I will assume and should assume—will do an excellent job for the country.

As I understand it, the Senate conferees did sign the conference report. The House was adamant that this should not apply to the present incumbent, Mr. Flanigan. The argument was made that it was a matter of principle and not of personality. That is true. When we first reported it, that was exactly the situation.

However, I am afraid that, as we approach this with the same vehemence we are doing now—and I use that word for want of a better one which does not occur to me at the moment so I use the word "vehemence"—we are using the principle against a personality and it is being directed against an individual.

Mr. Flanigan and I are not close friends. He is not beholden to me for anything and I am not beholden to him for anything. In our conversations and in our official conduct I think we have disagreed more than we have agreed. But I still maintain that he is an honorable person. He is a dedicated person. According to his convictions, I think that he is doing what he thinks is right for the country, as we think that what we are doing is right.

Now, Mr. President, I should like to ask a question or two of our distinguished chairman who, I understand, guided the bill out of the committee and guided it to the floor of the Senate.

If Peter Flanigan is, one, going to insist on executive privilege and use this particular office not to come before committees of Congress, I tell you, Mr. President, I would fight against this conference report until Hades froze over. But, I understand that we have assurances from Mr. Flanigan that he will——

Mr. CHILES. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. When I finish the sentence—not hesitate to come before a congressional committee, that he will come up here any time we ask him to do so. Once we remove executive privilege, which we do not have yet in Mr. Ash's office, the fact that Peter Flanigan was given this post in 1971, what it really amounts to now is that he would have to be discharged, he would have to be reappointed, and then he would have to be confirmed.

In view of the adamant position taken by the House, I am wondering whether we are not pursuing a course that might be impracticable and, possibly, unwise at the moment. That is the reason I rise to speak. I voted to make this appointment subject to confirmation by the Senate when it was so recommended by the committee of the Senate, and I voted for it on the floor of the Senate. Now I understand that this matter is going to conference and the House has taken a very strong position that it should not apply to the present incumbent Mr. Flanigan, but that it should apply to prospective appointees.

I realize that this leaves us more or less in an awkward situation but we have to weigh that against the practical situation that confronts us at this moment. So, I am wondering whether we are not just getting ourselves into an exercise in futility.

Mr. STEVENSON. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I will yield, but before I do so, may I ask this question of the distinguished Senator from Alabama?

No. 1, did we have or do we have assurances from Mr. Flanigan that he will come before committees of Congress upon invitation?

Mr. SPARKMAN. Mr. Flanigan has said that he would come any time to discuss the business of that office. He has made it clear that on anything involving relationships between him and the President, he would not be eligible to testify on——

Mr. PASTORE. On what ground?

Mr. SPARKMAN. But so far as this is concerned, he will come to a committee any time.

Mr. PASTORE. Is the Senator satisfied that this is outside the realm of executive privilege?

Mr. SPARKMAN. Certainly. He recognizes that, too.

Mr. PASTORE. Question No. 2: Does the Senator feel that if this matter went before the conference there would be any chance of the House changing its mind?

Mr. SPARKMAN. I do not believe so.

Mr. PASTORE. Now I yield to the Senator from Illinois (Mr. STEVENSON).

Mr. STEVENSON. Mr. President, let me start by reminding the distinguished Senator from Rhode Island that if Mr. Flanigan refused for whatever reason in the future to testify before Congress at the request of a duly constituted committee of Congress, it would not be the first time.

I was a member of the conference. The Senator said that this issue had been thrashed out and that the House was adamant. That is not the case. It was not thrashed out in conference.

The PRESIDING OFFICER. The Senator's additional 2 minutes have expired.

Mr. CHILES. How much time remains, Mr. President?

The PRESIDING OFFICER. Two minutes remain.

Mr. PASTORE. On their time?

Mr. SPARKMAN. Mr. President, I will yield another minute.

Mr. PASTORE. I may want one more minute.

Mr. STEVENSON. It was not discussed except in the most passing way. The motion to recede from the Senate position was made by one of the Senate conferees at the very beginning of the conference, and that position, that motion, was supported by a majority of the Senate conferees. The Senate position was not defended by a majority in Congress. I discussed it with House Members of the conference. Given a chance to support the Senate position, they might very well have done so.

All we are asking for now is what the Senator says has already happened. We are asking for a chance to go to conference and thrash it out.

Mr. PASTORE. I think we have a precedent we can look to on the Ash confirmation. Both branches passed it and the President vetoed it; then the House sustained his veto. Therefore, today, the most strategic position in the administration, that of the Director of the Office of Management and Budget, does not require confirmation for the present incumbent.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. PASTORE. That is the history.

Mr. CHILES. I should like to distinguish that history for the Senator.

Mr. SPARKMAN. Mr. President, this discussion is on my time, and I am about to run out of time.

Mr. CHILES. I yield time for this colloquy.

Is there not a distinguishing feature, in that that action was initiated by Congress with respect to a statutory office, the Office of Management and Budget, already is a statutory office?

In this case, we are dealing with a bill that seeks to give permanent statutory authority for 2 years to what is now an executive office. That is something the administration wants. They want that bill, because they are going to merge the Special Trade Representatives under that bill. This is a little different from Congress initiating something that it would like. The administration would have a little difficulty vetoing this bill. The House would have difficulty saying they will not let the bill pass. This bill is the momentum of the administration, because they want this bill so they can merge the Special Trade Representative.

All the Senate is saying is that we want to be included in this act, we want to have some accountability in this act, and we want to see that someone named to this office is subject to confirmation. It is not confirming an old office, it is confirming a new office, because for the first time statutory authority would be given to the office.

Mr. PASTORE. But is not the purpose of confirmation the right of Congress to call in an individual to testify before congressional committees? One of the guarantees that that individual must make in order to earn his confirmation is that he will respond to the invitation of the Senate and House committees.

Mr. CHILES. Hopefully, that has lately become one of the purposes for confirmation.

Mr. PASTORE. What other purpose can there be?

Mr. CHILES. The other purpose is that the Constitution, in effect, says that where the President appoints an officer, the Senate advises and consents as to that individual. That is the purpose of confirmation. That is the prime purpose.

Mr. PASTORE. I realize that, but the fact remains that that constitutional provision was in existence in 1971 when Mr. Flanigan was appointed, and not one voice was raised in the Senate.

Mr. CHILES. At that time, he was not appointed under a statute. He was appointed under an executive order.

Mr. PASTORE. But he was appointed.

Mr. CHILES. Yes.

Mr. PASTORE. And he had his job. The Senator is saying that he ought to lose the job, that he ought to be reappointed and that he ought to come before the Senate and be confirmed.

Mr. CHILES. He had a job, but he did not have this job.

Mr. PASTORE. According to the President, he had it.

Mr. CHILES. He did not have the job that makes him in control of all trade negotiations, over all special trade negotiators. He did not have the job that this legislation is giving him, with the tremendous power with which he could affect the Senator's State or my State or a region of the State, by virtue of trade policy. He did not have that job.

Now we are going to turn around and give him that job, without knowing his views on these subjects. The Senator from Rhode Island stressed that he wanted to know that this man would appear before the Senate. We have his letter, but what else do we have? We have his actions, in which he refused to come before the Senate, in which he claimed executive privilege and refused committees of the Senate. What is better, his letter or his actions?

Mr. PASTORE. Was that not with reference to the Watergate situation, what the Senator is talking about now? The Senator is mixing up apples with oranges. The mere fact that he came here and exercised executive privilege under the aegis of the President, at the request of the President, in another matter that had to do with the question of Watergate—that situation is entirely different from this.

Mr. CHILES. The Senator from Rhode Island confuses me by his logic, in saying that now we do not require the confirmation of this man.

Mr. PASTORE. The Senator confuses me by his logic, in spades. After all, if we begin throwing these accusations back and forth, that I confuse the Senator with my logic and the Senator confuses me—as a matter of fact, the Senator does confuse me with his logic—what does that prove? Those are reckless remarks made on the floor of the Senate. If the Senator thinks I am illogical, I say he is illogical twice in spades.

Mr. CHILES. No, I do not say the Senator is illogical.

Mr. STEVENSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mr. CHILES. I think the Senator misread my remarks. I said I was confused, not that he was illogical.

Mr. PASTORE. Do not tell me that I misunderstood the Senator's remarks.

Mr. CHILES. I think my confusion stems from the fact that the Senator from Rhode Island would feel that we should have confirmation of Mr. Flanigan.

Mr. PASTORE. That is right.

Mr. CHILES. Of the head of the National Security Council.

Mr. PASTORE. That is right.

Mr. CHILES. When they were executive offices, not even when they were statutory, as in S. 590. Yet, now, when we have given him statutory authority, when we have given him tremendous other authority in putting all trade representatives under him, so we should not require the confirmation of Mr. Flanigan because we have a letter that says he will come before the Senate, and it would not be right to do that now.

Mr. PASTORE. The thing that concerns the Senator from Rhode Island is that Mr. Flanigan would not exercise executive privilege with respect to the particular office that is now in question.

All I am saying is this: I voted for confirmation of the nomination of Mr. Flanigan when that nomination reached the floor. But this bill has gone to conference, and I asked the manager of the bill whether, in his judgment, he thought we would have any chance of rectifying this. His answer to me, categorically, was "No." Now the Senators disagree with that, and they think it is "Yes." All we have to do is wait in the Chamber for the vote and vote our own consciences.

I hope that what the Senator wants to achieve can be achieved; but with the practical situation that confronts us now, having gone to conference, every conferee having signed the report and the majority having backed up the motion to recede, the big question is: What are we hassling about except trying to make a speech that will catch a headline?

Mr. CHILES. Is not the Senator from Rhode Island concerned by more than whether Mr. Flanigan would appear before Congress? Is he not concerned by what his views are with regard to trade, by what his views are with regard to how he is going to take over Mr. Eberle and the trade representatives who have been doing an outstanding job, and whether he is going to run those people off or keep them? Is the Senator not concerned with those facts that could come out?

Mr. PASTORE. Who said that you cannot call him up tomorrow and ask him? He said he would come. Call him up tomorrow and ask him.

Mr. CHILES. But when you call up and ask him and he says, "Yes, I am going to get rid of Mr. Eberle," what do you do then?

Mr. PASTORE. You cut his pay.

Mr. CHILES. You suffer; that is what you do.

Mr. PASTORE. You cut his pay.

Mr. CHILES. You have already given up your prerogatives.

Mr. PASTORE. We have not given up anything. I am on the Appropriations Committee and so is the Senator from Florida. When Mr. Flanigan comes up there for his salary, for his money, you deny it. We have done that time and time again.

Mr. CHILES. When?

Mr. PASTORE. Any time you are ready. Any time before any harm is done.

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. Mr. President, Mr. Eberle cannot be fired by Mr. Flanigan. Mr. Eberle serves under a longtime statutory enactment and he is doing a good job. He has been doing it for a long time. He says he is perfectly satisfied.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. PASTORE. Mr. Eberle comes before my subcommittee for his money. I interrogated him.

Mr. SPARKMAN. And the Senator knows he is a statutory officer. Mr. Flanigan cannot fire him.

There has been some talk here about the heavy work in the conference committee. The majority can control at any time and had anyone wanted to make a motion with reference to this matter he had the opportunity to do so. I know that I had had word from the conference that they were going to stand adamant.

I wish to call attention to the fact that every member of the conference from the Senate and the House—I believe—but every Member of the Senate conference, including my good friend, the Senator from Illinois (Mr. STEVENSON) signed this report. I hope I may have the attention of the Senator from Illinois. I am calling attention to the fact that he signed this report which reads:

> The committee of conference on the disagreeing votes of the two houses on the amendments of the House to the bill S. 1636) to amend the International Economic Policy Act of 1972, having met, after full and free conference, have agreed to recommend and do recommend to their respective houses as follows:

Then comes the conference report. I do not see that anyone's arm is being twisted when he signed a statement to that effect. I just wanted to call that to the attention of Senators who are present.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged to the Senator from Alabama.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I understand that there are 23 minutes left on the conference report.

The PRESIDING OFFICER. No; that is incorrect. The Senator from Florida has 23 minutes.

Mr. MANSFIELD. And the other side?

The PRESIDING OFFICER. The Senator from Alabama has 1 minute, and the Senator from Texas has 11 minutes. That is a total of 35 minutes.

Mr. CHILES. Mr. President, if the distinguished majority leader wishes to make a motion to recess until 12 o'clock, I think we would be glad to take 20 minutes on our side and perhaps the other side can take 10 minutes, and we can still have a vote at 12:30 if that would be satisfactory.

RECESS TO 12 NOON

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 12 o'clock.

There being no objection, at 11:32 p.m. the Senate took a recess until 12 noon; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. TOWER).

The PRESIDING OFFICER (Mr. TOWER). The Chair now suggests the absence of a quorum.

The second assistant legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT ON 1971 UPLAND COTTON PROGRAM—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. BENTSEN) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry. The message is as follows:

To the Congress of the United States:

In accordance with the provisions of section 609, Public Law 91-524, I transmit herewith for the information of the Congress the report on the 1971 upland cotton program.

RICHARD NIXON.

THE WHITE HOUSE, *September 20, 1973.*

REPORT OF ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. BENTSEN) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Public Works. The message is as follows:

To the Congress of the United States:

I herewith transmit the 1972 Annual Report of the St. Lawrence Seaway Development Corporation. This report has been prepared in accordance with Section 10 of Public Law 83-358 and covers the period January 1, 1972 through December 31, 1972.

RICHARD NIXON.

THE WHITE HOUSE, *September 20, 1973.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. BENTSEN) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations received today, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 1317) to authorize appropriations for the U.S. Information Agency, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H.R. 7089) for the relief of Michael A. Korhonen, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 7089) for the relief of Michael A. Korhonen, was read twice by its title and referred to the Committee on the Judiciary.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, September 20, 1973, he presented to the President of the United States the enrolled bill (S. 666) for the relief of Slobodan Babic.

AMENDMENT OF INTERNATIONAL ECONOMIC POLICY ACT OF 1972—CONFERENCE REPORT

PRECEDENTS

Mr. CHILES. Mr. President, the general effort by Congress to insure accountability through confirmation is familiar to us all already. The Senate position on confirmation in general was first evident when we considered the Senate bill (S. 518) requiring confirmation of the nominations of the incumbent Director and Deputy Director of the Office of Management and Budget. These proceedings received very careful attention. The determination of the Senate was very decisive. That bill, requiring confirmation of the nominations of the incumbent Director and Deputy Director of OMB passed the Senate on February 5 by a vote of 63 to 17. Senators may recall that the President vetoed that bill. The Senate overrode the President's veto on May 22 by a vote of 62 to 22.

Such votes do not leave any doubt where the Senate stands. In fact, the issue of confirmation then is somewhat more difficult than it is in the case of requiring the confirmation of the Executive Director of CIEP. The Office of Management and Budget is an ongoing agency. It was already functioning. It has day-to-day, year-in-and-year-out responsibilities. It is an organization with regular operating functions to perform.

It is also a creature of the law, a creature of statute. The Council on International Economic Policy is a new organization. It is to advise the President on international economic problems and policy at a moment in history when these happen to be particularly difficult. The power of the Council will be affected in a significant way by the trade legislation which will give the Executive new power.

If the Senate is decisive in its desire to have confirmed incumbent office holders of an existing organization with regular operating functions, then surely the Senate wishes to confirm the Executive Director of a new organization which is likely to obtain new and increased authority from the pending legislation.

What is that new and increased authority? We know what it is. We know that it is a merger of the Office of Special Trade Representatives, who are creatures of statute, who are presently confirmed by the Senate, who are three distinguished gentlemen holding ambassadorial rank, all of whom have appeared before the Senate in confirmation hearings. We are going to merge them under the CIEP, and now we are going to put the present Director of CIEP, which is now just an executive office created by the President—now we are giving statutory authority, merging the Special Trade Representatives under this agency, and putting the incumbent Director of CIEP over these people, who are presently confirmed by the Senate.

SENATE PREROGATIVES

Confirmation is a function of the Senate. The Senate has the right, the authority, and the responsibility to determine and effectuate confirmation proceedings. The Constitution is very definite about that. The Constitution says:

> The President shall nominate, and by and with the advice and consent of the Senate shall appoint, ambassadors, other public ministers and consuls, judges of the Supreme Court and all other officers of the United States whose appointments are not herein otherwise provided for, and which shall be established by law.

This office is being established by law. It is a new procedure. We are taking what was a temporary or an Executive office, an Executive order, and we are now giving it statutory authority. But here we are not going to require the confirmation of the nomination of its Director. It is just a surrendering of constitutional authority that is the authority and responsibility of Congress.

There can be no confusion, no doubt, about the constitutionality of Senate actions to require confirmation of high Government officials, and there can be no doubt about the constitutional duty of Congress—of the Senate, in this instance, to require the confirmation of a new officer or an agency created by law.

SENATE CONCERNS

Where there is some doubt is in the logic of not confirming the incumbent Executive Director of the Council on International Economic Policy. Throughout the Senate committee deliberations on S. 1636 there was concern for the role that the Office of the Special Trade Representative of the President will play once the Council is given more permanent authority.

The Office of the Special Trade Representative was created by the Trade Expansion Act of 1962 to be the President's Trade Negotiator in the Kennedy round. It was clear from the beginning that the President's Special Trade Representative was just that—a representative of the Presidents—and that he and his two deputies would be responsive to the Congress because all three were and still are subject to Senate confirmation. So Congress feels a special stake in assuring the continued effectiveness of the Office of the Special Trade Representative as we approach major new trade negotiations, especially since it seems as if the proposed merger of STR into the Council will be triggered by the very legislation we are considering in this conference report today. The proposed merger of STR into CIEP depends on CIEP getting more permanent authority than it now has.

In the hearings, the Executive Director of the Council said:

> Once the Council on International Economic Policy is given a firm statutory basis, The President also intends to take the necessary administrative actions to bring the functions and staff of the special representative for trade negotiations into a closer relationship with the council . . . under this reorganization the STR guidance will continue to come from the President through the Council on International Economic Policy and its Executive Director.

This has led to some considerable concern in the committees of the Senate with jurisdiction over S. 1636. The reports of all three Senate committees voice the recommendation that the effectiveness, independence and access of the three Senate confirmed officials of STR be maintained.

The report of the Committee on Banking, Housing and Urban Affairs states:

> Concern was also expressed that this merger might be premature if completed before congressional action on the President's trade reform legislation, the first such major proposal since enactment of The Trade Expansion Act of 1962, in which the Office of the Special Trade Representative was established. While S. 1636, as reported by the committee does not affect the President's authority to proceed with the merger as planned, the committee expects that the merger, if consummated, will not in any way detract from the STR's effectiveness as a negotiator, or from his accountability to Congress.

The report of the Senate Finance Committee states:

> The committee recognizes that the President should have the flexibility to determine the procedures which he deems appropriate to coordinate the flow of information and the decisionmaking process within the Executive Office of the President. However, the committee does anticipate that the special trade representative will continue to be the negotiating arm of the President on trade matters, and will be vested with full authority to perform his functions in accordance with the policy direction of the legislation which authorizes such negotiations, as coordinate with the council.

The report of the Foreign Relations Committee states:

> Moreover, the limitation of the Council's statutory authorization to 2 years will permit careful scrutiny of any new arrangements deriving from a merger. Committee members intend to exercise the right and duty of legislative oversight to make certain that assurances about the independence and the access of the STR to the President are respected.

This concern seems well justified. The other day, when we were debating when to consider this conference report, the Senator from Texas mentioned that it was urgent to pass this conference report that day because Messrs. Schultz, Simons, and Flannigan were in Japan, beginning the first round of the Gatt talks. I call to the attention of the distinguished Senator from Texas that the designated negotiators for these talks are Mr. Schultz and Mr. Eberle, the Secretary of the Treasury and the President's Special Trade Representative.

The other gentlemen mentioned by the distinguished Senator, one of whom happens to be the Executive Director of the Council, are appointed as alternates to the negotiations. So already there is a problem in the mind of people who are knowledgeable in these matters of where authority lies.

The Special Trade Representative and his two deputies are already confirmed by the Senate. It is illogical for the Senate to extend the authorization for the Council which may well give the Executive Director more authority over the Office of the Special Trade Representative without requiring Senate confirmation for the Executive Director of the Council when the three men who will be brought under him are already confirmed. It does not make sense.

While we see three committees of the Senate expressing their concern, what do they try to do about that concern? Each of those committees required that there would be confirmation of Mr. Flanigan, the present Director. Each of those committees passed on that, and the Senate has passed on that in two separate bills—this bill when it passed the Senate, and in S. 590, at the time we required confirmation of the three present Directors.

We see that the Ways and Means Committee of the House has said that the committee has moved to establish special statutory authority for the President's Special Trade Representatives. This would stop the administration plan to move this into the Council of International Economic Policy and presumably would give Congress greater oversight of its Office of the Special Trade Representatives. The administration probably will oppose this provision but it is likely to be adopted. It is not going to do much good for the Ways and Means Committee of the House to adopt that if we adopt this conference report today. If we do not require confirmation of the Executive Director today the merger could be a fact accomplished before Congress could move on additional legislation.

CONCLUSION

So for all these reasons I ask Senators to vote against this conference report so we can restore to this legislation the provision, approved by four Senate committees and passed twice by the Senate as a whole, requiring Senate confirmation of the incumbent Executive Director of the Council on International Economic Policy.

Mr. TUNNEY. Mr. President, will the Senator yield?

Mr. CHILES. I yield.

Mr. TUNNEY. Mr. President, I know the Senator's position, although I came in the Chamber late in the debate. I feel very strongly that the Senator from Florida has stated a position which the Senate would be well advised to adopt in the vote that is coming up in a few minutes.

Under normal circumstances I would feel that when conferees reach an accommodation with the other body the Senate should adopt the resolution of the matter and the accommodation simply because to do otherwise would be to create substantial problems for this body. We have to rely on our conferees to come in with the best agreement possible.

I personally have great respect for the Chairman of the Committee on Banking, Housing and Urban Affairs. I think that there is no member of the Senate who has given longer hours and devoted more service to economic matters of this country. I am very deeply aggrieved to have to differ with the position that he has taken on the matter of the confirmation of Mr. Peter Flanigan. I think the Senator from Alabama knows that in disagreeing with him on this matter it in no way affects my great respect for him as a person and as a negotiator for the Senate in conference.

However, I do feel that in a matter as important as trade negotiations with the rest of the world at this very critical point in our history when the United States is losing markets, when we are being challenged by western Europe and by Japan for markets in those areas where high technology is extremely important, it is incumbent upon us to make sure that our chief negotiator has had the opportunity to come before the Senate and express his views on matters of trade policy.

Mr. Flanigan has been in the executive branch now for 5 years. I believe it is 5 years, and if not, it is 4 years. I believe he came in with this administration at the time it was being organized in 1969.

Mr. Flanigan has had the opportunity on occasion to refuse to testify to appropriate Senate committees because of the special relationship that he had in the executive branch to the President. He was a part of the official family in the White House and therefore he could claim executive privilege and not come down and testify before appropriate committees of the Senate.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. TUNNEY. I have one last statement and then I will be glad to yield to the Senator from Arkansas.

I think that inasmuch as Mr. Flanigan is going to have more impact on our foreign policy and our domestic economic policy than any other man and inasmuch as he has three ambassadors working for him, already confirmed by the Senate, it is incumbent upon us to demand confirmation of Mr. Peter Flanigan.

Mr. President, I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I know the Senator from California and the Senator from Florida have covered the substantive issues. It seems to me a very important question simply is this overall effort we have tried to mount in the Senate that this body should get back into the mainstream of foreign policy. Mr. Flanigan called me as I suppose he has called others. I have great respect for him and this issue is not at all a personal one.

The PRESIDING OFFICER. All time has expired. The Senator from Alabama and the Senator from Texas have 2 minutes each remaining.

Mr. FULBRIGHT. Mr. President, will the Senator yield to me for 1 minute?

Mr. SPARKMAN. I have only 2 minutes remaining. I was about to ask the Senator from California to yield to me. I yield myself 1 minute.

I have a letter from Mr. Eberle which I will place in the RECORD, in which he states there has been fine cooperation, he is satisfied with his status and his own confirmation. I have a letter in the RECORD that Mr. Flanigan wrote to me and to the Senator from Texas in which he said he would appear before committees at any time to testify on this particular subject. Of course, he made it clear to us that he did not want to appear with reference to things in connection with the President, or his other duties.

Mr. TUNNEY. Did Mr. Eberle refer to his thoughts regarding the confirmation of Mr. Flanigan?

Mr. SPARKMAN. He did not say anything about it. Naturally he did not enter into that. I believe they had a very fine relation. It is in the record.

Now, if I have time, I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I wish only to make the point that I do not think there is the slightest doubt that Mr. Flanigan would be confirmed. Nobody is criticizing him. It is a question of orderly procedure for the future, if the Senate is going to act like a responsible body.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Texas has 2 minutes remaining.

Mr. TOWER. Mr. President, I yield to the distinguished chairman.

Mr. SPARKMAN. May I say to the Senator from Arkansas that about a month ago we had a bill in the Senate, S. 1828, on which the Senator voted, that provided that people who already are serving in offices covered by the bill would not have to be confirmed except prospectively. I believe the Senator voted for the bill, S. 2045, in which the same issue was present with reference to Mr. Ash of the Budget Bureau. This bill, S. 2045, was passed after the President vetoed an earlier bill.

Mr. FULBRIGHT. What the Senator is saying is that in order to get a bill through we have to give up when a bill is vetoed.

Mr. SPARKMAN. The bill that I mentioned, S. 1828, which the Senator voted for had not been vetoed. The Senator voted for it and the bill passed by a vote of 91 to 2. The Senator from Arkansas voted for it and it had five prospective confirmations included in it. We have had this issue many times. For instance, there was Dr. Grayson, Chairman of the Price Commission; Judge Boldt, Chairman of the Wage Board. Their confirmation was not required.

The PRESIDING OFFICER. All time has expired.

Mr. JAVITS. Mr. President, I am voting for the conference report because it is essential to assert congressional authority over the International Economic Council. While I do not see any good reason for the exception of the present Director of the Council from Senate confirmation, the fact is that he has appeared and been thoroughly examined by congressional committees in the course of his present and previous duties and has occupied this office and functioned in it, including relations with the Congress for over a year and therefore the vote on this very motion is equivalent to a vote on confirmation. Therefore, nothing would be gained if the conference report, which is important in itself, is rejected and we come back sometime hence for, in substance, the same kind of vote on confirmation.

Mr. MUSKIE. Mr. President, I must oppose the conference report on S. 1636, a bill authorizing funds for the President's Council on International Economic Policy and giving the Council broad new authority. The conference report, while providing for Senate confirmation of all future nominees to the position of Executive Director of the Council, exempts the present Executive Director from this requirement. This is contrary to the position taken by the Senate last May, in a bill which passed this body by a vote of 72–21, and it is contrary to the position taken by the four Senate committees—Finance, Foreign Relations, Government Operations and Banking, Housing and Urban Affairs—to which this bill was referred.

So the Senate's position on this issue is clear. Yet in July, four of the seven Senate conferees agreed to abandon the provision requiring confirmation of the present Executive Director—before the conferees from the House even made known their views on the issue. Rejection of the conference report would at least assure that the Senate's position in this matter receives a full hearing in conference.

Requiring confirmation of the current Executive Director is essential. The bill before us would more than double the size of the CIEP staff, making it larger than the Council on Environmental Quality, Domestic Council or Council of Economic Advisers. Moreover, if S. 1636 is enacted, CIEP would be granted new policymaking power in the area of international trade and monetary policy. The Office of Special Trade Representative would be absorbed by the Council. In effect, we would be giving the Executive Director of CIEP authority over negotiators with the rank of ambassador, and giving him new policymaking authority as well.

In fact, the current Executive Director was recently in Japan engaging in multilateral discussions on trade and tariff, with our most important trading partners. Yet in the Senate we have not had an opportunity to consider his qualifications to represent our country in these talks.

No one denies the President's right to have personal advisers, in the area of international economic policy as well as in domestic policy or foreign relations. But with the passage of this bill, the Director of CIEP would be able to play a key role in the execution of policy as well as in its formulation. It is our responsibility to judge his qualifications for that role.

At the same time, I wish to make clear that my vote should not be construed as a vote against the current Director. Nor is it intended to affect the relationship between the President and his personal staff who assist him in the performance of his White House duties. Rather, it is designed to reassert the senatorial power of confirmation.

The Senate's right to advise and consent in the appointment of officers of the United States is stated in article 2, section 2 of the Constitution. The meaning of the Constitution in this regard is clear—important officers of our Government are to be appointed subject to the advice and consent of the Senate; "inferior officers" need not be. In no way could the present Executive Director of the Council on International Economic Policy be considered an "inferior officer." This has been recognized not only by the full Senate but by the conferees who have provided that all future Executive Directors of the Council be subject to Senate confirmation.

The Special Trade Representative and his two deputies all presently hold the rank of Ambassador and have been confirmed by the Senate. Yet, these three men will be working under the direction of the Executive Director of the Council who is not subject to Senate confirmation.

This seems to me to be both bad policy and a mockery of the senatorial power of confirmation. If the Senate has the responsibility to confirm such officials as Assistant Directors of the Office of Emergency Planning and the Office of Economic Opportunity, it should certainly have the power to confirm a powerful policymaker like the Executive Director of the Council on International Economic Policy.

The present Executive Director of the Council must be subject to Senate confirmation—as the Senate has decisively recommended. We must reject this conference report and insist that the will of the Senate prevails in the conference.

The **PRESIDING OFFICER.** The question is on adoption of the conference report. All those in favor will say "aye"——

Mr. **STEVENSON.** Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER.** The yeas and nays have been requested. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The **PRESIDING OFFICER.** The question is on adoption of the conference report. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

The **VICE PRESIDENT** assumed the Chair as Presiding Officer.

Mr. **ROBERT C. BYRD.** I announce that the Senator from Wyoming (Mr. McGee) is necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming (Mr. McGee) would vote "nay."

Mr. **GRIFFIN.** I announce that the Senator from Oklahoma (Mr. Bellmon) and the Senator from Kansas (Mr. Pearson) are absent because of illness.

I also announce that the Senator from Utah (Mr. Bennett) and the Senator from Ohio (Mr. Taft) are absent on official business.

The Senator from Kansas (Mr. Dole) and the Senator from Ohio (Mr. Saxbe) are necessarily absent. The Senator from Tennessee (Mr. Baker) is detained on official business.

I further announce that, if present and voting, the Senator from Kansas (Mr. Dole), and the Senator from Ohio (Mr. Taft) would each vote "yea."

The result was announced—yeas 49, nays 43, as follows:

[No. 401 Leg.]

YEAS—49

Aiken
Allen
Bartlett
Beall
Bible
Brock
Brooke
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cook
Cotton
Curtis
Domenici
Dominick
Eastland
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Hatfield
Helms
Hruska
Huddleston
Jackson
Javits
Long
Mathias
McClellan
McClure
Packwood
Pastore
Pell
Randolph
Roth
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stennis
Stevens
Talmadge
Thurmond
Tower
Weicker
Young

NAYS—43

Abourezk
Bayh
Bentsen
Biden
Burdick
Cannon
Case
Chiles
Church
Clark
Cranston
Eagleton
Ervin
Fulbright
Gravel
Hart
Hartke
Haskell
Hathaway
Hollings
Hughes
Humphrey
Inouye
Johnston
Kennedy
Magnuson
Mansfield
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Percy
Proxmire
Ribicoff
Stevenson
Symington
Tunney
Williams

NOT VOTING—8

Baker
Bellmon
Bennett
Dole
McGee
Pearson
Saxbe
Taft

So the conference report on S. 1636 was agreed to.

Mr. **TOWER.** Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. **SPARKMAN.** Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The **VICE PRESIDENT.** Under the previous order, the Senate will now proceed to the consideration of H.R. 9286, which the clerk will report.

The assistant legislative clerk read as follows:

Calendar No. 363 (H.R. 9286) a bill to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component of the Armed Forces, and the military training student loads, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Armed Services with an amendment to strike out all after the enacting clause and insert:

TITLE I—PROCUREMENT

Sec. 101. Funds are hereby authorized to be appropriated during the fiscal year 1974 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons as authorized by law, in amounts as follows:

Aircraft

For aircraft: for the Army, $168,000,000; for the Navy and the Marine Corps, $2,391,000,000 of which not to exceed $197.6 million shall be available for the F–14 aircraft program through December 31, 1973; for the Air Force, $2,964,635,000.

Missiles

For missiles: for the Army, $560,700,000; for the Navy, $650,700,000; for the Marine Corps, $32,300,000; for the Air Force, $1,509,700,000.

Naval Vessels

For naval vessels: for the Navy, $3,628,700,000.

Tracked Combat Vehicles

For tracked combat vehicles: for the Army, $160,300,000; for the Marine Corps, $46,200,000.

Torpedoes

For torpedoes and related support equipment: for the Navy, $203,300,000.

Other Weapons

For other weapons: for the Army, $38,900,000; for the Navy, $33,100,000; for the Marine Corps, $700,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Sec. 201. Funds are hereby authorized to be appropriated during the fiscal year 1974 for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, $1,935,933,000;

For the Navy (including the Marine Corps), $2,656,200,000, of which amount $60,900,000 is authorized only for the surface effect ships program;

For the Air Force, $2,958,200,000; and

For the Defense Agencies, $509,400,000, of which $24,600,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

TITLE III—ACTIVE FORCES

Sec. 301.(a) For the fiscal year beginning July 1, 1973, and ending June 30, 1974, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

(1) The Army, 803,806;
(2) The Navy, 566,320;
(3) The Marine Corps, 196,419;
(4) The Air Force, 666,357.

(b) The end strength for active duty personnel prescribed in subsection (a) of this section for the fiscal year ending June 30, 1974, shall be reduced by 156,100. Such reduction shall be apportioned among the Army, Navy, Marine Corps, and Air Force in such manner as the Secretary of Defense shall prescribe, except that in applying any portion of such reduction to any military department, the reduction shall be applied to the maximum extent practicable to the support forces of such military department. The Secretary of Defense shall report to the Congress within 60 days after the date of enactment of this Act on the manner in which this reduction is to be apportioned among the military departments and among the mission categories described in the Military Manpower Requirements Report. This report shall include the rationale for each reduction.

Sec. 302. In computing the authorized end strength for the active duty personnel of any component of the Armed Forces for any fiscal year, there shall not be included in the computation members of the Ready Reserve of such component ordered to active duty under the provisions of section 673 of title 10, United States Code, members of the Army National Guard, or members of the Air National Guard called into Federal service under section 3500 or 8500, as the case may be, of title 10, United States Code, or members of the militia of any State called into Federal service under chapter 15 of title 10, United States Code.

Sec. 303. (a) Section 673 of title 10, United States Code, is amended by adding at the end thereof a new subsection as follows:

"(d) Whenever one or more units of the Ready Reserve are ordered to active duty, the President shall, on the first day of the second fiscal quarter immediately following the quarter in which the first unit or units are ordered to active duty and on the first day of each succeeding six-month period thereafter, so long as such unit is retained on active duty, submit a report to the Congress regarding the necessity for such unit or units being ordered to and retained on active duty. The President shall include in each such report a statement of the mission of each such unit ordered to active duty, an evaluation of such unit's performance of that mission, where each such unit is being deployed at the time of the report, and such other information regarding each unit as the President deems appropriate."

(b) The amendment made by subsection (a) of this section shall be effective with respect to any unit of the Ready Reserve ordered to active duty on or after the date of enactment of this Act.

Sec. 304. (a) Subsection (d) of section 412 of Public Law 86–149 is amended to read as follows:

"(d) (1) Beginning with the fiscal year which begins July 1, 1972, and for each fiscal year thereafter, the Congress shall authorize the end strength as the end of each fiscal year for active duty personnel for each component of the Armed Forces, and beginning with the fiscal year which begins July 1, 1974, and for each fiscal year thereafter, the Congress shall authorize the end strength as of the end of each fiscal year for civilian employees for each component of the Department of Defense; and no funds may be appropriated for any fiscal year beginning on or after such applicable dates, to or for the use of the active duty personnel of any component of the Armed Forces or to or for the use of civilian employees of the Department of Defense, unless the end strength for active duty personnel of such component for such fiscal year and the end strength for civilian employees of the Department of Defense for such fiscal year have been authorized by law, respectively.

"(2) Beginning with the fiscal year ending June 30, 1972, with respect to the active duty strength levels and beginning with the fiscal year ending June 30, 1974, with respect to civilian employee strength levels, the Secretary of Defense shall submit to the Congress a written report not later than February 15 of each fiscal year recommending the annual active duty strength level for each component of the Armed Forces for the next fiscal year and the annual civilian employee end strength level for the Department of Defense for the next fiscal year, and shall include in such report justification for the strength levels recommended and an explanation of the relationship between the personnel strength levels recommended for such fiscal year and the national security policies of the United States in effect at the time. Such justification and explanation shall specify in detail for all military forces, including each land force division, carrier and other major combatant vessel, air wing, and other comparable unit: (A) the unit mission and capability, (B) the strategy which the unit supports, and (C) the area of deployment and illustrative areas of potential deployment, including a description of any United States commitment to defend such areas. Such justification and explanation shall also include a detailed discussion of (i) the manpower required for support and overhead functions within the Department of Defense, (ii) the relationship of the manpower required for support and overhead functions to the primary combat missions and support policies, and (iii) the manpower required to be stationed or assigned to duty in foreign countries and aboard vessels located outside the territorial limits of the United States, its territories, and possessions."

TITLE IV—RESERVE FORCES

Sec. 401. For the fiscal year beginning July 1, 1973, and ending June 30, 1974, the Selected Reserve of each Reserve component of the Armed Forces will be programed to attain an average strength of not less than the following:

(1) The Army National Guard of the United States, 379,144;
(2) The Army Reserve, 232,591;
(3) The Naval Reserve, 121,481;
(4) The Marine Corps Reserve, 39,735;
(5) The Air National Guard of the United States, 92,291;
(6) The Air Force Reserve, 49,773;
(7) The Coast Guard Reserve, 11,300.

Sec. 402. The average strength prescribed by section 401 of this title for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength for such fiscal year for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

TITLE V—MILITARY TRAINING STUDENT LOADS

Sec. 501. (a) For the fiscal year beginning July 1, 1973, and ending June 30, 1974, each component of the Armed Forces is authorized an average military training student load as follows:

(1) The Army, 89,200;
(2) The Navy, 75,800;
(3) The Marine Corps, 28,000;
(4) The Air Force, 55,100;
(5) The Army National Guard of the United States, 19,100;
(6) The Army Reserve, 59,900;
(7) The Naval Reserve, 17,400;
(8) The Marine Corps Reserve, 6,700;
(9) The Air National Guard of the United States, 4,600;
(10) The Air Force Reserve, 24,300.

(b) The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force prescribed in subsection (a) of this section for the fiscal year ending June 30, 1974, shall be reduced consistent with the overall reduction in manpower provided for in title III above. Such reduction shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force in such manner as the Secretary of Defense shall prescribe.

Sec. 502. Subsection (e) of section 412 of Public Law 86–149 is repealed.

TITLE VI—ANTI-BALLISTIC MISSILE PROGRAM—LIMITATIONS ON DEPLOYMENT

Sec. 601. (a) None of the funds authorized by this or any other Act may be obligated or expended for the purpose of continuing or initiating deployment of an anti-ballistic-missile system at any site except Grand Forks Air Force Base, Grand Forks, North Dakota. Nothing in this section shall be construed as a limitation on the obligation or expenditure of funds in connection with the dismantling of anti-ballistic missile system sites or the cancellation of work at Whiteman Air Force Base, Knob Noster, Missouri, Francis E. Warren Air Force Base, Cheyenne, Wyoming, and Malmstrom Air Force Base, Great Falls, Montana.

TITLE VII—GENERAL PROVISIONS

Sec. 701. Subsection (a) (1) of section 401 of Public Law 89–367, approved March 15, 1966 (80 Stat. 37), as amended, is hereby amended to read as follows:

"(a) (1) Not to exceed $952,000,000 of the funds authorized for appropriation for the use of the Armed Forces of the United States under this or any other Act are authorized to be made available for their stated purposes to support: (A) Vietnamese and other free world forces in support of Vietnamese forces, (B) local forces in Laos; and for related costs, during the fiscal year 1974 on such terms and conditions as the Secretary of Defense may determine. None of the funds appropriated to or for the use of the Armed Forces of the United States may be used for the purpose of paying any overseas allowance, per diem allowance, or any other addition to the regular base pay of any person serving with the free world forces in South Vietnam if the amount of such payment would be greater than the amount of special pay authorized to be paid, for an equivalent period of service, to members of the Armed Forces of the United States (under section 310 of title 37, United States Code) serving in Vietnam or in any other hostile fire area, except for continuation of payments of such additions to regular base pay provided in agreements executed prior to July 1, 1970. Nothing in clause (A) of the first sentence of this paragraph shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos: *Provided,* That nothing contained in this section shall be construed to prohibit support of actions required to insure the safe and orderly withdrawal or disengagement of United States forces from Southeast Asia, or to aid in the release of Americans held as prisoners of war."

SEC. 702. (a) The amount of $28,400,000 authorized to be appropriated by this Act for the development and procurement of the C-5A aircraft may be expended only for the reasonable and allocable direct and indirect costs incurred by the prime airframe contractor under a contract entered into with the United States to carry out the C-5A aircraft program. No part of such amount may be used for—

(1) direct costs of any other contract or activity of the prime contractor;

(2) profit on any materials, supplies, or services which are sold or transferred between any division, subsidiary, or affiliate of the prime contractor under the common control of the prime contractor and such division, subsidiary, or affiliate;

(3) bid and proposal costs, independent research and development costs, and the cost of other similar unsponsored technical effort; or

(4) depreciation and amortization costs in excess of $1,700,000 on property, plant, or equipment.

Any of the costs referred to in the preceding sentence which would otherwise be allocable to any work funded by such $28,400,000 may not be allocated to other portions of the C-5A aircraft contract or to any other contract with the United States, but payments to C-5A aircraft subcontractors shall not be subject to the restriction referred to in such sentence.

(b) Any payments from such $28,400,000 shall be made to the prime contractor through a special bank account from which such contractor may withdraw funds only after a request containing a detailed justification of the amount requested has been submitted to and approved by the contracting officer for the United States. All payments made from such special bank account shall be audited by the Defense Contract Audit Agency of the Department of Defense and, on a quarterly basis, by the General Accounting Office. The Comptroller General shall submit to the Congress not more than thirty days after the close of each quarter a report on the audit for such quarter performed by the General Accounting Office pursuant to this subsection.

(c) The restrictions and controls provided for in this section with respect to the $28,400,000 referred to in subsections (a) and (b) of this section shall be in addition to such other restrictions and controls as may be prescribed by the Secretary of Defense or the Secretary of the Air Force.

SEC. 703. This Act may be cited as the "Department of Defense Appropriation Authorization Act, 1974".

The VICE PRESIDENT. The bill is open to amendment. Are there amendments to be proposed?

The Senator from Missouri is recognized.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that, for the duration of the Senate's consideration of the pending bill, H.R. 9286, that there be permitted on the floor of the Senate not to exceed six, at any one time, of the members of the staff of the Armed Services Committee.

Let me emphasize that I doubt that we will need this many at any one time. However, we do have two subcommittee chairmen who need assistance from time to time, and this may occur simultaneously when other staff assistance is needed on the floor to assist the manager of the bill and other Senators.

Mr. President, may I also ask that Miss Katherine Nelson, a member of my personal staff, be permitted the privilege of the floor during consideration of this bill.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. McINTYRE. Mr. President, I ask unanimous consent that during the consideration of the military procurement bill my staff aide, Larry Smith, be permitted the privilege of the floor from time to time.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, may we have order so that Members of the Senate can hear?

The VICE PRESIDENT. The Senate will be in order.

Mr. TOWER. Mr. President, I ask unanimous consent that during the consideration of the military procurement bill, Mr. Robert Old, of the staff of the Armed Services Committee, Mr. Mike Hemphill, of the staff of the Joint Committee on Defense Production, and Mr. Edward Kenney, of the staff of the Armed Services Committee, be given the privilege of the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I ask unanimous consent that, during the consideration of the pending bill, H.R. 9286, Dr. Dorothy Fosdick and Richard Perle of my staff be granted the privilege of the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I ask unanimous consent that during the consideration of the pending bill, Frank Krebs, a member of my staff, be permitted the privilege of the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

The bill is open to amendment.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BENTSEN). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the committee amendment in the nature of a substitute be agreed to, and that, as agreed to, it be considered as original text for the purpose of further amendment.

Let me state that this request in no way limits further amendments to the committee substitute. This is the customary way that the committee has handled the bill for the past several years.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri? The Chair hears none, and it is so ordered.

Mr. SYMINGTON. Mr. President, the Senate now begins the consideration of the annual military procurement authorization bill for the fiscal year 1974.

At the request of Chairman STENNIS, I am handling the bill on the floor.

The committee is recommending a total authorization of $20,447,968,000. This is a reduction of 6.9 percent or $1,511,132,000 below the administration request of $21,959,100,000.

As the Senate knows, the legislation in terms of authorization funding is divided into the procurement request and the request for research and development.

The total request for procurement recommended by the committee is $12,388,235,000. This represents a 7.6 percent reduction, $1,013,000,000 below the request of $13,401,200,000.

The recommendation of the committee for research and development—known as R.D.T. & E.—is $8,059,733,000, which represents a 5.8 percent reduction, $498,167,000 below the request of $8,557,900,000.

SCOPE OF BILL

There follows a summary of the scope of this legislation.

First. Military hardware procurement. About 65–70 percent of all procurement for weapons is authorized by this legislation. In this bill there are thousands of items, ranging from full funding for the nuclear aircraft carrier to grenade launchers.

Second. In this bill also are research, development, test and evaluation efforts within the Department of Defense.

Third. In addition, the active duty military strength for each of the military departments for the fiscal year 1974 is expressed in end-strength figures for June 30, 1974.

As discussed later, the committee is recommending an across-the-board reduction of 7 percent, a reduction in personnel of 156,100 in the Department of Defense.

The reduction is to be apportioned among the services as the Secretary of Defense may determine.

First. Included also is authorization for each of the seven selected reserve strengths for the fiscal year 1974.

Second. Included also is authorization for the fiscal year 1974 of the military training student loads for each of the active and reserve components.

Third. Also included is separate funding authority for South Vietnam and other supporting free world forces, together with local forces in Laos; with a ceiling on these forces of $952 million for the fiscal year 1974.

Fourth. There are various additional limitations, including those relating to the Safeguard antiballistic missile and the C-5A aircraft programs.

COMMITTEE VOTE

As one might expect, there were differences of opinion within the committee on some of the major issues in the bill; differences expressed by nine rollcall votes on major issues. The results of these rollcall votes have already been released; and as the committee report states, individual views on the subject of the Trident submarine were expressed by seven members of the committee.

Fourteen members were in favor of reporting the bill. One member opposed.

On some issues within the committee I voted in opposition to the final committee position. When amendments offered on the floor support a position I took in committee which is contrary to the majority committee position on the matter in question, I will ask another member to represent the majority committee position on the item in question.

SUBCOMMITTEE RECOMMENDATIONS

Mr. President, let me express appreciation for the valuable assistance rendered the full committee by both the Tactical Air Power Subcommitee, of which Senator CANNON is chairman, also the Research and Development Subcommittee, of which Senator McINTYRE is chairman. The in-depth hearings of both of these subcommittees were important to the full committee with respect to the subjects in question.

Both Senators CANNON and McINTYRE will discuss in more detail the findings, conclusions, and recommendations of their Subcommittees.

PRELIMINARY OBSERVATIONS ON BILL

RELATION TO THE HOUSE BILL

As a procedural matter, the Senate is now considering the House bill. Let us point out, however, that the House did not pass its version of the procurement bill until last July 31, too late for the Senate committee to consider the House version on its merits.

After reaching its judgment on the Senate bill, the Armed Services Committee struck out everything after the enacting clause in the House bill and substituted the Senate version; and as our committee report presents, the various differences with the House bill are for informational purposes only, and all differences will be taken to conference.

COMMITTEE REPORT

In an effort to conserve time, may we point out that there is before each Member a copy of Senate Report 93-385 totaling 205 pages. It discusses in detail all aspects of this pending legislation; and we would hope each Member would refer to this report with regard to detailed aspects of the bill.

The committee hearings are also available to each Member of the Senate. They exceed 6,000 pages in length.

The purpose of this statement is to cover the highlights of the bill. No doubt there will be questions and amendments as the Senate proceeds with this legislation.

SOME OF THE MAJOR WEAPONS SYSTEMS IN THE BILL

SHIPBUILDING PROGRAMS

There are three separate shipbuilding programs that deserve special mention at this time.

NUCLEAR ATTACK SUBMARINES

The bill authorizes $913 million for the nuclear attack submarine construction program. This would provide for the full funding for five of these submarines; and also supply lead funds for an additional five. With the full funding of these latter five, a total of 86 nuclear attack submarines will have been funded.

TRIDENT BALLISTIC MISSILE SUBMARINE PROGRAM

The bill provides $1.5 billion for planned Trident ballistic missile submarines, $655 million for research and development, $873 million for procurement. This sum would permit procurement of long leadtime ship components for the first three Trident follow ships initiated in the fiscal year 1973; and also initiate procurement of long leadtime components for six additional Tridents for which the Navy plans to request authorization in later years.

CARRIER

The bill also provides $657 million which represents the full funding for the CVN-70, the nuclear attack carrier. Last year $299 million in lead funds were authorized for this carrier.

In addition to these shipbuilding programs, the following weapons systems are of particular interest:

F-14

The committee is recommending a total of $198 million for the F-14. This is $505 million under the amount requested. At the time of the committee's consideration, the Government had no contract with the producers of the aircraft.

SAFEGUARD

The bill provides $359 million to complete the one approved Safeguard ABM installation in North Dakota. About $60 million additional will be required in fiscal year 1975 before this experimental site is operational.

F-15

The bill provides $1.1 billion for the F-15 program for the fiscal year 1974. This sum is for 77 aircraft and necessary support.

B-1 BOMBER

The committee recommended $373.5 million for the development of the B-1 bomber, $100 million below the administration request for fiscal year 1974. This action expresses committee concern over the program, including the cost escalation.

Mr. President, I ask unanimous consent to have printed in the RECORD the table on page 3 of the committee report which sets forth the totals for the entire bill in terms of major weapons categories.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF DEFENSE FISCAL YEAR 1974 AUTHORIZATION BILL, SUMMARY BY MAJOR WEAPON CATEGORY—ARMY, NAVY [1], AIR FORCE, AND DEFENSE AGENCIES

[In thousands of dollars]

	Total amount of fiscal year 1974 program	Less available financing	Appropriation requiring authorization	House, authorized	Senate	
					Change from request	Recommended
Aircraft	6, 052, 100		6, 052, 100	5, 878, 400	−528, 465	5, 523, 635
Missiles	2, 885, 600		2, 885, 600	2, 859, 900	−132, 200	2, 753, 400
Naval vessels	3, 901, 800		3, 901, 800	3, 788, 200	−273, 100	3, 628, 700
Tracked combat vehicles	247, 900		247, 900	239, 500	−41, 400	206, 500
Torpedoes	219, 900		219, 900	219, 900	−16, 600	203, 300
Other weapons	93, 900		93, 900	87, 300	−21, 200	72, 700
Total, procurement	13, 401, 200		13, 401, 200	13, 073, 200	−1, 012, 965	12, 388, 235
R.D.T. & E.	8, 557, 900		8, 557, 900	8, 321, 797	−498, 167	8, 059, 733
Undistributed reduction				−949, 742		
Grand total	21, 959, 100		21, 959, 100	20, 445, 255	−1, 511, 132	20, 447, 978

[1] Includes $2,600,000 for special foreign currency program for Navy.

RESEARCH AND DEVELOPMENT

Mr. SYMINGTON. Mr. President, the committee recommends an authorization of $8,059,733,000 for research and development for the fiscal year 1974. This is a reduction of $498,167,000, 5.8 percent, from the budget request of $8,557,900,000. As stated previously, Senator McINTYRE, chairman of the Research and Development Subcommittee, will discuss the research and development programs in detail. I would make several observations, however, with respect to this category of legislation.

This half-billion-dollar reduction made by the committee and supported by the R. & D. Subcommittee, with the exception of the B-1 bomber reduction, falls into two categories. First, there were cuts in several major programs; the light area defense system was reduced by $42.4 million, the AWACS program by $42 million; site defense was reduced by $70 million; SCAD was eliminated at a savings of $72.2 million. Major program reductions total some $327 million.

The second major reduction category totals $88 million. This represents excess funding not considered necessary for the fiscal year 1974.

Remaining reductions involved lesser sums covering a number of programs. Senator McINTYRE will discuss these reductions in more detail.

I believe the programs, as recommended, are adequate for our national defense. Of course, otherwise I would not be for them, as I am against some of those recommended by the full committee. Despite this modest reduction, they provide a sound research and development program.

AUTHORIZATION FOR FISCAL YEAR 1974 ACTIVE DUTY MANPOWER FOR THE MILITARY DEPARTMENTS

This is now the third year the Armed Services Committee, as required by law, has recommended the active duty manpower levels for the military services, authorizing the end-strength for each military department for the closing of each fiscal year; in this case June 30, 1974.

For the end-strength for that latter date, the Armed Services Committee recommends a total reduction of 156,100 in authorized strength.

On a full year basis, which, of course, would not apply to fiscal year 1974, this reduction of 156,100 would result in an annual savings of about $1.6 billion.

Said reduction would be 7 percent below the number requested, and 9 percent below the end-strength of June 30, 1973.

As mentioned, the committee added language to provide that the Secretary of Defense will apportion reductions at his discretion.

The bill further requires that the Secretary of Defense make these reductions, to the maximum extent practical, from support forces, particularly headquarter staffs, rather than from combat elements.

Let us emphasize that, based upon the committee's examination, there should be no difficulty whatever in making these reductions from the vast support establishment which exists throughout the world as a part of the Department of Defense.

Under this reduction, on June 30, 1974, the end-strength of the Department of Defense would still be 2,076,802.

A thorough survey of Defense Department manpower was undertaken; and our report contains many illustrative support areas where appropriate reductions could be made.

NEW AUTHORIZATION FOR DOD CIVILIAN MANPOWER

The committee added language to the bill which would require that, beginning in fiscal year 1975, the fiscal year end-strength of the Department of Defense civilian employees would also require an annual authorization.

I know that Members of the Senate will appreciate the importance of this when they realize, as we do on the committee, that the total cost of civilians in the Department of Defense at this time—just civilians—is over $13 billion. Today, from a high authority, I understand that the figure is nearer to $14 billion than the $13 billion for those civilians.

DISCUSSION OF THE MANPOWER ISSUES

The committee report, pages 129 through 151, discusses in detail many aspects of the active-duty manpower problem within the Department. At this time, I would make a few brief observations on this subject.

In many ways defense manpower is a more difficult subject to control than that of military hardware.

If defense costs are ever to be brought under any real semblance of control, we must pay at least as much attention to manpower policy as we do to weapon systems requirements.

The Senate will be interested to know that in the past 20 years, of the total increase in defense expenditures, 93 percent went for pay and operating costs; and only 7 percent went for investment that could be defined as procurement, research and development, and military construction.

Total defense outlay in fiscal year 1954 was $43.6 billion, as compared to an anticipated fiscal year 1974 outlay of $79 billion.

Note also that since 1968—5 years ago—military basic pay has more than doubled.

The cost of this one element has grown from $12 billion a year to $18 billion, an increase since 1968 from about $3,700 per man or woman to $8,100 per man or woman.

In other words, not only are manpower costs rising as a percentage of the total defense budget—rising from 43 percent in 1964 to over 56 percent today—but, despite that unprecedented increase, we are obtaining less people; because under this budget, the Defense Department would spend $22 billion more in pay and allowances in the fiscal year 1974 than in 1964; nevertheless would have 400,000 fewer military personnel.

As every citizen notes the increasing economic problems of the United States, let us also note that the payroll cost of civilian personnel for the Department of Defense alone is running about $13 billion per year—and, as I mentioned, I heard only today that the figure is closer to $14 billion—with 7,300 civilian defense employees in the $27,000–$36,000 bracket.

In short, we could be reaching the point where, personnel and unprecedented weapon systems combined, we could literally be pricing ourselves out of the current concept of an adequate defense.

Now—let us look at what we can expect if these trends continue.

If the Armed Forces continue at their present levels of strength, if we allow pay increases of only about 5½ percent per year over the next 5 years, if we keep procurement costs at roughly the same level, and if we allow for an annual inflation of about 5 percent, by fiscal year 1980, 6 years from now, the military budget will be about $113 billion per year.

And if we look beyond fiscal year 1980, this military monetary situation becomes even more grim.

The committee was of the unanimous opinion that these reductions can be made without reducing the fighting capacity of the Department of Defense; especially true in that 53 percent of the total DOD manpower request is for what is called auxiliary and support areas, people in the military who are far removed from those combat elements that have the fighting capability.

Despite the now almost universally recognized need to "tighten up" the Defense Department, the Department currently proposes an increase in these support areas; and this despite the fact the committee noted many headquarter staffs continue to be heavily overmanned, actually even above authorized levels; but combat units remain under strength.

Surely these facts point up the crucial need for the Defense Department to overhaul and reduce its vast headquarters and support system. When that is done, the combat effectiveness of our defense forces can only automatically become more efficient.

AUTHORIZATION OF SELECTIVE RESERVE STRENGTH

As the Senate knows, existing law requires there be an annual authorization for the strengths of each of the seven selected reserves—a prior condition to appropriations for these components.

This year, with the exception of the Naval Reserve, the committee is recommending the strengths as shown in the budget. After hearings, it recommended an increase in the Naval Reserve of 121,481. The recommendations are:

Army National Guard	379,144
U.S. Army Reserve	232,591
U.S. Navy Reserve	121,481
U.S. Marine Corps Reserve	39,735
Air National Guard	92,291
Air Force Reserve	49,773
Coast Guard Reserve	11,300

The Reserves have always been an essential element of our national defense. Now, however, as the cost of the regular establishment continues its steep rise, they take on added significance.

Throughout the Vietnam war, the longest in our history, the President relied almost completely on the draft as a means of meeting manpower needs. Now the draft is no longer a source of military manpower; therefore, under existing law, the President must rely more on the Reserves in the event additional manpower is needed.

For the first time, this bill contains language in the form of permanent law which, in effect, requires the President to utilize the Reserves if there is need to exceed the provided active duty strength.

The committee reviewed the Reserve program for the Services. It would appear that, despite some recruiting problems, they are progressing in terms of readiness. We would point out, however, that the expected annual cost of the Reserves for the fiscal year 1974 is $4,394,000,000; therefore, as is true of any large organization, continuous effort should be made to improve efficiency wherever possible.

On pages 153 through 158, the committee report discusses in more detail the Selective Reserve program for the fiscal year 1974.

FUNDING AUTHORITY FOR FREE WORLD FORCES FOR SOUTH VIETNAM AND LAOS

Since the fiscal year 1966, the military authorization bill has authorized the merger of appropriations for U.S. military functions and U.S. military assistance in South Vietnam and Laos. The pending bill, under title VII, continues this authority for the fiscal year 1974.

The original budget request was for $2.1 billion. This was later reduced to $1.6 billion. Appropriations, however, were being requested for only approximately $1.2 billion, with the extra $400 million in authority request being retained for flexibility.

For fiscal year 1974, and after careful examination, the committee reduced authority to $952 million for the fiscal year 1974. These reductions were made by bringing dollar requirements more in line with actual experience subsequent to the cease-fire—primarily in terms of consumption of the items for which these funds were requested. Of this total, $93.5 million in obligational authority is being requested for local forces in Laos.

The committee report, on pages 163–165, also discusses this matter.

We would point out that the funding

for Southeast Asia in this bill applies only to the fiscal year 1974. The issue of whether this subject matter should be transferred back to the military assistance program—MAP—for the fiscal year 1975 or remain a part of the so-called military assistance service funded—MASF—operation is a question to be decided by Congress. The Senate has already approved a bill returning the present assistance with the MASF program to South Vietnam and Laos to the regular military assistance program. As a member of the Committee on Foreign Relations, I voted for that change in procedure, to bring it back to normalcy, in committee and on the floor.

CONCLUDING STATEMENT

As previously presented, this bill was reported by a committee vote of 14 to 1. It is a bill that was carefully considered, and I respectfully urge that we move expeditiously in order that we may first confer with the House, and then have the appropriations committees complete their work on the Department of Defense legislation.

In conclusion, I extend my thanks to the ranking minority member of the committee, Senator Thurmond, for his fine cooperation during this bill, and to the entire membership of the committee. May I also express gratitude for the advice and guidance received from time to time from our distinguished chairman, Senator Stennis, with whom I had the privilege of conferences at various times during the course of the hearings and our deliberations.

Mr. THURMOND. Mr. President, the proposed legislation, H.R. 9286, comes to the Senate floor today after 5 months of the most extensive hearings ever conducted on a military procurement bill in the Senate.

These hearings, beginning in March and being completed in August, are recorded in eight volumes issued by the committee and available to all Members of the Senate.

As the ranking minority member of the Senate Armed Services Committee, it was a pleasure to work with the able acting chairman, the Senator from Missouri (Mr. Symington), who conducted the hearings in a thorough and objective manner. He presided in the absence of the chairman, the Senator from Mississippi (Mr. Stennis), and it has been a pleasure to work with him on this bill.

Senator Symington and the other members of the committee, assisted by several key subcommittees, worked hard and long to develop a bill worthy of consideration by this body.

As always, a bill of this size does not provide for all we might wish, but it represents the best efforts and collective judgment of our membership. Especially noteworthy in this work were the contributions of Senator Howard Cannon, who headed the Tactical Air Power Subcommittee, and Senator Thomas McIntyre, who headed the Subcommittee on Research and Development.

Also, I am most appreciative of the outstanding assistance given by the minority members of the committee, including Senators John Tower, Peter Dominick, Barry Goldwater, William Saxbe, and William Scott.

Mr. President, H.R. 9286 would authorize for our military procurement programs a spending total of $20.4 billion, a $1.5 billion or 6.9 percent reduction in the $21.9 billion requested by the Defense Department.

It should also be pointed out that the bill provides for a cut in military manpower of 156,000 persons. Based on the accepted compilation that the reduction of one person in uniform saves $10,000 then this manpower cut amounts to a cost reduction of $1.5 billion.

Thus, it is fair to say the committee bill reduces spending by $3 billion rather than the $1.5 billion used in most of the discussion to date.

THREE MISCONCEPTIONS

Mr. President, in my view there are three misconceptions which are being used to endanger this bill. I would list them as follows:

First. The misconception that defense spending is bankrupting the country.

Second. The misconception that because of the present détente we can slow or stop building new systems like Trident.

Third. The misconception that we can achieve peace by unilateral military reduction in NATO and elsewhere.

First, the idea that defense spending is bankrupting the country seems to be the driving force behind much of the effort to reduce this bill. I submit that since nondefense spending now consumes about 70 percent of the Federal budget this argument to save the dollar by cutting defense ignores today's realities.

Simply stated here are the facts, and I hope Senators will consider these facts when they vote on the bill:

First. Defense spending as a portion of the Federal budget has gone down from 42.5 percent in 1968 to 28.4 percent in 1972. During this same period defense as a portion of the gross national product has decreased from 9.4 to 6 percent.

Second. In fiscal year 1968 defense outlays were $78 billion. In fiscal year 1974 $79 billion is being requested, an increase of $1 billion. However, during the same period nondefense Federal spending increased by $93 billion and State and local government spending increased by $103 billion.

Thus, it is clear that increased spending in the past few years has gone almost totally to nondefense sources. In fact, defense spending is down sharply since due to inflation and other factors the same size budget in 1974 buys $34 billion less than it did in 1968.

SECOND MISCONCEPTION

The second misconception, Mr. President, is that because of the present détente we can slow or stop building new weapon systems like the Trident, B–1, and the F–14.

Some seem to forget that the reason we obtained an ABM Treaty at SALT I was because we, not the Soviets, were ahead in ABM technology and were building a defense missile system they could not match.

If we achieve success at SALT II, it will be for the same principle. It will not be because the Soviets want to cooperate with us and reach parity. It will be either because they think we are ahead of them in strategic systems or that without an agreement we are going to get ahead.

That in a nutshell is why we need to accelerate the Trident submarine program, for although even with an accelerated program this ship will not be in the water until 1978 and the second round of SALT II begins in Geneva next week.

Mr. President, the Senate also needs to recognize that the Soviets already have a Trident type submarine in the water. In fact, they have four of these submarines and they are building more. These submarines have missiles which have a range of around 4,000 miles, the same planned for the first Trident, which has not even had its keel laid. We need to get Trident going, get some hardware together, and get a ship by 1978, not 1980.

SOVIETS HAVE MIRV

Furthermore, the Soviets are not only building new ballistic missile submarines but they are also developing a whole new family of land-based missiles. At the same time we are depending upon our old Minuteman, which, because of their size, have a limited throwweight capability.

This situation is highly significant in view of the fact that the Soviets recently demonstrated the MIRV technique. One reason our negotiators at SALT I entered into an interim agreement, allowing the United States lesser missile launchers, was the fact that we had MIRV and thus could deliver more warheads per missile. Now, however, with MIRV and the large missiles of the SS–9 class the Soviets can turn their numerical launcher advantage against us. This is possible, because the huge SS–9's can carry more warheads per missile than our smaller Minuteman missiles.

TRIDENT WORRIES SOVIETS

Thus, we need to move rapidly on a new weapon system like Trident to introduce a problem for the Soviets which may bring them to a reasonable bargaining position.

Norman Polmar, U.S. editor of "Janes Fighting Ships," told our committee during the procurement hearings the Soviets have ways to deal with our missiles and our bombers but an approach to counter Trident is "beyond their comprehension."

Mr. Polmar is one of the most knowledgeable men in matters of defense. Mr. Polmar stated:

> Trident concerns the Soviets. They're very much afraid of Trident—There's no way they can write a scenario of killing our Trident tomorrow afternoon.

Mr. President, the Senate needs to realize that if SALT II is to be successful we must give the President the military power to deal with the Soviets. The Trident could well be the heart of the U.S. strategic defense force into the 21st century. It will be lethal, invulnerable and invisible—the perfect weapon.

The Senate needs to speak forcefully by supporting the Trident request. The Soviets are following this debate to measure our determination. If we approve Trident and these other important systems we transmit to the President the power to obtain an agreement at SALT II which could maintain the peace we all cherish.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. THURMOND. I am pleased to yield to the able Senator, who is the acting chairman of the committee.

Mr. SYMINGTON. Mr. President, first I wish to thank my friend and colleague from South Carolina for his kind remarks. There is a meeting of the Joint Atomic Energy Committee which I must attend. Therefore, with his approval, I will leave the Chamber at this time, although that in no way indicates that I am not interested in his remarks. I rely on the Senator from New Hampshire to represent me on the floor during my absence, unless the able chairman would like to do so.

Mr. THURMOND. I certainly understand the situation, and I concur in the request of the distinguished Senator from Missouri.

THIRD MISCONCEPTION

The third misconception which troubles me is the idea that we can achieve peace by undertaking unilateral force reductions in NATO and elsewhere. Nothing could be further from the truth.

On October 30, in Vienna, the NATO and Warsaw Pact countries begin the mutual force reduction negotiations. Nothing would undercut our negotiators more than to have the Senate approve an overseas reduction which would of necessity reduce our troops in NATO.

Mr. President, I favor reducing our forces in NATO and throughout the world. But we could serve the cause of peace more if in accomplishing such reductions we negotiate similar cuts by the opposing side.

The isolationist tendencies in this country are only skin deep. Therefore, we must avoid slipping back into the attitudes of the early 20th century. Technology has turned the muskets and cannonballs of yesterday into the nuclear warheads of today. Technology has moved us from the slow advance of ships and men to the lightening thrust of missiles. Technology has enabled an enemy to fill our skies with nuclear explosions 30 minutes or less after liftoff. People and Presidents only 30 minutes apart cannot afford isolationist attitudes.

These are the realities the Senate should bear in mind as it works its will on this defense legislation. We are still the leader of the free world. People in free countries look to us for leadership; people in slave countries look to us for hope.

If we want to encourage people behind the Iron Curtain, if we want to encourage countries that are neutral, then we must pass a strong defense bill which leaves our dominant world role unchallenged.

We must pass a strong military defense bill if we expect our President to be successful in negotiations with the Communists. There is only one thing the Communists recognize, and that is strength. If we are going to put in the President's hands the power to bring about reductions of Armed Forces in the future, the only way to do it is to put in his hands the strength with which to bring it about.

As we begin the debate on the military bill this year, I hope Members of Congress will think about this, because it is not just the defense bill we will be passing. We are going to take action here that will have more impact on the survival of our people than at any other time in our history.

Above all, let us approach this debate devoid of the misconception that defense spending is bankrupting the country; devoid of the misconception that new and more powerful weapon systems are not needed; devoid of the misconception that peace is strengthened through unilateral force reductions.

Mr. President, in closing let me state that on Monday of this week I had the great pleasure of talking with the President of the United States about this bill. He is our Commander in Chief. He is also our No. 1 negotiator. He told me he needs a defense bill which would give him the power to win fair agreements in Vienna and Geneva. He has told the Senate the same thing in his unusual second state of the Union message presented to us last week.

The defense bill comes to the Senate at a critical time. The second round of SALT II talks begins in Geneva next week. The opening sessions of the mutual force reduction talks begin in Vienna the end of next month.

The strength contained in this bill for new weapons will determine to a large degree the results we achieve at the forthcoming talks. The strength contained in this bill will determine whether the President will be able to bring about mutual force reductions in NATO. The strength contained in this bill will impact on our hopes to reach agreements which will result in future defense bills being less expensive. A strong defense bill today will unquestionably permit savings in the future.

This is a key moment in history. The groundwork for negotiations to relieve the world of some of the burdens of military spending has been laid. Let us put in the hands of the President, through a strong defense bill, the power he needs to make that hope become reality.

Mr. President, in closing, I want to express my appreciation to the able chairman of the Committee on Armed Services, the distinguished Senator from Mississippi (Mr. STENNIS). I thank him for the wise advice and counsel that he has given to the members of our committee during the hearings on the bill, although during a large portion of that time he was in the hospital. He has gone overboard to assist in every way possible, and the members of the committee are grateful for the advice and assistance he has given to us.

Mr. McINTYRE. Mr. President, at this time, I am very happy to yield to our distinguished chairman (Mr. STENNIS).

Mr. STENNIS. Mr. President, I certainly am grateful to the distinguished Senator from New Hampshire (Mr. McINTYRE) for yielding to me. I do not have a set, fixed speech, but I want to express my very warm and deep appreciation, first, to the distinguished Senator from Missouri (Mr. SYMINGTON) for the long days, hours, weeks, and even months that he has devoted to the preparation of the bill—holding hearings, checking all the innumerable matters that come up, and at the same time carrying on the other duties of the chairman of the committee. As always, he has been thorough and diligent and has applied himself in a fine way.

I want to thank, too, the distinguished Senator from South Carolina (Mr. THURMOND), who is the ranking minority member of our committee—and a very valuable one, too. He gives time, thought, work, and effort to the problems of the committee, problems that relate to our entire military program; and he certainly performs his special duties on the committee in a very fine, effective way.

May I especially thank the distinguished Senator from New Hampshire (Mr. McINTYRE), too. Over the years he has developed a new dimension in our committee holding hearings, year after year, on the most difficult part—to understand and to examine—the research, development, testing, and engineering of all the weapons, from their inception on through until production. It is the first time that such work has ever been undertaken by the committee in depth and in a comprehensive way. He has studied these problems for long hours, year after year, as he has again this year. He makes a fine contribution in other fields of activity in our committee where he is knowledgeable. He is hardheaded enough to require proof, and he is courageous enough to take whatever stand he thinks necessary to follow where that proof will lead him.

There is no way to put a dollar value on these qualities measuring savings in dollars. But there is no way to put on a value other than in dollars saved to the country and to the military forces.

Mr. President, I commend the Senator and thank him, too.

I am going to back the committee on every position he has taken that he succeeded in getting in the bill. And I think he got them all in except for one that is considered major. I might differ with him in part on that. It is a question of judgment.

Let me say, too, that this bill has been put together with skill, knowledge, and know-how.

I am going to back the committee bill all the way through unless I find some extraordinary facts—and I do not think I will—that I do not know about now.

I am here not as a floor leader. I have asked the Senator from Missouri to do that. He held the hearings and is qualified in every way. I am not abdicating or dodging any responsibility as chairman. However, frankly I do not feel that I should do anything beyond what I am doing, and that is to be here in a backup position.

I am vitally interested and concerned about all of these major questions. And I have already given some attention to matters that are going to come up again next year.

Mr. President, I thank the Senator for yielding.

Mr. McINTYRE. Mr. President, of course, all of us on the Armed Services Committee—and I think I can speak for all of the Members—are delighted to have our chairman back with us.

We kind of wish our chairman had been able to get back a couple of months earlier. However, the nurses and the doctors insisted on keeping him in the hospital. I think they were probably right. I am glad that the distinguished Senator from Mississippi has taken the doctors' advice.

It is a distinct pleasure, I know, for the Senator from South Carolina, the Senator from Texas, the other members of the committee, and for me to have the Senator from Mississippi back on the floor, because that is where he belongs. We sometimes disagree. The Senator from South Carolina and I do not always see eye to eye. The same is true with respect to the Senator from Texas.

I think that we have an able committee. The Senator from Missouri has filled in very ably for the Senator from Mississippi.

Mr. TOWER. Mr. President, I join the Senator from New Hampshire in expressing the great joy of us all at the return of our distinguished chairman. Even though he is not able to play quite as active a role on the floor as he has in times past, we are very pleased with his return. The Senator is most able. I am certain that any major assaults on this bill will be successfully resisted, because of the presence of the Senator from Mississippi and his inspiration.

Mr. McINTYRE. Mr. President, I associate myself with the remarks of my good friend, the Senator from Texas.

Mr. President, I would like to speak briefly in support of the fiscal year 1974 military procurement authorization bill, H.R. 9286 with amendment, as reported by the Armed Services Committee. Following that, I will discuss in detail that portion of the bill which is the specific responsibility of the Subcommittee on Research and Development, a subcommittee it is my privilege to chair.

This has been a most trying year for the Armed Services Committee. The foul act which struck down our esteemed chairman last January left a breach in our ranks but inspired by the remarkable recovery of Senator STENNIS, the committee closed ranks behind Senator SYMINGTON and again performed an outstanding job on the fiscal year 1974 authorization bill. The guidance and encouragement provided by my very good friend, the able senior Senator from Missouri, helped us hew to the high standards set by our stricken chairman. The strength and conviction of our acting chairman, tempered with fair-mindedness and patience, facilitated the orderly proceedings and deliberations of the committee in its actions on the bill.

In voting to approve the committee report I stated only a single qualification, and that relates to the Trident program. My views on Trident are contained separately in the report, and will be the subject of an amendment which I am introducing to the bill. I will speak to that at another time.

Mr. President, the Nation is beginning to extricate itself from the most difficult and trying times in recent history. The long and bloody war in Vietnam has come to an end; we have stopped the bombing of Cambodia, and although the mood and temper of our people have been strained by Watergate, the divisiveness which saw our cities torn and burning has subsided. We are on the mend, and, I hope, once again asserting moral and physical leadership.

The successful meetings and agreements between the President and the Soviet leader could lead by the end of next year to permanent limitations on strategic offensive weapons, both in number and perhaps in quality. SALT II could produce concrete results that would permit both nations to divert more of their resources from military to domestic needs. The conferences on mutual balanced force reductions could help even further by permitting a cutback in military forces and the withdrawal of some of our troops stationed in Europe. This would relieve significantly the pressure on military manpower costs which now consume some 56 percent of total defense spending.

Despite these encouraging signs, I am convinced, Mr. President, that we must maintain our military strength, not only now but also into the foreseeable future. I am convinced that the ABM treaty and the interim strategic arms agreement reached last year were made possible primarily because of our invincible forces in being. And since both the United States and the Soviets have agreed to limit their ABM defenses, the major emphasis is being concentrated on offense, at least until permanent limitations are established on strategic offensive forces.

Now where does this leave us? Obviously, in a position fraught with imponderables. What balance do we strike between military and nonmilitary needs? How can we tolerate the anomaly of increased defense spending in the face of a return to peace? What value is a strong military establishment if our economy falls apart, and rampant inflation robs large segments of our people of their daily bread and shelter. Still, we dare not weaken our defense.

The committee has searched its soul, made a significant reduction in military manpower levels, and reduced the spending request by $1.5 billion, or 6.9 percent. While this is an impressive and substantial cut, the $20.4 billion which remains will be adequate in providing for the necessary replacement and modernization of our military equipment.

Mr. President, turning now to the research and development portion of the bill, it has been my privilege for the 5th consecutive year to serve as chairman of the Subcommittee on Research and Development of the Armed Services Committee.

Serving with me on the subcommittee have been the senior Senator from Virginia (Mr. BYRD), the senior Senator from Iowa (Mr. HUGHES), the senior senator from Colorado (Mr. DOMINICK), and the junior Senator from Arizona (Mr. GOLDWATER). The work of the subcommittee was greatly enhanced by the collective breadth and depth of knowledge and experience of its members concerning military requirements, equipment, and research and development.

In these 5 years as chairman of the subcommittee, I have been provided with an insight into the genius that has made the United States the greatest industrial and military power in the history of mankind, and which has rewarded our people with a standard of living above that of all other nations.

This genius is multifaceted. On the one hand it has provided the military with the most advanced fighting aircraft in the world. But at the same time it turns out superior commercial transport aircraft which continues to keep us well ahead in the highly competitive international market. It is obvious that our successful efforts in defense in some respects spill over into our civilian economy, but, I must emphasize that this does not justify high levels of defense spending.

I count myself among those who are highly critical of cost overruns and other major inefficiencies that have plagued many weapon systems in recent years. But at the same time I must give credit to the skill and competence of many of the major companies and the hundreds of smaller companies which invent and produce the modern equipment essential to our survival. And we must not overlook the thousands of talented and experienced military and civilian employees of the Department of Defense who manage these programs and make them bear fruit. In research and development, there cannot be success without some failure. Sometimes we are unfair in overemphasizing failure without giving due credit for success.

Having given such credit, however, I must add that vigilance is required to improve the quality of the product at the lowest cost. We in the Congress must keep the pressure on so that inefficiency and waste will be minimized.

Keenly aware of these somewhat conflicting considerations, and also of the important need to maintain a strong technology base from which we could, in time of need, rise to meet a future technical military challenge by any adversary, the subcommittee conducted a detailed examination of the major programs included in the authorization request. This examination was based on the respective merits of each program as measured against the need, the technical feasibility, costs and alternative programs. The recommendations to the full committee reflected this overriding objectivity in arriving at a research and development program adequate to the needs of this Nation.

In the performance of its duties, the subcommittee devoted some 82 hours to hearings of Defense officials, who included the Director of Defense Research and Engineering, the Army, Navy, and Air Force Assistant Secretaries for Research and Development, the military department Deputy Chiefs for Research and Development, and the Director of the Advanced Research Projects Agency.

The subcommittee also cross-examined numerous program managers responsible for the major weapons systems that account for the largest dollar amounts requested. This was preceded and followed by extensive discussions to satisfy the critical questions required to be answered in order for the members to fulfill their constitutional obligations of overseeing the Defense research and development program. The staff of the committee supplemented these hearings with numerous briefings, discussions, and field trips. In short, the subcommittee applied its total energies to as large and as broad a coverage of the Research and Development program as was possible within the time available.

The Trident submarine launched ballistic missile system consumed more subcommittee attention than any other single program. The review covered the total request for $1.5 billion and included not only the R.D.T. & E. appropriation but all of the procurement appropriations involved in the bill.

Special attention was directed to the review of the Army SAM–D surface-to-air missile system in accordance with an agreement reached during the debate on last year's bill between my good friends, the senior Senator from California, and the chairman of the Armed Services Committee. In fact, members of Senator CRANSTON's staff visited the contractor's plant, and they, as well as the Senator, participated in the hearings held by the subcommittee.

The Tactical Air Power Subcommittee, under the able chairmanship of my good friend from Nevada, Senator CANNON, held separate hearings on those research and development programs involving the tactical air mission. I understand that his statement will include coverage of the major items.

Mr. President, in summary, the fiscal year 1974 authorization request for the research, development, test, and evaluation appropriation totals $8,557,900,000. The committee recommends authorization of $8,059,733,000, which is $498,167,000, or 5.8 percent, less than the amount requested. It is $262,064,000 less than the amount authorized by the House.

The committee did not act on the House bill because it was received too late for committee consideration. It should be noted that while the committee reductions were specifically applied to individual programs, the House reduction of $236.1 million included $36.4 million for the Navy and $21 million for Defense agencies to be taken on the basis of priorities.

The committee Research and Development reduction of $498.2 million reflects decreases of $512.2 million which are partially offset by a single increase of $14 million for development of the F–5F aircraft. The committee recommendation is $456.8 million less than the amount authorized but $100.2 million more than was appropriated for fiscal year 1973.

The reduction of $512.2 million involves 48 separate programs. Within this amount, $88.7 million represents funds determined to be excess to fiscal year 1974 requirements because of program slippage, unrealistic schedules, or required for work to be performed after the end of the fiscal year.

The bill, as recommended by the committee, will provide for support of the following major research and development programs:

To continue accelerated development of the Trident submarine launched ballistic missile system, $654.6 million;

To continue engineering development of the B–1 advanced strategic bomber, $373.5 million;

To continue development of the Air Force F–15A air superiority fighter, $229.5 million;

To support the late stage of development and deployment of the Safeguard ABM system at the Grand Forks site, $199.7 million;

For continued engineering development of the Army SAM–D surface-to-air missile system, $193.8 million; and

For continued engineering development of the Air Force airborne warning and control system, AWACS, $155.8 million.

Senators might try to envision taking a look at $8.5 billion worth of requests in the research and development program. Because of the constraints of time and limited staff, the subcommittee reviewed the entire research and development program but concentrated again on the programs which fell into the following general categories:

New programs proposed for fiscal year 1974;

Programs for which large dollar amounts were requested;

Programs which reflected large dollar increased over 1973; and programs of special interest.

There are 21 programs and subjects which were examined by the subcommittee and selected for special coverage in the committee report. Included are:

Trident, B–1, subsonic cruise armed decoy (SCAD), strategic cruise missile, Safeguard, site defense, light area defense, SAM–D, utility tactical transport aircraft—otherwise known as UTTA—the new helicopter.

Advanced turbofan engine, surface effect ships, Project Sanguine, changes in R.D.T. & E. program structure, independent research and development, chemical and biological warfare, study on use of herbicides in South Vietnam, human resources research and development, incremental programing of R.D.T. & E., major weapons systems developed under competitive cost reimbursement type contracts, Federal contract research centers, use of special termination costs clause.

I would like to focus attention on two problems. One involves the decision when to start major weapons system developments and the other, the technology race with the Soviets.

In the past, Mr. President, the decision to produce a major weapons system marked the dramatic commitment to multi-billion dollar expenditures. In fact, as long as a program was progressing satisfactorily in research and development and the program was otherwise not subject to serious question, it was generally supported by the Congress. But, the cost of developing a major weapons system now has grown so large that we no longer can afford to start new developments even in the interest of technology. We must ask hard questions as to need when a weapon is first proposed for advanced development, and before substantial contractual actions have been taken. Otherwise, these programs become progressively more difficult to turn off, even if they cannot be justified as required.

I am pleased to report that the subcommittee did ask the hard questions and was able to convince the full committee to terminate the light area defense system, which is not needed; to turn down the Air Force subsonic cruise armed decoy (SCAD), the Navy strategic cruise missile (SCM), and the Air Force advanced turbofan engine, because of failure to justify requirements adequately; and to slow the site defense prototype demonstration program because it is primarily a hedge against abrogation of the ABM treaty.

The use of the SALT bargaining chip argument to justify such programs was not convincing. In my view, our Triad of strategic deterrence, which is being markedly improved, provides an ample position of strength from which to bargain as well as to deter. Trident, B–1, Minuteman, and Poseidon with MIRV, B–52 with SRAM, site defense, and mobile ICBM development represent an impressive and costly arsenal of weapons in being or evolving which should satisfy any and all foreseeable threats to our security.

Now the second problem is not new. We have been deluged with warnings about the acceleration of Soviet technology and the danger of being left behind in this vital race. I do not take this lightly, and this has been a matter of serious and specific consideration in our reviews. It also is specifically addressed under title II of the committee report on the bill.

Let us examine this problem in its broadest context. To me it looks as if the right hand does not know what the left hand is doing.

The United States permits industry to export technology to the Soviets, such as approval of licenses to a group of about 30 American companies for the sale of equipment to build a truck assembly plant on the Kama River in Russia. This will permit the Soviets to divert industrial engineers, who would otherwise have been needed to design and construct equipment for such a plant, to work instead on military equipment. Dr. John Foster, former Director of Defense Research and Engineering, hit the nail right on the head when he addressed the American Ordnance Association on May 17, 1973. In his speech, he said:

> Export restrictions could be used to limit the premature flow of technology. In some areas, such as integrated circuits and computers, we contribute inordinately to the success of other countries' selling efforts. The United States is the most technically generous nation in the world by far, and this, in the long run, could hasten the day when other countries will achieve technological parity. It contributes today to unfavorable balances in some finished products. Restrictions on trade can be undesirable, but, used selectively to delay the dissemination of some areas of technology, restrictions could make a reasonable policy.

Dr. Foster's statement is both a warning and a challenge. This problem goes far beyond the Defense Department and requires positive and forceful action by the administration as well as by the Congress. I would call upon all parties in the Government who have a responsibility in this matter to give it their most urgent and serious attention. It is situations such as this which, if left unchecked, will undermine and weaken our future military defenses. I will do my utmost to keep the spotlight on it until positive, corrective action is taken.

In conclusion, Mr. President, let me state my conviction that the selective reductions recommended by the committee will still provide the level of research and development required to keep us ahead in the timely introduction of advanced weapons and equipment into our operating forces. The ability of the Department of Defense to achieve this goal is less dependent upon the total amount of money provided than it is on sound judgment in the selection of weapons systems to be developed and on the efficient management of programs.

Mr. STENNIS. Mr. President, will the Senator from New Hampshire yield to me quite briefly?

Mr. McINTYRE. I am happy to yield to my chairman.

Mr. STENNIS. Mr. President, I have listened to the Senator's remarks with a great deal of interest. I can say to the American public that they will find in his speech not just an explanation of the subcommittee's work this year, but also a brief summary of some of the things the subcommittee has accomplished relating to the initial steps of weaponry which, in time, if approved, will cost billions and billions of dollars. Really, that represents, too, I think, one of the most outstanding services that our committee renders to the public and to the Senate, which is going into these matters in their early stages.

I think, too, that the subcommittee can work out some system whereby it will require along the way, before there is any authorization for production, some kind of surveillance and the requiring of a full report as to the changes and the add-ons made in the various complicated weapons.

If it gets to the point where there are too many, we will just have to take the position that no more money will be allowed. I am thinking of the old Cheyenne project, which got so complicated and so involved with so much required that we finally had to abandon the project after spending a lot of good money.

That is no reflection on anyone, of course, who was connected with the project at the time, but it was a system that was wrong.

Again I thank and commend the distinguished Senator from New Hampshire for going into these matters. Some actually argue that this $8 billion or $9 billion in research and development is so sacred that the committee should not go into it but just accept whatever is sent in. I believe we could not be more mistaken than to do that. It is more of a duty to go into these matters at that stage than it is to do so later.

I thank the Senator from New Hampshire for yielding me this time.

Mr. McINTYRE. Mr. President, I yield the floor.

Mr. TOWER. Mr. President, I will not make any extensive opening remarks at this time. As the second ranking member of the Armed Services Committee on the minority side, I feel that there is much to be said about the various systems, but that the appropriate time to discuss them will be when amendments are offered seeking to delete funds for authorizations for the various systems which the committee has felt are necessary.

I simply want to say that I believe this is a "bare bones" authorization proposal. I am hopeful that we can successfully resist efforts to make extensive deletions or reductions in expenditures for systems which are vital.

I had the privilege of meeting with the President of the United States last Monday morning, in company with the distinguished Senator from Mississippi (Mr. STENNIS), the distinguished Senator from Washington (Mr. JACKSON), and the distinguished Senator from South Carolina (Mr. THURMOND). The President was very emphatic in his view that we could do no less than what has been proposed by the committee without seriously imperiling our prospects for successful negotiation for a strategic arms limitation and for mutual and balanced force reductions.

A time of détente, a time of leaving the era of confrontation and entering the era of negotiation, makes it incumbent on us to enter that era of negotiation with a strong defense posture.

It is a certainty that the Soviets are not going to trade with us unless we have something to trade. There are some important bargaining chips contained in the bill. Thus, I am hopeful that Senators will be restrained in their efforts to do violence to the legislation, which has been so carefully considered by the committee.

May I say that the Armed Services Committee is a pretty hard-eyed committee. Everything that is in this bill has been amply justified to the committee. So, for the sake of maintaining the strength that we need into the future, as we try to phase down the arms race that goes on between the United States and the Soviet Union, I hope that we will consider the long range effects of what we do.

I am convinced that we can achieve an era of peace. I am convinced that the day will probably come when the Soviet Union will realize that it is in its own best interests to slow down the arms race. I think that day will only come if they are convinced that they cannot beat us in an arms race.

The recent agreements on strategic arms limitations leave us with some quantitative inferiority to the Soviet Union. We must make up for that with qualitative superiority, and I think that is what we seek to do in the context of this bill. We must look ahead to the next decade. We must look ahead to a shorter period of time in which we will be trying to negotiate follow-on treaties to SALT I. If we allow ourselves to fall behind, an initial operational capability variance of 1 or 2 years could be very critical. I think of this specifically in terms of the Trident.

We have to think ahead, think in terms of the direction of American foreign policy, think in terms of the fact that we are negotiating with a tough adversary that spends far more of its gross national product on military matters than we do in the United States. We must remember that they are going to give us nothing; that if we are to get them to reduce their capacity to wage war in a strategic configuration, we will have to have something to trade off with them.

I hope this will be in the minds of the Members of the Senate in the next few days as we proceed with the consideration of this bill.

Mr. CANNON. Mr. President, today I will present a report on the fiscal year 1974 program reviews by the Tactical Air Power Subcommittee and our recommendations as adopted by the full Committee on Armed Services. This report today will be in three sections. First I will give a summary of the scope of the subcommittee's review of the fiscal 1974 budget programs. Second is a synopsis of our authorization recommendations. Third will be a review of some apsects of tactical airpower which should be of general interest.

SCOPE AND SYNOPSIS OF THE SUBCOMMITTEE REVIEW

The subcommittee membership was the same this year as last, with one exception. Again we had Senators SYMINGTON, JACKSON, GOLDWATER, TOWER, and THURMOND to serve along with me, and Senator NUNN joined us for the first time, replacing Senator HUGHES, who moved over to the R. & D. Subcommittee. I want to take this opportunity to thank my fellow members for their attendance at our hearings and for their valuable help as we considered our recommendations on the various programs that we examined.

For the fiscal year 1974, the subcommittee reviewed 20 aircraft programs and 24 missile programs—including two antiaircrafrt guns. Total budget requests were $1.1 billion in R. & D. and $3.2 billion in procurement, not including spares, modifications, and other below the line costs that can be associated with these programs. The following table shows where the individual services are planning to spend their tactical air funds on programs we reviewed for the coming year:

	R. & D.	Procurement
Aircraft:		
Army	$56.6	$73.6
Navy	122.0	1,422.6
Air Force	606.2	1,123.5
Missiles:		
Army	66.2	104.8
Navy	232.7	289.7
Air Force	26.4	182.6

I must add that the table only includes the programs looked at by us, and is not the entire tactical air or tactical warfare budget of the individual services. As one example, the Army is requesting $194 million in R. & D. in the Sam-D, which was reviewed by the R. & D. Subcommittee and does not show in the above table.

Therefore, I would caution against drawing specific conclusions on overall budget priorities from this table. I do, however, think it is useful as a general indicator of where funds are being spent.

We led off our hearings for the year with a briefing from the Defense Intelligence Agency on the tactical airpower posture of the Communist bloc nations and new aircraft and missile developments in the Soviet Union and Communist China. This briefing was off-the-record, because of its level of security classification and therefore was not printed as testimony.

Following that DIA hearing, the individual services presented their budget programs. Each service started with an update of its 5-year Tac Air Force structure planning. Then, at the subcommittee's request, the services presented their programs this year by giving us an overview of combat experience from Southeast Asia and projected the lessons learned there into their future program planning. Program reviews were divided into functional areas, as follows:

Air Force and Navy: Air-to-air fighter programs, ground attack aircraft programs, air-to-air missiles, air-to-ground missiles, and electronic countermeasures programs.

Army: Attack helicopter programs and air defense programs.

Navy: Shipboard missile programs.

The subcommittee held 15 separate hearings during our reviews, in the time period from March 12 through March 21, covering all of our budget programs except the F–14 in that time period. F–14 hearings were held on March 26, 27, June 19, 25, and 26. In addition, a special subcommittee briefing on April 11 took testimony from the commanders of the A–7D and F–111 wings which deployed into Southeast Asia combat.

SYNOPSIS OF SUBCOMMITTEE RECOMMENDATIONS

To synopsize our recommendations, they fall into three categories. In the first category, there are eight programs which appear overbudgeted in fiscal year 1974 and where the subcommittee believes a reduction in funding is warranted without making any alteration to the basic program plan that was presented to us. The total reduction in this category amounts to $89.6 million. The eight programs are listed in table I, which follows, along with a brief description of the reason for the recommendation. For many of these recommended reductions there is a more detailed explanation in the Armed Services Committee report on the bill, in case more information is desired:

TABLE I.—PROGRAMS OVERBUDGETED

[Dollar amounts in millions]

EA–6B	–$15.0	Apparently excessive estimated budget increase in unit price over last year.
AV–8 Harrier	–6.0	Budget request included cost of avionics systems which have been cancelled from program.
A–7E	–14.8	$9.1 is for procurement of Tram night vision system; R & D. has slipped 1 year. $5.7 is because of added A–7D buy.
Navy aerial targets	–1.9	R. & D. on maneuvering drones which will not start until fiscal year 1975.
AWACS	–42.0	Amount overbudgeted, not needed until fiscal year 1975.
Maverick	–$9.9	$8.9 is unidentified contingency funds, $1 is A–X AGE.
Shrike (USAF)	–2.2	Procurement of the A–10 model, which will not be made until fiscal year 1975.
Advanced attack helicopter.	–3.5	$3.5 available, left over from Cheyenne termination.

In a second category, there are 10 programs where the subcommittee recommends a revision or redirection to the basic program as proposed by the services. These are the programs where we feel a definite change should be made. The total reductions in this category amounts to $149.7 million. The 10 programs are listed in table II, which follows, along with a short synopsis of the reasons for the recommendations. Here, again, the committee's report contains added explanations on why we recommended these actions:

TABLE II.—PROGRAMS WHERE REVISION/REDIRECTION IS NEEDED

[Dollar amounts in millions]

Navy V/STOL	$9.3	$3.9 from augmented wing associated with conventional flight version. $5.4 from "Super" Harrier, since program has not received congressional approval.
Harpoon	4.9	Reduction in long-lead procurement, associated with excessive rate tooling at early production stage.
AEGIS	3.0	Elimination of part of R. & D. request to start building EDM–3 second prototype system, which should be slowed to phase in with DG ship construction program.
Dual mode Redeye	4.5	Deletion of all funds for Navy antimissile version of Redeye. Missile is too small for this purpose.
Vulcan-Phalanx	8.0	Deletion of long-lead procurement funds. R. & D. program has slipped and production long lead should slip too.
Sidewinder–9L	1.5	Deletion of long lead procurement. No production authorization should be given until Sidewinder/Chaparral common missile issue is resolved by OSD.
Laser Maverick	8.0	Deletion of R. & D. request for engineering development of laser seeker. Already developed Bulldog seeker should be adapted to Maverick.
F–5A	41.0	Funds totaling $69.3 are requested for payback to MAP for F–5A loan to South Vietnam. $28.3 is fiscal year 1974 requirement for F–5E's for Taiwan; remaining $41 is already funded or reimbursement is not required.
Army foreign missile (LOFAADS).	19.5	Deletion of funds to start engineering development on all-weather short-range foreign missile (Crotale, Rapier, or Roland). Army has not yet confirmed a requirement for all-weather system.
A–X	50.0	Reduce R. & D. by $20 and 4 nontest airplanes; delete all $30 in procurement. Direct A–X versus A–7D flyoff.

There are four programs in which the subcommittee feels that additional funding is warranted over that requested by the Defense Department. Three of these, the F–111, the A–7D, and the Bulldog missile, were not included in the fiscal year 1974 budget, and the fourth, a development request for the two-place F–5E, was submitted as an amendment by Deputy Secretary Clements in a letter on July 9. These four programs total $255.4 million, and are summarized in table III along with a short description of the reason for the addition of funds:

TABLE III.—PROGRAMS WHERE ADDITION IS WARRANTED

[Dollar amounts in millions]

Bulldog	+$12.5	Addition of Navy (Marine) fisnal year 1974 production program deferred by D.D.R. & E. in lieu of tri-service laser seeker. Bulldog has already completed development and its seeker should be used on Laser Maverick (see Laser Maverick reduction).
A–7D	+70.1	Addition of 24 A–7D's to keep line open and provide airplanes for Guard, pending resolution of A–X situation.
F–111	+158.8	Addition of 12 F–111's to keep line open until a replacement enters development.
F–5E	+14.0	R. & D. required to support development of two-place F–5E for U.S. use and foreign sales. (It is anticipated these funds eventually will be recouped from royalties on foreign sales.)

Finally, for 26 programs the subcommittee recommends approval of the budget as requested. These 26 programs total $2.26 billion and are listed below in table IV:

TABLE IV.—PROGRAMS RECOMMENDED FOR APPROVAL AS REQUESTED

Model	Quantity	Procurement	R. & D.
Navy aircraft:			
A–4M	24	$66.3	0
A–6E	15	130.3	$10.0
E–2C	9	141.0	1.4
AH–1J	20	22.3	0
Air Force aircraft:			
F–15	77	801.9	229.5
F–4E	24	98.6	0
F–5E	71	112.0	2.6
EF–111	0	0	15.0
Lightweight fighter	0	0	46.5
F–4 Wild Weasel		[1] 34.2	2.4
Army aircraft: Cobra/TOW	101	[1] 63.8	7.3
Navy missiles:			
Sparrow		38.5	5.5
Shrike		10.6	0
Condor		22.7	8.3
Standard MR		29.1	7.6
Standard ER		9.7	7.7
Standard SSM		7.7	12.0
Agile		0	21.7
Harm		0	8.7
Improved Hawk		30.1	0
Improved point defense		0	18.7
Walleye data link		0	0.7
Air Force missiles:			
Sparrow		51.5	1.9
Targets/RPV's		13.0	14.2
Sidewinder		0	2.3
Army missiles:			
Hellfire		0	11.2
Stinger		0	24.6
Improved Hawk		104.8	1.9
Chaparral		0	2.4
Antiaircraft guns		0	2.6

[1] Aircraft modification account.

Turning now to some topics which should be of general interest, I would like to discuss several items covered by the subcommittee in hearings this year. These include Southeast Asia combat experience and air-to-air combat training, close air support, the Navy's V/STOL program, Sidewinder/Chaparral missile developments, laser-guided missiles, the AWACS program, Army forward area air defense, including antiaircraft guns, and lightweight fighter prototypes.

Also I have another report, to follow separately, on the F–14 program.

SOUTHEAST ASIA COMBAT EXPERIENCE

Southeast Asia combat was an invaluable testing ground for our tactical air forces. The subcommittee heard testimony on the air-to-air war, the air-to-ground war, electronic countermeasures and defense suppression tactics, and on attack helicopter warfare experiences. I want to make the point today that by the end of the shooting in early 1973, our tactical air forces had become a sharply honed, finely tuned combat machine. I believe that some very valuable lessons were learned and that they should not be lost as our services slip into a peacetime operating environment.

In air-to-air combat, our fighter pilots relearned how to dogfight. Both the Navy and Air Force instituted intensive air combat maneuvering training programs after the first phase of the air war, 1965 to 1968 when combat results were not good. When air combat resumed over North Vietnam in 1972, the Navy achieved a 12 to 1 kill ratio over the enemy, with 24 kills to 2 losses, and the Air Force achieved a 2½ to 1 kill ratio, with 49 Mig kills to 22 losses. Both services testified that a new emphasis on dissimilar aircraft training was in large part responsible for the impressive victory ratios. The basic aircraft in the war had not changed. F-4's were still fighting against Mig-17's, -19's, and -21's. But our pilots had stopped doing their own training by flying F-4's against F-4's, and by 1972 they were training against airplanes similar to the Mig's in special dogfight training schools. The Tactical Air Subcommittee believes that these training programs were of the greatest value, and to a large extent were responsible for the 1972 combat results and they should be supported in the future. Noteworthy future improvements include an instrumented air combat maneuvering range which allows a ground site to obtain a continuous record of a practice dogfight so the pilots can be debriefed on their errors after they have finished their flight. This ACMR is completing development and will be requested for procurement in future years. In addition to ACMR, both services expect to purchase a limited number of new aircraft to simulate Mig's for their training programs.

We also learned some highly valuable lessons about our air-to-air missiles. Remember that this air war from 1965 on was the first where U.S. aircraft have used air-to-air missiles. Results in the early phase of the war were, quite frankly, terrible. Kill ratios with missiles in the early phases were running between 9 percent with Sparrow radar-guided missiles up to 20 percent with the Navy's 9D Sidewinder. Two basic problems were that the missiles had not been designed for dogfight combat maneuvering and also the reliability of their electronics and other parts was very low. As a result of these combat experiences special programs were pursued to modify the missiles for greater maneuvering capability and to increase reliability. Also new versions of both the Sparrow and Sidewinder were started designed with solid state circuits instead of vacuum tubes.

In the 1972 air war the Navy's 9G Sidewinder achieved a kill probability approaching 50 percent. Although still a vacuum tube missile, these results attest to the improvement in effectiveness that can be obtained with careful attention to manufacturing reliability and better pilot training. The newer 9H and 9L solid state Sidewinders and the new solid state Sparrow-7F should be even better missiles than their predecessors provided the required emphasis, and also funds, are put into careful quality control in manufacturing.

I do not want to leave you with the impression that all is rosy with the air-to-air missile programs, because they all are very difficult to build properly. I do believe, however, that valuable lessons were learned in Southeast Asia and hopefully they will not be lost in the near future.

Air-to-ground guided missiles came of age in Southeast Asia. Two significant terminal homing guidance systems were developed, the electro-optical or TV system and the laser system. These systems have averaged direct hits on the order of 2:3 to 3:4 of every weapon dropped. Since a direct hit means a target kill, these weapons are extremely cost-effective for use against high value targets. Laser-guided bombs proved their pinpoint precision in strikes in Hanoi and Haiphong during Linebacker bombing operations in 1972, where in some cases buildings were destroyed within a few feet from off-limits targets such as dams. A future use of these weapons will be for standoff firings, with laser and TV guided missiles to be used for close air support and with a new item, a radio data-link, allowing long range standoff launches of the TV-guided glide bombs and missiles. The operational feasibility and value of this class of weapon was proven in Southeast Asia, and there is no doubt that they will be a significant part of our tactical arsenal in the future.

Another area where we learned from actual combat is in the use of electronic jamming and defense suppression tactics. The introduction of the SA-2 SAM missile into North Vietnam required us to develop these countermeasures in order to survive. Our knowledge and state of the art with ECM and with antiradar missiles progressed immeasurably from 1965 to 1973, and the kill effectiveness of enemy SAM's went down from on the order of 15 percent early in the war to about 2 percent by the end of the war. I would point out, however, that while our own attack tactics and equipments have been upgraded by this combat experience, so has the experience of the Soviets with their SAM systems. They continually improved their SA-2 during the war with new modifications, whereas the United States never has fired any of its SAM missiles under combat conditions. I believe it is reasonable to assume that we must be behind in this important area of tactical warfare since we are relatively untested and the Soviets and their allies now have vast experience.

Lastly, in 1972 the Army introduced its helicopter launched TOW missile into combat in South Vietnam during the heavy fighting in the spring offensive. Only two TOW-equipped helicopters were available, but they were used around Kontum when that city was surrounded and under siege. The results were impressive. Of 133 combat firings, 107 hits were scored for an 80 percent success ratio and 27 tanks, 15 vehicles, and 33 other point targets were destroyed. Some tanks were knocked out after they had penetrated into the streets of the cities where tactical air strikes could not get at them. Neither of the TOW-equipped helicopters ever was hit by ground fire.

Another demonstration of the value of the missile-armed helicopter was obtained from a tri-nation operational exercise in Europe last year. A combined United States-German-Canadian Army mock battle pitted Huey Cobra attack helicopters against attacking German Leopard tank columns in the Ansbach area of central Germany. The Leopards were accompanied by mechanized antiaircraft units simulating the Soviet Quad-23 system, while the Cobras simulated TOW missile firings. The final overall kill ratio showed 18 tanks destroyed for each Cobra knocked out, and gave a dramatic demonstration of the potential of the attack helicopter on European terrain and in a midintensive scenario.

Between the combat results with the TOW missile in Southeast Asia and the war-game results in Europe, the Army obtained in 1972 some highly impressive substantiation of its belief in the value of the attack helicopter. Its place as an essential element of firepower on the battlefield appears well confirmed.

CLOSE AIR SUPPORT ISSUES

To review some background for this discussion of close air support, you may remember that a year ago in June 1972, the report of the Special Subcommittee on Close Air Support was released. I served as chairman of that ad hoc subcommittee which held its hearings in the fall of 1971. That report made three hardware-item proposals as follows:

First, that the Harrier program be limited to 60 aircraft;

Second, that the Army have a flyoff between the Cheyenne, Blackhawk, and King Cobra; and

Third, that the A-X prototypes engage in an operational flyoff with the A-7D and A-4M.

As Senators will recall, the committee adopted the Harrier recommendation last year, but we receded to the House in conference, and the program later received appropriations. This year, the marines have requested a final buy of 20 Harriers to provide a training squadron, including eight two-place trainers, and with the procurement this far along, the Tac Air Subcommittee and the Full Committee recommended approval of this last procurement of Harriers to round out the Marine Corps program.

The Army followed the Close Air Support Subcommittee's prompting for a helicoper flyoff, and partly as a result of the deficiencies found with all three aircraft in that flyoff, the Army terminated the Cheyenne program and has started on a new advanced attack helicopter—

AAH—for the 1980's time frame. They were encouraged in taking this bold step, I am sure, by last year's committee action to delete all Cheyenne funds from the fiscal year 1973 bill. The Tac Air Subcommittee reviewed the AAH program this year, including staff review of the winning Bell and Hughes proposals, and we are recommending approval of the Army's R. & D. request of $49.3 million, subject to a reduction of $3.5 million, because that amount is available left over from the now defunct Cheyenne.

A-X (A-10)

This leaves the third program, the A-X or A-10. Last year the committee adopted the Tac Air Subcommittee recommendation to approve $43.1 million for R. & D., with restrictive language in the bill that the funds were solely for the A-X program, because the Air Force was unable to give a firm commitment that one of the prototypes would be put into engineering development. Last year the committee also adopted the Close Air Support Subcommittee's flyoff recommendation and put the following language in last year's report:

> The existence of the A-X prototype will allow a thorough operational test and evaluation of this approach to close air support before the commitment is made to continue development and production. The Close Air Support Subcommittee recommended that this evaluation include a flyoff, a side-by-side flight comparison, with existing close air support airplanes, and the Committee believes that this should be a part of the Air Force's A-X evaluation program.

As many may be aware, the Air Force to date has rejected the recommendation for a flyoff, and instead signed the contract for engineering development on the winning A-10 prototype built by Fairchild-Hiller. This year's budget request was for $112.4 million in R. & D. and $30 million for long lead procurement funding to continue the A-10 program.

Before I discuss the Tac Air Subcommittee's recommendation this year on the A-X (A-10), I want to go back to the Close Air Support Subcommittee's report and review why we felt a flyoff was necessary with the existing close air support airplanes, the A-7D and A-4M. As that report pointed out, the A-X was being developed under a totally different operational concept than the existing swept-wing jet light attack airplanes. The A-X weighs about the same as the A-7D but it has a much larger unswept wing and a larger overall profile. This big wing gives the A-X more airborne loiter time, more payload, and allows operation off of shorter runways than the A-7D or A-4M. Conversely, the straight wing design drastically limits the speed of the A-10. Top speed of the prototype was only 350 knots—although it is hoped to improve this to 390 knots in the production version—whereas the A-7D and A-4M have a top speed of 610 knots.

Another significant difference is in the avionics systems. The A-7D has the most modern computer-aided navigation and attack avionics system of any light attack airplane in the world, and the A-4M also is going to add a computer-aided system. These systems improve bombing accuracy by a factor of 2.5 to 1 or 3 over the old fixed-sight system to be used in the A-10 and they allow the pilot to use high speed bombing attacks from longer standoff ranges to increase his survivability from ground fire.

The Navy reported excellent combat results with its A-7E, the sister to the A-7D, in Southeast Asia, in both close air support and interdiction, when the Close Air Support Subcommittee held its hearings in the fall of 1971. Their tactics were to use high speed attack runs and standoff range for survivability. It was felt by us on that subcommittee that the A-X operational concept of flying down low for short-range attacks in a heavily armored but slow airplane should be subjected to a thorough evaluation by operational pilots, with a direct flight comparison made with the existing higher speed airplanes. That was the original basis for and genesis of the committee's recommendation last year for an A-X flyoff against the existing close air support airplanes.

Since last year's subcommittee and full committee reports were released, the Air Force deployed the A-7D and the F-111 into combat in Southeast Asia. The Tac Air Subcommittee heard testimony from the wing commanders of both units on April 11, 1973, and I want to give a brief summary of some of the experience with the A-7D as told to us in that hearing.

Between mid-September 1972, and the end of March 1973, the A-7D's in Southeast Asia flew 6,500 combat sorties with only 2 combat losses. They had less than a 1-percent mission abort rate, averaged 60 hours per month per airplane or double the peacetime flying rate, had only 16.5 maintenance man hours per flight hour, demonstrated excellent bombing accuracy with FACs reporting average 10 meters miss distances, and had an extremely high secondary explosion rate because of the accurate bombing on supply points.

The tactics used were to bomb at high speeds, up around 450 knots, with bottom-out altitudes above 3,500 feet. This kept them out of range of small arms fire, and the accurate bombing system meant that only one pass usually was necessary to hit the target. When friendly troops were involved, with close air support missions, the tactic used was to make bomb runs parallel to the troop line because errant bombs fall long or short rather than off to the side. The A-7D wing commanders' overall assessment was that his airplane is the best close air support plane in the world at this time.

SYSTEMS ANALYSIS STUDY OF A-X VERSUS A-7D AND A-4M

The Air Force testified before the Tac Air Subcommittee in March of this year that they had proven that the A-X was superior to the A-7D and A-4M in a cost-effectiveness study done in late 1972, and therefore a flyoff was unnecessary. The study, called Saber Armor Charlie, was briefed to the Tac Air Subcommittee and frankly it raised more questions about the A-X than it answered. The assumptions made in the study were heavily biased to favor the A-X. For example, it was assumed in the study that the A-X and A-7D would make close air support bombing runs while remaining over friendly troops and bombing perpendicular to the troop line, lofting the bombs over the heads of the supported troops and into enemy territory. The effect of making this assumption was that the A-X, because of its better maneuverability at very slow speeds, could stay farther out of range of enemy antiaircraft guns and therefore receive lower losses in the study. Another assumption in the study was that the Strella missile threat was countered equally by all airplanes by dropping strings of decoy flares. Since the A-X is highly vulnerable to the Strella because of its slow attack speeds, about 300 knots, while the A-7D and A-4M are much less so if not invulnerable at their normal attack speeds of 450 knots or higher, the effect of this assumption was to dismiss a major threat to the A-X while assuming the A-7D and A-4M would suffer equal losses to the Strella. This is patently incorrect. Finally, the study assumed that the A-7D pilot could not use his computer-aided bombing avionics on his first bombing pass but could on his second and subsequent bomb runs. This tended to negate the A-7D's 3-to-1 advantage in bombing accuracy and its ability to deliver bombs from longer standoff ranges. As I said at the outset, the study raised more questions about the viability of the A-X concept than it answered. As one example, when the A-7D was given credit for using its avionics system on the second pass, the study showed a 33-percent lower loss rate than the A-X and 20 percent higher tank killing effectiveness per sortie. I also would note that the study did not give the A-7D credit for its excellent interdiction capability, which is an important Air Force mission requirement. The Air Force admits that the A-X basically has no interdiction capability because it is too slow.

When Maj. Gen. Edward Fris, Assistant Chief of Staff for Marine Air testified to the Tactical Air Power Subcommittee on the Marines procurement program this year, he had this to say about the A-X in response to a question on how the Marines feel about the plane:

> Survivability is our biggest complaint with it. We learned in the Korean war, when we had slower aircraft, that we lose an awful lot of them, and we decided at that time that the only answer was to go to a faster turbojet type aircraft. You have to go down and strafe, you have to go in and lay napalm, and you are going to have a rough time surviving with a slower aircraft in that particular role.

COST OF THE A-10 AND A-7D

Air Force testimony of the A-X program cost showed it now is estimated at $2.27 billion, and the average unit price is $3.1 million each for a 729-airplane production program. The Defense Department SAR is reporting an OSD estimate of $3.35 million each for that quantity. Prior year testimony was that the A-X would have a $1.4 million flyaway cost in 1970 dollars. The A-7D costs $2.9 million flyaway this year, and $3.2 million with support. Obviously, there is no cost advantage to either aircraft.

REASON FOR SUBCOMMITTEE A-X RECOMMENDATION

In the Tactical Air Power Subcommittee we discussed all of these matters and considered two alternatives: First, whether to cancel the A–X program now, or second, whether to reduce the R. & D. funding request for $112.4 million and 10 planes by $20 million and 4 airplanes, and to eliminate the $30 million requested in production funds. In either case, the subcommittee agreed to recommend adding $70.1 million to the bill to buy 24 A–7D's in order to keep the A–7D line open and also to further the modernization of the Air National Guard. After considerable discussion on the two alternatives, the subcommittee decided to recommend the reduced A–10 program plus new direction to the Air Force for an A–X versus A–7D flyoff.

FLYOFF WILL TAKE PLACE

And I may say, Mr. President, I have now been informed, as of yesterday, by the Chief of Staff of the Air Force that the flyoff will be conducted, and they now are in the process of working out the ground rules so that a fair and objective evaluation will be made between these airplanes.

Our reasons for the recommendation were two-fold. First, only 6 of the 10 A–10 R. & D. funded aircraft actually will be used for the flight testing of the plane. The other four are to be used for initial operational test and evaluation, yet they will not be built and delivered until starting in May 1975, or 1 year after scheduled production go-ahead and 6 months before first delivery of production airplanes. This is too late to affect either the production decision or the production airplane configuration, and the committee agreed these four airplanes are superfluous to the A–X R. & D. program. The committee therefore deleted the $20 million in R. & D. funding associated with these four airplanes.

On the second issue, approval of $30 million in production long lead funds, the committee voted to delete these funds and insist instead on the flyoff between the A–7D and the A–10, using operational combat-experienced pilots. There was a motion in the committee's markup meeting to terminate the A–10 program now and instead procure A–7D's to modernize the Air National Guard. The consensus of the committee, however, was that the Air Force should have this flyoff between the two aircraft at the soonest possible time in order to obtain operational pilots' opinion on which airplane is better for close air support and interdiction. I personally believe that we should rely on combat-experienced pilots to make this judgment.

OTHER ITEMS OF INTEREST

There are other items which should be pointed out where the committee believes there are management problems or program problems. These are described in greater detail in the committee report, and I will only highlight them now.

NAVY V/STOL R. & D.

The Navy is putting the largest share of its available V/STOL R. & D. funds into the high risk "augmented wing" VSTOL program instead of pursuing a balanced effort to include the Super Harrier and lift-plus-lift cruise technology. Also the Navy needs to do some hard studies to straighten out its requirements and those of the Marines for future V/STOL applications and then apply future funding toward fulfilling those requirements.

SIDEWINDER/CHAPARRAL MISSILES

Here we have a situation where a single configuration of the missile probably could be used by Army, Navy, and Air Force, but three separate guidance systems are in various stages of development. Defense Research and Engineering should straighten out this situation before new procurement begins.

LASER CLOSE AIR SUPPORT MISSILES

D.D.R. & E. refused to let the Navy start production on its already developed Bulldog laser missile, and instead directed a triservice program to complete two entirely new laser seekers, attempting to achieve commonality between the small helicopter-launched Hellfire missile seeker and an airborne Maverick or Bulldog missile seeker. The Tac Air Subcommittee recommended terminating the new Maverick laser seeker program, adopting the Bulldog seeker to the Maverick, and evaluating the possible use of the Bulldog seeker on Hellfire but only if the Hellfire performance is not compromised.

AWACS

The AWACS development is proceeding well and the committee strongly supports the program. The tactical application has emerged as equal to or more important than the bomber defense requirement; however, a single common configuration is being developed that can perform either missile. A management issue is that the OSD systems analysis office was permitted by the Secretary of Defense to slow the development effort this year by challenging once again the basic concept of the AWACS. The program has met its milestones and is underrunning on cost, and this extraneous interference into the program should not have been permitted. I will have a separate and more comprehensive report on AWACS since it is subject to a floor amendment.

ARMY AIR DEFENSE

The Army finally has let an R. & D. contract to prototype an advanced antiaircraft gun system, and the committee strongly supports this effort. The Army also requested $19.5 million to start engineering development of a LOFAADS all-weather short-range air defense missile that eventually would replace the fair weather Chaparral. Three foreign missiles, the Crotale, Roland, and Rapier are candidates. A 1972 Army study of the need for an all-weather system had concluded that there was no requirement for one, so the Tac Air Subcommittee recommended rejection of this funding request, at least for this year.

LIGHTWEIGHT FIGHTER PROTOTYPES

The Air Force's two lightweight fighter prototypes are progressing well, with first flight of the General Dynamics YF–16 scheduled for this January and the Northrop YF–17 scheduled for April. There is a potential risk area with the new engines for the Northrop airplane which the subcommittee has pointed out. These engines will have only 1,100 total full-scale test hours on them before being flight rated, whereas 4,000 hours is the normal test background. The R. & D. funding level is inadequate on the General Electric YJ–10 engine, and this looks like an area of possible trouble for the YF–17. The YF–16 will use the F–15 engine which has had much publicized durability problems but has done well in the F–15 flight test program.

CONCLUSION

In conclusion, it has been an interesting year for the Tactical Air Power Subcommittee. I want to again thank my fellow members for their support and their help as we have wrestled with some tough questions and some high-visibility programs. Although our recommendations on this budget for fiscal year 1974 have ended up with a net increase of $16.1 million, I believe that we have trimmed the fat where we have seen it and that we have found a number of programs where definite redirection or revisions should be made. I believe that these program recommendations have been carefully considered and are in the best interests of our defense program.

AWACS AIRCRAFT PROGRAM

Mr. CANNON. Mr. President, today I am going to review the Air Force E–3A AWACS program and present the reasons why the Armed Services Committee strongly supports this very vital and effective new system. This program has been made the subject of an amendment by the distinguished Senator from Missouri (Mr. EAGLETON), which would have the effect of drastically slowing down research and development on the AWACS, and during the course of my remarks I hope to show why the amendment, if adopted, would seriously disrupt what has been an extremely successful R. & D. effort and would cause a major cost overrun in the AWACS program. First, though, I will describe what the AWACS is all about, what its status is at this point in time, and where the program is planned to go in the future.

DESCRIPTION OF AWACS

The acronym AWACS is short for airborne warning and control system. The AWACS system, simply stated, is a radar carried aloft in a Boeing 707 airplane, which provides a long range and mobile radar surveillance capability. Connected with this radar is a series of command and control and communications equipments which allows the information picked up on the radar to be analyzed and then passed on to other military units associated with a particular battle scenario. This sounds like rather a simple system conceptually, and indeed it is. In fact, airborne radar warning is not a new military concept, as we always have had both EC–121 and E–2A/B/C airplanes in the Air Force and Navy for many, many years now. There is no question about the operational utility or necessity to have airborne radar warning and control. It long has been demonstrated as essential with these past and existing aircraft systems designed for that purpose.

AWACS A QUANTUM IMPROVEMENT

Why then should we pursue the AWACS program, if it is similar in function to the present airborne radar warning airplanes? The reason is that the

AWACS represents a major technology breakthrough that permits a quantum improvement in capability over the older airplanes. To put it bluntly, the AWACS totally eliminates the major operational deficiencies of the earlier airplanes.

The weaknesses of the existing systems, the EC–121 and the early E–2 airplanes, are their basic inability to spot airplanes flying at low altitudes over land. These low-flyers are hidden by what is called ground clutter, the radar return from land features which essentially blanks out the scope of conventional radars. The AWACS uses the pulse-doppler principle to allow it to look down into this land clutter and pick out all moving targets while eliminating the nonmoving radar return off of the ground. In AWACS for the first time the radar warning airplane will be able to see and track many low flying airplanes over land, which eliminates the primary operational deficiency of the existing airplanes. These current airplanes all work well over water and also can see airplanes flying at high altitudes, above the radar horizon over land, but they essentially are useless against planes flying at an altitude low enough to be in ground clutter. This ground masking altitude can vary from hundreds to many thousands of feet, depending on the altitude of the radar warning plane and the distance to the target airplane, but it is safe to say that because of the lack of the AWACS type of radar capability the current airplanes are useless over land against low flyers.

Another major advance in the AWACS is its use of digital radar processing technology, which has significant advantages in reliability and maintainability and also permits much better airplane tracking and subsequent automated data processing for command and control purposes. Also, AWACS has built-in features which allow it to be invulnerable or nearly immune to enemy ECM radar jamming methods. Both of these advances over the current systems again represent quantum jumps in capability. Finally, the AWACS will use the newest and most improved data displays and communications, which add again to its much higher level of capability over current radar warning aircraft. All in all, AWACS represents a state-of-the-art increase in overland radar warning and command and control capability when compared with the present airplanes performing those functions.

POTENTIAL USES OF AWACS

There have been two primary conceptual military applications for the AWACS airplane, the first being strategic bomber defense, and the second being tactical warfare battlefield management. Let me discuss the similarities and difference of these two missions.

The classical continental U.S. strategic bomber defense mission for AWACS, or for any other radar warning airplane, involves radar detection of incoming enemy bombers and then the vectoring of interceptor aircraft to locate them and shoot them down. When the original concept studies were done for AWACS in the early to mid-1960's, this was considered to be its primary mission, and its capability to operate over land as well as water was its unique new advantage. Nevertheless, the original justifications for the program recognized that it also had a tactical mission capability.

Since those early conceptual studies we have been involved in a conventional war in Southeast Asia, and we have learned some important new lessons on the great need for an AWACS capability in conventional warfare. The Tactical Air Power Subcommittee tasked the Air Force and the Navy this year to report on their air warfare experiences in Southeast Asia, and the testimony by both services clearly showed the need for the overland lookdown capability that would have been provided by an AWACS type of airplane.

The air defense system of North Vietnam employed a system similar to that used by all Soviet-supplied countries, the Warsaw Pact and the Middle East, for example, featuring a tightly woven and overlapping net of ground-based radars for early warning and for GCI vectoring of fighters into position to make hit-and-run attacks from behind our own strike aircraft. In North Vietnam, the Navy provided a degree of counterwarning from Red Crown cruisers stationed out in the Tonkin Gulf. Red Crown gave radar coverage and warning from these ships, but it suffered from the inherent limitations of all surface-based radar systems in that it could not see over the horizon or look down over hills or mountains. This coverage was good near the coast but was poor further inland, and the enemy MIG airplane hit-and-run attacks were most successful well inland where this counterwarning was not available.

The Air Force operated three separate airplanes in order to try to fulfill the AWACS function in Southeast Asia. These were the EC–121 radar warning airplane, the C–130 airborne command post, and the KC–135 communications relay airplane. A total of 23 of these airplanes were deployed over there, 11 EC–121's, 5 KC–135's, and 7 C–130E's, providing 12-hour-a-day radar warning and 24-hour daily command and control coverage. Had AWACS been available, only 5 AWACS could have given 24-hour-a-day operation of all these functions and also would have permitted low altitude coverage of all of North Vietnam's airspace, a coverage which never was provided by the 23 other airplanes attempting to do the same mission as the 5 AWACS. This example, I believe, gives a dramatic comparison of the potential improvement in capability, and the potential to greatly reduce operating costs, which will accrue when the AWACS is introduced into the Air Force.

COMMON CORE CONFIGURATION

Whether AWACS is considered more necessary as a tactical warfare or strategic bomber defense system is not really important or relevant because of the fact that AWACS can do either mission with the same basic airplane. This is because the plane is being developed with a single "common core" configuration of equipments. The radar, the computer, and the displays can do the same fundamental tasks of seeking out and tracking friendly and enemy airplanes and of showing their positions and tracks on display consoles. There are some minor differences in the command and control data processing that would be used for continental air defense from those of tactical air warfare. For instance, the air defense interceptors have different airplane and weapons characteristics from those of tactical strike aircraft, and these characteristics would be programed differently in the AWACS computers. This change to the computer software program is a simple and easy task and can be accomplished in a matter of minutes. Thus, an air defense AWACS can be converted into a tactical AWACS in far less time than it would take the airplane to fly from the United States to Europe. The flexibility of this common core configuration means that the AWACS system can be used for whatever radar warning function is required at the time, and, therefore, the distinction between tactical or strategic uses is not really relevant or pertinent. I might add that the same is true of the present EC–121; it also has been used in either role interchangeably.

AWACS PROGRAM DETAILS

Turning now to a review of the overall AWACS program, first a review of the development history to date is in order. The contract to start the R. & D. was won by Boeing in July 1970. The first phase was a competitive prototype program between two subcontractors to Boeing to build and test prototypes of the radar system. These prototypes, or "brassboard" radars, were installed in two Boeing 707 test airplanes and flown in airborne tests in the summer of 1972. The Westinghouse radar was selected as the winner over the Hughes radar after this flyoff, ending the "brassboard" phase of the R. & D. program in 1972. I might add at this point that the AWACS R. & D. program to date has bettered its technical performance milestones, has run ahead of schedule, and has underrun on costs. This is not often achieved in military weapons programs, or in many civilian R. & D. efforts, either, for that matter.

The primary purpose of putting a brassboard phase and milestone in the development program, aside from achieving competition in selecting the better radar, was to eliminate the major technical risk in the program which was with the overland lookdown radar performance. This overland lookdown capability now has been completely and satisfactorily demonstrated, the specifications have been exceeded, this phase was completed ahead of schedule, and the winning brassboard radar airplane has since been used for initial operational test and evaluation demonstrations in CONUS air defense exercises and in tactical scenarios in Europe, adding further confidence in the operational usefulness of the unique capabilities of the AWACS system.

NEXT DEVELOPMENT PHASE

The next major R. & D. phase is the system integration demonstration phase, which will run on through the middle of 1974. In this phase the brassboard radar will be integrated with the remaining equipments of the AWACS system, including a "single thread" of the computer software program and the remaining displays and equipments, to demonstrate the compatibility and function of the entire system. Successful completion of this demonstration phase is the milestone required for the full go-ahead on AWACS production airplanes. This go-ahead is scheduled for December 1974.

FINAL DEVELOPMENT PHASE

The remainder of the AWACS R. & D. program will be comprised of routine, but vitally necessary, development efforts. Three R. & D. aircraft will be used for this phase's flight test efforts, which will run from February of 1975 on out into the middle of 1977. The airplane that originally was used for the Hughes brassboard radar, or R. & D. airplane No. 2, will be the first to be used in this test program. It will begin in February 1975 doing air vehicle performance and handbook verification tests. In September 1975, R. & D. airplane No. 3 will start flying and will do the flight loads testing. Then in December 1975, R. & D. airplane No. 4 will start flying and will move directly into avionics systems performance tests using the production configuration of the radar. It will be joined in this avionics systems testing by No. 2 and No. 3 in 1976, after they complete the air vehicle oriented tests I described above.

Several points are noteworthy about this test program. First, it should be pointed out that the winning brassboard airboard airplane, or R. & D. airplane No. 1, will not be available for this final phase of the test program. The reason is that in the system integration demonstration test phase in 1974 it will be using the brassboard configuration of the radar and this prototype radar will have to be entirely removed and replaced with the production configured radar before it could be used in the final testing program. This radar change is going to be done to this airplane anyway as part of the production program, and R. & D. plane No. 1 eventually will be reconfigured into an operational AWACS airplane for the Air Force inventory, but this cannot be done in time to allow reasonable participation in the flight test program.

The other point to note is that the R. & D. airplanes Nos. 3 and 4, which will comprise two of the three final phase test planes, are the ones which the Eagleton amendment has proposed to delete from the program. Deleting these airplanes obviously would have a drastic impact in delaying and stretching out the testing program. There is no way that two-thirds of the planes to be used in this final test phase could be deleted without a serious delay to the development schedule.

Those two test airplanes are scheduled to accomplish some 38 months total of flight testing time between them. If the two airplanes were deleted, the Air Force estimates that the R. & D. program would suffer a 16- to 19-month slip in completion, and the cost would be increased by over $350 million. Either the procurement of production airplanes would have to slip a like amount, or else the production airplanes would have to be delivered concurrently with the R. & D. testing. Neither alternative is very attractive considering that the program right now is proceeding so well and is underrunning on cost, exceeding technical performance, and completing its milestones ahead of schedule.

AWACS PROGRAM QUANTITY AND COST

Planning for the AWACS production program has been based on a goal of 42 operational aircraft. The estimated cost of the AWACS R. & D. is $1,169 million, and the estimated procurement cost is $1,366 million, so the total program cost is $2,535 million. These cost estimates were current as of the submission of the budget in January, 1973.

I would like to point out at this juncture in my remarks that the AWACS program has had a history of declining cost estimates. When the program was begun in 1970, the 42-airplane program was estimated at $2,661 million. In November 1972, upon completion of the brassboard radar phase of R. & D., the technical risk reserve was lowered, and the total program was costed out at $2,575 million. After the program reviews in December 1972 and January of this year, the airplane engine configuration was changed, and the cost was reduced to $2,467 million. Further cost scrubbing efforts again were made by the prime contractor, Boeing, and in March of this year the Air Force program manager testified to the Tac Air Subcommittee that the then current program estimate was $2,385 million for the 42-airplane program. Therefore, the total cost reduction in the AWACS program since July 1970 is at least $276 million, a 10-percent decrease in cost. As I said earlier, this is a rather unique record in military weapons programs and one which deserves a high accolade in my opinion.

The 42-airplane program is based on a force structure with a nominal distribution of 25 AWACS in the Air Defense Command, 10 in the Tactical Air Command, and 7 in the training and repair pipelines. The distinctions between Air Defense Command and Tactical Air Command AWACS are totally arbitrary because the single and identical common core airplane configuration is going to be built for both commands. The Armed Services Committee's report pointed out that the flexibility of the AWACS should allow a lesser number of airplanes to be built since they can be shifted back and forth between CONUS bomber defense and tactical warfare applications as the world situation dictates at the moment.

This question of the total quantity to be bought is one which will have to be considered next year when the fiscal year 1975 budget is reviewed by the committee, because the first AWACS production request will be in that budget. Nevertheless, I want to emphasize now that it is my opinion that the total quantity probably can be decreased somewhat and the total program cost can be further reduced as a result.

SUMMARY ASSESSMENT OF AWACS PROGRAM

As an overall summary of the current program status, the development results to date have confirmed that the AWACS radar warning and command and control system will provide the quantum increase in operational capability over existing systems, which was the original goal of the program. With R. & D. over 50 percent completed, the technical risk has been eliminated from the program, and the operational advantages of AWACS already have been demonstrated in operational testing. The AWACS program is exceeding its technical performance requirements, is completing its development milestones ahead of schedule, and is underrunning on costs.

The effect of the Eagleton amendment, which would delete two R. & D. test airplanes, would be to cause the program to fall at least 19 months behind schedule and to have a large overrun in costs. With the AWACS program doing so well at this time, I would urge that the amendment be rejected and that the AWACS be allowed to proceed according to the present program plan as recommended by the Armed Services Committee.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. STENNIS. Mr. President, I want to thank the Senator from Nevada for the very fine conduct of his subcommittee work. He has a marvelous knowledge of weaponry and, as far as that is concerned, of policy questions, too. He knows how to go into that and gives it the necessary time and attention. In that way he renders unusually valuable services to all of us. I want to thank him for it.

Mr. CANNON. I thank the distinguished chairman for his comments. I want to say to him that we are delighted to have him back with us now. We have awaited his return with our prayers and our thoughts. We are delighted to have him back and have him looking so well and on the way toward total recovery. We have missed him in our deliberations this year in our work on the entire military procurement program.

Mr. JACKSON. Mr. President, I ask unanimous consent that Mr. Charles Horner, of my committee staff, be granted the privilege of the floor during the consideration of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that Mr. Morris Amitay, of my staff, have the privileges of the floor during the full discussion of H.R. 9286.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. First, Mr. President, I would like to commend and join the chairman of the committee in praising the Senator from Nevada (Mr. CANNON) for an excellent presentation. I must say that those of us who serve on the subcommittee are most appreciative of his high sense of professionalism. He always gives each weapon system a thorough review and analysis, backed up with the kind of professionalism that I think is needed in trying to deal with difficult and complicated weapons systems. In my judgment there is no one on the committee who has greater expertise in this area than the distinguished junior Senator from Nevada. I commend him highly.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. TOWER. As a member of the Tactical Airpower Subcommittee on the minority side, I would like to associate myself with the remarks of the distinguished Senator from Washington. It really is a great pleasure to serve under the leadership of the Senator from Nevada. He does exercise a high degree of professionalism and knows what questions to ask the military.

The chairman of the Tactical Airpower Subcommittee has done an expert job of scrutiny and examiantion of all proposals that have come before it. I thing we have no finer example of effective leadership qualities than the Senator from Nevada.

I would also like to pay my respects to my Republican colleague, the Senator from Arizona, an old Air Force member, who has brought to this task a great deal of professionalism and capability and has performed a fine service on the Tactical Airpower Subcommittee.

Mr. NUNN. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. NUNN. Mr. President, as a member of the Tactical Airpower Subcommittee, I would like to join the Senator from Texas and the Senator from Washington in commending the Senator from Nevada. I appreciate the great understanding required of a member of that subcommittee, because I am a new member of it, and no Senator here, since I have been on the subcommittee, has displayed more detailed knowledge of weapons systems than our chairman has.

I would like to join in congratulating the Senator on a job well done. Many, many hours have been spent in the hearings of the subcommittee. I have sat in on many of them, and I know that the distinguished Senator from Nevada has been in every one of them for every minute.

I have great respect for the job he has done this year and for the great role he has played in analyzing these many detailed analyses and for the specially detailed questions and also for the very substantial effect they have had on the overall program. The Senator has had substantial effect.

I was interested in his statement that there is going to be a flyoff between the A–10 and the A–7. I think that is very significant. The subcommittee made that recommendation last year.

We spent a lot of time in considering this problem. I congratulate the Senator in bringing about this flyoff. It will give us a chance next year to make a rational judgment on which one of the planes we should have.

I congratulate the Senator, and I also congratulate the Senator from Arizona (Mr. GOLDWATER), who has also done a very excellent job on the committee.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. JACKSON. Mr. President, I am pleased to yield to the distinguished Senator from Missouri who serves as acting manager of the defense procurement bill.

Before I launch into my remarks in chief I want to take this opportunity to thank the Senator from Missouri and to say to him that no one could have been more fair or just in the handling of a very difficult bill than the distinguished Senator from Missouri.

Sometimes, of course, we did not agree. However, this did not affect the judicial approach that the distinguished Senator from Missouri took as acting chairman of the committee.

I take this opportunity to express to him on behalf of myself and many of our colleagues on the committee our thanks for the outstanding way in which he handled the affairs of the committee during the absence of our distinguished chairman, the Senator from Mississippi (Mr. STENNIS).

Mr. SYMINGTON. Mr. President, I appreciate very much the remarks of our able colleague from the State of Washington. No one has more drive and enthusiasm in these various programs with which we are connected than does the Senator from Washington. He is my leader in the field of energy.

I think it was a fine day for the United States when the distinguished Senator from Washington joined the U.S. Senate. On several of these weapons systems, we do not see eye to eye; however, that in no way detracts from my appreciation for his very fine work on the committee in the interest of our national security.

In a talk made on the floor already, I have expressed my appreciation to the distinguished chairman. I join with my colleagues in welcoming him back to the U.S. Senate. We have missed him very much.

Again I emphasize what a privilege it has been to serve with the distinguished Senator from Nevada on the Tactical Air Subcommittee. I do not believe that there has ever been a more thorough investigation of our Tactical Air than I have seen in recent months as demonstrated by the fine report that he has given to the Senate this afternoon. May I also commend the senior Senator from Arizona, the ranking minority member of the Tactical Airpower Subcommittee, for his contribution to the work of that subcommittee.

Unfortunately, because of an emergency meeting of the Joint Atomic Energy Committee, I was not on the floor at the time the distinguished Senator from New Hampshire gave his report on research and development. However, I have already expressed my appreciation to him in my opening statement. I would like to again congratulate him for the fine report that he has done in this field.

Again, let me emphasize that I think the distinguished chairman should be congratulated for the staff he has built up over the years, because much of the work there represents some of the finest staff work it has been my privilege to see since I came to the Government.

Many of those staff members are here with us this afternoon. We all know how many long hours they have put in, led by Mr. Braswell, the head of the staff, has meant to me personally as the acting chairman, as well as to the other members of the committee. I thank the Senator for his gracious remarks.

Mr. JACKSON. Mr. President, I wish to thank the distinguished Senator from Missouri for his kind remarks. I associate myself with what he and other Senators said regarding the distinguished Senator from Arizona (Mr. GOLDWATER), the ranking minority member. The Senator from Arizona is most helpful, as I think the distinguished Senator from Nevada (Mr. CANNON) would agree, in trying to work out agreements concerning the difficult problems of the Tactical Air Subcommittee.

I concur, too, in what has been said about the Research and Development Subcommittee. The distinguished Senator from New Hampshire (Mr. McINTYRE) has had a difficult task. It is not an easy one. We have not always agreed, but I respect him completely. No Senator worked harder in the full Committee on Armed Services than did the Senator from New Hampshire.

Mr. CANNON. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. Mr. President, I yield to the Senator from Nevada.

Mr. CANNON. Mr. President, I wish to associate myself with the remarks of the distinguished Senator from Washington regarding the distinguished Senator from Arizona (Mr. GOLDWATER) and his very fine work as the ranking minority member of the subcommittee. I have already thanked him and the other committee members, but I desire to express my appreciation particularly for the fine work of the Senator from Arizona.

Mr. JACKSON. Mr. President, the Senate begins consideration of the defense authorization bill at a time of great hope—and profound uncertainty. The hope arises from the rhetoric of détente; while the uncertainty is rooted in Soviet statements and policies with disturbing implications.

Indeed, one cannot examine the official Soviet interpretation of recent developments in East-West relations without immediately confronting this contradiction. On the one hand, there are official Soviet assertions that the cold war is over; on the other, détente is seen as the way to provide favorable conditions for a revolutionary policy, a policy aimed at a continuation of the political, economic, and ideological struggle to achieve ultimate Soviet objectives.

Moreover, the general thrust of the commentaries suggests growing confidence among Soviet leaders about the outcome of this continuing struggle. The mood appears rooted not so much in Soviet achievements as in American weaknesses and failures.

For example, immediately following President Nixon's visit to Moscow in May of 1972—where he signed a document agreeing to conduct Soviet-American relations "on the basis of peaceful coexistence"—Pravda proclaimed June 4, 1972, that—

> This change (acceptance of peaceful coexistence) is a forced one and that it is precisely the power—the social, economic, and ultimately military power of the Soviet Union and the socialist countries—that is compelling American ruling circles to engage in an agonizing reappraisal of values.

The same note was struck just 2 months ago following Secretary Brezhnev's visit to Washington. The important Soviet ideological journal, Kommunist, editorialized in July 1973, No. 10:

> U.S. politicians were compelled to become aware of the changed correlation of class forces in the world arena, to display a more realistic approach to understanding their domestic and international problems and to carry out—to use an expression from their own vocabulary—an "agonizing reappraisal" of the dogmas and canons of the cold war . . .

And just this past week, reliable reports have reached the West that Secretary Brezhnev has told Eastern European Communist leaders that improved relations with the West are, in fact, a tactic to permit the Soviet bloc to establish its superiority in the next 12 to 15 years. Tactical flexibility is, of course, a prime component of Leninist political doctrine. Will we find that, in 15 years, the Soviet Union has established a position of superiority which will allow it to disregard détente altogether?

The Soviet explanation of détente—unsettling in itself—becomes even more disturbing in light of concrete Soviet actions since the May 1972 summit. We know of the orchestrated campaign of show trials, harassment, and press denunciations directed against prominent civil rights leaders. We know of the prison psychiatric hospitals—"today's gas chambers," as Alexander Solzhenitsyn calls them. The staged confession, so characteristic a feature of the Stalin era, has reappeared. In every one of these cases, significantly enough, the victims have not been those seeking to overthrow the Soviet Government. Rather, they have been intellectuals and cultural figures, whose only offense has been to announce that they share the view of the American people that genuine détente must be based on a freer movement of people and ideas.

Equally significant, I think, is that détente has produced no evidence of a slackening in Soviet military efforts.

In fact, post-SALT I Soviet strategic programs represent a startling increase in Soviet strategic power. Four new Soviet land-based ICBM's have appeared, three of them larger than the predecessors they may be designed to replace, and one of them may be the prototype of a mobile ICBM. A genuine MIRV capability, utilizing two separate technologies, has now been demonstrated. A seaborne ballistic missile has been tested at a range of 4,300 nautical miles. Later in the discussion of the bill, I shall discuss these and other developments in greater detail. But the central point is this: these huge weapons programs come at a time when the Soviets have invited the West to invest billions of dollars in capital and technology in Soviet Russia, and to participate in vast schemes to develop Soviet natural resources.

Of all the contradictions on détente, this is surely among the most dramatic. And how we respond to it will be a test of our good sense. Are we being invited to stimulate the lagging Soviet economy, an economy made stagnant precisely because the lion's share of its technological resources have been siphoned off into military programs? Are we—as we were in the now famous wheat deal—being called upon to make good the shortfalls in Soviet production, shortfalls that result directly from a needlessly rigid and oppressive central apparatus? Are we going to liberate the Soviet leaders from problems they cannot solve themselves, so that they can concentrate on further repression of their own people and the accumulation of military power for international coercion? As the Soviet physicist Andrei Sakharov warns, what are the long-term implications for world peace of a powerful Soviet bureaucratic apparatus unrestrained either by the countervailing, deterrent, power of the West or by the force of Soviet domestic opinion?

Indeed, Americans must ask: How much confidence can we have in a Soviet regime which professes friendly cooperation with the outside world while, internally, it follows the most repressive of policies?

Given these considerations, it is absolutely essential that we have clear in our mind what "better relations" between East and West really involve.

A "realistic approach" must begin with this fact: Since the end of World War II, the "cold war" between East and West arose from, and was exacerbated by, the "Iron Curtain" which, as Churchhill said in 1946, "descended across Europe." Indeed, nothing has done more to limit the extent to which the world can move toward real peace than this forced isolation of Russians and Eastern Europeans.

Alexander Solzhenitsyn made this point eloquently and compellingly in the famous 1970 Nobel lecture that his government prevented him from delivering:

> We are threatened by destruction in the fact that the physically compressed, strained world is not allowed to blend spiritually; the molecules of knowledge and sympathy are not allowed to jump over from one half to the other. This presents a rampant danger: The suppression of infomation between the parts of the planet. Modern science knows that suppression of information is the way to entrophy and general destruction. Suppression of information renders international signatures and agreements illustory; within the isolated zone it costs nothing to reinterpret any agreement—even simpler—to forget it, as though it had never really existed. (Orwell understood this supremely.) An isolated zone is, as it were, populated not by inhabitants of the Earth but by an expeditionary corps from Mars; the people know nothing intelligent about the rest of the Earth and are prepared to go and trample it down in the holy conviction that they come as "liberators."

And just recently, Andrei Sakharov wrote a remarkable open letter to the Congress in which he stressed that—

> For decades the Soviet Union has been developing under conditions of an intolerable isolation, bringing with it the ugliest consequences. Even a partial preservation of those conditions would be highly perilous for all mankind, for international confidence and détente . . . the world is only just entering on a new course of détente and it is therefore essential that the proper direction be followed from the outset.

If the Soviet Union continues to insist on isolating itself and the Eastern European nations bound to the Soviet Union, we cannot help but ask ourselves how much confidence we can have in the process of détente.

The European Security Conference, which has just convened in Geneva, will meet this question head on. Central to the position of the Western democracies is a recognition that the freer movement of people and ideas is vital to genuine security in Europe. How the Soviets respond to this Western concern, how willing they are to agree to the reciprocal opening of East and West which mutual accommodation requires, will be a far more realistic measure of Soviet intentions than official Soviet policy statements aimed at the American people and withheld from the Russian public. And how firmly we stand on this principle is a vital signal to the Soviets of our intentions.

Yet the issues to be addressed in Geneva cannot be separated from the question of mutual and balanced force reductions to be negotiated in Vienna. We have to understand that the level of domestic repression in Eastern Europe will determine the degree to which people and ideas can move freely across national frontiers. And the freedom of countries in Eastern Europe to move forward in this area will be directly related both to the amount of political and military pressure the Soviets can mount against them and to our diplomatic efforts in support of the hopes of those countries for freer contacts.

Soviet troops in Eastern Europe, after all, not only play a role in Soviet policy toward the West, they are the concrete manifestations of the Brezhnev doctrine in the East. The Soviets understand this dual mission supremely well, and the strengthening and modernization of Soviet forces east of the Elbe underscore the Soviet determination to try to enforce the isolation of the East as much as they reflect the Soviets' desire to strengthen their bargaining position against the West.

Seen in this light, a continued and firm American commitment to Europe assumes renewed—and immediately relevant—importance. It not only insures the military balance of power in Europe on which peace in the short term depends; it may make possible—through negotiations—at least a partial withdrawal of Soviet troops from Eastern Europe on which long term accommodation depends.

What we in the Senate should insist upon is a genuinely mutual and balanced force reduction in Europe, a reduction which will enhance our security in two ways—the first, by reducing to some degree the immediate political and military threat to the West; and the second, by creating a political climate which may lead, over the longer run, to a reconciliation in Europe. Both these goals can be placed in jeopardy by ill-considered congressional action on the military procurement bill.

SALT is another arena where the prospects both for lessening the chances of direct military conflict and for promoting greater stability will be directly related to our action on this legislation. For Soviet strategic forces, like Soviet conventional forces, have a dual mission.

They are—according to Soviet strategic doctrine—weapons of war to be used to fight and to win any nuclear conflict. But they are also political instruments—visible signs of Soviet strength—whereby the Soviets stiffen their diplomatic posture.

The strategic balance has always defined the limits of Soviet risk-taking in international affairs. The larger and more visibly superior Soviet forces become—and here numbers and throw-weight are all important—the greater the likelihood that Soviet leaders will be more vigorous in the assertion of what they regard as Soviet interests. They will be bolder in trying to advance them, more adamant in seeking to defend them, and more intransigent in bargaining over them.

Clearly, this situation weighs directly on the prospects for international stability and for genuine arms limitation arrangements. The support of the Congress for a prudent and realistic defense posture will weigh at least as much. If, by indecision and vacillation in the Congress, we signal the Soviets that we are willing to give them meaningful numerical disparities in strategic forces—if, in our deliberations, we convey the impression that we are not alert to the political consequences of such discrepancies—then there will be no chance that genuine arms limitation agreements—and the stability that will flow from them—can be achieved.

Last year, in connection with the Senate's consideration of the SALT I accords, we engaged in a thorough debate over the basic principles which ought to govern our strategic policy. That debate resulted in overwhelming congressional support for my amendment to the resolution which authorized approval of the interim agreement on strategic offensive arms. That amendment calls on the President to seek a permanent accord on offensive weapons that would not limit the United States to levels of intercontinental strategic forces inferior to those of the Soviet Union.

The equality principle of the Jackson amendment is best understood as a prescription for scaling down the strategic forces of both nations. Therefore, I am persuaded that our emphasis in the current phase of the SALT talks should be on securing reductions in the strategic force levels on both sides. Rather than negotiating on the basis of proposals which will allow for significant growth potential in strategic power, we should seek agreements in SALT II which obligate both sides to build down rather than build up. Arms reductions of this sort are far more in keeping with the principle of arms limitation than anything concluded to date. They would free resources for pressing domestic needs. And they would provide the additional benefit of reducing the potentially destabilizing role the Soviet strategic arsenal can play in international affairs.

Mr. President, the Senate has always recognized that a sound defense is inseparable from the prospects for peace. Our future success in the international negotiations we have begun require, once again, the Senate's reaffirmation of this position.

Mr. President, I ask unanimous consent to have printed in the Record an editorial from the Wall Street Journal of September 19, and an article published in the New York Times today with the headline, "Brezhnev Warns West on Putting Strings on Pacts." I think these accounts highlight the problem we face in view of the Soviets perception of detente and the Kremlin's policies of domestic repression.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Wall Street Journal, Sept. 19, 1973]

TOMORROW OF MANKIND?

The latest warnings from Alexander Solzhenitsyn, printed elsewhere on this page, are of particular relevance to impending debates in the Senate. The Senate Democrats' liberal wing is assaulting the defense budget even more vigorously than usual, and also wants to cut off all foreign aid funds used for the South Vietnamese police force. How better could one illustrate the folly of which the Soviet Nobel laureate complains?

To take the minor but telling matter first, the question of police funds for Saigon is a perfect example of the double moral standard Solzhenitsyn discusses so disdainfully. We have no doubt that there are valid criticisms to be levied against the South Vietnamese police; no doubt their prisons are abusive, no doubt there are instances of torture. Yet the Senate move is not directed narrowly at abuses, but broadly enough to cripple South Vietnam's struggle to survive against North Vietnam.

The cut-off professes to express moral anger at South Vietnam's abuses. But where is the moral anger at North Vietnam's far greater abuses? Where, Solzhenitsyn asks, is the anger at the Hue massacres? Senator Case, Senator Mathias, Senator Kennedy, Senator McGovern. The National Council of Churches. Where were they on the morality at Hue? Did they give the massacres more than the "momentary attention" of which Solzhenitsyn complains? Do they remember Hue in putting at the center of their view of Southeast Asia—and of their lobbying campaign—the curtailment of abuses by the South Vietnamese police?

Solzhenitsyn contributes just as relevantly to the far more important debate on the Defense Department authorization. For in essence this debate will turn not on judgments about military hardware, but on judgments about the nature of the Soviet regime. The underlying if often upspoken thread in the assault on the Pentagon budget is, since we are now making friends with the Russians, why do we need arms at all?

Yet is "friendship" the proper way to achieve any kind of detente with the kind of regime Solzhenitsyn knows and describes? We hope that he underestimates the resilience of the West in general and the United States in particular when he warns that Soviet-style repression is the "tomorrow of mankind." We will learn something of that resilience, or its lack, in the defense debate that starts this week.

John W. Finney reports in The New York Times that the Soviet government has been telling its Eastern European allies that detente is merely a tactic. Over the next 15 years or so it plans to pursue accords with the West to lull it into complacency while the Soviets build their own military strength. Then in the mid-1980s the Soviets will be in a commanding position, and able to dictate their own terms for detente, able to spread their own influence and social-economic system.

Mr. Finney reports that military leaders are worried, but that civilian analysts tend to excuse the Soviets. These warnings, they say, are merely ways to sell detente to Communist hardliners. Perhaps so, but why then is the Soviet Union investing so much money in a weapons building program entirely consistent with commanding superiority by the mid-1980s? The SALT–I agreement ratified Soviet superiority in numbers and throw-weight of Soviet strategic weapons, offset only temporarily by a U.S. lead in MIRV technology the Soviets have already started to close. This year Jane's Fighting Ships reported for the first time that the Soviet navy has eclipsed the American one, and of course in land forces we never have been their equal.

Given this arms building program, and given the internal rule Solzhenitsyn knows so well, it seems to us the most optimistic possible conclusion about Soviet intentions is that they have not made up their minds about detente. They are clearly keeping open the option of a hard line if the West does relax, but if that course does not seem promising the detente can continue. The way for the West to preserve the detente is to keep its military strong.

This is what is at stake in the defense spending debate. The details of specific programs aside, we need enough weapons to maintain the balance of forces that makes detene work. If anyone thinks instead that it works because of Russian friendship, let him remember Solzhenitsyn and the warning that the Soviet system is the tomorrow of mankind.

[From the New York Times, Sept. 20, 1973]

BREZHNEV WARNS WEST ON PUTTING STRINGS ON PACTS—SPEECH IN SOFIA EVIDENTLY REFERS TO PRESSURE FOR FREE SOVIET SOCIETY—RADIO ACCUSES SENATE—STATEMENTS APPEAR TIMED FOR CONGRESSIONAL DEBATE AND EUROPEAN PARLEY

(By Hedrick Smith)

Moscow, September 19.—Leonid I. Brezhnev told the West today not to try to barter for Soviet concessions because of Moscow's interest in improved relations.

The Soviet party leader's speech was in evident reaction to Western criticism of Soviet handling of dissidents and Western pressures for a freer East-West flow of people and ideas.

Mr. Brezhnev asserted that the series of agreements achieved in the last few years should be adhered to consistently and honestly "without playing games or engaging in ambiguous maneuvers."

MOSCOW ACCUSES SENATE

The Moscow radio, meanwhile, beamed an English-language broadcast to North America accusing the United States Senate of "gross interference" in Soviet internal affairs with the approval of an amendment Monday urging the Kremlin to permit free expression of ideas and free emigration in accordance with the United Nations Declaration of Human Rights.

Mr. Brezhnev, who made his speech in Sofia, Bulgaria, chose vaguer and milder language and avoided making direct accusations. But his was a parallel message.

Taken together, the two moves were intended to get the Soviet Union off the defensive on issues of human rights and to dissuade Western politicians from attaching conditions to new agreements with Moscow. They were obviously timed for impact on American Congressional debate on trade concessions to Moscow and the start of the second phase of preparations for the European security conference.

As if in answer to Western charges about continuing Soviet military developments, Mr. Brezhnev said that there were calls in the West for "fostering the arms race even more and for inflating military budgets." He said that such proposals did not create a favorable atmosphere for the preparatory negotiations in Geneva for the European conference.

And in the first high-level Soviet comment on the Chilean coup d'état, the Soviet leader demanded an end to what he termed repressions and atrocities by the new junta, charging that "imperialist forces abroad" had "aided and abetted" the forces that carried out the coup.

Mr. Brezhnev said that President Salvadore Allende Gossens, who was reported to have taken his own life, had been killed. Soviet spokesmen and the press have previously stopped short of contending that Dr. Allende was murdered and that outside powers backed the coup, though they have conveyed the impression of assassination and American instigation by reprinting the accusations of others.

Nonetheless, Mr. Brezhnev's main theme, in addition to traditional declarations of Soviet-Bulgarian friendship, was to seek to preserve and promote the momentum for détente on Soviet terms and brush aside the dispute over dissidents and freedoms.

In an apparent rebuttal to Andrei D. Sakharov, the dissident physicist, the Soviet leader complained of "ill-conceived propaganda campaigns that are aimed at sowing mistrust in the policies of the U.S.S.R. and other socialist countries."

WARNING BY SAKHAROV

Mr. Sakharov told Western newsmen at a news conference on Aug. 21 that he thought Western accommodation with Moscow on Soviet terms posed a serious threat. He contended that the Soviet Union would obtain technological and economic assistance from the West while, behind a veil of domestic secrecy, suppressing individual rights and becoming "armed to the teeth."

Mr. Brezhnev bypassed the Sakharov charges to deal more pointedly with the position of some Western powers on the proposed European summit conference, which, he reiterated, should be held this year.

Some Western nations have said they will not attend the third and final stage of the conference unless Moscow and its East European allies make some concessions in the Geneva preparatory talks in the area of freer movement of people and ideas. Mr. Brezhnev suggested that this was a "naive, unseemly and mercantile" approach and implied that these questions should be relegated to second priority.

Discussion of cooperation in economics, science, technology and cultural matters, he said, should take "an appropriate place" in the work of the conference, but with the recognition that such problems could be dealt with "only if the threat of war is removed."

NOT A HARSH SPEECH

Although Mr. Brezhnev's tone was firm throughout and he offered no hope for change on the Soviet domestic scene, it was not a harsh or polemical speech. He affirmed what he said was Moscow's desire for "a radical and stable improvement in the international climate" and "a new system of international relations" requiring a "different psychology from the past."

"We believe it would be an unforgivable mistake," he said, "to miss the historic opportunity afforded by the convocation and work of the European conference."

The Moscow radio broadcast, not repeated in Russian for Soviet listeners who have still not been informed of the protest abroad over the dissident issue on the demands that Moscow ease travel and emigration restrictions, was much sharper in tone. It evidently reflected the irritation that the Soviet leadership feels privately over Western criticism on the human rights issue.

Reacting to the Senate action, the radio commentary declared: "The United States Senate has adopted a resolution that grossly interferes in the domestic affairs of the Soviet Union: It proposes taking advantage of the current negotiations with the Soviet Union to pressure it on Soviet domestic issues."

The commentator charged that this was "a cold war course based on meddling in another country's domestic affairs."

[From the New York Times, Sept. 20, 1973]

Brezhnev Excerpts

Moscow, September 19.—Following is an unofficial translation of excerpts from a speech by Leonid I. Brezhnev, the Soviet leader, delivered today in Sofia, Bulgaria, and transmitted to Moscow by Tass, the Soviet press agency:

We and our allies are firmly convinced that there are opportunities for a radical and stable improvement in the international climate. We believe that a new system of international relations can and must be built by honest and consistent observance of the principles of sovereignty and noninterference in internal affairs, and by unswerving implementation of signed treaties and agreements without playing games or engaging in ambiguous maneuvers.

This requires, of course, a totally different approach, different methods and, perhaps, a different psychology from the past.

The second stage of the conference on European security and cooperation has now started in Geneva. It is important that after the pretty good start made in Helsinki by the foreign ministers, there be a businesslike and constructive atmosphere in Geneva, too.

The purpose of the work ahead, as we see it, is to prepare, without unnecesasry delay, the drafts of documents for the final stage of the conference, which, in our view, it would be quite possible and desirable to hold this year.

"PEACE IS NEEDED BY ALL"

One occasionally hears in the West remarks to this effect: Since the Soviet Union and other socialist countries express great interest in resolving problems of European security and in developing political and economic cooperation, why not exert pressure and bargain for concessions?

What can one say about this? It is a naive, unseemly and, I would say, a mercantile way of looking at the issue. A relaxation of tension in Europe is the common achievement of all the peoples, peace is needed by all the peoples of the Continent and, therefore, its preservation and consolidation ought to be the common concern of all participants in the conference.

We believe that this should become a matter not for diplomatic bartering, but for joint efforts toward an effective system that would insure the security of all European countries and peoples and mutually advantageous cooperation among them.

We are against narrow, selfish designs and against artificially giving prominence to particular issues to the detriment of the principal aims of the conference. We want questions pertaining to both European security and cooperation in the field of economy, science, technology, culture and the humanitarian field to take an appropriate place in the work of the conference.

ATMOSPHERE IMPORTANT

But we always remember, and believe that others should remember, too, that broad and fruitful development of economic and cultural relations and the effective solution of humanitarian problems are possible only if the threat of war is removed.

The way the discussions will proceed in the Geneva conference is not the only important issue. It is also important that an atmosphere favorable to its work be maintained and enhanced around the conference.

There have been recent calls in a number of major capitalist countries for fostering the arms race even more and for inflating military budgets. Here and there, in Western Europe, some forces have become active lately in questioning these and other aspects of recent treaties and agreements.

Ill-conceived propaganda campaigns are aimed at sowing mistrust in the policy of the U.S.S.R. and other socialist countries. It is difficult to avoid the impression that all of this is being done with only one goal in mind, namely to hinder by every means the success of the great work that is now under way and is so much needed by the peoples.

We believe that it would be an unforgivable mistake to miss the historic opportunity afforded by the convocation and the work of the European conference. The peoples are expecting major and authoritative decisions that will promote a stronger peace. And we hope that such solutions will be found and this will be a great thing not only for the people of Europe, but for all the peoples of the earth as well.

Mr. RIBICOFF. Mr. President, will the Senator from Washington yield for some comments and questions?

Mr. JACKSON. I am pleased to yield to my friend from Connecticut.

Mr. RIBICOFF. First, may I commend the distinguished Senator from Washington for his outstanding statement. The Senator is well known internationally for the depth and breadth of his understanding of defense matters. But the distinguished Senator should know, if he does not know, that the name Jackson, is synonymous and symbolic worldwide of the striving for justice and individual freedom. It is inscribed in the hearts and minds of men and women all over the world. Wherever I travel, in this country or abroad, there is a deep understanding and appreciation of what the Senator from Washington is trying to achieve for all of mankind.

I note that the Senator from Washington has already placed in the Record the article about Brezhnev's speech in Bulgaria published in today's New York Times. There is a pretty hard line expressed in the Brezhnev speech. It means that the Soviets are not interested even in discussing basic human rights issues.

Does the Senator feel that this position by the Russians means we should abandon the goal of freer communication and of freer movement of people between East and West?

Mr. JACKSON. First, Mr. President, I want to thank my good friend from Connecticut for his generous comments and remarks. I must say that no one has been more steadfast in support of our effort to try to extend just a little bit of freedom to many people who do not now possess it, especially in connection with our amendment relating to the most-favored-nation clause than my good friend from Connecticut. I am most grateful for all that he has done.

I believe that the last things we should move away from are the sound and sensible goals of freer communication and the freer movement of people.

If one tries to ask the honest question, how can one know whether the world is really becoming a better place for all human beings, he must first ask certain questions; and one that he has to ask is: Have we made progress toward the movment of ideas and people as well as toward freer movement of goods in international commerce?

Without the free movement of ideas,

without the free movement of people, I believe it is fair to say that we are only paying lip service to rhetoric and to policy statements. But when we speak out, in order to find supporting evidence to determine whether those high-sounding policy statements have any real meaning, we have to address ourselves to the basic issue of the free movement of ideas and the free movement of people.

Repression, I will say to my colleague, has increased in the Soviet Union since the summit meetings. That does not mean that I am not for summit meetings—in Peking, in Moscow, or anywhere else. I am for them. But, let us not be deluded by the declarations without going behind them to find out whether there is any real indication that they are being implemented.

This is precisely what two of the greatest men in the Soviet Union are saying to us today. That great man of letters, Alexander Solzhenitsyn, stands at the summit of his profession, and Dr. Andrei Sakharov—the father of the Soviet hydrogen bomb—a great hero of the Soviet Union and one of the Soviet Union's foremost physicists, second only, perhaps, to Peter Kapitza the father of the atomic bomb—these two men are saying that we are not moving in the right direction until there is, indeed, an easing of Soviet isolation and a freer movement of ideas.

Mr. RIBICOFF. In other words, even though Brezhnev would like to stop any discussion of basic human rights, those of us who seek greater freedom and justice for all peoples, wherever it may be suppressed, have the duty to put this issue in the forefront of mankind's conscience. We should point out these problems wherever they exist and in whatever country they exist. Is that not correct?

Mr. JACKSON. The Senator from Connecticut is correct. I believe that to say, as some have said, that this is none of our business, is nonsense.

Again, Mr. Solzhenitsyn and Mr. Sakharov are saying to us—speaking as the voice of conscience in the Soviet Union—that we should not fall for that nonsense, and that freedom is everyone's business.

We must remember those people who, prior to World War II, said that the Nazi concentration camps and the Nazi gas chambers were an "internal matter." In my earlier remarks, I quoted Solzhenitsyn's reference to the psychiatric hospitals in the Soviet Union as "today's gas chambers." That is precisely what they are because they are there to snuff out individual liberty.

Mr. RIBICOFF. If we in this country took the Brezhnev line, we could do no greater disservice to men like Sakharov and Solzhenitsyn, because that is exactly what the Soviet Union would like us to do, that is, to overlook what is happening internally in the Soviet Union.

These men, and others like them, have the courage of their convictions. And the going is tough, where great pressures being exerted against them and their families. If we remain silent, then it would be a victory for worldwide tyranny instead of a blow for freedom.

Mr. JACKSON. I could not agree more with the Senator from Connecticut.

I must say that these two men are brave. Think of it: These two men are, in effect, taking on the whole Soviet regime. They are taking on the KGB. These two men are speaking for the conscience of free men throughout the world.

The worst thing the United States could do, Mr. President, would be to let them down, to betray their trust, to betray all they have done in behalf of freedom—a freedom we seek for all mankind one day.

I thought it could never happen in this administration, but a high Cabinet official has denounced Dr. Handler, the head of the National Academy of Sciences, for speaking out in behalf of his Soviet colleague, Dr. Sakharov, and for supporting Dr. Sakharov's courageous statements in behalf of freedom. I have never been more disturbed. I would have hoped the President would have denounced such a statement.

What is this struggle all about? What are we trying to do with this huge defense bill, except to maintain a posture that will give us the ability to foster and defend freedom? We do not seek to use it in any "hot war," or to oppress anyone. We seek it as a shield, as a means of defense for those who cherish freedom.

I must again say how distressed I was to find that, instead of speaking out in behalf of Dr. Sakharov, HEW Secretary Weinberger was speaking against a man who, in my view, is one of the most courageous individuals on the face of this planet.

Mr. RIBICOFF. The Senator may be interested in this item, which just came over the Associated Press wire a few moments ago:

> BOSTON.—Soviet physicist Andrei Sakharov, known as the father of the Russian H-bomb, says he has no hope of obtaining permission to bring his family to the United States to accept a position at Princeton University, the Boston Globe reported today in a copyrighted story.
>
> Sakharov has been offered an appointment for one year as visiting professor at Princeton. Positions for his two stepchildren and a son-in-law have been offered by Princeton and by the Massachusetts Institute of Technology, the Globe said.
>
> In a telephone interview from Moscow with the Globe, Sakharov said the Princeton offer "is very good, but I could not make the decision at this time."
>
> The Globe quoted an unidentified source as saying Sakharov felt a Russian contemplating a departure from the country "rapidly becomes an outlaw, almost outside the law."

A number of months ago, I spoke on the telephone with some 15 Russian scientists in Moscow and Kiev. The tragedy of these conversations is that these men are internationally known scientists; that all of them have contributed much to science, technology, and progress in the Soviet Union. They are being persecuted because they wanted to leave. All have been deprived of their jobs. All have been deprived of the ability to do research. All have been thrown upon the charity of their friends for a crust of bread, unable to get jobs even sweeping the floor. But despite this, all are willing to face persecution, exile in Siberia, and even death. They all pleaded with me to get the message back to the United States Senate that the only hope for men such as themselves is in this body, in the U.S. Senate.

They were completely aware of the Jackson amendment linking free emigration with trade concessions for the Soviet Union. They were completely aware of the details involved. They were completely aware of the Soviet need for American technology, investments, and credit. They were completely aware of the Soviet desire to get whatever they could from the United States while repudiating basic human principles and fundamental justice.

May I say to the distinguished Senator that every single one of them knew the name of Senator JACKSON. Most of them spoke English, some spoke it very well. They recognized that their hope for freedom was riding on support in the U.S. Senate for the efforts of Senator JACKSON.

I came home to the United States, after spending 2 hours on the telephone with these 15 scientists, fully convinced that we in the United States could not desert these noble men, that we must recognize that freedom and justice are really indivisible. Wherever freedom and justice are permitted to go by the board, wherever tyranny exists, the entire world is diminished. We must do all we can within our power to bring hope and sustenance to those people behind the Iron Curtain who are willing to speak out and are suffering persecution because of it. If these men behind the Iron Curtain have the courage to speak out, certainly it ill behooves us, from the safety of the floor of the U.S. Senate, not to raise our own voices as these brave men are raising theirs.

Mr. JACKSON. Mr. President, I could not agree more with what the distinguished Senator from Connecticut said in connection with our obligation.

Since the end of World War II we have never had voices as strong as those of Solzhenitsyn and Sakharov asking America to remain steadfast in the cause of freedom.

These are two giants speaking out in behalf of freedom—speaking out courageously. As Solzhenitsyn mentioned one day, "If I disappear, you will know what has happened." These are, indeed, two courageous men, bolstering the position that the Senator from Connecticut, and many of us, have taken on fundamental issues of foreign policy vis-a-vis the Soviet Union.

Mr. RIBICOFF. As a footnote, I would add that Sakharov and Solzhenitsyn are not of the Jewish faith. Thousands of Jews are being persecuted; that is true. But freedom-loving men, whether Moslem, Catholic, or Protestant, are also being persecuted for speaking up for their rights, irrespective of religion. This is a sad fact that should be made better known.

Mr. JACKSON. The Senator is absolutely correct.

As Sakharov pointed out in his open letter to Congress, many groups are involved. He mentioned the Jews first; then he mentioned the Germans, Latvians, Lithuanians, Estonians, the Greco-Russians, and the Turkic peoples. The list is long. There are 52 different ethnic groups in the Soviet Union.

The universal ethic running through all the three great Western religions—Islam, Christianity, and Judaism—is a respect for the individual, for individual liberty and freedom. It was in that context that Mr. Sakharov was speaking. His desire is to help all people.

Here is a great man asking us to stand firm while he lays his life on the line in the struggle for a better Soviet Union and with it a better life for all people on this Earth.

Mr. RIBICOFF. It is obvious that the Soviet Union is engaged in greatly building up its military power. At the same time they are spending huge sums on their conventional and strategic weapons, they are coming to the United States for the latest technology and billions of dollars in credits and investments.

Does the Senator think we should be giving our technology, our organizational skills, and our credits to the Soviet Union to be used as they see fit, even though their interests, are not in the long-term interest of the United States of America?

Mr. JACKSON. I certainly do not. I must say that probably the most potent weapon in our arsenal is the enormous economic capacity of the United States—made possible by the greatest scientific, technological, and agricultural organizations the world has ever known. Soviet failings in these three areas is why the Soviets so desperately need the United States. They respect our scientific, technological, and agricultural capabilities. In effect, they want us to subsidize their massive military buildup, unprecedented in world history. The United States certainly should not be subsidizing this Soviet military effort.

I am willing to help the Soviet Union economically—or any other country in the world—if it is part of a larger effort to bring about a more peaceful world. "Detente" is a time when the Soviet Union should be reducing its strategic forces, not dramatically building them up. That ought to be the goal and objective on both sides.

Here again, we have an answer to the question of what "detente," really is. The world would know detente was real when it found out that in the next SALT agreement both sides had cut back on strategic forces.

When a country comes to us and seeks economic help, one of the things we should ask for is a chance to look at its balance sheet. We should find how it is spending its money. That is simply good business. One cannot get a loan from a bank unless he shows the bank his balance sheet.

For the Soviet Union to come and ask the United States for subsidies—as they did, in effect, in the grain deal—makes no sense. I notice that Treasury Secretary Shultz, after a year's reflection, now admits that we were "burned" in the grain deal of 1972.

Mr. RIBICOFF. Well, it looks as if we could also get burned in the natural gas deal that is in the planning stage.

Mr. JACKSON. Yes. I follow these matters closely. The Soviets are asking the United States to put up $7 billion or $8 billion in order to develop Siberian energy reserves, and then for the United States to import LNG, that is, liquefied natural gas.

That gas is going to cost at least $2 per 1,000 cubic feet. We will have to pay for all the facilities. Then we will pay more than $2 per 1,000 cubic feet for natural gas that is now being produced for less than $1 in the United States. How stupid can we be?

Mr. RIBICOFF. The natural gas deal that is in the works between the United States and the Soviet Union could make the grain deal pale by comparison. The Soviets are seeking billions of dollars in capital investment by the United States. It would cost $18,000 to produce the equivalent of one barrel of oil per day. But by investing $6,000, one-third, of that amount—in the United States you could develop the equivalent of one barrel of energy. In other words the same investment in the United States could get three times as much energy. Despite these facts the United States is today negotiating with the Soviet Union to invest $6 billion or $7 billion.

Mr. JACKSON. In Russia.

Mr. RIBICOFF. In Russia. While, we could be investing one-third of that sum in the United States for the same payoff. In the meantime, we could be developing alternate sources of energy in our own country.

I hope that if the administration eventually agrees to such a deal that we do not allow ourselves to get burned as we did on the wheat deal, an unfortunate agreement which the distinguished Senator and his subcommittee have been investigating and bringing to the attention of the American people.

Mr. JACKSON. I agree completely. The Senator from Connecticut is a cosponsor on our bill to provide, over the next 10 years, an investment of $20 billion in research and development to provide, alternative sources of energy. I would like to take that $6 to $8 billion proposed for Siberia and work on, for instance, the conversion of coal to natural gas and petroleum. We have huge supplies—a trillion tons of coal, and a potential in oil shale of perhaps 2 trillion barrels.

Just think of the talk about investing $6 to $8 billion in the Soviet Union in new plants and equipment—which will not only cost the American taxpayer an enormous amount of money, but which will also generate an outflow in the balance of payments.

I would also point out that the American consumer would simply be paying through the nose. Think of it: over $2 per 1000 cubic feet for natural gas which today costs less than $1. The consumer would get it both ways. He would be subsidizing the Soviets, and he will end up paying higher prices.

I certainly do not see the Soviets coming over here and investing huge sums in plant and equipment in the United States.

Mr. NUNN. Mr. President, will the Senator yield?

Mr. JACKSON. There is something wrong with the Senator's microphone. I cannot hear him.

Mr. NUNN. The Senator has to get used to the fact that the junior Senator from Georgia is on the back row.

Mr. JACKSON. The Senator may be on the back row but he is a "front bencher" and a very able one.

Mr. NUNN. I have been following the dialog between the Senator from Washington and the Senator from Connecticut. I wish to commend both Senators for bringing out what I think are very important facts as we begin to discuss a very important piece of legislation, the military procurement bill.

I judge by the dialog that both Senators agree that what we in this Nation must do is to judge the Soviet Union not on smiles but on hard, realistic military capability, and I judge that the Senator believes that while we welcome détente and while we welcome this kind of friendly spirit which seems to be pervasive now, we must judge them on their acts at home and their respect for the exchange and flow of ideas.

Mr. RIBICOFF. That is absolutely correct, because the problem that we have is not only what people say, but what they actually do. We have to look at the Soviet intentions not only for today, but for the future. Are their words about détente here today and gone tomorrow? Should the Soviet Union build itself up economically and militarily with American assistance and at American expense? If their basic philosophy still permits repression and they still pursue the goal world domination, should we give the Soviet Union the means to do this? Should we solve their economic problems for them? If we do, then the United States will indeed have acted against the long-run interests of the American people.

Mr. NUNN. On that point, I would like to ask either the Senator from Washington or the Senator from Connecticut if in the last 8 or 10 years it is not true that we have really cut back on our production of long-range strategic weapons while at the same time there has been a greatly intensified effort by the Soviet Union.

Mr. JACKSON. May I respond to that?

Mr. RIBICOFF. Yes.

Mr. JACKSON. One must measure it not only in terms of today's dollars, but in constant dollars, and our investment in strategic weapons in the last few years has been going down, not up. During the same period, the Soviet Union has been increasing its strategic forces at a rapid rate.

For example, we have not constructed a land-based ICBM launcher since the last Minuteman launcher, about 1966. During this period the Soviets have had a tremendous increase, because they now have 1,618 land-based ICBM launchers to our 1,054. They have now surpassed us in strategic submarines. By "strategic" I mean long-range missile-firing submarines.

As the Senator knows, one of the critical items in the budget is the Trident. The Soviets have passed us here also. They now have Tridents. They have more than three Tridents. We call them the Delta class submarines, submarines that can fire ballistic missiles over a range of 4,300 nautical miles.

We are going to be talking later about the Trident, which will not become operational, even under the bill as reported out of the committee, until 1978.

Mr. RIBICOFF. Mr. President, if the Senator will yield at that point. Since the Senator has brought up the Trident, I have some questions concerning the Trident, and I would hope the distinguished Senator from Georgia would join in this colloquy as we develop it. This follows on to what the Senator from Georgia and the Senator from Washington are discussing at the present time. I assume it will be next week before we come to the problem of the Trident. It will be the most controversial issue, in the entire bill.

Critics of the Trident claim that we are not going to gain any added deterrent strength with this new submarine. Is it not true that with the 4,000-mile range missile we will be gaining more than three times as much ocean to hide our submarines in?

Mr. JACKSON. The Senator is correct. The ability to have a survivable weapons system—and we are talking about strategic submarines—is tied directly to the range of the missile. The longer the range, the greater the area of the ocean the submarine can operate in. That added area of the ocean compounds the problem of the adversary in trying to detect, locate, and neutralize such a weapons system. Therefore, the range of the missile is critical.

The Senator put his finger on the heart of the strategic advantage that goes with range. As I pointed out, the Soviets now have Tridents, and our colleagues must understand that. The Soviets have more than three Tridents in the water right now, and we are going to be talking next week about a U.S. Trident—our Trident—that will not be operational until 1978 under the budget proposal.

Mr. RIBICOFF. So those who want to delay deployment of a Trident until 1980 place the United States in the position of being perhaps 10 years behind the Soviets in the development of a similar type of submarine?

Mr. JACKSON. The Senator is right. I would point out that under the interim agreement the Soviets are permitted 62 submarines. We are permitted only 44. And the Soviets are permitted 950 launchers, and we are permitted 710. Our colleagues will have to decide whether they will even allow us to go to 710. That is what this is all about.

Mr. RIBICOFF. So when SALT II negotiations begin, we will be in a bad bargaining position, because the Soviets will know we will not have a Trident in the water until 1980 and they already have more then three in the water?

Mr. JACKSON. We will have one in the water in 1978, but if we cut off the follow-on—that is, the ability to carry on series production—the Senator is right.

Mr. NUNN. Mr. President, if the Senator will yield at that point, I think one of the underlying questions we are going to have to consider in the debate of this bill is the SALT I agreement. I particularly commend the Senator from Washington and also the Senator from Connecticut for pointing that out, because I think the next 2 weeks may very well determine the SALT II outcome by what we do here on the floor of the Senate. It will create the background, the foundation, the psychology for sitting down with the Soviet Union on SALT I. That is what we are doing here. I do not want to overemphasize it, but I think it is very important.

I would like to pose this question to the Senator from Washington: Is it not true that in SALT I, which expires as an interim agreement in 1977, the Soviet Union has a superior number of missiles and also a superior throw-weight? And is it not also true that our main advantage now is our capability and deployment of the so-called MIRV concept, where we have more than one warhead? Also is it not true that the Soviet Union now has demonstrated that it has a MIRV capability, and that one of the fundamental questions we will have in the SALT II agreement is a limitation on their deployment of MIRV, and for that we must have some strong weapon systems ourselves in order to have them be willing to bargain about that capability?

Mr. JACKSON. The Senator is correct. We were told previously that the United States was derelict in not getting an agreement to limit MIRV's. Of course, we did in fact try to get the Soviets involved in a MIRV limitation, but those of us who follow the Soviet negotiations know they never negotiate to limit something that they themselves do not have. That was true of the A-bomb, the hydrogen bomb, right on through. We were told it would be a long time before they would have MIRV's.

Now, of course, we know they have had a series of MIRV tests. Not only that, but, as the Senator pointed out, the throw-weight advantage gives them an enormous potential advantage looking down the road. They do not have the MIRVed weapons in the inventory yet but the potential capability is enormous. We will get into that more later. Now we are talking in terms that unless something is done about rectifying the disparity in the SALT I agreement, the Soviets are going to have more warheads available because of the advantage they have in throw-weight and numbers, than we can have.

Furthermore, they will have megaton-yield warheads in their MIRV systems, while we will be talking about a weapons system in the kiloton range. What does that mean? We are not talking about a nuclear exchange at this time, not at all. God forbid there ever be one. But the advantage that it will give the Soviets in terms of diplomatic maneuverability and international policy and, I must say, the temptation of risking-taking, will be enormous. This will not stabilize, but will destabilize situations around the world. I think that is an important fact.

Mr. RIBICOFF. Mr. President, along that line, I have some statistics here. Perhaps the Senator from Washington might wish to comment on the disparity issue raised by the Senator from Georgia on the number of ballistic missile submarines allowed by the interim agreement on strategic offensive arms.

In modern nuclear submarines, the Soviet Union is allowed 62. The United States is allowed 44.

In modern long range ballistic missile launchers the U.S.S.R. is allowed 950. The United States is allowed 710.

In the older nuclear submarine category, the U.S.S.R. has about 10. The United States has none.

Of 700-mile range ballistic missile launchers, the U.S.S.R. has 30. The United States has one.

Of older diesel submarines, the U.S.S.R. has about 20. The United States has none.

Of 300-mile or 700-mile range ballistic missile launchers, the U.S.S.R. has over 50. The United States has none.

In total ballistic missile submarines, the U.S.S.R. could have 90. The United States could have 44.

In total submarine ballistic missile launchers, the U.S.S.R. could have 950. The United States could have 710.

If we allow the Soviets to go ahead on their equivalent of the Trident and we fall back on our equivalent of the Trident, we are certainly going to be in a most inferior position in submarines and missile launchers, when we add this to the fact that the Soviet Navy is becoming larger and stronger than the U.S. Navy, we face a grave problem affecting the vital national security interests of this country.

Mr. JACKSON. Mr. President, not only is it a problem for our Government, but it is also a problem for China. One of the greatest threats to China is the Soviet Navy. The Chinese remember so well Russia in the latter part of the 19th century using their naval forces against China during that period.

I would point out that the impact, Navy-wise, can be enormous in terms of local situations where the Soviets not only have the advantage in strategic force but also have the advantage in local forces.

The Senator has brought out, I think, a very important point in connection with the naval strategic forces of the Soviets. He has mentioned the additional launchers they have.

I would point out that beyond the ballistic missile firing submarines, the Soviet Union does have over 300 air-breathing types of missiles mounted on Soviet submarines that carry nuclear warheads that can hit coastal areas around the world. They have over 300. And how many does the United States have? None.

So I would add that to the list that the Senator very carefully gave concerning the ballistic missile firing devices. However, I am referring now to what we call an air-breathing type. It is basically a subsonic type of missile which does carry with it a nuclear warhead.

So, that further compounds the problem that the Western world faces.

Mr. RIBICOFF. Mr. President, may I ask another question of the Senator from Washington? Those who oppose full spending on the Trident say that it is too expensive. Was not the Polaris system, a system upon which the Trident is based, one of the most cost-effective, and trouble-free weapons system that the United States ever produced?

Mr. JACKSON. Mr. President, the Senator from Connecticut is correct. I played an active role in the Senate in getting that program initiated with the help of that great American, Admiral Rickover. The point was made that we should not go into series production on a new system, that we ought to wait. Admiral Rickover did not buy that. And if we had bought that, we would not have had that Polaris system until much later.

One of the opposition arguments is that it is a whole new system and that we ought to be on a fly-before-we-buy basis. I do not buy that at all, because we are building on the Polaris system. It is not a new concept. It is a part of the sophistication of an existing system, the Polaris-Poseidon system.

So, it has been a most effective system because of its survivability. Sure, they run into technical problems from time to time. However, I can say to my colleagues that in the technical area, the Soviet Union has had more trouble. They have had more trouble with their nuclear submarines. We know it. However, we cannot for reasons of proper security disclose it in detail. The Soviet Union has run into a series of problems with their nuclear subs. We know about this. Ours have been relatively trouble free. No program in the technological area has been more successful than the nuclear powerplants and the operation of the Polaris and attack-type submarines in our Navy.

Mr. RIBICOFF. Mr. President, from the Senator's vast experience with our military leaders, has anyone in the defense field been more consistently right in his predictions and reasoning than Admiral Rickover?

Mr. JACKSON. I know of no one who has been more prophetic and more accurate in his prophecy of what might happen.

I would point out that, like Solzhenitsyn and Sakharov, Admiral Rickover was born in Russia. I have listened a number of times over the years to him talking on the geopolitical situation. He is not only knowledgeable, but he is also very conservative. He also has an understanding of history.

I must say that it is high time that we listen to some of these people who have their feet on the ground and have been fundamentally right all along in their projections. Admiral Rickover stands high on my list.

Mr. RIBICOFF. What does Admiral Rickover say today about the Trident, and why the Trident should go into production on the basis recommended by the Senator from Washington?

Mr. JACKSON. Mr. President, as I said a moment ago, Admiral Rickover is very conservative in his projections. None of us are infallible. However, I know of no projection he has made where he has not been pretty much 100 percent right.

Admiral Rickover says that we can achieve the goal set forth in the production schedule. Admiral Rickover says that the system will work effectively, that it will have the additional advantages of speed and quiet. And the quiet aspect of a nuclear-powered submarine is absolutely essential.

Admiral Rickover's job is to build a reactor, the engine, that will limit the degree of quietness and provide the speed and many of the other objectives sought.

Mr. NUNN. Mr. President, is that not one of the underlying reasons, that we must have assurance that the potential adversary capability for ASW does not jeopardize the security of our submarines? Is that not one of the main justifications for the Poseidon submarine?

Mr. JACKSON. The Senator is correct.

Mr. NUNN. Mr. President, no one can predict with certainly the ASW capability of the Soviet Union as of 1977 and 1980?

Mr. JACKSON. It certainly cannot be projected that far in advance. We are in an area of science and technology where we are constantly probing the unknown.

New systems can come along that can completely upset the balance, so to speak. This is why research and development is such a critical item in our effort to provide a sensible security posture for our country.

Mr. NUNN. So, since we can use the Trident 1, or could, with an expensive program, use the Trident 1 missile retrofitted into our present submarine, that is one possibility and one alternative that is being argued against the Trident program, but is it not even more important, in addition to the MIRV, to make sure that we have a submarine that will not be detected, to make sure we retain this undersea deterrent without being jeopardized by an ASW threat in the late 1970's?

Mr. JACKSON. The Senator is correct. While you increase speed, you can have a much quieter engine at the higher speeds than you can with Polaris. You are, in effect, hardening that weapons system. This makes it more difficult for the adversary to seek out.

What we are trying to maintain is not a first strike force, because we have geared the whole pattern of our strategic complexes against that. It is a second strike force, and if you are going to have a second strike force, it has to be a survivable force. The key to survivability is the ability to hide and not be detected, when you are talking about nuclear-powered submarines.

So we must have the kind of an engine that Admiral Rickover has designed and says will work. When he says it is going to work, I have confidence that it will work. We all know he is not a sycophant for anyone; he speaks his mind and he takes on the military. He takes on everyone; and thank God for Admiral Rickover, in our times.

Mr. President, I yield to my distinguished friend, the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. RIBICOFF. I thank my colleague. I have one more question at this time.

Mr. JACKSON. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. The Senator cannot be heard.

The Senator may proceed.

Mr. RIBICOFF. Mr. President, I understand the estimated useful life of our Polaris submarine fleet is 20 years, and that the first Polaris was commissioned in about 1960. This means that the entire fleet will be obsolete in the 1980's. If we do not move ahead now on the Trident program, are we not going to lose very valuable lead time for the period of the 1980's?

Mr. JACKSON. The Senator is correct. We will lose the momentum that comes from a series production, which was at the heart of the successful effort in the Polaris program. We started the first Polaris in concert with a series production that followed that first Polaris, and by doing that not only did we have the advantage on time, but we had the cost savings; the fact they are geared up to produce on a production basis gives a very substantial advantage.

Mr. RIBICOFF. I thank the distinguished Senator for his very perceptive answers to the questions that I have raised at this time.

Mr. JACKSON. I express my deep appreciation for the excellent questions and comments of my good friend the Senator from Connecticut.

Mr. ABOUREZK. Mr. President, will the Senator yield?

Mr. JACKSON. Mr. President, I yield to the Senator from South Dakota.

Mr. ABOUREZK. Mr. President, I wonder if I might be able to ask a couple of questions. There has been a colloquy between the Senator from Georgia and the distinguished chairman, and also the Senator from Connecticut. Has the Navy been able to define any kind of threat to our existing Polaris-Poseidon fleet?

Mr. JACKSON. At the present time, our Polaris-Poseidon fleet, I think, certainly has a high degree of survivability. The Navy cannot say what will happen, of course, down the road, and there can be sudden and early breakthroughs in the ability of the adversary to detect our force.

In order to discuss this matter in any detail I would say that we would have to go into executive session. I am sure my colleagues on the committee would agree. I would not want to go beyond certain general comments. There are certain things that we do not know about what they are doing and what they are capable of doing, and undoubtedly there are things that we can do that they do not know about. Therefore, to get into any bill of particulars I think we would have to go into a closed session.

Mr. ABOUREZK. If we do not know, and I am confident we do not know what they might come up with so far as detection of our existing fleet, would it not be as prudent and wise to wait in order to counter? How can we counter unless we know what it is?

Mr. JACKSON. If we wait until we know what they have it will take us some 7 years to get the first Trident to beat that threat. Meanwhile, the Soviets already have in the water more than three Tridents. They have in the water submarines that can fire over 4,200 nautical miles. They have their Tridents.

Mr. ABOUREZK. Do their Tridents fight against our Tridents?

Mr. JACKSON. No, that is not the mission.

Mr. ABOUREZK. That is what I understand.

Mr. JACKSON. The mission is strategic; that is, they are geared to deter, and to respond in a strategic exchange. I would point out that the ASW submarines would be what we call attack submarines. The first one in the world was the *Nautilus*. It is geared to seek out and attack. But it is tied in with a whole family of systems that are involved in, shall we say, a massive detection system. It is a great detective problem that has to be worked out in concert with a coordinated team of air, surface, and subsurface vehicles. Basically, that is what is involved. It is a very complicated operation known as antisubmarine warfare, or ASW.

Mr. ABOUREZK. Also with regard to some of the earlier colloquy about needing a Trident submarine in 1978 in order to make our Trident quieter, to make our submarine fleet quieter——

Mr. JACKSON. It has two advantages: Speed and quietness.

Mr. ABOUREZK. I understand quiet gear can be fitted in the existing fleet, if that were the real objective.

Mr. JACKSON. I would say to the Senator that it would be pretty expensive to pull out existing reactors and put new reactors in an old hull. We also cannot put in the new types of sonar which we need to defeat quieter adversary submarines.

As the Senator undoubtedly knows, and as the Senator from Connecticut pointed out, our present missile submarines have a life expectancy of about 20 years, and the last thing we want to do is to have submarines that might collapse from structural failures or that require such frequent repair that their overall reliability becomes a questionable factor.

Mr. CANNON. Mr. President, will the Senator yield for an observation at that point?

Mr. JACKSON. I yield.

Mr. CANNON. I wish to correct one point that has been mentioned in the last few minutes. I wish to correct the record. Both the Senator from Connecticut and the Senator from Washington said that the Polaris-Poseidon has a life expectancy of 20 years. That is not correct. The Department of Defense now says that the Polaris-Poseidon has a life expectancy of 25 years. It was designed initially for a life expectancy of 20 years but the Department testified before our committee they believe it now has a life expectancy of 25 years. So we do not think we should get locked into that 20-year figure.

Mr. JACKSON. Mr. President, I appreciate the expertise of my good friend from Nevada in these areas. I can only say that when you start to go beyond 20 years you are going beyond the life expectancy to which the ships' specifications are set. You would be operating on a hunch. When we lose the first submarine due to structural failures, it is like the situation we had with certain aircraft where the predicted life expectancy of one of the larger planes was exaggerated. It later turned out to be one-half of what we were told. I am not sure we can program safe operation beyond a 20-year life expectancy. I do not want to see our submarines collapse with a large loss of life, which could occur if we take too many risks. Also, in these important strategic systems, with the submarines at sea, on their own for weeks at a time, we require the utomost in reliability and cannot accept second-class standards or performance.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. SYMINGTON. Unfortunately we were agreeing to a series of time limitations on various amendments, but I support what the able Senator from Nevada said about the 20–25 years life. Actually we have expert testimony that the true life is 30 years.

There has been colloquy about the Polaris, I would get into that briefly. Admiral Burke, Chief of Naval Operations, gave a letter to a man whose accomplishments at times we seem to forget, in this area. I refer to perhaps the greatest expediter in this town, Admiral Rayburn, who expedited the Polaris-Poseidon. The letter said, "Give this man what he needs." On that basis, the Navy was turned upside down to make the Polaris submarine program move fast. If there were problems incident to its production, we heard little about it, because there was no interest in cost comparable to the interest now.

The Soviets have 12 launchers against our 24 on the Trident. I am talking about the Soviet Yankee class. If the concept of Soviet submarines is correct, would we rather have more launchers and fewer submarines, or more submarines and fewer launchers?

I do not want to get too far into this today, but do want to see these questions answered. What worries me is that I know of no good management under sound accounting principles not being violated by rushing this program. I know of no shop rule not being violated. The price will be paid by those people who do the expediting, telescoping of the time in the production of said submarine.

As one who voted for $642 million for the further orderly Trident development, but against $880 million to rush the production which we once rejected but which was reversed to achieve disorderly production of this particular program. In the long run some admirals will retire and some Senators will retire, but the manufacturer will be stuck with the results of this 2-year "rushing," as other manufacturers have been stuck recently on other contracts.

I am sympathetic with the questions my friend raises. The Senator from Washington and I agree on most matters, but we do not agree on this accelrated program. I intend to read today's RECORD carefully, and perhaps ask some questions of my friend, the able Senator from Washington.

Mr. JACKSON. May I suggest that we will have a separate debate on the Trident. We are covering a wide area. The Senator from Missouri observed that it is a question of whether one would rather have more submarines or fewer missiles per submarine. I would only point out that under the interim agreement the Soviets got 62 submarines and 950 missiles, compared to 44 submarines and 710 missiles for us.

Mr. SYMINGTON. That refers to the agreement, not the treaty. If we build 20 submarines of the Trident class, we would have to scrap some Poseidons.

Mr. JACKSON. If we build 20.

Mr. SYMINGTON. If we build 10, that would be 240 of the 710 right there.

Mr. JACKSON. I am talking about the terrible disparity that exists, that ought to cause all of us to want to move forward, at least for awhile, given this disproportionate basis.

I cannot understand why anyone would not want the United States to reach even the lowest level, 710 missiles and 44 submarines. The Soviets get 62 and 950. Is the argument that we do not want to settle even for the lowest number?

Mr. SYMINGTON. I think the argument is that we want more submarines and fewer launchers, instead of more launchers and fewer submarines.

Mr. JACKSON. Is the Senator willing to implement and go to 710 launchers? This expires in 1977. What is the Senator's position?

Mr. SYMINGTON. I will be glad to give the Senator my position. I thought when Dr. Kissinger stated that he was taking 710 for us as against 950 for the Soviet Union, and 1,054 ICBM's as against 1,618 for the Soviets, he had stopped their progress, and also that we should consider our long-range strategic bombers and our forward-based aircraft.

The Senator from Washington knows, when he rejected that original decision, and was successful in the decision, I told him if he took out the word "intercontinental" I would support his amendment; but he did not want to do it, and I was not successful in my request.

I told him then what I tell him now—that when we demand equality not only on ICBM's, but on SLBM's, we are not asking for parity; we are asking for superiority, and unless we change our position, at least to some extent, if I were in the Soviet Union, I would not want to accept that, because the forward-based aircraft can leave with hundreds of kilotons and drop them on Russia. They certainly could not get all the fighters in an attack. Therefore, from the standpoint of the Soviets, although we say, "You would have to put your IRBM's into the Soviet missile count," I do not see how they could accept the Salt II agreement. That is what we are talking about this afternoon.

Mr. JACKSON. I do not think I should have to defend Dr. Kissinger, but, in fairness, I do not think Dr. Kissinger said we ought to include our forward-based systems in Europe in determining the intercontinental strategic balance in arms agreements.

Mr. SYMINGTON. May I say the Senator is wrong, unless I cannot read, because it was an open press conference in Moscow, when this was announced. They said:

> "Dr. Kissinger, how can you accept 950 against 710, and 1,054 against 1,618?" His

reply was, "You should take into consideration our strategic bombers and our forward-based aircraft."

Mr. JACKSON. My point is this: I do not think he has ever taken the position that a permanent agreement on intercontinental strategic offensive forces should include our forward-based systems.

Mr. SYMINGTON. All I know is that, in an open news conference, he stated that when they asked him why he accepted the difference. I will put into the RECORD the verbatim report of the press conference, which I studied very carefully.

Mr. JACKSON. That is entirely different. My point is that the Government, through Dr. Kissinger, has never taken the position that a permanent agreement governing intercontinental strategic forces should include our forward-based systems.

The Senator from Missouri has mentioned something about bombing Moscow. The Senator has not said anything about the 700 Soviet IRBM's, with which the Soviet Union can reach all of Europe.

Mr. SYMINGTON. Now we are getting down to the core of this argument. The Soviets say, "We will not make an arrangement whereby strategically you can destroy us and strategically we cannot destroy you, but we can destroy some of your allies."

I am in full sympathy with backing up our allies, but I can see the thinking which runs through their own minds on that.

We can get into it further, because I think this is very, very important as we discuss relative parity in this strategic field.

Mr. JACKSON. Mr. President, I would be glad to discuss these issues later. We are going to get into the strategic systems. We can reserve comment on that until later. I have held the floor for 2 or 2½ hours.

Mr. TOWER. Mr. President, if the Senator will yield, I think that the RECORD should be corrected. In the case of the 8 to 7 vote, the original vote against the Trident was the result of a proxy vote which was cast the wrong way through honest error. It was clarified the next day.

Mr. SYMINGTON. Mr. President, the Senator who changed his vote, before he changed it, told me he was in favor of this position.

Mr. TOWER. But he had told the Senator from Washington before the vote was cast that he would vote with us on the Poseidon. Because of that statement, we got in touch with him and got the matter reversed.

Mr. JACKSON. Mr. President, I yield the floor.

Mr. HUMPHREY. Mr. President, before the Senator yields the floor, I know that the Senator from Wisconsin wants to call up his amendment. However, I want to make two or three comments with regard to the excellent discussion that has taken place. Does the Senator yield for that purpose?

Mr. JACKSON. Certainly.

Mr. HUMPHREY. Mr. President, we are getting into the realm of reason and out of the area of emotion, which is very necessary for a legitimate discussion of an item that is crucial in the area of national security. As the debate progresses, we will all learn more of the detail.

I do have concern over what my colleague has talked about concerning the proper balance needed in our defense forces for national security. I have many concerns and worries about these matters as a Senator, a citizen, and a person who has served in the Government.

There are a few things that I would like to mention today. And I do this with great respect for my colleagues. I do not believe that our Navy is inferior to the Soviet Union. In fact, Admiral Zumwalt has been to my office and has told me to the contrary. He is concerned over weapons systems such as the Trident and the fact that our Navy could in the future become inferior.

I do not want to see our Navy become inferior. But, I believe that whether it is inferior or not depends on more than any one of the weapons systems.

It is fair to say that the Chief of Naval Operations is deeply concerned about the manpower of the U.S. Navy and about the modernization of certain naval craft.

It is important to know that we have, in what we call mothballs, a substantial number of ships that can be made operational and combat effective in a short period of time. They are good ships. That does not mean that we should not pursue a reasonable course of modernization. This, too, is necessary.

The Senator from Washington has served us well by pointing up the issues, as has the distinguished Senator from Connecticut. We can debate these matters and debate them intelligently. However, I make the point, from what I have heard, that as of 1973, 1974, and 1975, at least for the next few years or so, we will not be in an inferior position as far as our Navy is concerned. We have more overseas bases. We have logistic and supply capabilities that are far superior to those of the Soviet Union.

Then, too, the Senator from Missouri brought up a point concerning missilery that we must face. There is no doubt, as the Senator from Washington has said, that in land-based missiles in terms of weight, number, and firepower, we are in a position of less strength than the Soviet Union. But we have more nuclear warheads because of our MIRV program. Also, we have the long-range bombers. We opted for that a long time ago. Maybe it was because of the pressure of the Air Force. Perhaps it was because of the pressure of those who believe in the manned bomber. However, we made the decision long ago to build the powerful B–52 bombers. Now we have a B–1 bomber. What its effectiveness will be, I do not know. That, again, has been strongly urged on us as important to our national security. So, we did not put all of our chips in Polaris or in land-based missiles. Frankly, I think too much emphasis on the land-based missile could put us in a more vulnerable posture.

I am much more interested in the submarines, the Polaris, the Poseidon, and the attack submarines with long-range and medium-range missiles.

When we negotiated with the Soviet Union, we did not send a delegation that was going to sell us out. Whatever may be my criticism of the President of the United States, I have never contended that he would weaken our security.

At SALT I, we made an interim agreement on offensive weaponry. That agreement was and is for limited duration. We now are engaged in negotiations in SALT II—hopefully, to arrive at a long-term agreement to limit offensive weapons.

There is an argument about what we need for bargaining chips. That is a very legitimate argument. I do not want to take a dogmatic attitude on this matter. I want to listen to the debate, as I have done today. However, there are certain observations that need to be stated. We are, today, the foremost military power in the world. We ought not to say that we are in an inferior position. We could become that way if we are careless or foolhardy. But, I will not vote to place us in a position of weakness.

I said a while ago that I was not an expert on weapons systems. I once had a little more opportunity to know more about them than I do now. However, we have to take a look at the overall amount we can afford to spend and the priorities we must establish for our Nation.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. Mr. President, perhaps a year ago this administration put out a most interesting and informative brochure to the American people. It pointed out we had 6,000 nuclear warheads in 1972, and that this would be increased to 10,000 such warheads by 1977.

They also pointed out at that time the Soviets had 2,500 nuclear warheads in 1972, and that would be increased to 4,000 by 1977. In other words, 2,500 against our 6,000 today and 6,000 to our 10,000 within 5 years.

This was put out by the administration. In addition, the brochure had blocks, charts, which showed that four 1-megaton bombs was the equivalent in destructive power of one 16 megaton bomb.

Mr. HUMPHREY. The Senator placed that information in the record in the committee.

Mr. SYMINGTON. The Senator is correct. We know now that the Hiroshima bomb was 14 kilotons, and that all those warheads are many times stronger than this Hiroshima bomb.

As I have said before, and say again, would we be in greater danger if, instead of being so far ahead in warheads, we had only the same number? To put it another way, how many times do we have to be destroyed to be destroyed?

We hear about a weapons system and that we are behind on that particular system.

There is another aspect, however.

Take carriers. How many times does one hear the argument in this body that we should have an additional carrier, which would cost nearly $1 billion? We have 15 carriers, the Soviets have at most one. And we are sure of that one.

We just cannot afford everything, in every line of strategic and conventional weaponry, the economy cannot stand it.

Mr. **PROXMIRE**. Mr. President, will the Senator yield briefly?

Mr. **HUMPHREY**. Mr. President, I want to conclude my statement so that the Senator from Wisconsin can offer his amendment.

I have listened to the argument about the Soviet experimentation in MIRVing. One year ago, in April of this year, I stood on the Senate floor and pointed out some of the facts about the Soviet technology and where we were in MIRVing.

Presently, we are so far ahead of the Soviet Union in MIRV's that it is not even a race. No responsible official of this Government says that the Soviet Union can do any appreciable degree of MIRVing of their missiles for at least 3 years.

We are going to be around here. We are not going to give up constitutional government, I hope, and fade out of existence. We are going to be here to review these matters.

We have a technological advantage in MIRVing. That is clear and unmistakable. May I further add that we have some other technological advantages in terms of guidance systems. So it is not as if we stand here weak, and ready to roll over, or that the advance of the Soviet Union is going to be like an avalanche upon us. The real fact of the matter is that the Soviet Union is governed by people who understand power just as we do, and they know that unless they have first strike capability to literally wipe us off the map, there is no victory for them. They do not have now, nor will we permit the Soviets to have first strike capability. They know this, and we know it.

There is no Senator here who predicts that they will get first strike capability within the foreseeable future; and what is more, no Senator here will permit them to get it. The word should go from this body that the Soviet Union will never be permitted by the elected representatives of the people of the United States to have massive military superiority. We are not going to let them do that.

But the word should also go from this place to the people of the United States that we are not going to engage in a crash program when it is not needed.

I have been in this body when we hastily decided we had to put out the BOMARC missile. Thank God we had a President like Eisenhower, who said:

> Wait a minute, let's not go berserk.

I was here when we deployed the Nike missile, first Nike-I, and then II. I was here when we put out the first Dewline, when we thought we saw the Russians coming across the North Pole. I was here when we put out Dewline-II. I do not remember how much that cost but it was plenty.

I am not saying these were not good defense systems, but I am saying that we occasionally let our emotions get the better of our judgment.

As the Senator from Missouri has pointed out repeatdly over the years, in international monetary matters involving the dollar's value, we are now at the point where the U.S. Senate, which is supposed to be a deliberative, thoughtful body, is going to have to make some hard determinations and judgments on what we should authorize, and how much we can spend without jeopardizing our financial and economic system.

I think we are capable of making these judgments now as to the Trident submarine—we are not cutting back on the Trident. The Soviets know we have authorized the Trident. And let the Soviet Union know from someone, who wants to see a reduction in this budget, that if they think they are going to surpass us and make us a second-rate power, they are not going to do it. They have been playing catch up with us ever since World War II, and they have never gotten ahead. What is there that would make anyone believe that we are going to fall over and say, "Take us" or that we are going to say, "We Americans will not stand up and maintain our defenses."

Mr. President, there is a difference between standing up and going on a drunk. In fact, quite a difference. And there is a difference between standing up and exercising prudent judgment.

I must say that I am no expert on every single one of these weapons systems, and I do not think that many of my colleagues are, either. We have not seen all the details. But I will tell you what I have seen. I have seen cost overruns that stagger the imagination. I have seen haste in developing weapons systems where we have gone out and spent half a billion dollars on a tank, and then decided the darn thing would not work. And yet we do not have enough money for the kids in the school lunch program.

I have seen us move hastily on airplanes that never flew, and we have had instance after instance, and maybe this record ought to be documented with them, where we have spent billions of dollars on abortive, futile efforts of miscalculation in weapons engineering, technology, and production.

I recall an old friend of mine who served in the Senate some years ago. He was known by his friends as "Big Ed" Johnson, the Senator from Colorado. He was a wise and thoughtful man. He would get up and say, "Just a minute." Yes, he asked his colleagues to stop, look, and listen before acting.

That "just a minute" meant "let's take another look."

Mr. President, I think it is time that we took another look. The Russians who are coming over here asking for billions of dollars cannot be that rich. If I had my way, Mr. President, before they received the billions of dollars they want in credits, at low rates of interest which our own people cannot get, I would say, "How about some arms control? How about it, comrade?"

I think we ought to be tough on arms control, both ways. Let Dr. Shultz, while he is over there, and our other people over there look like they meant business and say, "We want some arms control." We must tell the Soviet leaders that we are not going to finance their country on consumer development programs and then have them go ahead and force us into an arms race. We are not going to do that.

We are entitled to protect the American community and the American economy. Yet we are bent off in two ways today. Here is what we are doing: We have the American business community, that is hell-bent to have a great big go-around with the Russians on business. I remember some of them were willing to do business with Nazi Germany and we were selling scrap iron to Imperial Japan. We got a lot of it back, but it was at Pearl Harbor.

Do not misunderstand me; I want to see us do business with the Soviet Union. I believe in and support commercial exchange with the U.S.S.R. But I want that done prudently, too. I know that when we go to a bank and want to borrow some money, the banker says, "Well, before we lend you that money, you must get rid of some of your costly extravagances."

In other words, the banker says, "Slow down; cut off some of the luxuries, tighten the belt a little." And then they charge us a lot more interest than we charge the Russians.

We have a right to say to the Soviet Union, without arrogance, without being mean, but just as straightforward, practical, business people, "If you need $6 billion worth of credits—we want you to agree to certain terms." Six billion dollars is a lot of money. Every time we take that out of the well of the banks of America, there is that much less for us. Let us remember that credit is not an item that is everlasting. When you take $6 billion out of the American economy for someone else, it is $6 billion less for our urgent needs here at home. There may be good reasons for extending credits to the Soviets. But, Mr. President, when we do it, I do not want us to have to add another $6 billion to our defense bill in order to keep up with the Russians in the arms race. And that is what we are doing.

We are talking about loans of $6 billion to the Soviet Union, most of it guaranteed by the Export-Import Bank, and we are talking about a $5.6 billion increase in our defense budget.

We ought to say to the leaders in Moscow, "Slow down. Wait a minute. Let's take a look." And that will be good for our people and good for their people.

I just summarize by saying I believe in a strong national defense system. I have voted for that in the Senate all my public life. I am the only Member, save the Senator from Missouri here, who has ever served on the National Security Council. I think I know something about the security needs of this country. But I do not think the security of our country is going to be in any way weakened because we decide, for example, that we will build something in 1980 instead of 1978.

That is my judgment. I do not think that the security needs of this country are going to be weakened if we decide we may want to stretch out, for example, a particular weapons system for another 2 or 3 years. We ought to let the Russians know that we do not intend to go to sleep, and that if they start to build up faster than our present estimates are, we are perfectly capable of coming back here, as we did after sputnik.

What did we do after sputnik? We were so far behind we were flying kites. We did not have any space program worthy of the name.

The Russians launched sputnik, and this Congress, inside of a month, authorized a $4 billion space program. This Congress in less than a year authorized a space program that took us to the Moon. We were 5 years behind, and we got to the Moon before they did. We have Skylab before they have it. We won the space race and they know it. We have demonstrated to them that we can do what we need to do, if we need to do it. We know what we can do, if we have to. They know what we can do.

One other thing, Mr. President. With all their missiles, with all their planes, and with all their fleet, they cannot feed themselves. I repeat: They cannot feed themselves. They have come here to buy food. They still need capital and our technology. They want large credits for their economic development—but they don't want to cut back on their military buildup. It is ironic that our capital, our food, our technology could provide them with the resources to have "guns and butter" and driving us to increase our own military budget to match their military expansion.

That is one man's opinion. I may be wrong. If I am wrong, then I will listen to the debate, and I will look it over with the distinguished Senator from Mississippi (Mr. Stennis), a man whom I love and admire. I am going to listen to what he has to say.

It is a bit unusual for me to take the floor to ask for reductions in the defense budget. But I believe the time has come for us to look at that budget with meticulous care. I believe the time has come for us to measure every step we take. I believe the time has come, without anger or bitterness toward the Soviet Union, to say two things to them:

One is "slow down, or you may not get the credits." Every Member of this body will be asked to vote for more funds for the Export-Import Bank. It is bad enough for us to have to pay for our own weapons besides paying for theirs. Let them slow down. We are not going to attack them and they know it.

The next thing I want to say is that after we have told them to slow down, we should slow down ourselves. There is no safety in the arms race. We have already proved that. We step up, and they catch up. They step up, and we catch up. All we do is raise the level of danger and consume our limited resources.

Mr. President, I believe that the debate that will take place within the next few days may be one of the most important debates and discussions the Senate has ever engaged in since we debated the NATO agreement.

I am not going to be voting for any reductions in NATO. I disagree with some of my colleagues about that.

I am an independent man on these matters. I want this country to be strong, but I am not going to be frightened into hasty decisions. Too much is at stake.

Mr. President, I yield the floor.

Mr. SYMINGTON. Mr. President, I wish every American could have had the opportunity to hear these superb remarks of the distinguished Senator from Minnesota (Mr. Humphrey).

I agree wholeheartedly with what he said. The Senator from Minnesota, as we all know, has had unusual opportunity to note all the details about what was and is planned regarding the security of the United States.

I congratulate the Senator on one of the finest talks it has been my privilege to hear in the years that I have been in the Senate.

(The following colloquy, which occurred during the address by Senator Jackson, is printed at this point by unanimous consent.)

UNANIMOUS-CONSENT AGREEMENT ON PENDING BILL

Mr. ROBERT C. BYRD. Mr. President, at the direction of the distinguished majority leader, and after having conferred with the distinguished Senator from Missouri (Mr. Symington), the distinguished Senator from South Carolina (Mr. Thurmond), the distinguished Senator from Texas (Mr. Tower), the distinguished Senator from Mississippi (Mr. Stennis), and with the authors of the following amendments to the pending bill, I make the following unanimous-consent requests. All the parties that I have referred to have agreed on the time limitations which will be suggested.

Mr. President, I ask unanimous consent that at such time as the amendment by the Senator from Wisconsin (Mr. Proxmire), dealing with military servants, is called up and made the pending question before the Senate, there be a time limitation thereon of 2 hours, to be equally divided in accordance with the usual form, meaning between the author of the amendment and the manager of the bill; or, if the manager of the bill supports the amendment, then the ranking minority member would have control of the time in opposition thereto.

The PRESIDING OFFICER. Is there objection?

Mr. TOWER. Mr. President, reserving the right to object, and I do not intend to object, what about amendments thereto?

Mr. ROBERT C. BYRD. I would suggest, if I may, that in each case——

Mr. TOWER. Half the time on amendments to amendments?

Mr. ROBERT C. BYRD. That in the case of an amendment thereto, there be allotted to that amendment to the amendment half of the time that is allotted to the amendment in the first degree, and that we make that the general understanding as we go along.

Mr. TOWER. Very well.

Mr. THURMOND. Mr. President, that is entirely satisfactory with me.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Let me restate that.

Mr. President, I ask unanimous consent that on the amendment dealing with military servants, there be a time limitation of 2 hours, to be equally divided, and that on any amendment to that amendment, there be a time limitation of 30 minutes.

Mr. THURMOND. What was that?

Mr. ROBERT C. BYRD. Thirty minutes on any amendment to the amendment on military servants.

Mr. THURMOND. That will be satisfactory.

The PRESIDING OFFICER (Mr. Scott of Virginia). Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. That on amendment No. 501 by the Senator from Indiana (Mr. Hartke), there be a time limitation of 2 hours to be equally divided in accordance with the usual form, and that time on any amendment to that amendment be limited to 30 minutes, to be equally divided in accordance with the usual form.

Mr. THURMOND. Mr. President, that is satisfactory.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, on amendment No. 494, the recomputation amendment, to be offered by the Senator from Indiana (Mr. Hartke), I ask unanimous consent that there be a limitation of 2 hours, to be equally divided, the amendment to be in the usual form; and that the time on any amendment to the amendment be limited to 30 minutes, to be equally divided in accordance with the usual form.

Mr. THURMOND. That is satisfactory.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. On the amendment by the Senator from Iowa (Mr. Clark) to eliminate the aircraft carrier funds, I ask unanimous consent that there be a limitation of 4 hours, and that on any amendment to the amendment there be a limitation of 1 hour, all to be divided and controlled in accordance with the usual form.

Mr. STENNIS. Mr. President, reserving the right to object, as I recall from the discussion, it was agreed that that amendment would go over until next week.

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. STENNIS. Mr. President, again reserving the right to object, although I do not expect to object, we have had a very fruitful discussion of all these matters. I am very much pleased that we have reached agreement, or have apparently reached agreement, on certain amendments. But when we get into the weaponry, there is no agreement, as I recall, on Trident. When we get into weaponry, I hope that we can agree to limitations on amendments. I do not believe the Senator wants to bring up Trident this week. I would not think there is any desire to bring it up this week, either.

As I recall, the Senator from New Hampshire (Mr. McIntyre) is the author of the Trident amendment. I mention that because it is an important question, and I thought we ought to bring it up now and have some discussion on it.

Mr. ROBERT C. BYRD. The distinguished Senator from New Hampshire (Mr. McIntyre) is agreeable, as I understand, to taking up the Trident amendment next week. He understands that it will be next week.

Mr. STENNIS. Well, is it the purpose of the leadership to keep working so as to get an agreement on Trident and on any other matters in addition to those agreements which the Senator is asking for this afternoon?

Mr. ROBERT C. BYRD. Yes, it is.

Mr. STENNIS. All right. I wanted to make that point now.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I am happy to yield.

Mr. THURMOND. I had expected that Trident would not come up this week. I do not know that there will be any time agreement on Trident, but I think it important that it be determined when the vote will come, because so many Senators are away, and I am sure that every Senator would like to be recorded. I think it is important to every Senator.

Mr. MANSFIELD. The Senator has that assurance.

Mr. TOWER. Mr. President, reserving the right to object—and I shall not object—I am agreeabe to a time agreement on the carrier amendment provided it does not come up this week.

Mr. ROBERT C. BYRD. It will not.

Mr. TOWER. I would like that to be understood.

Mr. HUMPHREY. When will it come up?

Mr. ROBERT C. BYRD. Next week.

Mr. MANSFIELD. We have spent all afternoon trying to work out agreements. We are doing the best we can on the basis of what we are trying to accomplish.

Mr. HUMPHREY. May I understand what is the plan for today and tomorrow? There are other measures in the calendar.

Mr. MANSFIELD. The calendar at the moment is clean.

Mr. HUMPHREY. I am referring, for example, to the Foreign Assistance bill.

Mr. MANSFIELD. Yes; we are trying to get that in next week, if at all possible. But we have to do the best we can, if the Senator will allow us to have a little flexibility. This is a big bill.

Mr. HUMPHREY. I understand that.

Mr. TOWER. I should think there is no prospect of finishing the bill before Wednesday night of next week.

Mr. MANSFIELD. Oh, no.

Mr. TOWER. There is just too much that is involved. There is just too much involved.

Mr. ROBERT C. BYRD. May I say to the able Senator from Minnesota (Mr. Humphrey), the time agreement on the Foreign Assistance Act has already been entered into. His inquiry is in connection with the Foreign Assistance Act, is it not?

Mr. HUMPHREY. I thank the Senator——

Mr. ROBERT C. BYRD. I think it will follow action on this bill.

Mr. HUMPHREY. I thank the Senator.

Mr. STENNIS. If the Senator will yield for one observation, I do not object to the carrier or to the agreement with reference to the carrier, but it is a matter of importance to many Senators and they are entitled to some notice. I am sure that the Senator from Minnesota will want to listen to all the agreements that the Senator from West Virginia will make within the next few minutes.

Mr. THURMOND. Mr. President, in further elaboration of the statement by the Senator from Minnesota, I want to say that the Senator from West Virginia has worked out a very fine arrangement. So let him complete that now and we will save time. There are 10 or 12 amendments that we can act on today or tomorrow, which will carry us over to next week or through Saturday, if we wish to work on Saturday. The big ones, like Trident, the carrier, the B–1, would not come up until next week.

We have so many other amendments that we can dispose of the minor ones before that.

The PRESIDING OFFICER (Mr. Scott of Virginia). Is there objection to the unanimous-consent request?

Mr. JAVITS. Mr. President, reserving the right to object—and I shall not object—I want to be sure that all of these consent agreements have in them the right to amend an amendment which is before the Senate. I would ask, is that not correct?

Mr. ROBERT C. BYRD. The Senator from New York is correct.

Mr. JAVITS. I thank the Senator from West Virginia.

The PRESIDING OFFICER. Without objection, the last unanimous-consent request is granted.

Mr. ROBERT C. BYRD. Mr. President, may I ask the Chair, I believe that the request with respect to the air carrier funds was agreed to; is that not correct?

The PRESIDING OFFICER. The Chair did not hear the Senator from West Virginia. If the Senate will be in order, the Chair will be able to hear the Senator from West Virginia. Would he please repeat his request.

Mr. ROBERT C. BYRD. I think that the request was agreed to with respect to the aircraft carrier funds amendment; is that not correct?

The PRESIDING OFFICER. Four hours.

Mr. ROBERT C. BYRD. Mr. Presiden, I ask unanimous consent——

Mr. MANSFIELD. Mr. President, has the Chair ruled that that has been agreed to?

The PRESIDING OFFICER. Yes. The Chair has ruled that it has been agreed to.

Mr. MANSFIELD. I thank the Chair.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as the amendment by the distinguished Senator from Minnesota (Mr. Mondale)—which would amount to a sense of the Senate regarding grade-creep—is called up before the Senate and made the pending question, there be a 1-hour time limitation on that amendment with a limitation of 30 minutes on any amendment to the amendment, to be controlled in the usual form.

Mr. JACKSON. Mr. President, would the Senator from West Virginia restate the subject matter there?

Mr. ROBERT C. BYRD. May I say, in response, that these notes were taken by——

The PRESIDING OFFICER. Will the Senate please be in order. The Chair cannot hear.

Mr. ROBERT C. BYRD. Mr. President, these notes were taken in the cloakroom in response to the hot line request put out this morning, and the Senator from Minnesota (Mr. Mondale) indicated that he had a sense of the Senate amendment regarding a cut in grade-creep. As to what that acronym means, I do not know, in this instance.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. TOWER. Mr. President, reserving the right to object, could the Senator explain that? Could any Senator explain that?

Mr. SYMINGTON. I cannot.

Mr. THURMOND. I believe it is just to distribute cuts over the different grades throughout.

Mr. TOWER. That is right. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as an amendment by the distinguished Senator from Missouri (Mr. Eagleton), dealing with AWACS, is called up and made the pending question before the Senate, there be a time limitation of 2 hours thereon, with a 30-minute limitation on any amendment to the amendment, with the time to be equally divided and controlled in accordance with the usual form.

Mr. SYMINGTON. Mr. President, could I ask the Senator from West Virginia, if it is at all possible, that we have these amendments printed so that we will know what we are talking about when they come to the floor?

Mr. ROBERT C. BYRD. Yes. That will be done.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as the distinguished Senator from Iowa (Mr. Hughes) calls up his amendments Nos. 490 and 491, there be a time limitation on each amendment of 2 hours, with a time limitation on amendments to the amendments of 30 minutes, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as the distinguished Senator from Indiana (Mr. Bayh) calls up his amendment dealing with the SAM–D missile, there be a 6-hour limitation thereon, with a time limitation on any amendment to the amendment of 1 hour, with the time to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the distinguished Senator from Missouri (Mr. Eagleton) calls up his amendment dealing with the XM-1 tank, there be a time limitation of 2 hours on the amendment, with 30 minutes on any amendment to the amendment, with the time to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, that completes my requests, I think.

Mr. HUMPHREY. Mr. President, will the Senator from West Virginia yield?

Mr. ROBERT C. BYRD. I yield.

Mr. HUMPHREY. There may be other amendments. For example, I am not capable of judging every weapons system. I happen to think that we might want to make some kind of reduction in the overall procurement. Therefore, it may be that I should like to offer an overall percentage reduction. I do not desire much time. One hour's time equally divided would be more than adequate, I think. But if I could reserve that time, I should like to do so now because I may very well want to offer that, depending on what happens. I do not think I can make a judgment on each missile setup.

Mr. MANSFIELD. Mr. President, if the Senator from Minnesota will yield, this does not preclude the offering of any other amendment, but in so far as the question of a time limitation is concerned——

Mr. HUMPHREY. I understand.

Mr. MANSFIELD. We have to contact the distinguished chairman of the committee, the distinguished acting chairman, and the ranking Republican Members, so that we can clear it all around. The Senator from Minnesota will get every possible consideration.

Mr. HUMPHREY. I appreciate that. I am willing to reserve a time limitation. I wanted to reserve that right.

Mr. SYMINGTON. Mr. President, I am impressed with what was just said by the distinguished Senator from Minnesota (Mr. Humphrey). We have had two reports from independent, objective sources. One, the Brookings Institution, implies we can reduce this defense spending between $10 billion and $25 billion. Another group of outstanding citizens, nearly all of whom are well known and have served in the Department of Defense, put out a detailed report that we could reduce the defense cost $14 billion.

Actually, the committee reduced this military procurement bill $1.5 billion. This puts it within $4 million of the House bill.

It is my understanding, however, that there may be an amendment offered on the floor which would restore $500 million of that $1.5 billion cut. Other amendments have been discussed on the floor this afternoon—I shall not get into them in any detail at this time—some against the way I voted in the committee on certain weapons systems. For example, the Research and Development Subcommittee of the Senate Armed Services Committee spent many months investigating the Trident submarine and reported back unanimously to the full committee against the acceleration of this Trident project.

Under the most unprecedented lobbying I have seen in the years I have been in Government, even though at first the full committee supported the Research and Development Subcommittee, later a change of one vote resulted in the unanimous opinion of the subcommittee being rejected by the full committee. In effect, this is the second time that happened. I am much interested in what the Senator from Minnesota stated. If we end up with a figure far above the figure of the House, if after these increases as we hear a lot of détente talk, as being accurate, which the administration is constantly and properly telling us about, then I support in my own mind the same as one would do in business when you run into serious financial difficulties, which I think everybody on this floor will agree the United States is running into today. Under those circumstances, unless we can make some reasonable reductions—not any $25 billion, not any $14 billion, nor $10 billion—but unless we can effect some reasonable reduction in this bill, I would hope somebody would offer an across-the-board reduction. I think the time has come when we must realize there are ways of losing your security in addition to not having the latest weapons system. One of course is further disintegration in the value of the dollar. That we must do our best to prevent.

Anybody who goes into a store today to make a purchase knows only too well what has happened to the value of that dollar. As stated in testimony before the Senate Appropriations Committee, presented at the request of the distinguished chairman, when people today go to a supermarket, they find actually they have gone to the cleaners.

So I would hope we give real consideration to reasonable reductions in the military budget.

I was in the Pentagon under the first Secretary of Defense, and never knew a Secretary more sympathetic to the military than Secretary Forrestal. I recall however his saying, "If you leave the amount up to the Joint Chiefs, they will end up wanting the entire gross national product."

I am not happy about attempts to justify these gigantic costs in a period of détente, in a period also of financial trouble, in a period now when the war is over, attempts made by taking the trust funds out of the cost of government, and then taking the revised figure in relation to the gross national product.

I will have more to say about this before action on this bill is completed, but want to say now I could not support some of the things being recommended this afternoon.

What the Senator from Minnesota is saying could have merit. It is what happened in the House of Representatives that resulted in nearly a billion-dollar reduction made over there.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. JACKSON. I really yielded briefly, and it has been almost 45 minutes.

Senator Ribicoff has one question that I was trying to finish, and I was going to yield the floor.

Mr. THURMOND. Mr. President, will the Senator yield for a question?

Mr. JACKSON. I had yielded earlier to the assistant majority leader. He has one-half minute.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. I think the Senator for his patience and courtesy in yield. I thank Senator Symington, Senator Stennis, Senator Tower, Senator Thurmond, and the authors of the amendments for their cooperation.

ORDER FOR ADJOURNMENT UNTIL TOMORROW AND SATURDAY

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. THURMOND. Mr. President, I should like to inquire of the majority leader what the plans are for Saturday. I am sure everyone will be interested.

Mr. MANSFIELD. Mr. President, the Senate will come in tomorrow at 9 a.m.

At this time, I ask unanimous consent that when the Senate completes its business tomorrow, it stand in adjournment until 9 a.m. Saturday next.

Mr. FULBRIGHT. Mr. President, reserving the right to object, does that mean that the nomination of Mr. Kissinger will be taken up tomorrow at 9 o'clock in the morning?

Mr. MANSFIELD. Yes. We have already agreed to that.

Mr. FULBRIGHT. I thought it was 10 o'clock.

Mr. MANSFIELD. No, 9 o'clock.

The PRESIDING OFFICER. Does the Chair correctly understand the distinguished majority leader to say that the Kissinger nomination will be taken up on Friday, or is it Saturday?

Mr. MANSFIELD. Under the agreement, tomorrow, immediately after the two leaders have been recognized.

The PRESIDING OFFICER. The request that the distinguished Senator made a moment ago was for Saturday.

Mr. MANSFIELD. We do not have an order as yet to come in on Saturday. I think we ought to come in at 9 o'clock.

The PRESIDING OFFICER. It is the Chair's understanding that an order has been agreed to for 10 o'clock tomorrow. Is it the majority leader's desire to change that to 9 o'clock?

Mr. MANSFIELD. Yes, indeed.

The PRESIDING OFFICER. Is there objection?

Mr. FULBRIGHT. Mr. President, I do not wish to interfere with the majority leader's program, but many Senators are under the impression that it is 10 o'clock, and I have had some requests for time. I do not know how to get notice to them in time for them to be read at 9 o'clock in the morning. For example, the Senator from California wishes to have something to say on the Kissinger matter. It is not for my accommodation.

I wonder whether we can change it this late at night without bringing some confusion into the situation.

Mr. MANSFIELD. The distinguished Senator from Arkansas was contacted before this request was made, and the agreement was that we would convene at 9 o'clock and immediately take up the nomination of Dr. Kissinger.

Mr. FULBRIGHT. I am sorry. I misunderstood. I asked at the desk a moment ago and was told that it was 10 o'clock.

Mr. MANSFIELD. Notice has gone out.

Mr. TOWER. That does not mean the vote will occur at 9.

Mr. MANSFIELD. No. It will be 2 hours after. It will be about 11 o'clock.

The PRESIDING OFFICER. It is the understanding of the Chair that the distinguished majority leader has requested that the time for convening tomorrow be changed from the agreed time of 10 o'clock to 9 o'clock.

Mr. MANSFIELD. No.

Mr. ROBERT C. BYRD. Mr. President, that request was made yesterday and was agreed to and was so stated in the whip notice.

The PRESIDING OFFICER. It is the understanding of the Chair that the Journal does not so indicate.

Mr. ROBERT C. BYRD. The majority leader made the request when standing in the well.

The PRESIDING OFFICER. The Chair will entertain any clarification.

Mr. MANSFIELD. Mr. President, to clarify the situation and to reiterate what has been said and what has been granted by the Senate, I ask unanimous consent again that when the Senate completes its business today, it stand in adjournment until 9 o'clock tomorrow morning.

Mr. SYMINGTON. Mr. President, reserving the right to object—and I shall not object—do we know what is coming up on the military bill, so that we can prepare for it tomorrow?

Mr. MANSFIELD. We will notify the Senators on the basis of the agreements reached and ask them to be here to present their amendments.

Mr. SYMINGTON. But do we know which amendment will be taken up first and which second?

Mr. MANSFIELD. Not at this moment.

Mr. SYMINGTON. So the staff could work tonight on the problems in question.

Mr. MANSFIELD. We may know later this afternoon.

The PRESIDING OFFICER. Without objection, the request of the majority leader is agreed to.

Mr. MANSFIELD. It is also the understanding of the Senator from Montana—again reiterating what he thought he said on yesterday—that immediately after the two leaders are recognized for any remarks they may make, we would then turn to the consideration of the nomination of Dr. Kissinger for a period of not to exceed 2 hours.

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. And the time would be equally divided between the Senator from Arkansas (Mr. Fulbright) and the distinguished Senator from Vermont (Mr. Aiken) or whomever they may designate.

Mr. FULBRIGHT. Mr. President, reserving the right to object—and I shall not object—it is my understanding that there is an additional 30 minutes for the Senator from Virginia.

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. That is within the 2 hours.

The PRESIDING OFFICER. Within the 2 hours are 30 minutes for the senior Senator from Virginia.

Mr. MANSFIELD. Not to exceed 30 minutes.

Mr. FULBRIGHT. I wish the Senator would make that time in addition, because certain Senators wish to have 5 or 10 minutes, and I am afraid that we could not accommodate them.

Mr. MANSFIELD. I would be glad to do it.

Mr. FULBRIGHT. I do not believe it is wise to give the impression that an important nomination such as this is being rushed through. I do not think there is any question about the nomination being confirmed.

Mr. MANSFIELD. Mr. President, I modify my request to 2½ hours.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, if the Senator from Washington will yield to me for 1 minute, I would like to read from yesterday's Record.

The PRESIDING OFFICER. Would the Senator from Montana clarify the situation with respect to Saturday?

Mr. MANSFIELD. Nine o'clock.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Now, Mr. President, I wish to read from yesterday's Record:

> Unanimous-Consent Agreement—Kissinger Nomination: By unanimous consent, it was agreed that when the Senate convenes at 9 a.m. on Friday, September 21, it will proceed to consider the nomination of Henry A. Kissinger, of the District of Columbia, to be Secretary of State, with time limitation for debate thereon of 2 hours. The yeas and nays on question of his confirmation have been ordered.

I thank the distinguished Senator from Washington.

(This marks the end of the colloquy which by unanimous consent was printed at this point in the Record.)

DEPARTMENT OF DEFENSE APPROPRIATIONS AUTHORIZATION ACT, 1972

Mr. BUCKLEY. Mr. President, I would like to compliment the Senator from Washington on his thoughtful remarks. They place the debate in the proper perspective.

The Congress begins its annual struggle over the defense budget today, and it is a matter of grave concern to me that the sober realities of the world in which we live are apparently being ignored by some Members of the Congress. Before the debate has begun, amendments have been introduced which would cut $9 billion in present or future hardware procurement and military research and development. The cuts proposed do not attack waste or mismanagement—these are present in any Government program, defense or nondefense—they strike at the very heart of the ability of this country's Armed Forces to deal with the forces our potential adversaries have in being or are likely to have in being by the time our advanced weapons are actually placed in the hands of our forces in the field.

Some Members of the Congress are acting upon a view of detente between the United States and the Soviet Union which bears little or no resemblance to the Soviet view. Indeed, the Soviet leadership has not attempted to conceal its view that détente provides an environment for continuation of an ideological struggle with less risk to the Soviet Union than they would face under the possibility of direct confrontation. There is remarkable continuity in Soviet attitudes on the subject of detente and peaceful coexistence since the early 1960's continuing through the present time without a misstep. I believe two responsible statements made since the Nixon-Brezhnev summit meeting in May, 1972, are illustrative:

Dr. G. Arbator, Director of the Institute for the Study of the United States of America, who accompanied Secretary Brezhnev on his June 1973 visit to the United States as the Soviet Government's chief adviser on the United States, stated in March, 1973:

> Relations with the capitalist nations will remain the relations of struggle, however successful normalization and detente may be . . . The essential question is what form that struggle will take.

An article of May 1973 in Pravda, the Soviet Communist Party newspaper, stated:

> Only naive people can expect that recognition of the principles of coexistence by the capitalists can weather the main contradictions of our times between capitalism and socialism, or that the ideological struggle will be weakened.

One need not, however, rely solely on the statements of Soviet leaders—we can look at how they have behaved in the defense sphere since the era of détente was formalized in May 1972, during President Nixon's visit to Moscow.

The Soviets have deployed a new type of submarine known as the Delta class which fires a missile with the range of our proposed Trident I missile—4,500 miles—6 years before we could deploy an equivalent submarine. Yet there is an amendment to delay deployment of the Trident submarine 2 additional years.

The Soviets have had additional test flights of their Backfire supersonic bomber—more than 3 years before we can even have test quantities of the B–1 bomber ready. Yet there is an amendment proposed to scrap the B–1 program that has been 10 years in development and begin study of a new bomber imparting additional years of delay.

The Soviets have deployed improved antiaircraft missiles to their existing inventory of 10,000 launchers and 60,000 missiles. The total U.S. antiaircraft missiles inventory is less than 700 1958 vintage missiles. Yet there is an amendment proposed to kill the SAM–D antiaircraft missile program leaving the continental United States as well as our forces without a system capable of dealing with modern Soviet aircraft.

The Soviets have sent an additional modern T–62 tank to their forces in Europe and have begun testing an even newer tank. Last year the Congress terminated work on a modern tank capable of meeting the Soviet counterparts and ordered the Army to start over. Yet this year there is an amendment proposed to hobble development of the new tank by imposing stringent cost limitations even before the tank is designed.

The Soviets have had an airborne radar system to detect low flying aircraft known as MOSS for 5 years. A comparable U.S. system is about to complete the development process after 10 years of effort. Yet there is an amendment being offered to terminate research on the program.

This is just a sampling, Mr. President, of the extraordinary military efforts currently being made by the Soviet Union. They illustrate a fact of international life we cannot ignore: The much celebrated spirit of détente has not deterred the Soviets in the slightest degree from their continuing drive to achieve supremacy in every category of arms, nuclear and conventional.

Mr. President, we can debate among ourselves—in fact, we ought to debate—the relative merits of the proposed weapons systems that together will make up our future military strength. What we cannot afford to do is underestimate the level of the strength that will be required.

Mr. President, we have no responsible choice in the matter. Our defense effort must be tailored not to our hopes, but to the sobering realities of the world in which we live.

Mr. GOLDWATER. Mr. President, on September 19 it was my distinct honor to address the members and guests of the Wings Club in New York City. This is one of the most prestigious flying organizations in the world and the membership reads like a roster of Who's Who in Aviation.

The subject of my remarks pertained to air power and the role that it plays in keeping the peace. I can think of nothing more I can add to opening statements on H.R. 9286, so I make them now as a part of my remarks.

This is the time of year when across the Nation a unique American innovation is a matter of considerable concern to millions of our citizens—the game of football. While the intensity of team partisanship sometimes stretches the appropriateness of the definition "game," I think it is still a reasonable term.

Unfortunately, another unique American invention—air power—is today frighteningly lacking in supporters. Just as the forward pass revolutionized the game of football many years ago, the advent of the airplane revolutionized warfare, which is most assuredly not a game. It is a deadly serious matter. The losers cannot go back to their homes with the consoling thought, "Wait until the next time." In the aftermath of modern war, there is no "next Saturday" or "next Sunday." But there are winners and losers.

Today our air arm is aging badly. We need new blood, the fine rookies without which continued power status in the global league is impossible.

The B-52, like George Blanda, is still a proven and effective weapon. But both Blanda and the B-52 have been around a lot of years and they do not have much time left. The seasoned F-4 Phantom is too slow to defend against the speedy new Mig-25 Foxbat.

The sobering realities are that we have not designed and fielded new air superiority fighters in the last 15 years, and we have not added any advanced strategic bombers in the last 22 years. To complete this tragedy, in 1971 Congress killed the development of the American supersonic transport.

My point is clear. Our world leadership in both military and commercial aviation is in dangerous jeopardy. As a well known coach in the city where I work says, "The future is now."

We urgently need the B-1, the F-14, and F-15, and the A-10, a supersonic transport, and the other components of an effective aerial capability. This is no time to deemphasize. We cannot afford further neglect of aviation development in the United States. To borrow from General Eisenhower, "No real security resides in a second-best Air Force."

Since the days of the World War II massive bombing of Germany and Japan, and later the establishment of the Strategic Air Command, this Nation's security has depended upon the strength and dedication of our airmen. That faith and reliance has met the test many times: in Korea; throughout the Berlin airlift; and during the Cuban crisis, when the Soviet Union saw the 24-hour-per-day stream of SAC bombers crowding their radar scopes, waiting just outside the Soviet borders—a sight that made the Soviet blink and back away.

Most importantly, airpower has been the principal deterrent to worldwide nuclear war. But the unfortunate paradox of that magnificent achievement is that airpower's success has been so effective that many people have gradually lost their appreciation of the urgency and need for continuing effective defense.

Strategic nuclear war has not occurred, but that threat has not diminished. Just because our deterrent forces have been successful doesn't mean they can be reduced. One might as well say, "I don't need fire innsurance for my house any longer because it hasn't burned down." We have become even more complacent than we were before World War II.

Why do we need the B-1, the F-14, the F-15? Because, while we have been relying on airplanes designed well over a decade ago, the Soviet Union has been passing us in aircraft design, development, and production.

In the last 10 years they have developed 12 new fighter prototypes, at least three of which are now operational: the Mig-25 Foxbat, the Mig-23 Flogger, and the SU-11 Flagon. The Foxbat is a deadly mach-3 fighter with a service ceiling in excess of 80,000 feet. It is operational and production is continuing.

To challenge the Foxbat for air superiority, our best current operational fighter is the F-4, a mach-2.2 machine at 40,000 feet, introduced in 1957, which cannot touch the Mig-25. Air superiority is absolutely essential for success in military operations by any service. And an aircraft like the F-4, which came up in the early 1960's, can not provide the pass defense we must have.

I have flown fighter planes since the 1930's. I have flown some of the current foreign aircraft. I have flown the F-14 and the F-15, which are fine warplanes. We need these aircraft to contend with the Foxbat and other Soviet fighters.

In the strategic bomber realm, the Soviets have built a new swing-wing giant called the Backfire, which flies at mach-2 and has left us way behind in this aircraft category. The development of this long-range aircraft reinforces the contention that the manned bomber is an integral part of the U.S. defense system. We know what bombers can do. We learned that in World War II and we saw the B-52's reaffirm the knowledge over North Vietnam last year.

Missiles are essential, but they are not battle-tested weapons and they are irrevocable. The manned bomber can do so very much more than a missile. A bomber can be launched on an alert; it can be recalled; it can be used in less-than-all-out war. On the other hand, when you launch an ICBM, the decision is irreversible.

It is essential that we get the B-1 into the Air Force inventory as soon as possible to replace the B-52, which was designed in the late 1940's and built in the 1950's and early 1960's. The B-1 will be a superb aircraft, capable of matching the Soviet Backfire. Compared to the B-52, the B-1 will use half as much runway, fly much faster, carry two and one half times more payload, have greater range and require less fuel consumption. But the problem is that the Backfire is either operational now or sure to be by 1974, while even if we can get the needed funds to continue development of the B-1, the new bomber would not be operational until about 1980.

Not only are the Soviets fielding more advanced operational aircraft, but they have also outstripped us in numbers. Even with an Air Force larger than ours, however, they are building new advanced aircraft much faster than the United States.

Meanwhile, we have been reducing the size of our air arm. In fiscal year 1950, we had 22,818 fixed wing aircraft; today we have approximately 14,000. We had over 1,200 strategic bombers in 1964; there are less than 450 now. The Air Force had a budgeted buy of only 168 aircraft last year, compared to 778 in 1964.

Moreover, the Soviets are equipping their satellites and client nations with significant numbers of modern aircraft. Algeria, Egypt, Iraq, Sudan, and Syria together possessed 1,188 combat aircraft as of last year, mostly Soviet types, including 446 Mig-21's. Israel had only 432 warplanes, including 90 F-4's and 125 A-4's. Egypt alone had 568 combat airplanes, led by 220 Mig-21's. The power balance implications are enormous.

In case you are getting the impression that I am talking strictly of military matters, I would remind you of the economic impact foreign aircraft development portends. Economic well-being and national defense are inseparable, especially in a modern world dominated by rapid technological advance. Nevertheless, some of my fellow Members of the Congress oppose the sale of modern U.S. aircraft to friendly nations—at the risk of those nations seeking aircraft from other countries whose aeronautical industries are becoming serious competitors of the United States. Even the U.S. Marines are flying British-designed and -built aircraft.

While the proposed American SST was being talked to death, the busy Soviets were building the Tu–144, a supersonic transport capable of flying at twice the speed of sound, 65,000 feet high, and with a range of over 4,500 miles. This machine has flown and will soon be in airline service.

With the British-French Concorde and Soviet supersonic transports already flying, we may see the day when American commercial airlines buy supersonic transports abroad—at $40 million or more per aircraft. Consider the resultant impact on our already strained balance of trade.

The key to rebuilding our airpower is the renewed support of aviation technology and the continuation of development programs like the B–1, F–14, F–15, and A–10. Our overriding need is for more research and development funds because the R. & D. we do now will determine the quality—thus the effectiveness—of our aircraft for the rest of this century.

Because of the enormous leadtimes involved, research and development programs begun now will not bear fruit until the 1980's and beyond. If we live that long. Development of the C–141 required almost 8 years; the B–1 program stretches over a 17-year period.

Critics say we cannot afford these new systems. Well, ladies and gentlemen, Joe "Willie" Namath does not come cheap, but I would remind you that Joe "Willie" took his team to victory in the Super Bowl. Sixteen or fewer C–5's could have replaced the hundreds of C–54's needed to accomplish the Berlin airlift. Great capabilities go along with high costs.

Another integral part of the cost equation is the price of "not doing a thing." President Truman had to decide what the "cost" would be of not dropping the atomic bomb on Japan. General Marshall estimated that the invasion of Japan would cost 500,000 Allied lives. Truman believed that was too high. Seventy-five thousand Japanese died at Hiroshima and 39,000 at Nagasaki, but the war was quickly ended.

Costs are not always clean, monetary totals. What is the cost of a human life? It is high in the minds of Americans. That is why we spend millions of dollars to buy sophisticated weapons to deter war or to substitute for the sacrifice of our fighting men if we must go to war. Sure, a modern airplane is expensive, but airplanes can be used to quickly avert or win a war without sacrificing a generation of young Americans.

We ought to also understand that the development of these systems, like the development of young football players, is not always a smooth, predictable process. Unforeseen problems have always been part of the development of sophisticated systems, especially when we are moving along the leading edge of new technology. So let us not become overly excited when grandstanders magnify the importance of an unexpected technical problem.

The most important budget battle this Nation has ever fought may be just ahead. For a number of months now, the Defense budget request has been labored over in Congress to a background of demands for reductions from special interest groups and the press. The debate is growing more heated as the final decisions are made.

When the clamor about defense spending gets loudest, I ask you to bear in mind that the proposed fiscal year 1974 military budget would represent the smallest relative burden on the U.S. taxpayer in more than two decades, the lowest percentage of total Federal spending since 1950, and a reduction to only 6 percent of the gross national product. Yet dangerously deep cuts are going to be pushed by myoptic critics who ignore the peril this Nation faces.

Bear in mind also, when you hear shouts that the American taxpayer is having to tighten his belt so the Pentagon brass should have to do the same, that my colleagues in the Congress are attempting to gain substantial salary increases for Members of Congress—an action I strongly oppose.

Bear in mind also that today's defense dollar, like everyone's, doesn't buy what it once did. The DC–10–30 price-tag is 207 times greater than the DC–3. Housing, food, and most other essentials are up. Inflation has hit us all. Those who scream about military overruns should be asked about the 160 percent cost overrun for the Washington Metro System, up from a $27 billion estimate to $70 billion— or the $46 million initial estimate for the Kennedy Center, a facility which finally cost $69.5 million.

Critics of the military use the media to urge crippling cuts in our defense establishment—cuts that would seriously endanger national security. Some media representatives seem more interested in sinking the ship of state than in helping its crew save the passengers—contrived attacks make it big on page one; actual rescues get minor coverage on page 25.

The press and congressional critics label every statement of high Department of Defense officials about the threat posed by our potential adversaries as "scare tactics" designed to justify approval of military appropriations. On March 27 of this year, the Chairman of the Joint Chiefs of Staff, Adm. Thomas H. Moorer, told a Senate subcommittee that the Soviet Union would develop and deploy MIRV—multiple, independently-targetable reentry vehicle—payloads for their ballistic missiles.

Later, newly appointed Secretary of Defense James R. Schlesinger, a brilliant, dedicated, hard-working, and candid official, said that the Nation was now into the period of post-war follies when it is fashionable to attempt dismantling U.S. defenses.

These and other warnings were ridiculed by much of the media as more excuses to spend taxpayer money unnecessarily. In the Senate, Schlesinger's statement was met with the now-nauseous retort about the Pentagon's "incessant cry of wolf."

The "wolf"—or maybe I should say the "bear"—soon appeared and bared its fangs. On August 17, Schlesinger announced that the Soviet Union had several weeks before successfully flight-tested MIRV'ed ICBM's, with six or more warheads on the SS–18 missile.

All the furor over cost growth has obscured the very real threat of the Soviet military strength—a powerful force in three obvious respects.

First, it is an enormous military establishment with an Air Force larger than ours. The Soviet Union has more missiles, as the Strategic Arms Limitation Agreement permits them, and their warheads are far more powerful than ours. Their recent demonstration of a MIRV capability indicates how close they are to having a vastly superior strategic missile force.

Second, they have reached qualitative parity with U.S. military forces in general, and lead us in some areas. More chilling is the fact that if present trends continue, they will surpass the United States in overall military strength during this decade.

This enormous momentum of the Soviets is what bothers me most. Why are they moving ahead so strongly? Why did they push ahead with their MIRV testing at the very time that congressional doves appeared to have a chance of slashing the U.S. defense budget as never before?

The Soviets are pouring money and people into technological research and development at an ever-increasing rate—much more than the United States is, I must add. They employ more natural scientists and engineers on military R. and D. and graduate far more of these people each year than we do.

Consider their current strength and then try to remember events since 1945. Knowing how strong the United States military was by comparison, the Soviets still pushed us with their aggressive actions in Hungary, Berlin, Czechoslovakia, and Cuba. If they were that bold in the past when they were militarily inferior, what might they do tomorrow, or in the 1980's? There is ample evidence that the Soviets respect only power, and it is criminally foolhardy to believe they will be less aggressive if capable of fielding superior military forces.

We must continue to seek means of achieving and maintaining peace, but as we do, we must recognize that the world is still not a very safe or peaceful place and we must remember that remaining strong enough to win a war is still the best way to avoid war. The full flush of détente, of interim arms limitation agreements, mutual, and balanced force reductions, Ostpolitik, and all the other attempts to preclude war, do not mean that we can unilaterally disarm.

Treaties do not have a very good history of success.

Secretary of Defense Schlesinger has warned us against harboring enchanting illusions that further cuts in the already austere defense budget can be made without slashing into bone. The fat from military spending is gone. Schlesinger's further comment about the Soviet "mailed fist encased in the velvet glove of détente" is backed up by two prominent Soviet citizens who have risked their lives to warn us of the danger involved in optimistically relaxing our defenses against the huge and rapidly growing Soviet military power.

How many of you recall these words:

> I remain convinced that there are no differences, however serious, that cannot be solved without recourse to war, by consultation and negotiation . . .

For those of you who do not remember, I will pick up the quote and finish Prime Minister Neville Chamberlain's words of early 1939:

> . . . by consultation and negotiation, as was laid down in the declaration signed by Herr Hitler and myself at Munich.

The United States had better start thinking. Being ready to fight in today's still-unsettled world means having the necessary equipment and people. As we discuss national priorities and the wisdom of changing them, we had better remember that maintaining our freedom is still No. 1—and that the other priorities disappear with the cannon smoke if our liberty is lost.

Our foreign policy is based on partnership and negotiation through strength—and the strength of the United States is its industry and technology. Our allies depend upon our traditional characteristic, technological prowess. That is our contribution to the partnership. And it is the strength that makes negotiation possible.

Furthermore, the cutting edge, the essence, the vanguard, of that strength is the airpower we can bring to bear anywhere on the globe. Airpower is the vital ingredient to United States and world security. The nation without any air arm capable of defeating any challenger is defenseless. The one unalterable lesson of Vietnam is the decisiveness of airpower.

For a decade, U.S. aircraft were the indispensable elements that prevented a North Vietnamese takeover, even though severe restrictions were placed on airpower application—restraints that increased the risks to our aircrew personnel. Airlift, close air support of ground forces, interdiction, and other missions gave South Vietnam the time to prepare to defend itself. The U.S. system of civilian control over the Nation's Armed Forces has never been so dramatically demonstrated as it was by the restraint, patience, discipline, and obedience to orders displayed by our aircrews in Southeast Asia.

In 1972, however, the North Vietnamese learned what modern airpower could do when used in the classic military sense. In the spring, the enemy's massive, armor-led invasion across the demilitarized zone was crushed from the air. On December 18, U.S. aircraft began a 12-day bombing campaign against Hanoi and Haiphong that the enemy could neither stop nor withstand. They had to sue for peace.

Let us not allow the isolationists in this country to gain a controlling hand once again in our Nation's history. Let us not allow the doves, in their unreasoned way, to prevail to the end that our military is destroyed. Let us remember that freedom is our mission and our purpose and let us remember that it has been defended successfully before and if need be, we will defend it again.

IN SUPPORT OF FULL FUNDING FOR THE TRIDENT SUBMARINE PROGRAM

Mr. WEICKER. Mr. President, I urge my distinguished colleagues to consider carefully the significance of this Nation's strategic submarine based missile system. I recognize there are those who would reduce, delay, or eliminate the Trident submarine program by attacking the $654.6 million in research funds and $872.8 million in ship construction and weapons procurement as recommended by the Senate Armed Services Committee.

Certainly I share the concern of my colleagues for domestic priorities, and seek to fulfill our commitment to social and economic programs for the American people. Nevertheless, I must assess the cost of not applying a part of our national resources to the maintenance and upgrading of our essential strategic deterrent force. I must ask myself what the billion and a half dollars will buy, and what the consequences would be if we forgo this investment in national defense?

Our present fleet of Polaris and Poseidon submarines has proved a most effective implement of peace. Magnificent as their contribution has been and continues to be to this very day, we must not lose sight of the fact that they are becoming old ships. Many are over 10 years old today, and, by the time our Trident force can be sent to sea in numbers in the early 1980's, they will be approaching their life expectancy of 20 years. The Navy has testified that the costs of maintaining these ships beyond that point can be expected to escalate rapidly. Beyond my conviction that to provide now for an orderly production of Trident submarines as replacements for these ships will prove to be economical in the long run, there is a much more serious consideration.

Despite their age, Polaris submarines have proved invulnerable to detection. Can we assume they will always be so? We have heard of the rapidly expanding Russian naval force. The majority of their ships are newer than ours. I believe that Trident will provide that vital "one step ahead." I am told the Trident will remain undetectable at speeds up to 2½ times as great as our present submarines. This will allow them to range into ocean areas 14 times that accessible to present-day vessels.

In addition, these modern ships conceived and built with the technology of tomorrow rather than the technology of the 1950's provide the latitude for the qualitative improvements we must make in the years ahead in order to be able to continue to undertake successful new initiatives for peace.

In light of the increasing maintenance problems and decreasing cost effectiveness of our Polaris-Poseidon fleet, the Navy must move forward with long lead development and initial procurement now.

Such other significant factors as obsolescence by age and technology, considerations of option for deployment; and assessments of Soviet strategic action and posture at SALT II, are additional justification for funding for the vital Trident program.

Of course the authorization commits scarce national resources, but the issue is one of this Nation surviving in a world that does not yet take peace for granted.

U.S. ARMY FISCAL YEAR 1974 R. & D. FUNDING FOR BALLISTIC MISSILE DEFENSE

Mr. ALLEN. Mr. President, the Senate Armed Services Committee has recommended as part of the Defense budget, severe reduction in U.S. Army research and development budget requests for ballistic missile defense activities.

These reductions would eliminate R. & D. investigations and prototype developments vital to our Nation's strategic defenses and necessary to our ability to continue an effective arms limitation agreement.

In its budget request, the Army's program to accomplish the ballistic missile defense R. & D. objectives includes:

First, completion of the Safeguard system; second, prototype development of the more cost-effective site defense system; third, advanced technology programs.

Mr. President, the present and proposed R. & D. activities in ballistic missile defense are consistent with the letter and the spirit of our treaty on the limitation of antiballistic missile systems. Failure to vigorously pursue R. & D. investigations and prototype developments would place the United States in a vulnerable position if first, the treaty were abrogated by the U.S.S.R. or mutually modified at some future time or second, the emergence of a third country ballistic missile capability threatens either the United States or the U.S.S.R.

In addition to their importance to ballistic missile defense, these programs are of real significance in the design and evaluation of our strategic offensive missile systems. The interaction between offensive missile design and missile defensive systems has resulted in the improvement of warhead design and employment, and U.S. offensive payloads for the existing ICBM boosters have been improved by the creation of more efficient aids for penetrating enemy defenses. In future operational tests, full scale offensive missile systems will be exercised against ballistic missile defense systems and advanced technology sensors to evaluate the performance of both systems.

These currently approved and ongoing R. & D. programs were proposed under the Army budget request at approximately the same level as they are currently funded. A summary of the three major programs and the impact of proposed reductions shows the situation of each as follows:

SAFEGUARD R. & D. PROGRAM

The Safeguard R. & D. program is oriented toward complementing the Safeguard deployment. The major R. & D. expenditures are for the computer software development and the system test program at Kwajalein. The Safeguard system has already served a very important role in making it possible to obtain the Strategic Arms Limitation Treaty with the Soviet Union. The U.S. investment in ballistic missile defense R. & D. served this purpose, but improvements are required to maintain a position of strength at future negotiations.

SITE DEFENSE

The site defense system is the Nation's only approach to the defense of our strategic ICBM force. The site defense program is in the design stages leading to a prototype demonstration at Kwajalein. The current development schedule has been matched to the projected threat evolution allowed under the interim agreement on strategic offensive arms.

In recognition of a congressional desire to reduce military expenditures, the Army reduced the site defense program from a planned $247 million for fiscal year 1974 budget level to $170 million. These reductions have already resulted in a stretchout of the program. Since the fiscal year 1973 funding of $80 million was for only the last 6 months' effort the program is currently continuing at a level of approximately $160 million per year. The apparent reason for the additional proposed reduction by the Senate Committee was to main the same level of effort as the previous year. The committee, in proposing the annual figure of $100 million must have overlooked the fact that fiscal year 1973 funding was for only the final 6 months' activities. The fact that the program is already well into the new fiscal year at the annual spending level of about $160 million, as well as the fact that site defense is at the stage of committing funds for major equipment during the fiscal year, would mean that adoption of the proposed budget by the Senate Committee could be nothing less than catastrophic.

Mr. President, from its inception, the site defense program has been planned as a very austere program with maximum deferral of nonessential tasks for demonstration of the system.

Further, the program has used the approach of developing hardware and software which could be deployed in nearly the same configuration as demonstrated if a deployment were needed. This management approach was chosen because it allows early demonstration of critical components at minimum cost and minimizes the likelihood of a costly redesign if Congress determines that a deployment is needed in future years.

Congress has severely criticized the Department of Defense for cost overruns on weapon system developments. However, if the funding is reduced for this already austere site defense project, the impact would be increasing costs due to program stretchouts, disruptions, inefficient phasing, and replanning. Further reduction in the funding of programs planned in accordance with Congress guidance will, in essence, be discouraging the Department of Defense from proposing austere project budgets.

Recent disclosures of successful Soviet tests of multiple warheads for strategic missiles further demonstrate the importance of an effective site defense program. It can logically be argued that if the United States does not pursue R. & D. to counter the Russian MIRV advances, we may very well be accepting the assured vulnerability of our Minuteman force.

The Wall Street Journal in its edition of Friday, August 26, 1973, published an editorial on this subject, and I ask unanimous consent that this article be published in the RECORD at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

ADVANCED TECHNOLOGY

Mr. ALLEN. Mr. President, I believe it is necessary to clarify the nature and purposes of the Army's fiscal year 1974 advanced technology program in ballistic missile defense, identified in testimony before the Armed Services Committees of both Houses as light area defense—LAD. The Senate Armed Services Committee voted to cut the $42.4 million associated with this program. The House voted authorization of the entire $100 million request.

The light area defense context in which the program was presented tended to obscure its true technology content and led to the conclusion that it may conflict with the spirit of the ABM Treaty. The program actually centers on a class of advanced R. & D. that forms a broad technology base upon which future defense application decisions may be made.

LAD system concepts were used in the testimony to illustrate system relevance. However, the technology involves advanced optical sensors which show great promise for a multiplicity of ballistic missile defense and other defense applications. For example, they have great potential as an adjunct to a conventional terminal defense system such as site defense. In this role, the optical sensors show promise for alleviating some of the more serious technical problems and for providing a complementary defense-in-depth.

Optical sensors are central to the most promising ballistic missile defense concepts to emerge in a decade, and they merit the expenditure of the advanced R. & D. budget requested. These sensors are in the same family as those used in the familiar Sidewinder and Redeye missiles.

However, they are much more complex and are designed to operate above the earth's atmosphere—sensors so sensitive that they can detect invisible heat signals as faint as those that emanate from a human body 1,000 miles away. Because of their inherent guidance accuracy, a relatively small warhead, perhaps even nonnuclear, may be used.

The proposed program is a continuation of effort which has been underway in the Army for the past 3–4 years. Recently, extremely valuable experimental data has been obtained on a number of target objects and penetration aids lofted into the exoatmosphere by Atlas boosters. Although these data, coupled with other laboratory and analytical data, only scratch the surface of the ballistic missile defense optics technology, results to date are encouraging. The evidence so far is that optical ballistic missile defense sensors are feasible.

The proposed program represents a breakthrough opportunity to extend ballistic missile defense from the terminal, or "last ditch," regime to the midcourse regime. This means that the battle would be waged far away from the targets being defended.

Such promising technology may prove beneficial to SALT II by strengthening our bargaining position and providing an opportunity for further bilateral ABM agreements.

Our Strategic Offensive Forces benefit by such pioneering defensive R. & D. The data base established by this program will be invaluable to advanced ballistic reentry systems and other strategic offensive R. & D. programs.

This technology provides protection against technological surprise by a potential enemy.

The midcourse optics technology will be pursued only under the proposed advanced R. & D. program. If the budget is cut, the R. & D. will not get done somewhere else and the most promising new ballistic missile defense technology on the horizon today will be dropped.

It is estimated that $35 million of the $42.4 million originally requested is required to maintain the optics technology program at a minimum level of effort.

Mr. President, on the last day of the recent session of the Alabama legislature, the Alabama House of Representatives passed House Resolution 273 which urges congressional support for America's ballistic missile defense program as described in my statement. I ask unanimous consent that the resolution be printed at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

URGING CONGRESSIONAL SUPPORT FOR AMERICA'S BALLISTIC MISSILE DEFENSE PROGRAM

Whereas America's security as a nation is based upon maintaining an overall military balance to safeguard against aggressive acts of other nations, and

Whereas other nations are developing rapidly in the field of military technology and the Soviet Union in particular has recently undertaken tests of multiple warheads for strategic missiles and continues other significant development programs, and

Whereas it is essential for the United States to have a technological base superior to that of potential adversaries in the form of Ballistic Missile Defense research and development programs vital to our nation's strategic defenses and necessary to our ability to continue an effective arms limitation agreement, and

Whereas Congressional disenchantment with some U.S. military policies coupled with efforts to reduce military spending wherever possible have led to proposals within Congress which would reduce or eliminate important BMD investigations and prototype developments which, if not vigorously pursued, would place the U.S. in a vulnerable position if the SALT agreement were abrogated or if the emergence of a third country ballistic missile capability were to threaten either the U.S. or U.S.S.R., and

Whereas Department of Defense budget requests for Safeguard, Site Defense, and the Advanced BMD Technology program represent reasonable requests for continuing R&D activities at levels essential to technological developments necessary for the present and future security of this nation.

Now, therefore be it resolved by the Alabama House of Representatives that Congress be hereby strongly urged to adopt funding levels for these vital BMD research and development programs which will contribute toward maintenance of effective arms limitation agreements in the future and will assure that no nation is permitted to surpass the United States in technological achievement in the critically important field of advanced weapons.

Be it further resolved that copies of this resolution be forwarded to all members of the U.S. House and Senate Armed Services Committees, Appropriation Committees of the two Houses, the Alabama Congressional delegation, the Secretary of Defense, and the Secretary of the Army

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EXHIBIT 1

THE SOVIET MIRV

The Soviet tests of multiple warheads for strategic missiles comes as no surprise, but that is scant reason for comfort. The development was completely predictable when the strategic arms agreements were signed, which made the agreements a most dubious bargain for the United States. The present need is to apply the lessons to the new round of arms talks now in progress.

In the bargain that emerged from SALT–I, the United States relied heavily on its lead in multiple warheads, or MIRV, to offset the numerical and missile-size advantages the arms agreements granted the Soviets. But with MIRV not controlled by the agreements, the Soviets would be allowed to overcome our advantages while we are prohibited from overcoming their advantages during the five-year "interim agreement" on offensive weapons.

The Soviet missile force can lift a total weight about four times as large as the American missile force can. Because we have MIRV already deployed, we presently lead in warhead numbers. But with MIRV on both sides, the throw-weight advantage means that the Soviet force will in effect be four times as large as the American one. The type of weapons the Soviets are developing, moreover, are suited to a first strike wiping out our land-based missiles. The fact that they would want such a force is in itself disturbing.

Now, this does not mean the world will end tomorrow, as Defense Secretary James R. Schlesinger made clear in announcing detection of the Soviet tests. He estimated it will be two years before the Soviets begin deploying MIRV, and that it will be 1979 before they match us in warhead numbers. If SALT–II produces no further agreements by then, the interim agreements limiting offensive weapons will expire.

With the long lead-times in strategic weapons, the American response needs to be planned now, but to many Americans the whole question seems academic. Many analysts believe, though few of them are willing to say so out loud, that it does not matter if the United States falls into a significantly inferior position in strategic weapons. A few of our weapons would always get through, they reason, and nuclear warheads are so destructive even the threat of a few (even one, in one notable presentation) will be sufficient to deter the Soviet leaders from exploiting even a large lead in weapons numbers. And more broadly, the Cold War is over, after all, isn't it?

These arguments are not assertions about the technicalities of nuclear weapons, but assertions about the psychology of present *and future* Soviet leaders. While Stalin's type of Cold War is gone, it is by no means clear that no Soviet leader would be tempted to exploit local military strength under cover of nuclear superiority. A few warheads would deter a Soviet leader from using his nuclear superiority only if he is sufficiently rational and truly in control of events, a description that fits few of the national leaders who started history's many wars.

The best hint of the Soviet leaders' psychology is their current weapons development program. While Mr. Schlesinger said he was not surprised by the MIRV tests, he is surprised by the breadth of their total program. They have four separate new intercontinental missiles under development for example, plus a new submarine-launched missile. If they think nuclear preponderance is irrelevant, why do they need all those new weapons?

The chief American strategic programs, the Trident submarine and B–1 bomber, are favorite targets of those in Congress who want to curb the Pentagon. Yet it's clear that the chief influence on SALT–I was not weapons in place, in which the Americans led, but weapons under development, in which the Soviets held the lead confirmed by the agreement.

It is argued that we should not speed development of our strategic programs merely as a "bargaining chip," but the truly relevant question is what kind of world is assumed in strategic planning, one with SALT agreements or without them. We can always cut back if SALT–II succeeds, but lead times would make it hard to speed up if we do not have programs under way if it fails.

The prudent thing is to prepare for the eventuality that the interim agreements will expire and we will have to deal with the aggressive Soviet development program now under way. If we plan our strategic programs on that basis, they will be bargaining chip enough.

U.S. INFORMATION AGENCY APPROPRIATIONS AUTHORIZATION ACT OF 1973

Mr. FULBRIGHT. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1317.

The PRESIDING OFFICER (Mr. Scott of Virginia) laid before the Senate the amendment of the House of Representatives to the bill (S. 1317) to authorize appropriations for the United States Information Agency, which was to strike out all after the enacting clause, and insert:

That this Act may be cited as the "United States Information Agency Appropriations Authorization Act of 1973".

Sec. 2. (a) There are authorized to be appropriated for the United States Information Agency for fiscal year 1974, to carry out international informational activities and programs under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, and Reorganization Plan Numbered 8 of 1953, and other purposes authorized by law, the following amounts:

(1) $203,279,000 for "Salaries and expenses" and "Salaries and expenses (special foreign currency program)", except that so much of such amount as may be appropriated for "Salaries and expenses (special foreign currency program)" may be appropriated without fiscal year limitation;

(2) $5,125,000 for "Special international exhibitions" and "Special international exhibitions (special foreign currency program)", of which not to exceed $1,000,000 shall be available solely for the Eighth Series of Traveling Exhibitions in the Union of Soviet Socialist Republics; and

(3) $1,000,000 for "Acquisition and construction of radio facilities".

Amounts appropriated under paragraphs (2) and (3) of this subsection are authorized to remain available until expended.

(b) In addition to amounts authorized by subsection (a) of this section, there are authorized to be appropriated without fiscal year limitation for the United States Information Agency for the fiscal year 1974 the following additional or supplemental amounts:

(1) not to exceed $7,200,000 for increases in salary, pay, retirement, or other employee benefits authorized by law; and

(2) not to exceed $7,450,000 for additional overseas costs resulting from the devaluation of the dollar.

Sec. 3. The United States Information Agency shall, upon request by Little League Baseball, Incorporated, authorize the purchase by such corporation of copies of the film "Summer Fever", produced by such agency in 1972 depicting events in Little League Baseball in the United States. Except as otherwise provided by section 501 of the United States Information and Educational Exchange Act of 1948, Little League Baseball, Incorporated, shall have exclusive rights to distribute such film for viewing within the United States in furtherance of the object and purposes of such corporation as set forth in section 3 of the Act entitled "An Act to incorporate the Little League Baseball, Incorporated" approved July 16, 1964 (78 Stat. 325).

Sec. 4. (a) After the expiration of any thirty-five-day period beginning on the date the Committee on Foreign Relations of the Senate or the Committee on Foreign Affairs of the House of Representatives has delivered to the office of the Director of the United States Information Agency a written request that the committee be furnished any document, paper, communication, audit, review, finding, recommendation, report, or other material in the custody or control of such agency, and relating to such agency, none of the funds made available to such agency shall be obligated unless and until there has been furnished to the committee making the request the document, paper, communication, audit, review, finding, recommendation, report, or other material so requested. The written request to the agency shall be over the signature of the chairman of the committee acting upon a majority vote of the committee.

(b) The provisions of subsection (a) of this section shall not apply to any communication that is directed by the President to a particular officer or employee of the United States Information Agency or to any communication directed by any such officer or employee to the President.

Mr. FULBRIGHT. Mr. President, I move that the Senate disagree to the amendment of the House of Representatives on S. 1317 and request a conference with the House thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. Scott of Virginia) appointed Mr. Fulbright, Mr. Mansfield, Mr. McGovern, Mr. Aiken, and Mr. Case, conferees on the part of the Senate.

"FAITH IN AMERICAN BUSINESS AWARD" TO SENATOR MAGNUSON

Mr. PASTORE. Mr. President, if there is any Member of this body who understands the problems of the American consumer and a need for basic honesty by American business, it is the distinguished chairman of the Committee on Commerce, WARREN MAGNUSON.

We all knew of the illustrious achievements for the American consumers brought about by the consumer protection measures Senator MAGNUSON has sponsored in the Commerce Committee and pushed through the Senate. The marketplace is certainly a much better place today because of his endeavors.

However, Senator MAGNUSON believes, as do most of us, that the vast majority of American businessmen are honest, dedicated citizens who want to sell dependable products and provide good service. It is the few who cause problems for the many.

Because of his understanding of the delicate balance of the American marketplace and the need for mutual trust and understanding, Senator MAGNUSON was presented with the "Faith in American Business Award" in Minneapolis on September 18 by the National Tire Dealers Association.

As you know, Mr. President, Senator MAGNUSON was the author of the auto safety bill, now the law by which the tire industry operates, pointing out that at least in some cases, what is good for the consumer is also considered good for the industry. In receiving the award, Senator MAGNUSON's remarks were to the point and have a message for all of us. Therefore, Mr. President, I ask unanimous consent that the text of those remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR WARREN G. MAGNUSON, SEPTEMBER 18, 1973

I am especially proud that you have chosen me for this particular award, The Faith In American Business Award. I am especially honored since only two others have received this award—President Eisenhower and Senator Harry Byrd.

I'm proud because your action reflects the truth of something I have always believed:

That what is good for the consumer—really good for the consumer—is good for honest business;

That open competition more than any other economic system in the world rewards consumers with the best possible products at the best possible prices;

That strong, healthy, independent businessmen, especially retailers, are the consumer's first line of defense against muscle bound corporate giants.

I've never liked the term "consumer protection" because that implies that consumers are not smart enough to protect themselves.

I'm sure that every one of you can testify that the American consumer is the toughest and most demanding in the world.

But when it comes to economic muscle then the "big boys" won't compete in price and quality for the consumer's dollar. When business tries to squeeze distributors and consumers by monopolizing the lines of distribution with slippery advertising claims and techniques; and when manufacturers give safe design a backseat to slick styling, then it is time for government to act and to act fast.

But—and this is the crucial "but"—it is every bit as important for government to avoid what I call "regulatory overkill."

If there is a market malfunction that hurts competition and consumers, let's cure it—fast.

But let's not choke off commerce and industry while we cure it.

Get the hazardous product off the market;

Stop the deceptive ad in its tracks;

But don't penalize the honest and efficient businessman by weighing him down with reams of papers and forms, books full of finelined regulation and useless red tape which ends up giving him sleepless nights and costing the consumer more in the end, and with no real benefits.

That is why, although I am proud to have been an author of the Auto Safety Law, that I consider myself one of your strong advocates. I have fought with the Department of Transportation to apply its labeling regulations to your industry in a sane and reasonable way. Yes, the law requires that tires be mandated in such a way as to enable the recall of unsafe tires but this can be done without destroying part of our tire marketing system which has long provided economical and safe tires for millions of Americans.

I still recall quite vividly the Senate's consideration of the 1966 auto and tire safety acts. The various bills before the Senate were complicated and controversial. But everyone was reasonable, particularly the tire industry, in ironing out a compromise and the bill which we ultimately came up with was designed to do the job, but yet, not create "regulatory overkill." Your industry at that time demonstrated, and still demonstrates today, the kind of reasonable and good faith approach to problems which leads to meaningful solutions.

Some of my friends call me a consumer advocate—those not so friendly have other names. But I'm proud to be concerned about consumers and I consider myself every bit as much of a business advocate—

I believe in the free market system;

I believe in competition and profits to reward the best competition and competitors;

I welcome the great abundance, variety and free choice which we enjoy today in this country;

And, I promise you that my work and the work of my Committee is dedicated and will continue to be dedicated to the health and preservation of our economic system.

I am most proud to be here with you today to accept your generous and meaningful award.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the amendments of the House to the bill (S. 1148) to provide for operation of all domestic volunteer service programs by the ACTION Agency, to establish certain new such programs, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8917) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1974, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 5, 8, 12, 34, 35, and 47 to the bill and concurred therein; and that the House receded from its disagreement to the amendments of the Senate numbered 4, 6, 7, 15, 17, 29, 30, 32, 36, 39, 40, 41, 42, and 48 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 666) for the relief of Slobodan Babic.

The PRESIDENT pro tempore subsequently signed the enrolled bill.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Mr. PROXMIRE. Mr. President, I call up my amendment now at the desk and ask that it be stated.

The PRESIDING OFFICER (Mr. ALLEN). The amendment will be stated.

The assistant legislative clerk read as follows:

On page 30, between lines 2 and 3, insert a new section as follows:

SEC. 703. (a) Notwithstanding any other provision of law, no enlisted member of the armed forces of the United States may be assigned or otherwise detailed to duty on the personal staff of any officer of the Army, Navy, Marine Corps, Air Force, or Coast Guard (when operating as a service of the Navy) if such member performs duties for such officer, or in the household of such officer, as an enlisted aide, public quarters steward, airman aide, cook specialist, or food service technician, or performs any duties for such officer or in the household of such officer that are the same as or similar to duties performed by any such aide, steward, specialist, or technician.

(b) The provisions of subsection (a) shall become effective on January 1, 1974.

On page 30, line 3, strike out "Sec. 703" and insert in lieu thereof "Sec. 704".

The PRESIDING OFFICER. This amendment will be debated under controlled time of 2 hours, with the time to be equally divided between the Senator from Wisconsin (Mr. PROXMIRE) and the Senator from Missouri (Mr. SYMINGTON).

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, I yield myself such time as I may require.

I ask unanimous consent that Ron Tammen, legislative assistant on my staff, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President,

will the distinguished Senator from Wisconsin yield, with the understanding that he will not lose his right to the floor?

Mr. PROXMIRE. I yield to the distinguished Senator from West Virginia, the assistant majority leader.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time on any debatable motion or appeal in relation to amendments to the pending bill be limited to 20 minutes, to be equally divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, the amendment I am offering poses the question: Will the Senate provide servants to many of the highest ranking generals and admirals in this counrty?

I say "No." No servants for military officers at public expense. My amendment would put a stop to the existing practice of using Filipino enlisted men as servants for the Navy, black enlisted men as servants for the Marine Corps, and hundreds of others in the other branches.

What are the facts? First, are these men really servants? The answer is an emphatic "Yes."

What do they do? According to scientific interviews conducted by the General Accounting Office, these men prepare food, serve meals, clean quarters, perform gardening on the grounds of the quarters, provide maintenance on the grounds of the quarters, bartend for official and unofficial parties, do the grocery shopping, run errands, chauffeur the generals and admirals and family, maintain uniforms, wash private automobiles, and care for pets.

In the Navy they spend an average of 4 hours a day preparing and serving meals in the homes of the admirals and captains and spend 3.1 hours cleaning the quarters. In the Air Force they spend 2.4 hours preparing and serving meals and 4.0 hours cleaning quarters. The comparable figures for the Army are 2.5 and 4.2.

Mr. President, I ask unanimous consent that the GAO table representing these facts be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 3

Task	Percent responding affirmatively							
	Army		Navy		Air Force		Marine Corps	
	Officers	Aides	Officers	Aides	Officers	Aides	Officers	Aides
Prepare food	94	71	100	97	88	88	100	84
Serve meals	88	86	100	94	81	75	100	58
Clean quarters	100	98	100	91	81	99	100	74
Maintain quarters	66	(1)	46	(1)	78	(1)	14	(1)
Gardening on the grounds of the quarters	38	81	25	47	52	77	0	21
Maintenance of the grounds of the quarters	53	(2)	25	(2)	81	(2)	0	(2)
Bartending[3]	91	81	100	78	71	80	100	74
Grocery shopping	84	74	83	53	81	80	100	68
Running errands	56	90	25	59	74	93	43	63
Chauffeuring[4]	22	24	0	3	38	45	0	5
Maintenance of officers' uniforms	84	58	96	53	86	46	100	53
Washing officers' private automobiles	53	75	25	49	60	88	0	16
Caring for officers' pets	22	53	0	39	12	32	0	26

[1] We did not ask enlisted aides to differentiate between cleaning and maintaining quarters. Most of the affirmative responses of aides included both categories.

[2] We did not ask enlisted aides to differentiate between gardening and grounds maintenance.

Most of the affirmative responses of aides included both categories.

[3] Mainly for entertaining.

[4] Most of the responses said chauffeuring was done infrequently.

Differences between the percentages of affirmative responses of officers and aides can be explained in part by one or both of two conditions. First, some of the officers who filled out the questionnaire did not have their aides interviewed and vice versa. Secondly, many of the officers responding to the questionnaire have more than one aide. Therefore, while the officer may assign the task of cleaning the quarters to his aides, one of them may only do cooking and no cleaning. The officer's response would then be affirmative while the aide's response would be negative.

Table 4 presents the average hours per day spent preparing and serving meals and cleaning the quarters, as estimated by enlisted aides.

TABLE 4

	Average hours per day	
	Preparing and serving meals	Cleaning quarters
Army	2.5	4.2
Navy	4.0	3.1
Air Force	2.4	4.0
Marine Corps	3.9	3.4

Mr. PROXMIRE. Twenty-eight percent of the representative sample of servants interviewed said they had to chauffeur the officer's dependents. Twenty-two percent said they were required to do the laundry of the officer's dependents. Twelve percent reported being required to prepare lunch for the officer's dependents even though the officer was not home and did not eat lunch at the same time. And 6 percent stated they had to babysit the officer's children.

The GAO concluded that the tasks performed by aides are those normally associated with domestic servants.

They are servants. They do the duties of servants. They are treated as servants. They are paid to do servant-type work. They work for the entire family rather than just the military officer. They work out of the residence of the officer. They open doors, answer the phones, run errands on request, do the laundry, clean the house and garden. They are servants and there are no two ways about it. They may be called enlisted aides, public quarters aides, airman aides, or some other designation, but they are servants.

As with any servant, they come in handy when entertaining is required. A full 100 percent of the Navy and Marine Corps officers reporting to the GAO said they used their servants for official entertaining—meaning as bartenders, for cleanup and food preparation; 97 percent of the Army generals and 91 percent of the Air Force generals used servants for the same purpose.

But official entertaining is not the only requirement for a personal servant. They must also serve drinks and clean up at unofficial parties put on by the brass.

Consider the following figures for unofficial or private parties by the generals and admirals; 78 percent of the Army generals, 83 percent of Navy admirals and captains, 82 percent of Air Force generals and 57 percent of Marine Corps generals used their servants for unofficial parties. In other words, if they were having a few friends over for a drink or entertaining relatives from out of town, their personal military servants do the work. They purchase the food and drink at commissary prices, serve the beverages and food and clean up afterwards.

The average number of parties of each officer is 4.5 per month or a little over one per week for which their personal military servants are called upon.

Mr. President, I ask unanimous consent that two tables showing the percentage of officers using servants for official and unofficial parties and the frequency of these parties be placed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Table 6 lists, by military service, the percent of officers who used aides at official and unofficial functions:

TABLE 6

	Percent using aides at—	
	Official functions	Unofficial functions
Army	97	78
Navy	100	83
Air Force	91	82
Marine Corps	100	57

Table 7 presents, by military service, the frequency of official and unofficial functions at which enlisted aides are used:

TABLE 7.—PERCENT OF OFFICERS USING AIDES AT FUNCTIONS

Frequency of function	Army		Navy		Air Force		Marine Corps	
	Official	Unofficial	Official	Unofficial	Official	Unofficial	Official	Unofficial
More than once a week	18	0	21	8	5	7	57	14
Once a week	22	6	21	17	17	10	0	0
3 times a month	19	6	12	8	10	10	29	0
2 times a month	34	28	29	8	26	19	14	29
Once a month	0	28	8	25	14	17	0	14
Less than once a month	3	9	8	12	19	19	0	0

Mr. PROXMIRE. Can there be any doubt that these men are servants? Considering the overwhelming facts, there should be no confusion on this point.

But what about the men involved? Who are they and where did they come from?

We have often heard that these men are volunteers and the they know what they are getting into. This simply is not accurate. The GAO interviewed about 25 percent of the military servants in the continental United States. Contrary to the Pentagon argument, it was found that over 12 percent of these men were assigned to their jobs. They did not volunteer but were ordered to perform these servant duties. The 12-percent figure is far too high to be a statistical error. It means that generals and admirals have ordered men to become servants.

When I first began an investigation of the military servant program in November of 1972, there were 1,722 servants in the service of 970 officers, including 100 Navy captains. The Army had 321 officers with 510 servants. The Navy employed 577 servants for 295 of its captains and admirals. The Air Force provided 545 servants to 314 generals and the Marine Corps had 40 generals with 90 servants.

They were distributed throughout the world. Four hundred and sixty-seven servants were based overseas serving 306 officers. Nine hundred and twenty-nine servants were in the continental United States working for 538 officers. But as expected, a high proportion were right here in Washington with the rest of the brass. Washington based generals and admirals required the service of 326 servants for its 126 qualified officers.

A total of 970 senior officers received servants while 457 of their compatriots had to go without.

Mr. President, I ask unanimous consent that a table representing the geographical distribution of officers and aides as of December 1972 be printed in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

TABLE 1.—GEOGRAPHIC DISTRIBUTION OF OFFICERS AND AIDES AS OF DECEMBER 1972

Service locations	Army		Navy		Air Force		Marine Corps		Total	
	Officers	Aides	Officers	Aides	Officers	Aides	Officers	Aides	Officers	Aides
Washington, D.C., area	54	132	37	100	30	75	5	19	126	326
Continental United States, less Washington	134	220	176	315	196	329	32	65	538	929
Overseas	133	158	82	162	88	141	3	6	306	467
Total	321	510	[1] 295	[2] 577	314	545	40	90	[1] 970	[2] 1,722

[1] Includes 110 Navy captains.

[2] Includes 110 enlisted aides assigned to Navy captains.

Mr. PROXMIRE. The fiscal year 1973 costs of the servant program were established by the GAO. By including personnel and training data, it was found that the Pentagon was spending $21,705,806 a year for military servants.

Mr. President I ask unanimous consent that a breakdown of these costs be printed in the Record.

There being no objection, the breakdown was ordered to be printed in the Record, as follows:

	Personnel costs (note a)	Training costs (note a)	Total
Army	$6,035,914	$302,361	$6,338,275
Navy	6,400,548		6,400,548
Air Force	7,686,864		7,686,864
Marine Corps	1,221,881	58,238	1,280,119
Total	21,345,207	360,599	21,705,806

Mr. PROXMIRE. While Congress was looking the other way, the military services even went to the extent of establishing training schools and facilities for military servants. The Army had one special training course and one on-the-job training facility while the Marine Corps had three special training courses. The Air Force used the Army school.

A few words about the Army's training facility at Fort Lee, Va.—the so-called "charm school"—are in order even though this course now has been shut down.

The Fort Lee school ran courses six times a year with 24 students per course. Among the books required for reading by the students were "Service Etiquette," "The Encyclopedia of Etiquette," "The Complete Book of Etiquette," "The Army Wife," "Merck Veterinary Manual"—third edition—"Mastering the Art of French Cooking," "The Gourmet Cookbook," "The Blue Goose Buying Guide," "The Correct Waitress," "Ice Carving Made Easy," "Practical Bar Management," and so on. The titles give a good impression of the content of the course.

The course included 3 hours of instruction in the proper care and feeding of pets such as dogs, cats, fish, and birds. Servants-to-be were given 25 hours in care and cleaning of general officers' quarters; 8 hours in table service for informal functions; 12 hours for formal functions; 16 hours in the preparation of centerpieces, such as floral arrangements in ice carving—these are supposed to be fighting men who enlisted in the service in many cases, because they wanted to serve their country as fighting men; 13 hours in preparation and dispensing of alcoholic and nonalcoholic beverages; 16 hours in cake baking and decorating; 16 hours in Danish puff, pie, pastry, and cookies; 7 hours in the selection and service of appetizers, hors d'oeuvres, and canapes; 34 hours in the preparation of gourmet meat dishes, and 10 hours in the serving of brunch.

While this extensive training was in progress on one part of the base, at another place culinary teams were practicing their special techniques. Throughout the year, the Army sends a team of gourmet cooks to various exhibits and contests. They are proud of their specialties, which include a crown roast stuffed with wild rice dressing, a pink cake with tiers supported by glasses of champagne, and lobster charioteer, which is six lobster horses pulling a chariot carved from a watermelon.

Back at the enlisted aides school, the students were being taught how to carve ice into delicate arrangements for the tables of admirals and generals. Tasty penguins were formed out of hard boiled eggs to go with the carved ice swans.

Mr. President, I ask unanimous consent that several newspaper articles describing these programs be printed in the Record. I also ask unanimous consent to have printed in the Record the program for instruction for enlisted aides at Fort Lee.

There being no objection, the program and articles were ordered to be printed in the Record, as follows:

"Proxmire Stew" on Army Menu?

(By Lou Hiner)

Washington.—Ever see six big lobsters pulling a chariot carved from a watermelon? No kidding.

Maybe you did if you've attended any big gourmet cooking shows lately.

"Lobster charioteer" is the creation of some

Army chefs who have wowed the cooking show circuit, at the expense of the taxpayers, of course.

Sen. William Proximire, D-Wis., is about to blow his hair transplant over the goings-on at Fort Lee, Va., where the Army trains its chefs and household servants for the military brass.

Listen to Proxmire:

"The Army sends its cooks across the country at taxpayer expense to demonstrate their cooking skills. In the last six months, Fort Lee cooks have been sent to gourmet cooking shows in Richmond, Va., for four days; Detroit for seven days, and Washington (Epicurean Club) for five days.

"This is paid out of training funds and requires a refrigerated van, two drivers and certain exotic equipment. The Army representatives make boeuf Wellington—a crown roast stuffed with wild rice dressing; pink champagne cake supported by champagne glasses, and, as their specialty, lobster charioteer."

The cooking school at Fort Lee occasionally tosses an extravagant buffet as a sort of final exam for the students. They invite hundreds of guests. There were 275 at the March 2 affair, 290 Boy Scouts at the one on March 5, and 275 had their palates tickled on March 7. All at taxpayer expense.

Someone has to teach the cooks, so the Army hires retired military "consultants" at $100 a day to instruct in such things as ice carving, watermelon carving, lobster harnessing, and so on.

"The Fort Lee situation cannot be tolerated," Proxmire said. "What is this if not a 'pocket of fat'? In no way does the Fort Lee servant program contribute to national security. It does provide a plush life for our generals and admirals. But it does not make us better prepared to face our adversaries. In fact, it encourages a fat and lazy officer corps."

And fat, lazy old soldiers never fade away, they just chauffeur over to the officers club and watch the cooks play with the lobsters and watermelons.

[From the Lawrence (Mass.) Eagle-Tribune, Feb. 1, 1973)

Where Soldiers Learn To Make Penguin Eggs

Fort Lee, Va.—Here the Army trains soldiers—to make tasty penguins out of hard-boiled eggs, carve swans out of ice, groom dogs and empty ash trays.

Other lessons range from bartending to flower arranging.

The purpose is to prepare enlisted men, all volunteers for the program, for the job of making Army generals and their families more comfortable. Or, as an Army spokesman explains it, "to put the commanding officer and his family in the forefront of the Army installation and the community."

Some program critics call the personal aides servants. Most generals get one aide for each star on their shoulders.

A General Accounting Office report says that in pay and allowances alone the personal aides program costs the Army $3.6 million yearly. The Navy spends $4.4 million, the Air Force $4.3 million and the Marines $837,000 on similar programs, the report says.

What sort of enlisted man volunteers to be an aide?

"It takes a special boy, one who will take an order from a female, like the general's wife," a spokesman at Ft. Lee replied.

During a visit to Ft. Lee, an officer was asked directions to the training school. "An enlisted aides course?" he said. "Oh, you mean the charm school. Over there."

He pointed to a two-story World War II-era building that has been remodeled to include five apartments. Each resembles a general's quarters and includes a living room, dining room, two bedrooms and a bathroom. Red and white carnations are carefully arranged on many tables.

Such delicacies as chocolate-covered petit fours, the work of aides are stored in freezers.

The Army's enlisted aides course has been located in the building since the program started in January 1969. Courses are given six times a year, and the Army reports a total of 404 graduates. The waiting list of generals requesting aides is now at about 80. Some generals don't ask for aides, according to the spokesman.

He said soldiers spend 70 hours learning the duties and responsibilities of an enlisted aide, 100 hours on management of dining facilities and 137 hours of "the advanced principles of cooking, baking and garnishing."

Duties listed in the course outline include pet care, cleaning a general's quarters, care of officer's uniform and equipment, preparation of center pieces and ice carvings and watering plants.

A section called household duties includes these responsibilities: empty and wash all ash trays; sweep off steps and porch; scour tub, shower, lavatory and all fixtures; empty laundry hamper; insure adequate supply of soap, facial tissues, toilet tissue and tooth paste.

Helping a general's wife includes reminding her of appointments, providing her with transportation and assisting her role as hostess, according to the outline.

Critics, including Sen. William Proxmire, D-Wis., say taxpayers should not have to pay for personal aides to generals and other military brass. The Army says the taxpayers are getting a good deal.

If a general didn't have aides, "they'd need a general and a half to do a general's work," said Maj. Richard Weinz who heads the aides' program.

"He's a leader," said Weinz. "A general doesn't have time to shine a pair of shoes, so he's given an enlisted man to help him."

Weinz said that heads of big corporations can afford to pay for these services, but a general "only makes about $2,700 a month." The GAO lists average pay for Army aides as $7,131 a year. Just imagine that.

"It would cost the U.S. government more money to civilianize the aide field," Weinz said in an interview. "For the number of hours we put in and the kind of job done, I think it would quadruple the cost."

Proxmire, who calls the aides program "one of the last trappings of aristocratic privileges," says he has letters from aides complaining that some generals and their wives exploit them.

Besides their regular duties, aides say they are asked to babysit, walk the dog, cook special meals for children and maintain swimming pools, according to Proxmire.

"Who will say that maintaining a swimming pool is in the national security?" Proximire asked in a speech on the Senate floor.

Some Army aides don't see their job that way.

"I had to jump out of an airplane with a general and set up his tent," said M.Sgt. Lawrence Hettinger, who has been with the Army for 20 of his 38 years. "I don't see how a civilian could possibly have done that."

Another aide, years younger than Hettinger, had a different view of the aides' course.

"It sure beats Vietnam," he said.

[From the Petersburg (Va.) Progress-Index, Nov. 26, 1972]

Culinary Team Cops Awards

Fort Lee.—What does it take for the prize winning Ft. Lee Culinary Arts Team to get ready for a major exhibition? It takes a great deal of careful planning, plus work, work, and more work.

Team members perform much of this work on their off-duty time. This is because they are a group of dedicated professionals who are "sold" on what a first-rate culinary display can do to call attention to the accomplished results of Army food service training.

The Ft. Lee team is made up of instructor personnel of the Cooking and Baking Branches, Subsistence and Food Service Department, Quartermaster School. All but one are soldiers.

These military "food artists" have acquired their expertise through courses formulated by the QM School—basic, mid-level, and advanced training. The artful techniques they use in developing their imaginative "show pieces" are the same ones they teach military students.

In two big shows this year, in Richmond, and Detroit, the culinary arts team has won a total of 43 awards. Right now they are busy with preparation for The Epicurean Club of Washington, D.C.'s Eighth Salon of Culinary Art, to be conducted at the Sheraton-Park Hotel, Dec. 5–6. It will be held in conjunction with the Restaurant Association of Metropolitan Washington's East-South regional restaurant convention.

In discussing Ft. Lee participation in exhibits, Chief Warrant Officer Wright Stanton Jr., who heads the Cooking Branch team, emphasized that it is team effort all the way that counts. A work schedule is established so that each team member has specific exhibits to work on but, according to Mr. Stanton, "There is no single entry that is more important than any other."

[From Army Times, Jan. 24, 1973]

Gourmet Cooks Flaunt It

Fort Lee, Va.—Fifty-two awards in three exhibits is an impressive total for any cooking team.

And when the prize winners are members of the Fort Lee Culinary Arts Team it is an indication of the ability of the often maligned Army cook.

Instructors from the cooking and baking schools here, including one civilian, make up the team, the only group of its kind in the Army.

The techniques they use in developing their award winning show pieces are the same ones taught soldiers enrolled in the basic, mid-level and advanced cooking courses here.

In addition in showing off the skills of Army cooks, the exhibits of the culinary arts team are proving to be an effective recruiting tool, drawing inquiries from young men who are interested in entering the Army food service program.

The latest competition entered by the Lee team was the Eighth Salon of Culinary Art sponsored by the Epicurean Club of Washington, D.C.

At this December show, the Army representatives outdistanced 30 other competitors to take four firsts, two seconds and three honorable mentions, worth $1600 in prize money.

One of the winning Army entries was a buffet table which featured three kinds of beef wellington (tenderloin, meat loaf and luncheon loaf), a fancy display of french fries and peas, and a crown roast stuffed with wild rice dressing.

A pink champagne cake with tiers supported by glasses of the bubbly liquid was part of the Army display which topped the "Confectionery and Pastry to Comprise the Whole Table" category.

While the judges determine who receives the trophies and prize money, the competitors view of a work is a good measure of its quality.

At a Culinary Arts Salon Trade Show in Detroit the other 400 entries from the U.S. and Canada voted Fort Lee's team the Exhibitors Award as the best group in the show.

The Army cooks also were awarded 12 prizes by the judges to place second in the competition behind the Inn on the Park Restaurant from Toronto, Canada.

Georges Chaignet, an executive chef with the winning team, rated the Army cooks as equal to his own, saying, "If Army cooks and bakers are capable of doing this well they are chefs."

Much of the work that goes into preparing for an exhibit is done during off-duty time.

Team members work on specific exhibits that fall under their specialty but teamwork is the most important ingredient according to CWO Wright Stanton Jr., who heads the cooking branch team.

One of the team's consistent favorites is a lobster "charioteer" driving a team of six lobster horses pulling a chariot carved from a watermelon.

Other members of the Fort Lee Culinary Arts Team are SFCs Robert Moore, Joseph Cohen, Edward Cimo, James Houp and John Vernon. Sgt. Arturo A. Contreras and Sp5s Kevin Harr and Eric Webster. The lone civilian is Ira C. Eldridge.

The team is under the direction of Col. James T. Moore, director of the Quartermaster School's subsistence and food service department.

Maj. William Price is the coordinator and CWO Zigmunt Sobieski is the project officer. Sp5s Robert Murray and Joseph Moores assist as drivers and equipment men.

Lee's Culinarians Went to the Show—And Came Home Loaded With Awards

(By Will Green)

Fort Lee, Va.—"Thirty-one" seems to have become a magic number for the Lee culinary arts team. For that's the number of awards the Army culinarians garnered for the second year in a row at the third annual Virginia Culinary Arts Exhibition in Richmond. And, for the second time also, the Lee cooks and bakers snared the coveted "Best In Show" trophy for their overall efforts.

The team brought home seven first place prizes, five seconds, five thirds and 13 honorable mention ribbons, in addition to the grand prize at the show. Some 125 exhibitors from all parts of Virginia participated in the show, sponsored by the Virginia Restuarant Association and the more than 500 individual food items represented the handiwork of chefs from hotels, motels, restaurants, clubs, colleges, schools, hospitals, state institutions and the military.

The Lee team exhibited an "occasion cake" to observe the third anniversary of the Virginia show. It featured three pulled sugar roses in three colors—red, yellow and white. The Army group also created decorated pressed-sugar Easter eggs, in pink and blue; and Easter bunnies, doves in flight and letters of the word PEACE—all carved from ice—to carry out a seasonal theme. Other eye-catchers included a "split-rail fence," constructed of four-foot loaves of Army bread; a ballerina sculptured from tallow; and a magnificent gold-framed picture of birds painted in chocolate. The painting—frame and all—was made of foodstuffs.

The Lee baking experts took two first place trophies with their huge centerpiece—a tiered cake paying tribute to the armed forces with service insignia in colors. Tiers were separated by wine glasses containing yellow sugar roses. It was the work of Ira Eldridge, who heads the baking component of the team.

Another elaborate cake, made of marzipan, an almond paste, got another first place nod. Reflecting the artistry of Sgt. Arturo Contreras, the decorations included a playful marzipan kitten and a ring of green frogs in marzipan surrounding the cake.

Lee's cooks captured four of the first place awards. A ham, glazed with chaudfroid sauce and presented with appropriate vegetables, earned one of these, and brought a happy smile to SFC Robert Moore who prepared it. SFC Oliver Greene's colorful gelatin fruit molds brought another first, as did Sp6 Preston Welford's entry in the "Specialty of the House" category. This was a complete formal dinner—leg o' lamb with stuffed tomatoes, salads and potatoes artistically presented—elegantly served from a cart drawn up to a table for two. A bottle of wine added the finishing touch.

When PFC Terrence Bell's hors d'oeuvres turned out to be a first place winner for the cooks, it pointed up the fact that Army food service personnel can exhibit outstanding talent while still training. Bell, a student at the Quartermaster School, is the only team member who is not an instructor. The soldier is a graduate of the Culinary Institute of America (CIA).

CWO Zigmunt Sobieski, team project officer, stated that a number of food service instructors are expected to be certified soon as executive chefs by the CIA and the American Culinary Federation. This is evidence, he said, of the high level of expertise to which soldier-students are exposed. He added he feels that many young men and women interested in a food service career will be convinced more than ever that the Army has much to offer them.

Culinary Team Takes 15 Awards in Chicago

(By Will Green)

Facing the broadest and stiffest competition ever, the Ft. Lee Culinary Arts Team came away big winners at a recent exhibition in Chicago which drew nationwide participation.

The Army's representatives in the field of fancy food preparation won five first place awards, five seconds, and five third place prizes for a total of 15 trophies.

They were entered in the Third Annual Salon of Culinary Arts along with approximately 100 competitors from hotels, restaurants, clubs, schools, and other establishments. The show was presented May 20 through 22 by the Chefs of Cuisine Association of Chicago in conjunction with the American Culinary Federation and the National Restaurant Association.

It was the first time the Army cooks and bakers had tested their abilities in this annual event. All are military or civilian instructors under the supervision of Colonel James T. Moore, director of the Subsistence and Food Service Department of the Quartermaster School here. Their highly successful showing against the craftsmanship of many of America's top professionals, including gold medal winners in the 1972 Culinary Olympics held in Europe, proved beyond any possible doubt that the Army men are capable of teaching military students the finest of food skills.

The five first place trophies were divided between the cooking component and the baking component of the Ft. Lee team.

The cooks captured highest honors in the food category with a ham and a decorated fish. They took another "first" in the sculpturing category with the head of the Indian chief, Black Hawk, done in tallow.

The ham, glazed with chaudfroid sauce, was decorated with brightly colored "spring flowers" made of delicately sliced carrots and radishes within a border of simulated truffles. It rested on a bed of ham slices surrounded with gelatin molds of brussel sprouts and pearl onions, and with glazed whole miniature yams.

The fish, a large salmon and two smaller trout, were likewise embellished with flower designs. Beneath each was lightly tinted "ice" made of riced gelatin. This winning entry also included potato boats filled with green peas, and "roses"—carved from potatoes tinted different colors—in pale yellow aspic.

The bakers scored a bullseye in the pastry category with their seven-foot decorative centerpiece cake, the tiers supported by glasses containing magnificant yellow roses of pulled sugar. The cake bore ornate cocoa paintings, designs, and insignia recognizing the Armed Forces.

The baking component took another first place award, in sculpturing, with a sugar sculpture of the carvings on Mt. Rushmore.

Chief Warrant Officer Zigmunt Sobieski, project officer for the Ft. Lee Culinary Arts Team, voiced the opinion of the team members when he said: "We came to this show knowing we would be up against the toughest kind of competition, and we found it to be just that. We are very proud to have taken this many awards, 15 in all, since we were participating with world-renowned chefs from all over the nation."

Long hours of preparation went into the team's efforts, with the members working far into the night repeatedly and often tumbling into bed bone-weary at a late hour still wearing their work clothes—their "cook's whites." They worked, in the small kitchen area which had been set aside for them, with quiet efficiency.. There was little talk since they were concentrating on preparing the exhibits. It was an all-consuming task, and one that could not be hurried because of the painstaking nature of the work.

On a typical work day in the team's kitchen at the show, one man was seated at a wooden cutting board. He was "laying out" a flower design which he was making from thin slices of vegetables, including "flower stems" cut from a cucumber skin, and which would later be transferred to a glazed ham for decoration. There was a brief discussion on whether the ham needed a further gelatin coating.

Not far away, another team member applied "feathers," one-by-one, to an American eagle he was creating. A second man shaped these from pulled sugar of different colors and handed them over to be hung in overlapping rows on chicken wire which had been formed into the shape of an eagle. More than 100 "feathers" had been attached, with at least twice that many yet to go.

The two men carried out their tedious task at a stainless steel workbench. At the opposite end of the bench was a batch of pastry shells, a container nearly filled with melted butter, and an open can of ripe olives—all of which were supplies needed in the preparation of various items to be displayed.

Across the way was a rack with trays that held still more supplies—five-pound bags of sugar, boxes of gelatin, and canned goods.

Another of the culinary experts worked at preparing a garland of white and purple grapes for a suckling pig exhibit. Another sorted out "bases" for canapes, which had been baked and chilled. Still another man rolled dough into long round strips and then "tied" these into figure-eights, knots, twists, ram's horns, and other configurations to make a wide assortment of rolls.

In time, all of this would fit together. The exhibits would take final shape, would be transported to McCormick Place (the center for the culinary arts show), and would be set up, on the long table provided the Army, to await the decision of the exhibition judges.

The results, as it happened, were personally gratifying to the team members. But even had they not won prizes, all their work would have been well worth the effort because of the opportunity to show thousand of spectators what the Army can do. In addition to exhibiting, the team presented public demonstrations of culinary skills.

The Ft. Lee Culinary Arts Team was established for purposes directly related to the Army troop feeding program. It is used to stimulate recruitment of persons with food service backgrounds or the desire to enter this field; to demonstrate the professionalism of Army food service personnel; and to motivate Army food service trainees toward developing their skills to the highest level. The team is, in itself, ample evidence of the transformation Army food service has undergone.

Those who make up this group of competive culinarians also belong to the Ft. Lee Chapter of the American Culinary Federation. It is the first such organization to be established in the Army.

Coordinator of the Ft. Lee team is Major William Prince. Major Robin Maddy, of the British Army Catering Corps, is advisor. An exchange officer, he currently heads the Food Service Division of the Subsistence and Food Service Department.

Team members are:

Cooking component: Chief Warrant Officer Wright Stanton Jr., captain of the cooking component and also chief of the Cooking Branch of the Subsistence and Food Service Department; Master Sergeant Oliver Greene; Sergeants First Class Robert Moore, Joseph Cohen, and Edward Cimo; Specialist Six James Wills; and Specialist Four Terrence Bell.

Baking component: Herbert Dotson, chief of the Baking Branch of the Subsistence and Food Service Department; Ira Eldridge, captain of the baking component; Sergeant First Class John Vernon; Sergeant Arturo Contreras; and Private Benjamin Hoover. Supporting members of the baking component are: Master Sergeants Charles Bachmann and William Hoyer; Sergeants First Class Robert Hale, James Houp, and James Moore; Staff Sergeants James Brigance, Natividad Cordero-Cruz, Harry Gordon, James Grier, Samuel Miller, and Johnny Wyatt; and William Rine and Charles Villars.

George Cotton and Olea Jefferson, of the Transportation Division, Directorate of Industrial Operations, assisted the team in transporting the exhibits.

PROGRAM OF INSTRUCTION FOR ENLISTED AIDES

SECTION I—PREFACE

A. Course: Enlisted Aides.

B. Purpose: To provide formal training in the duties and responsibilities of enlisted personnel assigned to public quarters occupied by General Officers. MOS for which trained: OOH.

C. Prerequisites: Member of the Active Army or of a Reserve Component whose assignment is anticipated in General Officers TD/TOE. Current Food Handler's Certificate required. Graduate of a Basic Food Service Course or equivalent experience. A minimum age of 18 with demonstrated leadership capabilities. Nine months or more of active duty service time remaining after completion of course. Must be a volunteer in accordance with AR 614-16 and be clearly motivated for duty in public quarters. No security clearance required. GT score of 90 or higher; Driver Battery Test score of 95 or higher.

D. Length: Peacetime, 8 weeks; Mobilization, None.

E. Training Location: U.S. Army Quartermaster School, Fort Lee, Virginia.

F. MOS Feeder Patterns: Prerequisite MOS, 94B20; MOS Trained in This Course, OOH; Feeds Following MOS, None.

G. Ammunition Requirements: No ammunition required.

H. Selected Training Recapitulation: Not applicable.

I. Standardization of prefix digit 5 training: Not applicable.

SEC. II.—SUMMARY

[Course—Enlisted aides; Peacetime: 8 weeks, 320 h]

Subject	Hours peace	Annex	Page
A. Academic subjects:			
Functions of the personal staff	11	A	7
Care of equipment and facilities	60	B	11
Management of dining facilities	56	C	17
Pastry baking and specialty items	39	D	21
Principles of cooking, food planning, control, preparation, and serving	122	E	22
Subtotal	288		
B. Nonacademic subjects:			
Inprocessing	6		
Physical conditioning	8		
Commandant's time	6		
Open time	6		
Outprocessing	6		
Subtotal	32		
Total	320		
C. Recapitulation:			
1. Security classification: Unclassified (total)	320		
2. Types of instruction:			
Lecture	37.1		
Conference	17.6		
Demonstration	32.5		
Film	.5		
Television	1.8		
Practical exercise hardware	173.5		
Practical exercise classroom	3.5		
Performance examination	21.5		
Nonacademic	32.0		
Total	320.0		

SEC. III.—BODY

[Course—Enlisted aides; academic subjects—Peacetime: 288 h]

Annex title and subjects	Hours Peace	Annex	Page
Functions of the personal staff		A	7
Introduction	1		7
Methods of study	1		7
Personal code of conduct	1		8
Attitudes, promotion incentives, honor in position	1		8
Conduct in general officers' quarters	1		8
Daily work schedules	1		9
Personal hygiene	1		9
Proper dress and service for formal and informal functions	1		10
Pet care	3		10
Total	11		
Care of equipment and facilities		B	
Sources and availability of equipment	1		11
Care of officers' uniforms and equipment	13		11
Care and cleaning of general officer's quarters	25		11
Care and use of domestic-style appliances	1		12
Food storage and preservation	1		12
Insect and rodent control	1		12
Use of a commissary	1		13
Food poisoning and contamination	1		13
Standard procedures, terms and recipes	1		13
Nutritional principles of menu planning	1		14
Menu preparation	1		14
Gourmet menus and recipes	1		14
Portion control	1		15
Selection and purchase of fresh and processed fruits, and vegetables.	2		15
Selection and purchase of meats, poultry, and seafood items.	7		15
Examination	2		16
Total	60		
Management of dining facilities		C	17
Military and civilian protocol	3		17
Placement of flags	1		17
Selection of table service for informal functions	8		18
Selection of table service for formal functions	12		18
Principles of buffet type service (sit down)	1		19
Principles of finger type buffet service	1		19
Preparation of centerpieces (floral arrangements, ice carvings).	16		19
Preparation and dispensing of beverages	13		20
Military, civilian protocol, and flag arrangement	1		20
Total	56		
Pastry baking and specialty items		D	21
Cake baking and decorating	16		21
Danish puff and pie pastry and cookies	16		21
Dinner rolls and quick bread	7		21
Total	39		
Principles of cooking, food planning, control, preparation, and serving.		E	22
Soups, sauces, and gravies	4		22
Convenience foods	1		22
Eggs and egg cookery	3		22
Desserts, other than pastry, preparation and serving	6		23
Preparation of hot and cold appetizers, hors d'oeuvres and canapes.	7		23
Garnishing, cold meats, and cheese trays	4		24
Salads and salad dressing	4		24
Fruits and fruit preparations	2		24
Preparation and serving of vegetables	6		25
Milk and milk products	2		25
Preparation of gourmet meat dishes	34		25
Quiz	2		26
Preparation and serving of a brunch	10		26
Preparation and serving of standup buffet	10		27
Preparation and serving of informal meal	11		28
Preparation and serving of formal meal	16		28
Total	122		

Mr. PROXMIRE. Now, what about the men themselves? Who are they?

A quick look at the racial composition of military servants tells a story itself. It turns out that 98 percent of the servants in the Navy are Filipinos, 65 percent of Marine Corps servants are black. The racial breakdown for the Air Force is 36 percent black and 62 percent Caucasian, while the Army is more closely representative of the total U.S. population, with 83 percent Caucasian and 17 percent black.

Only in 1960 did the Marine Corps decide to integrate its servant program. Before then, all servants were members of minority groups. The Air Force has no racial provisions one way or the other for its program. The Navy, on the other hand, has continued a World Wars I and II tradition of hiring Asians for menial duties on board ship and at shore installations. During World War I, it was Chinese. Now it is Filipinos. It should be borne in mind that many Filipino enlisted men clearly actively seek such employment in order to improve their income compared to Philippine standards.

Once in the service as a servant, promotions come slower than for the average nonservant enlisted man. In the Navy, for example, the average number of years in service from E–6 to E–7 is 9 for all enlisted men. Military servants in the same grade must wait exactly twice as long for an average promotion of 18 years. The Navy says this is due to the high number of career Filipinos in the service but it is also the consequence of the Navy's longstanding preference for having their military servants be Filipinos.

Mr. President, I ask unanimous consent that tables representing the racial composition of enlisted aides and years in service to promotion be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 9.—RACIAL COMPOSITION OF ENLISTED AIDES

	Army		Navy		Air Force		Marine Corps	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Caucasian	[1] 422	[1] 83	4	1	339	62	31	34
Black	88	17	5	1	196	36	58	65
Malaysian			568	98			1	1
Other					10	2		
Total	510	100	577	100	545	100	90	100

[1] May include some non-Caucasians who are not black.

It should be noted that military servants do not rotate their jobs as do other military men. They are assigned to a particular general or admiral and go with him as long as the officer wants him around.

RECENT DEVELOPMENTS

As a result of congressional interest in military servants, former Secretary of Defense, Elliot Richardson, undertook a review of the program and issued orders to cutback the number of military servants by 28 percent from 1,722 to 1,245, over a 9-month period. He also indicated that all training facilities were being disbanded and that the services had issued new instructions to its generals and admirals about the proper use of military servants.

Mr. President, I ask unanimous consent that Secretary Richardson's letter to the Comptroller General of the United States be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, D.C., May 23, 1973.

Hon. ELMER B. STAATS,
Comptroller General of the United States, General Accounting Office, Washington, D.C.

DEAR MR. STAATS: Your report of the enlisted aide program of the military services has been reviewed within the Department of Defense and has resulted in certain actions by the Military Services and by my office.

First, the Services have issued instructions to ensure strict compliance with Department of Defense policy which prohibits assignment of enlisted aides to duties which contribute only to the personal benefit of officers and have no reasonable connection with the officers' official responsibilities. These instructions specified "do's and don'ts" as was suggested by GAO.

Second, both the Army and Marine Corps are disestablishing their training courses for enlisted aides. The Navy and Air Force, as noted in your report, do not have such courses.

Third, authorizations for enlisted aides have been reviewed by each Service. The result of these reviews will reduce the number of enlisted aides to 1,245. This is a 28% reduction from the 1,722 assigned at the time of your report. It is estimated that a phase-out period of approximately nine months will be required to implement the reduced authorizations, so as to enable the Services to reassign involved enlisted aide personnel with a minimum of hardship and inconvenience to them and their families.

Fourth, the Services have taken action to ensure rigid compliance with their policy that only those who volunteer to be enlisted aides will be so assigned.

Finally, my office and the Services will conduct future studies of the aide program with the objective of finding possible means of further reducing the number of aides, to include a review of senior officer housing. The latter effort will be to determine requirements for the phase-out, modernization, or replacement of some larger, more deteriorated public quarters.

In summary, your report has been most useful to me and the Military Services.

With best regards,
Sincerely,

ELLIOT RICHARDSON.

Mr. PROXMIRE. Mr. President, unfortunately, the new guidelines issued by Secretary Richardson and Deputy Secretary of Defense William P. Clements allow many of the old abuses to continue to take place. For example, generals and admirals can still require their own servants to be the butlers, clean house, do laundry for the officer, cook all meals, do all the shopping for the entire family, chauffeur the officer about, do the gardening—except for the Marine Corps which prohibits garden work—run errands, be the bartender.

In addition, the servant is required to perform any duty the officer says is required for a military purpose. Therefore, the officer can simply say there is a military requirement for you to drive my wife on an errand and the servant must obey. Of course, he is not going to complain about a general or an admiral giving him the order or justification. The authority to judge whether or not the service provided serves a military purpose is delegated to the officer in charge. You can easily see how this authority is abused.

LEGAL ISSUES

Mr. President, existing legislation does not establish the practice of providing military servants to our generals and admirals. It is a custom that has grown out of hand. It is an administrative practice sanctified by time and acceptance, not by legal direction.

According to the regulations, these men are supposed to relieve the officer of minor details which, if performed by the officer, would be at the expense of the primary duties of that officer. The propriety of the duties involved is governed by the purpose they serve rather than the nature of the duties.

Mr. President, this regulation means that an officer can claim that any order serves a military purpose and then order his servant to perform that duty regardless of the nature of that duty.

During the Civil War—just think of it, more than 100 years ago, when the servant-type society was far more prevalent—there was a law which aptly states my position on this issue. Chapter 200, 12 statute 594, provided:

> That whenever an officer of the Army shall employ a soldier as his servant he shall for each and every month during which said soldier shall be so employed deduct from his own monthly pay the full amount paid to or expended by the Government per month on account of said soldier.

In other words, during the Civil War the officers were required to pay for the servants out of their own pockets.

Now this law made sense. Unfortunately it was replaced by weaker regulations in 1870.

Now, Mr. President, I do not object to enlisted men cooking or providing other common duties for officers in officer messes or dining halls or any other duties in common for all officers. Much of this is necessary and efficient. I do object though to the practice of providing enlisted men to the personal staffs of these officers to use as they see fit. It simply is not right.

The Pentagon makes the argument that military servants are necessary because generals and admirals have duties affecting the welfare of millions of men and women. They are said to be responsible for billions of dollars in materials and Government funds. Therefore, these men should not be required to take care of their personal laundry, cars, food, and homes.

Mr. President, for those who would defend the use of military servants under these justifications I would ask, do not Senators and Congressmen have similar responsibilities? Do not the civilian service Secretaries have responsibilities as great? What about the Supreme Court?

Do mayors of this Nation's cities have large responsibilities? Do they not look after the welfare of millions and handle billions of dollars?

And do they have servants provided them at the expense of the taxpayers of this land? Perhaps the supporters of the military servant program would be willing to introduce legislation to authorize military servants for all taxpayers who have great responsibilities and handle large sums of money.

Let me provide some of the other reasons that generals and admirals want servants to attend them. According to a questionnaire sent out by the GAO, the generals and admirals need military servants because their work schedule does not permit them to take care of their personal needs.

Now I ask you. Are generals and admirals the only people in this land that work long hours? Do other citizens have to come home from a long day's work and have to do their own chores? Of course they do. And so do Senators.

So much for that argument.

The second point they make is that they are required to host official functions and need the catering and bartending provided by the military servants.

Personally I think that there is entirely too much partying going on in military circles. You do not need parties to keep this nation strong. Do parties really contribute to the national security? I think not.

Mr. President, I have been a Member of the Senate for 16 years and I have never been at a party at which anything constructive was accomplished. We all enjoy parties, it is human, and it is part of our life. We enjoy them and our families enjoy them. But we kid ourselves if we think this is the way business is done. Business is not done by having cocktails and dinner, although all of us do it and it is nothing to be ashamed of. We can hardly say, however, it is the way the Nation's business is done.

The third justification is that the wife has to attend social and military functions and take part in official civic duties and charity work and therefore cannot do the housework.

Now I ask what about the other housewives of America?

Military wives are not the only women in this country that have social and business obligations and take part in civic and charity work. And yet they also have to do their own housework or pay for it being done by professionals. What makes military wives so unique that they alone cannot do their housework? If other homemakers in this country manage—so can the military wives.

Although the Pentagon is making a big thing about the old homes the generals and admirals are forced to live in, a trip to the local admirals or generals row at military bases will quickly dispel this argument. And it should be noted that only 8 percent of the generals and admirals responding to the GAO cited this as a justification for military servants.

Other justifications given by the brass include having to host receptions, meetings of women's groups, and this one I really like—being a bachelor—in other words the admiral or the general had to have a servant because he did not have a wife. Others include attendance at social functions, frequent travel, and so on. None of these hold water.

In sum, the military family is not so much different than American families throughout the country. They all have obligations. They all have responsibilities. But they all do not have personal servants provided out of tax dollars.

Mr. President, the GAO has found that the average wage for one personal servant is between $7,000 and $8,000 a year. Since these servants have been provided on the basis of one servant per star, this means that a 3-star general or admiral would have the services of 3 servants at a cost of between $21,000 and $24,000 a year.

That means that if a typical family pays $3,000 in income taxes to the Federal Government, which is about what a family making $15,000 a year would pay, they provide only one-eighth of the support for one 3-star general or one 3-star admiral. Mr. President, if you talk to any taxpayer and ask if he thinks that is where his tax money should go, you know what the answer would be.

And the taxpayers foot the bill.

Mr. President, the military brass can well afford to pay for their own servants if they need them. The rest of America hires domestic assistants for parties or goes without. The rest of the country must pay for these special services that enlisted men are now called upon to perform for the brass.

According to a breakdown of pay allowances and perquisites given to me by the Pentagon, a full general or admiral makes the equivalent of over $51,000 a year. A lieutenant general or vice admiral also makes the equivalent of over $51,000. A major general or rear admiral pulls in the equivalent of over $46,000. Brigadier generals and lower case rear admirals receive the equivalent of nearly $41,000.

These are ample wages for military men. They are comparable to civilian employment and may be even a bit higher according to a recent analysis of the Library of Congress.

The point is that generals and admirals can afford to pay for their own servants. Why should the taxpayers continue to foot the bill? Why should the Senate sanction this expenditure?

I say we should not. We should put an end to this military servants business. Release these enlisted men to do productive military work.

We have a serious personnel problem. Fifty-six percent of our budget dollar for defense is eaten up by personnel costs. The money is important but it is not just the money; it is the symbolism: it is the clear and obvious example of sheer waste that is involved. Train them to be efficient military personnel. Let us improve the quality of our training and the spirit of our new volunteer Army. Let us end the military servant program.

Mr. President, last week one of the most respected military men in the country sat in my office to talk of other matters. But in the course of the conversation, Admiral Rickover observed that he did not have a staff. He said he did not want a staff. He could do more work by himself than a whole staff following him around. And he would not hear of having military servants. He would not hear of it.

I commend his attitude to the rest of the U.S. military establishment.

Undoubtedly today we will hear that the services have instituted corrective practices and that the committee has cut back on the program by 36 percent—so why should we be concerned?

We all know the answer. As long as there are military servants, there will be abuses in the program. The Pentagon has not been able to stop them in the past. They will not in the future. After all it was the Pentagon that developed this system in the first place. Asking them to police it is placing the fox right in with the chickens. You know the result.

Halfhearted measures are not enough. We have an opportunity to put a halt to one of the most despicable practices afflicting the U.S. military. We should not pass up the chance to do so.

This will be a clear vote. We are either for military servants or we are against military servants. We are either for using tax dollars to provide bartenders, cooks, butlers, and chauffeurs, or we are against this practice.

My amendment would cut off this program. It would stop enlisted men being assigned to the personal staffs of generals and flag rank officers to serve as personal servants.

I would point out that generals and admirals could still call on enlisted men in an emergency to handle details and military duties but they could not be assigned to their own personal staff.

At the present time these enlisted men travel the world with their admiral or general. They go where their boss goes. They are household indentured servants. Under my amendment, this would no longer be possible. They could obtain assistance for parties and such on a time-by-time basis perhaps from a pool arrangement. But no longer could they order enlisted men to be on their personal staffs. That would be prohibited.

I recognize that no program can be changed overnight. Even though I am adamantly opposed to the military servant program, it may be prudent to give the military time to disband the program. Therefore, my amendment makes the military servant prohibition go into effect beginning January 1, 1974. This will allow a significant period of time to reorient the careers of these men and send them to new positions. It would not be a disruptive overnight operation.

Mr. President, it is a clear proposition before us. The facts have been obtained by the General Accounting Office. I hope that we can reach the right conclusion.

Mr. President, I ask unanimous consent that editorials and articles supporting my position from the Philadelphia Bulletin, Detroit News, St. Louis Post Dispatch, Christian Science Monitor, University of Utah Daily Chronicle, Daily-Times Advocate Escondido, California, Indianapolis News, Los Angeles Times, San Diego Union, Oakland Tribune, The Nation, Houston Post, Washington Star-News, Green Bay Press Gazette, Louisville Courier Journal and Boston Globe be printed in the Record.

There being no objection, the editorial and articles were ordered to be printed in the Record, as follows:

[From the Christian Science Monitor, April 24, 1973]

Polishing the Top Brass—Demeaning for Aides?

(By Dana Adams Schmidt)

Washington.—In George Washington's day they were called "strikers," because one of their main duties was to "strike" officers' tents, putting them up and taking them down.

Nowadays in the Army they're called "enlisted aides." In the Navy they are "stewards," in the Air Force, "airman aides," in the Marine Corps, "specialists."

But they all do very much the same sort of duty—serving general officers, admirals, and in some cases (Navy) captains as butlers, drivers, cooks, and "maids-of-all-work."

Their duties may include cleaning, washing dishes, taking care of the dog, dusting, vacuuming, polishing, waxing, answering telephones, picking up groceries, shining shoes, arranging flowers, and wrapping the general's gold braid in tarnish-proof paper, or driving the general and his wife and picking up the kids from school, or bartending, or baby-sitting.

Although they are enlisted in the armed services, they wear "cook's whites," or black trousers with gray stripes and double-breasted waistcoat and black swallowtail coat with satin on the reverse, or just a plain sacksuit, depending on what they're doing.

But Sen. William Proxmire, the Wisconsin Democrat, wants to abolish the jobs altogether. He is indignant that men in uniform should perform such services, which he considers demeaning.

Furthermore, he says there is no place in the U.S. armed forces for "this kind of pampering of generals and admirals." He says it's a waste of taxpayers' money and "the American people won't stand for it."

He demands the immediate closing of the Army's Ft. Lee school and any similar training in the other services.

At last count, according to the General Accounting Office, there were 1,722 of these "aides" in the various armed services looking after 970 high-ranking officers and drawing a total of $13,231,259 a year in pay.

One-fifth of all the aides were on duty in the Washington area and 467 overseas.

Army chief of staff, Gen. Creighton W. Abrams, and the chief of naval operations, Adm. Elmo R. Zumwalt Jr. each have eight, the highest numbers, or one more than the chairman of the Joint Chiefs of Staff, Adm. Thomas H. Moorer. Generally generals are entitled to one "aide" for every star on their shoulders.

The Army, which maintains a school for the enlisted aides at Ft. Lee, Va., maintains a racial balance among its aides, 17 percent of whom are black. But in the Navy 98 percent are Filipinos and in the Air Force and Marines more than half are blacks. All the services assert it now is policy to bring about racial balance in this kind of service.

Although Senator Proxmire's eloquence produced snickers in the Senate, the armed services nonetheless have come back with a defense of the time-honored practice. The core of their argument is that generals and admirals are busy people, and, in many cases, their wives are, too, and they don't have time to attend to these domestic chores themselves. They would find it difficult to hire their domestic help from the civilian market because they are so much on the move.

SECURITY REASONS CITED

In some cases it is desirable to have servicemen working in a general's home for security reasons. Finally, it is useful for such high-ranking officers to have men in their service who are also prepared to look after them "in the field" when necessary.

At Ft. Lee, where 14 instructors put 24 students at a time through the eight-weeks "enlisted aides" course, the subject looks different through the eyes of men who have spent a lifetime in such service or who have volunteered to be trained for it.

Warrant Officer George C. Yount, who spent 20 years in the personal service of Gen. Douglas MacArthur and has been instructing food advisers and club managers for the Army for the past eight years, calls work as an "enlisted aide" a "pretty good life."

"You get to be part of the household," he said. "The kids get to like you, and the pets like you."

Nick Taddeo of Reading, Pa., who already had been through an Army cooking school of 13 weeks, volunteered for "enlisted aides" to learn "gourmet cooking—things like hors d'oeuvres and canapes."

Sp. 5c George Southerland of Montrose, Colo., said he had been in the Army five years and planned to be a 20-year serviceman. "I've been working in mess halls for five years," he said, "and I just felt if I knew more I could please people better."

[From the Congressional Record, Apr. 3, 1973]

Daily Chronicle Editorial on Military Servants

Mr. Owens. Mr. Speaker, the attached editorial from the Daily Chronicle of March 26, 1973, published by the students at the University of Utah, echoes my own strong feeling about the military abuse of using enlisted men as personal servants for general officers. I think other Members may be interested in reading it:

Hey Boy! Uncle Sam Needs You

It was another one of those news items which somehow escaped proper detailing in the pages of our local newspapers. The networks failed to allot time for it. But in a Senate subcommittee hearing Sen. William Proxmire of Wisconsin discovered that the U.S. Army maintains a special school at Fort Lee, Virginia, where it trains enilsted men to be servants for the generals.

According to the General Accounting Office the cost of equipping these 1,722 men per year with their special military skills comes to $13 million per year. Some of the classes taught are bar-tending, gourmet cooking, ice-carving, dog walking, ashtray-emptying, and bathroom cleaning.

The graduates are assigned to 970 generals and admirals. One defect in the program is that brigadier generals and rear admirals must struggle along with only one "enlisted aide." Members of the Joint Chiefs of Staff, on the other hand, have six to eight servants. The Pentagon explained to Proxmire that the servants are necessary to induce admirals and generals, who may earn nearly $43,000 per year, to remain on active duty. The aides "relieve officers of minor tasks and details which, if performed by the officer himself, would be at the expense of his primary and official duties." Which presumably means we would need more generals to get the job done. It is, the Pentagon said, "A good deal for the taxpayers."

And to prove that the Pentagon is an equal opportunity employer, why it turns out that 98 percent of the Navy's military servants are Filipinos and 65 percent of the Marine Corps' servants are Black. Hey boy . . . Uncle Sam needs you!

Several weeks ago while cutting social and educational programs all to hell, the White House mentioned that there were many beneficial programs emanating from the intact new budget (which favors business and the military). We guess this school for servants must be one of them; why as soon as you are done shining shoes in the military you can move right into private enterprise. Shining shoes.

[From the Escondido (Calif.) Daily Times Advocate, Mar. 15, 1973]

Military Servants

Sen. William Proxmire, D-Wis., is well known for his avid search for fat in military budgets. Where he can find it, he attempts to root it out. He is applauded by some, jeered by others and ignored by many.

But we question Proxmire's latest efforts. Trying to save a small part of a mere $13 million a year, Proxmire wants general military officers to stop using enlisted men as house servants.

As it is now, each general and admiral—and some Navy captains—are due an enlisted aide for the express purpose of "relieving the officer of those minor tasks and details which, if performed by the officer himself, would be at the expense of his primary and official duties."

Presumably because increasing rank and responsibility makes for additional "minor tasks and details," each new star warrants the addition of an aide. And movement up the hierarchy warrants more—the chief of naval operations, at the pinnacle, gets eight enlisted aides.

That seems reasonable. It would be the peak of penny wisdom and pound foolishness to require a man directing the operations of the entire Navy to stop and make his bed each morning or to require the commander of thousands of men on an Army base to shine his shoes before hitting the sack each night. Some privileges with rank are justified.

At present, 1,722 soldiers, sailors and marines are assigned to do such mundane tasks for general officers at an annual estimated cost of $13 million. In the Army, 510 aides serve 321 officers; in the Navy, 577 aides serve 295 officers; 545 aides serve 314 officers in the Air Force, and 90 aides serve 40 officers in the Marine Corps.

Each of the services has a rule which states explicitly that no aide will be required to perform duties that are not militarily justified.

Proxmire bases his complaint on the course of instruction taught at the Quartermaster School at Ft. Lee for "formal training in the duties and responsibilities of enlisted personnel assigned to public quarters occupied by general officers." The training schedule is 320 hours.

Of those hours, time is dedicated to such subjects as "domestic responsibilities in an officer's quarters," "pet care including instruction in care of such family pets as dogs, cats, fish and birds; selection of table service for formal functions"; preparation and dispensing of beverages "both alcoholic and nonalcoholic served either formally or informally in general officers' quarters"; cake baking and decorating; preparation of hot and cold appetizers, hors d'oeuvres and canapes; bread baking; preparing and serving informal meals and so on.

Proxmire asks: "What public official will come to the defense of this program? Let us hear in a public forum just how this program is justified. Let the American public be told by a Defense Department spokesman that taking care of a general's birds, cats and fish is in the national interest. . . . It is past time when good sense should have prevailed. This program must be stopped immediately."

Is Proxmire right? Still, we wonder if domestic tranquillity in the homes of the 970 men who run the military establishment isn't worth a few million bucks.

Army Trains "Servants" for the Top Brass

(By Lou Hiner, Jr.)

"Fort Lee is the facility where the Army teaches volunteer enlisted men in the fine arts of general pampering," says Sen. William Proxmire, D-Wis.

And by "general" he means the variety with stars on their shoulders.

He wants the military to stop using the taxpayers' money to provide household servants and lackeys for high-ranking officers. It constitutes a "gross misuse" of public funds, Proxmire adds.

He obtained the curriculum proposed by the Quartermaster School at Fort Lee near Petersburg, Va. The "students," or enlisted men, receive 320 hours of instruction before they are graduated with diplomas in how to be good servants.

Among the courses for the enlisted men are the following: one hour in personal conduct including evaluation of moral standing, sobriety, personal appearance and financial responsibility; one hour in conduct including courtesy to family and guests and telephone courtesy; one hour in daily work schedule including domestic responsibilities in an officer's quarters.

The "Students" are provided a copy of the book, "The Army Wife," for their guidance. There's a course in care of pets of the Army brass that covers dogs, cats, fish and birds. A 13-hour course instructs in the proper care and cleaning of an officer's uniforms and equipment, and a 25-hour class instructs in care and cleaning of a general's quarters, including the cars in his garage, appliances and serving apparatus.

It might seem to some officers that the school could extend a one hour course in "insect and rodent control," or perhaps the one-hour offering in "gourmet menus and recipes." But there's a seven hour course in selection and purchase of meats, poultry and sea-food items. Only one hour is devoted to the subject "placement of flags" and eight hours for "selection of table service for informal functions."

One of the major courses involves 16 hours of instruction in preparation of table centerpieces, such as floral arrangements and ice carvings. Each "student" is given a copy of the manual, "Ice Carving Made Easy."

Here are some other training courses on Proxmire's list:

"Thirteen hours in preparation and dispensing of beverages both alcoholic and nonalcoholic served either formally or informally in general officers quarters; 16 hours in cake baking and decorating; examination [after] 16 hours in danish puff and pie pastry and cookies; seven hours in dinner rolls and quick bread.

"Examination after seven hours in preparation of hot and cold appetizers, hors d'oeuvres and canapes; four hours in garnishing, cold meats and cheese trays; 34 hours in preparation of gourmet meat dishes for formal and informal occasions in officers' quarters. . . ."

Sen. Proxmire asks an appropriate question: "Does this contribute to the national defense and will the nation be stronger because of this program at Fort Lee?"

And he wonders why the enlisted men eat hamburger while learning how to prepare gourmet meals for generals and admirals. Kill the program immediately, he says. We agree.

[From the Los Angeles Times, May 7, 1973]

Servants for the Top Brass: Anachronisms in the Military of America Today

(By J. A. Donovan)

The American taxpayer provides 1,300 top generals and admirals with a life-style that for most Americans, including the privileged rich, is obsolete and unobtainable. At a cost of $21.3 million a year, according to a recent report by the General Accounting Office, the public provides personal servants, aides and chauffeurs—representing a $16,000 annual extra benefit—for these officers.

The military denies that these practices are unusual. "Rank has its privileges," the top brass says, uniting in a defense of its special benefits. It maintains that such servants are traditional and compensate, to some degree, for years of "hazardous duty" and "low pay."

But the financial justification for these subsidized servants is hard to understand. Military pay has been doubled in recent years, and generals and admirals now receive respectable pay and allowances that make their total annual income comparable with that of big business executives.

A major general now receives $36,963 in annual income. A four-star admiral receives $40,563. About $4,560 of this is tax free each year.

These senior officers can actually afford to pay for domestic servants and personal aides out of their own pockets—if they find such service desirable.

In the British armed forces, from which many of our military traditions and aristocratic customs and practices are derived, the soldier-servant is a time-honored fringe benefit of the commissioned officer. In past generations, when the king's commission in the armed services was largely restricted to the sons of the noblemen and the privileged aristocracy, servants both personal and domestic were part of the way of life. The practice, naturally, carried over to the young nobleman's military career.

Actually, the personal service is not without some justification—when in the field with troops or at sea on active service. A primary responsibility of the military commander, second only to the accomplishment of his mission, is the care, welfare and leadership of his men. If his energies are devoted to his personal care and comfort, he cannot properly devote his efforts to his command.

Therefore, in certain types of "hardship" commands in the field or in combat, it is still necessary for commanders to have assistance and service in tending their daily personal needs. On the other hand, there are many senior officers in routine staff and command jobs at peacetime bases and headquarters who need little or no assistance from personal aides or servants.

At present, every general officer, and every admiral who is assigned to a station or base where he is provided with government quarters is also furnished enlisted aides or stewards in the ratio of one per star of rank that he wears.

Until recent years these "official" household servants were mostly volunteer, specially trained Negroes. In the Navy many were Filipinos. Now many white youths are attracted to the duty because it is comfortable and safe, and the food is good.

Aides' and stewards' duties are largely confined to inside the quarters (post gardeners tend the yards), with frequent shopping forays to the commissary where food is purchased at about 15% under civilian prices. Preparing meals, setting tables, serving and cleaning up are major functions. Mixing and serving cocktails and after-dinner drinks are another important chore.

During the day, while the general is away, the aides do housemaid duties: make beds, dust, clean, tend plants, walk dogs, polish shoes, press shirts and, depending on milady's inclinations, serve the madam of the house. Aides sometimes care for the generals' teenage children. In fact, it's a rather pleasant setup for all concerned—there's really nothing quite like it in the costly "outside" civilian world.

Most unit commanders in the armed forces have official government vehicles with drivers available for business purposes during working hours. In Army and Marine tactical units in the field, the tables of organization and equipment provide unit commanders with tactical vehicles (Jeeps) and full-time assigned drivers.

Until recent years, generals and admirals (flag officers) had official cars and enlisted drivers available at all hours. These high-ranking officers, if living on a military installation, were transported to and from their quarters and offices and usually chauffeured to official events, ceremonies and social activities. Wives frequently made use of the available vehicles for shopping and personal chores.

Although government vehicles have had "For Official Government Use Only" stenciled on their doors for about 20 years, it has only been recently that the government sedans have been truly restricted for generals and admirals to use for "business" only. In the Marine Corps, generals (except the commandant) now drive themselves to the office, but they have government vehicles assigned for working hours.

Each general or admiral also has the services of a young officer aide-de-camp. A one-star or brigadier general usually rates a lieutenant, and a two-star major general rates a captain. Admirals fare about the same.

Back in Napoleon's day, aides-de-camp were young gentlemen assistants to their generals. Frequently friends of the family or noblemen of promise and attractive appearance, they were in constant attendance and available to gallop around the battlefield with messages, to tend the general's baggage and tents or to share his evening mess.

The duties haven't changed much in 200 years. Aides-de-camp now supervise the general's car and driver, accompany him when he is lonely, introduce guests in the receiving line of an official party, play tennis with the boss, salute regularly and properly and frequently bolster the general's ego. They do countless menial chores and are professional "Yes, sir" men. Their government pay amounts to $13,260 annually for a first lieutenant and $16,059 for a captain.

Many aides-de-camp who have served distinguished officers or Department of Defense officials have met the right people and eventually also reached star ranks. Being an aide to the right general is often as worthwhile as a combat command.

One inconsistency of the present system in the armed services is that only senior officers who are living in government quarters on military bases are supplied with servants and drivers.

In the Washington, D.C., area and elsewhere, dozens of generals and admirals live on "the outside" in civilian housing communities. They rate no stewards, no aides and no vehicles with drivers. For them life is perhaps less elegant and more in step with the real world but, even though many don't relish the hardships, it does them no harm, and by no means does it reduce their status or the respect due their rank.

The whole bag of aides-de-camp, enlisted aides, orderlies, mess stewards, wardroom messmen and officer driver-chauffeurs constitutes an unnecessary fringe benefit. If these amenities are considered personally desirable, the officers should pay for them; if they are official necessities, the officer concerned should be provided an extra allowance so he can pay for his servants and official drivers and officers aides-de-camp should have their duties limited to strictly official business.

[From the San Diego Union, Apr. 24, 1973]

SIXTY ENLISTED MEN HERE SERVE AS OFFICERS' AIDES

(By Jim Russell)

Sixty enlisted men in San Diego are among the 1,722 men the General Accounting Office has identified as acting as aides to high-ranking military officers throughout the services.

The GAO report indicated the assignment of enlisted men to the duties in the four services cost $21.7 million a year, approximately $750,000 in the San Diego area.

The GAO report said 850 admirals and generals and 110 Navy captains have enlisted aides.

A Navy spokesman here said all admirals in government quarters and 10 captains who command major shore commands have enlisted aides.

The Army, Navy, Air Force and Marine Corps told the General Accounting Office, an investigative arm of Congress, that high-ranking officers need help so they can devote full time to military duties and committee activities.

The Navy said the enlisted stewards it assigns to admirals and some captains relieve the officer "of a multitude of administrative and personal detail," and help with "receptions, formal and informal, teas, parties and dinners."

A Marine Corps spokesman said a good example of duties performed by Marine aides, was a luncheon for President Nguyen Van Thieu and about 30 other dignitaries.

He said the cook-specialists assigned to the three flag officers at Camp Pendleton perform all the duties of a chef and maitre d'.

A Navy spokesman said all of the Navy stewards here are Filipinos.

"They seem happy in their work and their re-enlistment rate is fantastic," he said. "They joined the Navy under an agreement instituted by President Teddy Roosevelt."

He said the steward school at the Naval Training Center has been combined with the commissaryman school.

"Students learn to cook and serve the food," he said. "Most of them are white. After graduation they are assigned to an enlisted galley, or an officer's mess. Some will become aides to flag officers."

[From the Oakland Tribune, Feb. 4, 1973]

MILITARY'S PERSONAL AIDES PROGRAM BLASTED

(By Ann Blackman)

FORT LEE, VA.—Here the Army trains soldiers—to make tasty penguines out of hard-boiled eggs, carve swans out of ice, groom dogs and empty ash trays.

Other lessons range from bartending to flower arranging.

The purpose is to prepare enlisted men, all volunteers for the program, for the job of making Army generals and their families more comfortable. Or, as an Army spokesman explains it, "to put the commanding officer and his family in the forefront of the Army installation and the community."

Some program critics call the personal aides servants. Most generals get one aide for each star on their shoulders.

A General Accounting Office report says that in pay and allowances alone the personal aides program costs the Army $3.6 million yearly. The Navy spends $4.4 million, the Air Force $4.3 million and the Marines $837,000 on similar programs, the report says.

What sort of enlisted man volunteers to be an aide?

"It takes a special boy, one who will take an order from a female, like the general's wife," a spokesman at Ft. Lee replied.

During a visit to Ft. Lee, an officer was asked directions to the training school. "An enlisted aides course?" he said. "Oh, you mean the charm school over there."

He pointed to a two-story, World War II-er has-been remodeled to include five apartments. Each resembles a general's quarters and includes a living room, dining room, two bedrooms and a bathroom. Red and white carnations are carefully arranged on many tables.

Such delicacies as chocolate-covered petit fours, the work of aides, are stored in freezers.

The Army's enlisted aides course has been located in the building since the program started in January 1969. Courses are given six times a year, and the Army reports a total of 404 graduates. The waiting list of generals requesting aides is now at about 70. Some generals don't ask for aides, according to the spokesman.

He said soldiers spend 70 hours learning the duties and responsibilities of an enlisted aide, 109 hours on management of dining facilities and 137 hours on "the advanced principles of cooking, baking and garnishing."

Duties listed in the course outline include pet care, cleaning a general's quarters, care of officer's uniform and equipment, preparation of center pieces and ice carvings and watering plants.

A section called household duties includes these responsibilities: empty and wash all ash trays; sweep off steps and porch; scour tub, shower, lavatory and all fixtures; empty laundry hamper; insure an adequate supply of soap, facial tissues, toilet tissue and tooth paste.

Helping a general's wife includes reminding her of appointments, providing her with transportation and assisting her role as hostess, according to the outline.

Critics, including Sen. William Proxmire, D-Wis., say taxpayers should not have to pay for personal aides to generals and other military brass. The Army says the taxpayers are getting a good deal.

If a general didn't have aides, "they'd need a general and a half to do a general's work," said Maj. Richard Weinz who heads the aides program.

"He's a leader," said Weinz. "A general doesn't have time to shine a pair of shoes, so he's given an enlisted man to help him."

Weinz said that heads of big corporations can afford to pay for these services, but a general "only makes about $2,700 a month." The GAO lists average pay for Army aides as $7,131 a year.

"It would cost the U.S. government more money to civilianize the aide field," Weinz said in an interview. "For the number of hours we put in and the kind of job done, I think it would quadruple the cost."

Proxmire, who calls the aide program "one of the last trappings of aristocratic privileges," says he has letters from aides complaining that some generals and their wives exploit them.

Besides their regular duties, aides say they are asked to babysit, walk the dog, cook special meals for children and maintain swimming pools, according to Proxmire.

"Who will say that maintaining a swimming pool is in the national security?" Proxmire asked in a speech on the Senate floor.

Some Army aides don't see their job that way.

"I had to jump out of an airplane with a general and set up his tent," said M. Sgt. Lawrence Hettinger, who has been with the Army for 20 of his 38 years. "I don't see how a civilian could possibly have done that."

[From the Nation, April 2, 1973]

SOLDIERS AS SERVANTS

In the February 15th *Congressional Record*, p. S. 2517, Sen. William Proxmire, gadfly of the armed services, takes aim at an outstanding abuse—the employment of enlisted personnel as servants of general and flag officers. Preliminary investigation by the General Accounting Office discloses that 1,722 soldiers and sailors are officially designated as personal aides to generals and admirals, at a cost to the taxpayers of more than $13 million a year for pay allowances alone. The figure does not include personnel assigned as aides to commanding officers on base; enlisted men in that category may have at least some military duties. Most of the 1,722 are simply house servants, provided according to the "rank-has-its-privileges" tradition.

The 860 officers who are provided with this domestic help are all supposed to be in command positions. Generals and admirals are the main beneficiaries, but 110 Navy captains have attendants. In some cases there may be justification for the practice—the captain of an aircraft carrier on a training or combat mission may be on the bridge for extended periods and may have his meals there—but for the most part, especially on shore duty, assigning enlisted "orderlies," as they used to be called, is simply an abuse of privilege.

Proxmire reveals that of the 1,722 personal aides about one-fifth serve in the Washington, D.C. area, and that the ratio there—2.6 aides per qualified officer—is much higher than in other parts of the United States and abroad. This reflects the plethora of brass in the capital and the overblown sense of importance of some of the officers stationed there. The rule of thumb is one aide per star, so that a brigadier general would normally have to get along with one Army-provided servant, but the highest ranking officers are not so confined. The chairman and chiefs of the Joint Chiefs of Staff are cared for by six to eight aides apiece, as are certain vice chiefs.

Among the duties of an enlisted man who serves a general or admiral may be grooming not only the officer's car but the cars of all the members of the family. He may do the gardening, cook and launder, run errands for wives, tend bar at private parties, baby-sit, walk the dog, maintain the swimming pool, etc. When the general's wife goes shopping (assuming she shoulders that burden) she may take the aide along to push the cart down the aisles of the supermarket, and of course he drives her there and back.

The GAO data cited by Mr. Proxmire shows distinct racial overtones. The Navy has always been partial to Filipinos and 98 percent of its aides are of that origin. In the Marine Corps blacks predominate to the extent of 65 percent. In the Air Force, 36 percent are black; in the Army, only 17 percent.

Some enlisted servants like their jobs. A soldier cannot be forced to accept such work, though pressure may be exerted on him to do so. The practice of using soldiers as servants is so well established that the Army runs an enlisted aides' school at Fort Lee, Va. Senator Proxmire has pending a bill, S. 850, which would abolish such schools and end the practice of using military personnel as servants. There is no reason why the taxpayers should solve the servant problem for the families of these well-paid officers, nor does it comport with the dignity of men in uniform to be so employed.

[From the Houston Post, May 4, 1973]

RANK PRIVILEGE

At last the Department of Defense has taken note of one of the oldest abuses of privileges of rank within the armed services—use of enlisted men as personal servants for high ranking officers and their families.

The practice of assigning military men to "enlisted aide" duties as cooks, chauffers, gardeners, babysitters, butlers and bartenders has been going on so long it has become a tradition. But it should be relegated to the past with such other traditions as flogging.

The issue has been raised before in this transition period to all-volunteer forces. But no one paid much attention to complaints until they were raised in the context of cost. When the General Accounting Office told Congress that 1,799 enlisted men in the Army, Navy, Marine Corps and Air Force were assigned as personal servants to senior officers at an annual cost of nearly $22 million, ears perked up in Congress and the Defense Department. Secretary of Defense Elliot L. Richardson said that he had been in office only three months and did not know the practice was so widespread. He said he would look into it. Sen. William Proxmire of Wisconsin aptly termed this misuse of fighting men as "absurd" and said he will press for legislation to end it.

The whole principle is wrong and has flourished too long. The joint argument of the military that top officers and their wives are obligated to entertain on a regular basis and need the extra help sounds like an echo from the 19th century. The necessity of all that entertaining at public expense, by using personnel for purposes far removed from military duties, is questionable. The larger military installations are communities in themselves and some amenities in maintaining social contact and conducting official functions are in order. But with general rank officers drawing the equivalent of $50,000 a year and up in salaries and benefits, they should hire civilian household help at their own expense. Considering what the government spends annually on salary, equipment, training, housing and subsistence of an Army private, he can be an expensive servant.

Military leaders at domestic installations do not deserve to have their household operations subsidized by the public any more than do civil service officials. Traditionally, rank has its privilege in the military, but that privilege should not extend to appropriating the services of soldiers, seamen and airmen for the personal comforts of generals, admirals and their families.

[From the Washington Star and News, May 26, 1973]

GI's As Houseboys

So far as we know, no one ever proposed that Alexander the Great should saddle his own horse, although we suspect he probably could have done a better job of it than any of his subalterns, and when Army Secretary Robert Froehlke told a committee of Congress not long ago that General Creighton Abrams, Army chief of staff, should not have to "hurry home at 5 p.m. and mow his lawn and spade his garden," our first reaction was, "Of course he shouldn't."

And then we thought, "Why not?"

Nobody wants to see our military leaders growing fat on the job, or taking all their paperwork home with them while developing ulcers. There's no better way to unwind than working in a garden, and some of modern man's best thinking has been done in the ritual back and forth of mowing the lawn.

This, of course, was not what Froehlke had in mind. The question before the House Appropriations defense subcommittee was whether enlisted men should continue to be detailed to perform menial jobs like car washing, gardening, babysitting, bartendering and mopping up for highranking officers at a price to the taxpayers of something like $21.7 million a year on the basis of what it costs to maintain an enlisted man. Froehlke's contention was that officers don't make enough to pay for hired help.

No? General Abrams, whose four stars entitle him to four enlisted aides, makes about $45,000 a year in pay and allowances, *plus* a fine, old and possibly inconvenient house at Ft. Myer and the other advantages enjoyed by officers, such as free medical care and fantastic bargains at the commissary.

Without hurting too much, it seems to us, he could hire some colonel's restless adolescent son to mow the lawn.

Well, on the last day of his brief engagement as Secretary of Defense, Elliot Richardson has fudged the central issue by ordering a 28 percent cutback in the use of enlisted men as servants to officers. That will leave something like 1245 men, most of them blacks and Filipinos as far as the Navy and Marines are concerned, cleaning and fixing up officers' quarters and checking coats, tending bar and waiting on tables at their parties—mostly willingly enough, this being pleasanter duty, on the whole, than close order drill or picking up butts.

Babysitting, walking dogs, doing the family laundry and washing the family car are out.

We've always thought that pulling KP, as wretched as that duty was, did nobody any permanent harm and may even have helped build character. An enlisted man serving as an officer's butler or maid is quite another thing. It demeans them both.

[From the Green Bay Press Gazette, June 3, 1973]

One-Fourth Right

Because of the way things happen in Washington, it should come as no surprise that a compromise has been struck on something Sen. William Proxmire has been raising a fuss about—use of enlisted men for family servants for high-ranking officers.

One of the things that Elliot Richardson decided in his brief stay as defense secretary before moving on to direct the cleanup of Watergate as attorney general was that there would be a 28 percent reduction of these assignments to officers' households. That means that about one-fourth of the $21 million a year being shelled out for this fringe benefit may be saved.

But 1,245 enlisted men still will get such assignments, though babysitting, walking the dog, doing the family laundry or washing the family car—some of the things Proxmire complained about—now are out of bounds. Tending bar or waiting on tables at parties still will be all right, however.

The Pentagon still doesn't get the point. These assignments are hardly in keeping with what is now supposed to be a professional military nor can they be justified as an addition to pay scales of admirals and generals. Proxmire has not won even half a loaf of political compromise. He should keep at it.

[From the Louisville Courier Journal, June 22, 1973]

Getting Rid of Military Servants

Pity the poor general! He and other high-ranking officers are threatened with the loss of their enlisted aides who have been taking care of such pesky chores as cutting the grass, walking the dog and washing the car, chores that the rest of us have to do ourselves or pay someone else to do for us. And pity the general's lady! Like other wives of top military officers, she's stuck with a huge, but antiquated, house on the base and now risks losing the services of the enlisted soldiers who have been helping her by cleaning, fixing the meals and doing the laundry.

At least that's what would happen if Senator Proxmire gets the practice abolished. Most Americans, we think, will be behind the Senator on this one.

It's not as if the top military brass was all that poorly paid. $40,000 for a lieutenant-general, for instance, doesn't sound bad by itself, and when it's realized that free living quarters, free medical care and other assorted benefits are part of the bargain, the general's income begins to look handsome. The Defense Department argues that, because these top officers have to do some entertaining and make a contribution to the community, they need this domestic help. Yet the same demands are made on top corporation executives, who don't take home employes, hired to do other jobs, in order to put them to work on household chores. Activities that are genuinely connected with their work are paid for with expense allowances; the rest must be financed from family income.

There's no reason why top military men shouldn't cope in the same way as their civilian counterparts. If the Pentagon thinks there's a good case for giving the generals and admirals domestic help, why not just give them another allowance? It would be cheaper to the taxpayer. At last count, 1,772 men were assigned as enlisted aides in all the armed services at an average annual pay of nearly $7,500 each, to which must be added the cost of maintaining the man on the base. That's a fancy price for domestic help.

Then there's the school at Ft. Lee, Virginia, where aides are trained at a rate of over 100 a year. The major part of the course seems to be gourmet cooking. How many parties are the armed forces holding? Wouldn't it be more economical to use outside caterers?

Already the Defense Department has agreed to cut back a little, reducing the number of men assigned as aides by 28 per cent and limiting the kind of tasks they may be given. But in no time at all the number could creep up again and the men once more would be pushed into doing personal chores. Senator Proxmire is therefore right to press on for abolition of this anachronistic practice. Most Americans who cut their own grass, walk their dogs or wash their cars will be urging him on.

[From the St. Louis Post-Dispatch, Feb. 4, 1973]

Sneaky Attack

Rank, as the saying goes, has its privileges. But if Senator William Proxmire has his way, the privilege of having a "military aide" who is actually a little more than a domestic servant will not be one of them.

According to a recent study by the General Accounting Office, there are 1722 enlisted men (annual expense of about $13,000,000) assigned to aide duty. Many of them, according to Senator Proxmire, spend their time walking dogs, tending bar at private parties, cooking meals, gardening, doing the family laundry and cleaning out the swimming pool.

In a recent Senate speech, Mr. Proxmire attacked this regal system as "one of the last trappings of aristocratic privilege" and argued that the time had come for the military to stop doling out domestic help at the rate of one per star.

Although the Pentagon has come to expect criticism from the Senator from Wisconsin, this assault hits the military brass where it hurts—on the home front. Almost any general would be willing to stand eyeball to eyeball with the Russians. But few, we suspect, want to be forced to tell the little lady that she will have to drive the kids to school herself.

[From the Detroit News, Apr. 20, 1973]

GI "Servants"

The General Accounting Office, as befits its function, is concerned that use of enlisted men to cook, tend bar, care for pets, babysit and wash and polish automobiles for our top military brass is costing taxpayers $22 million a year.

The GAO surveys showed a high percentage of aides to generals, admirals and Navy captains were ordered to do such menial work in lieu of military duty and that a good proportion of the enlisted aides also were ordered to do house cleaning, grocery shopping and gardening for officers' wives.

We hope the Pentagon takes notice of the GAO report, since U.S. military regulations prohibit use of enlisted men as servants and require all aides to officers to perform "an essential military purpose."

Also, because the Pentagon wants to build a strong volunteer military force, does the Pentagon expect recruits to volunteer as servants?

[From the Philadelphia Bulletin, Apr. 30, 1973]

THE GI AS SERVANT

Rank hath its privileges—that's a time-honored tradition in the armed forces.

But the privileges of rank are way out of line when enlisted men perform household chores for generals and admirals. It costs the taxpayer about $21.7 million annually, the General Accounting Office has estimated, for soldiers and sailors to shop for officers' groceries, sit with officers' children, tend officers' bars and wash officers' automobiles.

Wisconsin's Senator William A. Proxmire, promising to press for legislation ending such practices, said top officers' incomes are "the equivalent of" more than $50,000, taking into consideration such benefits as commissary privileges and cut-rate medical care, along with salary. If they need servants, he suggests, let them hire servants like anyone else does.

All branches of the armed forces have defended the practice, however, using the same argument. High-ranking officers and their wives have responsibilities other than directly military—community activities, entertaining, other "social contact with community leaders, dignitaries and junior officers" and "wide-ranging, never-ending, demanding and sensitive functions essential to leadership."

True enough, but how about the "wide-ranging, etc., functions essential to" service on lower echelons? Are we recruiting young men and women to serve their country with dignity or to serve their superiors as diaper-changers, window washers and bartenders?

Command is a two-way street—that's fundamental military philosophy—and America deserves to be protected by soldiers, not flunkies.

[From the Globe magazine, Sept. 9, 1973]

SERVANTS IN MILITARY UNIFORM

(Enlisted 'aides' of generals and admirals have a lot of duties—ultra-fancy cooking, bartending, walking dogs, washing cars, scrubbing bathrooms—which are pretty far removed from what they signed up for. A Globe Spotlight Team report.)

The narrator, in the same kind of breathless baritone that tells about Elvis's upcoming movie at the drive-in and OK used cars, is resonating about today's Army and its gourmet cooks.

The television commercial, which displayed culinary award "winners" on 300 stations around the country last Christmas, starts on a nostalgic note:

"Remember how in World War II meat was prepared in mess kits? Well, it just isn't true in today's Army . . . Confectionery specialists make life-like fruit and flowers out of sugar. Artistic cooks . . . can decorate a salmon with delicate petals, create a humorous figure out of the ordinary baked chicken and make a lobster the central figure in a gourmet setting . . . While Wellington roasts and squab may not appear on the daily menu, these are prepared by today's Army cooks who win top prizes.

"World War II veterans: Eat Your Hearts Out."

At ease, veterans. Stand by for new instructions regarding commissary items known as Beef Wellington and squab.

Not only do they not appear on daily menus, they are served exclusively to generals and their families by "artistic cooks" who may also be called upon to wash cars, walk dogs, pick up groceries, shine shoes, pin on medals, polish pewter, vacuum rugs, wash out bathtubs, fetch ice cubes, water plants, arrange floral pieces, mix drinks, pack lunches, babysit.

Instead of green khaki, some men in today's Army are seldom out of cook's whites and butler's waistcoats.

They are soldier-servants whose sole function is the regal care and feeding of military brass.

The practice is a U.S. military tradition dating back to the Revolutionary War when so-called "strikers" set up General Washington's tent like circus laborers, hauling it up and down as they moved from camp to camp. Washington also had some family-owned slaves on his personal staff.

It appears that the striker is a carry-over from the caste conscious British military where the "batman" is a traditional fringe benefit for commissioned officers. It all started in days of yore when young noblemen brought along domestic servants with them when they embarked on military careers.

Today's "strikers" are known by various euphemisms: enlisted aides in the Army, stewards in the Navy, airman aides in the Air Force and specialists in the Marine Corps.

The Marines and Army have formal training schools for aides, now being phased out under the glare of adverse publicity, while the Navy and Air Force prefer on-the-job training.

At a time when the Pentagon's budget is higher in peace-time than it was during the Vietnam War, there are 1722 officially designated aides tending to 970 high ranking officers in all the services at an annual cost of about $22 million. Most of the aides are stationed in the United States.

The training and personnel costs to the American taxpayer for military servants is enough to transport milk to 11 billion impoverished children in developing countries or inoculate 2.2 billion children for tuberculosis or provide 150 billion vitamin capsules for mothers and chidren.

Instead, the funds are used in part to train men how to make cute little hor d'oeuvres, like hard-boiled eggs fashioned into miniature penguins, or to prepare formal dinners, fit for a Versailles banquet table, with centerpieces such as a chariot carved out of watermelon pulled by four large lobsters.

The staff sergeant seldom saw "his" general. Rather, when he arrived at Gen. Donald Werbeck's home each morning on the Richards-Gebaur air force base near Kansas City, Missouri, he would find terse notes on the kitchen table outlining his duties for the day.

The memos got right to the point: Sgt.—1. Mow lawn; 2. Shine shoes; 3. Fill wood bucket; 4. Commissary (food shopping); 5. Pickup cleaning; 6. (Prepare) salad dressing.

The Sergeant had a variety of tasks done on a weekly basis and there is nothing, short of picking cotton, he was not asked to do, from bringing ice cubes to the upstairs bedroom to digging a trench alongside the carport.

Every week he washed the general's VW or Ford LTD, manicured the lawn, dusted and vacuumed all rooms. He regularly had to empty the trash; wax floors, appliances, furniture; empty ashes from the barbecue; scrub kitchen tile with an S.O.S. pad on his hands and knees and work nights as a bartender for guests with no notice.

"In short," he recalled, "I was cook, bartender, chauffeur, gardener, painter, doorman, maid, janitor, secretary, and even nightwatchman when the general and his wife were on vacation."

The sergeant put in a year before asking for a transfer and was immediately threatened, he says, with a bad report—something that would virtually eliminate further promotions.

"I told the general I had enough," he said, "and wanted out. All of a sudden, after busting my butt around there for months and doing a 'fine job,' I was going to get a bad report and his wife told me I was unsuitable for that kind of work.

"But I've got too many years in and there was no way the general was going to use me and then shaft me. I knew too much and had some friends. The report never got on my record."

Gen. Werbeck confirmed he viewed airman aides as personal servants and was critical of new restrictions that limit what he calls "gainful use of their time. . . ."

He implied the aide system has been vitiated by recent "vague" guidelines put out by the Pentagon following attacks by Sen. William Proxmire (D-Wis.): "Before, they did just about everything . . . maintain the house, inside and out . . . you know, the kind of things that I, as a homeowner when I lived off base, basically did for myself. . . ."

Ironically, Werbeck, who has utilized aides to the hilt during the two years he's been a general, admitted that, with his grown children away at school, "the house sort of takes care of itself."

Using enlisted men as servants has been against military regulations since the Civil War. In 1862, it was decreed that officers had to pay soldiers acting as servants out of their own pockets or run the risk of being "cashiered." But the law became a toothless ambiguity in 1870 when the practice was merely prohibited without sanctions.

Various military court decisions over the years have ruled that aides may do servant-like duties only if it frees high ranking officers to do "essential" military functions.

The service position, reduced to basics, is that a general's or admiral's every waking moment is spent on essential military matters.

A survey by the US General Accounting Office (GAO) of scores of general officers can be condensed into a composite answer: "We are busy men who work long hours and have to attend a lot of functions. As a result, we do not have time to do these things ourselves, nor do our wives."

Frequently cited was "the need to free the officers' wives to provide leadership to women's organizations and voluntary community services."

Several aides in Globe interviews termed this, ah, baloney, and contend their jobs, in most cases, simply freed the wives to go to the beauty shop and play bridge.

A recurrent theme in interviews with past and present aides is that the generals were usually fair and reasonable but the wives were likened to Parris Island drill instructors.

One former aide from California, who has a masters degree in management, served two generals for whom he had high regard. "But their wives were impossible. My job was to be their maid.

"The idea that the generals' wives are too involved with post or community activities to handle their families is a fallacy.

"Neither of the wives I worked for were more—in fact, less—involved than at least 50 million other wives in this country.

"The wives tried whatever means possible to get out of post activities. The work was done by lesser ranking wives in an attempt to boost their husbands' careers."

The first public hint of wide-scale use of soldiers as lackeys occurred last November when the GAO confirmed charges by Sen. Proxmire that a luxurious health club and hotel was being operated in Alaska by 24 aides exclusively for Air Force brass. It cost taxpayers $174,000 a year.

At Proxmire's request, government investigators questioned generals and aides about other possible abuses.

They found that although the enlisted aide "billet" is supposed to be strictly voluntary, one out of eight surveyed were assigned to the job.

In the Army and Air Force, aides are a time honored custom while the Navy and Marines are allotted them by military law through the Secretary of the Navy. The rule of thumb is one aide for each star on a general officer's collar. Members of the Joints Chiefs of Staff at the Pentagon have seven or eight aides apiece.

When it came time to talk to the aides, investigators found "military observers" present, who assured the enlisted men reprisals would not follow candor. They then sat silently in a corner.

One of the most notable findings of the interviews was the marked discrepancy between what the officers claimed they asked aides to do and what the aides said they actually did.

For example, only 38 percent of the Army generals said aides did gardening for them while 81 percent of the enlistees said they did such work; 56 percent of the generals admitted aides ran errands for them while 90 percent of the men said this was a regular duty; and 25 percent of the admirals said they had stewards wash their private automobiles while 49 percent of the stewards surveyed found themselves scouring cars.

A substantial number of aides confirmed they did tasks clearly out of bounds, such as chauffeuring officers children, fixing their lunches, doing their laundry and babysitting.

Investigators also determined general officers used aides to cater informal functions on a regular basis. Throughout the four services, aides were used at private affairs on an average of 75 percent of the time.

One pat answer to justify enlisted houseboys by the military is that generals and admirals could not afford to hire outside domestic help.

Retired Marine Col. J. A. Donovan, who is now an author, takes sharp issue with this, noting upper echelon military pay has doubled in recent years to make it commensurate with business executives with similar responsibilities.

Donovan reports that a major general now receives $36,963 a year and a four-star admiral $40,563. About $4560 of the salary is tax-free. Furthermore, officers have few of the normal household expenses, especially the ubiquitous mortgage.

As a concession to critics, outgoing Secretary of Defense Elliot Richardson cut back the enlisted aide program by 28 percent and limited the use of limousines by Pentagon officials. The only concrete result to date has been the termination of Marine and Army training schools. But the status of the rollback is uncertain.

Col. James T. Moore stood in his small plywood panelled office with a pointer in his hand and lectured beside a slide projector about the 17 food service schools he commands at Ft. Lee, Va.

The slide show lasts over an hour and is conducted, according to a female civilian public relations assistant, "because the colonel likes to bring out that the enlisted aide school is just a teensy-weensy bit of the overall program." Col. Moore says it shows the "big picture."

The teensy-weensy part, however, is overshadowing the "big picture" because an enlisted aide, in many cases, is a family servant and Congress has been asking pointed questions.

So, Col. Moore walks a thin line, gingerly defending his program while making sure he says nothing controversial to anger congressional critics or nettle generals on high.

Since Sen. Proxmire started lampooning the program as a "charm" school this year, it has been demoted from prodigal to orphan. It's an Army brat that's being mustered out.

Asked how he feels about having the five-year-old school "disestablished," Moore laughed wistfully and said, "I have no feelings. DOD (Department of Defense) instructed DA (Department of the Army) to terminate. I do what I'm told."

But Moore perked right up again and said he was "hopeful that we can get you to do a story on all the schools we got here . . . why don't you surprise the heck out of everybody and write a positive story about the enlisted aides?"

Col. Moore has been in the Army 28 years and plays his cards close to the vest. He talked at length about the 16 other schools he supervises and deemphasizes the one being cut loose while keeping his opinions to himself.

There's a sign in his office showing an abject caricature with the inscription "Why Worry About Tomorrow? We May Not Make It Through Today."

In his office, Moore runs through a monotonous practiced presentation of the schools' organization. While he's a sincere, affable man, the long monologue is turgid and technical. ". . . interfacing with civilian food service industry has been enhanced . . . The subsistence and commissary division is made up of two branches . . ."

The enlisted aide school comes last and it consists of a dazzling display of prize-winning gourmet cookery sprinkled with a dash of statistics.

At the end of the eight-week course the students stage a graduating buffet where they prepare the menu, food, seat guests according to protocol, serve the meal and clean up.

"We put them in a real live world situation," says Moore, "like at a country club. It gives them the feel of being chef, waiter and bartender."

One of the slides, he said, "sums up our philosophy." Onto the screen flashes a man and woman embracing on a porch swing under a full moon. The caption: "We learn best and retain it longer when we DO it."

Moore was asked why the military's higher-ups entertained so much. Is it all really necessary?

The colonel guardedly conceded it was part of the services high-powered public relations program, but added "if a VIP, like say, Sen. Proxmire, came here for a visit, why, we'd have to give him some dinner . . . I don't think generals make enough money to hire private staff for parties and official affairs. In addition, an officer's wife gets involved in all kinds of civic affairs like the American Red Cross, the Girl Scouts, Campfire Girls and so on. She can't do it all alone."

The fort's aide school is evenly divided between teaching the methods of caring for and feeding generals' families.

The reference library includes such books as "The Army Wife," "The Blue Goose Buying Guide," "The Correct Waitress," "Ice Carving Made Easy," and "Army Social Customs."

But the aide's bible is his 101-page guideline booklet, which is formally presented upon graduation. It covers a multitude of duties, ranging from preparing a lavish banquet to cleaning the water closet. It stresses deportment, protocol, cleaning techniques and elaborate cooking.

The aide is given guidelines on being courteous to the general's family. For example, "the aide must stand and pay attention when members of the family speak to him, except when he must answer the telephone and then he should excuse himself to answer it. After he answers the telephone, the aide should return to complete the conversation . . ."

The aides' uniforms are varied to suit the occasion. The basic wardrobe includes "butler's coats, mess jackets (white), black cummerbund, tuxedo trousers, white shirts, black bow ties and white gloves."

A lengthy section is devoted to setting up a daily work schedule, which focuses on the need for consulting with the general's wife "concerning menus for lunch and dinner, the commissary list and instructions for any special assignments." Among five routine things to be done in bathroom cleaning is to "wash and sanitize with the appropriate cleaning agent, the bathtub, lavatory, water closet and shower area."

After lunch, the aide can "perform errands," such as delivering and picking up laundry and shopping for food and drink. The aide is expected to escort the general's wife or her friends, from banquet hall to supermarket.

The booklet also provides sample menus. Recommended for "a light lunch for the ladies" is a breast of chicken Kiev, avocado stuffed with crab meat, salmon mousse en Bellevue. A typical formal dinner might be chilled vichyssoise, fish fillet poached in wine with mushroom bercy sauce; a half cornish hen with wild rice; baby carrots in sherry sauce; broccoli buttered; molded cranberry salad, crepes suzette, parkerhouse rolls and just plain old coffee.

Whenever questions arose about aides being abused or overworked, Col. Moore never answered directly. At one point he said "in a way, we're all servants, aren't we? You're a servant to your editor and publisher and I'm a servant to the US taxpayer.

"But I'm not in a decision-making position," he continued. "My job is to train. Whether a general has too many aides or what the aides do is not under my authority . . . we certainly don't teach baby-sitting or car washing. We teach the hospitality trade, a vocation these men can use in civilian life."

Q. Do you have follow-up data on how many aides go on to well-paying, skilled civilian jobs as a result of the training?

A. No.

Col. Moore coughed. Silence. Back to the slide show of culinary prize winners. Click: a lobster conductor leads a crab orchestra; Click: an oriental figure made from chicken wings and an egg "fishes" out of a bowl of onion soup; Click: the watermelon chariot; Click: a turkey practically dressed in uniform.

After the military briefing, Col. Moore leads a party to the aides schools where men are working in facsimile quarters for generals on fruit centerpieces. The afternoon training followed a morning lecture on how to make honeydew baskets, the bird of paradise centerpiece, and a grapefruit treasure chest.

The students work in medical whites making surgical cuts into watermelons, honeydews and pineapples.

PFC Donald Jacobson was working on a pineapple boat. He was asked what he'd do if, after all his training, he was told by a general to walk the dog. He didn't like the question that apparently has been asked before.

"I'm a man," Jacobson said. "And I'm willing to do a man's work. I'll take any suggestions. I'd say 'sir, I'm here to assist you in certain ways that I've received training for.'

Spec 5 John Miranda, asked the same question, shrugged and looked at the floor. "I wouldn't like it," he said softly. "The general I worked for was a good guy. He wouldn't ask me to do that. Most generals are good guys."

The following morning, the 14 students were lectured on the delicate art of gourmet meat dishes. Cordon Bleu was under discussion. Sgt. Guy Morris was working on a piece of veal near a sign that states "service is the cheerful giving of attention."

Mallet in hand, Morris showed how to use the flat side to spread out and thin out the veal before dipping it in flour, salt and pepper, egg whites, bread crumbs. "Remember, in that order. Now, any questions before you go to the apartments?"

One soldier asked a question that might have come from any housewife in America: "Where do I find the veal, sir?"

Premium quality veal now sells for more than $5 a pound.

The Navy, which spends $6.4 million caring for its high level commanders, appears to have the most rigid caste system of all the services.

Washington Monthly magazine once compared it to a "floating plantation" and it's anchored off the Philippines.

According to the GAO, 98 percent of all Navy stewards are Filipino. Along with the Coast Guard, the Navy has found them anxious to serve, docile, cheap.

Historically, the Navy steward evolved from the "ship's boys" and "cabin boys" who served on the larger vessels of the early Continental Navy.

Today's Navy has an unlimited, exclusive supply of servile stewards through a unique arrangement with the government of the Philippines.

Filipino citizens served in the US Navy prior to World War II under an informal arrangement that was incorporated into an agreement in 1947. By 1954, 2000 Filipinos were enlisting, a ceiling quota still in effect. Since the second world war, 26,619 Filipinos have signed on, the vast majority as stewards. They all must give up their rights as citizens in the Philippines without any guarantee of citizenship in this country.

They come aboard with a smile, glad to be out of Manila's debilitating poverty. One former officer said "it's just like the British in India. If there are 75 officers on a ship, they have 15–20 stewards to wait on you hand and foot. They are always black or Filipino. The high ranking officers have about the same number just for themselves."

Aboard ship, the stewards are houseboys who act as cook, waiter, cabin boy and dishwasher. Shore duty is no different and may be even more demanding what with lawn pruning, gardening and cocktail parties.

An officer's steward, like his stripes, increases with promotions. An admiral is usually a three-steward man while a captain is a one-steward man.

The competition to become a Navy lackey is fierce. As many as 100,000 applications are processed each year at Sangley Point Naval Base in the Philippines. Only 1000–2000 are selected.

Cmdr. J. L. Cleveland, public information officer for Navy recruiting, is uncertain just how Filipinos came to be the only foreign nationals to serve in American uniforms. "Now this is speculation on my part but it probably goes way back to when the Philippines were under our guardianship at the turn of the century. They were a territory of ours or something and their boys liked the work. We always got on. Hell, (Gen. Douglas) MacArthur was there in the 1920s."

Until recently, about the only job a Filipino qualified for because of a dubious "security" rating was picking up after officers.

Cmdr. Cleveland said Flipinos now qualify for 20–25 job categories (the Navy claimed 63 classifications are available in a report to Congress).

Asked what type of position would be closed to Filipinos because of national security, he paused for a moment and said, "Well, I'd guess, for example, fire control technician."

Q—What's so sensitive about fire control?

A—The problem is they would have access to classified manuals aboard ship. All those manuals are classified. They state where radar controls are and so on.

A former naval officer, who served on a large communication vessel, said he and some other junior officers once tried to get a Filipino who had attended medical school transferred to the hospital unit.

"We thought it would be better than having him washing our socks but the word came back 'nothing doing' because of the 'security risk.' Which was bull———, of course."

Cmdr. Cleveland, asked if a Filipino could serve in a medical capacity, checked his list and said, "Sure, no problem."

While stressing the expanding opportunities for Filipinos, Cleveland acknowledged some de facto segregation exists.

"These fellas kind of stick together. They don't speak English that well and prefer to be with each other. But the standards are getting higher. I've got the recruiting manual here and it says the boys have to have a high school education or the eqivalent thereof."

As in the other services, stewards do not advance in rank and pay as quickly as counterparts in other job categories. Many are, in effect, frozen into demanding, demeaning positions with little future—and retire with lower pensions.

The steward's pinnacle, perhaps, is being assigned to "Admiral's Row" in Norfolk, Va., or to serve at the White House.

At the mammoth Norfolk base, 50 stewards work for 18 admirals, most of whom live in stately plantation-like homes on a tree-lined street that runs along a golf course. (The sumptuous houses, built in 1907 for the tercentennial celebration of the English settlement at Jamestown, were purchased by the government in 1917 after the developers went bankrupt.)

The plantation milieu is reflected in the stewards' duties. One source gave this account of life in Admiral's Country:

"They are very big houses, so some admirals would use bells to call the stewards. One admiral's wife would ring just to ask the steward to close a curtain or get a pencil.

"At that time, the lady's whims set the work day. Now there are schedules because Sen. Proxmire agitated some people. But other than giving advance notice to the three stewards about weekend functions, it's pretty much the same. They work for the families . . . if the admiral goes to Washington or Europe, the wife will have house guests for parties and all three stewards have to be there to wait on them.

"During the holidays, like Thanksgiving, the admiral's children and grandchildren come to Norfolk, and get around the clock service. The steward's day starts at 4 a.m., when he has to put the turkey in the oven, and gets over late in the evening. . . ."

A Navy lieutenant commander first stated that the "vast majority" of the "row's" stewards were Filipino. Asked for a precise breakdown, a different officer later said they are "eight caucasians, four blacks and 38 others." Others? "O, the others include Guamanians, American Indians, Hawaiians, Filipinos, etc."

The White House gets an even more generous supply of help, according to information provided by the Pentagon after weeks of delay.

The President has 53 Filipinos serving his family at his various residences at a cost, for salaries and allowances alone, of $418,700 a year.

The President has more servants than 18 admirals. The stewards are shuffled from the White House to Key Biscayne to Camp David to San Clemente, depending on the President's activities.

The data was supplied after queries were bounced from the White House press office to the Pentagon and from civilians in the military public information department to the Navy. The buck stopped there.

The formal answer was: "The US Navy does not have enlisted military aides. However, 52 Steward-mates are assigned to the Navy Administration Unit, Washintgon, D.C. to support the President. The 53 are employed at different presidential support activities in an effort to meet the changing requirements. In short, there is no breakdown by location . . . all (stewards) are US citizens and of Filipino extraction. The actual make-up varies from time to time."

The black tech sergeant walked slowly from the general's home to one under construction next door and sheepishly asked for scraps of wood so he could make flowers window boxes for his commander's wife.

He was embarrassed but had his orders.

After a few days, the sergeant and two carpenters, working on the $200,000 house, got to talking about his "duty station"—the luxurious private home of Lt. Gen. Kenneth W. Schultz in a posh section of Los Angeles.

The sergeant spoke bitterly about the things he was expected to do: build fences, clean the pool, plant trees and flowers, mow the lawn and work weekends as bartender for guests that have included former Los Angeles Mayor Sam Yorty.

The sergeant said he was staying on just until he could finish out his 20 years, which is not far away. He told the laborers that he knew what he was doing was against military regulations and "if I know, the general sure does . . ."

Surveillance found that Gen. Schultz, who's commander of a space and missile center near the city, has three aides and a chauffeur.

Each morning at 7, a car arrives in the neighborhood a few blocks from the general's home and the driver gets out and dusts the blue military sedan for a while. He pulls up to the house at 7:15 and waits for the general with the motor running. They usually leave about 7:30.

At 8, two or three aides arrive, one of them a woman. They do gardening, housework and general maintenance.

Frequently, the woman, in a starched uniform, walks a poodle about the Bel Air Casino Estates, with its "spectacular view." The female aide also goes shopping with the wife in a powder blue Lincoln Continental with Florida license plates.

A request to interview Gen. Schultz took a circuitous and unproductive route. A colonel attached to his staff sought unsuccessfully to screen questions because the general "likes to have a clue about what he is going to be asked."

The following day, John O'Brien, a civilian public information employee at Hanscom Field in Bedford, Mass., relayed a message from L.A.

"The general will not be able to talk about the aide matter with you. The Air Force has very strict guidelines about what commanding officers can say about aides, like the number of men they have and what regulations say about the duties they perform."

Informed that another Air Force general talked at length about the program, O'Brien said "Well, not everybody gets the word, I guess."

The Marine base in North Carolina looks like a neat housing project, with stark white barracks lining dusty roads. It's a place where you can see the simmering heat hugging the ground. Even its public information officer calls it "the need of the world."

You get to Camp Lejeune on a propeller-driven plane that takes off late, the stewardess reports cheerfully, because the captain saw something he didn't like in one of the motors.

The Marine are waiting at the airport and drive you to the base through the forlorn city of Jacksonville, with its inevitable honky-tonk strip leading up to the camp's gate.

The beginning of the briefing is subliminal strategy. The two colonels and two majors are perplexed as to why anybody would be interested in a small school tucked away in the backwoods of North Carolina.

One of the colonels, a reticent pipe smoker who offered nothing and said little, was there as the eyes and ears of the camp's general. The public information major had obviously been ordered to stay with the reporter and photographer and not let them out of sight for a second.

At the end of the day, a boyish-looking colonel asked, as an ostensible afterthought, "How you gonna splash us up so I can tell my boss?"

One of the reasons for the visit was because the school's very existence was initially denied by a Marine information officer, who was gradually forced to retreat and admit there were in fact two programs at the camp.

Q. I'm trying to get in touch with the ranking officer in charge of training enlisted aides at Camp Lejeune.

Maj. JACK MCNAMARA. There is no such person.

Q. Is there any such program, then?

A. No.

William E. Tisdale is commander of several food training schools at Lejeune, including the elusive one for "specialists," who learn to wait on generals. He did most of the talking at the briefing.

Tisdale is a "mustang" officer who joined the corps off the streets of Brooklyn when he was 16 years old. Now he's a 40-year-old major who came up the hard way—through the ranks.

"I was kind of a rebellious kid," he said. "The corps has been mother and father to me. I'm a 'lifer.' "

Incongruously, this lean, steely eyed Post-office poster Marine is sort of head cook at the camp in charge of all food service training.

Tisdale was asked if the pampering of generals by underlings wearing chef's caps is compatible with the rugged chest-out, stomach-in image of the Marines.

"Look," he said, leaning forward in his chair. "I'm a cook and proud of it. You'll still find that Marines are at the rail-side of the bar and are not party-boys. We just take cooks and make them better cooks."

Tisdale is a paradoxical man who chews out a subordinate for opening the car door and gives straight blunt answers to questions while staring you squarely in the eye. Yet one of his favorite pastimes is carving dining table centerpieces out of ice. Over lunch, he explained how once, to a general's delight, he repaired an ice swan's broken wing with wire and salt at a party.

But on the touchy matter of enlisted aides' schools, Tisdale, like his counterpart in the Army, refused to discuss his personal reaction to the phase-out. "I have no feelings. I do what I'm told."

The day before the interview, the school's facsimile quarters for generals was disbanded. Mannequins used for practicing "uniform care"—proper placement of medals and ribbons—were already in storage someplace.

The "last class" was in the woods learning to set up field mess, a standard lesson for all Marine cooks. Tisdale, leading the tour, was greeted at the foot of a pathway by the supervising sergeant who informed him, with some apprehension, that the men had killed three copperhead snakes earlier in the day. "Just keep 'em the hell out of our way, then, sergeant," were the instructions.

One of the school's instructors, a black master gunnery sergeant with 29 years in the Marines, talked in the school's barren "living room." (Some 65 percent of corps "specialists" are black).

Tisdale calls him "Top," a familiar name for a high ranking sergeant. ("No, I don't know his first name. I'll bet he's forgot it too.")

"Top, come 'er," Tisdale says, "you ever told to wash a general's car?"

"Well, not exactly," Top replied. "A general might say 'my car is dirty' but he'd never order me to wash it. But I've done it if that's what I know he wanted."

A reporter asked if he took orders from the general or the general's wife. "O, the wife," he said. "She runs the household. Some are demanding. Some aren't."

Q. Ever clash with a general's wife?

A. Noooo, sir. I was very lucky. (laughter)

After he was dismissed, Maj. Tisdale said that "Top" was a "good fella'. He isn't any uncle tom either. He'll tell it to you straight."

Tisdale, along with the Pentagon's public information officer, Maj. McNamara, portrayed the specialist school as a place used simply to improve cooking skills.

McNamara, who starting out denying there was a formal program, was finally asked if the men were trained only as cooks or to do other household chores.

"I'm not sure. I'm not going to answer (Sen.) Proxmire's charge and come back and say none of them ever walked a dog. We will come back and say what the school trains them to do."

Near the end of the interview, McNamara said "wait a minute. Let me get your name and horsepower and all that. Now, you're who from where?"

During the visit to Camp Lejeune Maj. Tisdale downplayed cleaning and primping duties of aides and indicated that the cooks were instructed mostly in meat and potato stuff. He spoke about one general who preferred regular hamburger to ground round. "Why, he used to send the aide back to get it exchanged," he said.

Asked about training for "social activities" such as bartending referred to in the GAO report. Tisdale said tartly, "we don't teach bartending. We teach beverage preparation . . . like tea for the wives, things like that."

Riding along in a military car, he was asked why Marine generals need gourmet cooks. "You know," he said, "I hate that damn word gourmet. We're talking about prime rib of beef here, not pheasant under glass."

However, for years, generals with a taste for haute cuisine have arranged for a handful of select aides to attend the Culinary Institute of America in New York, which charges $375 for a two-week course in gourmet classical cooking.

According to its brochure it concentrates on the "major jewels of gastronomy—truffles, foie gras, caviar, morels, filet mignon, game, cheese and classical desserts." There are no current plans, according to the Pentagon, to enroll Marines there this year.

After the briefing and tour, Tisdale was asked if, after all was said and done, the specialists were really just servants.

"That is a flat negative " he said. "There is a father-son relationship in the Marines and we take it seriously."

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. PROXMIRE. I am happy to yield.

Mr. TOWER. Just for clarification, is the Senator suggesting that an admiral—for example, the Chief of Naval Operations—must foot the bill if he is entertaining his counterpart from the United Kingdom or some other country whom he customarily entertains when he is visiting this country?

Mr. PROXMIRE. I have suggested that aides could be used in a pool arrangement. Under the amendment, he would not be authorized to use a permanent enlisted man, but whenever there would be that kind of situation—and I agree that such a situation would be difficult and would be expensive—he could use a pool arrangement. That arrangement could be used by the Navy, and it would not prohibit the use of such an enlisted man.

I also understand he gets a special out-of-pocket money up to $5,000 for such purposes.

Mr. TOWER. The amendment says, "performs duties for such officer, or in the household of such officer." Would that mean that an admiral directing a task force from the bridge of a carrier would have to cook his own lunch?

Mr. PROXMIRE. No. I said, in the course of my speech, that it is perfectly proper, desirable, and efficient for an enlisted man to prepare the common mess for the officers, including, of course, admirals, generals, and what have you. That is done. It has to continue to be done. It is perfectly proper to train and have enlisted men to be used for that purpose.

Mr. TOWER. I wanted to make certain of the Senator's amendment, because there are certain instances where this is required.

Mr. PROXMIRE. Of course. What I am saying is that my amendment prohibits a general or admiral from using an enlisted man as his personal servant. The General Accounting Office, which has documented a study for this amendment, has found that these enlisted men were used as personal servants, not only for the general but for his wife and children and others.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. THURMOND. I want to ask the Senator about a situation where, on a battlefield, a lieutenant is leading his men, and an enlisted man digs a foxhole for him because the lieutenant is busy encouraging his men everywhere to do the fighting. I would assume the Senator would concede that to be an official duty.

Mr. PROXMIRE. Oh, yes. They would not be on his personal staff, anyway.

Mr. THURMOND. And it is not contemplated that that would be in conflict with the amendment?

Mr. PROXMIRE. No. I think the Senator recognizes there is never a situation where a lieutenant or Army captain has had servants.

Mr. THURMOND. I was wondering whether the word "personal" should not come after the word "performs" on line 6 of the amendment. As I understand what he is attempting to do, it is to prevent the use of enlisted personnel for personal duties, cooking in the home, and things that are purely personal duties, such as meeting people at the door, serving drinks, and so on. The amendment now reads:

> . . . if such member performs duties for officer . . .

I presume the Senator would have no objection if the amendment were to read "personal duties."

Mr. PROXMIRE. I call the Senator's attention to the following language in which different categories are cited. It would not apply to military service, which, of course, the enlisted man must and should perform, but it would not permit him to work personally, for example, as a cook specialist, or food service technician, or other duties which are identifiable as those of a servant.

Mr. THURMOND. I know what the Senator has in mind, but I think to make sure, would there be any objection to adding the word "personal" before the word "duties" on line 6, because then it says "or in the household of such officer"? So if we say "personal duties for such officer, or in the household of such officer," then I think it carries out the Senator's intent. Otherwise, if the Senator leaves it wide open to performing duties for such officer, the duties might include official duties.

Mr. PROXMIRE. I see the thrust of the Senator's point, and it is a good point. The point the Senator and I are working on is exactly the same. I have tried to do it by being as specific and definite as I could, by writing our language to define what I would consider personal services. Of course, generals and admirals would administer it. I think there would be a tendency to permit this to be abused. When we can be definite and specific in what he can do or cannot do, that is what I tried to do in the remainder of the language. I think we meet the heart of the Senator's objection, but we do it without having an escape clause.

Mr. THURMOND. The Senator is not attempting to prevent the enlisted man from working with an officer, regardless of grade, whether general or less than flag officer, in official duties? For example, an enlisted man might be driving an officer and working with him, whether on the battlefield or other place. Would the Senator mean that he could not use the man for his own personal use such as how an ordinary civilian would use a servant?

Mr. PROXMIRE. Yes. The personal staff distinction is the important difference. I would not want to be put in the position of saying generals and admirals can have enlisted men to use as an exclusive service. That is the way these abuses develop. If a man is assigned to driving an officer——

Mr. THURMOND. It is while a man is performing official duties and uses another man working with him. When he is off duty, that is a different story.

Mr. PROXMIRE. The Senator is correct.

Mr. THURMOND. I am sure the Senator is acquainted with the fact that it is now against the law to use enlisted men as servants. Is he not?

Mr. PROXMIRE. I hesitate because I do not want to make a charge that the law is being violated in a wholesale way. The law seems to state that, but the GAO study which I used to document the need for my amendment has shown that certainly, on any commonsense construction, it is badly abused, that hundreds of enlisted men are being used, in fact, as personal servants of admirals and generals—an abuse which we should correct.

Mr. THURMOND. Mr. President, title 10 of the United States Code, section 3639 and 8639, now prohibit the use of enlisted aides as servants in the Army or the Air Force and through Department of Defense directive, their utilization as enlisted aides is in prohibition as I understand it, of the Army, Navy, and Marine Corps.

Mr. PROXMIRE. The Senator is correct. However, the term servant has never been adequately defined. Second, we have the fact, which we all well know, that there are servants in the military. That may be in the law. However, unless we have this kind of specific prohibition indicating the kinds of things that these men cannot do, the law, which has good intentions, will be breached and violated.

Mr. THURMOND. Mr. President, I wanted to bring out the different facets toward which the Senator was working.

Mr. PROXMIRE. Yes.

Mr. THURMOND. Those statutes to which I have just referred have been interpreted as not preventing enlisted men from performing duties for officers in furtherance of their official responsibility. I think that is where the Senator's amendment, as I interpret the purpose here, comes into play.

Mr. PROXMIRE. The Senator is correct.

Mr. THURMOND. So that some military officers are using other military people to do things that are not within their official responsibilities.

Mr. PROXMIRE. The difficulty is that the so-called official responsibility is left to the discretion of a general or an admiral. And, as we know, an enlisted man will not question that and will not complain about that. If he does, he will not be very happy over the consequcnces.

The GAO study showed that it was being violated and that the violations are widespread.

Mr. THURMOND. Mr. President, since it is a violation of the law now for enlisted aides to be used as servants, the violation of the law is a matter of interpretation of the law. And that is what the Senator is trying to improve upon.

Mr. PROXMIRE. The Senator is correct. It is a violation that is costing the taxpayers over $20 million a year.

Mr. THURMOND. Mr. President, as the Senator brought out, there were recently 1,722 aides in a total military force of 2.2 million.

The DOD study decided on a cut to 1,245.

The House Armed Services Committee set a ceiling at 1,105. The Senate committee concerned.

There is a study looking to further reductions underway that is to report to Congress prior to the fiscal year 1975 bill.

I think the Senator is to be commended in trying to prevent the use of enlisted men who have been trained to fight just for the purpose of purely personal duties.

Sometimes a duty that might be considered personal by one person may not be considered personal by another. As I understand it, that is what the Senator is trying to do. The Senator does not desire to prevent any personnel from performing those duties which are official duties.

I understand that the distinguished Senator from Missouri has an amendment he has suggested.

Mr. PROXMIRE. Mr. President, I have an amendment that I have discussed with the Senator from Missouri and the Senator from Nevada. They are willing, as I understand it—and correct me if I am wrong—to accept it. I will send to the desk an amendment as a substitute. Perhaps the Senator from South Carolina might support the amendment after he hears its reading.

Mr. President, I send an amendment to the desk as a substitute and ask that it be stated.

The PRESIDING OFFICER (Mr. CLARK). Until the time on the original amendment has been yielded back, the amendment will not be in order.

Mr. PROXMIRE. Mr. President, I am willing to yield back my time for that purpose.

Mr. SYMINGTON. Mr. President, the Senator and I agree with the compromise amendment. I will yield back my time.

Mr. PROXMIRE. Mr. President, I yield back my time.

Mr. THURMOND. Mr. President, I can yield back my time, unless the Senator from Wisconsin would desire me to reserve it until after the amendment.

Mr. PROXMIRE. No. I yield my time.

Mr. THURMOND. Mr. President, I yield back my time.

The PRESIDING OFFICER. The clerk will report the substitute amendment.

The second assistant legislative clerk read as follows:

The Senator from Wisconsin offers on behalf of himself and the Senator from Missouri (Mr. SYMINGTON) and the Senator from Nevada (Mr. CANNON) the following amendment:

Strike out all after "viz" and insert in lieu thereof the following:

On page 30, between lines 2 and 3, insert a new section as follows:

SEC. 703. Notwithstanding any other provision of law, no enlisted member of the armed forces of the United States may be assigned to duty or otherwise detailed to duty as an enlisted aide, public quarters steward, airman aide, cook specialist, or food service technician on the staff of any officer of the Army, Navy, Marine Corps, Air Force, or Coast Guard (when operating as a service of the Navy) except as follows:

General (including a General of the Army). not more than 2.

Admiral (including a Fleet Admiral), not more than 2.

Lieutenant General, not more than 1.

Vice Admiral, not more than 1.

In addition to the number authorized above, the Chairman of the Joint Chiefs of Staff, each of the chiefs of staff of the armed forces, and the Commandant of the Marine Corps are authorized 3 such aides, stewards, specialists, or technicians.

On page 30, line 3, strike out "Sec. 703" and insert in lieu thereof "Sec. 704".

The PRESIDING OFFICER. There are 30 minutes to the amendment, 15 minutes to the side.

Mr. PROXMIRE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PROXMIRE. Mr. President, would the yeas and nays apply to the substitute?

The PRESIDING OFFICER. No; they will not.

Mr. PROXMIRE. Mr. President, I ask for yeas and nays on the substitute amendment.

The **PRESIDING OFFICER**. Is there a sufficient second? (Putting the question).

Mr. **ROBERT C. BYRD**. Mr. President, I ask unanimous consent that the yeas and nays which were ordered on the original amendment be transferred to the substitute amendment.

The **PRESIDING OFFICER**. Is there objection? The Chair hears none, and it is so ordered.

Mr. **PROXMIRE**. Mr. President, I yield 1 minute to the Senator from Mississippi.

Mr. **STENNIS**. Mr. President, I want to say that this is a new matter to me. Although I had some feeling that this matter ought to be given some attention, I did not know about the Senator's amendment until today, I do not believe.

I would not have voted to cut it all out. However, it certainly could be reduced. The Senator has now amended his amendment. I am glad that he did this. Some of these men do work primarily in official entertainment as part of the protocol and entertaining of people.

Mr. **PROXMIRE**. Mr. President, I thank the Senator from Mississippi very much.

Mr. President, I yield myself 2 minutes.

The **PRESIDING OFFICER**. The Senator from Wisconsin is recognized for 2 minutes.

Mr. **PROXMIRE**. Mr. President, let me point out that what this amendment does is to sharply reduce the number of men that can be used as servants by the military. It reduces it from the committee figure of 1,105 down to 218. This cuts the committee figures by more than 80 percent. Furthermore, what this amendment does is to confine it as follows:

> One servant to each 3-star general and admiral; two servants to each 4-star general and admiral.

Gen. Omar Bradley will have two.

The Joint Chiefs of Staff will each have three.

This would be a savings of $18.4 million under the original number to 722 aides, or $10 million under the committee number.

So, we would save a substantial sum. The breakdown, as I calculate it roughly, is the Army 75, the Navy 69, the Air Force 70, the Marine Corps 14.

I would prefer my first amendment. I think that we ought to eliminate it all. The principle is wrong. It is unnecessary and wasteful.

But this is a reasonable compromise. We have made some progress and will be in a position to look at it and perhaps make further progress next year.

I thank the Senator from Mississippi, the Senator from Missouri, the Senator from Nevada, and the Senator from South Carolina for being extraordinarily accommodating and helpful in recognizing that this is a serious problem and in supporting a very, very sharp reduction.

Mr. **SYMINGTON**. Mr. President, will the Senator yield?

Mr. **PROXMIRE**. I yield.

Mr. **SYMINGTON**. Mr. President, I thank the able Senator for what he has to say. There are circumstances under which it looked to us as though there should be a compromise. A compromise has been made. I commend the Senator for his reasonableness in putting it through on this basis.

This specifies the specific ranks which would be entitled to the assignment of enlisted men for these duties, and it relates to the specific grade. For example, general—including a general of the Army—admiral—including a fleet admiral—lieutenant general and vice admiral.

It covers those ranks. But frequently we have a situation occur in the services where a man may be filling a particular slot calling for the higher rank, but may not in fact be promoted to that rank. For example, we may have a commander filling a 4-star position or an admiral position who has never been confirmed to that job, and is in the next lower rank, and yet, because he was promoted, even though he were filling a specific job assignment, he would not be entitled to the assignment of personnel as is outlined in the amendment.

I do not know whether we could amend it on the floor to include "or persons holding a position calling for that rank," whether that would be a proper way to handle it, or whether we could perhaps work this out in conference.

Let me ask the Senator if he would not agree with me that a person holding a particular spot calling for these grades should be entitled to that same consideration, even though he might not actually have been promoted to the grade in the meantime.

Mr. **PROXMIRE**. I think the Senator makes an excellent point. Frankly, I had not had a chance to think of that fact, that a person might not have the precise grade but might be performing all of the functions of the grade.

As I understand it, the present allocation of grades does not recognize these acting positions, that it is necessary for the people in the Armed Forces to actually occupy and have the title of vice admiral or full general, or whatever, in order to get the equivalent servants allotted to them.

Mr. **CANNON**. I frankly do not know.

Mr. **PROXMIRE**. That is my understanding. But I think the Senator makes a good point, because this amendment is quite a change, and I think the Senator suggests a good solution, that conference might be the place to do it, after we have had a chance to examine more carefully the consequences.

Mr. **CANNON**. For example, in the grade of lieutenant general, frequently we have an officer occupying, training command, or one of the various commands, not necessarily holding the next higher rank. It may be a position which calls for a lieutenant general, and in some instances it is filled by a major general who has never yet been promoted.

Mr. **PROXMIRE**. I am sure the Senator is correct. Would the Senator be amicable to having this discussed with the Pentagon, so that when we go to conference we would be in a better position to work it out?

Mr. **CANNON**. Yes, I would be willing to take it up with the Pentagon.

Mr. **PROXMIRE**. I think it is a good point, and I would say, as author of the amendment, that I think it has to be considered and adjustments made.

Mr. **CANNON**. Based on that assurance, then, I support the amendment, and I am prepared to vote on it.

Mr. **THURMOND**. Mr. President, will the Senator yield?

Mr. **PROXMIRE**. Mr. President, before I yield to the Senator from South Carolina, I ask unanimous consent to modify my amendment, because we sent an amendment to the desk which was not the same as had been agreed on. It is a small modification, and I ask the Senator from South Carolina to wait until it can be read by the clerk.

The **PRESIDING OFFICER**. Is there objection to the modification? Without objection, it is so ordered. The clerk will state the amendment as modified.

The second assistant legislative clerk read as follows:

> On page 30, between lines 2 and 3, insert a new section as follows:
>
> Sec. 703. Notwithstanding any other provision of law, no enlisted member of the armed forces of the United States may be assigned to duty or otherwise detailed to duty as an enlisted aide, public quarters steward, airman aide, cook specialist, or food service technician on the staff of any officer of the Army, Navy, Marine Corps, Air Force, or Coast Guard (when operating as a service of the Navy) except as follows:
>
> General (including a General of the Army), not more than 2.
>
> Admiral (including a Fleet Admiral), not more than 2.
>
> Lieutenant General, not more than 1.
>
> Vice Admiral, not more than 1.
>
> In addition to the number authorized above, the Chairman of the Joint Chiefs of Staff, each of the chiefs of staff of the armed forces, and the Commandant of the Marine Corps are authorized 1 such aide, steward, specialist, or technician.
>
> On page 30, line 3, strike out "Sec. 703" and insert in lieu thereof "Sec. 704".

Mr. **PROXMIRE**. The reason for the modification, of course, is to provide three for the Joint Chiefs of Staff instead of five. That was the original intention, and that is what the modification does.

Mr. **THURMOND**. Mr. President, the point raised by the Senator from Nevada, in my judgment, can be corrected in conference, and since it is a rather technical point, and to try to do it here on the floor would take a lot of time, I would suggest that it be deferred until then.

Considering the compromise amendment as now offered, I would go along with it.

Mr. **PROXMIRE**, Mr. President, I thank the Senator from South Carolina. As always, he has not only shown courtesy and graciousness, but a real understanding of the principles involved and of the great importance of keeping our military as strong as possible.

Mr. President, I am ready to yield back the remainder of my time, if the other side is.

The **PRESIDING OFFICER**. Is all remaining time yielded back?

Mr. **PROXMIRE**. The Senator from South Carolina or the Senator from Missouri, I do not know which, controls the time in opposition.

Mr. **THURMOND**. Mr. President, I yield back the remainder of my time.

Mr. SYMINGTON. Whatever time I have, I yield back.

The PRESIDING OFFICER (Mr. Clark). All remaining time having been yielded back, the question is on agreeing to the amendment in the nature of a substitute of the Senator from Wisconsin (Mr. Proxmire). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Virginia (Mr. Harry F. Byrd, Jr.), the Senator from Kentucky (Mr. Huddleston), the Senator from Massachusetts (Mr. Kennedy), the Senator from Illinois (Mr. Stevenson), and the Senator from Georgia (Mr. Talmadge), are necessarily absent.

I further anounce that, if present and voting, the Senator from Illinois (Mr. Stevenson) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. Bennett), the Senator from Ohio (Mr. Taft), are absent on official business.

I also announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Kansas (Mr. Pearson), are absent because of illness.

I further announce that the Senator from New York (Mr. Buckley), the Senator from Kentucky (Mr. Cook), the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Dole), the Senator from Oregon (Mr. Hatfield), the Senator from Illinois (Mr. Percy), the Senator from Delaware (Mr. Roth), the Senator from Ohio (Mr. Saxbe), and the Senator from North Dakota (Mr. Young), are necessarily absent.

If present and voting, the Senator from Oregon (Mr. Hatfield), and the Senator from Illinois (Mr. Percy), would each vote "yea."

The result was announced—yeas 73, nays 9, as follows:

[No. 402 Leg.]

YEAS—73

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Domenici
Eagleton
Eastland
Ervin
Fong
Fulbright
Gravel
Griffin
Gurney
Hart
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stennis
Stevens
Symington
Thurmond
Tower
Tunney
Weicker
Williams

NAYS—9

Cotton
Dominick
Fannin
Goldwater
Hansen
Hughes
Long
McClure
Pell

NOT VOTING—18

Bellmon
Bennett
Buckley
Byrd,
  Harry F., Jr.
Cook
Curtis
Dole
Hatfield
Huddleston
Kennedy
Pearson
Percy
Roth
Saxbe
Stevenson
Taft
Talmadge
Young

So Mr. Proxmire's amendment in the nature of a substitute was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin (Mr. Proxmire), as amended.

The amendment, as amended, was agreed to.

Mr. PROXMIRE. Mr. President, I move to reconsider the vote by which the amendment, as amended, was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAYH. Mr. President, I ask unanimous consent that a member of my staff have the privilege of the floor during the debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 511

Mr. BEALL. Mr. President, I call up my amendment No. 511.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BEALL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 30, between lines 2 and 3, insert a new section as follows:

Sec. 703. Section 3(b) of Public Law 92–425 (86 Stat. 711) is amended by—

(1) striking out in the first sentence "before the first anniversary of that date" and inserting in lieu thereof "at any time within eighteen months after such date", and

(2) striking out in the second sentence "before the first anniversary of" and inserting in lieu thereof "at any time within eighteen months after".

On page 30, line 3, strike out "Sec. 703" and insert in lieu thereof "Sec. 704".

Mr. BEALL. Mr. President, I ask unanimous consent that the names of Senators Dominick, Dole, Thurmond, Goldwater, and Gurney be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. Mr. President, this amendment would provide for a 6-month extension of the initial enrollment period for the survivor benefits program.

I had the pleasure of being the principal author of the survivor benefits program. This legislation was cosponsored by approximately one-half of the Senate. My colleagues will recall that the survivor benefits program was enacted last year as Public Law 92–425. This measure, which was truly landmark legislation, enables military personnel to provide up to 55 percent of their retirement benefits to their survivors following their death.

Under Public Law 92–425 persons entitled to retired or retainer pay on the effective date of the act had to enroll prior to the first anniversary date of the act. Since the anniversary date will be September 21, tomorrow, individuals must sign up for this program today in order to take advantage of these benefits.

As the hearing record on this legislation revealed, it often came as a shock to the wives and families of career military men to learn following the death of their spouse that they would not receive a single cent of their spouse's retirement pay.

Prior to Public Law 92–425, the only exception would be if the career military spouse had enrolled in the RSFPP program. Since only about 15 percent enrolled in the RSFPP program, that meant 85 percent of the military families lacked a survivor benefits program. This, of course, was the reason Congress moved and enacted the survivor benefits program. In July of this year I wrote all Senators urging them to join the Fleet Reserve Association in their "Project Pass the Word" effort. This was a nationwide effort to inform the retired military community of the rapidly approaching enrollment deadline. I am pleased that many Senators through their newsletters, press releases and other means that they use to communicate with their constituents, joined in this effort. Notwithstanding this effort, and the effort of the Department of Defense, the military news media and the various military associations to publicize the survivor benefits program, only about one-third of the 900,000 military personnel who retired prior to the laws enactment were participating as of August 31.

The specific figure for the services are: 31 percent Navy, 13 percent Marine Corps, 42 percent Coast Guard, 26 percent for the Air Force, and 34 percent for the Army. The total figure for all the services is 30.7 percent. Members will recall that when we enacted medicare, a similar situation existed and the Congress in 1966 enacted Public Law 89–384 extending the enrollment period of medicare. As a result, an additional 400,000 senior citizens subsequently enrolled in the medicare program. I am hopeful that the extension provided by this amendment will be adopted by the Senate and will enable thousands of military retirees, who have not enrolled, to do so.

I strongly urge the adoption of this relatively minor amendment which is so vitally important to so many retired military men and women of this country.

The amendment is a very simple amendment that has been agreed to by the majority and the minority managers of the bill. Last year in the Senate we passed a survivors' benefit program to provide more substantial opportunities for widows of servicemen to participate in the retirement benefits of their husbands after the husband has died. We allowed a period of 12 months for enrollment in the new survival benefit program. We find that in the 12 months since we passed the bill, with all the paperwork that is involved in establishing a new program and the public relations job that is necessary to inform all those who might be eligible for this program, there has not been sufficient time for everyone to enroll. This amendment extends the enrollment period for another 6 months. As I stated, it has been agreed to by both sides. I urge the adoption of the amendment.

Mr. THURMOND. Mr. President, I was pleased to join the distinguished Senator from Maryland on this amendment. I think it has merit. I hope the amendment will be adopted promptly. On behalf of the distinguished Senator from Missouri (Mr. SYMINGTON), acting chairman of the Committee on Armed Services, and myself as the ranking member on this side of the aisle on the Armed Services Committee, we accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business wtih statements limited therein to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The *ACTING PRESIDENT* pro tempore (Mr. METCALF) laid before the Senate the following letters, which were referred as indicated:

ESTIMATE OF COST OF CONDUCTING A 1974 CENSUS OF AGRICULTURE

A letter from the Secretary of Commerce, transmitting, pursuant to law, an estimate of the cost of conducting a 1974 census of agriculture (with an accompanying paper). Referred to the Committee on Agriculture and Forestry.

REPORT ON FEDERAL CONTRIBUTIONS—PERSONNEL AND ADMINISTRATIVE

A letter from the Director, Defense Civil Preparedness Agency, transmitting, pursuant to law, a report on Federal Contributions—Personnel and Administrative, for the fiscal year ending June 30, 1973 (with an accompanying report). Referred to the Committee on Armed Services.

CORRECTED REPORT OF EXPORT-IMPORT BANK OF THE UNITED STATES

A letter from the President and Chairman, Export-Import Bank of the United States, transmitting, pursuant to law, a corrected report of that Bank, for the fiscal year 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Status, Progress, and Problems in Federal Agency Accounting During 18 Months Ended June 30, 1973", dated September 19, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Examination of Financial Statements of the National Credit Union Administration for the period ended June 30, 1971 and 1972 Limited by Restriction on Access to Credit Union Examination Records", dated September 18, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

PROPOSED LEGISLATION FROM DEPARTMENT OF AGRICULTURE

A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to provide for the addition of certain eastern national forest lands to the National Wilderness Preservation System, to amend Section 3(b) of the Wilderness Act, and for other purposes (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

PROPOSED LEGISLATION FROM THE ATTORNEY GENERAL

A letter from the Attorney General, transmitting a draft of proposed legislation to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 and other laws to discharge obligations under the Convention and Control Act of 1970 and other to regulatory controls on the manufacture, distribution, importation, and exportation of psychotropic substances (with an accompanying paper). Referred to the Committee on the Judiciary.

PLANS FOR WORKS OF IMPROVEMENT IN VARIOUS STATES

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, plans for works of improvement in the States of Pennsylvania, Texas and New Mexico, Texas, and Illinois (with accompanying papers). Referred to the Committee on Public Works.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. METCALF):

A resolution adopted by the City Council of Philadelphia, Pennsylvania, relating to members of the Armed Forces still either prisoners of war or missing in action. Referred to the Committee on Foreign Relations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. PASTORE:

S. 2446. A bill for the relief of Charles William Thomas, deceased. Referred to the Committee on Foreign Relations, by unanimous consent.

By Mr. CHILES:

S. 2447. A bill to require the Secretary of the Army, acting through the Chief of Engineers, to engage in public works for the prevention and control of water pollution. Referred to the Committee on Public Works.

By Mr. GOLDWATER:

S. 2448. A bill to amend the National Labor Relations Act to further secure and protect the constitutional guarantee of free speech belonging to employers and employees. Referred to the Committee on Labor and Public Welfare.

By Mr. SPARKMAN (for himself and Mr. TOWER):

S. 2449. A bill to amend the Federal Home Loan Mortgage Corporation Act and the Federal National Mortgage Association Charter Act, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. COOK:

S. 2450. A bill to amend the Railroad Retirement Act of 1937 so as to increase the amount of the annuities payable thereunder to widows and widowers. Referred to the Committee on Labor and Public Welfare.

By Mr. HATHAWAY:

S. 2451. A bill to amend section 552 of title 5 of the United States Code to clarify certain exemptions from its disclosure requirements, to provide guidelines and limitations for the classification of information, and for other purposes. Referred to the Committee on Government Operations.

By Mr. GRAVEL (for Mr. STEVENS):

S. 2452. A bill for the relief of Skojo Drazan Banic. Referred to the Committee on the Judiciary.

By Mr. STEVENSON (for himself, Mr. McINTYRE, Mr. CRANSTON, Mr. NUNN, Mr. EASTLAND, Mr. ABOUREZK, Mr. YOUNG, Mr. MUSKIE, Mr. DOMENICI, Mr. HATFIELD, and Mr. KENNEDY):

S. 2453. A bill to amend section 203 of the Economic Stabilization Act in regard to the authority conferred by that section with respect to petroleum products. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HUMPHREY (for himself, Mr. McGEE, Mr. MONTOYA, Mr. MOSS, Mr. ALLEN, Mr. MONDALE, and Mr. GRAVEL):

S. 2454. A bill to assure an adequate flow of consumer savings into the home finance market by establishing rate ceilings on time deposits of less than $100,000. Referred to the Committee on Banking, Housing, and Urban Affairs.

By Mr. TUNNEY:

S. 2455. A bill to amend title 28, United States Code, to change the age and service requirements with respect to the retirement of justice and judges of the United States. Referred to the Committee on the Judiciary.

By Mr. STEVENS:

S. 2456. A bill to permit all compensation paid at regular rates to certain employees of the Alaska Railroad to be included in the computation of their civil service retirement annuities. Referred to the Committee on Post Office and Civil Service.

By Mr. MAGNUSON (for himself and Mr. COTTON) (by request):

S. 2457. A bill to amend the Communications Act of 1934, as amended, to permit the Federal Communications Commission to grant radio station licenses in the safety and special and experimental radio services directly to aliens, representatives of aliens, foreign corporations, or domestic corporations with alien officers, directors, or stockholders; and to permit aliens holding such radio station licenses to be licensed as operators. Referred to the Committee on Commerce.

By Mr. MAGNUSON (for himself and Mr. COTTON) (by request):

S. 2458. A bill to amend the Interstate Commerce Act and related statutes, and for other purposes. Referred to the Committee on Commerce.

S. 2459. A bill to amend section 20(5) of the Interstate Commerce Act and for other purposes. Referred to the Committee on Commerce.

S. 2460. A bill to amend the Interstate Commerce Act, to grant additional authority to the Interstate Commerce Commission regarding conglomerate holding companies involving carriers subject to the jurisdiction of the Commission and non-carriers, and for other purposes. Referred to the Committee on Commerce.

S. 2461. A bill to amend section 409 of part IV of the Interstate Commerce Act, as amended, to authorize contracts between freight forwarders and railroads. Referred to the Committee on Commerce.

By Mr. MONDALE (for himself, Mr. MAGNUSON, and Mr. JACKSON):

S. 2462. A bill to regulate commerce and improve the efficiency of energy utilization by consumers by establishing the Energy Conservation Research and Development Corporation, authorizing the establishment by States of energy conservation councils, and for other purposes. Referred, by unanimous consent, jointly and simultaneously to the Committees on Commerce and Interior and Insular Affairs with the proviso that when one committee reports the bill, the other will have 45 days to report or the other committee will be deemed discharged from said bill.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PASTORE:

S. 2446. A bill for the relief of Charles William Thomas, deceased. Referred to the Committee on Foreign Relations, by unanimous consent.

Mr. PASTORE. Mr. President, today I introduce a private bill for the relief of Charles W. Thomas, a former Foreign Service Officer, who is now deceased. Mrs. Charles W. Thomas, the former Cynthia Robinson, was born in Providence, R.I., and members of her family still reside in that State.

The principal purpose of the proposed legislation is to provide for Charles W. Thomas, career Foreign Service Officer, deceased, posthumously to be held and considered to have been promoted retroactively as a Foreign Service officer of class 3, effective April 23, 1967, and continuing at that grade until the time of his death, April 12, 1971. This bill authorizes appropriate payment and adjustment for back salary, unused annual leave, annuities, and appropriate insurance benefit and premium payments.

Specifically, the bill provides for promotion of Mr. Thomas from FSO–4 to FSO–3 effective April 23, 1967, the date on which recommendations of the Promotion Panel of 1966 became effective; recomputation of back salary differences between FSO–3 and FSO–4, including annual within-grade increases from April 23, 1967, and salary payment at the FSO–3 rate from that date until his death April 12, 1971; recomputation of the lump sum settlement for accumulated annual leave at the FSO–3 rate; recomputation of family annuities based on the adjusted 3-year average service; and reinstatement of the Government group life policy, adjustment of premiums, and payment to his family of the benefits under such policy. The total net adjustments and amounts involved, including life insurance benefits, will have to be calculated by the State Department finance office.

Fundamentally, this bill would provide no extra benefits or recompense to either Mr. Thomas or his family for his untimely and tragic death beyond that which he or they would have received in the normal course of events had there not been the fundamental errors, inequities, and absence of due process in the personnel administration of the Department of State, which are now a basic matter of record, and had Mr. Thomas died of natural causes. While Mr. Thomas' death is irreversible and he cannot be restored to his wife and two daughters, ages 5 and 17 at the time of his death, this legislation will at least provide some overdue redress and help avoid further compounding of the inequities and injustice visited upon this family.

Mr. President, I ask unanimous consent, out of order, to introduce this bill, and I ask unanimous consent that it be referred to the Committee on Foreign Relations.

The PRESIDING OFFICER (Mr. HUDDLESTON). The bill will be received and, without objection, the bill will be so referred.

By Mr. CHILES:

S. 2447. A bill to require the Secretary of the Army, acting through the Chief of Engineers, to engage in public works for the prevention and control of water pollution. Referred to the Committee on Public Works.

Mr. CHILES. Mr. President, this morning I am reintroducing a bill authorizing the Secretary of the Army to undertake in the civil works program projects for research, development, demonstration, and construction—including dredging—of works for the collection, purification, storage, and reuse of storm waters, sewage, and waterborne waste, for the purpose of preventing, abating, and controlling water pollution. The specific purpose of the bill is to assign to the Corps of Engineers a role to play in regard to environmental work and, specifically, in controlling water pollution.

I first introduced this measure in the 92d Congress as S. 1009. Although hearings were held on it by the Senate Public Works Committee on June 23, 1972, no further action was taken, and S. 1009 automatically expired when the 92d Congress adjourned.

The need for this legislation was brought to my attention when a request was made to have the corps dredge sludge from the Miami River. We were informed that unless this would benefit navigation, it would not be within the authority of the corps, even though the sludge is contributing greatly to pollution of the river, as well as to the bay. It has been brought out many times that the primary role of the Corps of Engineers has been to dredge, to channelize, to dig up the land, and that their primary role has not been to conserve, preserve, or protect.

The Army Corps of Engineers, the world's largest engineering organization has the untapped potential which, if properly directed, could be invaluable in protecting our land and water resources. The bill I am introducing today would permit the corps to engage in a whole new area of projects—regional sewage and waste treatment systems, industrial waste water control, pilot projects for underground water storage, and others.

I feel that enactment of the bill I am introducing today will serve a great need, and I hope that as hearings on it were held last year, early congressional action can be taken this session on this bill.

By Mr. GOLDWATER:

S. 2448. A bill to amend the National Labor Relations Act to further secure and protect the constitutional guarantee of free speech belonging to employers and employees. Referred to the Committee on Labor and Public Welfare.

FREE SPEECH IN LABOR DISPUTES

Mr. GOLDWATER. Mr. President, I introduce today a bill designed to correct a flagrant example of bureaucratic lawmaking in the field of labor disputes. By virtue of past decisions, mixed with a large dose of pro-union bias, the National Labor Relations Board has succeeded in rendering a line of cases which seriously threaten the constitutionally guaranteed right of free speech held by employers. In my opinion, not only do these cases deny and abridge the protection afforded by the first amendment, but they are gross distortions of the will of Congress as laid down in section 8(c) of the Taft-Hartley Act.

Mr. President, the Supreme Court long ago announced that the first amendment protects the right of each employer to express his full and unfettered opinions on labor matters to his employees. The genesis for this principle can be found in the broad declaration made by the Supreme Court in Thornhill against State of Alabama that—

> The dissemination of information concerning facts of a labor dispute must be regarded as within that area of free discussion that is guaranteed by the Constitution. (310 U.S. 88 (1940).)

This ruling was promptly construed by the sixth circuit as securing for employers the same unmuzzled right of free speech guaranteed to all other citizens. In Midland Steel Products Co. against NLRB, that court upheld the right of an employer to notify his employees by letter of his views on labor matters to the same extent normally granted to any citizen. The court reasoned employers are no less citizens than any other person saying:

> Unless the right of free speech is enjoyed by employers as well as by employees, the guaranty of the First Amendment is futile, for it is fundamental that the basic rights guaranteed by the Constitution belong equally to every person. (113 F. 2d 800, 804 (6th Cir. 1940).)

Shortly thereafter, the same court confirmed the right of a manufacturer to express his labor views by giving pamphlets to workingmen at the factory gate. In holding that the employer is entitled to distribute literature conveying his views to his employees, the court explained:

> The right to form opinion is of little value if such opinion may not be expressed, and the right to express it is of little value if it may not be communicated to those immediately concerned. *N.L.R.B. v. Ford Motor Co.,* 114 F. 2d 905, 913 (6th Cir. 1940).

This decision was subsequently cited with approval by the Supreme Court.

One year later the Supreme Court again took up the issue by squarely ruling that Federal labor law does not and cannot forbid or penalize expression by an employer to his employees of his views of labor policies and problems. Speaking of an employer's action in mailing a bulletin and authorizing speeches to its employees opposing a union's effort to organize the company, the Court held—

> The employer in this case is as free now as ever to take any side it may choose on this controversial issue. *Labor Board v. Virginia Power Co.,* 314 U.S. 469, 477 (1941).

Significantly the Court made a direct determination that expressions by an employer which are critical of unions or which advocate the formation of unaffiliated unions are not automatically to be considered as intimidating or pressuring employees. The Court stated:

> If the utterances are thus to be separated from their background, we find it difficult to sustain a finding of coercion with respect to them alone. (314 U.S. 479.)

Thus, the rule is clearly established that the simple fact a view is expressed by an employer does not, ipso facto, make it coercive. The fallacious view that every communication from an employer inherently is compulsion has been soundly rejected by the Nation's highest court.

This ruling was applied soon afterward by the second circuit in a noteworthy case sustaining the practice of a company which sent a letter to its employees signed by its president and whose president has addressed the employees on the premises. Though the employer did not conceal a preference for no union whatsoever and warned that the continued prosperity of the company depended on going on as they had, the court found the Board had erred in objecting to these expressions because they in no way amounted to coercion or conveyed a hint of reprisal against those who thought otherwise. *N.L.R.B.* v. *American Tube Bending Co.*, 134 F.2d 993 (2d Cir. 1943).

Then in 1945, the Supreme Court reaffirmed its position of the right held by employers by holding that—

> Decision here has recognized that employers' attempts to persuade to action with respect to joining or not joining unions are within the First Amendment's guaranty. *Thomas* v. *Collins*, 323 U.S. 516, 537 (1945).

Taking note of this uniform line of judicial rulings which were overturning the persistent efforts of the NLRB to stifle employers' free speech rights, Congress added an express statutory provision securing this constitutional guaranty in the Taft-Hartley Act of 1947. In short, this provision, section 8(c), provides that an employer can express his views about union matters so long as these views contain no threat of reprisal or force and no promise of benefit. Also, the provision states that no such protected views could be used as evidence of an unfair labor practice.

Mr. President, with such a clear judicial and legislative history, the matter should have been settled beyond any doubt. The ability to exercise the free expression of his views unhampered by the Board would seem to be a firmly cemented right of each employer, in the absence of coercion.

Nevertheless, the Board continued to twist and deform congressional intent and the Constitution as to seriously abridge this fundamental right. Through a succession of prejudiced decisions founded on tortured reasoning and a blind obliviousness of the true congressional mandate expressed in section 8(c), the Board chopped, whittled, and butchered the free speech provision beyond recognition.

Arguing that Congress had referred only to unfair labor practice matters and not to setting aside the results of an election, the Board subsequently used the latter method to reverse an election that a union lost, on the ground the employer's speech was excessive. That the speech was admittedly noncoercive did not matter. The Board had found a legal technicality through which it could resume its statutory redrafting habits and it dove through the gap with abandon. *General Shoe Corporation*, 77 N.L.R.B. 124 (1948).

Then in utter contradiction to the plain rule decided in the Virginia Power Co. decision, the Board thumbed its nose at both the Supreme Court and Congress by holding that if an employer had the audacity to say that union representation would not benefit employees, a representation election would be set aside. *H. W. Trane*, 137 N.L.R.B. 1506 (1962); and *Thomas Products Co.*, 167 N.L.R.B. 106 (1967). For an employer to infer that employees might be better off by refraining from joining a union was nigh well blasphemy to the NLRB and it lost no time in holding that no one under its jurisdiction can say such a thing, regardless of principles like free speech and the will of Congress.

A second means by which the Board has run roughshod over the intent of Congress is by issuing orders requiring that whenever an employer makes a speech or distributes literature disclosing his views on labor issues, he must grant the union equal time during working hours and on his own facilities to make a reply. In other words, if the employer chooses to exercise his recognized right to communicate with his employees, he will be impeded from doing so by the knowledge that he must make his own facilities and his own paid time available to the union. Thus, what the Board cannot stop by direct action it might halt by shackling the employer's right of free speech with unreasonable burdens.

As an example of what I mean, in 1956, the Supreme Court overturned an effort by the NLRB to force an employer to permit distributors of union literature onto company-owned parking lots. The Court made the common sense observation that there were many alternative channels of communication open to the union and that the Board had overstepped itself by adding the company premises to these channels. *N.L.R.B.* v. *Babcock & Wilcox Co.*, 351 U.S. 105 (1956).

Not restrained in the least, the Board found itself overruled by the Supreme Court in a similar situation just 2 years later. Here the employer had solicited employees while they were on company premises not to join the union, but refused to allow the union access for solicitation by it. The Court solidly reaffirmed the right of an employer to express his personal views and questioned why the Board had not pressed the union to make use of the many usual routes of communications available to it. Thus, once again the Board's end run around the statute was rejected by the high Court. *Labor Board* v. *Steelworkers*, 357 U.S. 357 (1958).

Still not convinced, the Board sought to resurrect the same policy in the early 1960's. And once more, the judiciary repudiated the Board's effort. In the May Department Stores case, the Board moved to upset an election which had resulted in an emphatic rejection of union representation. In the election, 891 employees had balloted for the union and 1,959 had voted against it. Not ready to accept such a democratically achieved mandate at its face value, the Board circumvented the election results by finding the company had improperly influenced the balloting.

The employer's error was alleged to have occurred in having addressed employees on company time and on company premises. Even though the meetings were held strictly on a voluntary basis and were conducted in a manner which the Board conceded to be noncoercive, the Board held the employer was guilty of an unfair labor practice because he refused to grant the union equal time for making a reply.

In these circumstances, the sixth circuit swiftly bounced the matter back to the Board, reminding it that the union has no overriding authority giving it access to company premises and facilities against the wishes of the employer. *May Department Stores Co.* v. *N.L.R.B.*, 316 F.2d 797 (6th Cir. 1963).

But it seems no matter how many times the Board is rebuked by the courts, it will persist in invading the lawmaking prerogatives of Congress. To require as the Board does that as a condition of expressing his views, the employer must grant equal access to his premises, bulletin boards, and paid time to the union, clearly constitutes an unreasonable burden on the exercise of the employer's first amendment right of free speech. Accordingly, it is to better preserve and protect this right by the clearest statutory language that I am introducing legislation today.

Mr. President, I will describe the provisions of the bill in a moment, but for now let me emphasize that nothing in my bill will deny the union access to its normal channels of communication. It may use telephone contacts, off premises handbilling, meetings at the union hall, home visits, and the usual media of publicizing messages such as television and radio time and newspaper space. But to compel the employer to make his personal facilities open and available for use by the union is an unmitigated injustice. No one is clamoring to make the union halls open to employers and the sensibility that argues for the sanctity of the union's facilities should argue against the invasion of the employer's property.

Mr. President, there is a third way in which the Board has conducted its campaign against the guarantee of free speech. The Board uses as evidence of a failure to bargain in good faith the noncoercive statements of employers which publicize or explain their offers to employees.

Perhaps the most notorious incident of this technique is the Board's decision against the General Electric Co. in 1964. Even though the Board concluded the employer's publicity of its arguments was not coercive, the Board found the expression was objectionable. The Board ruled the company had refused to bargain in good faith simply because it publicized its own position, and on this ground, the company was found to be guilty of an unfair labor practice. *General Electric Co.*, 150 N.L.R.B. 192 (1964), enf'd. 418 F. 2d 736 (2d Cir. 1969), *cert. denied* 397 U.S. 965 (1970).

Mr. President, I might add, in the same case, the Board ignored the scandalous and highly inflammatory propaganda of the union aimed at discrediting the company's arguments.

In the General Electric case, the Board argued the employer had mounted a "campaign" to explain its position, for whatever difference there may be in the Board's collective mind between the guaranty of much free speech—a campaign—and a little free speech—isolated utterances. But to indicate the extent to which the Board is prepared to go in directly attacking the right of free speech, I should mention the Board had earlier made an unfair labor case out of an employer's action in merely posting on its bulletin boards summaries of its wage offers. *Fitzgerald Mills Corporation* 133 N.L.R.B. 877 (1961), enf'd. 313 F. 2d 260 (2nd Cir. 1963), *cert. denied* 375 U.S. 834 (1963).

Mr. President, with the present law so clearly specifying that the expression of views shall not constitute or be evidence of an unfair labor practice, it requires quite an exercise in legal gymnastics to contravene the statute's intent. But it is obvious from these two cases that this is what the Board is doing; and it is equally obvious Congress must tighten up the protection avowedly secured by the law.

Finally, the Board has instituted a new rule directing that in nearly all representation elections, the employer must file with the regional director a list of the names and addresses of each employee who is eligible to vote in that election. Thereupon the Board makes the list available to all unions interested in the election. If the employer fails to do so and a union loses the election, the Board will set aside the election and conduct a new one. *Excelsior Underwear, Inc.*, 156 N.L.R.B. 1236 (1966); *Wyman-Gordon Co.* v. *N.L.R.B.*, 394 U.S. 759 (1969).

Mr. President, there are at least three things wrong with this approach. First, it invades the very important personal right of privacy held by both the employer and his employees. The Board may not comprehend this, but there are many employees who do not like harassment by unions any more than they do badgering from any other source. There are many people who simply do not want to become a target for solicitations from labor union representatives calling by telephone, ringing their doorbells, and stuffing their mailboxes, any more than they want other saleshawkers at their homes.

In other words, each individual has a right to be let alone. And just because a union wants to gain a giant advantage in its representation campaign by getting hold of the employer's list does not justify invading that privacy. If any employee wants the union to have his name and home address, let him volunteer it. But let us stop this outrageous disregard of individual rights simply to promote the preconceived notions of the Board as to what is good for each employee.

Second, the Board's ruling may well put the employer in the position of being forced to aid the cause of the union in its campaign at the same time his beliefs may differ from the union. It requires him to communicate to the union, when he may wish to remain silent. To be forced to speak when one wishes to remain silent is, in my opinion, equally bad as not being allowed to speak at all.

Since there is no compelling reason why the freedoms of speech and privacy must be invaded. I fail to see how the Board can trample on these rights. Needless to say, the mere aim of increasing the chances for a union victory in the election is not, to my mind, a surpassing, necessary purpose which excuses the encroachment on these twin fundamental rights.

Third, it offends my sense of elementary justice to compel one party to an election to aid the other side by providing access to its own facilities, whether the facilities are one's own premises or information. To demand that an employer serve as a voting registrar for the union just does not seem like additional American fair play to me.

Mr. President, with this background, I believe it is necessary to reassert and reestablish the original meaning intended by Congress when it enacted section 8(c) of the Labor-Management Relations Act. To this end, I am offering a bill which will nail down the specific breadth of protection of free speech secured by that provision.

First, the bill will expand the right protected by section 8(c) by expressly declaring that non-coercive views shall not "constitute grounds for, or evidence justifying, setting aside the results of any election conducted under" the act. This will prevent the Board from bypassing the statute by the gambit of saying the protection applies only to unfair labor practice charges.

Second, my bill will amend section 8(c) so that it specifically tells the Board to stop requiring employers, as a condition of expressing their views, to furnish, provide access or make available to the union, information, time, meeting places, premises, bulletin boards, or other of its facilities. This should stop the Board from diluting the fundamental right of free speech by encumbering it with so many conditions that it cannot be exercised without penalizing its user.

Third, the bill will specifically expand the coverage of the free speech provision to noncoercive views and statements which may influence the outcome of any organizing campaign, bargaining controversy, strike, lockout, or other labor dispute. This additional language should prevent the Board from arbitrarily evading the intent of the statute by labeling the employer's properly expressed, noncoercive speech as a failure to bargain in good faith.

Mr. President, I should like to remind Senators that my bill will only protect speech which is not coercive. The bill specifically excludes speech, arguments, pamphlets, and statements of any kind if they contain a threat of reprisal, a threat of force, or a promise of benefit. No truly coercive or intimidating speech will receive any immunity under my bill.

In summary, the legislation secures the important constitutional guaranty of free speech in labor matters. It will implement the first amendment in areas where its pledges have been abused or trampled upon by an agency of the Federal Government.

Mr. President, I have an abiding faith in the good sense and good judgment of America's workingmen and women. I am confident if we allow them to have the full facts they will make the proper and wise decisions. I see no excuse for denying them the opportunity to hear the views of their employer, as well as those of the union, during a labor dispute. It is utterly and wholly counter to all principles of American decency to deny our workingmen and women access to information they need in making decisions which have a profound impact upon their economic well-being.

Regrettably, this violation of American ethics is exactly what will happen, unless we restate the labor law and restate it in clearer terms than ever before. Mr. President, the essence of my proposal is simple—it merely seeks to let employees hear both sides on equal terms. What could be more fair than that?

Mr. President, I ask unanimous consent that the bill I am introducing be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2448

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Labor-Management Relations Freedom of Speech Act."

SEC. 2. Section 8(c) of the National Labor Relations Act (29 U.S.C. 158(c)) is amended to read as follows:

"(c) The expressing of any views, argument, opinion, or the making of any statement (including, but not limited to, any expression intended to influence the outcome of an organizing campaign, a bargaining controversy, a strike, lockout, or other labor dispute), or the dissemination thereof, whether in written, printed, graphic, visual, or auditory form, if such expression or statement contains no threat of reprisal or force or promise of benefit, shall not (A) constitute or be evidence of an unfair labor practice under any of the provisions of this Act, or (B) constitute grounds for, or evidence justifying, setting aside the results of any election conducted under any of the provisions of this Act.

"No labor organization or employer shall be required to furnish, provide access, or make available, directly or indirectly, to the employer, in the case of a labor organization, or to the labor organization, in the case of an employer, materials, information (including but not limited to names and addresses of employees), time, premises, meeting places, bulletin boards or other facilities to enable such other party to communicate with or reply to any communication with employees of the employer, members of the labor organization, its supporters or adherents."

By Mr. SPARKMAN (for himself and Mr. TOWER):

S. 2449. A bill to amend the Federal Home Loan Mortgage Corporation Act and the Federal National Mortgage Association Charter Act, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. SPARKMAN. Mr. President, on behalf of Mr. TOWER and myself, I introduce a bill to amend the Federal Home Loan Mortgage Corporation Act and the Federal National Mortgage Association Charter Act, and for other purposes. I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

Sec. 1. Short title.

Sec. 2. (a) (1) Would allow purchase of a conventional mortgage with the outstanding balance exceeding 80 percent of value when the excess over 80 percent is insured by a qualified private insurer. Under existing law, such mortgages may be purchased only where the outstanding balance exceeding 75 percent of value is insured by a qualified private insurer.

(2) Would remove limitation now in the law limiting the purchase of conventional mortgages over one year old at time of purchase to 10% of conventional portfolio.

(3) Provides that the limitations governing the maximum amount of a conventional mortgage purchased by FHLMC be comparable to the limitations contained in the first sentence of section 5(c) of the Home Owner's Loan Act of 1933 ($45,000 in the case of single-family dwellings and the dollar amounts contained in section 207 of the National Housing Act for multi-family housing), except that such limitations may be increased by 25 percent with respect to mortgages on property located in Alaska, Guam, and Hawaii.

(b)-(f) These subsections make clear that national banks, state-chartered banks which are members of the Federal Reserve System, Federal Home Loan Banks, federal savings and loan associations, and federal credit unions have statutory power to purchase mortgages from the Corporation without regard to limitations which might be otherwise applicable to purchase of such mortgages.

Sec. 3. (a) Amends section 302 of the FNMA Charter Act to specify that September 1, 1968 was the effective date on which the original Federal National Mortgage Association was divided into two entities, the Federal National Mortgage Association and the Government National Mortgage Association.

(b) Amends such section 302 to provide that the principal office of FNMA may be located anywhere in the District of Columbia metropolitan area, though for jurisdiction and venue purposes FNMA is to be considered a District of Columbia corporation.

(c) and (d) Amend such section 302 to allow purchase of a conventional mortgage with the outstanding balance exceeding 80 percent of value when the excess over 80 percent is insured by a qualified insurer. Under existing law such mortgages may be purchased only where the outstanding balance exceeding 75 percent of value is insured by a qualified "private" insurer.

(e) Would remove the 10% limitation on purchase of conventional mortgages over one year old.

(f) Amends such section 302 to provide that the maximum amounts of conventional mortgages purchased by FNMA shall be comparable to the limitations contained in the first sentence of section 5(c) of the Home Owners' Loan Act of 1933 ($45,000 in the case of single-family dwellings and the dollar amounts contained in section 207 of the National Housing Act for multi-family housing), except that such limitations may be increased by 25 percent with respect to mortgages on property located in Alaska, Guam, and Hawaii.

(g)-(i) Amend section 304 of the FNMA Charter Act to correct an erroneous citation to section 243 of that Act.

(k) Amends section 309 of the FNMA Charter Act to provide that employees subject to the Civil Service retirement law who became employed by FNMA prior to January 31, 1972 may continue under such law.

(l) Repeals certain provisions of law relating to FNMA's transitional period, now completed.

By Mr. STEVENSON (for himself, Mr. MCINTYRE, Mr. CRANSTON, Mr. NUNN, Mr. EASTLAND, Mr. ABOUREZK, Mr. YOUNG, Mr. MUSKIE, Mr. DOMINICI, Mr. HATFIELD, and Mr. KENNEDY):

S. 2453. A bill to amend section 203 of the Economic Stabilization Act in regard to the authority conferred by that section with respect to petroleum products. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. STEVENSON. Mr. President, I am introducing today with Senator MCINTYRE and other Senators a bill to amend the Economic Stabilization Act to remedy the extraordinary problems which have arisen in the petroleum industry under the Cost of Living Council's Phase IV regulations. Yesterday, I joined with Senator MCINTYRE in introducing S. 2442, a bill to prohibit exports of petroleum products. Both bills are necessary to help insure a continued supply of petroleum at reasonable prices.

Although the Cost of Living Council's regulations affect all levels of the oil industry, they are having their most profound and disturbing effects at the marketing level, that is, on jobbers and retailers. Every retailer is deeply affected, but the problems are most aggravated among independents. Unless the regulations are changed, the preferential treatment which is accorded major oil companies will permit them to eliminate the little remaining competition in the petroleum industry.

Evidence continues to mount that the major oil companies are using the gasoline shortage they help create to drive their competition out of business, and the administration's phase IV controls are only serving to hasten this process. The controls for the petroleum industry are doing for the major oil companies what they have not been able to do legally for themselves. And the principal victim is going to be the American consumer.

The problems are being caused by the phase IV regulations of the Cost of Living Council. In July the Council issued proposed regulations which were scheduled to go into effect on August 12. As drafted, the regulations set May 15 as the date for determining ceiling prices for domestic petroleum producers, refiners, and refiner-retailers. By that date a great part of the recent price increases for crude oil had already occurred and was reflected in the retail pump price. In addition, however, there was to be no ceiling for producers and refiners on the price of imported crude or on the price of increased domestic production and an equal amount of old production. Thus producers could pass such increases on to refiners, refiners in turn to their jobbers, and jobbers to their retailers.

But the buck stopped there, literally, and the regulations provided for an entirely different scheme to control prices at the retail level. At this level the ceiling price was to be permanently pegged to the cost of product to the retailer on August 11 plus the markup or margin per gallon as of last January 10. In addition, those on the retail level could not automatically pass through any increased product cost. Special application was to be made to the Council if there was "a hardship," and the Council would then have to grant its permission to pass on costs on a case-by-case basis.

Needless to say, for the small businessman this procedure would involve at the least red tape, probably lawyers' fees, and delay. At the most, if the price rise were denied or unduly delayed, it might mean the loss of his business.

The May 15 ceiling price date was fairly reasonable for most producers and refiners, that is, most major oil companies. The choice of January 10 as a markup date for the retail level, however, portended disaster for many retailers, especially independents but also many major branded retailers, for January 10 happened to be a time of "price wars" in the retail gasoline business.

I can illustrate by pointing to the St. Louis and Chicago retail markets. The normal operating margins for independent price marketers in those two markets ranges from 8 to 11 cents per gallon, compared to approximately 11 to 13 cents per gallon for major branded marketers. On January 10, however, the operating margins for independents in those two cities ranged from 1.5 cents to 4 cents per gallon, and the margins were also down for many major branded retailers.

The proposed regulations met with a storm of protest. Many retailers threatened to close in protest. Consequently, the Council moved to delay the effective date of the regulations and to revise them. The Council did revise them in mid-August, but only to allow a minimum markup or margin of 7 cents per gallon.

The revisions fell far short of fairness. The basic inequities remained, and now that the regulations have been put into effect, they threaten the imminent extinction of many of the Nation's gasoline retailers. The disparity in dates—January 10, May 15, and August 1—continues, and retailers still cannot have an automatic passthrough, not even with any kind of prenotification procedure.

To illustrate the plight of many retailers, I would point to the Ware Oil Co., a jobber-retailer based in Jacksonville, Ill. with about 50 stations located in Illinois and Iowa. I ask unanimous consent that a chart showing the pump prices for regular gasoline at 10 Ware locations be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

WARE OIL CO.'S RETAIL PUMP PRICES—REGULAR GASOLINE

[In cents]

	Pump prices		Increase or decrease in pump price	Increase in purchase price interim period	Total loss in gross profit margin
	Sept. 11, 1972	Sept. 11, 1973			
Springfield, Ill	38 9/10	36 7/10	−2 2/10	+2	−4.2
Jacksonville, Ill	38 9/10	35 2/10	−3 7/10	+2	−5.7
Champaign, Ill	37 9/10	35 2/10	−2 7/10	+2	−4.7
Bloomington, Ill	37 9/10	36 2/10	−1 7/10	+2	−3.7
Galesburg, Ill	37 9/10	36 7/10	−1 2/10	+2	−3.2
Danville, Ill	38 9/10	35 2/10	−3 7/10	+2	−5.7
Marshalltown, Iowa	35 9/10	34 2/10	−1 7/10	+2½	−4.2
Clinton, Iowa	34 9/10	35 2/10	+3/10	+2½	−2.2
Waterloo, Iowa	35 9/10	35 2/10	−7/10	+2½	−3.2
Ottumwa, Iowa	36 9/10	34 2/10	−2 7/10	+2½	−5.2

Mr. STEVENSON. As can be seen, the first column shows the pump price as of September 11, 1972. The second shows the regulated price—based on an August 1 cost and a depressed January 10 margin—as of September 11, 1973. The third column, then, is the difference between the two prices—in 9 of 10 instances lower and in 2 instances a full 3.7 cents per gallon lower.

In addition to this difference, however, in the 1-year time period there were also price increases in the cost to the Ware Co. from its major supplier. The fourth column, therefore, shows the 2 cents per gallon increase at the Illinois stations and the 2½ cents per gallon cost increase at the Iowa stations. The last column, then, shows the total loss in the gross profit margin per gallon at the stations in the 10 cities. These losses range from 2.2 cents per gallon in Clinton, Iowa, to 5.7 cents per gallon in Jacksonville and Danville, Ill. To say the least, the effect of the phase IV regulations on the Ware Co. is devastating.

The protests have therefore continued, so far to little avail. Last week several hundred retailers from New England came to Washington to protest the COLC policy and to ask the administration to change it, and to seek help of their legislators. I met with 25 retailers from Illinois last week and have received scores of letters on this subject. This morning's news featured a story that 60 retailers here in the Washington, D.C., area are threatening a 5-day closedown in protest over the COLC policies.

I wrote Dr. Dunlop last July 25 to ask for revision of the regulations and joined 41 other Senators last Monday in a further letter urging him to revise the regulations.

I hope that these efforts directed at the Council will be successful. Should the Council continue to refuse to act, however, legislative action to correct the inequities will be needed. That is why we are introducing an amendment to the Economic Stabilization Act today.

Very simply, this bill proposes to amend the Economic Stabilization Act to mandate the President, acting through the Council, to:

First, permit all classes of marketers of petroleum products at all levels a dollar-for-dollar passthrough for increases in the cost of petroleum products; and

Second, apply the same base period for the establishment of any limitation on the markup, margin, or posted price on petroleum marketers at all levels of distribution.

The legislation would focus on the petroleum industry only and on the particular inequities in the Council's regulations. The bill would not dictate to the Council what basic kind of price control structure it should establish.

All this bill would require is a fundamental equity for all levels in the petroleum chain. Congress has taken such even-handedness for granted in the past. Apparently it has taken too much for granted.

Earlier this year, there were about 20,000 independent gasoline marketers in this country. The predatory practices of the majors with the administration's acquiescence have reduced their numbers by thousands. The administration refused to lift the oil import quotas until April. There has also been ample evidence to suggest possible antitrust violations by the majors; yet the administration has refused to act to enforce the antitrust laws. The administration has refused to promulgate a needed and promised mandatory allocation program for all petroleum products, except propane.

And now the administration has decreed phase IV. I hope the Council will move to revise its ill-conceived regulations. If it does not, Congress must act.

Congress must also act to prevent circumvention of the price stabilization program. The problem of reduced competition is aggravated when oil companies turn to exports to take advantage of higher prices abroad and avoid price restraints at home. Recent imports indicate that oil companies are beginning to ship heating oil overseas. Since there are no restrictions on the prices U.S. sellers can charge foreign buyers, the U.S. oil companies undoubtedly find it to their advantage to sell abroad.

Such action is intolerable. It makes a mockery of our attempts to increase oil resources and assure adequate supplies at reasonable prices. Shortages in this country will increase as long as oil companies can continue to enjoy expanded profits by selling abroad. We must not stand silent while that happens.

In part, the problem is attributable to the unreasonable price regulations I have described. Faced with frozen domestic selling prices and increased costs of production, oil producers seek higher profits in whatever way they can. Higher foreign prices are an attractive source of relief.

That is why both problems must be dealt with together. Regulations must be reasonable, but while they are in effect price restraint must be enforced. It makes no sense to erect a price stabilization program and then permit oil companies to evade it by shipping their products abroad to take advantage of higher prices. Aggravated shortages at home would put increasingly intolerable pressures on prices.

The bill which I introduced with Senator McINTYRE yesterday addresses this problem. Prohibiting the export of petroleum products while price controls under the Economic Stabilization Act are in effect will strengthen the price stabilization effort. Action on this front, as well as on the bill introduced today, is thus essential.

I ask unanimous consent that the text of the bill introduced today be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2453

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembed, That section 203 of the Economic Stabilization Act of 1970 is amended by adding at the end thereof the following new subsection:

"(k) In exercising the authority conferred by this section with respect to petroleum products, the President shall—

"(1) permit all classes of marketers of petroleum products at all levels of distribution a dollar-for-dollar passthrough for increases in the cost of such products; and

"(2) apply the same base period for the establishment of any limitation on the markup, margin, or posted price for all classes of petroleum marketers at all levels distribution."

By Mr. HUMPHREY (for himself, Mr. McGEE, Mr. MONTOYA, Mr. MOSS, Mr. ALLEN, Mr. MONDALE, and Mr. GRAVEL):

S. 2454. A bill to assure an adequate flow of consumer savings into the home finance market by establishing rate ceilings on time deposits of less than $100,000. Referred to the Committee on Banking, Housing and Urban Affairs.

EMERGENCY HOME FINANCE ACT

Mr. HUMPHREY. Mr. President, today I am introducing legislation to assure the continuation of an adequate flow of consumer savings into the home finance market by imposing an interest rate ceiling on certificates of deposit.

This bill would require the Federal banking agencies to impose a rate ceiling on all consumer savings deposits or certificates of deposit at banks, savings, and loans and mutual savings banks, not to exceed 6¾ percent. It would also require that a reasonable differential be established between the savings rates permitted for thrift institutions whose investments are devoted to long-term housing loans, and the commercial banks which have much broader and more flexible investment powers.

Prior to July 5, rate ceilings were imposed on certificates for all categories of consumer savings. However, on that date the Federal banking agencies created a new, ceiling-free certificate category with 4-year maturities and requiring just $1,000 minimum deposits. The result of this ill-conceived action has been a disastrous interest rate war—precisely the danger our rate control policies were designed to prevent—that has thrown our home financing system into chaos and worked a serious hardship on many Americans who find themselves locked out of the housing market.

There is an urgent need for Congress to reimpose a rate limit and restore order in the consumer saving market. Savings and loans will have approximately $10 billion in savings certificates maturing in the fourth quarter of this year—with a large portion of this massive figure falling due in the traditional quarterly reinvestment period beginning October 1. As these certificates mature, commercial banks' advertising of consumer savings certificates at 8 and 9 percent will pose a serious threat to the continued vitality of the savings and loan business—the principal source of mortgage credit in this Nation. We know this because of the experience in cities such as New Orleans where banks promoting 8½ percent consumer CD's gained $30 million in these certificates in approximately 2 weeks in late July while S. & L.'s lost an identical amount in savings.

While the Federal Reserve and other agencies restricted super-rate, ceiling-free CD's at commercial banks to 5 percent of their time and savings deposits on July 26, in a much ballyhooed move, this 5 percent potential is a very significant amount.

Commercial banks hold over $350 billion in time and savings deposits. Technically, this means they could attract over $17.5 billion in consumer CD's—most of which would come from savings and loan accounts. For example, one of the largest banks in Chicago is blanketing the Chicago savings market with 9 percent consumer CD's advertising. The large Chicago banks alone have over $15 billion in time and savings deposits. When the reinvestment period begins, the savings and loan CD's will be converted to commercial banks CD's. Thus, in just a matter of days, the large commercial banks could attract $750 million from savings and loans in Chicago alone—and still comply with the 5 percent limit. And, this does not take into consideration the time deposit growth potential of smaller banks in that metropolitan area.

Figures recently released by the Federal Reserve Board and the Federal Home Loan Bank Board show that the Nation's savings and loan associations lost $313 million in July, their first net outflow since January 1970. At the same time, the country's 328 largest commercial banks gained $510 million in consumer sized savings deposits in the 8-week period ending August 22.

If Congress does not act on this immediate threat to housing and home finance, there are still more severe problems on the horizon. High interest rates have not yet "peaked," and the prime rate may go to 10 percent soon. With the quarter beginning January 1, savings and loan associations will have an additional $20 billion in certificates maturing. Savings and loans, with gross earnings from mortgage holdings at about 7.2 percent of assets and operating expenses of about 1.1 percent, obviously cannot match the 8 percent and 9 percent interest being advertised by commercial banks. And, if you want to pay the savings customer 9 percent for his certificates, then you should face up to the fact that the home borrower then must pay 10 percent for his mortgage.

It may be argued that without these high rate CD's, many savers will abandon thrift institutions to invest in Government obligations. That may well be—but two things should be pointed out. First of all, commercial banks are the main competitors with savings and loans for consumer savings. Second, those sophisticated investors wanting to "play" the Government securities markets will do so anyway—since the Treasury and Federal agency rates are much more attractive and available for not only short-term but long-term securities as well. To the extent that consumer savings go into Government securities, it may help to reduce those rates. In the meantime, the Congress should—and must—cool off the cutthroat rate competition now going on between financial institutions.

The barrage of superrate advertising and promotion for the consumer saver by commercial banks endangers our home financing system and creates financial chaos—to the detriment of American consumers. It must be stopped before literally billions of dollars are withdrawn from savings and loans and other thrift institutions and from investment in long-term home mortgages.

The average home owner cannot afford to pay 9 percent or 10 percent interest on his mortgage. Interest rate costs are passed on to the Federal Government or the consumer in one way or another. The elimination of any ceiling on consumer certificates of deposit has proved to be disastrous and I can tell you, without qualification, that if we do not do something very soon we may experience a major financial crisis in this country. Home financing will be virtually halted and interest rates will skyrocket even higher than they are today.

The facts are here for everyone to see. We are on notice of an impending crisis and we must act promptly.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2454

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board shall, in exercising the authority given to each under the Act of September 21, 1966 (Public Law 89–597), as amended, to prescribe rules governing the payment of interest or dividends on deposits, shares or withdrawable accounts that may be paid by any depositary institution as defined in Section 2(b) of the Act of August 16, 1973 (Public Law 93–100), limit the rates of interest or dividends which may be paid by such institutions on time deposits in amounts of less than $100,000 so that (i) the rate of interest or dividends payable on such deposits may not exceed 6¾% per annum and (ii) the rate of interest payable on such deposits held by an insured bank or any State bank (each as defined in Section 3 of the Federal Deposit Insurance Act) shall be limited by an appropriate differential below 6¾% for each class or category of deposit comparable to those issued and held by any depositary institution other than an insured bank or State bank.

By Mr. TUNNEY:

S. 2455. A bill to amend title 28, United States Code, to change the age and service requirements with respect to the retirement of justices and judges of the United States. Referred to the Committee on the Judiciary.

Mr. TUNNEY. Mr. President, I send to the desk for appropriate reference a companion bill to H.R. 3324—introduced by Congressman CHARLES WIGGINS of California—to change the age and service requirements with respect to the retirement of justices and judges of the United States. On April 6, 1973, H.R. 3324 was approved by the Judicial Conference of the United States which was set up by statute to administer the court system.

At the present time, judges can only retire if they reach 65 years of age and have served 15 years or have reached the age of 70 and have served 10 years. There is no provision for retirement between the ages of 65 and 70.

My bill would retain the age 65/15 years' service and the age 70/10 years' service retirement provisions, but would add provisions to allow retirement at age 66 with 14 years' service, age 67 with 13 years' service, age 68 with 12 years' service and age 69 with 11 years' service. Thus, a judge who would have 1 year less than the required 15 years' service at age 65 need not wait until he is 70 to retire but could retire within a year.

The reasons for introducing this legislation are three-fold:

First, it should prove an incentive for judges in the 65–70 age bracket to retire and make room for younger, more energetic individuals who may bring new life into the Federal judiciary;

Second, it should help to reduce backlogs by increasing the number of senior judges available to contribute part or full time. Such judges would not use courtroom space and would be less in need of supporting personnel; and

Third, it should help to lure well qualified individuals in their middle or late 50's into the Federal judiciary by enabling them, in many cases, to retire before age 70.

At this point, I ask unanimous consent to have the text of the bill placed in the RECORD.

There being no objection the bill was ordered to be printed in the RECORD as follows:

S. 2455

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 371(b) of title 28, United States Code, is amended to read as follows: "Any justice or judge of the United States appointed to hold office during good behavior may retain his office but retire from the regular active service—

"(1) after attaining the age of seventy years and after serving at least ten years continuously or otherwise;

"(2) after attaining the age of sixty-nine years and after serving at least eleven years continuously or otherwise;

"(3) after attaining the age of sixty-eight years and after serving at least twelve years continuously or otherwise;

"(4) after attaining the age of sixty-seven years and after serving at least thirteen years continuously or otherwise;

"(5) after attaining the age of sixty-six years and after serving at least fourteen years continuously or otherwise; or

"(6) after attaining the age of sixty-five years and after serving at least fifteen years continuously or otherwise."

By Mr. STEVENS:

S. 2456. A bill to permit all compensation paid at regular rates to certain employees of the Alaska Railroad to be included in the computation of their civil service retirement annuities. Referred to the Committee on Post Office and Civil Service.

Mr. STEVENS. Mr. President, today I am introducing a bill that will allow all compensation at regular rates to be used in figuring civil service retirement annuities for train and enginemen of the Alaska Railroad.

Under the present method of civil service compensation, hours worked in excess of 40 hours per week are not subject pay for retirement purposes. However, the train and enginemen of the Alaska Railroad are paid under the mileage system in which a 12½-mile run equals 1 hour of pay.

Because of the system, the train and enginemen make comparable salary but in many cases must work more than 40 hours a week to do so. By using the 40 hours to figure subject pay, for retirement purposes, these men are being deprived of their right to a proper retirement annuity.

Mr. President, my bill will rectify this situation and allow the train and enginemen to receive proper credit of their wages toward retirement benefits.

I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2456

Be it enacted by the Senate and House of Representatives of the United States of America is Congress assembled, That paragraph (3) of section 8331 of title 5, United States Code, is amended—

(1) by striking out the word "and" at the end of subparagraph (B) (ii);

(2) by inserting the word "and" at the end of subparagraph (C);

(3) by inserting immediately after subparagraph (C) the following new subparagraph:

"(D) all compensation paid at straight time, regular rates and received by an employee of the Alaska Railroad who is paid under a dual system based on both hours and mileage;" and

(4) by striking out the phrase "subparagraphs (B) and (C)" and inserting in lieu thereof the following: "subparagraphs (B), (C), and (D)".

By Mr. MAGNUSON (for himself and Mr. Cotton) (by request):

S. 2457. A bill to amend the Communications Act of 1934, as amended, to permit the Federal Communications Commission to grant radio station licenses in the safety and special and experimental radio services directly to aliens, representatives of aliens, foreign corporations, or domestic corporations with alien officers, directors, or stockholders; and to permit aliens holding such radio station licenses to be licensed as operators. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend the Communications Act of 1934, as amended, to permit the Federal Communications Commission to grant radio station licenses in the safety and special and experimental radio services directly to aliens, representativs of aliens, foreign corporations or domestic corporations with alien officers, directors or stockholders; and to permit aliens holding such radio station licenses to be licensed as operators, and ask unanimous consent that the letter of transmittal and explanation of bill be printed in the Record with the text of the bill.

There being no objection, the letter, explanation, and bill were ordered to be printed in the Record, as follows:

Federal Communications Commission,
Washington, D.C., July 26, 1973.

The Vice President,
U.S. Senate,
Washington, D.C.

Dear Mr. Vice President: Enclosed are copies of the Commission's draft bill to amend sections 310(a) and 303(l) of the Communications Act of 1934, as amended, with an explanation.

The bill as drafted would permit the Federal Communications Commission to grant radio station licenses in the safety and special and experimental radio services directly to aliens; representatives of aliens; foreign corporations; and domestic corporations with alien officers, directors, or stockholders; and would permit aliens holding such radio station licenses to be licensed as operators. Specifically, the draft bill would

(i) retain the prohibition against any licensing of foreign governments or their representatives now contained in 310(a) (2);

(ii) retain the prohibitions now contained in 310(a) (1), (3)–(5) but make them applicable only to broadcast and common carrier radio services, rather than to all radio services;

(iii) otherwise allow the Commission to issue station licenses in the safety and special and experimental radio services;

(iv) delete the first two unnumbered paragraphs following 310(a) (5) because they will be unnecessary;

(v) delete the provision for security checks for alien amateur station authorizations in the third unnumbered paragraph following numbered paragraph (5); and

(vi) make corresponding changes in section 303(l) so that the Commission will be permitted to license aliens to operate the stations for which they have been granted a license under 310(a).

The Commission is now generally prohibited from granting licenses to aliens in any of the radio services. The legislative history at the time of enactment of this prohibition in 1934 does not appear to have contemplated denying aliens licenses in the later developed Safety and Special Radio Services, but reflects concern with those radio services such as broadcasting and common carrier which are part of the nation's communication system. We believe that authority to grant licenses to aliens in the safety and special and experimental services is consistent with the legislative history of the Act and is in the public interest. The grant of a license would, of course, be subject to the Commission's finding that the public interest, convenience and necessity would be served.

The Commission's draft bill to accomplish the foregoing objective was submitted to the Office of Management and Budget for its views. We have now been advised by that Office that from the standpoint of the Administration's program there would be no objection to the presentation of the draft bill to the Congress for its consideration.

The consideration by the Senate of the proposed amendment to the Communications Act of 1934 would be greatly appreciated. The Commission would be most happy to furnish any additional information that may be desired by the Senate or by the Committee to which this proposal is referred.

Sincerely,

Dean Burch,
Chairman.

EXPLANATION OF PROPOSED AMENDMENT TO SUBSECTIONS 310(A) AND 303(1) OF THE COMMUNICATIONS ACT OF 1934, AS AMENDED

Section 310(a) of the Communications Act of 1934, as amended, 47 U.S.C. § 310(a), is a general prohibition on the grant of radio station licenses to aliens or entities with alien interests. Specifically, 310(a) prohibits the Commission from granting licenses to individual aliens or representatives of aliens, foreign governments or their representatives, corporations organized under the laws of a foreign government, or domestic corporations of which any officer or director is an alien or of which more than one-fifth of the capital stock is owned of record or voted by aliens or their representatives or by a foreign government or its representative, or any corporation organized under the laws of a foreign country.

Nevertheless, paragraph (5) of 310(a) provides in effect for indirect licensing of a corporation with alien interests. That paragraph provides that the Commission may grant a license to any corporation which is directly or indirectly controlled by any other corporation of which any officer or more than one-fourth of the directors are aliens or of which more than one-fourth of the capital stock is owned of record by aliens or their representatives, or by a foreign government or its representatives, or by any corporation organized under the laws of a foreign government, unless the Commission finds that the public interest would be served by refusing a license.

Thus, under paragraph (5) of 310(a) those corporations barred from holding licenses in their own names may obtain the benefits of a radio station by forming a subsidiary corporation in which all officers and directors are United States citizens. This subsidiary corporation may then be granted a license to provide the communication service needed by the parent corporation.

We are proposing that section 310(a) be amended to permit the Commission to grant radio station licenses in the safety and special and experimental services to aliens or entities with alien interests. Additionally, the proposal would amend subsection 303(1) to enable an alien holding a radio station license to be licensed as the operator of the station for which he holds a license.

We believe that this proposal is consistent with the historical reasons for prohibiting alien licenses and is consistent with the overall public interest. The legislative history of section 310(a) shows clearly that the purpose of the section and its forerunner in the Radio Act of 1927 was to prevent foreign influence in the "commercial communications system" of the United States. The reasons were that the security and other interests of the United States might be adversely affected if aliens were permitted to gain control of our communication system. The entire thrust of the proponents of section 310 (a) was against alien influence in "radio companies," "communication companies," and "communication organizations." Specifically named in the hearings as "communications organizations" were American Telephone and Telegraph Company, Western Union, International Telephone and Telegraph Corporation, and Radio Corporation of America. The targets of section 310(a) were the radio, wire, or cable companies engaged in the business of communications. Hearings on S. 2910 Before the Senate Committee on Interstate Commerce, 73d Cong., 2d Sess., pp. 160, 161, 166, 167, 170 (1934); Hearings on H.R. 8301 Before the House Committee on Interstate and Foreign Commerce, 73d Cong., 2d Sess., pp. 23, 26, 32–34, 41–44, 60, 64 (1934).

Despite the general prohibition on alien licenses, Congress itself has several times recognized the need of aliens for certain radio uses outside the broadcast and common carrier fields. In 1934 when it enacted the Communications Act, Congress included an exception which permitted the Commission to license "radio apparatus on board any vessel, aircraft, or other mobile station of the United States when the installation and use of such apparatus is required by Act of Congress or any treaty to which the United States is a party."

In 1958 Congress amended the Act to add another exception to the prohibition on alien licenses. Concern with air safety prompted the Congress to permit the Commission to license aircraft stations to aliens who hold United States pilot certificates or a foreign pilot certificate which is valid in the United States by reciprocal agreement.

And, in 1971, the Congress amended the Act to permit licensing in the amateur radio service of aliens who have filed a declaration of intention to become a citizen of the United States.

Meanwhile, since the 1934 enactment of the general prohibition on aliens holding licenses, many additional uses of radio have developed and have been found by the Commission to be in the public interest. In many instances, a radio license is a necessary or desirable adjunct to other endeavors. These accessory or incidental uses of radio can properly be considered an integral part of the conduct of much industry and commerce in the United States. For example, railroads, taxicabs, manufacturers, oil producers and distributors, utility companies, pipe lines, truckers, construction companies, the mining industry, the forestry industry, consumer service companies, retailers, farmers, ranchers, and the marine industry find that radio is necessary for efficient and safe operation of the primary business.

These businesses are not "communication organizations" and are not part of the "commercial communications system" of the United States which section 310 was intended to protect, and the private use of radio incidental to these businesses does not threaten control of the communications system of the United States. Nevertheless, the general prohibition on licensing alien interests prevents the Commission from licensing aliens for these uses although these aliens meet the standards for admission into the United States and are lawfully employed in noncommunication businesses.

We believe that where aliens are admitted to this country and are permitted to carry on business activities in this country, it is consistent with the public interest that they also have available the same protection of life and property and increased efficiency that radio provides citizens engaged in the same kinds of enterprise.

We recognize that section 310(a)(5) mitigates the absolute ban prescribed in paragraphs (1)–(4) of 310(a) with respect to otherwise ineligible corporations that have the resources to establish a subsidiary corporation that meets the requirements of the law. In fact, use of this device is not uncommon. Competitive necessity for the use of radio in various business activities has led ineligible corporations to set up subsidiary corporations solely for the purpose of obtaining a radio station license and then providing communications service to the parent corporation.

These subsidiary corporations providing communications services to an ineligible corporation are now operating under licenses issued by the Commission because the Commission under the terms of 310(a)(5) determined that the public interest would not be served by a refusal of the license.

The Commission believes this limited permission in 310(a)(5) is inherently unfair to the small corporation without the resources or know-how to avail itself of this procedure and to the partnership or individual entrepreneur to whom this procedure is not available. The need for the license is independent of the size or the form of an organization. In addition, there is a needless expense and burden upon the corporations which are able to avail themselves of the provisions of paragraph (5) of section 310(a). The direct licensing of aliens in these safety, special and experimental services seems far preferable to the existing statutory scheme.

We think also that there are substantial reasons for permitting aliens to have licenses to use radios in all of the safety and special services established by the Commission and not just in those which are industry-oriented. In both the aviation and marine radio services, the underlying need for radio for safety purposes is present without regard to citizenship. Citizens radio may be used not only for business purposes, but also in motor vehicles and aboard pleasure boats for substantial messages. The Commission, effective July 1970, reserved citizens radio Channel 9 exclusively for emergency communications or communications necessary to assist a motorist. The availability of a citizens radio license to an alien can benefit not only the alien but also the general public because the licensed alien would then be able to summon aid in an emergency situation. In addition, radio is a safety factor as well as a convenience in such activities as hunting, fishing, camping and hiking.

Similar considerations apply to the amateur service as a voluntary noncommercial communication service that fosters technical contributions to the advancement of the radio art and international goodwill and has often proved invaluable during emergencies.

Since 1964 alien amateurs have been permitted under section 310(a) to operate their amateur radio stations in this country under reciprocal agreements. Under this procedure, alien amateurs licensed by countries with whom we have reciprocal licensing agreements, may obtain authority to operate in the United States, usually without the necessity of passing our amateur examination. Our proposal would retain the reciprocal authorization arrangement now provided for in the penultimate paragraph of current section 310(a).

If our proposal to permit licensing aliens in the safety and special and experimental services is adopted, and if we deleted the reciprocal authorization arrangement from section 310, those alien amateurs would be required to take examinations prior to obtaining authority to operate here. Language difficulties and other problems might make the examination an insurmountable barrier to many aliens. Their inability to obtain authorizations here might result in reciprocal action against United States amateurs seeking authority to operate their stations in those foreign countries. Since the exception also benefits United States amateurs in foreign countries, we believe it is desirable to retain this reciprocal arrangement. In this way an alien amateur could seek authorization here either under the reciprocal authorization provision or as a regular applicant. On the other hand, alien amateurs from countries with whom we do not have a reciprocal agreement would have to apply in the regular manner and would, for the first time, be eligible and not barred by virtue of their alien status.

Our experience in issuing licenses to corporations and to pilots and in issuing authorizations to alien amateurs on a reciprocal basis under 310(a) and our knowledge of the kinds of service for which we are proposing that aliens be eligible indicate that the use of radio in the safety, special and experimental services will not raise security problems. We are unaware of any security problem which has resulted from the alien operations which the Commission has permitted under the existing exceptions to 310(a). The radio facilities authorized in the safety and special services, with the exception of ship, certain coast, amateur and certain aeronautical land stations, are generally limited to relatively short-range communications. In addition, almost all frequencies used by these stations are shared with others and are monitored by other licensees who wait for their turn to use them. There is thus little, if any, secrecy afforded transmissions. It seems doubtful that anyone would attempt to use such shared frequencies to breach the national security or indeed that anyone intent upon such a use would be inhibited by the lack of a license.

Moreover, aliens permitted to enter the United States are screened for security before they are granted visas. Accordingly, our proposal does not include any procedures for security checks on alien applicants. For the same reasons, we propose deletion of the current requirement that this Commission notify appropriate other agencies of the Government of the receipt of an application for an alien amateur authorization and afford them the opportunity of furnishing us with any information bearing on the national security. After seven years of experience operating under these procedures, we have found that they are cumbersome and time-consuming, as well as unnecessary. We believe that the general permission we are proposing will present no problems since, under the public interest mandate of the Communications Act, the Commission would retain the flexibility to deny any license application if the public interest so required.

Most of the safety and special radio services require only a station license and not a separate operator license. However, for several categories of stations, such as ship stations and aircraft stations, the station must be licensed and the operator also must have an operator license. Our purpose in proposing authority to grant station licenses would be substantially thwarted if an alien could obtain a station license but then was barred from obtaining a license to operate it solely because he was an alien. Under our proposal, aliens who are authorized to have radio station licenses would be eligible to have the operator license required to operate the station. Aliens who are not station licensees would not be eligible for operator licenses.

It should be noted that although the proposal revises section 310(a) in toto, it effects substantive changes only in the respects discussed above and does not affect the prohibition on grants of licenses to aliens in the broadcast or common carrier services. The exceptions which permit licenses (the first, second and fourth unnumbered paragraphs immediately following numbered paragraph (5) in existing section 310(a)) no longer need to be stated because they do not fall within the prohibitions in the proposed language and will therefore be permitted.

In sum, the Commission believes that the public interest would be served by adoption of the proposed amendment. We believe further that this can be done consistent with existing Congressional policy in this area and with the needs of national security.

S. 2457

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (1) of section 303 of the Communications Act of 1934, as amended (47 U.S.C. 303(1)), is amended by deleting paragraphs (2) and (3) and inserting the following:

"(2) Notwithstanding paragraph (1) of this subsection, an individual to whom a radio station is licensed under the provisions of this Act may be issued an operator's license to operate that station.

"(3) In addition to amateur operator licenses which the Commission may issue to aliens pursuant to paragraph (2) of this subsection, and notwithstanding section 301 of this Act and paragraph (1) of this subsection, the Commission may issue authorizations, under such conditions and terms as it may prescribe, to permit an alien licensed by his government as an amateur radio operator to operate his amateur radio station licensed by his government in the United States, its possessions, and the Commonwealth of Puerto Rico provided there is in effect a bilateral agreement between the United States and the alien's government for such operation on a reciprocal basis by United States amateur radio operators. Other provisions of this Act and of the Administrative Procedure Act shall not be applicable to any request or application for or modification, suspension, or cancellation of any such authorization."

SEC. 2. Section 310 of the Communications Act of 1934, as amended (41 U.S.C. 310), is amended by deleting subsection (a), redesignating subsection (b) as subsection (d) and inserting the following new subsections (a), (b), and (c):

"(a) The station license required under this Act shall not be granted to or held by any foreign government or the representative thereof.

"(b) No broadcast or common carrier radio station license shall be granted to or held by—

"(1) any alien or the representative of any alien;

"(2) any corporation organized under the laws of any foreign government;

"(3) any corporation of which any officer or director is an alien or of which more than one-fifth of the capital stock is owned of record or voted by aliens or their representatives or by a foreign government or representative thereof or by any corporation organized under the laws of a foreign country;

"(4) any corporation directly or indirectly controlled by any other corporation of which any officer or more than one-fourth of the directors are aliens, or of which more than one-fourth of the capital stock is owned of record or voted by aliens, their representatives, or by a foreign government or representatives thereof, or by any corporation organized under the laws of a foreign country, if the Commission finds that the public interest will be served by the refusals or revocation of such license."

(c) In addition to amateur station licenses which the Commission may issue to aliens pursuant to this Act, the Commission may issue authorizations, under such conditions and terms as it may prescribe, to permit an alien licensed by this government as an amateur radio operator to operate his amateur radio station licensed by this government in the United States, its possessions, and the Commonwealth of Puerto Rico provided there is in effect a bilateral agreement between the United States and the alien's government for such operation on a reciprocal basis by United States amateur radio operators. Other provisions of this Act and of the Administrative Procedure Act shall not be applicable to any request or application for or modification, suspension, or cancellation of any such authorization.

By Mr. MAGNUSON (for himself and Mr. COTTON) (by request):

S. 2458. A bill to amend the Interstate Commerce Act and related statutes, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend the Interstate Commerce Act and related statutes and for other purposes, and ask unanimous consent that the letter of transmittal be printed in the RECORD with the text of the bill.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, D.C., August 9, 1973.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce, U.S. Senate, Washington, D.C.
Hon. HARLEY O. STAGGERS,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D.C.

GENTLEMEN: Attached for your consideration and introduction is a draft bill which would amend sections 12(1), 204(a)(6), 304(a) and 403(a) of the Interstate Commerce Act, so as to enable the Commission to exempt certain transportation from regulation upon a finding that the regulation is not necessary in order to effectuate the National Transportation Policy and regulation would serve little or no public purpose.

We disapprove of regulation for the sake of regulation and believe that the transportation modes under our jurisdiction should be subject to the restraints of the Interstate Commerce Act only to the extent that regulation furthers the National Transportation Policy. The statute, however, does not provide the Commission with a means of exempting specific services or transportation from the Act's requirements. Consequently, we are forced to exact compliance with franchise, rate and other regulatory provisions from all carriers. This unnecessary regulation places a burden upon the Commission, the carriers, and, in some instances, the public.

For example, the interstate motor movement of such commodities as homing pigeons would appear to be of such a nature, character, or quantity that its exemption from certain regulatory requirements would not hinder the effectuation of the National Transportation Policy or affect the welfare of regulated transportation. Likewise, the exclusion from interstate regulation of local mass transit motor bus operations conducted within precisely defined territorial limits would in certain circumstances appear to have little or no effect upon uniform regulation of that segment of the for-hire industry.

While individual and specific legislative recommendations could be submitted from time to time with respect to each commodity or transportation service found by this Commission to be susceptible of statutory exemption, we believe that enactment of the proposed general exempting power is in the best interests of all concerned. Not only would such authority relieve the Commission and the affected carriers of what seems to be an undue regulatory burden but also would tend to free the Congress of much of the legislative workload that would be encountered by a piecemeal approach. As an example, such authority probably would have eliminated the need for the recently enacted law partially exempting from regulation the emergency transportation of accidentally wrecked or disabled motor vehicles. Additionally, the recommended authority would result in increased flexibility, since any exemption created thereunder would be subject to continuous administrative review and to repeal or modifications upon a finding of changed circumstances. Accordingly, we propose that sections 12(1), 204(a) (6), 304(a), and 403(a) of the Act be amended so as to enable us, after notice and opportunity for hearing, to establish exemption from its requirements.

We would be grateful for the prompt introduction and enactment of the enclosed legislation.

Sincerely yours,
GEORGE M. STAFFORD, *Chairman.*

S. 2458

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

SEC. 1. Section 12 of the Interstate Commerce Act (49 U.S.C. 12(1)) is amended by adding a subparagraph "(a)" thereto to read as follows:

"12(1) (a) Whenever the Commission, upon its own motion or upon application of any interested party, determines that the requirements of this Part, in whole or in part, to any person or class of persons or to any services or transportation performed under this Part is not necessary in order to effectuate the National Transportation Policy declared in this Act or to effective regulations by the Commission thereunder, and would serve little or no useful public purpose, it shall by order exempt such person or class of persons or such services or transportation from the provisions of this Part for such period of time as may be specified in such order. The Commission may by order revoke any such exemption whenever it shall find that the subjugation of the requirements of this Part, in whole or in part, to the exempted person or class of persons or exempted services or transportation is necessary to effectuate the National Transportation Policy and to achieve effective regulation by the Commission and would serve a useful public purpose. No such exemption shall be denied or revoked except after notice and reasonable opportunity for hearing."

SEC. 2. Section 204(a) (6) of the Interstate Commerce Act (49 U.S.C. 304(a)(6)) is amended by adding subparagraph "(1)" to read as follows:

"204(a) (6) (1) Whenever the Commission, upon its own motion or upon application of any interested party, determines that the requirements of this Part, in whole or in part, to any person or class of persons or to any services or transportation performed under this Part is not necessary in order to effectuate the National Transportation Policy declared in this Act or to effective regulation by the Commission thereunder, and would serve little or no useful purpose, it shall by order exempt such person or class of persons or such services or transportation from the provisions of this Part for such period of time as may be specified in such order. The Commission may by order revoke any such exemption whenever it shall find that the subjugation of the requirements of this Part, in whole or in part, to the exempted person or class of persons or exempted services or transportation is necessary to effectuate the National Transportation Policy and to achieve effective regulation by the Commission and would serve a useful public purpose. No such exemption shall be denied or revoked except after notice and reasonable opportunity for hearing."

Sec. 3. Section 304(a) of the Interstate Commerce Act (49 U.S.C. 904(a)) is amended by adding subparagraph "(1)" thereto to read as follows:

"304(a)(1) Whenever the Commission, upon its own motion or upon application of any interested party, determines that the requirements of this Part, in whole or in part, to any person or class of persons or to any services or transportation performed under this Part is not necessary in order to effectuate the National Transportation Policy declared in this Act or to achieve effective regulation by the Commission thereunder, and would serve little or no useful public purpose, it shall by order exempt such person or class of persons or such services or transportation from the provisions of this Part for such period of time as may be specified in such order. The Commission may by order revoke any such exemption whenever it shall find that the subjugation of the requirements of this Part, in whole or in part, to the exempted person or class of persons or exempted services or transportation is necessary to effectuate the National Transportation Policy and to achieve effective regulation by the Commission and would serve a useful public purpose. No such exemption shall be denied or revoked except after notice and reasonable opportunity for hearing."

Sec. 4. Section 403(a) of the Interstate Commerce Act (49 U.S.C. 1003(a)) is amended by adding a subparagraph "(1)" thereto to read as follows:

"403(a)(1) Whenever the Commission, upon its own motion or upon application of any interested party, determines that the requirements of this part, in whole or in part, to any person or class of persons or to any services or transportation performed under this part is not necessary in order to effectuate the national transportation policy declared in this Act or to effective regulation by the Commission thereunder, and would serve little or no useful public purpose, it shall by order exempt such person or class of persons or such services of transportation from the provisions of this part for such period of time as may be specified in such order. The Commission may by order revoke any such exemption whenever it shall find that the subjugation of the requirements of this part, in whole or in part, to the exempted person or class of persons or exempted services or transportation is necessary to effectuate the national transportation policy and to achieve effective regulation by the Commission and would serve a useful public purpose. No such exemption shall be denied or revoked except after notice and reasonable opportunity for hearing."

By Mr. MAGNUSON (for himself and Mr. Cotton) (by request):

S. 2459. A bill to amend section 20(5) of the Interstate Commerce Act and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend section 20(5) of the Interstate Commerce Act and for other purposes, and ask unanimous consent that the letter of transmittal be printed in the Record with the text of the bill.

There being no objection, the letter and bill were ordered to be printed in the Record, as follows:

Interstate Commerce Commission,
Washington, D.C., August 9, 1973.
Hon. Warren G. Magnuson,
Chairman, Committee on Commerce, U.S. Senate, Washington, D.C.
Hon. Harley O. Staggers,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D.C.

Gentlemen: Submitted for your consideration is a draft bill which would amend section 20(5) of the Interstate Commerce Act, 49 U.S.C. 20(5), to clarify the power of the Interstate Commerce Commission to inspect and copy all books and records of carriers regulated by it, including such items as the carriers' financial forecasts. Because the amendment is of some urgency, we request that the Congress consider this matter separately from the other legislative proposals we have submitted.

Our recent efforts to obtain rail revenue forecasts commenced three years ago in response to a request from Senator Hartke to supply his Subcommittee with a list of marginal railroads based on our analysis of the carriers' anticipated earnings. On September 4, 1970, we wrote to the Burlington Northern's chief accountant questioning the apparent practice of that carrier in declaring dividends in excess of earnings. In order to determine Burlington Northern's financial condition, we repeatedly requested the carrier's income and cash flow forecasts for 1970 and 1971. Lengthy litigation subsequently resulted when the Burlington Northern declined to comply with the Commission's request.

On December 22, 1970, in *Burlington Northern, Inc.* v. *Interstate Commerce Commission*, 323 F. Supp. 273, the District Court ruled in favor of the railroad's position that section 20(5), as presently worded, does not authorize the Commission to inspect income and cash flow forecasts of the carriers. On January 31, 1972, the United States Court of Appeals upheld the lower court's decision (462 F. 2d 280(1972)). A writ of certiorari to the Supreme Court was denied (409 U.S. 891(1972)), thereby creating the need for the attached legislation.

The draft bill would clarify the Commission's jurisdiction and have the effect of overturning the decisions of the courts by making an addition to the second sentence of section 20(5), so that the sentence would read (the added language underlined):

The Commission or any duly authorized special agent, accountant, or examiner thereof shall at all times have authority to inspect and copy any and all accounts, books, records, memoranda, correspondence, and other documents, of such carriers, lessors, and associations, *whether or not related to their prescribed or authorized accounting and corporate records*, and such accounts, books, records, memoranda, correspondence, and other documents, of any person controlling, controlled by, or under common control with any such carrier, as the Commission deems relevant to such person's relation to or transactions with such carrier.

It is our belief that free access to carrier budgeting and forecasting information is essential in order for us to perform our regulatory obligations under the Interstate Commerce Act and related statutes. For example, one of our present responsibilities is to keep the Congress informed of the financial condition of the major railroads and other carriers subject to regulation, particularly those in financial difficulty. Without any knowledge of future plans affecting the carrier, a proper determination of its continued viability is next to impossible. As was stated by the House Appropriations Committee on page 30 of their Report on *Department of Transportation and Related Agencies Appropriations Bill, 1973*, "The Committee is concerned with the financial conditions of the railroads, especially those controlled by the so-called conglomerates. Reports indicate that a few of these holding companies have depleted carrier assets to the point that the carrier is incapable of providing essential transportation services. The budget included an increase of six positions for the financial oversight program. In order to provide the Commission with the staffing necessary to maintain an adequate examination program of these companies, the Committee recommends that 18 of the additional positions be devoted to this activity."

The following is a list of other specific requirements and problem areas that further demonstrate our needs for obtaining access to such information:

To support the basis of equalization of maintenance expenses by the carrier. Since equalization accounting is based on budgetary considerations, we need to know what the annual projections show to determine the propriety of the accounting performed. Such projections are actually the basis for the equalization of such maintenance costs.

To determine long-range plans regarding the use of carrier funds.

To determine proposed uses of carrier assets in non-carrier activities that might adversely affect a carrier's financial status.

To compare long-range dividend plans and related cash needs.

To provide advance notice of possible reorganization proposals that would tend to weaken the carrier.

To analyze long-range financing needs, and a carrier's ability to meet long-term debt obligations when due.

To determine the propriety of charges to be assessed against a carrier by its parent or affiliates in the future.

To provide insight into management's outlook toward a carrier, such as, whether resources are to be used to improve the carrier's ability to seve the public, or to finance diversified activities.

To determine the effect of expansion or retrenchment programs, such as possible deferral of maintenance.

To gauge the effect of income projections on present accounting practice, which is important in understanding current accounting decisions and in detecting possible manipulation of income.

To determine the effect on a carrier of proposed inter-company transactions, including the transfer of assets to other members of a conglomerate group.

The foregoing listing is not intended to be all-inclusive; however, it does indicate some of the more important reasons for us to have access to such information.

Congress also is aware of our need for such information and in the Senate Commerce Committee's Staff Study, "The Penn Central and Other Railroads," it was recommended that such disclosures be made in the future. That report stated, "The Commission should require annual reporting of forecasted sources and uses of funds, for example, for a future one year period. Such information would aid the Commission in spotting problems before a crisis develops and before hurried poorly reasoned temporary expedients are forced by events.[1]" We wholeheartedly agree.

Enactment of the enclosed legislation will, in our belief, give us authority commensurate with our responsibilities and, therefore, we urge that the draft bill be favorably considered.

Sincerely yours,
George M. Stafford, *Chairman*.

S. 2459

Be it enacted by the Senate and House of Representatives of the United States of

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[1] "The Penn Central and Other Railroads," A Report to the Senate Committee on Commerce (December, 1972)—p. 190.

America in Congress assembled, That section 20(5) of the Interstate Commerce Act (49 U.S.C. 20(5)) is amended by striking out the entire paragraph and inserting in lieu thereof

"(5) The Commission may, in its discretion, prescribe the forms of any and all accounts, records, and memoranda to be kept by carriers and their lessors, including the accounts, records, and memoranda of the movement of traffic, as well as of the receipts and expenditures of moneys, and it shall be unlawful for such carriers or lessors to keep any accounts, records, and memoranda contrary to any rules, regulations, or orders of the Commission with respect thereto. The Commission or any duly authorized special agent, accountant, or examiner thereof shall at all times have authority to inspect and copy any and all accounts, books, records, memoranda, correspondence, and other documents, of such carriers, lessors, and associations, whether or not related to their prescribed or authorized accounting and corporate records, and such accounts, books, records, memoranda, correspondence, and other documents, of any person controlling, controlled by, or under common control with any such carrier, as the Commission deems relevant to such person's relation to or transactions with such carrier. The Commission or its duly authorized special agents, accountants, or examiners shall at all times have access to all lands, buildings, or equipment of such carriers or lessors, and shall have authority under its order to inspect and examine any and all such lands, buildings, and equipment. Such carriers, lessors, and other persons shall submit their accounts, books, records, memoranda, correspondence, and other documents for the inspection and copying authorized by this paragraph, and such carriers and lessors shall submit their lands, buildings, and equipment to inspection and examination, to any duly authorized special agent, accountant, or examiner of the Commission, upon demand and the display of proper credentials.

By Mr. MAGNUSON (for himself and Mr. COTTON) (by request):

S. 2460. A bill to amend the Interstate Commerce Act, to grant additional authority to the Interstate Commerce Commission regarding conglomerate holding companies involving carriers subject to the jurisdiction of the Commission and noncarriers, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend the Interstate Commerce Act, to grant additional authority to the Interstate Commerce Commission regarding conglomerate holding companies involving carriers subject to the jurisdiction of the Commission and noncarriers, and for other purposes, and ask unanimous consent that the letter of transmittal be printed in the RECORD with the text of the bill.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, D.C., August 9, 1973.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce, U.S. Senate, Washington, D.C.

Hon. HARLEY O. STAGGERS,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D.C.

GENTLEMEN: For a number of years it has been apparent that there is a trend for conglomerate holding companies and other noncarriers to assume control of carriers subject to this Commission's jurisdiction and for the carriers thmselves to enter other fields. The possibility that this trend might ultimately result in a weakened common carrier system incapable of responding to the needs of the public has caused great concern in both the governmental and private sectors.

The entire question of conglomerates achieved national prominence following the bankruptcy of the Penn Central Transportation Company and this Commission's Testimony at Oversight Hearings held before the Subcommittee on Surface Transportation of the Senate Committee on Commerce on June 23, 1970. The conglomerate question was also raised during hearings on Railroad Loan Guarantee Legislation held before the House Interstate and Foreign Commerce Committee on June 25, 1970, and the Senate Committee on Commerce on July 8, 1970.

The Commission is increasingly concerned that the indiscriminate acquisition of transportation enterprises by holding companies having little or no interest in the performance of needed services for the shipping or traveling public may be inimical to the public interest. Similarly, the employment by carriers of the device of establishing a parent company to escape Commission jurisdiction also causes concern since it may serve to impair their ability to render efficient and economical services. We are also aware, however, of the potential benefits that corporate diversification can provide.

The Commission has, therefore, undertaken to draft a bill which we believe would provide us with the needed additional authority, and which, at the same time, would not prevent carriers from participating in profitable ventures unrelated to transportation.

The draft legislation has been written in terms that will enable the Commission to deal with major problem areas without, however, imposing undue burdens of administration upon the carriers regulated by us or our staff. This has been accomplished by limiting most of the provisions of the draft bill to railroads having operating revenues in excess of $5 million annually or to other carriers having operating revenues in excess of $1 million annually.

THE CONGLOMERATE TREND

Tables 1 through 5 show statistics for conglomerates in the railroad industry. The recent trend toward conglomerates of Class I railroads is reflected in Table 2. During 1962, two Class I railroads, the Missouri Pacific and Kansas City Southern, were acquired by parent holding companies. At that time, the two carriers' share of total Class I railroad operating revenues and ton-miles was 3.6 and 4.0 percent, respectively. By the end of 1972, fourteen roads were under the control of conglomerate companies, the affected carriers accounting for 50.2 percent of total Class I operating revenues and 50.9 percent of total ton-miles. As may be seen in the tables, the extent of "conglomeratization" was only slightly greater in 1972 than in 1969, the banner year for conglomerate formation. However, with the formation of the Chessie System, Inc., on June 15 of this year, railroads controlled by conglomerate holding companies now account for approximately two-thirds of total industry revenues and ton-miles.

The intercity bus business is dominated by two systems, Greyhound and Trailways, both controlled by firms involved in conglomerate activities—The Greyhound Corporation and Holiday Inns, Inc. Approximately 85 percent of total Class I operating revenues in the bus industry were accounted for by conglomerates in 1972. This information is reflected in Table 6.

Table 7 indicates the extent of conglomerate involvement in the trucking industry. Although acquisition activity has slowed appreciably in this area recently, it is our belief that, if an economic upturn accompanied by easier financial market conditions occurs, there will be a resulting acceleration in the conglomerate trend in the trucking industry.

QUESTIONABLE AND IMPROPER PRACTICES OF CONGLOMERATES

In recognition of this growing trend towards conglomerates, the Commission initiated a review of carriers controlled by diversified holding companies. The complexity of transactions involving intercompany relationships made these reviews exceedingly difficult. However, the Commission developed special audit procedures which were instrumental in bringing to light many intricate transactions. Among the practices uncovered by the Commission were the following:

Carrier's assets were removed through questionable dividend practices.

Spin off of carrier's valuable nontransportation assets.

Carriers required to pay special dividends to liquidate holding company loans.

Carriers required to pay dividends with highly appreciated assets.

Carriers required to obtain loan from holding company in order to finance payment of dividends back to holding company resulting in depletion of carrier's retained income and contributing to future cash problems.

Carriers' assets were removed at less than fair market value resulting in holding company profiting from appreciated value.

Carriers' assets were removed through payment of management fees, in excess of fair market values, for nonexistent or negligible services.

Carriers were denied short term investment opportunities because of holding company restrictions on its use of cash.

Carriers required to maintain excessive bank balances for holding company credit.

Carriers required to advance cash to holding company at no interest or at below market interest rates.

Carriers' costs were increased because of arbitrary billing by holding company of intercompany transactions, such as leases, rental agreements and improper allocation of expenses.

Carriers' costs were increased and their cash position weakened because of being required to pay higher Federal income taxes by holding company tax allocation methods, such as:

Carriers were not given credit for losses of their subsidiaries.

Carriers did not receive any benefits from tax losses contributed to a consolidated return; and

Carrier investment tax credits which produce a lower tax payment for the holding company were not passed down from the holding company.

Carrier management talent was diverted to non-carrier activities without compensation.

Specific examples of the above practices, some of which have been previously reported to Congress, are set forth in Appendix B.

PROPOSED LEGISLATION

In order to control these questionable practices, the Commission requests that the attached draft bill, which is reviewed below, be enacted.

Section 1 of the draft bill would confer jurisdiction upon the Commission to authorize single carrier acquisitions, limited, however, to the requirement that authorization be obtained for railroads having operating revenues in excess of $5 million annually and all other carriers having operating revenues in excess of $1 million annually.

Section 2 of the draft bill would authorize the Commission to designate a person not a carrier to be a carrier for purposes of reporting, maintaining accounts and issuing securities, as the Commission may deem appropriate, at such time as the acquisition of control is authorized by the Commission or subsequently in the cases of railroads having operating revenues in excess of $5 million annually or other carriers having operating revenues in excess of $1 million annually.

Section 3 of the draft bill would enable the Commission in its discretion to promulgate rules and regulations relating to transactions between affiliated companies and railroads having operating revenues in excess of $5 million annually and other carriers having operating revenues in excess of $1 million annually.

Section 4 of the draft bill would establish a presumption of control where any person owns 10 percent or more of the voting securities of the carrier.

Section 5 of the draft bill would enable the Commission to enter such orders as may be required, including divestiture, whenever it finds that the continued maintenance of control will impair the ability of the affected carrier to render its services.

Section 6 of the draft bill would require the recording, in the manner prescribed by the Commission, of the beneficial or record ownership by those who hold more than 1 percent of any class of stock of a railroad having operating revenues in excess of $5 million annually, or 5 percent of any other carrier having operating revenues in excess of $1 million annually.

Section 10 of the draft bill adds a proviso to section 20a(3) of the Act so that it will conform to change made in section 2 of the draft bill.

Sections 7 through 9 and 11 through 21, inclusive, of the draft bill would authorize the Commission to prescribe the accounts and reports to be rendered by persons controlling, controlled by and under common control with carriers, as well as those of the carriers themselves, and would permit the inspection of the records of such persons, as well as those of the carriers themselves.

Under separate cover, the Commission is sending a recommendation to Congress that section 20(5) of the Act be amended to allow the Commission to obtain financial forecasts from carriers. The proposal here is to be considered independently of that recommendation. If, however, Congress enacts both recommendations, a re-draft of the amendment to section 20(5) of the Act will be necessary.

Section 22 of the draft bill would make it a crime to misappropriate funds by the officials of carriers and, additionally, persons controlling, controlled by or under common control with such carriers.

Finally, section 23 of the draft bill would establish an effective date 90 days from the date of approval of the legislation.

As previously stated, the draft bill does not attempt to prevent carriers from availing themselves of profitable opportunities unrelated to transportation but rather seeks to control the flow of assets out of carriers connected with conglomerates. With such safeguards it can be noted incidentally that the carriers' position with regard to the original versus replacement cost issue in ratemaking becomes less offensive to the Commission.

These relatively new forms of corporate structure make new authority for the Commission necessary if it is to continue to perform its public duties. We, therefore, urge Congress to give this recommendation prompt and favorable consideration.

Sincerely yours,

GEORGE M. STAFFORD, *Chairman.*

Attachments.

TABLE 1.—*Major railroads controlled by holding companies and date of involvement*

Railroad—Effective Date

Kansas City Southern Ry. Co.	Jan. 29, 1962.
Missouri Pacific R.R. Co.	Dec. 31, 1962.
Illinois Central Gulf R.R. Co.	Mar. 26, 1963.
Boston & Maine Corp.	May 1, 1964.
Bangor & Aroostook R.R. Co.	Oct. 13, 1964.
Missouri-Kansas-Texas R.R. Co.	Aug. 24, 1967.
Atchison, Topeka, & Santa Fe Ry. Co.	Aug. 19, 1968.
Seaboard Coast Line R.R. Co.	Jan. 21, 1969.
Union Pacific R.R. Co.	Feb. 17, 1969.
Denver & Rio Grande Western R.R. Co.	Apr. 25, 1969.
Penn Central Transportation Co.	Oct. 1, 1969.
Southern Pacific Transportation Co.	Nov. 26, 1969.
Western Pacific R.R. Co.	June 17, 1971.
Chicago, Milwaukee, St. Paul & Pacific R.R. Co.	Mar. 23, 1972.
Chesapeake & Ohio R.R. Co.	June 15, 1973.
Baltimore & Ohio R.R. Co.	June 15, 1973.

(NOTE.—Prior to 1972 Illinois Central Gulf R.R. Co. was Illinois Central R.R. Co.; new name adopted August 10, 1972, when Illinois Central merged with Gulf, Mobile & Ohio R.R. Co. Chicago & North Western Ry. was included prior to 1972 when it was controlled by Northwest Industries, Inc.)

TABLE 2.—SELECTED STATISTICS FOR MAJOR CLASS I RAILROADS IN THE UNITED STATES DIRECTLY CONTROLLED BY CONGLOMERATE HOLDING COMPANIES, YEARS 1967–72

	1967	1968	1969	1970	1971	1972
Operating revenues (thousands):						
Total class I railroads	$10, 366, 041	$10, 854, 678	$11, 450, 325	$11, 984, 994	$12, 790, 311	$13, 585, 893
Railroads under conglomerate control	$1, 037, 520	$1, 778, 588	$5, 702, 267	$5, 922, 820	$6, 370, 481	$6, 824, 997
Percent of total under conglomerate control	10. 0	16. 4	49. 8	49. 4	49. 8	50. 2
Freight revenues (thousands):						
Total class I railroads	$9, 130, 233	$9, 749, 788	$10, 346, 258	$10, 915, 771	$11, 786, 431	$12, 571, 707
Railroads under conglomerate control	$917, 357	$1, 599, 030	$5, 079, 086	$5, 323, 494	$5, 892, 685	$6, 406, 739
Percent of total under conglomerate control	10. 0	16. 4	49. 1	48. 8	50. 0	51. 0
Ton miles (millions):						
Total class I railroads	719, 498	744, 023	767, 841	762, 544	739, 746	777, 851
Railroads under conglomerate control	73, 531	124, 159	370, 891	368, 899	367, 733	395, 969
Percent of total under conglomerate control	10. 2	16. 7	48. 3	48. 4	49. 7	50. 9

Source: "Transport Statistics in the United States," annual reports form A, 4th quarter R.E. & I. and OS–B, and statement No. 100.

TABLE 3.—SELECTED STATISTICS FOR CLASS I RAILROADS IN THE UNITED STATES DIRECTLY CONTROLLED BY CONGLOMERATE HOLDING COMPANIES, YEARS 1971–72

	Total operating revenues (thousands)		Freight revenues (thousands)		Ton miles (millions)	
	1971	1972	1971	1972	1971	1972
Bangor & Aroostook	$12, 730	$13, 752	$12, 164	$13, 060	464	475
Bosten & Maine	76, 632	77, 298	64, 648	64, 271	2, 609	2, 647
Penn Central	1, 775, 190	1, 825, 456	1, 534, 451	1, 606, 541	79, 086	83, 211
Illinois Central Gulf	352, 377	474, 104	324, 927	446, 297	21, 991	32, 302
Seaboard Coast Line	530, 254	563, 137	506, 361	546, 633	31, 182	32, 390
Santa Fe	779, 366	831, 695	733, 509	794, 005	48, 280	51, 685
Rio Grande	109, 541	112, 671	106, 732	109, 974	8, 020	7, 654
Kansas City Southern	101, 465	106, 415	95, 729	101, 377	6, 861	7, 064
Missouri-Kansas-Texas	74, 208	78, 968	71, 509	76, 265	4, 733	4, 829
Missouri Pacific	421, 855	451, 081	403, 528	434, 617	28, 341	29, 475
Southern Pacific	1, 028, 705	1, 119, 930	1, 001, 350	1, 092, 276	66, 770	70, 251
Union Pacific	691, 571	769, 623	662, 918	743, 755	45, 576	50, 968
Western Pacific	78, 194	88, 035	74, 583	85, 498	4, 974	5, 329
Milwaukee		312, 832		292, 170		17, 689
Chicago & North Western	338, 393		300, 276		18, 846	
Total	6, 370, 481	6, 824, 997	5, 892, 685	6, 406, 739	367, 733	395, 969
U.S. total	12, 790, 311	13, 585, 893	11, 786, 431	12, 571, 707	739, 746	777, 851
Percent of U.S. total	49. 8	50. 2	50. 0	51. 0	49. 7	50. 9

Note: Data are not shown for Milwaukee in year 1971 since the holding company was not formed until 1972. Chicago & North Western was not included in data for year 1972 since it was no longer under the control of a holding company.

Source: See table 2.

TABLE 4.—SELECTED STATISTICS FOR CLASS I RAILROADS IN THE UNITED STATES INDIRECTLY CONTROLLED BY CONGLOMERATE HOLDING COMPANIES, YEARS 1971-72

		Total operating revenues (thousands)		Freight revenues (thousands)		Ton miles (millions)	
	Controlled by	1971	1972	1971	1972	1971	1972
Detriot, Toledo & Ironton	Pa. C	$37,151	$41,724	$35,535	$40,587	1,295	1,420
Ann Arbor	D.T. & I	10,860	11,003	10,362	10,588	683	671
Lehigh Valley	P.C	45,459	51,129	44,177	49,161	2,475	2,653
Monongahela	P.C	6,263	8,379	6,174	8,334	374	446
Pennsylvania—Reading SSL	P.C	8,909	9,044	7,882	7,852	119	112
Pittsburgh & Lake Erie	P.C	36,615	37,532	33,703	35,545	1,175	1,291
Toledo, Peoria & Western	P.C.-ATSF	10,925	11,433	10,476	10,960	494	485
Northwestern Pacific	SP	12,170	14,080	12,080	14,040	525	586
St. Louis Southwestern	SP	143,891	152,272	142,115	150,451	9,137	9,879
Texas & Pacific	MP	103,492	108,433	98,419	104,712	6,037	6,340
Chicago & Eastern Illinois	MP	35,275	39,578	34,753	38,968	2,463	2,632
Missouri-Illinois	MP	7,277	7,667	7,193	7,564	314	326
Georgia, Lessee Corp	SCL	12,575	11,189	12,094	10,812	939	686
Louisville & Nashville	SCL	428,561	458,478	418,050	447,506	31,231	33,358
Clinchfield	SCL	37,877	40,215	37,460	39,819	3,876	3,949
Total		937,300	1,002,156	910,473	976,899	61,137	64,834

Source: "Transport Statistics in the United States" and annual report forms A.

TABLE 5.—SELECTED STATISTICS FOR CLASS I RAILROADS IN THE UNITED STATES CONTROLLED BY CONGLOMERATE HOLDING COMPANIES, 1971-72

	Total operating revenues (thousands)		Freight revenues (thousands)		Ton-miles (millions)	
	1971	1972	1971	1972	1971	1972
Total of directly controlled railroads	$6,370,481	$6,824,997	$5,892,685	$6,406,739	$367,733	$395,969
Total of indirectly controlled railroads	$937,300	$1,002,156	$910,473	$976,899	$61,137	$64,834
Total	$7,307,781	$7,827,153	$6,803,158	$7,383,638	$428,870	$460,803
U.S. total	$12,790,311	$13,585,893	$11,786,431	$12,571,707	$739,746	$777,851
Percent of U.S. total	57.1	57.6	57.7	58.7	58.0	59.2

Source: Tables 3 and 4.

TABLE 6.—A COMPARISON OF SELECTED STATISTICS OF CLASS I MOTOR CARRIERS OF PASSENGERS OWNED BY NONTRANSPORTATION FIRMS INVOLVED IN CONGLOMERATE ACTIVITIES, 1970 AND 1972

	1970			1972		
	Total (thousands)	Aggregate U.S. total [1] (thousands)	Percent of U.S. total	Total (thousands)	Aggregate U.S. total [1] (thousands)	Percent of U.S. total
Total operating revenues	$713,639	$881,848	80.9	$757,762	$892,022	84.9
Passenger revenue:						
Intercity service, regular route	459,637	523,358	87.8	490,869	544,934	90.1
Local service	77,723	123,947	62.7	66,142	87,412	75.7
Charter, sightseeing and other special services	64,564	114,510	56.4	80,896	128,055	63.2
Total number of revenue passengers carried	312,458	500,681	62.4	250,344	326,234	76.7
Revenue passengers carried:						
Intercity service, regular route	111,084	146,144	76.0	104,747	129,309	81.0
Local (excluding transfer)	184,062	309,184	59.5	131,144	159,511	82.2
Charter, sightseeing and other revenue passengers	17,312	45,353	38.2	14,453	37,414	38.6

[1] Preliminary figures, all class I motor carriers of passengers.

Source: Individual carrier reports.

TABLE 7.—SELECTED STATISTICS OF CLASS I MOTOR CARRIERS OF PROPERTY OWNED BY NONTRANSPORTATION/CONGLOMERATE FIRMS, 1970 AND 1972

[Dollar amounts in thousands]

	1970 [1]		1972 [1]	
	Total	Percentage of class I total [2]	Total	Percentage of class I total [2]
Operating revenue	$1,454,579	12.2	$1,720,410	12.3
Intercity freight revenue	1,367,275	12.5	1,649,774	12.1
Tons of revenue freight carried intercity	54,827	9.9	55,477	([3])

[1] Based on preliminary review of annual reports of carriers.

[2] Total for all class I motor carriers of property.

[3] Not available.

Source: Individual carrier reports.

RAILROADS

Southern Pacific Transportation Co.

Southern Pacific Transportation Company transferred at book value to its parent holding company, Southern Pacific Company, the following properties:

Carrier's investment in its subsidiaries with a book value of $6 million, and an estimated market value of more than $120 million.

Carrier owned nonoperating lands of about 1.9 million acres, mostly land grants, in the States of California, Nevada and Utah with a book value of about $6 million, and an undetermined market value.

Union Pacific Railroad

Several questionable practices which our staff uncovered are:

Several thousand acres of land grants were transferred at no cost to the holding company. That is, the carrier gave away its resources, and since they did not initially pay for these lands, there were no dollar amounts assigned as a dividend.

Substantial cash transactions were made by the carrier, prior to reorganization such as a $175 million advance to Union Pacific Development Company, a subsidiary prior to reorganization, to enable Union Pacific Development Company to acquire Champlin Petroleum and to provide it with operating funds.

An agreement between the carrier and Amoco Production Company covering exploratory rights with respect to 6.8 million acres of land that was given to Champlin Petroleum after reorganization.

The agreement was a three-year option for $9 million. The carrier, by giving this to Champlin (now a subsidiary of the holding company), will not receive the balance of the option payment which is about $4.5 million. In addition, all royalty payments that would have been received will now be lost to the carrier.

MOTOR CARRIERS OF PROPERTY

Commercial Motor Freight, Inc.

Carrier obtained a loan of $14,990,000 from General Acceptance Corporation (a financial institution), which it subsequently lent to Banner Industries, Inc., in order for Banner to acquire the carrier's outstanding stock.

Akers Motor Lines, Inc.

On December 15, 1971, Transportation Systems, Inc., purchased Akers Motor Lines, Inc., through acquisition of all of the carrier's outstanding capital stock. Total consideration was $14 million, of which $11 million was borrowed from the carrier. In order to finance its acquisition, carrier has encumbered its entire fleet of revenue equipment.

MOTOR CARRIERS OF PASSENGERS

Greyhound Corp.

Preliminary review by our staff of questionable practices disclosed the following:

Similar problems encountered at other holding companies, such as dividend practices, interest policies, income tax allocations and use of carrier resources for the benefit of the holding company.

Carrier's bus fleet has been encumbered to support a $75 million loan obtained by the holding company for its acquisition of Armour and Company.

Carrier subsidiaries are required to pay dividends whether or not the cash is available. Where sufficient funds are not available, interest is charged on the unpaid dividends. This appears to be a device to increase the carrier's income and increase its dividend payment to the holding company.

Carrier pays out a higher percentage of its earnings in dividends to the holding company than other members of the group.

Carrier assets were transferred to the holding company as an advance. The carrier not only does not receive any interest but has lost the earning power of these assets which is in excess of about $17 million since the transfer.

In recent years, over 32 percent of the carrier's assets have been passed to the holding company depleting its working capital.

S. 2460

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5(2)(a) of the Interstate Commerce Act (49 U.S.C. 5(2)(a)) is amended by striking out the period at the end of subparagraph (ii) and inserting in lieu thereof "; or" and by adding at the end thereof the following new subparagraph:

"(iii) for any person which is not a carrier, or two or more such persons jointly, to acquire control through ownership of its stock or otherwise of a carrier by railroad, the operating revenues of which exceeded $5,000,000 or of a carrier other than a carrier by railroad, the operating revenues of which exceeded $1,000,000 for a period of twelve consecutive months preceding the date of the agreement of the parties covering the transaction."

Sec. 2. The first and second sentences of section 5(3) of the Interstate Commerce Act (49 U.S.C. 5(3)) are amended to read as follows:

"Whenever a person which is not a carrier is authorized by an order entered under paragraph (2), to acquire control, or whenever a person which is not a carrier is found by the Commission to be in control of any carrier by railroad, the operating revenues of which exceed $5,000,000 or of a carrier other than a carrier by railroad, the operating revenues of which exceed $1,000,000 annually, or of two or more carriers, such person thereafter shall, to the extent provided by order of the Commission be considered as a carrier subject to such of the following provisions as are applicable to any carrier involved in such acquisition of control: section 20 (1) to (10), inclusive, of this Part, sections 204(a) (1) and (2) and 220 of Part II, and section 313 of Part III (which relate to reports, accounts, and so forth, of carriers), and section 20a (2) to (11), inclusive, of this Part, and section 214 of Part II (which relate to issues of securities and assumptions of liability of carriers), including in each case the penalties applicable in the case of violations of such provisions.

"To the extent, if any, and at such time as the Commission orders the application of such provisions of section 20a of this part or section 214 of Part II, in the case of any such person, the Commission shall authorize the issue or assumption applied for (a) if it finds that such issue or assumption is for a purpose unrelated to the activities of any carrier under the control of such person, subject, however, to concurrent jurisdiction to be exercised by the Securities and Exchange Commission, or (b) if it finds that such issue or assumption is (i) for a purpose related to the activities of any carrier under the control of such person, (ii) is consistent with the proper performance of service to the public by each carrier under the control of such person and (iii) will not impair the ability of any such carrier to perform such service."

Sec. 3. Section 5(3) of the Interstate Commerce Act (49 U.S.C. 5(3)) is amended by inserting "(a)" immediately after "(3)" and by adding at the end thereof the following new subparagraph:

"(b) Whenever in the performance of its duties under section 12, section 20 and section 204(a)(7) of this Act to inquire into the management of the business of any carrier by railroad, the operating revenues of which exceed $5,000,000 annually, or a carrier other than a carrier by railroad the operating revenues of which exceed $1,000,000 annually, the Commission determines as a result of such inquiry that there is reason to believe that dealings or transactions involving the receipt and expenditures of moneys, transfers of land and buildings, or equipment, or other dealings (other than those involving issuances of securities as provided in section 20a of Part I or section 214 of Part II) between any such carrier and any person controlling, controlled by, or under common control with such carrier, or any affiliate of such person, may result in impairment of the operations of the carrier or its ability to respond to the needs of the public, the Commission may issue an order to any such carrier to show cause why all such dealings and transactions should not be submitted to the Commission for approval or disapproval. The Commission may, after hearing, require by order any such carrier to file an application for approval of any dealings or transactions aforesaid until further order by the Commission, or require by order such other action, including divestiture of control, as contemplated by section 5(17) of this Act."

Sec. 4. Section 5(4) of the Interstate Commerce Act (49 U.S.C. 5(4)) is amended to read as follows:

"(4) It shall be unlawful for any person, except as provided in paragraph (2), to enter into any transactions within the scope of subparagraph (a) thereof, or to accomplish or effectuate, or to participate in accomplishing or effectuating, the control or management of a carrier or of two or more carriers, however such result is attained, whether directly or indirectly, by use of common directors, officers, or stockholders, a holding or investment company or companies, a voting trust or trusts, or in any other manner whatsoever. It shall be unlawful to continue to maintain control or management accomplished or effectuated after the enactment of this amendatory paragraph and in violation of its provisions. As used in this paragraph and paragraph (5), the words "control or management" shall be construed to include the power to exercise control or management. For the purpose of this section, any person owning beneficially 10 per centum or more of the voting securities of a carrier shall be presumed to be in control of such carrier unless the Commission finds otherwise."

Sec. 5. Section 5 of the Interstate Commerce Act (49 U.S.C. 5) is amended by adding at the end thereof the following new paragraph:

"(17) Whenever the Commission, after notice and hearing, determines that control—of a carrier by another carrier or two or more carriers, or by a person which is not a carrier, or two or more persons—is being used in a manner which is impairing or threatens to impair the ability of the affected carrier properly to perform its service to the public, it shall by order direct cessation of any actions or practices of the controlling party or parties and direct such affirmative conduct as in its judgment will enable any such carrier properly to perform its service to the public, or, where warranted by the facts and circumstances, the Commission shall require such further action as in its opinion is necessary or appropriate, including, among other things, the divestiture of control of the carrier whose service to the public has been impaired or threatened."

Sec. 6. Section 20(5) of the Interstate Commerce Act (49 U.S.C. 20(5)) is amended by inserting "(a)" immediately after "(5)" and by adding at the end thereof the following new subparagraph:

"(b) Any person having legal or beneficial ownership, as trustee or otherwise, of more than 1 per centum of any class of the capital stock or capital, as the case may be, of any carrier by railroad, the operating revenues of which exceed $5,000,000 annually or 5 per centum of any class of the capital stock or capital, as the case may be, of any carrier other than a carrier by railroad the operating revenues of which exceed $1,000,000 annually, shall submit at such times and in such form as the Commission may require, a description of the shares of stock or other interest owned by such person, and the amount thereof."

Sec. 7. Section 20(1) of the Interstate Commerce Act (49 U.S.C. 20(1) is amended to read as follows:

"(1) The Commission is hereby authorized to require annual, periodical or special reports from carriers, persons controlling, controlled by or under a common control with such carriers, lessors and associations (as defined in this section), to prescribe the manner and form in which such reports shall be made, and to require from such carriers, persons controlling, controlled by or under a common control with such carriers, lessors and associations specific and full, true and correct answers to all questions upon which the Commission may deem information to be necessary, classifying such carriers, persons controlling, controlled by, or under a common control with such carriers, lessors and associations as it may deem proper for any of these purposes. Such annual reports shall give an account of the affairs of the carrier, persons controlling, controlled by, or under common control with such carrier, lessor or association in such form and details as may be prescribed by the Commission."

Sec. 8. Section 20(3) of the Interstate Commerce Act (49 U.S.C. 20(3)) is amended to read as follows:

"(3) The Commission may, in its discretion, for the purpose of enabling it the better to carry out the purposes of this Part, prescribe a uniform system of accounts applicable to any class of carriers subject thereto, persons controlling, controlled by or under common control with such carriers, and a period of time within which such class shall have such uniform system of accounts, and the manner in which such accounts shall be kept."

Sec. 9. Section 20(5)(a) of the Interstate Commerce Act (49 U.S.C. 20(5)(a)) as so redesignated by section 6 of this Act, is amended to read as follows:

"(5)(a) The Commission may, in its discretion, prescribe the forms of any and all accounts, records, and memoranda to be kept by carriers, persons controlling, controlled by, or under common control with such carriers, and their lessors, including the accounts, records, and memoranda of the movement of traffic, as well as the receipts and expenditures of moneys, and it shall be unlawful for such carriers, persons controlling, controlled by, or under common control with such carriers, or lessors to keep any accounts, records, and memoranda contrary to any rules, regulations, or orders of the Commission with respect thereto. The Commission or any duly authorized special agent, accountant, or examiner thereof shall at all times have authority to inspect and copy any and all accounts, books, records, memoranda, correspondence, and other documents of such carriers, persons controlling, controlled by, or under common control with any such carriers, lessors, and associations. The Commission or its duly authorized special agents, accountants, or examiners shall at all times have access to all lands, buildings, or equipment of such carriers, persons controlling, controlled by, or under common control with such carriers, or lessors, and shall have authority under its order to inspect and examine any and all such lands, buildings, and equipment. Such carriers, persons controlling, controlled by, or under common control with such carriers, lessors, and other persons shall submit their accounts, books, records, memoranda, correspondence, and other documents for the inspection and copying authorized by this paragraph, and such carriers, persons controlling, controlled by, or under common control with such carriers, and lessors shall submit their lands, buildings, and equipment to inspection and examination, to any duly authorized special agent, accountant, or examiner of the Commission, upon demand and the display of proper credentials."

Sec. 10. Section 20a(3) of the Interstate Commerce Act (49 U.S.C. 20a(3)) is amended by striking out the period at the end thereof and inserting the following:

"; *Provided, however,* That in the case of a person considered a carrier pursuant to section 5(3) of this part, modifications, terms or conditions may be specified only after a finding by the Commission that, otherwise, the proposed issue or assumption of securities would not be consistent with the proper performance of service to the public by each carrier which is under the control of such person and would impair the ability of any such carrier to perform such service in the absence of such modification, terms or conditions."

Sec. 11. Section 204(a)(1) of the Interstate Commerce Act (49 U.S.C. 304(a)(1)) is amended to read as follows:

"(1) To regulate common carriers by motor vehicles, persons controlling, controlled by, or under common control with such common carriers, as provided in this part, and to that end the Commission may establish reasonable requirements with respect to continuous and adequate service, transportation of baggage and express, uniform systems of accounts, records, and reports, and preservation of records."

Sec. 12. Section 204(a)(2) of the Interstate Commerce Act (49 U.S.C. 304(a)(2)) is amended to read as follows:

"To regulate contract carriers by motor vehicles, persons controlling, controlled by, or under common control with such contract carriers, as provided in this part, and to that end the Commission may establish reasonable requirements with respect to uniform systems of accounts, records, and reports, and preservation of records."

Sec. 13. Section 220(a) of the Interstate Commerce Act (49 U.S.C. 320(a)) is amended to read as follows:

"220(a) The Commission is hereby authorized to require annual, periodical, or special reports from all motor carriers, persons controlling, controlled by, or under common control with such carriers, brokers, lessors, and associations (as defined in this section); to prescribe the manner and form in which such reports shall be made; and to require from such carriers, persons controlling, controlled by, or under common control with such carriers, brokers, lessors, and associations specific and full, true, and correct answers to all questions upon which the Commission may deem information to be necessary. Such annual reports shall give an account of the affairs of the carrier, persons controlling, controlled by, or under common control with such carrier, broker, lessor, or association in such form and detail as may be prescribed by the Commission. The Commission may also require any motor carrier or broker to file with it a true copy of any contract, agreement, or arrangement between such carrier and any other carrier or person in relation to any traffic affected by the provisions of this Part. The Commission shall not, however, make public any contract, agreement, or arrangement between a contract carrier by motor vehicle and a shipper, or any of the terms or conditions thereof, except as a part of the record in a formal proceeding where it considers such action consistent with the public interest: *Provided,* That if it appears from an examination of any such contract that it fails to conform to the published schedule of the contract carrier by motor vehicle as required by section 218(a), the Commission may, in its discretion, make public such provisions of the contract as the Commission considers necessary to disclose such failure and the extent thereof."

Sec. 14. Section 220(d) of the Interstate Commerce Act (49 U.S.C. 320(d)) is amended to read as follows:

"(d) The Commission may, in its discretion, prescribe the forms of any and all accounts, records, and memoranda to be kept by motor carriers, persons controlling, controlled by, or under common control with such carriers, brokers, and lessors including the accounts, records, memoranda of the movement of traffic, as well as of the receipts and expenditures of moneys, and it shall be unlawful for such carriers, persons controlling, controlled by, or under common control with such carriers, brokers, and lessors to keep any accounts, records, and memoranda contrary to any rules, regulations, or orders of the Commission with respect thereto. The Commission may issue orders specifying such operating, accounting, or financial papers, records, books, blanks, tickets, stubs, correspondence, or documents of motor carriers, persons controlling, controlled by, or under common control with such carriers, brokers, or lessors as may after a reasonable time be destroyed, and prescribing the length of time the same shall be preserved. The Commission or its duly authorized special agents, accountants, or examiners shall at all times have access to and authority, under its order, to inspect and examine any and all lands, buildings, or equipment of motor carriers, persons controlling, controlled by, or under common control with such carriers, brokers, and lessors; and shall have authority to inspect and copy any and all accounts, books, records, memoranda, correspondence, and other documents of such carriers, persons controlling, controlled by, or under common control with such carriers, brokers, lessors, and associations (as defined in this section). Motor carriers, persons controlling, controlled by, or under common control with any such carriers, brokers, lessors, and persons shall submit their accounts, books, records, memoranda, correspondence, and other documents for the inspection and copying authorized by this paragraph, and motor carriers, persons controlling, controlled by, or under common control with such carriers, brokers, and lessors shall submit their lands, buildings, and equipment for examination and inspection to any duly authorized special agent, accountant, or examiner of the Commission upon demand and the display of proper credentials."

Sec. 15. Section 313(a) of the Interstate Commerce Act (49 U.S.C. 913(a)) is amended to read as follows:

"Sec. 313(a) The Commission is hereby authorized to require annual, periodical, or special reports from water carriers, persons controlling, controlled by, or under common control with such carriers, lessors, and associations (as defined in this section), and to prescribe the manner and form in which such reports shall be made, and to require from such carriers, persons controlling, controlled by, or under common control with such carriers, lessors, and associations specific and full, true, and correct answers to all questions upon which the Commission may deem information to be necessary. Such annual reports shall give an account of the affairs of the carrier, any person controlling, controlled by, or under common control with such carrier, lessor, or association in such form and detail as may be prescribed by the Commission. Said annual reports shall contain all the required information for the period of twelve months ending on the thirty-first day of December in each year, unless the Commission shall specify a different date, and shall be made out under oath and filed with the Commission at its office in Washington within three months after the close of the year for which the report is made, unless additional time be granted in any case by the Commission. Such periodical or special reports as may be required by the Commission under this paragraph shall also be under oath whenever the Commission so requires."

Sec. 16. Section 313(c) of the Interstate Commerce Act (49 U.S.C. 913(c)) is ameded to read as follows:

"(c) The Commission may in its discretion, for the purpose of enabling it the better to carry out the purposes of this Part, prescribe a uniform system of accounts applicable to any class of water carriers, persons controlling, controlled by, or under common control with such carriers, and a period of time within which such class shall have such uniform system of accounts, and the manner in which such accounts shall be kept."

Sec. 17. Section 313(e) of the Interstate Commerce Act (49 U.S.C. 913(e)) is amended to read as follows:

"(e) The Commission may, in its discretion, prescribe the forms of any and all accounts, records, and memoranda to be kept by water carriers, persons controlling controlled by, or under common control with such carriers and lessors, including the accounts, records, and memoranda of the movement of traffic, as well as of the receipts and expenditures of money, and it shall be unlawful for such carriers, persons controlling controlled by, or under common control with such carriers, or lessors to keep any accounts, records, and memoranda contrary to any rules, regulations, of orders of the Commission with respect thereto."

SEC. 18. Section 313(f) of the Interstate Commerce Act (49 U.S.C. 913(f)) is amended to read as follows:

"(f) The Commission or its duly authorized special agents, accountants, or examiners shall have authority to inspect and copy any and all acounts, books, records, memoranda, correspondence, and other documents, of such water carriers, persons controlling, controlled by, or under common control with such carriers, and lessors, and of associations (as defined in this section). The Commission or its duly authorized special agents, accountants, or examiners shall at all times have access to all lands, buildings, or equipment of such carriers, persons controlling, controlled by, or under common control with any such carriers, or lessors, and shall have authority under its order to inspect and examine any and all such lands, buildings, and equipment. All such carriers, lessors, and persons shall submit their accounts, books, records, memoranda, correspondence, and other documents for the inspection and for copying authorized by this paragraph, and such carriers, persons controlling, controlled by, or under common control with such carriers and lessors shall submit their lands, buildings, and equipment for inspection and examination, to any duly authorized special agent, accountant, or examiner of the Commission, upon demand and the display of proper credentials."

SEC. 19. Section 412(a) of the Interstate Commerce Act (49 U.S.C. 1012(a)) is amended to read as follows:

"SEC. 412(a). For purposes of administration of the provisions of this Part, the Commission is hereby authorized to require annual, periodical, or special reports from freight forwarders, persons controlling, controlled by, or under common control with such freight forwarders, and associations (as defined in this section), and to prescribe the manner and form in which such reports shall be made, and to require from such forwarders, persons controlling, controlled by, or under common control with such forwarders, and associations specific, full, true, and correct answers to all questions upon which the Commission may deem information to be necessary. Such annual report shall give an account of the affairs of the freight forwarder, persons controlling, controlled by, or under common control with such forwarder or association in such form and detail as may be prescribed by the Commission. The Commission may, in its discretion, for purposes of administration of the provisions of this Part, prescribe a uniform system of accounts applicable to freight forwarders and persons controlling, controlled by, or under common control with such forwarders, and the period of time within which they shall have such uniform system of accounts, and the manner in which such accounts shall be kept. The Commission may also require any such forwarder to file with it a true copy of any contract or agreement between such forwarder and any person in relation to transportation facilities, service, or traffic affected by the provisions of this Part.

SEC. 20. Section 412(c) of the Interstate Commerce Act (49 U.S.C. 1012(c)) is amended to read as follows:

"(c) The Commission may, in its discretion, prescribe the forms of any and all accounts, records, and memoranda to be kept by freight forwarders and persons controlling, controlled by, or under common control with such forwarders, with respect to service subject to this Part, and the length of time such accounts, records, and memoranda shall be preserved, including the accounts, records, and memoranda of the movement of traffic, as well as of the receipts and expenditures of money, and it shall be unlawful for freight forwarders and persons controlling, controlled by, or under common control with such forwarders to keep any accounts, books, records, and memoranda contrary to any rule, regulation, or order of the Commission with respect thereto."

SEC. 21. Section 412(d) of the Interstate Commerce Act (49 U.S.C. 1012(d)) is amended to read as follows:

"(d) The Commission or its duly authorized special agents, accountants, or examiners shall at all times have access to and authority, under its order, to inspect and examine any and all lands, buildings, or equipment of freight forwarders and persons controlling, controlled by, or under common control with such forwarders; and shall have authority to inspect and copy any and all accounts, books, records, memoranda, correspondence, and other documents of freight forwarders and persons controlling, controlled by, or under common control with such forwarders and of associations (as defined in this section). Freight forwarders and persons controlling, controlled by, or under common control with such forwarders shall submit their accounts, books, records, memoranda, correspondence, and other documents for the inspection and copying authorized by this subsection, and freight forwarders, persons controlling, controlled by, or under common control with such forwarders shall submit their lands, buildings, and equipment for examination and inspection, to any duly authorized special agent, accountant, or examiner of the Commission upon demand and the display of proper credentials."

SEC. 22. Section 660 of title 18, United States Code, is amended to read as follows:

"§ 660. Carrier's Fund Derived From Commerce; State Prosecutions.

"Whoever, being a president, director, officer, or manager of any firm, association, or corporation engaged in commerce as a common or contract carrier, person controlling, controlled by, or under common control with such carrier, or whoever being an employee of such common or contract carrier riding in or upon any railroad car, motortruck, steamboat, vessel, aircraft, or other vehicle of such carrier moving in interstate commerce, embezzles, steals, abstracts, or willfully misapplies or willfully permits to be misapplied, any of the moneys, funds, credits, securities, properties, or assets of such firm, association, or corporation arising or accruing from, or used in, such commerce, in whole or in part, or willfully or knowingly converts the same to his own use or to the use of another, shall be fined not more than $5,000 or imprisoned not more than ten years, or both. The offense shall be deemed to have been committed not only in the district where the violation first occurred but also in any district in which the defendant may have taken or had possession of such moneys, funds, credits, securities, properties or assets.

"The offense shall be deemed to have been committed not only in the district where the violation first occurred but also in any district in which the defendant may have taken or had possession of such moneys, funds, credits, securities, properties or assets.

"A judgment of conviction or acquittal on the merits under the laws of any State shall be a bar to any prosecution under this section for the same act or acts."

SEC. 23. The amendments made by the foregoing provisions of this bill shall become effective ninety days from the date of their enactment.

By Mr. MAGNUSON (for himself and Mr. COTTON) (by request):

S. 2461. A bill to amend section 409 of part IV of the Interstate Commerce Act, as amended, to authorize contracts between freight forwarders and railroads. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend section 409 of part IV of the Interstate Commerce Act, as amended, to authorize contracts between freight forwarders and railroads, and ask unanimous consent that the letter of transmittal be printed in the RECORD with the text of the bill.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, D.C., August 9, 1973.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce, U.S. Senate, Washington, D.C.

Hon. HARLEY O. STAGGERS,
Chairman, Committee on Interstate and Foreign Commerce, House of Repersentatives, Washington, D.C.

GENTLEMEN: Submitted for your consideration and introduction is a draft bill which would amend section 409(a) of the Interstate Commerce Act so as to authorize freight forwarders subject to part IV of the Act to negotiate special contracts with railroads. Also enclosed is a legislative analysis of the draft bill.

In 1970, a bill that would amend part I of the Act was heard,[1] and also during the 90th Congress, hearings were held on proposals similar to this recommendation.[2] As a result of commitments given to the House Interstate and Foreign Commerce Committee during those hearings, we commenced a study into the status of freight forwarders subject to our jurisdiction.[3] We initiated that proceeding on June 23, 1970, and in January of 1971, our report was released. We then appeared before the House Subcommittee on Transportation and Aeronautics on March 14, 1972, and supported the legislation recommended in that report which is identical to that enclosed.

As you know, freight forwarders are common carriers performing transportation services in their own name and under their own responsibility. The traffic they handle consists primarily of less-than-carload or less-than-truckload shipments which they consolidate and tender in volume to other carriers for actual movement. Because the forwarder's shipments are tendered to the underlying carriers in carload, truckload, or volume quantities, they can move, in the aggregate, at a lower rate than would the individual, unconsolidated shipments. The forwarder's profit is the difference between the rate it charges its customers for the movement of their small shipments and the volume rate it pays to the common carriers for performance of the underlying transportation service. With one exception concerning service within their terminal areas, forwarders may not use their own vehicles to perform the underlying transportation.

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[1] Surface Freight Rates, Hearings before the Subcommittee on Transportation and Aeronautics of the Committee on Interstate and Foreign Commerce, House of Representatives, on H.R. 10293, 91st Cong., 2nd Sess., Serial No. 91-42 (1970).

[2] Freight Forwarders—TOFC Contracts, Hearings before the Subcommittee on Transportation and Aeronautics of the Committee on Interstate and Foreign Commerce, House of Representatives, on H.R. 10831, 90th Cong., 2nd Sess., Serial No. 90-26 (1968).

[3] Ex Parte No. 266, *Investigation Into The Status of Freight Forwarders*, 339 I.C.C. 711 (1971).

Traditionally, forwarders have been treated as common carriers with regard to the shippers whose traffic they undertake to transport, and as shippers with regard to the common carriers to whom they tender the traffic for actual movement. As shippers, the forwarders must pay the published rates applicable to all shippers. They cannot enter into joint-line or negotiated rate arrangements with other common carriers. This bar allegedly prejudices their position as common carriers and renders it more difficult for them to realize a profit. In 1950, this problem was partially alleviated when the Congress modified part IV of the Act[4] to authorize forwarders to negotiate contracts with motor common carriers for the transportation of certain traffic moving not more than 450 miles.

As to the current status of the freight forwarder industry, at page 792 of our report in Ex Parte No. 266, we stated:

"If any one thing is clear from the evidence assembled in the course of the present investigation it is that forwarding is at best a static industry. Despite the Nation's economic growth over the past two decades, the forwarder's tonnage has remained virtually unchanged. And even though the industry as a whole has returned a profit, the picture is dominated by one large group of successful companies—those under the control of USF (United States Freight Company). The margin of profit for the industry has been declining steadily, and the first 6 months of 1970 saw it operating at a loss."

We further reasoned that the Nation's shippers need the small shipment type service the freight forwarders offer and that some action must be taken to change the *status quo*. Because of the manner in which they function, employing rail carload service for the long haul, forwarders make it possible for the shipper of small lots to obtain the benefits flowing from rail service. The small shipper often has no other means of obtaining the benefits of such rail service. Although the industry has shown some improvement in 1972, the economic plight of many freight forwarders remained the same. It is our belief that such a change in regulatory treatment is necessary—at least on an experimental basis—if forwarders are to remain viable and to perform an even greater role in the transportation of small shipments.

We would be grateful for the prompt introduction and favorable consideration of this legislation by the Congress.

Sincerely yours,

GEORGE M. STAFFORD, *Chairman*.

Legislative Analysis

As indicated in the foregoing letter, section 409(a) under existing law permits regulated freight forwarders to enter into contracts with common carriers by motor vehicle subject to part II of the Act, subject to the requirement that (1) the parties of these contracts establish them on just, reasonable and equitable terms which shall not unduly prefer or prejudice either party to the contract or any other freight forwarder and which shall be consistent with the National Transportation Policy; (2) in the case of contracts involving the linehaul transportation of truckload lots of forwarder traffic between concentration points and break-bulk points where the distance is 450 highway miles or more, such contracts cannot provide for a lesser compensation to the motor carrier than that which such carrier would receive pursuant to its regularly established rates or charges under part II of the Act.

The draft bill would amend section 409 of the Act to provide that nothing in the Act shall be construed to prevent similar contracts between forwarders and railroads, subject to part I. The proviso that such contracts be just, fair and equitable, non-prejudicial to participants or any other freight forwarder, and consistent with the National Transportation Policy would apply to all contracts entered into pursuant to this section of the Act. A second proviso would retain the 450-mile limitation in connection with line-haul transportation by motor common carriers.

The last proviso includes the contracts between freight forwarders and railroads within section 5a of the Act, which exempts them from the antitrust laws. It also requires that the contracts be made pursuant to procedures filed with and approved by us, and that all rail carriers can participate in them.

In the past, we have asked that certain amendments be included in this type of bill.[1] We are not renewing that request today because in accordance with the conclusions reached at page 792 of our report in Ex Parte No. 266, we urge that any changes enacted be limited to a three-year tenure. Our reason for this is we cannot now predict the precise effect of this legislation on the freight forwarders or other segments of the surface transportation industry. During the prescribed interval, we will measure the effects of this legislation.

Prior to the end of the three-year period, we intend to issue a report and make appropriate recommendations as to whether the changes should remain in effect, terminate, or be amended.

S. 2461

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 409 of the Interstate Commerce Act (49 U.S.C. 1009), as amended, is amended to read as follows:

"SEC. 409. (a) Nothing in this Act shall be construed to prevent freight forwarders subject to this part from entering into or operating under contracts with common carriers by railroad subject to part I of this Act, or from entering into or continuing to operate under contracts with common carriers by motor vehicle subject to part II of this Act, governing the utilization by such freight forwarders of the services and instrumentalities of such common carriers by railroad or motor vehicle and the compensation to be paid therefor: *Provided,* That in the case of such contracts it shall be the duty of the parties thereto to establish just, reasonable, and equitable terms, conditions, and compensation which shall not unduly prefer or prejudice any of such participants or any other freight forwarder and shall be consistent with the national transportation policy declared in this Act: *And, provided further,* That in the case of line-haul transportation by common carriers by motor vehicle between concentration points and break-bulk points in truckload lots where such line-haul transportation is for a total distance of four hundred and fifty highway miles or more, such contracts shall not permit payment to such common carriers by motor vehicle of compensation which is lower than would be received under rates or charges established under part II of this Act: *And, provided further,* That contracts between common carriers by railroad and freight forwarders shall not be deemed to be in conformity with the provisions of this section unless the terms, conditions, and compensation thereof are arrived at under procedures which have been filed with and approved by the Commission and which afford all interested railroads an opportunity to participate in the establishment of and to become parties to such contracts. The agreements establishing the procedures referred to herein shall be deemed to be agreements within the meaning of section 5a of this Act.

"(b) Contracts entered into or continued pursuant to subsection (a) of this section shall be filed with the Commission in accordance with such reasonable rules and regulations as the Commission shall prescribe. Whenever, after hearing, upon complaint or upon its own initiative, the Commission is of the opinion that any such contract, or its terms, conditions, or compensation is or will be inconsistent with the provisions and standards set forth in subsection (a) of this section, the Commission shall by order prescribe the terms, conditions, and compensation of such contracts which are consistent therewith."

SEC. 2. The heading of section 409 is changed to read as follows: "UTILIZATION BY FREIGHT FORWARDERS OF SERVICES OF COMMON CARRIERS BY RAILROAD AND BY MOTOR VEHICLE".

SEC. 3. The amendment made by the first section of this Act shall expire at the end of the three-year period beginning on the date of its enactment. The Commission shall report to the Congress six months prior to the end of said three-year period as to the effect of this Act upon freight forwarders or other segments of the surface transportation industry and include therein appropriate recommendations as to whether the changes herein should remain in effect, terminate, or be amended.

By Mr. MONDALE (for himself, Mr. MAGNUSON, and Mr. JACKSON):

S. 2462. A bill to regulate commerce and improve the efficiency of energy utilization by consumers by establishing the Energy Conservation Research and Development Corporation, authorizing the establishment by States of energy conservation councils, and for other purposes. Referred, by unanimous consent, jointly and simultaneously to the Committees on Commerce and Interior and Insular Affairs with the proviso that when one committee reports the bill, the other will have 45 days to report or the other committee will be deemed discharged from said bill.

Mr. MONDALE. Mr. President, I am today introducing a measure to aid in the long-term effort to promote energy conservation in the United States.

The bill I am submitting should be referred jointly to the Committee on Commerce and the Committee on Interior and Insular Affairs. I have talked to the chairmen of both committees and the ranking members of both committees, and they agree to the following unanimous-consent request.

I ask unanimous consent that the bill I introduce be referred jointly and simultaneously to the Committee on Commerce and Interior and Insular Affairs with the proviso that when one committee reports the bill, the other will have 45 days to report or the other committee will be deemed discharged from said bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

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[4] Section 409(a) (49 U.S.C. § 1009).

[1] See Hearings on Surface Freight Rates, *supra*, at pages 5–7.

Mr. MONDALE. Mr. President, today I am introducing legislation to aid in the long-term effort to promote energy conservation in the United States. I am pleased to be joined in this effort by both distinguished Senators from Washington (Mr. Magnuson and Mr. Jackson).

Only recently have we recognized the dimension of the long-range energy problems our Nation faces. Only recently have we focused on the fact that the United States, with 6 percent of the world's population, is consuming almost 40 percent of the world's energy. And as a part of this realization has come the recognition that both the supply and demand sides of the energy problem must be confronted. As the President stated in his energy message of June 29:

> The conservation of existing energy resources is not a proposal; it is a necessity. It is a requirement that will remain with us indefinitely, and it is for this reason that I believe that the American people must develop an energy conservation ethic.

We all now know that energy conservation is indeed a real necessity. However, what is needed along with an ethic of energy conservation is a vastly expanded conservation research and development effort to make energy conservation a full-fledged partner in the energy research and development field.

Unfortunately, while the President has given us a good deal of rhetoric on the need for energy conservation, he has given us little else. His recent message to the Congress dealt heavily with energy matters, but barely mentioned energy conservation. And, the thrust of all his recent energy messages has emphasized supply side problems to the virtual exclusion of conservation.

It is my view that unless we create a body whose sole task is to focus attention on research and development in the energy conservation field, we stand in danger of the vast bulk of Federal and industry funds being spent solely on the supply side of our energy problems, without adequately meeting the crucial need to use our energy resources more efficiently.

POTENTIAL FOR ENERGY CONSERVATION

The potential for savings of energy resources through energy conservation is vast. A recent staff study undertaken by the Office of Emergency Preparedness stated that—

> Energy conservation measures can reduce U.S. energy demand by 1980 by as much as the equivalent of 7.3 million barrels per day of oil (equal to about two-thirds of projected oil imports for that year).

Prominently mentioned in the OEP study as offering the greatest potential in this area were improved insulation in homes; adoption of more efficient air-conditioning systems; a shift of less energy-consumptive methods of transporting both people and goods; and introduction of more efficient industrial processes and equipment.

The need for conservation in each of these areas is great and increasing daily.

Household and commercial. This sector of the American economy, according to "Conservation of Energy," a study prepared in 1972 for the national fuels and energy policy study, consumed over 35 percent of all energy demand in 1970. This sector covers a wide range of uses including heating and cooling of homes, offices, and factories; heating of hot water; and the electricity needed for the wide range of uses found in homes and office buildings. Indeed, a recent study by the Stanford Research Institute indicated that 29 percent of all energy consumed in the United States went for the needs of residential and commercial buildings.

This massive use of energy in the residential and commercial sector points up the need for intensive research and development to develop means of conserving energy in this area. Among the most promising potential areas for savings in this sector are:

First, improvement in materials for and the design of buildings, to bring about reduction in energy consumption;

Second, improvement in the design of urban living areas to reduce the energy needs in urban communities; and

Third, improvement in the energy-utilization efficiency of electrical appliances, with particular emphasis on the fast-growing consumption of electricity by air-conditioning systems throughout the country.

The potential for energy savings in these areas is most significant. A recent study done by the Rand Corp. for the California State Legislature estimated that better insulation in new housing could cut heating and cooling requirements by 40 to 50 percent, which would amount to a very considerable saving in total energy consumed in the United States.

Industrial. The industrial sector, in 1968, was the largest single user of energy in this country, consuming just over 40 percent of the total energy demand. As Conservation of Energy illustrates, there is a high degree of concentration of energy-intensive industrial processes within a relatively small number of industries. These are primary metals—21.5 percent of total energy demand; chemicals and allied products, 15.4 percent; food and kindred products, 8.5 percent; stone, clay, and glass processing, 8.3 percent; and paper and allied products, 7.4 percent.

Together, these 5 industry groups use 61.1 percent of the total energy demand in the industrial sector. It therefore is of utmost importance to focus research and development work on improving the energy-utilization efficiency of industrial processes, giving particular emphasis to those industries which are heavily dependent on the use of energy resources.

Transportation. Transportation in the United States consumed 24 percent of the total amount of energy used in 1968. This figure, large in itself, does not totally reveal the importance of cutting back demand in this sector, because the transportation sector of the economy is unique in its almost total reliance on petroleum. In 1970, automobiles consumed 66 billion gallons of gasoline, which represented 54 percent of the fuel used in all forms of transportation and 13 percent of the total energy consumption in the Nation.

The place of the passenger automobile thus occupies a central position of concern in our efforts to conserve energy resources. Consumer Reports recently gave us some indication of the extent of the savings that even a limited improvement in gasoline mileage for automobiles would bring about:

> If only the automobiles used in urban driving (two-thirds of total usage) had gotten 20 miles to the gallon instead of the 1970 average of 11.4 mpg, and if those cars had hauled an average of 2 passengers rather than 1.4 they did, about 26 billion gallons of gasoline would have been saved in 1970. That would have reduced urban automobile gasoline consumption 60 percent for that year.

Savings of billions of gallons a year of oil can be realized if we can increase the efficiency of automobiles on American roads. To do this, we need research and development for new designs in transportation vehicles and more efficient engine designs.

Emphasis should be placed on the improvement in the design of transportation vehicles and power systems for these vehicles—with particular emphasis on small cars and alternatives to the internal combustion engine, as well as improvement in the design of total transportation systems. By improving the energy consumption patterns of the automobile and by improving the mass transit alternatives available to the automobile driver, we can make a major contribution toward reducing the need to import large quantities of petroleum and petroleum products.

LEGISLATION IS NEEDED

These are some of the goals which an energy conservation strategy must pursue. We must recognize, however, that in the past, energy conservation research and development has often been regarded as the poor stepchild in the general area of energy research and development. The temptation is too great to focus attention on the development of alternative energy sources and supplies—an area where work is urgently needed—to the exclusion of energy conservation activities.

Without a separate entity whose sole focus would be to concentrate on efficient use of our natural resources we may never realize the great potential of the full use of the broad spectrum of energy conservation strategies.

This effort cannot be a Federal effort alone, of course. It must involve a partnershp between the Federal Government and the States which places maximum emphasis on development of an energy conservation mentality, of new technology to foster energy conservation, and which helps educate the American people on the need for care in the use of resources which through much of our history we have thought to be limitless.

Therefore I am introducing today the Energy Conservation Research and Development Act of 1973. This legislation would set up an independent corporation to carry out research and development into particularly promising areas of energy conservation technology, and attempt to bring about implementation of those strategies. It would also provide for the funding of State energy conservation councils, whose task will be to perform a wide variety of informational and consulting services for State and local governments and industry, to aid in energy conservation at the State and local levels.

The Energy Conservation Research and Development Corporation which would be established under this act would be governed by a Board subject to Senatorial advice and consent. It would have authority to conduct research and development in areas which offer substantial potential for the conservation of energy resources, including:

First, improvement in materials for, and design of, buildings to conserve energy resources;

Second, urban area design which serves to reduce community energy needs;

Third, improvement in design of transportation vehicles, and the power systems therefor, with emphasis on small cars and alternatives to the internal combustion engine;

Fourth, improvement in design of transportation systems so as to minimize transportation energy demands, consistent with goals of clean air and convenience in transportation services;

Fifth, improvement in the energy-utilization efficiency of industrial processes, with particular emphasis on those industries heavily dependent on use of energy resources for processing;

Sixth, research into decentralized energy systems for residential, commercial and industrial uses, such as fuel cells, total energy systems, district heating systems, fuel from organic waste, and solar space conditioning;

Seventh, research on regulatory and taxation policies that would have the effect of curbing energy demand; and

Eighth, research on increasing the efficiency of electrical appliances, with particular emphasis on air conditioning systems.

The Corporation would also be empowered to cooperate with and make recommendations to Federal agencies for the maximum possible utilization of the results of the research and development undertaken by the Corporation, including experimental and demonstration projects.

The activities of the National Corporation must be augmented at the State level, and the legislation I am introducing seeks to do that.

The bill would provide funding to State energy conservation councils to complement the activity of the National Corporation at the State level. These State councils, which must meet guidelines established by the National Corporation, could be either new or existing agencies. They would be empowered to coordinate energy conservation efforts on a State level; to disseminate the results of energy conservation activities carried out by the National Corporation; to provide advice to State and local governmental units and private industry on energy research and development, including consulting and technical services; and to advise the Corporation with respect to areas the State deems to be of high priority for research by the Corporation.

Funding would be provided by the National Corporation at a level of 50 cents per capita in each State per year.

FUNDING

The Corporation, and through it, the State energy conservation councils, would be funded up to a level of $200 million for fiscal 1974, $300 million for fiscal 1975, and $500 million per year for each of the next 8 fiscal years. The initial life span of the Corporation would be for 10 years, with Congress retaining the authority either to extend funding beyond that date, or at some earlier date to terminate the Corporation or transfer it to an existing agency.

Funding for the Corporation would be derived from revenues under the Outer Continental Shelf Lands Act. These revenues are derived from bonuses, rents, and royalties from Federal lands leased to private corporations on the Outer Continental Shelf—OCS. Payments to the Corporation would be through a trust fund, and payments to the trust fund from OCS revenues would be made only after payments had first been made to the land and water conservation fund, which now is the prime recipient of OCS funds.

Mr. President, I ask unanimous consent that a chart showing the past and projected income from the Outer Continental Shelf fund be inserted in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

BUREAU OF LAND MANAGEMENT

SOURCE AND DISTRIBUTION OF OUTER CONTINENTAL SHELF RECEIPTS

[In thousand of dollars]

	Source				Distribution		
	Bonuses and rents[1]	Royalties[2]	Release from escrow[3]	Total	General fund[4]	Land and water funds[5]	Total
Fiscal year:							
1971 actual	890, 634	159, 915		1, 050, 549	842, 966	207, 583	1, 505, 549
1972 actual	28, 030	251, 323		279, 353	55, 676	223, 677	279, 353
1973 estimated	2, 752, 000	300, 000	1, 123, 000	4, 175, 000	4, 007, 501	167, 499	4, 175, 000
1974 estimated[6]	1, 800, 000	300, 000		2, 100, 000	1, 879, 000	221, 000	2, 100, 000
1975 projected[6]	4, 200, 000	350, 000		4, 550, 000	4, 325, 000	225, 000	4, 550, 000
1976 projected[6]	4, 200, 000	400, 000		4, 600, 000	4, 375, 000	225, 000	4, 600, 000

[1] Bonuses are amounts paid by successful high bidders at lease sales to secure leases; charged at $3 per acre are a relatively insignificant amount of the totals shown. Both bonuses and rents vary substantially from year to year based on many factors including number of sales, acres leased, old leases abandoned, known or expected potential of areas leased, general economic conditions, litigation, etc.

[2] Royalties are charged at the rate of 16⅔ percent of the value of production and are increasing at a relatively predictable rate of about $50,000,000 per year.

[3] Amount of receipts formerly in dispute between the United States and the State of Louisiana and released from escrow as a result of Supreme Court decree.

[4] Amount deposited to general fund receipts of U.S. Treasury.

[5] Amount of receipts utilized to make up deficit in land and water conservation fund. Projections for 1975 and 1976 assume continuation of $300,000,000 total LWCF authorization level.

[6] Projected receipts are based on an accelerated leasing schedule including 3 general sales per year. Estimates are subject to revision due to changes in leasing schedule and other factors.

Mr. MONDALE. As this chart shows, the OCS fund should be more than sufficient to provide the funding required by the Corporation. Funding is provided from the OCS fund both because it utilizes an existing source of revenue which currently is reverting to general Treasury revenues, and, more importantly, as a means of expressing concern that income from the depletable resources of the Outer Continental Shelf be put to a purpose which will help all of us enjoy the benefits of these resources for a longer period of time. By employing these funds derived from use of our energy resources, to help conserve those same resources, we will insure that our dependence on foreign nations as sources for energy supplies will be reduced to the maximum extent possible.

Over 60 years ago, the great conservationist Gifford Pinchot stated that:

> When the natural resources of any nation become exhausted, disaster and decay in every department of national life follow as a matter of course. Therefore the conservation of natural resources is the basis, and the only permanent basis, of national success.

Today, these words have a new and more urgent ring. We must not delay in finding new means of conserving our existing energy sources, to insure that the national welfare will not be imperiled by waste of resources we now know to be our most precious national asset.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2462

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be cited as the "Energy Conservation Research and Development Act of 1973."

SECTION 2. (a) There is hereby established the Energy Conservation Research and Development Corporation (hereinafter in this Act referred to as the "Corporation"). The Corporation shall have a Board of five Directors consisting of individuals who are citizens of the United States, of whom one shall be elected annually by the Board to serve as Chairman. Members of the Board shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and shall serve for terms of four years. Three members of the Board shall constitute a quorum for the purpose of conducting the business of the Board. The President of the United States shall call the first meeting of the Board of Directors. Each Director of the Board not employed by the Federal Government shall receive compensation at the rate of $300 for each meeting of the Board he attends. In addition, each Director shall be reimbursed for necessary travel and subsistence expenses incurred in attending the meetings of the Board.

(b) The Board of Directors is empowered to adopt and amend bylaws, consistent with the provisions of this Act, governing the operation of the Corporation.

(c) The Corporation shall appoint an executive director who shall be the chief administrative officer of the Corporation, and such other officers and employees as may be named and appointed by the Board. The rates of compensation of all officers and employees shall be fixed by the Board.

SEC. 3. (a) It shall be the function of the Corporation, from moneys available to it in the fund established by section 10 of this Act, to conduct research and development in, and contract with any State or political subdivision or agency thereof, Federal agency, or any private corporation or other entity, for the conduct of research and development in, areas which offer substantial potential for the conservation of energy resources, including but not limited to—

(1) improvement in materials for, and design of, buildings to conserve energy resources;

(2) urban area design which serves to reduce community energy needs;

(3) improvement in design of transportation vehicles, and the power systems therefor, with emphasis on small cars and alternatives to the internal combustion engine;

(4) improvement in design of transportation systems so as to minimize transportation energy demands, consistent with the goals of clean air and convenience in transportation services;

(5) improvement in the energy-utilization efficiency of industrial processes, with particular emphasis on those industries heavily dependent on use of energy resources for processing;

(6) research into decentralized energy systems for residential, commercial, and industrial uses, such as fuel cells, total energy systems, district heating systems, fuel from organic waste, and solar space conditioning;

(7) research on regulatory and taxation policies that would have the effect of curbing energy demand; and

(8) research on increasing the efficiency of major energy consuming household products.

(b) With respect to any contract, arrangement or other agreement entered into by the Corporation with any private corporation or other entity pursuant to this Act, the Corporation, if it determines that such contract, arrangement, or agreement involves a project which has promise of a commercial potential, is authorized to require such corporation or entity to participate in the funding of such project. Such participation shall be in such manner and to such extent as the Corporation shall prescribe.

SEC. 4. In utilizing the results of such research and development carried out pursuant to this Act, the Corporation shall have authority to—

(1) enter into and direct arrangements with any State or political subdivision or agency thereof, Federal agency or any private corporation or other entity to utilize, on an experimental or demonstration basis, the results of activities carried out pursuant to section 3 of this Act;

(2) enter into agreements, by contracts or otherwise, with any State or political subdivision or agency thereof, Federal agency, or any private corporation or other entity for long-range implementation of new energy conservation technologies;

(3) take such other action as may be necessary to fully implement the results of activities authorized under section 3, including the power to sell, on a fee basis, either exclusive or nonexclusive patent rights on all patents growing out of its research and development efforts or those of its contractees;

(4) make recommendations to appropriate Federal agencies and departments, including regulatory agencies;

(5) provide energy conservation information to any Federal or State executive or legislative body, including a State Energy Conservation Council established or designated pursuant to section 9 of this Act; advise any such body or Council on energy conservation policies; and formulate and carry out, in cooperation with such State Energy Conservation Councils, public education programs relating to energy conservation opportunities available to citizens.

SEC. 5. In carrying out its functions under this Act, the corporation is authorized to enter into contracts, leases, or other arrangements; to make grants; to conduct or cause to be conducted research and development related to its mission; and to acquire by construction or purchase, or to contract for the use of, physical facilities, equipment, patents, and devices which it determines necessary in carrying out such functions. To carry out its functions, the Corporation shall have, in addition to the powers conferred by this Act, the usual powers conferred upon corporations by the District of Columbia Business Corporation Act. Leases, contracts, and other arrangements entered into by the Corporation, regardless of the place where the same may be executed, shall be governed by the laws of the District of Columbia.

SEC. 6. (a) The Corporation shall transmit to the President of the United States and the Congress, annually, commencing one year from the date of the enactment of this Act, and at such other times as it deems desirable, a comprehensive and detailed report of its operations, activities, and accomplishments under this Act, including a statement of expenditures for the previous year. At the time of its annual report, the Corporation shall submit such legislative recommendations as it deems desirable.

(b) All reports, plans, specifications, cost and operating data of the Corporation acquired by it in connection with the carrying out of its duties under this Act, shall be made available by the Corporation in accordance with the provisions of section 552 of title 5 of the United States Code.

(c) The Corporation shall make annual reports available to interested parties on the progress of its operations. Such reports shall be in sufficient detail so that independent engineering and economic judgments can be made based on such reports.

SEC. 7. On or before the expiration of ten years following the date of the enactment of the Act, the Board of Directors, unless the Congress, by legislation enacted after the date of the enactment of this Act shall otherwise provide, shall take such action as may be necessary to dissolve the Corporation. The assets of the Corporation on the date of its dissolution, after satisfaction of all its legal obligations, shall be made available to the United States and deposited in the United States Treasury as miscellaneous receipts. All unobligated moneys in the fund established by section 10 of this Act shall, on such date of dissolution, be transferred to miscellaneous receipts of the Treasury. All patent rights of the Corporation shall, on such date of dissolution, be vested in the Administrator of General Services.

SEC. 8. (a) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Corporation, upon its request, any information or other data which the Corporation deems necessary to carry out its duties under this Act.

(b) The Corporation is authorized to utilize, on a reimbursable basis, the services of any personnel made available by any department, agency, or instrumentality, including any independent agency, of the Government.

(c) The Corporation may procure the services of experts and consultants without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may compensate such experts and consultants without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, in accordance with section 3109 of that title.

SEC. 9. (a) Notwithstanding any other provision of this Act, the Corporation shall not extend any assistance, financial or otherwise, to, or enter into any agreement with, any State or political subdivision thereof or any agency or institution of such State or subdivision, unless such State has first entered into an agreement with the Corporation pursuant to which such State agrees to establish, or designate an existing State agency as, an Energy Conservation Council whose functions, among others, shall be to (1) coordinate energy conservation efforts on a State level; (2) disseminate the results of energy conservation activities carried out under section 3 of this Act; (3) provide advice to State and local governmental units and private industry on energy research and development, including consulting and technical services; and (4) advise the Corporation with respect to areas the State deems to be of high priority for research by the Corporation.

(b) Each State Conservation Council shall submit annually to the Corporation a report on its activities for the previous fiscal year.

(c) Any agreement entered into pursuant to subsection (a) of this section shall provide that the Council so established or designated shall meet guidelines and standards established by the Corporation.

(d) Nothing in this Act shall be construed as prohibiting any such Council from imposing certain charges or other fees in connection with the dissemination, to nongovernmental entities, of the results of energy conservation activities carried out under section 3 of this Act, or the rendering of other assistance to such entities.

SEC. 10. (a) There is hereby established in the Treasury of the United States the Energy Conservation Research and Development Fund (referred to in this Act as the "fund"). The fund shall consist of such amounts as may be appropriated or credited to it as provided in this section. Moneys appropriated or credited to the fund pursuant to this section are hereby made available to the Corporation for carrying out the purposes of this Act without fiscal year limitation including the funding of State energy conservation councils established or designated pursuant to section 9.

(b) Subject to the payments required under the provisions of section 2(c)(2) of the

Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-5) to be made from the Outer Continental Shelf Lands Act, there shall be credited to the fund, from revenues due and payable to the United States for deposit in the Treasury as miscellaneous receipts under the Outer Continental Shelf Lands Act, the remainder of such revenues, up to $200,000,000, for the fiscal year ending June 30, 1974; $300,000,000 for the fiscal year ending June 30, 1975; and $500,000,000 for each of the next following eight fiscal years.

(c) In addition to the moneys credited to the fund pursuant to subsection (b) of this section, there is authorized to be appropriated to the fund, for the fiscal year ending June 30, 1974, and for each of the next following nine fiscal years, such amount as is necessary to make the income of the fund $200,000,000 for the fiscal year ending June 30, 1974; $300,000,000 for the fiscal year ending June 30, 1975; and $500,000,000 for each of the next following eight fiscal years.

(d) The Corporation, from moneys appropriated or credited to the fund, is authorized and directed to extend financial assistance for the purposes of finding State Energy Conservation Councils established or designated pursuant to section 9 of this Act to any State in an amount for any fiscal year not to exceed 50 cents multiplied by the population of that State.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTION

S. 400

At the request of Mr. HANSEN, the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 400 to facilitate the donation of surplus Federal properties.

S. 827

At the request of Mr. STEVENS, the Senator from South Dakota (Mr. ABOUREZK) was added as a cosponsor of S. 827, to amend section 6334(a) of the Internal Revenue Code to exempt certain amounts of salary or wages from tax levy.

S. 1604

At the request of Mr. BROCK, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 1604, to prevent discrimination on the basis of sex in housing, the Fair Housing Opportunity Act.

S. 1853

At the request of Mr. HANSEN, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 1853, a bill to amend the Internal Revenue Code to encourage development of processes to convert coal to low-pollutant synthetic fuels.

S. 1988

At the request of Mr. MAGNUSON, the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 1988, a bill to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry, and for other purposes.

S. 2089

At the request of Mr. MAGNUSON, the Senator from Oregon (Mr. PACKWOOD) was added as a cosponsor of S. 2089, a bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels.

S. 2327

At the request of Mr. CHURCH, the Senator from Wyoming (Mr. MCGEE) was addded as a cosponsor of S. 2327, a bill to impose Federal penalties for the robbery of controlled substances from a pharmacy or drug store.

S. 2328

At the request of Mr. MCINTYRE, the Senator from Michigan (Mr. HART) and the Senator from South Dakota (Mr. ABOUREZK) were added as cosponsors of S. 2328, to require that certain information about gasoline be disclosed to consumers.

S. 2420

At the request of Mr. BAYH, the Senator from Mississippi (Mr. EASTLAND) was added as a cosponsor of S. 2420, a bill to amend the Economic Stabilization Act of 1970 to adjust ceiling prices applicable to certain petroleum products and to permit retailers of such products to pass through increased costs.

S. 2442

At the request of Mr. MCINTYRE, the Senator from Illinois (Mr. STEVENSON) was added as a cosponsor of S. 2442, a bill to amend the Export Administration Act of 1969 to prohibit the export of crude oil and petroleum products during any period when prices in the petroleum industry are subject to economic controls.

SENATE JOINT RESOLUTION 147

At the request of Mr. MCINTYRE, the Senator from North Carolina (Mr. ERVIN) was added as a cosponsor of S.J. Res. 147, to provide for a report on People's Republic of China grain purchase.

SENATE CONCURRENT RESOLUTION 46—SUBMISSION OF A CONCURRENT RESOLUTION WITH RESPECT TO THE OBSERVANCE OF HUMAN RIGHTS IN CHILE

(Referred to the Committee on Foreign Relations.)

Mr. KENNEDY. Mr. President, I am submitting a resolution today concerning human rights in Chile and urging an end to the silence by this administration that has greeted recent events in that country.

In the House of Representatives, Representative DONALD FRASER is introducing an identical resolution.

I expressed my deep regret and concern last week at the tragic events taking place in Chile. We saw the heritage of democratic constitutional rule sent tumbling into the streets of Santiago. Yet we heard no sign of regret from this Government. Even when we heard of the death of President Allende, there was a delay before even the message of condolence was issued.

Now we hear of other reports, of summary executions, of prisoners rounded up into football stadiums and refugees, political dissenters, and civilians to be judged by military court-martial board.

Soon after the outbreak of conflict, Mr. President, disturbing reports came to my attention about the plight of the people of Chile, especially several thousand political refugees from Brazil, Bolivia and other neighboring countries who had been given asylum by the Allende government.

As chairman of the Judiciary Subcommittee on Refugees, on September 14, I cabled an urgent appeal to the United Nations High Commissioner for Refugees—UNHCR—Sadruddin Aga Khan, for his intervention in behalf of the political refugees in Chile, "to help insure their protection and/or safe conduct for resettlement in other countries." I also suggested to the UNHCR that the presence in Chile of his personal representative would be helpful—and I urged the administration to support this international effort.

I can report today, Mr. President, that the UNHCR has taken a number of steps in behalf of the political refugees in Chile, and his personal representative is now present in Santiago. I want to commend very highly the initiatives taken so far, and express the hope that the military regime in Chile will fully carry out its pledge to the UNHCR in providing protection and safe conduct for the refugees under international auspices. I am also hopeful, Mr. President, that the efforts of the International Committee of the Red Cross—ICRC—in attending to the needs and rights of Chilean citizens will be given every measure of support.

I am distressed, however, over the nonconcern of our own Government. The administration's hand's off policy toward human needs and rights in Chile is another appalling commentary on the state of our foreign policy, and the lack of sensitivity by this administration toward people problems around the world.

For that reason, I am submitting today a resolution expressing the sense of Congress with respect to the observance of human rights in Chile. This resolution, which I ask unanimous consent to have printed in the RECORD, urges the President to request the Government of Chile to respect the provisions of the Universal Declaration of Human Rights, and other international agreements concerning refugees and political prisoners.

The resolution also urges that the names of those being held in custody and the charges against them be made public and the process of law be restored.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 46

Whereas in the aftermath of the change of government in Chile there is widespread concern over the possible danger to human lives and human rights in that country;

Whereas thousands of people are being held in custody including former cabinet-level officials, members of both Houses of Congress, students and professors of universities and non-Chilean nationals who are political refugees from their home countries;

Whereas the Government of Chile has stated an intention to apply military justice to those being held in custody;

Now, therefore, be it resolved by the Senate (the House of Representatives concurring), that it is the sense of the Congress that the President should request the Government of Chile to undertake the following:

(a) to ensure protection of human rights of all individuals, Chilean and foreign, as provided in the Universal Declaration of Human Rights, the Convention and Protocol relating to the status of refugees and other relevant international legal instruments guaranteeing the granting of asylum, safe conduct and humane treatment of prisoners as provided in Article 3 of the Geneva Conventions, Article 14 of the Universal Declaration of Human Rights, the United Nations Standard Minimum Rules for the Treatment of Prisoners, and the Declaration of Territorial Asylum; and

(b) to publish as soon as possible the names of those being held in custody and the charges against them.

ADDITIONAL COSPONSORS OF A RESOLUTION

SENATE RESOLUTION 150

At the request of Mr. Hansen, the Senator from Alabama (Mr. Allen), the Senator for Nevada (Mr. Bible), and the Senator from North Carolina (Mr. Ervin), were added as cosponsors of Senate Resolution 150, to deny increases in salaries for persons covered by section 225(h) of the Federal Salary Act of 1967, including Members of Congress.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974—AMENDMENTS

AMENDMENTS NOS. 513 THROUGH 515

(Ordered to be printed, and to lie on the table.)

Mr. PROXMIRE submitted three amendments, intended to be proposed by him, to the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

AMENDMENT NO. 516

(Ordered to be printed, and to lie on the table.)

Mr. MONDALE submitted an amendment, intended to be proposed by him, to House bill 9286, supra.

AMENDMENT NO. 517

(Ordered to be printed, and to lie on the table.)

Mr. McINTYRE (for himself and Mr. Dominick) submitted an amendment, intended to be proposed by him, to House bill 9286, supra.

AMENDMENT NO. 518

(Ordered to be printed, and to lie on the table.)

Mr. HASKELL (for himself and Mr. Moss) submitted amendments, intended to be proposed by them, jointly, to House bill 9286, supra.

AMENDMENT NO. 519

(Ordered to be printed, and to lie on the table.)

Mr. CLARK submitted amendments, intended to be proposed by him, to House bill 9286, supra.

AMENDMENT NO. 520

(Ordered to be printed, and to lie on the table.)

Mr. EAGLETON (for himself, Mr. Proxmire, Mr. Hughes, Mr. Gravel, and Mr. Abourezk) submitted amendments, intended to be proposed by them, jointly, to House bill 9286, supra.

AMENDMENT NO. 524

(Ordered to be printed, and to lie on the table.)

Mr. FULBRIGHT. Mr. President, I submit an amendment to H.R. 9286 and ask that it be printed in the Record following my remarks, along with pertinent provisions of S. 1443 and the committee report on it. The amendment would delete the provisions in this bill concerning funding of military assistance to South Vietnam and Laos. Thus, it would assure that aid to these countries is provided in accordance with the terms of S. 1443, which passed the Senate on June 26. It would, however, retain the provision of existing law which prohibits the financing of Vietnamese operations in support of either Cambodia or Laos.

Since 1966 military assistance to Vietnam has been funded out of the Department of Defense budget instead of the regular foreign military assistance program authorized by the Foreign Assistance Act. Military aid to Laos and Thailand was switched to the defense budget the next year. At the time this change took place, U.S. forces were carrying the brunt of the fighting in Indochina, and the executive branch officials pointed out, with some merit, that military aid to these countries could be provided more efficiently through the logistics system of our own Armed Forces. The 1966 Senate Armed Services Committee report, recommending the transfer, stated:

> This limited merger of funding of support of allied forces for a combat area with that of U.S. forces engaged in the same objective is similar to the practice followed during the Korean war. It is desirable because parallel but separate financial and logistics systems for the U.S. forces and for military assistance are too cumbersome, time consuming, and inefficient in a combat zone.

Two years ago the Foreign Relations Committee approved a provision in the foreign aid bill which would have gone back to the traditional method of providing military aid to these countries. That provision was deleted on the Senate floor at the urging of the Senator from Mississippi, the chairman of the Armed Services Committee, who told the Senate:

> I am willing that, in the future, jurisdiction with respect to Southeast Asia be returned to the Committee on Foreign Relations. I think that while we are there and the activities are going on, we ought to keep it where it is, because they have to be considered together.

However, the Senator from Mississippi did approve the return of Thailand to the regular military aid program.

Last year the issue was raised again in connection with the military assistance authorization bill. And the Senator from Mississippi again urged the Senate to continue the existing system, stating:

> My amendment is to strike that amendment in the bill (requiring funding of military aid to Vietnam and Laos under the Foreign Assistance Act) and await events, and just as soon as the hostilities stop over there, or even as soon as we have a cease-fire agreement carired out with evidence of permanence, I would be willing to let the matter go back to the Foreign Relations Committee, or let the Senate do that.
>
> As evidence of my willingness, we agreed last year that jurisdiction over funds for Thailand would be sent to the Foreign Relations Committee, because the fighting was not going on there. At least, the prospect was that there would not be any fighting there, and I agreed to let this jurisdiction go back to the Foreign Relations Committee.
>
> I have the same attitude now toward South Vietnam, Laos, and the other countries, as I had last year toward Thailand. We were hoping last year the war would be over by now, but it is not, so we have to look realities in the face.

U.S. military forces are no longer involved in hostilities in Indochina. There are cease-fire agreements in South Vietnam and Laos. Other than in Cambodia, a tenuous peace exists throughout the region. And I point out that military aid for Cambodia is not involved here. Aid to Cambodia has been financed under the regular foreign military aid program ever since our involvement began in 1970.

The conditions cited by the Senator from Mississippi in 1971 and 1972 as justification for continued funding of military aid to Vietnam and Laos out of the defense budget no longer prevail. In view of this, the Senate Foreign Relations Committee voted again this year to end this aberration in the foreign aid program. Following the cease-fire agreements in Laos and South Vietnam, the committee approved a provision in S. 1443, the Foreign Military Sales and Assistance Act, authorizing aid to those countries. These provisions were not challenged in the Senate and the bill is now awaiting conference with the House.

Under that bill, the President was authorized to provide one-for-one replacement of arms, equipment and munitions to South Vietnam and Laos in accordance with the cease-fire agreements. Department of Defense stocks could be used for that purpose. If large-scale fighting broke out again in Vietnam, the one-for-one limit could be set aside if the President found and reported to the Congress that the cease-fire agreement was no longer in effect, because of North Vietnamese military actions.

The bill recommended by the Armed Services Committee has the effect of reversing the Senate's earlier action and is contrary to past assurances that this program would be restored to regular foreign aid funding when U.S. forces were out and a cease-fire agreement achieved. If it is the executive branch's intention to keep this program in the Pentagon budget until no shots are being fired in anger in Indochina, there is not likely to be any change in the current arrangement in my lifetime.

The principal argument advanced in the Armed Services Committee in support of retaining this program in the Defense Department's budget is that the system now in effect gives the executive branch needed flexibility to respond to unforeseen developments in Vietnam and Laos. In reality, all this means is that the executive branch wants carte blanche authority to do what it chooses in Vietnam and Laos with the $952 million recommended by the committee. If the concern is how to supply South Vietnam in the event of a North Vietnamese offensive, the bill approved by the Senate last June gives the President authority to provide all the arms and munitions he thinks the South Vietnamese need by drawing on Department of Defense stocks. The need is not for more flexibility for the executive branch, but for greater congressional control over the vast sums proposed to be poured into Indochina. But, under the present system, Senator Symington told the Appropriations Committee on September 13:

> It . . . has never been possible for the Armed Services Committee to find out just what share of said funds are spent in each of these two countries for specific goods and services.

Congress has reasserted its control over the purse strings to force an end to the direct involvement of our forces in Southeast Asia. The logical next step is to impose tighter controls over the hundreds of millions of dollars in foreign aid going into these countries. The provisions of S. 1443, approved in the Senate without opposition last June, would do that. Adoption of my amendment would reaffirm the Senate's earlier action.

The committee has recommended $952 million in additional military aid to these countries for the current fiscal year. The House approved $1.3 billion for this purpose. In addition, the committee report states that there is $1.2 billion unexpended in the pipeline. There are already vast stockpiles of U.S.-furnished weapons and munitions in South Vietnam. So many, in fact, that the Department of Defense has a total of 4,708 direct-hire civilians and contract personnel in Vietnam to maintain the equipment and teach the Vietnamese how to use what we have given them. The Vietnamese will never learn to be independent and self-reliant if Congress continues to be so generous with the American taxpayers' money as proposed in this bill.

Mr. President, in summary, I urge the Senate to adopt my amendment because:

The Senate has already acted in this field. Approval of H.R. 9286, as reported, would reverse the Senate's action of only 3 months ago.

The arguments used to justify the transfer of military aid to South Vietnam and Laos out of the defense budget no longer apply. Proposals to give aid to these countries should be presented to Congress and considered on the same basis as aid to Cambodia, Korea, or Turkey, or the many other countries receiving arms under the Foreign Assistance Act.

Greater congressional control, and less executive branch discretion, over these vast sums of money is needed.

Congress has a responsibility to be prudent with the taxpayers' money. Savings of several hundred million dollars over the amounts recommended by the Armed Services Committee will be made under the authority approved by the Senate in S. 1443.

I urge the Senate to approve the amendment.

There being no objection, the amendment and excerpt were ordered to be printed in the Record, as follows:

Amendment No. 524

On page 26, beginning with line 24, strike out all down through line 5 on page 28, and insert in lieu thereof the following:

"Sec. 701. Nothing in this Act shall be construed as authorizing the use of any funds, appropriated pursuant to this Act, to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos.

Excerpt From Committee on Foreign Relations Report on S. 1443, S. Rept. 93–189

Section 2109. Authorizations for South Vietnam, Laos, and Cambodia (see also section 3109)

Section 2109, coupled with section 3109, authorize a program of military assistance to South Vietnam and Laos to replace that now provided through annual Department of Defense authorization and appropriation bills. These sections would also authorize continuation of military aid to Cambodia.

Subsection 2109(a)(1) authorizes the appropriation to the Secretary of State of "such sums as may be necessary" to provide the armaments, munitions and war materials to South Vietnam and Laos allowed under section 3109.

Subsection (a)(2) authorizes the President to draw on the stocks of the Defense Department to provide the aid authorized, subject to reimbursement of the Department from subsequent appropriations.

Subsection (a)(3) authorizes $150,000,000 for military aid to Cambodia in fiscal year 1974 subject to the provisions of section 3109.

Any military assistance to South Vietnam, Laos, or Cambodia shall be furnished with the objective of bringing about peace in Indochina and strict implementation of the cease-fire agreements in Vietnam and Loas and any agreement that may be reached in Cambodia in the future.

Military assistance to South Vietnam shall be furnished strictly in accordance with Article 7 of the "Agreement on Ending the War and Restoring Peace in Vietnam," signed in Paris on January 27, 1973, which states:

"From the enforcement of the cease-fire to the formation of the government provided for in Article 9(b) and 14 of this Agreement, the two South Vietnamese parties shall not accept the introduction of troops, miiltary advisers, and military personnel including technical military personnel, armaments, munitions, and war material into South Vietnam.

"The two South Vietnamese parties shall be permitted to make periodic replacements of armaments, munitions and war material which have been destroyed, damaged, worn out or used up after the cease-fire, on the basis of piece-for-piece, of the same characteristics and properties, under the supervision of the Joint Military Commission of the two South Vietnamese parties and of the International Commission of Control and Supervision."

Any military assistance furnished to Laos shall be in accordance with Article 3(d) of the February 21, 1973, cease-fire agreement for Laos, which states:

"It is forbidden to bring into Laos all types of military personnel, regular troops and irregular troops of all kinds and all kinds of foreign-made weapons or war material, except for those specified in the Geneva Agreements of 1954 and 1962. In case it is necessary to replace damaged or worn-out weapons, both sides will consult and arrive at an agreement.

Military assistance furnished to South Vietnam or Laos shall be limited to that necessary to replace armaments, munitions and war materials on a one-for-one basis that have been destroyed, damaged, worn out, or used up. Replacement shall be based on lists previously furnished to the International Commission of Control and Supervision for Vietnam (ICCS) and, in the case of Laos, to the International Commission for Supervision and Control in Laos (ICSC).

The Committee expects that any armaments, munitions, or war materials shall be furnished South Vietnam only on a basis that is in full compliance with terms of the cease-fire agreement, and any pertinent regulations that either have been or may be established by the International Commission of Control and Supervision and the Joint Military Commission (JMC). The aid is restricted to those materials as defined by the ICCS as "armaments, munitions, and war material" and shall not include general subsidization of the South Vietnamese armed forces. If the ICCS or the JMC do not establish standards for replacement the following lists, developed by the Department of Defense, shall apply to aid to Vietnam:

ARMAMENTS

Any device which is capable of launching a projectile or flammable liquid which is used for defensive or offensive military operations. Complete armaments systems configured in their entirety, which must be replaced on the basis of piece-for-piece, of the same characteristics and properties are:

(1) Aircraft gun armament systems.
(2) Antiaircraft gun systems.
(3) Artillery pieces.
(4) Flame throwers.
(5) Grenade launchers.
(6) Guided missile systems.
(7) Machine guns.
(8) Mortars.
(9) Pistols.
(10) Recoilless rifles.
(11) Rifles and shotguns.
(12) Rocket launcher systems.
(13) Shipboard gunmount systems.

MUNITIONS

Those items used with armaments as the projectile, dropped from an aircraft, such as bombs, or thrown by hand such as grenades. It also includes all explosives except those used for civil construction or for emergency/survival purposes operations. Munitions which must be replaced on the basis of piece-for-piece, of the same characteristics and properties are:

(1) Ammunition for armaments listed above.
(2) Bombs.
(3) Explosives, excluding commercial explosives used in civil construction operations or for emergency/survival operations.
(4) Grenades.
(5) Mines.
(6) Missiles.
(7) Napalm.
(8) Rockets.

WAR MATERIEL

Those major end items whose principal use is for combat. Major end items are defined as a final combination of end products, component parts, and/or materiel which is ready for its intended use. War materiel which must be replaced on the basis of piece-for-piece, of the same characteristics and properties are:

(1) Tanks.
(2) Military aircraft.
(3) Military self-propelled ships and water craft and barges.
(4) Armored tracked vehicles.

(5) Military tactical wheeled vehicles and trailers.

(6) Military tactical radios.

(7) Landbased military tactical radars.

(8) Military tactical telephones and teletypes.

Before replacement the United States shall take whatever action is necessary to insure that the South Vietnamese Government complies fully with the provision requiring notice to the ICCS of items eligible for replacement and shall comply with any other conditions the Commission may impose. The United States shall insure that the ICCS is provided in advance of delivery with lists of replacement items to be furnished to South Vietnam. Obligations can be made in advance of appropriations for replacement materials drawn from Department of Defense stocks with reimbursement to the Department from subsequent appropriations.

The provision authorizes $150 million in military grant assistance to Cambodia but requires that if a cease-fire comes about the aid be provided only in accordance with the terms of the cease-fire agreement.

Military training assistance could be provided to South Vietnam and Laos under chapter 23, if permitted under the respective cease-fire agreements as interpreted by the respective International Commission. After any future cease-fire agreement, military training for Cambodia would, of course, be subject to the conditions and terms of that agreement.

If there is a general outbreak of fighting in South Vietnam, the President can provide unlimited military aid if he finds and reports to the Congress that the Vietnam cease-fire agreement "is no longer in effect," in other words, that it is null and void insofar as the United States is concerned. Additional aid above the one-for-one replacement cannot be provided, for example, merely by a Presidential declaration that North Vietnam or the People's Revolutionary Government are violating one or more articles of the agreement. Experience to date has proven that such charges are likely to be a common occurrence on both sides. To go beyond the one-for-one replacement limit the President must assume full responsibility for scrapping U.S. support of the Vietnam cease-fire agreement.

In the absence of any replacement criteria being established by the ICSC for Laos or the parties to the cease-fire agreement for Laos, it is the Committee's intent that the list of eligible armaments, munitions, and war material established by the Department of Defense for Vietnam shall apply and replacement shall be only on a piece-for-piece basis. General subsidization of these Laotian armed forces is not authorized.

Finally, the President shall submit a quarterly report to the Congress on the aid furnished and the general status of the implementation of all cease-fire agreements involved in the area, including a full description of all types of assistance furnished to the three countries and the number and types of United States personnel involved who are paid directly or indirectly with U.S. funds.

There are of course, no funds authorized anywhere in this bill for financing any U.S. military combat operations in Cambodia or anywhere else in Indochina. In this respect the bill is entirely consistent with the Senate's action on the Second Supplemental Appropriation Bill, H.R. 7447, and the Committee's action on the Case-Church amendment to the Department of State Authorization Bill, S. 1248.

EXCERPT FROM REPORT OF THE COMMITTEE ON FOREIGN RELATIONS ON S. 1443, THE FOREIGN MILITARY SALES AND ASSISTANCE ACT (S. REPT. 93–189).

Sections 3109. South Vietnam, Laos, and Cambodia

(See the analysis of section 2109 for a more detailed explanation of the military aid program to be authorized for South Vietnam, Laos, and Cambodia.)

Subsection (a) provides that after June 30, 1973, no sale, credit sale, or guaranty of any defense article or defense service shall be made, or any military assistance, including supporting assistance, furnished to South Vietnam or Laos directly or through any other foreign country unless that sale, credit sale, or guaranty is made, or such assistance is furnished, under this Act. The provisions of this subsection shall not apply to funds obligated before July 1, 1973. However, any assistance furnished to South Vietnam or Laos that is in the pipeline before July 1, 1973, shall be consistent with the one-for-one replacement requirement.

Subsection (b) requires that any sale, credit sale, or guaranty made, or assistance provided under this Act to South Vietnam, Laos, or Cambodia shall be made or furnished with the objective of bringing about peace in Indochina and strict implementation of the cease-fire agreements in Vietnam and Laos and any cease-fire agreement that may be reached in the future with respect to Cambodia.

Under subsection (c) armaments, munitions, and war materials may be provided to South Vietnam and Laos under any provision of this Act only for the purpose of replacing, on the basis of piece-for-piece and with armaments, munitions, and war materials of the same characteristics and properties, those armaments, munitions, and war materials destroyed, damaged, worn out, or used up (1) in the case of South Vietnam, after January 27, 1973, and which are included on lists previously furnished by the Government of South Vietnam to the International Commission of Control and Supervision for Vietnam, and (2) in the case of Laos, after February 21, 1973, and which are included on lists previously furnished by the Government of Laos to the International Commission for Supervision and Control for Laos.

Subsection (d) provides that if a cease-fire agreement is entered into with respect to Cambodia, then, commencing with the date such agreement becomes effective, armaments, munitions, and war materials shall be provided Cambodia under this Act only and strictly in accordance with the provisions of such agreement.

Subsection (e) permits armaments, munitions, and war materials to be provided to South Vietnam without regard to the provisions of subsection (c) if the President finds and reports to Congress that the Agreement on Ending the War and Restoring Peace in Vietnam, signed in Paris on January 27, 1973, is no longer in effect insofar as the United States is concerned. No armaments, munitions, or war materials may be provided under this subsection, however, until the President has reported such finding to Congress.

Subsection (f) provides that the President shall submit to Congress within 30 days after the end of each quarter of each fiscal year, a report on (1) the nature and quantity of all types of foreign assistance provided by the United States Government to South Vietnam, Laos, and Cambodia under this or any other law, (2) the number and types of United States personnel present in, or who are involved in providing such assistance to, such countries and who are paid directly or indirectly with funds of the United States Government, and (3) the general status of the implementation of all cease-fire agreements with respect to Indochina. For purposes of this subsection, "foreign assistance" and "provided by the United States Government" have the same meaning given those terms under section 3301(d) of this Act.

EXCERPT FROM S. 1443, THE FOREIGN MILITARY ASSISTANCE ACT, AS PASSED THE SENATE

AUTHORIZATIONS FOR SOUTH VIETNAM, LAOS, AND CAMBODIA

SEC. 2108. (a) (1) There are authorized to be appropriated to the Secretary of State such sums as may be necessary to provide armaments, munitions, and war materials for South Vietnam and Laos under this chapter.

(2) The President may order armaments, munitions, and war materials from the stocks of the Department of Defense to carry out this subsection, subject to subsequent reimbursement therefor from subsequent appropriations available under this subsection. The Department of Defense is authorized to incur, in applicable appropriations, obligations in anticipation of reimbursements in amounts equivalent to the value of such orders under this subsection.

EXCERPT FROM S. 1443, THE FOREIGN MILITARY SALES AND ASSISTANCE ACT, AS PASSED THE SENATE

SOUTH VIETNAM, LAOS, AND CAMBODIA

SEC. 3109. (a) After June 30, 1973, no sale, credit sale, or guaranty of any defense article or defense service shall be made, or any military assistance (including supporting assistance) furnished to South Vietnam or Laos directly or through any other foreign country unless that sale, credit sale, or guaranty is made, or such assistance is furnished, under this Act. The provisions of this subsection shall not apply to funds obligated prior to July 1, 1973.

(b) Any sale, credit sale, or guaranty made, or assistance provided under this Act to South Vietnam, Laos, or Cambodia shall be made or furnished with the objective of bringing about peace in Indochina and strict implementation of the cease-fire agreements in Vietnam and Laos and any cease-fire agreement that may be reached in the future with respect to Cambodia.

(c) Armaments, munitions, and war materials may be provided to South Vietnam and Laos under any provsion of this Act only for the purpose of replacing, on the basis of piece for piece and with armaments, munitions, and war materials of the same characteristics and properties, those armaments, munitions, and war materials destroyed, damaged, worn out, or used up (1) in the case of South Vietnam, after January 27, 1973, and which are included on lists previously furnished by the Government of South Vietnam to the International Commission of Control and Supervision for Vietnam, and (2) in the case of Laos, after February 21, 1973, and which are included on lists previously furnished by the Government of Laos to the International Commission of Control and Supervision for Laos.

(d) If a cease-fire agreement is entered into with respect to Cambodia, then, commencing with the date such agreement becomes effective, armaments, munitions, and war materials shall be provided Cambodia under this Act only and strictly in accordance with the provisions of such agreement.

(e) Armaments, munitions, and war materials may be provided to South Vietnam without regard to the provisions of subsection (c) of this section if the President finds and reports to Congress that the Agreement on Ending the War and Restoring Peace in Vietnam, signed in Paris on January 27, 1973, is no longer in effect. No armaments, munitions, or war materials may be provided in accordance with this subsection, however, until the President has reported such finding to Congress.

(f) The President shall submit to Congress within 30 days after the end of each quarter of each fiscal year, a report on (1) the nature and quantity of all types of foreign assistance provided by the United States Government to South Vietnam, Laos, and Cambodia under this or any other law, (2) the number and types of United States personnel present in, or who are involved in providing such assistance to, such countries and who are paid directly or indirectly with funds of the United States Government, and (3) the general status of the implementation of all cease-fire agreements with respect to Indochina. For purposes of this subsection, "foreign assistance" and "provided by the United States Government" have the same meanings given those terms under section 3301(d) of this Act.

AMENDMENT NO. 525

(Ordered to be printed, and to lie on the table.)

Mr. GOLDWATER submitted an amendment, intended to be proposed by him, to House bill 9286, supra.

AMENDMENT NO. 526

(Ordered to be printed, and to lie on the table.)

Mr. CANNON (for himself, Mr. JAVITS, Mr. BUCKLEY, Mr. THURMOND, Mr. GOLDWATER, and Mr. TOWER) submitted an amendment, intended to be proposed by them, jointly, to House bill 9286, supra.

PROVISION OF FEDERAL REVENUES TO STATE AND LOCAL GOVERNMENTS—AMENDMENTS

AMENDMENT NO. 521

(Ordered to be printed, and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. STEVENS. Mr. President, the administration has proposed the Better Communities Act to provide for Federal revenue sharing with the States to meet community development needs. The factors used to determine the allocation of funds are population, the extent of overcrowded housing and the number of people living below the poverty level of income.

For the State of Alaska the bill presents several major problems. We, of course, have a very small population and those with jobs have a relatively high income level. While some adjustments are made to reflect the higher cost of living, no Federal program has ever been designed which takes into account the fact that in some areas of my State it costs as much as 200 percent more to live than it does in the "lower 48."

I am especially concerned with the effects of this legislation upon the expiration of the hold harmless period. Assuming that funding will be at the $2.3 billion level requested, the total of all Federal funds under this program for the State of Alaska after the hold harmless period would be just over $300,000. It is just not possible to have an adequate or even marginal community development program in a State whose area is one-fifth the total area of the country with annual Federal funding of $300,000.

The amendment which I am submitting today would provide that total entitlement of each State, together with the entitlements of all political subdivisions and metropolitan areas within that State, would not be less than 1 percent of the funds appropriated to carry out the act.

I ask unanimous consent that the text of the amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 521

On page 18, between lines 11 and 12, insert the following:

"(f) Notwithstanding any other provision of this section, the Secretary shall make such ratable adjustments in entitlements as may be necessary so that the entitlement of each State, together with the aggregate of the entitlements of all metropolitan cities, urban counties, and other units of general local government within such State, is not less than 1 per centum of the funds appropriated for any fiscal year to carry out this Act."

On page 18, line 12, strike out "(f)" and insert in lieu thereof "(g)".

ESTABLISHMENT OF SAFETY STANDARDS FOR MOBILE HOMES IN INTERSTATE COMMERCE—AMENDMENTS

AMENDMENT NO. 522

(Ordered to be printed, and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. BROCK submitted amendments, intended to be proposed by him, to the bill (S. 1348) to provide for the establishment of safety standards for mobile homes in interstate commerce, and for other purposes.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENTS

AMENDMENT NO. 523

(Ordered to be printed, and referred to the Committee on Finance.)

Mr. FANNIN. Mr. President, today I am submitting amendments to H.R. 3153 which will facilitate the adoption by Arizona of a medicaid program.

Arizona has been concerned, since the enactment of the medicaid program, with the financial implications that participation by the State would present to the State's financial program. The result has been that the State has not approved legislation to enable it to participate in the medicaid program.

Among the concerns the State felt would be harmful to its capacity to participate were the State matching requirements, mandated comprehensive health services, program regulations and guidelines, and the participation by Indian citizens. These concerns, however, have largely been modified in recent years, but the problem of Indian participation has remained unresolved and represents a major obstacle by the State to enacting enabling legislation.

Under present Federal law the State is required to contribute a portion of State funds to cover the costs of benefits provided to individuals participating in the medicaid program. The Indian Health Service provides, however, 100 percent financial support to those reservation Indian citizens who participate in the programs of the Indian Health Service. Arizona is concerned that large numbers of reservation Indian citizens who are eligible for Indian Health Service benefits, may elect to instead participate in the medicaid program thus causing serious financial problems for the State in meeting its medicaid costs.

To alleviate this potential problem, I am proposing that services provided to reservation Indians under medicaid be reimbursed at a rate of 100 percent by the Federal Government. The effect of this proposal is to provide a rate of reimbursement for service on the same basis as the Indian Health Service.

In my estimation this is a fair and equitable solution to a problem which if unresolved could seriously threaten Arizona's financial capacity to meet the obligations of the medicaid program should it desire to participate.

Mr. President, I ask unanimous consent that the amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 523

On page 9, line 6, insert "the preceding provisions of" immediately after "by".

At the end of the bill, insert the following:

SEC. 6. (a) Section 1903 of the Social Security Act is amended by inserting immediately after subsection (d) thereof the following new subsection:

"(e) With respect to amounts expended during any quarter (commencing with the calendar quarter which begins on January 1, 1974) as medical assistance under the State plan (including amounts for premiums as described in subsection (a) (1)) in providing services to any individual who, at any time during the 12-month period ending with the month preceding the month in which he received such services, was eligible for comprehensive health services under the Indian Health Service program conducted within the Public Health Service, the Federal medical assistance percentage shall be increased to 100 per centum."

(b) Section 1903 (a)(1) of such Act is amended by striking out "subsections (g) and (h)" and inserting in lieu thereof "subsections (g), (e), and (h)".

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 476 TO H.R. 9286

At the request of Mr. GOLDWATER, the Senator from Montana (Mr. MANSFIELD) was added as a cosponsor of amendment No. 476 to the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

ANNOUNCEMENT OF HEARINGS ON INDIAN HOUSING

Mr. ABOUREZK. Mr. President, I announce for the information of the Senate that the Indian Affairs Subcommittee of the Senate Interior Committee plans to hold 2 days of field hearings into the Indian housing problem.

The hearings are scheduled for October 1 and 2 in South Dakota.

On October 1, the hearings will commence at 9:30 a.m. at Digmann Hall in the town of St. Francis on the Rosebud Indian Reservation in South Dakota.

The subcommittee is planning a somewhat unusual approach to this day of hearings. I am inviting the Indian people themselves to testify about their housing problems and the programs. The invitations to testify will be sent via either mass mailing or a leaflet drop to the seven reservations in South Dakota.

The idea is to ask the people most directly involved—the consumers of the programs themselves—what might be wrong and what might be needed. It promises to be a dramatic hearing.

On October 2, the hearings will commence at 9:30 a.m. in the ballroom of the Alex Johnson Hotel in downtown Rapid City, S. Dak. On that day the subcommittee plans to hear from people directly involved with Indian housing programs who are the next step up the ladder—those people with day-to-day operational responsibility for the programs.

It is a from-the-grassroot-up approach.

I extend a cordial invitation to members of the subcommittee, full committee and the entire body to attend these hearings. Staff contact in my office will be Joel Severson, X-5842.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

William R. Burkett, of Oklahoma, to be U.S. attorney for the western district of Oklahoma for the term of 4 years (reappointment).

Floyd Eugene Carrier, of Oklahoma, to be U.S. marshal for the western district of Oklahoma for the term of 4 years (reappointment).

Frank M. Dulan, of New York, to be U.S. marshal for the northern district of New York for the term of 4 years (reappointment).

Harold S. Fountain, of Alabama, to be U.S. marshal for the southern district of Alabama for the term of 4 years (reappointment).

Christian Hansen, Jr., of Vermont, to be U.S. marshal for the district of Vermont for the term of 4 years (reappointment).

Thomas P. McNamara, of North Carolina to be U.S. attorney for the eastern district of North Carolina for the term of 4 years, vice Warren H. Coolidge, resigned.

Richard L. Thornburgh, of Pennsylvania, to be U.S. attorney for the western district of Pennsylvania for the term of 4 years (reappointment).

Robert G. Wagner, of Ohio, to be U.S. marshal for the northern district of Ohio for the term of 4 years (reappointment).

Marvin G. Washington, of Michigan, to be U.S. marshal for the western district of Michigan for the term of 4 years (reappointment).

Charles S. White-Spunner, Jr., of Alabama, to be U.S. attorney for the southern district of Alabama for the term of 4 years (reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, September 27, 1973, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

ADDITIONAL STATEMENTS

NORTH CAROLINA SUPREME COURT JUSTICE DISCUSSES SEPARATION OF POWERS IN WATERGATE PROBE

Mr. HELMS. Mr. President, I have at hand a copy of a remarkable speech delivered in Raleigh, N.C., on September 14 by a distinguished member of the Supreme Court of my State, Dr. I. Beverly Lake.

Mr. Justice Lake is a former professor of law at Wake Forest College. He is admired and respected throughout North Carolina, and much of the rest of the Nation, as a true constitutional scholar. He does not attempt to bend or twist the Constitution to suit his own view of things. He is a great American in every way.

Mr. President, the subject of Mr. Justice Lake's recent speech was "The Separation of Powers." It is important, perhaps, to note that Dr. Lake is a registered Democrat. Thus, the candor and forthrightness with which he examines the present Watergate controversy, particularly as it relates to executive privilege, compels the thoughtful attention of all who desire to view the Watergate Affair in a proper perspective, free from partisanship—and, I might add, free from any desire to "get the President."

At the conclusion of my remarks, Mr. President, I shall ask that Mr. Justice Lake's address be printed in the Record in full. But before I do that, permit me to quote a couple of paragraphs.

In discussing the original basis for consitutional separation of powers, Dr. Lake referred to the wisdom of Jefferson, Madison, Washington, Franklin, Adams and their fellow workers in Philadelphia. He emphasized the goals of these Founding Fathers. And then Dr. Lake said:

> Does this mean, as has been suggested recently by those who ought to know better—and who do know better—that this puts the President above the law? Of course not! It simply means that he is not subject, *while President*, to the orders of either a Senate Committee or of a Federal judge in matters over which the Executive power extends. He may be removed from office during his term by the procedure expressly provided by the Constitution, and, as the Constitution now provides, he cannot serve longer than eight years, but, so long as he remains President, he may lawfully shut the door to his oval office or to his file room, when a Senator or a judge demands admittance, as truly as the Senate may exclude him from its meetings or the Court from its conference chamber.

As for the controversial White House tapes, Mr. Justice Lake has these comments:

> Coming to the much discussed tapes: At first, the holier-than-thou press and certain Senators expressed horrified indignation at the disclosure of the President's practice of taping all his conferences. They said this was most ungentlemanly, a breach of courtesy and good faith owed the other conferee, who might not want his remarks to the President made known to others. Then these same self-appointed guardians of presidential ethics and courtesy set up an even more furious bowl of outrage because the President refused to let them—the Senators and the press—listen to the tapes to see what the other conferee really had said. The inconsistency does not seem what the other conferee really had said. The inconsistency does not seem to have occurred to the Senators but it stands out too clearly to permit any conclusion except that the purpose of these Senators is, and has been, to undermine and destroy the confidence of people like us in the President, not to correct bad practices in political campaigns.

Mr. President, I commend to the attention of my colleagues—and to all other Americans—this speech by my friend, Mr. Justice Lake. I ask unanimous consent that it be printed in its entirety in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

SEPARATION OF POWERS

(Address by Hon. I. Beverly Lake)

I believe that your September meeting is the one at which you direct your interest especially toward the Constitution of our country. It is, in my opinion, the most remarkable document in all the world's history in the area of political science. It is a blueprint of the machinery for the government of a society of free people. That machinery has worked well. It can keep on working. Having spent many years studying and endeavoring to apply it properly to specific cases, I remain amazed by the wisdom and the understanding of the great Americans who wrote and adopted it.

In view of the current controversy about the right of a Senate Committee, or of a Federal judge, to compel the President to permit it or him to see and hear certain documents and tapes, I thought this might be an appropriate time to take a brief look at the doctrine of Separation of Powers. In his textbook on Constitutional Law, Professor Willoughby of Johns Hopkins University wrote long before there was a Watergate, that this is a fundamental principle of American constitutional law and that its value in "protecting the governed (you and me) from arbitrary and oppressive acts on the part of those in political authority has never been questioned since the time of autocratic royal rule in England."

The performances and comments of members of the Senate Watergate Committee on television and in the press during recent weeks may well have led some to think this is a device recently invented by Republicans to obstruct justice. Suppose we start by looking at statements by two gentlemen, whose loyalty to the Democratic Party and whose knowledge of and devotion to the Constitution, as well as their patriotism and integrity, compare quite favorably with those of any member of the Senate Watergate Committee—Thomas Jefferson and James Madison, one of the Authors of the Declaration of Independence, the other justly called the Father of the Constitution.

In the profound, scholarly series of essays on the Constitution called the Federalist Papers, in Essay No. 48, Mr. Madison quotes Mr. Jefferson as saying that the concentration of the legislative, executive and judicial powers in the same department of government is "precisely the definition of despotic government" and that this is just as true when the Legislative branch takes over the powers of the other branches as when the Executive does so. Mr. Jefferson cited as an example of the tyranny of an unchecked Legislative body, the medieval Repubic of Venice.

Perhaps an illustration more familiar to us would be the Jewish Sanhedrin in the days of our Lord's crucifixion. Mr. Madison then, speaking for himself, wrote: "The conclusion which I am warranted in drawing from these observations is that a mere demarcation on parchment of the constitutional limits of the several departments is not a sufficient guard against those encroachments which lead to a tyrannical concentration of all the powers of government in the same hands."

What else was Mr. Madison saying is necessary, at this point, to prevent our government from becoming an instrument of tyranny and oppression? What he was talking about was a scrupulous observation of this fundamental principle by Senators, judges and administrators, not just the mouthing of constitutional phrases and self-serving protestations of love for the ideas they express.

When our office-holders, be they judges or senators or administrators, show tendencies toward disregard of this fundamental principle of good government in their zeal to promote the fortunes of their own political party and to smear and discredit the opposition party, men and women like us must make clear our concern and displeasure. This was the view of Mr. Madison and of Mr. Jefferson—Democrats, yes, but Democrats whose love of our country and of our Constitution never yielded to political partisanship.

As is true of most of the foundation sills of our American concept of government, this one originated with our English ancestors. Magna Carta, wrung from King John at Runnymede nearly 800 years ago, was the fruit of rebellion by the barons against a government in which the three great powers of legislation, administration and adjudication were in one man—the absolute monarch. In his History of the English Speaking People, Sir Winston Churchill says of Magna Carta: "In place of the King's arbitrary despotism [the Barrons of Runnymede] proposed, not the withering anarchy of feudal separatism, but a system of checks and balances which would accord the [government] its necessary strength, but would prevent its perversion by a tyrant or a fool."

But Magna Carta, like our Constitution, is mere words on parchment, except insofar as its basic truths are in the minds and hearts of those who occupy offices and lead the public thought. Love of power is a recurring disease and afflicts well-intentioned people as well as scoundrels. Thus, four centuries after Magna Carta, James I, a good man, asserted the Divine Right of Kings to rule and his son, Charles I, a courtly gentleman of character, marched up to the door of the House of Commons to demand desired legislative action. He was refused admission, and we see in our own State government operations a reenactment of that great stand against despotism. When Governor Holshouser addresses the Legislature he does so at its invitation and stands outside the door of the House until the presiding officer directs that he be admitted.

But the framers of our Constitution knew from English History that, as Mr. Jefferson said, legislative despotism is still despotism and that senators, as well as kings and president, suffer from delusions of grandeur and from thirst for power and publicity. It was the despotism of Parliament which led to the unjust and cruel beheading of King Charles and then on, step by step, to the one-man distatorship of Oliver Cromwell, for as Lord Action observed, "Power corrupts, absolute power corrupts absolutely."

America is not without experience with legislative despotism, though recently we have suffered more from judicial despotism. President Andrew Johnson, Raleigh's native son, by his courageous refusal to bow down before the arrogant demands of Congress, dominated by the infamous Thad Stevens, who sought to grind into dust the liberties and the entire social structure of North Carolina and her neighbors, brought on his unjustified impeachment and, almost, his removal from office.

The doctrine of separation of powers is clearly expressed in the Federal Constitution. It provides:

"*All* legislative powers herein granted shall be vested in a Congress * * *. (Art. I, § 1)

"*The* executive power shall be vested in a President * * * (Art. II, §1)

"*The* judicial power * * * shall be vested in one Supreme Court and in such inferior courts as the Congress may * * * establish."

Our State Constitution contains virtually identical provisions and adds: "The legislative, executive and supreme judicial powers of the government ought to be forever separate and distinct from each other."

Why? Listen to the preamble of the Constitution, the magnificent declaration of the purpose of all its provisions:

"We the people of the United States, in order to form a more perfect union, establish *justice*, insure *domestic tranquility*, provide for the *common defense*, promote the *general welfare*, and secure the blessings of liberty for ourselves and our posterity do ordain and establish this Constitution."

That is why Jefferson, Madison, Washington, Franklin, Adams and their fellow workers at Philadelphia provided for the separation of the powers of our government—so that we might have *justice, tranquility,* prosperity and a *secure liberty*. Senators and judges who determine this fundamental foundation sill, by encroaching upon the powers of the President, endanger those attributes of America—*justice, peace, prosperity* and *liberty*.

Does this mean, as has been suggested recently by those who ought to know better—and who do know better—that this puts the President above the law? Of course not! It simply means that he is not subject, *while President* to the orders of either a Senate Committee or of a Federal judge in matters over which the Executive power extends. He may be removed from office during his term by the procedure expressly provided by the Constitution, and, as the Constitution now provides, he cannot serve longer than eight years, but, so long as he remains President, he may lawfully shut the door to his oval office or to his file room, when a Senator or a judge demands admittance, as truly as the Senate may exclude him from its meetings or the Court from its conference chamber.

Let us look at another illustration of the danger in disregard of this fundamental principle. A few days ago, a Federal District Judge, who, it happens, was a fellow student and friend of mine many years ago at the Harvard Law School, and who is a brilliant student of the law and a well intentioned gentleman, issued an order directing the American Air Force to cease bombing targets in Cambodia. Whether they should have been bombed is not the point. The point is the Constitution states:

"The *President* shall be the commander-in-chief of the army and navy, and the *Congress* shall have power to declare war * * * to raise and support armies * * * to provide and maintain a navy * * * [and] to make rules for the government and regulation of the land and naval forces."

It gives judges no power to order a cease fire in any conflict.

Now it may or may not be true that my friend, Judge Judd, knows more about military tactics, foreign relations, and the horrors of war than does President Nixon, though personally I doubt it, but the Constitution provides President Nixon, not Judge Judd, or even Justice Douglas, is the Commander-in-Chief, and Judge Judd was simply usurping power when he issued his order. Don't you see how ridiculously dangerous it would be if Judge Judd, or one of the other 250 or so Federal judges, could order our armed forces to stop shooting at enemy missile carrying ships headed toward Norfolk or New York? And whom should our airmen obey if one judge orders "Shoot" and another, "Hold your fire?".

Coming to the much discussed tapes: At first, the holier-than-thou press and certain Senators expressed horrified indignation at the disclosure of the President's practice of taping all his conferences. They said this was most ungentlemanly, a breach of courtesy and good faith owed the other conferee, who might not want his remarks to the President made known to others. Then these same self-appointed guardians of presidential ethics and courtesy set up an even more furious howl of outrage because the President refused to let them—the Senators and the press—listen to the tapes to see what the other conferee really had said. The inconsistency does not seem to have occurred to the Senators but it stands out too clearly to permit any conclusion except that the purpose of these Senators is, and has been, to undermine and destroy the confidence of people like us in the President, not to correct bad practices in political campaigns.

The more important thing is the constitutional principle. These are records kept by the President of his official conferences. It is immaterial whether they are tapes or his long-hand notes. He and he alone, not the Senate or a judge, has the authority to say whether someone else may rummage through his papers and listen to recordings of his conferences. I do not know whether the tapes of President Nixon's conferences with his former lawyer, John Dean, show Mr. Dean told the truth or committed perjury in his testimony before the Watergate Committee; but I do know they are records of a confidential conference in the exercise of the President's official duties, and the principle of separation of powers would be violated if President Nixon yielded to the demand of a Senate Committee, or of a Federal judge (even the Supreme Court), for their disclosure. Scrupulous adherence to this constitutional principle is far more important than satisfying the curiosity of the Senators, or of the press or even yours or mine. If I were President, I would say, "I am not going to recognize the right of either the Senate or the courts, or even the News & Observer, to order me to turn over my official papers for inspection."

COMMUNITIES BENEFIT FROM SUMMER JOBS PROGRAM

Mr. SYMINGTON. Mr. President, this summer St. Charles County demonstrated that the summer jobs program for needy youth is beneficial not only for those employed but also for the communities they serve.

St. Charles County was one of the areas hardest hit by the Missouri and Mississippi floods this spring. By June, the cleanup after the disaster was far from completed. During the summer months, the community was able to use the services of over 700 youth employed under the summer jobs program to help with the extensive work remaining to be done.

Presiding Judge of the County Court Douglas Boschert recently sent me articles and letters which express the appreciation of the community for the accomplishments of the youths it employed this summer. As Judge Boschert stated in his letter:

> Without the financial assistance provided by the Manpower Administration these projects would have been too immense to handle.

The reports from St. Charles reveal how a community can benefit from this valuable program while it helps its young people receive jobs training and experience.

I ask unanimous consent that the letter from Judge Boschert and the letters and articles be printed in the RECORD.

There being no objection, the letters and articles ordered to be printed in the RECORD, as follows:

ST. CHARLES COUNTY COURT,
St. Charles, Mo., August 1, 1973.

Senator STUART SYMINGTON
St. Louis, Mo.

DEAR SENATOR SYMINGTON: Enclosed, you will find several articles and letters in reference to the Public Employment Summer Youth Program in St. Charles County. This Program has been a major success in this County such as involving our youths in many worthwhile projects.

As you will note in many of the articles, as well as the complimentary letters, flood cleanup and highway work in flood areas is beneficial to the citizens, the Administration and the youths of St. Charles County. Without the financial assistance provided by the Manpower Administration these projects would have been too immense to handle.

My sincere appreciation.

Respectfully yours,
DOUGLAS BOSCHERT,
Presiding Judge.

PORTAGE DES SIOUX, MO.,
July 16, 1973.

DOUGLAS F. BOSCHERT,
Presiding Judge, St. Charles County Court, St. Charles, Mo.

DEAR SIR: Last week, in response to our request, a Mr. Lloyd Johnson and a group of teen-age boys came out to help us clean up debris from our recent flood.

These boys were a great help and accomplished a good amount of clean-up. Since we are both up in years and both handicapped, we don't know how to thank all enough.

We have had a tremendous loss to our home and it is good to know someone wants to help. Thank you so much.

Sincerely yours,
Mr. and Mrs. RUDOLF KIPP, Jr.

ST. CHARLES, MO.,
July 26, 1973.

Mr. FLOYD JOHNSON,
St. Charles County Court House:

Please accept my heart felt thanks to you and the fine group of school boys, who did work for me I could not do.

Many thanks to all.

Sincerely,
Mrs. THELMA GOSHEN.

PICTURE CAPTIONS IN MISSOURI NEWSPAPERS

St. Louis Post-Dispatch, Friday, July 13, 1973 (picture caption):

Pep Squad: Youths employed by the St. Charles Housing Authority under the Public Employment Program relax near the end of a day of cleaning and painting vacant units in the housing project near Blanchette Park. The PEP workers, are assisting a one-man maintenance crew. In the group were: Belinda Robinson, Leroy Moore, Genice Grady, Byron Steele and Sidney C. Smith II.

St. Charles Banner-News Tuesday, July 10, 1973 (picture caption):

On the Job Despite Heat: With temperatures in the 90's, Monday was a hot day to begin the heavy cleanup that some vacant units of the St. Charles Housing Authority require, but these Public Employment Program (PEP) youngsters put in a full first day. Their employment was arranged by PEP in response to a request of the housing authority's director Mrs. Dollester Boyd to the city for manpower help to supplement her one-man maintenance crew. Wendall Brown, 1027 N. Fourth Street, was hired by the city to supervise the youngsters in the seven-week program. They were: Belinda Robinson, Genice Grady, Cathy Hunn, Byron Steele, Leroy Moore and Sidney Smith.

St. Louis Post-Dispatch, Monday, July 23, 1973 (picture caption):

Cleaning Church: Ken Wilburn, 14 years old, son of Mr. and Mrs. Leon Wilburn, 1824 North Third Street, St. Charles, cleans flood deposits off a basement window at Immaculate Conception Church at West Alton, Missouri. The water filled the basement and stood 8 inches deep in the ground floor of the church and school this spring. Youngsters from the Public Employment Program (PEP) and the Neighborhood Youth Corps (NYC) are helping in floor cleanup in cases where persons need outside help. The help, which is free, is financed with federal funds.

[From the St. Charles Journal, July 5, 1973]

MORE COUNTY YOUTH WORKING

More county youth are being put to work—the St. Charles County Manpower Office has received an additional $24,000 in federal funds, enabling it to employ a total of 65 youth for the summer. With the $43,000 already received, this adds up to $67,000 in federal funds this summer.

Jerry Rufkahr of the local manpower office said that jobs include flood relief clean-up for the elderly and handicapped, St. Charles City clean-up, Boys' Club instruction and work with the Salvation Army, Small Administration disaster office, Public Housing District, St. Charles School District and the Historical Society. All openings are not yet filled, but about 100 applicants will not be placed due to lack of jobs—and money.

The youth program, which pays $2 per hour, employs young persons aged 14–24 who are out of school for the summer, dropouts, veterans and disadvantaged individuals, as defined by the Department of Labor.

When the program ends Aug. 31 Rufkahr's office will try to find permanent employment and training for high school dropouts and encourage them to take the General Education Development test for high school equivalency.

Jobs are announced through advertisements in newspapers, listings with the Missouri State Employment office, the Daniel Boone Community Action Agency, referrals and word-of-mouth.

Rufkahr added that his office gets "good cooperation" from agencies such as the Boys' Club, the Salvation Army and the Daniel Boone agency in seeking job sites.

"I think this is one of the finest things we've had in the county for some time," stated Presiding County Court Judge Douglas Boschert. "We're getting many things done and providing employment for young people who in many cases are paying their way through college or helping support parents and other children.

"I'm highly pleased that the federal government has seen fit to provide funds to local government authorities to take care of the problems. This form of revenue-sharing is the answer to many problems. If they'll just send our money back to us we'll get the job done."

[From the St. Charles Journal, June 28, 1973]

NO CALLS—VOLUNTEER CLEANUP GROUP STANDING BY

More than 700 volunteer workers are ready, willing and able to sweep into flood-damaged St. Charles County homes.

They stand by pails, brooms and mops waiting for the call for assistance for homeowners faced with the monumental tasks of cleaning the Missouri and Mississippi Rivers from their homes.

But the only problem facing the volunteer force is not the work itself, but rather finding the work. The Daniel Boone Community Action Agency is coordinating the efforts which began the first of this month, and finding little work for the group.

"In that time, we've only had two calls for assistance," says Bud Bennett of the agency.

Rather than decreasing, the number of available workers for the clean-up tasks is sky-rocketing. This week the County Manpower Office joined in the efforts.

Five county teenagers were hired by the office to aid families in moving back into flood damaged homes.

The salaries for the five are being paid through the Public Employment Program. Director of the program Jerry Rufkahr said he had $3,500 remaining in PEP appropriations and decided to put the youths to work.

"We are also hoping for additional funding from the Business For Youth Employment to hire more youths for the clean-up efforts," says Rufkahr.

Rufkahr says he's received only one call at the County Manpower Office for assistance. "We expect to have the crew out on that job by today," adds Rufkahr.

"We're hoping that the senior citizens and handicapped people will be calling our office for the workers," says Rufkahr. "The county court and highway department have been getting a lot of calls for assistance. We are hoping to channel the calls through to our office."

Bennett's contingent of workers are all volunteers ranging from boy scouts to church groups to private citizens. He's dispatched work crews to areas in West Alton and Kampville. "We're disappointed that we're not getting more calls for help," adds Bennett.

Bennett says he thinks the reason for so few responses to their work pleas is that many of the victims have yet to return to their homes. "We think maybe that they're unable to move back in just yet."

Both Bennett and Rufkahr say they are ready to dispatch work crews wherever needed. They say no forms are necessary to be filled out. "It's just a matter of setting up a time," says Rufkahr.

[From the St. Louis Globe Democrat, June 29, 1973]

JOBS FOR YOUTHS TO AID FLOOD VICTIMS TO START

Flood victims and youths needing summer jobs received some good news this week from St. Charles County officials.

Forty summer jobs will be provided through two federal financial grants and some of the youths will be assigned to help flood victims clean up and fix up their property.

Jerry Rufkahr, director of the county public employment program, said Thursday that flood victims, especially the elderly and handicapped, may receive cleanup assistance by making arrangements with his office, 723–8300.

The assistance will be available until Aug. 31 from the youths who will be under adult supervision.

About 35 jobs in public service posts will be filled shortly with a $24,200 grant also received this week.

Youths seeking summer employment may call the office for further information.

[From the St. Charles Banner-News, June 27, 1973]

YOUTH JOB PLAN TIED TO COUNTY FLOOD CLEANUP

The county has instituted a program that will have double benefits in the area, and the federal government will pay the lion's share of it.

The program was announced by Jerry Rufkahr, director of the Public Employment Program (PEP), which helps find and create jobs for the unemployed. The costs of the program are almost entirely paid by the federal government.

Part of PEP is the summer employment programs for youths who need jobs. About $3,500 was left over from the budget, so the county decided to use that and some of its own to hire five more youths to help with flood cleanup.

"We're trying to get to the senior citizens, the handicapped, and other victims of the flood who just can't do it themselves," Rufkahr said. He said the County Court has received a number of requests for such a service.

The program will begin Thursday and Rufkahr is asking flood victims who, by reason of age or incapacity, cannot clean up the debris on their property left by the flood, to contact the Public Employment Office. When requests come in, the five youths hired will be dispatched to the area to do the work. The county, Rufkahr said will provide the trucks to haul off the debris.

"We want them to call here, any persons that need this help. We'll dispatch the kids from here," he said.

He felt it was a needed service due to the number of requests the County Court had, but he didn't know how many homes would be served during the nine-week program. "I have no idea. As badly torn up as West Alton is, that will be one area where we'll get these kids. The extent we go into other areas will depend on how many people call," he said. "It will be just a matter of finding where they are needed, and dispatching them," he added.

Rufkahr said there was also a possibility of the program being expanded if more money becomes available from another source.

The teenagers who will work in the program will be hired from among those who applied for jobs under the summer PEP program but didn't get positions, he said.

DEFENSE AND THE ECONOMY

Mr. HANSEN. Mr. President, during the August recess, my distinguished colleague, the senior Senator from Hawaii (Mr. Fong), addressed the national economic commission of the American Legion at its 55th National Convention in Honolulu.

Appropriately, Senator Fong spoke on the topic of national defense spending and the U.S. economy.

Appropriately today, as the Senate begins debate on the procurement authorizations bill for our Nation's defense establishment, it is timely to call the attention of my colleagues to Senator Fong's remarks, which place in perspective the proposed defense budget and our national economy.

While declaring our defense budget is "not sacrosanct," Senator Fong reminds us of the "utter folly of unpreparedness" and cautions us that there is an irreducible minimum below which we must never go.

Citing one of America's greatest generals and one of our greatest Presidents, Dwight D. Eisenhower, who said—

> The first of all firsts is our Nation's security.

Senator Fong concluded with this thought:

> The most important social service that a government can provide for its people is to keep them free and safe from enemy attack.
>
> Without that freedom and that protection against conquest, social reform and social justice cannot flourish.

Mr. President, I ask unanimous consent that the text of Senator Fong's address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Defense and the Economy

Chairman Campbell, Director Kirby, Assistant Director Clark, Legionnaires, Fellow Americans:

Aloha!

And a warm welcome to Hawaii to all of you!

May I take this occasion to congratulate you and all the members of The American Legion for your steadfast devotion to duty, honor, and country. There is no doubt of your allegiance to freedom and liberty, which you demonstrated by your service in our country's uniform. There is no doubt about your support for strong defenses so that all Americans will continue to enjoy freedom and liberty in the years to come.

It is particularly fitting that The American Legion is holding its national convention here in Hawaii this year, at a time when some people are calling for huge reductions in defense spending. For, here in Hawaii within sight of Waikiki is Pearl Harbor, a reminder of the utter folly of unpreparedness.

Our defense budget is not sacrosanct, but there is an irreducible minimum below which we must never go. With the end of U.S. military operations in Indochina, some people are expecting huge defense reductions. And with significant improvement in relations with the Soviet Union and the People's Republic of China over the past year, some Americans are urging cutbacks in America's defense establishment that would in effect amount to unilateral disarmament.

Some people call for huge defense cuts on the grounds that defense spending is the root of inflation, of our balance-of-payments problems, and of the social ills plaguing our Nation.

It is time to put a stop to making defense the scapegoat for all our ailments. Let's look at the facts.

Insofar as inflation is concerned, five sectors of our national economy have had above-average inflation since 1964—construction; personal services, including medical care; food; wholesale and retail trade; finance, insurance and real estate.

The impact of defense spending on these five sectors is very negligible, less than one per cent in all sectors except services where the impact is less than three per cent.

As a matter of fact, our defense establishment has itself been a victim of inflation. Without adding or promoting a single defense employee and without buying an additional item from industry, the same programs that cost $51 billion in 1964 would cost $88 billion in 1974— 73 per cent increase!

As for our balance of payments, in the late 1950's and early 1960's, the total amount of military spending for foreign goods and services was 25 per cent as much as U.S. civilians spent to import foreign merchandise and services. Today, military spending is less than 10 per cent as much.

In just four years—from 1968 to 1972—the number of defense-related military, civilian, and contract employees worldwide went down by 35 per cent; overseas alone, the reduction in military and civilian personnel was nearly 50 per cent; and defense spending abroad declined by 25 per cent. If defense spending were dominant in our balance-of-payments picture, that picture should have brightened considerably. Instead it worsened. Obviously, other factors were the culprits in this adverse situation.

And what about the charge that we have neglected spending for human resources while defense spending soared? Well, the facts show that in the past 10 years, total Federal outlays have shot up 127 per cent, but defense spending rose by 58 per cent. Meanwhile, Federal aid to education zoomed upward by 466 per cent; public welfare jumped up 426 per cent. Health care and services including medicare and medicaid skyrocketed 4,571 per cent.

By comparison, defense spending ran far behind spending for these human resource programs.

If we were to extend the present range of HEW services to all those who actually need and could use these services, this would cost an additional $250 billion a year, according to former HEW Secretary Elliot Richardson.

This is roughly equivalent to the entire Federal budget for all Departments and agencies in the current 1974 fiscal year, which is $268 billion!

To spend at the rate some people would have us spend—just for HEW programs alone—would almost double the Federal budget. No need to mention what that would do to taxes.

So those wishful thinkers who think we can cut defense spending to take care of our human resources to the hilt are sadly misinformed. Even if we cut defense spending down to zero, which nobody advocates, it would be a drop in the bucket toward that $250 billion for HEW programs.

Some people keep saying we should reorder our national priorities, when these priorities between defense and human resources have already been reordered.

Five years ago, 45 cents of every Federal dollar spent went for defense, 32 cents for human resources Today, out of every Federal dollar spent, 30 cents goes for national defense and 47 cents for human resources.

Too many critics of defense spending believe our defense establishment looms as large in our national picture as it did 20 years ago.

Times have changed—changed quite drastically.

Twenty years ago, defense spending was about 65 per cent of our total Federal budget. Think of it! We were spending twice as much for defense as for all other Federal Departments and agencies combined.

Today it is just the reverse. The other Federal agencies spend more than twice as much as defense.

Twenty years ago, defense spending was nearly double that of all state and local governments combined.

Today, it is just the reverse.

Twenty years ago, total defense manpower was nearly equal to all other public employment—Federal, state and local—combined.

Today, other public employment is four times as high as defense manpower.

Twenty years ago, about 49 cents out of every tax dollar—Federal, state and local—went for defense.

Today, this figure comes to about 20 cents.

Today, the defense share of Federal outlays, of the labor force in America, and of total production of goods and services in the United States is the lowest in more than 20 years.

So just because the defense budget for 1974 is $5.7 billion higher than 1973 is no reason for hysterics.

Of this increase, $3.6 billion are for pay increases and higher prices for goods and services. Less than half—$2.7 billion—of the increase is to strengthen defense

Nobody begrudges pay increases for our military and civilian defense personnel. For too long, our GI's particularly have been under-paid, under-housed, and under-respected. It is high time that Congress recognizes their value to our Nation! And it is high time our men and women in uniform receive the respect and gratitude which they earn!

At the same time, from a budgetary standpoint, we cannot ignore the impact of those pay increases. Just to give an example, in 1954, the cost per "soldier" was $3,658. In 1974, it is $12,448—three and one half times as much!

When you consider that two-thirds of the defense budget goes just for manpower and related costs, and only one third for defense hardware, you begin to wonder whether the defense budget is enough.

Is it enough to pay for the research and development which is absolutely imperative to keep America technologically ahead?

Is it enough to modernize our strategic and conventional forces to cope with what a potential enemy could array against us?

Is it enough to provide us with a balanced mix of forces—land, sea and air—conventional and strategic?

Is it enough to deter war—or if war is not deterred, to win a war thrust upon us?

These are just a few of the fundamental questions we Members of Congress are asking ourselves now as we consider the military procurement authorization bill and the appropriations bills for national defense.

Coming from Hawaii where the attack on Pearl Harbor remains vivid in my memory and where our Pacific Command is still located . . . having been in the United States Senate since 1959 during which time many basic national defense issues have been debated and voted on . . . and having served on the Appropriations Committee since January 1969 and on the Defense Subcommittee since early this year, you can be sure of my deep interest in making sure that America is never caught in the position of having too little defense!

Should that time ever come, I fear for the Republic, because if we cannot defend ourselves, who is going to come to our rescue!

We Members of Congress must make our decisions on the defense budget in the context of the new detente with the Soviet Union and the rapprochement with the People's Republic of China, in the context of the increasing economic and fiscal strength of our NATO allies, and in the context of the end of U.S. military action in Indochina.

Understandably, the American people are weary of war. Understandably, they want the burden of defense lessened. They long for the generation of peace for which President Nixon is working so hard. They see in the treaties and agreements signed by the U.S. and the U.S.S.R. hope for a reduction in the costly arms race that has staggered both nations for so many years.

The ABM Treaty and the Interim Agreement on strategic offensive arms do place limits on deployment of launchers for intercontinental and sea-launched ballistic missiles and on antiballistic missile defenses. But, other categories of strategic forces, such as bombers, cruise missiles and air defenses, are not covered.

In addition, except for certain types of ABM defense systems and the dimensions of ICBM silos, there are no limitations on qualitative improvements—that is, modernization—of the forces. As Chairman Brezhnev forewarned us, the Soviet Union is pressing forward with modernization programs in all permitted areas.

So, while we applaud these first steps toward diminishing the arms race, these are by no means disarmament agreements. Simple common sense tells us that while the negotiations for a follow-on Strategic Arms Limitation agreement continue, while the conference on mutual and balanced force reduction in NATO and Warsaw Pact areas is under way, while other ways of reducing tensions are being explored—we had better keep our guard up and our powder dry!

We dare not allow our high hopes or any euphoria to blind us to our defense requirements.

We need to negotiate—not from weakness, but from strength! We need to ensure our survival—not through weakness, but through strength in case the international climate turns stormy.

We need to persevere toward the goal of a generation of peace, for which we all yearn. But meantime, we must face the plain realities of this dangerous world. We must be prepared for all eventualities.

In these days of high costs and inflation and keen competition for our tax dollars, our defense establishment must be lean and muscular, with no fat; it must be ready; and it must forego past luxuries that have no place in today's world. Yet it must be a credible deterrent force for the foreseeable future.

America is not going to provoke war. But we shall be ready if anyone is so foolish as to attack us!

America is not going to retreat from a prime leadership role in international affairs. But we are not going to shoulder *all* the burdens for *all* the other countries that want peace but are not willing to pay their fair share to keep the peace!

Providing for one Nation's security is an enormous and complex task. America fronts on three oceans and the Gulf of Mexico. We have 24,000 miles of coastline to defend. The waters that once protected us from attack are today sea highways for missile launching ships. Wide as the oceans are, they are not wide enough to protect America from intercontinental ballistic missiles, which can leapfrog oceans and continents.

The development of nuclear weapons, particularly the large warheads, has by now produced a balance of terror, so to speak, and the potential holocaust up to now has prevented outbreak of nuclear war.

This means that conventional forces must be maintained to keep America's sea lanes and air lanes open and to make sure we can protect our people from invasion and attack.

The Soviet Union is proceeding with its plan to become Number One across the board in military superiority. From a third-rate naval power at the end of World War II, the Soviet Union today deploys the world's largest, most modern surface navy and the world's largest, most modern, and fastest-growing submarine fleet. Only in aircraft carriers does the United States outnumber the Soviet Union and even here, the Soviet have one aircraft carrier undergoing sea trials and a second carrier under construction.

The Soviet Army far exceeds ours in manpower and divisions. They have four times the nuclear megatonnage that we have. Under the SALT I agreement, we allowed the Soviet Union to have the edge on us in intercontinental ballistic missiles in place and on ICBM launchers—they have 1,618 launchers including those under construction to our 1,054. Their sea-launched ballistic missile forces will surpass ours this year under the SALT agreement.

These are sobering facts—facts which we take into account as we look at the 1974 defense budget, which asks for 523 active Navy ships, 13 Army divisions, 2,233,000 men and women—all less than we had ten years ago, before the Vietnam war.

Honest men can disagree on how much defense is sufficient to deter war. But we must all agree never to have too little!

As the late President John F. Kennedy said, "Only when our arms are sufficient beyond doubt can we be certain beyond doubt that they will never be used." I agree with that, don't you?

One of America's greatest generals and one of our greatest Presidents, Dwight D. Eisenhower, said "The first of all firsts is our Nation's security." I agree with that, don't you?

So when the furore begins as Congress debates the military procurement authorization bill and the defense budget, I hope you Legionnaires will support those of us in Congress who recognize this is no time for America to let down her guard or to let her defenses wither away as they did after World War II.

And when the hue and cry goes up—as it will—that we should reorder our priorities, speak up and let everybody know that our national priorities have already been reordered.

And to those who would cripple our defense establishment to use the so-called "savings" for social services, let us all say loudly and clearly:

"The most important social service that a government can provide for its people is to keep them free and safe from enemy attack."

Without that freedom and that protection against conquest, social reform and social justice cannot flourish.

America must never be so shortsighted that we save a buck . . . only to lose our Nation!

Mahalo and Aloha.

WEST VIRGINIA NEWSPAPERS FOCUS ATTENTION ON NEGLECTED AND ABUSED CHILDREN

Mr. RANDOLPH. Mr. President, on July 14, the Senate passed the Child Abuse Prevention and Treatment Act, S. 1191, by a vote of 57 to 7. This important legislation provides us with an opportunity to initiate new efforts to protect innocent children who have been battered, neglected, and abused.

Just 5 years ago, perhaps even less, the outrage of child abuse was practically unknown to the general public. Only recently has this problem become known. The awareness in large part is due to the work of the news media and press.

Our recognition of child abuse is too late to help the many thousands of children who have suffered in the past; however, I believe that in S. 1191 we have laid the foundation for programs to provide better services to abused children, as well as abusive parents, in the future. If these programs of prevention, treatment, and identification are to be successful, they must be made known to the people. The shocking reality of battered and neglected children must be kept in the public view.

Recently, two fine series of articles appeared in the Charleston Daily Mail and the Huntington Herald-Advertiser. The first is a four-part series by Ron Hutchinson of the Daily Mail staff, describing the problem in West Virginia and in the Charleston area. To me the third article in the series illustrates that people who are aware of this problem do become concerned and get involved in the child abuse problem. Victor and Sandra Rumbaugh of St. Albans have opened their home to abused and neglected children who have no place to go. It is important in the treatment and rehabilitation of these children that they be placed in a homelike and loving atmosphere where they can be made to feel that they are an important part of the family. The Rumbaughs have accomplished this. I am hopeful that more homes such as the Rumbaughs' can be established through more intensive child abuse treatment programs.

The second series of articles is by Jim Warren in the Huntington Herald-Advertiser. This series, entitled: "The Ugliest of Crimes" points out the rise in reported cases of abuse in the tristate area, West Virginia, Kentucky, and Ohio. All three States have updated their reporting procedures and requirements in recent years bringing more cases, previously undetected, to the attention of the proper authorities.

These articles demonstrate that although we are now beginning to make strides toward providing better protection for abused children there is still a great deal to be done. I am confident that the Child Abuse Prevention and Treatment Act, if enacted into law, will result in substantial progress in attacking this critical problem.

Mr. President, I ask unanimous consent that the articles appearing in the Charleston Daily Mail and the Huntington Herald-Advertiser be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

PUBLIC SHUNS CHILD ABUSE; VICTIMS BEATEN, STARVED; MANY OFFENDERS GO UNPUNISHED

(By Ron Hutchison)

At a time when other 12-year-old boys are wrapped up in baseball and play, a Jordans Creek boy covered by bruises, was tied to his bed by his parents.

Sheriff's Juvenile Officer Dave Johnson, reflecting on the case, said grimly, "I had never been confronted with a situation as bad as this."

The plight of the boy is now history but it it is an example of the child abuse-neglect cases facing police, juvenile court officials and social workers.

The cases involve victims who are beaten, bloodied, burned and even starved, and they are victims who cannot defend themselves and often have no defenders.

Johnson said the Jordans Creek lad had gone to school with welts and bruises on his body, and clothed in filthy rags.

"There were rumors he had been chained or tied to the bed because he was hyperactive. His parents didn't know how to control him.

"He was one of nine children and classified retarded. When I first saw the boy and his condition I went to his parents wanting blood. Then I saw the situation and realized this was their way of life and in their own way they loved the boy and tying him was their way of controlling him. It was still child abuse."

"We took the boy out of the home," Johnson continued, "and placed him in a foster home and there was an immediate improvement in his hyperactivity and his IQ tested higher. The boy was retarded but it was aggravated by the treatment of his parents and the environment."

Even though many children are victims of maltreatment, most cases are not reported and the offenders go unpunished. Most witneses, as neighbors and family members, look the other way. They don't want to get involved.

Johnson told of an Elkview teen-ager forced from his home by his father. The boy, caked with his own excrement, begged food and lived in an abandoned shed.

"The father was retarded to the extent he thought of the boy as he would an unruly dog," Johnson said. "It was a sad situation and we had to find a foster home for the boy. In cases like this a foster home is the best place, but there is a shortage here too of people who will get involved—involved enough to take in a kid, especially an older one."

Lt. Gerald Wiseman, city police juvenile bureau director, agreed with Johnson that child abuse-neglect cases are hard to prosecute.

"These are hard charges to prove because people don't come forward but yet they are the most obvious human violations an officer sees. The officer often has to make a decision on the basis of human values and not on the law, to do what is best for the child and do it fast."

The lieutenant recalled the case of four youngsters, all under 7 years of age, who were found begging on Washington Street, East.

The children had been beaten by the mother's boyfriend and there was no food in the house. The mother was on a drinking binge. Officers bought groceries with their own money and neighbors took the children. The mother, charged with neglect, paid a fine and returned to her children. In the past two years she has twice more been charged with neglect and each time paid a fine.

Veteran juvenile bureau detective Woodrow Barker Sr. told of the case of a Coal Branch Heights girl whose father beat her with a leather belt, smashed her with his fist and pulled her hair. The mother did not try to help the girl.

Finally fed up with the beatings, the girl walked from her home to police headquarters to report the abuse case.

"I got a conviction for felonious assault against that man, and it was a pleasure," Barker said grimly.

Area officers say it is a grim irony that citizens who cry for law and order will not call police when they know a child is being abused or neglected.

The officers who deal with these cases say West Virginia should have tougher penalties for child abuse and neglect cases.

They say circumstances should be made easier for reluctant witnesses to come forward and citizens should be encouraged to be foster parents.

The officers also say courts should not be lenient on the brutalizers of defenseless children and cases should be vigorously prosecuted and publicized.

CHILDREN ALMOST HELPLESS OFFICIALS AGREE: ALTER STATE LAWS

(By Ron Hutchinson)

Revamping state laws so abused and neglected children can survive is the common ground of agreement between juvenile court and welfare officials.

Kanawha Juvenile Court Judge Herbert Richardson lays some of the blame for legal remedies at the doorstep of the State Legislature. He says the hands of many judges are shackled by antiquated laws.

"Many of these laws were written in 1915 and are archaic and out of date with today's society. We need to take a look at the laws and the means of correcting child abuse and neglect and then bring the laws up to date," Richardson declared.

Julian Sulgit, program specialist in the Department of Welfare's Child Protective Services unit, said he is working with a state legislative committee staff with an eye toward updating some laws affecting neglected and dependent children.

Sulgit said he classifies the child abuse and neglect incidences in West Virginia as "serious."

"There are many areas that could be improved and one should be having lawyers appointed to represent dependent children in juvenile courts," Sulgit suggested.

Rozella Archer, Department of Welfare assistant director of the Social Services Division, echoes a Sulgit argument.

"Children in delinquency cases have representation but in dependency cases such as abuse and neglect, it's the parent who has a legal representation. Children should have a lawyer because the children's interests are sometimes lost."

Funding is also a problem, both for juvenile courts and social workers.

The 27 Child Protective Service units around the state now handle cases involving 1,200 families and 3,600 children. Of this total, 120 families and about 300 children are in Kanawha County.

Funds are needed for additional qualified social case workers and to add sufficient counselors and specialists to court staffs.

Judge Richardson said law changes would help break the child abuse-neglect cycle.

"We often find the parent who abuses and mistreats a child was himself once an abused child. We have to provide special counseling for the parents and children and we often need foster homes to care for these abused children."

Richardson and Pat O'Neal, assistant prosecuting attorney assigned to Juvenile Court, both say advances have been made in state laws.

"In the past some doctors wouldn't report suspected child beating cases because they were not protected against lawsuits. The law now has been changed and more of them are reporting the cases," the judge said.

O'Neal added, "The last legislature passed a law allowing the Department of Welfare to receive emergency custody of a child from a police officer for 15 days. In the past this could only be done by a court order or written permission of the parents."

The social workers and court officials gave similar profiles of the typical parent who is a child abuser.

The parents usually head a low income family and often there is alcoholism involved in the family. The problem of maintaining the family leads to frustration and the child, often an innocent bystander, receives the brunt of the parent's frustrated rage.

Decisions in these cases are not easy.

"Not every case is cut and dried," Richardson said. "We have to use some latitude in finding the answers because previous rulings and legal opinions don't always cover the case."

"Some parents will agree to psychiatric counseling or to sending the child to relatives for a while," O'Neal explained.

Miss Archer offered, "The majority of the cases indicate the parent still shows responsibility, compassion or concern for the injured or abused child. Our primary focus is to get the family to see the situation that leads to neglect and abuse and then get the members to overcome these situations."

Social workers and juvenile court authorities agree that if something isn't done soon, the merry-go-round of child abusers abusing their children will continue and there will be no brass ring for the children to catch and few bright tomorrows for beaten and neglected tots.

THIRTEEN SWIRLING YOUNGSTERS

COUPLE CAN'T SAY NO AS FOSTER PARENTS

(By Ron Hutchinson)

On a quiet St. Albans street is a house whose occupants are proof some people are concerned and do get involved in the child neglect-abuse problem.

Victor and Sandra Rumbaugh frankly admit they have become overly involved and 13 youngsters swirling through the house are evidence it's hard to stop once you start.

The Rumbaughs entered the foster parent program in February, 1972, after more than six years of working in the programs day care project. In the past 16 months, 25 youngsters have become members of the Rumbaugh "clan".

The young couple, who have four children of their own, plus one adopted daughter, act as parents to eight others ranging in age from 8 to 18.

With 15 now in the household, Rumbaugh, an FMC payroll department staff member, said:

"We didn't plan on this. It just happened. We became sort of an emergency place for social workers to bring kids and we wouldn't say no. One thing led to another and we haven't regretted a moment."

Mrs. Rumbaugh, called either "Sandy" or "Mom" in the perpetual motion household, said there have been no major problems from the youngsters whose backgrounds are varied.

"Surprisingly we've had no big problems. Of course, there are always small things that seem bigger to the kids, but they get along just great considering the fact we have such a variety. We try to treat them all, our own and the others, alike. There are no favorites.

The "clan", which was camping out en masse in Putnam County, does exhibit one phenomenon, according to Rumbaugh.

"When the kids hear we're getting another one, they start cleaning up and getting ready for the new arrival. They take the new one under their wings and show him the ropes. You'd think there would be some jealousy but it's the opposite.

"They also have their own ways of keeping each other in line, such as giving one a hard time if he doesn't do his chores. We have to do very little disciplining and then it's usually taking away a privilege like staying up or going to a movie or the Jesus Inn in Spring Hill."

The Rumbaughs have found their involvement is expensive.

During 1972 they shelled out $1,000 of their own non tax-deductible money in addition to welfare funds paid them for each child's food, clothing and other supplies. The state pays medical bills for the youngsters.

Payments range from $65–$85 per month per child depending on the age of the youngster but the Rumbaughs found $3 per day will not feed and clothe a growing teenager.

"For our entire family we spend about $140 a week for groceries so I have to shop for the specials very carefully," Mrs. Rumbaugh noted. She said she knows of no wholesale outlet to sell them food at a better price.

Their population explosion has meant adding a second story and other rooms to the first floor of the Rumbaugh home.

Rumbaugh described a routine outing with 13 children as "an adventure every time."

The couple said the majority of the foster children have histories of neglect. They have also cared for children who were physically abused and who were retarded.

"We try to make it as much of a home atmosphere as we can and we try to take the pressure off these kids who are not ready to handle adult pressures," Mrs. Rumbaugh explained.

"We've found this to be a rewarding experience because some people don't want to get involved to help these kids. It's added more meaning to our lives and we feel richer because of it," Rumbaugh said.

The Rumbaughs might have also said they have found the answer to dealing with child neglect and abuse—it's called love.

Child Concert at "End of Line"

(By Ron Hutchison)

Two young Kanawha County men come from similar backgrounds but the outlook for their futures appears vastly different.

Both were neglected children, the products of broken homes. Both are 18 and both have been the subject of juvenile court action and both have been in institutions for neglected children.

Neighbors regard both as "nice young men". Both are described as quiet, well-mannered and hard workers.

One was accepted by a foster family in St. Albans and, through their encouragement, finished high school in night classes and is now studying to be an accountant.

The other was shipped to a children's home, escaped and is now in the Kanawha County jail charged with raping and murdering a seven-year-old girl.

One man's life was stabilized because a family got involved. The other man's future is uncertain.

The second young man's case, according to police, court and social workers and foster parents, is typical because, to them, it appears the public would rather brush the child neglect-abuse problem under society's rug and forget it.

They say it will take public pressure and public involvement to deal with the problem.

On the federal level, the U.S. Senate has approved a bill, co-sponsored by Sen. Jennings Randoplh, D-W. Va., for $90-million funding for a five-year program of study and prevention of child abuse and neglect.

The bill would create a National Center on Child Abuse and Neglect, fund and assist public and private organizations for programs to prevent, identify and treat the problem, and establish a 15-member commission to study child abuse and neglect.

Randolph summed up a major portion of the problem by quoting a Senate hearing witness who said, "The two greatest handicaps children suffer from is that they neither vote or pay taxes, which places them at the end of the line when the bureaucrats set up their programs and fund their activities."

West Virginia needs a law similar to one in Kentucky as a tool in identifying and preventing neglect-abuse cases.

Kentucky law not only requires anyone having knowledge of such a case to report it, but provides punishment for those who refuse to report such incidents. In addition, the law provides immunity for persons who report cases.

Under Kentucky law, a person can file a report if he has reason to believe a child is being mistreated, whether or not he has seen the actual abuse.

Kanawha Juvenile Court Judge Herbert Richardson has advocated a thorough airing of West Virginia's entire juvenile court laws with an eye to updating the statutes.

Social workers proposed a law to have court-appointed lawyers represent abused and neglected children who are dependents of the state. They have also backed laws to encourage families to become foster parents and laws to establish modern facilities to care for children who cannot be returned to their homes.

Foster parents have said it is a financial burden to care for children on a $3 per day allowance. To encourage more foster parents, the state allowance must be increased.

The Ugliest of Crimes

REPORTED CASES OF CHILD ABUSE IN TRI-STATES HAVE RISEN IN THE PAST 2 YEARS

Four-year-old David's ear was almost wrenched from his head. Larry, age six, suffered third degree burns on both his hands. Six-month-old Sally is dead.

They weren't in a traffic accident, caught in the path of a natural disaster or maimed by an explosion.

All three were the victims of their parents.

Because Sally had been crying for hours and would not stop, her frustrated young mother heated a large pan of water. And then she lowered Sally into the scalding liquid. Sally died in a hospital a few hours later.

Larry and David were luckier.

To punish him for leaving the family yard to play, David's father gave the boy's ear a "gentle tug."

And because Larry refused to "mind," his father held a cigarette lighter to the boy's hands.

Sally, David and Larry were victims of child abuse, which has been called the ugliest crime, the hardest to define, the hardest to prove and the hardest to detect.

The number of reported cases of child beating, burning, stabbing and maiming—all grouped under the heading child abuse—has been soaring in every state over the past five years.

Although no definitive national figures on child abuse are available, some experts estimate 60,000 cases are reported in the U.S. every year.

In the Tri-State, West Virginia, Kentucky and Ohio welfare officials report accounts of child abuse have risen dramatically in the past two years.

According to the Ohio Department of Public Welfare, child abuse reports in the state went from 726 in fiscal 1970 to 695 cases in fiscal 1971 and then jumped to 1,119 last fiscal year, an increase of about 62 per cent.

Richard Leightner, the department's public affairs director, said the number is expected to go even higher this year.

In Kentucky, abuse reports have almost doubled, rising from about 300 cases in fiscal 1971 to more than 500 last year. Only 68 cases were reported in fiscal 1970.

Alex Broaderick, community services director in the Kentucky Department of Child Welfare, said the upward trend is expected to continue.

Julian G. Sulgit, child protection expert with the West Virginia Welfare Department, said protective services cases, which include child abuse, have increased from 1,000 in 1971 to 1,200 last year. Sulgit said the total number of cases for 1970 was under 1,000.

Since child abuse is lumped with protective service cases in West Virginia, exact figures on child abuse are not readily available.

However, Sulgit said he is sure the number of cases is increasing, based on the number which cross his desk each month.

Just who are these child abusers?

They're just like most people in many respects, researchers say.

They live on farms, in small towns and in cities. They attend Catholic, Jewish and Protestant churches and some have no faith. They are intelligent and well-educated and unintelligent and poorly educated. They are rich and poor, upper class and middle class.

According to a 1967 public opinion survey by Brandeis University, nearly 60 per cent of adult Americans believe "almost anybody could at some time injure a child in his care."

In contrast to opinions of 30 years ago, which pictured abusive parents as sadistic monsters who methodically went about maiming their children, psychologists now believe most abusers really love their youngsters.

Dr. David G. Gil, professor of social policy at Brandeis University, believes most abusers are normal individuals who go farther than they intend in disciplining their children because of anger or temporary loss of self-control.

And psychologists stress children are not always abused by parents. The abusers may be relatives, neighbors or education personnel.

Experts place abusers into a variety of categories, each with a different set of underlying personal problems which contribute to the abuse.

Some abusers suffer from psychotic tendencies and their abuse is unpredictable and sometimes extremely violent. Infanticide and child homicide most often result in such cases.

Others abuse because of a generally hostile character that may stem from personal inadequacy, alcoholism and financial problems. In recent years more and more abuse cases have been associated with drug abuse, authorities say.

Some persons are unable to react with children because of cold, rigid characters that prevent them from feeling love and protectiveness toward their children.

In many cases the abuse results from marital conflicts that are displaced onto the child. Often the abused child was premaritally or extramaritally conceived.

Other instances occur because the individual is unable to control his temper or meet the mounting stresses of everyday life.

Dr. Gil, who is a nationally recognized expert on child abuse, has theorized the problem is a natural outgrowth of the widespread acceptance in our society of physical discipline for children.

Dr. Gil stated during recent Senate hearings on child abuse that "whenever corporal punishment is widely used, extreme cases will occur and children will be injured."

"Quite frequently acts aimed at merely disciplining children will, because of chance factors, turn into serious accidents," he said.

What are the effects of child abuse on the victims?

Psychologists say the emotional wounds suffered by abused youngsters can affect them throughout life and may be far more serious than physical injuries.

According to Dr. Harold P. Martin, associate director of child development at the

National Center for Prevention and Treatment of Child Abuse and Neglect, even children who experience mild forms of abuse may suffer severe emotional scars.

A two-year study by Dr. Martin of 58 less severely abused children showed the youngsters to be mildly retarded, suffering from poor growth and having emotional development problems.

In a report on the study, Dr. Martin noted "the most striking impression . . . was that the principal price these children were paying for their abuse was in terms of personality development."

"Very few children were capable of truly enjoying themselves. Low self-esteem, poor ability to form friendships, learning disorders and behavior problems were common findings," the report said.

Other studies also indicate that many abused youngsters often grow up to become abusive parents themselves, imitating the treatment they received during their own childhoods.

And psychologists now believe thousands of persons who annually are arrested for community various crimes were abused during childhood.

Despite these grim reports, child abuse experts say all but about 10 per cent of abuse cases can be cured through treatment and rehabilitation of the abusers.

That 10 per cent includes cases involving abusers with severe mental problems. In those cases, usually the only solution is to remove the child to a foster home.

Treatment most often is provided through state welfare department social workers. In West Virginia it's the responsibility of the State Department of Welfare, in Kentucky the Child Welfare Department does the job and in Ohio county welfare departments handle the cases. A social worker may be assigned to a particular case for a year or more, meeting with the involved family each week to offer help and advice.

The worker tries to develop a "supportive relationship" with the abusive parent, letting him describe his feelings and frustrations concerning his child.

Such programs are intended to let the parent release verbally on the social worker the fears and stresses that otherwise might be expressed through child abuse.

Under current treatment procedures, child welfare agencies make every effort to keep the abused child in the home. Only when the child's health is threatened do agencies seek court authorities to remove him to a foster home or center.

According to Broaderick, the Kentucky community services director, removal of the child can defeat the purpose of the treatment.

"Once you remove the child, you have removed the greatest tool for rehabilitating the parents," he said. "With the child no longer in the home, it is very difficult to gage how successful the rehabilitation effort has been."

In all abuse cases, welfare agencies now take a helpful stance, rather than trying to prosecute the parent.

Such methods of treatment are in contrast to ideas in vogue decades ago when the first priority was punishment for the parent.

Only in recent history have lawmakers, social service agencies and law enforcement agencies begun to take a serious look at child abuse.

As late as the 1870's the only organization working to protect abused children was the Society for the Prevention of Cruelty to Animals.

While welfare agencies still rely heavily on the use of social workers in treating abusive parents, several new approaches also are being tried around the country.

Child abuse experts are expressing excitment over a new self-help program for abusers called Parents Anonymous. The organization, which functions much like Alcoholics Anonymous, was launched in California three years ago.

Abusive parents may join the organization and discuss their problems with fellow abusers.

While child welfare agencies are reporting success with the various treatment programs, they are looking for ways to improve detection of child abuse.

Despite the rapidly rising number of abuse reports, officials are quick to admit they may be only "skimming the surface" of the problem.

Some experts estimate there are between 10 and 100 unreported instances of child abuse for each case that comes to the attention of child welfare or law enforcement organizations.

Charles Bonta, district director for the Department of Child Welfare in Ashland, Ky., admits, "we really don't have any ideas how much child abuse actually goes on."

"The reported cases are the only ones we ever hear about, and I'm convinced the incidence level is much higher than the reporting level," he said.

Brandeis University abuse experts have termed most estimates and reports on the occurrence of child abuse "meaningless."

Many authorities attribute the rise in the number of reports to improved reporting laws, rather than an actual increase in cases.

Those laws are only just now beginning to uncover the widespread incidence of abuse that has long been in existence, experts say.

Kentucky, West Virginia and Ohio all have passed new reporting laws in recent years or updated old ones. All three states now require medical and law enforcement personnel, as well as private citizens, to report any suspected cases of abuse.

And immunity from civil liability also has been provided to protect citizens who do report.

To further encourage reporting, Kentucky in 1972 provided penalties for anyone who knowingly fails to report abuse.

Despite these legislative efforts, officials agree many cases still go unreported.

Severe abuse, in which a child is badly injured or killed, usually comes to public attention. But hundreds of less-sensational cases remain undisclosed.

The problem stems from the reluctance of citizens to report a child abuser who may be a relative, neighbor or respected member of the community.

They often fear the notoriety, court proceedings and other actions that might result from filing the report.

And often citizens may not know where or how to report a case of abuse.

Officials in Ohio, Kentucky and West Virginia have begun various efforts to improve the situation.

The Kentucky Department of Child Welfare has launched an effort through the University of Kentucky Continuing Education Program to familiarize physicians with abuse and how to report it.

Ohio Public Welfare officials attribute much of their state's increased reporting rate of distribution of "Child Abuse and Neglect Prevention Kits."

The kits provide information on child abuse and how and where to report cases. In addition, the department has utilized televised public service announcements to focus attention on child abuse. In West Virginia, the welfare department has used printed brochures containing child abuse material urging citizens to report when abuse is suspected.

In addition, all three states are making efforts to familiarize social workers with child abuse through meetings and workshops.

Randolph Bill Offers Some Help

With reports of child abuse rapidly inceasing across the nation, Sen. Jennings Randoph, D-W. Va., is co-sponsoring a measure in Washington that would meet those reports with programs of treatment and prevention.

The bill was introduced by Sen. Walter F. Mondale, D-Minn., and recently was passed by the Senate. It is now awaiting action in the House.

The bill would provide approximately $80 million over the next four fiscal years for public and nonprofit private agencies for demonstration programs designed to prevent, identify and treat child abuse and neglect.

Funds provided under the act would be used for the development of training programs in child abuse treatment and prevention for medical, legal and other personnel.

In addition, monies would be made available to furnish professional and paraprofessional child abuse treatment personnel to small communities on a consulting basis.

The so-called Child Abuse Prevention Act also would create a National Center on Child Abuse and Neglect within the Department of Health, Education and Welfare.

By compiling, analyzing and publishing data on child abuse, the center would serve as a national clearing house for child abuse prevention, idetification and treatment programs.

In addition it would compile and publish training materials for personnel engaged in treating child abuse and neglect.

To improve statistical data on abuse, the bill also would creates a 15-member National Commission on Child Abuse and Neglect.

As its first duty the commission would be directed to investigate the effectiveness of existing child abuse laws and ordinances and also study the role of the federal government in assisting the states with abuse problems.

The commission would report is findings on those subjects to the President in one year and provide recommendations for new legislation.

Sen. Randolph has called the act a chance to provide "the attention so necessary for the protection of our children."

During subcommittee hearings on the measure, the Senator said the act was needed because existing laws "are not being transformed into workable programs for the detection and treatment of child abuse."

He said programs must be more comprehensive in order to cover all types of abuse and treat them.

The Senator said the bill will be a "very necessary step in the direction of greater rights and protection for children who have been battered, neglected and abused."

Role of Protective Service Worker With Abusive Parents a 24-Hour Job

"They're lonely people, looking for help, groping for help."

That's how Sarah Dunlap describes the abusive parents she works with in her job as a protective worker for the Kentucky Department of Child Welfare in Ashland.

"They carry a lot of guilt, know what they've done." she said. "You have to talk with them in a critical but positive way."

Mrs. Dunlap currently is working on 41 protective service cases, many of them involving child abuse.

Every week she visits the families involved in the abuse cases, listens to the parents' complaints, problems and frustrations.

And the job doesn't end after an eight-hour day. Often, a parent will call her at home to ask for help or advice.

"I get calls after midnight sometimes," she said. "It's a 24-hour job."

In Kentucky, protective service workers like Mrs. Dunlap are the backbone of the Department of Child welfare's program to treat and rehabilitate child abusers.

It is Mrs. Dunlap and other workers across the state who must maintain the personal contact with child-abusing parents that is so important in treatment.

When Mrs. Dunlap receives a report of suspected abuse, whether from a physician, police officer or private citizen, she begins a personal investigation of the cause.

That usually involves talking with neighbors, relatives and friends of the family to determine if abuse actually is taking place. When evidence shows a child is being abused, she visits the family involved.

"You have to gain their confidence, and avoid confrontations," she said. "They are usually very hostile at first and deny that anything is wrong."

Mr. Dunlap said she has been ordered out of houses on several occasions.

"It takes time to get their trust," she said. "After a while they will begin to call you and ask for help. Then you know you're making some headway."

Most of Mrs. Dunlap's cases, like the great majority of child abuse cases, involve severe spankings or neglect.

"It happens mostly because the parent lost his temper while disciplining the child," she said. "Really severe cases are rare."

"Many of these parents simply can't relate or be open and free," she said. "Often they can't have a normal relationship."

According to Mrs. Dunlap, the success of treating abusive parents depends strongly on the social worker's ability to establish a helpful relationship with them.

"Our function is to provide help and treatment for the abusive situation, not to prosecute the parent," she said. "It would be impossible to do anything constructive or maintain contact with a parent if we were trying to take legal action against him at the same time."

The department occasionally does take legal action to remove children from homes where especially hazardous abuse situations exist.

However, in most cases every effort is made to keep the child at home.

Mrs. Dunlap admitted there may be some risk that a child kept in the home may be abused further while treatment is going on, but she minimized the problem.

"Just our regular visits to the home encourage the parent away from further abuse," she said.

LEONARD CARMICHAEL

Mr. HELMS. Mr. President, on Sunday, September 16, 1973, death came to Leonard Carmichael, a brilliant American who leaves a number of friends among Members of the Senate.

Dr. Carmichael, former secretary of the Smithsonian Institution and vice president of the National Geographic Society, had a distinguished career in education and the sciences. His advice and counsel were widely sought and his devotion to public service is an inspiration to us all.

I note with sadness his passing and remember with gratitude that he was instrumental in the establishment of the Diesel School at North Carolina State University during World War II.

Through his teaching, his writing and his personal example of integrity, Dr. Carmichael shared his great talents. Because of these things, many lives have been made richer.

I extend my deepest sympathy to his wife and daughter and all others who loved him.

THE PENSION REFORM BILL—TRIBUTE TO STAFF

Mr. JAVITS. Mr. President, I did not have the opportunity last night at the close of debate on S. 4, the pension reform bill, to extend fully my sense of appreciation to all those who were responsible for contributing to the passage of S. 4. However, as I did in opening debate on S. 4 on Tuesday, I wish to express my great appreciation for the unfailing cooperation in working on this historic retirement security bill to the chairman of the Senate Labor and Public Welfare Committee, Senator WILLIAMS, who was my partner and cosponsor, and to Senators RANDOLPH, SCHWEIKER, and TAFT and the other members of the Labor and Public Welfare Committee; and, to the Senators of the Finance Committee, Senator LONG, its chairman, Senator NELSON who chaired the subcommittee and is also a member of the Labor Committee, and to Senator BENTSEN, who authored the Finance Committee bill. All their efforts were vital in bringing about agreement on a bill which the Senate has so overwhelmingly accepted.

But no reference to those who worked on this bill could possibly be complete without referring to the special minority counsel to the Labor Subcommittee Michael S. Gordon, who worked with me so closely in respect to this measure; his was a most creative and brilliant job and he has every reason to feel deeply gratified by the result. I want to pay tribute, too, to Robert Nagel who served Senator WILLIAMS in the same capacity as Mr. Gordon served me; to Mario Noto, who worked on this bill for Senator WILLIAMS for a long time; and to Larry Woodworth, the most able counsel for the Joint Committee on Internal Revenue who made enormous contributions to the result.

Finally, I wish to mention Frank Cummings, formerly my AA, now a practicing lawyer in Washington, who was heavily responsible for the first draft of the bill in 1967, and worked closely with me to put the idea forward in legislation at its inception; and, to Gene Mittleman, minority counsel to the Senate Labor and Public Welfare Committee, who carried on the work until Mike Gordon came on the scene.

WATERGATE'S PRICE

Mr. BIDEN. Mr. President, I quote John Craig, the executive director of the Wilmington, Dela., News-Journal:

> The public apparently prefers to suffer the social tensions and anxieties that are the baggage of a politically crippled government, rather than risk the trauma of excising from the very center of American life the roots of a cancer.

Shortly after this body adjourned and the Special Committee on Campaign Practices concluded the initial phase of their hearings, Craig offered this sad prospect in a column in the August edition of the News-Journal. This paralysis of popular opinion he traces to the moral crisis in Government depicted in the nationwide broadcast of the committee procedings.

> This pyrrhic victory of the Presidents' . . . significantly limits the ability of the Administration to govern. For one thing the hearings have done is give the public a good look at Stans, Mitchell, Erlichman, Haldeman & Co. And like a glance into the eyes of Medusa, it is petrifying.

The "baggage" to which he refers manifests itself daily, and Craig's perspective throws it in sharp relief on the political horizon of the Nation's future. He contends:

> What the Democratic majority wants (and what the American people are apparently content to let them have) is Richard Nixon to kick around for three more years. The President and the Republican National Committee both see this all too well, and they are counterattacking. They are talking about the double standard of liberals and the media . . . they are talking about boys being boys . . . they are talking about pettiness . . . they are talking nasty.

This is the genesis of much of the stoned "wallow" surrounding the illumination of governmental practices such as the surveillance of political opposition. And the tendency is inclining each day towards proliferating rhetoric in the face of hobbled national leadership:

> The prospect of a drum beat of initiatives of this sort, in tandem with a long line of sanctimonious speeches from Democratic politicians on the make, such as Ted Kennedy's July 4th effort in Alabama, is absolutely crushing. Even if the public can stomach it, can the nation afford it?

The Nation needs a catharsis now, to face the question of confidence in the elective process, to grasp the nettle of Watergate. Craig concludes:

> Is not the strength of America the naivete and optimism that risk safety for principle, that give up today for tomorrow? Yes, Nixon lives. But I cannot escape the notion that the price, a no-decision public vote on Watergate, is not right.

Mr. President, I ask unanimous consent to print this evocative opinion column in the RECORD as a reminder to us all of the sense of justice which has been a watchword of American spirit through the centuries.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT OF WATERGATE'S PRICE?

(By John Craig)

With the first phase of hearings now behind us, the outcome of Watergate is more predictable than it was six weeks ago: Richard M. Nixon lives.

Given the insulting nature of the President's speech Wednesday night, such a statement might be considered premature, but apparently no amount of Nixon rhetoric can snatch defeat from the jaws of victory in this instance. As much as the public disapproves of what has happened, it does not consider the derelictions of the Nixon Administration grounds for impeachment.

It is no pleasure to admit this. Robert W. Meserve, the outgoing president of the American Bar Association, was correct when he said the paucity of public outrage at Watergate posses "a threat to our liberties and to our very sense of decency." But sad though it be, to persist in arguing that more be done is merely beating a dead horse.

What the Democratic majority wants (and what the American people are apparently content to let them have) is Richard Nixon to kick around for three more years. The public apparently prefers to suffer the social tensions and anxieties that are the baggage of a politically crippled government rather than risk the trauma of excising from the very center of American life the roots of a cancer.

But if the people won't push the Congress, why doesn't the Congress pull them along? Why not, indeed? But, it is not going to be. The Senate is going to have its hearing, a campaign reform law and ultimately its report. But that will be it; the constituents are always right.

This pyrrhic victory of the President's poses real problems for the Republican Party for the next three years and, perhaps, beyond that. It also significantly limits the ability of the Administration to govern. For one thing the hearings have done is give the public a good look at Stans, Mitchell, Ehrlichman, Haldeman & Co. And like a glance into the eyes of Medusa, it is petrifying.

These men, and whatever crimes they are subsequently convicted of, cannot be separated from the government, the President and the GOP. For, as Barbara Tuchman, the historian argued recently, "the Nixon Administration, like any other, is an entity, a whole for which he (Mr. Nixon) is responsible and from which he is indivisible. Its personnel, including those now under indictment, were selected and appointed by him, its principles—or lack of them—derived from him."

If the thought of three years of Democratic politicking on variations of that theme is depressing for the public at large, think how the Republican politicians must feel facing that prospect. The President and the Republican National Committee both see this all too well and already they are counterattacking, as was abundantly clear Wednesday night.

They are talking about the double standard of the liberals and the media: Why didn't they get upset enough to investigate when Kennedy and Daley stole the election in Illinois in 1960?

They are talking about boys being boys: What's really so bad about breaking into the office of Daniel Ellsberg's psychiatrist and taping the Democrats telephones? Didn't Bobby Kennedy tap Dr. Martin Luther King's phone and trample all over Jimmy Hoffa's rights?

They are talking about pettiness: "Let others spend their time dealing with the murky, small, unimportant, vicious little things. We will spend our time building a better world."

They are talking nasty: "Well, at least we didn't drown anyone."

The prospect of a drum beat of initiatives of this sort in tandem with a long line of sanctimonious speeches from Democratic politicians on the make, such as Ted Kennedy's July 4th effort in Alabama, is absolutely crushing. Even if the public can stomach it, can the nation afford it?

The smart answer is yes: Politics is the art of the possible; to hope for stronger reaction or action on Watergate was (and is) to be naive. The Nixon team has had its wings clipped and the Democrats have been on notice since the '72 election that the people are in no mood to go very far left. That's the most anyone could have expected. The country will be all right. If there is anything to worry about it is the economy.

The reassurances come so easily. It all sounds so good, so smart. But is it wise? Is not the strength of America the naivete and optimism that risk safety for principle, that give up today for tomorrow? Yes, Nixon lives. But I cannot escape the notion that the price, a no-decision public vote on Watergate, is not right.

COURT REPORT SHOWS DECLINE IN CASELOAD

Mr. **BURDICK**. Mr. President, during 15 days of hearings on the omnibus judgeship bill, held earlier this year, the Subcommittee on Improvements in Judicial Machinery, which I am privileged to chair, carefully examined the caseloads in 42 of the district courts.

During these hearings it became evident that there was some slackening of the trend of ever increasing filings of both civil and criminal cases in the district courts of the United States. The "law explosion" following World War II had thrust a rising caseload upon our courts. In fiscal year 1970 new cases filed increased at the rate of 13 percent; in 1971 it was only 7 percent and only 3 percent in 1972.

The Administrative Office of the U.S. Courts recently released a report showing the court statistics for fiscal 1973. The report shows that for the first time since 1964 the new cases filed decreased by 4,289 cases from the prior year. Also, for the first time since 1960 the number of cases pending at the end of the year also declined. Not only did the incoming pile get smaller but the outgoing pile got larger.

New criminal cases declined by 13.5 percent and the increase in new civil cases further slowed to a rate of 2.5 percent.

The credit for much of these accomplishments must go to the 400 active and 60 senior district court judges. As the Administrative Office report points out, most of the 94 districts were able to operate with full bench strength since there were only 12 vacancies. The record could probably be better if some of the prolonged vacancies could be avoided.

The reported statistics also demonstrate the success of congressional action in recent years. The U.S. magistrate system, which has an increasing number of full-time magistrates, has been able to handle more cases, thus freeing judges for more bench time. For example, magistrates handled 13,978 misdemeanor immigration cases, a 43-percent increase over the prior year. Marine personal injury cases declined by 15 percent, very probably due to the amendments to the Longshoremens and Harbor Workers Act passed by the 92d Congress. With the end of the war in Southeast Asia, selective service cases declined 40.8 percent and these cases will disappear by the end of the current year.

In addition to the decreases noted above, Narcotic Addict Rehabilitation Act cases declined by 32.2 percent, Federal Employer Liability Act cases declined by 16.3 percent, antitrust cases declined by 12.6 percent, liquor law violations declined by 28.1 percent, auto theft cases declined by 16.6 percent, and forgery and counterfeiting cases declined by 12.4 percent.

All of these developments are indeed encouraging. Yet I do not suggest today that we have "turned the corner" on the problems of our overworked courts. I do think, however, that for the first time in almost a decade we are seeing a stabilization of case loads, which is a direct result of Congress and the courts working together to find new approaches to the problems of providing efficient machinery for the administration of justice.

In the months ahead the Congress will be considering further measures in this area which will hopefully promote the stabilization of workload which the latest figures indicate has, temporarily at least, been achieved.

THE GENOCIDE CONVENTION

Mr. **PROXMIRE**. Mr. President, now that the United States has withdrawn its forces from Vietnam, there are those who feel we should embark on a new era of isolationism.

I feel it important that America resist this tendency strongly. Though we have sometimes erred in our foreign policy objectives, there is no reason for us to use these mistakes as an excuse for avoiding international responsibility.

Internationalism can be a great benefit. While we maintain the sovereign integrity of our great Nation we can productively participate in the creation of a better world community. Our continued commitment to the United Nations is one avenue for such efforts and with the President's diplomatic trips abroad, new doors have been opened. But we should not forget yet another door which remains to be opened to greater participation in international concerns: the Genocide Convenion. Our ratification of this treaty would link us with civilized nations around the world who deplore and have promised to prevent the crime of genocide.

I urge Senators to move immediately to endorse this declaration of the right for all peoples to live according to their nature and belief.

AUTO REPAIR

Mr. **HARTKE**. Mr. President, there are less than 100,000 auto mechanics in this country, but more than 10 million cars on the road. This shortage of mechanics has caused many repair shops to employ workers who lack adequate training. It has also resulted in slipshod work.

Few of us know the detailed workings of the cars we drive, so we must trust the word of the auto repairman when he tells us we need a new universal joint or a brake job. Most mechanics are honest, but there are far too many who take advantage of our ignorance. In truth, we place our lives in the hands of these men, because statistics show that as many as 11 percent of turnpike accidents are the result of vehicle failure. One automotive diagnostic center reported that 5 percent of the cars tested had safety-related faults, including 42 percent which had brake system defects.

Mr. President, earlier this year I introduced the Motor Vehicle Repair Industry Licensing Act to encourage States to adopt a licensing system for auto repair shops and damage appraisers. This legislation will go far toward setting acceptable standards for repair shops.

I ask unanimous consent that an article describing the efforts of Montgomery County, Md., to adopt a program similar to that provided in my bill be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MEASURE URGED ON AUTO REPAIR

(By Jacqueline Bolder)

The Montgomery County Advisory Committee on Consumer Affairs has recommended to the county executive and council legislation regulating all automotive repair establishments in the county.

In a seven-page report, the nine-member body, appointed by the executive and confirmed by the County Council, recommended compulsory registration of all automobile repair establishments for an initial one-year period, with two-year renewable periods.

Registration differs from licensing which would require an examination as to competency.

Registration, according to the report, could be suspended or revoked, however, after a hearing, if it were found that there had been a "pattern of fraudulent or deceptive conduct" or a "pattern of gross negligence or incompetence."

Leslie A. Glick, chairman of the advisory committee, said, "The committee felt that compulsory licensing did not appear feasible at this time for the county to prepare and administer the type of examinations that would be needed.

"The amount of time and money required for the examination to be administered on a countrywide basis would be considerable," he added.

Glick also observed that there is evidence that any compulsory licensing of competency might tend to further diminish the already limited supply of skilled mechanics working in the country.

However, the recommended registration program would be combined with a voluntary, industry-run testing program which is now in existence.

The National Institute for Automotive Repair Excellence, an industry group, is now conducting a voluntary program of examination and certification of repairmen, administered by the Education Testing Service of Princeton, N.J., the report said.

"The committee felt that this voluntary program should be given time to develop before a decision on compulsory licensing is made," Glick noted.

However, in order to encourage participation on the program, the committee recommended that the registration fee be placed on a sliding scale with a lower fee for establishments with a greater percentage of certified mechanics.

The report cited adequate safeguards to insure that revocation of registration, which would put an auto dealer out of business, cannot occur without due process.

A hearing would be required before a specially created Automotive Repairs Review Board, which would consist of two consumer representatives, two industry representatives and a member of the advisory committee.

The right to counsel and cross-examination of witnesses also would be guaranteed.

The committee report recommended that the Montgomery County Board of Education submit within six months a plan to increase opportunities for vocational training in automotive repair in the county high schools and colleges.

The committee also recommended:

Compulsory guarantee of all work performed on a car for 30 days or 1,000 miles, whichever is greater. An exception is made where a car is too old or damaged to be subject to a guarantee.

Requiring an itemized statement of all repairs, including the cost of each part and whether it is new, used or rebuilt and the amount of time actually spent on the repairs.

Making illegal any statement which a customer may be induced to sign which would absolve the repair dealer of liability for damage caused to the automobile as a result of negligence.

Written estimates should be provided on request, if possible.

CHLORINE IN SHORT SUPPLY

Mr. HASKELL. Mr. President, I have been advised by officials of various water and sewage treatment authorities in Colorado of a problem that has potentially very serious consequences for all of our citizens. I am informed that chlorine, a substance that is vital to the treatment of drinking water and sewage effluent is in extremely short supply.

I have discussed this matter with the Department of Commerce, and I have learned that while the substance itself, which is derived from salt is abundant, demand has increased beyond the manufacturer's ability to extract it from the salt. Shortages are beginning to become apparent in many localities, and the problem could become very serious quickly, if left unchecked.

Drinking water and sewage treatment facilities use only about 5 percent of the Nation's chlorine output, but certainly these two uses are among the most important. The Department of Commerce is working now to unwind the tangled channels of distribution of chlorine, so that a way can be found to supply the water treatment facilities efficiently and without disrupting any other vital industry.

I applaud the Department of Commerce's efforts, and I pledge them my fullest support, but I must point out that I do not intend to be patient in waiting for results.

Mr. President, I ask unanimous consent to print in the RECORD a letter from Mr. William E. Korbitz, manager of the Metropolitan Denver Sewage Disposal District, which more than adequately explains the gravity of this matter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMERCE CITY, COLO.,
September 11, 1973.

Senator FLOYD K. HASKELL,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR HASKELL: In accordance with our conversation of September 10, I am pleased to send you herewith details concerning the chlorine shortage and problems anticipated by the Metro District. I also would refer you to my recent letter to Senator Haskell in which I first informed you of the impending chlorine shortage probably on a national scale.

In early summer of this year the District was informed by its supplier, Diamond Shamrock Company, that because of a critical chlorine shortage they would not find it possible to extend the chlorine supply contract into 1974. District personnel subsequently contacted ten chlorine suppliers concerning competitive bids for supplying the District with chlorine in 1974, but the District was advised that until a national inventory was completed none of the suppliers would feel serious in the Denver area as indicated in the 1974 chlorine supply.

The chlorine shortage is expected to be serious in the Denver area is indicated in the enclosed letters from the Colorado Department of Health and the Denver Water Board. The letter received from the Colorado Department of Health requests that the District honor any requests from the Denver Water Board for the use by the Denver Water Board of District chlorine for disinfection of public water supply. This, of course, would mean that the District possibly would not be able to disinfect its effluent from the wastewater treatment facilities before discharging the effluent into the South Platte River. The letter from the Denver Water Board indicates that they will require a major portion of the 90 ton tank car of chlorine presently en route to the District.

The District uses in excess of 50 tons of chlorine per month for disinfection of the wastewater treatment plant effluent, and it is important that chlorine be made available both to public water supply agencies and to public wastewater treatment agencies. The chlorine shortage presumably is partly the result of large quantities of chlorine being used in the manufacture of plastics and other products, and I again would encourage Congressional action to ensure that at least minimum chlorine supplies be made available for disinfection of public water supplies and wastewater treatment plant effluent on a top priority basis.

Please advise me if I can provide additional information or be of further assistance in connection with this chlorine shortage.

Sincerely,

WILLIAM E. KORBITZ, P.E.,
Manager.

POWER SUPPLY—POWER POLICY—A NATIONAL GRID

Mr. ABOUREZK. Mr. President, for 8 years, during the administrations of both President Kennedy and President Johnson, Mr. Ken Holum served this Nation with honor and distinction as the Assistant Secretary of the Interior in charge of water and power. On September 18, Mr. Holum addressed a group of farm leaders at a meeting of the Farm Foundation in Gull Lake, Minn. His address on that occasion was entitled "Power Supply—Power Policy—A National Grid." In that address, Mr. Holum described the need for and the benefits from construction of a publicly owned national grid system—as would be authorized by legislation which Senator METCALF and I along with other Members of this body have introduced. I ask unanimous consent for the speech of Mr. Holum to be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

POWER SUPPLY—POWER POLICY—A NATIONAL GRID

(Remarks by Ken Holum)

In 1948 I lived in a dimly lighted farm home, twelve miles east of Aberdeen, South Dakota. A 32 volt Delco plant and sixteen 2 volt wet storage batteries provided a little light, a substantial amount of aggravation and no power.

1948 was the year that M. Q. Sharp, a former Governor of the state, recommended that the South Dakota Legislature enact legislation which would authorize the citizens of the state to create consumer power districts when and if the citizens in a community or area of the state found doing so advantageous and appropriate.

Four years earlier, as an item of the Flood Control Act of 1944, the Congress of the United States authorized a program designed to achieve comprehensive development of the Missouri River and its land and water. Five huge multi-purpose, hydroelectric storage dams on the main stem of the river were included in the authorization to supplement the existing Fort Peck Dam in Montana. By 1948, the Congress had provided initial construction funds for Fort Randall Dam in South Dakota.

The participants in this conference will recall that this country had finally decided in the mid '30s, during the administration of Franklin Roosevelt, that farm people should have central station electric service just like their city cousins. Because farms are far apart in South Dakota and bulk power was not readily available at reasonable rates, REA cooperative leaders in my state experienced great difficulty in meeting the economic feasibility standards established by the Rural Electric Administration.

As late as 1948, rural electrification was still a dream in most of South Dakota. By helping solve bulk power supply problems, Federally generated and marketed hydroelectric power associated with Missouri River development played a major role in accelerating rural electrification in my home state in the late 40s and early 50s.

The potential development of the Missouri River, including the construction of four mainstem dams in South Dakota together with the accelerating rate of construction of electric distribution lines in rural South Dakota by farmer-owned cooperatives motivated Governor Sharp to recommend that the Legislature enact Consumer Power District legislation.

Governor Sharp was attempting thru the media of Consumer Power Districts to provide an opportunity for South Dakota people to work together so as to use the state's resources at the highest possible level of efficiency, and while doing so to secure maximum benefits for themselves. He identified Consumer Power Districts as the logical vehicle for cooperation and joint action by rural electric cooperatives, municipal electric utilities and the Federal Government.

In 1973, with all readily available sources of energy in short supply at the consumer level, we have dramatic evidence that we must use our available and remaining resources at the highest possible level of efficiency. We know now that we must find improved techniques for meeting our growing energy needs and we are determined to meet those needs without avoidable environmental degradation. Governor Sharp's 1948 objectives are the imperatives of the 70s.

You have asked me to introduce a discussion of electric Power Supply—Power Pooling—and a National Grid to this conference of responsible leaders and opinion makers. As we consider future action with respect to electric power supply, we must be conscientious environmentalists. It is equally important, however, that we be good conservationists.

When the time comes for me to present this paper, Jack O'Leary will have discussed "Alternative Sources Of Energy And Conflicts With The Environment." I am pleased to leave that responsibility to him. It is essential, however, to understand that a relationship does exist between "electric power needs" and the alternative sources of energy that are, or may be made, available to the American economy.

We can learn to conserve energy and I believe that we should and that we want. Nonetheless, the American economy will continue to require substantial energy inputs and unless those requirements are met, our productivity will certainly be reduced and our comfort and convenience diminished.

During the winter months we will need to heat the homes, offices and factors in all but the warmest areas of the country. We can plan and insulate our homes better, but they will still require energy for heat. I am not going to be the one to suggest that the housewife in Atlanta, the government worker in Washington, or the secretary in Chicago should do without their summer air conditioning.

We can move people and goods more efficiently than we do, but we will still require huge quantities of energy to get people to work, supplies to our factories, and commodities to market and to the consumers. As the participants in this conference know so well, the productivity of American agriculture depends upon the farmers' ability to utilize huge quantities of mechanical energy to produce the grain, fiber and livestock that under-girds the total United States' economy and provides the single best sources of the foreign exchange that we need so desperately.

There are strong and convincing voices arguing that the electric power industry should not promote the use of its product. The advocates of a "no growth" electric power industry may well be right, but they are right, only if they are certain that other sources can meet the country's essential energy needs more efficiently and with less environmental damage.

Our supplies of natural gas are finite. Should the homeowner in a metropolitan center who cannot secure natural gas turn to an inefficient and dirty, coal-fired furnace or is it more desirable that the coal be converted to electric power at a remote site? What other alternatives are available? Unfortunately, we are just beginning to develop ways to really utilize solar heat as an energy source for the home.

If my information is correct, midwestern farmers who are unable to secure adequate supplies of propane gas are converting their crop dryers and their home heating systems to electricity. What alternatives are available? It hardly seems appropriate to suggest to the farmer that he convert from propane to alternative petroleum products when he is worried about finding enough gasoline or diesel fuel to keep his tractor and combine operating.

Frankly, I am not completely certain that a "no growth" policy for the electric power industry will contribute to environmental improvement or better use and conservation of resources. We may well find electric power shortages forcing the use of less acceptable energy conversion systems while simultaneously utilizing the basic resources less efficiently.

Many concerned and thoughtful citizens are suggesting that we examine and develop new sources of energy to supply the electric power the country requires. Among other possibilities they suggest geo-thermal steam, wind power and solar energy.

I join these groups in urging expanded and accelerated research and development into the potential use of the earth's and the sun's heat and the energy of the wind and tides as potential sources of electric power. I caution, however, that it may well develop that each of the sources produces environmental problems as troublesome as well-regulated strip mining or carefully managed nuclear-fueled power plants.

A few days ago, a Washington, D.C. newspaper carried a report of a serious proposal for solving the electric energy supply problems of Vermont. A university professor suggested to a conference convened by the National Science Foundation that 950 wind chargers mounted on towers 350 feet high could generate enough electric power to supply the state's total 1973 needs.

Recalling the national attention and scorn heaped on the Potomac Electric Power Company when they proposed building a 500 kva transmission line within sight of the Antietam National Monument, I am not certain that the 950 towers will receive a warm welcome in beautiful Vermont.

The development of geothermal steam, solar energy, and wind power is certain to raise environmental questions that will demand careful evaluation. Nonetheless, they all deserve careful study and public participation in research and development efforts to make sure that we do realize their potential.

Just as I welcome attention on the newer, more exotic sources of energy and electric power, so, too, I urge greatly expanded research and development for better use of traditional energy sources I consider the present Pygmy programs in the areas of strip-mine reclamation and revegetation, coal gasification and magnetohydrodynamics, horrible examples of tragically misplaced national priorities.

To underscore one example, magnetohydrodynamics (MHD) holds promise of increasing the efficiency with which we convert energy to electric power from the 40% efficiency achieved by the traditional boiler and turbine generator to a productive use of 60% of the available energy. While achieving increased efficiency, MHD promises to eliminate the adverse thermal effects of power generation on our rivers and streams and MHD will minimize or eliminate, because we must find a way to do it, the air quality degradation associated with more conventional power plants.

We are investing a pittance—the Administration requested $2,500,000 for Fiscal Year 1974—on MHD research. In 1973 the Congress provided a $25,000 "add on" for research into strip mine reclamation. The $25,000 was impounded. Harnessing the energy of the sun, the earth, the wind and tides receives even less Federal financial support. We should do much more recognizing that we will have to meet and solve difficult problems as we seek new ways to deal with our energy emergency within acceptable environmental and conservation standards.

In a real sense everything I have suggested up to this point has been discouraging and negative. I have suggested that there is no easy way to meet the electric power needs of a healthy economy and a comfortable people within the requirements of good environmental practices and sound conservation.

Recognizing the discouraging nature of much of what I have said up to now, let me use the balance of my time identifying readily available management techniques which the electric power industry should, and in my judgment must, be required to employ which can substantially improve the efficiency with which the electric industry uses resources. Application of these techniques will reduce the environmental damage associated with electric energy supply, and its transmission and distribution, while improving the efficiency with which we use resources. These techniques are identified in the title of the topic assigned for our discussion.

Power supply facilities, generating plants and transmission lines should be planned, built and managed to serve regional and national needs while we maintain and protect the pluralistic, free choice electric systems at the local and distribution levels.

The regional power supply systems created to achieve this objective should all be interconnected by an extra high voltage transmission network, which we have appropriately named "The National Grid".

Regional power supply systems, designed and managed to meet the bulk power supply requirements of all utilities in a region, would obviously build facilities that take full advantage of the economies of scale while locating facilities where fuel costs are lowest and environmental damage can be kept to minimal levels.

Transmission systems designed to meet the needs of all utilities would obviously reduce the environmental damage imposed by duplicating delivery systems. Extra high voltage transmission lines built to meet regional and national requirements for moving electric power multiplies the carrying capacity of each facility and substantially reduces the unit cost. An electric power system designed and managed to meet the needs of all utilities in a given region provides unique opportunities for utilizing both resources and capital investments at substantially higher levels of efficiency than we are presently achieving.

A publicly-owned "National Grid" and publicly-owned regional bulk power supply systems would become a reality if the Congress enacts legislation designed to achieve these objectives. Legislation that would do just that is currently pending in both Houses of the Congress. In the Senate, the National Grid Bill is sponsored by Senators Mansfield, Metcalf, Humphrey, McGovern, Abourezk and Hathaway. The House Bill is sponsored by Congressman Tiernan of Rhode Island.

The sponsors of "The National Grid" legislation have prepared and introduced the legislation because they are convinced that public involvement in bulk power supply is the best, if not the only way, to secure the construction of an extra high voltage, nation-wide electric power system and to secure real comprehensive, region-wide planning of the electric power supply facilities needed in each region.

They expect "The National Grid" to secure better use of resources, while reducing environmental damage. Certainly, an interconnected, nation-wide transmission system would significantly improve service reliability while reducing the investment and the facilities committed to reserves and standby.

The utilities have acknowledged and paid lip service to the potential benefits inherent in region-wide planning and management of power supply facilities by creating "voluntary power pools" and announcing the creation of these pools with glowing, self-congratulatory press releases and great fan-fare.

Unfortunately, and this is true without exception, the voluntary power pools created under the leadership of the investor-owned utilities are great for publicity purposes and generally useless for real region-wide coordinated power supply planning, building and management. In fact, to the extent that the "sham" pools are used to mislead the public into thinking that power pooling has been accomplished, they are more likely to adversely affect the public interest than they are apt to advance the general good.

The public interest requires that region-wide planning for bulk power supply be done on a basis that permits all distribution systems to participate as if they were a unit of a region-wide bulk power supply system. All electric utilities, regardless of type or ownership, should have an assured right to participate as joint owners in generating stations planned to meet region-wide needs and each utility should be completely free to utilize its own sources and capital to do so. Together all utilities should plan, build and operate a region-wide transmission network interconnecting all systems in the region and all utilities should be able to use the transmission network under predetermined terms that are reasonable and equitable. This must include rural electric cooperatives and small municipal electric systems as well as the investor-owned companies.

Public interest, region-wide power pools could make certain the best possible use of existing faciilties, conserving both capital and resources. Equally important, region-wide power planning, with all systems participating, would assure the construction of the best possible alternative when generating stations need to be built and avoid waste and duplication in transmission line construction.

Finally, the regional power supply systems must be interconnected by an extra high voltage transmission network so that bulk power can be moved across the country freely as the sun rises and sets; and we should have the ability to transfer capacity from north to south to take advantage of seasonal diversities. With four time zones, it just doesn't make sense to replicate the dinner hour electric power generating capacity four times and it is ridiculous that the winter peak requirements of the northern plains is not utilized to offset summer air conditioning peaks in New Orleans, Las Vegas and Montgomery, Alabama.

More important, perhaps, a National Grid will permit locating more coal-fired power plants where they should be built—close to fuel rather than close to markets. Similarly, nuclear fueled plants would be located where their special siting requirements are available on an optimum basis.

Low sulphur subbituminous coal from Wyoming and Montana is being marketed to utilities from the Rockies to the Alleghenies and in many cases the rail haul charges are three and four times the cost of the coal at the mines. Does it make sense to burn fuel oil hauling Wyoming coal to Detroit and Chicago when the energy could move by wire if it were first converted to electric power?

A Department of Interior analysis, called "Study 190," completed by the Department in 1968, indicated that interconnecting the West electrically would achieve a benefit cost ratio of 1.80 to 1 utilizing the criteria applied to Federal projects at that time. No effort has been made to up-date these studies, but costs associated with inflation have almost certainly offset the arbitrary, stricter standards now in use for evaluating Federal investments.

A recent engineering and economic evaluation conducted by consumer-owned electric utilities in the Missouri River Basin area indicates that you can save a mill a kilowatt hour if you can substitute electric transmission for a 100 mile rail haul. The study has been conducted to help identify the most economic location for a 1200 megawatt base load station composed of either two 600 KW machines or three 400 KW units to be built and owned jointly by rural electric cooperatives, municipal electric systems and consumer power districts.

For economic, environmental and conservation purposes we need a National Grid supported by regional power supply organizations committed to supplying the needs of all utilities. We need it now as the most readily available and logical techniques for increasing the available supply of electric power, maximum service reliability and reducing future environmental damage.

Unfortunately, electric utility leaders seem unwilling to do the job. Until they reverse themselves completely, I support Federally enacted National Grid legislation to achieve the public interest benefits we have a right to demand. I am convinced that the National Grid concept represents a readily available management technique that can and should be utilized and utilized now as a part of a continuing effort to meet important energy requirements within the framework of sound environmental practice, good conservation and wise use of capital.

The continuing effort of investor-owned utility leadership to disparage the value of a National Grid convinces me that we will not realize its potential benefits if we wait to see them realized by their "voluntary power pools".

CONFIRMATION OF HENRY A. KISSINGER TO BE SECRETARY OF STATE

Mr. KENNEDY. Mr. President, tomorrow the Senate will vote on the confirmation of Dr. Henry A. Kissinger to be our Nation's 56th Secretary of State. I support this nomination; and I urge the Senate to vote for confirmation.

This appointment comes at a watershed in the conduct of American foreign policy. The postwar era is over; a new era has just begun. We have created a basic framework of stable nuclear deterrence. We have passed beyond a time of major crisis over the security of Europe to a time of hope in détente. We are no longer faced with the angry isolation of the People's Republic of China. And we are no longer fighting a tragic war in Southeast Asia, going far beyond the needs of American security, dividing American society at home, and distracting attention from the demands of problems elsewhere in the world.

We must give Secretary Kissinger high praise for his efforts, especially in improving relations with Russia and China, even as we count the cost of past policies in prolonging the war, damaging relations with our allies, and ignoring the needs of the world's poor countries.

Today, we have a chance to be concerned, not with confrontation, but with negotiation; we can build, not engines of war, but structures of peace. At the same time, changes in the world are making it more difficult to devise directions for our foreign policy. It is not possible to divide the countries of the world into neat categories of friends and enemies. We cannot depend upon simple slogans to guide us through the day-to-day problems of foreign policy. And we are now concerned with the acts and interests of far more countries than ever before.

It is still our central concern to prevent a nuclear war, and to promote détente with the Soviet Union. But other centers of power—from China and Japan to Western Europe and beyond—now also compel our attention. As in the case of our great Western allies, power among nations today means far more than military strength or the possession of nuclear weapons. It also means economic vitality, the control of raw materials, the ownership of monetary reserves, and even the ability to cause pollution that passes beyond a nation's frontiers.

In ways we did not expect, the United States is now well and truly involved in the outside world. For many years, the predominance of military security issues, and our deployment of forces abroad, helped to insulate us from the currents of change sweeping the outside world. The dollar was the world's strongest currency, guaranteed never to be devalued. Foreign trade was less important to us—and had less impact on our own economy—than in any other country of the Western World. And few Americans learned a language other than their own, because there was no need to do so.

Our military strength remains critical to our security, to that of our allies, and to the prospects for peace. We have provided that strength and shall continue to do so. But today other factors also determine our relations with the outside world. We no longer dominate our alliances with West Europe and Japan. Decisions taken in London, Paris, Frankfurt, and Tokyo have required us to devalue the dollar. Foreign trade is now far more important for large parts of the American economy. And we are having to cooperate with other nations more diligently than ever before—cooperate with them in a host of areas, from the shaping of the great institutions of international economic relations, to the sharing of the seas' resources, and the control of pollution.

The new era of our involvement in the outside world may not always be to our liking. As a nation, we are used to self-sufficiency, to controlling our own destiny, and to making the major decisions affecting our relations with others. For more than a century and a half, we sought to have the choice of withdrawing from the outside world, even when we did not exercise that choice. Thirty years ago, we began to realize that we had to accept major responsibilities for military security beyond our shores, as the price of guaranteeing our own. But now we must accept our greater involvement in the outside world in many other ways, if we are to sustain our progress as a nation at home.

Mr. President, this is a time of great challenge and opportunity in our foreign policy. Ideas are legion; the debate has hardly begun. Nor can we expect the world to return to simpler times, when a few phrases can define the shape of affairs among nations and peoples, and the course for us to follow.

Yet whatever the outcome of debate, we should acknowledge today the proper way for us to decide the future of American foreign relations. It is a process that involves the executive departments of government, symbolized by Dr. Kissinger's new role as Secretary of State. But it must not end there. It must include the Congress of the United States.

Dr. Kissinger has assured us that the Congress will be more actively consulted and engaged in the making of American foreign and defense policy. After the frustrations of the past few years, this is welcome news, and we must play our part. Yet it is not enough just to establish a proper role for the elected representatives of the people. More than ever before, we must find ways to involve the people themselves.

No foreign policy can be any better than the support it receives from the people of the United States. As Secretary Kissinger himself has said:

> No foreign policy—no matter how ingenious—has any chance of success if it is born in the minds of a few and carried in the hearts of none.

Every time that we have departed from that principle—most recently in Southeast Asia—we have come to grief. Nor is it our business here in Washington to decide among ourselves what is best for the United States in its foreign policy, and then try to sell that view to our constituents. More than ever before, we must seek advice and counsel from the people we represent, at every step in the process of charting new directions for our country in the outside world.

We cannot separate foreign from domestic policy, leaving the former to the judgment of specialists and experts. The money we spend on defense against military attack is not available to meet other important demands of national security—the economic vitality and strength of our Nation itself. Trade and monetary issues affecting our relations with foreign countries also affect the jobs of American workers, the output of American industries, and the prices paid by American consumers. Whether or not we import energy from abroad affects the price we pay for gasoline and heating oil, and even whether we can meet our domestic needs for fuel. And how much we export of the abundance of our farms affects the standard at which we live at home.

There are difficult choices to be made in our foreign and defense policies—choices that imply major adjustments in the structure of our economy and our society. These choices will directly affect the well-being of all Americans. They can and must be heard.

Mr. President, as Dr. Kissinger assumes the historic office of Secretary of State, we in the Congress should wish him well. We should view his task with understanding, and extend to him our patient counsel. But we should realize—as he must as well—that no one man, no one branch of government, or even the Government itself alone, can understand the forces that are changing the world. And none can alone make the vital decisions that will shape our response.

At times, the charting of a new course for America in the world will lead to differences of opinion and heated debate. This is right and proper. But with the correct balance between the branches of government—and with greater involvement of the American people themselves—I am confident that we can together meet the challenges of the future as we have, as a Nation, done so often in the past. This will be a mark of the maturity of the United States, and a hope for generations to come.

SOVIET SUPPRESSION OF AUTHORS AND INTELLECTUALS

Mr. McCLELLAN. Mr. President, the Authors League of America has recently sent a cable to Nikolai V. Podgorny, Chairman of the Presidium of the U.S.S.R., Premier Aleksei N. Kosygin, and the Union of Soviet Writers, protesting the coordinated campaign of suppression by the Communist authorities against Soviet authors and other intellectuals. The statement correctly observes that:

> True detente between the United States and the USSR cannot be accomplished by commercial bartering or cultural tokenism. It depends on mutual trust and respect. Those who believe in freedom and human dignity can never respect a society which persecutes its most eminent authors and scientists.

Current developments in the Soviet Union provide further justification for the Congress enacting legislation similar to my bill, S. 1359, to amend the U.S. Copyright Act to prohibit foreign government interference with the rights of foreign authors under U.S. copyright law. It is my intention to offer a modified version of that bill as an amendment to S. 1361, for the general revision of the copyright law.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of the communication of the Authors League of America.

There being no objection, the cable was ordered to be printed in the RECORD, as follows:

> The Authors League of America protests the ruthless campaign of suppression mounted against Alexander I. Solzhenitsyn and Andrei D. Sakharov. Two of the Soviet Union's greatest creative minds are being threatened and attacked for speaking out in defense of human liberty and intellectual freedom. On behalf of American authors, we applaud their indomitable courage. And we thank them for defending, through their actions, the fundamental right of all authors and scientists—the right of free speech.
>
> The Soviet press has published many petitions and letters criticizing the alleged views of Alexander Solzhenitsyn and Andrei Sakharov. But they have not been permitted to state their position to the Soviet people, or to answer this carefully orchestrated barrage of criticism.
>
> True detente between the United States and the USSR cannot be accomplished by commercial bartering or cultural tokenism. It depends on mutual trust and respect. Those who believe in freedom and human dignity can never respect a society which persecutes its most eminent atuhors and scientists.
>
> JEROME WEIDMAN,
> ELIZABETH JANEWAY,
> STEPHEN SONDHEIM,
> *For the Authors League of America.*

PENSION PROTECTION FOR AMERICA'S WORKERS

Mr. HUMPHREY. Mr. President, I applaud the historic action of the Senate in passing the Retirement Income Security for Employees Act, S. 4, as modified by a substitute amendment. I am a cosponsor of this legislation. I have regarded its enactment as being of the highest priority on the agenda of the 93d Congress.

The need for this legislation is crucial. There can be no further delay in assuring the protection of an American worker's pension which, in reality, is deferred income that he or she has earned toward retirement.

This legislation affects more than 30 million workers participating in private pension plans with assets now totaling over $150 billion. It is expected that by the end of this decade, 42 million workers will be covered by these plans, whose assets will climb to over $210 billion.

However, right now all too many workers are confronting the sudden denial of pension benefits. A recent governmental study indicates that there were 683 plan terminations in the first 7 months of 1972 alone. Some 8,400 pension participants in 293 of these plans lost $20 million of benefits—or $2,400 for each participant. When only 1 out of 3 employees participating in employer-financed pension plans has vested rights to benefits, and when a recent survey of plans covering 7.1 million employees reported that one-third of the plans covering one-third of the participants in 1970 had a ratio of assets to accrued liabilities of 50 percent or less, it is abundantly clear that corrective action must be taken.

Let it be stated emphatically that the majority of private pension plans are responsibly administered, providing essential retirement income for countless individuals and couples across the Nation. But let it also be made clear that the priority concern of American workers today is the possibility of losing that pension through a sudden plan termination, the shutdown of their plant, or its merger under a corporation unwilling to continue the pension plan, or through being laid off only a few years or even months away from accumulating the required time on the job to qualify for pension benefits in retirement.

Minnesota has not been immune to such tragedies. The Minneapolis-Moline Co., absorbed by the White Motor Co. in 1968, underwent an abrupt termination of operations in 1972 and an equally sudden termination of its pension plan. All too many former employees found themselves too old to be reemployed, but also deprived of much of the retirement income they had expected. The pension fund had about $20 million in obligations but only $3.4 million in assets. Subsequent labor negotiations and arbitration procedures may result in some additional help to retired workers, but the plight of these people must continue to weigh heavily on the public conscience. They join the ranks of former employees of a major wholesale food company in St. Paul whose shutdown almost two decades age left those workers ineligible for any benefits under the pension plan.

It is profoundly wrong that protections should continue to be denied to men and women who have accepted their own responsibility to work for a living and who have accepted the promise of a pension in place of higher wages. It is wrong that those who have lived with a deep sense of personal responsibility and trust in the terms of a pension contract should be treated with total disinterest, condemned to retirement in personal deprivation and disgrace. They have earned better. They deserve dignity. They demand fair and honest treatment from their Government and in the administration of their pension plans. This rightful demand must be met by Congress without delay.

The Retirement Income Security for Employees Act is a major step toward assuring millions of Americans adequate protection of the pensions. It responds to the proven need for a comprehensive and meaningful reform of our private pension system. The fair, feasible, and effective regulatory measures which this bill proposes will go far toward guaranteeing to workers that retirement income promises will be kept. It is designed to bring into parity the rights of employees and the proper economic interests of employers, while maintaining incentives in the private sector for the continued establishment of these vitally important private pension plans.

Specifically, this legislation, applied to all pension plans qualifying under the Internal Revenue Code, will—

Require that company pension plans cover workers aged 30 and older, providing them with a vested right to 25 percent of accrued benefits after 5 years of service and increasing to 100 percent after 15 years;

Require that all unfunded pension liabilities of a plan are to be funded over a 30-year period;

Establish a Pension Benefit Guaranty Corporation in the Department of Labor to administer a plan termination insurance program to guarantee that benefits will be paid in the event of the sudden cancellation of a plan without sufficient funds;

Initiate a central portability fund that can be utilized under pension plan arrangements that are voluntarily and mutually agreed to by employees and employers, so that workers may transfer vested interest amounts when they shift jobs;

Establish strong fiduciary standards, enforced both by the Secretary of Labor and the Internal Revenue Service, to assure that parties responsible for the administration of pension plans function solely in the interest of plan participants and their beneficiaries and in a manner which will not jeopardize the income or assets of pension funds;

Provide for procedures for the early settlement of disputes over pension benefit rights, by the Secretary of Labor, and for the ongoing analysis and enforcement of proper procedures in the financing of private pension plan benefits, by the Internal Revenue Service; and

Make important changes in tax laws to improve the tax treatment of pensions for self-employed individuals and the owners and employees of small businesses.

Mr. President, I am very hopeful that the House will concur in the action of the Senate to expedite final enactment of this vital legislation by incorporating the Senate-passed bill as an amendment to a revenue bill—H.R. 4200, relating to servicemen's survivor annuities benefits—already passed by the House.

Mr. President, millions of American workers are not herein asking for a handout or a wage increase. They are simply asking for what is right and fair, the protection of the pensions they have earned to live in security and dignity in retirement. Their request must be honored without further delay.

DR. KISSINGER ANSWERS QUESTIONS OF SENATOR KENNEDY

Mr. KENNEDY. Mr. President, during the recent confirmation hearings of Dr. Henry A. Kissinger, I submitted a number of questions relating to my concerns as chairman of the Judiciary Subcommittee on Refugees. I would like to thank the distinguished chairman of the Foreign Relations Committee for the opportunity to submit the questions, and ask unanimous consent that the questions and Dr. Kissinger's answers be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Questions for Dr. Henry A. Kissinger, Secretary of State-Designate, Submitted by Senator Edward M. Kennedy, Chairman, Judiciary Subcommittee on Refugees

Question 1. The Congress and most Americans commend and support many of the foreign policy initiatives undertaken by President Nixon's Administration, particularly in charting new courses and new relationships with the People's Republic of China and the Soviet Union. However, in the effort to build what the President and others refer to as a "structure for peace," it appears that most of the effort is being directed toward relations among the Great Powers.

The question many Americans are asking, is how a durable and genuine structure of peace can be built if it fails to consider more fully the interests of Third World countries, and the massive and growing humanitarian and survival problems affecting the vast majority of mankind in these countries. Too often, the Administration's failure to recognize the interests and problems of Third World countries—including massive human tragedies from political-military conflict or national disaster—has seemingly resulted in a non-policy on the part of the Administration toward the interests and concerns of the developing countries. The Secretary of State must consider whether the United States can successfully contribute to building a lasting structure for peace without giving far greater priority and substance to the developing and humanitarian problems which affect so much of mankind and the peace of the world.

(a) In the context of this Administration's foreign policy, how does Dr. Kissinger generally define the place and role of "Third World" interests and concerns in building a structure for peace?

(b) What new initiatives—involving such things as foreign assistance and diplomacy—is Dr. Kissinger prepared to advocate in according greater priority to the interests and concerns of the "Third World" countries?

Answer:

We accord great importance to the "Third World" and this area will receive even closer attention during the next few years. Relations with major powers have dominated the headlines in recent years—and perhaps this is inevitable. But now that certain breakthroughs have been made, a larger degree of concentration can be focused on the developing nations.

It is dangerous, however, to generalize about the "Third World" or even to define its membership; the controls that are usually put into this category cover a wide range geographically, politically, socially and economically. It is difficult if not impossible, to postulate interests and concerns for such a disparate grouping and then attempt to fit such an artificial construct into the structure for peace.

Because of their great diversity we must generally approach the problems of these nations on a country-by-country or a regional position; some have a stronger interest in international issues; and some share our values more than others. Obviously these differences will to a considerable extent determine the nature of the contribution that the individual states can make to any structure of peace.

In the long run, no structure of peace will be possible if the bulk of the world's people are dissatisfied. They must be able to acquire the kind of stake that will in their view, make the structure just. This is an immense task in which we have a major role to play along with others who have the means to contribute. Our contributions in areas such as trade and aid depend heavily on the Congress, and I look forward to working together with it in further improving our performance.

I would not attempt now to describe any broad program of increased diplomatic initiatives that we might undertake toward "Third World" nations. Progress will have to be accomplished on a country-by-country and area-by-area basis. We will be undertaking a series of studies and reviews of our relations with many of the "Third World" countries to see how we and they can work together more effectively.

(c) In Bangladesh, still recovering from the dislocations and destruction of the civil strife in 1971, what is Dr. Kissinger's understanding of our country's responsibility towards current food shortages in that country and Bangladesh's urgent need for general humanitarian and economic assistance? And, in the current West African food crisis, what is Dr. Kissinger's view of the nature, level and scope of our government's responsibility to aid those nations affected by the Sahelian drought?

Answer:

Bangladesh. The United States has made generous contributions of food, essential commodities and cash to Bangladesh. This assistance has helped meet the urgent food and other needs of millions of persons affected by the civil war and has helped revive economic activity. U.S. relief and rehabilitation assistance totalled $431 million as of June 30, 1973, comprising approximately one-third of the total of all bilateral and multilateral aid. [A table providing further details of U.S. assistance is attached.]

Our primary concerns in Bangladesh continue to be humanitarian in nature. For this reason, future U.S. development assistance will concentrate on increasing food production through programs in agricultural and rural development, and on family planning.

The U.S. has been the leading international donor of aid to Bangladesh. I believe that we, together with the other developed nations, have a responsibility to continue to assist that country as generously as our resources permit.

West Africa. The United States has taken the lead in responding to the present food crisis in West Africa. We have allocated more than 560 million pounds of grain to meet identified and projected needs in the Sahel Region during the past year. More than 60 percent of the grain has been delivered, and the rest is on its way or scheduled to move over the next few months. As members of an FAO-sponsored team we are now preparing to examine the requirement for additional food inputs to the Region. As such needs are identified, we will work with other donors to insure no threat of mass starvation arises. In addition to major food inputs, we have also provided emergency funds to buy medicines, blankets and canvas tenting for refugees, feed for livestock, and planes to fly grain to remote regions.

Our assistance, coupled with efforts of other donors, has been a fine example of international cooperation. We will continue emergency food shipments and related disaster efforts for as long as such support is needed.

The United States will also work with the countries of the Sahel, and other members of the international donor community, including the United Nations, to help develop medium- and longer-term programs aimed at recovery and rehabilitation of the Region. Substantive details and magnitudes of these programs have not yet been determined.

U.S. HUMANITARIAN ASSISTANCE TO BANGLADESH AS OF JUNE 30, 1973

[By funding source in millions of dollars]

	South Asia relief appropriation		Contingency fund fiscal year 1971	Other funding sources	Public Law 480 (title II)		Grand total
	Fiscal year 1972	Fiscal year 1973			Fiscal year 1972	Fiscal year 1973	
Public Law 480 (title II)					90.7	64.3	
Food grains					86.0	35.6	
Edible oil					21.2	9.2	
CSM MSB					2.5	19.5	155.0
Grant to Bangladesh	115.0	88.0					
Essential commodities and food	40.9	73.0					
Rehabilitation projects/activities	74.1	15.0					203.0
Grants to UN (UNROB)	35.3	3.5					38.8
Grants to U.S. voluntary agencies	14.3	2.8					
CARE	0.7		4.6				
Catholic Relief Services	8.0						
International Rescue Center	1.6	1.1					
American Red Cross	1.0						
Medical Assistance Programs	0.9						
Foundation for Airborne Relief	0.9						
Church World Service	1.0						
Community Development Foundation	0.2						
International Voluntary Services	0.05	0.7					
Asia Foundation		0.7					
Seventh-Day Adventist Welfare Services		0.1					
World Relief Commission		0.2					
Asian-Americen Free Labor Institute		0.03					21.7

(d) In this connection, what kinds of initiatives does Dr. Kissinger advocate regarding people interests and problems in the Middle East—including the Palestinian refugees—which would contribute to building a structure for peace in this area of the world?

Answer: The single most important contribution to bettering the lives of the people in the Middle East would be a peace settlement in which all patries would have a stake. The US Government has said that any peace settlement should, among other things, address the legitimate interests of the Palestinians. In particular, the United States, in cooperation with other countries, would be willing to do its share to help resolve the human dimension of the Palestinian refugee problem in a future peace settlement. It is our view that this could go a long distance toward the normalization of political relations in the Middle East, which in turn would contribute to the building of a structure of peace in that area.

Question 2. In Indochina, what is Dr. Kissinger's view of American humanitarian responsibilities toward rehabilitating the peoples and countries of the region?

Generally define American policy toward the post-war rehabilitation and reconstruction of Indochina, including such things as immediate and long-term objectives, anticipated priorities, and so forth.

What department, agencies, and offices within our government have been responsible for post-war planning in Indochina?

How should our country's contribution to post-war rehabilitation and reconstruction be implemented—through international agencies, bilateral arrangements or both? What considerations are defining these channels for Indochina generally and for each country in the area?

What role is anticipated for the United Nations, its specialized agencies, and other international or regional organizations in participatng in the post-war rehabilitation and reconstruction process? Does our government anticipate the creation of a special international agency along the lines previously created in Korea, Bangladesh, and elsewhere?

What kinds of arrangements and funding levels are anticipated in our government's post-war assistance to North Vietnam? Among other things, does our government anticipate an American presence in North Vietnam?

Apart from the general economic or reconstruction assistance as envisioned in the cease-fire agreements, does Dr. Kissinger believe that the United States should consider providing immediate humanitarian assistance for such things as rebuilding destroyed medical facilities and housing in North Vietnam?

If, under the provisions of cease-fire agreements or other arrangements, for the individual countries of Indochina, different political authorities function within the same country, will all such authorities be responsible and eligible for administering post-war assistance? In South Vietnam, for example, what is the anticipated role of the PRG in rehabilitating areas under its control? Elaborate our government's views on these kinds of problems in South Vietnam, Laos, and Cambodia, and our policy on providing humanitarian assistance to people in all areas of these countries.

Answer: We believe that large-scale economic assistance to Indochina is essential for the next few years in order to maintain a durable peace, to meet urgent humanitarian needs, and to promote the economic reconstruction and recovery of the area. Direct assistance to those groups of people most severely affected by the war—refugees, disabled persons, orphans—is needed both to help improve their living conditions and to assist in their reintegration into the social and economic life of their countries. Equally essential is the need to promote economic recovery without which the pressing human needs of the area can only be met temporarily. The reconstruction of the economy of Indochina involves not only the physical repair of roads and bridges and houses and hospitals, but the reestablishment of healthy economies and societies in which useful and productive jobs are available, and which can themselves support the costs of providing adequate medical care, education and social services. In our view, economic assistance in Indochina must be provided so as to support and accelerate the transition from wartime conditions of poverty and dependence, to peace-time conditions of relative prosperity and economic independence.

The East Asian Bureau of the Department of State and the Supporting Assistance Bureau of the Agency for International Development have been primarily responsible, in coordination with the National Security Council and other agencies, for planning and implementing U.S. assistance efforts in Viet Nam, and for conducting international negotiations concerning this subject.

We favor broad international participation in postwar assistance to Indochina. One possible mechanism would be a Consultative Group arrangement along the lines of the one that has been established in Indonesia. Such a group could include the bilateral donor countries and international financial institutions and agencies such as the World Bank, the Asian Development Bank, the IMF and the U.N. and its specialized agencies. In the existing consultative groups, the international banks and agencies have played a very important role in working closely with the host government, assessing economic conditions, proposing economic policies and programs, preparing development programs and projects and coordinating the activities of the donors. While providing valuable services within an international framework, the consultative group structure permits great flexibility for the individual donors which can select those programs and projects they wish to undertake and maintain control over the expenditure of their funds.

Recently the Government of South Vietnam requested the World Bank and the Asian Development Bank to establish such a Consultative Group for South Vietnam. Those institutions agreed to explore this possibility and consultations are now under way. We hope to see an international aid structure of this type extended to Laos and Cambodia at an appropriate time. The North Vietnamese have indicated a preference for direct bilateral assistance rather than multilateral aid or bilateral aid coordinated through a Consultative Group. While we do not anticipate the establishment of a special international agency for Indochina in the near future, we do foresee an important role for the U.N. agencies throughout the region through their regular program activities.

Though we have had extensive discussions with representatives of the Government of North Vietnam, these have been recessed pending assurance that the North Vietnamese are observing all of the provisions of the cease-fire agreement. No request for aid funds for North Vietnam will be made until we are satisfied as to North Vietnamese adherence to the agreement. Any discussion of aid levels or implementation procedures would be premature prior to completion of the talks.

Our assistance in South Vietnam, Laos, and Cambodia is now channeled through the Governments of those countries. However, we are not opposed to humanitarian-type assistance being given to people in non-government controlled areas of Indochina. Of course, this must be worked out in a way satisfactory to the legitimate Governments in the area and we are hopeful that appropriate means can be found to provide such assistance.

Question 3. In 1969, a report of the Judiciary Subcommittee on Refugees recommended that the President create by Executive Order a Bureau of Humanitarian and Social Services, to be headed by an Assistant Secretary within the Department of State. The creation of such a Bureau would serve to coordinate and give greater priority and standing to our government's humanitarian policies and programs. The thrust of this proposal was later incorporated in the Peterson Report on the reorganization of the Agency for International Development and foreign aid programs. The Proposal was recommended, as well, in President Nixon's subsequent Foreign Aid messages to the Congress. In 1970–1971, the Subcommittee on Refugees worked closely with the National Security Council staff in an effort to implement the proposal. On April 12 of this year, Senator Pearson and Senator Kennedy introduced the proposal as an amendment to the Foreign Assistance authorization bill for fiscal year 1974. The Department of State and AID opposed the amendment's adoption, and it failed in Committee. However, in its report on the bill, the Foreign Relations Committee stated that although the Committee "has not acted to report new legislative authority for the creation of such an official [bureau], the Committee wishes to make plain its view that the need for improved coordination remains acute, and urges appropriate action by the Administration to meet this need, thus possibly avoiding the need for legislative action."

What are Dr. Kissinger's views on the establishment of a Bureau of Humanitarian and Social Services within the Department of State along the lines initially recommended by the Subcommittee on Refugees?

Answer. I am, of course, fully aware of the Judiciary Subcommittee's interest in having a Bureau of Humanitarian Affairs established within the Department of State. As you noted, back in 1971 this Administration supported the creation of such a Bureau as part of the President's legislative proposals in the area of foreign assistance. As you also know, those proposals were not acted upon by the Congress. Therefore, the Administration took a number of executive actions to improve coordination and give greater priority to our government's humanitarian policies and programs. The Agency for International Development consolidated its humanitarian activities under one operational bureau. Full, high level coordination of disaster relief operations was provided for major disasters, such as those in Bangladesh, the Philippines, the Sahel and now Pakistan, by the designation of the Deputy Administrator of A.I.D. as coordinator.

By the same token, the Secretary's Special Assistant for Refugee and Migration Affairs assures that high level coordination is provided in refugee relief operations—for example, the Bengali refugees in India, Soviet Jews, and the Southern Sudanese refugee repatriation program. The apparent effectiveness of these measures leaves me reluctant to commit myself to the establishment of a Bureau of Humanitarian Affairs at this time. I can assure you that I plan to involve myself closely in these programs and will be prepared to take whatever action is required to assure that our Government's humanitarian policies and programs are effective and receive the attention and priority due them.

Question 4. What are Dr. Kissinger's views on how the United States can help contribute to a better response within the international community toward humanitarian problems and concerns?

(a) In December 1971, the United Nations General Assembly passed a resolution authorizing the Secretary General to establish a high-level position within the Secretariat to coordinate disaster relief, which was considered by many as a first step towards the creation of what some have called a permanent United Nations Emergency Service. What initiatives is the Administration prepared to take in assisting the United Nations to develop such a capability for responding more effectively to humanitarian problems around the world? What is Dr. Kissinger's understanding of the Administration's policy toward the creation of a United Nations Emergency Service, along the lines previously recommended by the Subcommittee on Refugees, and what role should the United States play in support of such an emergency service?

Answer. The concept of United Nations humanitarian assistance is a commendable activity which the United States has traditionally supported. The United States initiated action within the United Nations to create the office of the United Nations Disaster Relief Coordinator (UNDRC) in 1971 and the Administration has continued to encourage its activities as provided for by General Assembly resolution. We believe that the UNDRC, along with other United Nations agencies which deal with such matters as refugees and assistance to children, currently provide the mechanism to enable the United Nations to respond to humanitarian appeals throughout the world. Although I am not familiar with details of the proposed United Nations Emergency Service, I should be prepared to consider the proposal with interest.

(b) Many members of Congress and many Americans deplore the Administration's advocating reductions in America's contribution to the specialized agencies of the United Nations and other international humanitarian organizations. What is Dr. Kissinger's view on the current level of American contributions to international humanitarian organizations, such as UNICEF, World Health Organization, United Nations High Commissioner for Refugees, International Committee of the Red Cross, League of Red Cross Societies, and other international bodies?

Answer: The Administration agrees with, and is in the process of implementing Public Law 92–544, dated October 25, 1972 which had as its goal the reduction of the U.S. rate of assessment to 25 per cent in certain agencies of the UN system whose assessments the United States has agreed to honor as a condition of membership. This provision does not, of course, apply to programs and funds to which the United States contributes voluntarily as a result of a perceived national interest. Most humanitarian programs are funded through such voluntary contributions.

Accordingly, I will examine the current level of the US voluntary contributions to international humanitarian organizations on a case-by-case basis and would plan to recommend a level of contributions to the Congress based upon the importance of the program in the light of competing needs and degrees of US interest.

UNICEF, which was established in 1946 to meet the emergency needs of children arising out of World War II, continues to provide such assistance—Nigeria, Bangladesh and Nicaragua are examples. But the agency's major emphasis is now on long-range development programs for children.

The US has strongly supported UNICEF over the years. This support has been manifested by our cash contribution to the organization: $15 million was contributed in FY 1972 and FY 1973 and $18 million will probably be decided on for FY 1974.

ICRC—The US regular annual contribution to the International Committee for the Red Cross is authorized by law (PL 89–230, October 1, 1966, 89th Congress) at a maximum of $50,000. In addition, the US Government made a special contribution of $1 million to the ICRC on June 30, 1971 for humanitarian and disaster relief and assistance to war victims. This contribution was in addition to those made for specific programs, such as humanitarian relief in Bangladesh, Nigeria- Biafra, and Indochina.

The League of Red Cross Societies is a federation of national red cross societies and does not receive regular contributions from governments.

For fiscal year 1974 the Administration has asked the Congress for modest increases in our contributions to the United Nations High Commissioner for Refugees and for the International Committee on European Migration. It should be remembered that, in addition to our regular contributions, the United States has made substantial special contributions to various United Nations and other international organizations for emergency relief and refugee programs, such as Bangladesh, Sudanese refugees and Jewish emigrants from the USSR.

(c) Proposals have been suggested to give the United Nations Economic and Social Council a permanent and continuing role in responding to humanitarian crises around the world. This would be similar to the Security Council's role in the political-military area. What is Dr. Kissinger's view of authorizing the Economic and Social Council's humanitarian intervention in massive people problems resulting from natural or man-made disasters?

Answer: During the past few sessions of the United Nations Economic and Social Council (ECOSOC) one of the most widely discussed subjects involved various recommendations concerned with measures to strengthen the Council. An overall objective of the United States has been to obtain Council agreement on measures to revitalize ECOSOC and to permit it to function as a principal organ of the United Nations as laid down in the United Nations Charter. In response to the question of "authorizing the Council's intervention in massive people problems resulting from natural or man-made disasters" it should be noted that the Rules of Procedure of the Council provide that special sessions may be held by decision of the Council, or at the request of (1) a majority of the members of the Council; (2) the General Assembly; or (3) the

Security Council (rule 4). It would thus appear unnecessary to give the Council, in addition, a permanent and continuing role in responding to humanitarian crises. We have at the preset time an example of this procedure. The Government of Pakistan has indicated its interest in calling a special session of the Council to respond to the recent Pakistani floods and has sought our views. We have supported this move and a majority of Council members have agreed to hold such a meeting on Monday, September 17, 1973.

Question 5. It is anticipated that a diplomatic conference will be convened next year by the International Committee of the Red Cross to revise and update the Geneva Conventions of 1949—including those relating to weapons of war, non-international armed conflict, and the protection of civilian populations.

Given the difficult and bitter experience of the United States in Indochina, and the massive destruction caused by the new technology of war, can Dr. Kissinger generally elaborate the Administration's position on the revision of the Geneva Conventions?

What progress can we expect in this area?

What specific provisions of the Geneva Conventions does Dr. Kissinger believe need revision?

What are his recommendations in this area?

Answer: The Administration supports the efforts under way to strengthen and develop international humanitarian law applicable in armed conflicts. The United States has and will continue to participate actively in this work.

The Swiss Government has convened a diplomatic conference on this subject, scheduled for Geneva, February 20 to March 29, 1974. A second session of the conference a year later will probably be required to complete the work. The conference will consider two draft protocols to the 1949 Geneva Conventions which have been developed by the International Committee of the Red Cross as the end product of a series of conferences of government experts held over the last two years. One of the draft protocols deals with international armed conflicts and the other with non-international armed conflicts.

The United States Government received the final drafts of the protocols at the end of August. We have just begun our study of the revised proposals, and we expect that it will require considerable time to develop positions for the February diplomatic conference.

We can, however, indicate at this time general areas in which we think progress will be possible.

Our first priority has been to develop provisions aimed at improving the implementation of the existing law. If current law is not lived up to there is little hope that new rules will have much impact. Thus, the United States has submitted proposals which would make more likely the appointment of a Protecting Power or substitute organization to help ensure compliance with Geneva Convention provisions covering treatment of POW's and others, because we consider that outside inspection is the surest way to improve implementation of the law. We would like to establish a requirement that parties to an international armed conflict accept the ICRC if no other Protecting Power or substitute were accepted.

A second area where we can expect advances is that of protections accorded to the sick, wounded, and shipwrecked. In this area we also hope for major advances in the protection accorded to medical transports, particularly medical aircraft, including medevac helicopters.

Another area where there is considerable potential for progress is in broadening somewhat the categories of irregular combatants in international armed conflicts entitled to receive prisoner-of-war treatment.

Finally, we are hopeful that a protocol dealing with internal conflicts can be developed that will be a significant advance over the current basic protections accorded to victims of armed conflicts of this nature by Article 3 common to the four 1949 Geneva Conventions.

Far more difficult are some of the proposals relating to the means and methods of warfare. I refer in particular to provisions relating to area bombardment, to certain prohibitions on attacks, and to proposals which are likely to be advanced by various countries for the limitation or restriction of certain specific conventional weapons. We favor and shall strongly support efforts to increase protection of civilians and to promote respect for human rights during armed conflicts. However, we firmly believe that such improvements in the law must be carefully considered and framed so that they will be acceptable to states and workable in practice. In this area of international law, as in others, the development of new conventions which predictably will be ignored in practice is not progress; on the contrary, it is likely to foster disrespect for the law and further denials of the human rights the conventions are designed to protect.

You may be assured that we shall exert our most thoughtful and determined efforts to the improvement of the Geneva Conventions.

Question 6: A difficult and sensitive issue in our foreign policy formulation is what the American response should be to the suppression of human rights within another nation. The persecution of dissidents and religious groups in the Soviet Union; the jailing and mistreatment of political prisoners in Greece, Brazil, South Vietnam, and other countries; the massacres in Burundi and the Portuguese territories of Africa; and similar developments in other parts of the world pose difficult problems for American foreign policy.

Should such events or developments be a consideration in the formulation and implementation of American foreign policy? If so, why, in the recent past, is there a record of official silence on so many of these issues—such as occurred over Pakistan's actions in East Bengal in 1971? Should the United States be silent? What factors should be considered in a decision to speak out against the suppression of human rights or mass killings in another nation? What kinds of actions can the United States Government usefully take in such situations?

Answer:

I address those issues at length in my testimony before the Committee. Let me recapitulate some of the major elements in our approach.

The United States stands emphatically for such basic principles as human liberty, individual rights, freedom of movement, and freedom of the person. On the other hand, the protection of basic human rights is a very sensitive aspect of the domestic jurisdiction of the governments with whom the United States has to conduct foreign policy.

On the international level we will cooperate and advocate enforcement of human rights. In our bilateral dealings we will follow a pragmatic policy of degree. If the infringement on human rights is not so offensive that we cannot live with it, we will seek to work out what we can with the country involved in order to increase our influence. If the infringement is so offensive that we cannot live with it, we will avoid dealing with the offending country.

If we are to be true to our principles we can never imply that we are acquiescing in the suppression of human liberties. But at the same time I believe it is dangerous for us to make the domestic policy of countries around the world a direct objective of American foreign policy for the reasons I have stated in my testimony.

Question 7. In addition to the growing international energy crisis, there is also developing a world-wide food crisis.

How would Dr. Kissinger define our country's international food responsibilities and what measures would he advocate by the international community for a better allocation of food supplies?

What is Dr. Kissinger's understanding of the Administration's position regarding the future allocation of PL 480 food? There appears to be a growing imbalance in our government's overseas food allocations, between dollar sales and food for security purposes (under Title I of PL 480), and humanitarian donations (under Title II). In our foreign policy considerations, why is it more important to sell food to the Soviet Union at the expense of helping to feed starving people in West Africa or Bangladesh?

Answer. The world food situation is an extremely important issue and is under intensive review within the Government.

We must continuously weigh the competing claims for our agricultural output. Quite suddenly, we confront a serious problem affecting not only the recipients of commodities financed under PL 480 but the many nations dependent in whole or in part on our agricultural exports.

PL 480 legislation requires that commodities exported under either Title I or Title II of PL 480 be in excess of amounts needed for domestic consumption, adequate carryover stocks and anticipated dollar exports. In the absence of export controls, no limitations are placed on dollar sales. At present supplies are short because commercial demand is heavy. Commodities available for PL 480 must be limited to the amount which will not, in the judgment of Secretary of Agriculture, interfere with commercial sales, or result in an inadequate carryover. The impact of PL 480 on market prices, particularly when prices of farm products are at a record high, must also be given due weight.

As to the various claims, I feel that we must contribute our fair share of food aid to combat hunger and malnutrition, to promote general economic development in the developing countries, and to provide emergency food aid to countries that are hit with natural disasters. We should also urge other nations to increase their share of providing food assistance to developing countries.

I would advocate that the international community adopt policies to share the responsibility for providing world food needs. This is one of the topics now being considered in the FAO and the OECD. It is also a subject of the interagency study I have requested on the world food situation.

PL 480 Title II is not the only way in which humanitarian requirements are met. This year we have switched some of our food aid for Bangladesh to Title I and we have just provided wheat for emergency flood requirements in Pakistan under Title I. In short, providing food for those in the world who would otherwise go hungry has received the highest priority in PL 480 allocations this year, even though area programs have had to be reduced.

Because of the legislative restrictions placed on PL 480, the choice between dollar sales to the Soviet Union or any other country and feeding starving people is not solely a matter of foreign policy. In point of fact, however, the US is providing food to Bangladesh and to the Sahelian zone of Africa. In response to United Nations requests, the US will contribute about half of all the grain supplied as aid to Bangladesh during CY 1974. Similarly, the US is by far the largest single donor of food for drought relief in Central West Africa—about 50 percent of the grain donated so far. It is true however that the current allocations of commodities for PL 480 shipments in FY 1974 will severely limit the capacity of the US to respond to disaster situations.

Question 8. Just as our national leadership cannot build an effective "structure for peace" by failing to recognize the important interests and concerns of Third World countries abroad, so also can not our national leadership build a "structure for peace" without a fuller involvement of Congress and the American people at home.

What new initiatives does Dr. Kissinger advocate to involve a broader segment of the Congress and the American people in the making of United States foreign policy? And what new initiatives does Dr. Kissinger advocate to seek that basic public support without which, as he has so often stated, no foreign policy can truly be effective?

Answer. I addressed these issues extensively in my opening statement before the Senate Foreign Relations Committee and in my subsequent testimony.

We discussed in particular executive-legislative relations in its various forms. As I stated, if I am confirmed, I will meet promptly with the Chairman and ranking member of the Committee to work out procedures to promote this goal.

I also pointed out that if our foreign policy is to be truly national, we must also deepen our partnership with the American people. This means an open articulation of our philosophy, our purposes, and our actions. Equally we must listen to the hopes and aspirations of our fellow countrymen. I plan, therefore, on a regular basis, to elicit the views of America's opinion leaders and to share our perspective freely. The closer and more effective consultation which I will have with the Congress is another means of involving the public, through its elected representatives, more deeply in the foreign-policy-making process.

Question 9. How does Dr. Kissinger generally define the role and priority of economics in the formulation and implementation of American foreign policy? What new initiatives will he take; organizationally within the Department of State, vis-a-vis such other Executive Branch agencies as the Department of the Treasury, and how does he define the role and function of the International Economic Policy Council?

Answer. Economic issues are as much the subject of inter-governmental relations—of conflict, negotiation, and compromise—as are so-called "political" issues. Furthermore they have a high political content. One has only cite such examples as oil, or multinational corporations, or foreign aid to recognize the political nature of economic issues. Foreign policy must address these issues.

The policy-maker needs to assess the full consequences of a proposed course of action—the economic as well as the political and security implications. Economics is in this sense an integral part of the making and execution of foreign policy.

As to priorities, one cannot assign an abstract ranking to the various facts such as political, military, economic, humanitarian, etc. These various and sometimes conflicting elements can be considered and weighed only in context. As a general rule, however, we must be careful not to decide important economic questions on a purely technical basis; the political framework is an essential consideration.

I have not yet determined whether, or what, new initiatives organizationally within the Department of State or vis-a-vis other Executive Branch agencies are necessary to improve the functioning of the Department of State on international economic matters. This is receiving my urgent attention, and I will keep this situation under review as I gain experience.

In any event, I plan to have the Department play a leading role and continue to work closely with other agencies in the consideration of economic aspects of foreign policy issues.

The role and function of the International Economic Policy Council are (1) to clarify options among agencies on economic issues so as to permit informed decision-making; (2) to recommend policies to the President; and (3) to initiate interdepartmental studies on economic issues that may need further exploration.

ENDING EMERGENCY GOVERNMENT

Mr. CHURCH. Mr. President, the Special Committee on the Termination of the National Emergency, of which Senator MATHIAS and I are cochairmen, is looking into the perplexing problem of ending the 40-year state of emergency rule in this country.

Since President Roosevelt declared a state of national emergency in his program to cope with the Great Depression, the United States has not seen one official crisis-free day. In this atmosphere of crisis, the role of the Presidency has become magnified and the extraordinary emergency powers at the disposal of its occupant have multiplied. The special committee will soon issue a lengthy catalog of 470 significant emergency powers statutes now in effect. The states of national emergency proclaimed by Presidents Roosevelt, Truman, and Nixon are out of date, yet remain.

The special committee is studying and investigating this dilemma of Government. It is also trying to find relevant answers on how to insure that executive emergency powers will preserve and not destroy our liberties and free government; on how to insure that our system of government is better prepared to meet the shock of future genuine crises; on how to maximize the efficiency and minimize the dangers of constitutional dictatorship.

Jeffrey Antevil of the New York News has written a thorough article on this whole problem which I would like to share with my colleagues. I ask unanimous consent that Mr. Antevil's piece, "An emergency—When was it anything else?" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN EMERGENCY—WHEN WAS IT ANYTHING ELSE?

(By Jeffrey Antevil)

If President Nixon or any other occupant of the White House were suddenly to start seizing private property, take control of broadcast stations and issue orders restricting travel, most Americans would be convinced the chief executive was flagrantly violating the Constitution.

They would be wrong.

At this moment, when the issue of presidential powers has become a major focus of public debate, the man in the White House could legally do all of these things and more, on his own initiative, by executive fiat, without clearance from Congress or anyone else.

In addition to the powers cited above, he could send United States military forces into any foreign nation at the request of its government, institute martial law at home, take control over essential transportation and communications facilities, extend military enlistments, regulate private capital and consumer credit, mobilize production and seize privately owned goods.

Apparently, he could even rebuild the government detention camps and put them into use, as was done to Japanese-Americans during World War II, despite Congress' repeal of the Emergency Detention Act two years ago.

Most of these powers are not likely to be invoked. But the fact that they do exist and that their potential for abuse presents a threat to American democracy is the subject of great concern to a little-known Senate panel called the Special Committee on the Termination of the National Emergency.

THEY LEARNED A LOT

The committee was created in the mistaken belief that the United States has been operating in an official state of emergency since the onset of the Korean War in 1950. One of its first discoveries when it began operating this year was that the state of emergency has actually existed uninterrupted for 40 years—since President Franklin D. Roosevelt launched his program to deal with the Great Depression in 1933.

Their second great discovery was that nearly 600 laws are now on the books delegating extraordinary powers to the President in time of war or national emergency. While some of these are minor powers, committee sources say, more than 300 of them constitute substantial legislation dealing with defense and national security, economic emergencies, natural disasters and internal disorder.

Sens. Frank Church (D-Idaho) and Charles McC. Mathias (R-Md.), co-chairmen of the panel, say these laws "delegate to the President a vast range of powers, which taken all together, confer the power to rule this country without reference to normal constitutional processes." Together, the senators added, they "embrace every aspect of American life."

The eight-member committee is unique in that half of its members come from each party and the two cochairmen have equal status. Democrats, as the majority party in Congress, have the chairmanship and a majority of the seats on all other committees in each house. The arrangement, in this case, was designed to highlight the bipartisan nature of the special committee's task, which is not aimed at any one President.

Hearings will be held later this month with the surviving attorneys general of past administrations—Tom C. Clark, who served under President Truman and later was a justice of the Supreme Court; Herbert Brownell Jr., from the Eisenhower administration; and Nicholas De B. Katzenbach and Ramsey Clark, from the Johnson administration—as witnesses.

Nixon administration officials will be heard at a later set of hearings. Secretary of State William P. Rogers, who also served as attorney general under President Eisenhower, may testify at that time, according to committee aide Thomas A. Dine.

Sometime in the next few weeks, the panel also plans to publish a comprehensive list of emergency provisions now on the books.

The committee's goal is threefold:

It plans to review the existing statutes, deciding which have become part of the everyday activities of the federal government and should be rewritten as permanent laws, which should be retained as emergency powers and which have become obsolete by the passage of time and are candidates for repeal.

Perhaps most importantly, it hopes to establish standards to guard against abuses when emergency powers are invoked, including provisions for congressional oversight and a process by which the state of emergency would later be terminated—neither of which exists under current laws.

It will study the possibility of terminating the state of emergency under which the country has operated for the past four decades.

In many ways, 1973 is an ideal time for this review, Church and Mathias feel. For the first time in many years, there is neither a foreign war in which the U.S. is involved nor a serious depression or recession at home.

Many of the powers over the economy which Nixon and his predecessors have exercised in recent years are based on the 1917 Trading With the Enemy Act, which FDR applied to the domestic economic crisis when he declared a state of emergency and ordered a bank holiday immediately after his inauguration in March, 1933.

Nixon himself declared a national emergency on Aug. 17, 1971, when he imposed controls on U.S. trade with foreign countries and called "upon the public and private sectors to make the efforts necessary to strengthen the international economic position of the United States."

AND THE ORDERS STILL STAND

Like Truman's Korean War emergency, the Roosevelt and Nixon declarations have never been revoked. Two others, a limited emergency declared by Roosevelt in 1939 and an unlimited one invoked two years later—both in response to World War II—were terminated by Truman by executive order in 1952.

Church and Mathias have suggested one approach for the future: If the President declares an emergency without the consent of Congress, the lawmakers would have 30 days in which to decide whether to sustain his action. If they refuse to do so, the state of emergency would automatically end. In any case, according to the senators' proposal, it could not continue for more than six months without a new presidential declaration and approval by Congress.

In the current climate, sources said the chances of enacting such a measure appear good.

Both houses are expected to approve war powers legislation in the near future, barring the President from using American troops abroad without congressional approval for more than 30 days. In light of the debate over these bills, Church and Mathias believe their colleagues would be especially interested in knowing about a law now on the books which permits a President, "whenever he considers it in the public interest," to send U.S. forces to any country that asks for them "during a war or a declared national emergency." The purpose of such forces, according to the law, would be "to assist in military matters."

DEATH OF FORMER REPRESENTATIVE WESLEY A. D'EWART, OF MONTANA

Mr. HRUSKA. Mr. President, it was with great sadness that I learned of the death of former Montana Congressman, Wesley A. D'Ewart, on September 2, 1973.

Wes D'Ewart served in the House of Representatives for 10 years between 1945–1955. He was well into his congressional career when I entered the Congress in 1952. I shall always value the advice and assistance he gave to me in those early years.

He was very effective as a Congressman, knowing the problems and conditions of his area well, and typifying the spirit of the West in firm and expressive fashion. He early won and always held the respect of his colleagues for his soundness and loyalty to the national decisions which he advocated.

Congressman D'Ewart went on to serve with distinction as Assistant Secretary for Agriculture and then Assistant Secretary of Interior. His work in the areas of reclamation and water development are well known.

The people of Montana shall surely miss this fine and dedicated Republican who served them for so many years. Those of us in this body who knew him say goodby to a faithful friend.

ERNIE STITES

Mr. CHURCH. Mr. President, on July 21, Ernest F. Stites, a well-know newspaperman in Pocatello, died. I rise today to pay tribute to a remarkable man and his remarkable career.

Ernie Stites was a newspaperman's newspaperman. Born in 1899 in North Idaho, most of his career as a journalist was centered in Pocatello, where he worked for the old Pocatello Tribune, as local bureau manager for the Salt Lake Tribune, and as a writer and editor for the Idaho State Journal.

In a long retrospective on his career, published July 23, Idaho columnist Perry Swisher said of Ernie Stites:

> Today's media people considered Stites a gentleman of the old school of journalism. He wasn't. The old school was rock 'em, sock 'em and boiling with editorial ego. Ernie was of the middle school: A reporter was an observer to record the facts in the clearest possible language free of slant and emotion. He respected the codes that built AP and United Press into swift and reliable international wire services. He was proud of his association with Idahoans like Lloyd Lehrbas and Frank Hewlett who became national byliners in that era.

But Ernie had his causes as well. As Swisher notes:

> He was an "environmentalist" before anybody in this development-crazy state could understand why. He cussed litterbugs before the word was coined. He studied the impact of dams and flood-control projects on fish and wildlife when questioning a Federal engineer was almost a felony.

But beyond his professionalism and his dedication to the outdoors, Ernie will be remembered among his colleagues for his encouragement and help to others of his profession. Lyle Olson, the present editor of the Idaho State Journal, wrote in an editorial in that newspaper on July 23 that—

> More often than not, it was Ernie who took time to offer advice or a word of encouragement to cub reporters, which probably is why a whole generation of news people and former news people never forgot him.

Mr. Olson concluded his editorial:

> Ernie Stites stuck through newspapering, thick and thin—and it was often thin indeed in the early days. We doubt that he ever seriously considered any other line of work. But it is not enough to say that he was a credit to his profession. Ernie Stites was a credit to the human race, and he will be missed.

Mr. President, I ask unanimous consent that a news article on Ernie Stites from the July 22 edition of the Idaho State Journal, together with Mr. Swisher's column and Mr. Olson's editorial from the July 23 edition of that newspaper, be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

VETERAN LOCAL NEWSMAN: ERNEST F. STITES DEAD AT 74

Ernest F. Stites, veteran Pocatello newsman, died Saturday afternoon at Bannock Memorial Hospital of an illness. He was 74.

Mr. Stites was a staff writer, columnist and editor for the Idaho State Journal from 1962 to 1972, when he retired to part-time status. He wrote "Ernestly Yours" and "Travel Topics" columns for the Journal until his recent illness.

Mr. Stites was born June 3, 1899, in North Idaho. He was employed by the Pocatello Tribune, predecessor to the Journal, from 1931 to 1950 as telegraph and sports editor. He served as bureau manager here for the Salt Lake Tribune from 1950 to 1962.

Mr. Stites was well-known as an ardent supporter of wildlife programs, and he was a follower of Idaho State University and other local sports. He was instrumental in organizing the Bengal Gridiron Club with his brother, the late Hayden Stites.

He also organized and served as president of the Pioneer League Baseball Writers Association, and was official scorer for the Pocatello Cardinals. Mr. Stites was a native of Idaho's big timber country, and retained a lifelong love of the outdoors. He photographed many of the most scenic and hard-to-reach spots in Idaho, vacationing in rugged mountain country. His father was a sawmill owner and operator and was a boat builder when there was passenger and freight traffic on Hayden and Coeur d'Alene lakes.

Mr. Stites married Catherine E. Buckanaw June 17, 1932. Mrs. Stites also was employed by the Journal for many years in the circulation department before retiring. She resides at 303 North Hayes.

Mr. Stites was a Protestant, member of Masonic Lodges, El Korah Shrine and Elks. He was active in promoting the charitable works of those organizations.

He was a member of the Pocatello Chieftains Council, and a director of the Bengal Gridiron Club.

Funeral arrangements will be announced by Downard's.

ERNIE HELPED YOUNGSTERS, PLAYED OWN ROLE AS WELL

(By Perry Swisher)

EDITOR'S NOTE: Ernest F. Stites, Pocatello newspaperman for 40 years, died Saturday. When he retired to part-time in 1972, Journal editors asked one of the dozens he had helped introduce to newspapering, Perry Swisher, to interview Mr. Stites for a Sunday Journal profile which had become part of the veteran columnist's own stock in trade. It may have suggested full retirement—Mr. Stites wanted none of that—or an imminent obituary because of his declining health. What follows is reminiscence only; the interview never took place.

The Depression wasn't over and World War Two hadn't broken out. A reporter was lucky to get a job, and the pay was peanuts. One beginner, Jack Dorman, moonlighted as a tray-girl dispatcher at Fred & Kelly's drive-in, and sometimes slept on a table in the old Pocatello Tribune newsroom. To save room rent. Ernie Stites arranged it. Ernie arranged lots of things.

Another young hustler and Stites protege was Joe Ruffner. When the war did break out and the heavyset Dorman split for Portland, I asked Ruffner what became of him and Ruffner said, "Dorman went to work in the shipyards and somebody launched him."

Ruffner was a snob from Philadelphia's Main Line. Years later when word reached Pocatello that Ruffner had become publicity manager for Elsie the Cow, (the Borden's milk symbol), Ernie laughed and said "serves him right."

When the likes of Joy South Morrison and I were in high school we were welcomed to the Tribune newsroom by Ernie but my real exposure to him began when Herbert Gordon at the Salt Lake Tribune news bureau just across the street hired me as a parttime teletype operator. At first Gordon had to pay me out of his own pocket, which was empty any week Gordon's wife got to his expense check first. Ernie understood, and Ernie bought my coffee the weeks I lost.

Today's media people considered Stites a gentleman of the old school of journalism. He wasn't. The old school was rock 'em sock 'm and boiling with editorial geo. Ernie was of the middle school: A reporter was an observer to record the facts in the clearest possible language free of slant and emotion. He respected the codes that built AP and United Press into swift and reliable international wire services. He was proud of his association with Idahoans like Lloyd Lehrbas and Frank Hewlett who became national byliners in that era.

When times changed and today's indepth journalism with personal perspective gained acceptance, Stites made the transition easily. His life wasn't all box scores and wire copy. He had his causes and in most of them was a generation or more ahead of his time. He was an "environmentalist" before hardly anybody in this development crazy state could understand why. He cussed litterbugs before the word was coined. He studied the impact of dams and flood-control projects on fish and wildlife when questioning a federal engineer was almost a felony.

Self-taught, he became an educator of young reporters and editors and outdoorsmen, and sports officials. While Idaho State University was struggling to become just that, from a mini-budgeted two-year school, Ernie successfully urged aggressive athletics to promote the college, and the attraction of the Idaho back country to secure faculty when there wasn't much else to offer.

Out of his youth among the forests and mining towns of northern Idaho and western Montana came a dedication to the outdoors as he had known it, and to the history of this region. While others talked of the Old West he interviewed it and drove thousands of miles to photograph and describe it because he realized, while most of us did not, that great pieces of the frontier were still around.

Ernie was good to the young males attracted into journalism. He was more than good to the girls. He actively let them know they could compete and—when being a reporter implied lack of femininity—he always told them how pretty they were and he was convincing. In that courtly sense he was a ladies' man. He was a good but not always effective example to rowdy reporters in his regard for his wife, Kate. They were companions in travel, in a taste for the arts and fine food and leisure without stress, and if they disagreed he slipped instantly into the role of father, son or brother.

Before the New Deal involved taxes in charity, before judges decreed brotherhood, men like Stites found fraternity and good works with anonymity in the lodge halls. Ernie had little confidence that one person could help another through government; he devoted himself to the benevolent works of the Elks and the Shriners. His dismay at my gradually serious involvement in politics was no different from my own at his eventually serious symptoms of asthma.

About twenty years ago Ernie and one of his fishing buddies, Tommy Barrett, returned from a trip up the Blackfoot River. He came into the office more cheerful than usual. I asked him why he was so happy. He said he didn't know, but then went on to tell how he and Barrett had come upon a mutual friend. The man was slumped awkwardly into the bank and his line was trailing in the current. Stites and Barrett went through the willows to investigate.

"The blackbirds were singing," Ernie related. "The bank was grassy, and the wild roses are blooming. A couple of butterflies were chasing each other in a circle around his head. It was C—— M——. A heart attack, I guess. Isn't that the way to go?"

About like that, perhaps on the South Fork of the Snake around Burns Creek, is how Ernie would have preferred to go. The brambles up there are still in bloom. In the warm afternoon sun blackbirds sing.

ERNIE WILL BE MISSED

To know Ernie Stites was to like him. And there were thousands of people who knew Ernie, through his writing or in person.

The byline, "By Ernie Stites," has been on Pocatello news stories for more than 40 years. Many of them were important stories, for Ernie was a good newspaperman, but much of his writing was the kind you could relax with. He loved Idaho's outdoors with a kind of gentle passion which he renewed with rugged mountain vacation trips, and fishing jaunts on his beloved South Fork of the Snake. His camera caught the beauty of high country scenes long before there were airplanes and helicopters to get you there the easy way.

Idaho's Fish and Game Department men had no stauncher advocate nor greater defender. When a governor used his office to attack the Fish and Game Department, Ernie's column, for once, bristled with indignation. Ern was a good citizen, too, observing the game laws scrupulously. Anyone who bent the limit on a fishing trip with him was unlikely to get another invitation.

More often than not, it was Ernie who took time to offer advice or a word of encouragement to cub reporters, which probably is why a whole generation of news people and former news people never forgot him. They, and old coaches and fishing buddies and countless other friends from all walks of life would come back to see Ernie. And he never forgot them, either.

His countenance wreathed with a broad smile, Ernies favorite greeting was "Welcome home, stranger! Pull up a boulder and sit down. And when he clasped your hand, you knew you were home.

Ernie Stites stuck through newspapering, thick and thin—and it was often thin indeed in the early days. We doubt that he ever seriously considered any other line of work. But it is not enough to say that he was a credit to his profession. Ernie Stites was a credit to the human race, and he will be missed.—L.O.

CONGRESSIONAL BUDGET CONTROL: WHERE DO WE STAND; WHERE ARE WE GOING?

Mr. METCALF. Mr. President, last Friday at the Democratic Caucus, a number of matters were brought up, and placed on the priority list for legislative action this session. Congressional budget control—which was at the top of everyone's list at the beginning of the session—seemed to have been forgotten. Although legislation in this area has been reported by subcommittee to the Senate Government Operations Committee, and action on a similar measure is going forward in the House Rules Committee, I discern no real effort to push this as "must" legislation. Subsequent concern expressed by Members may cause it to be put on some priority list—from the response that I heard at the caucus I have misgivings that it will receive the treatment it truly deserves.

Earlier today in a thoughtful speech to the Senate, the Junior Senator from New Mexico (Mr. DOMENICI) recited how he and Senator NUNN together with 13 other freshmen Members urged that revision of our budgeting powers be made the first order of business. Senator DOMENICI then continues:

> I do not think today that that request was a mistaken one; if anything, I am more positive now of the urgency of this matter than I was when that letter was written.

I agree with Senator DOMENICI that the challenge to Congress to get in control of the Nation's budget and its fiscal policy is even more critical today than it was 8 months ago. Have we been so preoccupied with Watergate and wheat deals that we have gotten off the track in promoting our constitutional role over the financial priorities of the Nation?

People will continue to be mystified and annoyed by the antics of the Nixon administration—as well they should be—but it is not the executive which will be running for office in 1974. Members of Congress will be asked: What have you done to put your own house in order to assure a national budgetary policy and a healthy economy?

We deplore executive impoundments and other fiscal manipulations, but thus far in this session we have done nothing—except for certain internal actions within the appropriations committees—to solve the basic problems which the President claims justify his actions. Indeed, we put the cart before the horse by pushing as a priority matter an anti-impoundment measure without a modest attempt at a realistic budget ceiling on expenditures.

There are those who want no budget control legislation at all. Some Members who are not on the appropriations committees fear that any change in the process will upset what limited inputs they now possess. I think that this is an overreaction. A better approach—and there are many Members who agree—is to frame a process that will provide for an honest and open debate on spending priorities; a spotlight on our revenue policy; a true testing of social and economic effects, and a viable fiscal plan that the executive must follow—not ignore or abrogate.

The drafting of a budget bill is a complicated procedure. It affects the entire spectrum of congressional action. The rights of individual Senators to express their views on spending priorities must be protected.

The whole legislative process of authorization or appropriation must be considered.

The Government Operations Committee has given this problem of budget control and spending ceiling a high priority. A subcommittee bill has been reported to the full committee. Chairman Ervin has set dates for full Government Operations Committee hearings on the subcommittee bill.

What I hope to do in this and subsequent statements is to provide the Members with a status report of the budget reform legislation presently being considered in Congress, and in succeeding days to explain some of the basic problems which have arisen in developing a workable bill; my reservations about S. 1541—the bill before the Senate Government Operations Committee—the history and future role of Congress in fiscal policy; and the views of experts, the press and public representatives on the subject.

OPPOSITION TO ADMINISTRATION'S PROPOSAL TO END MEDICAL EXPENSE DEDUCTION

Mr. CHURCH. Mr. President, recent news accounts reveal that the administration is considering a plan to eliminate present income tax deductions for medical expenses.

If this is one of the administration's famous trial balloons, it should be shot down immediately.

It has been suggested that this recommendation could help to provide the financing for the administration's so-called national health insurance program.

But the net impact, I fear, is that millions of taxpayers may needlessly be penalized because of an ill-conceived and ill-advised proposal.

In all probability, the administration's national health insurance program will be riddled with loopholes which will more than compensate for the tax benefits provided under the medical expense deduction.

More than 27 million returns filed for taxable year 1970—the latest date that complete information is available—claimed the medical expense deduction.

As the chairman of the Senate Committee on Aging, I am especially concerned that the administration's recommendation may have an unduly harsh and negative impact for older Americans.

Illness, disease, and physical ailments unfortunately strike with far greater frequency and intensity at a time in life when they are least able to shoulder these burdens.

But for millions of older Americans, the medical expense deduction has provided valuable relief from oppressive health care expenditures.

In 1970 nearly 3.2 million returns filed by elderly taxpayers claimed this deduction.

More importantly though, this provision provided nearly $2 billion in tax relief for sick and disabled older Americans.

The importance of this provision for the elderly can best be illustrated by these facts: The aged constituted slighlty more than 9 percent of all taxpayers in 1970. However, they accounted for 19 percent of the total tax benefits under the medical expense deduction provision.

An article in the September 4 edition of the New York Times describes the administration's proposal in greater detail.

Mr. President, I commend this account to my colleagues and ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Health Care Plan Would Tap Taxes

(By Richard D. Lyons)

Washington, September 3.—The Nixon Administration has under study a proposal that would eliminate deductions for medical bills from income tax returns, which, if enacted, would cost taxpayers an estimated $7.5-billion a year.

The elimination of the deductions would put more tax funds into the Treasury that in turn would be used to offset partially or completely the costs of the national health insurance program.

The proposal is under study by specialists at the Department of Health, Education and Welfare who are drawing up a new Administration bill for a national health insurance program.

Dr. Stuart H. Altman, the H.E.W. Deputy Assistant Secretary for planning and evaluation, emphasized in an interview that final action had not been taken on the tax deduction issue.

Dr. Altman said the $7.5-billion would be realized not ony by the elimination of medical expenses from tax returns, but also by treating those health insurance premiums paid by employers for employes as income earned by employes, and thus taxable in addition to salary.

The Nixon Administration is drafting a new version of the national health insurance bill that it introduced 28 months ago, but has not reintroduced.

As currently conceived, the new Administration bill would set a minimum level of coverage for all Americans, a change from the White House-backed bill previously introduced. Critics of the earlier bill said it would foster "two-tier medicine," that is a high degree of benefits for the well of, and a lower degree for the poor.

The new medical insurance proposal being drafted would also allow persons covered by the medical insurance program to opt for joining health maintenance organizations.

In most other respects, the proposal under draft by the Department of Health, Education and Welfare is much the same as that introduced by the Administration 28 months ago.

A copy of a tentative new draft was made available by Senator Edward M. Kennedy, the Massachusetts Democrat who has been a frequent critic of the Administration's health policies.

The draft, dated Aug. 22, was prepared for Caspar W. Weinberger, H.E.W. Secretary, by the department's Deputy Assistant Secretary for planning and evaluation, Dr. Stuart H. Altman.

In a statement, Senator Kennedy chided the Administration, contending that it was dragging its feet on the reintroduction of a national health insurance bill.

Senator Kennedy's own medical insurance bill would provide coverage for virtually all forms of treatment, with the costs to be paid by Social Security-type contributions by employers and employes, as well as Federal taxes. The Administration contends that the costs of the Kennedy plan to the Federal Government would overtax the Treasury.

"Action Memorandum"

Without giving exact details, the Altman "action memorandum" outlined a program that would have two parts: a standard employer plan to be paid for by employer and employe payments for premiums, and a Government-assured program, under which Federal funds would help meet the premiums of unemployed and low-income workers.

"The two plans would cover the same services," the memo stated. The Administration proposal would lean heavily on private health insurance companies, which would write group contracts, collect premiums and pay either part or all of the bills. The Federal Government would set minimum standards for the policies and monitor the performance of the companies.

As an additional option employers with more than 25 employes might be required to offer them the choice of enrolling in a health insurance.

Health maintenance organizations, usually called H.M.O.'s, enroll large numbers of people for a set monthly fee and provide medical care whether it is needed or not. Enrollment in an H.M.O. with premiums prepaid guarantees treatment, regardless of cost.

As described in Dr. Altman's memorandum the Government-assured program would require some insurance companies to offer health coverage to any one who wanted it "at an established premium rate". That portion of the premium met by the policy holder would be determined by his income.

Dr. Altman noted in his interview that the income tax changes were under study because "national health insurance will not be free—somewhere in the system someone is going to have to pay."

He said that the $7.5-billion costs to the Federal Government of the Government-assured program, "depending on the level of benefits," which have yet to be decided.

He noted that some economists had termed the deductions regressive since they would be more beneficial to higher income persons than to those with lower incomes.

The memorandum also offers a glimpse of the philosophical differences within the Administration regarding mandatory coverage. The Administration's earlier national health insurance bill stressed that people could choose to join the program or not as they saw fit.

Dr. Altman's memorandum made a strong case for mandatory enrollment because it "ensures that all persons, regardless of health status, help share in the cost of health care by contributing their premiums."

In addition, the memo stated that "mandatory enrollment guarantees that all persons have adequate coverage and prevents society from facing the dilemma of whether to provide medical care to persons who incur large medical expenses after refusing to insure themselves."

JUDGE JOSEPH WOODROUGH, OLDEST LIVING MEMBER OF FEDERAL JUDICIARY

Mr. HRUSKA. Mr. President, my reasons for addressing the Senate today are a bit unusual, for I simply wish to use this occasion to say "Happy Birthday" to a very great man. Some may see this as an unusual forum for extending such greetings. But the gentleman I speak of is a most unusual human being.

Mr. President, Wednesday, August 29, 1973, marked the 100th birthday of the Honorable Joseph William Woodrough, senior judge of the U.S. Court of Appeals, and the oldest living member of the Federal judiciary. I wish to extend my belated birthday greetings to this great American who not only championed the causes of justice and honor during his seven decades as a public servant, but who also won the hearts of many Nebraskans during his years of service in our State.

It was no slip of the tongue that caused me to refer to Judge Woodrough as a most unusual man. His love of life and sense of action infected all those he came in contact with, and as he begins his second century of life, he brings good cheer and a hearty disposition to any group of which he is a part.

To know Judge Woodrough is to know a top-notch jurist—a man who has been comfortable in the presence of world statesmen and a man who has presided on the bench and ruled on some of the most important cases in American history. But, to know Judge Woodrough is something much more. It is knowing a man whose very life embodies the vigor, the action, the ambition, the sense of fun, and the humaneness which we all feel is typically American.

It was Judge Woodrough who quipped upon hearing that President Woodrow Wilson had appointed him to the Federal bench on April 1, 1916:

> It was the best April Fool's Day joke ever played on me, but I'm not sure about the public.

Judge Woodrough once went into a pool hall in Little Rock, Ark. While playing a game with the natives, a migrant magician walked in and began a series of magic tricks that delighted the Judge. It was only later that the Judge realized he had been the victim of the magician and had his watch picked from his pocket. When asked why he did not report it to the police, Judge Woodrough replied:

> How would I have looked reporting that an Eighth Circuit Court judge had his pocket picked in a pool hall while watching a magician?

It was the same Judge Woodrough who constantly baffled bright, young, ambitious law clerks by his famed love of physical fitness. Well into his 80s, he could walk the legs off any of those aides sent to assist him.

Mr. President, we, in Nebraska, would like to claim Judge Woodrough as our very own, but we must acknowledge that he was born and reared in Ohio. At age 16, he traveled to Europe and studied European Continental law at the Ahnen Schule in Dresden, Germany. He spent several months doing post graduate work at Heidelberg University after which he toured Europe, Britain, and Russia by bicycle and foot.

At age 20, he returned to the United States and spent a year in the law offices of his uncle in Omaha, Nebr. His urge to travel persisted, and he left for Texas where he was admitted to the bar in 1894. He wasted no time, for in November of that year he was elected Judge of the newly formed Ward County.

Nebraskans, however, turned out to be most fortunate when Woodrough decided in 1897 to return to the Plains State. In 1899, with several associates, he formed his own law practice. He married the former Ella Bonner in 1902 and spent the next 14 years caring for his business and family in Omaha. His dedication and integrity won him the respect and admiration of all who knew him. His record was nationally known, and in 1916 President Wilson appointed him to the Federal district bench. When he took the oath of office on April 24, 1916, Judge Woodrough became the youngest U.S. district judge then sitting on the bench. In 1933 Franklin Delano Roosevelt appointed him to the U.S. Court of Appeals.

One could go on indefinitely in discussing Judge Woodrough's legal career. There was a time in Nebraska when Attorney Woodrough probably tried more cases than any lawyer in the entire State. For years he had cases for trial at every term of the Supreme Court in Nebraska.

During his long and distinguished career as a jurist, Woodrough's court decisions were numerous, touching on such matters as the sentencing of the Birdman of Alcatraz, and reaching landmark proportions with decisions such as those on the Volstead Act in the 1920's and his historic order to desegregate the public schools in Little Rock, Ark., in 1956.

"The Old Walkin' Judge" retired from the bench in 1961 at the age of 88. Nebraskans were saddened to learn that this little man had decided to close his 67-year career and move to Illinois to be near his children and their families. His many Nebraska friends, however, continued to pay him yearly homage as our favorite judge.

Only this year at age 100, Judge Woodrough decided to pass the occasion a little more quietly:

> I'm just naturally too durned old to go gallivanting about.

His quiet birthday consisted of his usual several mile walk to a local hamburger stand where he was surprised by a little party with some 40 friends.

When Woodrough was ready to leave Nebraska he was heard to say:

> It is going to be hard to answer to any title but Judge when I get there.

Well, he earned the title with dignity and compassion, and I think it highly appropriate to say from the floor of the U.S. Senate: Happy Birthday, Judge!

Mr. President, I ask unanimous consent to have printed in the RECORD an article on Judge Woodrough that appeared in the Omaha World-Herald.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Omaha World-Herald,
Aug. 5, 1973]

SPRY JUDGE GALLIVANTS INTO SECOND CENTURY

Dear Judge Joseph Woodrough:

Happy 100th birthday, Judge.

You always said you would make it, and all of your admirers in this section of the country believed your prediction with the same confidence legal circles accepted your decisions as a judge on the U.S. 8th Circuit Court of Appeals.

And your former law clerks, many of whom are growing gray, still regard you as the Mr. Chips of the bench.

They regretted this year that you decided you could not make your pilgrimage to Omaha to attend the yearly dinner in which they paid you homage as their favorite judge.

But they chuckled when they received your hand-written letter from Midlothian, Ill., that suburb outside Chicago in which you have lived for the several years.

"I'm just naturally too durned old to go gallivanting about," you wrote, "I'm planted here in the lap of luxurious irresponsibility. They have just opened a refreshment joint in between where I used to walk and where I can walk to now-a-days.

"GAL WILL READ"

"I'll read that dear letter again while I'm resting and refreshing or have the gal at the bar read it to me."

They also enjoyed the closing of the letter in which you said your decisions were not always right during your more than two score years on the bench. You wrote:

"Even that old case where it was decided judges have to pay income taxes like other people. I could have avoided that—me and Felix Frankfurter (U.S. Supreme Court judge at the time).

"Maybe it would have been wiser not to have anybody, even the IRS, (Internal Revenue Service) tell a judge where to get off."

And as your former law clerks, friends and attorneys read your letter they recalled the track record you compiled as you picked up the title of the "walking judge" on your way to the century landmark you will enjoy Aug. 29.

Here are just a few of them:

Taking off at 82 with your late wife on a freighter to visit your younger brother, Fred, 80, in Tokyo.

In 1958, at 85, taking two of your former law clerks on a tour of Europe, with them bringing back a report that "He walked our legs off."

In the winter of 1959, while several of your former law clerks watched in consternation, you hitched a ride on the toboggan of a youngster in a St. Louis park and went hurtling down the slope.

WHOOPS

How you were so unassuming that once while in a courtroom awaiting the arrival of the other circuit court judges a pompous lawyer handed you his coat which you accepted without comment and hung on a rack. Not until he saw you on the bench did he realize his mistake.

How you always recalled that President Woodrow Wilson appointed you to the federal bench on April 1, 1916, and how you always commented—"It was the best April Fool's Day joke ever played on me, but I'm not sure about the public."

And at 95 how you floated down the Miami River in a canoe with a young nephew, commenting "I liked shooting some of those rapids best."

And the fuss you raised when they made you quit bowling at the age of 98.

All of those to whom you gave these happy memories are wishing you the best as you start on the second hundred years—court is in recess until next August.

Sincerely,

BILL BILLOTTE.

LOUISE EDMO—MISS INDIAN AMERICA

Mr. CHURCH. Mr. President, we of Idaho are very proud that a member of our Idaho Shoshone-Bannock Indian Tribe holds the coveted title of Miss Indian America this year. Miss Louise Edmo is a charming and intelligent young woman and I know of no person who could more adequately serve as an ambassador for the Indians of America.

Miss Edmo has taken her duties very seriously and I was pleased to note in a recent issue of Wassaja an article by Miss Edmo concerning her representation of the Indians across the Nation. I would like to take this opportunity to share her comments with my colleagues and I ask unanimous consent that the article "Representing Indian People in an Honorable Manner" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the Record, as follows:

Representing Indian People in an Honorable Manner

(By Louise Edmo)

After my selection as Miss Indian America XIX, I undertook the responsibility of representing the Indian people in a manner that would allow all groups of people with whom I was to have contact, to evaluate our problems in a realistic manner. Little did I know that so few people are willing to listen to what the Indian individual has to offer. They are more concerned with what their own answer to the Indian problems are.

My experiences have been varied and unique. My chaperones and I have visited Indian people in nearly every corner of Indian country. We have addressed Indian groups, ranging from the National Indian Education conference to the Indian students in the Rockey Boy School District. But regardless of the location of the school or reservation, Indian people always treated me with respect and kindness. I can only share with you the wisdom that the Indian people throughout the United States have given to me during my short visits to each reservation.

The issues that confront both young and older Indian people are numerous and can determine whether the Indian people will live as we are now living, or live as the White society thinks we should live.

During this most active time in Indian history, I chose to represent the Indian people, based upon the tribal political background that I had learned to respect. Many young Indians who would like to be called militants, or be identified with the American Indian Movement have decided that it is about time that Indian problems be considered as justified. So in November, 1972, the Trail of Broken Treaties was staged in the BIA in Washington, D.C.

At first I didn't react, but seen the news media demanded an opinion. My stand was based upon a respect for the elected representatives of the Indian people. I could not advocate this same type of action, to create the awareness that we need; to gain recognition for the sovereign rights that Indian people have learned to fight for and protect. Later I learned that the 20 points that the Trail of Broken Treaties proposed for Congressional action did not represent the best interests of the reservation Indian.

The many events that have taken place during the past eleven months have allowed me to determine my priorities in my own life and determine the best, or at least I hope the best way, for me to truly represent the Indian people in an honorable fashion. After encountering many so-called Indian experts, Indian and non-Indian alike, I have decided that the Indian people can develop within our youth a sense of brotherhood and dedication to the Indian cause. To those of you who have been involved in preserving and protecting our fishing and hunting rights, our mineral rights, and our most valuable water rights, you surely know that this must be the cause that we represent and not the interests of a large, white corporation or a small faction of Indian people who many would term as "apples".

My priorities must be to protect the best interests of the Indian people in any way that I possibly can. Indian people have been my means, throughout my reign, to carry on; they have also been, and must continue to be the end that all Indian people strive to improve.

There have been many hard times, when I was questioning whether the cause that I represent was true, but the Indian people who welcomed me at the next stop always continue to be a source of strength and guidance. There has been much loneliness, but the Indian people have always been a source of friendship and happiness, as we shared new songs and danced many new steps.

During the last six months of my reign as Miss Indian America XIX there have been several questions that have been brought to mind. The foremost in my mind is whether or not the title of Miss Indian America is truly representative of Indian people. The numerous experiences that I have had an opportunity to undertake have certainly allowed me to acquire an insight into the feelings of older and younger Indian people living in both urban and reservation areas. The general feeling that I have had is that I am to be a spokesman for the Indian people in two different capacities. First most Indian people, I am sure, would like to see Miss Indian America serve in the capacity much the same as Miss America serves for the Non-Indian aspect of society; that being a position of stature of course I am sure, but most importantly Miss America usually does not have an opinion on any issues that might be highly controversial.

Perhaps it is because I do not like to remain a middle-of-the-road person, I feel strongly that Miss Indian America, if she is to truly represent the Indian people, should be aware of the issues that Indian people throughout this country are confronted with. But most importantly she should give an educated opinion, based upon an understanding of the sovereign status that we as Indian people enjoy.

The second capacity that Miss Indian America must serve in is the ambassador to the Non-Indian people. This is perhaps a vague area, since Indian people would consider me or any other person a sell-out if one so much as relates a few of the values that we as Indian people possess.

There have been numerous experiences that one could relate concerning the stereotype image that many groups within our society still cling to. In public schools throughout the country young people, (Indian and non-Indian) living in highly developed areas of the country or in supposedly civilized areas, do not understand why Indian people would rather live on a reservation than in an urban area. A lady in Michigan asked if Indians eat American food! But if Miss Indian America cannot in part answer these questions then who will?

I have not attempted to provide all the answers to any of our problems, but what I have related is that I believe there are certain values and standards in the way of life or rather the family background that I have lived and learned to respect, without fully realizing it.

My reign as MIA XIX has been filled with countless new experiences and friendships, it has been filled with a countless reminder that my responsibility was to the Indian people and to no one else. So often today all of us at some time in our life profess the best way that we believe the Indian people can answer our problems, but when we do so, let us do so with an understanding of the full scope of affairs; with an understanding of the tribal rights we now enjoy and a respect for another Indian person's aspirations and hopes for the future. In other words be cautious when we approach a completely new path or an entirely new change in the administration of our tribal governments. But most importantly consider the Indian person and what we have at stake before we consider what you can do for your white neighbor.

I have learned much: I have learned to be patient, not only with Indian people, but especially Non-Indian people. So many are willing to listen to another point of view, other than their own image of what Indian people should be. One needs to be willing to listen also to their reasons for thinking as they do, and the experiences involved in their reasoning. Respect is important in Indian politics or in any type of situation or activity that involves Indian people. I have learned to respect the right of tribal representatives and self-appointed representatives. Our lives as Indian people are so closely tied to political activities of a tribe that there must be respect and understanding for another Indian person to view things as they do. One can have respect for another person and still can disagree with the personal views of the other.

Most importantly, I have learned to evaluate Indian viewpoints first, in making any type of decision.

EXPENDITURES FOR SPACE

Mr. MOSS. Mr. President, I cannot resist making a unanimous-consent request that an article by R. F. Stengel, senior editor of Design News, printed on August 20, 1973, be inserted in the Record. My reason for this request is to place before my colleagues and others who read the Record another small contribution to the argument about expenditures for space.

My colleagues are well aware that with the constant pressure on the budget, many have taken up the cry of cutting out expenditures for space in order to have sufficient funds for other governmental purposes. I, too, adhere to the belief that we must, indeed, cut down on appropriations as a contribution to stemming inflation that is so severe at this time, but I believe that it is foolhardy to cut the space appropriations below a level that will enable us to continue our leadership in this great endeavor. Because space operations are so visible, the general impression is abroad that the amount of money expended is astronomical. As a matter of fact, it is very small, amounting to about 1 percent of our annual appropriations. As the article points out, if we abolish the National Aeronautics and Space Administration entirely, the money saved would "run HEW for about 2 weeks." So we lose a great deal of our perspective on the amounts of money involved.

I recommend a careful reading of the article which I now ask unanimous consent to have printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

And All Those Billions We Left on the Moon

(By R. F. Stengel, Senior Editor)

I don't like to bring up the same subject twice, but I hope to persuade you that I have good reasons. In my last Reflections, I complained that the benefits of space programs were practically given away, while the costs were highly visible. This, I found out promptly, was an understatement.

During the 1973 annual meeting of the Aviation/Space Writers Association, one of our guest speakers was Michael Collins. On the Apollo II flight, he had piloted the command module from which Neil Armstrong and Buzz Aldren descended into history. Now he is the Director of the National Air and Space Museum, part of the Smithsonian Institution's complex of facilities in the capital.

MAN IN THE STREET

Mr. Collins decided to do some market research (motive: before you can serve your information customers, find out what they *don't* know), and had questionnaires handed to the next bunch of people who happened to wander in off the street. The results were ego-shattering to the assembled aerospace press in more than one way. For example, Boeing might be interested to learn just how many people credit a 727 with 5, 6, or 7 engines.

Now for the shocker. *A substantial minority believed that NASA's budget was equal to, or larger than, the budget of Health, Education and Welfare.* (In reality, if some extreme demagogues prevailed, and abolished NASA entirely, the annual "savings" would run HEW for about two weeks.) How is such a massive misconception possible? I can think of a number of reasons, and so can you; let me state only a few and see if they might apply.

BURYING FRIENDS

To begin with, NASA is at times its own worst enemy. For example: ". . . during last summer's fire in the Big Sur area . . . this remote sensing technique resulted in substantial savings estimated at $1 million, to the State . . ."* This unsolicited testimony rests buried in hundreds of transcript pages. I have yet to see a one-page NASA release stressing the fact, let alone doing some gentle chest-thumping.

NO SONGS, PLEASE

A "just-the-facts, Ma'm" approach may suit budget hearings, but it will not generate the public support needed to *maintain* budgets. At the 1972 LA Syncon, Ray Bradbury argued that artists (painters, poets, and *gulp* science fiction writers) were needed to help the space program survive. I can just see how well *that* suggestion was received at Fourth & Maryland Ave., S.W.

McLuhan notwithstanding, if "colorful presentations" are left to the hot media, the benefits are doubtful. An Apollo launch is a telegenic event. A program to reduce aircraft noise is not, because "8 epndb" is a concept exceeding apparently the explanatory capabilities of the news staff. Consequence: in the viewer's mind, NASA equates with burning 6 million lb of fuel in a few seconds, whereas those nice HEW people have just extended another service grant (which, on the *neighborhood* level, amounts to a mere $30,000).

Price tag-pushing: during the 1973 AWA meeting, an Establishment panel member kept referring to the space shuttle as ". . . that $250 million airplane". All right, let's put his putdown into perspective. At current costs in the LA area, that kind of money buys something like 25 miles of freeway (roughly, from my home to my office). Spent on a space shuttle, it buys a freeway to earth orbit.

PRIORITIES

Such allocation choices come down to simple questions: what do we want, and what should we want. The Defense slice of the budget buys military survival. The HEW slice buys, presumably, social survival. The R&D slices buy economic survival. Other than aviation and space, how many areas are left in which we still retain a position of technological leadership?

If we don't preserve at least *that* edge, if some day it becomes more cost-effective to buy airplanes, satellites and spacecraft abroad, then we shall indeed have left "all those billions" on the moon.

VICE PRESIDENT AGNEW

Mr. McCLURE. Mr. President, it is high time that we take a hard look at what is happening to the rights of individuals in this country—even if that individual holds high public office. Yesterday, I responded to a reporter's questions on the current preoccupation of the press—speculating that Vice President Agnew might resign. Resignation seems to me to be out of the question and totally out of character for a person who has established a reputation as a man of strong principle and great courage.

I was asked if I thought he should resign and replied that he, as much as any other citizen of this country, is entitled to the presumption of innocence. I presume he is innocent of the charges that have been bandied about, and he certainly should not resign. I went on to express my concern that Mr. Agnew's rights are being trampled under foot in the Roman circus atmosphere of public discussion.

In response to a question about whether Mr. Connally might be acceptable to me as a replacement for the Vice President, I responded that it was inappropriate for me to speculate since I feel that Mr. Agnew will not and should not resign. In response to a further question, I did express the feeling that Mr. Connally was one of several persons who might be acceptable to me. I expressed my admiration for Mr. Connally and welcomed him to the Republican Party.

I was startled and dismayed to see myself presented on a morning news program, from that discussion supposedly indulging in speculation as to who our next Vice President might be. While my conversation with the reporter was full and frank, the truth wound up on the cutting room floor.

This mishap, though, does lead me to make some remarks I probably should have made before. In Washington, the rumor mill is often too easy to ignore.

First, about the Vice President himself. I know him to be a man of high intellectual standards and moral courage. I do not want to add to his present burdens by even appearing to suggest that I consider him anything but an excellent Vice President. Even if I did not know the man, I would deplore and disassociate myself from what is being done to him. And over and above any relationship to Mr. Agnew, I think our judicial processes are gravely threatened. An individual's right to due process is violated by idle gossip and malicious rumor in direct proportion to the importance of his position, for the latter has become an accurate gage as to how much exposure it will receive in the press—particularly if the press does not agree with him politically. A President, a Vice President and even a Senator have little or no chance of achieving the impartial trial that protects the average citizen by a simple change of venue.

In addition to rumors, there are the far more substantive leaks in which whole pages of grand jury testimony have been printed in the papers, with utter disregard for the fact that the grand jury secrecy is designed to protect the innocent; whether he be the accused, a person who is named peripherally in an innocent capacity, or a person named by mistake. When the satiation of the public curiosity is more important than the constitutional rights of the individual, the judicial process is a short distance from total breakdown.

What of the sickening spectacle of the self-righteous criticism of President Nixon for "putting himself above the law" when he raises the very serious question of the President's powers within the law under the separation of powers expressed in the Constitution—that criticism coming from some of the very same people who held themselves above the law in publication of documents stolen from the Pentagon in violation of the law?

And what of the publication of grand jury minutes—a clear violation of the law, which, incidentally, has not been prosecuted? Do the prosecutors more fear the power of the press than the power of the Presidency? We must be concerned, too, when a judge extorts statements in related proceedings with the threat of harsh sentences. Those who cherish freedom should cry out. When that same judge demands silence of those accused who are released on bail, but not of their accusers, we must be concerned about the rights of free speech and the right to a fair trial.

What would have been the reaction if Judge Hoffman had used the same tactics in the trial of the Chicago 7? It is interesting, but a little frightening, to note that many who were concerned about individual rights there, have joined in the mob's blood lust for Nixon and Agnew. Their objective is shown to be destruction, not justice. Their motives are all too clear.

Another area of concern I have for the judicial system is that of bargaining for immunity by cooperation, a cooperation which inevitably takes the form of implicating others. The bigger the people you can deliver, the greater chance of immunity for yourself. What prosecutor would not pass up a clerk to get at a corporation head, a secretary for a Senator? There is an increasing notion that the mere charge of guilt is sufficient, a notion that flies in the face of our constitutional system.

But it helps the little criminal. He has nothing to lose, his reputation is gone in any case. He may have to grovel in guilt to satisfy this strange new notion of public punishment. But if he can deliver the goods he has the only thing left of value—his freedom. Vulnerability to loss of due process is, therefore, again in direct ratio to the importance of a man's position, and in this case his liberty as well as reputation is at stake.

As the most vulnerability obviously then lies at the top, the President is in an especially dangerous position. But the danger is one that no Senator or Congressman can afford to overlook. Any person charged with a serious crime must inevitably cast around for some important person as a target to involve in order to avoid punishment for his own wrongdoing—a kind of "pick-your-pigeon" game—and we are all sitting ducks in that shooting gallery.

Our Republic was founded on a principle that no man—no matter what his stature or public position—is above the law. But with the events of recent months, a deeply troubling question has been raised whether a citizen—because of his stature and public position—is considered outside the protection of the law.

Under our very liquid and recent judicial interpretations of libel laws, for example, the rights of public figures have come to be treated in a considerably different light than those of citizens with relative anonymity. We are now witnessing an attack on the rights of an individual citizen who also happens to hold the Nation's second highest office. This assault is cloaked in a guise of a search for truth.

But with an insatiable impatience, the media has not waited for the truth to come out in the light of our judicial system. Instead, we have seen a series of rumors printed that have been grown and nurtured in darkness.

THE OBJECTIVES OF SALT II

Mr. CHURCH. Mr. President, the negotiations between the United States and U.S.S.R. on the strategic arms limitations are of critical importance to this Nation and to future generations. Unfortunately, both countries seem to be accumulating more offensive arms rather than curtailing the arms race.

Charles W. Yost, a diplomat of two-score years experience, has written on this subject, and I ask unanimous consent that his thoughtful analysis on the "Objectives of SALT II" that appeared in the Christian Science Monitor of September 6, be printed here in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Objectives of SALT II

(By Charles W. Yost)

New York.—At their summit meeting in Washington in June President Nixon and General Secretary Brezhnev announced their objective of signing in 1974 a permanent agreement on the limitation of strategic offensive arms. Yet if one pays attention to what both sides are doing, rather than to what they are saying, it appears that they are today moving not toward a limitation of strategic arms but toward an even more extravagant accumulation of them.

The Soviets achieved parity with the United States in land-based intercontinental missiles in 1969, but have since added more than 500 to their inventory in excess of what the U.S. has. Some of these missiles, moreover, can carry a much larger warhead than those of the U.S.

Soviet submarine-launched missiles have also increased vastly—from about 100, 10 years ago, to over 600 now, about equal to the U.S. today. But they are still building, and the U.S. at the moment is not.

On the other hand it should be remembered that the U.S. was the first to deploy strategic missiles in large numbers, and has for most of the past decade been far ahead of the Soviets in both land-based and sea-based missiles. It continues to have a three-to-one advantage in intercontinental bomber aircraft.

Moreover, America's lead in the development of MIRV's, which the Soviets have just tested but not yet deployed, gives it a more than two-to-one advantage in number of warheads. As the Brookings Institution report on the 1974 federal budget points out: "The number of U.S. nuclear warheads is increasing at a faster rate than at any time in history."

As to "equivalent megatonnage"—a measure of destruction capacity in light of both components and weapon sizes—the Defense Department informed the Senate Foreign Relations Committee last year that the U.S. and the Soviet Union were "about the same."

A recent study by Brookings estimates that approximate parity will exist in the range of 4,000 to 4,500 equivalent megatons. The study notes incidentally that 400 equivalent megatons are usually considered more than enough to destroy at least 25 percent of either the American or Soviet population.

The question therefore arises, what is enough and what is ridiculous overkill?

The President in his recent address to the Veterans of Foreign Wars said: "If we are going to be able to negotiate this era of peace, we have to have a United States that has a military strength second to none." Presumably that is also the policy of the Soviet leaders.

Another excuse for escalation is the acquisition of "bargaining chips" for use in future negotiation, so that paradoxically the welcome fact of negotiation seems to multiply rather than diminish arsenals and expenditures.

The deployment of MIRVs, as was repeatedly pointed out before it began, has made an agreed limitation of missiles far more difficult, because the presence of MIRVs can only be verified by inspection on the spot, and that the Soviets have never permitted. It would seem, therefore, that uncertainty about numbers of warheads is unavoidable.

This would mean of course that neither side could be sure which was "first'" or "second," though both would be certain each had far more than "sufficient" destructive power.

Under the shadow of this "uncertainty principle," perhaps both can move toward abandoning the futile search for "parity" and, as appeared to be the case at the commencement or Mr. Nixon's administration, be satisfied with "sufficiency," provided that sufficiency is invulnerable.

It is generally believed that, once the Soviets have deployed MIRVs in quantity, U.S. land-based missiles will, however it may protect them, be acutely vulnerable. Sea-based missiles will, however, remain invulnerable as far ahead as one can look, and their destructive power is alone quite ample for deterrence.

A rational, even though perhaps not a probable, outcome of the SALT II negotiations would therefore be an agreement by both sides to phase out all offensive strategic arms except sea-based missiles.

If this absence of redundancy, and more especially of an Air Force component, were more than the Pentagon could swallow, the U.S. could preserve its existing B–52s, which will remain operational into the '80's and which are, if properly deployed and alerted, also in large part invulnerable. However, if the U.S. proposes to keep B–52s, it must expect the Soviets, in the absence of comparable bombers, to insist on keeping some land-based missiles.

In any case let America get back to sufficiency, which it has long since had, and concentrate henceforward, not on parity which means always more and more, but on invulnerability for what it already has.

RETIREMENT INCOME SECURITY

Mr. WILLIAMS. Mr. President, unanimous approval, 93 to 0, by the Senate last night of the Retirement Income Security for Employees Act is the culmination of a very long effort by the Senate Labor Committee, dating from as far back as 1954, to bring about comprehensive and effective protection of the pension rights of American working men and women.

Many Members of the Senate, especially of the Labor Committee and the Finance Committee, have contributed to the success of this effort, both in the present and in the past.

I wish to pay special tribute to my close friend and esteemed colleague, the Honorable Jacob Javits of New York who, as ranking minority member of the committee, as well as of the Subcommittee on Labor, has stood staunchly at my side during our common struggle over the last 3 years to achieve a meaningful system of retirement security. His ideas, his enthusiasm, his constant devotion to this cause have been of inestimable value to me and to the committee.

As we all know, Mr. President, there would have been no bill at all if the Finance Committee had not collaborated with us to formulate a common approach.

We owe a great deal to the chairman of that committee, the distinguished Senator from Louisiana, the Honorable Russell Long, for his leadership in helping to bring the two committees together. The ranking minority member of the Finance Committee, the Honorable Wallace Bennett of Utah; the chairman of the Finance Subcommittee, the Honorable Gaylord Nelson of Wisconsin, who conducted the hearings on that committee's bill, S. 1179; and the Senator from Texas, the Honorable Lloyd Bentsen, all played key roles in shaping the Finance Committee bill and, later, in working with us to blend into a single legislative proposal the best features of the Labor Committee bill, S. 4, and of S. 1179.

The country is truly indebted to their statesmanship.

During the 3-year process leading to the final vote last night, many dedicated staff members have served us well.

I will mention a number of them who have made noteworthy contributions to this work: Mario Noto, general counsel of the pension and welfare study; Mike Gordon, the minority counsel; Michael Schoenenberger, Janice Delaney, Paul Armstrong and Paul Skrabut; Nik Gaglio, Roy Wade, and Homer Anderson.

In addition, the general counsel of the Labor Committee, Robert Nagle, the chief of staff of the Joint Committee on Internal Revenue, Laurence Woodworth and his staff also gave invaluable assistance in drafting the compromise between the Labor and the Finance Committees' bills.

As I stated earlier, the Labor Committee has been working over many years to perfect a pension security program.

In May 1954, during the second session of the 83d Congress, the committee appointed a special Subcommittee on Welfare and Pension Funds, under the chairmanship of Senator Irving M. Ives, to investigate the operation and administration of employee welfare and pension funds.

This investigation was continued in the 84th Congress under the subcommittee chairmanship of Senator Paul H. Douglas. Private welfare and pension benefit plans for industrial employees were growing rapidly in number and size at that time. They had received a great impetus during World War II, when they were frequently granted as a substitute for wage increases which were prohibited or restricted by the National War Labor Board.

The Ives-Douglas hearings disclosed various abuses in the administration of the funds, and eventually led to enactment of the Welfare and Pension Plans Disclosure Act in 1958.

In 1970, after serious allegations of improper administration of the United Mine Workers welfare and retirement fund, the Labor Committee decided to undertake a general study of the inadequacies of the protection afforded welfare and pension plan participants and beneficiaries, using the allegations about the UMW fund as a starting point.

The Senate in March 1970 approved Senate Resolution 360 which authorized an investigation both of the UMW election of 1969, and of pension and welfare funds generally. The study was conducted by a special pension and welfare staff under my direction as chairman of the Subcommittee on Labor.

We began by making a penetrating, thorough, analytical approach to the problems of private pensions in the country. We set out without any predetermined judgments as to what was wrong or what was needed.

Personal interviews were conducted with hundreds of men and women who had been covered by pension plans to determine what pension benefits they had or had not received. We made a careful evaluation of all these cases.

We then carried out a detailed study of comprehensive questionnaires which we had submitted to and collected from some 1,500 private employers out of the 34,000-odd companies which had employee pension plans. The results of the examination provided sufficient data on the internal operations and administration of pension plans to show shortcomings as well as favorable aspects.

We then held hearings in six cities around the country and in Washington which brought to the surface for the first time in a national forum the actual plight of American working men and women who, despite promises of pensions, all too frequently found themselves with little or none of the retirement income they had counted on.

Then, based on incontrovertible documentation of real deficiencies, the subcommittee structured legislation specifically designed to bring solutions to the problems that had been revealed.

The results of this lengthy and concerted effort extending over nearly 3 years are reflected in the legislation which the Senate unanimously approved last night.

Again, I thank each and all who joined together to make this possible.

KISSINGER NOMINATION

Mr. MOSS. Mr. President, because I will be unable to vote tomorrow on the nomination of Dr. Henry Kissinger as Secretary of State, I would like to make my position known at this time.

Dr. Kissinger is a very able and persuasive individual. He has demonstrated diplomatic skills. He has served as a close advisor to several presidents. As national security adviser to President Nixon, Dr. Kissenger has been more closely associated with the President in development of foreign policy than any other individual. He has been largely responsible for implementing our current policies and resulting in improved communication and cooperation with the major powers of the world, among them the Soviet Union and China. Such communication and cooperation hopefully will lead to a more peaceful world.

Dr. Kissinger's accomplishments should be given their just recognition. As the Washington Post stated, he is a "figure uniquely qualified by experience, competence, stature and promise" to become Secretary of State.

But, the proven ability and past accomplishments of this man do not prevent all apprehension over his nomination to this important position. No justification exists for the wiretapping of subordinates and certain newsmen that took place under Kissinger's jurisdiction. The role he played in prolonging a needless war in Southeast Asia leaves much to be desired. His evasive and somewhat ambiguous statement over secret bombing raids in Cambodia create additional concern.

Although I don't approve of some of the activities of Dr. Kissinger, I believe it is important to have the Government's top foreign affairs activist accountable to Congress—and to have him in a position where he has to come forward in public testimony to explain the Government's policies. If Dr. Kissenger's nomination as Secretary of State is rejected by the Senate, and he remains only as the President's foreign affairs adviser, foreign policy would continue to be run from the shelter of the White House with little public accountability. This would prevent the Congress from properly participating in its making.

For these reasons, I support the nomination of Dr. Kissinger as Secretary of State. From all appearances, the nomination will be confirmed by a large majority, and I support the vote of that anticipated majority. I hope that better communicaion will exist in the future between those who execute foreign policy and the lawmaking body.

IN-HOME CARE MEANS ACTIVITY

Mr. CHURCH. Mr. President, the Senate Committee on Aging recently took testimony in Coeur d'Alene, Idaho, on "Barriers to Health Care for Older Americans."

One of our major topics was the need for home health services in the northern five counties of Idaho, commonly known as the Panhandle area.

We received firsthand information from directors of the program and from two patients. Once again the committee has received impressive evidence on the importance of in-home services to the elderly, as well as the difficulties that now block provision of such care, particularly in the medicare program.

Another description of the importance of home health care was provided in an excellent article by Mrs. James Porter in the Coeur d'Alene Press of August 6.

Mrs. Porter describes the Panhandle health district program in terms of the usefulness of in-home services to two persons: Mr. Alvin A. Brewer of Hauser Lake and Mr. Garber of Coeur d'Alene.

Mr. Brewer had hoped to testify at the hearing but he was unable to do so because he was not feeling well. Mr. Garber did participate and gave a fine statement about his own personal experiences.

Mrs. Porter's article is a compassionate and informative description; and I ask unanimous consent to have it printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

FOR MANY IN COUNTY, IN-HOME CARE MEANS ACTIVITY

(By Mrs. James Porter)

In-home Care means doing your own thing, independence and continued participation in family and community activities for many Kootenai County residents.

In-home Care is a service provided by Kootenai County Public Health Nurses through the Panhandle Health District. Under the program, 130 Kootenai County residents currently receive medical supervision and other health assistance from a nurse or nurse's aide that allows them to remain in their own home.

To someone like Alvin A. Brewer of Hauser Lake, it means that he can continue to live in his own house with his garden and his hobby work. The 76-year-old retired Merchant Marine was disabled in 1939 by arthritis and has been confined to a wheelchair for the past 10 years. Seven years ago he also suffered a heart attack.

For his neighbors and friends, the nurses' visits mean that he is getting the regular medical supervision that will be able to spot potential problems before they are untreatable.

In addition to watching his blood pressure and general physical condition, the visiting nurses, Brewer says, "Buck me up—keep me in fighting trim—they really cheer me."

In his cabin in the resort community, Brewer has used his ingenuity to invent self-help items such as a hoist with harness to lift himself into bed and a sit-down shower that eliminates the problem of bathtub falls that plague oldsters living alone. A variety of sticks of varying lengths with nails or hooks enable him to dress himself and reach almost anything.

Supplementing his $68-a-month income are his elevated gardens that include vegetables as well as brilliant flowers and prolific raspberries.

Another gardening enthusiast who has received in-home care is Bill Garland of Huetter. An area native, he was born where Spokane Country Club's first green is now.

After release from the hospital following a stroke that occurred on his 75th birthday last spring, Garland required six weeks of almost daily care in his home. Just prior to the stroke which affected his left side a gun accident severely damaged his right hand.

When he came home he still could not walk alone. The nurses in their daily visits helped him exercise and bathe and monitored his physical condition.

"They really helped me too," Mrs. Garland says. "I didn't have any idea how to care for him. They helped me arrange things before he came home and the exercise program on a regular basis put him back on his feet."

"Oh, I still limp a little when I'm tired," said Garland, "but I expected to have aches at my age and I have them. Thanks to the help of the nurses I can do most anything in caring for the garden and household chores. It just takes a little more effort and a little longer now."

Now released from the program as rehabilitated, Garland and his wife are enthusiastic supporters of the program.

Cy Garber, 701 Foster Ave., receives twice weekly care on a continuing basis. A graduate of the University of Idaho in 1917, who worked for Bunker Hill Mines for 35 continous years, Garber requires a walker to move around the house because of the progressively crippling effects of arthritis.

His wife, who is also 83, does all of the regular care for him but understandably cannot assist him in and out of a bathtub. He in turn does many things for her that her visual impairment prevents.

During the twice-a-week visits the nurse or nurse's aide not only helps with bathing, but takes him for fresh air and transports him to regular physical check-ups and TB clinic (he is an arrested case).

Because of a more liberal pension plan, the Garbers are able to finance part of their in-home care program as are some of the other recipients. For Mr. and Mrs. Garber, In-home Care means they can continue to be a self-sufficient couple in their own home helping one another with just a little outside assistance.

Whether the care they require is short or long-term, whether they can defray part of the expenses or not, for those Kootenai County residents who receive or have received In-home Care it is an undisguised blessing—a means of continued independence.

NOMINATION OF DR. KISSINGER AND THE CAMBODIAN SITUATION

Mr. MANSFIELD. Mr. President, I had intended to speak tomorrow on the nomination of Dr. Henry Kissinger to be Secretary of State; but in the interest of saving time, because more speakers have shown interest than anticipated, I will speak tonight.

Mr. President, the report on Dr. Henry Kissinger, which is before the Senate, speaks plainly of the appropriateness of this nomination. In committee, the vote on confirmation was overwhelmingly favorable.

The designee is eminently qualified to be Secretary of State. He has devoted his entire life to the study and practice of international relations. He was student, educator and writer before entering Government service. For more than 4 years, he has been intimately associated with the President of the United States in the actual formulation and conduct of the Nation's foreign policy. His views on policy have found expression in the revisions in policy already undertaken by the present administration. They have been elaborated in his informal associations with Members of Congress. In short, Dr. Kissinger is a known quantum with regard to international relations in this Nation and among the nations of the world.

The Secretary-designate is uniquely equipped to convert the concepts of peace which, in recent years, have derived from the Presidency and the Congress into actions for peace. As Secretary of State, appointed by the President and confirmed by the Senate, he would serve at the point of fusion in these two separate streams of Constitutional authority and responsibility. He would be in a position to guide this Government's principal repository of peace-making machinery, the Department of State, in ways responsive both to the President and the Congress.

As I have already said, the vote in committee for the nomination was overwhelming. I hope that the outcome will be the same when the Senate's roll is called tomorrow.

Thereafter, there is much to be done by the Department of State under the direction of its new Secretary. The first order of business, it seems to me, should be the termination of the war in Indochina. As a practical matter, that means ending the fighting in Cambodia in which we are still participating by proxy. May I say with regard to that situation, that the views of Congress have already been made clear by legislation; Congress wants no part of that war. I hope that Dr. Kissinger will take that legislation and the President's expressions of hope for peace as evidence of a joint determination to disengage this Nation, once and for all, from the internal affairs of Cambodia. On that base, it should be possible to build a diplomatic initiative which will bring about an end to the fighting without delay and the beginning of peaceful reconstruction throughout Indochina.

In that connection, I ask unanimous consent that there be printed in the RECORD at this point a translation of the text of a cablegram dated August 10, 1973. The telegram was addressed to me by Prince Norodom Sihanouk, whose government of national union is gaining increasing recognition throughout the world as the sole legitimate government of Cambodia.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Pyongyang, August 10, 1973.
TRANSLATION (FRENCH),

Senator MICHAEL J. MANSFIELD,
U.S. Senate,
Washington, D.C.

URGENT

DEAR SIR: I would like to convey to you that I have followed, with greatest interest, intense emotion and deep gratitude, your noble and generous action on behalf of the KHMER people, who do not merit these terrible misfortunes and unspeakable sufferings inflicted upon them by the American air raids, whose intensity and killing power has been increasing continuously during the past five months.

In principle, these raids should cease on August 15th, but President Nixon—as I know him—will not fail to find means to extend the misfortunes and sufferings, without precedent, of the KHMER people long after August 15th, 1973.

President Nixon intends to prevent by force the National KHMER Resistance of which I am the Chief—to liberate Phnompenh. However, you will understand easily that the United Front of the Cambodian National Liberation cannot in any way desist from liberating our fatherland a hundred percent.

We, the Cambodian patriots, do not fight for the Communist cause. Moreover, Nixon's military intervention in Cambodia, in order to bar, so to say, the road against Communism, is a poor pretext, since President Nixon decided to achieve, henceforth, the best terms for the United States with the two Communist [Powers], namely the People's Republic of China and the Soviet Union.

We, the Khmer patriots, fight only to restore the independence and national neutrality of our country. In addition, we are fighting at present absolutely alone; that is, without any aid from our Vietcong and North-Vietnamese friends, which makes the American military intervention against us absolutely unjustifiable.

Finally, the United National Front and the Royal Government of National Union solemnly affirm to you, through my voice, that they desire sincerely to achieve peace with honor as soon as possible with the United States, which President Nixon insisted that he was desirous of reaching.

I would like to repeat that the only conditions for the complete realization of this peace with honor are:

firstly, complete and irreversible suspension of the air raids and of every other direct and indirect military intervention by the United States of America in Cambodia;

secondly, complete and irreversible suspension of all the military aid to the so-called KHMER Republic.

If these two conditions are fulfilled by the United States Government, the Cambodia of the United Front of National Liberation, of the Royal Government of the National Union and of the Armed People's Forces of the National Liberation is ready to forget the painful past and to establish diplomatic relations with the United States of America.

As far as the fate of the Cambodians who have collaborated with the United States imperialism, The Royal Government of the National Union, under the care of the United Front of National Liberation, will allow the Government of Washington to evacuate from Cambodia all the chief collaborators, to whom the United States would offer her hospitality. The collaborators of the second rank will be allowed to benefit from the general amnesty if they make an honorable reparation in favor of the United Front of National Liberation and of the Royal Government of the National Union.

Thus everything will return to order. However, if President Nixon does not accept our very fair, and even friendly proposals, the United Front of the National Liberation, the Royal Government of the National Union and the Armed People's Forces of the National Liberation will be obliged to continue their armed resistance unto the end; even if it should be necessary [to continue their battle for] three, ten or even twenty years, because national independence cannot be an object of bargaining or of any compromise whatsoever. These are the essential points of the Cambodian problem.

I would like to solemnly repeat that the Royal Government of the National Liberation Union, which is the sole legal Government of an independent and non-aligned Cambodia, will never accept negotiations with the people of Phnom Penh if they are pro-imperialist, pro-French, pro-Soviet, pro-Japanese or pro-xyz, that is, if they call themselves the third force.

In short, the United States now has a perfect chance to establish peace with honor with us and to maintain an Embassy in Phnom Penh after the Royal Government of the National Union has been established there, on condition that they accept our fair proposals.

However, I doubt that President Nixon will accept them. Consequently, I ask the Senate and the House of the American People to act in such a way that the United States Government, finally leaves the Cambodians to settle their affairs alone without foreign interference.

Please convey my highest esteem to Mrs. Mansfield and I ask you, Sir, to accept my everlasting gratitude and my highest consideration,

Sincerely yours
NORODOM SIHANOUK,
Chief of State and President of the [Liberation] Front.

Mr. MANSFIELD. Mr. President, in this wire, the Prince set forth a basis for bringing about the termination of the war in his country. He listed the following points:

First. Suspension of U.S. air raids and other military intervention in Cambodia;

Second. Suspension of U.S. military aid to the so-called Khmer Republic in Phnom Penh.

If these points are realized—and I would note that point 1 has already been partially legislated by the Congress and the President—Prince Sihanouk states in his cable that:

1. The past will be forgotten and diplomatic relations will be reestablished by his government with the United States;

2. Safe-passage out of Cambodia will be granted to all the leading Cambodians who have collaborated against him—that means, the political and military group which is based on Phnom Penh and which survives on U.S. aid; and

3. "Second-rank" collaborators will receive amnesty.

These proposals of Prince Sihanouk, in my judgment, are in accord with the realities in Cambodia. As such, they form a basis for the negotiation of peace in that tortured, devasted country where we did not have and do not have now any national interest in bombing secretly or otherwise; where we did not have and do not now have any business involving ourselves militarily directly or indirectly. Indeed, the prolongation of the involvement—which continues through military aid up to the very edge of combat—risks American lives and costs enormous amounts of money, not to speak of its contribution to the devastation of what was, under Prince Sihanouk, the most peaceful, orderly, and progressive part of the Indochinese Peninsula. The longer the delay in acting on these proposals of Prince Sihanouk, the more the damage to this Nation and to Cambodia. The longer the delay, the greater the likelihood that the chaos in Cambodia will so deepen as not to be soluble by Prince Sihanouk or anyone else and the higher the risk of a general breakdown in the tenuous peace throughout Indochina.

So, looking forward rather than backward, I would urge the Senate, most respectfully, to confirm the nomination of Dr. Kissinger. And I would most respectfully urge the Secretary of State-designate, if and when his nomination is confirmed, to consider acting on these proposals of Prince Sihanouk without delay. The war in Cambodia, in my judgment, can be ended promptly via the route of these proposals. In the same stroke, so, too, we can curtail the drain of this Nation's resources which still goes on in Cambodia. So, too, can we close and bolt the back door to our military reinvolvement in Indochina.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is the period for the transaction of routine morning business closed?

The PRESIDING OFFICER. If there be no further morning business, morning business is concluded.

Mr. ROBERT C. BYRD. I thank the Chair.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask that we now resume consideration of the military procurement bill.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I have been asked by the distinguished senior Senator from Iowa (Mr. HUGHES) to call up his amendment and ask that the amendment be stated, and also to announce that there will be no action thereon today. The amendment is No. 490.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

On page 19, line 14, strike out "$2,958,200,000" and insert "$2,963,200,000, of which amount $5,000,000 is authorized only for the purposes described under section 703;".

On page 30, between lines 2 and 3, insert a new section as follows:

"SEC. 703. (a) The Secretary of Defense is authorized and directed to conduct a comprehensive study of weapon systems which he determines can be used as alternatives to the B-1 bomber aircraft program and which will meet effectively the strategic offensive mission of the United States Air Force. In carrying out such study the Secretary shall consider—

"(1) the advantages and disadvantages of a manned bomber system as compared with a standoff bomber-missile system;

"(2) the advantages and disadvantages of supersonic versus subsonic speed capability;

"(3) the advantages and disadvantages of special design features such as a swing wing;

"(4) the refueling tanker, crew, and other support costs and requirements for the alternative systems compared with the B-1 aircraft systems; and

"(5) such other factors as he deems pertinent to such a study.

"(b) Among the alternative systems which the Secretary of Defense shall consider in carrying out the study provided for in subsection (a) shall be (1) a temporary extension of the use of existing B-52 bomber aircraft, (2) a new or modified version of the B-52 bomber aircraft, (3) a stretched version of the FB-111 aircraft, and (4) a nonpenetrating aircraft.

"(c) The Secretary of Defense shall submit the results of the study provided for in subsection (a) to the Congress not later than April 1, 1974, and shall include in such report, together with other detailed information, estimates of the cost of the development, procurement, and operation of the alternative systems discussed in such report.

"(d) There is authorized to be appropriated not to exceed $5,000,000 to carry out the provisions of this section."

On page 30, line 3, strike out "SEC. 703" and insert in lieu thereof "SEC. 704."

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that no time be charged against the Hughes amendment today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ROBERT C. BYRD. Mr. President, has it not already been ordered that on tomorrow upon disposition of the nomination of Dr. Henry Kissinger the Senate will resume consideration of the unfinished business?

The PRESIDING OFFICER. That is not included in the unanimous consent order.

Mr. ROBERT C. BYRD. I thank the Chair.

ORDERS FOR RESUMPTION OF UNFINISHED BUSINESS TOMORROW AND CONSIDERATION OF AMENDMENTS NOS. 490 AND 491

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, upon disposition of the nomination of Dr. Henry Kissinger to be Secretary of State, the Senate return to legislative session, at which time the Senate will resume consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, at that time will the amendment No. 490 by Mr. HUGHES be the pending queston?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, upon disposition of amendment 490 by Mr. HUGHES, the Senate proceed to the consideration of amendment 491 by Mr. HUGHES.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of amendment No. 491 tomorrow the Senate proceed to the consideration of the amendment by Mr. HASKELL, an amendment with reference to nerve gas.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon disposition of the Haskell amendment tomorrow the Senate proceed to the consideration of the Mondale amendment on which a time agreement was entered into earlier today.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WILLIAMS). Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM SATURDAY TO MONDAY NEXT AT 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Saturday, it stand in adjournment until the hour of 10 a.m. on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows: The Senate will convene at the hour of 9 a.m. After the two leaders or their designees have been recognized under the standing order, the Senate will go into executive session to consider the nomination of Dr. Henry Kissinger to be Secretary of State. There is a time limitation on that nomination of 2½ hours. The yeas and nays have been ordered on the confirmation of the nomination.

Upon the disposition of the nomination, the Senate will return to legislative session and will resume consideration of the unfinished business, the military procurement bill.

The pending question before the Senate at that time will be on the adoption of amendment No. 490 offered by Mr. Hughes. There is a time limitation on the amendment.

Upon disposition of amendment No. 490 by Mr. Hughes, the Senate will proceed to the consideration of an amendment by Mr. Hughes, amendment No. 491, on which there is a time limitation.

On disposition of amendment No. 491 by Mr. Hughes, the Senate will take up the Haskell amendment, dealing with nerve gas.

Upon disposition of the Haskell amendment, the Senate will proceed to the consideration of the Mondale amendment.

There is a time limitation on each of these amendments. Yea-and-nay votes will occur on tomorrow.

Senators who have amendments are urged to be prepared to call them up upon the disposition of the aforementioned amendments.

It is hoped that the Senate will transact a great deal of business on tomorrow and make good progress on the military procurement bill. The leadership would hope that Senators who are prepared to call up their amendments, but who have not had their amendments acted on tomorrow, will call up their amendments on Saturday.

ADJOURNMENT TO 9 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 9 o'clock tomorrow morning.

The motion was agreed to; and at 6:36 p.m. the Senate adjourned until tomorrow, Friday, September 21, 1973, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate September 20, 1973:

OZARKS REGIONAL COMMISSION

William Hinton Fribley, of Kansas, to be Federal Cochairman of the Ozarks Regional Commission, vice E. L. Stewart, Jr., resigned.

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. Timothy F. O'Keefe, [redacted] FR (major general, Regular Air Force) U.S. Air Force.

CONFIRMATION

Executive nomination confirmed by the Senate September 20, 1973:

ENVIRONMENTAL PROTECTION AGENCY

John R. Quarles, Jr., of Virginia, to be Deputy Administrator of the Environmental Protection Agency.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

MARJORIE MERRIWEATHER POST—A TRULY GRAND AND GENTLE LADY—IS REMEMBERED IN BEAUTIFUL MEMORIAL SERVICE

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, September 20, 1973

Mr. RANDOLPH. Mr. President, a service of memorial was conducted for Marjorie Merriweather Post, in Washington, on the morning of Monday, September 17, at the National Presbyterian Church. Officiating were the Rev. Edward L. R. Elson, the Chaplain of the United States Senate, and the Rev. Louis H. Evans, Jr., the pastor of the Church, with Ernest E. Ligon, organist.

Several hundred persons were present, most of them long-time associates and cherished friends. We gathered in silent and sincere memory for Mrs. Post—a truly grand and gentle lady—a remarkable woman of charm and courage whose life began when she was born in Illinois and ended, on this earth, when she died at Hillwood, her home in the city of Washington.

The words from the Bible and the expressions of Dr. Elson follow:

God is a spirit and they that worship Him must worship Him in Spirit and in truth.

The souls of the righteous are in the hands of God, and there shall no evil touch them. They are at peace.

Blessed are the pure in heart for they shall see God.

INVOCATION

Eternal God, in whom we live and move and have our being, who lovest us with an everlasting love, lift up our hearts this day in thanksgiving and joy, that this memorial may be acceptable in Thy sight. May the reading and the hearing of Thy word minister comfort, strength and hope to our inmost being.

We thank Thee for Thy servant, Marjorie, for the goodness and the greatness of her person; for her regal presence and the aristocracy of her spirit; for the brilliance of her mind; for the daring of her dreams; for the authority of her words; for the power of her leadership; for the affection and tenderness of her womanhood.

We thank Thee for the inclusiveness of her friendship and the generosity of her heart.

We thank Thee, O God, for her love of beauty; beauty of sight; beauty of sound; beauty of the world of nature; and the deeper beauty of the human soul.

We thank Thee, O God, for her finished work, for the completeness of her life.

And for her enduring legacies of spirit, mind and heart which have made the world better for her presence.

May a new spirit arise in us that we may go from this place to be true as she was true, generous as she was generous, gracious as she was gracious, strong as she was strong, dedicated as she was dedicated to God and country, to the love of people, and to the advancement of Thy kingdom on earth, through Jesus Christ our Lord. Amen.

The eulogy was delivered by Clifford "Cliff" P. Robertson III, a son-in-law of Mrs. Post, as follows:

This lady who allayed those needs with benevolent compassion. This patriot—whose life was resilient to the fortunes of her country. She responded to its needs—without being called.

This patron—aware of the artistic nourishment needed by all people; through the arts helped to elevate, educate and enlighten their lives.

This American—born and reared in middle America, she proudly retained an inheritance of direct and unequivocal honesty, clarity of thought and word and a fearless spirit.

This achiever—proud of her modest early childhood she avoided the socially frivolous, and drew from her recollection—an appreciation of honest work. Under the guidance of her beloved father, she developed a finely reasoned awareness of a growing responsibility; a responsibility she would confront and channel toward the betterment of man.

This lady—examined life—throughout her life, and consistently put the material in a subordinate position: Recognizing man to be more important than anything he has acquired. A realist, she was aware of man's innate dualism—but chose to affirm his good. Though essentially a traditionalist, she recognized that much of man's progress is based on the disbelief of the commonly accepted.

This lady—held firm to a bedrock belief in the dignity and rights of all people, of all faiths, color and origin.

This mother—made a home for her children cocooned with tenderness and love and imparted to them the samaritan goodness that resided in her heart.

This lady—recognized, decorated, admired throughout the world—retained her most beautiful virtue, a simplicity of faith and spirit—a belief in God and man, and country.

This lady—this gentle lady.

The Prayer of Thanksgiving and dedication, by Dr. Evans, is as follows:

God has promised that wherever two or three are gathered together in His Name, there He is in the midst. He is eager to hold us in His arms of comfort as we make our prayers to Him. Shall we pray.

Oh gracious God and loving Father,

"We seem to give Marjorie Merriweather Post back to Thee, Who gave her to us.

And yet, as Thou didst not lose her in giving, so we have not lost her by her return.

Not as the world givest, givest Thou, Oh lover of Souls.

What Thou givest Thou takest not away,

for what is Thine is ours always, if we are Thine.

Thy life is immortal, Thy love is eternal;

And death is nothing but a horizon, and a horizon is nothing but the limit of our sight.

Lift us up, Strong Son of God, that we may see further;

Cleanse our eyes that we may see more clearly;

Draw us closer to Thyself, that we may know ourselves nearer our beloved, who are with Thee.

And while Thou doest prepare a place for us, prepare us for that happy place,

That where they are, and Thou art, we too one day shall be."

Oh gracious God, you have comforted us by your Holy Spirit which you promised you would send to us. And therefore, this morning, we pray you special blessings upon the daughters of Marjorie Merriweather Post. Upon Mrs. Adelaide Riggs; upon Mrs. Eleanor Barzin; upon Mrs. Nedenia Robertson.

You have given them a fine base from which to launch their lives into a world of meaning and love. And life is not without its meaning since the passing of their dear mother, for death is but a part of life; we know that. It helps make real our humanity, and keeps us in touch with the earth as it is.

And yet, we know there are times of sorrow so deep, that we wonder if we can bear the weight. And so this day we ask the comfort of your Holy Spirit. We pray this in special blessing upon Nedenia and Cliff in their double loss. Oh God, protect them from asking those questions that cannot be answered and harboring bitterness that only eats like acid; instead may we all let the refreshing waters of your Spirit cleanse away these feelings, trusting our loved ones to you, knowing that you have far better things for them in life there, than we here. If we have potential dominion here, how much greater that dominion when released to the fullness of life in that next world.

You who raised Jesus Christ from the dead, and changed that seeming defeat and failure into a glorious life and victory, lift the veil of darkness, that we may see that when the debris of sorrow lies about our feet, you are able to transform it into the dwelling place of serenity and satisfaction.

Come, oh loving God our Father, and throw your arms of comfort about us, for that is your promise to us and that is our promise received, in the Life and Resurrection of Jesus Christ our Lord, in whose Holy Name we pray.

Amen.

Mr. President, we were uplifted in the services by the music of components of the University of Maryland chorus and the instrumentalists of the National Symphony Orchestra. Carol Bogard of Boston was the soloist. Dr. Leon Barzin directed the orchestra.

Mr. President, I include in my remarks portions of an editorial of Friday, September 14, in the Washington Star-News, as follows:

MARJORIE MERRIWEATHER POST

Perhaps the grandest thing about having lots of money is the pleasure of giving a great deal of it away. Marjorie Merriweather Post, who died here this week at 86, was superbly equipped to practice philanthropy, being perhaps the third wealthiest woman in America, if not the world, and beautifully endowed with good business sense—a must for philanthropists if their largesse is not to be squandered. She also had time and taste.

She once said, "My father taught me that if I ever regarded money as something to be worshipped or looked up to, I would never have a happy life. To my father, money was to be used to help other people."

And that's the way she used it.

To all outward appearances she was always in love with life—and a very good life it was. But the exquisite and priceless works of art she collected, the friends she gathered about her and so beautifully entertained, hardly explain such contentment. Her great generosity probably does.

She gave millions to support the National Symphony Orchestra and to bring its music to children, and children to it. She carried on a simultaneous love affair with the Smithsonian Institution, to which she left Hillwood, with its formal gardens, and woods, and mansion filled with her world-renowned collection of Russian art and artifacts, a gift to the people of this country.

Major charitable organizations such as the Red Cross and the Salvation Army counted Mrs. Post among their closest friends, as did several colleges. The full extent of her giving to smaller groups, here and abroad, and to individuals everywhere will never be known.

For all that, she was a gay woman, endowed with many graces, combining, uniquely, elegance and simplicity, toughness and tenderness.

A trusted friend and associate of Mrs. Post told me, yesterday, that, "She was one of America's most extraordinary women. Widely known as one of the richest, she was a philanthropist, business executive and friend whose life style ends an era of elegance and excellence, possibly never to be matched. Born in middle America, she was proud of her heritage and achievements, but she derived particular joy out of her ability to give happiness to others. Mrs. Post entertained kings and queens, Presidents and diplomats, Cabinet officers and Members of Congress in her several magnificent homes. Yet, regal as she was, she always retained the earthly quality and capacity for friendship. She has given two of her estates to the U.S. Government with endowments to maintain them for the enjoyment and the enrichment of heads of state and the public. She was known for her generosity to advance culture—music, ballet and art. She was a Christian whose life exemplified the depth of her belief and faith. Her brilliant mind, vision, organizing ability and decisiveness were respected and her counsel was sought by many. Marjorie Post will be missed by all who had the privilege of knowing her, but her influence and her philanthropies will live forever to enrich the lives of millions of Americans."

Mr. President, there was gentleness, yet firmness, in Mrs. Post's life. She was thoughtful and helpful to thousands of people, yet she was a strong woman of sound business sense. She had keen insight and balanced judgment. Yes, she loved life—a good life for herself, yet she ministered to the needs of others. She was an individual with a wide range of interests and concerns. She valued money and used it not only for her desires, but for the well-being of men and women and little children. Mrs. Post was gracious and good—in the best meaning of the word. She achieved much for herself and for other people. She was a patron of the arts and a patriot of her country. Perhaps we shall never know again such a dynamic woman so devoted to beauty and so dedicated to wholesome service.

ADDRESS BY CHIEF OF STAFF, USAF, TO NATIONAL SECURITY INDUSTRIAL ASSOCIATION

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, September 20, 1973

Mr. THURMOND. Mr. President, Gen. George S. Brown, Chief of Staff, U.S. Air Force, addressed the National Security Industrial Association in Washington, D.C. on September 13, 1973 concerning costs of modern and sophisticated weapon systems.

His remarks are timely and especially pertinent, since the Senate is currently considering the defense appropriations bill for 1974. General Brown presented a very astute assessment of excessive cost problems and actions being taken by the Air Force to eliminate surcharges for which the Defense Department gets nothing in the way of added security benefits. Consequently, I urge my distinguished colleagues to review his remarks very carefully.

In my judgment, arbitrary and drastic cuts in the defense budget must not be taken because of industry surcharges when our national security could be seriously endangered. The problem of reducing unreasonable costs of vital weapons systems must be resolved without irresponsible risks to our Nation's defense posture.

Mr. President, I ask unanimous consent for the remarks of General Brown to be printed in the Extensions of Remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY GEN. GEORGE S. BROWN

However little we may like the term—or the way it has been used over the past few years—we are part of a military/industrial complex. In the free enterprise economy of our democratic society, and with the technological sophistication of modern weaponry, I know of no other reasonable way to develop and produce the weapon systems that the security of the nation demands.

The system works. It has been notably effective. Major war has been deterred, and smaller conflicts have been kept from going global. In no small part, these achievements have been possible because, up to now, the United States has had superior weapons in sufficient numbers to prevent and to limit war.

Up to now. We are at a point in our history where that kind of effectiveness will no longer be possible, unless it is matched by an equal measure of tough, economy-minded efficiency.

All of us must recognize certain basic truths. First, defense costs, like costs everywhere, have been climbing steadily. Second, even if defense spending could be maintained at a fixed level in current dollar terms there is an erosion of real purchasing power. Third, this has necessitated reduction in force size. Fourth, the reduced force structure makes it more than ever imperative to offset numerical inferiority with qualitatively superior weapons systems. But, fifth, the cost of these systems has also been climbing so rapidly that we face such alternatives as reduced quality, lesser numbers, or just not going forward at all with some programs that are needed.

These factors can only degrade the effectiveness of our defense forces, unless we move in the direction of greatly increased efficiency in the way we do business. Cost-consciousness—cost avoidance—cost reduction will have to be our way of life.

Not that we haven't made some good progress these past four years or so. In the Air Force, for example, we're seeing genuine results in such programs as the F-15, AWACS, SRAM, Minuteman III and others. They're doing what they're supposed to do. They're doing it on, or ahead of, schedule. And—most of all—they're staying inside the cost envelope.

That kind of progress grows out of such things as putting strong program managers in charge, giving them broad authority, and fully supporting their cost reduction initiatives. It comes from competitive prototyping wherever possible—from components to assemblies to sub-systems to full systems. It comes from innovative contracting techniques and better methods of making cost estimates. And it comes from taking a hard-nosed look, with users and developers working together, at the requirements.

Progress, in short, has evolved from many management improvements, in both industry and government, that have been in the making since at least 1969.

And yet, all these things address perhaps one-half of the problem. They do a good job, for the most part, of controlling direct costs—but they do not have much impact on indirect costs or overhead.

An Air Force Academy study on the subject concluded that anywhere from 50% to 66% of USAF procurement dollars consumed in prime contractor plants are indirect or overhead costs. Of the 7 billion dollars expended in Air Force Systems Command in fiscal year 1972, roughly 3½ billion went for overhead. So this has to be a fruitful area in which to reduce the cost of our weapon systems; an area which has not received proper attention.

In the Air Force—and I'm sure this is true of the other services and throughout DOD—the control and reduction of overhead is going to be the subject of intensive attention, concern—and action. But, as with everything we enter into jointly—you the contractors and we in Defense—a major part of the responsibility resides with *you*. As the climate of the times indicates, you will have to face that responsibility squarely. And we in government must provide you in industry with greater motivation to curb these costs.

In consumer business and in a firm-fixed-price environment, American industry has always demonstrated that it can keep costs within tight bounds. The time has come when the same discipline *must* be exerted in government work other than fixed-price contracting. The military services are joining the consumer movement. Some of the examples of overhead problems I will be getting to in a moment lead to questions of credibility, your credibility with us—and with the public.

Overhead per se is a legitimate and necessary part of doing business. After all, my headquarters is in the overhead business; we know from experience what's involved in managing large enterprises.

What I'm really concerned with, are those cases where indirect costs exceed the bounds of legitimacy and necessity. These range from carelessness to outright abuse. Let me cite some instances exemplifying what I mean:

Unused Capacity.—We find cases in which contractors carry idle facilities and equipment for excessive periods of time. This failure to divest idle capacity promptly and efficiently increases overhead costs and results in excessive charges to government contracts. The taxpayer—a category that includes all of us—has paid a surcharge, in effect, for which he gets nothing in the way of added defense and security benefits.

This is a notice to industry that such costs will not be recognized on Air Force contracts when a reasonable time for divestment, or more appropriate utilization, has elapsed.

Special Capabilities.—Some contractors maintain special capabilities to perform work in-house that could be done at less cost by subcontracting. Too often, these in-house operations have the same problems as the basic effort: unused capacity, poor indirect cost control, and all the rest. There is too often a failure to aggressively compete subcontractor and vendor items.

Business Volume.—Many contractors consider it axiomatic that overhead costs must rise during decreases in business volume because fixed and semi-fixed costs are not as readily controllable as variable costs. While that proposition has some merit, we see cases where costs that should be variable are treated as if they were fixed. One frequent example is an increase in the indirect-to-direct employee labor ratios. Direct personnel are cut as programs dictate, but staff and support functions remain up to strength—on the grounds that approximately the same level is needed to support the remaining direct effort.

That is luxury thinking in an era that has no room for luxury. One major aerospace contractor reduced his ratio of indirect support to direct personnel from 70% to 51%, during a period of business decline, by diligent management efforts.

Independent Research and Development.—Some contractors expect the Department of Defense to participate in and absorb costs for a constant or increasing level of IR&D even though their business base may be decreasing. This is unrealistic. We understand the need for and the value of IR&D programs, and we are willing to pay our fair share. But contractor management must evaluate and reassess the worth of these projects, and make absolutely sure that the company is judicious in the use of IR&D money. What we can afford under current conditions is a far cry from what we'd all like to see done in this area.

Refurbishments.—One contractor did a great deal of refurbishing on a building being used solely for government contract work. The expenditure during the year came to two million dollars. By his accounting procedures, the two million was expensed during the current year and assessed to government contracts. The next year the contractor took government work out of the building and turned the facility over to commercial operations. Then he objected violently when it was suggested that the refurbishment costs should be amortized over a period of years so that the commercial business would be charged a fair share of this expense.

Commercial Product Development Cost.—At another plant the development work for producing a commercial project was included in the overhead cost of a government-oriented division.

The contractor readily admitted that as soon as volume and sales orders permitted, this operation would be segregated into a separate division or cost center. In effect, he was expecting the government to underwrite the development cost for a commercial product; then he would move production elsewhere so that DOD would derive no benefit from having participated in the development costs. You tend to wonder how some people defend "free enterprise"—perhaps with the emphasis on free.

Depreciation Techniques.—Still another contractor had a technique for depreciating assets so that some of them were depreciated in excess of their acquisition value. It took the government two years to get that contractor to change his overhead claim!

Bidding and Proposal Expense.—Admittedly, these are not easy times for the defense industry as a whole, and any contractor worth his salt is going to fight for any contract he feels he can handle. But I must urge that you fight realistically and constructively in selecting those procurements on which to bid and in preparing your bid. Contractors who are not rigorously selective about the proposals they respond to, who are not in the forefront of the required technology, who go after everything in sight with little hope of making the grade—such contractors cost us, and themselves, a great deal of money that none of us can afford. Then comes a rash of protests and appeals—which are not only unallowable costs, but which force us to spend a great deal of time justifying contract decisions.

As it turns out, in just about every case the original evaluation holds up, but there we are, expending too much of our scarce resources on the losers. This is economically absurd. The protestor gains nothing; the taxpayer has been had, and the strength of the national defense is again diminished. So it is essential that contractors be realistic in their selection of the business they can hope to be awarded. It's been said and I believe it, that no contractor can afford to bid on a contract he cannot afford to lose!

These are a few specific examples of unnecessary overhead expenses and abuses of indirect costing. All of us can cite numerous others: excess computer capacity, excessive engineering staffs, pension and retirement costs, fringe benefits that grow two to three times faster than salaries—the list is almost endless.

So I say here and now: we never should have indulged in these kinds of overhead practices—and today we cannot afford to do so. For the first time in modern history, other nations are approaching our technological posture, and are threatening to surpass us in some areas. And some of them are doing it with greater efficiency and productivity than we are currently demonstrating.

We have already seen some of the effects in our balance of trade position. That is one part of our broad national security—the economic base on which we stand or fall. But, even more significantly, our forces for national defense are beginning to suffer from these management deficiencies. In the current budgetary climate, the effectiveness of our defense posture can be improved and maintained only if all of us—in military systems acquisitions and the defense industry—conduct our business with maximum efficiency. Therefore, we must devote our best efforts to the elimination of unnecessary and unreasonable overhead costs.

In the Air Force, we are further increasing our capability to evaluate and reduce potential overhead costs. In the future, we will be far more aggressive in issuing notices of intent to disallow costs—before or at the time they are incurred—when we do not agree with your management policies and decisions.

We don't propose to take over your job, but we do intend to have a means to participate actively in the management of overhead and its effect on system costs.

One fact predominates in all this discussion. The responsibility for controlling overhead in the plants of defense contractors rests with the contractors' top management. That is where the policies are established that affect indirect costs. It is from that level that we must have assurance that the policies are sound, judicious, and efficiently implemented.

Today's budget realities present the most sobering and intense challenge the U.S. defense establishment has faced in a quarter of a century. The Department of Defense has laid down a sound foundation for meeting that challenge. The time is ripe to make a concerted attack on that hidden one-half to two-thirds of R and D and procurement costs: overhead!

The Air Force is determined to reduce the overhead and indirect costs burden. We urge the Defense industry to discharge its responsibility for keeping overhead costs to the most attainable minimum. The job of the military/industrial complex is the defense of the United States. We have to work together to do it at a price the nation can afford.

I have found Air Force units and Air Force men and women ready to accept the challenges ahead, no matter how austere the conditions, no matter how tough the job.

I want to say the same thing of American industry.

It's up to you.

RENEWAL OF CREDITS TO PERU

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. CULVER. Mr. Speaker, I was pleased to learn today that the United States has finally ended its embargo on international aid to Peru. In the past month a loan of $12.3 million from the Inter-American Development Bank and one of $25 million from the World Bank have been approved. For 5 years the U.S. Government has been casting a veto on such credits to Peru.

The principal cause of the obstinate stance by the U.S. Government was the uncompensated expropriation of the International Petroleum Co. in 1968. During the year following the expropriation, the U.S. Government denied aid to Peru and threatened formal implementation of the Hickenlooper amendment in an attempt to pressure the Peruvian Government into paying compensation. The firm stand by the Velasco Government and the resultant near break in U.S.-Peruvian relations understandably required the United States to back down from the unnecessary confrontation. In spite of the fact that punitive sanctions had proved unavailing and U.S. investors began showing a renewed interest in Peru as early as 1970, the U.S. Government continued its hostile attitude toward Peru.

Two months ago I argued on the House floor against renewing legislative directives requiring the cessation of aid to countries that expropriate U.S. property without compensation. Rather than tying the hands of the Department of State and the injured U.S. citizens, they must be left the flexibility necessary to diplomatic negotiations.

While noting the delay in moving toward renewing loans to Peru, I am pleased that the administration has finally relaxed its stance toward the country. I trust this action foreshadows a more open and flexible attitude by the U.S. Government when confronted with instances of expropriation of U.S. property.

I am hopeful that, if this approach is extended to other Latin-American nations, the result will be an overall improvement in relations with our southern neighbors and a consequent reopening of mutually advantageous investment opportunities in this important region of the world.

I wish especially to commend Taylor Belcher, U.S. Ambassador to Peru, who, as explained in the following article, urged upon senior Government officials the wisdom of a more accommodating policy toward Peru.

The article follows:

UNITED STATES RELAXES POLICY ON LOANS TO PERU

(By Lewis H. Diuguid)

LIMA, September 18.—In a major policy turnabout, the U.S. government is now favoring international loans to Peru even though American investors' claims for properties expropriated here remain unsettled.

The policy is effectively the reverse of that in neighboring Chile, where loans from the Inter-American Development Bank (IDB) and the World Bank were cut off after American copper interests were expropriated.

A de facto cutoff existed here, too, until this month. Then came $12.3 million in loans from the IDB and $25 million from the World Bank, and more appears to be on the way.

This is despite continuing differences on the compensation for International Petroleum Corp., Grace Sugar Properties and a looming conflict with Cerro Corp.

Cerro has announced that profit remittances from its subsidiary copper mining firm, Cerro de Pasco, have been frozen by Peru. The ruling junta has announced its intention to take over the investment valued at up to $175 million.

Officially, the U.S. flexibility in the face of outstanding claims is possible because the negotiations are continuing on them. The Nixon administration recently named James Greene as special negotiator with the Peruvian government, and a first round of talks was held. A second is expected shortly.

In fact, the flexibility seems to have come because of long pleading by U.S. ambassador Taylor Belcher. The deciding factor was a visit here in May by Secretary of State William P. Rogers, who reportedly came away from talks with Peru's generals impressed by their dedication to development of their country's backward economy.

Until then, U.S. policy was fixed along the lines laid down by an earlier touring Cabinet officer, then Treasury Secretary John Connally. He opposed any official assistance to governments against which American investors had unfilled claims.

This has been a sensitive issue in Peru since 1968, when the military seized power and immediately expropriated the local Standard Oil of New Jersey (Exxon) affiliate, the International Petroleum Corp. Actually, the previous civilian government had threatened to do so but pulled back under the threat of a cutback in U.S. aid.

The military charged IPC with having taken out millions in excess profits over the years and said that no compensation was due. This was expected to spark invocation of the Hickenlooper Amendment named for the late Sen. Burke Hickenlooper (R-Iowa) and stipulating the cut-off of aid in such cases.

This action was avoided. But partly to avoid a conflict with Congress, the administration did cut back aid to a token level.

Then came the Gonzalez Amendment, of Henry Gonzalez (D-Tex.) requiring U.S. representatives on the international banks to vote against loans to countries in compensation disputes with American investors. Connally's policy took its cue from that amendment.

Ambassador Belcher argued that, with the Peruvian government carrying out ambitious investment programs, there was considerable business to be done here by American companies—but that they had little chance if the U.S. Government restricted Peruvian access to international financing.

The loans which found U.S. favor this month include $6.3 million for a national health center, $6 million for control of hoof and mouth disease, both from the IDB, and $25 million from the World Bank for agriculture.

A $41 million IDB loan is under consideration for a tourism project.

While bilateral U.S. aid remains at about $3.7 million annually in technical assistance, another $27.6 million is being disbursed in special aid to offset the effects of Peru's crushing earthquake in 1970. At Belcher's urging, much of this money has been channeled into long-term farming and housing projects.

It is not known here whether the U.S. policy shift here will be applied elsewhere. The other Latin American country where the expropriation issue arose was Chile. With the violent change of government there, changes in the Chilean attitude toward compensation are possible.

VETO OF MINIMUM WAGE

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1973

Mr. DOMINICK V. DANIELS. Mr. Speaker, today's action by the House in failing to override President Nixon's veto of the minimum wage bill is a catastrophe for millions of Americans deprived of the right to a decent standard of living. These are the people hit hardest by the increase in the cost of living which has reached epidemic proportions during the Nixon administration.

The 1.2 million full-time and part-time household workers earn an average wage of $1,800 to $2,000 a year. Of this number, 98 percent are women and two-thirds are black. Almost three-fifths of women, heads of families, who reported household work as their main occupation, have incomes below the poverty line. Obviously, Mr. Nixon by his veto has no concern whatever for these people, honest people who want to work, who want to earn their own way. Tragically a majority of the Members of this House by their vote today thought Mr. Nixon was wrong. Unfortunately, we who are concerned about these working poor people could not muster a two-thirds vote to override Mr. Nixon's veto. It is a sad day for the working poor and a sad day for those who think that in rich, fertile America we ought to be able to afford a day's pay for those who want to work. I cannot help but be cynical about those who rail at poor people on welfare but who cannot see their way clear to guarantee a modest wage for those who want to work. To them I say: You cannot have it both ways. If you will not permit workers to receive a decent wage, you consign millions to welfare and the dole.

Mr. Speaker, let me conclude by paraphrasing Thomas Jefferson who said:

> I tremble for my country when I think that God is just.

MASTER PLANNED COMMUNITY IN ORANGE COUNTY, CALIF.

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. BURGENER. Mr. Speaker, on August 26, a 167-acre regional park containing a 40-acre lake was dedicated at Laguna Niguel, a master planned community in Orange County, Calif.

A number of factors make the dedication of this park noteworthy, and I would like to bring them to the attention of the Members.

The first is that Avco Community Developers donated 109 acres valued at more than $1,400,000 for this park. The company has also dedicated more than 25 acres for a junior high school site, land valued in excess of $600,000. Moreover, the company has made available to the county, at the loan appraisal value, some 34 acres of beachfront, including 1 mile of beach. Sixteen additional park acres are being dedicated to the county at no cost to the taxpayers. Roads and highways have been widened and four accesses to the now public beach have been provided.

In these days of concentration on the negative, I think it is worthwhile to stop and look at some of the positive trends in public affairs. The actions of Avco Community Developers in donating the land needed to assure sufficient services and resources for the residents of the area is, I hope, part of a new and significant trend in the development field. The cooperation between the developer, the local governmental entities, and the residents of the development has, in this instance, contributed to the creation of a desirable community, and I hope this is an early sign of a trend which will spread throughout the industry and the Nation.

MURDER BY HANDGUN: THE CASE FOR GUN CONTROL—NO. 23

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. HARRINGTON. Mr. Speaker, according to a WBZ editorial, there are approximately "30 million handguns now in circulation in America." One of those guns killed Thomas Brown.

I would like at this time to include the September 10, 1973, Washington Post article on Mr. Brown and the WBZ editorial. That editorial concludes:

> The real threat to the public is the handgun—the concealable weapon used in so many of today's killings. And a real drive to remove them from society is already long overdue.

I concur.

[From the Washington Post, Sept. 10, 1973]

Man Shot Dead, Second Wounded in County Fracas

A Prince George's County man was fatally shot and a second seriously wounded during a neighborhood argument at 62nd Place and Jost Street in Seat Pleasant, county police reported.

The dead man was identified as Thomas J. Brown, 39, of 911 62nd Pl., Fairmont Heights. Police said he was pronounced dead on arrival at Prince George's General Hospital shortly after the 8 p.m. incident. Seriously wounded in the shooting was John R. Allen, 56, of the same address, who was reported undergoing surgery at the hospital late last night.

Police said Brown, Allen and another man had been arguing in the street when the third man drew a handgun. A struggle for the gun ensued, police said, during which Brown and Allen were shot. The gunman then fled.

About one hour after the incident, police said, a man who identified himself as the gunman surrendered himself to county police. The suspect was being questioned early this morning, police said.

[WBZ–TV 4/WBZ Radio 103 Editorial]

Another Round on Gun Control, No. 3

Another top level national commission has taken a detailed look at the problem of crime in America. And its final report issued last week made it plain that handguns are a major part of that problem.

The commission, financed by the Justice Department and headed by former Governor Russell Peterson of Delaware, urged a 10-year drive to get rid of most of the 30 million handguns now in circulation in America. Its goal is to have possession of handguns limited to police and the military. We support the basic thrust of the commission's recommendations. But experience and continued research on the problem over the past two years has convinced us two major exceptions are in order, for both practical and political reasons.

One would be for shopkeepers, well trained in weapons use, who want a gun for protection on their premises. The other major exception would be for sportsmen involved in target shooting with handguns. That should be covered by strict standards on the guns involved and the people who use them. Earlier proposals have called for these weapons to be kept at clubs or police stations. We recognize the problems involved in that arrangement and would be willing to support a good long test program for these guns to be kept in the possession of qualified sportsmen. Future legislation would be shaped on how those guns are used. This provision should answer the legitimate arguments of sportsmen and their lobby.

The Peterson Commission made the same careful distinction we've always tried to make between handguns and long guns. Responsible citizens who feel insecure in their homes would still be able to have rifles and shotguns. The real threat to the public is the handgun—the concealable weapon used in so many of today's killings. And a real drive to remove them from society is already long overdue.

ANNOUNCEMENT OF HEARING ON HOUSE JOINT RESOLUTION 76

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. CONYERS. Mr. Speaker, I would like to announce that the Subcommittee on Crime of the House Judiciary Committeee will hold a hearing on House Joint Resolution 76, and related bills, which would limit the term of office of the President of the United States to a single 6-year term. The hearing will be held on Wednesday, September 26, 1973, at 10 a.m. in 2237 Rayburn House Office Building. The subcommittee will hear testimony from Theodore C. Sorensen, author and former aide to President Kennedy. The subcommittee will also hear testimony from our colleague, the Honorable E de la Garza, who is the sponsor of this legislation.

The proposal of limiting the term of office for the Presidency to a single term is not a new idea. A single term of office for the President was strongly advocated almost 200 years ago during the Constitutional Convention. In addition, several Presidents have supported a single 6-year term of office. In 1913, the U.S. Senate approved a single-term proposal, but the House failed to act on the legislation. In addition, in 1971, Senator Bayh's Subcommittee on Constitutional Amendments held hearings on the single 6-year term. This year, six bills on this subject were introduced in the House and one in the Senate. In light of Watergate and related Presidential misconduct, this issue is again ripe for discussion.

The subcommittee will hold further hearings on this important legislation in October. Those wishing to testify or submit statements for the record should address their remarks to the Committee on the Judiciary, U.S. House of Representatives, Washington, D.C. 20515.

STATEMENT OF LAIRD NOH

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. SYMMS. Mr. Speaker, enclosed is a very thoughtful statement that was made by Laird Noh of Kimberly, Idaho before the House Agriculture Committee which sheds some light on all the emotional idiotic deception that has been perpetrated by the EPA, with regard to coyote poisons.

Mr. Speaker, I am convinced that the biggest predator of all in this country is the bureaucrats in the EPA who apparently do not have any concern about the truth.

Every time we pass another repressive irrational law we come 1 day closer to forcing the American producers to resort to dumping tea in the harbor—much like our ancestors, the "Malcontents of Boston", had to do 200 years ago in order to send a message to the king.

Statement of Laird Noh

Mr. Chairman, I am Laird Noh, Kimberly, Idaho, Chairman of the National Wool Growers Predatory Animal Committee.

We do very much appreciate the interest of your Committee. This is the first time the agricultural aspect of this vital question has been seriously considered. In the Merchant Marine and Fisheries Committee of the House there is a bill which could be properly called the Coyote Protection Act of 1973.

In the struggle over this legislation, and the events which immediately preceded it there has been so much deception, so much falsehood, so much contradiction, on the part of some individuals in the Administration, it is hard to know where to begin to set the record straight.

Let us deal first with the activities of EPA.

1. Others on the panel will detail the frustrations of attempting to gain registration of products as provided under the act, or even to obtain information as to the proper way to go about registration. I will only say there has been a conscious effort by a few people within EPA to insure that we were stalled off in hopes of gaining passage of legislation which would permanently ban toxicants. This would prevent the sub-

mission of applications which would reveal the gaping holes in the supposed facts which were used to support the executive orders.

2. The "findings of fact" submitted to support the suspension of registrations for toxicants are not facts, but often falsehood: under *cyanide*, the only reference is to explosive devices. There is no mention of the spring-loaded M-44. Does this mean they did not even know it was the only device used with cyanide by the Bureau of Sport Fisheries for several years? Or were they really not interested? Item 6, under cyanide, proposes danger to humans from the devices used, but there has never been an injury to a human with the use of the M-44. Under 1080, finding 18, says "1080 is a white powder, soluble in water, very stable, and thus very persistent in ground water." There is a wealth of scientific data on 1080 which can best be summed up by the comments of the Interior Department's top predator scientist, Dr. Donald Balser, testifying before the Senate Interior Subcommittee in Casper, Wyoming. There, Senator Cliff Hansen asked Dr. Balser, "Is compound 1080 persistent in the environment?" The response was "I would say from the literature that it is not. It is broken down in soil and in water." Finding 20, of the EPA fact sheet, proposed 1080 used in predator control has probably killed people, or at least it is not known whether predator control was involved in the human deaths to 1080 or not. The answer is known. The Interior Department has thorough records on deaths from 1080 acquired from the U.S. Health Service. Let me quote Dr. Balser, again at the Casper hearing when he was asked by Senator Hansen, "How many human deaths or injuries have been attributed to 1080 while it was being used for coyote control by the Bureau of Sport Fisheries and Wildlife?" The answer was, "None sir." I'd suggest that in 20 years of use, that is not a bad safety record. It is true that deaths, and several of them have been caused by 1080 in urban rodent control. But that is a later story. Finding 21, under 1080, states there is evidence nontarget species are being adversely affected by 1080, and that the evidence of its effect on various animal populations is not clear. Dr. Frederick Knowlton, who works directly under Dr. Balser, testified at Senate hearings, in Sun Valley, Idaho, June 1, 1973, in response to Senator Frank Church, that, ". . . there is little doubt that some bobcats, foxes, and badgers have been killed through the use of 1080 for coyote control. Despite these losses, the evidence clearly suggests that populations of these species increased markedly as a result of such use." In addition, you have before you the affidavits submitted to the District Court by Mr. Jack Berryman, stating very clearly that there has been no adverse effect upon any of the endangered species, and citing the same evidence used by Dr. Knowlton, to support the case. (I cannot help but notice the logical inference from this data that coyote control with 1080 might be needed to save the notorious black-footed ferret.) All of these facts were available to EPA when they published their statements of falsehoods. Either EPA did not care to obtain the facts, or it chose not to publish them.

3. Individuals within EPA and Interior have been inconsistent. Mr. Korp testified before this Committee Tuesday that EPA had sufficient authority under FIFRA to handle toxicants. Mr. Dominick testified before other Committees of the Congress earlier that more restrictive legislation for predicides were needed! Other pronounced changes were noted Tuesday, too. Suddenly the facts have changed for EPA, as well as for Mr. Reed, on the M-44. It is suddenly recognized to be safe for wildlife and the environment. All the facts about the M-44 were available before the M-44 was ever banned. The facts have not changed. The parties involved have been forced to admit the facts.

They have not yet admitted the facts on other toxicants. Hopefully some of these facts will be brought forth during the EPA hearings upon cancellation of toxicants for rodent control in the month ahead. And it is important to emphasize, as others did Tuesday, that no hearings were held prior to the suspension of predicides, but they will be held for rodenticides. That is progress, but it is not helping the sheepman.

Mr. Reed, from the Interior Department, does not appear to be much concerned with facts either. Under questioning Tuesday, he expressed a belief that probably 1080 was more selective when used to control rodents than when used to kill coyotes. But as a matter of fact, the reverse is true, which is precisely why 1080 was chosen over all other compounds as the one for coyote control. It has relative selectivity, being much more lethal to canines than to other animals. It should be noted that an eagle would have to consume the viscera of seven to 30 coyotes to obtain a lethal secondary dose of 1080. Senator McClure observed during the Sun Valley hearings on predator control before the Interior Subcommittee, "That would take a mighty large eagle." 1080 baits were employed by the Department of Interior in the area of Wyoming where the great eagle poisonings took place. There was a great search for dead eagles, and many found. But, not one had expired from a dose of 1080.

Mr. Reed also testified Tuesday that only a small percentage of coyotes take sheep, about 10 percent, and suggested there was hard evidence to back that statement up. Where is that evidence? I doubt it exists.

Mr. Reed, over a year ago, stated that research breakthroughs were imminent to solve all of our problems. He has changed his optimism somewhat to the point where Tuesday he only said there were "very exciting leads." While Mr. Reed was talking about breakthroughs, scientists were saying no breakthroughs were imminent, and if something were found, it would take two or three years for field tests. Even then possible FDA approval might take years and millions of dollars more.

Mr. Reed also lays all the blame on the Cain Commission for the Executive Order.

Suddenly, there is a shortage of noble statesmen ready to stand up and be counted. The fact is, that the members of the Cain Commission were not even consulted before the Executive Orders were released. Mr. Ben Avery, of the "Phoenix Sun", reported that Secretary Morton did not even see the Cain Report before the Executive Order, and two of the members of the Cain Commission which I have personally talked with have said the Executive Orders were a mistake, never intended by the Cain Commission. Any layman reading the Report will reach the same conclusion. Before Chairman Dingell's Merchant Marine and Fisheries Subcommittee on March 19, 1973, Mr. Dominick, of EPA, attributed statements to the Cain Report which are not even in it. (House Hearings on H.R. 4759, March 19, 1973, page 89.)

This is by no means the end, Mr. Chairman, but I hope you can understand the problems we have faced in attempting to bring the facts before the Congress and the American people, and obtain relief for our industry. Legislation has been proposed which would destroy all hope for sane use of modern chemicals, not only those now in existence, but all future chemicals as well. Research cannot even go on now within the Government on lethal methods for predator control. That legislation has had the support of the Department of the Interior and EPA. We see this legislation as being in direct conflict with FIFRA. It shows no concern at all for the agricultural aspects of the predator problem.

One Congressman has suggested that the proposed legislation will relieve livestock men from complying with the onerous provisions of FIFRA. Frankly, we had assumed FIFRA was enacted to permit the controlled use of toxicants to benefit agriculture and the environment.

While we realize this Committee does not have jurisdiction over that legislation, we do feel your interest is legitimate, so far as the conflicts with FIFRA are concerned. We respectfully ask your Committee to consider attention to the following matters.

(1) Insuring that the FIFRA act is speedily implemented.

(2) Insuring that legitimate applications for registration of state plans are not buried by the lower bureaucracy, but are properly considered and acted upon.

(3) If FIFRA is an adequate law we would appreciate this Committee's support to assure that our needs for toxicants are not singled out for further legislative restriction. If FIFRA is shown to be inadequate to perform as intended, it should be appropriately amended by this Committee.

(4) We ask you to scrutinize the interagency agreement being developed by EPA to consider applications under Section 18 of FIFRA, to see that the agreement is workable and affords expeditious relief.

(5) We would ask that you encourage the Department of Agriculture to insure that the viewpoint of agriculture is expressed only in the Congress on legislative matters vital to the nation's livestock industry.

(6) The whole subject of rodent control is vital to American agriculture. Major changes in rodent control function have been proposed in legislation also designed for predator control currently before Committees of the House and Senate. No hearings have been held on the rodent portions of that legislation, and there is danger of passage without even the knowledge of interested parties that rodent control is involved.

(7) Due to the attitude and conduct of persons responsible at the higher levels, for the predator control function in the United States, we seriously believe this Committee should examine whether the Department of Interior is the appropriate agency to intelligently administer a scientific program of predator control needed to protect domestic livestock production.

(8) Field hearings by this Committee might well prove useful to you in grasping the great diversity of problems, terrain and conditions; and seeing the intense need for relief from predators.

(9) The Agriculture Committee had jurisdiction over, and originally obtained passage of the Act of March 2, 1931, which provided protection for domestic animals from predatory animals. While we do not suggest this Act remain on the books in its present form, we do believe this Committee should determine whether the Act of 1931, should be amended or repealed, rather than permitting the Committee on Merchant Marine and Fisheries to directly repeal it.

AT 19, HE HAS LAUNCHED HIS POLITICAL CAREER

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. BENNETT. Mr. Speaker, it was my pleasure in 1970 to appoint Ramon L. Day as page for the House of Representatives. This has been but a short time ago but this young man has already made great strides in his chosen career in

Government and politics. I take pleasure in including in the CONGRESSIONAL RECORD at this point an article published in the Jacksonville Journal in its September 1 edition, which is an outstanding tribute to this young man. I feel sure all who knew him here in Congress as a page are delighted at his advancement and prospects.

AT 19, HE'S LAUNCHED HIS POLITICAL CAREER

(By John Farley)

Today the Charter Revision Commission, tomorrow the world.

That's the attitude of Ramon Day who, at 19, is the youngest member of the commission and probably the youngest person in city government.

Day, who took his seat on the commission this week, is a young man with soaring political ambitions. He views the commission as one rung on a ladder to greatness.

Handsome, well-spoken and exuding self-confidence, Day seems ready to climb that ladder.

Day, a sophomore at Jacksonville University majoring in political science and history, traces his interest in government back to the eighth grade.

"I'd say my interest in government began in the eighth grade and that I've been following government closely since 1971," Day said. "Now, I'm glad I have the opportunity to study government with a fine tooth comb."

Day was born in Madison, but has lived in Jacksonville since he was 2½. His father died when he was 3 months old.

Day has two older half-brothers, one a construction foreman and the other a farmer. His mother runs a small day nursery at home.

Day attended Duval County public schools for 12 years before entering college last fall. He made his first attempts at political office while in Terry Parker High School, meeting with mixed success.

"I was a junior class officer and an unsuccessful candidate for school president," Day said.

Did his defeat dampen his enthusiasm for politics? Not in the least.

"My loss only intensified my interest in government because it took determination to come back," Day said.

Day, a Democrat, had a taste of big-time government three years ago when he worked as a page for Congressman Charles E. Bennett in Washington.

"In November 1970, when I was a junior at Parker, I served as a page for Mr. Bennett in Washington," Day said. "It was a fantastic experience being there for the first lame duck session of Congress in 20 years."

His duties consisted of "carrying things around the Capitol grounds," but in the process he had the chance to meet many congressmen. He said it was an experience he'll never forget.

Day's interest in politics has led him to play an active part in legislative races.

"In 1970, I worked in Sen. (Lynwood) Arnold's campaign, but he was defeated by Bruce Smathers," Day said. "I also helped Bennett in the general campaign by passing out literature in shopping centers, door-to-door canvassing and even making a speech for him in Maxville."

Although still in school, Day is no stranger to the working world. Over the past few years, he has worked at a variety of part-time and summer jobs.

"I worked at my uncle's service station after school during my three years at Parker," Day said. "This and the past summer, I worked in construction as a general laborer. This past school year, I worked at the Florida National Bank in the trust department and I'm hoping to do the same this coming year."

Day said that the older construction workers did not take too kindly to him at first, but after a while got used to having him around. The older workers often tried to play jokes on him and once they succeeded.

"They sent me to get some beam stretchers—the blue ones," Day said. "I went and asked the foreman, and he didn't know what I was talking about. I didn't know there was no such thing. You can't stretch a beam."

Day pointed out that he was quick to learn from his mistake.

"I didn't fall for it the time they sent me for a bucket of steam," he laughed.

Most of Day's recreation interests are water-oriented.

"I like to swim, water ski and I try to surf," Day said. "I really work at keeping a good tan. I'm on the beach as early as February each year."

Day said that for some reason he gained a great interest in reading this summer.

"I've read several books this summer mostly nonfiction," Day said. "I have a special interest in biographies. I've just finished a biography on John Kennedy."

Although he greatly admires Kennedy, Day said that his favorite American politician and statesman is Thomas Jefferson.

"Jefferson was an aristocrat with an understanding of the common man," Day said. "He knew that a democracy demands equal control by all groups, that there must be an informed and educated electorate and an elected officialdom."

After graduating from Jacksonville University, Day hopes to attend law school at the University of Virginia, a school founded by Thomas Jefferson. Statistics show that most congressmen are lawyers.

Day's appointment to the Charter Revision Commission was not a matter of chance. By attending meetings and actively seeking the post, Day captured a seat through his own initiative.

"I went to a meeting in May and heard that J. J. Daniel had resigned and they were looking for a replacement," Day explained. "After the meeting, I talked with Dave MacNamara, the council secretary, and told him I was thinking about applying for the position. He told me to write an official letter of application to him, which I did.

"On July 10, a resolution was introduced in City Council nominating me for the seat. On July 20, I went before the rules committee and was questioned by them, and they confirmed my appointment. On Aug. 14, I was confirmed by full City Council."

Day faithfully attended commission and subcommittee meetings during the past few months to familiarize himself with the issues under consideration.

At Wednesday night's commission meeting, Day received the assignment he most wanted, the Beaches and Baldwin committee.

"I'm mainly interested in the Beaches and Baldwin committee and I've been keying myself for that one," Day said. "The relation of the Beaches and Baldwin to the city is a vital area of study."

What are his political ambitions beyond the commission and law school?

"Maybe the state legislature. I'd have to serve in the legislature before aiming for my biggest ambition, the Congress, the Senate and then, who knows."

It seems like a logical enough progression, but Day admits that there are many pitfalls along the way.

"I'll have to wait and see how things work out," Day said resignedly. "It's a rough profession."

Day said it is a shame that more people are not interested in government in this country.

"I can't think of anything a person needs to be interested in as much as government, since government plays such a major role in everyone's life," Day said. "When a person isn't interested in government, he isn't interested in people and their problems."

The Watergate revelations have not shaken Day's desire for public service in the least.

"Watergate has reintensified my interest in politics," Day said emphatically. "If someone has strong feelings about what the country should do, he should go out and try to solve the problems. I don't have all the answers, but I'm willing to give it a try.

"We may try to solve the problems and be unsuccessful, but if we're content we'll never get a better answer. We must keep on trying."

Day seems like a young man who will keep on trying and just may make it to the top in the process.

He summed up his philosophy in a quote from a contemporary movie: "When the trying ends, the dying begins."

COLLAPSE OF PENN CENTRAL RAILROAD

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. RINALDO. Mr. Speaker, the story of the collapse of the Penn Central Railroad and of the bankruptcy of five other carriers in the northeast is an all-too-familiar one, especially to New Jerseyans who have been forced to endure a seemingly endless string of rail crises.

Congress has a clear obligation to act, in light of the realities of the situation and in view of the July 3 request by the Federal judge in the Penn Central case, who requested the ICC to certify an approved plan of liquidation or partial abandonment by October 1.

It is obvious that we must not rush into action that would merely cover up the situation or legislation that would be too costly and involve excessive governmental intervention.

After analyzing the many bills on this subject, I have concluded that the kind of legislation the times and circumstances presently require should include the following provisions:

First, we should avoid nationalization—regardless of the euphemism that might be employed to disguise the actuality. Such a step could not solve the fundamental problems of our ailing railroads. In fact, it could worsen them.

Second, the task of developing the regional rail plan for the Northeastern States should be developed by a special commission or panel. No individual Federal agency should be given the power of life and death over the economy of so large a part of our country.

Third, the final plan should be ratified by both Houses of Congress.

Fourth, the private sector must provide the extensive capital needed for rehabilitation. The funds themselves could be channeled through a financial intermediary similar to the Federal National Mortgage Association.

Fifth, any new program should be designed to avoid putting solvent rail lines and other competing modes of transportation at a disadvantage and thus unfairly jeopardizing their solvency.

Sixth, the rights of the railroad employees must be protected.

Seventh, and perhaps most important, any new operation absolutely must be a profitmaking private enterprise, generating its own revenues for operations. Any external financial help should be carefully limited in scope and purpose.

For these reasons, I am joining in sponsoring the Northeastern Regional Rail Services Act of 1973, H.R. 9142.

This measure would provide a sensible approach to the problem of money-losing branch lines. While the economy of communities such as those along the Lehigh Valley branch through Union County in the 12th Congressional District of New Jersey would be adversely affected by peremptory abandonment of rail services, some type of shared financial aid, limited as to amount and duration, should be provided. The bill would authorize the Federal Government to put up 70 percent of the funds required to keep a branch line in operation, provided the States, local communities or regional authorities agree to put up 30 percent of the costs.

Limited and temporary Federal aid, on a shared basis with the communities involved, would seem to be the most prudent approach. Such a program would prevent far larger indirect economic costs in terms of business closings and lost jobs.

The Northeast Regional Rail Service Act is a sound, responsible approach that provides the needed amount of money in precisely the right places and by the right procedures. I urge support of this measure.

CLOSING OF ST. ALBANS NAVAL HOSPITAL

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. WOLFF. Mr. Speaker, I would like to bring to the attention of my colleagues a WNBC–TV editorial and a WCBS–TV editorial on St. Albans Naval Hospital in Queens. The Navy is planning to close the hospital. The area's veterans, some of whom must travel 40 miles to receive the health care they need, would be well served by this hospital. Virtually all members of the New York delegation and I have tried to have the Veterans' Administration take over the hospital and keep it operating. Senators BUCKLEY and JAVITS, Governor Rockefeller, other members of the New York delegation and I wrote to the President in support of a VA takeover of St. Albans Hospital. Despite our best efforts, we have not yet seen this administrative change, which is the least we can do for our veterans.

The following editorials speak eloquently of the need for the VA to run St. Albans and of the problems that have been encountered in trying to make this change:

[WNBC–TV Editorial, Aug. 20, 1973]

ST. ALBANS GOOF

The Navy is anxious to abandon St. Albans Naval Hospital in Queens. In fact, a group of disabled veterans had to go to court to stop the Navy from carting equipment out of the hospital. The veterans—half a million of them in Queens, Nassau, and Suffolk counties—want the Veterans' Administration to take over the hospital and keep it in operation. They've been joined by borough president, Donald Manes, state and federal lawmakers, in trying to persuade the VA to move in before the Navy moves out.

Unfortunately, the VA is dragging its feet. And what's worse, the Department of Agriculture has been visiting St. Albans' 117 acres in the past few days, with blueprints for an animal quarantine station complex. Men who have fought for their country should be higher on the priority list than imported animals.

It would be a tragic blunder if St. Albans ended up that way. We think the VA should take over the hospital immediately, before the Navy lets it deteriorate. And we don't think possible top-level personnel changes in the Veterans Administration should stand in the way of that take-over. The VA must act now to save St. Albans hospital.

[WCBS–FM editorial, Sept. 14, 1973]

ST. ALBANS NAVAL HOSPITAL

We thought it was a bad joke. But we checked and it's true. The Department of Agriculture is promoting a plan which calls for the construction of a quarantine center for imported animals in the middle of South Jamaica, Queens.

The 116 acre site, presently occupied by the St. Albans Naval Hospital, just happens to be surrounded by one of the city's finest black residential communities. This tiny pocket of affluence is in turn surrounded by areas of desperate poverty.

Instead of creating an area for housing animals for zoos and breeding purposes, a group of South Jamaica residents have proposed that the site be used for housing, schools and a community medical center, upgrading the entire area, affluent and ghetto alike.

Ultimately the use of the site will be determined by the General Services Administration. Its suggested use as an animal quarantine is outrageous.

We at WCBS/FM hope that the community group's idea gets preferential treatment.

ARAB OIL

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. REID. Mr. Speaker, I insert in the RECORD an incisive article which appeared in the September 1973 edition of the ADL Bulletin, the national publication of the Anti-Defamation League of B'Nai B'rith.

The article regards our present energy shortage, and pressures which are being levied on the United States to change its policy of support and backing for Israel in return for agreements with Arabian countries on oil.

Mr. Speaker, I commend this article to the attention of my colleagues.

ARAB OIL BLACKMAIL

(By Arnold Forster, associate director and general counsel of the Anti-Defamation League)

(The myth of Israel's relevance to the oil situation has been manufactured to hide the real reasons for an "oil problem"—and to force a change in United States policy.)

Seeking to exploit their pivotal position as a major world source of crude oil in a period of rapidly escalating demand for it, the Arab states have launched a campaign of propaganda and political pressure to blackmail the United States into changing its policy in the Middle East. The campaign, aided in this country by pro-Arab forces and giant international oil companies, is aimed at convincing Americans that a reversal of U.S. Middle Eastern policy—away from support for Israel's survival—is the only way to assure a continuing flow of Arab oil.

In recent months, the American public has been deluged with articles, analyses, editorials and cartoons linking a so-called "oil shortage" and "energy crisis" to American policy in the Middle East. Two oil companies, Standard Oil of California and Mobil, have joined the attempt to influence public opinion.

In a July 26 letter to its 40,000 employees and 262,000 shareholders, Standard Oil of California brazenly lobbied for support of Arab policies. According to the letter, signed by Standard's board chairman, O. N. Miller:

". . . There now is a growing feeling in much of the Arab world that the United States has turned its back on the Arab people. . . . The Arab States—and Iran—hold the key to the energy resources which fuel the industrialized nation. . . . They represent the only major source to which the United States can look for any substantial increase in its crude oil imports to meet our needs. It is highly important at this time that the United States should work more closely with the Arab governments to build up and enhance our relations with the Arab people. We as Americans have a long history of friendship and cooperation with Arabs. It goes back more than 100 years, long before the first oil operations, and involves cultural relationships which encompass education and religion, as well as commercial trading. . . . There must be understanding on our part of the aspirations of the Arab people, and more positive support of their efforts toward peace in the Middle East. . . ."

On August 6, in response to massive protest from Jews and others, Mr. Miller sent a letter to a representative of the Jewish community declaring in part that: "Some people have indicated that they thought I meant to imply in my statement that peace and stability in the area could be established without regard to the existence of Israel or its legitimate interests. This is simply not true and no such implication can or should be read into what I have said. . . ."

He refused, however, to send this second letter to the employees and shareholders who had received the first one.

In a June 21 ad in the *New York Times* titled "The U.S. stake in Middle East peace," the Mobil Oil Company said in part:

". . . Like it or not, the United States is dependent on the Middle East even just to maintain our present living standards in the years immediately ahead. . . . We in the United States must learn to live with the peoples of (Saudi Arabia and Iran) and to understand that they look to us for policies that recognize their legitimate interests and aspirations. . . . If our country's relations with the Arab world . . . continue to deteriorate, Saudi Arabia may conclude that it is not in its interest to look favorably on U.S. requests for increased petroleum supplies. . . . It is therefore time for the American people to begin adapting . . . to the realities. . . ."

Some articles and comments in influential and widely circulated newspapers and magazines have posed the issue bluntly: Oil or Israel. Yet Israel is extraneous and wholly irrelevant to the oil situation. The current oil supply squeeze would have confronted the United States even if the Jewish state had never been born. And the "energy crisis" and "oil shortage" are not the same.

One is related to the rapid growth in demand for oil and oil products while the oil companies, for many reasons, have failed to expand refinery capacity to meet the increased need and the development of alternative energy sources has lagged. Israel's existence and safety have nothing to do with the world's rapidly accelerating need for energy sources.

The alleged "oil shortage," however, is related to the declining value of the American dollar. There is an economic reason for keeping oil in the ground. Why sell now for cheap American dollars, when the output can be held down until it can command higher prices in a more stable economy?

Afraid of stating their case in such crass money terms, the Arab oil potentates have adopted the position long urged on them by their non-oil-producing allies: Crude oil supplies will continue to flow to the West, and even be increased, if the United States ends its support for Israel and expresses far greater sympathy for the Arabs' political position.

To cite "United States support for Israel" as the reason for an oil shortage is to make Israel a convenient tool and scrapegoat. The the Arab oil-producing countries would be crying "oil shortage" even if there were no Israel.

Many experts have pointed out that the United States has a sufficient supply of crude oil; what is lacking is the capacity to turn it into useful commodities for autos, furnaces and air conditioners. This refinery capacity has not been achieved because American oil companies—including those which have been publicly bemoaning a shortage—have been concentrating on big profits from crude oil. A major part of the oil problem has been the failure of our own government, the oil companies and other private interests to build the necessary facilities for refining crude oil.

Thus, the "oil problem" is not a political problem at all but an economic one. The relevant aspects involve supply and demand, American refining capacity, alternative sources of energy, Washington's regulatory policies on energy, and certain practices in the American oil industry.

The solution, therefore is not political but economic. The answer does not lie in bowing to Arab blackmail by stabbing Israel in the back. If Israel died tomorrow, the Arab oil-producers would still prefer to keep their precious commodity in the ground, for the reasons cited.

Experience shows that political appeasement and submission to Arab blackmail have a way of backfiring. There is a lesson in the experience of France, which, to insure adequate oil supplies, turned its back on Israel, bent tothe demands of the fanatical Libyan dictator, Muammer el-Khaddafi, and thought it was then safe. Now, four years later, France has yet to reap its expected rewards, is still being denied the extra crude oil it needs and like all other Arab oil customers, is paying steadily skyrocketing prices for the supplies it is managing to get.

The answer to the oil problem lies in the development of a sound, long-range American energy policy aimed at achieving greater national self-sufficiency in oil and other fuels and at freeing the United States from its dangerous depedency on unstable, often unreliable, frequently bellicose Arab regimes.

For its own national security, the United States must avoid overdependence for a major resource on any single political bloc on the international scene. Also for its own national security, the United States must continue to support the sovereignty and integrity of Israel, its only reliable friend in the Middle East and the only truly democratic government in that part of the world.

That the Arab propaganda campaign against Israel is playing on American concern over the "energy crisis" can not be taken lightly. According to a recent Louis Harris poll, 77% of the populace view the "energy crisis" as "serious." This represents a considerable segment of the American public which may be disturbingly vulnerable to the anti-Israel arguments of the Arabs and their sympathizers—if they are not countered.

The task is to bring the truth to the American public before it is too late. To this the Anti-Defamation League is dedicated.

MISSOURI COMMISSION ON CIVIL RIGHTS

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. HUNGATE. Mr. Speaker, I would like to call to my colleagues' attention the efforts of the Missouri Commission on Human Rights as detailed in their August newsletter.

They have an important, difficult, and sometimes thankless task and deserve credit for the worthwhile effort they are making.

The newsletter follows:

PROGRESS, NEWSLETTER, MISSOURI COMMISSION ON HUMAN RIGHTS

ABOUT THE HUMAN RIGHTS COMMISSION

The Missouri Commission on Human Rights is the state agency which enforces Missouri's anti-discrimination laws. These laws make it illegal to discriminate in employment practices, housing, or in places of public accommodations because of race, creed, color, religion, national origin, or ancestry, and because of sex in employment only.

The Commission was created by the 69th General Assembly in 1957, and made a permanent agency in 1959.

The Governor appoints 11 Commissioners to serve on the Commission without pay. One Commissioner is appointed from each congressional district, and a chairman is appointed-at-large.

COMMISSION PREVIEWS THE FUTURE

The Missouri Commission on Human Rights met in Jefferson City on July 27 and 28 with the new Chairman, Edwin Pruitt, Jr. presiding. The Commission adopted a policy of being in favor of the Equal Rights Amendment for Women.

The Commission also voted in favor of initiating action to amend the State Human Rights laws to make the Commission more effective and responsive to the needs of the people. These amendments would include: providing for hearing examiners to hold public hearings; provide the staff with a General Counsel; extend time allowed to file a complaint from 90 to 180 days; include age discrimination in the employment law; include sex and age in the public accommodations and housing laws; and to amend the Fair Housing Law to make it more in line with the Employment and Public Accommodations Laws.

COMMISSION PUBLISHES 'NEGROES IN MISSOURI'

"Negroes in Missouri", an analysis of the racial characteristics of the Missouri population using the 1970 United States Census of Population, has recently been published in revised form by the Missouri Commission on Human Rights.

"Negroes in Missouri", has been written by Dr. Rex R. Campbell of the University of Missouri's Department of Sociology and Thomas E. Baker, a former member of the Commission Staff.

The following is the introduction to the study written by Campbell and Baker:

"The 1950's and 1960's were the years when Black Americans joined together to tell White Americans of the plight. The conscience of much of White America was shaken. Supporters of equal rights forced passage of government programs and anti-discrimination laws.

Periodically it is helpful to pause and consider the results of such social movement. Lest we forget the importance of the racial issue, Blacks now number over 480,000 in Missouri and are over 10 percent of the population.

In 1949, the Missouri Association for Social Welfare published a follow-up study. The Commission found that discrimination permeated virtually all aspects of Black life. Economically, Blacks were segregated to job classifications in the lower part of the occupational ladder and thus earned lower incomes. Public accommodations were segregated, including health care facilities. Some towns in rural Missouri still had 'sundown' laws.

In 1964, the Commission published still another study regarding the status of Black Missourians. This study, *Negroes in Missouri—1960,* was developed from the 1960 U.S. Census data. The data clearly showed Blacks were disadvantaged in comparison to Whites.

The current study is a follow-up on the earlier census study. Through it we can see twenty years of success and failure in race relations.

While the 1960's were years of progress in race relations, the 1970 census shows that Black Missourians are still severely disadvantaged in comparison to whites.

The 'educational gap' has grown. The average Black in Missouri now has 10.0 years of education while the average White Missourian has completed 12.0 years of school. In 1960 only about a year of school separated the two groups. This situation is unfortunate since nationally the education gap has decreased slightly.

A few Blacks do hold high level jobs, but the overall employment picture is much the same as 1960. Blacks still tend to be located in the lower paying jobs. They have an unemployment rate twice as high as White Missourians. The income of the average Black family is 25 percent lower than the income of the average White family.

Blacks have not made the progress in education and income during the last ten years that was desired. While the census data cannot reflect the finding, progress has been made in opening public accommodations to all people. With limited exceptions, public accommodations in Missouri are now offered equally. The 'sundown' laws are gone.

Included in the current publication is census data concerning 'national origin.' The data is included because of its relevance to anti-discrimination laws. Data on Missouri's Spanish American population is not included because it has not been verified. For more detailed information on characteristics of the population the reader should consult the publications of the Bureau of the Census.

Copies are available by request at the Commission office.

NEA-AFT POWER LUST

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. HUBER. Mr. Speaker, the opening of public schools this year has been marred by a series of strikes against various school systems. Increasingly, the trend is toward total unionization in some form for our public school teachers. Is this union adversary approach good for education? I think not. In an excellent article by Russell Kirk in National Review for September 28, 1973, it is pointed out that the continuation of this trend may mean that the public schools will not be public any more and that the paying citizen will have even less control than he does now. I commend this article to the attention of my colleagues:

NEA–AFT Power Lust

In several states, militant teachers' unions aspire to control totally the apparatus of public instruction. Their method is this: First, bring pressure upon state legislatures to authorize the agency shop or union shop for public-school teachers and other public employees; second, extract great sums of money annually from the teachers in the public schools, through union dues (or "equivalency fees") that will be exacted compulsorily from all teachers under agency-shop contracts; third, use this money for political campaigns against school boards and against members of state legislatures and other public men who oppose a monopoly by the teachers' unions.

If effectual control of the educational apparatus were to pass from the hands of public trustees and administrators to the hands of union leaders, then eventually what is taught in the system of public instruction, and what persons are employed to do the teaching, would be determined by union organizations not subject to ordinary political processes. Under such circumstances, the educational system would cease to be genuinely public, and its policies would be those of a kind of union elite. This surely would result in immense increase of costs, for the beneficiaries of expenditure would control the expenditure. More important, this would produce intellectual servility to a clique of teachers' union bosses.

For the national teachers' unions, whether the NEA or the AFT and their state and local affiliates, have ceased to be professional associations—if, indeed, they ever truly were. Their concern nowadays is not with the improvement of public instruction, really, but with power and money for their own organizations. Worse still, these teachers' unions have a discernible ideological bent, hostile toward genuine learning and toward genuine academic freedom. On a national level, the political hunger and anti-intellectual objectives of the present National Education Association are sufficiently suggested in some remarks of Mrs. Catherine Barrett, now president of the NEA, and in the NEA's booklet "Schools for the 70s."

Mrs. Barrett looks forward to the time when the NEA will be the most powerful force in America, with a vast political budget, electing and defeating candidates at every level. When that happy day arrives, "we will need to recognize that the so-called 'basic skills,' which currently represent nearly the total effort in elementary schools, will be taught in one-quarter of the school day," she says. "The remaining time will be devoted to what is truly fundamental and basic."

What does President Barrett mean by these phrases? Why, she advocates a "problem-oriented curriculum," which would instill correct opinions about "war, peace, race, the economy, population, the environment"—in short, the most controversial issues. If parents should disagree with the triumphant NEA—well, it would be somewhat tardy for them to disagree, power already having passed to a union monopoly. If professors and teachers should dissent from Mrs. Barrett and her colleagues, who control the NEA's costly propaganda-apparatus—why, perhaps they can find jobs in some other line of endeavor.

The system of public instruction would be captive to ideology. At best, this would be an ideology of "ritualistic liberalism," alien to the beliefs of most Americans; possibly it would be a thoroughly radical ideology. If one would control a nation totally, first obtain thorough control over the schools.

In a few states, already compulsory unionization grips public instruction. In most states, unionization has moved from the schools upward into many community colleges, and from them into some state colleges and universities. If teachers and professors will not join these unions, still they must submit to having the union nominally bargain for them, fixing the terms of their employment. Teachers' unions aspire to the concept of the union hiring-hall; that is school boards would be compelled to obtain all their teachers through a teachers'-union screening process.

Early in July 1970, the president of the National Education Association declared publicly, at San Francisco, that within a decade the NEA would be the most powerful group in America, with an annual budget of a billion dollars. "The world has never seen an organization of this magnitude," he said. By the end of the Seventies, he continued, the President of the United States would kowtow to the NEA, which then "will control the qualifications for entrance into the profession and for the privilege of remaining in the profession." One detects here what the NEA thinks of the doctrine of academic freedom.

On a local level, here and there, individual teachers or relatively small teachers' associations have endeavored to resist the push toward total power by NEA and AFT. These friends of educational freedom have fared well enough in state courts, often, but less well in state legislatures. This summer the powerful teachers'-union lobby, amply supplied with money to contribute to legislators' "campaign funds," jammed through Michigan's legislature an act authorizing the agency shop for teachers and other public employees. This undid a decision of Michigan's Supreme Court (in which even Justice G. Mennen Williams had concurred) that had found the agency shop in violation of Michigan statutes. Governor William Milliken was too much afraid of the teachers' union lobby to veto the act.

On a national scale, nevertheless, teachers who oppose the power lust of the NEA and the AFT have organized their resistance. On August 16, in Denver, there was held the first national convention of the new National Association of Professional Educators, and your servant addressed NAPE's General Assembly. Those interested in NAPE's stand can write to the National Association of Professional Educators, 223 Thousand Oaks Boulevard (Suite 425), Thousand Oaks, California. They need all the members they can attract; their object is not to obtain power, but to restrain power.

WASHINGTON REPORT

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. MINSHALL of Ohio. Mr. Speaker, under leave to revise and extend my remarks I submit for the Record my September newsletter, Washington Report:

Washington Report

(By William E. Minshall)

After a long hot summer, things are cooling off in Washington . . . Subdued by reaction of their Watergate-weary constituents, Members of Congress came back from the August recess in a less rancorous mood. Awaiting them was a more open, approachable White House and a firm but conciliatory President Nixon. "There can be no monopoly of wisdom on either end of Pennsylvania Avenue," he told the returning Congress, "and there can be no monopoly of power." . . . The new rapprochement does not mean an end to sharp clashes over national issues, rather that lines of communication are once again open. Nor does it indicate that Watergate is water over the dam, though it does signal growing sentiment on all sides that this matter now should be turned over to the courts. Leaders of both political parties on Capitol Hill welcome this healthy change of atmosphere as vital to our Nation's best interests.

Getting on with the people's business . . . Symbolic of this return to normalcy, the President early this month took the unusual step of submitting a second "State of the Union" message, reiterating and updating national needs and proposed solutions: *The Economy*—Of top concern to everyone. The Administration expects Phase IV to slow inflation, is taking measures to assure that food supplies keep up with demand, and has placed Federal Reserve controls on the flow of money. Now Congress is asked to avoid inflationary deficit spending by staying within the $268.7 billion budget. As always, my votes are cast for economy, but if Congressional spenders have their way American taxpayers could receive a bill for more than $7 billion. The President also recommended tax reform, including property tax relief for older Americans. An additional economy-building tool urged by the Chief Executive is the Trade Reform Act, now being readied for House action by the Ways and Means Committee, to give greater flexibility to the President to use trade policy to fight inflation and correct our balance of payments.

Energy—Four bills still in Congress which the President describes as of "utmost urgency and must be acted upon before the end of the year" are the Alaskan pipeline, now in conference . . . construction of East Coast deep-water ports to handle petroleum super-tankers . . . de-regulation of natural gas to encourage expanded supplies . . . new standards for surface coal mining safeguarded by rigid land restoration requirements . . . National Defense—Declaring the U.S. is "already at the razor's edge in defense spending," the President warned he would veto any bill containing cuts that imperil national security. My Defense Appropriations Subcommittee is walking that razor's edge carefully, mindful that prudent reductions can be made which will not jeopardize America's strength. The President's objections are to meat-axe slashes which could destroy our chances of reaching a multilateral agreement with Warsaw Pact nations on reduction of troop levels in Europe, as well as imperil negotiations for further mutual arms limitations.

Other key issues pinpointed by the President for prompt Congressional action—complete updating of the Federal Criminal Code, the first sweeping revision since 1790 . . . restoration of the death penalty for certain high crimes . . . Private pension reform to protect employees' investments and their rights to benefits . . . extension of vocational rehabilitation with improved training programs for the handicapped . . . Education revenue sharing to replace the present fragmented, narrow and rigid programs of grants to elementary and secondary schools . . . Environmental programs encompassing national land use policy; new standards for determining possible hazards of industrial chemicals and a new program to protect the purity of the nation's drinking water.

Home improvements—It's good to report my success in securing some highly visible local returns on your tax money for you. I was instrumental in gaining a $200,000 appropriation for Cleveland Harbor this summer . . . My request to the Administration for another Federal office building in Cleveland has been given the green light for consideration in next year's building program. Benefits will be threefold: a boost for our construction industry, consolidation of agencies now scattered throughout the area, and, within 5 years, savings to taxpayers of some $1.7 million annually on rented space . . . Earlier this year I obtained funds for Parma for a public recreation area at the NIKE site I secured for that city in 1971 and am now working on funds for a recreational park at the NIKE site I obtained last year for Rocky River, Fairview Park and Westlake.

Calling all artists. Deadlines for Interior Department's annual Duck Stamp Design Contest is November 15th. Rules may be obtained by writing the Office of Public Affairs, Fish and Wildlife Service, Department of the Interior, Washington, D.C. 20240.

POLITICAL PRISONERS IN SOUTH VIETNAM

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. HAWKINS. Mr. Speaker, there have been many estimates of the number of political prisoners in South Vietnam. It is difficult to verify the exact number of people imprisoned for reasons of conscience because neither the press nor Congress is given access to the prisons. Documents smuggled out of Vietnam make it clear that it is a considerable number. It is a violation of the Paris peace agreement. And, financing the arrest of these people and their imprisonment is a misuse of our tax money. There are things that the Congress of the United States can and should do to stop this immoral waste of American money and prestige.

In Vietnam, a committee headed by a respected Catholic priest called the Committee to Improve the Prison System estimates that there are 200,000 political prisoners of the Thieu regime. They base their estimates on prison-by-prison figures that they have received from inmates, guards, and Ministry of Interior officials.

Amnesty International estimates that there are at least 100,000 political prisoners in South Vietnam.

The U.S. Department of State also agrees that there are political prisoners in South Vietnam—but will acknowledge only 500 to 1,000 noncommunist political prisoners. They also admit that mistreatment occurs.

It is important for those of us entrusted with the expenditure of U.S. taxpayers' funds to study the evidence presented here carefully. Do we want to ask Americans to pay $20 million in direct support of a police and prison system that jails large numbers of religious leaders, students, and workers? Do we want to ask the U.S. public to provide $2.5 billion in support of an administration such as Thieu's that does these things to its own people?

American aid is not getting to those who need it most. U.S. money is helping to make the rich, wealthier—as the poor sink deeper into poverty. I saw this when I was in Vietnam in 1970. News reports from there confirm that it is still true.

When I went to Vietnam 3 years ago with Congressman William Anderson to find out what was happening to U.S. money, I was appalled by the political repression. This is what I said to my colleagues in Congress then about the tiger cages of Con Son:

> The Tiger Cages are cells approximately five feet wide and ten feet long. Five persons are crowded into this space surrounded by cement walls and floors on which inmates sleep. About a foot off the floor is an iron rod to which the legs of the inmates are shackled. Lying in this position for years causes a paralysis of the legs.
>
> Occupants are fed a small portion of rice and few dried fish, often molded, and always an inadequate amount of water which forces the prisoners through exhaustion to drink their urine.
>
> At the top of the cages are kept boxes of lime which is sprinkled into the cages to quiet any noise or disturbance. More often, however, those who protest against their treatment are beaten by trustees who thereby earn special privileges.
>
> In opposition to prison officials, we walked the walkway atop the cages to interview various prisoners. Among them were several students, a Buddhist monk, and an elderly woman 60 years of age who was blinded from beatings. None we interviewed had criminal records but generally had been imprisoned, often without judicial trial, merely for participating in peace demonstrations. Although many were sick, medical care was practically non-existent. The only merciful thing observed was a separation of men and women.

Because of the international protests and the concern expressed by Congress, the 60-year-old woman was released.

The Buddhist monk that I talked to has since died as a result of mistreatment in jail. The high school girl who spoke excellent English and talked directly with us, is still in prison—paralyzed and suffering from tuberculosis.

After our visit to the prison island, the Saigon Government said it was going to do away with the tiger cages. Then they ordered the prisoners to build new ones. The political prisoners refused to build their own tiger cages and were put back in shackles. Then the U.S. Department of Navy gave a $400,000 contract to an American company to build new ones. These new cells, called "isolation cells," are 2 feet smaller than the former tiger cages. The few people released from them are paralyzed.

I urge every congressional office to do everything in their power to end all aid to the Thieu regime until the torture stops and the political prisoners released. The shackling, torture, and massive arrests are a mockery of democracy, a waste of our money, and a deep human tragedy.

This week is a special week of concern about Vietnam's political prisoners. There will be religious services in churches and temples all over the country this weekend. I urge each Member to support these activities.

I urge President Nixon to review American priorities. We should not support repressive dictators abroad when we are not meeting our own housing, medical, and educational needs.

Thousands of people are locked up, ill-fed, and often tortured. The U.S. Congress can refuse to pay the bill for this and we should refuse.

THE NONCOMMISSIONED OFFICERS ASSOCIATION

HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. DOWNING. Mr. Speaker, September 21, 1973, marks the 13th anniversary of the Noncommissioned Officers Association of the United States of America (NCOA), the largest career-enlisted, quasimilitary association in the United States.

Conceived in 1960 by a small group of noncommissioned officers in San Antonio, Tex., the association was dedicated to the task of bringing large numbers of noncommissioned and petty officers together for a common goal—legislative and economic recognition, and enhancement of the image of the professional enlisted member.

In its 13 years the association has grown to an international recognized fraternity, worldwide in scope, and with a prospect of an unlimited future.

Its membership is nearing the 150,000 mark and represents noncommissioned and petty officers of the Army, Marine Corps, Navy, Air Force, and Coast Guard. Although the majority is serving on active duty at this time, there are increasing numbers of military retirees, Reservists, National Guardsmen, and veterans joining this "association in motion."

And the NCOA is in motion. In its youthful existence, it has already asserted itself as a strong legislative group, and the benefits and services it provides to and for its membership are second to none. Yet it continues to initiate and offer more benefits and services for its members. It is truly representative of its creed.

> It is with the conception and full understanding that many things of great need and importance can be accomplished in unity and cooperation, but otherwise impossible, that the Members of the Non Commissioned Officers Association of the United States of America have agreed to join their efforts and strength to work together for the well being of the individual, the group, and for the greatest benefit of our beloved Nation.

Through the NCOA, noncommissioned and petty officers are beginning to take a new look at their position in the military and the local community. There is a new pride in those hard-earned stripes that adorn their sleeves. They are realizing that civic awareness can be an asset to the base or civilian community in which they live. They have built orphanages, blood banks and clinics, have assisted in disasters, worked with retarded children and youth groups, conducted traffic and drug safety programs, urged their friends and neighbors to vote, and have assisted and aided military commanders and civic officials in numerous ways.

Communities around the world have

felt the impact of NCOA chapters, some 350-plus, where members have combined their efforts to create a fresh, new climate of social, patriotic and benevolent attitudes.

The NCOA and its active membership is forming a concerted group effort toward attaining specific objectives that will serve to build fellowship, pride and well-being among its members, and to protect and provide for that important element of our American society—the career-enlisted member of the U.S. Armed Services and his or her family.

As an honorary member of this great and viable organization, I am privileged to wish my association—the NCOA—the happiest of birthdays. May it grow stronger and continue to assist its members for many, many years to come.

BROADCASTING NATURALIZATION CEREMONIES

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. FISH. Mr. Speaker, 5 years ago, Mr. Harry M. Thayer, chairman of Hudson-Westchester Radio, Inc., instituted a unique type of program on radio station WGHQ in Kingston, N.Y. He decided that the naturalization ceremonies held periodically at the county supreme court in Kingston should be broadcast. As a result, radio listeners in the Kingston area have been afforded the opportunity of taking part in a ceremony that represents a highly cherished moment in the lives of countless individuals.

Prior to and immediately following the actual ceremony, Mr. Thayer conducts interviews with the newly naturalized citizens who are asked to convey to the listeners their thoughts and feelings on this very important occasion. The ceremony itself is a moving one, and includes the presentation of the color guard by the Women's Auxiliary of the VFW.

I believe that Harry Thayer is to be commended for his initiative in this area of broadcasting which has resulted in several broadcasting awards for WGHQ. At this point in the RECORD, I would like to insert the text of an article which appeared in the September issue of "Beam International," a newsletter that serves broadcasters around the world. The article highlights these novel broadcasts as well as Harry Thayer's efforts to persuade radio stations around the country to follow his lead.

WGHQ RADIO AIRS NATURALIZATION EVENTS AS EMIGRANTS ELECT TO BECOME VOTERS

Citizenship is not something to be taken lightly. And a regular re-evaluation of what it means tends to make the take-America-for-granted type of citizen sit down and count his blessings—income tax and all.

"About five years ago, WGHQ Radio realized that the naturalization ceremonies held every three or four months at the county supreme court here in Kingston, N.Y., are outstanding, and the program is very moving," said Tony Bell, the station's general manager.

"So, Harry M. Thayer, chairman of the Hudson-Westchester Radio, Inc., which operates this station, decided that we should broadcast the ceremonies live.

"You need permission each time from the county clerks and the judge to broadcast from the courtroom. We set up microphones at the judge's bench, the clerk's desk, on the floor where the attorneys petition for citizenship, and at the lawyer's table so we can describe for our listeners what's going on.

"WGHQ goes on the air about 10 minutes before court opens. Thayer talks to the people who're to become citizens, asking where they're from, how long they've been here, why they want to be citizens, how they find things in this country.

"It's moving to hear new citizens reciting an oath of allegiance to this country, forswearing the land of their birth for this one, promising to bear arms for this country if necessary," Bell said.

"Our listeners hear the examining attorney's comments, the judge grant citizenship, and what the judge says as he addresses these people.

Part of the swearing-in ceremony includes a color guard, presented by the Women's Auxiliary of the VFW; patriotic songs from the a cappella choir of a nearby high school, and a Boy Scout group playing for the retirement of colors.

"The county sheriff gives new citizens a red carnation (instead of tickets) and the court adjourns," said Bell. "Then Thayer talks with the rest of the new citizens, asking how they plan to celebrate, what this means to them and how they feel about it."

Bell continued, "An exciting thing about the program, which we began as a public service, is that it is now sponsored by a local bank. Would you believe the Heritage Savings Bank?"

Bank representatives attending the naturalization ceremony give each new voter parchments containing the Declaration of Independence, the Bill of Rights, and the Constitution.

"As far as we know, we are the only station broadcasting such ceremonies," said Thayer. "I think it's really a good idea that other stations in other areas of the country might adopt and adapt to their programing format.

For its efforts, WGHQ has won two honorable mentions from the Freedoms Foundation of America at Valley Forge, Pa., and the 1970 New York State Broadcasting Association's Elliot Stewart award for public service broadcasting.

HE'S DONE IT NOW

HON. DAN DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. DAN DANIEL. Mr. Speaker, on Tuesday, September 18, the News of Lynchburg, Va., carried a very intriguing editorial entitled "He's Done It Now".

The editorial impressed me and I would like to commend it to the reading of the Members of the House.

I believe the editorial speaks for itself and does not need any elaboration from me.

The editorial follows:

HE'S DONE IT NOW

Alexander Solzhenitsyn, you've gone and done it now.

You think you were in trouble for criticizing the repressive policies of the Communists in your native Russia? Wait until the American press, American liberals and the American Congress get through with you for daring to expose them as "affected loud-mouths," liars and hyprocrites! Why, with one letter to the editor of a Norway newspaper you have made more enemies, man, than Spiro Agnew and his speech-writers in years of trying . . .

All the same that was a lovely letter you wrote this week to the Aftenposten in Oslo. In it, you accused the Democratic Party leaders of being affected, loud-mouthed and hypocritical; flayed Ramsey Clark as a "little, fluttering butterfly" dupe of the North Vietnamese Reds, and exposed both the press and the Congress for ignoring the "proven, bestial massacres" in Hue by the Viet Cong and North Vietnamese Communists, and immediately forgiving them. (While going to great lengths to condemn the United States military for an isolated incident at My Lai.)

Ah, yes, you've gone and done it now. What's more, you've not only smarted them, you've put them in the humiliating position of having to swallow their patronage of you.

American liberals were using you and your opposition to Communist repression as an example that Russian citizens could criticize their Communist masters and get away with it. Or at least, remain alive. This was, in their opinion, supposed to demonstrate that the Kremlin bosses were softening; that they and the American system of government were growing closer together. (They don't realize, or do they?, how right they are).

You may be one of the world's greatest living writers, but you're through. No liberal is going to touch you now. You'll find the big newspapers and magazines and publishing houses closed to you, the television networks silent about you. From now on, you'll be a non-person. You have dared expose the reality of American liberalism, per se, American liberals individually, and American political life.

Nor is it going to help any that most of what you said is true enough, and there's general agreement in the country on it. We know Watergate has been "distorted" and is being used to try and bring down a government elected overwhelmingly only last November by the people. The party that lost that election so resoundingly is now attempting to subvert the will of the people and force the President out of office or render him incapable of governing by making a mountain out of a molehill.

The press is handmaiden of the same liberal master, and cannot be counted upon to expose anything critical or scandalous involving liberals if it can be avoided. It won't go to great lengths to dig anything up on them as it did about the bungled break-in of the Democratic Party headquarters in Watergate. The press, per se, never would tell the world the true extent of the massacres at Hue—but it published billions of words concerning a tiny example of what happened at Hue—when committed by an American squad at My Lai . . .

When the press serves an ideological master it is obviously not free—and you made that clear.

It will be interesting to see how your targets go about undermining you. They know all the tricks, having invented most of them. Your novels, the greatest yesterday, won't be so hot tomorrow, and you will be suspected of trying to resurrect the cold war, or worse, trying to warn the American people of the dangers of Soviet "detente." You'll be a nasty, old dissident, blamed, probably for "forcing" the Soviet masters to deport or murder Russian freethinkers like you.

All in all, one wonders if you realize that the Democratic Party, and its ideological partners in the press, are the American counterparts of the Communist clique ruling Russia . . .? The Democrats haven't gone as far left as yet, but they're working on it . . . they would have gone further but they are fearful the people might rebel at too much Socialism too soon. The last Presidential election proved that correct.

In Washington the Democrats have ruled for 40 years or more. In all that time, they haven't come up with a new idea since the

1930 depression brought them to power. Their idea of change is to amend an old, discredited liberal program. They're still proposing variation of the New Deal, which was a failure from the start. Listen to them: you'll hear an endless paean in defense of the status quo—their status quo.

And so it is with the Communists in Moscow. They are in an analogous position. They refuse to change anything, too, even when it's a proven failure. They are the status quo.

You are a true liberal, Mr. Solzhenitsyn, rebelling against entrenched privilege. But when liberals regard the status quo as liberal, what does that make the rebel? Liberals obviously can't rebel against themselves, so, ipso facto, you must be a right winger . . .

Perhaps they may one day awaken to or admit the obvious: that the rebels of this world are rebelling against liberal-controlled power structures. That should tell them something, but don't count on it. Liberals seldom look in the mirror for their own mistakes.

THE GASOLINE SHORTAGE IN AMERICA: A NEED TO RETURN TO A FREE MARKET SYSTEM—PART I

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. KEMP. Mr. Speaker, Steve Townsend of Buffalo, N.Y., served as one of my congressional interns this summer. His contributions to me and my staff were invaluable. Talented, intelligent Steve provided a fountain of research, information, and analysis in the whole field of U.S. energy policy.

Perhaps the most definitive and useful piece of research Steve Townsend prepared was a legal presentation entitled "The Gasoline Shortage in America: A Need To Return to a Free Market System." The wealth of information assimilated, the information derived, and the conclusions drawn I recommend unreservedly to my colleagues.

Steve Townsend has embarked on his third and final year at the University of Buffalo Law School. The first part of his paper follows:

The Gasoline Shortage in America: A Need To Return to a Free Market System

(By Steve Townsend)

I. INTRODUCTION

During the last half century, America's complicated petroleum industry has undergone simple modifications which have had disproportionately large effects. Throughout this period, the Federal Trade Commission (FTC) has examined trade matters and business practices within the industry, holding formal investigations whenever complaints were filed with members of Congress, government agencies, state and local officials, independent gasoline refiners, or major and independent markets.[1] Although it was the government's intent to deter abuses and promote a free market system, it consistently failed to enunciate a definitive national energy policy which would prevent unmeditated waste of the country's sources of energy.[2]

As early as the 1930's, indications of impending shortages were recognized by fuel experts.[3] However, because the problem lacked immediacy and because formal complaints by injured parties were absent, policy makers disregarded the initial warnings of energy experts and considered subsequent admonishings as misinformation.[4] In short, America exacerbated its ravenous consumption of fossil fuels, through its own inadvertence.[5] The problem is now patently obvious even to those who previously rebuffed the warnings.[6] No longer can they luxuriate in the delusion of an unlimited fossil fuel supply. At this juncture the gravity of this situation mandates immediate attention from American policy makers in order to avert the tragedies that would inevitably accompany a fuel shortage.[7]

This article will not attempt to delve into all ramifications of the energy crisis, but will be limited to a general analysis of the composition of the energy situation in the United States, and, more specifically, the causes and proposed remedies of the gasoline shortage.

II. BACKGROUND

The short-term problem of gasoline shortages represents a harbinger of the future. It has been conservatively estimated that unless the disparity between gasoline supply and demand is diminished, an irreversible crisis will result.[8] In order to avoid such a disaster and to ascertain a viable means of stemming the current trend, it is imperative to be cognizant of the composition of the energy situation in America.

Throughout the economic development of the United States, misuse of energy sources has been a consequence of the erroneous syllogism that the United States has an unlimited supply of natural resources, that oil and gas are natural resources, and therefore, that oil and gas are in an unlimited supply.[9] For example, the American people currently represent 6% of the world's total population, yet are annually accountable for the consumption of a disproportionate one-third of its energy.[10] The sequel to this misconception has been the government's response of regulating and restricting prices, effectively expediting consumption and concurrently dissuading investment into research and development of alternate sources of energy.[11] Thus, energy has been consumed in profligate quantities at artificially regulated prices which fail to accurately reflect the free market cost of the product.[12]

The shortage of petroleum represents the culmination of an interrelated series of economic and political factors that have distorted the free market system.[13] At one time, several facets of the American economy (eg., heating fuel for factories, electrical utilities in homes; and railroad transportation) relied heavily on coal as their primary source of energy.[14] With the advent of the diesel engine and consequential demise of the steam engine, the necessity for coal in the economy decreased significantly.[15] The most recent demands for convenient operations and regulations requiring cleaner fuel to reduce environmental contamination have turned those economic sectors from the use of coal toward a reliance on the more convenient and cleaner fuels of oil and natural gas.[16] With a mass exodus of its markets, the industry experienced a loss of capital funds designated for research and development of new sources of coal.[17]

Some political interest groups argue that one disruptive factor in the free market system was the government instituted program called "wellhead" pricing.[18] By providing a more efficient, less expensive fuel supply, the government and oil interests have cultivated competition with the coal market, thus, reflecting political motivation and not that of free market.[19] The result has been to severely restrict the industry's ability and incentive to generate capital funds to invest in research and development.[20] The effect on sources of energy has been equally devastating. During "wellhead" pricing of natural gas, the supply was not regulated.[21] Consequently, the need and thereby the incentive to cultivate new supplies of coal and oil, have been indirectly diminished. That is, the amount of oil and gas produced relates directly to the amount of the estimated profit; [22] if the estimate is low, as it currently is, then the appropriations for research and development will be commensurately low.[23] In brief, the price controlling policy has contorted the normal supply and demand processes, resulting in a static market which is unresponsive to free market fluctuations. This policy will eventually destroy the resiliency of the entire system and exhaust the very source of energy.

The effect of the decline of coal has also exerted an unnatural stress on the natural gas sources.[24] Its depletion has turned those markets which previously relied on natural gas to oil.[25] Now, as in the coal industry, there is a research and development problem. However, here it is not the absence of investment funds that is problematic, but rather the lack of a guaranteed recovery.[26] Thus, economic and political policies having fostered the depletion of natural gas supplies and the exhaustion of capital funds for coal, an added reliance on oil has developed.[27]

III. SOURCES

Although the future does not appear optimistic there are other sources of energy which should mitigate the effects of a fuel shortage. The most viable of these alternatives appears to be nuclear power as its expected growth is 659.5% of its present capacity.[28] However, this is a source of the future since construction of the requisite facilities sufficient to alleviate the current gasoline shortage would require 10–15 years.[29]

There are other more esoteric sources of energy which will eventually lessen the burden on oil, but like nuclear power, will be effective in the future. For example, geothermal energy promises an abundant source of clean, safe, natural energy produced from underground hot water and steam.[30] As Russia, Japan and New Zealand are actually experiencing,[31] its greatest potential in the United States lies in the area of electricity.[32] Though hot springs are prevalent only in the Western states, their absence in other areas will not necessarily prevent the exploitation of this valuable energy source, as subterranean drilling to a depth of one mile will produce results equivalent to the hot springs.[33]

Also prominent among the alternatives to oil is the use of solar energy.[34] The harnessing of the sun's energy has been implemented in the space program for a dozen years and can feasibly be adapted to production of electricity.[35] However, this source's potential for large scale use is lessened by the 10–15 years required to construct the facilities.[36] In an attempt to combat this time factor the President has appointed a commission from the Office of Science and Technology which has concluded that it is possible by concentrated effort to reduce the time factor to 5–8 years.[37]

These examples are not intended to be exhaustive, nor constitute a panacea for the short-term problems of gasoline shortage. They are limited to represent feasible channels through which other sources of energy can be tapped to alleviate this country's unhealthy economic dependency on oil and its return to self-sufficiency in sources of energy.

IV. MARKETS

Pressure has also been exerted on America's free market system by changes within the energy market. The most noticeable of these changes has been its quantitative change in the amount of energy consumed by the electrical market and in the general increase in the demand of the entire market.[38] The electrical utilities market, which relies on all sources, is estimated to surpass the industrial market, which relies primarily on oil, as the nation's major consumer of energy.[39] The overall increased demand, com-

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plemented by the depletion of natural gas and the de-emphasis on coal, will result in a continually expanding reliance on oil.[40] In fact, even with the changes in the markets, it is estimated that the demand for oil will double. This estimate is predicated on the versatility of the fuel, and the fact that it is "virtually the only source that can serve the transportation market's needs." [41]

The general increase in the demand for oil has been a response to those "evolving factors" within the transportation market.[42] For example, the growth and location of early cities were to a certain extent determined by their accessibility to navigable waterways.[43] The exchange of industrial products manufactured in urban areas for agricultural goods produced in rural areas was dependent upon available navigational facilities. After the arrival of the railroads, reliance on water transportation diminished,[44] and secondary markets developed adjacent to railroads.[45] Today, the technology advancements in the transportation field (cars, trucks, buses, aircraft) have enhanced the economic maturation of nearly all areas in the United States.[46] For example, America's current reliance on the family automobile is unparalleled, as four-fifths of the nation's households own at least one auto.[47] The reliance on the car and the number of them on American highways is expected to increase in a direct proportion to the population.[48] Due to such additional factors as air pollution devices, the ineffectiveness of car pools and mass transportation, the concentration of licensed drivers, the inefficiency of the engine will increase and a substantial increase in the individual's consumption of fuel will result.[49]

In terms of the overall consumption of fuel within the transportation market, privately owned automobiles are accountable for more than half the energy consumed.[50] The addition of trucks and buses (viz., 22%)[51] increase the overall consumption to three-fourths of the total amount.[52] It follows that the increased population and limited dispersal will also require additional fuel.

Other consumers of gas and oil will also increase their demand and requirements for fuel. For instance, although by 1985 automobiles' demand will substantially increase by 72.7% and buses by 53.1%, aircrafts' demand will increase by an estimated 137%.[53] Since the transportation market has developed beyond the basic forms of transportation (e.g., agriculture, and "off-road" vehicles, ships and boats, and railroads) it logically follows that those outmoded means of transportation will in the future consume progressively less amounts of fuel energy.[54] Similarly, the sectors of added reliance (autos, trucks, buses, and aircraft) will increase their demands for fuel.

V. CAUSES OF THE GASOLINE SHORTAGE

Having briefly examined the sources and markets of American energy, we turn to the causes and solutions of the current gasoline shortage. The shortage is a complex product of insufficient oil refineries, technical advancements in the transportation market, and the population growth. The solution of these problems and the alleviation of the disparity in gasoline supply and demand lies in a reversion to a free market system.

Authorities have consistently stated that there is an insufficient refining capacity and frequently ascribe the cause to the confrontation between industrialists and environmentalists.[55] On the one hand, because oil refineries are generally producing at full capacity and have been repeatedly unsuccessful in their attempts to construct new refineries, it appears that the resolution of this conflict is favoring the latter. Environmentalists adduce two arguments to their crusade for environmental protection. The efforts of this public interest group have culminated in legislation by state and local governments to terminate industry's environmental abuses.[56] The consensus of the environmentalists' argument against construction of refineries includes in whole or in part the following. During the refining process, oil is heated to extremely high temperatures and subsequently cooled by water. This water is usually discharged after it has absorbed the heat of the oil resulting in thermal pollution or combined with oil from occasional breaks in pipe causing direct water pollution. In both cases the effect is a disruption of the sensitive balance present in fresh water.[57] It is also argued that water leakage into the pipes is subsequently skimmed and discharged into fresh water.[58]

Environmentalists' arguments transgress the technical processes, stressing aesthetic. The average refinery requires approximately 1500–2000 acres of land for necessary buildings and storage tanks, which the local citizens find unsightly. The irritating noises emitting from pumps and noxious effluvia spewing from furnaces are equally offensive.[59]

These conditions once prevalent, generally no longer obtain. Due to public sentiment which has deterred construction, oil companies are increasingly cognizant of the need to protect the environment.[60] Consistent with this realization, they have begun renovating existing refineries and redesigning new ones. Refineries are now constructed in consideration of existing natural surroundings, displacing a minimum of the environment.[61] Precautions such as leakage warning systems and filters to reduce atmospheric contamination are now being implemented [62] But, regardless of these efforts, their expansion has been continuously impeded by their lingering nefarious image.[63]

Elimination of this misconception will facilitate meeting our increased demands, and in so doing, expedite American self-sufficiency and simultaneously reducing our reliance on foreign imports. As the economic leader of the world, the United States has maintained its economic self-sufficiency until recently.[64] Because of the aforementioned problems which caused the 1972 deficit, our production has not been consistent with supply. Researchers estimated that sufficient quantities of oil exist within America to alter this situation, but the reduction will not occur without the redefining of priorities and a consequent program of government incentives, accompanied by the lessening of local opposition.[65]

On the other hand, the oil companies have been remiss in the construction of refineries. They have found the absence of tax inducements by Congress, and the curtailment of competition by the Federal Government's "wellhead" pricing to be prohibitive. The problems and expenses involved in locating refineries and purifying domestic crude, and the legislated environmental safeguards of local and state governments are not conducive to construction or renovation of refineries.[66] The formidable problems involved in building new refineries are evidenced by their small rate of construction.[67] Most significant to these is the capital cost of entering the refining industry. The expense of constructing an economically profitable refinery has been estimated at $250 million, which very few companies within the market can singularly afford.[68] Oil majors, those oil companies who have facilities all along the production line (crude oil wells, pipelines, refineries, transportation, gasoline stations), indicate that in order to meet the expense of renovating existing refineries or altering those currently planned, a collective effort by several majors would be necessary to carry the financial burden.[69] But for the fear of monopolization and disruption of the free market system, antitrust legislation has been enacted to prevent such a possibility. Even though the facilities for protection are present, the control of America's crude oil and pipelines by majors is one of the very reasons that oil independents are effectively barred from the refining industry.[70]

Thus, availability of oil to independent stations is dependent upon excess production and subject to the discretion of the controlling majors.[71] The adverse situations of the independents was theoretically enhanced by the President's abolition of oil import quotas, but its effect was actually minimal and may even encourage increased reliance on foreign crude.[72]

There are two other factors, automobiles and population, which are working in concert to increase the demand for gasoline. The significant parameters of the auto associated with gasoline consumption are primarily vehicle weight (as it requires more fuel to move a heavier mass)[73] and design (as it requires more energy to propel an aerodynamically unsound object).[74] There has been an increase in the weight of cars caused by the growth of "nameplate" weight and the addition of power and convenience accessories. "Nameplate" weight refers to the yearly increase in weight of a particular car model which goes unnoticed by the consumers who are under the impression they are purchasing more economical vehicles. For example, a 1958 Chevrolet Impala weighed 4,000 lbs. and got 12.1 miles per gallon, while a 1973 weighed 5500 lbs. and got 8.5 miles per gallon.[75] The latter figure includes such items as air conditioning, automatic transmission, power steering, power brakes, power seats, and heated windows.[76] Each accessory requires energy to perform its function, and also adds to the overall weight of the vehicle which increases fuel consumption. The major offenders of this group are air conditioning and automatic transmissions.[77] Testing completed by the Environmental Protection Agency (EPA) laboratories of full sized cars with and without air conditioning revealed a 9% loss of fuel economy and indicated that the loss could go as high as 20% depending on other conditions.[78] Although it is more difficult to quantify the effect of automatic transmission due to different models and number of gears, and the EPA did not pursue independent research of this accessory, General Motors conducted an experiment which indicated a 5–6% loss.[79]

It has been found that the emission control apparatus required on newer models in accordance with the Clean Air Act of 1970, has imposed an unconscionable demand upon car manufacturers and the public. The testing methods employed are now under careful scrutiny to determine whether the resulting requirements are prejudicial.[80] The public pays the expense of these questionably necessary controls in three different manners: 1) the cost of the equipment is added to the purchase price; 2) the emission apparatus requires more fuel; and 3) the addition to the body weight increase fuel consumption. Manufacturers carry the burden of designing efficient emission control apparatus as well as adapting the assembly lines to accommodate their manufacture and installation.

The contrary argument is that the attack on the clean air apparatus is unwarranted. Environmentalists contend that one way of measuring the effect of emission controls is a percent loss of gain and that the total effect can be determined by adding the separate effects of all the individual devices.[81] However, this is inaccurate and distorts the negative effect of the apparatus on gasoline mileage because there is a synergistic effect which renders the impact of subtracting or adding one emission control device inaccurate.[82] An alternate way of measuring the effect employs the complete system, which, though not precisely geared toward measuring the single emission control device, is more accurate than the single method described above.[83] In fact, the EPA concluded that the fuel economy loss is less than 8%,[84] which is comparable to the loss credited to air conditioning or automatic transmission. During 1973 the in-

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efficiency of emission apparatus is estimated to be 7%, but will decrease to 5% by 1976.[85] It is further contended that these systems are inefficient because car producers have not had ample time to devise and implement catalytic converters that do not produce a loss of fuel.[86]

In addition to these devices there are secondary factors which adversely effect gasoline mileage. For example, a "hard" driver, one who accelerates at the car's maximum speed, drives at high cruising speeds, drives roughly, and races the engine at an idle, will have lower mileage than a normal one.[87] Also, the route traveled can decrease mileage economy (i.e., smooth highway driving at moderate speeds produces better mileage than stop-and-go city driving).[88] Through studies it has been found that the most efficient rate of speed for favorable mileage is a constant speed between 20 mph and 50 mph.[89] More particularly, for every 5 mph increase between 50 mph and 70 mph there is a ½ mile per gallon loss of fuel efficiency, while below 20 mph there is correspondingly a fuel loss due to torque slippage.[90]

The growth of America's population has exacerbated the problem of fuel economy. By 1985, the estimated population for the United States will increase by 37 million.[91] In addition to the normally anticipated growth of gas commensurate with population growth, the increase in the 20–35 year old age group is expected to generate an exponential increase. This is the group that historically has determined contemporary market demands and the pace for economic growth.[92] If established patterns of population continue these people will migrate from the already over-populated cities to suburban areas,[93] requiring an estimated 21 million households,[94] and because homes require more energy than do apartments common to city dwellers, a significant fuel expenditure.[95] Further, the suburban living will necessitate an increase in the number of two-car families to meet their sub-rural demands.[96]

FOOTNOTES

[1] Permanent Subcommittee on Small Business, 93rd Cong., 1st Sess., Energy Crisis and Small Business (Comm. Print 1973).

[2] Staff of Joint Comm. on Atomic Energy, 93rd Cong., 1st Sess., Certain Background Information for Consideration When Evaluating the "National Energy Dilemma" (Joint Comm. Print 1973); Interview with Jack Bridges, Non-nuclear Energy Counsel of the Joint Comm. on Atomic Energy, in Washington, D.C., June 6, 1973.

[3] *Id.*

[4] *Id.*

[5] *Supra* note 2.

[6] *Id.*

[7] *Id.*

[8] *Supra* note 2.

[9] Public Hearings on Crude Oil and Product Allocation Program, 93rd Cong., 1st Sess., (1973) [hereinafter cited as Crude Oil Hearings]; 71 Oil and Gas Journal, 47–8, June 18, 1973.

[10] Crude Oil Hearings, *supra* note 9; *see also*, 3 Ridker, Ronald G., The Commission on Population Growth and the American Future Research Reports, Population Resources and the Environment [hereinafter cited as Comm. on Pop. Growth] 16–26, 1972.

[11] *Supra* note 2.

[12] Interview with Dr. Thomas F. Johnson, Dir. of Research of the American Enterprise Institute for Public Policy Research, in Washington, D.C., June 21, 1973.

[13] *Id.;* Interview with James McKie, Dean of the School of Economics at the University of Texas (at Austin), in Washington, D.C., July 23, 1973; Interview with Yale Brozen, Economics Prof. in the Graduate School of Business at the Univ. of Chicago, in Washington, D.C., July 19, 1973; Energy Economics Division of the Chase Manhattan Bank, Outlook for Energy in the United States to 1985, 46, June 1972 [hereinafter cited as Outlook for Energy].

[14] Outlook for Energy 46; *see also*, Comm. on Pop. Growth, *supra* note 10, at 107.

[15] *Id.*

[16] *Id.*

[17] Outlook for Energy at 46.

[18] *Id.* at 38.

[19] *Supra* note 13.

[20] Outlook for Energy at 18.

[21] *Supra* note 2.

[22] *Supra* note 13 at 38.

[23] *Id.*

[24] *Id.*

[25] *Id.;* 71 The Oil and Gas Journal, No. 27, 58–9, June 25, 1973.

[26] Interview with Bridges, *supra* note 2.

[27] *Id.*

[28] Outlook for Energy, *supra* note 13 at 30.

[29] 4 Batelle Research Outlook, Our Energy Supply and Its Future 18 (1st ed. 1972); *supra* note 13 at 48.

[30] Sen. M. Gravel, Dollars and Energy, Domestic and International Crises, July 20, 1973; *see also*, 119 Cong. Rec. No. 43, 5246–48 (daily ed. March 20, 1973).

[31] *Id.*

[32] *Id.; see also*, Interview with Robert Smith, Admin. Assist. to Cong. Steven D. Symms, in Washington, D.C. June 8, 1973.

[33] *Id.*

[34] Hearings on Energy before the Subcomm. on Energy of the Comm. on Science and Astronautics, 93rd Cong., 1st Sess., (1973).

[35] *Supra* note at 42.

[36] *Id.*

[37] *Id.*

[38] Outlook for Energy 12–27; J. Darmstadter, Comm. on Pop. Growth 110–16.

[39] Outlook for Energy 17.

[40] Outlook for Energy, *supra* note 13, at 30; *see also*, 1 National Petroleum Council's Comm. on U.S. Energy Outlook—A Summary Report of the National Petroleum Council 4, Dec. 1972.

[41] Outlook for Energy 30.

[42] *Id.* at 12.

[43] *Id.* at 12–14.

[44] *Id.* at 12.

[45] *Id.* at 12–13.

[46] *Id.* at 14.

[47] *Id.* at 15.

[48] Interview with James Chamberlin, Assist. to Exec. Dir. of the Population Crisis Comm., in Washington, D.C., Aug. 2, 1973.

[49] Outlook for Energy 10; *supra* note 48.

[50] *Id.*

[51] Outlook for Energy 15.

[52] *Id.*

[53] *Id.* at 17.

[54] *Supra* note 48.

[55] *Supra* note 1, at 5.

[56] Interview with Eugene Peer, Industrial Specialist to the Office of Oil and Gas of the Department of the Interior, in Washington, D.C., June 20, 1973; *see also*, 71 The Oil and Gas Journal No. 21, 80, May 21, 1973.

[57] *Id.*

[58] *Id.*

[59] *Id.*

[60] *Id.*

[61] *Id.*

[62] *Id.*

[63] *Id.*

[64] *Supra* note 2.

[65] Interview with Prof. Brozen, *supra* note 13.

[66] *Id.*

[67] *Supra* note 1, at 28.

[68] *Id.; see also*, 71 The Oil and Gas Journal No. 20, 48, May 14, 1973.

[69] *Supra* note 56.

[70] *Supra* note 1 at 29.

[71] *Supra* note 12.

[72] *Supra* note 1 at 28.

[73] United States Environmental Protection Agency Office of Air and Water Programs Mobile Source Pollution Control Program, Fuel Economy and Emission Control, 3, Nov. 1972.

[74] *Id.*

[75] *Id.* at 12.

[76] *Id.* at 4.

[77] *Id.* at 5.

[78] *Id.* at 11.

[79] *Id.* at 12.

[80] Interview with Prof. Brozen, *supra* note 13.

[81] *Supra* note 73 at 5–6.

[82] *Id.*

[83] *Id.*

[84] *Id.* at 18.

[85] Interview with Richard Schisler, Cong. Liaison for Environmental Protection Agency, in Washington, D.C., July 18, 1973.

[86] *Id.*

[87] *Supra* note 73 at 3.

[88] *Id.* at 3–4.

[89] *Id.* at 3.

[90] *Supra* note 9.

[91] *Supra* note 48; Outlook for Energy 10; Comm. on Pop. Growth 19–27.

[92] Outlook for Energy 11; Comm. on Pop. Growth 37–40.

[93] Outlook for Energy 11; *see also*, Comm. on Pop. Growth 29–30.

[94] *Id.* at 15.

[95] *Supra* note 1.

[96] Outlook for Energy 15.

A BAD PRECEDENT

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, a potentially disastrous constitutional precedent was set recently by the President when he appointed Gen. Alexander Haig, Jr., to fill H. R. Haldeman's position, while Haig was on active duty status with the Army as Vice Chief of Staff. Today, General Haig is on the retired list and fulfills Haldeman's statutory duties at the White House. The imbroglio is over but not forgotten, because in the process, the precedent of a military man occupying a dual civilian role was established.

One Member of this House helped fight the establishment of that menacing precedent, seeking to safeguard the liberties some Americans take for granted. He wrote a permanent record of opposition to the Haig appointment on legal, constitutional grounds, maintaining that the oldest tradition we have is separation of the professional military from civilian policy functions. Our distinguished colleague, JOHN E. MOSS, of California, is that Member, and he deserves the gratitude of everyone in this land who cherishes individual rights and representative democracy.

A chronicle of his efforts has just appeared in one of the oldest and most respected magazines of liberal political comment in the country: The Nation. In its September 24, 1973, issue, the lead article, entitled "General Haig: A Lethal Precedent," by Franklin Silbey, covers this subject well. It deserves national attention, and I am pleased to insert it in the RECORD for the enlightenment of my colleagues.

GENERAL HAIG: A LETHAL PRECEDENT

(By Franklin Silbey)

One portion of the Watergate fallout has established a little-noticed, but portentous warrant—that of allowing a professional soldier to remain on active-duty status while assuming a policy-making position on the President's personal staff. The man in question is Alexander Meigs Haig, Jr., by whose example the traditionally clearcut line dividing our career military from their civilian masters has been blurred beyond recognition, thus establishing an authoritarian precedent that no free country can dare to tolerate.

In retracing the evolution of this event, those concerned will note with minimal surprise that its genesis lies with President Nixon. When H. R. Haldeman resigned, Nixon turned to General Haig, appointing him on May 4, 1973, to assume Haldeman's duties. That post, established by statute, was then, and is today, a partisan political job, carrying with it significant *de facto* policy-making responsibility. The President's chief of staff is much more than a traffic policeman.

At the time of his new appointment Haig was the newly minted Vice Chief of Staff of the United States Army, a four-star rank he had very recently attained. His assignment originally was supposed to be temporary, but observers noted his already long association with the White House, dating from 1969, when he joined Kissinger's National Security Council staff as a colonel, to emerge four years later as the Army's second highest ranking officer. During those years a number of vital decisions involving the Army were made by the White House.

A recommendation made by former Deputy Secretary of Defense David Packard, widely endorsed throughout government, to reduce the stature and switch service responsibility for the Army's Southern Command at the Panama Canal Zone, was overruled by the White House. Attempts to separate the Corps of Engineers, which increasingly engages in environmentally controversial domestic construction, from the Army, were similarly overruled.

Haig's on-call White House status prevented him from spending much time as Army Vice Chief of Staff, causing widespread grumblings in professional Army circles. He had been tabbed early as the most politically skillful military man to emerge in many years, attaining staff position and four-star rank without ever commanding so much as a division. Further, his promotion to four-star rank was over the heads of 240 senior Army generals.

Announcing the appointment, press secretary Ziegler said: "General Haig will have the responsibility of . . . coordinating the flow of information in to the President . . .," adding, "a great portion of the work will be administrative, but he will also be involved in policy formulation."

Ziegler also said Haig would continue on the military payroll at his then present rank. When questioned that same day as to his status, Haig responded that, "yes," his new assignment was indeed a temporary one, and, "no," he would not be leaving the Army. As soon as Haig's appointment to the Haldeman spot was announced, Ralph Nader's Public Citizen, Inc., brought suit, claiming a violation of law.

That Haig was immediately placed in a sensitive political role apparently did not trouble the President, but a number of Capitol Hill critics voiced serious doubts and vigorous disagreement over the appointment. Among them were Rep. John E. Moss (D., Calif.) and Sen. Stuart Symington (D., Mo.). Both noted that Haldeman's post was historically viewed as a civilian position. Pentagon officials, when pressed, voiced their belief that the President's constitutional authority as Commander in Chief allowed him to employ Haig, at least temporarily, in such a pivotal role.

Moss and Symington responded with what to them appeared an inflexible legal prohibition against the appointment, contained in 10 U.S. Code, section 973 (b):

"Except as otherwise provided by law, no officer on the active duty list of the regular Army, regular Navy, regular Air Force, regular Marine Corps or regular Coast Guard may hold a civil office by appointment or election whether under the United States, a territory or possession or a state. The acceptance of such a civil office or the exercise of its functions by such an officer terminates his military appointment."

As alarm spread through concerned political circles across the ideological spectrum, formal requests were made of the Pentagon's chief legal officer to clarify the situation. The Pentagon's acting general counsel, Leonard Niederlehner, first served up the "Commander in Chief under the Constitution" argument, stressing that Haig had accepted no civil office. When that was buried under a barrage of legal counter-arguments, Niederlehner recovered swiftly, offering a number of precedents involving senior military officers who have, over the years, been detailed by Presidents to perform a wide range of White House duties.

These included Adm. Frank Leahy's service from 1942 to 1949, commencing as chief of staff to FDR; Maj. Gen. Wilton B. Persons' work as chief of White House staff under Eisenhower; Gen. Andrew Goodpaster, staff secretary to Eisenhower, and Gen. Maxwell Taylor's labors as military adviser to President Kennedy.

Responding to these citations, Congressional critics pointed out that Leahy was recalled in a military capacity to serve as chief of staff during a war, and that Persons and Taylor were on the retired list when they served the White House. Goodpaster worked solely on national security matters, but the point was made that his appointment was illegal on its face, and that offering it as an example was merely to compound illegality with respect to Haig. This disposition to cite invalid precedent is what makes the Haig situation so serious.

Research into the legislative history of 10 U.S. Code 973(b) revealed that the statute was intended to prevent just such an event as the Haig case. It originated in an Act of March 30, 1868, and was reaffirmed on July 15, 1870. An amendment was added in 1939, and the entire statute was recodified on August 10, 1956, when a similar provision was enacted with respect to the Air Force. Reports of the pertinent committees in both House and Senate stated: "The object of the new titles has been to restate existing law, not to make new law."

Representative Moss, author of the Freedom of Information Act, sought and found historical precedent, Presidential actions and pronouncements to buttress his position. In a House floor speech on June 11 he stated the case for banning the professional military from participation in partisan political activities of the White House:

"Constitutional rules are not to be shunted aside to provide for anyone's well-being. In the process, more violence is being done to honored principle while setting into semi-permanence one of the most perilous precedents confronting democratic government. One, I might add, which no democracy cherishing its status as such dares allow."

At that time, Haig had been enjoying dual status for one month. Moss noted that nowhere in the Constitution was there any provision for such action, pointing out instead that the document did not even contain a legally constituted or authorized channel of communication between the military and its civilian superiors. Under growing pressure, the White House announced that Haig would enter the retired ranks on August 1, and so he did.

But the very announcement of Haig's anticipated new status was an admission by the President that the general's dual role was inconsistent with and a violation of provisions of federal law. Here was an arbitrary assertion by the executive branch of a selective right to enforce those actions of a statute it found convenient, while evading enforcement of those it found inconvenient. Legality and the intent of the founders were adjourned.

Attention had also been called to original debates on the statute in question in the Senate after the Civil War. In a highly prophetic statement, Sen. Lyman Trumbull of Illinois, a Republican and confidant of Lincoln, questioned the employment of former officers:

But the difficulty will be that if you allow officers upon the retired list to hold civil offices, the law will be evaded. Persons will be placed on the retired list for the purpose of giving them appointments. . . . I think that this government is a civil government. It should be administered by civilians. The Army is subject to the civil authorities of the country; and I do not believe in having the civil offices of the country administered by the military authorities.

Critics constantly referred to numerous references in our history, conclusively defining the American tradition of total exclusion of our professional military from the partisan political process. Among many examples cited was that of James Buchanan who, losing the Democratic nomination in 1852, attacked the Whig candidacy of Gen. Winfield Scott in these words: "What fatal effects would it not have on the discipline and efficiency of the Army to have aspirants for the Presidency among its principal officers? How many military cliques would be formed?"

Moss, in his speech, also recalled two precedents which he would later bring to the attention of Attorney General Richardson, to no avail. Both dealt with federal Attorneys General who had blocked similar appointments. In 1870, Gen. George G. Meade, commander of Union forces at Gettysburg and a widely honored soldier, was informed by Atty. Gen. A. T. Akerman that he could not even exercise the functions of park commissioner for the city of Philadelphia without vacating his military commission. The Attorney General noted that the office of park commissioner had been established by an act of the state legislature, which designated the mode of appointment, term of office and functions to be performed. Those were of a civil nature; hence the distinguished general was barred from the civil office. In 1873, federal Atty. Gen. E. R. Hoar ruled that General of the Army William T. Sherman could not hold the office of Secretary of War, even temporarily, without vacating his commission.

Other generals, unlike Haig, understood the principles involved, and did not allow themselves to be placed in partisan political positions. One was Gen. George C. Marshall, perhaps America's finest professional soldier of this century, who said, to squelch a political boomlet in 1947: "I will never be involved in political matters."

Woodrow Wilson wrote as follows to Secretary of War Lindley M. Garrison, in August 1914: "My dear Secretary, I write to suggest that you request and advise all officers of the service, whether active or retired, to refrain from public comment of any kind upon the military and political situation on the other side of the water. . . . It seems highly unwise and improper. . . ."

Contrast this with Haig's actions on the night of Wednesday, May 23. Appearing before the Fordham University Club at Washington's Mayflower Hotel, dressed in civilian clothes and in his capacity as the President's replacement for Haldeman, he delivered a speech of which, conveniently, the White House press office has no available copies. A few reporters covered the event. Following is the first paragraph of one story from the next morning's *Washington Post:*

"General Alexander Haig, the new chief of staff at the White House, ignored the problems that Watergate has created for the President last night and instead gave a detailed account of how the Nixon Doctrine can help solve the problems of the world."

That doctrine contains explosive geopolitical considerations. It asserts full support of previous alleged American commitments, stating that external military assistance to an insurgency, as well as covert conventional attack, may lead to involvement of general purpose U.S forces.

Compare Haig's unprecedented exhibition with President Lincoln's words to Gen. Joe Hooker, when appointing him to command the Army of the Potomac: "I also believe you do not mix politics with your profession, in which you are right." More recently, Secretary of Defense Robert McNamara made a similar point: "It is inappropriate for any member of the Defense Department to speak on the subject of foreign policy."

President Kennedy plowed the same furrow even more deeply in 1962:

"The United States military, due to one of the wisest actions of our constitutional founders, have been kept out of politics, and they continue their responsibilities, regardless of the changes of Administration. . . . There is no desire to restrain or prevent any military man from speaking. What we are concerned about, however, always is that they not be exploited for any partisan purpose. And I think, basically, it is for their own protection as well as for the protection of the country."

Yet there was Alexander Haig, four-star general on active duty, filling Haldeman's job and acting as political spokesman for the Administration while in civilian garb. Acting as a willing political tool of the President, he compromised our military establishment, violating its most honored tradition and establishing a menacing precedent.

Haig was also doing Nixon's bidding in other ways. According to two separate reports, one by columnist Joseph Kraft in a *Washington Post* column of May 29; the other by John Osborne, in *The New Republic's* June 9th issue, Haig was performing an unusual press function. It involved urging upon certain reporters and commentators a view that domestic surveillance, wiretapping and related measures the President had confessed to instituting in 1969 were unrelated to Watergate crimes in which such activities had become enmeshed. In these press contacts, Haig is alleged to have justified such activities in the name of national security. His performance therefore already makes him by definition both participant in and abettor of the President's transparent effort to offer national security as an excuse for unprecedented executive-branch lawbreaking.

Yet another intriguing insight into how Haig sought to fulfill his responsibilities was offered by an item in a *New York Times* piece of May 29 by John Herbers. It contained the following curious note: "General Alexander Haig, Jr., the new Chief of Staff on an interim basis, is running the staff with military assistants. . . ."

Capitol Hill critics, after much probing, revealed that Haig had brought at least two professional Army officers with him to the Executive Mansion, both being on active duty throughout their stay there. One, since returned to the Pentagon after his cover was blown, is Lieut. Col. Frederick Brown. The other, who, in mufti, remains at the White House as of this writing, is Maj. George Joulwan.

In early June, Moss addressed a query to Elmer Staats, Comptroller General and head of the General Accounting Office, the chief investigative agency of the Congress. Setting forth all known facts, he asked Staats for a finding on a series of specific questions, all dealing directly with Haig's status. These included the following:

Is he at present a civil officer of government or is he a military officer?

Is he still chargeable to the Pentagon's budget?

In event of misconduct, would he be answerable to military or civil law?

Who is now Vice Chief of Staff of the U.S. Army, or who is acting in that capacity?

Is Haig exercising the functions of a civil office or not?

On June 15, the Comptroller General replied, indicating that Haig was a four-star general at the time, holding the post of Vice Chief of Staff of the Army. Staats claimed Haig was subject to the Uniform Code of Military Justice, not to civil law, and noted that Haig was chargeable to the Pentagon budget.

That same letter conceded the Congressman's ultimate point regarding civil status. Quoting Ziegler's May 4th announcement of Haig's appointment, Staats outlined how the White House itself delineated Haig's dual status:

"In this role, General Haig will assume many of the responsibilities formerly held by H. R. Haldeman. These responsibilities include coordination of the work of the White House staff and administration of the immediate office of the President."

Staats continued, quoting from a subsequent announcement by Ziegler on May 10:

"Also, this morning, the President again referred to the fact that he had appointed Alexander Haig to fill the interim role which Bob Haldeman previously filled as assistant to the President and that Alexander Haig would be continuing in this position in the immediate future."

He then quoted a June 6th announcement by Ziegler, reading in part as follows:

"Gen. Alexander M. Haig, Jr., will retire from active duty in the Army effective August 1, 1973, and will be appointed assistant to the President. In this capacity General Haig will continue to exercise the same general responsibilities he has held since rejoining the White House staff on an interim basis in May. . . ."

The Comptroller General concluded:

". . . the strong indications . . . now are that General Haig has been, and is continuing to perform in his interim position as assistant to the President, essentially the duties which Mr. Haldeman exercised while occupying one of the offices created by 3 U.S.C. 106. On that premise . . . it is now our view that a violation of the statute 10 U.S.C. 973 (b) is indicated."

Moss wasted no time after receiving the Staats opinion. By June 21, he made the Comptroller General's letter available to Attorney General Richardson, adding his own historical research plus backup material from the Library of Congress. Accompanying this package was a formal request that the Attorney General follow precedent and require Haig to declare himself either a civilian or a general. In effect, Moss asked Richardson to do his duty; he formally sought enforcement of the law.

One question beclouded what now appeared to be a clearly defined situation: would the Attorney General act in the interest of long-term national good, or would he follow a more tortuous partisan path, delaying decision until Haig formally retired from the Army on August 1? The second choice would allow time to temporarily relieve growing political pressure, but would also allow the perilous precedent to be set. Regrettably, Richardson took the latter, partisan course. The sequence of events and correspondence is revealing.

No response was forthcoming to Moss's first letter until July 6, a fifteen-day lapse. The answer was short and totally lacking in substance. It evaded all contact with questions and issues posed by the mass of facts and the Staats opinion. In sum, the chief legal officer of the United States chose to avoid action.

Taking note of the early, pending Nader legal action, Richardson claimed that as Attorney General, he was formally charged with defending against the suit. He did note that although his research of 10 U.S.C. 973(b) was "incomplete," facts "so far available" did not establish that Haig's commission had terminated. In other words, a simple denial of the entire legal case, the Staats opinion and all specific questions posed.

On July 9, Representative Moss responded, again asking that Richardson exercise his mandate and restating the central question: "Do you, Mr. Attorney General, feel there is any relevance to the action taken by at least two of your distinguished predecessors involving the equally distinguished Generals Meade and Sherman?"

On July 18, a final Richardson letter stated that no opinion could be rendered because the Attorney General had to represent Haig in the Nader suit. Again questions of law and the Staats opinion were deliberately, almost scornfully, ignored.

Richardson employed one further legalism; that in the Sherman and Meade cases the President had sought an opinion from his Attorney General and had received one. In this case, so the peculiar Richardson logic held, since the President had sought no opinion, none would be forthcoming.

Meanwhile, an effort was being set afoot to prevent Haig from being placed on the retired list. For an officer above two-star rank to retire, he must be formally nominated to the retired list. This procedure involves a number of steps, commencing with the sending of his name to the Senate and its publication in the CONGRESSIONAL RECORD. It is then referred to the Senate Armed Services Committee for approval. It must then be approved by unanimous consent in the Senate, from there moving to the White House in the manner of an ordinary civil appointment, to be signed by the President at his pleasure.

Some concerned elements on Capitol Hill hoped an objection to unanimous consent would be registered by one or another member of the Senate. In some manner as yet unknown, sources friendly to the President and Haig were apprised of this plan. On Saturday, July 14, with only a handful of members present, the Haig retirement nomination sailed through with minimal attention. It was a perfect *fait accompli.*

Unfortunately for representative government, the smoke screen thrown out by the White House proved effective over the period from late May to August 1. By announcing that Haig would retire by August 1, the Administration effectively muted criticism by diverting attention from the precedent about to be set. That precedent still remains the central point at issue.

Rep. Les Aspin (D., Wis.) meanwhile had revealed another facet of the Haig retirement story. By retiring at four-star rank, Haig received $2,147 monthly; an annual total of $25,764. Haldeman's position carries with it statutory compensation of $42,500. In the Haldeman post, Haig emerges as a very expensive federal employee, cashing in to the tune of some $68,264 annually.

It is now believed by some that, at a future date, Mr. Nixon may recall Haig to active duty at four-star rank, a precedent set by President Kennedy with Gen. Maxwell Taylor. However, Taylor was recalled from civilian retirement, not from the office next door to the President.

Many observers in Congress, government and the media hoped Richardson would act to defuse the precedent, even by declaring after the fact that the White House action had been a violation of statute, and hence illegal. It would at least have provided future foes of similar appointments a legal leg to stand on. Such requests have been informally made of the Attorney General, but without result.

Haig has now consolidated his new position. Critics have accused him of encouraging a hard line on bombing Cambodia, although this cannot be documented. Certainly he played a significant role in "buttoning up" the White House, encouraging a defiant rather than a cooperative stance against the growing tide of Watergate-based criticism. This also includes a role in advising the President on release of the new celebrated tapes.

Three vital points dominate the Haig affair. First, willingness by the President, in his fear, panic or determination, to aid himself by Haig's appointment, even though it meant establishing a most dangerous precedent.

Second, the thoroughly ignoble and intellectually dishonest role played throughout by the so-called "Mr. Clean" of the Administration, Attorney General Richardson. By sheltering behind legalisms, engaging in deliberate delay and refusing to confront legitimate legal questions, he is directly responsible for allowing the precedent to be set.

Finally, today a political time bomb ticks away under the concept of representative democracy as we have come to know it. A rationale has been established for a "man on horseback," or for cumulative creation of a military-style government through appointments. Precedents are made to be followed, and are useful to the unscrupulous as well as those seeking a rule of law.

The Haig precedent, unless rendered harmless, will assuredly come back to haunt the practice of democratic government in America. Perhaps it will be in a month, perhaps not for a century, but if and when an excuse is ever needed, the Haig precedent will be at hand. Legislation to prevent a repetition could, of course, be offered in the Congress. Unfortunately, it would be referred for consideration to the Armed Services Committees, which are, as most students of Capitol Hill know, graveyards for any kind of progressive legislation affecting the nation's military establishment.

Some readers may very well deride the alarm here expressed. But is it nonsense? Is it fevered imagination? History teaches otherwise. Even a cursory glance at the overall picture presented by recent American history reveals an ominous trend.

Since World War II, there has been enormous expansion by our military into activities hitherto performed by civilians. American Presidents no longer rely on the State Department. Rather, they turn to the military-oriented National Security Council.

Today, a body with strong West Point input has replaced an overwhelmingly civilian institution as the central advisory organ for American foreign policy. Abroad, U.S. foreign aid increasingly takes the form of military assistance. And who can forget that domestic intelligence gathered by military spies produced dossiers on more than 100,000 Americans? More recently, a similar scandal has broken in connection with surveillance of U.S. troops in Europe.

Increasingly, U.S. military units are being trained to perform domestic missions, rather than for combat roles abroad. War has forged a flourishing alliance between the executive branch and our military. The armed services did not seek these novel tasks. Civilian authority, shirking its duties, pressed such roles upon them. Once involved, however, the military has gone all out with enthusiasm.

New pressures are being placed on the traditional conception a professional military man has of his role. Once such added authority and capability are acquired there is a deep natural reluctance to yield it back, whether or not an original need still exists. After the frustrating failures in Vietnam, there will inevitably be fault-finding and a search for scapegoats. Will America's military and its conservative allies, still in shock over battlefield stalemate and defeat, seek out our liberal Left for such a role?

Military men tend to think in solely military terms when alternatives are proposed. In some future crisis, who will stand at the President's side and have his ear? Will it be a professional soldier, offering pessimistic evaluations to which only a military response can be made? Will negotiations be sidetracked as an alternative by a person trained to think in equations of military power?

The Haig types hail from a hierarchical rather than an egalitarian organization, and are oriented toward a group rather than to the rights of individuals, stressing obedience and discipline instead of freedom of expression. By relying more on his kind of mentality, we elevate those very traits that negate what our society purports to stand for.

The military establishment itself is disturbed by the precedent. Haig's career has become the most closely scrutinized in the entire Army. A generation of junior officers is watching, and will no doubt be molded significantly by its outcome. The question for them still awaits an answer: will the Army in future provide incentives for promotion to the military professional or to an operator with political skills?

One footnote should be added to this bedraggled tale of battered principle and mutilated tradition. Representative Moss, in spite of Richardson's failure to act to disarm the precedent, has taken a thought-provoking step. He has addressed a request to Special Prosecutor Archibald Cox, enclosing all pertinent materials and asking that he examine the case with a view to intervention. Transpiring as a direct result of Watergate, and involving a violation of a federal statute, there may be some hope, albeit slim, for assistance from that quarter. If not, then the precedent will remain, awaiting that inevitable moment in our history when it will be utilized as a lever against the concept and practice of representative democracy.

CONSUMER PROTECTION LEGISLATION ESSENTIAL

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. FUQUA. Mr. Speaker, the establishment of an independent Consumer Protection Agency is one of the most pressing matters pending before this body. This legislation was stymied in the House several years ago when the Government Operations Committee was unable to obtain a rule under which the bill could be considered. In the last Congress, we were successful in passing a bill only to see it stopped in the Senate by a filibuster. A review of the history of this legislation makes it crystal clear that certain compromises and accommodations must be made if we are to give a greater voice to the consumer in governmental decisionmaking.

The distinguished chairman of the House Committee on Government Operations reflected this need in a statement he made during hearings on the various proposals earlier this week. Chairman Holifield suggested that our task is not unlike the planting of a tree. It is essential that we take pains to provide an environment in which the Consumer Protection Agency can take root. On the one hand, however, we have those who would deprive the Agency of necessary sustenance; the power to adequately make the consumer viewpoint felt. On the other hand, there are those who would burden the Agency with extraordinary powers and responsibilities before it could adequately take root. Once again compromise, the very heart of the legislative process, will be necessary if the Consumer Protection Agency is to be established.

Accordingly, I have recently testified before the Legislative and Military Affairs Subcommittee about the various proposals to create a CPA. I have introduced one of the CPA bills and feel that it provides a prudent middle ground upon which our metaphorical tree can flourish.

I would like at this time to include in the Record my statement to the subcommittee and I encourage my colleagues to take note of the many questions which are raised by those proposals which would burden the Agency with unprecedented intervention powers and rights. Powers which, in some instances, would be greater than those enjoyed by the administrative agency which had initiated the activity impacting on the consumer interest. Privileges greater, in some instances, than those enjoyed by the individual or company respondent who has been brought before the administrative agency.

My statement is as follows:

Statement of Hon. Don Fuqua, a Representative in Congress From the State of Florida

Thank you, Mr. Chairman, for this opportunity to make a very short statement on the three Consumer Protection Agency bills before us, H.R. 14, H.R. 21, and the bill I am cosponsoring with Congressman Brown, H.R. 564.

Mr. Chairman, I wish to recognize publicly at the beginning of these hearings that this subcommittee, and the full Committee as well, are two of the fairest forums in Congress.

I cannot help remembering the completely unfounded charges levied on this Committee, and particularly on its distinguished Chairman, by outsiders who were interested in last year's CPA bill.

I feel qualified to make my feelings public because—as the Chairman well knows—I differed strongly with him on certain parts of last year's CPA bill. I was given every opportunity to argue my case and secure votes on my positions. This was at the Subcommittee, full Committee and floor levels of debate, and all with the Chairman's blessings.

I feel the need to speak about this now because the legislation before us is so controversial. I am certain that whatever we eventually report out will not satisfy everybody, and there is the potential for heated feelings. I want to emphasize the point that those who will differ with bill reported by us—because it is too strong or too weak—should not be heard to complain that their case was not heard. These are open, and I see by the schedule, long hearings for a bill that has already passed the House.

I feel that certain portions of the Chairman's bill, H.R. 21, should be altered. I would not spend my time here if I didn't think that it was possible to convince him and my fellow Committee members to make those changes.

This, Mr. Chairman, now brings me back to one of the central points about the bills before us. The three bills are remarkably similar in many major aspects. We are starting with a good footing, and I hope that we shall be able to focus intently on the key issues.

There are three issues that we are most concerned with: CPA rights to seek to overturn in court the final decisions of other agencies, to act as a dual prosecutor in a small area, and to force private citizens to divulge confidential information. A fourth issue is whether the CPA should be allowed to enter, as a matter of right, the informal activities of other agencies.

On this last point, I have consistently been much less concerned with where the CPA could go than with what it could do once it got there. But I have, through questioning, attempted to see if there are any specific areas where CPA advocacy would be inappropriate.

Subcommittee members will recall that I repeatedly questioned witnesses during the last hearings on what positons the CPA would take in such informal activities as federally mediated collective bargaining, deciding importation policies and foregn trade negotiations.

It seems that these questions are not yet resolved. Congressman Waggonner recently made a floor speech in which he stated his concern over CPA advocacy in discussions of imports, and particularly in negotiations over importing more oil from the Arab nations.

Mr. Chairman, because I feel that this short speech will ad constructively to our hearing record, I ask that it be so inserted.

On the CPA's powers question, my chief area of concern, I intend to seek from our witnesses information on all three of the critical issues I have previously discussed.

On the question of Government vs. Government appeal rights, I would like to know whether any nonregulatory agency now enjoys such a power in so broad an area. I also wish to determine what specific prior decisions of federal agencies proponents have in mind as justifying the need for court appeal by another unit of the Government. Surely there must be a significant number to substantiate such an extraordinary power.

Similarly, I would like to know what sanction-oriented agency proceedings proponents of CPA full party status have in mind to justify such an across-the-board grant.

On the question of whether the CPA should be allowed to issue court-enforceable information demands to private citizens, I would like to determine what type of information is expected to be sought in this manner. More specifically, I wish to know what type of information do the proponents of this concept fear that a business firm will not provide voluntarily upon CPA request. Finding this out—if I do—I wish to evaluate whether the type of information that would not be given freely by a businessman to the CPA would be the type that we should force him to surrender.

Lastly, and on a more general theme, I wish to address myself to the proposition so often heard in relation to the more far-reaching CPA bills: Don't worry, this proposition says, because we have oversight of this new agency, we can always cut back over-reaching powers mistakenly granted. I want examples of this proposition in action; how many times have we—or any other Committee—cut back the powers granted to an agency.

It has always been my experience that we have added to the powers of agencies, particularly agencies with voter appeal. In fact, it has always been my experience that the agencies, themselves, do remarkably well in extending their own powers beyond what we originally intended.

We have a recent example of this right in the consumer protection field. The Chairman of the National Product Safety Commission, an agency only a few months old which hasn't even seated all of its Commissioners, announced his intention to use the agency's powers to attempt to ban cigarettes, contrary to the clear intent of Congres.

I would assume, by the way, that a CPA would have to vigorously oppose such a move, being a representative of the consumers of cigarettes, and not of those who never consume them.

Thank you, Mr. Chairman, for this opportunity to express my views. I look forward to a productive, and hopefully final, set of hearings on this very important legislation.

HOLYOKE, MASS., CELEBRATES ITS 100TH BIRTHDAY

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. CONTE. Mr. Speaker, this year, the city of Holyoke in the First Congressional District of Massachusetts is commemorating its 100th anniversary. Its citizens have dubbed it "Holyoke's Historic Hundredth." I would like to invite my colleagues to join me today in wishing this remarkable community a happy birthday.

The history of Holyoke, the first planned industry city in our Nation, is one that merits our attention.

Located in the west central portion of the Commonwealth, Holyoke owes its establishment and expansion to the Connecticut River and those who would harness its power.

The community of Holyoke was the dream of the Hadley Falls Co., which still exists today as the Holyoke Water Power Co. The Hadley Falls Co. in the mid-1800's saw potential in a section of falls on the Connecticut and envisioned a city built on the firm foundation of industry.

Upon that dream, officials of that firm laid a blueprint. And according to that blueprint, the city grew.

The growth of the community was spurred by the great milling concerns that clustered around the river and the innovative canal system developed there. Three dams have spanned the Connecticut at Holyoke for the purpose of diverting water into these canals. The first, a wooden dam erected in 1848, failed to contain the river and was destroyed on its day of dedication. A second dam was successfully built in 1849. A third dam, completed in 1900 and considered an engineering marvel in its time, still stands.

The location now known as Holyoke was once called Ireland Parish in honor of the background of one of the residents of that section, John Riley. Later in the history of the area, that title became even more apt with the influx of Irish immigrants. Along with immigrants from Canada, Poland, Germany, Scotland, and other countries, they made Holyoke the "melting pot" which it remains today.

Holyoke's annual St. Patrick's Day Parade, a tradition in Massachusetts and one of the best of this type of pageant in the Nation, is only one example of the continued vitality of the ethnic groups in Holyoke.

In more recent times, a large number of Spanish-speaking Americans have found homes in the city of Holyoke.

In 1850, the community was incorporated as a town and took its name from the English pioneer, Elizur Holyoke, who came to the region 20 years after the Pilgrims landed at Plymouth. In 1873, Holyoke ratified its charter as a city—population 14,000.

Those early inhabitants and today's citizens of Holyoke have always sought and received strength from their belief in God. At the time of its incorporation as a city, several religious sects had already located in the city. In Holyoke today are found no fewer than 27 places of worship for followers of all faiths.

Not only has the need for moral leadership been superbly met in this community, the desire for quality education for all has been fulfilled. Formal education in Holyoke had its beginnings in a humble, one-room schoolhouse in 1802. As the community grew, so, too, grew Holyoke's schools. Today, excellent public and parochial systems provide the young residents of Holyoke with a variety of opportunities for instruction.

In 1969, Holyoke High School brought honor upon itself and its community by being named recipient of the 28th National Bellamy Award, an award which recognizes exemplary characteristics of patriotism and good citizenship. I was honored to be a participant in the ceremonies when the award was formally bestowed upon his deserving hall of learning.

Today, Holyoke's educational horizon continues bright. Work is nearing completion on the construction of the new campus of Holyoke Community College, one of the finest in the commonwealth's community college network.

Its educational system is not the only one of its attributes that have drawn public attention. Just this summer, the city was cited for excellence by the U.S. Conference of Mayors for its community development programs.

The physical wellbeing of Holyoke's citizens is monitored by three local hospitals, including a fine municipal hospital; Providence Hospital, operated by the Roman Catholic Sisters of Providence, which is also marking its centennial this year; and the Holyoke Soldiers Home. Holyoke also boasts forward looking municipal police and fire departments.

The citizens of Holyoke have never lacked for places of great beauty and sources of entertainment.

The Holyoke Opera House provided a home for the theater and the performing arts in early Holyoke. The Mount Tom Summit House was a popular spot in the early 1900's, attracting tourists from throughout the country, including President William McKinley. The Valley Arena, for many years served as a headquarters for sportsmen throughout the region. The game of volleyball was invented in Holyoke in 1895 by YMCA instructor W. G. Morgan and this same city was a pioneer in the game of basketball.

By virtue of its natural setting, in the Pioneer Valley of New England, Holyoke lends itself to a multitude of outdoor leisure-time activities. Historically, the city distinguished itself as a leader in the development of a municipal playground system. Year-round skiing, on water or snow, is available here. Boating, water-skiing and fishing are afforded by the Connecticut River, while climbing, snow skiing and camping are much pursued activities in the local hills. Holyoke also shares with its neighboring town of Easthampton the beautiful Mount Tom State Reservation.

Wisteriahurst, listed in the National Register of Historic Places, is a place of beauty as well as a repository of museum artifacts.

The information needs of the community are served by a daily newspaper. the Holyoke Daily Transcript-Telegram and a local radio station, WREB.

Chronicling the events of importance to the community for more than 100 years, the Transcript-Telegram was founded in 1849 as the Hampden Freeman. In 1888, the journal came into the capable hands of William G. Dwight in whose family it has remained. One prime example of Holyoke's faith in the future is the brand new publishing plant of the Transcript-Telegram that recently opened and is ready to lead Holyoke into its second century.

In a front page salute in its special centennial edition, the Transcript-Telegram spotlighted one salient point in any discussion of Holyoke. It cited a quotation from the book, "The Founding of Holyoke, 1848" by Dr. Ralph H. Gabriel;

> Technology marches on and the wonders of yesterday become the curiosities of today. But in every age, some men succeed in rising above the transcient, and in creating works which outlast the times which produce them. The founders of Holyoke were such men. They built with such honesty and intelligence that the city has never been forced to abandon its original foundations.

Since its founding, Holyoke has, of course, experienced the economic fluctuations that every industrial community knows. Throughout, however, the people of Holyoke have exhibited an undaunted spirit and Holyoke today remains as it was designed, a manufacturing city.

While the concerns that gave the city its unofficial title "The Paper City" have been sadly depleted in recent years, several of those firms remain, providing employment for many Holyoke residents and maintaining Holyoke's reputation for a high quality of manufactured product.

Holyoke today is a city fighting the ravages to which other industrial communities have succumbed. I believe it is winning this fight. In the battle, the city wisely is using every tool available to it. In recent years, it has scored great successes with its urban renewal, model cities, and housing programs with which I have been deeply involved.

Holyoke residents, Mr. Speaker, are a proud group, and they have good reason to be.

This pride is being manifested especially this year. Holyokers have embraced this milestone with a vigor and enthusiasm that I dare say is unsurpassed in any other community marking a similar achievement.

Official events have spanned the entire year. The ethnic groups which throughout the years have contributed so mightily to the city, lent the strength of their unique pasts to the celebration, staging individual anniversary galas with an international flair.

The celebration is now beginning to reach fever pitch with a pageant, six centennial balls and a mammoth parade all set for month's end.

The spirit of brotherhood engendered by this celebration should, indeed, endure until the next time the citizens of Holyoke gather to mark the close of another successful century.

I know that my many colleagues who have had the opportunity to visit this great and historic city join me now in extending hearty wishes to the city of Holyoke on the occasion of its "Historic Hundredth."

AN INCONTESTABLE VERDICT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. CRANE. Mr. Speaker, on July 7 the West German Supreme Court made an historic decision on the interpretation of the basic treaty between East and West Germany. Because of our status with regard to Berlin, this decision has immense importance to us in the conduct of our foreign policy. The court held that the treaty was constitutional only under specified circumstances, and that interpretation is now being rejected by the Soviets who view the treaty as a recognition of the existence of East Germany as a separate State.

Despite the significance of this decision, there was little or no coverage of the verdict in this country. Consequently, I shall in the next several days, insert in the RECORD appropriate commentary and information on the decision so that the Congress may understand what has taken place.

[From "Die Welt", Aug. 2, 1973]

AN INCONTESTABLE VERDICT

(By Bruno Waltert)

As was to be expected, the federal government, the two coalition parties in Bonn as well as the publication media close to them have assessed the verdict of the Federal Constitutional Court on the basic treaty as approval of Bonn's eastern and Germany policies. The fact that the Bavarian claim was rejected unanimously by the judges of Karlsruhe, might tend to facilitate this argumentation. But it is neither correct nor does it make clear that the responsible protagonists of Bonn's eastern and Germany policies as well as those sympathizing with them are not at all joyful about the verdict of Karlsruhe, the reason being that they are well aware that the decision of the Federal Constitutional Court imposes very decisive restrictions on the envisioned policy, of which the basic treaty is just the beginning.

Understandably, they try not to show this disappointment to the public. Therefore, they attempt almost without exception to make believe that the verdict has ruled the basis treaty compatible with the basic law without doubt or reservation. Such a statement is, however, neither contained in the tenor of the decision of Karlsruhe nor in the reasons for it. In fact, the tenor of the verdict reads as follows:

"The law of June 6, 1973 on the treaty between the Federal Republic of Germany and the German democratic Republic on the basis of relations between the Federal Republic of Germany and the German Democratic Republic, dated December 21, 1972, is compatible with the basic law within the framework of the interpretation contained in the reasons for the verdict".

The decisive words are "within the framework of the interpretation contained in the reasons". It is these words, however, which do not please some of the advocates of Bonn's eastern and Germany policies. It will not help them much that they would therefore rather not publicize them. The opposition parties in Bonn have made it clear that they are going to adapt their future attitude on the "Deutschlandpolitik" to the verdict of Karlsruhe and they will probably not tire of gauging every Germany-political activity of the Brandt/Scheel government by the judge's decision.

The decision by the constitutional judges has helped them to proceed in this manner: all essential parts of the verdict have been formulated so as not to permit misinterpretation. They can not simply be reinterpreted as responsible government politicians in Bonn have seen fit to do. But that is not all: more important yet than the clear formulation of the decision is the court's connection of the reasons for the verdict with the tenor.

Customarily, only the tenor of the verdict—the key statement preceding the reasons for the ruling—has an immediate effect. It came as a surprise to many that the Federal Constitutional Court has now extended that effect also to the interpretations of the basic treaty contained in the verdict by inserting the phrase "within the framework of the interpretation contained in the reasons for the decision". This binding effect is, regardless of the fact that those responsible in Bonn and elsewhere would prefer to conceal or hush this up by means of foggy presentations, one of those realities which are usually referred to by the Bonn government—even in cases that are in truth based on fiction.

Concretely, this extension of the binding effect by the constitutional judges means that the federal government in its future "Deutschlandpolitik" will have to stick by all interpretations which the Federal Constitutional Court as the highest legal federal organ laid down in its ruling.

And it will not be possible to treat essential statements from the reasons for the verdict in such a manner as to make believe that they are not subject to this binding effect, because they are in no direct connection with the interpretation of the basic treaty by the court. The Federal Constitutional Court has unanimously blocked such maneuvers by stating: "Every individual statement included in the reasons for the verdict—even those that do not exclusively refer to the substance of the treaty proper, are necessary. That means they are part of the reasons for the decision in accordance with the jurisdiction of the Federal Constitutional Court". The limitations imposed by the court's decision for any type of "Deutschlandpolitik" of the Federal Republic can hence not be changed by moving the border poles.

Another passage from the verdict is of special importance in this connection. Concerning the "successor agreements" to the basic treaty which are to be expected and which are in part directly addressed in article 7 of the treaty, the verdict states:

"Everyone of these additional legal steps has to be compatible not only with the constitution, but also with the basic law. It therefore requires confirmation today that all further legal steps referring to the treaty are not necessarily legally justified simply because their contractual basis (the treaty) does not meet with constitutional objections".

All this makes clear that all competent judges of the Second Senate of the Federal Constitutional Court have realized—regardless of their party bias—that the limits of any activity in the "Deutschlandpolitik" which they have spelled out in accordance with the provisions of constitutional law, must be marked by clearly visible border poles. That was all the more necessary as the basic treaty which the federal government uncautiously negotiated under pressure of time is not per se and without reservation compatible with the basic law, but only when and if it is interpreted in accordance with the constitution.

Although the judges of Karlsruhe have now clearly set the border poles as demanded by the constitution, this does still not guarantee, of course, that they will always be left there. For if it should be true that some especially influential protagonists of Bonn's eastern and Germany policies among the SPD party members pursue quite different goals than they pretend, then these politicians might be tempted to walk by those poles so often and so closely that nobody will notice when they set their feet—first cautiously, but then with more confidence—beyond the borders.

Hence one needs to be on one's toes. Outside the coalition in Bonn, alertness is an important challenge for the opposition parties. Within the Bonn government the Free Democrats (FDP party) should make use of the opportunity to take a clear stance on the "Deutschlandpolitik" by making sure that all future initiatives by the federal government of which they are doubtlessly a part, are clearly compatible with the constitution.

LEE HAMILTON'S WASHINGTON REPORT ENTITLED "CAMPAIGN REFORM"

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. HAMILTON. Mr. Speaker, I include my recent Washington report entitled "Campaign Reform."

CAMPAIGN REFORM

Two Americans in three believe that there are Senators and Congressmen in Congress who won elections by using unethical and illegal methods in their campaigns, and one in every five Americans believes that half or more of the 535 legislators in Congress have obtained office through questionable means. This lack of confidence in the integrity of the American political system is among our most urgent national concerns.

People will not have confidence in the Congress if they lack confidence in the manner in which their legislators are chosen. At the center of abuse of the electoral process are large amounts of money.

Elections have become top-heavy with expensive campaigns paid for by huge donations from a few wealthy individuals and organizations. The total cost of the 1972 election at all levels of government is estimated at a staggering $500 million. Ninety percent of the contributions made to political campaigns comes from only one percent of the population, allowing a small group to exert a disproportionate influence.

Campaign financing is one of the most crucial, but unseen, areas of the democratic process, and in recent years the Congress has turned its attention to it with increasing frequency.

In 1971, Congress passed its first major campaign reform bill since 1925, and in 1973, prompted by Watergate and the general distress with the way elections are conducted, it is working on the most comprehensive campaign spending reform bill in the nation's history. The 1971 Act, modest in scope and success, required candidates to file detailed reports on the money raised and spent, and limited the amount that could be spent for advertising. The Act did not prevent Watergate, but it helped expose it.

For the new legislation these are the main areas under discussion:

Expenditures: Most people agree that too much money is being spent on campaigns and that limits ought to be set. The 1971 Act limits spending for advertising to 10 cents per eligible voter in the constituency. Too strict a ceiling would favor the incumbent, and once spending limitations are broadened beyond advertising, enforcement becomes difficult.

I support overall limits on expenditures, high enough to permit the challenger to wage an effective campaign, but low enough to halt spiraling campaign costs, to reduce the necessity of raising huge sums of money to finance a campaign, and to reduce reliance upon special interest groups.

Contributions: A more important problem than limitations on campaign expenditures is limiting contributions. Large gifts designed to influence actions are one of the principal things wrong with present campaign practices.

I support strict limitations on the size of contributions from individuals or groups to prevent undue influence and to encourage more small contributions.

Disclosure: The best part of the 1971 Act was the provision requiring the disclosure of campaign finances. The major loophole of the 1971 Act, permitting a candidate multiple fundraising committees, should be closed so that each candidate would do all his reporting through one campaign committee. The objective is to assure the public an accurate account of how much was spent and where the money came from.

Enforcement: The worst part of the 1971 Act was the weak enforcement provision with divided responsibility for enforcement, and the most important single reform now needed is the creation of a hardnosed oversight and enforcement agency to assure compliance with stiff fines for violations.

SIXTEEN YEARS IN INDIA

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. WINN. Mr. Speaker, our American universities carry out many fine programs on the international level which are directed toward building meaningful and relevant relationships between Americans and citizens of differing cultures.

One such program was carried out by Kansas State University, and I would like to give recognition to the example set by this program.

Kansas State has been linked to India since 1954 when the U.S. Government requested several land-grant universities to assist in a project to help India increase its food production by strengthening its agricultural institutions. Their purpose was to assist in agricultural education, research and laboratory control of products, and to formulate technical cooperation programs.

Fifty-nine faculty and staff members from Kansas State participated in the "green revolution," as it is popularly known. In 1961, this team was instrumental in formulating plans for the establishment of Andhra Pradesh Agricultural University. The Kansas State team supplied important institutional and agricultural expertise and experience, and played an important role in the early organization of the university. The effect of this program on both India and Kansas State has been profound.

In spite of the terrible drouths of 1965, 1966, and 1967, India has become self-sufficient in the production of food grains. Today, because of the time and effort expended by Kansas State and the other land grant university teams, agriculture, and its associated industries provide a living for 70 percent of India's population. Additionally, these industries account for almost one-half of the total national income. The export of agricultural products now accounts for about one-third of India's foreign exchange income.

Today, India is a land of hope rather than a land of despair.

Even with the rapid population expansion, Indian farmers have been motivated to produce in a manner, only recently thought impossible. But, how can the motivation for a better life for a villager and his family be accurately evaluated? Only time can give us an answer to the long-term value of the program to a country with a recorded history stretching back over 3,000 years.

The value to Kansas State University and to the State of Kansas has also been far-reaching. So many Americans have no appreciation for the vast problems faced in other countries. The Kansas State participants, I am sure, have gained a much broader point of view and a sense of compassion and understanding which could not be absorbed secondhand.

I take pride in the role Kansas State University has played in this valuable international program. Their 16 years of frustration, sweat, and accomplishment should serve as a guideline for the rest of America, for it is through dedication like this that the world becomes a sphere for cooperation rather than confrontation.

IRISH-AMERICAN CULTURAL INSTITUTE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. CONTE. Mr. Speaker, I would like to bring to the attention of the House of Representatives the fine work being carried out by the Irish-American Cultural Institute, the only international Irish cultural organization of its kind, whose headquarters are located in St. Paul, Minn.

The IACI is this country's only active, international, successful organization promoting an understanding and interpretation of Irish culture. It has been cited as "the premier Irish-American organization" by Ireland's Prime Minister. Ireland's former President, Eamon deValera, has been the institute's distinguished patron. The IACI National Council includes scholars, writers, and artists like Pat O'Brien, Mike Douglas, and Bob Considine, Princess Grace of Monaco is the honorary international chairman.

IACI, publishers of the distinguished quarterly, Eire-Ireland, now runs an Irish Fortnight each year in five U.S. cities, including Washington. This fortnight is a unique concentration on Irish culture and civilization.

Mr. Speaker, I congratulate the Irish-American Cultural Institute for once more uplifting our minds and spirits through its cultural leadership. I insert in the RECORD the text of their upcoming concert program:

1973 Washington Concert—Ireland's Award-Winning Musical Artists, Lisner Auditorium, George Washington University, 21st & H Sts., N.W., Monday, October 22, 1973, 8:00 p.m., for tickets: contact T. J. Murphy, 1810 Wilson Lane No. 204, McLean, Virginia, 22101, or your local "Tikatron."

Featuring: Comhaltas Ceoltoiri Eireann—Ireland's foremost traditional artists musicians, singers, performers and dancers.

Comhaltas (Coh-ul-tus) brings to Washington its 25-member concert tour, selected from the award-winning performers of the past ten years, presenting authentic traditional music of Ireland.

Comhaltas is the great force behind the revolution in Irish folk music. Last year over 150,000 persons participated in Comhaltas events: three national festivals of song and dance and over thirty provincial and county gatherings.

REVIEWERS LAUD KENT STATE BOOK

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, thousands of words have been written about the tragedy at the Kent State campus on May 4, 1970, when Ohio National Guardsmen opened fire on protesting college students, killing four and wounding several others.

Of the half dozen books penned on the subject, none thunders like "The Truth About Kent State," by Peter Davies.

Quite simply, Davies feels that the students were shot deliberately, without provocation, by National Guardsmen, who, before the actual firing, agreed to open fire on the protesters.

The effort of Peter Davies and a legion of others to bring out the truth surrounding the killings has resulted in Elliot Richardson's decision to reopen the Kent State case, 2 years after the Attorney General John Mitchell refused 20 Members of this Chamber who sought the convening of a Federal grand jury to investigate the Kent incident.

The Davies' book has received excellent reviews in many of the Nation's newspapers and magazines.

I would like to include reviews from the New York Times and Playboy magazine at this time for the information of my colleagues:

[From the New York Times, Sept. 2, 1973]

THE TRUTH ABOUT KENT STATE

(Reviewed by Thomas Powers)

(A Challenger to the American Conscience. By Peter Davies and the Board of Church and Society of the United Methodist Church. Illustrated. 242 pp. New York: Farrar Straus Giroux.)

At 12:24 on the afternoon of Monday, May 4, 1970, a detachment of perhaps 30 National Guardsmen on the campus of Kent States University in Kent, Ohio, suddenly turned in a body and opened fire with M-1 rifles and .45-cal. automatic pistols on students who were hundreds of feet away. Thirteen students were shot. Four of them died.

Why did the Guardsmen fire?

It seems a simple enough question, hardly beyond the investigative resources of a Federal Government that has probed so minutely the activities of so many radicals, but Federal investigators have yet to come up with a complete answer, and Federal officials chose to ignore the partial answers, disturbing as they were. A Presidential Commission found, and then Attorney General John N. Mitchell conceded, that the shootings were "unnecessary, unwarranted and inexcusable," and yet Mitchell hesitated for more than a year following the shooting and then declined even to convene a Federal grand jury. Thus the first question is followed by a second: Why did the Government do nothing? Peter Davies' book on the Kent State shootings focuses with relentless clarity on the unanswered questions of the case, setting out what is known and what is not known, and eloquently attempting to convince us—hardest task of all—that we ought to care about what happened on that fatal day, and about the failure of justice which followed.

The shootings at Kent State are far from unique in recent American history and Mr. Davies knows he is less likely to meet outright hostility than cynicism and indifference. We are inclined to think we know all about Kent State, to grant Mr. Davies' case before we really know what it is, and to conclude wearily that nothing can be done about it, anyway. This would be to do both his book and his perseverance an injustice, because there is plenty to surprise and even shock us about the Kent State case once we begin paying close attention to the details, as Mr. Davies has done.

This was not a case of tragic confrontation, in which violent protest brought violence in return, as President Nixon suggested at the time, but of something much simpler. Thirteen students were shot at Kent State because popular feeling, officially encouraged, held that students were fair game. The Justice Department ignored the results of its own investigation because the President, the Vice President and the Attorney General had all publicly attacked student activists as ideological hoodlums. When the facts at Kent State failed to fit official preconceptions, the facts were slighted or suppressed, and the case was ignored. It is only in the last month that a new Attorney General, Elliot L. Richardson, has agreed to reopen the case in an attempt to answer the old questions. The official explanation is that new evidence has come to light but in fact, as we shall see, most of it is mentioned in Mr. Davies's book and the true explanation seems to be the obvious one: the original investigation was not pushed by the Justice Department and its findings were ignored.

The genesis of "The Truth About Kent State" is unusual. A few days after the shooting Mr. Davies, by profession an insurance broker, sent a letter of protest to President Nixon and a copy of it to the parents of one of the dead, Allison Krause, Allison's father called to thank him for his gesture and as a result Mr. Davies took a close interest in the various legal suits and appeals for a full inquiry initiated by Arthur Krause and other parents of the dead and wounded. The Board of Church and Society of the United Method Church later joined in these efforts and helped Mr. Davies to write an extensive "Appeal for Justice" which was submitted to the Department of Justice. When the then Attorney General John N. Mitchell nevertheless refused to convene a Federal grand jury to investigate the shootings, Mr. Davies undertook this book in order to bring the case for a full inquiry—of which there has so far been none—to a wider public.

Mr. Davies's only criticism of the report of the Presidential Commission headed by former Pennsylvania Governor William W. Scranton is that it did not go far enough. Pressed for time, the Commission failed to pursue much that was important. The National Guardsmen who actually fired their guns, for example, all managed to avoid testifying before the Commission and as a result their version of events has never been subject to detailed public scrutiny. Mr. Davies is frank in acknowledging his heavy debt to three earlier books for many of the facts behind his argument: "13 Seconds: Confrontation at Kent State," by Joe Esztenhas and Michael D. Roberts (Dodd, Mead, 1970); "Kent State: What Happened and Why," by James A. Michener (Random House and Reader's Digest Press, 1971), and "The Killings at Kent State: How Murder Went Unpunished" by I. F. Stone (A New York Review Book Vintage Books, 1970). But his purpose, after all, is a limited one. He seeks only to remind us that justice cannot have been done where legal authorities have demonstrated so little interest in the simple truth.

For someone lacking subpoena power the truth about Kent State is not easy to get at, if by truth we mean to include an explanation of why the Guardsmen fired. The physical facts of the matter—who did what and when—are easier to establish because the shootings took place in broad daylight in full view of hundreds of witnesses and there is an extraordinary quantity of supplementary evidence, including a tape recording of the 13-second fusillade and dozens of photographs (many of which are in this book) from every vantage, of the events immediately preceding, during and following the actual shooting. All of this evidence, meticulously recounted by Mr. Davies, indicates there was no mob of menacing students as the national Guard later claimed, that the Guardsmen fired at students in a parking lot hundreds of feet away rather than at other students much closer to hand, and that they turned and fired in a body for no visibly apparent reason.

Mr. Davies suggests that a small group of Guardsmen may have agreed to fire on the students about five minutes before they actually did so. Photographs show that eight or ten Guardsmen suddenly bunched together in what witnesses referred to as a kind of "huddle." Mr. Davies thinks this group, tired and angry, may have loosely decided to shoot if there were any more rock throwing. They may even have decided to turn and fire on a predetermined signal. The best that one can say for this theory—and it is all that Mr. Davies does say—is that it is plausible and, if true, that it would explain the facts.

There are other possible explanations. The first shot heard on the tape recording of the incident, for example, might not be an agreed-upon signal, or the act of a lone Guardsman firing either deliberately or in panic, but a shot fired by a mysterious "free-lance photographer" named Terence F. Norman. The Justice Department has cited "new evidence" about Mr. Norman's role in the incident for reopening its inquiry, but most of the evidence apparently has been around for some time and is included in Mr. Davies's book. There is no question, Mr. Davies says, that Norman was at the scene, that he was carrying a gun and that he drew it either right before or right after the shooting.

Some witnesses say he fired his gun immediately before the Guardsmen wheeled around and began shooting. The photographer may have been a full-time undercover agent for the University, which is known to have employed them, and the F.B.I. has recently admitted paying him $125 a few weeks before the shootings for information about a right-wing political group. All of this must have been known by the F.B.I. at the time of its original inquiry. The questions about Mr. Norman's role which the Justice Department will attempt to answer now, are simply those which it neglected then.

Mr. Davies devotes the last third of his book to a close examination of official reaction to the shootings, such as there was. The report of an Ohio grand jury was a whitewash pure and simple. The Federal Government did both more and less. The Scranton Commission reported that the shootings had been "unnecessary, unwarranted and inexcusable," but Vice President Agnew dismissed their findings as "pablum for permissiveness" and the President ignored their recommendations.

The F.B.I. assigned up to 300 agents to the case and eventually delivered an 8,000 page report to the Justice Department which indicated, among other things, that some Guardsmen had lied in denying they had fired, that the Guardsmen had been in no physical danger, and that Guardsmen may have conspired after the shootings to blame their action on a threatening mob which never existed. In spite of the F.B.I.'s tentative conclusions, Attorney General Mitchell refused to convene a grand jury to investigate further. It was only after continuing appeals by the parents of students killed or wounded, as well as many others, including Mr. Davies, that the new Attorney General Elliot Richardson recently agreed to reopen the inquiry. Whether this new effort, so long after the fact, will finally arrive at the truth about Kent State is anybody's guess.

In another sense, however, the responsibility for the tragedy of May 4, 1970, has already been established clearly and it is here that Mr. Davies' book achieves its greatest force. One does not have to condone rock-throwing or the burning of the Kent State R.O.T.C. building on the Saturday before the shooting in order to center one's concern on the callous and irresponsible behavior of public officials who felt, and who did not hesitate in the heat of the moment to say, that students were fair game. Riding a wave of anti-student ill-feeling for which both the President and the Vice President are at least partly to blame, these officials, from the mayor of Kent to the governor of Ohio, made no attempt to calm the situation at Kent State but instead responded eagerly with steadily escalating force completely out of proportion to the provocation.

More specifically, there can be no excuse for the decision to issue Guardsmen with live ammunition. There can be no excuse for Major General Sylvester Del Corso's action two days before the shooting in scooping up rocks in full view of his troops and throwing them back at students. There can be no excuse for the bayonetting of three students over the weekend before the shooting, or for the failure of National Guard officers to bring their men under control. There can be no excuse for the inflammatory press conference given by Ohio Governor James Rhodes on Sunday, May 3, just two days before a Republican senatorial primary in which he was trailing badly, where Rhodes said "We're going to use every weapon of law-enforcement agencies of Ohio to drive them [student radicals] out of Kent .... They're worse than the brownshirts and the Communist element and also the night riders and the vigilantes. They're the worst type of people that we harbor in America. . . ."

There can be no excuse for General Robert H. Canterbury's decision to forcibly disperse an entirely peaceful and legal rally at noon on Monday, just 30 minutes before the shooting, remarking as he did so, "These students are going to have to find out what law and order is all about." And there can be no excuse for the incredible lack of fire discipline displayed when 20 or more Guardsmen, without any sort of order whatever, suddenly opened fire on students hundreds of feet away while General Canterbury, all but standing in their very midst, happened to be looking the other way.

Why reopen the case, where there are so many other issues competing for our flagging attention? "Not because such an inquiry would restore life to the dead," Mr. Davies argues, "but because we live by laws that no Guardsman is above and no student below."

There can be little question of the Justice Department's response if the rock throwers had killed four Guardsmen, rather than the other way around. All the important questions about the shootings at Kent State remain unanswered, for no better reason than that it has suited the authorities to leave them so. The case should be fully reopened and the truth established for the oldest and simplest of reasons: because justice has not been served, because too many Americans have cynically concluded it never is and never will be, and because no one, in a society of laws rather than men, is fair game.

[From Playboy magazine, October 1973]

"Those students are going to have to find out what law and order is all about," Brigadier General Robert Canterbury said during the demonstrations at Kent State University in May 1970. Four students were later killed and nine more wounded. In an astonishingly detailed book called The Truth About Kent State (Farrar, Straus & Giroux)—originally *The Murders at Kent State* but changed to avoid a libel suit—Peter Davies had assembled crucial facts and pleads for indictments of wrongdoers. Although former Attorney General John Mitchell conceded that the killings "were unnecessary, unwarranted and inexcusable," neither he nor his successor, Richard Kleindienst, brought the killers to justice. (The latest Attorney General, acknowledging "the sleazy atmosphere" at the Justice Department, has promised to reopen the case.) Davies, in eloquently controlled anger, has put together an indictment that should have been made a long time ago. The Justice Department concluded that the Guardsmen were not surrounded when they began shooting (the students were at least 200 feet away); the Guardsmen still had tear gas; only a few were injured (just one needed medical help); and no student posed a threat to them (witnesses say that no more than 15 students were throwing rocks—and from quite a distance). After examining numerous photographs, dozens of which are reprinted here, and talking to hundreds of witnesses, Davies writes that "It is shatteringly obvious that the danger to the lives of the Guardsmen was absolutely minimal." Then why the killings? An event minutes before the shootings arouses suspicion. Troop G, gathering on the practice field to plot strategy, suddenly turned around and commenced firing. "In other words," Davies writes, "we are left the clear possibility that a decision was reached among these men to shoot at the students." Some Guardsmen have admitted that the group agreed to shoot *at random*. The victims, after all were students—and everyone knows where the Nixon Administration stood on that subject.

SEEKS TO RAISE EARNINGS LIMITATION ON SOCIAL SECURITY SYSTEM

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. BOB WILSON. Mr. Speaker, I am today introducing legislation to increase one of the most controversial features of the social security system—the earnings limitation. After many long years of paying taxes into the social security fund, the retiree finds that there are several "catches" attached to the retirement benefit he has been banking on. Primarily, if the retiree decides to work part-time to supplement his reduced income, he finds that, once he passes the earnings ceiling, his social security benefits are substantially reduced. Having paid social security taxes during his working years to finance his retirement benefit, this senior citizen is understandably outraged. I am sure that many of my colleagues have received letters of protest over this situation. During the past year, Congress has raised the earnings ceiling somewhat to the $2,400 recently enacted but I feel this is still unrealistic in terms of today's prices and living costs.

For this reason, I am today introducing legislation to raise the earnings ceiling to $3,600. This will encourage those who are still physically able to work to supplement their social security pension and should contribute substantially to a feeling of self-sufficiency and the economic well-being of our senior citizens. In a time when many of our elderly are made to feel useless and a burden on society, those who wish to add to their incomes should be encouraged to do so. Although it may be fiscally impossible to remove the earnings ceiling, we should seriously consider increasing it to a more adequate level.

ENERGY CRISIS

HON. WILLIAM J. KEATING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. KEATING. Mr. Speaker, virtually every reliable indication in the United States points to the possibility of fuel shortages this winter, and other related problems associated with what has become known as the energy crisis.

During the month of August, the Public Utilities Commission of Ohio conducted hearings on the priority of curtailment in a gas shortage, and allocation of gas to new customers when additional gas becomes available.

Despite assurances from the Public Utilities Commission of Ohio, hospitals in the Cincinnati area are worried they will be cut off from their gas supplies this winter if serious shortages of natural gas develop.

The Cincinnati Gas & Electric Co. has already warned the Public Utilities Commission of Ohio that several Cincinnati hospitals may be among the first to be denied gas service under the new emergency priorities being considered by the commission.

The plight of the independent gasoline wholesalers and retailers also continues to worsen, as it has been reported that more than 4,000 independent service stations across the country have been forced to shut down operations either permanently or temporarily since the crunch began earlier this year.

Those independents who remain in business are threatened with extinction or at least dramatic cutbacks in operations unless the Federal Government asserts new policies and initiatives soon.

Because the independent sector is vital to the competitive viability of the petroleum industry, Congress should take those actions necessary to assure that the independents are not driven out of business and made the scapegoats of this country's shortsighted energy policies of the past two decades.

I am firmly convinced that the energy challenge facing this country is perhaps the single most important matter which will affect the lives of every citizen in the United States for the next decade.

If this challenge is to be met successfully, it will require prompt and decisive action by the executive and legislative branches of the Federal Government.

Specifically, Congress must act now on the following crucial bills which are pending on committee calendars:

H.R. 7563, the Independent Oil Marketers Supply Act of 1973.

This bill attempts to insure supplies of petroleum products to independent marketers. These independents are not the beneficiaries of such tax privileges as the oil depletion allowance and, therefore, cannot during price-squeeze periods subsidize their retail outlets in any manner comparable to that of the major oil companies.

This bill would attempt to guarantee supplies of petroleum products to independent marketers by mandating that "no refiner who during the base period was in the business of furnishing any petroleum . . . to major company marketers . . . shall fail to offer to supply that product to independent marketers at reasonable prices and in reasonable quantities, so long as he continues to furnish that product to major company marketers."

An enforcement provision is also included in the bill to insure that the quantity and price of gasoline supplied does not discriminate against independents.

There is absolutely no doubt that independent oil and gasoline distributors are an important part of the oil industry, particularly in the Midwest and Northeast. In the past few months, the amount of crude oil and finished petroleum products being supplied to independents has not been at the levels it should be.

Independent gasoline dealers, for example, have suffered most heavily during the recent shortages. It is absolutely essential that the independent dealers be preserved, since they form such an important segment of the petroelum industry.

This legislation will accomplish that objective by spreading the shortages equally among the independents and major oil companies.

H.R. 7501, the Deepwater Port Facilities Act of 1973.

This bill is vitally needed for two reasons.

First, this legislation would help reduce existing port congestion and the attendant risk of oil spill from collision or grounding. Also, if a spill does occur at a deepwater port, there is more time to clean out the port before the oil reaches beaches and sensitive estuarine areas.

Second, the most obvious advantages of deepwater ports is their ability to accommodate deepdraft tankers. This will enable the United States to meet its essential, short-term energy needs of the future through the importation of large quantities of crude oil and liquefied natural gas.

H.R. 7507, the Natural Gas Supply Act of 1973.

The Federal Government's natural gas policies over the past 19 years have unquestionably been one of the major factors producing the present-day energy crisis.

The Federal Power Commission's controls on gas were imposed at a time when natural gas was in surplus and prices were low. As a result of these controls, however, the popularity of gas soared, as it was highly prized for its clean burning qualities as well as its cheap price.

Unfortunately, holding down the price of gas below that of competing fuels such as coal and oil also discouraged incentive for new exploration. A gas shortage was inevitable.

The Natural Gas Act of 1973 is designed to reverse this trend. This bill proposes that new discoveries of gas, as well as old discoveries under contracts which have expired, may be sold into interstate commerce at free market prices without Federal regulation.

The unregulated contract prices, if they rose to the point where they threatened to penalize consumers unduly, would be controlled by the Secretary of the Interior through the imposition of a ceiling, after consideration of the prices and comparable qualities of competing fuels.

In addition, flowing gas under contracts would remain under regulated prices, and the bill would allow the Federal Power Commission the authority to regulate direct sales by pipelines to industries, which now escape regulation because they are not "sales for resale" as stipulated by the Natural Gas Act.

H.R. 5442, the Mineral Leasing Act of 1973.

This bill, which was introduced to revise the Nation's mineral leasing laws, provides the Secretary of the Interior with the authority to proscribe regulations for the issuance of prospecting licenses.

These licenses are to contain such reasonable conditions as the Secretary may require, including conditions for the protection of the environment, and shall be applicable to all Federal, State, and local laws.

In addition, the bill calls for lessees to file with the Secretary for approval of an operation and reclamation plan describing the manner in which the activity will be conducted, and it ensures that it is carried out consistent with environmental regulations.

Finally, this bill sets forth specific regulations regarding the size of mineral leases, conditions for leases, royalties derived and other factors for oil and gas, coal and other minerals, and construction minerals.

Mr. Speaker, this legislation is needed for several reasons, the most important of which is the need to update the Nation's mining laws. The Public Land Law Review Commission and other respected bodies have recommended changes for several years, as present Federal policy is based on the Mineral Leasing Act of 1872, which is not an effective leasing system.

This older bill fails to provide maximum benefit from the resources mined while ensuring the preservation of environmental values.

I would encourage my colleagues on the appropriate committees to act on these bills at the earliest possible date.

Mr. Speaker, on September 10, 1973, the President sent to this body proposals dealing with the energy crisis.

Part of the President's proposal is the creation of a Department of Energy and Natural Resources to permit the Federal Government to deal with the energy problem in a comprehensive and coordinated manner. The failure to create such an office will not prolong the energy problems that we are now experiencing.

A shortage of one fuel creates new demands on other fuel sources. Our inability to use coal as a fuel source because of its potential environmental damage leads us to rely more heavily on oil. Subsequent heavy demands on oil help to create shortages and reliance on foreign supply which, in turn, created an incentive to explore other sources of fuel supply such as nuclear power, hydropower, and now future energy sources such as shale oil, geothermal energy, and solar energy.

The need for the creation of a Department of Energy and Natural Resources is with us now and we should act now.

In addition, the President has asked for a new independent Energy Research and Development Administration which would lead the Federal effort to see that future energy sources are tapped as soon as possible and as efficiently as possible. The President proposed a $10 billion research and development effort to begin in fiscal year 1975. I believe the Federal efforts that exist in this area today should be expanded immediately and the national effort to discover and utilize energy sources for the future should be given the highest priority and suffer no more delay.

It is clear that some energy resources the United States has available will remain unused until the technology is developed to convert these resources into usable fuels. Coal, for instance, is the Nation's most abundant fossil fuel, representing about 75 percent of our fossil fuel reserves. It is estimated that there are 150 billion tons of coal reserves in the United States which at today's consumption rates amounts to approximately a 30-year supply.

In spite of this great quantity, however, coal supplied only about 18 percent of America's energy requirements in 1972. The major drawbacks to expanded mining of coal and greater reliance on coal as an energy source are environmental and technological. Coal mining operations sear the land, while the burning of coal pollutes the air because there is no commerically successful way of burning it clearly. Conversion of coal to gas or oil is still inefficient and technological breakthroughs in this area are years away, dependent, of course, on the amount of scientific research and development the United States is willing to expend in this area. Coal gasification has tremendous potential but its potential awaits our commitment.

Similarly, shale oil or recoverable deposits of shale oil in the continental United States are estimated at 600 billion barrels, although to date there has been no commercial production of shale oil in the United States. Again, the potential for shale oil awaits our commitment.

Mr. Speaker, I applaud the administration's effort to dampen demand and instill in all of us the spirit of conservation and the control of our energy uses. The use of carpools, the development of efficient motor vehicle engines that consume less fuel are very worthwhile; however, there are going to be continued problems in the energy field and we will be reminded of them daily until we take constructive action in this field.

For instance, General Motors Corp. officials have submitted a statement to the Office of Oil and Gas of the Department of the Interior on the proposed mandatory allocation program for propane which says that GM's entire automotive operations and a significant portion of the Nation's remaining automotive manufacturing operations will be forced to drastically curtail or even, perhaps, shut down if their foundries in Illinois and Ohio suffer natural gas curtailments predicted by their supplier for this coming winter and the plants are unable to obtain adequate supplies of propane as a substitute fuel.

This warning delivered on September 7, 1973, may be ignored but if, in fact, the largest private employer in the United States does curtail its operations, we will be forced to ask ourselves whether there was something we should have done to avoid the crisis.

But General Motors is not alone in pinpointing problems relating to energy. The State board of education of Ohio is fearful that because of a lack of fuel oil, the schools in Ohio this winter may be too cold and they may be forced to shut down. In addition, the State board is concerned about the transportation of the 1,300,000 students to and from their schools because some school districts have been unable to obtain price comitments for bulk purchases of gasoline for their schoolbuses.

At the same time, I have recently heard from a Green Bay, Wis., firm engaged in the transportation of dairy and meat products and manufactured food products with operation in eight Midwestern States. Because of an inadequate supply of fuel to operate its trucks, this company has to plan to discontinue normal operations starting in October of this year. As the president of the company wrote me:

> If we do not have fuel, our trucks simply cannot run, if our trucks cannot run, substantial amounts of food and related items will not be delivered to the consumer.

Mr. Speaker, I continue to believe that the energy crisis is the single most important problem facing the Congress today, and I again urge early and constructive action on these issues.

TWO GERMANYS IN ONE UNITED NATIONS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. RARICK. Mr. Speaker, the announcement that there are two Germanys, each with one vote, in the United Nations is an absurdity as great as the misnomer "United Nations."

Several years ago the "world body," by majority vote, ruled that there could not be two Chinas in the U.N. They reasoned there was only one China and one Chinese people. Likewise, there is only one Germany and one Germanic people.

Apparently, the only difference is that the U.N. crowd felt the German affluence would provide another source of income.

Now that there are two German votes in the U.N., if these representatives truly represent the German people, the first item of business they should place on the agenda is removal of the Berlin wall and a call for reunification of Germany.

I ask that two related news clippings follow:

[From the Washington Post, Sept. 18, 1973]

TWO GERMANYS TO ENTER U.N. TODAY

(By Anthony Astrachan)

UNITED NATIONS, Sept. 17.—The 28th General Assembly opens Tuesday with the admission of the two Germanys, the successors to the nation on whose defeat in World War II the United Nations was built.

Foreign Minister Walter Scheel will represent the Federal Republic of Germany and Foreign Minister Otto Winzer will represent the German Democratic Republic.

The Assembly's attention will soon shift to another German-born foreign minister, however—U.S. Secretary of State-designate Henry A. Kissinger, who will make his first speech here Monday if, as expected, he has been confirmed by the Senate.

U.N. diplomats are looking forward to his maiden speech with some interest because he told the Senate Foreign Relations Committee 10 days ago that the United Nations is useless in disputes where the great powers or their proteges are involved—a truth well-known but seldom trumpeted here.

Kissinger did suggest significant roles for the United Nations in areas where the great powers are not involved; in peacekeeping, and in "new areas of human concern which over a decade or two may turn out to be more important than the tactical political and military issues of day to day—food, water, environment, problems that have no political content as such."

Secretary General Kurt Waldheim was asked about Kissinger's statement at his annual press conference today. He refused to comment on Kissinger in particular but emphasized that the United Nations was founded for political reasons; that it must deal with economic and social questions because without them, there can be no political stability; and that the main U.N. purposes remained political.

Kissinger also told the senators that the Assembly is "an excellent meeting place for the exchange of ideas" and that he therefore expects to spend "a fair amount of time" here.

The Assembly is expected to provide the occasion for Kissinger to confer with Foreign Minister K. B. Anderson of Denmark, who will give him Europe's reply to his hopes for a new Atlantic policy. In addition, there will be at least 62 other foreign ministers here, including those of the Soviet Union, China, Britain, France and Japan.

The sharpest conflict in the Assembly's own debates will concern Korea.

A draft resolution sponsored by Algeria, China, the Soviet Union and 20 other countries calls for the dissolution of the U.N. military command in Korea; the withdrawal of the right of foreign troops there to use the U.N. flag; and for the withdrawal of the troops themselves.

There are about 40,000 American troops in Korea, nominally under the U.N. flag.

A draft resolution sponsored by the United States, Britain, Japan and 10 other countries asks both North and South Korea to consider U.N. membership as a step to promote peace and security and ultimate unification.

This is the position of President Park Chung Hee of South Korea. President Kim II Sung of North Korea insists that the country must be unified before applying for U.N. membership. But North Korea became a member of the World Health Organization this year and has accordingly assumed observer status here. South Korea has been an observer since 1949. Such status has often preceded full membership in the past.

The U.S.-backed resolution also asks the Security Council to consider "those aspects of the Korean question which fall within its responsibility." This is a euphemism for the military problems named in the other resolution.

There may be a minor controversy over the seating of Cambodia, where nonaligned and socialist states may try to oust the delegation from the Lon Nol government in favor of one representing the forces of deposed Prince Norodom Sihanouk.

The Assembly will also admit the Bahamas Tuesday, making the membership 135, and may make Bangladesh No. 136 if Pakistan and China withdraw their objections.

[From the Washington Star-News, Sept. 19, 1973]

TWO GERMANYS ADMITTED TO U.N.

UNITED NATIONS—The foreign ministers of East and West Germany make their debut before the U.N. General Assembly today with speeches replying to a host of delegates congratulating their governments on admission to the United Nations.

The addresses by Otto Winzer of East Germany and Walter Scheel of West Germany were expected to reflect the unique relationship between the halves of the first divided country ever to enter the world organization—peaceful coexistence, contrary policies and membership in opposing international blocs.

Prime Minister Lynden O. Pindling of the Bahamas was also on the speakers' list to acknowledge good wishes on the admission of his Caribbean island nation, until it became independent of Britain in July.

The assembly elected the two Germanys and the Bahamas to membership yesterday at the opening of its 28th annual session, swelling the membership to 135 countries.

Israeli Ambassador Yosef Tekoah spoke against the admission of East Germany, saying it had aided Palestinian Arab organizations in a campaign of violence and murder against Israel and, unlike West Germany, had refused to pay Israel reparations for the 6 million Jews murdered by the Nazis.

Jeanne Martin Cisse of Guinea spoke against the admission of West Germany. She charged that it helped Portugal bomb the people of Portuguese Guinea and the Cape Verde Islands, where a rebellion is under way.

But Britain, France, the Soviet Union, the United States and the 61 other sponsors of the resolution to admit the two Germanys together would not allow the separate votes that would have enabled Tekoah and Mrs. Cisse to record their opposition on roll calls.

The resolution was adopted by acclamation, without a vote. Winzer and Scheel, with their delegations, were escorted into the hall to take their seats on opposite sides of one aisle.

U.N. Ambassador Leopoldo Benites of Ecuador had anticipated the admission of the two Germanys in his inaugural speech a few hours earlier as president of the new assembly. He said it meant "ending the restrictive stage of the organization and beginning the stage of true universality."

U.S. Ambassador John A. Scali told the assembly the entry of the two Germanys was "the culmination to a generation of diplomacy . . . in which all parties have come to recognize the realities of today's world."

STARVATION REMAINS A THREAT IN THE SAHEILIAN ZONE OF WEST AFRICA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. RANGEL. Mr. Speaker, I have spoken on the floor before the congressional recess concerning the need for us in the Congress to be aware of the threat of starvation facing 20 million men, women, and children in a 2,000-mile belt of arid land along the southern edge of the Sahara.

Because of the long standing drought in this region, rivers and lakes have completely dried up, crops are dead and in some areas over 80 percent of the livestock have died of starvation.

Thousands of families have been forced to abandon their villages and homes. They roam the countryside and cities in search of water and food that will keep them alive.

Already thousands of the very young and old have died of starvation. Many, weak from lack of food, are suffering from diseases like cholera and typhoid.

It has been estimated that as many as 6 million men, women, and children could die of starvation by October unless emergency relief comes.

We must continue our efforts to increase American aid to this area to avert these catastrophic consequences.

Recently the National Enquirer sent staff reporter Harold Lewis to report on the famine in upper Volta, Senegal, Mauritania, Niger, Chad and Mali. I insert Mr. Lewis's report in the CONGRESSIONAL RECORD for the information of my colleagues:

ENQUIRER ON-THE-SPOT INVESTIGATION OF FAMINE IN AFRICA REVEALS THOUSANDS OF CHILDREN AWAIT DEATH AS MOTHERS SEARCH DESPERATELY FOR FOOD

(By Harold Lewis)

I cradled in my arms a child I sensed was about to die.

Fatima was 6 years old, and even to the untrained observer she was obviously too weak to fight off disease. I didn't have to look at her bloated belly to know the hunger in her eyes was desperate and real.

Thousands of such children, potbellied from starvation, await death today in six drought-stricken, underdeveloped nations of West Africa—Upper Volta, Senegal, Mauritania, Mali, Niger and Chad.

Four years of meager rainfall have killed off crops and cattle and brought catastrophic famine to a populace of more than 6 million. The search for water and food has sent many of them scurrying over hundreds of miles in search of greener pastures—if any are left.

Many are dying en route in the deserts on the fringe of the great Sahara—from thirst, starvation, sandstorms and disease. In Dakar, capital of Senegal, they are fighting in the streets for water.

"I have lost everything," Mois Imakalkalane, the 35-year-old father of Fatima, told me at a refugee camp in Niger. "In a desert sandstorm I lost a child. He wandered off and we never found him. Another child died because there was just no food to give her. No milk. Nothing.

"Maybe they will all die," he said of his remaining 10 children. Taklit, one of his three wives, sobbed quietly beside her Moslem husband as he spoke.

"I knew the herds had to be moved when the rains failed to come," Mois continued. "I was hoping that after a few miles we would find new pastures, but we never did."

The blazing sun has scoured the African earth of its grass and sucked dry many water holes.

"Sixteen of my cows died in the first few miles," Mois went on, "and the rest kept falling down from exhaustion. When they died we ate them. When they had all died we ate plants and leaves to keep alive.

"As the weeks dragged on, we suffered the torments of hell—the sun and burning sands scorched the outside of our bodies while hunger pained our insides.

"Our pace became slower, our steps more weary. But is was necessary to keep going all the time. It takes a day to get from one well to another, and we had to get to a new well each day or we would have died of thirst.

"It was three months before we arrived here," Mois said of the refugee camp where 3,000 have now settled and hundreds more arrive every week. "But we arrived too late, I fear, to save Fatima."

No accurate fatality count is available from the famine zone. After talking to officials there, I estimate the death toll in the thousands. And more succumb each day, even from mild diseases like the common cold and measles, because of the weakened condition of starving bodies.

Such is Fatima's fate. For more than 500 miles she trudged wearily with her family from the Republic of Mali to the refugee camp near Niamey, capital of Niger.

The Imakalkalane family was among 900 Tuareg tribesmen who set off together across the desert in search of food, water and grazing land for their cattle. About half the tribe completed the trek.

Chief Issof Mohammed told me: "Some just disappeared into the desert. Some just died. Many men abandoned their wives. The wives then abandoned the children and the children were left to starve.

"Now it is sickness that is threatening the children."

A few days later, I went back to the camp to speak again with the Tuaregs. By the flickering light of the camp fire I caught a glimpse of Mois and Taklit.

Of Fatima there was no sign.

And I, who had children at home and asleep in their beds, unashamedly wept.

A Belgian doctor in Niger told me: "In the name of humanity we are handing out food to children we know are going to die. It would be better used by giving it to those we know are going to live. It is not something I am supposed to say, but it is what we feel. The land just cannot support the people."

I went from Niamey to Agadez, 600 miles northeast, and found even more horrors. If there is hell on earth it is this Niger desert town of 7,000 swollen now to twice that size by nomads in search of water. There they sit in the 100-degree-plus heat, squeezing mud in their hands to extract precious drops of fluid.

Starvation in Agadez has weakened its children so badly that one recent measles epidemic killed dozens of them, I was told by American Don Kurtz. He has helped set up medical teams there for the Church World Service. "If the food supplies stop, many more will die," Kurtz added. "And right now we are down to flat nothing."

PUBLIC UTILITY RESPONSIBILITY

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. FRASER. Mr. Speaker, the issue of corporate responsibility of public utility companies has special significance in light of projected energy shortages.

Alpha Smaby, a former member of the Minnesota State Legislature and a founder of the Minnesota Consumers' League, has used the proxy-election process to try to secure a seat on the board of directors of Northern States Power Co. If elected, Mrs. Smaby has promised to devote her time and corporate salary to furthering the interests of the consumer.

The outcome of the election will be announced on September 28, but unofficial reports indicate that Mrs. Smaby has secured the 7.7-percent vote needed to guarantee her 1 of the 12 corporate directorships.

The following column by Geri Joseph, which was reprinted in the September 13, 1973, Washington Post presents a balanced view of this precedent-breaking proxy fight:

POWER CRISIS

(By Geri Joseph)

Amidst all the headaches now described as "the energy crisis," no power company needs more trouble. But more trouble is just what the Minneapolis-based Northern States Power Co. (NSP) has—at least from management's point of view.

The trouble comes in the slender, articulate form of a 63-year-old Minneapolis grandmother, Alpha Smaby, whose community record up to now has been both active and responsible. She has been a two-term legislator, a founder of the Minnesota Consumers' League and a worker in the American Lutheran Church.

But Mrs. Smaby served notice that she wants to be one of the company's 12 directors, its first elected "consumer voice." Backing her is a group of consumer and environment organizations that call themselves, pointedly, the Coalition to Advocate Public Utility Responsibility (CAPUR).

Their efforts, begun early this year, sent shock waves vibrating through the ordinarily smooth-functioning NSP management. And around the country many another company is watching the outcome. If a consumer representative can be elected to the NSP board over management's objections, what company is next?

In a letter to stockholders, Robert Engels, NSP chairman, wrote: "I believe that the opponents' primary interest is to promote their own social and economic objectives and, if possible, impose them on you and your company.

"I further believe," he warned, "that if they succeed, your company's growth would be impeded, your financial interests would be adversely affected and management could not continue to administer the affairs of your company effectively."

Several months ago, in an obvious attempt to kill Mrs. Smaby's candidacy, NSP tried to change the rules by which board members are elected. Under the proposed changes, she would have needed about 20 per cent of the shareholders' votes instead of the present 7.69. A U.S. district judge, reminding the company of its "public responsibility and duty," ruled against the changes.

NSP's efforts probably cost the company a bit of prestige and possibly some votes. Even businessmen feel that the efforts to smother Mrs. Smaby's challenge amounted to overkill. It turned the comparatively low-key struggle into a cause celebre for consumer and ecology interests.

In its own defense, the company claims that the issue is not really consumer involvement. It is, instead, the question of where this involvement should exist in the company and how it should get there. Should it be at the board level, in some advisory capacity or should it be built into the management structure?

Company spokesmen also insist that board members do not represent any particular group, and no outside organization should have the right to be officially represented.

Furthermore, NSP claims it has been a good corporate citizen in the four-state area it serves. Many people agree. It was one of the first power companies to seek the advice of citizen task forces in locating sites for new power plants. Recently, it established a consumer-affairs department and a vice president's office for environmental and consumer affairs.

Since 1968, the company points out, it has spent more than $54 million on environmental improvements. It will spend about $20 million in 1973. In addition, the company makes money and pays respectable dividends—a fact duly appreciated by its 100,000 shareholders, some 60 per cent of whom own between 50 and 200 shares.

CAPUR is unimpressed with NSP's arguments, and there is severe criticism of the company's behavior. William Mahlum, CAPUR attorney, emphasizes that Mrs. Smaby has a "right" to run for the board. "We've done everything by the rules," he stresses, and that took some doing. We're not trying to take over the company, but they resent the idea that anybody is looking into the inner sanctum of their board room."

CAPUR discounts the claim that present directors do not represent a particular group. Mahlum points out they "certainly represent a point of view." And it is true that, by accident or design, every director except one comes out of the banking or business world. This business orientation of board members, CAPUR claims, prevents their representing "89 per cent of NSP customers."

CAPUR also says NSP efforts to protect the environment are too little and too late, and not even the company's consumer programs win approval.

If Mrs. Smaby succeeds, it's unlikely that all consumers will be suddenly satisfied or that the environment will improve dramatically. Nor is it likely that NSP's earnings will suffer because of Mrs. Smaby's presence. Instead, both sides just might learn something from the other about serious and complex problems that concern everybody. And the entire four-state community would be the beneficiary.

RESOLUTIONS BY THE SONS OF THE AMERICAN REVOLUTION

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. BROYHILL of Virginia. Mr. Speaker, the national society, Sons of the American Revolution, held their 83d annual congress at the Breakers in Palm Beach, Fla., recently.

During the course of the congress a number of resolutions were adopted which would be of interest to all who read this RECORD. I insert 10 of these resolutions at this point in the RECORD:

RESOLUTIONS

RESOLUTION NO. 1

Whereas, in seeming disregard of the provisions of the Tenth Amendment to the Constitution of the United States, there appears in recent years to have been an increasing tendency to centralize in the federal government certain powers over subjects and matters not property within the scope of federal authority or jurisdiction, and

Whereas, one area of vital and significant importance to the continued progress and well being of our great nation upon which such encroachment of federal power has seriously intruded is in the field of education of our young people upon whom will devolve the responsibility for the conduct and preservation of our country, its institutions, and its form of government as we have known them.

Now, therefore, be it resolved by the National Society, Sons of the American Revolution in its 83rd Annual Congress Assembled, that the design, structure, and administration of publicly supported educational systems is, and ought to be, the exclusive duty and responsibility of the individual and separate States of the Union in such manner and by such means as each of said States shall independently determine, and

Be it further resolved, that all federal agencies, including the Congress, the executive branch, and the courts should refrain from any interference, whether by coercion, force, persuasion, or otherwise, with the orderly performance by the several States of their responsibilities in the field of education.

RESOLUTION NO. 2

Whereas, on the ill-founded premise that access to biographical data as contained in federal census records constitutes an invasion of privacy, and

Whereas, there is presently pending in the House of Representatives a Bill (H.R. 7762), some of the provisions of which will permanently restrict accessibility to the 1900 and later census records, thereby detrimentally affecting historians, researchers, genealogists and applicants for admission to memberships in many worthy organizations wherein lineage is among the factors determining eligibility, of the valuable information and data available in such records, and by so doing, seriously endangering the future growth of such organizations, including our own.

Now, therefore, be it resolved by the National Society, Sons of the American Revolution in its 83rd Annual Congress assembled, that it opposes any efforts to restrict accessibility to the 1900 and later census records, whether by legislation, executive or administrative fiat, or by any other means.

RESOLUTION NO. 3

Whereas, Pollution of the nation's air, water, and land and the misuse of our natural resources are a threat to our health and to our very existence, and

Whereas, widespread public concern has expressed itself to establish curbs on litter and pollution, and to encourage conservation of natural resources through the development and utilization of our technology and scientific research, and

Whereas, in response to the critical need for environmental education and action to combat and overcome pollution, and to expedite acceptance of resource recovery to conserve our natural resources, the nationwide, action-oriented environmental awareness program—Johnny Horizon '76—"Let's Clean Up America For Our 200th Birthday"—was developed by the United States Department of the Interior, with the support and cooperation of the Department of Defense, General Services Administration, the U.S. Postal Service, the President's Council on Environmental Quality, the Civil Service Commission, the Federal Highway Administration and the Tennessee Valley Authority, among others, along with more than 1,500 business, industry and citizens' groups and organizations, and

Whereas, the Johnny Horizon '76 "Let's Clean Up America For Our 200th Birthday" Program has widely demonstrated its ability to translate citizen concern into positive action such as community and country-wide cleanups, inner city beautification and conservation programs; in consequence whereby the American Revolution Bicentennial Commission in Washington, D.C. has officially recognized the Johnny Horizon '76 Program as an activity in furtherance of, and as a part of, the National Bicentennial Program and that it has been awarded the use of the Official Symbol.

Now, therefore, be it resolved:

1. That the National Society, Sons of the American Revolution in its 83rd Annual Congress assembled, acknowledges the overwhelming importance of the emerging environmental ethic in America based on the public demand that our air, water and land be cleaned up, and that our natural resources be conserved through resource recovery, all to the end that the quality of life might be improved for all our citizens.

2. That the said National Society agrees that the objective of cleaning up America, visually and ecologically, represents an important and highly desirable Bicentennial goal, as well as an ultimate objective for the well-being of all of us.

3. That the said National Society itself, and through its State Societies and local Chapter Program Committees—working in harmony with local civic and community organizations—do actively and consistently seek to help plan, develop and implement local Johnny Horizon '76 "Let's Clean Up America For Our 200th Birthday" Action Programs as a vital and significant part of our Nation's Bicentennial celebration effort.

RESOLUTION NO. 4

Whereas, the United Nations membership has grown in number to 132 nations and

Whereas, each of the Nations has a vote in the United Nations, equal to the vote of the United States, and

Whereas, a two-thirds voting majority in the general assembly can be formed by nations with less than ten percent (10%) of the world's population and which contribute approximately five percent (5%) of the United Nations' assessed budget.

Now, therefore, be it resolved by the National Society, Sons of the American Revolution at its 83rd Annual Congress assembled, that, pending the withdrawal of the United States from the United Nations entirely, we recommend to the consideration of our representatives and senators in Congress that the United States' financial support of the United Nations be re-adjusted to a more reasonable proportion, based upon a consideration of equal responsibility of all members.

RESOLUTION NO. 5

Whereas, we deplore the abandonment of the actual dates of George Washington's Birthday and Veterans Day for random weekend dates, unassociated with the patriotic and reverent purpose of their inception, and

Whereas, our Society has as one of its purposes the preservation and reverence for such patriotic occasions,

Now, therefore, be it resolved that the National Society, Sons of the American Revolution at its 83rd Annual Congress assembled, urges the observance of the actual dates of February 22nd and November 11th as the proper dates for honoring and commemorating George Washington's Birthday and Veterans Day respectively.

RESOLUTION NO. 6

Whereas, the South Carolina Society has developed a project for the purchase and restoration of the home of Edward Rutledge, one of the signers of the Declaration of Independence;

Now, therefore, be it resolved by the National Society, Sons of the American Revolution in its 83rd Annual Congress assembled, that it endorses the action of the aforesaid South Carolina Society and urges the establishment and maintenance of the Edward Rutledge home as a permanent memorial to his memory.

RESOLUTION NO. 7

Whereas, reliable reports indicate that the United States is rapidly eroding its international position of strength in regard to its military, air and naval capacity, and

Whereas, George Washington admonished us, in the time of peace, to prepare for war,

Now, therefore, be it resolved by the National Society, Sons of the American Revolution in its 83rd Annual Congress, assembled, that the preservation and security of American liberty and our Republican form of government make it imperative that the military capabilities of this country be continually maintained in such strength and posture as to enable the United States to successfully repulse all threats to its existence from within and without the territorial boundaries of this nation.

RESOLUTION NO. 8

Whereas, the American people have paid tender tributes to the sacrifices of their sons who gave their lives in battle in World War I, World War II and the Korean Conflict by selecting unknown soldiers for special honors and respect at the tombs of the unknown soldiers in Arlington National Cemetery.

Now, therefore, be it resolved that the National Society, Sons of the American Revolution in its 83rd Annual Congress assembled, urges the United States Congress to honor in like manner the unknown soldiers, unidentified in death, who were victims of the Vietnam War, for their supreme sacrifice in the service and uniform of the United States of America.

RESOLUTION NO. 9

Whereas, our armed services have traditionally constituted the shield and sword of the Republic against aggression by a foe, and

Whereas, such mission has been executed in the past in a brave and honorable manner by officers and men dedicated to the rigors and hazards of the armed forces, and

Whereas, during the past decade, there has developed a permissiveness, laxity in discipline, disrespect for authority, lowering of standards of personal appearance, and lowering of mental and physical standards, and

Whereas, such ideas have resulted in near-mutinies on fighting ships and at land bases, and have further resulted in a widespread decline in standards of morale and discipline as well as fighting capability,

Now, therefore, be it Resolved, that the National Society, Sons of the American Revolution in its 83rd Annual Congress assembled, urges the President of the United States, as commander-in-chief of the armed services, to correct this troublesome situation by restoring a policy of traditional high military standards of conduct and discipline.

RESOLUTION NO. 10

Whereas, it is reiterated and re-affirmed that all previous resolutions submitted at prior Congresses be re-affirmed.

VOCATIONAL EDUCATION

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. BEVILL. Mr. Speaker, I have been a strong supporter of vocational education programs since becoming a Member of Congress. I believe America is fast approaching a crossroads in the field of educational planning. It is essential during the next few years that we channel our efforts and resources into educating more people for employment, rather than just providing them with a college education.

I have received an excellent editorial concerning our vocational needs, which was published recently in the St. Clair News-Aegis, one of the fine papers in my congressional district.

I am placing this editorial in the RECORD and urging all of my colleagues to read it, for I believe it contains some very valuable advice:

VOCATIONAL EDUCATION

"Without a college diploma you can never live comfortably for the cost of living will increase drastically within the next few years and your money will not go as far."

The above phrase, and many like it, have been expounded by our nation's educators for a number of years, especially during the 1950's.

For too long the educational masterminds of American society have preached the importance of a college diploma.

With the great boom in American technology resulting from our nation's space exploration program and great post-wars advancements, the technician or blue-collar worker has come into great demand.

Now, the picture is changing.

College enrollment will drop for the first time in a decade this year. This may be one of the best things that has happened to our young people in quite a while.

During the past few years, plumbers, mechanics, welders, and carpenters seemed on the verge of extinction. Reason being that everyone was rushing off to college and relatively few young people were bothering to learn these vital trades anymore. But the fact is that these and other blue collar occupations are every bit as essential to the maintenance of our type society as are the professions. A college education is still, for some, a prelude to chosen careers.

Today's high schoolers should be encouraged to pursue the goals of their choice. But a college degree is not the only means of obtaining happiness.

With the construction of the Eden Area Vocational School nearing completion and classes already underway, it must be noted that our high school students have an opportunity as never before in this vital area of education.

The St. Clair County Board of Education and all who worked so diligently for this facility should be commended for offering such an avenue of future growth and development of our county and its residents.

"BOSS LEWIS"—THE SPARK IS GONE

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. STOKES. Mr. Speaker, a recent article in the Call & Post, written by Charles H. Loeb, brought back many memories. The late John H. Lewis, Sr., who was affectionately known as "Boss Lewis," was like a father to me and other young men in Cleveland. He inspired not only his own children, but all of us who came into contact with him. He and his late wife, Emmie Lewis, became legends in their own time in Cleveland. Mr. Charles Loeb is to be commended for an excellent article and for reminding all of us once again of a man who provided a spark in the life of many of Cleveland's successful men and women. I commend this article to my colleagues:

THE SPARK IS GONE

(By Charles H. Loeb)

Whenever I read a news story about the efforts of both governmental and private agencies to revive "downtown" Cleveland, or stories about "involved" businessmen who are conscious of the social consequences of their policies, I think of the late John H. Lewis, Sr., who for so many years was the moving spirit of the Upper Quincy Avenue Merchants Association, and one of the most active leaders in the Negro business community.

Regrettably, the Quincy Avenue Merchants Association is now defunct, and the 82 merchants who once represented the peak of its membership, have now dwindled down to a precious few, now that the spark is gone for almost a decade.

Few men in the Cleveland community have ever demonstrated a more dedicated interest in developing black entrepreneurship and in keeping it alive by maintaining both an attractive environment and an atmosphere of ethical business practices.

Coming to Cleveland, with his wife Emmie, soon manifested the qualities of leadership that brought them affection from their neighbors and respect from the entire business community.

Under his leadership the Merchants group undertook numerous projects aimed at bettering the Quincy community both for the residents and for the businesses operating in the area. The membership continued to be interracial. The organization worked actively in evaluating urban renewal programs, demanding adequate police protection for the area, eradicating juvenile delinquency problems, curbing vandalism, working for off-street parking, sponsoring a twice-yearly clean-up campaign, and their most notable project, the yearly Christmas Lighting Project, which allowed Quincy Avenue to claim the longest string of lights in the city.

Mr. Lewis, "Boss Lewis", as he was affectionately called, was a native of Montgomery, Ala., and had worked for 27 years in the employ of McKesson and Robbins Incorporated, one of the world's largest manufacturers of drugs, until he moved his family to Cleveland in 1944, to open a Sohio Service Station at Quincy Avenue an East 89th Street.

As a Standard Oil Dealer, his pleasant personality and sincere interest in people, made him a welcome friend and a counsellor to hundreds of families. His name soon became a legend, and he threw himself devotedly into scores of community religious, charitable and civic projects. Meanwhile, his wife Emmie, who followed him in death a year ago, was making a record as an outstanding teacher in the Cleveland Public School system.

The spark that once inspired Quincy Avenue has been extinguished now for almost ten years, but John H. Lewis Sr., left behind him a significant contribution to the city of his adoption. They took form in his children in whom he inspired the thirst for education and the public service.

His son, Dr. John H. Lewis, Jr., is a physician specializing in children and a civic leader; daughter Anita, who worked with her father in the service station for many years, then later as an editorial staffer on the Call & Post, is currently Deputy Director of the Urban League of Cleveland. The youngest son, Wesley after distinguished service in the U.S. Air Force, is now employed by the Cleveland Electric Illuminating Company.

I am convinced that had Cleveland been able to attract more model citizens of the John H. Lewis type over the past two decades, we wouldn't be so desperately in need of a Model Cities program and could well have done without many of the misguided programs that have used up taxpayers money to no avail.

The spark is gone, but there is always a lingering hope that somebody who remembers "Boss" Lewis and his accomplishments, may again ignite it.

PHASE IV GUIDELINES

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. BURGENER. Mr. Speaker, last weekend I had the pleasure of meeting with a number of independent service stations owners in my district. They briefed me on the effect of the phase IV guidelines which are presently in force.

I returned to Washington concerned that these guidelines could threaten the basis of the efficient system of distribution of petroleum products in our Nation. Research into the specifics of the guidelines and their effect on the industry nationwide has only increased this concern.

This morning I wrote a letter to Dr. John T. Dunlop, Director of the Cost of Living Council. It expresses my concern, and I insert the text in the RECORD at this point:

SEPTEMBER 20, 1973.

DEAR MR. DUNLOP: The petroleum retailers of our country have been hit, and hit hard, by inequities in the application of Phase 4 controls within the energy supply industry. Without prompt corrective action literally thousands of small, independent businessmen will lose their businesses and the people of America will lose vital services.

In the commendable attempt to tailor price controls to fit the circumstances of this industry, the policy has allowed a pass-through of increased costs for those who effect the importation of the crude oil we need during the "energy crisis." My opposition to the attempt to regulate the economy through artificial controls does not keep me from applauding your effort to assure that the supply of energy imported from abroad is not curtailed as a result of domestic economic controls.

This "pass-through" does not, however, pass all the way through! The increases can, under current regulations, be passed along by those who buy crude oil overseas, those who ship it, those who store it, those who refine it. In short, increases can be dealt with by every level of the industry up to, but not including, the retailer.

As you know, the petroleum retailer is controlled by a ceiling on the price he may charge for his product while the rest of the industry is controlled by the imposition of a base price to which he may add increased costs. These increased costs, therefore, can only be passed through to the retailer who is expected to absorb them.

The current method of determining the ceiling price for gasoline uses the price that the retailer paid for the product on August first, plus the mark-up he charged in January 10th, or 7c a gallon, whichever is greater. Both of these figures are more than arbitrary, they are unworkable.

With the recent increases instituted by many of the major suppliers, the retailer has been caught in a squeeze that threatens the survival of the system of distribution of petroleum in our nation. Some estimates show as many as 70% of the dealers in America have been forced to adopt the 7c mark-up because of the depressed status of the industry on January 10. Now, with the increases in their costs, their mark-ups have been reduced to 6c or even 5c per gallon.

The National Congress of Petroleum Retailers have performed a study of their industry which indicates that a minimum mark-up of 8c a gallon is needed in order to remain in business. The gap between 8c and 5c or 6c per gallon is the retailer's margin of *loss*. Can we really expect a small businessman to remain in business if every sale he makes represents a loss? In this case, the larger the sale the larger the loss!

In light of these facts, I hope that the Cost of Living Council will take immediate action to adjust the ceiling price formula to reflect the latest figures on wholesale prices. But more than this, I fervently hope that a reexamination of the regulations as they apply to petroleum retailers can be conducted at the earliest opportunity. This reexamination would show, I am sure, that the best interest of the American people would be served by allowing a realistic mark-up and immediate adjustments based on increased costs.

Sincerely,

CLAIR W. BURGENER,
Member of Congress.

ANDREI SAKHAROV AND FREEDOM IN THE SOVIET UNION

HON. BERTRAM L. PODELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. PODELL. Mr. Speaker, today's Washington Post carried a full page advertisement of an open letter to the U.S. Congress from Andrei Sakharov, the noted Soviet physicist.

Dr. Sakharov, who has recently been the subject of official Soviet harassment for his outspoken attitude on human rights in Russia, importunes us to maintain our support for the Jackson-Vanik amendment. He says what all of us know, but few of us can admit: That "quiet diplomacy" is hopeless to help the vast number of Russians, Jewish and otherwise, who seek the basic human right of free emigration.

We dare not be in such a rush to reach a state of détente with the Soviet Union that we sacrifice all the highest principles of this Nation. The United States of America made a commitment almost 200 years ago to certain basic human rights, and, while we have at times strayed from the path of strict observance, these principles are still with us, still part of our law. They should also be part of our foreign policy, and this is what the Jackson-Vanik amendment is all about.

It is wrong to think that passage of this provision as part of the trade bill will jeopardize détente. Détente means that two nations have reached a stage in their political development at which they feel they have many things in common and can live together comfortably in the world community. Yes, the cold war is over, and for that I can give thanks. But, Mr. Speaker, can we really coexist with the Soviet Union as long as that nation is still practicing religious discrimination and intellectual slavery?

Détente is only meaningful when two nations can deal with each other as equals, at arms' length. As I have said so many times, the Soviet Union needs us more than we need them. But we are so anxious to declare the Cold War officially over that we are showering them with every conceivable benefit of free trade. It was not necessary to declare the Cold War officially over for the grain deal to go through last year, or for Armand Hammer to work out his multimillion dollar natural gas project with Soviet officialdom. Anyone can see that the liberal goals of the 1950's and 1960's, to improve our relations with Russia, have been accomplished, without the benefit of most favored nation status or broad trade agreements.

Trade and good relations with the Soviet Union will continue whether the Jackson-Vanik amendment is passed or not. Passage of this amendment will not cause an upsurge of anti-Semitism in the Soviet Union. It will not disrupt trade with Russia. Threats to this effect are as nonsensical as scaring a child with tales of the boogey-man. We have successfully traded with the Soviet Union over the last few years without any of these concessions. What will cause anti-semitism to wallow up in Russia is if there is no trade bill at all because of an inability to include the Vanik amendment.

I cannot state too strongly or too often how important the Freedom of Emigration Act is, not only to the Jews in Russia, but to the dissidents who have been imprisoned in concentration camps and mental institutions, to the millions of men and women in Russia who would like a freer intellectual climate, to the thousands of non-Jews who would also like to emigrate, if only they could. Millions of people, not just in Russia, but the world over, are looking to us here in the Congress, to see whether we can enact our moral principles into legislation. We dare not betray this trust.

I am enclosing in the RECORD Dr. Sakharov's letter to the Congress of the United States. I urge my colleagues to read what he has to say to them, and to consider it in the time remaining before the trade bill is voted on:

AN OPEN LETTER TO THE U.S. CONGRESS BY ANDREI SAKHAROV, THE SOVIET PHYSICIST

At a time when the Congress is debating fundamental issues of foreign policy, I consider it my duty to express my view on one such issue—protection of the right to freedom of residence within the country of one's choice. That right was proclaimed by the United Nations in 1948 in the Universal Declaration of Human Rights.

If every nation is entitled to choose the political system under which it wishes to live, this is true all the more of every individual person. A country whose citizens are deprived of this minimal right is not free even if there were not a single citizen who would want to exercise that right.

But, as you know, there are tens of thousands of citizens in the Soviet Union—Jews, Germans, Russians, Ukrainians, Lithuanians, Armenians, Estonians, Latvians, Turks and members of other ethnic groups—who want to leave the country and who have been seeking to exercise that right for years and for decades at the cost of endless difficulty and humiliation.

You know that prisons, labor camps and mental hospitals are full of people who have sought to exercise this legitimate right.

You surely know the name of the Lithuanian Simas A. Kudirka, who was handed over to the Soviet authorities by an American vessel, as well as the names of the defendants in the tragic 1970 hijacking trial in Leningrad. You know about the victims of the Berlin Wall.

There are many more lesser known victims—remember them, too!

For decades the Soviet Union has been developing under conditions of an intolerable isolation, bringing with it the ugliest consequences. Even a partial preservation of those conditions would be highly perilous for all mankind, for international confidence and detente.

In view of the foregoing, I am appealing to the Congress of the United States to give its support to the Jackson Amendment, which represents in my view and in the view of its sponsors an attempt to protect the right to emigration of citizens in countries that are entering into new and friendlier relations with the United States.

The Jackson Amendment is made even more significant by the fact that the world is only just entering on a new course of detente and it is therefore essential that the proper direction be followed from the outset. This is a fundamental issue, extending far beyond the question of emigration.

Those who believe that the Jackson Amendment is likely to undermine anyone's personal or governmental prestige are wrong. Its provisions are minimal and not demeaning.

It should be no surprise that the democratic process can add its corrective to the actions of public figures who negotiate without admitting the possibility of such an amendment. The amendment does not represent interference in the internal affairs of socialist countries, but simply a defense of international law, without which there can be no mutual trust.

Adoption of the amendment, therefore, cannot be a threat to Soviet-American relations. All the more, it would not imperil international detente.

There is a particular silliness in objections to the amendment that are founded on the alleged fear that its adoption would lead to outbursts of anti-semitism in the USSR and hinder the emigration of Jews.

Here you have total confusion, either deliberate or based on ignorance about the USSR. It is as if the emigration issue affected only Jews. As if the situation of those Jews who have vainly sought to emigrate to Israel was not already tragic enough and would become even more hopeless if it were to depend on the democratic attitudes and on the humanity of O.V.I.R. (the Soviet visa agency). As if the techniques of "quiet diplomacy" could help anyone, beyond a few individuals in Moscow and some other cities.

The abandonment of a policy of principle would be a betrayal of the thousands of Jews and non-Jews who want to emigrate, of the hundreds in camps and mental hospitals, of the victims of the Berlin Wall.

Such a denial would lead to stronger repressions on ideological grounds. It would be tantamount to total capitulation of democratic principles in face of blackmail, deceit and violence. The consequences of such a capitulation for international confidence, detente and the entire future of mankind are difficult to predict.

I express the hope that the Congress of the United States, reflecting the will and the traditional love of freedom of the American people, will realize its historical responsibility before mankind and will find the strength to rise above temporary partisan considerations of commercialism and prestige.

I hope that the Congress will support the Jackson Amendment.

September 14, 1973.

ANDREI SAKHAROV.

RESPECT FOR HUMAN RIGHTS IN CHILE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. HARRINGTON. Mr. Speaker, the recent military overthrow of Chile's President Allende has brought in its train a disturbing series of repressive measures taken by the present regime. On September 18, 1973, the Washington Post reported that some 5,200 civilians faced trial by court-martial. A total of 4,700 Chileans are now imprisoned, say junta sources, while thousands of foreigners may be expelled from the country. Estimates of the loss of life during the initial days of the coup vary widely, but the toll could well extend into the thousands. Recents days have witnessed the summary execution of armed "resisters," internment of some 4,000 civilians in the capital's stadium, and blanket accusations against the machinations of resident foreign leftists. Some news reports also claim evidence of military clashes with foreign embassies in Santiago. In light of the above, on September 20, 1973, I sent a telegram to the Chilean Embassy expressing my concern over the fate of political prisoners in Chile, the text of which reads as follows:

> I wish to express my great concern about imprisonment of political opponents. Health and safety of political prisoners has been violated throughout the world. Don't let Chile commit these wrongs also. Summary executions and political persecution violate Chile's long democratic tradition.
>
> Prospect of foreign dissidents being expelled to hostile countries of origin appalling. Present circumstances should afford Chile the opportunity not for recrimination but reconciliation.

Granted that these are troubled times for Chile, when governmental fear and reaction often hold sway over reason and compassion, nevertheless the military junta still has a responsibility to insure respect for human rights within its borders. Humane treatment of prisoners, respect for the right to asylum, publication of lists of prisoners, and consideration of the rights of refugees not only meet the standards of international law, but are conducive to the enlightened self-interest of the government in power. Due to my concern in this area, I cosponsored the following resolution introduced by Congressman FRASER:

> Expressing the sense of the Congress with respect to the observance of human rights in Chile.
>
> Whereas in the aftermath of the change of government in Chile there is widespread concern over the possible danger to human lives and human rights in that country;
>
> Whereas thousands of people are being held in custody including former cabinet-level officials, members of both Houses of Congress, students and professors of universities and non-Chilean nationals who are political refugees from their home countries;
>
> Whereas the Government of Chile has stated an intention to apply military justice to those being held in custody;
>
> Now, therefore be it resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President should request the Government of Chile to undertake the following:
>
> (a) to ensure protection of human rights of all individuals, Chilean and foreign, as provided in the Universal Declaration of Human Rights and other relevant international legal instruments guaranteeing the granting of asylum, safe conduct and humane treatment of prisoners as provided in Article 3 of the Geneva Conventions, Article 14 of the Universal Declaration of Human Rights, the UN Standard Minimum Rules for the Treatment of Prisoners, the Declaration on Territorial Asylum, and the Convention and Protocol Relating to the Status of Refugees; and
>
> (b) to publish as soon as possible the names of those being held in custody and the charges against them.

The above resolution calls on President Nixon to ask that the military regime in Chile respect human rights and heed the provisions of various international conventions on the issue. By such action, the administration would not only underline its adherence to certain principles of international law, but go on record as opposed to any regime which justifies repression in the name of political stability, and brands any form of dissent as indistinguishable from treason.

AMERICAN YOUTH

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. DE LA GARZA. Mr. Speaker, these days when one hears so much of distrust and dissension amongst the populace, whether founded on fact or not, it is heartwarming to receive a letter from a young man with a positive approach—a charitable approach. I do not think that our young people are disillusioned or negative. They care, but they care in a positive way.

I would like to share this letter from a young man in my district with my colleagues—disregard, please, his personal mention of me—the important and so heartening part is what follows:

> DEAR MR. KIKA DE LA GARZA: I would like to thank you for writing me last year upon my graduation. The letter I received from you showed me that you really care about the youth and all of the people in our Valley. I would just like to let you know that I'm praying to God for our leaders in government. So that God will give you guidance in all of your difficult decisions you must face

every day. I pray that he will give you also wisdom to confront wisely every issue you are confronted with. I thank the Lord for letting me write this letter to you.

Sincerely a Christian,
RICARDO GONZALEZ, Jr.

DEALING WITH THE PROBLEM OF CHILD ABUSE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. BIAGGI. Mr. Speaker, I would like to bring to my colleagues attention an article by Dr. Ronald E. Keeney that was the last in a series of child abuse printed in the "Non-Commissioned Officers Association Monthly News."

This final report lists available remedies to the child abuse problem. Many of these provide adequate means to deal with both parents and child so that the young can be brought up in a healthy, stimulating atmosphere.

Unfortunately, many new and more extensive programs are needed in order to provide a greater public awareness and to insure that all our young are brought up properly. We, as legislators, are responsible for providing this initiative by formulating new ideas and working diligently towards passing legislation that may prove one step closer toward resolving this national dilemma. I believe my bill, H.R. 5914, the National Child Abuse Prevention Act, is the best proposal currently before Congress to deal with this pressing problem.

DEALING WITH THE PROBLEM OF CHILD ABUSE

(by Dr. Ronald E. Keeney)

For the past three months this column has dealt with various aspects of the problem of child abuse in our society. This article will deal with the response made by responsible authorities to an incident of child abuse. Public responsibility regarding child abuse will also be touched upon.

The determination that child abuse has occurred is a difficult and serious one. Most of us would avoid direct confrontation with a beaten child if at all possible. The same is true of children who are so neglected that they develop serious avoidable disease or sustain unnecessary injuries. Recalling, however, that children who are maltreated by their parents experience a mortality rate as one in four, and a permanent injury rate as high as 90%, one senses the urgent need for responsible, early action.

One valuable tool in making this determination is a central child abuse registry. Such a registry is stipulated by law in most states, and may be developed locally or regionally in accordance with specific state laws. The registry contains files on children whose injuries or illnesses are considered potentially a result of neglect or abuse. Many registries also contain files on siblings, parents, babysitters, and other potentially responsible parent substitutes. A recurrent pattern of injuries or neglectful circumstances is needed to support a determination of child abuse. Most abusive parents go "hospital shopping" or take the child to a different medical facility for each new illness or injury to avoid detection. Such a registry would accumulate this information and tend to prevent oversights. These registries are consulted by physicians any time suspicion arises about a particular child under his care. Once it has been determined that a child's injuries or illness is most likely the result of abuse or neglect it becomes necessary for the physician to make a formal report of his concern to the appropriate authorities as designated by the individual state law or military base regulation. These authorities are usually the local child welfare unit or base child protective council. The latter is usually a function of the base community service and can be located through headquarters. Many states require any adult with knowledge of a child abuse case to report, with failure to do so punishable by law. In addition to requiring reporting, the state law, simultaneously grants legal immunity to any responsible adult whose report is made in good faith. Legal immunity protects the reporter from any legal counter-charges made by the accused parents. In most instances the identity of the person making the report is not revealed to the child's parents.

Following a report of child abuse, legal action is often necessary to assure the child's safety and to provide for treatment of the parents. This legal action involves a court hearing in which the evidence is presented by the examining physician, perhaps a social worker or case worker, and the person who reported initially. The judge, and in some rare cases a jury, then decides if the child's problem was a result of abuse or neglect and stipulates a course of action. This course of action is usually determined at the advice of experts on management of abusive parents. The child is often temporarily placed in a state licensed foster home while the parents undergo the prescribed treatment. When the parents have adequately responded to treatment the child is returned to the home. After return of the child to the home support for the parents is continued until it is determined that they have become the capable parents they had always wanted to be.

Not all determinations of child abuse require foster home placement of the child. When parents show certain strengths it is possible to leave the child in the home and provide twenty-four hour availability of case workers and professionals (therapists). The parents can talk to these therapists when they begin to feel the pressures that cause them to lose control of dangerous impulses.

A community crisis control center as is available to potential suicide victims or addicts on "bad trips" could also be valuable in preventing child abuse if staffed with people who understand the mechanics of child abuse and know how to get help for them.

A third area of help available to abusive parents seeking help is the development of local groups of parents anonymous, an organization of parents who have abused their children similar to alcoholics anonymous. Information on location and activities of such groups should be obtainable from Mrs. Jolly K., 2009 Farrell Avenue, Redondo Beach, California 90278, telephone (213) 379-0111.

The above programs are, however, often too late for the involved family. They are brought into play only after an injury has already occurred. Many of these injuries cause permanent disability and even death. It is hoped by experts on child abuse, such as Dr. C. Henry Kempe of the University of Colorado School of Medicine, that the abuse can be prevented by early detection of parents who have "abusive qualities" in their personality makeup. Dr. Kempe is developing a questionnaire designed to allow detection in prenatal and well baby clinics before a child has been severely injured. Once such a parent has been identified he would undergo appropriate treatment and orientation toward normal child behavior and child rearing.

Given the best of detection and management capabilities, however, optimal resolution of the problem of child abuse and neglect in this country will come only when public apathy is overcome and an attitude toward treatment rather than punishment of abusive parents evolves.

Questions or concerns about child abuse which may have arisen in the course of reading these articles on child abuse are welcomed. An attempt will be made to answer these questions in future columns or individually as appropriate.

DIABETES

HON. WILLIAM J. KEATING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. KEATING. Mr. Speaker, there has recently been brought to my attention some pertinent information concerning the problem of diabetes.

In light of the fact that the Subcommittee on Public Health has already conducted hearings on the National Diabetes Act, H.R. 4882, I would like to share this information just supplied to me with my colleagues.

Kenneth Kreines, M.D., director of the Diabetes Clinic at the University of Cincinnati Medical Center, has provided me with specific data concerning diabetes and related diseases.

It is my hope that we will act in this Congress to help alleviate this prevalent disease.

Attached to these remarks is a copy of Dr. Kreines' letter:

UNIVERSITY OF CINCINNATI
MEDICAL CENTER,
Cincinnati, Ohio, September 11, 1973.

Hon. WILLIAM J. KEATING,
Federal Office Building,
Cincinnati, Ohio

DEAR CONGRESSMAN KEATING: I wish to thank you again for the opportunity to present to you the case for needed federal assistance to combat diabetes. During the meeting on September 8, 1973, you requested that a few of the figures regarding the epidemiology of diabetes be sent to you and that is the reason for this letter.

A. THE PREVALENCE OF DIABETES

It is estimated that one percent of the United States population has known diabetes and that an equal number has the disease, but does not know it. Since it is estimated that the hereditary tendency towards diabetes is present in about five percent, an additional three percent of the population should develop diabetes later in their lives. To put it another way, if one accepts the population of Greater Cincinnati at 1,000,000, there are 20,000 diabetics in Cincinnati and an additional 30,000 will develop the disease later. If the population of the United States is 200,000,000, 4,000,000 Americans have diabetes and an additional 6,000,000 will develop the disease during their lives.

B. MORTALITY FROM DIABETES

The death rate from diabetes is approximately twice that for all other causes combined. Most of the excess mortality is due to cardiovascular disease. Diabetes is the fifth leading cause of death in the United States and it is estimated that 35,000 people will die from the disease this year. In comparison with non-diabetic children, a child developing diabetes at age 10 has an 18 percent additional chance of dying before age 35. A 40 year-old wage earner developing diabetes at the height of his economic productivity, has a 25 percent additional chance of dying before age 65, and a woman of the same age has an excess mortality of 45 percent by age 65.

C. CORONARY ARTERY DISEASE

Coronary artery disease is a major public health problem because it affects chiefly men during their wage earning years. It is possible that as many as two-thirds of all patients with coronary occlusions have diabetes. In the University Group Diabetes Program, a large NIH sponsored multi-University study (including the University of Cincinnati Medical Center) of the effects of treatment on the complications of diabetes in middle-aged diabetics, approximately ten percent of the patients were found to have coronary artery disease at the time of diagnosis. For comparison, coronary artery disease was found in only 1.6 percent of the general population of Framingham, Massachusetts. Coronary artery disease is much more prevalent in the diabetic women than in non-diabetic women who are usually spared prior to menopause. Coronary occlusions occur at an earlier age in diabetics than in non-diabetics and are more likely to be fatal.

D. BLINDNESS

Diabetes is the major systemic disease causing blindness in the United States. Blindness is 10-28 times as common among diabetics as among the general population. In 1962, the National Society for the Prevention of Blindness estimated that there are 44,660 blind diabetics in the United States and that an additional 4,480 diabetics would become blind that year. Diabetes is the leading cause of blindness during the wage earning years (ages 40-60) and the second leading cause during ages 20-40.

E. PREGNANCY ABNORMALITIES

Lethal congenital malformations are said to be four times as common in diabetic than in non-diabetic pregnancy (2.0 vs. 0.5 percent). Full term stillbirth is very uncommon in the absence of diabetes, but it occurs in about 18 percent of pregnancies in diabetic women.

I have indicated above only a few of the most important figures and wish to point out that much more documentation is available. I spoke with Dr. Harvey C. Knowles and he has agreed to supply you with a copy of the chapter on the epidemiology of diabetes that he is writing for the Fogarty International Institute of the NIH.

Please let me know if I can be of any further help.

Sincerely yours,

KENNETH KREINES, M.D.,
Associate Professor of Medicine, Director, Diabetes Clinic.

MEDIA REPORTS ON HEALTH PROPOSALS

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. YOUNG of Florida, Mr. Speaker, recently news media have carried a number of stories on long-range health care proposals under consideration in the Department of Health, Education, and Welfare. The American taxpayer has been horrified by allegations in these stories that the administration is planning to eliminate the medical deduction from the Federal personal income tax, thereby creating additional revenues of $7.5 billion for the Federal Government.

I think it is only fair to the public to point out a number of clarifying details on these "news" stories.

First, the proposals which are being reported as current news are, in fact, only in a very general idea stage—the beginning of a very long road toward creation of a national health care policy. A number of alternatives are being discussed within HEW in an effort to formulate programs which will provide good medical care to all Americans without exorbitant costs to the taxpayer. Such a national policy and its implementing programs will take years to reach final form, and it is misleading to the public to release premature scare stories on items which are only ideas.

Second, the so-called $7.5 billion tax windfall is not intended to be an extra bite on the income of American families. Coupled with the suggested elimination of the tax deduction is the idea that the resulting funds will be used by the Federal Government to finance some form of national health insurance system, including catastrophic illness coverage, to guarantee good health care for all Americans. The Federal Government plans to spend more than $30 billlion on health in fiscal 1974, of which medicare alone will be $12.1 billion. Preliminary estimates of various national health insurance proposals range as high as a whopping $60 billion per year in additional costs to the taxpayer. Thus, any planning for future health programs must develop appropriate revenue sources if we are not to have a tax increase or contribute further to inflation by huge increases in the national debt.

Third, these recent newsstories bear a remarkable similarity to certain stories which ran early in 1973 concerning "proposals" to increase the individual contribution to medicare and to require the individual to bear a greater portion of hospitalization costs. These stories generated a considerable amount of congressional mail from older people on fixed incomes who were fearful of the extra burden of such proposals. But few of those being quoted bothered to mention that the "proposals" had never been sent to Congress in any legislative form; fewer still mentioned that they would be opposed by virtually all Members of Congress, myself included. Finally, when HEW Secretary Caspar Weinberger testified in July that the "proposals" has been abandoned completely by HEW, his testimony was not widely reported so that the fears generated by the earlier stories could be relieved.

Last, those authors of the stories about "proposals" who are trying to blame the Nixon administration for placing an additional burden on the taxpayer should at least be honest in placing the blame—the proposals cannot be implemented by the President. Only the Congress has the power to pass laws changing the medicare laws and income tax laws, and therefore only the Congress would be ultimately responsible.

Mr. Speaker, as in the prior instance, I am certain that a majority of my colleagues would join me in strongly opposing any such action as a unilateral elimination of the income tax medical deduction which would severely impact on the already suffering American taxpayer. Formulation of a national health policy is a must, so that every American citizen can receive the medical attention he may require, especially older persons living on fixed incomes.

Until we consider such a health care program, balancing requirements and benefits against possible costs, any premature "scare stories" are a disservice to the public and to the need for careful deliberation by the Congress.

MSGR. WILLIAM A. CROTTI

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. McDADE. Mr. Speaker, it is not often that a man's life will span so significant a portion of human history as that period of time witnessed by one of my most distinguished constituents, Msgr. William A. Crotti, the former pastor of the Church of St. Anthony of Padua, in Dunmore, Pa. In the years of his life and his ministry, he was to see the whole human pageant of despair and eternal hope, of desolation and triumph. In the 48 years of his ministry, it was his destiny to be a pillar of strength for those who needed his help. In the times when our Nation was at war, his life and his church were a haven of peace. In times of sorrow, his was the gentle hand to give comfort. In times of joy, he made that joy richer by the blessing of God he bestowed upon it.

The people of St. Anthony's Church have held a testimonial dinner honoring Monsignor Crotti. It was one of the most memorable gatherings in the history of Dunmore. To that dinner came leaders from all walks of life to pay their tribute to this remarkable man who was known and loved throughout the entire region through all the years of his pastorate. Many of those who were present had come to his church as little children and returned to that dinner to honor him as professional men in many parts of America.

There was, indeed, present one of the outstanding sons of St. Anthony of Padua's Church in the person of my distinguished colleague from New Jersey (Mr. MINISH). He had come home to the church of his childhood to pay his own tribute to Monsignor Crotti, because he had come to know in a very personal way how Monsignor Crotti could lend his strength in a time of great sorrow.

I wish to pay my own personal tribute to Monsignor Crotti here on the floor of the Congress, and I know my colleagues join me in this tribute. It is difficult to believe that a man whose name has become a byword in our community and whose life was so admired by those who knew him will really retire from the active ministry. I know that God will walk with him in his retirement just as he walked with God throughout his ministry. And the work of his life will flow endlessly on in the lives of his people, and in the lives of their children.

With your permission, Mr. Speaker, I will append an article from the Scranton Times reporting that testimonial dinner:

Pastor Retires After 45 Years at St. Anthony's—Monsignor Crotti Honored at Testimonial

(By Francis T. DeAndrea)

The parishioners of St. Anthony of Padua Church, Dunmore, went to bed Sunday night orphans. Their father of 45 years was no longer with them.

The passing didn't come as a shock because even as far back as 1928 the people of St. Anthony's realized that on Sept. 9, 1973, Msgr. William A. Crotti would have to step down as pastor of the "parish on the hill."

So it was fitting that Father Time set aside seven hours of Msgr. Crotti's last day as St. Anthony's pastor so that he could be honored by 800 people with a testimonial at St. Mary's Center, Mifflin Ave.

As far as testimonials go it was one of the best ever to be bestowed on an individual in this city's history. Honoring the monsignor in the newly erected auditorium were area and statewide politicians; clergy of virtually every denomination, and the people monsignor liked to call his "children," the parishioners of St. Anthony's.

The dais that surrounded the guest of honor included dinner chairman Samuel C. Call, Lackawanna County Register of Wills; toastmaster Atty. Anthony A. Lawrence; Mayor Martin Monahan, Jr., Orphans Court Judge Daniel L. Penetar, state Sen. Robert Mellow; New Jersey Congressman Joseph Minish, and Congressional Medal of Honor winner Gino Merli.

In the audience were Lackawanna County Commissioners Charles Luger and Robert Pettinato, Mayor Eugene J. Peters of Scranton, Judge James J. Walsh, Rep. Charles Volpe, Sheriff Joseph Wincovitch, Scranton Councilman Myron Wolkoff, and a host of other county and Dunmore politicians.

All of the men on the dais, with the exception of Mayor Monahan and Mr. Merli are, or were at one time, members of St. Anthony's parish. The group, along with other speakers, had one thing in common—they honored and respected the retiring priest with whom they worked in various civic and religious programs.

Atty. Lawrence said it best in his opening remarks: "This is your life, Msgr. Crotti." And with that remark the tone of the night's program was set.

Speaker after speaker directed praise in the monsignor's direction.

The Rev. J. Anthony Tito, former pastor of St. Mary's Church, Jessup, and successor to Msgr. Crotti, said his predecessor has served as an example for him and thousands of other people who came under the monsignor's wing in his 47 years as a priest.

The Rev. Paschal J. Trozzolillo, pastor of St. Anthony's Church, Scranton, who has been a lifelong friend of the honored prelate, was by far the hit of the night as he mixed humorous nostalgic and modern day stories telling of all the good the Olyphant native has done for Dunmore.

"I can remember him making Sunday tours of the Dunmore pool halls during the Depression years telling young men they should be in church, not playing racks of 8-ball.

"His guidance undoubtedly paid off as St. Anthony's has produced some of the most respected and most successful citizens in this area as any parish I can think of," Father Trozzolillo stated.

But it took remarks from the principal speaker, Judge Penetar, to best express the reason why there was such a cross section of people in the audience Sunday night.

"He brought to Dunmore an ecumenical movement by opening up his heart to all nationalities, not just the Italians that make up a sizable portion of his parish."

Then it was the guest of honor's turn to take over the podium, and the little man with the big, raspy voice was noticeably shaken by the preceding speeches and the turnout honoring him.

"Tonight my heart is filled with sadness and joy," he said, as emotion gripped his voice, "Thanks to you people, this is one of the greatest moments of my priestly career.

"Any of the good I've done at St. Anthony's can only be attributed to you as a group. For without you there wouldn't be a St. Anthony's."

The monsignor then delved into parish history and recalled everything that has been accomplished since 1928.

He looked with pride on the church, convent, elementary school, the playground named in his honor, and the construction of Bishop O'Hara High School as the things he will long remember during his retirement at Villa St. Joseph in Dunmore.

"I think I've done my part in instructing you but you're the ones who have had to carry the ball. I just hope you won't forget to pray for me once in a while," he said.

With that statement the priest was given a standing ovation.

Later in the evening the 75-year old prelate shook hands and exchanged goodbyes with many in the audience.

SALE AND BETRAYAL OF THE INNOCENTS

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. BRASCO. Mr. Speaker, my theme today is the relationship of the people and Government of the United States with the Jews of Russia. It is my fervent hope that my comments will reach a few people here and across our country who have not reached such a point of cynicism as to be immune to such arguments.

Today the world looks embarrassedly in the other direction while a series of policies is followed against the Jewish people which do no credit to their sponsors and advocates. We are being asked to join in or become a party to such policies. These arguments are made by many public figures in a number of guises, which I shall examine at length.

Before getting directly to the nub of the Soviet Jewish question, allow me to make a few points which complement my position, for they bear on Israel and the fate of the Jewish people in a number of ways.

Very recently a large number of so-called "unalined nations" met in Algiers, hosted by a government bitterly hostile to the Jewish state. Most of these nations are not practitioners of democratic principles.

Thirty nations at the gathering were headed by military or civilian rulers who have never yet been subjected to the test of a fair, popular vote. Yet they condemned Israel, terming her an undemocratic state.

Among those leading the charge were democracies of the Arab world, led by such enlightened Jeffersonians as Quaddaffi of Libya and Feisal of Saudi Arabia. Our old and dear friend, Mrs. Ghandi, joined in, as usual practicing her double standard of morality. Institutionalized hypocrisy has rarely found such a noisy, crowded forum.

Recently Israel was condemned for forcing down an Arab airliner while seeking to capture George Habash, a man charged with perpetrating both the Lod and Munich massacres. No mention was made of the unspeakable acts of terror perpetrated by the terrorist movement. No mention was made of the international double standard prevailing in all so-called international tribunals insofar as Israel is concerned.

At the United Nations, the charade of international debate continues, amusing and fascinating only connoisseurs of the grotesque and ridiculous. Israel is condemned with monotonous regularity by a body which has never formally recognized the fact that Arab assassination squads roam the world, murdering Jews where they find them in the most heinous and ghastly manner imaginable. All they have been able to do is to condemn Israel for her strange habit of self-defense. Small wonder that the Israelis must resort to certain tactics when the United Nations acts in such an unconscionable manner at their expense.

Meanwhile, oil-producing states of the Middle East, known and respected the world over for the day in which they honor their oil contracts, are using their petroleum resource and Europe's dependence on them as a club against Israel. Arab promises would not float on their own oil. As soon as the ink is dry on one series of contracts, they convene a new conference with the Western oil companies, to extract yet another series of major price increases These mainly affect Europe and Japan, who in turn have, in a panic, sought to influence the U.S. Government to turn on Israel. If Israel did not exist, the Arabs would still seek to extort further financial blackmail for as long as they could and for as much as they might get.

This sets the stage for questions revolving about Russia's Jews, who have struggled with increasing courage and boldness against a regime which has sought to institutionalize anti-Semitism so long characterizing Russian national existence. Hatred and persecution of the Jew is as Russian as vodka and black pumpernickel bread. The record of pogroms and massacres is as long as the history of that land. No one dares even try to dispute such facts. All they can do is try to dismiss them as irrelevant.

America has pledged her honor and public reputation to the cause of freedom for these people to emigrate and live their faith as they see fit. For that reason and that reason alone, the Jackson and Vanik amendments were brought into being and used to show the Soviets we mean what we say. It is the only language they seem to understand.

Desirous of gaining trade and grain from our Nation, the Soviets have grudgingly allowed a thin trickle of these incredibly brave Jews to leave for Israel. Throughout the Soviet regime and its Western apologists have loudly maintained the absence of any official anti-Semitism.

Yet, very recently, Russia's most eminent physicist, Dr. Andrei Sakharov, told Western reporters in Moscow that the Jackson-Vanik amendments were vital if the West were to be able to deal intelligently and from a position of strength with the Soviet regime.

There are a number of American firms who smell Russian gold. Like jackals sniffing the breeze, they are alert for a profit, and human rights become meaningless in the process. They mouth words like "détente" and "rapprochement," while really meaning "profits" and "more profits."

Some of these major American business firms, several planning large transactions with Moscow, are pressing a vigorous campaign on Capitol Hill to destroy the Vanik-Jackson amendments. They support a weakened version of the amendments, which would nullify their effect.

These honorable men and their companies join the ranks of American corporations still subscribing to good old fashioned virtues, like greed. Let us remember and immortalize them alongside such altruistic companies like Standard Oil of California, which sent out a letter to its employees and stockholders, asking them to take pity upon the Arab States of the Middle East, who have sworn to wipe out Israel.

Apparently these old-line capitalists do not read Dr. Sakharov's words, given to the West at risk to his well-being. All they are obsessed with is the possibility of making a "big buck" by dealing with the Kremlin.

The world seems to have a curious blind spot where the Jew is concerned. After all these people have endured for centuries, crowned by Hitler and the attempts of the Arabs to wipe them out in three wars, we have arrived at the present pass. American corporations and the administration trying at all costs to wriggle out from under the Jackson-Vanik amendments in order to justify trade with the Soviets.

The United Nations condemning Israel for trying to defend itself. The "nonalined nations" meeting in solemn international conclave to abuse Israel. Everyone ignoring international terror and national bigotry aimed at a tiny people. Is this where mankind has evolved to after so many years of trying to construct a relatively civilized order? How terribly sad. How awfully immature. What a confession of human bankruptcy it all becomes.

In the late days of World War II, Eichmann offered to trade a million captive Jews for 10,000 trucks to be used on the Russian front. Before the Jackson and Vanik amendments were proposed with such strength here, Russia was selling Jewish human beings at a price, known by the euphemism of the exit tax. Now further sales of these people are offered. The Arab states tell America and other oil consuming states that to pay for that oil they will have to abandon the Jews to their fate. Simultaneously, the few major American corporations chasing the laissez faire Holy Grail of vast profit in the steppes of Russia tell us that the price we must pay for their lush future profits, if there are in fact any, will be a sellout of the Jewish people in Russia. They mouth on about détente, but some people think they are really worshipping money, not the hope of peace.

It is really not all that complex. Basically it boils down to a simple choice. Will we keep our word as a nation, or will we sell our promise for Arab threats, Arab promises, Russian blandishments and the remote possibility that a few massive U.S. corporations will make a lot of money?

If we sell out the Jews, we may get Arab oil, until they decide to blackmail us and our allies further. We may be degraded in the eyes of the world. The Russians just might come through with massive profits for a few companies. After all, remember how good their word has been for more than 50 years? Remember how honest the recent grain deal was? Remember how well it turned out for the United States and the American consumer?

If we listen to Dr. Sakharov and the voices of the Jews of Russia, pleading for simple justice and the chance to leave to live as Jews, then we shall not receive windfall profits. We may have to do without further Russian grain deals. We may have to call the bluff of Arab despots and develop new sources of oil and energy here at home.

What is more important? Profit or the lives of innocent people to whom we have pledged our honor and trust? The Jews have only one reliable friend left; our country. The British and French have ignobly caved in to the oil despots, turning their backs on Israel. We are Israel's only strong ally remaining. The same rule of thumb applies to the Russian Jews. Only our resolve and denial of most-favored-nation treatment to the Russians ensures the right of emigration to Russia's 3½ million Jews. If we turn our backs on them, they are lost forever, and it will be on our consciences and a stain on our national escutcheon that will never be removed.

It has always been our proud boast that we had never drawn our sword to enslave people. Rather, we had only done so to free them. Today that may be a questionable claim. The Jews are the most bartered people on earth. More of them were slain in 1 day at Auschwitz than have been killed in all the lynchings of American history. This in no way denigrates the horror of lynching. Rather, it serves to show the enormity of crimes perpetrated against these people through history.

We have a chance as a nation to redeem our word to them, both to those in Russia and to the embattled state of Israel. It would be a sad day indeed if the United States of America sold out these people.

I do not know how we can balance off some of our recent history. But I do know that we can do the correct and moral thing now. Let us hurl the Arab threats back into the teeth of those who utter them. Let us prevent the Jackson-Vanik amendments from being weakened. We can do no less.

DREAM GREAT DREAMS

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. HANRAHAN. Mr. Speaker, recently the Perspective magazine of the Chicago Tribune reprinted excerpts from a speech given by George Johnson to the graduating class of Xavier University in New Orleans.

Mr. Johnson is president of Johnson Products Co. In 1954 he borrowed $250 to start his business. This year he expects his company's sales to reach $25 million.

The speech is directed to the young black American but the thoughts that Mr. Johnson puts forth as his credo for success are ones we would all do well to observe.

I would like to share this article with my colleagues as I feel it represents ideas and ideals which can be of benefit to all our young people.

The article follows:

"DREAM GREAT DREAMS"—BLACK BUSINESSMAN'S CREDO FOR SUCCESS

(By George Johnson)

I fully understand the impatience of young black Americans. It is abundantly clear why so many young people have attempted to accelerate, thru new and innovative efforts, affirmative change within the establishment.

Our job ahead is to produce more and more and more black Americans who are ready, willing and able to do their jobs in an excellent way.

Our objective must be to produce more who have planned and prepared to go into the world and conquer it—while realizing full well that the real world is not the world we wish.

It just happens to be the only world we have. It is the arena in which we must compete.

I kid you not, that arena is complicated, complex, and frequently deceptive. It is fraught with many pitfalls, not the least of which are the twin evils of segregation and discrimination. In order to beat the odds . . . black graduates must wear the mark of excellence at all times.

Today, 1973, we, as a racial group, are half way to democracy. For instance, we have half as many young people in college as we should have, we earn a little more than half of the earnings of our white brothers and have three times as many in jail as we should have.

That we survived and have fought and struggled to this half-way point, in just four generations, is no matter of shame. It is a record of the magnificence of a people about whom we can all be justly proud.

You are children of destiny. Therefore, we have to expect the very best from you in order that those who follow will have a better chance. All this is in your hands:

DO NOT STOP LEARNING

This is commencement—the time of commencing—the time to add to your fund of knowledge. Most of you want to change the American system for the better. Good. But, no one is qualified to alter a system he does not understand.

Be curious.

Discover all you can about yourself, your job, and this world. Learn not only from text books and teachers, but also from friends, enemies, and above all, remember that every life experience has something to offer. Be especially curious about our economic and political systems.

They control and run our country, and I am thorougly convinced that these avenues present the best, and perhaps the only strategies to fulfill our aspirations for freedom and liberation.

BE READY

Take advantage of all opportunities—not only when opportunity knocks at your door—but be ready to knock on opportunity's door.

DO NOT HATE

Hate is unproductive. It creates nothing of value, and has a much more corrosive effect on the hater than the hated. Love is the only antidote to hate.

HARBOR NO ENVY

Envy, like hate, is self-destructive. It is wise to emulate those who are successful. Strive to be like your models. But, never covet your model's possessions.

NEVER BE VINDICTIVE

Do not hold a grudge. A grudge is inside one's self where it distorts the beauty of the spirit.

BE PROUD

Never be arrogant. No matter how great your success or your achievements, always treat others with the dignity due them by reason that they are human beings so endowed by the creator regardless of life station. All achievers are proud people.

DREAM GREAT DREAMS

Then plan and work to fulfill them. There are those who belittle dreamers. I don't. For, I know he who never dreamed, never had a dream come true.

MAKE NO SMALL PLANS

Continue to develop your mentality of success. Establish the highest goals for yourselves and strive to achieve them. May I suggest to you that we never exceed our goals. We at times—temporarily fall short of the high goals. But, over the long haul, we *never* do better than we set out to do.

BE DETERMINED TO SUCCEED

Do your job—every bit of it—exquisitely. Even do well the parts of the job you don't like. Some of the immature among us, speak of "doing their thing" which I have discovered is doing only that part of their life's work they enjoy.

Do your thing—and do it well, but be mindful that the unemployment offices are filled with those who only did "their thing."

BE DISCIPLINED

Plan, prepare, establish, and meet targets. Be punctual and make regularity an inviolate habit. Keep in mind the important things in life are the things we do all the time—not the "sometime" activity.

WORK FOR INTEGRATION, BUT UNDERSTAND IT WELL

The simplistic but misleading definition indicates personal relationships, usually of blacks moving to mingle with whites. My definition denotes integrating with opportunity. I advise all to go to opportunity wherever it is, and don't care who else is near it.

BE HONEST

With yourself and with others at all times. Integrity is an absolute necessity for anyone in the pursuit of excellence.

ALWAYS, REMEMBER WHERE YOU CAME FROM

Remember those who helped you grow and develop, and achieve from early life. Remember the university that helped you acquire the fund of knowledge which has brought you thus far on your way.

Don't forget where you learned to think—in an orderly and disciplined fashion. . . . As you progress, remember where you came from. And never fail to reach back and help others as you have been helped.

HAVE FAITH IN YOURSELF

Be a person of worth, and know it.

HAVE FAITH IN GOD, AND IN THE GOODNESS OF LIFE

Members of the gratest fraternity in the world, composed of good men and women of all generations, past and present, and of all races, who have given their lives in the quest for truth and in the service of humanity, have known that both life and power come from a supreme being.

The eternal law of justice and love governs the universe. Whoever breaks this law succeeds only in breaking himself. Once we lose reverence for God, we lose reverence for man and nature.

FREE PRESS IMPERILED BY JOURNALISTS THEMSELVES

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. CONLAN. Mr. Speaker, many of us in the Congress have become all too familiar with the growing active involvement of the news media in the actual affairs of government.

Many members of the fourth estate, committed to a particular ideological position, have earnestly sought to become more than news reporters and commentators. They have become intimately involved as protagonists in public events, promoting them, shaping them, and then reporting them as they see fit.

This trend became apparent during the early days of the civil rights movement almost 20 years ago. But it has reached almost limitless proportions during the unfolding events of Watergate, in which correspondents and reporters are as much participants and actors in the drama as most key figures themselves.

As a result, many Americans now seriously question the objectivity and accuracy of news coverage and reporting, both in newspapers and on radio and television. Rightly or wrongly, the American press is now viewed by many as a growing threat to our free institutions by becoming a social engineer or change agent seeking to remake American society according to the ideological biases of some journalists and correspondents.

The editors of the Tucson Daily Citizen have stated their concern about this trend in their profession. They see advocacy and participatory journalism, where newsmen are protagonists in news events, as a serious and fundamental threat to freedom of the press itself. And they have concluded that responsible members of the news profession themselves must end this abusive trend and return American journalism to standards of balance, fairness, and responsibility that originally were its proud hallmarks.

Mr. Speaker, I would like to include in the RECORD at this point an excellent editorial from the Tucson Daily Citizen and an equally poignant column written by Paul McKalip, the Citizen's editor, characterizing the danger of these abuses to the news profession.

With them, I would also like to include an article by Thomas Collins, of Newsday News Service, that succinctly details the extent of unethical press involvement in the Watergate inquiry.

This commentary appeared in the Citizen on August 29, and deserves the most serious attention of all public officials and citizens, as well as members of the journalism community:

[From the Tucson (Ariz.) Daily Citizen, Sept. 29, 1973]

ANOTHER WATERGATE ABUSE: REPORTERS AS PROTAGONISTS

The press, which through the efforts of some of its members achieved one of its finest hours in the uncovering of the Watergate scandal, now is seeing itself become tarnished by ensuing events.

Both the "Letter From The Editor" on this page and the principal story on the adjoining Perspective page reveal the extent to which some members of the press have become involved as actors in the Watergate affair.

It is axiomatic that when a newsman becomes a protagonist in a news event, objective coverage of that event flies out the window.

That is why one of the first lessons a budding journalist must learn, in school or on the job, is to avoid personal involvement. Such involvement by those who report the news is always to be shunned—and most newspapers strive to keep it that way.

The ideal is not always attained. There are occasional slips by individual reporters and various members of the media. Newspaper people are human, too.

But what has been going on in the coverage of the Watergate saga appears to be mass dereliction of the duty to remain objective. The intended justification for departing from the role of observer-reporter and becoming a participant is that it is being done in order to bring out the whole truth.

In other words, it's the old—and always faulty—story of the end justifies the means.

It is no secret that the "end" of bringing down President Nixon would satisfy many persons who have the privilege of reporting the news to the American people. In this case, the target is so toothsome for them that they are willing accomplices.

Not only have reporters fallen into this trap, but so have various newspapers and television outlets—an even greater blow to the credibility of the nation's news media.

Therefore, it was not without regret that the Tucson Daily Citizen decided to publish the Perspective page analysis, written by Thomas Collins of Newsday, of the role played by the press thus far in the Watergate events.

Although the Citizen strongly supported Richard Nixon in the last two presidential campaigns, that did not keep this newspaper from editorially denouncing the Nixon Administration for this tawdry chapter in presidential affairs.

Still, it is the Citizen's hope that President Nixon will survive the Watergate catastrophe and continue to govern the nation effectively.

Because of that hope, the Citizen undoubtedly is more sensitive to unfair news treatment of the President than anti-Nixon newspapers would be.

Recognizing all of that, we nevertheless are persuaded that the abuses that have resulted because members of the press have become participants in the Watergate drama must be pointed out.

Not only that, these abuses must be denounced and attacked until they are halted.

Otherwise, the free press of America will come to be known as an unfair press—and with the serious consequence of jeopardizing its own freedom.

LETTER FROM THE EDITOR: "PRESS" ON THE PROWL

(By Paul McKalip)

I do not claim that the Tucson Daily Citizen is "the press" any more than I accept the misconception that the Washington Post and the New York Times are "the press."

Nevertheless, I concede that the Post-Times axis comes close to being "the press" on the Washington scene where their reporters are in full cry in a fox-and-hounds chase with President Nixon as their quarry.

There is another force on the Washington news front, however, a force that should be providing a balanced report of the news. It is made up of the professional journalists who comprise the capital staffs of the two national wire services, Associated Press and United Press International.

Every segment of "the press," virtually all of the daily newspapers in all the 50 states, relies on either or both AP and UPI for complete on-the-scene news coverage. The Citizen, desiring to have the fullest possible national reporting, takes both AP and UPI services. The double cost is reflected in added value for Citizen readers.

Regretfully to say, both AP and UPI have seemed on occasion to forget their larger responsibility for full and fair coverage. I refer, as you might surmise, to Watergate news coverage.

One glaring error of omission on the part of both wire services has been explored thoroughly by us in recent weeks.

On June 14, Sen. Carl Curtis, R-Neb., in a speech in the Senate, made a strong indictment of Democratic majorities on Senate investigating committees. He was speaking from personal experience earlier as a member of the Senate Committee on Rules and Administration when it investigated the Bobby Baker scandal during the Johnson administration.

That committee was charged with probing the machinations of Bobby Baker's rise from fair-haired page boy to multimillionaire while operating under the Capitol dome (and under Johnson's patronage).

Sen. Curtis declared in his June speech that every effort to tear the lid off the Baker case had been blocked "by a straight (Democratic) party vote."

For anyone interested in honesty in politics and government, which is what the current Watergate committee investigation is supposed to be about, Sen. Curtis' speech was timely and pertinent.

The Citizen and hundreds of other newspapers did not carry a word about the Curtis speech—because they did not receive the stories they should have received from either of their responsible Washington news sources, AP or UPI.

We learned about the speech much later and indirectly. Finally, the Citizen developed its own complete story and published it July 20.

Then we wrote stern letters to top executives in New York of both AP and UPI.

H. L. Stevenson, editor of UPI, responded with a renewed pledge of "dedication to the fairness doctrine."

Conrad Fink, assistant general manager of AP, gave us a two-page report and admitted: "Simply stated, we booted it." He added: "We have reviewed this (mishandling) with our staff to make certain there is no repetition."

The explanation of how AP "booted it" came more clearly into focus when we received a special article from our Newsday service on the subject of Watergate news reporting.

The Newsday article, which is published today on the Perspective page opposite this page, stands as a credit to "the press" in the full sense of that term. The article exposes clearly the way in which those who are "the press" in Washington have taken unto themselves a "proprietary interest" in Watergate.

In so conducting themselves, professional journalists have breached their trust as members of the separate and independent Fourth Estate. Newsday analyst Thomas Collins goes so far as to compose this indictment:

"Besides being a physical presence on the scene, the press is playing an active role in the proceedings and may shape the outcome in ways that have not yet been measured."

That kind of involvement, whether born of bloodlust for a hounded Nixon or spurred by individual dreams of journalistic glory, is not just unbecoming of those who represent newspapers and their readers all over the country. It is downright unacceptable conduct in the eyes of many of us who also claim a share of being "the press."

We in Tucson, together with many others in newspapers elsewhere, will hope that our wire service forces in Washington will return to the Watergate story, when the hearings resume, with a regained sense of balance, fairness and responsibility.

ETHICS OF JOURNALISM VIOLATED: PRESS ENJOYING "FREE-FOR-ALL" WITH WATERGATE STORY

(By Thomas Collins)

The Watergate press corps has been dug in on Capitol Hill for the past few months like an army holding a strategically vital position. It holds the high ground, so to speak, in the Battle of Watergate, and its presence symbolizes the fact that the press has a proprietary interest in this story as it seldom has had before.

So entangled has the press become in Watergate that it sometimes breaches its own doctrine of the separation of powers. Notes passed from newsmen to Senate committee aides not infrequently result in questions put by the senators to witnesses in the television-lit caucus room. Senators solicit the superior information the press has about many of the details and nuances of Watergate.

The two sides sometimes trade information, and the press, unhappy about a line of questioning, will try to initiate an area of inquiry through the stories it writes or by a word dropped to a committee staff member.

Members of the Watergate press corps are distinguished by their stamina, and by the fact that many of them have been covering the story for more than a year and the Senate hearings since they began.

They can remember the date of the McCord letter and can probably recite the names of all seven Watergate defendants. They can recall pretty accurately who contradicted whom, what Ehrlichman said, what Mitchell said. Some of them, as a wire service editor said, are walking repositiories of the thousands of pages of testimony and documents that are so much a part of Watergate.

FATIGUE AND PANIC

They are also wrist-weary from taking notes for six or seven hours a day and panicky about getting caught in Washington traffic at deadline. Some of the newsmen and women sitting in the Caucus Room have made the White House "enemies list." They work 12 to 18 hours a day, neglect their families and tend to lie around the house on weekends. They go to sleep with Watergate voices in their ears and Sam Ervin's eyebrows dancing in their heads.

At lunch time they can be found at the Carroll Arms restaurant around the corner from the Old Senate Office Building or typing up their notes in the Senate press room within the sound of the tourist lines.

Mary McGrory, the syndicated columnist for the Washington Star-News, who has been audited twice by the Internal Revenue Service, carries a sandwich to a nearby park and lets the greenery blow Watergate from her mind. "It's reviving," she says.

There is no composite picture of the Watergate reporter that would not be unjust to some, but in general they are an anti-Nixon crowd who, at the same time, pride themselves in attempting to report the story accurately and fairly.

They generally regard the proceedings in the Caucus Room as show business or "good theater" and have developed a cynical tolerance for the "star" value of Ervin & Co., which has resulted in the blossoming of "Uncle Sam" sweatshirts, presidential drums for Sen. Howard Baker and boxes of cigars for Sen. Herman Talmadge.

Most Watergate-hearing reporters knew the Senate committee members before they became TV personalities and are as irreverent toward them as they are toward Nixon.

Physically, the newsmen and women are tired, but not unhappy, Watergate is the benchmark of their journalistic lives as well as a way of life itself. It seems to go on and on.

"I think I'll be involved in it for the rest of my life," says Ben Bradlee, the executive editor of the Washington Post. "We won't see the likes of it again."

STORIES NEGLECTED

Like most reporters and editors in Washington, Bradlee worries about the stories that are being neglected because of the resources being used on Watergate. If government work is slowed down because of the scandal, some of the work it is doing is getting short shrift from the press.

One government agency official complains that he cannot get the coverage for his programs that he did in the past. "I've been told there are no camera crews available or any photographers. Watergate is taking up all the manpower."

In size and numbers the media have thrown almost as many troops into the story as into the Vietnam War. It would be safe to say that at least a third of the entire Washington press corps is on the story, either through the hearings or its related strands.

PARTNER, NOT WITNESS

United Press International uses up to half of its Washington staff of 70 each day on Watergate and related stories, turning out about 25,000 words a day, including the transcript of testimony and texts of documents. Most newspapers are so preoccupied with Watergate that many Washington stories are being left to the wire services.

In all there are about 285 accredited correspondents covering the hearing and about 150 radio and television technicians, at least half of whom are usually present in and around the Caucus Room.

But besides being a physical presence on the scene, the press is playing an active role in the proceedings and may shape the outcome in ways that have not yet been measured. It is more than a silent witness and recorder of Watergate; it is a full-fledged partner in the event.

During the hearings newspaper articles have been offered into evidence and studied for information. Cameras relentlessly recorded the proceedings. The press kept the story going when it appeared from time to time that it would die, and the press has been consistently injected into the story by the committee, by the witnesses and by its own efforts to get at the facts.

The administration plants stories to discredit former presidential counsel John W. Dean III and tries to use the press to smear George McGovern and the peace demonstrators of 1972. The Senate Watergate Committee seeks out the press for information and trades it for leaks, and the newsmen leap over the traditional barriers that divide participants from spectators.

The result is a media free-for-all.

CBS newsman Daniel Schorr has even been approached by Senate aides soliciting questions to feed to their bosses, but he has turned them down. "I stay away from the senators," he says, "I have a great fear of television influencing the event, of staging things."

CHAFING AT GAPS

During the hearings it was perhaps inevitable that newsmen—interrogators themselves—found themselves chafing at gaps in the questioning of witnesses and tried to fill the gaps wherever they could. One way they found to do it was to get their questions to the committee and hence to the witness in a sort of circuitous news conference.

Schorr, for instance, when Haldeman was on the stand, expressed dissatisfaction to Samuel Dash, the majority counsel, with the questioning of Haldeman about the White House tapes. He ticked off a number of questions that he said were unanswered.

Later, he said it was "just about the first time I have ever done that, and it was done out of frustration and more to find out if Dash had answers to my questions, I'm looking for information; I'm not trying to inspire questions."

Other reporters covering the hearings pass notes through the committee attorneys or senators' press aides. Not all the reporters do it, and the exact number doing so is impossible to determine, but if the White House tried to plant questions with reporters at a news conference, the press would be the first to object.

Most of the questions get asked, according to Dick Magowan, press aide to Sen. Lowell P. Weicker, R-Conn. Magowan regularly receives the questions and channels them to Weicker.

An aide to Sen. Howard Baker, R-Tenn., said he got "two or three" such notes a week and passed them on. While he was standing in the committee room, he took one out of his jacket pocket. It was unsigned.

"I haven't had a chance to pass this on yet," he said. The question was for former Central Intelligence Agency Director Richard Helms, who was testifying that day. "Has the CIA perfected the psychiatric profile into a useful domestic tool?" it read.

"THEIR BABY"

An attorney for the majority staff also confirmed that the practice existed. "They pass notes up here all the time," he said. "Whether they're used depends on how good they are. They (reporters) are bright guys, and they want to be useful. After all, they broke the story, we didn't. This is their baby."

One reporter found an old news article that she thought contained information important to the committee. "Get this to Inouye (Sen. Daniel Inouye, D-Hawaii) right away," she said. "He should know about that," asked whether she thought the press should have that kind of relationship with the committee, she said, "Well, it goes on all the time. Don't print that, or you'll get me in trouble."

Trading information developed early as both the committee and the press were digging for the story. In one example of the quest for information, two senators on the committee tried to make a deal with the Washington Post. They approached Post Executive Editor Benjamin Bradlee to discuss it.

"They wanted to play a little 'show and tell,' Bradlee said. " 'We'll tell you and you tell us,' I told them to buzz off." The Post is still pursuing Watergate with five investigative reporters, including Bob Woodward and Carl Bernstein, who dug up most of the original revelations about Watergate. The Post's court reporter is covering the hearings.

Opinions vary among newsmen about the propriety of suggesting questions and trading information. Bradlee says flatly that the practice is bad. "True journalists belong in the audience, not on the stage, with all their independence intact," he said. "That's a cardinal ethic."

James Squires of the Chicago Tribune, who is covering the hearings, said he found it difficult to condemn the practice of trading information because of the intense pressure in the pursuit of the Watergate story.

"If you step back, you may see some good purpose in bringing out the truth. I don't see any danger in trying to get the story out. If you were suppressing a story, that would be a danger and would raise a serious question of ethics."

BETTER INFORMED

Mary McGrory points out that "reporters have been covering the story for so long they are more familiar with it than the senators, and there are such gaps of information. The reporters can't get at it, and they hope the senators can get it for them."

One method the press uses to get questions asked is to mention the unanswered questions in the articles they write, enabling the committee to pick them up. That method is favored by James Naughton of the New York Times, who questions the propriety of passing notes and said he was unaware of the practice.

"I have qualms about doing it surreptitiously," he said, "because it might create the appearance of collusion between the press and the committee, that they were out to get somebody. It's better to do it in print."

NO VENDETTA

The press insists that it does not want to get anybody; and to its credit it has been playing both sides against the middle: It takes leaks wherever it can get them.

"The story boils down to two things," Squires says. "Nixon's guilt or Nixon's innocence. If you pursue stories about Nixon's innocence as much as you do stories about his guilt, you have nothing to worry about. I don't know of a single guy who woudn't go after a pro-Nixon story as quickly as he would an anti-Nixon story."

One aspect of the press' attitude was perhaps summed up by a wire service reporter who said he did not care whether Nixon was guilty or not, just that Watergate was one heck of a story.

His only interest in the possibility of impeachment was, "I've never covered an impeachment before."

A TRIBUTE

HON. CLEM ROGERS McSPADDEN

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. McSPADDEN. Mr. Speaker, the contribution of television station KTUL-TV in Tulsa, Okla., which serves not only Tulsa, but much of Oklahoma's Second District, to the impressive Jerry Lewis Labor Day Telethon on the behalf of the muscular dystrophy fund is to be highly commended.

The video media brings into thousands of homes talent and pleas which are answered, as usual, with generousity from Americans, who are generous people. We are informed that through the various participants, and KTUL-TV's performance, a total of $94,447 was raised.

We add words of praise to John Chick- and Hugh Finnerty who were literally on their feet 36 hours in a tremendous effort to raise more money than has ever been raised before by Jerry Lewis' *impressive* and outstanding contribution in an attempt, which we know will be eventually successful, to find a cure for MD.

Again, all concerned are to be commended, Mr. Speaker, but most specifically, management-ownership and staff of KTUL–TV.

FEDERAL ADVISORY COMMITTEES: THE FIRST YEAR

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. OBEY. Mr. Speaker, the press and the public must share responsibility with the Federal Government for its failure to open up more meetings of the 1,400 citizen advisory committees that influence virtually every area of Federal policymaking.

The effort by Congress last year to convert the Freedom of Information Act into an open-meeting law for advisory committees—operated by more than 50 executive branch agencies at a cost of more than $25 million a year—could prove to be a colossal dud unless more meetings are opened up and the public takes more interest in them.

As we approach the first anniversary of the Federal Advisory Committee Act (Public Law 92–463), which was signed into law by President Nixon on October 6, 1972, I should like to call attention to the problem of no-shows at open meetings, and report the results of a survey I made of open and closed meetings.

Mr. Speaker, consider the irony involving the splendid report, "Records, Computers and the Rights of Citizens," recently submitted by an advisory committee and rightfully given wide publicity, which warned of the dangers if inaccurate information is fed into a computerized clearinghouse such as the FBI's National Crime Information Center—NCIC.

Massachusetts considers the danger so real that it has refused to plug its criminal history files into the NCIC until safeguards against potential abuse have been guaranteed.

Given the new advisory committee law and presumably widespread public interest in the subject, the FBI's NCIC Advisory Policy Board scheduled a public meeting—its first ever, I believe—last Thursday and Friday in Kansas City, Mo.

I inserted the meeting announcement in the RECORD more than a week in advance, and the advisory panel booked a large meeting room to accommodate the expected crowd. So what happened?

On the first day, September 13, except for jurists and other guests attending by invitation, no one showed up. No newspaper reporter or other citizen bothered to attend.

On the second day, according to a spokesman in the FBI's Computer Systems Division, one person, who may have been a reporter, did show up. Only one person not expressly invited bothered to attend this public meeting. If this is indicative of public interest in a subject that could touch on the lives of nearly everyone, then there is little hope of improving the open-meeting performance of Federal advisory committees generally.

In this connection, I might note that I made a survey of advisory committee meeting notices published in the Federal Register from Tuesday through Friday last week and found that 47 percent of them were slated to be closed in whole or in part.

The law permits excluding the public if it is determined that a meeting will be concerned with matters which the Freedom of Information Act exempts from mandatory disclosure, providing the authorized Federal official makes that determination in writing and includes the reasons for it.

Here is what my survey showed:

Of the 43 meetings announced, 20 were to be closed in whole or in part. Discussion of proprietary information in connection with Federal grants or contracts was the reason most often given—six times—followed by the claim that the committee discussion, if written, would enjoy the protected status of an intra-agency memo—five times—or that classified information would be presented—three times. In two other cases, a claim of potential invasion of privacy was cited. In another instance, the reason given was national defense, and in another, that the information to be discussed was protected from disclosure by statute.

There may well be some flimflam among those 18 stated reasons. Certainly, the 19th and 20th are not recognized in the law: That the meeting involved "possible governmental actions" pertaining to Phase IV economic controls, and, in the other, that qualifications for chairman of the advisory committee, and membership on it, would be discussed.

Unfortunately, the problems of closed meetings and nonattendance at open ones tend to blot out the gains made by other agencies and advisory committees that have taken the law to heart.

For example, the new Consumer Product Safety Commission in effect placed a nationwide public advertisement last month for citizen volunteers to serve on its 15-member advisory council. So far the effort has yielded some 250 applications from persons interested in serving.

Again, many of the advisory committees of the Department of Health, Education, and Welfare have abandoned past practice, made an effort to go public and found no hindrance to formulating advice on tacky scientific, medical, and administrative questions in public.

Mr. Speaker, it was 1 year ago, on September 25, 1973, that I accused the Environmental Protection Agency of double-think for decreeing that meetings of its water and air pollution advisory boards be closed to the public in order to promote "free and frank discussions concerning policy issues."

Advisory committees have come a long way since then, under the new law, but there is still a long way to go.

SURVIVAL KIT FOR SHOPPERS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. HARRINGTON. Mr. Speaker, I have introduced two bills on September 5 whose provisions are designed to equip the Nation's shoppers with a "survival kit" to combat rising food costs brought on by the combined forces of inflation and misleading advertising. H.R. 10069, the Food Labeling Act of 1973, and H.R. 10070, the Unit Price Disclosure Act of 1973, are aimed at overcoming specific obstacles shoppers confront in local supermarkets when they try to purchase nutritious food at reasonable prices.

Food prices are rapidly rising to their highest level in history. During the first quarter of 1973, they stood at 31.5 percent above their 1967 levels. The cost of advertising has combined with the problem of inflation to drive food prices even higher. Today, more than $4 billion is spent on food advertising. But this advertising, instead of being instructive and informative, merely conditions the consumer by the use of catchy phrases and clever gimmicks to recognize brand names. Uninformative slogans like, "The Breakfast of Champions," "Mmmm Good," and "Melts in Your Mouth, Not in Your Hand," instead of tips on nutrition, seem to be the trend today.

In this time of inflationary costs, it is critical that the Government help the consumer put his dollar to the best possible use. The time has come to guarantee that every American will be able to obtain adequate information regarding the most nutrition he can receive for the least money.

The Food Labeling Act of 1973 would, therefore, provide four aids for today's customer. First, grade labeling provides a system by which foods would be graded on a scale of A–E, with "A" being the finest quality food and "E" being the poorest. This information would be displayed in plain, concise language so as not to lead the shopper astray. Grade labeling will help to explode the brand name myth, the belief that national brands are tastier and healthier than private brands of supermarket chains. This type of grading will conveniently inform the shopper that while nationally advertised brands are often as much as 20 percent more expensive than their independent counterparts, their quality is almost identical.

Second, percentage ingredient labeling provides the shopper with a device for showing the proportion of a given ingredient—like meat—in a given product—like potpie.

Third, nutritional labeling provides the consumer with the amount of nutrition in a given food. Measures of vitamins available in today's foods indicate that they provide 81 percent of the vitamin A and 91 percent of the vitamin C contained in the foods of 1945. Studies have shown that cereals consist of "empty calories" as far as nutrition is concerned, but as of now we have no way of illustrating these facts to the shopper.

Lastly, this bill would provide "expiration dates" after which perishable foods should not be purchased. The provision on perishable foods requires the display on a food product of the deadline after which the product can be expected to spoil, lost its nutritional value, or lose its taste and, therefore, should not be purchased.

The Unit Price Disclosure Act institutes national "unit pricing," requiring the display of a "per weight" price for every food product so the shoppers, for example, can compare the per pound cost of products that come in different sizes. Because some small stores may be burdened by unit pricing, this legislation has exempted stores which have gross sales of less than $250,000 per annum.

Together, the Food Labeling Act and the Price Disclosure Act will help penetrate the mystery which surrounds the food we eat.

Mr. Speaker, these bills are now pending before the Interstate and Foreign Commerce Committee's Subcommittee on Commerce and Finance, and I hope hearings will be held.

Senator MAGNUSON has introduced identical legislation in the Senate.

GOD AND COUNTRY, PSALM 33:12

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. QUILLEN. Mr. Speaker, I have had the opportunity to read a great, patriotic sermon delivered by an outstanding pastor in my district.

Dr. Andrew E. Spence, pastor of the Cold Springs Presbyterian Church in Bristol, Tenn., preached a moving sermon entitled "God and Country," on July 1, 1973.

This sermon was sent to me by Mrs. Joe K. Thomas, Jr., of Bristol, a member of his church, who was present when the oration was delivered.

Dr. Spence in his very inspiring message says,

> I am the Nation. I was born on July 4, 1776, and the Declaration of Independence is my birth certificate. The bloodlines of the world run in my veins, because I offered freedom to the oppressed. I am many things, and many people. I am the Nation.

Over the past decade we have witnessed the decline of patriotism, and his sermon reminds us, "Let us sing a song of praise and thanksgiving to God for the greatest Nation on Earth."

Mr. Speaker, we have seen our flag burned and desecrated by rebellious youth. We have seen our national leaders harrassed and heckled, and we have seen our system of government, which our Founding Fathers created with such dedication and loyalty, abused.

Today, we are faced with high food cost. We are faced with an energy crisis. We are faced with devalued dollars and with inflation, and we are faced with many other crises.

With so many pressing problems demanding our attention, there are those who easily begin to feel despair—to feel that everything is wrong with our country and nothing is right—but we must have faith.

To restore confidence in this great Nation, one has only to take time to reflect on all the good things for which our flag and country stand. One has only to see Old Glory to gain a deep emotional pride that he is a citizen of the United States of America and to recognize that our flag is the soul of this great land. One has only to remember our many heroes from George Washington and Patrick Henry to the POW's, MIA's and those who have so gallantly served throughout the history of our country and who have given everything that is dear to them to protect our precious freedom.

In this fast-changing world in which we live, we need to take time to reflect on the privileges and opportunities with which we are endowed as a result of the actions of these brave men. As Dr. Spence suggests, we need to get back to the paths of patriotism.

I would like to share Dr. Spence's sermon with the readers of the RECORD:

GOD AND COUNTRY—PSALM 33: 12

(Preached by Andrew E. Spence, Jr., Ph. D.)

The Apostle Paul was patriotic. He had a love for his home city. He spoke of himself at one time as being "a citizen of no mean city." Paul had a deep love within his heart for the city of his birth.

Nehemiah, the ancient prophet, had a great love for his homeland. In exile in Babylon, learning that a brother had arrived from Jerusalem, he sought him out and said, "How are things back home?" When he learned that the city had been destroyed, the walls of the city broken down, the gates burned with fire, Nehemiah sat down and wept, so great was his grief when he learned of the destruction of the capital city of his homeland. Sir Walter Scott wrote the well-known words, "Breathes there a man with Soul so dead Who never to himself hath said, This is my own, my native land." Sadly, it must be said, there are many in America today who have no such feelings toward their homeland.

There is not the thrill in some at the sight of the flag waving high. Some do not have that deep emotional pride that we are citizens of the United States of America.

I feel that one of the greatest needs that faces America is the need to get back to the paths of patriotism.

Thank God for those who have made our freedom possible. Anything precious is costly. Freedom is a very precious thing. It cost a great deal. The price paid was the toil, the hardship, the suffering, and even death have made it possible for us to assemble today and worship in Cold Spring Church on July 1.

There were some who took great risks.

One hundred and ninety seven years ago, 56 men, representing 13 colonies, met in the city of Philadelphia to decide what should be done. On the Fourth of July 1776, they approved the Declaration of Independence, written by Thomas Jefferson, age 33. The first of the representatives to sign it was John Hancock. He signed it with a large and flourishing hand, because he said he wanted King George to be able to read it without his spectacles. The others signed it. It took courage to sign that paper. This is something we forget. Those men were laying their reputations, their fortunes, and even their lives on the line. When Charles Carroll signed, someone said, "Mr. Carroll, if our cause fails and we're all arrested and tried for treason, there are so many Carrolls around they won't know which one you are." "All right," he said "I'll sign my name Charles Carroll of Carrollton so there won't be any misunderstanding."

These half a hundred men knew that they were possibly signing their own death warrants but they were willing to take the risk, not only for themselves but for us. There were some who suffered great physical hardship.

At Valley Forge the Revolutionary soldiers suffered great hardships. They were underpaid and sometimes not paid at all. They were underfed. They were poorly housed. They were poorly clothed. We think of them as heroes. They were. But they didn't think of themselves as heroes. They were doing it because they loved the thought of Independence. Down through the history of America a major war has been fought every twenty-five years and all for one purpose—to keep our nation free. During World War II $354 billion was spent on our nation to maintain its freedom and to help other nations remain free. What about the 45,943 Americans that have lost their lives in the past 8 or 9 years in Viet Nam! What about the 1,334 men still missing whose whereabouts are only known to North Viet Nam and the Viet Cong! What about the more than 500 prisoners of war who died daily psychologically and physically in North Viet Nam in the bamboo cages of South Viet Nam! Did you see them on stretchers pulling themselves up to salute the flag when they returned? They knew better than anyone else what real independence could means to a person. They were willing to kiss the soil of America. Did you see the crude flag which was printed "God bless America?"

Some of these men had been shackled, kept in banboo cages like animals but they saluted.

On February 2, 1973, Andrew Tully had an editorial in the Bristol Herald entitled, "Must Majority Bow to Minority?" In this editorial he began by talking about the Olympic Invitation meet at New York's Madison Square Gardens in January. Because a minority group felt that they did not want to have the National Anthem they decided not to play it at the Olympic Invitation. A storm of protest was received by the committee and they decided that they would play the National Anthem. But that was not the end of it says Andrew Tully.

Upon investigation it was learned that a number of colleges around the country during the basketball season would not have their players to come out of their locker rooms until after the playing of the National Anthem because of minority groups who would not stand during the playing of the Anthem. And rather than create a scene or make it embarrassing on the team or the minority group they just stayed in the locker room until after the playing of the National Anthem. (To me this should have been grounds to disqualify them from ever playing on any team in the United States—the country that was giving them the freedom to go to college and play basketball). Mr. Tully continues by saying that colleges no longer have the anthem played before home games.

"Sure we worry about the reaction of dissidents—whites as well as blacks" a college president admitted after he was guaranteed anonymity. "We don't want to encourage incidents that could cause general disorder. You can call it craven, but I just don't think we should force a showdown on this issue."

"Well, Mr. College President," says Mr. Tully, "I will call it craven. I would call it a few more things if this were not a family newspaper. For better or for worse, playing the national anthem at a sports event has become a tradition in America. Nor did we initiate the practice. Long before "The Star Spangled Banner" became a fixture at baseball and football games and other athletic exhibitions, European nations had beaten us to the practice of playing more-or-less musical tribute to their national heritage.

So far as I've been able to learn, crowds in Europe generally are well behaved during the playing of a national anthem, although at an international event they may have to stand through as many as 25 anthems. Indeed, at boxing matches in Switzerland, they play the anthem of each fighter's country, the Swiss anthem and even that of the referee's homeland. There is not the protest we have here.

Canada takes a more ambivalent view where the United States is concerned. In Montreal, "The Star Spangled Banner" used to be played before professional hockey games involving American teams. That no longer is the case. A spokesman for Montreal Canadiens, explained that there is "a lot of sentiment against the Vietnamese War" in our country and we have a lot of Americans who came here to escape the draft. We don't want any incidents.

That doesn't sound like a gratuitous insult to a whole nation. Canada's official relations are with all the people of the United States, not with a tiny minority of draft dodgers in Canadian exile. Grown-ups would not ponder to gaggle of copouts, but Canada apparently is a special case. Certain of its citizens even boo the playing of "God Save the Queen."

But that's Canada. Let it stew in its own insecurity. What is sickening is the surrender of Americans at home to childish minority groups of athletes who will do anything to get attention. Must the majority abandon all traditions, big and small, simply to placate the minority?

I think not, whether the national anthem should be played before or during sports events is not the issue in my book. The question instead is whether it may be played without precipitating a brawl by professional malcontents, and since the Republic has not yet descended into anarchy there can be only one answer. Besides, imperfect as we all are, the admission of that fact and our determination to be better is "What so proudly we hail'd" is all about.

I was so very humiliated and embarrassed during the Olympics in Munich when I saw athletes from America who would not give respect to the flag or the playing of the National Anthem.

Do you know what other countries thought of this? From the stands they booed. These were not Americans. These were people from other nations booing Americans because they had such little respect for the country that had made it possible for them to go to the Olympics and to play there and be honored.

What has happened to the spirit of the young school teacher, Nathan Hale, who serving under General George Washington when captured by the British and sentenced to be executed as a spy, just before his death drew himself up to his full height and uttered words that have come ringing down across the years to thrill the hearts of schoolboys in every generation.

"I only regret that I have but one life to give to my county."

If we have lost that spirit, we have lost something precious indeed.

De Thou has said, "After what I owe God, nothing should be more dear or sacred than the life and respect I owe to my country."

The words at the base of the Statute of Liberty are very significant. This 450′ tall statue, a gift from France in 1884, has this message written by Emma Lazarus:

Give me your tired, your poor
Your huddled masses yearning to breathe free
The wretched refuse of your teeming shore,
I lift my lamp beside the golden door.

An article entitled "Our Salute to the Flag" by Lucille J. Goodyear tells the story of the Pledge of Allegiance.

"I pledge allegiance to the flag of the United States of America and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all."

These meaningful words evolved from a patriotic salute first printed in "Youth's Companion," a juvenile magazine, published in Boston, Mass. in September of 1892.

Previous to its appearance, James B. Upham, an editor on the magazine's staff, was involved in an all-out effort to have flags placed in every school room and on every school building. In conjunction with this drive the "Pledge of Allegiance" was written and published and distributed to schools throughout the country.

Teachers were pleased with the words of the pledge and most enthusiastic with the magazine's suggestion of using the salute in upcoming Columbus Day school program.

Thus the 400th anniversary of the discovery of America in 1892 was commemorated in many schools with ceremonies that included flag-raisings and recitation of the pledge.

In 1942, Congress proclaimed it the official Pledge of our nation. The original text as printed in 1892 has been changed several times. The original wording contained the phrase "my flag" which was changed more than thirty years later to "of the United States of America," following the word "flag."

The insertion "of the United States of America" was intended to particularize this country for naturalized citizens and immigrant children.

On Flag Day, June 14 of 1954, President Eisenhower signed a bill, making the addition of the words "under God" official. This bill also directed attention to the original pledge and its history.

When the President signed the bill that added "under God" after the word "nation," he remarked that "in this way we are reaffirming the transcendence of religious faith in America's heritage and future; in this way we shall constantly strengthen these spiritual weapons which forever will be our country's most powerful resources in peace and war."

Today the recitation of the "Pledge of Allegiance" marks the start of the school day for millions of children. In many states the daily recitation is required by law.

It can be said that the Pledge belongs to every American, but especially the school children. It was written for them. It was first repeated by them. And, it has helped, through children, to increase the devotion of all citizens to our flag and our country.

When we repeat the Pledge, we promise to obey the laws of the United States, to be loyal to the ideals for which it stands, and to our nation. The War Between the States proved us to be—"one **Nation** indivisible." The remainder of the pledge is a challenge to everyone. We must so live and work to make this country a nation "with liberty and justice for all."

Listen to words from our nation—our heritage:

I AM THE NATION

I was born on July 4, 1776, and the Declaration of Independence is my birth certificate. The bloodlines of the world run in my veins, because I offered freedom to the oppressed. I am many things, and many people. I am the nation.

I am 195 million living souls—and the ghost of millions who have lived and died for me.

I am Nathan Hale and Paul Revere. I stood at Lexington and fired the shot heard around the world. I am Washington, Jefferson and Patrick Henry. I am John Paul Jones, the Green Mountain Boys and Davy Crockett. I am Lee and Grant and Abe Lincoln.

I remember the Alamo, the Maine and Pearl Harbor. When freedom called I answered and stayed until it was over, over there. I left my heroic dead in Flanders Fields, on the rock of Corregidor, on the bleak slopes of Korea and in the steaming jungle of Viet Nam.

I am the Brooklyn Bridge, the wheat lands of Kansas and the granite hills of Vermont. I am the coalfields of the Virginias and Pennsylvania, the fertile lands of the West, the Golden Gate and the Grand Canyon. I am Independence Hall, the Monitor and the Merrimac.

I am big. I sprawl from the Atlantic to the Pacific . . . my arms reach out to embrace Alaska and Hawaii . . . 3 million square miles throbbing with industry. I am more than 5 million farms. I am forest, field, mountain, and desert. I am quiet villages—and cities that never sleep.

You can look at me and see Ben Franklin walking down the streets of Philadelphia with his breadloaf under his arm. You can see Betsy Ross with her needle. You can see the lights of Christmas, and hear the strain of "Auld Lang Syne" as the calendar turns.

I am Babe Ruth and the World Series. I am 130,000 schools and colleges, and 320,000 churches where my people worship God as they think best. I am a ballot dropped in a box, the roar of a crowd in a stadium, and the voice of a choir in a cathedral. I am an editorial in a newspaper and a letter to a Congressman.

I am Eli Whitney and Stephen Foster. I am Tom Edison, Albert Einstein and Billy Graham. I am Horace Greely, Will Rogers and the Wright brothers. I am George Washington Carver, Daniel Webster and Jonas Salk.

I am Longfellow, Harriet Beecher Stowe, Walt Whitman and Thomas Paine.

Yes, I am the nation, and these are the things that I am. I was conceived in freedom and, God willing, in freedom I will spend the rest of my days.

May I possess always the integrity, the courage and the strength to keep myself unshackled, to remain a citadel of freedom and a beacon of hope to the world.

This is my wish, my goal, my prayer in this year of 1973—one hundred and ninety seven years after I was born.

Let us sing a song of praise and thanksgiving to God for the greatest nation on earth.

Oh beautiful for spacious skies, for amber waves of grain
For purple mountain majesty above the fruited plain.
America, America God shed His grace on thee
And crown thy good with brotherhood
From sea to shining sea.
Oh beautiful for pilgrim feet whose stern impassioned stress
A thoroughfare for freedom beat across the wilderness
America, America God mend thine every flaw
Confirm thy soul in self control
Thy liberty in law.
Oh beautiful for heroes proved in liberating strife
Who more than self their country loved and mercy more than life
America, America may God thy gold refine
Till all success be nobleness
And every gain divine.
Oh beautiful for patriot dream that sees beyond the years
Thine alabaster cities gleam undimmed by human tears
America, America God shed His grace on thee
And crown thy good with brotherhood
From sea to shining sea.

THE DOMESTIC VOLUNTEER SERVICE ACT OF 1973

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. MICHEL. Mr. Speaker, I was pleased to join my colleagues today as we finalized the Domestic Volunteer Service Act of 1973, providing new authority for the programs operated and supported by the ACTION Agency.

I am impressed with the bipartisan nature of the support behind this measure, and with the fact that there has been such close cooperation between the legislative and executive branches in putting it together. This is the way it should happen, and I understand that it was, in large measure, due to the effective liaison work of Eric Silberstein, ACTION's Director of Congressional Affairs, with whom I have worked closely on other matters concerning the ACTION Agency. For Mr. Silberstein, this is just one more example of a job well done.

From my position as ranking minority member of the subcommittee which annually reviews the budget requests of ACTION, I have closely watched the performance of this agency and believe they certainly deserve our commendation for the kind of job they have been doing.

I think we all realize that they have operated under difficult circumstances. The ACTION Agency has been in business only 3 years. It was born, painfully, through Executive order rather than through positive congressional action, and has had to operate, until now, under fragmented, and in some cases, quite restrictive authority.

We are able now to eliminate this condition and provide fresh impetus to a worthwhile effort. The bill before us represents the first positive congressional contribution to these programs, in effect reaffirming the initiative taken by the President 3 years ago when he unified the major federally sponsored volunteer programs under ACTION with Executive Reorganization Plan No. 1 of 1971.

It is well to recall that period—1971—in which this reorganization occurred, so that it may be put in its proper context. Reorganization Plan No. 1 was the very first step taken to implement the President's comprehensive effort to make some sense out of the Federal bureaucracy and eliminate overlap, duplication and waste. It made sense then, and it makes good sense now, that the various volunteer programs which were operating out of a number of different agencies would be better and more efficiently run if they were the full-time responsibility and concern of a single agency, a single management.

The President's action to unify these programs in ACTION provided a mechanism for the encouragement of volunteerism in America. It provided a framework to enhance the possibilities for volunteers from different programs, and of different ages and backgrounds, to help each other in common efforts and supplement each other's knowledge. It was also designed to provide a better atmosphere for carrying out the Presidential mandate to develop new ideas for broadening the opportunities for volunteers to serve and new ways for that service to be delivered to recipients.

The ACTION Agency has done these things under difficult circumstances, and I hope that under this new legislation it will do even better.

It has fostered new ideas. One of these, the university year for ACTION program, has become a program of major consequence. Not only has this program received high marks from nearly everyone involved, but, in what should be a model for other Federal programs, it has managed to increase the number of volunteers while decreasing the cost to the Federal Government.

Under ACTION, the numbers of low-income and other older American volunteers, who need opportunities to serve and feel useful, have increased geometrically: foster grandparent and retired senior volunteers have increased eightfold since 1972, and will probably double again this year so that over 100,000 will be serving.

Under ACTION, there have been major new initiatives undertaken to develop lower cost means by which local communities themselves can initiate and operate effective, multifaceted volunteer programs. And with Dr. Michael Balzano's appointment as Director of ACTION, I think we are going to see more and more of the emphasis on assuring the involvement of the local community.

And, finally, as Dr. Balzano and his staff pointed out to us during our hearing on his 1974 budget, under ACTION there have been countless instances of volunteers from the different programs working cooperatively: retired business executives from SCORE helping VISTA workers establish small local firms; UYA student-volunteers and elderly foster grandparents working side-by-side with handicapped children; and much more.

In my own home State of Illinois almost 1,800 volunteers are giving their time and energy to their neighbors through the various ACTION programs. Many of these illustrate ACTION's creative approach:

In Springfield, half of the members of the newly chartered SCORE/ACE chapter are senior State government retirees who are counseling municipalities and townships with administrative problems, an extenson of the SCORE/ACE program beyond pure business assistance.

In a pilot program in Chicago, 17 bilingual VISTA volunteers are living in ethnic enclaves throughout the city, assisting elderly non-English-speaking people to obtain housing, medical aid, and government services.

And I am particularly proud of a newly-funded foster grandparent program in my hometown of Peoria. In a new approach, this program will not be conducted in an institutional setting, as most of the current foster grandparent programs are. Rather, it will enable mentally retarded and physically handicapped children to remain in their homes, with their families.

With the new legislation before us today, I think we have a framework for broadening the opportunities for volunteers to serve, and for more effectively tapping the enormous reservoir of volunteer energies in America.

With this legislation we will bring ACTION new integrity as an agency and provide new stimulus for the thousands of dedicated ACTION volunteers, young, and old, working in communities across the country.

Mr. Speaker, volunteerism is in the finest tradition of America. Efficiency in government is one of our most sought-after goals. This bill provides a framework for both, and I am happy to join my colleagues in supporting it.

HOUSTON CHAMBER OF COMMERCE HONORS MRS. LYNDON B. JOHNSON

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. TEAGUE of Texas. Mr. Speaker, a few days ago I had the privilege of attending a dinner given in honor of Mrs. Lyndon B. Johnson. The occasion was in conjunction with the dedication of the Lyndon B. Johnson Space Center.

The remarks of James E. Webb on that occasion are recommended to you, Members of Congress, and the public. Mr. Webb was the Administrator of the National Aeronautics and Space Administration during our late President's term of office. Mr. Webb pointed out in his speech:

> In all that her husband accomplished, the participation and contribution of Lady Bird Johnson must be recognized as of the highest order.

We must all concur.

Mr. Webb's remarks follow:

PRESIDENT LYNDON B. JOHNSON AND SPACE

Mr. Chairman, Mrs. Johnson, friends, it is a great privilege to have a part in honoring Mrs. Lyndon B. Johnson. She has spent her life in partnership with a great man, doing great things. Beyond that, in her own right, she has shown again and again, broad vision and human understanding. Character and wisdom are her hallmarks. She has generously shared her time with a multitude of both great and small figures, who have touched her life as they passed across the stage of current affairs. She is a true citizen of the world. In all that her husband accomplished, the participation and contribution of Lady Bird Johnson must be recognized as of the highest order.

This afternoon, out at Clear Lake, much was said about the appropriateness of re-naming NASA's Manned Spacecraft Center for President Johnson. Much more could be said about the importance to our space efforts of his vision and influence at those turning points that made the real difference between success and failure. As Senate Majority Leader, as Vice President, and as President, Lyndon Johnson was determined that this nation must overcome our early failures and gain the know-how to use space for peace rather than for war.

Someday I hope Mrs. Johnson will put down for future generations her recollections of those moving and important episodes in which she participated.

In 1963 when the Mercury Flights were completed, Vice President Johnson and I were hosts at a luncheon to honor those who had brought about the Mercury successes. Mrs. Johnson was seated next to me. I had not yet come to know her well, but by way of conversation asked what she thought were the Vice President's greatest contributions in his years of public service. Immediately she responded in her characteristic way that she would not give me her views but would give me his. She said that just before World War II, in the crucial national defense decision to adopt the draft, he had pulled a mighty oar along with Speaker Sam Rayburn, to win by one vote in the House of Representatives. She went on to say that as Majority Leader in the Senate in the 1950's he had put his shoulder to the wheel to pass the first major civil rights legislation to go through that body in something like 100 years; and that in 1957 and 1958, following the Russian success with Sputnick, he had supplied the leadership to put into law the National Aeronautics and Space Act. So the three contributions she mentioned were: national defense, civil rights and space.

That was in 1963, and surely all of us know that in his years as President, Mr. Johnson was responsible for many other important actions. When compared with any of these, however, I believe his determined support for a preeminent U.S. position in space will go down in history. Against the opposition of many scientists and economists he strongly supported the manned space flight part of NASA's program. I am happy that he could live to see our nation land men on the moon and return them to earth.

In 1961 almost my first official act was to recommend to President Kennedy that we invest the funds needed to build the large boosters essential to true space muscle. I also recommended the development of large manned spacecraft. Vice President Johnson gave his eager support. But President Kennedy felt he could approve only a start toward the boosters, and he postponed the spacecraft. In fairness, it must be said that this was during his first few months in the White House when he was beset with many problems. He was not sure of NASA's capability to "deliver the goods," and he was faced with strong differences among his advisors. Some wanted to "kill off manned space flight". But the Vice President had made it his business to know that our universities and industry, working with government could do the job, and that the manned programs were essential. So the first requirement for the Vice President was to convince the President. This he did, with a strong assist from the impact of Gagarin's flight, giving the USSR the first man in space.

Almost immediately after that flight, the Vice President was given the job of laying out a program for the future. He lost no time. He consulted our most knowledgeable experts. He went over his conclusions with leaders of Congress. Based on his report, President Kennedy was able to recommend Apollo to Congress on May 25, 1961. And so it was that his years of work on space, and the hopes and dreams of Lyndon Johnson came to fruition. To show that he was aware of the size and complexity of what we were undertaking, let me read you from a letter which I wrote him a few days before he finished his report:

"You and the President will be placing on . . . (NASA and DoD a task) . . . roughly equivalent to having someone looking down your throat while you were Majority Leader of the Senate and telling you that the future of the country depended on your organizing an effort that would successfully transform the Congress of the United States from a bicameral to a unicameral body within a very short period of time, say two years, and that even if you succeeded the future of the country would still be in jeopardy unless you had obtained passage through the legislative body in the meantime of a whole series of major legislative changes . . ."

The Vice President did not shrink from this mammoth undertaking. He gave the support I was asking for. He gave leadership and guidance to the effort, and made the right decisions at the right time. There is no doubt that the results will reach far into the future through the work that will be done in his name here at the LBJ Space Center.

It is hard to realize that the United States space program is now in its 16th year. We have seen moon landings, pictures from Mars, observations from Venus, vast improvements in the knowledge and use of weather, and cheaper, more reliable, and vastly expanded world-wide communications systems. We have acquired so much new knowledge of both the earth's environment and its resources that for many years we will be working to put this knowledge to use. President Johnson wanted the United States to have a finest class space team. We now have it.

A good example of the value of this is the fact that Skylab is still in orbit. Crippled by a failure during launch, this space station was repaired by astronauts, working closely with their teammates on the ground. This one repair job saved a two and one half billion dollar investment. The NASA Space team did a job in eleven days that under normal circumstances would have taken from six months to a year. The real question we must now ask ourselves is how we will use this team in the future. To what extent will we give it the support it needs to retain its strength?

The value of saving Skylab goes far beyond dollars. Ultra-violet and X-ray pictures and measurements of the sun, greatly improved by Skylab's large telescopes, are now giving us an order of magnitude improvement in the data our scientists urgently need on the dynamics of the sun's atmosphere. They need this for further study of the forces at work in the earth's atmosphere. With the Skylab data we do not have to wait the eleven years of a solar cycle to benefit from this new knowledge, at a time when our energy crisis and pollution problems emphasize our need to know more about how the sun affects our air and water.

Early in the build-up period for our space efforts, NASA commissioned three studies by the American Academy of Arts and Sciences. The first was of our nation's major undertaking to build its transcontinental railrods. The second was of how to use indicators of social and economic change to measure the effects of the space effort being undertaken. The third was of the practical applications of aeronautical and space technology that could be used in other areas of our society. That these studies were undertaken is an example of the broad vision that Lyndon Johnson had for our national space effort. He wanted us to look to the past to see what we could learn from the railroad period; to look to the effects of our work on all aspects of society; and to try to find ways and means through which our space engineering advances could be picked up and used throughout American life.

The director of these studies, Dr. Raymond Bauer of Harvard University, described the possible impacts of the space program in these words:

"They include changes in man's conception of himself and of God; almost incredible consequences of . . . expanded communications via satellite . . . systems; . . . improved short- and long-range weather forecasting; moment-to-moment surveillance of military installations throughout the world; . . . contact with beings higher, lower, or sideways from us; . . . drain on our economy and military strength, *or,* stimulus to our economy and military strength; competition with the Russians, cooperation with the Russians, *or* some combination of the two; . . . changes in attitudes toward education and toward stupidity, revolutions in medicine; . . . revolutions in data processing and retrieval; . . . stimulation of our system of higher education, *or,* disruption . . ." of it.

Those words were written in the build-up period of the 1960's. But to indicate the importance of these concepts today, let me mention a recent visit with the managing directors of one of Europe's largest companies, which employs about as many people all over the world as NASA used at the height of its effort, some 400,000, I asked why this company was investing large sums in an effort to bring the electronics industry of Western Europe into a new computer combine. The answer was that I should be the last person to ask such a question. One director pointed out that a subsidiary had been a sub-contractor to an American company in the Apollo program and had been required to learn how to apply NASA's reliability standards to its production. He pointed out that his company had then adapted this know-how to many areas of its business with important benefits. He said in brief, "What we need in Western Europe at this time is a program that will do for us what the NASA effort did for the U.S. We need to mobilize the kind of total effort throughout our industrial structure that you did in NASA, and we are looking for a way to do it." To those in America who are thoughtlessly trying to further cut back our already reduced space team, this should serve as a danger signal.

It is well known that NASA is now preparing for a joint manned exercise with the Russians. We also know it is working to add to our nation's competence the important new advances promised by the space shuttle project. We know from our earth resources satellite projects that our country's leaders can now make far more intelligent decisions on how to put our limited resources to best use with minimum risk to our society. But we need to go beyond this to address our minds to more basic values. We need to think more than we have about the reaction which President Johnson expressed when he first saw the planet Mars through the camera eye of Mariner IV. His words in 1965 were:

"It may just be that life as we know it, with its humanity, is more unique than many have thought, and we must remember this. . . . In the works of space, as in the works of peace, this great nation of ours stands always ready to join with any others—to join with all others—and we are ready as I speak now."

This was a practical world leader's reaction when his hope that we would find evidence of life on Mars was shattered as he looked at the barren landscape of that planet. Running through my mind as I heard him speak these words, and on many occasions since, is the thought that human beings, at least in our solar system, appear to be unique to the earth, and too precious to put in jeopardy.

Physical scientists view our earth and the universe in a quite different way than do social scientists and political leaders. Biologists and physists have wide differences in their approaches to the development and meaning of life.

Some view the origin of life as the result of a cosmic game of chance—that beginning with a primordial ball explosion, there has proceeded a process of change with probabilities tilted toward the lines of development that human intelligence has already identified.

In this view, over geological time the building blocks of life accumulated in the oceans, forming a sort of nutrient soup in which life eventually originated; that photosynthetic processes using chlorophyll eventually entered upon the scene. These modified the earth's atmosphere until it contained the oxygen on which we are so dependent today. In this view there are hundreds of millions of planetary systems in our galaxy and in the millions of other galaxies, with the probability of there being life elsewhere in the universe a virtual certainty.

However, even if we accept this view, we know that the stars and other galaxies are so unbelievably far away from us, that we are, to all practical purposes, alone in our universe for the time being.

Another group maintains a different view that with the vast new knowledge gained from our space program, with its power to simultaneously look backward at the earth and outward to the space around it, and from many laboratory experiments, we now can view the development of life as more cause than effect—that conditions caused by the development of life reacted on the early earth environment and produced a number of changes that now make the higher forms of life possible. In this view our oxygen-rich atmosphere and its components of water vapor and nitrogen and the minute quantities of ozone in the upper atmosphere are known only on the earth, that the delicate balance among these elements that we now know exists is what makes life possible. Some believe that such a balance could hardly result from chance; that some form of guidance must have been present; in religious terms, a form of creation, by guidance from a supreme power. They point out that the same mechanisms that put in place these elements in the delicately balanced proportions to sustain life could, if they had produced a slightly different balance, made life impossible.

Of one thing, I feel very sure. Our space satellites and probes have given us the capability to get a broad perspective of these phenomena and to better understand the conditions under which life is possible.

The drive which President Johnson, and those associated with him, were able to put into the full development of both science and technology in the United States space program provided a vitality, a scope for imaginative forward thrusting minds, that would not have been possible from a lesser effort. It is now well known that when many minds are opened up through a large undertaking there is an explosion of ideas and intellectual activity which leads far beyond the early thinking. Lyndon Johnson had the vision to foresee this result, and its importance. He saw clearly that man's ability to reach out beyond the limited environment of the earth and into unlimited space would set the stage for momentous events. He saw to it that the U.S. took up this challenge.

JANET REEVES—MISS AMERICAN TEENAGER, 1973

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. BRINKLEY. Mr. Speaker, living in my hometown of Columbus, Ga., we are indeed proud to have the 1973 "Miss American Teenager"—Miss Janet Reeves, the daughter of Mr. and Mrs. Robert Reeves. Janet, who is a classmate of my oldest son, Tommy, at Hardaway High School, is just an outstanding young lady in every respect and, in my estimation, represents the very highest standards of American youth. On behalf of the Third Congressional District of Georgia, which I am privileged to represent, I would like to take this opportunity to express to Janet and her family our extreme pride and warmest congratulations on her winning the 14th annual Miss American Teenager Peagant.

Mr. Speaker, at this time I would like to commend to the attention of our colleagues the following news release issued by one of the pageant's coordinators upon Janet being selected as Miss American Teenager for 1973.

The release reads:

NEWS RELEASE

Janet Reeves, 16, daughter of Mr. and Mrs. Robert Reeves, of 2352 Burton Street, Columbus, Georgia won the title of Miss American Teen-Ager today in the 14th annual Miss American Teen-Ager Pageant here in New York City. She topped a field of 45 other teen-age beauties between the ages of 13 and 17 from all parts of the nation, to win the coveted title of Miss American Teen-Ager and more than $20,000 in prizes including a 1974 Dodge Challenger.

She is 5'7¾" tall, weighs 115 pounds and has brown hair and blue eyes. She is in the 12th grade of the Hardaway High School. Her greatest ambition in life is to become a Pediatrician, wife and mother. She is in Who's Who of American High School Students and is on the honor roll.

She has been active in R.O.T.C., choral and the sponsor club. Her hobbies include sewing, piano, horseback riding. She plays the piano in church, models and babysits.

She describes her state as "hospitable, growing and historic." Our country as "majestic, generous, and hopeful," and herself as "capable, feminine, and honest."

Her first runner-up was Katherine Kassing, 17, of McLean, Virginia. Her second runner-up was Lucy Demkiw, 17, of Brooklyn, New York. Her third runner-up was Sherri Moore, 17, of Fullerton, California. Her fourth runner-up, Kim Wagner, 15, of Overland Park, Kansas.

The winner of the Miss Congeniality Teen-Ager award, voted by the contestants themselves for one of their sister contestants was Susan James, age 16, of 3588 South Hillcrest Drive, Denver, Colorado, Miss Colorado Teen-Ager. She is 5'4" and weighs 110 pounds, has red hair, green eyes and is a junior at Thomas Jefferson High School in Denver.

She received a $500 cash scholarship from Maybelline with her award. Carla Tevault, 18 of Petersburg, Indiana, who won the title of Miss American Teen-Ager last year, turned over her crown and title to her new successor.

This year's Miss American Teen-Ager Pageant was produced by Unicom Entertainment Corp. of 555 Madison Avenue in New York City and Youthways Productions Inc. of 405 Park Avenue, New York City in association with Miss American Teen-Ager Inc. of 1605 Lemoine Avenue in Fort Lee, New Jersey. The telecast was sponsored by Maybelline and is being syndicated to approximately 125 major TV stations across the country. It was hosted by John Gavin, star of the Broadway hit show "Seesaw" at the Mark Hellinger Theatre in New York City. Also featured on the telecast were Andy and David Williams, singing stars who are nephews of Andy Williams. Kip Walton, produced and directed the one hour TV special.

It was a fun time in Fun City for all of the 46 finalists during pageant week for in between judging sessions, the Miss American Teen-Ager Pageant people provided the contestants with a complete program of entertainment and recreation. The New York Hilton at Rockefeller Center was the official host of the pageant and Horn and Hardart, provided transportation round the city throughout the week in their imported British double-decker bus in addition to providing catered lunches all week long. Dinners were provided by Rosoff's Theatre Restaurant in the Times Square Area, at Huntington Hartford's Show Club and at McDonald's Town House. They cruised Manhattan island on the Circle-Line and visited New York City's Chinatown and other points of interest. They attended the Broadway hit show, "Seesaw" as guests of producer Joseph Kipness and toured backstage where they met the stars John Gavin, Michele Lee, and Tommy Tune. They also attended the Schaefer Music Festival in Central Park.

The Miss American Teen-Ager Contest and Pageant is a registered service mark in the U.S. Patent Office. Talent Productions Inc. of New York City is the exclusive representative of Miss American Teen-Ager Inc. for the licensing of goods and services under the Miss American Teen-Ager name. All girls 13 through 17 who are single, and American citizens are eligible to enter the Miss American Tenn-Ager Contest. There is no talent of any kind required to enter. Contestants were judged in dresses and gowns on the basis of beauty, poise, personality, community service, leadership and scholastic achievement. In addition to the grand prize of a Dodge Challenger, Janet as the winner of the Miss American Teen-Ager Pageant today will receive an all-expense American Airlines Dream trip for two to Hollywood, California where she and her chaperone will stay at the Beverly Hilton Hotel in Beverly Hills. There, she will have an opportunity for a role in the New CBS-TV "Perry Mason Show" and in "General Hospital" on the ABC–TV network. She will receive a $1,000 wardrobe of her choice from the Alden's fashion catalog and an opportunity to model for the Alden's catalog with New York City's top fashion models. She will receive a tuition-free scholarship for one year at Brooks College for Women at Long Beach, California valued at $2,360. In addition, Maybelline will award her a $1,000 cash scholarship to be used toward her education. She will receive a natural mink and leather coat, valued at over $1,000 from the Flemington Fur Company of Flemington, N.J. Weber-Stephen Products of Arlington, Illinois will present barbeque kettles to Miss American Teen-Ager and her 1st, 2nd and 3rd runners-up. She will receive a 3-piece set of Samsonite luggage and each of the finalists in today's pageant will receive a petite tote bag from Samsonite.

Each of the finalists in the pageant also received a complete kit of Maybelline cosmetics. Remington 600 hand held hair dryers are also being presented to each of the contestants in the Miss American Teen-Ager Pageant as was a complete gift pack of all Wella Hair Products. A wardrobe of dresses from Shawn Jrs., a division of David Warren Inc. of New York City is being awarded to the new Miss American Teen-Ager and each of the contestants in the pageant has been awarded a Shawn Jrs. dress which she wore in the telecast. A crown of 58 perfect Diamonaire simulated diamonds, from Diamonaire, a division of Litton Industries was also awarded to the winner. She will have an opportunity to be a guest columnist for "Flip", America's leading teen entertainment magazine and will be featured in a full, color picture story in "Flip" magazine. Lew Mitchell, noted New York photographer will present her with a professional portfolio of theatrical or modeling pictures. The Miss American Teen-Ager trophy was awarded to her and trophies were also awarded to her runners-up.

The Miss American Teen-Ager theme song was written by song writer Gladys Shelley.

Mr. Mac Ellison, Certified Public Accountant and President of the Accounting Offices of Mac Ellison, of Fort Lee, N.J. was the official tabulator of the judging, assisted by Mrs. Nancy Siracusa of the Dispatch Daily Newspaper in Union City, N.J.

Judges included Wilhelmina, one of the top fashion models and cover girls of all time who heads the world famous Wilhelmina Model Agency in New York City, Ron Chereskin, one of Americas foremost youth artists, who is creative director of Talent Productions, Inc., Mary Dodson, of the Flight Service Staff of American Airlines, Jean Adams, editor of United Features' "Youth Forum" and noted lecturer and magazine writer, Mary Ann Anderson, Vice President of Maybelline Cosmetics, Jerry Reilly, director of the Alden's Fashion Catalog, Mr. S. Rodgers Benjamin, President of the world famous Flemington Fur Company and Albert J. Piccirillo, President of the Chelsea National Bank.

NIX SUPPORTS THE SCHWARTZ RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PHILADELPHIA

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. NIX. Mr. Speaker, I rise to offer my support of resolution No. 204, adopted by the city council of Philadelphia which asks that the President of the United States revive immediately a vigorous campaign to resolve in each individual case the fate of members of the Armed Forces who were prisoners of war and missing in action, during the Vietnam war.

The resolution follows:

Memorializing the President of the United States of America to immediately undertake a vigorous campaign to resolve once and for all the issue of members of the Armed Forces of the United States who are still either prisoners of war or missing in action.

The resolution was adopted by the council of the city of Philadelphia at a meeting held the 6th day of September 1973.

This is an important issue since it involves a lack of good faith on the part of the North Vietnamese and their subsidiary Vietcong government in South Vietnam.

The pictures of American men taken prisoner in the Vietnam war by the North

Vietnamese have appeared in the European press which had access to North Vietnam during the war. Yet these same men have never been accounted for as being prisoners of war by the North Vietnamese. Men who are missing in action may never be accounted for because the activities of grave registration units have been interferred with by the North Vietnamese in South Vietnam.

A resolution of this kind is timely because the failure to account for our men is embarassment to the administration because of the failures of the truce agreement.

Therefore a reminder of unfinished business from an important public body is important. In order to see to it that our men are not forgotten.

I would urge other city councils to follow the example of George X. Schwartz, and the members of the Philadelphia City Council. The council of my city is made up of outstanding men and the city council president, the Honorable George X. Schwartz is an example of that high standard. I congratulate them on their resolution.

FERTILIZER SHORTAGE WORSENING

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. NELSEN. Mr. Speaker, much earlier this year I called to the attention of our colleagues in Congress the serious fertilizer shortage developing in the United States. I indicated the actions I had taken to persuade the Agency for International Development to suspend future AID-financed fertilizer exports at least until domestic fertilizer needs had been met, because it is imperative that the United States increase food production to supply the needs of our people and the world.

In response to our pleas, AID agreed to direct is overseas missions to review host country fertilizer requirements, limiting all new procurements to material needed for the coming planting season. In a letter to me dated May 31, AID also agreed that effective immediately, and continuing as long as the tight U.S. supply situation exists, AID would authorize all procurements from certain less developed countries with surplus production capacity available for export as well as from the United States.

In view of recent developments, however, these actions still seem inadequate. I have just received from Mr. Russel G. Schwandt, president of the Minnesota Plant Food Association in St. Paul, a resolution adopted by the board of directors of his association on August 30 in Brainerd, Minn. The resolution indicates that Minnesota fertilizer dealers are now experiencing serious shortages of nitrogen and phosphatic fertilizer materials, and that there are not adequate products to meet the demand. Among other steps, the board has urged Congress to take necessary action to place an immediate embargo on any foreign shipments of those fertilizers in short supply domestically and direly needed by the American farmer. I am, of course, bringing this recommendation to the attention of AID.

I include the board's resolution in full at this point in my remarks:

Resolution adopted by the Board of Directors of the Minnesota Plant Food Association at their board meeting August 30, 1973, at Brainerd, Minnesota:

"Minnesota fertilizer dealers are now experiencing serious shortages of nitrogen and phosphatic fertilizer materials. The fall application season is here and there isn't adequate products available to meet the demand; be it therefore resolved that Congress takes the necessary steps to:

1. Place an immediate embargo on any foreign shipments of those fertilizers in short supply domestically and direly needed by the American farmer.

2. Assist in making hopper cars available for the Midwest market as the hopper car situation is extremely critical.

3. Support Senator Humphrey's proposal to Secretary of Agriculture Butz in creating a Federal Interagency Task Force with invited representatives from private industry."

Only a few weeks remain before peak fall demand for fertilizer is here. Farmers must have the assurance now that their orders can be filled for fall application. A lack of fertilizer will critically affect our food supply next growing season. No matter how willing the American farmer is to meet increased acreage demands, his hands are tied unless the ground can be properly prepared.

Additionally, to further emphasize the worsening fertilizer supply situation in our country, I wish to insert in the RECORD an article by Mr. Gene Meyer which appeared in the Wall Street Journal on September 17. Mr. Meyer reports our Government is now projecting a shortage of 1 million pounds of nitrogen and 700,000 pounds of phosphate, representing enough plant nutrients to produce about 20 million tons of feed grains alone.

He further reports that phase IV price restrictions are contributing to the problem, because U.S. fertilizer prices are being held to roughly two-thirds or less of the world market price. Obviously, this is encouraging foreign buyers to outbid our own, while at the same time discouraging U.S. producers from expanding output.

I am bringing this price matter to the attention of Cost of Living Council Director John Dunlop immediately, since we can ill afford such policies at a time when America's expanded food production is of such crucial importance to the whole of mankind.

I include Mr. Meyer's report in full at this point in my remarks:

FERTILIZER SUPPLY MAY SOON BE SPREAD THIN AS FARMERS LIFT ACREAGE, USAGE PER ACRE

(By Gene Meyer)

CHICAGO.—Serious shortages of fertilizer may develop this fall and next spring, say farm analysts and fertilizer industry observers.

That's bad news for farmers, who are expected to plant crops on several million more acres in 1974, if government policy makers' intentions materialize. It's also bad news for consumers hoping for larger crops to help bring prices down; proper fertilizer application boosts crop yields at least 30%, according to some studies.

"Even if we could fix the situation tomorrow morning, it would be too late for the winter wheat seeding going on now," observes Edwin L. Wheeler, president of the Fertilizer Institute, a trade group, in Washington, D.C. "The farmers' ability to supply adequate U.S. food and fiber is seriously jeopardized."

During the fiscal year ended June 30 farmers used much more fertilizer than most industry predictions indicated, according to a national survey conducted by Doane Agricultural Services Inc. The St. Louis-based farm management consulting firm found that farmers used almost 12% more fertilizer than in the previous year; most industry predictions had been for a 5% jump.

Farmers apparently used more fertilizer per acre and fertilized about 25 million more acres of land freed for production by the Agriculture Department last spring, says Ralph L. Wehunt, Doane's fertilizer expert.

Mr. Wheeler observes that the government's projection of a shortage of one million pounds of nitrogen and 700,000 pounds of phosphate represents enough plant nutrients to produce about 20 million tons of feed grains.

Mr. Wehunt indicates American farmers probably will want more fertilizer this season than last. High grain prices encourage fertilizing even such crops as wheat, which normally aren't fertilized. In addition, the all-out farm policy for next year may bring 10 million to 12 million more acres into production, Mr. Wehunt figures. "Most of these are on marginal land which requires more fertilization," he adds. "Fertilizer requirements could increase 6% further than current levels by next June 30."

In the past year, heavier-than-expected usage has depleted the national inventory of 20 fertilizer products by 38% and Mr. Wehunt indicates the outlook for next season's production is bleak.

"Inventory reserves are usually built up in the fall and winter for heavy spring usage," he notes, "but the cycle may be interrupted this year because of shortages of the necessary fuel to produce fertilizers and the higher prices that foreign buyers are willing to pay."

NITROGEN AND PHOSPHATES

The fuel problem hits hardest two of the three basic fertilizer groups—nitrogen and phosphates. Nitrogens, which are essential for many crops, particularly corn, and some phosphates are made from natural gas. Natural gas shortages have held nitrogen production to a 2% increase this past year, while usage has increased 5%.

Much of the U.S. phosphate supply comes from mines in Florida, where a fuel shortage of another sort has limited production. Huge amounts of electricity, about 10% of the state's power supply, are needed to refine the ore. Power shortages this summer have cut into production.

The outlook for potash, the third major fertilizer group, is relatively good, Mr. Wehunt adds. One of the world's richest and largest deposits is a 600-mile strip in Saskatchewan, Canada. Transportation becomes a bottleneck there, he notes, and the area isn't being mined to its fullest. The recent Canadian rail strike already has reduced imports to this country, he adds. Anticipated problems getting freight cars later this year could also cut into supply, other industry executives say.

OUTLOOK ON IMPORTS

There generally seemed to be enough fertilizer for U.S. farmers this past year, despite the heavier-than-expected use, Mr. Wehunt notes. But, he cautions, this was partially due to a 10% increase in imports that U.S. farmers might not get next year. Phase 4 restrictions are holding U.S. fertilizer prices to roughly two-thirds or less of the world market price, he says. "With the world market situation as it is, it can't be expected to bail out the U.S. farmer this winter and next spring," he adds.

The U.S. is one of the world's primary suppliers of nitrogens and phosphates, Mr. Wheeler says, and Phase 4 profit margins are discouraging U.S. producers from expanding. Thus, U.S. buyers are offering a frozen wholesale price of $40 a ton for nitrogen-rich ammonia, for instance, while foreign buyers are bidding upwards of $70 a ton for the same product. "Anyone with common sense can guess who's going to get it," adds Mr. Wheeler.

JAMES WECHSLER ON ELECTORAL REFORM

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. BINGHAM. Mr. Speaker, on June 5, 1973, I introduced a joint resolution proposing an amendment to the Constitution of the United States that would give Congress the power to call for a new national election when it has determined that a President has so lost the confidence of the people that he can no longer perform his responsibilities. Two of my distinguished colleagues, Ms. GREEN and Mr. UDALL, have also introduced similar legislation.

I am delighted that the distinguished columnist James A. Wechsler has declared his support for the concept embodied in these proposals and has called for national debate on them.

As a first step toward such a debate, it would be most desirable if hearings might be held on these resolutions by the Committee on the Judiciary.

Mr. Wechsler's column appearing in the New York Post on September 12 follows:

UNTHINKABLE THOUGHTS?

(By James A. Wechsler)

Although they hardly planned it that way, Richard Nixon and Spiro Agnew may achieve a certain immortality as the men who finally compelled Americans to contemplate far-reaching change in our political processes.

For many months the two dominant facts about the national condition have been deepening unease about Mr. Nixon's capacity to govern and an equally manifest reluctance to confront the stresses of a long impeachment struggle. These clashing emotions have been intensified by signs that Vice President Agnew is in special trouble of his own.

Despite the current efforts of the White House and some Republican spokesmen to proclaim that Watergate belongs to the past, as if repeating the thought often enough will exercise the unpleasantness, no such relief is in sight. Too many men are already entrapped; who and what will break next as prosecutions proceed?

The view that we are doomed to three long years of creeping paralysis and futile polemics seems to be the prevailing fatalism. But in Congress there are thoughtful if little-heralded legislative stirrings that could set the stage for national debate. It is time they received notice.

Rep. Jonathan Bingham (D-N.Y.) has introduced a constitutional amendment that would permit Congress to call for a new national election when it "determines that a President has so lost the confidence of the people that he can no longer perform his responsibilities."

A comparable scenario is projected in a longer, more detailed amendment co-sponsored by Reps. Edith Green (D-Ore.) and Morris Udall (D-Ariz.) It would empower Congress to initiate a special election within 90 days when "the President has failed or refused faithfully to execute the laws enacted by the Congress; or . . . has willfully exceeded the powers vested in him by the Constitution and the laws of the United States . . . or has caused or willfully permitted the rights of citizens to be trespassed . . ."

Apart from the precise timetable and more elaborate specifications in the Green-Udall formula, there is one other significant difference between their approach and Bingham's. They would require a two-thirds vote of both houses as a first step: Bingham's resolution calls for a simple majority.

Since it takes a two-thirds vote to override a Presidential veto, the difference may be more apparent than real. But Bingham notes that a beleaguered Chief Executive might be disposed to seek a new mandate once repudiated by a simple majority.

Under both amendments, the incumbent would have the right to run—assuming that he obtains his party's nomination. (Bingham's resolution does not spell out the mechanics of designation, as Reps. Green and Udall do; he contends it would be preferable to enact the basic principle and let Congress evolve the machinery.)

Even if either won Congressional sanction and survived Presidential veto, the approval of three-fourths of the states would still be needed. Barring some unforeseeable bombshells that could create a darker mood of national emergency, the road to such reform will not be swiftly traversed.

But if these are ideas whose time has not yet come, they surely belong on the agenda of public discussion.

Clearly they would embody fateful alterations in our political structure, introducing basic elements of Britain's parliamentary system. Is that an unthinkable thought after both Watergate and Vietnam?

Neither amendment is necessarily the last word. It may be argued, for example, that a Congress which decrees a new national election should in fairness provide for its simultaneous dissolution and an electoral test of its own members. The proposed changes would require the opposition to maintain some equivalent of "shadow cabinet,")

Granting that Congressional and state action is unlikely before the 1974 races, the state of major debate on the amendments could transform those contests into a mid-term popular plebiscite with special meaning.

While the political sickness unfolded in the Nixon Administration—from Watergate to Cambodia—and the ensuing national malaise in the backdrop for these remarks, the issues transcend his term. Certainly the existence of such democratic instruments for change might have modified the tragic chronicle of Lyndon Johnson's debacle in Vietnam.

Nor can this be discounted as a desperate scheme to "reverse the Nixon mandate" of 1972. For if that result still has any validity, his disintegrating second term could be salvaged by a new national vote.

The larger question is whether many Americans are prepared to face the implications of their distaste for the impeachment route (which could conceivably lead Carl Albert to the White House). In a deeper sense, are they willing to concede that imperfections in our system are in part responsible for our present frustration and disarray? We will never know the answers until responsible voices begin to present the questions—as Bingham, Mrs. Green and Udall are trying to do.

ENERGY CRISIS

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. FRENZEL. Mr. Speaker, there has been a growing awareness among all of our constituents that an energy crisis is upon us. The many facets of this problem are astounding in number, but of crucial importance is the protection of the health and welfare of individual citizens and families. Shortages of specific petroleum products including gasoline and home heating fuels strike at this personal health and welfare problem most directly. Something must be done.

On April 16 this body passed a provision in the Economic Stabilization Act which authorized the executive to take whatever steps were "just and proper" to solve this situation. On April 30 the President signed that act. Since that time hundreds of pleas have been made by members of this body, including the gentleman from Connecticut (Mr. MCKINNEY), and myself, to implement the mandatory allocation authority which the Economic Stabilization Act grants.

At this time we have seen the appointment of a National Energy Policy Director, and the suggestion of several mandatory plans, none of which have been implemented.

Now is the time, way past time perhaps for my region, to retrive and implement those plans so desperately needed by large sections of our country. A bill which Mr. MCKINNEY, Mr. HEINZ, and I have introduced today would accomplish this purpose. Our bill gives the President maximum flexibility to implement that plan which he may consider most appropriate. The bill directs the President to inform the Congress within 15 days after enactment to inform the Congress of the specifics of the plan to be utilized, and to then put it into operation within another 15 days.

Our bill is a simple proposal. It mandates actions in the public interest, but it allows maximum flexibility to those who are most capable of making decisions on the specifics of all allocations.

THE CROSS-FLORIDA BARGE CANAL

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. BENNETT. Mr. Speaker, recently there was printed in the CONGRESSIONAL RECORD an editorial from WJXT concerning the Cross-Florida Barge canal. This station which is owned by the Washington Post here in the District of Columbia was critical of some aspects of the canal. In accordance with the policies of that station, time was allotted to an answer. The answer which was broadcast by that station was by George Linville who is the head of the Cross-Florida

Canal Association and reads as follows:

Comment by George Linville

The Cross Florida Canal Association, a citizen's organization which I head, questions the President's right to reverse an act of Congress by stopping the Cross Florida Canal project.

The canal will benefit our entire population recreationally, ecologically and economically.

More than 350,000 people have enjoyed recreational benefits in Lake Oklawaha. One group wants to destroy Lake Oklawaha—suggested dynamiting the dam. We acquired a federal court order saving Lake Oklawaha, at least temporarily.

Pollution is reduced by water transportation. Energy is often measured in British Thermal Units. Shipping by water takes 500 BTU's per ton mile; by rail, 750; by truck, 2400; and by air, 6300.

Shipping costs money. When shipping costs are reduced, consumer prices go down.

Shipping by barge costs 4 mills per ton mile; by rail, 16 mills; by truck, 80 mills; by air, 225 mills.

After extensive study, I am convinced the Cross Florida Canal is environmentally and economically sound and feasbile.

THE BASIC TREATY BETWEEN EAST AND WEST GERMANY

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. SPENCE. Mr. Speaker, the Supreme Court in Western Germany has made a decision strictly interpreting the basic treaty between East and West Germany. The determination by the court puts limits on the manner in which the settlement between East and West Germany can be implemented. Because the decision also involves the status of West Berlin, where the United States is still very much involved, it should be understood and studied by appropriate Members of Congress. It is a decision which, I believe, all free men will applaud. The floor leader of the Christian Democrats, Dr. Karl Carstens, comments on the interpretation of the treaty in a recent interview in the Rheinischer Merkur. I ask that this interview be included in the Record in order to shed additional light on this historic decision:

[From Rheinischer Merkur, Aug. 9, 1973]

Interview—Limitations of the Basic Treaty

Rheinischer Merkur. The CDU/CSU Parliamentary Party has welcomed the decision by the Federal Constitutional Court on the claim submitted by the Free State of Bavaria. What is the essence of that decision in your opinion?

Carstens. Let me put it this way: The verdict imposes binding limitations on every federal government in the application of the basic treaty and in the negotiation of successor agreements. The Federal Constitutional Court states expressly: The GDR is a part of Germany. It is not a foreign state in regard to the Federal Republic of Germany. The border between both parts of Germany is not an international border.

I wish to add the following regarding application of the treaty and negotiation of successor agreements: That concerns above all the settlement of the right of nationality. Inclusion of the Land of Berlin in every follow-on treaty has been made mandatory.

Merkur. As we understand it, the decision is in keeping with past jurisdiction, or do you see different criteria?

Carstens. The authentic interpretation of the basic treaty contained in the verdict of Karlsruhe observes closely the provisions of the basic law as well as of past jurisdiction of the Federal Constitutional Court. These are declared binding in the decision. With that the supreme court of the FRG has obviated the rightly feared danger that the basic treaty with the "GDR" undermines the basic law of the Federal Republic of Germany and the constitutional commandment contained therein "to achieve unity and freedom for Germany in a free climate of self-determination".

Merkur. The verdict also contains a passage on the practice of sealing off the borders. How do you assess this statement?

Carstens. The CDU/CSU is particularly satisfied to note that the constitutional court agrees with our viewpoint which we repeatedly spelled out in public, by declaring: "The present realities at the border between the Federal Republic and the GDR, such as wall, barbed wire, death-strip and shooting order, are incompatible with the treaty".

Merkur. What are the consequences for the Federal Government?

Carstens. The verdict holds the present Federal Government to its own words. The court based its verdict on the interpretation employed by the Government and has thus declared the basic treaty constitutional only within the boundaries of that strict and restricting interpretation. The Government is now obliged to represent this authentic interpretation within and without. Above all, it will no longer be able to accept the interpretation by East Berlin and Moscow—which is opposite to its own interpretation—without contradicting.

Merkur. Has the envisioned goal been reached through this verdict?

Carstens. The proceeding has achieved an important aim. As a result of the decision the "Deutschlandpolitik" (policy with regard to Germany) is freed of the constitutional ambiguities caused and accepted by the Federal Government. All democratic forces in Germany should be grateful to the Bavarian government for its clarifying initiative.

U.S. AEROSPACE AT THE CROSSROADS

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. MILFORD. Mr. Speaker, recently an article was brought to my attention by my good friend, Mr. J. T. (Bing) Cosby. Bing pointed out that this article, "U.S. Aerospace at the Crossroads," succinctly points up the international impact of our aircraft sales. Our aerospace industry which represents 7.6 percent of our total export is a very decided plus factor for our balance of trade. As the rest of the economy suffers a trade deficit, our aircraft industry maintains a strong positive balance of trade situation. I wholeheartedly concur with Bing that this is an excellent article and would like to have it read into the Record to share with my colleagues:

U.S. Aerospace at Crossroads

Today international economic matters are receiving increasing attention from the Administration, the Congress, industry, labor and the general public.

This stems from, among other things, the nation's negative balance of trade, the relative weakness of the dollar in the world's monetary markets, increased concern about our ability to compete effectively in international markets, the impact of foreign trade on our domestic economy, the long-range effects of current inflationary trends, the various trade bills currently under Congressional consideration and the upcoming General Agreement on Tariffs and Trade (GATT) negotiations.

Slowly but steadily, throughout the 1950s and 60s, the U.S. share of the free world market place has decreased. Our nation showed a negative trade balance in 1971 for the first time since 1888. It fell farther, to a negative balance of $6.5 billion, in 1972. In many areas of international trade the U.S. now is at a serious competitive disadvantage. The nation was slow to recognize the significance and the seriousness of what was taking place. Not until the late 60s did it begin to accept the fact that a coherent international economic strategy with related domestic policies were essential to the future health of the national economy.

IMPORTANCE OF AEROSPACE EXPORTS

Of the four basic trading commodity categories—agriculture, raw materials, low technology items and technology-intensive products—only in the fourth, the technology-intensive category, has the U.S. consistently maintained a substantial trade surplus.

Aerospace exports constitute one of the largest categories of manufactured products in foreign trade, totalling more than $26.3 billion during the last decade (1963–1972). This represents 7.6 percent of the total U.S. export account. From the standpoint of the balance of trade, aerospace products have consistently shown a positive balance. With jet transports playing a major role, the net aerospace trade surplus amounted to $23.5 billion during the same ten-year period.

For the past generation the United States has dominated the civil transport aircraft market, producing about 80 percent of the aircraft flown by free-world airlines. Also during the last three years more than 50 percent of the transport aircraft produced in the U.S. have been sold to foreign airline customers.

FACTORS FOR SUCCESS

The success of the U.S. aerospace industry in the world commercial transport markets is the result of many factors:

A technologically advanced product providing safe, efficient, reliable, and profitable aircraft to the airlines.

An intensely competitive domestic aircraft manufacturing industry.

A strong domestic market—U.S. airlines fly over one half the free world's air commerce.

The availability of export credit financing under the leadership of the U.S. Export-Import Bank.

A relatively free and open world market environment.

Of all these factors the free market conditions are probably most significant. It is essential to the economic viability of the U.S. aerospace industry and to the redressment of the overall U.S. balance of trade that this equality and freedom of marketing opportunity be maintained.

At present, in Congress and in public forums, the subject of relatively free and open trade versus protectionism is being debated heatedly. The ultimate decision on this issue will be a fundamental determinant of the overall U.S. position as our nation meets with the other members of GATT this fall for the first major trade and tariff negotiations in a decade.

MULTINATIONAL CORPORATIONS

Some of the arguments advanced by the protectionists center around the activities of multinational corporations, the practice of U.S. corporations entering into licensing arrangements with foreign firms, the export of technology rather than products, and the participation of U.S. companies in joint ventures with foreign firms. These activities, it is claimed, are weakening the U.S. economy and causing significant losses in domestic employment.

The advocates of free and fair trade take the position that these arguments, as they relate to technology transfer, cannot be substantiated. It is pointed out that international technology transfer from the U.S. to foreign nations is effected in a variety of ways, many of which are outside commercial channels.

Perhaps the most important of such transfers are by government-to-government interchange agreements; patents; scientific and technical papers delivered at international symposia and professional society meetings; and the availability of technical data such as scientific and engineering reports and engineering and manufacturing drawings, under the Freedom of Information Act. Such sources provide an enormous reservoir of technological data all of which is in the public domain and available to foreign as well as U.S. citizens.

In the commercial sector, international technology transfer generally is effected through one of three channels: licensing, joint ventures between domestic and foreign firms, and foreign subsidiaries of domestic firms—the so-called "multinational corporations" (MNC). Primarily, the objectives of these practices are to increase foreign sales whether by expanding existing foreign markets or by developing markets which otherwise would not be available to direct U.S. exports.

GENERATE EXPORT MARKETS

Probably the channel that has been most frequently and severely criticized has been that of the multinational corporations and their foreign affiliates. However, the U.S. Department of Commerce has concluded that these corporations have generated a large market for U.S. exports which otherwise might not exist. The Department's survey estimates that 25 percent of all U.S. exports go to foreign affiliates of U.S. companies. A comprehensive study on the impact of multinational firms conducted by the U.S. Tariff Commission, published in 1973, covering the 1966–1970 period, indicates that in 1970 MNCs generated $3.4 billion more in new exports than in new imports. However, this advantage varied widely from industry to industry. By any accepted definition of the term "multinational firms" the U.S. air transport manufacturers do not qualify. Except for a relatively small activity in Canada these companies do not have manufacturing subsidiaries or affiliates abroad. Virtually all commercial transport exports represent sales directly to foreign purchasers.

In recent years, as foreign economies have grown stronger and their technological capability more advanced, trade patterns have been changing. To build up and expand their own aircraft manufacturing capabilities and to increase their own export ability, foreign governments have increased the nontariff barriers to free trade (1) by financing the development, production, and marketing of new commercial aircraft, with high export potential, (2) by directed procurement when the foreign government controls both the manufacturers and purchasing airlines, and (3) by demanding offsets prior to approval of aircraft purchases from the U.S.

Since potential export sales play a significant role in the determination whether or not to initiate a new commercial aircraft program, U.S. manufacturers are being forced to accept such conditions. As a consequence, joint ventures with foreign firms are now being negotiated which should permit U.S. manufacturers to at least retain a meaningful share of the international commercial market. At the same time the industry continues to press for a free and equitable international trade environment and for the elimination of tariff and non-tariff trade barriers.

OBJECTIVES OF LEGISLATION

The Administration-sponsored Trade Reform Act of 1973, if passed, will establish the basis for U.S. trade policy and determine the position of the U.S. negotiators to GATT. The primary objectives of this legislation are to:

Negotiate for a more open and equitable world trading system.

Strengthen the U.S. ability to meet unfair competitive practices.

Manage our trade policy more effectively.

Take advantage of new trade opportunities.

Deal effectively with rapid increases in imports that disrupt domestic markets and displace American workers. The aerospace industry endorses these objectives and has pledged its support of the legislation.

In Europe one of the most significant changes taking place is a newly structured aerospace industry through which companies and nations are entering into corporate ventures and mergers to pool their resources, thereby broadening their market base and reducing their risks. The governments of Western Europe are presently investing about $4 billion in four major commercial aircraft programs aimed at a near-term $30 billion market. These are the British-French Concorde SST, totally financed by the governments involved, and the A-300B Airbus, the Dassault Mercure 2 and the VFW614, which are receiving direct support of 85 percent, 66 percent and 80 percent respectively from the committed governments.

BROADENING MARKET BASE

Extension of this trend toward cooperation has been recommended recently by a committee studying the European aeronautical industry. Under this plan, mergers and consolidations would be effected, leading to the formation in Western Europe of a single prime aircraft engine enterprise and two prime airframe producers. Other firms in all participating nations will serve as contributing subcontractors and suppliers. Consolidations and cooperation of such a nature could serve to further broaden and solidify the European market base.

After many years of apparent disinterest in exporting Russian commercial aircraft to the non-communist world, the Soviet Union also is mounting a strong effort to penetrate the international market. The TU-144 supersonic transport is in production, substantially modified and improved over the prototype version. It is expected to go into operation on Aeroflot in 1974 as a mail and cargo carrier, with passenger service beginning in 1975 or 1976.

Pacing the USSR effort to open up western markets is the YAK-40, a short haul, 32-passenger aircraft, seen by the Russians as a replacement for the DC-3. Talks with U.S. manufacturers have been initiated to determine details of licensing or other arrangements. The Soviets have also revealed the details of the IL-86, a wide-bodied transport capable of seating 250–350 passengers and is expected to be in service in 1976. The USSR also provided details of another new transport, the YAK-42, a 100–120 passenger shortfield Tri-jet which is being designed to meet the Federal Aviation Administration's certification standards.

SEN. GOLDWATER'S WARNING

Senator Barry Goldwater, Personal Representative of President Nixon at the 30th Paris Air Show, stated in his report:

"... Mr. President, I think we in America have to wake up to the fact that the Europeans intend, not just to catch up, but to replace us as the world leader in aeronautics and everything associated with the field. Our industry must realize that it no longer dominates as it did before the ridiculous decision to stop the SST. I think we must also realize that growth and advances in the general fields of aeronautics, particularly in the medium of heavier aircraft, will have to be done with an eye on international cooperation and also with the possible, although not needed now, across the board support of the Federal government in the encouragement of constantly advancing technology."

The reason for these intensive foreign efforts to penetrate this market is obvious. Traffic forecasts project a six-fold increase in free-world revenue passenger miles between now and 1990, with air cargo shipments increasing at a comparable rate. These figures translate into a transport aircraft market potential on the order of $160 billion during this period.

The magnitude of this potential market and the virtual monopoly the U.S. has enjoyed over the past 15 years constitute an obvious target for the nations seeking to increase their exports and at the same time to bolster their domestic economies through the expansion of their production base.

DEVELOPING FOR EXPORT

Of equal importance is the fact that potential export sales are absolutely essential to any company or nation if a new jet transport program is to become a financial success. With jet transport costs ranging from $5 to $24 million each it is apparent that just to recover the vast initial investment involved in a typical new aircraft program—before making any profit—about 300 or more aircraft must be sold.

Even in the two countries in which commercial transport aircraft demand is greatest—the United States and the Soviet Union—an efficient rate of production requires unit volume larger than the domestic market can absorb. Thus it is apparent that the new transport aircraft being developed abroad are oriented toward penetrating the U.S. market.

The major reason why U.S. manufacturers are not competing with newly designed models lies in the lack of adequate financial resources. In general, the industry has superior technology, the management and marketing skills, a highly-skilled labor force and a tradition of developing and producing reliable and productive transport aircraft as well as providing the necessary logistic support. Lacking are the financial resources that would be required. The costs through certification for five U.S. competitive programs are estimated at $10 billion—several billion dollars more than the net worth of the entire aerospace industry.

Another significant source of aerospace exports is in the military assistance program for friendly foreign nations. During the 1968–1972 period, military aerospace exports totaled $4.7 billion. During this same period government policy banned "sophisticated" U.S. aerospace exports (sophisticated defined as advanced combat aircraft) to a number of countries including Latin American nations.

As a consequence of this action, export sales of more that half a billion dollars were lost. Latin American countries, normally supplied by U.S. industry, turned to France, Great Britain and West Germany to satisfy their requirements. In this process the declared intent of the U.S. policy—to prevent the use of advanced combat aircraft in this area—was fully negated, and an important potential export market lost to the U.S.

NECESSITY FOR DOD FUNDING

Recently, Secretary of State William P. Rogers announced a change in this restrictive government policy to permit the export of certain types of advanced combat aircraft to selected Latin nations. Four countries, Argentina, Brazil, Colombia, and Venezuela—have become potential buyers of U.S. military aircraft. At the moment the aerospace industry's major concern is to preserve Defense Department (DOD) funding authority which provides direct financial guarantees to the private sector for military export sales. It is important that this authority and funding continue so that U.S. companies can remain competitive with foreign suppliers of defense products and services.

Presently, the Administration proposal to continue existing arrangements is facing a serious challenge in Congress which, in effect, would require private financing for all credit sales without DOD guarantees. In light of the increasingly tight money market, increasing interest rates, shortened maturities, and other unfavorable conditions in the private credit market, such financing appears to be impossible.

Thus, as viewed in 1973, the combination of competitive developments abroad and critical decisions at home place the international fate of U.S. aerospace at a crossroads. The course these events and decisions take will determine our ability to continue our high technology superiority.

INFLATION AND THE ECONOMY LISTED AS NO. 1 PROBLEM IN COUGHLIN POLL

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. COUGHLIN. Mr. Speaker, I am pleased to report to my colleagues the results of my annual mail poll of Pennsylvania's 13th Congressional District.

In this time of general concern over government and the people's interest in it, I can report that more individual responses were received to this questionnaire than any of the other previous polls. A total of 20,451 individual replies arrived in my district office before the July 31, 1973 deadline.

My congressional district consists of most of Montgomery County and Philadelphia's 21st ward. Much of it is urban and suburban, but there still remain sparsely-populated sections of rural character.

In analyzing the results, I find that the sentiments from all parts of the district basically are the same. The results, in fact, are similar to those announced by colleagues who conducted polls of their districts as well as nationwide surveys published by the news media.

The overriding concern of my constituents is inflation and the economy. They selected this issue as first in the list of seven specified major problems facing the Nation. While my mail indicates apprehension over Watergate, constituents rated this problem as last in the specified list.

Second among the major problems was taxes and Government spending. This was followed by: energy shortage, drug abuse and crime, environmental deterioration, urban poverty and housing, and, finally, Watergate crisis in confidence.

In another query on Watergate, 36 percent felt the episode was wrong but out of proportion to its actual impact. Only 1 in 4 thought the scandal reprehensible with permanent harm to our Government.

I think it is of more than passing interest that 3 out of 4 persons responding to the poll want legislative restraints on the warmaking powers of the President. They responded "yes" to a question asking if they favor a law to prevent the President from committing U.S. troops to combat for more than 30 days without congressional approval.

At the same time, a plurality favored the Presidential power to withhold spending of funds appropriated by Congress in excess of his budget.

In a question on the state of economy, there was no majority for more governmental controls as contrasted to last year's questionnaire results. However, 7 out of 10 responding concluded that a major share of responsibility should be assessed to the Federal Government's agriculture policies and programs for high meat and food prices.

A ranking question showed most constituents rate foreign aid as last in spending priorities while public transportation drew the most support for additional funding.

On "yes-no" questions, a majority of constituents favored or approved of reducing military spending even when losses in jobs and economic benefits result to Philadelphia and suburbs through cutbacks or elimination of defense installations; the President's proposals to reduce certain social services' programs; lengthening the term of U.S. Representatives from 2 to 4 years; the Supreme Court decisions on abortion; permitting urban areas to elect to use their designated share of highway trust fund moneys for bus and public rail transit; protection for newsmen to keep their sources confidential, and retaining the death penalty for specific crimes.

The questionnaires were printed—not at Government expense—and sent to all households, apartments, and boxholders in the district. Answers were tabulated carefully under statistical procedures to guarantee that errors were kept at a minimum.

I am sending a copy of the results to the President, because I feel they are an unbiased and accurate indicator of what most Americans—not just my constituents—are thinking. I hope my colleagues will find the results as interesting and informative as I did.

The questionnaire results follows:

QUESTIONNAIRE RESULTS

1. Please rank the following 1, 2, 3, 4, 5, 6 and 7 interms of major problems you feel the Nation faces:

Inflation and the economy	1
Taxes and government spending	2
Energy shortage	3
Drug abuse and crime	4
Environmental deterioration	5
Urban poverty and housing	6
Watergate crisis in confidence	7

2. The state of the American economy concerns citizens and officials alike.

A. Do you favor more governmental controls on all segments of the economy?

	(In percent)
Yes	44
No	46
Undecided	10

B. How much responsibility do you assess to the Federal Government's agriculture policies and programs for high meat and food prices?

	(In percent)
A major share	70
A moderate share	23
Little or none	5
Other (specify)	2

3. Federal spending involves your tax dollars. Should we spend more, less or the same Federal tax effort as presently on the following?

(In percent)

Foreign aid—more, 1; less, 86; same, 13.

Environmental protection—more, 58; less, 9; same, 33.

Aid to the poor—more, 28; less, 26; same, 46.

Education—more, 46; less, 14; same, 40.

Defense—more, 9; less, 56; same, 35.

Aid to the elderly—more, 56; less, 5; same, 39.

Public transportation—more, 63; less, 10; same, 27.

Health care—more, 52; less, 10; same, 38.

4. At this stage of the investigation, which statement most closely expresses your feelings about the Watergate events?

	(In percent)
Reprehensible with permanent harm to our government	25
Damaging for now but can be rectified	33
Wrong but out of proportion to its actual impact	36
None of above (specify)	6

5. Do you favor legislation to prevent the President from committing U.S. troops to combat for more than 30 days without Congressional approval?

	(In percent)
Yes	74
No	20
Undecided	6

6. Do you approve of reductions in military spending when they cause loss of jobs and economic benefits to Philadelphia and suburbs through cutbacks or elimination of defense installations?

	(In percent)
Yes	73
No	19
Undecided	8

7. Do you believe the President should be permitted to withhold spending of funds appropriated by the Congress in excess of his budget?

	(In percent)
Yes	49
No	41
Undecided	10

8. Do you generally favor the President's budget proposals to reduce certain social services' programs?

	(In percent)
Yes	53
No	38
Undecided	9

9. In order to reduce the frequency and cost of campaigning, should the present two-year term of U.S. Representatives be extended to four years?

	(In percent)
Yes	59
No	32
Undecided	9

10. Do you approve of the Supreme Court decisions on abortion?

	(In percent)
Yes	61
No	26
Undecided	13

11. Do you favor allowing urban areas to elect to use their designated share of Highway Trust Fund monies for bus and rail public transit?

(In percent)

Yes	77
No	16
Undecided	7

12. In order to permit the news media to function effectively, do you feel it is necessary that reporters have the right to protect and keep confidential the sources of news stories?

(In percent)

Yes	65
No	27
Undecided	8

13. Should the death penalty be retained for specific crimes?

(In percent)

Yes	81
No	13
Undecided	6

Party preference of those responding

(In percent)

Republican	62
Democrat	21
Non-partisan	16
Other	1

Ages of those responding

(In percent)

18 to 21	1
21 to 35	25
35 to 50	28
50 to 65	30
65 and over	16

GASOLINE SHORTAGE IN AMERICA: A NEED TO RETURN TO A FREE MARKET SYSTEM

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. KEMP. Mr. Speaker, the following paper is the second part of Steve Townsend's legal research paper entitled "The Gasoline Shortage in America: A Need To Return to a Free Market System":

[PART 2]

VI. REMEDIES FOR THE GASOLINE SHORTAGE

The attempt effectively to alleviate the problems of the current gasoline shortage and the impending energy crisis, has generated two schools of thought. On the one hand, the Federal Trade Commission (FTC) contends that the fuel shortage is partially due to collusion among several oil companies,[97] is "an industrial practice or pattern of operation which tends to be monopolistic." [98] They further contend that the market's inherent idiosyncrasies have produced the following results: 1) the combination of or agreement by oil majors to monopolize refining; 2) their maintenance of monopolizing power over refining; and 3) the maintenance of a non-competitive market structure in refining in the Eastern and Gulf coast states and in parts of the midcontinental area.[99] Thus, these interrelated companies are cooperating, rather than competing, with regard to "influencing legislation, bidding for crude leases, establishing the purchase price of crude oil, transporting crude oil, refining crude oil, and marketing gasoline," [100] and therefore, constitute a constructive vertical monopoly. In addition, the commission contends that there are derivative effects:

1) price levels for goods and services rendered at each level of the petroleum industry are artificially controlled and maintained;

2) barriers have been created to the refining of oil;

3) actual and potential competition at all levels of the petroleum industry has been limited and weakened;

4) the supply and demand scheme has been distorted;

5) shortages have fallen most severely on those areas of the East and Gulf coasts where more independent marketers are located;

6) independent marketers have been forced to close retail outlets and significantly curtail retail operations because of their inability to obtain refined products;

7) majors have substantially higher profits and returns on investments than they would have obtained in a competitively structured market; and

8) American consumers have been found to pay substantially higher prices for petroleum and petroleum products than they would have to pay in a competitively structured market.[101]

On the other hand, free market advocates extend arguments and explanations which tend successfully to rebut those made by the FTC. They begin with the initial premise of a fuel crisis. The press, among others, has distorted the situation by accepting the postulate of a rising price structure and utilizing the trend line [102] for estimates of consumption, predicting a discrepancy of major proportions between supply and demand.[103] However, this presupposition is unwarranted because due to a multiplicity of economic variables such projections have never materialized.[104] The potential danger is a hasty reaction that will result in costly research and wasteful expenditure of energy resources.[105]

Also, the governmental controls have removed this market from its proper economic context. Traditionally, retailers in all fields rely on the surplus market intrinsically, by their mere presence in the market, accept the risk that this surplusage may at any time be exhausted; thus, forcing those on the periphery out of the market.[106] Apparently the reason for the public indignance is the image that the conglomerate has had in the past and currently portrays in eliminating small business; while the government response results from a fear of monopolization and a consequential disruption of the economy. Alleviation of this image will take time and increased efforts by the oil companies like the mass communication channels currently employed.

The possibility of collusion presents a more tangible problem which can be dealt with substantively. The FTC has argued that there is a constructive conspiracy to withhold gasoline and thereby drive independents out of the market.[107] However, during the oil and gas hearings held by the Department of the Interior independents generally concurred with oil majors who disavowed knowledge of possible collaboration.[108] Neither promulgation by the government, the voluntary guidelines nor the hearings for mandatory controls for the allocation of gasoline, are expected to be a direct response to the possibility of conspiracy, but resulting from the aforementioned factors (insufficient refineries, increased population, emission control devices, etc.).[109] Nonpartisan experts generally concurred with the oil majors [110] indicating that the fuel shortage is real and readily demonstrable by the factual circumstances.[111] That is, all companies have been forced to pursue alternate sources of energy which reduce their profits. Our inventory is now substantially depleted,[112] and consequently, we are importing crude oil to fill the void. Furthermore, it would not benefit the oil majors to force independents out of the market because the government would undoubtedly react through either anti-trust suits, which would demand a disbanding of the conglomerates, or mandatory controls which would result in absolute control of the market by the government.[113] Though it has received minimal attention, majors have also had to close their gas stations due to apportioning of fuel between themselves and independents.[114] It is self-evident that these integrated majors will service their own gas stations before they will agree to allocate gasoline to independents, creating a constructive monopoly as a collateral effect.[115]

As the FTC argues that the petroleum industry is inherently discriminatory, economists contend that what might appear to be collusion among oil majors is caused by factors peculiar to the oil market. The petroleum industry reflects a market with concentration whose production can be calculated.[116] There is nothing cryptic about rates of production, nor is there anything unusual in the response of oil majors during a period of decreased production favoring their own stations over independents.[117] This situation results not from any collusion, but from idiosyncrasies of the market.[118]

Experts have also expressed concern regarding the avenues of rectifying the shortage problem. The consensus of the experts is that the gasoline shortage is a "fairly simple economic problem",[119] but in practice the solution is far more complex. Economists feel that the problem can be solved simply by removing the intervention of governmental guidelines and controls over gasoline prices and allocation.[120] If the controls were lifted with the demand presently high and the supply low the prices would rise, which would decrease the demand and enable the supply to rise to a satisfactory level.[121]

Although some economists feel that any form of controls is a perversion of the free market, they recognize that there are situations where controls could be beneficial.[122] Where controls are absolutely necessary, they should be implemented under the scrutiny of the government and removed after a maximum of two or three years, lest they remain ad infinitum and manifestly alter our economy or they are belatedly removed and constitute a mere postponement of the problem rather than a solution.[123]

Because the government has addressed itself to this dilemma through voluntary guidelines and a consideration of mandatory allocation, the probability of a laissez-faire return to a free market system is limited. The resolution of the problem becomes more complex and thereby a return to economic stability, less likely. Though our present short-term rate of increase of consumption is approximately 400 million gallons (which can be met without the closing of a substantial number of gasoline stations and inconveniencing the private vehicle owner) the longevity of this solution is dubious.[124] Currently, there are two practices which if deregulated would substantially increase efficient consumption of gasoline. First, for the duration of the fuel shortage, the Interstate Commerce Committee (ICC) could relax its commerce laws regarding common carriers, those with restricted certificates, and private carriers.[125] Presently, it prevents these trucks from interchanging cargo to accumulate a full cargo to and from their destinations.[126]

A moratorium on this commercial practice of "deadheading" [127] would prevent extravagant gasoline usage, as common carriers would save an estimated 80–90 million gallons per year, those with restricted certificates would save 30–40 million, and private carriers would save 120–30 million.[128] Common carriers should be encouraged to seek "full capacity shipping", while common carriers without unrestricted certificates and private carriers should be permitted to solicit their excesses.[129] Second, a more efficient practice could be initiated and followed for air traffic by the Federal Aviation Administration (FAA). Landing fees should be increased, facilitating the access of commercial airlines to prime landing time at centrally located airports.[130] The added expense would be less prohibitive for larger companies to absorb than for private plane owners.[131] Presently, runway "stacking" and air corridor circling waste vast amounts of fuel.[132] The reason for the delays during arrival and departure stems from scheduling and cost practices which discriminate against commercial airlines. With these airlines forced to use decentralized facilities,

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Footnotes at end of article.

passengers favor individual means of transportation (taxi, rental car, etc.) which consume more fuel than would flying directly into city airports.[133] These savings, as well as the other modes of fuel conservation discussed above are calculated to meet the rising demand until such time as the long-term sources may affect the shortage.

VI. CONCLUSION

Any precise directives concerning an area of the economy as vastly complex as the petroleum industry would be of questionable validity. A two-fold policy approach offers a better possibility for success. First, on the mass scale a free market system would be most advantageous to the economy and conservative of our energy sources. Secondly, on the individual level there are various practices that can be followed to increase gasoline mileage. In any event, the successful perpetuation of our economy depends on freedom from controls rather than artificial constraints by the government.

FOOTNOTES

[97] Interview with Patricia Hanahan, Liaison Officer of the Federal Trade Commission, in Washington, D.C., July 18, 1973.

[98] Interview with Ben Tafoya, Chief of the Emergency Advisory Committee to the Office of Oil and Gas of the Department of the Interior, in Washington, D.C., July 26, 1973.

[99] *Supra* note 97.

[100] *Id.*

[101] *Id.*

[102] Trend line: is the projected growth rate at which the demand for fuel will rise over a measured period of years.

[103] *Supra* note 12.

[104] *Id.*

[105] *Id.*

[106] Interview with McKie, *supra* note 13.

[107] *Supra* note 97.

[108] Crude Oil Hearings, *supra* note 9.

[109] *Supra* note 98.

[110] Crude Oil Hearings, *supra* note 9.

[111] *Id.*

[112] *Id.*

[113] Interview with McKie, *supra* note 13.

[114] *Id.*

[115] *Id.*

[116] *Id.*

[117] *Id.*

[118] *Id.*

[119] *Id.*

[120] Interview with Johnson, *supra* note 12.

[121] *Id.*

[122] Interview with Johnson, *supra* note 12; Interview with Brozen, *supra* note 13.

[123] *Id.*

[124] *Id.*

[125] *Id.*

[126] *Id.*

[127] Deadheading: truckers' practice of traveling from their destination without a full cargo.

[128] *Supra* note 122.

[129] *Id.*

[130] *Id.*

[131] *Id.*

[132] *Id.*

[133] *Id.*

INTERIOR APPROPRIATIONS CONFERENCE

HON. GUNN McKAY

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. McKAY. Mr. Speaker, under the able chairmanship of the Honorable Julia Hansen, the Conference Committee on H.R. 8917—the appropriation for the Interior and related agencies—came forth with a report which shows foresight and commonsense. By realistically evaluating competing interests, including the need to contain expenditure levels, the report recommended funding consistent with necessary priorities. For example, the committee took a realistic and long-range look at the need for coal research and reforestation programs. The committee emphasized vital Indian education programs. I extend my appreciation to the chairman and the rest of the conferees for a diligent and commendable job.

SENATE—*Friday, September 21, 1973*

The Senate met at 9 a.m. and was called to order by Hon. Pete V. Domenici, a Senator from the State of New Mexico.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou who art more ready to hear than we to pray, who knows our needs before we ask, and our longings before we speak, hear our prayer, answer us according to our needs, and give us the peace which the world cannot take away. Thou hast promised that where 2 or 3 or 10,000 are gathered in Thy name Thou wilt be in the midst of them. So be with us now and with all who enter and depart from this Chamber. Be with all who labor in the service of the Government beyond these doors that the highest and best may be achieved for the Nation and for all mankind.

We ask it in the name of Him who is Lord of creation and of life. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The second assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., September 21, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Pete V. Domenici, a Senator from the State of New Mexico, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. DOMENICI thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, September 20, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar Nos. 374, 375, and 376.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ENLARGEMENT OF CLASS OF PERSONS TO RECEIVE BENEFITS UNDER MICRONESIAN CLAIMS ACT OF 1971

The Senate proceeded to consider the bill (H.R. 6628) to amend section 101(b) of the Micronesian Claims Act of 1971 to enlarge the class of persons eligible to receive benefits under the claims program established by that act, which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 2, line 5, after the figure "18," strike out "1974;" and insert "1947;".

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 93-400), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF BILL

The purpose of H.R. 6628 is to enlarge the class of persons eligible to receive benefits under the Micronesian Claims Act of 1971 (Public Law 92-39) by including not only citizens of the Trust Territory but also certain citizens of the United States and would permit the Secretary of the Interior to make some payments prior to the adjudication of all claims and their certification by the Foreign Claims Settlement Commission of the United States. This change in the existing law is to benefit Micronesians who have left Micronesia and taken up permanent residency in Guam, Hawaii, or elsewhere, and have become United States citizens.

The provision providing for payment of adjudicated claims prior to final completion of certification of all claims by the Commission is designed to prevent the delay of any claims for another three or four years until all claims are adjudicated (excepting $1,000 initial payments on death claims), and to avoid the inflationary effect within Micronesia which would likely occur if all claims payments were to be made at one time. Micronesia's economy cannot easily absorb an unstructured input of $25 to $30 million in a short period.

BACKGROUND

Congress enacted the Micronesian Claims Act of 1971 to compensate the people of the Trust Territory of the Pacific Islands for damages incurred during the hostilities of

World War II and for noncombat damages after the islands were secured but prior to July 1, 1951. The 1971 act was passed subsequent to the conclusion of an executive agreement with Japan in 1969 which provided for ex gratia contributions valued at $5 million from each of the two governments in response to war damage claims of the people of the Trust Territory of the Pacific Islands (Micronesia). The agreement further provided that the U.S. contribution would be in cash while the Japanese contribution would be in goods and services. These provisions, pursuant to the executive agreement with Japan, were included in title I of the 1971 act. Title II provides for the adjudication, certification and payment of claims arising during the post-seizure period in the islands before July 1, 1951, attributable to actions of members of the Armed Forces or civilian employees of the U.S. Government or the government of the Trust Territory; an additional $20 million was authorized to be appropriated for use by the Secretary of the Interior in making payments for this purpose.

The Micronesian Claims Act of 1971 provides that only Micronesian citizens are eligible to file for claims, and allows no opportunity for benefits under the claims program for Micronesians who have left Micronesia and have taken up permanent residency elsewhere (such as Guam and Hawaii), and have become U.S. citizens. The number of persons in this category is estimated by the Department of the Interior to be not more than 100.

COST

Passage of H.R. 6628 would authorize no additional expenditure of funds by the U.S. Government. The cost ceilings established under the Micronesian Claims Act of 1971 would remain as follows:

$10 million under title I jointly provided by the United States and Japan ($5 million each); $20 million under title II for postwar claims. H.R. 6628 gives the Secretary of the Interior the discretionary power to make some payments prior to adjudication of all claims and certification by the Foreign Claims Settlement Commission, but without exceeding the authorized ceilings on the Micronesian Claims Act of 1971.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

POTENTIAL ADDITION TO NATIONAL WILD AND SCENIC RIVERS SYSTEM

The bill (S. 1391) to amend the Wild and Scenic Rivers Act by designating a segment of the Wisconsin River for potential addition to the National Wild and Scenic Rivers System, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)) is amended by adding at the end thereof the following:

"(28) Wisconsin River, Wisconsin: The segment from Prairie du Sac to its confluence with the Mississippi River at Prairie du Chien."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 93–399), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE AND SUMMARY OF THE ACT

S. 1391 would designate for study for possible inclusion in the national wild and scenic rivers system a seventy-four mile segment of the lower Wisconsin River.

The study would be authorized by amending subsection (a) of section 5 of the Wild and Scenic Rivers Act (82 Stat. 906). This subsection contains a listing of rivers designated for study. Under the Wild and Scenic Rivers Act, a river so designated is to be studied by either the Bureau of Outdoor Recreation of the Department of the Interior or the Forest Service of the Department of Agriculture to determine its suitability for inclusion in the national wild and scenic rivers system; whether administration should be undertaken by the State or Federal government, and if the latter, which agency should be given the administrative task; and in which of the three categories established by the Act—wild, scenic, or recreational—the entire segment of the river or portions thereof should be classified. The study, once completed, is submitted to Congress. Congress must then enact further legislation should it wish to designate the river as a component of the wild and scenic rivers system. (An exception to this procedure allows the Secretary of the Interior to designate a river without Congressional action if the relevant State or States assume responsibility for its management and recommend it to the Secretary for inclusion in the system). During the period of study, the Wild and Scenic Rivers Act affords certain protection to a river, including the prohibition of water recourse projects. To date, 27 rivers have been designated for study and 11 rivers (9 federally administered and 2 state administered) have been added to the system.

The seventy-four mile segment of the lower Wisconsin designated for study is situated in the southwestern portion of the State of Wisconsin, beginning at Prairie du Sac and flowing west to its confluence with Mississippi River at Prairie du Chien. The river corridor contains some 98,500 acres, of which about 16,000 acres are public lands, 3,603 acres are public utilities land, 55,000 acres are private land, and approximately 21,000 acres are covered by water. At the hearing on S. 1391 before the Subcommittee on Public Lands, Senator Gaylord Nelson, author of S. 1391, described the proposed study river, as follows:

"The lower Wisconsin is one of the most beautiful and unspoiled rivers in the nation. It was first discovered in 1673, during the travels of two French explorers. The travels of Father Jacques Marquette and Louis Joliet from Green Bay to the mouth of the Mississippi River led them to travel down the length of the Wisconsin River, and to note the vast and varied resources which grace the shoreline.

"The discovery of the Mississippi River by Marquette and Joliet enhanced the use of that river as a means of transportation for material from the heartland of the nation to the port at New Orleans. But the Wisconsin River, although a tributary of the Mississippi, did not fit into the pattern of transportation, because of its west to southwest direction. . . .

"So while the Mississippi River, over the past 300 years, has been substantially developed as a major transportation resource the Wisconsin River has remained in its natural state, presenting to the people a unique recreational and environmental resource.

"The value of the lower Wisconsin as an asset to the nation has been recognized by both government and the public. Those who own private property along the river have worked hard to prevent the kind of development which leads to the ultimate destruction of a shoreline, and the State of Wisconsin owns some 16,000 acres of land along the river, utilizing the area in four state parks and a number of smaller state-owned recreational and hunting areas.

"16 communities dot the shore line of the river, although only four actually touch the river. There are no impoundments at present on the river, and development by private citizens has not gone beyond the construction of simple cottages, of which there are few.

"Thus . . . the addition of the lower Wisconsin River to the Wild and Scenic River study list would afford an excellent opportunity for a full-scale study of the river, and of the most effective means to protect its valuable resources for the enjoyment and benefit of future generations."

Witnesses representing the Administration and a number of environmental organizations concurred in the judgment that this segment of the lower Wisconsin River is deserving of study for possible inclusion in the wild and scenic rivers system. No opposition to the proposal was communicated to the Committee.

Mr. MANSFIELD. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. SCOTT of Pennsylvania. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

POTENTIAL ADDITIONS TO THE NATIONAL WILD AND SCENIC RIVERS SYSTEM

The bill (S. 1101) to amend the Wild and Scenic Rivers Act by designating certain rivers in the State of Michigan for potential additions to the National Wild and Scenic Rivers System, was announced as next in order.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 93–398), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE AND SUMMARY OF THE ACT

S. 1101 would designate for study for possible inclusion in the National Wild and Scenic Rivers System segments of the Au Sable and Manistee Rivers in the State of Michigan.

The study would be authorized by amending subsection (a) of section 5 of the Wild and Scenic Rivers Act (82 Stat. 906). This subsection contains a listing of rivers designated for study. Under the Wild and Scenic Rivers Act, a river so designated is to be studied by either the Bureau of Outdoor Recreation of the Department of the Interior or the Forest Service of the Department of Agriculture to determine its suitability for inclusion in the National Wild and Scenic Rivers System; whether administration should be undertaken by the State or Federal Government, and if the latter, which agency should be given the administrative task; and in which of the three categories established by the act—wild, scenic, or recreation—the entire segment of the river or portions thereof should be classified. The study, once completed, is submitted to Congress. Congress must then enact further legislation should it wish to designate the river as a component of the wild and scenic rivers system. (An exception to this procedure allows the Secretary of the Interior to designate a river without congressional action if the relevant State or States assume responsibility for its management and recommend it to the Secretary for inclusion in the system). During the period of study, the Wild and Scenic Rivers Act affords certain protection to a river, including the prohibition of water resource projects. To date, 27 rivers have been designated for study and 11 rivers (9 federally administered and 2 State administered) have been added to the system.

Together the Au Sable and Manistee Rivers span nearly the entire State of Michigan. Each river is approximately 75 miles in length and has its headwaters in the north central portion of Michigan's lower peninsula.

The Au Sable River has its source in the Gaylord-Grayling area and flows halfway across the lower peninsula to its mouth on Lake Huron at the city of Oscoda. The entire river is proposed for study with the exception of the reach between Foote Dam and Loud Reservoir and the Banfield and Mio Reservoirs. A major portion of the river is within the Huron National Forest.

Conditions vary widely along the various segments of the river dependent on land ownership and topography. Segments of the river are relatively remote with limited access, while other areas have easy access with roads paralleling portions of the river. The Au Sable River and adjacent areas support a good fishery and diversified wildlife population. Brown, rainbow, and brook trout predominate in the main river area and northern pike, walleye, small and largemouth bass, and panfish are present in the impounded areas.

The Manistee River flows west from north central Michigan through the Manistee National Forest before emptying into Manistee Lake, which in turn drains into Lake Michigan at the city of Manistee. The entire river is proposed for study with the exception of Tippy and Hodenpyl Reservoirs. Between the reservoirs and below the lowest dam, the river flows through some ruggedly glaciated areas, offering a spectacular view of varied land forms and vegetation. The drainage is served by an excellent system of roads which provide access to river areas from the downstate population centers. The Manistee River offers one of the best combinations of cold and warm water fisheries which exist in the State of Michigan. The free flowing segments provide quality cold water fishing.

At the July 16, 1973, hearing on S. 1101, all witnesses, including representatives of the administration and a number of environmental organizations, concurred in the judgment that the Manistee and Au Sable Rivers are deserving of study for possible inclusion in the national wild and scenic rivers system. In fact, these rivers had already been identified by the administration in 1970 as appropriate for study (see below in "Legislative History and Departmental Reports"). No opposition to S. 1101 was communicated to the committee.

Mr. GRIFFIN. Mr. President, with much justification, the slogan "water wonderland" is often used to describe the State of Michigan. Unfortunately, pollution has so fouled some of our beautiful lakes, rivers, and streams that parts of the State could more appropriately be referred to as "a water wasteland."

Of the Great Lakes, Lake Erie has been termed a "dead lake" and beautiful Lake Michigan is facing serious pollution problems from industrial and municipal sewage. Unfortunately, many of the small inland lakes, rivers, and streams that pour into the Great Lakes are unfit for human use.

It is in this context of concern that, along with my distinguished senior colleague, Senator HART, I call upon the Senate to take positive action on S. 1101.

Mr. President, this bill would add the entire system of the Manistee River and most of the system of the Au Sable River to the list of rivers being studied for inclusion in the National Wild and Scenic Rivers System.

It is my sincere belief that passage of this legislation is essential to help preserve the unique character and beauty of these Michigan rivers.

These two rivers have their origin at the center of Michigan's lower peninsula. The Manistee flows west and the Au Sable flows east. Their scenic beauty is unsurpassed. However, the rivers and the adjacent shores are being threatened.

Pure luck more than anything else has kept these streams in their natural state for the most part. Great lengths of the banks were acquired and held for hydroelectric projects. But these projects have been abandoned.

With abandonment of hydroelectric plans the river banks are now ripe and very attractive for commercial and residential development now. And there is no lack of potential developers.

One developer proposes to locate as many as 3,000 cottages within a few feet of the headwaters of the Au Sable. Each cottage would have its own septic tank, of course.

Development of another variety is already underway. Oil wells have been drilled within 900 feet of the Au Sable's north branch. I could go on with other examples.

Pressures for development along the banks of these beautiful rivers pose a clear and present danger. But passage of this bill will serve as a "finger in the dike," and make preservation possible as part of the wild and scenic rivers system.

It should be noted that enactment of S. 1101 would not guarantee protection—that could come only by following the proper procedure called for in the act and by a subsequent determination that the rivers should be made a permanent part of the system. Enactment of S. 1101, however, will serve to delay commercial and residential development of the river areas until such a study can be completed.

The State of Michigan and its department of natural resources fully support this legislation. The position of our State is supported by virtually every major conservation and citizen organization in Michigan. The State of Michigan through its various agencies is ready and eager to cooperate with Federal agencies to preserve these rivers.

The beauty of a river cannot be created by man. But a river can be preserved or destroyed by man. We still have a chance—our last chance—to preserve the beauty of the Manistee and Au Sable Rivers. To do so will serve not only the people of Michigan but millions from all over the country and the world who come to Michigan to enjoy our beautiful "water wonderland."

Along with Senator HART, I urge the Senate to pass this bill.

Mr. HART. Mr. President, needless to say I support S. 1101, which will add portions of Michigan's Au Sable and Manistee Rivers to the list of rivers to be studied as potential additions to the wild and scenic rivers system.

Before discussing the merits of the bill, I would like to thank Senator HASKELL, chairman of the Subcommittee on Public Lands, and Senator JACKSON, chairman of the Senate Interior Committee, for giving this bill prompt and affirmative consideration. I know that in doing so, I also speak for the many persons and groups who have worked so hard to whom credit for passage of this bill should go.

In passing the Wild and Scenic Rivers Act of 1968, Congress declared that—

> Selected rivers . . . which . . . possess outstandingly remarkable scenic, recreational, geologic, fish and wildlife, historic, cultural, or other similar values, shall be preserved in free-flowing condition, and . . . shall be protected for the benefit and enjoyment of present and future generations.

A visit to the wild stretches of these rivers shows beyond doubt that they belong in our scenic rivers system.

As a matter of fact, as long ago as June 5, 1970, the Interior Department in a letter to me, noted:

> As you may recall, the Manistee was one of the 67 rivers investigated while formulating the various bills which culminated in the Wild and Scenic Rivers Act. Our knowledge of both rivers suggests that both may merit inclusion in the National Wild and Scenic Rivers System.

Later that year, acting on that suggestion, the Department of the Interior and the Department of Agriculture announced that the Manistee and Au Sable had been added to the list of rivers to be studied for inclusion in the wild rivers system under section 5(d) of the act.

That, of course, was a step in the right direction, but the action does not insure protection against Federal construction on the rivers or insure that the study required for official designation under the act, will be carried out promptly.

And that is why speedy action on S. 1101 is important. Not only will passage of the bill temporarily protect the rivers against certain types of projects, but it should also mean the studies will be undertaken sooner.

As is too often the case with efforts to preserve wild areas, time is of great importance, for those who would protect these areas are running a race with developers.

Oil wells are being drilled—as close as 500 feet to the Au Sable's north branch. Leases have been let and large parcels sold for private development.

Perhaps, a word about the history of the Au Sable will help explain why so many persons believe the river should be preserved as a scenic area.

The Au Sable River, a tributary to Lake Huron, drains an estimated 1,800 square miles of northern Michigan, an area equal to half again the size of the State of Rhode Island—1,214 square miles.

The Au Sable first began to flow after the last ice age, 10,000 years ago. The Indians associated themselves with the river for food, drink, and transportation. The early white settlers, probably French, were fur trappers. The French gave the river its name "Au Sable" meaning "the River of Sand."

The loggers followed in the late 1800's to take the timber. They made it a commercial thoroughfare by their log drives to the sawmills on Lake Huron. Recreational fishing came to the Au Sable River before the turn of the century. The grayling was the top prize for these early anglers.

Au Sable River history has come down in various forms of legend, print, artifact, and rumor. It includes the names of Chief Shoppenagon, Rube Babbitt, Paramalee, Stephan, Wakely, and McMaster. Today, some of these names are book titles, names of hotels, and dedicated roads and bridges in the Au Sable River country.

Perhaps the feeling of those who have had the good fortune to fish or canoe rivers is best expressed in the words of Henry Stephan, a pioneer whose memories were recalled in "The Old Au Sable," by Hazen Miller.

Mr. Stephan said:

> I have no great desire to catch a lot of trout now, being satisfied if I get a few to eat and being out fishing, enjoying wildlife and the peacefulness of it all. When the time comes for me . . . I would like to have a resting place on the bank of the beautiful, beloved Au Sable.

Our plea to this subcommittee and to torial in the North Woods Call, a weekly newspaper of excellence.

Warning of the threats closing in on these rivers, the editorial asks:

> Are we willing to continue our retreat? Can we rebury Henry Stephan along another stream?

The end of our retreat can begin with prompt action on this bill.

And today, sections of these rivers remain unspoiled wild areas, the water still runs clear, and fish still bite in abundance.

Little wonder then that conservation-minded groups and individuals throughout Michigan support S. 1101, but concern for these unique natural resources extends even to the chamber of commerce of the city of Mio.

The word "even" was selected not to criticize other chambers of commerce, but to emphasize the action of the Mio Chamber.

Admitting that "it is unusual for a chamber of commerce to oppose a developmental proposal," the Mio Chamber several years ago passed this resolution:

> The Au Sable River frontage between Mio and Alcona Pond should be retained in its natural state and made available for public use. No further development should be permitted until some equitable means of carrying out the above objectives can be arrived at.

In addition, the bill is supported by Michigan Congressmen ELFORD A. CEDERBERG and PHILIP E. RUPPE, who have introduced a similar bill in the House, Michigan Gov. William G. Milliken, the Michigan Department of Natural Resources, and, of course, Senator GRIFFIN and me, who introduced the bill in the Senate.

The bill was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1101

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 5 of the Wild and Scenic Rivers Act (16 U.S.C. 1276) is amended by adding at the end thereof the following:

"(28) Au Sable, Michigan: the segment downstream from Foot Dam to Oscoda; upstream from Loud Reservoir to the river's source and including its principal tributaries and excluding Mio and Bamfield Reservoirs.

"(29) Manistee, Michigan: the segment upstream from Manistee Lake to the river's source and including its principal tributaries and excluding Tippy and Hodenpyl Reservoir."

Mr. MANSFIELD. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. GRIFFIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BILLIE JEAN KING

Mr. MANSFIELD. Mr. President, there has to be some good news once in a while which is given prominence in the news media of this country. One of those occasions occurred last night when Billie Jean King, in unquestionable fashion, defeated Mr. Bobby Riggs.

I am delighted with the results, and I hope that this is a harbinger of things to come.

I repeat, this is one occasion when good news is news so far as the press, TV, and the radio of this country are concerned.

Mr. SCOTT of Pennsylvania. Mr. President, will the distinguished majority leader yield?

The PRESIDING OFFICER (Mr. BURDICK). Does the Senator from Montana yield to the Senator from Pennsylvania?

Mr. MANSFIELD. I am delighted to yield.

Mr. SCOTT of Pennsylvania. Mr. President, I would echo the Senator's sentiments and mention that every time the call was made an advantage to Mrs. King, I thought to myself for how many millenia women have had many advantages over us.

On the other hand, there are some disadvantages, many of them legal, and we have passed a constitutional amendment for that purpose. I would say that yesterday Billie Jean King ratified that constitutional amendment.

Mr. MANSFIELD. I would agree. I think that she has done more for the 26th amendment than any of us can do from back here. I hope that the State legislatures which have not yet approved that constitutional amendment will take note. I think the best word for Billie Jean King's victory is "love."

Mr. SCOTT of Pennsylvania. I surely cannot top that.

Mr. ABOUREZK. Mr. President, I should like to make an observation about the tennis match we saw last night.

The only comment I have is this: Is it not just like a woman to lure a man to a meeting at night, to exhaust him physically, to take his money, and then to humiliate him in front of his friends? [Laughter.]

In all seriousness, Mrs. King is to be congratulated on a splendid performance.

THE LEGISLATIVE RECORD

Mr. SCOTT of Pennsylvania. Mr. President, today is Friday. This week we have done some good. Already, in this brief time this morning, we have extended certain benefits from an ever-loving government to the people of Micronesia. We have gone firmly on record in an effort to further ecological and environmental advantages. So whether by intention or by inadvertence, we have done some good things. So far as I can figure out, we have hurt nobody this week.

Mr. MANSFIELD. Mr. President, I take it that the approval of the distinguished Republican leader of the three bills just passed is a further mark of approval of the exceedingly good record which Congress has made this year.

Mr. SCOTT of Pennsylvania. I may and will gladly say to the distinguished majority leader that I think Congress—and I may say particularly this body—has done a great many good things, and we are very proud of them. We have passed a great deal of good legislation, I am very happy to say. I would also like the President to be more happy if we could pass more of his proposed legislation.

Mr. MANSFIELD. Well, we have a good record.

Mr. SCOTT of Pennsylvania. Yes.

EVENTS IN CHILE

Mr. MANSFIELD. Mr. President, I have been somewhat disturbed in reading the newspapers about events which have occurred in Chile over the past week or 10 days. Without in any way becoming involved in the matter of the regularly constituted government which was overthrown by a coup d'etat or a government of generals which has taken its place, I must say that some of the reports relating to our credibility have caused me to raise questions in my own mind. I refer to the allegations—and I note that they are allegations only—that the CIA may have been involved; that certain multinational corporations may have been involved; and that our government, according to allegations, may have been involved through contributions to the bus strike, which lasted some 40 days.

These things make it imperative, I think, that the appropriate committee of the Senate look into this matter, so that if the allegations are false—as I believe they are—they can be laid at rest. The question of credibility as to what has happened in Chile goes far beyond the confines of that country, and such allegations could, if not knocked down, create a difficult situation in our relations with other countries of Latin America.

So at this time I simply suggest that these allegations be gone into thoroughly, so that the credibility of our Government can be reestablished and on that basis a better relationship developed between this Nation and the nations which are our neighbors, especially the nations south of the border.

Mr. SCOTT of Pennsylvania. Mr. President, I agree that any genuine question with respect to alleged U.S. involvement ought to be investigated. I have been willing to accept the statement of Mr. Kubisch of the State Department that we are not involved.

What happened in this coup d'etat and what may happen in some future coup d'etat is that somebody may say we were involved, and then we go to the Alice in Wonderland tactic of verdict first and trial afterward. I do not think that is quite fair to the Government or to the State Department.

I know that the distinguished majority leader has been very careful to make that point already. But if a committee makes an investigation, I would expect—and I will insist—that if they find there is no involvement, they make just as much fuss about our not being involved as they would make if we were.

I do not think it is right for newspapers to create a story to the general effect that we must have been involved, and then everybody denies it. If they are not telling us the truth, I will certainly denounce them, and I will be the first to go after them. But if we are going to investigate everything that comes up like this, let us get maximum publicity for the fact that people are innocent, rather than find them guilty first and try them afterward.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SCOTT of Pennsylvania. I yield.

Mr. MANSFIELD. I am in wholehearted accord with what the distinguished Republican leader has just said.

The purpose of my speaking of this matter on the floor of the Senate this morning was to endeavor to suggest a way by means of which these allegations—and I stress the word "allegation"—can be proved or disproved. To the best of my knowledge, they are not accurate. But I think the only way to disprove them is to conduct a hearing and lay the facts out. If the allegations are disproved, I hope the press, the TV, and the radio will give that factor just as much publicity on the front page as they are giving now to the allegations.

Mr. SCOTT of Pennsylvania. That is the point I was getting at, because the denial came in executive session. The allegations are coming publicly and are being so advertised.

EXECUTIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now go into executive session to consider the nomination of Dr. Henry Kissinger to be Secretary of State.

The nomination will be stated.

DEPARTMENT OF STATE

The second assistant legislative clerk read the nomination of Henry A. Kissinger, of the District of Columbia, to be Secretary of State.

The PRESIDING OFFICER. Debate on this nomination is limited to 2½ hours: 1 hour for the Senator from Arkansas (Mr. FULBRIGHT), 1 hour for the Senator from Vermont (Mr. AIKEN), and 30 minutes for the Senator from Virginia (Mr. HARRY F. BYRD, JR.).

Who yields time?

Mr. FULBRIGHT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FULBRIGHT. Are we permitted to have a quorum call this morning?

The PRESIDING OFFICER. It would have to come out of the time, unless the Senator has unanimous consent.

Mr. FULBRIGHT. It is not anticipated that there will be a quorum call?

The PRESIDING OFFICER. There could be a quorum call, after the debate has concluded.

Mr. FULBRIGHT. I yield myself 5 minutes.

Mr. President, I regret very much that both the Senate committee and the Senate are now—I suppose for overriding reasons—no longer interested in debate on foreign policy or on such an important nomination.

I had hoped, when Mr. Kissinger was nominated, and now that the committee has reported his nomination, that it might be an occasion for some discussion of our foreign policy, which I think is of considerable importance to the country and to the world. But here we are on a Friday morning, at 9:15, with five or six Senators on the floor, and no interest whatever in the debate on this important nomination.

The committee voted 16 to 1 for Mr. Kissinger. There is not the slightest doubt—there never has been the slightest doubt—about the confirmation of the nomination. He is an able man. He already occupies, substantively, the position entailed in this nomination, and there really was no alternative and no point in any prolongation of the hearings insofar as confirmation of the nomination is concerned.

However, I had hoped that there would be some discussion of substantive foreign policy, simply because the occasion is appropriate for that.

I detect in the recent press reports, especially one by one of the more prominent puppets of the Pentagon, that there is a breakdown of the policy of détente of the present administration. I have approved of the policy that was initiated by President Nixon, which I think was largely inspired, or at least supported, by Mr. Kissinger. That was the policy of détente with Rusia.

In the committee, every time I or others attempted to discuss matters beyond the 10-minute rule, we were under great pressure from the other members to proceed under the 10-minute rule. This morning, with a 1-hour limitation on debate, it will be a similar situation with respect to lack of depth and perception.

All I can do at the moment is call attention to the fact that I think there are indications that our present Government policy is breaking down with regard to shifting from the old policy of the balance of power, involving the carrot and the stick and threats of military action in the arms race, and what I call détente, as marked by the ABM Treaty and the Interim Treaty of last fall. I thoroughly approve of the President's policy culminating in the ABM Treaty and the interim agreement.

The first sign of backing away from that policy—and I do not attribute this to the administration; it arose in the Senate—was the Jackson amendment to the interim agreement. Now, as we read the press, we see further signs that the détente policy is coming unraveled.

This is the type of subject on which I would like to have had a debate, a discussion, in this body, as well as in the committee; but that is not to be, of course, under the strictures of the time limitation. I only call attention to the matter.

The recent speech by Mr. Brezhnev—there have been two speeches, actually—would indicate that he is coming under great pressure from the dissidents in his own country, those who disapprove of the policy of détente, just as in this country the same policy is coming under ever-increasing criticism. I think this is a great tragedy. It is very similar to what happened when Khrushchev visited this country in 1959. There was hope then that there would be movement toward a reconciliation between Russia and this country. That broke down because of the negative attitude that developed—partially at least in this country—and then so much so in Russia that he was removed from office.

So I am very fearful that we are moving back again to the revival of the cold war and that we will not proceed to the development of a cooperative policy with Russia.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. FULBRIGHT. I yield myself 1 more minute.

If that is so with Russia, this will inevitably affect our relations with China. The trade bill, of which the Jackson amendment is still a part—and according to the morning paper has overwhelming support—I believe will affect our trade prospects with China as it will with Russia.

So, Mr. President, although I voted for Mr. Kissinger in committee—and I expect to vote for him on the floor—and although I think Mr. Kissinger, with proper support from the Senate and the President, might have been able to do something in this area, the indications are not at all favorable that we are really and genuinely moving toward a period of conciliation and détente in negotiation with the principal countries of the world.

I would have hoped the Senate might have discussed this matter at some length but obviously that is not to be.

Mr. AIKEN. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. AIKEN. Mr. President, I support the confirmation of Dr. Henry Kissinger for the post of Secretary of State.

But I intend to continue to hold President Nixon responsible for the conduct of foreign policy.

Dr. Kissinger has received fulsome and merited praise for his skill and stamina during the past 4 years, even from some who aim, not to praise him, but to bury him.

I, too, wish to be numbered among his supporters, but I will not encumber the record with points made quite ably by others.

Much significance, much hope has been read into this appointment.

Some see in the appointment an end to what a British observer of our politics has called the time of "President-Kings."

That was the time from the late Eisenhower years down to the present when the President and his White House advisers came to believe that foreign policy was too important a matter to be shared by anybody else, even the State Department, much less the Congress.

Dr. Kissinger himself in his testimony before the Foreign Relations Committee, thought this situation "not necessarily a bad thing," but he admitted it did give rise to certain ambiguities in the relationship between the White House, the Secretary of State, and the Congress.

He then proclaimed an end to those ambiguities—an end to the time of President-Kings in foreign policy.

I think he means it. He says he wants to institutionalize his foreign policy in the State Department and with the Congress. That is quite an undertaking.

If he can persuade future Presidential candidates to seek to be something less than President-King, he will indeed merit a special chapter in the history books.

The trouble is that foreign policy is not just made up of national interest or rational argument. It is also made up of moral arguments, and the two are very often in conflict.

Sometimes it is the President who sounds the moral note most loudly; sometimes it is the Congress.

In the early days of the Vietnam war it was the Presidents who took the high, moral road. In the latter days, it was the Congress. Indeed, there are some in Congress still who believe that the future control of foreign policy lies with those who look back in moral anger at the recent past.

Dr. Kissinger made this point in his testimony before the Foreign Relations Committee only in a different manner.

He deplored the "shifting assumptions" that underlay our Vietnam policy under Presidents Kennedy and Johnson. One set of assumptions justified the sending of troops; another set justified keeping them there.

Dr. Kissinger suggests that the United States should not let material commitments in men or money determine our national interest, but rather let our national interest determine our material commitments.

I have argued many times that it was U.S. commitments that made Southeast Asia a matter of high national importance, not the indigenous politics there.

However, unless we come to terms with our moral aspirations, we can be sure that it will all happen again.

The reason we have had President-Kings in the past, and may well have again, is that Americans will not accept a foreign policy devoid of a moral dimension.

This is true of isolationist and internationalist alike. The former seeks moral salvation through a withdrawal from world affairs. Just this summer no less a voice than the editors of the New Yorker magazine speculated that:

> A return to some form of isolationism is . . . the only way for us to regain our traditional democratic values . . .

Here we have the modern echo of George Washington's warning against the dangers of "foreign entanglements."

Internationalists, of course, have always sought in foreign policy a dimension through which to express the moral design of our own society.

An example is the Jackson amendment to the forthcoming trade legislation, which would condition the extension of most-favored-nation tariff concessions to the Soviet Union on some pledge by the Russians to allow free emigration from their country.

Dr. Kissinger opposes this amendment. So do I. But our reasons differ.

He warns rightly about using commercial agreements to meddle in the internal affairs of countries like Russia, however strong the moral case, which he fully appreciates.

To me a different argument is more persuasive. Who can say that passage of this amendment will mean more, rather than less exit visas for those wishing to escape Russia? Commonsense suggests to me that passage of this amendment will almost certainly produce the opposite effect from that sought by its sponsors.

But I know that 77 Senators and 280 Congressmen, the sponsors of this amendment, cannot be entirely wrong.

I agree that several thousand Russians have escaped their country in recent months as a result of this show of moral strength within the U.S. Congress.

The task of foreign policy must always include reconciling the moral and the national interest, or rational, arguments.

No "institutionalization" of foreign policy, Dr. Kissinger's or anybody else's, will succeed unless such a reconciliation is made possible.

Either it will be done by the Executive or it will be done through open discussion and debate between the Congress and the Executive.

Dr. Kissinger for now has chosen the latter course. It means he will have to tolerate a lot of silly arguments from the Congress, and others, just as we have had to tolerate a lot of silly arguments from the recent spokesmen of the executive department. His stamina will be tested anew.

I have in recent months on several occasions urged that President Nixon try this course, and urged my colleagues to invite it.

Secretary Rogers paved the way with skill and kindness. If we were not always sure that he knew the answers to the questions we asked, we never doubted his sincerity.

Dr. Kissinger has much to be thankful for in what Secretary Rogers did in keeping open civil discussions with the Congress.

Now we can be sure that the Secretary of State will have the President's ear and confidence in the highest matters of foreign policy.

Nor does this new Secretary of State have to carry the stigma of political failure which so many of President Nixon's former close advisers will have to wear for the future.

The time has come to stop moralizing, and start trying to reconcile the moral and rational dimensions without which no foreign policy—or domestic policy for that matter—can be "institutionalized".

It is a very difficult job. It is a year-round job.

It is not possible if civil debate gives way to moralizing or threats on one side or the other.

It is not possible if suspicions about motives prevent debate about methods.

These are the terms Dr. Kissinger used—not motives, but methods—in his pleas for a new bipartisanship.

I, for one, accept his invitation, on the assumption that it is the President's invitation, too. I urge my colleagues to do likewise.

What is at stake here is the health of American politics.

It is not what the politician hides, but what he discloses that determines the health of American politics.

Only new born babies have nothing to hide. Smart politicians know that the more they disclose, the more they can hope to stay in office.

The more they disclose about their methods, the more their motives will be taken for granted, even by those in opposition.

This is what has been missing during recent years. This is what can be restored if Dr. Kissinger's appointment is fruitful, and is imitated in other parts of government.

Mr. FULBRIGHT. Mr. President, I yield 10 minutes to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. McGOVERN. Mr. President, I voted against the confirmation of Dr. Kissinger in the Committee on Foreign Relations and I oppose it today on the floor of the Senate.

Despite assurances that were given during the hearings, I remain deeply troubled, as I think other Members of the Senate do, over many aspects on past and projected foreign policy that Dr. Kissinger has been associated with.

Both in his extensive writings and in his record, Dr. Kissinger has posed essentially the same view of the world and the same range of international priorities we have followed since World War II. Our deployment and our diplomacy still reflect, even if some of our words do not, an alinement of the world into two armed camps. In the postwar climate, that seemed to most people to be our only option. But certainly, we should have a more developed view now. We should be able to see that Communist nations, like other nations, seek their own national interest first, rather than a commitment to worldwide Communist advances. We should surely acknowledge that the major non-Communist nations that lay broken after World War II now stand strong and prosperous. We must be able to account for the fact that developing countries, regardless of their internal economic and political systems, are more and more determined to act independently in their external relations. And we should know that whatever influence the so-called superpowers may have, either in sponsoring or suppressing revolts, it weighs far less than internal conditions which are beyond our control.

Yet, even after this bitter and destructive decade of involvement in Indochina, we still hear no realistic definition of American security interests which could help us avoid the same mistake again; rather, we are told it was an honorable venture all along, and we are exhorted to a global role which threatens to repeat it. At the very least, we are following a policy that makes the needs of our own society secondary to the demands of a growing arsenal for adventures abroad.

I do not think there is any question at all that Dr. Kissinger puts the claims of foreign policy ahead of any demand of the needs of our own people here at home.

I am not satisfied that we can expect a notable improvement in our approach to other diplomatic challenges which are real and immediate. Dr. Kissinger has written that "diplomacy which is not related to a plausible employment of force is sterile." A "plausible employment of force" will not help our depleted economic position in the world. It will not bring back the value of our dollar. It cannot replace 4 years of neglect in our relations with developing countries. Force cannot coax more wheat out of the ground to replace that sold to the Soviet Union, under circumstances which have left us wanting at home and incapable of meeting our commitments to the hungry abroad. And it certainly will not recover the losses we have suffered because there has been closer consultation with Moscow and Peking than with Tokyo, Paris, London, and Bonn—to say nothing of Canada and Latin America.

Nonetheless, while voicing these policy reservations, I do recognize that we cannot change this administration's approach to the world by opposing this President's choice for Secretary of State. On the broad outlines of policy, Mr. Nixon will choose his own course regardless of who heads the State Department.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. McGOVERN. I yield.

Mr. FULBRIGHT. Is it not a fact that any Secretary of State is going to be preoccupied with solely foreign policy? The place where adjustment of priorities between domestic and foreign must be made is in the Senate and the Congress.

Mr. McGOVERN. That is correct.

Mr. FULBRIGHT. Here is where we have to do it.

Mr. McGOVERN. That is correct.

Mr. FULBRIGHT. I would not expect Dr. Kissinger or any other Secretary of State to interest himself in the problems of the people of South Dakota, for example. That is not his interest or where he makes policy decisions. We, ourselves, the Congress, have failed to do what ought to be done.

Mr. McGOVERN. That is correct.

Mr. FULBRIGHT. We have refused to take the responsibility. Is that not correct?

Mr. McGOVERN. That is correct. I take this opportunity simply to object to an overall administration policy which looks at the whole range of national priorities and ends up looking at the claims of the military and our adventures abroad ahead of our national needs.

Mr. FULBRIGHT. We could contain that here in the Senate and Congress if we had the backbone to do it.

Mr. McGOVERN. I agree with the Senator. It is for us in the Congress to legislate our own alternative strategies, not to deny the President his personnel. And in the special circumstances of this case—in which Dr. Kissinger will doubtless be directing American foreign policy whether he is confirmed or denied—I have suggested that it may be well that he will be in the State Department and not just in the White House, so he will be obliged to consult and confer with the legislative branch. We expect him to be available to us and candid with us. We will certainly be candid with him.

But I see more compelling reasons for opposing this nomination. There are matters on the record which I suggest bear not only on our posture in the world but on Dr. Kissinger's qualifications for this most sensitive position.

In the years ahead there will be no shortage of perplexing international challenges to our foreign policy establishment. I have no doubt that Dr. Kissinger has the skill to address them, from the administration's policy point of view and within the framework required by congressional action.

But the still greater challenge lies in reconciling the requirements this administration sets for our global role with the institutional requirements of our democracy. And on this score I have grave doubts.

I have thought that foreign policy should be regarded as a shield behind which our society could prosper and develop. It should be the instrument of our democracy, not its ruler.

Yet today, that proposition stands reversed. Our operations abroad have become less and less related to our legitimate security interests. They seem more and more the attempts of a few leaders, Dr. Kissinger included, to impress their counterparts elsewhere and to leave their marks on the world.

Further, it appears that tendency is likely to become even more pronounced in the days ahead. Mr. Nixon has been incapable of dealing with inflation and other complex troubles in America. His administration is mired in unprecedented political scandal. What is his response? He talks of crucial negotiations around the world and of America's vast global obligations. He will, he says, veto any military program that reduces his military budget, or any domestic program that increases his budget. He gives every indication that he will attempt to escape his difficulties in America through exploits overseas, regardless of how remote they may be to our legitimate security needs.

But it is precisely this approach which has so seriously degraded our own institutions.

For more than 4 years, we waged a war the American people wanted to end. It was a war they voted to end in 1968.

Does Dr. Kissinger believe the voice of the people counts in such matters? He has given us no plausible assurance on that.

For 14 months we secretly bombed in Cambodia, a country with which we were not at war. At the end of those 14 months, we were told specifically that no action had occurred—rather that—

> For 5 years, neither the United States nor South Vietnam has moved against these enemy sanctuaries.

And the deception went on for 3 long years more, until the truth was finally forced out in 1973. There was never a word to the Congress and the American people—only false reports from the administration as recently as August of this year.

There may be room for dispute over the constitutional powers of Congress to initiate or end military operations. But there is no disputing this: we cannot end or prevent wars we cannot see. And that secrecy and deception, in which Dr. Kissinger was a prominent participant, has shattered public trust. Words cannot restore it; the record speaks so much louder. So over this long period, the administration has placed its own international purposes ahead of the requirements of constitutional democracy. And that our system cannot stand.

Nor is there much cause for satisfaction in the reassuring words we heard in the hearings. Dr. Kissinger tells us that if the same conditions existed again, he would see that appropriate members of the Foreign Relations Committee were advised. But the war powers of the Congress are not delegated to any committee or any select group. And the problem, which I hope Dr. Kissinger will perceive, is not that the secret was not widely enough shared; it is the secret itself, and the gross deception employed to maintain it, long after any real purpose had ceased to exist. If we believe in a democratic system, then unless overwhelming military necessity temporarily requires it, there is no excuse for keeping from the people the truth about what their Government is doing and for what purpose.

Nor, in my judgment, is there an excuse for constitutional defiance of another sort—for wiretapping and snooping to uncover dissenting subordinates. That may have a place in other kinds of governments. It should have no place in America. We have heard of wiretaps placed in the name of "national security." But we are powerfully equipped to handle threats to our national security from abroad. I am convinced that the gravest threat to our freedom now comes, not from any foreign power, but from practices which, in the name of "national security," have been chipping away at our constitutional liberties from the inside. In that context, I believe our highest officials must do more than avoid responsibility for activities of this kind; they must move to firmly condemn them and end them.

This nomination raises other matters bearing on the relationship between our international posture and our internal condition. Did we "tilt" toward Pakistan—despite no constitutionally chosen preference in that civil conflict, and in the face of the slaughter in Bangladesh—because Pakistan was a diplomatic route to Peking? Do we suffer food shortages and inflation this year because last year our wheat served as a diplomatic tool in the Soviet Union? To what extent are we spending our treasures for military "bargaining chips" which do not protect our people, but only underwrite our diplomats pursuing their private view of the world.

Where Dr. Kissinger is concerned, these are grey areas. Obviously, he cannot be made to carry alone full responsibility for the administration's actions. I do not assign him that heavy burden.

But Dr. Kissinger must bear his part. And on that basis, I cannot approve.

Dr. Kissinger may do better in the future. I hope he does. In careful and scrupulous practice, it should be possible to allay some of the concerns I have raised and the suspicions which are so widely held both in this country and throughout the world.

The best way to begin may be with a modest recognition that, especially now in the wake of the war and Watergate, this Nation cannot exist primarily to conduct a power policy abroad; we must exist first of all to preserve the freedom and fulfill the aspirations of our own people.

Mr. President, in conclusion, I say that none of this is a plea for isolationism. It is a recognition that effective foreign policy must be based on a sound system at home.

Mr. FULBRIGHT. Mr. President, I yield 10 minutes to the Senator from California.

The PRESIDING OFFICER (Mr. BURDICK). The Senator from California is recognized for 10 minutes.

Mr. CRANSTON. Mr. President, I am approaching this nomination with very mixed feelings.

I have done a great deal of thinking about Henry Kissinger and his policies. Clearly we should not withhold confirmation from the man on the grounds that some of us have strongly disagreed some of the time with some of his actions. And even if we did refuse to confirm him, he would simply go on advising the President in the seclusion of the White House, immune from congressional scrutiny. We have little choice.

All the same, I think we should take a hard look at his record. That record is full of contrasts.

I have looked hard for an explanation for these contrasts. Here is a man who has proven himself perfectly capable of waging war with the one hand and making peace with the other. Both his policies and his pronouncements suggest that he has in mind a larger diplomatic goal or vision. That vision has been described as a worldwide balance of power. Here is where at least part of the explanation lies.

Critics have often defined Kissinger's concept of the balance of power solely in terms of military force. But his own writings tell us that it means more than that. In his introduction to his book about Europe after Napoleon, "A World Restored," there is a long passage about the relationship between the quest for peace and the "true" content of stability. It says so much about his world views and about his attitudes toward peace and war, that it is worth quoting at length. He wrote:

> Whenever peace—conceived as the avoidance of war—has been the primary objective of a power or group of powers, the international system has been at the mercy of the most ruthless member of the international community. Whenever the international order has acknowledged that certain principles could not be compromised even for the sake of peace, stability based on an equilibrium of forces was at least conceivable.
>
> Stability, then, has commonly resulted not from a quest for peace but from a generally accepted legitimacy. "Legitimacy" as here used should not be confused with justice. It means no more than an international agreement about the nature of workable arrangements and about the permissible aims and methods of foreign policy. It implies the acceptance of the framework of the international order by all major powers, at least to the extent that no state is not dissatisfied that . . . It expresses its dissatisfaction in a revolutionary foreign policy. A legitimate order does not make conflicts impossible, but it limits their scope. Wars may occur, but they will be fought in the name of the existing structure and the peace which follows will be justified as a better expression of the "legitimate", general consensus.

I have reservations about this world outlook. But I think we should look primarily at what it has produced. We should not judge motivations, but results.

There is no doubt in my mind that some of the results of Dr. Kissinger's policies have been creative steps toward peace. In fact, he had a major hand in ending the cold war.

The distinguished chairman of the Foreign Relations Committee raised some questions on that point in his earlier remarks this morning. I would like to ask a question of the distinguished chairman relating to the detente on phase II, following phase I, inasmuch as that did not work out.

Is the Senator considering the possibility of having hearings in the committee on the strains and stresses now working on the détente to see if some wisdom can be generated to see how to deal with this problem?

Mr. FULBRIGHT. Mr. President, I have asked Dr. Marcy, the chief of staff, to took into the possibility of hearings to try to probe this very question.

In the last few days, I have been very disturbed by the pronounced rise in the criticism of Russia in the press. It is continuing, together with the reports of speeches by Mr. Brezhnev and together with the recurrence, as so often happens at this time of the year, of rumors about a great new arms advance in Russia. I know that they are designed to get the full amount of appropriations for the military.

Yesterday there was a rather interesting little story about pop-up missiles. Every year just before appropriations time, there pops up some new type of missile or something else pops up to strengthen the hands of the military so as to get their money for the missiles.

This is a very dismal picture. I anticipate that if this continues, Brezhnev will be in trouble. He will probably be removed as Mr. Krushchev was because he tried to make peace with the Americans and failed. I think that is what happened with Mr. Brezhnev. This is a difficult time. I do not blame this on Brezhnev.

The primary trouble is in this country, because the trouble started with an amendment offered by the Senator from Washington, which amendment was agreed to. It is still in the bill, and the sentiment to retain it in the bill is growing. That means the end of any détente with the Government of Russia. I think that is a great tragedy for this country and for the world.

Mr. CRANSTON. Mr. President, I thank the Senator. I want to say that, just as I have mixed feelings about the confirmation of Dr. Kissinger, whom I nonetheless intend to vote for, I likewise have misgivings about détente. I believe in détente as a way to deal with the threat of an all-out world war.

Nevertheless, I am deeply sympathetic with those who would wish to seize this opportunity to ease tensions and repression within the Soviet Union and to open the gates to those who want to flee from the Soviet Union.

Mr. FULBRIGHT. Mr. President, I agree with the Senator. These are two different things. However, if it is so easy to ease repression, why do we not do it in Brazil or in Greece? We could probably bluff them into quitting it.

In saying this, I do not mean that we should not be any less interested in the humanitarian conditions in these countries, no matter what they might be. However, Russia is one of the major nuclear powers in the world, along with our country, and, if we continue the arms race and continue the same policy that we have tried for 25 years, it would be most foolish. We have given that policy a good test. Why should we not give another policy a chance a work? This policy of détente has never been tried during the last 30 or 35 years.

Mr. CRANSTON. Mr. President, the Senator has asked some very sound and deeply interesting questions, and seeking an answer to the questions, I trust, will be one of the reasons for the hearings.

Mr. FULBRIGHT. Mr. President, I do not know whether we can do anything with the hearings. I shall try. I have instructed the staff. However, under the atmosphere in the country, they are not interested in hearings or debate on this subject.

Mr. CRANSTON. Mr. President, I am delighted to know that the Senator has such plans for his very important committee work regarding the work of Mr. Kissinger.

Most outstanding is the breakthrough with China and the Soviet Union. Dr. Kissinger's outstanding contributions have been to realize that these two countries are no longer behaving like revolutionary powers but integral members of the international system—and to act on that realization. He knows that, at least for the time being, these countries are willing to play by the rules, and he gets along well with their leaders partly because they share a concern with maintaining the status quo.

In some ways the breakthrough with China was just lying there, waiting to be harvested by anyone fortunate enough to be President at the right time. A foolish policy had already withered and fallen. Meanwhile, the Chinese were worried about the sharp deterioration in their relations with the Russians and did not want a hostile confrontation with both superpowers at the same time.

But Dr. Kissinger did more than just pick up the pieces, he negotiated a major breakthrough on the emotionally charged issue of Taiwan—long a stumbling block to better relations with Peking. He arranged for President Nixon to visit China with Chinese leaders. And he did all this without unduly alarming the Russians.

Similarly, his politices of détente with the Soviet Union were carried out without damaging relations with China. The high degree of Sino-Soviet tension and mutual resentment makes this feat particularly supreme. The manner in which Dr. Kissinger has dealt with both countries deserves the warmest admiration and praise. His patience, knowledge, and finesse have been superb.

It is this style which is most frequently admired. But I suggested a moment ago, even more impressive is Dr. Kissinger's ability to act on a fresh perception of the international system, namely, the perception that two powers formerly hostile to us and presently hostile to each other could simultaneously become—within limits—partners of American diplomacy.

His triumph in the field of arms limitation was a natural fruit of this perception. The SALT agreements—and the sophistication they reflect—are already important steps. If the momentum behind them continues, they can become major accomplishments of our time.

During the congressional briefing on the SALT agreements in June 1972, Dr. Kissinger's comments persuaded me that he sees the SALT agreements as an historic first step toward further progress in arms limitation in particular and the relaxation of international tensions in general. On that occasion he said:

> We believe that we have started a process by which we can move international relations into a new era. . . . I think we have the opportunity to turn a significant page in history, and as far as this administration is concerned, we are going to make a major effort in this direction.

Another byproduct of détente may have been the absence of a major war in the Middle East. I believe that Soviet restraint in this area is partly due to the overall improvement in relations with the United States. Dr. Kissinger deserves some credit for the fact that there has been no major outbreak of violence since 1967.

Unfortunately, the record of Henry Kissinger's diplomacy also shows some minuses.

Many, many lives were lost while Dr. Kissinger was adviser to the President because of the bloody and needless prolongation of the Vietnam war and the bombing of Cambodia and Laos: 20,000 Americans died, 110,000 were wounded, and over 500 were captured or declared missing in action; an estimated 4½ million Indochina people were killed, wounded, or made homeless; over 20,000 civilians were executed without trial under the Phoenix program; 750,000 acres of crop and forest land were devastated by bulldozers and by bombs that fell at the rate of 2 tons every 60 seconds.

Meanwhile, the secret bombing of Cambodia was covered up by systematic lying and outright deception of the American people.

In the face of all that, Dr. Kissinger stated last year that—

> What we are doing now with China is so great, so historic, that the word "Vietnam" will be only a footnote when it is written in history.

Some footnote.

Indochina is not the only area of the world where the United States has shared responsibility for bloodshed.

Bangladesh has dropped out of the headlines. But only two years ago an entire people became the target of massacre, pillage, and rape, and the United States lined up with the oppressors. There were so-called balance of power reasons for supporting Pakistan, notably our delicate but steadily ripening friendship with Pakistan's ally, China, combined with the need to offset what appeared to be a growing Soviet-Indian alliance. But these "reasons" produced a policy that effectively condoned slaughter on an appalling scale.

On a less violent level, the United States has mishandled our relations with Tokyo. Unfortunately, the time and effort that went into nurturing better relations with the Russians and the Chinese was not devoted as well to our important and loyal friends in Japan. Dr. Kissinger shares some responsibility for no less than three sudden moves that were highly upsetting to Tokyo, moves that are known in Japan as the "Nixon shocks." One was the 15-percent surcharge, the second was the announcement of President Nixon's trip to China, and the third was the soybean embargo. Regardless of the merits of these particular decisions, we owed it to Japan to warn her in advance. Perhaps the White House felt that Japan needed a rap on the knuckles. But three?

Preoccupation with the Soviet Union and China also entailed the neglect of most of the countries of the developing world, particularly Africa and Latin America. They do not fit into Dr. Kissinger's world of major powers and legitimacy and balances. Only when one of their members threatens or defies the international order does the area receive significant attention.

Another casualty suffering from U.S. neglect is the United Nations. It is ironic that Dr. Kissinger is preparing to address the General Assembly at a time when U.S. participation in the United Nations is at a low ebb. The American contribution to the international debate over the oceans and the seabed has been highly constructive. But this is an exception. I would like to see similar initiatives in other U.N. activities.

And in spite of Richard Nixon's support for the World Court when he was Vice President, his policy as President has been one of neglect. I hope to see this changed.

Finally, I was distressed to read Dr. Kissinger's answer to a question submitted by our distinguished colleague from New Jersey, Senator CASE, on the question of U.S. support for foreign police forces. He said police forces generally should be the responsibility of the nations concerned and should not involve a major commitment by the United States. But he added for the record that—

> There are unusual circumstances in which we should provide some assistance in the efforts of countries to develop civil security institutions that are responsive to the needs of the people and that help provide the framework necessary for economic and social growth in a climate of freedom.

What are these "unusual circumstances"? Do the words "climate of freedom" mean what they say? Was Dr. Kissinger referring to the situation in South Vietnam, or in the Philippines, or in Brazil, where police torture is said to exist? Should we assist the police forces of a country in which there are large numbers of political prisoners? I think not, and I would like to see a more specific commitment on this subject from Dr. Kissinger.

In general, I hope that Dr. Kissinger's success in bringing about greater stability in big-power relations can now be followed by constructive creative steps toward lasting, worldwide peace.

I want to turn to another major issue that is of concern to me: wiretapping.

With all due respect to the Committee on Foreign Relations, I do not think the basic questions have been answered.

Apparently Dr. Kissinger believes that his role in the wiretapping of his staff was legal. Perhaps it was, and perhaps it was not. Morton Halperin, a wiretap victim now on the staff of the Brookings Institution, has taken his case to court.

Dr. Kissinger has repeatedly denied that he initiated the wiretapping process. I am not sure that is the only point to consider. What is more germane is his reply to the distinguished Senator from Maine, Senator MUSKIE, when asked about his attitude toward wiretaps. With great solemnity he replied:

> The issue of wiretapping raises the balance between human liberties and the requirements of national security, and I would say that the weight should be on human liberty except where there are overwhelming considerations.

He added that he could not foresee circumstances in which further wiretapping was likely.

This response strikes me as glib and somewhat upsetting. It is no great blow for democracy to say that the weight should be on human liberty when you are on nationwide television. It is the exceptions that count. What are these "overwhelming considerations" where human liberty becomes of less importance The news concerning the use of B–52's in Cambodia, the leak that prompted the tape, was diplomatically embarrassing but hardly threatening to our survival. And it turns out that Henry Kissinger himself leaked information on a subject that was and is vitally important—the SALT talks.

According to a story in the Boston Globe, Dr. Kissinger leaked "substantial amounts of information concerning the first round of the SALT talks to John Newhouse, author of "Cold Dawn: The Story of SALT." Although his staff was not supposed to talk to Newhouse, Kissinger himself apparently allowed Newhouse to read top secret cable messages. Detailed descriptions of private talks between Kissinger and Soviet Ambassador Dobrynin were also made available to Newhouse. As one staff member put it, "some of the leaks in the book can only be traced to Kissinger." Some of this information has already led to Soviet complaints. According to one source—

> It is feared that certain disclosures in the Newhouse book may have embarrassed the Soviets, causing them to be much less candid at the second round of SALT.

This report has not been denied. I can think of few things more important than the maintenance of a constructive and candid atmosphere for negotiations surrounding SALT II.

It is ironic that the man who acquiesced in the wiretapping of his staff should himself have been the source of leaks.

What about the future? Dr. Kissinger may state that he cannot foresee circumstances in which future wiretapping might be justified in his mind, but I can see them all too clearly. For example, in an effort to save the Thieu and Lon Nol regimes, the United States might become involved in covert warfare on a significant scale, including assassination programs, bribery, surveillance, and even torture. It is conceivable. Would Dr. Kissinger then produce evidence of "sensitive" and "delicate" negotiations whose progress would be threatened by revelations of this type?

We just do not know what "overwhelming considerations" mean to him.

No one, of course, can specify in advance exactly what future circumstances might justify wiretapping to Dr. Kissinger or to someone else in authority. But there is an important authority to consult on decisions of this kind: the courts.

Dr. Kissinger did not mention the courts.

On August 20, Secretary of State Rogers said at a press conference that—

> It is very important for the United States not to become so obsessed with security matters that laws are freely violated. . . . One of the things that provides security for Americans is the fact that we are a law-abiding nation, and that means protection for all individuals and a protection for individual rights.

I would like to see a similar pronouncement from Dr. Kissinger. As yet I am not entirely sure that he is free from the obsession to which Secretary Rogers referred. The committee's report on his nomination states that the committee found "very little justification" for the wiretaps which he authorized.

I am relieved that the Senate Foreign Relations Committee has voted to look further into the use of electronic surveillance devices in general. I only hope that this investigation can help prevent further abuses instead of uncovering them when it is too late. And I specifically hope that Dr. Kissinger has learned that it is better to consult the courts before tampering with individual liberties, even in the name of national security.

I hope that Dr. Kissinger has also learned that it is important to consult with the Congress.

Just before his nomination was announced, Dr. Kissinger stated that—

> No foreign policy—no matter how ingenious—has any chance of success if it is born in the minds of a few and carried in the hearts of none.

This theme was reaffirmed when his nomination became known. He has promised "a new and full partnership with the Congress" and has described his move to the State Department as part of an attempt to make policymaking "more accessible to Congress and public scrutiny."

In another book of his, "Nuclear Weapons and Foreign Policy," Dr. Kissinger makes a strong plea for making the consideration of nuclear weapons more acceptable to the elite, but he pays no attention to the opinions of ordinary people. I am pleased that he seems willing to make a new effort to make his policies more accessible to the public, and I hope it produces results. I think he can do a great deal to help end the administration's obsession with secrecy that has poisoned the President's relations with Congress and with the American people. We need to let some fresh, clear air into our foreign relations as well as into our domestic affairs. To summarize, I have reservations about Dr. Kissinger's philosophy, but I admire many of his results. He has made a fine contribution to détente with the Soviet Union and China, progress in arms limitation, and relative peace in the Middle East. I think he has the historical vision to continue his excellent work in these areas and to move toward a more secure and permanent peace.

I have criticized other parts of his record, particularly Indochina. I am distressed by the fact that he authorized wiretaps on his staff and that he has not pledged to consult the courts before using them again.

What convinces me to vote in favor of his confirmation is that his contributions toward ending the cold war outweigh other serious foreign policy failures of the Nixon administration.

In "A World Restored," Dr. Kissinger made a somewhat chilling statement. He wrote:

> The test of a statesman . . . is his ability to recognize the real relationship of force and to make this knowledge serve his ends.

Mr. President, I think that we in the Congress ought to try to make sure that those ends are defined wisely. If we are to match Henry Kissinger's professionalism, we will have to try hard.

I yield back whatever time remains.

Mr. AIKEN. Mr. President, I yield 1 minute to myself, and then I shall yield 5 minutes to the Senator from Mississippi.

I listened with interest to the remarks of the Senator from South Dakota. I agree with him completely that we have plenty of domestic problems to occupy our time now, but I would also remind the Senate that had it not been for the improvement in foreign policy and foreign relations over the last 2 or 3 years, our farmers would probably still be selling corn for 85 cents a bushel instead of the $2.50 they get today; and wheat, instead of selling for $1.35, is now selling for $5 a bushel.

Furthermore, our machine tool and other industries are holding orders that will take them at least 3 years to fill. And above all else, since we cannot really separate our foreign policy from our domestic policies, particularly our agricultural policies, it is only because of the improvement in foreign policy, for which we must give President Nixon and Dr. Kissinger a great deal of credit, that we are now able to transfer funds from farm payments and farm subsidies to the benefit of the consumers and the children in school, and for other purposes.

I want to repeat right now what I said a few minutes ago: This is no time to look back in anger, but a time to look forward with hope.

I now yield 5 minutes to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I thank the Senator from Vermont.

Mr. President, I have no prepared remarks on this nomination. I do think that this nomination, the hearings, and the forthcoming approval is a historical step that is being taken today. To have the Foreign Relations Committee, as an organ of the Senate, develop all the facts that might be connected with this man or his positions, and to come out with a vote that was unanimous except for one, and, with respect to the Senator from South Dakota, as I understand he said that he felt as a general principle that he should vote in protest is certainly all right.

I commend the Committee on Foreign Relations, its chairman, the Senator from Arkansas (Mr. FULBRIGHT), the ranking minority member, the Senator from Vermont (Mr. AIKEN), and all the members of the committee for the way they grappled with this question, which was like prickly pears in a way. The nomination had real problems connected with it. They went into all these questions most impartialy.

I am not closely associated with Dr. Kissinger. We have never spent any time together socially. But in the 4 years he has been here. I have had a great deal of contact with him from time to time for those 4 years in connection with the war and security matters that were very grave.

One thing about him I found: He came here to Washington with preconceived ideas about certain policies and certain problems of the Government; when he found the facts to be different from what he had understood and believed, he had the courage and the forthrightness to change his mind and change his position. I think that is the way a man finds what is best for our country.

Another thing I have often been impressed with Mr. Kissinger's courage and his ability to exercise a strong firm hand in hard situations. I think the times we live in demand this firmness. I hope that I am not a harsh man but I think the head of the Chief Executive and the head of Departments must be firm and positive and, at certain points, unyielding and hold out for what is the sound and necessary position, whether it is popular now or ever popular, regardless of what might be the situation at the time with reference to popular opinion, public opinion, or newspaper opinion. This is a part of my political philosophy.

Sometimes I agreed with Mr. Kissinger and sometimes I did not, but I was always aware that he took that firm position and stand. From what I have seen, he has an unusual ability to carry on and not hedge, so to speak, with the other side in representing us, particularly in foreign affairs.

In these times of suspicion and mistrust, caused by some of the things that have happened, and as a man connected for 4 years with many problems, he has come through this full inquiry by the committee. It is, therefore, a signal event.

Now just one word about the telephone leak. I was one of those who complained about the leaks coming out of the National Security Council meeting some 3 years ago. I complained to Dr. Kissinger and told him that men were dying every day on the battlefields in South Vietnam and they would have to put a stop to the leaks. I learned that he was already deeply disturbed and was determined to continue to pursue the problem and stop the leaks.

I believe that he did whatever was necessary to stop those leaks.

Now another point: The President is going to be his own Secretary of State, as a whole, but Mr. Kissinger will be a very effective representative and will help make policy and will help implement whatever policy is decided on.

The PRESIDING OFFICER (Mr. HUGHES). Who yields time?

Mr. AIKEN. Mr. President, I yield 5 minutes to the distinguished Senator from New York (Mr. JAVITS).

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. I rise today, first to salute a miracle of American history. The most significant entry in the biography of Dr. Henry Alfred Kissinger are the words: Born, May 27, 1923, Furth, Germany; naturalized U.S. citizen June 19, 1943, Spartanburg, S.C., when he was in the Army.

This is a first in history. Whatever else it does—and I think Henry Kissinger will make a very distinguished and, I hope, a great Secretary of State—it will inspire the aspirations of every person of minority ethnic origin in this country, whether religious, national, or in any other way. This nomination stands in such magnificent juxtaposition to the repressions of the other superpower against intellectuals and minorities—particularly the Jewish minority—it is a magnificent testimonial to the fact that we mean what we say in this country and that we actually live up to our words.

This could not have come about were not Dr. Kissinger a man of great character, extremely high intelligence, and possessed of the ideas and initiatives which our country admires, and which have won the confidence of Presidents and the country.

There were many imperfections which have been pointed out in the committee dealing with the wiretap issue which was by no means a happy one for Dr. Kissinger, or ourselves. Indeed, one of its silver linings is the fact that we have now resolved to dig into the question completely in a resolution which the committee adopted, sponsored by the distinguished Senator from Maine (Mr. MUSKIE) and myself.

But what stands out are the words in the committee report:

> Dr. Kissinger is eminently qualified for the position to which he is nominated, from the standpoint both of education and experience.

Notwithstanding our individual disagreements—including my own with him on the War Powers Act, and on the way in which we need to deal with the Soviet Union regarding oppression and repression—he demonstrates a capacity and a conviction which impressed the committee well nigh unanimously. In that catecory I would even include the distinguished Senator from South Dakota (Mr. MCGOVERN), who certainly is distinguished in his own right and is obedient to his own conscience in terms of an appraisal of the man.

Mr. President, let me comment on one or two other aspects. We who have had the opportunity to debate this nomination in committee should not take too much of the Senate's time here; but I look forward to an outstanding era of cooperation between the State Department and the Committtee on Foreign Relations which will be of enormous benefit to the country and to the world.

I believe that we will find, again, the opportunity—whether we can seize it or not I cannot foretell—to repeat the experience of the tremendously creative initiatives which characterized the relationship between the State Department and the so-called Vandenberg Foreign Relations Committee in past years.

Knowing the distinguished Senator from Arkansas (Mr. FULBRIGHT) as I do, I would think that he would get as much pleasure out of heading a committee that was moving in that field in that successful way as I would.

Finally, no speech would be complete without a record word about Bill Rogers, retiring Secretary of State and a very decent man. The New York Times called him a man of intelligence, sound instinct, and good will, responsible for initiatives on his own. Whether I agreed with him or not on the details of the effort to bring peace to the Middle East, it was a most creditable initiative, and one which he pursued wtih vigor. It was a very difficult situation with the President vesting so much confidence in Dr. Kissinger. I believe that Bill Rogers behaved as only a gentleman and a highly patriotic American could, with never a trace of resentment or trace of irritation.

Thus, I repeat, I rise first to salute a miracle of American history in Dr. Henry Alfred Kissinger's being the first foreign born, naturalized Secretary of State.

I also rise, Mr. President, to give thanks, insofar as one Senator should give thanks, in the name of his people and in the name of the Nation, for this man who has served so well and who showed character and distinction as the highest officer in the President's Cabinet—William Rogers.

Mr. AIKEN. I now yield 3 minutes to the Senator from Rhode Island (Mr. PASTORE).

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 3 minutes.

Mr. PASTORE. Mr. President, like the distinguished Senator from Mississippi (Mr. STENNIS), I have no prepared remarks, but I can safely say with deepest conviction that to know Dr. Henry Kissinger is to respect him and to admire him. I agree with the Senator from New York (Mr. JAVITS) who has just spoken, that his career in public life is truly the beautiful story of America.

Henry Kissinger, to me, is a shining light within the staff of the White House. It was through his intelligence and his acumen in diplomatic matters that he was able to convince President Nixon to make a 180-degree turn with reference to our relationships with China and Russia.

It was the spadework he did, the foundations he laid, that opened up the dialog between ourselves and China and also with Russia.

When we realize that we have five nations who are major members and sole members of the nuclear club, we can realize what the opening of this dialog means not only to the détente that all of us desire but also to the prospects for peace, hopefully within our time.

I believe that this accomplishment is of historic value.

As the chairman of the subcommittee of the Senate that will have to do with the funding of the State Department, I know that our relationship with Dr. Kissinger will be a friendly one and a constructive one.

I trust that each of us will understand that what is good for America should be satisfying to both of us.

So I am happy that the Committee on Foreign Relations made a very thorough and searching examination not only as to the individual but also as to his convictions and to the past activities of the National Security Council and the foreign policy of the Nation.

As the Senator from New York has said, here is a man still young in years, with a great career before him, foreign born, who occupies a position that will have a great deal to do with peace in the world of our time.

I close by saying that I wish him every success, and I do look forward to fine cooperation between Henry Kissinger and Congress.

The PRESIDING OFFICER. Who yields time?

Mr. FULBRIGHT. I yield 10 minutes to the Senator from South Dakota.

Mr. ABOUREZK. Mr. President, on the favorable side, it has been said that Dr. Kissinger is a clever, witty, urbane, and intelligent man. It has been written that he is the most capable Cabinet nominee submitted by President Nixon.

Of the arguments advanced by Dr. Kissinger's opposition, any one is sufficient reason, in my opinion, to justify a vote against his confirmation.

Certainly, wiretapping of his own staff, participating in the deception surrounding the Cambodian bombing, all of the deceptions practiced during the Vietnam war, as well as his refusal to resign as a Presidential adviser, are acts which I personally believe to be wrong. They are acts which are not compatible with my notion, or the notion of a great majority of my constituents, of what American political leadership ought to be.

Dr. Kissinger was able to negotiate our withdrawal from Vietnam 4½ years after the withdrawal was promised by the President. Some say, myself included, that the terms—a simple withdrawal in exchange for our prisoners—could have been negotiated at any time within the last 10 years, had there been a desire to do so.

Since World War II the American people have fallen victim to the games of power played by the few government leaders who have controlled our foreign policy. We have seen, since then, decision after decision in foreign policy made in secret, carried out in secret, then presented to the American people as a fait accompli.

By asking for a more open foreign policy, I do not ask that we be made privy to troop movements, or to the location of nuclear warheads. And I do not believe a Secretary of State should be made to call the Foreign Relations Committee every morning for instructions.

But I do ask for openness and honesty in the basic decisionmaking process. If Congress and the American people had been able to openly debate whether or not we should commit our military in Indochina, we most likely would have decided against it.

If there were a free flow of information and debate on the money and police and advisory support we have given to various dictatorships, such as Brazil and South Vietnam, I am confident the American people would strongly oppose American tax money going to support the imprisonment and torture that those regimes are able to carry on with our help.

Neither Henry Kissinger nor Richard Nixon suffers from the results of their secretive foreign policy. The people who suffer are those who are kept outside of the decisionmaking process—the people of this country, who have their income stripped from them in excess taxes—who weep over their sons whose lives and limbs have been lost.

We know enough about Dr. Kissinger to know that he is capable of deceiving Congress and the public. We know enough about him to know that he has little regard for the basic liberties of even his own staff.

We know enough to realize that confirmation means a continuation of a "daddy knows best" attitude, by which Congress and the people will both continue to be excluded from this vital part of our own Government.

If we are capable of learning anything, we should learn from our mistakes.

Mr. JAVITS. Mr. President, I yield 2 minutes to the distinguished senior Senator from Maryland.

Mr. MATHIAS. Mr. President, within 3 years, we shall be celebrating, or I should say, more properly, commemorating, the bicentennial of the American Revolution. One of the unfortunate aspects of the plan for the Bicentennial some groups in America think is that the only people who really should take part in it are those whose ancestors fought in the Revolution. They overlook the tremendous contribution that has been made to America by those who have come to this country and have cast their lot with America; who have contributed their lives to America in the intervening years; those who brought an infusion of new blood, a new spirit, a new creativity; of all those who have come to this country to make it their country, not be the accident of their birth, but by their choice. No adopted son has had a more impressive, a more rewarding career than has Henry Kissinger. We do not have to speak in any detail about his academic achievements or about his diplomatic triumphs. Those have been embroidered very fully in the tapestry of modern American life.

It is worthy of note, however, that by his life, by the kind of career he has carved out for himself, Henry Kissinger has proved not only to America, but to all the world, as well, that this still is an open society and country, with literally an unlimited opportunity; a Nation which will place in the first rank of the Cabinet a man who came to this country under the circumstances in which Henry Kissinger came to our country.

I am happy that he is here. I am grateful for the contributions he has made to the Nation. I wish him great success in his new position as Secretary of State. The challenge before him is tremendous. The traditional American dream of extending the concept of freedom throughout the world is still a part of our heritage.

Henry Kissinger faces a serious challenge. It is one which he is capable of meeting.

I thank the distinguished Senator from New York for yielding to me.

Mr. HARRY F. BYRD, JR. Mr. President, how much time remains to me?

The PRESIDING OFFICER (Mr. Hughes). The Senator has 30 minutes.

Mr. HARRY F. BYRD, JR. I suggest the absence of a quorum, the time for the quorum call to be charged to the Senator from Virginia.

Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President. I intend to cast my vote in favor of confirmation of Dr. Henry Kissinger to be Secretary of State.

Before casting this vote, however, I wish to make clear that I am not enthusiastic about all of the developments in foreign policy in which Dr. Kissinger has had a hand during the present administration.

It is my feeling that in the current excitement about the so-called détente with Communist China and the Soviet Union, a number of dangers may be lurking.

At the outset, let me say that I favor President Nixon's visits to Peking and Moscow. Open lines of communication and a continuing dialogue between the great powers of the world are healthy.

But let us not deceive ourselves.

Let us not suppose that all has become amity between the Communist powers and the United States.

In the field of arms limitation we must be wary of the illusion that because of a few meetings and agreements we can afford to make major reductions in the defenses of the United States.

I was deeply concerned about the terms of the temporary agreement on limitation of offensive nuclear weapons when it was sent to the Senate. This agreement gave numerical superiority in strategic offensive missiles to the Russians.

I gave my support to that agreement only on the basis of two conditions: first, the testimony of the Joints Chiefs of Staff that this accord, because it is temporary, would not compromise the security of the United States; and second, the adoption of the Jackson amendment—which I cosponsored—assuring that the United States would demand equality in future agreements.

On that basis, I voted in favor of the offensive weapons agreement.

But unless future agreements provide for the equality demanded in the Jackson amendment, I do not think that I can give them my support. The United States must not be the second strongest nation in the world.

It is not alone in the field of arms that I feel there has been some disposition on the part of American negotiators to give too much away. I think the same tendency showed itself in the 1972 sale of grain to the Soviet Union.

Under the terms of that sale, we sent to Russia vast quantities of wheat at a price substantially below the world price. The American taxpayer was hit with the bill for a $300 million subsidy. And to top it all, we extended long-term credit to the Soviet Union to finance the purchase. To use the words of Treasury Secretary Shultz, "We got burned."

That is not the way to do business with other nations.

It most certainly is not the way to do business with the Russians.

If we are to have a genuine détente—if we are to have a relaxation of tensions based on true international security—then we are going to have to do some hard-nosed bargaining.

In casting my vote in favor of the confirmation of Dr. Kissinger today, I call upon him and his associates in the field of foreign policy—who will determine our negotiating position—to keep our guard up, and put the long-range interests of this country ahead of any desire to achieve dramatic agreements.

True peace can come only from strength, hard bargaining, and firmness.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 20 minutes remaining.

Mr. HARRY F. BYRD, JR. Mr. President, I yield 2 minutes to the distinguished Senator from Mississippi.

Mr. STENNIS. Mr. President, I shall not use that much time. I did have an opportunity to read the Senator's speech before he made it and I approve every point he made. I congratulate him for his thought and the timeliness of his expressing it here at this time.

I had already said that one thing about Dr. Kissinger is that he is open to persuasion and new facts on matters; he will take seriously the remarks of the Senator from Virginia.

Mr. HARRY F. BYRD, JR. I thank the distinguished Senator very much for his kind and generous comments.

Mr. President, I yield 10 minutes to the Senator from Maine.

Mr. MUSKIE. Mr. President, I thank my good friend, the Senator from Virginia. Before I begin my remarks I would like to compliment him on the appropriateness of his note of caution as we enter into a period of detente. We do have to take a good hard look at our interests as well as opportunities for expanded contacts with the Soviet Union as we look forward to the potentially constructive period that lies ahead. In additional views which I filed in the committee report I stated my position on the nomination before us but I thought it would be useful to express some of those views on the floor of the Senate this morning.

I support the nomination of Henry A. Kissinger to be Secretary of State. I do so after full consideration of certain reservations which I intend to set out in this statement. I have reached the conclusion that Dr. Kissinger should be confirmed, notwithstanding these reservations, and it would be well to state my reasons at the outset:

First, Dr. Kissinger is extraordinarily well qualified, by intellectual training and experience, for the position to which he has been nominated. On this there is little disagreement.

Second, he has demonstrated a capacity for creative initiatives in foreign policy which I believe to be beneficial to our national interests. Among such initiatives are the policy of rapprochement with China; broader cooperation with the Soviet Union in political, economic, and military affairs; and, more recently, an effort designed to reinvigorate our relations with tradtional allies.

Third, Dr. Kissinger has expressed what I believe to be a genuine appreciation that the foreign policy process in our democratic system must be more open than it has been in the recent past. I believe he now wishes to consult and cooperate with Congress in meaningful ways and to seek the broadest possible public understanding of the ends and means of our Nation's foreign policy.

Fourth, he has been a vigorous and dynamic leader in the making of our foreign policy. Were the Senate for any reason to reject his nomination, he would probably remain as a decisive influence in his present White House post. There are, however, concrete advantages in having a man of his energy, influence, and ability as Secretary of State, where he will hopefully breathe life into a bureaucracy which has been made irrelevant by his operations outside the State Department. He will be better able to institutionalize the new directions in foreign policy which he has already charted in the administration's first term, and he will be available to testify before Congress when questions are raised about those policies and the manner in which they are being implemented.

Fifth, Dr. Kissinger's role in national security wiretapping was not such as to constitute an obstacle to his confirmation. I believe it was essential that he be cleared of any taint of Watergate-related misdeeds, for should that scandal envelop the Secretary of State, the consequences for America's standing in the world could be tragic. I have been reassured on that point by the evidence and by his own testimony presented to the committee.

For all these reasons I support Dr. Kissinger's nomination. But I think it is in his interest—and in the country's interest—that this nomination not sail by without an expression of concern over weaknesses in the Nixon-Kissinger foreign policy and in its style of operation.

In contrast to Dr. Kissinger's accomplishments in dealing with our cold-war adversaries, the record in many areas of the Nixon-Kissinger foreign policy is mixed at best.

First, the long, protracted withdrawal from Vietnam has yet to be justified by subsequent events. It was my view at the time that the United States had long ago fulfilled its moral obligation to the people of South Vietnam, that the issues of the war had to be settled by the Vietnamese people themselves, and that continued direct U.S. military involvement in Indochina cost us much and gained us nothing. I see no reason to change that view today. In my opinion, the so-called peace settlement in Indochina was based more on U.S. political realities than on Vietnamese—and, if Congress had not insisted on the termination of U.S. military involvement after August 15, 1973, U.S. bombing would still be going on today with no end in sight. In sum, I do not believe that the administration's Indochina policy rates as any kind of success—rather, as one of its principal failures.

Second, the administration's justifiable interest in establishing new relationships with our European allies and former cold war adversaries has led to a kind of benign neglect of the developing world. In some cases—as in the poor performance of the Nixon-Kissinger team in the Bangladesh crisis of 1971—benign neglect would have been preferable to the bungling, surreptitious "tilt" toward Pakistan that was in fact tried. But in other cases—notably in Latin America and Africa—the neglect has been real. Even granting that the role of indifference is preferable to the role of interventionism in third-world affairs, the Nixon-Kissinger foreign policy has gone too far in its aloofness and implied indifference to the developing world. Ultimately, our fate is intertwined with theirs, and our foreign policy shold reflect a solid understanding of this fact.

Third, Dr. Kissinger has not, in my view, demonstrated a full appreciation of the interdependence of political and economic factors in world affairs. The Nixon-Kissinger foreign policy in the first 4 years has been marked by a curious separation of political and strategic initiatives on the one hand, and economic initiatives on the other. To be sure, close attention has been paid to growing trade with the Soviet Union as an integral part of our political strategy of detente. But on a global scale, the great and perplexing monetary and trade issues which have steadily grown, which have become more troublesome, and which now appear to be the most critical factors, for better or worse, in determining the world's future—these issues cannot be divorced from an overall political and military strategy designed to create a new world order. Dr. Kissinger, who has already brought an admirable degree of intellectual coherence to American foreign policy, must seek greater coherence between economics and politics in our nation's policy, and he has pledged to do so.

In expressing these doubts concerning the substance of the Nixon-Kissinger foreign policy, I should add my reservations about its style of operation. That style has been marked by secrecy and surprise. Initiatives are formulated within a closely guarded inner circle, then sprung on an unsuspecting public in a way calculated to maximize their theatrical potential—witness the China visit and the series of agreements announced at the Soviet-American summits, to name just a few. Dr. Kissinger has argued that these elements of secrecy and surprise were necessary to the substance of administration policy, given the delicacy of the diplomatic initiatives undertaken. My own view is that we have paid a serious and possibly dangerous price for such a style.

Specifically, there are two principal areas in which the administration style has produced dangerous results: first, there has been the obsession with secrecy—accompanied by a willingness to deceive Congress and the public, to spy on trusted advisers, and to infringe upon the constitutional rights of newsmen—all in the name of national security. While Dr. Kissinger's personal role in such activities was not clear when the committee commenced its hearings—although it was clarified in those hearings—I was deeply concerned by the way in which the administration had used the Constitution—the presumed "inherent Presidential powers" in the area of national security—to commit acts which the Constitution was specifically designed to prevent. In doing so, it was striking at the very foundation of our political system.

It was for this reason that the committee—myself included—concentrated so heavily on questioning Dr. Kissinger on the issue of wiretaps—and on the whole question of executive authority to define national security interests and to take sweeping, secret actions based on that definition. The conclusion I reach from our hearings, and from the many other revelations of abuse of power with which we have become sadly familiar this year, is that it is imperative that the Congress establish new procedures, new criteria, new monitoring provisions that will prevent such abuses in the future.

We have seen the consequences of power operating unchecked to decide what official behavior can be justified by invoking concern for national security. National security has been used as grounds for wiretapping that included Government employees who had nothing to do with the security matters. National security has been invoked to justify surveillance of employees who had access to information that was leaked to the press in May of 1969, and has been invoked to justify eavesdropping on other employees a year later, when their superiors' real concern was dissent, not indiscretion. And national security supposedly required tapping the phones of men even after they had left Government service and gone back to private life.

I can hypothesize situations in which a clear foreign danger to the safety of the community could justify a decision to favor the greater needs of the whole society over the rights of individuals in that society. But the power to make such judgments will always be open to misuse if it remains unsupervised and unshared. Even the pledge of Attorney General Richardson to be scrupulous, when asked to authorize wiretapping, in balancing the need for security against the rights of personal privacy cannot guarantee us the permanent safeguards we require.

Officials do not lose their constitutional rights when they assume responsibility for sensitive policies and activities. While they must agree to be subject to closer scrutiny than ordinary citizens, they should not have to accept telephone taps on themselves and their families as a condition of employment.

And their loyalty to the Government should not be questioned simply on the basis of their conscientious dissent from one course of action or policy decision. If a man's private conversations are to become the property of his superiors simply because he opposes their judgment on an issue, then the vigorous internal debate from which the best policies are formulated will be stifled, and sychophants will take the place of candid, constructive advisers.

To avoid these dangers—the continuation of past practices we all recognize as improper—Congress must fully explore the Government's use of wiretapping and other surveillance techniques. The Foreign Relations Committee, acting on a motion I offered with the senior Senator from New York, Mr. Javits, who now presides over the Senate, has already committed itself to such a study in connection with foreign affairs. That resolution is printed in the committee report.

I ask unanimous consent that it be included in the Record at this point.

The PRESIDING OFFICER (Mr. Javits). Without objection, it is so ordered.

The resolution ordered to be printed in the Record is as follows:

Resolved, that the Foreign Relations Committee pursuant to its oversight duties undertake a full examination of the use of electronic and other means of surveillance of American citizens in connection with alleged intelligence gathering or other activities related to the foreign policy and the areas of national policy over which this Committee has legislative responsibilities, to the end that more satisfactory guidelines and opportunity for more effective congressional oversight may be developed than those set forth in the letter of the Attorney General to Senator Fulbright dated September 12, 1972.

Mr. MUSKIE. Mr. President, in the course of our examination I hope we can weigh the applicability of safeguard contained in the Safe Streets Act of 1968 with respect to the use of wiretaps in domestic security cases: that wiretapping be subject to judicial warrant; that such warrants be for limited periods of time, renewable only by return to court; and that records itemizing the principal subjects of such wiretapping, the justification for the surveillance and the duration of it be made available, with requisite provisions for confidentiality, routinely and periodically to the appropriate oversight committees of Congress.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUSKIE. Mr. President, would the Senator from Arkansas yield me some additional time?

Mr. FULBRIGHT. Mr. President, I yield the Senator 5 additional minutes.

The PRESIDING OFFICER. The Senator from Maine is recognized for 5 additional minutes.

Mr. MUSKIE. Mr. President, beyond these mechanical safeguards, however, we must address the harder task of formulating criteria to guide and limit the freedom of executive and judicial officials to authorize actions which will, inevitably, abridge the rights of individuals.

We enacted such standards in 1968, for many types of criminal activity, but apparently we did not define closely enough the President's discretion to act in situations he judged to present threats to national security. Now we have seen discretion twisted to serve questionable purposes, and the burden is on us—as much as on those officials who acted improperly in the President's name and who now promise new concern for individual rights—to define discretion so surely that it cannot be abused again.

Mr. President, in yesterday's New York Times and in this morning's Washington Post, there were stories illustrating the reasons why the Foreign Relations Committee and all of its members are concerned about the use of surveillance, not only in connection with surveillance of all kinds, but also in the case of surveillance which infringes upon individual rights. These articles appearing in the papers related to surveillance of a news columnist. The article in yesterday's New York Times is headlined "FBI Reportedly Trailed Columnist on Visit to Paris."

This morning's Washington Post specifically mentions the name of the newsman. It reads: "Kraft Says FBI Tailed Him to Paris."

The story clearly relates to columnist Joseph Kraft.

I ask unanimous consent that the two articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New York Times, Sept. 20, 1973]

FBI Reportedly Trailed Columnist on Visit to Paris

(By John M. Crewdson)

Washington, Sept. 19.—The Nixon Administration ordered a high-ranking F.B.I. official to follow Joseph Kraft, the syndicated columnist, to Paris in 1969 and to arrange with the French government to keep him under electronic and physical surveillance during the visit, according to sources familiar with the operation.

The sources said that because of the Administration's "concern" about Mr. Kraft's contacts with representatives of the North Vietnamese government and the Vietcong, J. Edgar Hoover, the late director of the Federal Bureau of Investigation, sent one of his top assistants to Paris, where Mr. Kraft and his family were vacationing.

The assistant, William C. Sullivan, who was then in charge of the bureau's Domestic Intelligence Division, consulted French security officials, who carried out the surveillance operation.

Mr. Kraft's room in the Hotel Georges V, near the Arc de Triomphe, was bugged by the French security agents, who also tapped his telephone and followed him around-the-clock.

The sources said that the 24-hour surveillance was continued by the F.B.I. after Mr. Kraft returned from France to his home in the Georgetown section of Washington.

John W. Dean 3d, the dismissed White House counsel, told the Senate Watergate committee in June that John J. Caulfield, the former New York City policeman who worked as an investigator for the White House, had told him of a wiretap placed on the Kraft family's telephone in Georgetown, and sources said today that they believed that the tap had been installed while Mr. Kraft was vacationing in France.

Barely a month before, the F.B.I. had begun a program of wiretapping Government officials and newsmen that was described by President Nixon as an effort to halt leaks of classified national security information to the press.

Asked why the F.B.I. had not been used to install the Georgetown tap, one source said he believed that the White House had never made such a request, but another, equally well-informed, said that the White House team had been used after John N. Mitchell, then the Attorney General, had refused to permit the F.B.I. to become further involved.

Mr. Sullivan, who recently retired from the Justice Department, said by telephone from Massachusetts that he would have "absolutely no comment to make one way or the other" on the matter.

It has never been entirely clear whether Mr. Kraft was included in the national security investigation that Mr. Nixon ordered in May of 1969 in response to a report in The New York Times describing the then-secret bombing of Cambodia by American aircraft.

But the logs of some of Mr. Kraft's conversations, presumably including those monitored by French security agents, were reportedly found last May with the wiretap records relating to the four newsmen and 13 Government officials who were targets of the White House wiretap effort.

Those records, which had disappeared from the F.B.I.'s files in late 1971, were found by bureau agents in a White House safe belonging to John D. Ehrlichman a few days after he had resigned as Mr. Nixon's chief adviser for domestic affairs.

One source said that although the instructions to follow Mr. Kraft to Paris came to Mr. Sullivan from Mr. Hoover, he did not know whether the late F.B.I. chief had been ordered by his superiors in the Administration to conduct the surveillance.

The source said, however, that Mr. Hoover had passed on to a superior the results of the intelligence-gathering effort by the French authorities that Mr Sullivan carried back from Paris. Another source said he believed that the superior in question was Mr. Ehrlichman.

Mr. Kraft said in a telephone interview today that he had learned some months ago of the intelligence effort directed against him. He added that he had been in touch with representatives of the North Vietnamese Government and the National Liberation Front since 1964, that these relationships were "well known" and that from time to time he had used information provided by them in his column.

[From the Washington Post, Sept. 21, 1973]

KRAFT SAYS FBI TAILED HIM TO PARIS

Joseph Kraft, the syndicated columnist, said yesterday that the FBI had followed him to Paris in 1969 and arranged to have his hotel room bugged there.

Kraft said he was told by the FBI that William C. Sullivan, a former top official of the bureau, had been ordered to follow him.

During his testimony before the Senate Watergate committee last June, former White House counsel John W. Dean III said he had been told that Kraft's phone in Georgetown had been tapped by John J. Caulfield, a former New York police investigator who worked for the White House.

Kraft said after that testimoney he asked the FBI for an explanation and was told of the Paris surveillance.

The FBI yesterday refused to comment. Sullivan, who is retired and lives in New Hampshire, could not be reached for comment.

Mr. MUSKIE. In its examination of the wiretapping issue, the Foreign Relations Committee addressed itself to 17 names, names of Government employees and newsmen which have been printed in the press as allegedly having been covered by the wiretapping policy.

I think it should be clear that these 17 names do not limit the committee's concern as to the extent to which surveillance has been used, not only in the form of wiretapping, but in other ways.

It is my understanding that the resolution adopted by the committee is intended to address the broader concern and is not limited to the 17 names specifically referred to in the press.

I wonder if the distinguished chairman of the committee would comment on this point.

Mr. FULBRIGHT. Mr. President, I say to the Senator that he understands the intent of the sense of the resolution quite correctly. It does anticipate that we should look into electronic and other means of surveillance beyond the 17 names mentioned.

I was approached yesterday by members of the Judiciary Committee who asked about the intention of the Foreign Relations Committee in this area and who suggested tentatively that there might be joint hearings held on that subject because it is of such great importance. The substantive jurisdiction insofar as legislation is concerned would be in the Judiciary Committee. There is already a bill pending on that matter.

It is my intention in the Foreign Relations Committee to discuss this at one of the next executive meetings and examine into who would like to be on a subcommittee representing the Foreign Relations Committee. I am sure that if the Senator from Maine is at all interested—and I am sure he is—I would be very pleased to have him act on that subcommittee. The matter ought to be looked into.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. Mr. President, I yield 2 additional minutes to the Senator from Maine. I have committed most of my remaining time to the Senator from Iowa, who is to follow me.

That was the situation as I see it. The Senator explained it very well. It is extremely important if we are to establish any confidence in the Government procedure in this field. I think that what the Senator said is very appropriate. I certainly agree with what he had to say.

Mr. MUSKIE. Mr. President, I thank the Senator from Arkansas. I simply wanted the RECORD to reflect the committee's feeling on this and that it will press forward with hearings. The mere fact that the nomination is confirmed does not end the committee's concern. I want that to be fully understood.

The second principal area in which the administration's diplomatic style has caused serious difficulties is that of alliance policy. United States relations with our major allies in Western Europe and with Japan have undergone severe strain in recent years. To some degree such strain is an understandable consequence of our policies of détente with China and the Soviet Union—for the alliances themselves were born in opposition to these two powers, and détente raises questions about the significance we attach to our older alliance systems in the new era of good fellowship. Nevertheless, the administration can be criticized for failing to consult adequately with our allies, just as it has failed to consult Congress or fully inform the American public. In doing so, it has needlessly aroused their concern and caused irritations which it is now belatedly trying to calm with rhetoric about the "Year of Europe" and about the importance of Japan.

The failure of style in this respect is most sharply illustrated by the first "Nixon shock" applied to Japan in the summer of 1971—the surprise Kissinger visit to China. Whether Dr. Kissinger honestly believed in the diplomatic necessity for springing this surprise, or whether he was merely giving way to a theatrical impulse, the decision to deliberately leave Japan in the dark on new developments in our China policy has had a serious psychological impact on that country. Compounded by later economic shocks and some fairly harsh rhetoric, the United States-Japan relationship has undergone considerable deterioration during Dr. Kissinger's tenure on the White House staff.

More recently, there have been signs of improvement, and I earnestly hope Dr. Kissinger will apply his energy and ability to furthering this momentum. Japan today is an industrial giant—the world's third largest economic power after the United States and the Soviet Union—and this economic power has given her an influence in world affairs which contrasts sharply with the low-key diplomacy which the world has learned to expect from Japan since the early 1950's. Moreover, Japan today may be at a watershed period of her foreign policy—and very much in a position to exercise more than economic power if she chooses to do so. How Japan develops in this regard, within the framework of a United States-Japan partnership which the Japanese deem fundamental to their interests, should, I believe, be one of the overriding concerns of American foreign policy.

Similarly, our Atlantic ties have been unnecessarily disturbed by the administration style. To be sure, serious problems have long existed in that partnership—problems which Dr. Kissinger himself eloquently described in a 1965 book on the subject. But the dialog across the Atlantic has recently become even more difficult, and the time for a major overhaul of the relationship is long overdue. I therefore welcome Dr. Kissinger's initiative in trying to articulate a new set of guiding principles, and although he has a long way to go in turning the rhetorical "Year of Europe" into reality, he is especially qualified to do so.

As in the case of Japan and the China initiative, a significant cause of West European dissatisfaction with the Nixon administration is the considerable suspicion aroused by our policy of detente with the Soviet Union. In the European mind, that policy could result in sacrificing the interests of our allies in the unilateral pursuit of a special relationship with the Soviet Union. The Europeans need to be constantly reassured on this point.

In this connection, it is noteworthy that many doubts have recently been expressed concerning the limits of détente with the Soviet Union. One issue raised repeatedly in Dr. Kissinger's confirmation hearings was Soviet treatment of dissidents. While Dr. Kissinger claimed that—

> We have in the past successfully pointed out to the Soviet leaders the unfortunate impact that some of their policies have on our opinion.

He also stressed that—

> We have to ask ourselves a question: Whether it should be the principal goal of American foreign policy to transform the domestic structure of societies with which we deal?

The Soviet leadership gives every indication that it intends to pursue its policy of improved relations with the

West without yielding to domestic or international pressure for liberal reforms. Whether it be in relation to Nobel Laureate Alexander Solzhenitsyn, or to historian Pyotr Yakir and economist Kiktor Krasin, or to physicist and civil rights advocate Andrei Sakharov, or to the rights of the Jewish minority to emigrate, the Soviet Government seems determined to repress those who do not passively submit to prevailing governmental thinking.

My own view is that progress toward détente must be accompanied by continued pressure on the Soviet Government for greater respect for human rights. The question Dr. Kissinger raises is a difficult one, but it can be answered with a plea that the conceptual basis of our foreign policy—and particularly our policy of détente—come to grips with this issue. In the words of Solzhenitsyn,

> There are no internal affairs left on our crowded earth. And mankind's sole salvation lies in everyone making everything his business—in the people of the East being vitally concerned with what is happening in the West; the people of the West vitally concerned with what goes on in the East.

For a man who has written cogently about the need for conceptual clarity in foreign policy, I am not sure that Dr. Kissinger has thought clearly enough about this dilemma—or about the ultimate goals of détente with the Soviet Union. I hope that this matter will be more fully aired in the great public dialog on foreign policy which we have been promised.

I believe that the committee hearings on Dr. Kissinger's nomination have been a useful exercise—for him, for the committee, and for the country. While the size of the committee and the constraints imposed by time made it difficult to probe deeply, I believe the hearings were a satisfactory first step in a new relationship between Congress and the administration in the area of foreign policy. I have confidence in Dr. Kissinger's ability to fulfill the responsibilities of his position with distinction. I support him, and I wish him well.

Mr. HARRY F. BYRD, JR. Mr. President, I yield 3 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized for 3 minutes.

Mr. JACKSON. Mr. President, as we approach the vote on the confirmation of the nomination of Henry Kissinger to be Secretary of State, I want to make these brief comments.

Over the last few years, in connection with many crises in foreign affairs and many critical international negotiations, I have been in touch with Henry Kissinger. From time to time we have talked over in depth major issues which confront American foreign policy. He has told me how he sees things. I have had an opportunity to frankly state my views. On some matters we have agreed. On others we have disagreed. I have great respect for Dr. Kissinger's intellectual capacity and for his unusual grasp of complex problems. He will bring to the office of Secretary of State great professional expertise, in many ways unique in the history of that office.

Mr. President, Henry Kissinger will be taking on new and enormous responsibilities. In the American system of government, the Secretary of State occupies a very special position. Of the cabinet officials, only the Secretary of State is primarily charged with looking at our Nation as a whole in its relation to the outside world. His perspective, like the President's, is essentially political-strategic. Together with the President, the Secretary of State must try to speak and act for the priority of national policy. As Dean Acheson has said:

> Foreign policy is the whole of national policy looked at from the point of view of the exigencies created by "the vast external realm" beyond our borders. It is not a "jurisdiction." It is an orientation, a point of view, a measurement of values—today, perhaps, the most important one for national survival.

In our system, there is no satisfactory substitute for a strong and sensible Secretary of State who is able and willing to exercise genuine leadership in our major policies toward other nations.

It is my personal conviction that no Secretary can spend most of his time as a special assistant in the White House without clouding his title as Secretary of State. The Secretary is the head of a great department with a history and traditions stretching back over 180 years. In the councils of the President, a Secretary of State ought to be the Secretary of State. That, I believe, is the challenge facing Dr. Kissinger.

One question of importance the new Secretary must immediately face is whether the Department of State—and particularly the Office of the Secretary and the Department's long-range planning function—is staffed and organized to support the Secretary in exercising his responsibility. I anticipate that there will have to be some major changes in the Department and in key personnel to fortify the new Secretary in the discharge of his duties.

I wish him well. He will have my full cooperation.

Mr. HUGHES. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. Mr. President, I yield 5 minutes to the Senator from Iowa.

Mr. HUGHES. Mr. President, I thank the Senator from Arkansas.

I shall vote against confirming this nomination for a number of reasons.

As I have listened to the debate over the last hour, it has become more and more apparent that regardless of the discussion here, everyone's mind is made up before he comes on the floor.

A very interesting part of this debate is the fact that almost everyone who has had an opportunity to speak this morning has addressed himself to points of disagreement with Dr. Kissinger and with his policy in the past as the President's adviser on foreign policy.

The most compelling of the reasons why I shall vote against this nomination is this:

Despite his luminous intellectual powers, his personal drive and dedication, and his extraordinary accomplishments as special assistant to the President, Dr. Kissinger, in my judgment, is guided by a philosophy that is inimical to the long-range cause of world peace and inconsistent with the moral purpose of our Nation.

It is the pragmatism of the power broker who sees force or the threat of force as the only practical way to change the shape of international relations.

From his earliest academic writings to his latest pronouncements, Henry Kissinger has had a chilling, chessboard view of the world. Nations are bloodless pawns to be moved around at will in support of some grand strategy. The very phrase so commonly used now—the "structure of peace"—suggests some kind of mechanistic, balance-of-power approach to international problems.

At the core of this philosophy is the proposition that in the grand design of restructuring the world, the ends justify the means. If we have not yet seen what this concept has done to the moral fabric of our democracy by this time, we will never see it.

I am well aware that there will be only a tiny handful of votes against this nomination. Since there are an abundance of considerations that favor Dr. Kissinger's confirmation, I am not critical of the majority of my colleagues who will support it. I do not question that the President should have "his own man" in this vital post and Dr. Kissinger is clearly that. But the points that cause me to oppose this nomination need to be made, not just as a symbol of protest, but as reminder and a warning that even the most brilliant strategy is destructive and dangerous if it distorts our true national purpose.

Here is the case against Dr. Kissinger, as I see it, some of the facts of record that reflect this power broker, ends-justify-the-means philosophy that make me apprehensive about his being given the vast powers of the Secretary of State:

As de facto Secretary of State, Dr. Kissinger recommended and implemented a policy which prolonged and widened the fighting and suffering in Southeast Asia. Here, as elsewhere, was an obsession with power rather than a compassion for people.

Even as a power broker, Dr. Kissinger has had failures as significant if not as spectacular as his successes. He has alienated our closest allies—in Europe and Asia—by his careless disregard of their interests and concerns while he pursued his secret presummit diplomacy. He has neglected and been insensitive to the problems of the developing world while he pursued big-power deals.

As the President's foreign affairs assistant, Dr. Kissinger cannot escape responsibility for bully boy economic policies that have alienated our good neighbor, Canada, and our fastest growing economic ally, Japan. The heavily subsidized Russian wheat deal may have helped win an election that was in the bag anyway, but it set off the biggest inflationary bomb in this country that has been seen in recent years. What it did to advance détente with the Soviet Union is still problematical, but there is no doubt whatsoever as to what it did to the price of a loaf of bread in this country.

Kissinger's predilection for power broker, secret, summit diplomacy has resulted in his shunning multinational approaches. He has treated the United Nations as some kind of unwelcome dinner guest who is to be humored but not helped, tolerated but not strengthened. My own view is that precisely because there are so many nations with important concerns and vital interests to be taken into account, we need to rely more than ever on those international institutions which can moderate conflicts and serve as a forum for the peaceful settlement of disputes.

In his reliance on the diplomacy of big power clout, Dr. Kissinger has shown no inclination, to my knowledge, to look beyond the facades of dictatorships to see if people are suffering and dying from war, hunger, or brutal repression. Military intervention to protect the right of self-determination of a nation is a hollow shibboleth if the only choice for the people is one repressive dictatorship over another. Most Americans have rejected for their country the role of global policeman or merchant of death. Has Dr. Kissinger? We are interested in helping to feed the hungry of the world; we are concerned with social and economic progress in developing nations. Preoccupation with the machinations of power diverts us from our national purpose.

There is no convincing evidence that Henry Kissinger has empathy for these matters or the humane concern and understanding that any American Secretary of State should have.

The unprecedented concentration of power in the White House coupled with a jealous obsession with secrecy produced many abuses with which no one links Dr. Kissinger. But his acquiescence in the wiretapping of his own, personally chosen aides cannot be explained away. Either his own judgments about his subordinates were faulty or he is basically insensitive toward the individual's right of privacy. The new era at State I am afraid will begin with something less than an atmosphere of complete trust in its leader.

It is worth noting, too, that Dr. Kissinger's exceptional abilities as a lone operator wielding great power may not necessarily translate into the organizational ability to head a vast Department which everybody recognizes to be in a low state of morale, partly because of the preemption of its powers and prestige by Dr. Kissinger himself in recent years.

One of the most serious reasons I am opposing the Kissinger nomination relates to the secret bombing in Cambodia which began only a few days after President Nixon's first inauguration. Since Dr. Kissinger was chief architect of the Nixon foreign policy, it is clear that this secret war was part of his grand design. There has been no convincing indication that the secrecy and deception here involved, so destructive of the constitutional processes, was considered a mistake or would not be repeated at some future time.

I am grateful that the Foreign Relations Committee raised this issue with Dr. Kissinger on my behalf and obtained answers from Dr. Kissinger to specific questions which I had suggested. I can only say that I was disappointed and disillusioned with the answers, which were in part evasive, in part arrogant, and on the whole, completely unsatisfactory.

I wanted to know, for example, why only a few Members of Congress were informed about the secret bombing. While Dr. Kissinger denies that there was any intention to deceive the Congress, he says that the decision to inform only a handful of Members "was a consequence of the deteriorated state of trust and cooperation between the branches and the lack of adequate consultative procedures between Congress and the Executive."

Mr. President, this response gets to the nub of my apprehensions about Dr. Kissinger as our next Secretary of State. Since when was the executive branch endowed with the divine right to suspend constitutional processes on its own judgment that there was a "deteriorated state of trust and cooperation between the branches?" The truth is that Congress, except for a few chosen partisans, was kept in the dark, because it was feared that they would exercise their constitutional prerogative to disagree and to stop a secret and illegal war.

Moreover, one does not have to possess a phenomenal memory to recall that in the early days of this administration, we in the Congress were bending over backward to cooperate with the President who had been elected on the promise to end the war quickly. If the President or his representatives had consulted with appropriate committees of the Congress, even on the most classified basis, there might have been congressional support for his policy of widening the war. I do not know. But at least the constitutional processes—that we presumably fight wars to defend—would have been honored. Instead, what we had was a pernicious undermining of the equality of Members of Congress as well as a flagrant violation of constitutional law.

The Pentagon's own white paper on the Cambodia bombing and other secret operations admits that Congress was informed of a secret budget line item for the cross-border ground operations in Laos and Cambodia. But only a few were told—and the rest deceived—about much larger air operations in these two countries which, in a 16-month period, by the Pentagon's own estimate, cost American taxpayers over $1.5 billion, without the consent of the branch of the Government empowered by the Constitution to appropriate funds.

The attempts to justify this secrecy and deception on the grounds of delicate negotiations is a sham. The Cambodians, the Vietnamese, the Chinese, the Russians all knew what was going on. Only the American people and Congress were kept in the dark. The administration feared the reaction of the American people and it was demonstrated that its fears were justified judging from the angry response in our country when the secret war became public with the invasion of Cambodia in 1970.

When the secret bombing failed to bring peace, we had an open invasion, the only lasting consequence of which was the widening of the war and the extension of the bloodshed to the people of Cambodia.

Even then, the Congress and the American people were not told the truth. Dr. Kissinger now says that the administration did not then disclose the bombing because—

> We did not wish to charge the atmosphere or force North Vietnam into a retaliatory effort which might jeopardize the negotiations.

That is the lamest kind of argument, for we had already "charged the atmosphere" with our ground invasion of Cambodia, just as we later risked upsetting negotiations by supporting a South Vietnamese invasion of Laos and by our own massive bombing of the north and mining of Haiphong. The truth should have taken precedence.

I am now more convinced than ever that the President's secret plan to end the war—and also Dr. Kissinger's, so far as we can tell from the available evidence—was really a plan for secret and expanding war. Within days of taking office, the President and his advisors approved a large ground attack into Laos and set in operation the plans for secret bombing of Cambodia. This was followed up with implicit and explicit warnings to Hanoi about further U.S. actions. Dr. Kissinger admitted in response to my questions that—

> We left no doubt in Hanoi's mind that we would take whatever defensive actions were required if it stonewalled the negotiations and stepped up attacks.

The secret war became a prolonged war and then a public war. Thousands of lives and billions of dollars later, we had a compromise settlement which was probably not much different from what could have been achieved years before.

Dr. Kissinger was not responsible for the war, of course, but he was the architect of the Nixon policy of prolongation and deception. And his hindsight now shows none of the necessary appreciation for how this particular policy weakened our country from within as well as internationally.

If we now learn the wrong lessons from Vietnam, it follows that our foreign policy in the years ahead will be another series of tragic mistakes. On this score, neither Dr. Kissinger's actions nor his statements give us the assurance we seek this will not be allowed to happen.

I do not question that Dr. Henry Kissinger is one of the ablest and most brilliant men who has ever served our Government. I do not question his dedication or his personal honesty.

The prospect of the first foreign born Secretary of State invites my soul rather than distressing it. The Lady of Liberty still welcomes the people of other lands to equal citizenship; this is our heritage and our strength; I would not have it otherwise.

However, apart from personal or partisan feelings, I have the gravest reservations about Dr. Kissinger's philosophy of international relations and his attunement to our national purpose.

If Dr. Kissinger, as Secretary of State, propels this country in the direction of continuing war, military intervention, secrecy, deception, big power politics, then his very assets as an individual become the Nation's liabilities. I am concerned, as I have stated, about his insensitivity to individual liberties and to the general run of human problems, his disregard for an outgoing approach to international economic issues and his apparent contempt for the United Nations.

He has proved his virtuosity, his wit, his charm, but not his compassion for people or his belief in working our international solutions other than big power dominations. Without these ingredients, our foreign policy, in the years ahead, may have the appearance of sophistication and modernity, but in reality it will remain in the prison of the brutal past.

Mr. AIKEN. Mr. President, I yield 5 minutes to the Senator from Kentucky (Mr. Cook).

The PRESIDING OFFICER (Mr. Hathaway). The Senator from Kentucky is recognized for 5 minutes.

Mr. COOK. Mr. President, I rise to support the nomination of Dr. Henry Kissinger.

With my great admiration for the distinguished Senator from Iowa (Mr. Hughes), I would hope, as Dr. Kissinger assumes his responsibilities as Secretary of State, that Dr. Kissinger will read the remarks of the Senator from Iowa with a great deal of interest. But, I would also hope that we stand here today not to judge Dr. Kissinger for all the problems that we in the Senate faced as a result of the altercations by the United States throughout the world in the past. Nor do we say that these were of his making. They were problems of acquisition, when he took over that responsibility and took that role.

I should also like to say, Mr. President, that I hope Dr. Kissinger takes into very serious consideration his dual role, that of Secretary of State and that of his membership on the National Security Council, that we in the Senate who have debated this issue between the Department of State and the National Security Council may find in the future that this debate can cease and that, as a result of his dual role, we will see a transition of the basic decisions which have been made at the Council level transferred to the Department of State; because, in fact, the President of the United States has made the nomination for Secretary of State of one in whom he has great confidence, of one in whom he also has great confidence as a member of the National Security Council.

I would be remiss if I did not also say that if we are in a stage, as the Senator from Iowa says, where the moral issues are at stake, then I should like to remind him that the moral issues are, indeed, at stake but that we have to weigh the moral issues in regard to the position of the other countries in the world with whom we have to deal. I would not, by any stretch of the imagination, disagree with the Senator from Iowa that many of the militaristic attitudes could not be quelled, with one exception, that the two major powers we now face in the world, militarily at least, as to manpower, are a great deal stronger than we are. Therefore, one has to deal in the field of reality along with the field of morality.

Therefore, Mr. President, it gives me a great deal of pleasure to say that I think we have seen the selection of an individual who has, indeed, a tremendous international mind. To the extent that that international mind will function, I would say to my colleagues that, somehow or other, I got a degree of feeling out of the words of the Senator from Iowa that all of these things we faced in the past years of this administration were all of this administration's making, and that, somehow or other, these situations were created and not found to be in existence before.

We all know this not to be true.

For those who, for reasons of their own, are critical of Dr. Kissinger because, "he is not a native-born American," and for those letters that I have received critical of this phenomenon, which is more traditional to the United States of America than to any other nation in the world, I would only say that I discount them out of hand. The reason I do is that every one in this Chamber today can do no better than to trace his own heritage to some foreign nation and not to this Nation.

I am delighted that the Senator from Iowa also made remarks relative to those words on the Statue of Liberty, because those words represent, indeed, the very fabric of this Nation.

I would say to all my colleagues that it was a short time ago in terms of history that the Congress of the United States bestowed on every citizen, and now the Commonwealth of Puerto Rico, one of the most remarkable rights that the people of the world can possess, and that is the right to be known as citizens of the United States.

In conclusion, Mr. President, I would only say that I think Dr. Kissinger brings to the State Department a great expertise, one that this Senator felt was always possessed by Secretary Rogers.

I am delighted that as we look to the future of the State Department, we look to a future in which détente may be a reality ultimately. But I will only say to my colleagues that it is not the State Department that is lulled by the theory of détente; it is often the Congress of the United States that is lulled by the word "détente."

If we have one individual who looks at those very hard, cold facts of reality and the position of the United States in the world of nations, it is Dr. Kissinger, and I am delighted to support his nomination.

The PRESIDING OFFICER. Who yields time?

Mr. AIKEN. I yield 5 minutes to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, it has been my privilege to know Secretary of State-designate Henry Kissinger for many years, long before he became a national and international figure. He is able, with a brilliant mind. I know of no one who has had more experience in the field of foreign policy.

When he was nominated, I said I would vote for him, provided he would agree not to plead executive privilege before the Committee on Foreign Relations as a result of his decision to retain his positions as chairman of many committees of the National Security Council including—and this to me is most important—the two highest committees of national intelligence. Dr. Kissinger pledged the committee he would not take executive privilege except with respect to private conversations with the President, and he would be frank on the subject in question.

I do not agree with, and do not approve some of the policies Dr. Kissinger has implemented, already discussed on the floor, but everybody knows they were not his policies. In his new post, he may be in a better position to object when he feels that what has been considered is wrong. I hope also and believe that, as he considers our planned programs around the world, he will recognize that our increasingly grave economic problems—a sound economy and a sound dollar—are just as important to the security of the United States as the thousands of military installations we currently have all over the world as are the billions upon billions of dollars of additional money now being requested for new weapons.

If Dr. Kissinger wins in this new position, we all win; if he loses, in effect, we all lose. I wish him good luck, and look forward to voting for his confirmation.

The PRESIDING OFFICER. Who yields time?

Mr. HARRY F. BYRD, JR. I yield 4 minutes to the distinguished Senator from Connecticut.

Mr. WEICKER. I thank the distinguished Senator from Virginia.

Mr. President, I will vote against the nomination of Dr. Henry A. Kissinger to be Secretary of State of the United States.

I do so for two reasons—one grounded in fact, the second in principle.

At the outset of the Senate Foreign Relations Committee hearings, the committee demanded the FBI summary of the 17 wiretaps which are more commonly known as the Kissinger taps. That demand was never openly met. A song and dance given by the Federal Bureau of Investigation to two Senators is not a substitute for the tapes, the summaries, William Sullivan and the policymakers appearing before the full committee.

Long before Dr. Kissinger's nomination, I had made a similar demand upon the Federal Bureau of Investigation for information concerning activities of the Bureau that related to improper or excessive intelligence operations directed at American citizens and groups. I requested this information at the suggestion of William Sullivan, formerly of the FBI and supervisor of the Kissinger taps.

Without taking the time of my colleagues, there is no question that the Kissinger taps were only one part of a pattern of improper and excessive use of power by Government.

There is no question that facts which would establish that pattern are being withheld from Senate committee and Senator alike.

This is no generalization but rather a most specific personal observation since starting on June 4, 1973, I have gone from Ruckelshaus to Cox to Ruckelshaus to Kelly to Richardson by phone, letter, and meeting in order to obtain the truth and have been denied that truth in each instance.

Those who hide the truth can say "no" only so long as those who are denied the truth say "yes" at times like this. That is why the "no" vote.

Lastly, the principle that should not be skipped over is the importance of how we achieve our ends in America. I do not want the United States to accept a little law breaking, a little spirit breaking in the name of security or the greater good. The state of our spirit is what truly determines the state of our Union. I am not sure Dr. Kissinger understands this.

I wish to Dr. Kissinger great success in his new venture as Secretary of State. Hopefully, he will understand that my action is not meant to demean his professional ability or a brilliant personality. It is merely giving expression to what I believe to be important in this country.

The PRESIDING OFFICER. Who yields time?

Mr. MANSFIELD. Mr. President, will the Senator yield me 2 minutes?

Mr. AIKEN. I have one request for 2 minutes.

Mr. HARRY F. BYRD, JR. I will be glad to yield 2 minutes to the Senator from Montana or the Senator from Vermont.

Mr. AIKEN. I was going to yield 2 or 3 minutes to the Senator from Tennessee.

Mr. HARRY F. BYRD, JR. Mr. President, I yield the remainder of my time to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I want to talk about a man who seems to have been forgotten in all these proceedings today. I refer to former Secretary of State William Rogers, a dignified, decent, tolerant, understanding individual who did a far better job as Secretary of State than he has ever been given credit for doing.

Secretary Rogers was always forthcoming, despite the allegations which have been raised from time to time. He was always honest and candid with the Committee on Foreign Relations, insofar as the scope of his knowledge was concerned. This man, this good man, did a job which is entitled to the thanks of this body; and I just take this occasion to state my personal feelings about a public servant for a job well done.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. SYMINGTON. I should like to associate myself with the remarks of the able majority leader.

I have known Bill Rogers since many years ago when he was counsel to the Senate Preparedness Subcommittee, chaired by the distinguished former Senator from Michigan, Homer Ferguson.

I knew Mr. Rogers when he was an outstanding Attorney General in the administration of President Eisenhower, and have seen him operate under extraordinary circumstances in the Nixon administration. I wish him well. He is an honorable and able man. He worked under circumstances which made it difficult for him to function.

I am glad the majority leader made these remarks, because Bill Rogers is a great American.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. FULBRIGHT. I would like to associate myself with the Senator's remarks. In the preoccupation with the nominee I overlooked mentioning Secretary Rogers, for whom I have the greatest respect. I have known him for many years. He is a real gentleman and a fine man. I wish him well in his new undertaking. I am very pleased the majority leader made the comments which he did and I associate myself with them.

Mr. AIKEN. Mr. President, I also wish to associate myself with the remarks that have been made concerning former Secretary of State William Rogers by the majority leader and other Senators. As far as I know every member of our committee agrees with the remarks that have been made, particularly by Chairman FULBRIGHT, Senator MANSFIELD, and the Senator from New York (Mr. JAVITS). I also made some remarks concerning him in my opening statement.

Mr. President, I yield 3 minutes to the senior Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. BAKER. Mr. President, I thank the distinguished Senator from Vermont for yielding so that I can add my voice to that of most of our colleagues in support of the nomination of Dr. Henry Kissinger to be Secretary of State.

Before I move on to my accolades for Secretary-designate Dr. Henry Kissinger, let me say just a few words about his predecessor, Secretary Rogers. I knew Bill Rogers long before he came to the State Department. I think he has served with great distinction in his capacity as Secretary of State and I think the country owes him a debt of gratitude for his quiet, but effective service. I don't know of many, if any, individuals in Washington who command the universal respect that Bill Rogers does.

I think Dr. Kissinger will bring distinction to this historic position in government, as well. I think he has shown the agility, intellect, perseverance in the face of adversity, and the innovative spirit to advise and counsel on matters of cataclysmic importance.

At this time in our Nation's history and, indeed, our civilization, when the twin challenges and perils are so great, we have a clear-cut opportunity, as a result of the gifts of science and technology, to either incinerate ourselves in a nuclear holocaust or, view from the edge, the possibility that we may in fact be able to significantly increase peace on earth for all mankind. Nothing is more important than to preserve integrity, security, and viability of American policy vis-a-vis other nations of the world.

I think that Dr. Kissinger brings a special talent to this field. If I could pick a single person at this point in history to best try to define the imponderables of the future, I rather judge that Dr. Henry Kissinger would be at the top of the list.

I commend the President for his nomination, the Senate for its confirmation, and I join colleagues in expressing support for his confirmation.

I thank the Senator for yielding.

Mr. AIKEN. Mr. President, I have no further requests for time now but before we vote I would like to point out what is included in the committee's report. The hearings on this nomination have been more extensive than those held with respect to any other nominee for this post since World War II, or before. Indeed, according to the records available to the committee, they have been more extensive than on any hearing for a nominee to this office since the founding of the Republic.

I commend the chairman for conducting these hearings in such a manner that they are undoubtedly the most complete hearings ever held on the nomination of a person to be Secretary of State.

Mr. FULBRIGHT. Mr. President, I yield myself the remainder of my time.

Mr. President, I thank the distinguished Senator from Vermont for his comments about the hearings. We did the best we could. I regret that it is such a large committee that no member had an opportunity individually to pursue any specific policy as much as he would like. As a whole the committee did cover a great deal of territory.

One other thing before we finish that I think is relevant to this nomination. Dr. Kissinger is going to be approved. For several days running the press has had recurring articles that are very prejudicial, in my opinion, to the new Secretary of State being able to carry out a policy of détente, assuming he wishes that policy to be put in effect, which I think he does.

This morning, one of the columnists insinuated, or used an even stronger word, that members of the staff of the Foreign Relations Committee, and possibly other committees, are being lobbied in an excessive manner by Russian Communists and the Chinese—but primarily by the Russian Embassy. He seems to be saying that the chairman of the Committee on Foreign Relations is acting in some way that must be suspect, because he is meeting, discussing, and associating with the Ambassador from the Soviet Union. I would agree that we meet with those people. That is true. When diplomats from the Soviet Union ask to meet with members of the staff of the committee, I do not object. They meet with representatives of the Russian Embassy and with representatives of other governments, some of them Communist. It is their duty to do so. They usually give me reports, but it is not necessary that they give me verbatim reports. We trust these men. I think they are entitled to trust. Some of the meetings are with members of the committee. As a matter of fact, my committee has been requested by the Executive on many occasions to attend tea parties, which, as a matter of fact, is a great burden, in many cases, because it is time-consuming, and we are very busy on the floor of the Senate. It is difficult for me and my colleagues.

The whole purpose of this type of article, which has been recurring, at the present moment, when we are considering the military authorization bill, is to strengthen the opposition to détente with Russia and, of course, the whole Communist world. That is contrary to the announced purpose of the President and the new Secretary of State. I think this is a most vicious kind of revival of a tactic we used to have, called McCarthyism.

In view of the policy of détente, of a possible reduction in an excessive foreign military establishment and a possible reduction of troops in Europe, I regret this action very much.

In my opening remarks, I stated that we are now approving the nomination of a new Secretary of State. We all wish him well, just as the majority leader said. Our minds are not prejudiced against the policies he stands for—or which I believe and hope he stands for; otherwise we will end with a rival of the cold war that existed in the fifties and was revived after the dismissal of Khrushchev in the early sixties.

I deeply regret that it has been stated that some members of the Foreign Relations Committee staff are engaged in some suspicious intercourse with Communist representatives, and that members of that committee, because they associate with staff members of embassies, or others, are suspect. These activities are well publicized.

It is said that there is some devious lobbying going on to distort the loyalty of our staff to the welfare of our country. I deeply regret this. It disturbs me no end. It could lead us down the same road of the arms race that has already brought us near to bankruptcy at a time when we are seeking to prevent an outbreak of war anywhere in the world.

Mr. AIKEN. Mr. President, I yield 2 minutes to the distinguished Senator from New York.

Mr. JAVITS. Mr. President, I wish to associate myself with some of the educational aspects of what the distinguished chairman of the Committee on Foreign Relations has just stated. We who are members of the Foreign Relations Committee face a strange paradox. People certainly ought to know as much about the foreign policy of the country as do the Secretary of State and the President, but when we take a trip abroad, generally working a minimum of 12 hours a day, with overnight flights each way in order to do so, they say we are on a junket; or when we go and talk with a Prime Minister abroad, that is great news, but when we talk with him here, there is something clandestine about it.

I think this is a serious matter for the education of our people, and that includes the press. It may be all right to castigate someone going on a trip, sure, but not every trip is a junket, and not every foreign committee meeting is a clandestine operation—far from it.

Mr. AIKEN. Mr. President, I yield 5 minutes to the Senator from Pennsylvania (Mr. SCOTT).

Mr. SCOTT of Pennsylvania. Mr. President, of course I support the nomination of Dr. Kissinger to be Secretary of State. Probably no man in the United States is better qualified through experience, through his contacts with world leaders, through his acute sensitivity to the tremendous and serious problems the Government faces in foreign policy, and certainly by reason of his outstanding achievements in all areas of the world where we have been involved, but most particularly in regard to the improving relations with the Soviet Union and the People's Republic of China.

Now I would like to correct some misapprehensions. The first is that there might have been something in the executive session which ran counter to whatever have been done publicly. Dr. Kissinger testified publicly that his role was limited in regard to the wiretapping operation and was limited to furnishing the information on request, as indeed he would be dutybound to do.

I have seen a number of articles going further than hinting—stating that in the committee perhaps it was developed that Dr. Kissinger's role extended beyond this simple administrative response to a request from a superior authority. Now, it did not. It did not, and I think my word is good on that, and I do not care how many leaks occur from how many people.

It did not. That subcommittee, made up of Senator CASE and Senator SPARKMAN, reported, and the committee was satisfied. A careful analysis was made, name by name, of every person involved in the summary, and it did not show any further expansion of the role of Dr. Kissinger.

I do not like to see people derogated by the rumor route, because, God knows, we public officials have to live with that all the time. It goes with the territory. We have to sit here, hunker down, and take it. I have been around 37 years and I have taken a lot of it. It is all right. It is part of the game. But it is not part of the game to imply something went on in an executive session different from what went on in the hearing. It did not.

I notice the newspapers published this morning a full list of the 17 names. I think that is a real disservice to the people involved, because my observation, from what I saw and learned, was that there was very little, indeed, if anything, to the discredit of almost the totality of these people. So to parade the names, just to add another column of print, which could only have come from limited sources, because there were not many people in the executive session, it seems to me is just a disservice.

I do not know how far this kind of thing is going to go, but those 17 people had some right to privacy. They had the right not to have their names revealed, because, as I say, it is almost totally true that they were not involved, whatever the reason for the wiretapping—and I deplore it, and I am glad that the Secretary-designate and the Attorney General have committed themselves to a very rigid policy, and I am for it—but the press ought to exercise some restraint when we are dealing with people's careers and reputations, and the people involved here ought not to suffer any implication from the fact that their names appear, whoever they are.

The fact that the wiretapping occurred, I say, is something that ought to be stopped, and under the assurances from both the Secretary-designate and the Attorney General, it will be stopped, except under the most rigid guidelines.

I do not know what protection we have in executive session if all these things are going to be published in the New York Times later. It is a great tribute to the Times that it has such good sources, but it is not a great tribute to us that, no matter what we talk about, it gets in the paper. It prohibits frank discussion. It violates our legislative privilege. It interferes with the fact that we ought to have some opportunity to discuss freely among ourselves the merits or demerits of the individual cases or individual issues.

I do not know; I have heard nobody speak of invasion of the right of privacy. The Senator from North Carolina has taken the lead in the protection of the right of privacy. I would like to have a good speech from him, because I agree with him when privacy is invaded or when the civil rights of individuals are invaded; but it seems to me that there is a mutual responsibility on our part and on the part of those who report our actions. I hope we can arrive at something rather than try to deal with a rumor which has a thousand eyes and a thousand tongues, which no one can cope with adequately or fairly under our system. Restraint is the only answer.

I yield back my time.

Mr. AIKEN. Mr. President, if there are no further requests for time, I yield back my time.

The PRESIDING OFFICER. All time has been used or yielded back. The question is on the confirmation of the nomination. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. MANSFIELD. Mr. President, how much time is left?

The PRESIDING OFFICER. All of the time has been used or yielded back.

Mr. MANSFIELD. How much time has been yielded back which can be yielded back in this direction?

The PRESIDING OFFICER. Six minutes.

Mr. AIKEN. Mr. President, I yield to the Senator from Wisconsin 3 minutes.

The PRESIDING OFFICER. It would take unanimous consent.

Mr. AIKEN. If I have unanimous consent to do so.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Wisconsin is recognized for 3 minutes.

Mr. NELSON. Mr. President, I intend to vote against the nomination for a narrowly defined specific reason.

My concern on this particular issue at this time is what I feel to be, after reviewing the record, a lack of a clearly delineated position on the part of the nominee on the question of wiretapping and surveillance. I think that anybody who holds any position of any influence at all must make a commitment to the fourth amendment, which is unequivocal in this matter.

The fourth amendment of the Constitution has been violated, off and on, for years by this administration and previous administrations, and it is time to call a halt.

In the testimony it seems clear to me that Mr. Kissinger failed to take a position of unequivocal support for the amendment.

Mr. President, I might add that we have heard all kinds of speeches and talk here about the seriousness of unauthorized bugging and wiretap. However, this institution, the Senate, has not taken any responsibility whatsoever in doing anything about it. There is legislation pending that would bring this matter under congressional oversight. And what we have to do, and what I intend to do, is to keep raising this question of establishing a bipartisan committee of both Houses of the Congress which shall have the responsibility of calling before it, each year every single official in this government who has any authorization under any circumstances to conduct any surveillance, any wiretapping, or any bugging, and putting them under oath and having them bring in the records and notify the committee as to who was surveilled or wiretapped or bugged and under what legal authority.

Every single individual, whether he is in the government or not, has a responsibility to defend the fourth amendment of the Constitution, and the higher the position, the greater the responsibility.

I would hope that Congress, which has been dilly-dallying on this question of bringing this practice under control will quit paying lipservice to the Constitution and pass legislation implementing the provisions of the fourth amendment to the Constitution. It is long overdue.

Mr. President, Henry Kissinger is a man of unique intelligence and talents. There can be no question that he possesses the requisite ability to direct the foreign affairs of this Nation as Secretary of State.

I am not convinced, however, that Dr. Kissinger has shown sufficient sensitivity to the fundamental constitutional liberties which are the hallmarks of our democratic system. I cannot support anyone for high and influential political office who does not have a strong conviction and clearly delineated position on the issue of Government surveillance of American citizens—Government intrusion upon privacy by wire tap, bugs, and personal surveillance threatens the survival of the whole concept of personal privacy which goes to the very heart of freedom itself.

The record is clear that approximately 13 members of Dr. Kissinger's National Security Council staff had their telephones wiretapped in 1969. Those wiretaps were installed without any court authorization. There was no showing to any impartial tribunal that any of those staff members had committed or were about to commit a crime. There was no showing to any impartial tribunal that any of those staff members were in fact leaking sensitive information which could undermine our national security interests.

Dr. Kissinger knew about those wiretaps before they were installed. He provided the FBI with names of the individual staff who had access to certain sensitive information. Dr. Kissinger understood that the named individuals would probably have their telephones wiretapped by the FBI. Nonetheless, Dr. Kissinger did not voice any objection or raise any question about the propriety of such wiretaps.

At his confirmation hearings before the Foreign Relations Committee, Dr. Kissinger was asked several questions about his role in instituting wiretaps on members of his NSC staff and about his present view of such wiretaps. At no point in the hearing record is there any evidence of Dr. Kissinger's disapproval of the wiretaps which were installed in 1969 on the telephones of his staff members. At no point in the hearing record is there any evidence that Dr. Kissinger would disapprove of such wiretaps in the future.

In an exchange with the Senator from Maine, Mr. MUSKIE, Dr. Kissinger did state that, in deciding whether to install wiretaps, a balance must be struck between human liberty and national security, and that—

> The weight should be on the side of human liberty.

But implicit in Dr. Kissinger's statement is a clear willingness to condone again wiretaps installed without court authorization. Indeed, Dr. Kissinger declared flatly that he would not object to such wiretaps if they were approved by the Attorney General.

I am disturbed by Dr. Kissinger's failure to state unequivocally that he opposes, as a matter of principle, wiretaps installed without court authorization.

The fourth amendment to the Constitution states quite simply that:

> The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the persons or things to be seized.

The amendment's provisions apply to all unreasonable searches and seizures. There is no exception for national security cases. Before any search or seizure can be made by the Government, a warrant based on probable cause must be issued. In my view, this applies to all cases. The fourth amendment does not waive the requirement of a warrant based on probable cause for national security cases.

One need not be a lawyer to understand the basic purpose of the fourth amendment. It is designed to protect an individual's privacy against invasions by the Government. Nor must one be a lawyer to understand that this right of privacy is fundamental to our concept of democratic self-government.

In his dissent in the 1928 case of Olmstead against the United States, Justice Louis Brandeis made clear the significance of the citizen's fourth amendment rights:

> The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They recognized the significance of man's spiritual nature, of his feelings and of his intellect. They knew that only a part of the pain, pleasure and satisfaction of life are to be found in material things. They sought to protect Americans in their beliefs, their thoughts, their emotions and their sensations. They conferred, as against the Government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized men. To protect that right, every unjustifiable intrusion by the Government upon the privacy of the individual, whatever the means employed, must be deemed a violation of the Fourth Amendment.

Justice Brandeis' view found expression most recently in the case of the United States against U.S. District Court, decided by the Supreme Court last year. In that case, the Court held that the Government may not install wiretaps in domestic security cases without court authorization. Speaking for a unanimous Court, Justice William Powell stated:

> Fourth Amendment freedoms cannot properly be guaranteed if domestic security surveillances may be conducted solely within the discretion of the executive branch. The Fourth Amendment does not contemplate the executive officers of the Government as neutral and disinterested magistrates. Their duty and responsibility is to enforce the laws, to investigate and to prosecute. . . . The historical judgment, which the Fourth Amendment accepts, is that unreviewed executive discretion may yield too readily to pressures to obtain incriminating evidence and overlook potential invasion of privacy and protected speech.

The Court expressly declined to decide whether court authorizations are likewise required in all cases concerning national security. Nonetheless, the same considerations which underlie the Court's decision in the domestic security case suggest strongly that court authorizations are also required in national security cases .

I discussed the issue of unlawful Government surveillance in a speech on the Senate floor on February 23, 1967. I pointed out then that Government surveillance activities unreviewed by either the Congress or the courts jeopardized the individual freedoms which are the cornerstone of our democratic system.

On April 15, 1971, I introduced the Constitutional Rights and Civil Liberties Protection Act of 1971, a bill to remedy the shameful abuses of Government wiretapping and other surveillance activities.

Most recently, on June 18, 1973, I introduced a bill to establish a Joint Committee on Individual Rights, a bipartisan congressional committee which would provide the critically necessary oversight of Government surveillance activities. The issue of unsupervised Government surveillance is one of fundamental importance to this Nation's well-being. Accordingly, I intend to keep raising the issue on the Senate floor until the Congress passes legislation to control this dangerous monster.

Today the Senate is asked to vote on the nomination of a man for the high position of Secretary of State. He is a man of unimpeachable talents; but he is, unfortunately, a man who has failed to demonstrate the requisite sensitivity to fundamental constitutional liberties.

It is no answer to state that Dr. Kissinger, as Secretary of State, would have no responsibility or authority to install wiretaps and that, therefore, his views on wiretapping are of no consequence. In a government of laws, all those who participate in public affairs must appreciate and adhere to the limitations under which the Government operates. All must share a responsibility to insure that those limitations are not violated. A decision to acquiesce in silence to a dangerous policy because it falls within someone else's jurisdiction is a decision to condone that policy.

This is not an academic debate or a mere question of philosophy. If Dr. Kissinger had not furnished the FBI with names in 1969, or if he had raised some objection to the installation of wiretaps without court authorization, the matter might have been handled with greater concern for human liberty. The same is true of the future.

Every citizen shares the responsibility to defend freedom and individual rights no matter what his station in life, and that burden is all the heavier for those in positions of power and influence.

It should be noted that the Congress itself has shamefully defaulted in its own responsibility by its failure to bring these dangerous activities under careful and regular congressional oversight.

Mr. HOLLINGS. Mr. President, on the occasion of this debate over the confirmation of Dr. Henry Kissinger to be Secretary of State, I would like briefly to state my views.

I am voting to confirm Dr. Kissinger's appointment. I do so with misgivings—presistent misgivings about his demonstrated propensity to mislead Congress, and the Nation, on vital foreign policy issues—and equally persistent misgivings about the wisdom of several Kissinger-inspired initiatives.

The most blatant misleading of the Congress goes back to the invasion—or "incursion" as the administration would have it—of Cambodia in 1970. At the time, I believed that strong military action to wipe out COSVN headquarters across the border from South Vietnam was long overdue. But I also believed that any such military action should in no way constitute a commitment to the Government of Cambodia. We had already made too many commitments in Southeast Asia—commitments that two Presidents—one a Democrat, the other a Republican—were unwilling to see through to their logical conclusion. It should have been plain to anyone with eyes to see that another commitment in Southeast Asia would only make it more difficult for the United States. Any commitment to the leaders of the Cambodian regime would only drag us headlong into another Vietnam.

At the time, Dr. Kissinger and every other administration spokesman assured us that no such commitment was contemplated or implied, and that the purpose of this "surgical incursion" was simply to shorten the war. The months passed and each one saw us further and further bogged down in Cambodia. And by 1972, we were being told by Dr. Kissinger that we must keep our "commitment" to Cambodia. The result, of course, is that we were forced to keep fighting over Cambodia even after the bombings stopped in Vietnam, because the administration—with Dr. Kissinger as the principal architect of its policy—had given a commitment to the leaders of the Lon Nol regime.

It was bad policy. And it was policy made in the same secrecy and seclusion which has characterized this administration every step of the way. Congress was misled, the people were ignored, and we reaped the result of this subversion of the democratic process.

Within the past year, Congress has also been misled on the matter of postwar aid to North Vietnam. In the presence of some 43 Senators at a rare briefing session, Dr. Kissinger assured us time and time again that the administration had given no commitment to the North Vietnamese that any aid would be forthcoming. Yet when the terms of the agreement were made public, it became clear that article 21 implicitly commits the United States to participate in the postwar process of rebuilding North Vietnam. Once more, the policy was wrong on its merits. Any aid channeled into North Vietnam will only be used to build up the military and the economy and allow the North to continue its aggressions against the South. We can no longer afford to aid our friends. How anyone could contemplate aiding our enemies is beyond me.

And not only was the policy wrong on its merits, but again it was lacking in candor. Again the strategy was to deceive rather than to inform. This time, however, the people and their representatives uncovered the facts and now the chances of any American dollars being wasted in North Vietnam are about nil. Had it been up to the administration, we would probably be engaged in a gigantic Marshall Plan for the reconstruction of Southeast Asia by now. We can be thankful that commonsense prevailed.

Even more important to America's long-term prospects is our diplomacy vis-a-vis the Soviet Union. I am one person who has never seen much worth in this new policy of consorting and cavorting with the Communist leaders of Soviet Russia. Whenever we get involved in negotiating with the Russians, we somehow manage to come out on the short end.

As I speak today, Americans all across the land are feeling the backlash of the wheat deal. This administration has always prided itself on its business acumen, but yet when they got with a few Communist traders, they lost everything but their trousers. As a result, the American housewife is being bled white to buy a loaf of bread, while the Soviets turn around and resell our wheat to Italy. A person can buy a loaf of bread in Rome more cheaply than in Columbia, S.C.

Perhaps the most ominous policy in terms of our future security was the disastrous SALT agreement on offensive weaponry signed last year. When that matter came before this body for a vote, I was one of only two Senators to vote against it. Today, the papers are filled with journalists, analysts, and repentant politicians all pointing out how bad the agreement was, and how we must do much better in any future arms agreements. What SALT did was to confirm Soviet missile superiority. Any further agreements along that line and we can forget about keeping America second-to-none in its national defense.

Mr. President, I think by now it is generally conceded that administration policy with regard to the popular struggle which gave birth to Bangladesh was completely counterproductive. Yet Dr. Kissinger and the President believed firmly in tilting toward Pakistan. By so tilting, they drove India further into the waiting arms of the Soviet Union, and further diminished American influence on the subcontinent. Now we are told that the administration tilt was necessary in order to break the ice with Communist China. For my part, Mr. President, I say let us not worry about breaking the ice if we are only going to drown as a result. For my part, I do not see the wisdom of cozying up to the Chinese if we are going to use our broadened contacts to repeat such follies as the wheat deal or the SALT agreement.

In his confirmation hearings, Dr. Kissinger assured us that a new day is dawning, and that future policy initiatives will not be taken in the dark of night or behind closed doors. I hope this is true.

We have a long way to go to restore the mechanism given us by our forefathers for the making and implementation of American foreign policy.

It has always been my belief that unless a nominee for office is obviously unfit—by reason of intelligence or character—that the President should have relatively a free hand in selecting the members of his own team. President Nixon is entitled to the same treatment as his predecessors. He was given an overwhelming victory last November at the polls. And now he must be given the chance to translate that victory into action. That is why I am today voting to confirm Dr. Kissinger's appointment. It is my sincere hope that events of recent months have made us all more cognizant of the need for cooperation and communication in all the councils of Government. I believe that message has been made clear to Dr. Kissinger, and I believe that he possesses the intelligence to see that accommodations are going to be necessary in the future.

Mr. TUNNEY. Mr. President, The Senate is voting today on the nomination of Henry A. Kissinger to be Secretary of State. Mr. Kissinger, as we well know, has been for the past 4 years an extremely active participant in the formulation of American foreign policy. From his position as adviser to the President on National Security, he has been instrumental in a number of foreign policy initiatives of enormous significance. These have included the opening of a dialog with the People's Republic of China, improvement in our relations with the Soviet Union and negotiation of the SALT agreements

Mr. Kissinger has clearly displayed superior intellectual capabilities for the position of Secretary of State. I believe the Nation will benefit by his confirmation in the post which he has been unofficially filling, in part, over the past 4 years. Of great importance to me is the fact that, as Secretary of State, Mr. Kissinger will now be available for questioning by the Congress. This administration has hidden far too much from the American people and from the Congress. Mr. Kissinger has always been one of the administration's most open figures, and I am confident that he will share the development of foreign policy with Congress and not confine the process to the secret war rooms of the White House.

Mr. Kissinger has pledged that as Secretary of State he will not rely on the doctrine of executive privilege, except in extreme cases, and I expect him to adhere to that pledge.

In voting to confirm Mr. Kissinger, I wish to make clear that I do not condone or ratify all of the policies of the past 4 years. There is much which the Nixon administration has done wrong in its foreign policy, and for which Mr. Kissinger shares responsibility: the tragic failure to end the Vietnam war much sooner, the massive use of bombing in Cambodia after the peace agreements were signed, the ill-conceived attempt to tilt our policy toward Pakistan in 1970 and 1971; and the inattention paid to Japan and our European allies in economic matters and grand political maneuvering. I also deplore the extent to which Dr. Kissinger became involved in the deceptions and in the infringements of individual liberties which have become a hallmark of the Nixon years. The secret bombing of Cambodia in 1969 and 1970, and the wiretapping of personnel at the National Security Council, the White House, the Pentagon, and in the press, are serious matters, which have given me and other Senators pause before this vote. But the Foreign Relations Committee has examined the wiretapping situation in length, and concluded that Mr. Kissinger should not be denied confirmation because of it.

Therefore, my vote today to confirm Mr. Kissinger is a vote which recognizes that he is the de facto Secretary of State, that he and the administration have not had a perfect record, but that there is great promise for a continuing realinement of our foreign policy, with a greater role for the Congress in coming years. We must pull away from the role of world policeman, and toward an era of cooperation and friendship with other nations. Mr. Kissinger can help accomplish these goals, and as the President's choice, he is entitled to confirmation.

Mr. BROOKE. Mr. President, the Senate will confirm today, as Secretary of State, a man characterized by many as the best qualified candidate for this position in the past quarter of a century. I concur in this evaluation of Dr. Kissinger. He shall receive my concurrence to his nomination.

The soon-to-be Secretary of State is a man of strong will and conviction. He believes fervently in the policies he and the President have advocated that they hope can bring about a less violence-prone world. Many of us in this body have disagreed with some of these policies, at times intensely disagreed with them. Nevertheless, the Congress and Dr. Kissinger have been able to maintain a mutual respect for the right to differ. This respect will hopefully continue in the months ahead as we continue to debate crucial issues of foreign policy. Certainly differences between Dr. Kissinger and the Congress will continue to occur. However, I believe that when they do exist, debate will be designed by all parties to effect the solution that is best for the interests of the United States. The Congress can ask for nothing more from Dr. Kissinger and vice versa. With the expectation that this will be the case I support the nomination of Dr. Kissinger to be Secretary of State.

Mr. President, I ask unanimous consent that a recent article by C. L. Sulzberger entitled "Kissinger and Callieres" be entered in the Record at this point. It is a cogent summary of the sober nature of Dr. Kissinger's tasks and his unique qualifications to undertake them.

There being no objection, the article was ordered to be printed in the Record, as follows:

KISSINGER AND CALLIERES

(By C. L. Sulzburger)

WASHINGTON.—Henry Kissinger is probably better qualified than any other man to become American Secretary of State and, despite the lamentable political atmosphere in this country, one is justified in hoping this promise will be borne out by success.

Of course Senator Fulbright was right when he remarked during confirmation hearings that Kissinger had in effect already been Secretary of State four years. He certainly ran President Nixon's foreign policy and played a crisper intellectual role and more dynamic diplomatic role than the placid William Rogers.

Even so, it is one thing to be the top White House adviser and another thing to hold the Number One Cabinet position. It is even more impressive when the same man apes John Foster Dulles by holding both jobs at the same time.

Until Dulles actually moved into State he was never certain he wanted to be Secretary because that minister was "too tied up with political maneuvers and party obligations" and it might be "much more fun" to play the part of Harry Hopkins (under Roosevelt) or Colonel House (under Wilson).

He solved that quandary by being two things at once, flying about the world as a kind of proto-Kissinger and carrying in his briefcase the decision-making functions of his department and its appurtenances except for the Great Seal.

There isn't any problem about duality of functions for the newly appointed Secretary since the President has specifically stated that he will not relinquish his special advisory functions at the White House.

Mr. Kissinger brings twin advantages to his new office: he knows more about the theory and practice of foreign policy than any predecessor save perhaps Dulles; and he also happens to be the first Secretary of State in a quarter of a century who wasn't trained as a lawyer.

The last nonlegal mind running State was that of Gen. George C. Marshall. Since his tenure, Dean Acheson and Dulles (two distinguished attorneys) and Christian Herter and Dean Rusk (both of whom have law degrees) served as Secretary, as well as the lawyer, Rogers.

In his remarkable treatise (*de la manière de négocier avec les souverains*) Francois de Callières, private secretary of King Louis XIV, wrote in 1713: "In general, the training of a lawyer breeds habits and dispositions of mind which are not favorable to the practice of diplomacy."

Callières' implication was that an attorney might be more interested in winning a case than in developing a long-range program; that he might be more facile than wise; that he could be more concerned with exploiting flaws in an opponent's argument than in attaining reasonable and enduring solutions; and that he is professionally accustomed to adroitly changing positions.

Surely all of these habits could be attributed to the flamboyant Dulles who was both a brilliant negotiator and a flexible acrobat even though one doesn't need to stress Callières' point artificially by analyzing the careers of other legalbeavers at State.

Not even Kissinger's most biased critics contend he is ignorant in the complex field of foreign affairs and he has even managed under difficult circumstances to maintain tactful personal relationships with legislators now angry with the Executive. Moreover, there is reason for the State Department and the career Foreign Service to take heart from the fact they will now be headed by a tough, intelligent man.

Mr. Kissinger must surely see the need to strengthen our diplomatic representation abroad at every opportunity presented. In this endeavor he is likely to be aided by his former chief lieutenant, Alexander Haig, who has fortunately replaced H. R. Haldeman as Mr. Nixon's right hand in the White House and who is unlikely to measure ambassadorial capacities in terms of G.O.P. political donations, as seemed to be Haldeman's custom.

Here too one may expect Kissinger to take his cue from the admirable Callières, who wrote: "We find that instead of gradual promotion by degrees and by the evidence of proved capacity and experience, as is the case in the usages of war, one may often see men who have never left their own country, who have never applied themselves to the study of public affairs, being of meager intelligence, appointed so to speak overnight to important embassies in countries of which they know neither the interests, the laws, the customs, the language, nor even the geographical situation."

Mr. DOLE. Mr. President, occasionally an individual comes to government service with a set of professional and personal attributes which uniquely enhance his capacity to deal with the challenges and issues facing the Nation.

Henry Kissinger is such a person. Combining the highest academic and intellectual credentials with considerable experience at top levels in government and an abundant warmth and personal charm, he has served as Assistant to the President for National Security Affairs during 4½ years of unparalleled accomplishment for the United States in the international arena.

An end to the Vietnam war, an opening dialog with the People's Republic of China, and broader and more constructive relations with the Soviet Union have marked this period as one of the most constructive in our history and have provided the foundation for the President's continuing efforts to achieve a generation of peace for the entire world.

Dr. Kissinger's energies, resourcefulness, and conscientious dedication to realizing the President's policies have become legend in Washington and throughout the world. At the same time, he has distinguished himself as an open and candid person who has not shrunk from discussing important issues with a great number of individuals of varying persuasions.

As Assistant to the President, Dr. Kissinger was able to perform a variety of duties under circumstances requiring the utmost confidentiality and delicate diplomacy. For example, his secret mission to Peking, which laid the groundwork for the President's successful journey, and his many negotiating sessions with the North Vietnamese in Paris were so sensitive that they could not have been accomplished with any glare of publicity. These efforts, and the accomplishments which followed, however, have opened the door to a different era. This era is one in which the more traditional diplomatic patterns are called for as contact with China becomes more regular, Russian matters begin to fall into a more orderly pattern, and the work begins on involving the entire Nation and our allies in a diplomacy attuned to the political, military and economic realities of the coming years.

And in looking toward this new diplomatic era, President Nixon has determined that Dr. Kissinger should be given the responsibility for organizing and motivating our governmental apparatus and representing the United States as its chief foreign policy spokesman. He has nominated him to be Secretary of State, and I can think of no other person who has come to this office with better qualifications or more promise.

I commend the President for his choice and Dr. Kissinger for his competence and dedication to the Nation's best interests.

I would also like to add a word of praise for Secretary of State William Rogers, who is leaving the Cabinet with a great record of success and with the well-deserved esteem of his colleagues, the Congress and the American people. He has served two Presidents and his country with unswerving devotion and outstanding accomplishments, both as Attorney General and as Secretary of State. Few men have given the country so much, and the respect, affection, and confidence which have come to him are most appropriate and fitting.

Finally, Mr. President, I would observe that Dr. Kissinger's nomination to the most prestigious and oldest of Cabinet positions is marvelous testimony to the promise of America and the extent to which it is constantly being fulfilled. As Dr. Kissinger, himself, observed, in no other country in the world could a person of his history—a refugee immigrant—even aspire to such a position. But here in America it is possible not only for him, but for countless others, to achieve recognition and position on the sole strength of their efforts and capabilities.

The richness of our country is in its people, and Henry Kissinger is only one more reminder to each of us of the extent to which America has been strengthened by being a haven for the tired, the poor, the "huddled masses yearning to breathe free."

Mr. PELL. Mr. President. I am very glad to support the nomination of Dr. Henry Kissinger. I have known and admired him over a period of many years. I really believe that he has done a tremendous job in opening doors in Russia and China and in curtailing the strategic nuclear arms race through his contribution to the SALT negotiations.

As a longtime and strenuous opponent of the war in Indochina and many of the administration's tactics and policies there, such as the bombings, secret warfare in Cambodia and Laos and distortion of public information, I have often not seen eye to eye with Dr. Kissinger. Nevertheless, I have admired the skill, determination, and resourcefulness he demonstrated in the negotiations which helped immeasureably to terminate our military involvement in Indochina. In dealing with Hanoi, Dr. Kissinger was up against probably the world's toughest and most exacerbating negotiators, capable of trying the patience of the best of men of good will.

I have deplored the extent to which the administration has veiled its doubtful actions and usurpation of power behind executive privilege. As National Security Adviser, Dr. Kissinger in the past was limited by the executive branch in this regard. As Secretary of State, he will, of course, be far more accessible to the Congress. That is a welcomed development, especially when combined with Dr. Kissinger's announced intention to pursue an open policy of close consultation and collaboration in his relations with the Congress.

I also believe a man of Dr. Kissinger's initiative and intelligence and intellectual leadership will have a very beneficial effect on our State Department and will restore to the State Department the foreign policy planning that has not been the case since the departure of John Foster Dulles.

Mr. HELMS. Mr. President, not until this day in this session has this Senate had more than scant opportunity to cast a vote in broad assessment of the Nation's foreign policy. We have such a vote today. Normally, in its responsibility to advise and consent, the Senate does not vote on the basis of the past performance of a nominee; it merely projects, as best it can, what Senators believe a nominee will do under new circumstances.

But today we have before us the nomination of a man who has been the principal architect of our existing foreign policy, and who upon confirmation will continue to be such. There is no reason to expect that Kissinger phase II will offer any substantial development inconsistent with Kissinger phase I.

Mr. President, I have earnestly tried to weigh every aspect of this nomination. I have given considerable thought to the dual roles Dr. Kissinger will hereafter play. I have pondered the argument that a President should be allowed to have his own choice of advisers, men whom he trusts and with whom he feels comfortable.

But I have thought also, Mr. President, of my own duty, and my own conscience, in the light of my own convictions. I cannot see my duty as one of merely adding a vote of formal consent to a nomination about which I have considerable doubt.

This is not, Mr. President, a mere formality which we confront today. If it were, I cannot believe that the Founding Fathers would have bothered with the stipulation of advise and consent. In other words, I am persuaded that we are, each of us, obliged to examine this and other nominations as independent men, and vote accordingly.

But even if there were substance to the argument that each President should be allowed to appoint men to his Cabinet without question from the Senate, this particular nomination for this particular Cabinet post would have to be an exception insofar as I am concerned. It is not, in this instance, a matter of giving the nominee the benefit of the doubt. We have seen his performance. Dr. Kissinger has already been performing major functions of the Secretary of State in a role which he now agrees has been "ambiguous."

Let me emphasize, Mr. President, that it is not my purpose to doubt Dr. Kissinger's sincerity. But it is my purpose to suggest that he has been sincerely wrong. I say this in full recognition of the fact that it is not fashionable to dissent from Dr. Kissinger's professor's eye view of the world. As I review the nominee's record, I feel something like the small boy who felt compelled to discuss the emperor's clothes. I keep looking for the successes of Dr. Kissinger's foreign policy, and I cannot find them.

Dr. Kissinger posesses the kind of brilliance which may be blinding in academic circles, but it does not hold up with the folks back home who are accustomed to the practical approach in making their judgments. My people know, for example, that they are paying more for food because of the grain deal last year with the Soviet Union. They know that we sold too much, too cheap, too secretly. They know now that our granaries are nearly empty. They know that the scarcity of wheat and the scarcity of feed grains has driven up the prices in the whole food chain. They know that this triggered the administration's disastrous attempt at price controls, which, in turn drove chickens, beef, and pork off the market.

The Soviets in fact bought 25 percent of our wheat crop. They paid $1.50 a bushel and the price today is $5. The taxpayers will end up paying $400 million to subsidize the big grain middlemen and the Soviets who profited by the deal. Our shipping and railroad freight was seriously disrupted by the magnitude of the transaction. The Chicago futures market went up 75 and 85 percent for wheat and soybeans.

All of this came about because of the intense desire by Dr. Kissinger to make concessions to the Soviet Union. On January 31, 1972, he sent a directive to the Secretaries of State, Commerce, and Agriculture as follows:

> One of the possible areas for increased trade with Russia relates to agriculture products and CCC outlets. Agriculture should take the lead in a new public discussion. If negotiations with the Soviets should take place, the United States team should be headed by a representative of the Secretary of Agriculture.

On February 14 he sent another directive:

> The Department of Agriculture in cooperation with other interested agencies should take the lead in developing for the President's consideration a scenario for handling the issue of grain sales to the U.S.S.R. This should include a recommendation on how the private transactions of the U.S. grain

> sales would be related to Government actions including the U.S. opening a CCC credit line and a Soviet commitment to draw on it. In cooperation with the Department of State, Agriculture should explore with the U.S.S.R. the time and modalities of beginning such negotiations as soon as possible. This should be submitted to the President by no later than 2/28.

The reason for the rush was that the Moscow summit meeting was coming up in April. At the summit meeting, the Soviets made modest commitments to purchase feed grains, but nothing was said about wheat. Negotiations continued until July, when the President announced that the Soviets had agreed to buy a minimum of $750 million in U.S. grain within the next 3 years, with credit made available through the CCC. Meanwhile, the Soviets had already begun to buy wheat in huge quantities through the big grain corporations. It was not until the wheat futures began to go up in the first days of August that the massive Soviet purchases were verified.

I regret the necessity of going into these tedious details. But I feel compelled to demonstrate clearly how all other considerations were sacrificed by Kissinger for the sake of promoting his Soviet policies. The wheat deal policy was a policy of haste and failure. The normal machinery of government was derailed. No studies were made of the economic impact of Soviet purchases, nor were alternative markets studied. We know now that the worldwide scarcities of food are creating demands that cannot be filled, yet the Soviets have in effect cornered the market. Food has become a major element of strategic and diplomatic significance, yet we have been cleaned out by the Communists.

We are talking about a deal that has had major impact upon U.S. life, and it is only one of Dr. Kissinger's agreements. I greatly fear that his other much-lauded agreements will also end up with the Soviets taking us for a ride. The issue is one of competence, and I have concluded that Dr. Kissinger has failed the test.

It is highly significant that Dr. Kissinger's chief aide and adviser on the grain deal was his longtime associate, Helmut Sonnenfeldt. Mr. Sonnenfeldt was nominated a few months ago as Under Secretary of the Treasury. The Finance Committee held hearings on Mr. Sonnenfeldt and found that he did not know such basic facts as the rate of interest the Soviets are paying in the grain deal, nor the discount rate of the United States. They also received information that Mr. Sonnenfeldt was considered a security risk in the Kennedy administration because he had given highly classified documents to a foreign power; he did not receive a clearance until the State Department security officer handling the case was removed from office and a more pliant one substituted. The nomination was sent to the committee on April 10, 1973, and the committee has been in no hurry to act. Since recent press reports say that the nomination may be withdrawn and Mr. Sonnenfeldt renominated for a high post at State, the subject of Dr. Kissinger's personnel choices becomes relevant.

It is worthy of speculation whether we will see a repeat of his action at the National Security Council when he took over there. Of the first 19 senior appointments he made there, 17 were drawn from various policymaking areas of the Kennedy-Johnson administration, giving the National Security Council a rather unusual tone for a Republican administration. Within 4 months, the problem of security leaks became so serious within this group that Dr. Kissinger was obliged to agree to having wiretaps put on their telephones in accordance with the recognized legal procedures of the time. Many of this same group later resigned over the Vietnam issue, and became vociferous critics of the President. Yet Dr. Kissinger has testified that he took only a casual interest in the problem.

The issue, I have said, is one of competence. If the Soviets took us for a ride on the wheat deal, what is going to happen on other trade agreements Dr. Kissinger is pushing so hard? Or what about the agreements that are already in place?

On the Berlin agreement, the Soviets constantly defy the meaning of the terms, and press for illegal advantages.

The Shanghai communique completely upset our relationships with our Asian allies, and caused them domestic upheaval.

The interim agreement on strategic arms limitation froze us into quantitative inferiority, while the Soviets now turn out to be much further advanced qualitatively than was admitted at the time.

The Vietnam agreement has been constantly violated from the moment it has been signed, with the Communists seeking to take over as much territory in South Vietnam as possible.

Dr. Kissinger presses the trade bill, even though we are assured by every responsible voice that such measures cause the Soviets to crack down even harder upon dissidents and those who desire to emigrate.

All of these agreements have one common denominator. They all contain semantic formulas which confirm the Soviet or Communist power positions, while judiciously avoiding mention of our point of view.

The four-power agreement on Berlin confirms Communist hegemony over East Berlin, while avoiding West Berlin's claims to sovereignty under the Bonn Republic. But the four-power agreement paved the way, with Dr. Kissinger's advice and support, for West Germany's own treaties with the East, confirming the Communist territorial gains of World War II, jettisoning the precious right to self-determination and any hope of unifying Germany under a freely elected government.

The Shanghai communique confirmed our "friendship" for the Communists of Peking, while at the same time expressing the hope that the issue of "Taiwan" would be settled by the people of Taiwan. By omission, the Republic of China was not even acknowledged as the rightful government of anywhere, even though Dr. Kissinger later assured the world that we would keep our treaty commitments to "the Republic of China." But the document that rocked Asia left our ally of decades out in the cold.

The interim agreement is hardly a year old, but we are now told by the Secretary of Defense that the Soviets are much further along with their multiple warhead tests than we expected a year ago. We now know that the Soviets have developed a so-called "pop-up" launching system for missiles that makes the silo-size limitations on missile power in the interim agreement worthless. It jeopardizes, indeed, the whole 5-year agreement. And I have been told by those who have access to better information than I have, that evidence is available indicating that the Soviets are cheating on the radar limitations and are preparing for assembly systems that could make the Tallin line defenses into a prohibited ABM system. The interim agreement, like the others, confirmed the Soviets in their gains—the quantitative lead—while leaving them the chance to catch up and surpass us in quality.

Finally, the Vietnam agreement was one which scrupulously avoided the mention of the name of our ally, South Vietnam, but gave operative recognition to the insurgent forces of North Vietnam and the Vietcong. By implication, no assertion of sovereignty was made for our ally. The actual presence of the North Vietnamese forces in the south was not mentioned; yet the reality of their presence has been a determining factor in the continued violations of the agreement by the Communists.

These agreements may be brillant semantic constructions, but they paper over the fact that no meeting of minds is contained in them. The concessions on our side are that we agree to allow the Communists to keep their illegal gains; the concession on their side is that they agree to sign a paper with us confirming their position. The mind of the ordinary American is not prepared to accept a proposition that affirms two contradictory theses. Yet the Communist method of reasoning, steeped in Marxist dialectics, has no difficulty with such a procedure. The mentality of Dr. Kissinger's most important work is alien to our thought, and, as such, is a deception on the American people. The issue again is Dr. Kissinger's competence.

We come, then, to the fundamental discussion: Is détente real, or is it a semantic illusion? It is certainly real in the sense that it is a strategy currently being pursued by the Soviets to advance their aims. But what are their aims? Published intelligence reports from England report that Soviet Party Secretary Brezhnev has been at great pains to explain the basic principles of Soviet policy to the East Europeans. Détente, Brezhnev has been saying, is a tactic designed to build up Soviet strength, militarily and economically. At the end of a 10-year period, the report says, the Soviets expect that their power will have increased to such an extent that they can gain the upper hand over the West.

The enthusiasts of détente argue that such talk is for internal consumption, a way of putting off doubters while Brezhnev normalizes relations with the West, after which it will be too late to object.

That is a neat explanation, but it does not fit the pattern of recent history. While Brezhnev has been talking, he has also been building. In the past decade, the Soviets have surpassed us in the number of missiles. They have rebuilt their navy and become the world's No. 1 naval power. They have increased their concentrations of troops and tanks in central Europe. Now they hope to get our industrial technology and capital investment, just as they got our grain.

I am not opposed to honest agreements and to mutual concessions—when we get something in return. But I profoundly disagree with policies which gives us a paper peace and disguise the real power relationships in the world. I see no logic in the assurances that the Soviet willingness to take us to the cleaners is any sign of real accommodations, or the slightest indication that they have abandoned their intent to build a world based on Marxist-Leninist principles—by force, if necessary, or by subterfuge if that is the easiest way. We can never accommodate with the Communists on basic philosophy or ultimate goals. I believe in bargaining, but not in surrender.

It gives me no pleasure to oppose this nomination. But I cannot in good conscience support it. I am aware that I shall be in the minority, and perhaps in the company of some who will be guided by motivations unlike my own.

I simply feel, Mr. President, that I should take seriously my small role in the advise-and-consent process. This I have done. Therefore I shall vote against the nomination.

The PRESIDING OFFICER. All time has expired. The question is, Will the Senate advise and consent to the nomination of Dr. Henry Kissinger to be Secretary of State? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Michigan (Mr. Hart), the Senator from Massachusetts (Mr. Kennedy), the Senator from Utah (Mr. Moss), the Senator from Illinois (Mr. Stevenson), and the Senator from New Jersey (Mr. Williams) are necessarily absent.

I further announce that, if present and voting, the Senator from New Jersey (Mr. Williams), the Senator from Michigan (Mr. Hart), and the Senator from Illinois (Mr. Stevenson) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Buckley), the Senator from Arizona (Mr. Goldwater), the Senator from Oregon (Mr. Hatfield), the Senator from Nebraska (Mr. Hruska), and the Senator from Ohio (Mr. Saxbe) are necessarily absent.

I further announce that the Senator from Utah (Mr. Bennett) and the Senator from Ohio (Mr. Taft) are absent on official business.

I also announce that the Senator from Oklahoma (Mr. Bellmon) and the Senator from Kansas (Mr. Pearson) are absent because of illness.

I further announce that, if present and voting, the Senator from New York (Mr. Buckley), the Senator from Oregon (Mr. Hatfield), the Senator from Nebraska (Mr. Hruska), and the Senator from Ohio (Mr. Taft) would each vote "yea."

The result was announced—yeas 78, nays 7, as follows:

[No. 403 Ex.]

YEAS—78

Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bible
Biden
Brock
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Gravel
Griffin
Gurney
Hansen
Hartke
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stennis
Stevens
Symington
Talmadge
Thurmond
Tower
Tunney
Young

NAYS—7

Abourezk
Haskell
Helms
Hughes
McGovern
Nelson
Weicker

NOT VOTING—15

Bellmon
Bennett
Bentsen
Buckley
Goldwater
Hart
Hatfield
Hruska
Kennedy
Moss
Pearson
Saxbe
Stevenson
Taft
Williams

So the nomination of Henry Kissinger to be Secretary of State was confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

SATURDAY SESSION

Mr. MANSFIELD. Mr. President, for the information of the Senate and in order to dispel certain rumors, there will be a meeting of the Senate on tomorrow and there will be votes.

ORDER FOR DEFERRAL OF VOTES ON AMENDMENTS TO MILITARY PROCUREMENT BILL

Mr. MANSFIELD. Mr. President, a number of our colleagues will be going to the funeral of Tom Vail. They will be a little late in coming back.

I ask unanimous consent that any votes on the military procurement bill be delayed, if need be, until the hour of 2:30 this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 9256. An act to increase the contribution of the Government to the costs of health benefits for Federal employees, and for other purposes; and

H.R. 9281. An act to amend title 5, United States Code, with respect to the retirement of certain law enforcement and firefighter personnel, and for other purposes.

HOUSE BILLS REFERRED

The following bills were each read twice by their title and referred to the Committee on Post Office and Civil Service:

H.R. 9256. An act to increase the contribution of the Government to the costs of health benefits for Federal employees, and for other purposes; and

H.R. 9281. An act to amend title 5, United States Code, with respect to the retirement of certain law enforcement and firefighter personnel, and for other purposes.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZING ACT OF 1974

The PRESIDING OFFICER (Mr. Hathaway). Under the previous order, the Senate will now proceed with the consideration of the unfinished business (H.R. 9286), which the clerk will state.

The assistant legislative clerk read as follows:

A bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

The PRESIDING OFFICER. The Senate will be in order. The pending question is on agreeing to the amendment No. 490 of the Senator from Iowa (Mr. Hughes), on which there is a time limitation of 2 hours for debate.

CONSIDERATION OF A CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Nevada (Mr. Bible) be recognized at this time to call up the conference report on the Interior Department appropriation bill; that there be a time limitation thereon of 20 minutes, to be equally divided between the Senator from Nevada (Mr. BIBLE) and the Senator from Alaska (Mr. STEVENS), with both of whom I have cleared this request; and that there be a time limitation on any debatable motions or appeals—we do not expect any—in relationship thereto of 10 minutes, to be equally divided, in accordance with the usual form.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1974—CONFERENCE REPORT

Mr. BIBLE. Mr. President, I submit a report of the committee of conference on H.R. 8917, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HATHAWAY). The report will be stated by title.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8917) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1974, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of September 17, 1973, at page 29909.)

Mr. BIBLE. Mr. President, I yield myself such time as I may require under the limitation.

Mr. President, the bill making appropriations for the Department of the Interior and related agencies, as it passed the Senate, provided a total of $2,488,773,700 in new obligational authority and $191,200,000 to liquidate contract authority. This is a grand total of $2,679,973,700 for the Department of the Interior, exclusive of the Bureau of Reclamation and the power marketing activities, and related agencies including the U.S. Forest Service, Indian health and education activities of the Department of Health, Education, and Welfare, the National Foundation on the Arts and Humanities, and the Smithsonian Institution.

The conference committee report provides a total of $2,634,337,200, including $2,443,137,200 in new obligational authority. This is a reduction of $45,636,500 in the Senate allowance and an increase of $173,583,000 in the amount approved by the House. It represents an increase of $65,769,900 over the budget estimates considered by the Committee on Appropriations. This increase consists of a reduction of $7,000,000 in appropriations to liquidate contract authority and an increase of $72,769,900 in new obligational authority. I should also note that the total appropriation agreed to in conference is $228,400,100 under appropriations for fiscal year 1973.

Mr. President, I ask unanimous consent that a tabulation of the fiscal year 1973 appropriation and the budget, House, Senate, and conference committee allowances for fiscal year 1974 be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. ABOUREZK). Without objection, it is so ordered.

(See exhibit 1.)

Mr. BIBLE. Mr. President, I would like to point out briefly the major changes from the Senate bill.

ENERGY

Probably most attention this year has centered on the energy-related portions of this bill. Responding to mounting concern over the Nation's domestic energy resources, the Senate approved additional funding principally for the Bureau of Mines and the Office of Coal Research. I am pleased to report that the bulk of this funding was accepted by the House conferees. The total for the Bureau of Mines, $152,224,000, includes most of the Senate additions and, together with House-approved items, is a net increase of $900,000 over the Senate allowance. A similar situation occurred with respect to the Office of Coal Research, where the conference agreement was a $700,000 reduction in the $95 million approved by the Senate. This is a $32,800,000 increase in the House allowance and a $41,800,000 addition to the budget request for OCR. The conferees will expect the Interior Department to seek the approval of the House and Senate Appropriation Committees on the final allocation of the added funds.

LAND AND WATER CONSERVATION FUND

The conferees also reached a realistic agreement on differences involving the Land and Water Conservation Fund another area of intense interest this year. The total appropriation approved in conference, $76,223,000, is $11 million below the Senate allowance but $21 million above the budget request. The Senate position prevailed, that additional State assistance should be made available to those States which are exhausting prior year allocations without penalizing future grants.

FOREST SERVICE

Another difficult area where the committee was confronted with an inadequate budget request was the U.S. Forest Service. I believe the conference agreement presents the best possible answer to the resource management needs of this agency. The agreed to appropriation, $387,232,300, is $2,366,000 over the Senate allowance and $1,135,000 below the House amount. It is $17,960,000 over the budget estimate. The increase includes an additional $11,137,000 for forest land management, mainly for reforestation, timber stand improvement, and surface mining research.

ARTS AND HUMANITIES

The final figure for the National Foundation on the Arts and Humanities offers a balanced compromise. The total of $118,275,000 is $11,475,000 below the Senate allowance and $11,600,000 above the House amount. It is a reduction of $34,725,000 in the budget estimates but provides $36,761,000 more than the fiscal year 1973 appropriation.

INDIAN PROGRAMS

The total appropriations for Indian programs agreed to in conference provides $67,922,000 more than the budget request. The greater part of this increase is $40 million to continue assistance under the Indian Education Act of 1973. There was no budget estimate or House allowance for this important program. Although the final figure is a $25 million reduction in the Senate allowance, it is more than double the 1973 appropriation. Agreements on appropriations for the Bureau of Indian Affairs and Indian Health Service exceeded both the House and Senate allowances. The $533,364,000 for the BIA is $12,397,000 over the budget and the $234,210,000 for Indian health is a $15,525,000 increase.

Mr. President, this was one of the smoothest running conference committees that it has been my experience to work with in my many years of handling this bill, due principally to the charming good will of the chairman of the House committee, Representative JULIA BUTLER HANSEN of Washington.

Mr. President, I also wish to recognize the good work of the distinguished Senator from Alaska (Mr. STEVENS) who served again this year as the ranking minority member on the subcommittee.

Also, I pay tribute to the staffs on each side who were extremely helpful in working out the bill.

Mr. President, I would hope, as the Department of the Interior and its related agencies proceed with the formulation of the 1975 budget, that they will meet their problems more realistically.

The Forest Service was badly cut back, as was the Bureau of Mines and several other Interior agencies. The Land, Water Conservation Fund was almost totally crippled. These are all areas that require our attention, and I hope that we can get a more realistic budget proposal from the administration as we move into the next fiscal year.

Mr. President, I believe that the conference report presents a good agreement. It meets the Nation's needs in the programs covered by the bill with a minimal increase in what was clearly a severely curtailed budget proposal.

EXHIBIT 1

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1974 (H.R. 8917)

			Allowances			Conference allowance compared with—		
Agency and item	New budget (obligational) authority appropriated, 1973	Budget estimates of new (obligational) authority, 1974	House	Senate	Conference	Budget estimates of new (obligational) authority, 1974	House allowance	Senate allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
TITLE I—DEPARTMENT OF THE INTERIOR								
PUBLIC LAND MANAGEMENT								
Bureau of Land Management								
Management of lands and resources	[1] $96,565,000	$91,347,000	$83,872,000	$83,932,000	$83,932,000	−$7,415,000	+$60,000	
Construction and maintenance	7,965,000	6,300,000	6,300,000	6,300,000	6,300,000			
Public lands development roads and trails (appropriation to liquidate contract authority)	(3,265,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)			
Oregon and California grant lands (indefinite, appropriation of receipts)	17,500,000	17,500,000	17,500,000	17,500,000	17,500,000			
Range improvements (indefinite, appropriation of receipts)	2,714,000	3,376,000	3,376,000	3,376,000	3,376,000			
Recreation development and operation of recreation facilities (indefinite, special fund)		165,000	165,000	165,000	165,000			
Total, Bureau of Land Management	124,744,000	118,688,000	111,213,000	111,273, 00	111,273,000	−7,415,000	+60,000	
Bureau of Indian Affairs								
Education and welfare services	[2] 303,285,000	299,785,000	298,476,000	300,550,000	301,704,000	+1,919,000	+3,228,000	+$1,154,000
Education and welfare services (appropriation to liquidate contract authority)	(271,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)			
Resources management	[1] 86,041,000	85,358,000	86,022,000	86,108,000	86,208,000	+850,000	+186,000	+100,000
Construction	56,078,000	44,000,000	53,343,000	48,287,000	53,703,000	+9,703,000	+360,000	+5,416,000
Road construction (appropriation to liquidate contract authority)	(45,539,000)	(43,000,000)	(43,000,000)	(43,000,000)	(43,000,000)			
Alaska native fund	50,000,000	70,000,000	70,000,000	70,000,000	70,000,000			
Payment to Ute Tribe of Uintah and Ouray Reservation	65,000							
General administrative expenses	6,200,000	5,319,000	5,244,000	5,244,000	5,244,000	−75,000		
Tribal funds (definite)	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000			
Tribal funds (indefinite)	13,530,000	13,505,000	13,505,000	13,505,000	13,505,000			
Total, Bureau of Indian Affairs	518,199,000	520,967,000	529,590,000	526,694,000	533,364,000	+12,397,000	+3,774,000	+6,670,000
Bureau of Outdoor Recreation								
Salaries and expenses	[3] 4,150,000	4,436,000	4,396,000	4,396,000	4,396,000	−40,000		
Land and Water Conservation Fund								
Appropriation of receipts (indefinite)	300,000,000	55,223,000	71,223,000	87,223,000	76,223,000	+21,000,000	+5,000,000	−11,000,000
Territorial Affairs								
Administration of territories	22,375,000	15,000,000	15,000,000	14,500,000	14,500,000	−500,000	−500,000	
Permanent appropriaion (special fund)	(469,000)	(420,000)	(420,000)	(420,000)	(420,000)			
Transferred from othter accounts (special fund)	(470,000)	(645,000)	(645,000)	(645,000)	(645,000)			
Trust Territory of the Pacific Islands	60,000,000	56,600,000		47,776,000	47,776,000	−8,224,000	+47,776,000	
Total, Territorial Affairs	82,375,000	71,000,000	15,000,000	62,276,000	62,276,000	−8,724,000	+47,276,000	
Total, Public Land Management	1,029,468,000	770,314,000	731,422,000	791,862,000	787,532,000	+17,218,000	+56,110,000	−4,330,000
MINERAL RESOURCES								
Geological Survey								
Surveys, investigations, and research	[4] 150,450,000	156,000,000	155,974,000	162,190,000	159,536,000	+3,536,000	+3,562,000	− 2,654,000
Bureau of Mines								
Mines and minerals	[5] 157,465,000	136,824,000	145,424,000	151,324,000	152,224,000	+15,400,000	+6,800,000	+900,000
Office of Coal Research								
Salaries and expenses	43,490,000	52,500,000	61,500,000	95,000,000	94,300,000	+41,800,000	+32,800,000	−700,000
Office of Oil and Gas								
Salaries and expenses	1,558,000	16,145,000	2,585,000	2,585,000	2,585,000	−13,560,000		
Total, Mineral Resources	352,963,000	361,469,000	365,483,000	411,099,000	408,654,000	+47,176,000	+43,162,000	−2,454,000
FISH AND WILDLIFE AND PARKS								
Bureau of Sport Fisheries and Wildlife								
Resource management	[1] 76,639,500	79,004,000	80,137,000	80,377,000	80,437,000	+1,433,000	+300,000	+60,000
Construction and anadromous fish	2,333,000	9,233,000	12,846,500	5,933,000	8,126,500	−1,106,500	−4,720,000	+2,193,500
Migratory bird conservation account (definite, repayable advance)	7,100,000			7,100,000	3,500,000	+3,500,000	+3,500,000	−3,600,000
Total, Bureau of Sport Fisheries and Wildlife	86,072,500	88,237,000	92,983,500	93,410,000	92,063,500	+3,826,500	−920,000	−1,346,500
National Park Service								
Operation of the National Park System	[1] 162,918,000	176,780,000	176,720,000	187,577,000	183,052,000	+6,272,000	+6,332 000	−4,525,000
Planning and construction	[1] 54,146,000	20,000,000	20,000,000	19,744,000	20,000,000			+256,000
Road construction (appropriation to liquidate contract authority)	(5,416,000)	(35,000,000)	(35,000,000)	(35,000,000)	(35,000,000)			
Preservation of historic properties	11,559,000	19,559,000	4,054,000	15,559,000	15,559,000	−4,000,000	+11,505,000	
Planning, development and operation of recreation facilities (indefinite, special fund)		32,925,000	31,531,000	29,145,000	30,378,000	−2,547,000	−1,153,000	+1,233,000
John F. Kennedy Center for the Performing Arts	2,000,000	2,400,000	2,400,000	2,400,000	2,400,000			
Total, National Park Service	230,623,000	251,664,000	234,705,000	254,425,000	251,389,000	−275,000	+16,684,000	−3,036,000
Total, Fish and Wildlife and Parks	316,695,000	339,901,000	327,688,500	347,835,000	343,452,500	+3,551,500	+15,764,000	−4,382,500

Agency and item (1)	New budget (obligational) authority appropriated, 1973 (2)	Budget estimates of new (obligational) authority, 1974 (3)	Allowances			Conference allowance compared with—		
			House (4)	Senate (5)	Conference (6)	Budget estimates of new (obligational) authority, 1974 (7)	House allowance (8)	Senate allowance (9)
Office of Water Resources Research								
Salaries and expenses	[6] $16,344,000	$13,149,000	$13,689,000	$13,689,000	$13,689,000	+$540,000		
Office of Saline Water								
Salaries and expenses	26,871,000	2,527,000		3,727,000	3,627,000	+1,100,000	+$3,627,000	−$100,000
Office of the Solicitor								
Salaries and expenses	7,360,000	7,850,000	7,500,000	7,800,000	7,500,000	−350,000		−300,000
Office of the Secretary								
Salaries and expenses	15,295,100	18,926,000	15,495,000	16,026,000	15,495,000	−3,431,000		−531,000
Departmental operations	4,466,000	5,737,000	5,737,000	5,737,000	5,737,000			
Central energy research and development fund		25,000,000				−25,000,000		
Salaries and expenses (special foreign currency program)	500,000	1,630,000	670,000	1,000,000	670,000	−960,000		−330,000
Total, Office of the Secretary	20,261,100	51,293,000	21,902,000	22,763,000	21,902,000	−29,391,000		−861,000
Total, new budget (obligational) authority, Department of the Interior	1,769,962,600	1,546,503,000	1,467,684,500	1,598,775,000	1,586,347,500	+39,844,500	+118,663,000	−12,427,500
Consisting of—								
Appropriations	1,769,962,600	1,546,503,000	1,467,684,500	1,598,775,000	1,586,347,500	+39,844,500	+118,663,000	−12,427,500
Definite appropriations	(1,436,218,600)	(1,423,809,000)	(1,330,384,500)	(1,447,861,000)	(1,445,200,500)	(+21,391,500)	(+114,816,000)	(−2,660,500)
Indefinite appropriations	(333,744,000)	(122,694,000)	(137,300,000)	(150,914,000)	(141,147,000)	(+18,453,000)	(+3,847,000)	(−9,767,000)
Memoranda—								
Appropriations to liquidate contract authority	(54,491,000)	(83,500,000)	(83,500,000)	(83,500,000)	(83,500,000)			
Total, new budget (obligational) authority and appropriations to liquidate contract authority	(1,824,453,600)	(1,630,003,000)	(1,551,184,500)	(1,682,275,000)	(1,669,847,500)	(+39,844,500)	(+118,663,000)	(−12,427,500)
TITLE II—RELATED AGENCIES								
DEPARTMENT OF AGRICULTURE								
Forest Service								
Forest protention and utilization:								
Forest land management	[1,7] 299,231,000	246,324,000	259,701,000	257,961,000	257,461,000	+11,137,000	−2,440,000	−500,000
Forest research	[1] 62,146,000	57,275,000	59,145,000	59,880,000	60,160,000	+2,885,000	+1,015,000	+280,000
State and private forestry cooperation	[1] 32,837,000	23,760,000	27,760,000	26,760,000	27,760,000	+4,000,000		+1,000,000
Total, forest protention and utilization	394,214,000	327,359,000	346,606,000	344,601,000	345,381,000	+18,022,000	−1,225,000	+780,000
Construction and land acquisition	[1] 48,794,900	25,498,000	26,353,000	24,357,000	26,443,000	+945,000	+90,000	+2,086,000
Youth conservation corps	3,500,000	10,000,000	10,000,000	10,000,000	10,000,000			
Forest roads and trails (appropriation to liquidate contract authority)	(158,840,000)	(87,700,000)	(90,700,000)	(90,700,000)	(90,700,000)	(+3,000,000)		
Acquisition of lands for national forests:								
Special acts (special fund, indefinite)	80,000	94,000	94,000	94,000	94,000			
Acquisition of lands to complete land exchanges		55,300	55,300	55,300	55,300			
Cooperative range improvements (special fund, indefinite)	700,000	700,000	700,000	700,000	700,000			
Assistance to States for tree planting	1,020,000	1,020,000	1,013,000	1,013,000	1,013,000	−7,000		
Construction and operation of recreation facilities (indefinite, special fund)		3,546,000	3,546,000	3,546,000	3,546,000			
Scientific activities overseas (special foreign currency program)		1,000,000		500,000		−1,000,000		−500,000
Total, new budget (obligational) authority, Forest Service	448,308,900	369,272,300	388,367,300	384,866,300	387,232,300	+17,960,000	−1,135,000	+2,366,000
COMMISSION OF FINE ARTS								
Salaries and expenses	135,000	144,000	143,000	143,000	143,000	1,000		
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE								
Health Services and Mental Health Administration								
Indian health services	[8] 172,748,000	176,968,000	184,118,000	182,803,000	184,283,000	+7,315,000	+$165,000	+$1,480,000
Indian health facilities	44,549,000	41,717,000	46,027,000	50,107,000	49,927,000	+8,210,000	+3,900,000	−180,000
Total, Health Services and Mental Health Administration	217,297,000	218,685,000	230,145,000	232,910,000	234,210,000	+15,525,000	+4,065,000	+1,300,000
Office of Education								
Indian education	18,000,000			65,000,000	40,000,000	+40,000,000	+40,000,000	−25,000,000
INDIAN CLAIMS COMMISSION								
Salaries and expenses	1,075,000	1,086,000	1,086,000	1,086,000	1,086,000			
NATIONAL CAPITAL PLANNING COMMISSION								
Salaries and expenses	1,425,000	1,462,000	1,459,000	1,459,000	1,459,000	−3,000		

Footnotes at end of table.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1974 (H.R. 8917)—Continued

			Allowances			Conference allowance compared with—		
Agency and item	New budget (obligational) authority appropriated, 1973	Budget estimates of new (obligational) authority, 1974	House	Senate	Conference	Budget estimates of new (obligational) authority, 1974	House allowance	Senate allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
TITLE II—RELATED AGENCIES—Continued								
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES								
SALARIES AND EXPENSES								
Endowment for the arts	$34, 700, 000	$65, 000, 000	$49, 675, 000	$58, 250, 000	$54, 275, 000	−$10, 725, 000	$+4, 600, 000	−$3, 975, 000
Endowment for the humanities	34, 500, 000	65, 000, 000	42, 500, 000	50, 000, 000	44, 500, 000	−20, 500, 000	+2, 000, 000	−5, 500, 000
Administrative expenses	5, 314, 000	8, 000, 000	6, 500, 000	6, 500, 000	6, 500, 000	−1, 500, 000		
Subtotal, salaries and expenses	74, 514, 000	138, 000, 000	98, 675, 000	114, 750, 000	105, 275, 000	−32, 725, 000	+6, 600, 000	−9, 475, 000
MATCHING GRANTS								
Endowment for the arts (indefinite)	3, 500, 000	7, 500, 000	4, 000, 000	7, 500, 000	6, 500, 000	−1, 000, 000	+2, 500, 000	−1, 000, 000
Endowment for the humanities (indefinite)	3, 500, 000	7, 500, 000	4, 000, 000	7, 500, 000	6, 500, 000	−1, 000, 000	+2, 500, 000	−1, 000, 000
Subtotal, matching grants	7, 000, 000	15, 000, 000	8, 000, 000	15, 000, 000	13, 000, 000	−2, 000, 000	+5, 000, 000	−2, 000, 000
Total, National Foundation on the Arts and the Humanities	81, 514, 000	153, 000, 000	106, 675, 000	129, 750, 000	118, 275, 000	−34, 725, 000	+11, 600, 000	−11, 475, 000
SMITHSONIAN INSTITUTION								
Salaries and expenses	51, 633, 000	56, 438, 000	55, 438, 000	55, 438, 000	55, 438, 000	−1, 000, 000		
Museum programs and related research (special foreign currency program)	3, 600, 000	9, 000, 000	4, 500, 000	4, 500, 000	4, 500, 000	−4, 500, 000		
Science information exchange	1, 000, 000	1, 665, 000	1, 650, 000	1, 650, 000	1, 650, 000	−15, 000		
Construction and improvements, National Zoological Park	675, 000	3, 850, 000	3, 650, 000	3, 850, 000	3, 790, 000	−60, 000	+140, 000	−60, 000
Restoration and renovation of buildings	5, 014, 000	1, 220, 000	1, 070, 000	1, 070, 000	1, 070, 000	−150, 000		
Construction	13, 000, 000							
Construction (contract authority)	27, 000, 000							
Construction (appropriation to liquidate contract authority)		(27, 000, 000)	(17, 000, 000)	(17, 000, 000)	(17, 000, 000)	(−10, 000, 000)		
Salaries and expenses, National Gallery of Art	5, 420, 000	5, 832, 000	5, 832, 000	5, 832, 000	5, 832, 000			
Salaries and expenses, Woodrow Wilson International Center for Scholars	800, 000	800, 000	800, 000	800, 000	800, 000			
Operation and maintenance, John F. Kennedy Center for the Performing Arts	[9] 1, 500, 000							
Total, Smithsonian Institution	110, 142, 000	78, 805, 000	72, 940, 000	73, 140, 000	73, 080, 000	−5, 725, 000	+140, 000	−60, 000
HISTORICAL AND MEMORIAL COMMISSIONS								
Franklin Delano Roosevelt Memorial Commission	38, 000							
American Revolution Bicentennial Commission Salaries and Expenses	[10] (6, 224, 000)	[10] (7, 100, 000)				[10] (−7, 100, 000)		
NATIONAL COUNCIL ON INDIAN OPPORTUNITY								
Salaries and expenses	290, 000	300, 000	100, 000	300, 000	200, 000	−100, 000	+100, 000	−100, 000
FEDERAL METAL AND NONMETALLIC MINE SAFETY BOARD OF REVIEW								
Salaries and expenses	160, 000	160, 000	60, 000	150, 000	60, 000	−100, 000		−90, 000
JOINT FEDERAL-STATE LAND USE PLANNING COMMISSION FOR ALASKA								
Salaries and expenses	708, 800	750, 000	694, 400	694, 400	694, 400	−55, 600		
PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION								
Salaries and expenses	[1] 350, 000	200, 000	200, 000	500, 000	350, 000	+150, 000	+150, 000	−150, 000
Total, new budget (obligational) authority, related agencies	879, 443, 700	823, 864, 300	801, 869, 700	889, 998, 700	856, 789, 700	+32, 925, 400	+54, 920, 000	−33, 209, 000
Consisting of—								
Appropriations	852, 443, 700	823, 864, 300	801, 869, 700	889, 998, 700	856, 789, 700	+32, 925, 400	+54, 920, 000	−33, 209, 000
Definite appropriations	844, 663, 700	894, 524, 300	(789, 529, 700)	(870, 658, 700)	(839, 449, 700)	(+34, 925, 400)	(+49, 920, 000)	(−31, 209, 000)
Indefinite appropriations	(7, 780, 000)	(19, 340, 000)	(12, 340, 000)	(19, 340, 000)	(17, 340, 000)	(−2, 000, 000)	(+5, 000, 000)	(−2, 000, 000)
Contract authority	27, 000, 000							
Memoranda—								
Appropriations to liquidate contract authority	(158, 840, 000)	(114, 700, 000)	(107, 700, 000)	(107, 700, 000)	(107, 700, 000)	(−7, 000, 000)		
Total, new budget (obligational authority and appropriations to liquidate contract authority	(1, 038, 283, 700)	(938, 564, 300)	(909, 569, 700)	(997, 698, 700)	(964, 489, 700)	(+25, 925, 400)	(+54, 920, 000)	(−33, 209, 000)
RECAPITULATION								
Grand total, new budget (obligational) authority, all titles	2, 649, 406, 300	2, 370, 367, 300	2, 269, 554, 200	2, 488, 773, 700	2, 443, 137, 200	+72, 769, 900	+173, 583, 000	−45, 636, 500
Consisting of—								
Appropriations	2, 622, 406, 300	2, 370, 367, 300	2, 269, 554, 200	2, 488, 773, 700	2, 443, 137, 200	+72, 769, 900	+173, 583, 000	−45, 636, 500
Definite appropriations	(2, 280, 882, 300)	(2, 228, 833, 300)	(2, 119, 914, 200)	(2, 318, 519, 700)	(2, 284, 650, 200)	(+56, 316, 900)	(+164, 736, 000)	(−33, 869, 500)
Indefinite appropriations	(341, 524, 000)	(142, 034, 000)	(149, 640, 000)	(170, 254, 000)	(158, 487, 000)	(+16, 453, 000)	(+8, 847, 000)	(−11, 767, 000)
Contract authority	27, 000, 000							
Memoranda—								
Appropriations to liquidate contract authority	(213, 331, 000)	(198, 260, 000)	(191, 200, 000)	(191, 200, 000)	(191, 200, 000)	(−7, 000, 000)		
Grand total, new budget (obligational) authority and appropriations to liquidate contract authority	(2, 862, 737, 300)	(2, 568, 567, 300)	(2, 460, 754, 200)	(2, 679, 973, 700)	(2, 634, 337, 200)	(+65, 769, 900)	(+173, 583, 000)	(−45, 636, 500)

[1] Includes the following amounts contained in the 2d Supplemental bill fiscal year 1973:

Bureau of Land Management, "Management of lands and resources"	$18,500,000
Bureau of Indian Affairs, "Resources management"	2,900,000
Bureau of Sport Fisheries and Wildlife, "Resource management"	900,000
National Park Service:	
Operation of the National Park System	4,040,000
Planning and construction	3,100,000
Forest Service:	
Forest land management	43,627,000
Forest research	1,003,000
State and private forestry cooperation	77,000
Construction and land acquisition	213,000
Pennsylvania Avenue Development Corporation, "Salaries and expenses"	350,000
Total	74,710,000

[2] In addition $2,040,000 transferred from "Salaries and expenses," Office of Water Resources Research and $286,000 from "Surveys, investigations, and research," Geological Survey pursuant to the 2d Supplemental bill fiscal year 1973.

[3] In addition $72,000 transferred from "Surveys, investigations, and research," Geological Survey pursuant to the 2d Supplemental bill fiscal year 1973.

[4] Includes $1,064,000 transferred to other Interior Agencies pursuant the 2d Supplemental bill fiscal year 1973.

[5] In addition $706,000 transferred from "Surveys, investigations, and research," Geological Survey pursuant to the 2d Supplemental bill fiscal year 1973.

[6] Includes $2,040,000 transferred to "Education and welfare services," Bureau of Indian Affairs pursuant to the 2d Supplemental bill fiscal year 1973.

[7] In addition $3,179,000 transferred from "Forest Research" and $5,000,000 from "State and private forestry cooperation" pursuant to the 2d Supplemental bill fiscal year 1973.

[8] In addition $2,734,000 transferred from "Special benefits for disabled coal miners," pursuant to the 2d Supplemental bill fiscal year 1973.

[9] Appropriated in fiscal year 1973 for obligations incurred in fiscal year 1972. Fiscal year 1973 funding is included in the National Park Service Appropriation.

[10] Figures not included in totals since fiscal year 1974 budget request was not considered by either the House or the Senate.

Mr. BIBLE. Mr. President, I move that the conference report be agreed to.

Mr. STEVENS. Mr. President, I yield myself such time as I may require under the limitation.

I wish to commend my good friend, the distinguished chairman of the subcommittee, Mr. BIBLE, for the excellent job he did on this bill and throughout the conference.

As he has mentioned, it was a smooth-running conference. I think we can all agree, our chairman has been very fair to the Members of this body. Certainly, the rapport he has with the chairman of the subcommittee on the House side is primarily responsible for the fact that we have a conference report here today to which I know of no objection from any Member of the Senate.

I wish to mention two items. One is the expression of the conferees on page 11 of the report in which we state:

> The managers are deeply disturbed over the arbitrary manner in which the Agriculture Department and OMB have impounded all Congressional additions to the Forest Service budget. They direct that this practice of rejecting congressional priorities without regard to merit or need be discontinued immediately.

I hope the Department and the Office of Management and Budget will take heed of that, because in the past year, all the congressional add-ons were completely disregarded and were frozen, without regard to their merits. I cannot believe that the administration, particularly the Forest Service, should treat congressional priorities in the arbitrary manner they did in fiscal year 1973, a sharp departure from the way in which they have been treated in the past. If it happens again, I am quite hopeful that we will carry out the procedure that was discussed and have the person who is responsible for the decision appear before our committee forthwith.

I wish to comment on one other matter, and that is that it was the Senate's intention that there be an additional advance from the Alaska Native Fund for the regional corporations that were formed under the Alaska Native Land Claims Act. This matter had not been presented to the House committee, and for that reason, the conference report makes available an additional $1 million to be advanced, by the discretion of the Secretary of the Interior, to those corporations, based upon their immediate needs. It is our intention to present the request for an additional advance to the House committee at the time of the consideration of the first supplemental that comes before Congress.

The funding for the Department of the Interior and related agencies as reported by the committee on conference is some $72 million over the budget. This increase over the budget is largely due to increased funding we provided for two high priority programs.

First, we added $40 million to continue the programs of the Indian Education Act initiated in fiscal year 1973. These funds will be used to meet the needs of Indian students who are attending the country's elementary and secondary schools. Some of the funds will be used for adult Indian education. We did not have a budget request for this program but it was felt by both the Senate committee and the conference that this important program should be funded again this year.

The other large increase that caused us to be over the budget is the amount we have provided for coal research. The conference has agreed to provide an additional $41.8 million over the budget for the Office of Coal Research. I believe that the justification for this increase is obvious inasmuch as we all know of the problems we are having with energy shortages. I would like to inform my colleagues that the requests for additional funds in this area were much higher than the amount we provided. However, with the very able assistance of the junior Senator from West Virginia (Mr. ROBERT C. BYRD) and others, we were able to obtain agreement in conference on this item.

Mr. President, again I commend our chairman and thank the staff for their excellent work on this bill.

The able chairman of the subcommittee has already done a fine job of explaining the report, so I do not think it is necessary that I go into any further detail. I support the conference report and I urge the support of it by my colleagues.

Mr. BIBLE. Mr. President, I move that the conference report be agreed to.

The PRESIDING OFFICER. Is all time yielded back?

Mr. BIBLE. I yield back the remainder of my time.

Mr. STEVENS. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will report the amendments in disagreement.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 4 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert "$303,204,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 6 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert "$86,208,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 7 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert "$53,703,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 15 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert "$152,224,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 17 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert "$80,437,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 29 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert "$257,461,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 30 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: "$60,160,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 32 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert "$26,443,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 36 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert "$184,283,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 39 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert "$105,275,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 40 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert "$46,025,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 41 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert "$44,500,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 42 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert "$13,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 48 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

": *Provided,* That this limitation shall not apply to specific quantities of grades and species of timber which said Secretaries determine are surplus to domestic lumber and plywood manufacturing needs".

Mr. BIBLE. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 4, 6, 7, 15, 17, 29, 30, 32, 36, 39, 40, 41, 42, and 48.

The motion was agreed to.

INTRODUCTION OF A BILL AND VACATING OF A MOTION TO RECONSIDER

(The remarks Senator Magnuson made at this point on the introduction of S. 2466 and the ensuing discussion on the order to vacate his motion of September 19, to reconsider the vote by which the Senate passed S. 2410, the Medical Services Act, are printed in the Record under Statements on Introduced Bills and Joint Resolutions.)

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

REPORT ON ADMINISTRATION OF NATIONAL SICKLE CELL ANEMIA CONTROL ACT—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. Abourezk) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

I am pleased to send to the Congress the First Annual Report on the Administration of the National Sickle Cell Anemia Control Act in accordance with the requirements of Section 1106 of the Public Health Service Act, as amended. The Annual Report describes the ongoing research and service activities established to carry out the provisions of the act.

Research efforts to investigate the mechanism and subsequent complications of the abnormal sickling process in sickle cell anemia have been significantly increased over the past year under the National Institutes of Health. Clinical trials utilizing antisickling agents are underway to alter the sickling process and thus aid individuals who suffer from sickle cell anemia. Demonstration service activities designed to improve public awareness, education, detection and counseling concerning sickle cell disease have been initiated by the Health Services Administration.

These efforts are directed towards one genetic blood disorder—sickle cell disease, but the research and service results will also be relevant to a broader spectrum of genetic blood disorders. The fight against sickle cell anemia continues to be a high priority for our Government and I am pleased to commend this report to the attention of the Congress.

Richard Nixon.

The White House, *September 21, 1973.*

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer (Mr. Abourezk) laid before the Senate a message from the President of the United States submitting the nomination of James H. Quello, of Michigan, to be a member of the Federal Communications Commission, which was referred to the Committee on Commerce.

TO GIVE AND TO TAKE AWAY—PART 2

Mr. JAVITS. Mr. President, on June 29th, as the Senate was engaged in the 11th hour consideration of the continuing resolution to provide funds for Federal programs for the new fiscal year beginning July 1st, I spoke with reference to the so-called hold-harmless provision contained in that bill, now Public Law 93–52, and also contained in the House-passed fiscal year 1974 appropriations bill, H.R. 8877. That proviso stipulates that no State will receive less under title I-A of the Elementary and Secondary Education Act—ESEA—than it received during fiscal year 1972.

At that time I pointed out that, as confirmed by the U.S. Office of Education, the provision would not prevent local school districts disadvantaged by the 1970 census from a precipitous loss of grant funds, as the House sponsors had argued, and would, as a matter of fact, result in a windfall for a limited number of school districts in 21 States at the expense of all school districts in 29 States.

I pointed out that if we wished to cushion local school districts against a precipitous loss in title I funds because of changes brought about by use of the 1970 census instead of the outdated 1960 census—and I, for one, would want to do that—the hold-harmless provision should be modified to apply to the local educational agencies—computed by counties—at 80 percent of the 1973 level.

There was no opportunity at the time of my June 29th remarks to modify the hold-harmless clause in the continuing resolution as it was necessary to adopt the funding measure before the 1973 fiscal year expired the next day on June 30th. However, the Congress will have an opportunity to restore equity to title I funding in the Labor-HEW appropriation bill presently pending in committee and in the next continuing resolution which must be enacted before the end of this month.

Since I last spoke on this subject, a number of questions have arisen concerning the equity of the hold-harmless proviso, even from those who previously advocated its inclusion in the appropriations language.

First, it is becoming increasingly apparent that the design of the hold harmless provision is contrary to the very intent of its designers. As it is now being applied to the first quarter allocations of fiscal year 1974 it is obvious that although it is holding some States at their fiscal year 1972 levels, it is not in fact accomplishing its purpose of preventing dislocations of local budgetary processes—even in the beneficiary States. The reason is that the ESEA statute obliges the Office of Education to allocate title I funds at the county level. Thus, in determining a county's share, a loss in eligible students under the 1970 census automatically renders a loss in title I funds for that county. Even though a State as a whole may be receiving the same amount it received in fiscal year 1972, there may still be counties within the State receiving less than received in fiscal year 1972—or in fiscal year 1973. Thus, some counties in beneficiary States get richer, others in the same State stay just as poor, and counties in nongaining States lose even more than they would without the proviso.

Second, the 100-percent-hold-harmless provision creates inequitable variations in the amount of funds allocated to different parts of the country. For example, South Carolina would receive $438 per title I pupil—against $211 if there were no 100-percent-hold-harmless provision—while five other States—California, Colorado, Indiana, Ohio, and Utah—would be receiving only $170 per title I pupil—each would get between $208 and $210 in the absence of the 100 percent hold harmless. Can we realistically expect that these five States can accomplish the same goals at $170 per title I pupil as South Carolina can accomplish with several times as much at $438, especially when one considers the higher costs in California, Colorado, Indiana, Ohio, and Utah?

Equally inequitable is the pupil-teacher ratio. If one divides the State average teacher's salary into the money available to local educational agencies and then divides the result into the count of title I children, it will be shown that the number of teachers per 100 title I children ranges from a high of 6.3 in Mississippi to a low of 1.4 in California. While I do not argue that every State's ratio should be identical, I do contend that a spread of 4½ to 1 shows that correction is needed.

Also, with the 100 percent 1972 level State hold harmless provision some States receive almost 90 percent of their State average per pupil expenditure, while 14 States are receiving less than 20 percent of their State average per pupil expenditure. Furthermore, the State receiving the highest percentage of its average per pupil expenditure receives over 25 percent of its revenue for public elementary and secondary education from Federal funds. At the same time, some of those States receiving the lowest percentage of their average per pupil expenditure receive about 3 percent of their revenue for public elementary and secondary education from Federal funds.

There are those who contend that the present title I formula is inadequate to national or local needs and that other provisions of ESEA, including title I, should be changed. Many of these arguments have a firm foundation. That is why the Subcommittee on Education has been conducting—and continues to conduct—hearings on the Elementary and Secondary Education Act. The way to change title I and other elements of ESEA is through the deliberative process in committee and on the floor in the authorizing legislation and not appreciably to alter the program through hastily debated "hold harmless" and "grandfather" provisos in the appropriation bill.

In fiscal year 1966, the first year of its operation, Congress appropriated $959 million for title I. We are now considering an appropriation of nearly twice that amount, $1.81 billion. Title I has enjoyed this congressional support because, notwithstanding its shortcomings, it has done a credible job in educating the disadvantaged in all parts of the Nation, communities in one State enjoying its benefits with reasonable equity with other communities in other States. I hope that this broad base of support will not be endangered by uniquely devised provisos in appropriation measures which alter the direction of the flow of funds from that contemplated in the authorizing legislation. Changes should be made—few argue to the contrary—but such changes should be reasonable and made with care and deliberation. The 100 percent hold harmless is discriminatory and unreasonable.

I ask unanimous consent that there be included at this point in my remarks a table illustrating points which I have made:

There being no objection, the table was ordered to be printed in the RECORD, as follows:

ESEA TITLE I, FISCAL YEAR 1974—ANALYSIS BASED ON $1,810,000,000 APPROPRIATION AND 100 PERCENT STATE HOLD HARMLESS PROVISION AT 1972 LEVEL AS CONTAINED IN HOUSE-PASSED FISCAL YEAR 1974 LABOR-HEW APPROPRIATION BILL (H.R. 8877) AND CONTINUING RESOLUTION (PUBLIC LAW 93–52)

State	State average per pupil grant	State average per pupil grant as percent of State average per pupil expenditure	Number of teachers per 1,000 title I children
Alabama	$402.72	76.07	5.1
Alaska	290.35	19.99	1.9
Arizona	185.48	24.86	2.0
Arkansas	427.01	82,33	6.2
California	170.58	19.94	1.4
Colorado	170.42	20,97	1.8
Connecticut	200.19	19.83	1.9
Delaware	199.77	20.05	2.0
Florida	175.44	22.45	2.1
Georgia	279.68	43.38	3.4
Hawaii	195.95	19.92	1.7
Idaho	188.84	30.95	2.5
Illinois	$196.94	19.84	1.8
Indiana	170.84	21.81	1.7
Iowa	284.97	32.95	2.9
Kansas	220.90	28.06	2.6
Kentucky	353.57	61.83	4.5
Louisiana	253.04	35.32	2.8
Maine	175.96	24.80	2.0
Maryland	195.47	19.83	1.8
Massachusetts	177.36	19.83	1.8
Michigan	192.75	19.83	1.6
Minnesota	257.28	25.58	2.4
Mississippi	420.34	89.51	6.3
Missouri	253.76	35.14	2.8
Montana	208.43	26.00	2.3
Nebraska	229.92	28.48	2.6
Nevada	176.97	22.45	1.7
New Hampshire	173.27	22.48	1.9
New Jersey	225.17	19.83	2.1
New Mexico	222.96	32.36	2.1
New York	295.12	19.84	2.3
North Carolina	390.50	63.84	4.7
North Dakota	267.14	38.98	4.0
Ohio	170.51	22.35	2.0
Oklahoma	254.99	40.88	3.3
Oregon	189.59	19.81	1.9
Pennsylvania	183.75	20.20	1.9
Rhode Island	188.96	19.85	1.9
South Carolina	438.59	76.80	5.7
South Dakota	328.20	45.64	4.2
Tennessee	427.22	77.28	5.2
Texas	250.04	37.44	2.9
Utah	170.99	25.74	1.9
Vermont	190.39	23.88	2.3
Virginia	270.71	36.65	2.9
Washington	177.20	19.82	1.6
West Virginia	389.77	60.51	4.6
Wisconsin	188.47	19.83	2.1
Wyoming	212.40	24.08	2.4
District of Columbia	221.55	19.84	1.9

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active-duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Mr. HUGHES addressed the Chair.

The PRESIDING OFFICER. The Senator will suspend so that we can get order in the Senate. The Chair would ask that Senators who are conversing cease their conversation or remove themselves from the Chamber. The Chair cannot hear the Senator from Iowa who ordinarily has a loud voice. The Chair would appreciate very much if Senators would stop conversing. May we have order in the Chamber.

The Senator from Iowa may proceed.

Mr. HUGHES. Mr. President, what is the pending amendment?

The PRESIDING OFFICER. The pending amendment is amendment No. 490.

Mr. HUGHES. Mr. President, I am not known for proposing increases in the defense budget, but in the case of amendment No. 490 I believe that a little more spent now may well save us from wasting billions in the future.

The B–1 program is clearly in trouble. Costs are soaring to over $45 million per plane built, or over $56 million if research and development costs are included. And those costs are likely to go even higher, because of inflation or slippages or ordinary costs overruns or some combination of each.

Already this year, the production decision point has slipped a full year. The Armed Services Committee expressed its concern over the program by cutting $100 million of the requested $473 million. And now the Air Force is taking the welcome action of full-scale management reviews.

Even these steps may not be sufficient to bring this program back into line. If decisive action is not taken quickly, the Air Force may find itself without a follow-on manned bomber, or we may be able to afford only a small percentage of the estimated need.

I am personally skeptical about the need for such a bomber at all. Intercontinental missiles have greatly reduced the utility of manned strategic bombers. Planes on runways are a tempting target, and their slow speed, relative to missiles, makes it likely that their contribution to a nuclear war would be merely the bombing of empty missile silos or posthumous revenge on already devastated cities.

Since majorities in the Congress still appear to support the concept of a manned strategic power, I believe it is important for all of us to search for a low-cost means of accomplishing this mission. Otherwise, we will be saddling our taxpayers with an $11 billion mistake.

Pending the Air Force's own review of this program and its restructuring to deal with the committee's cut, I believe the prudent course would be to commission full-scale studies of alternatives to the B–1 now, so that the Congress next year will have a more realistic choice than between the B–1 and nothing. Amendment No. 490 would do just that, since it provides $5 million for the Secretary of Defense to take a comprehensive look at alternatives and then report to Congress by next April 1, in plenty of time for adequate consideration by the Congress.

Such a new study of design and cost alternatives is necessary because, according to testimony before the Research and Development Subcommittee by B–1 systems division director, General Nelson:

> 1969 was the last year that a real funded effort was directed at studying a range of alternatives for the B–1.

Yet we all know that many changes have occurred since then both in our economy and in the international strategic environment.

As recently as July 27, Air Force Secretary McLucas declined to pinpoint the cost at which the B–1 was so expensive that the Air Force would have to go back to the drawing boards. However, Secretary McLucas did say "I do not think we are all that far from being there now."

If we may have to come up with a new design, I think it is important for there to be funds for a significant study of alternatives. Amendment No. 490 would provide that hedge for the Air Force as well as new information for the Congress.

We still have to develop a new manned bomber, for the Air Force admits that the B–52 G and H models will continue as viable operational systems for at least 8 to 10 years. And D.D.R. & E. John Foster told the committee this year that, if we had to go for a new plane:

> I would assume that it would be at least five or six years and possibly longer.

Thus, we have a 2- to 5-year margin in which to develop a new bomber, if we choose to do so.

There are already some alternatives which could be readily available—a new version of the B–52, additional FB–111's or a longer range stretched version of that proven and effective bomber.

Perhaps the best and least costly alternative would be a standoff bomber carrying missiles which could be launched against enemy targets several hundred miles away, thus negating the requirement for the special characteristics now needed to penetrate enemy defenses. Development of a fleet of such planes could save vast sums not only in procurement, but also in reducing the need for tankers.

Amendment No. 490 would direct the Secretary of Defense to consider such specific alternatives, as well as the advantages and disadvantages of certain questionable and costly design features of the current B–1—such as the swing wing which has caused such problems for the SST and TFX and F–14.

If this amendment is adopted, the Congress will know next spring what it would cost to have the B–1 compared to other planes or modified designs. We will know, if only roughly, how much it would cost to develop such planes, how much to build them, and how much to operate them. On the basis of this information, we can better choose which way to go.

Mr. President, my office furnished a copy of this amendment to the Air Force in the hope that they would comment on it. They did and just this morning we received a reply addressed to Mr. Stevenson of my staff, who is the legislative adviser on military affairs for me. In this letter, General Boswell claims these things have been done. I wish to read a part of the letter into the RECORD. He said:

> The alternative systems directed to be studied in the proposed amendment are: (1) an all subsonic bomber; (2) a fixed wing bomber; (3) a stretched version of the FB–111 aircraft; (4) a new or modified version of the B–52 bomber; and (5) a non-penetrating bomber and stand-off missile system. Each of these system concepts has been previously studied, either in the conceptual studies which defined the B–1 or in studies completed since B–1 development was initiated. In the conceptual studies over the years 1963 through 1969, candidates for a follow-on bomber to the current B–52 were examined in detail including all subsonic bombers, all supersonic bombers based on the SST and SR–71, large C–5-type bombers, small stretched F–111 bombers, fixed wing bombers, and bombers with variable geometry wings. When the Advanced Manned Strategic Aircraft (AMSA, now known as the B–1) evolved as the most promising candidate, numerous trade-off studies were made on individual characteristics to determine the justification for such features as the supersonic speed capability and the variable geometry wing configuration. In 1972, a detailed study examined the cost-effectiveness of modifying the B–52 with new engines. In this same year, the relative effectiveness of non-penetrating bombers (stand-off missile launchers) was examined versus penetrating bombers like the B–52 and B–1. The consensus of all these studies is that a penetrating bomber such as the B–1 is the preferred aircraft to assure a viable bomber element in our strategic deterrent force against the threats postulated for the 1980s and beyond.
>
> In addition to the above, DOD and the Air Force are continually reviewing the relative cost affectiveness of major weapon systems, such as the B–1. In view of these past efforts and the continuing assessments of weapon systems an additional $5M as provided in the proposed amendment would be redundant and overly costly.

Mr. President, with all due respect to the Air Force and the statement in relation to this, many of the studies referred to in this letter were completed as far back as 1969 or earlier. They do not take into account much of the later developments, sophisticated improvements, the recent economic changes, the evidence from Air Force testing of other airplanes, and what might be accomplished in the future.

Seldom if ever have I proposed an increase in the military procurement budget, but at this time I think the stakes are so high on the B–1 bomber that not to accomplish the expenditure of a few million dollars; namely, $5 million in this amendemnt, to make an in-depth study of all the alternatives based on the latest research information that this country has available to it would be a tragic mistake.

This amendment would not hold up anything; it just assures those in the Senate and those who serve on the Committee on Armed Services that by next April 1, if this amendment is agreed to, we can have in our hands the full facts for us to decide whether to continue the B–1, or to pursue suitable alternatives that might be entirely different, but more cost effective, based on the survey.

This task is also placed in the hands of the Secretary of Defense rather than the Secretary of the Air Force, and I believe would furnish us with suitable information to make a more educated determination on the basis of a longrun future need for this type of aircraft.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. SYMINGTON. Mr. President, I have listened with interest to the fine presentation of this proposed amendment by the able Senator from Iowa. I did not know about this amendment until yesterday, and have not had an opportunity to study his statement.

I am not sure in my own mind that a long-range, multimillion dollar bomber is best in the missile age. From a cost-effective standpoint, a relatively inexpensive missile proved itself to be a danger to any plane in the Vietnam war, and that would be far more true if we were fighting a first-class power.

It has been my opinion that the stretched FB–111, with refueling and its unusual capacity for performance at low altitude, could do the job in current war plans.

I think the B–1 is probably the best modern bomber that could be the follow on of a bomber comparable to the B–52. As the able Senator knows, we put a great many millions of dollars into a substitute for the B–52, called the B–70, then that bomber was abandoned by the Air Force and changed to a reconnaissance plane, but only after a great deal of money had been spent. I believe it was well over $1 billion.

If we go to another long-range bomber, I do not see the need for any one different from the B–1. If we only want the launching of a supersonic or subsonic cruise missile, we have that already, in effect, in the B–52, which, as modified, is a good airplane, although subsonic.

The price of the B–1 is high, but the price of another airplane that would be comparable to it would also be high, and no airplane of this size and character could operate supersonic on the deck.

For these reasons, although I have great respect for the Senator's opinion in these matters, as he well knows, I must vote against the study recommended.

Mr. TOWER. Mr. President, will the Senator yield me 5 minutes?

Mr. SYMINGTON. I yield 5 minutes to the distinguished senior Senator from Texas.

Mr. TOWER. Mr. President, this amendment is unsound, and I recommend that it be defeated.

The proposed amendment, if approved, would result in a wasteful expenditure of the taxpayers' money—and that is certainly something we want to avoid. One important reason such expenditures would be wasteful is—quite simply—that the proposed alternatives have been extensively studied in the past, and are continuing to be studied by the DOD as technology evolves.

The alternative systems directed to be studied in the proposed amendment are: First, an all subsonic bomber; second, a fixed wing bomber; third, a stretched version of the FB–111 aircraft; fourth, a new or modified version of the B–52 bomber; and fifth, a nonpenetrating bomber and standoff missile system. Each of these system concepts has been previously studied, either in the conceptual studies which defined the B–1 or in studies completed since B–1 development was initiated. In the conceptual studies over the years 1963 through 1969, candidates for a follow-on bomber to the current B–52 were examined in detail including all subsonic bombers, all supersonic bombers based on the SST and SR–71, large C–5-type bombers, small stretched F–111 bombers, fixed-wing bombers, and bombers with variable geometry wings. When the advanced manned strategic aircraft—AMSA, now known as the B–1—evolved as the most promising candidate, numerous tradeoff studies were made on individual characteristics to determine the justification for such features as the supersonic speed capability and the variable geometry wing configuration. In 1972, a detailed study examined the cost-effectiveness of modifying the B–52 with new engines. In this same year, the relative effectiveness of nonpenetrating bombers—standoff missile launchers—was examined versus penetrating bombers like the B–52 and B–1. The consensus of all these studies is that a penetrating bomber such as the B–1 is the preferred aircraft to assure a viable bomber element in our strategic deterrent force against the threats postulated for the 1980's and beyond.

The DOD has recently initiated still another comprehensive review of the U.S. strategic bomber force. This extensive review will include the development of a range of options to provide a viable bomber force for national security for the 1980's. In view of this new study effort already underway, and the previous studies cited above, it is clear that the $5 million study directed in the proposed amendment would be an overly costly and redundant undertaking.

There are other important factors which also pertain. For one thing, we have a substantial investment in the B–1 program—an investment of more than a billion dollars. It makes no sense to approve an amendment which apparently treats that investment so lightly. For another thing, there are many tens of thousands of people across the country whose jobs are directly or indirectly related to the B–1 program. Does it make sense to scare them with fear of potential unemployment—as this amendment might do—when we already know that the alternatives proposed to be studied already have been exhaustively examined and found wanting?

I urge Senators to vote against the amendment. It would result in wasteful expenditures, seems to disregard our substantial and sound investment in the B–1, and could cause needless anxiety for thousands of skilled, hard-working members of the labor force.

I should like to say that in some measure I associate myself with the distinguished Senator from Missouri (Mr. SYMINGTON). I believe that if the B–1 is proved to be feasible, we already have an alternative in the strategic force of the FB–111, which is a very fine, direct-penetration aircraft. I, therefore, feel that a further study of the aircraft would be redundant and wasteful.

Mr. HUGHES. Mr. President, I do not intend to belabor this issue or the amendment very long. There is no desire on the part of the senior Senator from Iowa to frighten men and women of the labor force in relationship to the B–1. Neither is it my desire to demean the more than $1 billion already spent on the B–1. The only desire I have is to say that a billion dollars is a large investment, and that $11 billion is much, much larger. The expenditure of $5 million now, in the face of that total amount of money, is very small.

The Air Force Secretary has already said that the B–1 is continually being studied as to cost effectiveness, so it may be well for us to have available the best pertinent data we can have.

I have no disagreement at all with the statement made by the distinguished acting chairman of the committee, the Senator from Missouri (Mr. SYMINGTON). His long period of service from being first Secretary of the Air Force until now as a member of the Armed Services Committee, these many years, have led me to look to him for advice and consultation, and not to disagree with him.

At this point, however, I simply believe that this is a minimal investment for a need which is critical and that it should be made. If we can arrive at some conclusion to either go ahead or abandon the project or do anything else, this little investment in terms of money and appropriations might turn out to be a vital investment for the future if proven right, and if proven wrong, we will have lost $5 million.

We have overruns in the amount of a great deal of money every month in the year. I think that we could make this investment just to make sure that we are on the right course at this critical moment in our history.

Mr. SYMINGTON. Mr. President, I would say to my good friend, the Senator from Iowa, that I fully agree with his concept of getting maximum results at minimum cost.

The distinguished senior Senator from Texas (Mr. TOWER) mentioned among designs that have been seriously considered the stretch version of the F–111. I have watched with apprehension the increased cost of a very long-range bomber.

I, therefore, supported a reduction in the money to be put up for the B–1.

Let me assure the able Senator from Iowa that if I were sure of the need for such a bomber I would agree with his amendment. That is the reason why I do not agree with the amendment.

Mr. HUGHES. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent, due to the fact that so many of our colleagues are at Tom Vail's funeral, that the vote on this and any other amendment eligible not occur before the hour of 2:30.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I yield myself such time as I may need.

I rise in opposition to the amendment.

This amendment asks for a study of alternative systems to be made. What are those alternative systems?

One is the subsonic bomber. Another is a fixed-wing bomber. Another is a stretch version of the F–111 aircraft. Another is a new and modified version of the B–52 bomber which has been so effective. Another is a nonpenetrating bomber and a standoff missile system.

Mr. President, the Defense Department and the Air Force have been conducting these studies. That is what they have been doing all of these years.

Are we going to spend $5 million more to conduct more studies after they have gone intensively into this matter and considered all these questions?

The consensus of all the studies that have been made is that a penetrating bomber—and that means one that will penetrate a target, go over the land and hit the target—such as the B–1, is a preferred aircraft. It is the type aircraft we need against the threats postulated for the 1980's and beyond.

No doubt as time goes on, the Defense Department will make other studies. They are continuing studies at this time. These studies ought to be conducted.

I can see nothing but two things that can result from this amendment, if it is adopted. One is that we will have blown $5 million. The other is that it might slow down a program now on which we need to go forward with and without delay.

Mr. President, I realize that this program is going to cost a lot of money. But we must remember that it is programs such as this and the Trident that can mean the very survival of this Nation. They do cost a lot of money. However, that is a lot cheaper than living in slavery. That is a lot cheaper than fighting any war. And these programs will be a deterrent to war.

I submit that we should not accept the amendment. I hope that the Senate will see fit to reject the amendment.

Mr. HUGHES. Mr. President, I yield to the distinguished Senator from New Hampshire such time as he might need.

Mr. McINTYRE. Mr. President, I thank my good friend, the Senator from Iowa.

I support his amendment which would add $5 million to the B–1 program, which the committee reduced by $100 million. This may appear to be inconsistent, but in fact it is not. The purpose of the proposed amendment would complement the concern expressed by the committee regarding the future of the B–1 program.

The amendment would, in fact, require the Department of Defense to do what it has been reluctant to do—that is, recognize that the B–1 may not prove successful or affordable and, therefore, explore various other options to provide a continued airborne strategic nuclear deterrent, which is essential to the effectiveness of the Triad.

Mr. President, some background discussion would provide the Senate with a better understanding of the problems encountered by the committee in the review of the B–1 program.

Let me first recite the circumstances and actions which led to the committee decision to reduce the amount requested by $100 million. On April 6, 1973, the Air Force came before the Research and Development Subcommittee and testified that the B–1 program was in good shape and that both time and cost schedules were being met satisfactorily. Just 3 months later, on July 12, 1973, the Secretary of the Air Force advised the committee in writing that serious difficulties had been encountered in the program, that the first airplane had to be delayed by 2 months, the second airplane by 6 months, and the production decision by at least a year. The committee also was advised that an additional $78 million in research and development and $266 million in procurement would be needed in later years to support the program and procure the quantity of aircraft planned for production.

My reaction, as well as that of other committee members, to this surprise announcement was quite strong, to say the least. As a result, the Secretary of the Air Force, the Chief of Staff, and the B–1 program manager were requested to appear before the committee on July 27, 1973, to explain the circumstances and details involving this setback. The Secretary of the Air Force, in response to a direct question at that time was unwilling to assure the committee that the revised program would be adequate and that further increases in cost or program slippage would not occur.

As a result, the committee cut $100 million from the fiscal year 1974 request to express its concern. The Air Force is required to submit a revised cost estimate and the results of some 3 to 4 months of additional testing and progress by October 1, 1973. This information will be available in time for final congressional action on the authorization and appropriation bills for fiscal year 1974.

Mr. President, I am convinced that the actions taken by the committee are constructive and properly reflect the serious concern which I am sure is felt by the entire Senate about the future of this program. It should be clearly understood that the committee does not consider the B–1 to be essential irrespective of cost. Let me quote from the committee report to emphasize this point. The report states:

> The committee is convinced that the B–1 development program must show marked improvement in both management and cost control and in technical progress if it is to be continued as a viable program. The Air Force is encouraged to seriously consider other alternatives to the B–1 program in the event that such an alternative becomes necessary.

From what I have recited, Mr. President, it should be clear in everybody's mind that the B–1 program is an open issue. The committee recommendation is consistent with this fact and reserves to the Congress the final decision to be made on the fiscal year 1974 request.

Let me now address the importance of the need for the B–1 or any necessary alternative program to provide continuation of an effective third leg to the Triad of strategic deterrents.

The B–1 program is designed to provide the option to begin replacing our aging B–52 bombers around the end of this decade. This will ensure that the irreplaceable contribution of the bomber to our deterrent can continue to be made in the years ahead, even should Soviet offensive and defensive capabilities be further improved qualitatively and/or quantitatively.

Although we cannot be certain of what constitutes deterrence in the Soviet view, I personally am convinced that our manned bomber force is perceived by the Soviets as being especially reliable under any conditions of warfare, and as being extraordinarily capable of conducting effective retaliatory attacks regardless of the circumstances surrounding conflict initiation. In this respect, I am convinced that the manned bomber is a particularly powerful deterrent to the Soviets. Indeed, because of the bomber's proven capability, reliability, and flexibility—as demonstrated in full view of the Soviets over the past decades—I believe the Soviets could perceive the bomber as a most persuasive element of our deterrent force.

To illustrate, the quantity and quality of current and projected Soviet air defense weapon systems offer unmistakable evidence of the respect with which the Soviets view our manned bombers. No other country in history has operated and maintained such an extensive air defense system to counter manned bombers as has the Soviet Union. The Soviets possess the greatest inventory of interceptor aircraft and the densest concentration of antiaircraft radar and surface-to-air missile sites of any major power. Clearly, our manned bombers represent a significant retaliatory force against which the Soviets have assigned a high priority in their military planning.

The Soviet view of the persuasiveness of our manned bombers also was made clear by their reactions during the Cuban missile crisis. During that situation, the entire SAC bomber force went on full scale alert, and large numbers of SAC aircraft flew around-the-clock missions within short striking distance of Soviet targets. I am convinced—as are many others who directly observed and analyzed that operation—that this was a critical factor in bringing that crisis to a conclusion.

The Soviets have good reason to view our bombers with great respect, inasmuch as manned strategic aircraft make a singular critical contribution to our deterrent force. This contribution accrues from the unique characteristics of bombers, such as their flexibility and versatility, their heavy and diverse payload capacity in conjunction with their long range capability, their accuracy of weapon delivery, and importantly, their proven reliability and effectiveness.

To insure the continuing contribution of the bomber to our national security objectives, it is important that we approve the B–1 funding request, provided the program remains on schedule, stays within current cost estimates and does not encounter any major technical problems. This will keep open, at a relatively reasonable cost, the option to begin replacing our aging B–52's in the 1980's. Given the unique contribution of the bomber to our national security, and the nature of the present strategic balance, it would be highly imprudent to weaken or foreclose that option.

The bomber makes a unique and irreplaceable contribution to our deterrent, and the currently planned B–1 force structure is required in the early 1980's to guarantee the ability to execute national strategy. Strategic bombers are the only element of the Triad not currently limited by a SAL agreement. Greater sophistication in existing and projected Soviet defenses dictates a need for overall improvement in our manned bomber capabilities.

So I would strongly support this amendment, Mr. President, in order that alternatives may be explored, because if the B–1 bomber program continues to have its troubles, it seems to me, as the Senator from Iowa has so well put it in his amendment, we must have the Air Force, and they are very reluctant to do this. They do not want to do anything to interfere with that B–1 program. This $5 million can be utilized to explore different alternatives in case the B–1 program never comes into being. So I heartily endorse the amendment of my good friend from Iowa.

The PRESIDING OFFICER. Who yields time?

Mr. SYMINGTON. Mr. President, I have yielded back the remainder of my time.

Mr. THURMOND. Mr. President, I yield back the remainder of the time on our side.

Mr. HUGHES. I yield back the remainder of the time on this amendment.

The PRESIDING OFFICER. Under the unanimous-consent agreement, the vote on this amendment will occur at 2:30 p.m. The yeas and nays have been ordered.

Mr. ROBERT C. BYRD. Mr. President, it is my understanding that the Senator from Iowa (Mr. HUGHES) would like to have a little break between this amendment and his next amendment. I believe that the Senator from Colorado (Mr. HASKELL) is agreeable to calling up his amendment at this time.

Mr. HASKELL. Mr. President, if I may say so to my friend from West Virginia, I am, but the file has not come over from my office yet. If we could have 5 minutes——

Mr. ROBERT C. BYRD. Very well.

Mr. SYMINGTON. Mr. President, if the distinguished assistant majority leader will yield, I would suggest a quorum call. Senator DOMINICK is on the committee, and this involves his State. I have no objection to the study suggested by the able Senator from Colorado (Mr. HASKELL), but I do think it would be in order to have Senator DOMINICK notified that the amendment is being taken up.

Mr. ROBERT C. BYRD. Very well. Mr. President, I ask unanimous consent, then that it be in order at this time to call up the amendment by the Senator from Colorado (Mr. HASKELL), and that amendment No. 491 by Mr. HUGHES then be called up, upon the dispositon of the amendment by Mr. HASKELL.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION ON AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, on yesterday I inadvertently overlooked getting an agreement on time on the amendment by the Senator from Colorado (Mr. HASKELL). I thought I had done so, but I checked and found I have not. This request has been cleared on all sides and I, therefore, ask unanimous consent that on the amendment by Mr. HASKELL there be a time limitation of 1 hour, to be equally divided, and that there be a time limitation on amendments, debatable motions, or appeals in relation thereto of 20 minutes, all in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, before suggesting the absence of a quorum, I ask unanimous consent—this request having been cleared with the able manager of the bill (Mr. SYMINGTON) and the able ranking Member on the other side (Mr. Thurmond)—that on amendments numbers 492 and 493 by Mr. Hughes, there be a time limitation on each of 2 hours, to be equally divided; that there be a time limitation on amendments to amendments of 30 minutes; and that there be a limitation on debatable motions or appeals in relation thereto of 20 minutes, all in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the amendment by Mr. Mondale today, the Senate proceed to the consideration of amendment No. 492 by Mr. Hughes, and that upon the disposition of that amendment the Senate proceed to the consideration of amendment No. 493 by Mr. Hughes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time for the quorum call not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HASKELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HASKELL. Mr. President, I call up my amendment, which is introduced on behalf of myself and the Senator from Utah (Mr. Moss) and the Senator from South Dakota (Mr. Abourezk), as modified, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. HASKELL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

On page 30, between lines 2 and 3, insert a new section as follows:

Sec. 703. (a) The Secretary of Defense shall undertake to enter into appropriate arrangements with the National Academy of Sciences to conduct a comprehensive study and investigation to determine—

(1) the most effective and feasible means of eliminating all existing supplies of chemical warfare agents, both lethal and nonlethal;

(2) the estimated cost of such a program;

(3) the estimated time necessary to carry out such a program; and

(4) the manner in which such a program should proceed.

(b) The Secretary of Defense shall furnish to such Academy at its request any information which the Academy deems necessary for the purpose of conducting the investigatio and study authorized by paragraph (a) of this subsection. For the purpose of furnishing such information, the Secretary of Defense may use any authority he has—

(1) to obtain information from any person; and

(2) to require such person to conduct such tests, keep such records, and make such reports respecting research or other activities conducted by such person as may be reasonably necessary to carry out this subsection.

(c) Of the funds authorized by this Act for research, development, testing, and evaluation of chemical warfare agents and for defense against biological warfare agents, such amounts as are required shall be available to carry out the study and investigation authorized by subsection (a) of this section.

(d) In entering into any arrangement with the National Academy of Sciences for conducting the study and investigation authorized by subsection (a) of this section, the Secretary of Defense shall request that the National Academy of Sciences submit a final report containing the results of its study and investigation to the Secretary of Defense not later than nine months following the date of enactment of this Act. The Secretary of Defense shall transmit copies of such report to the President and the Congress within ten days following the receipt of such report.

On page 30, line 3, strike out "Sec. 703" and insert in lieu thereof "Sec. 704".

Mr. HASKELL. Mr. President, the modification of the amendment is in one paragraph which I shall explain in full, and the remainder of the amendment is as originally printed.

Mr. President, following my remarks on the amendment, I ask unanimous consent to have printed in the Record an article from Scientific American of May 1970; an editorial from the New York Times of July 9, 1973; an editorial from the Denver Post of August 22, 1973; and an editorial from the Grand Junction Daily Sentinel of August 8, 1973.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1–4.)

The PRESIDING OFFICER. Does the Senator ask that his amendment be modified?

Mr. HASKELL. Mr. President, I do ask that my amendment be modified.

The PRESIDING OFFICER. The amendment is modified.

Mr. HASKELL. Mr. President, our Nation has outlawed use of biological weapons in warfare. We have not addressed ourselves fully to the problem of nerve gas. My amendment does not seek to outlaw nerve gas. My amendment asks that the National Academy of Sciences study and report within 9 months the most effective method of eliminating chemical warfare agents, the estimated cost of such program, the estimated time necessary to carry out such a program, and the manner in which such a program should proceed.

I should also say that the modification of the amendment I introduced yesterday is a new paragraph which requires the Secretary of Defense to furnish to the Academy the necessary information to be used in making such a study. The modification was inserted at the last moment, when I ascertained from officials at the National Academy of Sciences that they were having difficulty getting the necessary information from the Department of Defense to make a study authorized in 1969, concerning the use of herbicides in Vietnam. Therefore, I felt legislative language was necessary asking the Secretary of Defense to furnish the necessary information.

The whole problem of nerve gas, it seems to me, is one which should be studied. Assuming my amendment is agreed to, I would seek, following the study, to have these stocks destroyed. It is impossible to envision a situation in which our Nation will use nerve gas, with an arsenal of atomic weapons and the methods of delivering on a pinpointed basis. If a lesser nation were to use nerve gas against us, we are certainly well equipped to respond using either our conventional weapons or our nuclear forces. The problem with nerve gas is that it spreads like a blanket. It cannot be used against just a military target. It is incredibly lethal. Ten milligrams, for example, will kill a man in 10 minutes.

We do not need and should not have stockpiles of this deadly and useless substance around. The purpose of my amendment is not to outlaw chemical warfare stockpiles immediately but to study how they can be outlawed, how they can be destroyed, the cost of doing so, and the time necessary.

At the edge of the runway at the Stapleton International Airport in Denver, Colo., there is a huge stock of nerve gas and planes fly in that area daily. It is a matter of great concern to me. It is a matter of great concern also to the Senator from Utah (Mr. Moss), who cosponsored the amendment, and who has huge stockpiles in Utah. I understand some are in the Pacific. Where else they are I do not know.

Mr. President, I reserve the remainder of my time.

Exhibit 1

[From Scientific American, May 1970]

Chemical and Biological Weapons

(By Matthew S. Meselson)

(Graphs and charts referred to are not printed in the Record.)

On November 25 of last year President Nixon announced a number of major decisions regarding chemical and biological weapons. He proclaimed that the U.S. will never be the first to use lethal or incapacitating chemical weapons and will not use biological weapons under any circumstances, even in retaliation. He also announced that he would submit to the Senate the 1925 Geneva Protocol prohibiting the use of chemical and biological weapons in warfare.

The President's statement left a question whether toxins, the poisonous but nonliving substances produced by some bacteria and other organisms, were included in the unconditional renunciation of biological weapons or only in the no-first-use pledge for chemicals. The question was resolved on February 14 when the President extended the policy for biological weapons to cover toxins as well. In order to remove a possible ambiguity, it was decided to renounce toxin weapons even if advances in chemistry should make it practicable to prepare them synthetically instead of by extraction from bacteria or other organisms.

Under the new policy the U.S. will destroy existing stocks of germ and toxin weapons and will no longer engage in their development, production or stockpiling. The U.S. biological program will be restricted to research for strictly defined defensive purposes, such as techniques of immunization.

In accord with these decisions on biological and toxin weapons, White House officials have stated that there will no longer be a need for secret work and that consideration is being given to the transfer for conversion to other purposes of our sizable biological weapons facilities at Fort Detrick, Md., and Pine Bluff, Ark., from the Department of Defense to nonsecret agencies such as the Department of Health, Education, and Welfare and the Department of Agriculture.

As to chemical weapons, the restraints are less sweeping. The U.S. reserves the right to continue the development, production and stockpiling of lethal and incapacitating chemical weapons. It pledges, however, never to use them first. The same pledge is embodied in the treaty commitment by the 84 states now party to the Geneva Protocol.

There are two types of chemical weapons whose use in war has not been renounced. They are the antiplant chemicals and the "riot control" agents, such as CS, employed by U.S. forces in Southeast Asia. The U.S. has maintained that these agents are not prohibited by the Geneva Protocol. Many nations disagree, which raises problems for U.S. ratification of that treaty. The President himself has made no statement regarding CS or herbicides. White House officials have said only that the use of these chemical weapons will continue "for the time being."

The President's decisions were based on a six-month review of U.S. policies and programs for chemical and biological weapons. The review was conducted under the auspices of the National Security Council, which coordinated the efforts of the Department of State, the Department of Defense, the Arms Control and Disarmament Agency, the Central Intelligence Agency, the Office of Science and Technology and other branches of the Government. The subject was put under search examination. The National Security Council considered the following topics: chemical and biological weapons that were already available and those that might conceivably be developed, the possible military value of each type of weapon in relation to other weapons at our disposal, the possible consequences of proliferation, strategic questions concerning the use of such weapons for threat or deterrence, the political and moral impact of their development and possible use, the potential hazards for civilian populations, possible defenses against the various weapons, and the policies and activities of other nations.

It was obvious and became more so as the review proceeded that such a study was long overdue. The U.S. had a large factory for producing germ weapons, even though no one had ever produced a convincing "scenario" for a case in which they should be used. Shortly before and during The National Security Council study, chemical weapons were involved in one disquieting incident after another, creating a political atmosphere favorable to the questioning of previous policies. A series of earthquakes that shook the city of Denver was traced to the massive subterranean disposal of chemical wastes at the Army's Rocky Mountain Arsenal. The accidental release of nerve gas in a test of an aircraft spray tank over the Dugway Proving Ground in Utah led to the death of thousands of sheep, some of them grazing as far as 40 miles away. Then there was protest against the Army's plan to ship 12,000 tons of outmoded nerve-gas bombs across the country from Colorado to be dumped in the Atlantic. Soon afterward there was an incident in which nerve gas escaped from U.S. munitions stored on Okinawa, and it was also revealed that nerve-gas munitions were stored in West Germany. Finally there had been newspaper articles to the effect that the Defense Department was testing biological weapons in the South Pacific and had conducted open-air tests of nerve gas in Hawaii without informing state officials.

The public reaction to these incidents can be gauged from the fact that the U.S. Senate voted 91 to 0 for a resolution requiring the review by the Public Health Service of any plan for the domestic transportation or open-air testing of lethal chemical agents or of any biological warfare agents. The resolution, which is now law, also requires the Defense Department to render semiannual reports to Congress on the investigation, development, testing and procurement of all agents of chemical and biological warfare.

Here I shall discuss first the nature of chemical and biological weapons (CBW) and their military implications, then the international effort that has been made to prevent their use, and finally the present situation. Although much work on CBW has been secret, the essential facts about the weapons are now in the open literature. Particularly noteworthy is the report of a United Nations group published last year and the subsequent World Health Organization report that specifically examines the potential effects on civilian populations. The UN report was prepared by a group of 14 consultant experts nominated by their respective governments. The U.S. participant was Ivan L. Bennett, Jr., director of the New York University Medical Center and former Deputy Director of the U.S. Office of Science and Technology. The American members of the WHO consultant group were Joshua Lederberg of the Stanford University School of Medicine and myself. Even more detailed than the UN and WHO reports is the forthcoming study by the Stockholm International Peace Research Institute.

Although chemical and biological weapons are linked together in the psychology, the customs and the international law that restrain their use, it is helpful to distinguish several categories for analyzing military characteristics and implications. I shall discuss five kinds of weapons; lethal biological weapons, incapacitating biological weapons, lethal chemical weapons, incapacitating chemical weapons and antiplant agents. The distinction between lethal and incapacitating is not altogether clear-cut, particularly under the extremely uncontrolled conditions of warfare. There is a continuous spectrum of agents from the highly lethal to the generally nonlethal, and even tear gas can be used together with bullets and bombs to increase casualties. Nonetheless, the arguments for and against lethal and nonlethal weapons deserve separate attention.

Let us first consider lethal biological weapons. They would operate by disseminating clouds of disease germs over the target area or upwind from it. The germs would then be inhaled by the target population. The disease anthrax is an example. Caused by the bacterium Bacillus anthracis, it is mainly encountered as a disease of domesticated animals that is occasionally transmitted to man. Because it is not very contagious among humans, natural cases of anthrax are generally localized rather than epidemic. If the bacteria were sprayed in the air in an aerosol, however, the effects could be devastating. The inhalation of approximately 50,000 spores of B. anthracis (total weight less than a millionth of a gram) is believed to be enough to cause a 50 percent chance of contracting pulmonary anthrax. Symptoms would first appear about a day after the attack. The onset might be mistaken for a common cold, but this would be followed by severe coughing, cyanosis, respiratory failure and death. Untreated pulmonary anthrax is almost always fatal.

The WHO report gives estimates of the area-coverage capability of various biological agents. For illustrative purposes the report assumes that one light bomber delivers in a single pass ground-functioning "bomblets" containing a total of 50 kilograms of dry powdered agent along a two-kilometer line at right angles to the wind. It is assumed that the intensity of atmospheric turbulence is less than a certain level, but not so low as to be at all unusual, particularly at night. The bomblets release the agent as an aerosol, which then drifts over the target area. Such calculations take into account the dissemination efficiency of the bomblets, the decay rate of agent infectivity, the rate of vertical dilution in the atmosphere, the rate of deposition on the ground and the dose-response curve for man. For an attack with anthrax spores the WHO report predicts a high mortality rate over at least 20 square kilometers. Although there are uncertainties in the quantities that enter into the calculation, the estimate is deliberately conservative. The UN report, in a similar estimate, considers an attack by a large low-flying bomber dispensing 10,000 kilograms of agent along a 100-kilometer line by means of a spray tank. The estimated area in which a high casualty rate would occur is as large as 100,000 square kilometers, depending on the particular agent used.

Among the lethal biological agents that might be considered for military use are the viruses of Eastern equine encephalitis and yellow fever, the riskettsia causing Rocky Mountain spotted fever, and the bacteria causing anthrax, plague, cholera, glanders and melioidosis. There are moderately effective vaccines and antibiotics against some of these diseases but none against others. Moreover, such protections might be overwhelmed by a massive attack, and for some agents antibiotics can be circumvented by the use of drug-resistant strains. Protection can be given by gas masks or air-filtered shelters if there is early warning of an attack, but no satisfactory early-warning device has yet been developed. In any case a program for supplying the civilian population with masks and shelters and maintaining discipline for their use would require a major and sustained economic and political effort—without achieving reliable protection against biological attack.

It is not to be expected that biological warfare agents would be deliberately chosen to be contagious; that would maximize the risk of spreading disease far beyond the intended target, possibly to the territory of the attacker or his allies. Nevertheless, the unnatural conditions inherent in military operations create the possibility that widespread epidemics would be unintentionally started. There is also the hazard, difficult to evaluate, that the bacteria or viruses used in an attack, or even used in a field test, could subsequently emerge from exposed populations of humans, rodents, birds or other animals with increased persistence, virulence and contagiousness of man.

From this brief account it should be clear that lethal biological weapons would present a devastating threat of killing human populations over large areas. The threat is made particularly formidable by the relative ease with which such weapons could pass into many hands if the technology becomes established and if the customs and attitudes that have generally kept nations from pursuing the development of biological weapons should change. After several years of pursuing a biological weapons program that has not had adquate review or guidance from the Executive Branch, and that has been almost entirely shielded by secrecy from public and congressional knowledge, the U.S. has decided that the best way to minimize the threat of biological weapons is to renounce them altogether. The logical case for doing so rests on the realization that the possession of such weapons would add little, if anything, to our strategic-deterrent capability, whereas their proliferation would present a major threat to the U.S. and indeed to all mankind.

The second category of weapons to be considered is incapacitating biological weapons. An example is Venezuelan equine encephalitis. It is a virus that causes severe headache, nausea and prostration but that has a case fatality rate in natural epidemics of .5 percent or lower. Methods for disseminating incapacitating biological agents and the possibilities for defending against them are essentially the same as those for lethal biological agents. The use of incapacitating biological weapons might be considered in certain unlikely and extreme situations. Perhaps the most "attractive" scenario that has been proposed imagines the entrapment of a large friendly force by enemy troops deployed over an extensive area and intermingled with civilians. In this situation the employment of incapacitating biological weapons in forward and rear areas might impede the enemy advance long enough to allow reinforcement or evacuation of the friendly troops when the alternatives might be to use nuclear weapons or to surrender.

Of course any decision to launch an incapacitating biological attack must face the fact that substantial numbers of civilians, particularly infants and the infirm, will almost inevitably be killed, even if the case fatality rate is only a few tenths of a percent. Beyond that there is the possibility that the fatality rate under military conditions might be much higher than the rate estimated from natural occurrences of the disease and from various kinds of experimental data. It is also important to note that this scenario assumes the *first* use of biological weapons rather than their employment in retaliation. This adds the additional risk of escalation and enlargement of the conflict that could result from the outbreak of germ warfare of any kind. A principal long-term cost to security of using incapacitating biological weapons, or even of maintaining them, would be stimulation of the proliferation of germ weapons, including lethal ones. The facilities for developing, producing and delivering incapacitating biological weapons are essentially the same as those required for lethal germs. International law and international custom do not distinguish between them.

To summarize, incapacitating biological weapons might seem logical in certain tactical situations, but such situations are most unlikely, and even then the risks would outweigh the possible gain.

Here a more general statement about germ weapons should be made. Such weapons have serious shortcomings from a military viewpoint. Their effects are not as predictable as those of other weapons. They might get out of control. Alternative and already available weapons are preferable, and the acquisition of a biological weapons capability would be an addition to, not a substitute for, preexisting military expenditures and programs.

Military officers and political leaders are strongly disinclined to use biological weapons, partly for practical reasons, partly because of unfamiliarity and partly because of the moral revulsion and apprehension that are undeniably associated with these weapons. There does not currently seem to be any serious interest in biological weapons in high military circles anywhere. Although such weapons could become a terrible menace, the likelihood of this is greatly reduced by the spectacular gesture of renunciation made by the U.S. This is the moment in history when the biological sciences, with their intimate linkage to the lifesaving ethos of medicine, may be spared from being recruited to serve military ends all over the world. Whether or not international biological disarmament can be ensured over the long run may ultimately be related to progress in chemical disarmament, for in the minds of many the two are linked.

Chemical weapons present a much more immediate problem. They were used in World War I and are stockpiled by the U.S. and the U.S.S.R. and are also possessed by several other nations. The distinction between lethal weapons and incapacitating ones has more practical importance here than it has with biological weapons. There are strong restraints against the use of lethal chemical weapons, and until recently nonlethal chemicals have been excluded from warfare as well. From an arms-control point of view there are important arguments for treating lethal and non-lethal chemicals together. Still, for the purpose of analysis it is useful to make the distinction.

Modern lethal chemical weapons employ the nerve gases first developed (but not used) by Germany during World War II. These agents are hundreds of times more poisonous than the poison gases of World War I; they kill when they are inhaled or when they are deposited as liquid droplets on the skin. The term "nerve gas" derives from the fact that these agents operate by interfering with the transmission of nerve impulses across synapses. They do so by inactivating the enzyme cholinesterase, which normally functions to terminate the transmission of a nerve impulse. In the presence of a nerve agent, nerve impulses continue without control, causing a breakdown of respiration and other functions. Death caused by nerve-gas poisoning results from asphyxiation. It is preceded by blurring of vision, intense salivation and convulsions.

The U.S. has stockpiled a variety of tactical nerve-gas weapons, and the U.S.S.R. is believed to have done so too. The weapons include mines, artillery projectiles, rockets, bombs and aircraft spray devices.

The U.S. stockpile includes two kinds of nerve agent. One is GB, a code name for isopropylmethylphosphonofluoridate. It is also known as Sarin and was produced in limited amounts by Germany during World War II. Sarin is a volatile liquid that evaporates at room temperature to a colorless and odorless gas.

Weapons containing Sarin release it as a spray, which then evaporates to create a respiratory hazard for unprotected personnel. The lethal exposure for man is estimated to be approximately 100 milligram-minutes per cubic meter. This means, for example, that a man would accumulate a lethal dose in 10 minutes if the concentration of Sarin in the air were 10 milligrams per cubic meter.

Since the hazard posed by Sarin is mainly respiratory, a gas mask provides good protection. Modern gas masks are capable of reducing the concentration of all known war gases, by a factor of about 100,000. In addition there are chemical antidotes for nerve agents that can provide protection if the dose of agent is not very great and the antidote is administered promptly.

The other kind of nerve agent in the U.S. stockpile is VX. The chemical formula of VX is still secret, although the WHO report suggests that the agent is ethyl S-dimethylaminothyl methylpohophonothiolate. It is a member of a class of compounds first prepared in the mid-1950's in the course of a search for improved insecticides. (Swain was also the outcome of insecticide research.) Also a liquid but several times more toxic than Sarin and much less volatile, VX is lethal either when inhaled or deposited on the skin. VX kills in a matter of minutes, and by contaminating the ground and objects on which it is deposited it can make an entire area hazardous for many days. It was VX that killed the sheep in Utah.

The lethal dose of VX applied to the skin has been estimated to be from two to 10 milligrams, depending on the site of application. Since contact with even a small droplet of VX can be fatal, adequate protection requires the wearing of a special suit as well as a gas mask. The wearing of protective suits and masks is extremely cumbersome. They are mechanically awkward, and the buildup of heat is a serious problem. Fighting efficiency would be severely reduced by the wearing of full protective equipment and also by the strict observation of various special precautions necessary for survival in a lethal chemical environment. This kind of complexity in gas warfare was clearly recognized in World War I. In the words of one officer: "The range of problems was infinite. How would the soldier eat, drink, sleep, perform bodily functions, use his weapon, give and receive commands? How would he know when his immediate area was contaminated?"

For tactical use against an enemy without protective equipment, lethal chemicals would be devastating. Against an enemy possessing suits and masks and able to impose the wearing of such gear on one's own troops by the threat of retaliation in kind, lethal chemical weapons would enormously complicate the battlefield without giving either side a major advantage. This argues for not initiating lethal chemical warfare. It also suggests, however, a reason for possessing lethal chemical weapons as a tactical deterrent if the other side is thought to have them. For example, if conventional land warfare should ever break out in Europe, with only one side in possession of lethal chemical munitions, that side might be tempted to use them in order to force opposing troops into protective gear while its own forces, taking advantage of their knowledge of the timing and location of the chemical attack, pressed the offensive. Having this knowledge, the argument goes, their operations would be considerably less complicated. It is this kind of analysis that presumably underlies the U.S. policy of maintaining lethal chemical weapons even though it is our policy never to initiate their use.

Both the plausibility and the accuracy of the foregoing scenario can be challenged. Many would maintain that a major war in Europe is extremely unlikely. It is even more unlikely that such a war could go on for many days without resort to nuclear weapons, in which case chemicals would become unimportant. Finally, it is argued, even in the event of a large nonnuclear war the use of chemicals would be strongly deterred by the risk that using such unconventional weapons to obtain any major advantage would trigger a nuclear response.

Clearly there are some risks in either approach. The second approach, however, would allow the renunciation of the possession of lethal chemical weapons.

Lethal chemical weapons could be produced by nonnuclear nations to provide a capability for strategic attack on urban populations. Under meteorological conditions favorable to the attack, a medium bomber or a converted commercial air transport can deliver enough nerve agent to kill a high proportion of unprotected people throughout the central region of a large city. For example, the WHO report estimates that an airborne attack across the wind along a two-kilometer line, releasing four tons of chemical agent over a city, would cause high casualties over an area of between two and 40 square kilometers, depending on the type of agent and munitions used. Given adequate warning a highly disciplined population could be defended against such an attack by a combination of gas masks, protective shelters and antidote therapy. Although strategic chemical weapons would add nothing significant to the arsenals of the nuclear powers, the proliferation of such weapons among the nonnuclear nations would obviously constitute a serious hazard. Even though it is unlikely that a small nation could deliver a chemical attack over a wide area of a country that has modern air defenses, it would be much easier to penetrate the air space over one or a few coastal cities.

It is also important to consider the possible role of lethal chemical weapons in "low level" conflicts. Today such conflicts are fought with high-explosive and flame weapons, which individually have limited area effect. Although such wars can be exceedingly destructive, they become so only when enormous quantities of weapons are used. (In Vietnam, for example, more than 6,000 tons of ammunition were expended by the U.S. daily in 1968.)

Many of the types of munitions used in limited war, could be filled with lethal chemicals. In such a case the "kill area" of lightweight munitions such as mortar shells and rockets could be increased by a factor of as much as 100. Even though combatants could be provided with protective equipment, such weapons would be devastating to military units caught unprepared and to civilians in urban areas. Small military units would begin to acquire strategic capabilities against cities.

It is apparent, therefore, that chemical weapons constitute a menace far beyond their possible tactical employment by the major powers. It is this menace that provides one of the chief arguments for chemical and biological disarmament. A concluding but often overriding restraint on the tactical use of lethal chemicals, particularly when the battlefield is on friendly soil, is that their large-scale employment could cause heavy casualties among undefended civilians in the combat zone and out to considerable distances downwind.

Although U.S. policy now treats toxins in the same way as biological weapons, by renouncing even their possession, the UN report classifies toxins as chemicals because they do not reproduce. Toxins are poisonous substances produced by living organisms including plants, animals and bacteria. Examples are ricin from the castor bean, tetrodotoxin from the globefish and botulin from the bacterium Clostridium botulinum. Some toxins, such as botulin, are highly lethal to man; others, such as the staphylococcus enterotoxin (the substance responsible for staphylococcal food poison), are usually only temporarily incapacitating.

Even though toxins are not capable of reproduction and therefore cannot cause epidemics, they do induce many of the same symptoms associated with infection by disease organisms. Indeed, the principal pathological symptoms of several bacteriological diseases are thought to be caused by toxins produced within the human body by the living microorganisms. Thus toxin weapons, both in terms of the means of their production and the symptoms they cause, are closely related to the biological ones.

For use as weapons toxins could be dispersed as aerosols in much the same way as biological and chemical weapons. Because toxins are not absorbed effectively through the skin, gas masks would provide protection, as would shelters fitted with special air filters. Protection can also be afforded by prior immunization with specific toxoid. Each toxoid, however, is effective only against a particular kind of toxin, and for some toxins the margin of protection is not enough to be of practical significance.

The chief military argument for having toxins is that, because of their great potency, the weight of toxin munitions needed to cover a given area would be lower than the corresponding requirement for standard chemical munitions. There are several technical reasons to question whether this is so, but even if it were, the saving would not be of very great importance for major military powers with their large logistic capability. An active U.S. toxin weapons program would have run counter to the President's decision to demilitarize and declassify U.S. biological weapons research and production facilities and would have made it impossible for the U.S. to take an unequivocal and convincing stand against the use of disease as a weapon of war.

The first chemical weapons to be employed in World War I were nonlethal. It is reported that some soldiers brought police tear-gas cartridges to the front. Soon both Germany and France began using artillery shells containing tear gas, and thousands of these shells were fired months before the famous German attack at Ypres with chlorine gas released from cylinders. Tear gas and other irritant chemicals continued to be used throughout the war—more than 12,000 tons in all. Even larger quantities of such chemicals were prepared but not employed by the belligerents on both sides in World War II.

Modern incapacitating chemical weapons are of two types, one with effects lasting considerably beyond the period of exposure and one with brief effects. President Nixon's renunciation of the first use of incapacitating chemicals has been applied only to the longer-lasting type. An example of this type is the U.S. agent BZ. This is a psychochemical, the chemical identity of which is still secret, although the WHO report speculates that it belongs to the family known as benzilates. BZ is a solid that can be dispersed as an aerosol to be inhaled by enemy personnel. It affects both physical and mental processes, causing blurred vision, disorientation and confusion. Its incapacitating effects can last for several days.

Although BZ has been standardized as a weapon by the U.S. Army and munitions have been loaded with it, it is not regarded as a very satisfactory incapacitating agent. It can elicit unpredictable and often violent behavior. Men sufficiently motivated to fight may do so more tenaciously under its influence. Furthermore, BZ has serious effects on the body's water-balance and temperature-regulation mechanisms that could lead to death, particularly under hot, dry conditions. Much effort has been devoted, without success, to finding a longlasting incapacitant without these drawbacks or similar ones.

The principal short-term incapacitant now in military use is CS (orthochlorobenzalmalonitrile). This compound was first synthesized in the U.S. in the 1920's. After World War II it was developed by the British government as a riot-control agent and named after its American discoverers, Ben Corson and Roger Staughton of Middlebury College. When employed for military purposes, it is more accurately described as a harassing agent.

The first CS munitions operated by vaporizing the agent from a pyrotechnic mixture. The CS then condenses to form an aerosol of micron-sized particles. Pyrotechnic CS is used in grenades, rockets, artillery shells and cluster bombs. A newer form is designated CS–2. Used in both bulk-disseminating devices and bursting bombs, it is a powder consisting of micron-sized particles treated with silica gel and silicone compound to improve its flow properties and persistence in the field. CS–2 can be effective in the field for several weeks. It is reintroduced into the air by the wind and the movement of people and vehicles.

The effects of CS depend on the particle size of the aerosol. Particles larger than some 50 microns exert their predominant effect on the eyes, whereas smaller particles are more effective as lung irritants. For military use CS–2 is milled fine enough to achieve the latter effect. Exposure to either form of CS causes intense pain in the eyes and upper respiratory tract, progressing to the deep recesses of the lungs and giving rise to feelings of suffocation and acute anxiety. In humid weather moderately heavy skin exposure can cause severe blistering that requires many days for healing.

If exposure is not excessive, the symptoms usually pass within a few minutes after the exposure ends. The lethal dose for man, as estimated from animal experimentation, is very much higher than that required to cause intense irritation. Nevertheless, heavy or prolonged exposure, such as might be expected in confined spaces or in close proximity to a munition emitting the agent, could cause serious lung damage and death, particularly among infants and the infirm. No long-term aftereffects of moderate exposure to CS have been demonstrated. Although investigations of this possibility are now under way, they have not been completed.

For military purposes CS has supplanted older harassing agents such as ordinary tear gas (CN, or chloracetophenone) and the emetic and respiratory agent known as adamsite or DM.

When used in war against unmasked personnel, harassing agents are effective in forcing an enemy from cover to face capture or hostile fire, to deny him terrain or to upset his fire. Against masked personnel harassing agents are very much less effective, although they reduce fighting efficiency somewhat by forcing men to put on masks. The first major application of harassing gas in combat since World War I has come in Vietnam, where more than 14 million pounds have been used by U.S. forces. At first U.S. policy was to use CS only when its employment would be more humane than the use of more lethal weapons. For example, on March 24, 1965, following the first newspaper reports of U.S. use of nonlethal gas in Vietnam, Secretary of State Dean Rusk made the following statement: "We do not expect that gas will be used in ordinary military operations. . . The anticipation is, of course, that these weapons will be used only in those situations involving riot control or situations analogous to riot control."

For five months following Rusk's statement the use of harassing agents in Vietnam ceased completely. Then an event took place that put the use of CS in the most attractive possible light and probably played an important role in bringing about authorization for its renewed employment. On September 5 a Marine officer came on a cave where civilians were thought to be intermingled with Vietcong soldiers. Faced with a choice between sending in an assault force, throwing in CS grenades or abandoning the mission, he decided on CS. It was reported that several enemy soldiers and 400 civilians emerged without injury to noncombatants. Following this incident soldiers and field commanders found a wide variety of uses for CS in regular combat. Soldiers encountered many situations in which it could be used to inflict casualties on the enemy and otherwise perform their mission while reducing their own losses. One of the major uses of CS in Vietnam is to flush enemy soldiers out of bunkers preceding high-explosive fire or infantry assault.

The overall utility of CS in Vietnam is not known, no systematic studies having been made. It has nonetheless been a popular weapon, and under this pressure from the battlefield its use has expanded greatly. One indicator is the yearly record of Army procurement of CS for Southeast Asia, which rose from 253,000 pounds in fiscal year 1965 to 6,063,000 pounds in 1969. Another indicator is the rapid proliferation of experimental and newly standardized CS munitions developed by the Army. As recently as July, 1966, military manuals listed only five types of CS weapons: two grenades and three bulk disseminating devices. Since then 18 new CS munitions have appeared, ranging from grenades with delayed-action fuzes for air drop up to 105-millimeter and 155-millimeter howitzer projectiles, various mortar and rocket munitions and a number of aircraft bombs with area coverage ranging up to a square kilometer.

It is sometimes argued that nonlethal chemical weapons would make war more humane. There is good reason, however, to expect the opposite. As long as lethal weapons are employed in war, if nonlethal chemicals are introduced, it must be expected that they will come to be employed not by themselves but rather in coordination with the weapons already in service, in order to increase the overall effectiveness of military operations.

Certainly this has been so in the case of the agent CS.

The expansion of CS use in Vietnam has given rise to two widespread concerns. The first is that the U.S. has departed from its original humanitarian justification for the use of chemicals in war. Second, it is becoming increasingly clear that the long-term arms control cost to the U.S. may be severe. I shall return to this point.

The last category of chemical weapons to be considered here is antiplant agents. These agents were first developed for military purposes during World War II and subsequently came into wide use for weed control. Near the end of the war some consideration was given to using them to destroy rice being cultivated by Japanese soldiers in isolated island strongposts, but the plan was never authorized. Herbicides were used on a small scale to clear roadsides by the British in Malaya during their military operations there in the 1950's.

The use of herbicides in Vietnam was first authorized on an experimental basis in 1961. They next came to be employed there for increasing visibility along roads and waterways and on the perimeters of military installations; then for the destruction of crops thought to be destined for enemy consumption, and finally for the treatment of large areas suspected of harboring enemy base camps or supply routes. By mid-1969 approximately five million acres had been sprayed, 10 percent of it cropland. Following a peak in 1967, anticrop operations were substantially reduced, reflecting adverse criticism of both their propriety and their effectiveness.

Three principal antiplant agents or mixtures have been in service. They are designated Orange, White and Blue. Agent Orange is an equal mixture of the n-butyl esters of 2,4-dichlorophenoxyacetic acid (2,4-D) and 2,4,5-trichlorophenoxyacetic acid (2,4,5-T). The agent is mainly directed against forest vegetation. It is applied undiluted at three gallons per acre, approximately 25 times the average amount for domestic application. Within a week or more after its application the leaves fall from most jungle trees. Orange has been the antiplant agent most widely used in Vietnam, but recently its employment has been suspended because of concern that 2,4,5-T may cause human birth defects.

Agent White is a 4:1 mixture of the triisopropanolamine salts of 2,4-D and 4-amino-3,4,6-trichloropicolinic acid. The latter component is known as picloram. The agent is sprayed from a water solution at a rate of approximately 7.6 pounds of total herbicide per acre. It is generally used for the same purposes as agent Orange, although its somewhat lower volatility makes it preferable for operations where drifting would be a hazard, as in the vicinity of rubber plantations. The extreme resistance of picloram to biodegradation has been a factor in limiting its employment.

Agent Blue is a water solution of sodium dimethylarsinate, applied at the rate of nine pounds per acre. It is used mainly against rice.

Any evaluation of the military effectiveness of herbicides is made particularly difficult by the fact that they exert their effects on the enemy only indirectly and after a substantial time lag. Certainly the most dubious form of antiplant warfare from a military point of view is crop destruction. It is not generally possible to distinguish crops destined for noncombatants from those to be consumed by soldiers. Indeed, both common sense and the experience of many wars show that when the food supply is restricted, it is the civilians and not the soldiers who go on short rations, and it is the children who are most harmed by malnutrition.

There is very little quantitative information about the overall military utility of herbicides used to improve visibility. There is no doubt that the leaves drop and visibility is thereby improved. As a result an enemy will generally choose to avoid such areas. Nonetheless, an enemy commander will not withdraw his men from action; he will deploy them elsewhere. Thus for every soldier who gains protection from improved visibility there may be another soldier or civilian receiving fire from a redeployed enemy soldier. Obviously the trade-off will not be precisely equal, but this effect will act to exaggerate the apparent military effectiveness of herbicides.

Certainly in some situations there are alternatives to chemical defoliants. In Vietnam giant plows, often working under the protection of military escorts, have been used to clear more than 500,000 acres. Where possible, this method is more effective than the aerial spraying of chemical defoliants because it removes branches and trunks as well as leaves.

I have attempted to keep the foregoing discussion factual in order to define the issues. Emotions run high on the subject of chemical and biological weapons, however, and few persons can discuss the subject without expressing or evoking strong feelings about whether or not it is wise to use or even to possess such weapons. The strong feelings generated by these weapons have been responsible for the fact that historically they have been singled out for special efforts at arms control. The most important international effort to prohibit the use of such chemical and biological weapons is the Geneva Protocol of 1925. It prohibits (1) "the use in war of asphyxiating, poisonous, or other gases, and of all analogous liquids, materials or devices" and (2) "the use of bacteriological methods of warfare." The protocol does not prohibit research, development, testing or production of gas or germ weapons. It does not prohibit the use of such weapons in reprisal against their first use by the enemy. It does not prohibit the use of riot-control gases or other agents for domestic police purposes. It does not prohibit the use in war of nontoxic smokes used for concealment or of flamethrowers, napalm or other incendiary weapons. The language of the Geneva Protocol is derived from the peace treaties of World War I, which treated gas warfare as already prohibited and specifically forbade the manufacture and importation of war gases by Germany and her wartime allies. On the initiative of the U.S., an article based on the language of the peace treaties was incorporated in the 1922 Washington Treaty on Submarines and Noxious Gases. At the urging of President Harding, Secretary of State Charles Evans Hughes, Senator Elihu Root and a presidentially appointed advisory committee of prominent citizens, the Washington Treaty passed through the Senate with no dissenting votes. Although ratified by the U.S., Great Britain, Italy and Japan, this treaty never came into force because France, whose ratification was required, objected to its provisions on submarines.

The U.S. again pressed for a prohibition against gas warfare at the 1925 Geneva Conference on the Limitation of Arms, proposing language on gas essentially identical with that of the Washington Treaty. The prohibition was extended to cover "bacteriological methods of warfare" at the suggestion of Poland. The resulting treaty—the Geneva Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare—was signed by representatives of 38 nations on June 17, 1925.

The Coolidge Administration and the various supporters of the protocol seem to have assumed that the Senate would give its consent as readily as it had to the Washington Treaty. Almost nothing was done to prepare the case for ratification or to mobilize public support. Meanwhile the Army Chemical Warfare Service, the American Legion, the American Chemical Society and segments of the chemical industry organized the opposition. The arguments made against ratification were that the protocol would be ignored in time of war and that poison gas was more humane than bombs and bullets. The protocol was debated but not acted on by the Senate—apparently because the majority leader did not have the votes. It remained on the Foreign Relations Committee docket until 1947, when President Truman withdrew it together with several other long-pending treaties.

By 1939 the Geneva Protocol had been ratified by 44 nations, including all major European powers. At the outbreak of World War II England, France and Germany exchanged assurances that they would abide by the protocol. In 1943 President Roosevelt declared that gas warfare was "outlawed by the general opinion of civilized mankind" and that "we shall under no circumstances resort to the use of such weapons unless they are first used by our enemies." Japan is believed to have used gas against China before our entry into the war but otherwise gas was not used in World War II. The threat of retaliation provided a sanction. The restraint was reinforced by widespread abhorrence of gas and germs and by military skepticism regarding their utility, but it was the protocol that placed gas and germs in a distinct category and provided a clear standard on which the belligerents could base their conduct.

Since World War II the U.S. has on numerouse occasions declared its support for the no-first-use principle of the Geneva Protocol. When President Eisenhower was asked at a press conference if he planned a change in our no-first-use policy, he said: "No official suggestion has been made to me, and so far as my own instinct is concerned, it is not to start such a thing first." During President Johnson's Administration the U.S. supported resolutions passed in 1966 and 1968 by the UN General Assembly, calling for "strict observance by all states of the principles and objectives of the Protocol" and "inviting all nations that have not done so to accede to the Protocol." Some statements, however, have made the U.S. position seem ambiguous. For example, the U.S. Army manual *The Law on Land Warfare*, last issued in the 1950's, states that the Geneva Protocol is "not binding on this country."

A total of 84 nations are now parties to the Geneva Protocol; 16 of them have ratified it since the 1966 UN resolution. The parties include all North Atlantic Treaty Organization members except the U.S., all members of the Warsaw Pact including the U.S.S.R. and all nuclear powers (other than the U.S.), including the People's Republic of China. All major industrial nations except Japan and the U.S. are parties. The protocol has been signed but not ratified by the U.S., Brazil, El Salvador, Japan, Nicaragua and Uruguay.

Whether or not the protocol prohibits the use of harassing agents and antiplant chemicals is a subject of some dispute. On the first occasion when nations were canvassed for their views on the status of tear gas (at a League of Nations Commission in 1930), Canada, China, France, the U.S.S.R. and several other nations agreed with the declared British position that "the use in war of 'other' gases, including lachrymatory gases, was prohibited." None of the nations then party to the protocol made objections to this view. The U.S. delegate, however, expressed hesitation over any commitment to refrain from the use in war of agencies used in peacetime by domestic police and whose use in combat would be "more clearly humane than the use of weapons to which [nations] were formerly obliged to resort." Two years later the League Disarmament Conference unanimously recommended that the use of all gases, including tear gas, be prohibited in war. This view was accepted by the U.S. with the understanding that it did not apply to the use of tear gas for police purposes. The discussions were not directed at the Geneva Protocol but at devising a comprehensive disarmament treaty, an attempt that was disrupted by the approach of World War II. The question did not come up again until 1965, when questions were first raised about our employment of CS and herbicides in Vietnam.

Responding to these questions in 1966, the U.S. representative to the General Assembly stated that the protocol does not prohibit "the use in combat against an enemy, for humanitarian purposes, of agents that Governments around the world commonly use to control riots by their own people" or of chemicals used to control "unwanted vegetation" for agricultural and other peaceful purposes. At the time these views were contested mainly by the U.S.S.R. and its allies. As the scale of chemical operations in Vietnam has increased, however, the U.S. position has come under mounting attack. Last summer Secretary General U Thant urged the members of the UN to "make clear affirmation" that the protocol prohibits the use of all chemical agents, including tear gas, in warfare. Last winter India, Mexico, Pakistan, Sweden and 17 other nations proposed in the General Assembly a resolution holding that the Geneva Protocol prohibits the use in war of all chemical agents directed at men, animals or plants. The resolution was passed by a vote of 80 to three, with 36 abstentions. Portugal, Australia and the U.S. voted against the resolution.

Since then the British government has declared that CS is exempt from the Geneva Protocol, although Britain still considers the tear gases known in 1930 to be prohibited. The British argument was that CS is less toxic than older tear gases, but it is generally thought that the real motivation of the cabinet was to avoid risking charges that the use of CS for riot control in Ulster was illegal. If so, this reflects a confusion regarding the meaning of the Geneva Protocol, which by its terms prohibits the use of gas only in warfare. The distinction between the use of tear gas for domestic police purposes and the prohibition of its use in war has been observed without difficulty by many nations ever since World War II. Even Sweden, a nation that has led the opposition to the use of tear gas in war, uses it in riot control at home. Ironically, it may be that the massive use of CS in war and the excesses this breeds will generate serious opposition to its domestic use.

As the U.S. moves to ratify the Geneva Protocol, the Administration must decide on a policy regarding the use of harassing agents and herbicides. There is no great difficulty in identifying the pros and cons of maintaining an option to use these agents in war. The difficulty arises when one attempts to quantify the various arguments and then to place values on them in order to reach conclusions.

The principal gain to the user of these agents in war is that to some extent they enable him to increase enemy casualties and to reduce his own. These agents, however, are of significant effect almost only in counterguerrille warfare and, in the case of CS, only if opposing troops are unprotected by gas masks. Hence the arguments for keeping these weapons become important to the extent that a nation anticipates involvement in such wars. CS can be expected to lose its advantage in any case, for once the impression is created that one's forces will use gas, supplies of masks will become much more available throughout the world. North Vietnamese troops in South Vietnam are now largely equipped with fairly good Chinese Communist gas masks, and increasing numbers of the excellent Russian Shlem masks are appearing. Even for guerrillas the expense of masks is not great.

The main threat to security of continuing the use of these agents is the increased likelihood of proliferation of chemical weapons and of the breakdown of the restraints against chemical warfare. Our employment of harassing gas in war, particularly when it is done on a large scale in conjunction with ordinary military operations, stimulates military planners in other nations to secure gas masks, initiate chemical training and upgrade chemical cadres and to consider acquiring for their own nations chemical weapons of various types, including lethal ones.

The large-scale military employment of antiplant chemicals poses ecological and public health problems of which we still know little but that could be most serious in the long run. The precedent of countenancing large-scale alteration of the environment in the conduct of war has obvious perils. Moreover, in many parts of the world use might be made of chemicals as agents of starvation and economic warfare against the civil population. Because of the relative ease with which this tactic can be practiced, it would be difficult to stop once the precedent is set.

The general problem of preventing chemical and biological warfare is to a large extent a psychological one. Perhaps the central problem is to prevent the application of biochemistry and biology to the opening up of a new and highly unpredictable dimension of warfare. If we can maintain and reinforce the traditional expectation that no gas or germs will be used in war, there will not be much pressure for these weapons to proliferate.

This psychological aspect of the problem has been understood by essentially all nations, including the U.S., ever since World War I. Recently, however, a dangerous break with tradition has been allowed to occur and to escalate in Vietnam. Many who have studied the problem consider the use of chemical weapons there, even though they are not lethal chemicals, to be the major and most immediate threat to the barriers that prevent chemical warfare.

If we can accept the loss of our option to use harassing agents and antiplant chemicals as weapons of war, then, judging from the recent vote in the General Asembly, it appears likely that all important nations of the world could be brought to agree. If, on the other hand, the long-observed rule of "No chemical and biological weapons" is abandoned, there will be no unique and equally simple standard on which national practice and international agreement can be based.

EXHIBIT 2

[From the New York Times, July 9, 1973]

DENVER'S DEADLY CLOUD

One-fiftieth of a drop of the nerve gas known as GB is enough to kill an adult human being within minutes of contact with his skin. Yet some 463,000 gallons of the deadly chemical is stored in the form of cluster bombs at the Rocky Mountain Arsenal only ten miles from the heart of Denver. Although the Army promised three years ago to lift this threat to the city by removing or destroying the gas, it not only has yet to remove a single missile but it now blandly reveals that an undisclosed quantity of the same nerve gas in bulk tanks will be kept indefinitely at the arsenal as a defense deterrent.

This gross betrayal of the Army's promises to Colorado officials will not surprise anyone familiar with both its lack of candor and its irresponsibility in the matter of chemical weaponry. After Army officials had repeatedly denied that nerve gas had been tested in Utah in 1969, the Government was forced to compensate ranchers for the loss of 6,000 sheep killed in tests of the toxic gas. A quantity of the same material has been shockingly dumped at sea, and in 1966 some 200 canisters at a testing area in Alaska were carelessly allowed to sink through the melting ice of a lake, where they remained for three years before being retrieved and destroyed.

Concealing in its report to the Environmental Protection Agency the existence of gas in bulk form at Rocky Mountain Arsenal was just one more offense in a long series. In the light of this sorry record, Colorado spokesmen are understandably skeptical of assurances that the Arsenal is "safe" in spite of flights of planes overhead and admissions by the Pentagon itself that some of the buildings are in "poor physical condition."

No doubt the Army would find it extremely difficult to ship the stuff elsewhere. The alternative is to destroy it. It is arrant nonsense to pretend that the country needs nerve gas to deter its possible use by an enemy, as though a whole arsenal of hydrogen bombs were not deterrent enough for any weapon an enemy might choose. Without even that pretext, there is no rationale for poison gas at all, since there is no question that it would be dangerous to our own side in war as it is in peace—a deadly threat to Americans in the field as it is now a threat to the people of Denver.

EXHIBIT 3

[From the Denver Post, Aug. 22, 1973]

MORE TWICE-TOLD TALES ABOUT NERVE GAS DISPOSAL

The Defense Department's verbal smog level is rising again in regard to the nerve gas stored at the Rocky Mountain Arsenal, on the eastern edge of Denver.

Last month, on July 6 to be exact, Army Secretary Howard Callaway said a Defense Department decision on what to do about the deterrent stockpile of super-deadly gas—whether to remove it from the arsenal or destroy it—would be announced "within the next 3 days".

It has been three weeks now since that 30-day deadline passed. And what's the latest story? One Defense Department spokesman says, "I don't think anyone can tell you how long you'll have to wait" for a decision on this issue.

Another spokesman said the question will be answered only when the matter has been "thoroughly reviewed" at the departmental level.

That process, the spokesman suggested, could involve clearing the question with, one by one, six or seven assistant defense secretaries and the department's director of research.

Well, all we need say about that is we're getting fed up with the Defense Department's different-story-every-week (or month, or day) routine on this issue.

We don't care much—except possibly about differing amounts of time involved—whether the gas is removed or destroyed. But one way or the other, the stuff has to go. The Denver area's population growth has made the arsenal an absolutely unsuitable place to store any weapon as deadly as nerve gas.

But unless someone keeps the pressure on, we shudder to think how long it may take to push a decision through the top echelons of the Pentagon. (There used to be a joke that General Washington's farewell message to his troops was still in somebody's "hold" basket there, awaiting clearance. At least, we hope it was a joke.)

So we intend to keep the pressure on from this end. And we strongly suggest that Colorado's congressional delegation do likewise, from that end.

Otherwise, the Army and/or Defense Department will still be producing a different story about this issue every week or month until this time next year. And the gas will still be there.

EXHIBIT 4

[From the Grand Junction (Colo.) Daily Sentinel, Aug. 8, 1973]

UNNEEDED STOCKPILES

The time has come for the military to eliminate its stockpiles of nerve and other types of poison gas. We don't believe the nation or the military needs these weapons for national defense.

Too much progress has been made in tools to kill to any longer contend that great stocks of poison gas are needed to cow a potential enemy.

Poison gas as a military weapon is a holdover from World War I, the last time it was used to any great extent. It was avoided by all sides in World War II because even Hitler believed its use by the Nazi forces would bring the entire world down on him to exact retribution.

We assume all other nations of size maintain poison gas stocks, but we don't believe this any longer is an argument to maintain our own. It is past time to detoxify our stockpiles and to ease the worries they generate in the minds of the public.

We especially regard the storing of huge stocks near the Denver metropolitan area as sheer stupidity. We would suppose the chances of an accident are remote, but why invite even a million to one chance of disaster when it is unnecessary? Certainly if our national leaders insist that we must have at least some stockpiles of gas, it could be stored in remote areas far from populated centers.

But the transport of such a terrible weapon is frightening in itself. It would make much more sense to detoxify the stocks where they are than to move them elsewhere for storage or destruction. Not only would it make more sense, but it might restore some of the faith the Army and government have sacrificed in efforts to evade the nerve gas issue.

Mr. THURMOND. Mr. President, the national policy on this question was stated by President Nixon on November 25, 1969, and it is clear that the United States will not first use lethal chemicals. The objective of the chemical warfare program is to deter the use of lethal chemicals by other nations and to provide a retaliatory capability if the deterrent fails.

The United States signed the Geneva protocol in 1925, but the Senate has not ratified the protocol, and no other treaty exists to prohibit chemical warfare. Adequate controls and safeguards exist on chemicals due to specific legislation contained in Public Law 91–121 and Public Law 91–441. The impact of destroying our deterrent retaliatory capability would be to weaken our national defense posture and place the U.S. forces in a vulnerable position.

Since it would be unwise to destroy our chemical supply, it would appear unwise to make a study of this matter.

I want to say, however, that it is an emotional matter and it is one deserving of attention. If we are going to keep this country strong, we have to keep it strong in every facet of defense. Chemical warfare is one phase of defense that we have become strong in, but we would not use chemical agents unless other nations used them first. If other nations do use them first, then should we not have the deterrent to respond? The very fact that we have chemical agents acts as a deterrent to other nations not to use chemical agents.

Mr. President, after considering this matter, and since this provides for only a study, we are willing to take this amendment to conference, where it can be considered further.

The PRESIDING OFFICER. Is there objection to the amendment?

Mr. McINTYRE. Mr. President——

The PRESIDING OFFICER. Who yields time?

Mr. HASKELL. Mr. President, I yield to the Senator from New Hampshire such time as he desires.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. McINTYRE. Mr. President, I am very much in sympathy with the Senator from Colorado. I remember years ago in the subcommittee's work in the Armed Services Committee we did go into this question of chemical-biological warfare, and I think we all applauded President Nixon's decision some time later to abolish the biological end of CBW.

What is being suggested here by the Senator from Colorado falls within the framework of what we are doing today in the CBW field.

I commend, too, the Senator from South Carolina for accepting and agreeing to take this amendment to conference, because I think any study that attempts to get at the possibility that sometime we can rid ourselves of this infernal chemical warfare and nerve gas, and all the horrible things that surround it, would be well. But as long as our potential enemies have these supplies, we have some minimum type of program to help develop some kind of warning system that would be of use to us in case a potential enemy did try to use nerve gas against us. We have to try to develop different kinds of apparel that can be worn by our foot soldiers in case they have to use it. So we have limited legitimate areas of work in this field.

Any study by the National Academy of Sciences would be helpful. I would certainly hope that the conference could accept the amendment and make it part of the bill. I hope we can do just that.

Mr. HASKELL. Mr. President, I ask unanimous consent to have printed in the RECORD a statement and insertions by the distinguished Senator from Utah.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR MOSS

Mr. MOSS. Mr. President, the nerve gas issue has been of great concern to the citizens of the State of Utah since an "accident", and I use the term with some hesitation, occurred a few years ago at a place called Skull Valley and resulted in the deaths of 6400 sheep due to their exposure to VX type nerve gas.

Since then there have been several news stories about the stockpiles of gas which are located in Tooele, Utah and at the Rocky Mountain Arsenal in Denver, Colorado. Each time these news stories appear there has been a corresponding increase in the volume of mail from my constituents. And each time I must respond that the Army informs me that this is part of our national deterrent, that the Army has taken most extensive precautions that no accident can take place, and that the Army is reviewing plans and developing methods for the eventual detoxification of this gas at Rocky Mountain Arsenal.

In short, each time a public outcry is heard against the stock piling of this gas I must respond that we still are considering alternatives but that no firm decision has been made. This has gone on for far too long. The Haskell Amendment, which I am cosponsoring, would provide for a comprehensive study to be completed within a definite period of time. Then we will have the alternatives before us in concrete terms, and we will be able to plot a course of action.

At present, there is stored near Tooele the largest single stockpile of nerve gas in the United States, and approximately ten times more than is stored at the Rocky Mountain Arsenal. In its present form, this gas is not a weapon. It is in no state of readiness. It would be impossible to deliver the gas militarily in its present state should we ever have need of it. Indeed the use of the gas would be a violation of the laws of nations.

The mute presence of row upon row, barrel after barrel of this deadly material is surely not a legacy by which we would have our children remember us. Its presence is but a reminder of a foolish and lamentable past which thrived upon fear.

So let us look and plan for the future, to a day when we may rid ourselves of these chemical agents whose usefulness has now become questionable. This amendment will assure us that adequate planning and research will be available for the detoxification of this gas—the continued storage of which is not a very real defense and is a latent threat to the lives of our people. I add to my statement several letters and an editorial appearing in the Salt Lake Tribune July 12, 1973, which, I believe, represent the views of most of the people in Utah.

SALT LAKE CITY, UTAH,
July 12, 1973.

The Honorable FRANK E. MOSS,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MOSS: We are terribly concerned here about the possibility that the Army will move its poison gas stocks to Tooele! To emphasize our point we are enclosing a clipping from the editor's column with which we concur (though we don't always).

It would be appreciated if you would do all in your power to argue against this threat to your home state. Thanks.

Respectfully,
Mr. and Mrs. JAMES W. CLOPTON.

Enclosure.

MOVE POISON GASES OUT OF DENVER BUT NOT ALL THE WAY TO TOOELE

If the Army was storing deadly nerve gases and other poisonous potions within sight of the main runways at Salt Lake International Airport there would be loud protests and demands that the gases be removed.

That's how it is in Denver. The 18,000 acre Rocky Mountain Arsenal is directly in the flight path of planes using Stapleton Field. It is a situation which invites disaster and the people of Denver are justified in demanding removal of the threat.

The Army has belatedly recognized its responsibility and is considering, as one of several alternatives, moving the gas stocks some 600 miles to Utah's Tooele Army Depot. The plan is rife with risk to communities along the mountainous route between Denver and Tooele.

In addition to the high risk during transit, the Army chose the one area in the United States least prepared psychologically to receive a huge shipment of poison gas. It was just over five years ago, March, 1968, that some 6,000 sheep in the Tooele vicinity were killed in what has been called the

"Army's first public mistake" with poison gas.

The Army's reluctance to divulge facts in the sheep killing, especially its initial denials that poison gas was even being tested in the area, is still remembered here and does nothing to lend credence to Army assurances there is nothing to fear from the proposed shipment.

It comes down to this: If it is accepted that the U.S. must keep a stockpile of poison gas as a deterrent against possible gas attacks from without, then the gas must be stored somewhere. But common sense dictates that it not be moved any farther than is absolutely necessary to remove the threat to Denver.

Surely there must be ample federally owned desert land in eastern Colorado not far from Denver which could be acquired as a depot for the gas.

Rocky Mountain Arsenal for many years was one of several Army chemical warfare facilities which produced various poison gases. Presumably the arsenal is still capable of producing more gas in the future which also would have to be stored elsewhere. In that case it would make even more sense to erect a depot nearby rather than periodically expose hundreds of persons between Denver and Tooele to the dangers inherent in transporting deadly gases.

Salt Lake City, Utah,
June 5, 1973.

Senator Frank Moss,
U.S. Senate Building,
Washington, D.C.

Dear Senator Moss: I watched tonight as NBC aired its First Tuesday program on KUTV, and was shocked by its content. Most of the program concerned the storage of nerve gas by the Army in many arsenals around the United States, two of which are Rocky Mountain Arsenal in Denver, and Dugway here in Utah.

From other recent news programs I am aware of the storage of gas in the United States, but the impression I got was that it was being destroyed or neutralized. However, First Tuesday showed that there is a tremendous stockpile of this gas, both at Denver and Dugway. The program also showed that many of the containers are actually leaking, creating a possible hazard in the local area.

Why are we stockpiling these deadly chemicals? Even considering any possible deterrent (which I feel is nonexistent) and the fact that use of these chemicals in war would be one of the most immoral acts ever committed, just the existence of these deadly bombs and storage tanks is a threat to the lives of everyone in Denver and Salt Lake City. An Army spokesman stated that there is little danger of an airplane crash into the storage areas due to the airspace above being a restricted area. So what? How does that stop an irrational person from flying over the area and dropping explosives into the tanks, or from any aircraft in an emergency situation and out of control from crashing into the area? You can think of many possible ways by which the chemicals could become airborne and also out of control, killing a great many persons without recourse, treatment, or evacuation possibility. The sheep episode near Dugway should bring the same possibility to mind concerning the locality of the storage area and the prevailing Northwest wind blowing any accidental (or other) release of toxic agents directly into Salt Lake City; the same circumstances creates a hazard for Denver.

As First Tuesday put it: the agents were created in an era of "technology over common sense". I fully agree and ask you to do anything you can to have all toxic nerve (and other) gasses destroyed or neutralized. The technology for the destruction and neutralization has been proven, but the administration has to act to implement these procedures.

Sincerely,

William M. Travis.

Salt Lake City, Utah,
June 6, 1973.

Hon. Frank E. Moss,
Washington, D.C.:

We have just seen NBCs First Tuesday and are outraged that the arrogant US Army has done absolutely nothing in the last 5 years to neutralize or destroy thousands of aging leaking lethal gas canisters particularly at Tooele, Utah. Please use your influence to assure your constituents that they will not die in a 1973 accident as sheep died in a 1968 accident.

Mr. and Mrs. S. E. Newman.

Salt Lake City, Utah,
June 5, 1973.

Senator Frank Moss,
Senate Office Building,
Washington, D.C.

Dear Senator Moss: This evening I watched *First Tuesday's* report on the manufacture and storage of nerve gas and other chemical agents for use in wartime. Scenes were depicted of massive storage facilities at the Dugway Test Center, just outside Salt Lake City.

I and my wife protest most vigorously the maintenance of such a facility. It seems to us a totally immoral thing to consider the use of these substances, even as a retaliatory measure. Research in this area may be necessary from the point of view of development of antidotes, but certainly stockpiling implies willingness to use, and this we find unacceptable. The proximity to Salt Lake is another factor, which I might add, is downwind to the test facility.

We certainly hope you adopt a strong stand against such activities by the military, and that you encourage your colleagues to do the same.

Sincerely,

John A. Tilelli.

The PRESIDING OFFICER. Is all time on the amendment yielded back?

Mr. THURMOND. Mr. President, I am willing to yield back my time if the Senator from Colorado is willing to yield back his time.

Mr. HASKELL. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on adopting the amendment of the Senator from Colorado, as modified.

The amendment, as modified, was agreed to.

Mr. McINTYRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUGHES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 491

Mr. HUGHES. Mr. President, I call up my amendment No. 491.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk proceeded to state the amendment.

Mr. HUGHES. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 19, line 14, strike out "$2,958,200,000" and insert in lieu thereof "$2,865,800,000".

On page 19, between lines 17 and 18, insert the following:

"Sec. 202. None of the funds authorized to be appropriated by this or any other Act may be used after the date of enactment of this Act to carry out any further research, development, testing, or evaluation in connection with the A–10 aircraft program. Nothing in this section shall be construed as a limitation on the use of funds to terminate or settle contracts entered into prior to the date of enactment of this Act providing for research, development, testing, or evaluation in connection with the A–10 aircraft program."

On page 30, between lines 2 and 3, insert a new section as follows:

"Sec. 703. The Secretary of the Air Force shall submit to the Congress on or before March 1, 1974, a comprehensive plan for upgrading and modernizing the Air National Guard of the United States. The Secretary shall also submit to the Congress, not later than such date, any recommendations for any legislation he deems necessary to carry out such plan effectively."

On page 30, line 3, strike out "Sec. 703" and insert in lieu thereof "Sec. 704".

Mr. HUGHES. Mr. President, what is the time limitation on the amendment?

The PRESIDING OFFICER. There are 2 hours on the amendment and 30 minutes on amendments to the amendment.

Mr. HUGHES. Mr. President, I thank the Presiding Officer.

Mr. President, the Armed Services Committee has already reduced funding for the A–10 program by $50 million, but I believe that the remaining $92.4 million could better be spent by adding A–7's to the Air National Guard.

My amendment 491 would terminate the A–10 program, thus saving all funds except those needed for contract cancellation costs. In addition, it would require the Secretary of the Air Force to submit by next March a comprehensive plan for upgrading and modernizing the Air National Guard.

We have already spent $125 million on the A–10, and another $190 million is estimated to be required to complete development. For the remaining A–10 funds, we could buy about 70 A–7D's, which would be a major step toward modernizing the Air National Guard.

Right now the Air Guard operates over 500 F–100's. These are at least 18 years old and urgently need replacement. This year three squadrons of A–7D's will be activated in the Guard and the Armed Services Committee has expressed its intention that this modernization process continue by adding funds for the procurement of 24 additional A–7's this year.

In my own State of Iowa, the situation is one of growing concern.

This is what Maj. Gen. Joseph G. May, the adjutant general of the Iowa National Guard, wrote me earlier this year:

> In the past, as you are well aware, the Air National Guard units received equipment

> resulting from modernization of the regular Air Force. This was a practical approach in the past as the Air National Guard was considered a "back-up force" to the active establishment. This is not true today. With the Air National Guard presently constituting 50 per cent of the tactical air command force structure and this percentage planned to go near the 75 per cent figure in the near future, the Air National Guard becomes a vital entity in our national defense structure.
>
> The impact of this obsolete equipment is most seriously reflected in the tactical fighter units. The F-100 with which a large number
>
> The impact of this obsolete equipment is obsolete and outdated. Continuous modification of the airframe, escape systems and engines has been conducted at great expense. In spite of this effort, serious safety and operational deficiencies continue to arise and will cause further extensive modification with associated high costs.
>
> We must remember the impact the equipment has on the local community as well as the demands it imposes on the individual Guardsman. Our local communities are concerned, and rightly so, about pollution and environmental effects of our activities. Air and noise polluton are important considerations in selection of equipment for a specific area. Recent problems by other Air National Guard units in other metropolitan areas emphasize this point.
>
> If we are to continue to attract outstanding personnel on a voluntary basis in the air national guard program we must also consider the problems they face in maintaining pilot proficiency. These problems involve safety of the individual, time necessary to meet the qualification standards and the ability of the pilot to maintain proficiency without long periods of absence from his home and place of employment.

General May's letter concludes with a request for A-7's for an Air National Guard which has received many outstanding or near outstanding inspections and operational readiness inspections. No doubt similar needs exist in other States as well.

A better solution than proceeding with the A-10 would be to spend the funds for A-7's for the Air National Guard. The Guard urgently needs 300 aircraft in the next few years to replace the remaining F-100's, and the lowest cost way to modernize, with the best airplane, is to buy A-7D's. This step would provide a single close support airplane in the Active and Guard Forces, with the attendant benefits in logistics support, training, and operational doctrine should it ever be necessary to mobilize guard squadrons to serve alongside the Active Forces.

The problems of the Air National Guard are directly linked with the question of the A-10, not only because of the competing claims for resources, but also because of limits which Guard and Active Air Force needs impose on total A-10 procurement. To support both forces, the total potential procurement of close air support planes, both A-7's and A-10's, is about 800. With 400 A-7's already bought, there simply is not room in the force structure, Active and Reserve, for the 729 new A-10 aircraft which are programed. And reduced purchases of A-10's would drive up the per-plane cost and should give the A-7 a positive cost edge over the A-10.

What are those comparative costs? Until the hearings this year by Senator CANNON's Tactical Air Power Subcommittee, the usually quoted price for an A-10 was only $1.4 million.

We now know that the true cost per plane is $3.2 million—if you exclude the $125 million already spent on R. & D. and if you make the questionable assumption that 729 planes will be bought. This compares with an official Air Force estimate of $3.4 million for each of 729 A-7's. If the total program costs of the A-10 are averaged, including the $125 million already spent, the cost differential drops to only about $30,000 per plane.

And what would we get if we paid this extra $30,000 for A-7's? A faster, more sophisticated, combat-proven, dual-purpose plane.

In both cost and performance, the A-7 is a known quantity, while the A-10 remains vulnerable to further cost increases and technical snags.

The A-7's made an enviable record in Vietnam. The Navy's A-7E routinely operated in interdiction missions in high threat areas over North Vietnam for 2 years, accumulating over 8,000 sorties and with lower loss rates than all other attack aircraft. In the 6 months that A-7D's were used in Southeast Asia, they suffered only two combat losses and demonstrated outstanding performance. They had less than a 1-percent mission abort rate, averaged 60 hours per month per airplane, or double the peacetime flying rate, had only 16.5 maintenance man-hours per flight hour, and demonstrated bombing accuracy to an average 10 meters miss distances.

Col. T. M. Knoles, commander of the A-7D wing in Vietnam, told the Tac Air Subcommittee that "the A-7 bombing system is probably the finest air-to-ground bombing system that we have today." Colonel Knoles also testified that the A-7 was "extremely effective" in close air support operations as well as in interdiction missions.

By contrast, the A-10 will have essentially no interdiction capability and a questionable survivability in close air support. It is too slow an airplane to penetrate modern antiaircraft defenses. It will not have the computer-aided bombing system of the A-7D which gives the latter plane its outstanding bombing accuracy. It must also operate low and slow to match the A-7D's close support capability, and that is not a viable attack tactic to survive modern AAA, Strella missiles, and SAM's, and even if the heavy armor and redundant systems keep the A-10 from being knocked down, frequent hits could severely reduce its utilization rate.

Let me make a few more comparisons. The A-7 bombing accuracy was 10 meters; the bombing tests conducted by A-10's in noncombat situations showed an accuracy of 27 meters. The A-7 required 16.5 maintenance man-hours per flight hour, compared to a projected 12 hours for the A-10 and a more realistic 15 hours estimated in the major trade-off study of the two aircraft. There is just not that much difference in maintenance costs.

The A-7 has a top speed of 610 knots, while the A-10 currently can go only 350 knots, with a hoped for top speed of 390. And as Colonel Knoles testified, in a combat situation, "You would like to have as much air speed as you can possibly get."

Of course, the A-10 is not supposed to go very fast. It is deliberately designed as a single-purpose, close air support plane, which can go low and slow. But it seems highly questionable to pay as much for an untested single purpose plane as for a proven, dual purpose one.

The whole concept of close air support remains unsettled and unsettling. The Army continues to spend money on helicopters and the Air Force on the A-10. I for one am just not convinced of the need to have such a duplication in capabilities.

The Armed Services Committee has recommended one way to proceed: have a flyoff between the A-7 and A-10. While this could be a very useful device to expose some of the unforeseen problems in flying an A-10, and in getting operational judgments from pilots, it may well be true that the flyoff would not resolve the fundamental question of whether we need this particular low-slow plane. The Air Force's recent major cost-effectiveness study of the A-10 compared with the A-7, called Saber Armor Charlie, was loaded with assumptions that resulted in predictable conclusions that the A-10 was better.

The distinguished chairman of the Tac Air Subcommittee, Senator CANNON, exposed these biases, but the possibility remains for a flyoff with preordained conclusions.

In any event, I do not think we need to wait for a flyoff to decide that we should not spend as much or more to buy A-10's as we would to get the same number of the much better A-7's.

Amendment 491 would terminate this program, thus freeing resources to help improve the Air National Guard.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. Mr. President, will the Senator yield for a question?

Mr. HUGHES. I am happy to yield to the Senator from Georgia.

Mr. NUNN. As the Senator knows, I have shared many of his views, particularly his statement about the Air National Guard and the need we have to drastically overhaul and improve their capabilities. I also share the view that we should do everything possible to get them equipped with A-7's.

Did the Senator hear the statement yesterday by the Chairman of the Tac-Air Subcommittee (Mr. CANNON) that the Air Force has finally agreed to have a flyoff between the A-10 and the A-7?

Mr. HUGHES. Yes.

Mr. NUNN. Does the Senator want to in any way respond to that? I voted with the Senator in committee to delete the A-10. I had serious doubts about it. I think we need dual capability, but at this particular time, since it is planned to have a flyoff, I may vote the other way. I would like to hear the Senator's comment on that.

Mr. HUGHES. I think the circumstances of the proposed flyoff could be loaded with biased assumptions. I think they may not provide comparable testing factors as to the capabilities of the separate aircraft. They may not give the A-7 its best performance profile in comparison with the A–10 in different types of bombing runs.

I am not saying that it will be loaded; I want to make that emphatically clear. It seems to me that it could be. Observation may well demonstrate that it is not. I hope we will do that, if I do not succeed with this amendment.

My simple observation now is that we could save $190 million, and go ahead with a program on a better plane, in my opinion.

Mr. NUNN. Would the Senator repeat the cost comparison between the A–7 and the A–10? I believe the Senator said the per unit cost of the A–10 is now $3.2 million; is that correct?

Mr. HUGHES. Yes, that is correct.

Mr. NUNN. The per unit cost of the A–7, what is that? Does the Senator have that?

Mr. HUGHES. There is approximately $30,000 difference per plane, if you add the $125 million already spent.

Mr. NUNN. What was the figure the Senator pointed out that we could equip the Air National Guard for? How many A–7s could they get in exchange for this A–10 program, at the same time?

Mr. HUGHES. Well, the planes are of comparable expense, so there would be 24 for $70 million, and so on, on up. You would get 24 A–7–Ds for the price of 24 A–10s.

Mr. NUNN. Does the Senator know whether the Air Force has any current plans for equipping the Air National Guard?

Mr. HUGHES. Yes. As I stated in the opening part of my remarks, I would say to the distinguished Senator from Georgia that they are starting with three squadrons this year. The committee added 24 A–7's which could also be used for that purpose. What this amendment would do is enable the number to be 48 rather than 24, and increase the rapidity of the transition from F–100's to A–7D's.

Mr. NUNN. Does the Senator have a figure regarding how many A–7's the Guard actually needs now, to bring their equipment up to date?

Mr. HUGHES. Approximately 300 more.

Mr. NUNN. At the rate we have funded this year, it would take, then, according to my rough calculations, about 15 years to bring them up to date; is that right?

Mr. HUGHES. Unless we increase the rate of the buys, yes, it would, and unless they increase the rate of transition of A–7–D's out of the Air Force to the Air National Guard in the future, rather than holding them there.

Mr. NUNN. Has the Senator asked the Air Force what they intend to do about that? Are they increasing their request for fiscal 1975, or are they simply going to allow the Air National Guard not to be properly equipped for that length of time?

Mr. HUGHES. According to the Guard people at home, they have indicated to me their expectation is that this will be increased; but as far as any reliable information we have, to answer the question specifically, I have not asked the Secretary of the Air Force for a projected plan in the future.

If the Senator will recall, in committee we passed a resolution requesting that they make a study and report back to us on the needs for this transition and improvement. I am not aware of future plans, as I stand here at this moment, on the need for this transition.

Mr. NUNN. I share the Senator's views on the need to properly equip the Air National Guard. Those men are well trained. They certainly stand above the average reserve unit we have in this country in point of preparedness, from my understanding.

I think the Senator from Iowa performed a service in the committee from the standpoint of bringing this up. As the Senator knows, I was not here last year, but as I understand, the TAC–AIR Subcommittee and again the full committee really mandated the Air Force to conduct the trials last year, and that somehow never came about.

I believe that the Senator from Iowa may well have expedited and certainly has given an incentive for the Air Force to agree to have this fly-off, so I do think the Senator has performed a useful service in bringing the point up; and although I have not at the present time decided how I will vote here, in the light of the Air Force announcement that they will have a fly-off, I commend the Senator for making these valid points.

Mr. HUGHES. I thank the Senator from Georgia. The credit is due, however, to the distinguished chairman of the TAC–AIR Subcommittee, the Senator from Nevada (Mr. CANNON). He has kept the pressure on them and constantly kept their nose to the grindstone, and he is the Senator who deserves all the credit in this particular field. I am simply going farther than he determined to go at this particular moment in time, based on my own judgment rather than his.

Mr. TOWER. Mr. President, will the Senator from South Carolina yield me about 2 minutes?

Mr. THURMOND. Mr. President, I yield 2 minutes to the Senator from Texas.

Mr. TOWER. Mr. President, the Senator from Arizona (Mr. GOLDWATER) is necessarily absent today. He had wanted to speak in opposition to this amendment. I ask unanimous consent that his remarks in opposition be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR GOLDWATER

The honorable Senator has proposed cancellation of the A–10 aircraft system. Gentlemen, I am familiar with the deliberations in the Senate Armed Services Committee, and I assure you there is a clear need for a close air support system. The A–10 aircraft system uniquely provides the capabilities for the close air support of our soldiers in the field.

When you are out on the front as a soldier and the weather is bad, a group of tanks may well attack your position. You need an aircraft system that can move in and help kill the tank in the bad weather.

When you are out there and there is a sudden change of enemy action that threatens your position and the lives of your fellow soldiers, you want quick response.

When you are out there securing a defense position, you need a close air support system with large payloads to help secure your position. This in turn can save many of your troops' lives.

These kinds of requirements have been put into the design of the A–10 system, and this is the only aircraft system that meets these requirements:

It can operate in bad weather under low ceilings,

It can kill enemy tanks,

It can fly from very near, short, and unimproved runways.

It can keep the target in sight at all times and can minimize time over enemy lines by its high maneuverability,

It can survive while in the hostile area thru the special design of the A–10 aircraft system.

As I have stated before, the A–10 aircraft system is the only existing aircraft system that can perform to these demanding requirements.

We have gone through a history of programs where costs have escalated. This, generally, has been for several reasons, such as technical unknowns, unrealistic specifications, concurrency, poor cost control, etc. This was the major reason for utilizing the prototype competition and the fly-before-you-buy concept. You have a better defined system (fewer technical risks), greatly reduced specifications changes, and greatly reduced concurrency between development and production. Also, all system and subsystem items have been built and tested; therefore, knowledge of the costs should be firm.

This close air support requirement followed exactly that approach thru the A–9 and the A–10 prototype development and vigorous fly-off. The A–10 system was selected as the winner after this lengthy process. The Congress of the United States has been a partner and a participant in this new approach to procurement. I, personally, feel it will save the country many dollars.

Thus, gentlemen, we have in the A–10 the only system that meets all of these requirements. We have in the A–10 a system that has been scrutinized like no other system ever committed to production, thus assuring small technical risk and high confidence in the costs. I recommend, therefore, that this body support the recommendations of the Senate Armed Services Committee.

Mr. TOWER. Mr. President, I would also point out that the views expressed by Senator Goldwater are not necessarily my own.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I hold the distinguished Senator from Iowa in great affection and esteem, but I shall have to oppose his amendment.

THE NEED FOR THE A–10

The value of close air support of ground forces has been conclusively demonstrated in every major conflict since World War I. The attack aircraft provides an extremely mobile and flexible means for the application of concentrated firepower on particular targets. Close air support—responding flexibly to the requirements of the combat situation—can be massed to respond to the most critical threat anywhere along the battlefront.

To satisfy the need for a close air support aircraft in the mid-1970's, a durable aircraft with exceptional maneuverability and firepower is required. This is especially true in view of the need to have a weapon system which can effectively counter the massive number of tanks and other armored vehicles possessed by the Warsaw Pact nations. It is in this connection that the Air Force, in May 1970, released a formal request for proposal to U.S. airframe contractors asking them to submit designs for an attack aircraft—designated the A–X—which would be optimized to perform the close air support mission. The ensuing competitive prototype process recently has resulted in selection of the A–10 version of the A–X as the preferred aircraft for further development.

Because of its capabilities for high sortie rates and large ordnance payloads, the A–10 will be able to sustain great pressure against a massive and well-armed force. The A–10 has a quick turnaround capability and the speed to move rapidly across the battlefront to meet an attack or to support an offensive. The A–10 is optimized for discriminating, accurate ordnance delivery in very close proximity to friendly troops.

Taken together, the range, payload, and loiter characteristics of the A–10 provide a good capability in responding to ground force requests for close air support. Moreover, significant dividends would result from the A–10's ability to operate from shorter, less-prepared surfaces than needed for alternative aircraft. Therefore, for example, in a conflict in Europe, it would be virtually impossible for Warsaw Pact forces to damage the basing structure to the extent that A–10 operations would be seriously impaired.

Mr. President, I feel that we should proceed with this program because of the great service that it offers to our combat troops. We know the value of assault helicopters and how they have aided our troops. The division commanders in Vietnam have testified and made statements as to the value of these helicopters. They have saved thousands of lives in Vietnam. But of course the Army ground troops also need support from fixed wing airplanes.

I favor both weapons systems. Combat troops need all the support they can get. It is the man on the ground—as Senator Stennis has said many times, the man with the mud on his boots, who needs all the help we can give him to save his life and to enable him to wage an offensive against the enemy.

If the A–10 can save lives, which we think it can, along with the helicopter, both will be very worthwhile to our forces in fighting in combat.

It is for these reasons, Mr. President, that I feel the program should not be killed and that we should go along with it.

I hope that the Senate will reject the Hughes amendment.

THE A–10: A COST EFFECTIVE AIRCRAFT

Mr. JAVITS. Mr. President, for years many in Congress have sharply criticized the Department of Defense for designing needlessly sophisticated and unnecessarily expensive weapons systems. In my judgment, many of those systems that we are being asked to approve in the context of the present military authorization bill are still far too costly, and do not improve our national security to a compensable extent.

However, in some areas we are beginning to see our criticisms of regrettable design and procurement policies bear fruit, and I believe it would be significantly counterproductive for us to turn around and disparage Defense Department efforts that successfully keep the cost of a weapons system low as a result of a prudent and rational design approach.

The A–10 close ground-support aircraft program is an example of such a sensible approach. By modern standards, the A–10 is cheap and will perform the close ground-support role specifically assigned to it in an inexpensive but extremely effective manner. Therefore, I urge defeat of the amendment offered by Senator Hughes to completely terminate this cost-effective program.

The Senate Armed Services Committee has already reduced funds for this program from the $142.4 million requested for research and development, advance procurement and 10 prototype aircraft, to $92.4 million for research and development only and six prototypes. While this decision is, in my judgment, regrettable, I believe it would be far more unwise to terminate the A–10 program.

The question concerning the A–10 program is neither its cost nor its ability, but whether or not aircraft already in our inventory can adequately perform the close ground-support role assigned to the A–10 but for which they were never specifically designed. This matter has been exhaustively studied by the Air Force, which has concluded that not only is the A–10 more survivable and effective for the close ground-support role, but also cheaper and easier to maintain.

Finally, Mr. President, there is the question of the impact of terminating the A–10 program on Suffolk County, Long Island, N.Y., where Fairchild Industries will produce the A–10. In past years, while the Nation has enjoyed a period of prosperity, the aerospace industry has been depressed with an inordinately high impact on those regions, such as Suffolk County, which rely heavily on the aerospace industry for jobs. Termination of the A–10 program would be a severe shock indeed and unwise in the national interest, as well.

I strongly urge defeat of the amendment offered by Senator Hughes.

Mr. BROOKE. Mr. President, I greatly appreciate the senior Senator from Iowa's desire for prudence in defense spending. I share this desire. However, in seeking fiscal prudence in defense spending it would be unwise to eliminate systems that are clearly able to perform specific needed functions in a manner far superior to other existing systems. The A–10 is clearly such a weapons system. It will fill the need for the close air support of our ground troops within the parameters established by defense experts far better than any existing aircraft, including the A–7.

The battlefield soldiers need an airplane that can be available immediately to support their fluid battlefield situation. This dictates long loiter times, up to 3 hours, and takeoff from very short takeoff and unimproved runways, 1,500 feet to 3,500 feet. The A–10 meets these requirements through its high thrust and low fuel consumption engines.

The aircraft system to support the ground troops must be able to destroy mobile armor and mobile tanks. This is accomplished by the 30 millimeter tank-killing cannon, specially designed for the A–10, which itself was designed around the gun. This gun has been thoroughly tested and has met all specifications. High maneuverability of the aircraft system to keep the target always in sight was necessary. A large payload with great flexibility in armament to handle a variety of targets was also required. These requirements are built into the A–10.

In bad weather the foot soldier can be without air support for days. His support aircraft must be able to operate in a 1,000-foot ceiling and with a 1-mile visibility. This also dictates high maneuverability and visual contact with the ground. The A–10 is designed to meet these requirements.

Operating in a hostile environment, the aircraft must have built-in survivability. Special consideration for aircraft survivability and pilot protection requires up to 1,200-pound armor plate below the pilot, special fuel tank protection, redundant control systems, capability "one-engine-out" flight, loss of one horizontal and one vertical stabilizer, loss of an outer wing panel, et cetera. These features are designed into the A–10 to allow completion of a mission and/or return safely.

Again, addressing the concern about costs the A–10 aircraft system was "designed-to-cost" to meet the important requirements of providing close air support for the foot soldiers in the field. The costs are well established. The entire process of competitive fly-off between the A–9 and the A–10 for this important mission demonstrated the success of the system.

I would like, also, to address the effectiveness of the A–10 aircraft system for helping maintain the conventional balance of power. For example, in the future, we will likely be bringing home some of our troops from Europe. The A–10—with its capability of carrying large and diverse payloads and its tank killing capacity—will provide support to the remaining troops to preclude being overrun by perhaps thousands of enemy tanks. None of us want more war. If we are to decrease our troop presence in Europe, we would be less than wise not to seek increased firepower in order to maintain some form of credible military capability which must exist if the strategy of flexible response is to remain a viable one.

The A–10 is the only system that can perform precisely the mission of close air support as defined by the Air Force. I hope, therefore, that the Senate will not eliminate this needed program. The amendment by Senator Hughes should be defeated.

Mr. BUCKLEY. Mr. President, will the Senator from South Carolina yield me 5 minutes?

Mr. THURMOND. I am very pleased to

yield 5 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. BUCKLEY. Mr. President, one of the most pressing needs in the modernization of the U.S. Air Force has been the development of a low cost but effective aircraft especially tailored for the mission of directly supporting U.S. ground forces when they are engaged in close combat. In the past, our efforts to develop new aircraft have tended to focus upon missions such as air superiority where the skies need to be cleared of an oppponent's hostile high-performance planes by aircraft such as the F-86 in the Korean war or the F-4 in the 1960's, and the interdiction mission where supplies being brought to the front are attacked and their delivery impeded by attacking aircraft—a good example of the type of aircraft used for this purpose is the A-7. In addition, high-performance aircraft have been developed and procured for the strategic bombing mission such as the B-52.

We have not, however, built aircraft that would enable us to provide the kind of high-grade air support under extremely difficult weather and visibility conditions required to provide manpower support for our infantrymen on the ground. The A-10 fills this vital need for a versatile plane designed specifically for a "close air support" role. This aircraft is able to "loiter" in the region where ground combat is taking place so that air support can be made instantly available to the ground commander who requires it. Moreover, the aircraft is designed to operate at extremely low altitudes permitting the pilot to visually identify targets threatening our forces and attack them with a combination of weapons that are appropriate to the task.

In the past we have been compelled to rely on very fine aircraft such as the F-4 and the A-7 which are high performance, high-speed aircraft with relatively little ability to operate for hours at a time at low speeds and at low altitudes in an efficient manner. As a consequence, our ground forces have been compelled to accept a level of air support that in some cases was not adequate to the threat they faced. This has resulted in a needless loss of lives. The fact that this aircraft is optimized for the purpose will have the added benefit of producing a generation of pilots who are carefully trained for this otherwise much neglected mission of close air support.

The support of troops on the ground is a very difficult one because a mistake of but a few yards can make a tragic difference in an intense firefight. The A-7D, for example, is an excellent aircraft for hitting fixed targets from high altitudes because of its superb bombing accuracy. However, in the role of close air support, the combination of long loiter time and inherent accuracy augmented by the ability of the pilot to maintain visual contact with the battlefield are essential if tragic errors in the bombing of friendly forces are to be avoided—tragedies that were all too frequent in the recent Vietnam conflict. The combination of aircraft for the interdiction and close air support role provided by the A-7 and A-10 provides a uniquely complementing system of aircraft that will, in the first instance, cut down on the flow of supplies to enemy forces on the battlefield, and, in the second instance, the A-10 will inhibit the ability of the opponent to employ effectively what forces he has remaining against our own troops because of the rather dampening effect that 16,000 pounds of accurately delivered explosive ordnance will have on enemy determination.

It is, Mr. President, a mistake in my view to consider the A-7 and A-10 aircraft to be competing systems; rather they represent different classes of aircraft in the same manner that a C-5A transport aircraft is necessarily a much different aircraft than the B-52 bomber. Both are designed to do a certain task and neither can be sufficiently modified to do the task of the other. Modifying the A-7, an aircraft designed for high speed, medium-to-high altitude attack, to become low altitude, low-speed close air support aircraft would result in an aircraft that could no longer carry out either the interdiction mission or the close air support role efficiently. As a consequence, our troops would be deprived of important support vital to their survival when confronted by superior forces on the ground.

The A-10 aircraft uses well known and widely understood technology and as a consequence, is well understood in terms of its eventual cost. On the other hand, converting an aircraft designed for one purpose; namely, the A-7D, for use in another role may well result in unforeseen increases in cost at questionable levels of performance. Moreover, because of the design simplicity and well understood technology employed in the A-10, over $1.5 billion would be saved in operating costs over a 15-year period using the A-10 aircraft rather than the A-7.

Mr. President, the A-10 close air support aircraft represents a sound defense decision, and a good use of what we know to be scarce resources available for commitment to defense purposes.

I urge that the amendment of the distinguished Senator from Iowa be rejected.

The PRESIDING OFFICER (Mr. BUCKLEY). Who yields time?

Mr. TOWER. Does the Senator from Maryland wish time?

Mr. MATHIAS. I would like to have some time. If the Senator has another speaker, I would prefer to wait a few minutes.

Mr. TOWER. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUGHES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGHES. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. HUGHES. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be equally charged to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I yield to the Senator from Maryland such time as he may require.

Mr. MATHIAS. I thank the distinguished Senator from Texas for yielding time to me to discuss the A-10 aspects of the pending amendment offered by the distinguished Senator from Iowa.

I wish to associate myself with the views that were just expressed by the junior Senator from New York, who portrayed the potential of the A-10 very accurately and very succinctly.

I think the effect of the pending amendment offered by Senator HUGHES on the A-10 program would be very unfortunate from the overall point of view of our developing defense capacity and from the equally important point of view of our ability to pay for a developing defense capacity.

This is a project in which I have had a special interest for many reasons, one of them being that it was a subject which was closely studied by the group of Members of Congress known as MCPL, Members of Congress for Peace Through Law, whose interest is in some rational approach to defense problems. Among the projects they studied was this particular procurement item. The A-10 really fits very closely the recommendations that resulted from that study. I would regret that one of the first casualties of this year's defense debate would be one of the programs which seem to be most rational and most reasonable and have the greatest promise for the future.

As the report of the Committee on Armed Services noted a year ago, one of the most important aspects of defense procurement today is that we be able to afford it, that the cost of purchasing defense does not defeat its very purpose and make us weaker rather than stronger.

The distinguished Senator from Mississippi (Mr. STENNIS) has made that very clear in the studies that have been made under the direction of his committee.

The A-10, first of all, gives us a chance to win the price war. The Department of Defense in this case did fix a cost target; and we are faced, unhappily, by many examples of defense procurement in which these cost targets are ignored or certainly missed. In this case, as the Senator from New York knows, the cost target was squarely achieved.

I think this is because of the fact that the program was well conceived and has been well executed, and I think it would be unfortunate to call a halt to it now just as it looks as if we are going to have a plane that can be afforded and which will do the work for which it was designed. This involves a number of interesting criteria that involve high maneuverability and high survivability. These are all features that are built into the A-10, and which can be achieved with the A-10 to a degree that no other single aircraft now in the air fleet or which is on the drawingboard is likely to meet. It is capable of supporting troops from unimproved, short runways, which no other plane now in the fleet can match.

Therefore, it has the versatility which in itself promises economy. As well motivated as the amendment may be and as well intentioned as I am sure it is, we would find that in the absence of further development of this plane that what we were in fact doing was having to rely more and more on less efficient and more expensive aircraft, and instead of saving and instead of a more economical defense we would have a less economical and less effective air potential.

Therefore, I hope that the pending amendment deleting funds for the A-10 program will be rejected.

Mr. President, I ask unanimous consent to have printed in the RECORD certain material related to this matter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPTS FROM REPORT ON CLOSE SUPPORT AIRCRAFT: THE AX, HARRIER, AND CHEYENNE

(A Research Paper,[*] Prepared by Senator CHARLES MCC. MATHIAS, Jr., Senator WILLIAM PROXMIRE, and Congressman JOHN F. SEIBERLING)

SUMMARY

During the past five years the Department of Defense has funded, at a cost of nearly $600 million, the development and procurement of three new close support aircraft, the AX, the CHEYENNE, and the HARRIER. Each of these aircraft has been specifically designed to provide close-range, highly responsive aerial fire support to our combat troops in the field, against targets ranging from troops to tanks.

We fully recognize the importance of the close support mission. We do not believe its performance would be aided, however, by continuing with three separate close support aircraft programs, since two of them involve aircraft with at best marginal advantages over existing systems. While there may be some justification for retaining a triad of strategic nuclear deterrents, a triad of new close support aircraft is ridiculous.

Last year the House Appropriations Committee directed the Department of Defense to conduct a comprehensive study of its close support needs and to choose between the aircraft options involved. The only compliance to date has been a six page "interim report" submitted to the Congress by Deputy Defense Secretary David Packard in June. The gist of the report was that the aircraft involved "offer sufficiently different capabilities to justify continuing all three programs at the present time."

The purpose of this report is to do the hard analytical work which the Defense Department itself should have done long ago.

It is our belief that the AX provides the responsiveness, survivability, lethality, and operational readiness which we will need in a close support aircraft in the event of a NATO-Warsaw Pact confrontation in Europe.

The CHEYENNE, on the other hand, does not. Due to limited loiter time and substantial maintenance requirements, it might not be available when needed. And if the CHEYENNE were available, its high vulnerability and poor maneuverability would make it a sitting duck for enemy fire. The fact that the CHEYENNE carries a price tag twice as high as the AX does not make it any more appealing.

We recommend therefore that the CHEYENNE program be terminated immediately and that the AX be designated as the primary system for the future support of Army ground troops in Europe.

We also believe that the HARRIER offers only marginal improvements in the close support capabilities already available to the Marines in the form of the A-4M, and then only in the initial stages of an amphibious assault operation. Therefore, we recommend that the HARRIER program be terminated after the purchase of 60 aircraft, and that no production of the HARRIER be undertaken in the United States at this time.

Our detailed recommendations follow. If implemented, they would result in a savings of approximately $6 billion out of about $12 billion that would be spent in the next ten years if all three aircraft programs were continued.

RECOMMENDATIONS

Roles and Missions

We believe that the Department of Defense, in order to end twenty plus years of inter-service rivalry, should make a firm decision as to which service shall have the responsibility for close-air support of Army ground troops.

We believe that the close-support mission is best accomplished with fixed-wing aircraft at the present time. Given the contemporary limits of rotary-wing technology, and in view of the fact that the Air Force currently maintains the overwhelming preponderance of fixed-wing assets, it is our opinion that the Air Force clearly should be given the primary close support mission for the foreseeable future, provided that the Air Force demonstrates that it will give the Army adequate and continued support.

We also believe that the Department of Defense should clarify the responsibility of the Navy and the Marines, respectively, in providing close-air support for Marine Corps infantry operations.

AX (Air Force)

1. We recommend the continued development of the AX as a high-priority Air Force program, and that Congress approve the Air Force request for FY 72 funding of $47 million.

2. We recommend that the Air Force revise its internal priorities so that the mission of close-air support receives significantly greater emphasis and that the AX project be elevated to a higher priority. In order to ensure that the Air Force is giving proper emphasis to this mission Congress should require from the Air Force a yearly accounting of funds on close-air support.

3. We recommend that Congress act to ensure that the production version of the AX be kept as simple and austere as feasible. We believe that the AX represents a welcome change in procurement philosophy, in its austere and functional specifications, and its competitive development program. This emphasis, which promises a highly effective close-support aircraft at a price of under $2 million, should be continued. Complex and expensive night- and all-weather avionics and armaments should be added only when the AX is fully developed and thoroughly proven through realistic testing, and then only to a fraction of the force.

INTRODUCTION

Over the past five years the Department of Defense has funded, as a cost of nearly $600 million, the development and procurement of three separate aircraft intended for essentially the same mission of close-air support. The job of these aircraft is to provide close-range, highly responsive aerial fire-support for friendly units in the field against targets ranging from troops to tanks. Each aircraft represents a different approach to the mission of close-air support, and each is sponsored by a separate military service. A brief description of each follows:

AX (Air Force)

The Air Force's entry is the AX, a relatively inexpensive and unsophisticated twin-turbofan fixed-wing aircraft operated by a one-man crew. According to the Air Force, the AX is the first U.S. plane specifically designed for the mission of close-air support. The AX will have short take-off and landing capabilities (STOL), exceptionally good payload and long-range abilities, and a high degree of survivability due to its excellent maneuverability, twin engines, redundant control systems, heavy pilot protection, and large amount of armor plating. The AX is likely to fly in excess of 450 knots, and be able to loiter over the battlefield for long periods of time. The AX will carry a maximum load of 16,000 pounds of external ordnance, and will incorporate as its primary anti-tank weapon an internal automatic 30 mm armor-piercing cannon with 1350 rounds of ammunition. The AX will also mount other guns on its wing stations.

The Air Force is requesting $47 million for FY 72 to continue development of the AX. Contracts totaling $60.1 million have been let to two companies, Fairchild-Hiller and Northrup, to construct two prototypes each of the AX as part of a competitive "fly-before-buy" development program. First flight is expected for the summer of 1972 with production to begin late in 1974 and initial operating capability slated for early 1975.

The Air Force hopes to purchase at least 600 of the AX aircraft. Two versions of the AX have been mentioned, the AX-A, which is the standard operational version, and the AX-B, a possible follow-on to the original that would contain advanced avionics for all-weather and night combat capabilities. The Air Force has estimated that the B version, which is still in the conceptual stage, would cost at least $2 million per unit, and 100 AX-B's at $4 million each, the total investment cost for these 600 aircraft will be approximately $1.4 billion. Including probable O&M costs of $2.8 billion, ten-year systems costs for the AX will be approximately $4.2 billion.

Thus if all three aircraft become operational in the numbers desired by their respective sponsors, the cost to the taxpayers for the questionable benefits of a "triad" of close-support aircraft likely will be in excess of $11.5 billion.

Close-air support in Europe

With the end of American military involvement in Southeast Asia, the primary mission environment envisioned for future close-support aircraft is the European theater. There, close-air support would play a key role in any confrontation between NATO and Warsaw Pact forces. Facing numerically superior Pact armored forces, the first priority for our close-support forces on the European battlefield would be to provide effective anti-armor fire. Also critical would be the ability to provide accurate and lethal suppressing fire in support of friendly forces. Since the Cheyenne and the AX are specifically earmarked for the support of Army troops in the European theater, their capabilities will be contrasted here.

The Marines expect the Harrier, to have

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[*] This research report will be circulated to the Committee and to all MCPL Members for their use and individual endorsement.

specialized applications in forward-based attack situations where available ground-basing facilities are at a minimum and where the unusual qualities of a V/STOL attack aircraft could be considered useful. In particular, the Marines foresee use of the Harrier in support of invasion forces against heavily defended beaches, where its carrier and ship-based abilities would also be important. Due to the special nature of its intended mission, the Harrier will receive separate treatment later in this report.

Roles and missions

For over twenty years a dispute has existed as to which service should have the responsibility for close-air support of Army ground troops. This dispute, unmitigated despite a number of Department of Defense directives and inter-service agreements, has led to the current costly controversy between the Air Force and the Army revolving about the AX and the Cheyenne.

The last major organizational agreement between the Army and the Air Force was concluded in 1965. Called the Johnson-McConnell Agreement after the names of Army and Air Force Chiefs of Staff, this agreement set out to eliminate some of the confusing overlaps as to which service was to do what.

Actually, the Johnson-McConnell Agreement did little more than sort out some of the actual hardware involved rather than solve any of the basic disputes. The Army was given authority to develop a rotary-wing "fire-support" system, which it did, and the Air Force, perhaps too confident that no helicopter could challenge fixed-wing aircraft for this mission, continued for a time its low priority effort in close-support systems. The Johnson-McConnell agreement thus led directly first to the development of the Cheyenne and then the AX.

It is little wonder that the Army wants to develop its own aircraft, for in both Korea and Vietnam the Air Force has been poorly equipped to provide close-air support. The AX is the first Air Force plane specifically designed for the close-air support mission, and until now the United States has had the only major Air Force in the world not to have an aircraft tailored solely for this role.

Instead the Air Force has given preference to the more classic missions of strategic bombardment, tactical air-superiority, air-defense, and interdiction. Though experience in Vietnam, Korea, and even World War II demonstrated the marginal utility of interdiction missions, both the Air Force and the Marines have become overburdened in this area at the expense of close-air support. In fact, over the last few years the Air Force has spent nearly all of its tactical-air budget on air supremacy and interdiction bombers.

To meet the requirements of the close-support mission, the Air Force has had to turn to eclectic combinations of ill-suited aircraft, ranging from trainers to World War II fighters and even pre-World War II transports. They have even had to suffer the indignity of asking the Navy for the A–1, a World War II vintage aircraft that has been the mainstay of Air Force close-air support in Vietnam. A table follows of the primary aircraft types used by the Air Force for close-air support in Korea and Vietnam:

Korea: T–6 (trainer), P–51 (WWII fighter).

Vietnam: A–1 (WWII tac. aircraft procured from the Navy), A–37 (attack version of TA–37 trainer), T–28 (armed version of trainer), T–38 (F–5 version), F–4 (Mach 2 fighter-bomber), C–47 (Pre-WWII military transport).

There is little doubt that either service has the capability to perform the close-air support mission. The doctrinaire argument the Army makes for the Cheyenne—that, being an *Army* aircraft, it would work "organically" with troops in the field—can quickly be put to rest. It has not worked that way in Vietnam. Instead, armed helicopters have been supplied from a central control at the Corps level in much the same way as Air Force planes. Moreover, this centralization is likely to increase with the advent of more complicated and expensive helicopters like the Cheyenne, fewer of which will be available.

We believe that the Department of Defense, in order to end the over twenty years of Army-Air Force rivalry, should make a firm decision on which service shall have the responsibility for the close-air support mission.

As will be demonstrated in the following section, fixed wing aircraft like the AX possess an inherent superiority over rotary-wing aircraft for the close-support role. Since the Air Force already operates the preponderance of fixed-wing assets it is our opinion that the Air Force should be given responsibility for close-air support for the foreseeable future, provided that the Air Force demonstrates to Congress annually that it is giving the mission continued and adequate support.

We also believe there to be auxiliary missions to the primary close-support role of the Air Force that can be fulfilled by the Army with its current attack helicopter, the AH–1G Cobra. However, due to the inherent weaknesses in contemporary rotary-wing technology, we see no value whatever in replacement of the AH–1G with a more advanced attack helicopter at the present time.

Key Combat Characteristics

(1) Responsiveness/Loiter

The nature of the close-support mission is such that its first prime requirement is quick aircraft responses. If troops on the ground are being attacked or an observation post or spotter aircraft should sight a moving column of tanks, the aircraft must get to the scene rapidly. Moreover, the nature of most scenarios for a European battle suggest that during the first critical days the action is likely to be in rapid movement. Close-air support will be keyed not to fixed targets but to constantly changing battle lines. Unless an aircraft arrives quickly, it may not know where to go.

Optimum responsiveness is not obtained either through high speed or extreme forward basing. Instead it is best achieved with aircraft that have the ability to loiter over the battlefield for long periods of time. Aircraft already in the air over the front are able to eliminate delays due to take-off, transit time, communications, familiarization, an assignment lags. By contrast, no amount of speed or forward basing can eliminate these delays. Aircraft at forward bases are also likely to be well within reach of the enemy's tactical missiles or artillery.

Its poor response time is one deficiency of the Cheyenne. The Cheyenne is limited by its fuel capacity to what is called "ground loiter" in the immediate vicinity of the combat troops, where it will be well within range of enemy artillery. And even this forward basing will not eliminate frequent trips to its main base for more fuel. Thus the Cheyenne will fly many sorties to provide a limited amount of actual support. And one side effect of its refueling trips could be to aid enemy detection of the main base, bringing on air strikes and artillery harassment.

In contrast, the AX will be able to linger over the battlefield from one to four hours depending on the length of take-off and amount of ordnance carried. Loitering at moderate altitude over the critical areas, the AX will remain virtually secure from hostile fire while being able to respond in under 10 minutes to the needs of either a 100 mile battleline or a 7,500 square mile area.

A specific test of the advantages of fixed-wing, long-loiter, close-air responsiveness was conducted in combat situations in Vietnam in 1969. Nicknamed Misty Bronco, the test used Air Force OV–10As in a joint role of forward air-control and close-air support. The OV–10A, though slower and less maneuverable than the AX, demonstrated the ability of loitering fixed-wing aircraft to bring effective fire-power to bear in support of ground forces within minutes of request. The response time averaged only 5.1 minutes with the majority of that time (3.7 minutes) consumed in obtaining ground clearance to fire. By comparison, helicopter response time in South Vietnam has proved to be in the range of 30 to 45 minutes due to the various delays in getting from the base to the battlefield.

(2) Survivability

Survivability is a second prime requirement for any close-support aircraft called upon to operate in the European theater. In Southeast Asia, both our fixed- and rotary-wing close-air support aircraft have enjoyed total air supremacy and have rarely had to face concentrated enemy fire from the ground. This would not be the case in the NATO-Warsaw Pact confrontation.

On a European battlefield, close-support aircraft will be confronted with a vast array of sophisticated and concentrated anti-aircraft (AA) weapons. In contrast to the under .50 caliber AA threat encountered in less developed countries, the predominant threats in Europe will be .51 caliber and .60 caliber machine guns and 23 mm anti-aircraft artillery (AAA) fire. In addition, close-support aircraft that happen to cross into enemy territory are likely to be menaced by a variety of larger AAA cannons, hostile fire from enemy aircraft, and front-line surface-to-air missiles (SAMs). Another possible threat could be the development of a Soviet equivalent to the U.S. Redeye, a small, man-portable heat-seeking ground-to-air missile.

An aircraft will have to fly through light and medium automatic weapons fire with relative impunity if it is to perform the close-support mission in Europe. Moreover, it will have to fly low enough and slow enough to acquire targets and to engage them with optimum accuracy.

The two characteristics which will work together to determine an aircraft's ability to do this are its vulnerability and its maneuverability.

Vulnerability refers to the physical characteristics of the aircraft itself—the extent of its vulnerable parts and the damage likely if it is hit.

Helicopters are inherently complicated and fragile devices and the Cheyenne will be no exception. It will have a number of very vulnerable components—such as rotors, rotor-heads, gearboxes, and shafts—which are almost impossible to adequately protect. Moreover, it will have an excessively exposed canopy area with the consequence that crew members themselves might easily get hit.

The AX, by contrast, promises to be one of the least vulnerable aircraft in the United States inventory. Recognizing that the ability of an aircraft to take a hit is far more important than its speed, the Air Force has designed it from the bottom up with this basic need in mind.

The biggest dangers if an aircraft is hit are fire aboard the aircraft and loss of its basic control systems. To prevent the first, the fuel tanks on the AX are separated from the ignition and the engines, placed in areas of minimum vulnerability, foam-protected against explosion and fire, and designed so they will leak externally. To prevent the second, the AX incorporates redundant and separated control systems, with the key linkages armored.

The back-up controls of the AX will be fully mechanical, rather than hydraulic, to further reduce exposure to fire.

The next biggest danger is engine loss. The AX will carry two engines to the

Cheyenne's one. Because the engines will be widely separated, there is little danger that a hit in one will result in the loss of both. Because they are duplicating, the aircraft will be quite able to fly even if one engine is gone.

Finally, the AX carries more than twice the armor of the Cheyenne. The AX crew compartment itself is encased in 750 pound bathtub of armor, leaving the pilot vulnerable to most AAA hits only through the plane's small canopy area.

Dr. John S. Foster, Jr., Director of Defense Research and Engineering, summed it up this way in his March 18, 1971 testimony to the Senate Armed Services Committee:

"If the enemy defenses, even in the vicinity of our troops are formidable, if the fire is intense, the AX will probably survive while the Cheyenne will not. It will survive simply because it is a less complicated airplane. I don't believe we can make a helicopter that will take the beating the AX can take."

As far as maneuverability is concerned, the Cheyenne again loses out, with flight characteristics markedly inferior to those of the AX. The Cheyenne is limited to attack speeds well below 200 knots, while the AX has a range from 150–400 knots. The AX can also pull fully seven "g's", as opposed to approximately two for the Cheyenne—1.5 is claimed at 190 kts., 2.13 claimed at 170 knots—this high "g" capability is terribly important, since what it reflects is the ability of the aircraft to deviate from the straight line flightpath which aimed gunfire presumes.

Because helicopters are so vulnerable and unmaneuverable, the Army has argued the case for the Cheyenne on the basis of tactics. It claims that the Cheyenne will be able to fly in a "nap-of-the-earth" profile to mask its presence until it can suddenly "pop up" to fire on its targets from long range, with the wire-guided TOW missile system. These tactics, it says, will keep the Cheyenne alive.

In the fall of 1970, the U.S. 7th Army Air Cavalry conducted a field evaluation in Europe, using Huey Cobras, to test these tactics. While the evaluation has been proclaimed a great success, some of the evidence, as reported in an unclassified write-up of the exercises, casts serious doubt on this conclusion.

It indicates first that the Cheyenne will encounter poor visibility of battlefield targets when operating in "nap-of-the-earth" flight. This finding buttresses one of the long-standing criticisms of the Army's tactics—that the Cheyenne will not be able to actually acquire many targets unless it "pops up" to an altitude of 1,000 feet and then closes to a distance of one-half mile or less for visual target identification.

Under these circumstances, the Cheyenne would be fully exposed for quite some time to hostile enemy fire. After it "popped up", it would require between five and fifteen seconds for target acquisition and fire preparation and as much as another twelve to fourteen seconds after the TOW missile is launched to track it to its target. Thus, for as long as 29 seconds, the Cheyenne could be a shooting gallery target for enemy fire.

The Cheyenne would not have to hover in place while tracking the TOW. It could also "fly down the wire" (along the missile flight path). But this tactic would bring the aircraft even closer to hostile enemy fire. It should be noted in this regard that the Army itself has said that it would be "unacceptable" for the Cheyenne ever to fly behind enemy lines. This recognition of the Cheyenne's vulnerability is fine in theory. In practice, it is highly doubtful whether there would ever be any clear-cut lines in a fast moving European battle.

A second problem revealed by the 7th Army Air Cavalry evaluation is the havoc which power and telephone lines could wreak if "nap-of-the-earth" tactics were employed. Collisions with these lines, extremely difficult to see in flight (especially in marginal weather), could prove to be a major source of losses. A related consideration is the possibility that the wire which guides the TOW could get tangled up in trees.

As an alternative to "nap-of-the-earth" flight, the 7th Army also experimented with flight at tree top level—higher than "nap-of-the-earth" but considerably lower than flight profiles used in Southeast Asia. It was found, however, that even at this altitude the helicopters were "skylined" against the background and were easy enemy targets. Unfortunately, it was also found that "pilots who flew at tree-top level and at relatively higher speeds acquired more targets than those who flew "nap-of-the-earth."

The 7th Army Air Cavalry evaluation casts serious doubt on the ability of the Cheyenne to successfully employ the tactics it has been hoped it could use. There is little chance that it could acquire many targets at the stand-off ranges it is designed for and even less chance it could long survive if forced into the thick of the battle. In fact, seven out of eight senior Army officers who participated in the exercises cited helicopter survivability when questioned about the negative aspects of the exercises.

The Ax will not be burdened by the questionable tactics of the Cheyenne. It will not be restricted to the "friendly" areas of the battlefield. Instead it will loiter over wide areas for long periods of time, above the range of automatic weapons, with the maneuverability, acceleration, and rate of climb needed to rapidly attack defended targets with a minimum of exposure to hostile fire.

These characteristics will be especially important if we do, in fact, face Redeye-type missiles and enemy fighters in Europe. Since no close-support aircraft could hope to match a SAM or a MIG in speed, survivability would depend in great degree on the aircraft's ability to outmaneuver the missile and perhaps the fighter as well till help arrives.

The Cheyenne would have no hope of surviving in this environment. During the Lam Son 719 operation conducted in Laos this past spring, under conditions only remotely as severe as those which would exist in Europe, chopper losses were staggering. The Army reported a total of 94 helicopters shot down between 5 February and 11 March, but other reports, including one in the New York Times, put the loss for the Laos incursion at 219 helicopters. This is the equivalent of 60 per cent of the total Cheyenne buy—Although most of the losses in Laos were of helicopter troop-carriers—"slicks"—such as the UH–1G Huey, the experience of the slicks is applicable to attack helicopters as well, since armed helicopters like the Cheyenne are more likely to engage enemy defenses. Laos particularly demonstrated the severe vulnerability of helicopters to .51 caliber machine guns (12.7 mm). In contrast to this, the Ax, which has over 1000 lbs. of armor to 453 for the Cheyenne, has been specifically designed to safely take fire up to .60 cal. (14.5 mm.).

(3) Lethality/Accuracy

Even if an aircraft can respond quickly and fly through enemy fire with impunity, it will be of little value in the close support mission unless it can deliver lethal and accurate fire against the targets with which it is confronted.

Any close support aircraft operating in the European theater will have to deal with two kinds of targets: "hard" targets such as tanks, armored personnel carriers, and bunkers; and "soft" targets such as command posts, lightly fortified machine-gun and mortar points, and vehicles and troops in the field. The "hard" targets will be both the most important and the toughest to destroy—important because the opposing armored forces will spearhead any enemy advance, and toughest to destroy because they will be camouflaged, mobile, and well protected.

Unguided rockets or bombs will not be adequate against armored vehicles because of their inherently poor accuracy. Needed instead will be small, penetrating warheads (hard core bullets or shaped charges) accurately delivered against them. Our choice, therefore, will be primarily between guided missiles like the TOW and the Maverick, or high velocity, high impact automatic cannons of 30 mm. or larger with armor piercing warheads.

The Cheyenne will not be able to rely on its own gun as an antitank weapon. Like all helicopters, it suffers from high vibration and relative instability, both of which are fatal to accuracy. Even with its rigid rotor which minimizes rotor vibration to a degree, the Cheyenne will be forced to incorporate a very complex and very expensive computer-controlled turret stabilization system to achieve acceptable accuracies. And since this turret system will not accept the high recoil associated with an antitank capable cannon, its weapons will not be usable except against relatively soft targets. The Army readily acknowledges that they will be light armor piercing only.

In February, 1971 the Army attempted to demonstrate to a Congressional audience at its Yuma proving grounds the ability of the Cheyenne to fire its turret weapons simultaneously at two widely separated targets. Despite the unrealistically optimum test conditions (there would be no opportunity for careful preparation by highly trained technicians in a battlefield environment), a malfunction in the Cheyenne's fire control system caused machine gun fire "to be sprayed all over the hillside." Even if similar malfunctions can be prevented on the battlefield, it is doubtful whether the Cheyenne will achieve the accuracies called for in its design specifications, since their attainment is predicated on a minimum of aircraft movement which could well prove fatal if employed in the face of hostile fire.

Since it is incapable of mounting a 30 mm. cannon with the velocity, impact, and accuracy needed to counter enemy armored vehicles, the Cheyenne will have no choice but to use the TOW wire-guided missile as its primary anti-tank weapon. Unfortunately, there are a number of problems with the TOW, which was originally designed for use on the ground.

First, there are the target acquisition and survivability problems alluded to earlier. It is unlikely that the Cheyenne will be able to acquire targets at the stand-off range for which the TOW is designed and unlikely that the helicopter will survive if forced to move closer to its targets.

Second, there is the fact that the TOW can be countermeasured by simple, low power techniques.

Third, there is the high cost and complexity of the missile. For example, the 16 TOW missiles which the Cheyenne will normally carry will cost six times as much as the normal AX payload while providing sixty times fewer actual warheads. And since the TOW system will also be difficult to maintain, costly to repair, and have poor battlefield reliability, these figures probably understate its relative cost disadvantages in terms of functional sorties delivered.

At the Yuma demonstration referred to earlier, the carefully prepared Cheyenne fired two missiles at standing targets under ideal conditions. One of the missiles hit the tank, but the other simply fell out of its launch tube.

This failure is not a good omen. In combat it is unlikely that the Cheyenne will face tanks standing exposed in bright sunshine on the side of hills. Instead it will have to fire in adverse weather and under high crew stress conditions, at moving targets with good camouflage, and in the face of enemy countermeasures against the missile. All of these factors will gravely compromise the effective use of the wire-guidance system which requires highly accurate optical tracking either during hover or in "down-the-wire" flight.

The AX, on the other hand, will be well suited to delivering lethal and accurate fire against enemy targets. It will have the maneuverability needed to acquire its targets at short range, turn in the one-half mile or less needed to maintain visual acquisition, and then attack in close at a speed slow enough to ensure accuracy yet fast enough to reduce exposure to hostile fire.

Air Force tests conducted in 1965 demonstrate the very high degree of accuracy which can be achieved by the fixed-wing multiple pass strafing such as the AX will be able to deliver. When its new .30 mm. cannon is developed, the AX will also have a weapon of sufficient impact and velocity to pierce any armored vehicle in the Soviet inventory. Moreover, this cannon will be cheaper to maintain and operate than the infinitely more complex TOW.

Finally, the AX will be able to carry up to 16,000 pounds of external ordnance, more than three times as much as the Cheyenne. As a corollary, it will also be able to carry a greater variety of ordnance and engage a much wider range of combat targets.

(4) Operational Readiness Requirements.

(a) *Peak Sortie Rates.* If a close support aircraft is to be counted on when needed, it is vital that it be able to fly 4 to 6 sorties per day, for one or two days, when necessary in emergency conditions—The Army and the Air Force do not use the same definition of a sortie. The Army reports every touchdown as a sortie. Thus one attack mission may be reported as consisting of five to ten sorties. In referring to a peak sortie rate desired of four to six per day we are using the Air Force definition—The main determinant of an aircraft's ability to achieve peak sortie rates is the degree of its overall complexity.

A complex aircraft like the Cheyenne will require its own retinue of highly trained technicians and considerable support materiel wherever it goes, and it will still be under repair much of the time. The Army's current attack helicopter, the Huey Cobra, has spent considerable amounts of time "in the shop" while serving in Vietnam. The much more complicated Cheyenne would no doubt have a worse record. By contrast, a simple aircraft like the AX will have less failures, and thus demanding less maintenance, will fly more.

(b) *Austere Basing Capabilities.* There are several reasons why close support aircraft should be able to operate away from carefully prepared airstrips. For one thing, there are not likely to be airstrips in the immediate vicinity of a battlefield. Even if present, any aircraft operating from them would inevitably cut significantly into its responsiveness, its loiter time, and/or its payload if it could even reach the scene. An added danger of centralized bases is hostile strikes which could eliminate large fractions of the force in one swoop.

Although a helicopter like the Cheyenne would seem at first glance to have advantages in this regard, they turn out to be somewhat illusory in nature.

To begin with, the Cheyenne derives little advantage from its vertical take-off and landing (VTOL) capability. As argued earlier, forward based "ground loiter" is no substitute for long loiter in the air above the battlefield when responsiveness is the point at issue. Due to its vulnerability, the Cheyenne will not be able in any event to sit down in areas really close to hostile fire. In Vietnam, for example, attack helicopters have operated almost entirely from sheltered rear bases with intermediate stops only at secure helicopter clearings. Finally, it must be remembered that vertical take-offs extract an inherent penalty in terms of the amount of fuel and ordnance carried. When fully loaded, even the Cheyenne required room to roll for take-off.

The AX will be able to rely in Europe on the large number of austere dirt and paved airstrips which can accommodate an aircraft with its own short take-off and landing (STOL) capabilities. It is designed to be able to take-off fully loaded from forward areas, hastily prepared dirt airstrips in distances as short as 2,200 feet. The Air Force A–7, by comparison, requires 7,000 feet of hard surface runaway.

In fact, due to its lesser support requirements, it will be possible to disperse the A–X to a far greater number of bases than the Cheyenne, which will have to return far more often to its main base for fuel, ordnance, and repairs. And the helicopters then will be grouped together for possible enemy strikes.

(5) Night and All-Weather Capabilities

An aircraft that could always provide accurate and discriminating fire at night and under all weather conditions would without question be most desirable for the close support mission. The Cheyenne clearly has more sophisticated night and all weather avionics than the AX but it is doubtful what added capabilities they give it.

First, as demonstrated by Air Force experience with the A–1 in Southeast Asia, sophisticated avionics are not needed for effective close air support operations in marginal daylight conditions that kept other more avionics-equipped yet less maneuverable aircraft on the ground. The A–1 also operated at night with equipment no more exotic than flares, using the technique of making multiple, tight, low-speed turns within the duration of the flares.

The time when special avionics would be most helpful—and when aircraft cannot operate without them—is under conditions which combine bad weather and the night. Unfortunately, no package of sensor systems yet developed and none on the horizon has shown any ability to discriminate effectively between friendly and hostile forces. Yet this is a basic prerequisite for close-air support, especially under these conditions.

Despite the fact that the target identification problem remains unsolved, the Cheyenne is designed to incorporate an exotic passive infra-red night-vision system that adds greatly to its complexity and to its cost. In the 7th Army Air Cavalry evaluations referred to earlier, one helicopter troop experienced only 6 per cent of its total acquisitions and only 3.6 per cent of its actual engagements during its night operations. The more advanced equipment on the Cheyenne might make some improvement in that score but not enough to justify the cost.

The AX, by contrast, incorporates no such avionics in its standard operating version, yet its inherent maneuverability will allow it to operate even more effectively in most weather conditions then the A–1 did in Southeast Asia.

If and when avionics are developed which could significantly improve its performance, they could easily be incorporated in a fraction of the total AX force.

(6) Force Structure Implications

Our tactical air strength in any European encounter will depend not only on the quality of the aircraft we have but the numbers in which they are available. Here cost is an all important consideration, and again the AX comes out ahead.

Due to the innovative management techniques being applied to the AX program and the basic simplicity of the aircraft itself, the AX will be less than half as expensive as the Cheyenne. Its lower unit price will translate directly into substantially more aircraft for the money spent, as the following table demonstrates:

$1.2 billion buys:
600 AX, $2.0 million*
222 Cheyenne, $5.4 million*
273 Harrier (UK version), $4.4 million*

In addition to its investment cost advantage, the AX will have lower operations and maintenance (O&M) costs as well. Experience shows that O&M costs usually average out to approximately 20 per cent of investment costs per year. This would put annual O&M costs for the AX at $400,000, compared to $1.08 million for the Cheyennne. This $400,000 is a far cry from the upwards of $1.5 million per year which we are already spending on a number of sophisticated *Air Force* planes.

The recent revelation that the Air Force is planning to develop an inexpensive "light fighter" to supplement the expensive F–15 is a first welcome indication that greater consideration is being given by the services to the importance of force structure implications in making their procurement decisions. It would not be in keeping with this new trend to replace the $700,000 Huey Cobra with the more than seven times as expensive Cheyenne. The trade-off in numbers is simply not warranted by the few added capabilities actually gained. Given their inherent vulnerability and poor maneuverability, it is quite possible that a sizeable fraction of the small total Cheyenne force could be wiped out during the early stages of a conflict, and that no reinforcements would remain.

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ANALYSIS OF THE AX

Development program and procurement approach

A series of innovative management approaches have been initiated for the AX development and procurement program which encompass austere and functional specifications, competitive hardware development, and thorough flight assessments before production approval. These reforms should result in a relatively low RDT&E cost for the AX program with minimal risks while promising a highly effective close-support aircraft at a price under $2 million.

The simplicity of airframe design and minimum of avionics and other complex subsystems incorporated in the AX should assist the program in avoiding the dangers of excessive sophistication and technological overassumption that have in many other programs led to serious schedule and cost difficulties. This emphasis upon design simplicity should be continued, for the nature of the AX mission is not one that requires advanced technology. Rather, the use of proven components will increase mission effectiveness by resulting in a rugged aircraft with a high degree of reliability, ease in maintenance, and minimal support requirements for basing. And, the simplicity of design will make the AX inexpensive enough to enable the Air Force to buy the aircraft in adequate numbers.

The benefits of austere and functional specifications have been followed up on with a full competitive development program, the first since 1956. Two companies, Fairchild-Hiller and Northrop, have been let contracts to build two AX prototypes apiece (the A–10A and the A–1A respectively). This dual hardware development program is a marked departure from the more frequent "paper competition" and "total package" type of contracts that have caused numerous problems in the past with aircraft like the AH–56A (Cheyenne), the C–5A, the F–111 and the F–14.

The actual "fly-off" part of the competitive development program is another feature of the AX development program. Having the two versions of the AX compete against one another should have a number of positive effects for the program. The competition will identify not only the best aircraft, but also potential problem areas to be solved during later stages of development. The "fly-off" also virtually demands that both contractors produce the best possible aircraft, since lesser effort could clearly result in the loss of the contract.

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* Program unit costs.

The net result of these innovations in program management should be the development of a relatively risk-free, highly effective close-support aircraft with a comparatively low price. Although direct RDT&E costs, at an estimated $281.2 million, are not particularly low, the benefits achieved through the competitive development program should in the last analysis result in a better aircraft at a lower total program cost than would be achieved were more conventional management techniques applied.

Air Force priorities

Although the past twenty years of operational experience has clearly demonstrated the importance of close-air support, the Air Force has consistently given this mission a low priority and has thus found itself in both Korea and Vietnam, without an aircraft designed for this mission. The Air Force has instead preferred more glamorous missions and has funneled most of its tactical-air budget into the questionable utility of strike-and-interdiction bombers like the A-7, the F-4, and the F-105.

Given this past preoccupation with interdiction aircraft, it is little wonder that the Air Force did not get the AX program moving until fully a year and a half after the Army had begun development of the CHEYENNE. It seems that only the threat of losing the close-support mission to the Army really convinced the Air Force to develop the AX. But development does not itself ensure that the Air Force will give adequate attention to close-air support in the future.

We are particularly concerned that the Air Force place sufficient wings of the AX in the active force structure before equipping the Air National Guard. We believe that at least five wings (or 600 aircraft) are necessary to ensure that the Air Force will be able to effectively meet the close-support need with the very short notice that will be expected in a potential NATO-Pact confrontation. Assignment of large numbers of the AX total buy to the Air National Guard would most likely result in grave delays in combat deployment of the aircraft and subsequent weakening of tactical strength, due to the time associated with Guard unit activation, transport, and familiarization.

While fully supporting the AX programs, we recommend that Congress monitor Air Force performance of the close-support mission by requiring over the life of the AX program an annual accounting sufficient to show:

(a) continued satisfactory development of the AX

(b) sufficient numbers of the AX in the active forces

(c) adquate spares, training, and flying hours for the AX

(d) adequate provision for close-support munitions

(e) adequate inventory of forward air-control (FAC) aircraft and sufficient training for this important auxiliary mission.

Survivability

Although the relative survivability of the AX is clearly superior to that of other close-support and standard attack aircraft, this comparative edge does not assure that its absolute survivability will permit the really close-in operations desirable in a European battle. To date the Air Force has taken commendable actions in behalf of AX survivability research and development for this aircraft be made a matter of highest priority.

We believe that extensive live-firing tests will be necessary to gauge the absolute survivability of the AX. Since the large payload of the AX allows for the addition of more armor at the expense of marginal ordnance loss, any undesirable vulnerability indications arising from these tests might well be compensated for with a minimum of performance sacrifices and at a relatively low cost.

Avionics, night and all-weather combat systems

In view of the Air Force's demonstrated fondness for sophisticated avionics, and the available space for them in the AX, it is important that avionics expansion be very carefully monitored by Congress to guard against needless cost growth.

Of particular concern is the possible development of a follow-on to the standard AX, dubbed the AX-B, equipped with night and all-weather avionics that would add at least $2 million to the cost of the basic aircraft. As discussed in the section dealing with the characteristics of the close-support mission (see pages 7 to 16) the utility of sophisticated night and all-weather combat delivery systems are sufficiently questionable to place cost-effectiveness of an AX-B in serious doubt at this time.

The 7th Army Air Cavalry field evaluations this year, in which only 3.6% of one troop's total engagements and only 6% of total acquisitions occurred after sunset, convincingly demonstrated the limited effectiveness of any aircraft, be it fixed or rotary-wing, operating at night in a European combat situation.

A NATO-Pact confrontation in Central Europe will almost certainly be highly mobile, with battle lines changing so quickly that the whole concept of front-lines becomes clouded. Under these conditions, the inability of any night-all-weather sensor system currently available or on the horizon to discriminate between friendly and hostile targets gravely compromises the operations of close-support aircraft. The very nature of the close-support mission requires that the aircraft be able to provide effective fire against enemy targets in very close proximity to friendly forces, and it is not at all clear that this prerequisite will be met.

In view of the operational, technical, and financial risks involved, development of an AX-B should be undertaken only with the greatest of care. Any proposed "B" version of the AX or major avionics additions to the standard aircraft should be carefully screened in realistic tests. These tests should be conducted with targets and tactical postures representative of battlefield conditions and with particular attention given to the safety of friendly troops in the field. Early evaluations of the operational effectiveness of a follow-on AX-B might be projected by using a portion of the 13 OV-10A nighttime forward air control and strike designation aircraft being developed for the Air Force Pave Nail program, provided that they were suitably modified for ordnance delivery test to a configuration similar to that of the Marine Corps YOV-10D (NOGS) Night Observation Gunship. If the AX-B should receive production approval, we recommend that it be procured in small percentages of the total buy.

The Maverick Missile

Despite the almost ensured success of the AX 30 mm cannon in the anti-tank mission, the Air Force has recently pressed for incorporation of the electro-optically guided Maverick terminal-homing missile as a major component of AX anti-tank effectiveness. The use of this missile which is guided by a type of television that enables it, once fired, to be completely independent of the aircraft, has less supporting evidence than almost any other aspect of AX effectiveness. Due to the inherent limitations of the Maverick, extremely serious doubts exist that this missile will have any useable anti-tank capabilities.

Studies have shown that it is highly unlikely that camouflaged tanks can be visually acquired at sufficient distances, given realistic European battlefield conditions of compromised visibility and diverse terrain, to allow firing of the Maverick before its minimum launch range restrictions are encountered.

Furthermore, the time required for visual lock-on with the Maverick is at least 2½ times the aiming time for the strafing pass required for the 30 mm. cannon. As demonstrated by experience in Vietnam with the Walleye electro-optical guided bomb, the increase in targeting time that a Maverick delivery necessitates renders the aircraft much more vulnerable than would a dive-bombing or strafing delivery.

The limitations in acquisition and aiming time for the Maverick will in all probability require a Maverick-carrying aircraft to make first a purely *acquisition* pass and then return for a separate *engagement* pass. Even with this second pass there is hardly any assurance that between the time of the initial entrance pass and the second approach the target will not have moved to another position which again makes it impossible to engage within the Maverick's range limitations. In addition, multiple passes for acquisition and engagement increase exposure time to the dense hostile fire that will be encountered over the European battlefield.

Given the extremely high cost of the Maverick and associated launch equipment (approximately 50 times more expensive per round than a 30 mm cannon burst), the serious doubts as to Maverick acquisition and targeting characteristics, and additional doubts that exist as to the ease with which the Maverick can be countermeasured, we recommend that there be no Maverick installation for the AX.

Development procedure for the 30 mm cannon

The Air Force has let contracts to General Electric and Philco-Ford for competitive development of the 30 mm high-performance cannon. This cannon will be the primary armament of the AX and its performance a key determinant of AX combat effectiveness. But while the cannon is being developed under management procedures similar to those used for the AX airframe, including a "shoot-off" between the two contractors, present plans do not call for incorporation of the cannon into the AX airframe "fly-off" itself.

Since the cannon is acknowledged by the Air Force to be the "pacing item" of AX systems development and because of its importance to aircraft operating effectiveness, we believe that the Air Force should take actions to make cannon and airframe development parallel, so that the gun can be included in the airframe "fly-off".

The approximately six-month delay in the "fly-off" competition that would be entailed is fully justified by the importance of the cannon to the AX system. The cost of such action would be small by comparison to total program cost.

If the airframe "fly-off" were to incorporate the cannon "shoot-off" the competitive development program would take on valuable new dimensions, enabling decisions on both airframe and cannon to be made more realistically. Parallel cannon development will also protect against later failures in the cannon program, which, if the gun was not incorporated integrally into airframe development, might lead to serious program slippages and downgrading of overall system performance.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. I yield to the Senator from Nevada.

Mr. CANNON. Mr. President, I oppose the amendment of the Senator from Iowa (Mr. HUGHES), which would cut off funds for the A-10—A-X—research and development program and, therefore, would have the effect of terminating that program.

I support the position of the Armed Services Committee on the A-10 program, which calls for a flyoff between the A-7D and the A-10 in order to determine the future of the A-10 program. I would like to explain why the committee has taken its position and why we believe that a flyoff, using operational pilots, is required.

Let us review some history of the A-X, or A-10, program. When our forces first went into Vietnam, back in the early to mid-1960's, the propeller driven A-1 Skyraider airplane was the primary aircraft used for close air support of troops in combat. The plane operated well in the relatively low level of antiaircraft defenses which existed at that time, and its excellent bomb-carrying capacity, long airborne loiter time, and good maneuverability at low speed allowed it to operate in the poor weather conditions of low ceilings and restricted visibilities which often occur in Southeast Asia. The A-1's operated low-and-slow, but this tactic was a viable one early in the conflict.

As the Vietnam war went on, the A-1's were attrited and, since it was no longer in production, the Air Force began to seek a replacement close air support airplane. The initial concept was to build a turboprop-powered airplane with similar characteristics to the A-1. By the time contracts were let in 1970 for prototypes of the A-X airplane, as the new program initially was designated, the switch had been made to a jet powered plane, but the original A-1 type of characteristics of large bomb load, long loiter time, and good maneuverability at low speeds still were retained.

In 1971, there were a number of different development and procurement programs for close air support attack airplanes and for armed helicopter gunships, and the Armed Services Committee undertook a special review of close air support programs to see if there was any overlap or duplication and whether any programs could be eliminated. I served as chairman of the special subcommittee that looked into that issue. We held hearings in the fall of 1971 and issued our report in June 1972.

During testimony on close air support operations in Southeast Asia, we were told of the great buildup in the level of enemy antiaircraft defenses that had occurred as the war went on, both in South Vietnam and in the other areas of combat. Marine and Navy pilots were using high speed swept-wing attack airplanes, the A-4M and A-7E, in close air support and interdiction missions, using high speed attacks for survivability in high defense areas and using new computer-aided bombing systems to increase bomb-release standoff range to stay away from small arms fire at low altitudes. At this same time, the A-X was proceeding in development based on the old A-1 concept of operating low and slow while doing close air support.

The Close Air Support Subcommittee, in its report, supported continuing the A-X prototype development program, which was for two contractors each to build two protoype airplanes and then have them participate in a flyoff to pick the better A-X plane. We did recommend, however, that the Air Force take the A-X prototypes and have them also flyoff against the existing close air support airplanes, the Marine A-4M and Air Force A-7D—twin of the A-7E. Our report stated that operational pilots, ones recently experienced in combat, should participate in this side-by-side flyoff in order to validate that the A-X concept of operating low and slow was still a viable attack tactic when faced by modern heavy antiaircraft defenses. I might note that the full Armed Services Committee also adopted this recommendation for the operational evaluation flyoff with the existing close support airplanes, at the same time as it approved the A-X R. & D. request a year ago in fiscal year 1973.

In the interim between the report last year and this year's committee action, the Air Force deployed its A-7D into combat in Southeast Asia, with excellent results. The A-7D is loved by the pilots who fly it and assessed by the A-7D Wing commander as the best close air support airplane in the world today. Since the A-7D is operational in the Air Force now and the A-4M is not, the latter plane need not be included in the flyoff.

Also since last year the Air Force has gone into engineering development on the winning A-X prototype, called the A-10 and designed by Fairchild Hiller, with a full-scale development contract awarded in March of 1973. The Air Force did not let operational pilots flyoff the A-10 against the existing airplanes but instead did a systems analysis study to validate the A-X low-and-slow concept. Earlier, in my Tactical Air Power Subcommittee report, I pointed out the questionable assumptions used in that study which appeared biased to favor the A-X and I will not repeat them again today. Let me just say that the committee was more convinced than ever after reviewing the study that the opinions of operational pilots, ones with recent combat experience, should be obtained to choose between the A-10 and A-7D as the better airplane for close air support in a modern heavy intensity air defense environment.

This flyoff would not have to be too long or complex. The main point of the flyoff is to take experienced combat pilots and let them fly both airplanes, the A-10 prototype and the A-7D, and them make a judgment as to which airplane they would rather fly in combat. The two airplanes will have greatly different flight characteristics, since the A-10 flies slow but maneuvers well when slow, while the A-7D is operated much faster and its avionics are used for standoff attacks.

Pilots could take the A-10 and fly it the way it would be flown in a heavy defense area, flying it in close to the targets for strafing attacks with a cannon, and maneuvering sharply around in the target area at A-10 attack speeds. They also could take the A-7D and fly it the way it would be flown in its best way in a heavy defense area. The attack speeds would be faster, and bomb drop distances presumably would be longer, because of the capabilities of the avionics in the airplane. But the pilots could evaluate whether the avionics, in fact, could be used on the first pass or on the second pass, and whether the A-7D could acquire targets in poor weather without slowing down too much.

The whole point of the flyoff is to evaluate the greatly different operating characteristics and attack profiles of the A-10 and A-7D.

Operational pilots can judge between these two greatly different types of airplanes and can give the A-10 a fair evaluation using the existing prototype, because it is the basic differences in flight characteristics and attack profiles which are to be evaluated, and not the level of development of the airplanes.

SUMMARY

I hope I have explained in these remarks why the committee has recommended the operational evaluation type of flyoff between these planes for the last 2 years. I believe the requirement still exists and indeed, I have been informed by Gen. George Brown, Chief of Staff of the Air Force, that the U.S. Air Force now will conduct this flyoff, in an objective and unbiased manner, and planning for it now is underway. I, myself, would not make any judgments or predictions on which airplane would win the flyoff. But I do believe that the pilots who would have to fly the planes in combat should be the ones to make that decision. Therefore, I recommend that the amendment of the Senator from Iowa, which would terminate the A-10 program, be rejected, and that the committee position be suported on this matter.

I may say one further thing, Mr. President, in connection with the flyoff. The entire operational concept should be evaluated with respect to a high density environment such as we would have in a battle in the European theater today, the concept of whether it is necessary or desirable to attempt to base an aircraft close to the frontline so it is able to operate from short runways, and whether it is the operational concept that it should be able to circle in close to the troops, where the Strela missile and other high density missiles and weapons are operated from the ground, and whether or not that type of aircraft could survive in that kind of environment.

Mr. THURMOND. Mr. President, if the distinguished Senator from Iowa is ready to yield back his time, I am willing to yield back my time.

Mr. HUGHES. Mr. President, I would like to commend the distinguished chairman of the Tactical Air Power Subcommittee for getting the flyoff and making sure it is a comparable flyoff which will determine the real capabilities of each of these planes. He worked hard and long at it. He really pressed for it. Now he has achieved that decision. He deserves great credit for bringing it up so we can determine the relative merits of the planes. I presume that will be the position of the Senate today, but it does not alter my position that there is a need for the A–7D. We have an almost obsolete balance of planes. We need to continue improvements. We cannot afford not to have the A–10, and I believe the A–7D can better perform the functions needed than the A–10 as presently known.

I am ready to yield back my time.

Mr. THURMOND. Mr. President, I yield back the time on our side.

Mr. HUGHES. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment of the Senator from Iowa has been yielded back.

The question occurs first on the amendment of the Senator from Iowa (Mr. Hughes) No. 490. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Massachusetts (Mr. Kennedy), the Senator from Utah (Mr. Moss), the Senator from Illinois (Mr. Stevenson), the Senator from New Jersey (Mr. Williams) are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. Stevenson) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Brock), the Senator from New Hampshire (Mr. Cotton), the Senator from Arizona (Mr. Goldwater), the Senator from Oregon (Mr. Hatfield), the Senator from Nebaska (Mr. Hruska), and the Senator from Ohio (Mr. Saxbe) are necessarily absent.

I further announce that the Senator from Utah (Mr. Bennett), the Senator from Colorado (M.: Dominick), and the Senator from Ohio (Mr. Taft) are absent on official business.

I also announce that the Senator from Oklahoma (Mr. Bellmon) and the Senator from Kansas (Mr. Pearson) are absent because of illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft) would vote "nay."

The result was announced—yeas 25, nays 59, as follows:

[No. 404 Leg.]

YEAS—25

Abourezk
Bayh
Biden
Brooke
Burdick
Case
Clark
Fulbright
Gravel
Hart
Hartke
Hathaway
Hughes
Javits
Mansfield
McGovern
McIntyre
Metcalf
Mondale
Muskie
Nelson
Packwood
Pell
Proxmire
Ribicoff

NAYS—59

Aiken
Allen
Baker
Bartlett
Beall
Bible
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Cook
Cranston
Curtis
Dole
Domenici
Eagleton
Eastland
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Haskell
Helms
Hollings
Huddleston
Humphrey
Inouye
Jackson
Johnston
Long
Magnuson
Mathias
McClellan
McClure
McGee
Montoya
Nunn
Pastore
Percy
Randolph
Roth
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stennis
Stevens
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Young

NOT VOTING—16

Bellmon
Bennett
Bentsen
Brock
Cotton
Dominick
Goldwater
Hatfield
Hruska
Kennedy
Moss
Pearson
Saxbe
Stevenson
Taft
Williams

So Mr. Hughes' amendment (No. 490) was rejected.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE MILITARY SERVANT AMENDMENT

Mr. PROXMIRE. Mr. President, I was extremely pleased to note the overwhelming acceptance by the Senate of the philosophy that the military services can do without many of their military servants.

Under the provisions of the amendment accepted by a vote of 73 to 9, the number of military servants cannot exceed 218. This is based on a formula of not more than one aide for three-star generals and admirals, two aides for four-star generals and admirals and a total of three aides for members of the Joint Chiefs of Staff.

It should be clearly noted that it is the intent of this amendment to place a numerical limit on military servants and not authorize servants for generals or admirals not now permitted to have these services. Therefore, the actual number of aides assigned under this amendment could be below the 218 figure since not all three- and four-star generals are in public quarters and thus require aides.

ORDER LIMITING TIME ON ROLLCALL VOTES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that rollcall votes take only 10 minutes from now on, with the warning bell to sound after 2½ minutes.

Mr. TOWER. Mr. President, would the Senator please restate that unanimous-consent request?

Mr. MANSFIELD. Ten minutes on rollcall votes, including this one, and the warning bells to sound after 2½ minutes.

Mr. TOWER. Mr. President, would this rollcall vote take 15 minutes?

Mr. MANSFIELD. This rollcall vote would take 10 minutes, and all rollcall votes from now on.

Mr. TOWER. Mr. President, I would be inclined to object, because Members have not been informed.

Mr. MANSFIELD. All right. I ask unanimous consent that after this rollcall, all other rollcalls during the day consume 10 minutes, with the warning bell to sound after 2½ minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

AMENDMENT NO. 491

The PRESIDING OFFICER. The question recurs on Hughes amendment No. 491. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Massachusetts (Mr. Kennedy), the Senator from Utah (Mr. Moss), the Senator from Illinois (Mr. Stevenson), and the Senator from New Jersey (Mr. Williams) are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. Stevenson), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Brock), the Senator from New Hampshire (Mr. Cotton), the Senator from Arizona (Mr. Goldwater), the Senator from Oregon (Mr. Hatfield), the Senator from Nebraska (Mr. Hruska), and the Senator from Ohio (Mr. Saxbe) are necessarily absent.

I further announce that the Senator from Utah (Mr. Bennett), the Senator from Colorado (Mr. Dominick), and the Senator from Ohio (Mr. Taft) are absent on official business.

I also announce that the Senator from Oklahoma (Mr. Bellmon) and the Senator from Kansas (Mr. Pearson) are absent because of illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft) would vote "nay."

The result was announced—yeas 20, nays 64, as follows:

[No. 405 Leg.]

YEAS—20

Abourezk
Biden
Church
Clark
Cranston
Eagleton
Fulbright
Gravel
Hart
Hartke
Hathaway
Hughes
Mansfield
McGovern
Metcalf
Muskie
Nelson
Pell
Tower
Weicker

NAYS—64

Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bible
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Cook
Curtis
Dole
Domenici
Eastland
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Haskell
Helms
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Long
Magnuson
Mathias
McClellan
McClure
McGee
McIntyre
Mondale
Montoya
Nunn
Packwood
Pastore
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stennis
Stevens
Symington
Talmadge
Thurmond
Tunney
Young

NOT VOTING—16

Bellmon
Bennett
Bentsen
Brock
Cotton
Dominick
Goldwater
Hatfield
Hruska
Kennedy
Moss
Pearson
Saxbe
Stevenson
Taft
Williams

So Mr. Hughes' amendment (No. 491) was rejected.

AMENDMENT NO. 516 AS MODIFIED

Mr. **MONDALE**. Mr. President, I call up my amendment No. 516, as modified, and ask unanimous consent that its reading be dispensed with.

The **PRESIDING OFFICER** (Mr. HELMS). Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The text of the amendment is as follows:

On page 23, after line 24, insert a new section as follows:

"SEC. 304. (a) Reductions in the active duty personnel of the Armed Forces made during the fiscal year ending June 30, 1975, may be made by the Service Secretaries concerned, under such regulations as the Secretary of Defense shall prescribe, from both Regular and Reserve personnel without regard to any provision of law relating to retention or continuation of members of the Armed Forces on active duty, except provisions of law relating to members of the Armed Forces who have eighteen or more but less than twenty years of service for retirement purposes.

"(b) It is the sense of the Congress that in carrying out any reduction in the active duty personnel of any branch of the Armed Forces during the fiscal year ending June 30, 1975, such reduction should be applied, to the extent practicable, by reducing the number of active duty personnel in each grade of such branch by the same percentage figure."

Mr. **MONDALE**. Mr. President, the American taxpayer is today being asked to support peacetime military spending at a higher level than in any year during the war just ended.

This is the first time in our Nation's history that the defense budget has risen after a war.

One of the reasons for the high Pentagon budget is manpower costs which, even if narrowly defined, in fiscal year 1974 consume 56 percent of the defense budget, compared with 41 percent in fiscal year 1963. If manpower costs are defined more broadly and we include such things as hospital construction, construction of troop housing at training centers and so forth, we come to the alarming result that 62⅔ percent—$2 out of every $3—of the defense budget is manpower related. To put this in perspective, the Soviet Union spends about 30 percent of its budget on manpower.

The Armed Services Committee, after weeks of testimony from military manpower experts, thorough review of the military manpower requirements report for fiscal year 1974, and careful deliberation, voted unanimously to reduce the Defense Department's proposed active duty end strength of the armed services by 156,100.

These reductions amount to about 7 percent of the total end strength requested by the Defense Department for fiscal year 1974 and would reduce strength about 9 percent below the fiscal year 1973 end strength. Based on present pay costs, this reduction, once fully effective, will save $1.6 billion annually.

I congratulate the Armed Services Committee for taking this responsible action. I share the committee's concern that the United States maintain a fully adequate defense capability; but one that is also efficient and balanced.

The committee has addressed the manpower issue, but not the related issue of grade escalation. Commonly referred to as "grade creep," this phenomenon is an increase in average grade level which has produced a grade structure so top-heavy that it is shaped not like a pyramid but like a balloon.

Mr. President, recent congressional reports have brought to public attention some truly staggering facts about the promotion practices and grade structure of the armed services. Comparisons were made of the number of high ranking officers in the current force with World War II and the Korean war levels.

These reports showed that:

There are more three- and four-star generals and admirals in uniform today than there were at the height of World War II, when there were over 12 million men and women in uniform compared with about 2.4 million today.

Today there are some 900,000 fewer officers in uniform than there were in 1945, but we have 5,000 more colonels, lieutenant colonels, Navy captains and commanders.

Twenty-five years ago, more than half of our officers were below the grade of captain—O-3; today two-thirds of our officers are captain or higher.

The Pentagon, in carrying out any manpower cuts, would be required to turn grade creep into grade gallop.

This is due to a multitude of existing statutes which, in effect, provide tenure for all regular officers after 3 years' service. In a sense these officers serve indefinitely. They can only be relieved from active duty if they are separated from the service in compliance with a particular statutory provision.

Hence, the Pentagon would be forced to make these reductions solely from among officers and enlisted personnel in the lower grade ranks. Everyone agrees—including representatives of the Armed Forces who have directly contacted me—that the inability to dismiss tenure officers is a very serious problem. It becomes more serious now that new manpower reductions are likely.

The Department of Defense recognizes this problem and has repeatedly promised Congress that legislation would be proposed to eliminate the inequality in implementing force reductions.

Mr. President, this legislation has been promised for almost 3 years. As recently as last May the Secretary of Defense sent to the Congress his report on officer grade limitations in which he stated that appropriate legislation to establish new permanent officer grade limitations would follow shortly. This legislation still has not been sent up.

I had originally intended to offer an amendment which would have required the Secretary of Defense, in implementing whatever manpower reduction is passed by Congress, to reduce all grades in each military department by the same percentage figure.

But I have come to believe that there are genuine questions of equity for those officers who have devoted their careers to military service, and efficiency in carrying out these cuts in such a short period. I therefore decided to modify my approach in offering this amendment.

First, my amendment would—for purposes of carrying out the troop reductions provided in this bill—relax existing tenure laws so as to give the Secretary of Defense the flexibility to release both officers and enlisted men, regardless of the type of commission held, regular or reserve.

I want to point out that my amendment provides an exemption for officers with over 18 but less than 20 years of service. They will continue to be protected as they approach their retirement; this is in keeping with the "sanctuary zone" practice which has been in effect for years.

My approach is designed to strengthen the Department of Defense by making it possible to keep the younger enlisted men in the military and to more easily preserve a lean combat strength.

Second, my amendment states that it is the sense of the Congress that the Secretary of Defense, in implementing whatever manpower reduction is finally mandated by the Congress, should, to the extent practicable, reduce all grades in each military department by the same percentage figure.

This does not set a new precedent. Rather, it parallels the "hump legislation," which was passed in 1959 and 1960 to relieve the "hump" in officer strength created in World War II and the Korean war.

Mr. President, I am hopeful that if this amendment is passed, the Pentagon would be motivated to submit shortly new legislation entirely revamping the complex of laws which govern the promotion, mandatory and involuntary retirement, and separation of officers on active duty. For example, the Officer Grade Limitation Act of 1964 expires next year and must be carefully reviewed.

I am pleased to note, however, that the Pentagon has taken a first step toward this by recently submitting legislation that would modify the provisions in current law regarding tenure for officers in grade O-5 and O-6—colonel and lieutenant colonel in Army and Air Force; captain and commander in Navy.

I hope that this is an indication that the Pentagon is prepared to move. In the meantime, I urge prompt and thorough consideration of this legislation by the Armed Services Committee.

Mr. President, I would like to make note at this point the main explanations traditionally offered by the military as to why grade creep exists. The principal reasons are that:

First, as weapons and functions have become more complex there is an increasing requirement for officers with more training, higher levels of education, and more experience; and

Second, the rapid promotion process is needed to provide for the all volunteer force and keep morale high.

I would agree that, to some extent, their case has validity. But I believe that it is being carried too far. It is in the upper grades where the grade creep occurs and the military services have little trouble in maintaining the required manpower in the upper officer and enlisted grades.

In addition, recent pay raises provided to lower ranking personnel have eliminated the argument that grade creep was in part necessary because military compensation was inadequate in the lower grades.

In December 1970, the President, through the Office of Management and Budget, announced a program directed toward reducing the average grade for civilian government personnel and gaining control of the grade escalation—creep—in the general schedule. This program resulted in reducing the average grade level for civilians in the fiscal year 1973 Federal budget. In June 1972, further instructions were issued to the executive departments encouraging them to take full advantage of the expected substantial acceleration of retirements during June to achieve lower grade levels. Similar steps must be taken by the military services to hold military grade levels in check.

It is imperative that a long-term policy concerning the entire range of manpower issues related to the military grade structure, promotion, and retirement policies be developed by the Pentagon. For example, I would hope that some of the grade creep can be removed by allowing the number of personnel holding middle and upper level grades to come down through retirements.

If not, then Congress will be forced to act and require the kind of overall reduction that members of the body have considered. Observers often say that the Pentagon would rather give up battleships than bullets. I hope this will not be true as our defense structure adapts to a new world situation.

Mr. President, now that the United States has finally brought to an end its involvement in the Indochina war, this year is a particularly appropriate time to attack the grade creep problem without overall harm to any of the military services. I hope that my amendment will be a first step to prompt future action to reduce grade creep and the rapidly increasing costs of military personnel.

Mr. SYMINGTON. Mr. President, we have had a brief opportunity to examine Senator MONDALE's amendment and I would like to say that I am impressed with the Senator's understanding of this important subject of manpower and the obvious study and homework that he has done.

It is my understanding that this amendment would give the Secretary of Defense a free hand for this year to make the manpower reduction recommended by the committee in such grades and ranks as he deemed appropriate to the national security. That means he could release regulars and reserves, officers and enlisted men without regard to any other provision of law that would guarantee them tenure. At the present time, enlisted men and Reserve officers are not guaranteed tenure by statute. The main impact of this provision would be to allow him to release regular officers. These officers generally can only be released now for cause or for failure to be promoted after they have reached 3 years of service but before they have reached 28 years.

We have heard informally from the various services in the Defense Department that they need this kind of legislation to help protect the combat forces and to help keep down grade creep, which is one of the most serious problems faced today by the Department. Without it, there may be a heavy tendency to let go the youngest men who tend to be in the combat units and keep the more senior people who are in the headquarters and support areas.

I think we can all support the idea Senator MONDALE expresses on keeping down the grade creep we have all seen. Something must be done about them and this will keep the pressure on.

Finally, I want to mention that the whole grade structure issue must come up for detailed review next year. We have not had such a complete review in 25 years and the committee intends to make a thorough and detailed study of the complex question during the next year. Senator MONDALE's amendment will provide a needed temporary solution until that work can be completed.

The amendment follows:

Appropriate officials of the Army have conferred with the Committee staff and they desire the enactment of Section 304A with several minor changes.

First, they desire that exclusions be only those between 18 and 20 years, rather than 17 to 20 years, since the 18 years are spread throughout other provisions of law on this general matter.

Second, it is desired that the authority be extended to June 30, 1975, rather than end on June 30, 1974.

The Army plans that there will be further officer reductions next year. In order to avoid any gap in authority, and to allow for orderly planning, they desire that the authority be granted until June 30, 1975.

The Army has already announced that about 4900 officers will be released this year, mainly captains and lieutenants, all of whom are Reservists. If any further cuts are made by the Congress in the Army strength, these reductions will be partly from the officer corps. The Army desires to reduce its ratio of officers to total strength. What this amendment does is to affect only Regulars and permits them to eliminate non-productive regulars as a part of the reduction program.

I may point out that as a formal position the Department of Defense has not submitted a position on this amendment.

The only category affected are regular officers who might be eliminated prior to the expiration of their normal tenure.

Mr. President, I ask the able Senator from Minnesota whether these suggested changes meet with his approval.

Mr. MONDALE. Yes, I discussed this matter with the distinguished manager of the bill, the Senator from Missouri. He made these suggestions earlier, and I have accordingly modified my amendment to incorporate the suggestions by the Defense Department, both of which I think are eminently sound.

What I sought to do here was to encourage and permit the Defense Department to move as fully as possible to deal with the problem which necessarily follows the personnel cuts mandated by the Committee on Armed Services—namely, the problem of forcing the Pentagon to make their reductions solely from among officials and enlisted personnel in the lower ranks. My amendment allows the Secretary to take these cuts proportionately from all grades and ranks, in a way that does not interfere with the judgment of the Defense Department as to what best serves the interests of a sound defense structure.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. SYMINGTON. I am glad to yield to the distinguished senior Senator from Arkansas.

Mr. McCLELLAN. I want to make sure I correctly understand the amendment. Does it apply only to commissioned personnel?

Mr. SYMINGTON. No, it applies to everybody. The effect probably would be mostly on officers.

Mr. McCLELLAN. Let us try to understand this now. As I understand the amendment, it requires a percentagewise reduction, a reduction in every category. Is that correct?

Mr. SYMINGTON. First, all those who are not officers do not have tenure anyway.

Mr. McCLELLAN. Then, it applies only to officers.

Mr. MONDALE. My original amendment was a tough amendment that would require a percentage cut from every rank.

Mr. McCLELLAN. That is what I had before me. That is what I want to make certain is corrected here.

Mr. MONDALE. It applied to both commissioned and non-commissioned officers. I changed it to a sense of Congress resolution, rather than a mandate, so that the secretary could take these cuts to the extent practicable.

Mr. McCLELLAN. The amendment originally would have required them to make cuts in personnel where skills were scarce irrespective of the urgent need to retain them. I want to make certain that will not be the consequence of this provision.

In other words, they may need mechanics and need them badly, but under the Senator's original amendment, if they were required to cut across the board they would have to discharge people who were in short supply and thus further reduce the skills and thereby increase the need.

Mr. MONDALE. That is correct. The amendment in that form was never introduced. As I talked with officials of the Department of Defense, with the Committee on Armed Services, and with the distinguished floor manager of the bill, the complexity of this matter, as well as the difficulty the Defense Department would have in implementing the proposal, became apparent. I, therefore changed it to a "sense of the Congress" resolution, providing that these reductions be made to the extent practicable and consistent with the best interests of a sound defense structure.

Mr. McCLELLAN. Did the Senator say possible or practical?

Mr. MONDALE. I say practicable.

Mr. McCLELLAN. Very well.

Mr. MONDALE. To the extent practicable.

Mr. McCLELLAN. I think that is all right, but I did not want to see an across-the-board requirement for a reduction in those areas where there might be an urgent need to retain skills. They are having trouble now getting mechanics and others with special skills and to request an across-the-board reduction of those would do a great disservice and injury to the services.

Mr. SYMINGTON. I agree with the chairman.

Mr. McCLELLAN. That has been corrected?

Mr. SYMINGTON. That has been corrected.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. SYMINGTON. Mr. President, I yield to the distinguished ranking minority member of the committee, the distinguished Senator from South Carolina (Mr. THURMOND).

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I wish to express myself in accord with the statement of the able chairman of the Committee on Appropriations.

The way the amendment was first drawn was objectionable and I could not have gone along with it; but the way it has been amended I understand the effect would be different.

To take the amendment in two parts, the first part, section 304(a) would merely allow the secretaries of the services the authority in making reductions to choose the most outstanding officers, and whether in the regular service or the reserves.

Mr. MONDALE. That is correct.

Mr. THURMOND. After all, it would be very difficult for anyone to object to that because we certainly want the most competent people we can get.

As to the second part of the amendment, section 304(b), that is not mandatory. That is merely a sense-of-the-Congress provision, to the extent practicable.

Personally, I would like to see that section left off. I do not know if the Senator would do so or not but the point is that it is not mandatory but rather a sense-of-the Congress provision and the services would have discretion to follow their own judgment. Is that correct?

Mr. MONDALE. The Senator is correct and I hope he might accept it in this form. The previous proposal mandated an arbitrary 7-percent reduction at each grade level. After discussions with the Armed Services Committee and the Department of Defense, I quickly saw the problem to which the Senator from Arkansas has referred. So the amendment was introduced in this way. This amendment, I might add, follows the tradition of "hump" legislation which was passed following World War II and the Korean war to relieve what is called "bloated" grade levels. I have altered the amendment to read as the Senator from South Carolina described.

Mr. President, I hope the amendment is agreed to.

Mr. THURMOND. Mr. President, in view of the modification of the amendment as originally drawn, and as it is now worded and interpreted by the author, the distinguished Senator from Minnesota (Mr. MONDALE), we are willing to accept the amendment on this side.

Mr. SYMINGTON. Mr. President, I thank the able Senator. Section 304(a) is, in effect, permissive. The word "may" in that section is the word of primary impact in that situation.

On this side we are prepared to accept the amendment and we yield back the remainder of our time.

The PRESIDING OFFICER. Does the Senator from Minnesota yield back his time?

Mr. MONDALE. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Minnesota, as modified.

The amendment was agreed to.

The PRESIDING OFFICER. Pursuant to the previous order, the Chair lays before the Senate the amendment of the Senator from Iowa (Mr. HUGHES), amendment No. 492, which the clerk will state.

The legislative clerk read as follows:

The Senator from Iowa (Mr. HUGHES) proposes amendment No. 492.

The amendment is as follows:

On page 23, after line 24, add the following:

(b) Section 412 of Public Law 86-149 is further amended by adding at the end thereof a new subsection as follows:

"(f)(1) Beginning with the fiscal year which begins July 1, 1975, and for each fiscal year thereafter, the Congress shall authorize the maximum number of active duty personnel of the Armed Forces of the United States that may be assigned to duty or otherwise deployed at any one time in each major geographical region of the world outside the United States; and no funds may be appropriated for any fiscal year beginning on or after such date to or for the use of the active duty personnel of any component of the Armed Forces of the United States unless the maximum number of active duty personnel of the Armed Forces of the United States that may be assigned to duty or otherwise deployed at any one time in each major geographical region of the world outside the United States for such fiscal year has been authorized by law.

"(2) Beginning with the fiscal year ending June 30, 1974, the President shall submit to the Congress a written report not later than January 31 of each fiscal year recommending the maximum number of active duty personnel of the Armed Forces of the United States that may be assigned to duty or otherwise deployed at any one time in each major geographical region of the world outside the United States during the next fiscal year and shall include in such report justification of the maximum assignment or deployment recommended for each region and an explanation of the relationship between the recommended maximum assignment or deployment and the national security and foreign policies of the United States in effect at the time.

"(3) The maximum limitation with respect to any major geographical regions of the world for any fiscal year shall not apply if (A) members of the Armed Forces of the United States are engaged in armed hostilities in such region pursuant to a commitment of the United States under an international agreement, and (B) the President has publicly proclaimed the necessity for exceeding such limitation because of a state of armed conflict in such region involving the Armed Forces of the United States and has so notified the Congress to that effect.

"(4) No funds may be expended for the maintenance or support of any member of the Armed Forces of the United States assigned to duty or deployed in any major geographic region of the world outside the United States in any fiscal year unless funds have been specifically authorized for such purpose for such fiscal year by legislation enacted after the date of enactment of this Act; and, subject to the provisions of paragraph (3), no funds may be expended for the maintenance and support of any member of the Armed Forces of the United States assigned to duty or deployed in any major geographic region of the world outside the United States in any fiscal year if the number of members of the Armed Forces of the United States assigned to duty or deployed in such region at any time in such fiscal year exceed the number authorized by law to be assigned to duty or deployed in such region in such fiscal year.

"(5) As used in this subsection, the term 'United States' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States."

Mr. HUGHES. Mr. President, the question of overseas deployments of American forces is a very important one in this year's debate on the military procurement bill. My amendment No. 492 is in no way intended to compete with the many proposals on troop levels which have been offered to the Senate.

On the contrary, this amendment seeks to go beyond these current proposals to establish a regular procedure by which the Congress can decide how many American military personnel should be stationed overseas in peacetime in the major geographical regions of the world.

Amendment No. 492 builds upon the procedures begun in 1970 when the distinguished Senator from Indiana (Mr. BAYH) introduced legislation requiring annual authorization of manpower levels for each of the services. In order to carry out this task, the Defense Department has been required to submit a detailed manpower study, including justifications of overseas deployments, and this study has been the basis for extensive hearings in the Armed Services Committee.

Basically, this amendment would require, beginning next fiscal year, that the Congress each year authorize the maximum number of Armed Forces personnel who can be assigned or deployed overseas to each major geographical region of the world. In order to provide the Commander in Chief appropriate flexibility in wartime, there is a section saying that these limitations would not apply in any given region if, first, U.S. forces are engaged in armed hostilities pursuant to a commitment of the United States under an international agreement and second, if the President publicly proclaimed the necessity for exceeding the limitation and notified the Congress to that effect.

This idea is not new, although it has never come before the Senate prior to this year. In February of 1972, the Research and Policy Committee of the Committee for Economic Development, headed by the former Director of the Arms Control and Disarmament Agency William C. Foster, issued a report on "military manpower and national security" which had a similar recommendation.

> We recommend that, at a minimum, the Congress should explicitly authorize by major overseas areas the numbers of troops that may be deployed outside the United States. This requirement will furthermore provide a responsible occasion for public debate, and an orderly procedure for overseas troop deployment. Constructive and informed debate will require informative and candid submissions by the executive branch, supported by a rationale that relates the deployments to specified policies, commitments, and contingencies. (Some testimony would undoubtedly have to occur in executive session, with editing for security before release.)
>
> There will still be challenges to the administration's commitment of troops to Europe, or to Southeast Asia. But a responsible procedure should permit the Congress to question without necessarily challenging, to compromise rather than to confront, to alter deployments in an orderly fashion over time rather than by sudden drastic shifts of policy, and to assert a posture of unity and decisiveness both at home and abroad.

Mr. President, that statement by the Committee for Economic Development sums up quite well the intent of this amendment—to provide an orderly procedure for congressional determinations of overseas troop deployments in cooperation with the executive branch.

The Defense Department, as might be expected, opposes this idea. A report by the General Counsel's office says that this proposal raises serious constitutional questions about the President's ability to act as Commander in Chief.

There are constitutional questions on both sides of this issue, in my opinion, but no definitive constitutional answers. A study prepared earlier this year for Senator FULBRIGHT by the Congressional Research Service noted that—

> The specific authority to deploy troops abroad in peacetime has not been subjected to a critical judicial test for the purpose of delineating the boundary between the legislative and executive authority.

That same study continued:

> Almost every substantive aspect of the Armed Forces is an appropriate subject for regulation by the Congress; and, since the President is entirely dependent on the Congress for the forces he commands, it follows that Congress can control, directly or indirectly, the objectives for which these forces are used, at least during times of peace.

I would point out, in addition, that the Congress has in the past imposed restrictions on the deployment of forces overseas, such as in language in selective service acts forbidding the sending of draftees outside the Western Hemisphere or outside the United States without at least 4 months' training.

When the budget was much smaller and individual line items were considered in detail by the Congress, money had to be provided each year to support individual bases both at home and abroad.

These past actions stand as precedents for the kind of congressional authorization envisioned by this amendment.

The Defense Department raises other objections to this proposal which I wish to answer. One is that a troop ceiling would deny the President the flexibility needed for a show of force. My view is that a show of force means nothing unless we are willing to engage in hostilities as a last resort. And in that case, only the Congress can properly authorize such a commitment or a commencement of hostilities—just as it could authorize a change in the troop ceiling.

In any event, nothing in this legislation would prevent the President from requesting an excess ceiling or supplementary legislations, such as to provide for an extra carrier task force for the Middle East.

Another criticism by the Pentagon is that this amendment would inhibit the use of forces for noncombat relief operations, such as those during the Nicaraguan earthquake, or for training exercises.

If such a situation arose, I believe that the Congress would readily grant an increase in the ceiling for humanitarian purposes. And I would be willing to consider any corrective amendment which might be offered to deal with this situation, such as, say, permission for a 30-day waiver for a 5-percent excess of the ceiling for noncombat operations. This is a minor point which could easily be resolved.

The more important point is that we do not want truly humanitarian operations to provide a loophole for covert operations. We have been down this road before—when "advisers" in Indochina in fact directed combat operations, and when training exercises were the cover story for a planned invasion of Cuba. We need troop ceilings to inhibit that very sort of secret, unauthorized war.

Perhaps the weakest objection raised by the Defense Department to this proposal is that it would be cumbersome and difficult to implement. Yet the same letter from the General Counsel's office says:

> The Secretary of Defense already imposes strength ceilings on major geographic areas.

In these circumstances, I believe that the same control and oversight procedures now used to keep overseas deployments in line with departmental decisions could be used to verify and maintain adherence to congressional limitations.

In short, this amendment No. 492 gives the Congress an orderly procedure for setting overseas troop deployment ceilings in peacetime. It does not affect in any way the operation of either a future war powers bill or the inherent powers of the Commander in Chief in wartime.

Regardless of what we do this year on the question of overseas troop levels, I believe that this amendment would provide a mechanism for careful, cooperative consideration of these questions in the future.

The PRESIDING OFFICER. Who yields time?

Mr. SYMINGTON. Mr. President, I regret that I must oppose the amendment proposed by the distinguished Senator from Iowa (Mr. HUGHES). I fully recognize and I am sympathetic with the concerns which I know moved him to propose this amendment. I believe all of us share the views that the United States has acquired a habit since World War II for excessive involvement in the affairs of nations overseas, and many of us would like to see reductions in the American forces stationed in such far-flung corners of the world—and I certainly feel that way about it—but I would suggest that the amendment in question is not the most effective method of accomplishing these objectives.

First of all, the amendment proposes an annual detailed report to be delivered to Congress on January 31 of each year. This report would discuss the U.S. military deployments in detail and recommend the number of U.S. forces to be deployed in each geographic region of the world. This type of report is important, but I want to point out that there is already an Annual Military Manpower Requirements Report which is the result of an amendment 3 years ago by the distinguished Senator from Indiana (Mr. BAYH).

Mr. HUGHES. Mr. President, will the Senator yield to me so I may request the yeas and nays?

Mr. SYMINGTON. I am glad to yield.

Mr. HUGHES. Mr. President, I request the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. SYMINGTON. Mr. President, this report is an extremely valuable document which the committee uses in its deliberations in the annual manpower authorization request. Because the committee was somewhat disappointed with lack of detail in justification for overseas deployments this year, the committee recommended in the bill now before the Senate an improvement and a strengthening in the reporting requirements for that annual report. This year, for the first time, it is required by law that the annual manpower report contain—

> A detailed discussion of . . . the manpower required to be stationed or assigned to duty in foreign countries and aboard vessels located outside the territorial limits of the United States, its territories, and possessions.

The Senators who are interested will find it at the bottom of page 23 of the committee bill.

The reporting requirements recommended in the amendment proposed by the Senator from Iowa would add to this another detailed manpower report to be delivered merely 2 weeks before the annual report which we have been receiving for 3 years. I would submit that, in light of the committee-recommended changes and in light of the mere 2 weeks' difference in time, it would be redundant to ask the Department of Defense to prepare another and entirely separate manpower report covering the same material.

May we turn to the authorization provision in the amendment by the Senator from Iowa.

His amendment requires annual authorization by law for the maximum number of active duty personnel in the U.S. Armed Forces that may be assigned to duty or—and I may emphasize this—otherwise deployed at any one time at any "major geographic region of the world outside the United States." Under the amendment proposed by the Senator from Iowa no funds may even be expended for the maintenance or support of any member of the U.S. Armed Forces deployed in any major geographic region unless such funds have been authorized by law. This provision would seriously hamper the flexibility of not only the President but even of local theater commanders to deploy their forces as military requirements would dictate. I am not arguing the constitutional issue of whether or not Congress has the right to restrict deployments in that way, although I would point out that Congress power in this area of peacetime deployments is far less clear than Congress clear constitutional right to approve the use of military forces in a war.

Even assuming that Congress has the power to restrict peacetime overseas deployments and prohibit such deployment without legislation, let me point out what serious restrictions this amendment would create.

According to the provisions in the bill it is not clear what constitutes a "major geographic region of the world." In an area which borders on several major geographic regions, such as the Mediterranean Sea, the amendment could be interpreted to require legislation before an aircraft carrier could move from the Western Mediterranean to the Eastern Mediterranean.

Awaiting legislation for tactical movements of this kind is simply not wise, as we see it. The delay could seriously restrict our ability to reenforce our forces in time of crisis and could thereby contribute to endangering those armed forces.

Moreover, the delay required by annual authorization could restrict such beneficial military operations such as disaster relief similar to that recently undertaken to assist the victims of the earthquake in Nicaragua. If Congress is not in session and the annual geographic ceiling must be exceeded to conduct a disaster relief operation, what should we do? Should we await the return of Congress before earthquake victims could be helped?

In addition, I would like to point out that the amendment as written could actually encourage the President or military commanders to use the armed forces in hostilities. This is because the restrictions in the amendment do not apply to armed forces engaged in hostilities. Thus, there would be an incentive for the President or local military commander to provoke or engage in hostilities in a conflict if that were the only way they could obtain the legislative authority to re-enforce their troops or naval units.

Finally, the amendment as proposed would require exceedingly complex accounting systems and mountains of paperwork for the Department of Defense and military services. Whenever a ship sailed across a line which demarcated one geographic region from another, an accounting system in the Pentagon would have to adjust the manpower totals for the two regions, and this could require compensating adjustments in other regions. This is a recipe for more bureaucratic chaos, as we see it.

Again, I want to commend the distinguished Senator from Iowa for his concern about this important subject. But I believe the most effective way to deal with retsrictions on United States forces deployed overseas is the war powers legislation currently being considered in a conference with the House. With that legislation we are on clear constitutional grounds and we do not need to add to it a further complex and unworkable procedure such as proposed in this amendment.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. SYMINGTON. Mr. President, I will be glad to yield to the distinguished senior Senator from Arkansas.

Mr. McCLELLAN. Mr. President, I would ask the distinguished Senator from Missouri in charge of the bill to assume that we had had this statute in effect at the time of the missile threat from Cuba or assume that a similar situation would arise, would it then be necessary for Congress to pass another law or resolution authorizing the President of the United States to transport air power or naval power from the Pacific to the Atlantic in order to meet that threat?

Mr. SYMINGTON. Mr. President, I think the Senator's point is well taken. The Senator well knows that if we had to immediately deploy SAC to other parts of the world where it had not been deployed, it would have been very difficult.

Mr. McCLELLAN. The question concerns whether this measure had been law at the time of the Russian missile threat in Cuba. Congress would have had to pass another law authorizing the President to transfer military strength and forces fom the west coast to the east coast, if such were needed.

Mr. SYMINGTON. Mr. President, if I may say, this measure does not apply inside the United States.

Mr. McCLELLAN. Cuba is not inside the United States.

Mr. SYMINGTON. The Senator is, of course, correct. It would apply only outside the United States.

Mr. McCLELLAN. Mr. President, if we were to move our troops down to Cuban waters, they would be outside of the United States. If we then wanted to bring our forces from the Pacific to the Atlantic in order to be in a strategic position to defend against that kind of threat, we would have to have new legislation. Is that statement correct?

Mr. SYMINGTON. It would be my impression that the Senator is correct.

Mr. McCLELLAN. Suppose that Congress were not in session.

Mr. SYMINGTON. That was the point I brought out.

Mr. McCLELLAN. I know that. I just wanted to emphasize that. I do not believe that this is practical at all with respect to national security or survival.

Mr. SYMINGTON. Mr. President, as the Senator knows, and as I mentioned before, there is only a 2-weeks difference, the way it is written in the national military requirement report that we passed 3 years ago. In addition to that, there has been a great deal of effort devoted to the war powers legislation which also would deal considerably with this problem if it were to become acute.

Mr. THURMOND. Mr. President, would the Senator yield?

Mr. SYMINGTON. Mr. President, I would be glad to yield to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, I want to say that the able Senator from Arkansas has put his finger right on a point that is very applicable. I think it shows the danger of this amendment. That fact in and of itself ought to kill the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I yield myself such time as I may require. I rise in opposition to this amendment. There are three major reasons that I oppose the amendment, first on constitutional grounds, second on functional grounds, and third for conceptual reasons.

As to the constitutional grounds, it improperly arrogates functions to the legislature that are allocated by the Constitution to the Executive.

CONSTITUTIONAL DIFFICULTIES

The Constitution designates the President as Commander in Chief of the U.S. Armed Forces. As such, it is his responbility, not that of the Congress, to determine the level and distribution of the U.S. Armed Forces around the world.

The Constitution also places responsibility for U.S. foreign policy with the President. In peacetime, the distribution of U.S. Armed Forces overseas is determined primarily by the foreign policy objectives and treaty commitments of the United States. The Congress may legitmately influence the direction of U.S. policy by means of its constitutionally granted power of the purse, but it may not properly claim direct authority over the deployments of U.S. Armed Forces abroad as these forces are used as instruments of U.S. foreign policy.

Now as to the second ground, the functional ground, it would tend to impair the efficiency of a U.S. response to possible crises and, thereby, weaken our national security. The amendment would deprive the United States of the necessary flexibility in its response to crises short of actual hostilities. A vital part of this flexibility is the ability rapidly to shift armed forces from one part of the world to another where they are suddenly needed.

The amendment's provisions for admitting flexibility in crisis are seriously inadequate. They cover only instances of actual armed conflict, whereas in fact the need for rapid redeployment is more likely to arise in connection with suddenly increased tensions and the potential for armed conflict whose outbreak a quickly increased U.S. presence would be intended to deter. For example, the amendment could prohibit effective response to another Berlin crisis or another Cuban missile crisis—as referred to by the distinguished Senator from Arkansas—where no overt conflict had occurred and where its outbreak was effectively prevented by a rapid U.S. response.

The amendment also does not provide for the problems that arise in connection with differentiating the regions to which our troops afloat are assigned. This difficulty is most apparent with reference to the Mediterranean, wherein our deployments might be considered as applicable either to Europe, North Africa, or the Middle East. Flexibility of response, I repeat, to be maintained in such a situation, when an impending crisis, requires the prompt assertion of a U.S. presence is essential, and yet the limits previously assigned for the permissible number of troops for the region in question would greatly handicap the execution of the President's constitutional duties.

The third reason I have assigned, as I said in the beginning, the conceptual one, rests on the faulty assumption that a certain pre-specified number of troops would be capable of responding to an unexpected crisis in any given part of the world with any adequate means for rapidly shifting requirements.

The United States may estimate beforehand to the best of its ability the number of U.S. Armed Forces personnel required to maintain stability and U.S. interest in any region of the world, but there is no way to guarantee that these a priori estimates will remain accurate in the face of rapidly changing conditions. The amendment, nevertheless, assumes that such accurate predictions may be made and that numerical correlations may be drawn beforehand between the number of U.S. troops in any region and the national security needs of the United States.

Mr. President, for these reasons, it seems to me that the Senate could not afford to pass an amendment of this kind. I am convinced that it would not be in the best interests of this Nation. I am convinced that it would not be constitutional. It would be unwise and, in a measure, irresponsible.

I therefore hope that the amendment will be rejected.

The PRESIDING OFFICER. Who yields time?

Mr. HUGHES. Mr. President, I respectfully disagree with the constitutional issues posed. I think Congress has every right—not only the right but also the responsibility—to make a decision such as required in this amendment. I think that every point that has been raised against the amendment could be eliminated by a simple modification of the amendment.

There is no competition between this amendment and the war powers bill. One is complementary to the other, and this amendment applies only to peacetime. I am not going to make the effort to modify the amendment, because not only would it require unanimous consent, but also, I do not think the amendment is that popular. I think it serves the purpose of discussion here today—that Congress consider this matter, that it be a matter of consideration in the future, and that we do have a vote on it.

Some of the questions as to the invasion of the right of the Commander in Chief to make these basic decisions of where troops are deployed, that the only right Congress has is the right of the power of the purse, I believe to be completely erroneous. Not only do we have the right to make those decisions; we have the responsibility. No one wants to put himself into what I would consider the ridiculous position of being unable to move an aircraft carrier from the Atlantic to the Pacific or to move it in maneuvers. There are procedures to take care of that responsibility.

So far as the duplication of reports already required from the Pentagon is concerned, I think that matter also could be handled. I do not believe there is any competition between the two reports. By a simple addition, the required material could be included in the reports given to us.

I think we should assume the responsibility of making the basic decision in peacetime, in the major geographic regions of the world, as to troop concentrations, and control it at the legislative level rather than at the administrative level, in the Whie House.

The points on the amendment have been made; I think the discussion has been excellent for the Senate; and I am ready to yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. SYMINGTON. I yield back the remainder of my time.

Mr. THURMOND. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Iowa. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Utah (Mr. MOSS), the Senator from Illinois (Mr. STEVENSON), and the Senator from Indiana (Mr. BAYH) are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK), the Senator from New Hampshire (Mr. COTTON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), the Senator from Nebraska (Mr. HRUSKA), and the Senator from Ohio (Mr. SAXBE) are necessarily absent.

I further announce that the Senator from Utah (Mr. BENNETT), the Senator from Colorado (Mr. DOMINICK), and the Senator from Ohio (Mr. TAFT) are absent on official business.

I also announce that the Senator from Oklahoma (Mr. BELLMON) and the Senator from Kansas (Mr. PEARSON) are absent because of illness.

The result was announced—yeas 22, nays 62, as follows:

[No. 406 Leg.]

YEAS—22

Abourezk
Biden
Case
Church
Clark
Cranston
Gravel
Hart
Hartke
Haskell
Hathaway
Hughes
Mansfield
McGovern
Metcalf
Mondale
Nelson
Pell
Proxmire
Ribicoff
Tunney
Weicker

NAYS—62

Aiken
Allen
Baker
Bartlett
Beall
Bible
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cook
Curtis
Dole
Domenici
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Griffin
Gurney
Hansen
Helms
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Long
Magnuson
Mathias
McClellan
McClure
McGee
McIntyre
Montoya
Muskie
Nunn
Packwood
Pastore
Percy
Randolph
Roth
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stennis
Stevens
Symington
Talmadge
Thurmond
Tower
Williams
Young

NOT VOTING—16

Bayh
Bellmon
Bennett
Bentsen
Brock
Cotton
Dominick
Goldwater
Hatfield
Hruska
Kennedy
Moss
Pearson
Saxbe
Stevenson
Taft

So Mr. HUGHES' amendment (No. 492) was rejected.

Mr. THURMOND, Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. SYMINGTON. I move to lay that motion on the table.

The motion to lay on the table was rejected.

(The following proceedings, which occurred during the address by Senator SYMINGTON, are printed at this point in the RECORD by unanimous consent.)

ORDER TO RECOMMIT NOMINATIONS TO THE FOREIGN RELATIONS COMMITTEE

Mr. FULBRIGHT. Mr. President, after a discussion with the distinguished majority leader, there had arisen a question about three nominations that are at the desk. We reported four nominations, one as ambassador. Mr. Scali, our principal representative to the United Nations already has the rank of ambassador. The other three Mr. Bennett, Mr. Schaufele, and Miss White were reported favorably, but without the title of ambassador.

I make just a comment preparatory to asking unanimous consent that these three nominations be recommitted to the Foreign Relations Committee.

I was asked today to schedule a meeting of the Foreign Relations Committee so that we may reconsider the nominations of Mr. Tapley Bennett, Miss Barbara White, and Mr. William E. Schaufele, Jr., so they may be given the title of Ambassador while they serve as alternate of deputy representatives of the

United States to various organs of the United Nations.

These nominations were reported to the Senate on September 18, after they had been considered by the Committee on Foreign Relations and after the Committee had decided to give the title of Ambassador only to Mr. Ferguson, who was the only one of the four to be a full "representative of the United States of America" to an organ of the United Nations, namely the Economic and Social Council. Each of the others, Mr. Bennett, Miss White, and Mr. Schaufele, Jr., were to be deputies or alternate representatives of one kind or another.

It has been rumored that a quorum of the committee was not present when these nominees were considered. The fact is that the following individuals spoke directly on the subject and the record so shows:

Senators SPARKMAN, SYMINGTON, CHURCH, AIKEN, CASE, GRIFFIN, and myself.

The records of the committee also show that a full quorum of the committee was present. The transcript does not show when individual members may have left the room for an early lunch, to take telephone calls, see members of their staffs, or other activities.

In any case, no point was made that there was no quorum present. The matter was discussed at great length.

For some time the committee has been disturbed about the proliferation of the title of ambassador.

If it is the will of the Senate that we should have five ambassadors in New York—with all the emoluments of office that go with that title—including, I presume, limousines, apartments, and so forth—all for the purpose of helping the United States in its protocol problems, then I believe the U.N. participation act—the basic law—should be changed to authorize five ambassadors to the United Nations.

In a report of last year on the nomination of Harold B. Malmgren, and this is contained in Executive Report No. 92-21, 2d session, 92d Congress, on May 5, 1972, the committee had this to say:

> In view of the foregoing, the Committee on Foreign Relations takes this opportunity to state that henceforth the committee will be most reluctant to approve individuals given the title of "Ambassador," unless that person has been nominated by the President as the duly accredited representative of the U.S. Government to a foreign country or to an international organization as authorized by law.

And I emphasize "is authorized by law."

Again this year, in the report on the nomination of John R. Stevenson on August 1, the same language was repeated that I have just read, and, in addition, the following:

> Over the years the committee has become increasingly concerned about the use of the title of "Ambassador" for individuals serving in positions not involving accreditation to a foreign government. In the committee's view, the rank of Ambassador should be reserved for the representatives of our country to another country—the sense in which the title of Ambassador is used in the Constitution—and not be used by negotiating personnel within the bureaucracy. Excessive use of the title of "Ambassador" tends to denigrate the role of the duly accredited American representative to each country and creates confusion as to who is actually the official spokesman of the U.S. Government.

Those were two expressions prior to the meeting on the 18th; and the committee, after fully discussing this matter, reported the five nominations that had been recommended as ambassadors. Two of them were approved. One of them, of course, Mr. Scali, is the representative to the United Nations as authorized by law, and the other is our representative to the Economic and Social Council.

After studying this matter, it occurs to me that it may well be that Mr. Ferguson also is not really, as I understand the law, authorized under the law. I want to read for the RECORD the law itself that makes this clear. I have it here. This is the United Nations Participation Act of 1945. Section 2(a) reads as follows:

> The President, by and with the advice and consent of the Senate, shall appoint a representative of the United States to the United Nations who shall have the rank and status of Ambassador Extraordinary and Plenipotentiary and shall hold office at the pleasure of the President. Such representative shall represent the United States in the Security Council of the United Nations and may serve ex officio as representative of the United States in any organ.

And so on; I shall not read the rest of it.

> (b) The President, by and with the advice and consent of the Senate, shall appoint additional persons with appropriate titles, rank, and status to represent the United States in the principal organs of the United Nations and in such organs, commissions, or other bodies as may be created by the United Nations with respect to nuclear energy or disarmament (control and limitation of armament). Such persons shall serve at the pleasure of the President and subject to the direction of the Representatives of the United States to the United Nations.

And so on; making it very clear, I think, to any reasonable person that that clause authorizes the appointment of one representative of the U.S. Government to be Ambassador, and all the others to be representatives with appropriate titles, but not ambassadors, if I read that correctly at all.

What I suggest, to resolve the matter so far as the committee is concerned, is that an amendment to the basic law be proposed by the administration or one of their spokesmen to provide for five ambassadors to the United Nations, if that is what they want. I do not personally approve of it, but that is a matter for the Senate to determine.

But in order for it to be regular and proper, regular and legal, and to solve the matter after all this long period of bickering about it—and the Department has not respected the express wishes of the committee—I would like to suggest to the minority leader that this matter be resolved by an amendment to the basic law, so that Congress is clearly on record as favoring the creation of five ambassadors to the United Nations.

We had this matter up with respect to the number of U.S. Ambassadors in Paris at one time. We had, I believe, four or five Ambassadors in Paris, and I objected strenuously to that, and it is true no longer.

So I ask unanimous consent, Mr. President, that Executive Calendar Order Nos. 304, 305, and 307 be recommitted to the Committee on Foreign Relations.

The PRESIDING OFFICER. As in executive session, is there objection? The Chair hears none, and it is so ordered.

Mr. McGEE. Mr. President, I wonder if it would be appropriate for the Senator to yield.

Mr. FULBRIGHT. If the Senator wishes.

Mr. McGEE. I thank the Senator for taking the right step in this instance. As the Senator knows, when we have meetings, we all get caught up and spread pretty thin, trying to do lots of things.

This issue was of much concern to me, especially in view of my having served up there last year and having been involved with these particular individuals. This fact was well known. But at the time, because we were considering Dr. Kissinger's nomination, we had spent a good part of the morning on this, with the understanding that we were bypassing these earlier ambassadorial nominations.

Mr. FULBRIGHT. Temporarily.

Mr. McGEE. Temporarily; that is correct. Temporarily. So the time continually was being used up, as we moved most of the items of consideration along. At about 20 minutes to 1 or whatever it was, some of us had a commitment at a luncheon for Prime Minister Bhutto from Pakistan. It was already running late, and I was one of those who finally made a run for what was already a late luncheon. But I guess it was either a careless understanding on my part or no understanding that we were going to dispose very quickly of a matter that had been of such a significant controversy; so I express my guilt in that respect. Again, it was a case of being spread too thin.

But in my opinion, this was a very serious move by the committee, and in the light of matters now pending at the United Nations, a very complicating move, with some negative fallout consequences.

One of our major responsibilities while there last year was to get the American assessment to the budget of the United Nations cut back to 25 percent, where it was originally intended to be, but which, because of the force of world events, the disproportionate international economies, the outcome of World War II, and all, was never followed through on.

In debating at the U.N. the 25th issue, one of the charges leveled against us was that we (the U.S.A.) was determined to downgrade the United Nations. Our reassurances to our critics were that no downgrading was intended. And that our public record of commitment to the U.N. would bear this out.

Well, Mr. President, although that 25th issue was won by the U.S. delegation during the 27th General Assembly of the U.N., by a vote of 81-27, doubts among our critics have lingered on. And in fact our credibility is very much on the line.

Even now the U.N. General Assembly has yet to approve the new budget. Thus, this recent action by the Foreign Relations Committee and disputed parliamentary circumstances, has already had the effect of starting new criticism of our position at the U.N.

This is most unfortunate—and, if I may add, totally unnecessary.

The committee itself should have the opportunity to assess this controversial issue, with all of its implications, as an issue unto itself, rather than during a quick wind-up of a lengthy executive session which had been devoted primarily to the nomination of Dr. Kissinger.

There is much to be said for the presence of several U.S. Ambassadors at the U.N. The U.N. is not the same as another country, but rather an assemblage of 135 independent governments. As each of our recent Ambassadors to the U.N. has testified, it is physically and diplomatically impossible for one man, heading the U.S. Delegation to keep on top of all the requirements and demands of multination diplomacy, particularly of such wide and numerous dimensions.

Yet each member state is represented by its own ambassador who in turn demands to deal at least with his own rank.

For this reason among others, it has been recognized for some time to have several members of the U.S. mission with the rank of ambassador.

Last year, during my service as a member of the U.S. delegation, both Ambassador Tapley Bennett, and Ambassador William Schaufele served in regular responsible roles.

I would point out, Mr. President, two obvious consequences from this set of circumstances:

First, some member states immediately concluded upon reading in the press that the Foreign Relations Committee had cut out at least three ambassadors for the U.N., that this was a blow aimed at the United Nations.

Second, that, since two of the ambassadors, Bennett and Schaufele, were regularly stationed at the U.N. and were well-known in their ambassadorial roles among most U.N. delegations from other governments, the United States had decided to downgrade its own participation.

I am confident, when I say, Mr. President, that this was not the intent of the Committee—or those members who are said to have voice voted. Rather, the news story comment, appearing this morning in the Washington Post (from unnamed sources), asserted that the committee intended only to embarrass this administration as a reminder that the Senate committee was going to exert a stronger role in the future.

I cannot believe this to be an accurate reflection of full committee sentiment, or to the best of my knowledge, of any committee members.

But it does point up the hazards of action of a controversial type, acted upon in haste or even amid some confusion.

So it is with this background material and personal comment that I want to commend my committee chairman for his initiative in returning the names of the Ambassadors in question to the committee for further consideration.

And I conclude by expressing my personal hope that we who serve on the Foreign Relations Committee will weigh carefully the requirements of our Nation's role at the U.N., particularly as it is involved in the issue of the current ambassadorial personnel required by the U.S. mission at the U.N.

We got that done last year——

Mr. SYMINGTON. Mr. President, if the Senator will yield, I agreed to yield for 5 minutes to the Senator from Arkansas.

Mr. McGEE. Oh, I am sorry, I did not realize the Senator had yielded to the Senator from Arkansas. Does the Senator have anything else in the way of time?

Mr. SYMINGTON. I would be glad to have the Senator continue, but I have told a lot of Senators we were about ready to vote on this matter. The Senator from South Carolina was anxious to speak, and I merely wanted to present what the parliamentary situation was.

Mr. McGEE. I apologize to the Senator from Missouri, because I did not realize that was the setting. I merely wanted to commend the Senator from Arkansas for moving this back into the committee, where we might give it another run-through, and I want to support him in that move.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent, as a part of my remarks, that this excerpt from the United Nations Participation Act of 1945, from which I have quoted, be printed in the Record.

There being no objection, the excerpt from the statute was ordered to be printed in the Record, as follows:

4. THE UNITED NATIONS PARTICIPATION ACT OF 1945, AS AMENDED

(Public Law 264, 79th Congress [S. 1580], 59 Stat. 619, approved December 20, 1945, as amended by Public Law 341, 81st Congress [H.R. 4708], 63 Stat. 734, approved October 10, 1949; Public Law 86–707 [H.R. 7758], 74 Stat. 797, approved September 6, 1960, and by Public Law 89–206 [S. 1903], 79 Stat. 841, approved September 28, 1965)

An act to provide for the appointment of representatives of the United States in the organs and agencies of the United Nations, and to make other provision with respect to the participation of the United States in such organization

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "United Nations Participation Act of 1945".

Sec. 2. (a)[1] The President, by and with the advice and consent of the Senate, shall appoint 1 person a representative of the United States to the United Nations who shall have the rank and status of Ambassador Extraordinary and Plenipotentiary and shall hold office at the pleasure of the President. Such representative shall represent the United States in the Security Council of the United Nations and may serve ex officio as representative of the United States in any organ, commission, or other body of the United Nations other than specialized agencies of the United Nations, and shall perform such other functions in connection with the participation of the United States in the United Nations as the President may, from time to time, direct.

(b)[1] The President, by and with the advice and consent of the Senate, shall appoint additional persons with appropriate titles, rank, and status to represent the United States in the principal organs of the United Nations and in such organs, commissions, or other bodies as may be created by the United Nations with respect to nuclear energy or disarmament (control and limitation of armament). Such persons shall serve at the pleasure of the President and subject to the direction of the Representative of the United States to the United Nations. They shall at the direction of the Representative of the United States to the United Nations, represent the United States in any organ, commission, or other body of the United Nations, including the Security Council, the Economic and Social Council, and the Trusteeship council, and perform such other functions as the Representative of the United States is authorized to perform in connection with the participation of the United States in the United Nations. Any Deputy Representative or any other officer holding office at the time the provisions of this Act, as amended, become effective shall not be required to be reappointed by reason of the enactment of this Act, as amended.

TIME LIMITATION ON AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield me some time?

Mr. HUGHES. Mr. President, I will yield time to the Senator from West Virginia.

Mr. ROBERT C. BYRD. I thank the Senator from Iowa.

Mr. President, the following requests have been cleared with the managers on both sides of the aisle and with the leadership.

I ask unanimous consent that at such time as the Eagleton amendment dealing with NAIR, which has to do with machine tools, is laid before the Senate and made the pending question, there be a limitation of 2 hours, to be equally divided, and that the time on any amendment to an amendment be limited to 30 minutes, the time to be divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the distinguished Senator from Arizona (Mr. Goldwater) calls up his amendment which provides for keeping the production lines open on the M–16 rifle, there be a limitation of 2 hours, with a limitation of 30 minutes on any amendment to an amendment in relation thereto, to be divided and controlled in the usual form.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as amendment No. 513, to be offered by the distinguished Senator from Wisconsin (Mr. Proxmire), is called up—this amendment would reduce the number of admirals and generals—and is made the pending question, there be a limitation of 2 hours, with 30 minutes on any amendment to an amendment agreement to be in the usual form.

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[1] As amended and restated by sec. 1(a) of P.L. 89–206, 79 Stat, 841, September 28, 1965 (22 U.S.C. 287).

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as the amendment to be offered by the distinguished Senator from Minnesota (Mr. HUMPHREY)—which would prohibit the Blue Angels and Thunderbirds aerial combat teams from performing outside the United States—is called up and made the pending question, there be a limitation of 2 hours, with 20 minutes on amendments to amendments, the agreement to be in accordance with the usual form.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, after the two leaders or their designees have been recognized under the standing order, the Senate proceed to the consideration of the AWACS amendment to be offered by Mr. EAGLETON; and that Mr. EAGLETON's amendment on NAIR be taken up upon the disposition of the AWACS amendment, and that the Senate then take up the amendment by Mr. GOLDWATER on the M-16 rifle.

If the Humphrey amendment is considered today, I ask unanimous consent that tomorrow the Senate then proceed, following the M-16 rifle amendment, to the consideration of the Proxmire amendment, No. 513.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order at any time to order the yeas and nays with one show of hands on any or all of the foregoing amendments.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. TOWER. Did the Senator include in his request an understanding that the limitation on the amendment of the Senator from Arizona (Mr. GOLDWATER) shall be contingent upon his approval?

Mr. ROBERT C. BYRD. I did not request a limitation on the second amendment by Mr. GOLDWATER, but only on the one relating to the M-16 rifles.

I think we should have an understanding that if the 2-hour limitation on the Goldwater amendment does not meet with the approval of the distinguished author of that amendment, who is not here today, he may vitiate it if he so chooses.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. PASTORE. I have no objection to make. I was wondering, in view of the fact that tomorrow is Saturday, and we have quite an imposing program, whether we could not stay a little later tonight and take up some of the amendments?

Mr. ROBERT C. BYRD. We will take up the amendment yet today by Mr. HUMPHREY. We also still have the Hughes amendment on which to act.

Mr. MANSFIELD. Mr. President, I think we ought to get home at a reasonable hour and come in at 9 o'clock tomorrow morning. Some of us need a little rest.

Mr. PASTORE. Most of the amendments to be considered at that time are 2-hour amendments, and we are not coming anywhere close to 2 hours.

Mr. SYMINGTON. Some of us would like to go to the swearing-in ceremony of Dr. Kissinger at 11 o'clock. Perhaps we could arrange the voting so that that could be done, and we could get back quickly.

Mr. MANSFIELD. The same arrangement will be made for that situation as was made today for the funeral of our late associate, Tom Vail, but the business will keep on going.

Mr. SYMINGTON. I thank the able majority leader.

Mr. ROBERT C. BYRD. I thank all Senators for their courtesy and cooperation.

The PRESIDING OFFICER. The Chair inquires of the Senator from West Virginia if he is also asking that the unfinished business be laid down after the two leaders have been recognized.

Mr. ROBERT C. BYRD. I did not hear the Chair.

The PRESIDING OFFICER. Is the unfinished business to be laid down after the two leaders finish tomorrow?

Mr. ROBERT C. BYRD. Yes.

I ask unanimous consent that tomorrow, after the two leaders or their designees have been recognized under the standing order, the Senate resume consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(This marks the end of the proceedings which were ordered to be printed at this point in the RECORD.)

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

The PRESIDING OFFICER. Under the previous order the Chair lays before the Senate amendment No. 493 of the Senator from Iowa (Mr. HUGHES).

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending amendment be laid aside temporarily and in its place the amendment of the Senator from Minnesota (Mr. HUMPHREY) be taken up.

The PRESIDING OFFICER. Is there objection?

Mr. SYMINGTON. Mr. President, reserving the right to object, and I shall not object, is that the last amendment tonight?

Mr. MANSFIELD. We hope not.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment of the Senator from Minnesota will be stated.

The assistant legislative clerk read as follows:

> At the appropriate place in the bill, insert the following new section:
>
> SEC. —. Notwithstanding any other provision of law, none of the funds authorized by this or any other Act may be used to send Air Force, Army or Navy aerial acrobatic teams, or any necessary supporting equipment, outside of the United States for the purpose of performing aerial acrobatics or other public aerial demonstrations.

The PRESIDING OFFICER. The Chair wishes to inquire of the Senator from Minnesota if this is the amendment on which there is to be 1 hour of debate.

Mr. HUMPHREY. I understand there is to be 30 minutes to a side. I have no intention of using that amount of time and I hope those managing the bill will give me their attention.

The PRESIDING OFFICER. The Senate will be in order. Senators deserve to be heard. Senators will be seated.

The Senator may proceed.

Mr. HUMPHREY. Mr. President, this amendment is directed toward the restriction of the use of military aerial acrobatic teams, confining their use for recruiting purposes and whatever other purposes may be underscored, within the United States and its territories.

There are four major aerial teams representing the Department of Defense, and needless to say, they are spectacular. Many of us have seen them. They surely have brought a sense of pride to all of us who claim citizenship in this country. One of them is the Thunderbirds of the Air Force, the Blue Angels of the Navy, the Silver Eagles of the Army, which is a helicopter team, and the Golden Knights of the Army, which is a parachute and precision landing team.

The Department of Defense, according to the General Accounting Office, does not include the activities of these teams in their $22-million-a-year public affairs budget. The total cost of these teams for the calendar year 1972 was $5,800,000—that is, for the special services that they performed.

Recently, the Washington Post and other newspapers reported that the Air Force Thunderbirds will perform a month long "good will tour" in Latin and South America which will cost about $700,000, at a minimum. The Post reported that aside from the actual F-4 jets which cost $1,500 a day to operate, the Air Force would need to send five KC-135 jet refueling tankers and two C-130 transport planes for the 81-man operation.

I might also point out that each of these Air Force jets burns 2,000 gallons of jet fuel per hour. The use of jet fuel is one of the fuel demands that contributes to the present heating oil shortage in this country.

If the main purpose of these teams is recruitment—that is what they are supposed to do, according to the description of the work of the teams—I doubt that we are going to get much recruitment in Latin America or, at a later time, in Africa or Asia or Europe, or wherever else they may be.

If the purpose of these teams is to sell military hardware or to encourage young men and women to enter a military career, insofar as military hardware is concerned, that is pretty well taken care of by the purchasing of the Department of Defense right with the local suppliers; and insofar as foreign buyers are concerned, we have a number of salesmen of military equipment that are working on all the possibilities in every one of the military defense offices in every country around the world.

If the purpose of these aerial teams is to encourage recruitment in the air forces of other countries, I suggest we have no obligation to act as the recruiting agent of those countries.

I might also add that there is a risk involved. This year the Navy's Blue Angels had two crashes. A pilot was killed at a Lake Charles, La., accident in July, and the Navy suspended the demonstrations after that accident. The demonstrations have been resumed, but the Navy uses less expensive and slower jets.

The Blue Angels have traveled outside the United States. They went to the Paris Air Show, which is an international air show that I think has some special considerations. I do believe that was a proper expenditure of public funds in light of the international competition that is so evident in that air show.

There is no argument, as far as I am concerned, with these teams being used for recruitment purposes in the United States or to fulfill engagements that local officials might ask within the United States. These are American teams, they are American pilots, and they belong right here in the United States.

They are, however, a rather expensive recruiting tool, but they have become effective. However, to use them in foreign countries is not in the best interests of the Government, as I see it, or of the American taxpayers. I think there are other ways to show our good will and that we are a great power. The risk is rather large and too much for the little return it will bring.

We do not restrict the Navy in terms of calls of ports of entry. I am not suggesting that. These teams have a special function, and they are far from what we would call combat teams or even defense forces. They are for advertising, propaganda, and entertainment. I think if we are going to do that, we should confine those activities to the United States.

This is not a major item in the bill. It is just another way of showing we can tighten up on the defense budget without crippling the defense establishment or weakening the security of our country. These teams are now going to Latin America. The next place will be Africa or somewhere else.

I submit that while the figure of $700,000 is not much, it is worthy of our consideration, when I stop and think that we are still having trouble getting funds for our school lunch program and still having trouble getting funds for the school milk program. I think we would do more good if $700,000 were sent as relief to our friends in Nicaragua or if it were sent to help the victims of earthquakes or famine, rather than expend money like this at a time when there is a shortage of fuel, when I find our budget is in a serious situation. And it might be well if we did not have too much of a military presence in Latin America, in light of charges now being made—charges with which I do not agree, but charges that are being made.

That is my argument.

I would just hope that the Senator in charge of the bill and the ranking Republican Member would see the merits of this amendment. I am not interested in a rollcall vote; I am interested in results. If the distinguished Senator from Missouri and the distinguished Senator from South Carolina, both men of wisdom and good judgment, would like to accept this amendment now, we could get on with the business of the Senate and save time and save the taxpayers some money.

Mr. SYMINGTON. Mr. President, I yield to the distinguished Senator from South Carolina, and then we can vote on the amendment.

Mr. THURMOND. Mr. President, as I understand it, the main objection to the Thunderbirds, the Blue Angels, the Silver Eagles, and the Golden Knights is that this program costs too much money. The cost is not very much—something over $5 million. That is chickenfeed, a small sum compared to the amount of planes we sell. They are flying these planes for us, and it results in selling hundreds of them overseas. In that way we have helped our financial situation and our balance of payments. Instead of being a detriment from the financial standpoint, this has really been an asset to our financial structure.

In addition to that, even if it were not, is it not great that we have such skilled fliers and such modern planes that can go to other countries and show the people of those countries the prestige and the might of America? And is it not good that we can participate in air shows and bring fame to America? Is that not worthwhile and worth the cost? I think it is. I think any occasion we have to show the skill of our pilots and the powerful planes we have, and what a great country we have, and the prestige that is carried with it, is worthwhile.

Then, under this amendment, if any of the Golden Knights or others want to participate in competition, it would be prohibited. Competition is the very heart of our form of Government. It is competition that has made this country great. We ought to be allowed to let our people participate in competitive matters and go to other countries to do so.

I hope that the Senate will reject the amendment.

Mr. LONG. Mr. President, will the Senator yield?

Mr. THURMOND. Mr. President, I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, I have heard stories of the tremendous impression that has been made on people all over the world by some of our distinguished Americans going there. For example, the Senator from Minnesota told me that on occasion he escorted some of our astronauts to these international meetings. He told me of the tremendous impression they made on the people of the world.

It seems to me that if we do not let these planes fly into other countries, there will be more air shows booked at the various installations in the United States. The planes will still be used as much as if we had them go to Mexico and to other countries to perform. They will be performing in San Antonio or some other place on this side of the border and will be using up the same amount of fuel.

In the last analysis, it is a matter of whether we think it might be desirable for the people of the world if we were to let these highly competent and skilled men demonstrate their skills and the good equipment that the United States makes. Why should we be limited to showing it to our own people?

It seems to me that if we are going to spend all of this money to develop something extremely good and to develop some very fine skill in some of our men, something that anyone in the world would admire, there is no harm in demonstrating it.

These men that have achieved this degree of skill will, of course, entertain the American people when they perform in air shows in this country.

It might demonstrate that we could do something other than dropping bombs with those planes.

Mr. THURMOND. Mr. President, I think the Senator is right.

The Blue Angels flew their planes at the Paris Air Show. It made a magnificent impression on the people there.

Are we going to deny the people engaged in this project the right to go and demonstrate their skill as pilots and demonstrate the great planes that this Nation has produced.

Mr. LONG. Mr. President, if the Senator wants to exclude the Paris Air Show, is there not an affront implicit to the other nations of this hemisphere in the fact that we would not be willing to let them go to Mexico, Canada, or South America?

What is there about our neighbors in the Americas that makes them second-class citizens compared to the Parisians?

Mr. THURMOND. Mr. President, we would want them to go there, and if they are not allowed to go to Canada or Venezuela or some other place, it would seem to the people of that country that we are not as friendly to our neighbors as we are to the people across the ocean.

Mr. LONG. Mr. President, if the Venezuelans want to put on a big show and impress the people of the world, it seems to me that it is an affront for the Congress of the United States to say that they cannot go there but we think enough of the Parisians to let our men perform there. I like the French people. I am one myself by ancestry. Some of them would say, "It is fine for them to go to the Paris air show. The people in the United States do not care how much they are going to spend on that.

However, the United States does not think enough of us to let them come to our air show."

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. THURMOND. I yield.

Mr. HUMPHREY. Mr. President, I would like to say that I was intrigued with the characterization of this as being chicken feed—some chicken. This kind of money is not being used for any good purpose that I can think of. We do not need to have aerial acrobatic teams going around the world to let them know that we have a good air force. If we need that, then, I think we need to buy some advertising to announce to the world that December 25 is Christmas. The people of the world know about our planes.

I have listened to the argument about selling F-4 planes. I thought the advertising cost was to be paid by the manufacturers. The Government of the United States does not make the planes. The Government of the United States buys them. If someone else wants to buy the F-4 planes, let them do it.

If the company that makes those planes wants to advertise them, let them advertise it. By the way, they are able to advertise and deduct the expense as a business expense. I do not know why that should be the case, because they do not have much competition. They do not particularly need to demonstrate their skill. The main place to demonstrate our skill in aviation, as far as I am concerned, is right here in the United States.

We have many young men who might want to go into the Air Force, the Army, or the Navy. We are having a tough job recruiting them.

It has been suggested that this particular team might go to Brazil or Chile. The last place that we need these planes is down there.

Mr. PASTORE. Mr. President, it is rather cold there.

Mr. HUMPHREY. It would be cold, and it might be a chilly reception that they would receive.

This is another way of saying to the military that there are things to do and there are things not to do. They seem to want the Thunderbirds and the Blue Angels and others to go out and demonstrate their skills. How many times have I asked for them in my home State and they said that they could not come. I will tell the Senator that they will get more recruits from Minnesota than they will from Brazil, and we are the ones who pay the taxes. The Brazilians do not.

We like to see the pilots fly around the blue skies of Minnesota. If there is some money to spend for demonstrations, why not send the money there? Why not send it to Rhode Island or to Nevada. As a matter of fact, we ought to have an international air show in Nevada, and we do.

Mr. PASTORE. Mr. President, they cannot come to Rhode Island because the Navy saw fit to close down our Rhode Island base.

Mr. HUMPHREY. That was because we could not afford it.

Mr. PASTORE. The Senator is correct.

Mr. HUMPHREY. Mr. President, we cannot afford to have the Blue Angels, so we send them to Chile where it is real cold.

Mr. PASTORE. The Senator is correct.

Mr. COOK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to my friend, the Senator from Kentucky.

Mr. COOK. Mr. President, I have listened today with great interest and amazement. I agree that in the skies our airplanes are beautiful. However, when they go to foreign countries to perform, they are weapons of war. I do not think that there is any question about the fact that they constitute weapons of war. I do not think they constitute anything other than that. They are wanted there for that purpose.

For anyone to say that we should send them to the Paris Air Show, I would point out for the $5 million that it costs to send them there we could put them all in one big airplane and show them all here at one time. And it would not cost anything like $5 million.

This was established for the purpose of recruiting people in the United States to go into the Armed Forces.

I have voted against every amendment on this bill so far because I think that this country should be strong and I think that we in this country should have the knowledge that we are strong and that the other people of the world should have it. However, we should not flaunt it in their faces.

So I want to associate myself with the remarks of the Senator from Minnesota, because when the people in these countries see these aircraft, they understand one thing: They understand that they are used to drop bombs, and they are used to kill.

I do not know what business the U.S. Government has to put $5 million into its budget to sell airplanes for private industry. If they want to sell those airplanes, let them sell them.

If they want to bring individuals from foreign countries—may I say if you have 10,000 people in Paris watching the Blue Angels, there may be four individuals in all 10,000 who represent countries that may want to buy aircraft. So I only say we have got to understand and realize that the military potential in this country to stay strong remains here, and what we are really saying when we send them overseas for these exhibitions for poor people who have nothing to eat and no place to live, and no automobile to drive in, is, "Your country wants to buy some of these, and you better behave."

Do you know what it does? I would suggest that probably when those many thousand individuals in those countries watch them, they are probably more frightened than they are delighted.

As a matter of fact, if we really think the airplane is so beautiful as a military instrument of war and destruction that we have to show it to the rest of the world, then let us increase the funds for it in this bill, instead of decreasing them. And let us take a company of men overseas, and show them, in a short, cute exercise, how we can secure the whole airport. Why not take a few tanks over there, so we can show them how we can cut off all the streets and roads to the airport? If we really want to show them our might—and that is exactly what we are doing—let us not limit it to the sophistication and the beauty of an airplane. Obviously airplanes are beautiful as we see them in the sky, but they are also very destructive; they also kill.

I would suggest, if we establish these things to recruit men into the service of the United States and inspire dedication to their country, let us do it in this country. Maybe it is about time, in relation to the strength of our Nation, that we confine that strength to the knowledge within ourselves that we have it. Let the rest of the world know about it, but do we have to flaunt it?

I was rather amazed at some of the remarks about the fact that we sell some of these airplanes, and they are beautiful, and all that sort of thing, because when they are over a country like Brazil today, they are over a country that functions as a direct result of military operations, and has for years. Or if they had gone to Chile, they would have gone to a country that is completely and totally distraught right now. Chile does not need an air show.

I say to Senators, take into consideration how you feel about the military strength of your country, and whether you want to scare the rest of the world with it, or whether you want to have a knowledge in your own country that you are strong, that you know it, and that you want to maintain that strength, but that you do not want to throw it in everyone's face throughout the world.

Mr. President, I ask the Senator from Minnesota if he will add my name as a cosponsor of his amendment.

Mr. HUMPHREY. I am happy to do so, and I thank the Senator from Kentucky for his very moving and powerful argument.

Mr. THURMOND. Mr. President, I yield myself such time as I may require.

I just want to say, in reply to the argument of the distinguished Senator from Kentucky, that we do not go into other countries unless we are invited. We go there to take enjoyment and pleasure to the people who ask us to come there.

Mr. COOK. Mr. President, will the Senator yield?

Mr. THURMOND. Yes.

Mr. COOK. We are invited by those respective governments and I would suggest to the Senator that he review some of those governments in relation to the people, and then evaluate the reasons for which we truly are invited.

Mr. THURMOND. Well, Mr President, of course we have nothing to do here with choosing governments of other countries. That is a matter for the people in each country to do, and it is not our business to tell them what kind of a government they should have. We go there at their request because they want us there.

If you go to an airshow anywhere in this Nation, you will find the biggest crowd of almost anyplace you can go to. Football games sometimes have 60,000 or 80,000 people. Airshows will have over 100,000 people, because there you have got the common man, the man who is not able to go to a lot of other kinds of entertainment. If you take these Blue Angels and Thunderbirds to different parts of the world, the people there have a chance to see planes and see pilots that they have never seen before. They appreciate it. They want it. They would not invite us there otherwise. The people would not attend unless they enjoyed it.

It is not a matter of flaunting our power. It is not that at all. It is a matter of goodwill that we are carrying to those countries. It is a matter of free entertainment we are taking to those countries. It is a matter of making friends with the people of those countries where we take those planes.

Mr. President, this is a matter that I feel is important to our Nation's image overseas. It is something we can do, and without great expense; and I hope we will continue to do it.

Mr. COOK. Mr. President, will the Senator from Minnesota yield me 30 seconds?

Mr. HUMPHREY. I yield.

Mr. COOK. On that basis of this fine, clean entertainment, it is just amazing to me that we do not have an item in this budget to take war games to different countries, so that we could pack the stadiums with friendly people who wanted to see our war games.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, if the Senator from Minnesota is prepared to yield back his time, I yield back the remainder of mine.

Mr. HUMPHREY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Minnesota.

Mr. PASTORE. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. HELMS). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Minnesota (Mr. HUMPHREY). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Utah (Mr. MOSS), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK), the Senator from New Hampshire (Mr. COTTON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Nebraska (Mr. HRUSKA), the Senator from Ohio (Mr. SAXBE), and the Senator from Pennsylvania (Mr. SCOTT) are necessarily absent.

I further announce that the Senator from Utah (Mr. BENNETT), the Senator from Colorado (Mr. DOMINICK), and the Senator from Ohio (Mr. TAFT) are absent on official business.

I also announce that the Senator from Oklahoma (Mr. BELLMON) and the Senator from Kansas (Mr. PEARSON) are absent because of illness.

The result was announced—yeas 54, nays 28, as follows:

[No. 407 Leg.]

YEAS—54

Abourezk
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Church
Clark
Cook
Cranston
Dole
Eagleton
Ervin
Fulbright
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Muskie
Nelson
Nunn
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Sparkman
Stennis
Symington
Talmadge
Weicker
Williams

NAYS—28

Aiken
Allen
Baker
Bartlett
Beall
Bible
Buckley
Cannon
Curtis
Domenici
Fannin
Fong
Griffin
Gurney
Hansen
Javits
Long
McClure
Montoya
Packwood
Schweiker
Scott, Va.
Stafford
Stevens
Thurmond
Tower
Tunney
Young

NOT VOTING—18

Bayh
Bellmon
Bennett
Bentsen
Brock
Chiles
Cotton
Dominick
Eastland
Goldwater
Hruska
Kennedy
Moss
Pearson
Saxbe
Scott, Pa.
Stevenson
Taft

So Mr. HUMPHREY's amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SYMINGTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHURCH. Mr. President, on behalf of the distinguished senior Senator from New Jersey (Mr. CASE) and myself, I send an amendment to the desk.

The PRESIDING OFFICER. An amendment by the distinguished Senator from Iowa is pending.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Hughes amendment be laid aside until tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendment of the Senator from Idaho will be stated.

The legislative clerk proceeded to read the amendment.

Mr. CHURCH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

> At the end of bill insert the following:
>
> SEC. —. Notwithstanding any other provision of law, upon enactment of this Act, no funds heretofore or hereafter appropriated may be obligated or expended to finance the involvement of United States military forces in hostilities in or over or from off the shores of North Vietnam, South Vietnam, Laos, or Cambodia, unless specifically authorized hereafter by the Congress.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on this amendment of 30 minutes, with a time limitation on any amendment thereto, debatable motion, or appeal in relation thereto of 20 minutes—all time to be equally divided and controlled in accordance with the usual form.

I have cleared this with the managers on both sides of the aisle.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CHURCH. Mr. President, the purpose of this amendment is to secure a permanent restatement of the present laws regarding the total ban on Federal funding of U.S. military activities in, over, or from off the shores of Indochina, without the express consent of Congress.

Twice now—Public Law 93–50 and Public Law 93–52—such provisions of law have been enacted and signed by the President. The only reason why this amendment is in order arises from the happenstance that these two provisions of law are a part of acts which expire by their own terms. One provision is currently contained in Public Law 93–50, the Supplemental Appropriations Act, and it reads as follows:

> SEC. 307. None of the funds herein appropriated under this Act may be expended to support directly or indirectly combat activities in or over Cambodia, Laos, North Vietnam and South Vietnam or off the shores of Cambodia, Laos, North Vietnam and South Vietnam by United States forces, and after August 15, 1973, no other funds heretofore appropriated under any other Act may be expended for such purpose.

The second provision of a similar nature is Public Law 93–52, the continuing resolution for fiscal year 1974, and it reads as follows:

> SEC. 108. Notwithstanding any other provision of law, on or after August 15, 1973, no funds herein or heretofore appropriated may be obligated or expended to finance directly or indirectly combat activities by United States military forces in or over or from off the shores of North Vietnam, South Vietnam, Laos or Cambodia.

Mr. President, the continuing resolution expires on September 30. The Supplemental Appropriations Act, by its own terms, also will expire. The purpose of this amendment is simply to reenact—and make permanent—what the Senate has twice approved, the House has approved, and the President has signed. Congress now legislates a final end to our part in the civil conflict in Indochina.

Furthermore, when Dr. Henry Kissinger appeared before the Committee on Foreign Relations last week, he made clear that the administration accepts this provision of law and that the President intends to abide by it.

I ask unanimous consent to have printed at this point in the Record the questions I put to the next Secretary of State, together with his replies that relate to this amendment, taken from the official record of the committee's proceedings.

There being no objection, the material was ordered to be printed in the Record, as follows:

QUESTIONS AND REPLIES

PRESENT PERIOD OF CONSTITUTIONAL CRISIS

Senator Church. Dr. Kissinger, in the view of many people in the country today, we are living through a period of acute constitutional crisis that takes the form of excessive use of Executive power. There are any number of illustrations. For one, the impoundment by Presidential decision of congressionally appropriated funds for lawful programs, a practice that continues despite the fact that the courts, thus far, have declared it to be unlawful. The crisis is also exemplified by the last two wars which have been fought on Executive initiative and waged under the argument that there is an inherent power in the Presidency that permits him to engage in foreign wars without the specific consent of Congress. And, at present, it is reflected in the speculation in the press as to whether or not the President intends to comply with a Federal court order concerning the notorious White House tapes. If the position were to prevail that he need not comply with the court order on final appeal, I would think that 500 years of Anglo-American progress toward government under law would be seriously imperiled.

PUBLIC LAW 93-50

It is against that background that I would like to ask you two questions concerning two provisions of present law. One of those provisions, in its original form introduced by Senator Case of New Jersey and myself, is now Public Law 93-50, a part of the Supplemental Appropriations Act. It reads as follows:

None of the funds herein appropriated under this act may be expended to support directly or indirectly combat activities in or over Cambodia, Laos, North Vietnam and South Vietnam or off the shores of Cambodia, Laos, North Vietnam, and South Vietnam by U.S. forces, and after August 15, 1973, no other funds heretofore appropriated under any other act may be expended for such purpose.

From your initial statement, I take it that you view this provision of law as binding upon the President and that you would advise the President, as Secretary of State, to conform to it. Am I correct?

Mr. Kissinger. That is correct, Senator.

Senator Church. I have great personal respect for you. I welcome that answer for, had it been the opposite, I could not support your confirmation.

COOPER-CHURCH AMENDMENT

There is another provision of law that has been known as the Cooper-Church amendment reenacted several times over by the Congress. I would like to read it to you and then ask you a question or two relating to Cambodia today. It reads: "In line with the expressed intention of the President of the United States, none of the funds authorized or appropriated pursuant to this or any other act may be used to finance the introduction of U.S. ground combat troops into Cambodia, or to provide U.S. advisers to or for military, paramilitary, police, or other security or intelligence forces in Cambodia."

The first question I would ask of you, Dr. Kissinger, is whether or not that provision of law is being complied with?

Mr. Kissinger. To the best of my knowledge, it is.

TELEVISION NEWS SHOW, SHOWING U.S. COLONEL WITH CAMBODIAN FORCES

Senator Church. About a month ago, I watched a national network television news program which showed an American colonel, as I recall his rank, in the field in Cambodia with Cambodian forces. The film showed him pointing in various directions on the battlefield, discussing what must have been matters of tactical concern, with Cambodian soldiers in uniform, and opening a map and discussing with reference to the map and the terrain, what he had to say. The Cambodians were listening very intently to what must have been his advice.

Assuming that this film was actually taken in Cambodia, as it was purported to be, and that the camera accurately recorded the event, would not that colonel be acting as a military adviser, contrary to the provisions of the law?

Mr. Kissinger. Senator, I honestly do not know anything about that event, and it is very difficult for me to speculate. If the colonel was advising Cambodian troops in combat actions he was acting in violation of the law.

But let me make a general comment. The Vietnam war was conducted in an atmosphere of extraordinary bitterness within this country, I would say on both sides of the discussion, in which both sides believed that very grave issues of national policy were involved; under those conditions it is possible that things were done that seemed overwhelmingly in the national interest and that that was considered the primary criterion.

If what I have said to this committee is to have any meaning, then it would be totally inappropriate for me as Secretary, or as adviser to the President, to behave like a sharp lawyer and to try to split hairs and find some legal justification for something clearly against the intent of the law. So I think the better answer to give you, Senator, is to say, that when the law is clearly understood—and it will be my job to make sure that I clearly understand the intent of the Congress—we may disagree with it, but once the intent is clear we will implement not only the letter but the spirit. If such an event occurred as you describe, I will do my best to have it stopped.

Senator Church. Dr. Kissinger, I want to thank you for that assurance and, knowing you as I do, I am certain that you will follow through with it.

Mr. Kissinger. Thank you.

Mr. CASE. Mr. President, will the Senator yield?

Mr. CHURCH. I yield.

Mr. CASE. Mr. President, the distinguished senior Senator from Idaho and I are very pleased to join in submitting this amendment. It is in line with previous collaboration we have had on similar matters. As he has said, it is acceptable to the administration; it changes nothing in existing law.

I hope that the leadership on both sides find it possible to accept the amendment, and we can dispose of it without a record vote.

Mr. SYMINGTON. Mr. President, I will accept the amendment.

Mr. THURMOND. Mr. President, the Senate and the entire Congress have approved this particular amendment several times, I believe. In view of that fact, I think it would be useless to oppose it. We will accept the amendment and take it to conference.

Mr. CHURCH. Mr. President, I yield back the remainder of my time.

Mr. THURMOND. I yield back the time on this side.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Idaho (Mr. Church).

The amendment was agreed to.

Mr. CHURCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SYMINGTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 514

Mr. PROXMIRE. Mr. President, I call up my amendment No. 514.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 30, between lines 2 and 3, insert a new section as follows:

"Sec. 703. (a) The second sentence of the first section of the Act entitled 'An Act to authorize the making, amendment, and modification of contracts to facilitate the national defense', approved August 28, 1958 (72 Stat. 972; 50 U.S.C. 1431), is amended by inserting '(1)' immediately after 'shall not be utilized', and by striking out the period at the end of such section and inserting in lieu thereof a comma and the following: 'or (2) to obligate the United States in any amount in excess of $20,000,000, except with the prior approval of the Congress.'.

"(b) The second sentence of section 302 of the Defense Production Act of 1950 (50 App. U.S.C. 2092) is amended by inserting '(1)' immediately after 'except that' and by striking out the period at the end of such section and inserting in lieu thereof a comma and the following: 'and (2) no such loan may be made in an amount in excess of $20,000,000, except with the prior approval of the Congress.'.

"(c) Section 2307 of title 10, United States Code, is amended by adding at the end thereof a new subsection as follows:

"'(d) Payments under subsection (a) in the case of any contract, other than partial, progress, or other payments specifically provided for in such contract at the time such contract was initially entered into, may not exceed $20,000,000, except with the prior approval of the Congress.'.

"(d) Section 18(a) of the Military Selective Service Act (50 U.S.C. App. 468) is amended by inserting before the period at the end of the first sentence a comma and the following: 'except that no order which requires payments thereunder in excess of $20,000,000 shall be placed with any person, except with the prior approval of the Congress'.

"(e) Whenever any department or agency of the Federal Government requests or recommends approval by the Congress of any action requiring such approval under the first section of the Act entitled 'An Act to authorize the making, amendment, and modification of contracts to facilitate the national defense', approved August 28, 1958 (72 Stat. 972; 50 U.S.C. 1431), under section 301 or 302 of the Defense Production Act of 1950 (50 App. U.S.C. 2092), under section 2307 of title 10, United States Code, or under section 18(a) of the Military Selective Service Act (50 U.S.C. App. 468), the Comptroller General of the United States is authorized to fully investigate the need for and the potential consequences of such approval by the Congress. In conducting any such investigation the Comptroller General shall have access to the complete financial records of any private business enterprise which is the proposed beneficiary of any such action requiring prior approval of Congress.

"(f) The amendments made by this section shall not affect the carrying out of any contract, loan, guarantee, commitment, or other obligation entered into prior to the date of enactment of this section.".

On page 30, line 3, strike out "SEC. 703" and insert in lieu thereof "SEC. 704".

Mr. PROXMIRE. I modify the amendment so as to strike from page 3 beginning with line 3 and extending through line 20; and on line 21 the letter (f) should be changed to (d).

The PRESIDING OFFICER. The amendment is so modified.

The modified amendment is as follows:

On page 30, between lines 2 and 3, insert a new section as follows:

"SEC. 703. (a) The second sentence of the first section of the Act entitled 'An Act to authorize the making, amendment, and modification of contracts to facilitate the national defense', approved August 28, 1958 (72 Stat. 972; 50 U.S.C. 1431), is amended by inserting '(1)' immediately after 'shall not be utilized', and by striking out the period at the end of such section and inserting in lieu thereof a comma and the following: 'or (2) to obligate the United States in any amount in excess of $20,000,000, except with the prior approval of the Congress.'.

"(b) The second sentence of section 302 of the Defense Production Act of 1950 (50 App. U.S.C. 2092) is amended by inserting '(1)' immediately after 'except that' and by striking out the period at the end of such section and inserting in lieu thereof a comma and the following: 'and (2) no such loan may be made in an amount in excess of $20,000,000, except with the prior approval of the Congress.'.

"(c) Section 2307 of title 10, United States Code, is amended by adding at the end thereof a new subsection as follows:

"'(d) Payments under subsection (a) in the case of any contract, other than partial progress, or other payments specifically provided for in such contract at the time such contract was initially entered into, may not exceed $20,000,000, except with the prior approval of the Congress.'.

"(d) Section 18(a) of the Military Selective Service Act (50 U.S.C. App. 468) is amended by inserting before the period at the end of the first sentence a comma and the following: 'except that no order which requires payments thereunder in excess of $20,000,000 shall be placed with any person, except with the prior approval of the Congress'.

"(e) The amendments made by this section shall not affect the carrying out of any contract, loan, guarantee, commitment, or other obligation entered into prior to the date of enactment of this section.".

On page 30, line 3, strike out "SEC. 703" and insert in lieu thereof "SEC. 704".

Mr. PROXMIRE. Mr. President, I have discussed the amendment with the manager of the bill (Mr. SYMINGTON) and with the distinguished Senator from South Carolina (Mr. THURMOND). It is my understanding that with this modification they are willing to accept the amendment.

I will explain the amendment quite briefly.

Mr. President, first I ask unanimous consent that the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) be listed as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, the amendment would reassert congressional control over backdoor financing of defense contractors. In light of the Lockheed bailout, the C5A and Cheyenne problems, the purchase of stock in floundering companies, unusual loans to Grumman, and a host of other relatively unknown examples, it is clear that Congress has no real control over bailouts and back-door financing.

BYRD-PROXMIRE AMENDMENT OF 1970

Once before we addressed this problem with regard to loans made under the Defense Production Act. A Byrd-Proxmire amendment subsequently was accepted by the Senate in a 75 to 0 vote and was passed by the House to become law on August 13, 1970. The Byrd-Proxmire amendment provided that any loan or guarantee made under the Defense Production Act section 2091 shall not exceed $20 million without the approval of Congress. It was necessary due to the rather open ended language of that act and was designed to curtail unlimited loans to contractors.

UNUSUAL ADVANCE PAYMENTS

That did not shut off the back-door financing, however. Instead of invoking section 2091, the Defense Department turned to title 10, United States Code, section 2307. Under this provision, emergency, advance and other payments can be made to a distressed contractor up to the total dollar amount of his contracts without any proof of work completed. In effect, they are loans whereby the contractor can keep his cash position solvent. This was the law used to provide Grumman with "loans" for the F-14 program.

DEFENSE PRODUCTION ACT, SECTION 2092 APP.

There is another way to get around the congressionally imposed $20 million level. The Defense Department can make use of the loan and loan guarantee authority in a companion section to 2091 of the Defense Production Act. Since the $20 million level only applies to one section—2091—it leaves section 2092 open for exploitation. By its terms, section 2092 applies directly to the President and to those who are delegated his authority. It essentially contains the same powers as in section 2091. According to the General Counsel of the Department of Defense, section 2092 has not been used since it was enacted in 1950. Nonetheless, the authority is there ready to be invoked.

VAST EXECUTIVE POWERS IN PUBLIC LAW 85-804

By far the most extensive powers given to the President and the Department of Defense reside in Public Law 85-804—title 50, section 1431, United States Code. This law allows the President or any department he authorized to enter into contracts or modify contracts without regard to other laws if it would "facilitate the national defense." It also allows for advance payments.

The authority is delegated to the Secretaries of Defense, Army, Navy, and Air Force, and can be further delegated. Above $50,000 in obligation, the action must be approved by a Deputy Assistant Secretary or by a departmental Contract Adjustment Board. The Department of Defense must report to Congress by March 15 of each year with an accounting of the actions under this law of the previous year.

A review of these annual reports indicates that Public Law 85-804 has been used to obligate $700 million from 1959 to 1972. This is a staggering amount of money to be obligated by a back-door technique. It has been used to purchase stock as collateral in the GAP Instruments Corp., of Long Island. It has been used to provide financing for the ill-fated C5-A airplane and Cheyenne helicopter programs. It is the broadest and most flexible contract modification law on the books. The Department of Defense can virtually take any action it desires simply by stating that it would "facilitate the national defense."

EVEN THE SELECTION SERVICE ACT HAS EMERGENCY PROVISIONS

Our review of existing emergency legislation also has uncovered a little known provision of the Selective Service Act, title 50, section 468, which remains in force since the national emergency of 1950. It does not appear that the extensive authority given the President under the Selective Service Act has been used, but it could be. In fact there have been strong hints that use of this act was under consideration as a technique to compel Grumman to produce F-14's.

The Selective Service Act permits the President, after receiving advice from the National Security Resources Board, to place orders for military goods and compel production by seizing the plant if necessary. In fact the President can take over a defense plant and run it as he sees fit simply by declaring it is in the interests of national security.

"Fair and just compensation" is required for any products furnished but there is no definition of what is fair and just.

NEEDED CONGRESSIONAL APPROVAL FOR BACKDOOR FINANCING

My amendment would take the concept so readily accepted by Congress in 1970—the idea of a $20 million limit without congressional approval—and apply it to these other laws that permit backdoor financing. In no way does it cut off emergency authority of the Department of Defense or the President. It simply requires that any action involving obligations of Federal resources over $20 million must first be approved by Congress. If Congress says OK, then they go through. But Congress can also say "No" and that is the authority it does not now have. Each individual case would be debated on its merits. There would be less chance of backdoor bailouts.

For those who would be concerned about the limitation of Presidential authority in an emergency, there are two sound points to consider. First, Congress can always give its approval as I am sure it would in an emergency.

Second, and even more important, the President has extensive emergency authority to meet any circumstances without the laws in question. Under title 10, the President has two sections—4501 and 9501—which give him vast authority to place orders for defense goods, transfer production, insure production, and seize facilities if necessary. The qualifying time phrase is "in time of war or when war is imminent." Similar provisions exist in title 50, United States Code, section 82.

It is obvious, therefore that loopholes must be plugged while still allowing broad leeway in time of national emergencies. My amendment would do just that.

A SUMMARY OF RELEVANT LAWS

Mr. President, the following is a short summary of the current legislation that enables the Department of Defense to take such extraordinary actions without prior congressional approval:

First, 50 U.S.C. 1431: National defense contracts, authorization and official approval. Public Law 85–804:

This section empowers the President to authorize Government agencies to amend or modify contracts, and to make advance payments on contracts, when the President believes such action would facilitate the national defense. This section applies only during a national emergency.

As implemented by Executive Order 10789—1958—agencies may take the actions specifically enumerated in the section, as well as "modify or amend or settle claims" and "enter into agreements—modifying or releasing accrued obligations."

Other parts of the Executive order make the following provisions, among others:

Proper records must be kept and made available for public inspection unless disclosure would harm the national security.

A report to the Congress of all actions taken during the previous year under the section must be made by March 15.

Advance payments may be made only after obtaining adequate security.

The Comptroller General has access to "directly pertinent" corporate records, subject to certain limitations in section 1433.

A contract amendment may not increase the price to an amount higher than the lowest rejected bid of a responsible bidder.

Second, 50 United States Code App. 2092: Loans to private business enterprises. Defense Production Act:

This section allows the President to provide for direct loans to private business enterprises to expedite the national defense. Loans may be extended only to the extent that they are "not otherwise available on reasonable terms." Statutory termination date is June 30, 1974, as extended. The previous section 2091, which provides for loan guarantees, was amended in 1970 to include a $20 million limit on guarantees unless approved by Congress.

Third, 10 U.S.C. 2307: Advance payments:

This section allows heads of agencies to make advance, partial, progress or other payments, not to exceed the unpaid contract price, only if the contractor provides adequate security.

Fourth, 50 United States Code App. 468: Utilization of industry. Selected Service Act:

This section authorizes the President to compel producers to fulfill defense contract obligations. Nonfulfillment includes failure to fill an order "within the period of time prescribed by the President" and failure to furnish articles at the contract price, among others. In the event of noncompliance, the President is authorized to take immediate possession of any facility and to operate it to produce the contract material. This section applies only during a national emergency.

Mr. President, I ask unanimous consent that my exchange of correspondence with the General Counsel of the Department of Defense be placed in the Record at this point, except for his lengthy appendices.

There being no objection, the correspondence was ordered to be printed in the Record, as follows:

Congress of the United States,
Washington, D.C., February 15, 1973.

Mr. J. Fred Buzhardt,
General Counsel, Department of Defense, Washington, D.C.

Dear Mr. Buzhardt: I am undertaking a review of the emergency legislation now on the statute books which might be used by the President or the Department of Defense as authority for providing emergency relief to defense contractors in various kinds of financial difficulty.

I have read your testimony of January 15th on this subject before Senator Byrd's Armed Services Subcommittee on General Legislation, and I would much appreciate it if you would answer the following questions which that testimony brings to my mind.

(1) In your testimony you cited three statutory provisions which might be used by the Department as authority for emergency relief:

Title 50, Section 1431 U.S.C. (P.L. 85–804).

Title 50, Section 2091 U.S.C. App. (Defense Production Act).

Title 10, Section 2307 U.S.C. (Advance and Other Payments)

Would you please provide me with a detailed record of the use made by the Department of these provisions during the past three years—the dates of each action taken, the names of the corporations or other beneficiaries involved, and the dollar extent of each obligation or commitment? (My interest in Title 10, Section 2307 U.S.C. is limited to advance payments and other payments of an emergency nature which may have been made, not to customary progress payments provided for in contracts when entered into). Would you also provide me with a separate record of those occasions on which these provisions have been used, at *any time* since they became effective, to provide a corporation or other beneficiary with relief in excess of $20 million?

(2) You did not refer in your testimony to Title 50, Section 2092 App. (which applies by its terms to the President alone). Title 50, Section 2092 App. authorizes the President to loan (or guarantee loans) to private business enterprises under specified circumstances beneficial to the national defense. Would you please provide me with a detailed record of the use made of this provision during the past *three* years?

Would you also provide me with a separate record of those occasions when it has been used, at *any* time since it became effective, to provide a private business enterprise with aid in excess of $20 million?

(3) You did not refer in your testimony either to Title 50, Section 468 App. U.S.C. or to Title 50, Section 1152 App. U.S.C., which provisions were referred to as the "Selected Service Act" and the "War Powers Act" by the Navy last year in testimony to the Tactical Air Power Subcommittee of the Senate Armed Services Committee. The Navy suggested in that testimony (at page 3812 of Volume 6 of the Committee's FY 1973 authorization hearings) that these provisions could be invoked to compel defense contractors on the F–14 to continue production of the planes. Is it *your* opinion, also, that either or both of these provisions would be legally applicable to compel continued production of the F–14 by those F–14 contractors unwilling to continue production without a restructured contract? If you believe that Title 50, Section 468 App. U.S.C. would be applicable, how would the "fair and just compensation" called for by subsection (d) of that section be determined (would it be the *costs* of continued production, the existing contract price, or something else instead)? If you believe that Title 50, Section 1152 App. U.S.C. would be applicable, how would the price to the government of continued production be determined under that section? Would you please provide me with a detailed record of the last *five* times *each* of these Sections has been used to compel production of a major weapon system program—the dates of each action, the names of the contractors involved, the dollar magnitude of the production work in question, and a precise explanation as to how the price of that work to the government was determined?

I would deeply appreciate it if you could provide me with answers to the above questions by March 5, 1973. Should you be reluctant, in light of present negotiations regarding the F–14, to answer how those questions which refer directly to that program, I would accept immediate answers to all other questions (including those regarding the historical use of Title 50, Sections 468 App. and 1152 App.) and a later reply to the F–14 related questions. Mr. Ron Tammen of my staff (Ext. 55653) would be happy to assist you in responding to this request.

Sincerely,

William Proxmire,
Subcommittee on Priorities and Economy in Government.

General Counsel of the
Department of Defense,
Washington, D.C., March 7, 1973.

Hon. William Proxmire,
Chairman, Subcommittee on Priorities and Economy in Government, Joint Economic Committee, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Reference is made to your letter to February 15, 1973 in which you asked for certain information in connection with your review of legislation which provides for financial assistance to contractors.

Pursuant to section 4 of Public Law 85–804 (50 U.S.C. 1434), the Department of Defense annually provides a report to the Congress of actions taken under that authority. I am providing as Enclosure 1 a copy of each year's report with the exception of the report for calendar year 1972 which is in the process of preparation. A copy of the 1972 report will be sent to you when it is transmitted to the Congress within the next few weeks.

Enclosure 2 represents information compiled by the military departments in response to your inquiry concerning actions taken under section 301 of the Defense Production Act (50 U.S.C. App. 2091) and 10 U.S.C. 2307.

Authority to take loan action under section 302 of the Defense Production Act (50 U.S.C. App. 2092) was delegated to the Secretary of Treasury and to Director of the Office of Emergency Preparedness by section 310 of Executive Order 10480, as amended. We understand that no loan action by those agencies has been taken under this authority for many years and we have been unable to find any record in the Department of Defense which would indicate the extent Defense contractors were ever involved in such loans since enactment of that provision in 1950. You may wish to make further inquiry of those agencies.

We find no record of the use by the Department of Defense of section 18 of the Selective Service Act (50 U.S.C. App. 468) since its enactment in 1968. In the light of present negotiations concerning the continuance of the production of the F–14, we would prefer not to give an opinion as to the provision's applicability to the situation at this time.

The provisions of 50 U.S.C. App. 1152 are no longer in effect. As indicated in 50 U.S.C. App. 645, the provisions of section 1152(a) were to remain in force until June 30, 1949, or until June 30, 1950 in the case of contracts or orders for tin and tin products. (The only extension beyond these dates was in connection with import controls on fats, oils, rice, and rice products, in which case the final expiration date was August 1, 1951. See note following 50 U.S.C. App. 1152.) Additionally, it should be noted that the national emergency declared on September 8, 1939 and referenced in section 1152(a)(1) was terminated on April 29, 1952 by Presidential Proclamation No. 2974. We have found no record which indicates the extent this authority was used prior to the expiration.

I trust the foregoing information will meet your needs.

Sincerely,

J. Fred Buzhardt.

Mr. SYMINGTON. Mr. President, speaking for this side of the aisle, I am very glad to accept the amendment. I think it is a superb amendment. It is wise and constructive and it brings expenditures under more control of Congress as we previously thought they were in legislation we had passed heretofore.

I commend the Senator from Wisconsin and the Senator from Virginia for bringing this legislation before us. We are glad to be able to accept it.

Mr. THURMOND. Mr. President, we feel this amendment does have merit and we are willing to accept it and take it to conference.

Mr. PROXMIRE. Mr. President, I yield to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. HARRY F. BYRD, JR. Mr. President, I am glad to join with the distinguished and able Senator from Wisconsin in cosponsoring this amendment. It would prevent the Department of Defense from making loans in excess of $20 million without the approval of Congress.

I introduced similar legislation on January 11 of this year, and following the introduction of that legislation the Subcommittee on General Legislation of the Committee on Armed Services held a hearing on it. A major purpose of the hearing was to try to delineate how many sections of the code there are under which the Department of Defense can make loans to defense contractors.

Mr. President, I have before me a transcript of the hearing which occurred on Monday, January 15, 1973. In that hearing it was established that there are at least four sections of the code under which loans can be made by the Defense Department to these two defense contractors: One is 85–804, another is 2307, another is the Defense Production Act. Then, there is another section dealing with salvage operations. The matter of salvage operations presents a very slight problem and I do not think it is a matter of great concern. But there are four sections of the code under which the Department of Defense can act.

Mr. President, this matter first came to my attention in 1970 when the Penn Central Railroad was in difficulty. It was proposed and the administration was considering loaning to the Penn Central Railroad the sum of $200 million and using as authority the Defense Production Act. I began to look into that act to find out what the ceiling was in the code for loans under the Defense Production Act. I found there was no ceiling. I introduced legislation along with the able Senator from Wisconsin to place a ceiling of $20 million so far as the Defense Production Act is concerned.

The Department of Defense found these other sections of the code under which they could act. For example, in the Grumman case, the loan was $54 million.

So I think something along the line of the Proxmire-Byrd amendment should be agreed to. I was willing to cooperate with the Department of Defense to work out something whereby legislation would not be necessary. After the hearing on January 15 held by the Subcommittee on General Legislation of the Committee on Armed Services it was agreed between the committee and the Department of Defense that the Department of Defense would work with the staff of the committee to work out an arrangement which would be agreeable to Congress and the Department of Defense so that legislation would not be necessary. But I have been informed by the committee, and in searching my files in my office I find that the Department of Defense has not complied with what I thought was a proposal that we had agreed upon.

I am glad to support the proposal of the able Senator from Wisconsin.

Mr. President, in that connection I ask unanimous consent to have printed in the Record the transcript of the hearings held before the Subcommittee on General Legislation of the Committee on Armed Services on Monday, January 15, 1973, because it deals in some detail with this question of loans.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

Department of Defense Commitments to Defense Contractors, Monday, January 15, 1973

[Before the U.S. Senate Subcommittee on General Legislation of the Committee on Armed Services, Washington, D.C.]

The Subcommittee met, pursuant to call at 10:00 o'clock a.m. in Room 231, Russell Senate Office Building, Senator Harry F. Byrd, Jr., (Chairman of the Subcommittee) presiding.

Present: Senators Byrd (presiding), and Hughes.

Also present: John T. Ticer, Chief Clerk, George H. Foster, Jr., LaBre R. Garcia and John A. Goldsmith, Professional Staff Members.

Senator Byrd. The Subcommittee will come to order.

Today the Subcommittee on General Legislation will take testimony concerning the policies of the Department of Defense in making financial commitments to contractors.

I understand that we will hear from The Honorable J. Fred Buzhardt, General Counsel, Department of Defense.

This hearing has been prompted by loans totaling some $54 million, made to the Grumman Corporation, an aircraft manufacturer.

In July of 1970, I introduced an amendment to the Defense Production Act that was intended to limit financial commitments to defense contractors to $20,000,000.

At this point I will read into the record the text of that legislation:

"Except with the approval of the Congress, the maximum obligation of any guaranteeing agency under any loan, discount, advance or commitment in connection therewith entered into under this section, shall not exceed $20 million."

The amendment was applied to a provision of the Act dealing with loan guarantees. This amendment was approved by the Senate on a vote of 75 to zero, and subsequently was passed by the House and in Conference and became law on August 13, 1970.

This amendment resulted from the fact that the loan provisions of the Defense Production Act were open-ended. It was my view that a limitation should be placed on loans to contractors. The Senate vote of 75 to zero on my amendment indicates that the Senate was of the same view.

It was my understanding that the Byrd amendment in 1970 would fix a limit in the area of large loans to contractors. But the Grumman loan indicates that this is not the case.

As I understand it, the Navy has provided some $54 million to Grumman under the provisions of Section 2307 of Title 10 of the U.S. Code, entitled "advance payments." This arrangement requires Grumman to pay 6⅞ percent interest on the outstanding balance of funds and allows the Navy to place some limitations on the activities of the contractors such as dividend limitations, salary increases and others.

I have introduced legislation—S. 328—which would limit these so-called "advance payments" to $20 million per contract. Today's session will be, in effect, a hearing on S. 328 and the committee would be glad to hear the suggestions and recommendations of the Department of Defense.

It is the Subcommittee's intention to determine just how many various ways remain for the Department of Defense to provide commitments of money to contractors without the prior approval of Congress, or without any limitations on amount, regardless of any semantic interpretation of such terms as "loans" or "advances."

At this point the Committee will call on Mr. Buzhardt to make any comment that he would care to make.

STATEMENT OF J. FRED BUZHARDT, GENERAL COUNSEL, DEPARTMENT OF DEFENSE; ACCOMPANIED BY: LAWRENCE E. CHERMAX, COUNSEL, OFFICE OF NAVY COMPTROLLER; COLONEL BRUCE BENEFIELD, CHAIRMAN, CONTRACT FINANCE COMMITTEE, DEPARTMENT OF DEFENSE; AND JAMES P. NASH, ASSISTANT GENERAL COUNSEL, DEPARTMENT OF DEFENSE

Mr. BUZHARDT. Thank you, Mr. Chairman.

First, let me respond to your opening statement and say that the loan agreement with the Grumman Aircraft Corporation, as you pointed out in your opening statement was not made under the provisions of the Defense Production Act, which was amended in July 1970, in respect to guaranteed loans.

That Act, as you pointed out correctly, was unlimited, open-ended insofar as guaranteed loans are concerned. The advance payments made to the contractor in the Grumman case were made under the provisions of Section 2307 of Title X of the United States Code. This, however, is not an open-ended authority to make loans to contractors. Inherently the limitation is the amount of the contract which has been negotiated with the contractor, and beyond that amount there is no authority to make a loan to a contractor in 10 U.S.C. 2307. Accordingly, that limitation does stand with reference to advance payments, and cannot be exceeded by the Department.

So, in effect, Congress——

Senator BYRD. If I might interrupt you at that point, in this particular contract that would provide, what is the maximum that you could go into this contract in advance payments?

Mr. BUZHARDT. Well, it would be all the contracts with the particular contractor, Senator, not just the one contract but on any given contract, we can go to the amount that the Congress has authorized and appropriated for that contract. We can go further.

Senator BYRD. It would be a very substantial amount if you went to the maximum.

Mr. BUZHARDT. Yes, sir, it would be a substantial amount. In practice, however, this type of loan is usually, and in this case it is true, limited to the amount of work in progress, the value of the amount of work in progress on the particular contracts to which the loan is related, and it is within the annual appropriation amounts that the Congress has provided on the particular contracts which are involved. So that we have nothing beyond the specific amounts which the Congress has acted on as annual appropriations. So that it is not really open-ended at all. There is a very precise limitation. What is involved here is the method by which you make the funds available to the contractor.

Normally, progress payments are paid to a contractor during the performance of the contract. In this particular case the progress payments are based on 80 percent of the obligations incurred by the contractor and the loans are actually made on the 20 percent retainage which the contract provides for. Instead of just increasing the rate of progress payments the Department, in taking a more conservative view to financing the contractors, has seen fit to make these advance payments as loans so the company will have to pay interest and so that the special conditions can be attached to the agreement to advance this money in order to protect the taxpayers' investment about it such as the limitations on disposal of property, the prohibition against payment of dividends while the loan is outstanding, and the prohibition against increase of salaries, mortgaging the property and that kind of thing. The statute provides that as security for the loan the government will have first lien on work in performance and inventory as well as any remaining amounts which are in the fund created by the advance payments. So we really don't have at all an open-ended authority to loan under the provisions of 10 U.S.C. 2307.

Now, I should mention, of course, we have not used it in this case, there is another provision of law, we are talking about any provisions that we had, which is Public Law 85-804 which gives authority under certain prescribed conditions for the Department to amend the contract without consideration. This is a very unusual procedure but in that event funds could be advanced beyond that limitation.

Senator BYRD. Is it your interpretation that if two or three million dollars, to take some figure, were appropriated for a contract then the Department could advance this entire amount to the contractor?

Mr. BUZHARDT. It would depend on the performance of the work, Mr. Chairman, as to whether we could and that certainly would depend on the performance as to whether we would. I believe legally we could absent any special constraints, advance that fund for financing.

Now, as a matter of practice, these funds are only advanced under very exceptional circumstances and only advanced with a relationship being established on the work in progress, and the amount of work that is completed on the contract as time progresses.

Senator BYRD. You say the funds are only advanced in unusual circumstances.

Mr. BUZHARDT. That is correct, Mr. Chairman.

Senator BYRD. So what you are doing in regard to this particular advance is an unusual—is unusual, is that correct?

Mr. BUZHARDT. It is an unusual circumstance, yes, Mr. Chairman.

Senator BYRD. Well, how many other instances do you have where you have made, where you now have loans or advances outstanding?

Mr. BUZHARDT. Let me see, Mr. Chairman, I believe I have a list of them, Mr. Chairman, there are a number of them, advance payments, I have not actually counted them here that we have made that are outstanding since 1972. I might mention that there are really three categories here. In some cases the advance payments are used in the larger amounts to foreign governments where we are, where they are producing under a contract with our government. We advance the money in those cases so that they may proceed with the financing. The foreign government does not bear the burden of financing.

Senator BYRD. You are speaking now of foreign governments?

Mr. BUZHARDT. Yes.

We also have, the primary case in which it is used in with some non-profit contractor, universities——

Senator BYRD. Let's get down to cases which would be similar in nature to the Grumman case. That is a private profit-making corporation.

Mr. BUZHARDT. Let me say first there are roughly 60 altogether that are outstanding, and if you will give me just a moment I will count them to see how many cases we have outstanding, commercial companies. There are about eight, I believe, outstanding, Mr. Chairman. I will be glad to check that figure and count more precisely but I believe there are eight cases in which they are outstanding.

Senator BYRD. How many of those eight exceed $20 million?

Mr. BUZHARDT. Only one, Mr. Chairman.

Senator BYRD. Only the Grumman one?

Mr. BUZHARDT. Yes, sir.

Senator BYRD. So with the exception of Grumman, the Department has stayed within the $20 million limitation within the legislation set forth of 1970.

Mr. BUZHARDT. We have stayed within that limitation altogether, Mr. Chairman, if we are speaking of guaranteed loans. In fact, I don't believe there has been a use by the Department of Defense of the Defense Production Act provisions since it was extended in 1970. In the case of advance payments, Grumman is the only case in which the loan is as much as or exceeds $20 million that is outstanding at the present time.

Senator BYRD. You say the Grumman case is the only——

Mr. BUZHARDT. Only commercial.

Senator BYRD. The only commercial loan that exceeds that?

Mr. BUZHARDT. Yes, sir.

Senator BYRD. You have other loans that exceed that but not the commercial loan?

Mr. BUZHARDT. I believe that is the case, yes, sir. And those loans that exceed that I believe are to foreign governments. Advance payments we are speaking of here rather than——

Senator BYRD. Advance payments to foreign governments.

Mr. BUZHARDT. Yes, sir.

Senator BYRD. What governments would be involved in that?

Mr. BUZHARDT. The United Kingdom, I believe, is the largest example, Mr. Chairman.

Senator BYRD. And what type of contract do you have with the United Kingdom that would require——

Mr. BUZHARDT. These are primary co-production agreements, the Harrier aircraft and some engines that are involved for aircraft that we procure.

Incidentally, I might mention, Mr. Chairman, where we produce or we agree to sell to foreign governments defense materiels that they reciprocate where we buy for their account they advance the funds with which we buy. In other words, it is not a one-way street.

Senator BYRD. To get back to the commercial loans, this is the only commercial loan that exceeds $20 million?

Mr. BUZHARDT. That is correct.

Senator BYRD. No, in your remarks you pointed out that the funds involved in the F-14 procurement are appropriated funds. What the subcommittee is interested in primarily is the question of the proper use of appropriated funds. The questions arise in this connection such as what assurance do we have that the taxpayers' money has been properly safeguarded. What does the F-14 procurement arrangement tell us about the fiscal policies of the Department of Defense?

Mr. BUZHARDT. Mr. Chairman, of course we have—while I don't want to get into the details because of the status of the situation, let me assure you that the taxpayers' money, the taxpayers' interest, is most protected by using this approach. There could have been an alternate approach, of course, to increase the percentage of progress payments that are paid, which is done from time to time and in such case you would just advance 80 percent, advance some higher percentage.

In order to better protect the taxpayers' interest the rate of progress payments was not increased but rather the money was advanced as an advance payment or loan so the contractor would have to pay interest. It is limited by the contract amount, and quite well secured by work in progress on all of the contracts with which it relates. It would not, for instance, relate to the option for lot 5 under the Grumman contract, which has not been accepted by the company but only to the first four lots which are firmly under contract at this point. It does not relate to work on an option that has not yet been settled and accepted. So that the taxpayers' interest is best protected by this, and in addition you have the limitations that are placed on the company which are also designed precisely for this, so that the resources for the company cannot be squandered and the collateral is available to insure that the government does not lose money on advance payments.

Senator BYRD. It is not the primary purpose of this hearing to explore the details of the Grumman case but rather to look at the overall policies of the Defense Department with regard to loans, advances and other financial assistance to contractors. Some background on the Grumman case is, of course, necessary and on that point I might note that it is my understanding that the original loan or advance, if you prefer it, but it is certainly a loan, but if you want to say advance it is all right with me, I think it is a loan by any name, was in the amount of about $20 million. A total of $54 million, I believe, was reached in two additional increments, is that correct?

Mr. BUZHARDT. That is correct.

Senator BYRD. Also I think it is interesting that the Navy apparently has financed long lead time procurement by Grumman of materials for airplanes which the contractor says it cannot build at the contract price, isn't that correct?

Mr. BUZHARDT. That is correct, Mr. Chairman, to some extent, to a limited extent.

Senator BYRD. In other words, the government has advanced, loaned money or advanced money——

Mr. BUZHARDT. That was not an advance payment, Mr. Chairman. That was a provision in the contract that requires prior to the exercise of the option the payment of funds to procure from subcontractors long lead time items. The contract price that, I believe, about six months before the exercise of any option for a new lot of production that small amounts of money will be advanced or paid for the procurement of the long lead time items.

Senator BYRD. Yes, but it is correct that the Navy has financed long lead time procurement by Grumman of materials for airplanes which the contractor says that it cannot build at the procurement price?

Mr. BUZHARDT. That is correct or the contractor announced that he cannot build.

Senator BYRD. Certainly this strikes me as a risky use of the taxpayers' monies. But it is not so much the details of the particular case that interests the subcommittee as it is the policy implications. So I would like to proceed first to the use of the Defense Production Act to assist contractors.

It seems to me that this Act of 1970 clearly gave the intent of the Congress in regard to, and I will use the exact language, "In regard to loans, discounts, advances or commitments in connection with defense contracts, that they shall not exceed $20 million."

Now Section 2307——

Mr. BUZHARDT. Mr. Chairman, if I might note the language of the amendment to the Defense Production Act related to loans made under that section.

Senator BYRD. That is correct, that is correct.

Mr. BUZHARDT. And those are guaranteed loans, guaranteed loans under that section. Advance payments are not guaranteed loans. The government acts as the banker in that case. We actually advance the money.

Senator BYRD. That is correct. But what I am suggesting is that it seems to me that that clearly gave the intent of the Congress in regard to loans and advances to contractors. You are relying on, the Defense Department is relying on section 2307, as I understand it.

Mr. BUZHARDT. Yes, sir.

Senator BYRD. Of the code, which goes back, to the best I can judge from reading it, it must be about 1962 which is prior to the 1970 amendments.

Mr. BUZHARDT. I believe that goes back much further than that, Mr. Chairman. I believe around 1949.

Senator BYRD. In any case——

Mr. BUZHARDT. '48 or '49.

Senator BYRD. In any case it is prior to the 1970 enactment.

Mr. BUZHARDT. Yes, sir. I might mention, Mr. Chairman, that though you are dealing—I do not believe that Congressional intent of impact on advance payments could be implied from the action with respect to the amendment under the Defense Production Act. There you were dealing with an open-ended authority so far as amounts are concerned, the guarantee loans.

As I pointed out earlier, when you are dealing with advance payments you are not dealing with an open-ended provision at all because you have the limits on the amount of contracts, the contracts, the government can only be obligated to those contracts to the extent that Congress has authorized the program if specific amounts and subsequently appropriated funds to execute those agreements. So the Congress does review each increment of these. In this case we are talking about the method by which the money is paid under the contract. It is money that the contractor is going to receive at any rate, and he will be able to enforce it in court. It is just using a slightly different method for making these funds available to the contractor than we do with the normal progress payments.

Senator BYRD. To get back to the Defense Production Act, the reason I got interested in it, and I am frank to say I did not realize it was an open-ended proposition and I don't think other members of the Senate realized it. I got interested because I understood that consideration was being given to utilizing that section to make a loan of $200 million to the Penn Central Railroad. I understand that you personally did not favor that, but consideration was being given to utilizing that section for that Penn Central loan.

Mr. BUZHARDT. Yes, Mr. Chairman. I might say that the Defense Department did not favor the use of it in that case and I might point out it will make a good distinction here. In that case, with Penn Central I believe there were about $12 million worth of contracts outstanding, and they were, as you said, contemplating a $200 million loan, which demonstrates the latitude which previously was available in the Defense Production Act.

As a comparison with only $12 million outstanding in contracts we have been moving under Section 2307, Title 10, the maximum loan would have been limited to $12 million in all probability. So that gives you some contrast into the authority under these contracts, I mean under these separate provisions of law.

Senator BYRD. I take it that you feel that the Congress was wise in the legislation which it enacted in 1970 to put a limit on these Defense Production Act loans and advances, commitments.

Mr. BUZHARDT. There certainly was no objection to it on behalf of the Department of Defense, Mr. Chairman. It would be a different proposition if we had a similar statutory limitation on Section 2307. I might point out that Section 2307 deals not only with advance payments, it deals with the normal progress payments, and even the final payments made to the contractor, so that it would be a very difficult thing to work out a workable statutory provision that set a dollar limit on these contracts, I mean on the provisions of 2307.

Senator BYRD. I want to get to the detail of that in a few minutes, but I might just comment at that point, you say it would not be practical, well, as a matter of fact, it is only the Grumman case now that exceeds the $20 million limitation under 2307.

Mr. BUZHARDT. As to advance payments, Mr. Chairman.

Senator BYRD. That is right.

Mr. BUZHARDT. That section also covers progress payments and in many cases progress payments exceed $20 million.

Senator BYRD. But advance payments, only the Grumman case is the——

Mr. BUZHARDT. That is true at the present time.

Senator BYRD. Since the amendment limiting loans under the Defense Production Act was passed how many times has the Defense Department found it necessary to provide loans to contractors under that section?

Mr. BUZHARDT. In no instance, Mr. Chairman.

So far as I can determine the guarantee Defense Production Act has not been used since 1970.

Senator BYRD. Has the Defense Department made any loans other than under the Defense Production Act and 2307?

Mr. BUZHARDT. Not to my knowledge, Mr. Chairman. As I mentioned earlier, there is a provision under Public Law 85-804, and this may have been used in one instance, may possibly have been. This in extreme circumstances permits the Government to amend a contract without consideration and in one case that sort of action may have been taken in the form of a loan.

Senator BYRD. What I am really trying to understand is how many different sections of the Code can be utilized by the Department of Defense to make advances and loans?

Mr. BUZHARDT. Well, Mr. Chairman——

Senator BYRD. We know the Defense Production Act can.

Mr. BUZHARDT. That is right.

Senator BYRD. We know 2307 can.

Mr. BUZHARDT. That is right; and, as I mentioned, 85-804 would permit either a grant or a loan without consideration for the benefit of a contract. There were a number of constraints in the use of P.L. 85-804 but that is a potential authority.

Senator BYRD. What limitation is there under——

Mr. BUZHARDT. Mr. Chairman, I also, Mr. Chermak mentions to me in some cases we can make advances. I believe in the case of salvage operation. There is a separate statute for that.

Senator BYRD. Take the question of the, I understand the, Navy has purchased stock in the, GAP Instrument Corporation under the provision of Public Law 85-804.

Mr. BUZHARDT. That is the instance to which I was referring.

Senator BYRD. I guess that was because GAP Corporation was on the brink of financial collapse.

Mr. BUZHARDT. That is correct, Mr. Chairman. Let me explain briefly that case. I am sure we have explained it already in both response to public inquiries and in response to questions of members of Congress.

In that instance the GAP Instrument Company was producing fire control systems for destroyers. Compared to the cost of a destroyer it is a relatively small cost for the items produced. It became apparent that the company was in financial difficulties, and in order to avoid the occurrence of much higher cost which would be involved if the contracts had to be replaced for a new contractor to build the fire control system, I understand there was not a source readily available. And it would have slowed down the time schedule on the whole destroyer which would have, of course, caused the incurring of other costs.

Senator BYRD. I am assuming——

Mr. BUZHARDT. The Navy did use P.L. 85-804. Now, under P.L. 85-804 in these unusual circumstances the Navy could have made a grant to GAP Instrument Company and just amended the contract to pay them a higher price for the proper fire control systems. The Navy did not. They thought they should have some security in the event that there was any funds left over at the end of the contract. At the same time it would have defeated the whole purpose had this been the type of loan that was a first priority. Even so in order to protect, so that the money, any money, that might be in the company's treasury not go back to shareholders, they took a, the company issued a type of preferred stock, the ownership of which was transferred to the Navy really as collateral for the funds advanced under P.L. 85–804.

Senator Byrd. I am not arguing the merits of what the Navy did. I assume that the Navy felt that it had good and just reason for what it did. The point I am suggesting is that should the Defense Department have the authority to buy stock in corporations without coming to the Congress for approval.

Mr. Buzhardt. Mr. Chairman, what was really done here was to take this stock as collateral and the Congress had given authority to advance the money without collateral. So, the Navy actually took the stock as collateral and I think the question of the stock ownership in this case is not really the issue if you could advance the money anyhow. I would certainly think the Congress would approve of the Congress taking whatever collateral was possible in such a case in order to best protect it.

Senator Byrd. What is to prevent a similar situation from arising with the Grumman Corporation or any other company, for that matter?

Mr. Buzhardt. There is nothing to prevent it if P.L. 85–804 authority was used, Mr. Chairman.

Senator Byrd. Do you think that the Congress should not put some limitation on that, should not, if you are going to buy stock under 85–804 you have the authority you say to buy stock in most any company under defense contracts.

Mr. Buzhardt. We have the authority under those circumstances, Mr. Chairman, to really take whatever collateral we can get to protect the government's interest and that really is what the taking the stock was all about.

Senator Byrd. But you are actually buying—you actually bought stock in this company. What I am speaking of now, what I am trying to get to now, is a matter of policy. Should you not come back, should not the Defense Department come to the Congress, if you are going out to buy stock in a company like that?

Mr. Buzhardt. I really don't see much reason for it, Mr. Chairman, that the Congress will be concerned about the type of collateral the Department took. I presume, you know there may not have been any problem if we had taken a first mortgage on their corporate headquarters. It just so happens that wouldn't have really protected the government's interest, so I think it is a very different thing from going on the market and buying stock as such. This was a collateral type stock. It was not exercise of management.

Senator Byrd. Well, the GAP situation, as I understand it, started as advance payments, and then it proceeded to the stock issue as a next step.

Mr. Buzhardt. I don't believe it started as advance payments, Mr. Chairman. This was an exercise of P.L. 85–804.

Senator Byrd. Well, let's take it—

Mr. Buzhardt. There was a grant made under P.L. 84–804, there was a condition for repayment, the stock was taken as collateral.

Senator Byrd. And you have testified that under P.L. 85–804 that there is nothing to prevent the Defense Department from taking stock in any other corporation.

Mr. Buzhardt. No, sir, there is nothing to prevent it. Taking it as security. It does not give us authority to go out and buy stock on the market, but to take it as security when funds are advanced under Public Law 85–804.

Senator Byrd. So now we have established, as I visualize it then, we have established today that there are three places in the law.

Mr. Buzhardt. And possibly a fourth, a separate statute, I believe on salvage operations. There are some minor ones, I believe, Mr. Chairman. They don't really touch these of—much of this problem but in some cases we can buy tuitions, subscriptions as to publications, this sort of thing in advance of actually receiving the services, normal business statute just so we include everything, that kind of thing exists.

Senator Byrd. Yes.

I know these contracts are very complex and they are multitudinous and so forth, but what I am trying to get to establish in one place in the record is how many sections of the Code can the Defense Department utilize tax monies for in the way of loans, advances and et cetera. As I understand it we have the Defense Production Act as one, we have 2307 as one, we have 85–804 as one, and we have one which is in regard to salvage operations.

Mr. Buzhardt. Yes.

Senator Byrd. Now the others—

Mr. Buzhardt. Those are the major ones.

Senator Byrd. They are the major ones.

Mr. Buzhardt. That is correct.

Senator Byrd. So if the Congress wants to tackle this problem these are the four areas that need to be appraised and considered.

Mr. Buzhardt. That is correct, yes, sir.

Senator Byrd. Now, to get back to the Grumman case, I understand that Grumman has paid about $8 million in Christmas bonuses to its employees, is that correct?

Mr. Buzhardt. That is my understanding, Mr. Chairman, yes, and I might say that these were submitted and approved by the Navy. I would like to explain the circumstances on that.

Senator Byrd. Was this paid out of the cash available under these advances?

Mr. Buzhardt. In part it could have been, Mr. Chairman, yes.

Senator Byrd. Well, if not, where did the contractor get the cash to pay the bonuses?

Mr. Buzhardt. Well, he has progress payments coming in, which are much larger than the advance payments on a number of contracts that he is performing with us.

If I might here offer a little explanation on this: as you know, in connection with the advance payments restrictions were put on any salary increases throughout Grumman. The Navy has to approve them, and they are forbidden to pay any increases in salary. It has traditionally been the Grumman approach that their salaries are supplemented throughout the company by a bonus at the end of the year. It is sort of a method of paying of compensation without which quite frankly the salaries paid by Grumman would not be comparable at all with the rest of the aerospace industry so it is not an innovation. They have used this form of compensation over the years. Having established a firm history, I would think that would be within both the wage board's rules and within the constraints imposed by the Navy.

Senator Byrd. Were there other bonuses paid to Grumman employees out of the advance payments?

Mr. Buzhardt. I believe there are two bonuses they are paid a year, Mr. Chairman, both of which, some of the funds could have come out of the advance payments. There is a production bonus that is paid at one point during the year, and there is one called a Christmas bonus that they pay, both of which are a standard method of compensation by Grumman to its employees.

Senator Byrd. Did Grumman specifically request the Navy to approve Christmas bonuses to its employees and if so, when was this done?

Mr. Buzhardt. I think there was, the Navy was aware that the bonuses were being paid. I think there was no formal request for or approval because they did fit within the terms of the normal compensation without increases, but the Navy was fully aware that this method of payment of employees was used and had traditionally been used.

Senator Byrd. Was the Secretary of Defense consulted on this matter?

Mr. Buzhardt. No, sir; not to my knowledge. I am sure that somebody in the office of the Secretary of Defense knew about it, certainly in the Assistant Secretary for Installations and Logistics, I am sure they were aware of it, they follow these things very closely.

Senator Byrd. Well, under the regulations doesn't the Navy have to specifically approve all use of advance payments?

Mr. Buzhardt. All disbursements from the advance payments, special fund, yes, sir.

Senator Byrd. Yes.

Mr. Buzhardt. What they do is countersign all checks, that is really what it amounts to from this fund, but some of them are for operating expenses of the prime contractor, and it would—well, they are all operating expenses and this would be a normal part of operating expenses.

Senator Byrd. And this, of course, we are speaking also of the bonuses for executives?

Mr. Buzhardt. I think there were no bonuses for executives, Mr. Chairman. It was just the workers in the company. There is a limitation, I believe, on the actual salary amount that executives can make under the advance payments and any increases have to be approved by the Navy. There were no increases approved.

Senator Byrd. No increases have been approved?

Mr. Buzhardt. No, sir, not for the executives at all.

Senator Byrd. Is it correct that Grumman sought private financing prior to this advance payment being made?

Mr. Buzhardt. That is my understanding, Mr. Chairman.

Senator Byrd. And Grumman was unable to obtain that private financing?

Mr. Buzhardt. Yes, Mr. Chairman.

Senator Byrd. And as a result of that the Navy provided the funds.

Mr. Buzhardt. That is correct.

Senator Byrd. What was the contractor's normal method of acquiring working cash before this advance was made?

Mr. Buzhardt. Borrowed the money from the banks, Mr. Chairman.

Senator Byrd. Well, now, they are in a position where they cannot borrow any more money from the banks?

Mr. Buzhardt. That is correct is my understanding, Mr. Chairman.

Senator Byrd. Did the contractor exhaust all sources of cash available before these advances were made?

Mr. Buzhardt. Yes, Mr. Chairman.

Senator Byrd. Did they consider sale of assets and other available resources?

Mr. Buzhardt. It considered its total financial capability, yes, Mr. Chairman. He had to make his case to the Navy before advance payments were considered.

Senator Byrd. There is no certainty that greater amounts than the $54 million advance will be required, I take it?

Mr. Buzhardt. I really couldn't speak to the amount that will be required, or would be required in the future, Mr. Chairman. I would not rule it out and I would not say with assurance that it would be as a necessity for protecting the government's interest in the working products. I am informed that the probability is that it will go up but it will also go down. [Laughter.]

This will fluctuate, Mr. Chairman, that is what I am really saying.

Senator Byrd. All right. It now stands at $54 million.

Mr. Buzhardt. That is correct.

Senator Byrd. Is it the judgment of the Department that before it goes down that it will go substantially higher than $54 million?

Mr. Buzhardt. We recognize that as a possibility, Mr. Chairman. Not very much probable but some, it could.

Senator Byrd. What protection does the Navy have under those conditions if the contractor refused to continue the program or if it goes into bankruptcy?

Mr. Buzhardt. Mr. Chairman, the advance payments are not related to the production lot which is currently in dispute. When I spoke of the work in progress I am speaking of the work in progress that is actually now being performed under contract by Grumman.

Senator Byrd. But tax funds are being used for long lead time items of these, of a subsequent lot.

Mr. Buzhardt. That is not, that has no relationship really to the advance payments we are talking about before making it. That is correct.

Senator Byrd. I am aware of that. But it is still tax funds.

Mr. Buzhardt. That is correct. The long lead time items, some funds have been expended for these. If the contractor does not perform then I am afraid I shouldn't comment on the options available to the Department of Defense. I might say that one of them would be to accept the items so produced for the inventory in connection with the aircraft that are produced, but I don't think I should go beyond that. There are other options available to the government.

Senator Byrd. Let me ask you this: Is the price for the FY 1972 procurement, called lot 4, definitized and agreed to by the Navy and Grumman or is it still being negotiated, lot 4?

Mr. Buzhardt. Lot 4, I believe is a contract, yes, sir. The option was exercised and accepted for the, for lot 4.

Senator Byrd. But the price is firm, it is not being negotiated?

Mr. Buzhardt. That is basically correct, yes, sir. The Congress, as you will recall, put limitations on the funds in the committee report and in the language, both of which were met by the Department in exercising this option, and I might say there may be some facets of this, minor facets that may still be under negotiation, change orders, and this sort of thing.

Senator Byrd. Since the contractor has reported losses on this F–14 program, how is the Navy and the Defense Department assured that this advance is not being used to fund Grumman's share of the loss?

Mr. Buzhardt. As I pointed out, Mr. Chairman, as you know there is a disclosure by the contractor of his financial records, and in addition to which this disclosure requirement is also attached to the agreement for advance payments, so that we have a pretty good sight as to where these funds go. In addition to which the fund created by the advance payment is very tightly controlled. As I mentioned all checks are countersigned by the Navy. They are so accounted for to exclude the loss.

Senator Byrd. Would this next statement be correct: If under the conditions of 2307 the contractor can receive advances up to the unpaid contract price then the contractor could, in effect, receive his profit before he has earned it.

Would that be a correct statement?

Mr. Buzhardt. Well, in the particular case, Mr. Chairman, there is no profit.

Senator Byrd. Yes, I am speaking now though of a matter of policy because what we are concerned primarily with is policy.

Mr. Buzhardt. I believe it would be hard to arrive at a conclusion that the contractor by any means received his profit before he did his earnings.

Senator Byrd. But if he can receive advances up to the unpaid contract price would he not be receiving his profit before it was earned?

Mr. Buzhardt. Yes, sir, before it was earned.

Senator Byrd. Before it was earned.

Mr. Buzhardt. Yes, but in practice it just does not work that way. It may be theoretically possible. It would be unlikely that any contractor would be willing to pay interest on his profit as to before it is earned.

Senator Byrd. Well, the contractor unless he has a very large cash flow he has to pay interest to somebody, he has to borrow money unless he has very large working capital.

Mr. Buzhardt. That is true. But it would not result in his profit, operating capital, yes.

Senator Byrd. Operating capital so he has to pay interest to somebody.

Mr. Buzhardt. And it would be a very unusual case, I think. It is possible but it would be very unusual that advance payments are used in a case where a contractor has much profit involved in the contract.

Senator Byrd. If these advances, and I am not speaking now of Grumman as I mentioned, but speaking broadly, if these advances are paid to the contractor before the work is completed and for any reason the work is rejected or the contract price is later reduced because of reduced work, then how does the Navy get its over-advances back? Suppose the contract is rejected?

Mr. Buzhardt. If the item is rejected, well, as you know, Mr. Chairman, the items are not all completed and then accepted by the services, they are inspected as the books are audited and as the work progresses. Actually your progress payments fall in the same category, the same protection is used in the advance payments as used in the progress payments. You pay him as he progresses with the work, and in some cases, for instance, where you have in the same situation that you are, these are not without risk it is conceivable that a major contract would be defaulted and a return of all the progress payments made demanded of the contractor. Whether or not under such circumstances you would be able to collect would depend on the financial stability of the company. There is obviously always in any contract, where a contractor defaults, a question of whether the other contracting party could be completely made whole.

Senator Byrd. The purposes of section 237, I must say, it was enacted as best I can determine March 1, 1947, a long time ago, but in reading a part of the legislative history of that legislation, I find this: "The need for this authority also exists in peacetime in the case of research and development contracts many of which are with educational and research institutions or small business concerns," that was the purpose of the Defense Production Act, "which are unable to finance research projects."

Now, I admit frankly that is not necessarily the full legislative history, but the best I can determine it gives the flavor of the legislative history of this, and if that is the case, it seems to me that the Department has gone well beyond the intent of Congress in using 2307 for the purpose that it has used it for.

Mr. Buzhardt. Mr. Chairman, I don't agree with that at all. As I say the statute has been around for many years now. The Congress is fully informed on the use of the advance payments authority in every case. They are informed, the committees are informed, and we have never had any objection raised by the Congress and I know of no case where the use of advance payments has resulted in a detriment to the taxpayers' interest.

Senator Byrd. Well, that is not the point I am suggesting. What I am suggesting is that the legislative history of this Act indicates that it was primarily for research and development contracts with educational and research institutions.

Mr. Buzhardt. Might I say in the large number of cases it is used there but I don't agree the legislative history in any way confined it to that, Mr. Chairman, and this is really the total procurement approach here, and it has been used with the Congress' full knowledge and understanding over these 20-odd years, and I am sure had it been inconsistent with the legislative intent, the Congress would have come back on us long before now.

Senator Byrd. Well, I am not so sure of that because, let's take that Defense Production Act of 1950, which goes back almost as far as this does, I can't say categorically, of course, but my guess is that virtually no member of the Congress, and Congress at the present time was aware there was no limitation on it and as soon as they found there was no limitation on it the Congress acted and that is the main purpose of these hearings today is to see whether we need legislation in sections other than the Defense Production Act.

Mr. Buzhardt. As I did point out, Mr. Chairman, this is—this section 2307 does not give us unlimited authority. It is limited to the contract amount and on each of these programs the Congress have used them annually, they authorize them in annual increments, not for the full span of the contract, and then it goes through the appropriation procedure and provides not in excess of the annual appropriation so there is a limitation.

Senator Byrd. The Department and the Congress are partners, we are not adversaries, we are partners, we have to work together for the public good, and I am concerned as to whether the Congress may have enacted legislation that is too broad, legislation that gives too much authority to the Department in the handling of tax funds. We are not dealing with our own monies, of course, we are dealing with the monies of all the hard working wage earners of our nation and every one who pays taxes, and I am wondering if we couldn't—I think we have certainly cleared up the Defense Production Act, at least it has been limited to my satisfaction and I think the satisfaction of most members of the Congress.

Now, if you read the debates of that in 1970, there were many members of the Senate who objected to the $20 million limitation and wanted to make it a lesser amount.

Mr. Buzhardt. That is right.

Senator Byrd. Wanted to make it a lesser amount but I think that is a reasonable figure. I think the Department has got to have some leeway in the handling of these complex matters, and it seemed to me that that was a reasonable figure.

Now, we come—so that part of the code is taken care of, at least it is taken care of to my satisfaction and I think to the satisfaction of the Congress—now we come to the three other sections, the salvage operation, I don't think we can get into today and I think that impresses me as being a specialized matter and a matter not of great moment but we have two other sections, one is 2307 and the other is 85–804, and it occurs to me that we do need to make, reach some agreement or have some legislation which would put greater restriction on the use of tax funds in regard to those two sections, than we have at the present time, and in that connection, I introduced legislation on this past Friday, I guess it was, or Thursday, January 11, to limit to $20 million the total amount that may be paid in advance on any contract entered into by the Army, Navy, Air Force, Coast Guard and NASA, following the same, I used the $20 million figure as the same amount that we put in the Defense Production Act. I said in my remarks in the Senate that I wanted to be reasonable. If that figure was not a reasonable figure we could discuss it, and the Defense Department could present its views, and I would be inclined to take any reasonable figure. But it occurs to me that that figure is a reasonable figure because by your own testimony, insofar as commercial transactions are concerned, as distinguished from governmental transactions or educational transactions, there is only one loan not outstanding that exceeds $20 million and that is the case that we have been talking about today.

Mr. Buzhardt. Mr. Chairman, I agree that the problem here is one of technique of getting at the problem, I think, as you have narrowed it. We do have a problem with the legislative approach because it is hard in statutory language to distinguish as to the precise methodology used to advance payments to foreign governments and to advance payments to commercial enterprises in addition to which I am afraid your legislation might apply, as drafted both to, advance payments, to progress payments and even final payments under a contract all of which are covered under 2307.

I might suggest one approach to use in this situation, as you know, where funds are used by the Department for purposes other than that which is justified before the committee, in excess of a certain amount, we treat those as a prior approval reprogramming and they are submitted to the Congress, to the committees.

That, I think, might offer a potential in the way of procedure that the Congress might want to look at as a way to deal with this. As you say, this is the only case we have outstanding where the $20 million amount is concerned, and I would see no problem at all, perhaps through an exchange of correspondence with the committee in agreeing to treat in any future case an advance payment that was in excess of $20 million as we treat a prior approval reprogramming, so that we advise the committee and wait to see if the committee has any reaction to that or if the committee will approve it.

Senator Byrd. The Committee has to approve it.

Mr. Buzhardt. The Committee actually has to approve it. You have both kinds but we will treat that as a prior approval and so that the committee would have to approve it before we went forward with the advance payments. I think also it might be a much more practical approach because of the time constraints that are often involved in advance payments. These things arise, they are designed really to deal with an emergency type situation, and I think if we had to wait for the express statutory action by the Congress we would have some real practical difficulties but I would see no problem with approaching it——

Senator Byrd. I think the reprogramming approach has very definite possibilities for tightening up of the procedure. The present—you mentioned in your comment a moment ago that the Congress is informed of any reprogramming desired and in the absence of objection it is—it should go ahead with it.

Mr. Buzhardt. In some cases in the absence of objections and in other cases we wait for the committee's approval, that is called the prior approval type program.

Senator Byrd. I was under the impression that all reprogramming required the approval?

Mr. Buzhardt. There are statutory limits, or there are limits within which the committees or which the Congress permits us to have reprogramming without having the prior approval of the committee only if we go above those limits.

Senator Byrd. Is that on amounts, based on limitations of amounts?

Mr. Buzhardt. Yes, sir, you are right. Based on amounts, and in some cases specific items we have latitude in amount in certain types of transactions. In others in the type of, in the different types of, transactions there is not a limit on amounts.

Senator Byrd. This past year I chaired most of the reprogramming problems for the Senate Armed Services Committee, and I was under the impression that all reprogramming came before that committee. I may be in error about it.

Mr. Buzhardt. The committee does by statute provide us with certain transfer authority, Mr. Chairman. All of them, whether even if they don't require prior approval under committee arrangements, we do report nevertheless, we report all of them, and if they go over beyond the established limits we come for prior approval.

Senator Byrd. Established dollar limits.

Mr. Buzhardt. Yes, sir.

Senator Byrd. I think certainly in the case of 2307 and 85–804 that whatever arrangements are made, whether it be by statute or by agreement should require prior approval over 20——

Mr. Buzhardt. Let me say, Mr. Chairman, I was directing my remarks to 2307. With reference to P.L. 85–804, I don't believe I can speak to that because it is a much more involved statute, and it goes to things far beyond what we are talking about this morning. And I would be prepared to discuss that in detail if you desired either with you, Mr. Chairman, or at another committee hearing but there would be, as you know this is the authority to the President directly, not to the Department of Defense, and it is regulated by a very extensive executive order to cover——

Senator Byrd. You mean 85–804?

Mr. Buzhardt. Yes, sir, 85–804, it is a very large and complicated statute. I wouldn't, I am not prepared to address any problems that arise from 85–804 this morning because there is a——

Senator Byrd. Well, that is satisfactory because I am not sure that the——

Mr. Buzhardt. It goes much beyond loans, Mr. Chairman.

Senator Byrd. I am not sure that the subcommittee is prepared to discuss in detail 85–804 either. What I wanted to do this morning, though, is to delineate just what statutes can be utilized for purposes of loans and advances to contractors and we have gotten it down pretty much now to two areas.

Mr. Buzhardt. Yes, sir.

Senator Byrd. 2307, which possibly could be solved by the prior approval reprogramming procedure, that is a possibility. I have no interest in introducing legislation if we can accomplish it in another way.

Then the other is 85–804 which you say is a much broader provision.

Mr. Buzhardt. It deals with many things, Mr. Chairman, even with the authority to guarantee indemnity to foreign governments to whom contractors, it is a very broad and detailed Act.

Senator Byrd. So long as that is identified as—until this hearing today, I doubt if it was too clear as to just how many different sections the Defense Department could operate under.

Mr. Buzhardt. Well, even though I am not prepared to discuss all the ramifications of P.L. 85–804, Mr. Chairman, I felt in fairness we should mention it as something that is affected so you would be aware of it.

Senator Byrd. Yes, that is right.

Mr. Buzhardt. It was not used, not involved in this case at all but it is an Act on the books.

Senator Byrd. I think by all means you should have mentioned it and if you hadn't I don't think you would have given the committee the information that it should have, which I, as I say, I think one objective of this hearing this morning is to delineate the problem facing the Congress and the Defense Department as to just how many of these statutes in this very complex code that we have got can be utilized and we have delineated that as I said.

Mr. Buzhardt. Yes, sir, I believe we have.

Senator Byrd. You voluntarily brought out 85–804, we have been discussing at some length 2307, we know the Defense Production Act has been covered, and that leaves the matter of salvage operation which on cursory glance appears to me to be sort of a special situation.

Mr. Buzhardt. It is, it is a very specialized situation.

Senator Byrd. Which should not give very great concern. Except for those four sections, plus minor ones like paying for newspaper subscriptions and that sort of thing in advance, that takes care, as I understand it from you, that takes care of all of the authority that the Defense Department has in the handling of tax funds with regard to loans, advances, et cetera, to contractors and private individuals.

Mr. Buzhardt. That is correct, Mr. Chairman. Let me say, with respect to your bill there, as you know we have run into the same type of problem on reprogramming and that is why that is not a codified procedure. Our hesitancy here is not in an unwillingness to come over and justify whatever loans are made here, I have no problem with that whatsoever, and I am sure from the record I know of the advance payments we have, I would anticipate no problem. So we have no problem of justifying and I think we could justify them under that procedure very well.

Senator Byrd. I recognize that this bill I put in last week is broad in its implications and I put it in for the purpose of a discussion such as we have had here, and a hearing. I don't want to do anything that is unreasonable. If you are going to operate in the Defense Department you are going to have reasonable leeway. It is possible it is too broad.

Mr. Buzhardt. Mr. Chairman, let me mention one other possibility of something that was mentioned to me, it is not really a loan but in certain situations, for instance, where we are dealing with a contractor that winds up in litigation so I will be sure to cover every possibility, there is a possibility that where a contractor owed us money that we could defer its payment under the outcome of the litigation or something of that nature, which could conceivably be considered a loan.

Now the reason that that arises is that, as you know, we have some rather extraordinary provisions that the normal contract does not have. When we buy something, for instance, a contractor just can't stop work, we have some very unusual and drastic remedies for collection of what is owed to us. In many cases, therefore, it is not practical to exercise those prior authorities, and in some cases where litigation is going to be the method by which the dispute is resolved rather than resorting to these unusual remedies we do permit deferral of the repayment until the end of the litigation. That to an extent could be considered a loan. I had not thought of it but Mr. Chermak remembered it, but again it is a very unusual sort of situation. It is a possibility.

Senator Byrd. Well, it might not be impractical to inform the Congress through it, again through the reprogramming process that that is what the Department feels should be done.

Mr. Buzhardt. It would not, although I am very frank to say there are some problems where we have litigation in process, with going to the Congress with this type of information where we are involved in litigation, it is a matter that has to be dealt with on a very confidential basis, the litigating position of the government and as to how we handle it. It might present more difficulties although I don't think——

Senator Byrd. It might be something that your staff and the staff of the Armed Services Committee might explore.

Mr. Buzhardt. All right, sir. We will be glad to explore it. I mention this because it could be considered on some kind of basis.

Senator Byrd. That is right. I want to get on the record today everything, or every section of the code, that can be utilized for the purposes we have been discussing this morning.

Mr. Buzhardt. Right.

Senator Byrd. I think that is very important to get that down in one place and then we can see which of these need to be tackled and which do not. As it stands now, I think we can either by legislation or by, hopefully by, agreement as to, on a strong prior approval reprogramming basis, work out something with regard to 2307.

Mr. Buzhardt. Yes, sir.

Senator Byrd. If there is no further business, the committee will stand in adjournment, and I thank you, Mr. Buzhardt, and your associates for being here this morning.

Mr. Buzhardt. Thank you, Mr. Chairman.

Senator Hughes. I would like to just address you as the Chairman.

Mr. Chairman, I did not receive a notice of the committee hearing until ten minutes to six on Friday evening after I had left town, and it was not possible for me to alter my schedule due to the fact that I had two appointments with Iowans who traveled from Iowa to see me this morning at ten o'clock, to be here sooner than I arrived.

Since I arrived just as the hearing was closing, I will have to read the record of the hearing and if there are questions to be asked in the future I am sure that you would allow me to direct those questions in writing to be answered in writing.

Senator Byrd. By all means. The Chairman regrets the problem faced by the Senator from Iowa today, the fact that he did not get notified as quickly as he should have received it. If the Senator from Iowa has questions that he would like to submit in writing the record will be held open for that purpose.

Further, if the Senator from Iowa, after going over the record, would like to have an additional meeting with the same witness or more witnesses or other witnesses, the Chairman of the Subcommittee will call such a hearing at the convenience of the Senator from Iowa.

Senator Hughes. Thank you very much, Mr. Chairman.

(Whereupon, at 11:20 a.m., the hearing was concluded, subject to call of the Chair.)

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. SYMINGTON. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. PROXMIRE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SYMINGTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION ON M'GOVERN AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as an amendment by Mr. McGovern, referred to as the economic conversion amendment, to the military procurement bill is called up and made the pending question, there be a time limitation thereon of 2 hours, to be equally divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Does the Senator wish to make a proposal as to second-degree amendments?

Mr. ROBERT C. BYRD. Yes. I thank the Chair.

I ask unanimous consent that time on any second-degree amendment thereto be limited to 30 minutes, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

LIMITATION OF TIME ON H.R. 9639, SCHOOL LUNCH BILL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as H.R. 9639, the school lunch bill, is called up before the Senate and made the pending business, there be a time limitation thereon of 2 hours; that there be a limitation on any amendment thereto of 30 minutes; that there be a time limitation of 20 minutes on any amendment to amendments, debatable motions, or appeals; and that the agreement be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, there will be no more votes today.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION TO MAKE NECESSARY CLERICAL AND TECHNICAL CORRECTIONS IN ENGROSSMENT OF S. 2410

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. Cranston, I ask unanimous consent that the Secretary of the Senate be authorized to make necessary clerical and technical corrections in the engrossment of S. 2410.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO MODIFY AND PRINT HARTKE AMENDMENT NO. 494

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Indiana (Mr. Hartke) may be authorized to modify his amendment No. 494, and that amendment No. 494 be printed as modified.

The PRESIDING OFFICER. Without objection, it is so ordered.

TOM VAIL

Mr. HARRY F. BYRD, JR. Mr. President, Thomas L. C. Vail, for many years chief counsel and chief of staff of the Senate Committee on Finance, was buried in Arlington Cemetery this afternoon. Tom Vail died Tuesday, at the age of 45, after a lingering illness.

Tom Vail was, in my judgment, one of the finest and ablest and one of the most dedicated public servants that our country has had. He served the Congress of the United States in various capacities for 22 years. He was a man of the highest integrity and character and ability.

Tom Vail became chief counsel and chief of staff of the Finance Committee in 1965. At that time the chairman of the Finance Committee was my immediate predecessor as Senator from Virginia. I happened to be in my father's office, he being my predecessor, on the day that Tom Vail came to his office and the day that Senator Byrd, Sr., designated Tom Vail to be chief counsel and chief of staff of the Committee on Finance.

I did not know Mr. Vail prior to that time. I got to know him well a few months later when I myself came to the Senate, and even better after I became a member of the Senate Committee on Finance.

Incidentally, Tom Vail succeeded as chief counsel and chief of staff, Mrs. Elizabeth Springer, who recommended Tom Vail to Senator Byrd, Sr., for appointment to that position. I want to point out that Mrs. Springer was, and I think up to this time has been, the only woman to serve as chief counsel and chief of staff of a major Senate committee.

The Senate Finance Committee will miss Tom Vail. He had a capacity for objectivity, for presenting clearly and concisely and objectively the very complicated pieces of legislation which came before that important Senate committee.

Over and above that, under the leadership of the present chairman of the Finance Committee, Senator Long of Louisiana, Senator Long and Mr. Vail developed an outstanding professional staff. Senator Long gives Tom Vail credit for the development of the staff, and I think the Finance Committee today, as a result of the leadership of Tom Vail, has an unusually fine professional staff, who themselves have followed the example set by Tom Vail in ability, competence, objectivity, and dedication to the work of the committee, the work of the Senate, and the work of our Government.

It is a tragic day that a man as young as Tom Vail, with as much promise, has been taken from us.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO TEMPORARILY LAY ASIDE HUGHES AMENDMENT NO. 493

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Hughes amendment No. 493 be temporarily laid aside until such time as the author of that amendment desires to call it up.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF SCHOOL LUNCH BILL, H.R. 9639, ON MONDAY, SEPTEMBER 24

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday next, immediately after the two leaders or their designees have been recognized under the standing order, the Senate proceed to the consideration of the school lunch bill, H.R. 9639.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO TEMPORARILY LAY ASIDE UNFINISHED BUSINESS AND TO CONSIDER SCHOOL LUNCH BILL ON MONDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside on Monday next until the disposition of the school lunch bill, H.R. 9639, or until the close of business, whichever is the earlier.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Cook). Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Domenici) laid before the Senate the following letters, which were referred as indicated:

Watershed Plans of Improvement in West Virginia and Missouri

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, watershed plans of improvement for Prickett Creek, W. Va., and Lost Creek, Mo. (with accompanying papers). Referred to the Committee on Agriculture and Forestry.

Marihuana and Health Report

A letter from the Acting Secretary of Health, Education, and Welfare, transmitting, pursuant to law, the annual Marihuana and Health report, for the year 1973 (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the Senate of the State of Washington. Referred to the Committee on Banking, Housing and Urban Affairs:

"Senate Resolution 151

"Whereas, The economic policy known as "Phase IV" has required that individual service stations revert to prices that were charged on January 10, 1973; and

"Whereas, Many of the operators of said service stations are small, individual entrepreneurs who because of said guidelines established find themselves faced with a fixed amount of gallonage allocated to them by the wholesalers of gasoline and a profit margin established by the said guidelines which will result in a net loss to the average individual service station operator of one to three cents per gallon sold; and

"Whereas, Many of the said individual service station operators will be forced to terminate the employment of many of their employees as a result of the fiscal loss occasioned by the foregoing;

"Now, therefore, be it resolved, By the Senate of the State of Washington, that the Administration and Congress are hereby requested to consider amending this portion of "Phase IV Policy" insofar as the restriction of profit of retail dealers of gasoline is concerned while not equally limiting the wholesale price they are required to pay their suppliers towards the end that all segments of the industry be treated equally; and to take what other steps are necessary to facilitate and aid the position of the individual service station operators; and

"Be it further resolved, That copies of this Resolution be immediately transmitted to the Honorable Richard M. Nixon, President of the United States, to the President of the United States Senate, the Speaker of the House of Representatives, and to each member of Congress from the State of Washington."

A resolution adopted by the Executive Board of the Kansas School Food Service Association urging restoration of the special milk program in the schools. Referred to the Committee on Agriculture and Forestry.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. METCALF, from the Committee on Interior and Insular Affairs, with an amendment:

S. 425. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes (Rept. No. 93–402).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 921. A bill to amend the Wild and Scenic Rivers Act (Rept. No. 93–401).

By Mr. FANNIN, from the Committee on Interior and Insular Affairs, with an amendment:

S. 1296. A bill to further protect the outstanding scenic, natural, and scientific values of the Grand Canyon by enlarging the Grand Canyon National Park in the State of Arizona, and for other purposes (Rept. No. 93–406).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1848. A bill for the relief of Mrs. Lucy Locke (Rept. No. 93–403).

By Mr. ALLEN, from the Committee on Agriculture and Forestry, with amendments:

H.R. 9639. An act to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs (Rept. No. 93–404).

By Mr. MAGNUSON, from the Committee on Commerce, with an amendment:

H.R. 5451. A bill to amend the Oil Pollution Act, 1961 (75 Stat. 402, 33 U.S.C. 1001), as amended, to implement the 1969 and 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended, and for other purposes (Rept. No. 93–405).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. FULBRIGHT (for himself and Mr. McClellan):

S. 2463. A bill to change the name of the Beaver Dam in the State of Arkansas to the James W. Trimble Dam. Referred to the Committee on Public Works.

By Mr. HUMPHREY:

S. 2464. A bill for the relief of Miss Navamani Sathasivam. Referred to the Committee on the Judiciary.

By Mr. BIBLE (for himself, Mr. Fannin, Mr. Bartlett, Mr. Buckley, Mr. Church, Mr. Hansen, Mr. Haskell, Mr. Hatfield, Mr. Metcalf, Mr. Jackson, Mr. Johnston, and Mr. McClure):

S. 2465. A bill to authorize the Secretary of the Interior to guarantee loans for the financing of commercial ventures in geothermal energy; to coordinate Federal activities in geothermal energy exploration, research and development; and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON:

S. 2466. A bill to provide for the continued operation of the Public Health Service hospitals which are located in Seattle, Wash., Boston, Mass., San Francisco, Calif., Galveston, Tex., New Orleans, La., Baltimore, Md., Staten Island, N.Y., and Norfolk Va. Referred to the Committee on Labor and Public Welfare, by unanimous consent.

By Mr. HARTKE:

S. 2467. A bill to provide for regulation of business franchises, to require a full disclosure of the nature of interests in business franchises to provide for increased protection of the public interest in the sale and operation of business franchises, and to provide for fair competition in the negotiation of franchise agreements. Referred to the Committee on Commerce.

By Mr. INOUYE:

S. 2468. A bill for the relief of Sylvia Dix. Referred to the Committee on the Judiciary.

By Mr. McCLELLAN (by request):

S. 2469. A bill to carry into effect certain provisions of the Patent Cooperation Treaty, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. CURTIS (for himself, Mr. Humphrey, Mr. Bellmon, Mr. Talmadge, Mr. Dole, Mr. Eastland, Mr. McGovern, Mr. Allen, Mr. Huddleston, Mr. Clark, Mr. Aiken, Mr. Young, and Mr. Helms):

S. 2470. A bill to amend the Consolidated Farm and Rural Development Act. Referred to the Committee on Agriculture and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. FULBRIGHT (for himself and Mr. McClellan):

S. 2463. A bill to change the name of the Beaver Dam in the State of Arkansas to the James W. Trimble Dam. Referred to the Committee on Public Works.

Mr. FULBRIGHT. Mr. President, I am today reintroducing a bill which would honor the late J. W. Trimble, who served 22 years in the House of Representatives, by naming the Beaver Dam on the White River in Arkansas the James W. Trimble Dam.

I originally proposed this legislation last year and am pleased to say that it received the overwhelming support of the Congress. Unfortunately, it was presented to the President as a part of the Omnibus Rivers and Harbors bill which was vetoed by the President in November 1972. I am confident that the bill I reintroduce today will be just as warmly received, and I am pleased that my distinguished colleague from Arkansas, Senator McClellan, is joining in the sponsorship of this bill.

J. W. Trimble died at age 78 on March 10, 1972, in Eureka Springs, Ark. His death greatly saddened his many friends in Washington and in Arkansas.

As a news article in the Arkansas Gazette described him, "Judge" Trimble was "one of the best-loved men on Capitol Hill during his 22 years in Congress—a 'father confessor' to pages, a pal of doorkeepers, and a friend of Presidents."

The same article pointed out that, as the Congressman from the Third Congressional District of Arkansas, he brought "dams and reservoirs and rural electrification and millions in Federal money into northwest Arkansas."

It is particularly appropriate, I believe, that one of the dams in the Third Congressional District, which he represented so ably and diligently, be named in honor of J. W. Trimble.

When I was elected to the Senate in 944, J. W. Trimble was elected to succeed me in the House of Representatives. Therefore, my acquaintance with Judge Trimble was a longstanding one, and I always had the utmost respect for him. He was a man of the highest integrity and of noble character.

He was one of the earliest and most consistent supporters of the Arkansas River navigation project, which has meant so much to the State of Arkansas.

Mr. President, I am hopeful that the Congress will rapidly approve this legislation to honor an outstanding American.

I ask unanimous consent to have printed in the Record a news article from the Arkansas Gazette of March 11, 1972, which provides some details about Judge Trimble's distinguished career, and an editorial from the Gazette of March 14, 1972, which provides some insight into his unique character. Further, I ask unanimous consent that an editorial broadcast by radio station KBRS, Springdale, Ark., March 17, 1972, advocating that Beaver Dam be named Trimble Dam, be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Arkansas Gazette, Mar. 11, 1972]

Ex-Lawmaker Dies at 78—He Helped Bring Progress to State

Eureka Springs.—James W. Trimble, aged 78, of Berryville, who, as the state's Third District congressman, brought dams and reservoirs and rural electrification and millions in federal money into Northwest Arkansas, died Friday at a hospital here.

One of the best-loved men on Capitol Hill during his 22 years in Congress, the Judge, as he was called, was a "father confessor" to pages, a pal of doorkeepers and a friend of presidents.

He was regarded as the state's most liberal congressman, frequently voting in opposition to those other longtime congressmen who served with him—E. C. (Took) Gathings of West Memphis, Oren Harris of El Dorado and Wilbur D. Mills of Kensett.

For example, in 1965, the ultraconservative Americans for Constitutional Action gave Judge Trimble a 14 per cent rating, compared to 68 per cent for Gathings.

As a member of the House Rules Committee, he wielded power that helped him get many projects for Arkansas.

To become a member of this committee, Mr. Trimble gave up his seat on the House Public Works Committee, where he championed Arkansas waterway projects.

In 1964, when 500 supporters of the Arkansas River navigation system turned out to thank Representative Trimble for his efforts, Garth Whipple, the president of the Arkansas Basin Association, said: "Others talk pretty, but the Judge has got the votes [in Congress] to get things done. In my experience, there is one man whose contribution to the Arkansas River program stands out above all others, and that man is Judge Trimble."

As to his ability to get federal money for Arkansas projects, Senator J. William Fulbright said during Trimble's 1964 campaign:

"Jim Trimble has so many projects going in his district that it looks like he has backed up a truck to the Treasury. This is what seniority means to you."

STAND FOR DAMS HELPED BRING DEFEAT

Ironically, it was Judge Trimble's stand for more dams that helped bring on his unexpected defeat in 1966 by John Paul Hammerschmidt, the conservative Republican lumberman from Harrison.

Mr. Trimble believed that to complete his dream of water control on the White River of North Arkansas, dams were needed on the Buffalo River.

A half billion dollars had been spent on the White, he told constituents at Marshall as he opened his campaign of 1966. If the dams on the Buffalo weren't completed, it would leave only 90 per cent of the project done and that's like finishing only 90 per cent of the roof on your house.

But opposition from conservationists and sportsmen who wanted to keep the Buffalo free-flowing led to concerted action to beat him. He got 72,635 votes to Hammerschmidt's 80,495.

He was not bitter. He said of his defeat, "It's part of the game." And with the graciousness that characterized him in Washington, he offered Hammerschmidt his help.

During his 11 terms he represented a district that was strongly Republican, placing his reliance on diplomacy and a consistent plan of argument. He rarely acknowledged his opponents.

Because he grew up in an isolated area, one of 10 children, he had a dream of development for the Ozarks. In later years, he looked fondly at the dams and towers that carried electricity across the ridges.

HE ABHORRED WASTE OF SOIL

He was a conservationist, once saying: "Every muddy stream is an indictment of those of our generation and of past generations, because we've permitted our precious soil to flow down our streams. That soil is not ours. It is held in trust by us for future generations."

He was born February 3, 1894, in a farm home in the valley of the Osage River, the son of Allen and Anna McFarlane Trimble.

Early educators in that remote area helped guide him in his early years in the small towns of Carroll County and he frequently boarded with families while attending school. In the fall of 1913, he enrolled at the University of Arkansas, majoring in education and history. He worked after class as a custodian. He was editor of the college newspaper during his junior year.

A stint as a teacher at Texarkana after graduation was interrupted by World War I and he became an officer in the training cadre at Camp Pike. After the armistice, he returned to the mountains to become principal of the Osage school. Later he was principal at Pleasant Ridge.

ENTERED POLITICS IN 1920

In the summer of 1920 he began his political career, winning the Democratic nomination for Carroll County clerk. Mr. Trimble recalled that his opponent was a friend and that they went around the county introducing each other. He told voters they should do everything for opponent—including feeding him and bedding down his horse—except vote for him.

His county next named him tax collector in 1924, a job he held for four years. As county clerk, he sold himself a marriage license on February 4, 1922, and was wedded to Ruth Maples of Berryville. They had twins, a boy and a girl, in 1923. The girl, Martha Carol, died 2½ years later. Their son, James Kerry Trimble, is a colonel with the Army Engineers.

Mr. Trimble studied law and was admitted to the bar in 1925. He returned to politics, and in a hotly contested race, he defeated two prominent opponents to become prosecuting attorney of the Fourth Judicial District. He served four terms and then was elected circuit judge in 1936. One of those among his circuit clerks was Orval Eugene Faubus of Huntsville, whose loyalty to Judge

Trimble kept him from running for that congressional seat in later years.

In 1944, when his friend J. William Fulbright left his congressional post to go to the Senate, Mr. Trimble became the district's congressman. Senator Fulbright got Trimble his first committee post, on the Foreign Affairs Committee, but he gave it up after two years for the Public Works Committee.

As a member of the committe he gained seniority and influence valuable in promoting the dam building program of North Arkansas. He lived to see Norfolk, Bull Shoals, Table Rock and Beaver Dams completed and co-sponsored with Representative Mills the bill that created Greer's Ferry Dam near Heber Springs.

He was a strong proponent of rural electrification and in 1955 struck the match for a fiery new congressional row over private versus public power when he announced he would introduce a bill adjusting the computation of benefit to cost ratio hydro-electric power projects to include recreational, municipal and industrial water supply and irrigation benefits.

"Let us return the control of our natural resources to the Congress where it belongs," he said.

After his defeat, he and Mrs. Trimble returned to their home at Berryville. His death came less than two weeks after President Nixon signed the bill to make the Buffalo River a National River, free of dams.

Funeral arrangements are by Nelson Funeral Service here.

[From the Arkansas Gazette, Mar. 14, 1972]

J. W. Trimble

They will be burying J. W. Trimble in his home town of Berryville this afternoon, and it will be the saddest of sad occasions for countless numbers of persons well beyond the immediate family circle, and, through the medium of his long service in the national Congress, for many present and former Members of Congress all across the land.

James William Trimble was a good man, and it would have been quite enough if he had been only that, for, if there are not really as many really bad men as some of us sometimes imagine, there aren't all that many truly good men, either. Jim Trimble was a truly good man—but he also was one of the adornments of the Congress during his years of service there, one of the adornments of the Arkansas delegation, especially.

"Judge" Trimble, as he was known from the days when he traveled the Fourth Judicial Circuit, first went to the Congress in 1944, at a time when the Third Congressional District of Arkansas comprised 10 contiguous counties in the extreme northwesternment corner of the state, and there were seven Arkansas congressional districts, rather than the present four. If this makes J. W. Trimble sound dated, the assumption would be a misleading one. He was anything but dated, and never allowed himself to grow old in his thinking, if, in fact, he could have become so even if he tried.

He was one of the succession of "dam" congressmen from the Third District—Clyde T. Ellis, J. W. Fulbright, and then Trimble—whose combined, persevering, labors transformed the face of North Arkansas and reversed the population outmigration that had prevailed there for so long. As so frequently happens in the affairs of men, one of the unforeseen results was to help change the political complexion of the Third District. This result was unforseen, but if Congressman Trimble had been able to foresee it, he would not, we are sure, have done anything differently. Let nobody judge the North Arkansas dams who does not remember the Third District "before."

This is not the place to rehash the circumstances of Mr. Trimble's defeat for reelection in 1966, other than to say that in our judgment there was no single reason for it. In general terms, it was the familiar story of staying in Washington too late doing the District's work, and perhaps of not taking the opposition seriously enough, rather in the fashion of Senator Ralph Yarborough in Texas in 1970. All we can say of Judge Trimble's enforced retirement was that it was premature. We do not know how long he would have wanted to stay on in Congress—not too much longer, probably—but his retirement when it came was premature.

In defeat, characteristically, he refused to sulk. Again, he wouldn't have known how. Instead, he said, "It's all in the game", and immediately offered to do everything he could to make the transition easier for his successor, who, we know, shares the grief of everyone who ever knew Jim Trimble. If Mr. Trimble ever had a personal enemy, we never heard his name.

KBRS Editorial

A gentleman, a scholar, a statesman is dead. . . . Congressman Jim Trimble passed away this last Friday in his beloved northwest Kansas. This was as it should have been and probably as he wanted it. Jim Trimble served his district, State, and Nation with honor and with dedicated service. While we disagreed with some of his votes in the House of Representatives, we must say that, on the whole, he did a splendid job. Those of our listening audience that were too young to know "Mr. Jim" or the "Judge" have missed an experience that they would not forget soon. The "Judge" was responsible for our many fine lakes and dams in northwest Arkansas and the rural electrification of our northwest corner. Since his death, we have heard many times over, in casual conversation and quotes from former Governors, and in editorials, that these things will be a monument for him. We don't think that this is enough. . . . We have advocated before his death that Beaver Dam should be named "Trimble Dam" with proper ceremonies and recognition. The time is past now to show our appreciation of Jim Trimble, but it's never too late to place a fine man's name on this beautiful place. We hope that the powers that be and the "Judge's" good friends will do what should have already been done.

By Mr. BIBLE (for himself, Mr. Fannin, Mr. Bartlett, Mr. Buckley, Mr. Church, Mr. Hansen, Mr. Haskell, Mr. Hatfield, Mr. Metcalf, Mr. Jackson, Mr. Johnston, and Mr. McClure):

S. 2465. A bill to authorize the Secretary of the Interior to guarantee loans for the financing of commercial ventures in geothermal energy; to coordinate Federal activities in geothermal energy exploration, research and development, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

GEOTHERMAL ENERGY ACT OF 1973

Mr. BIBLE. Mr. President, on behalf of myself and Senator Fannin, and with the welcome cosponsorship of our colleagues on the Interior Committee: Senators Jackson, Church, Johnston, Haskell, Hansen, Hatfield, Buckley, McClure, Metcalf, and Bartlett, I introduce for appropriate reference a bill to authorize the Secretary of the Interior to guarantee loans for the financing of commercial ventures in geothermal energy; to coordinate Federal activities in geothermal energy exploration, research and development; and for other purposes.

This new Geothermal Energy Act of 1973 is, in a sense, a sequel to the Geothermal Steam Act of 1970 which it was my privilege to author and shepherd through the Congress.

As Senators will recall, the 1970 act authorized the opening of the Federal lands throughout the West for geothermal exploration and development under a leasing program to be instituted by the Secreary of the Interior. Except, of course, lands withdrawn or set aside for parks, recreation, wildlife refuges and ranges, Indian lands, and other protected areas. The 1970 act removed previous legal barriers to the acquisition of geothermal rights on the public lands, subject to the provisions of that act and to leasing regulations to be promulgated by the Secretary of the Interior. Unfortunately—and this has been a source of great frustration to me—the geothermal leasing regulations have yet to be promulgated. Notwithstanding all the lip-service the administration has paid to the need to get on with the development of new clean energy sources for the production of electric power, it will soon be 3 years since the Congress authorized action—and the first geothermal energy lease has yet to be announced. To date, the administration's record on this is a sorry one, to say the least. I hope they will move to correct this situation in the months ahead.

I want to say again that I think this Nation's geothermal energy resources represent a potentially vast clean energy potential for the generation of electric power in many of our Western States. Evidence of the resource abound in Arizona, California, Idaho, New Mexico, Nevada, Oregon, and elsewhere. The challenge posed by the burgeoning energy crisis is to get on with the task of harnessing this natural energy. The authorized leasing program must be launched, the Federal Government must mount a concerted and coordinated research and development program to demonstrate the feasibility of harnessing geothermal power, and private industry must be encouraged to invest its own resources in geothermal exploration and development. In short, if the Nation is to receive the benefits of geothermal power within the next decade government and industry are going to have to join forces in a cooperative effort. The Government's lead role in research and development needs new direction and emphasis, and meaningful incentives must be provided to encourage private action and investment. That is the purpose of this bill.

The proposed "Geothermal Energy Act of 1973" represents a joint effort by my good friend from Arizona, Senator Fannin, and myself, and I want to commend Senator Fannin for his initiative and leadership not only in connection with this bill but in respect to geothermal resource matters generally. He has demonstrated his dedication to the task of making geothermal power a reality and in doing so he shares the great optimism I indulge for the future.

Title I of the bill is designed to encourage and facilitate private investment in geothermal exploration and development ventures. It establishes a loan guarantee program under which the Secretary of the Interior would be authorized to provide loan guarantees covering up to 75 percent of the aggregate cost of a project, subject to limitations described in the bill.

Title II of the bill proposes to strengthen and coordinate the geothermal research and development programs of the Department of the Interior, the Atomic Energy Commission, and the National Aeronautics and Space Administration. The Department of the Interior would be assigned the primary responsibility for geothermal exploration, mapping and surveys, and other activities needed to define the Nation's geothermal resources inventory. NASA would be called upon to bring the benefits of satellite technology to bear on the exploration problem. The AEC would be assigned the primary basic and applied geothermal research and development task, with special emphasis on the need for cooperative undertakings with private industry to develop and test the technologies required to tap and harness geothermal energy. Special authority is included for pilot and demonstration projects designed to demonstrate the economic and technical feasibility of geothermal power production.

Mr. President, I think it is high time that the kind of emphatic program envisaged by this legislation is brought to bear on the Nation's geothermal energy resources. I hope the bill will be scheduled for early hearings. Suggestions for improvements will, of course, be welcomed. I ask unanimous consent that the text of the bill be printed in the Record following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2465

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Geothermal Energy Act of 1973.

TITLE I—LOAN GUARANTEE PROGRAM

Section 101(a). The Congress, in consideration of the Federal responsibility for the general welfare, to facilitate commerce, to encourage productive harmony between man and his environment, and to protect the public interest, finds that the advancement of technology by private industry for the production of useful forms of energy from geothermal resources is important to all of those areas of responsibility. It is the policy of the Congress, therefore, to encourage and assist in the commercial development of practicable means to produce useful energy from geothermal resources with environmentally acceptable processes. Accordingly, it is the policy of the Congress to facilitate such commercial development by authorizing the Secretary of the Interior to guarantee loans for such purposes.

(b) In order to encourage the commercial production of energy from geothermal resources, the Secretary of the Interior, hereinafter referred to as the Secretary, is authorized to guarantee, to enter into commitments to guarantee, banks or other financial institutions against loss of principal or interest on loans made by such institutions to qualified borrowers for the purposes of acquiring rights in geothermal resources and performing exploration, development, and construction and operation of facilities for the commercial production of energy from geothermal resources.

(c) Any guaranty under this title shall apply only to so much of the principal amount of any loan as does not exceed 75 per centum of the aggregate cost of the project with respect to which the loan is made.

(d) Loan guaranties under this title shall be on such terms and conditions as the Secretary determines; provided, however, that no guaranty shall be made under this title if,

(1) the loan involved is at a rate of interest which exceeds the prime interest rate plus one-half of one per centum;

(2) the terms of such loan do not require full repayment within thirty years after the date thereof;

(3) in the judgment of the Secretary, the amount of the loan (when combined with amounts available to the qualified borrower from other sources) will not be sufficient to carry out the project; or

(4) in the judgment of the Secretary, there is no reasonable assurance of the repayment by the qualified borrower of the guaranteed indebtedness.

(e) The Secretary shall not guarantee any loan for any project the amount of which exceeds twenty-five million dollars, nor guarantee any combination of loans for any single qualified borrower in an amount exceeding fifty million dollars.

Sec. 102. (a) With respect to any loan guaranteed pursuant to this title, the Secretary is authorized to enter into a contract to pay, and to pay, the lender for and on behalf of the borrower the interest charges which become due and payable on the unpaid balance of any such loan if the Secretary finds:

(1) That the borrower is unable to meet interest charges, and that it is in the public interest to permit the borrower to continue to pursue the purposes of his project, and that the probable net cost to the Government in paying such interest will be less than that which would result in the event of a default; and

(2) The amount of such interest charges which the Secretary is authorized to pay shall be no greater than an amount equal to the average prime interest rate for the preceding fiscal year as determined by the Secretary of the Treasury, plus one-half of 1 per centum.

(b) In the event of any default by a qualified borrower on a guaranteed loan, the Seccretary is authorized to make payment in accordance with the guaranty, and the Attorney General shall take such action as may be appropriate to recover the amounts of such payments, with interest, from the defaulting borrower.

Sec. 103. No loan guaranties shall be made, or interest assistance contract entered into, pursuant to this title, after the expiration of the ten calendar-year period following the date of the enactment of this Act.

Sec. 104. There is established in the Treasury of the United States a Geothermal Resources Development Fund (referred to in this title as the "fund"), which shall be available to the Secretary of the Interior for carrying out the loan guaranty and interest assistance program authorized by this title, including the payment of administrative expenses incurred in connection therewith. Moneys in the fund not needed for current operations shall be invested in bonds or other obligations of, or guaranteed by, the United States.

Sec. 105. There shall be paid into the fund the amounts authorized to be appropriated by Sec. 106 of this title and such amounts as may be returned to the United States pursuant to section 102(b) of this title, and the amounts in the fund shall remain available until expended: *Provided*, That after the expiration of the ten-year term established by section 103 of this title, such amounts in the fund which are not required to secure outstanding guaranty obligations shall be paid into the general fund of the Treasury.

Sec. 106. There are authorized to be appropriated (1) to the fund not to exceed $50,000,000 annually, and (2) such amounts as may be required for the administrative costs of carrying out the provisions of this title.

Sec. 107. Business-type financial reports covering the operations of the fund shall be submitted to the Congress annually upon the completion of an appropriate accounting period.

TITLE II—COORDINATION OF FEDERAL ACTIVITIES IN GEOTHERMAL ENERGY EXPLORATION, RESEARCH, AND DEVELOPMENT

Sec. 201. The Congress, in consideration of the Federal responsibility for the general welfare, to facilitate commerce, to encourage productive harmony between man and his environment, and to protect the public interest, finds that the advancement of technology with the cooperation of private industry for the production of useful forms of energy from geothermal resources is important to all of those areas of responsibility. It is the policy of the Congress, therefore, to encourage and assist private industry through Federal assistance for the development and demonstration of practicable means to produce useful energy from geothermal resources with environmentally acceptable processes. Such means shall accordingly include exploration, research and financial and technical assistance in the construction of pilot plants and demonstration developments with the objective of reaching commercialization in the most timely and practicable manner.

Sec. 202. The Secretary, acting through the Geological Survey, is authorized and directed to:

(a) Develop and carry out a general plan for the orderly exploration of all forms of geothermal resources of the Federal lands and, where consistent with property rights and determined by the Secretary to be in the national interest, of non-Federal lands;

(b) Conduct regional surveys, based upon such a general plan, using innovative geologic, geophysical, geochemical, and drilling techniques, that will lead to a national inventory of geothermal resources in the United States;

(c) Publish and make available maps, reports, and other documents developed from such exploration to encourage and facilitate the commercial development of geothermal resources for beneficial use and consistent with the national interest;

(d) Make such recommendations for legislation as may from time to time appear to be necessary to make Federal leasing policy for geothermal resources consistent with known inventories of various resource types, with the current state of technologies for geothermal energy development, and with current evaluations of the environmental impacts of such developments; and

(e) Participate with the Atomic Energy Commission, the National Aeronautics and Space Administration, and the National Science Foundation in research to develop, improve, and test technologies for the discovery and evaluation of all forms of geothermal resources.

Sec. 203. The Secretary shall coordinate the development and implementation of the exploration plan with the geothermal research and development program of the Atomic Energy Commission to insure that information is developed in a timely manner for the optimum progress of geothermal development.

Sec. 204. In preparing or implementing the exploration plan, the Secretary is authorized to:

(a) Employ contractors and consultants;

(b) Acquire by fund transfers the services of employees and facilities of other Federal agencies; and

(c) Cooperate and enter into contracts with State, regional and local governmental agencies and educational and reserch institutions.

Sec. 205. The Administrator of the National Aeronautics and Space Administration, hereinafter referred to as NASA, is authorized and directed to prepare and transmit to the Secretary within six months from the date of this Act a proposal for the employment of space technologies and the services and facilities of NASA for exploration and mapping of geothermal resources.

Sec. 206. The Secretary is authorized and directed to transmit to the President and the Congress, not later than one year from the date of this Act, the general plan including a schedule and objectives, for exploration of geothermal resources required by Sec. 202 (a) and each year thereafter a report on the status of activities authorized to be performed by the Secretary under the provisions of this Act.

Sec. 207(a). The Atomic Energy Commission in cooperation with private industry is authorized and directed to:

(1) conduct, encourage, and promote basic and applied scientific research to develop effective, economical, and environmentally acceptable processes and equipment for the purpose of utilizing all forms of geothermal resources for the production of useful energy forms;

(2) pursue the findings of research authorized by this Act having potential applications in matters other than geothermal energy to the extent that such findings can be published in a form for utilization by others;

(3) conduct engineering and technical work including the design, construction, and testing of pilot plants to develop and improve geothermal energy processes and plant design concepts to the point of demonstration on a commercial scale;

(4) conduct laboratory and field experiments and tests of exploration and development technologies necessary for the successful discovery and development of all forms of geothermal resources;

(5) study methods for the reduction and elimination of undesirable environmental impacts of geothermal development;

(6) study methods for the recovery and marketing of by-products resulting from the production of energy from geothermal resources; and

(7) undertake engineering and economic studies to determine the potential for energy from geothermal resources to contribute to energy requirements on national and regional levels.

(b) The Commission shall coordinate the research and development activities authorized by this section with the activities of the Department of the Interior relating to geothermal resources research to ensure the full utilization of expertise and information and to prevent duplication of efforts.

Sec. 208(a). The Commission is authorized to investigate, negotiate, and enter into cooperative agreements with non-Federal utilities, industries, and governmental entities for the construction, operation and maintenance of demonstration developments for the production of electric or heat energy from geothermal resources.

(b) No agreement shall be entered into under the authority granted by this section unless the Commission determines that:

(1) the nature of the resources, the geographical location, the scale and engineering design of the facilities, the techniques of production, or other significant factors of the proposal offer opportunities to make important contributions to the general knowledge of geothermal energy, the techniques of its development, or public confidence in the technology;

(2) the potential non-Federal cooperating entities are willing and capable to contribute not less than 25 per cent of the capital cost of the development, to operate the facilities, and to provide a market for the energy produced;

(3) no benefits have been obtained through the loan guaranty provisions of title I of this Act and applied to development of any facility for which funding assistance pursuant to this title is proposed;

(4) the development or the practical benefits of the development as set forth in clause (1) of this subsection are unlikely to be accomplished without Federal assistance or through the assistance provided by title I of this Act; and

(5) the Federal investment in each such development project will not exceed $5 million.

(c) The Commission is authorized to investigate potential agreements for the cooperative development of major facilities to demonstrate the production of energy from geothermal resources and to submit engineering and financial proposals to the Congress for consideration of authorization to proceed with implementation of said proposals. The Commission may consider:

(1) cooperative agreements with non-Federal governmental entities and utilities for construction of facilities to produce energy for commercial disposal;

(2) cooperative agreements with other Federal agencies for the construction and operation of facilities to produce energy for direct Federal consumption.

(d) Before favorably considering proposals under subsection (c) of this section, the Commission must find that:

(1) the nature of the resource, the geographical location, the scale and engineering design of the facilities, the techniques of production, or other significant factor of the proposal offer opportunities to make important contributions to the general knowledge of geothermal energy, the techniques of its development, or public confidence in the technology;

(2) the development or the practical benefits as set forth in clause (1) of this subsection are unlikely to be accomplished without such cooperative development; and

(3) where non-Federal participants are involved, the proposal is not eligible for adequate Federal assistance under the provisions of Title I of this Act.

Sec. 209. There are authorized to be appropriated to remain available until expended to carry out the purposes of this title:

(a) $10 million for Fiscal Years 1974, 1975 and 1976 to the Secretary of the Interior;

(b) $35 million for Fiscal Years 1974, 1975 and 1976 to the Atomic Energy Commission;

(c) Such amounts as may be required in Fiscal Years 1974, 1975 and 1976 to NASA to carry out the requirements of Sec. 205; and

Sec. 210. As used in this Act, the term

(a) "geothermal resources" means (A) all products of geothermal processes, embracing indigenous steam, hot water and brines; (B) steam and other gases, hot water and hot brines resulting from water, gas, or other fluids artificially introduced into geothermal formations; and (D) any by-product derived from them;

(b) "qualified borrower" means any public or private agency, institution, association, partnership, corporation, political subdivision, or other legal entity which the Secretary has determined has presented satisfactory evidence of a property interest in a geothermal resource identified, in a manner acceptable to the Secretary, as being of sufficient interest for research objectives, or the development and production of energy, and which has the financial responsibility to establish and operate, utilizing such resource, a commercial facility;

(c) "pilot plant" means an experimental unit of small size used for early evaluation and development of new or improved processes and to obtain technical and engineering data; and

(d) "demonstration development" means a complete facility which produces electricity or heat energy for commercial disposal from geothermal resources and which will make a significant contribution to the knowledge of full-sized technology, plant operation, and process economics.

Mr. FANNIN. Mr. President, I am pleased to cosponsor the Geothermal Energy Act of 1973 to establish a national program for research, development, and demonstration of commercial geothermal resource technology.

Senator Bible is to be congratulated for his leadership in recognizing the importance of geothermal energy and fathering legislation designed to induce its development. Having authored the Geothermal Steam Act of 1970, he is now sponsoring additional legislation in this field. It has been my pleasure to work closely with him in developing this legislation to promote the early commercialization of geothermal energy. We are anticipating strong leadership toward this end on the part of the distinguished chairman of the Water and Power Resources Subcommittee, Senator Church, also a cosponsor of this bill who contributed generously.

Incentives are provided in this bill which would result in the production of useful energy from geothermal resources, within environmentally acceptable standards, and at minimum cost to the taxpayers. A higher level of private activity and innovation would be encouraged by this legislation so that geothermal technology would be perfected to help meet our energy self-sufficiency objectives. The bill stimulates industrial R. & D. in geothermal energy through a loan guarantee program. By coordinating Federal activities in both geothermal energy exploration and research and development, it would ensure improved utilization of new technology.

This resource can soon make a substantial contribution to our electrical generating capacity, particularly in the West. It is important that its existing potential be understood. To date the U.S. Geological Survey has classified as known geothermal resources areas about 1.8 million acres of land in the Western States, much of it on Federal lands. Nevertheless, the Interior Department has been disappointingly slow in implementing the Geothermal Steam Resources Act of 1970, which authorized the development of a Federal geothermal leasing program.

Despite Government policies affecting Federal lands which have served as obstructions to geothermal resource development by private enterprise, the efforts of Geothermal Kinetics Systems Corporation of Phoenix has gone forward. This group of three major Arizona utility companies, by operating on privately owned leased land Arizona's first geothermal well near the city of Chandler, has shown how quickly geothermal resources can be located. This still is an experiment, and the economic feasibility of using the wells is now under study. The exciting aspect of this project is that it shows how rapidly progress can be made.

As an incentive to stimulate development, the bill in title I would authorize the Secretary of the Interior to administer a guarantee program covering loans made for exploration, development, and construction and operation of geothermal facilities. This loan guarantee program, Mr. President, would induce banks and other financial institutions to take greater risks in their funding of innovative and creative energy-related technologies.

Title II, Coordination of Federal Activities in Geothermal Energy Exploration, Research, and Development, would encourage the orderly development and demonstration of practicable means to produce useful energy from geothermal resources by environmentally acceptable processes. The Secretary, through the Geological Survey, would conduct an orderly exploration of all forms of geothermal resources, identifying potential reservoirs of geothermal resources. Data from such explorations would be made available to encourage the commercial development of geothermal resources. In addition, the Secretary would make legislative recommendations on and participate with the AEC, NASA and the National Science Foundation in research to develop and implement technologies for the discovery and evaluation of geothermal resources.

Under title II, the Atomic Energy Commission in cooperation with private industry would conduct, encourage, and promote scientific research to develop effective, economical, and environmentally acceptable processes and equipment to develop geothermal resources. This would facilitate design, construction, and testing of pilot plants. The Commission would also enter into cooperative cost-sharing agreements with private industry for demonstration developments for the production of electric or heat energy from geothermal resources.

The Administrator of the National Aeronautics and Space Administration would be authorized to prepare a proposal for the employment of space technologies and the services of NASA for the exploration and mapping of geothermal resources.

Mr. President, this bill would encourage the commercial development of geothermal resources by funding pilot and demonstration projects. Its loan guarantee provisions would also give a boost to early commercialization of geothermal energy.

The Federal Government must assume partial responsibility for facilitating commercialization of geothermal energy resources so that the Nation's critical energy needs can be met. Our technological options and capabilities must be developed in a timely and efficient manner so that our temporary energy shortages do not cripple us permanently. Geothermal power, a "renewable" and clean source of electric power generation from the heat contained within the earth, can become a major new source to provide us energy.

By Mr. MAGNUSON:

S. 2466. A bill to provide for the continued operation of the Public Health Service hospitals which are located in Seattle, Wash., Boston, Mass., San Francisco, Calif., Galveston, Tex., New Orleans, La., Baltimore, Md., Staten Island, N.Y., and Norfolk, Va. Referred to the Committee on Labor and Public Welfare, by unanimous consent. Motion to reconsider S. 2410 vacated.

Mr. MAGNUSON. Mr. President, I am today introducing a bill to require the Department of HEW to continue operating the Public Health Service hospitals in Seattle, San Francisco, Galveston, New Orleans, Norfolk, Baltimore, Staten Island, and Boston.

This bill is identical to the PHS hospital provision which was included in the Emergency Medical Services Systems Act (S. 504) vetoed by the President. It would, in essence, require HEW to continue operating the hospitals at least at their January 1, 1973, level of operations until the Congress, by law, authorized otherwise. It would not require that the hospitals remain open forever. Rather, it would simply permit Congress—rather than HEW—to decide if and when they are to be closed.

The conference report on S. 504 was, of course, passed unanimously by the Senate, 97 to 0, and was passed in the House by a vote of 305 to 111. Following the President's veto of S. 504, the Senate voted 77 to 16 to override that veto. And the House fell just five votes short of overriding.

The record is clear. Overwhelming majorities in both the Senate and House have demonstrated with their votes their determination that these hospitals should remain open. I am not content to let HEW close them just because a minority—and I stress "a minority"—in the House voted to sustain the veto.

I urge very early and affirmative Senate action on this bill.

It will be referred to the Subcommittee on Health, and I hope that the chairman of the subcommittee, Senator KENNEDY, with whom I have conversed about this matter, will immediately pass the bill back to the Senate.

Mr. President, I made a motion the other day to vacate the motion to reconsider the bill which left out the public hospital section. I think the better way to do it now is to have this bill come up separately, if the committee will see fit to do so, and the Senate can vote it up or down. We have already voted 97 to 0 on it, and 77 to 16 to override the veto. It seems to me that there is some message to the administration in that.

Mr. President, I send the bill to the desk and ask unanimous consent for its immediate referral to the Subcommittee on Health.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, because of what happened, I made a unanimous-consent request the day before yesterday to vacate the motion to reconsider and the motion to table on the bill that involved the other part of the proposed legislation, because I wanted to attach this amendment to it.

But after discussion with many Senators involved, I decided that I did not want to jeopardize the other portion of the bill, which I think the President said he would sign. I want to meet this problem head-on again; therefore, I ask unanimous consent that the motion I made at that time be vacated.

The PRESIDING OFFICER. Without objection, the motion is vacated.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. DOMINICK. I just want to express my appreciation to the Senator from Washington for the action he has just taken.

I happen to be deeply involved in the Emergency Medical Facilities Act. It is badly needed, particularly in our western area of the country.

I think that the action of the Senator from Washington, which is consonant with his thoughtfulness and his position, is going to be very helpful in getting that bill passed.

Mr. MAGNUSON. I hope the Senator from Colorado will take a long look at the matter and get this other bill out and let the Senate vote it up or down.

Mr. DOMINICK. I assure the Senator from Washington that I will be happy to urge this.

Mr. MAGNUSON. I thank the Senator. I ask unanimous consent that the newly introduced bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2466

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) except as provided in subsection (b), the Secretary of Health, Education, and Welfare shall take such action as may be necessary to assure that the hospitals of the Public Health Service, located in Seattle, Washington, Boston, Massachusetts, San Francisco, California, Galveston, Texas, New Orleans, Louisiana, Baltimore, Maryland, Staten Island, New York, and Norfolk, Virginia, shall continue—

(1) in operation as hospitals of the Public Health Service.

(2) to provide for all categories of individuals entitled or authorized to receive care and treatment at hospitals or other stations of the Public Health Service inpatient, outpatient, and other health care services in like manner as such services were provided on January 1, 1973, to such categories of individuals at the hospitals of the Public Health Service referred to in the matter preceding paragraph (1) and at a level and range at least as great as the level and range of such services which were provided (or authorized to be provided) by such hospitals on such date, and

(3) to conduct at such hospitals a level and range of other health-related activities (including training and research activities) which is not less than the level and range of such activities which were being conducted on January 1, 1973 at such hospitals.

(b) (1) The Secretary may—

(A) close or transfer control of a hospital of the Public Health Service to which subsection (a) applies,

(B) reduce the level and range of health care services provided at such a hospital from the level and range required by subsection (a)(2) or change the manner in which such services are provided at such a hospital from the manner required by such subsection, or

(C) reduce the level and range of the other health-related activities conducted at such a hospital from the level and range required by subsection (a)(3),

if Congress by law (enacted after the date of the enactment of this Act) specifically authorizes such action.

(2) Any recommendation submitted to the Congress for legislation to authorize an action described in paragraph (1) with respect to a hospital of the Public Health Service shall be accompanied by a copy of the written, unqualified approval of the proposed action submitted to the Secretary by each (A) section 314(a) State health planning agency whose section 314(a) plan covers (in whole or in part) the area in which such hospital is located or which is served by such hospital, and (B) section 314(b) areawide health planning agency whose section plan covers (in whole or in part) such area.

(3) For purposes of this subsection, the term "section 314(a) State health planning agency" means the agency of a State which administers or supervises the administration of a State's health planning functions under a State plan approved under section 314(a) (referred to in paragraph (2) as a "section 314(a) plan"); and the term "section 314(b) areawide health planning agency" means a public or nonprofit private agency or organization which has developed a comprehensive regional, metropolitan, or other local area plan or plans referred to in section 314(b) (referred to in paragraph (2) as a "section 314(b) plan").

(c) Section 3 of the Emergency Health Personnel Act Amendments of 1972 is repealed.

By Mr. HARTKE:

S. 2467. A bill to provide for regulation of business franchises, to require a full disclosure of the nature of interests in business franchises, to provide for increased protection of the public interest in the sale and operation of business franchises, and to provide for fair competition in the negotiation of franchise agreements. Referred to the Committee on Commerce.

FRANCHISE FAIR DISCLOSURE ACT

Mr. HARTKE. Mr. President, I first introduced the Franchise Fair Disclosure Act in the 92d Congress. The recent proliferation of franchises and the ever-increasing possibility that many citizens may be damaged permanently by the gross misrepresentations of franchisors has made it quite clear that the time has come for the Federal Government to protect individuals against exploitation by unscrupulous franchise corporations. We find ourselves in a situation where would-be small businessmen are ruined before their businesses ever get underway.

The franchise business is growing at an ever-increasing rate. Today there are over 40,000 franchises that did not exist just 5 years ago. Recent years have seen burgeoning franchise sales records. For example, in 1969–70, the sale of franchises reached an estimated $90 billion per year, with an estimated 1,000 franchisors and some 500,000 franchisees operating nationwide. This mammoth marketing system now represents some $100 billion in retail sales annually. In light of these circumstances, there are no acceptable statutes or uniform codes that regulate the behavior of the franchisor-franchisee relationship in what has become one of the Nation's largest industries.

The Franchise Fair Disclosure Act is an attempt to provide State and local governments with a basic outline and standard of procedure. We must remember that while franchising as a marketing method is not new on the American financial stage, the recent phenomenal growth is. Therefore, legislation is needed to bring order to this field and to control its enormous growth while such statistical information is developed. My bill will accomplish this goal.

Likewise, Mr. President, legislation is needed to protect the individual. In many cases, persons who enter into a franchise agreement have invested their savings in anticipation of promised earnings. We are dealing here with a great American dream—a man's wish to operate his own business and benefit from the enterprise's success. Unfortunately, in far too many cases, dreams are crushed and life earnings lost to disreputable franchise corporations.

As the scope and intensity of involvement becomes broader, there is a shift in the success of the enterprise from the corporation to the franchisee. Too often, prospective buyers of a franchise are misled by such advertisements or brochures which read "no experience necessary," or "we provide everything." In many cases, experience may be quite helpful, and the franchisor does not supply everything as the advertisement indicated. The time has come for a comprehensive bill to protect the buyer of a business, as well as to insure the integrity of the franchise industry.

Mr. President, the bill I propose would compel all franchise operations in the United States—including the District of Columbia and U.S. Territories—to be registered with the Federal Trade Commission—FTC.

The FTC would be empowered to review all applications for registration to determine if the franchisor has acted in good faith in his efforts to produce fair and full disclosure of all facts directly or indirectly related to the franchise operation. Registration would also act as a bank for collecting statistical data on franchising. The disclosure of these facts would be made to all franchisees and to the FTC, except in cases where the Commission has seen fit to exempt disclosure.

Exemption from disclosure is permissible under the provisions of this bill if the franchisor has demonstrated himself to be of solid financial standing and has operated at least 100 franchises over a specified period. The Federal Trade Commission, however, would have the power to require franchisors of this latter type to file fair and full disclosure statements.

The bill provides that the disclosure statement shall contain such information as the Commission may require by law, and any other information the Commission may request of the franchise corporation. The disclosure statement would include: Disclosure of the franchisor's name and State of incorporation; the names, addresses, and biographical data concerning each of the franchisor's directors and principal officers; a statement as to whether the franchisor or any of its directors or officers has been involved in certain legal or quasi-judicial proceedings; and a series of statements concerning franchise fees, costs, and obligations.

The disclosure statement set forth in this bill will protect the individual, and at the same time insure future progress in the franchise industry. For too long, we have gone without this much-needed legislation. This bill has the ability to oversee one of our Nation's largest industries. The bill also provides for authorization of legal action for those who are injured as a result of a failure to comply with the rules and regulations of the Federal Trade Commission. Legal action would include treble damages, including attorney's fees and reasonable court costs.

Mr. President, I feel my bill provides not only for the present situation, but for the future. I urge the Senate to give this proposal full consideration. The future of franchising and small business in this Nation may well be determined by our actions on this bill. I ask unanimous consent that the complete text of my bill be printed in the Record at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2467

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Franchise Act of 1973."

DECLARATION OF PURPOSE

Sec. 2. The Congress finds and declares that it is in the public interest to enact protective legislation against unfair and deceptive acts and practices which have developed in the interstate sale, operation, and termination of a wide variety of business franchises by the use of the mails and instrumentalities of interstate commerce. The Congress further finds that in consequence of unfair and deceptive acts and practices numerous purchasers of business franchises have suffered substantial losses as a result of the failure or omission by franchisors to provide full and complete disclosure concerning the prior business experience of the franchisor, the nature of the franchisor-franchisee relationship, the nature of the franchise contract, the prospects of the franchised business and other facts essential to a businessman's determination of the desirability and profitability of the franchise. In consequence of the above finding, the Congress determines that it is in the public interest to (1) require that each prospective franchisee be provided with the information necessary to make an intelligent decision regarding franchises being offered for sale, (2) prohibit the sale of franchises that may lead to unfair or deceptive acts and practices or involve the likelihood that the franchisor's promises will not be fulfilled, (3) require the definition and regulation of unfair and deceptive acts and practices in the operation of franchise business and termination of franchise agreements, and (4) provide such administrative, civil, and criminal remedies as are necessary to make such requirements and prohibitions effective.

DEFINITIONS

SEC. 3. When used in this title, unless the context otherwise requires—

(1) The term "Commission" means the Federal Trade Commission.

(2) The term "person" means an individual, corporation, partnership, joint venture association, incorporated organization, or any other form of business organization.

(3) The term "franchise" means every aspect of the relationship between a franchisor and franchisee, created by an oral or written agreement or understanding or series of agreements, understandings, or transactions, which involve or result in a continuing commercial relationship of definite or indefinite duration, where a franchisee is granted or permitted to offer, sell, or distribute goods or commodities manufactured, processed, or distributed by the franchisor, or the right to offer or sell services established, organized, directed, or approved by the franchisor, and where the operation of franchisee's business franchise is substantially associated with a franchisor's trademark, service mark, trade name, advertising, or other commercial symbol designating the franchisor, and where the operation of franchisee's business is substantially reliant on goods or services or a marketing plan or system prescribed or supplied in substantial part by the franchisor. Unless specifically stated otherwise, such term includes an area franchise as hereinafter defined.

(4) The term "franchisor" means a person who grants a franchise.

(5) The term "franchisee" means a person to whom a franchise is granted.

(6) The term "area franchise" means any contract or agreement between a franchisor and a subfranchisor whereby the subfranchisor is granted the right, for a consideration given in whole or in part for such right, to sell or negotiate the sale of franchises in the name of or in behalf of the franchisor.

(7) The term "subfranchisor" means a person to whom an area franchise is granted.

(8) The term "franchise fee" means any fee or charge that a franchisee or subfranchisor is required to pay or agrees to pay for the right to enter into a business under a franchise agreement, including but not limited to, any such payments for goods and services.

(9) The term "sale" or "sell" includes any contract of sale or disposition of a franchise, or interest in a franchise for value. The term "offer," "offer for sale," or "offer to sell" includes any attempt or offer to dispose of or solicitation of an offer to buy a franchise, or an interest in a franchise, for value.

(10) The term "commerce" means trade or commerce in franchises or transportation or communication relating thereto among the several States, or between the District of Columbia, any territory of the United States, or any foreign country and any State, territory, or the District of Columbia, or within the District of Columbia.

(11) The term "territory" means the Commonwealth of Puerto Rico, the Canal Zone, the Virgin Islands, and the insular possessions of the United States.

(12) The term "write" or "written" shall included printed, lithographed, or any other means of graphic communication.

(12) The term "disclosure statement" means any disclosure statement, prospectus, circular, notice, advertisement, letter, or communication, written, or by radio or television, which offers any franchise for sale or confirms the sale of any franchise, except that a notice, circular, communication, or lettter in respect of a franchise shall not be deemed to be a disclosure statement meeting the requirements of this Act and any rules or regulations promulgated by the Commission hereunder may be obtained, and does no more than identify the franchise, state the price thereof, state from whom it can be purchased, and such other information as may be prescribed by rule or regulation of the Commission.

AUTHORITY TO EXEMPT FRANCHISES

SEC. 4. The Commission may from time to time by its rules and regulations, exempt from the disclosure requirements of this Act any franchise:

(a) if the franchisor has a net worth on a consolidated basis, according to its most recent audited financial statement, of not less than $25,000,000; or if the franchisor has a net worth, according to its most recent audited financial statement, of not less than $5,000,000 and is at least 80 per centum owned by a corporation which has a net worth on a consolidated basis, according to its most recent audited financial statement, of not less than $25,000,000; and

(b) has had at least one hundred franchisees conducting business at all times during the ten-year period preceding the offer or sale; or if any corporation which owns at least 80 per centum of the franchisor has had at least one hundred franchisees conducting business at all time during the ten-year period immediately preceding the offer or sale; or such corporation had conducted business which is the subject of the franchise continuously for not less than ten years preceding the offer or sale; and

(c) discloses in writing to each prospective franchisee, at least five business days prior to the execution by the prospective franchisee of any binding franchise or other agreement, or at least five business days prior to the receipt of any consideration, the following information:

(1) The name of the franchisor, the name under which the franchisor is doing or intends to do business, and the name of any parent or affiliated company that will engage in business transactions with franchisees.

(2) The franchisor's principal business address and the name and address of its agents authorized to receive service of process.

(3) The business form of the franchisor, whether corporate, partnership, or otherwise.

(4) The business experience of the franchisor, including the length of time the franchisor (i) has conducted a business of the type to be operated by the franchisees, (ii) has granted franchises for such business, and (iii) has granted franchises in other lines of business.

(5) A copy of the typical franchise contract or agreement proposed for use or in use in this State.

(6) A statement of the franchise fee charged, the proposed application of the proceeds of such fee by the franchisor, and the formula by which the amount of the fee is determined if the fee is not the same in all cases.

(7) A statement describing any payments or fees other than franchise fees that the franchisee or subfranchisor is required to pay to the franchisor, including royalties and payments or fees which the franchisor collects in whole or in part on behalf of a third party or parties.

(8) A statement of the conditions under which the franchise agreement may be terminated or renewal refused, or repurchased at the option of the franchisor.

(9) A statement as to whether, by the terms of the franchise agreement or by other device or practice, the franchisee or subfranchisor is required to purchase from the franchisor or his designee services, supplies, products, fixtures, or other goods relating to the establishment or operation of the franchise business, together with a description thereof.

(10) A statement as to whether, by the terms of the franchise agreement or other device or practice, the franchisee is limited in the goods or services offered by him to his customers.

(ii) A statement of the terms and conditions of any financing arrangements when offered directly or indirectly by the franchisor or his agent or affiliate.

(12) A statement of any past or present practice or of any intent of the franchisor to sell, assign, or discount to a third party any note, contract, or other obligation of the franchisee or subfranchisor in whole or in part.

(13) If any statement of estimated or projected franchisee earnings is used, a statement of such estimation or projection and the data upon which it is based.

(14) A statement as to whether franchisees or subfranchisors receive an exclusive area or territory.

UNFAIR AND DECEPTIVE ACTS AND PRACTICES RELATING TO FRANCHISE AGREEMENTS

SEC. 5. (a) It shall constitute an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act for any franchisor, subfranchisor, or agent thereof, directly or indirectly—

(1) to sell or offer for sale any franchise unless a disclosure statement with respect to such franchise is in effect in accordance with the provisions of this Act and any rules or regulations promulgated by the Commission hereunder is furnished the prospective franchisee at the inception of any discussions or negotiations for the sale of such franchise.

(2) in selling or offering for sale any franchise—

(A) to employ any device, scheme, or artifice to defraud;

(B) to obtain money or property by means of a false or misleading representation with respect to any information included in the disclosure statement or with respect to any other information pertinent to the franchise and upon which the franchisee relies; or

(C) to engage in any transaction, practice, or course of business which operates or would operate as an unfair or deceptive act or practice with respect to a franchisee.

(b) Any contract or agreement for the purpose of a franchise covered by this Act shall be voidable at the option of the franchisee upon delivery of written notice to the franchisor, if a valid disclosure statement is not in effect as provided by this Act and is not delivered to the prospective franchisee at least seven days in advance of his signing such contract or agreement. In the event of any such cancellation, the franchisor shall forthwith return to the franchisee any sums theretofore paid to the franchisor or to any third party on the direction of the franchisor.

EFFECTIVE DATE OF DISCLOSURE STATEMENT AND AMENDMENTS THERETO

SEC. 6. (a) Except as hereinafter provided, the effective date of a disclosure statement shall be the twentieth day after the filing thereof or such earlier date as the Commission may determine having due regard to the public interest and the protection of purchasers. If any amendment to any such statement is filed prior to the effective date of such statement, the disclosure statement shall be deemed to have been filed when such amendment was filed.

(b) If it appears to the Commission that a statement or any amendment thereto is incomplete or inaccurate in any material respect, the Commission shall so advise the franchisor within a reasonable time after the filing of the statement or amendment, but prior to the date the statement or amendment would otherwise be effective. Such notification shall serve to suspend the effective date of the statement and any amendments until thirty days after the franchisor files such additional information as the Commission shall require.

(c) If at any time a change shall occur affecting any material fact required to be contained in the statement, the franchisor shall promptly file an amendment thereto. Upon receipt of any such amendment the Commission may, if it determines such action to be appropriate in the public interest or for the protection of purchasers, suspend the disclosure statement until the amendment becomes effective. A failure to file any amendment required hereunder shall terminate the effectiveness of the offering statement.

(d) If it appears to the Commission at any time that the disclosure statement or any amendments thereto include any false or misleading statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, the Commission may issue an order suspending the effectiveness of the disclosure statement; at the same time, the Commission shall give notice and an opportunity for hearing (at a time fixed by the Commission). When such statement has been amended in accordance with such order, the Commission shall promptly so declare and thereupon the order shall cease to be effective.

(e) The Commission is empowered to make an investigation to determine whether an order should be issued under subsection (d). In making such investigation, all of the functions and powers of the Federal Trade Commission under the Federal Trade Commission Act are available to the Commission.

(f) Any notice required under this section shall be sent to or served on the franchisor or his authorized agent.

(g) A franchise offering shall be deemed in effect for a period of one year from the effective date of the disclosure statement and shall be subject to renewal in accordance with rules and regulations promulgated by the Commission.

INFORMATION REQUIRED IN DISCLOSURE STATEMENT

Sec. 7. (a) A disclosure statement shall contain such information as the Commission may by rules and regulations require as being necessary or appropriate in the public interest or for the protection of prospective franchisees, including but not limited to—

(1) The name of the franchisor, the trade name(s) or trademark(s) under which he intends or is doing business, and the name of any parent or affiliated company that will engage in transactions with franchisees.

(2) The name of the State or other sovereign power under which the franchisor is organized and the location of the franchisor's principal place of business.

(3) The names and addresses, educational and business background, and biographical data, stated individually, of the directors, or persons performing similar functions, the chief executive, and the financial, accounting, and principal executive officers, chosen or to be chosen, if the franchisor is a corporation, association, or other entity, of all partners, if the franchisor is a partnership, and of the franchisor if the franchisor is an individual.

(4) A statement as to whether the franchisor or any of its directors, stockholders owning more than 10 per centum of the stock, or chief executive officers:

(a) has been convicted of a felony or pleaded nolo contendere to a felony, or has been held liable in a civil action which involved fraud, embezzlement, fraudulent conversion, or misappropriation of property; or

(b) is subject to any currently effective order of the Securities and Exchange Commission or the securities administrator of any State denying registration to or revoking or suspending the registration of such person as a securities broker or dealer or investment adviser or is subject to any currently effective order of any national securities association or national securities exchange (as defined in the Securities and Exchange Act of 1934) suspending or expelling such person from membership in such association or exchange; or

(c) is subject to any currently effective order or ruling of the Federal Trade Commission; or

(d) is subject to any currently effective injunctive or restrictive order relating to business activity as a result of an action brought by any public agency or department, including, without limitation, actions affecting a license as a real estate broker or salesman.

Such statement shall set forth the court, date of conviction or judgment, any penalty imposed or damages assessed, or the date, nature, and issuer of such order.

(e) is subject to any currently effective injunctive or restrictive order or ruling relating to business activity as a result of action by any public agency or department; or

(f) has filed bankruptcy or been associated with management of any company that has been involved in bankruptcy or reorganization proceedings.

(5) The business experience of the franchisor, including the length of time the franchisor has conducted a business of the type to be operated by the franchisee; has granted franchises for such business; and has granted franchises in other lines of business.

(6) Recent financial statements of the franchisor. The Commission may by rule or regulation prescribe the form and content of financial statements required under this Act, the circumstances under which consolidated financial statements may be filed, and the circumstances under which financial statements shall be certified by independent certified public accountants or public accountants.

(7) A description of the franchise offered or to be sold, and a general description of the franchise business.

(8) A copy of the franchise agreement proposed to be used.

(9) A statement of the franchise fee charged, the proposed application of the proceeds of such fee by the franchisor, and the formula by which the amount of the fee is determined if the fee is not the same in all cases.

(10) A statement describing any payments or fees other than franchise fees that the franchisee or subfranchisor is required to pay to the franchisor, including royalties and payments or fees which the franchisor collects in whole or in part on behalf of third parties, markups on land, buildings, leases, signs, equipment, or supplies, and all other terms of the offer for sale, including a full disclosure of the total investment to be made by the franchisee.

(11) A statement of the lowest royalty fee for the use of a service mark, trademark, or trade name which it charges to any other of its franchisees in the United States.

(12) A statement of those fees which may be refunded, in full or in part, and the circumstances under which such refunds may be made.

(13) A statement of the conditions under which the franchise agreement may be terminated or renewal refused, or repurchased at the option of the franchisor, and any limitations as to the right to sell, transfer, move, renew, or terminate the franchise.

(14) A statement as to whether, by the terms of the franchise agreement or by other device or practice, the franchisee or subfranchisor is required to purchase from the franchisor or his designee services, supplies, products, fixtures, or other goods relating to the establishment or operation of the franchise business, together with a description thereof, including the cost.

(15) A statement as to the goods, products, services, training programs, supervision, advertising promotion, and other management services to be provided by the franchisor.

(16) A statement of the length of time it will take to obtain the franchise, and the average length of time between the signing of a franchise agreement and the opening of the franchisee's outlet.

(17) A statement as to whether, by the terms of the franchise agreement or other device or practice, the franchisee is limited in the goods or services offered by him to his customers.

(18) A statement whether the franchisor requires the franchisee to participate personally in the direct operation of the franchise.

(19) A statement of the terms and conditions of any financial arrangements when offered directly or indirectly by the franchisor or his agent.

(20) A statement of any past or present practice or of any intent of the franchisor to sell, assign, or discount to a third party any note, contract, or other obligation of the franchisee in whole or in part.

(21) A statement of the number of franchises presently operating and the number proposed to be sold, indicating which franchises, if any, can be owned and their addresses.

(22) A statement of the number of franchisees, if any, that operated at a loss during the previous year.

(23) A list of at least ten representative operating franchisees, with their addresses and telephone numbers, situated similarly to the franchise being offered and located, to the extent possible, in the same geographic area.

(24) Subject to any limitations imposed by the Commission, a statement of available earnings of past and present franchises and a fair analysis of their performance, including records of failures, and resales to the franchisor.

(25) A statement as to whether franchisees and subfranchisors receive an exclusive area or territory.

(26) A statement as to the methods and responsibilities of the parties in determining the site for the franchisee's outlet.

(27) A statement setting forth such other information as the Commission may require.

(28) A statement setting forth such information as the franchisor may desire to present.

(29) A statement of any compensation or other benefit given or promised to a public figure arising, in whole or in part, from the use of the public figure in the name or symbol of the franchise.

(30) When the person filing the disclosure statement is a franchisor, the statement shall include the same information concerning the subfranchisor as is required from the franchisor pursuant to this schedule.

(b) The disclosure statement shall not be used for any promotional purposes before it becomes effective, and then only if it is used in its entirety. No person may advertise or represent that the Commission approves or recommends the sale of any franchise. No portion of the disclosure statement shall be underscored, italicized or printed in larger or bolder type than the balance of the statement unless the Commission requires or permits it.

REGISTRATION OF FRANCHISES

Sec. 8. (a) Applications for registration, registration renewal statements and amendments thereto, shall be signed and verified by the franchisor or by the subfranchisor.

(b) If the Commission determines that the applicant has failed to demonstrate that adequate financial arrangements have been made to fulfill obligations to provide real estate improvements, equipment, inventory, training, or other items included in the offering, the Commission may by rule or order require the escrow or impound of franchise fees and other funds paid by the franchisee or subfranchisor until no later than the time of opening of the franchise business, or, at the option of the franchisor, the furnishing of a surety bond as provided by rule of the Commission, if it finds that such requirement is necessary and appropriate to protect the public interest.

(b) The application for registration shall contain such information as the Commission may by rule require.

(c) The Commission may suspend or revoke the registration of any franchise if it finds with respect thereto—

(1) that there has been a failure to comply with any of the provisions of this Act or the rules of the Commission pertaining thereto, or

(2) that the offer or sale of the franchise would constitute misrepresentation to, or deceit or fraud of the purchasers.

(d) The Commission may vacate or modify the suspension or revocation of a franchise registration if it finds that the conditions which caused such suspension or revocation have changed.

(e) A franchise offering shall be deemed duly registered for a period of one year from the effective date of the registration, unless the Commission by rule specifies a different period.

(f) A registration may be renewed under such procedures as the Commission by rule shall require.

(g) A franchisor shall promptly notify the Commissioner in writing of any material change in the information contained in the application as originally submitted, amended, or renewed. Such notification shall constitute an application to amend the registration. The Commission may by rule prescribe what constitutes a material change for purposes of this section.

PROMULGATION OF RULES AND REGULATIONS

SEC. 9. (a) The Commission is authorized to promulgate such rules and regulations as it deems necessary to implement and interpret this Act, including but not limited to, rules and regulations defining as unfair and deceptive certain acts and practices of franchisors such as directly or indirectly engaging in competition with any franchisee using methods which constitute unfair methods of competition under the Federal Trade Commission Act (terminating, canceling, or failing to renew a franchise without adequate notice and otherwise protecting the rights of the franchisee; using unfair and deceptive methods to induce a franchisee to sell back his franchise business to the franchisor or a third party).

(b) Rules and regulations shall be promulgated by the Commission pursuant to section 553 of title 5, United States Code.

CIVIL LIBERTIES

SEC. 10. (a) In case any part of a disclosure statement, which has become effective, contains a false or misleading statement of a material fact, or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading, or in case any franchisor commits an unfair or deceptive act or practice in violation of a rule or regulation promulgated by the Commission hereunder, any person expending money in connection with acquiring a franchise covered by such offering statement from a franchisor, subfranchisor, or agent thereof, during such period as the statement remains uncorrected, or any person who has suffered damage by reason of such unfair or deceptive act or practice of a franchisor may sue at law or in equity, in any court of competent jurisdiction, the franchisor, subfranchisor, or agent.

(b) Any franchisor, subfranchisor, or agent who commits any unfair or deceptive act or practice in violation of a rule or regulation promulgated by the Commission hereunder, or who sells a franchise—

(1) in violation of section 5, or

(2) by means of an offering statement containing false or misleading statement of a material fact or by omitting to state a material fact required to be stated therein or necessary to make the statements therein not misleading,

may be sued by any person who was damaged as the result of such violation or by the purchaser of the franchise.

(c) The suit authorized under subsection (a) or (b) of this section may be brought to recover damages up to three times damages sustained or the cost of the franchise, whichever is greater, including reasonable attorney's fees and reasonable court costs.

(d) Any person who becomes liable to make any payment under this section may recover an equitable contribution, as in cases of contract, from any person who, if sued separately, would have been liable to make the same payment.

OTHER LAWS AFFECTED

SEC. 11. Disclosure or other requirements of a State with respect to franchises inconsistent with those set forth in this Act shall be preempted. Nothing contained in this Act shall be construed to repeal, invalidate, or supersede the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

OTHER REMEDIES

SEC. 12. (a) It shall be a violation of section 5(a)(1) of the Federal Trade Commission Act (15 U.S.C. 45(a)(1)) for any person subject to the provisions of this Act to fail to comply with any requirements imposed upon such person by or pursuant to any rule or regulation of the Commission promulgated under this Act, or to violate any provision contained in this Act.

(b) The Commission shall have all of the rights and remedies with respect to this Act as the Commission has with respect to violations of section 5(a)(1) of the Federal Trade Commission Act.

(c) Whenever it shall appear to the Commission that any person is engaged, or is about to engage, in any act or practice which constitutes or will constitute a violation of this Act, or any rule or regulation prescribed thereunder, the Commission, acting through any of its attorneys designated by it for such purpose, may in its discretion, bring an action in any district court of the United States, United States court of any territory, or the United States District Court for the District of Columbia to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond. The Commission may transmit such evidence as may be available concerning such acts or practices to the Attorney General who may, in his discretion, institute the necessary criminal proceedings under this Act.

JURISDICTION OF OFFENSES AND SUITS

SEC. 13. The district courts of the United States, the United States courts of any territory, and the United States District Court for the District of Columbia shall have jurisdiction of offenses and violations under this Act and under the rules and regulations prescribed pursuant thereto, and concurrent with State courts, of all suits in equity and actions at law brought to enforce any liability or duty created by this Act. Any such suit or action may be brought in the district wherein the defendant is found or is an inhabitant or transacts business, or in the district where the offer or sale took pace, if the defendant or his agent participated therein, and process in such cases may be served in any other district of which the defendant is an inhabitant or wherever the defendant may be found. Judgments and decrees so rendered shall be subject to review as provided in section 1254 and 1291 of title 28 of the United States Code. No costs shall be assessed for or against the Commission in any proceeding under this Act brought by or against it in any court.

UNLAWFUL REPRESENTATIONS

SEC. 14. The fact that a disclosure statement with respect to any franchise has been filed or is in effect shall not be deemed a finding by the Commission that the disclosure statement is in any way true and accurate in substance or on its face, or be held to mean that the Commission has in any way passed upon the merits or given approval to such franchise. It shall be unlawful to make, or cause to be made, to any prospective purchaser any express or implied representation contrary to the foregoing.

PENALTIES FOR WILLFUL VIOLATIONS

SEC. 15. Any person who willfully violates any provision of this Act, or any rule or regulation promulgated thereunder, or any person who willfully, in a disclosure statement filed under this Act, makes any false or misleading statement of a material fact, or omits to state any material fact required to be stated therein or necessary to make the statements therein not false or misleading, shall upon conviction be fined not more than $10,000 or imprisoned not more than five years, or both.

JURISDICTION OF OTHER GOVERNMENT AGENCIES

SEC. 16. Nothing in this Act shall relieve any person from submitting to the respective supervisory units of the Government of the United States information, reports, or other documents which may be required by law. The filing of a registration statement hereunder shall not be deemed to confer any immunity from liability for violation of any other laws.

LIMITATION OF ACTIONS

SEC. 17. No action shall be maintained to enforce any liability created under this section unless brought within two years after the discovery of the untrue statement or the omission, or after such discovery should have been made by the exercise of reasonable diligence, or if the action is to enforce a liability created under section (1), unless brought within two years after the violation upon which it is based occurred. In no event shall any such action be brought by a franchisee more than three years after the sale of the franchise to the franchisee.

CONTRARY STIPULATIONS VOID

SEC. 18. Any condition, stipulation, or provision binding any person acquiring any franchise to waive compliance with any provision of this Act or the rules and regulations prescribed thereunder shall be without effect and void.

ADDITIONAL REMEDIES

SEC. 19. The rights and remedies provided by this Act shall be in addition to any and all other rights and remedies that may exist at law or in equity.

By Mr. McCLELLAN (by request):

S. 2469. A bill to carry into effect certain provisions of the Patent Cooperation Treaty, and for other purposes. Referred to the Committee on the Judiciary.

AMENDMENT OF THE PATENT LAW

Mr. McCLELLAN. Mr. President, as chairman of the Subcommittee on Patents, Trademarks, and Copyrights I introduce, by request of the Department of Commerce, a bill to carry into effect certain provisions of the Patent Cooperation Treaty and for other purposes.

The United States and 34 other countries are signatories of the Patent Cooperation Treaty. On September 12, 1972, the President submitted the treaty to the Senate for its advice and consent to ratification. No action has yet been taken on the treaty. The treaty is not self-executing in this country and the purpose of the bill which I am introducing is to provide the necessary statutory authority for implementing the treaty when it has come into force and has become effective with respect to the United States. The bill would also amend certain sections of title 35, United States Code, to provide applicants filing applications for patents only in the United States, with the flexibility afforded to applicants filing under the treaty.

Consideration of this legislation will await the coming into force of the treaty. It is appropriate, however, that the bill be introduced now so that the administration's recommendations for implementing the treaty are available when the ratification of the treaty is being considered.

I have long advocated efforts to promote greater international cooperation in patent matters, subject only to the qualification that such undertakings should not weaken the American patent system or contribute to an erosion of industrial and intellectual property rights. I believe that the Patent Cooperation Treaty meets that test and it is presently my intention to support its ratification. By providing among other things, centralized filing procedures and a standardized application format, the treaty will offer many advantages to U.S. applicants who seek patent protection abroad.

Mr. President, I ask unanimous consent that there be printed in the Record a statement of purpose and need for this legislation.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Purpose and Need

By adding a new part IV to title 35, United States Code, this bill would implement the Patent Cooperation Treaty and by its provisions, enable United States applicants for patents to avail themselves of the advantages offered by the Treaty when it has come into force and has become effective with respect to the United States. Applicants from other countries would enjoy similar benefits, when seeking patent protection under the Treaty, in the United States. Moreover, United States applicants could rely on the provisions of the Treaty to be afforded its advantages in other countries adhering to the Treaty.

This bill would also amend certain sections of title 35, United States Code, in order to provide applicants filing applications for patents only in the United States, with the flexibility afforded to applicants filing under the Treaty.

The Patent Cooperation Treaty traces its genesis back to 1966. At that time, at the request of the United States, the Executive Committee of the Paris Convention for the Protection of Industrial Property recommended that the Secretariat of the Paris Convention (the United International Bureaux for the Protection of Intellectual Property (BIRPI) in Geneva, Switzerland) undertake a study of practical means which would reduce the duplication of effort involved, both for applications and national Patent Offices, in the filing and processing of patent applications for the same invention in different countries.

Several drafts of an international agreement to that effect were prepared and intensively reviewed by Committees of Experts from various member countries of the Paris Convention, prior to consideration of the final draft of the Patent Cooperation Treaty at the Washington Diplomatic Conference held from May 25 to June 19, 1970. Seventy-seven countries and a number of international organizations were represented at the Conference. On June 19, 1970, the Treaty was signed by 20 countries, including the United States, and remained open for signature until December 31, 1970, by which date a total of 35 countries had become signatories. The Treaty will come into force three months after eight countries have adhered to it, four of which must have certain defined major patent activity. To date, five countries with minor patent activity have adhered to the Treaty. On September 12, 1972, President Nixon submitted the Treaty to the United States Senate for its advice and consent to ratification.

The Treaty offers several major advantages. One is to simplify the filing of patent applications on the same invention in different countries by providing, among other things, centralized filing procedures and a standardized application format.

Another advantage offered by the Treaty is the longer period of time available to an applicant before he must commit himself by undertaking the expenses of translation, national filing fees and prosecution in each country. Today, a 12 month priority period is provided by the Paris Convention while under the Treaty an applicant will have generally 20 months or more. This advantage should permit the applicant to be more selective of the countries in which he decides to file ultimately, by giving him more time and information to evaluate the strength of his potential patent and to determine his marketing plans. Thus, the Treaty would serve to expand established programs of U.S. industry to file foreign patent applications as well as to encourage smaller businesses and individual inventors to become more actively engaged in seeking patent protection abroad. A third advantage is to facilitate the examining process in those member countries which examine applications for patent.

Under Chapter I of the Treaty, an applicant files an international application with a Receiving Office, which usually is the patent office in the country of which he is a national or resident. (The Patent Office would act as a Receiving Office under this bill). The application is filed in a specified language (English for U.S. applicants), in a standard format, and includes the designation of those member countries in which the applicant desires protection. The international application is subject to an international fee at the time of filing. The payment of national filing fees and translation expenses in each of the countries where protection is desired can generally be deferred until as late as 20 months from the priority date of the international application.

An international search report is prepared by an International Searching Authority. (The Patent Office would be authorized by this bill to become such an authority). Copies of the search report are transmitted to the applicant and the International Bureau (which is the Secretariat of the World Intellectual Property Organization [WIPO], formerly BIRPI, in Geneva, Switzerland). The International Bureau is also the Secretariat for the Patent Cooperation Treaty and thus serves as the administrative and coordinating organ for this Treaty. After having received the search report, the applicant is afforded one opportunity to amend the claims of his international application before the International Bureau. Thereafter, copies of the international application and the international search report, together with any amendments, are forwarded by the International Bureau to each of the designated countries. (Any designated country may waive this communication in whole or in part).

The international application, search report, and amendments are published by the International Bureau 18 months from the priority date, unless all the countries which were designated in the international application have declared that, as far as they are concerned, international publication is not necessary. Only at the end of the 20th month may the applicant be required to pay national fees and submit any required translations of the international application and the amendments to those designated countries in which he still wishes to obtain protection. The applicant is also given the opportunity to amend his application before the patent office of each designated country and at this point each office makes its own determination as to the patentability of the claims in the international application.

Chapter II of the Treaty, to which member countries may adhere at their option, provides a further procedure whereby under cetain conditions an applicant may demand an international preliminary examination report for one or more elected countries. The United States would not adhere to Chapter II of the Treaty, at this time.

This bill would amend United States patent law, by adding to the present system of obtaining a patent in this country, new international procedures as provided by the Patent Cooperation Treaty and the Regulations thereunder. However, as far as any substantive requirements for obtaining a patent are concerned, present law would be maintained. The procedures which this bill would establish are optional, are not intended to replace present domestic filing procedures and in no way diminish the rights of priority and national treatment which applicants are accorded under the Paris Convention for the Protection of Industrial Property.

The bill would enable U.S. nationals or residents to file international applications with the Patent Office which would act as a Receiving Office and in that capacity would initially process such applications. The bill would also authorize the acceptance by the Patent Office of international applications designating the United States, which were filed by foreign applicants in their respective foreign Receiving Offices and which would constitute regularly filed U.S. applications, subject to certain conditions and formal requirements. With certain exceptions, such as the effective date as prior art, international applications designating the United States would have the effect of national applications as from their international filing date.

In addition, the Patent Office would be authorized to become a Receiving Office for international applications filed by applicants of other countries. This would be conditioned on the concluding of an agreement between the United States and such other countries, as noted in Rule 19 of the Regulations.

This bill would also authorize, but not require, the Patent Office to act as an International Searching Authority and in that capacity assume all duties connected therewith. It should be noted, that the Patent Office is presently striving to reduce the time of pendency of national applications for patent to 18 months. It is anticipated that the Patent Office would not assume the additional functions of an International Searching Authority until it is in a position to process national applications without undue delay.

The bill would further provide that international applications which either originate in and designate the United States, or are received from abroad, would have to comply with certain national requirements, generally at the end of the 20th month from the applications' priority date. At this time, and after the fulfillment of the requirements, such international applications would generally be processed by the Patent Office like other national applications and subject to the same requirements of patentability.

The bill would amend section 6 of title 35, to authorize the allocation of funds, from Patent Office appropriations, to the Department of State for the payment of the share of the United States to the working capital fund established under the Treaty. Contributions to cover a portion of any operating deficits of the International Bureau, should they occur, would be included in the annual budget of the Patent Office and would similiarly be authorized to be transmitted to the State Department for payment to the International Bureau.

Section 41(a) of title 35 would be amended by this bill to clarify questions of fees to be charged in connection with the liberalized claim format also proposed by this bill.

The bill would amend section 102(e) of title 35, to clarify the date on which patents granted in this country on international applications would become effective as prior art.

The second paragraph of section 112 would be amended to take account of a more liberal claim drafting practice in permitting multiple dependent claims as provided by the Treaty.

The bill would amend section 113 of title 35, by relaxing the present requirements for the submission of drawings when the invention disclosed in an application admits of being illustrated, although such drawings are not necessary for the understanding of the invention. Drawings of this nature could be requested by the Commissioner during the processing of the application and would not have to be furnished at the time of filing of the application.

The Treaty permits a number of reservations and declarations to be made by member countries. Under Article 20(1)(a), a designated office may waive the requirement of communication of the international application from the International Bureau to that office. This bill would provide that such communication is not required in the case of international applications originating in the United States, but would be required in the case of all other international applications designating the United States. This waiver would, of course, also have to be communicated to the International Bureau.

Under Article 64(3)(a), any member country may declare that as far as it is concerned, international publication of the international application by the International Bureau is not required. The United States intends to make such a declaration. The bill would clarify the effect, in this country, of an international application designating the United States, which was published internationally because it contained the designation of at least another country which had not made this declaration.

Article 64(4) of the Treaty provides that a country may declare that the filing of an international application outside that country and designating such country is not equated to an actual filing in that country for prior art purposes, if its national law does not provide for the prior art effect of its patents to commence from the priority date as claimed under the Paris Convention. The United States intends to make such a declaration, stating the date from which, and the conditions under which, the prior art effect becomes effective in this country. By amending section 102(e) of title 35, this bill would also clarify any questions on the prior art effect of patents granted on international applications designating the United States.

Article 64(1)(a) of the Treaty provides that a member country may declare that it shall not be bound by the provisions of Chapter II thereof, nor the applicable Regulations. The United States intends to make this declaration, because present divergent examining systems of other potential member countries from that in the United States would make adherence to Chapter II impracticable at this time. Thus, the bill does not contain any proposed legislation implementing Chapter II of the Treaty.

By Mr. CURTIS (for himself, Mr. Humphrey, Mr. Bellmon, Mr. Talmadge, Mr. Dole, Mr. Eastland, Mr. McGovern, Mr. Allen, Mr. Huddleston, Mr. Clark, Mr. Aiken, Mr. Young, and Mr. Helms):

S. 2470. A bill to amend the Consolidated Farm and Rural Development Act. Referred to the Committee on Agriculture and Forestry.

Mr. CURTIS. Mr. President, I am pleased to offer, on behalf of myself and Senators Humphrey, Bellmon, Talmadge, Dole, Eastland, McGovern, Allen, Huddleston, Clark, Aiken, Young, and Helms a bill designed to facilitate the flow of capital to rural America.

It should be noted that this might be called a committee bill since the entire membership of the Committee on Agriculture and Forestry is sponsoring this legislation. I believe this is the best indication that could be given of the bipartisan efforts of our committee to improve life in and accelerate the economic development of rural America. This bill, Mr. President, is being introduced as the result of comments received by our committee from a group of rural bankers and institutional investors which were appointed by Chairman Talmadge to advise the Committee on Ways and Means of providing a secondary market for loans made by rural financial institutions.

I had suggested appointment of this secondary market study group following testimony before our committee by a constituent of mine, Mr. H. L. Gerhart, Jr., president of the First National Bank of Newman Grove, Nebr.

Testifying on behalf of the Independent Bankers Association of America, Mr. Gerhart stated:

> We have repeatedly emphasized that to provide ongoing funds for development of rural communities, a secondary market must be provided which would tap the major money centers.

Mr. President, this bill is very short in length compared to most bills. However, I believe it could have a significant impact upon the economic development of the nonmetropolitan areas of our country. Our primary goal is to encourage the creation of private companies that will provide the secondary market for loans made by rural financial institutions.

The bill terms the private organizations "Rural Loan Investment Companies." This bill merely provides that the Secretary of Agriculture may loan these companies up to 5 times their capital for a period of 5 years to allow them to purchase Government guaranteed loans from qualified lenders in rural areas.

I would emphasize that these Government loans to RLIC's would be made at the cost of money to the Treasury and will be secured by Government-guaranteed loans purchased from participating financial institutions.

In actuality, the program would work as follows: A group of investors would organize a business entity solely for the purpose of purchasing, servicing, selling, or otherwise dealing in farm or nonfarm loans made by rural financial institutions. Under this bill these RLIC's would be able to borrow from the Farmers Home Administration up to five times their paid-in capital in order to purchase guaranteed loans from financial institutions in rural areas. They could then use their own capital to purchase either guaranteed or nonguaranteed loans.

Mr. President, this is a no-cost way for the Federal Government to encourage the economic development of rural America. I urge the prompt adoption of this legislation.

Mr. HUMPHREY. Mr. President, I am very pleased to join my Senate Agriculture Committee colleague from Nebraska (Mr. Curtis) as his chief cosponsor of this important piece of new legislation. As he has indicated this legislation is designed to assist banks and other financial institutions serving rural areas—communities with less than 50,000 populations—to market federally guaranteed loans to institutional investors on a block basis. The bill would authorize the Secretary of Agriculture to loan money from the rural development insurance fund to private organizations established, or to be established, for the sole purpose of purchasing and marketing such loans. While funds provided to such organizations from the rural development insurance fund could be used only for the purpose of purchasing federally guaranteed loans, the corporation's own capital stock and borrowings in the private market could be used to purchase nonguaranteed loans.

Federally guaranteed loans eligible for such sale and marketing would include both farm and nonfarm loans made by any agency of the U.S. Government, such as the Farmers Home Administration, the Rural Electrification Administration, the Small Business Administration, and Federal agencies making housing loans.

This legislation is a product of many months of study and investigation by the Senate Committee on Agriculture and Forestry through a special advisory committee named by the Agriculture Committee to help design a secondary marketing system for the sale of these federally guaranteed loans made in rural areas. This legislation would make it possible for many smaller rural banks and financial institutions to get together and form their own organization for purchasing and marketing their Federal loans in blocks to large institutional investors. Such a system would not only ease the difficulty that many smaller banks now encounter in selling such Federal loan notes, but also would enhance their ability to sell them at a higher price as a result of their being able to offer larger numbers of them to large institutional investors for sale in block.

Hopefully, by further facilitating the marketing of these Federal loans made by rural banks and other financial institutions serving rural communities, more funds will be made available to serve both the farm and nonfarm credit needs of the 70 million citizens now residing in rural America.

Members of the Senate Agriculture's Secondary Market Study Group are as follows:

Mr. Robert A. Podesta, Vice Chairman, The Chicago Corporation, Chicago, Illinois. 60604

Mr. Pat DuBois, President, First State Bank, Sauk Centre, Minnesota. 56378

Mr. George Ballard, Waccanaw Bank & Trust, Lumberton, N.C. 28358

Mr. John Crystal, President, Iowa Savings Bank, Coon Rapids, Iowa. 50058

Mr. Edmund W. Clarke, TransAmerica Investment Group, 1150 South Olive Street, Los Angeles, Calif. 90015

Mr. Donald G. Conrad, Aetna Life & Casualty Group, 151 Farmington Avenue, Hartford, Conn. 06115

Mr. Sheldon Dimick, Randolph National Bank, Randolph, Vermont. 05060

Mr. Archie Davis, Citizens and Southern Bank, Savannah, Ga.

Mr. C. P. Fortner, Sr., Bank of Eupora, Eupora, Miss. 39744

Mr. Lindley Finch, Continental Illinois National Bank & Trust, 231 South LaSalle Street, Chicago, Ill., 60690

Mr. Simms Garrett, Roswell Bank, Roswell, Ga.

Mr. H. L. Gerhart, Jr., First National Bank of Newman Grove, Newman Grove, Neb.

Mr. Carl Hamm, President, First National Bank, Perry, Okla. 73077

Mr. Donald R. Knab, Senior Vice President, Prudential Insurance Co. of America, Prudential Plaza, Newark, N.J. 07101

Mr. Edward F. Mauldin, First Colbert National Bank, Muscle Shoals, Ala. 35660

Mr. Walter Minger, Group Vice President, Bank of America, Box 37000, San Francisco, Calif. 94137

Mr. Sabino Marinella, Continental Investment Corp., 100 Federal Street, Boston, Mass. 02110

Mr. Douglas Milne, Jr., Lionel D. Edie & Co., Inc., 530 Fifth Avenue, New York, N.Y. 10036

Mr. Thomas F. Murray, Equitable Life Assurance Society, 1285 Avenue of the Americas, New York, N.Y. 10019

Mr. John Rouzie, First National Bank, Bowman, N. Dak. 58623

Mr. Phillip R. Reynolds, The Travelers Corp., One Tower Square, Hartford, Conn. 06115

Mr. Richard H. Samuels, CNA Financial Corp., 310 South Michigan Ave., Chicago, Ill. 60604

Mr. Frank K. Spinner, First National Bank, St. Louis, Mo. 63101

Mr. Don Steffes, McPherson State Bank, McPherson, Kans.

Mr. Jonathan Tobey, Vice President, Chase Manhattan Bank, One Chase Manhattan Plaza, New York, N.Y.

NEW RESOURCES FOR RURAL AMERICA

Mr. CLARK. Mr. President, in recent years, Congress has moved toward defining a new national policy for revitalizing the resources of rural America. The concept of rural development is not new, nor have we just become aware of deteriorating conditions in rural areas. But it is an inescapable fact that our society, once built upon a foundation of agriculture and proud of its rural heritage, now faces the threat of losing much of what remains of that culture.

Past legislative efforts to alleviate rural hardship and to integrate rural America into the mainstream of economic progress have realized only limited success.

Last year, however, these legislative efforts culminated in the passage of the Rural Development Act of 1927—designed as a supplement to tried and true rural programs. A major purpose of the act is to encourage rural industrialization, provide jobs, and improve community facilities by a system of guaranteed, insured, and direct loans and grants. Properly funded and fully implemented, this act can go a long way toward eliminating economic and social decline in the countryside. There is but one essential element missing—an effective method of providing additional private capital in rural areas to carry out farm and nonfarm development.

A credit system that would generate that capital was proposed initially by Senators TALMADGE and HUMPHREY as a part of the Rural Development Act, but regrettably, it was not adopted. The effort has continued though, and earlier this year a secondary market study group, appointed at the request of Senator CURTIS and composed of bankers and representatives of institutional investors from across the country, made recommendations on the best way to provide the necessary capital. The contributions and participation of those bankers—men like John Crystal, of the Iowa Savings & Loan Bank in Coon Rapids, Iowa—have been an invaluable resource in this effort.

Today, Senator CURTIS is introducing legislation which represents the fruits of that bipartisan effort. Cosponsored by every member of the Senate Committee on Agriculture and Forestry, it will create a secondary market for loans—supported by the guarantee of agencies of the Federal Government. It is a privilege for me to join in support of this vital legislation.

Its value is obvious. This program would supplement and strengthen the rural loan programs of the Rural Development Act. A secondary market would allow free flow of funds among banks and among communities without undue risk of large concentrations of money. A secondary market would also provide the necessary liquidity and flexibility for smaller banks which may not possess adequate reserves to make large loans.

The timeliness of today's proposal is obvious as well. No one can deny the impact of the current economic climate on smaller banks. At a time when the economy needs a strong dose of stability, the changing patterns of our economic policy have not inspired confidence in either the consumer, the businessman, or the banker. During the past 2 years we have had four phases, two freezes, two official devaluations, and with all of this "economic policy," we have had higher prices and higher interest rates than ever before. No one element of the economy is generating more attention—or more concern—than the incredible increase in the interest rate. In the last 8 months, the prime rate has gone up 15 times. On January 1, the prime rate was 6 percent. Today, it is 10 and very well may go even higher. In Iowa, this fact takes on critical proportions, since our State law sets a maximum limit on interest rates at 9 percent. A prime rate of 10 percent coupled with a lower State ceiling on interest rates makes it virtually impossible for many individuals and small businessmen to borrow.

The legislation Senator CURTIS proposes is really indispensible. We can no longer afford to leave rural America credit short—with unemployed and underemployed residents who find it necessary to leave in order to make a living. If there is no room on the farm for young people who want to remain, then it is important to them, as well as ourselves, to provide new opportunities in their own communities.

For this reason, I hope Congress will give this legislation prompt and favorable consideration.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1076

At the request of Mr. HARTKE, the Senator from Wyoming, (Mr. MCGEE), was added as a cosponsor of S. 1076, a bill relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of rating for the disabilities of veterans; to the construction, alteration, and acquisition of hospitals and domiciliary facilities; to the closing of hospitals and domiciliary facilities and regional offices; and to the transfer of real property under the jurisdiction or control of the Administration of Veterans' Affairs.

S. 1283

At the request of Mr. JACKSON, the Senator from Connecticut (Mr. RIBICOFF) was added as a cosponsor of S. 1283, the National Energy Research and Development Policy Act of 1973.

S. 1359

At the request of Mr. MCCLELLAN, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of S. 1359 to amend section 9 of title 17 of the United States Code.

S. 1586

At the request of Mr. JACKSON, the Senator from Connecticut (Mr. RIBICOFF) was added as a cosponsor of S. 1586, the Petroleum Reserves and Import Policy Act of 1973.

S. 1643

At the request of Mr. JAVITS, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 1643, to provide minimum standards in connection with certain Federal financial assistance to State and local correctional, penal, and pretrial detention institutions and facilities.

S. 1644

At the request of Mr. JAVITS, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 1644, to assist urban criminal justice systems on an emergency basis in those cities where personal security, economic stability, peace and tranquility are most impaired and threatened by the alarming rise in the commission of serious crime.

S. 1645

At the request of Mr. JAVITS, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 1645, to provide assistance to State and local criminal justice departments and agencies in alleviating critical shortages in qualified professional and paraprofessional personnel, particularly in the corrections components of such systems, in developing the most advanced and enlightened personnel recruitment training and employment standards and programs, and for other purposes.

S. 1687

At the request of Mr. PROXMIRE, the Senator from Utah (Mr. MOSS), the Senator from Nevada (Mr. BIBLE), the Senator from New York (Mr. JAVITS), and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of S. 1687, to repeal the act terminating Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin as a federally recognized, sovereign Indian Tribe.

S. 1737

At the request of Mr. ERVIN, the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Arkansas (Mr. MCCLELLAN) were added as cosponsors of S. 1737, to amend the Civil Rights Act of 1964 to provide freedom of choice in student assignments in public schools.

S. 1871

At the request of Mr. JACKSON, the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 1871, a bill to amend the Youth Conservation Corps Act of 1972.

S. 2155

At the request of Mr. WEICKER, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 2155, a bill relating to collective bargaining representation of postal employees.

S. 2354

At the request of Mr. HUMPHREY, the Senator from Pennsylvania (Mr. SCOTT), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Rhode Island (Mr. PELL) were added as cosponsors of S. 2354, authorizing U.S. participation in the African Development Fund of the African Development Bank.

S. 2415

At the request of Mr. CURTIS, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 2415, a bill to amend section 203 of the Economic Stabilization Act of 1970 to permit the passthrough of certain cost increases.

S. 2435

At the request of Mr. PACKWOOD, the Senator from Arkansas (Mr. MCCLELLAN) was added as a cosponsor of S. 2435, to authorize the use of DDT in controlling the tussock moth.

S. 2453

At the request of Mr. MCINTYRE, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Nebraska (Mr. CURTIS) were added as cosponsors of S. 2453, to amend section 203 of the Economic Stabilization Act in regard to the authority conferred by that section with respect to petroleum products.

S. 2454

At the request of Mr. HUMPHREY, the Senator from Washington (Mr. JACKSON) and the Senator from Oregon (Mr. PACKWOOD) were added as cosponsors of S. 2454, "The Emergency Home Finance Act."

SENATE RESOLUTION 171—SUBMISSION OF A RESOLUTION DISAPPROVING THE ALTERNATIVE PLAN FOR PAY ADJUSTMENTS FOR FEDERAL EMPLOYEES

(Referred to the Committee on Post Office and Civil Service.)

Mr. McGEE. Mr. President, I submit for appropriate reference a resolution disapproving the President's alternative plan for pay adjustments for Federal employees. As Members are aware, the President on September 5, for the third time since 1970, moved to postpone a Federal pay increase which the law provides is to take place each October 1 as a means of bringing Federal pay up to comparability with pay for the same work in the private sector. The President's alternative plan, which the law provides may be sent to Congress if economic conditions warrant, would put off the pay increase until December 1.

The October 1 pay adjustment, under the Federal Pay Comparability Act of 1970, is based upon Bureau of Labor Statistics surveys of comparable positions in private industry made 6 months ago. Thus even on October 1, adjustment would be based on figures already out of date. I am advised that the 2-month postponement will reduce the average employee's pay increase by one-sixth, an average loss of about $120 per Federal employee.

Important in this issue is the fact that the October 1 pay adjustment is itself a catchup adjustment. Federal employees' pay, by law, always follows pay outside government. The postponement recommended by the President means that the compensation of Federal employees would continue to lag. It means that governmental concern over economic conditions would be taken out of the hide of Federal employees who have no recourse but through congressional action.

Mr. President, the Federal Pay Comparability Act established a Federal Employees Pay Council to represent employee organizations on pay matters. This month, the Council urged the President's Committee on Federal pay to recommend a pay increase October 1. The President's Advisory Committee, so far as I know, has not yet recommended a percentage figure to him and the President has not announced the amount of the adjustment he proposes for December 1. In my view, the Bureau of Labor Statistics figures should serve as the principal guideline, and the percentage increase should be computed in the same way as in previous years. And in all fairness, it should be effective in October, not December.

When this resolution is referred to the Post Office and Civil Service Committee, I can promise speedy committee action. It is my hope, then, that the Senate will act upon it before October 1 so that Federal employees can receive the equity they deserve.

The resolution reads as follows:

S. RES. 171

Resolved, That the Senate disapproves the alternative plan for pay adjustments for Federal employees under statutory pay systems recommended and submitted by the President to Congress on August 31, 1973, under section 5305(c) of title 5, United States Code.

SENATE RESOLUTION 172—SUBMISSION OF A RESOLUTION RELATING TO THE PASSTHROUGH OF FUEL COST INCREASES

(Referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. DOMENICI. Mr. President, I send to the desk for appropriate reference a resolution relating to the passthrough of gasoline cost increases under the Economic Stabilization Act of 1970. I am extremely pleased to be joined in the introduction of the resolution by 12 of my distinguished colleagues: my colleague from New Mexico (Mr. MONTOYA) the Senators from Arizona (Mr. GOLDWATER and Mr. FANNIN); the Senators from Texas (Mr. TOWER and Mr. BENTSEN); the Senator fom Oklahoma (Mr. BARTLETT); the Senator from New York (Mr. BUCKLEY); the Senators from Wyoming (Mr. HANSEN and Mr. MCGEE); the Senator from New York (Mr. JAVITS); the Senator from North Carolina (Mr. HELMS); and both Senators from Colorado (Mr. DOMINICK and Mr. HASKELL); and the Senator from Illinois (Mr. PERCY).

The purpose of this resolution is to demonstrate clearly the sense of the Senate that certain regulations devised by the Cost of Living Council for control of prices under phase IV are grossly unfair and inequitable in direct violation of the charge of the Congress under the Economic Stabilization Act of 1970 that such regulations be generally fair and equitable.

Mr. President, the situation I refer to involves the small businessmen of this Nation who are engaged in the retail sale of gasoline. Under phase IV the price he may charge his customers has been fixed at a level which is based on the price his supplier charged him on August 1, 1973, plus a mark-up amount which is in itself totally inadequate in many, if not most, cases.

Leaving aside, for the purpose of these remarks, the inadequacy of the mark-up amount, the most oppressive and unreasonable aspect of these regulations is the fact that the gasoline retailer is not allowed to increase his price even if his supplier raises the price, the retailer must pay to get gasoline after August 1, 1973.

Many of my colleagues and I have been deeply concerned about this situation since we became aware of it. We have expressed our concern by direct communication with officials of the Cost of Living Council and by other legislative initiatives. Typical of the communications efforts was a meeting with high officials of the Cost of Living Council on September 17, 1973, attended by 12 U.S. Senators or members of their staffs and by representatives of gasoline retailers from 6 States. This was an effort to provide a forum for the direct communication of the deep concern Senators have for the plight of these small businessmen and present documentation of the tragic consequences of this price control plan on the business and lives by some of those people unfortunate enough to be caught in a bind between price controls which they cannot resist yet which they cannot survive. I made opening remarks at that meeting which I will request unanimous consent to have printed in the Extensions of Remarks section of today's Record.

Typical of the legislative efforts to bring about remedial action are S. 2453, introduced yesterday, and S. 2415, introduced on September 13, 1973. Both of these bills are directed at the passthrough prohibition currently contained in phase IV regulations. I am a cosponsor of both these bills.

Mr. President, I have no desire to insinuate the Congress into the administrative process of wage and price controls. I do not want us to become involved in the details of what is an extremely complex and difficult matter which the Cost of Living Council has tried to do in an admirable and extremely dedicated manner. My colleagues and I, by this resolution, simply say to those charged with this awesome responsibility that in this case the weakest link, the most vulnerable segment, in the system to deliver gasoline to the consuming public has been singled out as the very segment to absorb the brunt of price controls.

It just does not make sense nor is it fair to allow the corporate giants of the oil industry to increase the price they charge retailers when the retailer is not allowed to pass the increase along. Apparently, the price is easier to control by simply mandating a top price at the gas pump and hoping that the retailer can either absorb any increases from the refinery or force the refinery to back down on such increases. It should be obvious in this period of critical shortage of gasoline, when a refiner can sell all he can produce at any price, that retailers, either individually or collectively, will not be able to pressure the refiner into withdrawing those price increases. The retailer then is faced with a dismal choice, either close up and go out of business or remain open and sell gas at a loss or at too low a profit to stay in business long. In either case, the final result is likely to be the same, the collapse of a business entity which individuals and families have worked and saved for years to establish and maintain and in the aggregate the elimination of a vital part of the system by which this Nation is supplied with gasoline. We cannot let that happen.

This resolution simply says to those charged with the responsibility for creating this situation that this body feels that action must be taken and taken promptly to alleviate an intolerable situation which has such dire consequences.

If remedial action is not taken soon, I will be among those pushing for immediate direct action by the Congress to intervene and turn this gentle nudge into a specific mandate for the Cost of Living Council.

The PRESIDING OFFICER (Mr. Helms). The resolution will be received and appropriately referred, and printed in the Record at this point.

S. Res. 172

Resolved, That it is the sense of the Senate that the President, in exercising the authority conferred by the Economic Stabilization Act of 1970 with respect to price levels applicable to sales of gasoline or diesel fuel grade number two, should permit the pass through of any increase in the cost to the seller of gasoline or diesel fuel grade number two which was lawfully put into effect on or after August 1, 1973.

Mr. BUCKLEY. Mr. President, will the Senator from New Mexico yield?

Mr. DOMENICI. I yield.

Mr. BUCKLEY. I want to subscribe to the comments of the Senator from New Mexico.

I wonder whether he would be willing to amend his resolution to include the independent distributors of fuel oil. Precisely the same situation obtains there. There are dozens of independent dealers who are going out of business at this moment because of their inability to achieve relief in this matter.

Mr. DOMENICI. I am delighted to have the support of the Senator from New York. However, the resolution does include that. I would inform the distinguished Senator that it includes the precise economic group he asks. So, it is in the resolution now.

Mr. BUCKLEY. I thank the Senator. I am delighted that it is in the resolution.

ADDITIONAL COSPONSORS OF RESOLUTIONS

SENATE RESOLUTION 157

At the request of Mr. McGovern, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of Senate Resolution 157, relating to the establishment of domestic and world food reserves.

SENATE RESOLUTION 167

Mr. DOLE. Mr. President, I ask unanimous consent that my name and the name of the Senator from Delaware (Mr. Roth) be added as cosponsors at the next printing of Senate Resolution 167, regarding the newsprint shortage.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974—AMENDMENT

AMENDMENT NO. 527

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON submitted an amendment intended to be proposed by him to the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student load, and for other purposes.

AMENDMENT NO. 528

(Ordered to be printed and to lie on the table.)

Mr. BAKER (for himself, Mr. Bentsen, Mr. Brock, Mr. Robert C. Byrd, Mr. Case, Mr. Domenici, Mr. Ervin, Mr. Fong, Mr. Hansen, Mr. Jackson, Mr. Mansfield, Mr. Nunn, and Mr. Scott of Virginia) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 9286), supra.

AMENDMENT NO. 529

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS (for himself and Mr. Kennedy) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 9286), supra.

AMENDMENT NO. 530

(Ordered to be printed and to lie on the table.)

Mr. EAGLETON submitted an amendment intended to be proposed by him to the bill (H.R. 9286), supra.

AMENDMENT NO. 531

(Ordered to be printed and to lie on the table.)

Mr. EAGLETON (for himself and Mr. Aiken) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 9286), supra.

AMENDMENT NOS. 532 AND 533

(Ordered to be printed and to lie on the table.)

Mr. McGOVERN submitted two amendments intended to be proposed by him to the bill (H.R. 9286), supra.

AMENDMENT NO. 536

(Ordered to be printed and to lie on the table.)

Mr. BUCKLEY submitted an amendment intended to be proposed by him to the bill (H.R. 9286), supra.

AMENDMENT NO. 537

(Ordered to be printed and to lie on the table.)

Mr. THURMOND. Mr. President, I submit an amendment with which I think everyone here will agree. This is the "Buy American" amendment which was included as part of the House-passed bill.

This amendment will add no cost to the bill, nor will it subtract any cost. It will add no men, nor subtract any men. All it provides is that defense work, whenever possible and equitable, should be done by American workers.

Specifically the amendment provides that, before a defense contract can be awarded to a foreign company, consideration must be given to the following six factors:

First, the increase in unemployment in the United States which may result from using goods which are other than American goods;

Second, the increased cost of unemployment compensation or welfare payments to American workers which may result from using goods which are other than American goods;

Third, the loss by the United States of personal and corporate income tax revenue which may result from using goods which are other than American goods;

Fourth, the loss to the money supply of the United States which may result from using goods which are other than American goods;

Fifth, the cost of shipping and inspecting goods which are other than American goods; and

Sixth, any duty, tariff, surcharge, or other expense which may enter into the cost of using goods which are other than American goods.

Mr. President, I do not see how anyone can object to this amendment.

AMENDMENT NO. 494, AS MODIFIED

(Ordered to be printed and to lie on the table.)

MILITARY RETIREMENT RECOMPUTATION

Mr. HARTKE. Mr. President, I submit a minor modification of amendment No. 494 to H.R. 9286 and ask that the amendment be reprinted as modified and that the text of the amendment be printed in the Record at this point.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

AMENDMENT No. 494

On page 30, following line 4, add the following:

TITLE VIII—MILITARY RETIREMENT

Sec. 801. That notwithstanding any other provision of law, a member or former member of a uniformed service (1) who is sixty years of age or older on the date of enactment of this Act or becomes sixty years of age after such date, is retired for reasons other than physical disability, and is entitled to retired pay computed under the rates of basic pay in effect before January 1, 1972, or (2) who is entitled to retired pay for physical disability under title IV of the Career Compensation Act of 1949 (63 Stat. 816–825), as amended, or chapter 61 of title 10, United States Code, whose disability was finally determined to be of permanent nature and at least 30 per centum under the standard schedule of rating disabilities in use by the Veterans' Administration at the time of that determination, and whose retired pay is computed under rates of basic pay in effect after October 11, 1949, and before January 1, 1972, is entitled to have that pay recomputed upon the rates of basic pay in effect on January 1, 1972.

Sec. 802. A member or former member of a uniformed service who was retired by reason of physical disability and who is entitled, in accordance with section 411 of the Career Compensation Act of 1949 (63 Stat. 823, to retired pay computed under provisions of law in effect on the day preceding the date of enactment of that Act, may elect within the one-year period following the date of enactment of this Act to receive disability retirement pay computed under provisions of law in effect on January 1, 1972, in lieu of the retired pay to which he is otherwise entitled.

Sec. 803. (a) A member or former member of a uniformed service who is sixty years of age or older on the date of enactment of this Act and is entitled to have his retired pay recomputed under the first section of this title shall be entitled to retired pay based upon such recomputation effective on the first day of the first calendar month following the month in which this Act is enacted.

(b) A member or former member of a uniformed service who becomes sixty years of age after the date of enactment of this Act and is eligible to have his retired pay recomputed under the first section of this title shall be entitled to retired pay based upon such recomputation effective on the first day of the first calendar month following the month in which he becomes sixty years of age.

(c) A member or former member of a uniformed service who is entitled to make an election under section 802 of this Act and elects to have his retired pay recomputed as authorized in such section shall be entitled to retired pay based upon such recomputation effective on the first day of the first calendar month following the month in which he makes such election.

Sec. 804. The enactment of sections 801 and 803 of this Act does not reduce the monthly retired pay to which a member or former member of a uniformed service was entitled on the day before the effective date of this Act.

Sec. 805. A member or former member of a uniformed service whose retired or retainer pay is recomputed under this Act is entitled to have that pay increased by any applicable adjustments in the pay under section 1401a of title 10, United States Code, which occur or have occurred after January 1, 1972.

Sec. 806. As used in this title (1) the term "uniformed services" has the same meaning ascribed to such term by section 101(3) of title 37, United States Code, and (2) the term "retired pay" means retired pay or retainer pay, as the case may be.

NATIONAL SCHOOL LUNCH AND CHILD NUTRITION ACT AMENDMENTS OF 1973—AMENDMENT

AMENDMENT NO. 534

(Ordered to be printed and to lie on the table.)

Mr. HUMPHREY (for himself, Mr. McGovern, Mr. Clark, and Mr. Case) submitted an amendment intended to be proposed by him to the bill (H.R. 9639) to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast program.

Mr. HUMPHREY. Mr. President, today I am offering, along with Senators McGovern, Case, and Clark, three amendments to H.R. 9639 as reported by the Senate Committee on Agriculture and Forestry.

Congress can well be proud of its record in the area of child nutrition. We have indeed come a long way toward feeding the schoolchildren of America. But the economic realities of today threaten to wipe out part of our investment, unless we act quickly. Our amendments are short and can be summarized in the following way:

First. We propose to increase the section 4 reimbursement from 10 cents to 12 cents. This would be the base reimbursement paid for every meal served.

This is an imperative emergency measure designed to keep the school lunch program intact. A study done by the Select Committee on Nutrition and Human Needs shows what the 20-percent rise in food costs this year have done to these programs.

The average cost of producing a lunch this year will be 61.7 cents. Some go as high as 80 to 85 cents, and none lower than 50 cents. The previous year's cost of production was less than 50 cents. States are faced with, on the average, a 20 percent increase—20 percent of 50 cents is 10 cents. Yet our amendments only ask for a 4-cent hike over last year's level. H.R. 9639 goes to 10 cents. However, they did not have the benefit of the Senate survey, and Representative Perkins said during the floor debate that he could rightfully ask for a 12-cent figure. We, in turn, could well ask for more than 12 cents.

The select committee's survey indicates what will happen when the schools' production costs go up. They will pass the price along to the students. Experience and recent studies indicate for every 1-cent increase to the students, there is a 1-percent decrease in participation by paying students. If schools go up 5 cents per lunch, and that is a minimal figure, the nationwide program will lose 800,000 children a day.

The price increase hits children from low-middle-income homes who cannot qualify for a free meal. It is unfair that these taxpaying families should be priced out of the program they support. As it is, the paying students are needed to help with the deficit obtained in section 11, or nonpaying meals. Should their participation decrease, the other sections of the program will become more costly.

States and locales are coming along in their efforts to match funds. To preserve this vital program, both fiscally and nutritionally, and not penalize the middle-income child, this amendment is desperately needed.

Secondly, we propose an escalator clause so that reimbursement rates can be automatically raised each year according to the wholesale price index and average hourly wages of employees of eating places. This is a simple way to eliminate this yearly time-consuming crises situation in the school lunch program. It has many precedents in other areas of legislation. The administration has the power to and should do this on their own. It would certainly help tidy up this particular yearly legislative battle. But they have not, so I propose we simply incorporate the escalator clause in the legislation.

Lastly, we propose a provision designed to help keep children of working class families in the school lunch program. The Nutrition Committee questionnaire reveals that those who will drop out of lunch programs as the meal price goes up, and we know they are going up, will be children from families just above the poverty level, and ineligible for free or reduced price lunches under present regulations.

All our amendment does is allow a school, at its option, to go 75 percent beyond the income guidelines in determining who shall be eligible for a reduced price lunch. In other words, under our amendment a child from a family of four whose income is less than 75 percent above $4,250, shall be eligible, if his school so chooses, for a reduced price meal. The present law allows a school to go 50 percent beyond the base level. We want to go a little further to help out children from those working class families that pay their taxes and need a break feeding their children, but otherwise might not be eligible.

Mr. President, I ask unanimous consent that the amendment in full be printed at this point in the RECORD along with a letter from my own State of Minnesota and a number of excerpts from the select committee survey among States relating to need for higher reimbursement rates.

There being no objection, the amendment and material were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 534

On page 1, line 8, insert the following: "12 cents per lunch," in lieu of "10 cents per lunch."

On page 3, line 6, insert the following:

"For fiscal years subsequent to the fiscal year beginning July 1, 1974, the Secretary shall prescribe reimbursement rates for lunches served under Section 4 of the National School Lunch Act and Section 11 of the National School Lunch Act and for breakfasts served under section 4 of the Child Nutrition Act of 1966, as amended, that shall reflect changes in the cost of operating a school lunch and breakfast program under this Act by giving equal weight to changes in the wholesale prices of all foods and hourly wage rates for employees of eating places published by the Bureau of Labor Statistics of the Department of Labor."

On page 8, line 1, insert the following:

"INCOME GUIDELINES FOR REDUCED PRICE LUNCHES

"SEC. 7. Section 9(b) of the National School Lunch Act is amended by adding the following at the end of said subsection: '*Provided further*, That, for the fiscal year ending 1974, State educational agencies are authorized to establish income guidelines for reduced price lunches at not more than 75 per centum above the applicable family size income levels in the income poverty guidelines as prescribed by the Secretary.' "

STATE OF MINNESOTA,
St. Paul, Minn., July 30, 1973.

Senator GEORGE MCGOVERN,
Chairman, U.S. Senate Select Committee on Nutrition and Human Needs, U.S. Senate, Washington, D.C.

DEAR SENATOR MCGOVERN: Thank you for your telegram dated July 25, 1973. I am pleased you have afforded me a chance to respond to your five questions.

Our office has collected some data and I will respond to your questions as they were asked in the telegram.

1. Estimated average cost of lunch and breakfast, 1973–74: Breakfast—30 cents; Lunch—70.1 cents.

At this point in time, our office has not complete information from all schools relating to costs of lunch and Breakfast for school year 72–73, however, we feel that the above figures are a good estimate of what the cost will be for 73–74. Several districts in our metro area have been contacted to provide the information. Food and Labor cost date for the last half of school year 72–73 was used as a base for 73–74 cost figures.

2. Yes—Our office feels that student lunch prices will be increased in most of the schools. The ones we know of now have increased from 5 cents to 15 cents. The schools that have not increased prices at this time, I am sure will do so before school starts this fall. All of the schools will be watching costs and meal changes very closely in the first few months of the 73–74 school year.

3. As far as I can see now, the commodity picture does not look good for this school year. I am anticipating a large decrease in the availability of commodities for the School Lunch and Breakfast program. In any case a decrease of commodities for schools will cause them to purchase the needed foods thus driving the meal cost to the child up more. U.S.D.A. purchases have not been made to date as far as we know, thus making it difficult for me to see where any commodities will be in the schools by the time school starts in September 1973.

4. It would be my opinion, that, if Federal reimbursement for Lunch and Breakfast is not increased schools will be faced with one of two choices. The choices being with charging the student the increase in the cost of producing the lunch and breakfast or dropping out of the program. I am sure some will do both, hopefully we will have very few doing the latter.

5. Passage of legislation that would provide for an increase of Section 4 reimbursments from 8 cents to 15 cents as a minimum. Increase in Section 11 reimbursement from 40 cents per lunch to 50 cents. In addition to that authority to provide up to 75 cents per lunch in the cases of the especially needy school.

I think it is time we look at this thing squarely and face up to the actual need of the National School Lunch and Breakfast programs as opposed to continually underfunding them as has been the case. This coming school year is going to be a completely new and different ball game from what it looks like to me at this time. It would be my opinion that some provision must be made for payment in lieu of commodities.

As I am sure you are aware, the State Administrative Expense Funds (S.A.E.) are grossly inadequate for the continued good administration of our programs.

It would be my opinion that an "in line" budget increase using a new formula be authorized. Something must be done in this area. The Midwest Regional Directors have been studying the S.A.E. funding for some 2 years having come to the conclusion that an in-line budget item is the answer as opposed to taking the needed funds off the top of the Section 4 or 11 funds.

In conclusion we in food service are most thankful for all of you and your committee efforts in providing the needed funds to operate the Food Service programs for our Nation's children. Hopefully the school year will be one that we can all be proud of in the feeding of the children of our country.

Sincerely,

CHARLES L. MATTHEW,
Director, School Lunch Section.

NEED FOR 12 CENTS SECTION 4 REIMBURSEMENT

ALABAMA

3. Do you anticipate a decrease in the availability of commodities? Will this affect costs appreciably?

Yes, I do anticipate a decrease in commodities. The decrease in the availability of commodities will have a disastrous effect on the cost of producing meals. Had it not been for commodities and the commodity shortfall funds last year, many school food service programs in Alabama would be bankrupt.

a. There will be a significant reduction in the number of paying students participating;

b. There will even be a reduction in the number of students participating who are eligible to receive free or reduced price meals;

c. There is also the danger that school food service programs will reduce the quality and quantity of meals to the point where they will not meet the minimum nutritional requirements for reimbursement.

ARKANSAS

2. Many schools were forced to increase prices by 5 cents to 10 cents to students for paid meals during the past school year. The majority of schools report now that there is no alternative except to increase the price again this year. Increased charges to students will reflect a price of 45 cents to 50 cents for lunch and 20 cents for breakfast. This action could result in a decrease in participation by as much as 6 percent to 10 percent of paid students.

FLORIDA

4. Past performance has shown that when sales prices increase 5 cents, that participation decreases by 10 percent and fixed costs remain the same. Therefore, we anticipate a reduction in participation of 12 percent–15 percent.

As you know, these students (the 12 percent–15 percent) are the borderline students—economically. That is, they are not economically needy, but certainly not affluent enough to afford 65 cents lunches every day.

GEORGIA

2. School administrators recognized a need for 5 to 10 cents more revenue per lunch. Such an increase in sale price is expected to reduce participation of paying children by 10 to 20 percent.

IDAHO

4. If reimbursement rates are not increased, what will the specific effects be in your State? If they are, will participation decrease?

If reimbursement rates are not increased, schools will increase their prices accordingly. Participation will drop because increase in prices drops many children from the program. Many will not ask for a free lunch but will bring a lunch from home.

ILLINOIS

4. With the shortage of dollars for education, we see no alternative for the lunch program other than increasing prices. This will have to be done with the full knowledge that the effect will be a decrease in participation in direct proportion to the price increases. Our experience has shown that each penny increase in the cost of meals results in approximately a 1 percent decrease in participation.

INDIANA

4. Reimbursement rates should be increased in order that we may continue to feed children. If they are not, the *needy schools* will suffer more than the less needy and *may even be forced to reduce or close their operation for lack of funds.*

5. It is our recommendation that the reimbursement rates be increased to *12 cents per meal* and a larger allocation of commodities or cash in lieu of commodities be made available to schools.

KENTUCKY

4. There is prevalent among school food service officials in Kentucky a cliche of a sort which goes something like this: "Someone must pay the fiddler". The same is true as far as food is concerned, and the food bills as well as the labor bills must be paid. When there are three sources of funds, namely from the Congress, from a State appropriation, and from the paying child, in the face of increased prices the paying child must be tapped for an additional source of funds if the other two are leveled off. It is our feeling that unless sufficient funds are available to pay the bills the attitude of the school officials will be such that services will be curtailed and the performance affected so that a reduced participation rate will result. It also could be that the quality of the meal will be reduced to the point that the meal service will be rejected with a corresponding result in decreased participation. Still another factor would be that the greater reliance could be put upon the donated foods as they become available, and to the point where the repeated use of an item such as dry beans can create an attitude of rejection.

5. It is the recommendation of the Kentucky Department of Education that:

a. the general cash for assistance rate be increased to 10 cents from the present 8 cent rate;

b. the maximum rate for free lunches in "especially needy schools" be increased to 65 cents from the present 60 cent rate;

c. the Special Milk Program be funded in full and continued as during previous years; and,

MAINE

(b) We are approaching the point in the program where local community effort is being taxed to saturation point. Most communities in the State of Maine have been very willing to support the program with tax appropriated funds but with spiraling costs the budgets for all school operations are being taxed to the limit.

(c) If prices to paying students have to increase again after the increase which was necessary March 1, 1973 we can expect a dramatic reduction in participation of paid meals. We are approaching the point where if paid meal participation continues to decrease, the program will become a "welfare program." This, in turn, will discourage the low income youth from participation as his participation will identify his economic status, particularly at the Junior High and High School levels.

5. (a) A minimum of 12 cents and 45 cents with an escalator clause to cover sharp increases in prices is needed. As we are now faced with emergency conditions with spiraling food and labor costs, we must have increased reimbursement rates prior to the opening of school so that administrators will have the confidence to start the programs at the beginning of the school year.

MARYLAND

4. If reimbursement rates are not increased, there will undoubtedly be an increase in the price of lunch to the paying child and/or a drastic reduction in the quality of the meal. A five cent increase in the lunch prices causes a 5–10 percent decrease in lunch participation or an 8 percent statewide decrease. School systems with the lower cost of lunch to the child have higher participation rates. A pilot study conducted in one local school system showed increased participation when the price of lunch was lowered.

5. With the availability of State money to help underwrite the cost of free and reduced price lunches, the area of greatest need in the State of Maryland is an increase in the national average lunch payment from general cash-for-food assistance for lunches from the present 8 cents to a national average of 15 cents. This is urgently needed in order not to price the paying child out of the market.

MASSACHUSETTS

Without compensatory increases in federal cash requirements and in the value of available free food commodities, all school food service programs are headed for financial difficulty.

Increasing charges to the children, which have been at an average of 35 cents for lunches and 20 cents for breakfasts is not the answer. To offset anticipated 25 percent increases in labor and food costs, charges for lunches would have to be increased by about 15 cents and for breakfasts, about 10 cents.

Previous experience indicates to us that each 5 cent increase in charges will surely result in a 20 percent decline in the number of children purchasing either lunches or breakfasts. It is frightening to contemplate the separation of at least 300,000 children each day from needed nutritional supplementation.

You ask what suggestions we would make to improve these programs in light of increased costs. Rather than 10 cents, the average payment for paid lunches should be increased to at least 12 cents and the special assistance factor for free lunches to at least 55 cents. Breakfast reimbursement rates should be increased also in recognition of cost increases.

MICHIGAN

4. Without increased reimbursement rates to at least 12 cents under Section 4, and 50 cents under Section 11, combined with "commodity shortfall" legislation, our school lunch programs will be discontinued by the dozens. A few high schools have already dropped out in favor of a-la-carte and vending machine service.

MISSOURI

(4) For fiscal year 1974, a categorical state appropriation as required under Public Law 91–248 will provide approximately 1.4 cents per lunch. It is my judgment that if Federal reimbursement rates are not increased to cushion the shock of anticipated continuing inflationary trends there can be no doubt that participation on the part of paying students will continue to decline. History has told us that each time we have an increase in the charge for lunches it has the effect of pricing a number of the middle and lower middle income children out of the program. This is the very group that has represented our major participants in the expansion and growth of the program over the past 28 years. At the same time we should be reminded that the middle and lower middle income families represent the largest segment of our tax paying population that are contributing toward sustaining the availability of free lunches for needy children. In many, many instances there is very little difference between the income of these families and those declared to be eligible for free lunches under Federally mandated policy regulations. These are the families that are most drastically affected by inflation. Without their continued participation and contributions, we would seriously question the logic in continuing to operate School Food Service Programs strictly for the needy who are guaranteed free lunches by our Federal Government. The schools of this nation were established for the education and training of children (all children), the affluent, middle income, and the needy. At the present time, lunches are available to all children in our schools. The record will show that our lowest participation comes from the affluent; therefore, without the volume participation from the middle and lower middle income groups, it would seem illogical that we could justify continued offering of school lunches on school premises for just one segment of the school population, the needy. Even if lunch programs were continued on such a basis, would this not be a form of identification?

NEVADA

1. We estimate the average cost of producing a lunch will be 80 to 85 cents which is 20 to 25 cents more than last year. We estimate the average cost for producing a breakfast will be 45 cents which is 20 cents more than last year.

4. We believe participation will decrease unless reimbursement rates are increased.

SOUTH DAKOTA

4. If reimbursement rates are not increased, what will be the specific effects in your State?

With 30 to 35 percent of our students eligible for free lunches if reimbursements are not increased who will pay the difference? Many school boards are having difficulty now meeting costs and will not channel funds into breakfasts and lunches. Their only alternative would be to force the paying child to absorb the costs. This will destroy programing.

If rates are increased it will provide more opportunity for the needy to eat and allow managers some alternative from beans and macaroni. The rates should go to 12 cents and 50 cents but 10 cents and 50 cents could help ensure survival of many programs.

VIRGINIA

4. If reimbursement rates are not increased, what will the specific effects be in your State? If they are, will participation decrease?

Programs cannot operate at a deficit. There will be a decrease in the quantity and variety of foods served. Some schools may be forced to go off the program. It is recognized each time there is an increase in the price of lunch or breakfast there is a decrease in participation. The higher the increase, the greater the drop in participation. Increased reimbursement will help to keep price increases at a minimum.

TEXAS

4. If reimbursement rates are not increased to offset the increase of food and labor for the various school districts, we believe it will have a negative effect upon all Child Nutrition Programs and eventually could cause some districts to discontinue the Program. We anticipate that the increase in the price of lunches to students will cause a decrease in participation.

FOREIGN ASSISTANCE ACT OF 1974—AMENDMENT

AMENDMENT NO. 535

(Ordered to be printed and to lie on the table.)

Mr. TUNNEY. Mr. President, today I am offering an amendment to S. 2335, the Foreign Assistance Act of 1973, which will for the first time enact into law strict prohibitions against the use of American assistance and American materials to support the military actions used by Portugal to maintain the subjugation of more than 14 million people in its African territories. American policy has for many years opposed Portugal on its African territories, but I believe the Congress should now act to formalize and stiffen this policy by adopting this legislation. The House of Representatives has already added the provisions of this amendment to its foreign aid bill; the Senate should now join in completing the congressional mandate against Portugal's territorial wars.

Portugal's continued colonial position in Africa is an anachronism of this seventh decade of the 20th century. Portugal calls its African territories of Angola, Mozambique, and Guinea-Bissau an "integral" part of metropolitan Portugal, but the United Nations by overwhelming vote has rejected this ploy—the same used by the French in Algeria—by which Portugal seeks to avoid outside scrutiny of her policies. No circumlocutions or pious statements can hide the fact that Portugal is the last European nation to keep black Africans in colonial bondage, to deny them self-government and self-respect. Although the population of these territories is over 95 percent black, the administration is completely in the hands of the Portuguese Government, directed from Lisbon. Opportunities for education and employment are severely restricted for blacks; over 95 percent are illiterate.

The people of Angola, Mozambique and Guinea-Bissau have been struggling for their freedom. Steadily growing in strength, the liberation movements have in recent years received direct support from European governments, including other NATO allies of Portugal. Since 1960, there have been repeated resolutions in the United Nations calling on Portugal to move toward self-government in its African territories; the votes have been overwhelming in both the General Assembly and the Security Council.

The result of the liberation movement is that the Portuguese territories have become armed camps, and the scene of fighting, disruption and even massacres, frighteningly similar to the experience in Vietnam. There are some 140,000 Portuguese troops now in the three territories, mostly white, metropolitan Portuguese. This constitutes about half of the Portuguese Armed Forces. The cost of military forces constitutes almost 50 percent of the Portuguese budget. Although the country is poor, it spends a larger percentage of GNP on defense than any other NATO country except the United States.

The reports of the military action from Africa have a hauntingly familiar ring. Herbicides are used to defoliate large areas where liberation movement guerillas are thought to hide. Villages are uprooted and centralized in a 1970 version of "strategic hamlets." There are regular reports of massacres of villagers. The most recent spate of such stories occurred last summer, and concerned the total destruction of a village in the Tete province of Mozambique; these reports have been corroborated by numerous journalists and the International Commission of Jurists. The Portuguese authorities have refused to allow any outside, independent observers to visit the area of the massacre, and by indirect statements have admitted the possibility that such an event took place.

The liberation struggle of the people of Angola, Mozambique, and Guinea-Bissau is leading to an escalating spiral of violence and brutality. A peaceful solution to this struggle—the granting of self-government to these territories—will be in the best interests of Portugal and the people of the territories. The United States must do all it can to minimize the violence and promote a peaceful solution, and the first and most important step must be to continue to prevent any U.S. arms or equipment from being used in the military struggle. It is a matter of fundamental, moral commitment that we must refuse to support, in any way, materially or diplomatically, the continuation of Portuguese colonial rule. And it is also a question of good politics. This policy is important for our relations with the entire third world—all the nations who were once colonies. These are the nations from which the United States obtains many natural resources. They have vast populations which will provide markets for the future. This issue is as important to them as any other.

To be sure, American policy toward Portuguese colonialism in Africa, for the most part, has been good. In our political relations with Portugal, we have consistently stated our opposition to their policy of maintaining non-self-governing territories, and urged them to grant self-government to Angola, Mozambique, and Guinea-Bissau. U.S. Ambassador Adlai Stevenson said in the Security Council in 1963:

> We have steadfastly supported the principle of self-determination. . . . it was first expounded as a universal doctrine by Woodrow Wilson at the end of the first world war. At that time it was still a new idea—though persuasive enough to contribute to the creation of many independent nation-states both in Europe and in the Middle East as successors to the Austro-Hungarian and the Ottoman empires. The right of peoples to choose the terms of their political, economic and social destiny is written into our Declaration of Independence and our Constitutions, as it is written into the Charter of the United Nations.
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> Hence the United States Delegation has continuously supported in the United Nations, since the initial consideration of Angola in the Security Council, measures calling for Portuguese recognition of this principle and for an acceleration of political, economic and social advancement for all inhabitants of Portuguese territories towards the full exercise of this self-determination. Consistent with this belief, we have publicly and privately and continuously urged Portugal to accept this principle and give it practical effect for the peoples of Portuguese territories.

A second aspect of our policy has been an arms embargo to Portuguese Africa. Since the Kennedy administration, we have had a policy to refuse shipments of military equipment which would or could be used in the Portuguese territories, whether the shipments were directly to the territories or to Portugal. We have given military equipment to Portugal only for use in Europe, in support of NATO commitments. This policy predated and has been consistent with U.N. Security Council resolutions calling for an arms embargo.

While U.S. policy has been clear in the past, there are disturbing signs that it has retrogressed under the Nixon administration. This administration has been noticeably more friendly to Portugal than earlier administrations have been. At the time the United States and Portugal signed an agreement for continued use of the Azores base, the United States for the first time in 10 years failed to express opposition to Portugal's African policy. Recently in the United Nations, Ambassador Bush pointedly indicated that his view of "self-determination" meant that the people of Angola, Mozambique, and Guinea-Bissau might choose to remain under Portuguese rule, a statement which can only encourage Portugal to conduct rigged elections.

Even more disturbing than these signs of political backsliding has been a hint of a growing "leakiness" of the arms embargo. We have discovered that through some warped reading of the embargo rules, the United States supplied Portugal with herbicides which have been used in the African territories. Also, we have allowed the private sale of Boeing airliners which are being used to transport troops between Portugal and the territories, and the sale of other light aircraft whose use in the territories is suspect, at least.

It is no longer sufficient to rely on the executive branch alone to make and enforce a policy against Portugal's African colonialism. The political attitudes of the Executive will remain out of our control, but the Congress has the opportunity and the responsibility to enact into law firm rules for our assistance programs and export licensing—both areas within our jurisdiction—to insure that American actions are consistent with the moral and political requirements of dissociation from a regressive policy. The initiative for congressional action started in the House of Representatives, where the provisions of this amendment were added to the foreign aid bill last July, under the leadership of Representative ANDREW YOUNG. I am pleased to introduce this amendment in the Senate so that our body may join with the House in enacting rules and policy to govern our involvement with Portugal's African policies. It is also my hope that, by enacting this legislation, we may give the administration not only an indication of Congress's views, but additional ammunition to use in urging change in Portugal's policy.

The amendment which I am introducing today begins with a policy statement. This statement makes it the policy of the United States that none of its assistance programs, nor any items of equipment exported from the United States, should be used to help maintain the present status of Portugal's African territories. This policy statement will remain in effect so long as the territories of Angola, Mozambique, and Guinea-Bissau do not have genuine, uncoerced self-determination and self-government, with full local control over internal and external relations.

The policy, as far as the United States is concerned, shall be one of complete and total noninvolvement. Nothing which the United States does shall help Portuguese military activities in Africa. This should include aid or equipment which is used by the Portuguese military forces in Africa, and it should also cover aid or equipment which is used in or exported to the African territories, and which has a substantial likelihood of being used by or in support of military operations. I think it would have covered some of the aircraft sales previously approved. The policy statement is not designed to restrict programs or exports which go to metropolitan Portugal, for use in NATO, and which have little likelihood of being used in Africa. The policy statement itself does not appear in the House version, but it is consistent with the policy of the amendment adopted in the House.

In its operative provisions, the amendment calls on the President to make an investigation and findings regarding certain U.S. programs. The President is asked to report to Congress, as soon as practicable, that after the date of enactment of this amendment none of these programs is being used to support Portuguese military activities in Africa. A standard for these determinations is the same as that described in the policy statement.

The following programs are to be examined by the President for adherence to the policy statement:

First, assistance under the Foreign Assistance Act of 1961. This covers economic aid, of which there is none presently to Portugal, and grant military assistance, which continues.

Second, sales under the Foreign Military Sales Act. Any sales under U.S. Government auspices, whether for cash, credit, or by guarantee, are to be consistent with the policy statement.

Third, programs under the Agricultural Trade Development and Assistance Act of 1954. The sale of agricultural commodities under the food-for-peace program, and the use of any local currencies generated by such sales, or from any other U.S. programs, shall be governed by the policy statement. We have an agreement to sell $30 million in Public Law 480 food to Portugal, although that sale is being made for dollars.

Fourth, export licenses. A large majority of items exported from the United States go under a general license, which requires no decision by U.S. Government agencies. Such exports are not covered by section B(1)(d). All other items, however, require a so-called validated export license to be granted by the Commerce Department. This includes any military items on the munitions list, and certain other major items, such as aircraft and helicopters. I would expect that part of the ongoing administration action to implement the policy of this section will be a continuing review of the regulations defining which items need a validated export license. This provision is a new one, not present in the House version, but it represents a major loophole if it is not covered in this legislation.

This legislation requires that the President look hard and long at our assistance programs and export licensing activities. The benefit of the doubt should be placed on the side of restricting assistance and exports involved with the African territories, not on the side of giving Portugal its requests. This legislation requires us to examine and "sanitize" all of our own programs. If a program appears on balance to be of use to Portugal primarily for subduing opposition in Africa, then we should cease that assistance. One example I would give is counterinsurgency-type military training; this would have little relation to NATO defense.

With respect to items of equipment, a distinction must be drawn between those which the United States provides in aid or sales programs, and private exports. Our policy up to now has been—and must continue to be—to require Portugal to give written assurances that it will not use military equipment supplied by the United States in Africa. We should, of course, not even offer any equipment which would appear to be needed primarily for the African military activities. In the case of granting export licenses, the United States may not be able to acquire a written guarantee by Portugal, since that might interfere with private contracts. Government lawyers should examine that problem, but if they find the United States cannot require such guarantees, the amendment will require very careful examination of all requests for validated export licenses to Portugal or the African territories, and refusal of any items which have a reasonable likelihood of being used in support of the military activities.

The amendment further provides that the President should report annually on the use of the assistance programs and exports as described in section B(1). That report shall also specify what steps the Government takes to assure compliance in these assistance programs and export licenses, with the policy declaration. Of course, if there is evidence discovered of a violation by the Portuguese of the rules under which these items are given, or a flaw in our own programs, the President would be expected to make an interim report immediately.

The last section of the amendment deals with sanctions against violation of the policy. The amendment provides that, whenever the President reports to Congress that any of the categories of assistance or exports is being used by Portugal to support its military actions in Africa, all the aid and export licenses will be cut off until the situation is corrected by the Portuguese Government or the U.S. Government. If the administration is vigilant in examining our own programs, and forthright with the Portuguese about permissible uses of U.S. equipment or aid, there should be no problems. Ideally, the President, consistent with present policy, will not allow sales or aid which have any chance of being used in Africa; then there will be no need for sanctions.

I look forward to congressional adoption of this amendment, after working out small differences with the House version. This amendment will put the United States legally on record against a policy which is condemned by every nation in the world. This amendment will give the administration more support to continue the policy of arms embargo and nonsupport for Portuguese military involvement in Africa, while leaving the administration free to maintain policies important for the NATO defense. Passage of this amendment will be important for our country, and it will also be important in restoring Congress to its necessary role in our foreign policy. I urge adoption of this amendment when S. 2335 reaches the floor.

Mr. President, I ask unanimous consent for the amendment to be printed in the Record at this point.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 535

On page 19, line 12, insert the following:

"Sec. 16. Chapter 3 of Part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"'Sec. 659. Limitation on Assistance to Portugal—

"'(A) The Congress declares that it is the policy of the United States that no military or economic assistance furnished by the United States, nor any items of equipment sold by or exported from the United States, shall be used to maintain the present status of the African territories of Portugal.

"'(B)(1) The President of the United States shall, as soon as practicable following the date of the enactment of this Section, make a determination and report to Congress with respect to the use by Portugal in support of its military activities in its African territories of—

"'(a) assistance furnished under the Foreign Assistance Act of 1961, as amended, after the date of the enactment of this Section;

"'(b) defense articles or services furnished after such date under the Foreign Military Sales Act, as amended;

"'(c) agricultural commodities or local currencies furnished after such date under the Agricultural Trade Development and Assistance Act of 1954, as amended, or any other Act; or

"'(d) items for which validated export licenses are granted after such date for export to Portugal or its territories.

"'(2) The President shall include a report similar to that specified in the previous subsection in each year at the time of submitting the budget request for foreign assistance. Such report shall also specify the steps being taken to implement the policy contained in this section.

"'(C) All assistance, sales, and licenses referred to in the preceding paragraph shall be suspended upon the submission to Congress of a report by the President containing his determination that any such assistance, or item so furnished or exported, after such date, has been used in support of Portugal's military activities in its African territories. Such suspension shall continue until such time as the President submits a report to Congress containing his determination that appropriate corrective action has been taken by the Government of Portugal. The authority contained in Section 614 of this Act shall not apply to programs terminated by reason of this Section.'"

On page 25, line 21, change "Sec. 16" to "Sec. 17."

On page 28, line 5, change "Sec. 17" to "Sec. 18."

On page 28, line 10, change "Sec. 18" to "Sec. 19."

On page 28, line 20, change "Sec. 19" to "Sec. 20."

On page 29, line 4, change "Sec. 20" to "Sec. 21."

On page 29, line 10, change "Sec. 21" to "Sec. 22."

On page 30, line 4, change "Sec. 22" to "Sec. 23."

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 494

At the request of Mr. HARTKE, the Senator from Florida (Mr. GURNEY) and the Senator from Wyoming (Mr. McGEE) were added as cosponsors of amendment No. 494 intended to be proposed to the bill (H.R. 9286) the Department of Defense Appropriation Authorization Act, 1974.

AMENDMENT NO. 502

At the request of Mr. HARTKE, the Senator from Nevada (Mr. CANNON) and the Senator from Tennessee (Mr. BROCK) were added as cosponsors of amendment No. 502 intended to be proposed to the bill (S. 2335) to amend the Foreign Assistance Act of 1961.

CONSUMER PRICE INCREASE WORST SINCE SEPTEMBER 1947—NOTICE OF HEARINGS

Mr. HUMPHREY. Mr. President, in view of the August consumer price increase of approximately 2 percent, and the August food price increase of roughly 6 percent, I have scheduled hearings on these price increases before the Consumer Economics Subcommittee of the Joint Economic Committee. The hearings are to be held next week on September 25 and 26.

The purpose of these hearings will be to assess the impact on consumers of these historically high price increases, particularly for food, and the adequacy of President Nixon's anti-inflationary program.

The Congress should examine the current inflation in detail. Inflation is accelerating and there are no signs of relief, let alone improvement, for consumers.

The August increase of 2 percent in the CPI is the sharpest 1-month rise since 1933. That inflation having been the result of years of pent-up demand caused by World War II. This monthly increase is three times the average monthly increase we have had so far in 1973, and the rate of inflation so far in 1973 is running at an annual rate of about 10 percent.

The monthly increase in food prices of about 6 percent is particularly outrageous in view of the fact that food prices in the first half of 1973 increased at an annual rate of about 28 percent.

This 6-percent increase in food accounts for about 80 percent of the August consumer price increase. Much of the remaining increase is in the service area, a new problem on the inflation front, and is the result of high mortgage interest rates brought about by the administration's credit squeeze policies.

Yet in his September 10 message, the President told Congress that the key to halting inflation is to cut Federal spending.

I fear that the President is depending on overly simple policies for dealing with the current inflation will lead to a continuation of high prices for consumers.

From the evidence we have already gathered before the Consumer Economics Subcommittee, it appears that the current inflation is in large measure due to supply shortages in the areas of food, fuel, and raw materials.

The conventional tools of monetary and fiscal policy, including cuts in Federal spending, will not bring more oil into production or affect the hog-cycle.

I have asked both administration and private witnesses to evaluate the President's anti-inflation program on the basis of its record so far this year and the August consumer price statistics.

I have also asked for another detailed explanation of the food situation, both in terms of international considerations of supply and demand, and the consumer cosiderations of reasonable prices here at home.

Finally, I have asked for an assessment of how these high rates of inflation are affecting the consumer's standard of living, and how inflation may affect the consumer's future economic behavior and the overall performance of the economy.

All hearings will begin at 10 a.m. A list of witnesses is as follows:

Tuesday, September 25, 1973—Room 1202, Dirksen Senate Office Building: Gary Seevers, member, Council of Economic Advisers.

On Wednesday, September 26, 1973, room 4202, Dirksen Senate Office Building: Arthur M. Okun, the Brookings Institution; F. Thomas Juster, Institute for Social Research, University of Michigan; and Howard W. Hjort, consulting food economist.

Members of the Subcommittee on Consumer Economics are:

SENATE

Hubert H. Humphrey, Democrat, of Minnesota, chairman.

William Proxmire, Democrat, of Wisconsin.

Abraham Ribicoff, Democrat, of Connecticut.

Jacob K. Javits, Republican, of New York.

Charles H. Percy, Republican, of Illinois.

HOUSE OF REPRESENTATIVES

William S. Moorhead, Democrat, of Pennsylvania.

Martha W. Griffiths, Democrat, of Michigan.

Henry S. Reuss, Democrat, of Wisconsin.

Hugh L. Carey, Democrat, of New York.

William B. Widnall, Republican, of New Jersey.

Clarence J. Brown, Republican, of Ohio.

NOTICE OF HEARINGS ON BILLS TO CODIFY, REVISE, AND REFORM THE FEDERAL CRIMINAL LAWS

Mr. McCLELLAN. Mr. President, I wish to announce for the information of the Members and the public that the Subcommittee on Criminal Laws and Procedures will hold open hearings on September 26 and 27, 1973, to continue the study of S. 1 and S. 1400, bills to codify, revise, and reform the Federal criminal laws.

The hearings will begin each day at 10 a.m., on the 26th in room 1318, Dirksen Senate Office Building and on the 27th in room 2228, Dirksen Senate Office Building.

During this series the subcommittee will have as witnesses representatives from the Department of Justice on provisions relating to civil rights and elections.

Additional information on these and further hearings is available from the staff in room 2204, Dirksen Senate Office Building, telephone 202-225-3281.

ADDITIONAL STATEMENTS

EMPLOYMENT OF AMERICAN CIVILIAN ADVISERS AND TECHNICIANS IN VIETNAM

Mr. FULBRIGHT. Mr. President, the Committee on Foreign Relations has just received the Department of State's second quarterly report on the employment of American civilian advisers and technicians in Vietnam. It is interesting to relate these statistics to the earlier stated intentions of the administration as regards these personnel.

In this connection, I would call the attention of my colleagues to the following portion of a staff report prepared for the committee on June 11, 1973, entitled "Thailand, Laos, Cambodia, and Vietnam, April 1973":

> There are plans to reduce the number of direct hire and contractor personnel. A fact sheet which we were given in Washington stated that Defense Department direct hire civilians would be completely phased out by the end of January 1974. This paper, which was dated March 20, 1973, also stated that contractor personnel would be reduced to "about 4,000 by the end of March, to less than 2,000 by the end of the year, and to approximately 500 very soon thereafter."
>
> We were told that it was understood under the agreement that civilians not engaged in giving military training or advice to the Vietnamese military or police units are not military advisers even if they are attached to military units or concerned with the supply or maintenance of military equipment. Therefore, the United States apparently considers there is no question as to the legality of the presence of Defense Department civilians or contractors.
>
> [Deleted.]
>
> The previously noted withdrawal schedule apparently was based on the expectation that there would be a real cease-fire after January 28, an expectation which has yet to be realized. How the continued fighting will affect the withdrawal of Defense Attache Office personnel is not yet clear. It is apparent, however, that the initial withdrawal schedule has already been modified in the light of circumstances which have developed since January 28.
>
> In our initial briefing by the Defense Attaché Office in Saigon we were told that contractor personnel then on duty numbered 4,917 (and thus were not "about 4,000" as anticipated), and we were shown a slide which indicated that the number expected to be in Vietnam after January 1, 1974 was 2,136 (rather than "less than 2,000," as indicated in the March 20 paper) and that the number remaining after July 1, 1974 would be 1,099 (while the March 20 paper had said that it woud have dropped to "approximately 500" very soon after January 1, 1974). We were told in a Defense Attaché Office briefing on April 13 that the number of Air Force contractors would be 2,644 after July 1, 1973 and 1,703 after January 1, 1974. Three days later we were informed that these figures had been revised upward as follows: 2,800 remaining after July 1, 1973 and 1,926 after January 1974. The explanation given for the adjustment in the withdrawal schedule was that fighting had continued at a higher than anticipated level, thus necessitating a higher level of support activity, and that, in the case of Air Force contractors, Vietnamese Air Force personnel "have been diverted because of operating requirements."

I ask unanimous consent that the letter of August 8, 1973, signed by the Assistant Secretary of State, Marshall Wright, transmitting the quarterly report on advisers and technicians be printed in the Record at the conclusion of these remarks.

There being no objection, the letter and its enclosures were ordered to be printed in the Record, as follows:

Department of State,
Washington, D.C., August 8, 1973.

Hon. J. W. Fulbright,
Chairman, Committee on Foreign Relations, U.S. Senate.

Dear Mr. Chairman: As you will recall, my letter of June 1, 1973, submitted the Department's second quarterly report on the employment of American civilian advisers and technicians in Viet-Nam.

I am enclosing the Department's third quarterly report.

As of June 30, 1973, the Department of State had 160 direct-hire employees (including 38 TDY) in Viet-Nam while the United States Information Agency had 32. Enclosure 1 gives the breakdown by function of the employees, who were on direct-hire by the Agency for International Development as of that date. Enclosure 2 breaks down the 53 employees under the Participating Agency Service Agreements. And enclosure 3 describes all AID contracts.

The Department of Defense informs us that the Defense Attache Office has 1,200 (its ceiling) direct-hire civilians. DOD contracts as of June 30, 1973, are listed in enclosure 4 and total 3,508.

I hope the above information will be helpful to you.

Sincerely,

MARSHALL WRIGHT,
Assistant Secretary for Congressional Relations.

U.S. Government direct hire Vietnam employees—AID—as of June 30, 1973

Category:	*Number of employees*
Administrative management*	105
Program management*	52
Financial management	18
Secretaries	51
Auditor general	38
Agriculture	49
Food for peace	5
Business and industry	14
Engineering	28
Equipment operations/maintenance	22
Transportation	8
Labor	3
Public health/population	28
Education	10
Public administration	11
Public safety	0
Community and social organizations	108
Procurement and supply	33
Capital development	4
Total	587

*Includes 4 State Department employees on reimbursable detail to A.I.D.

VIETNAM ASSIGNED PASA PERSONNEL PER CM/PAS RECORDS AS OF JUNE 30, 1973

AGENCY	
USDA—Agriculture technicians	27
Commerce/Census Bureau	2
Commerce/NOAA/Marine Fisheries	2
HEW/Public Health Service	0
Department of Labor	1
GSA	1
DOT/FAA—Flight controllers, et cetera	5
Treasury/IRS	6
Treasury/Bureau of Customs	9
Total	53

ACTIVE USAID/VIETNAM CONTRACTS WITH U.S. FIRMS

CONTRACTOR, PURPOSE OF CONTRACT, AND NUMBER OF PERSONNEL

International Rescue Committee: To provide technical services to assist in the RVN refugee relief program; 2.

Quinton-Budlong, Inc.: To provide tech, and training servs. in support of the efforts to improve and expand the present GVN security telecom facilities; 7.

International Training Consultants: To train training directors of GVN agencies; 2.

USAID Snack Bar: Basic contract for a variety of semi-official services for USAID; 3.

Control Data Corp.: To provide assistance in implementing the land-to-the-tiller law; 1.

International Rice Research Institute: High-yield rice production study to increase rice production in Vietnam; 3.

C. W. Robinson & Co.: Assist GVN in planning, operating, and development of an industrial development bank; 1.

Thomas H. Miner & Assoc., Inc.: To assist the GVN in the divestiture program for certain companies (basically in sugar, textiles, cement and mineral water) now owned by the GVN; 3.

Adrian Wilson & Assoc.: Feasibility study for expansion of Thu Duc water treatment plant; 2.

Southeast Asia Computer Assoc.: GVN Computer Center Advisory Team; 9.

Lone Star Mult. Dev. Corp.: Construction of the National Crops Training & Testing Center, My Tho; 3.

Southeast Asia Computer Assoc.: GVN computer facilities management team; 6.

Asian Psychometric Consultants: USAID staff development center; language, office skill in instructors; 3.

Lyon Associates, Inc.: Engineering & design services, potable water project; 11.

Minnesota (3M) Graphic Service, Inc.: Maintenance of 3M equipment; 1.

Vinnell Corp.: VECCO—managerial & technical advisory assistance (host country contract); 22.

DMJM: Technical advisory services to RVNAF highway const. program; 23.

Phuong Nam Kien Tao: Highways improvement: Route QL–4 from Saigon to My Thuan; 1.

De Leuw, Cather Int'l Inc. & Asiapac Fargo, Inc.: VDA—managerial & technical advisory asst.; 3.

Roy Jorgensen Assoc.: Senior advisory services to DGOH; 7.

G. Tracy Atwood: Adaptive agricultural research project for Montagnards; 1.

Checchi & Co.: To assist in the development of the NEDEF; 2.

Motorola, Inc.: USAID telecommunications project; 5.

DMJM: Equipment management advisory services—DGOH; 17.

Artdom Dev. Corp.: Maintenance and repair of USAID air-conditioning equipment; 1.

Roy Jorgensen Assoc.: To furnish advisory assistance support and training to key DGOH management staff; 1.

Kentron Hawaii Ltd.: Improvement of fiscal administration; 2.

Geo Hydro: Maintenance, repair, and reconditioning of IBM electric typewriters and dictation machines; 1.

Quinton-Budlong, Inc.: To provide advisory and technical services for the CPDC secondary line, Saigon-Can Tho; 5.

DMJM & Geo Control, Inc.: Management advisory services and general engineering; 9.

DMJM: Inspection & supervision of const. services—Route GL–1; 2.

Lyon Associates, Inc.: Inspection & supervision of const. services—Route QL–4; 2.

De Leuw, Cather & Asiapac Fargo: Supervision of construction services—Routes HL–9—QL—1—Section I and QL–1—Section II; 6.

Asiapac Fargo & Holmes & Narver: Study to develop a plan for implementation of accelerated installation of infrastructure for industrial parks at Bien Hoa and Cam Ranh Bay; 13.

World Rehabilitation Fund: To assist GVN in establishing a Nat'l Rehabilitation Institute & program with emphasis on war casualties, & military; 2.

Children's Medical Relief Int'l.: Assistance in plastic reconstruction and rehabilitation surgery primarily for treatment of children; 1.

MWK & Associates: Const. of additional steam power generation capacity and transmission facilities Thu Duc; 1.

University of Florida: Advice & asst. to the College of Agriculture, Thu Duc to insure basic economic & rural development; 4.

Institute for Defense Analysis: Economic analysis & evaluation support to the ministry of planning & asst. to the National Bank; 3.

University of Missouri: To assist the Ministry of Education in the up-grading & expansion of engineering education; 3.

American Medical Assoc.: Technical asst. to the medical schools of Vietnam to develop programs, personnel & facilities in medical education; 29.

Int'l Rescue Committee: Medical care service to the GVN; 4.

URS Systems Corp.: Health logistics support for data systems analysis; 1.

Sanderson & Porter, Inc.: Providing assistance in the transmission & dist. program; 4.

Kentron Hawaii, Ltd.: Management analyst training; 1.

Kentron Hawaii, Ltd.: To provide tech. management asst. to the Ministry of Agriculture in the area of fiscal management systems; 4.

World Rehabilitation Fund: Refugee Relief Program to assist GVN in vocational rehabilitation of disabled war victims; 3.

Inst. for Public Admin.: Development assistance to the Nat'l Institute of Administration; 5.

Air America, Inc.: Aircraft flying and related services for USAID; 184.

American Management Assoc., Inc.: Development of management association of VN (MAVN); 1.

Public Administration Services: To assist GVN to improve management services; 2.

Public Administration Services: Management analysis & training asst. to the Ministry of Education, GVN; 3.

Asian American Free Labor: Coordinate the activities of AFL/CIO and its affiliates in efforts to develop & strengthen the Free Trade Unions; 1.

Agriculture Coop. Dev. Internat'l: Develop viable agricultural credit; 2.

Hughes Aircraft Co.: Technical asst. to the Vietnamese Institute for Standardization; 2.

Living Marine Resources, Inc.: Management asst. to the directorate of fisheries GVN; 2.

DEPARTMENT OF DEFENSE CONTRACTOR PERSONNEL IN SOUTH VIETNAM—AS OF JUNE 30, 1973

Purpose of Contract, Contractor, and Number of U.S. Personnel	
Aircraft maintenance:	
Avco/Lycoming	26
Bell Helicopter	6
Boeing/Vertol	5
Bunker Ramo	7
Cessna Aircraft	4
Continental Air Service	11
Fairchild Hiller	4
General Electric	33
Lear Siegler	1642
Northrop	14
Parsons	24
Radiation	18
Teledyne	1
Texas Instruments	2
Subtotal	1, 797
Equipment maintenance (other than aircraft):	
Assoc. Amer. Engineers	27
Dynalectron	131
Hughes Aircraft	4
Potomac Research	3
Sperry Marine	1
Subtotal	166
Facilities maintenance:	
CAC Doll	1
Lyon Associates	2
Pacific Architects and Engineers	475
Trans Asian Engineers	7
Subtotal	485
Supply:	
International Dairy	6
Vinnell	112
Subtotal	118
Communications and electronics:	
Bendix	15
Collins Radio	3
ITT Fed. Electric	431
Kentron	81
Page Communication	161
Sanders Assoc	3
Sierra Research	22
Systems Devel	4
Texas Instruments	2
UNIVAC	6
Subtotal	728

Transportation services:	
Alaska Barge and Transport	50
Asiatic	1
B&R	3
Columbia Export	2
Eastern Marine	2
Explorative Science	4
Flying Tiger Airline	3
Imperial Household	1
Land Marine	4
Liffey Marine	4
Motorola	1
Pan American	5
Sealand	24
Sealantic	12
Seapac	3
Systems Erectors	1
World Airways	1
Subtotal	121
Miscellaneous services:	
ARINC	5
Computer Sciences Corp	81
Dong Nam	1
Eastern Marine	2
Geo Hydro, Inc	1
IBM	1
Rockdel	2
Subtotal	93
Total	3,508

CAMPAIGN FINANCING

Mr. SCOTT of Pennsylvania. Mr. President, without comment and for the benefit of my colleagues I ask unanimous consent that an editorial from the Philadelphia Inquirer on campaign financing be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SECOND THOUGHTS ON ELECTION $$$

Pennsylvania's Sen. Hugh Scott, we would guess, spoke for many of his fellow Americans when he said Tuesday that he had changed his mind about public financing of Federal elections.

"Two years ago," Mr. Scott said in testimony before a Senate committee now considering such legislation, "I was persuaded that disclosure alone would cure the ills, but I misjudged that as much as I misjudged the deviousness of certain individuals who sought to humiliate the law from the day it was enacted."

There are some sticky problems involved in working out public financing, as the hearings now underway demonstrate.

Shall there be only public financing, as Sen. Scott and Sen. Edward Kennedy propose in a bill they have submitted? Or shall there be a mix of public and private financing, as proposed by Pennsylvania's junior senator, Richard Schweiker, and Sen. Walter Mondale in another bill? How far down the line of candidates shall public financing go? How much shall be spent and how shall it be allocated? Who shall qualify for such money? And what about primaries?

There are no simple answers, but the problems are not insuperable.

One thing that is clear, as Sen. Scott said, is that "this nation is now painfully aware of the corrosive power of money in politics." Another is that the extensive reform legislation enacted two years ago has not provided the kind of genuine reform needed to stem that corrosion.

It is encouraging, therefore, to find a majority of the senators now committed to public financing in principle. Translating that principle to workable specifics will not be easy, but it needs to be done—and now. Public financing is definitely an idea whose time has come.

FOREIGN SERVICE AWARDS

Mr. PELL. Mr. President, recently I was the guest speaker at a luncheon of the American Foreign Service Association, at which were presented the Ambassador W. Averell Harriman, the Ambassador William R. Rivkin, and the Gov. Christian A. Herter Awards for honoring Foreign Service men and women displaying exceptional initiative, integrity, intellectual courage, and creative dissent in the service in their country. It is a happy commentary on the difference between our own open society, where dissent is rewarded, and those closed societies where dissent is punished. The Harriman Award goes each year to a junior member of the Foreign Service, the Rivkin Award to a mid-career member, and the Herter Award to a senior member who have outstandingly exhibited these qualities in the performance of their duty. This year's distinguished panel of judges included two of our own colleagues, Senators HUMPHREY and STEVENSON.

The names of this year's winners and the citations made at the award ceremony are:

CHRISTIAN A. HERTER AWARD

James S. Sutterlin, country director, Germany and Central European Affairs

He has not only displayed the qualities for which the Award is given to an outstanding degree, but created within his office an atmosphere in which other officers, especially of the middle and junior grades, are encouraged to display them similarly. . . Mr. Sutterlin took advantage of the existing NSC processes to initiate what has become our official policy toward the German Democratic Republic by presiding over the drafting of what eventually became the basic policy paper. In this atmosphere, everyone is encouraged to display initiative, integrity, intellectual courage, and, when so inclined by particular substantive policies, to dissent creatively.

WILLIAM R. RIVKIN AWARD

Edward L. Peck, Special Assistant, Office of the Under Secretary of State for Poliitcal Affairs

Mr. Peck's special distinction lies in having the creative initiative, the courage, tenacity and integrity to challenge successfully, significantly bad interagency arrangements which others had for years not only accepted but even promoted. The broad result of his initiatives has improved both policy formulation and the conduct of overseas operations. . . He has been exceptionally provocative and perceptive. He considers a problem thoroughly and sets forth is suggestions with complete honesty and candor, even when he knows they may go against conventional wisdom or established policy. . . Through perseverance, steadfast adherence to his views and rigorous honesty, Mr. Peck has single-handedly inspired a reluctant State Department to resume a legitimate mantle of leadership.

W. AVERELL HARRIMAN AWARD

Douglas K. Ramsey, FSO-5, POW, Vietnam, 1966–73

Mr. Ramsey has intellectual mettle. While making no friendships among the Viet Cong and having little attraction toward their cause, he did not allow personal convictions to color his thinking . . . He drew upon his unique exposure to the Viet Cong to assess how a guerrilla war should be fought and how ideological and cultural differences create misconceptions on both sides . . . Mr. Ramsey withstood the severest physical tests: long forced marches through inhospitable terrain, starvation, sickness and exposure to hostile fire . . . Despite intense psychological pressure and physical danger to himself, in several cases Mr. Ramsey's actions saved the lives of other POWs . . . As a junior officer Ramsey effectively served as the Acting Provincial Representative in Hau Nghia for four months . . . Ramsey realized to administer the AID program he had to get out in the countryside. This determination resulted in his capture.

In my remarks on the occasion, I discussed relations between the Congress and the State Department and the Foreign Service emphasizing the need for a vigorous effective Foreign Service and describing what the Congress can do in this respect. I think, therefore, they would be of interest to this body.

Mr. President, I would like unanimous consent to print my remarks in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR CLAIBORNE PELL

Secretary Rush, award winners, distinguished guests and fellow Association members, I am grateful for the hospitality you have extended to me today. In fact, as a Senator who served in the Foreign Service for more than two-thirds of a decade, I feel today like a prodigal son who is back at home. And it is nice to be home.

Actually, I believe I am the only Senator who has served in both the Foreign Service and in the Senate. My father, too, who is known to some of the older persons in this room, also served in both roles, having passed the old Diplomatic Examinations and having been a Chief of Mission abroad as well as being a Congressman and politician in the intervening years.

First, I would like to touch upon the relations between the Congress and the State Department and Foreign Service and their roles in the formulation and conduct of foreign policy. Our Secretary of State-to-be expounded brilliantly—and with gentle humor—a quality sorely needed in Washington these days—on this subject at his confirmation hearings.

He and we all agree on the need of achieving the optimum balance of power in the foreign affairs field between the Executive and Legislative Branches called for by the Constitution. And it is to the Constitution, incidently, not to the President or to the Congress, which we all, the President, an FSO, a Senator, swear a common allegiance in our oaths of office.

Prior to World War II, Congress, with a parochial view of the United States role in the world, dominated foreign policy and gave it an isolationist thrust. During World War II and in the post-war period the Executive Branch reversed this situation and a malleable Congress acquiesced until the bitter experience of Vietnam finally caused the Congress to reassert itself.

Most recent examples of this redressing process are, of course, the cut-off of funds of further United States military action in Indochina without congressional authorization and the current war powers legislation. We are now at a watershed stage in attempting to achieve this balance necessary for effective joint leadership of the two Branches. And each must avoid pressing too far into the jurisdiction of the other.

In exercising this joint leadership, the question arises as to what is the role of the Congress? What can it do? First of all, as the elected representatives of the American people, Congress must supply the political factor to the foreign policy equation. In so doing, the opinion and interests of the public are cranked into the foreign policy process. The introduction of this factor can set up tensions between the Executive and Legislative Branches, but from these very tensions can emerge creative solutions and policies that are broader based and more in the national interest than would otherwise have been the case. Had this sometimes time-consuming process been followed more thoughtfully earlier in our involvement in Indochina, the nation might have been spared much grief.

A current example of the process involves the Jackson Amendment with regard to free emigration and the proposed trade agreement with the Soviet Union granting MFN treatment. At issue, too, is the whole question of the suppression of human rights, in defense of which real heroes of our times such os Solzhenitsyn, Sakharov, and a while ago Dubcek have dared speak out. I support the amendment, while recognizing it may be a too simplistic approach. If so, it is up to the Executive and Legislative Branches to find productive alternatives. We should examine, for instance, where and how we can champion all human rights more vigorously and effectively—at the U.N.?—at the Conference on Security and Cooperation in Europe? In any case, it behooves the Foreign Service to have a keen awareness of the political factor or role and the valuable function it performs in assuring wider public support and understanding of our foreign policies.

In an aside, I would add that as one who has just returned from a visit to Eastern Europe, détente looks very different when you are there, or even in Central Europe, than it does over here. In the short term at least, the tendency is for the Soviets to turn the screws tighter on their subject peoples as détente increases? Why?—simply in order to prevent their people from being contaminated by contact with western freedoms. And yet, it will be thanks to these very same contacts—and to détente—that communism will eventually be eroded away as a system of government.

May I add here, too, my own profound belief that it is Communism, not our own system, which contains the seeds of its own destruction. Once people have acquired the necessities of food and shelter, all men—and women—everywhere desire the extras that go with the what we call the good life. And when people have learned how to read, write, and think, they then start to ask questions, a process that is destructive of Communism. The desires to worship freely, travel freely, talk freely, and yes, pile up a few of this world's possessions to leave to one's children are universally-held desires—by people everywhere, white, yellow, brown and black. And Communism runs directly athwart the flow of these desires—that is why I believe it will not last forever.

The Congress also has a helpful monitoring role to determine if current policies correspond to current realities. In this regard, in my recent book, *Power and Policy*, I use as its theme the statement of Lord Palmerston, "We have no eternal allies, we have no perpetual enemies. Our interests are eternal and perpetual and those interests it is our duty to follow."

We know that the Executive can become welded to courses of action leading to dead-ends. I urge, for instance, a prompt review of our Cuban policy, especially when in a proclaimed era of world-wide negotiation, a confrontation continues on our doorstep. Moreover, I believe there should be a review of our SEATO alliance in the light of our diminished commitment to the status quo in the Asian mainland and of our improved relations with China.

Congress is also in a position to take initiatives and effect innovations in foreign affairs that the Department or the Executive Branch overlooks because of a different perspective or disinterest. In this connection, I would immodestly point, as examples, to two of my own proposals made in this session of Congress. One is a resolution passed by the Senate by 82–10 majority calling for a treaty to ban environmental and geophysical modification as weapons of war, to which for reasons unknown to me, and I understand to the Department, an unforthcoming Pentagon is opposed.

A second proposal is for the creation in the Department of a Bureau of Ocean, Environmental and Scientific Affairs—as a means of placing these closely related, interdependent functions in a single bureau under high level leadership. It also means that the 70% of the earth covered by oceans, and the envelope surrounding the earth, both of which are becoming increasingly inhabited and exploited by man, will receive the same Departmental emphasis as do those portions of the earth now represented by the geographic bureaus.

Let me conclude with comment on the need for a strong, effective Foreign Service and what Congress can do to help make it so. First, let me say that there is a very generous respect and regard on the Hill for the Foreign Service. There is also a conviction that the Foreign Service can best meet its responsibilities if the career principle is preserved and strengthened. To this end, a provision I sponsored has been included in the State Department Authorization Bill assuring merit rank order promotions up to Class One.

The Senate Foreign Relations Committee has also drafted tentative guidelines for confirming ambassadorial nominees, which would greatly reduce the number of non-career appointees and establish criteria for approval of non-career appointees requiring more than just a large campaign contribution. The other side of the coin however, is that the Committee will not give rubber-stamp approval to the nomination of every career officer, at least not unless the law is changed to provide for automatic confirmation of career FSO's. In giving its advice and consent to any nominee, career or non-career, the Committee must do its best to exercise its judgment as to whether the confirmation in terms of a specific assignment is in the national interest.

To increase greater understanding of the domestic political factor among Foreign Service personnel, I would like to see deeper and more frequent contacts at all levels between the Congress and the Foreign Service. An increase in the detail of FSOs to the Hill and in the Congressional Fellows Program would be useful in this regard. I would also favor more FSO assignments to departments and agencies primarily concerned with domestic affairs and also at state and municipal levels.

I would support expanded training opportunities at the Foreign Service Institute and elsewhere, with additional funds if necessary, especially to help the Foreign Service cope with the growing global social and economic problems that are adding a new dimension to traditional diplomacy—problems of the Third World, environment, population, energy and raw material sources, drugs, terrorism and the like.

Finally, the Congress can wholeheartedly endorse the Secretary-to-be's recently declared aim "to infuse the Department of State"—and I would add the Foreign Service—"with a sense of participation, intellectual excitement and mission." Basically, however, the attainment of this goal will depend upon the response of the individual officer.

Here I would add that yours is not only a noble and disciplined occupation. It is a calling, a service job just as is the ministry or the military service. And just as every clergyman does not expect to be a bishop, nor does every ensign or lieutenant expect to be an admiral or general. Nor should every Foreign Service Officer expect to be an ambassador. Rather, yours is an occupation of public service and a life of interest and challenge to be savored and, hopefully, enjoyed through the years as you carry on your important work. In this process should be released the creative forces that contribute to the excellence of service and performance that we are gathered here to honor today.

THE U.S. POSTURE IN EUROPE

Mr. JAVITS. Mr. President, the British journal, the Economist, recently published an editorial in its issue of August 25, 1973, on the present weaknesses of the United States and Europe. This magazine consistently publishes some of the most incisive and perceptive articles on world affairs and the United States that may be found anywhere.

The article emphasizes many of the concerns I have shared with my colleagues on the Committee of Nine, which was charged by the North Atlantic Assembly to chart the future of NATO for the next 10 years. The final report of the Committee of Nine is now ready to be presented at the 19th Annual Session of the North Atlantic Assembly in Ankara, Turkey, in late October 1973. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THERE'S NO HIDDEN HAND

When the President of the United States loses his grip, half the world finds itself in pieces on the floor. Eight months after the Year of Europe was supposed to have begun the full extent of the damage done by the Watergate affair is becoming clear. The reports that Mr. Nixon had at last made up his mind to come to Europe in late October or early November turn out, on inquiry in Washington, to be wrong: no such decision has yet been taken in the White House, and France has not yet been persuaded by the other Europeans to agree that Mr. Nixon would be welcome if he did come then. There could hardly be a better illustration of the twin disasters of 1973. The government of the United States is a stretcher-case. The European community has abysmally failed to discover the new sources of energy that seemed within reach in January, and that would to some extent have made up for the paralysis of America. The only great power that seems to know what it wants to do in the world, and is doing it, is the Soviet Union. It is hard to remember a time in the past 30 years when the community of the democracies has been in worse shape.

THE LOST LEADERSHIP

Take the broken jigsaw piece by piece. In America Mr. Nixon has now started the attempt to reassert himself. But the immediate effect of the passions of Watergate has been to create a block of anti-Nixon votes in Congress that will oppose the President's ideas not on their merits but in order to show an overweening executive who is master now. No doubt, as Mr. Nixon makes it clear that he intends to remain President, this anti-Nixon-on-principle vote will gradually diminish: the work of the republic has to go on, after all. But it may be strong enough, and last long enough, to damage his foreign policy in several ways.

The trade bill that has still to be brought to the floor of Congress is liable to emerge with a stronger safeguards clause, designed to keep out imports that hurt American industry, than it need otherwise have done. The bigger budgets that Congress is likely to insist on will anyway add to the inflationary pressure in America, and thereby increase the danger that the United States will be frightened into a deflation that would squelch imports even more effectively. The demand in the Senate for a unilateral withdrawal of American troops from Germany will certainly grow louder. Even Senator Henry Jackson has now introduced a proposal that the American army in Europe should be cut to the extent by which the European allies fail to cover its full foreign-exchange costs (which could mean Europe finding about an extra $1.5 billion a year); and although Senator Jackson's intention is to help Mr. Nixon by showing the Europeans that they have got to pay more for American protection, the result could be to make a troop cut inevitable if the Europeans refuse to cough up more dollars for this purpose when they can see their dollar-earning exports running into trouble anyhow. These things feed on one another. It is the loss of Mr. Nixon's authority in Congress, just as much as the fear that he may make concessions to Mr. Brezhnev to keep him friendly, that is the measure of the damage Watergate may have done to the alliance.

And the damage may go deeper. Before the Watergate row exploded in April it had begun to look as if Mr. Nixon was having some success in repairing the harm the Vietnam war had done, both to the self-confidence of the Americans and to their relations with their allies. Most of the people who had opposed the war were prepared to regard it as the result of good intentions that had gone wrong, rather than as the work of a basically flawed and maleficent America. It had revealed serious weaknesses in the way the United States chooses to run a war, but the very effectiveness of the anti-war movement in persuading Mr. Nixon that he had no alternative but to pull out of Vietnam seemed to show that in the end there was nothing wrong with the American political system.

The discovery of what has been going on in the Nixon White House puts that in doubt. It raises more questions than the war ever did about the central part of that system. It has virtually expunged the four years of good work Mr. Nixon had done in trying to restore the American's good opinion of themselves, and their willingness to sustain the role of the leading power of the west. In the long run this could be the most telling Watergate consequence of all.

NO FEDERATOR FOR EUROPE

It might be less serious if the weakening of America had been matched by a strengthening of Europe. But it has not. The other great failure of 1973 has been the failure of the European community to rise to the moment history seemed to offer on Britain's entry in January.

There are in hindsight a number of understandable reasons why things went wrong. The attempt to unite the exchange rates of the community's members before the economic policies that decide those exchange rates had been pulled together was a memorable example of putting the cart before the horse, and thereby making the horse sit down with furrowed brows. The Germans' economic troubles have made them increasingly reluctant to produce the sort of money that would be needed to subsidise both the farm policy France insists on and the regional policy Britain demanded when it came into the community. These are both momentum-stopping things; and there has to be added to them the fact that the centre of power in the community at the moment lies in an alliance between two conservative governments, those of France and Britain, which have their own reasons for wanting the momentum to be kept under control anyway. Mr. Heath and M. Pompidou can agree about the desirability of getting German money for France's farms and Britain's decaying industrial outback. But they both lead parties that are nervous about any suspected loss of national sovereignty; and they both face oppositions dominated by a left wing that does not want a united Europe at all. It is far from clear that such a combination could ever have risen to the challenge of 1973.

But here too, as in the United States, the experience of the past few months has raised an even more fundamental question. If western Europe is ever to federate itself into some sort of political unity it will probably need, as General de Gaulle pointed out, an external force that pushes federation upon it. But is the sight of a weakening America by itself a sufficient federator?

A bullying America, the sort of America that Mr. John Connally momentarily seemed to be speaking for in the dollar crisis of August, 1971, might have done the trick; but that is not Mr. Nixon's present America. A bullying Russia, in the absence of a strong America, would pull western Europe together even faster; but Mr. Brezhnev's Russia is taking care not to look like that at the moment. The problem of getting the sources of energy Europe needs might do it; but there is not much sign of it yet. The world the Europe of 1973 is being encouraged to believe is in a world in which it is reasonable and safe for each separate people, tucked away inside its own frontiers, to pursue its own private concerns. That is not a true picture of today's world, and the belief in it may not last for long. But while it does last it is doubtful whether Europe can lay its old nationalisms aside in order to construct a new European political system. The federator has got to be a frightener.

THE DOUBT ABOUT GERMANY

There is also, underlying these general doubts about the construction of Europe, a very specific doubt about the way one particular European country's policies may lead it in the future. The grumbling about Germany that has been coming out of the French government in the past few weeks has been partly a matter of pique about the farm policy, partly the old French dislike of seeing anyone else occupy the centre of the stage, and partly just French politicians knowing that August is the time to grab the headlines. But not only that.

The other thing the French are hinting at is that Herr Brandt's Ostpolitik has got him into a situation where his account books with the east look curiously unbalanced. The Ostpolitik so far has brought West Germany a number of minor gains: it has won a certain improvement in Berlin, and it has opened a few more doors for people going to East Germany. But in return for this the communists have obtained two concessions of principle, the recognition of East Germany and the west's acceptance of the permanence of communism throughout eastern Europe, that far outweigh any benefits the west has received. The Russians have plainly got the better of the deal so far. Sooner or later someone in West Germany is going to want to square the books, and in particular someone is going to say that life should be made easier for the people of East Germany. The Russians will presumably reply that that is a whole new deal, and the further concessions they will demand in exchange for doing something about Herr Honecker's armed camp may be things that would weaken Germany's links with its western neighbours. Pretty certainly Herr Brandt and the present leadership of the Social Democratic party would have nothing to do with that sort of deal. But the new left wing of the party might be tempted to, and men like Herr Egon Bahr might feel the temptation too. This is presumably the thought at the back of M. Pompidou's mind and it is by no means wholly irrational (see page 33). It is not a problem for 1973. It could be one by the middle of the 1970s if the united western Europe that could anchor Germany down is no nearer realisation.

This is not the end of the list of things that have gone wrong for the democracies in 1973, or could go wrong in the next few years. There is the danger that inflation is going to frighten the world's major economies out of the boom that has been carrying all of them upwards together for the past two years, and send them into a simultaneous recession by 1974–75. The political effects of such a recession would be very unpleasant indeed. It would be a wedge driven into every crack that is already visible, between Europe and America, and between both of them and Japan. In Japan itself there is also the possibility that next summer will see the long-dominant Liberal Democratic party lose its power to govern effectively. If the Liberal Democrats lose their majority in the Japanese senate in next June's election, the opposition will be able to reject the government's proposals, and the Liberal Democrats no longer have the two-thirds majority in the lower house that could force them through over the senate's objections. To Americans, and to many Europeans, that sounds a routine enough problem. But there is no knowing how Japan's still-fragile commitment to democracy would stand up to the frustrations of a prolonged parliamentary stalemate.

THE ONE WITH CLEAR EYES

Perhaps none of these things would matter all that much if only the Soviet Union were equally preoccupied by the inward contemplation of its own difficulties. But Mr. Brezhnev is the one man in 1973 who seems to be capable of looking out beyond his own frontiers with some confidence that he knows where he is going. He had already achieved nuclear parity with the United States; now his technologists have moved him a step closer to possible nuclear superiority (see page 29). He has got the controls in place that will enable him to prevent any real liberalisation in eastern Europe. He can probably count on the gap between Nato's strength in central Europe and the Warsaw pact's widening still further in the next few years; the electorates of the democracies, having been told that the cold war is over, want to cut their defence budgets, and they are not yet ready to count the consequences. His arrangements with India and Iraq, and now perhaps Afghanistan (see page 30), give him the makings of a sphere of influence covering much of southern Asia. He may even be wondering whether he could get away with settling his China problem once and for all. The Soviet Union has done well out of the past few years, and far better than the weakness of its economy entitled it to. The Soviet government, having digested the Ostpolitik and gone on from there, is the one group of people today who can really claim that its tensions have been relaxed.

There is no hidden hand that will intervene to rescue the democracies from the difference between Mr. Brezhnev's purposefulness and their own present lack of it. The nations of the non-communist world are behaving like entrepreneurs in a system created by Adam Smith. Each of them is doing its own thing, pursuing its own interests in its own small sphere of awareness, in the trustful hope that some invisible regulator will pull their separate activities together and reconcile them to the common good But the international struggle for power and survival is not like the economics of perfect competition. The victory goes to those who see the world whole, and know what they want, and apply their strength to getting it. On present evidence only Mr. Brezhnev's Russia looks any thing like that. If the democracies are to recover from the wreckage of 1973, there will have to be someone, in America or Europe, who can get a grip on events again.

REGRETTABLE EVENTS IN CHILE

Mr. CHILES. Mr. President, the coup last week in Chile is most regrettable. It is regrettable because it interrupted the constitutional process in one of the most democratic countries in the world. Tensions had risen to such a point, Allende drove his own machinery into the ground to such an extent that the coup seemed to unleash a tremendous amount of pent-up force. The violence of the coup was surprising against the background of civility and legality for which Chile is so well known.

The coup is regrettable also because it did not allow the Marxist government of Salvador Allende to complete its term and be held accountable for its failure as a viable means of meeting Chile's problems. If Allende had been able to serve his entire term, his record and his responsibility would have been clear. He and his supporters could have been held more fully accountable for the economic chaos and political disarray they were causing.

Now it can be said that Allende failed in part because he was dragged under by the opposition. Now the opposition has also sowed seeds of conflict and tension. Now others will have to bear the burden of whether the coup was wise, necessary, or desirable.

I was in Chile in October of last year when a strike was on and the military first came into the Allende cabinet. I was fortunate in being able to talk to many of the principal figures in the current crisis. The background and events since that time leading up to the coup last week is no where better portrayed than in an outstanding article by William Montalbano in the Miami Herald last Sunday called "How the Chilean Military Toppled Allende." It is a great tribute to the ability of Mr. Montalbano as a journalist and to his knowledge of Chile that he has been able to piece together the events leading up to the coup in such an insightful way.

The coup, of course, has brought all kinds of speculation as to what the U.S. role was in the coup. My own view is that I do not think the United States in any way participated in the coup. Mr. Montalbano's article does not discuss the U.S. role in Chile but it is clear from his account that internal pressure and conflicts in Chile were sufficient unto themselves to lead to a break in the Allende government.

But the United States is going to be tarred with the blame in any event, whether we were really active in the coup or not. Now that we have a history of involvement in Chilean affairs through the ITT affair, everyone is going to think that we played a key role even though we may not have.

Given the suspicions that are running due to our past performance, it seems to me we must keep a scrupulously pure hands-off position, as an editorial in the Evening Star put it. This seems to me absolutely vital. We must not only not be involved, we must avoid any appearance of being involved. Among other things, it would be a tragedy if suspicions of U.S. involvement were to dampen the initiatives which Dr. Kissinger seems intent upon taking toward Latin America in his new role as Secretary of State.

Now that the coup has happened we need to stand aside and watch carefully to see how fast there is a return to normality, especially protection of civil liberties, freedom of expression and constitutional processes. We should not turn our backs but we should not go poking around either. We need to adopt a careful attitude of watchful waiting while keeping our hands off. There should be, and is already among many Americans, a concern for the civil rights of all people in Chile. This bears especially careful attention in the days ahead by everyone who is concerned that Chile become again the hallmark of democracy in Latin America.

I ask unanimous consent to have printed in the RECORD the attached articles.

There ebing no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star-News, Sept. 12, 1973]

HANDS OFF CHILE

Chile suddenly presents the Nixon administration with its biggest test in this hemisphere. Throughout 1973 presidential spokesmen—most notably former Secretary of State William P. Rogers in Latin America this spring—have proclaimed American determination to let our southern neighbors determine their own destiny. The Chilean military assault on Marxist President Salvador Allende now becomes a dramatic case in point.

We think that the United States, true to its promises, should stay strictly on the sidelines. Neither by word or deed should Washington fuel the slightest suspicion that it somehow is behind the upheaval overtaking this major Latin American country.

First signs are that the Nixon administration agrees. We applaud the immediate decision yesterday to divert a flotilla of four American warships from Chilean waters. The ships had just left Peru for routine maneuvers later in the week with the Chilean navy, but their presence now would certainly have proved an embarrassment in handling the crisis.

It is no state secret that Allende and the United States have been at loggerheads almost since the day he was elected in 1970. The Allende experiment in socialism meant the confiscation of large private American investments, including copper and telephone companies, with precious little compensation. The United States became the convenient "imperialist" whipping boy for everything wrong in Chile.

Nor have American hands been clean in fighting Allende. It is now part of the public record that the International Telephone and Telegraph Company approached a not-unsympathetic CIA with a bagful of dirty tricks to get rid of the elected Marxist president. The fact that the plans never got anywhere does not excuse underhanded intervention.

All the more reason now for the United States to take a scrupulously pure hands-off position. Voices from the left are bound to cry that Washington is at last trying to have its way in Chile, just as forces on the right will do their best to gain the mantle of respectability through support from Washington. But it is a Chilean battle and the solution must be a Chilean solution.

Fortunately the official American presence there is in the hands of ambassador Nathaniel Davis, a thoroughly level-headed and professional foreign service officer. His first concern must be for the safety of the 2,500 American residents of Chile, and we trust that his superiors in Washington will not complicate that task by taking sides in whatever struggle may ensue.

[From the Miami Herald, Sept. 16, 1973]

HOW THE CHILEAN MILITARY TOPPLED ALLENDE

(By William Montalbano)

BUENOS AIRES.—Countdown to a coup.

Near midnight on Wednesday, Aug. 29, Salvador Allende stared in baleful fury at three Chilean admirals who had come to his home in a suburb of Santiago.

Chile's president became abusive. He seemed unstable, and later the admirals would wonder how much he had drunk.

"I know that I am at war with the navy," Allende shouted. "I know what you want to do against me. Try it, I dare you."

By midday Thursday, Aug. 30, all of the admirals and most of the officers in Chile's navy knew of Allende's "at war" statement.

And one admiral quietly asked another at naval headquarters in the port of Valparaiso:

"Doesn't he realize the Chilean navy has never lost a war?"

The residents of Valparaiso awakened early on Wednesday, Sept. 5, savoring the proud sight they would witness as the flagship cruiser Almirante Latorre and the fleet destroyer Conchrane put to sea for joint exercises in the South Pacific with the U.S. Navy. But the Latorre and the Conchrane remained at their moorings. Their officers had refused to sail.

By then it was no longer a question of whether the Chilean armed forces would openly rebel against Allende. The only uncertainty was when it would happen.

It happened Tuesday, and Salvador Allende, Chile's "comrade president," died in the wreckage of his government.

From well-placed Chilean sources in Santiago, it is now possible to piece together the final weeks of behind-the-scenes drama that led to Allende's death.

Toward the end, Salvador Allende battled desperately for time with all his consummate politician's skill. He was at the razor's edge, and he knew it.

In the winter of 1973, cruel and cold, he reeled from crisis to crisis like an alcoholic from drink to drink. Each crisis proved more searing than the last, more difficult to overcome.

He emerged from each crisis controlling less, until at the end he controlled nothing at all.

Tormented Chile scarred this audacious man who sought to be at once a Marxist and a democrat and who was too little of of either, or else too much. Three times in the past six weeks Allende broke down in tears of frustration, twice before national audiences and once before his own national security council.

Each new note of drama seemed to drag the Chilean armed forces closer to intervention until finally, like a runaway freight, they came lumbering full-tilt into the mouth of an uncertain tunnel.

The rebellion was not the result of any single action or event. Rather it was the culmination of thousands of straws that came to weigh so heavily that they broke the stout back of the Chilean constitution.

Events began to out-distance Allende and to prompt direct participation by the armed forces in Chile's political struggle last October. The Chilean middle class rebelled against the government in a prolonged series of strikes led by truck owners and shopkeepers.

To be sure, however aloof the armed forces were said to have been, they were part of the battle for control of Chile from the beginning.

Even before Allende took office, right-wing terrorists had assassinated army commander Gen. Rene Schneider in an attempt to provoke a coup.

The soldiers swallowed that and, too, their middle-class reservations about Allende's attempts to construct irrevocable change in Chile on behalf of the poor minority.

Last October commander-in-chief Gen. Carlos Prats, Schneider's successor, and two other officers joined Allende's Cabinet to settle the strike. They remained in office, but without real power, until after their presence in the government guaranteed intergrity of congressional elections last March.

Buoyed by a strong showing Allende pressed ahead.

But the military already was restless.

After Education Minister Jorge Tapia explained details of an education reform to 150 unconvinced officers, Rear Adm. Ismael Huerta bluntly told Tapia in the presence of Prats and Allende aide Jose Toha: "We do not trust the Marxist government."

Allende withdrew the reform under pressure from the military and the church. Huerta has emerged as foreign minister of the new military junta.

Reports of increasing military discontent began to filter through Chile as winter arrived amid an economic crisis whose severity is unparalleled in Chilean history and whose principal victim was the middle class.

On Friday, June 29, part of an army regiment rebelled against Allende. Gen. Prats, who sympathized with Allende, led loyal troops crushing the revolt.

By mid-July, events were moving quickly. Allende once again sought military participation in the government. Prats was willing but there was strong pressure from below him against participation without authority.

Already a council of 15, five officers from each service, was drawing up a secret memorandum of 41 points to present Allende. He would have to put his house in order or the military would not rejoin the Cabinet.

On July 24, a weeping Allende offered a dialogue with the opposition Christian Democrats. But two days later truck owners again struck, quickly aggravating the already desperate shortage of supplies.

The next day, July 27, Navy Capt. Arturo Araya, Allende's chief military aide, was assassinated by right-wing terrorists.

Left-wing militants also were at work. It was an open secret that arms were being distributed to workers in an industrial ring around Santiago by extremists estranged from Allende's politics of a peaceful revolution.

On Aug. 2, the navy disclosed it had uncovered "seditious plans for a meeting" aboard the Latorre. It later accused Sen. Carlos Altamirano, secretary general of Allende's Socialist party, and two other militant party officials of sedition and agitating among navy enlisted men.

The navy, the most aristocratic and conservative of the three services, was outraged, and uncertain if it would be allowed to freely prosecute Altamirano.

But again, on Aug. 9, the military returned to the cabinet at Prats' insistence that it was its civil duty and that armed forces would be better placed to work from within the government than without.

By mid-August strike-related terror had made Chile a kind of Northern Ireland. On Aug. 13 terrorists knocked out electric power as Allende addressed the nation. Again Allende cried.

By nightfall, Aug. 21, the momentum against Allende had become uncontrollable. Extremists were arming on both sides and the military structure under Prats had become unraveled.

The wives of other officers attempted to present a letter of grievances to Mrs. Prats on the afternoon of Aug. 21, Police, mistaking them for demonstrators outside Prats' home, teargassed them.

Allende seemed to think he was on the verge of being ousted. He went to Prats' home that night, and Prats offered to resign. He said he didn't want to break up the army. Allende told him not to resign.

At 2 a.m. on Aug. 22, Allende called Luis Figueroa, secretary general of the Communist-controlled Chilean Labor Federation, and ordered him to put the workers on alert.

At 4 a.m. he sent Orlando Letelier, sometime foreign minister, interior minister and former ambassador to the United States, to see Christian Democratic leader Bernardo Leighton.

Allende wanted to head off a congressional vote that would have declared his government outside the constitution. He failed and the vote was taken later that day. Allende obviously feared the armed forces might use that, in the face of repeated demands from the supreme court that the government obey its dictums, as a pretense for action.

Early Wednesday morning, Aug. 22, 17 army generals met in the Defense Ministry in Santiago. They voted 13–4 to ask Prats to resign. At 4 p.m. Prats said he would not resign unless there was a unanimous vote of all 22 army generals.

With a Communist deputy making a last ditch effort to head off the congressional vote against Allende with what the sources called a "science fiction story" about threatened invasion from Bolivia, Allende summoned his national security council about 6 p.m.

Allende also talked of a supposed Bolivian threat, and in the course of the meeting, the sources say, "broke down in tears and was led away."

There was still more to come that day. Allende called Gen. Augusto Pinochet, second in command of the army and now president of the junta, and asked him to come to dinner with nine other generals of his choosing.

Allende seemed relaxed. He was courteous, saying that Prats was tired. The generals left Allende's home convinced that Prats would resign and Pinochet would replace him.

The next morning Prats and two other generals favorable to Allende quit. Allende accepted the resignation, naming Pinochet army commander.

Among army officers by then determined to move against Allende, there was some talk of bypassing Pinochet in favor of Gen. Manuel Torres de la Cruz, commander in the southern city of Punta Arenas.

But at a staff meeting with the generals Aug. 25 Pinochet proved more energetic and decisive than anyone anticipated.

Beginning on that Saturday, open, coordinated plotting began within the armed forces to oust Allende, the sources say.

Of all the services, the most restive was the navy. And it was there that the coup began Tuesday.

The key figures were Navy commander Raul Montero and Adm. Jose Toribio Merino, the second in command.

Montero, a bookish-looking, ulcer-ridden admiral not well liked within the navy, had been befriended by Allende and was serving as the minister of finance.

Merino, who portrays himself as the sailor's sailor in the British tradition and orders his suits from Gibbs of London, is a conservative with no sympathy for Allende. He is now a member of the junta.

On Aug. 29, Merino, with Adm. Sergio Huidobro, commander of the Chilean marine corps, met with Montero at 9 p.m. in Santiago.

They told Montero their subordinate officers were out of control. The officers were restless about extremist agitation in Valparaiso, for whose security the navy is responsible.

They said it was intolerable that the navy would be arresting key Allende supporters such as Altamirano for inciting mutiny and that at the same time the navy commanders were serving in Allende's Cabinet.

The officers said if they were ordered to move against the striking truckers they would refuse.

Shaken, Montero took Merino and Huidobro to see Allende at his home on Tomas Moro street. Allende heard the story and turned savagely on the admiral.

"I know I am at war with the navy. I know what you want to do against me. Try it, I dare you," he said.

Allende said the extremist infiltration within the naval ranks already discovered was "only 10 per cent" of what actually existed, the sources insist.

Three times during the stormy meeting Montero offered to resign and three times Allende dismissed the offer in fury.

Thoroughly aroused, Merino and Huidobro returned that night to Valparaiso.

The next morning, Thursday, Aug. 30, Merino reported on the meeting to his fellow admirals, to be told by one of them: "Doesn't he realize the Chilean navy has never lost a war?" The admirals made clear they wanted Montero out of the navy and the navy out of the government.

In Santiago, Allende, apparently with misgivings about his performance the night before, ordered Montero to go to Valparaiso Friday morning to explain the government's position.

Despite the warning from Merino that "you will be in trouble if you come," Montero called an officers' meeting in Valparaiso for 4 p.m. on Friday, Aug. 31, to carry out Allende's instructions.

But at 2 p.m. he met privately with 13 or 14 admirals. The meeting was a stormy one. By the time it ended Montero had agreed to resign.

At 4 p.m. Merino addressed some 400 officers awaiting the meeting. He told them the meeting had been canceled because Montero was resigning. The sources say there was "muted applause and outbursts of joy" from the officers.

There followed an incredible last ditch attempt by Allende to keep the navy from open revolt by keeping Montero as commander.

First Allende refused to accept Montero's resignation.

On Saturday, Sept. 1, he sent Letelier, then the minister of defense, to a meeting with Montero and the rebellious admirals. Letelier demanded the admirals say why Montero could not stay. The admirals, except for the one who ran the accounting department, stuck to their guns. Letelier left, saying it would have to be Allende's decision whether Montero remained.

By Sunday, Sept. 2, the navy was in an uproar, furious at the undignified way Montero was holding on and how Letelier had attempted to force the admirals to back down.

Officers under the Chilean admirals wanted to seize Valparaiso and trigger a revolt right then. The admirals restrained them.

At 10 a.m. on Sept. 3 Letelier met with the admirals again, lectured them and said Allende would not discuss Montero's resignation. He said Montero was ready to continue, and then he left the meeting.

Montero, left alone with his fellow admirals, was the vortex of a furious row. He soon again agreed to resign.

He went, with Merino and Huidobro, to see Allende at the La Moneda palace Monday afternoon.

The admirals found Allende a very different man from the one who had railed at them a few nights before. The admirals described him as "spent" (gastado), the sources say.

Allende told the admirals: "I made two mistakes."

The first, he said, was insisting on keeping the military in the Cabinet. And the second was in not accepting Montero's resignation.

Allende said if the admirals would give him a week to 10 days to ease the political pressures on him, he would rectify both mistakes, name Merino as the new naval commander and allow the navy to freely prosecute Altamirano.

In return, the admirals promised an investigation into whether sailors arrested in the Latorre mutiny had been tortured to obtain confessions. If torture was used, the guilty would be punished, the admirals said.

Late on Sept. 3, Merino and Huidobro returned to Valparaiso, fully satisfied, along with the other admirals, that they had reached a workable agreement with Allende.

But then, the sources say; the admirals lost control. In meetings on Tuesday, Sept 4, the various admirals explained the agreements to their subordinate officers. The officers rejected Allende's proposals as unacceptable.

On Sept. 5, officers aboard the Conchrane and the Latorre, the latter a former Swedish cruiser that is the pride of Chile's fleet, refused to put to sea for long-scheduled Unitas exercises with the U.S. navy.

The officers said they would not sail until Montero resigned. That same day the Senate began impeachment proceedings against Altamirano, adding new pressures to both Allende and the navy.

There appeared no end in sight to the truck strike. Sporadic violence was spreading throughout Chile. New strikes supporting the truckers were promised or were under way.

The Christian Democrats and other opposition forces were agitating for Allende to resign. Allende said he would not resign.

The sources say that by Thursday, Sept. 6 the navy had informed the army and the air force, which itself was more than ready but too weak to act alone, that it was prepared to rebel.

That night Allende met with the leaders of the Communist and Socialist parties and agreed to seek an immediate accord with the Christian Democrats under the good offices of Raul Cardinal Silva Henriquez, Roman Catholic cardinal of Santiago.

As it was discussed, the government would agree to a plebiscite on whether Allende should stay or go. The government might lose, but merely scheduling the plebiscite would buy about five months of precious time and would head off military intervention in the mean time.

On Friday Sept. 7, the sources say, Allende apparently decided he would accept Montero's resignation but would attempt to replace him with an admiral of less seniority than either Merino or Huerta. Under Chilean military tradition, both of those officers would then have to resign.

The navy demurred.

On Saturday Sept. 8, Interior Minister Carlos Briones announced a settlement to a long-standing dispute over control of Santiago's television Channel 9. The move was seen as conciliatory to the opposition.

Last Sunday, Briones spoke of the Christian Democrats in almost warm terms, and Chile seemed as though it might step back from the brink.

But something happened under the surface during the weekend, the sources are not clear what, to make chances for a political solution evaporate.

There is some speculation that it might have been private agreement by the Christian Democrats to support the impending military intervention. Certainly the Christian Democrats' prompt blessing of the coup was untoward, given the party's old and well known stand that it preferred the threat of a Marxist dictatorship to the certainty of a military dictatorship.

Monday, Sept. 10 was to have been coup day. But it was rescheduled—again, for reasons that still are not clear—until Tuesday.

On Tuesday morning, the navy seized Valparaiso, the army rolled its tanks to La Moneda palace and the air force bombed the palace when Allende resisted. Montero faded away, and when the new junta was named, Merino had become one of its members as navy commander.

Salvador Allende was buried quietly in his family's crypt at a cemetery in Vina del Mar near Valparaiso about 1:30 in the afternoon Wednesday.

THE ARTS IN PITTSBURGH

Mr. SCOTT of Pennsylvania. Mr. President, I was deeply heartened to read the Pittsburgh Post-Gazette editorial, "The Arts in Pittsburgh," of September 14, 1973, describing the great efforts in the arts continuing to take place in Pittsburgh. Pittsburgh can be very proud of the leadership in the arts that has launched a strong season not only for the superb Pittsburgh Symphony but for other musical groups, both professional and amateur: ballet, theater, poetry, and the visual arts.

Mr. President, I ask unanimous consent that this fine editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Pittsburgh Post-Gazette, Sept. 14, 1973]

THE ARTS IN PITTSBURGH—1973

As the Pittsburgh Symphony opens its season tonight at Heinz Hall, the arts in general in Pittsburgh appear strong as the 1973–74 winter season is launched.

The picture is especially good in music, not only with the Symphony and its three sold-out series, but with the Pittsburgh Opera. Strong offerings are in store for other groups in music, such as the Pittsburgh Chamber Music Series and the Renaissance and Baroque Society. Amateur groups such as the Mendelssohn, Oratory, and Bach choirs, the Savoyards and the Merrie Operetta continue to flourish.

Early in the summer the outlook seemed gloomy in two other areas of the arts—ballet and theatre. The financial difficulties of Point Park College threw a cloud over the Pittsburgh Ballet and the Pittsburgh Playhouse, both of which had been affiliated with the college.

Fortunately, strong leadership emerged and both organizations have announced seasons. The Ballet opens Oct. 12 with "Cinderella" and its schedule this season includes the ever popular "Nutcracker" at Christmas time and "Coppelia" in February.

The Playhouse has had to delay its season, realistically setting itself a subscription goal of 8,000 before it raises the first curtain. (With no real campaign the Playhouse last season had 1,200 subscribers.)

What is most heartening about the Playhouse is the sterling effort being made by its new board of directors not just to keep the theater alive, but to strengthen it, such as with a stronger playbill. "One Flew over the Cuckoo's Nest," "Our Town," and "The House of Blue Leaves" highlight the six-show schedule.

So the Playhouse board of directors is definitely challenging the Pittsburgh audience to see if it truly wants meaningful theater and will subscribe to underwrite it. We will know in a couple of months (the initial subscription deadline is Nov. 9).

Fortunately, too, what can be described as off-Broadway is increasingly flourishing in Pittsburgh. The successful Poor Players troupe at the UACM in Oakland has been joined by two groups on the North Side—the Atelier Theater and the North Bank Theater, presenting more avantgarde plays. There also is the Camelot in Bloomfield. (Note: summer theater here, the "strawhat" circuit, seemed stronger than ever this past season.)

The University of Pittsburgh's theater department is making an aggressive effort to pull audiences to its plays, constituting a strong element in the theater scene. Unfortunately, the Vanguard Theater—which toured the college circuit with modern classics—is down the drain.

The International Poetry Forum is stronger than ever with such luminaries on its schedule as the noted British poet, Stephen Spender; American poet-novelist James Dickey of "Deliverance" fame; and stage stars Dame Judith Anderson, Jessica Tandy and Hume Cronyn.

The visual arts continue to flourish, but there apparently will be nothing extra exciting in prospect. Partly this is because the Museum of Art at Carnegie Institute is partially closed while the new Scaife wing is being completed. (The Museum's fine Impressionist collection, for example, is not on display pending the new arrangement.)

Hopefully, the opening of the new wing in the fall of 1974 will add new esthetic dimensions for this region.

But the key areas for support and enthusiasm this year are the theater and the ballet, as 1973–74 well may determine the quality and extent of these essential aspects of a broad-gauged life in the arts here.

CONCERN OVER COMPLETION OF DELAWARE EXPRESSWAY (I–95)

Mr. SCOTT of Pennsylvania. Mr. President, an editorial in the September 12 Philadelphia Bulletin expresses appropriately the concern of the entire Philadelphia region over completion of the Delaware Expressway—I–95—through the Penn's Landing area in time for the 1976 Bicentennial. Improvements to all forms of transportation, are, indeed, not only a goal but a necessity as we move closer to the 200th anniversary of the United States.

But, as the editorial says, we must "eliminate further delays in the construction of this vital, midcity link."

Mr. President, I ask unanimous consent that this perceptive editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FINISH I–95 FOR 1976

Philadelphia's chances of completing the Delaware Expressway (I–95) through the Penn's Landing area in time for the 1976 Bicentennial will be eliminated if there are further delays in the construction of the vital, midcity link.

And if the expressway is not finished by 1976, it would be disastrous for the city's plans to stage a positive and comprehensive Bicentennial celebration.

I–95 is Philadelphia's main North-South highway for East Coast traffic. With a gap at Penn's Landing in midcity, traffic from New York and New England, Virginia and the South would be dumped into North-Central City and South Philadelphia. This traffic glut would swamp streets all around Independence Mall and throughout Philadelphia's "historic square mile."

Not only would Bicentennial visitors be aghast at the confusion; Philadelphia's inability to avert so obvious a bungle would understandably bring scorn and ridicule.

No one wants that to happen—not Mayor Rizzo, not Governor Shapp, nor the groups opposing the expressway's proposed ramps at both South and Bainbridge sts.

Yet the groups fighting the ramps—organized as the Neighborhood Preservation Coalition—have filed a suit in Federal Court that threatens to delay the highway beyond the Summer of '76. What can be done?

The answer is to move ahead and start building the Penn's Landing link, perhaps in two stages, while seeking a speedy resolution of the court case.

The Federal Highway Administration will let the Pennsylvania Department of Transportation (PennDOT) start work on I-95 as it aproaches the planned tunnel through Society Hill, while putting the ramps aside for awhile.

PennDOT, though, will have to make good on any costs—at the taxpayers' expense—that would fall on the Federal Government from allowing for the ramps, and from eventually not building them at all or from having to change them.

Residents of Society Hill, Queen Village and the other neighborhoods opposing the ramps fear the added traffic they will generate. But the problem, it's now clear, is that dropping or modifying the ramps would dump more traffic and more pollution on other streets, some actually in or close to Society Hill, as well as on others farther away.

Exits from the expressway belt that will encircle central Philadelphia are now evenly spaced at about a mile and a half apart. It is not reasonable to deny motorists access to the Penn's Landing area. Philadelphia's redeveloped riverfront is too much of a magnet for visitors and business firms—as it was always intended to be.

And would not yielding to one community's objections to on-off ramps merely cause problems to bob up elsewhere for many others?

Federal and state authorities assert that all environmental and review procedures required for the Penn's Landing roadway have been complied with. Four business and civic groups, including the Greater Philadelphia Movement and the Old Philadelphia Corp., which have carefully protected and guided Society Hill's development from the start, agree this is so.

These four groups feel strongly that the city and state should stay with the present plans. PennDOT's disposition, prompted by Governor Shapp, seems to be to compromise them, by steering the disputed ramps onto Delaware ave. instead of South and Bainbridge sts.

There are problems with either approach. But there are also pressures—of time, broad regional impact and ever-inflating costs—that call for continued work on I-85 and for a prompt settlement of the court suit.

The entire region can hope, and expect, that firm leadership by Philadelphia and Pennsylvania officials will get I-95 underway, without delay, through Penn's Landing.

INTERSTATE LAND SALES

Mr. HARTKE. Mr. President, there is a growing market in the sale and purchase of sites for second homes and vacation homes in this Nation. As leisure time increases, and as we focus more attention on the need to provide for our retirement years, people have turned to buying land to fulfill their dreams and desires.

Unfortunately, there has also been a growing record of fraud in the sale of land. People buy land and find that it is not what they had assumed it would be. The earliest such frauds involved people who bought land sight unseen and then found that it was located underwater or in marshland. Today, the complaints are more likely to be that the seller misrepresented the services which would be available on the homesite or that he misrepresented the uses to which the land could be put.

Mr. President, to meet this problem, I have introduced the Interstate Land Sales Act Amendments, S. 1753. I ask unanimous consent that a February, 1973, Better Homes and Gardens article entitled "How to Avoid Those Land-Sale Frauds" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

How To Avoid Those Land-Sale Frauds

(Note.—Written for the magazine by Robert S. Rosefsky, noted financial authority and syndicated newspaper columnist.)

Spurred on by massive promotions and nationwide sales forces, Americans are buying pieces of unused land for reasons our homesteading ancestors never would have dreamed of: retirement, vacation homes, investment, and—all too often—for lack of common sense.

Many land purchasers have not been disappointed. After careful investigation and thorough research, they've realized their dreams: owning land in well planned, well executed, well capitalized communities or recreational sites promoted and developed by honorable companies.

But there are always buyers who have come up on the short end, too. Nobody knows how many, though a Department of Housing and Urban Development expert estimates that tens of millions of dollars are lost every year by unsuspecting land buyers.

Who are the victims of such swindles? How do the schemes work? How can you protect yourself from being bilked?

THE TEMPTING COME-ONS

Many land operations are completely legitimate, and you'll get an honest deal for your money. Unfortunately, fraudulent promoters often adopt sales methods that—on the surface—seem just like those used by legitimate operations.

Consider this typical pitch for a place we'll call Agua Caldo Rancheros: "To the East, the majestic grandeur of the snowcapped Rockies, offering never-ending thrills of skiing, big game hunting, fishing in cool mountain streams . . . To the West, just a few short hours from your Ranchero, the crashing surf of the exotic blue Pacific—sun, beaches, cosmopolitan San Francisco, gateway to Hawaii and the Orient!"

Exaggerated? Of course. But it's accurate, in a distorted sense, for Agua Caldo Rancheros is smack in a scalding Nevada desert, roughly midway between the majestic Rockies and the exotic blue Pacific, and only a few short hours from either—by jet plane.

A key factor in such pitches is that the prospect probably isn't so much interested in buying a parcel of land as he is in acquiring a dream: Escape from the city, the rat race, the humdrum. Back to nature. Freedom. The new life. Everyone suffers from escapism to some extent. It's a legitimate dream—and so is the desire to invest in a vacation or retirement home. But as a result, everyone is at least partially hooked before the sale pitch begins. And that's all a good salesman needs.

To capture your interest, for instance, promoters sometimes send invitations to special dinners, or offer "free" vacations, or valuable gifts. An invitation doesn't necessarily mean you're being set up for the kill; many legitimate developers use such promotions, too. But with shady operations, you could find yourself at a presentation that appears to be ringing up sales right and left. In truth, the other avid "buyers" are shills—employees of the promoter acting out a very convincing role. To the unsuspecting prospect, it might seem that "All these other folks must know what they're doing." And out comes your checkbook.

Sophisticated investors can be just as easy marks, although the pitch is different. A salesman might offer a "tremendous return on your money" with one of these temptations: Purchase a large block of lots "for profit" on a subsequent resale. "Loan" money to the development firm, with the promise of high interest rates plus, perhaps, a "piece of the action." Buy "existing" mortgages—at substantial discount—of people who have already bought lots. (In Arizona recently, a firm successfully peddled over one million dollars of such fictitious mortgages.)

HOW SOME LAND-FRAUD SCHEMES WORK

There are all sorts of ruses. At the bottom of the barrel, for example, is the scheme utilizing completely barren land. In some instances, the land doesn't even exist. Here the promoters play for the fast buck, in and out of town in a flash and on to the next. They'll risk violating all laws for a shot at a quick killing.

This story is typical: A booth promoting floor wax at a state fair recently had a drawing. The "victim" was notified a few days later that he had won the grand prize—a free acre of land near a distant lake. The only requirement was that he pay $40 in legal and recording fees. It turned out that hundreds of people had been notified of their "prize," and each had won the same one-acre lot! If just 100 of these "winners" fell for the plot and forked over $40, the promoter could have cleared $4,000 for a few days' work and been on his way out of town before all the winners realized what had happened.

More refined schemes utilize land that may actually have some remote potential for development. Parcels like these often withstand a quick glance by a banker, an appraiser, a title company—all of whom might issue some sort of "blessing" on the property.

Such "approvals" can be demolished under close scrutiny: "Ninth National Bank has committed a line of credit for developmental purposes." ("Yeah, but it's only for $5,000, and it's secured by Snake Oil Sam's white Caddy convertible and a second mortgage on his house.") "Amalgamated Realtors, Inc., has a written appraisal that every lot is worth $7,500." ("If the developer, or somebody, ever spends the $7,000 per lot that will be needed to bring in water, sewer, etc.")

The potential for misrepresentation and deception is endless. Perhaps most common are false or misleading statements regarding these aspects: Current and potential value. Nature of utilities and other facilities, and completion date. Oral (and thus meaningless) promises to repurchase, or to offer for resale to others. The terrific demand for the lots. ("If you don't buy now, it may be gone by lunch.")

In promotions like these, the crooked developer very likely has neither the intent nor the abliity to produce a finished subdivision. Instead, he has created the illusion of a project in the works by using a Rent-a-Bulldozer for a few days, and carefully placing hundreds of little stakes.

Sometimes the most difficult scheme to see through is the land that really looks fine, but goes for an exceptionally high price. That's because the price isn't just for the land—it's for the extensive recreation facilities that are to be built. The golf course will be over there. The clubhouse/restaurant/health spa here. Tennis courts over the hill. And so on.

Here, too, the unscrupulous promoter capitalizes on the techniques of the legitimate one. Precious few developers can easily afford to build the luxuries before some of the lots are sold. But the legitimate developer will have proved, either by past performance or dependable, ready capital, that he can put the luxuries in at the promised time. The unscrupulous promoter will make promises that he can't, or won't keep. And he can stall for years, before you get wise.

WHY ARE PEOPLE FOOLED SO EASILY?

Whatever the economic strata of land-fraud victims, they have all committed one or more of these three basic errors:

1. The common sense has succumbed to Greed ("You can always turn around and sell the lot for a quick profit"); to Gullibility ("For only $19 down and $19 a month, why deny yourself what you've always wanted? How far wrong can you go?"); or to Guile ("You have my personal promise—if you're ever unhappy with your pur-

chase, the company will buy the lot back from you at full price. Of course, we can't put that into the contract, but you can trust me, can't you?").

2. They have signed binding contracts, obligating them to make payments, and these contracts have been sold in turn to third parties, such as finance companies. Under prevailing law, the third party's rights to collect on your I.O.U. may not be deterred by any claim you have against the land promoter. Even though you may have been defrauded, you still have to go on paying the finance company until your obligation is halted through the proper legal channels. And that takes time.

This is known as the "Holder in Due Course" doctrine, and it's one of the oldest legal concepts in our whole body of commercial law. Though the doctrine has been under attack recently, it may be years before it is revamped nationwide. In the meantime, when the salesman asks how far wrong you can go for $19 down, be aware that you can go thousands of dollars wrong!

3. People have failed, in large measure, to speak out about the fact that they've been victimized. For one thing, many people actually don't realize they've been cheated. It may be years until you pay a visit to your very own side of a cliff, or years before you face the fact that promised recreational facilities are never going to be built. The unscrupulous promoter counts on such a time lag.

Other victims are simply too embarrassed to admit they were bilked. Nobody likes to stand up in a crowd and say, "Boy, am I a fool!" The con man capitalizes on this.

Still other victims keep silent because they feel it won't do any good to report the scheme. Hiring a lawyer may cost a lot and prove nothing. Telling the authorities can be frustrating and time-consuming. And there's little chance of getting the money back.

What's more, there are plenty of problems for those who do report schemes. They must develop enough incriminating evidence to warrant legal action. Then catch the perpetrators. Prove them wrong. And get some kind of satisfaction.

HOW CAN YOU PROTECT YOURSELF

You'll have to do some homework, and it won't be easy. But you're thinking about spending thousands of dollars: you owe it to yourself to do some serious research.

First of all, don't forget that you don't have to wait until a development comes to your attention through advertising. If you know the area and type of parcel you're looking for, you can take the initiative and contact reputable Realtors in that area to find out what's available, and at what price. This does not excuse you from doing your required homework, of course— but it may offer you the opportunity to choose from a variety of parcels, buy direct from the owner, and avoid concerted sales pressure.

However you begin, there are four aspects to examine thoroughly; the land, the developer, yourself, and the law.

1. The land. There simply is no substitute for seeing the land itself. Brochures, movies, slide shows, sales pitches all might be intriguing. But until you have actually paced off the boundaries of the lot and examined the surrounding area, you don't know what you're getting, really.

Sometimes it will be impossible to visit the site before you sign up. Legitimate operators do their best to arrange for you to see your land as soon as possible—often at little or no cost to you (though remember that somebody has to pay for that trip—possibly you, in an inflated purchase price).

Many good companies agree in writing that you can pull out of the deal (under reasonable conditions) if you see the land and decide you aren't getting what you had bargained for. However, federal law says that if you make an on-site inspection, you may be forfeiting your right to rescind any deal during the legal, 48-hour cooling-off period. Be sure you've really checked out the company you're dealing with, so you know you're not being misled. And don't sign even the most "routine" papers without examining them thoroughly.

There are other facts to be determined if you're planning on building anything more extensive than a lean-to. Hire a licensed surveyor to check the boundaries for you. (With a shady promoter, the lot you "inspect" can shrink or shift considerably by the time it's described in the legal documents.) Get a licensed engineer to perform soil and percolation tests to disclose composition of the soil and depth of the water table. You'll also want an accurate topographical map.

After you've completed the physical inspection, check out zoning, tax assessment, and highway plans. Don't take the salesman's word about local plans; look into them on your own. That large parcel across the road may be zoned for heavy industry, rather than residential, as you've been told.

2. The developer. Who is he, or it? What has he done before? Where? How successfully? What is his financial strength? He can probably offer you references, but remember that nobody he names is likely to knock him. It's imperative that you do some checking on your own.

Your banker should be able to dig up pertinent, unbiased information about the developer's financial status. In addition, ask your banker what financing arrangements he would offer you if you buy the lot. His reaction could sway you one way or the other. Remember, he's judging the quality of the deal, as well as your own financial status.

If possible, check with people who have dealt with the developer. Have specific promises been kept? Have complaints been adjusted fairly? Promptly?

To ascertain whether complaints have been filed against the developer, write the Office of Interstate Land Sales Registration, Department of Housing and Urban Development (HUD), Washington, D.C. 20410; and the Real Estate Commissions in the states where the dealer is headquartered, where the land itself is located, and where other developments by the same firm are located.

3. Yourself. First, ask yourself these questions: If there's that much profit to be made, why doesn't the developer hold onto it himself? Will all the goodies you've been tempted by really materialize? Once the rosy glow of the salesman's spiel wears off, will you be as eager?

Second, do not sign any contracts or documents of any kind without carefully reading them over and understanding everything. Better still, don't sign anything without an attorney's advice. Without knowing it, you could be signing away valuable rights. For example, you might forfeit that right to a 48-hour cooling-off period when you sign a statement that you've made an on-site inspection.

Also, be aware that items hidden in the small print can seriously affect your status. For example: What kind of deed will you be getting? The differences can be drastic. What prepayment penalties will there be on the mortgage? How clear will your title be? Remember that spoken promises or representations are meaningless. If something isn't spelled out specifically in the contract, it means zero.

Third, be prepared to speak out immediately at the first sign of any hanky-panky. When schedules aren't met with regard to delivery of your deed or other documents, construction of facilities, or anything else promised in writing, take legal action right away.

Finally, should you find that you've been bilked, tell the world about it. If others who had been cheated had spoken out, you might not be in the fix you're in

4. The law. First, there's the basic law of your state regarding the conveyance of real property. This covers such matters as the content, execution, and recording of deeds and other documents. Laws differ somewhat from state to state. Make sure your attorney sees that all aspects of the deal comply with the law before you sign. When the land you're buying is in another state, he should see that the laws of that state are met.

Second, there's the basic law of your state regarding the licensing of real estate agents and the registration (and other requirements) of subdivisions. Here, too, laws differ from state to state. The developer, his agents, and the subdivision should all meet the requirements of the law in whichever respective states they are operating.

Third, the federal Interstate Land Sales Act, which went into effect in 1969 and is administered by the Office of Interstate Land Sales Registration of HUD, offers protection in the areas of registration and disclosure. However, you can lose your rights of recourse if you ignore what the law provides. Nor does the law protect you in many situations. Here's why:

Registration. Developers who offer subdivisions of 50 or more unimproved lots for sale or lease through interstate commerce are required to file a registration form which contains detailed information on the property. Failure to comply can subject the developer to fines and imprisonment. The law also states that a purchaser can sue a developer who did not comply.

Unfortunately, the mere fact that a developer has registered properly does not in any way reflect the quality of the land he's offering. Nor does registration imply that the government has "approved" either the land or the developer's scruples, integrity, or financial capabilities.

What's more, many developments can be exempt from the registration requirements. Subdivisions of under 50 lots are exempt, to cite just one example. The fact is, a great many legitimate developments do not have to meet the requirements of registration. But the way is also open for an unscrupulous developer to evade the law simply by gearing his sales program to fit within all of the specified legal exemptions.

Disclosure. All developers who are required to meet the registration requirements are also required to make certain disclosures to prospective purchasers. (Note well: If a developer doesn't have to register, he doesn't have to disclose. The burden is back on you.)

In order to meet disclosure requirements (assuming he has to), the developer must furnish you with a copy of a property report before you sign the purchase contract. The report contains information distilled from the more lengthy registration report. Among the more important items: Distance to nearby communities over paved or unpaved roads. Kinds of liens on the property. Kinds of recreational facilities currently available, and what, if anything, they will cost the buyer. Available sewage and water services. Number of homes currently occupied. Present or proposed utility services. Kind of title buyer will receive.

Most important, the property report must contain this specific statement:

"This report is not a recommendation or endorsement of the offering herein by the Office of Interstate Land Sales Registration, nor has that office made an inspection of the property, nor passed upon the accuracy or adequacy of this report or any promotional or advertising material used by the seller.

"It is in the interest of the buyer or lessee to inspect the property and carefully read all sale or lease documents."

The statement means exactly what it says. Yet fraudulent land sales still boom. Some people actually think the report is an endorsement by the government. They simply have failed to read or understand the report.

Others are convinced by a salesman that the report is unimportant or inaccurate. Worse yet, many victims were never aware that they received the report, even though they may have signed a receipt for it (presented as just a "routine").

If you deal with a seller who is required to provide the property report, and he does not before you sign the contract, then you may—at your option—cancel the contract and get a refund. Even though you are given the property report, you may still have a right to cancel and get a refund: When you receive the report less than 48 hours before you sign a contract, you have another 48 hours in which you may cancel.

Government officials are aware of the law's shortcomings and are trying to plug its loopholes. Certainly legitimate developers will have nothing to fear if disclosure requirements are tightened. In the meantime, however, the burden of proof remains with the buyer. In any land deal you're considering don't take chances. Get the facts, keep cool, and use your lawyer's pen, not your own.

THE NEW U.S. TRADE BILL AND PROSPECTS FOR EUROPEAN-AMERICAN ECONOMIC RELATIONS

Mr. JAVITS. Mr. President, at a time of great interest in the Trade Reform Act of 1973—the administration's bill now being considered by the House Ways and Means Committee—it is important to take note of the scholarly statements on this legislation, whether or not any of us agree with every element of any such statement as in the instant case.

One of these is the lecture delivered to the Agnelli Foundation in Turin, Italy, by Prof. Richard N. Gardner, the Henry L. Moses Professor of Law and International Organization at Columbia University in New York City.

Professor Gardner served as Deputy Assistant Secretary of State for International Organization Affairs in the Kennedy administration, and as a member of President Nixon's Commission on International Trade and Investment Policy, whose recommendations form the basis for the new trade bill.

I think it is especially important to recognize, as Professor Gardner does, that Congress bears a heavy responsibility for the success or failure of the President's new trade initiative, and that this legislation will very likely determine world trade relations for many years in the future. I ask unanimous consent that the article be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The New U.S. Trade Bill and the Prospects for European-American Economic Relations

(By Professor Richard N. Gardner)

President Nixon's proposed trade legislation—and what happens to it in Congress in the next few months—will very likely determine world trade relations for many years to come. If this statement seems exaggerated, we need only recall two fundamental facts:

First, although the relative economic power of the United States is much diminished, the trade policy of the United States still exerts enormous influence for good or ill. No successful effort to reduce trade barriers on a worldwide basis is conceivable without U.S. participation. On the other hand, if the U.S. goes protectionist, a general growth in trade restrictions and hostile economic blocs would be inevitable.

Second, foreign trade is one area of American foreign policy where the President of the United States cannot act without Congress. Here it is the President who proposes, but the Congress which disposes. Under the U.S. Constitution, the Congress has the power to levy tariffs and regulate commerce with foreign nations. To negotiate effectively in this area, the President must persuade the Congress to delegate a portion of these powers to him.

On the whole, and with a few qualifications to be mentioned later, I believe the "Trade Reform Act of 1973"—as President Nixon's proposed legislation is formally known—is a good bill. It delegates to the President unprecedented powers to negotiate for a worldwide reduction of trade barriers and sweep away U.S. trade barriers in the process. If adopted—and if met by a sympathetic response by America's trading partners—it could lead to the greatest reduction of trade barriers the world has ever known and to a badly needed renovation of the rules and institutions governing international economic relations.

It is true, as many have pointed out, that the new bill would also give the President unprecedented power to raise U.S. trade barriers. In response to those who are concerned on this score, however, it should be noted that a reading of the text of the bill makes it very clear that a successful negotiation to reduce trade barriers is the first choice. Moreover, President Nixon and his principal advisors on foreign economic policy—Secretary of the Treasury George Schultz, Special Trade Representative William Eberle, Under Secretary of State for Economic Affairs William Casey, and Executive Director of the International Economic Policy Council Peter Flanigan—are all personally committed to liberal trade and to the strengthening of Atlantic partnership. It should also be stated frankly that in the present divided state of Congressional and trade union opinion only a bill that contained provisions for U.S. counter-measures in the event that liberal policies fail could have any chance of adoption.

In short, the new U.S. foreign trade vehicle may point in two directions but there can be no reasonable doubt that the driver intends to drive forward, not backward, if Congress puts in the gas.

The trade bill contains the following trade-liberalizing elements which are without precedent in American history:

1. It gives the President the power to eliminate U.S. tariffs across-the-board. How far this "zero tariff authority" can be used will be determined in large part by the willingness of the European Community and others to contemplate the gradual dismantling of their own tariff structures.

2. It gives the President the power to bargain away the whole range of U.S. non-tariff barriers (NTBs) on a mutually advantageous basis, subject only to the sensible qualifications that Congress must be given prior notification of NTB agreements and the right to veto them by majority vote of either House within 90 days after they are concluded. How far this unprecedented authority can be used once again depends on how willing U.S. trading partners are to negotiate on NTBs like the variable levies on agricultural products, quota, subsidies, and government procurement favoring domestic suppliers.

3. The trade bill and other legislation introduced by the Administration provides for adjustment assistance and incentives on a significant scale to help workers displaced by imports to move into new lines of production that can survive without the need for protection. One could wish that the adjustment provisions were even more generous, but what is proposed could nevertheless form the basis of a new policy by which developed countries as a group actively promote a more rational international division of labor by dealing with the very real human problems associated with change in their own societies.

4. The bill provides the President with authority to grant tariff preferences in the form of duty-free treatment to exports of developing countries—a measure that is long overdue. Unfortunately, limits have been placed on the amount of any one commodity that can come in under preference from any one country and key items like textiles are not now eligible for preferred treatment. Nevertheless, the preference provisions do represent an important first step. We should work to enlarge the U.S. and European preference arrangements into a bold policy of unlimited free trade for the exports of developing nations.

5. It gives the President powers to grant most-favored-nation treatment and other economic benefits to the Soviet Union, China and other Communist countries. These provisions could lay the basis of a substantial expansion of trade and the eventual integration of the Communist nations into the institutions of the world economy.

Despite these very positive elements, three aspects of the bill and of current U.S. trade policy are a legitimate cause of concern:

1. The bill makes it somewhat easier to get U.S. trade restrictions increased when injury is caused to a U.S. industry. This is done by removing the existing requirements that import-damage be caused by tariff concessions and that imports be the "major" cause of injury to a domestice industry (under the new formula imports need only be the "primary" cause—a cause greater than any other single cause but not necessarily greater than all other causes combined). Those who are dedicated to the cause of freer trade could accept these measures to ease access to relief by injured U.S. industries provided this relief was firmly limited to a short time period (under the new bill, there is a seven-year limit on relief to injured industries but such industries apparently have the opportunity to apply for another period of relief after a two-year interval). Moreover, the easing of requirements for import relief would be more acceptable if the new provisions were clearly intended as a substitute for the various *ad hoc* trade restrictions (e.g., the "voluntary" limitations on textiles and steel) that have been resorted to by the United States in recent years. The bill's weakness on these points should be remedied. Moreover it is essential to resist any amendment by the Congress which would deprive the President of the discretion he has under existing law and which he retains in the proposed bill to deny an injured industry new trade restrictions in the light of broader national and international considerations.

2. The bill grants the President new powers to impose trade restrictions to retaliate against unfair trade practices of other countries or to protect the U.S. balance of payments. It provides that in determining whether to impose such restrictions the President need only "consider" the international obligations of the United States (e.g., in GATT and the IMF) whereas existing legislation requires him to pay "due regard" to these obligations. The intent of this change is clearly to provide freedom of action for the U.S. to disregard those rules of the game it regards as obsolete and unjust; but U.S. trading partners may legitimately ask why they should join in negotiations to rewrite the trading rules if the U.S. considers itself free to disregard the rules whenever they become inconvenient. Perhaps the best compromise on this vital question would be to substitute for

the "consider" provision in the new bill another formula specifying that the President should comply with the international obligations of the United States save in exceptional circumstances where he finds that the existing rules are clearly obsolete and unjust. In such exceptional circumstances he should be obliged to make a public explanation of his reasons for considering the rules to be obsolete and unjust and should be required to enter into urgent negotiations to rewrite them. If agreement is reached on new rules, the President should be required to comply with them.

3. Shortly after the trade bill was presented to Congress, the President imposed export controls on soybeans and a variety of other agricultural products. Although there is reason to hope that normal U.S. exports of these products will be resumed by the fall, the way this decision was taken undercuts the philosophy of the trade bill and the U.S. negotiating position. The U.S. can hardly complain of unilateral restrictions on agricultural imports by the European Community if it reserves the right to place unilateral restrictions on agricultural exports. Surely we need new rules and better international consultations guaranteeing fair access to agricultural supplies as well as to agricultural markets.

Let me conclude with some more general observations. There is a regrettable tendency in some quarters in Europe to regard the multilateral trade negotiations scheduled for the fall as being in the exclusive interest of the United States and to regard elimination of the dollar's privileged role as the first priority for Europe. There is an equally regrettable tendency in some American quarters to put "trade reform" ahead of monetary reform and the phasing out of the reserve role of the dollar.

Both of these attitudes are short-sighted. Europe needs another round of trade negotiations to provide secure and open export markets and to prevent the United States from turning to protection. The U.S. needs an international monetary reform that removes the unacceptable burdens now placed on the dollar as the principal element in world reserves. And the developing countries desperately need both better access to markets and greater security against currency fluctuations that devalue their reserves and export earnings.

Italy and the United States have common interests in parallel progress in both trade and monetary negotiations. Italy's exports of manufactured goods grew by 336% from 1960 to 1971—an increase second only to that of Japan. This extraordinary record made an essential contribution to Italy's growth and prosperity in the 1960s. Can Italy expect a similar record of export-led growth in the 1970s if the multilateral trade negotiations fail and the world slides toward protectionism? The answer is surely clear.

At the same time, the recurrent dollar crises of 1973 should remove any doubt about the interest of the U.S. in monetary reform. When a bathtub is full of water only a few additional drops are needed to cause a flood. With more than 80 billion dollars in the hands of foreign governments and central banks, every item of bad news from Washington can provoke a crisis. Indeed, any country's crisis can become a dollar crisis because the country in trouble settles its deficit by paying out dollars to a world already oversupplied with them. Thus a consolidation of the dollar overhang and the substitution of an SDR standard for the dollar standard is as urgent for the U.S. as for other countries.

What are the prospects for President Nixon's trade bill? Watergate has not improved them, but I do not believe it has damaged them as much as some observers believe. I am confident that a majority of Democrats and Republicans in both Houses of Congress recognize the need for new trade negotiations and a strong presidential mandate to help them succeed.

Congress bears a heavy responsibility for the success or failure of President Nixon's new trade initiative, but Europe does also. What European governments say and do in the next three months could be decisive in influencing the Congressional outcome. The Article XXIV-6 negotiations in GATT on U.S. claims for compensation because of changes in trade treatment arising out of the enlargement of the Community will be particularly important. So will the Community's indications of willingness to consider gradual reductions in its common external tariff and in its agricultural protectionism. Without favorable signals on these subjects, Congress may well say: "Why should we pass a trade bill if others are not prepared to negotiate?"

ADDRESS OF CONGRESSMAN JOHN BRADEMAS TO THE LYNDON B. JOHNSON CITIZENS AWARD DINNER, BALTIMORE, MD.

Mr. HUMPHREY. Mr. President, the distinguished Congressman from Indiana (John Brademas) delivered an important address last Saturday evening at the second annual Lyndon B. Johnson Citizens Award Dinner in Baltimore, Md.

Congressman Brademas discusses, with frankness and with evidence, the progress which has been made in recent decades on behalf of equal opportunity, particularly for black Americans. There has been substantial progress, and the Congressman gives a very useful summary account of the statistics.

But Mr. Brademas also points out that, paraphrasing Robert Frost—

> We have miles to go before we sleep.

I commend the Congressman's address to my colleagues and other readers of the Record as one of the best statements I have seen recently about progress and challenge in the field of human rights.

Mr. President, I ask unanimous consent that Congressman Brademas' address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address of Congressman John Brademas

I count it a high honor to have been invited to address you this evening on the occasion of the Second Citizens Awards Dinner to honor those who have done the most to bring about a better relationship between the races.

There are several reasons I am glad to be with you, and one is that it affords me the opportunity publicly to pay tribute to my old and cherished friend, Clarence Mitchell.

This marks my fifteenth year of service in Congress and during that time, as a member of the Committee on Education and Labor, I have had frequent opportunities to work closely with Clarence. I know of no person in the nation's capital who is more deeply or widely respected than Clarence Mitchell for his integrity, his ability and his commitment to human rights. When the historians of the next generation chronicle the legislative advances in human rights, they will find the footprints of Clarence on every side.

I am pleased as well to share the platform with two other warm friends—Parren Mitchell and Paul Sarbanes. I don't know if you in Baltimore realize how superbly represented you are in the Congress of the United States by these two outstanding Representatives and by Clarence Long. And I hope that you will keep returning them to Congress for many years to come.

I have but one regret this evening, however, and that is that you should have been deprived of the opportunity to hear that untiring and vigorous champion of equality of opportunity—who commands the regard and affection of us all, Senator Hubert H. Humphrey of Minnesota.

We are gathered tonight to honor a great citizen of our land, a great President of the United States and a leader whose Presidency will, in my view, long be remembered for the compassion and conviction that he brought to the unending struggle to establish justice for all in the American society.

When I think of Lyndon Johnson, I recall a few events which I myself observed, for I believe they demonstrate the compassion and conviction of which I speak.

I remember how, short weeks after the shutdown of the Studebaker plant in my home town of South Bend, Indiana, when thousands of workers lost their jobs overnight and the spirit of my community was brought low, President Johnson, with several members of his cabinet, flew by helicopter directly into the city to let the citizens there know that the President of the United States understood their problems and would do all he could to help them—and he did.

I recall still another occasion when President Johnson came to a small community in my district, a town of only a few hundred people but one which had been devastated with the loss of many lives by a savage tornado. But there too among them was the President of their country, consoling and reassuring and bringing help.

And then I remember, years later, down in Austin, Texas, being on hand for the dedication of the LBJ Library and the President's saying to me, with a grandchild perched on his shoulder, "John, you go on up to the top to see my office and take a look at those pens I used to sign all those education bills we passed."

A BETTER RELATIONSHIP BETWEEN THE RACES

I think it is uncommonly fitting and proper that we should be gathered here tonight for the presentation of a posthumous Citizens Award to President Johnson as a person who has done the most to bring about a better relationship between the races—and I am particularly pleased that his gracious and lovely daughter, Lynda Bird Robb, is here to accept it in his memory.

This Award Dinner is timely because the events of recent months in the United States must, if they mean anything, summon us all to ask anew what is the central purpose of politics in our society.

For the spectacle of shame the United States has witnessed these last weeks has revealed something brand new in American political history, something never before seen; a calculated attempt, involving the White House itself, to undermine the legitimate processes of our constitutional government.

It ought, I think, to surprise no one that for the people who became involved in Watergate, the purpose of politics was to obtain and retain power, with no sense whatever of the purpose to which the power should be put.

Knowing that about them, we should not be surprised that these same people would pursue policies here in our own country that seem so devoid of a sense of justice.

JUSTICE IS UNAWARE OF RACE

And then I think of the words of Lyndon B. Johnson: "Until justice is blind in color, until education is unaware of race, until opportunity is unconcerned with the colors of men's skins, emancipation will be a proclamation, but not a fact."

I know that everyone in this room knows that the record of advances in human and social justice during the last decade was in very large measure the record of leadership of Lyndon B. Johnson.

Recall if you will the state of the nation in the early 1960's and President Kennedy's Civil Rights Message of 1963, in which the President solemnly told us: "The Negro baby born in America today, regardless of the section of the state in which he is born, has about one-half as much chance of completing high school as a white baby born in the same place on the same day; one-third as much chance of completing college; one-third as much chance of becoming a professional man."

And then all of you will remember the extraordinary march on Washington in 1963 when some 200,000 people gathered on the Mall. Clarence Mitchell was there. Hubert Humphrey was there. Many Members of the House and Senate were there—and many of you were there. And I shall never forget—nor will any one of us—that magnificent song which Martin Luther King sang to the people of America, "I Have A Dream."

But you will remember, too, those of you who live in Baltimore, that when your contingent returned to this city from the march on Washington, your bus was stoned.

And you will all remember as well that one month later a bomb in a church in Birmingham, Alabama, killed four little black girls.

And then each of us here will recall exactly where he was on that fateful day, November 22, 1963, when the word came that President John F. Kennedy had been assassinated in Dallas.

Following this succession of events that so profoundly shook the American people, there came the State of the Union Message of January 8, 1964.

TRANSCENDING MISTRUST

It was a message brought by a Texan, one who was mistrusted by many in terms of his commitment to the cause of translating into reality the promises of the American dream of which Martin Luther King had spoken.

But in that message—and who can forget it?—President Johnson declared, "Let this session of Congress be known as the session which did more for civil rights than the last hundred sessions combined. . ."

And the new President warned the nation:

"Let me make one principle of this Administration abundantly clear: All of these increased opportunities [referring to other parts of his message] in employment, in education, in housing and in every field must be given to Americans of every color. As far as the writ of Federal law will run, we must abolish not some but all racial discrimination. For this is not merely an economic issue—or a social, political or international issue. It's a moral issue. . . ."

And where were we at that point in the struggle?

President Johnson delivered his State of the Union Message at a time when President Kennedy's Civil Rights Bill was still pending in the House.

TO PROTECT ALL THE PEOPLE'S RIGHTS

And that bill contained provisions for voting rights, public accommodations, school desegregation, a community relations service, extension of the Civil Rights Commission, non-discrimination in Federally-assisted programs, and an Equal Employment Opportunity Commission.

Short months later, many of us gathered at the White House—and Clarence Mitchell, you were, quite rightly, there—for on July 2, 1964, the Civil Rights Act of that year became law.

Here is what President Johnson said then:

"This Civil Rights Act is a challenge to all of us to go to work in our communities and our states, in our homes and in our hearts, to eliminate the last vestiges of injustice in our beloved country . . . Let us close the springs of racial poison. Let us pray for wise and understanding hearts. Let us lay aside irrelevant differences and make our nation whole."

That statement is a superb example of what a President of the United States ought to be saying, and the Civil Rights Act of 1964 is a superb example of what the President of the United States—and the Congress—ought to be doing.

HIS PRESIDENTIAL STATURE NEEDED NOW

Would that we had such a President at this hour!

And yet you and I know that the Civil Rights Act of 1964, for all the advance it represented, was still not enough.

For we still needed to enforce the law now that it was on the books.

We needed to outlaw discrimination in housing.

We needed to insure voting rights in every community.

We needed to guarantee the right of fair trial in criminal proceedings.

And so President Johnson pressed on.

In January of 1965, in his second State of the Union Message, the President proposed that "we eliminate every remaining obstacle to the right and the opportunity to vote."

Remember if you will that in the late 1950's, only 25 percent of the blacks in the eleven states of the old South were registered to vote. Literacy tests, poll taxes and outright intimidation—these were the instruments used to prevent millions of citizens in parts of the United States from enjoying the rights that our Constitution guaranteed to *all* citizens of the land.

Just seven months later, in August of 1965, the President's proposal became law and literacy tests and other devices were eliminated in states where less than 50 percent of the eligible voters had either registered or voted in the 1964 election. Federal Registrars were provided in places where the Attorney General deemed them necessary, and the Justice Department was authorized to bring suits to challenge poll taxes where they were used to deny equal protection of the laws.

DETERMINATION MUST NOT REST

But Lyndon Johnson did not rest in his continuing determination to bring racial justice to America.

In February 1967 he sent to Congress a Civil Rights Message which called for outlawing racial discrimination in housing, prohibiting it in the selection of Federal and state juries. And he called on Congress to give the Equal Employment Opportunity Commission the enforcement power necessary to curb discrimination in employment.

That 1967 bill was not enacted during the first session of the 90th Congress so President Johnson in January of 1968 reiterated his plea for action.

A JUST USE OF THE POLITICAL PROCESS

In his message, the President expressed "Disappointment, because in an ideal America we would not need to seek new laws guaranteeing the rights of citizens . . . [but he also spoke of] Pride, because in America we can achieve and protect these rights through the political process."

On April 11 of that year, President Johnson signed into law the Civil Rights Act of 1968.

But Lyndon Johnson was wise enough and sensitive enough to know that laws assuring civil rights were not sufficient to bring justice to the American society.

That is why in January 1964, in his first State of the Union Address, he said, "This Administration today here and now declares unconditional war on poverty in America, and I urge this Congress and all Americans to join with me in that effort."

And many of the people of Baltimore and other communities in the land benefitted from the programs made possible by the Economic Opportunity Act which became law in 1964.

Community Action, the Job Corps, Head Start, Vista and many other programs helped millions of Americans climb into the mainstream of American life.

And yet the programs made possible by the OEO represented only part of the national commitment to serving the poor and disadvantaged which this country undertook during the Presidency of Lyndon Johnson.

COMMITMENTS REMAIN VALID

You know the lengthy list of programs initiated under his energetic and imaginative leadership.

They include the Elementary and Secondary Education Act, Medicare and Medicaid, Food Stamps, improvements in the School Lunch Program, Federally subsidized housing, manpower training, the Higher Education Act of 1965, legal services for the poor and aid to minority small business enterprise.

And where are we now—as we meet in the fall of 1973?

Well, I think that we can rightly say that in large measure the civil rights laws which Lyndon Johnson did so much to champion have been effective.

Open public accommodations are now the rule all across the land; only in a few isolated pockets does discrimination against minority travelers persist.

Voting rights for all is universally enforced.

Black men and women are rising to positions of political leadership on all levels of government.

THE PURPOSE OF PROGRESS FULFILLED

In 1960 there were only 4 blacks in Congress but today there are 17 and one of them represents this city in Congress today.

The mayor of the second largest city in my state, Gary, is black, my friend, Dick Hatcher.

Tom Bradley has just been elected mayor of the third largest city in the land, and I am proud to say, my own former special assistant has become his chief of staff.

Here in Maryland, the able and distinguished chairman of this dinner. Troy Brailey, has just been elected Chairman of the Baltimore City delegation of the Maryland House of Delegates.

And if we turn from the civil rights laws to look at the economic and educational status of blacks, I think here, too, we can take great encouragement in what has happened in recent years.

For in 1960, only six percent of the black children in the South attended integrated schools.

Today that figure has risen to 84 percent.

In 1960, only 38.6 percent of the non-white population betwen the ages of 25 and 29 were high school graduates.

Today that figure for blacks is 64 percent.

In 1960, only 4.8 percent of the non-white work force were employed in professional and technical jobs.

Today that figure has doubled—to 9.5 percent.

In 1960, only 13.3 percent of the non-white families in America had annual incomes over $10,000.

Today that figure has risen 2½ times to nearly 35 percent.

Clearly we have made progress.

Clearly Lyndon Johnson was right when he said that "We can achieve and protect these rights through the political process."

But having said all this, I must go on to say, to paraphrase Robert Frost, that we have miles to go before we sleep.

For the median income for black families in the United States is still only 62 percent that of white families.

FULL EQUALITY STILL TO BE ACHIEVED

The unemployment rate for blacks is still double that of whites—ten percent as compared to five percent.

The percentage of black 18 and 19 year olds who are high school dropouts is still double the white rate.

And the percentage of black, college age youngsters who annually enroll in college is only 18 percent as compared to 26 percent for whites.

Seventeen percent of black families still live in homes with inadequate or non-existent plumbing facilities, as compared to only five percent of white families.

And—shockingly—the mortality rate for non-white infants in this country remains at three percent, double that of the whites.

And so, my friends, I must return to the theme with which I began these remarks: that now is the hour in the life of the people of this country to recover a sense of the central purpose of politics in a free and democratic society.

And that purpose is justice, assuring to every man and woman what is coming to him or her as a human being.

JUST ENDS FOR THE POLITICAL PROCESS DECREASED BY PRESENT ADMINISTRATION

It is perhaps no secret to the people in this room that this view of the purpose of politics does not characterize the present Administration in Washington, D.C.

Let me tell you what I mean. One of the first things Mr. Nixon did after coming into office was to try to destroy the Voting Rights Act.

Next he sought to weaken the Supreme Court of this land with the nomination of Justices whose careers were distinguished chiefly by mediocrity or reaction.

And, even as recently as this week, Richard Nixon, as his own modest contribution, in the words of the Citizens Awards Dinner, to do "the most to bring about a better relationship between the races," poured more kerosene on the dying embers of "busing."

NIXON HAS TURNED HIS BACK ON AMERICA'S VULNERABLE MILLIONS

Indeed, we need not look to the earlier years of Richard Nixon in the White House to see the extent to which this President of the United States has turned his back on millions of Americans, white and black, whom we may call, for want of a better word, vulnerable.

In a blatant attempt to defy the will of Congress the Administration sought by Executive fiat to dismantle the Office of Economic Opportunity.

In budget cuts which can in many cases only be characterized as savage, the Nixon White House has called for an elimination or drastic reduction in funds for the nation's elementary and secondary schools, for manpower training, for student assistance, for public service employment, for model cities and housing, for child health research, school lunches and, in recent weeks, for a reduction in emergency health services and public health hospitals vital in a number of communities in the land, including this one.

A SACROSANCT MILITARY BUDGET

All the while, the President assures us that his budget for military spending—bigger now than before the end of the Viet Nam War—is sacrosanct and must in no way be cut.

How far is the cry in the Inaugural Address of Richard Nixon—"In our own lives, let each of us ask—not just what will government do for me, but what can I do for myself?—" from the words of Lyndon B. Johnson in that famous Special Message to Congress in March of 1965, when he said: "The time of justice has now come . . . This great, rich, restless country can offer opportunity and education and hope to all: black and white, North and South, sharecropper and city dweller."

Lyndon Johnson, for all that many of us disagreed with you on the war, how would we welcome you at this hour!

And so, ladies and gentlemen, once more I return to the theme with which I began these remarks—that it is imperative that we recapture that American dream, it is essential that we renew our commitment to the cause of justice for all the citizens of our great land.

For we need, if I may say so, now more than ever, the spirit of compassion, the spirit of justice, that characterized the Presidency of Lyndon B. Johnson.

RENEW JOHNSON'S DREAM OF THE AMERICAN PROMISE

We need, now more than ever, the spirit of the man who less than a decade ago, stirred the hearts of an entire nation with these words in that special message to Congress on "The American Promise":

> This is the richest and most powerful country which ever occupied the globe. The might of past empires is little compared to ours. But I do not want to be the President who built empires, or sought grandeur, or extended dominion.
>
> I want to be the President who educated young children to the wonders of their world. I want to be the President who helped feed the hungry. . . .
>
> I want to be the President who helped the poor to find their own way and who protected the right of every citizen to vote in every election.
>
> I want to be the President who helped to end hatred among his fellow men and who promoted love among the people of all races and all regions and all parties.

That was the spirit of Lyndon Johnson.

That is the spirit of this Citizens Award Dinner.

And that is the spirit this nation needs today.

TOM VAIL, CHIEF COUNSEL OF THE FINANCE COMMITTEE

Mr. DOLE. Mr. President, along with the entire present membership of the Senate and House and many former Members, I was saddened to learn of the death of Tom Vail, chief counsel of the Finance Committee.

A young man who had devoted his entire career to congressional staff service, Mr. Vail was regarded as one of the most knowledgeable and conscientious individuals on Capitol Hill. Having just become a member of the Finance Committee this year, I did not have the privilege of working with him on the committee; however, I learned of his reputation many years ago while I served in the House.

Congress is extremely fortunate in having the assistance of so many capable and dedicated staff men and women, but even in this able group Tom Vail stood out as an exceptional individual.

The committee, indeed the entire Congress, will miss him and the capabilities he brought to his job.

GENOCIDE CONVENTION WOULD NOT BE RETROACTIVE

Mr. PROXMIRE. Mr. President, the first human rights treaty passed by the United Nations General Assembly was the Genocide Convention. The purpose of this document is to make genocide an international crime whether it is committed in war or peacetime. This treaty attempts to prevent the destruction of a national, racial, ethnic or religious group by killing, causing serious bodily or mental harm, restricting births, forcibly transferring children or inflicting upon the group conditions of life designed to cause its physical destruction. It is a treaty which is in complete accordance with the high principles of our Nation.

The record should be clear on one point, however. The intent and provisions of this treaty are prospective in nature. They cannot be applied retroactively. In this way the treaty cannot be used as a propaganda forum unearthing 'alleged' atrocities. Rather this treaty seeks to firmly establish the principle that genocide is a crime that transcends national boundaries and is a loss for the entire world community.

Mr. President, I urge my colleagues to associate themselves with this noble effort.

TOM VAIL

Mr. PACKWOOD. Mr. President, even before I was chosen to serve as a member of the Committee on Finance, I was privileged to have been able to call on Chief Counsel Tom Vail to help me in my work in the Senate. Always I found him totally willing to contribute his experience and knowledge whenever I found it necessary to call upon him for assistance.

Yesterday, as I prepared to join a hearing being conducted by a subcommittee of the Committee on Finance, I was told that Tom Vail had succumbed to cancer.

As I began to turn to leave, assuming the session had been postponed, I was told that the hearing was to continue. "That's the way Tom would want it," someone said. In retrospect, I would have to agree that is the way Tom Vail would have wanted it. For the work of the committee, the Senate, and the Nation he loved so much, and to which he devoted his life's work, to continue. And continue it will—but not without a substantial void in the place where Tom Vail once stood and served.

I join my colleagues in extending my sincere condolences to Mrs. Vail and their children.

GOV. WENDELL R. ANDERSON OF MINNESOTA'S VIVID PORTRAYAL OF THE FUEL SUPPLY CRISIS WE MAY FACE THIS WINTER

Mr. HUMPHREY. Mr. President, Minnesota's vigorous and informed Governor, the Honorable Wendell R. Anderson, testified yesterday morning before the Consumer Economics Subcommittee, which I chair.

Governor Anderson presented to that committee one of the best case studies of the crisis our State and others situated in the colder climate belts of our country may face this winter, because of the fuel shortage. He has put in the most concrete terms how the energy crisis affects every citizen of this country, and particularly how it affects those who live in colder areas.

He points out that we avoided a crisis last winter only because mother nature was good to us and provided a relatively mild winter.

But even with a mild winter, as the Governor points out, schools were forced to close, businesses had the choice of buying replacement fuel at outrageous prices or closing down, and petroleum suppliers discontinued or cut back their participation in the heating oil supply system.

One of the main points that Governor Anderson's testimony makes is that the average shortfalls in fuel supply which are cited for the Nation as a whole, really do not tell anything about the impact of these shortages on the colder areas of the country.

Almost half of our February temperatures in Minnesota are subzero. Governor Anderson cites a very compelling example of what the temperature difference means in heating the average three-bedroom home. He points out that when the temperature average 18 degrees throughout a week, the normal December temperature in Minnesota, it takes 35 gallons of fuel oil to heat that home.

But last December there was 1 week when temperatures averaged 5 degrees below zero. It takes 52 gallons of fuel oil to heat a home for a week at that temperature.

The Governor suggested if you multiply this figure throughout the State and throughout the other cold areas of our country, you can see why we would have had a major fuel oil disaster if the weather had not been unseasonably mild.

Mr. President, Governor Anderson's statement is a compelling argument for the establishment of a mandatory allocation system for fuel oil. And this decision must be made now so that it is properly planned and carried out. We are already beyond the deadline when the decision should have been made, so I appeal once again for administration action to implement the mandatory allocation system, or for support of quick action by the House of Representatives to enact S. 1570 requiring the establishment of a mandatory allocation system.

This is a very complicated matter to administer. Everyone should recognize that. But we cannot carry it out successfully unless there is adequate planning for the administration of it. In other words, if we wait until we are in a cold crisis situation and then attempt to relieve it by mandatory allocations, we probably will be ineffective.

Mr. President, I ask unanimous consent to print in the RECORD the text of Governor Anderson's testimony.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF THE HONORABLE WENDELL R. ANDERSON, GOVERNOR OF MINNESOTA, BEFORE THE SUBCOMMITTEE ON CONSUMER ECONOMICS

Mr. Chairman, Members of the Committee, I am Wendell R. Anderson, Governor of the State of Minnesota. I want to thank you for the opportunity to share with Members of this Committee some of the problems we in Minnesota have faced relative to the fuel oil shortage. I also shall discuss the bleak outlook for the coming winter in my State.

But before I present this testimony, Mr. Chairman, on behalf of the people of Minnesota, I would like to thank you for your personal efforts in this very critical problem. The energy crisis affects every citizen of this country. If all public officials were as willing as you to speak out on the energy crisis and to seek the decisive governmental actions that are required, we would be much closer to solving our problems. All Minnesotans appreciate your strong leadership.

A year ago in Minnesota, there was no talk of a fuel shortage. But by late November and December, the situation had changed abruptly.

Let me just take a moment to describe to you the severity of the weather. An early cold and wet fall hit the midwest in 1972. While rainfall was nearly normal in November, the December rainfall was almost twice the average. In December the normal temperature is 18 degrees. But, in 1972, it was 11 degrees. During December, we normally can expect 8 days of below zero weather. But last year we had 14 days in December.

Minnesota and the midwest of course, have previously experienced cold periods during the fall. But, the supplies of fuel oil and other energy had been adequate. In 1972, the situation was different. Fuel oil was not available in sufficient quantities. The cold weather placed a critical strain on our fuel supply system. The lowest temperature recorded the entire winter was in December. That does not happen often in Minnesota.

My office was flooded with urgent requests for fuel oil from distributors, schools, nursing homes, hospitals and homeowners. In the third week of December alone, we received 290 calls for assistance.

In most instances, fuel oil supplies would have been exhausted in a matter of 24–72 hours. "We need oil", our distributors told their suppliers. "There is none", was the answer time and time again.

In Long Prairie, Minnesota, the school board came within 8 hours of closing the entire school system. With the assistance of the State Office of Civil Defense, fuel oil was found but at a premium price. Toro Manufacturing, a Minnesota based garden equipment manufacturer, exhausted its supply of secondary fuel, L.P. gas, at its Bloomington plant which employs over 200 people. No more L.P. gas was available. The company had two choices—shutdown or pay an extra charge for natural gas—10 times the normal price. The company chose the latter course.

The situation was seriously aggravated when several petroleum suppliers announced they were ceasing operations in Minnesota. Bell Oil and Triangle Refineries discontinued their independent operations. Clark Oil withdrew from the heating oil market. Gulf Oil announced its intentions to discontinue Minnesota operations at the end of 1973. The Midland Cooperative, a major source of petroleum to the rural area, closed its refinery because of a lack of crude oil. In addition, the operation of the Koch Refinery at Pine Bend, Minnesota, was hampered by a labor strike.

I cannot over emphasize how difficult those weeks were for Minnesotans. Then miraculously we were given a reprieve. January arrived and with it came the mildest temperatures in 50 years. Normally, in January we can count on around 17 days of below zero temperatures. This past year we had only 9.

Parts of our State are exceptionally cold. International Falls on the Canadian border has a normal temperature in January of 3 degrees. Duluth has a normal temperature of 8 degrees. In January of 1973, the temperatures in International Falls and Duluth were on the average, over 5 degrees warmer than normal.

Usually, almost half of our February temperatures are sub-zero. Temperatures of 20 to 30 below zero for extended stretches of time are not uncommon. But this year the lowest temperature recorded in February was 12 below zero. God certainly looked with favor this past year on his relatives in Minnesota.

Mr. Chairman, I would like to give you an idea of what a difference in temperature means in heating the average three bedroom home. When the temperature averages 18 degrees for a week, the normal December temperature in Minnesota, it takes 35 gallons of fuel oil to heat that home. Last December there was one week when temperatures averaged 5 degrees below zero. It takes 52 gallons of fuel oil to heat a home at that temperature. Multiply this figure throughout the State and you can see why we would have had a major fuel oil disaster if the weather had not been unseasonably mild.

Clearly Minnesota survived a fuel oil shortage last winter for one reason alone. Not because of the foresightedness of government. Not because of the efficiency of fuel oil suppliers. We survived simply because we had an unprecedented mild winter.

But many crises still confronted us.

In January, the Metropolitan Transit Commission, which serves the seven-county metropolitan area, was close to shutting down all bus operations. The prospect of more than half of our citizens being without bus service because of lack of fuel brought the energy crisis home to many Minnesotans for the first time.

The commission supplier, Standard Oil, was able to provide only 75 percent of the previous year's allocation. A frantic search ended when the commission purchased the required fuel from Canadian sources at a 70 percent higher price. The commission was within three days of terminating service for the last four days of January until the February supply arrived. If that would have happened, thousands of people in our metropolitan area—the aged, the disadvantaged, the poor, and students— would have been stranded.

The people of Princeton, a small city north of Minneapolis, found themselves low on diesel fuel for their electric generating plant. They instituted drastic conservation measures, such as curtailing all evening activities at their schools. Eventually, they solved their problem with purchases of fuel at prices in excess of 80 percent above the normal price.

Throughout the winter, 165 independent Minnesota gasoline stations were forced to close their doors when their past supplies were no longer available. A regional independent dealer, Metro 500, closed its 28 stations. They remain closed to this day. In southwestern Minnesota, the Ripley Oil Company was forced to discontinue service at its 40 locations.

It is hard to predict what the upcoming winter will bring. Only a miracle will keep temperatures at the abnormally high levels experienced in January and February, 1973. If one could forecast at all, you could rather expect a normal Minnesota winter, which Time magazine has called, ". . . as hard as the ice age."

Our leading weather forecaster this week predicted a colder than normal winter. He has statistics to show that when summer temperatures are higher than normal—as they were this past summer—the area can expect a colder than usual winter.

In preparation for the coming winter months, the State office of Civil Defense has recently conducted several surveys which indicate that we can expect substantial, perhaps critical, shortages of fuel oil in the coming heating season.

In Minnesota, there are 435 school districts. In a recent survey, of 250 of those who responded to our inquiry, only 20 percent are confident of an adequate fuel supply this winter. If the complete results show such a percentage for all districts, fuel shortages could confront 80 percent of them. That means, potentially 735,000 students could be denied their education for a day, a week or longer this winter.

I have here a copy of Tuesday's St. Paul Dispatch. The headline reads "School Closings to Save Fuel Mulled." The St. Paul school board is seriously considering closing schools during January and February. The school board is short of fuel oil. The maintenance director was quoted, ". . . (t)here are no good prospects for getting any."

Mr. Chairman, schools are not the only public institutions affected. A survey of municipal and county government officials indicates that 80 percent of these communities have been unable to negotiate firm, long-term fuel oil supply contracts. Instead, they face an uncertain winter on a week to week basis. Many municipalities and counties operate hospitals, nursing homes and a variety of other urgently needed community facilities.

In Minnesota, cold weather is not merely uncomfortable, causing a person to put on another sweater. In Minnesota, a freezing day without heat can literally mean death. Around our State, many residents of nursing homes and patients in hospitals are facing this possibility confined in facilities whose operators cannot guarantee the heat, literally needed to keep them alive. You and I know that we would not let that happen.

Let me tell you of two other examples to illustrate the problem.

My wife and I have recently purchased a small farm a few miles east of the Twin Cities, in Washington County. Just this week, my wife, Mary, phoned not 1, not 2, but 6 fuel oil dealers before she found one willing to supply a paltry 265 gallons of No. 1 fuel oil to heat the farmhouse on our property this winter. The usual response when she phoned was: "You're kidding; we don't take new customers."

Yesterday, I tried an experiment. I had a member of my staff call all the fuel oil distributors in the metropolitan Twin Cities area. He told each supplier that he was contemplating purchasing a home that would require 1,500 gallons of fuel to heat it this winter, which is a modest quantity. Of the 55 distributors contacted, 40 percent could not supply him fuel. One in ten said maybe and could give no definite answer until after October 1st. Five suppliers were out of business since June, when the telephone directory we used was published. Many suppliers said prices were changing from day to day. They were receiving literally hundreds of calls for fuel each day.

In Minnesota, we do not produce oil. It must all come from outside the State, as do all our energy supplies. We are completely dependent on these outside energy sources to meet the energy needs of our citizens and businesses. In addition, we are at the end of the oil and gas distribution system. We literally get what remains after other States take their share from the pipeline.

In 1972, Minnesota consumed 1.4 billion gallons of heating fuel. Assuming a normal increase in demand of 6 percent, we will consume nearly 1.5 billion gallons in 1973. Demand for fuel oil is increasing at an unprecedented rate. During the 1960's demand for fuel oil in Minnesota increased about 3 percent per year.

Mr. Ligon, Director of the Office of Oil and Gas, Department of Interior, stated before this subcommittee Tuesday that the national demand for fuel oil, grades 1 and 2 will increase over 10 percent this heating season. If his forecast is correct, this would mean that we would need more than 1.5 billion gallons of fuel oil for this winter. This is 137 million more gallons than consumed last year. This additional gallonage for Minnesota alone is large enough to fill the largest oil tanker operating in the world, not once, but twice.

During discussions of the fuel situation last spring in Washington, industry spokesmen estimated shortages for this winter of 2 to 3 percent of demand. The State office of civil defense foresees the very real possibility of a 15 percent shortage of supplies in Minnesota. Your committee estimates run as high as 30 percent.

Mr. Chairman, national predictions of 2 to 3 percent mean a 10 to 15 percent shortage in Minnesota. Any national shortage is magnified in Minnesota because we are at the end of the distribution system. A 10-percent shortage nationwide would, of course, mean a catastrophe for Minnesota.

We have looked and we continue to look for assistance from the Federal Government to avert disaster in Minnesota this winter.

In May, a voluntary allocation program was announced by the Federal Government. At the very outset, it was doomed to failure. Many fuel suppliers stated openly and categorically that they could not and would not abide by such programs. Others stated that they would try to implement the voluntary program.

It appears that most suppliers have attempted to comply. Many have found, however, that the program was not compatible with their own marketing systems and have long since abandoned it. Still others have found the temptation of high profit in a period of rapid turnover, too much for their patriotic consciences. They, too, have fallen by the wayside.

That is what happens to voluntary systems.

On August 9, Governor Love, the President's energy assistant, proposed a mandatory allocation program. However, I was disappointed in his letter to me regarding the program. He declared, "I have concluded that we should not adopt a mandatory allocation system for petroleum and petroleum products at this time."

I can understand Governor Love's unwillingness to impose a governmental mandatory control program on a private free enterprise system.

I have faith in the ability of the free enterprise system to meet the needs of our citizens and of our businesses under normal conditions. However, it is clear to me that the energy crisis is an emergency greater than private industry can handle by itself. Private industry must work with Government in a cooperative effort to meet the problems of the energy crisis.

A mandatory allocation program would not solve all of Minnesota's problems this coming winter nor would we expect it to. But a mandatory allocation program would make a difference.

It would mean that there would be more equitable distribution of the available supply throughout the Nation. In addition, the program would make available a portion of each suppliers' product as an emergency pool to be distributed by State government to priority customers when emergency situations occur.

A mandatory allocation program is the only way we, in Minnesota, can have a reasonable estimate of the supply of fuel oil available to us and institute the necessary conservation measures to equalize demand with supply.

That is the first strong recommendation I make to this subcommittee today. You must insist that the administration immediately institute a mandatory fuel allocation program. If the administration continues its present reluctance to implement such a program, the only alternative is for Congress to act.

Mr. Chairman, I know your committee is holding these hearings primarily to assess the potential impact of a shortage of fuel oil in our country this coming winter.

But the lack of fuel oil is only one of our critical problems. In Minnesota, we face equally severe shortages of propane. In fact, the propane shortage is even more critical because we have so little time to respond to it.

As of this date, the number one industry in Minnesota and in the Midwest, agriculture, is facing the monumental task of harvesting, processing and transporting to market a record-breaking crop. This year 15 percent more land is under cultivation in Minnesota than last year. Our farmers are doing their utmost to feed Minnesota and the world.

Minnesota farmers planted 6.2 million acres of corn this year, up 10 percent. So far, soybean production is up 47 percent. The 1973 wheat crop is estimated at 80.2 million bushels, compared to 49.3 in 1972.

Propane is essential for successfully harvesting these crops and for turkey and livestock brooding. If Minnesota farmers do not have the propane necessary to drive their equipment and dry their crops, then we not only face a fuel shortage, we will have a food shortage as well.

The president of the Minnesota Farmers Union, and a long-time friend of yours, Mr. Chairman, Mr. Cy Carpenter, testified on September 7th at a special hearing called by Governor Love at the White House on the propane situation. Mr. Carpenter called for an immediate program for mandatory allocation of propane.

I talked to Mr. Carpenter yesterday. He reiterated to me his position that a mandatory allocation of propane is essential. He said it could make the difference between a successful harvest and a crop disaster with severe economic losses for thousands of Minnesota farmers.

Minnesota consumed approximately 500 million gallons of propane in 1972—30 percent or 150 million gallons for all kinds of farm use and 70 percent for industrial and residential home use. The demand for propane in 1973 is expected to be 550 million gallons. Based on 1972's consumption, we will run 50 million gallons short. However, using the projected 1973 demand for propane, we could be as much as 100 million gallons short.

It is my understanding that on Tuesday, a mandatory propane allocation plan had been prepared by the Department of Interior and submitted to Governor Love for his approval.

In my meeting this morning with Governor Love, I urged him to act immediately to implement a mandatory propane allocation program. I stressed to him that if this was not done, farmers in the southern and west central portions of Minnesota may be short as much as 40 percent of the propane necessary to harvest and dry their corn crop and prepare the fields for next spring.

I need not explain to this committee the value of American agricultural products in world trade today. We need them to feed the world and balance our trade deficit. The value of the dollar is down internationally. Its trading value is in jeopardy.

National demand for oil at this time approximates 17 million gallons per day. The best our domestic oil fields can produce is about 11.5 million gallons. We are entering an era where we could easily be importing more than 50 percent of our Nation's petroleum needs. We must be able to count on our food production as bargaining power to obtain the oil we need.

Our commodities have more trading value than our money. Oil-rich nations can use our wheat, corn and soybeans more than they can use our dollars.

Mr. Chairman, there is still some time left for the administration or the Congress to impose a mandatory allocation program for fuel oil. That luxury does not exist for propane. Every day that passes brings us closer to an agricultural disaster. We need a propane allocation system now. This week not when the farmers are out of gas.

I have spoken today mainly about solutions to critical, short time fuel supply problems. But overall demands for energy are increasing at nearly exponential rates. As Governmental officials, we must do more than act to allocate available supplies. Certainly we need to expand our supplies of current sources of energy. We must also act to develop new alternative sources of energy. Most importantly, Government at all levels take the lead in a positive program to conserve energy so that the total energy supply will meet our basic needs.

The energy crisis demands bold, innovative and decisive action by Government. Certainly we have to re-evaluate the American reliance on the automobile. We must see that our homes, businesses and appliances are built to utilize energy in the most efficient way possible. I agree with the President. We must have an energy conservation ethic.

Mr. Chairman, I thank you for the opportunity to speak before your subcommittee today.

INTERJURISDICTIONAL CRIME IN THE WASHINGTON METROPOLITAN AREA

Mr. MATHIAS. Mr. President, earlier this session, I introduced legislation, S. 1792, to authorize the use of LEAA funds by interstate metropolitan planning agencies for studies of law enforcement problems in those areas. I am pleased that the Safe Streets Act contained an amendment designed to accomplish just that result.

I am now in receipt of the final report prepared by the Department of Public Safety of the Metropolitan Washington Council of Governments. This report, on interjurisdictional crime in the Washington metropolitan area, is an example of the kind of study and planning work that can be accomplished through the use of such funds. We all know that crime and criminals are no respecters of jurisdictional lines and that the entire Washington metropolitan area is but one unit when it comes to most questions of law enforcement. I ask unanimous consent that the summary contained in the report by the Metropolitan Washington Council of Governments and an editorial from the Washington Star on the report be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

SUMMARY

The conclusions that follow concerning interjurisdictional crime in the Washington metropolitan area are based on the analysis of data concerning the residences of persons arrested for serious offenses (Part I Index offenses) in the several jurisdictions of the Washington metropolitan area during 1972. They are subject to the limitations of completeness, accuracy and comparability which apply to this type of data in general and to the specific data available for this study. These limitations are discussed in detail in Chapter IV of this report. The reader is urged to refer to that chapter and to the analyses and tables for each jurisdiction in Chapters V, VI, VII, and VIII.

Approximately one in five arrests, a rate of 19.7%, for serious criminal offenses in the metropolitan area during 1972, was of a person who did not reside in the jurisdiction in which he was arrested.

The rate of interjurisdictional crime, as reflected by residences of arrested persons, is higher in suburban areas than in the District of Columbia. The rate in the Virginia suburbs is 30.3%, in the Maryland suburbs, 20.6%, and in the District of Columbia, is 9.7%.

Residents of other Virginia jurisdictions comprised the largest single group of nonresidents arrested in the suburban Virginia jurisdictions.

District of Columbia residents comprised the largest single group of non-residents arrested in the suburban Maryland jurisdictions.

Prince George's County residents comprised the largest single group of non-residents arrested in the District of Columbia.

In absolute numbers, more adult non-residents, 587, were arrested in Prince George's County than in any other jurisdiction. The District of Columbia arrested the second largest number of non-residents, 480.

Metropolitanwide, the highest rate of non-resident arrests, 35.8%, was for larceny. The lowest rate, 12.9% was for assault.

The rate of arrests of non-residents for narcotic offenses was 19.9%. Narcotic offense arrests showed a pattern similar to that of index offense arrests.

The rate of interjurisdictional crime in the Washington metropolitan area has declined slightly but remained fairly constant, based on comparison of this study with previous studies, including those conducted by the Council of Governments, local governments, the FBI, and a 1939 study conducted by the Brookings Institution.

REGIONAL CRIME

Thanks mainly to the regional Council of Governments, a better profile of criminal activity in our metropolitan area is gradually taking shape. One of the more interesting parts of the mosaic is COG's new finding, reported the other day, that only one of every five persons arrested for serious crimes in the area last year lived outside the local jurisdiction in which the arrest took place.

The most obvious implication of that finding is that major crime is largely a homegrown product—rather more so, we suspect, than most people would have thought.

There has been a popular belief, for example, that sharp reductions of serious crime within the District of Columbia have contributed significantly to "spillover" increases of crime in the suburbs. If COG's analysis is not entirely conclusive, it certainly tends to discourage the theory. Indeed, in Northern Virginia, where the rate of interjurisdictional crime was highest (30.8 percent), most of the nonresidents arrested lived in other Virginia suburbs.

That was not the case in Maryland, where most of the nonresident arrests involved persons living in the District. It is interesting, however, that the highest rate of nonresident arrests throughout the region (35.5 percent) involved the crime of larceny. The lowest rate, among interjurisdictional crimes (12.9 percent), involved assaults.

COG's experts view these findings in a different perspective than we have thus far in this brief discussion. To their eyes, the fact that 19.7 percent of last year's 15,992 major-crime arrests involved nonresidents suggests a regional problem of substantial proportions, and of course they are right.

It argues, most clearly, for more effective cooperative relationships among the local police forces of the area. It suggests, too, the need for a mechanism by which all local prosecutors and judges can get better, faster access to criminal records of nonresidents. This is a problem that has been largely neglected, and which deserves COG's further attention.

We wondered how the Washington area stacks up against other metropolitan regions on interjurisdictional crime, and the surprising answer is that no one knows; the anatomy of regional crime simply hasn't received much attention nationally. It requires attention not only to bring about a broader understanding of the problem in urban areas but to provide a better basis for combatting it.

TOM VAIL

Mr. COTTON. Mr. President, the death of Thomas Vail this week was a special loss to every person associated with the U.S. Senate for he was one of those true professionals who are responsible for bearing so much of the load.

I know the enormous tasks that faced Thomas Vail during his distinguished service on Capitol Hill and I know in a special way, having served on the Senate Finance Committee, the demands and pressures connected with the duties he was called upon to shoulder as a professional staff member and later as chief counsel of that committee. As we extend our sympathy to his family, we hope that they find consolation in the knowledge that Thomas Vail handled these duties with a combination of ability, integrity, and understanding that inspired our highest respect during his life and that has brought our most heartfelt grief in his death.

TRADE AND FREEDOM

Mr. PELL. Mr. President, let me call your attention to two recent but seemingly unconnected events. Last week with admirable alacrity and good sense, the Congress ended a blackout permitting us to watch the Redskins on TV play on the home front. On September 19, Moscow Radio's international broadcasts accused this Senate of "gross interference" in Soviet internal affairs because we approved the Mondale amendment protesting the blackout of human rights and individual freedom in the Soviet Union, a complaint echoed more subtlety by Chairman Brezhnev visiting in Sophia.

In the case of the TV blackout, Congress was able to restore the light in one fell stroke. The ability of Congress to end the blackout of human rights, in this country or abroad, is quite a different matter. In our own counrty, of course, there is more that we can do. Here we must maintain the vigilance and take the action that the preservation of human rights and liberties demands. In a sense, that is what Watergate is all about.

In these remarks, however, I want to restrict myself to the problem of the denial of human rights and individual freedom outside of this country, of the relationship of this problem to détente, and what can be done to help solve the problem. This is an area where the ability of Congress to act is much more limited than on the domestic scene. But there are things that we can do to help assure the eventual victory of human freedom in the evolutionary development of a new and better order for the organization of mankind.

We can recognize and be responsive to voices, wherever they are raised—in Greece, in Spain, in the Dominican Republic, in Chile, in Nicaragua, in China, in South Africa, in Eastern Europe, in the Soviet Union—to protest the violation of human rights. If we cannot intervene directly in responding to those voices, we can salute the courage, the tenacity, the selflessness of those brave men and women who dare to act and speak out in defense of the individual and his right to life, liberty, and the pursuit of happiness. It is the acts and words of these people, the heroes of any age, that give dignity and meaning to human existence. That was the value and significance of the Senate's action in approving the Mondale amendment to H.R. 8916 in support of courageous dissenters Sakharov and Solzhenitsyn. In their willingness to stand up and be counted, those eminent and patriotic Russians represent many other unknown and unsung defenders of the untrammelled human spirit. In the declarations and resolutions of this Congress, of organizations such as the National Academy of Sciences, of private individuals, we can assure these defenders that they do not stand alone. That what they may be doing now in obscurity and hardship will someday benefit future generations of mankind. King Canute could not hold back the tides of nature. In the end, no regime or government can contain the free spirit of man.

Second, we can strengthen our efforts in forums devoted to the promotion and protection of individual liberties, particularly at the Human Rights Commission and in other organizations of the United Nations system. We can encourage the work of private organizations as well.

Third, we can assure that channels of direct communication are maintained for furnishing objective and accurate information to the peoples of closed societies on what is going on in the world and in their own countries. It is for this reason that I have supported the restoration of funds cut from the $50 million that the Senate has authorized for continuing the services of Radio Free Europe and Radio Liberty.

I would like to repeat here the quotation of Solzhenitsyn that I included in my remarks on some negative aspects of East/West détente of July 19 on page 24893 in the Congressional Record. In a New York Times interview, Solzhenitsyn states:

> If we ever hear anything about events in this country (USSR), it is through them. (Radio Liberty broadcasts)

Fourth, through all media of communications, the message must come across loud and clear that the U.S. Government and the American people remain steadfast in their dedication to the defense of human rights and deplore the violation of those rights wherever they occur—in the United States, in open societies, or in closed societies. It must be made clear, too, that continued contact and transaction of business with governments guilty of such violations do not mean our approval of or our aquiescence in them. The impression that we do, such as was given by the recent remarks of the Secretary of Health, Education, and Welfare on his return from the Soviet Union, is reprehensible.

Lastly, we can give renewed vigor to the task of removing barriers that separate the peoples of open and closed societies. A forum where we can immediately apply ourselves to this task is the Conference on Security and Cooperation in Europe. The contacts and dialog, which we hope will result from the Conference, can help to erode away these barriers. Herewith, however, we become involved in a dilemma in the pursuit of our policy of a relaxation in East/West tensions. Increased contacts and dialog are possible only in an atmosphere of détente. On the other hand, the regimes that dominate closed societies fear that these contacts will spread the virus of freedom of thought and expression among the people they seek to isolate. For this reason, as a result of détente, we are now witnessing in the U.S.S.R. and in Eastern Europe a trend to restrict individual rights and freedom. I was made very much aware of this negative aspect of détente during my recent visits in Central Europe.

I believe, however, that this repressive effort can be successful only in the relatively short run. Eventually the freer movement of peoples, ideas, and information that genuine détente makes possible will release irresistible internal forces to assure the victory of freedom and diversity over oppression and conformity.

An area where the dilemma of détente versus freedom becomes particularly difficult and controversial is in commercial relations. I do not believe that it is just a question of principle versus expediency. Expanded trade and economic ties between the United States and the Soviet Union also stimulate a movement of peoples, ideas, and information. The flow of trade penetrates the interstices and crevices of the walls that surround a closed society. It shares the force of running water to erode. We have seen it successfully at work in crumbling the national partitions that divided Western Europe.

It is for this reason that as much as I deplore the violation of human rights in the Soviet Union, I also see the long-term advantages to the cause of human rights in expanding United States-Soviet trade. Although I am a supporter of the Jackson amendment, I think our minds should be open to possible alternatives. The New York Times recently contained a thoughtful editorial which may be helpful in our effort to harmonize two objectives that perhaps are not as conflicting as they seem.

Mr. President, I ask unanimous consent to have printed in the Record the editorial entitled "Trade and Freedom" appearing in the New York Times of September 18.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Trade and Freedom

In calling on President Nixon yesterday to give voice to American concern over Moscow's latest assaults on individual liberties, the Senate emphasized that progress toward detente with the Soviet Union need not and should not involve sacrifice of this country's right to speak out in behalf of human freedom.

An improved relationship between the United States and the Soviet Union, the two nuclear superpowers, is of profound importance to both nations and to the peoples of the earth. And the initiatives begun by the Nixon Administration toward the Soviet Union as well as toward China are, as we have often noted, highly significant and constructive moves in the unremitting effort to build a peaceful world.

Since an increase in trade would be a logical part of any improved relationship, the Administration is seeking authority in the pending foreign trade bill to grant most-favored-nation status to the Soviet Union. "Most favored nation" is actually a misnomer since it suggests that the Russians would be granted some preferred treatment. In reality, they would receive at the President's discretion tariff treatment no less favorable than that granted any other nation.

Too much ought not to be expected from trade by itself as a factor for peace, but a policy of political detente can hardly hope to succeed if it has no economic counterpart. For that reason alone, it would be desirable that Congress grant to the President the authority he seeks to establish "most-favored-nation" terms of trade with Moscow. Quite apart from immediate political consideration the step is important on the general economic principle that it is to the long-run advantage of all parties that the channels of international trade and commerce be opened as widely as possible.

The trade issue has, however, become intertwined with the persistent denial of human rights within the Soviet Union. Many another nation with which the United States has close trade relationships also represses civil liberties; but it is one thing to maintain existing trade ties with such a country and quite another to augment the relationship just at the moment when human rights appear to be under particular pressure, as they are in the Soviet Union today. Yesterday's Senate action, which strikes us as especially appropriate at this moment, underlines the strength of the popular feeling in this country on this complex issue.

The Soviet leadership would do well to recognize that American moral indignation over the fate of the Russian dissenters is a fact of political consequence. We would like to see this concern also expressed openly and at the highest levels of the United States Government. The recent trip to Moscow of H.E.W. Secretary Weinberger and the scheduled visit of Secretary of the Treasury Shultz suggest, on the contrary, that the Administration is so intent on trade and detente that it is willing to shunt aside the equally important concern of the American people for human rights everywhere.

Under these circumstances, the kind of Presidential statement urged by the Senate is entirely in order. But so is passage of the "most-favored-nation" bill without strings or crippling amendments. We do not believe that it is appropriate, in a foreign trade or in any other kind of bill, for Congress to legislate on the internal affairs of another country.

MINING AND MINERALS POLICY SECOND ANNUAL REPORT

Mr. DOMENICI. Mr. President, I would like to bring to the attention of the Senate today, the Second Annual Report of the Secretary of the Interior under the Mining and Minerals Policy Act of 1970 (Public Law 91–631).

At a time when we have come to the realization that our natural resources are fast dwindling and that we are reliant upon these resources for life support, I think it is important that we take into account the availability of resources we do have. This report is timely because of the shortages we are experiencing and the shortages that are projected in the months ahead because of the failure to anticipate the problem that our natural resources are not limitless.

U.S. production is falling behind in relation to the rest of the world. The United States now produces only about one-fifth of the world's steel, one-fourth of its refined petroleum, and one-third of its aluminum metal.

Mr. President, I ask unanimous consent that a small portion of this report be printed in todays Record.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

(Excerpt from Mining and Minerals Policy—1973 Second Annual Report of the Secretary of the Interior Under the Mining and Minerals Policy Act of 1970—page 25)

Global Perspective

U.S. production and usage of minerals must be considered in the light of the total world situation.

Over the past two decades world production of major processed materials of mineral origin has increased sharply, as shown by Fig. 3. While U.S. production has increased in quantitative terms, its relative role as a world consumer of mineral raw materials and as a world manufacturer of products of mineral origin has shrunk. The United States now produces only about one-fifth of the world's steel, one-fourth of its refined petroleum, and one-third of its aluminum metal. Many other minerals are used in a proportion to steel, petroleum, and aluminum, and the same situation holds for them. Item 6 in each mineral profile in Appendix I gives details.

Consequently, the United States is encountering steadily increasing competition in the acquisition of non-domestic mineral raw materials as other industrialized countries also seek reliable sources of reasonably-priced mineral raw materials.

In addition, the United States is losing its competitive position in traditional products with large world markets and other industrialized nations are increasingly engaged in selling therein. Thus, our ability to pay for foreign mineral raw materials is diminished and our balance of trade and balance of payments problems are made worse.

CARGO SECURITY CONFERENCE

Mr. BIBLE. Mr. President, may I make another of my periodic reports to the State about progress being made in the governmental and private sectors to bring under control the $1½ billion to almost $3 billion lost every year through the thievery, pilferage, and hijacking of cargo from truck, air, rail, and maritime carriers nationwide. That impact is a serious one for small businesses and the consumer generally.

For several years now the Senate Small Business Committee has been in the forefront of efforts to persuade both Government and private carrier officials with responsibilities in these areas to pursue more aggressively their anticrime efforts. As an example, the 1973 National Cargo Security Conference in Chicago on September 6 and 7, marked the third such conference since 1970 and provided a focus and an updating of both private and governmental endeavors. As previously, the conference was jointly sponsored by the Department of Transportation and the Transportation Association of America, both of whom are to be commended for their affirmative actions to reduce this plundering of our commerce channels. Secretary of Transportaiton Claude S. Brinegar, Assistant Transportation Secretary Benjamin O. Davis, TAA Board Chairman Harold Hammond and TAA President Paul Tierney deserve real credit for their efforts in stimulating interest in this conference and its goals.

May I particularly call attention to a principal presentation at that conference made by Federal Bureau of Investigation Director Clarence M. Kelley in his first public address since assuming office. He highlighted some of the areas called to the Bureau's attention in the last several years by your Small Business Committee as a part of our work.

The wholehearted efforts pledged by Attorney General Elliot L. Richardson and FBI Director Kelley on behalf of the Department of Justice are thoughtful and constructive and therefore part of a blueprint for action in the months and years ahead.

Mr. President, I ask unanimous consent that a letter from Attorney General Richardson and the text of FBI Director Kelley's speech be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Department of Justice,
Washington, D.C., September 6, 1973.

Hon. Alan Bible,
Chairman, U.S. Senate Select Committee on Small Business, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Thank you for your thoughtful letter of August 1, 1973 in which you commended the efforts taken by this Department to bring about comprehensive law enforcement by Federal, state and local authorities with respect to cargo thefts and other concurrent jurisdiction offenses. I was particularly pleased to learn upon reading your letter of the excellent liaison and cooperation which has existed between your Senate committee and the representatives of the Criminal Division of this Department who have been working in the cargo security field.

As you know, we in the Department of Justice are aggressively pursuing our efforts to establish Federal-State Law Enforcement Committees and city-level cargo security working groups in order to maximize the effectiveness of law enforcement in this most important area. The Law Enforcement Committees will do much to eliminate needless duplication and confusion in the efforts of law enforcement officials to curb cargo theft and other concurrent jurisdiction offenses. By the same token, the cargo security working groups can aid in the coordination of the work of all concerned agencies and industry groups in local communities that want to effectively combat the problem.

To underline the continuing importance which this Department attaches to the law enforcement aspect of the cargo security problem, we intend to send certain United States Attorneys from major cities with a significant cargo theft problem as Departmental representatives to the third annual National Cargo Security Conference in Chicago on September 6 and 7, 1973. In addition, the Director of the Federal Bureau of Investigation will address the Conference at the closing luncheon on September 7, 1973.

Another concurrent jurisdiction offense which represents an area of major concern for both the Federal Government and the several states is auto theft. During the past year, the number of auto thefts committed throughout the nation approached one million. Since fiscal year 1971, the number of auto theft rings being investigated and prosecuted by this Department has jumped from 125 such rings to 225 at the present time. Indeed, these auto thefts not only directly affect large numbers of individual consumers, but these offenses also have a direct impact on the nation's business community.

As we in the Department of Justice move to expand and improve the Departmental cargo security programs which you mentioned in your letter, we will look forward to an equally productive relationship in the future with you and your committee in the fight against cargo theft, as well as other serious areas of crime similarly affecting individual consumers and the nation's business community.

With appreciation and best regards,
Sincerely,
Elliot L. Richardson,
Attorney General.

Cargo Security—A High Level Priority for the FBI

(An address by Clarence M. Kelley, Director, Federal Bureau of Investigation at the Third Annual National Cargo Security Conference, Chicago, Ill., September 7, 1973)

I welcome the opportunity of participating in your Conference today.

This is the age of transportation—when millions of our citizens depend on you, the handlers of cargo, for their daily existence. A stoppage in any type of transportation . . . land, sea or air . . . can well be a national emergency.

The very fact that cargo theft loss is estimated by the Senate Select Committee on Small Business at 1.5 billion dollars a year—or over four million dollars a day—makes it a problem of alarming dimensions. For this reason, your Annual Conferences, of which this is the third, are effective and valuable. They enable you, in the transportation industry and Government, to jointly discuss this grave problem, how best to handle it, and most importantly, what can be done to prevent theft.

For the FBI, theft from interstate shipment rates a very high investigative priority. In fact, over the years we have followed the general policy of instituting an investigation within the hour after receipt of a complaint in major theft cases. We know that these are investigations which must be handled quickly, efficiently and diligently—that, if they are to be solved, they require our very best efforts. I can assure you that this is still our policy—and will continue to be!

We can maintain this high-level investigative priority for cargo security cases . . . why?

Because of your cooperation—your reporting to us immediately the theft and your willingness to assist our Agents. I want to thank you most sincerely for your cooperation. We are all members of the same team and only by working together can we meet the challenge of the cargo thief.

I am happy to say that several top members of our FBI Theft from Interstate Shipment team, both from our Headquarters staff in Washington and our Chicago Office, are here today. This shows how deeply we are concerned. I hope you have availed yourself of the opportunity to discuss mutual problems with them.

As I view the whole area of cargo security, I am convinced, both from my experience in the FBI and as a Chief of Police, that hard-hitting, effective investigations by the FBI and local law enforcement are one of the most potent ways of combating this challenge. These investigations not only identify the criminals and bring them to justice, but reduce thefts by disorganizing armed hijacking gangs.

Let's take, for example, the Boston-Philadelphia corridor with its thousands of cargo loads daily.

This corridor is a tempting area for the armed hijacker. Over the years, this corridor has been harassed by gangs having close affiliations with underworld fences and organized crime. Loads of high-priority merchandise, such as liquor, cigarettes, wearing apparel and precious metals, are hijacked and within minutes disappear—almost as if a giant trapdoor opened and the cargo dropped through.

In late 1971, the FBI, working closely with local law enforcement, was able to smash vicious criminal hijack gangs in the Newark-New York area. The FBI arrested 32 individuals, of whom 25 have been convicted to date.

These gangs were highly professional . . . and ruthless. They had elaborate signals, drops and ways of quickly disposing of stolen cargo. They worked with precision and advance planning. They were not above using violence, with one of the gangs involved in the kidnapping and suffocation death of a driver.

They had become vultures of the highway, making every truck you sent out a potential target.

After these hijack arrests, the effects of the intensive investigations became readily apparent.

In our Newark-New York Office territories, armed hijackings involving interstate shipment reported to the FBI dropped from 317 in 1971, when the gangs were operating, to 173 in 1972, after the arrests were made . . . *a drop of 45 percent.*

As for truck thefts, the decline from 1971 to 1972 was 16 percent in the same geographic area.

So far this year, the decline of both *armed cargo hijackings* and *truck thefts* continues.

This decline can be attributed in large measure to the fact that hard-core hijack thieves have been taken out of circulation. Some of those convicted had been fences with contacts in the criminal underworld. Clearly, a substantial portion of the criminal redistribution system—the fences—had been penetrated and compromised.

Still another proof of the decline of organized gangs in the New Jersey-New York area has been the rise of the so-called "cowboy"—that is, the individual or small group which hijacks trucks at random whenever the opportunity presents itself. When you see cargoes of coat hangers, sausage casings, cookies and clipboards hijacked, you know that most likely a "cowboy" is involved. You know for sure when you later determine that the load has been abandoned on the streets.

Investigative experience teaches, however, that we cannot rest on our laurels.

In the criminal world gangs are quickly reborn. Remnants of old gangs come together. Or new criminal elements drift into the area, soon to be caught up with local criminals. I'm reminded of a recent case where a Western truck driver was apprehended in New Jersey illegally selling a load of shrubbery which had been consigned to Atlanta. When asked why he was so far off his route, he calmly replied, "I made a wrong turn at Chicago."

I want to emphatically assure you that the FBI . . . and our brother law enforcement agencies . . . are aggressively pursuing these investigations. We are keeping the pressure on—day after day. In this way, not only in the Northeast corridor but elsewhere in the Nation, we seek to keep the hijacker off balance—and your cargoes more safe.

The latest technological developments are being used by law enforcement. Since 1969, the National Crime Information Center (NCIC) . . . a nationwide computerized storage and retrieval system for criminal information . . . has played a key role in the field of cargo security. At present, NCIC contains over 4½ million records of which almost 20 percent represent stolen articles—such as typewriters, cameras and television sets (merchandise which can be identified), many of which come from cargo shipments.

For example, if 50 TV sets are stolen from a Little Rock truck depot . . . or a shipment of calculators from a waterfront pier . . . or securities at an airport terminal . . . the identification of this merchandise, if reported, can be placed in the NCIC computer and be instantly available to over 300,000 law enforcement officers in every state of the Union, the District of Columbia and Puerto Rico.

One day in August, to show the daily volume of the NCIC, there were over 140,000 transactions in a single 24-hour period. Every "hit"—or identification—helps us just that much in our work.

Then we are intensifying our efforts to identify the fences and middlemen operating interstate who make such thefts profitable. In this connection, we are utilizing provisions of the Omnibus Crime Control and Safe Streets Act of 1968. This Act, as you know, provides for court-ordered electronic surveillance in instances where the Government has been able to show probable cause that a violation, such as theft from interstate shipment, exists.

Here is an area in which the FBI and Federal Government should act because individuals operating interstate, particularly fences, present special problems of jurisdiction for local and state agencies.

However, even though cargo hijacking often grabs the headlines, the greatest loss of cargo, by far, remains now, as it has always been: *pilferage,* the petty theft of merchandise from warehouse, dock or carrier, either by employees or outsiders.

"We're being nickeled and dimed to death," said a spokesman for the trucking industry recently. By this he meant the theft of small items, a few cartons here and there, and repeated thousands of times, adding up to terrifying cumulative totals. This spokesman went on to assert that 80 percent of dollar losses in his industry came from pilferage or theft of small items on a repeated scale.

I am confident that petty thievery rates an equal problem for air, railroad and water transportation.

Hence, the most potent thief—the enemy we really face—is not the armed hijacker, dangerous as he may be, but the dishonest employee, the outsider who somehow evades security, and steals a few cartons, a box of shoes, some dresses or television sets. He may make use of these items himself or, as so often happens, he begins to work up his own personal disposal system for monetary profit. It is often simply amazing to see the ingenious fencing networks a single thief . . . or a group of them . . . can work up.

The cumulative effect of petty thievery can be devastating to company profits, to the quality of your service to customers, to the economic welfare of the country.

In the area of pilferage, you, as cargo handlers, are your own best friend . . . or enemy . . . as the case may be.

We in law enforcement can do much to help you. Time after time we are able to identify the criminal, to break up pilfering rings, recover stolen merchandise.

However, pilferage is largely an "in-the-house" problem and must have an "in-the-house" solution.

What I'm saying is that petty thievery at your piers, yards and terminals is largely a matter of *prevention*—that pilferage losses vary almost directly with the effectiveness if your own security programs.

Your Conference today—as well as the growing emphasis on security in the transportation industry—is proof of the concern you are focusing on this area of maximum losses. Many years ago, when I broke in as a young FBI agent, transportation companies gave little thought to internal security.

Today your industry—and very rightly so—is security conscious. Most companies have security officers . . . men who are professionally trained and highly competent. You conduct security-type educational programs among your employees. Congressional committees are exploring the problem. The Government, especially through the Department of Transportation, is lending invaluable assistance. In this partnership of Government and industry lie new initiatives and procedures to meet this dagger which is aimed at you.

I would like to point out that the Department of Justice has aggressively attempted to encourage state and local prosecutors to become more active in prosecuting cargo theft cases. Although most of the Federal-State Law Enforcement Committees are still in the formative stages, this venture has reached a milestone in that in some thirty states committees, including Federal and state law enforcement people, have begun to discuss specific problem areas. The FBI has actively participated in these committees.

The Justice Department also envisions the creation of local cargo theft working groups in major cities experiencing significant cargo theft problems. These groups will involve local, state and Federal prosecutors as well as industry representatives, such as one already instituted in Philadelphia.

Sometimes, however, we in law enforcement and you in cargo security must, so to speak, step back and take a new look, a new perspective.

Even though theft is an old problem, this doesn't mean that it cannot be attacked through new ideas, new approaches, new ways of doing things. We must be constantly alert to making changes in the interests of achieving positive results. Perhaps the greatest enemy of security—cargo security or any other type of security—is complacency, the concept that we've done it this way for years so it must be the best.

Whether we realize it or not, we today live in an era of growing criminal sophistication. The thief is today making extensive use of technological devices. He learns how to nullify and circumvent preventive techniques. He develops new ways and rationales for stealing.

Most vital in combating cargo theft is your willingness to make those financial commitments necessary for adequate security.

Unfortunately, effective security costs money. This means not only the hiring of competent security officers, but guards, and installation, among other things, of proper lighting, fences, perhaps TV monitoring. It also means careful selection of personnel, establishing adequate auditing and accounting procedures to determine and trace losses, conducting spot inspections at various stages in the cargo-handling process.

The spending of money, and the purchase of security-type equipment, however, are not the final answers. Most vital is the *personal interest of top management.* Security is much too important to be exclusively delegated and then forgotten by senior executives. Front office management must be personally interested. If you as an executive display concern, others in the company will also be concerned. The potential thief, if he be an employee, may also be affected by your emphasis on security.

I remember a personal experience of having some property stolen from my luggage on a trip from Florida to Kansas City. I have mentioned this incident on several occasions to airline employees who said they had often observed cargo handlers apparently rummaging through luggage. When I asked if they had reported this information to the proper authorities, they replied in the negative. Such an attitude, to my mind, appears in essence to condone the offense.

Unless there is support from the entire organization for security, there is little likelihood of achieving any degree of success. In other words, being security conscious is not only an individual responsibility, but also the responsibility of the whole company.

I realize, in such instances, employees do not want to become involved. Here perhaps is where management in this country has its greatest responsibility. We must reinstill confidence of the public in the American system. People must be made to feel their best interests are served by our system. Today, non-involvement is prevalent in all too many places. We must endeavor to make employees feel that they are part of a system which works to their personal advantage.

However, to nullify this feeling of non-involvement it might be well for employers to accept information from employees without later involving them. In other words, this type of data can be of great help in unraveling any dishonesty.

Every company security officer should take time to discuss with his local FBI representative and police just what steps, such as how to preserve evidence, he should take prior to arrival of the investigating officer. Many times what your company does—or doesn't do—in these early minutes can be exceedingly crucial.

Then there are steps which you as an industry—and as individual companies—can undertake to promote legislation which might help to reduce thefts.

Some States, for example, have passed or are considering legislative action to permit carriers to sue civilly for treble damages in instances where a receiver is found in possession of stolen goods. This concept might be very legitimately pursued by you in your local jurisdictions.

The theme of your Conference this year is "A Report on Local Actions."

This is a most appropriate theme—for it is chiefly local initiative, local responsibility, local leadership which will alleviate this pressing national problem.

It must be you, your company and your industry in action.

We in law enforcement can do much to assist you. But cargo security is basically a local concern . . . your concern as members of the industry.

Above all, there must be a spirit of cooperation—a working together for a common goal. You represent shippers of diverse types of cargo, from different geographical areas, with varying individual problems. But, in the final analysis, all of you have the common aim of making your shipments more secure.

I feel that this spirit of cooperation . . . reflected in the transportation industry and Government . . . is the harbinger of better things to come, that we are well on the way of breaking through this problem.

We in the FBI are proud that we are part of your team. Let's keep up the good work!

THE FAIR HOUSING OPPORTUNITY ACT

Mr. TOWER. Mr. President, as a result of an extensive 6-month study of Federal housing policy directed by Secretary of Housing and Urban Development James Lynn, the President has submitted to the Congress this week his housing policy recommendations and goals.

Today, I would like to comment briefly on one of the President's recommendations with which I am particularly pleased. In discussing the need to work vigorously toward stamping out discrimination in housing, the President said:

> The availability of mortgage credit has also been restricted in many instances on the grounds that the applicant's financial resources, which would otherwise have been adequate, were deemed insufficient because the applicant was a woman. These practices have occurred, unfortunately, not only in home mortgage lending but also in the field of consumer credit. I shall therefore work with the Congress to achieve legislation which will prohibit lenders from discriminating on the basis of sex or marital status.

During hearings held by the National Commission on Consumer Finance in May, 1972, the patent ambiguity of our laws regarding discrimination against women in mortgage lending and consumer credit transactions was emphasized. The Fair Housing Amendments of 1968 which prohibit discrimination on the basis of race, color, religion or national origin, neglect to specifically prohibit discrimination against women. As a result of these hearings, and in a further effort to eliminate the last vestiges of discrimination on the basis of sex in our society, my colleague and good friend from Tennessee, Senator BROCK, the ranking minority member of the Subcommittee on Consumer Credit of the Banking, Housing and Urban Affairs Committee, introduced in April of this year two measures which I feel are extremely important. The first, S. 1605, entitled the "Equal Consumer Credit Act," would amend the Truth in Lending Act to prohibit discrimination on the basis of sex or marital status in any consumer credit sale thereunder. As a cosponsor of this measure, I shared my colleague's delight when the Senate Banking, Housing and Urban Affairs Committee unanimously reported an amendment to S. 2101, the Truth in Lending Act Amendments of 1973, incorporating the major provisions of this measure. Subsequently, S. 2101 passed the Senate by an overwhelming vote of 90 to 0.

The second measure introduced by Senator BROCK is S. 1604, the "Fair Housing Opportunity Act" to extend the provisions of sections 804, 805, 806, and 901 of the Fair Housing Amendments of 1968 to include a prohibition against discrimination on the basis of sex in sales and mortgage lending transactions.

During 2 weeks of hearings in the Housing Subcommittee this past July, Senator BROCK demonstrated convincingly the need for this legislation. His testimony provided our subcommittee with irrefutable evidence of the blatant and systematic discrimination against women in these areas.

Mr. President, I commend my friend from Tennessee for his outstanding achievements to date in winning overwhelming support from our colleagues for these measures. In preparation for full Senate consideration of this question of discrimination in housing, I know that all Senators will find Senator BROCK's testimony most helpful and informative. For that reason, I ask unanimous consent that the full text of his remarks and S. 1604 be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR BILL BROCK ON THE FAIR HOUSING OPPORTUNITY ACT BEFORE THE HOUSING SUBCOMMITTEE

Mr. Chairman, thank you for the opportunity to discuss S. 1604 my bill, the "Fair Housing Opportunity Act" to prevent discrimination on the basis of sex in housing by amending the 1968 Fair Housing Act. S. 1604 is a companion measure to my bill originally introduced as S. 1605 and incorporated as Title III of S. 2101 which passed this week.

A number of cases have come to my attention in which a wife's income has not counted toward purchase of a home. In other cases, a woman's income has not been counted toward home improvement loans. I have even seen examples where a family could not rent a suitable dwelling, because the wife was the chief wage earner, for example, and the husband was in school.

In addition, difficulties in the mortgage lending area, women do face a problem with regard to access to housing. This legislation is needed not only to assure that women have access to mortgage credit, but that women are not subtly denied opportunities to purchase homes or rent dwellings. For example, a real estate agent knowing that a creditworthy woman will face difficulty in obtaining a mortgage on account of her sex will tend not to view women as viable potential customers and will discourage an active search for a home purchase.

In the area of rentals, the denial of access has been more evident. There has often been an informal practice of failure to rent to single women (and single men, for that matter) on the basis of assumptions about their reliability in performance of their duties under their leases.

Five years ago when the Fair Housing Act was passed, what problems that were recognized in this area were seen as individual rather than systematic. In the years since the passage of the Act, it has become increasingly evident that prohibition against discrimination on account of sex should have been included in the Act, and I now seek to remedy this omission. For example, the Department of Housing and Urban Development's (HUD) Fair Housing Office took an informal survey during several months of 1971 and the early part of 1972. This study from June 28, 1971, through February 22, 1972, included a total of 709 calls. As HUD has pointed out this is by no means a complete study because letters alleging this type of discrimination have also been received at the Central Office, and both letters and telephone calls are also received at HUD's Regional and Area offices. (See Appendix A.)

Recognizing these problems, a number of states now have provisions similar to the one I am proposing in their laws prohibiting discrimination in housing on account of sex. These states include Alaska, Colorado, Delaware, Hawaii, Idaho, Indiana, Maryland, Illinois, Massachusetts, New Jersey, New Mexico, New York, Pennsylvania, and South Dakota.

DISCRIMINATION IN MORTGAGE LENDING

While the line of distinction between denial of access to housing and denial of mortgage credit is a subtle one, the two types of discrimination serve to reinforce one another. Let me turn to some of the cases that have come to my attention. In testimony before the National Commission on Consumer Finance, we particularly noted that single women have trouble obtaining mortgage credit. A variety of lender prejudices have resulted in single women traditionally being unable to obtain mortgages to buy real estate. Lenders have gone to such lengths as to worry that single women could not perform the necessary repairs to maintain a property. Yet, how many otherwise creditworthy single men, when applying for a home loan, have ever been questioned about their carpentry, plumbing or electrical ability? The assumption that men could perform these tasks while women could not is just the sort of discrimination based on sex that we are talking about. A judgment based on the ability of the applicant of either sex to pay for necessary maintenance would be much more to the point, but women are frequently denied even the most cursory examination of their means.

This exchange between a bank and potential customer is typical:

"Saturday morning, August 28, I spoke to a loan officer, Mr. Frank Cash, about obtaining a home mortgage loan. He gave me the current interest rate along with closing costs, etc. and then inquired about my husband. I told Mr. Cash that I had no husband. He then informed me that home loans were not granted to single persons without a co-signer. I told him that a co-signer was not necessary as my income was sufficient to cover the loan I was asking for. He told me this was a requirement of the "loan committee" and there was no loan available to me as a single person without a co-signer.

"I find it very difficult to believe that I was denied a loan with absolutely no information about my ability to pay. Mr. Cash didn't ask me my age, about my work record, my salary—nothing at all pertinent to the credit information needed to obtain a loan. I was turned down solely because I am a single woman. This is an assumption on my part. I am now asking you, formally to supply me with the reason I was denied credit by your bank."

After sending this letter to the bank, the woman received a form letter from the bank's president which said:

"In conducting any well-organized business today, situations may arise due to the possible absence of complete information.

"Please feel free to visit my office personally, at your convenience, should you feel further discussion is in order."

When the woman called the president for an appointment, he told her that a personal visit really was not necessary as it was a "policy" of the loan committee and there "really wasn't anything more he could tell her." As far as I can determine, single males have not encountered any such refusals, at least to determine whether or not they might be eligible for credit.

On the other hand, mortgages may be granted if a male cosignature is obtainable no matter what the financial status of the male may be. The Wall Street Journal reported that a woman in her forties who, as head of her household, wanted to buy a house for herself and her children could not get a mortgage without the signature of her 70-year-old father, who was living on a pension. There is no evidence that single men in like situations have been required to obtain cosigners.

The failure to grant mortgage credit affects not only women as a group, but families as well.

For medium-income couples seeking mortgages, the failure to count the wife's income means that many couples who would otherwise qualify are denied the benefits of homeownership. Mortgage lenders tend to discount the income of married women who are regularly employed.

In testimony before the Commission on Consumer Finance and in press reports, a lender's "rule of thumb" has been outlined. In recent marriages—less than 5 years—or when the wife has been working only a short time, no recognition is given to the wife's income. With young married couples, no matter what their background, the wife's income is not recognized. If the wife is classified as a "professional" and is between the ages of 26 and 35, a lender may give half credit to her income. If she is over 35 years of age, it is customary to give full credit. If the wife is in a nonprofessional occupation, usually no allowance is made for her income up to age 35, half allowance between ages 35 and 42, and full credit beyond that age.

These customs in relation to wives' incomes seem to be motivated by the presumption that women are likely to become pregnant, and if they do, that they will necessarily terminate employment. The specter of pregnancy has governed much of the reactions of the banking industry in connection with counting a wife's income. In testimony before the Commission on Consumer Finance, Sharyn Campbell, an attorney representing the Women's Legal Defense Fund, presented evidence that banks have required letters from doctors or affidavits concerning birth control methods employed, or doctors' letters attesting to sterility, worse yet, in one case a couple was asked to assure that the wife would have an abortion before her income would be able to be counted.

I regard inquiries along these lines a serious invasion of personal privacy, and yet, in the past, couples needing loans have had little choice. On the other hand, I have heard no evidence presented showing that married couples tend to default on their loans when the wife bears children.

Family planning is a widely recognized concept in our modern society, and even when women do become pregnant there are many to whom motherhood and employment are not mutually exclusive. As a matter of fact, the lower and middle income families most need to count the wife's income in order to enjoy the tax advantages and benefits in community stability and community identification associated with homeownership. In this sector of the society, according to Labor Department statistics, married women are much more likely to continue working, yet it is these families that are hurt most by the idea that motherhood will terminate employment. Moreover, increasingly many women are working out of preference after the birth of their children. Today, more than 30 percent of the married women with children under 6 work.

Although in the past, pregnancy was often a reason women dropped out of the labor force, indications are that increasing numbers of women are choosing to combine motherhood with outside employment. In recognition of this fact, the EEOC guidelines issued under the equal employment opportunity law required that childbirth be treated as any other temporary disability, from the employer's standpoint. Thus women will not necessarily be faced with loss of job due to pregnancy should they need or wish to continue working.

In reviewing the question of equal access to mortgage lending and to housing, it has been brought to my attention that the several Federal agencies responsible for enforcement of the Fair Housing Amendments of 1968 have not been clear about their authority to extend the coverage of these provisions to prohibit discrimination in the basis of sex. The Fair Housing Amendments of 1968 prohibit discrimination in the sale and mortgage lending on the basis of race, color, religion, or national origin, but not on the basis of sex. For example, the Federal Deposit Insurance Corporation held hearings on this issue in December and has not yet reached a resolution of the question.

I have received letters of support for this legislation from some of the agencies and organizations involved. In a letter of June 22, the Federal National Mortgage Association stated:

"The Federal National Mortgage Association has long followed the policy that invidious discrimination in the availability of housing or housing finance on the basis of any immaterial consideration is to be avoided. Among immaterial considerations, of course, is the consideration of sex. We therefore have no problem at all with, and fully support S. 1604, which adds sex as a proscribed basis of discrimination under Title VIII and IX of the 1969 Civil Rights Act. We likewise have no problem with, and fully support, S. 1605 insofar as it would prohibit discrimination on account of sex in the granting of consumer credit."

In addition, some agencies have taken steps to end discriminatory policies. This week the Veteran's Association announced a new policy of counting wive's incomes in full in mortgage loans.

While it is my view that sufficient legal authority is probably available to the agencies to prohibit discrimination on the basis of sex, the amendment I offer here should remove any remaining doubt on this question. In testimony before hearings on this issue held by the FDIC in December, 1972, Mathew Hale, general counsel for the American Bankers Association, argued convincingly that if Congress wished to insure that discrimination based on sex in these areas were prohibited, that Congress should legislate specifically in these areas. I seek here to remedy this legislative oversight by the proposed amendment which adds prohibition against discrimination on the basis of sex to the provisions of the 1968 Fair Housing Amendments.

S. 1604

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fair Housing Opportunity Act".

Sec. 2. (a) Subsections (a), (b), (c), (d), and (e) of section 804 of the Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" approved April 11, 1968 (42 U.S.C. 3604), are amended by inserting a comma and the word "sex" immediately after the word "religion" each time it appears in such subsections.

(b) Section 805 of such Act is amended by inserting a comma and the word "sex" immediately after the word "religion".

(c) Section 806 of such Act is amended by inserting a comma and the word "sex" immediately after the word "religion".

(d) Subsection (a), paragraph (1) of subsection (b), and subsection (c) of section 901 of such Act are amended by inserting a comma and the word "sex" immediately after the word "religion" each time it appears.

SWEDEN'S NEW PRIVACY LAW

Mr. ERVIN. Mr. President, the impact of data banks on individual privacy is a matter of increasing concern not only in the United States but all over the world. Sweden has recently implemented a novel approach to curbing the abuses of data banks containing personal information about individuals.

While I do not necessarily advocate the importation of Sweden's data bank legislation into this country, I do feel that my colleagues here in the Senate, as well as the general public, may well benefit from taking a look at Sweden's approach to the regulation of data banks containing personal information about individuals. I, therefore, request unanimous consent that an article entitled "Sweden Has First National Law Covering Data Bank Operation" from the September 19, 1973, issue of Computerworld be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Inspection Board To Monitor—Sweden Has First National Law Covering Data Bank Operation

(By E. Drake Lundell Jr.)

Stockholm, Sweden.—What is called the world's first national law covering the operation of data banks that contain personal information is now in effect here with the appointment of Claes-Goran Kallner as the first chairman and director-general of the Swedish Data Inspection Board.

The board will eventually be composed of eight other members drawn from labor, Parliament, government agencies and business.

In addition, it will eventually have a staff of around 20 employees, including computer experts, lawyers and business graduates, all of whom are expected to be on board by the first of next year.

The Swedish law that created the Data Inspection Board gives that agency broad powers to control and regulate the maintenance of data banks containing any information on individuals—and is probably the first national law to establish such a government agency aimed at protecting individual privacy.

According to extensive study by the HEW Computer Committee, Sweden earns this distinction.

Under the law, the Data Inspection Board came into existence on July 1 of this year, and will assume its full duties on July 1, 1974.

Under the "Data Act," signed into law by now ailing King Gustaf on May 11 of this year, no one in the country may keep or start a personal register without explicit permission from the Data Inspection Board.

However, this applies only to non-governmental agencies, since such registers can be established by the King or Parliament without permission. But the Data Inspection Board must be consulted before such registers are started in the government.

The board may give permission to start a system with personal information only if it finds no "undue encroachment on the privacy of individuals will arise."

If there is some question about the privacy of the records, the Data Inspection Board is to consult with individuals who would have records kept in such a system to determine their attitudes toward it before granting permission.

In addition, the law provides that no one other than the relevant government agency can keep records that involve police matters, psychiatric records and so forth.

"Permission to start and keep a personal register otherwise containing information about anybody's illness or state of health or information that anybody has received social assistance treatment for alcoholism or the like . . . may not be granted to a person other than an authority which is by law or statute responsible for keeping such a record," the act adds.

It also prescribes the keeping of any records on persons' religious or political views, but would permit religious and political organizations to keep records on their membership.

Whenever permission is granted to start a data bank, the Data Inspection Board is also required by law to "issue regulation as to the purpose of the register and the personal information that may be included. If there are special reasons, the permission may be limited to a certain time," according to the act.

In order to insure individual privacy, the board is also empowered to issue regulations on the way the information is collected for such systems, the way it is processed, the technical equipment used, what personal information may be made accessible, the keeping of the information and the control and security procedures to be followed by the data bank operator.

OUT DAMNED SPOT

If there is any reason to suspect that any information in a register is incorrect, "the responsible keeper of the register shall, without delay, take the necessary steps to ascertain the correctness of the information and, if needed, to correct it or exclude it from the register," the law states.

In addition, if that incorrect information has been given to anyone else, the operator of the system has a duty to update and correct those records as well as his own.

The law also requires the data bank operators to keep the records in the system complete and to supplement any incomplete files.

Any individual has a right to request to see his record kept in any data bank, according to the law, but that right is restricted to a once-a-year perusal of the file.

However, the data bank operator is obligated to provide the record to the individual for no charge for his inspection, unless the data bank operator, can convince the Data Inspection Board of the need for a fee in some special circumstances.

Even the people associated with operating the data bank are warned against unauthorized revealing of information kept in that system and are subject to criminal actions if they reveal any information in the system.

In order to supervise that in fact the provisions of the law are followed, the Data Inspection Board has the power to enter any premises where data banks are kept and operate the computers at those sites itself.

In addition, the keeper of the data bank is ordered by the law to provide the Data Inspection Board with any documentation or information on its operation that would help the board carry out its duties.

If the board finds "the keeping of a personal register has caused undue encroachment on privacy or if there is reason to believe that such encroachment will appear," it may issue new regulations to be followed by the data bank operator or it may revoke its license to continue operation.

Anyone violating the act is subject to a fine and imprisonment for one year, according to the law, and individuals are permitted to take data bank operators to court if they feel their rights have been violated.

A BENEFIT TO SMALL BUSINESSMEN AND THE SELF-EMPLOYED IN THIS COUNTRY

Mr. DOMENICI. Mr. President, this week the Senate unanimously voted to pass the Retirement Income Security for Employees Act of 1973. I would like to say a few words today on how this measure will be beneficial to the small businessman and the self-employed in this country.

The bill was revised in several ways by the Labor and Finance Committees before the Senate actually voted. In addition, during the floor debate on the bill, many amendments were added which would affect all employers.

I strongly urged my colleagues to support the bill on the premise that it would greatly benefit the Nation's workers—and the Nation's employers.

The measure as passed by the Senate does not require any private employer to set up a pension plan for his workers, but if he does, the legislation mandates minimum Federal standards for eligibility, vesting of benefits and contributions to the trust fund, and creates a Federal "reinsurance" system to protect workers against trust fund bankruptcies.

Under the terms of the bill, self-employed persons would be permitted to deduct up to $7,500 a year, or 15 percent, whichever is lower, instead of the presen $2,500 from their tax returns for amounts set aside in the "Keogh Law" self-employed pension plans. This was an increase of three times the present limitation.

Another provision was designed to help small corporation members, including proprietary employees, by allowing them to put aside substantial amounts of income, tax deductible, toward their own pension program—enough to acquire up to $75,000 maximum annuity per year, or three-fourths of their highest 3 years of earnings, whichever is lower. At the time the retirement annuities are collected by the beneficiaries, taxes would then be collected. This provision differed from the original language of the bill in that there would only be a limitation on the amount to be acquired as retirement income rather than a limitation on the amount set aside each year. Obviously, this is more favorable to the small businessman than the proposal originally drafted into the bill. It is intended by this proposal to put large and small corporations on equal footing when considering retirement opportunities.

Furthermore, the bill would allow a worker changing jobs to switch retirement credits to his new employer or to a special new Federal pension fund, provided that the old and new employers agree. Many businessmen who wrote my office were in favor of this voluntary portability proposal and I was pleased to see its incorporation into this bill.

Finally, an innovative, very good amendment also adopted by the Senate would allow all employers and employees who are not covered by a pension plan to bank as much as $1,500 per year, tax-deductible, in their own pension program. This money would be placed into a qualified custodial account as approved by the Secretary of the Treasury and all gains and interest accrued on these funds would also be tax free until an individual actually draws on this account at retirement age.

The benefits from such a proposal are obvious. All wage earners not covered by private pension plans, which means most New Mexicans, would benefit from being able to provide his own retirement program. No longer will wage earners be dependent solely on often inadequate social security annuities. I feel this proposal to be a most valuable addition to this landmark piece of legislation.

I have always supported legislation to encourage the continuation of small businesses and the creation of new business concerns. Competition is the goal to which we have dedicated our private economic sector, and the formation and continued existence of small businesses is an important spur to new competition. Without this, the continuous influx of new ideas and procedures may be curtailed and our economic growth could suffer.

The chance to achieve economic security—based on merit—is the heart of the American dream; and where pension benefits are unfairly reduced or denied the results are tragic for those who have earned a dignified retirement.

Mr. President, I am very hopeful that the House of Representatives will concur in the action of the Senate to expedite final enactment of this vital legislation. Chairman Wilbur Mills, chairman of the House Committee on Ways and Means, has encouraged all interested parties to submit any comments on the provisions of the bill inasmuch as there will not be public hearings. If interested in sharing your views before the House votes on this measure, please write Mr. John M. Martin, Jr., chief counsel, Committee on Ways and Means, 1102 Longworth Building, Washington, D.C. I would also suggest interested persons write their Congressmen in order that they be made aware of their constituents' views on this most far-reaching, historic bill.

THE 1952 PRESIDENTIAL CANDIDACY OF SENATOR RICHARD B. RUSSELL, OF GEORGIA

Mr. NUNN. Mr. President, an excellent article on the 1952 Presidential candidacy of Senator Richard B. Russell appeared in the summer 1973 issue of Georgia Historical Quarterly. This article will be of great interest to all of you who knew this great American and now cherish the memory of his distinguished service in the U.S. Senate.

This compilation of editorials presents a thoughtful reflection of the man and the times. It is evidence of the significant contribution Senator Russell made to the shaping of the Democratic Party in 1952.

I ask unanimous consent that this article be printed in its entirety in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EDITORIAL REACTION TO THE 1952 PRESIDENTIAL CANDIDACY OF RICHARD B. RUSSELL

(By Philip A. Grant, Jr.)

On February 28, 1952, Senator Richard B. Russell of Georgia formally announced his candidacy for the Democratic presidential nomination. At the time of Russell's announcement President Harry S. Truman had not revealed whether he would seek re-election in 1952. Russell, responding to questions from newsmen after completing his formal statement, firmly declined to say whether he would support the President if the latter were renominated at the Democratic National Convention, in July.[1]

Four years earlier Russell had allowed his name to be submitted as a presidential candidate at the Democratic National Convention, in Philadelphia. At that time the Senator's candidacy had been primarily a gesture of protest against the inclusion of a strong civil rights plank in the 1948 Democratic platform. Although overwhelmingly supported by Southern delegates at the convention, Russell had been easily defeated by Truman for the presidential nomination.[2] During the 1948 campaign, however, he remained loyal to the Democratic Party and refused to support an independent states-rights ticket headed by Governor J. Strom Thurmond of South Carolina.[3]

Generally acknowledged as the leader of a conservative bloc of Senate Democrats, Russell in the years after 1948 had vigorously opposed many of the President's key domestic legislative proposals. The Georgian was also Chairman of the Armed Services Committee, in which capacity he had attracted national attention in 1951 while presiding over a Senate investigation of the controversial dismissal of General Douglas MacArthur.

During the days following Russell's announcement his candidacy received prime news coverage. In addition, approximately one-half of the nation's major newspapers printed editorials on the Senator's entry into the presidential race. Nearly all of these editorials assessed the probable effect of Russell's candidacy on the immediate future of the Democratic Party and the forthcoming presidential election.

A substantial majority of the principal newspapers in the Northeast offered editorial comment on Senator Russell's candidacy. Most of these publications, while discounting the likelihood that Russell would receive the Democratic nomination, foresaw that the Georgian might exert considerable influence either within the Democratic Party or over the outcome of the 1952 presidential campaign.

The New York *Herald-Tribune,* alluding to Russell as one of the "most potent" Southern Democrats, believed that the Senator was "running against Truman rather than for himself." Noting that the extent of Russell's opposition to the President's possible quest for re-election had been "purposely left to the imagination," the *Herald-Tribune* concluded: 'The Southerners are determined to reassert themselves within their traditional party, and in Senator Russell they have a candidate of immeasurably greater merit than Governor Thurmond."[4]

Stressing Russell's disenchantment with the President's domestic policies, the Baltimore *Sun* predicted that, if a split occurred in Democratic Party, the Georgia Senator would lead the rebels." The Baltimore publication analyzed the Russell candidacy as follows:

> We doubt that Senator Russell and his major supporters have any real hope that he will be nominated at the Democratic convention or that, if nominated, he will be elected. What we are really seeing is a Democratic maneuver, an effort to prove to Mr. Truman that, if he finally decides to accept the nomination, he will split his party and prevent its return to Federal Office.[5]

The Washington *Post,* acknowledging that Russell was the "logical" candidate of the South, editorialized that the Georgian was respected as "able and conscientious." Doubting whether Russell could realistically hope to win the Democratic nomination, the *Post* emphasized the "unfortunate fact is that no Southerner has a good chance of becoming President." The Washington publication was convinced, however, that the Senator's "high standing in his party will give him a powerful voice in the Democratic National Convention, whether or not Mr. Truman is the nominee."[6]

Several other major northeastern newspapers viewed Russell's announcement as having serious implications for the Democratic Party. The Hartford *Courant* declared that Russell's avowed candidacy and his outspoken criticism of the President's leadership "raise the question of how far he might go with another Dixie revolt"[7] The Buffalo *Evening News* stated that Russell's mission would be to convince the Democratic Convention that the South "may find some place else to go if its wishes are ignored as brusquely this time as they were in 1948."[8] Referring to Russell's candidacy, the Newark *Evening News* observed that, if President Truman decided to run for re-election, Southern delegates "will have a place to go."[9] The Philadelphia *Evening Bulletin,* describing Russell and his principal supporters as men of "national stature and proved competence," speculated that their leadership might give the President "more formidable difficulty" than in 1948.[10] Foreseeing that Russell might ultimately seek the presidency on a third party ticket, the Washington *Evening Star* believed that the Georgian's February 28 announcement provided impetus to the strategy of Southern Democrats "to put together a strong bloc with which they can maneuver influentially in the party's presidential convention."[11]

Four northeastern newspapers, the *Boston Herald,* New York *Post,* Brooklyn *Eagle,* and Pittsburgh *Post-Gazette,* minimized the effect of Russell's candidacy. Insisting that Russell's nomination was a "virtual impossibility," the *Herald* concluded that the Georgian was "merely dramatizing the South's outcast role."[12] The *Post,* mocking that Russell was "marching through Georgia heading for nowhere," editorialized that his nomination "would mean sudden death for the Democratic Party."[13] Claiming that the Senator's appeal was "limited quite rigidly" to the South, the *Eagle* reasoned that his candidacy did "not assume important proportions."[14] The *Post-Gazette* suspected that Russell's candidacy was primarily a "symbol around which Southern Democrats can be rallied as to make the most of their numbers at the next convention."[15]

The overwhelming majority of daily newspapers in the South printed editorials on Senator Russell's announcement. Almost without exception these publications praised Russell as a distinguished public servant and predicted that his candidacy would enhance the political prestige of the South. There were, however, considerable differences of opinion whether his candidacy would have a major impact at the Democratic National Convention.

The Atlanta *Constitution* commended Russell to the American people as a "great and skilled leader who would make a good president." Recalling that the Senator had handled "grave responsibilities connected with the national welfare," the *Constitution* declared that he had exhibited "intelligence, character, and restraint." The Atlanta publication hoped that Russell would win both the Democratic nomination and the presidential election.[16]

Conceding that President Truman had the power either to assure his own renomination or dictate the choice of another Democrat, the New Orleans *Times-Piscayune* nevertheless welcomed Russell's candidacy. The New Orleans newspaper explained its position as follows:

"Senator Russell's entry should rally and concentrate the Jefferson-Jackson Democrats for a vigorous fight to restore the party's founding principles and thus lay the groundwork for their ultimate restoration. That effort is timely and well worth making even though it offers no immediate success. It should make possible the militant organization of Jefferson-Jackson Democrats for continued, united and resolute struggle that should triumph eventually. . . ."[17]

The Houston *Post* rejoiced that the Russell announcement provided the South with a candidate "on whom it can unite wholeheartedly" and afforded the nation with an opportunity to elect as President "one of the most able men in American public life." Asserting that the Georgian was recognized as a man who would "not turn his convictions for the sake of political expediency," the *Post* editorialized that his candidacy would be propitious "to all who wish to see the Democratic Party return to the highway of sound government on which it traveled for so many years with such great good to the nation."[18]

Advising its readers that Russell's candidacy "should be taken seriously," the Louisville *Courier-Journal* interpreted the Senator's entry into the presidential race as a "plain warning" to Truman. The *Courier-Journal* predicated that, if the President or another Democrat unacceptable to the South were nominated, an "independent ticket will come out, now meaning business." Certain that the threat posed by the Georgian's candidacy "goes farther than mere protest or revenge" the Louisville publication concluded: "It all seems to add up to the makings of another Sumter."[19]

Numerous other Southern newspapers commented on Russell's February 28 announcement. Viewing the Senator's candidacy as a "bargaining point," the Richmond *Times-Dispatch* warned that, if President Truman sought re-election, Russell and his supporters might divert enough Southern electoral votes to throw the presidential contest into the House of Representatives.[20] The *Virginian-Pilot* foresaw that the Russell candidacy could "grow into a formidable dissenting movement and possibly the controlling factor" in the 1952 election.[21] The Raleigh *News and Observer* believed that the Georgian's announcement would be "pleasing to many who are most violently opposed to the New Deal-Fair Deal tradition of the party."[22] Stressing that Russell's campaign was being abetted by "some of the oldest and wisest heads in American politics," the Charlotte *Observer* concluded that the Senator and his supporters were "playing for keeps."[23] The Charleston *News and Courier,* while admitting that there was practically no possibility of Russell winning the Demo-

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Footnotes at end of article.

cratic nomination, predicated that if he "will lead the fight against Trumanism all the way to the general election in November millions of Southerners and real Democrats in other states will support him." [24]

Affirming that the Senator had "every right" to seek his party's nomination, the Savannah *Morning News* wondered whether Russell "would be willing to head up a Southern revolt against Harry Truman." [25] The Birmingham *News* felt that the threat posed by Russell's challenge "might be another factor influencing Mr. Truman against running." [26] Praising Russell as a "first-rate man," the Montgomery *Advertiser* thought it significant that Southern Democrats had a "presentable candidate around whom to rally." [27] According to the Chattanooga *Times*, the Georgian's candidacy was of interest "not so much as to how he will show in the Democratic Convention, but what he will do after he fails to win the nomination there." [28] Finding Russell's "lack of coyness refreshing and in sharply agreeable contrast to what goes on in the White House," the Memphis *Commercial Appeal* was "glad" that the Senator had become a candidate.[29] The *Arkansas Gazette* editorialized that Russell's candidacy would assure "firm, well-organized and skillfully manipulated Southern pressure against the renomination of Harry Truman or any candidate of his personal choice." [30] Anticipating that Russell could "easily lead a rebel party ticket," the Dallas *Morning News* speculated that, if such a development materialized, there would be a "decided probability" of the presidential election being determined by the House of Representatives.[31]

Approximately forty percent of the major newspapers in the Midwest responded editorially to Senator Russell's February 28 announcement. Unfortunately, such prominent midwestern publications as the Chicago *Tribune*, Detroit *Free Press*, and Milwaukee *Journal* refrained from commenting on Russell's declaration of candidacy. A clear majority of those newspapers which ran editorials believed that Russell's entry into the presidential race would prove harmful to the Democratic Party.

While lauding Russell as "one of the ablest members of Congress," the St. Louis *Post-Dispatch* also stressed that the Senator was disposed "to stand with the prejudices of his part of the country." The *Post-Dispatch* appraised the Russell candidacy as follows:

"Since there is almost no political reason for the Democrats to nominate a Southerner so long as the South is a one-party region, the Russell candidacy is not based on expectation of nomination. It becomes a bargaining maneuver. Under skilled direction, it could have a substantial influence on policies and the first and second place choices when the Democrats meet in Chicago in July. It could turn the scales at a moment of critical balance and win later rewards for those who joined with Senator Russell." [32]

The Cincinnati *Enquirer*, describing Russell as "dignified, articulate, and competent," contended that the Georgian's announcement would "galvanize anti-Truman sentiment in the South." Calling Russell's candidacy "more than a gesture of Southern defiance," the *Enquirer* voiced the opinion that the Senator's candidacy increased the probability of a third party ticket "strong enough to influence the campaign—and perhaps the election." [33]

Considering Russell's announcement as a "political event of the very first magnitude," the Minneapolis *Star* deduced that the Senator "might lead a sufficiently potent Southern revolt" to force the election into the House of Representatives. The *Star*, while conceding that it would be premature to speculate about how a Southern revolt might unfold, concluded that Russell's candidacy "very definitely signals political observers to be on the alert for some permutations of electoral college voting that haven't shown up in the United States for a long, long time." [34]

Several other midwestern newspapers concurred that Russell's candidacy might have a major impact on national politics in 1952. Believing that the Senator's announcement indicated that Southern Democrats were "determined to prevent the re-election of President Truman, come what may," the Cleveland *Plain Dealer* acknowledged that as a third party candidate the Georgian might throw the 1952 election into the House.[35] The *Ohio State Journal*, suggesting that Russell might agree to lead a third party ticket, speculated that the Senator's involvement in the presidential race "could turn out to be the crucial political event of the year." [36] Insisting that Russell's declaration reflected the "depth and determination" of Southern opposition to the President, the Indianapolis *News* editorialized that the South "will rise again—and with more responsible and influential leadership than 1948." [37] The Kansas City *Star* argued that Russell's announcement provided further evidence that the South was "deeply aroused" against the President.[38] Observing that Russell and his supporters wielded considerable political power, the Des Moines *Register* warned that an impending split in the Democratic Party could make a "vast difference" in the outcome of the presidential election.[39] The DuBuque *Telegraph-Herald* construed Russell's candidacy as a "serious Dixie threat to secure bargaining power at the convention." [40] Citing the Senator's announcement as one of the "most significant" political developments of 1952, the Fargo *Forum* commented that Russell was "leading a movement that could seriously handicap a Truman candidacy." [41] The Wichita *Eagle* was convinced that the Georgian's candidacy "spells deep trouble for Truman if he has third term aspirations." [42] Acclaiming Russell as an "outstanding" Senate leader, the Omaha *Evening World-Herald* asserted that his candidacy was "the real thing, the main event, the long-heralded attempt of Southern Democracy, perhaps with some help from north of Mason-Dixon, to rid itself and the Republic of Trumanism." [43]

Only a small minority of the principal newspapers in the West published editorials on Senator Russell's announcement. Among the influential publications failing to comment on the Senator's candidacy were the Denver *Post*, Seattle *Daily Times*, San Francisco *Chronicle*, and Los Angeles *Times*. Most of the western newspapers which did express opinions sensed that the Georgian's candidacy was likely to be detrimental to the Democratic Party in 1952.

The San Francisco *Examiner*, one of the most prominent Hearst publications, believed that Russell's announcement assured a "hot pre-convention fight" for the Democratic nomination. Calling the Senator a "tough man to tangle with," the *Examiner* was intrigued that the Georgian "did not rule out running on a third party ticket." Accordingly, the San Francisco publication surmised that the prospect of a third party would be a factor influencing President Truman's political intentions.[44]

Although admitting that Russell was a "rallying personality for the South," the Salt Lake *Tribune* depicted the Senator as a "sectional candidate, a pawn of the political strategists." The *Tribune*, labeling Russell's candidacy as "clearly a stop Truman tactic," speculated that a "Southern bolt" from the Democratic Party might possibly culminate in the presidential election being decided by the House.[45]

Six other western publications editorialized on Russell's announcement. Weighing the effect of the Senator's entry into the presidential race, the Portland *Oregonian* prophesied that, unless the Truman Administration compromised with the South on the party platform, it would "face a schism wider and deeper than that of 1948." [46] The *Wyoming State Tribune* merely observed that the Georgian's candidacy "doesn't help" the President's position as a leader of the Democratic Party.[47] Feeling that Russell's move marked a "decided split" in the ranks of Democrats, the Spokane *Spokesman-Review* thought that, as a consequence, Republican prospects of winning the presidency were "considerably brighter." [48] The *Nevada State Journal* predicted that a third party candidacy by Russell would "practically assure" a Republican victory in 1952.[49] The *Idaho Statesman* asserted that Russell's announcement provided "one more graphic illustration of the degree to which impressive segments of the Democratic party are fed up with the leadership of Harry S. Truman." [50] Emphasizing that the Senator's candidacy involved "considerable political significance," the Albuquerque *Journal* concluded that Southern Democrats had "found a man around whom to rally." [51]

A large number of the newspapers commenting on Senator Russell's announcement voiced the opinion that the Georgian's candidacy might adversely affect President Truman's re-election prospects. These publications were certainly justified in editorializing that the candidacy of a man of Russell's stature indicated considerable resentment in the South against the President. Unfortunately, none of these newspapers had advance information on whether Truman actually intended to seek re-election. After the President unexpectedly announced on March 29 that he would not be a candidate for another term,[52] Russell could no longer base his appeal on anti-Truman sentiment.

While nearly all newspapers agreed that Russell was the strongest candidate the South could offer, few of these publications stressed that Southerners would account for only slightly more than one-fifth of the delegates at the 1952 Democratic Convention. It is noteworthy that Russell declined to enter any of the numerous presidential primaries outside the South,[53] and failed to win the endorsement of any prominent political figures in the populous Northern states.[54] Notwithstanding the editorial pronouncements of late February and early March, the impact of Russell's candidacy was bound to be slight unless the Senator succeeded in attracting at least minimal support in other parts of the nation.

Although Senator Russell was praised by an overwhelming majority of newspapers, virtually no publications predicted that he would secure the Democratic presidential nomination. Some newspapers assumed that the Georgian would receive substantially more than the 263 ballots cast for him at the 1948 convention. Nevertheless, Russell's support at the 1952 convention at Chicago was to be almost exclusively confined to the South, and his level of delegate strength would vary only slightly from that of 1948. After polling 268 votes (21.8%) on the first ballot, Russell's total would rise to 294 votes (23.9%) on the second ballot and decline to 261 votes (21.8%) on the third and decisive ballot. On each ballot Russell would receive an average of 46 of the 940 votes (4.8%) cast by delegates from states outside the South.[55]

Many newspapers speculated on the possibility of Russell ultimately seeking the presidency on a third-party ticket. If President Truman had insisted upon running for reelection or if the Democrats had adopted an especially distasteful civil rights plank in their 1952 platform, the Senator might seriously have considered leading a third-party movement. As early as May 22, however, Russell was to pledge his support to the nominees of the Democratic Party, provided that the platform was not offensive to the South.[56] At their convention in July the Democrats would nominate Governor Adlai E. Stevenson

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Footnotes at end of article.

of Illinois for President and Senator John J. Sparkman of Alabama for Vice President. Since neither the Stevenson-Sparkman ticket nor the comparatively moderate civil rights plank were objectionable to the South, Russell was promptly to reaffirm his loyalty to the Democratic Party.[57] It must be remembered of course, that certain publications had prophesied that the threat of a third party candidacy by Russell might induce the Democrats to nominate candidates and adopt a platform acceptable to the South.

While subsequent events minimized the importance of Senator Russell's announcement of February 28, 1952, the mere declaration of candidacy by such a distinguished public figure was certainly worthy of editorial comment. Indeed those publications printing editorials on the Senator's candidacy were reacting to one of the first of many interesting political developments in a rather exciting election.[58]

FOOTNOTES

[1] A detailed account of Senator Russell's announcement, including the entire text of his formal statement, may be found in the New York *Times*, February 29, 1952, pp. 1, 12.

[2] In 1948 Truman had been nominated on the first ballot. The official vote had been as follows: Truman 947½; Russell 263; Paul V. McNutt ½. Among the Southern delegates Russell had outpolled Truman by a margin of 263 to 13. [It would be interesting to know the background of Russell's announcement; but this will have to await the arranging for research of the voluminous Russell Papers, which have been deposited in the University of Georgia Library, Athens, Ed.]

[3] The States-Rights Democrats in 1948 had nominated Thurmond for President and Governor Fielding L. Wright of Mississippi for Vice-President. The Thurmond-Wright ticket had polled 1,168,687 votes, carrying the states of South Carolina, Alabama, Mississippi, and Louisiana.

[4] *Herald-Tribune* (New York, N.Y.) March 1, 1952, p. 8.

[5] *Sun* (Baltimore, Md.), March 4, 1952, p. 12.

[6] *Post* (Washington, D.C.), March 1, 1952, p. 8.

[7] *Courant* (Hartford, Ct.), March 1, 1952, p. 8.

[8] *Evening News* (Buffalo, N.Y.), March 1, 1952, II, 2.

[9] *Evening News* (Newark, N.J.), March 1, 1952, p. 4.

[10] *Evening Bulletin* (Philadelphia, Pa.), March 1, 1952, p. 4.

[11] *Evening Star* (Washington, D.C.), February 29, 1952, p. A–12.

[12] *Herald* (Boston, Mass.), March 1, 1952, p. 8.

[13] *Post* (New York, N.Y.), February 29, 1952, p. 39.

[14] *Eagle* (Brooklyn, N.Y.), March 2, 1952, p. 18.

[15] *Post-Gazette* (Pittsburgh, Pa.), March 1, 1952, p. 6.

[16] *Constitution* (Atlanta, Ga.), March 1, 1952, p. 4.

[17] *Times-Picayune* (New Orleans, La.), March 1, 1952, p. 10.

[18] *Post* (Houston, Tex.), March 1, 1952, p. 8.

[19] *Courier-Journal* (Louisville, Ky.), March 2, 1952, III, 2.

[20] *Times-Dispatch* (Richmond, Va.), February 29, 1952, p. 16.

[21] *Virginian-Pilot* (Norfolk, Va.), March 1, 1952, p. 6.

[22] *News and Observer* (Raleigh, N.C.), February 29, 1952, p. 4.

[23] *Observer* (Charlotte, N.C.), March 1, 1952, p. 2-B.

[24] *News and Courier* (Charleston, S.C.), March 1, 1952, p. 4.

[25] *Morning News* (Savannah, Ga.), February 29, 1952, p. 6.

[26] *News* (Birmingham, Ala.), March 1, 1952, p. 4.

[27] *Advertiser* (Montgomery, Ala.), March 2, 1952, p. 2-C.

[28] *Times* (Chattanooga, Tenn.), February 29, 1952, p. 8.

[29] *Commercial Appeal* (Memphis, Tenn.), February 29, 1952, p. 6.

[30] *Arkansas Gazette* (Little Rock, Ark.), March 2, 1952, p. 4-F.

[31] *Morning News* (Dallas, Tex.), March 1, 1952, III, 2.

[32] *Post-Dispatch* (St. Louis, Mo.), February 29, 1952, p. 2–C.

[33] *Enquirer* (Cincinnati, Ohio), March 3, 1952, p. 4.

[34] *Star* (Minneapolis, Minn.), March 5, 1952, p. 18.

[35] *Plain Dealer* (Cleveland, Ohio), March 1, 1952, p. 10.

[36] *Ohio State Journal* (Columbus, Ohio), March 4, 1952, p. 4.

[37] *New* (Indianapolis, Ind.), March 1, 1952, p. 4.

[38] *Star* (Kansas City, Mo.), February 29, 1952, p. 44.

[39] *Register* (Des Moines, Iowa), March 1, 1952, p. 4.

[40] *Telegraph-Herald* (Dubuque, Iowa), March 2, 1952, p. 25.

[41] *Forum* (Fargo, N.D.), March 1, 1952, p. 4.

[42] *Eagle* (Wichita, Kans.), March 1, 1952, p. 6.

[43] *Evening World-Herald* (Omaha, Nebr.), March 1, 1952, p. 4.

[44] *Examiner* (San Francisco, Calif.), March 3, 1952, p. 26.

[45] *Salt Lake Tribune* (Salt Lake City, Utah), March 1, 1952, p. 12.

[46] *Oregonian* (Portland, Oreg.), March 1, 1952, p. 6.

[47] *Wyoming State Tribune* (Cheyenne, Wyo.), March 5, 1952, p. 6.

[48] *Spokesman-Review* (Spokane, Wash.), February 29, 1952, p. 4.

[49] *Nevada State Journal* (Reno, Nev.), March 6, 1952, p. 4.

[50] *Idaho Statesman* (Boise, Idaho), March 4, 1952, p. 4.

[51] *Journal* (Albuquerque, N.M.) March 1, 1952, p. 4.

[52] *Public Papers of the President of the United States: Harry S. Truman, 1952–1953* (Washington, 1966) pp. 220–26.

[53] Russell entered only the May 6 primary in Florida, defeating Estes Kefauver of Tennessee by a margin of 367,980 (56.3%) * * * (43.7%). Kefauver, however, won primaries in New Hampshire, * * * Nebraska, Illinois, Massachusetts, Pennsylvania, New Jersey, Maryland, Oregon, South Dakota, and California.

[54] Russell's only prominent supporters outside the South were three Senate colleagues, Carl Hayden of Arizona, Edwin C. Johnson of Colorado, and Patrick A. McCarran of Nevada.

[55] *Report of the Proceedings of the Democratic National Convention,* pp. 456, 484, 538.

[56] *Times* (New York, N.Y.) May 23, 1952, p. 12.

[57] *Report of Democratic Convention,* 1952, pp. 536–37.

[58] Although unsuccessful in his quest for the presidential nominee Russell continued his illustrious career in public service until * * * on January 21, 1971, Russell was Chairman of the Armed Services Committee, 1955–1969, Chairman of the Appropriations Committee, 1969–1971, President *pro tempore* of the Senate. 1969–1971.

PROGRESS BEING MADE IN TRANSPORTATION FACILITIES FOR THE HANDICAPPED—FEDERAL AVIATION ADMINISTRATION INDICATES ITS CONCERN—NEW YORK TIMES ARTICLE FOCUSES ATTENTION ON PROBLEMS

Mr. RANDOLPH. Mr. President, on August 24, the New York Times published an article by Robert Lindsey which describes how travel barriers are beginning to fall for physically disabled persons. It is very encouraging to those of us who are concerned about equal mobility for handicapped citizens to know that the tourist industry has discovered this portion of our population.

In particular, I would emphasize that paragraph which gives the "hot-line" telephone number—202-382-7735—for use by handicapped travelers who have encountered discrimination. Appropriate use of this Civil Aeronautics Board service will encourage a fair policy by the airlines toward the disabled.

I recently inserted in the RECORD a series of letters about air safety regulations and stated my hope that the Federal Aviation Administration's advance notice of proposed rulemaking on this problem would soon lead to a satisfactory conclusion. I emphasized my concern in an August 8 letter to FAA Administrator Alexander Butterfield. Mr. Butterfield replied that because of the large public response on the proposed regulations, public hearings will be held.

Additionally, Mr. President, mobility of the handicapped is an issue addressed by the Federal-Aid Highway Act of 1973 which I bring to the attention of Senators, readers of the RECORD, and concerned citizens.

Under the act, the Secretary of Transportation shall assure that mass transit projects receiving Federal financial assistance under the highway program shall be planned and designed so that mass transportation facilities and services can effectively be utilized by elderly and handicapped persons. The help will be given to those who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability are unable without special facilities or special planning or design to utilize such facilites and services as effectively as persons not so affected.

The act also amends the Urban Mass Transportation Act to authorize the Secretary of Transportation to make grants and loans to States and local public bodies and agencies for the specific purpose of assisting them in providing mass transportation services which are planned, designed, and carried out so as to meet the special needs of elderly and handicapped persons.

Additionally, the Secretary is authorized to make grants and loans to private nonprofit corporations and associations for the specific purpose of assisting them in providing transportation services. These grants and loans would meet the special needs of elderly and handicapped persons for whom mass transportation services planned, designed, and carried out under the grants and loans to States and local governments are unavailable, insufficient, or inappropriate.

As chairman of the Committee on Public Works and as chairman of the Subcommittee on the Handicapped, I am intensely aware that we must assure that the elderly and handicapped persons have unlimited access to public transportation facilities and that such facilities are planned and designed so that they may be effectively utilized by these groups within our population. The Subcommittee on the Handicapped and the Committee on Public Works are committed to equal rights and opportunities for all disabled individuals. It is on behalf of these groups, and the young, that we have been told that highways alone are not the answer to our transportation needs and that is true. But, unfortunately, most transportation systems and the way in which they are operated do not facilitate use by these people who must rely on them for transportation. This duty represents a challenge which we can not knowingly avoid. Meeting this need represents a contribution to the productiveness of our society and to the well-being of individuals who have a valuable contribution to make, contributions which they cannot make if they are denied access to public transportation and services.

Lack of adequate mobility is a handicap in itself as is the original handicapping condition. I am gratified at the progress being made, for it is further evidence that our attitudes are indeed changing and that we are treating the handicapped as other American citizens. Nevertheless, there is much to be done to secure full opportunity for the handicapped.

Mr. President, I ask unanimous consent that the Times article and my exchange of correspondence with Administrator Butterfield and the FAA announcement of the hearings be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TRAVEL FOR THE HANDICAPPED EASES AS OLD OBSTACLES FALL

(By Robert Lindsey)

LYNNWOOD, WASH.—When Ruth Williams, a retired social worker who lives in Albany, reads a travel brochure it is in Braille.

Miss Williams has been blind since birth. But it has not deterred her from traveling to Paris, where she discovered the beauty of the Venus de Milo with her fingertips, or to London, where she glimpsed the city through the voices of its people and the sounds of its streets. This winter she will tour the Orient.

Lionel Bartholomew of Seattle is disabled by a stroke. Harriet Wheeler of Evanston, Wyo., cannot walk. Jane Whitney of Palo Alto, Calif., has cerebral palsy. All three are packing for an around-the-world trip next month.

Handicapped Americans have begun to travel as never before. Although traveling for the physically handicapped can be a succession of painful obstacle courses, many of the obstacles are now falling.

To a certain extent, the travel industry seems to have discovered the handicapped traveler recently.

At least five travel agencies around the country have developed special tours tailored for the blind and physically handicapped. They range from African safaris to round-the-world trips, to wheel-chair visits to the restored colonial village at Williamsburg, Va.

REGULAR AIRLINE TOURS

After an experimental program last year, Pan American World Airways this year became the first airline to offer regular tours to Europe and the Orient for the handicapped.

Meanwhile, new guidebooks have been published recently that help the handicapped make camping trips to state and national parks.

"I think a lot of people in the travel industry have just come to realize the existence of the handicapped," Mrs. Betty Hoffman, who operates the nation's first and largest travel agency dealing in tours for the handicapped, said in her office here.

"A lot has happened in the last two years," she continued. "Even in the last six months you could notice it. Some of the motels and airlines are asking me what they can do to help the handicapped."

MANY OBSTACLES REMAIN

Not all travel obstacles have fallen for the handicapped; many airports, bus and train depots, motels and resorts continue to confront visitors in wheelchairs or on crutches with a variety of curbs, steps and other barriers as impassable as a wall.

And employes of some airlines—especially smaller regional lines in this country—still refuse to carry passengers who cannot walk unless they are accompanied by an attendant. Some lines limit the number of non-ambulatory passengers they will carry in one jet.

The rationale for such policies is that disabled passengers might be unable to get out of a burning airliner fast enough after a crash without help. Between 1962 and 1972, there were 23 "survivable" airline accidents in America in which there was a post-crash fire, according to a Federal study.

The rules that determine who will be carried were set by the airlines themselves in 1962. Their agreement, later embraced as Government policy allows airlines to require an attendant and to refuse to carry any persons "handicapped to the extent that they offend other passengers" or who cannot care for their own "personal needs."

Organizations representing the handicapped have assailed the agreement. While conceding that many airlines bend the rules or do not enforce them, the organizations contend that policies differ widely from airline to airline, and even among different employes of the same airline.

ACTION BY AGENCIES

To determine the safety implications of carrying the handicapped, to learn whether disabled passengers are being discriminated against unfairly, and to develop a consistent national policy, the Federal Aviation Administration recently started investigating the problem. The Civil Aeronautics Board is considering whether to enact new regulations on the matter.

Meanwhile, the C.A.B. has established a "hot-line" telephone number in Washington that handicapped travelers may call to complain about discriminatory airline treatment. The number is: 202–382–7735.

Travel agents say that airlines that once were reluctant to carry a large number of handicapped passengers for safety reasons—Pan American was one of them—now have specialists that encourage this clientele. They say motel chains, such as the Holiday Inn group, are increasingly building special rooms proportioned to handle guests in wheelchairs.

"Old taboos are falling by the wayside and the tourist industry is waiving restrictions for the handicapped," said Murray Fein, a Hollandale, Fla., travel agent who also operates tours for the handicapped.

The travel industry's dawning of concern for these people seems to be accompanied by a growing determination by many handicapped persons to share in the travel experiences afforded others.

"UPLIFT" FOR HANDICAPPED

Pat Klinger, a foreign language translator who lives at Rossford, Ohio, is an example. She is 34 years old and paralyzed below the neck. She said in an interview that all her life she had longed to travel and, after going to Europe and Israel last year with a group of other handicapped people, "I realize I can do almost everything everybody else does. Traveling gives us a tremendous psychological uplift."

Travel industry experts cite a number of reasons for increasing mobility of the handicapped, including the following:

Efforts by representatives of the handicapped to remove so-called "architectural barriers"—curbs, impassable stairways and other obstacles—from many hotels and resort areas, and the growing number of cities and states that require removal of such barriers in new buildings.

The increased mobility of Americans generally, which has made the handicapped more conscious of travel and what it offers.

The increased number of people who are handicapped and can afford to travel—those with full-time jobs; the increasing population of older Americans, many of whom are partly disabled but want to travel, and the growing number of young Americans disabled as a result of injuries in Vietnam or in traffic accidents.

The number of persons who potentially could benefit from the opening of doors to handicapped travelers is large: About 250,000 Americans are confined to wheelchairs. Many thousands more have other serious disabilities.

The number is growing as more and more veterans who were crippled in Vietnam reenter the mainstream of civilian life. The Surgeon General's office has estimated that more than 2,100 military personnel are paraplegics—the loss of the use of two limbs—or quadraplegics—the loss of four limbs—because of war injuries.

Despite the recent gains, serious financial, physical and psychological problems remain for many handicapped persons who want to travel.

While more of them than ever before now hold jobs, many remain physically unable to work and must subsist on pensions that are eroded by inflation.

"The world just isn't made for handicapped people. That goes from parking lots to bathrooms," said Lita Callahan, a black, 24-year-old San Franciscan who has been confined to a wheel chair since she was injured in a car accident eight years ago. She said she managed trips to Lake Tahoe and other points, but said many public facilities had not complied with requests to remove curbs and other barriers.

Many resort areas, said Tim Foley of Boston, who at 40 has been confined to a wheel chair for 10 years since being afflicted by a form of cerebral palsy, seem designed to exclude the handicapped.

"They seem to want to put in more fancy things like spiral staircases and sunken gardens or entrances that could have been flat but instead have extra steps," he said.

And there are psychological barriers that work in two directions.

"Many resort hotels in Rome, Paris or Miami still refuse permission for the handicapped during the season," Mr. Fein, the Florida travel agent, said. "They say that their regular customers just don't want to see the handicapped and check out."

Betty DeArman of Birmingham, Ala., who is 40 and must use a wheel chair because of polio, said: "I've met some real nice people and some ugly people. One time there was a cerebral palsy-afflicted boy with us on a tour, and a motel wouldn't let us stay because they thought he had been drinking."

"A lot of people just don't like to be conspicuous, especially if they have some kind of deformity," Mr. Foley said.

"The younger men from Vietnam are especially sensitive about being seen by others if they have been disfigured," Mrs. Hoffman, the travel agent here in a suburb of Seattle, said.

A pioneer in a specialized field, Mrs. Hoffman, the wife of a retired Navy captain, has been arranging trips for handicapped clients for more than 10 years. What began as a sideline has grown into a major business catering to people across the country.

She and her 38-year-old son Jack learned

Braille and sign language. They conduct tours for the blind and deaf, mentally retarded persons, and those with a number of physical disabilities — multiple sclerosis, cerebral palsy, stroke, epilepsy, paralysis and others.

LIKE ANYBODY ELSE

"The handicapped traveler wants to see and be treated like anybody else," she said.

The travel agent must tailor the itinerary—for example, choosing hotels that have bathrooms accessible by persons in wheel chairs—to the special problems of the travelers.

"For men, it's important that you treat them as men," Mrs. Hoffman added. "Just because they may have lost their legs they still want to open doors for women, just like any normal man. They have pride."

Mrs. Hoffman arranges for blind tourists to feel the statues and architectural features in buildings and museums abroad, including the Louvre in Paris and the Vatican. Small models of famous landmarks such as the Eiffel Tower are handed out so the blind can feel the shape as they stand before it and a guide describes the landmark.

Most of the blind tourists carry taperecorders. When they return home, they relive their trips through the recorded sounds, just as others do so with color slides.

Some have special interests. One of Mrs. Hoffman's regular clients, John Watson of Indianapolis, an advertising man who became blind 13 years ago at 50, said:

"I'm a history buff. Just to go to Greece and stand some place where 2,000 years ago there was a Greek civilization excites me."

Miss Williams, the Albany woman, is one of three sisters who was born blind, because of a congenital disease. She is a retired state blind rehabilitation worker who has made three trips to Europe. By feeling the statues, she recalled "seeing" Michelangelo's Pieta at the Vatican and the statue of David in Florence and the Venus de Milo in Paris.

"Those sculptures," she recalled the other day. They almost seemed to be alive."

TRAVEL AGENTS OFFERING TOURS FOR HANDICAPPED

Following is a list of travel agencies that offer specialized tours for the handicapped:

Evergreen Travel Service, 19429 44th Street, Lynnwood, Wash., 98036.

Rambling Tours, Inc., P.O. Box 1304, Hallandale, Fla., 33009.

Flying Wheels Tours, P.O. Box 382, Owatonna, Minn., 55060.

Handy-Cap Horizons, 3250 East Loretta Dr., Indianapolis, Ind. 46227.

Bridge Travel Service, 832 East Bridge Avenue, Delray Beach, Fla., 33444.

Although no travel agencies in the metropolitan area directly offer regular tours for the handicapped, most local agencies can arrange to book passengers on trips operated by those cited above. The listed agencies also book passengers directly by mail.

SUBCOMMITTEE ON THE HANDICAPPED,
August 7, 1973.

Mr. ALEXANDER P. BUTTERFIELD,
Administrator,
Federal Aviation Administration,
Washington, D.C.

DEAR MR. BUTTERFIELD: On June 5, the Federal Aviation Administration issued an advance notice of proposed rulemaking to elicit information on the safety aspects of air travel by the handicapped. As Chairman of the Senate Subcommittee on the Handicapped, I applaud your action and expressed my hope that the FAA action would lead to a resolution of the safety problem so that the handicapped could have adequate access to air travel. Enclosed you will find a copy of my remarks made on the floor of the Senate; my letters to Paul Ignatius, president of the Air Transport Association of America and to the Honorable Robert Timm, chairman of the Civil Aeronautics Board; and of the statement which the Paralyzed Veterans of America made before the Civil Aeronautics Board.

I want to express my genuine and deep concern that this safety issue has not been resolved to date. As I have stated, simple justice demands that we pursue the goal of convenient access to buildings, services, facilities, and different modes of transportation for handicapped citizens. I strongly urge you to move forward and quickly develop an operational standard for the transportation of disabled persons.

With best wishes, I am

Truly,

JENNINGS RANDOLPH.
Chairman.

DEPARTMENT OF TRANSPORTATION,
FEDERAL AVIATION ADMINISTRATION,
Washington, D.C., August 28, 1973.

Hon. JENNINGS RANDOLPH,
Chairman, Subcommittee on the Handicapped Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR JENNINGS: Thank you for your August 8 letter expressing your views on our Advance Notice of Proposed Rule Making (ANPRM) concerning the Air Transportation of Handicapped Persons.

Your remarks in the Senate and letters to Paul Ignatius of the Air Transport Association of America and to the Honorable Robert Timm, Chairman of the Civil Aeronautics Board, as well as the statement of the Paralyzed Veterans of America before the Civil Aeronautics Board, will be made a part of the docket for this notice.

Because of the large response to our ANPRM, we are now planning to hold public hearings to give all persons an additional opportunity to provide information that may be helpful in the development of proper regulations. Information on these public hearings wil be published in the Federal Register soon.

Sincerely,

ALEXANDER P. BUTTERFIELD,
Administrator.

DEPARTMENT OF TRANSPORTATION: FEDERAL AVIATION ADMINISTRATION

[Docket No. 12881; Reference Notice No. 73-16]

AIR TRANSPORTATION OF HANDICAPPED PERSONS

Notice of public hearing

The Federal Aviation Administration will hold a series of six public hearings in order to receive the views of all interested persons regarding the safety aspects of the air carriage of handicapped persons and, in particular, concerning Advance Notice of Proposed Rulemaking (ANPRM) No. 73-16 (38 FR 14757), which concerns the air carriage of handicapped persons. The hearings will be conducted in accordance with the following schedule of dates and at the indicated locations:

September 27, 1973:

Miami Springs Villas, 500 Deer Run, Miami Springs, Florida 33166, Phone: (305) 871-6000 (Florida Room).

October 2, 1973:

Mayo Civic Auditorium, P.O. 895, 30 SE 2nd Avenue, Rochester, Minnesota 55901, Phone: (509) 288-8475.

October 4, 1973:

JFK Federal Building, Government Center, New Cambridge Street, Boston, Massachusetts 02203, Phone: (617) 223-2906 (Room 2003A).

October 10, 1973:

Concord Motor Inn, 6565 Mannheim Road, Rosemont, Illinois 60018, Phone: (312) 827-6121.

October 16, 1973:

Rochelles Motel and Restaurant, 3333 Lakewood Boulevard, Long Beach, California 90808, Phone: (212) 421-9494.

October 18, 1973:

Federal Aviation Administration, Auditorium—3rd Floor, 800 Independence Avenue SW., Washington, D.C. 20591, Phone: (202) 426-8357.

Each meeting is to convene at 9 in the morning.

In the event that there is a response to this notice of public hearing that exceeds the time that has been allocated to any one hearing (each has been planned not to exceed one day in length), the overflow will be accommodated by extending the hearing scheduled for October 18, 1973, at Washington, D.C., to the following day, October 19, 1973.

The hearings will be informal in nature and will be conducted by a designated representative of the Administrator under 14 CFR 11.33. At each hearing an FAA spokesman will make a brief opening statement regarding ANPRM 73-16. Since the hearings will not be of the evidentiary or judicial type, there will be no cross-examination of those persons presenting statements. However, interested persons wishing to make rebuttal statements will be given an opportunity to do so in the same order in which initial statements were made.

All interested persons are invited to attend the hearings and each such person is invited to present oral or written statements concerning ANPRM 73-16 at one of the hearings. Such statements will be made a part of the record of the hearings. Any person who wishes to make an oral statement at one of the hearings must notify the FAA by stating the date and place of the hearing at which he desires to make such statement and stating the amount of time requested for his initial statement. In addition, any person may submit relevant written comments. Written comments must be received by the FAA by October 30, 1973, so that they may be made a part of the record of the hearings. Written comments and all other communications concerning these hearings should be addressed to the Office of General Counsel, Rules Docket, AGC-24, Federal Aviation Administration, Department of Transportation, 800 Independence Avenue SW., Washington, D.C. 20591, marked "Attention: Presiding Officer, Public Hearing on ANPRM 73-16."

ANPRM 73-16 was issued by the FAA on May 30, 1973, pursuant to the FAA's policy for the early institution of public participation in rulemaking proceedings. An "advance" notice is issued to invite public participation in the identification and selection of a course or alternate courses of action with respect to a particular rulemaking problem. In this instance, the FAA is seeking the comments and recommendations of the public in regard to possible amendments to the Federal Aviation Regulations to permit, to the maximum extent possible, air transportation of physically handicapped persons while maintaining an acceptable level of safety in air carrier and air taxi operations.

ANPRM 73-16 presented background information on the air carriage of handicapped persons and solicited the views of interested persons concerning the establishment of an acceptable level of safety commensurate with the carriage of the maximum number and types of handicapped persons. In that Notice, the FAA expressed a particular interest in receiving comments regarding the following questions:

(1) What types of physical/functional disabilities or limitations should be allowed consistent with present evacuation criteria?

(2) What types of handicapped persons or physical functional disabilities should be allowed if a special attendant or assistance is provided to accomplish an emergency evacuation from an aircraft?

(3) Should a regulation be adopted which would permit (or limit) the carriage of a number and type of handicapped persons without the accommodation of that number

and type in the criteria established for emergency evacuation demonstrations?

(4) How many unassisted handicapped persons may be accepted as passengers on an aircraft without requiring the use of a special attendant or able-bodied helper? Should this limit be a fixed number or should it be a number which is a percentage of the full passenger seating capacity?

(5) For large groups of handicapped passengers what means of emergency evacuation might be employed to provide as acceptable level of safety?

(6) Should the length of the planned flight be a consideration in determining the number and/or type of handicapped persons to be accepted as passengers?

(7) Would an identification card which certifies the ability of a handicapped person to perform certain physical tasks be useful in eliminating uncertainties regarding his acceptance as an unaccompanied passenger? If so, who should issue the card?

(8) If you are a handicapped person, have you considered how you might evacuate an aircraft unassisted by other persons? Would you care to describe your functional limitations and any method by which you could effect an evacuation? (This information may be helpful in developing evacuation procedures and/or evacuation devices.)

(9) If you are a handicapped person, considering the possibility of being involved in an emergency evacuation, does the notion that you could be the last passenger evacuated from an aircraft seriously concern you?

In addition to the foregoing questions, the FAA would appreciate comments regarding the additional questions set forth below as well as in any other areas regarding the safety aspects relating to transportation of handicapped persons by air carriers.

(1) How many persons who are handicapped may be accepted as passengers on an aircraft for any one flight?

(2) Is there any one portion of the aircraft that is more favorable for the seating of handicapped persons than any other?

(3) In case of an emergency evacuation, are there measures that can be taken to minimize the danger that might be created by appliances such as leg braces coming into contact with fiber emergency evacuation chutes?

(4) Is there special equipment available that could aid in the evacuation of handicapped persons in the event of an emergency?

(5) What problems exist in regard to persons who are immobile being accepted as passengers on a commercial flight?

(6) Where aboard the aircraft should handicapped persons be seated in relation to the locations of exits?

(7) The present regulations require that an emergency evacuation demonstration be conducted to show that the aircraft can be evacuated in 90 seconds. The passengers in the evacuation demonstration include a mixture of passengers (male, female, young, and elderly), but do not include handicapped persons. Considering this information, should the number of handicapped persons permitted on any passenger flight be based on a passenger load factor such that the final load, including handicapped persons, can be evacuated in 90 seconds? Should the 90 second evacuation criteria be adjusted upward and, if so, to what level?

The FAA will carefully consider all statements presented at the hearing and relevant written comments received and made a part of the record and, in the light of those statements and comments, may issue an appropriate notice of proposed rulemaking.

A transcript of the hearings will be made and anyone may purchase a copy of them from the reporter.

(Sections 313(a), 601, 603, 604, and 1005 of the Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1421, 1423, 1424, and 1485) and section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Washington, D.C., on August 24, 1973.

C. R. MELUGIN, Jr.,
Acting Director,
Flight Standards Service.

[FR Doc.73-18176 Filed 8-28-73;8:45 am]

PENSION REFORM PROTECTION FOR THE AMERICAN WORKING MAN AND WOMAN

Mr. CLARK. Mr. President, the Senate's overwhelming approval of the pension reform bill is a landmark in the effort to protect the rights of the American working man and woman. It is called the Retirement Income Security for Employees Act, but in the simplest language, it is pension reform—a long overdue guarantee that retiring workers can depend on their pensions for income and dignity when they leave the job.

For all too long, many workers have been taking a gamble when they enroll in a private pension plan. They have no guarantee that after 40 years on the job, they will receive the pension that had been promised them. This legislation would take the element of chance out of pension reform, finally regulating this multibillion dollar industry. That is why I cosponsored the bill, and why I applaud the Senate's decision to pass it.

This legislation will protect the retirement benefits of some 36 million workers now enrolled in private employee pension plans. It sets minimum standards for eligibility, portability, and vesting and the legislation creates a Federal "reinsurance" system to protect workers against mismanagement and bankruptcy of pension funds.

The proposal requires pension coverage for workers aged 30 or over. At the end of 5 years, the worker will have earned a 25 percent "vested right" to the pension, and at the end of 15 years, all of that "vested right" will be guaranteed—even if the worker changes jobs or loses a job.

The pension reform legislation approved by the Senate is comprehensive and far-reaching, but it is hardly a revolutionary proposal. The bill simply guarantees workers what is rightfully theirs, what they have rightly earned on the job. A pension is nothing more or less than a form of earned income. It's just been deferred. To deny it to workers—because the pension fund is mismanaged, because the company goes out of business, or because the worker changes jobs—cannot be justified. It is no better than stealing, and this bill will help eliminate it.

This kind of theft is taking place right now. Over the last few years, a Senate investigation of pension plans has turned up some shocking instances of abuse. It found, for example, that more than one out of every five workers "covered" by private pension plans receive no rights whatsoever until the day they are eligible for retirement. In the first 7 months of last year, 683 pension plans shut down. Some 8,400 participants in just 293 of these plans lost $20 million in pension benefits, an average of $2,400 each.

Although the vast majority of pension plans are fairly and responsibly administered, the evidence of abuse and the potential for abuse demand immediate action to reform the system. Without reform, millions of workers in this country will reach retirement age and find that all they have is an empty promise—instead of a comfortable pension.

In correcting the system, we have the Nation's social security system as a guide. Many of the shortcomings of private pension plans do not exist in social security which provides truly portable benefits, universal coverage, generous vesting provisions, and efficient administration.

Social security goes a long way toward insuring a minimum standard of living for older Americans, but alone, it cannot guarantee a decent and comfortable retirement—especially not with the inflation of the last few years. Greater reliance on an effective private pension system would give millions of senior citizens the additional income they need to live comfortably.

Mr. President, I would like to take a few moments to discuss some of the major features of this legislation.

VESTING

Under the bill, vesting begins after a worker has participated in a pension plan for 5 years. After 5 years, the worker will be entitled to a 25 per cent vested right. That's how much he will have "earned" after that much time on the job. For every year worked after that, the employee will be entitled to another 5 per cent—until the 10th year on the job, when the vested rights would increase 10 per cent every year. Full vesting occurs after 15 years on the job. So, after 15 years, a worker can leave the company—for any reason—and still receive every cent of the pension benefits the worker has earned.

By the way, this legislation will not cover only younger workers just starting on the job. In calculating the years of employment, work before the passage of the law also will be counted. In this way, there will be no discrimination against workers nearing retirement age.

PENSION FUND FINANCING

The current minimum requirements for pension financing clearly are insufficient. The legislation approved by the Senate corrects that, requiring that a pension plan be fully-funded over a 30-year period. That means after 30 years, a pension fund has to have enough money to meet all of its benefit obligations. The Treasury Department will administer the program's minimum requirements, but the Secretary of Labor will have the authority to relax the standards in hardship cases.

GOVERNMENT INSURANCE

As things stand now, a worker can lose all of his pension benefits and rights if the pension plan folds. This pension reform bill would prevent that by guaranteeing payment of pension obligations if there's a sudden cancellation of the pension plan without sufficient funds.

PORTABILITY

Finally, one of the most important aspects of the new pension bill is its portability which will enable workers to bring their pension benefits with them when they change jobs. Under the bill, the Labor Department operates a central fund to co-ordinate the voluntary transfer of pension funds.

The Senate bill makes a number of other important improvements in the private pension system. It improves the tax treatment of pensions for self-employed individuals and employees of small businesses. It also gives the Internal Revenue Service and the Department of Labor increased power to settle pension disputes and monitor the financial stability of private pension funds.

Mr. President, this legislation is vital. It does nothing more than guarantee the American working man and woman the security that justly belongs to them. Pension reform is long overdue as it is, and I hope the legislation is quickly approved by the House and signed into law.

A COMPUTERIZED BILL STATUS SYSTEM

Mr. METCALF. Mr. President, last week I received a copy of a letter from the distinguished chairman of the Committee on Rules and Administration, Senator Cannon. In it he disclosed that a computerized bill status system was being developed in cooperation with the House of Representatives.

This development will be most helpful to us as will the other informational systems presently under study. Of outstanding significance also is the fact that the two bodies are cooperating in this vital effort.

As chairman of the Joint Committee on Congressional Operations and previously as a member of the Joint Committee on the Organization of the Congress, I have been deeply interested in the need for such a combined effort. Adequate information systems are absolutely essential to the future of the Congress. We cannot afford to bypass any opportunity to develop compatible systems. Therefore, this announcement by Senator Cannon is most welcome.

I congratulate him, the chairman of the Committee on House Administration and their members for this important step. Their initiative can have far-reaching benefits for the Congress.

I ask unanimous consent that Senator Cannon's letter be printed as a part of my remarks for the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U. S. Senate,
Washington, D.C., September 14, 1973.

U.S. Senate,
Washington, D.C.

Dear: . The Committee on Rules and Administration is currently developing and testing a comprehensive group of computer systems which will be of significant value to Senators, Committees and their staffs in the performance of their legislative and office related activities. I will report the status and availability of these systems to you in the near future.

One of the systems the Committee is currently pilot testing is the Library of Congress' Legislative Information Display System, which incorporates Bill Digest information with delayed status information on Senate and House actions. Additionally, Representative Wayne L. Hays, Chairman of the Committee on House Administration, has very generously offered the Bill Status System developed by his Committee, for use by the Senate. The purpose of this system is to record, store and disseminate legislative information on bills and resolutions introduced in Congress.

The House System offers two methods of disseminating Bill Status information. A telephone inquiry may be directed to the Bill Status Office (extension 5–1772) where an operator will provide a verbal response to the inquiry. The system is responsive to inquiries relative to bill number, sponsor, committee and subject matter. More than 130 possible legislative actions are currently identified by the system, including actions within House Committees.

The second method consists of the automatic tracking of legislative action on bills of special interest. As new actions occur, the legislative information is updated so that these printed reports reflect current legislative status. The updated report is automatically sent to the office of those subscribing to the service on the morning following the most recent legislative action. For your information, I have attached several examples of these automatic tracking reports. Requests for this service should be made using the attached form.

The House Status System has operated in a pilot mode since its inception in February of this year. The Committee on House Administration and the Committee on Rules and Administration are most interested in the further development of this system for the benefit of the Congress. A number of features must now be approached from a point of view that takes into consideration the needs of both the House and the Senate. For example, little detailed status information on bills before Senate Committees is currently available, in contrast to more detailed status information available on bills before House Committees. The reason for this imbalance is the fact that Senate clerks and Committee staffs have not been asked to assist in the acquisition of status data, as is done in the House. In order to make Senate information as timely as House information, procedures are being developed for collecting Senate status information. This is but one of a number of examples by which a planned cooperative development effort can provide benefits to both the House and the Senate.

It is hoped that the best features of the systems being developed by the Senate, House and Library can be modified and incorporated into an integrated Congressional system.

Questions regarding the above systems should be directed to Tom McGurn of the Subcommittee on Computer Services (extension 5–9073).

With every best wish, I am
Sincerely,
Howard W. Cannon, *Chairman.*

GREATER PITTSBURGH GUILD FOR THE BLIND HONORS SENATOR JENNINGS RANDOLPH

Mr. SCHWEIKER. Mr. President, early last month the Greater Pittsburgh Guild for the Blind held its 10th annual recommendation ceremonies at the rehabilitation center for blind adults at Bridgeville, Pa. The ceremonies honored three groups of trainees, 70 blind men and women, who participated in and completed a 15-week "personal adjustment to blindness program" between September 1972 and August of 1973. Graduate achievement awards were presented to three outstanding alumni and the President's award, given each year to an outstanding contributor in the field of blindness, was presented to my distinguished friend and colleague, Senator Jennings Randolph. This award originally was restricted to blind individuals, but by action of the GPGB board of directors, it was decided that Senator Randolph's long career on behalf of the blind was more than deserving of this singular honor. I am privileged to serve with him on the Senate Subcommittee on the Handicapped, which he chairs, and I know of no individual more dedicated to helping the handicapped help themselves than the able Senator from West Virginia.

Mr. President, the Bridgeville ceremony was an inspiring one, for it gave recognition to many of those who have worked so long and so hard on behalf of the blind. Moreover, the examples of individuals overcoming their handicaps serve as inspiration to all who face this tragic handicap in the future.

Because this was a unique ceremony, I ask unanimous consent that a telegram of congratulations I sent to the graduates and an abbreviated transcript of the meeting be printed in the Record, including Senator Randolph's remarks and a listing of the board of directors of the guild, Walter A. Koegler, president of the Greater Pittsburgh Guild for the Blind, was master of ceremonies.

The PRESIDING OFFICER. Without objection, it is so ordered.

August 2, 1973.

Board of Directors,
Greater Pittsburgh Guild for the Blind,
Station House, 316 Station Street,
Bridgeville, Pa.:

Deeply regret another engagement prevents attendance at 10th annual recommencement of Greater Pittsburgh Guild for the Blind this evening.

My best wishes to you, your associates, my distinguished colleague U.S. Senator Jennings Randolph, and your guests as well as my congratulations to the graduating class.

Dick Schweiker,
U.S. Senator.

The 10th Annual Recommencement of the Greater Pittsburgh Guild for the Blind, August 2, 1973, Bridgeville, Pa.

Judge Koegler: On behalf of the Board of Directors and Staff of the Greater Pittsburgh Guild for the Blind, I welcome you to our Tenth Annual Recommencement Ceremonies. One of our Trainees and a graduate this evening, the Reverend Charles Wheeler, Associate Pastor, St. James A. M. E. Church, will pronounce the invocation. . . .

In the introduction of the people, who in turn will make remarks, if I seem to slight any of them in my lack of laudatory comments, our time limit is rather short, by reason of the schedule of our distinguished honoree. I can say and encompass all the people I introduce, they are dedicated to the Guild, we love them and they've done a lot.

Judge Brosky, the distinguished President Judge of the Family Division of our County Court is familiar to all of us for his devoted service to the Guild. During his service on the Board and his tenure as President, the Guild's physical facilities and Staff were constantly expanded, so that the present facilities that we have are available to so many more people. We all join in thanking him for his past and continued interest in the Guild—Judge Brosky.

Judge Brosky: Thank you very much, Judge Koegler, Senator Randolph, Commissioner Staisey, distinguished guests at the head table, distinguished graduates and friends of our graduates. I deeply appreciate the kind invitation to join with your heads and hearts on this wonderful and memorable occasion in celebrating the Tenth Annual Recommencement of the Greater Pittsburgh

Guild for the Blind. This is a most unique type of program. There isn't another one like it in the whole country. One of the glories of this outstanding affair is that leaders from all walks of life, from government, industry, labor, and the professions, are here tonight to share this evening with our distinguished graduates who have reached that achievement in a great step forward to a better way of life.

The Greater Pittsburgh Guild for the Blind was founded October 21, 1959, although it was really operating under the name of St. Lucy's Auxiliary for the Blind and with a somewhat limited scope of activities. It was through the suggestion of His Excellency Cardinal Wright, then Bishop of the Catholic Diocese of Pittsburgh, who prevailed upon the Board of Directors to become a more ecumenical type of endeavor. Several of us who were on the Board then and are on it today, remember Monsignor Lackner, and he's still with us today, stressing the expansion of the Guild to have a dormitory and an educational program, not just to learn skills, but to learn how to live with a handicap. Through continued help of St. Lucy's, and personal contributions and a lot of borrowing of money from our banks, the Board of Directors began a new venture in the building on Centre Avenue in Shadyside across from Shadyside Hospital. This was the first Rehabilitation Center in Pennsylvania, and graduates you'll be interested to know it was open to nine Trainees on April 3, 1961. Someone said that we were one of eleven such schools in the Nation, however, when we compared our activities and our goals, we were the only Center of its kind in America.

Briefly, the Guild was founded to help bridge the gap between the injury causing blindness or the development of blindness and future vocational training and employment. It was known for many years that a person who was unable to handle his disabilities, even though he may have been trained at the college level, could not achieve well in getting along with people unless he understood and could handle his disability. The Guild was founded to help the blind person develop communication skills, mobility, handle the activities of daily living, such as personal grooming, eating, and spoken communications and similar activities, as well as personal and vocational counseling. It was thought then, and it of course has been proved since (with over 600 people), that this approach will cause them to be greatly successful in their later walks of life.

Our student demands were so great each year that the Board of Directors decided to either move to a bigger building or build a new Center. With prayers and a little luck, word came to the Board of Directors that an office building in Bridgeville was being vacated by Universal-Cyclops Corporation and if the Guild were interested, we could have it for what it cost them to build it. I think part of the deal was to take that big oak tree in the back of the lot. Anyway, the Guild bought it and today it houses our Rehabilitation Center where we now train, and note the comparison, annually 96 people. In ten years the Guild has had visitors from every state and 25 foreign countries.

The Guild has been instrumental in influencing development of many other centers and professional developments too numerous to mention. All of this has been possible because of an exceptional Staff of dedicated people, our Executive Director, Dr. Leon Reid, who combines his warm personality and tremendous energy to give growth, stability and enrichment to the students who receive the services of our Guild.

The most meaningful aspect of our efforts in the Guild is that handicapped people over the country and the world need assistance in being able to interpret their own capabilities in relation to their handicapping condition in order for them to survive. We know that many people can pass courses in high school and college and they can manage to survive, but they really cannot attain any great amount of achievement or, in many instances, can't even keep a job unless they handle their own disabilities.

Dear friends, and graduates, this has been the mission of the Guild, for purpose and our heritage and this is our duty to help our fellow man to make his life worthwhile and this to me is The Greater Pittsburgh Guild for the Blind. Thank you.

Judge Koegler: Because of his excellent recitation of the history of the Guild, he's going to attain another high office to add to his many accomplishments. I propose to nominate him as the permanent historian of the Guild.

Our next speaker I think has faced his current Guild service with mixed emotions. This gentleman runs a rather successful business and I don't think he's ever been confronted with running a business with no money, constant borrowing and a rather indefinite time on which to base your forecast of receipts. I'm referring in a very indirect way to our current Treasurer, Mr. Leo Russell, who is our Financial Officer . . .

Mr. Russell: Since much of your comments were indirect, I'll leave the answers indirect. I, too, though would like to express gratitude, in the position of Treasurer, to all the ladies of St. Lucy's for the great job they do and the big lift they give me when that check arrives.

Ladies and gentlemen, the rear page of your program aptly outlines the purpose of this gathering tonight, Recommencement—to begin again. The program here is but a stamp of recognition of the courage, skill and attentiveness you graduates have professed in cooperating with the Staff to press on in quest of special skills for daily living. You graduates know, too, of the special abilities of our Staff and their persuasiveness; a staff whom I know you found very devoted. The Board of Directors is proud of Dr. Reid and all of the people associated with him in the operation of this Center. You the graduates are truly the Guild. The hours and days you have given in battle to acquire special skills, the great life which will unfold for you after you depart will be a continuing tribute to your faith and an expression of you as the solid face of the Guild. On behalf of the Staff and the Board of Directors, we wish it known we are privileged and grateful to pay you honor tonight Thank you.

Judge Koegler: The next gentleman was smart enough to force the job of Treasurer onto Leo. Art Nicholson currently serves the Guild as First Vice President. I sincerely hope he has the privilege and honor I had, of succeeding me in the coming year. Mr. Nicholson, again, is a successful businessman in our local community here, civic leader and extremely devoted to the Guild.

Mr. Nicholson: Thank you Walt. I am sure you are all familiar with the prime goal of the Greater Pittsburgh Guild for the Blind which is independence through rehabilitation. The Guild, through the years, has been proud of the large percentage of its graduates, on the order of 85 percent who are returned to the mainstream of life, either in gainful occupations or their normal vocations, homemaker, or otherwise. Dr. Reid and other members of the Staff, in the course of their travels, try to take advantage of every opportunity to visit with graduates and keep up their contacts with them. We also hear by way of press clippings and magazine articles of the accomplishments of those who have been trained at the Guild However, in 1970 the Board of Directors decided that public recognition should be given to those whose achievements after graduation were outstanding and for this purpose they established the program of Graduate Achievement Awards to be presented at the Annual Recommencement. In the initial year of 1970, six such awards were made and in 1971 and 1972 three were made each year. We believe that the presentation of the Graduate Achievement Awards during the Recommencement exercises is a source of inspiration to the Trainees who are graduating, showing what others have done who have graduated before them and encouraging them to use their training to the best possible advantage. It is also a source of gratification to the Director and the Staff to know that their dedication and patient labor has borne truth in such achievements. Thank you.

(Judge Koegler then presented Graduate Achievement Awards to three outstanding graduates. Recipients of the 1973 awards are: Louis J. Bucci, of Pittsburgh, graduate of Group 17 in 1966; Harry Jenkins, of Nutters Fork, West Virginia, graduate of Group 18 in 1967; and Kathleen Williams, graduate of Group 33 in 1972 and an employee of the Goddard Space Flight Center of the National Aeronautics and Space Administration.)

Judge Koegler: The Honorable Leonard C. Staisey, lawyer, civic leader and politician—politician in the best sense of the word. He's Chairman of the Board of Commissioners of Allegheny County, but more importantly to us, a member of our Board of Directors and a past recipient of the President's Award for outstanding and distinguished service to our program. It is my pleasure to present our good friend Commissioner Staisey:

Commissioner Staisey: Thank you very much. Dr. Reid, Judge Brosky, members of the Board, America's best friend of the blind, Senator Randolph, our most honored guests tonight, the graduates, friends of the graduates and friends of this fine institution. I'm very happy to be here and I sincerely appreciate your invitation. And on top it gives me a chance to see Senator Randolph again. I'm sure he doesn't remember, but I met him back in 1960 in West Virginia when I was traveling the state for John F. Kennedy and then came back and ran for the State Office of Senator myself.

When you leave here you have a new obligation, not to yourself, but to our sighted friends. You know our sighted friends are kind of dull and they're slow to catch on. And you and I have to be educators, we've got to educate them to what blindness means. We've got to get them to understand that we're not from Mars, but we're for real. We're right from Earth. And we have to make them understand we have the same problems they do, working, finding enough money for taxes, raising kids, paying mortgages, etc. And above all, we've got to fix in their minds that you and I are average, ordinary people in every respect, except we can't see. And once they begin seeing us that way, then they see us for what we are, real people, and people who don't live with a handicap, but who have an awful lot of fun overcoming it.

And you have an infinity of possibilities and you have something else now, we now have a good friend, like enSator Randolph, who stands in this nation's capital representing us and speaking on our behalf and I know that with men like him and others in your state capitals and in your county, this whole list of discriminations that we talked about; you always hear the reciting you can't discriminate because of race, religion, national origin or sex. One of these days we're going to tack onto that, that you can't discriminate because of a person's handicaps. So, on this, the occasion of your graduation, you've had a lot of people go before you and they found success and they found contentment. The same thing can happen to you.

Remember that for every door that God closes, He opens another and all you need is the faith and courage to walk through those new doors and because of people, like on the Staff here, Dr. Reid, and because of people like Senator Randolph, you don't walk alone, so remember for those who have the faith, they're the ones who are going to claim the future. Good luck to you.

Judge Koegler: We all very much appreciate Commissioner Staisey's inspirational remarks. I guess there's an expression that someone has to run the place. Our chief Operating Executive, I suppose you could characterize him as the man who makes the place go, is Dr. Reid. We are truly fortunate to have a man of Dr. Reid's training, experience and dedication as our Executive Director. Dr. Reid . . .

Dr. Reid: Mr. Nicholson, Mr. Russell, Trainees, distinguished guests, Judge Brosky and my dear friend, Senator Randolph. It's great to see those of you who have been out and came back tonight, those of you who have been out a long time. It's also great to see the friends, the members of the Board of Directors, St. Lucy's and all of you here, including Paul Jenkins and Miss Bailey who is also from West Virginia.

It's a pleasure for me to help honor one of my models and one of my inspirations in life. Senator Randolph was a Representative to the United States Congress in my district in Martinsburg, West Virginia and even before he was elected to that position, he was well-known in my area because of his humanitarian efforts and because of his tremendous forward thinking. He has always done things, long before others, such as, he was a member of the Board of Trustees of Salem College West Virginia when he was a junior in college. We're now just beginning to talk about students on the Board of Trustees of colleges. In his whole life he's been ahead of everything we're thinking about today . . .

We were talking about the tremendous disaster in West Virginia during the second term of his tenure in the House where several hundred men were killed in accidents. Senator Randolph was there to find out the causes and to help the families. Of course, he couldn't restore those that had died, but he helped those that had to live with this problem live more happily. So he's been concerned with the farmer, the construction worker, the metal worker, coal miner and everyone else you can mention. I remember visiting his office in the House of Representatives, as a young man, where on his walls, Senator, you had many citations from the air industry. Senator Randolph himself, at a very young age, after the second or third plane was put in the sky he had learned to be a pilot and had learned first-hand the aviation industry. He was out there to learn about it and, of course, to learn its attributes and, of course, he has carried forth this tremendous thing and now, of course, he is worried about space travel.

He has been interested in the preservation of our natural resources. He's interested in youth, and I was remarking tonight how when I was a teenager in high school he came to a place called Camp Horseshoe, Tucker County, West Virginia; this is near where Mr. Nicholson has his summer home, and he was always available to us kids. He was always there to give us advice and wisdom that has stuck with us always and we appreciate this and it stayed with us throughout our lives.

I remember his work with disability groups and I want to recount for the graduates that he has worked with the blind more years than any man in this room. Back in the early thirties he was taking students from the School for Blind in Romney, West Virginia, to the southern part of the state in Bluefield where Dr. J. Elliott Blaydes, Sr. was operating and treating these children. Senator Randolph got them down there by various hooks and crooks I might add, but he was there to serve these kids and help their needs, because Dr. Blaydes, a very wonderful man and former member of the Board of Director of this Guild, was there to help. He did this very well and this led to his standing up in 1932 in California, to make the motion to Lions International that they accept blindness as their international project and this was affirmatively voted at that meeting this and great organization carried this on over the years.

Senator Randolph believes in education, he feels it's the best avenue to the realization of anyone's potential. He comes from a family that believes in this and as his mother once told me many years ago, he loved people, he wanted everyone to achieve and make his home and community a better place to live. He believes in the great worth of all humans. He believes that all of us can be helped and he has devoted his life to that end.

Judge Koegler, I am very pleased to present to you for the President's Award, a wonderful man, a great statesman, humanitarian, educator and leader, an inspiration to many youths.

Both he and I are from West Virginia.

Judge Koegler: The Greater Pittsburgh Guild for the Blind presents to the United States Senator, Jennings Randolph, the President's Award for the Randolph-Sheppard Act, which carries his name, of course; his leadership in Lions International, his unequaled efforts in the United States Congress on behalf of the handicapped, his inspiration to handicapped children, youths and adults. It is my pleasure to present this award to you Senator.

Senator Jennings Randolph: It has been said that some ministers talk or pray too long. In West Virginia we have a reputation for that which sometimes reaches the moving of a minister from one church to another. . .

The only reason that you can sit me back in the chairs, is because I must return to a suburb of Bridgeville called Washington, D.C., and I must leave at 9:12. It will be difficult to do justice to what I would want to say, but no matter what I would fail to do in the justice of words as to their length, I could certainly not do justice to the young men and young women, 70 persons in all, not all present, but for those who are absent, for those who are here we are with you, we are one with you. We know that this is in a very genuine sense Recommencement to you. Recommencement for those who are about to graduate that all of us realize that perhaps the greatest challenge that we could accept would be to have a rebirth of responsibility.

As individuals, all of us, at this Recommencement, an individual responsibility and, Leon, if there has ever been a group of persons working together, moving forward together, but realizing the individual responsibilities, it has been the blind. This is a very real trait, a very genuine characteristic of the blind.

I'm pointing upward to all of these 70. Persons privileged not so much to have a time of recommencement, but by their example, to cause us to have a rebirth. We must be productive in a world of divisiveness and polarization, unkind words and malicious accusations. And I understand how important it is to have friends joining in a common cause. I know how vital it is to have the Chief of Services for the Blind, Joe Lobuts from West Virginia here tonight, carrying on as he has for a period of 20 years or more the work of the blind in our state.

You are a Commonwealth, you have all the money. In West Virginia we're just a State. We have all the problems, but we want you to help us to solve those, as we perhaps can make contribution to the solving of yours.

How happy I was to be out on the hill where the breezes were blowing at the home of Roseann and Leon Reid. Yes, I did know Leon a long time ago, when he was a camper at Camp Horseshoe in Tucker County, near Davis, high in the Alleghenies. I expect it's a good union to have a Pennsylvania girl join a West Virginia boy. I don't want to be too nostalgic, but, Leon, I don't want you to leave the work here, certainly not, but I want you to know that in West Virginia you always have a homeland. . . . I wish we would give Commissioner Staisey a second applause for a wonderful, inspirational speech tonight.

What an exciting man you are! How thrilling it is to catch the spirit, which you've given, I'm sure, to all of us as we gather here and so it's very easy for me to say, I'm eager to say that it's a joy for me to be here. I naturally am honored in accepting this award for perhaps one reason above all others. It symbolizes, not an award to me, but it symbolizes a truly worthy cause. That's what really counts. I want to continue, of course, to stand by you, walk with you, work for and with you. I want to join in the actions that lessen our concerns for these complex and trying times in which we live and as we labor together. My faith is undiminished that we will achieve more nearly our goals, and you the 70 tonight, and I come back to you, you're going to live in the better tomorrows because you're going to make them so . . .

And so the subject that I want to discuss is "*Loss of Sight Is Not the End of Vision*" and I'm sure you realize that that is true.

I understand that "we fear that which we do not understand." This idea is a broad one and can carry a wide range of situations with it. Lack of understanding, it's not enough to be tolerant of someone. People boast of that, but that's not enough. We have to be understanding of another person and try to realize his or her problems and relate them to what the problems are that we have and mix them all together? We have a common cause to help one another in the jobs we do. There is, of course, an innate fear that relates to the problems of the visually handicapped. Many people tell me, "you know he's blind and he can't do anything." You can hear that charge, The Greater Pittsburgh Guild for the Blind, proves by its work, that the charge is false.

I hope it's for every person that I speak because of your intense interest, not only having a membership of serving on a Board, but actually digging in and doing the job that needs to be done. Perhaps more than any other group in today's society, the blind have had to struggle against what I call public prejudice and ignorance to dispel the instinctive fear that they have encountered. This is not an over-statement. We have struggled for many years to improve employment opportunities of the blind and to change attitudes. Kathy spoke tonight, and told us of the attitudes of her family. How wonderful they stick with her. We can change the hearts of the persons who mistakenly think that the loss of sight is the end of vision.

Nine years ago I suffered in a hospital for many, many weeks. I was there for an operation before and after for a detached retina. I was trapped in a sense in a dark void and what did I begin to do? I began to experience some of the personal puzzles of that partial lowering of the blind, as it were, at the window out of which I'd been looking.

I couldn't see and sudden blindness, in part, was to be my lot, for a while.

More than half of the newly blind in America are past the nominal age of employability. As such, they have not been considered in the past as clients really for rehabilitation in the narrow sense of the training for new jobs. Overlooked in our rehabilitation program was the need to learn new personal skills for self-care, the blind have always had self-discipline and mobility, of course they have, and the need to adjust and intensify the other senses to a world of darkness.

They've been able to do that, sighted people really fall far behind in that attribute. One result of that experience that I had in the hospital is a major provision contained in the Rehabilitation Amendments of 1972.

I do not speak partisanly. The President of the United States vetoed this needed legislation, not once, but twice. Of course, there has to be a responsibility, not only for legislators who pass the bill, but the responsibility of a President, either to approve it or to fail to give it his signature. I attach no meaning whatsoever to the failure to do what those of us in the Congress have wanted done. But he did veto the legislation. We'll try again!

I report to you that our House-Senate Conference Committee is finalizing a rehabilitation bill. We've been meeting this week. We were to meet this afternoon at 3:30 and hopefully to finalize it between the House and the Senate, the versions that are different, and bring it back to our respective bodies. It contains new initiatives for helping the severely handicapped, including the visually handicapped. I have received assurances, and I announce them to you for the first time, that the President of the United States will accept this legislation and place his signature upon it. There can be one success which can, of course, wipe out the disappointments which I had mentioned and the measure is a good one, a compromise, to be sure. I sought in the two previous bills a provision for special rehabilitation training for independent living for middle-aged men and older blind workers. This proposal has been modified in the conference, but we do have an effort to provide special prospects in the rehabilitation program. We're going to have projects, Joe, in the rehabilitation services administration to concentrate on the needs of the older, blind population in the United States of America. And I spoke of the older people at the very beginning, beyond what we call the age of employability.

There have been many legislative successes over the years. There, of course, have been some disappointments. The program of sheltered workshops for the blind has been, I think, too static for many years. All those from the date of the initial legislation which, as a Member of the House of Representatives, I participated in, and that was 1938. I was then in the House of Representatives, worked with others, of course, for the passage of the original Wagner-O'Day Act. Senator Wagner is dead. Rep. O'Day is gone, but the legislation of which they were the principal sponsors, goes on and on and on to benefit people. I knew them both so very well, and they were individuals tremendously interested and not allowing themselves to be turned back.

We never had a Subcommittee on the Handicapped in the United States Senate until January of this year. We sort of had a half-way Subcommittee on the Handicapped, but now we have a full-fledged Subcommittee on the Handicapped. It's a part of the Labor and Public Welfare Committee and in that job as Chairman, I've tried and will continue to try to expand the sheltered workshop program. Why do we say that, because that original act, of course, was good. The amendments of 1971 are designed in that legislation, not only to provide additional job opportunities for the blind, but the other severely handicapped. We have a goal to expand the range of products and the services produced and so in the fiscal year 1972 there were 19 new commodities added to production at selected, or what we call sheltered workshops, and nine resale items were added.

These added jobs, 237 jobs, not thousands of jobs, but they created 237 jobs. For whom? For blind people. That's what is important tonight. Just the two actions, five hundred more blind persons gainfully employed, not on relief or charity—doing jobs for themselves—working as productive men and women in the United States of America and that's all the blind want. No handouts whatsoever, but the opportunity of a helping hand which should be extended to the blind to give them an opportunity to work. That's exactly what they want to do.

And then what happened? Last Monday, a great day for us, the President of the United States signed Public Law 93–76. It provides for additional funds for this Committee to expand its activities and products and the services of which I have just spoken. The rehabilitation amendments, the other programs to help the handicapped help themselves, these are designed to help men, not to supplant the humane work of The Greater Pittsburgh Guild for the Blind, you who work in the effort, you as volunteers and paid workers. What you have been doing in the years must be continued and even stepped up in the years ahead.

In terms of today's multi-million or multi-billion dollar budgeting the programs are exceedingly modest in their size and scope, but the existence of this work constitutes a long overdue recognition by your government that the problems of humanity are too large, sometimes they're just too complex to be solved by this organization, solved by organizations like this, no matter how big and diligent in their efforts. I know you are aware of our work in 1936. I had a friend, Senator Morris Sheppard of Texas and I talked with him about the sponsorship of legislation which would establish a program for the blind, to operate vending machines (facilities) throughout the United States. We, of course, were thinking about it because both of us had been interested in sight conservation. Are there any Lions here tonight? Several. As members of Lions International we were working in sight conservation programs.

I did travel in West Virginia and we raised over $3,000. That was a lot of money in 1931. That money paid for the hospitalization and transportation for these youth from our Romney, West Virginia school for the Blind. J. Elliott Blaydes, of blessed memory, when we asked what the cost would be for the operations, 76 percent of all the operations were successful, the young people were given sight or partial sight and became wage earners, he replied "there is no cost." And as simply as that he spoke and as simply he lived and as simply he passed away, having given in his lifetime 50 years of service, paid for by patients, but much of it by those who could not pay him.

Senator Sheppard and I realized it would be a problem. We had the opposition of the Post Office Department. Postmaster General, said in essence before the Committee, "you can't do this. The blind can't operate vending stands." We had barriers, of course, to break down, and we knew that it could be done. I report to you that legislation carried out by agencies, training programs and careful screening, all of this gave the opportunity for blind men and women to do work, just as Harry is doing in Nutter Fort. But these persons, they demonstrated their skills. We could pass a law, but the law is meaningless if they didn't make it work. That's exactly what they did. They made it work and they became creative and this is very important, and so they themselves laid to rest the dire predictions of the Postmaster General that it couldn't be done. So they're the entrepreneurs in our selling system today and doing a tremendous job. The growth of the program has been a little slow; we've had some problems, but it's going forward and the psychological barriers are falling every day . . .

We're working on special fares on the scheduled airlines, not only for the aged, but for the blind and we have other legislation in the mill. My joy is to have shared with you a night of happiness and deserved recognition of those who have been honored at this table, but most especially those who are honored in the student group. I shall ever be grateful for the award given to me. I thank you. I thank you. I thank you. I'll cherish your confidence—now and all my life.

Judge Koegler: I know you all appreciate the necessity of Senator Randolph leaving at this time. I discovered there's only one plane to Washington, D.C. that leaves at 9:12 so this is what he's trying to accomplish.

(After Senator Randolph's address, three groups of Trainees, who had completed training at The Greater Pittsburgh Guild for the Blind were awarded certificates.)

Group #35-period of training from September 5, 1972 to December 15, 1972. Certificates presentd by Mrs. James E. Gleason, President of St. Lucy's Auxiliary and member of the Board of Directors, the Class representative for this group was Mr. John Culver, Vice President, Reeves-Bowman Division, Cyclops Corporation, Dover, Ohio. The graduates of Group #35 are as follows:

Miss Jean Agin, St. Clairsville, Ohio; Mr. John Culver, Uhrichsville, Ohio; Miss Cathy Eichelberger Enola, Pa.; Mr. Anthony Ferry, Cincinnati, Ohio; Mr. Robert Hancik, Bethlehem, Pa.; Mr. Dale Hicks, West Grove, Pa.; Miss Cynthia Kudes, Pittsburgh, Pa.; Mr. Arthur Leindecker, St. Louis, Missouri; and Mr. John Yelland, Pittsburgh, Pa.

Mrs. Esther Low, Pittsburgh Pa.; Mr. Terry McManus, Pittsburgh Pa.; Mr. David Pruszynski, Pittsburgh, Pa.; Mr. David Rusch, Pittsburgh, Pa.; Mr. John Sanders, Pittsburgh, Pa.; Mr. Joseph Sofranko, Pittsburgh, Pa.; Mr. Callie Williams, McKeesport, Pa.; and Mr. Richard Wyble, Monroeville, Pa.

Group #36—period of training from January 3, 1973 to April 13, 1973. Certificates presented by Mr. Arthur J. Nicholson. Class representative for this group was Mr. Frank DeJulio of Pittsburgh, Pa. The graduates of Group #36 are as follows:

Miss Cynthia Aul, Indiana, Pa.; Mrs. Helen Bowen, Jeanette, Pa.; Mr. Harry Bratchie, Mars, Pa.; Mrs. Suzanne Brown, Kittanning, Pa.; Mr. David Campbell, Conneaut Lake, Pa.; Mrs. Myrtle Cook, Pittsburgh, Pa.; Mr. Clarence Davis, Dravosburg, Pa.; Miss Kathy Maier, Baden, Pa.; Miss Mary Marshalek, Langhorne, Pa.; Mr. John McGrath, Dubois, Pa.; Mr. Stanley Miller, Wooster, Ohio; Miss Nancy Milliern, Canonsburg, Pa.; and Mr. Robert Nale, North Apollo, Pa.

Mr. Frank DeJulio, McKees Rocks, Pa.; Mr. Barry Foulds, Trevorton, Pa.; Mr. Robert Hentschel, Butler, Pa.; Mrs. Mary Hickernell, Meadville, Pa.; Mr. Robert Johnson, Leetonia, Ohio; Mr. J. Nelson Kendall, Blairsville, Pa.; Miss Debra Kershner, Bridgeton, New Jersey; Mr. Charles Null, Dixon, Missouri; Mr. John Pitts, Ambridge, Pa.; Mr. James Spera, Canton, Ohio; Mr. William Tomchek, Coalport, Pa.; and Mrs. Janie Wormsby, Pittsburgh, Pa.

Group #37—period of training from April 23, 1973 to August 2, 1973. Certificates presented by Mr. Leo P. Russell. Class representative for this group was Mr. LeRoy Pemberton, St. Thomas, Virgin Islands. The graduates of Group #37 are as follows:

Mrs. Rhoda Aliskovitz, McKeesport, Pa.; Miss Linda Augustin, Fox Chapel, Pa.; Mr. Robert Bair, Canton, Ohio; Mr. Robert Barber, Harrisburg, Pa.; Miss Karen Barnett, Steubenville, Ohio; Mrs. Verna Braithwaite, St. Thomas, Virgin Islands; Mr. Ronald Chambers, Tarentum, Pa.; Mr. Larry Colbert, Beltsville, Maryland; Mrs. Loura Faye Connaroe, Seven Mile, Ohio; Mr. Thomas Dickhoner, Cincinnati, Ohio; Mr. Andre Greaux, St. Thomas, Virgin Islands; Mr. Randolph Taylor, Washington, D.C.; Mr. Charles Wheeler, Cadiz, Ohio; and Mr. Gerald Yeager, Petrolia, Pa.

Miss Wendy Heitsenrether, Montoursville, Pa.; Miss Sharon Hum, College Park, Maryland; Mrs. Annie Jones, Pittsburgh, Pa.; Miss Brenda Klaiman, Vineland, New Jersey; Miss Denise McQuillan, Pittsburgh, Pa.; Mrs. Gladys Miller, Pittsburgh, Pa.; Mr. LeRoy Pemberton, St. Thomas, Virgin Islands; Mrs. Louise Powell, Sewickley, Pa.; Mr. Joseph Schweitzer, St. Louis, Missouri; Mr. Benjamin Scott, Pittsburgh, Pa.; Mr. Joseph Sellman, Landover, Maryland; Mr. Robert Wade, Pittsburgh, Pa.; Mrs. Rosella Winters, Jeannette, Pa.

The program was closed by Mr. Leroy J. Bettwy, Assistant Director, recognizing former graduates and distinguished guests.

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Mr. John Troan, Editor, Pittsburgh Press, Pittsburgh, Pa.

Mrs. Andrew G. Uram, Washington, Pa.

Dr. C. William Weisser, Ophthalmologist, Pittsburgh, Pa.

Mr. Thorold S. Funk, Director, Div. of Vocational Rehabilitation, State Capitol Bldg., Charleston, West Virginia.

Mr. Joseph E. Lobuts, Chief, Services for the Blind and Visually Impaired, Charleston, West Virginia.

Mr. Paul Jenkins, Executive Vice President, Benedum Foundation, Pittsburgh, Pa.

Miss Betty Bailey, Benedum Foundation, Pittsburgh, Pa.

STATES MISTAKENLY RELAX LAWS ON MARIHUANA—GROWTH OF MULTIPLE-DRUG USERS SIGNALS NEW DANGERS IN FIGHT AGAINST DRUG USE

Mr. RANDOLPH. Mr. President, recently an acquaintance of mine, concerned about his son's first few weeks away at college, questioned the young man about campus conditions. "Tell me, is there much pot smoking in the dormitory?" he asked. The son replied affirmatively. Then the parent asked, hesitantly, "Have you smoked any pot?" The son replied negatively. "Why?" the father asked. "Well," the son replied matter of factly, "because it's against the law."

I commend the young man on his abstinence from marihuana, but I am increasingly concerned about his and many other young peoples' reason for not indulging in drug abuse. If an act is against the law—but otherwise harmless—then the simple solution is to change the law, the argument goes. Across the country, we are seeing increasing evidence that this type of reasoning is having its impact. Legislatures and city councils are moving toward the "decriminalization" of drug abuse involving so-called soft drugs. A recent Washington dispatch by United Press International reports that Texas has sharply reduced its penalty for possession of marihuana, that Oregon has essentially removed all criminal penalties for private possession, and that the house of delegates of the prestigious American Bar Association has called for an end to criminal penalties for marihuana smokers.

Moves to lessen the penalties for drug abuse can end the ofttimes harsh and unfair application of local statutes to marihuana smoking. Unquestionably, many young people have had their lives and careers irreparably damaged by criminal drug records. But the proponents of legalization of drug abuse are doing a cruel disservice to their young constituency when they baldly state—or even imply—that smoking marihuana is harmless. In a determined media campaign, they are attempting to focus attention on the defects of the law, while ignoring or obfuscating the known and unknown physical and mental dangers of drug abuse.

On August 29, the National Broadcasting Co. produced an enlightening and frightening interview with two acknowledged authorities in the field of treating drug addicts. Reporter Frank McGee conducted the interview with Dr. Mitchell Rosenthal, president of Phoenix House, and Dr. Roy Hart, supervising psychiatrist at the outpatient department of the Kirby Psychiatric Hospital in New York. Dr. Rosenthal reported that, while many young people are turning off on heroin, there is increasing evidence of drug abuse in the form of multiple usage of amphetamines, barbiturates, alcohol, and other alleged "soft" drugs. The result, according to Dr. Rosenthal, is a proliferation of advanced alcoholic and drug disorders at an earlier age. He calls the multiple-drug users "garbage heads" and it may be an apt description.

In response to a direct question from McGee on the so-called harmlessness of marihuana, Dr. Hart says:

> I consider marihuana a very dangerous drug. Thus far, the American public has absorbed a great deal of folklore and mythology and has been ill-advised and has remained rather poorly informed as to the hazards and dangers of this very, very powerful drug.

Mr. President, the important message in this significant interview was delivered during the early morning hours of television. The audience to which it was directed, I fear, may have missed the message. I sincerely hope that NBC will, at some future time, present a variation of the interview at a more propitious evening time when a wider audience is receptive. Because of the importance of counteracting the mythology of marihuana, I ask unanimous consent that the UPI article on the growing movement to legalize this dangerous drug, together with a transcript of the NBC "Today Show" segment, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

POT LAWS EASING UP THROUGHOUT NATION

WASHINGTON.—Advocates of reform of marijuana laws believe they may have turned the corner in their campaign toward eventual legalization of the drug.

They cite these recent events:

Texas, which had the harshest sanctions in the country against smoking marijuana, has sharply reduced its penalty for possession of the substance.

Oregon has essentially removed all criminal penalties for private possession and use of marijuana, reclassifying possession of up to one ounce as a "violation" with a maximum penalty of a $100 fine, the equivalent of an expensive jaywalking ticket.

The House of Delegates of the prestigious American Bar Association called for an end to criminal penalties for marijuana smokers.

POLICY SHIFT SEEN

Before the change in the Texas law, offenders could be sentenced to life imprisonment for possession of marijuana. Under the new law, private possession has been reduced to a low misdeameanor classification. This provides for a maximum jail term of six months and a fine of up to $1,000 for possession of two ounces of marijuana.

The Texas law also allows for a resentencing of those currently imprisoned.

According to NORML—the National Organization for the Reform of Marijuana Laws—700 persons are now serving marijuana-related sentences in Texas. "The new law will entitle many prisoners to be freed, and hundreds of others to have their sentences significantly reduced," it said.

Keith Stroup, director of NORML, says the Oregon decision represents a significant, genuine shift in public policy.

PENALTY REMOVAL SOUGHT

"As other states follow the lead of Oregon," he said, "we will see a dramatic reduction in the number of young people whose lives are irreparably scarred by a criminal conviction for simply smoking marijuana."

The President's Commission on Marijuana and Drug Abuse reported last year that under existing state laws 93 per cent of marijuana-related arrests were for simple possession and only 7 per cent were for trafficking.

The marijuana lobbyists, while eventually hoping for legalization of pot, are concentrating their efforts now on removing penalties for simple possession for private use.

Following the action in Oregon, similar measures have been introduced in nearly a dozen other state legislatures.

AGED WOULD BENEFIT

Among states eyed by reform advocates is Colorado, where the legislature held public hearings earlier this year on a measure to legalize sale of marijuana to adults through existing liquor outlets.

The Colorado plan—which would go farther than any existing law—would call for a tax of $6 an ounce which would be used for the state's old age pension fund.

Stroup and NORML do not expect to win all their legislative initiatives this year but they are convinced the tide has turned and the thrust of public opinion is on their side.

The ABA resolution calling for an end to criminal penalties seems to bear them out. It calls for "no criminal laws punishing the simple possession of marijuana by users." That links the ABA with such organizations as the National Council of Churches, the National Education Association, the American Public Health Association and the governing board of the American Medical Association.

An Interview With Drs. Rosenthal and Hart

Frank McGee. A few weeks ago a psychiatrist, Dr. Jerome Jaffe, appeared on our program. Dr. Jaffe, until last June, was head of the federal government's program to control drug abuse, and he stated that there has been a significant decline in the use of heroin in this country; the heroin epidemic, as he called it, was nearly over. But that's not to say that the drug problem is fading away.

Two men who are with us now are both psychiatrists whose work is mainly involved with the treatment of drug addicts. Dr. Mitchell Rosenthal is President of Phoenix House, one of the world's largest centers for treating addicts. Dr. Rosenthal says that methadone and barbiturate deaths are rising rapidly. Dr. Roy Hart, who was first a chemist, is supervising psychiatrist at the Outpatient Department of the Kirby Psychiatric Hospital in New York, and he's written extensively about marijuana. He deplores its increased use and he says it is a dangerous drug.

Gentlemen, I thank both of you for joining us, and first let's establish, Dr. Rosenthal, how we know that the use of barbiturates and amphetamines is on the increase.

Dr. Mitchell Rosenthal. Well, what we're seeing at Phoenix House is a remarkable change in the type of drugs that the kids who are coming in are using. A year ago, 80–85% of the kids that were coming in were using heroin, primarily, as their drug of choice. Now that's dropped off about 25%, and we see now that some 40% of the people that are coming in are using amphetamines, barbiturates, alcohol, and none of them anymore are exclusive drug users. What they've become are sort of—the term that they're using is garbage heads. They use drug-of-the-week. If this week amphetamines are available, they'll use amphetamines. If next week a little more methadone is available, they'll use some methadone. The following week they may use alcohol, then some barbiturates, and mix it all up at the same time. It may start off with carbona for breakfast, you know, vodka for lunch, and amphetamines somewhere in the afternoon, and the notion that we can rest comfortably while this is going on because somehow the heroin tip of the iceberg has been reduced is a very, very misleading one.

McGee. Dr. Hart, what is the hazard to the body itself of mixing up these drugs? Is it greater if you mix them than if you use them separately?

Dr. Roy Hart. There's no doubt about it. If you mix these drugs together, they have a tendency to potentiate one another, to implement one another, and to just increase the general morbidity and increase the risk of mortality.

Dr. Rosenthal. We're seeing, for example, now, with people in their twenties, in their early twenties, advanced kinds of alcoholic disorders and drug disorders which you usually don't see until people are in their fifties, kids who are going into acute alcoholic psychoses, into delirium tremens. This is really a very remarkable change.

McGee. What is responsible for that, Dr. Hart? Do you think this increased use of alcohol—reliance or dependence—abuse of alcohol?

Dr. Hart. Well, of course, alcohol has been with us a long time, and it remains the number one drug of addiction. At the present time here in America, we have perhaps nine million alcoholic addicts. This is still the number one drug of addiction. In addition to that, we have all the other newer drugs that have come along. We have a cornucopia of drugs of abuse. And, as Dr. Rosenthal stated, the young drug abuser can just stick his head into the garbage pail and come out with anything almost anytime he wants, so we're into a period of multiple drug use. Within this picture, we still have to come back to marijuana because marijuana is the prototype. This is the original drug of abuse in modern America, beginning in the 'thirties for an initial period, and then coming back again in full force in the mid-1960s.

McGee. I understand that you don't—if I'm correct, and if I'm incorrect, you know, straighten me out—you don't necessarily agree with those who are taking a rather, well, let's say, overly lenient view toward marijuana as a drug, that it's not likely to cause all the harms and dangers that we've been led historically to think that it does. What is your position on marijuana?

Dr. Hart. On the contrary. I consider marijuana a very dangerous drug. Thus far, the American public has absorbed a great deal of folklore and mythology and has been ill-advised and has remained rather poorly informed as to the hazards and dangers of this very, very powerful drug.

Mr. McGee. Well, the point that's often made is that if it's not abused, you know, if it's just used lightly and if one doesn't smoke too often or too heavily, or something like that, well, then the hazard's not so great. Is that true or is that part of the mythology that people have been so . . .

Dr. Hart. This is part of the mythology. The fact remains that people may start out as experimenters. They may then graduate to intermittent users. Eventually they became moderate users, and eventually they become heavy users. Currently, two percent of the 24 million people who have experimented with marijuana in this country are heavy users. That is, they use at least three joints per day or more.

Dr. Rosenthal. There's good evidence to believe that if somebody is getting drunk on marijuana two or three times a week, that he's really going to change his ability to cope, that his memory is going to be affected, his ability to test the real life situations that he's in is going to be affected, and that his performance significantly deteriorates.

Mr. McGee. Does it bring about any physical change in the person, or is it all attitudinal?

Dr. Hart. Well, there are many, many physical changes. One of the first recognizable disease entities that came along—that came to my attention—was a marijuana bronchitis. This can be rather severe.

Mr. McGee. Is it different from bronchitis from smoking tobacco?

Dr. Hart. Yes, in many respects. One point has to be made clear, that is, in general, we are really speaking about cannabis, which exists in two major forms, marijuana and hashish. Marijuana is a weaker form, containing about one percent of THC. Hashish contains about five percent of THC. THC is a short form for delta-9 tetrahydrocannabinol, which we now know to be the active ingredient of the cannabis plant. People who smoke or eat hashish are in greater jeopardy because here we have about five-to-ten times the concentration of THC.

A study done among GIs in West Germany disclosed any number of cases of hashish bronchitis. When the patients with their hashish bronchitis were bronchoscoped, and little snippets of the bronchi were taken out and examined by the pathologist, there were very, very definite pathological changes noted. These changes were of a pre-malignant nature, one step removed from cancer. Now, this is in people who'd only been smoking hashish for a year or two. They have changes in their lungs which are reminiscent of the heavy cigarette smoker with thirty–forty years experience smoking.

Dr. Rosenthal. One of the dangers in talking about the subject this way, as important as it is to realize that you can get these kinds of bronchial changes, is that we start to focus in on a specific drug, and it would be like saying, well, what could happen if you're using 90-proof gin as opposed to 80-proof gin? The fact is that too many kids and too many people are using too much of everything all the time, and we're not just talking about illegal drugs. We're also talking about the misuse of legal drugs.

Mr. McGee. Such as?

Dr. Rosenthal. Last year in America, we had some 250 million prescriptions filled for tranquillizers, sleeping pills, and stimulants—speed and the like. And this increase has been going up at 15% a year. This year—by the end of this year, we will have had some 80 million prescriptions filled in America for Librium and Valium. One of the people in Washington, just last week, was looking to get some more controls on this. What's happening is America's becoming more and more narcotized and more and more accepting of drugs abuse in general. You know, you open up the average medicine chest and you just are amazed at what people are pumping into their bodies every day. Now, when adults are doing this kind of thing, the message that their kids are getting is very, very clear. That is, that it's all right for you too to use drugs so that kids, when they're going through . . .

Mr. McGee. Well, I've heard that for years, but how does one prove that?

Dr. Rosenthal. Oh, you prove it by changing national consumption . . .

Mr. McGee. No, no. I'm talking about how does one prove that a young person decides it's okay for me to use drugs because dad or mom takes medicine?

Dr. Rosenthal. Our evidence is very clear at Phoenix House. If you look at our population, our youngsters, by and large, have parents who have abused alcohol, who have abused marijuana, and who have abused other drugs, including the legal psycho-active drugs. So there is a connection between what parents do and what kids do.

Look, ten years ago or fifteen years ago, if a youngster came home drunk after school, his father didn't get into a discussion with him about the differences between bourbon and wine. He said, "You know what, son, you can't get drunk. We're not going to tolerate that." And he felt perfectly firm about saying that to his youngster. Today, a kid can come home—and this is happening—drunk on wine, drunk on marijuana, using other drugs, and parents have sort of gotten terribly blind to this. It's become part of—what? You know, we've accepted all kinds of pollution, and now we're accepting a kind of drug pollution that we're living with all the time.

Dr. Hart. Yes, we like to refer to the drug menace as a form of internal pollution. Getting back to marijuana, now that the active ingredient, THC, has been isolated, the public should be made aware of the fact that this is a chemical that has an affinity for certain tissues of the body, and it also deposits in brain tissue, which is very rich in fatty tissue.

Mr. McGee. Is this permanent damage?

Dr. Hart. This damage can be permanent, and if the individual stops smoking, there will be partial to almost complete recovery, but in any sense——

Dr. Rosenthal. It may take six months.

Dr. Hart. Six months-nine months, and I have seen many cases where there has been residual damage and permanent damage. The fact remains that all over the world countries are trying desperately to get rid of their drug menace. The Single (?) Convention of the United Nations of 1941 has attempted to abolish cannabis cultivation throughout the world. The Orient has been suffering under the burden of this horrible drug menace for five centuries, and at long last they are trying to end their problem. We are the first country in the civilized world to come along with even the idea of legalizing drugs of stupefaction, these stupefying drugs.

Mr. McGee. Maybe a bit farther down the line, we'll get a chance to talk about this more. I wish we had more time now. Thank you both for being with us.

PROPOSED TITLE III REGULATIONS OF THE OLDER AMERICANS ACT

Mr. CHURCH. Mr. President, the vast majority of older Americans live on incomes which are very limited when compared to the high standards of younger Americans. As chairman of the Special Committee on Aging, I have been in a unique position to become very familiar with the daily problems the aged must combat. And, I have given long and careful consideration to provisions which might enable the elderly to live a life of dignity and self-respect.

On September 4, 1973, the proposed regulations for the title III grants for State and community programs on aging, of the Older Americans Act were published in the Federal Register. Title III is designed to assist State and area residents in coordinating and providing social services in a home environment to our elderly. In a country where the 65 and over population is expected to grow by about 3.5 million persons during the next decade, such services are desperately needed, especially since nearly 95 percent of the elderly live in their homes. These individuals, of course, try to maintain their independence and self-care as long as possible, and social services have been most effective in helping some of them to prevent needless and costly institutionalization.

Upon studying the proposed regulations governing title III, I wonder whether the basic purpose of the program has been somewhat misconstrued. The regulations are geared toward evaluating, planning, coordinating, and establishing a "linkage" between services by the State and area agencies, with less emphasis on the actual delivering of services to the elderly. The agencies, it seems to me, could be bogged down with redtape and bureaucratic exercises in "coordinating" existing services and prolonged inventory-taking. But who will deliver the services, and most importantly, where are these many services which must be coordinated? I hope that the Administration on Aging is not relying too heavily on social service programs which are marked for early extinction, such as those under the Office of Economic Opportunity and Model Cities. It is possible that the agencies could spend much of their time, planning, analyzing, and coordinating for services that are soon to be nonexistent.

In addition, I am concerned about the clause which states that the major emphasis will be on the "needs of low-income and minority elderly." I welcome concern about disadvantaged persons, but I strongly suggest that this definition be changed to a broader one, so as to make the program serve more than those on the welfare level. The eligibility definition for the title VII nutrition program for the elderly for example, is much broader in scope and excludes no one because of their income level.

In line with the above, the clause which describes the "fees" which the elderly will have the "opportunity to pay all or part of" should be made less burdensome and restrictive.

The State government's role in the title III program is assured by the requirement of having the Governor review and approve the plan and all amendments. However, local government is largely ignored in the regulations, and this omission could cause considerable difficulty when area agencies are obligating contracts, coordinating services, and developing plans. Local officials' involvement in planning and decisions, their representation on advisory committees, and consultative assistance would certainly enhance the possibilities of a more workable and cooperative relationship.

In the regulations' definition of "social services," "nutrition" is not listed. Since we have a title VII nutrition program, it is perhaps understandable that it need not be noted elsewhere. However, there are many nutritional programs presently functioning which are not part of title VII. These programs could still be coordinated with other social services to benefit the elderly. Nutritional services should be included as one of the social services which may be coordinated under title III.

Fortunately, the Administration on Aging recognizes that the title III regulations are of such great importance that special efforts should be made to assure their effectiveness.

On September 17, Commissioner on Aging, Arthur Flemming conducted a day-long hearing at which many constructive suggestions to improve the regulations were made. At a conference of the National Council on Aging 1 day later, Dr. Flemming said that he would give careful consideration to "very fine recommendations" made at the hearing and that he will insist that development of services take place along with planning. His words are assuring and significant.

Mr. President, again I stress the urgency and need for such social services to be made available to our elderly. Title III as proposed in the regulations takes a first step toward fulfilling this need, but must be improved to fully satisfy this demand. Greater emphasis should be placed on the actual delivery of vital social services, and the regulations should be simplified to keep the States and area agencies from being bogged down in paperwork. If these objectives would be achieved, then the intent of Congress would be fulfilled when it passed the older Americans comprehensive services amendments—to provide essential services, to enable older persons to live independently in their homes.

THE LOCKHEED SHIPBUILDING CLAIMS AFFAIR—I

Mr. PROXMIRE. Mr. President, 2 years ago Rear Adm. Nathan Sonenshein, as head of the Naval Ship Systems Command, peronally negotiated a $62 million tentative settlement of several ship building claims filed by Lockheed Shipbuilding and Construction Co. In 1968 and 1969 Lockheed had presented the Navy with claims totaling $158 million for five destroyer escorts and seven amphibious transport dock ships. Recently the Navy, after a thorough review of the claims and the tentative settlement entered into by Admiral Sonenshein, made a formal determination to pay only $6.8 million of the $158 million originally claimed by Lockheed.

The Navy's final decision in this case raises serious questions about Admiral Sonenshein's decision to enter into a tentative settlement for $62 million and about the legitimacy of major portions of Lockheed's claims. I am convinced from the testimony that has been given before the Subcommittee on Priorities and Economy in Government and other facts surrounding this matter, that Admiral Sonenshein was guilty of gross misfeasance in entering into the tentative settlement and in authorizing the payment to Lockheed of provisional payments on the claims. As a result of Admiral Sonenshein's actions $49 million in provisional payments were actually paid out to Lockheed.

DISCIPLINARY ACTION NEEDED

I am therefore formally requesting that the Navy take disciplinary action against Admiral Sonenshein and that an investigation be conducted to determine whether fraud was committed by Lockheed in the filing of the claim.

My suspicions about the tentative settlement were first aroused when I learned that Admiral Sonenshein had agreed to it despite the fact that the evaluations which should be performed prior to settlement of a claim had not been completed at the time of his decision. Normally, at least three critical steps are taken before tentative settlements are entered into on major shipbuilding claims. First, a team of experts makes a technical evaluation of the claim. Second, an audit is performed. Finally, the General Counsel prepares a memorandum of legal entitlement.

NO BASIS FOR TENTATIVE SETTLEMENT

None of these steps had been completed at the time of Admiral Sonenshein's decision that Lockheed's claim was worth $62 million. There had not been a complete technical evaluation of the claim, there had not been an audit, and no memorandum of legal entitlement had been prepared. On what basis then did Admiral Sonenshein decide that the claim was worth $62 million? And on what basis did he authorize provisional payments to be made to the contractor while the Navy was still reviewing the claim?

This question was given greater force by the most recent decision by the Navy that the claim was worth only $6.8 million rather than $62 million. I want to quote passages from the contracting officer's letter to Lockheed informing it of his decision to explain why my earlier suspicions about Admiral Sonenshein's activities have now been confirmed.

According to the contracting officer,

Lockheed denied his authorized representatives access to much directly relevant cost and pricing data, refused to disclose information to support the claims, and failed to cooperate with the Navy.

FACTUAL INADEQUACIES AND LACK OF SUBSTANTIATION

In 1971 Admiral Sonenshein submitted the proposed $62 million settlement for approval to the Contract Claims Control and Surveillance Group, the duly constituted reviewing authority for such claims. The Surveillance Group, as the contracting officer points out in his decision, after several weeks of review and deliberation concluded that the proposed tentative settlement "could not be approved because of factual inadequacies" in the area of legal entitlement and because of a "lack of substantiation of quantum with respect to the entire claim."

LOCKHEED WITHHOLDS INFORMATION

Subsequently, a team was set up in the Navy to try to obtain substantiation of the proposed settlement but for the most part Lockheed "declined to disclose cost or pricing data" and declined to disclose information "relevant to the support and substantiation of these claims."

The following excerpts from the contracting officer's letter give further emphasis to the lack of cooperation on the part of the Lockheed Shipbuilding & Construction Co., referred to as LSCC:

> In support of its allegations, LSCC has submitted little or no historical cost, production and management data to substantiate its estimates. The contracting officer and his authorized representatives have requested relevant historical cost, production and management information but, with rare exceptions, such information has not been provided. The last such request was made on 20 March 1973, at which time the Navy stated its preliminary position in writing to LSCC on each of the claim allegation issues and requested any additional comments or available supporting data LSCC might have. LSCC has not responded to the Navy position or request.

Again, the contracting officer voices his complaint over Lockheed's uncooperative attitude and its unwillingness to give the Navy full access to the information necessary to determine the real value of the claim:

> All ships procured under the instant contracts have been delivered; cost, performance and management data is now historical and should have been used to price the requested equitable adjustments. LSCC has effectively refused to use all of the available data, and, in fact, has denied authorized representatives of the contracting officer access to much directly relevant cost and pricing data.

PROVISIONAL PAYMENTS DESPITE LACK OF SUBSTANTIATION

These facts cast a dark shadow over Admiral Sonenshein's decision to pay $62 million for this claim. If he had no completed technical evaluation, no completed audit and no completed memorandum of legal entitlement, and if the claim itself contained factual inadequacies and lacked substantiation, and if Lockheed would not even cooperate with the Navy, or allow access to such cost and pricing data, then on what basis did Admiral Sonenshein decide that the Navy should pay $62 million for this claim? And on what basis did he authorize that $49 million actually be paid over to Lockheed as provisional payments on the claim?

Lockheed has appealed the Navy's decision to pay only $6.8 million to the Armed Services Board of Contract Appeals. While the appeal is pending Lockheed will retain the $49 million already paid. If it loses the appeal or is required to refund all or any part of the $49 million it will probably not have to pay interest on the unearned portion from the time the payments were received to the date of the contracting officer's decision. It can also be anticipated that pressures to allow Lockheed to keep the $49 million will build up as the case nears completion. There may very well be an effort to bail out Lockheed, as has been done before, rather than endanger the company's financial condition by requiring it to pay back the $49 million.

GROSS MISFEASANCE

The evidence shows beyond any doubt that Admiral Sonenshein's actions amounted to gross misfeasance and that he failed to properly exercise his responsibility over the taxpayers' money entrusted to him.

These are sad times for the Government and for the Department of Defense. Scandals are being uncovered with unprecedented frequency. The public is losing confidence in and respect for its own Government. One way for the Government to win back confidence and respect is to correct abuses that have been uncovered and to take appropriate action against responsible officials.

NAVY SHOULD INVESTIGATE POSSIBILITY OF FRAUD

The Navy is to be commended for its final decision on the Lockheed claim. But it needs to take two additional steps. I urge the Navy: (1), to clean its own house in the matter of Admiral Sonenshein and the Lockheed giveaway; and (2), to investigate the possibility that the claim was based on fraudulent representations.

I ask unanimous consent, to print in the RECORD the full text of the letter dated June 14, 1973, from the Navy contracting officer to Lockheed informing it of the Navy's final decision.

DEPARTMENT OF THE NAVY,
Washington D.C., June 14, 1973.

LOCKHEED SHIPBUILDING AND CONSTRUCTION CO.
Seattle, Wash.

GENTLEMEN: 1. In November 1968 and in January and February 1969 Lockheed Shipbuilding and Construction Company (hereafter LSCC), formerly the Puget Sound Bridge and Drydock Company, initially submitted consolidated claims for equitable adjustments under four Bureau of Ships (currently Naval Ship Systems Command, or NAVSHIPS) contracts, NObs-4785, NObs-4660, NObs-4765 and NObs-4902. The amounts claimed have been revised several times; the most recent revision being that accompanied by DD Forms 633-5 dated May 5, 1971, for a cumulative amount of $139,572,006. Other LSCC correspondence at various times stated these claims in an amount totaling as much as $158,018,440.

2. The DE 1052 Contract and Claim. Contract NObs-4785 is for the construction of five DE 1052 class ocean escort vessels. It was awarded to LSCC on July 22, 1964 as a result of formal advertising. The solicitation provided for a split award. LSCC was fourth low bidder; the three lower bidders received contracts for seven other DE 1052 class vessels each, with a balance of five vessels awarded to LSCC. Contract NObs-4785 had an initial fixed price of $60,285,000 and also provided for escalation; its specified original and amended delivery dates are as follows:

Vessel	Original delivery date	Amended delivery date[1]	Actual delivery date
DE-1057	Sept. 1968	May 1970	May 8, 1970
DE-1063	Dec. 1968	June 1971	June 22, 1971
DE-1065	Mar. 1969	Dec. 1971	Dec. 30, 1971
DE-1069	June 1969	Apr. 1972	Apr. 28, 1972
DE-1073	Sept. 1969	Aug. 1972	Aug. 11, 1972

[1] Bureau modification No. 3 of Feb. 8, 1965, extended these 5 vessels' delivery dates each for 5 months because of late delivery of Government-furnished equipment, viz: AN/SQS-26 sonars. Subsequent modification Nos. A-239 of July 3, 1967, and A-566 of Feb. 27, 1970, made further extensions resulting in the final amended delivery dates enumerated above, but reserved the parties' rights as to respective responsibilities for that balance of the vessel delays.

3. Since the DE 1052 class vessels constituted a new vessel class for which previous DE working plans were inapplicable, NAVSHIPS, on December 6, 1963, awarded Contract NObs-4715 to Gibbs & Cox, Inc., to prepare DE 1052 class working plans and other data. The DE 1052 vessel construction solicitation (which resulted in the split award to four shipyards) advised bidders of the Gibbs & Cox working plans contract, and provided that promptly upon execution of the lead ship (DE 1052) construction contract, the lead ship builder—which turned out to be Todd Shipyards Corporation, Seattle—was to subcontract to Gibbs & Cox for the NObs-4715 work, whereafter NObs-4715 was to be nullified. The DE 1052 vessel construction solicitation also informed bidders that on lots excluding vessel DE 1052 the standard NAVSHIPS working plan practice would be followed, namely, that such other construction contractors could either purchase working plans at the cost of reproduction from the lead ship builder or they themselves could prepare their own working plans.

4. On November 19, 1968, LSCC submitted a claim for a $30,783,460 equitable adjustment under Contract NObs-4785; by May 5, 1971, that amount had been revised to $45,181,080.

5. The LPD Contracts and Claims. The last three contracts enumerated in paragraph 1 are for the construction of amphibious transport dock (LPD) vessels, and were awarded as follows:

Contract No.	Vessels	Date awarded	Price	Method	Claims
NObs-4660	LPD 9 and 10	May 23, 1963	$50, 445, 000	Negotiated[1]	35. 1M
NObs-4765	LPD 11, 12, and 13	May 15, 1964	69, 774, 000	Formal Adv	31. 1M
NObs-4902	LPD 14 and 15	May 17, 1965	48, 395, 000	Formal Adv	28. 2M

[1] Awarded without discussion on basis of initial price. All 3 contracts are fixed price with escalation

6. The original and amended contract delivery dates, and the actual delivery dates, for these LPDs are:

Contract No. and vessel	Original contract date	Amended contract date	Actual delivery date
NObs-4660: LPD-9	Sept. 30, 1966	Oct. 18, 1968 [1]	Oct. 18, 1968
NObs-4660: LPD-10	Dec. 31, 1966	July 7, 1969 [1]	July 7, 1969
NObs-4765: LPD-11	Apr. 15, 1967	May 1970 [2]	May 15, 1970
NObs-4765: LPD-12	July 15, 1967	Dec. 1970 [2]	Dec. 4, 1970
NObs-4765: LPD-13	Oct. 15, 1967	Dec. 26, 1969 [2]	Dec. 26, 1969
NObs-4902: LPD-14	June 17, 1968	Feb. 1971 [3]	Feb. 12, 1971
NObs-4902: LPD-15	Sept. 17, 1968	June 1971 [3]	June 25, 1971

[1] By NObs-4660 modification No. A-738 of Mar. 9, 1970.
[2] By NObs-4765 modification No. A-737 of Mar. 16, 1970.
[3] By NObs-4902 modification No. A-499 of Mar. 9, 1970.

In none of the three foregoing modifications did the parties agree upon an apportionment of respective responsibilities for these delays in deliveries.

7. a. On January 20, 1969, LSCC submitted a claim for $24,151,451 under Contract NObs-4660; this amount was subsequently revised to $35,067,992 on May 5, 1971 on a DD Form 633-5 price proposal.

b. On February 6, 1969, LSCC submitted a claim for $24,991,341 under Contract NObs-4765; the May 5, 1971 revision increased this amount to $31,137,308.

c. On February 7, 1969, LSCC submitted a claim for $20,198,260 under Contract NObs-4902; the May 5, 1971 revision increased this amount to $28,185,626.

8. *The Course of Claim Investigation and Aborted Settlement Negotiations.* In February 1969, NAVSHIPS established a nucleus Special Task Force to investigate the three LPD claims. A different nucleus team was established to investigate the DE-1052 claim. Numerous visits to LSCC's Seattle facility were made in the course of these investigations. Commencing in December 1970 the parties sought to negotiate a settlement of these four claims. The following subparagraphs describe the events relating to the abortive settlement negotiations:

a. By Revision No. 7, of January 30, 1970, to the Navy Procurement Directives, a new paragraph 1-401.55 was added. It established requirements that NAVSHIPS (among other Navy activities) report major claims and obtain the approval of the Assistant Secretary of the Navy (Installations and Logistics) before making any commitment to a claimant on a settlement exceeding $5,000,000.

b. On December 30, 1970, then Deputy Defense Secretary Packard wrote to Senator John Stennis that,

". . . the remaining claims (referring to Lockheed's LPD and DE 1052 claims), totaling $159.8 million, have been the subject of intensive negotiations between the Navy and Lockheed. To settle these claims, the Navy has offered Lockheed $58 million. I am hopeful that a settlement of these claims can be reached. Generally speaking, all negotiations regarding this program have also been concluded. The single remaining issue is Lockheed's acceptance of this offer."

c. On January 5, 1971, Lockheed wrote to Mr. Packard:

"With reference to the ship construction claims, we are not prepared to accept the Navy offer of $58 million. It is our belief, however, that if both parties continue to pursue negotiations diligently a mutually acceptable solution can be achieved within a reasonable period of time."

d. Negotiations continued and on January 29, 1971, a final negotiating meeting was held with Rear Adm. N. Sonenshein, Capt. A. Holfield and Mr. R. Bates representing NAVSHIPS and Mr. R. Osborn and Mr. A. Folden representing LSCC. A tentative settlement agreement of $62 million was reached with the understanding that it was subject to required approval of higher authority. For reasons detailed below such approvals were never received.

e. On February 1, 1971, Lockheed President D. J. Houghton wrote to Lockheed shareholders: ". . . last week we reached *tentative* agreement with the Navy to settle our ship construction claims for $62 million . . ." (emphasis added).

f. In a NAVSHIPS memorandum to the Assistant Secretary of the Navy (Financial Management) dated February 12, 1971, the Acting Commander, NAVSHIPS, stated:

"b. Tentative settlement—$62 million.

"c. Provisional price increases made to date against these claims total $28.4 million.

"d. Additional provisional price increases of $21 million are in process. Provisional increases require documentation in the form of technical analysis, audit verification and legal determinations to safeguard the Government's interests, and NAVMAT approval in accordance with NPD 1-401.55(e). Hence, the authorization of provisional increases involves essentially all the steps required in final settlement.

"e. Final Settlement Date—15 March 1971. This date is largely theoretical. It is based upon completion of the extensive documentation required for each of the four contracts involved (including finalization of the Technical Advisory Reports (TAR's), DCAA final audit reports and formal legal memoranda) and submission of the post-negotiation business clearance by 10 March 1971 to NAVMAT and ASN (I&L) for approval in accordance with NPD 1-401.55. . . ."

g. On February 24, 1971, NAVSHIPS and Lockheed executed a modification to the four contracts involved in these claims for the LPDs and DE 1052s, to provide Lockheed provisional price increases on account of the claims. The modification states unequivocally that the settlement agreement of $62,000,000 was subject to approval by ". . . higher Government authorities in accordance with applicable regulations . . ." and continued:

"The parties agree that neither the above provisional increases in the contract price nor the above mentioned tentative settlement of $62 million shall be construed as an acknowledgement of the validity of any of the specific claims included in the Contractor's claims submissions under these contracts nor does the Government admit the correctness of any of the facts alleged in these submissions. Furthermore, these provisional increases in the contract prices and the proposed settlement of $62 million shall not be considered to represent the value of the Contractor's claims if the Contracting Officer shall find, in the event the supplemental agreements incorporating the proposed settlement are not executed, that the Contractor is entitled to equitable adjustments in the contract prices totaling less than the provisional increases in contract prices made to date or less than the proposed settlement of $62 million on account of the facts alleged in his claims submissions."

h. On May 20, 1971, then Defense Secretary Laird reported to Chairman Hébert of the House Armed Services Committee:

"Claims under on-going contracts for DE 1052's and LPD's totaling $159.8 million have been *tentatively* settled for $62 million. The LPD settlement has been approved and paid; the DE 1052 agreement is still in the process of review by the Navy." (emphasis added).

i. Secretary Laird's confusion about the status of review of the LPD claims by the Navy—which, incidentally, were not handled separately from the DE 1052 claim—was corrected by then Deputy Defense Secretary Packard's statement to the Secretaries of the Army and Air Force in a memorandum dated June 4, 1971:

"In June 1970, Lockheed's claims totaling $46 million for work under the five completed ship contracts were settled for $17.9 million. The settlement was reached through the Department of the Navy's established procedures for negotiating ship claims. Likewise, claims under four on-going contracts for DE 1052's and LPD's totaling $159.8 million have been *tentatively* settled for $62 million. *The LPD and the DE 1052 agreement is still in process of review by the Navy.* However, if it is assumed that a settlement of the $159.8 million claim will be for $62 million on these four contracts, the total Lockheed loss before taxes on all nine contracts will be approximately $89.6 million." (emphasis added).

j. On January 2, 1973, Lockheed prepared a four-page briefing paper on these claims, stating on **page 2:**

". . . USCC and NAVSHIPS renewed and increased negotiation efforts on the remaining claims, and on January 29, 1971 Lockheed Aircraft Corporation Group Vice President R. J. Osborn, LSCC's President A. M. Folden and the Commander, Naval Ship Systems Command N. A. Sonenshein arrived at a settlement figure of $62 million. Subsequently, supplemental agreements were executed which committed LSCC to that settlement amount as of that date, and committed the Navy likewise upon approval "by higher Government authorities in accordance with the applicable regulations."

Since the date of the "hand-shake" agreement on January 29, 1971, made in the spirit and within the parameters of Secretary Packard's plan, there has been virtually no progress by the Navy in finalizing the settlement agreement. . ."

9. *Navy Review Actions.* With respect to the LSCC consolidated LPD and DE 1052 claims, the Navy took the following review actions:

a. On March 25, 1971, NAVSHIPS submitted the proposed $62 million settlement sum for the consolidated Lockheed claims for review and hopefully for approval by the duly constituted reviewers in the Naval Material Command; that group was named the "Contract Claims Control and Surveillance Group" (or CCCSG). The CCCSG, after several weeks of review and deliberation, concluded that the proposed LSCC claims tentative settlement could not be approved because of factual inadequacies in LSCC provided information in the area of legal entitlement for certain claim elements and for lack of substantiation of quantum with respect to the entire claim. Accordingly, on August 3, 1971, NAVSHIPS withdrew the proposed settlement from CCCSG consideration.

b. Thereafter, in August 1971 NAVSHIPS requested the Superior of Shipbuilding, Conversion and Repair, 13th Naval District (SUPSHIP-13), whose office is the cognizant contract administration office with respect to the four LSCC contracts, to assemble a team to obtain improved substantiation of the proposed settlement in certain areas. For the most part, as described in greater specificity in paragraphs below, LSCC declined to disclose cost or pricing data to support its DD Form 633-5 price proposals for these claims, and other contract performance and production information relevant to the support and substantiation of these claims.

c. Notwithstanding the foregoing lack of cooperation from LSCC, on June 9, 1972, NAVSHIPS once again submitted the proposed LSCC claims settlement to the Naval Material Command for review and approval. On this occasion the NAVMAT reviewers were designated the NAVMAT Claims Board. On June 20, 1972, the DE 1052 portion of the submission was supplemented with the LPD portion of the submission. After six months review and consideration of these submissions, the NAVMAT Claims Board determined that the settlement was unsupported and not susceptible of approval. Accordingly, on January 24, 1973, NAVSHIPS once again withdrew the submission from NAVMAT consideration.

10. The foregoing recapitulation of events in paragraphs 8 and 9 surrounding the tentative claims settlement agreement of January 29, 1971, and the submission and resubmission of the proposed settlement to higher authority for review and approval, and the two determinations not to grant approval by NAVMAT, lead to the unavoidable conclusion that in fact both LSCC and the Navy understood that the $62 million claims settlement was not unconditional. It required review by higher authorities and approval by the Chief of Naval Material and by the Assistant Secretary of the Navy (Installations and Logistics), in accordance with Navy Procurement Directives, paragraph 1-401.55. Such approvals were never received because the NAVMAT Claims Board perceived certain general and specific inadequacies in LSCC's claims support and substantiation. Three major claim items were identified as inadequately documented in the SUPSHIP 13 letter serial 130-2904 of October 17, 1972, to LSCC. Further, in NAVSHIPS letter serial 90-02 of 26 December 1972 to LSCC the Navy stated:

"We have completed a preliminary review of this additional data submitted by your company, which, though responsvie in some respects, still fails to present a clearly discernible 'cause and effect' relationship between alleged Government-responsible actions, on the one hand, and the claimed resulting increased costs to LSCC, on the other. The paucity of data showing such relationship applies also to the other elements of the LPD claims, as well as to the DE 1052 Class claim.

"To ensure consideration in this Command's final consideration of your claims, you are invited to submit to this Command, via the Supervisor, any material establishing the above-noted relationship, including any incisive rationale, supported by historical cost data."

For the foregoing reasons the tentative January 29, 1971, NAVSHIPS settlement did not receive the higher level approvals required by applicable Navy directives. Similarly, the provisional payments NAVSHIPS made to LSCC on account of these claims—for details, see paragraphs 14-15 below—were premised upon an exposition of a portion of the claim facts, specifically, LSCC's claim assertions and representations taken at their face value, without regard for a full and complete evaluation of other contemporaneous events in the performances of these contracts, many of which were later found to be attributable to non-government responsible causes. Those provisional payments were also influenced by anticipated LSCC cost overruns projected from costs incurred and to be incurred to complete contract performances as of January 1971. Accordingly, the provisional payments were found to be subject to the same deficiencies in support and substantiation as was the tentative $62 million settlement of January 1971.

11. *LSCC Claim Itemization.* LSCC has broken down its claims into subject areas of alleged Government-responsible causes of additional costs which are said to constitute entitlement to equitable adjustments in the countracts' prices. Enclosure (1) sets forth the Contracting Officer's determinations and findings related to these various allegations. For convenience only, some allegations common to all contracts have been treated in the same section of the determinations and findings. Each contract, however, has been treated as a separate entity. Enclosure (2) lists and classifies alleged improper rejections of LSCC work discussed in enclosure (1). Enclosure (3) lists the change orders included in the consolidated claims; determinations and findings relative to them are included in enclosure (1).

12. In support of its allegations, LSCC has submitted little or no historical cost, production and management data to substantiate its estimates. The Contracting Officer and his authorized representatives have requested relevant historical cost, production and management information but, with rare exceptions, such information has not been provided. The last such request was made on 20 March 1973, at which time the Navy stated its preliminary position in writing to LSCC on each of the claim allegation issues and requested any additional comments or available supporting data LSCC might have. LSCC has not responded to the Navy position or request.

13. All ships procured under the instant contracts have been delivered; cost, performance and management data is now historical and should have been used to price the requested equitable adjustments. LSCC has effectively refused to use all of the available data, and in fact, has denied authorized representatives of the Contracting Officer access to much directly relevant cost and pricing data.

Since LSCC has been unable to support adequately many elements of its claims, it appears that an impasse has been reached. Accordingly, the Contracting Officer deems it necessary to make a unilateral determination of the amount due LSCC by way of equitable adjustment in the prices of the four contracts. In considering the claims as originally asserted, the Contracting Officer finds in some subject areas that there is no data to support a determination of entitlement; in other areas, when entitlement has been established, the equitable adjustments must be based on Navy-developed estimates. The Navy-developed manhour estimates have been priced using Defense Contract Audit Agency-developed composite historical contract labor rates.

14. The Contractor has previously received provisional price increases on each contract on account of these consolidated claims as follows:

NObs	Mod.[1]	Payment
4660	8	$14,435,000
4765	7	13,128,000
4785	12	10,081,158
4902	7	11,387,000

These modifications were embodied in a single supplemental agreement, executed on Feb. 24, 1971, effective Jan. 29, 1971; this modification incorporated the provisional payments made by earlier modifications and set forth the cumulative provisional payments for each LPD contract. The cumulative DE-1052 contract provisional payment of $10,081,158 was not stated in Mod. 12 to contract NObs-4785 but rather in field Mod. No. A-742 issued Feb. 5, 1971.

15. Paragraph 4 of each of the foregoing modifications provides that upon final resolution of the claim, if the equitable adjustment resulting from such resolution is less than the provisional increase, the contract price as provisionally adjusted shall be reduced by the amount of the equitable adjustment, and the balance shall immediately be refunded to the Government, or credited to the Government against existing unpaid invoices. The equitable adjustments resulting from the Contracting Officer's determinations and findings in enclosure (1) are summarized by contract in enclosure (4) and totals brought forward below. Accordingly, inasmuch as the total adjustment in the prices of contracts NObs-4660, 4675, 4902 and 4785 as determined herein do not exceed the provisional payments previously made, pursuant to paragraph 4 of the modifications cited above, the contracts' prices are hereby adjusted as follows and demand is made for the balance due:

NObs	Provisional payment	Equitable adjustment	Balance due U.S. Government
4660	$14,435,000	$1,796,805	$12,638,195
4765	13,128,000	1,832,191	11,295,809
4785	10,081,158	821,892	9,259,266
4902	11,387,000	2,334,661	9,052,339
Total	49,031,158	6,785,549	42,245,609

Notice is hereby given that, in accordance with the General Provision No. 42 of each contract "Interest", commencing thirty (30) days from receipient of this Final Decision, an interest charge at the rate of six percent (6%) per annum will be assessed on any unpaid balance.

16. LSCC's Premature May 24, 1973 "Appeal" Letter. On May 24, 1973, Mr. F. Trowbridge vom Baur, counsel for LSCC, wrote a letter to the Secretary of the Navy, with a coup to the Armed Services Board of Contract Appeals, purporting to "appeal" the LSCC claims on the DE 1052 and LPD contracts. Two bases were presented: that the Navy has not honored the January 29, 1971 contract modification settling these claims for $62 million, that Navy failure to issue a final decision of the Contracting Officer constitutes an appealable action. The factual misconceptions inherent in the first basis are rebutted in paragraphs 8, 9 and 10. With respect to the second basis, on March 20, 1973, NAVSHIPS sent LSCC a detailed 71 page explanation of the Navy's position on each element of the consolidated LPD and DE 1052 claims. That March 20th letter stated:

"You are requested to carefully review the Navy's position and to provide any comments or additional data you may have prior to April 20, 1973. Your comments will be carefully weighed and considered prior to formalization of any further settlement offer or any final decision of the Contracting Officer. Should you desire, a meeting can be arranged to allow further discussion of these matters."

By letter of April 13, 1973, LSCC requested that ". . . no further action be taken with regard to . . ." the Navy's March 20, 1973 letter. Thus although LSCC specifically requested that a final decision on this matter be held in abeyance, NAVSHIPS received no further communication from LSCC until receipt of the foregoing May 24, 1973 "appeal" letter from Mr. Vom Baur. These facts clearly indicate that the "appeal" by Mr. Vom Baur is premature.

17. This is the final decision of the Contracting Officer. Decisions on disputed questions of fact and on other questions that are subject to the procedure of the Disputes clause may be appealed in accordance with the provisions of the Disputes clause. If you decide to make such an appeal from this decision, written notice thereof (in triplicate) must be mailed or otherwise furnished to the Contracting Officer within thirty days from the date you receive this decision. Such notice should indicate that an appeal is intended and should reference this decision and identify the contract by number. The Armed Service Board of Contract Appeals is the authorized representative of the Secretary for hearing and determining such disputes. The Rules of the Armed Services Board of Contract Appeals are set forth in the Armed Services Procurement Regulation, Appendix A, Part 2.

W. E. SHULTZ,
Commander, Supply Corps, U.S. Navy, Contracting Officer.

FARM PRODUCTION GOALS CANNOT BE ACHIEVED WITHOUT ADEQUATE SUPPLY OF FERTILIZER

Mr. HUMPHREY. Mr. President, on August 21, 1973, I wrote the Secretary of Agriculture requesting that he form an interagency task force to deal with our Nation's fertilizer shortage. On September 10, 1973, I and a number of other Senators met with Dr. Dunlop, Director of the Cost of Living Council, regarding this same problem.

Following the meeting, I joined with several other Senators in urging the U.S. Department of Agriculture to respond promptly to Dr. Dunlop's request that the Department provide him with an analysis of this problem. He indicated he would use the analysis as a part of the evidence in determining whether existing price ceilings on domestic fertilizer prices should be lifted.

Mr. President, I have just received a letter and table from the Department of Agriculture in response to this most recent request. I ask unanimous consent that they be printed in the RECORD following completion of my remarks.

The Department's letter indicates that it delivered its analysis of this situation on September 18, 1973, to the Cost of Living Council.

It should be noted in the table accompanying this letter that the Department is projecting an estimated 1 million ton shortage of nitrogen fertilizer and a 700,000 ton shortage phosphate—DAP—fertilizer during this fertilizer year—July 1, 1973 to June 30, 1974.

Given the urgent need for fertilizer by Great Plains wheat farmers who are now planting winter wheat and their inability to acquire the supplies they need due to price ceilings now imposed on domestic sales of fertilizers, I urge Dr. Dunlop and the Cost of Living Council to give us an early decision regarding this matter, and that their decision be to lift these ceilings immediately.

I am convinced, by the evidence I have studied, that U.S. farm producers can afford and are willing to pay, if necessary, higher prices for fertilizer in order to secure the supplies they need to attain their maximum production goals.

Failure to lift these ceilings on domestic fertilizer prices will prevent U.S. farmers from competing for available supplies with foreign buyers who are not subject to any such ceilings. As a result of the ceilings, these foreign buyers can and are depriving U.S. farmers of fertilizer supplies by paying over $20 to $25 per ton more than our U.S. farmers are now permitted to pay.

So Members can fully appreciate the importance of our resolving this stuation, and promptly, I request unanimous consent that a letter and study I just received from the Council of Farmer Cooperatives regarding the general U.S. plant food supply outlook for 1973–74 be printed in the RECORD following the USDA letter I mentioned earlier.

We must remember, Mr. President, that 30 percent of all U.S. crop production depends directly on the application of fertilizer. We must also remember that the fertilizer industry is the largest single user of natural gas in this Nation—450 billion cubic feet per annum. Therefore, we must not only take action to insure that our Nation's farmers can purchase the fertilizer they need to achieve our national production goals next year, we must also take steps to insure that our fertilizer industry gets the natural gas it will require to make those larger fertilizer supplies available.

There being no objection, the letter and table were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., September 18, 1973.
Hon. HUBERT H. HUMPHREY,
U.S. Senate.

DEAR SENATOR HUMPHREY: This is in response to your communication of September 10, 1973, regarding your meeting with COLC and representatives of the fertilizer industry. The Department has been monitoring and vigorously working on analysis of the fertilizer situation and the potential domestic shortages for several months. We are responding to COLC's specific request made earlier this week for an analysis of domestic and foreign capacity as well as prospective output for 1974. In addition, we will furnish to COLC information as to the extent to which multiple price systems have emerged.

It would seem that there are two important questions that need to be analyzed. What could be expected to happen to this country's crop output in 1974 if the present Phase IV regulations are continued on fertilizer, and is the foreign demand strong enough that there will not be significant reductions in fertilizer exports regardless of reasonable upward adjustments in domestic price.

Because of the desire to make a timely decision, we are planning to complete the development of this material and furnish it to COLC Tuesday, September 18. This information will be furnished without recommendation and further analysis will be made by USDA.

Other actions that we have taken in light of the potential fertilizer shortage include meeting with AID and the initiation of an intensive educational program on conservation and techniques for more efficient use of available supplies of fertilizer. Meetings were held earlier this week with AID officials to discuss fertilizer exports generated by AID. AID is now committed except for emergencies to an embargo on fertilizer shipments during the months of February through May. February through May is this country's high use period.

Enclosed for your information are initial estimates of projected supplies and requirements for nitrogen and phosphates.

Sincerely,

CARROLL G. BRUNTHAVER,
Assistant Secretary.

TABLE 1.—ESTIMATED SUPPLIES OF N & P_2O_5 IN 1972–73 AND PROJECTED SUPPLIES AND REQUIREMENTS FOR 1973–74[1]

	Nitrogen 1,000 tons N		Phosphate 1,000 tons P_2O_5	
	1972–73	1973–74	1972–73	1973–74
Supply from domestic production	9,891	10,000	6,292	6,600
Imports	851	800	312	300
Total available supply	10,742	10,800	6,604	6,900
Exports	1,350	1,700	1,424	1,700
Percent available supply exported	12.5	15.7	21.5	24.6
Net supply for U.S. farm use	9,392	9,100	5,180	5,200
Estimated 1973–74 requirements		10,100		5,900
Percent net supply is of requirements		90		88
Deficit		1,000		700

[1] Fertilizer year July 1 to June 30.

Mr. PAUL S. WELLER, Jr.
Director of Public Affairs, National Council of Farmer Cooperatives, Washington, D.C.

DEAR MR. WELLER: Thank you so much for your letter concerning our critical shortage of farm fertilizers in this country.

I particularly appreciate having your U.S. Plant Food Supply Outlook for 1973–74. It will be a helpful resource material in the work I am doing in this area.

Again, thank you for keeping me so well informed.

With every best wish.

Sincerely,

HUBERT H. HUMPHREY.

NATIONAL COUNCIL OF FARMER COOPERATIVES,
Washington, D.C., September 17, 1973.
Hon. HUBERT H. HUMPHREY,
U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR HUMPHREY: The farmer cooperatives want to applaud your valuable efforts this past week in pressing for a solution to the increasingly critical shortage of farm fertilizers. You are to be commended for such timely assistance.

We in the farmer cooperatives are obligated and dedicated to supplying U.S. farmers with adequate supplies of fertilizers for their domestic use. This has become increasingly difficult over the past several months, as raw products are exported to more lucrative foreign markets. At least one of our major fertilizer manufacturers has been placed on allocation for phosphate due to commercial interests shipping this raw material abroad.

We have met personally with Secretary Butz and members of his economic staff to brief them on the critical shortage. They have been most receptive to our presentation, and have suggested our continued efforts with you and the Cost of Living Council. It is their feeling that a joint effort between the Legislative and Executive Branches is desirable to solve this pressing problem.

The enclosed fertilizer situation outlook, as prepared by one of our major cooperatives, was presented recently to USDA officials. We enclose a copy for your information, in the hope that it will assist you in your continuing efforts on the farmer's behalf. Thank you again for doing such a fine job.

Sincerely,

PAUL S. WELLER, Jr.,
Director of Public Affairs.

U.S. PLANT FOOD SUPPLY OUTLOOK FOR 1973–74

(NOTE.—Charts referred to not reproduced in the RECORD).

In 1973–74 U.S. farmers will be faced with real shortages of nitrogen and phosphae fertilizers. These shortages have already begun to become apparent as indicated by farmers' difficulties in obtaining nitrogen for wheat planting in the high plains area. Since most of the U.S. plant food consumption actually takes place in the spring season, the full impact of the developing nitrogen and phosphate shortages will not be felt until the spring 1974 planting season. CF Industries and its member cooperatives are keenly aware of the magnitude of the developing shortage, having just completed the 1972–73 fertilizer year with dry nitrogen products, nitrogen solutions, and all phosphate products having to be allocated. It is believed that the shortages of nitrogen and phosphate will have a major impact upon agricultural production from crops planted during 1973–74, and for this reason, the following presentation was made to the Honorable Earl L. Butz, Secretary of Agriculture, on August 23, 1973.

DEVELOPMENTS IN THE EXPORT MARKET

To understand the reasons for the shortages of nitrogen and phosphate fertilizers in the U.S., one must consider developments in the second largest market for plant food materials. Perhaps the most outstanding development in the export market has been the skyrocketing of prices for phosphate fertilizers. Chart 1 indicates the relationship between the export and domestic wholesale prices for granular triple superphosphate for the period 1969 through 1973. Historically, phosphate fertilizers have been sold in the export market at a dollar price per metric ton that was equivalent to the domestic price per short ton, or, in other words, the export price was generally about 10 percent lower than the domestic price. In 1970 the export price for GTSP exceeded the domestic price, and in the past two years the export price increased by 49 percent. This increase far exceeded the domestic price increase, which was limited by price controls, and in 1972–73 the export price was $35 per short ton above the domestic price.

A similar analysis for diammonium phosphate is presented in Chart 2. In the past two years the export price of DAP increased by 85 percent, and in 1972–73 the export price of DAP was $32 per ton higher than the domestic price.

Nitrogen prices in the export market also increased markedly during the past two years, with the price of ammonia and urea increasing by 100–110 percent. Most of this increase in nitrogen export prices came during the last half of 1972–73. These increases occurred in spite of the U.S. application of nitrogen fertilizers being retarded by wet weather during the fall and spring seasons.

The increase in export prices for nitrogen and phosphate generally reflect the high level of demand for these fertilizers in the offshore market; for example, during the past two years exports of phosphate fertilizers increased by 58 percent to 1.42 million tons of P_2O_5 content. This means that the level of exports during the two-year period increased by 524,000 tons of P_2O_5. Had this additional volume of exports been available to the U.S. farmers in 1972–73, their fertilizer P_2O_5 supply would have been increased by 10 percent. During the past two years, exports of nitrogen have increased by 25 percent to 1.35 million tons of nitrogen content, or an increase in annual nitrogen exports during the period of 273,000 tons of nitrogen. In 1972–73, had this incremental export volume not been exported, the U.S. farmers' nitrogen supply would have been increased by 3 percent.

DOMESTIC PLANT FOOD SUPPLY

The much improved export prices presented most U.S. fertilizer manufacturers with a more attractive marketing alternative compared to their normal emphasis on the domestic plant food market. With export prices being boosted by supply-demand forces, and with domestic plant food prices being restricted by price controls, the U.S. farmer finds himself in a non-competitive position with respect to the export demand. With the increased planting of crop acreages in 1972–73, the domestic demand for nitrogen should have been up sharply, but was retarded by wet weather to an increase of only 3 percent. U.S. phosphate consumption was limited by available supply to an increase of 6.4 percent, which is still a very respectable increase. The outlook for the current fertilizer year, 1973–74, indicates real shortages of both nitrogen and P_2O_5.

Chart 3 depicts the relationship between U.S. total nitrogen supply, including imports, and U.S. total nitrogen demand, including industrial usage and exports. CF Industries is forecasting that in 1973–74 nitrogen supply will fall short of nitrogen demand by 312,000 tons of nitrogen (the equivalent of a large ammonia plant's annual production capacity). With the new Farmland and Agrico ammonia plants scheduled to come onstream for 1974–75, the shortage is forecast to decline to 192,000 tons of nitrogen in that year. The inability to secure firm long-term natural gas supply commitments has prevented the development and announcement of additional ammonia production capacity. If no additional ammonia plants are built, the U.S. nitrogen shortage will continue to increase to 1.1 million tons in 1975–76 and a projected 5.2 million tons by 1981–82.

CF is projecting a nitrogen shortage this year of 312,000 tons, assuming that nitrogen exports will decline to 1.2 million tons. This assumption is based upon normal weather prevailing during the planting seasons, eliminating the need to export ammonia to keep plants running as occurred due to heavy inventory carry-over into 1972–73. If nitrogen exports remain at the same level as 1972–73, then the domestic shortage would increase to 462,000 tons.

Chart 4 presents the U.S. phosphate supply-demand balance for the period 1972 through 1975. The total phosphate supply represents 87 percent of the theoretical availability, including domestic production capacity and a minor volume of imports. The operating factor of 87 percent represents the exhibited attainable level of efficiency for the phosphate industry. The total demand for phosphates represents domestic fertilizer, feed, and industrial requirements plus phosphate exports. For 1972–73 CF Industries estimates that supply was 87,000 tons of P_2O_5 short of meeting demand, and this shortage was offset primarily by reduced application rates on crop acreage.

CF industries forecasts that with the additional acreage expected to be planted during 1973–74, and an anticipated increase in P_2O_5 exports to 1.6 million tons, there will be a net shortage of 668,000 tons of P_2O_5 for the domestic plant food market. Phosphate exports are forecast to increase in 1973–74 due to continuing strong export prices and contractual commitments made during 1972-73.

IMPACT ON U.S. CROP ACREAGE

While it is not possible to pinpoint the exact timing and geographical location of the nitrogen and phosphate shortages forecast for this year, it is possible to relate them to major crop acreages. Here it is assumed that 1973–74 acreages for corn, wheat, and soybeans will increase as follows:

U.S. CROP ACREAGE

[Million acres]

	Corn	Wheat	Soybeans	Total	Increase
1972	66.5	47.4	45.8	159.7	
1973	72.5	53.6	55.7	181.8	22.1
1974	75.0	57.0	60.0	192.0	10.2

If the shortages of nitrogen and phosphate, as forecast by CF Industries for 1973–74 at 312,000 tons of N and 680,000 tons of P_2O_5 were to fall completely upon the major crops of corn, wheat, and soybeans, 16.7 percent of the estimated 192 million acres of these crops would be impacted in 1973–74. A total of 16.3 million acres of corn and wheat would receive no nitrogen, and 32.1 million acres of corn, wheat, and soybeans would receive no phosphate. It is interesting to note that the total increase in acreage (harvested basis) of corn, wheat, and soybeans for 1973 and 1974 crop years, as tabulated above, amounts to 32.3 million acres, which is a conservative estimate compared to the total crop acreage increase of 40 million acres set as a goal by the USDA. The total two-year increase in acreage of these two crops would be without phosphate fertilization if the total phosphate shortage fell on only these three crops. A total of 90 percent of the two-year increase in corn and wheat acreage would be impacted by the nitrogen shortage if it fell on only these two crops.

This analysis, indicating that the nitrogen and phosphate shortages will impact 16.7 percent of the corn, wheat, and soybean acreages in this fertilizer year, is one way of quantifying the severity of the shortage. In actual practice the shortages will be spread across the U.S. and all crops, although probably in a disproportionate allocation. The general conclusion to be reached here is that the shortages will result in underfertilization and reduced crop yields, which, in turn, will have a inflationary impact upon U.S. food and fiber prices due to increased production costs.

WHAT ARE THE ALTERNATIVES?

There are basically two alternatives for the administration with respect to the plant food shortage:

1. Leave the U.S. farmer short of fertilizer when additional acreage and increased crop production is greatly needed to meet high demand levels and hold down price escalation due to intense competition; or
2. Maximize the available U.S. supply of nitrogen and phosphate fertilizers.

The first alternative does not appear to be either productive or viable. The second alternative—maximizing nitrogen and phosphate supplies for the U.S farmer—can be done in two ways as follows:

1) *Reducing Exports*

The volume of fertilizer being exported from the United States has been increasing dramatically. Recent experience with restricting U.S. exports, as, for example, by an embargo on soybean products, has proven to be most unpopular with U.S. producers and foreign customers in that it represents a disruption in the normal market interaction and, in many instances, contractual commitments. One area of exports, however, which should be considered for limitation, are government-sponsored export programs.

The volume of fertilizer exports fostered by the U.S. Agency for International Development (AID) has grown significantly in the past two years. As shown on Chart 5, from 1971 to 1973, AID-financed exports of U.S. fertilizer production have increased from 707,000 tons to 940,000 tons, an increase of 33%. The dollar value of these exports has increased by 156%. In fact the U.S. government is financing fertilizer exports at the highly inflated export prices at the same time that U.S. farmers are short of fertilizer and prevented from paying export competitive prices by government price-control programs.

It would appear that the farmer can pay these prices by taxation, if his fertilizer is exported out of the country.

It is very strongly recommended that AID-financed fertilizer exports be curtailed until export prices return to more normal levels, and the U.S. fertilizer supply-demand situation is significantly improved.

2) *Freeing up Domestic Fertilizer Prices*

Perhaps the most effective short-term means of increasing the amount of nitrogen and phosphates available to the U.S. farmer is the reregulation of fertilizer prices. This would permit the U.S. farmer to compete with the export demand for his plant food requirements. Undoubtedly domestic fertilizer prices would be drastically increased by this action—it is not inconceivable that domestic phosphate prices would double. While this would appear as an inflationary factor in the economy, it would have a far greater non-inflationary impact because of the production multiple involved in increasing crop yields by the use of concentrated fertilizers. The higher cost of the fertilizer would be more than offset by the low cost of the incremental food and fiber production.

Recognizing that the short-term fertilizer prices that would result from deregulation would be in some respects unreasonable from the standpoint of return on investment to the fertilizer producer, the higher prices would, however, reflect actual market competition. The impact upon the farm economy of the higher fertilizer prices would be much less than the impact of reduced crop yields due to under-fertilization.

NATURAL GAS SUPPLY

As indicated by Chart 4, the shortage of phosphates in the United States is predictably short-lived, with sufficient new production already announced or under construction to create a phosphate surplus for 1974–75. The development of additional phosphate production capacity is facilitated by the availability of phosphate rock and sulfur—the two primary raw materials in phosphate production.

As shown in Chart 3, however, the shortage of nitrogen in the United States is forecast to increase for the foreseeable future; that is to say, the supply and demand lines are divergent. This prediction of prolonged shortage is due to the inability of domestic nitrogen producers to secure adequate long-term supplies of additional natural gas—the primary raw material in nitrogen production.

The availability of natural gas for nitrogen production is critical to the food and fiber supply of the United States. Although less than 5% of U.S. natural gas consumption is for petrochemicals, such as ammonia, these products have been disproportionately affected by the natural gas shortage because of the long-term supply commitment required to justify the major capital investment in a chemical plant ($33 million for a modern ammonia plant). The U.S. government, through the Federal Power Commission, has been establishing Use Categories for natural gas. Category 1 is the highest priority use and is reserved for residential heating and critical heating requirements, such as hospitals. Petrochemicals, including ammonia, have been placed in Use Category 2, recognizing the strategic nature of these materials.

Although high priority has been given to the use of natural gas for nitrogen production, this has had relatively little impact on the actual availability of natural gas for new ammonia plants. As a result, the outlook for meeting the growing demand for plant food nitrogen, as well as industrial nitrogen demands for fibers and plastics, is not encouraging. Unless natural gas is made available, the U.S. will have to rely to an increasing extent upon foreign sources of nitrogen. These uncontrolled sources will generally involve high delivered costs for nitrogen, which will have a double inflationary impact upon the economy: increased imports affecting the Balance of Trade and higher cost raw material affecting the cost of food production. It is strongly recommended that the government take steps to ensure that long-term supplies of natural gas will be made available to the fertilizer industry.

THE VOICE OF AMERICA

Mr. PERCY. Mr. President, there is one American institution which is better understood and appreciated in 140 or more countries of the world than right here in the United States of America. That institution is the VOA—the Voice of America. For 31 years it has been the official broadcaster of our country to the world, now transmitting in 36 languages.

In English, in Russian, in Mandarin, in Swahili, in Hindi, it speaks to the world. In Portuguese, Indonesian, French, Czech, Romanian, Spanish and many other major and exotic tongues, VOA reports the news of the world to the world. It backgrounds and explains topical events both here and abroad as well as official policy of the United States. Through feature reports, interviews, and special programs, the Voice mirrors the American scene for the doctor in India, the architect in Iran, the farmer in Nigeria, the scientist in Japan, the student in Hungary, the jurist in Sri Lanka, the environmentalist in Israel, the banker in Venezuela, the manufacturer in Germany, the educator in Brazil, the writer in the Soviet Union.

The Voice of America has built a solid reputation for credibility and since the 1950's has operated within the following guidelines, sometimes referred to as the "VOA charter":

> VOA will establish itself as a consistently reliable and authoritative source of news. VOA news will be accurate, objective, and comprehensive.
>
> VOA will represent America, not any single segment of American society. It will therefore present a balanced and comprehensive projection of significant American thought and institutions.
>
> As an official radio, VOA will present the policies of the United States clearly and effectively. VOA will also present responsible discussion and opinion on these policies.

Here are some of the ways in which, in my opinion, VOA fulfills its mission and meets the obligations of its charter. The news division of the Voice writes basic material in English for some 250 newscasts a day for broadcast in 36 languages. It writes about 80,000 words a day from approximately half a million daily words of source material. Since most of this material was written for Americans and assumes background knowledge not generally available overseas, the rewriting and editing job is extensive. There is a central desk which handles U.S. stories, and there are five regional desks which prepare items pertaining to the five major world areas: Europe, Africa, the Middle East, Asia, and Latin America. As the official Voice of the United States of America, VOA must be sure of its facts; no story is released for broadcast without first being double-sourced as to legitimacy. Although in any enterprise there must be a margin for error, personnel of the Voice of America are proud of VOA's record of accuracy and objectivity in reporting the news.

In addition to reporting straight news, the staff members in all language services also prepare news backgrounders, commentaries, and topical features.

Another way in which the Voice of America fulfills its charter commitments is through its balanced reflection of American culture. And that, as stated in the charter, means not any single segment of American society, but all of American society. Let me give just a few examples of this. In English and the other languages in which the Voice broadcasts the foreign listener may hear on any given day "An American Short Story," a review of a new book, or a discussion of some domestic problem facing the Nation. He may "tour" an art gallery in Minneapolis or New York or Phoenix and learn something of interests and trends in painting, sculpture, photography, or ceramics. He may hear one of America's 100 major symphony orchestras interpret not only the classical composers of the past, but contemporary American composers as well. The listener might also hear America expressed through the idiom of jazz or country music or soul or rock. He can keep up-to-date on the latest in the fields of medicine, science, engineering, and space exploration.

Certainly a high point in VOA listenership came in 1969 when Apollo 11 landed the first earth men on the surface of the Moon. VOA broadcasts were relayed or rebroadcast by more than 3,000 foreign stations, including 888 TV stations and 39 major national and international broadcasters. In addition, other radio/TV networks continually monitored VOA and utilized its coverage as "the principal source of authentic information on flight developments." Throughout the 8-day mission, USIS centers in all world areas were jammed with people listening to VOA piped over loudspeakers.

In 1962, UNESCO estimated VOA broadcasts of the John Glenn flight were heard by a world audience of 300 million—a record audience which was more than doubled with Apollo 11. Audience estimates received from only 66 non-Communist countries totaled more than 615,000,000 people reached by direct and relayed transmissions of VOA's Apollo coverage. If estimates were available for the U.S.S.R., China, and other Communist countries, as well as some 35 other countries around the world. VOA believes its total audience might have been more than three-quarters of a billion, 27 percent of the world's population outside the United States.

A special documentary celebrating the event, "Eagle on the Moon," won awards in this country and abroad. The Voice of America has also won its fourth consecutive Peabody Award.

Anyone who listens for an extended period of time to the broadcasts of the Voice of America cannot help but feel he has some acquaintance with the American people, their land and their pluralistic society. He gains an understanding of American policies, monetary problems, farming methods, attitudes in child development, trends in education, and, most remarkable of all—a healthy respect for this open society—a society that is sure enough of its foundations that it can and does periodically examine and reexamine its state of affairs, its attitudes, its commitments, its hopes and its dreams.

In no other medium is the one-to-one, person-to-person form of communication so effective. It is the one effort that reaches its "target" without a middleman, either American or foreign. VOA is a continuous, daily presence on the air, regularly available to the listener. By going directly into the home of the listener, it is uncensorable and independent of any particular political situation in any given country. It may or may not be tuned in on a given day by a given individual, but it is available and its impact is cumulative.

Shortwave radio listening overseas is done by the better educated and better informed members of society, as borne out by the mail received daily in Washington from all over the globe. VOA listeners comment on and ask for additional information in such important fields as medicine, science, education, and agriculture.

I would like to cite some examples of VOA effectiveness in doing its job.

A recent radio survey in five Ivory Coast cities indicates that 33.7 percent of the adults are regular listeners to VOA French, and that the only station with a larger audience is the local Ivory Coast network, RTI.

A regular listener to VOA Romanian, now living in West Germany, sent a $50 contribution for the Mississippi flood victims in gratitude for American assistance to Romanian flood victims in 1970.

Al-Anwar, Beirut's second largest daily, carried in full a Voice of America editorial on the Arab-Israeli conflict.

A young Jewish historian who left the U.S.S.R. last November reported that foreign broadcasts "play an extremely important role in keeping the Moscow intelligentsia informed." He estimated that his friends obtained most of their information on world events from these broadcasts. He and his friends listened often to VOA, BBC, and Radio Liberty.

A UN Fellow from India, visiting the hosts of the VOA English-language "Breakfast Show," said:

> There are thousands of my countrymen who have listened to the VOA programs with a lot of interest, like me. A regard for this great country has been established through your fine medium of communication, better, in my opinion, than any other media now available.

Three labor leaders from Africa also visited the "Breakfast Show" this summer. Their spokesman said:

> The visit to the Voice of America is satisfying pleasure fulfilling a long-time ambition.

Orthodox Christmas was observed on January 7 of this year with a special broadcast by the Ukranian service. Comments from listeners in the Ukraine were many and included these:

> The hour passed like one second. I'm sorry it had to end. I cried the whole time. My son returned from work and said everyone was talking about the broadcast and the Christmas greeting.
>
> The Christmas broadcast was something tremendous for all of us. It is a memory we will long treasure. There were a great many people in our home; the whole family gathered, as well as neighbors. The reception was very good. All expressed their thanks with great joy and with tears in their eyes . . . and we clinked glasses to your health for giving us a lovely gift for Christmas.

Another recent visitor to VOA was Mr. Moses Ekpo, editor of The Chronicle, a newspaper in Calabar, Nigeria. Mr. Ekpo had asked to meet the staff which produces "African Panorama," "Africana," and "African Safari" because those are the programs his paper records to use as a source of both news and features. Mr. Ekpo said he uses Reuters and AFP—Agence France Presse—for his news of Europe, but depends on VOA for news of America and Africa, noting that VOA correspondents with their reports from Africa are one of the primary reasons for VOA popularity in Nigeria.

Visitors from many countries come to Washington to meet in person the VOA broadcasters they have "known." But VOA broadcasters also travel. Spanish broadcaster Fred Schiele met with media representatives in six Latin American countries this year. His trip included interviews on five TV stations in Costa Rica, Venezuela, and Guatemala, guest appearances on 25 radio stations in the six countries, and press coverage in more than 20 local newspapers. At Schiele's first stop, Guatemala, the Uruguayan ambassador telephoned him at the U.S. Information Service office. The diplomat said:

> I heard you were in town and I wanted you to know how much I enjoy VOA broadcasts—they're my contact with the world.

Other "Voices" of America who traveled abroad this year were Pat Gates and Philip Irwin, major hosts of the English-language Breakfast Show, a morning program of news, features, and music that is heard in virtually every country of the world every day. Mrs. Gates and Mr. Irwin made a nine-country goodwill tour through Africa and Asia. The tour took them to 12 cities in 32 days of tightly scheduled travel and personal appearances. Proposed as a personal appearance and goodwill mission, it had several aims: to honor the many requests from VOA listeners that they visit their countries, cities, villages, and even homes; to afford the program hosts an opportunity to renew that their sensitivity to their audience; to show interest (by known Americans) in local activities and projects such as volunteer work and environmental concerns; and, through Mrs. Gates' and Mr. Irwin's popularity and personality, to promote interest in not only the Voice of America, but in the United States as well.

Like many of their colleagues—Willis Conover, for example, who is known worldwide as an authority on American jazz—they are practically unkown at home, but overseas they are not only "known" but are treated as friends and stars. They were warmly received in every country they visited—Ghana, Nigeria, Kenya, Pakistan, India, Sri Lanka, Malaysia, Singapore, and Indonesia. They were covered by radio, television, and newspapers from West Africa to East Asia. They followed a rigourous schedule visiting schools, hospitals, housing developments, industrial complexes, environmental agencies, government officials, and private citizens in their homes. They entertained thousands of their listeners—some traveled up to 300 miles to meet them—at specially arranged "Evenings with Pat Gates and Philip Irwin" held, for the most part, in USIS auditoriums or, as in the case of Sri Lanka, in a theater.

Their popularity, gained through daily broadcasts as hosts of the VOA Breakfast Show over a period of 10 years, was immense. As Mrs. Gates said in her post-trip comments:

> People identified with us because we are allowed to be real people on the air, not just deliverers of information.

One woman in Karachi, who had studied in the United States for her doctorate, said to her:

> You do a great service for humanity with your program.

Mr. Irwin, in his report, cited the importance of the shortwave receiver to peoples in other countries. He said:

> For many a shortwave receiver is their single most valuable and obtainable luxury item. They use it to listen to whatever broadcaster can capture their attention and interest and stimulate their imagination and participation. Competition for this audience is increasing as "national radios" trend to mass-audience appeal programming.

The English Division of VOA broadcasts more than 173 hours per week, reaching virtually every country in the world. One may ask, why English? The importance of this cannot be overstressed:

English is the language of the United States. Broadcasting in English is a means of showing the flag.

English is a world language, and the only one VOA has for speaking to the entire world.

One-third of the world's people live in countries where English is an official language; it is the second language in most countries today, and its use is growing; it is the first foreign language of most of the world's school system; and it is the language of the new technology, of commerce, and of the arts and sciences.

Outstanding Americans, from the President on down, as well as other English-speaking persons, can address the VOA audience in their own voices, adding to credibility and the sense of immediacy. With its present schedule, VOA can and does broadcast Presidential and other major speeches live to all parts of the world.

VOA English-language broadcasts are not jammed. They currently represent an important means of reaching listeners in the Soviet Union and the People's Republic of China.

The English broadcast schedule has a flexibility which provides a unique crisis capability. Since VOA is on the air in English to one or more parts of the world almost around-the-clock, it is relatively easy to maintain a 24-hour service to any area, if events warrant. Those who do not know English will hear about important events from those who do.

In addition, the Voice of America broadcasts in what it calls "special English" utilizes a basic vocabulary and is spoken by the announcers at a much slower pace than "regular" English. The approximately 2,000-word vocabulary of special English makes it much easier for the foreign listener to follow and to learn the language.

VOA correspondent Sean Kelly reported that North Vietnamese officers with whom he has talked said they listen to VOA special English newscasts. It helps them learn the language. An Indonesian member of the International Control Commission in Vietnam requested a number of special English word books—which the Voice publishes and distributes—to help with the Commission's linguistic problems.

Each language used by the Voice of America is important.

In January of this year, an English-teaching program was begun for China, with listeners invited to request a free accompanying text from a Hong Kong book firm. By mid-April, 105 requests for the text had been received from the mainland. The VOA's Chinese branch has, in addition, received eight letters in Washington with comments on the program. English 900—as viewed from Canton, China, on August 3 of this year:

> I believe English 900 you broadcast on air is so popular that so many people here would like to have some copies and they are hard to get. I think the reasons are partly, people wouldn't dare to write to your office directly, partly, people may not get it even if they write. It results that many people here listen to your English 900 program with no textbook to follow with. . . .

Suggestions were offered by the listener that the announcer read more slowly—as in special English—and that the Chinese translation of English words or phrases be used first. The letter concluded:

> I hope that you understand the situation, and help us in learning English. Thank you.

In addition to its direct broadcasts, VOA also offers so-called feeds to radio stations in many parts of the world.

For example, the daily Spanish-language "feed" to Latin America carries about 120 reports every week to some 1,175 radio stations in Central and South America. And altogether about 4,000 local stations around the world carry such reports sent by "feed" from VOA in Washington.

The Voice of America maintains a daily presence and availability, although in hours broadcast. VOA is not first among international broadcasters. Compared to VOA's 858 hours weekly, the U.S.S.R. broadcasts a total of 1,886; the People's Republic of China 1,270; and Egypt 1,076.

Let us now look at the technical capabilities of the Voice of America and the broadcast capability of some of the other official radios in the world. The Soviet Union and China do not have overseas transmitters as VOA does, because geographically they constitute the largest land mass in the world and thus have easier transmission access to most countries.

Access was a major problem for VOA's engineering staff. It had to overcome the vast distances between the United States and other major areas of the world with a signal strong enough to be heard competitively in those areas at peak listening times. This meant setting up overseas relay stations located where maximum advantage of radio propagation conditions could be taken to overcome the problems of direct shortwave broadcasting from the United States. The relay stations receive the broadcasts direct from the United States and rebroadcast them with increased signal strength. These stations are integrated into a single system so they can receive programs direct from the U.S. or from other relay stations. At the present time, the following stations are in the relay system:

Tangier, Morocco—designed as a main port of entry to Europe, north Africa, and the Middle East.

Munich, Germany—close enough to East Europe to use long and medium wave, as well as shortwave.

Kavala, Greece—consisting of ten 250 kilowatt transmitters and diplexed curtain antennas for coverage of East Europe, central U.S.S.R., the Middle East, South Asia and north Africa. Also, improved coverage of the Balkans and the southern Ukraine has come about with the recent establishment of the Kavala site.

Rhodes, Greece—to cover nearby Mediterranean areas.

Philippines—the relay facilities here comprise two transmitter sites located at Poro and Tinang and a receiver site located at Baguio. Associated antennas are used to provide coverage over an area extending from Korea to Indonesia, including all of China, Southeast Asia and the Soviet East Asia. The megawatt medium-wave transmitter is beamed to China, Southeast Asia, and Indonesia.

Okinawa—North and central Asia is reached from the relay station on this island.

Colombo, Sri Lanka—this facility, operated by Radio Sri Lanka, consists of three 35-kilowatt shortwave transmitters and their signal covers India and Pakistan.

Wooferton, England—six 250-kilowatt shortwave transmitters here, operated by the BBC, beam programs to Europe, Africa, and the Middle East.

Monrovia, Liberia—six 250-kilowatt and two 50-kilowatt shortwave transmitters provide signal coverage of the entire African Continent.

Bangkok, Thailand—this station's 1-million-watt medium-wave transmitter provides coverage of Bangladesh, Southeast Asia, Northeastern India, Burma, and Western Indonesia.

Hue, South Vietnam—VOA broadcasts in the Vietnamese language are beamed to North Vietnam over a 50-kilowatt medium-wave transmitter.

To link the Washington studios with these relay stations, a network of domestic facilities consisting of 40 high-power shortwave transmitters has been created in the continental United States. These facilities, using high-gain directional antenna systems, relay programs to the overseas bases and at the same time provide direct coverage to overseas areas. The domestic network consists of the Edward R. Murrow Transmitting Station at Greenville, N.C., which beams programs to Europe, Africa, and Latin America; Bethany, Ohio, which is also beamed to Europe, Africa and Latin America; and Delano and Dixon, Calif., both of which beam to north and east Asia, Oceania, and Latin America. In addition, a 50-kilowatt medium-wave transmitter located at Marathon, Fla., beams Spanish-language programs to Cuba and the surrounding area.

The Voice of America has earned its credibility by doing its reporting job in the highest tradition of responsible American journalism and broadcasting.

When the Voice of America speaks, it speaks for all of us. We have no other means to communicate America's story so effectively to so many of the world's people. This is shown dramatically in the trip report of Mrs. Pat Gates, and Mr. Phil Irwin on their outstanding tour of Africa and South and East Asia where they were received with such enthusiasm. As the hosts of the VOA "Breakfast Show," they are as popular and well known abroad as Barbara Walters and Frank McGee are in this country. I have read the report carefully, and I want to commend Mrs. Gates, Mr. Irwin, and Mr. William Reynolds, chief of the "Breakfast Show," both on the success of the tour and on the success of the program.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at the hour of 9 o'clock a.m.

After the two leaders or their designees have been recognized under the standing order, the Senate will resume the consideration of the military procurement bill. The pending question at that time will be on agreeing to the AWACS amendment offered by the Senator from Missouri (Mr. EAGLETON), which carries a time limitation of 2 hours.

Upon the disposition of the AWACS amendment, Mr. EAGLETON will call up the NAIR amendment, on which there is a time limitation of 2 hours.

On the disposition of the second Eagleton amendment, the amendment by Mr. GOLDWATER dealing with the M-16 rifle will be called up. There is a time limitation thereon.

On the disposition of the Goldwater amendment, Mr. PROXMIRE will call up his amendment No. 513, which would reduce the number of admirals and generals, with a time limitation thereon.

Yea-and-nay votes are expected on each of these amendments. Amendments may be offered to each of the foregoing amendments, with, of course, the possibility of yea-and-nay votes occurring thereon.

Moreover, the foregoing amendments do not necessarily constitute all the amendments that will be called up on tomorrow. The leadership is eager to call up and dispose of as many amendments as possible, so that the decks will be clear for the work which is scheduled for next week.

ADJOURNMENT TO 9 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 a.m. tomorrow.

The motion was agreed to; and at 5:52 p.m. the Senate adjourned until tomorrow, Saturday, September 22, 1973, at 9 a.m.

NOMINATION

Executive nomination received by the Senate September 21, 1973:

FEDERAL COMMUNICATIONS COMMISSION

James H. Quello, of Michigan, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1973, vice Nicholas Johnson, term expired.

CONFIRMATION

Executive nomination confirmed by the Senate September 21, 1973:

DEPARTMENT OF STATE

Henry A. Kissinger, of the District of Columbia, to be Secretary of State.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

JANET REEVES, MISS AMERICAN TEENAGER

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Friday, September 21, 1973

Mr. TALMADGE. Mr. President, a young lady from Columbus, Ga., recently distinguished herself by winning the "Miss American Teenager" contest in New York City. Miss Janet Reeves is 16 years old and was selected from among 46 young American women to become the 14th holder of the title.

I am proud of Miss Reeves, as all Georgians are. She has brought a distinct honor to her State and the people thereof. Chosen to represent all American teenage girls, she embodies the traits and characteristics we revere so much as to call them ideals.

Miss Reeves' picture and name have appeared in newspapers and on television around the world. She is a fine representative and ambassador for all Americans of all ages, and I would like to publicly express the admiration of the Senate for this young lady's accomplishments.

I might add, Mr. President, that this is the second time in 4 years that a Georgian has been so honored, because in 1970 Miss Kimberley Graham of Morrow, Ga., won the title.

I ask unanimous consent that a news release announcing the selection be printed in the Extensions of Remarks.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

NEW YORK CITY.—Janet Reeves, 16, daughter of Mr. and Mrs. Robert Reeves, of 2352 Burton Street, Columbus, Georgia won the title of Miss American Teen-Ager today in the 14th annual Miss American Teen-Ager Pageant here in New York City. She topped a field of 45 other teenage beauties between the ages of 13 and 17 from all parts of the nation, to win the coveted title of Miss American Teen-Ager and more than $20,000 in prizes including a 1974 Dodge Challenger.

She is 5'7¾'' tall, weighs 115 pounds and has brown hair and blue eyes. She is in the 12th grade of the Hardaway High School. Her greatest ambition in life is to become a pediatrician, wife and mother. She is in Who's Who of American High School Students and is on the honor roll.

She has been active in R.O.T.C., choral and the sponsor club. Her hobbies include sewing, piano, horseback riding. She plays the piano in church, models and babysits.

She describes her state as "hospitable, growing and historic." Our country as "majestic, generous, and hopeful," and herself as "capable, feminine, and honest."

Her first runner-up was Katherine Kassing, 17, of McLean, Virginia. Her second runner-up was Lucy Demkiw, 17, of Brooklyn, New York. Her third runner-up was Sherri Moore, 17, of Fullerton, California. Her fourth runner-up, Kim Wagner, 15, of Overland Park, Kansas.

The winner of the Miss Congeniality Teen-Ager award, voted by the contestants themselves for one of their sister contestants was Susan James, age 16, of 3588 South Hillcrest Drive, Denver, Colorado, Miss Colorado Teen-Ager. She is 5'4'' and weighs 110 pounds, has red hair, green eyes and is a junior at Thomas Jefferson High School in Denver.

MORE ABOUT URANIUM ENRICHMENT

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. HOSMER. Mr. Speaker, this is a followup on previous material I have inserted recently in this record regarding the future structure of the uranium enrichment industry which must be created in order to supply rapidly growing demands for nuclear fuel for power reactors. I have suggested a Government corporation be used as a transition device from the present Government form of the industry in the United States to competitive private industry. The corporation would also insure that there is a timely supply of nuclear fuels and that the United States will compete effectively for foreign business and thereby earn foreign exchange.

In this context, the following extract from my recent letter to the President's budget director on an element of my plan for the Government corporation is self-explanatory.

The letter follows:

URANIUM ENRICHMENT

DEAR ROY: A criticism has been voiced against my specific plan for utilization of the United States Enrichment Corporation to expedite the transition from government to private industry. The allegation is that it would block such a transition because the government corporation will be offering contracts to all comers, thus competing with private industry which needs the contracts in order to arrange financing to build enrichment plants.

This allegation is erroneous.

USEC will be offering contracts, but it will *not* be competing, because all contracts which it writes with utilities for enrichment services that exceed USEC's then-committed enriching capacity will be subject to call by any United States private enriching company.

This is how it will work:

The law setting up USEC will require (1) the assignment of such contracts in the order last received when demanded by the private corporations; (2) the law will provide that the utility consent in advance to the assignment of its contract with USEC to private enrichment corporations so long as price and terms contemplated by these corporations are reasonable; and, (3) reasonableness will be assured this way: corporations will specify their pricing formulas and other terms and conditions in their applications for permits to build enrichment plants; the licensing authority, which will be the new Nuclear Energy Commission, will determine reasonableness as a condition of issuing any permit.

By the foregoing, or any suitable variation thereof, utilities will be assured nuclear fuel under reasonable terms and price.

Private corporations desiring to enter the enrichment business will be assured in advance that their new plant will commence operating at 100% capacity, so long as there are contracts to assign.

The national interest in balance of payments will be served by having a United States unity in existence which is continually offering contracts and discouraging foreign competitors.

I wish to emphasize that my statement on the nature and role of USEC is conceptual and for the purpose of having some structure to start improving and perfecting. I welcome suggestions. We are writing the future and have complete flexibility to do what is reasonable.

So, where there are any hitches found by your advisors please have them call me and talk it over. We should avoid losing this opportunity to do something *right* and *on time* because someone jumps to wrong conclusions . . .

WHAT THE PENSION BILL MEANS

HON. ROBERT P. GRIFFIN

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Friday, September 21, 1973

Mr. GRIFFIN. Mr. President, since 1966 I have been advocating pension reform legislation.

Now that the Senate has passed a bill and sent it to the House of Representatives, some confusion exists as to what the Senate-passed pension reform bill would actually do for workers.

On September 20, the Washington Star carried a brief, understandable summary of the major provisions of the bill. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

WHAT IT MEANS

Here is what the Senate pension bill could mean to you:

If your company has no pension plan, (and half the workers in the country are not covered), you can set up your own retirement system with tax-free deductions of 15 percent of your salary up to $1,500 a year.

If your company does have a pension plan, the bill provides that effective Jan. 1, 1976 you must be included in it once you've worked a year and reached the age of 30.

For the purpose of determining your vested rights in a compnay pension program, you must be given credit for up to five years of work before age 30. After any 5 years of work, the vesting is 25 percent. It goes up five percent a year for five years and then 10 percent a year for 5 years, reaching 100 percent at the end of 15 years of employment.

Thus, if you quit after 15 years, you can claim 100 percent of the pension you are then entitled to, but not until you reach retirement age.

(A year of service is defined as any year in which the employee has worked more than five months and at least 70 hours a month.)

If your company folds or, for some other reason, the pension plan is wiped out (19,000 persons lost their pensions last year this way), the bill provides an insurance system funded by a tax on employers of $1 for each employe in the pension plan for three years.

Once vested in one pension plan, you retain that claim even if you shift to another job and a new pension system. Employers will have to report your vested pension status to the Internal Revenue Service which in turn must pass this information on when you retire and apply for Social Security.

Mr. GRIFFIN. Mr. President, I believe it is also important to note that a worker currently covered by a pension plan who has no vested rights would get credit, if the bill becomes law, for years worked prior to the effective date of such a new law. In other words, the vesting provisions of the bill, to some extent, would be retroactive.

THE TAX BALLOONS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. GAYDOS. Mr. Speaker, I would like to join others in this House in taking a shot at the trial balloons for a tax increase now being raised diligently by the Nixon administration and the Federal Reserve Board. Under no circumstances will I vote for the imposition of new tax burdens on the American people.

I say this despite the economic expertise of Federal Reserve Board Chairman, Arthur M. Burns, who holds a tax hike would "siphon off" what he sees as "excess" purchasing power, and the musings the other day of Presidential Counselor Melvin R. Laird that a 10-percent refundable tax surcharge might help lessen inflationary pressures.

Call it what you will, a tax hike would still be a tax hike and thus a cruel blow to Americans who, no matter what is said about excess buying power, still are struggling, in the vast majority, to make their financial ends meet. Prices have them in a bind. How, then, can we, their elected representatives, in justice worsen their problem by belting them with a higher tax bill?

The weapon against inflation is not to be found in the taxing power but in the congressional ax which needs to be swung, and swung vigorously, at excess governmental spending. As long as we here spend more than the people can afford, then we shall have continuing Federal deficits, a wobbly dollar, and higher and higher prices. These results cannot be avoided.

We have been too prone over the years to accept the notion that a mighty government, by delving more and more into the personal financial affairs of the citizen, can make both the citizen and the economy as a whole behave as the theorists wish. All this is fallacy. No economy can be made sound, or its currency stable, or its prices equitable unless the basic economic laws are kept firmly in mind and fully observed. The most fundamental of these laws is that spending must not exceed income for too long a time, or governmental income get too far beyond the public's true ability to supply it.

No one in Washington is unaware of the vast opportunities which exist to curb the Federal spending spree. Billions of dollars still are being scattered with reckless abandon in dubious aid programs all over the globe—at enormous cost to our people. Thousands of young Americans, who should be home and helping to fuel our economy in constructive work, remain in standby military idleness in prospering countries in Western Europe and the Far East. Why are they not returned and this great expense ended? Scores of domestic programs are filled with waste and duplication of efforts and, in many cases, have no logical reason for existing at all. And yet, the trial balloons are going up for a tax increase. How senseless.

No matter what Chairman Burns may say, there is no excess purchasing power in this country—true purchasing power. Our economy is rocking along on credit and has been for years. More than 60 percent of our cars are bought on the installment plan. Virtually every home is so purchased. Our stores have turned into interest-collection centers, as dependent on this kind of income as on their sales markups. Credit cards have replaced real money at gas stations, motels, and restaurants. If we Americans suddenly were forced onto a cash basis, Chairman Burns would see how little substance supports his claim of excess purchasing power.

It needs to be repeated time and again that high taxes—taxes which already are at staggering heights in this country—are the major cause of high prices and inflation. They constitute a big part of every price ticket. They are a major item of the cost of producing and marketing every product. They bite deeply into the earnings of most workers and the profit figures of all businesses. They support the multiplicity of useless and nonproductive governmental endeavors which, by being nonproductive, serve as a heavy drag on the economy. And now the trial balloons are up for more. Let us shoot them down quickly and as quickly get about the real anti-inflation tasks—those of bringing governmental costs back into line.

AIRPORT FOR 2001

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. TEAGUE of Texas. Mr. Speaker, this weekend I was invited to attend the dedication ceremonies of the new Dallas-Fort Worth International Airport. I regret that I will be unable to be at the function. Time magazine's September 24, 1973 issue describes the new airport and I recommend the article to Members of Congress and the public.

It seems that this is one time when citizens of this country have adequately planned a major project that meets tomorrow's needs as well as present ones.

The article follows:

AIRPORT FOR 2001

When Fort Worth decided in 1927 that it needed a commercial airport, the town fathers choked back civic rivalry with nearby Dallas long enough to propose a joint effort. Dallas huffily declined, buying the Army's Love Field instead. But in the mid-'60s, the cities overcame their animosity and agreed to build the world's largest airport, 17 miles from each downtown area. Local boosters are spending over half a million dollars to inaugurate the Dallas/Fort Worth airport, climaxing this week with a four-day Texas bash of balls, banquets and barbecues. Among the scheduled guests are President Nixon, officials from 48 countries, and a British-French Concorde SST.

DFW, as the airport is called, will be completed in three stages: the first ending Oct. 28 of this year, the second in 1985 and the third in 2001. Larger than Manhattan Island, the prairie complex was designed to meet virtually every known airport problem. Its spacious runway system, planned to be tripled in capacity, will easily handle peak loads well into the 21st century.

Airport planning, under the engineering firm of Tippetts-Abbett-McCarthy-Stratton (TAMS), was so far ahead of its time that many features resulted in an updating of FAA regulations. New patterns of lighting for both centers and edges of runways, as well as brighter, low-glare runway signs for pilots, will now become mandatory. TAMS also persuaded the FAA that conventional twelve-inch runways were not thick enough, DFW uses 17 inches of concrete, enough to receive million-pound aircraft (a fully loaded, stretched 747 weighs 880,000 lbs.). Furthermore, the runways are designed for thickening to 24 inches to accommodate heavier aircraft now on the drawing boards—and possibly even rocket-powered airliners of the future.

Reaching passenger gates should be easy via a ten-lane, 55-m.p.h. spinal highway between the two rows of superterminals (the four now operating will become 13 by 2001). DFW Executive Director Thomas Sullivan, who oversaw the building of La Guardia, Newark and J.F.K. airports, chose a simple semicircular terminal design that allows passengers to drive directly to one of 66 gates, which are all within 120 ft. of the airplanes. Older terminal designs, which often park airplanes at the ends of long "fingers," may entail hikes of as much as a quarter-mile from counter to plane.

AIRTRANS

To move people round the airport there is Airtrans, a 13-mile system of automatic electric-powered tracked vehicles that ride on a cushion of air. The system can carry 9,000 passengers, 6,000 pieces of baggage and 70,000 lbs. of mail every hour. Even though transit passengers may have to cover more than three miles from one plane to another, they can reach any point in the airport in about ten minutes.

The airport manager's biggest environmental headache, noise pollution, is reduced by the very size of the place. Beyond each end of the runways extends a 4½-mile buffer zone, without any buildings, followed by another mile where private housing is banned.

The worst problem seems to be getting here in the first place. The Dallas and Fort Worth city councils, claiming a monopoly on ground transportation to the airport, are being sued by Continental Bus Systems Inc., which wants a piece of the action. While the matter remains snagged in the courts, the only way to go is by that old environmental nemesis, the automobile. Even that will not be easy, because traffic jams seem certain to develop on behind-schedule highway approaches.

Texans don't seem to mind, however. Residents are convinced that DFW will transform the area into the economic anchor of Middle America. They shrug off charges that extra acreage was bought so they could call their airport the world's biggest and ignore the fact that Montreal is building a bigger one. Theirs is the biggest now. Says former Dallas Mayor Erik Jonsson, who helped bring the two cities together in the first place: "A wholly different world will be opening to us."

CHILEAN REVOLUTION RECEIVES VARIED REACTION

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. RARICK. Mr. Speaker, Chile has now experienced a revolution.

The unusual aspect of the Chilean revolution has been the reaction from those quarters which have been so active and vocal in encouraging revolutions around the world. Those who espouse revolutionary movements have been utterly aghast. Apparently, revolutions are only intended to be used against non-Communist followers. The dissatisfaction with the revolution in Chile seems to be that the right side won.

The junta explain their action as one of self-defense and national sovereignty. They make the case that President Allende, assisted by domestic and international Communist elements armed with weapons from the Soviet Union and Czechoslovakia, was prepared to overthrow the existing government and establish a Marxist dictatorship. The junta, however, out-revolutioned the revolutionaries.

Subsequent events, including Castro's convulsions, would seem to bear out the suggestion that there was more in Santiago than has reached the outside world.

Brezhnev, the mouthpiece of the Communist Party, Soviet Union, has taken the defeat exceptionally hard, and abandoning the détente party line, has blamed the Communist's poor timing on the United States. Brezhnev's indisputable argument that despite United States-Chile disagreements, the United States continued to train Chilean officers, is creditable. Especially since the U.S. military continues to train and exchange top level military information with the Soviet military and officers from Poland, Yugoslavia, Czechoslovakia, and I guess any other Communist country in the world that wants to study how the United States can lose wars with the best trained soldiers and the most sophisticated weaponry available. If Brezhnev is right and the United States continues to train Soviet soldiers, there may still be a chance for the Russian people and their enslaved minorities to yet escape the bondage of communism.

But, the most astounding reaction to the Chilean liberation has been the silence and pussyfooting by the leadership of the United States. Certainly every thinking American who understands the criminal conspiracy known as communism should be thankful and proud that the Chilean people themselves overthrew a corrupt system which is alien and foreign to the American hemisphere. The Chilean incident should remind all rulers in high places that the people can only be pushed so far.

I salute the freedom-seeking Chilean people and their leaders in these hours of great trial and torment as they strive desperately to maintain their government and system to that of a constitutional republic.

I ask that related newspaper clippings follow.

[From the Washington Post, Sept. 20, 1973]

Chile Junta Cites "Corruption"

Santiago, Chile, Sept. 19—The new Chilean military government alleged today that the administration of former President Salvador Allende "sacked and robbed" the country during its three years in office.

The junta also renewed warnings that anyone caught resisting would be executed.

Air Force Gen. Gustavo Leigh, a member of the four-man junta, said, "We should say, with all frankness, any man who shoots against our forces, dies; any man who shoots against innocents, dies. And we will not rest until we clean these traitors from our country be they foreigners or Chileans."

Adm. Jose T. Merino, another junta member, promised at a news conference that the new government would issue a white paper which "will tell the most incredible things."

"Chile is broken and destroyed and not because it has not been producing," he said. "It is economically destroyed because what it produced was sacked and robbed by thieves. This immorality, this corruption has no measure."

Allende killed himself rather than "confront the courts and the justice of Chileans," Merino claimed.

Merino said he could not give out details of the corruption until the white paper was released but gave an example of "a former high official in Valparaiso in whose home we found $145,000 in bills, ready to be taken abroad, without caring that the people who had elected him were dying of hunger."

The junta admiral said, "Abroad there is being mounted a campaign to affirm that what we have done is criminal. What is really criminal is that military men, policemen and some sailors were assassinated by foreign guerrillas and snipers, the majority of whom as we have proven are Argentines, Uruguayans or Cubans."

The military authorities announced the arrest over the past 24 hours of 53 persons, including three foreigners, for violations of arms laws. They were sent to the national sports stadium in Santiago, where most of the capital's 4,400 detainees were being held at the disposition of military courts, operating as in time of war. Nearly 1,000 are being held elsewhere.

Around the country, authorities said there was virtual calm. In the far north in Iquique, two persons were reported arrested when they tried to attack a police station.

During the curfew, military patrols have been moving from house to house in search of arms caches and Allende supporters.

The junta also authorized the daily La Prensa, organ of the Christian Democratic Party, which led the opposition during Allende's presidency, to resume publication. The junta said the state-owned daily La Nacion will also reappear shortly under the editorship of the chairman of the journalists association, Carlos Sepulveda. The daily will be called in future La Patria (The Fatherland), the junta said.

Chile's borders remained sealed although the junta allowed a charter flight from Buenos Aires to bring in 91 foreign newsmen, the first to enter since the coup. The junta said the nation's borders and airports would start being opened this week, "after we solve certain administrative problems."

Patricio Aylwin, president of the Christian Democratic Party, said the ousted president was plotting to stage a fake uprising which he would have crushed with his armed supporters.

"The best proof is the enormous amounts of arms that the illegal Marxist militia had," Aylwin said. "They formed a true, parallel army, with fire power equivalent to 12 regular regiments and the active presence of more than 12,000 foreign extremists."

Army patrols digging through the burned out presidential palace and the bombed presidential residence uncovered hundreds of weapons shipped in clandestinely from the Soviet Union and Czechoslovakia, according to the junta. They included antitank launchers and rockets, light machine guns, automatic rifles, pistols and grenades.

Also found in the presidential palace, the junta alleged, were plans to assassinate the armed forces chieftains, opposition political leaders and journalists.

[From The Washington Post, Sept. 20, 1973]

Brezhnev Takes Hard Stand on Critics

(By Robert G. Kaiser)

Moscow, Sept. 19.—Leonid Brezhnev, the leader of the Soviet Communist Party, gave a sternly worded speech on foreign affairs in Sofia today, indirectly but clearly responding to recent Western criticism of the Soviet Union.

Abandoning the optimistic tone of his recent public statements, Brezhnev said, "Ill-conceived propaganda campaigns . . . aimed at sowing mistrust in the policy of the U.S.S.R." were actually meant to hinder detente.

Those who suggest pressuring the Communist countries "for some concessions" in current East-West talks are pursuing a "naive . . . unseemly . . . mercantile approach to the question," Brezhnev said.

If there is to be a "new system of international relations," Brezhnev said, it must be based on "the principles of sovereignty and noninterference in internal affairs."

In these and other passages Brezhnev appeared to be reacting to foreign criticism of Soviet domestic policy, particularly the treatment of intellectual dissidents.

Other sections of the Soviet leader's speech could be interpreted as attempts to persuade his colleagues in Moscow of his own unswerving dedication to a "Socialist policy" which will not compromise on basic ideological issues with the capitalist powers.

In an ambiguous sentence perhaps intended for both Western statesmen and some of his own colleagues in the Kremlin, Brezhnev noted that the building of a new world order "requires an absolutely different approach, different methods and perhaps a different psychology than those that existed previously."

This sentence followed one of several warnings that treaties and agreements already negotiated must be "unswervingly implemented." This seemed to be a reference to West Germany, which has recently taken a harder line on its interpretations of the four-power Berlin agreement and several aspects of Chancellor Willy Brandt's East European policy.

Brezhnev also bitterly attacked "the bloody crimes committed by Chilean reactionaries" in the recent coup, and said former President Salvador Allende, "one of the most noble figures in contemporary political life," had "died the death of a hero."

Perpetrators of the coup, "aided and abetted by imperialist forces abroad," had adopted policies "of violence, military dictatorship and terror," Brezhnev said. Allende's government was trying to transform Chilean society with the support of "the overwhelming majority of the nation," Brezhnev said.

[A Soviet newspaper today suggested Pentagon involvement in the coup in Chile, UPI reported from Moscow. Literary Gazette, the Writers Union weekly, said "despite the worsening of the relationship between the U.S. and Chile, despite the economic aggression against Chile by U.S. monopolies, there was only one definite field of relations which continued flourishing. The United States continued to train Chilean officers."]

The principal topic of the speech—delivered in Sofia at a ceremony where Brezhnev was officially installed as a "hero of the Peoples' Republic of Bulgaria"—was East-West relations, particularly in Europe.

Discussing the resumption this week of the European security conference in Geneva, Brezhnev said some in the West wanted to exploit the Communist countries' interests in a new all-European security treaty "to pressure them and bargain for some concessions."

It was this which Brezhnev termed an unseemly, mercantile approach to the question. Security was desired by all, he said, and should be achieved through "joint, multilateral efforts," not as the result of diplomatic haggling.

He suggested that the issues of freer cultural exchange and "humanitarian problems"—the issues which most interest the West at this second round of the security conference—were less important than an agreement on mutual security—the issue which most interests the Soviets.

"We always remember, and we believe others should remember this too, that broad and fruitful development of economic relations and the effective solution of humanitarian problems are possible only if the threat of war is removed," Brezhnev said.

THE SCOUTS PROVIDE A RECYCLING LESSON

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. GAYDOS. Mr. Speaker, the Boy Scouts, as we know, gather at regular times in what they call "Jamborees" for the purpose of fellowship and instruction in matters having to do with the future good of the Nation.

One such convocation—a "National Jamboree"—was held this past summer in western Pennsylvania, at Moraine State Park within striking distance of the city of Pittsburgh. The boys, I am certain, had a good time. And I am sure they learned a lot.

But my point in this is that the Scouts, in their Jamboree, provided a very important lesson to all of us in a country that is being increasingly strewn with discarded beverage cans and decorated with those tough little rings which are yanked free from the can tops in the opening process.

The Scouts at Moraine Park gulped down 200,000 cans of soft drinks. But, as good Scouts, they were careful about the used containers. They stacked them up and had them hauled to a scrap firm at New Castle, Pa. There the cans were compressed into 65 solid 2-foot square bales.

I quote from an Associated Press report:

The bales then were taken to U.S. Steel Corp.'s Edgar Thompson Works in nearby Braddock where they were transformed into steel. A U.S. Steel spokesman said the steel was being rolled into new steel sheets to be sent to manufacturers of new beverage cans, automobiles and appliances.

Surely, this Scout-type cleanup points the way for the rest of us and, perhaps, in time to a situation in this country when needed recycling programs and handy facilities for carrying them out can correct the growing litter problem, at the same time, provide our plants with needed material for the making of new products.

We seriously need scrap metal. In fact, scrap has become a matter of concern in international trade as well as in operation of our own steel industry. It is a scarce commodity and yet there are uncountable tons of it in empty and rusting cans scattered as eyesores in highway ditches and most everywhere we look nowadays.

There were 44,000 boys at the Moraine Park Jamboree. The soft drink consumption of 200,000 cans meant that, on the average, each Scout managed to down the contents of 4.5 such containers, which is not bad for such an event. But in doing so, the boys, according to the AP, provided industry with nearly 9 tons of reclaimed steel, the total weight as announced by the United States Steel spokesman, thus showing in dramatic fashion what recycling can be made to accomplish when it is planned and diligently carried out. We can thank the Scouts for the demonstration.

A CONVERSATION WITH RUAIRI O. BRADAIGH

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. MOAKLEY. Mr. Speaker, I wish to speak once again of my concern for the Irish people's struggle for self-determination and a United Ireland.

I have previously stated my belief that a reasonable and just solution to the tragic situation in Ireland should include: First, withdrawal of all British troops from the streets of Northern Ireland; second, a declaration of intent from the British Government to withdraw all military personnel from Northern Ireland and allow the people of Northern Ireland to determine their own affairs; and third, a British grant of amnesty to all political prisoners.

I am distressed to learn that one of the first proponents of such a plan for peace in Ireland, Ruairi O. Bradaigh, president of Sinn Fein, has recently received undeservedly critical reports in the American press. Misunderstandings concerning Mr. Bradaigh's character and intentions can only hurt the efforts of those who wish to bring peace to Northern Ireland.

Recently, an acquaintance of mine, Mr. Fred Burns O'Brien, had the privilege of engaging in an in-depth discussion with Mr. Bradaigh. I would like to share with my colleagues and the American people, Mr. O'Brien's account of that meeting in hopes that it might dispel some of the misunderstandings that surround Mr. Bradaigh:

RUAIRI O. BRADAIGH: MAN OF PEACE

(By Fred Burns O'Brien)

It was my privilege recently to have an in-depth discussion with Mr. Ruairi O. Bradaigh, President of Sinn Fein, concerning the events of present times in Ireland, and especially the unfavorable press reports his Party receives in British, Irish and American media. With tranquil eloquence, Mr. O. Bradaigh explained that there is a massive attempt to discredit his political opinions by the respective governments, to portray only British solutions for the ills of the North of Ireland. The American public is all too familiar with violent war after ten years of holocaust in Vietnam, hence, any form of violence of a similar nature is conveniently ignored for fear of rejuvenating a conscience that wishes to remain dormant. The British play on this present American revulsion and distort their own violent activity in such a manner as to transmit the guilt and responsibility for the Irish War to Irish Freedom-Fighters rather than placing the proper blame upon themselves whose very presence is the Irish Troubles.

It was with this emblazoned on my subconscious that I confronted President O. Bradaigh and pressed him for his views on the violence recurring daily in the North. He did not make a sweeping statement, that those he would support are not guilty of violence, such as the British attempt to do in their press offerings. Britain makes statements of utter denial for any responsibility for violence which is not realistic and to be believed by a naive individual or a complete fool. Mr. O. Bradaigh stated that the IRA has been involved regrettably in the violence of war, but their valid position is the pursuit of national self-determination of the Irish people, while the duty of the British soldier is to prevent such a course of action and maintain British domination in the North of Ireland.

It was apparent from his manner and his dire concern for his people, that violence and death was not a task to be taken lightly; he deplored it inclusive of killing British soldiers. His sincerity was evident to me by his emphasis on a political solution for the North that offers concrete guarantee to all sides with institutionalized guarantees. He espoused his Party's plan of regional government because he wants to curtail the war and bring a lasting peace so that new generations, as yet unborn, would not be the recipients of recurring violence. In support of Mr. O. Bradaigh's desire for peace is the further fact that no other faction or governmental group has put forth any lasting solution to the crisis. The present British plan can only have a short-range success if any, and the Dublin Government remains passive as it has done for fifty-three years. Only Sinn Fein has expounded a viable peace plan to terminate forever, "the troubles," and to restructure a new Ireland for all Irish citizens to live in under equitable and equal status.

The important factor Mr. O. Bradaigh rendered is that the Republican Movement is not just a military effort with aimless abandon, but rather, it is a military effort to rid Ireland of the intruder, offering a concrete plan for a government to relieve the present foreign regime from its imposed governance. Reporters pressured him continually on the violence and its corollary sensationalism and Mr. O. Bradaigh explained his attitudes on the aspects of the defense of his people then returned to a discussion of his plan for peace. He established that if Stormont, Leinster House, Westminster or a "recognized" political party placed a plan such as he proposed for a lasting peace before the public, it would be acclaimed as magnetic and an obvious road out of the political morass. Because it was initiated by Sinn Fein, it is rejected without consideration. This ignorant unqualified rejection prolongs the war, not IRA policies.

Ruairi O. Bradaigh was in the States not to discuss the pros and cons of war, instead he was here to draw attention to the aspects of peace insured by the plan he espoused. To date, it is the only plan and it considers the political and social feelings of all diverse opinions, and in allowance for diversity it seeks to construct an all Ireland conscience of conciliation. This writer is quite familiar with the theory of regional government and it must be said it is the only system that at present might work.

Sinn Fein President Ruairi O. Bradaigh is a politician that is quite cognizant of the complex inner workings of government. He is a man dedicated to the unity of his country and he is a man who seeks peace with justice. Because of the insistence of imposing a British solution on Ireland, Britain prolongs the war and deters the peace that Mr. O. Bradaigh would tender the Irish people under his plan. He is a man on a mission of peace not the promulgation of war. Liken to all other peoples who seek their own self-destiny the Irish fight solely for their country and their freedom, which upon attainment will terminate the violence.

It is the imposed authority of the foreign power that will not let Ireland be a whole nation, thereby perpetuating violence, which must be rid or destroyed. Ruairi O. Bradaigh is the personification of the dedicated Irish patriot through eight-hundred years of struggle has sought simply to be his own master. Like all the men and women who passed before in pursuit of the dream of freedom, he is our national conscience and it is an immense burden that he cannot and should not bear alone. He needs the encouragement of us all, if we are to be called Irish.

CDU/CSC PARLIAMENTARY PARTY

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. CRANE. Mr. Speaker, as I indicated yesterday, the West German Supreme Court decision on the basic treaty between East and West Germany is of such great significance, that it should be examined more closely by the U.S. Congress and State Department. Accordingly, I am including additional statements on the interpretation of the treaty:

CDU/CSU PARLIAMENTARY PARTY

(In the Saturday edition of the "Westfälische Nachrichten," Münster, the Chairman of the CDU/CSU Parliamentary Working Group on Foreign Affairs, *Dr. Werner Marx*, published the following comment on the verdict of the Federal Constitutional Court on the Basic Treaty.)

Since all parties have welcomed the verdict of the Federal Constitutional Court in Karlsruhe on the basic treaty, some argue that now a period of cooperation between executive and opposition in the field of "Deutschlandpolitik" might begin. However, one needs to take a closer look at the tenor of the approval in order to assess chances for future agreement by the various parties. For the CDU/CSU party where everybody knew that the court in Karlsruhe would not impede the Federal Government by rejecting the treaty, the reasons for the verdict are of very special importance.

The court bases its reasons for declaring the treaty constitutional on fundamental views and principles of the basic law which an important section of the Government and its parliamentary majority had almost lost sight of. Future actions by the Government will now be restricted by clear limitations. It is obligated to maintain the claim for reunification laid down in the basic law within and without. It may not fool around with legal titles. It may not treat the border between both parts of Germany as a normal state border, but as a border of state law, and it may not reduce the nation to a nation joined together by language and culture. In those instances where incompatible elements had been eagerly melted into strange hermaphroditisms, clarity has now been restituted.

The verdict of Karlsruhe helps to strengthen the position of the law in relationship to power—in accordance with often stated expectations of the CDU/CSU. It sets a liberal interpretation of the treaty which is rooted in the constitution off against some cynical arguments of the Government. The Chancellor's remark that he is not speaking about reunification any more, or the trivial statement that world history is no district court, or Bahr's cynical remark that a demand for elimination of the shooting order must be considered an improper demand, that and a hundred other statements which came ever closer to the interpretation by the other side, have ceased to be possible since the verdict. And the gentlemen Honecker and Winzer in East Berlin will no longer be able to expect understanding or even agreement from anyone in the Federal Republic for their communist interpretation which is totally oriented towards demarcation and unilateral advantage, because that would be in contrast with the constitution.

Hence: Only on the premise that the Federal Government and also those forces within the SPD which are moving in direction of a popular front at a steadily increasing pace, abide by the verdict of the Federal Constitutional Court in interpreting and applying the basic treaty, and provided that they cease to treat that organ with disrespect as they repeatedly did in connection with this proceeding, only on that basis can there be any talk of cooperation in the area of "Deutschlandpolitik". The opposition which qualifies the basic treaty as a poor negotiation policy and which refused to give its consent to it, can now go along with the treaty, because its interpretation binds it unequivocally to the constitution thus preventing further free-wheeling experiments.

The joint resolution of Parliament of May 1972 on the treaties with Moscow and Warsaw is a further important means of interpretation for the entire policy on treaties with the East. The Federal Government is obligated to adopt its political activities to these documents. The seriousness of its desire for political cooperation will have to be measured by its actions.

MANDATORY OIL ALLOCATION PROGRAM NEEDED

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. TIERNAN. Mr. Speaker, I rise today to urge the immediate implementation of a mandatory oil allocation program. Some weeks ago I wrote to the administration urging that Governor Love put into force a mandatory allocation program which would insure an adequate supply of oil for New England and our independent oil dealers.

His inaction, in the face of the coming crisis, makes me wonder if Governor Love and his staff have the qualifications to adequately safeguard the energy needs of the Nation.

My initial inquiry into this matter makes me feel that the President has placed well meaning but inexperienced men in charge of this most important vital sector of our economy.

Governor Love has had little experience in dealing with the oil industry. His right-hand man Charles Di Bonna has had experience but only as a purchasing agent for the Navy—his dealings with the oil industry have not given him an appreciation of the problems of marketing, distribution, and competition in the private sector. The man who apparently will design the allocation program is Mr. Charles Cullen. Mr. Cullen was a public relations man for the 1968 Nixon campaign—my investigation does not reveal any experience dealing with energy problems.

These are the men to whom Mr. Nixon has entrusted the problem of allocating the energy supply of the Nation. They are all well-meaning men. But they are out of their fields and appear to be "yes men" for the President and his big oil supporters.

All of the economists and independent analysts who I have talked to indicate that they feel that these men do not have the level of expertise necessary to draft a mandatory allocation program. The proposed program which was tendered by these men for comment several weeks ago was an economist's nightmare. It showed naivety and incompetence in suggesting allocations to some classes of users while completely ignoring other classes—a plan which could result in the farmer and the homeowner getting all of the petroleum that they need but which would close factories and force the country into a depression.

That is, some of the economists I talked to said the program was naive. The others suggested that the program looked as if it had been developed by or for the major oil companies. The feeling being that the public could not possibly support such a ridiculous plan—thus the independents could be driven out of business.

The philosophy of the majors in regards to any allocation program has been repeatedly expressed. Most recently a member of my staff attended the hearings regarding a mandatory propane allocation program. Gulf Oil was there. Gulf's representative pleaded for the Government to allow the major oil companies to continue their voluntary program.

Let us examine the results of this "voluntary program" thus far:

This summer under a "voluntary allocation program" many independent gasoline dealers throughout the Nation were forced out of business.

A recent survey of 30 oil companies serving the east coast revealed that there was "no critical shortage among companies which produce home heating oil; only among the independent operators who distribute most of it." The survey showed that enough heating oil is now on hand or available to meet demands along the east coast—an area which consumes 65 percent of the heating oil in the country—if mandatory allocations are set into action.

Furthermore, the survey showed that the major oil companies have 14 percent more heating oil in their storage tanks than last year while independent companies have half of last years supply.

So it appears that the "voluntary allocations system" is not helping anyone—except the major oil companies. Yet this is the program which has been repeatedly supported by the President and Governor Love.

My respect for the President and his administration's knowledge and abilities in the field of petroleum was further weakened last week when I read "Petty's Oil Letter" in the Oil Daily of September 12:

> We wish that President Nixon and John Love, his top energy adviser would get their facts straight when they brief the press on important Presidential energy announcements.
>
> It is unusual for Nixon not to be pluperfect about the fact of any situation when he holds a press conference—but energy and the energy "crisis" are either beyond his present comprehension, or his interest.

The article goes on to explain how the President in his September 8 briefing after a Cabinet meeting on energy, made statements concerning the U.S. ability to become energy self-sufficient and his warning to the Arab nations that the United States could become "self-sufficient" for its energy needs and deprive them of their billions of dollars in oil revenues—the implication being that the Arabs should take a more reasonable approach in their dealing with U.S. oil companies or risk losing their business.

Governor Love was asked what time frame he was considering in looking toward a "self-sufficient" energy status for the United States. The Governor replied that he could not forecast with certainty, but that he was thinking in terms of a "3- to 5-year timespan."

The article then dismisses both the President's warnings and Love's estimates as pure rhetoric. That is to say, that it would be impossible for the United States to become energy self-sufficient within the next 20 years.

Thus we have the major source of oil news running a column seriously questioning both the President and Governor Love's knowledge about the energy gap.

Because of this apparent incompetency and insensitivity on the part of the administration. And because of the alliances which have been formed between the President and "Big Oil," I urge the House of Representatives to mandate an oil allocation program immediately which will insure a minimum supply of oil to independent oil refiners and distributors equal to the supplies which they received last year, and no less than the same percentage of this year's total oil production and distribution that they received of last year's supplies.

Such a program would be a temporary measure. The Congress should take it upon itself to begin an intensive study of the oil industry and its distribution patterns as well as the effects of recent oil pronouncements by foreign countries on projected U.S. supplies so that we will be in a favorable position to rewrite the mandatory allocation program next year.

FIGHT FOR JUSTICE IN NORTHERN IRELAND—II

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. BIAGGI. Mr. Speaker, on Tuesday I had inserted into the RECORD the first section of a brief filed by Luis Kutner, an American attorney to the European Commission on Human Rights, on behalf of the persecuted minorities in Northern Ireland.

Luis Kutner has been called the "Da Vinci" of the legal profession because of his interests and achievements in many varied aspects of the practice of law. Perhaps his greatest contribution to the law profession has been his establishment of the world renown, "Poor Man's Justice" program. This revolutionary program has as its sole purpose the aiding of indigent persons who have been wrongfully and illegally convicted and incarcerated. This program has resulted in the freedom of over 1,000 persons.

I insert in the RECORD, the second part of the brief as filed by Luis Kutner.

The brief follows:

BRIEF BY LUIS KUTNER—VII

Counsel for Applicants reminds the Commission that not one of the Applicants interned or released was ever charged with a criminal offense, nor were they given a fair and impartial trial, nor given the right to defend themselves. At no time were they given free legal assistance, notwithstanding that Article 6(3) (c) of the Convention would guarantee that, had the Applicants been so charged, "everyone charged with a criminal offense has the right to defend himself in person or through legal assistance of his own choosing, or if he has not sufficient means to pay for legal assistance, to be given it free when the interests of justice so require."

Referring to the Commission ruling that Applications cannot be proceeded with as one collective Application, counsel for Applicants takes exception in that each Application charges the Respondent Governments for committing delicts against the person of each Applicant. Since the principle of collective responsibility is one of the most characteristic elements of legal technique prevailing in general international law it follows that individuals may act collectively. States and individuals have interchangeably been held to be subjects of international law, the juristic status of the person is the personification of a legal order regulating the mutual behavior of individual human beings. For the protection of individuals, sanctions are imposed upon any State in case of contrary behavior.

Law, by its very nature, is the regulation of mutual relations between human beings; all legal relations are relations among individual human beings existing under the personification of a State. The right of any State is to be concerned in terms of its obligations and responsibilities to the rights of all individual human beings and the most fundamental of all being the human right of individual freedom.

The Commission has an obligation to supersede its procedural convenience and to position itself in the global history of the human rights of man. Human Rights are the indicia of a civilized State participating as a unit in the world's political processes. Functioning world communities can only live in a world of minimum public order. Violence to the individual, be it organized or sporadic, becomes unthinkable and intolerable. There is no condonation for the option of the public policies of a State that acts by committing crimes against humanity and crimes against the equivalent conscience of mankind.

The parochial interests of a State must give away to the universal concern for the aggregate entrenchment of the security of human rights. It would seem that the Commission can and should take judicial notice of the numerous reports and commissions of inquiry on the record of army and police brutality from August 9, 1971 to the current date. The Commission's attention is directed to the following reports:

"Crisis in Northern Ireland." The representations of the National Council for Civil Liberties to H M Government, December 1971.

"Violence and Civil Disturbances in Northern Ireland in 1969." Report of Tribunal of Inquiry. Government of Northern Ireland. Vols. 1 and 2, Cmd. 566, April 1972.

"Report of the Tribunal Appointed to Inquire into the Events of Sunday, 30th January 1972, Which Led To Loss of Life in Connection With the Procession in Londonderry on That Day" by The Rt. Hon. Lord Widgery, O.B.E., T. D., H. L. 101, H. C. 220, 18th April 1972.

"Liberty Under Law Anarchy Totalitarianism"—This is the Choice. American Bar Association, 1970.

"Disturbances in Northern Ireland." Report of the Commission appointed by the Governor of Northern Ireland, September 1969. Cmd. 532.

"British Army and Special Branch RUC Brutalities," December 1971–February 1972. Compiled by Father Denis Faul, Dungannon, and Father Raymond Murray, Armagh.

"Commentary upon the White Paper" (Command Paper 558) entitled 'A Record of Constructive Change' published by the Government of Northern Ireland on 20 August, 1971 Irish News Limited.

"Northern Ireland the Plain Truth." (Second Edition) issued by The Campaign for Social Justice in Northern Ireland, Castlefields, Dungannon, 1969 and 1972.

"Northern Ireland—The Mailed Fist." A record of Army & Police Brutality from Aug. 9–Nov. 9, 1971. Issued by The Campaign for Social Justice in Northern Ireland in association with The Association for Legal Justice, December 1971.

"Law" (?) and Orders. The Story of the Belfast 'Curfew' 3–5 July 1970. Central Citizens' Defense Committee 1970.

"Review Body on Local Government in Northern Ireland 1970." Report. Chairman: Patrick A. MacCrory, Esq. June 1970 Government of Northern Ireland.

"Discrimination"—Pride for Prejudice. The Northern Ireland Society of Labor Lawyers, 1969.

VIII

In its ruling (point 5) the Commission suggests that a Repeal and amelioration of the Special Powers Act and its regulation has been made as of April 1973; when the opposite happens to be reported. An August 8, 1973 report from United Press International, Belfast, Northern Ireland, states:

"Tough new laws to combat terrorism in Northern Ireland came into force today.

Authorities are now empowered to conduct trials with no jury, limit bail, detain persons for as long as four hours on suspicion only, searches without warrants, and file charges against persons who refuse to answer police questions.

The laws also assume a defendant is guilty until proven innocent.

The Chief British official in the province, William Whitelaw, said the laws showed the government's determination to "remove the cancer of violence and lawlessness which is the enemy of true freedom and democracy."

But the Northern Irish Civil Rights Association called the laws "the most oppressive legislation outside the Communist bloc . . ."

The dilemma of the Commission can be expressed in a question. If a nation will not arm its people against itself, can we put a sword—or at least a shield—, in the arms of the victims. The resulting answer can only be "No"—but the question put like that is too uncompromising. In the first place, most nations pretend, in principle, to arm the people against abuse of authority, however far the practice may be removed from precept. In the second place, the will to protect individual a sizable number of nations might not be human rights is not so universally feeble that found to make a contracting State keep on the road to international vision.

IX

The European Commission of Human Rights is the first court of its kind in history. However, a right that has not been made into realistic law cannot be said to exist. What the Commission should now be doing is to cut through the labyrinth of procedural obfuscation and help the victims, the voiceless and the hopeless, to draw strength from the knowledge that there is a legal forum that will prevent a nation from trampling on the rights of its citizens.

The difficulty of international protection of Human Rights is that the laws that protect or the laws regulating the relations of the individual and his own government are in conflict. The confrontation is not nation and nation, but man—the "poor forked creature" of Shakespeare's lines—and the mighty appointees of the modern state. Hence the objective has to be domestic laws which conform to international standards.

The Commission's findings should be based on substantive human rights issues. In other words, the fundamental freedoms in Articles 1–14 must not be limited in their application by the procedural articles of the Rules of Procedure of the Commission. Such new protocol would constitute a major step in bringing about a major change in the present international rule of law. The liberality of the Commission in the *Nielsen vs. Denmark* (2 Yearbook Human Rights 412, 1960) and the Iverson Application (3 International Legal Materials 417, 1964) can be precedent persuasive.

X

Counsel will now address himself to the barren policy of the European Commission of Human Rights and its departure from the positions spelled out by the Convention.

The legitimacy of the Applicants' cases is countered by the resolute determination of the European Commission to illegitimize the allegations of Respondents' deprivations and violations of specific Articles of the Convention. The disinherited and disenchanted Applicants strike a note of incomprehension at the symbolic manipulation by the Commission to impose a cruel and ubiquitous factor in judicial politics which invests authority with the power to erode the vaunted "human rights" of the Convention.

The tragic attitude and shocking apathy of the European Commission demonstrates its unresponsiveness to facts alleged and facts which must be judicially noticed. It would appear that the European Commission is asserting an operative ideological justification to promote its system of power,—in the divine right of Kings, the mandate of heaven the sanctity of its judicial priests, or the superiority of its administrative lords.

Applicants deluded by the promise of the Statute of the Council of Europe, seriously challenge the functional validity of the Commission and of the European Court of Human Rights.

The chaotic situation in Northern Ireland, the medieval garbage and torture conditions in the detention centers of which Applicants complain, suggest abundant propitious crises facts which the European Commission can resolve by its self-proclaimed reformist and corrective informal and formal innovations.

The world may properly frown at the obstructionist institutional channels interposed by the European Commission to make the Applications ineffective. The alleged acute grievances are more than just expressions of frustration over social, economic, political and totalitarian judicial conditions. The micro thrust of the Applicants' allegations is a profile of the macro shadow of the oppression, repression, torture and arbitrary jailing of the masses. It is a coherent cry of their sense of desperation and grim determination to end the injustice, the humiliation, the oppressive rule in Northern Ireland that seems almost entirely concentrated on Irish Catholics.

By its obvious catastrophic attitude and procrastination, the Europen Commisison has temporized over technicalities while the death toll in Northern Ireland has risen from 210, when the Applications were filed, to 850, and the toll of injured and maimed approximate 12,000. And the Civil War continues and the death and maimed toll rises each day.

A judicial forum unwilling to fulfill its Convention aspirations begins to lose its legitimacy. When it condones governmental coercion as a primary instrument of ruling, it aids and abets the instruments of the oppressive government in obtaining obedience to surface efficacy and cohesion. The European Commission might reassess its parochial interests of the ruling regime in Northern Ireland and detect the perceptible gap between those in authority and the expectations of the "collective" Applicants who are in the forefront of the crusade for freedom and decency and dignity in Northern Ireland.

The European Commission, by its inaction, bolsters the negative weapons of the Respondents since they produce no desired results such as quenching the flame of the revolutionary human rights movement in Northern Ireland. The indiscriminate imprisonment lack the broad support of the civilized world. They are compelling but most self-deserving.

The European Commission enforces the punitive militarism of the Respondents. All the reports of brutality, systematic torture, imprisonments and murders cited herein are not exercises in semantic hoax rhetoric.

Judicial asphyxiation by the Respondents and the European Commission and the European Court of Human Rights is guaranteed to expand the conflict in Northern Ireland.

Counsel for Applicants welcomes the pervasive and pragmatic insinuation that the European Commission will take the incentive and make direct contact with each Applicant. This is precisely what has been the goal of counsel since the nightmare night of August 9, 1971 when the lynching blitzkrig of the Respondents was launched. This is the first sign of a needed moral and judicial regeneration of the European Commission. The hard core militancy and terrorism may at long last be exposed. It is hoped that this last ascerbic missile of the European Commission to counsel constitutes a preview of things to come.

An alert international public opinion is awaiting the judicial awakening of the European Commission to bring pressure to bear on Respondents to abolish its Nazi patterned Special Powers Act of 1922 and to abandon its Nazi terror and bullyboy tactics against Applicants and all of Northern Ireland.

XI

The Commission is invited to consider the pending and about to be adopted United Nations standard minimal rules for the treatment of prisoners. It is the consensus of the United Nations that a Convention be adopted by the member states outlawing torture, inhuman or degrading treatment of persons imprisoned or interned for constitutional crimes under international law and to render compulsory, under international law, at the very least, the observances of the consensus of United Nations to eliminate torture, cruel, inhuman or degrading treatment or punishment.

The Statutes of the Council of Europe anticipated the United Nations adoption of its moral code and has the advantage of being the beacon light that inspired the International Covenant of Civil and Political Rights of 1966, which provides that no one shall be subjected to cruel, inhuman or degrading treatment or punishment and that all persons deprived of their liberty shall be treated with respect for the inherent dignity of the human person.

The Commission is further invited to consider the prohibition against torture and inhuman treatment contained in Regional Conventions on Human Rights and the numerous exhortations made by non-governmental organizations, churches and religious bodies, the international public opinion for the elimination of violations of Human Rights and for the application and implementation of existing rules of international law.

Applicants further wish to recall to the Commission that:

(a) That the Universal Declaration of Human Rights affirms that no one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment;

(b) That the Genocide Convention of 1948 confirms that the causing of serious bodily harm to the members of a group with intent to destroy it in whole or in part is a crime under international law;

(c) That the International Convention on the Elimination of All Forms of Racial Discrimination guarantees, without distinction, the right to security of person and protection by the State against violence or bodily harm whether by Government officials or by any individual group or institution;

(d) That in the absence of specific provisions relating to the treatment of persons imprisoned or detained, such persons remain under the protection of governance of the principles of the law of nations as derived for the usages established among civilized nations, from the laws of humanity and from the dictates of the public conscience.

The Commission is also requested to remind itself that the Human Rights articles of its Convention have firm roots in the soil of the laws of humanity among civilized nations and as formalized in the Haig Convention of 1899 and 1907, the Geneva Protocol of 1925 as defined by Resolution 2603 (XXIV) the General Assembly, and the Geneva Convention of 1949. It is of some credit to the European Convention that it inspired Resolution 23 of the United Nations International Conference of Human Rights held at Teheran, condemning any erosion of Human Rights that engenders brutality, physical and psychological torture or inhuman treatment of prisoners. Further, the signatories to the Statute of the Council of Europe are obliged to respect Article 5 of the Universal Declaration of Human Rights: "No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment."

INTERNATIONAL GAMES WITH AMERICAN MONEY

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. RARICK. Mr. Speaker, now that the prime interest rate has soared to 10 percent, with no assurance that it will not go even higher, American bankers and businessmen should start asking why and where is the credit going.

On September 7 the Federal Reserve banking system reported intervention in foreign exchange markets at a cost of $273 million. It is unknown where the Federal Reserve is authorized to manipulate U.S. dollars abroad.

On September 14, 10 American banks headed by the Bank of America announced an agreement to finance $180 million in equipment and material to be used in building a fertilizer complex in the Soviet Union. The U.S. Export-Import Bank had already agreed in principle to extend an equal amount in credits to the Soviet Government as part of an $8 billion, 20-year fertilizer deal.

On September 17 the World Bank, through the International Development Association—IDA—under the leadership of Robert McNamara of Edsel fame, announced an increase in U.S. participation to help "the poorest among countries and people of the world" from $960 million to $1.5 billion.

Yet while all of these financial shenanigans continue to constitute a stumbling block to the American people, the IMF announces its historic meeting at Nairobi, Kenya to solve the world's financial problems at the expense of the U.S. taxpayers. I include related newsclippings:

[From the Washington Star-News, Sept. 7, 1973]

INTERVENTION BY FED TOTALED $273 MILLION

(By Philip Greer)

NEW YORK, Sept. 6.—U.S. intervention in foreign exchange markets at the height of the speculative onslaught on the dollar during July amounted to $273 million, the Federal Reserve System reported today.

Intervention is a price-propping operation, by which the U.S. sells other currencies and buys back surplus dollars. In this case, the U.S. sold $220 million in German Deutschmarks, $47 million in French francs, and $6 million in Belgian francs.

The total appears larger than most market observers had estimated at the time, but the Fed credited its actions with helping to stem the decline of the dollar, which reached its low point in July.

The intervention in the markets confirmed by Fed chairman Arthur F. Burns on July 18, but recognized by market traders earlier than that, was accomplished through the Fed's "swap" arrangements for trading currencies with other countries. As a result, U.S. drawings from the swap network rose to $1.828 billion at the end of July

The swap network is a system of short-term, reciprocal credit lines between the Federal Reserve, the central banks of 14 other countries and the Bank for International Settlements. Its purpose is to moderate excessive short-term swings in foreign exchange markets.

The report on U.S. intervention in the markets was contained in a quarterly analysis by the Federal Reserve Bank in New York, which conducts foreign exchange operations on behalf of the system. In previous reports, which were issued semi-annually, borrowings under the swap network were stated up to date. Under an agreement with the Treasury and the House subcommittee on international finance, they are now reported quarterly, but cover only a period ending 30 days before the report is issued.

Although the swap network has been in operation for a number of years, the July period was the first when the U.S. itself intervened more than briefly in the markets as a matter of policy. Charles A. Coombs, senior vice president of the New York bank who is in charge of the foreign exchange operations, said the Fed has intervened in the past under special conditions—such as the assassination of President Kennedy in 1963. Normally, he said, central banks of other nations moved into the market and the Fed absorbed surpluses from those banks.

Commenting on the change in Fed policy, Coombs said, "The dollar seems undervalued and if there's pressures on it, I think it's a good idea to resist it."

In July, chairman Burns and Treasury Secretary George P. Shultz said the U.S. would intervene in exchange markets "at whatever times and in whatever amounts are appropriate for maintaining orderly market conditions."

As a result of the heavy selling of dollars in July Coombs noted that some banks refused to quote exchange rates at all. "Exchange trading was grinding to a standstill," he said.

Since the intervention, the dollar has recovered a large part of its losses, Coombs said, "and I think there's a distinct improvement in the tone of the market."

Coombs said the Fed's effort to stem the dollar sales was closely coordinated with the West German Bundesbank, which bought $300 million to help stabilize the markets.

[From the Washington Star-News, Sept. 7, 1973]

DISTICT OF COLUMBIA DEVELOPMENT BANK LEGISLATION RESUBMITTED

The Nixon administration yesterday resubmitted to Congress proposed legislation to establish a District of Columbia Development Bank. A similar bill, offered in the previous session of Congress, was not enacted. Although hearings have been held on the idea, Capitol Hill staff members said they do not expect quick action because of the press of other business.

The legislation would set up a bank to purchase and sell debt obligations or equity instruments, and guarantee any debt obligations issued to finance projects here. American Security & Trust Co. chairman Joseph W. Barr first proposed the development bank several years ago and President Nixon has endorsed the idea in the last two State of the Union messages.

Treasury Secretary George P. Shultz yesterday supported the legislation as providing assistance to development projects in D.C. that have difficulty obtaining necessary financing from traditional business and government sources.

The bank would be authorized to provide technical assistance and training for projects, and could issue up to $10 million of obligations to the Treasury.

[From the Washington Post, Sept. 14, 1973]

U.S. BANK FINANCING IS SET FOR SOVIET FERTILIZER PROJECT

LONDON.—A syndicate of 10 American banks, headed by the Bank of America, has agreed to finance $180 million in loans for American-made equipment and materials to be used in building a fertilizer complex in the Soviet Union, a Bank of America spokesman announced yesterday.

In May, the U.S. Export-Import Bank agreed in principle to extend an equal amount in credits to the Soviet government, as part of an $8 billion, 20-year fertilizer deal between the Soviet Union and Occidental Petroleum Corp.

Meanwhile, in Moscow, Tass reported that the Soviet Union would build a new deep-water port on the Black Sea to enable it to fulfill its chemical-products contracts with Occidental. The new port is to be situated at Grigorevsky, 40 miles northeast of Odessa, Tass said.

[From the Washington Post, Sept. 17, 1973]

IDA LOANS TO "THE POOREST" INCREASE

(By Hobart Rowen)

The World Bank's "soft loan" affiliate, the International Development Association (IDA) sharply boosted its lending in fiscal 1973, with increasing concentration of the aid "on the poorest among countries and peoples."

According to the annual report of the World Bank Group—the bank itself, IDA, and the International Finance Corp., which finances private projects—total development assistance came to $3.555 billion in the year.

This record fulfilled a goal announced in 1968 by Bank President Robert S. McNamara, that the group should provide twice as much development assistance in 1969–73 as it had in the prior 5 years.

In releasing the report, prior to the annual meeting of the bank and the IMF next week in Nairobi, Kenya, bank officials stressed their conviction that they are achieving success for another basic McNamara goal: spreading the benefits of development more widely.

"Development is about people, especially about poor people," said one bank official. "We have done a lot to spread development downward . . . There's more to it than just getting more GNP per head."

For example, a review of IDA's lending policies showed that 7 per cent of IDA resources had been directed to the poorest contries (those with a per capita GNP of $12 or less).

Even in mixed economies, as in Brazil, the emphasis is now on directing assistance to the least affluent sectors.

One consequence of this policy is that the volume of agriculture loans, for the first time in the history of the bank and IDA, exceeded that of any other category. At $938 million, it was twice as much as in fiscal 1972, and 35 per cent higher than lending for transportation, which formerly had the top spot.

Economic growth among the developing countries was put at an "impressive" 6 per cent in calendar 1972. But because population growth exceeded a hoped-for ceiling of 2.5 per cent, the per capita GNP grew by only 1 per cent.

But these aggregate figures incorprate wide differences. The growth rate per capita of the least developed 25 countries fell to zero from 0.4 per cent the year before. By contrast, the rate was 4.5 per cent per capita among petroleum-exporting countries, and 5.5 per cent among those able to export manufactured goods.

Among other highlights of the bank group report:

The largest single source of funds to support a near-record $1.723 billion in borrowings was Japan, which supplied 35 per cent. Germany was next with 22 per cent.

The bank doesn't foresee any change in the interest rate it charges—7.25 per cent—inasmuch as the average cost of its money is only 4.5 per cent. Treasurer E. H. Rotberg said: "At this point, 7.25 per cent looks good. But we'll have to see how much the next $3 or $4 billion costs us."

Total capital flows, public and private, to developing countries increased in 1972—but the funds disbursed actually represented a smaller percentage of the donors' GNP. As reported by the Development Assistance Committee of the OECD, total flows were $18.43 billion, compared with $17.21 billion in 1971. As a percentage of GNP, that was a drop from 0.78 to 0.73.

On the matter of the next replenishment of IDA funds (which will come up in Nairobi next week), the new U.S. executive director for the bank, Charles O. Sethness, said that the United States supports a proposal to increase the replenishment from $96 million to $1.5 billion a year, but with the U.S. participation at one third rather than 4 per cent.

[From the Washington Post, July 30, 1973]

COMMITTEE OF 20 MEETS ON MONETARY REFORM

(By Hobart Rowen)

The finance ministers of the Free World, organized as the Committee of 20 of the International Monetary Fund, begin a two-day session here this morning, an important preliminary to the IMF Annual Meeting in Nairobi in September.

Monetary reform, with the hope of reaching an outline of an agreement at the Nairobi session, is the task of the C-20.

Officials have made it clear that this ministerial session (the third since the C-20 was created at the last annual IMF meeting) is a "working"—rather than a decision-making—affair. Thus, there will be no communique at the end.

Nevertheless, it could be a highly significant session in which the political leaders of the several countries will see whether divergent viewpoints are susceptible to a real compromise.

The main issues still to be decided are how to achieve a better working of the balance of payments adjustment process; the convertibility of the dollar; the role of gold in a reformed system; and the precise functions of the IMF itself.

Technical work has been done by the C-20 deputies, chaired by Jeremy Morse, formerly an executive director of the Bank of England. Earlier this month, Morse told reporters that the deputies had carried their study about as far as possible, putting it up to the ministers for decision.

Another ministerial session is scheduled for Nairobi, immediately prior to the IMF meeting. It is possible, also, that the deputies will be asked to meet in Paris in early September.

Officials privately express a degree of cautious optimism, despite the lack of specific agreements so far. "The nature of a process," says one aide, "is that there is never much to announce until the whole thing falls into place."

However, the very brightest scenario contemplates only an outline of an agreement at Nairobi, with work to perfect a new monetary system lasting for at least a year beyond that.

The complexity of the problem is illustrated by the intense debate on what international pressures may be necessary to "discipline" a nation's balance of payments.

Much of the discussion in both the ministerial and deputies groups has revolved about an American proposal to use the level of monetary reserves as the chief "objective indicator" for forcing changes in exchange rates. The Europeans agree that some pressures may have to be applied, but shy away from the use of a single, specific test.

Treasury Undersecretary Paul A. Volcker who, along with Treasury Secretary George Shultz and Federal Reserve Chairman Arthur F. Burns, leads the American delegation, put it this way recently:

"In concept, we all want a better process of balance of payments adjustment. But in practice, that dull and abstract phrase, 'balance of payments adjustment,' translates into difficult economic judgments and sensitive political issues for any government. Who is to decide what action will be taken, when, and by which country? . . .

"We must settle the appropriate scope for national discretion, the role of the IMF and the extent to which 'objective indicators' can be usefully employed. In all these areas, a full consensus has not yet been reached."

Ali Wardhana, minister of finance for Indonesia, is chairman of the C-20. In addition to the ministers, representatives of the European Economic Community, the Bank for International Settlements, the GATT, UNCTAD, the World Bank, and the Organization for Economic Cooperation and Development will attend the two-day meeting.

[From the Washington Post, Sept. 16, 1973]

U.S. MONETARY REFORM PROPOSALS

A Department of the Treasury statement released on Aug. 27 outlined U.S. views on 14 separate monetary reform problems:

System of Adjustment—Equitable and effective incentives and disciplines for balance-of-payments adjustments by both surplus and deficit countries. Stable but adjustable par values supported by convertibility.

Adjustment Policies—Maximum discretion for national authorities to choose from a range of international acceptable measures—domestic policies, trade liberalization, capital liberalization, increased aid or exchange rate changes.

Role of Consultations—Improved and strengthened consultative procedures in the IMF, even though consultations alone cannot provide the needed certainty in adjustment arrangements, which are difficult decisions often postponed.

Exchange Rate Regime—Strictures against competitive undervaluation must play an important role. Stable but adjustable par values as the "center of gravity" of the new system. Wider margins of exchange rate fluctuation.

Convertibility Arrangements—Each country maintaining a par value or central rate would stand ready to convert foreign official balances of its currency into primary reserves (or the currency of the country requesting conversion).

Special Drawing Rights (SDRs)—Central role of SDRs as "numeraire" (or unit of account) and as main reserve asset. Dependence on gold and currencies should diminish.

Currencies—Option of holding currencies can provide elasticity for the system, which should be flexible to accommodate short-term and possibly reversible capital flows without unwarranted adjustments or restrictive measures.

Gold—Historic decline in gold's role should continue, although it cannot be demonetized overnight. Provide for continuing but declining role for gold.

Intervention Arrangements—Major countries should adopt exchange market intervention system similar to EEC's "multicurrency intervention." Countries would be responsible for intervention in all participating currencies.

Consolidation and Funding—Past accruals of currency balances secondary to satisfactory adjustment system.

SDR-Aid Link—Proposals to link SDRs to development aid to other countries are risky and impractical. Link might weaken confidence in SDRs' main function without providing significantly more resources to developing countries.

Stake in Reform—Developing countries have strong interest in overall reform, and stand to gain much from prosperous and expanding world economy.

Monetary-Trade Relations—Monetary reform is vital part of total reform of international economic affairs, encompassing trade and investment opportunities. Monetary questions cannot be separated from other issues, rules and practices.

Structure of IMF—Senior and politically responsible people from various countries should meet periodically in a revamped executive board, a new executive committee, or a continuation of the Committee of 20.—Congressional Quarterly

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[From the Washington Post, September 1973]

MR. NIXON, THE "FED" AND HIGH INTEREST RATES

(By Hobart Rowen)

Sitting in the White House East Room for President Nixon's press conference last Wednesday, one thing became perfectly clear: the administration has no new ideas for controlling inflation.

Sidestepping any blame for himself, the President took a dig at his economic advisers for the disastrous price spiral of 1973.

"I'm afraid I can't be any more perceptive than my economic advisers have been and their guesses with regard to, as you know, the numbers insofar as inflation have been, have not been very good."

He then tossed the advisers a crumb of comfort by saying he didn't blame them because of "factors . . . (they) did not foresee."

Mr. Nixon's advisers have been wrong on more than guessing the rate of inflation. At almost every turn, from the original "game plan" of 1969 which produced inflation and recession at the same time, to the ill-fated junking of Phase II of wage-price controls on Jan. 11, Mr. Nixon and his experts have botched the job of managing the economy.

This isn't to say that there were no problems beyond their control, notably a worldwide boom that contributed to rising prices here.

But lots of our present economic headaches could have been avoided or mitigated. There were plenty of warnings, for example, that the Agriculture Department was following a policy of scarcity all during 1972, when food demand was booming. But the department had a monolithic concentration on boosting farm income rather than the national food supply.

And consistently, Federal Reserve Chairman Arthur Burns—whose name the President invoked twice at the Wednesday press conference—begged for a stronger tax policy that would ease the inflation-fighting burden imposed on monetary policy. Had that advice been heeded, interest rates wouldn't be so high today.

For all of the policy mistakes, only two notes of grace can be recalled. First, Treasury Secretary George P. Shultz has admitted that Phase III was a disaster, and Burns concedes that the Fed should have exerted greater monetary restraint last year.

Government expenditures should also have been reigned in last year. A golden opportunity to trim back military spending co-incident with the winding down of war in Vietnam was missed.

But now the monkey is on the back of Mr. Burns and his six fellow governors. Almost the entire fight against inflation depends on a high interest rate policy—and the Fed is the first to admit that there are serious limits to what should be expected from monetary measures. The Fed can establish a goal—and have no assurance that it can reach it. Moreover, it is uncertain what effect a given policy, even if achieved, will have on prices.

Former Fed Governor Sherman Maisel points out in a soon-to-be published book, "Managing the Dollar," that the present Fed points out in a soon-to-be published book, who can pay the price must at some point price others out of the market.

Burns himself, in testimony Aug. 3 before the Joint Economic Committee, said that interest rates "could go so high that we would be laying the foundation for the breakdown of our economic and social order."

He cited, in that connection, the fact that the 180-day interest rate in Chile was 90 per cent, because the inflation rate had hit 200 per cent.

"If I accomplish nothing else this morning," Burns told that hearing, "I want to emphasize the simple truth that inflation and high interest rates go together, and that both the one and the other pose perils for economic and social stability in our country."

But in the month since then, interest rates have forged relentlessly upward. We may not yet be suffering from a Banana Republic style of inflation, but for the first time in recent history, interest rates, like other elements of price inflation, are being measured in double numbers—11 per cent or so for bank loans to small business, 10 or 11 per cent in the "overnight" rate at which banks borrow from each other—and 10 per cent is widely predicted for the banks' prime lending rate, the price of money to the best and biggest customers.

When asked Wednesday whether "the tax structure should be altered in any way to help strengthen the economy," Mr. Nixon responded:

". . . a number of my advisers, including, incidentally, Arthur Burns, have strongly recommended that the answer to this whole problem of inflation is the tax structure, you know. That there's this gimmick and that one. And by saying gimmick, I don't mean anything disrespectful to Arthur Burns, because he's very important to us at this moment . . . But there isn't a chance that a responsible tax bill would be passed by this Congress in time to deal with that problem."

That may be a correct political judgment. But if proposing higher taxes of some sort is the right policy, the President shouldn't shrink from it. Just his willingness to develop a more even-handed economic program might have a beneficial effect.

Right now, the burden of monetary restraint is very uneven. Housing gets clobbered. Smaller businessmen get hit hard when borrowing money. Local communities find it tough or impossible to get the money they need for community projects.

To those affected by high interest rates, it is little comfort to hear that with 6 per cent inflation, a 10 per cent interest rate works out to a "real" money cost of only 4 per cent.

That may be significant to the big businessman, to whom interest rates are but another operational cost, with the government picking up as much as 50 per cent of it on his tax return, anyway.

But to the homeowner or small borrower, a high interest rate is just another inflated price, along with the rest of them, which reduces the amount of money in his pocket. If it goes on long enough, a recession is a certainly—but it won't necessarily cure inflation.

ESPERANTO

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. BIAGGI. Mr. Speaker, earlier this year, I spoke before this body on the occasion of the birthday of Dr. Lazarus Zamenhof, the creator of the international language known as Esperanto.

Although Dr. Zamenhof is not alive today, the spirit of Esperanto lives on, taking on additional relevance as each new sign of international peace emerges.

At this point in the RECORD I insert an article written by Dr. Mario Pei, a noted professor of linguistics at Columbia University, who gives further justification of the need for Esperanto in our time:

[From the Los Angeles Times, Sept. 2, 1973]

WHY COLLEGE LANGUAGE COURSES GO BEGGING

(By Mario Pei)

Two worries beset the world of higher education. The major, overall one has to do with shrinking college enrollments. The other concerns one area of higher studies, and may reflect a change in our national and international outlook.

The drop in foreign language enrollments outstrips that in other fields.

Does this indicate a resurgence of isolationism after decades of growing internationalism? If so, it concerns far more than higher education and college administrations and faculties. It may go hand in hand with congressional tendencies to restrict foreign aid, military spending, U.S. participation in world affairs.

Increased study of foreign languages had been widely touted as highly necessary in a world that we dominated. True, everybody was supposed to be learning English. But the appearance of the first Russian Sputnik in space gave notice to Americans that other countries, speaking other languages, could achieve technological miracles, and would have to be reckoned with. Foreign language enrollments took a big jump at that time, and the expansion in foreign language studies continued until quite recently. There were about 1 million college students taking foreign language courses in 1970, as against less than half that number in 1950.

Now there has been a sudden reversal. Colleges that had required high school foreign languages for admission, and had language requirements in their own curriculum, began to decide that it was no longer necessary to impose the study of languages on all their students. This sort of thing had been a growing practice in the high schools, only 25% of which make the study of a foreign language a must.

But a college education is something higher; it is supposed to broaden your outlook beyond the national horizons. The trend is distressing, not only from the point of view of the college language teachers, who find a shrinking market for their skills, but for the philosophy of higher education as well. It may even be ominous for the nation, as one of the symptoms of withdrawal from our position of leadership in world affairs.

In extenuation of what goes on, it is argued that as higher education reaches out to more and more people it is unreasonable to expect the less endowed among them to go in for subjects they may have little occasion to use in later life, and which they are basically unequipped to handle.

Same argument, of course, could be advanced against mathematics, history and the sciences, which are also required. Is all we should expect of higher education merely training in citizenship, skill in driving a car, speaking, reading and writing barely acceptable English, ability to get along with all sorts of people, a manual skill? These are everyday activities, of course. But many people acquire them without spending four expensive years in college.

It is also argued that removal of the requirement leads to smaller classes and more efficient instruction imparted to fewer but better motivated students. But it also leads to the abolition of classes, and the dropping of languages that do not achieve sufficient registration in a given college.

In these days of expanded international travel and trade relations, the languages should be able to stand on their own feet. Required or not, they should be able to generate enough interest among college students to ensure their survival, even their expansion.

The trouble is that far too many college teachers have refused to modify their approach in the matter of motivating their students and gaining their enthusiastic cooperation instead of the ho-hum attitude that seems to say: "Well, I have to take two years of some language or other in order to get my degree. I have to go through it somehow. Which is the easiest of these languages, the one in which I'll have to do the least amount of work to get a passing grade?"

It isn't that the language teachers are not masters of their respective subjects. If anything, the change would have to be that they dominate their field too completely. They assume that everyone is as interested in it as they are. Too many of them, in order to qualify for their posts, have had to specialize in a narrow area of the language they are going to teach and especially in its literature.

They carry their predominantly literary interests into the classroom and expect to ram them down the throats of their students, who may be interested in the language in an altogether different way, if at all. The student may want to learn to speak the language so he can use it when he travels as a tourist or a business representative, or to read it for scientific, commercial, or diplomatic purposes. What he gets instead is insistence that he learn about literary currents and authors who do not interest him, and whose language is often anything but contemporary.

It used to be the boast of Harvard in the 19th century that students of Italian spent the first year acquiring the grammar and some vocabulary, then in their second year went on to read Dante in the original and discuss his philosophy. Some of that attitude still remains. There is nothing wrong with it if the student wants it—but how many students want it?

Several remedies have been suggested by language teachers. Most contemplate a reduction but not the complete abolition of the language requirement—rather the substitution of a one-semester or one-year requirement for the present two or three years. But the courses suggested are calculated to arouse in the students the interest and desire to go on with foreign languages, even if not compelled to do so.

The first of these suggestions involves an introductory required course dealing with the world's main languages in their geographical, population, political and economic aspects (how many people speak each language, where they are located, what their actual and potential status is, to what extent we do or expect to do business with them). This would place foreign languages squarely within the range of relevancy from the standpoint of the individual and his career plans. At the end of the course, the student would have a clearer idea about which language, if any, he wants to pursue.

Suggestion No. 2 is that the entering freshmen be given a required course in a constructed language like Esperanto, which is far easier than any national tongue by reason of a grammatical structure that can be learned in a couple of hours, ease of spelling and pronunciaton, and an international vocabulary. This would familiarize the student with the idea of another language besides his own while minimizing the initial difficulties. Then he could pass on to one of the national languages. He would also gain the bonus of acquiring an international language that is widespread and already has millions of users all over the globe.

A third suggestion is that the student be required to pick a foreign language and be given an initial course dealing not with the language itself, save incidentally, but with its speakers, culture and the country or countries where it is used. If he likes what he gets and wants more, he can then go on to the regular language course.

A fourth suggestion deals with all the foreign languages in the second year of their study. Remove all literary reading material, with which the second language year is now topheavy, and concentrate on current newspapers and magazines, which reflect the present-day language and carry items relevant to what goes on today.

These reforms in the presentation of foreign languages, individually or in combination, might go toward sugaring the pill of the language requirement, making the study of foreign languages both more palatable and more meaningful.

This still leaves in abeyance the question of whether the drop in language study is one of the facets of a new, growing isolationism on the part of all Americans, who may be fed up with the principle that they are responsible for the peace and prosperity of the entire world, and with the lack of cooperation of other nations that also have a stake in those matters. If this is so, time will tell.

DISTRICT OF COLUMBIA CHIEF OF POLICE, JERRY V. WILSON, ENDORSES LOCAL CONTROL OF POLICE

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 20, 1973

Mr. DIGGS. Mr. Speaker, I am pleased to announce the endorsement of local control of law enforcement by Chief of Police, Jerry V. Wilson. The chief's statement, which is printed on page 52 of House Report 93–482 accompanying H.R. 9682, the District of Columbia self-government bill, states in part:

> Personally, I feel that apprehension over local control of police power in the District is misplaced. My own sense of this community is the overwhelming majority are responsible citizens who want effective law enforcement just as much as residents do in any other city. If the City of Washington is to be treated substantially as a local community, albeit, a special one, rather than a Federal enclave, then there is no reason to deprive local citizens of control over that fundamental local service, the police force.

I fully support the suggestion of Chief Wilson that the bill include:

> Some option . . . of authorizing the President to determine when special events and emergencies require temporary Federal assumption of control over the police or the deployment of Federal forces.

This is a constructive amendment which I will offer to the bill during the debate October 9 and 10. It will reinforce our intention to provide protection of the Federal interest through action by the President.

The committee report also includes strong endorsements of H.R. 9682 by Mayor Walter E. Washington and City Council Chairman John A. Nevius.

Mayor Washington states on page 51:

> I strongly urge the passage by the House of Representatives of H.R. 9682, as a direct, practical and equitable way to provide District residents that basic privilege of all American citizens, the power of electing the officials of their local government.

Chairman Nevius states on page 52:

> The Council has vigorously supported the adoption of legislation which would provide to the District residents the basic privilege shared by other American citizens, that is the power to elect the officials of their local government and to participate in a positive manner in the affairs of their local government.

Mr. Speaker, these experienced municipal officials have been of great help to the House Committee on the District of Columbia during our months and months of hearings and markup sessions. H.R. 9682 represents the careful product of a great deal of work on the part of the committee. I trust that the House will find favor with the bill when it comes to the floor in 2 weeks.

SENATE—*Saturday, September 22, 1973*

The Senate met at 9 a.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O most holy, wise, and powerful Preserver and Governor of all Thy creatures and all their actions, keep us, we beseech Thee, in health of body and soundness of mind, in purity of heart and cheerfulness of spirit, at peace with Thee and in charity with our colleagues; and further all our undertakings with Thy blessing. In our labor strengthen us; in our pleasure purify us; in our difficulties direct us; in our perils defend us; in our trouble comfort us; and supply all our needs according to the riches of Thy grace.

Through Christ Jesus our Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., September 22, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, September 21, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MRS. LUCY LOCKE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 379, S. 1848.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

S. 1848, for the relief of Mrs. Lucy Locke.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, for the purposes of the Immigration and Nationality Act, Mrs. Lucy Locke shall be held and considered to have been lawfully admitted to the United States for permanent residence as of November 6, 1958, and to have complied with the residence and physical presence requirements of section 316 of such Act. In this case the petition for naturalization may be filed with any court having naturalization jurisdiction.

THE COUP IN CHILE

Mr. MANSFIELD. Mr. President, in this morning's Washington Post, under the Washington Merry-Go-Round, there is a commentary by Jack Anderson and Les Whitten entitled "No Direct U.S. Role Seen in Chile Coup."

I ask unanimous consent to have this commentary printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NO DIRECT U.S. ROLE SEEN IN CHILE COUP

(By Jack Anderson and Les Whitten)

We have been deluged with inquiries from all over the world about possible U.S. involvement in the overthrow of President Salvador Allende in Chile. Because we exposed the ITT–CIA plot to block Allende from assuming power in 1970, newspapers in many countries have asked us whether the CIA was also behind the military coup which left Allende dead in the presidential palace last week.

We have checked carefully with the best sources available to us in the White House, State Department, Pentagon and CIA. Here's what we have found:

For the past few months, Washington has been bombarded with intelligence reports from Chile warning of "discontent and plotting in the military services." Only the day before the takeover, a Chilean military officer informed the U.S. embassy in Santiago that a coup was imminent.

The warning, however, wasn't treated as any more significant than dozens of similar reports that have been passed on to Washington recently. We could find no evidence that Washington knew in advance what the Chilean generals were planning.

The sudden arrival in Washington of Nathaniel Davis, the American ambassador to Chile, on the weekend before the takover has been cited as evidence that the United States must have had some inkling of the plot. On the contrary, we have learned that Davis chose that weekend for his visit because he expected it to be comparatively calm in Santiago.

He was summoned to Washington by Henry Kissinger, who, in anticipation of his confirmation as Secretary of State, wanted to assess a few top diplomats for possible Washington assignments. Because of the volatile situation in Chile, Kissinger specified that Davis should choose the most quiet time to come to Washington.

Davis, of course, knew about the stirrings within the Chilean armed forces. But he had emphasized in his secret cable that "events move slowly in Chile, or perhaps better said, Chileans have great ability to rush to the brink, embrace each other and back off."

When Davis met with Kissinger, according to our sources, they spent no more than five or 10 minutes reviewing the Chilean situation. Most of their discussion was devoted to internal State Department matters.

It is possible that the CIA may have been involved in some minor project against Allende. But the CIA is forbidden to intervene in any major foreign operation without the specific approval of the hush-hush Forty Committee, which passes on under cover operations. Our sources, who have access to the secret deliberations of the Forty Committee, assure us that no project was approved to depose Allende.

The Pentagon, meanwhile, has been furnishing arms to the Chilean military establishment. After Allende came to power, the White House considered cutting off military aid to Chile. The decision was made to continue arms shipments because the Chilean generals were known to be anti-Allende.

For example, $12.4 million worth of credits were granted to the Chilean armed forces last year for the purchase of U.S. military supplies and the training of Chilean officers. The Pentagon had no direct part, however, in the plot against Allende.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will please call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a morning hour for the conduct of morning business with a time limitation not to exceed 3 minutes.

The ACTING PRESIDENT pro tempore. For what period of time?

Mr. MANSFIELD. We will leave that open.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. Is there morning business to be conducted at this time?

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. McCLELLAN:

S. 2471. A bill for the relief of Mr. Yung Ping (James) Su and his wife, Susana S. Su. Referred to the Committee on the Judiciary.

ADDITIONAL COSPONSORS OF BILLS

S. 1296

At the request of Mr. Goldwater, the Senator from Arkansas (Mr. McClellan) was added as a cosponsor of S. 1296, to further protect the outstanding scenic, natural, and scientific values of the Grand Canyon by enlarging the Grand Canyon National Park in the State of Arizona, and for other purposes.

S. 2134

At the request of Mr. Biden, the Senator from Kentucky (Mr. Cook), the Senator from Texas (Mr. Tower), the Senator from Tennessee (Mr. Brock), and the Senator from Alaska (Mr. Gravel) were added as cosponsors of S. 2134, a bill to provide for annual authorization of appropriations to the U.S. Postal Service.

S. 2424

At the request of Mr. Fannin, the Senator from Wyoming (Mr. Hansen) and the Senator from Nevada (Mr. Bible) were added as cosponsors of S. 2424, to authorize the partition of the surface rights in the joint-use area of the 1882 Executive Order Hopi Reservation and the surface and subsurface rights in the 1934 Navajo Reservation between the Hopi and Navajo Tribes; to provide for allotments to certain Paiute Indians, and for other purposes.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974—AMENDMENT

AMENDMENT NO. 538

(Ordered to be printed.)

Mr. MANSFIELD proposed an amendment to amendment No. 527 offered by Mr. Cranston to the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student load, and for other purposes.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 462

At the request of Mr. Abourezk, the Senator from Illinois (Mr. Stevenson) and the Senator from California (Mr. Tunney) were added as cosponsors of amendment No. 462 intended to be proposed by him to the bill (S. 2335), the Foreign Economic Assistance Act of 1973.

AMENDMENT NO. 463

At the request of Mr. Abourezk, the Senator from Illinois (Mr. Stevenson) was added as a cosponsor to amendment No. 463 to the bill (S. 2335), the Foreign Economic Assistance Act of 1973.

AMENDMENT NO. 476

At the request of Mr. Goldwater, the Senator from Tennessee (Mr. Baker), the Senator from Hawaii (Mr. Inouye), and the Senator from California (Mr. Cranston) were added as cosponsors of amendment No. 476 intended to be proposed to the bill (H.R. 9286), the Department of Defense Appropriation Authorization Act, 1974.

AMENDMENT NO. 531

At the request of Mr. Eagleton, the Senator from Georgia (Mr. Nunn) was added as a cosponsor of amendment No. 531 intended to be proposed to the bill (H.R. 9286) the Department of Defense Appropriation Authorization Act, 1974.

ADDITIONAL STATEMENTS

THE ALDERSGATE MEDICAL CAMP

Mr. FULBRIGHT. Mr. President, for the past three summers the Arkansas Chapter of the American Academy of Pediatrics has operated the Aldersgate Medical Camp, a rather unique summer camp for children with medical problems.

This program and the chairman of the Arkansas chapter, Dr. Kelsey Caplinger, were recently the subjects of a feature story in News and Comment, the official publication of the American Academy of Pediatrics, and I ask unanimous consent to have this article printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Aldersgate: Just Having Fun

You couldn't blame him, really. Jimmy Lee was just like most eleven-year-olds their first time at summer camp—lonely and a little afraid. His first day at Aldersgate he refused to eat and spent most of his time alone.

But the counselors and the camp director were understanding, because Jimmy had bigger problems than homesickness.

Jimmy had cystic fibrosis. He had to take medication regularly, and receive inhalation treatments three times a day. At night, he slept in a tent surrounded by a medicated mist that made his hair wet and sticky and soaked his sheets.

And playing was not easy either. He could run only about ten yards before he began coughing up a greenish fluid from his lungs, lungs that operated at only ten per cent of capacity.

What was Jimmy doing at camp in the first place? Why wasn't he home in bed, or in the hospital?

Jimmy and a dozen other kids with medical problems were at camp because the AAP's

Arkansas Chapter and its chairman, Dr. Kelsey Caplinger, thought they deserved a chance to enjoy themselves outdoors in the summer, just like other kids.

That idea led to Aldersgate Medical Camp, near Little Rock. The camp held its first week-long session in the summer of 1971, the first year Jimmy attended. Each year since then, more and more children with medical problems have been swimming, hiking, cooking outdoors, and having fun at Aldersgate.

VARIETY OF PROBLEMS

The kids at Aldersgate have a wide variety of medical problems. The 45 campers who attended the full-time camp last June 25–30 included children with asthma, allergy problems, sickle cell diseases, diabetes, cerebral palsy, seizure disorders, hyperactivity, learning disorders, emotional problems, hemophilia, and leukemia.

The 1973 summer session also saw a day camp operation for children with orthopedic problems. The 20 children—most of them in wheelchairs—were bused out to the camp each day. They were each assigned a volunteer to act as their guides and helpers, and together they went swimming, boating and fishing.

The children at Aldersgate range in age from 8 to 16, and come from all parts of Arkansas. They are referred by parents, teachers, doctors, social workers, and nurses.

Depending on what health problems the individual camper has, a program of medical supervision is worked out with the camp and the child's doctor. Nurses dispense the required medication, provided by the child's parents. Physician coverage on a 24-hour basis is provided through the cooperation of Dr. Robert Merrill, chairman of the Department of Pediatrics of the University of Arkansas Medical Center. The camp is located only 15 minutes from Arkansas Children's Hospital, which also maintains a 24-hour emergency clinic.

THE GOAL IS FUN

Despite the medical precautions, however, the emphasis at Aldersgate is on normal camping activity. "Our main goal is for the kids to have fun," Dr. Caplinger said. "We try to minimize the effect of their illnesses."

As a result, activities can include building homes in the woods, nature hikes, cooking some meals outside, fishing, swimming, ping-pong, archery, softball, boating, drama, music and crafts.

What does Dr. Caplinger hope to give the children who attend the camp? "We mostly hope they can find a chance to enjoy themselves for a week, and maybe be on their own a little bit. Sometimes they don't get a chance to develop their independence as much as they'd like because of their medical problems.

"There are other effects, of course. One of the big things we notice is the way children compare their medical problems with each other. Often they find that someone else has it worse than they do.

"I remember once when Jimmy Lee was sitting in the tent waiting for his medicine, a little diabetic girl came in and gave herself an injection of insulin. And Jimmy looked at her and said, 'Boy, I'm glad I don't have to do that.'

"The kids seem to develop a kind of unspoken rule that they must help each other when it's needed."

Dr. Caplinger said one of the camp's goals is to "graduate" its members to regular summer camps, once they have had exposure to a camping situation at Aldersgate.

"I have an asthmatic boy in my practice who requires regular medication and attention," Dr. Caplinger went on. "He came to Aldersgate the first summer, but last year and this year he's been going to a regular summer camp—with my blessing."

HELPING PARENTS

Dr. Caplinger feels the week at Aldersgate helps not only the children but their parents as well.

"The parents of many of these children are afraid and protective, because of their child's health problems. We sort of see the camp as a mechanism to help the parents and the kids overcome this kind of fear.

"It's even good for the counselors, most of whom are college students. Often they are scared about caring for these kids at first, and worried it might be too much for them to handle. They are always relieved to find that the kids are just regular folks."

The counselors are actually hired by the board of Aldersgate Camp, operated by the National Board of Missions of the United Methodist Church. Aldersgate has a variety of programs for disadvantaged children, so during the week the medical camp is taking place, other groups are using the camp at the same time.

This is also instructive for the children who attend the medical camp, Dr. Caplinger said. "For instance, this year one group of severely retarded children was using the camp space near ours," he said. "So the kids who attended our medical camp saw some other kids whose problems were more severe than theirs."

FINDING FUNDS

The Aldersgate Medical Camp—the official name for the Arkansas Chapter's program—is operated as a nonprofit organization. Cost for the week-long program is $60, and about 75 per cent of the children attending the camp are on some sort of scholarship.

Meeting costs with so many children on scholarship is not always easy, Dr. Caplinger admitted. This year more than $2,600 was donated to the program from sources including private physicians and nurses, the Arkansas Medical Society, the Arkansas Pharmaceutical Association, the Pulaski County (Little Rock) Medical Society, and others.

Such contributions can't pay all the bills, however, and Dr. Caplinger said he is presently trying to find a more permanent method of financing the program.

But no matter how much money is raised, Dr. Caplinger said the camp will be in operation as usual next year, hopefully with as many children as the staff can handle.

MAKING CONTRIBUTIONS

"We want to be able to give this experience to as many kids as we can," he said. "Camping can be an effective socializing force for children who lots of times don't have the opportunities for group interaction that their friends do.

"Sure, we have had kids who called their mothers and left camp after the first day, but for the most part we find the kids enjoy making contributions for the good of the camp as a whole."

What about Jimmy Lee? Did he finally join the group, or did he go home after that first confusing day?

"Jimmy stayed with us," Dr. Caplinger recalled. "By the second day he began to show a little interest, and by the end of the week he was one of the most involved kids in the camp. He even formed a strong attachment to one of the counselors, probably one of the few times in his life he had gotten that close to someone outside his family.

"He eventually became one of our biggest boosters. I remember the next winter I was visiting an asthmatic patient of mine in the hospital. As I walked into the room, there was Jimmy, who was also in the hospital. And he was recruiting my patient for next summer's session of the camp.

"Jimmy, of course, came back the following year, and he was looking forward to coming back again this year."

But this time Jimmy couldn't make it to camp. He died April 1 of this year.

"I think about a case like Jimmy's and I wonder if we made the quality of his life a little better, did we really give him something to look forward to, did we make him a happier boy?" Dr. Caplinger asked.

Probably only Jimmy could answer that, but for the dozens of other children who have experienced the fun at Aldersgate Medical Camp, the answer must surely be yes.

THE MILITARY COUP IN CHILE

Mr. ABOUREZK. Mr. President, I am deeply concerned over the unfortunate events that have taken place—and are occurring at this moment—in Chile. Chile has had for many years the most advanced and stable democracy in South America. With few exceptions its republican institutions have been respected since independence.

In addition to its political stability. Chile has had a long-time tradition of granting political asylum to those persecuted for political reasons.

For these two reasons, Chile has always been recognized as a political oasis in a continent plagued with dictatorial regimes. There are between 10,000 and 13,000 exiles now in Chile. The largest number are Bolivians—4,000—followed closely by Brazilians and Uruguayans—each with 3,000. The remainder—2,000 to 3,000—are from a number of other Latin American countries.

Many of these people, including 2,000 Brazilians, came to Chile in 1964 prior to the Allende government and were warmly received by the then President Frei and the Christian Democratic government. Even before that time the country had received exiles from such countries as Haiti, Cuba, the Dominican Republic, Panama, and Peru, many of whom still reside in Chile.

The recent military coup against the constitutional Government of Chile has prompted many respected religious leaders, scholars, statesmen, and journalists from around the world to express grave concern for the well-being of these exiles and those Chilean supporters of the constitutional government who have refused to submit to the military junta.

News reports—despite military censorship—and junta communiques have provoked increasing alarm. It has been reported by a variety of news sources that killings have already exceeded 5,000 and that many thousands more are being held prisoners. Junta communiques have sought to make the political exiles the scapegoat for Chile's internal problems. To justify their coup the generals have fabricated plots supposedly hatched by the exile community. They have even stated that the political exiles face forced return to their home countries which surely would be to send them to prison, torture, and execution.

The influence of the American Government and public opinion is of utmost importance in the course of events in Chile. Many of the Chilean military have been trained by the U.S. Government. The United States has in recent years doubled aid to Chile's military while cutting off all economic aid to Chile's civilian economy. U.S. involvement in plots to block the election of Dr. Allende, in ITT maneuverings and in an all-out economic squeeze on the Allende government are well known. Whether or not we agreed with his policies is not the issue here. We cannot disassociate ourselves from the bloodshed in Chile and especially from the plight of the foreign political exiles and Chilean nationals so urgently in need of asylum.

Whether or not we agreed with Allende's policies is now irrelevant. He was chosen by constitutional means and overthrown by unconstitutional force and violence. The military junta, like its twins in Brazil and Uruguay, blames foreigners for the trouble. These foreigners now face deportation or worse. If sent back to Bolivia, Brazil, Uruguay, Paraguay or the other dictatorships, these people face death or prison.

Let us return to a former image of American support for oppressed people, let us return to our historical conscience and offer assistance to all the political refugees, and let us protest to our own State Department and to the military junta leaders to end the repression. We have helped to cause this situation. We must now act to at least try to save as many people as possible.

FOUR YEARS OF INFLATION

Mr. BIDEN. Mr. President, I suppose it is not really necessary to tell the workers of this country how badly they are being hurt by inflation. Neither is it necessary to tell the elderly, people on fixed incomes, food shoppers or almost anyone else. However, in its September 24, 1973, issue the U.S. News & World Report painted a graphic picture of just how serious the degradation of the dollar has been since January 1969, in spite of the most elaborate efforts to control the economy ever seen in peacetime. Certainly the results of the administration's use of the price control authority given it by Congress has not had the results that I am sure the Congress envisioned. Mr. President, I ask unanimous consent that the article entitled "It's Been 4 Bad Years of Inflation" be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

It's Been 4 Bad Years of Inflation

Never before has peacetime inflation been attacked with such a combination of weapons as price controls, the highest interest rates in history and stringent budget restraints, and yet—

Not in a quarter of a century, a new study by the Economic Unit of "U.S. News & World Report" shows, have prices gone up so fast for so long as in the past four and a half years.

For every $100 that the average family spent on living expenses in January, 1969, when President Nixon took office, it now costs $124.40 to live as well today.

The only time inflation raged more violently over a sustained span was in the years right after World War II, when wartime controls were removed and prices shot up by one third between 1945 and 1948.

In the latest surge, food prices have led the way, as the Pictogram on these pages indicates. To buy a typical market basket of foods, you would now have to pay $1.33 for every $1 spent in January, 1969. Meat and poultry costs, taken alone, have soared by more than 50 per cent.

The cost of buying and maintaining a home—including fuel and utilities—has risen almost as fast as food over the same span. Medical care and public transportation are among other leaders in the inflation parade.

It's no wonder then that many people, earning more than ever before, still feel pinched for money.

WHO'S LOSING OUT

If you haven't had raises of 6 or 7 per cent a year since 1969, you're probably falling behind in the race with inflation and taxes.

A married man with two children who made $10,000 in 1968 would need an income of $12,689 today just to stay even. Of the extra $2,689, nearly $2,260 would have been gobbled up by inflation, the rest by taxes.

If your income now is in the $32,000 range, you're no better off than if you made $25,000 five years ago.

Looking at the toll of inflation in another way:

Measured by how much the consumer's dollar will buy, a dollar that was worth 100 cents when Mr. Nixon took office now is worth only 80 cents.

If inflation is as bad over the next four and a half years, the dollar will be worth only 65 cents by early 1978.

OMB STRIKES AGAIN—AT GEOTHERMAL ENERGY RESEARCH

Mr. BIBLE. Mr. President, I learned today that the Office of Management and Budget has again refused to release funds authorized and appropriated by the Congress for geothermal energy research by the Atomic Energy Commission. I understand that OMB has advised the Commission that the $4.7 million appropriated for the current fiscal year is being held in reserve pending final definition of the overall energy research and development program to be undertaken this year. I also understand that OMB has indicated that its action should not be viewed as an impoundment of these funds but merely as a temporary deferral of funding.

I hope this is true, but I am concerned nonetheless. As the Senate knows, OMB refused to release funds appropriated for geothermal research by AEC in both fiscal years 1972 and 1973. In effect, they ignored the Congress direction that an AEC geothermal research program be launched. And it will also be recalled that the administration requested no funds at all for geothermal in the AEC budget it proposed for the current fiscal year. The $4.7 million I am talking about was added to the appropriation bill by the Congress and is a reaffirmation of the Congress direction that this program get underway.

I want, of course, to see our energy research appropriations applied in an orderly way, but against this kind of background I think one is entitled to be concerned. Impoundment by any other name is still impoundment. The AEC-Geothermal program is already long overdue. Congress has spoken and expects the administration to permit the AEC to get on with its geothermal research without delay. Enormous quantities of heat energy lie locked in geothermal formations throughout the West. Geothermal's potential for clean energy production should be among the administration's highest energy research priorities. The $4.7 million now being withheld is a modest sum. Any failure to commit this money would be contrary to the administration's own commitment to energy research and would be a great disservice to the Nation.

I hope the President will see to it that this appropriation is released without further delay.

A PEACE CORPSMAN REVISITS AN AFRICAN VILLAGE

Mr. FULBRIGHT. Mr. President, much is said on this floor about the Peace Corps and foreign aid and Radio Liberty. Most of what is said originates in the bureaucracy which survives on the money we appropriate.

In the September 9 issue of Parade magazine there appeared an article by one of the participants in the field. I recommend it to my colleagues, and ask unanimous consent to have it printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Peace Corpsman Revisits an African Village—Was His Work a Waste of Time?

(By Thomas Moore)

(Editor's Note.—The Peace Corps came into being on March 1, 1961, by executive order of President John Kennedy. It has since sent more than 50,000 volunteers overseas at a cost of almost one billion dollars. The subject of much controversy over its 12 years, the Peace Corps has now become a part of ACTION, the recently created superagency.

The writer, Thomas Moore, served for one years between 1968 and 1969 as the sole Peace Corps volunteer in the village of Cherif Lo (pop. 500) in Senegal, West Africa, an underdeveloped country of nearly 4 million people. This summer he returned to the village for a visit.)

"Assane N'Diaye?"

An old woman was sitting at the foot of a heavy baobab tree, sifting peanuts in a reed basket. The bad peanuts, dried up from lack of water, piled high on the sand. Life in the village had never been good but the West African drought had now dragged into its fifth year.

"Assane N'Diaye. Nio n'ga legi? (You have come back)."

She called out the name given to me in Wolof, the native language, like a question, but there was no doubt she remembered me. Few "tubabs" (whites) ever came to the village.

It had been four years since I had been a Peace Corps volunteer in Cherif Lo, a thatched-hut village about 80 kilometers inland from Dakar, the capital of Senegal. For a year I had worked with the villagers building an irrigation system for a small complex of vegetable gardens. The cement for a well, a motor pump, gasoline, a water reservoir and pipes and faucets for watering basins had been paid for with $1400 from the American Embassy Self Help Fund. It wasn't much. But it was the sort of project Peace Corps volunteers had been—and still are—carrying out around the world. I had come back to see if it had amounted to anything.

In the year of Watergate, the idea of the missionary Peace Corps seemed curiously dated, a youthful fad of the sixties—something no one talks about anymore. Yet 6900 volunteers were sent abroad last year, and another 7350 are going this year.

IT'S BEEN A LONG TIME

The old woman brushed the flies from her face and fanned herself a bit to relieve the stifling heat. We went through the traditional greetings: "Asalam alikoum salam. M'ba diam n'gam? (Do you have peace?)

Diam arek anam. (Peace only.) Ana wa Amerique? (How's everybody in the States?) Nyunga fe rek. (Just fine.) Wai yo, Assane N'Diaye, git nalla gisse (Why Assane, it's been a long time since I've seen you)."

It *had* been a long time, but surprisingly the Wolof came back to me, not only the sound of the language but the gentle kidding that had first struck me as a put down, the relaxed pace as though any pressing matters were not really that important (and they weren't). The heat of the village always made sitting under the shade of a tree to talk awhile a genuine pleasure. The rest of the world may be in a hurry to get somewhere, to modernize, change, but not Cherif Lo. Things are all right just the way they are, as they have been for generations past, and no suggestion of progress (much less a village meeting to discuss problem-solving at precisely 3 o'clock) is going to interrupt a prayer class or an easy afternoon of drinking tea and holding a "wahtan" (palaver).

LURE OF ADVENTURE

Two weeks after graduating from college in the politically tumultuous spring of 1968, I was dropped off in Cherif Lo—part of the second wave of Peace Corps volunteers who came not so much out of idealism as a kind of escapist despair with the United States and hope for a little romantic adventure in an exotic land. And maybe there was an outside chance we really could do something.

I remember getting out of a bush taxi from Dakar on the paved road about a kilometer from the village. Two baobab trees marked the spot where a sand trail snaked its way leisurely through bramble bushes and anthills, under a merciless sun, to the village. But from the road, there was nothing, no visible destination for a white man. Only Africans ever got off taxis between the larger towns. As the taxi drove off, the occupants craned their necks to stare at me as though I were walking off into the bush to die.

ALONE IN AN ALIEN LAND

My first weeks had been hard. As the only Peace Corps volunteer in the village, I was alone among people whose language and culture were totally alien. Looked on as an object of curiosity, I had trouble doing the simplest tasks of survival such as boiling the water I drank and getting food. Worse and least expected was the absence of any kindred spirit to talk to, someone to whom I could confide the mix of emotions and observations of a stranger in a strange land.

I had busied myself with building a few fences for privacy, learning enough of the Wolof language to get by, and occasionally venturing around the village to make myself known. The hardest problem was to explain why I was there. The question was often asked. To tell the villagers I had come to help bring them progress seemed condescending. Second, it didn't make much sense to them. Come on, what's in it for you, they seemed to say. I soon took to making up more plausible reasons for why I was there, like saying I was paid a lot (volunteers receive about $135 a month for living expenses in Senegal, what some villagers earn in a year). Once that question was settled, I was accepted. As in the States, nobody does something for nothing.

Returning to the village this year was like going back to high school, wondering if the teachers would remember your name. This time I arrived in a rented car. Life had not changed appreciably in Cherif Lo. The incessant thump of women beating millet in large wooden urns resounded like a muffled heartbeat from inside the village. Smiling and shy, a crowd of barefoot kids ran up to shake hands with me. The focus of memory had blurred their blemishes, their eyes red, yellow or swollen from diseases like malaria or cholera, the scabs on their legs covered with flies, the runny noses.

POTATOES AND PHOTOS

I trudged through the hot sand into the family compound of Moussa N'Dir, the treasurer of the Cherif Lo cooperative with whom I had lived. Word had already spread that I was back and Moussa came out to greet me in full dress, an Arabic Kaftan and fez. I had brought a 100-kilo sack of potatoes in the car as a gift (rice, the usual staple, was almost impossible to come by in the country because of the drought) and some 8 x 10 glossy photographs of village life I had taken.

Local protocol indicated that lunch taken at each of the homes of the four "animateurs," or local leaders, with whom I had worked. After that there was a long afternoon of drinking tea.

Finally, the *animateurs* reluctantly agreed to go out to the well. As I had suspected, the pump had broken down three years earlier. The vegetable gardens had been abandoned. No one from the government's technical services took it upon himself to fix the pump. Instead, the sheetmetal water reservoir had been dismantled for no apparent reason and the pipes and faucets ripped up and taken into the prefecture, for "safekeeping." The odds were good, as is common in the country, that some low-level government *fonctionnaire* (official) either sold the material for his own profit or took it for his own use. It was out of line, certainly undiplomatic, to inquire further about such things.

I stared at the 300 meters of one-foot-deep trenches we had dug for the pipes and thought how ridiculous they looked. They ran off in odd directions from the dismantled reservoir, cutting through age-old paths and bush lines demarcating the family fields. It looked as if the pipes had been removed in a hurry. It probably took a day to undo the work of a year.

TAKES IT IN STRIDE

I wasn't particularly angry, nor did I jump up and down, or slam the car door, or drive around in circles like I was a little crazy—my routine four years ago when I would show up for work to find that half the work team had decided to take the day off. Now it just seemed kind of pointless.

The village *animateurs* looked at me and I looked at them and there was nothing more to say. It was beyond either them or me. There had been no follow-up to that project, either by the Senegalese government or the Peace Corps.

For some time now the Peace Corps has pointed with curious pride to the fact it has phased most of its programs into host-country government bureaucracies. But the problem for the volunteer was that his work, well-intentioned, often naive, but sometimes practicable and even ingenious, always seemed to be sabotaged by *fonctionnaires*. Whether incompetent, corrupt or just hostile to Americans, these government officials, under whom the volunteers worked, were never really receptive to the Peace Corps. Certainly villagers and students—the people for whom and with whom volunteers worked—came to respect some of the things we did and the people we were. But many *fonctionnaires*. at least in Senegal, resented the volunteers. If we weren't spies, they thought we were arrogant or there to embarrass them.

There as almost no material, technical or even political cooperation in the government for Peace Corps work. Volunteers spent much of their time fighting red tape—it once took me two days in a prefecture to get seven authorizations for a sack of United Nations cement to repair a well in the village. Talking over the problems with Senegalese superiors was even more frustrating.

CONVENIENT MYTH

I don't think anyone pretends any longer that the Peace Corps has even the remotest connection to real social and economic development in the Third World. At most, as many volunteers still justify their experiences, the Peace Corps is a kind of experiment in international living. But the myth that the Peace Corps is a significant contribution to the problems of underdeveloped countries is maintained as the public diplomatic posture by both host countries and Peace Corps officials. It is my feeling that the Senegalese government requests Peace Corps volunteers only because to turn down the American offer would look unfriendly and make it more difficult to get crucial loans and aid from the World Bank and the U.S. government. For its part, the Peace Corps now seems to take the line that if a country requests volunteers, that's all the justification it needs to send them.

ANONYMITY AND PERSISTENCE

After 12 years of unremarkable results, the Peace Corps seems to have given up altogether the idea of changing anything. Instead, it is content to have achieved a certain comfortable anonymity, behind which it has settled into unquestioning bureaucratic ways. No longer does it ask why it should exist—the challenge of any vital new enterprise—but only how it might persist.

SENATOR RANDOLPH TESTIFIES ON HEARING AIDS AND THE OLDER AMERICAN

Mr. RANDOLPH. Mr. President, it was recently my privilege to testify on the subject of "Hearing Aids and the Older American" before the Special Committee on Aging, chaired by the able Senator from Idaho (Mr. Church).

I discussed a critical problem confronting hearing aid users, numbering in the millions, which was first brought to my attention in a newspaper account of a speech given by Mrs. Virginia Knauer, Special Assistant to the President for Consumer Affairs. This matter—the incompatibility between hearing aid inductive pickups and the new model Trimline telephones—has been receiving my careful attention.

I applaud Senator Church for his efforts through our Committee on Aging. It is my hope that the combined work of that committee and the Subcommittee on the Handicapped, which I have the responsibility of chairing, will serve as a catalyst to bring together those agencies that have a responsibility to the consumer to assist in a resolution of this unfortunate situation.

Mr. President, I ask unanimous consent that my statement, together with letters and other pertinent material, be printed in the Record.

There being no objection, the statement, letters, and material were ordered to be printed in the Record, as follows:

Statement of Senator Randolph

Mr. Chairman, I thank you for the opportunity to present views on an extremely important area which until recently has been neglected—the problems of the hearing aid users.

In the 87th Congress, a former colleague, the late Senator Estes Kefauver, conducted hearings on Prices of Hearing Aids. Unfortunately, his untimely death brought that investigation to a halt.

As Chairman of the Subcommittee on the Handicapped of the Senate Labor and Public Welfare Committee, I read with interest that Mrs. Virginia Knauer, Special Assistant to the President for Consumer Affairs, called public attention to another problem facing the hearing aid user: the matter of incompatibility between hearing aid inductive pickups and the new model trimline telephones.

I wrote to Mrs. Knauer, offered my assistance, and instructed my staff on the Subcommittee to pursue this subject. Subsequently, there have been meetings, which have included representatives of your committee as well as our subcommittee, with representatives of associations for retired, aging and deaf people; the telephone industry; the hearing aid industry; and Gallaudet College, the only college for the deaf in the world. These meetings were held to explore all possibilities which might lead to a prompt resolution of the incompatibility problems.

In June, I wrote to Chairman Dean Burch, Federal Communications Commission, and Chairman Lewis Engman, Federal Trade Commission. In my letters I sought answers to several questions which I felt should be considered by both of these agencies.

As is usually the case when one begins an inquiry, the response I received from Commissioner Burch was too general. In a subsequent letter, I have raised several points on which I would like to have further consideration and views from Mr. Burch. Commissioner Engman has not responded to my letter. However, I did receive a letter from Mr. Gerald Thain, Assistant Director for National Advertising for the Federal Trade Commission.

As I read it, the thrust of Mr. Thain's response to my question regarding the responsibility of the two industries (AT & T and the Hearing Aid Industry) to disclose material information regarding the potential limitations on the usefulness of equipment implies that there may be a violation of Section 15 of the Federal Trade Commission Act.

I would like at this time to ask that this correspondence be included in the record of these hearings, along with an article on hearing aids which was published in the May, 1971, issue of *Consumer Reports*. This article embodies a most important and complete discussion of what hearing-impaired persons need to know.

Mr. Chairman, I applaud your efforts to assist in helping the 2½ million Americans who use hearing aids. All of us are aware that communication is vital to a person with impaired hearing. Most of these hearing aid users are senior citizens whose reliance on communication with their doctor, pharmacist, and hospital is vital to their health and welfare. Many of them are veterans whose hearing loss is service connected, and we must concern ourselves with their needs. Of equal concern are the children for whom the hearing aid is their link to the world of development through educational experiences. Certainly a nation which has the technological expertise to communicate with people in outer space and people on the moon can develop modes of communication at reasonable cost which would be useful to those Americans who suffer from the nation's number one handicapping disability—impaired hearing.

I know I speak for my colleagues on the Subcommittee when I re-emphasize our commitment not only to the hearing impaired, but to all handicapped persons. We are committed to doing everything in our power to solve the problems facing this population.

Again, I appreciate the opportunity to express my interest in this matter.

March 1, 1973.

Virginia H. Knauer,
White House Adviser on Consumer Affairs, New Executive Office Building, Washington, D.C.

Dear Mrs. Knauer: I read with genuine interest the news items which reported your activity in behalf of the three million hearing aid users in our country. It is my sincere hope that your efforts to assist the telephone and hearing aid industries in resolving this issue will be successful.

As Chairman of the Senate Subcommittee on the Handicapped, I commend your efforts to bring about a solution to the problem that exists for hearing aid users when trying to use the new telephone.

All of us are aware that communication is vital to a hearing-impaired person. As you stated, it would be a disaster if the use of the most common mode of communication, the telephone, becomes a useless instrument to the one and one half million Americans who will no longer be able to take advantage of the new model telephone. I share your concern for these one and one half million persons, most of whom are senior citizens whose reliance on the telephone is a way of life. For these people the telephone is generally their only link to their doctor, pharmacist, hospital, and other vital services.

I have asked the staff of the subcommittee to keep me apprised of this situation. If we can assist you in this worthwhile endeavor, please do not hesitate to call on us.

With very best wishes, I am,

Truly,

Jennings Randolph.

The White House,
Washington, April 9, 1973.

Hon. Jennings Randolph,
U.S. Senate,
Washington, D.C.

Dear Senator Randolph: I was delighted to receive your recent letter expressing your interest in and support for efforts to resolve the problem of incompatibility between the new generation of telephones and existing hearing aid devices.

I certainly intend to look further into the efforts of the hearing aid industry and telephone companies to bring to an equitable resolution this problem which has been developing for those with severe hearing problems over the course of years. I will be pleased to keep your staff further advised of our efforts.

Thank you again for your expression of interest and support.

Sincerely,

Virginia H. Knauer,
Special Assistant to the President for Consumer Affairs.

June 18, 1973.

Mr. Dean Burch,
Chairman, Federal Communications Commission, Washington, D.C.

Dear Mr. Burch: The New York Times of May 28 (copy of Story enclosed) indicates that for the last seven years the Hearing Aid Industry Conference and A.T. & T. have known about and discussed in inter-industry sessions the problem of incompatibility between the new generation of telephones (which eliminate magnetic leakage) and existing hearing aids of the very hard of hearing which are equipped to pick up such leakage.

I understand that since Mrs. Virginia Knauer, Special Assistant to the President for Consumer Affairs first made public this problem of incompatibility, A.T. & T. has proposed a solution based on the marketing to the very hard of hearing of an acoustic coupler (with an estimated cost of $5 apiece) which, when strapped to the new phones would again render them compatible. Because the new "solution" will apparently result in a further expense to the handicapped who did not create this problem, several question have occurred to me which I believe the FCC should consider.

1. When the decision of the telephone industry to move forward with the new phones was apparent to both industries, what obligation to inform their customers was imposed on both industries, and how did they discharge this obligation? During the seven year period, we were purchasers of hearing aids and telephone services told about the inevitable problem?

2. Have both industries over this seven-year period expressly or impliedly guaranteed continued service from their respective pieces of equipment?

For example, if I buy a hearing aid with special (and no doubt more expensive) equipment to pick up magnetic leakage isn't there an implied representation that it will continue to be workable (compatible with telephones) if kept in good working order? Is the withholding of information about incompatibility (should such withholding be found to be the case) a fair trade practice?

3. What, in the opinion of the FCC, is an equitable solution to the problem of those hard of hearing who have purchased equipment and service over the last seven years with reasonable expectations of continued good service?

Your consideration of the above matters will be greatly appreciated by the Subcommittee on the Handicapped. A similar letter is being sent to the FTC.

Truly,

Jennings Randolph,
Chairman, Subcommittee on the Handicapped.

New Phones Complicate Hearing Aids

(By John D. Morris)

Washington, May 27.—A resolution may be near on a question of growing concern to the hard of hearing—new telephones that are incompatible with present hearing aids.

But it is still uncertain whether the problem will be resolved to the satisfaction of about one million persons with extreme hearing impairment, who are unable to use the new phones. The answer may come from soundings now under way by the Federal Office of Consumer Affairs, headed by Mrs. Virginia H. Knauer.

A new effort to end a seven-year impasse over the problem was generated by Mrs. Knauer last February. She accused the hearing aid and telephone industries of "passing the buck" to each other.

At a recent meeting arranged by the Office of Consumer Affairs, the American Telephone and Telegraph Company offered to give hearing aid manufacturers the rights to produce a portable adapter, developed by the telephone company, that could be attached to the new telephone receivers. The device, called an acoustic coupler, makes telephone pickups on present hearing aids compatible with all types of telephone receivers.

The telephone company said it was willing to produce the devices and sell them at cost, estimated at $5 apiece, if the hearing aid industry rejected its offer of production rights.

The Hearing Aid Industry Conference, the trade association of hearing aid manufacturers, has not yet responded to the offer.

James P. Ince, executive secretary of the conference, said by telephone Friday that the industry hoped for "a better solution" and expressed confidence that the telephone company's researchers could find one.

Meanwhile, Mrs. Knauer's office is trying to set up a meeting between representatives of the two industries and leaders of 13 or 14 organizations concerned with the problems of persons with impaired hearing. The purpose is to assess the telephone company's proposal and to discuss alternatives.

One option is for the telephone company to install special coils in all of the new telephones at an estimated cost of $5 million, or 5 cents for each of its 100 million customers. But the telephone company sees this as an unwarranted levy on all users to subsidize a problem for relatively few. Independent telephone companies, with more than 20 million customers, are generally in accord with the position of American Telephone and Telegraph, according to a spokesman for the independents.

About half of the three million hearing aids now in use have a device that picks up magnetic leakage from telephone receivers to make sound from the receivers audible to the hard-of-hearing. There is no such leakage from the new phones, so the pickups do not work.

The portable device developed by American Telephone and Telegraph is housed in a disk that is slightly smaller than the telephone's earpiece and fits inside it. The device has snap-on straps and the company says it can "easily" be carried in a person's pocket or purse.

Spokesmen for the hearing aid industry contend, however, that carrying the device around and maintaining batteries to power it would prove to be inconvenient to users.

Home phones of the present type will continue to be available to the hard-of-hearing and some pay phones will continue to have special amplifiers. When away from home, however, persons with severe hearing impairment may find it increasingly hard to find the old phones to use.

More than nine million phones of the new type have been installed by American Telephone and Telegraph, and the present installation rate is two or three million a year.

It is estimated that at least 10 million phones of independent companies are incompatible with the pickup devices of present hearing aids.

FEDERAL COMMUNICATIONS
COMMISSION,
Washington, D.C., July 9, 1973.

Hon. JENNINGS RANDOLPH,
Chairman, Subcommittee on the Handicapped, U.S. Senate, Washington, D.C.

DEAR SENATOR RANDOLPH: This is in response to your letter of June 18, 1973, regarding compatibility of use of hearing aids in conjunction with telephones. You had enclosed a copy of a news article which appeared in the New York Times on May 28, 1973.

The thrust of the article in the New York Times would lead uninformed persons to believe that hearing aids will not function in conjunction with telephone instruments of newer design which do not have excess stray magnetic flux leakage. This simply is not wholly accurate.

If a hearing aid functioning in its normal acoustic pickup mode works satisfactorily for face to face conversations, it should work reasonably well with all telephone instruments. However, hearing aids using the acoustic pickup mode for telephone conversations will also acoustically pick up undesirable local ambient background sounds of the type which may annoy telephone users who have unimpaired hearing. Such undesirable background noise for hearing aid users can be eliminated through the substitution of an inductively coupled pickup mode for the normal acoustically coupled pickup mode in the hearing aid instrument. Thus, certain hearing aid instruments are capable of being selectively switched to either mode of pickup.

In the inductive coupling mode, it has been the hearing aid industry practice to electromagnetically (inductively) couple the hearing aid packup to telephone instruments through the excess stray magnetic flux leakage surrounding the receiver element in the handpiece of the telephone instrument. The older types of receivers, which have excess stray flux leakage, are relatively inefficient and are being replaced by a more efficient type resulting in great savings in cost and conservation of materials which are in short supply. Unfortunately, such replacement receivers do not have a strong stray magnetic flux field sufficient to support their effective coupling to hearing aid instruments through the inductive mode, and therein lies the dissatisfaction to which you refer.

To the best of my knowledge, we were first alerted on this matter in August of 1969 when a person, who has a hearing impediment, moved to a General Telephone Company area from a Bell Telephone Company area where older telephone receivers were in use. He experienced difficulty in attempting to inductively couple his hearing aid to the General Telephone Company instruments.

The General Telephone Company for some twenty years has purchased or manufactured and installed telephone sets with receiver units which *do not* have an excess magnetic flux leakage. This explains why the complainant could not utilize the inductive coupler in his hearing aid in the General Telephone Company territory. We understand that between 5 and 10 percent of the telephone instruments in the operating territories of the United Telephone Company do not contain an excess magnetic flux leakage and about 10 percent of the Bell Telephone System's telephone instruments do not. In Europe, most telephone instruments also *do not* have high magnetic flux leakage and thus the problem with inductive coupling appears to be quite universal. The present trend appears to be a phase-out of receivers with high magnetic flux leakage.

In reply to your question, we have not placed any obligation on the hearing aid industry, or the telephone industry with regard to requiring them to provide inductive coupling features in their instruments. We do not have regulatory jurisdiction over the hearing aid manufacturing industry and, similarly, lack primary jurisdiction over telephone sets which are a primary part of the facilities used in providing exchange telephone service. As you know, the Communications Act specifically excludes the Federal Communications Commission from any authority with respect to charges, classifications, practices, services, facilities, or regulations for or in connection with intrastate and exchange telephone services of any telephone company; such local service matters are subject to the regulatory authority of State commissions in the various States.

At least as early as 1966, the telephone industry has been in touch with the Hearing Aid Industry Conference and the National Hearing Aid Society concerning telephone usage by persons with hearing impairment, and hearing aid suppliers such as Radioear have been instructing their customers regarding the best use of the telephone when using a hearing aid, including information regarding certain telephone instruments not being usable with inductive pickups.

In cooperating with the hearing aid industry to accommodate hearing aid users who wish to use the inductive coupling pickup mode when using a telephone without excess stray magnetic flux leakage, a number of years ago Bell Telephone Laboratories designed and manufactured a substantial number of prototype electromagnetic-acoustic coupler units which were turned over to the hearing aid industry for evaluation and manufacture on a royalty-free basis. This coupler is a small unit which the user places in contact with the receiver end of the telephone instrument; the coupler is activated by acoustic sound from the telephone earpiece and generates an electromagnetic field of flux for coupling to the inductive pickup of the hearing aid. It is estimated that such couplers could be manufactured and sold for about $5.00 apiece. There is no dispute that the couplers work satisfactorily, but the hearing aid industry has shown little interest in manufacturing such units, which could be substantially reduced in size in comparison to the prototype units. However, based on recent discussions between telephone company spokesmen and the Hearing Aid Industry Conference, it appears that HAIC is going to give further consideration to the possibility of its members manufacturing the coupler. Representatives of the Bell Telephone System have indicated that they are inclined to manufacture the coupler and sell it without profit if the hearing aid industry does not undertake its manufacture. Though we do not yet have a positive answer on this point, it appears that it is not unreasonable to expect that hearing aid users who insist on using inductive coupling to the telephone instrument be required to use their own couplers with telephones which do not have excess stray magnetic flux leakage. It is represented that the acoustic coupler will have a much longer life than a hearing aid which is said to have an average service life of 3.25 years.

Generally, the telephone industry has been cooperative in providing, upon request of persons having impaired hearing, for their homes and offices the older types of telephone sets which have high magnetic flux leakage. We believe that they intend to continue to do so.

I appreciate your giving me the opportunity of making our views known on this matter and trust that we have been of some assistance in that regard. Please be assured that we will continue our efforts to keep abreast of developments.

Sincerely,

DEAN BURCH, *Chairman.*

SEPTEMBER 6, 1973.

Hon. DEAN BURCH,
Chairman, Federal Communications Commission, Washington, D.C.

DEAR MR. CHAIRMAN: Thanks for your recent reply to my letter of June 18 concerning the compatibility problem between new telephones and existing hearing aid devices. I am grateful for your detailed comments. Your response raises several points on which I would appreciate your further consideration and views.

First, you indicated in your July 9 letter that "the older types of receivers, which have excess stray flux leakage, are relatively inefficient and are being replaced by a more efficient type resulting in great savings in cost and conservation of materials which are in short supply." I would be very interested to learn in what way the older telephone receivers are inefficient; how great the savings to be achieved by conversion to the new type are; and to whom these savings would accrue.

Second, you indicated that it was unfortunate that the "replacement receivers do not have a strong magnetic flux field sufficient to support their effective coupling to hearing aid instruments through the inductive mode". I agree. Perhaps the magnitude of this unfortunate situation can be illustrated by an estimate provided by the Hearing Aid Industry Conference (also mentioned in the *New York Times* article) that approximately one-half of the three million hearing aids currently in use have these inductive pickup switches and are already or soon will be rendered useless with the new telephone. From your statement that "certain hearing aid instruments" are capable of being selectively switched to either the acoustic or inductive mode (emphasis supplied), it appears that you may not be aware of the potential impact of the changeover for the hearing impaired. I am somewhat puzzled by your statement that hearing aid suppliers have been informing their customers that certain telephone instruments are not usable with inductive pickup switches. This was not the impression of members of my staff who attended a recent briefing by representatives of the Hearing Aid Industry Conference and A T & T held by Mrs. Virginia Knauer. On the contrary, it would seem that very little public discussion or information efforts had been undertaken by members of either industry to advise their customers of these aspects of the change.

Third, I can appreciate that the FCC may lack regulatory jurisdiction over the hearing aid manufacturing industry and primary jurisdiction over the telephone sets, themselves. However, allow me to rephrase my original questions:

When these design changes were contemplated and decided, was there not an inherent obligation on the part of both industries to advise their customers of the change and its meaning for the hard of hearing whose hearing aid telephone pickups would not be compatible with the new telephones? This seems to me directly related to the matter of whether the industries involved have expressly or inferentially guaranteed continued service from their instruments throughout this period (through advertising, sales presentations, promotional materials, etc.).

I am also troubled by your statement that it would not be unreasonable to expect that hearing aid users who *insist* on using inductive coupling to the telephone instrument be required to use their own couplers with telephones which do not have excess stray magnetic flux leakage (emphasis supplied). This, together with your earlier statement regarding "selective" switching of hearing aid devices to either mode of pickup, would appear to reflect a belief on the part of the FCC that such coupling is a matter of individual choice. I can assure you that to the hearing handicapped such switching or coupling falls much closer to necessity than to choice. Accordingly, I believe closer consideration of this matter by FCC may be in order, with particular emphasis on the responsibilities of the industries involved to their customers (who were neither consulted, nor apparently even advised in most cases) regarding the change and its potential impact.

May I have your further views on these points?

With sincere thanks for your attention to this request, I am

Truly,

JENNINGS RANDOLPH,
Chairman, Subcommittee on the Handicapped.

JUNE 18, 1973.

Mr. LEWIS ENGMAN,
Chairman, Federal Trade Commission,
Washington, D. C.

DEAR MR. ENGMAN: The New York Times of May 28 (copy of story enclosed) indicates that for the last seven years the Hearing Aid Industry Conference and A.T. & T. have known about and discussed in inter-industry sessions the problem of incompatibility between the new generation of telephones (which eliminate magnetic leakage) and existing hearing aids of the very hard of hearing aids of the very hard of hearing which are equipped to pick up such leakage.

I understand that since Mrs. Virginia Knauer, Special Assistant to the President for Consumer Affairs first made public this problem of incompatibility, A.T. & T. has proposed a solution based on the marketing to the very hard of hearing of an acoustic coupler (with an estimated cost of $5 apiece) which, when strapped to the new phones would again render them compatible. Because the new "solution" will apparently result in a further expense to the handicapped who did not create this problem, several questions have occurred to me which I believe the FTC should consider.

1. When the decision of the telephone industry to move forward with the new phones was apparent to both industries, what obligation to inform their customers was imposed on both industries, and how did they discharge this obligation? During the seven year period, were the purchasers of hearing aids and telephone services told about the inevitable problem?

2. Have both industries over this seven-year period expressly or impliedly guaranteed continued service from their respective pieces of equipment?

For example, if I buy a hearing aid with special (and no doubt more expensive) equipment to pick up magnetic leakage isn't there an implied representation that it will continue to be workable (compatible with telephones) if kept in good working order? Is the withholding of information about incompatibility (should such withholding be found to be the case) a fair trade practice?

3. What, in the opinion of the FTC, is an equitable solution to the problem of those hard of hearing who have purchased equipment and service over the last seven years with reasonable expectations of continued good service?

Your consideration of the above matters will be greatly appreciated by the Subcommittee on the Handicapped. A similar letter is being sent to the FCC.

Truly,

JENNINGS RANDOLPH,
Chairman, Subcommittee on the Handicapped.

FEDERAL TRADE COMMISSION,
Washington, D.C., September 7, 1973.

Re corres. No. 060329.

Hon. JENNINGS RANDOLPH,
Chairman, Subcommittee on the Handicapped, U.S. Senate, Washington, D.C.

DEAR CHAIRMAN RANDOLPH: This is in further reply to your letter to Chairman Engman of June 18, 1973 concerning the problem of incompatibility between the new generation of telephones (which eliminate magnetic leakage) being installed by AT&T and hearing aids which have the capability of picking up magnetic leakage.

Your letter posed several questions which you felt should be considered by the Federal Trade Commission. At the outset, however, I should make it clear that the provisions of the Federal Trade Commission Act exclude common carriers such as AT&T from the jurisdiction of the Federal Trade Commission. The Federal Communications Commission has the basic regulatory function in the case of AT&T. Your first question dealt with the responsibility and efforts of both AT&T and the hearing aid industry to inform members of the handicapped public of the changes which were and are taking place in this area. While the Commission staff's investigation has not yet been completed, I understand that the efforts which have been made to inform members of the handicapped public have been minimal at best.

Your second question asked whether AT&T or the hearing aid industry have expressly or impliedly guaranteed continued service in the magnetic mode from their respective pieces of equipment. Again, my response is based on the interim report I have received from my staff. It seems to me that the potential limitations on its usefulness may be a material fact, the disclosure of which is mandated by Section 15 of the Federal Trade Commission Act.

Your third question asked the opinion of the Federal Trade Commission as to an equitable solution to the problems caused by AT&T's phasing out of the phones which produce magnetic leakage. At this stage in the Commission's investigation of this matter, it appears that this problem is capable of being satisfactorily addressed in two basic ways. The old style phones (with magnetic leakage) can be installed in the home or office upon request of the handicapped customer. In instances in which this alternative is not feasible, an acoustic coupler can be installed (permanently or temporarily) on the non-magnetic leakage phones to convert the acoustic (sound) signal to a magnetic signal. AT&T has developed such an acoustic coupler and hopes to be able to supply it to be the handicapped public at cost (between $5 and $15) sometime next spring. AT&T has provided twelve working copies of their latest model acoustic coupler to the hearing aid industry so that it can have the benefit of AT&T's research in further refining the acoustic coupler to the needs of their customers. One very important benefit of the acoustic coupler is that it will enable those wearing hearing aids with a magnetic mode capability to use that capability on all phones. As you may know, only AT&T phones emit the magnetic leakage upon which this mode relies. Thus, approximately 20% of all phones in the United States and almost all foreign telephones have never been compatible with the magnetic mode.

Unfortunately, it apppears that the handicapped public is largely unaware of the potential of the magnetic mode of using the telephone or the limitations thereof. The education of the public seems to be the most important task at hand. I believe that it is the apppropriate function of the regulatory agencies involved to do whatever they can to encourage this educational process.

Sincerely yours,

GERALD J. THAIN,
Assistant Director for National Advertising.

HEARING AIDS

I. WHAT THE BUYER SHOULD KNOW

(I am just as deaf as I am blind. The problems of deafness are deeper and more complex, if not more important, than those of blindness. Deafness is a much worse misfortunate. For it means the loss of the most vital stimulus—the sound of the voice that brings language, sets thoughts astir, and keeps us in the intellectual company of man.—HELEN KELLER.)

Helen Keller was totally deaf from infancy; she could not be helped to hear. Most persons with impaired hearing are partially deaf; they often can be helped. Much of the time, however, partial deafness goes uncorrected.

A pity. Even partial deafness causes enormous problems. Children with that handicap are sometimes mistakenly marked down as slow-witted. Adults may suffer strained relations with those forced to shout or repeat themselves. People of any age risk physical danger from things that they can't hear.

Why does hearing loss so often go uncorrected? Partially deaf persons may try to conceal their condition for fear it will set them back professionally or socially, or to deny advancing years. Vanity may play a part, too, as may ignorance of the kind of help available. But certainly, one important reason many people remain unhelped is the high price of hearing aids. Those tested for the Veterans Administration by the National Bureau of Standards, and reported on in this issue, have an average list price of nearly $350. Their individual components are worth, on the average, about $30. Later, we will discuss some of the forces that push up the price of hearing aids.

Who can be helped?

Loss of hearing may be caused by any number of things: too much earwax, an infection, certain diseases (such as measles or meningitis), a reaction to antibiotics, a head injury or a congenital defect. Perhaps the most common cause of all is a condition called presbycusis, a natural condition of aging. Almost nobody over 65 can hear as well as he did when he was 25.

Whatever the specific cause, there are two broad categories into which all hearing loss falls—"conductive" and "sensorineural." Conductive loss results from a failure in some part of the physical linkage of tissue and bones that conducts sound impulses to the nerve centers of the ear.

A conductive hearing loss usually blocks and muffles sound uniformly, as you would by covering your ear with your hand. Sensorineural loss results from damage to the nerve centers to that portion of the brain that receives and interprets audio nerve signals. It is characterized by the inability to hear particular sound frequencies, or tones. That may lead to a great deal of difficulty in understanding certain words and letters in normal speech. For example, "s" may be confused with "i" because the tones that differentiate them are suppressed. Sensorineural loss is also frequently accompanied by increased sensitivity to loud sounds, giving discomfort or pain, and by rattling and buzzing sensations. It is not at all uncommon for a person hard of hearing to be suffering from both kinds of loss.

Most conductive losses can be corrected by surgery. But nearly all sensorineural losses cannot be corrected surgically or medically. People with sensorineural loss usually have no other recourse than to be fitted with a hearing aid, which will be helpful in many, but not all, cases.

If you have difficulty hearing, the first thing to do is to consult a medical doctor—preferably your family physician. He may decide that the problem is beyond his training and competence, in which case he'll probably refer you to an otolaryngologist or otologist. An otolaryngologist is a physician specializing in ear, nose and throat cases. An otologist is an otolaryngologist who further specializes in ear problems only. (For the sake of simplicity, we'll use the term otologist to describe both kinds of specialists.) It is possible, of course, to go directly to an otologist; you can find the names of those practicing nearest to you by calling your local medical society. The important point is to seek competent medical help.

(More is at stake than the loss of hearing. Occasionally, oncoming deafness is due to serious pathology close to the body's path of hearing—a tumor, for instance. A medical diagnosis could be of lifesaving importance.

If the otologist determines that a hearing aid will help you, he will give you extensive hearing tests himself or refer you to an audiologist for further evaluation. Audiologists are nonmedical, university-trained specialists who are skilled in evaluative and rehabilitative services for people with speech and hearing problems. A reliable indicator of an audiologist's skill is his possession of a Certificate of Clinical Competence issued by the American Speech and Hearing Association, the professional body that governs the field of audiology. That certificate should not be confused with the designation of Certified Hearing Aid Audiologist displayed by many hearing-aid dealers and granted by the National Hearing Aid Society, the dealers' trade association. A certified member of the professional organization has had to comply with much sterner training requirements than a member of the trade association.

One hitch is that it may take time and effort to get professional help. There is a distinct shortage of otologists and certified clinical audiologists. A second hitch is that professional help may cost a sizable sum. Fees vary throughout the country, of course. In the New York City area, we were told, an otologist's examination, including hearing test, would cost from $25 to $40, with the fee on the lower side of that range if the doctor refers you to an audiologist for more testing (which probably means he does less testing himself). The audiologist's fee for tests and follow-up exam can be expected to be from $20 to $30. An otologist in a Los Angeles suburb told us that he charges $12 for an initial medical checkup and $16 for a hearing test on the second visit. (But in downtown Los Angeles, he said, otologists charge $25 for hearing tests.) The audiologist with whom he works closely then charges $30 for a hearing-aid evaluation. Although we can't claim that those examples are typical for all areas, they indicate that it's not unusual to pay $60 or more for a proper introduction to a hearing aid.

The hearing test

The battery of tests in an audiological examination are of two types. One type employs an electrical device called an audiometer to determine the patient's ability to detect pure tones of various pitches. The second type investigates his comprehension of certain spoken words.

Both the pure-tone and spoken-word tests are performed with varying degrees of sound intensity, usually measured in decibels (dB). The number of decibels of a sound is derived logarithmically from the number of times that sound is stronger than the weakest sound audible to the normal ear. The more decibels, the stronger the sound.

Among other things, the ear specialist tests for two important limits at frequencies deemed important for speech intelligibility: the "threshold of hearing" and the "threshold of discomfort." Your threshold of hearing is the weakest sound you can hear. Your threshold of discomfort is the loudest sound you can hear without distress. A sound slightly louder than your threshold of discomfort marks your "threshold of pain," the point at which your ear will hurt. A person with normal hearing has a threshold of hearing of 0 dB and a threshold of discomfort of about 120 dB. In tests for loss of hearing, an elevation of the threshold of hearing is generally the most significant finding. The table below shows how, as the threshold rises in the general speech frequency range, the degree of impairment becomes more severe.

Threshold shift (dB), characterization, and effect

0–15 (in the worse ear): Normal; no difficulties.

15–30 (in the better ear): Near normal; difficulty with faint speech.

30–45 (in the better ear): Mild impairment; difficulty with normal speech.

45–60 (in the better ear): Serious impairment; difficulty with loud speech.

60–90 (in the better ear): Severe impairment; can hear only amplified speech.

90 or more (in the better ear): Profound impairment; cannot understand even amplified speech.

The range from the threshold of hearing to the threshold of discomfort is called the "dynamic range." With some conductive hearing losses, the threshold of hearing shifts upward by the same number of decibels in all frequencies, so that the dynamic range is uniformly compressed. With others, the threshold of discomfort also shifts upward, so that one can tolerate louder sounds than previously.

Sensorineural hearing losses can be more complicated Often, the threshold of hearing shifts differently for different frequencies. Thus, you might be able to hear a bass tone normally, a mid-range tone starting at 30 dB and a high treble starting at 50 dB. To further complicate matters, the threshold of discomfort is apt to fall, narrowing the dynamic range. A person so afflicted may ask you to speak louder because he can't hear you; then when you raise your voice moderately, it seems to him you're shouting. There are still other variations in sensorineural loss—for example, "holes" or gaps in the audible frequency range that prevent certain isolated tones from being heard normally. Complex and patternless sensorineural losses make the audiological specification of a hearing aid extremely difficult.

Adding to the difficulty are as yet unresolved questions in hearing-aid techonlogy: Should an aid be designed to give the wearer tonally even sound, by strongly amplifying only those tones heard most poorly? Or will an aid work just as well if it provides equal amplification of all frequencies or perhaps a moderate emphasis in the treble tones? On the answers to those questions, there is not complete agreement among hearing specialists.

The hearing aid

The important components of a hearing aid are a microphone to pick up sound, an amplifier to boost the loudness of the sound, a receiver (or earphone) to deliver the sound and a battery as a power source. Nearly all aids in use are air-conduction types, which put the sound directly into the ear canal through a molded ear piece. Bone conduction aids, which direct the sound against the skull, usually the mastoid bone behind the ear, have limited applications.

Four styles of air-condition aids are in common use (see photos on the facing page). The smallest is worn *in* the ear. Because it is so tiny, it can't provide powerful amplification and is used only in cases of mild hearing loss. The largest and most powerful aids are worn on the body, usually in a front pocket, with only the receiver extending by wire to the ear. Drawbacks of the body aid are that the microphone picks up rustling noises from the user's clothing and may be blocked by heavy overclothing.

But 80 percent of the hearing aids in use are of moderate size and intermediate power. They fall into two types: behind-the-ear (or over-the-ear) aids, the familiar half-moon shaped apparatus worn between the ear and head; and eyeglass aids, contained in the temple of the eyeglass frame.

The useful amplification of a hearing aid is referred to as "average gain," measured in decibels over normal voice frequencies. An aid with an average gain of 50, which would put it in the moderate-power class, can amplify sound 50 dB. The VA classifies hearing aids in three overlapping power categories: strong (as high as 65 dB), moderate, and mild (as low as 30 dB). Because of the overlap, some aids appear twice—and are given different performance scores in each case—in the VA ratings.

To prevent pain and damage to the ear, aids have a limit to the loudness they can produce. That limit is called the "maximum power output," also measured in decibels. It's usually set around the threshold of discomfort. Thus, if an aid with an average gain of 60 dB and a maximum power output of 120 dB receives a sound of 80 dB, it won't boost that sound to 140 dB, but rather cut it off at 120 dB. The average gain and maximum power output needed by any one person is determined in the audiological evaluation, although even those averages will not fully describe a hearing loss that is different for different frequencies.

Even when an aid is well fitted and working properly, most first-time users go through a period of adjustment. The quality of the sound, especially nonspeech sounds, is more "brassy" than would normally be experienced. That's due in part to the hearing aid's limited frequency range. It takes close to the full range of normal hearing, about 50 Hertz (Hz) to 10,000 Hz, to provide reasonably accurate timbre (the quality given to a sound by its overtones). Most hearing aids work in a narrower range of about 500 to 4000 Hz, which is sufficient to make speech sound intelligible but not entirely natural. Then, too, hearing aids don't handle all tones evenly, further distorting sounds. Finally many wearers of hearing aids find themselves unable to "tune out" distracting noises, as a person with normal hearing does; everything, from a slamming door to a jet flying overhead, sounds unnaturally loud and jarring. With patience, however, and perhaps rehabilitative therapy under the direction of a qualified audiologist, most people can adjust to the imperfections of hearing aids. Most often they're glad to, in return for the simple blessing of being able to understand what other people say.

But the blessing of being able to communicate easily is not conferred on a lot of people who are hard of hearing. The reasons are various, and they build up in a progression of medical, technical and economic realities.

First, the degree and quality of hearing loss can be difficult to determine precisely, even by medical specialists or trained audiologists. Judgments based on responses from patients are more subjective than the experts would like.

Second, no single model of hearing aid can come close to compensating completely for any type of hearing loss.

Third, the hearing specialist is severely handicapped in referring patients to a hearing-aid dealer by the bewildering profusion of aids on the market (500 or more) and by the shortage of unbiased technical information about them.

Fourth, the hearing specialist lacks a reliable means of prescribing a hearing aid with performance characteristics similar to the ones he wants for his patient. He may specify the patient's needs in such characteristics as frequency-response curves, gain, maximum power output and freedom from distortion. But a hearing-aid dealer has little way of relating those specifications to his own wares. It's likely that if 10 people were sent to 10 different dealers with the same specifications, they would come back with 10 different hearing aids. CU wishes that there were a universal performance-specification prescription method, akin to the method used in prescribing eyeglasses. For the present, though, it seems that the most practical way for otologists and audiologists to prescribe hearing aids is to name them by *brand* and *model*. We don't presume that we can supply all the answers needed to prescribe directly by brand and model, but we do hope that the VA ratings and accompanying text * * * will provide useful preliminary information for hearing experts.

Fifth, there's a seemingly insoluble economic problem.

In terms of technical complexity, a hearing aid is not much different from the audio-amplifier section of a transistor radio, with a microphone added. But the average price of the aids in the VA ratings is nearly $350. You could buy at least 10 complete transistor radios for that price. Why do hearing aids cost so much?

That very question was the subject of a 1962 investigation by the Senate Subcommittee on Antitrust and Monopoly. Testimony before the subcommittee brought out the fact that hearing aids are not particularly expensive to manufacture. To verify and update some of the Senate findings, CU asked a small manufacturer of hearing aids if he would be willing to tell us how much the parts cost to build his aid. The manufacturer wrote:

> Our cost for component parts in our . . . hearing aid is as follows:
>
> One Knowles magnetic microphone @ $6.10
>
> One Knowles magnetic receiver @ $6.10
>
> Three Siemens transistors @ 44¢ each
>
> Seven Siegert resistors @ 10¢ each
>
> Six Component, Inc. capacitors @ 35¢ each
>
> We make the volume control, battery compartment and plastic shell. A few cents worth of wire, electrical and mechanical insulation goes into each hearing aid.

The itemized parts—the same parts widely used by other hearing-aid manufacturers—cost $16.32. The remaining parts cost perhaps $8, bringing the total for all parts to well under $30. Labor and all other costs, including substantial advertising and promotion, would bring the total manufacturing cost today, by generous estimate, to about $75 for the average hearing aid. The manufacturer sells the typical aid to the dealer—at near as can be reckoned from the information we have—for slightly less than twice his costs. That's about $140 for an aid retailing for $350.

It takes some agility of reasoning to justify a retail price of two and a half times the wholesale price. Dealers defend their disproportionately large markups by pointing to low-volume sales. And maybe they have a case—but only because the present marketing system has encouraged it. About 5000 dealers in the U.S. must divide up annual sales of about 500,000 hearing aids. That's an average of 100 sales apiece—not much to keep a business going unless one charges fancy prices. Perhaps one reason for the low sales is that dealers tend to push only one brand.

Fewer dealers carrying and promoting a wider variety of brands—running hearing-aid supermarkets, so to speak—would undoubtedly force prices down. How far down is hard to say. One New York City dealer who sells a multiple line of aids, without favoring a particular brand, estimates that high-volume sales would make a 30 per cent price reduction both possible and profitable. And there exists solid evidence that the price could be reduced much further than that. In fact, we report separately (above) on two models that list for no more than $90. Regrettably, neither would have scored very well in the VA tests, we think. But, then again, neither fell so far behind some of the VA test models in performance as to explain a price differential of $200.

Hearing-aid dealers contend that they have to devote an inordinately large amount of time to testing, fitting and following the progress of their customers. Maybe so, but except for repairs to defective models, CU believes, any unprofitable time expended is largely time wasted. Testing is a job for otologists and audiologists—not for a dealer with sales in mind. The patient's difficulties in adjusting to a hearing aid should be eased by *professional* advice, not advice from a dealer. As for fitting the earpiece, dealers customarily charge for that.

Dealers also argue that hearing aids would be cheaper if there weren't such widespread customer resistance. It's quite true that many who are hard of hearing—millions by almost any count—haven't availed themselves of an aid. Even an executive of the American Hearing and Speech Association, a group generally critical of dealers, has conceded, "The hearing aid industry is faced with the task of trying to sell hearing aids to individuals who need them but don't want them." But CU believes that at least some of the resistance would disappear if prices came down.

Finally, there is the common misconception that quality necessarily equates with price. Take, for example, the experience of a Salt Lake City dealer who tried to sell his hearing aids for nearly $100 less than competitors with the same brand and model. He said his potential customers told him, "Well, if you sell this for $210 and your competitor sells it for $309, there is something wrong with your product." His aids were identical, of course, to his competitors, but how were people to know?

Wheeling and dealing

Ignore wild advertising—ads promoting aids that operate on a new scientific principle, that can be worn invisibly, that can cure any hearing problem whatsoever. If such claims were valid, the medical fraternity would long since have beaten a path to the manufacturer's warehouse door. The Hearing Aid Industry Conference (the manufacturers' association), the National Hearing Aid Society (the dealers' association) and the Federal Trade Commission all prohibit unethical advertising. No reputable dealer will make promises of efficacy.

Actually, no one is in a position to promise you sure relief from a hearing loss. But you're best off seeking medical and audiological advice first. Yet 70 per cent of the 500,000 people who bought hearing aids last year went directly to a dealer. One of the many possible consequences of buying a hearing aid without proper medical consultation is related in a letter from a CU reader.

She writes: ". . . in February 1968, I had been pressured into buying a [hearing aid] directly from a . . . salesman. He tested my ears in a hotel room and made the suggestion that seeing an ear specialist would be a waste of money. The aid was then fitted to the wrong ear and proved totally confusing and ineffective. After a visit to an ear doctor, I found I had Ménière's disease. . ." Ménière's disease is an affliction of the inner ear marked by intermittent episodes of vertigo, hearing loss and buzzing effects. In some instances, a hearing aid can aggravate the condition. In many instances, medical treatment can help.

Otologists with whom we consulted in preparing this report commented that gross misfittings by dealers occur regularly. One doctor recalls a lady who came to him four years after buying a hearing aid straight from a dealer. She at last realized that it wasn't helping her. The reason became apparent from the results of a hearing test. She was totally, irrevocably deaf in one ear, beyond the help of an aid. For four years, at the behest of a slick salesman, she had worn an expensive and entirely useless contraption. (When the patient confronted the dealer with the doctor's diagnosis, he refunded the money.)

Certainly, not all hearing-aid dealers are guilty of overstepping the bounds of their knowledge in the quest for a sale. Many, it should be acknowledged, have extensive practical experience with hearing problems. And many more are sincerely interested in helping people hear better. For what it's worth, some deplorable practices ascribed to dealers in the past are said to have been curbed through efforts of the manufacturers' and dealers' trade associations, as well as through licensing laws enacted by 24 states. CU believes that the prospective purchaser of a hearing aid would be wise to view dealers as tradesmen who can be helpful in explaining the workings of, and problems associated with, hearing aids—but not as professionals competent to diagnose and solve a hearing difficulty.

So you walk into a hearing-aid dealer's store purely as a customer—not as a patient or an examinee. If you've followed the steps CU has outlined, you'll bring specific instructions from your otologist or audiologist (although, as we've explained, the instructions may not be readily interpretable into the name of a specific model). You don't need any further evaluations or a sales pitch. But you probably could use a price break. Larger dealers can sometimes be persuaded to give a discount, so ask for one. Also, some dealers give price reductions to retired persons.

The dealer will probably take an impression of your ear canal to make the earpiece; a charge of $10 or $15 extra is common for that. And he can be quite helpful in showing you how to operate and take care of the aid you order.

You should insist that the aid be bought on a trial basis only. Most reputable dealers will rent you the aid for $1 a day for a month. If you aren't satisfied, they'll take it back. If you buy the aid, they'll deduct the rental fee from the price. During the trial period, you should return to your otologist or audiologist so that he can check whether the aid is working properly. Unless something is obviously wrong, try a new aid the full month to give yourself a fair chance in getting accustomed to it. Failing that, you may decide that you need rehabilitative help.

Little help with the bill

Financial assistance from the Government is limited. The Medicaid program in 19 states and Guam offers assistance to certain categories of people who cannot afford to buy a hearing aid. The program covers diagnosis of the hearing problem and purchase of the aid. But the criteria for determining economic need are fairly restrictive.

The Medicare program for the elderly provides aid only for diagnosis leading to ear surgery—not for diagnosis calling for the purchase of an aid or for the aid itself.

The Federal Rehabilitation Services Administration, working through state departments of vocational rehabilitation, assists people whose hearing problems handicap employment. (Homemaking is often viewed as an eligible form of employment.) Information can be obtained from your state vocational rehabilitation agency. A pamphlet about the program, "Opportunities for the Hard of Hearing and the Deaf," which lists all the state agencies, can be obtained from the Community Disorders Branch, Rehabilitation Services Administration, Department of Health, Education and Welfare, Washington, D.C. 20201.

Help for children is provided through the Federal Maternal and Child Health Service. The program is administered through state health departments or state crippled children's services, which should be contacted for information. The children's service arranges for diagnostic work and hearing aids at no cost or at reduced prices, depending on family needs. A family need not be indigent to qualify.

Veterans can obtain free diagnostic services and hearing aids from the Veterans Administration. Assistance is usually limited to veterans whose hearing losses are service-connected or to patients in VA hospitals.

A national list of speech and hearing centers staffed by ASHA-certified audiologists, is contained in the National Bureau of Standards Monograph 117, "Hearing Aids," available for 35 cents from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. The monograph, which is ordered by specifying SD Catalog No. 13.44:117, also contains an interesting and helpful discussion on hearing losses and their remedies.

II. WHAT AUDIOLOGISTS AND OTOLOGISTS SHOULD KNOW

In our report on hearing aids five years ago, CU published Ratings based on our own tests. Here we're reporting the results of the Veterans Administration tests of hearing aids. The VA has far more brands and models tested every year than CU could afford to test even at long intervals.

The publication of the following ratings is a result of CU's lengthy battle to force the VA to disclose to the public, data developed at public expense. Regular readers of CONSUMERS REPORTS are no doubt familiar with the CU-VA hearing-aid controversy, a summary of which we published last month. But although we believe that the public is well served by this adherence to the Freedom of Information Act, the information presented here is not primarily for general public consumption. It is meant for otologists and audiologists. CU endorses the VA's view that the selection of a hearing aid cannot be made solely by studying its ratings, but rather requires professional guidance. As the VA put it: "There is no 'best' hearing aid for all individuals. Aids that test well for one person may not test well for someone else . . . VA's general advice to a person with a hearing disability is to seek professional guidance in obtaining the aid best suited to his particular problem."

How the VA selects aids

The hearing aids in the VA ratings represent only 15 per cent to 20 per cent of the hearing aids commercially available. The VA first invites manufacturers to enter aids of their choice for the testing program. Last year, 19 manufacturers submitted names of 81 hearing aids. VA representatives randomly selected, from the manufacturer's stock, three samples of each model, which were subsequently tested by the Sound Section of the Institute of Basic Standards of the National Bureau of Standards. The raw data from those tests was turned over to the VA's Auditory Research Laboratory for evaluation and conversion into a performance score. Aids that scored lower than average were immediately excluded from the VA's purchasing plans. For the qualifying aids, a price factor was introduced by dividing the performance score into the quantity price quoted by the manufacturer. (The VA pays less than list, being such a good customer; it issues about 7000 hearing aids a year.) The resulting "cost-per-point-of-quality" was the basis for awarding contracts. Thus, the VA might not buy some aids with relatively high performance scores, because they cost too much.

CU is publishing the ratings for almost all of the hearing aids rated by the VA, not just for the models the VA bought. We have excluded only a few models—those that CU's market research has shown to be discontinued and those for which CU could not obtain current technical information.

How the VA tests

Our discussion here is only a summary of the VA tests. Audiologists can obtain the complete report, "Hearing Aid Performance Measurement Data and Hearing Aid Selection Procedures, Contract Year 1971," from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, for $2.50.

The VA scoring scheme is intended to provide a relative ranking of the hearing aids, not an absolute one. A hearing aid with a performance score of 100 is average within its power category. A higher score is proportionately better than average; a lower score is proportionately worse.

The National Bureau of Standards test methods are similar in substance to those of the Hearing Aid Industry Conference and American National Standards Institute, though the methods differ in some details. The tests include measurements of frequency response, absolute gain, harmonic distortion, maximum power output, signal-to-noise ratio and battery-current drain. The VA also checked to insure that the hearing aids were clinically acceptable—that they were not oddly shaped so as to be difficult to fit and that they would not require difficult maintenance or operational procedures.

The measurements of each electronic characteristic were converted into subscores weighted according to their relative importance by VA standards. Then the subscores were totalled to produce an overall performance score. Most of the test data can be read directly from the Government report. But the Index of Effectiveness, which received the highest weighting, cannot be read directly from the complete report. It must be extrapolated from various subdata, a job beyond the resources of most audiologists. Therefore, CU has computed the Index of Effectiveness and has presented it with the other measurements and scores in the VA ratings.

To arrive at the Index of Effectiveness—a concept developed by Dr. Raymond Carhart and the subject of a to-be-published paper—one assumes that the audio frequency spectrum can be divided into separate "critical" frequency bands, each of which contributes equally to speech intelligibility. In the middle of the audio spectrum, the bands are narrow, signifying that frequencies within those bands contribute importantly to speech intelligibility. At the ends of the audio spectrum, the bands are wide, signifying that the frequencies they encompass contribute little to speech intelligibility.

The Index of Effectiveness is derived by measuring the absolute gain of a hearing aid in each of 20 critical frequency bands and determining whether the absolute gain exceeds the minimum required gain set by the VA for each of three categories—strong, medium and mild amplification. The amount by which the absolute gain exceeds the minimum required gain in each band is recorded, and the sum of that desirable excess gain is the Index of Effectiveness. There are limits however, to the amount of gain desired. The VA believes that no more than 30 dB excess gain per band is useful. Thus the highest Index of Effectiveness score possible is 30 (dB) times 20 (frequency bands), or 600. In our rendering of the VA ratings, the raw Index of Effectiveness score has been converted so that the average of the models tested is 100.

The VA further assumes that a hearing aid with a rising frequency response of 6 dB per octave (treble emphasized over bass) represents the best choice for the hard-of-hearing veterans population (which, as far as anyone knows, differs little from the hard-of-hearing general population). Not all audiologists agree that a rising frequency response is a satisfactory measure of effectiveness. Those who disagree argue that a uniform gain in all frequencies is just as effective as a rising response. They won't take much stock in the Index of Effectiveness figures but they should still be able to glean useful information from the VA ratings. The Index of Effectiveness is only one of 12 weighted scores. It's given a weight of 1.9. (By way of comparison, lack of harmonic distortion is weighted 1.2 for eight separate measurements; uniformity of slope is weighed 1.0.)

Whatever the prevailing theories, the Index of Effectiveness does, in CU's opinion, provide a handy and reasonable first approximation to guide the trained audiologist in the choice of a hearing aid. The information therein contained can be adapted to suit other frequency-response slopes, yielding other indexes of effectiveness more in accord with a given audiologist's ideas.

Veterans Administration ratings of hearing aids

Listed by power categories; strong, moderate and mild. Described by type: body, behind-the-ear (called over-the-ear by the VA), eyeglass and in-the-ear. Average gain is the amplification in decibels averaged over frequencies considered by the VA important to improved hearing. Maximum power output (the amplification cut-off point) is in decibels averaged over a similar frequency range. Performance score is the VA's overall evaluation, with 100 the average. Index of Effectiveness is a score computed by CU, again with 100 the average, from selected VA subtests (see accompanying text). Some aids are listed in more than one power category; their performance and Index of Effectiveness scores vary because VA standards concerning average gain and maximum power output vary from category to category. Performance and Index of Effectiveness are rounded to nearest whole number. Prices are listed to the nearest dollar.

	Price	Type	Average gain	Average maximum power output	Performance	Index of effectiveness
STRONG POWER						
Telex 69 (Telex Communications Division, Minneapolis)	$342	Body	64	135	140	129
Norelco HP8122, (North American Philips Corp., N.Y.C.)	310	do	65	136	122	113
Fidelity F360 (Fidelity Electronics, Ltd., Chicago)	290	do	64	135	118	118
Lehr Omnitone 12 Power Chief (Lehr Instrument Corp., Huntington Station, N.Y.)	379	do	69	141	113	141
Acousticon A770G (Acousticon Systems Corp., Danbury, Conn.)	389	do	58	130	107	93
Oticon 370PP Super Power (Oticon Corp., Union, N.J.)	372	do	59	131	107	98
Sonotone 600 (Sonotone Corp., Elmsford, N.Y.)	375	do	63	133	107	100
(The following strong-power models, with below-average performance scores, were not considered in the VA's purchasing plans)						
Lehr Omnitone 11F (Lehr Instrument Corp.)	350	do	61	132	97	98
Auditone Kingman II C401 (Audiotone Division, Royal Ind., Phoenix, Ariz.)	395	do	61	129	87	79
Norelco HP8130 (North American Philips Corp.)	310	do	57	128	65	61
Audiovox 107 Powerhouse (Audiovox, Inc., Newton, Mass.)	356	do	59	129	36	71
MODERATE POWER						
Acousticon A770G (Acousticon Systems Corp.)	389	do	58	130	156	149
Audiotone Kingman II C401 (Audiotone Div., Royal Ind.)	395	do	58	129	142	135
Oticon 370PP (Oticon Corp.)	372	do	59	131	142	142
Acousticon A770 Silver (Acousticon Systems Corp.)	359	do	51	123	129	113
Zenith Super Ext. Range II (Zenith Hearing Aid Sales Corp., Chicago)	250	do	52	126	125	118
Siemens Euroton Ultra 394 (Siemens Corp., Iselin, N.J.)	369	do	50	122	124	106
Siemens 384SL Auriculina (Siemens Corp.)	369	Over ear	55	127	115	114
Zenith Pacemaker XRT (Zenith Hearing Aid Sales Corp.)	325	do	49	124	113	103
Norelco KL6730 (North American Philips Corp.)	349	do	50	122	112	95
Telex 33 (Telex Communications Div.)	380	do	49	126	110	107
Fidelity F362 (Fidelity Electronics, Ltd.)	290	Body	54	126	109	123
Norelco HP8130 (North American Philips Corp.)	310	do	57	128	108	121
Radioear 990 (Radioear Corp., Canonsburg, Pa.)	339	Over ear	50	124	105	108
Sonotone 35 (Sonotone Corp.)	299	Eyeglass	49	123	104	97
Fidelity F11 (Fidelity Electronics, Ltd.)	270	Over ear	48	121	104	99
Beltone Cantata White Dot (Beltone Electronics Corp., Chicago, Ill.)	360	do	53	124	104	101
Sonotone 72 (Sonotone Corp.)	365	do	52	124	101	101
(The following moderate-power models, with below-average performance scores, were not considered in the VA's purchasing plans)						
Fidelity OF483 (Fidelity Electronics, Ltd.	300	Eyeglass	52	124	99	101
Qualitone Super X (Qualitone Division, The Seeburg Corp., Minneapolis)	350	do	45	123	96	78
Oticon 370 Super Power (Oticon Corp.)	297	do	53	126	94	103
Audivox 107 Powerhouse (Audivox, Inc.)	356	Body	59	129	93	124
Vicon OE123 (The Vicon Instrument Co., Colorado Springs)	369	Over ear	47	120	93	84
Norelco KL6710 (North American Philips Corp.)	319	do	45	119	89	74
Qualitone Supreme Super X (Qualitone Division, The Seeburg Corp.)	350	do	44	122	82	75
Oticon 560PP Super Power (Oticon Corp.)	373	do	51	124	73	86
Norelco HP8220 (North American Philips Corp.)	289	do	45	120	69	67
Oticon 580S Power (Oticon Corp.)	339	do	44	118	61	58
Beltone Tondo White Dot (Beltone Electronics Corp.)	360	Eyeglass	48	122	59	76
Telex 131 (Telex Communications Division)	359	Over ear	43	119	55	43
MILD POWER						
Audiotone A20 Inspiration (Audiotone Division, Royal Ind.)	380	do	43	117	155	139
Fidelity F11 (Fidelity Electronics, Ltd.)	270	do	48	121	144	144
Nore co KL6710 (North American Philips Corp.)	319	do	45	119	140	132
Audiotone Pride A12 (Audiotone Division, Royal, Ind.)	365	do	41	116	137	120
Vicon OE124 (The Vicon Instrument Co.)	369	do	42	117	132	122
Vicon OE123 (The Vicon Instrument Co.)	369	do	47	120	131	136
Siemens 389HF Auriculina (Siemens Corp.)	369	do	45	117	129	124
Oticon 835S Power (Oticon Corp.)	365	Eyeglass	45	116	128	121
Danavox 695S Supreme Deluxe (Danavox North America, Inc., Wayzata, Minn.)	360	Over ear	43	117	126	113
Danavox 690S Supreme Deluxe (Danavox North America, Inc.)	370	Eyeglass	43	116	125	112
Otarion RX99 (Otarion Electronics, Inc., Ossining, N.Y.)	370	do	42	115	117	124
Sonotone 37 (Sonotone Corp.)	375	Over ear	44	116	112	108
Qualitone USF (Qualitone Division, The Seeburg Corp.)	345	do	39	113	111	92
Norelco HP8220 (North American Philips Corp.)	289	do	45	120	110	121
Audivox 110 Cutie (Audivox, Inc.)	349	do	42	114	107	117
Radioear 1000 (Radioear Corp.)	339	do	36	115	107	91
Beltone Andante Red Dot (Beltone Electronics Corp.)	355	do	42	113	107	98
Zenith Moderator A (Zenith Hearing Aid Sales Corp.)	325	do	34	108	104	76
Telex 131 (Telex Communications Division)	359	do	43	119	103	101
Audiotone Sedona A18SST (Audiotone Division, Royal Ind.)	380	do	39	115	102	116
Qualitone Hidden Ear III Deluxe (Qualitone Division, The Seeburg Corp.)	325	do	38	115	101	106
Danavox 685S Super Dynamic (Danavox North America, Inc.)	340	do	39	115	110	103
Oticon 580S Power (Oticon Corp.)	339	do	44	118	100	115
(The following mild-power models, with below-average performance scores, were not considered in the VA'S purchasing plans.)						
Telex 25 Electron Ear III (Telex Communications Division)	359	In ear	43	115	99	105
Audivoc 101 Cycloramic II (Audivox, Inc.)	341	Over ear	40	113	93	94
Beltone Prelude Green Dot (Beltone Electronics Corp.)	360	do	41	114	93	97
Otarion X101 (Otarion Electronics, Inc.)	360	Eyeglass	45	117	88	113
Beltone Andante Blue Dot (Beltone Electronics Corp.)	355	Over ear	37	107	88	70
Siemens 383CA Auriculina (Siemens Corp.)	359	do	38	115	88	93
Danavox 685U Universal (Danavox North America, Inc.)	350	do	36	111	86	79
Otarion X102 (Otarion Electronics, Inc.)	380	Eyeglass	45	116	85	98
Acousticon A645 HP (Acousticon Systems Corp.)	399	Over ear	36	113	85	88
Audivox 103 Rivera (Audivox, Inc.)	349	Eyeglass	42	116	81	95
Otarion X102F (Otarion Electronics, Inc.)	380	do	46	117	81	96
Acousticon A465SS (Acousticon Systems Corp.)	399	In ear	29	110	68	57
Danavox 695U Universal (Danavox North America, Inc.)	370	Over ear	34	107	64	51
Sonotone 75-2 Thinline II (Sonotone Corp.)	359	Eyeglass	35	115	64	64
Otarion Listenette (Otarion Electronics, Inc.)	350	In ear	34	111	64	62
Goldentone C100 CA Computer (Goldentone Electronics Inc., Minneapolis)	388	Over ear	34	105	58	53
Lehr Top Star (Lehr Instrument Corp.)	350	In ear	38	113	51	87
Goldentone Montclair (Goldentone Electronics Ind.)	291	Eyeglass	37	116	36	67

Two specialty aids

The VA did not test two kinds of hearing aids that may have special applications. One is a relatively new development, the CROS aid (the acronym stands for Contralateral Routing of Signals). The other is an older variant, the binaural fitting (one aid on ear).

The CROS aid was originally developed for persons who are deaf in one ear but who have normal or nearly normal hearing in the other ear. Such persons must continually swivel their heads in conversation to pick up sounds on the deaf side. To fill in the deaf-side gap, the CROS aid has the microphone positioned on the deaf ear and the receiver on the good ear. The sound is channeled through a wire around the head to the good ear.

The CROS ear mold is atypical in that it's vented, allowing air to pass through. (Conventional ear molds completely block the ear canal.) Some CROS aids don't even have an ear mold, but rather just a small plastic tube that rests loosely in the canal. One advantage of keeping the ear canal open to air, audiologists have discovered, is a marked reduction in low-frequency sound amplification. And since most background sounds are of a low frequency, the CROS aid diminishes extraneous noise that would otherwise interfere with the understanding of speech. Because it discriminates against low frequencies—which can be heard normally anyway in many cases of sensorineural loss—the CROS aid has proved beneficial to persons who have sensorineural loss in *both* ears.

Why don't they just leave the ear canal open with conventional aids, where the microphone and receiver are on the same ear? Because, when the microphone and receiver are close together, the hearing aid produces feedback, a whistle caused by the microphone rechanneling noise from the receiver. With regular hearing aids, the feedback is blocked by a solid ear mold. With CROS aids, the bulk of the head blocks feedback. But even the barrier of the human head will not prevent feedback at gains of more than 45 dB. Thus, the helpfulness of CROS aids is limited to cases of mild or moderate hearing loss.

These benefits of binaural fittings are the subject of much debate. Some claim that having an aid on each ear greatly improves the ability to distinguish speech from surrounding noise, improves the naturalness of sound and reduces fatigue after long use. Objective tests have not as yet demonstrated a significant improvement in understanding speech when two aids are used instead of one. The benefits, if any, appear to be entirely subjective on the part of the user, not a factor to be summarily discounted. But since two hearing aids cost twice as much as one, CU advises that binaural fittings should be considered cautiously—and only on the strength of professional opinion.

In search of a cheaper hearing aid

The average list price of the hearing aids the VA tested last year was about $350. (The manufacturers choose which models to submit for VA testing; often, they're the more-expensive models.) But there are models on the market that sell for much, much less. And, we can note in the accompanying report, there's no reason in terms of manufacturing costs why all aids shouldn't cost much, much less. To find out how low-priced aids compare with the VA test field, CU independently tested the Zenith Award (Zenith Hearing Aid Sales Corp., Chicago), $85, and the Sears Cat. No. 8015 (Sears, Roebuck), $90 plus shipping.

CU put both hearing aids through a test procedure closely paralleling that used by the VA. Although we were able to obtain all raw scores and measurements for each hearing aid, the only adjusted score we computed was the Index of Effectiveness. For various technical and statistical reasons, it would have been extremely difficult to grade each aid according to the VA's overall performance scoring system. Nonetheless, we think we have a good idea where the Zenith and the Sears would have stood in the VA ratings.

The Zenith, a body type, had an adjusted Index of Effectiveness of 119 as a moderate-power aid, somewhat above average. Other statistics of interest to the hearing specialist: average gain 54 dB, average maximum power output 126 dB and signal-to-noise ratio 42 dB. But the Zenith showed rather high distortion of frequencies of 500 and 700 Hertz with an input sound-pressure level of 70 dB. Adherence to the VA specification of 6 dB per octave slope was fairly good. We judge that the Zenith's rank in the VA ratings would have been about average.

The Sears, an over-the-ear type, had an Index of Effectiveness of 69 as a mild-power aid. Average gain was 35.5 dB; average maximum power output was 113.5 dB; signal-to-noise ratio was 38.6 dB; and total harmonic distortion was low. Adherence to the VA's 6 dB per octave slope was poor. We judge that the Sears would have been near the bottom of the VA ratings.

All in all, not a spectacular performance by our inexpensive aids—but not a humilitating one, either, especially by the Zenith. Even if those aids weren't top contenders, they were at least in the same league. We just wonder how much more money it would take to turn a $90 hearing aid into a real winner. Certainly it would not take enough to justify a charge of a couple of hundred dollars more.

EXECUTIVE DEPARTMENT ABUSES POWER IN MILITARY PROMOTIONS

Mr. PROXMIRE. Mr. President, political pressures are playing an even more important part of military life. The latest example involves the use of White House authority to overrule military promotion boards and promote officers that have not received a favorable selection.

I am greatly concerned that young officers will perceive the road to a successful career lies along a path of politics. This would run counter to military tradition but there is evidence that this is beginning to happen.

Earlier this year it was discovered that Army Lt. Col. Dana G. Mead was promoted one rank on White House orders even though the official Army selection board had failed to make that recommendation. Colonel Mead's particular responsibilities in the White House involve domestic affairs, in particular District of Columbia matters.

He was promoted not by his peers but by the political power of the White House.

Another example recently came before the Senate. Maj. John V. Brennan of the Marine Corps has been promoted by the President over the objections of the Marine Corps selection board. Major Brennan has served the President as an aide since 1968. He is responsible for arranging travel and communications at the White House.

Because the White House intervened in his case, Major Brennan has been promoted over the heads of 1,100 more senior officers. According to one press report, the Marine selection boards were bypassed by Presidential direction. The Marine Corps Commandant opposed the promotion as did the Deputy Commandant.

Mr. President this should not be allowed to go on. We all know the President is entitled to the best staff assistance possible and as Commander in Chief has the power to promote these military men around him.

But it should also be recognized that this is bad for morale in the military service and gives the appearance of favoritism.

I do not deny that Major Brennan is a capable officer. But I do object to the President going over the heads of the selection board established to provide a fair promotion schedule.

I wish to emphasize that I did not give my vote of consent on this promotion list carrying Major Brennan's name. Although I had notified the leadership of my intent, there was a small breakdown in communications, to no one's fault, and the promotion list received unanimous consent in my absence.

In my opinion it would have been better to have returned Major Brennan's name to the Armed Services Committee for investigation into the manner in which he was promoted.

HEATING OIL HEARINGS SHOW REGIONAL SHORTAGES; NEED FOR MANDATORY ALLOCATIONS

Mr. HUMPHREY. Mr. President, I would like to report to the Senate on our hearings of this week on the outlook for oil supplies for the coming winter. The hearings were held before the Subcommittee on Consumer Economics of the Joint Economic Committee and were completed on September 20, and followed up on our earlier hearings of May 1, 2, and June 2, 1973.

The subcommittee heard testimony from both administration and private witnesses. All agreed that the prospects for winter are very ominous and that a high probability of shortages exists. This corresponds to the results of an analysis by the Joint Economic Committee staff released Monday, September 17.

On the basis of considerable study, I would say that serious regional shortages this winter are close to certain unless we get mandatory government allocation of oil supplies. There is probably a 50 percent chance of a significant national shortage, in which mandatory allocation will be essential to mitigate hardships but for which no amount of reallocation will solve the problem completely. In this case mandatory conservation and/or rationing may be required. A very critical shortage that could hobble the U.S. economy and disrupt the conduct of normal life is a distinct possibility.

These facts were brought home by the testimony of Duke Ligon, the Director of the Office of Oil and Gas, Department of the Interior, who said, in part:

> In order to gain a perspective on the distillate situation, we have to set up a supply-demand ledger. We predicted the increase in demand of 10.4 percent which would occur assuming a normal winter; estimated

the production of distillate oil while assuming refineries would run at maximum throughput; allowed distillate inventories to be pulled down to 100 million barrels by the end of the heating season; and filled the remaining supply-demand gap with imports.

The assumed refinery capacity utilization for the base case was 91.7 percent, with gasoline demand being met. The imports of distillate fuel oil needed for the base case to balance supply with demand was 650 thousand barrels per day. Our previous high rate of imports sustained for any length of time was an average of 530 thousand barrels per day for one quarter last winter. We estimate a potential distillate fuel oil import supply from various foreign export centers of 550 thousand barrels per day assuming normal weather conditions in Europe. We are not sure that the imports will be able to meet all environmental standards. They probably would have last year but some standards have been tightened. Quantities much larger than 550 thousand barrels per day can be made available by relaxing standards.

In other words, from our base case, which assumes normal temperatures both in the U.S., Canada, and Europe; refineries running full; no adverse influences such as the oil exporting countries limiting crude oil production or foreign refining centers limiting exports, and no inhibition towards importing crude oil or products due to Phase IV guidelines, etc. We predict that we may have a deficit of about 100 thousand barrels per day of distillate fuel oil this winter. Several variables may work for or against us. Some of the more significant are:

1. Refinery capacity utilization.—We have estimated a utilization of 91.7 percent for crude oil throughput which corresponds to about 98 percent of overall refinery use. If an additional 2 percent could be realized there would be a corresponding reduction in import demand of 200 thousand barrels per day. Conversely a reduction in capacity utilization of 2 percent would result in an increased need of imported petroleum products of 200 thousand barrels per day.

2. Average temperature in the U.S.—A colder than average winter, such as we might experience one year in five would increase distillate fuel oil demand by 130 thousand barrels per day for traditional fuel oil uses. Moreover, additional demands would be placed on distillate due to curtailments of natural gas. This amount has not been quantified.

3. Average temperature in Europe.—If the temperature in Europe were colder than average, the potential quantity of oil available for import into the U.S. might be reduced by 300 to 400 thousand barrels per day.

Even in winters when there are large inventories and spare refinery capacity, shortages can occur in localized areas due to extreme weather conditions, lost refinery capacity, transportation tie-ups, etc.

Our projected balance of the supply/demand situation for distillate fuels can be invalidated by one of many items, such as an embargo on exports of crude oil by an oil producing nation; colder than normal weather in Canada, U.S., or Europe; a fire or explosion in a large refinery; a labor strike by either refinery workers or dock workers.

A national determination to conserve fuels could quickly eradicate the potential shortfall of fuel. There are various conservation measures that should be conveyed to the general public in every way possible. Some estimations demonstrate the potentials for energy conservation.

If all heating oil customers reduced indoor temperatures only two degrees during the heating season the resultant fuel saving would approximate 210 thousand barrels a day. Savings of the same order of magnitude could be achieved if storm windows and doors were added to all heated structures now lacking them. Further savings are possible through improved thermal insulation. Equivalent measures in gas space heating would reduce levels of gas curtailments, thereby reducing the call upon heating oils to replace gas.

A serious fuel conservation effort, enlisting the participation of all citizens, could greatly reduce the threat of fuel shortages, except under extreme conditions, for 1974. Patently, such a volunteer effort cannot be expected to be fully effective, but conservation nonetheless has an obvious and important contribution to make in any national energy program.

The testimony of Larry G. Rawl, executive vice president of the Exxon Corp., confirmed the main features of this prognostication, and so, as I mentioned, does the analysis by the Joint Economic Committee staff. Therefore, we have a rare degree of agreement between Congress, the executive branch, and private industry on the existence and approximate magnitude of the problem facing us.

Both of the witnesses mentioned above stated their convictions that the relaxation of sulfur emission standards in the secondary clean-air regulations of certain States would be necessary to make possible adequate importation of fuel oil to meet the winter's demand under the best of circumstances. John R. Quarles, Deputy Administrator of the Environmental Protection Agency, agreed in his testimony that environmental authorities must adopt a flexible and reasoned approach to the clear threat of shortages but stated that relaxation of standards must not be done in a wholesale fashion but on an intelligent and selective basis.

Mr. Quarles stated in part:

> The root cause of the problem is the presence of sulfur in our principal fuels, coal and oil. When those fuels are burned, sulfur is transformed into sulfur dioxide, a dangerous and sometimes deadly pollutant in the air. We know it causes respiratory disease and can cause death in those already infirm. It is a pollutant which the law, the Clean Air Act, necessarily subjects to control in the interest of our national health and welfare.
>
> The pattern of regulations provided by the law distinguishes two sets of standards, those necessary to protect the public health—the so-called primary standards—and those necessary to protect welfare or non-health-related concerns such as crop damage—the so-called secondary standards. It must also be remembered that the law provides for the achievement of the primary standards by 1975 and the secondary standards within a "reasonable time."
>
> Legal responsibility for achieving the standards is placed on the States which have devised implementation plans, that is, strategies of regulation to achieve the standards. To date, these plans have evinced two characteristics of extreme importance. First, many have chosen 1975 as a "reasonable time" to meet the more stringent secondary standards in addition to the primary standards. Secondly, States have imposed Statewide omission regulations that ignore differences in air quality between regions. This means that scarce low sulfur fuels may be used indiscriminately throughout a State rather than in areas of greatest need. Consequently, the ambitious State implementation of an already far-reaching statute has served to make much of the high sulfur coal and oil unacceptable under existing State regulations. It has further served to place a premium on obtaining "clean fuels" such as low sulfur coal, low sulfur oil, and natural gas which can meet the standards. In some cases it has led to mixing high sulfur residual oils, used in power plants, and low sulfur distillate oils, used for home heating, to create a product for use at power plants meeting State sulfur regulations.
>
> Some of the misinformed would lay the blame for this shortage at the door of environmental protection. While the precise part played by environmental regulations is still unclear, it has certainly been exaggerated. Many factors have contributed to the problem:
>
> Lack of refining capacity in this country, especially desulfurization facilities;
>
> Unpredictability of mid-Eastern sources of low sulfur crude;
>
> A natural gas shortage;
>
> Power plant and refinery siting opposition; and
>
> The residual effects of the import quota program.
>
> Much could be said about each of these causes. But I would simply say here that the causes are numerous and complex, and that the foremost cause is not the imposition of environmental regulations.
>
> But, while Federal environmental regulations have not been the principal villain in creating the dilemma, the manner of their application is a crucial ingredient in fashioning a solution.
>
> We believe it behooves policy makers at all levels to act with reason and constraint. Now is not the time for indiscriminately and inflexibly applying all our present environmental regulations without regard for the larger public interest. Rather, we must focus our efforts on fashioning policies that will serve both the environment and other factors vital to our total society.
>
> Clean fuels that are employed to meet State-wide secondary standards would be effectively denied to those areas which may need them to meet the primary standards. Accordingly, high priority areas desperately needing low sulfur fuels to meet primary standards could find themselves unable to procure these clean fuels since they will be siphoned off to meet secondary standards elsewhere. Our objective is to allow for the concentration of clean fuels in areas of highest need by discouraging the use of low sulfur fuels unless such steps are needed to meet primary standards. To carry out this policy we have requested States to: (1) focus on achieving the primary standards first and then phase in implementation of the secondary standards, and (2) initiate a State-wide review of their implementation plans on a region-by-region basis to ensure that clean fuels are only required in high priority regions within the State.
>
> Changes in regulations needed to implement this policy are currently under consideration in Ohio, Tennessee, Alabama, Michigan, and Illinois.
>
> The second component of the fuel shortage concerns oil, and more specifically, low sulfur distillate heating oil this winter. Here we are not talking of a projected 1975 deficit from State implementation requirements but rather the temporary convergence of a host of factors to create a shortage this winter. Because of the immediacy of the problem and its seasonal confinement to the winter months—we adopted a "variance" policy for last winter's shortages. This involved an ad hoc procedure under which the Environmental Protection Agency approved State-granted variances to State sulfur regulations of fuel oils in emergency situations. Of thirteen requests last year, we approved eight. Although successful, this policy had the drawback that such spur of the moment variances are effective only when we are talking of small isolated shortages.
>
> In contrast, this year we have some advanced warning of an impending shortage that may well be greater than last year's. Furthermore, we will be relying to a greater extent on high sulfur foreign imports. Given

the increased magnitude of the problem, we have undertaken to fashion a more systematic variance policy that will allow us, as in the case for coal, to save low sulfur oils for those areas of greatest need, that is, for home heating and where the primary health standards are involved. It is this more comprehensive and orderly approach which was the subject of the President's September 8 statement and Mr. Train's press conference on September 13.

Although this expanded variance policy has many of the same objectives as our "clean fuels" for coal policy, such as directing "clean fuels" to points of greatest need, there are some distinct differences worth noting. The first is timing. We expect the coal problem to come to a head in 1975 when many State coal regulations come into effect. In contrast, the oil problem is already on us. Sulfur regulations for oil are already in effect in many States. In the case of coal, we need a delay in implementing the secondary standards, while for oil we need variances to existing State sulfur regulations. The second is duration. Our coal policy represents a longer term effort to shift clean fuels to priority areas, while our oil variances are a temporary seasonal effort to account for fluctuations in the availability of low sulfur fuels during the heating season.

An important aspect of our variance policy that must be woven into any policy dealing with energy is conservation. Although sulfur removal technologies and emerging energy sources such as atomic energy offer long-term solutions, their potential contributions are being offset by our seemingly insatiable appetite for energy. We must begin now to adopt vigorous conservation measures in order to bring our energy demands in line with supply.

As a step towards establishing these needed conservation measures, a consideration in granting variances this winter will be the adoption of conservation measures by the Governors.

As we see it the fuels shortage is an immediate and serious problem but not inherently a long-term problem. Because fuel desulfurization equipment is not as available as is needed, we are obliged to seek some delay and to grant some temporary variances. We intend to do this carefully and prudently and only to the extent we are convinced it is required by broad public policy.

Most important, however, is the fact that we can have the technology we need to remove sulfur from fuel.

For oil, such technology already exists in the form of desulfurization facilities. It is simply a matter of capacity, a matter which private industry is capable of solving. For coal, the immediate hope is in stack gas scrubbers. Further down the road for coal are two technologies which appear to offer even more promise. The first is the conversion of coal to "clean" liquid or gaseous fuels prior to combustion, leaving sulfur constituents in the residues. Included here are mechanical cleaning, solvent refining, low BTU gasification and liquefication. The second involves redesign of the combustion process such as the use of fluidized beds or molten iron baths that remove the sulfur.

I am optimistic that we may enjoy both an adequate fuel supply and a clean environment. We are not confronted with an irreconcilable conflict. Rather, we are faced with a challenge to adapt and apply American ingenuity and technology to the problem while we hold fast to the ideal of a clean and healthy environment. We must meet with some flexibility the immediate problems which arise from the fact that we have not yet applied technology on a broad scale to control sulfur oxides pollution. Simultaneously, we must push ahead aggressively to install the needed equipment so that we will not be forced in the future to modify our enforcement of requirements established to protect the public health.

At the hearing of September 20, we heard testimony from several witnesses, among others, representing areas of the country most severely affected by the prospective fuel shortages. I have reported the testimony of Gov. Wendell Anderson of Minnesota to the Senate separately. Governor Anderson described in graphic terms what winter in Minnesota is like and what difficulties were encountered last winter in making the available fuel go around. Those difficulties were just a foretaste of what may await Minnesota and other cold weather States this winter and form the basis for Governor Anderson's urgent plea for mandatory fuel allocation.

Governor Anderson's testimony was augmented by that of Mayor Lawrence D. Cohen of St. Paul, Minn., and Mr. Patrick J. Roedler, St. Paul city councilman and chairman of the St. Paul Energy and Environmental Conservation Committee.

Mr. President, I ask unanimous consent that the statements of these two witnesses be printed in the Record in full. I commend especially to the attention of Senators the very specific and practical suggestions for energy conservation made by Mr. Roedler, who speaks from his background as a steamfitter and pipefitter with many years' experience in home and industrial construction.

There being no objection, the statements were ordered to be printed in the Record, as follows:

Statement of Mayor Lawrence D. Cohen

Mr. Chairman and members of the subcommittee, I am Lawrence Cohen, Mayor of the city of Saint Paul. I appreciate the opportunity to testify here today in order to acquaint you with some of the critical problems we expect to face this winter in a city that is part of what is probably the coldest, largest metropolitan area in the country.

I will outline some of the problems for you and City Councilman Patrick Roedler, who is with me today as chairman of a special committee on energy, will detail some of the steps we plan in response to the problems.

As our Governor Anderson told this committee earlier, there is a desperate need for a national energy policy. It should include a planned effort to *increase* and allocate our energy supplies and simultaneously conserve fuel and power through legislation and the educational process.

But as a mayor concerned with the immediate health, welfare and safety of more than 300,000 citizens, I cannot wait until the federal bureaucrats spend weeks and months developing flow charts, columns of figures and multiplier formulas in consultation with suppliers and big industries that will devour all that we, as public officials, allow it.

Already major fuel suppliers refuse to bid on our city and county contracts . . . Oh, yes, we did receive one offer: for 5,000 gallons daily for a specified period of time—provided we pick it up ourselves in some town in Wyoming.

We had to exert extreme pressure on the contractor for gasoline, who wanted to cut off our supply for squad cars:

There is no winter supply of heating fuel for thousands of elderly in our public-housing apartments, or for the children who will be attending the Saint Paul public schools.

We have government agencies and industrial customers on so-called interruptible gas service—where the customer is cut off when the temperature drops below a certain level. Our main electricity supplier, Northern States Power Company, obviously anticipates an energy problem because it has indicated that temperature will be raised above the current cutoff level of zero.

I don't know how many of you have been to Saint Paul-Minneapolis in January or February, but there are a lot of days when the temperature is below zero. This means that those with standby oil burners will switch over, thus contributing to the oil shortage.

In short, I recognize the economics behind all of this. The fuel suppliers didn't bid because they expect a higher price this month or next. We're willing to pay the higher price, but right now we can't even do that.

We're not talking about the price of beef here. My people can substitute for beef if the price is beyond their means or there is a shortage. But the simple fact is there is no way anybody can live in Minnesota this winter with insufficient heat.

I also recognize that we are only a small part of the whole picture, but in a sense, Saint Paul, Minnesota, can be looked upon as a microcosm of what's going to happen around this nation . . . We need your help.

Meanwhile, I'd like to call on Councilman Roedler now to tell you about what we are doing to help ourselves in the meantime.

Statement of City Councilman Patrick J. Roedler

Mr. Chairman and Committee Members:

I am Patrick J. Roedler, City Councilman from Saint Paul, Minnesota, and chairman of the Saint Paul Energy and Environmental Conservation Committee.

Thank you for inviting me here this afternoon. I would like to commend you for holding these hearings on the energy crisis. There is no doubt in my mind that the energy crisis is upon us. And the next few months could be comparable to World War II. The only difference is that we fought those battles somewhere else—and we're fighting this one here.

Before I begin talking about what we're doing in St. Paul—and what needs to be done—I'd like to briefly explain my background. I am a licensed steamfitter and pipefitter and a member of the United Association, Journeymen and Apprentices, Plumbing and Pipefitting Industries of the United States and Canada, and a member of Saint Paul Pipefitters Local No. 455. I spent twenty years in the steamfitting industry, including a five year apprenticeship. I've worked on refineries and pipelines, on big and small heating systems, in homes and industrial plants.

Because of my technical background and experience, I'm probably sensitive to aspects of the energy crisis that may escape the average layman.

You have just heard Mayor Cohen outline the energy problems in St. Paul. If I may capsulize what he said, the biggest problem is waste. Waste of fuel and energy, in schools, in factories, in homes, in big industry. Waste from the time our fuel comes out of the ground until the time it is consumed.

The St. Paul Energy Committee is now in the process of gathering information on fuel supplies and projected shortages, including data on fuel systems and the use of energy sources. The information we have gathered shows an incredible amount of waste by well-meaning and well-intentioned people.

Our schools do not have enough fuel. School officials are considering closing during January and February and staying open in June and July. Even worse, they are at a loss to better utilize the fuel they have because nineteen of their buildings are one-thermostat buildings with no zone control. Waste.

We have found the same thing applies to average homeowners. Proper insulation of the average home, which is not adequately covered in the new state building code, could save as much as 35% fuel consumption per home. The same applies to home heating equipment. Technical staff people at the local vocational schools have informed my committee that relatively simple steps such as having furnaces and oil burners cleaned yearly could save the average homeowner as much as 25% on his fuel bill. Change that sentence around and it means one fourth of the fuel Mr. Smith will use to heat his home this winter is wasted.

We are planning a massive public education effort, including seminar sessions for homeowners and businessmen, to disseminate this information and encourage them to take steps to reduce their wasted energy.

But the waste in homes and schools and hospitals is minute compared to the waste that occurs in industry and the devastating effects of that waste. We have found that industry is the largest waster of energy and the petroleum industry is the worst of all.

Let me give you some specific examples.

(1) I'm sure you've all seen the flare stacks at oil refineries that mark the refinery locations and signal all is well, often on a 24-hour basis. St. Paul has two such refineries. This is done for very necessary safety purposes but it is wasted energy because the refineries are burning gas without recapturing the heat. The flame from these flare stacks could be atomized, mixed with air, induced into hydronic storage, and treated like any other fuel. This heat recovery would reduce the refineries' massive consumption of other fuel.

(2) Waste from cross country pipelines, both gas and oil, that rupture due to malfunctioning for various reasons and cause great spills. In the last three weeks, 1.1 million gallons of crude oil spilled in northern Minnesota because of two pipeline ruptures. Both occurred with the same firm, and both happened in the same area near the small community of Stephen and the Tamarac River.

The State's pollution Control Agency described the situation as "incredibly lucky" because there was minimal environmental damage to the river and farm land, and 90% of the oil was recovered. I don't know how incredibly lucky we'll be next time. Think how many St. Paul homes could be without oil if these spillages continue.

I state categorically that these spills were unnecessary and could have been prevented. There are devices available which can effectively detect weaknesses in pipelines before ruptures occur, which do not take the pipeline out of service, and which are less expensive in the overall than the existing detection methods. It is simply a matter of applying existing technology. I don't think we have any choice but to require the petroleum industry to take these steps.

(3) The local power company has 428 industrial users in St. Paul that are interruptible customers. That means that when the temperature drops to a certain point, these industrial users are notified to stop all gas consumption and go on standby or alternate fuel. Very often, their standby is the same Number One and Two fuel oil that is used to heat the average home with an oil burner. The net result is artificial competition between industry and private homeowners in an already scarce market.

In past years this interruptible system was put into effect when temperatures were considerably below the zero level. In recent years, it went into effect at zero degrees, about seventy days out of the winter. This year, the local power company predicts between 135 to 150 days when interruptible customers will be competing with homeowners for Number One and Two oil. This would indicate that the interruptible temperature level might be raised and could mean a very serious situation in St. Paul.

These industrial users *can* use other standby fuel such as Number Five and Six oil which cannot be used to heat the average home. All that is required is the installation of equipment to change the viscosity or weight of the fuel oil.

(4) Waste of natural gas. The Federal Power Commission has put us on notice that there will no longer be natural gas available for industrial use after 1980. There is no reason why industries that will have to switch within the next seven years cannot make the change immediately. This would eliminate their consumption of our dwindling natural gas supplies as soon as they have the new equipment installed.

(5) Waste of energy by industries using equipment that has a high energy demand in terms of start-up time. There is a general movement today toward four-day work weeks with longer hours each day. The popular reasons are more leisure time for the hardworking men and women, but a much better reason is the energy saved by starting up this equipment four days a week instead of five, and running it longer. The highest energy usage comes from the incredible amount of fuel required to get the equipment started. Extending the actual running time would be minimal if you compare use of energy sources

I have described to you five situations which can be remedied but the remedies are far beyond the scope and authority of my energy committee and the St. Paul City government.

I would like to make several recommendations for action at the congressional level:

(1) Require oil refineries to utilize the energy now being wasted in their flare stacks and cut down on their massive consumption of other fuel.

(2) Require the petroleum industry to install in-service pipeline inspection equipment which could detect pipeline weakness and prevent ruptures that lead to gas and oil spill waste.

(3) Require industries using Number One and Two fuel oil to install equipment that would allow them to use Number Five and Six fuel oil and take them out of competition with the average homeowner.

(4) Require industries to convert immediately from natural gas to other fuel sources, preferably coal, allowing reasonable time for the changeover.

(5) Require industries with equipment having a high energy usage for start-ups to adopt a four-day, extended-hour work week during months when energy levels are lowest, and ask for the collective cooperation of their bargaining agents, namely, the unions representing their employees.

The key is mobilization and full utilization of all our resources, similar to our World War II effort. That means the city, the State and the national level. That means big industry and small industry and the private homeowner.

There is a lot of talk today about new sources of energy. In fact, I'm chairman of a special task force which is presently studying a system that would utilize solid waste as fuel in an energy recovery program to generate steam, electricity and refrigeration.

But the development of new sources of energy takes time, too much time. It would take an extremely long time to convert all the homes in the United States to solar energy. And we haven't even developed solar energy to the point where it could be used in private homes.

The point is that petroleum and other existing fuels are here to stay. Our whole emphasis must be on conservation and elimination of waste. And by emphasis I mean Federal legislation, if necessary, for mandatory fuel allocation for our immediate problems, in addition to the recommendations I've outlined earlier. We don't have any other alternative.

I sincerely thank you for inviting me to appear.

Mr. HUMPHREY. Mr. President, another region facing critical shortages of fuel was represented by Mr. William F. Kenny III, of the Oil Heat Institute of Long Island, and I ask unanimous consent to print his testimony in full.

In addition to describing the very threatening heating oil situation in his area, Mr. Kenny offers some specific and cogent proposals for the conduct of any Federal oil allocation program and for other policies to help improve the demand-supply outlook for heating oil for the near future.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF WILLIAM F. KENNY III

Mr. Chairman:

I appreciate the opportunity to testify before this committee regarding the outlook for #2 heating oil from the point of view of the retailer. I especially commend the committee for recognizing the need to deal effectively with this very critical situation now while it is still warm not later when time may have run out.

By way of brief introduction, I represent the Oil Heat Institute of Long Island as Chairman of its Energy Crisis Committee. Long Island consists of the two counties of Nassau and Suffolk, with a population of some 2.7 million people where over 80% of the 670,000 homes are oil heated. Consumption of #2 home heating oil on Long Island in 1972 exceeded one billion gallons. To the extent that there are serious problems regarding home heating oil, Long Island is about as good a place as any to focus on because of the high percentage of oil heated homes.

I am also President of Meenan Oil Company, an independent retail heating oil company operating on Long Island and also in Pennsylvania and New Jersey. I have been in the business for 15 years, following in the footsteps of my father and late grandfather, who founded the company 40 years ago.

Before discussing the problems, I'd like briefly to explain the structure of our industry. Nationally, 75% of the home heating oil is delivered by independent retailers while on Long Island the figure is 90%. Independent retailers buy either from independent wholesalers or major oil companies. Nationally, these retailers depend on independent wholesalers for 25% of their supply and on the majors for 75% while on Long Island, the independent wholesaler accounts for over 50% of oil supplied to retailers. You see that any area depending heavily on independent retailers who in turn depend heavily on independent wholesalers is particularly vulnerable to problems that adversely affect the independent segment of our industry. Long Island is, of course, such an area as is the rest of the Northeast.

On Long Island, we have 375 retailers who deliver an *average* of about two and a half million gallons per year to an average number of 1500 customers each and who employ, on the average, 9 or 10 people including the owner. In addition to delivering the oil, the retailer provides complete heating system service 24 hours a day, 7 days a week.

We in the home heating oil business in the Northeast, and I assume elsewhere, have two potentially disastrous problems. One is supply and the other is Phase IV. I will treat each separately although they are closely related in many ways.

From the point of view of supply, reliable evidence points to the fact that there will be a critical shortage of #2 home heating oil on Long Island and in the entire Northeast this winter.

The evidence is clear. Firstly, a study by the Petroleum Industry Research Foundation, Inc., dated July 1973, entitled "The Outlook for Distillate Heating Oil in the Winter of 1973–74" states, in part, "If the winter is even slightly colder than normal, if the substitution of distillate fuel oil for curtailed gas supplies is significantly larger than last year, if refinery runs cannot be sustained at an average rate of 92 percent of capacity over the next 9 months or if the level of imports falls 3–4 percent below our projected average volume of 500,000 b/d during the heating season, a shortage could be expected to develop". In addition, recent studies by the staff of this committee and by the Interior Department are even more ominous in their projections and imports since July have not met projected quantities.

While most parts of the nation will feel these shortages, Long Island will be among the hardest hit areas in the country. This is because over 50 percent of the dealers who supply 90 percent of the Island's heating oil are in turn supplied by independent wholesalers who have been severely cut back on supply by the major oil companies.

Secondly, in an attempt to determine the true extent of the shortage Long Island can expect, the Oil Heat Institute of Long Island recently launched its second survey of independent heating oil retailers in early August. So far, 144 companies have responded. These dealers indicate they will need a minimum of 473,232,000 gallons of #2 oil to serve their customers through the 1973–74 heating season. However, only 61 of these dealers have been given any idea at all by their suppliers of the number of gallons to expect this year. These 61 dealer have been told that of their needs of 236,121,000 gallons, they can expect to get only 139,860,000 gallons creating a 96,261,000 shortfall which is 40 percent. The remaining 83 dealers who responded are simply not sure at this point what their supplies will be.

Thirdly, due to the shortage of natural gas, utilities have cut off supplies to large governmental, industrial and institutional users with the entire burden now being placed on home heating oil. For example, the Long Island Lighting Company has cut off all of its interruptable customers which include state and county buildings, hospitals, etc. from November 1, 1973 through March 31, 1974. This significantly increases the shortfall of home heating oil in our area—and—incidentally, Petroleum Research study referred to before did not include increased demand from shutoff interruptable gas customers.

The point of this information is this: Unlike the closing of thousands of independent gasoline stations recently in the news, if the independent fuel oil dealers on Long Island or anywhere go out of business because of inability to obtain heating oil, there is no other available means of supply for the consumer. A homeowner finding his friendly neighborhood independent gasoline station closed due to lack of gasoline can simply drive his car around the corner to a station operated by a major oil company. However, a homeowner who finds his friendly independent heating oil dealer out of business due to lack of heating oil has no other alternative. He will go cold. The distribution system is not flexible enough to handle even minor product dislocations and shortages.

In order to deal with the expected shortages, Oil Heat Institute of Long Island has a position which I would like to present and which we believe is both feasible and necessary not only for Long Island and the Northeast, but for the whole country.

MANDATORY ALLOCATION OF NO. 2 HEATING OIL

Within ten days, all major oil companies must be required to submit to the Energy Policy Office a list of all 1972 customers including independent wholesalers and retailers showing the amount of home heating oil supplied these customers during the base period July 1, 1972 through June 30, 1973. Major oil companies must then be mandated to supply these customers with at least 100 percent of their base period supply during the period July 1, 1973 through June 30, 1974. We feel the dates are important first because you have to have an exact and specific period and secondly, because this particular period coincides with a seasonal delivery period rather than with a less practical calendar period. We believe the proposed mandatory allocation program issued by Governor Love's office on August 9 would, as it pertains to home heating oil, be completely unworkable and would in fact, by reason of the imposition of completely impractical demands on a complex distribution system, result in chaos and much less oil in the overall system. In that respect, I'd like to read excerpts from the brief OHILI position on Governor Love's proposed plan of August 9. It is OHILI's position that the proposal would be of absolutely no overall benefit due to the following:

(a) It does not assure additional and/or adequate heating oils for any marketing area.

(b) It simply provides for distribution of the shortages, which will result in the same net number of cold homes, cold public institutions and interrupted commercial activities.

(c) It potentially interferes with pre-existing supplier purchaser commitments and/or contracts upon which many retailers have confidently relied to supply their customers for the 1973–74 heating season.

(d) The 10% set aside for state governments imposes an unworkable allocation which would have states competing with each other and us for their considered priorities. These priorities have always been and still can be met through normal distribution channels.

Basically, OHILI cannot subscribe to any plan which does not assure sufficient supply of heating oil to satisfy the historical and growth requirements of the Long Island area and/or takes fuel committed to one purchaser and re-allocates it to another purchaser.

The solution is to place more oil in the market for heating consumption. Therefore, rather than offering extensive comment on specifics of the proposal, OHILI is respectfully submitting the substances of an alternative plan which would allow the retailers of No. 2 home heating oil on Long Island to adequately serve the basic needs of approximately 550,000 oil heated homes.

ALTERNATIVE MANDATORY ALLOCATION PLAN FOR SUPPLIES OF NO. 2 HOME HEATING OIL FOR 1973–47 HEATING YEAR

All major oil companies and wholesale suppliers should be required to supply all customers, including independent wholesalers and retailers of the base period, July 1, 1972 through June 30, 1973 (hereafter to be referred as base period) at least 100% of the home heating oil supplied to these customers during the base period.

No supplier may use the reason that he has new customers or increased commitments to customers of the base period as a reason for not supplying each customer with at least 100% of his base supply.

If the major oil companies cannot produce enough #2 oil domestically, they should be required to import in sufficient quantities to make up the difference between domestic supplies and the aforementioned 100%.

Should imports be required, the Energy Policy Office should take immediate measures in conjunction with the CLC to permit the *complete* passthrough, from supplier through retailer, of *all* increased costs if imports on a weighted average basis.

It appears as though this was done last week by the CLC although we are not completely certain.

OHILI's endorsement of our above described 100% mandatory allocation plan should in no way be contrued as our endorsement of any other form of mandatory allocation, namely, the proposed plan of August 9, 1973.

OHILI further requests the Energy Policy Office take immediate measures to enjoin exporting of domestically refined products. We have received reports indicating that, in the midst of this crisis situation refiners have been circumventing price controls by means of foreign sales.

Basically what we're saying about mandatory is keep it simple and workable and be sure to call on the expertise of those people connected with the major oil companies and the independents who can compose a plan which would be as compatible as possible with the existing home heating oil distribution system. In all due respect, we just don't believe people from outside the industry can write a workable program.

Further on our mandatory allocation program, we agree with all reports, including the ones by the Petroleum Research Foundation and the Department of the Interior, that access to the necessary amounts of foreign #2 oil requires a temporary modification of sulfur standards to a maximum of one half of one percent for #2 oil and 1 percent for residual. This would do two necessary things. It would free up #2 oil which is presently being used to blend with high sulfur residual. Secondly, since well in excess of 50% of foreign #2 oil is in excess of 3 tenths percent sulfur content, this would contribute to the orderly access of product without which there simply wouldn't be enough foreign #2 oil available.

UTILITIES MUST BE STOPPED FROM BURNING MORE AND MORE OIL TO GENERATE ELECTRICITY

Public utilities are draining shrinking oil supplies by burning more heating oil than ever before. In 1972, they consumed two billion, eight hundred fifty million gallons of home heating oil as compared to one hundred twelve million gallons in 1967. Better than ⅔ of the oil used goes up the stack as unharnessed, wasted energy. Electricity used in home heating is the most wasteful consumer of this natural resource and its expansion must be stopped. Unfortunately, the worst example of waste of natural resources occurs right on Long Island where the Long Island Lighting Company is actively promoting electric heat with heavy advertising, large cash subsidies to builders and high-powered untrue public relations. Why should utilities, who have for all of the years of environmental concern refused to spend money on available technology such as stack scrubbers, be allowed to literally rob the home heating oil industry of its clean burning product to satisfy increasingly strict sulfur standards. If the utilities need more #2 oil, they must be required to import.

The cost impact would be far less to the consumer since the base of customers over which the cost would be spread is much larger than any other. It might mean 8 or 10 dollars a year instead of 30 or 40.

All U.S. refineries must be made to switch immediately from maximum gasoline production to maximum home heating oil production and not return to gasoline production until this winter's crisis is over and next winter's prevented. Priorities must be considered. National health is paramount. Remember, a shortage of gasoline is at worst an inconvenience but a shortage of home heating oil is potentially a dangerous health hazard and it can close schools, hospitals, office buildings. It is a catastrophe that must be prevented. If oil is going to be short, the government has to bite the bullet and act to curtail less essential uses.

FEDERAL, STATE, COUNTY AND LOCAL GOVERNMENTS MUST GET INVOLVED

Fuel conservation needs leadership on all levels. From towns, cities, counties, state and from the federal government, we need more voices to be heard. These governments must promote conservation of fuel by setting specific examples and by promoting special fuel saving measures such as re-insulation, installation of storm windows and doors, decreased use of gasoline, etc.

For example, if 25% of the homes in the country were brought up to proper insulation standards, we wouldn't have an energy crisis. We need imagination and leadership in this area. How about Federal and state tax deductions—now—for all homeowners costs of reinsulating their homes up to present FHA standards?

On the subject of supply, that's our basic program—a simple, workable mandatory allocation program supplying a minimum of 100% of the 1972–73 base period or no program, severe restrictions on utility use of domestic home heating oil, priority to maximum production of #2 heating oil by U.S. refineries and, finally, strong governmental leadership and action in the area of fuel conservation.

Before leaving the supply problem, I must state categorically that if heating oil rationing to the consumer is contemplated as a last resort or as a fallback instead of action now, it simply cannot be done. Gasoline yes—but there is no way the home heating oil distribution system could work under rationing.

Potentially more disastrous to the consumers oil supply this winter are the Phase IV CLC regulations as they apply to the home heating oil retailers. If major changes are not made, many of the retail heating oil dealers who supply 90% of the oil on Long Island will be forced out of business and the thousands of homes which depend on them will go cold.

Apparently, the CLC decided that the home heating oil dealer gouged the public during the January through May, 1973 period just prior to the June freeze. Based on this totally erroneous premise, these CLC people devised a punishment which would destroy the retail segment of the oil industry.

Before examining the discriminary regulations, let's look at the retail prices which have prevailed on Long Island over the past two and a half years and at the retail margins during the five months prior to the freeze.

Based on a survey of a cross section of 30 typical dealers on Long Island, the retail price of home heating oil increased 1.97% during the calendar year 1971, 2.32% during the calendar year 1972 and 9.4% during the five months January through May, 1973 during which time there was a 13.6% increase in product costs to the retailers not to mention substantial increases in labor and other operating costs. Also, during this period, the retailers' gross margin as a percent of cost or in other words, his percentage markup actually decreased by 6.2%. These figures were checked against those in New England and are virtually the same. These figures and any others desired by this committee, the CLC or any government agency, are available at any time. The point is, the CLC never once checked our industry figures in coming up with the preposterous statement made by Dr. Dunlop that the price of petroleum products, in which he included home heating oil, had increased 89%. To us it is outrageous and frightening that a totally uninformed government agency can impose potentially fatal punishment on an industry without any hearings or, what's worse, any meaningful investigation.

I suppose that since the premise upon which the regulations is based is fallacious, it follows that the regulations must be ruinous and discriminatory—and they are—incredibly and unbelievably so.

They are ruinous because it doesn't take an economics MBA to figure out that if product costs and other costs increase, as they are increasing, and they exceed the profit margin before taxes of the business involved, it will not be long before the business will be out of business. We're not talking about what might happen, we're talking about what has happened and is happening! Major oil companies and independent wholesalers have already increased prices to retailers in amounts up to 1.7 cents a gallon since Phase IV started just a month ago. When you make about a penny a gallon before taxes, how can you absorb 1 to 1½ cents per gallon and stay in business?

Phase IV is grossly discriminatory for the following three reasons:

1. All segments of the petroleum industry can pass through all increased product costs. The retailer is forced to absorb all these costs except increased costs resulting from imported #2 heating oil. So far, the cost increases from the majors to us have not been from imported heating oil but from increased domestic and foreign crude costs.

2. The rollback of the heating oil markups for the retailer is to January 10, 1973. The majors are allowed a May 15, 1973 markup date. The heating oil retailer is thus forced to absorb all operating cost increases since January 10. There was a big bulge in costs between January 10 and May 15 and the majors have been allowed to pass these increased costs on but not so the retailer.

3. The small independent heating oil retailer is not exempt from controls whereas in all but the petroleum industry, firms having fewer than 60 employees are exempt.

Immediate relief must be given in the following manner. We're not asking for anything more or less than anyone else—just equitable and reasonable regulations.

1. The independent heating oil retailer must be permitted to raise retail prices to reflect any foreign and domestic product cost increases on a dollar-for-dollar basis, and to institute each retail raise on the date that the cost increases are experienced.

2. The August 19, 1973 ceiling price should be the average cost of inventory on August 1, 1973 plus the actual markup on June 1–8 (when the freeze began.) The 7 cent provision presently in the Phase IV petroleum program may be feasible for gasoline retailers, but is inadequate for the heating oil retailer who must buy and maintain fleets of trucks, wait for his money, provide 24 hour service, etc.

3. The independent heating oil retailer should be permitted to raise prices to reflect all other cost increases such as labor, truck maintenance, and other related operating expenses, on a dollar-for-dollar basis.

4. The independent heating oil retailer should be eligible for the small business exemption which appears in Part 150.60 of the main body of Phase IV price stabilization regulations.

Summarizing the Phase IV problem, we just cannot understand why the independent retailer should be forced to *solve*, at the risk of his business, the inflationary problems of the international petroleum industry which are dealt with in board rooms of major companies, caucuses of OPEC petroleum ministers and in policy meetings at the highest levels of government. We don't want anything special or different, we'll be happy to live with all the regulations imposed on all other retailers—we just don't want to be punished for something we didn't do and have no control over.

In conclusion ladies and gentlemen, unless immediate action is taken to see to it that more heating oil is put into the system, severe shortages will occur. Unless Phase IV is immediately modified, there will be few heating oil dealers around to deliver the oil even if it *is* made available.

Thank you very much for the privilege of appearing before you today, and I will be pleased to answer any questions that you may have.

Mr. HUMPHREY. Mr. President, our hearings have made firmly clear that the establishment of a mandatory allocation system for fuel is necessary.

Once again I appeal to the administration, to establish such a system immediately or to back immediate action by the House of Representatives on S. 1570, the bill which the Senate passed months ago to establish mandatory allocation.

No Member of Congress wants to have Government interference in the allocation of fuel unnecessarily, but the conclusion is forced by the facts. Given that conclusion, the administration's delay is indeed unfortunate. It almost guarantees that when mandatory allocation is put into practice it will not be carried out as effectively as possible.

In other words, if the administration had acted when the Senate made very clear the urgent need for mandatory allocation several months ago, the system could have been well planned, clearly explained and effectively implemented.

But this is clearly a case of "better late than never," and I plead for action now.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. If there is no further morning business, morning business is concluded.

ORDER OF BUSINESS ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, following the disposition of the school lunch bill, and upon the resumption of the unfinished business, the Senate proceed to the consideration of the McGovern amendment on economic conversion.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The ACTING PRESIDENT pro tempore. At this time, under the previous order, the Senate will resume consideration of the unfinished business, H.R. 9286, which the clerk will state.

The legislative clerk read as follows:

H.R. 9286, to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

The Senate resumed the consideration of the bill.

The ACTING PRESIDENT pro tempore. The pending question is on agreeing to the amendment of the Senator from Missouri (Mr. Eagleton), No. 520, on which there will be 2 hours of debate.

The clerk will state the amendment.

The legislative clerk read as follows:

On page 18, line 12, strike out "$2,964,635,000" and insert in lieu thereof "$2,952,935,000".

On page 19, line 14, strike out "$2,958,200,000" and insert in lieu thereof "$2,938,800,000".

On page 19, between lines 17 and 18, insert the following:

"SEC. 202. None of the funds authorized to be appropriated by this or any other Act may be obligated or expended for the purpose of obtaining any aircraft for use in connection with the airborne warning and control system (AWACS) unless funds for such aircraft are specifically authorized by legislation enacted after the date of enactment of this Act.".

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. EAGLETON. Mr. President, I suggest the absence of a quorum, the time for the quorum call to be charged to me.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will please call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Missouri yield me 1 minute?

Mr. EAGLETON. I am pleased to yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that my staff assistant, Mr. J. Brian Atwood, have the privilege of the floor during the pendency of this bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I offer a substitute for the pending amendment.

The ACTING PRESIDENT pro tempore. The Chair will state that inasmuch as there is a definite time limitation on the amendment, unanimous consent will be required to offer the substitute.

Mr. EAGLETON. Mr. President, I ask unanimous consent that I may be permitted to offer the substitute for the pending amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will please state the substitute amendment.

The legislative clerk read the amendment in the nature of a substitute, as follows:

On page 30, between lines 2 and 3, it is proposed to insert the following:

SEC. 703. Notwithstanding any other provision of law, none of the funds appropriated pursuant to this or any other Act may be expended after the date of enactment of this Act for the procurement of any production funded long-lead items in connection with the airborne warning and control systems (AWACS) until the Comptroller General of the United States has (1) reviewed the cost-effectiveness studies conducted by the Department of Defense on such system and (2) submitted to the Committee on Appropriations and the Committee on Armed Services of the Senate and of the House of Representatives a report containing a summary of his review of the cost-effectiveness studies on such system and a certification that data sufficient to enable him to make an adequate review of such studies was made available to him by the Secretary of Defense. The Comptroller General of the United States shall submit his report to such committees on or before December 31, 1973, unless he is unable to certify that sufficient data was made available to him for an adequate review of such studies.

On page 30, line 3, strike out "Sec. 703" and insert in lieu thereof "Sec. 704".

Mr. EAGLETON. Mr. President, last year, in a letter to Senator STENNIS, I informed the Armed Services Committee of my concern that the Air Force was circumventing its own "fly-before-buy" program by requesting procurement funds for AWACS before the initial test results were in. This concern arose out of correspondence I had with the Air Force over several technical points. In almost every case, the Air Force indicated that answers could not be provided until test evaluations were made. I informed the committee, therefore, that I did not believe that Congress should appropriate procurement funds when there was no indication as to whether the system was technically sound. The committee agreed and eliminated the $309.9 million requested by the Air Force for AWACS procurement in fiscal 1973.

AWACS does fly today. Frankly, it appears to be a technically sound system.

But there is more to weapons procurement in this age of the tight dollar than technical achievement. A system that costs $2.6 billion also requires a mission that is worthy of that great expense.

At least one of the missions proposed for AWACS—air defense—is vastly inappropriate in this era of mutual vulnerability. The Air Force decision to continue to push AWACS as part of a modernized air defense system directly contradicts our current thinking on nuclear strategy. It seems to imply that a first-strike against the United States would be spearheaded by a bomber attack, rather than by missiles.

But in the ABM treaty, our country agreed to a policy of deterrence based on the mutual vulnerability of each power to the threat of a destructive missile attack. If we are willing to limit antimissile defense to two sites, then we would be equally justified in remaining open to the less likely threat of a bomber attack.

This week the Secretary of Defense decided that AWACS would no longer be a part of the Air Defense Command. It would instead be assigned to the General Purpose Forces Command. It was a cryptic decision, apparently the result of a fundamental policy change. But there is no forthcoming explanation from the Air Force.

Is the air defense mission being abandoned? Will the 42-plane fleet be reduced to reflect the lesser requirement of the tactical mission? Despite the technical achievement of the over-the-horizon and look-down radar capability, these are questions that must be answered before Congress authorizes production of AWACS.

The amendment I offer today is intended to assure that Congress has every bit of information available on AWACS prior to making a production decision during the consideration of the fiscal year 1975 budget. The Air Force and the Office of the Secretary of Defense have conducted a number of studies on the feasibility of the AWACS program from a number of perspectives. The studies requested by my amendment are the major cost effectiveness analyses made on AWACS by the Defense Department. The independent review of these studies is essential before Congress makes the important production decision next year.

Of primary interest in these studies is an analysis of the threat AWACS is designed to counter in the air defense mission. The means used to predict this threat into the 1980's would be of special interest considering the present state of the Soviet bomber fleet.

The Soviet manned bomber threat has diminished significantly over the past decade. According to the Pentagon, in 1960 the Soviet Union had a total of 1,260 medium- and long-range bombers and tankers; in 1965 that number had declined to 1,040; and today that figure stands at approximately 900.

More important, the Soviet long-range bomber capacity has declined from 215 in 1965 to 195 in 1973. In his March posture statement, then-Secretary of Defense Richardson said the following about the Soviet long-range bomber force:

> The Soviet intercontinental heavy bomber force remains, as it has for the last few years, at approximately 195 aircraft, including about 50 tankers and several reconnaissance aircraft.

At present, the Soviets have from 125–145 Bear and Bison long-range bombers and about 50 long-range Bison tankers. These bombers were in service in 1956 so today they are approximately 17 years old. Neither the Bear nor the Bison has the range, speed, or maximum weapons load that their American counterpart, the B–52, has. According to the Defense Department, there is no evidence that the Soviets intend to deploy a heavy bomber, such as our B–52 or the proposed B–1, in the near future.

The Soviets have continued testing a new swing-wing, medium-range bomber code-named "Backfire." During his tenure as Secretary of Defense, Elliot Richardson was publicly skeptical about the threat posed by Backfire.

Mr. Richardson conceded that Backfire's capability to bomb the United States "cannot be ruled out." But in testimony before the Armed Services Committee he stated that "the weight of evidence favors the view that it is best suited for peripheral attacks" in areas adjoining the Soviet Union, not against the United States.

Backfire does have a refueling capacity and, according to Admiral Moorer, "could prove to be an effective intercontinental bomber." But this "worst case" supposition stretches the credulity of the Pentagon's argument. It can be countered by one simple question: If the Soviets desire to improve their long-range strategic bombing capacity why do they not build a long-range bomber?

I believe that the evidence on Backfire indicates that it was built to provide the Soviets with a medium-range attack bomber to be used against the Chinese threat. I therefore contend that the Soviet bomber threat remains in its diminished state. Neither the Soviets nor the Chinese are concentrating on the development of a new long-range bomber program.

In 1965, former Secretary of Defense Robert McNamara testified before this committee and stated:

> Our present system for defense against manned bomber attack was designed a decade ago when it was estimated that the Soviets would build a force capable of attacking the United States with many hundreds of long-range aircraft. This threat did not develop as estimated. Instead, the major threat confronting the United States consists of the Soviet ICBM and submarine-launched ballistic missile forces.

I believe Mr. McNamara's analysis continues to hold true today. Why, then, are we about to embark on a costly new air defense program?

It is not the intention of my amendment to ask GAO to answer this policy question. This is a policy question which should be answered initially by the Committee on Armed Services and ultimately by the Senate as a whole. But it is of central importance that data and projections which have led the Air Force to its conclusions about AWACS be analyzed and assessed for accuracy and objectivity.

My amendment contains one unique aspect: It calls for the Comptroller General to certify that his organization has been provided with data sufficient to enable it to make an adequate review. This provision is not intended as a putative measure; it is instead an attempt to assure that the GAO review is of the highest professional standard—a standard that cannot be reached without access to all pertinent information.

The words "data sufficient" are obviously the key to this provision and should be accurately explained as a part of the legislative history of this amendment. A number of reports and memorandums obviously impact on the cost-effectiveness studies. In addition, other in-house analyses of these studies by independent elements of the Defense Department undoubtedly exist. I would like the RECORD to show that this certification by the Comptroller General should not be forthcoming unless all this pertinent data is made available to GAO.

According to the committee report, a decision has apparently been made to urge a significant reduction in the 42-plane AWACS request. No doubt this decision is based on a growing skepticism about the air defense justification. I also understand that next year's Department of Defense request for AWACS will reflect a significant decrease in the quantity requirement. These are positive indications that the Pentagon is taking a hard look at AWACS—a look that can logically only lead to a more realistic assessment of the requirement.

Mr. President, it is my distinct impression that AWACS is another of the Pentagon's technical marvels without a mission. There is a year to go before Congress must make a production decision on the system. I intend to insure that there is a real need for this marvel before the taxpayers invest $2.6 billion in the program.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. On the time of the Senator?

Mr. EAGLETON. Charge it to my time, Mr. President.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, I have discussed this matter with the distinguished ranking minority member of the committee. It is my understanding the distinguished chairman of the Tactical Air Subcommittee of the Committee on Armed Services will be here shortly. After looking over the amendment the ranking minority member and I are willing to accept it. The Air Force says it is satisfactory to them.

Mr. President, the distinguished Senator from Nevada is now here and has several questions he would like to ask. I yield to him.

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, I wish to begin my remarks by giving a brief synopsis of my longer speech last Thursday, September 20, which was printed in the RECORD starting on page 30655 and which presented a comprehensive review of the AWACS aircraft program. In that speech, I discussed how the AWACS program currently is bettering its technical performance milestones, is running ahead of schedule, and is underrunning on costs. Also I pointed out that the R. & D. program to date has eliminated the technical risk in the AWACS program because the prototype brassboard radar in its flight testing has demonstrated the overland look-down capability to pick out low flying airplanes which are hidden in ground clutter from current airborne warning radar planes.

The AWACS, when deployed with our Air Force, will greatly increase the bomber defense effectiveness of our present Air Defense Command intercepters and also will greatly improve the defensive and offensive capabilities of our tactical combat forces by providing a quantum improvement in airplane early warning and battlefield command and control. The operational potential of AWACS in both of these uses, the strategic bomber defense and the tactical warfare application, already has been demonstrated with initial operational test and evaluation flights in Air Force exercises.

SUBSTITUTE EAGLETON AMENDMENT

I understand that the distinguished Senator from Missouri (Mr. EAGLETON) has withdrawn his original amendment which would have cut back the R. & D. airplanes in the AWACS program and has substituted an amendment which would require a review by the GAO of cost-effectiveness studies done on AWACS in connection with the upcoming Defense Systems Acquisition Review Council meeting scheduled for next week. Let me say that this substitute amendment appears acceptable to the committee, but I would like to ask the Senator several questions in order that the intent of his amendment is explained and clarified in the record.

First, as I understand the Senator's amendment it would not have any effect in withholding R. & D. funds on the AWACS program.

Mr. EAGLETON. That is correct.

Mr. CANNON. Could the Senator verify that this is the case and that the R. & D. funds are not intended to be affected by the terms and conditions specified in his amendment?

Mr. EAGLETON. The Senator is absolutely correct. Only $11.7 million in procurement funds is affected.

Mr. CANNON. Second, the amendment states that the Comptroller General has until December 31, 1973, to submit his report on his review of the cost-effectiveness studies done on the AWACS. Now a question could arise as to what would happen if the Defense Department turned over the studies to the GAO, but the GAO did not complete its report by December 31, 1973. Could the Senator explain what would happen in that event and is it his intent with this amendment that the Air Force could release the long lead procurement funds if the GAO did not complete its report by the specified date of December 31, 1973?

Mr. EAGLETON. If under the wording of this amendment DOD turns over to GAO the requisite studies and reports in the DOD files and pursuant thereto GAO does not complete its report by December 31, 1973, the answer is that DOD could go ahead with the long lead procurement funds. But that is conditioned on the fact that DOD turned over studies and reports in its files and that the Comptroller certify to that fact prior to December 31, 1973.

Mr. CANNON. I understand that.

Third, when the amendment restricts the expenditure of funds "for the procurement of any production-funded long lead item in connection with the AWACS," it is my understanding that these words are meant to refer specifically to the $11.7 million in long lead procurement funds in the fiscal year 1974 bill. Is that a correct interpretation?

Mr. EAGLETON. That is the correct interpretation.

Mr. CANNON. Mr. President, with these understandings then let me say that I am informed that the Air Force does not object to the amendment as it now is modified and also the committee certainly does not object to and indeed is pleased to have the GAO review the cost-effectiveness studies on AWACS, provided that it does not have any impact on the AWACS program schedule.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. THURMOND. Mr. President, I yield myself such time as may be required.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I just want to say that the AWACS program, in my judgment, is a very important program to our national defense

AWACS represents a big technical step forward in battlefield control as it puts in the air, over 100 miles from the battle scene, a plane which:

Spots approaching enemy fighters or bombers, even at very low altitude where hidden from current radar units;

Radios information to Army ground anti-air units and Air Force interceptors; and

Serves as airborne command post for air commander and possibly Army ground defense commander.

At present we have three planes that are performing this task, one carrying a radar, another carrying communications equipment to talk with air and ground units, and a third being the command post. Current planes used in this work are the EC–121 for the radar, the C–130 for the command post, and the C–135 for communications. AWACS does all three jobs, and its radar can do it significantly better than in our present planes because of the new low-level look-down capability.

Spotting enemy planes at such great distances enables our Hawk batteries on the ground to do the job better as they know the direction and speed of the target and whether it is enemy or friendly long before it gets into range.

Also, when F–15's or other planes are sent into enemy territory they will be told exactly where the enemy is long before point of contact comes. This gives our pilots a big advantage.

AWACS has shown unusual resistance to expected jamming countermeasures which may be used against the radar or communications system.

Thus, AWACS optimizes the capabilities of our ground and air defensive units through its technical advances. It would have saved many planes and pilots on offensive strikes over North Vietnam if we had had AWACS at that time.

Mr. President, we should continue orderly development as called for by committee action which cut $43 million from the request for R. & D. and approved $11.7 million in production long lead funds.

Mr. President, the way this amendment was originally drawn was objectionable, and we would have opposed it, but the distinguished Senator from Missouri has modified his amendment; and in considering the way it is now modified, we are willing to accept this amendment and take it to conference.

The ACTING PRESIDENT pro tempore. Is all time yielded back?

Mr. EAGLETON. Mr. President, I yield back my time.

Mr. THURMOND. Mr. President, I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. All time on the amendment has been yielded back.

The question is on agreeing to amendment No. 520 by the distinguished Senator from Missouri (Mr. EAGLETON), as amended by the substitute offered by the distinguished Senator from Missouri (Mr. EAGLETON). [Putting the question.]

The amendment, as amended, was agreed to.

AMENDMENT NO. 531

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, the Senate will proceed to the consideration of amendments No. 531 by the distinguished Senator from Missouri (Mr. EAGLETON), which the clerk will please read.

The legislative clerk read the amendments (No. 531) as follows:

On page 30, between lines 2 and 3, insert a new section as follows:

"SEC. 703. The National Industrial Reserve Act of 1948 (62 Stat. 1225; 50 U.S.C. 451) is amended to read as follows:

" 'That this Act may be cited as the "Defense Industrial Reserve Act".

" 'CONGRESSIONAL DECLARATION OF PURPOSE AND POLICY

" 'SEC. 2. In enacting this Act, it is the intent of Congress (1) to provide a comprehensive and continuous program for the future safety and for the defense of the United States by providing adequate measures whereby an essential nucleus of Government-owned industrial plants and an industrial reserve of machine tools and other industrial manufacturing equipment may be assured for immediate use to supply the needs of the Armed Forces in time of national emergency or in anticipation thereof; (2) that such Government-owned plants and such reserve shall not exceed in number or kind the minimum requirements for immediate use in time of national emergency, and that any such items which shall become excess to such requirements shall be disposed of as expeditiously as possible; (3) that to the maximum extent practicable, reliance will be placed upon private industry for support of defense production; and (4) that machine tools and other industrial manufacturing equipment may be held in plant equipment packages or in a general reserve to maintain a high state of readiness for production of critical items of defense materiel, to provide production capacity not available in private industry for defense materiel, or to assist private industry in time of national disaster.

" 'DEFINITIONS

" 'SEC. 3. As used in this Act—

" '(1) The term "Secretary" means Secretary of Defense.

" '(2) The term "Defenes Industrial Reserve" means (A) a general reserve of industrial manufacturing equipment, including machine tools, selected by the Secretary of Defense for retention for national defense or for other emergency use; (B) those industrial plants and installations held by and under the control of the Department of Defense in active or inactive status, including Government-owned / Government-operated plants and installations and Government-owned/contractor-operated plants and installations which are retained for use in their entirety, or in part, for production of military weapons systems, munitions, components or supplies; (C) those industrial plants and installations under the control of the Secretary which are not required for the immediate need of any department or agency of the Government and which should be sold, leased, or otherwise disposed of.

" '(3) The term "plant equipment package" means a complement of active and idle machine tools and other industrial manufacturing equipment held by and under the control of the Department of Defense and approved by the Secretary for retention to produce particular defense materiel or defense supporting items at a specific level of output in the event of emergency.

" 'DUTIES OF THE SECRETARY

" 'SEC. 4. To execute the policy set forth in this Act, the Secretary is authorized and directed to—

" '(1) determine which industrial plants and installations (including machine tools and other industrial manufacturing equipment) should become a part of the defense industrial reserve;

" '(2) designate what excess industrial property shall be disposed of;

" '(3) establish general policies and provide for the transportation, handling, care, storage, protection, maintenance, repair, rebuilding, utilization, recording, leasing and security of such property;

" '(4) direct the transfer without reimbursement of such property to other Government agencies with the consent of such agencies;

" '(5) direct the leasing of any of such property that shall be disposed of;

" '(6) authorize the disposition in accordance with existing law of any of such property when in the opinion of the Secretary such property is no longer needed by the Department of Defense; and

" '(7) authorize and regulate the lending of any such property to any nonprofit educational institution or training school whenever (A) the program proposed by such institution or school for the use of such property will contribute materially to national defense, and (B) such institution or school shall by agreement make such provision as the Secretary shall deem satisfactory for the proper maintenance and care of such property and for its return, without expense to the Government, upon request of the Secretary.

" 'REPORTS TO CONGRESS

" 'SEC. 5. The Secretary shall submit to the Congress on or before April 1 of each year a report detailing the action taken under this Act and containing such other pertinent information regarding the status of the defense industrial reserve as will enable the Congress to evaluate the administration of such reserve and the necessity or desirability for any legislative action regarding such reserve.

" 'AUTHORIZATION FOR APPROPRIATIONS

" 'SEC. 6. There are authorized to be appropriated such sums as the Congress may from time to time determine to be necessary to enable the Secretary to carry out the provisions of this Act.'."

On page 30, line 3, strike out "SEC. 703" and insert in lieu thereof "SEC. 704".

The ACTING PRESIDENT pro tempore. Debate on this amendment is limited to 2 hours, to be equally divided.

Who yields time?

Mr. EAGLETON. Mr. President, the National Industrial Reserve Act of 1948 established a reserve of machine tools and industrial manufacturing equipment for immediate use to supply the needs of the Armed Forces in a time of national emergency. The act authorizes the Secretary of Defense to determine which excess industrial properties should become part of the reserve and which should be disposed of. The Secretary is also authorized to lend property to nonprofit educational institutions or training schools when he determines that the programs proposed by these organizations would contribute to national defense and the equipment would be properly maintained and returned if required without expense to the Government.

While it would appear that the Secretary of Defense has absolute control over this program—called the National Industrial Equipment Reserve—NIER—according to the 1948 legislation, the actual administration of NIER has been performed by the General Services Administration. Since December 31, 1972, however, no Government agency has administered the NIER program, and the equipment in the reserve has been literally rusting away in two storage depots. How could it happen that such an expensive investment could be allowed to deteriorate?

The answer to that question leads us back to an issue which has haunted the legislative process in the past few years—impoundment. Last year as a part of the supplemental appropriations bill, $1.8 million was appropriated so that GSA could resume its maintenance of the industrial reserve equipment and resume its school loan program; $950,000 of that money was expended by the administration for funeral expenses—to pay for the interment of the NIER program. This money was spent on closing costs—personnel payments and terminated leases; $850,000 of that money remains controlled by the Office of Management and Budget, held hostage to an impoundment policy which is replete with false economies such as this one.

Instead of spending the $850,000 appropriated to maintain these tools, the administration has allowed $46 million worth of industrial equipment to begin rusting away in unattended warehouses.

The administration has apparently based its decision to abolish the NIER program on an assertion that the program seems to emphasize the vocational training aspects more than the defense requirements. I take strong exception to this assertion. The loaning of industrial equipment to vocational schools assures that our Nation will have an adequate supply of skilled industrial labor in case of a national emergency.

I agree with then Deputy Secretary of Defense Kenneth Rush's statement that the termination of the NIER program would be "detrimental to our national security interest." As Secretary Rush has said, the "tools for schools" program is beneficial because some 35,000 youths and disadvantaged persons "are taught skills which are critical to defense emergency production" and because "the Government has obtained free storage and maintenance of NIER equipment" on loan to schools.

To justify its impoundment of NIER funds, the administration says that the NIER program should be administered by the Defense Department and that NIER funding should come under the Department of Defense rather than the GSA appropriation. But when the administration talks about "redirecting" the NIER program, they really mean that it should die.

The amendment I propose today is designed to revitalize the concept created by the 1948 NIER Act. Although the amendment is some four pages long, its intent is quite simple and the vast bulk of its language is patterned after the original act.

The Defense Department has been maintaining a general reserve of industrial tools quite separate from the NIER reserve previously maintained by GSA.

There are two reserves, one maintained by DOD. This general reserve is much larger than NIER—the total value being approximately $333,000,000 worth of equipment as contrasted to $84,000,000 in the NIER reserve. The personnel who currently maintain the general reserve could absorb the NIER equipment and administer the loan program at no additional cost to the Government. In addition, the school loan program could be expanded to include more sophisticated equipment for vocational schools which badly need to modernize their training techniques.

It is important to emphasize that my amendment would not add one penny to this authorization bill. In fact, I expect it to result in an overall savings in the administration of the industrial reserve program.

When savings are measured in Government spending we must not forget those sectors of the economy which derive direct benefits from Government programs such as NIER which would otherwise have to spend local tax dollars on equipment the NIER program provides.

The experience of my own State of Missouri, for instance, indicates a considerable savings of equipment and money for vocational schools. The Special School District of St. Louis alone has received machine shop and electronics equipment valued at over $700,000. At Rolla, Mo., the area vocational school has acquired equipment worth over $100,000.

Currently on file with the Missouri State Department of Education are requests for NIER equipment totaling $600,000. If these schools are not able to receive free equipment on loan from NIER, they will have to make these large expenditures out of their own budgets.

Finally, Mr. President, I would like to address the administration's justification for impounding the $850,000. According to a letter from the Office of Management and Budget to the Comptroller General, the administration has based its impoundment on a desire 'to achieve the most effective and economical use of funds available." In addition, the administration asserts that the NIER program no longer serves a defense need. In a letter to me the Comptroller General countered these assertions by stating:

> In our judgment, neither of the reasons cited by the OMB provides any legal basis for the current impoundment of the NIER appropriations.

Mr. President, I ask unanimous consent that the letter from Comptroller General Staats to me dated September 11, 1973, be inserted in the RECORD at the completion of my remarks. In addition, Mr. President, I ask that a list of "tools for schools" loan agreements dated September 30, 1972, be inserted in the RECORD following Mr. Staats' letter.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. EAGLETON. Mr. President, 27 States are currently participating in the NIER program. If my amendment—and it is a joint amendment offered by myself and the distingiushed Senator from Vermont (Mr. AIKEN)—is adopted the "tools for schools" loan program can be expanded to include every one of the 50 States and a much greater number of vocational schools. I urge my colleagues to support this revitalization of the NIER concept to provide for a more efficient and less costly program as well as to provide for a continuing supply of people in the vital industrial-skill area.

EXHIBIT 1

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, D.C., September 11, 1973.

Hon. THOMAS F. EAGLETON,
U.S. Senate.

DEAR SENATOR EAGLETON: Your letter of June 13, 1973, reads in part:

"In 1948 Congress passed the National Industrial Equipment Reserve Act which created a pool of reserve machine tools to be used in case of an emergency. The Act also established a program of loaning these tools to schools for vocational training purposes. Last year the Congress did not fund the NIER because of a difference between the Administration and Congress as to whether it should be retained under the GSA budget or shifted to the Defense Department. However, Congress did include $1.8 million in the first Supplemental Appropriations Act of 1973 to reactivate NIER to continue the school loan program. The Office of Management and Budget has announced that the $1.8 million will not be spent because 'The NIER program today does not serve as critical a defense need as it did in 1948.'

"The original NIER Act requires that a National Industrial Reserve Review Committee be established to conduct a review of the program in relation to changing defense needs. The same act requires that the Secretary of Defense, on the basis of the findings of the review committee, determine which machinery is no longer essential to our defense needs. Nothing in the original act permits the delegation of this responsibility to other government officials.

"I would appreciate it if your office would make a complete review of the NIER and action by the Administration pursuant to the appropriation passed by Congress for fiscal 1973. It would appear that the OMB decision represents an item veto of the funds appropriated last year. I would like your comment on this possibility."

On June 22, 1973, members of our staff discussed your request with representatives of your office, and provided them with information from previous General Accounting Office reviews of the NIER program. It was agreed that this briefing and a response to the legal issues raised in your letter—which follows—would satisfy your request.

House Joint Resolution 496, 93d Congress, approved April 26, 1973, Pub. L. 93–25, 87 Stat. 25, 26, appropriated to the Property Management and Disposal Service, General Services Administration (GSA):

"For an additional amount for 'Operating expenses' for the national reserve established by the National Industrial Reserve Act of 1948 (50 U.S.C. 451–462), $1,800,000, to remain available until expended."

This appropriation for NIER originated from a floor amendment submitted by Congressman Anderson, of Illinois, during House consideration of H.J. Res. 496. The Senate Appropriations Committee report on H.J. Res. 496 commented upon the NIER program, in part, as follows:

"NIER was previously funded under the GSA appropriation. In fiscal year 1973, the administration attempted to transfer funding to DOD. However, the Congress did not include NIER funds in either the GSA or

DOD appropriations, and NIER officially expired on December 31, 1972. Testimony before the committee revealed that the discontinuance of the NIER program would have a detrimental effect on the general condition of the equipment in warehouses. The committee's recommendation will salvage the NIER program and retain it in GSA." (S. Rept. No. 93–120 at 5.)

It appears that the Office of Management and Budget (OMB) had determined prior to enactment of Pub. L. 93–25 to "redirect" the NIER program and not to apply any appropriations for its continuation. This determination is the subject of an exchange of correspondence between Congressman Anderson and OMB which appears in the Congressional Record for June 1, 1973, at pages 17806–17807 Congressman Anderson's letter of April 30, 1973, to the Director of OMB reads in part:

"I had been informed that OMB had decided not to expend any of the NIER funds contained in the supplemental, and instead had decided to abolish NIER, terminate the popular and successful 'tools for schools' loan program, and dispose of all NIER tools currently held in reserve by declaring them surplus. I greatly appreciate the fact that my request was honored not to make any reference to this decision in the supplemental signing statement.

"I would like to request that a decision as to the final disposition of NIER be suspended pending a more thorough, in-depth review and evaluation of NIER by the Department of Defense and the Congress. I am especially concerned that terminating NIER at this time might be interpreted as a 'line-item veto' and a 'policy impoundment' specifically provides for the appointment of a National Industrial Reserve Review Committee in DOD to annually review the justification for the retention of property in NIER and to make recommendations to the Secretary for its disposal if it is no longer essential to the national security. The same Act also provides for and requires an annual report by DOD to the Congress on NIER. The most recent report, dated April 4, 1973, contains very favorable references to the NIER school loan program and no suggestion that NIER is either wasteful or no longer necessary, and certainly no recommendation to the Congress that NIER be abolished.

"If OMB has detailed information or a report indicating that NIER machinery is no longer essential to our defense needs, I would appreciate receiving a copy of that report. But on December 29, 1972, in a letter to Chairman George Mahon on NIER, then Deputy Defense Secretary Kenneth Rush wrote:

" 'Based on a recent survey of defense requirements, we believe that it is necessary that all or substantially all of these tools be available for Defense production requirements when needed.'

"He was referring to the 4,100 tools in the GSA NIER storage facilities which had been closed down on December 31, 1972, and have since that time been left unattended and are now in imminent danger of substantial damage.

"I would therefore suggest that funds for NIER appropriated in the fiscal 1973 urgent supplemental appropriations act be immediately released for the protection and maintenance of the tools being stored in the Terre Haute, Ind., and Burlington, N.J., facilities, and that the 'tools for schools' loan program also be continued, all pending the final outcome of a further study into the value of NIER."

The Deputy Director of OMB replied by letter dated May 24, 1973, reading in part:

"* * * Thank you for your letter of April 30 concerning the 'National Industrial Equipment Reserve (NIER).' We have carefully reviewed the points made in your letter, but still feel that program redirection is necessary. We do not consider this to be a 'policy impoundment' since our decision recognizes the vocational educational benefits of the program and also the concern expressed by others that tools in the NIER be kept available for Defense production requirements when needed. In reaching our decision, we consulted with both the Department of Defense and the General Services Administration.

"As you know, Congressman Mahon has expressed the view that the NIER program appears to be based more on vocational training objectives than on defense requirements. Further, most of the concern expressed in Congress over the NIER relates to the training aspects of the program. We feel that the educational objectives of the NIER can best be served by donating the tools to educational institutions and under GSA/HEW's existing donation program. Such action would not place a significant additional burden on the donation program and would not require additional Federal funds. This would not be a one time action but would allow a continual flow of machine tools no longer needed for Defense contracts to be donated, rather than loaned, to the many schools which can use such tools for vocational training.

"With regard to the concern that the tools in the NIER be available for Defense production requirements when needed, we feel that such mobilization needs can be met by putting a national security clause on the tools channeled through GSA's disposal program. Such a clause could require that the tools be kept in good operating condition and made available for Defense production requirements when needed for national security reasons. In an emergency situation, the mobilization of NIER tools would augment tools made available by the President's authority under Title I of the Defense Production Act to take tools off production lines if a shortage should jeopardize defense production priorities."

In remarks concerning subsequent developments with respect to NIER, appearing in the Congressional Record for July 11, 1973, at pages 23405–23407, Congressman Anderson noted that a portion of the $1.8 million appropriation had been released by OMB to reimburse GSA for its operation of NIER during the first half of fiscal year 1973. However, the amount released apparently has not and will not be used for continued maintenance of NIER stores or continuation of the school loan program. In this connection, a letter from the Assistant Administrator of GSA, appended to Congressman Anderson's remarks of July 11, reads in part:

"Implementation of the Office of Management and Budget (OMB) plan for termination of the NIER program, would require, first, that the NIER tools be declared excess to the needs of the Department of Defense (DoD). They would then be screened among the Federal agencies for possible Federal utilization. If no further Federal need for the tools were determined, the equipment would be declared surplus and be made available for donation by the General Services Administration (GSA) through the Department of Health, Education and Welfare (DHEW).

"Under existing DHEW procedures the tools would be allocated to State Agencies for Surplus Property, not directly to schools. The distribution to schools or other eligible donees within each State would be accomplished by the State Agency. Tools located in depots would normally be offered nationally, not simply to the States in which the depots were located.

"Approximately 25% of the NIER tools in storage are of a type which could be used by schools for vocational traininug. Although the tools in storage at Terre Haute and Burlington are showing signs of rust they can be restored. Most schools would be capable of having the proper restoration and repair work done.

"The OMB plan for disinvestment of the NIER tools does not appear to envision that restoration or repair work will be accomplished before the tools are donated. In any event we have not received an apportionment of funds for this purpose from OMB.

"Additional funds would not be required by GSA to handle the normal offering of these tools for further Federal use or for donation. However, to the extent the tools now stored in depots were transferred or donated, funds would be required for out-handling from these depots. These amounts could be recovered from the recipients. In addition, out-handling funds would be needed should any of these tools, not required for Federal use or donation, be sold by GSA.

"The cost of operating the NIER program through December 31, 1972, was $701,000. Since that date additional disbursements have been made to cover severance pay and allowances, bringing expenditures for FY 1973 up to a total of $817,500 as of April 30, 1973. The DoD did not reimburse GSA for these expenditures. Funds to conduct the program during FY 1973 were made available by a reprogramming of our operating expense appropriation. OMB has apportioned $830,000 of funds appropriated by the first supplemental (Public Law 93–25) to reimburse our operating expense account for FY 1973." (*Id.* at E4652–53.)

The $1.8 million appropriation to GSA in Pub. L. 93–25 was made for the purpose of restoring and carrying on the NIER program, and was necessarily based upon a congressional determination that the program should continue—at least pending possible further congressional review. By contrast, it is clear that OMB's "redirection" of NIER, discussed previously, amounts to termination of the program envisioned and provided for in Pub. L. 93–25. Thus the congressional determination upon which the appropriation is based has been reversed by OMB.

OMB's most recent report pursuant to the Federal Impoundment and Information Act, as amended, submitted to the Congress and to our Office on July 16, 1973, indicates that as of June 30, 1973, $850,000 of the appropriation for NIER made by Pub. L. 93–25 has been placed in reserve, i.e., impounded. See page 31 of the itemized list of impoundments set forth therein. This impoundment is "explained" in the report by reference to two standard "reason(s) for reserve action." These reasons, which purport to invoke the authority of the so-called Antideficiency Act, 31 U.S.C. 665, read as follows:

" 'To achieve the most effective and economical use' of funds available for periods beyond the current fiscal year (31 USC 665 (c) (1)). This explanation includes reserves established to carry out the Congressional intent that funds provided for periods greater than one year should be so apportioned that they will be available for the future periods." and

"Temporary deferral pending the establishment of administrative machinery (not yet in place) or the obtaining of sufficient information (not yet available) properly to apportion the funds and to insure that the funds will be used in 'the most effective and economical' manner (31 USC 665(c) (1)). This explanation includes reserves for which apportionment awaits the development by the agency of approved plans, designs, specifications."

The NIER appropriation is available until expended, and is thus within the application of 31 U.S.C. 665(c) (1). However, in view of OMB's actions and plans, we do not understand how the $850,000 reserve from this appropriation can be justified as an effort to achieve the most effective and economical use thereof. We certainly do not believe that this reserve can in any sense be considered in furtherance of, or even consistent with, congressional intent. The second reason apparently refers to a deferral pending implementation of the OMB plan by the Secretary of Defense, since neither the appropriation nor the authorizing statute would seem to require the development of any elaborate plans, designs or specifications by GSA.

In our judgment, neither of the reasons cited by OMB provides any legal basis for the current impoundment of the NIER appropriation. It is clear that the Antideficiency Act does contemplate, and in fact requires, reverse or impoundment actions which are designed in good faith to promote the economical and efficient application of appropriations to the purposes for which provided. However, we have on several occasions expressed the opinion that the Antideficiency Act does not authorize impoundments based upon general economic, fiscal or policy considerations which are in derogation of the purposes of an appropriation.

We would concur in Congressman Anderson's characterization of the NIER reserve action as a "policy impoundment," in the sense that it is based upon policy considerations whereby OMB has substituted its judgment for that of the Congress. This impoundment is not justified, in our view, by the Antideficiency Act or any other authority. We also agree with your suggestion that this action represents in its effect an "item veto," particularly since it appears that the decision not to fund NIER was made prior to enactment of Pub. L. 93-25. Of course, unlike a true item veto, the Congress is afforded no opportunity to override the veto.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

EXHIBIT 2

TOOLS FOR SCHOOLS LOAN AGREEMENTS AS OF SEPT. 30, 1972

State	Number of loans	Number of items	Acquisition cost
Alabama	8	157	$633,981
Arkansas	27	507	2,126,019
California	28	499	2,552,628
Colorado	1	35	143,133
Connecticut	10	123	450,279
Delaware	2	22	111,112
Florida	1	43	97,020
Georgia	12	251	1,062,123
Idaho	3	33	110,098
Illinois	15	229	999,404
Indiana	18	321	2,229,527
Iowa	11	249	1,333,824
Kansas	10	233	897,585
Louisiana	1	14	42,461
Maine	3	41	172,942
Maryland	1	18	65,494
Massachusetts	27	665	2,573,796
Michigan	32	784	4,060,852
Minnesota	12	406	2,512,708
Mississippi	1	24	77,309
Missouri	9	259	1,554,196
Montana	1	5	10,668
Nebraska	4	131	704,464
New Hampshire	7	177	300,001
New Jersey	12	113	500,090
New Mexico	3	48	176,656
New York	7	49	170,998

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. EAGLETON. I yield.

Mr. PASTORE. I understand that this amendment does not add any money to the authorization bill. Is that correct?

Mr. EAGLETON. Not one penny.

Mr. PASTORE. These are tools that were already in inventory and on hand, and it facilitates a better loan in order to bring about a better training program in the different States. Is that correct?

Mr. EAGLETON. That is correct. For 25 years these loans have been made in this manner.

Mr. PASTORE. Why have they been cut off?

Mr. EAGLETON. Mr. President, the OMB makes two points.

First, it costs $1 million a year, they say, to maintain a separate warehouse under GSA.

Second, they say GSA should not be the administrator of the program. The DOD should. My amendment would give the program to DOD.

Mr. PASTORE. Mr. President, I thank the Senator.

Mr. SYMINGTON. Mr. President, some of us have looked this amendment over. Some years ago I had experience in this field as Chairman of the National Resources Board, now called the Office of Emergency Production. I have discussed the amendment with the distinguished senior Senator from South Carolina, ranking minority member of the Armed Services Committee. He has some words to say. So far as this side of the aisle is concerned, we are ready and willing to accept the amendment, and commend the junior Senator from Missouri for calling it up.

Mr. EAGLETON. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. THURMOND. Mr. President, I yield to the distinguished senior Senator from Vermont.

The **PRESIDING OFFICER.** The Senator from Vermont is recognized.

Mr. AIKEN. Mr. President, the purpose of the pending amendment has been well described by the statement of the distinguished senior Senator from Missouri.

I simply want to say that the program, which we would continue under proper supervision, was established in 1948 when the Congress approved the National Industrial Equipment Reserve Act. It has done a tremendous amount of good work since that time.

It was my privilege at that time to work for this program. And although my State of Vermont has only one nonprofit school which makes use of this program at this time, throughout the country there are several hundred schools that have had equipment made available to them for helping to train students for highly skilled jobs. That machinery would have otherwise remained idle or rusting away. That is why the 1948 National Industrial Equipment Reserve Act provided that the machine tools in reserve could be loaned out to schools and other nonprofit institutions.

I cannot understand why anyone who really knows this program would want to reduce it or to do away with it. That is why I cosponsored earlier this year a $1.8 million supplemental appropriation to help get this program back into operation. The funds were approved as part of Public Law 93-25, but have not been spent according to the intent of Congress. I might say the Senate Appropriations Committee has been most helpful in trying to carry out the intent of Congress as set forth in Public Law 93-25, and I ask that the following portion of the Senate Appropriations Committee report in connection with the fiscal year 1974 Treasury, postal service, general government appropriations will be printed.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[From fiscal year 1974—Treasury, Postal Service appropriation bill report, August 3, 1973]

NATIONAL INDUSTRIAL EQUIPMENT RESERVE

Earlier this year, Public Law 93-25 authorized an appropriation of $1.8 million for use by the General Services Administration to reinstate the National Industrial Equipment Reserve (NIER) program. The Office of Management and Budget has proposed that this program be phased out.

This worthwhile program maintains a machine tool equipment reserve in addition to loaning tools and equipment to schools for use in training students seeking technical careers.

The Committee has learned that as a result of OMB directives, notwithstanding Public Law 93-25, these funds are being used to further phase out the NIER program rather than for its reinstatement as intended by the Congress.

The Committee views OMB's action and attitude with displeasure and insists that OMB reinstate the NIER program immediately, in accordance with Public Law 93-25.

Mr. AIKEN. I simply want to say that I am very happy the distinguished Senator from Missouri has offered his amendment. I have been very pleased to cosponsor it with him.

I hope that there will be no opposition.

Mr. EAGLETON. Mr. President, I thank the distinguished senior Senator from Vermont.

Mr. THURMOND. Mr. President, I yield myself such time as I may require.

Mr. President, the National Industrial Reserve Act of 1948 authorized the establishment of a reserve of machine tools, production equipment and plants, "to supply the needs of the Armed Forces in time of emergency or in anticipation thereof."

Mr. President, I ask unanimous consent that a copy of the act be printed in the RECORD at the conclusion of my remarks.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

(See exhibit 1.)

Mr. THURMOND. Mr. President, a provision of the act provides for a program commonly known as the "tools for schools" loan program. Under this authority the Secretary of Defense may approve the assignment of tools from the National Industrial Reserve to vocational schools for the purpose of training young people as apprentice machinists and metal workers and workers in other vocations. Under this program the training of these machinists has contributed materially to national defense for the graduates have been used extensively in defense industries and helped supply a vital need during the Southeast Asia production buildup. In addition the Government has received free storage and maintenance of this reserve equipment by loaning a part of it to the vocational training schools. Currently there are 399 school loans in effect covering 8,149 tools located in 44 States.

The General Service Administration in accordance with the act has acted as custodian and has funded for operation of this program since 1948. However, funds for the program were deleted from the GSA fiscal year 1973 budget by the Office of Management and Budget on April 28, 1973. Congress enacted a special supplemental appropriation of $1.8 million to continue the program through fiscal year 1973. Some 77 Congressmen jointly sponsored this legislation.

In May 1973, the Office of Management and Budget proposed to the Secretary of Defense that the National Industrial Equipment Reserve, including the tools for schools program, be phased out and that the $1.8 million appropriated by Congress be used for this purpose.

Possible termination of the tools for schools program has caused widespread congressional criticism.

I believe that the amendment would provide for a phaseout of the National Industrial Equipment Reserve. However, it would authorize the continuance of the tools for schools program under the Defense Industrial Reserve program.

Mr. President, I want to distinguish between the National Industrial Reserve and the Defense Industrial Reserve.

At the time the National Industrial Reserve was established the Defense Industrial Reserve did not exist. The Defense Industrial Reserve at present is structured to provide the reserve of production equipment that is necessary to meet the needs of the Department of Defense in periods of emergency. It is not necessary to maintain two equipment reserves. The National Industrial Reserve has outlived its usefulness and its phase out would not adversely impact on national security, provided the better tools and equipment were transferred to the Defense Industrial Reserve, and provisions were made to authorize the Department of Defense to continue the school loan program through use of equipment in the Defense Industrial Reserve.

As we understand it this amendment would—

First. Codify one defense industrial equipment reserve instead of two thereby providing for more efficient management.

Second. Reinstate the tools for schools as program which has been suspended.

I would like the Senator from Missouri to comment on that.

Mr. EAGLETON. Mr. President, it would reinstate the tools for schools program and put it under Defense. That is correct.

Mr. THURMOND. Mr. President, I thank the distinguished Senator very much.

I am convinced that there is much merit in this program. However, there has not been enough time to staff an official DOD position. I feel that the amendment ought to be adopted. A lot of this equipment is just rusting and is not being used. The Department of Defense is not giving it to the schools. It merely lends it to them. They can get it back. We are making use of that equipment. And to my way of thinking, there is nothing more important in education than vocational education.

The purpose of vocational education is to teach people ways in which to make a living. And that should be one of the most important purposes in educating people.

These tools would be very useful in the vocational schools and the tech schools and the training schools of the country.

When I was Governor of South Carolina, I recommended the establishment of a training school system in South Carolina. Later, there was a tech system established, which carried the training schools on to a higher level.

I know from personal experience that the vocational education that the people receive in these training schools and in these technical schools has been of great value to them. It has enabled us to have more trained people qualify for higher wages and enabled them to increase their standard of living.

I am a strong believer in vocational education.

In my opinion, the Eagleton amendment will promote more vocational education. I feel that it is a worthy amendment.

Mr. President, we are willing to accept the amendment on this side of the aisle.

EXHIBIT 1

NIER

(Public Law 883—80th Congress, Chapter 811—2d Session)

[S. 2554]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Industrial Reserve Act of 1948".

DECLARATION OF POLICY

SEC. 2. In enacting this Act, it is the intent of Congress to provide a comprehensive and continuous program for the future safety and for the defense of the United States by providing adequate measures whereby an essential nucleus of Government-owned industrial plants and a national reserve of machine tools and industrial manufacturing equipment may be assured for immediate use to supply the needs of the armed forces in time of national emergency or in anticipation thereof; it is further the intent of the Congress that such Government-owned plants and such reserve shall not exceed in number or kind the minimum requirements for immediate use in time of national emergency, and that any such items which shall become surplus to such requirements shall be disposed of as expeditiously as possible.

DEFINITIONS

SEC. 3. (a) The term "national industrial reserve", as used herein, means that excess industrial property which has been or may hereafter be sold, leased, or otherwise disposed of by the United States, subject to a national security clause, and that excess industrial property of the United States which not having been sold, leased, or otherwise disposed of, subject to a national security clause, shall be transferred to the Federal Works Agency under section 5 hereof.

(b) The term "excess industrial property," as used herein, means any machine tool, any industrial manufacturing equipment and any industrial plant (including structures on land owned or leased to the United States, substantially equipped with machinery, tools, and equipment) which is capable of economic operation as a separate and independent industrial unit and which is not an integral part of an installation of a private contractor, which machine tools, industrial manufacturing equipment, and industrial plants are under the control of any executive department or independent establishment in the executive branch of the Government, including any wholly owned Government corporation and which are not required for its immediate needs and responsibilities as determined by the head thereof.

(c) The term "national security clause," as used herein, means those terms, conditions, restrictions, and reservations, heretofore formulated or as may be formulated under section 4(2) hereof for insertion in instruments of sale or lease of property, determined in accordance with section 4(1) to be a part of the national industrial reserve, which will guarantee the availability of such property for the purposes of national defense at any time when availability thereof for such purposes is deemed necessary by the Secretary of Defense.

SEC. 4. To effectuate the policy set forth in section 2 of this Act the Secretary of Defense is hereby authorized and directed to—

(1) determine which excess industrial properties should become a part of the national industrial reserve under the provisions of this Act;

(2) formulate a national security clause, as defined in section 3(c) hereof and vary or modify the same from time to time in such manner as best to attain the objectives of this Act, having due regard to securing advantageous terms to the Government in the disposal of excess industrial property;

(3) consent to the relinquishment or waiver of all or any part of any national security clause in specific cases when necessary to permit the disposition of particular excess industrial property when it is determined that the retention of the productive capacity of any such excess industrial property is no longer essential to the national security or that the retention of a lesser interest than that originally required will adequately fulfill the purposes of this Act: *Provided,* That nothing in this subsection (3) shall require the modification or waiver of any part of any such national security clause when such clause is deemed necessary by the Secretary of Defense to effectuate the purposes of this Act; and

(4) designate what excess industrial property shall be disposed of subject to the provisions of the national security clause.

SEC. 5. (a) In the event that any agency charged with the disposal of excess industrial property, after making every practicable effort so to do, is unable to dispose of any excess industrial plant because of the national security clause it shall notify the Secretary of Defense, indicating such modifications in the national security clause, if any, which in its judgment would make possible disposal of the plant. The Secretary of Defense shall consider and agree to any and all such proposed modifications as in his judgment would be consistent with the purposes of this Act. If, however, such clause is not modified or the requirements thereof waived pursuant to section 4(3), or if modified, such plant cannot then be disposed of under such modified clause, the Secretary of Defense shall direct that such plant be transferred to the Federal Works Agency, and such transfer shall be without reimbursement or transfer of funds.

(b) Notwithstanding any other provisions of law, any agency charged with the disposal of excess machine tools and industrial manufacturing equipment shall transfer custody of such machine tools and equipment as may be designated by the Secretary of Defense pursuant to section 4 hereof to the Federal Works Agency, without reimbursement, for storage and maintenance.

SEC. 6. Subject to provisions of section 7 hereof, the Federal Works Agency is hereby authorized and directed to accept the transfer to it of such excess industrial property as is directed to be transferred to it under section 4 hereof and, as and when directed or authorized by the Secretary of Defense pursuant to section 7 hereof, to utilize, maintain, protect, repair, restore, renovate, lease, or dispose of such property. Notwithstanding section 321 of the Act of June 30, 1932 (47 Stat. 412; U.S.C., title 40, sec. 303(b)), any lease may provide for the renovation, maintenance, protection, repair, and restoration by the lessee, of the property leased, or of the entire unit or installation when a substantial part thereof is leased, as part or all of the consideration for the lease of such property.

Sec. 7. The Secretary of Defense, with respect to property in the national industrial reserve, is authorized when he deems such action to be in the interest of national security—

(1) to establish general policies for the care, maintenance, utilization, recording, and security of such property transferred to the Federal Works Agency pursuant to section 5 hereof; and

(2) to direct the transfer without reimbursement by the Federal Works Agency of any of such property to other Government agencies with the consent of such agencies; and

(3) to direct the leasing by the Federal Works Agency of any of such property to designated lessees; and

(4) to authorize the disposition by the Federal Works Agency of any of such property by sale or otherwise when in the opinion of the Secretary of Defense such property may be disposed of subject to or free of the national security clause provided for in section 5 hereof; and

(5) to authorize and regulate the lending of any such property by the Federal Works Agency to any nonprofit educational institution or training school when (a) the Secretary shall determine that the program proposed by such institution or school for the use of such property will contribute materially to national defense, and (b) such institution or school shall by agreement make such provision as the Secretary shall deem satisfactory for the proper maintenance of such property and for its return to the Federal Works Agency without expense to the Government.

Sec. 8. As and when directed or authorized by the Secretary of Defense pursuant to the provisions of section 7 hereof, the Federal Works Agency shall after the date upon which transfer is directed pursuant to section 5 hereof provide for the transportation, handling, care, storage, protection, maintenance, utilization, repair, restoration, renovation, leasing, and disposition of excess industrial property.

Sec. 9. Nothing contained in this Act shall be construed as authorizing the acquisition of any property for the national industrial reserve except from excess or surplus Government-owned property.

Sec. 10. The Secretary of Defense shall appoint a National Industrial Reserve Review Committee, which shall consist of not exceeding fifteen persons to be appointed from civilian life who are by training and experience familiar with various fields of American industry, including shipbuilding, aircraft manufacture, machine tools, and arms and armament production. The members of such Committee shall serve for such term or terms as the Secretary of Defense may specify and shall meet at such times as may be specified by the Secretary of Defense to consult with and advise the National Military Establishment. Each member of such Committee shall be entitled to compensation in the amount of $50 for each day, or part of day, he shall be in attendance at any regular called meeting of the Committee, together with reimbursement for all travel expenses incident to such attendance: *Provided*, That nothing contained in sections 41, 109, and 113 of the Criminal Code (U.S.C., title 18, secs. 93, 198, and 203); in Revised Statutes, section 190 (U.S.C., title 5, sec. 99); in section 19 —— of the Contract Settlement Act of 1944 (Public Law 395, Seventy-eighth Congress); or in any other provision of Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim proceeding, or matter involving the United States, shall apply to such persons solely by reason of their appointment to and membership on such Committee.

Sec. 11. It shall be the duty of the Committee appointed under section 10 hereof to review not less often than once each year the justification for the retention of property in the national industrial reserve established hereunder and (i) to recommend to the Secretary of Defense the disposition of any such property which in the opinion of the Committee would no longer be of sufficient strategic value to warrant its further retention for the production of war materiel in the event of a national emergency; (ii) to recommend to the Secretary of Defense standards of maintenance for the property held in the national industrial reserve; (iii) to review and recommend to the Secretary of Defense the disposal of that property which in the opinion of the Committee could and should be devoted to commercial use in the civilian economy; and (iv) to advise the Secretary of Defense with respect to such activities under this Act as he may request.

Sec. 12. The Secretary of Defense shall submit to the Congress on April 1 of each year a report detailing the action taken by it hereunder and containing such other pertinent information on the status of the national industrial reserve as will enable the Congress to evaluate its administration and the need for amendments and related legislation.

Sec. 13. Section 5 of the Act approved August 5, 1947 (ch. 493, 61 Stat. 774), is hereby repealed.

Sec. 14. There are hereby authorized to be appropriated to the Office of the Secretary of Defense and to the Federal Works Administration, out of any moneys in the Treasury not otherwise appropriated, such sums as the Congress may, from time to time, determine to be necessary to enable the Secretary of Defense and the Federal Works Agency to carry out their respective functions under the Act.

Approved July 2, 1948.

Mr. EAGLETON. Mr. President, I thank the distinguished Senator from South Carolina.

Mr. President, I ask unanimous consent at this time that the name of the distinguished Senator from Georgia (Mr. Nunn) may be listed as a cosponsor of the Eagleton amendment, known as the Eagleton-Aiken amendment, which will now be known as the Eagleton-Aiken-Nunn amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I am pleased to yield to my distinguished colleague from Missouri.

THE TRIDENT SUBMARINE

Mr. SYMINGTON. Mr. President, there is a story in the press this morning by two experts in modern weapons technology entitled "Trident: A Major Weapons Decision." I ask unanimous consent that the article in question be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Sept. 22, 1973]

Trident: A Major Weapons Decision

(By George W. Rathjens and Jack P. Ruina)

A dozen years ago, Congress and the White House were at loggerheads on the question of whether the nation should build a fleet of B–70 bombers, with Congress supporting the Air Force position. The impasse was resolved by the administration's decision not to continue the program beyond the construction of two prototypes. In retrospect it was a wise decision.

The B–70 had been designed to fly high and fast—a natural extension of the trend in heavy bombers. However, it turned out later that these qualities were unimportant in the defense environment in which it would have had to operate. Penetration of Soviet air defenses can be best accomplished by flying at very low altitudes, something for which the B–52 is superior to the B–70. Had Congress had its way, we would have had a fleet of white elephants; aircraft that were technically advanced but militarily inadequate.

Instead, we have continued to rely on the B–52s as the backbone of our manned bomber force. Despite alarms raised in the '60s about their age, they are still flying and will be for some years to come. And despite improvements in Soviet capabilities both for attacking our bomber bases and for managing their own air defenses, the B–52s are still highly effective as strategic bombers. This is a result of improved countermeasures to Soviet defensive systems, better tactics for penetrating Soviet airspace, changed basing, and different ordnance, including air-to-surface missiles.

Within the next few days, the nation will be confronted with another major decision on strategic weapons that raises somewhat similar questions. This time, however, the roles are reversed. The administration wants to go ahead with the building of a fleet of new missile-launching submarines, the Tridents. But there is substantial sentiment in Congress to defer a commitment to full scale development and production, estimated to cost $13.5 billion.

Like the B–70, the Trident is a logical extension of the machines now in service. It will be twice as large as the Polaris-Poseidon subs, it will go faster, will be quieter and will have more sophisticated sonar equipment. It will also, like the B–70, be much more expensive than its predecessor. The similarity does not stop there. Like the B–70, the Trident could prove to be poorly matched to the environment in which it will have to operate. The Trident submarine also will cost so much that research for other weapons programs will be slighted. Indeed, this has already hapened. Last year, the program to develop a new missile, the C–4, that would be compatible with *both* existing submarines and the Trident was postponed for a year. This was ostensibly because of funding limitations, One cannot help but suspect that a factor in the decision might have been concern that the early availability of the new missile would have undercut the case for the new submarine.

There are two major issues involved in the Trident submarine question: that of the aging of the Polaris-Poseidon ships; and the nature of the defense environment in the '80s and '90s.

As to the first, there is even less reason to believe that the present submarines will wear out than there was to believe that the B–52s would die of old age.

On the question of environment, the Navy seems to fear a situation in which the Soviets will improve their capability to detect our present submarines by the noise they radiate and, in the event of a long war at sea, be able to destroy our submarines one by one. However, there are reasons to discount this concern. First, with the thermonculear weapons available, a long naval war seems totally unreal. After the first one or two of our ships were sunk, hostilities would be terminated by negotiations or they would escalate into a nuclear exchange with the remainder of the fleet being used to attack the Soviet Union.

Second, U.S. submarines will be able to launch the new C–4 missiles toward the U.S.S.R. from a much greater distance. The problems facing the Soviet Union in conducting anti-submarine warfare will be increased enormously and our existing Polaris-Poseidon force will then very likely be even less vulnerable in the '80s than it is now.

From the perspective of 1973, a more worrisome threat would be the development of a Soviet capability to trail all of the U.S. missile-launching subs in peace-time, with the possibility that the whole force might suddenly be destroyed. This could be accomplished, if at all, only with a large Soviet fleet of high-speed attack submarines. If that were the threat, the Trident's speed would be of little value. Its large size would be a disadvantage. With the kind of sonar the Soviets would most likely use, it could be somewhat more easily tracked than present submarines. More importantly, large size would mean that we would likely have fewer Tridents than we would smaller ships, considering the cost and also the nature of likely strategic arms limitation agreements with the U.S.S.R. The preferred response to such a threat is likely to be, as it was in the case of improved Soviet capabilities against the B–52s, changes in tactics and basing, the use of decoys and other countermeasures, and improved ordnance. *If* a new kind of submarine is required, the trend should probably be in just the opposite direction from Trident. We would want large numbers of small submarines even if economic constraints dictated inferior performance in noise level and sonar performance.

The present submarine force has many years of useful life in it. Its capabilities can be markedly improved by a variety of means, particularly with the new C–4 missile. Thus, this hardly seems like the right time to freeze the design of a successor submarine, particularly since the threat cannot now be defined.

If we jump the gun and commit ourselves to a new vehicle with no clear idea of what the threat may be, we could have a fleet of underwater B–70s on our hands—at over a billion dollars a copy.

Mr. SYMINGTON. This article compares the modern push by Navy and other lobbyists with the push some dozen years ago for the B–70 bomber by Air Force and other lobbyists.

Every Member of the Senate will be, or because so many billion dollars of the taxpayers money is involved, should be, interested in this article.

Moreover, as these two experts point out:

> The Trident submarine also will cost so much that research for other weapons programs will be slighted. Indeed, this has already happened. Last year, the program to develop a new missile, the C–4, that would be compatible with both existing submarines and the Trident was postponed for a year. This was ostensibly because of funding limitations. One cannot help but suspect that a factor in the decision might have been concern that the early availability of the new missile would have undercut the case for the new submarine.

If they are in any way worried about higher prices, or dollar value, or taxes, or growing domestic needs in our cities, towns and countryside, they should be interested in the charge that major improvements in our current weapons are being deliberately withheld because such improvements might interfere with the rushed productions of this new unprecedentedly expensive boat.

Surely they should also be interested in the following flat statement by these two technical experts:

> If a new kind of submarine is required, the trend should probably be in just the opposite direction from Trident.

Next week I plan to talk about the nature and degree of some of the lobbying that is currently underway to more than double the $642 million that was recommended by the only Senate Committee assigned the job of studying this matter in depth before putting all ten of these boats into production prior to the completion of one—a total abandonment of the "fly before buy" concept laid down over 4 years ago by the Defense Department and this administration.

Mr. EAGLETON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. PROXMIRE). On whose time?

Mr. EAGLETON. Charged to my time, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

ORDER FOR CONSIDERATION OF XM–1 TANK AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday next, upon the disposition of the McGovern amendment on economic conversion, the Senate proceed to the consideration of the Eagleton amendment on the XM–1 tank.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. PASTORE. When is the school lunch program coming up on Monday?

Mr. ROBERT C. BYRD. The school lunch program will come up at 10:30 a.m. on Monday.

Mr. PASTORE. I thank the Senator.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. ROBERT C. BYRD. How do Senators want the time charged?

Mr. EAGLETON. First, Mr. President, I am prepared to yield back the remainder of my time on the NIER amendment.

Mr. THURMOND. Mr. President, we yield back the remainder of our time on the amendment.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk will call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PROXMIRE). Without objection, it is so ordered.

The question is on agreeing to the amendment No. 531 of the Senator from Missouri (Mr. EAGLETON).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from Indiana (Mr. HARTKE), the Senator from Colorado (Mr. HASKELL), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Utah (Mr. MOSS), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Kentucky (Mr. COOK), the Senators from Nebraska (Mr. CURTIS and Mr. HRUSKA), the Senator from Colorado (Mr. DOMINICK), the Senator from Oregon (Mr. HATFIELD), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. PERCY), the Senator from Delaware (Mr. ROTH), the Senator from Ohio (Mr. SAXBE), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Virginia (Mr. SCOTT) are necessarily absent.

I further announce that the Senator from Utah (Mr. BENNETT) and the Senator from Ohio (Mr. TAFT) are absent on official business.

I also announce that the Senator from Oklahoma (Mr. BELLMON) and the Senator from Kansas (Mr. PEARSON) are absent because of illness.

I further announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

I further announce that if present and voting, the Senator from Nebraska (Mr. CURTIS), the Senator from Illinois (Mr. PERCY), and the Senator from Oregon (Mr. HATFIELD) would each vote "yea."

The Senator from New Jersey (Mr. CASE) is detained on official business.

The result was announced—yeas 67, nays 0, as follows:

[No. 408 Leg.]

YEAS—67

Abourezk
Aiken
Allen
Baker
Bayh
Beall
Bible
Biden
Brooke
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Church
Clark
Cranston
Dole
Domenici
Eagleton
Ervin
Fannin
Fong
Fulbright
Goldwater
Griffin
Gurney
Hansen
Hathaway
Helms
Hollings
Humphrey
Jackson
Javits
Johnston
Long
Magnuson
Mansfield
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—33

Bartlett
Bellmon
Bennett
Bentsen
Brock
Buckley
Burdick
Case
Chiles
Cook
Cotton
Curtis
Dominick
Eastland
Gravel
Hart
Hartke
Haskell
Hatfield
Hruska
Huddleston
Hughes
Inouye
Kennedy
Mathias
Moss
Pearson
Percy
Roth
Saxbe
Scott, Pa.
Scott, Va.
Taft

So Mr. Eagleton's amendment (No. 531) was agreed to.

Mr. MANSFIELD. Mr. President, a number of Senators would like to go to the White House to witness the swearing-in of Dr. Henry Kissinger as Secretary of State. The invitation states that the time of the swearing-in will be 11 o'clock. I should like to ask, anticipating that amendments will be forthcoming during our absence from the Senate, that the votes on any amendments in the meantime be deferred until the hour of 12 o'clock.

The PRESIDING OFFICER (Mr. McGovern). Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. I thank the Chair.

The PRESIDING OFFICER. Does the Senator from Montana renew his suggestion of the absence of a quorum?

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS FOR TODAY AND MONDAY—TIME LIMITATION AGREEMENT ON GOLDWATER AMENDMENT NO. 476

Mr. ROBERT C. BYRD. Mr. President, with the approval of the distinguished Senator from Wisconsin (Mr. Proxmire), the distinguished Senator from Mississippi (Mr. Stennis), the distinguished Senator from Arizona (Mr. Goldwater), and the leadership on both sides, I ask unanimous consent that in lieu of the scheduled amendment dealing with the M-16 rifle which was to be called up at this time by Mr. Goldwater, that Mr. Goldwater be allowed to call up his amendment dealing with a study relating to the Air National Guard; that there be a time limitation thereon today of not to exceed 30 minutes, equally divided between Mr. Stennis and Mr. Goldwater; that at the conclusion of that time the amendment go over until Monday; that at the hour of 10:30 a.m. on Monday the Senate resume consideration of the unfinished business; that at that time the Senate resume consideration of the Goldwater amendment, with the understanding that there be a 30-minute limitation for further debate, to be equally divided between Mr. Goldwater and Mr. Stennis, with the proviso that there be a time limitation on any amendment to the amendment of 30 minutes, and a time limitation of 20 minutes on any debatable motion or appeal; and that at the conclusion of debate thereon and disposition of any amendment which may be offered thereto, a vote occur on the Goldwater amendment.

Mr. STENNIS. Mr. President, if the Senator will yield, that is entirely agreeable to me.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that this agreement be without prejudice to the rights of Mr. Proxmire in respect of his amendment which was to be called up today; that his amendment will follow the debate on the Goldwater amendment today. That should be understood without further request.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO CONSIDER SCHOOL LUNCH BILL ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, upon disposition of the amendment by Mr. Goldwater, the Senate then lay aside temporarily the unfinished business, as was originally comprehended, and proceed to the consideration of the school lunch bill, as previously ordered, and that the unfinished business remain temporarily laid aside until the disposition of the school lunch bill or upon the conclusion of business on Monday, whichever is the earlier.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank all Senators.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Mr. GOLDWATER. Mr. President, I call up my amendment No. 476, and ask unanimous consent that the names of Senators Baker, Inouye, and Cranston, be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The assistant legislative clerk read the amendment (No. 476) as follows:

At the appropriate place in the bill insert a new section as follows:

Sec. . (a) The Secretary of Defense is authorized and directed to carry out a comprehensive study and investigation to determine the desirability and feasibility of merging the Air Force Reserve and the Air National Guard of the United States. In carrying out such study and investigation the Secretary shall consider all the advantages and disadvantages of such a merger and shall give special consideration to (1) the increased efficiency which might be expected to result from such a merger, (2) the economies that might be expected to result from such a merger, and (3) the ability of the organization resulting from such a merger to effectively perform its mission.

(b) The Secretary of Defense shall submit to the President and the Congress a detailed report of such study and investigation not later than January 31, 1975. The Secretary shall include in such report a detailed explanation of the facts and information which serve as the basis for any conclusions stated therein, and shall also include in such report such recommendations for legislative action as he deems appropriate.

Mr. GOLDWATER. Mr. President, my amendment directs the Secretary of Defense to carry out a comprehensive study and investigation to determine the desirability and feasibility of merging the Air Force Reserve and the Air National Guard of the United States.

Since 1936, I have been associated with the Infantry Reserve, the Air Force Reserve, and the Air National Guard, so it is from personal experience and association when I say I have only the highest regard for these two organizations. Let me stress at the outset that I am not offering this amendment because I believe one of these organizations is more effective than the other or because I believe it would necessarily be preferable to have one of these organizations rather than the other. To the contrary, I have no preference and certainly I am not sure a merger would serve any useful purpose. I just think we need to find out.

As I say, I have been a member of all these organizations. I was active in the formation of the Air National Guard and the Air Force Reserve; and I cannot even answer the question—and I am asked this question all over the country—"Why do we have to have two flying units?" I say, "Well, I can't say we should or should not."

To indicate the importance of this question, as we continue the concept of a usable Reserve, we are talking about $1,173 million and 142,000 people. So it is not a matter we can just brush under the table.

Mr. President, the most frequent question I have been asked since I began suggesting this study is why even consider such an idea when both the Air Force Reserve and the Air National Guard are performing better today, with a higher percentage of units combat ready, than ever before. To use the vernacular, "why rock the boat" when everything is going so smoothly? Just 2 or 3 years ago I would have agreed that such a study would have been illtimed. At that time I would have objected to such a study because we were still involved in Vietnam, the draft was in effect, the economic condition of the country was considerably different and there was not the intense clamor to reduce the Defense Establishment. Additionally, at that time it was not overly critical that we have the most efficient and effective Air Force Reserve organization possible. Further, our Defense Establishment was not geared to a true total force policy which called for more than a token dependence upon our Reserve forces.

However, today we find there has been a considerable change. Today the total force policy is in effect as we build toward a genuine dependence upon our Reserve forces, a dependence that we have never had before. Today our Active and Reserve forces are striving to make their required strengths without the pressure of the draft; economic conditions are such that there are especially no extra dollars for the Defense Establishment, and the post war tempo to reduce our military forces is increasing. I believe it may be that we have come to the point where we can no longer afford the luxury of two effective and efficient organizations if it can be shown that one organization can be even more effective and efficient.

All of these factors lead me to believe that the time is right to take a look to see whether, if within today's environment and the environment we project for the future, a single organization would not serve the national interest better.

Now let me turn to some of the objections and concerns that have been raised over what I am proposing. Personally, I would think that those associated with these two splendid organizations would welcome the opportunity for such a study. However, that is not the case since all of the Air Force Reserve, Air National Guard, and Department of Defense officials I have heard from are unanimously opposed to even the idea of a study, let alone a merger.

I might say that I cannot think of anything more politically explosive than to start to meddle with the Air Force and Air National Guard. I know what is going to happen. Every one of the 100 Senators will be besieged before nightfall to "stop GOLDWATER and his crazy idea." I have gone through this myself. I can tell you there is no more politically motivated body.

In reviewing some of these specific concerns I might add that these individuals who have expressed these concerns have many years of experience from which to base their observations and I have great respect for their opinions even though, in this case, I disagree with them.

Both the Air Force Reserve and the Air National Guard officials point out that the scars of Secretary McNamara's 1964 proposal to merge Army Reserve units with the Army National Guard still remain.

I want to emphasize I am not talking about the Army; I am talking about Air.

That experience, they say, was a very traumatic one and was one that brought about hard feelings and turmoil between reservists and guardsmen that lasted for many years even though the Congress vetoed the McNamara proposal. From the McNamara experience it is then postulated that my proposal could bring a renewal of the hard feelings and turmoil.

I find that reasoning pretty far out, but I recognize something like that could happen because this is such an emotional issue. It is my opinion that the McNamara plan got everyone all stirred up because it caught everyone by surprise and it appeared that there was an attempt to get the Congress to give "after the fact" approval. Even the Reserve Forces Policy Board was not aware that the matter was even under discussion until it heard the announcement, along with everyone else, that a merger plan would be implemented. To speculate that my proposal would cause a similar response is, in my opinion, a simple case of overreacting.

The question of the impact on the morale of our Air Force Reservists and Air National Guardsmen because of such a study has also been raised. It is suggested that during any such study a certain degree of uncertainty as to their future status would prevail, thereby impacting on the morale of the individual reservists as well as their units. I suppose this could happen, but I doubt that it would. If the purpose of the study was to decide on one organization or the other, then I could understand why apprehension and uncertainty might be generated. But that is not the stated purpose of the study. In fact, the conclusion of the study could well be that a merger is not desirable or feasible, with the best course of action being to retain both organizations just as they are.

Another concern raised is the potentially unfavorable impact on Air Force Reserves and Air National Guard plans and programs while the study is underway. The rationale is that Defense planners will be reluctant, if not opposed, to committing resources to either the Air Force Reserves or the Air National Guard units while the possibility exists that some change in either organization may be forthcoming. This, the opponents of the study say, could be especially critical during the period the Reserves are being upgraded as meaningful partners in the total force policy. This could be a legitimate concern and it should be one that is watched if the study comes to pass. But, even if it is eventually determined a merger is desirable, I would not visualize any significant change in the number of units or aircraft. Therefore, to delay or stop resources and programs for either the Air Force Reserves or the Air National Guard would indeed be shortsighted since these same resources would be used and required regardless of which way any merger might go. It is my judgment the Deputy Assistant Secretary of Defense for Reserve Affairs, along with his Air Force counterpart, could easily preclude any shortfalls from occurring.

Mr. President, in all of the above objections it is evident that overall this is a very emotional subject. Both Air Force Reservists and Air National Guardsmen are very proud—and rightly so—of their organizations and oftentimes the competition between them is keen. In discussions, Air Force Reservists and Air National Guardsmen will insist that the way they are now organized is the best way and the dual organizations do, among other things, promote healthy competition. Yet as strongly as they argue that two separate organizations are the most effective and most efficient, each seems reluctant and somewhat apprehensive to support a study that might not support that conclusion.

Mr. President, referring now to the study itself, my Air Force Reserve and Air National Guard friends tell me they are not sure whether or not an objective study of this subject could be made. They speculate that undoubtedly a certain amount of "choosing up sides" and parochialism would be displayed, but recognize that the degree of subjectiveness would be dependent upon the composition of the study panel. I do not know whether this would be an overriding factor or not, but certainly it should not preclude us from directing the Secretary of Defense to make this study. It disturbs me to think that in the Air Force Reserve and the Air National Guard we possibly have two organizations that are so sacrosanct they cannot even be looked at. If that were the case, and I certainly do not believe it is, that would be reason enough to conduct the study.

Mr. President, you will note I am allowing more than ample time for the Secretary of Defense to make the study in that he has until January 31, 1975, to report his findings to the President and to the Congress. This coincides with the submission of the fiscal 1976 budget which would make it timely for the Secretary to submit any legislative proposal he might deem appropriate. In that regard we must remember that even if the study concluded a merger was a desirable and feasible thing to do, the Secretary of Defense would still retain the option of proposing legislation for the merger. If such legislation was proposed the entire matter would then be reviewed during hearings by the appropriate congressional committees. Whereas the Secretary of Defense might determine a merger is desirable and feasible, it is the Congress that will decide whether such a merger is, in fact, acceptable.

In closing, I recognize that this is a rather sacred area I am treading on but I believe the conditions of today dictate an ever closer look at every facet of our defense establishment. Simply stated, what I am proposing is only commensurate with good management practice and I ask my colleagues to join with me in this effort.

This is only a study. We are not asking for any money to conduct the study. We are directing the Secretary of Defense to engage in this study and report back to the Armed Services Committees by the end of next year. That is a year and quite a few months off.

During this time, I am certain that both the Guard and the Reserve will have ample time to present their case before the Defense Department.

As I said at the outset, having served in these organizations and having been a founder of both of them, I cannot say whether it is wise or not to leave them the way they are.

I can give no argument for doing it or not doing it. However, I think the time is coming when we are looking at $1 billion in the budget that will affect over 100,000 people. I think that we at least ought to take a look at it. That is all my amendment does. It does not affect any guardsmen or reservists.

As I said at the outset my colleagues

can expect the telephone to be ringing off the hook. Both sides want to keep it the way it is. I am not sure that is not the best way.

However, we have never had a study. It was suggested by Mr. McNamara, and I think everyone knows my views with respect to his ability. Nevertheless it never got any study. I remember that General LeMay discussed this at one meeting. And I thought they were going to throw him out the back door.

The study is needed. I certainly hope that the Senator from Mississippi, the chairman of our committee, would come around to my way of looking at this matter.

Mr. President, that is all I have to say at the moment.

Mr. STENNIS. Mr. President, I yield myself such time as I may require. I will not take much time.

Mr. President, this amendment is offered in good faith by a highly competent man who is a member of our committee. I am certain that he has a good purpose in his mind.

When I was called about this, the first time I knew anything about it, was during this week, sometime on either Tuesday or Thursday. The Air National Guard people feel that they ought to have a chance to get their viewpoints across and say whatever they wanted to say. This matter had not been before the committee.

I have never been present at a conference when this was brought up. I have not agreed to any vote on that. The Senator from Arizona did not know that. However, the floor manager and the leader knew about my position.

We have agreed now, the Senator from Arizona and I, that we will have a discussion of this matter today, that it will then go over until Monday, and that we will bring it back up at 10:30 a.m. and have a discussion and a vote on it. In that discussion, there will be a chance to offer an amendment or amendments.

Mr. President, I am not trying to defeat the study. I am just trying to get the facts here. The whole wording of the amendment, as seen by the Air National Guard, is that it is looking directly at them, largely because the word "merger" is used so much. These men have commonsense enough to know that the Department of Defense is not going to recommend that the Air Force Reserve be merged with State organizations and the Air National Guard. That is just commonsense to me.

Certainly they are entitled to some consideration and some chance to get their views expressed.

I am very glad that we have been able to arrange this matter. When it comes up on Monday, I may offer an amendment. I am very much concerned about the so-called volunteer forces concept and whether or not it will work. I think one way to make it work, and not have to pass a Selective Service Act, is to really augment the equipment and everything else it takes to make modern units out of these reserve units. That would include the Air Force Reserve, the Air National Guard, the Army National Guard, or any of the others.

I think that if we stick to the idea of having a volunteer force and giving it a full chance, we will be further able to equip and modernize and give a job to do to these Reserve units of all kinds.

Mr. President, the Air National Guard, on the facts given to me, has been outstanding during all of the war in Vietnam. They have really been outstanding in the service they rendered. That is no reflection on anyone else. It does not detract from the good record that the Air Force Reserve might have been able to make. However, this Nation is indebted to these numerous Air National Guard units that were, in effect, called to duty, whether actually put on full duty or not. They rendered truly magnificent service.

I was surprised myself. I found that the employers of these men seemed to be very generous in letting them take off additional time if they were rendering service and serving in the war in Vietnam.

I am more familiar with a unit in my home State than I am with anything else. That was a unit that was a cargo carrier. They made trip after trip to Vietnam. Being able to get their crews additional time off their jobs, they were able to make many of these trips.

I am thinking in terms, when and if we have such a study, of being able to have it spelled out as to whether they will give the fullest consideration and study to the modernization needs, not only of the Air Force Reserve, but also the Air National Guard, the modernization needs, equipment, planes, and other furnishing, the modernization steps necessary to do a real job. That is the whole story with me.

I do not look lightly on these studies that are agreed to on the floor. I was a victim, in a way, of the proposal which the Senator referred to when Mr. McNamara was in office. For 3 years I could hardly turn around without someone wanting to talk to me about it. A decision was finally made against a merger. I want to be careful in considering this matter. I want to consider the amendment and consider what should be in it and whether an amendment should be offered.

I am ready to rest the entire matter and come back Monday. I will then have a chance if I want to to offer an amendment, and we can dispose of it.

Mr. GOLDWATER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Arizona has 4 minutes remaining.

Mr. GOLDWATER. Mr. President, I know that the Senator from Mississippi has not been here. We can all understand that. We regret it. However, on September 17, I mailed to all Members of the Senate an explanation of the amendment. It is possible that the staff got it and that the Senator did not see it.

I agree with everything that the Senator has said. In fact, Secretary Schlesinger by letter said that the Guard and the Reserve will receive substantially more equipment than they have received in the past. We determined by hearings before the full committee and the subcommittee that we would augment their equipment. So we have no quarrels there.

I will agree that both the Guard and the Reserve have provided outstanding performance. In fact, I can tell the Senator that Air Force Reserve units and Air National Guard units receive higher ready-for-combat reports than regular Air Force units, because the experience level is so high. We are not in disagreement there.

I get back to the central fact that when people ask me, "Why do we have two Reserve units, one called the Reserve and one called the Guard," I cannot give them an answer, and I would like the Secretary of Defense to come over here next year and tell the committee what he recommends.

I would ask the Senator to keep in mind that this is something that has to be done by legislation. The Secretary of Defense cannot combine these two groups. They are set up by law, and we have to change that.

I hope that the Senator, over the weekend, will study my letter, and will come back next week willing to cooperate, because without his help I am afraid we will just drift along without any real knowledge of what can be done with a force that now has to be, in my opinion, able to be called on a moment's notice by the Air Force or by the Secretary of Defense.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. CANNON. Do I correctly understand that the Senator's proposal is simply for a study?

Mr. GOLDWATER. That is all.

Mr. CANNON. And to make a report back to the committee?

Mr. GOLDWATER. That is all.

Mr. CANNON. It seems to me that that is certainly a reasonable approach. A study does not commit anyone to anything, and we ought to at least have a factual background and recommendations, because as time goes on, we are going to be more and more in this crunch of finances, the economic crunch, from the standpoint of the military services, and I think if we have studies to support our actions and support our position, we will be in a much stronger position than if we just try to operate on the basis of the status quo.

Mr. GOLDWATER. The Senator has stated my case far better than I can. All we are asking is for the Secretary of Defense to tell us what he thinks is best. If he tells us the present situation is best, fine and dandy. I just want to know what they think about it.

Mr. CANNON. I thank the Senator.

Mr. STENNIS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Mississippi has 7 minutes remaining.

Mr. STENNIS. Mr. President, may I ask the Senator from Nevada a question in connection with the remarks he has just made?

Mr. CANNON. Yes.

Mr. STENNIS. The Senator is highly competent in his field. With respect to the resolution just calling for a study of the merger, is it not hard for the Senator from Nevada to imagine the Department of Defense recommending that the Air Force Reserve be merged with the Air National Guard?

Mr. CANNON. I frankly do not know. I think that what they ought to do is make a study. If the study showed that that was the best solution to the problem and the most economical solution, I would certainly think they would be willing to recommend it. I do not see anything difficult about it, if the facts warrant.

That is all I am saying, that I would support the Senator's proposal for a study to find out actually what ought to be done, because we are going to be in a difficult situation in the future, as the squeeze gets stronger and stronger from an economic standpoint. We are seeing the results of it here this year. We know we do not have enough economic resources to justify all the different weapons systems, for example, that all the services want, so some decisions have to be made from the standpoint of economics, from the standpoint of operations, and from the standpoint of organization. I think this is just a realistic study to try to get the facts to make a determination.

Mr. STENNIS. Back to my question, if I may, does the Senator think it is realistic to expect the Department of Defense, if the facts are anywhere near close, to come in and recommend that one of its children—and the Air Force Reserve is a highly important part of the Air Force—be merged over into the Air National Guard, which is partly a State organization? I cannot conceive of it, myself.

Mr. CANNON. To answer the Senator's question, he said if the facts were somewhat even. I do not think they would, no. But I think we ought to know that. If the facts were not even, if there were some basic justification, I do not think they would hesitate to do it. They have made some tough decisions in the past on a lot of their weapons systems. When they knew they could not have everything, they have come in and said, "Well, we have decided we cannot go ahead with this, and we want to do something else."

So, to answer the Senator's question, I do not think they would have a hard time making that decision if the facts warranted, and that is the thing I would like to know.

Mr. STENNIS. If the Senator will yield for another question, would we not have an odd situation, that would involve problems of administration, if we had the Air Force Reserve merged into and operating with the Air National Guard, which is partly a State organization? Would that present any problems to the Senator's mind?

Mr. CANNON. I do not know. That is why I support the study. I would like to know factually. Maybe it would. If it would, maybe that is what the study would show. That is why I say I would support a study. Let us find out the answers to these questions.

Mr. STENNIS. The Senator is an experienced and highly valuable officer in the Air Force. I am not disparaging the Senator at all. I consider him one of the most valuable Members we have, in or out of the service. Could the Senator picture, now, any Secretary of Defense recommending that this child of the Department of Defense be merged with these various State organizations?

Mr. CANNON. I would not be willing to agree with that assumption at all. I think if the facts justified it, it might well be. I thank the Senator for his very complimentary remarks with respect to me, but I would point out that I have served in both the Air National Guard and the regular Defense Establishment, so I think I have a rather objective point of view.

I say again, I would like to see the study, and determine what the facts support. I think if it showed there would be economies of operation and economies of administration, and they could develop a better organization from the structural standpoint, I think the Secretary of Defense is interested in the advantage to this country, not whether he secures another separate wing under the Defense Establishment.

Mr. STENNIS. One more question for the Senator. He perhaps heard me mention the possibility of an amendment to this amendment that would give equal weight in this study to the modernization needs of the Air Force National Guard and the Air Force Reserve. Would the Senator be willing to support such an amendment?

Mr. CANNON. I would not want to see it as an amendment to this, because I would not want to see it diluted. I would support that proposition as a separate amendment, but I would not want to see it as a part of this same study. I think we would be mixing the chickens and the eggs together.

But I would support the Senator's proposal as a separate amendment.

Mr. STENNIS. May I ask, how could they really make a study of a merger, though, unless they went into, in part, a study of these modernization needs?

Mr. CANNON. Well, I think they are two completely separate matters, and could be handled separately. Modernization I would support, even if there were not any merger. So I think the Senator could well justify the amendment requiring them to study the modernization requirements and updating that branch of the service independent of whether they do or do not have a merger. So I would prefer to have the proposal as a separate amendment.

Mr. STENNIS. I thank the Senator. It has been my observation that both the Air Force Reserve and the Air National Guard have been neglected, to a degree, with reference to equipment and modernization, and I am not blaming anyone. When it comes to a choice by the Air Force as to which one is going to get a certain military dollar, they naturally would lean toward the Regulars, I would think, I do not blame them. We look after those needs first. Especially they do not look after the Air National Guard first, which I would not expect them to do.

Mr. CANNON. The Senator knows that I have long been a supporter of modernization of the Guard. We have seen consistently over the years the fact that the Regular Establishment uses the new equipment first and then, when it gets ready to pass it on, it goes to the Guard to modernize it. All it does is upgrade it with the use of equipment which the Regular Establishment has worked itself out of.

That has been the consistent pattern. As a member of the Armed Services Committee for the past 15 years, I have consistently always supported trying to modernize the National Guard Establishment.

Mr. STENNIS. That is very true.

Mr. TOWER. Mr. President, the proposal by the Senator from Arizona (Mr. Goldwater) says that the Secretary shall consider all the advantages and disadvantages of such a merger. Therefore, I would ask him, it is conceivable that the result of such a study could be the conclusion that they should not merge; is that not correct?

Mr. GOLDWATER. Yes.

Mr. TOWER. I thank the Senator from Arizona.

Mr. STENNIS. Mr. President, I yield back the remainder of my time.

Mr. GOLDWATER. Mr. President, I have a few seconds left and I yield it back.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Nelson). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER ON M-16 RIFLE AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment by the distinguished Senator from Arizona (Mr. Goldwater) on the M-16 rifle be laid aside temporarily, and remain temporarily laid aside until such time as the distinguished author of that amendment wishes to call it up.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 513

The PRESIDING OFFICER. The Senate will now proceed to the consideration of amendment No. 513 of the Senator from Wisconsin (Mr. Proxmire), on which there shall be 2 hours of debate.

The clerk will state the amendment.

The legislative clerk read as follows:

"Sec. 305. Notwithstanding any other provision of law, the number of general and flag officers serving on active duty on the date of enactment of this Act shall be reduced by not less than 30 per centum during the period beginning on the date of enactment of this Act and ending on June 30, 1976. The reduction of such officers shall be apportioned among the Army, Navy, Marine Corps, and Air Force in such manner as the Secretary of Defense shall prescribe, except that in applying any portion of such reduction to any military department, the reduction shall be applied to the maximum extent practicable to the support forces, including the headquarters staffing, of such department.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may proceed for 1 minute, without the time being charged against either side.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **ROBERT C. BYRD.** Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged against either side.

The **PRESIDING OFFICER.** Without objection, it is so ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **ROBERT C. BYRD.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR McINTYRE AND SENATOR GRIFFIN ON MONDAY

Mr. **ROBERT C. BYRD.** Mr. President, I ask unanimous consent that immediately after the 2 leaders have been recognized on Monday, the distinguished Senator from New Hampshire (Mr. McIntyre) be recognized for not to exceed 15 minutes; that morning business, with the usual 3-minute limitation on statements therein, ensue until the hour of 10:30 a.m., at which time the Senate will resume consideration of the unfinished business.

Mr. **TOWER.** Would the Senator amend that to include time for the distinguished Senator from Michigan (Mr. Griffin)?

Mr. **GOLDWATER.** Mr. President, will the Senator yield?

Mr. **ROBERT C. BYRD.** I yield.

Mr. **GOLDWATER.** I thought we had an agreement about 10:30.

Mr. **ROBERT C. BYRD.** We have. I am filling in the 30 minutes prior thereto.

Mr. President, I ask unanimous consent that, in lieu of morning business on Monday, the distinguished Senator from Michigan (Mr. Griffin) be recognized following Mr. McIntyre, and that Mr. Griffin's time run until the hour of 10:30 a.m. on Monday.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

FIFTEEN-MINUTE RECESS

Mr. **ROBERT C. BYRD.** Mr. President, I move that the Senate stand in recess for 15 minutes.

The motion was agreed to; and at 11:16 the Senate took a recess for 15 minutes.

The Senate reassembled at 11:31 a.m., when called to order by Mr. Goldwater.

The **PRESIDING OFFICER.** The Chair suggests the absence of a quorum. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **PROXMIRE.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** (Mr. Nelson). Without objection, it is so ordered.

Mr. **PROXMIRE.** Mr. President, I call up amendment No. 513.

The **PRESIDING OFFICER.** The amendment is already before the Senate.

Mr. **PROXMIRE.** Mr. President, I yield to the Senator from West Virginia.

ORDER FOR LIMITATION ON TIME ON MCGOVERN AMENDMENT

Mr. **ROBERT C. BYRD.** Mr. President, I thank the Senator from Wisconsin.

Mr. President, I have cleared the requests I am about to make with the managers on both sides and with the distinguished authors of the amendments.

I ask unanimous consent that at such time as the Senator from South Dakota (Mr. McGovern) calls up his amendment on the categorical ceiling, there be a time limitation of 4 hours to be divided in accordance with the usual form, that the time on any amendment thereto be 30 minutes, to be divided in accordance with the usual form.

Mr. **GOLDWATER.** Mr. President, would the Senator indicate when that amendment might be called up?

Mr. **ROBERT C. BYRD.** Mr. President, there is no knowledge as to when that will be called up.

Mr. **GOLDWATER.** It will not be today?

Mr. **ROBERT C. BYRD.** It will not be today.

The **PRESIDING OFFICER.** Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

ORDER FOR A LIMITATION OF TIME ON PROXMIRE AMENDMENT NO. 515

Mr. **ROBERT C. BYRD.** Mr. President, I ask unanimous consent that at such time as the Senator from Wisconsin (Mr. Proxmire) calls up his amendment No. 515 on the outlay ceiling, there be a time limitation of 4 hours, that the time limitation on any amendment thereto be 30 minutes, the time to be divided in accordance with the usual form.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER FOR TIME LIMITATION ON STEVENS AMENDMENT

Mr. **ROBERT C. BYRD.** Mr. President, I ask unanimous consent that at such time as the Senator from Alaska (Mr. Stevens) calls up his amendment on housing allowance, there be a time limitation of 1 hour, with 20 minutes on any amendment thereto, the time to be equally divided in accordance with the usual form.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER ON NONGERMANE AMENDMENTS

Mr. **ROBERT C. BYRD.** Mr. President, this may be a good time to have an understanding. Unless we specifically bar nongermane amendments to these amendments, nongermane amendments could be called up to amendments on which we already have time limitations. And if such would happen, the limitations on time would be pretty restrictive. Maybe we should try to get consent that no nongermane amendments, to these amendments on which time agreements have already been agreed to, would be in order.

Mr. **GRIFFIN.** Mr. President, I agree with the majority whip. And I hope that the agreement could be put in that form.

Mr. **ROBERT C. BYRD.** Mr. President, for example, the antibusing amendment, which I strongly support, could be called up and offered as an amendment to an amendment on which there is a very brief time agreement. And we would be in the soup. So I make that unanimous-consent request.

Mr. **GRIFFIN.** Is that request with respect to all time agreements that have been entered into in the pending bill?

Mr. **ROBERT C. BYRD.** Yes. I would be agreeable. I think we ought to agree that no nongermane amendments could be offered to any amendment on which a time agreement has been entered into or may be subsequently entered into on this bill.

Mr. **GRIFFIN.** I agree.

Mr. **PROXMIRE.** Mr. President, would the Senator consider making that apply for the time being only on those amendments on which there has been an agreement?

Mr. **ROBERT C. BYRD.** Yes.

Mr. **PROXMIRE.** Mr. President, I would like to have the opportunity to phrase a reservation with respect to future agreements.

Mr. **ROBERT C. BYRD.** Very well. I make that unanimous-consent request with regard only to agreements that have already been entered into as to time.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

AMENDMENT NO. 513

Mr. **PROXMIRE.** Mr. President, with respect to my amendment No. 513, I have become increasingly concerned about the preparedness of our military services. Are we prepared to fight a conventional war on a moment's notice? Can we accomplish the military objectives called for in an emergency?

Frankly, I have concluded that for the most part, the conventional fighting capability of the Armed Forces is at a low level. To put it bluntly we have a fat, undertrained fighting force on our hands.

Now this is a serious business. While we have all been concentrating on the more glamorous strategic weapon systems, the SALT talks, and plans for modernization of our deterrent forces, we have allowed our convention forces to weaken from neglect.

This is just not a question of grade creep although that plays an important part. It is also a question of morale, training, and quality.

One of the most appalling facts to come to light in recent years is the tendency to permit top heavy and bloated command headquarters. This is not a funny matter. What are we going to do with all these generals, admirals, captains, and colonels when an emergency calls for quick action? The headquarters are so stuffed that any action is staffed to death. Decisions must go through interminable process of review and rewrite. Communications are inept and delayed.

All this points to a dangerous situation—one in which we might not be able to react to an emergency in time.

We are building an army of support troops, headquarters staffs, review staffs, command echelons, and rising operating costs. Where are the fighting men?

According to the analysis of the Armed Services Committee there are 105,000 slots for various command headquarters in the new military budget. The committee recommends an overall 10 percent cutback in this area in order to return to pre-Vietnam levels.

In particular, the committee recommends a 30-percent cutbacks in headquarters identified as badly overstaffed. The list includes Supreme Headquarters Allied Powers Europe, the European Command, U.S. Army Europe, U.S. Air Force Europe, and the Commander in Chief U.S. Navy Europe. The 30-percent cutback would reduce the assigned military personnel by 5,500 people before June 30, 1974.

Mr. President this proposal makes good sense. I only wish that it were incorporated into the legislation so that the Defense Department would not be able to continue to delay in dealing with this problem. The proposal for a 15-percent cut in headquarters staffing in the Washington, D.C., area made by the committee also appears prudent though too little. In any event, the committee has done a good job in hightlighting where we can use our manpower more effectively.

Now what are the facts involved? Just how overstaffed are we?

The facts are staggering. First I will discuss the raw figures and then the ratio's which reflect an accurate picture of the top heavy command system.

In 1945 there were 12,123,455 men and women in the U.S. Armed Forces. The total officer corps was 1,260,109.

At that time the total number of four- and five-star generals and admirals was 20. In 1952 we had 25. In 1972 there were 39.

There were 101 lieutenant generals and vice admirals at the height of World War II. By 1952 this had declined to 65 even though we were still involved in the Korean war. But by 1972 the number of lieutenant generals and vice admirals blossomed to 142. It must be remembered now that these 142 served in an Armed Forces not of 12 million but of less than 2½ million. So we had more lieutenant generals and vice admirals now with less than one-fifth as many troops to command.

The number of major generals, brigadier generals, and rear admirals declined from 1945 to 1972 from a level of 1,929 to 1,131. This latter figure, however, is still higher than the Korean war total of 1,052.

Colonels and naval captains increased by almost 2,000 from World War II to 1972. The numbers are 14,989 in 1945 to 16,547 in 1972.

For all the officers just mentioned, the total 1945 level was 17,039 to the 1972 level of 17,859. In other words, the officer strength of this country, colonels, naval captains and above, has stood still while the total manpower strength has been reduced over 80 percent.

These gross statistics do not present the whole picture however. It is the ratios of officers to manpower level that accurately depict the facts about the top-heavy command structure.

Taking a look at the ratios of officers to total manpower takes into consideration the changes in force strengths over the years. It is an unbiased and accurate means of comparison.

They look this way. During World War II there was one four- or five-star officer for every 600,000 troops, or one for every 63,000 other officers.

During the Korean war it was one for every 145,000 troops or 53,000 officers. Then with 1972, the ratio moves to one four- and five-star officer for every 61,000 troops and 8,500 officers.

In other words there are 10 times more four- and five-star officers per troops now than in World War II. Ten times more.

There are seven times more lieutenant generals and vice admirals per ratios of troops now than in 1945. Back then these three-star officers were 1 in 120,000. Now, they are 1 in 17,000.

Only in the category of major generals, brigadier generals, and rear admirals is there any indication of a decline in real numbers or ratios. The total number of these officers fell from 1,929 in 1945 to 1,131 in 1972. The ratios of officer to troop level also were down.

This slight dip in one category is more than made up by the swing upward in the number of colonels and Navy captains. From 15,000 in 1945 they have climbed to 16,500 in 1972. During the Second World War there was 1 colonel or Navy captain for every 808 men. Now it is 1 out of every 143. This is an increase of about six times. Six times more colonels and captains than before.

Looking at all officers above the rank of colonel/captain, the story remains dismal. There are over five times more of these officers by ratio now than in 1945. Once the ratio was 1 per 711 other men. Now it is 1 per 132 men.

Mr. President, I ask unanimous consent that four charts representing manpower data for 1945, 1952, 1971, and 1972 be printed in the RECORD, along with four additional charts showing the ratios derived from these data.

There being no objection, the charts were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF DEFENSE—MILITARY PERSONNEL ON ACTIVE DUTY BY GRADE IN WHICH SERVING, JUNE 30, 1945

	Total, Department of Defense	Army and Air Force: Total, War Department	Army and Air Force: Army commands	Army and Air Force: Air Force commands	Navy (excluding Coast Guard)	Marine Corps
Total	12,123,455	8,267,958	5,985,099	2,282,259	3,380,817	474,68
Officers, total	1,260,109	891,663	510,209	381,454	331,379	37,067
General of the Army—Fleet admiral	7	4			3	
General—Admiral	31	13			17	1
Lieutenant general—Vice admiral	101	50	1,221	298	49	2
Major general / Rear admiral [1]	1,929	392			[1] 401	28
Brigadier general / Rear admiral [1]		1,060				48
Colonel—Captain	14,989	10,721	8,145	2,576	3,877	391
Lieutenant colonel—Commander	36,967	29,077	21,852	7,225	6,861	1,029
Major—Lieutenant commander	91,602	70,086	46,686	23,400	19,356	2,160
Captain—Lieutenant	300,610	197,591	125,885	71,706	96,784	6,235
1st lieutenant—Lieutenant (junior grade)	436,792	328,245	193,328	134,917	94,278	14,269
2d lieutenant—Ensign	294,121	198,164	96,229	101,935	86,316	9,641
Chief or comm. warrant	82,960	56,260	16,863	39,397	23,437	3,263
Warrant junior grade or warrant						
Flight officers						
Enlisted, total	10,795,775	7,374,710	5,743,905	1,990,805	2,988,207	432,858
E-7 [2]	248,520	112,307	70,845	41,462	124,310	11,903
E-6 [2]	533,084	215,396	110,073	105,323	300,315	17,383
E-5 [2]	1,089,117	611,859	363,468	248,391	449,426	27,832
E-4 [2]	1,734,787	1,051,275	693,410	357,865	633,799	49,713
E-3 [2]	2,388,387	1,541,699	1,090,107	451,682	757,809	88,879
E-2 [2]	2,910,031	2,255,620	1,832,586	423,034	500,225	154,186
E-1 [2]	1,891,849	1,586,554	1,313,506	273,048	222,323	82,972
Officer candidates, total	67,571	1,585	1,585		61,231	4,755
Cadets USMA	1,585	1,585	1,585			
Navy officer candidates	61,231				61,231	
Marine Corps officer candidates	4,755					4,755

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[1] Includes 140 commodores.

[2] Grade designations established by "Career Compensation Act of 1949." Includes 16,764 aviation cadets.

DEPARTMENT OF DEFENSE—MILITARY PERSONNEL ON ACTIVE DUTY BY GRADE IN WHICH SERVING, JUNE 30, 1952

	Total Department of Defense	Army	Navy	Marine Corps	Air Force
Total	3, 935, 912	1, 596, 419	824, 265	231, 967	[1] 983, 261
Officers, total	375, 829	148, 427	82, 274	16, 413	128, 742
General of Army or fleet admiral	6	3	3		
General or admiral	19	8	5	1	5
Lieutenant general or vice admiral	65	22	25	4	14
Major general, brigadier general, or rear admiral	1, 052	165 281	[2] 256	18 31	120 181
Colonel or captain	12, 490	4, 869	2, 983	516	4, 122
Lieutenant colonel or commander	28, 927	12, 830	6, 632	1, 011	8, 454
Major or lieutenant commander	53, 008	17, 249	12, 222	2, 848	20, 689
Captain or lieutenant	107, 412	36, 988	24, 958	5, 549	39, 917
1st lieutenant or lieutenant (j.g.)	81, 556	36, 595	15, 004	647	29, 310
2d lieutenant or ensign	65, 937	24, 922	14, 356	4, 932	21, 727
Chief or Comm Warrant W-4	447	281	15	20	131
Chief or Comm Warrant W-3	2, 507	853	1, 011	358	285
Chief or Comm Warrant W-2	6, 706	2, 243	2, 974	459	1, 030
Junior warrant or warrant	15, 697	11, 118	1, 803	19	2, 757
Enlisted, total	3, 245, 310	1, 446, 266	735, 753	215, 554	847, 737
E-7	154, 837	43, 930	58, 104	7, 657	45, 146
E-6	202, 123	78, 367	61, 849	7, 935	53, 972
E-5	364, 434	165, 396	60, 790	11, 441	126, 807
E-4	630, 129	326, 603	115, 124	28, 791	159, 611
E-3	845, 724	411, 604	220, 249	33, 177	180, 694
E-2	806, 266	295, 684	177, 118	105, 849	227, 615
E-1	241, 797	124, 682	42, 519	20, 704	53, 892
Officer candidates, total	14, 773	1, 726	6, 265		6, 782
Cadets USMA	1, 726	1, 726			
Navy Officer Candidates	6, 265		6, 265		
Aviation Cadets	6, 782				6, 782

[1] Includes 4 commodores.

[2] Includes 9,787 Army personnel in training for SCARWAF duty.

DEPARTMENT OF DEFENSE—MILITARY PERSONNEL ON ACTIVE DUTY BY GRADE IN WHICH SERVING, JUNE 30, 1971

	Total Department of Defense	Army	Navy	Marine Corps	Air Force
Total	2, 714, 727	1, 123, 810	623, 248	212, 369	755, 300
Officers, total	371, 416	148, 950	74, 782	21, 765	125, 919
General of Army or fleet admiral	1	1			
General or admiral	39	15	9	2	13
Lieutenant general or vice admiral	145	45	49	9	42
Major general, brigadier general, or rear admiral	1, 145	197 255	256	28 38	157 214
Colonel or captain	17, 388	6, 008	4, 286	747	6, 347
Lieutenant colonel or commander	40, 431	14, 607	8, 673	1, 650	15, 501
Major or lieutenant commander	65, 724	22, 302	15, 015	3, 350	25, 057
Captain or lieutenant	122, 351	49, 130	18, 829	5, 643	48, 749
1st lieutenant or lieutenant (junior grade)	59, 686	24, 010	13, 738	6, 084	15, 851
2d lieutenant or ensign	39, 288	13, 691	9, 488	2, 522	13, 587
Chief warrant officer W-4	2, 345	1, 621	243	83	398
Chief warrant officer W-3	3, 637	3, 219	104	314	
Chief warrant officer W-2	14, 848	11, 076	2, 815	957	
Warrant officer W-1	4, 388	2, 773	1, 277	338	
Enlisted, total	2, 329, 754	971, 872	542, 298	190, 604	624, 980
E-9	15, 926	4, 546	3, 390	1, 700	6, 290
E-8	40, 842	15, 687	9, 018	3, 750	12, 387
E-7	151, 649	58, 392	38, 864	8, 903	45, 490
E-6	270, 733	94, 725	77, 693	14, 760	83, 555
E-5	450, 338	181, 068	94, 370	25, 236	149, 664
E-4	576, 306	266, 825	118, 315	33, 788	157, 378
E-3	409, 904	129, 900	134, 680	43, 722	101, 602
E-2	210, 415	74, 958	53, 226	30, 789	51, 442
E-1	203, 641	145, 771	12, 742	27, 956	17, 172
Officer candidates, total	13, 557	2, 988	6, 168		4, 401
Cadets USMA	2, 988	2, 988			
Midshipmen USNA	4, 485		4, 485		
Cadets USAFA	4, 401				4, 401
Naval enlisted officer candidates	1, 683		1, 683		

DEPARTMENT OF DEFENSE—MILITARY PERSONNEL ON ACTIVE DUTY BY GRADE IN WHICH SERVING, OCTOBER 31, 1972

	Total Department of Defense	Army	Navy	Marine Corps	Air Force
Total	2, 371, 574	865, 463	593, 824	199, 168	713, 119
Officers, total	331, 233	120, 576	71, 570	19, 609	119, 478
General of the Army or fleet admiral	1	1			
General or admiral	38	13	9	2	14
Lieutenant general or vice admiral	142	48	47	8	39
Major general or rear admiral (U)	480	197	105	24	154
Brigadier general or rear admiral (L)	651	249	153	38	21
Colonel or captain	16, 547	5, 647	4, 101	697	6, 102
Lieutenant colonel or commander	36, 832	12, 411	8, 443	1, 544	14, 434
Major or lieutenant commander	61, 432	20, 133	15, 446	3, 053	22, 800
Captain or lieutenant	112, 674	39, 405	19, 301	5, 306	48, 662
1st lieutenant or lieutenant (jg)	43, 114	15, 535	9, 270	4, 717	13, 592
2d lieutenant or ensign	37, 620	11, 402	10, 253	2, 681	13, 284
Chief warrant officer W-4	1, 923	1, 464	109	164	186
Chief warrant officer W-3	4, 548	3, 279	639	630	
Chief warrant officer W-2	12, 600	9, 289	2, 684	627	
Warrant officer W-1	2, 631	1, 503	1, 010	118	
Enlisted, total	2, 026, 542	740, 931	516, 391	179, 559	589, 661
E-9	15, 230	4, 082	3, 747	1, 495	5, 906
E-8	37, 922	13, 644	9, 057	3, 288	11, 933
E-7	140, 541	50, 644	37, 722	8, 664	43, 511
E-6	250, 660	82, 903	74, 894	12, 912	79, 951
E-5	366, 088	123, 291	83, 191	25, 310	134, 296
E-4	473, 310	189, 972	107, 592	22, 800	152, 946
E-3	305, 381	85, 125	99, 464	28, 434	92, 358
E-2	195, 745	74, 068	50, 503	34, 367	36, 807
E-1	241, 665	117, 202	50, 221	42, 289	31, 953
Officer candidates, total	13, 799	3, 956	5, 863		3, 980
Cadets, U.S. Military Academy	3, 956	3, 956			
Midshipmen, U.S. Naval Academy	4, 236		4, 236		
Cadets, U.S. Air Force Academy	3, 980				3, 980
Naval enlisted officer candidates	1, 627		1, 627		

JUNE 30, 1945

Category	Total	DOD ratio	Officer ratio
Generals of the Army/fleet admirals and generals/admirals	20	1/606, 172	1/63, 005
Lieutenant generals/vice admirals	101	1/120, 034	1/12, 476
Major generals/brigadier generals/rear admirals	1, 929	1/6, 284	1/653
Colonels/captains	14, 989	1/808	1/84
All generals	2, 050	1/5, 913	1/614
All categories above	17, 039	1/711	1/73
Total, DOD Armed Forces	12, 123, 455		
Total, Officer Corps	1, 260, 109		
Total, Officer Corps/total DOD ratio		1/9. 6	

JUNE 30, 1952

Category	Total	DOD ratio	Officer ratio
Generals of the Army/fleet admirals and generals/admirals	25	1/145, 436	1/15, 033
Lieutenant generals/vice admirals	65	1/55, 937	1/578
Major generals/brigadier generals/rear admirals	1, 052	1/3, 456	1/357
Colonels/captains	12, 490	1/291	1/30
All generals	1, 142	1/3, 183	1/329
All categories above	13, 632	1/266	1/27
Total, DOD Armed Forces	3, 635, 912		
Total, Officer Corps	375, 829		
Total Officer Corps/total DOD ratio		1/9. 6	

JUNE 30, 1971

Category	Total	DOD ratio	Officer ratio
Generals of the Army/fleet admirals and generals/admirals	40	1/67, 868	1/9, 285
Lieutenant generals/vice admirals	145	1/18, 722	1/2, 561
Major generals/brigadier generals/rear admirals	1, 145	1/2, 370	1/324
Colonels/captains	17, 388	1/156	1/21
All generals	1, 330	1/2, 041	1/279
All categories above	18, 718	1/145	1/20
Total, DOD Armed Forces	2, 714, 727		
Total, Officer Corps	371, 416		
Total, Officer Corps/total DOD ratio		1/7. 3	

OCTOBER 31, 1972

Category	Total	DOD ratio	Officer ratio
Generals of the Army/Fleet Admirals and generals/admirals	39	1/60, 809	1/8, 493
Lieutenant generals/vice admirals	142	1/16, 701	1/2, 332
Majorgenerals/brigadiergenerals/rear admirals	1, 131	1/2, 096	1/292
Colonels/captains	16, 547	1/143	1/20
All generals	1, 312	1/1, 807	1/252
All categories above	17, 859	1/132	1/18
Total, Officer Corps/total DOD ratio		1/7. 1	

Mr. PROXMIRE. What conclusions should be drawn? Can there be any doubt that the American military machine is burdened with a World War II command structure while facing a modern era with less than one-fifth as many men? This is rampant bureaucracy with a vengeance.

One sorry consequence is the tendency to place ever higher officers in ever lower posts. Once a second lieutenant could carry out a staff function in a European base. Now that same function would be handled by a full four-star general with the normal retinue of three- and two-star generals assisting him and the majors, colonels, and captains under them. One general is an army by himself—an army of bureaucrats.

But can it be said that all these generals and admirals provide a better defense? The answer must be no.

There are some 9,500 headquarters staff assigned to European stations. In the Supreme Headquarters Allied Powers Europe, there are 31 generals and admirals, 141 colonels and Navy captains and 332 lieutenant colonels and Navy commanders.

The Armed Services Committee has noted that 150 new men have been added to the European Command, another headquarters. They note that there are nine tactical Air Force Wings in Europe but three subordinate major headquarters serving them. One of these headquarters has only one tactical wing under its command.

The 16th Air Force Headquarters command has nothing to do but remain a "point of contact" with the West German government but they have 40 men for this job. Similar statements can be made for Army and Navy units in Europe.

To return to the major question—do all these headquarters and officers in Europe provide us with a stronger defense?

Not according to the investigations made by the General Accounting Office. In a report made available to Congress on March 9 of this year, we find that much of the authorized equipment that was to have been prepositioned in Europe to meet an emergency outfitting of U.S. troops flown in from the continental United States was inoperable. More was positioned than could be maintained. The GAO also found that there were substantial shortages of ammunition and repair parts.

I would think one thing that a top-heavy command staff could do would be to keep track of the equipment they have, but obviously they have not even been able to do that.

To make things even worse, the U.S. troops earmarked for a quick reinforcement of Europe had severe manpower shortages.

Then add to this the fact that the prepositioned stores were highly concentrated and vulnerable to attack and the fact that a wartime line of communications had not been established to support these troops we plan to send over there in an emergency. Plans for storing the equipment in controlled humidity warehouses fell apart when the warehouses were found to be ineffective.

The actual status of this prepositioned equipment was not even reported to Army headquarters in Washington. Equipment was consistently reported as combat-ready when it was not.

How in the world can anyone call this being prepared? And what in the world are all those generals and admirals doing in Europe aside from attending endless rounds of receptions?

Certainly they have not been paying any attention to our military posture or these extraordinary shortages would not have taken place.

That is the most important lesson to be learned. Too many generals and admirals only erode our military posture. I am alarmed by these facts and I think it is time the Congress asked to correct it. I do not want this country to fall into a second class position in terms of conventional warfare capability but it looks like we are heading that way.

The Army is not the only branch at fault in Europe. Another GAO report submitted on April 25, 1973, confirmed that U.S. Air Force squadrons were not fully combat ready.

Mr. President, we cannot let this go on. The only way to correct this sagging conventional defense posture is to shake up the headquarters. Get them out of the nightclubs and into the field. But first bring half of the generals and admirals and their staff home. Only then will we have a lean-mean fighting force in Europe.

A look at our force in the Pacific does not present any more convincing posture of strength. There are five major commands in Hawaii alone—4,641 personnel are assigned to these five commands—one for each service and a unified command over all.

One thousand twenty-eight men are assigned to the Army headquarters in Hawaii which only looks after the single U.S. division in Korea. Furthermore there are 948 more people assigned to headquarters in the 8th U.S. Army Command in Korea and 123 assigned to the Army I Corps in Korea. This is not counting the 274 assigned to the United Nations Joint U.S. Forces Command in the same place. As the armed service report concluded, the 2d Infantry Division in Korea must be the most supervised unit in the world.

In total these five major commands in Hawaii contain 41 generals and admirals, 263 colonels and Navy captains, and 524 lieutenant colonels and Navy commanders. The committee is right. That burden could be cut by at least 1,300 men. I would add, make the full cut among high ranking officers.

Mr. President, the Brookings Institution has published an analysis of support cost in the defense budget written by Martin Binkin. This excellent study makes several appropriate conclusions. It shows conclusively that support levels have not been reduced in proportion with other components in the defense budget. We have a higher proportion of support costs than ever before. With the entire manpower budget consuming 56 percent of the defense dollar, we are heading for a capability crisis.

Listen to one of the most important conclusions of that study. Mr. Binkin states that:

> Headquarters activities provide the least-risk option for reducing the support establishment.

I would be stronger than that. Reducing our headquarters structure would provide a better defense. It would allow quicker decisions and a more efficient organization of manpower.

The Brookings analysis, by the way, identified about $2.2 billion in savings that could be made in the support field.

Mr. President, perhaps the most persuasive arguments for cutting back on the number of generals and admirals and the support structure has come from a man who has the respect of this entire body and that of the Nation.

Adm. Hyman Rickover testified before Congress that:

> If we ever want to make any progress in the Pentagon, somebody is going to have to reduce the number of officers, the number of generals and admirals and senior civilians, because every time one of those jobs is set up, each one of them gets a large staff. Each staff has to make work, so pretty soon the energy of the entire enterprise is taken up in doing, undoing, redoing, and satisfying everybody higher up and soon all productive work stops . . . I have frequently urged that there be a drastic reduction in officers and officials of the Department of Defense. Each new Secretary vows to do this but soon becomes entangled in the deadly net. And so, when he leaves there is an even tighter net—a net with a mesh so fine practically nothing can be strained through.

One day last week Admiral Rickover sat in my office discussing another defense question and I asked him about the manpower problem. He said that if it was his decision he would cut the number of generals and admirals in half.

Think of that for a moment. Here is one of the best men our military has ever turned out. He masterminded our submarine program and created the closest thing we have to the invulnerable deterrent system. He is an admiral and those of us in this Chamber know he is a tough bargainer. He also has that lost art of speaking the blunt truth.

If a man like that says we have twice too many generals and admirals then he must be heard. I should also mention he would do away with the staffs of these generals and admirals.

Mr. President, my original amendment is far more conservative than what Admiral Rickover has recommended. My amendment would have cut back on the number of generals and admirals by 30 percent over a 3-year period. This would ease any problems relating to a one-time cutback affecting large numbers of men.

I had fully intended to offer that amendment today, particularly in light of the personal statement made to me by Admiral Rickover. I believe that the Armed Forces could cut out half of the generals and admirals and be more efficient. My amendment would have only reduced them by 30 percent.

It is my intention now, however, to offer a substitute to my own amendment based on the extraordinarily sound analysis made by the Armed Services Committee. I have read that report several times and find it to be one of the best documents on our military manpower. The committee really went out and got the facts. And the facts are overwhelming.

My substitute amendment takes the recommendation of the committee, which does not carry the weight of law, and turns it into legislation. I refer to the particular recommendation to reduce the number of military personnel at various headquarters by 30 percent—not less than 5,500 men on or before June 30, 1974. My amendment contains the same list of headquarters as shown in the committee report.

As justification for this amendment I can think of no better support than the committee report itself. The analysis contained therein is excellent. In fact, it is alarming. I hope that every Senator will be able to read that report before voting on this amendment.

I claim no credit for this amendment. It belongs in substance and philosophy to the committee. I would simply give it the force of law. It seems to me that the Defense Department would understand a law better than a recommendation. I am sure it would get better results.

We know that on the basis of past experience, this is an extraordinarily difficult action for the military to take. As Admiral Rickover has said again and again, Secretaries of Defense go on vowing to reduce the excess of staffs and the excess of admirals and generals, but they are never able to do it. I think that this support language is likely to have some effect. It is a good statement, well documented, and should be supported. But what all of us know is, it is unlikely to get the kind of action that the language in the bill could get.

For that reason, I ask unanimous consent that the relevant excerpt from the Armed Services Committee report, pages 129 to 140, be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

TITLE III—ACTIVE DUTY MANPOWER AUTHORIZATION

BACKGROUND

Under Section 509 of Public Law 91-441 the Congress is required to authorize active duty military personnel end strength for each of the military services. The committee held hearings in open session on June 11th, 12th and 13th, 1973, and heard testimony from Defense military manpower experts on the active duty military personnel strengths requested by the Department of Defense. Based on this testimony and the information provided in the Military Manpower Requirements Report for FY 1974 submitted by the Department of Defense, the committee staff has conducted a comprehensive analysis of military personnel requirements.

COMMITTEE RECOMMENDATIONS

Reduction of 156,100 DOD-wide manpower to be apportioned by the Secretary of Defense—7% reduction

For the reasons discussed below, the committee recommends a reduction totalling 156,100 in active duty end strength, or 2,076,802 rather than the 2,232,902 included in the budget as shown below:

Active-duty end strength:

DOD proposal	2,232,902
Committee action	—156,100
Committee recommendation	2,076,802

In addition the committee provides in the bill that the Secretary of Defense will prescribe the apportionment of the reduction among the Army, Navy, Marine Corps and Air Force with the proviso that the reduction be applied to the support forces of the military departments to the maximum extent practicable. The Secretary of Defense shall report to the Congress within 60 days after enactment on the manner in which the reduction is to be apportioned to the military departments and mission areas described in the Military Manpower Requirements Report. That report will include the rationale for each reduction.

REQUIREMENT FOR STATUTORY AUTHORIZATION OF DOD CIVILIAN MANPOWER

In addition to the recommendations on the active duty end strength authorization, the committee recommends amending the law to require authorization of Defense Department civilian employee end strengths.

REQUIREMENT FOR MILITARY OVERSEAS ASSIGNMENTS

The committee added amendatory language providing that beginning FY 1975 the annual Defense Manpower Requirement Report will include a full justification and explanation of the manpower required to be stationed or assigned to duty in foreign countries and aboard vessels located outside the territorial limits of the United States.

DISCUSSION

The committee reductions amount to about 7% of the total end strength requested by the Defense Department for fiscal year 1974 and would reduce strength about 9% below the fiscal year 1973 end strength.

SAVINGS IN FUTURE YEARS RESULTING FROM MANPOWER REDUCTIONS

Based on present pay costs the committee reduction of 156,100 once implemented and fully effective, would save about $1.6 billion annually in future years.

NEED FOR A STRONG, EFFICIENT DEFENSE

The committee strength recommendations are based upon several major concerns. The first of these concerns is to insure that the United States has a strong defense capability, but one that is also efficient and balanced. The committee is concerned about the trend to fewer forces, but relatively more manpower. The sharp phasedown of force units and force levels below FY 64 levels has not been matched by a corresponding phasedown of manpower and support levels. For example, in FY 74 the Defense Department proposes a 20% reduction of Army Divisions, 37% and 28% reductions of Navy carriers and escort ships, respectively, and a 59% reduction in Air Force heavy bombers below FY 64 levels. But the FY 74 Defense request for manpower was only 16% below the FY 64 level.

The following table compares the changes in forces with changes in total manpower between FY 64 (pre Vietnam) and FY 74:

Percentage change between fiscal years 1964 and 1974

	Percent
Army:	
Air defense batteries	−80
Divisions	−20
Manpower	−17
Navy:	
Polaris-Poseidon missiles	+95
Carriers	−37
Escort ships	−28
Amphibious ships	−53
Manpower	−16
Marine Corps:	
Divisions	None
Wings	None
Manpower	+3
Air Force:	
ICBM	+61
Strategic bombers	−59
Interceptor squadrons	−80
Tactical wings	−5
Manpower	−19

Thus in a time of economic difficulty and competing priorities, and despite technological advances that should substitute machines for men, the proportion of manpower to force units rises in FY 74. The committee believes the Defense Department must strive to be lean and ready to provide an adequate defense at reasonable costs and this means finding ways to more efficiently use its manpower resources through better organization and utilization of personnel.

RISING OPERATING COSTS

A second major concern is the sharp rise in operating costs, particularly manpower costs. Research and development, procurement of weapons and material and military construction costs all together add up to only 30% of the total Defense budget. The other 70%—operating costs—has grown from 55% of the budget in FY 64 largely as a result of two factors: rising manpower costs and rising support costs. In that time, pay and allowances of military and civilian personnel have doubled—from $22 billion in FY 64 to $44 billion in FY 74 so that now 56 cents of every Defense dollar goes for pay and allowances. At the same time support costs have also risen so that now 65% of the operating budget goes for support.

It is this double shift of resources which puts heavy pressure on the hard combat force structure and concerns this committee. First there is the shift of resources out of investing in force improvements to operating the current force structure; and secondly there is the shift from operating combat units to support and auxiliary functions. The committee believes manpower costs and support costs must be brought under tighter control. Thus the committee expects that the large proportion of the recommended manpower reduction will be taken in the auxiliary and support areas.

ALL-VOLUNTEER FORCE PROBLEMS

A third major concern of the committee is the All-Volunteer Force. This concern stems from three major issues: first the All-Volunteer Force concept has added substantially to manpower costs—over $3 billion in FY 74 specifically identified by the Defense Department and substantially more not specifically identified. These costs contribute to the problems mentioned earlier. Second, several witnesses testified that an all-volunteer force was a peacetime concept and that the reserves and draftees would be used in wartime. Combined with the cost problem it raises a question about the amount of money that should be spent to achieve the all-volunteer force if it is only a peacetime concept. This raises questions about the preparedness of all aspects of the defense manpower system—including the reserves and Selective Service—to respond to emergencies when the active forces are based on a peacetime concept. Thirdly, is the uncertainty over the kind of personnel who will constitute the active duty forces and the kind of institutions the military services will become as their personnel characteristics change. The committee is concerned about the evident difficulties the Defense Department is having in achieving a quality all-volunteer force at a cost the country can afford.

CONCERN FOR MANPOWER MANAGEMENT

Finally, this bill authorizes the total personnel strengths for each service—not the individual people who do them. There would be no way to do that. The Defense Department must recruit, train and assign individuals not to exceed the authorized level of jobs. However, how well the jobs are done depends on the quality of the people and how well they are managed. The committee noted two trends that raise concern: there was a shortfall in people compared with jobs authorized in FY 73. This resulted from recruiting shortfalls this spring. Secondly there was a malassignment of personnel as between combat and support jobs. Combat jobs tend to be undermanned while support jobs—particularly headquarters staffs—tend to be overmanned. Both of these trends place an increased burden on the people who must do the jobs—particularly in the hard combat units. The committee believes that manpower must be managed carefully so that there are enough of the appropriate people available to do the jobs and so that those who are available are assigned according to priorities which give precedence to those jobs that have the most direct bearing on the national security.

MILITARY MANPOWER REQUIREMENTS

In making its review of overall Defense military manpower, the committee reviewed each of the major functional categories which require men. The following table shows how the Defense military manpower request is distributed among these categories:

DOD military manpower request (active duty end strengths, fiscal year 1974)

[In thousands]

Strategic Forces	127
General-purpose forces	921
Land forces	526
Tactical air forces	176
Naval forces	182
Mobility forces	38
Auxiliary forces	172
Intelligence and security	62
Communications	49
Research and development	34
Support to other nations	9
Geophysical activities	17
Mission and central support forces	680
Base operating support	265
Medical support	84
Personnel support	28
Training	179
Command	103
Logistics	21
Individuals	333
Transients	89
Patients and prisoners	11
Trainees	220
Cadets	12
Total DOD	2,233
Army	804
Navy	566
Marine Corps	196
Air Force	666

TIGHTENING UP ALONG THE LINE

There are two ways to review the manpower in these categories.

First, one can assume that the manning is fixed for the units in each category and that there is a fixed relationship between the mission categories at the top and the support categories at the bottom. This "vertical" approach means that changes in manpower can be made by adjusting the mission units (e.g. divisions, ships, aircraft) and then reducing the support tail at the bottom by a proportionate amount. This approach leads to relatively heavy reductions of forces to accommodate manpower reductions.

Secondly, one can assume that the manpower in each category depends primarily on the policies used to carry out the functions in that category although the manpower needed in the various support categories depends on other categories as well. This latter "horizontal" approach looks to tightening up along the line and thus minimizes the impact on combat forces. It is this latter approach that the committee chose in its review. However, the committee did recognize the chain reaction that reductions in one area have on the other areas that support the reduced area. For example, a reduction in command and headquarters reduces the overall need for manpower, and thus reduces the number of men who must be brought into the service and trained. This "tail" effect was included in the overall committee reductions.

ILLUSTRATIVE REDUCTIONS BY SERVICE

As a result of the committee review, a number of reductions in the various mission areas and Services were considered. However, the committee decided to require the Secretary of Defense to apportion the reductions among the Services, with the proviso that they be applied to the support areas as much as possible. The following table should not be considered binding but rather illustrative of one way the reduction could be apportioned among the Services:

[Manpower in thousands [1]]

	Fiscal year 1974 DOD request	Illustrative reduction	Resulting authorization
Army	804	−71	733
Navy	566	−46	520
Marine Corps	196	−2	194
Air Force	666	−37	629
Total	2,233	−156	2,076

[1] Totals may not add due to rounding

ILLUSTRATIVE REDUCTIONS BY MISSION AREA

Because the Secretary of Defense will apportion the overall 156,100 strength reduction, the following discussion does not imply specific reductions which must be made but provides an illustration of the various functions and missions considered by the committee in arriving at its overall conclusion.

SUPPORT FUNCTIONS

By far, the largest share of the total committee recommended reduction came from the various support areas. Support units and functions are found throughout the structure of each of the Services including some of the so-called "mission categories." As pointed out by the Military Manpower Requirements Report for FY 73, similar support functions appear in different categories for different Services because of organizational differences between the Services. As mentioned earlier, the committee approach focused on tightening up on support all along the line. The following areas are illustrative of reductions to the mission support, central support and individual areas that the committee considered.

COMMAND AND HEADQUARTERS

There are 105,000 authorizations included in the various command/headquarters categories of the FY 74 Defense manpower request broken down as follows:

COMMAND/HEADQUARTERS

[Manpower in thousands]

	Fiscal year—		
	1972	1973	1974
Army	29	31	29
Navy	31	27	25
Marine Corps	8	8	8
Air Force	47	44	43
Total, command manpower	115	110	105

While there has been a decline in the number of command/headquarters authorizations since FY 72, in some areas it has not kept pace with overall reductions in the forces being commanded. Army and Marine Corps command/headquarters manpower remains at the same level as FY 72 despite reductions in the number of troops commanded. The Navy has shut down over 20% of its ships and 15% of its bases and Air Force overall manpower has been reduced by 60,000. In addition to scaling command down in proportion to other changes, a real tightening up is needed on the number of levels and the manning at each headquarters level. Thus the committee believes a minimum 10% reduction in this category would be appropriate.

The committee believes the Department of Defense and each of the Services should make substantial reductions in their headquarters staffs in conjunction with the overall manpower reduction directed by the committee. As combat forces are reduced in peacetime, similar reductions must take place in the "overhead structure" of the military, particularly headquarters staffs and organizations. The urgency to realize maximum economies in the Defense establishment, plus the need to achieve balanced force reductions, dictates that the "hierarchy of command" be reduced.

One of the factors influencing the committee's judgment is as follows:

The Bomber Defense Subcommittee of the Senate Armed Services Committee for 2 years examined the personnel staffing at the North American Air Defense (NORAD) headquarters, as well as the Aerospace Defense Command (ADC), both located at Colorado Springs, Colorado. The Subcommittee urged reductions in these two headquarters or a consolidation of their staffs. It was advised repeatedly that such action was not possible. Finally on June 28, 1973, the committee was told these two major headquarters will be consolidated with a reduction of 930 in personnel, including 8 generals, 24 colonels, and 66 O–5s (Lt. Col.). The committee was advised that this consolidation will result in "no degradation in air defense capabilities." This is a consolidation of a unified command under the Joint Chiefs of Staff, with an Air Force command. The point stressed by the committee is that it can be done if the Defense Department sets its mind to it.

Inevitably reductions involve the exercise of sound judgment. The committee called upon its experience over the past 2 years in reaching its decision. Initially the committee seriously considered establishing a fixed number of personnel reductions in each headquarters. Past experience has shown that unless this is done personnel reductions seldom are ever achieved. However, the committee finally decided to give the various commanding officers in the headquarters listed flexibility in deciding precisely where and in what numbers people should be reduced. The services are advised that this flexibility should not be construed as a means of avoiding the achievement of significant personnel reductions.

For example, the Army is requesting $22.2 billion this year. In our view, the highest priority in the Army is the combat readiness of its 13 divisions. Any other mission is clearly secondary. Therefore, unless the sizable personnel in Army headquarters are appreciably involved in accomplishing this primary mission their justification can and should be questioned.

With this background, the committee recommends a reduction of 5500 people (30%) in the following list of headquarters by June 30, 1974. This would bring assigned staffing down from 18,100 to 12,600. Authorized strengths should undergo comparable reductions. Other military commands should not assume reductions in their commands are not warranted. They should initiate positive action in line with the reductions discussed for the commands listed herein.

The committee requests the Department of Defense to report to the committee by February 1, 1974, on the progress achieved in compliance with this report and its plan to accomplish the balance of reductions by the end of the Fiscal Year.

This report shall include the numbers by rank by which each headquarters was reduced. It should also show the precise reductions in the officer force structure achieved and planned to be achieved during the fiscal year, inasmuch as it is the committee's intention that the positions abolished or reduced shall not be laterally transferred elsewhere in the Defense Department.

One of the objectives sought by the committee is to materially reduce the number of studies and reports that has become a way of life in the defense establishment. This "paper war" must be sharply restricted. It is our hope that smaller headquarters staffs will have a favorable reaction in combating the "paper war," inasmuch as our experience has shown that sizable headquarters staffs generate burdensome "paperwork" requirements to justify their existence.

In addition, the committee would look with favor on significant reductions in the headquarters organizations and staffs in the Washington area. We cannot indefinitely perpetuate an establishment of this size. A reduction approximating 15% would be a reasonable objective by the end of FY 1974.

A. REDUCTIONS IN HEADQUARTERS IN EUROPE

The committee believes sizable reductions can be achieved in the numerous headquarters in Europe. In particular, we cite the following headquarters staffs where the committee felt at least 2,200 of the 9,500 personnel assigned could be eliminated when adequate consideration is given to the U.S. combat forces actually assigned in this area.

	Personnel authorized	Personnel assigned	Date
SHAPE (Supreme Headquarters Allied Powers Europe)	4,827	4,505	July 1, 1973
EUCOM (European Command)	885	965	July 5, 1973
USAREUR (U.S. Army Europe)	1,195	1,250	May 31, 1973
V Corps	328	587	Do
VII Corps	355	462	Do
USAFE (U.S. Air Force Europe)	1,565	1,510	Mar 31, 1973
17th Air Force	43	40	Do
CINCUSNAVEUR (Commander-in-Chief, U.S. Navy Europe)	190	216	May 31, 1973

1. *SHAPE (Supreme Headquarters Allied Powers Europe)*

SHAPE is the military arm of the NATO Alliance. As such it has major headquarters with over 17,000 personnel assigned, scattered throughout Europe. In 22 of these headquarters the United States has 25% or 4505 U.S. personnel assigned as its contribution. This number includes 31 U.S. generals/admirals; 141 0–6s (colonels/Navy captains); and 332 0–5s (lieutenant colonel/Navy commanders).

SHAPE essentially has a wartime mission. In peacetime they plan for war. They have little to do with U.S. ground or air forces on a day-to-day basis. The Army and Air Force headquarters in Europe handle their own personnel, training, and logistics matters.

While the committee has no authority or control over the 12,500 allied non-U.S. personnel we do feel the presence of 4,505 U.S. personnel is excessive and recommend substantial reductions by the end of fiscal year 1974. It is our firm conviction that we can ill afford this tremendous number of personnel in these headquarters when it is recognized that there are only 4⅓ U.S. Army divisions in Europe.

2. *EUCOM (European Command)*

The U.S. maintains a unified command at Stuttgart, Germany. As of July 5, 1973 it was authorized 885 but had 965 assigned. Also, the Committee is aware that this headquarters has added, rather than subtracted, about 150 people in the last 18 months.

The committee believes this headquarters should be reduced substantially. Specifically, the committee feels the justification for the 62 personnel assigned to the Military Assistance Advisory Group (MAAG) office should be intensely reviewed, recognizing that there are significant MAAG personnel assigned to Turkey, Greece, and Spain, where the last of our grant aid programs are being carried out.

The committee believes substantial reductions are justified and necessary in each of the Army, Air Force, and Navy headquarters commands in Europe as well as the two Army Corps headquarters and the 17th Air Force. For example, the need to have 2,200 personnel in the three major Army headquarters appears excessive, once again recognizing that there are only 4⅓ divisions in Europe.

In the case of the Air Force, substantial reductions would appear possible when recognition is given to the fact that there are only nine Tactical Wings located in Europe. Also the Air Force has three major subordinate headquarters in Europe, namely the 16th Air Force Headquarters in Spain with only one Tactical Fighter Wing under its command; the Third Air Force Command in England with four Tactical Wings under its command; and the 17th Air Force in Germany with four Tactical Wings under its command.

The need for the continued existence of the 17th Air Force should be seriously examined by the Air Force. A previous justification to the committee was that it served as a "point of contact" with the West German Government. We feel the main Air Force headquarters could fully discharge this responsibility.

With respect to the Navy, its headquarters in London has been controversial for many years because its peacetime function is command of the Sixth Fleet in the Mediterranean who already possess a full complement of admirals to run the Fleet. In time of war, the NATO commander in Naples, always a U.S. admiral, assumes command of the Sixth Fleet. We believe close attention should be given to the merit of merging the command in London with that in Naples. It is felt that merely because the U.S. Navy commander in Naples has a NATO "hat" in wartime should not present an insurmountable obstacle.

B. REDUCTION IN THE REDCOM (READINESS COMMAND) HEADQUARTERS

Readiness Command:

Personnel authorized	395
Personnel assigned	[1]414

[1] As of July 1, 1973.

The Readiness Command (REDCOM) at McDill Air Force Base, Florida, is a unified command whose mission is to command U.S. based combat forces that are not assigned to someone else. It has no area responsibility. Its main mission is to plan for periodic joint Air Force/Army training exercises.

The committee believes very substantial reductions are possible in this command when close attention is given to its prime mission. The Defense Department should advise the committee in its February 1974 report why a staff of no more than 50 people, headed by one brigadier general, could not discharge the mission of planning the periodic Army-Air Force joint training exercises. In addition meaningful justification should be presented on continuing the existence of this command beyond fiscal year 1974.

C. REDUCTION IN PACIFIC COMMAND HEADQUARTERS IN HAWAII

	Personnel authorized	Personnel assigned	Date
CINCPAC	1,082	1,058	July 5, 1973
PACAF	1,260	1,278	Mar 31, 1973
CINCPAC Fleet	471	513	May 31, 1973
USARPAC	924	1,028	Do
FMFPAC	784	764	June 21, 1973

There are 5 major commands in Hawaii. The Commander-in-Chief of the Pacific, CINCPAC, is a unified command under the Joint Chiefs of Staff. In addition, each service has its own major headquarters.

CINCPAC has operational control over the forces in the Pacific area. Each service component administers and takes care of its own personnel, training, and logistic matters.

It is our considered opinion that these headquarters staffs should undergo substantial reductions. For example, it is difficult to understand the justification for the Army to have 1,028 people assigned to its headquarters staff in Hawaii, recognizing that the Army division in Korea is the only one in the Pacific west of Hawaii. This situation is all the more questionable when the committee considered the fact that there are 948 people assigned to the Eighth U.S. Army Command in Korea; 123 people assigned to the Army I Corps in Korea; and 274 people assigned to the United Nations/Joint U.S. Forces Command in Korea. Certainly the Second Infantry Division in Korea must be the most supervised unit in the world.

It seems reasonable to conclude that a consolidation of these five headquarters in Hawaii may be the wisest course of action. It would be similar to the effective consolidation recently directed at NORAD/ADC.

The committee felt that a reduction of at least 1,300 personnel in these five headquarters from a total of over 4,660 personnel would be reasonable and consistent with the combat forces assigned to this area of the world.

What impressed the Committee most is the fact there are 4,641 personnel assigned to these 5 major comands, including 41 generals/admirals; 263 colonels/Navy captains; and 524 lieutenant colonels/Navy commanders. Yet this compares with only 3,950 people assigned to the comparable commands in Europe where we have a far greater number of U.S. personnel.

The Defense establishment must appreciate the need for a reasonable correlation between limited potential combat forces and reasonable headquarters staffing to support these forces.

D. REDUCTION IN U.S. KOREAN HEADQUARTERS

	Personnel authorized	Personnel assigned	Date
United Nations Command/Joint U.S. Forces	312	274	June 30, 1973
8th U.S. Army Headquarters	846	948	May 31, 1973
Korea I Corps	92	123	Do

The U.S. Army has one division in Korea. Yet, there are three major headquarters over and above the division.

The committee does not feel adequate need exists to maintain 1,345 mostly high-ranking officers in these three headquarters when only one U.S. division and less than one U.S. tactical air wing is located in Korea. We cannot afford the luxury of such heavy staffing in the absence of significant combat forces. Hence a reduction of 50 percent appears reasonable and sound.

E. NORTH AMERICAN AIR DEFENSE COMMAND/CONAD

	Personnel authorized	Personnel assigned	Date
NORAD/CONAD	806	854	June 30, 1973
ADC	1,434	1,267	Mar. 31, 1973

The committee was advised on June 28, 1973, of a proposed consolidation of the North American Air Defense Command (NORAD/CONAD) headquarters with the Air Force Aerospace Defense Command headquarters, both located at Colorado Springs, Colorado.

NORAD is a unified command under the Joint Chiefs of Staff and includes Canadian Forces. CONAD (Continental Air Defense Command) is the U.S. element of NORAD, which will be reduced. Canadian forces will be unaffected. Therefore, it is only U.S. personnel in NORAD that is affected.

The Bomber Defense Subcommittee of the Senate Armed Services Subcommittee attempted to obtain reductions in these two headquarters over 2 years ago. This subcommittee met with little success as it was consistently advised that reductions were not possible. All personnel were stated to be essential. The committee compliments those responsible for the recently announced consolidation reducing 930 personnel. In particular, we noted the Air Force statement that "there will be no degradation in Air Defense capabilities."

The committee takes one exception to the recently announced consolidation. The Air Force hopes to reprogram the manpower authorizations into other areas. This would negate any savings. We firmly recommend these manpower authorizations be removed from the force structure and that the report requested of the Defense Department in February 1974 so reflect particularly with respect to the rank 0-5 (Lt. Col.) and above.

F. WSEG (WEAPONS SYSTEM EVALUATION GROUP)

Personnel authorized	88
Personnel assigned	[1]83

[1] As of June 30, 1973.

The committee believes earnest consideration should be given to eliminating this group. Its primary function is to serve as a study group for the Joint Chiefs of Staff and DDR&E. Basically it works with civilian personnel at IDA (Institute for Defense Analysis) to incorporate military thinking in IDA's studies. The Advanced Research Projects Agency (ARPA) could handle the study functions performed by this group in addition to their current assignments.

Enlisted Aides

A subject of major interest and concern on the part of the committee was enlisted aides. Enlisted aides authorized to have been flag officers as well as certain captains in the Navy in all of the Services who live in public quarters for the purpose of relieving the officers from minor tasks and details related to their military and official responsibilities.

Testimony before the committee and a GAO study done in April of this year indicated that 1722 enlisted aides were assigned to 970 senior officers. The cost of the enlisted aide program in fiscal year 1973 for personnel costs and training costs was $21.7 million. Based on personnel alone, the average cost per officer served by enlisted aides last year was $22,000.

The committee does not question that senior military officers spend a significant part of their time outside the office or "off-duty" fulfilling essential national, community, and military obligations. Nor does it question that some of the duties performed by enlisted aides allow the officers to concentrate more fully on their primary military and official duties. The committee does, however, take strong issue with the use of enlisted aides in obviously personal services such as babysitting and dog walking.

The military services have taken several steps to respond constructively to criticism of the enlisted aide program, as follows:

Guidelines have been issued on the use and duties of the enlisted aide.

The Army and Marine Corps have closed their training courses for enlisted aides. (The Navy and Air Force did not have such courses.)

The committee recommends reducing the number of enlisted aides from 1722 to 1105. The reduction is an overall 36% cut as follows:

Army—Reduction of 90 (510 to 420).
Navy—Reduction of 330 (577 to 247).
Marine Corps—Reduction of 35 (90 to 55).
Air Force—Reduction of 152 (535 to 383).

The savings from reduction would be about $7 million and presumably the termination of the training schools will result in a further savings of about $360,000 per year.

The committee believes that the Secretary of Defense should have the responsibility of allocating the 1105 enlisted aides to generals and admirals living in public quarters. The committee does stipulate that no officer below general/flag rank should be assigned enlisted aides.

Mr. PROXMIRE. Mr. President, I send to the desk my substitute amendment.

The PRESIDING OFFICER (Mr. BAYH). The Chair is advised by the Parliamentarian that it would take unanimous consent to modify the amendment at this time.

Mr. PROXMIRE. That is because of the unanimous-consent agreement on time?

The PRESIDING OFFICER. Yes.

Mr. PROXMIRE. Mr. President, I ask unanimous consent to modify my amendment as indicated in my speech.

Mr. GOLDWATER. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. PROXMIRE. Mr. President, I offer this amendment as a substitute for my amendment. I will have to reconsider the time limitations.

The PRESIDING OFFICER. The rule would require that the Senator offer the substitute at the expiration of time.

Mr. PROXMIRE. I understand.

I yield back all of my time, Mr. President.

The PRESIDING OFFICER. Does the minority side care to debate the issue?

Mr. GOLDWATER. Mr. President, will the Senator from South Carolina yield? I would like to speak against the amendment.

Mr. THURMOND. I yield to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. GOLDWATER. Mr. President, I very reluctantly raised the objection to the unanimous-consent request of the distinguished Senator from Wisconsin (Mr. PROXMIRE) because we have had so much abuse on this floor of our general officers of higher rank that I believe it is time we find out just what the attitude of this body is.

Either we approve the condemnations, the allegations, and the insinuations, or we back the military in its efforts properly to run the Armed Forces.

The PRESIDING OFFICER. If the Senator from Arizona will permit, the Chair would interrupt just long enough to receive a message from the President of the United States.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Marks, one of his secretaries.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Mr. GOLDWATER. Mr. President, I rise in opposition to the amendment which would arbitrarily reduce the number of flag officers of the military services. The Senate has historically treated this subject in a reasoned and orderly manner—to propose to reduce by nearly a third the numbers of generals and admirals of the active services is a step of grave importance to the military services and the national security.

The Senate is aware that, during the years since 1954 when the Officer Grade Limitation Act—OGLA—was passed, requirements for senior managers serving outside the parent services have, within the strength limitations imposed by the OGLA and the Senate Armed Services Committee, greatly increased. These requirements, generated in part by the increasing complexities of military technology, and in part by the Defense Reorganization Act of 1958 which strengthened the staff of the Secretary of Defense, the JCS, and the unified command system, have greatly increased the numbers of general and flag officers who are serving outside their services.

The Air Force's total general officer strength, for example, has increased from 373 in 1954 to a Vietnam maximum of 443 in 1968, and has since decreased to 411 at the end of fiscal 1973. While there has been a net increase of 38 general officers in the Air Force since the passage of OGLA, there has been a greater increase in the numbers of general officers serving outside the Air Force—from 58 to 117. Thus, there are 21 fewer generals available to run the Air Force since the passage of OGLA in 1954.

If there is a need to reduce the general officer strength of the services, then it is the responsibility of the Congress to critically examine the issue. We should not, however, arbitrarily restrain the services without full and careful hearings and a sober determination that the numbers are in fact excessive.

Mr. President, on September 10, I placed in the Record an article published in the Army and Navy Journal of May 1972, showing the percentage of general officers to 100,000 active duty servicemen in different forces around this globe. Contrary to what we have been told repeatedly on the floor of the Senate, only one country has fewer generals than we have per 100,000 men, and that is the Federal Republic of Germany, which has 47. The United States has 54. It ranges up through Spain, with 107; the United Kingdom, with 186; and the one with the highest is Sweden, with 373 general officers to each 100,000 men.

I read from the article:

> Incidentally, the high ratio of generals to Servicemen obviously doesn't breed wars. Sweden, which has the most generals in relation to the size of its armed forces, has not been involved in a major war since 1814.

Mr. President, I have referred to what I am going to read from this article at other times on this floor and in discussions around the country. I read from the Army and Navy Journal article:

> An earlier Journal survey showed that what Congress refers to as the "proliferation of top ranking officers" is small potatoes by at least one other significant criteria, the U.S. Civil Service structure. Civil Service executive suites are manned by more than four times as many "supergrades"—GS–16s, –17s, and –18s equivalent to general and flag rank—as are military headquarters. At a time late in 1970 when military strength totaled 11% more than Civil Service ranks (2.87 vs. 2.57-million), there were 5,586 GS–16s, –17s, and –18s on the U.S. payroll, compared with only 1,330 generals and flag officers. The Civil Service figure *excluded* 543 scientific and technical exports in the Department of Defense alone who are paid equivalent supergrade salaries by special acts of Congress, as well as 49 Presidential appointees in the $36,000-to-$60,000 bracket.

I point that out, Mr. President, just to show those who criticize the military that if they want to really be critical, we can start right in our own section of the Government, the legislative branch, and extend it to the administrative branch, where we find real proliferation of supergrades.

Mention was made in the introductory remarks of the Senator from Wisconsin about the support ratio. One would think, when listening to this, that he is referring to the number of general officers in support of troops. What support ratio means is the total number of men back of each fighting man on the front line, and I have to agree that the United States has the highest ratio of any armed forces in the world. Ours run about 8 to 1. We have eight men in back of the line for every man we have in front, acting in the combat role. But it does not relate to the subject.

This situation can be corrected by the military. I doubt that it will, because no army in the world treats its front line troops any better than we do, or even comes close to it; and I do not think it would be the inclination of the military or even of Congress to allow that to change.

The Senator mentioned Admiral Rickover. I have heard Admiral Rickover make the same statement before the Armed Services Committee year after year. But what Admiral Rickover is referring to—and specifically referring to—is the naval structure in the Pentagon, where I would agree that we could eliminate box after box after box, each with its public relations officer, and probably get a more efficient operation. This is what Admiral Rickover is aiming at—the great proliferation particularly of civilian strength in the naval department over there, not necessarily the admirals or captains.

I asked him in committee one day how long it would take him to get a weapons system if he woke up early one morning with the idea in mind, he being one of the few men in the Pentagon capable of dreaming up a weapons system, sketching it, and planning it.

He said:

> It would take seven years, if it ever got through the 27 boxes that lie above me, any one of which can stop a weapons system without ever informing me or anyone above me about the change or why the change.

I agree completely with the need for the Pentagon to reorganize the civilian structure and to take a good look at the military structure of the organization charts and boxes of the Pentagon. To me, they are exceedingly overheavy.

Mr. President, I must oppose this amendment. As I have said, I would not have objected to the substitute—in fact, I hope the Senator would offer the substitution as another amendment at some other time. But I think this body should be placed on record as to whether we are going to oppose what I think is a very fine record, in that we are second with 54 generals and admirals per 100,000 men and are beaten by only one country, the Federal Republic of Germany.

So I hope that if this matter comes to a vote and is not withdrawn, the Members of the Senate will vote against it.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. THURMOND. I yield to the distinguished Senator from Texas such time as he desires.

Mr. TOWER. Mr. President, I rise in opposition to the amendment to reduce arbitrarily the number of flag officers in the active military services. This subject, while of great concern, should be viewed in an orderly and judicious manner—for it is in this manner that Congress has addressed this problem for the past three decades.

Initially, the Officer Personnel Act of 1947 fixed the strengths of flag officers to levels needed in the relatively small active duty officer force envisioned at that time. In 1954 in recognition of the need to control the numbers of senior officers in the larger armed force which we have had to maintain since 1951, Congress enacted the Officer Grade Limitation Act which provided separate flag officer grade tables with varying strength scales for each of the services.

The services have maintained their flag officer strengths within the appropriate limits, and report them to Congress annually in accordance with the 1954 act.

The need for senior officers is based primarily on the missions of the service and the executive responsibilities that must be carried out, rather than on the gross size of the force. The number of top managers in civilian corporations does not expand or contract in direct proportion to increases and decreases in the work force. In recognition of the principle that rapid increases of senior executives to meet requirements is not feasible, the law provides that general officer strengths do not fluctuate by a constant percentage of the fluctuations in the total strength of the Armed Forces.

The flag officer strengths of the Services did not rise significantly during the buildup for the Vietnam war in relation to the total increase of the force. As the total strength of the force declines there should not be a disproportionate reduction in its executive leadership.

These established procedures are working as the Congress intended. The numbers of flag officers are decreasing as the force declines. For example, on June 30 of this year there were 1,294 flag officers on active duty with only 1,264 budgeted for 1974.

Since Congress once enacted laws to ensure that strengths of flag officers be related to need, why must we do so again? This amendment is a precipitous action—an arbitrary procedure without orderly study or hearings. It is a matter that should be taken up before the Committee on Armed Services.

Mr. President, you cannot approach this with a meat-ax-type mentality; it is something that must be done in an orderly way.

I thank the Senator from Arizona for his cogent remarks and I associate myself with everything he said.

AMENDMENT OF THE SMALL BUSINESS ACT (S. 1672)—VETO MESSAGE

Mr. MANSFIELD. Mr. President, there is a veto message at the desk. I ask unanimous consent that its reading be waived, that it be spread on the Journal and printed in the Record, and held temporarily at the desk until an agreement on its consideration can be worked out.

The PRESIDING OFFICER (Mr. Bayh). Without objection, it is so ordered.

The President's message is as follows:

To the Senate of the United States:

I am returning today without my approval S. 1672, a bill to amend the Small Business Act.

The stated purpose of this measure is to improve the legislative authority of the Small Business Administration, and I am in complete accord with that objective. Unfortunately, this legislation is also burdened with several extremely undesirable features—provisions which would represent a backward march for the Federal Government's disaster relief programs—and for that reason, I am compelled to veto it.

Last year our Nation experienced the worst series of natural disasters in recent memory. I visited several of the affected areas and talked with the victims. Many of them pointed out problems they were having with Federal aid.

As a result of those discussions, I ordered a thorough review of all Federal disaster assistance programs, and earlier this year I proposed legislation that would fundamentally restructure them. The purpose of those proposals was simple: to help disaster victims in the fastest, most efficient and most humane way possible—and in a way that would target our assistance on those genuinely in need. The Federal Government has a clear responsibility to help disaster victims who cannot help themselves, especially low-income families, but those who have their own resources should not use the general taxpayer as a crutch.

If I were to sign this bill, we would turn our back on these objectives and reinstate practices that have proven unworthy in the past. In fact, this bill would reopen a leaky financial tap in the Federal Treasury which the Congress itself closed last April.

The provisions of S. 1672 which I find unacceptable are these:

—At a large and unnecessary expense to the taxpayer, this bill would provide federally subsidized loans and grants to all disaster victims regardless of economic need. A wealthy landowner, who could provide for himself through insurance or could easily obtain a private loan, would be entitled to a $2,500 free grant from the Government and an additional loan at only three percent interest. Alternatively, he could forgo the grant and obtain a loan for the full amount at only one percent interest. A poor family could qualify for the same aid under this bill, but it is unlikely they would require as large a loan as richer families. The net result would be greater Federal assistance for the well-to-do than the needy, and an even larger bill for the general taxpayer. That is not my idea of good government.

—The cost for the taxpayer of S. 1672 would be approximately $400 million in Federal spending for each $1 billion in loans. While we cannot precisely forecast future costs, we do know that if our disaster experiences in the next 12 months are the same as last year, this bill would add $800 million to the Federal budget.

—In addition, this bill would slow the Federal Government's ability to respond to disasters by creating an administrative nightmare for those agencies charged with providing assistance.

My continuing hope is that we can act this year to accomplish the much-needed reforms in our disaster assistance programs. The proposals I sent to the Congress earlier this year are designed to insure that the sincere compassion felt by all Americans for disaster victims can be translated into the most rapid, effective and equitable form of disaster assistance possible. To this end the Administration will continue to work with the Congress to enact these comprehensive reforms and, if need be, to enact a constructive, fiscally responsible and effective interim measure which would serve until more permanent reforms can be made. In the meantime, ongoing programs will continue to be of assistance to disaster victims and will not be affected by my disapproval of S. 1672.

RICHARD NIXON.

THE WHITE HOUSE, *September 22, 1973.*

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Mr. THURMOND. Mr. President, I rise in opposition to the amendment. I wish to commend the distinguished Senator from Arizona (Mr. GOLDWATER) and the distinguished Senator from Texas (Mr. TOWER) for their fine remarks on this subject.

Mr. President, this amendment to drastically cut our top military leadership has grave implications. I am not going to talk about the personal discouragement it will bring upon our officer corps—because it is an arbitrary and capricious action. What I want to talk about is the real danger to the effectiveness of the armed services posed by this amendment. It would remove 30 percent of our top military leadership—nearly 390 positions. I would like to know if the author of this amendment can identify 5 or 10 of the 390 positions he thinks can be eliminated? Although this amendment proposes to apply the reduction primarily to headquarters and support elements, operational units cannot help but be affected in such a drastic cut. For example, a study completed by the Department of Defense last year indicates that nearly half of a reduction of the magnitude proposed would involve command and plans and operational positions, since it is not possible to completely remove all top-level leadership in the support and resources management areas.

The reduction called for in this amendment would roll back flag-officer strength to approximately 900; about the same number of these officers we had in 1950—just before Korea. This action ignores the fact that our forces are 50 percent larger today. The amendment also ignores that fact and many other important considerations. It ignores the increasing sophistication and monetary investment in ships, aircraft and weapons system which demands the expertise, quality of leadership and judgment of a flag-rank officer.

Further, it ignores the organizational changes approved by Congress in the Defense Reorganization Act which required that the staff of the Secretary of Defense, the Organization of the Joint Chiefs of Staff and the unified command system be strengthened. These Agencies carry out the mandates of Congress in the management and control of our Armed Services, a far more complex and demanding job than at any time in our history.

It ignores the fact that the requirements for top leadership as in civilian enterprise are not in direct proportion to increases and decreases in the number of all personnel comprising the organization.

It ignores the fact that top management in the DOD is conservative when compared to the rest of Federal Government, private industry and armed services of other countries.

The CONGRESSIONAL RECORD of September 10, 1973, page 29043, contains an article from the Armed Forces Journal called to our attention by a member of the Armed Services Committee, Senator GOLDWATER. The article summarizes a worldwide survey made of military rank structure which places this matter in perspective. It shows that for every 100,000 active duty servicemen the United States has 54 generals and admirals. But, Sweden has 373, 7 times as many; the United Kingdom 186, 3½ times as many; and France 74, to mention a few. Fourteen countries responded fully to this survey and of these, eight had over twice the proportion of generals and admirals as the United States. Only one country, West Germany, had a smaller proportion, 47 per 100,000.

Mr. President, I submit that this is a very favorable comparison and indicates that our top military leadership is not out of balance as some Members would have us believe. It is the duty of Congress to critically examine the numbers of generals and admirals in our Military Establishment, but let us not put arbitrary restraints into the law, without full and careful hearings, when all indications are that the number is not excessive.

For all these reasons, I agree with the Secretary of Defense's report to Congress on officer grade limitations submitted just this last May, which states that:

> The existing statutory limitations on the number of active duty flag officers provide the minimum number necessary at this time to meet total defense requirements.

The Congress has provided permanent laws for the control of the number of flag officers. In addition, our distinguished chairman, Mr. STENNIS of Mississippi, has established what is known as a Stennis ceiling which holds the general and flag officer totals even below that allowed by law. This procedure is working and the number of flag officers are decreasing as the force declines.

Mr. President, I believe that the normal course of events will take the general and flag officer ceilings to their proper level and having utmost faith and confidence in our distinguished chairman, Mr. STENNIS, I would defer to his leadership in the management of the flag officer limitations.

The PRESIDING OFFICER (Mr. BAYH). Who yields time?

Mr. PROXMIRE. Mr. President, I understand that my time has been yielded back.

Mr. THURMOND. Mr. President, we have yielded back our time on this amendment.

Mr. PROXMIRE. Mr. President, I call up my amendment in the nature of a substitute, which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 23, after line 24, it is proposed to insert a new section as follows:
>
> 305. Notwithstanding any other provision of law, the number of military personnel assigned on the date of enactment of this section to the headquarters listed below shall be reduced by not less than 5,500 on or before June 30, 1974:
>
> Supreme Headquarters Allied Powers, Europe.
> European Command.
> United States Army, Europe.
> V Corps.
> VII Corps.
> United States Air Force, Europe.
> 17th Air Force.
> Commander-in-Chief United States Navy, Europe.
> Readiness Command Headquarters.
> CINCPAC, PACAF, CINCPAC Fleet, USARPAC, FMFPAC (all in Hawaii).
> United Nations Command/Joint United States Forces.
> 8th United States Army Headquarters.
> Korea I Corps.
> North American Air Defense Command.
> Continental Air Defense Command.
> Air Force Aerospace Defense Command.
> Weapon Systems Evaluation Group.

The PRESIDING OFFICER. Thirty minutes is allotted to the amendment in the nature of a substitute, 15 minutes to a side.

Mr. PROXMIRE. Mr. President, I do not expect to take my full time on the amendment.

What the committee proposes in its report, pages 134 and 135, is what I have incorporated into the amendment. In other words, I have given the committee language the force of law. It seems to me that this is a necessary approach. We know how very difficult it is to accomplish reductions. This is no criticism at all of the personnel involved in the Pentagon, but there is nothing harder than to reduce the number of personnel of this kind, and to do it only on the basis of the committee's recommendation is unlikely to be successful. If we make it a matter of law, we know that it will be done. The committee is very emphatic in its report, saying that they think such reductions are necessary and desirable to improve our military position.

On the basis of the committee's own reasoning and the fact that the committee has taken this position, I do hope that the manager of the bill will accept this proposal and make it a part of the law.

Let me read briefly from the committee report:

> The committee called upon its experience over the past 2 years in reaching its decision. Initially the committee seriously considered establishing a fixed number of personnel reductions in each headquarters. Past experience has shown that unless this is done personnel reductions seldom are ever achieved. However, the committee finally decided to give the various commanding officers in the headquarters listed flexibility in deciding precisely where and in what numbers people should be reduced. The services are advised that this flexibility should not be construed as a means of avoiding the achievement of significant personnel reductions.
>
> For example, the Army is requesting $22.2 billion this year. In our view, the highest priority in the Army is the combat readiness of its 13 divisions. Any other mission is clearly secondary. Therefore, unless the sizable personnel in Army headquarters are appreciably involved in accomplishing this primary mission their justification can and should be questioned.
>
> With this background, the committee recommends a reduction of 5500 people (30%) in the following list of headquarters by June 30, 1974. This would bring assigned staffing down from 18,100 to 12,600. Authorized strengths should undergo comparable reductions. Other military commands should not assume reductions in their commands are not warranted. They should initiate positive action in line with the reductions discussed for the commands listed herein.

A little later:

> One of the objectives sought by the committee is to materially reduce the number of studies and reports that has become a way of life in the defense establishment. This "paper war" must be sharply restricted. It is our hope that smaller headquarters staffs will have a favorable reaction in combating the "paper war," inasmuch as our experience has shown that sizable headquarters staffs generate burdensome "paperwork" requirements to justify their existence.

I consider this proposal to be a very substantial compromise. I earnestly hope that the manager of the bill will give this proposal serious and favorable consideration.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. SYMINGTON. As I understand the able Senator, he has now modified his amendment to conform to what the report of the committee currently says should be done. In other words, he wants to put into legislation the recommendations of the committee report. Is that correct?

Mr. PROXMIRE. The Senator is correct.

Mr. SYMINGTON. As I understand it, there are 105,000 authorizations included in the various command headquarters categories. Is it correct that the Senator has already put most of this information in the RECORD?

Mr. PROXMIRE. Yes.

Mr. SYMINGTON. One aspect that has worried me is the size of headquarters in Europe. As stated in the committee report, we felt 2,200 personnel could be eliminated. That 2,200 would be part of the recommended overall reduction of 5,500, which included European headquarters and all the other headquarters, correct?

Mr. PROXMIRE. That is correct.

Mr. SYMINGTON. All those headquarters that are out of the country.

Mr. PROXMIRE. That is correct.

Mr. SYMINGTON. Under those circumstances, I am impressed by the position taken by the able senior Senator from Wisconsin. We often recommend, but that recommendation is not recognized, as illustrated by reference to CONAD represented in the committee report. Now it has been done, however, and the military is frank to say it has not, in any way, offset their capacity.

Speaking for myself, of course, and not for the committee, inasmuch as the issue is to make practical recognition of what the committee recommends in its report, I will support the modified amendment of the Senator from Wisconsin.

Mr. PROXMIRE. I thank the Senator.

Mr. President, I reserve the remainder of my time.

Mr. THURMOND. Mr. President, I yield to the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) such time as he requires.

Mr. HARRY F. BYRD, JR. Mr. President, if I understand this proposal correctly, it would not save one dollar. It would not reduce by one individual the number which would be reduced by the bill itself.

I read now from page 20 of the legislation:

> The end strength for active duty personnel prescribed in subsection (a) of this section for the fiscal year ending June 30, 1974, shall be reduced by 156,100.

In other words, the bill itself required a reduction of 156,100 persons in the armed services by the end of this fiscal year.

It goes further and says:

> Such reduction shall be apportioned among the Army, Navy, Marine Corps, and Air Force in such manner as the Secretary of Defense shall prescribe, except that in applying any portion of such reduction to any military department, the reduction shall be applied to the maximum extent practicable to the support forces of such military department.

Then it goes on to say:

> The Secretary of Defense shall report to the Congress within 60 days after the date of enactment——

The reductions and how he proposes to make those reductions.

The basic point, as I see it, in the amendment offered by the Senator from Wisconsin is, Are we going to attempt to determine on the floor of the Senate just where these reductions shall be made? It seems to me that what we ought to do is tell the Defense Department, "You must reduce your forces by 156,100 men by the end of this fiscal year," and then leave it to them to make the decisions as to where the cuts shall be made.

When this matter first came before the Armed Services Committee, the committee staff worked up detailed proposals as to where such a cut of 156,100 men could be made. The committee considered that, and it was the judgment of the committee as a whole that, instead of the committee attempting to tell the Defense Department where to make the cuts, the committee should recommend to the Senate and to the Congress that they adopt an overall total with which the Defense Department must live, but then give leeway to the Secretary of Defense to decide where the cuts can best be made.

As I see it, we do not want to sit here on the floor of the Senate, or even in committee, which has the facilities to go into detail on this matter, and try to specify exactly where every man should be reduced.

I personally think that we have too many men in the Armed Services under our budgetary situation.

This week I personally discussed this subject with Secretary Schlesinger, who came to the office and I made my views known to him. While I do not quote personal conversations, and do not now, I will say my talks with him were satisfactory. I think he is a very able man. I think he recognizes the problems which face him as the new Secretary of Defense.

He has been in office only a short time. I think he ought to have an opportunity to work out these reductions which the Congress plans to place on him, unless the committee recommendation is overridden, and he ought to have an opportunity to make the reduction of 156,100 men where it will do the least damage to the Armed Services.

I cannot see what we would be gaining by adopting the Proxmire amendment other than writing into law here on the floor of the Senate the disposition of our military troops. I prefer to stand on the principle.

Mr. NUNN. Mr. President, will the Senator yield for a question?

Mr. HARRY F. BYRD, JR. I yield.

Mr. NUNN. Is it not true that the Armed Services Committee debated this language, as the Senator from Virginia has already pointed out? We did it with a great deal of scrutiny and went over the recommendations of the staff in arriving at an overall figure, but we thought it best to leave to the Secretary of Defense, rather than carry out the executive function in our committee, to try to decide where each cut would be made, and therefore we put the language into the report rather than in the legislation?

Mr. HARRY F. BYRD, JR. The Senator from Georgia is quite correct. He emphasizes the very important point that, while the committee has ideas of its own, and its own ideas coincide with the Senator from Wisconsin's, the committee's total judgment was that we would be doing our Nation a better service to let the determination as to exactly where these reductions should be made, be arrived at by the executive branch and the Secretary of Defense, who has the overall responsibility, rather than attempt here on the floor of the Senate, or for that matter in committee, to do it.

Mr. PROXMIRE. Mr. President, will the Senator yield very briefly so that I may request the yeas and nays?

Mr. HARRY F. BYRD, JR. I yield.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. NUNN. Mr. President, will the Senator yield further?

Mr. HARRY F. BYRD, JR. I yield

Mr. NUNN. In other words, the Senator from Virginia is telling us we have in the committee report an illustration of what could be done and what we felt should be closely scrutinized, but we should not legislate either in committee or on the floor of the Senate, as he pointed out, with particularity the cuts, which would just take away the proper flexibility the department needs in order to determine properly its manpower requirements?

Mr. HARRY F. BYRD, JR. That is correct.

Mr. NUNN. So if we adopt this amendment, we would be going against what I think was the unanimous opinion of the committee. Is that correct?

Mr. HARRY F. BYRD, JR. Mr. President, I cannot remember whether the committee was unanimous. However, I think it was. I know that it was a majority of the committee.

Mr. NUNN. Mr. President, I cannot recall the exact number. However, it was a majority.

Mr. PROXMIRE It was not objected to, as I recall.

Mr. HARRY F. BYRD, JR. It was not objected to.

Mr. PROXMIRE. Mr. President, I agree with much of what the Senator has said. I commend the committee. We have had an enormous reduction, from 3.6 million down to 2.2 million, in the Armed Forces.

What we are trying to do is to take what the committee recommended in its report. The committee recommended a reduction of 156,000. We would provide that 5,500 be reduced in the staff of these overseas and domestic commands.

The committee thoroughly documents the fact that the commands overseas are overstaffed.

We know that the Pentagon has been explaining this year after year after year. The hardest thing in the world to do is to reduce the staff, because the admirals and the generals are the ones involved.

Mr. HARRY F. BYRD, JR. Mr. President, I do not think that the committee or the Congress has ever put a heavy reduction on the Pentagon and then told them how to do that.

Mr. PROXMIRE. The committee does that in the committee report.

Mr. HARRY F. BYRD, JR. No. May I say to the Senator from Wisconsin that the committee report gives the judgment of the committee as to where certain reductions can be made. We hope that the Department would follow as closely as possible the committee recommendation. However, when we get into the field of writing legislation on the floor of the Senate as to just where these reductions should be made, I think that we are going beyond our expertise. I am not sure that any of us can determine that.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. Mr. President, I yield to the distinguished Senator from Missouri.

Mr. SYMINGTON. To the best of my recollection, this is what happened. First, we all agreed there should be a manpower reduction. It was turned over to the staff, and an extraordinary amount of hard work was done to determine where reductions should be made.

The staff recommended a reduction of 9 percent in the Navy, 9 percent in the Army, 6 percent in the Air Force, and 1.8 percent in the Marine Corps.

The staff asked why the Air Force reduction recommendation was not equivalent to the others. They pointed out the Air Force had already done work on personnel reductions and this was the way it came out.

This came before the committee and was passed unanimously. But later, at another meeting of the committee, a recommendation was made by several Senators that instead of following the staff, we should follow the Secretary of Defense and leave it up to him as to where he thought it would be best to make reductions.

Inasmuch as I was anxious to continue the unanimous aspect of what we were doing in the committee, as acting chairman I agreed, "Let us leave it up to the Secretary of Defense."

Then we put out from the staff what I consider to be one of the more able reports that I have seen since I have been a Member of the Senate, backing up our bill. At that time, however, I could not understand why there was a sudden desire to leave it up to the Secretary of Defense. I thought later I knew why this was, upon receiving a letter from the Chief of Naval Operations which said among other things that such a reduction would, and I quote, "make the United States hostage to Soviet good will."

Mr. President, that statement was too strong to take. The letter also had misstatements. I wrote then and pointed out, with the aid of the staff, where there were mistakes in the letter.

The distinguished Senator from Wisconsin, who everybody on the floor will agree has made substantial contribution to the taxpayers in this and other fields, then came in today with an amendment this morning. The amendment was too strong. I told him I could not accept it. Now, he has taken the report of the committee; and I value these reports. I respect what the staff has to say.

The Senator from Wisconsin said:

> Then I will legislate what the committee report recommends.

With all due respect to my able and respected friend, the Senator from Virginia, I do not see anything wrong with now putting our money where our mouth was. That is what we are doing, in effect, in legislating this matter in this way.

It has not been my privilege to travel abroad with the able Senator from Virginia. But if there is any place where we are overstaffed in headquarters, it is abroad.

I had guessed that would be automatically taken care of. Something that worries me a great deal—and I doubt if there is anyone in this body who worries more than the Senator from Virginia—is further problems with the value of the dollar.

There is overstaffing in some headquarters; our report recommends that we make these reductions. Under the circumstances, and based on legislative history and this committee's history, I have taken the liberty to refer to this afternoon, I felt it in order to support the amendment of the Senator from Wisconsin.

Mr. HARRY F. BYRD, JR. Mr. President, I thank the Senator from Missouri. May I say in that connection that I felt the staff, as just expressed by the Senator from Missouri, did an excellent job in pointing out where the reductions can be made. It is a question of legislative policy. Does the Senate or does the Congress want to specify where these reductions shall be made, or would it be wiser for the Senate to put on an overall ceiling and demand a reduction of 156,000 men and then leave it up to the Secretary of Defense to make the decision as to where those men can best be reduced?

It seems to me as a matter of logic and as a businessman, that if I wanted a reduction in the number of staff on my newspaper, I would leave it up to the general manager and tell him how many to reduce. He will then do it where he thinks is best. I do not try to tell him that he should take 6 out of this department and 6 out of another department and 15 out of another department. I do not think as a businessman that that is a very wise thing to do.

Mr. NUNN. Mr. President, I recall that our committee report did contain the recommendation as to where the committee felt that the cuts should be made. However, we have a comprehensive report that does not pick out a particular place, but gives the overall feeling that the cuts should be made by illustrations. And if we want to get into the business of telling the Department of Defense where the cuts ought to be made on the basis of the committee report, we should not take only one portion of the report, but we should take the whole report. We are dealing with only 5,500 men out of 156,000 men.

The committee did not do that in the report. We had the staff make a comprehensive analysis which is contained on pages 129 to 147. The best thinking of the committee was to take the 5,500 men and impose the cut on that 5,500 men, but completely ignore the others.

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that the time of the opponents to the amendment has expired. The Senator from Wisconsin has 6 minutes remaining.

Mr. HARRY F. BYRD, JR. Mr. President, I would like to have a few minutes.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that there be an additional 30 minutes, to be equally divided between the Senator from South Carolina and me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, would the Senator from South Carolina yield me 3 minutes?

Mr. STENNIS. Mr. President, would the Senator from South Carolina yield me 5 minutes?

Mr. THURMOND. Mr. President, I yield 3 minutes to the Senator from Virginia and will then yield 5 minutes to the Senator from Mississippi.

Mr. HARRY F. BYRD, JR. The Senator from Georgia, I think, is absolutely right. There are a number of recommendations dealing with this 156,000 cut, and I think if we are going to get into specifying where the cuts are to be, there are many areas the Senate would be interested in considering scattered all through this report.

I want to emphasize again that this amendment by the Senator from Wisconsin will not save $1—not $1. It will not reduce by one person the number of personnel the Army, Navy, Air Force, and Marines will have at the end of the fiscal year if this legislative recommendation of a cut of 156,000 men is made.

It is really a question of principle and of policy of the Congress. Do we want to specify on the floor of the Senate where these cuts shall come from, or is it wiser to say to the Secretary of Defense, "We demand that you reduce by 156,000 men, and you make a decision where best you can let those men go."?

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. Yes.

Mr. SYMINGTON. I have great respect for the Senator's opinion. He makes a point about comparing this to a matter of business. But when this measure goes to conference, where we know, based on past experience, we may have trouble with such an amendment, does he not think, when we point out heavily overstaffed headquarters that have little to do with security, if we point this out in practical fashion, it might help in obtaining some of the 156,000 reduction the committee decided upon?

Mr. HARRY F. BYRD, JR. Mr. President, I emphasize to the Senator from Missouri that I favor the reduction in these support forces and headquarters forces.

Mr. SYMINGTON. I understand, and am talking about its practical application later in the conference.

Mr. HARRY F. BYRD, JR. I do not think that makes too much difference; certainly not enough difference to breach the principle of whether we want to specify where the cuts are to come from.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. LONG. I am afraid the Senator might find we are not going to succeed in making reductions, even though we try. It has been my experience that the military does not agree that cuts should be made. They are naturally disposed to taking their cuts in ways where they know they are going to get their money back.

I can recall when I was working on the construction subcommittee——

The PRESIDING OFFICER. The time of the Senator from Virginia has expired.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that time be considered as yielded as necessary so that we can discuss this proposal.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LONG. On the advice of some of the best engineers in the Corps of Engineers, I advised that they should not spend more than a certain amount per man on barracks at that time. Those engineers, who built a lot of these barracks, explained that they could set the joists a little bit farther apart, or find ways to make the room a little bit smaller, or cut a few corners in the costs—as contractors frequently do to make a profit for themselves, by the way—so that, in total, they could save about another 10 percent on barracks buildings. That is, they could either build it as big by cutting costs, or make the room a bit smaller, and build these buildings for less.

That is how the people advised me that these reductions in costs could be made. But then when I went around to see how they were doing it, most of them were doing it that way, but we found a commander of a naval base, leaving out the ceiling.

Imagine, you have the floor of the room above and the floor below, and nothing between the floor and where the ceiling is supposed to be, just leaving out the ceiling.

Why was he doing that? He was doing that because he knew it looks idiotic not to have a ceiling, and therefore he will leave out the whole ceiling, because he knew Congress would give him the money to put the ceilings in later.

Likewise, they know that if they take out the officers' club, they might have difficulty getting that back, or if they take out the club for the admiral, they might have difficulty getting that back, but if they take out a little beer hall for the enlisted man that is something Congress would restore, so that the officer gets his club but the enlisted man does not have anything. They know they can get it for the enlisted men. By taking out something essential, they know they can get it later on.

That is the game they always play on some of these across-the-board cuts. You cannot blame them; they do not think cuts should be made to begin with, so they will try frequently to take the cut in a way to assure that they will get the money later on.

When you try to cut down on the cost of an air base, they will leave the concrete off half the runways. They know that that base will never serve its purpose until that runway is long enough for modern planes to land. They could have saved the same thing by less space on the parking apron, which will probably not be filled up twice a year anyway. But they say, "Oh, no, don't cut the parking apron, cut the runway." That way, they know they will get their money back.

If you do not specify where the cuts are to come from, oftentimes these across-the-board cuts only mean a mere postponement from 1 year to the next of a certain item of spending.

Every time I ever went to Europe, if I had a military man with me, he was astounded to see all those headquarters over there, and would ask, "Why all the headquarters?" The only reason I could see for all the headquarters was that it was possible for more people to have a tour of duty, enjoying the advantages of the European atmosphere, with all the emoluments that go with it. This is obviously one area where I have never found anyone yet who knew anything about it who would not tell you that they have far more headquarters personnel than they need over there.

I can recall one time when I was in the service—I am sure this is an extreme example—but that day I was talking with someone, discussing his particular unit. I was a lieutenant at the time and he was a colonel, and I heard him say to another lieutenant, "I want to just invite you to guess how many officers of a certain rank we have in our unit." He said, "I will tell you right now, we have 15 privates, 3 corporals, 1 general, and how many colonels do you think we have?" The other fellow said, "How many?"

He said, "A hundred and fifty."

Mr. President, 150 colonels in that one unit, with 15 privates. They did not have enough privates to carry the baggage around for the colonels. The whole thing was a fiasco.

But that is sort of in line with all these headquarters they have over there in Europe. You cannot blame them; it is nice and cool in the summertime, the climate is very pleasant. It might be a little unpleasant during the month of December, but they might find some reason to go down and visit their friends at Naples or Ischia during that period of time, where they have some villas on Capri and that sort of thing.

I think the Senator is right about being overstaffed in Europe; there is just no doubt about that.

Mr. HUMPHREY (laughing). Fifteen privates and 150 colonels?

Mr. STENNIS. Mr. President, will the Senator from South Carolina yield me some time?

Mr. THURMOND. How much does the Senator want?

Mr. STENNIS. Make it 5 minutes.

Mr. President, this is a matter that, so far as this bill is concerned, I have only gotten familiar with in the last 3 or 4 days. But I want to say this: I think the committee has done an excellent job in getting into this numbers business, the numerical armed strength and the required reduction, here, of 156,000 men, which, if carried out, will afford a saving of approximately $1.6 billion.

Now, if the Senate can get that written into law, that is a full day's work. In fact, it is a full year's work.

I believe that this amendment, with all deference here, will encumber this reduction picture as it goes into conference. I believe the committee, in its judgment, picked a figure and then picked a method, the best method, of making the reductions and put the responsibility directly on the head of the DOD. This will be mandatory if it becomes law. I think it is a wholesome step forward, but it is a severe cut to start with, severe for 1 year under any circumstances, in view of the other adoption.

I think it is severe enough that 4 or 5 months of this fiscal year will have passed before the bill becomes law, leaving a very short time to make the reduction of the 156,000 men. That is a matter of judgment.

I am familiar enough with the general problem to speak in terms of a warning: Do not go too far on this thing. Put the responsibility on the Secretary. This report does that. But do not write it into hard law and thereby give them an excuse for not being able to comply with all of it without seriously disrupting some of the essential units.

As to action that will go a long way towards taking care of the headquarters problem, and it is a problem—there is no doubt about it—we cannot just be careless with the skill and talent that we have left in the services. We may have a few too many of these officers but sometimes we have to have too many to have enough, should something happen.

So I think that the committee has done an excellent job. I deserve no credit for it whatsoever, of course. I do have the subject on my mind, enough that through the chief of staff of the committee I put on the committee staff an unusually competent man in this field of personnel. This 156,000 is partly a result of his quick work—he has been there only a few months.

Again, this is the most difficult subject to be found in all the military picture—that of personnel. It is the most difficult to deal with. Former Senator Russell put me on a subcommittee 15 or 16 years ago to take a look at the general officers, and we made a recommendation that put a ceiling on them, lower than the law required at that time. That shows the surveillance we were exercising then. We stuck to it and did not let them go beyond that ceiling except with special justification.

But when we got into the war, sending forth our men into battle to die every day, I relaxed that formula for my part. Now, except for the Navy, that lowered ceiling of the committee is not applicable anymore.

So, again, with all good faith here, I warn that this amendment will smear up. I am afraid, a very fine provision that is already in the bill.

It will not save one dollar. It will not reduce the total number of men that we will eliminate by as much as one. So, I think we had better leave it—and I have no personal interest in this—I think that we had better leave a mighty good job, well done, alone. Then wait. If they do not do something reasonable about this whole matter, including the problem the Senator has brought up in his amendment, then we will have time to act. Here, we are setting forth, with this 156,000, on as big a job amendment as can be done safely within the 8 months that will be left.

Several Senators addressed the Chair.

Mr. HUMPHREY. Mr. President, I wanted to ask the distinguished Senator, what way do we have to get assurance that the point the Senator from Wisconsin is seeking to achieve will really take place?

May I say most respectfully that I have even watched the President trying to reduce officers in our legations, embassies, and military missions, with very little success. I am torn by the principle which the Senator from Virginia has so ably enunciated and, regrettably, the facts that face us in terms of our many overseas missions.

If there were some way that we could reconcile the differences where, after a period of time, let us say six months, the Secretary of Defense could demonstrate to Congress that he had made the reductions, then I think we might be on some safe ground.

So I ask the Senator, I wonder in what way we could be assured that the Secretary of Defense, if the principle of the Senator from Virginia is carried out, namely, to leave the overall cut of 156,000 in, with the committee report backing it up, what assurance do we have that the Secretary of Defense will achieve the goals of the report as outlined more specifically in the amendment of the Senator from Wisconsin?

Mr. STENNIS. Let me be brief—I do not wish to take more time of the Senate—but answering the Senator's question, page 20 of the bill states in part:

> The Secretary of Defense shall report to the Congress within 60 days after the date of enactment of this Act on the manner in which this reduction is to be apportioned among the military departments and among the mission categories described in the Military Manpower Requirements Report. This report shall include the rationale for each reduction.

So, the mandate is there. Whoever prepared the bill on this subject knew what he was trying to do. He knew that ways out which our friend has so eloquently called our attention to, that is, the Senator from Louisiana (Mr. LONG), and has closed that door, as I see it. Then, of course, we have the report now, recommending to the committee and to the Senate that if it stands, that the named headquarters be considered.

So, I warn against rushing, against any rash action. We filled up a lot of the officers who are holding the nonprimary military positions ourselves—Congress did. I was here right after World War II, and the idea was then that we had to have someone who was well versed in these matters, and we fell back on these men. They liked it. They liked it and they still like it. This mandate will do more good than anything we can write in the form of law.

Mr. SYMINGTON. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. SYMINGTON. Everyone knows the great respect in this body that the able Senator from Mississippi enjoys. No one in the Senate has more knowledge of the military, probably no one as much knowledge as he. I was much impressed with what the Senator from Louisiana (Mr. LONG), in his somewhat humorous but nevertheless very effective fashion, pointed out about certain aspects of our troops abroad.

I heard the distinguished Senator from Mississippi the other day on his Face the Nation show and he did his usually superb job. At that time, as I remember it, he felt that the 156,000 personnel reduction situation should be taken in three bites—that is, taken over 3 years and not next year. That was the only part of the program where I disagreed with my chairman.

I feel, after careful study, that it can be taken care of now if done right. That is one of the reasons, because of the telecast—in which the chairman stated he thought the reduction was a little strong, and that perhaps we should do it in 3 years instead of 1. So I thought we could get something out of this amendment. I thought the Proxmire amendment, putting into law the suggestions of the committee, sounded pretty good to me. I think it is sound, his modified amendment.

We started out with a recommended reduction of 156,000. If we divide that into 3 years, we get some 50,000. When it come to straight legislation, especially considering illustrations the able senior

Senator from Louisiana gave—and I spent a few years myself in the Pentagon, I would like to see 5,500 actually legislated the way things are going; in the law, not just a Senate recommendation.

Mr. STENNIS. I thank the Senator. We are close together. I stand on 156,000 this year. That is the committee judgment. If it had been left up to me, I would have considered stretching it out over more than 8 months. I do not know just how far. It is a question of judgment.

Mr. SYMINGTON. The chairman is very gracious. I am impressed with what he has said, and almost desire to withdraw my observation. But I did believe he wanted the 3 years; and I know from experience his capacity to influence this body on any subject, let alone the military. I also wanted however, to make my position clear.

Mr. TOWER. Mr. President, I point out that a great deal of consolidation and reduction in force already has taken place in our command structures in Europe. The Air Force has set a particularly good example in this connection. It has consolidated quite a number of its activities.

I know, too, that the command of the U.S. Air Force-Europe moved out of Wiesbaden, which is the old spa of the Kaisers, a great resort town, and moved to Ramstein, which could hardly be considered a garden spot, for the sake of consolidation and reduction in force and to save money. They combined with the Fourth Allied Tactical Air Force Command there, which is a NATO operation. They are now on the runway, in the grease, with the jocks who are actually flying the airplanes.

This is an example of what has been going on and is going on; and I think it would be inadvisable for us to adopt this meat-ax approach even though we make some specific recommendations in the committee report.

Mr. THURMOND. Mr. President, following up on what the distinguished Senator from Mississippi has said about the recommendation here, I invite the attention of the Senate to this, also: The Defense Department has to make this report. They have to keep the Committee on Armed Services informed.

> This report shall include the numbers by rank by which each headquarters was reduced. It should also show the precise reductions in the officer force structure achieved and planned to be achieved during the fiscal year, inasmuch as it is the committee's intention that the positions abolished or reduced shall not be laterally transferred elsewhere in the Defense Department.

Mr. President, the Defense Department is on the spot in this matter. They have to take action. But the question is whether we are going to tie their hands to this place and to that place or are going to give them the flexibility to work it out in a practical way, as the distinguished Senator from Mississippi has said should be done.

Mr. PROXMIRE. Mr. President, a great deal of reliance has been placed by the opponents of this amendment on the fact that the Pentagon will be required to report in 60 days on action they have taken in the 156,000 reduction. What happens when the Pentagon makes their report and they have not reduced these headquarters? We have lost another year.

What is the difference between mandating by law a reduction of 156,000 and then also mandating by law a reduction of 5,500 in the headquarters staffs at various levels around the world which the committee has documented are overstaffed? That is all I am asking for.

The distinguished Senator from Virginia has properly pointed out that this is not an economy amendment. It will not save a dollar. That is not what I am interested in. I am interested in combat readiness. If we are going to get a reduction of 156,000 men, we ought at least to have a reduction of 5,500 in staff at these overseas headquarters. That is what this amendment requires.

This is not the proposal of a Senator who is not on the Armed Services Committee. This is the committee recommendation. It is a matter of whether or not the Senate feels that this recommendation is sufficiently significant to make it a law.

We know that since the end of the Vietnam war, we have had a very massive reduction in military manpower, a tremendous reduction in our combat forces—a reduction from 3.6 million all the way down to approximately 2.2 million. But how much of a reduction has there been in the staff headquarters?

As the Senator from Louisiana pointed out so well, the fact is that those are the attractive jobs, those are the jobs that the generals and the admirals like, and they take their staffs with them when they go there.

Unless we make this a matter of law, that 156,000 rdeuction is not going to be reflected proportionately in those nice, attractive jobs around the world which the generals and the admirals want.

Mr. LONG. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. LONG. When I was on the Armed Services Committee, which was a long time ago—about 20 years—it was my privilege to go over there and take a look at that situation. They were overstaffed at that time, and we so reported.

Everybody who has looked at the situation for 20 years has been reporting it. How long do we have to report that these people are overstaffed ?

One reason for the situation is to keep billets for more colonels, more generals, more admirals, more Navy captains, more of the top ranking officers. By letting them be overstaffed in these headquarters, they can justify more top brass than they have any use for.

We have been recommending for 20 years that they be cut back, and very little has been done.

Mr. PROXMIRE. That is exactly what my amendment attempts to do.

Mr. President, the Senator from Georgia has raised a proper point and one we ought to consider—whether we should go into this detail in legislating on this kind of bill or should leave it to the discretion of the Pentagon, whether their judgment might be better.

The fact is that we do legislate ceilings and numbers on weapons systems to defend this country that are enormously important, a matter of high technical judgment. We take the responsibility. We bite the bullet. Certainly, if we are going to do that, we ought to have the wisdom to be able to legislate on the size of these staffs overseas, after having a documented report submitted to us. That is all this amendment proposes.

Mr. THURMOND. Mr. President, I yield back the remainder of my time.

Mr. PROXMIRE. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. HART), the Senator from Colorado (Mr. HASKELL), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Utah (Mr. MOSS), the Senator from Iowa (Mr. HUGHES), and the Senator from Connecticut (Mr. RIBICOFF) are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut (Mr. RIBICOFF) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senators from Nebraska (Mr. CURTIS and Mr. HRUSKA), the Senator from Colorado (Mr. DOMINICK), the Senator from Florida (Mr. GURNEY), the Senator from Oregon (Mr. HATFIELD), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. PERCY), the Senator from Ohio (Mr. SAXBE), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that the Senator from Utah (Mr. BENNETT), and the Senator from Ohio (Mr. TAFT) are absent on official business.

I also announce that the Senator from Oklahoma (Mr. BELLMON) and the Senator from Kansas (Mr. PEARSON) are absent because of illness.

On this vote, the Senator from Illinois (Mr. PERCY) is paired with the Senator from Connecticut (Mr. WEICKER). If present and voting, the Senator from Illinois would vote "yea" and the Senator from Connecticut would vote "nay."

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Nebraska would vote "nay."

I further announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The result was announced—yeas 31, nays 41, as follows:

[No. 409 Leg.]

YEAS—31

Abourezk
Bayh
Bible
Biden
Byrd, Robert C.
Case
Church
Clark
Cranston
Eagleton
Fulbright
Gravel
Hartke
Hathaway
Hollings
Humphrey
Inouye
Long
Mansfield
McGovern
Metcalf
Mondale
Montoya
Nelson
Pell
Proxmire
Randolph
Roth
Stevenson
Symington
Williams

NAYS—41

Aiken
Allen
Baker
Beall
Brooke
Byrd,
  Harry F., Jr.
Cannon
Cook
Dole
Domenici
Ervin
Fannin
Fong
Goldwater
Griffin
Hansen
Helms
Jackson
Javits
Johnston
Magnuson
McClellan
McClure
McGee
McIntyre
Muskie
Nunn
Packwood
Pastore
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stennis
Stevens
Talmadge
Thurmond
Tower
Tunney
Young

NOT VOTING—28

Bartlett
Bellmon
Bennett
Bentsen
Brock
Buckley
Burdick
Chiles
Cotton
Curtis
Dominick
Eastland
Gurney
Hart
Haskell
Hatfield
Hruska
Huddleston
Hughes
Kennedy
Mathias
Moss
Pearson
Percy
Ribicoff
Saxbe
Taft
Weicker

So Mr. PROXMIRE'S amendment was rejected.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now is on amendment No. 513.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the yeas and nays be withdrawn.

The PRESIDING OFFICER. The yeas and nays were never ordered.

Mr. PROXMIRE. I thought they were ordered. I beg the Chair's pardon.

The PRESIDING OFFICER. The question is on agreeing to the amendment (putting the question).

The amendment was rejected.

Mr. HUMPHREY. Mr. President, I call up my amendment, which is at the desk. May I say, for the information of the Senate, that I shall not be seeking a rollcall vote on this amendment. I have talked with both the manager of the bill and the ranking minority Member.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. That, of course, is not insurance that there will not be a rollcall vote, because while I would agree with the Senator from Minnesota, any Senator can ask for a rollcall vote, and on Saturday afternoon no one knows what is going to happen.

Mr. HUMPHREY. The leader is so right.

Mr. President, the amendment reads as follows:

CONSERVATION OF PETROLEUM RESOURCES BY THE DEPARTMENT OF DEFENSE

It is sense of the Congress that prompt and effective action must be taken by the Department of Defense to conserve important petroleum resources. The Secretary of Defense therefore is directed, consistent with readiness and training requirements, to institute conservation measures to eliminate all nonessential use of jet fuel, heating oil, diesel fuel, and other petroleum products. Not later than thirty days after the enactment of this Act the Secretary of Defense shall report to the Congress on the steps being taken by the Department of Defense to conserve petroleum resources and specifically jet fuel, heating oil, and diesel fuel. Such reports shall include the total volume of each type of petroleum product consumed in the United States and worldwide by the Department of Defense; the cost of such products; the volume of reserves maintained for use; reductions in use achieved or ordered; and a recommendation for the further reduction in use and proper allocation of such products.

Mr. HUMPHREY. The whole purpose of the amendment, since the Department of Defense is the largest user of what we call fuel oil, and in light of the fact that we are facing a serious, critical fuel oil shortage, particularly in the Northeastern part of the country, as well as in the upper Midwest and other parts, is merely to instruct the Secretary of Defense to take measures which will conserve fuel oil and jet fuel, and report to Congress promptly—indeed, within 30 days—the measures that have been taken for the conservation of this resource.

Mr. JAVITS. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. JAVITS. Mr. President, I believe this is a splendid amendment. I hope that the Senator from Minnesota will tack it on to every departmental bill we have before us to which it can properly, under the procedure, be attached. This is the way in which to make a contribution to correcting the energy crisis. I congratulate the Senator for offering the amendment.

Mr. HUMPHREY. I thank the Senator from New York.

Mr. THURMOND. Mr. President, the amendment appears to have considerable merit. We will accept it on this side.

Mr. RANDOLPH. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. RANDOLPH. I wish to ask a question of the able Senator from Minnesota. I, of course, have not had an opportunity to read the amendment. Perhaps it was read, and I did not hear it.

Mr. HUMPHREY. I was reading it as the Senator entered the Chamber.

Mr. RANDOLPH. I heard the Senator speak of jet fuel. Would the Senator clarify that statement for me?

Mr. HUMPHREY. Jet fuel is very similar to kerosene——

Mr. RANDOLPH. Yes, I understand that.

Mr. HUMPHREY. It is very similar to heating oil. All we say is, in effect, "Mr. Secretary, take whatever steps you can, consistent with the training and readiness of the Air Force, to conserve that fuel which the Department of Defense uses."

Mr. RANDOLPH. I [illegible] that. The reason I asked the question is not that I do not understand the ingredients which go into jet fuel. I use this occasion to say that on November 6, 1943, I flew in a plane from Morgantown, W. Va., to Washington National Airport. The plane was fueled with aviation gasoline processed from West Virginia coal. This was the first such flight of aircraft powered by gasoline made from coal.

I note that occasion to stress that, beginning in the 1940's, ve offered proposed legislation to use fully coal and oil shale, and these pilot projects were found to be successful under the research programs.

A few years later, the American people and Congress were lulled into a sense of false security, feeling that there was no possible crisis in the United States from the standpoint of fuels and energy. So the programs stopped. They ended.

Then, beginning a few years later, we came to a realization—at least an awareness—on the part of a greater number of people of the seriousness of the situation.

Not only is our fuels situation a crisis—I say to the Senator from Minnesota and the other Members of the Senate—it can become a chaotic condition, partially because it can affect the survival of the economic system which has been the strength of the country.

It is clear that the energy crisis is no illusion. It is a very real problem and it is going to be with us for a long time. To live with it, and eventually overcome it, will require total dedication of our people; cooperative and affirmative action at all levels of government; and a significant investment of money.

In the past, our Nation has been accustomed to a fuel abundance and the early signs of energy shortages which are now upon us were ignored. The basic fact is that our country's appetite for fuel is enormous. This demand has accelerated much faster than our ability to produce and secure the products necessary to energize this country. America, with only 6 percent of the world's population, consumes 33 percent of the world's energy and the demand is continuing to grow.

Our increasing energy requirements have been stated many, many times during recent months. Yet, I feel it is beneficial to reemphasize them, so that the energy crisis can be placed in proper perspective. It is startling to note that in 1960, our energy demands when converted to a common base in terms of oil or a so-called "oil equivalent" were 21 million barrels of oil per day. In 1970, this figure had reached 34 million barrels per day and is projected to increase to 48 million by 1980.

Even more revealing is the per capita energy demand in oil equivalent. In 1960, it was 44 barrels per person per year; in 1970, it was 60 barrels; and for 1980, according to current estimates it will be 77 barrels of oil per person per year.

In the particularly critical area of refined products, where fuel shortages have been dramatized, America's requirements in 1960 were 10 million barrels per day. By 1970 this figure had increased to 15. Estimates for 1975 and 1980 show increases to 20 and then 23 million barrels of oil.

Since our discussion focused earlier on jet fuel, I believe it is important to stress the fantastic increases in consumption in this area. Usage of jet fuel in 1960 was 34,000 barrels per day. By 1972, this usage had jumped to 195,000 barrels per day, an increase of over 570 percent.

Mr. President, today 96 percent of our total energy comes from traditional fossil fuel sources of which petroleum is 43 percent; natural gas, 33 percent; coal 20 percent; and the remaining 4 percent is nuclear energy. The critical area of concern at the present time is for crude oil and refined products. Basic supplies for 25 percent of these liquid fuels are presently dependent on Middle East sources. This is expected to increase to 50 percent between 1980 and 1985. There are many pros and cons regarding this trend, but one element is certainly clear—it is not sufficient to just import crude oil. There must be the domestic refinery capacity to refine it into usable form. Our current problem stems from the fact that we do not have sufficient domestic refinery capacity to do the job that is needed.

In January of this year, our Nation was in a position of importing 2.5 million barrels a day of refined products. By 1975, we will have to increase this importation to 4.8 million barrels per day. One of the opportunities to alleviate this projected dependence on importation of refined products in addition to crude oil would be through conservation measures. The administration has belatedly advocated conservation practices in both private industry and Government, but their program falls far short of what is required for a comprehensive program. Thus, it is necessary for the Congress to take affirmative action to initiate conservation measures. The pending amendment is directed toward this vital objective.

I firmly believe that our Nation over the short term can achieve great savings in the use of fuel through a comprehensive energy conservation program. In the effort to conserve no facet of our society should be exempted. A recent report by the Office of Emergency Preparedness suggests that for the entire U.S. economy projected demand for 1980 could be reduced by one-sixth—equal to 7.3 million barrels of oil per day—through adherence to a comprehensive conservation program.

It is obvious, Mr. President, that solutions to the energy crisis must be a priority issue and that positive Federal initiatives in energy conservation and development of new and necessary energy technologies must be stressed. Our Senate national fuels and energy policy study, on which I have the responsibility of serving, has developed a comprehensive energy conservation measure which has been ordered reported by the Interior Committee. Additionally, I call attention to my amendment to the Fuels Allocation Act, adopted by the Senate, calling upon the States to reduce speed limits on interstate highways by 10 miles per hour in order to conserve gasoline. The response to this proposal by the Governors of the States has been encouraging.

Finally, Mr. President, I would recall that on January 16, in Senate remarks, I enunciated 26 proposals for consideration in the development of a national fuels and energy policy. This was an attempt to provide a framework for evaluation of their relative merits as essential elements of national policy.

Included in my proposals were steps to foster energy conservation practices nationally. I noted that we should:

Upgrade the 1971 FHA home insulation standard.

Establish Federal guidelines for the incorporation of energy conservation practices in new buildings—mandatory for new Federal and federally insured buildings and homes. The Senate Public Works Subcommittee on Buildings and Grounds will study this aspect in detail this year.

Establish a national program of consumer education to foster more efficient use of energy in our daily lives.

Develop and publish Federal guidelines for the labeling of electrical equipment to reflect efficiency of energy utilization.

Initiate comprehensive national review of the potential for energy conservation within the transportation sector of our economy, hopefully, to lead to the adoption of Federal policies for fostering energy conservation in this end use.

It is important, in my judgment, that we constantly stress the fuels and energy crisis confronting our country and review the solutions being proposed. A constant discussion of these issues is necessary if we are to cope with this critical problem.

I congratulate the Senator from Minnesota for offering the amendment. I believe it is an excellent amendment. I join with the Senator from New York (Mr. JAVITS) in saying that it is an amendment which, perhaps, could well be included in other legislative measures.

If, in the opinion of my friend, the Senator from Minnesota, it would be appropriate to include other names as cosponsors, I should like to be one of those included.

Mr. JAVITS. Mr. President, will the Senator from Minnesota also add my name as a cosponsor?

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the names of the distinguished Senator from West Virginia (Mr. RANDOLPH) and the distinguished Senator from New York (Mr. JAVITS) be added as cosponsors of my amendment.

I congratulate the Senator from West Virginia for his leadership in the matter of energy resources.

I point out that this amendment is in part a result of the work of the subcommittee of the Joint Economic Committee on which the Senator from New York serves.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Washington Post of this morning entitled "Rationing Fuel Oil," an article relating to propane gas, and a letter which I have addressed to the President of the United States calling for an immediate mandatory allocation program for home heating and fuel oil, and for propane gas.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SEPTEMBER 22, 1973.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I urge you to institute immediately a mandatory allocation program for home heating and fuel oil, and for propane gas.

As Chairman of the Senate Consumer Economics Subcommittee, I have urged this action since last May.

Our subcommittee has received testimony, in hearings last May and June, and again this week, from Governors, local government and school officials, representatives of consumer groups, fuel producers, distributors and retailers, scientific experts, economists and top officials of the Administration.

The overwhelming opinion expressed at our hearings, as well as at those of other committees, is that mandatory allocation of propane, home heating oil and diesel oil is urgently needed to avoid severe hardships for many people under the best conditions this winter, and possible disaster under bad conditions.

I introduced legislation to require a mandatory allocation system, S.J. Res. 98, on April 18, 1973.

The Congress enacted authority for you to institute such a system in the Economic Stabilization Act approved on April 30, 1973. With my support, the Senate overwhelmingly adopted Jackson's bill, S. 1570, the Emergency Fuels and Energy Allocation Act, by 80 to 10 on June 5, 1973, to require the establishment of mandatory allocation.

September is now upon us. The heating season already is beginning in large parts of the United States. Yet fuel users still cannot get firm contracts from suppliers. Some persons in possession of supplies are hoarding them in hopes of higher future prices, and black marketing is breaking out in the desperate scramble to get fuel.

The need for mandatory supply allocation is made unambiguously clear and compelling, moreover, by recent forecasts for the coming winter by congressional committees and executive agencies, as well as by private sources. These forecasts are unanimous in concluding that the fuel outlook is perilous and could become very critical if fortune is not consistently on our side.

There is more than a 50 percent chance that events of this winter will bring on serious shortages of at least regional magnitude. There is a very significant risk of shortages of national scope. Without mandatory supply allocation, these shortages could quickly hobble the United States economy, disrupt essential public institutions such as education, and cause widespread hardship for homeowners who heat with oil. Economic disruption would tend to spread both inside and outside the areas immediately affected by lack of fuel.

Moreover, we are firmly of the view that the allocation system adopted should assume that normal supplies are channeled through independent fuel dealers whose continued services are vital for efficient distribution.

Each day's delay increases the chances of unnecessary hardship for many people. Mr. President, it is essential that you act now, either under your existing authority in the Economic Stabilization Act, or through urging immediate approval by the House of Representatives of the Senate passed bill, S. 1570.

Sincerely,

HUBERT H. HUMPHREY.

Allocation of Propane Is Planned

The White House plans to allocate propane and ban industrial switching to other scarce fuels, an informed source says.

There are strong hints that mandatory allocation may soon follow for home heating oil and diesel fuel.

Of the three fuel-allocation plans proposed in August by John A. Love, director of the Energy Policy Office, two have already been endorsed, the source said, and Love made it clear that prospects for the third—allocation of heating oil and other fuels—are increasing daily.

Love revealed Wednesday, in a news conference remark, his decision to ask the President to impose a mandatory wholesale distribution system, or "allocation," on propane.

The proclamation is expected within a matter of days.

This source also revealed another decision: to proceed with the administration's fuel-switching proposal, aimed at preventing power plants and other industries from abandoning abundant, high-sulfur fuels with environmental problems for scarce, low-sulfur fuels that carry lower clean-up costs.

A proclamation on this plan, too, was expected within days.

There was less certainty about the general fuel-allocation proposal, but the uncertainty seemed to center on which fuels must be allocated.

The fuel-allocation proposal would require suppliers to distribute petroleum fuels to their customers in the same proportion as they did in the past, after setting aside 10 per cent for assignment by the states to priority uses.

Top priority in fuel distribution would go to food production and processing, followed by operations of the fuel industry.

The priorities would then descend through health and sanitation, police, firefighting and emergency services, public transportation, freight transportation, public utilities and telecommunications.

Rationing Fuel Oil

President Nixon's fuel oil policy, at the moment, amounts to little more than a fervent hope for a warm winter. But in Congress and throughout Mr. Nixon's administration, there is now a widening consensus that drastic measures are going to be necessary to cut down the rate at which the country burns oil during the coming months. The President himself has been talking entirely in terms of large plans to expand fuel supplies in the latter 1970s. But those large plans will not help the country this winter. For this winter, it is increasingly clear that we are going to have to have a federal program of enforced fuel allocation. That means, in one sense or another rationing.

Two studies published this week set out the dimensions of the coming shortages. One was drafted by the Interior Department for the White House, the other by the Joint Economic Committee's staff for Sen. Hubert H. Humphrey (D-Minn.). Both emphasize the unpleasant truth that the scale of these shortages now depends entirely upon circumstances that the government cannot control. The weather is one imponderable. Another is the willingness of other countries to export fuel oil to us. The Interior Department says that, with normal weather, the country will need to import 650,000 barrels a day of refined fuel oil throughout the winter. But the department finds only about 550,000 barrels is likely to be available. There will be even less if the winter in Europe is cold or if the Arab countries curtail shipments.

The immediate trouble is not a lack of crude oil, but of the refined product that we use for heating and diesel fuel. Demand for oil products in this country has now far outgrown the capacity of the American refineries. That is why we are currently dependent on other countries' refineries, particularly the European'. But Europe is now bitterly accusing the United States of aggravating their very serious inflation by bidding up the price of their oil. Last year we imported fuel from western Europe at the rate of 13,000 barrels a day. In the first three months of this year we were importing it at a rate of 168,000 barrels a day. The more we buy, the higher the price goes and the more likely that the Common Market will impose export restrictions to protect its own consumers. Both Canada and Belgium are already restricting exports of refined products to the United States, and there have been warnings that other exporting countries are prepared to do the same.

Europe is, in turn, heavily dependent on crude oil from the American-owned wells that the Libyan government has now confiscated. There is a prospect of a long legal struggle in which the American companies attempt to prevent Libya from selling the oil. Two companies, Texaco and Standard of California, have now gone into the Italian courts to recover shipments that, they claim, were shipped from their properties to refineries in Sardinia. If there is a serious disruption in the flow of this crude oil from Africa to Europe, aggravating the shortages in Europe, European restrictions on fuel oil exports will become probable to the point of certainty.

That is why this country urgently needs a mandatory system to allocate fuel oil. It would obviously be wiser to impose allocations immediately, rather than waiting for cold weather and the arrival of actual hardship. Whether President Nixon is prepared to move fast enough and strongly enough is, unfortunately, open to doubt. All of his comments over the past month have indicated a fundamental failure to grasp the dimensions of the emergency that looms before us. But many of the men around him, within his administration, perceive it fully. The only real question is whether the administration proceeds with mandatory allocation before Congress enacts the bill drafted by Sen. Henry M. Jackson (D-Wash.) to force it.

The Jackson bill, passed by the Senate and now in the House, would do a great deal more than merely ensure supplies to independent dealers. It would enforce rationing at the wholesale level. It would also establish an order of priorities, with home heating and farming at the top. But, to work effectively, any allocation system is going to have to be accompanied by conservation. We are going to have to cut back the amount of oil that we are accustomed to burn to heat our buildings. Americans saved themselves from a major gasoline shortage last summer by voluntary conservation. If they turn down their thermostats this fall, perhaps they can spare themselves the endless headaches of formal rationing to consumers. It is an open question whether voluntary cooperation will be enough, and the answer probably depends on the severity of the weather.

But it would be highly dangerous to assume that we are dealing merely with a short-term crisis that is going to be resolved, one way or another, over the next few months. The necessity to restrict fuel consumption in this country is going to be with us for some years to come. John A. Love, the President's adviser on energy, recently noted that no new American refineries would come into production this year or next. He put the case accurately when he recently said, ". . . pushing as hard as we can for increased domestic production, increased imports, and a crash program of research and development, the very real possibility—almost a certainty—is that the only near term solution is to dampen the increase in demand." The Joint Economic Committee's staff study adds a well-founded warning: ". . . the public must recognize that fuel shortages will tend to get progressively worse for a number of years, and that conservation of oil, gas and electricity in all uses is the order of the future."

The **PRESIDING OFFICER**. The question is on agreeing to the amendment of the Senator from Minnesota (putting the question).

The amendment was agreed to.

Mr. **HUMPHREY**. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The **PRESIDING OFFICER**. The clerk will report the amendment.

The legislative clerk proceeded to state the amendment.

Mr. **HUMPHREY**. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section, and renumber the following sections accordingly:

"SEC. —. In accordance with the provisions of Senate Resolution 324 (87th Congress, 2nd Session), expressing the willingness of the Senate to cooperate in a nationwide competitive high school Senate youth program and directing the Senate Committee on Rules and Administration to make the necessary arrangements to establish the program, the Secretary of Defense is hereby authorized and directed to provide such escort, briefing, musical organization and color guard, and other supportive services and courtesies as may be requested and appropriate, and without additional expense to the Federal Government, during a one week period in the annual operation of this program in Washington, D.C."

Mr. **HUMPHREY**. Mr. President, this amendment requires no additional authorization of funds. It simply clarifies the intent of the Senate, in the passage of Senate Resolution 324 (87th Congress, second session) relating to the establishment of the U.S. Senate youth program, that certain supportive services and courtesies be provided to assure the safety of high school delegates participating in this program during a 1-week period each year in Washington, D.C., and to make this a significant and educational experience for these young people.

During the 11-year operation of the U.S. Senate youth program, the Department of Defense has traditionally been requested to designate personnel as escort officers for these young people, and to provide for a departmental briefing as well as separate meetings with departmental officials. In addition, the Department has been asked to arrange for program presentations by the several musical organizations of the armed services, and for ceremonies for the presentation and retirement of the colors.

The Department, through the Office of the Assistant Secretary of Defense for Public Affairs, has cooperated fully in meeting these requests, recognizing the status of this program as approved and supported by the Senate, as well as the importance of enabling youth to gain further insights into our national security policies.

However, increasing demands have been made on the Department of Defense in recent years in meeting requests by other groups for similar services. Such requests are entirely appropriate, but it is now necessary and advisable to provide the Department with explicit authorization to meet such requests for the U.S. Senate youth program.

My amendment will provide the Department of Defense with a clear directive for the provision of appropriate services for the Senate youth program, and without additional expense to the Federal Government. I believe this statutory requirement will be of assistance to the Department and will help to assure the continued high standards of the Senate youth program for the safety and conduct of high school delegates, as well as continuing to make this program a major educational experience in the lives of these young people.

Mr. TOWER. Mr. President, the Senator from Minnesota discussed this with the Senator from South Carolina and me. We are prepared to accept the amendment.

Mr. HUMPHREY. Mr. President, I thank the Senators. Most of the Members of this body have served at one time or another as sponsors of the youth program.

Mr. THURMOND. Mr. President, nothing is more important to our country than youth. This amendment is calculated to take care of youth.

Mr. HUMPHREY. The Senator is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota (putting the question).

The amendment was agreed to.

QUORUM CALL

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I call up amendment No. 527.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk proceeded to state the amendment.

Mr. CRANSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the approopriate place in the bill insert a new section as follows:

SEC.—. (a) The Secretary of Defense shall take such action as may be necessary to reduce, by not less than 40 per centum, the number of military forces of the United States assigned to duty in foreign countries on March 1, 1973. Such reduction shall be completed not later than June 30, 1976; and not less than one-fourth of the total reduction required to be made shall be completed prior to July 1, 1974, and not less than one-half of such total reduction shall be completed prior to July 1, 1975.

(b) Notwithstanding any other provision of law, no funds may be expended on or after July 1, 1974, to support or maintain military forces of the United States assigned to duty in foreign countries if the number of such forces so assigned to such duty on or after such date exceeds a number equal to the number of such forces assigned to such duty on March 1, 1973, reduced by such number as necessary to comply with the provisions of subsection (a) of this section.

(c) As used in this section, the term "military forces of the United States" shall not include personnel assigned to duty aboard naval vessels of the United States.

Mr. CRANSTON. Mr. President, this is a measure designed to cut back on the level of land-based U.S. troops stationed on foreign soil, beginning this year and continuing in fiscal year 1975 and fiscal year 1976.

The cuts would be worldwide. Total discretion would be given to the President as to where to cut.

Naval personnel assigned to the fleets are excluded from the cuts, even if they are homeported overseas.

Mr. President, I will state the main arguments for doing this.

First. The total direct and indirect cost of maintaining overseas troops—including backup, logistics, et cetera is roughly $30 billion a year. The balance-of-payments cost is roughly $4.9 billion a year, eroding the dollar and contributing to inflation.

Second. There are roughly 475,000 nonfleet personnel stationed in foreign countries, only half of whom are in Europe. They man 1,963 bases in 34 countries. The Defense Department directly or indirectly employs 167,000 foreign nationals to support them.

In general, this pattern became established during the cold war, at a time when our allies were poor and relatively defenseless. Vast U.S. military and economic aid programs, plus general détente, makes deployment on such a massive scale obsolete. Purpose of overseas deployment was originally to permit allies to develop their own economy and defense under U.S. protection; deployment was never intended to be permanent.

Third. Cuts could be made in support forces rather than primarily in combat strength. U.S. tooth-to-tail ratio is heavily imbalanced. If necessary, allies could fulfill more support functions.

Fourth. Bases often cause political frictions and anti-American sentiment in host countries. The presence of U.S. troops favors military rather than diplomatic options whenever hostilities break out nearby.

Fifth. There is no threat in Asia that justifies maintaining, for example, 60,000 troops in Japan and Okinawa; 40,000 in Thailand; 40,000 in Korea; 15,000 in the Philippines; and 6,000 in Taiwan.

Sixth. Greater transport and mobile force capacity of U.S. forces permits rapid response to crisis. Forward-based deployment is unnecessary in many cases.

Seventh. The amendment is fully consistent with the manpower cut authorized by the Senate Armed Services Committee. But the amendment does not call for the automatic deactivation of all returning troops. Because of projected shortfalls in recruitment for the volunteer services, the question of deactivation is likely to take care of itself.

Eighth. President Nixon is correct in charging that Congress is presently running $6 billion above his $268.7 billion budget ceiling. Cuts are needed in the defense budget to protect funding for vital domestic programs neglected through the Vietnam years.

AMENDMENT NO. 538

Mr. MANSFIELD. Mr. President, I send to the desk an amendment to the amendment of the distinguished Senator from California.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read the amendment, in part, as follows:

In lieu of the language proposed to be inserted, insert the following:

SEC. . (a) The Secretary of Defense shall take such action as may be necessary to reduce, by not less than 50 per centum, the number of military forces of the United States assigned to duty in foreign countries on March 1, 1973. Such reduction shall be completed not later than June 30, 1976; and not less than one-fourth of the total reduction required to be made shall be completed prior to July 1, 1974, and not less than one-half of such total reduction shall be completed prior to July 1, 1975.

(b) Notwithstanding any other provision of law, no funds may be expended on or after July 1, 1974, to support or maintain military forces of the United States assigned to duty in foreign countries if the number of such forces so assigned to such duty on or after such date exceeds a number equal to the number of such forces assigned to such duty on March 1, 1973, reduced by such number as necessary to comply with the provisions of subsection (a) of this section.

Mr. MANSFIELD. Mr. President, I do not intend to discuss this amendment this afternoon, except to state that this is the amendment which seeks to bring about a reduction by half, over a 3-year period, of all the forces overseas. I shall have more to say on it Monday.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes. May I say before I yield that I read with interest the Javits-Harlech communique which was issued a few days ago relative to the retention of our troops in Europe. This applies to our troops overseas.

Mr. JAVITS. How kind of the Senator to have given it his attention. I just want to be sure that we all understand that this is what is generally called the Mansfield amendment, which I wish to emphasize because of its great importance.

Mr. CRANSTON. Mr. President, I would like to point out that the Mansfield amendment in its present form is substantially different from its earlier form. It does not mandate any cut in European troops; it applies to troops stationed all over the world.

Mr. MANSFIELD. Mr. President, there was a part of the amendment which was not read because I held it here. I wish the clerk would read it.

The legislative clerk read as follows:

(c) As used in this section, the term "military forces of the United States" shall not include personnel assigned to duty aboard naval vessels of the United States.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIGHTENING THE BELT IN ILLINOIS

Mr. HARRY F. BYRD, JR. Mr. President, on September 19 the distinguished Governor of Illinois, Gov. Dan Walker, was awarded a citation here in Washington by the National Taxpayers Union. I was on the same program with him, and likewise received a citation from the National Taxpayers Union.

I was much impressed with Governor Walker. I know nothing about the politics of Illinois, but I was interested in his comments.

He stated that in his budget message he was able to ask for appropriations $617 million less than the appropriation requests of the year before. He stated also that he will provide the people of his State with $110 million in tax relief.

Both of those are certainly steps in the right direction. I ask unanimous consent that the text of Governor Walker's speech to the National Taxpayers Union be printed in the Record at this point.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Remarks by Gov. Dan Walker

It's a privilege to be in the company of Ernest Fitzgerald and Senator Proxmire. You're the men who have made the phrase "cost-overrun" household words.

We in Illinois have cost overruns, too. We aren't building planes. But we do have government overruns.

And the letters I'm getting and the remarks of people I meet—especially in the smaller towns—show me that the word is getting through. People don't send tax dollars off to Springfield or Washington to line the pockets of the contractors. They want economy.

Some of you are businessmen. You know about economy. And you know that state government has a tradition of waste. There are careless spenders in both parties. Illinois has been no exception.

We're trying to change the tradition. In Illinois we're trying to run state government as if we had to turn a profit. In a few years, I want to be able to say that our data-processing systems are as efficient as those which private firms have been using for years. I want to tell you that our payrolls are lean. That we've eliminated the useless triplicate forms and four-color reports and middle-management paper shufflers which would make private business go under.

It's going to take time. We're changing what has been a way of life for public officials in Illinois.

It's a system where the chief executive was chauffered everywhere in limousines and had his picture hung on every wall.

It's a system where the political plus lay in bloating state payrolls with your political supporters so you could crack the whip for money or precinct work at election time.

It's a system which saw that contracts were written so they could go to big campaign contributors; which saw the pork-barrelling of election years. The Governor could travel around the state and win votes by handing out money for airports or roads. And it didn't matter if the airports weren't needed or if the roads would be untravelled.

For state departments in Illinois, there was the law of the annual increase—and a state budget which had tripled in the last four years from $2.4 to $7.6 billion.

I'm happy to say that we are making some changes. And I'm going to brag a little to you.

The state payroll is down by over 3,000 positions since I took office on January 8. And in the process, we've created effective departments with fewer layers of bureaucracy and more money for the good programs.

In my budget message I was able to ask for appropriations $617 million less than the appropriations request of the year before—the first such decrease in 23 years. And this week I amended a bill which will provide $110 million of tax relief for people.

We've instituted two techniques which those of you with management training will recognize as staples of good management:

Management by objective. We are forcing the agencies and departments in the executive branch to formulate goals in writing for each of their programs—and to include ways to measure whether they are being reached.

Zero-base budgeting. Each year, every program in state government will be thoroughly reviewed and ranked in order of priority for funding.

For too long government has hired managers and put them under no pressure to find ways to measure whether they are reaching their goals. Some don't even know what goals to shoot for. This will not be the case in Illinois.

We're making some other changes, too. We're going into the business world and recruiting some of the most capable, top-ranking executives to serve in volunteer task forces.

One such task force, working with the Department of Public Aid, found a simple and effective way to determine the ineligible recipients of public aid. They will save the state about $10 million this year alone.

Last month we auctioned off the last of the limousines owned by the Governor's Office. I'm using a Chevy and it's a pretty good car. It gets me where I want to go and it's cheap. This is a symbolic change. But it's a symbol of some very real and far-reaching changes going on in every agency and department in the executive branch. They are changes which don't make headlines. But they are changes which will make a difference—not only to every taxpayer but to every citizen served by state government in Illinois.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

THE TRIDENT SUBMARINE PROGRAM

Mr. TUNNEY. Mr. President, in the next week we will be debating the question of funding the Trident submarine and missile program. This issue has generated a tremendous amount of interest in the press, the Congress, and the executive branch. We all need to have as much information as we can in order to make a wise judgment on the merits of this program, and the present speeded-up schedule on which it is proceeding.

I am very pleased to see that the Members of Congress for Peace Through Law has issued a research report on the Trident submarine program. This report was very ably prepared by my colleague, the Senator from South Dakota (Mr. Abourezk). This report contains a great deal of useful information, and succinctly sets forth the choices before the Senate with respect to this program. I hope this report will be helpful to my colleagues during the next week.

Mr. President, I request unanimous consent for the printing of the MCPL research report.

There being no objection, the report was ordered to be printed in the Record, as follows:

Report on the Trident Submarine Program

(A research paper prepared by Senator James Abourezk for consideration by the Military Spending, Arms Control and Disarmament Committee; Congressman Les Aspin, chairman; Senator Edward W. Brooke, vice-chairman of Members of Congress for Peace through Law)

SUMMARY AND CONCLUSIONS

Since the initial proposal for a Trident submarine and missile system, two prior MCPL reports have supported the program as a replacement for the U.S. Polaris/Poseidon sea-based deterrent force.[*] A "blue-water" deterrent provides the highest confidence of survivability of any strategic offensive weapons system.

In the interim, however, the Department of Defense has drastically accelerated the hull program, delayed the development of the Trident I missile, and by-passed the quicker and more cost-effective option of installing this missile in existing ballistic missile submarine hulls. These alterations in the program have been hypothecated on a possible sudden Soviet breakthrough in anti-submarine warfare (ASW) technology and on inflated estimates of the growth of the Soviet submarine forces.

The foregoing rationale, based as it is on remote contingencies and non-existent buildups, is not a convincing argument for an accelerated Trident program. It is further undermined by the Defense Department's own decision to forego the original plan to fit the Trident I missile in present hulls at an earlier date than it is possible to fit the Trident I missile in the new Trident hulls when they are completed.

The various justifications for accelerating Trident and the factors bearing on its development are analyzed in subsequent portions of this study. From this analysis, it is concluded that, while desirable as an eventual replacement for the Polaris/Poseidon fleet, there presently exists no compelling reason to commit substantial resources to production of this system before the early 1980s. There is, however, adequate justification for taking the precautionary measure of an interim upgrade of the existing sea-based deterrent through the installation of the Trident I missile in hulls now available.

These conclusions rest on the following findings:

1. There is no immediate or near-term need for a Trident as a hedge against an extremely remote possibility of a Soviet ASW breakthrough.

2. The Trident II missile is not now needed to counter Soviet ABMs, in light of the treaty limiting ballistic missile defenses in the Soviet Union and the United States.

3. The expansion of the Soviet ballistic missile submarine force presents no threat to the U.S. counterpart and is thus irrelevant to the need for Trident. The Soviet attack submarine force, while also increasing at a less-than-expected rate, remains substantially smaller than its U.S. equivalent. It is subject to long-standing constraints on ASW technology and presents no

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[*] Cf. MCPL Research Reports on ULMS which appeared in the *Congressional Record*, vol. 118, pt. 9, p. 11908.

meaningful threat to the U.S. ballistic missile submarines.

4. The existing Polaris/Poseidon force will remain a highly survivable sea-based deterrent well into the 1980s, capable of delivering over 5,000 nuclear warheads in the 50 kiloton range on any adversary; the first replacements for existing submarines will not be required before the 1985–1990 time frame.

5. Many of the advantages of the Trident program, including the Trident I missile and certain quiet-running features, can be incorporated in the existing Poseidon fleet, thus providing adequate safeguards against a greater-than-expected ASW threat but at a much lower price.

6. The Trident submarine system does not possess any advantages over present analogous submarines which are sufficient to justify the spending of four to five times as much per submarine, using conservative estimates of the anticipated program costs.

7. The Trident program, as presently accelerated, shows a potential for cost-growth of truly epic proportions.

8. The Trident program, if pursued now in advance of a tangible ASW threat, may represent an irreversible commitment to the wrong system or system components. Acceleration limits U.S. flexibility in meeting a wide range of possible threats, flexibility which may only be repurchased through expensive design changes at a later date.

9. The Trident system has a major flaw in comparison to the present deterrent force; it involves the concentration of more missiles in fewer platforms, thus making it more vulnerable from a purely numerical standpoint. If, as seems probable, the cost of each Trident submarine makes procurement of a large fleet prohibitively expensive, then the U.S. could be aiding a potential enemy by offering a smaller number of targets for strategic ASW.

10. The decision to base the initial complement of Trident submarines on a facility to be constructed at Bangor, Washington may entail serious limitations on the survivability of the system, subjecting it to the kinds of easily-mined or easily-reconnoitered bottlenecks (Juan de Fuca Straits) which have historically plagued the Soviet submarine and surface forces.

11. The accelerated program, timed to permit deployment immediately after termination of the Interim Agreement on Strategic Offensive Weapons, makes it appear that the U.S.-U.S.S.R. discussions of permanent limitations in SALT II are in bad faith. This "crash" program, then, offers great potential for abrogation of the agreement and reopening a new round in the still barely controlled strategic arms race.

RECOMMENDATIONS

In light of the foregoing considerations, it is recommended that:

1. The $535 million requested in the DoD FY 1974 budget for research, development, test and evaluation (RDT&E) of the Trident I missile be approved and that the Navy resume its original plan to fit this missile into the current U.S. fleet beginning in 1978.

2. A sum of $150 million be appropriated for FY 1974 for the Trident submarine; further, that the Navy revise its schedule to permit continued development of a single "lead ship" (in which there is already a substantial investment) with an initial operating capability (IOC) of 1980, instead of the presently planned development of four Trident submarines with an IOC of 1978. This change to a more orderly development and production schedule should allow the Navy to capture all technological advances without being subject to the price penalties which result from making retroactive changes and from pursuing new technology under the pressure of time. At the same time, this approach would permit the Navy more flexibility in responding to changes in the ASW picture.

3. The Department of Defense conduct for the Congress an in-depth review of alternative locations for future Trident submarine bases and that, in the meantime, the $182 million currently requested for site development and military construction (MILCON) at the Bangor, Washington location be deferred.

4. The Navy continue to accord high priority to its current "SSBN Defense" program in order to identify possible ASW threats and develop countermeasures against them.

TRIDENT DESCRIPTION AND MISSION

Trident is the Navy's proposal for an improved submarine and associated ballistic missile to replace the present 41-boat Polaris/Poseidon fleet.

The mission of Trident would be identical to that of the current ballistic missile submarine force: to provide an invulnerable, sea-based offensive nuclear weapon system for strategic deterrence against attack by another nuclear power.

The Trident program has three components: (1) the Trident submarine, a missile-launching platform approximately 500 feet in overall length and displacing 16,000 tons, nearly twice the size of the existing Polaris/Poseidon submarines; (2) the Trident I or C–4 missile with a range of 4,500 to 5,000 nautical miles and approximately the same payload and accuracy of the Poseidon C–3 missile; and (3) a follow-on Trident II or D–4 missile with a range of 5,000 to 6,000 nautical miles and with greater payload and accuracy than its predecessors.

The Trident program was in part an outgrowth of a two-year Department of Defense study, entitled STRAT–X, into "future ballistic missile basing concepts and missile performance characteristics required to counter *potential* Soviet strategic forces and ABM *proliferation*" (emphasis added). Trident first emerged under the name Undersea Long-range Missile System (ULMS) in the research and development section of the Navy's FY 1969 budget request, where $5.4 million was requested for feasibility studies.

The design concept for Trident calls for:

1. 24 vertical launch tubes penetrating the main pressure hull (instead of the 16 tubes in current Polaris/Poseidon hulls).

2. a larger nuclear power plant permitting the submarine to operate in larger ocean areas and to undertake longer patrols, with the goal of:

a) frustrating ASW measures of assumed adversaries and

b) allowing the submarine to be based on U.S. ports, thereby eliminating the need for foreign port facilities and forward based submarine tenders.

3. a very quiet-running propulsion system, in order to make detection more difficult.

4. a larger, longer-range missile with "various features designed to make it very difficult for ABMs to shoot it down." One such feature would be an increase in the number of multiple, independently-targeted re-entry vehicle (MIRV) warheads, as many as 20 to 24 on each missile. Another would be the inclusion of decoys or other penetration aids, such as the "ABM evader" warhead unveiled by the Department of Defense in 1972 and called MARV (maneuverable re-entry vehicle).

The original time-phasing for Trident, then still known as ULMS, was as follows:

ULMS I Missile—1977–1978;

ULMS Submarine—1980; and

ULMS II Missile—early 1980s.

Original plans called for the ULMS I missile to be retroactively fitted or "retrofitted" into existing Polaris/Poseidon hulls to increase their operating range until the newer submarine and still longer-range missile should come into service.

CURRENT STATUS OF THE TRIDENT PROGRAM

Projected funding for ULMS for fiscal 1973 was set at $400 million, with the bulk of these funds allocated for development of the new missiles. Sufficient funds for submarine development were provided to support a 1980 initial deployment date.

In December of 1971, however, the Defense Department decided to shorten the submarine development schedule by nearly three years, calling for deployment in late 1978.

Shortly thereafter, Secretary of Defense Melvin Laird defended the acceleration decision in his FY 1972 Posture Statement:

> The Y-class ballistic submarine force of the Soviet Union *could* be as large as our Polaris/Poseidon force by the end of next year (1973), rather than in 1974 as I predicted last year. (Emphasis added.)

Mr. Laird did not explain why such an increase in the Soviet ballistic missile submarine force, which is not aimed at U.S. submarines, should occasion an acceleration of the American sea-based deterrent improvement program, already substantially ahead of the Soviet SLBM fleet.

Director of Defense Research and Engineering, Dr. John S. Foster, Jr., offered testimony of greater relevance to the effect that "we cannot identify any developments today that indicate a a Soviet threat to our sea-based missile deterrent." However, he did testify that the "Soviets have expressed an interest in developing a strategic ASW force . . ."

On the basis of this Soviet expression of "interest," for which no documentary evidence was adduced, FY 1973 funding for ULMS was set at $942 million and an additional $35 million was requested in the DoD supplemental appropriation for fiscal year 1972.

After a battle in the Research and Development Subcommittee of the Senate Armed Services Committee and another fight on the Senate floor, wherein debate centered on the issue of acceleration, the impact of the program on the Strategic Arms Limitation Talks (SALT), and the need for Trident in the nineteen-seventies, a total of $852.9 million was appropriated to the program for FY 1973.

On January 8, 1973, in conjunction with the plans for an accelerated development of the Trident hull, the Navy confirmed that it had changed the original plans for missile deployment to make this event coincide with deployment of the submarine. This meant a delay of nearly a year in the production of the Trident I missile. Additionally, the plan to install or retrofit the Trident I missile into present Poseidon submarines was reduced to the level of a contingency alternative or "backfit option," which could be pursued if future conditions warranted.

Rear Admiral Robert Kaufman, Director of the Strategic Submarine Division and Trident Program Coordinator, offered the following reason for the revised schedule:

"A change in the appearance of the Trident missile . . . was dictated by fiscal reasons during the past year. The Department of Defense has . . . elected to have the Trident I missile operational capability match that of the submarine that is, 1978. This lowers fiscal needs somewhat in the next years to permit applying funds to other very high priority programs."

The FY 1974 budget requests nearly one and three-quarters billion dollars—almost double previous program expenditures to date—to implement the revised Trident schedule in the coming fiscal year, yet Admiral Kaufman claims the decision to delay Trident I missile development is attributable to "fiscal reasons." The altered schedule is now as follows:

Trident I Missile—1978;

Trident Submarine—1978;

Retrofit of Trident I in Poseidon hulls—optional; and

Trident II Missile—not determined.

STATUS OF THE POLARIS/POSEIDON FORCE

At present, the U.S. sea-based deterrent force consists of 41 Polaris or Poseidon nuclear-powered submarines each containing 16 ballistic missiles, for a total of 656 missiles. The first three Polaris submarines were authorized in a supplemental appropriation in 1958, with an operational date set for 1960. The entire 41-boat fleet was completed in 1967.

Under an ongoing program, 31 Polaris/Poseidon submarines are being converted to carry the MIRVed Poseidon missile, capable of launching 10 independently-targeted warheads apiece. This program is the latest in a series of steps which have continually upgraded the missile capability of the Polaris/Poseidon force as regards payloads, range, accuracy, and penetrability.

The status of the current conversion program in mid-1973 was as follows:

Submarine/missile:	*Number nuclear weapons*
15 Polaris (A-2 and A-3 missiles)	560
17 Poseidon (C-3 missile with MIRV's)	2,720
9 Poseidon (being converted to C-3 with MIRV)	1,440
Total (41)	4,720

When completed in 1976, at a total cost of $6 billion, the Poseidon conversion program will provide the U.S. with a sea-based deterrent force of nearly 5,500 nuclear warheads, most of which will be separately-targetable, assuming ten MIRVs per Poseidon missile.

Design specifications for this SLBM (submarine-launched ballistic missile) force called for a hull life of 25 to 30 years. Though they possess a very high (but classified) speed for a submersible, ballistic missile submarines, while on patrol or in transit to and from patrol areas, are normally run at relatively shallow depths and at slow speeds to ensure quiet operation. This form of operation permits minimum stress on submarine hull and launching systems Moreover, the boats in the Polaris/Poseidon fleet are subjected to rigorous scrutiny between patrols, either at US yards, overseas bases, or from submarine tenders deployed near their operating areas, as at Holy Loch, Scotland. Complete overhauls are conducted every five to six years (more often, if warranted) to ensure the submarines remain in peak operating condition.

These precautions, plus the experience with the longevity of earlier submarine hulls many of which have achieved a 30-year lifespan after operating under adverse conditions, provide high confidence that the Polaris/Poseidon fleet will meet and perhaps surpass its designed life expectancy.

The Navy, in testimony before the Congress, has repeatedly emphasized the reliability of the Polaris/Poseidon hulls and has given further confirmation of this reliability in proposing that these hulls should be used to carry the submarine-launched cruise missiles (SLCMs) for which monies are now being requested.

Hence, the earliest of the Polaris vessels will not have to be retired until around 1990, seventeen years in the future. The last-built of the SLBM force would not require retirement until 1997, nearly a quarter-century away.

Upon completion of the aforementioned conversion program, 31 of the Polaris/Poseidon submarines will carry MIRVed C-3 missiles with a range of about 2,500 nautical miles. The range of the Poseidon missiles can be extended by accepting reductions in payload and accuracy. However, in first taking steps to upgrade the missile capability of the sea-based deterrent, the Department of Defense opted for greater accuracy, including a circular error probability (CEP) of less than 2,500 feet.* They also chose a larger number of warheads per missile. The remainder of the force will have the Polaris A-3 "triplet" system, a multiple re-entry vehicle (MRV) with three nuclear weapons—less accurate, smaller payload system of the same range as the Poseidon.

The size of the Polaris/Poseidon fleet permits deployment at any one time of 18–20 submarines in the Arctic-North Atlantic-Mediterranean area and five to seven submarines in the Pacific. The remaining boats are in the yard, tied up at tenders, in homeports, conducting refresher training, or in transit to or from patrol areas.

Military planners tend to use conservative calculations in assessing the percentage of SLBMs which could be launched against the Soviet Union on short notice. This conservatism stems in part from the difficulties of communicating with submerged vessels (though great strides have been made in this area in the Polaris/Poseidon program), from possible malfunctions of delicate guidance systems, and from the relative difficulty (as contrasted with land-based missiles) of launching missiles from beneath the seas.

Nevertheless, assuming that less than half of the SLBM fleet is on station and using the Department of Defense estimate of 85% to 95% reliability, it has been estimated that the U.S. sea-based deterrent force alone could destroy some 2,000 Soviet targets or *219 of the Soviet Union's cities nine times over*.

In May, 1973, Poseidon program chief, Rear Admiral Levering Smith, reported to the Senate Armed Services Committee that 58% of the Poseidon missiles had failed recent operational tests, reportedly causing the Navy to order the recall of selected deployed missiles for component testing.

Officials of the Defense Department, however, subsequently stated that the missile was essentially sound, that it required certain improvements to enhance the probability of hitting designated targets, and that the program was not unlike the Minuteman II missiles, which required post-deployment improvements.

In August, 1973, Secretary of Defense James E. Schlesinger expressed similar confidence regarding the Poseidon program, stating that there "has been no significant weakening of the U.S. deterrent" as a result of the test deficiencies and that Pentagon officials were "not deeply concerned."

Should the test deficiencies prove to be serious, however, the U.S. sea-based deterrent, even at a reduced probability of sure "hits," remains sufficient to destroy an unacceptable proportion of the Soviet Union's cities and military targets. If the U.S. should desire to increase this probability, then the prudent course is to revert to the original program of readying the improved Trident I missile for fitting in the Poseidon hulls.

Yet besides the sea-based capability, the U.S. strategic offensive forces include 54 liquid-fuel Titan missiles, 450 Minuteman II missiles with a single warhead apiece, and 550 Minuteman III missiles with three warheads apiece, for a total of 2,154 warheads on land-based intercontinental ballistic missiles. Should the Defense Department carry out its plans to MIRV all Minuteman II missiles, this total will climb to 3,504 warheads. Finally, the U.S. deterrent "Triad" includes a bomber force of long-range B-52 and FB-111 bombers and funds are being requested to provide this air fleet with 1,500 nuclear-tipped Short-range Attack Missiles (SRAMs) by the mid-Seventies. In sum, the U.S. has many times over the capacity to wreak unacceptable destruction on the Soviet Union, whether or not the Poseidon missile lives up to reliability criteria.

THE THREAT TO THE U.S. SEA-BASED DETERRENT

The Department of Defense has sought to justify the immediate need for Trident on three related grounds:

1. To counter the growth of the Soviet submarine force, including both nuclear-powered ballistic missile submarines and nuclear-powered attack submarines.
2. To hedge against a hypothetical breakthrough in ASW technology.
3. To maintain an invulnerable and therefore credible nuclear deterrent force at sea.

THE "SUBMARINE GAP"

As of mid-1972, the Soviet Union had 31 ballistic missile submarines in service, the largest of which had 16 launch tubes. Though the Soviets have tested an SLBM with a range estimated at 4,000 nautical miles, it has not been deployed in its strategic submarine force, which carries, missiles with a range of 1,300 to 1,500 nautical miles.

The Soviets do not have an MRV or MIRV capability for their shorter-range, submarine-launched missiles. Their submarines, due in part to the lack of overseas bases and consequent long time to station, are deployed outside of adjacent waters only three to five at a time—with two normally near Bermuda, one near Nova Scotia and one in the Pacific. Another is often deployed in the Mediterranean. The "on-station" submarines are customarily rotated on a fairly regular basis.

At the SALT hearings before the Senate in August, 1972, Chief of Naval Operations, Admiral Elmo Zumwalt, noted that the Soviets could have 84 to 88 ballistic missile submarines, based on a production rate of 7 to 9 per year, at the end of the five-year Interim Agreement on Strategic Offensive Weapons in 1977, though this agreement limits the U.S.S.R. to 62 such submarines.

In his February, 1973, military posture statement, Admiral Thomas Moorer, Chairman of the Joint Chiefs of Staff, estimated that the Soviet ballistic missile submarine force would number only 34 by mid-1973, indicating a production rate of half that projected by Admiral Zumwalt six months earlier. In other words, the Russians built only 35% of the submarines expected.

Not only is the Soviet ballistic missile submarine force substantially less, both qualitatively and quantitatively, than that of the U.S., it is not increasing at the rate foretold by U.S. military chiefs. In short, it seems that the anticipated "submarine gap," like the bomber gap of the nineteen-fifties and the "missile gap" of the nineteen-sixties will not materialize.

This submarine gap is not likely to materialize primarily because it is based, like the earlier gaps, on self-serving intelligence estimates, estimates which rely more on the potential capacity of Soviet shipyards than on actual construction rates. Estimates of this kind, which emphasize what could happen rather than what is likely to happen, have become so commonplace as to evoke even the criticisms of the former chief of national estimates at the Defense Intelligence Agency, Major General Daniel O. Graham, now with the C.I.A.*

More to the point, however, is the fact that there is no close relationship between the size of the Soviet SLBM force and the size of the U.S. SLBM force. The Soviet ballistic missile submarine fleet, in the unlikely event that it surpassed its U.S. counterpart in quality or quantity of deliverable weapons, could in no way jeopardize the survivability of the U.S. Polaris/Poseidon force, since the two nations do not deploy their missile-carrying submarines to do battle with one another in the ocean deeps. Thus, the argument for building and accelerating Trident because of the Soviet SLBM fleet is based on invalid data and an illogical comparison. To the extent that there is a relationship between the two SLBM forces, it is primarily psychological.

As regards the Soviet attack submarines, this force has always been a large one, mainly because of the adoption of an "undersea fleet" strategy by the Soviet Navy in the years following World War II. In the intervening decades, the U.S.S.R. has built hundreds of attack submarines, far more than the U.S., with most of them diesel-powered and many of them carrying cruise missiles (similar to the U.S. Navy's old Regulus) which are ineffective against other submarines. In addressing the threat posed by attack submarines to our nuclear, sea-based deterrent, it is necessary to consider only those Soviet attack submarines which are nuclear-powered and capable of launching weapons effective (in theory, at least) against other submarines.

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* CEP=the radius of a circle centered at the target in which 50% of *n* warheads would fall, where *n* represents a very large number.

*See the article by General Graham, "Estimating the Threat: A Soldier's Job," *Army* magazine, April, 1973.

Of this kind of submarine, the Soviet Union has only 34. The U.S., on the other hand, has 56 nuclear-powered attack submarines (SSNs), with another series under construction. Thus, at the present time, the Soviet Navy does not possess even enough attack submarines to equal the size of the 41-boat Polaris/Poseidon fleet and it is outmatched by the American SSNs which could be sent to interdict Soviet attack submarines.

ASW TECHNOLOGY

The sheer numbers of attack submarines, however, are relatively meaningless by themselves. Of more critical importance are the means which they or other weapons systems possess for the detection, tracking, and destruction of hostile submarines.

Historically, the problem of anti-submarine warfare has been one of the most difficult to face military planners and technical specialists. First confronted by both the Axis and Allied navies in World War II, anti-submarine warfare has been a problem in search of a breakthrough for over three decades.

In this period, the U.S. Navy, which continues to lead the world search for ASW solutions, has spent billions of dollars in pursuit of improved methods for detecting and destroying enemy submarines. It has established research and development laboratories and training centers with the single mission of improving ASW hardware and techniques. It has built DASH (drone anti-submarine helicopter), ASROC (anti-submarine rocket), Hedgehog, and a series of improved depth charges and torpedoes, culminating in the Mark 48 torpedo, to name but a few of the ASW weapons. It has developed improved sensor systems, including MAD (magnetic anomaly detector), Sonobuoys, and new generation sonars. And it has developed special task formations, such as the old Hunter-Killer group known as Task Force Alfa, and a variety of ASW tactical doctrines.

While this extensive pursuit of the will-o-the-wisp of ASW has brought many advances, the improvements in submarine performance have more than outpaced improvements in ASW hardware and doctrine. The high submerged speeds, the long underwater endurance, the deep-diving ability, and the quiet-running capacity of modern nuclear-powered submarines continue to stymie the best efforts of ASW specialists to overcome them. In conducting exercise operations against our own nuclear submarines, U.S. ASW forces have succeeded generally only when there was a failure in one of the systems of the pursued submarine.

The ASW problem as it is rightly called, can be broken into three component parts: (1) detection, (2) tracking, and (3) destruction. Each of these constituent elements forms a knotty problem in its own right. The sheer expanse of the earth's ocean surfaces makes detection highly problematical, except where a submarine can be picked up and trailed as it leaves port. Once detected, an unidentified submarine must be tracked, for purposes of "shadowing" it, of identifying it, of getting into position to launch weapons against it, or of keeping it under surveillance until assistance can be summoned.

Tracking is difficult for aircraft or surface vessels because of the speed and maneuverability of modern submarines and because of distortions imposed on surface sensors by the acoustical and electromagnetic properties of the ocean depths. For similar reasons, successfully targeting a submarine with weapons now available, including the new Mark 48 nuclear homing torpedo, is a very chancy matter.

Frustrations over the difficulties of ASW has driven Navy officials to design a system for prepositioning of remotely launched Mark 48 torpedoes near the ocean floor at the points of egress from Soviet home waters, though this system, called Captor, would raise serious questions about violation of rights of passage in international waters and violation of the Seabed Treaty. If deployed, such torpedoes could be automatically released to interfere with the deployment of Soviet submarines in the event of war.

Closer to home, the Navy has for many years maintained a sensor system known as SOSUS on the continental shelf, but this provides a detection capability with relatively limited reach, though it is now being upgraded.

Some of the detection systems now in use or under consideration are reviewed briefly below:

Sonar. The sensor system of the greatest practical utility remains sonar detection, either active or passive. Active sonar transmits a pulsed beam through the water for a direct range of 10 to 15 miles and, upon striking an object, the beam is reflected back to the emitting equipment, permitting determination of the bearing and range of the reflecting object. Skilled sonar operators can discriminate between hulls and schools of fish by the character of the reflected sound. Active sonar does not rely on the cavitation or noise produced by ship propellors or other sound sources and it cannot be defeated by reducing a ship's noise. Active sonar, however, does warn submarines that they are being pursued since it can be detected well beyond its own effective range.

Passive sonar has the advantage that the hunted submarine remains unaware of its operation. While ranges of active sonar have not increased significantly in the last twenty-five years, improvements in passive sonar now make it possible to detect a submarine moving at high speeds up to 100 miles away. Because of this development, extensive measures have been taken to silence submarines and the Navy plans to incorporate improved silencing techniques in the proposed Trident submarines. These same silencing techniques can, however, be incorporated in the existing Polaris/Poseidon hulls.

Infrared Detection. The temperature of a submarine differs from the temperature of the surrounding water. Nuclear submarines, in particular, have hot water around them as a result of their nuclear reactor discharge. Although, aircraft fitted with infrared detectors could pinpoint thermal variations and thus fix the positions of possible submarines, no practical progress has been achieved in this area.

Magnetic Anomaly Detection. The presence of a mass of metal, which distorts the earth's magnetic field, can be measured with a magnetometer. While surface vessels and submarines create too much magnetic interference of their own to permit their use of such a system, it has been installed in Navy ASW patrol aircraft. Yet the range of this system is extremely limited and it can be countered by deep running.

Lasers. Considerable research into the applicability of laser beams for detecting underwater objects is now being conducted. Yet lasers are so directional that their utility as a means of ocean surveillance would appear to be limited.

Underwater Acoustical Arrays. In this concept, acoustical devices, not linked directly to shore sites, could be sewn like seeds throughout the world's oceans to search given sectors and report the results to a central data analysis and display facility. The technological problems of operating and maintaining such a system, the relative ease with which it could be countered, and its expense are its main drawbacks.

Kosta Tsipis, an expert in high energy physics at the Massachusetts Institute of Technology, summed up the state of the art for ASW in a recent article when he wrote: "Once submerged, a missile-carrying submarine is practically undetectable and therefore non-targetable." Without quantum advances in detection technology, there can be very little progress in solving the problems of tracking and destruction and to date the improvements in detection systems have fallen short of the mark.

The intensive ASW effort of the past has consistently confirmed that the best method of hunting a submarine is to use another submarine. It can operate below interfering temperature layers affecting the operation of surface sonars and it is not affected by rough weather on the surface.

Saying that the submarine is the best anti-submarine weapon is not saying that it is good enough, however. The real magnitude of the ASW threat, as it exists for the U.S. sea-based deterrent force is readily seen when calculated in terms of probabilities. In order to eliminate a force of 20 U.S. ballistic missile submarines operating at sea, the Soviet Navy would have to first detect the accurately pin-point the locations of all 20 submarines. The probability of doing so is slight. Then the Soviet attack force would have to track each of the 20 U.S. submarines in order to get into optimum firing positions, while at the same time avoiding warning the U.S. submarines that they were being hunted. Again the probability of achieving this kind of surprise is extremely small. Finally, the Soviet attack vessels, presumably submarines, would have to launch an attack that would destroy each U.S. submarine, render it inoperative, or prevent it from launching its missiles. Given the low reliability of present ASW weapons, such as the advanced but trouble-plagued Mark 48 torpedo, the probability of success is here again very slender.

Since each of these contingencies rests on the success of the prior one (i.e., tracking depends on detection and destruction depends on tracking and detection), the overall probability of destroying one ballistic missile submarine is not good and the chances of destroying anything like an entire 20-unit deployed Polaris/Poseidon force is negligible. Furthermore, if the Soviet Union were attemping to disarm the U.S. in a first strike, it would have to attempt to destroy the land-based ICBM force and each of the dispersed bombers as well. Such feats are not only impossible, from a technical and a temporal standpoint, they don't have a high probability of achieving anything like 50% success.

Assuming, however, that with detection and tracking equipment and weapons systems much more advanced than anything now available and with phenomenal good luck, the Soviets could take out 75% of the 20-submarine U.S. sea-based deterrent force, five U.S. ballistic missile submarines would still remain to launch 800 nuclear weapons on the Soviet Union. Taking an even more conservative approach, it has been estimated that a single Poseidon submarine, with its MIRVed missiles, could wreak unacceptable damage on the Soviet Union.

The Soviet Navy has, as Dr. Foster pointed out a year ago, showed an interest in "strategic ASW," as anti-submarine warfare against ballistic missile submarines is now termed. It is hardly surprising that they would show such an interest, considering the nature of the U.S. threat arrayed against them.

However, given the state of Soviet technology, especially as revealed in its long struggle to develop a workable MIRV and the newly revealed inadequacies of its space program, it seems highly unlikely that the Soviet Union could create a breakthrough in an area where the best United States physicists, engineers, and naval officers have been unable to achieve a breakthrough in 25 years of trying. More importantly, no one in the U.S. intelligence community has been able to uncover any evidence of anything remotely resembling a Soviet breakthrough in this area.

On the contrary, the available evidence on Soviet ASW programs indicates that they are light years behind the U.S. in hardware, in ASW ship types, in ASW forces and in ASW doctrine.

Economic evaluation

Through 1973, $960 million has been appropriated for Trident and the FY 1974 budget request is for $1,572.4, indicating that the accelerated program is being accelerated still further.

The Department of Defense currently estimates that the total Trident program acquisition cost, for ten submarines and the Trident I missiles, will run to $13.5 billion, *making the per unit cost of each Trident submarine over $1.3 billion, or higher than the cost of the proposed nuclear aircraft carrier, CVN-70.* This estimate is a conservative one and assumes no cost-impact engineering changes and no developmental problems.

The total program acquisition cost presented by the Defense Department (see Tables 1 and 2) does not include all of the development and production costs for the Trident II missile, which, when deployed will be additive to the basic program cost of $13.5 billion. The Navy has not publicized the procurement estimates for the Trident II missile, so precise figures are not available, but it is certain to push the per unit cost of Trident in the direction of two billion dollars per submarine. Nor has the Navy made available any data on the anticipated operating costs for Trident, though outside estimates run as high as $1 billion per ship for the first ten years of operation.

TABLE 1.—COST COMPARISON

[In millions of dollars]

	Fiscal year 1974	
	Fiscal year 1973 accelerated program	Request for accelerated program
R.D.T. & E.:		
Trident I missile	348.4	529.0
Trident submarine	122.0	125.6
Trident II missile		
Total R.D.T. & E.	470.4	654.6
Procurement:		
Ship construction (SCN)	311.0	867.8
Weapons procurement (WPN)		5.0
Total procurement	311.0	872.8
Total authorization request	781.4	1,572.4

TABLE 2.—PROGRAM COMPARISON

	DOD 1971 plan	DOD accelerated program
Operational date for lead boat	[1] 1980	197
Production rate per year for follow on boats	(2)	3
Operational date for Trident I missile	1977–79	1978
Operational date for Trident II missile	(2)	(3)
Backfit of Trident 1 missile in Poseidon boat	1977–79	(4)

[1] Early 1980's.
[2] Not determined.
[3] To be determined.
[4] Classified.

Source: Senate Armed Services Committee Report, 1973.

Though Trident has been touted as eliminating the need for foreign bases and overseas tender availability, reports presently indicate that operation and maintenance (O & M) expenditures could reach twice the amount now estimated for the current Poseidon force. Nor do costs listed above include the expense of the proposed new base at Bangor, Washington, for which $182 million is requested this year.

Perhaps the most significant economic aspect of Trident, however, is its potential for cost-overruns or cost-growth.

In its study entitled *Cost Growth in Major Weapons Systems,* and released in May 1973, the Government Accounting Office found that the single most significant contributor to cost growth was changes made in weapons systems by the military after the programs had begun. This contrasts sharply with the DOD contention that inflation is the largest single cause of cost overruns. The GAO study found that cost-impact engineering changes accounts for 45% while inflation accounts for 30% and estimating errors account for the remaining 25%.

More revealingly, the GAO study noted that the changes which drive up costs result from "unrealistic performance targets at the outset" and that the worst overruns consistently occur on the most costly, most ambitious programs.

Also pertinent to the Trident program is the finding of the GAO study that:

Most resources are invested in systems to replace systems that perform the same types of missions. The successive generation of systems which follow this pattern push state of the art frontiers and, of course, costs increase with each increment of improvement. This technological momentum can be expected to drive costs up no matter how well the programs are managed.

In short, the push for modernization at any cost and the inability to wait for technology to mature, are major causes of cost overruns. Changes in the Trident program, particularly the decision to accelerate hull development, seem to be classic cases of this cost-push effect.

The cost-growth of Trident due to acceleration has been singled out in a recent study released by the Brookings Institution entitled *Strategic Forces: Issues for the Seventies.* The need to proceed with hastily drawn and poorly defined contracts, the study concludes, could lead to "real cost growth of major proportions for Trident." The study points out that there are already indications the estimated $13.5 billion for Trident may be in error.

The study's comparison of acquisition costs under the original (operational 1981) and accelerated (operational 1978) programs is set forth below. The figures shown represent total obligational authority (TOA) in millions of constant 1974 dollars.

	Fiscal year—						
	1974	1974	1974	1974	1974	1974	1974
Original program	0.7	0.9	1.0	1.5	2.0	2.7	2.8
Accelerated program	1.7	2.5	3.1	3.0	2.8	2.9	2.9

On the basis of this economic analysis the Brookings study concludes that "the pace of the Trident development envisioned in fiscal 1972 seems appropriate to us."

The cost history of Tridents predecessors, Polaris and Poseidon, further underscore the enormity of proposed system's price tag.

When completed in 1967, the Polaris program, including 41 submarines and 816 A–1, A–2, and A–3 missiles, cost a total of $13.9 billion. Ten-year operation and maintenance costs have been estimated at an additional $6.6 billion.

Poseidon, scheduled to be completed in 1976, with the conversion of 31 of the earlier hulls and the installation of 496 C–3 SLEMs is expected to reach a total acquisition cost of $5.9 billion, for a per unit figure of $193 million. The ten-year operating and maintenance costs are estimated to run about $5.5 billion for the entire force.

By contrast, the Trident program, as presently formulated, would provide only ten submarines with 240 C–4 missiles at a procurement price of $13.5 billion and a ten-year O&M cost of unknown proportions. At a minimum it will cost four to five times as much as a *Poseidon submarine.* And this still does not, as noted, buy the advanced Trident II missile.

From the point of view of cost-effectiveness, the Trident program does not offer sufficient advantages to justify the enormous increase in expense. While it might enhance the invulnerability of the U.S. sea-based deterrent, the present deterrent force is not in jeopardy and Trident increases the security of the force at a cost out of proportion to the gain. It could, on the other hand, if built now, impair mutual deterrence by provoking the USSR to abrogate existing programs and/or renew efforts to expand its force of super-ICBMs, such as the SS–9.

There is, however, a more cost-effective and less destabilizing option—one which the Navy and the Department of Defense have unaccountably deferred. That is the far less expensive option of installing the Trident I missile in the existing hulls of the Polaris/Poseidon force as originally planned. Ironically, as the earlier quoted testimony of Admiral Kaufman reveals, the Navy attempted to justify the elimination of this less expensive option on the grounds that it was cheaper to do so.

Vulnerability

Given the present and foreseeable state of ASW technology, there exists no meaningful threat to the current U.S. ballistic missile submarine force. The previously described technical constraints on ASW will be pushed back, if at all, by more long years of intensive research. Even then, the prospect for an important change in the conditions favoring the offensive submarine remains small indeed. If progress is made, it is far more likely to occur in the U.S. where, working from a much more developed knowledge base, the major advances in ASW have been made in the past.

If the argument founded on a sudden "Soviet ASW breakthrough" falls, then the whole question of the survivability of the current Polaris/Poseidon force becomes academic. Defense officials have acknowledged that, without such a breakthrough, the invulnerability of the force remains unquestioned and unimpaired.

In testimony before the House Armed Services Committee prior to his resignation as Defense Secretary, Melvin Laird stated that investigations have proved that there is "no immediate concern about the survivability of our Polaris and Poseidon submarines at sea."

Admiral Zumwalt, in February, 1972, declared:

"Our present Polaris/Poseidon system is excellent now and is highly capable for the near future against threats that we anticipate that the USSR is likely to develop."

Mr. Laird's successor as Defense Secretary, Elliot Richardson, when asked whether the Trident program should be accelerated, displayed no enthusiasm for acceleration in his reply that:

"I think the development process should be pursued deliberately. I don't think it's a matter that needs to be undertaken with haste."

A critic of the Trident program and sponsor of the previous MCPL report on it, Senator William Proxmire, has highlighted the inconsistency between the speed of Trident development and the justification for it by asking:

"If the Soviet threat to our Polaris submarines is of such low magnitude that there is no need for a relatively inexpensive missile retrofit program which would improve their invulnerability in the late 1970s, how can that same threat be used to justify the crash replacement of almost half of our Polaris and Poseidon fleet by the early 1980s?"

Some Navy spokesmen, however, have hinted darkly about possible eventualities lying beyond the next few years. Admiral Hyman Rickover conjectured in February, 1972 that:

"While we know of no definite threat to our existing Polaris/Poseidon submarines, the Soviets have made great strides in naval capability which may in the future pose a threat to these submarines."

Two facts emerge from this and similar expressions of concern:

(1) It provides no details as to what the hypothetical threat to the U.S. force might be or any concrete evidence of any threat at all.

(2) It is made in behalf of a system which is already fully designed to meet threats about which nothing is known.

In short, this testimony expresses a willingness to commit a very substantial portion of the nation's resources to a weapons system which may be obsolete, if and when the unknown threat assumes real form. The greatest unknown, then, is whether the Trident system will be capable of countering an intangible and uncertain threat.

Examined in this light, the conservatively estimated Trident acquisition cost of $13.5 billion, plus over half a billion for a new base, plus more billions for the Trident II missile, plus as yet unguessed at operations and maintenance (O&M) costs, plus the likelihood of cost overruns, become the extraordinarily high stakes in a gamble between known and unknown technology. With the survivability of the Polaris/Poseidon fleet guaranteed against existing and foreseeable threats, and with such enormous sums of money at stake, the prudent course would appear to be to wait until there was more certain knowledge about potential threats before committing ourselves to this program. The kinds of threats which the Trident system may fail to meet and its own vulnerabilities are addressed in a later section.

Technical evaluation

As presently conceived, and assuming the continuance of the present constraints on ASW technology, the Trident program offers certain technical advantages over the Polaris-Poseidon force, chiefly with regard to silent running, greater submarine range, and greater missile range. Certain of these features, such as greater missile range and the silent running capability, could be achieved at far less cost by incorporating them in existing hulls.

The Trident, however, also has certain present and potential defects. For one, it involves placing more missiles in fewer launch platforms, (48 in 2 vs. 48 in 3) thus reducing the number of targets for any adversary. By having fewer submarines the U.S. makes it numerically easier for an opponent to trail these submarines from home ports or from a line barrier to their operating areas. This same concentration of missile resources works to the disadvantage of deterrent survivability by removing a greater number of weapons from a state of readiness each time a Trident submarine is in the yard or tied up alongside a tender for major repairs.

The option of placing the Trident I missile in existing hulls eliminates this weakness. Furthermore, such deployment could be carried out in a manner that would significantly enhance the striking power of the sea-based deterrent, while keeping it dispersed. If, for example, the Trident I missile were retrofitted in Poseidon hulls a few at a time, the total force would achieve the longer range capability far sooner. Waiting for the full Trident program, on the other hand, even at its accelerated pace, would mean a Trident I force of 20 submarines could not be achieved before 1985 at the earliest. Furthermore, such mixed Poseidon/Trident I submarines would be able to launch an immediate attack soon after leaving each coast port and the capability would increase as they moved closer to their assigned operating areas.

The Navy, in its justification for Trident, has made much of the need for long lead-time in the development of any system to counter a sudden breakthrough in ASW by the Soviets. The Navy estimates that it will take six to seven years to develop a new submarine. However, this lead-time justification pertains only to the initial prototype or "lead ship." Knowledgeable experts have estimated that the results of an ASW breakthrough by the Soviets could not be fully deployed until the late 1980s, giving the U.S. ample time to deploy Trident, if that is the most effective response, even with development of the lead ship timed for completion in 1980.

Such ASW experts as Richard Garwin of IBM's Thomas J. Watson Research Center discount the lead-time problem and do not consider it a compelling reason for Trident. An attempt to increase lead-time against an unknown threat can, on the other hand, lead to an unwise use of that time. For example, much of the increased size of the Trident hull is attributable to efforts to achieve a quiet-running capability as a defense against passive sonar. Should the hypothetical breakthrough in ASW technology involve advances in active sonar detection, magnetic field anomalies, temperature differentials or laser technology, Trident's huge relative size could work to its disadvantage. Even with existing technology, Trident's size makes it more vulnerable to attack by torpedoes using active sonar or similar guidance techniques in its homing phase. While it is the conclusion of this study that exists little chance of a sudden ASW breakthrough, these considerations illuminate the problems inherent in trying to design a system to counter an unknown technology.

Although the details of the Trident submarine program are, for the most part, classified and therefore not subject to independent analysis, there remain several other questions about the system's design characteristics and performance criteria. It is undetermined whether the Trident submarine will be able to achieve the maneuverability, or even the speed, of its predecessors, qualities which are essential for evading detection, surveillance, and destruction. Further, at the present rapid rate of development, it is unclear whether Trident will be able to incorporate any ASW countermeasures which may be developed through the Navy's SBN defense program over the next decade or whether the present design will permit incorporation of such features without enormous cost escalation. It is questions of this sort which, when combined with the extraordinarily high cost of Trident, raise doubts as to whether the accelerated Trident program is not a case of "too much, too soon."

If, therefore, the Trident program is pursued purely as a matter of modernizing the existing force, it is quite possible that such premature "modernization" will end not with an improved capability but in a force that will become obsolescent at an even more rapid rate because of a failure to incorporate technological innovation. From this point of view, the retrofitting of the Trident I missile again appears to be the most desirable option, for it will enhance the survivability of the current force while preserving the option of developing a truly "modern" follow-on fleet in an orderly and more economical fashion at a later time.

Trident and the Strategic Arms Race

The ABM Treaty signed in May, 1972 should make it clear that the U.S. and the USSR have elected not to attempt to develop expensive and problematic ballistic missile defenses beyond the two systems permitted each country.* Without extensive ABM systems to shoot down incoming missiles, they will have, in effect, a "free ride" to most of their targets. In light of this development, the need for Trident and especially the "ABM-busting" Trident II missile, with its MARV and other penetration aids, is considerably lessened. However, as a hedge against Soviet abrogation of the treaty and to counter its existing Galosh ABM system, the Poseidon/Polaris missiles already possess significant ABM-penetrating capabilities. If a further hedge should be required, they can be easily and cheaply attained by fitting the Trident I missile into the Poseidon vessels. Since the Navy expressed high confidence in the effectiveness of the Polaris/Poseidon force to place as many warheads on target with an ABM as without, the limitation on Soviet ABMs should only confirm that confidence.

The Interim Agreement on Strategic Offensive Weapons permits the U.S. 44 ballistic missile submarines and a total of 710 missiles. Within these ceilings, the U.S. is permitted to replace older submarines, SLBMs or land-based ICBMs with newer hulls or missiles. Nevertheless, the decision to accelerate Trident, setting an operational date for four ships in 1978, must appear to the Soviets as an act of bad faith in relation to the current Geneva SALT round aimed at negotiating a permanent limitation on offensive strategic weapons, for it implies that the U.S. has little expectation of reaching such an agreement.

If, on the other hand, the Department of Defense plans to replace Polaris and Poseidon submarines as the Trident vessels become available, in order to remain within the established limits, then the Trident program appears even less cost-effective, since its acceleration would require the retirement of some 15 Polaris/Poseidon boats well in advance of the end of their normal life-span.

Under either option, the decision to go ahead with the whole Trident program at this time tends to undermine the SALT accords and offers the prospect of renewing the arms race—not ended by SALT but only rechanneled and somewhat more carefully managed—at higher levels of nuclear overkill. Additionally, such a crash program is likely to reduce Soviet confidence in its own strategic deterrent, thus provoking Soviet leaders to seek the psychological security of a build-up in their strategic force levels.

Base selection

On February 16, 1973 Secretary of the Navy, John W. Warner announced that the Trident would be deployed in the Pacific and that its home base would be constructed near Bangor, Washington.

The Navy, in announcing the base selection, claimed that the decision ". . . came well over two years after the initial Pacific basing proposal with the Trident program."

The Navy estimates that the new base would cost approximately $553 million and would provide permanent employment for about 3,000 military and 3,000 civilian personnel who would earn gross salaries of $90 million annually.

The Navy claims that the selection of the Pacific base provides a two ocean front thereby doubling the problem for Soviet ASW threats.

The U.S. presently has ballistic missile submarines operating in the Pacific from existing bases, however, so that the Soviets are already presented with the two-ocean threat. With present U.S. missiles, the Soviet targets west of the Urals cannot be reached. This is not a shortcoming of the Poseidon submarine or its base, however. With the retrofitting of the Trident missile into Poseidon, as was originally planned, the present U.S. forces could provide the capability for attacking any Soviet target regardless of the submarine's base location.

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*The Defense Department request for research and development funds for Site Defense of Minuteman (SDM), labelled a "presumptive ABM" by some critics, raises doubts, however, on the U.S. position in this regard. See the MCPL Research Report on SDM prepared by Congressman Robert Leggett.

In discussion of the base selection before the Senate R. & D. Subcommittee, Admiral Kaufman defended the decision in stating:

"A thorough study and examination into every pro and con provided convincing evidence that this dramatic announcement signaled a new plateau of strategic deterrence, in which our sea-based systems would be assured of even higher status of survivability than exists today."

There is a real question, however, as to what new "plateau of strategic deterrence" can be attributed to the selection of the Bangor base. Increased survivability is very much a matter of contention. In fact, due to the geographic characteristics of the proposed Bangor Trident base, it may be that just the opposite is true.

Furthermore, if increased survivability can be attributed to anything, it would have to be attributed primarily to the Trident I missile and not the base location. It is increased missile range that increases survivability. The retrofitting of the Poseidon with the Trident I missile would provide virtually all of the primary additional capabilities of the full Trident submarine.

Herbert Scoville, Jr., the former Assistant Director of the Arms Control and Disarmament Agency and Deputy Director of the Central Intelligence Agency, argues that the Bangor base selection is a serious mistake for precisely reasons of vulnerability, especially in regard to acoustic ASW techniques. Pacific basing, unlike Atlantic basing, is subject to detection by fixed acoustic systems due to the direct and unobstructed access to the deep ocean, primarily because there are no large land masses to curtail such access. Therefore, to deploy an acoustic net in the Pacific would be much simpler even if the submarine missiles are of longer range.

In addition, since the submarines will be forced to exit through the Juan de Fuca strait, picking up a Trident submarine and maintaining a continuous trail as it moves to its operational base will be far easier than in the Atlantic.

In the Atlantic, a submarine can proceed along the coastline and exit into international waters at any point it chooses, thereby avoiding detection.

The Bangor base has one additional difficulty not found in Atlantic bases. It is vulnerable to mining. The narrow strait would, in time of war, serve to bottle up all submarines which were in port, and prohibit the return of those at sea. "By every possible criteria," Scoville states, "the Atlantic is preferable for invulnerable basing of missile submarines."

Still another problem can be cited with the Pacific basing. Because of the large ocean area and the Pacific base location many targets in the Soviet Union will be out of range of the Trident I during a large part of its patrol. This is not true in the Atlantic. With a missile of 4,000 nautical mile range, a submarine could stay in U.S. coastal waters along the north coastline and still reach many Soviet targets, most of which lie west of the Urals.

It is certain, therefore, that some serious questions concerning the advisability of basing a new submarine in the Pacific ocean exist. The decision to build the Trident base in the State of Washington may be premature and even prove to be a grave strategic mistake.

SUMMARY OF U.S. SSBN PROGRAMS

Polaris	Poseidon	Trident
FUNDING STATUS		
Procurement completed. Total program cost for 41 submarines and 816 missiles: $13,900,000,000.	$5,320,000,000 spent to date for conversion of 31 submarines. $5,130,000 requested in 1973 to complete program.	$795,300,000 appropriated for fiscal year 1973. $1,744,000,000 requested for fiscal year 1974. Total estimated cost for 10 submarines and Trident I missile: $13,500,000,000.
SUBMARINE CHARACTERISTICS		
Nuclear-powered; 48 nuclear weapons (Triplet MRV) in 16 missiles. Total weapons: 480.	Nuclear-powered; 160 nuclear weapons (MIRV) in 16 missiles. Total weapons: 4,960.	Nuclear-powered; 408 nuclear weapons in 24 missiles (MIRV or MARV). Total weapons: 4,080. 10 Trident submarines replacing 10 Poseidon submarines would exceed SALT I limits by 26 launchers.
MISSILE CHARACTERISTICS		
A-1 range: 1,200 n.m. (all now replaced) A-2 range: 1,500 n.m.; A-3 range: 2,500 n.m. Each submarine could destroy 16 Soviet cities.	C-3 range: 2,500 n.m., C-4 range: 4,000 n.m. (C-4 originally scheduled for use in Poseidon submarines.)	Trident I (C-4) range: 4,000 miles. Trident II designed range: 6,000 miles. Each submarine could destroy potentially 408 Soviet cities.
REASON FOR BUILDING		
Move part of the U.S. strategic deterrent force to sea to attain greater survivability.	Provide stronger deterrent by moving a greater portion of strategic forces to sea. Increased range.	Greater Soviet threat assumed. Force modernization. Hedge against a Soviet technological breakthrough.
SYSTEM STATUS		
First ship completed: December, 1959. Last ship completed: April, 1967.	17 submarines in operation today; 9 undergoing conversion; 5 more planned. Program to be completed: 1976.	Construction begun prior to July 1, 1973. Lead ship to be completed in 1978. Money appropriated for fiscal year 1973 to begin work on 4 submarines, including lead ship.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Mr. President, will the Senator withhold that?

Mr. HARRY F. BYRD, JR. I withhold the suggestion.

TIME LIMITATION AGREEMENTS

Mr. ROBERT C. BYRD. Mr. President, this request has been cleared with Mr. Thurmond, Mr. Tower, and Mr. Bayh and managers on this side of the aisle.

I ask unanimous consent that at such time as the Senator from Indiana (Mr. Bayh) calls up his amendment dealing with the SAM-D missile, the time on the amendment be limited to 4 hours instead of 6 hours, as earlier agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at 4 p.m. on Tuesday next, the Senate proceed to the consideration of the President's veto message, and that there be a 1-hour limitation for debate thereon, with the time to be equally divided between the Senator from Texas (Mr. Tower) and the Senator from California (Mr. Cranston).

Mr. JAVITS. Mr. President, will the Senator yield on that?

Mr. ROBERT C. BYRD. I yield.

Mr. JAVITS. What was the measure that the Senator has reference to?

Mr. ROBERT C. BYRD. I am glad the Senator asked me. I should have identified it. It is S. 1672, to amend the Small Business Act.

Mr. JAVITS. That is a veto message from the President?

Mr. ROBERT C. BYRD. Yes.

Mr. JAVITS. I am just wondering—this is strictly personal, and the Senator will please feel free to say no, as I never stand in the way of the business of the Senate, but I would be accommodated if it could be a little earlier.

Mr. ROBERT C. BYRD. I would like to make it earlier but I believe the distinguished assistant Republican leader can speak better to this.

Mr. JAVITS. Addressing myself, then, to the distinguished assistant minority leader, I would say, speaking personally—and I never do—even though it embarrasses me, I would prefer to make it a little earlier. If the Senator cannot do it, he just cannot do it.

Mr. GRIFFIN. Mr. President, we are running into a problem because the Senator from New Jersey (Mr. Case) on Tuesday has to attend the funeral of a very close relative or friend, and cannot be back until 4 o'clock.

Mr. JAVITS. Could I check with him and see? Maybe he could do it at 3:30.

Mr. GRIFFIN. Yes.

Mr. ROBERT C. BYRD. Mr. President, I withdraw my request for the time being, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I renew my request with the understanding that it may be possible to begin debate on the override of the President's veto as early as 3:30 p.m. on Tuesday next; but the request would stand at 4 p.m. as of now.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I have cleared this request with the distinguished managers of the military procurement bill. We have already gotten a time agreement on the Stevens amendment thereto.

I ask unanimous consent that on Monday next, immediately following the disposition of the Eagleton amendment on the XM-1 tank, the Senate proceed to the consideration of the Stevens amendment on housing allowances.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that my name be inserted in lieu of the name of the Senator from New Hampshire (Mr. McIntyre) with respect to the 15-minute order entered for Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for Monday is as follows:

The Senate will convene at 10 a.m. The junior Senator from West Virginia will be recognized for not to exceed 15 minutes. Then the distinguished assistant Republican leader will be recognized, following my order, for a period not to extend beyond 10:30 a.m.

At 10:30 a.m., the unfinished business, the military procurement bill, will be resumed, with the Goldwater amendment—dealing with the Air National Guard study—as the pending question. There is a 30-minute time limitation on that amendment and a similar limitation on amendments thereto.

Yea-and-nay votes may occur.

Upon disposition of the Goldwater amendment, action will begin immediately on H.R. 9639, the school lunch bill, under a time limitation of 2 hours, with one-half hour on any amendment.

Yea-and-nay votes very likely will occur.

Upon disposition of the school lunch program, action will resume on the unfinished business, the military procurement bill.

The first amendment to be taken up will be the amendment of the Senator from South Dakota (Mr. McGovern), and that is the so-called economic conversion amendment, under a time limitation not to exceed 2 hours.

Upon disposition of the McGovern amendment, the Eagleton amendment on the XM-1 tank will be called up, under a time limitation.

Yea-and-nay votes are expected.

Upon disposition of the Eagleton amendment, the Senate will take up the Stevens amendment dealing with housing allowances, under a time limitation. Other amendments to the military procurement bill will follow on Monday, with yea-and-nay votes expected.

Mr. President, I think that about wraps it up for Monday next.

ADJOURNMENT TO 10 A.M. ON MONDAY, SEPTEMBER 24

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 a.m. on Monday next.

The motion was agreed to; and, at 2:04 p.m., the Senate adjourned until Monday, September 24, 1973, at 10 a.m.

SENATE—*Monday, September 24, 1973*

The Senate met at 10 a.m. and was called to order by the Acting President pro tempore (Mr. Metcalf).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, our help in ages past, our hope for years to come, be with us each step of our pilgrimage lest we falter and fail in doing Thy will. Teach us anew the lesson that a "nation under God" is a nation under Thy judgment as well as Thy providence. Grant us grace to repent of our sins and to turn from all the little evils which corrupt life and corrode the spirit. Make us supreme in compassion, mercy, and love, in fellowship with our fellow citizens and in brotherhood with all mankind—a mighty bastion of spiritual strength and moral power. Bring us more and more into oneness with Thyself and obedience to Thy laws, that we may have peace within our hearts; and that Thou, O Lord, mayest work through us to give peace to the world.

We pray in the name of the Lord, the Prince of Peace. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Saturday, September 22, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF THE CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 377, 381, and 382.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF WILD AND SCENIC RIVERS ACT

The Senate proceeded to consider the bill (S. 921) to amend the Wild and Scenic Rivers Act, which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 1, after line 8, insert:

(c) In section 6(a) strike the comma after "donation" and insert in lieu thereof "or exchange,".

(d)(1) In section 4 strike subsection (a) and insert in lieu thereof the following:

"Sec. 4. (a) The Secretary of the Interior or, where national forest lands are involved, the Secretary of Agriculture or, in appropriate cases, the two Secretaries jointly shall study and submit to the President reports on the suitability or nonsuitability for addition to the National Wild and Scenic Rivers System of rivers which are designated herein or hereafter by the Congress as potential additions to such system. The President shall report to the Congress his recommendations and proposals with respect to the designation of each such river or section thereof under this Act. Such studies shall be completed and such reports shall be made to the Congress with respect to all rivers named in subparagraphs 5(a) (1) through (27) of this Act within three complete fiscal years after the date of enactment of this amendment: *Provided, however,* That with respect to the Suwannee River, Georgia and Florida, and the Upper Iowa River, Iowa, such study shall be completed and reports made thereon to the Congress prior to October 2, 1970. With respect to any river designated for potential addition to the National Wild and Scenic Rivers System by Act of Congress subsequent to this Act, the study of such river shall be completed and reports made thereon by the President to the Congress within three complete fiscal years from the date of enactment of such Act. In conducting these studies the Secretary of the Interior and the Secretary of Agriculture shall give priority to those rivers with respect to which there is the greatest likelihood of development which, if undertaken, would render the rivers unsuitable for inclusion in the National Wild and Scenic Rivers System. Every such study and plan shall be coordinated with any water resources planning involving the same river which is being conducted pursuant to the Water Resources Planning Act (79 Stat. 244; 42 U.S.C. 1962 et seq.).

"Each report, including maps and illustrations, shall show among other things the area included within the report; the characteristics which do or do not make the area a worthy addition to the system; the current status of landownership and use in the area; the reasonably foreseeable potential uses of the land and water which would be enhanced, foreclosed, or curtailed if the area were included in the National Wild and Scenic Rivers System; the Federal agency (which in the case of a river which is wholly or substantially within a national forest, shall be the Department of Agriculture) by which it is proposed the area, should it be added to the system, be administered; the extent to which it is proposed that such administration, including the costs thereof, be shared by State and local agencies; and the estimated cost to the United States of acquiring necessary lands and interests in land and of administering the area, should it be added to the system. Each such report shall be printed as a Senate or House document."

(2) In section 5 strike subsection (b); and reletter subsections (c) and (d) as (b) and (c), respectively.

(3) In section 7(b)(i) strike all after "Act" and insert in lieu thereof "or the three complete fiscal year period following any Act of Congress designating any river for potential addition to the National Wild and Scenic Rivers System, whichever is later, and"

(4) In section 7(b)(ii) strike "which is recommended", insert in lieu thereof "the report for which is submitted", and strike "for inclusion in the National Wild and Scenic Rivers System".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Wild and Scenic Rivers Act (82 Stat. 906) is amended as follows:

(a) In section 7(b)(i) delete "five-year" and substitute "ten-year".

(b) In section 16 deleted "$17,000,000" and substitute "$37,600,000".

(c) In section 6(a) strike the comma after "donation" and insert in lieu thereof "or exchange,".

(d)(1) In section 4 strike subsection (a) and insert in lieu thereof the following:

"SEC. 4. (a) The Secretary of the Interior or, where national forest lands are involved, the Secretary of Agriculture or, in appropriate cases, the two Secretaries jointly shall study and submit to the President reports on the suitability or nonsuitability for addition to the National Wild and Scenic Rivers System of rivers which are designated herein or hereafter by the Congress as potential additions to such system. The President shall report to the Congress his recommendations and proposals with respect to the designation of each such river or section thereof under this Act. Such studies shall be completed and such reports shall be made to the Congress with respect to all rivers named in subparagraphs 5(a) (1) through (27) of this Act within three complete fiscal years after the date of enactment of this amendment: *Provided, however,* That with respect to the Suwannee River, Georgia and Florida, and the Upper Iowa River, Iowa, such study shall be completed and reports made thereon to the Congress prior to October 2, 1970. With respect to any river designated for potential addition to the National Wild and Scenic Rivers System by Act of Congress subsequent to this Act, the study of such river shall be completed and reports made thereon by the President to the Congress within three complete fiscal years from the date of enactment of such Act. In conducting these studies the Secretary of the Interior and the Secretary of Agriculture shall give priority to those rivers with respect to which there is the greatest likelihood of developments which, if undertaken, would render the rivers unsuitable for inclusion in the National Wild and Scenic Rivers System. Every such study and plan shall be coordinated with any water resources planning involving the same river which is being conducted pursuant to the Water Resources Planning Act (79 Stat. 244; 42 U.S.C. 1962 et seq.).

"Each report, including maps and illustrations, shall show among other things the area included within the report; the characteristics which do or do not make the area a worthy addition to the system; the current status of land ownership and use in the area; the reasonably foreseeable potential uses of the land and water which would be enhanced, foreclosed, or curtailed if the area were included in the National Wild and Scenic River System; the Federal agency (which in the case of a river which is wholly or substantially within a national forest, shall be the Department of Agriculture) by which it is proposed the area, should it be added to the system, be administered; the extent to which it is proposed that such administration, including the costs thereof, be shared by State and local agencies; and the estimated cost to the United States of acquiring necessary lands and interests in land and of administering the area, should it be added to the system. Each such report shall be printed as a Senate or House document."

(2) In section 5 strike subsection (b); and reletter subsections (c) and (d) as (b) and (c), respectively.

(3) In section 7(b)(i) strike all after "Act" and insert in lieu thereof "or the three complete fiscal year period following any Act of Congress designating any river for potential addition to the national wild and scenic river system, whichever is later, and"

(4) In section 7(b)(ii) strike "which is recommended", insert in lieu thereof "the report for which is submitted", and strike "for inclusion in the national wild and scenic rivers system".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OIL POLLUTION ACT AMENDMENT

The bill (H.R. 5451) to amend the Oil Pollution Act, 1961 (75 Stat. 402), as amended, to implement the 1969 and 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

GRAND CANYON NATIONAL PARK ENLARGEMENT ACT

The Senate proceeded to consider the bill (S. 1296) to further protect the outstanding scenic, natural, and scientific values of the Grand Canyon by enlarging the Grand Canyon National Park in the State of Arizona, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with an amendment, to strike out all after the enacting clause and insert:

SHORT TITLE

Section 1. This Act may be cited as the "Grand Canyon National Park Enlargement Act".

DECLARATION OF POLICY

SEC. 2. It is the object of this Act to provide for the recognition by Congress that the entire Grand Canyon, from Navajo Bridge to the Grand Wash Cliffs, including tributary side canyons and surrounding plateaus, is a natural feature of national and international significance. Congress therefore recognizes the need for, and in this Act provides for, the further protection and interpretation of the Grand Canyon in accordance with its true significance.

ENLARGEMENT OF GRAND CANYON NATIONAL PARK BOUNDARIES

SEC. 3. (a) In order to add to the Grand Canyon National Park certain prime portions of the canyon area possessing unique natural, scientific, and scenic values, the Grand Canyon National Park shall comprise, subject to any valid existing rights under the Navajo Boundary Act of 1934, all those lands, waters, and interests therein, constituting approximately one million two hundred and sixty-eight thousand seven hundred and thirty-nine acres, located within the boundaries as depicted on the drawing entitled "Boundary Map, Grand Canyon National Park," numbered 113-91,005 and dated June 1973, a copy of which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior.

(b) For purposes of this Act, the Grand Canyon National Monument and the Marble Canyon National Monument are abolished.

(c) The Secretary of the Interior shall study the lands within the former boundaries of the Grand Canyon National Monument commonly known as the Tuckup Point, Slide Mountain, and Jensen Tank areas to determine whether any portion of these lands might be unsuitable for park purposes and whether in his judgment the public interest might be better served if they were deleted from the Grand Canyon National Park. The Secretary shall report his findings and recommendations to the Congress no later than one year from the date of enactment of this Act.

ACQUISITION OF LANDS BY DONATION OR EXCHANGE

SEC. 4. (a) Within the boundaries of the Grand Canyon National Park, as enlarged by this Act, the Secretary of the Interior (hereinafter referred to as the "Secretary") may acquire land and interest in land by donation, purchase with donated or appropriated funds, or exchange.

(b) Federal lands within the boundaries of such park are hereby transferred to the jurisdiction of the Secretary for the purposes of this Act.

PROHIBITION AGAINST TAKING OF STATE OR INDIAN LANDS

SEC. 5. Notwithstanding any other provision of this Act (1) land or interest in land owned by the State of Arizona or any political subdivision thereof may be acquired by the Secretary under this Act only by donation and (2) no land or interest in land, which is held in trust for any Indian tribe or nation, may be transferred to the United States under this Act or for purposes of this Act except after approval by the governing body of the respective Indian tribe or nation.

COOPERATIVE AGREEMENTS FOR UNIFIED INTERPRETATION OF GRAND CANYON

SEC. 6. In the administration of the Grand Canyon National Park, as enlarged by this Act, the Secretary is authorized and encouraged to enter into cooperative agreements with other Federal, State, and local public departments and agencies and with interested Indian tribes providing for the protection and interpretation of the Grand Canyon in its entirety. Such agreements shall include, but not be limited to, authority for the Secretary to develop and operate interpretative facilities and programs on lands and waters outside of the boundaries of such park, with the concurrence of the owner or administrator thereof, to the end that there will be a unified interpretation of the entire Grand Canyon.

PRESERVATION OF EXISTING GRAZING RIGHTS

SEC. 7. Where any Federal lands within the Grand Canyon National Park, as enlarged by this Act, are legally occupied or utilized on the effective date of this Act for grazing purposes, pursuant to a Federal lease, permit, or license, the Secretary shall permit the persons holding such grazing privileges to continue in the exercise thereof during the term of the lease, permit, or license, and periods of renewal thereafter: *Provided,* That no such renewals shall be extended beyond the period ending ten years from the date of enactment of this Act, except that any present lease, permit, or license within the boundaries of the Grand Canyon National Monument as abolished by subsection 3(b) of this Act may be renewed during the life of the present holder. Nothing in this section shall be construed to affect or modify the provisions of section 3 of the Act of February 26, 1919 (40 Stat. 1177).

AIRCRAFT REGULATION

SEC. 8. Whenever the Secretary has reason to believe that any aircraft or helicopter activity or operation may be occurring or about to occur within the Grand Canyon National Park, as enlarged by this Act, including the airspace below the rims of the canyon, which is likely to cause an injury to the health, welfare, or safety of visitors to the park or to cause a significant adverse effect on the natural quiet and experience of the park, the Secretary shall submit to the Federal Aviation Agency, the Environmental Protection Agency pursuant to the Noise Control Act of 1972, or any other responsible agency or agencies such complaints, information, or recommendations for rules and regulations or other actions as he believes appropriate to protect the public health, welfare, and safety or the natural environment within the park. After reviewing the submission of the Secretary, the responsible agency shall consider the matter, and after consultation with the Secretary, shall take appropriate action to protect the park and visitors.

PRESERVATION OF EXISTING RECLAMATION PROVISIONS

SEC. 9. (a) Nothing in this Act shall be construed to alter, amend, repeal, modify, or be in conflict with the provisions of sections 601 to 606 of the Colorado River Basin Project Act, approved September 30, 1968 (82 Stat. 885, 901).

(b) Section 7 of the Act of February 26, 1919 (40 Stat. 1175, 1178), is amended to read as follows:

"Whenever consistent with the primary purposes of such park, the Secretary of the Interior is authorized to permit the utilization of those areas formerly within the Lake Mead National Recreation Area immediately prior to enactment of the Grand Canyon National Park Enlargement Act, and added to the park by such Act, which may be necessary for the development and maintenance of a Government reclamation project."

HAVASUPAI INDIAN RESERVATION

SEC. 10. In recognition of the desire of the Havasupai Tribe of Indians to acquire a greater land base and improved opportunities to sustain its own social and economic life, and with a purpose of assisting the Havasupai people in implementing these goals, the Congress directs that the Secretary and the Secretary of Agriculture jointly shall, within one year of the date of enactment of this Act, conduct a comprehensive study and make detailed recommendations to the Congress and the President concerning proposals for expansion of the Havasupai Reservation. Such study shall (a) be conducted in close consultation with the Tribal Council of the Havasupai Tribe, (b) include recommendations concerning the development of any economic or tourist projects which should accompany the enlargement of the Havasupai Reservation, and (c) include both an evaluation of proposals for the transfer of Federal lands to the reservation and a determination of the feasibility and cost of acquiring any private lands which the tribe may wish to include within the enlarged reservation.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, not to exceed, however, $1,250,000, in the aggregate for the period of the five fiscal years beginning with the fiscal year ending June 30, 1974, for the acquisition of lands and property, and not to exceed $49,000 for the fiscal year ending June 30, 1974, $255,000 for the fiscal year ending June 30, 1975, $265,000 for the fiscal year ending June 30, 1976, and $235,000 for the fiscal year ending June 30, 1977, for development, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the types of construction involved herein. The sums authorized in this section shall be available for acquisition and development undertaken subsequent to the date of enactment of this Act.

Mr. GOLDWATER. Mr. President, I am delighted that the Senate is about to act today on passage of legislation which will significantly improve the protection provided by law for the Grand Canyon of Arizona. Passage of this bill will be a great victory for all of those who, with me, admire the Grand Canyon as the greatest natural wonder on the face of the earth.

The bill will bring together within one park some 273 miles of the canyon which are to be managed as a single, natural area by the National Park Service. It combines almost 1.3 million acres to put all of the Grand Canyon below the rim into one park along with surrounding plateaus and principal side canyons from Navajo Bridge downstream to the Grand Wash Cliffs. This will almost double the size of the Grand Canyon National Park and the number of acres in the canyon receiving Park protection.

Mr. President, the bill has 27 cosponsors and I deeply appreciate their assistance in helping to move the proposal along. In particular, I want to thank my colleague from Arizona (Mr. Fannin) for joining with me in the introduction of the bill and for his aid in guidng the measure through the Senate committee. Also, I am grateful to the senior Senator from Nevada (Mr. Bible) for providing early hearings on the bill by his Subcommittee on Parks and Recreation and for his great help in steering the bill successfully out of committee and onto the Senate floor.

Mr. President, there have been changes made in the bill but this is normal after hearings and I am pleased that the essence of the legislation, which is to give greater protection to the Grand Canyon, remains intact. There are questions relating to some lands included within the enlarged park which the bill defers for study in the near future, including the restoration of certain lands to the Havasupai Indian Reservation and the suitability of some areas for intense wildlife management, but the central object of this bill and of this park is the Grand Canyon and it is the canyon which remains at the forefront of the amended bill. Looking down the road 30 or 50 years or so in the future, I think this bill is crucial to guaranteeing that the canyon will remain what it is today as one of God's last few, practically untouched masterpieces.

Mr. CASE. Mr. President, the effort to preserve the Grand Canyon in all its natural and unique beauty goes back many years. Indeed it was in 1903 that President Theodore Roosevelt urged that it be left as it is. Since then portions of the canyon have been set aside in a National Grand Canyon Park and two national monuments. Together, however, they include less than half of the canyon.

In my view all of the canyon, with the exception of the Indian reservations, should be included in the National Park and I introduced a bill to so provide. The Interior Committee has now reported out S. 1296 introduced by Senator Goldwater. I am glad to note that in the course of committee consideration the Senator from Arizona amended his bill to expand the boundaries of the park beyond those he originally proposed. While I continue to believe the canyon should be afforded the more comprehensive protection contained in my own bill, the pending measure is a step forward in the preservation of an irreplaceable scenic and recreational resource and I shall vote for it.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the distinguished Senator from Pennsylvania desire to be recognized at this time?

Mr. HUGH SCOTT. Mr. President, I yield back my time.

The ACTING PRESIDENT pro tempore. Under the previous order, the distinguished Senator from West Virginia (Mr. Robert C. Byrd) is now recognized for not to exceed 15 minutes.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order just stated be vacated and that there be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Is there further morning business?

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Metcalf) laid before the Senate the following letters, which were referred as indicated:

Contract Award Dates

A letter from the Assistant Secretary of Defense transmitting, pursuant to law, a listing of contract award dates for the period September 15–December 15, 1973 (with accompanying papers). Referred to the Committee on Armed Services.

International Agreements Other Than Treaties

A letter from the Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, ten international agreements other than treaties (with accompanying papers). Referred to the Committee on Foreign Relations.

Use of Foreign Military Sales Credit Funds

A letter from the Assistant Secretary of State for Congressional Relations giving notice, pursuant to law, of the intent to finance with foreign military sales credit funds the procurement of components for the construction in Korea of a patrol ship. Referred to the Committee on Foreign Relations.

Proposed Legislation by the Department of Commerce

A letter from the Secretary of Commerce transmitting a draft of proposed legislation to carry into effect certain provsions of the Patent Cooperation Treaty, and for other purposes (with accompanying papers). Referred to the Committee on the Judiciary.

Report of the Emergency Loan Guarantee Board

A letter from the Secretary of the Treasury transmitting, pursuant to law, the annual report of the Emergency Loan Guarantee Board covering the period August 1, 1972 through July 31, 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

Proposed Legislation by the Small Business Administration

A letter from the Administrator of Small Business transmitting a draft of proposed legislation to increase the limitations on the amounts which may be outstanding at any one time from the business loan and investment fund (with accompanying papers). Referred to the Committee on Banking, Housing and Urban Affairs.

Proposed Legislation of the Department of the Interior

A letter from the Assistant Secretary of the Interior transmitting a draft of proposed legislation to amend the National Visitor Center Facilities Act of 1968, as amended, to facilitate the construction of an intercity bus terminal, and for other purposes (with accompanying papers). Referred to the Committee on Public Works.

Final Determination of Certain Indian Claims

A letter from the Chairman of the Indian Claims Commission transmitting, pursuant to law, its reports on the final determinations of certain Indian claims (with accompanying reports). Referred to the Committee on Appropriations.

Reports of the Immigration and Naturalization Service

A letter from the Acting Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, reports concerning visa petitions which have been approved (with accompanynig papers). Referred to the Committee on the Judiciary.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. METCALF):

A joint memorial adopted by the Legislature of the State of Oregon. Referred to the Committee on Agriculture and Forestry:

"ENROLLED SENATE JOINT MEMORIAL 8

"To the Honorable President of the United States, the Honorable Senate and House of Representatives of the United States of America, in Congress assembled, and the United States Department of Agriculture:

"We, your memorialists, the Fifty-seventh Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas Oregon is the leading filbert producing area in the United States, producing some 95 percent of all filberts produced in the United States; and

"Whereas future growth and stability of the Oregon filbert industry is dependent upon quality of the product reaching the domestic market; and

"Whereas no quality standards have been established on filberts imported into the United States from foreign producers; and

"Whereas House Resolution 2933 introduced into the House of Representatives, 93rd Session of Congress would amend section 8e of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937 by including filberts; and

"Whereas passage of House Resolution 2933 would establish quality standards for filberts shipped into the United States; and

"Whereas the consumer is entitled to the same protection on filberts imported into the United States as provided by domestc producers; now, therefore,

"Be It Resolved by the Legislative Assembly of the State of Oregon: That the Oregon Legislature urge all possible federal assistance to assure passage of House Resolution 2933; and be it further

"Resolved, That copies of this memorial be delivered to members of the Oregon Congressional Delegation and, if possible, personally delivered by them to the Secretary of Agriculture, to the leadership of the United States House of Representatives and the Senate and to the leaders of their respective caucuses."

A joint memorial adopted by the Legislature of the State of Oregon. Referred to the Committee on Banking, and Housing, and Urban Affairs:

"Enrolled Senate Joint Memorial 15

"To the Honorable President of the United States, the Oregon Congressional Delegation, the Honorable Senate and House of Representatives of the United States of America in Congress assembled, the United States Secretary of the Treasury and the Office of Oil and Gas, Department of the Interior:

"We, your memorialists, the Fifty-seventh Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas the independent petroleum jobbers contribute extensively to the economy of Oregon; and

"Whereas the competitive sale of petroleum products in Oregon is of benefit to the consumer and local economies; and

"Whereas we are dependent upon major petroleum suppliers' production to meet our market demand for these products; and

"Whereas until May 21, 1973 there had been no establishment of priorities of use, or for systematic allocation of supplies of petroleum products in order to meet the essential needs of various sections of the nation or to prevent anticompetitive effects resulting from shortages of such products; and

"Whereas several suppliers have unilaterally withdrawn from markets without making necessary arrangements to meet consumer demand; and

"Whereas other suppliers now seek to modify existing distributor contracts under the threat of ultimate supply withdrawal; and

"Whereas withdrawal of competitory elements in petroleum distribution will lead to a lessening of competition; now, therefore

"Be It Resolved by the Legislative Assembly of the State of Oregon: That the Federal Government is memorialized to:

"(1) Urge refiners to be fair and nondiscriminating in allocation of scarce products;

"(2) Urge refiners to provide adequate lead time so its customers can properly adjust to changes in corporate policy, in view of long-term commitments made in jobber-supplier mutual interest;

"(3) Urge refiners to use resourcefulness in constructing additional refinery capacity, and by other means to increase product availability;

"(4) Emphasize to refiners that industry public relations problems will increase geometrically as the number of competing elements in the market decreases;

"(5) Establish a monitoring and reporting system dealing with product shortage, contract terminations and product shortfall to show distributors, government and others, trends emerging in the marketplace; and

"(6) Continue the voluntary allocation policies enabled by the Economic Stabilization Act of 1970 as amended unless mandatory allocation on a selective or group basis is necessary to protect the consumer interest or a class of trade; and be it further

"Resolved, That copies of this memorial be delivered to members of the Oregon Congressional Delegation and, if possible, personally delivered by them to the Secretary of the Treasury, to the Office of Oil and Gas, to the leadership of the United States House of Representatives and the Senate, to the leaders of their respective caucuses and to the individual members of the Congress."

A joint resolution passed by the Legislature of the State of Oregon. Referred to the Committee on the Judiciary:

"ENROLLED SENATE JOINT RESOLUTION 4

"Whereas the Ninety-second Congress of the United States of America, at its second session begun and held at the City of Washington on January 18, 1972, by a constitutional majority of two-thirds vote in both houses adopted a Joint Resolution proposing an amendment to the Constitution of the United States, as follows:

" 'ARTICLE —

" 'Section 1. Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

" 'SEC. 2. The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.

" 'SEC. 3. This amendment shall take effect two years after the date of ratification.'; and

"Whereas the proposed amendment shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several states within seven years from the date of its submission by the Congress; now, therefore,

"Be it Resolved by the Legislative Assembly of the State of Oregon:

"(1) The proposed amendment to the Constitution of the United States relating to equal rights for men and women, as set forth in this resolution, hereby is ratified.

"(2) The Secretary of State shall send certified copies of this resolution to the Administrator of General Services of the United States, to the presiding officer of the United States Senate and to the Speaker of the House of Representatives of the United States."

Two joint memorials adopted by the Legislature of the State of Oregon. Referred to the Committee on Labor and Public Welfare:

"ENROLLED SENATE JOINT MEMORIAL 10

"To the Honorable Senate and House of Representatives of the United States of America, in Congress assembled:

"We, your memorialists, the Fifty-seventh Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas the promotion of quality education is of great concern to the people of the State of Oregon; and

"Whereas federal moneys from Title III of the Elementary and Secondary Education Act have assisted in the research and development of innovative educational systems in this and other states; and

"Whereas many students who are now benefiting from programs which seek to improve the quality of instruction in public schools may be deprived of these benefits if federal funds are withdrawn; and

"Whereas many programs in Oregon which are assisted by the moneys allocated under Title III are currently in the developmental and validation stages; and

"Whereas continuity of these programs is crucial for the establishment of improved educational systems for all public school children; now, therefore,

"Be it resolved by the legislative assembly of the State of Oregon:

"(1) The Congress of the United States is memorialized to consider the impact of the loss of federal funds for the improvement of educational systems in the State of Oregon and in other states.

"(2) The Legislative Assembly further urges the Congress to appropriate funds to the states, earmarked for the support of creative teaching and development of innovative educational systems which seek to improve the quality of instruction in public schools, in an amount equal to that appropriated for the fiscal year 1972–1973.

"(3) A copy of this memorial shall be transmitted to the presiding officers of each house of Congress and to each member of the Oregon Congressional Delegation."

"Enrolled Senate Joint Memorial 11

"To the Honorable Senate and House of Representatives of the United States of America, in Congress assembled, and to the Honorable Secretary of the Department of Labor:

"We, your memorialists, the Fifty-seventh Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas the Job Corps Center at Tongue Point is the only regional training center for women in the Northwest; and

"Whereas the Job Corps Center at Tongue Point maintains an enrollment of 735 corpswomen, 235 employees, an annual payroll of approximately $2 million and an annual budget of approximately $3.9 million; and

"Whereas there has been a reduction in the national budget for regional Job Corps Centers; and

"Whereas there is a need for the continuation of the present level of services and programs provided by the Tongue Point Center; and

"Whereas a reduction or phasing out of any services or programs would seriously impede manpower training and development in the Northwest; now, therefore,

"Be it resolved by the legislative assembly of the State of Oregon:

"(1) The Congress of the United States and the Secretary of the Department of Labor are memorialized to continue the programs and services provided to women by the Tongue Point Job Corps Center at their present level and at their present location.

"(2) A copy of this memorial shall be transmitted to the presiding officers of both houses of the Congress, to the Secretary of the Department of Labor and to each member of the Oregon Congressional Delegation.

Three resolutions adopted by the United American Mechanics, State Council of Tennessee; two of which in commendation of President Nixon which were ordered to lie on the table, and one condemning draft-dodging by any United States citizens, which was referred to the Committee on the Judiciary.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HUGHES:

S. 2472. A bill for the relief of Col. Paul M. Thompson, U.S. Air Force. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2473. A bill for the relief of Mr. Sudesh Kumar Chhabra. Referred to the Committee on the Judiciary.

By Mr. WILLIAMS (for himself, Mr. Brooke, and Mr. Biden):

S. 2474. A bill to amend the Securities Exchange Act of 1934 to provide for the establishment of a mechanism of regulation among brokers, dealers, and banks trading in municipal securities, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. McGOVERN:

S. 2475. A bill for the relief of Norma Lazo. Referred to the Committee on the Judiciary.

By Mr. BENNETT:

S. 2476. A bill for the relief of Capt. Deloy F. Johnson, U.S. Air Force. Referred to the Committee on the Judiciary.

By Mr. LONG (for himself and Mr. Johnston):

S. 2477. A bill to provide for the conveyance of certain lands of the United States to the State of Louisiana for the use of Louisiana State University. Referred to the Committee on Agriculture and Forestry.

By Mr. BENTSEN:

S. 2478. A bill to amend the Higher Education Act of 1965 to remove the needs provision for families with income with less than $15,000 a year from the student loan subsidy provision of that act. Referred to the Committee on Labor and Public Welfare.

By Mr. RANDOLPH:

S. 2479. A bill to promote the conservation of energy in the design of new federally owned and federally assisted facilities. Referred to the Committee on Public Works.

By Mr. COOK:

S. 2480. A bill to amend the Economic Stabilization Act of 1970 relative to petroleum products. Referred to the Committee on Banking, Housing and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WILLIAMS (for himself, Mr. Brooke, and Mr. Biden):

S. 2474. A bill to amend the Securities Exchange Act of 1934 to provide for the establishment of a mechanism of regulation among brokers, dealers and banks trading in municipal securities, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

THE MUNICIPAL SECURITIES ACT OF 1973

Mr. WILLIAMS. Mr. President, trading in municipal securities—the debt obligations of States and local governments—is at present unregulated at the Federal level. Apart from general antifraud provisions, all of the Federal securities laws exempt municipal securities from their substantive requirements. This means that State and local government bonds do not comply with the registration and disclosure requirements of the Securities Act of 1933 when they are sold, nor do the persons who distribute and make markets in such bonds register with the Securities and Exchange Commission as broker-dealers.

There are practical and historical reasons for the hands-off treatment of trading in municipal securities. Of late, however, there has been a growing recognition among both Federal regulatory authorities and forward-looking members of the municipal bond industry that Federal regulation is now called for.

Last year State and local governments issued approximately $25 billion worth of long-term bonds. Most of this debt was sold to institutional investors. However, individual investors appear to have purchased nearly one-third of these bonds, and as interest rates rise individuals are increasingly attracted to this market. For example, in 1972, individuals held over $50 billion worth of State and local government debt, an increase of nearly $20 billion over 10 years earlier.

The growth of the municipal securities market has brought with it new distribution practices and greater interest on the part of municipal securities dealers in merchandising municipal bonds to individuals.

In the absence of Federal regulation and an effective nationwide enforcement mechanism, unethical sales practices appear to be proliferating and improper and downright illegal operations appear to be increasingly common.

What has come to be known as the "Memphis dealer problem" is now a national problem. High pressure sales techniques, excessive mark-ups and fraudulent sales practices have reached a point where they are a major concern to the Securities and Exchange Commission, State securities regulators, and the vast majority of municipal securities dealers.

Recent fraud cases involving municipal securities dealers in Tennessee and Texas, and in my own State of New Jersey have made it clear that the municipal securities market is no longer a predominantly institutional market entitled to general exemption from the pattern of Federal securities regulation. This market is heavily dependent on individual investors and as such belongs under the Securities and Exchange Commission's broad regulatory umbrella.

To this end, I am today introducing on behalf of myself and Senators Brooke and Biden the Municipal Securities Act of 1973. This bill addresses itself to the need for uniform regulation of the activities and practices of the professional traders and underwriters who deal in and distribute municipal securities. It does not affect the exemption of State and local governments from the Securities Act of 1933, for there has been no evidence of abuse in this area. Rather, this bill removes the existing exemptions in the Securities Exchange Act of 1934 for broker-dealers which deal exclusively in municipal securities and for banks which deal in such securities.

Thus, broker-dealers trading exclusively in municipals will for the first time be required to register with the SEC. Similarly, the municipal bond division or department of bank carrying on a municipal securities business will also be required to register with the SEC, although not as a broker-dealer but as a new category of "municipal securities dealer."

By virtue of these registration requirements, all persons performing a professional trading function with respect to municipal securities will be registered with the Securities and Exchange Commission, and as such will be subject to SEC inspection and regulation.

In addition to direct SEC regulatory power, the public has a right to expect that the municipal securities industry will have, and the industry has a legitimate interest in obtaining for itself, a code of practice establishing proper standards for business conduct and ethical goals designed to strengthen professionalism and adherence to fair dealing.

Such a code of practice—a coherent and informed set of rules defining just and equitable principles of trade with respect to municipal securities—should, if possible, be drawn by the industry itself, both because that would be most efficient and because that is the most expert source of information as to just how this market works. Accordingly, the bill I and my colleagues are introducing sets up a mechanism for establishing a new self-regulatory agency, the National Association of Municipal Securities Dealers--NAMSD—which will have the power to prescribe the rules of conduct and practice for its members.

The bill does not mandate the establishment of such a new self-regulatory association, and it vests in the SEC direct rulemaking authority with respect to just and equitable principles of trade over all municipal securities dealers should such an organization not be established.

However, it is my expectation that such an organization will be formed, that its membership will embrace the vast majority of municipal securities dealers, and that it will promulgate rules and standards for the trading of municipal securities which will assure the protection of public investors and provide the impetus for a general raising of the standards of the industry.

The Municipal Securities Act provides that if a new municipal securities dealer's association is formed, it will have full self-regulatory powers with respect to such matters as membership standards, selling practices, and settlement procedures, and that it will have the authority to inspect members' operations and impose discipilinary sanctions to enforce its rules. The exercise of these self-regulatory powers will be subject to SEC control and review.

The rules of an association of municipal securities dealers must be approved by the SEC, and its disciplinary actions will be subject to review by the SEC. In addition, the SEC will have the power, should it find it necessary, to force such an association to change its rules to bring them into line with the Commission's view of what is necessary for the protection of the investors and the public interest.

Because many broker-dealers trading in municipal securities are already members of the NASD, the bill expands the NASD's power to encompass the regulation of activities related to municipal securities. Thus, it will not be necessary for any present NASD member to join another self-regulatory organization. Although the bill would permit both a new national association of municipal securities dealers and the NASD to exercise rulemaking power in the municipal securities area, I anticipate that the municipal securities dealers association will be the primary rulemaking body and that, by virtue of SEC oversight, the rules of the two self-regulatory organizations will be identical.

Banks have traditionally been exempted from the regulatory requirements of the Securities Exchange Act of 1934. If we are to establish a uniform Federal regulatory scheme for trading in municipal securities, however, this general exemption must be ended and securities-type regulations imposed to the extent appropriate. Where banks perform the same functions with respect to municipal securities as do registered broker-dealers, there is no regulatory justification for treating the two types of organizations differently.

This bill I am introducing recognizes the appropriateness of comparable regulation of banks and broker-dealers where there is a similarity of function. The bill also carefully limits, however, the reach of SEC regulation over banks to their municipal bond divisions or departments.

Despite basic similarities, the organization, structure, and interest of the banks involved in the trading of municipal securities are often different from those of securities dealers. Accordingly, the bill provides that a self-regulatory association of municipal securities dealers must provide equal representation on its governing board for members which are banks and members which are securities dealers. In addition, such a board must also contain representatives from the public.

The participation of banks in the municipal securities area, raises important questions as to the appropriate role to be played by the bank regulatory agencies in overseeing these activities and enforcing applicable rules with respect to them. This bill adopts the approach of giving the SEC general oversight authority with respect to rules, inspections, enforcement and review of self-regulatory disciplinary actions. In connection with these functions, however, the SEC is required to consult and cooperate with the Federal bank agencies toward the end that rules and sanctions applicable to banks are in accord with sound banking practices to the maximum extent consistent with the protection of investors and the public interest.

I believe that the Municipal Securities Act of 1973 will be a major step in the evolution of our Federal securities laws. It is a complex bill with a large number of implications for the securities and banking industries and for their customers—both investors and State and local governments. I recognize that there will be diverse views as to the proper way to regulate the trading in municipal securities. I believe this bill provides a reasonable and workable regulatory framework. I will, however, remain openminded with respect to alternative approaches, and I earnestly solicit industry groups and individual dealers in municipal securities to offer constructive suggestions, changes, and alternatives.

I am convinced that with the cooperation and suggestions of the banks, the securities firms, and the regulatory agencies, it will be possible to work out the most effective and constructive regulatory approach for the municipal securities area. I believe it is important this be done promptly, and to this end I will schedule hearings of the Subcommittee on Securities in the near future.

Mr. President, I now ask unanimous consent that the full text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2474

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Municipal Securities Act of 1973."

SECTION 1. Section 3(a)(12) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(12) is amended as follows:

"(12) The term 'exempted security' or 'exempted securities' includes securities which are direct obligations of or obligations guaranteed as to principal or interest by the United States; such securities issued or guaranteed by corporations in which the United States has a direct or indirect interest as shall be designated for exemption by the Secretary of the Treasury as necessary or appropriate in the public interest or for the protection of investors; municipal securities, as defined in section 3(a)(22) of this title, *provided,* however, that municipal securities shall not be deemed to be 'exempted securities' for the purposes of sections 15 and 15A of this title; any interest or participation in any common trust fund or similar fund maintained by a bank exclusively for the collective investment and reinvestment of assets contributed thereto by such bank in its capacity as trustees, executor, administrator, or guardian; any interest or participation in a collective trust fund maintained by a bank or in a separate account maintained by an insurance company which interest or participation is issued in connection with (A) a stock-bonus, pension, or profit-sharing plan which meets the requirements for qualification under section 401 of the Internal Revenue Code of 1954, or (B) an annuity plan which meets the requirements for the deduction of the employer's contribution under Section 404(a)(2) of such Code, other than any plan described in clause (A) or (B) of this paragraph which covers employees some or all of whom are employees within the meaning of section 401(c)(1) of such Code; and such other securities (which may include, among others, unregistered securities the market in which is predominantly interstate) as the Commission may, by such rules and regulations as it deems necessary or apppropriate in the public interest or for the protection of investors, either unconditionally or upon specified terms and conditions or for stated periods, exempt from the operation of any one or more provisions of this title which by their terms do not apply to an 'exempted security' or to 'exempted securities.'"

SEC. 2. Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)), is amended by adding at the end thereof the following new subsections:

"(22) The term 'municipal securities' means securities which are direct obligations of or obligations guaranteed as to principal or interest by a State or any political subdivision thereof or any agency or instrumentality of a State or any political subdivision thereof or any municipal corporate instrumentality of one or more States; or any security which is an industrial development bond (as defined in Section 103(c)(2) of the Internal Revenue Code of 1954) the interest on which is excludable from gross income under Section 103(a)(1) of such Code if, by reason of the application of paragraph (4) or (6) of Section 103(c) of such Code (determined as if paragraphs (4)(A), (5), and (7) were not included in such Section 103(c)), paragraph (1) of such 103(c) does not apply to such security.

"(23) The term 'municpial securities dealer' means any person engaged in the business of buying and selling municipal securities for his own account, through a broker or otherwise, but does not include:

(A) any person insofar as he buys or sells such securities for his own account, either individually or in some fiduciary capacity, but not as part of a regular business; or

(B) a bank, unless the bank is engaged in the business of buying and selling municipal securities for its own account other than in a fiduciary capacity, through a broker or otherwise; *provided, however,* that if such activities are conducted by the bank through a separately identifiable department or division which is registered in accordance with section 15B(a) of this title as a 'municipal securities dealer' the bank itself shall not be deemed to be a municipal securities dealer.

"(24) The term 'person associated with a municipal securities dealer' when used with respect to a municipal securities dealer which is a bank or a division or department of a bank means any person actively engaged in the management, direction or supervision of such municipal securities dealer's activities with respect to municipal securities, and any person directly or indirectly controlling or controlled by such municipal securities dealer, including any employee of such dealer. The Commission may by rules and regulations classify, for the purpose of any portion of this title, persons, including employees, controlled by a municipal securities dealer."

"(25) The term 'bank regulatory agency', when used with respect to a municipal securities dealer required to be registered under this title which is a bank or a department or division of a bank, means:

"(A) the Comptroller of the Currency, in the case of a national bank or a bank operating under the Code of Law for the District of Columbia, or a department or division of any such bank;

"(B) the Board of Governors of the Federal Reserve System, in the case of a State member bank of the Federal Reserve System, a department or division thereof, a bank holding company, a bank subsidiary of a bank holding company other than a bank specified in paragraph (A) or (C) of this subsection, or a department or division of such subsidiary; and

"(C) the Federal Deposit Insurance Corporation, in the case of a bank insured by the Federal Deposit Insurance Corporation (other than a member of the Federal Reserve System), or a department or division thereof. As used in this paragraph, the terms 'bank holding company' and 'subsidiary' have the meaning given them in section 2 of the Bank Holding Company Act of 1956, as amended."

SEC. 3. Paragraphs (8), (9) and (10) of Section 15(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b)) are amended to read as follows:

"(8) No broker or dealer registered under section 15 of this title shall, during any period when it is not a member of a securities association registered with the Commission under section 15A of this title, effect any transaction in, or induce the purchase or sale of, any security (otherwise than on a national securities exchange) unless such broker or dealer and all natural persons associated with such broker or dealer meet such specified and appropriate standards with respect to training, experience, and such other qualifications as the Commission finds necessary or desirable. No municipal securities dealer registered under section 15B(a) of this title (or registered as a broker or dealer under section 15 of this title) shall, during any period when it is not a member of an association of municipal securities dealers registered under section 15B(b) of this title (or if registered as a broker-dealer, is not a member of a securities association registered under section 15A of this title), effect any transaction in, or induce the purchase or sale of, any municipal security unless such municipal securities dealer and all natural persons associated with such municipal securities dealer meet such specified and appropriate standards with respect to training, experience, and such other qualifications as the Commission finds necessary or appropriate. The Commission shall establish such standards by rules and regulations, which may—

"(A) appropriately classify brokers, dealers and municipal securities dealers and persons associated with brokers, dealers and municipal securities dealers (taking into account relevant matters, including types of business done and nature of securities sold);

"(B) specify that all or any portion of such standards shall be applicable to any such class;

"(C) require persons in any such class to pass examinations prescribed in accordance with such rules and regulations; and

"(D) provide that persons in any such class other than a broker, a dealer, or a municipal securities dealer and partners, officers, and supervisory employees (which latter term may be defined by the Commission's rules and regulations and as so defined shall include branch managers of brokers or dealers) of brokers, dealers, and municipal securities dealers, may be qualified solely on the basis of compliance with such specified standards of training and such other qualifications as the Commission finds appropriate. "The Commission may prescribe by rules and regulations reasonable fees and charges to defray its costs in carrying out this paragraph, including, but not limited to, fees for any examination administered by it, or under its direction. The Commission may cooperate with securities associations registered under section 15A of this title, municipal securities associations registered under section 15B(b) of this title, and with exchanges registered under section 6 of this title in administering examinations and may require brokers, dealers and municipal securities dealers subject to this paragraph and persons associated with such brokers, dealers and municipal securities dealers to pass examinations administered by or on behalf of any such securities association, association of municipal securities dealers, or exchange and to pay to such securities association, association of municipal securities dealers, or exchange reasonable fees or charges to defray the costs incurred by such securities association, association of municipal securities dealers, or exchange in administering such examinations.

"(9) In addition to the fees and charges authorized by paragraph (8) of this section, each broker, dealer, and municipal securities dealer subject to such paragraph (8) shall pay to the Commission such reasonable fees and charges as may be necessary to defray the costs of additional regulatory duties required to be performed by the Commission because such broker, dealer, or municipal securities dealer is not a member of a registered securities association or registered association of muncipal securities dealers. The Commission shall establish such fees and charges by rules and regulations.

"(10) No broker or dealer subject to paragraph (8) of this subsection shall effect any transaction in, or induce the purchase or sale of, any security (otherwise than on a national securities exchange) and no municipal securities dealer subject to such paragraph shall effect any transaction in, or induce the purchase or sale of, any municipal security in contravention of such rules and regulations as the Commission may prescribe designed to promote just and equitable principles of trade, to provide safeguards against unreasonable profits or unreasonable rates of Commission, and remove impediments to and perfect the mechanism of a free and open market."

SEC. 4. Subparagraph (C) of section 15(b)(5) of the securities Exchange Act of 1934 (15 U.S.C. 78o(b)(5)) is amended by striking the word "or" immediately before the word "dealer," and by adding the following immediately after that word: "or municipal securities dealer,".

SEC. 5. Paragraphs (1) and (2) of Section 15(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(c)) are amended to read as follows:

"(c)(1) No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange, and no municipal securities dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any municipal security, by means of any manipulative, deceptive, or other fraudulent device or contrivance. The Commission shall, for the purposes of this subsection, by rules and regulations define such devices or contrivances as are manipulative, deceptive, or otherwise fraudulent.

"(2) No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange, and no municipal securities dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any municipal security, in connection with which such broker, dealer or municipal securities dealer engages in any fraudulent, deceptive, or manipulative act or practice, or makes any fictitious quotation. The Commission shall, for the purposes of this paragraph, by rules and regulations define, and prescribe means reasonably designed to prevent, such acts and practices as are fraudulent, deceptive, or manipulative and such quotations as are fictitious."

SEC. 6. Section 15A(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-3(i)) is amended to read as follows:

"(i)(1) The rules of a registered securities association may provide that no member thereof shall deal with any nonmember (as defined in paragraph (2) of this subsection) except at the same prices, for the same commissions or fees, and on the same terms and conditions as are by such member accorded to the general public.

"(2) For the purposes of this subsection, the term 'nonmember' shall mean (A) any broker or dealer who makes use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security otherwise than on a national securities exchange, who is not a member of any registered securities association, except a broker or dealer who deals exclusively in commercial paper, bankers' acceptances, or commercial bills, and (B) any municipal securities dealer who is not a member of any registered securities association or any national association of municipal securities dealers.

"(3) Nothing in this subsection shall be so construed or applied as to prevent any member of a registered securities association from granting to any other member of any registered securities association or any national association of municipal securities dealers any dealer's discount, allowance, commission, or special terms."

SEC. 7. The Securities Exchange Act of 1934 is amended by inserting after section 15A (15 U.S.C. 780-3) the following new section:

"MUNICIPAL SECURITIES

"SEC. 15B(a)(1). No municipal securities dealer (other than one registered as a broker or dealer under section 15 of this title) shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any municipal security unless such municipal securities dealer is registered in accordance with this subsection. The Commission, by rules and regulations or by order, upon its own motion or upon application, may conditionally or unconditionally exempt any municipal securities dealer or class of municipal securities dealers from any provision of this subsection or of the rules and regulations prescribed under this subsection, if the Commission finds that the application of such provision to such municipal securities dealer or class of municipal securities dealers is neither necessary nor appropriate in the public interest or for the protection of investors.

"(2) A municipal securities dealer may be registered for the purposes of this subsection by filing with the Commission an application for registration, which shall contain such information in such detail as to such dealer and any persons associated with such dealer as the Commission, by rule, shall require as necessary or appropriate in the public interest or for the protection of investors. Except as otherwise provided in paragraphs (3) and (4) of this subsection, such registration shall become effective thirty days after the receipt of such application by the Commission or within such shorter period of time as the Commission may determine.

"(3) The Commission shall, by order, deny registration to any municipal securities dealer seeking registration if it finds, on the record and after notice and opportunity for hearing, that such denial is in the public interest and that such municipal securities dealer is not able to comply with the provisions and purposes of this section and the rules and regulations prescribed thereunder, or that if it were so registered, such municipal securities dealer would be subject to suspension or the revocation of its registration under paragraph (6) of this subsection.

"(4) Pending determination whether the registration of a municipal securities dealer shall be denied, the Commission may, by order, postpone the effective date of such registration for a period not to exceed ninety days, except that the Commission may by order, after notice and opportunity for hearing (which may consist solely of affidavits and oral arguments), extend such period until final determination if it finds good cause for such extension and publishes its reasons therefor.

"(5) Any municipal securities dealer registered under this subsection may, upon such terms and conditions as the Commission may deem necessary in the public interest or for the protection of investors withdraw from registration by filing a written notice of withdrawal with the Commission. If the Commission finds that any such municipal securities dealer for whom a registration statement is pending, is no longer in existence or has ceased to do business as a municipal securities dealer, it shall by order cancel or deny the registration.

"(6) The Commission shall, by order censure, suspend for a period not exceeding twelve months, revoke the registration of, or impose appropriate limitations on the activities, functions and operations of any municipal securities dealer if it finds, on the record after notice and opportunity for hearing, that such censure, denial, suspension, revocation or limitation is in the public interest and that such municipal securities dealer has committed or omitted any act or omission enumerated in clause (A), (D) or (E) of paragraph (5) of section 15(a) of this title or has been convicted of any offense specified in clause (B) of such paragraph (5) within ten years of the commencement of the proceedings under this paragraph or is enjoined from any action, conduct or practice specified in clause (C) of such paragraph (5).

(7) The Commission may, by order censure any person, or bar or suspend for a period not exceeding twelve months any person from being associated with a municipal securities dealer, if the Commission finds, on the record after notice and opportunity for hearing, that such censure, barring, or suspension is in the public interest and that such person has committed or omitted any act or omission enumerated in clause (A), (D) or (E) of paragraph (5) of section 15(a) of this title or has been convicted of any offense specified in clause (B) of said paragraph (5) within ten years of the commencement of the proceedings under this paragraph or is enjoined from any action, conduct, or practice specified in clause (C) of said paragraph (5). It shall be unlawful for any person as to whom such an order barring or suspending him from being associated with a municipal securities dealer is in effect, willfully to become, or to be, associated with a municipal securities dealer, without the consent of the Commission, and it shall be unlawful for any municipal securities dealer to permit such a person to become, or remain, a person associated with him, without the consent of the Commission, if such municipal securities dealer knew, or in the exercise of reasonable care, should have known, of such order.

"(8) Any provision of this title (other than section 5 and paragraph (1) of this subsection) which prohibits any act, practice or course of business if the mails or any means or instrumentality of interstate commerce are used in connection therewith shall also prohibit any act, practice, or course of business by any municipal securities dealer registered pursuant to this subsection or any person acting on behalf of such municipal securities dealer, irrespective of any use of the mails or any means or instrumentality of interstate commerce in connection therewith.

"(b)(1) Any association of municipal securities dealers may be registered with the Commission as a national association of municipal securities dealers, under the terms and conditions hereinafter provided in this section, by filing with the Commission a registration statement in such form as the Commission may prescribe, setting forth the following information, and accompanied by the following documents:

"(A) Copies of its constitution, articles of incorporation, bylaws, or rules or instruments corresponding to the foregoing, whatever the name, and its stated policies and practices relating to its organization, membership, rules of conduct, proceedings, financial condition, methods of trading by members, and similar matters, which are hereinafter collectively referred to in this section as the 'rules of the national association'; and

"(B) Such other information and documents as the Commission, by rule, may prescribe.

"Such registration shall not be construed as a waiver by such association or any member thereof of any constitutional right or of any right to contest the validity of any rule or regulation under this title.

"(2) An applicant-association shall not be registered as a national association of municipal securities dealers unless it appears to the Commission that—

"(A) by reason of the number of its members, the scope of their transactions in municipal securities, and the geographical distribution of its members such association will be able to comply with the provisions of this title respecting transactions in municipal securities and the rules and regulations thereunder and to carry out the purposes of this section.

"(B) such association is so organized and is of such a character as to be able to comply with and to enforce compliance by its members with the provisions of this title respecting transactions in municipal securities, the rules and regulations thereunder, and the rules of the national association, and to carry out the purposes of this section.

"(C) the rules of the association provide that any municipal securities dealer registered under section 15B(a) of this title or under section 15 of this title as a broker or dealer may become a member of such association; provided, however, that the rules of the association may exclude municipal securities leaders who would be barred from membership in a registered national securities association under paragraph (3) or (4) of section 15A(b) of this title, who are not qualified in accordance with paragraph (D) of this subsection, and who do not meet a standard or requirement which the Commission finds to be necessary or appropriate in the public interest or for the protection of investors and to carry out the purposes of this section.

"(D) the rules of the association provide that, except with the approval or at the direction of the Commission in cases in which the Commission finds it appropriate in the public interest so to approve or direct, no person shall become a member and no natural person shall become a person associated with a member, unless such person is qualified to become a member or a person associated with a member in conformity with specified and appropriate standards with respect to the training, experience, and such other qualifications of such person as the association finds necessary or desirable, and in the case of a member which is a broker or dealer, the financial responsibility of such member. For the purpose of defining such standards and the application thereof, such rules may—

"(i) appropriately classify prospective members (taking into account relevant matters, including type of business done and whether such members are organized as brokers or dealers or as banks) and persons proposed to be associated with members.

"(ii) specify that all or any portion of such standards shall be applicable to any such class.

"(iii) require persons in any such class to pass examinations prescribed in accordance with such rules.

"(iv) provide that persons in any such class other than prospective members and partners, officers and supervisory employees (which latter term may be defined by such rules and as so defined shall include branch managers of members which are brokers or dealers) of members, may be qualified solely on the basis of compliance with specified standards of training and such other qualifications as the association finds appropriate.

"(v) provide that applications to become a member or a person associated with a member shall set forth such facts as the association may prescribe as to the training, experience, and other qualifications (including, in the case of an applicant for membership which is a broker or dealer, financial responsibility) of the applicant and that the association may adopt procedures for verification of qualifications of the applicant.

"(vi) require any class of persons associated with a member to be registered with the association in accordance with procedures specified by such rules (any application or document supplemental thereto required by such rules of a person seeking to be registered with such association shall, for the purposes of subsection (a) of section 32 of this title, be deemed an application required to be filed under this title).

"(E) the rules of the association assure a fair representation of its members and the public in the adoption of the rules of the association and amendments thereto, the selection of its officers and directors, and in all other phases of the administration of its affairs; including, as a minimum, provisiions that—

"(i) the governing body of the association, whether called a Board of Governors, Board of Directors, or some other name, shall be divided equally among individuals who are (I) associated with, and representative of, municipal securities dealers which are brokers or dealers (hereinafter referred to as the 'dealer representatives'), (II) associated with, and representative of, municipal securities dealers which are banks or departments or divisions of banks, (hereinafter referred to as the 'bank representatives'), and (III) representative of investors in and issuers of municipal securities, and who are not associated with any municipal securities dealer (hereinafter referred to as the 'public representatives'); and "(ii) in voting for members of the governing board of the association, the dealer representatives shall be elected by members of the association which are brokers or dealers, the bank representatives shall be elected by members of the association which are banks or departments or divisions of banks, and the public representatives shall be elected by all members of the association.

"(F) the rules of the association provide for the equitable allocation of dues, fees, and other charges among its members to defray reasonable expenses;

"(G) the rules of the association provide for the regulation of its members' dealings in municipal securities and, with respect to such dealers are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to provide safeguards against unreasonable profits or unreasonable rates of commissions or other charges, to remove impediments to and perfect the mechanism of a free and open market, and, in general, to protect investors and the public interest; and are not designed to permit unfair discrimination among customers, issuers, or municipal securities dealers, to fix minimum profits, to impose any schedule of prices, to impose any schedule or fix minimum rates of commissions, allowances, discounts, or other charges, or to impose any burden on competition not reasonably necessary to achieve the purposes of this section."

"(H) the rules of the association provide that its members and persons associated with its members shall be appropriately disciplined for any violation of any provision of this title respecting municipal securities, the rules or regulations thereunder, or the rules of the association by expulsion, suspension, limitation of activities, functions, and operations, fine, or censure, and in the case of a person associated with a member by being suspended or barred from being associated with any member.

"(I) the rules of the association provide a fair and orderly procedure with respect to the disciplining of members and persons associated with members and the denial of membership to any municipal securities dealer seeking membership therein. In any proceeding to determine whether any member or other person shall be disciplined, such rules shall require that specific charges be brought; that such member or person shall be notified of, and be given an opportunity to defend against, such charges; that a record shall be kept; and that the determination shall include—

"(A) a statement setting forth any act or practice in which such member or other person may be found to have engaged, or which such member or other person may be found to have omitted;

"(B) a statement setting forth the specific provision of this title, or rule or regulation thereunder, or rule of the association of which any such act or practice, or omission to act, is deemed to be in violation;

"(C) a statement whether the acts or practices prohibited by such provision or rule or the omission of any act required thereby, are deemed to constitute conduct inconsistent with just and equitable principles of trade; and

"(D) a statement setting forth the penalty imposed. In any proceeding to determine whether a municipal securities dealer shall be denied membership, such rules shall, as a minimum, provide that the municipal securities dealer shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial which are under consideration; that a record shall be kept; and that the determination shall set forth the specific grounds upon which the denial is based.

"(3) The Commission shall, upon the filing of an application for registration pursuant to paragraph (1) of this subsection (b), publish notice of the filing and afford interested persons a reasonable opportunity for comment. Within ninety days of such filing, the Commission shall—

"(A) by order grant such registration if the Commission finds that the requirements of this subsection are satisfied, or

"(B) institute further proceedings to determine whether the application should be denied. After notice of the grounds for denial under consideration and opportunity for hearing, the Commission shall by order grant such registration unless it finds that a requirement of this subsection is not satisfied, in which case the Commission shall by order deny such registration. The Commission shall conclude its proceedings and issue an order granting or denying the application within one hundred and eighty days of the filing of the application unless the Commission finds good cause to extend such period and publishes its reasons for so finding.

"(4) A national association of municipal securities dealers may, upon appropriate application in accordance with the rules and regulations of the Commission, and upon such terms as the Commission may deem necessary or appropriate for the protection of investors, withdraw its registration.

"(5)(A) Each national association of municipal securities dealers shall file with the Commission, in accordance with such rules as the Commission may prescribe, copies of any proposed change in, addition to, or deletion from the rules of the association accompanied by a concise general statement of the basis and purpose of such proposed change, addition, or deletion. No such proposed change, addition, or deletion shall take effect except in accordance with the provisions of this program.

"(B) The Commission shall, upon the filing of a proposed change in, addition to, or deletion from the rules of a national association of municipal securities dealers, publish notice of such proposal together with the association's statement of basis and purpose and shall afford interested persons a reasonable opportunity for comment on the proposed change, addition, or deletion. The Commission shall make available for public inspection copies of any correspondence between the Commission or its staff and any interested person relating to the proposed change, addition, or deletion. Within twenty-one days of the filing of such proposed change, addition, or deletion, or within such longer period up to sixty days as the Commission finds to be appropriate and publishes its reasons therefor, the Commission shall—

"(i) publish a rule approving such change, addition, or deletion and declaring it effective if the Commission finds that the rules of the association as so changed would not be inconsistent with the requirements of paragraph (2) of this subsection (b) or with the purposes of this section and are not otherwise inconsistent with the public interest, or

"(ii) institute further proceedings, including providing interested persons an opportunity for oral presentation of views, data, or arguments, to determine whether the proposed change, addition, or deletion should be disapproved, in whole or in part. Within one hundred and fifty days of the filing of the proposed change, addition, or deletion, the Commission shall conclude such proceedings and shall publish a rule either approving such proposed change, addition, or deletion and declaring it effective or disapproving such proposed change, addition, or deletion if it finds that the rules of the association as so changed would be inconsistent with the requirements of paragraph (2) of this subsection (b) or with the purposes of this section or are otherwise inconsistent with the public interest except that the Commission may extend the period for such proceedings if it finds good cause therefor and publishes its reasons for so finding.

"(C) The Commission, by rule or regulation or by order, upon its own motion, or upon application setting forth the reasons therefor, may conditionally or unconditionally accelerate the effectiveness of any proposed change in, addition to, or deletion from the rules of a national association of municipal securities dealers or any class or classes of such proposed changes, additions, or deletions, if it appears to the Commission that such accelerated effectiveness is not inconsistent with the purposes of this paragraph.

"(6) If any national association of municipal securities dealers takes any final disciplinary action against any member thereof or any person associated with a member, or denies admission to any person seeking membership therein, the association shall promptly file a notice thereof with the Commission. The notice shall be in such form and contain such information as the Commission, by rule, may prescribe and shall be available for public inspection. Any such disciplinary action or denial of admission by an association shall be subject to review by the Commission, on its own motion, or upon application by any person aggrieved thereby filed within thirty days after notice of such action has been filed with the Commission and received by such aggrieved person, or within such longer period as the Commission may determine. Application to the Commission for review, or the institution of review by the Commission on its own motion, shall not operate as a stay of such action, unless the Commission otherwise orders, after notice and opportunity for the presentation of views on the question of a stay (which presentation may consist solely of affidavits).

"(7)(A) In a proceeding to review disciplinary action taken by a national association of municipal securities dealers against a member or a person associated with a member, after notice and opportunity for hearing and upon consideration of the record before the association and such other matters as it may deem material—

"(i) if the Commission finds that such member or such person has engaged in such acts or practices, or has omitted such acts, as the association has found him to have engaged in or to have omitted, and that such acts or practices, or omissions to act, are in violation of such provisions of this title, or such rules adopted thereunder, or such rules of the national association as have been designated in the determination of the association, it shall, by order, so declare and affirm the action taken by the association or, if appropriate, modify the sanctions or penalties in accordance with subparagraph (B) of this paragraph, or remand to the association for further proceedings; or

"(ii) if the Commission does not find that such member or such person has engaged in such acts or practices, or has omitted such acts, as the association has found him to have engaged in or to have omitted, or if the Commission finds that such acts or practices are not prohibited by the designated provisions of this title, or of the rules adopted thereunder, or of the rules of the national association, the Commission shall, by order set aside the action of the association or remand to the association for further proceedings.

"(B) The Commission, having due regard for the public interest, the protection of investors, and the need to remove any burden on competition not reasonably necessary for the achievement of the purposes of this section, if it finds that any disciplinary action taken by a national association of municipal securities dealers against a member or a person associated with a member is neither necessary nor appropriate or is excessive or oppressive, may cancel, or reduce such action or require the remission of any penalty associated therewith.

"(8) In any proceeding to review the denial of membership in a national association of municipal securities dealers, if the Commission, after notice and opportunity for hearing and upon consideration of the record before the association and such other matters as it may deem material, determines that the specific grounds on which such denial is based exist in fact, that such denial is consistent with the rules of the association, and that such rules have not been applied so as to discriminate unfairly against such applicant or to impose burdens on competition not reasonably necessary for the achievement of the purposes of this title, it shall, by order, dismiss the proceeding. In the absence of such a determination, the Commission shall, by order, set aside the action of the association and require it to admit the applicant to membership."

"(9) The Commission is authorized, if in its opinion such action is necessary or appropriate in the public interest, for the protection of investors, or to carry out the purposes of this section—

"(A) by order to suspend for a period not exceeding twelve months or to revoke the registration of a national association of municipal securities dealers or to censure or impose limitations upon the activities, functions, and operations of such association if the Commission finds, on the record after notice and opportunity for hearing, that such association has violated any provision of this title with respect to municipal securities or of the rules and regulations thereunder or has failed to enforce compliance with any such provision or with its own rules, or has engaged in any other activity tending to defeat the purposes of this section;

"(B) by order to suspend for a period not exceeding twelve months or to expel from a national association of municipal securities dealers any member thereof, or to suspend for a period not exceeding twelve months or to bar any person from being associated with a member thereof, if the Commission finds, on the record after notice and opportunity for hearing, that such member or person has violated any provision of this title respecting municipal securities or the rules and regulations thereunder or has effected any transaction for any other person who, he had reason to believe, was violating with respect to such transaction any such provision; and

"(C) by order to remove from office any officer or director of a national association of municipal securities dealers who, the Commission finds, on the record after notice and opportunity for hearing, has willfully violated any provision of this title respecting municipal securities or of the rules and regulations thereunder, or has willfully failed to enforce the rules of the national association, or has willfully abused his authority.

"(10)(A) The rules of a national association of municipal securities dealers may provide that no member thereof shall deal in municipal securities with any nonmember (as defined in subparagraph (B) of this paragraph) except at the same prices, for the same commissions or fees, and on the same terms and conditions as are by such member accorded to the general public.

"(B) For the purposes of this paragraph, the term "nonmember" shall mean any municipal securities dealer who makes use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any municipal security and who is not a member of any national association of municipal securities dealers or any registered securities association.

"(C) Nothing in this paragraph shall be so construed or applied as to prevent any member of a national association of municipal securities dealers from granting to any other member of any national association of municipal securities dealers or any registered securities association any dealer's discount, allowance, commission, or special terms.

"(11) The Commission, as it deems necessary or appropriate in the public interest, for the protection of investors, to insure fair dealing in municipal securities, to insure the fair administration of a national association of municipal securities dealers, or to remove burdens on competition not reasonably necessary to the achievement of the purposes of this section, may, by rule, abrogate, alter, or supplement the rules of any national association of municipal securities dealers in the following manner:

"(A) The Commission shall publish in the Federal Register any such proposed rule together with a full statement of its reasons for proposing to abrogate, alter, or supplement the rules of national association of municipal securities dealers in the manner specified and an evaluation of the effect of the proposed rule on the procedures and operations of the association and the market for municipal securities.

"(B) The Commission shall give interested persons an opportunity for the oral presentation of data, views, or arguments, in addition to an opportunity to make written submissions, with respect to any such proposed rule and any presentation or submission by the Commission in connection therewith. Before the close of the period for the presentation and submission of views, the Commission shall present orally or submit in writing such facts and other evidence on which it then intends to rely under subparagraph (C) of this paragraph in promulgating any rule. A transcript shall be kept of any oral presentations.

"(C) The Commission shall publish with any rule adopted pursuant to this paragraph a full statement of its reasons for abrogating, altering, or supplementing the rules of national association of municipal securities dealers in the manner provided, the facts and other evidence upon which such reasons are based, and an evaluation of the principal arguments presented against the adoption of such rule.

"(D) Except as provided in subparagraphs (A) through (C) of this paragraph, rulemaking under this paragraph shall be in accordance with the procedures specified in section 553 of title 5, United States Code. Nothing in this section shall be construed to impair or limit the Commission's power to make rules and regulations pursuant to any other authority under this title.

"(12) A national association of municipal securities dealers, with the concurrence of the Commission, may, with respect to any member who is also a member of a registered securities association, arrange with such securities association to inspect and examine such member for compliance with the provisions of this title respecting transactions in municipal securities and the rules and regulations thereunder and with the rules of the national association of municipal securities dealers. A national association of municipal securities dealers, with the concurrence of the Commission, may, with respect to any member which is a bank, arrange for the appropriate bank regulatory agency to inspect and examine such member for compliance with the provisions of this title respecting transactions in municipal securities and the rules and regulations thereunder and with the rules of the national association of municipal securities dealers. No such arrangement with a registered securities association or bank regulatory agency shall in any way limit or remove the responsibilities of a national association of municipal securities dealers to enforce the provisions of this title respecting transactions in municipal securities and the rules and regulations thereunder and its own rules.

"(c)(1) The Commission shall consult and cooperate with the bank regulatory agencies, and with state banking authorities having supervision over municipal securities dealers which are banks or departments or divisions of banks, so that the accounts, correspondence, memorandums, papers, books, records and other data required of municipal securities dealers which are banks or departments or divisions of banks, and the inspections thereof, may be in accord with sound banking practices to the maximum extent consistent with the protection of investors and the public interest. At least 15 days prior to the issuance for public comment or the adoption of any proposed rule or regulation applicable to municipal securities dealers or any national association of municipal securities dealers, the entry of any order granting or denying the registration of any association of municipal securities dealers, or the publication of any rule approving or disapproving a proposed change in, addition to, or deletion from the rules of any national association of municipal securities dealers, the Commission shall consult with and request the views of each of the appropriate bank regulatory agencies with respect to such proposed rule, order, or change, addition, or deletion toward the end that the regulation of municipal securities dealers which are banks or departments or divisions of banks may be in accord with sound banking practices to the maximum extent consistent with the protection of investors. In connection with any disciplinary proceeding brought by the Commission against a municipal securities dealer which is a bank or a department or division of a bank or any review by the Commission of any disciplinary action taken against any such municipal securities dealer by a national association of municipal securities dealers, the Commission shall, prior to the entry of an order, consult with and request the views of the appropriate bank regulatory agency toward the end that sanctions imposed against municipal securities dealers which are banks or departments or divisions of banks may contribute to sound banking practices to the maximum extent consistent with the protection of investors and the public interest.

"(2) Each municipal securities dealer which is a bank or a department or division of a bank shall at the time of filing a registration statement pursuant to subsection (a) of this section or any subsequent report or information pursuant to this title file copies of such documents with the appropriate bank regulatory agency. Each national association of municipal securities dealers shall at the time of filing a registration statement pursuant to subsection (b) of this section, and proposed change in, addition to, or deletion from its rules pursuant to paragraph (5) of such subsection (b), or any notice of disciplinary action against a municipal securities dealer which is a bank or a department or division of a bank pursuant to paragraph (6) of such subsection (b), file copies of such documents with the bank regulatory agencies.

SEC. 6. Section 17(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78q(a)) is amended by striking out the word "and" immediately before the phrase "every broker or dealer registered pursuant to section 15 of this title", and by adding the following immediately after that phrase: "every municipal securities dealer registered pursuant to section 15B(a) of this title, and every association of municipal securities dealers registered pursuant to section 15B(b) of this title,".

SEC. 7. Section 23(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78(w)(b) is amended by adding at the end thereof the following additional sentence: "The Commission shall also include in its annual report to Congress for each fiscal year a summary of the Commission's regulatory activities with respect to municipal securities dealers, including a statement of the number of enforcement proceedings against and disciplinary review proceedings involving municipal securities dealers which are banks or departments or divisions of banks, the sanctions imposed on such municipal securities dealers, and an analysis of the impact of such proceedings and sanctions on sound banking practices."

By Mr. BENTSEN:

S. 2478. A bill to amend the Higher Education Act of 1965 to remove the needs provision for families with income with less than $15,000 a year from the student loan subsidy provision of that act. Referred to the Committee on Labor and Public Welfare.

STUDENT LOAN PROGRAM

Mr. BENTSEN. Mr. President, I am today introducing legislation to eliminate the "means test" in the guaranteed student loan program for students from families earning less than $15,000 per year.

Mr. President, most of our federally supported programs of student financial aid are geared, as they should be, to children from poor families, to give them accessibility to a higher education they would otherwise be unable to obtain. Over the years, we have established a number of programs directed to the poor—national student loans, educational opportunity grants, the college work study program, and more recently, the innovative basic opportunity grant program. These programs are estimated to benefit nearly 2 million students.

However, Mr. President, the problem of accessibility to a college education is not limited to the very poor, even though they must receive our priority. In recent years, and particularly this last year, children from parents in the supposedly middle income group earning $10,000 to $15,000 a year have experienced extraordinary difficulties in acquiring the necessary financial support to enter college.

As a result, we are beginning to rethink our entire concept of what constitutes a "middle class" income, particularly in relation to college costs.

College, no less than other services in our society, has suffered severely from the ravages of inflation. The U.S. Office of Education reports that the cost of tuition, housing, and food—but not personal expenses—at a private 4-year college now averages $3,281 a year, up from $2,712 in 1970. If a student settles for a public 4-year college in his own hometown, or State, he may get by for about $2,100, including textbooks and all other expenses.

For a "middle class" family of four with an income around $12,000, these figures spell out one indisputable fact: they may well have to borrow to send their child to college. And in large numbers of cases today, the family is not able to secure a loan.

In the Education Amendments of 1970, a well-intentioned Congress changed the groundrules on the guaranteed student loan program, the major program of student financial aid available to middle-class students. Prior to that legislation, if a student's family had an adjusted income of less than $15,000 a year, the student was eligible for an interest-subsidized loan of $1,500 a year until graduation, with Federal or State agencies guaranteeing the loan.

But the 1970 amendments stipulated that loans must be made according to actual family need rather than income. This year, familes applying for guaranteed loans must make a complete disclosure of their assets and pass a "means test" to establish their need for educational aid.

Mr. President, a "means test" can be very deceptive. The system may well be blind concerning whether the family holds liquid or nonliquid assets. An equity in a home built up carefully over 20 years does not automatically signal a family's ability to contribute to a college education; in my State, as in others, people cannot borrow against their homestead. Even where such borrowing is not prohibited, a strong public policy argument can be made that a family should not be forced to place their homes in jeopardy for any reason, even one so noble as a college education.

Under the new procedures now in force, the colleges' financial aid officer, after reviewing the application with the "needs test" recommends to the bank the amount a student requires. The bank, while free to loan a higher amount, very rarely does so; in the District of Columbia, for example, over 60 percent of the banks will not loan above the college's recommendation, which is often arbitrarily low.

The crisis in the loan program can be illustrated by some graphic statistics. Nationwide, loans are down 40 percent. In several States, the situation is even more serious. According to an article in the August 6, U.S. News & World Report, loans are off 52 percent in the 26 States where the State agencies run the program. In Pennsylvania, they are off 78 percent, in Georgia 64 percent.

Even granting some confusion with the new rules and the lateness of the legislation, these figures are very distressing.

The measure I offer today would remove the "means test" for families with moderate-income levels. It would not affect the other student aid programs directed primarily at the poor. I support these other programs and believe they should be expanded. But we must not make the mistake of freezing out the middle class from any kind of support at all, particulary when our definition of "middle class" has undergone such a radical alteration in recent years.

It is this same "middle class" that largely supports our State and Federal Government. It is this same "middle class" that feels pressure from an increase of food prices at an annual rate of 49 percent during phase III. And it is this same "middle class" that feels the credit crunch during this period of the highest interest rates in our history.

While it may be fashionable in some quarters to deride the middle class, it is simply not fair in 1973 to exaggerate their ability to contribute to their children's education. I believe this legislation is necessary to place the one federally supported student financial aid program available to middle-class parents and students back on a more equitable basis of performance.

I recognize that there are other problems with this program. I know that the rate of default is high, that banks do not find either subsidized or nonsubsidized loans very attractive, that the basis for the needs analysis may well require further study. But the student who is refused a loan and who may, therefore, be barred from college is not concerned with such sophisticated issues. All he knows is that he has missed a vital year of school and that he cannot pursue his education.

I urge my colleagues on the Labor and Public Welfare Committee to reexamine the philosophical underpinnings of this legislation. In the meantime, I believe this step is necessary to eliminate the arbitrariness and confusion in the administration of guaranteed loans.

At this point, I ask unanimous consent that a copy of my legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2478

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 428(a)(1)(1) of the Higher Education Act of 1965 is amended by striking out all that follows "(determined by such institution)" and inserting in lieu thereof a semicolon and the word "or".

(b) The amendment made by subsection (a) of this section shall be effective with respect to loans made after the date of enactment of this legislation.

By Mr. RANDOLPH:

S. 2479. A bill to promote the conservation of energy in the design of new federally owned and federally assisted facilities. Referred to the Committee on Public Works.

FACILITIES CONSTRUCTION ENERGY CONSERVATION ACT OF 1973

Mr. RANDOLPH. Mr. President, historically, as a nation, we have been accustomed to abundant, low-priced energy. In recent months, however, there has been considerable discussion of the full societal consequences of our projected energy growth for national security and environmental quality. Several aspects of these dialogs deserve special mention.

Growth has been inherent in the American psyche and fundamental to the viability of our current economic system. Yet, as I have stated repeatedly, the cumulative effect of all these factors is a disturbing picture. It reveals our country, and numerous others, embarked on a gigantic gamble that reliable and abundant production of crude oil, natural gas, and coal from all sources—domestic and foreign—will ensue.

As I noted last Saturday in Senate remarks in support of Senator HUMPHREY's amendment promoting the conservation of petroleum resources by the Department of Defense, it is clear that the energy crisis is no illusion. It is a very real problem and it is going to be with us for a long time. To live with it, and eventually overcome it, will require total dedication of our people; cooperative and affirmative action at all levels of Government; and a significant investment of money.

In the past, our Nation has been accustomed to a fuel abundance and the early signs of energy shortages which are now upon us were ignored. The basic fact is that our country's appetite for fuel is enormous.

It is startling to note that in 1960, our energy demands when converted to a common base in terms of oil or a so-called oil equivalent were 21 million barrels of oil per day. In 1970, this figure had reached 34 million barrels per day and is projected to increase to 48 million by 1980.

Even more revealing is the per capita energy demand in oil equivalent. In 1960, it was 44 barrels per person per year; in 1970, it was 60 barrels; and for 1980, according to current estimates it will be 77 barrels of oil per person per year.

Recent energy supply shortages raise questions regarding our capability to sustain this growth. For example, in addition to present gasoline shortages there are all the signs of heating oil shortages this winter and for several years to come.

In less than a decade, the combination of increasing energy demands and declining known reserves of domestic energy resources has revolutionized this country's energy prospects for the future. In a short space of time events have transformed our Nation's domestic fuel supplies into one large deficit.

NEED FOR ENERGY CONSERVATION

The time is long overdue to put into effect a comprehensive national program of energy conservation, designed to accommodate as much as possible of our future growth in energy consumption through the more efficient conversion and consumption of energy. The potential is reportedly there for a 30- to 40-percent increase in the amount of usable energy from the same quantity of basic energy resources we are using today. By 1980, energy savings could amount to as much as 7.3 million barrels of oil a day.

Federal energy conservation initiatives designed to achieve this objective can serve to both mitigate our dependence on oil imports as well as stabilize our total consumption of basic energy resources. Several possibilities were outlined in my January 16, 1973, Senate remarks. At that time, I proposed to—

Upgrade the 1971 FHA home insulation standard.

Establish Federal guidelines for the incorporation of energy conservation practices in new buildings (mandatory for new Federal and Federally insured buildings and homes). (The Senate Public Works Subcommittee on Buildings and Grounds will study this aspect in detail this year.)

Establish a national program of consumer education to foster more efficient use of energy in our daily lives.

Develop and publish Federal guidelines for the labeling of electrical equipment to reflect efficiency of energy utilization.

Initiate comprehensive national review of the potential for energy conservation within the transportation sector of our economy, hopefully, to lead to the adoption of Federal policies for fostering energy conservation in this end use.

These alternatives for fostering energy conservation, and other significant opportunities, are addressed in S. 2176, the National Fuels and Energy Conservation Act of 1973. This measure is a product of the Senate's National Fuels and Energy Policy study and was ordered reported by the Committee on Interior and Insular Affairs on September 13, 1973.

SAVINGS IN SPACE CONDITIONING USES OF ENERGY

Many examples can be selected from our present uses of energy that are inexcusably wasteful in the light of this country's, and the world's, projected energy plight. The New York State Public Services Commission, for example, has calculated that if all new buildings were properly insulated as well as electrically heated, the superior insulation alone would save roughly 40 percent in the new energy demand resulting from this construction. By 1980, this savings alone could amount to 5 to 6 percent of our total national oil requirements.

The potential energy savings through improved insulation in homes is substantial. Reports indicate that if the June 1971, FHA insulations standards were followed, energy savings could amount to 29 percent for a home heated with gas and 19 percent where heated by electricity—electrically heated homes already require more insulation. By upgrading the 1971 FHA standard the energy savings for a gas heated home could approach 50 percent. For the home owner this could amount to an annual savings of as much as $155 at today's natural gas prices and even larger savings at anticipated future prices.

Mr. President, the purpose of the legislation that I introduce today is to insure energy conservation practices are employed in the design of new Federal and federally insured facilities.

SUMMARY OF FACILITIES CONSTRUCTION ENERGY CONSERVATION ACT OF 1973

This measure directs that all Federal agencies consider energy conservation in the construction of Federal facilities and federally insured facilities to the fullest extent consistent with their existing authorities.

Each agency of the Federal Government would be required, for all new facities exceeding 50,000 square feet, to prepare a complete life-cycle cost analysis. This energy consumption analysis, provided for in section 3, would have to consider the facility's heating, ventilation, air conditioning, and lighting system, in addition to other energy consuming systems.

Mr. President, I ask unanimous consent that the full text of this measure be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2479

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this act may be cited as the "Facilities Construction Energy Conservation Act of 1973."

STATEMENT OF FINDINGS

SEC. 1. (a) The Congress hereby finds—

(1) That federally owned and federally insured or otherwise assisted facilities have a significant impact on the Nation's consumption of energy;

(2) That energy conservation practices adopted for the design and utilization of these facilities will have a beneficial effect on the Nation's overall supply of energy;

(3) That the cost of the energy consumed by these facilities over the life of the facilities must be considered, in addition to the initial cost of constructing such facilities; and

(4) That the cost of energy is significant and facility designs must be based on the lowest total life cycle cost including the initial construction cost and the cost of the energy consumed, the cost of operation of the facility and the cost of maintenance over the economic life of the facility.

(b) The Congress declares that it is the policy of the United States to insure that energy conservation practices are employed in the design of new Federal and Federally insured facilities. To this end the Congress encourages Federal agencies to analyze the cost of the energy consumption of each new facility constructed, over its economic life, in addition to the initial cost of constructing the facility.

DEFINITIONS

SEC. 2. For purposes of this act:

(a) The term "Federal Agency" means an executive agency (as defined in Section 105 of title 5, United States Code) and includes the United States Postal Service.

(b) The term "facility" means any structure or groups of structures utilized by federal agencies as described in Sec. 2(1) and those structures constructed with monies from Federal grants and guarantees.

(c) The term "initial cost" means the required cost necessary to construct the facility.

(d) The term "economic life means the projected or anticipated useful life of the facility.

(e) The term "life-cycle costs" means the total cost of the facility including its initial or construction cost and all annual costs for maintenance, repairs, utilities (energy sources) and replacement necessary for continued operation of the facility.

(f) The term "energy consumption analysis" means the evaluation of all energy consuming systems and components by demand and type of energy, including the internal energy load imposed on the facility *by its* occupants, equipment and components and the external energy load due to environmental conditions.

FEDERAL PROGRAMS

SEC. 3. (a) The Congress authorizes and directs that Federal agencies shall to the fullest extent consistent with their authority under Federal law carry out the construction of facilities under their jurisdiction in such a manner as to further the policy declared in Section 1(b).

(b) Each department, agency, or instrumentality of the Federal Government having jurisdiction over any direct Federal government or Federally assisted construction program shall require the preparation of a complete life-cycle cost analysis for all new facilities exceeding 50,000 sq. ft. of useable floor space, for the expected life of the facility.

(c) This life-cycle cost analysis shall include but not be limited to such elements as:

(1) The coordination and positioning of the facility on its physical site;

(2) The amount and type of glass employed in the facility;

(3) The amount of insulation incorporated into the facility design;

(4) The variable occupancy and operating conditions of the facility; and

(5) An energy consumption analysis of the facility's heating, ventilating, and air-conditioning system, lighting system, and all other energy consuming systems. The energy consumption analysis of the operation of energy consuming systems in the facility should include but not be limited to:

(i) The comparison of two or more system alternatives;

(ii) The simulation of each system over the entire range of operation of the facility for a year's operating period; and

(iii) The evaluation of the energy consumption of component equipment in each system considering the operation of such components at other than full or rated outputs.

(d) The life-cycle cost analysis performed for each facility shall provide but not be limited to the following information:

(1) The initial cost of each energy consuming system being compared and evaluated;

(2) The annual cost of all utilities;

(3) The annual cost of maintaining each energy consuming system; and

(4) The average replacement cost for each system expressed in annual terms for the economic life of the facility.

(e) Selection of the optimum system or combination of systems to be incorporated into the design of the facility shall be based on the life-cycle cost analysis for the economic life of the facility.

By Mr. COOK:

S. 2480. A bill to amend the Economic Stabilization Act of 1970 relative to petroleum products. Referred to the Committee on Banking, Housing and Urban Affairs.

COST OF LIVING COUNCIL AND PHASE IV OIL AND GAS REGULATIONS

Mr. COOK. Mr. President, I stand today to again denounce actions taken by the Cost of Living Council to regulate prices within the petroleum industry. This is not the first time I have expressed frustration with regulations written by the Cost of Living Council and, regretfully, I fear it will not be the last. I was one of two Senators who voted against the extension of the Economic Stabilization Act in April giving continuation authority to impose wage and price controls to the Cost of Living Council, and as time goes on, I am more convinced of the wisdom of that decision. In the past year, particularly, I have seen more inequities in the administration of this act than I care to recount. During the month of August a substantial number of beef processors informed me that they would have to close down until after the freeze. CLC managed to produce a very distorted market on all meat prices and availability at that time for which every housewife in America is now paying. I dare anyone to try to convince me that this was relief. All communications relating to the serious beef market conditions for processors and retailers receiving in this office were forwarded to the Cost of Living Council so that I could be assured they were well-informed of the situation. A letter was written to Dr. Dunlop urging that the beef freeze be terminated. I also met with administration officials on the matter. The only reaction I noted was that the freeze was shortened by a few days. I regret that this was not helpful and no one was fooled by the concession.

Now here again we in the Senate are faced with the burden of trying to do the Cost of Living Council's work. Despite the fact that a number of Senators, including myself, held a meeting here last Tuesday on the matter with representatives from the Cost of Living Council, and Dr. Dunlop was questioned Thursday on the subject by the Joint Economic Committee, the very meager response announced by the Executive Director is to request that service stations report to CLC with respect to their costs and profits by September 25. He said:

> It would take no longer than a week after that to raise the ceilings on prices gas station operators may charge their customers.

Still we have no assurance whether or not the Cost of Living Council will allow the necessary passthrough of raw material costs that is presently forbidden by CLC regulations. Meanwhile, our service station owners across the country are losing thousands of dollars per day.

There is more. When my office calls the Cost of Living Council we are assured that refiners and jobbers may pass along their increased raw materials costs. In other instances reported to me by major oil and gas industry refiners and jobbers, I have learned that they have either been told they cannot pass through their increased costs, or they remain confused as to whether or not they can. The formula supplied to the refiners by CLC for computing their costs and profits which may be passed along is supposed to allow the passthrough of these increased costs of raw petroleum materials. However, the formula, which requires the use of a computer and mathematician, does not permit such a passthrough. CLC now admits that their formula does not work and they have promised to rework it. Meanwhile, what are the refiners supposed to do? At this point, I ask unanimous consent to have printed in the RECORD, a copy of the formula and the instructions for its application. It is sheer obfuscation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CHAPTER I—COST OF LIVING COUNCIL; PART 150—COST OF LIVING COUNCIL PHASE IV PRICE REGULATIONS

AMENDMENTS TO SUBPART L

Subpart L of Part 150 of Title 5 of the Code of Federal Regulations is amended in §§ 150.355(c), 150.356, 150.357 and 150.358(g).

Section 150.355(e) is amended to allow refiner-retailers to increase ceiling prices for retail sales of No. 2 heating oil on a monthly basis to reflect, on a dollar-for-dollar basis, increases in costs of imported No. 2 heating oil incurred in the preceding month. This provision corrects Subpart L as issued on August 17, 1973 which inadvertently omitted refiner-retailers in § 150.355. This amendment implements the Council's intention to provide the same option for refiner-retailers as afforded retailers and reseller-retailers in § 150.355(d)(2) as originally published. As amended, therefore, Subpart L provides that refiner-retailers, reseller-retailers and retailers of No. 2 heating oil may adjust ceiling prices for No. 2 heating oil on the first day of each month to reflect increased costs of imports of No. 2 heating oil incurred during the preceding month, provided that a report, on forms prescribed by the Council, is made to the Internal Revenue Service by the 5th day of the month after any such price increase.

The new § 150.355 replaces existing §§ 150.-356 and 150.357. It prescribes with greater specificity the requirements governing the inclusion of a refiner's increase costs-of-imports and domestic crude petroleum in the computation of its ceiling prices for retail sales of gasoline, No. 2–D diesel fuel and No. 2 heating oil and the base prices for covered products.

Section 150.356(b) adds a new subparagraph containing definitions used in the section. Attention is particularly directed to the definitions of "landed cost" in which the Council has set out more precise methods for determining both the costs of imported petroleum products and transportation costs for those products. In particular, this definition is intended to make clear the rules for calculating these costs in transactions between affiliated entities. Costs are established in certain cases of transactions among affiliated entitites of the same firm by requiring use of accounting procedures generally accepted and consistently and historically applied by the firm rather than treating such transactions as "arms-length" transactions involving either posted prices or imported world scale transportation rates. The Council intends to review the accounting procedures which firms subject to this section apply in making the necessary computations and reserve the right to require firms to modify their accounting procedures for purposes of this provision where the Council concludes that the accounting practices used by the firms are not a fair reflection of the actual costs incurred. Changes in business practices designed to frustrate the purposes of these rules may also be disallowed by the Council.

Another change from the regulations, as originally published on August 17, 1973, is substitution of a monthly cost period for each type of product of measure both base costs and current costs. The original provision established a single date (i.e., May 15, or July 31) on which to measure cost. This change eliminates the need for using imputed costs in many cases and will provide a more realistic and accurate basis for measurement of increased costs of imports and domestic crude petroleum.

Section 150.356 provides a more precise method for calculating the allocation of increased costs of imports and domestic crude petroleum to various products. The Council has furnished in this amendment, a mathematical formula which firms must use in calculating the dollar amount of the increased costs of imports and domestic crude petroleum. The formula is intended to further implement the Council's intention of allowing recovery of increased costs of imports and domestic crude on a dollar-for-dollar basis. The substance of the corresponding provisions in the regulations, as originally published on August 17, 1973, has been generally retained. Having been made aware of some uncertainty among firms as to precisely what form of computations should be employed, the Council developed this formula to provide explicit guidance and to avoid misunderstandings.

The Council believes that the clarification embodied in these amendments provide assurance that increased costs of imports can be fully recovered on a dollar-for-dollar basis. This assurance should encourage the importation of the additional quantities of these products which will be required in the months immediately ahead.

Section 150.356 is further amended to make clear that increased costs of imports incurred in a particular month cannot be recouped in a period of time less than the next succeeding month, but that to the extent that recoupment does not occur in its entirety in the next succeeding month, the unrecouped portion may be recovered in a later month.

Because the purpose of these amendments is to provide immediate guidance and information with respect to the decisions of the Council, the Council finds that publication in accordance with normal rule making procedure is impracticable and that good cause exists for making these amendments effective in less than 30 days.

(Economic Stabilization Act of 1970, as amended, Pub. L. 92–210 85 Stat. 743; Pub. L. 93–28, 87 Stat. 27; E.O. 11695, 38 F.R. 1473; E.O. 11730, 30 F.R. 19345; Cost of Living Council Order No. 14, 38 F.R. 1489)

In consideration of the foregoing Chapter I of Title 6 of the Code of Federal Regulations is amended as follows, effective 11:59 p.m., e.s.t., August 19, 1973.

1. Section 150.355(c) is amended to read as follows:

§ 150.355 *Retail sales of gasoline, No. 2–D diesel fuel and No. 2 heating oil.*

* * * * *

(c) *Ceiling prices: refiner-retailers.* (1) The ceiling price for retail sales of gasoline of a particular octane number, No. 2–D diesel oil and No. 2 heating oil by a refiner-retailer at each outlet where the refiner-retailer sells such item is (i) the weighted average price at which each such item was lawfully priced in transactions on May 15, 1973, at each such outlet plus (ii) increased costs of imports incurred between May 15, 1973 and August 1, 1973 and calculated pursuant to § 150.356(d) (1). If the refiner-retailer first offered gasoline, No. 2-D diesel fuel or No. 2 heating oil at a particular outlet after May 15, 1973, the price at which each such item was priced in transactions on May 15, 1973, at the nearest comparable outlet shall be used in computing the ceiling price. In computing the ceiling price, a firm may not exclude any temporary special sale, deal or allowance in effect on May 15, 1973.

(2) Notwithstanding the provisions of subparagraph (1), monthly adjustments to the ceiling prices of No. 2 heating oil may be made on the first day of each month beginning with September 1973 when calculated pursuant to § 150.356(d)(2) to reflect costs of imported No. 2 heating oil. Any refiner-retailer which increases the ceiling price on No. 2 heating oil pursuant to this subparagraph must submit a report in accordance with the forms and instructions issued by the Cost of Living Council by the fifth day of the month in which the ceiling is increased.

2. Section 150.356 is amended to read as follows:

§ 150.356 *Allocation of refiner's increased costs of imports and domestic crude petroleum*

(a) *Scope*—This section prescribes the requirements governing (1) the inclusion of a refiner's increased costs of imports in the computation of its ceiling prices for retail sales of gasoline; No. 2–D diesel fuel, and No. 2 heating oil; and base prices for covered products; and (2) the inclusion of a refiner's increased costs of domestic crude petroleum and purchased domestic petroleum products commingled for accounting purposes in the computation of its base prices for covered products.

This section does not apply to increased costs of imports and increased costs of domestic crude petroleum for products a refiner resells as a refiner-reseller pursuant to § 150.359.

(b) *Definitions.* For purposes of this section—

"Cost of domestic crude petroleum" means (1) For purposes of arms-length transactions the purchase price provided that it conforms with the requirements of § 150.354. (2) For purposes of a transaction between affiliated entities, the posted price for the new crude petroleum and the posted price or price determined pursuant to § 150.354(c)(3) for base production control level crude petroleum. If there is no posted price in a particular field, the related price for that grade of new domestic crude petroleum which is most similar in kind and quality at the nearest field for which the price is posted and the price determined pursuant to § 150.354(c) (3) for base production control level crude petroleum.

"Firm" means a parent and the consolidated and unconsolidated entities (if any) which it directly or indirectly controls.

"Increased costs of domestic crude petroleum" means the difference between the total cost of domestic crude petroleum during the month of measurement and the total cost of domestic crude petroleum during the month of May. Increased costs of domestic crude petroleum also means the difference between the total cost of a purchased domestic petroleum product commingled for accounting purposes during the month of measurement and the total cost of that product commingled for accounting purposes during the month of May.

"Increased costs of imports" means, for an imported product, the difference between the total landed cost for that product landed during the period of measurement and the total landed cost of that product landed during the month of May 1973.

"Landed cost" means: (1) For purposes of complete arms-length transactions, the purchase price at the point of origin plus the actual transportation cost. (2) For purposes of products purchased in arms-length transactions and shipped pursuant to a transaction between affiliated entities, the purchase price at the point of origin plus the transportation cost computed by use of the accounting procedures generally accepted and consistently and historically applied by the firm concerned. (3) For purposes of products purchased in a transaction between affiliated entities and shipped pursuant to an arms-length transaction, the cost of the product computed by use of the customary accounting procedures generally accepted and consistently and historically applied by the firm concerned plus the actual transportation cost. (4) For purposes of products purchased and shipped pursuant to a transaction between affiliated entities, the costs of the product and the transportation, both computed by use of the customary accounting procedures generally accepted and consistently and historically applied by the firm concerned.

"Special products" means gasoline, No. 2–D diesel fuel and No. 2 heating oil.

"Transactions between affiliated entities" means all transactions between entities which are part of the same firm and transactions with entities in which the firm has a beneficial interest to the extent of entitlement of covered product by reason of the beneficial interest.

(c) *Allocation of increased costs*—(1) *General rule.* In computing its ceiling prices and base prices for covered products pursuant to §§ 150.355(a) and 150.358(g), a refiner may increase its May 15, 1973 selling prices to each class of purchaser on the first day of each month beginning with September 1973 by an amount to reflect the increased costs of imports and increased costs of domestic crude petroleum allowable under paragraphs (d), (e) and (f) of this section, provided that the amount of increased costs used in computing a ceiling price or base price is calculated by use of the general formula set forth in subparagraph (2). If, in any month beginning with September 1973, a firm establishes a base price for any covered product or a ceiling price for No. 2 heating oil which does not include the entire amount of increased costs calculated pursuant to this formula and allowable under paragraph (d), (a) and (f) of this section for a particular item, the unused portion may be added to the May 15, 1973 selling price to compute the respective base price or ceiling price for a subsequent month.

For purposes of this subpart, transactions between affiliated entities may be used to calculate increased costs. Whenever a firm uses a landed cost which is computed by use of its customary accounting procedures, the Council may allocate such costs between the affiliated entities if it determines that such allocation is necessary to reflect the actual costs of those entities or the Council may disallow any costs which it determines to be in excess of the proper measurement of costs. Costs incurred in transactions in which covered products are obtained which are resold without being refined by the firm or commingled for accounting purposes may not be included in the calculation of the general formula.

(2) *General formula.*

$$D_{ij}{}^{n}=\frac{\left[Ax\frac{S_i{}^{n}}{S^{n}}+B\right]\frac{S_{ij}{}^{n}}{S_i{}^{n}}}{q_{ij}{}^{n}}$$

Where—

D=The dollar increase that can be applied to each May 15, 1973 selling price of the covered product concerned to each class of purchaser to compute either the ceiling price or base price to each class of purchaser.

P=The unit price of a covered product other than crude petroleum. For imported products, the landed cost.

q=The quantity or volume of a covered product other than crude petroleum.

C=The unit cost of crude petroleum.

Q=The quantity or volume of crude petroleum.

$$S=\sum_{i=1}^{4}\sum_{j=1}^{3}]P_{ij}q_{ij}]$$

which is the total sales of all covered products other than crude petroleum.

$$S_i=\sum_{j=1}^{3}[P_{ij}q_{ij}]$$

which is the total sales of a specific covered product or products other than crude petroleum.

$s_{ij}=p_{ij}\ q_{ij}$ which is the total sales of a specific covered product or products other than crude petroleum at a specific level of distribution. For ceiling prices, j=1.

For base prices, j=2 or 3, as appropriate, for special products and j=1, 2 or 3 for other covered products.

$$A=\sum_{R}[C_k{}^{t}Q_k{}^{t}-C_k{}^{o}Q_k{}^{o}-X^{o}(Q_k{}^{t}-Q_k{}^{o})$$

Where

$$X^{o}=\frac{\sum_{k=1}^{2}[C_k{}^{o}Q_k{}^{o}]}{\sum_{k=1}^{2}[Q_k{}^{o}]}$$

which is the average unit cost of crude petroleum. For ceiling price determinations, K=2 except in computing X°.

$$B=\sum_{k}[p_{ik}{}^{t}q_{ik}{}^{t}-p_{ik}{}^{o}q_{ik}{}^{o}-Y^{o}(q_{ik}{}^{t}-q_{ik}{}^{o})]$$

Where

$$Y^{o}=\frac{\sum_{j=1}^{3}[p_{ij}{}^{o}q_{ij}{}^{o}]}{\sum_{j-1}^{3}[q_{ij}{}^{o}]}=\frac{\sum_{j=1}^{2}[p_{ij}{}^{o}q_{ij}{}^{o}(p_{ij}{}^{o}-p_{il}{}^{o})}{\sum_{j=1}^{2}[p_{ij}{}^{o}q_{ij}{}^{o}]}$$

The type of covered product is referenced by the transcript i:

i=1 represents No. 2 heating oil.

i=2 represents gasoline.

i=3 represents No. 2–D diesel fuel.

i=4 represents all covered products other than special products.

The category of purchaser or level of distribution is referenced by the subject j:

j=1 represents sales to utilities consumers.

j=2 represents sales to retailers.

j=3 represents sales to wholesalers.

The origin of a covered product is referenced by the subscript k:

k=1 represents domestic origin.

k=2 represents foreign origin or import.

Superscripts:

n=The fiscal quarter of the preceding year corresponding to the respective period of measurement.

o=The month of May 1973.

t=The period of measurement. For ceiling prices other than No. 2 heating oil, t=the month of July 1973.

For ceiling prices of No. 2 heating oil, t=the month of July 1973 as to costs derived from imported crude petroleum and the month of measurement for imported No. 2

heating oil. For base prices, t=the month of measurement. (The month of measurement is the month preceding the current month).

u=The current month for base prices and the ceiling price of No. 2 heating oil and the month of July, 1973 for the ceiling prices of gasoline and No. 2-D diesel fuel. Quantities calculated for the current month will be estimates which should be based on the best available data.

Mathematical Term:

Σ Represents a calculation by summing, with respect to the designated subscript all terms designated in the superscript.

(*d*) *Measurement of increased costs of imports for inclusion in commutation of ceiling prices of special products.*

(1) *Adjustment to May 15, 1973 selling price.* In computing its ceiling prices for a special product, a refiner may increase its May 15, 1973 selling price to each class of purchaser by an amount to reflect the increased costs of imported crude petroleum and imported special product attributable to retail sales of that special product using the differential between the month of July 1973 and the month of May 1973.

(2) *Subsequent adjustments ta the ceiling price of No. 2 heating oil. Notwithstanding* the provisions of subparagraph (1), in computing the ceiling price for No. 2 heating oil, a refiner may, for any month subsequent to August 1973, increase its May 15 selling price to each class of purchaser by an amount to reflect the increased costs of imported crude petroleum using the differential between the month of July 1973 and the month of May 1973 and the increased costs of imported No. 2 heating oil using the differential between the preceding month and the month of May 1973, attributable to retail sales, provided that the refiner uses the amount derived from this computation in lieu of the amount calculated in subparagraph (1) of this paragraph. In computations pursuant to this subparagraph, the term

$$\frac{S^{n}_{1}}{S^{n}}$$

should be computed as in subparagraph (1) of this paragraph to correspond with the month of July while the term

$$\frac{S^{n}_{1j}}{S^{n}_{1}}$$

should be computed to correspond to the appropriate month of measurement used for determining the increased costs of imported No. 2 heating oil.

(e) Measurement of increased costs of imports and domestic crude petroleum for inclusion in computation of base prices of covered products other than special products.

In computing base prices for a covered product other than a special product, a refiner may, for any month subsequent to August 1973, increase its May 15 selling price to each class of purchaser to reflect the increased costs of imports and the increased costs of domestic crude petroleum attributable to sales of covered products using the differential between the month of measurement and the month of May 1973, provided that the amount of increased costs included in computing base prices of a particular covered product other than a special product must be equally applied to each class of purchaser. To the extent that a refiner does not allocate increased costs pursuant to this paragraph, it may include that part of its increased costs attributable to special products in computing its base prices for those products pursuant to paragraph (f) of this section except that if any base price of a special product is increased pursuant to paragraph (f) than the part of increased costs attributable to retail sales of special products after July 31, 1973 may not be included in the ceiling price of No. 2 heating oil or the base price of any covered product.

(f) Measurement of increased costs of imports and domestic crude petroleum for inclusion in computation of base prices of special products. In computing base prices for a special product, a refiner may, for any month subsequent to August 1973, increase its May 15 selling price to each class of purchaser by an amount to reflect the increased costs of imports and increased costs of domestic crude petroleum attributable to sales of that special product at other than retail using the differential between the month of measurement and the month of May 1973 provided that such increased costs have not been otherwise allocated pursuant to paragraph (a) of this section.

3. Section 150.357 is revoked.

4. Section 150.358(g) is amended to read as follows:

§ 150.358 *Price rule: Refineries*

* * * * *

(g) Base price. The base price for a particular month for sales of an item by a refiner is the weighted average price at which the item was lawfully priced in transactions with the class of purchaser concerned on May 15, 1973, or if none occurred on that date, in the transaction next preceding May 15, 1973, plus increased costs of imports and domestic crude petroleum incurred between the month of measurement and May 15, 1973 and measured pursuant to the provisions of §150.336. In computing the base price, a firm may not exclude any temporary special sale, deal or allowance in effect on May 15, 1973.

Mr. COOK. Mr. President, we know what happened during the beef freeze. We were ignored. We already have an energy crisis. Why must the cost of living council wait until so much damage has already occurred before they are convinced of the unintelligibility of their regulations?

Why must it take them so long to react to dangerous market situations which they themselves create?

We are going to need fuels of all kinds this winter and the Cost of Living Council ought to bear that in mind. In parts of the midwest, the cold weather season has already started. We will need fuel for transportation. Should not some consideration be given to some of the problems we will no doubt soon be encountering? What about the increased need for speedy transportation of crops to market after harvesting? Remember the difficulties and lost food of last fall?

I think the Cost of Living Council ought to be aware of the threats to the already-in-short-supply fuel situation they are posing. We have enough natural energy problems now without creating additional ones.

Further, the Cost of Living Council has distorted the market for both the jobbers and retailers by forcing them to use base periods for the computation of their profits which do not reflect normal conditions. Retailers have been ordered to use January 10, 1973, as their base period which was a time of gasoline wars throughout most parts of the country. Consequently, many service station owners are operating again at very low profit margins which were unanticipated and cannot, therefore, absorb the increased costs of the raw materials being passed on to them. Jobbers have made similar complaints about their base period date of May 15, 1973. While an application to the Cost of Living Council for an exception may be filed, the procedure can be long and costly.

The Cost of Living Council knows all of this and what escapes my understanding is why they have not taken steps to correct the situation. Is there something underlying this whole set of circumstances that we do not understand? If so, I think it would be helpful to have it explained to us. However, I fear that is not the answer.

Service station operators met over the weekend, and although they have temporarily decided against a nationwide strike, the possibility is still imminent. Many dealers throughout the country, however, have independently closed down their stations because they can no longer afford to operate at such losses. We are not talking about people who ordinarily make large profits, but we are speaking of small businessmen who have already had their share of problems this year and whose futures are uncertain.

While I am just as concerned about the cost of living as the next person, I think that if the prices of petroleum products are rising throughout the world, as they are, then we in this country are just going to have to face the facts. And those facts mean that if we want a product, we are going to have to be willing to compete for it. That means paying higher prices. Perhaps if we have enough of higher prices, we will be willing to cut down on our use of these ever-dwindling supplies of petroleum products—and fight the pollution problem at the same time. This also points up the immediacy of action on the part of the Congress to develop a long-range, fully financed energy resource program so that this country is not dependent upon, and subject to, the extremely high prices proposed for crude oil imports into the United States. The American people are always shouting to the Congress to decide upon our priorities, and I say to the American people that they have got to do the same thing. We must work together.

While there have been a number of amendments introduced in the Senate to correct the regulations for the oil and gas industry under phase IV, I believe any amendment accepted by this body should clarify that all raw materials increased costs should be able to be passed through by refiners, wholesalers, and retailers to the ultimate consumer. Such an amendment must also reflect a reasonable base period for the computation of profits for the wholesaler and retailer. Consequently, today I am offering the following amendment to the Economic Stabilization Act which I hope will be considered promptly.

ADDITIONAL COSPONSORS OF BILLS

S. 2117

At the request of Mr. Williams, the Senator from Massachusetts (Mr. Brooke), the Senator from Iowa (Mr. Clark), the Senator from Alaska (Mr. Gravel), and the Senator from Indiana (Mr. Hartke) were added as cosponsors of S. 2117, the Federal Mine Safety and Health Amendments of 1973.

S. 2160, S. 2161, S. 2162, S. 2163, AND S. 2164

At the request of Mr. Percy, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 2160, a bill to reorganize and consolidate certain functions of several Federal agencies and departments in a new Criminal Justice Services Administration in the Department of Justice to promote more effective operations and management of the federal system of criminal justice; S. 2161, a bill relating to the employment and training of criminal offenders; S. 2162, a bill relating to voting rights of former offenders; S. 2163, a bill relating to parole of offenders; and S. 2164, a bill relating to the parole of certain District of Columbia offenders.

S. 2308

At the request of Mr. Mondale, the Senator from Nebraska (Mr. Curtis) was added as a cosponsor of S. 2308, a bill to amend the Social Security Act to provide for judicial review by providers and others of actions undertaken pursuant to titles XVIII and XIX of such act, and for other purposes.

S. 2354

At the request of Mr. Humphrey, the Senator from Maine (Mr. Hathaway) was added as a cosponsor of S. 2354, authorizing U.S. participation in the African Development Fund of the African Development Bank.

S. 2420

At the request of Mr. Bayh, the Senator from California (Mr. Tunney) and the Senator from New Mexico (Mr. Domenici) were added as cosponsors of S. 2420, a bill to amend the Economic Stabilization Act of 1970 to adjust ceiling prices applicable to certain petroleum products and to permit retailers of such products to passthrough increased costs.

S. 2445

At the request of Mr. McIntyre, the Senator from New Mexico (Mr. Domenici), the Senator from North Carolina (Mr. Ervin), the Senator from South Carolina (Mr. Hollings), and the Senator from Maryland (Mr. Beall) were added as cosponsors of S. 2445, a bill to amend the provisions of the Social Security Act to consolidate the reporting of wages by employers for income tax withholding and old-age, survivors, and disability insurance purposes, and for other purposes.

S. 2454

At the request of Mr. Humphrey, the Senator from Washington (Mr. Magnuson) was added as a cosponsor of S. 2454, the Emergency Home Finance Act.

EMERGENCY HOME FINANCE ACT

Mr. PACKWOOD. I am pleased to join with the Senator from Minnesota (Mr. Humphrey) in cosponsorship of S. 2454, a bill to assure an adequate flow of consumer savings into the home finance market by establishing rate ceilings on time deposits of less than $100,000.

This proposal has been referred to the Committee on Banking, Housing and Urban Affairs. As I have advised the Senator from Minnesota, I have serious reservations about the wisdom of Congress setting, in the law, the maximum permissible interest rates under the interest rate control program. Prior to the current difficulties being faced by the thrift institutions, the system of authorizing the regulatory agencies to establish interest rate ceilings worked extremely well.

However, the situation we face in this Nation as a result of the introduction of the "wild card" certificate of deposit by the Federal Reserve and the Federal Home Loan Bank Board is one which troubles me greatly.

Thrift institutions around the Nation report increasing difficulty in their attempts to attract sufficient funds from savers. This difficulty is reflected in two facts: Thrifts are being forced to pay exceedingly high rates in order to attract deposit funds and, even at these high rates, are finding it impossible to attract a continuing steady flow of funds. The net effect of these difficulties is felt very clearly and immediately by an American family setting out to buy a home today. They simply cannot secure mortgage credit within their financial means—if they can secure it at all.

As have a number of my colleagues, I have sought to convince the regulatory institutions of the harm that has befallen the thrift institutions, the homebuilding industry, and, most important of all, the American family seeking to buy a home, as a result of the continuation of this "wild card" certificate of deposit. To date, our recommendations and counsel have been ignored by those officials responsible for this situation.

Accordingly, I feel obliged to support the Senator from Minnesota in his efforts to overrule the regulatory agencies in this regard.

As a member of the committee which will consider this legislation, I am confident that we will be able to work with these agencies in order to arrive at a satisfactory resolution of this problem. However, if for any reason we are unable to do so, I will not hesitate to take the appropriate action through the legislative process to secure relief.

I ask unanimous consent that a copy of my correspondence with the Federal Reserve and the Federal Home Loan Bank Board, along with their respective replies, be printed at this point in the Record along with several other items.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., August 2, 1973.

Hon. Arthur Burns,
Chairman, Federal Reserve System,
Washington, D.C.

Dear Mr. Chairman: The action taken by the Federal Reserve Board on July 5, 1973, to increase savings interest rates has created almost catastrophic conditions for the real estate, home building and savings and loan industry.

The chief problem posed by the movement upward in savings rates was the creation of a "wildcard" savings category with no rate ceilings on funds deposited for four years or longer. From reports received in Oregon and around the country, there is ample evidence that this action in effect meant the removal of ceilings on savings certificates or roughly half the funds held by savings and loan associations. The result of a free-rate certificate has been that shorter term certificates are, in fact, not salable. Commercial banks are promoting this category heavily, paying 8 percent and more, on 4-year certificates.

The result of this "wildcard" category has been a savings rate war. It is impossible, of course, for savings and loan associations to match the rates paid by commercial banks without charging unconscionably high rates for mortgages—which will most certainly bring most mortgage markets to a halt. Some urban areas have already hit the 9 percent mortgage rate level, while others have had to close their mortgage window entirely.

During the month of July, the savings and loan industry projects losses of about $200 million a week; or in excess of $800 million for the month. These figures translated into average loans per home ($27,000) mean that 7,500 homes per week can no longer be financed by savings and loans.

Obviously, the new rate schedules have affected the flow of savings from a positive to a negative position, increased home interest rates, increased the cost of housing, and slowed down home construction, which will hasten an uncalled for downturn in the economy. If this situation is not corrected, there could be a massive outflow of savings from savings accounts in thrift institutions that have historically supplied the funds for home mortgage loans.

I urge the Federal Reserve to abide with the intent of the recently extended Regulation Q to maintain a differential between savings rates paid by savings and loans and commercial banks in order to assure adequate funds for home mortgages. This would mean that the "wildcard" category should be eliminated and a definite savings rate with differential be placed on this 4-year, $1,000 minimum certificate.

Cordially,

Bob Packwood.

Board of Governors,
Federal Reserve System,
Washington, D.C., August 8, 1973.

Hon. Bob Packwood,
U.S. Senate,
Washington, D.C.

Dear Senator Packwood: I am writing in response to your request for comment on the action of July 5 in which the Board of Governors raised the ceilings on interest rates that member banks may pay on consumer-type savings and time deposits.

This action was taken in recognition of the higher interest rates that are now generally available to savers on market securities. Complementary actions were taken by the Federal Deposit Insurance Corporation and the Federal Home Loan Bank Board for institutions under their jurisdiction, and followed consultations on the coordinated actions among the three agencies.

The Board is monitoring developments closely and has announced several actions to deal with problems that have arisen:

1. On July 26, the Board announced it was imposing limits on the aggregate amount of the experimental "no ceiling" certificates of deposit which had been authorized. The amount a member bank could issue was limited to 5 per cent of the bank's total time and savings deposits.

2. On July 24, the Board issued for public comment a proposed rule that would impose a penalty on a time deposit contract that was changed to either increase the interest rate or extend the maturity. The penalty would be identical to that imposed for early withdrawal of a time deposit—namely, the regular passbook savings rate less three months' interest.

3. The Board also proposed on July 26 to define more precisely the requirements of member banks in disclosing the terms of their deposit contracts, both in advertising and in direct dealings with customers.

Under the Federal Reserve's new Regulation Q ceilings, effective July 5, member banks are permitted to pay interest rates of up to 5 per cent on regular passbook savings, 5½ percent on limited withdrawal 90 day time accounts (the so-called "golden passbooks"), 6 per cent on 1 year to 2½ year time certificates of deposit, and 6½ per cent on time certificates written to mature in 2½ years and beyond. Rate ceilings on comparable deposit instruments were increased by the other regulatory agencies also, so that the maximum interest rates permitted to be paid in every case are higher for the savings and loan associations and mutual savings banks than for the commercial banks. The differential ranges between one-fourth and one-half percentage point, depending on the instrument.

In addition to these customary and traditional forms of time deposit, the regulatory authorities also authorized the introduction of a new savings instrument, in denominations of $1,000 or more and maturities of 4 years or more, on which no interest rate ceiling is specified. Because it is intended as a truly long-term savings instrument, it carries substantial interest-rate penalties for early withdrawal. The rate actually earned in that event is reduced to the rate on regular passbook savings, less three months' interest. Some institutions—both banks and savings and loan associations—have chosen to offer quite high interest rates on these instruments, often ranging from 7 to 7½ per cent, or even higher, if held to maturity. But savers must commit their funds for a minimum of 4 years to obtain these rates. (The Board's July 26 action limits the amount that member banks can issue to 5 per cent of their total time and savings deposits.)

The main reason for providing this savings instrument for the depository institutions is to make it possible for them, at their discretion, to have an instrument competitive with open-market instruments that can be offered to savings customers. The funds are long-term in character, so they can be invested with some certainty as to maturity by the depository institutions. They should be attractive to only a small segment of the savings market—customers who have accumulated sums for long-term purposes and who have the option of moving their funds out of the depository institutions and into the public bond market.

It is certainly not our intention, by authorizing for member banks the new long-term certificate or the increase in Regulation Q ceilings generally, to deny funds to the mortgage market. Quite the contrary. In view of the rise that has taken place in market interest rates this year, the regulatory authorities were fearful that depository institutions, especially thrift institutions, would lose their ability to obtain savings in competition with the attractive yields available on securities, as had been the case in 1966 and again in 1969–70. With the permissible ceiling rates raised, and with the new ceiling-free long-term certificate, the institutions have a much better chance of sustaining their competitive positions, thus tending to help, rather than hinder, the maintenance of a reasonable supply of mortgage funds.

The Board will continue to monitor developments closely with respect to institutional savings flow in the days and weeks ahead, and will be watching competitive developments with respect to the new long-term savings certificates especially carefully. If there are significant abuses, or if the competitive balance is significantly disrupted by these new instruments, the Board will be prepared to consider further altering of the terms and conditions under which the institutions are permitted to bid for their savings funds.

Sincerely yours,

ROBERT L. CARDON,
Assistant to the Board.

U.S. SENATE,
Washington, D.C., August 2, 1973.

Hon. THOMAS BOMAR,
Chairman, Federal Home Loan Bank Board, Washington, D.C.

DEAR MR. CHAIRMAN: Enclosed you will find a copy of a letter I sent earlier today to Chairman Burns of the Federal Reserve expressing my concern over the adverse impact that the so-called "wild card" is having on the thrift institutions of the nation.

I am advised that the FHLBB shares, in large part, my concern in this regard. I further am advised that it is impractical to suggest that the FHLBB take action independent of any corrective action to be taken by the Federal Reserve Board in this regard. As such, I have chosen to concentrate my efforts for the moment on Chairman Burns.

I do want to keep you and your Colleagues advised of my interest in this matter. It is for this reason that I am forwarding this letter.

Thank you for your consideration of my concern, I am,

Cordially yours,

BOB PACKWOOD.

FEDERAL HOME LOAN BANK BOARD,
Washington, D.C., August 3, 1973.

Hon. BOB PACKWOOD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PACKWOOD: I appreciate your letter and the copy of your correspondence with Chairman Burns of the Federal Reserve. The conditions your letter to Chairman Burns refers to are serious and a major concern to us.

We are monitoring the situation around the country on a constant basis and we'll do all possible through the credit facilities of our twelve Federal Home Loan Banks and the Federal Home Loan Mortgage Corporation to meet the shortfalls in fund availability in order that savings and loans can continue to lend. Additionally, yesterday we cut savings and loan liquidity requirements to free up funds to mortgages.

We appreciate your interest and would be pleased to supply you information we have whenever it would be helpful to you.

Sincerely,

THOMAS R. BOMAR.

[From the New York Times, July 25, 1973]

SAVINGS AND LOAN INDUSTRY FIGHTS CEILING-FREE RATES

(By Edwin L. Dale, Jr.)

AVAILABLE SAVINGS RATES

Minimum period for deposit	Commercial bank (percent)	Savings banks and savings and loans (percent)
Passbook (none)	5	5¼
90 days to 1 year	5½	5¾
1 to 2½ years	6	6½
More than 2½ years	6½	6¾
4 years, $1,000	(1)	(1)

[1] No minimum.

WASHINGTON, July 24.—The savings and loan industry has started an intensive lobbying campaign in Congress to wipe out the new permission for banks and thrifty institutions to offer to savers four-year certificates of deposit with no ceiling on the interest rate.

The issue could come to a head within a week. The vehicle would be the report of a joint Senate-House committee dealing with legislation that, among other things, extends the basic authority for the regulatory agencies to impose controls on the interest rates that can be paid to savers. The authority expires a week from today.

The new four-year savings certificates with no interest ceiling have become something of a sensation, with massive newspaper advertising campaigns under way in many parts of the country.

One savings and loan association here, Washington Permanent, offered a certificate charged a bank's biggest and best business borrowers—and the available supply was sold out within a week. On Monday, there were long lines of savers trying to buy the certificates as the supply ran out.

Although many savings and loan associations have joined commercial banks in offering the new ceiling-free certificates, interest rates running as high as 8 per cent, the industry is troubled by the situation on several counts.

First, there is both a regulatory and practical limit on the volume of these certificates any association can offer—a limit that does not apply to commercial banks. Certificates bearing more than 6¾ per cent interest cannot exceed 5 per cent of an association's total deposits.

The associations fear that they will therefore be able to capture only a limited amount of the new market, while there is no limit on commercial banks.

Even if the 5 per cent limit were formally removed by the Federal Home Loan Bank Board, the associations could not in practice offer unlimited amounts of the high-interest certificates because, unlike banks, they have most of their money in long-term mortgages, some written years ago with relatively low interest rates. Thus their interest income sets a limit on what they can pay to depositors.

Bank loans are generally for much shorter terms and thus the interest rate on them can more quickly reflect current market conditions.

Another reason for savings and loan industry's reservations was described today by Stephen Slipher, Washington manager of the United States Savings and Loan League, as the "show-stopper" effect of the ceiling-free certificates. The new instruments have tended to render much less attractive the shorter-term certificates with lower interest rates on which savings and loan associations have placed heavy reliance to obtain deposits.

The top officials of the league, in a letter to member associations last week, said that "the result of a free rate category has been that shorter-term certificates are, in fact, not salable."

The lobbying effort to alter the situation aims at Congressional action to require ceilings for all certificates offered by both banks and thrift institutions. The legislative situation is somewhat complex.

House and Senate conferees have long since agreed to extend the basic authority for interest-rate ceilings beyond its July 31 expiration date. But they have been unable to reconcile differing provisions of the legislation on another matter—the so-called "NOW" accounts, which are a form of interest-bearing demand deposit offered by savings banks in Massachusetts and New Hampshire.

The aim of the savings and loan industry is to have the conferees write into their explanatory report on the final version of the bill language expressing the desire of Congress that interest-rate ceilings, across the board on all kinds once imposed, must be imposed on savings deposits and certificates.

PRESSURE TO BE APPLIED

While this might not have the force of law, it would exert powerful pressure on the Federal Reserve Board, the Federal Home Loan Bank Board and the Federal Deposit Insurance Corporation—the three agencies involved—to eliminate the provision for ceiling-free, four-year certificates that was announced earlier this month.

In a related development today, the Federal Reserve moved to eliminate some of the apparent competitive advantage enjoyed by the commercial banks in competing for savers' money. It offered for comment a proposed rule that would apply the penalties now imposed for early withdrawal of certificate deposits to conversions from one type of certificate to another bearing a higher rate.

This penalty already applies in the case of savings and loan associations.

Home Builders in Warning

Washington, July 24.—The National Association of Home Builders warned Congress today that the current shortage of mortgage money and rising mortgage interest rates are threatening both housing production and the ability of families to purchase homes.

George C. Martin, president of the association, told the Senate housing subcommittee that recent Administration action authorizing an increase in the rates paid savers had "achieved nothing more than a shift of savings from one type of institution to another."

"This has been accomplished by wild bidding between commercial banks and thrift institutions for the available savings dollar, especially for four-year deposits on which there is no interest ceiling," he said.

[From the Washington Post, July 15, 1973]

Fed Asks Penalties on Bank CD Shifts

(By James L. Rowe, Jr.)

The Federal Reserve Board yesterday proposed a rule that would impose penalties on bank depositors who wish to transfer their funds from one type of certificate of deposit to another.

The proposed rule, which is open for comment until August 13, would parallel penalties faced by those putting their funds into CDs at savings and loan associations.

A CD is essentially a receipt for money left on deposit for a certain period of time. CD rates are generally higher than passbook rates.

For example, under new rules put forth earlier this month by the nation's financial regulatory agencies, a bank or savings and loan association may offer unlimited interest provided the depositor leaves at least $1,000 on deposit for four years.

If a depositor withdraws the money before four years—there are different rate ceilings for different maturities—he is paid only the passbook rate minus a three-month penalty. The passbook ceiling at banks is 5 per cent.

However, if a bank depositor should wish to move his funds from one CD to another—say to take advantage of higher interest rates or shorter maturity—he now is not considered to have withdrawn his funds and thus pays no penalty.

At an S&L, however, he is considered to have withdrawn his funds and pays the penalty.

The proposed rule would force the bank depositor to pay a three-month interest penalty and receive only the passbook rate if he withdraws his funds before the stipulated maturity on the CD.

The differences in the penalty clauses had caused some controversy in the financial industry because of the newly introduced, consumer-sized CD with no interest ceiling and because the interest differential on passbook accounts between S&Ls and banks had narrowed to 0.25 per cent from 0.5 per cent.

[From the Washington Post, July 27, 1973]

Fed Curbs Amounts of Unlimited CD's

(By James L. Rowe, Jr.)

The Federal Reserve Board yesterday ruled that banks may not have more than 5 per cent of their total time and savings deposits in the new, unlimited interest, consumer-type certificates of deposit.

The board also proposed a new rule that would require banks to advertise to customers that, if they redeem a certificate of deposit before the specified maturity date, they must pay penalties.

The moves appear to be an attempt to calm savings and loan associations, who complain that they cannot afford to compete with banks on interest rates on the unlimited CDs.

The CD was created to slow the process called disintermediation—where investors take their money out of banks and S&Ls and put it instead into better-yielding investments such as government securities.

The new certificates of deposit must be in minimum amounts of $1,000 and bear a maturity of at least four years.

The board said it placed the 5 per cent restriction on the amount of the new CDs any bank could offer "to provide for the introduction of these new savings instruments at a more orderly pace." It said that any four-year CD a bank sells beyond that limit is subject to a 6.5 per cent interest ceiling.

Savings and loan associations have been prohibited from having more than 5 per cent of their savings capital in these unlimited-interest CDs since the new instruments were created July 5.

The Fed sets interest ceilings on various typs of deposits for national banks, the Federal Deposit Insurance Corp. does so for other commercial banks and mutual savings banks, while the Federal Home Loan Bank Board sets the ceilings for savings and loan associations.

Most S&Ls in the area are offering 7 per cent a year on the four-year CDs—although some are offering more—while banks tend to pay about 7.5 per cent.

In addition to advertising penalties involved in redeeming any CD before maturity, the Fed said banks must give customers making such deposits a statement specifying the penalties.

The penalty is a recomputation of the interest rate to the passbook rate (5 per cent for banks, 5.25 per cent for S&Ls) plus a three-month interest penalty. On Wednesday the Fed proposed a rule that would require banks to charge the penalties if a customer decided to convert one CD to another type of CD.

[From the Wall Street Journal, Aug. 3, 1973]

Philadelphians Snap Up Savings Certificates Paying Higher Rates

(By Harry B. Anderson)

Philadelphia.—On Thursday, July 26, Western Savings Bank began selling its new "super eight" savings certificate, an 8% certificate of deposit geared to take advantage of new federal interest regulations. It began running newspaper ads last Sunday, and the ads are still running today.

But don't bother to run down to Western to buy your super eights. Within six business days the bank had "sold out." Not that the bank didn't have any more certificates to sell. It had just bumped up against a federal regulation that prevents banks from issuing such high-interest certificates in amounts more than 5% of total savings deposits.

"It was like a madhouse in our office," said a bank spokesman. "We even had to install one of those take-a-number machines like you find in bakeries."

EAGER BUYERS

Philadelphia banks were quick to take advantage of the new federal regulations that allowed them to pay unlimited interest on four-year savings certificates with minimum face values of $1,000. But Philadelphia savers were even quicker to buy them up.

"Our lobby was filled with people all week," said an official of Philadelphia Savings Fund Society. "We had to set up special chairs because many of the pople who came in were older people, and it's a time consuming transaction" to buy the certificates.

The sales rush created special problems for some bankers. An official for First Pennsylvania Banking & Trust Co. said the bank didn't receive a copy of the 5% regulation until early yesterday, but it may have exceeded its permitted sales quota of its variable interest "inflation fighters," before that time. He said officials were hurrying to determine if that was so. In the meantime, he said, "we don't want to shut off" the marketing effort. But he said First Pennsylvania was in a "touchy" position.

First Pennsylvania offers savers a certificate that pays interest at a base rate of 7½%, with variable additional interest paid each year on the basis of increases in the cost-of-living index. However, the First Pennsylvania official said that if the bank exceeds its sales quota, it will only be able to pay new savers 6½% until the bank has received enough other new deposits to bring it within federal guidelines. Savers who bought the certificates before the quota was reached will still receive 7½%.

ESTIMATED SALE

When First Pennsylvania introduced its new certificates, it said it expected to sell up to $100 million in the first year. But the bank official said sales were proceeding at an "extremely greater rate."

Despite the sales rush, Philadelphia banks aren't gaining huge amounts of new deposits. A marketing official of one savings bank that expects to reach its sales quota today said, "Our customers have been surprisingly sophisticated." He said many depositors have been withdrawing their money from regular savings accounts to buy the new certificates. "We're just paying more interest for the same money," he said.

In New York yesterday, the Bowery Savings Bank, the nation's largest, said it is approaching its 5% limit on the four-year certificates. The bank said it intends to stop advertising the certificates to the public soon.

[From the New York Times, Aug. 10, 1973]

Home Loan Board Paints Gloomy Mortgage Picture

(By Edwin L. Dale, Jr.)

Washington, August 9.—The agency of the Government most closely involved with home-mortgage finance today painted a grim picture of the current mortgage situation: interest rates of 9 per cent or more, money rushing out of the thrift institutions, which are the main mortgage lenders, and some danger of a drying up of mortgage money at any price.

The report came at a news conference from Thomas R. Bomar, chairman of the Federal Home Loan Bank Board, and William Popejoy, head of the Federal Home Loan Mortgage Corporation, a related agency.

Mr. Popejoy said that the "real mortgage market today is around 9 per cent and perhaps more." He readily conceded that the agency's official statistics—which reported a nationwide average mortgage rate of 7.84 per cent in early July—were not giving an accurate picture of the present situation.

Mr. Bomar disclosed that, based on a sample of savings and loan associations, there was an outflow of about $500-million of savings last month, mainly on the part of savers seeking higher interest rates on such "money market" investments as United States Treasury bills. He said the outflow "is continuing in August."

Last year the thrift institutions had a record inflow of savings. The inflow continued at a high, though diminishing, rate in the first part of this year until the dramatic increase in market rates began. The large inflow of savings last year was a major reason for a record rate of housing starts since mortgage money was plentiful and relatively cheap.

Housing starts this year are already trending downward, though in June they were still at the relatively high annual rate of 2.1 million units.

Although the savings outflow in July of

$55-million was large, it did not approach the monthly peak outflows of more than $1-billion reached in the previous interest-rate "crunch" periods of 1966 and 1969. In those years there was a scarcity of lendable funds even at high interest rates.

Mr. Bomar said today that "in most parts of the country mortgage money is still available, though at a higher rate." However, he said there was a general "slowing down" of new mortgage loan commitments, a "greater conservatism" on the part of the thrift institutions because they were losing savings deposits.

To help to assure the availability of mortgage money, Mr. Bomar said, the 12 Home Loan Banks under his agency's supervision are in the process of extending a record amount of "advances," or loans, to savings and loan associations, which relend the money to private mortgage borrowers.

Yesterday the Home Loan Bank System announced a record borrowing operation in the money market of $1.8-billion, paying a record interest rate of 9¾ per cent, to raise funds for more advances to the savings associations.

The Home Loan Bank Board has also freed about $2.2-billion in mortgage funds by reducing the required "cash reserves" that savings and loan associations must retain.

Mr. Bomar disclosed today the first results of yet another effort to help maintain the availability of mortgage funds: the action by all the Federal financial regulatory agencies a month ago to permit higher interest rates to be paid to savers. The new package of allowable savings instruments included the so-called "wild card", a four-year savings certificate with no ceiling on the interest rates.

A sample of 273 mainly large savings associations, Mr. Bomar said, had issued $1.4-billion in "wild card" certificates by the end of July, amounting to 1.75 per cent of total savings in these institutions.

The interest rates offered clustered in the range of 7 to 7.5 per cent, with only a tenth of the associations offering more than 7.5 per cent.

Assessing how much the wild-card certificates may have helped the savings associations to retain deposits, Mr. Bomar said that "in this particular situation it does make possible retention of some funds that would otherwise be lost."

But both he and Karl O. Camp, a member of the Home Loan Bank Board, said that market interest rates had gone so high that there was no way of preventing some outflow of savings. They noted that the average interest income on the $220-billion of mortgages held by the savings and loan associations was 7.2 per cent, which set an effective ceiling on how much they could pay to attract new savings.

The new wild-card certificates are limited to 5 per cent of total savings. The ceiling interest rate on ordinary passbook savings is only 5¼ per cent.

[From the New York Times, Aug. 22, 1973]

Funds Being Lost by Savings Units

(By Edwin L. Dale, Jr.)

WASHINGTON, August 21.—Evidence is mounting that the decision of the Federal Reserve Board and other agencies in early July to raise the ceilings on interest rates that banks and thrift institutions can pay to savers is having a result that nobody in the Government wanted—a switch of funds out of the savings institutions into commercial banks.

This is quite apart from the companion problem of withdrawal of funds from all deposit institutions to invest in market instruments such as Treasury bills.

To the extent that savings and loan associations and savings banks lose money in either way, the impact falls on the mortgage market, where they are the major source of funds. The latest sampling of 2,200 builders conducted by the National Association of Home Builders, a spokesman said today, shows that mortgage money is either not available at all or shows greatly reduced availability in 75 per cent of the areas surveyed.

EVIDENCE IS INDIRECT

Although no precise figures are available, officials of all the Government agencies involved agree that some of the large amount of money that has left the thrift institutions in July and August has gone, not into the market, but into commercial banks. The evidence is indirect.

First, the thrift institutions lost about $1-billion in July. Based on industry estimates, the savings and loan associations lost another $400-million in the first 10 days of August.

But during this same period, time and savings deposits at commercial banks—not including the large certificates of deposit of $100,000 or more dealt in by corporations and other large and temporary savers—have risen more than $3-billion.

These deposits were $285.8-billion in the week ended Aug. 8 compared with an average of $282.3-billion in the four week ended July 11.

Commercial banks are far less heavily engaged in home mortgage lending than the thrift institutions.

"WILD CARD" CERTIFICATES

All types of institutions were allowed to raise the interest rates paid to savers, and all were allowed to offer the new "wild card" certificates—those with a minimum maturity of four years and no interest ceiling.

There are no comprehensive records of whether banks are paying more on these certificates than savings and loans, which could help account for some of the switching of funds.

However, officials have a general impression that banks have been more "aggressive" in this area and probably began to advertise the new certificates first.

One high official of the Federal Reserve, trying to explain the unwanted switching, said today, "The facts are terribly confusing. We just don't know the whole story."

In any case, there is a strong conviction in the home-building and savings and loan industries that the early July decisions have done more harm than good. The higher ceilings were intended at least to reduce the flow of funds out of the deposit institutions into the market.

Michael Sumichrast, chief economist for the National Association of Home Builders, commented today, "If they had left it alone we [meaning the thrift institutions] would have lost some money, sure. But I'm convinced we're losing even more because of the July decisions, including money lost to the commercial banks."

Mr. Sumichrast also complained that an immediate impact of the higher interest ceilings was a jump in mortgage interest rates, quite apart from the problem of availability of mortgage funds. Prior to the higher ceilings, mortgage rates had been edging up only very gradually, he noted.

[From the Washington Post, Aug. 28, 1973]

Not Draining S. & L. Funds, Bankers Say

The Americans Bankers Association said yesterday that a survey of 110 banks indicated that banks are not draining a substantial amount of deposits from other financial institutions, such as savings and loan associations.

Representatives of S&Ls and mutual savings banks have claimed that banks are bidding funds away from them in an interest rate war spawned by increases in interest ceilings put down by the nation's financial regulatory organizations on July 5.

On that day, the interest rates that banks, S&Ls and mutual savings banks may pay depositors was increased and the differential on passbook savings rates was narrowed to a quarter point from a half point. Banks are now permitted to pay 5 per cent interest, while thrift institutions can pay 5.25 per cent.

The most controversial aspect of the ceiling change was the introduction of a consumer-sized certificate of deposit which bore no interest ceiling. The consumer was required to put a minimum of $1,000 on deposit for four years.

Eugene Adams, president of the American Bankers Association, said 93 of 110 bankers on the ABA's governing council responded to a survey on the effect of the new interest ceilings.

Adams said 60 reported "modest gains in savings and time deposits. In each case, all or virtually all the gain was attributed to transfers from other bank accounts, although 25 bankers said very small portions of their increases came from savings and loan associations or mutual savings banks."

He said 67 reported decreases in passbook savings deposits since July 5.

[From the Wall Street Journal, Aug. 30, 1973]

Sales of 4-Year CD's Spurt After Removal of Interest Ceilings

WASHINGTON.—The nation's large commercial banks have dramatically increased their sales of four-year certificates of deposit since the removal of interest-rate ceilings on the certificate at the beginning of July.

The Federal Reserve Board said the large banks that report to it on a weekly basis had $2.13 billion of CDs outstanding Aug. 22, up from $321 million June 27.

While individual banks have been reporting considerable success in marketing the CDs, this was the first time official figures have been available. They show that commercial banks picked up a big chunk of the deposits attracted by higher interest rates.

In an effort to allow banks to compete for funds with rising interest rates in marketable securities, all interest-rate ceilings were relaxed for savings and loan associations, savings banks and commercial banks early in July. The ceiling was removed entirely for four-year CDs of $1,000 or more. Previously, the maximum rate commercial banks could pay on four-year CDs of less than $100,000 was 5¾%.

[From the Wall Street Journal, Aug. 30, 1973]

S&L's Last Month Had $313 Million Savings Outflow

WASHINGTON.—The nation's savings and loan associations reported their first net outflow of savings in over three years and were given some new flexibility to help deal with the problem.

The Federal Home Loan Bank Board said federally insured S&Ls experienced a $313 million net withdrawal of savings in July, compared with a $890 million net savings inflow in June and a $2.16 billion inflow in July a year earlier. The last previous outflow was in January 1970 and totaled $1.4 billion.

In a move aimed at stemming such outflows, the agency raised to 10% from 5% the limit on the amount of an S&L's total deposits that can be in the form of certificates representing deposits of $100,000 or more left for a specific period. The certificates of deposit aren't subject to interest rate ceilings, and the bank board said the relaxed restriction would enable more S&Ls to compete for the large deposits.

The board said the additional large deposits "will provide a potential increase in the funds currently available for mortgage lending." Because of the net savings outflow last month, S&Ls sharply reduced their commitments to make mortgage loans in the future, the bank reported. Commitments outstanding were down to $13.45 billion at the end of July from $14.45 billion at the end of June, the report showed.

The volume of loans closed during July remained high, however, because S&Ls were able to borrow $1.2 billion from the Federal Home Loan Banks and obtained additional lendable funds by reducing their holdings of liquid assets, the board said.

Mortgage loans closed last month came to $4.89 billion, the bank board reported, down 12% from June's $5.59 billion but 10% above the year earlier $4.45 billion. The month-to-month decline was less than the usual seasonal drop, the board said, adding that on a seasonally adjusted basis the amount of loans closed "remained close to earlier peaks."

Net loan repayments, at $2.5 billion, were down from June's record of $2.65 billion but exceeded the $2.28 billion of July 1972.

The savings outflow was attributed primarily to further sharp increases in interest rates on marketable securities, to which savers switched their funds, and "may also have reflected intensified competition for savings from commercial banks," the board said. Currently, commercial banks are allowed to pay up to 5% interest on regular passbook savings accounts, and S&Ls may pay 5¼%. Before these ceilings were set early last month, the difference between the two rates had been a full percentage point.

At a news conference earlier this month, Bank Board Chairman Thomas R. Bomar predicted that the July savings outflow would be an even more severe $500 million. He explained that the early estimate was based on reports from a sample of generally large associations, located in major metropolitan areas, "whose deposits were more sensitive to the competition from securities and commercial banks."

At the news conference, bank board officials had promised to try to assure an adequate supply of funds for mortgage lending, but they predicted that rates would continue to climb. At that point, they said that surveys showed mortgage rates in many parts of the country were running 9% or more.

[From the New York Times, Aug. 30, 1973]

Loan Curbs Eased for Thrift Groups

(By Edwin L. Dale, Jr.)

WASHINGTON, August 29.—The Federal Home Loan Bank Board, in another move to check the sharp decline in availability of mortgage money for home buyers, decided today to allow savings and loan associations to offer more large certificates of deposit—those of $100,000 or more with no interest ceiling.

However, bank board officials readily conceded they had no idea how much good this new move would do in holding funds in the thrift institutions. An outflow of savings from the savings and loan associations by savers seeking higher interest rates elsewhere has been the chief single contributor to the sudden drying up of mortgage money.

Today's move permits savings and loan associations to offer large certificates of deposit up to 10 per cent of their total savings compared with 5 per cent previously. Thomas R. Bomar, chairman of the Home Loan Bank Board, said that "many" associations "are presently being hindered from competing for large savings deposits by the 5 per cent limitation."

AN ABRUPT TURNAROUND

In a companion development, Mr. Bomar disclosed that the outflow of savings from the savings and loan associations in July had not been as large as originally estimated. However, the loss of savings was the first since January, 1970, and was sufficient to induce a sharp drop in new mortgage lending commitments by the associations they are the largest single source of mortgage funds.

The July outflow, Mr. Bomar said, was $313-million, less than the preliminary estimate of $500-million made several weeks ago.

In July a year ago there was a net savings inflow of $2.2-billion and there was still some inflow, amounting to $900-million, as recently as June of this year. Thus the turnaround has been abrupt.

The July loss of savings—known as "disintermediation" as money leaves deposit institutions for investment in money market instruments—was well below the outflows of similar periods of high market interest rates in the past. For example, there were net outflows of $1.1-billion in July, 1969, and $1.5-billion in July, 1966.

With mortgage loans closed exceeding commitments for new loans, Mr. Bomar said, outstanding commitments dropped by $1-billion to $13.5-billion. On a seasonally adjusted basis the volume of commitments was down 14 per cent from the peak attained earlier this year when funds were still readily available.

FIRST FEDERAL SAVINGS & LOAN
ASSOCIATION OF CORVALLIS,
August 3, 1973.

Senator BOB PACKWOOD,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR PACKWOOD: Undoubtedly you have been advised of the effects recently initiated by the Federal Reserve Board and subsequent like action by the Federal Home Loan Bank authorizing higher rates of interest to be paid by savings and loan associations.

We at First Federal feel this was an ill-advised move because of the upward pressure that has been placed on financing for local housing.

The prime item causing this upward movement is the four-year, $1,000 minimum, no maximum rate account which, as indicators show, has been leading to a savings rate war. It is impossible, of course, for savings and loan associations to match rates paid by commercial banks without charging high rates and fees for home loans.

We also feel that this particular "wild card" account will have an adverse effect on small savings and loan's profitability since short-term certificates are not salable and associations will be forced to pay high rates of interest even when other markets drop.

The recent regulations concerning savings rates for savings and loan associations need to be reviewed again and, hopefully, revised. I would appreciate any input you might be able to pass along to your colleagues on our behalf.

Sincerely,

T. W. JOHNSON,
President.

CORVALLIS BOARD OF REALTORS,
Corvallis, Ore., August 27, 1973.

Senator BOB PACKWOOD,
Portland, Oreg.

DEAR SENATOR PACKWOOD: I am writing on behalf of the Corvallis Board of Realtors regarding the movement upward in Savings & Loan rates with no rate ceilings on funds deposited for four years or longer. We feel this is both dangerous and confusing.

We are alarmed and fearful of the results if this practice is allowed to continue. This continuance can only contribute to the inflationary trend threatening our country today. At a time when money flow is needed in our economy, we deplore the practice of out-of-control celings on rates.

The average person wishing to purchase a piece of property is penalized drastically by the catapulting interest rates. Something must be done at once to put a stop to this unfair and chaotic situation.

We urge you to investigate this matter immediately. This practice must not be allowed to continue.

Very sincerely yours,

MRS. MARY ANNE NARDELLO,
Executive Secretary.

OREGON PIONEER
SAVINGS AND LOAN ASSOCIATION,
Portland, Oreg., August 29, 1973.

Senator BOB PACKWOOD,
1002 N.E. Holladay,
Portland, Oreg.

DEAR BOB: Your request to Arthur Burns for the elimination of the Wildcard bank certificates is most appreciated.

I sincerely feel that the money and mortgage loan situation in this country is much worse than perhaps is realized in Washington, D.C. If the current condition continues for any period of time not only will many deserving people be deprived of purchasing a home but many contractors, sub-contractors and laborers will be badly harmed or bankrupt.

Thank you for taking the position that you have. I'm sure that you will pursue the matter when you return to Washington.

Sincerely,

WARD V. COOK,
Executive Vice President.

PIONEER FEDERAL SAVINGS
AND LOAN ASSOCIATION,
Baker, Oreg., August 29, 1973.

Senator BOB PACKWOOD,
Senate Office Building,
Washington, D.C.

DEAR SENATOR PACKWOOD: Dave Barrows has advised me of the interest and support you have shown in our current problem with the new "wild card" savings certificate recently prompted by the Federal Reserve. I would like to take this opportunity to thank you for your support.

As you may know, the U. League's Legislative Committee will be meeting in Washington in a couple of weeks relative to this matter, at which time some of the Oregon people will probably be talking with you again.

Yours very truly,

CARL DAVIS, *President.*

LINCOLN SAVINGS
AND LOAN ASSOCIATION,
Beaverton, Oreg., September 5, 1973.

Senator BOB PACKWOOD,
U.S. Senate, Committee on Banking, Housing and Urban Affairs, Washington, D.C.

DEAR SENATOR PACKWOOD: I would like to add our thanks to you for your letter of August 2, 1973 to Arthur Burns regarding the "wild card" certificates. I have also discussed your kind offices on behalf of our industry with our directors and they join me in their appreciation of your efforts.

At the present time we are completely out of the mortgage loan business. Such funds that we do generate that normally would go into mortgage lending are now used to repay our Federal Home Loan Bank loan with a recently increased rate of 9¼%. To get additional funds to lend we cannot compete with "wild card" rates because the money thus gained would be so dear that I have serious doubt that our mortgage borrowers could sustain the high interest rates that we would have to charge. The fun and the reward in this business is helping people buy and own a home. To charge the kinds of rates we are facing would only lead them into financial disaster. Such a situation is bad for both the borrower and lender. Again thank you for your help with this problem.

Our Fourth of July trip in the balloon at Hillsboro was a success. Join us sometime.

DONALD W. HIRSCHBERGER,
President.

S. 2454

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board shall, in exercising the authority given to each under the Act of September 21, 1966 (Public Law 89–597), as amended, to prescribe rules governing the payment of interest or dividends on deposits, shares or withdrawable accounts that may be paid by any depositary institution as defined in Section 2(b) of the Act of August 16, 1973 (Public Law 93–100), limit the rates of interest or dividends which may be paid by such institutions on time deposits in amounts of less than $100,000 so that (i) the rate of interest or dividends payable on such deposits may not exceed 6¾% per annum and (ii) the rate of interest payable on such deposits held by an insured bank or any State bank (each as defined in Section 3 of the Federal Deposit Insurance Act) shall be limited by an appropriate differential below 6¾% for each class or category of deposit comparable to those issued and held by any depositary institution other than an insured bank or State bank.

S. 2465

At the request of Mr. FANNIN, the Senator from Arizona (Mr. GOLDWATER), the Senator from New Mexico (Mr. DOMENICI), and the Senator from South Dakota (Mr. ABOUREZK) were added as cosponsors of S. 2465, a bill to authorize the Secretary of the Interior to guarantee loans for the financing of commercial ventures in geothermal energy; to coordinate Federal activities in geothermal energy exploration, research, and development, and for other purposes.

SENATE RESOLUTION 173—SUBMISSION OF A RESOLUTION TO REDUCE THE PAPERWORK BURDEN ON SMALL SECURITIES BROKERS

(Referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. McINTYRE. Mr. President, I submit for appropriate reference a Senate resolution directing the Securities and Exchange Commission to immediately begin an examination of its rules and regulations and make such amendments as may be appropriate in order to reduce unnecessary and duplicative paperwork on small broker-dealers. The resolution also directs the Securities and Exchange Commission and the various securities industry self-regulatory bodies to continue a review of the position of small broker-dealers to insure their continued participation in the securities markets of the United States.

Independent broker-dealers play a unique and essential role in our economy. Historically, they have engaged in the marketing of securities to individual small investors. They provide local and regional securities facilities in many areas of the country not served by large New York City firms. They raise capital for small businessmen who, because of their size, are often ignored by the Wall Street giants.

The Subcommittee on Government Regulations of the Senate Select Committee on Small Business held hearings into the Federal paperwork burden on small broker-dealers on July 12 and 23, 1973, and compiled a sizeable record. This showed that small broker-dealers are suffering extreme hardships imposed by the paperwork and reporting requirements of the Securities and Exchange Commission, the National Association of Securities Dealers, and other self-regulatory organizations.

As a result of nearly 40 years' regulation by the Securities and Exchange Commission and self-regulatory organizations, certain overlapping and duplicative reporting requirements have come into existence. Today, in 1973, it is clear that they pose an unnecessary burden on the small broker-dealer who is subject to them. The problem is significantly stated by two small broker-dealers in Wisconsin and New Jersey. From Wisconsin, a small broker-dealer writes:

> We are . . . essentially a Small Business. Our dollar volume is not in the millions, our staff is not in the hundreds (or even dozens), and our profits are only reasonably moderate. Yet we are faced with an elaborate labyrinth of regulations that threaten our very survival. Indeed we are convinced that if we do not have some relief from excessive regulation, we will soon have to say to the Chairman of the SEC, as the Christians said to the Roman Emperor when the lions bounded out. "Nos morituri te salutamus!"

Similarly, a New Jersey small broker-dealer expressed his feelings as follows:

> As a small broker-dealer the past 14 years, we have tried to provide our 2,000 clients the service we feel necessary to build a long time investment program. The past six years have proven most discouraging to us as regulation after regulation has put an extreme burden on us with the reporting requirements from the various regulatory agencies.
>
> As an independent broker-dealer, I have prided myself on the personalized service and individual attention offered to my clients, yet we are made to feel like second class citizens to the exchange members. We are not authorized to guarantee signatures, but must rely on the whim of a local bank at cost of both time and money. Many of my contemporaries, unable to bear the cost of the paperwork burden, have quietly left the business. Just trying to interpret the regulations and reports asked for is a major task in itself. The duplication of information asked for by various agencies also lends to the problem.

No one can deny that the securities industry requires regulation to insure honesty and fair treatment of the investing public. We are confident that there is no rule, regulation, procedure, or report that does not in some degree reflect an attempt to protect the investor. Each in its own way is a credit to the earnest people who created it, and we all would find it difficult to dispute its ultimate objective. The critical dilemma, however, is how to keep the hand that helps and protects the public from strangling the small broker in the process.

During the course of our hearings, we asked the Securities and Exchange Commission for an explanation as to how these serious paperwork and reporting problems began. Mr. Lee A Pickard, Director of the Division of Market Regulation, advised our subcommittee that:

> During the late 1960's there occurred an unprecedented and unanticipated explosion in the volume of securities transactions. In 1964 the average daily volume on the New York Stock Exchange was under 5 million shares and was projected by the Exchange to reach 9 to 11 million shares per day by 1975. However, by 1967, 15 million share days were not uncommon and even 20 and 30 million share days were experienced. The existing systems were overburdened, resulting in a collapse of accounting control and the consequent failure of a number of firms with resultant customer losses. The cyclical nature of the industry soon became apparent, for as systems were expanded to add capacity to accommodate the higher activity, the trading volume dwindled away leaving high fixed costs with diminished revenues to sustain them causing further difficulties. As the financial crisis unfolded it became obvious that there were too few existing tools to fully gauge the impact of these events.
>
> In the effort to monitor the industry more closely to minimize the public exposure as a result of firm financial difficulties, each of the self-regulatory organizations and the Commission imposed additional reporting requirements and recordkeeping procedures. Annual audited reports were supplemented with unaudited quarterly and, in the case of exchange members, monthly reports. In imposing these new reporting requirements, however, not enough attention was given to coordination and standardization.

The Securities and Exchange Commission in September 1972 appointed an Advisory Committee on Broker-Dealer Reports and Registration Requirements to study the problem of duplicative and excessive paperwork on broker-dealers. The Advisory Committee found that "present regulatory reports submitted by broker-dealers require duplication of efforts by firms and regulators."

The Advisory Committee made two recommendations relating primarily to duplication of reports:

> (a) In each area subject to regulation a broker-dealer should report to a single regulatory body.
>
> (b) There should be developed a single key regulatory report incorporating uniform definitions and reporting periods. Inherent in the format of this report should be the layering concept whereby higher increments of detail are required as the complexity of a broker-dealer's operations increases.

The Securities and Exchange Commission is now considering the recommendations of this Advisory Committee report.

I feel it is necessary for the Senate to go on record to actively encourage the Securities and Exchange Commission to not only consider and implement the recommendations in this report, but to take whatever other steps might be necessary to insure the survival of small securities broker-dealers. The importance of this group of small businessmen who contribute to the health of the economy by serving the needs of small investors and small businesses by raising capital to finance new ventures, is obvious to all. The small broker-dealer must not be eliminated by excessive or duplicative regulations.

Mr. President, I urge the Senate to press for early consideration of this resolution. I also urge other Senators to join me in this effort by cosponsoring this endeavor. This will present a very clear message to the Securities and Exchange Commission and all of the self-regulatory organizations that this body believes the small broker-dealer is essential to the competitive and economic health of our Nation, and that affirmative action should be undertaken to insure his continued survival in the marketplace.

The resolution is as follows:

Senate Resolution 173

Resolved, it is the sense of the Senate of the United States in Congress assembled, that the Securities and Exchange Commission be directed to examine its rules and regulations and make such amendments as may be appropriate in order to reduce any unnecessary reporting burden on broker-dealers and help to assure the continued participation of small broker-dealers in the United States' securities markets.

Whereas, pursuant to the Securities Exchange Act of 1934, as amended, the Congress of the United States vested in the Securities and Exchange Commission and self-regulatory organizations authority to regulate broker-dealers in the public interest, including small broker-dealers; and

Whereas, certain rules and regulations of said Commission and the self-regulatory organizations may impose duplicative paperwork burdens upon the broker-dealer community without a commensurate benefit to the public interest; and

Whereas, certain paperwork burdens imposed on broker-dealers by rules and regulations designed to eliminate abuses may create a disproportionate burden when applied to small broker-dealers due to the basic disparity in financial and management capability between large and small brokerage firms; and

Whereas, the Commission had submitted to it in December 1972 an SEC Advisory Committee Study which urged the elimination of all redundant and unnecessary paperwork and rcommended the establishment of uniform reporting forms and registration requirements; Now Therefore, be it

Resolved, by the Senate of the United States of America in Congress assembled, That the Securities and Exchange Commission be directed to review and, if necessary, amend its rules and regulations to assure that such rules and regulations take cognizance of the role of small broker-dealers in the United States' securities markets and permit such broker-dealers to effectively comply with the rules and regulations in the public interest without unnecessary administrative burdens; that it continue active consideration and implementation of the recommendations of the SEC Advisory Committee Study; that it continue to review the position of the small broker-dealer to insure the continued participation of such firms in the securities markets of the United States within the context of competitive policy and the protection of investors; and that it immediately proceed to examine and modify its rules and regulations to the extent it is found that the public interest is not commensurate with the burden imposed on small broker-dealers.

ADDITIONAL COSPONSORS OF A RESOLUTION

SENATE RESOLUTION 172

At the request of Mr. Domenici, the Senator from Nebraska (Mr. Curtis), the Senator from Delaware (Mr. Roth), and the Senator from Minnesota (Mr. Humphrey) were added as cosponsors of Senate Resolution 172, a resolution relating to the passthrough of gasoline and diesel fuel grade No. 2 cost increases under the Economic Stabilization Act of 1970.

FOREIGN ASSISTANCE ACT OF 1973—AMENDMENT

AMENDMENT NO. 539

(Ordered to be printed and to lie on the table.)

Mr. BROOKE. Mr. President, on behalf of myself and Senators Humphrey, Javits, McGee, McGovern, Moss, Hathaway and Tunney, I am today introducing an amendment to the Foreign Assistance Act of 1973 which would authorize the appropriation of funds to be used as a grant to the Albert Schweitzer Hospital in Lambarene, Gabon. This money would aid in the construction of a leprosy rehabilitation wing for that facility.

I ask unanimous consent that the full text of this amendment be printed at this point in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 539

At the end of the bill, add the following new section: Sec. 24. There are authorized to be appropriated to the President for fiscal year 1974, $1,000,000 to make grants, on such terms and conditions as he may specify, to the Albert Schweitzer Hospital in Gabon.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974—AMENDMENT

AMENDMENT NO. 540

(Ordered to be printed and to lie on the table.)

Mr. BARTLETT submitted an amendment intended to be proposed by him to the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes.

AMATEUR ATHLETIC ACT OF 1973—AMENDMENT

AMENDMENT NO. 541

(Ordered to be printed and to lie on the table.)

Mr. EAGLETON submitted an amendment intended to be proposed by him to the bill (S. 2365) to regulate interstate and foreign commerce as it relates to the conduct of organized amateur athletic competition within the United States and the participation of American athletes in international amateur athletic competition.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 476

At the request of Mr. Goldwater, the Senator from Massachusetts (Mr. Brooke) was added as a cosponsor of amendment No. 476, intended to be proposed by Mr. Goldwater to the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Mr. HOLLINGS. Mr. President, due to an inadvertency, my name was not included on the Goldwater amendment No. 476, directing the Secretary of Defense to conduct a study to determine the desirability and feasibility of merging the Air Force Reserve and the Air National Guard, when it was considered by the full Senate today.

I ask unanimous consent that my name be added to this amendment as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 494

At the request of Mr. Hartke, the Senator from Kentucky (Mr. Cook) and the Senator from Maryland (Mr. Beall) were added as cosponsors of amendment No. 494, intended to be proposed to the bill (H.R. 9286), the Department of Defense appropriation authorization bill.

NOTICE OF CHANGE OF HEARING DATE ON OIL AND GAS DEVELOPMENT IN SANTA BARBARA CHANNEL

Mr. METCALF. Mr. President, because of the holiday on October 8 I wish to inform all Senators and other interested persons that the hearings on S. 1951 and S. 2339, both dealing with the Santa Barbara Channel situation, previously scheduled for that day will be held on Tuesday, October 9. The hearing will begin at 10 a.m. in room 3110, Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

PLIGHT OF THE RAILROADS

Mr. HUGH SCOTT. Mr. President, the need for helping our Nation's railroads cannot be overstated. In a September 10, 1973, editorial, "Plight of the Railroads," the Titusville Herald described in detail both the great need for improving and maintaining our rail system and the "miserable financial shape" the railroads are in. As we in Government sit down to try to devise the best way to save our railroads, we must look at the greater use of railroads as an efficient system of freight transport that at the same time conserves fuel during this time of energy shortage.

Mr. President, I ask unanimous consent that this perceptive editorial be printed in today's Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Plight of the Railroads

American railroads had a record freight-hauling year in 1972 and are doing better this year. But with a few exceptions, most of them are in miserable financial shape. In spite of the freight boom they can't afford to maintain their tracks, install new signal facilities or buy all the new cars they need.

What's the trouble? The magazine Business Week puts the answer this way:

"The railroads cannot earn enough money to renew their facilities, partly because their rate structures are outmoded, partly because their physical assets have deteriorated, and partly because their accounting is as obsolete as their roadbeds."

Finding the correct answer to the problem of railroad survival is especially vital to towns like Titusville, where third-rate highways would be totally unable to carry the load of freight now handled by railroad.

Tightly pinched for money, the railroads are forced to operate in the wrong way. Take train lengths. Business Week reports:

The tendency on railroads today is to run long trains, since the labor costs are the same for a 10-car train as a 100-car train. But this means holding cars back until a long train can be assembled, and also delaying individual cars through repeated switching in classification yards. To an increasing degree, the U.S. economy requires exactly the opposite kind of transportation service; it is requiring quality transportation, not quantity."

As one shipper says. "We need transportation by the clock, not the calendar."

We have repeatedly stated that the government should by some means help restore the industry's plant. That job is estimated to require from $1.6 billion to $2 billion a year, small potatoes when compared with the 28-billion annually that the government spends on all other forms of transportation.

Everyone now realizes that this country is facing an energy shortage. Greater use of railroads is one of the best answers to this problem. At speeds above 6 miles an hour, railroads are the most efficient users of fuel in freight transportation. Energy consumption per ton mile, expressed in British thermal units, clearly shows this. Waterways are the most efficient with 500 BTU per ton mile. Railroads are only slightly less efficient with 750, pipelines use 1,850, trucks 2,400 and air freight 63,000.

The railroads need federal help—massive and right now—and the figures show they deserve it, hauling a record-breaking 780-billion ton miles in 1972.

THE NEED FOR REFORM OF FEDERAL REGULATION OF COMMODITIES MARKETS

Mr. McGOVERN. Mr. President, the absolute need for Congress to move forcefully to reform the regulation of commodities trading markets has never been so clear as it is today.

In a significant contribution to public understanding of the complex nature of the commodities futures markets, the Washington Star-News on yesterday began a three-part series of detailed articles on commodity trading. I would like to have the first in this series inserted in the RECORD at the conclusion of these remarks.

As the Senator from Georgia (Mr. TALMADGE), chairman of the Committee on Agriculture and Forestry, remarked to this body on September 10, the Commodity Exchange Authority "is supposed to maintain fair and honest trading prices, competitive pricing on commodity exchanges, and prevent price manipulation and wild speculation. It is an understatement to say that the Commodity Exchange Authority has not been able to carry out this function in the past year."

Farmers throughout this country have been baffled by the wild fluctuations in prices on the commodities market. I can tell my colleagues that farmers in my State are quite disturbed. A number of them have come to me with stories not unlike that of the Iowa farmer described so well by John Fialka in the first Star-News article.

It is good that many Members of Congress and the committees thereof are beginning to look in depth at the regulation of commodities markets. I believe that the time is ripe for complete overhaul of the system by which commodities markets have been regulated—or not been regulated according to one's viewpoint.

Mr. President, the grain trade recognizes this need. Farmers recognize the need. The academic community has recognized the need. Certainly consumers know something is awry.

In responding to this almost unanimously spoken need, Congress must give serious scrutiny to commodities trading regulation. We must come up with more than cosmetic reform. This subject will be one of the most important on the agenda for the second session of this Congress.

I ask unanimous consent that the article previously referred to be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FOOD SPECULATORS

(By John Fialka)

MITCHELLVILLE, IOWA.—This is the year that George Redman, 33, learned the hard way that corn on paper is worth far more than real corn loaded on a truck.

The lesson was part of an experience that cost him over $60,000 and took him on an eerie voyage into the complex, nether world of commodity speculation.

But Redman is not alone now when he calls the buying and selling of contracts for future delivery of a farm commodity a "paper game."

A considerable number of his fellow farmers and the merchants who buy and sell real, cash commodities are becoming convinced that this year the theory and the realities of setting food prices have begun to go haywire.

It was no snake oil salesman who came into this prosperous (pop. 1,341) central Iowa farm town this spring and parted Redman and his money.

No, Redman admits, he brought that on himself. As a farmer, a man who has fed corn and soybeans to his cattle for over 12 years, Redman developed a strong notion this spring that the prices he was hearing on the afternoon radio reports were unrealistically high.

The voice of the Chicago Board of Trade, the nation's largest commodity exchange, is heard here over radios in tractor cabs, in cattle sales barns and other places where farmers work in the early afternoon, shortly after the trading day closes in Chicago.

Of late, the news has been unbelievable. In early June the radio said that the price of soybeans had gone to $12.90 a bushel, roughly six times what it costs the farmer to grow it.

In late July, Iowans heard about $3 (per bushel) corn, an unheard of price in a state where farmers have traditionally piled surplus corn to molder in thousands of metal storage bins and have even burned it during the winter because it was cheaper than coal.

These were the prices from the Chicago Board of Trade, an institution which describes itself as a national "thermometer" for future prices. These were the prices that the traders, men who broker orders for all the commercial and speculative interests who deal in futures contracts, had arrived at.

Redman was no stranger to the notion, common among Iowa farmers (see accompanying article) that futures contracts are really a "paper game" played by doctors, chiropractors and other well-heeled city folks who do not really know crops.

Nevertheless, some time this spring he decided to join in. As he remembers it, the notion came to him while talking with another farmer in a cattle barn. The fields this year were going to be chock full of soybeans, they decided, and a man could make some real money by speculating that the price was too high.

Sometime in April Redman drove to the R. G. Dickinson Co. brokerage firm in nearby Des Moines.

When Redman walked in the door he was joining a growing tide of people who speculate in food. They traded a record of $268.3 billion in futures contracts in fiscal 1973 ending last June 30 for such items as soybeans, pork bellies (uncured bacon) and live cattle. That is more than the $195.1 billion total of stocks traded during the same period and far more than the $75.5 billion worth which the U.S. Agriculture Dept. places on the entire 1973 harvest of crops and livestock.

"Speculation in commodity futures is frequently confused with gambling," notes a brochure distributed by the Chicago Board of Trade. The brochure points out that, unlike gambling, speculation serves a number of useful purposes in agriculture.

Among other things, commodity speculation pools money to provide an orderly market for commodities on a year-around basis. Soybeans, for instance, are traded for delivery in September, November, January, March, May, July and August.

The process, the brochure points out, evolved shortly before the Civil War to prevent enormous price fluctuations caused by the market glut during harvest and severe scarcity during the spring and summer. There, rooted in Chicago, grew a "central market for buyers and sellers of the new wealth of the prairie."

As Redman remembers it, his commodity broker, Bill Knight agreed with him about the soybeans. "He said 'damn, these beans are higher than hell.' They were around $5.52 a bushel then."

In commodities, it is as easy to make money when the market is going down as it is when the market is going up. In either case, the process is like making a bet on the worth of a future shipment of grain to Chicago.

For example, in January a speculator decides that the price being traded then for July corn futures is going to go higher. He orders his broker to "buy a contract," which amounts to a commitment to receive 5,000 bushels of corn in Chicago in July at the current, January price level, say $1.00 a bushel. This is called "going long."

If the price of July corn futures goes up to, say, $1.50 a bushel by June, the speculator nullifies his commitment by selling his contract to somebody else and pockets the difference, which amounts to 50 cents a bushel, or a $2,500 profit.

If the same speculator had decided in January that the price of July corn was going to drop, he would have ordered his broker to sell a contract, or to make an agreement to deliver 5,000 bushels of corn to Chicago in July. This is called "going short."

Then, if the price of July corn dropped to, say, 50 cents a bushel by June, the speculator nullifies his obligation by ordering his broker to buy a contract at the going rate. Again, he pockets the difference, 50 cents a bushel, or a $2,500 profit. In either case the speculator, like the overwhelming majority of all speculators, has not dealt with actual corn, he's been trading in contracts.

Redman decided to go short on one soybean contract. He gave Knight the required margin, roughly 10 percent of the value, or $2,500. Then he sat back and waited, certain of his theory that soybeans, which had been traded for $2.50 a bushel for years, were going to drop.

This was to be the year, however, when theories often failed to work, as Redman discovered during a call to his broker later in the week.

"I said what's these beans doin'? He said, 'God Damn, they don't look too good. They're goin' up!"

Redman soon found himself riding up on the great, unbelievable soybean surge of 1973. Only he had bet they would go down.

By the end of May, the price for soybeans to be delivered in September had gone to $6.50 a bushel at the Chicago Board of Trade. The price appeared to be going straight up.

Redman went back to his broker. "So I told him, I says what the hell are we going to do? He said that about the only way we're going to get back in this ball game is to double up."

Redman said his broker then suggested that he go short on two more September soybean contracts. That way when the price of soybeans fell, Redman would recoup his losses faster.

Redman put down $5,000 margin for the two additional contracts. About that time the Chicago Board of Trade decided to raise the margin requirements in an attempt to cool the speculative fervor that had grown around soybeans. Redman had to put down $6,000 more on each of his three contracts.

And soybeans continued to go up every day. For a while, the Board of Trade had ruled that the price could only jump by 20 cents a day. Then, the board decided to raise the limit to 40 cents. For six or seven days in a row soybean contracts shot up the limit.

"I was getting pretty damn worried," recalls Redman.

Other people in Iowa, those who deal in the real, cash version of the commodities being speculated about in Chicago, had begun to worry too.

While the sharp surge in prices was a bonanza for some speculators and misery for others, it was beginning to cause chaos in a farm economy that had been accustomed to dealing with price fluctuations of a few pennies.

The usefulness of commodity speculation had begun to disintegrate in two ways: something was wrong with its price-predicting mechanism, and its protection against sudden price shifts was weakening.

The first of a long line of middlemen between the farmer and the people who push baskets in supermarkets is the country elevator operator.

If the elevator operator pays a higher price for such a basic commodity as corn and soybeans, the price increase is magnified and multiplied through the entire food chain until it confronts the consumer in, literally, thousands of places in the supermarket: in prepared foods, in cooking oil, in a myriad of meat and poultry products from animals whose feed comes from corn and soybeans.

How does the elevator know what price to set? He normally looks to the traders in Chicago for that information.

The theory, again from a brochure composed by the Chicago Board of Trade, is that the "cash basis at the country location is below the nearest futures price by the cost of freight to Chicago."

In other words, if a farmer had carefully saved his 1972 crop of soybeans and hauled them to a country elevator in late May, in theory he would have been offered around $12 a bushel (less freight) because that was where the traders in Chicago were pegging July soybeans.

In fact, however, he would have found that many Iowa elevator operators were not buying soybeans.

Argie Hall is director for the Farmers Grain Dealers Association of Iowa, a cooperative that represents 330 local elevators. Hall probably buys and sells more corn and soybeans than anyone in the state.

When July soybean futures were rocketing up to $12.90 a bushel in Chicago, Hall found that soybean processors dropped out of the market. He had no offers to buy soybeans.

For about two weeks, the cooperative's elevators were instructed not to buy soybeans because there was no market.

"That's hard to explain to a farmer," said Hall. "The price goes up to $12 and he goes in to sell and the elevator operator says nobody will buy them. This will occur again and again if we get runaway markets."

The risk-protecting function of commodity speculation also had begun to turn on the Iowa grain merchandisers. Traditionally, Hall and other grain buyers and processors who found themselves temporarily in custody of large amounts of grain had been able to avoid the risk of price fluctuations through a practice called "hedging."

In theory, the grain merchants would use the process Redman used. They would sell futures contracts covering the amount of soybeans they had on hand. Then, if the price of soybeans went down they would lose money on their stores of soybeans, but the loss would be offset by gains in futures speculation.

The hedge also works the other way. If the price of soybean futures rose, they would lose money on their futures speculation but would gain on the price of the real product, which would reflect the futures price increase.

Thus, in either case, the elevator operator or the grain processor relied heavily on commodity exchanges to shield them from price fluctuations.

This year, according to Hall, hedging turned into a "nightmare" during the frantic trading in Chicago.

There were days when the market hit the trading limit so fast that merchants could not get out of their hedges.

Hall and some of his member elevators were getting margin calls running into the millions in June. Country banks were running out of lending money. Thus, even on some days when there were buyers for soybeans, Hall had his money tied up in hedges and couldn't afford to buy any.

Yet the farmers had heard the siren call of big money. Around Mitchellville, viewed from the air, farmyards appear to be smaller this year, and the orderly rows of crops seem to be squeezing the roads.

For George Redman, however, the more pressing reality was now in Chicago. He decided to unload his three soybean contracts and accept his losses. He ordered his broker to buy three contracts for September soybeans. The going price, then around $9.40 a bushel, meant he would lose about $56,000.

He decided that he had to find some way to recover his loss. In early July, he began to watch the Chicago Board of Trade prices for July corn. It was running around $2.29 a bushel, a price which Redman, who had handled corn for over a dozen years in his cattle feeding operation, decided was "higher than hell."

Again, he drove in to R. G. Dickinson's brokerage house in Des Moines and told his broker Bill Knight to "go short." This time it was two contracts for July corn (10,000 bushels). He put up $13,000 in margin.

When the price of corn dropped, Redman planned to buy his two corn contracts and recoup some of his soybean losses.

But corn didn't drop. Phenomenal things began to happen to the price of corn, shooting it up the trading limit every day. Again George Redman was a worried man.

The impact of the heavy trading in corn futures, again also had an adverse impact on the marketing system for real corn in Iowa. According to Hall, the Grain Dealers Association increasingly found itself stuck in its hedges.

If a corn buyer wanted a cash price for his corn, Hall said he would have to add on 15 cents a bushel to cover the risk of not being able to compensate for the sale by removing a hedge at the same time.

"Now that cost is direct inflation," he explains, "it passes right on to the consumer."

In addition, the cooperative found buyers losing interest and margin calls were eating away at available cash. It dropped the price it had been offering farmers, finally using December futures as a pricing guide because it was not gyrating as widely as July.

According to the accepted theory of speculating in commodities, pure speculators drop out of the market before the final delivery month, leaving the market place to commercial interests who really want to deliver or receive corn.

In the final month, the futures contract is said to "mature." All the forces in the market place have had their impact. The futures price becomes the real price for corn. "It is," as one trader put it, "a process of homing in on the truth."

The "truth" for George Redman, when he walked into R. G. Dickinson's brokerage firm on July 20, came as a considerable shock.

He remembers coming in and seeing all the other brokers standing around Bill Knight talking in hushed voices.

"I said what's up, Bill? He said 'They've taken the limits off of corn.' I said what do you mean? He said 'It's an open ball field.' "

For weeks, the Chicago Board of Trade had imposed a 10 cent a day trading limit on corn futures. When the price rose a dime, trading stopped. The limit, however, was being removed on the final trading day.

Redman remembers Knight asking him if he wanted to get out, that is whether he wanted to buy two corn contracts at the day's opening price, about $2.28 a bushel, and take his loss.

Redman resisted. "I says I don't want to get out. He says 'you have to get out.' I says I'm not gonna get out."

So they both sat down to watch the numbers move across the board on the wall of the brokerage firm.

"We were looking at the corn and it was $2.88 or so, just laying there for about two hours. Then the damn corn went to $2.97, then $3.00, then $3.02, $3.05, and $3.52," remembers Redman.

"I said that's a mistake. We'll see a cancellation."

But there was no cancellation.

The group sitting in front of the board at R. G. Dickinson's brokerage house was watching an historical moment. Corn futures were at a new, all-time high, selling at a price that had never been reached, even in the years of drought, blight and war.

In fact, corn was selling at a higher price than wheat futures. That, too, had never happened.

At that point, the broker, Knight, his manager, Oliver Eckles, and the head of the brokerage firm, R. G. Dickinson himself, were all yelling at Redman to "Get Out!"

What bothered Dickinson was that if Redman didn't get out, he would be obligated to deliver real corn to Chicago—an event that had not happened in all the 14 years R. G. Dickinson had been handling commodities.

But Redman did not get out. July corn went to $3.60, then $3.70 and $3.80 and $3.90, finally dropping to $3.80 when the trading ended.

"There was my broker standing there saying what in the hell am I going to do," recalls Redman. "I told him I know, my mind's made up. I am going to ship the corn."

Redman refused an offer to buy a warehouse receipt for corn then stored in Chicago at $3.80 a bushel, a move suggested by Eckles that would have released him from his contracts and given him a loss of about $16,000.

At that moment the two worlds of corn, the frenzied trading for "paper" corn in Chicago and the negative impact it was having on cash corn prices in Iowa, fused in Redman's mind.

He knew that, up the street from his house, the co-op elevator in Mitchellville was selling corn for $2.32 a bushel. Redman made arrangement for some trucks and asked R. G. Dickinson where he should deliver it.

Dickinson, a tall, dapper man in his late 40's, has a slightly different version of Redman's dealings in commodities. He was first reluctant to speak to a reporter, but later consented, choosing his words carefully.

He insists that selling first the bean contracts and then the July corn was all Redman's idea. At one point in the interview he called Bill Knight into his office.

Knight insisted he did not encourage Redman to "double up," and then began groping for words to explain how Redman went from the beans into the corn.

"Look," he said, finally, "this guy lost a ton of money."

"Wait a minute. Don't say another word," said Dickinson. "What is a ton of money. To a guy who makes 3 or 4 million dollars, $60,000 is not a ton of money."

Knight started to say that Redman did not make that much when Dickinson again cut him of: "O.K. We have your answer. That's all we wanted to know."

Then Eckles, Dickinson's commodity manager, began to explain why it was that all three of them tried so hard to get Redman to buy out the last day.

"That's right. We tried to get him to get out," he said, adding, "The horses were coming down to the wire, the game was almost over."

"Please don't use that language," interjected Dickinson, wincing. "Let us say that the allowable time had almost elapsed."

Finding a place for Redman to deliver his corn to was a major problem for Dickinson. "For 13 years in this business I've never had anybody deliver the goods. . . . It just isn't done," he explained.

"We told him not to do it. We said you're up against the pros," Dickinson added, ticking off the problems he warned Redman that he would have to face. There was a shortage of box cars. The warehouses were all owned by major grain companies who were busy collecting and shipping their own corn. Redman's corn might be rejected in Chicago for being the wrong type, or having too much moisture, or something.

Nevertheless, Redman persisted. He sent a certified letter to Dickinson, demanding to know where his 10,000 bushels of corn should be delivered.

After spending "two or three days" on the phone, Dickinson sent Redman a letter with the names of three companies: Cargill, Continental Grain Co. and Indiana Grain Co.

Then Redman spent some time on the phone, He figured that if the price of corn had hit $3.90 in Chicago, companies there must be ravenous for corn.

The first three companies all refused delivery. One said its elevators were full, another said it did not accept corn in trucks. Redman found the names of three other delivery points sanctioned by the Board of Trade. None of them wanted his corn either. In fact, he discovered that the cash price for corn in Chicago was $2.68 on July 20, not the $3.80 price the traders had arrived at in the corn pit at the Chicago Board of Trade.

"That's when I started getting a little shaky," recalls Redman.

Finally, however, he found a man in Memphis who was vice president of a company in Chicago that would take the corn. He was Dean Campbell, vice president of Dixie-Portland Milling Co.

It took 13 truckloads to get all of George Redman's corn to Chicago. Redman and his brother-in-law, Don Berkey, had it tested over and over again to make sure it was the right kind. Dixie-Portland accepted it. Redman had cut his losses by about $11,000.

Several grain dealers have privately acknowledged that what Redman was caught in is called a "market squeeze." When speculators who hold "long" contracts calling for delivery, know that there are shorts like Redman who haven't gotten out and know that delivery to Chicago is extremely difficult, they stay in the market until the very last day forcing the shorts to pay an extremely high price to get out.

As far as Campbell was concerned, his company didn't need the corn either. "In our own elevators, we don't have a whole hell of a lot of space, but we were physically capable of doing it. I figured here was a guy who was trapped and couldn't get out."

"There appeared to be a squeeze on in corn. I don't know why it was. The speculators or whoever puts a squeeze on has his rights to his profits."

Reminded that such squeezes are a violation of federal law, Campbell said that they sometimes happen anyway.

"We're all 21 years old. We should know what the hell's going on. If we don't, we shouldn't be here."

Because losers don't often talk about their problems, it is difficult to tell how many others have wound up in George Redman's shoes attempting to play the "paper game" he found himself entwined in.

Redman knows one. A dentist from Omaha has called him wanting to know how to deliver corn.

Campbell knows another. After his name was mentioned in a brief newspaper account of Redman's dilemma, Campbell received a call from a banker in Denver wanting to deliver wheat.

"GAMBLERS" NEVER SEE THE CROP

(By John Fialka)

WINTERSET, IOWA.—This year, for the first time he can remember, the neighbors of Jack Jackson, 48, have received telephone calls from speculators in Chicago. They want to know how the corn is doing.

Jackson resents the whole business. He believes the market this year has gone "crazy," magnifying way out of proportion the problems he has in raising corn on his spread of 500 acres.

According to both commodity brokers and farmers in central Iowa, one of the world's most productive areas for corn and soybeans, Jackson's attitude about commodity speculation is fairly typical. "Few farmers speculate in commodities," said one broker, "they've always been plain suspicious."

"If it was dry and you started getting rains," explains Jackson, "why then the market would go way up and if it was raining too much and it looked like we wouldn't get our crops in, bang, it would go way down. They wouldn't have these wild fluctuations if it (trading) was run by people who were actually handling the product."

"It's just a matter of gambling," Jackson added. "There's a lot of people in there who are in there just for the sake of gambling. It's sort of a horse race type thing. Maybe they feel that they're doing agriculture a service, but from where I sit, they're not."

For Jackson, the problem is fairly simple. His soybeans go up to astronomical levels, but so do his costs of operation. "I just paid $14,000 for a tractor that cost $7,000 in 1967.

"I mean these laboring class of people are our best customers. When it gets so expensive that they can't afford it, why they've gotta have more money coming in. If they work on my tractor, then up goes the price of my tractor. I think this will just increase the spiral of inflation."

One of Jackson's neighbors is Kenneth L. Spera, who farms about 900 acres. Last fall he was among the estimated 90 percent of Iowa farmers who sold their soybeans at between $3 and $4 a bushel, before the bonanza started.

Spera, who has been farming for 45 years, figures that a $5 bushel is about all the higher soybeans should go. "I feel sorry for the poor devil who has to buy it on the other end."

"Sure, I realize there's a demand both American and foreign, but the speculator has entered into the picture. Since the first day of January, beans have been a little over $3, up to about $12, back down to below $5 and today they're up to $10.

"That is utterly ridiculous. The demand has not caused that, the speculator has caused that in my opinion. The guy who goes in and lays down a few cents a bushel and buys thousands of bushels of beans . . . he's strictly a gambler. He doesn't know soybeans from buckshot.

"He controls the product that I worked like a dog to produce. He's a gambler, a speculator. He doesn't even see it and he makes all the money."

For Spera, like Jackson, it boils down to a problem of simple arithmetic; "There's just as many bushels today as there were yesterday or will be tomorrow. There shouldn't be a 40 cents a bushel fluctuation in price every day. Those are your gamblers."

TRIBUTE TO TOM VAIL

Mr. GRIFFIN. Mr. President, an old saying goes like this:

> Gentle in manner, strong in performance.

This certainly does describe Tom Vail whose untimely death at the age of 45 is mourned by all who had the pleasure of knowing him.

As chief counsel of the Committee on Finance, Tom stood out among that elite group of staff assistants who enable the Senate to do its work. He filled one of the most demanding positions on Capitol Hill with unfailing grace, outstanding competence, and unquestioned integrity.

With great fidelity he served the Congress for 22 years and had been with the Committee on Finance since 1964. During the 2 years I served on the committee I was deeply impressed not only with his knowledge and understanding of complicated tax matters but also by the rich human qualities he always displayed.

Tom had a wide circle of friends because he himself was a friendly and considerate man. Even though he worked long and hard for the Committee on Finance he was never too busy to assist other Senators and other staff members. He always did so most cheerfully.

Mrs. Griffin joins me in extending sincere condolences to Mrs. Vail and their children.

PASSING OF THE HISTORIC EXCHANGE HOTEL IN MONTGOMERY, ALA.

Mr. ALLEN. Mr. President, one of the sad facts of life is that so much of the world's progress is built over the ruins of the past.

This was vividly recalled to my mind by a column which appeared in the September 20, 1973, edition of the Montgomery Independent, one of Alabama's finest weekly newspapers. The article, entitled "A Sad So-Long to a Faded Rose: The Old Exchange," was written by Joe Azbell, a regular columnist for the paper, and an outstanding journalist whose ability to turn witty and pungent phrases is recognized widely throughout his profession. From Mr. Azbell's typewriter came the phrase "Send them a message" which will be remembered in American political history as the theme of Gov. George Wallace's 1972 Presidential campaign, a theme which had an almost electric effect on the American public.

In his column, Mr. Azbell describes the pending destruction of the old Exchange Hotel in Montgomery, Ala., as part of the city's urban renewal program. If only its walls could talk, this hotel could tell innumerable stories of the past. Mr. Azbell's story recalled to my own mind many incidents of my own past as a member of the Alabama legislature.

I am certain that every State capital has similar hostelries which are closely related to the political history of the State and, for that reason, I feel that the Senators will appreciate the story which Mr. Azbell tells so well.

Mr. President, I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Montgomery (Ala.) Independent, Sept. 20, 1973]

A Sad So-Long to a Faded Rose: The Old Exchange

(By Joe Azbell)

Now without rouge, sad and sour-breathed, the old Exchange Hotel, an original on a renovated Court Square and once renowned in book and by word-of-mouth as the polished rookery of white-suited Southern gents with gold canes and their corset-tight gowned belles, stands convicted of the sin of antiquity and goes to wrecker's guillotine next month.

Black workmen will swoop down on the hostelry with crow-bar and hatchet, saw and hammer, and when the rooms and lobby and meeting halls and offices and ornate bathrooms are stripped as clean as a desert skull, they will bring up a crane and slap a cannon ball, that swings like a clock-piece, into her vitals until she collapses in an atomic billow of dry, tomb-old dust.

Death will still memory lane, wipe out for thousands the honeymoon nest, where 40 or 50 years ago giddy couples registered nervously, and where still today they come on occasion, as grey and wrinkled as the hostelry, to recapture that celestial moment.

If only the walls could talk, what fantastic yarns could be recounted of early times when strong, determined men walked upon those tile floors, made deals in the chairs of the high-ceiled lobby, decided the future of Alabama government in the rooms, and swapped black bags of payoff dough for laws, for fat contracts, for jobs and appointments, and those slight political favors that the yokels back home would never know about.

Kluxers, their robes bleached white with lye soap by a black washwoman, huddled here, convinced of their cause, certain that their hooded sheets could thwart the mongrelization of the races. The last of these sheeted nightriders, Dr. Lycurgus Spinks, held sway in a cramped room, lit only by an incandescent bulb, in the early 1950's, doing mouth-to-mouth resuscitation on a corpse of a cause. Steel-grey at the hairline, with a great bulbous nose, his slitted eyes a liquid blue, Dr. Spinks projected such warmth, such extroverted kindness to all, including the black bellboys, that his KKK rebirth turned out an abortion.

Still, while the caldron boiled, 50 disciples, garbed in bedsheets, posed for Albert Kraus, a Jewish photographer, while the Spinks man, resplendent in a purple and gold robe and peaked crown modelled from the Pope's, all of which must have set the old boy back at least $200, jawed with me about the "damn Nigrahs" and how he and "these 'un's you see" are "as those twelve who followed our Lord."

Spinks disappeared, never to be heard from again, a grand wizard who vanished as certain as Merlin, but others with causes and cure-alls and sample cases and pasteboard suitcases and some with no luggage, filled the rooms until Governor Gordon Persons built the Southern Bypass and put the old hotel on an economic sickbed insofar as tourists were concerned.

The late Frank Buford, manager of the hotel, often lamented that Persons, whose state headquarters was on the mezzanine, should be the instrument of fate to doom the hotel. The Governor loved the old Exchange, which even then had its odors distinctive and unique with human seasoning. Still the corner was a goldmine of advertising with a banner across the balcony that proclaimed "Gordon Persons for Governor—He Keeps His Promises!" because in those days the whole of Central and South Alabama passed the corner in a campaign.

Ironically the sharp young ex-colonel, Vernon Merritt, who masterminded the Persons election and ate, slept and worked in the hotel during that campaign, was later to become the step-son of one of the former owners. Confederate Historian, Lawyer and Southern-gentleman-personified John S. Tilley, who married Vernon's mother, the creator of Merritt Beaten Biscuit Co. and one of the few Montgomerians ever featured in Reader's Digest.

If an old pro decided to run for office, he made a beeline to the Exchange to get a first-take on the mezzanine campaign room with its poor lighting, its heat and musty smell, but sill a valuable political tool. It was used by the best—congressmen, senators, governors, mayors, city commissioners, incuding Wilbur Nolen and Red James and Frank Parks and Big Jim Folsom and Persons. The first Draft-Wallace-for-President Committee, headed by Jack Seaborn, who was manager of Schwobilt's had the room for a time and when Vernon Merritt decided to run for Congress (he lost when he ended up with his leg in a cast from an accident), he went back to the Exchange where he had wrought victory for Persons.

When moviegoers flocked to see "Paper Moon" a few weeks ago with Ryan O'Neal, they saw a scene in the movie-set Exchange Hotel. In the book by Joe David Brown, this old hotel is the Montgomery hostelry, not as the movie presented it but in its real-life splendor as a first-class place to stay overnight.

Every hotel is plagued by prostitutes, and the Exchange, even in its heyday, was no exception. When J. B. Eiland, now deputy prison commissioner, was in charge of the vice squad for the Montgomery Police Department, he busted many pay-for-play women in the hotel, and once commented that he could sit in the lobby and know if he had an arrest. In those days, the vice squad booked the date, went to the room and paid over money and then flashed the badge.

The great characters of Alabama loafed in the lobby, newsmen, politicians, political fixers, lobbyists, kingmakers, wheelers-and-dealers, including among their number such headline-makers as Selma's Marshall Johnson, the circus-loving, "spot bottle" whiskey purveyor from Selma who was one of the few genuine kingmakers in Alabama history, and E. C. (Bud) Boswell, famed for the Boswell Act, a cigarette-sucking, thin, political mastermind from Geneva where he was Lord and host over all political goodies.

And then there were Hugh Sparrow, the Birmingham News' ace who was admired and hated and misunderstood by politicians because no man could buy him, and Atticus Mullins, the one-legged columnist of The Montgomery Advertiser who probably had the most political swat of any reporter before, then or since.

The swells staged their champagne soirees there and carriages and white horses brought the swishing ladies, and around the corner in the carriage house the black coachmen would gather in huddles around a fire.

Then politicians from national areas came to the Exchange and people would gather outside and try to peek inside. They say it's where Will Rogers once stayed. And certainly the vaudeville people stayed there, the headliners anyway, while the lesser actors took a room in a walkup on Monroe street.

And what splendor the hotel had in its public washrooms downstairs in the basement, a palace of a toilet with marble and tile and marvelous faucets and as big as the lobby of most motels today. The graffiti in later years reduced its splendor as only crudities can destroy.

It couldn't last, not this legend built on the site of the old burned hotel at the turn of the century, and a few years ago, Milner, a budget chain of hotels, took it over, not for tourists but for permanent residents, of which there were 80 until recently. The L & N Railroad contracted in the old days for their conductors and firemen and brakemen to stay there, as did Greyhound Bus.

Mrs. Thelma Green, once manager of Greystone and picked as manager of the year in 1966 by Milner when she took over the Exchange, is retiring, her 24 years of hotel service tucked neatly behind her. "There are no antiques left, nothing fancy, a lot of old furniture, a few things maybe here and there, but nothing like people might think," she said.

And so the hotel goes. They will move the historic marker off the wall and probably put it on a post. Those words "The Man and The Hour Have Met" by William Lowndes Yancey need polishing, but up against a noisy dark bar behind the wall where the marker is affixed, they lost their meaning anyway, a sacrilege to the memory that was intended.

Paraphrasing Yancey, the hotel and the hour have met, time marches on, and waits for no one and nothing, and like a slab cut out of yesterday, it will die, a tattered, sick old girl, unwanted as brick and mortar, the earth beneath all that has dollar worth. The owners don't know yet what will go on the precious earth in its place. But whatever it is, it won't compare with the life of the old building.

With the demolition, a part of downtown Montgomery will cease to live, the flock of blacks on the corner will be dispersed, the coolness of the canopy in the summer will be gone, and the living nectar of memory bank will be emptied by that much.

Goodbye, old girl.

EDWARD ZIEGLER SUBMITS WINNING CREST FOR U.S.S. "SOUTH CAROLINA"

Mr. THURMOND. Mr. President, as the Navy has progressed toward the commissioning of the U.S.S. *South Carolina* which was launched in 1972, a contest was held this summer for the selection of a ship crest.

The contest to design and create such a crest was opened to high school students throughout South Carolina. More than 200 entries were submitted. The winning entry was submitted by Edward Ziegler who was at that time a senior at North Augusta High School in my State. He is now a freshman at Clemson University.

His craftsmanship and symbolism were excellent. The crest of red, white, blue and gold has five stars over a map of South Carolina which is over an anchor. The creator of the crest described it as follows:

> The use of a round shield displays continuity which the U.S.S. *South Carolina* will prove in its continuing service to the United States Navy. The colors red, white, and blue convince the viewer at a glance that this ship is American. The navy blue background is the South Carolina state flag's field color and symbolizes water; the red South Carolina state, with the anchor projected behind it, symbolizes the ship. The atom is the energy power for this great nautical vessel. Since there have been five previous ships with the same name, the five gold stars give this ship a new name.

This young man is to be commended for his efforts and his understanding of contemporary history in symbolizing this new ship which is the sixth to bear the name U.S.S. *South Carolina.*

REINSTATEMENT OF A. ERNEST FITZGERALD

Mr. HUGHES. Mr. President, one of the most heartening examples of a grievous injustice being rectified within the processes of our Government, was the recent ruling by a Civil Service Commission examiner that former Air Force Cost Analyst A. Ernest Fitzgerald was "improperly" fired in 1970 and should be reinstated and awarded back pay. Mr. Fitzgerald was fired pursuant to his testimony on $2 billion in cost overruns on the C-5A jet transport contract. As an editorial in the Des Moines Register put it—

> Fitzgerald's struggle ended in a victory for government employees who believe their foremost obligation is tending the public interest even when that means disagreeing with the administration in power.

Mr. Fitzgerald gives credit for winning his long struggle for reinstatement to Senator PROXMIRE, Representatives WRIGHT PATMAN and JEROME WALDIE, the American Civil Liberties Union, a volunteer contingent of attorneys and Clark Mollenhoff, chief of the Washington bureau of the Des Moines Register. To Iowans, the indefatigable work of Mr. Mollenhoff in seeing that justice was done is a matter of considerable pride.

I ask unanimous consent that news stories in the Register dated September 19 and 20 and an editorial on September 20 be printed in the RECORD to give my colleagues an idea of the Midwestern reaction to this historic ruling and to point up the outstanding contribution of Mr. Mollenhoff in this great and just cause.

There being no objection, the articles and editorial were ordered to be printed in the RECORD, as follows:

[From the Des Moines Register, Sept. 19, 1973]

GIVES CREDIT TO MOLLENHOFF

WASHINGTON, D.C.—A. Ernest Fitzgerald gave credit Tuesday for winning his long fight to the American Civil Liberties Union and volunteer attorneys who "put in literally thousands of hours," as well as to reporter Clark Mollenhoff, Senator William Proxmire (Dem., Wis.) and Representative Wright Patman (Dem., Tex.) and Jerome Waldie (Dem., Calif.)

Mollenhoff, the bureau chief for the Des Moines Register who held a post in the Nixon administration for a while, had testified he warned the President of Air Force bungling in the firing of Fitzgerald.

He told Fitzgerald's civil service hearing that he tried to alert top White House aides of his feeling the Air Force did not have a case and Fitzgerald's dismissal could mean "political dynamite."

Mollenhoff said he felt it was "a rigged case by the Air Force to get rid of a damn decent guy."

In giving the testimony, Mollenhoff waived executive privilege. He had been a special counsel to the President.

[From the Des Moines Register, Sept. 20, 1973]

FITZGERALD RULING LAUDED BY NIXON, PRODS ACCORD

WASHINGTON, D.C.—President Nixon said Wednesday that the hearing examiner decision calling for reinstatement of A. Ernest Fitzgerald as a cost analyst for the Air Force demonstrates the effectiveness of procedures in protecting the rights of federal employes.

White House press secretary Gerald Warren said that "it is the President's hope that the hearing officer's decision (announced Tuesday) will provide the impetus for the parties to get together and achieve prompt constructive and final resolution of the case without the necessity of an appeal."

It was interpreted as an additional prod to the Air Force not to appeal the Fitzgerald case, which it has fought bitterly for the last four years.

Hearing Examiner Herman Staiman's opinion directing the reinstatement of Fitzgerald with back pay to Jan. 5, 1970—the day his firing became effective—was a finding that the Air Force had acted "improperly" and unlawfully in abolishing Fitzgerald's job to get rid of him for "personal" reasons.

Fitzgerald was fired a few months after testifying on $2 billion in overruns on the C-5A jet transport contract with Lockheed.

The Air Force press office said early Wednesday that "the Air Force is studying an appeal in the Fitzgerald case and has 15 days in which to make a decision."

This seemed to bring it in conflict with White House statements Tuesday that "the President believes this is an equitable solution to a difficult problem and expects the Air Force to comply with the decision recommended by the hearing examiner."

Warren tried late Wednesday to clear up the confusion in a statement that "we understand the Air Force is considering whether to file an appeal of the hearing officer decision of the Civil Service Commission."

He added:

"The President noted that this case is a concrete demonstration of the effective operation of the administrative procedures by which the rights of federal employees are protected."

[Editorial From the Des Moines Register, Sept. 20, 1973]

JUSTICE IS DONE

A Civil Service Commission examiner has ruled that former Air Force cost analyst A. Ernest Fitzgerald was "improperly" fired in 1970 and should be reinstated and given back pay.

Fitzgerald, a civilian financial specialist, angered Air Force brass when he told a congressional committee late in 1968 that production of the controversial C-5A transports already had accumulated $2 billion in cost "overruns."

Air Force officials fired Fitzgerald in January, 1970, saying his position was being eliminated as part of a "reduction in force."

Fitzgerald's efforts to regain his $31,800-a-year job met with frustrating delays and legal obstacles, not the least of which was the refusal of the Civil Service Commission to hold a public hearing on his dismissal. Fitzgerald was forced to carry the matter to the U.S. Supreme Court before the government agreed to a public hearing.

The Watergate investigating committee recently uncovered a White House memorandum that figured heavily in the Civil Service ruling. The memo, from a White House aide to H. R. Haldeman, former head of the White House staff, said that Fitzgerald "must be given low marks for loyalty" and should be allowed "to bleed for a while."

Fitzgerald's struggle ended in a victory for government employees who believe their foremost obligation is tending the public interest, even when that means disagreeing with the administration in power. But his victory is tempered by the realization that the administration has powerful resources to make the lonely dissident "bleed."

Fitzgerald's cause earned the backing of the American Civil Liberties Union, which supplied legal help. Fitzgerald had supporters in Congress, led by Senator William Proxmire (Dem., Wis.). Clark Mollenhoff, chief of The Register's Washington Bureau, kept the facts of the case before the public by vigorous reporting.

The Civil Service Commission ruling would give Fitzgerald more than $100,000 in back pay, but it stopped short of awarding him costs and legal fees for his three-year-long struggle. Obviously, it requires abundant financial resources as well as courage and perseverance to combat a stubborn government. In the bureaucracy, free speech is not cheap.

NUCLEAR FUSION

Mr. GOLDWATER. Mr. President, energy being the vital, important problem that it is, I think we all should read as much as we can on the subject, particularly material concerning alternatives to our present sources of supply.

In the October issue of National Wildlife there is a most interesting article written by David Lee on nuclear fusion and includes an open letter from the vice president of the Federation to the President. I ask unanimous consent that this material be printed in the RECORD.

There being no objection, the article and open letter were ordered to be printed in the RECORD, as follows:

NUCLEAR FUSION: WORLD'S HOPE FOR CHEAP, CLEAN, PLENTIFUL POWER

(By David G. Lee)

The sun was man's first source of energy—and has been virtually his only one. All energy except atomic energy originates within the sun:

The wood man once burned at the entrance to his cave came from trees which stored "sun power" through the magic of photosynthesis.

Coal, oil and natural gas are buried organic matter—solar energy trapped for millions of years.

Water power? The sun pours forth its radiation, which lifts the water from the seas and deposits it high in the mountains—an incredible feat of levitation.

In just one second, it has been estimated, the sun radiates as much energy as man has used since he first appeared on earth.

But in the very process of using these forms of trapped solar energy, man has befouled his spinning little home, and has grown increasingly dependent upon a dwindling bank account of energy.

If there were only some way to duplicate the *basic* energy process within the sun. . . . In that case, we wouldn't be dealing with secondhand stuff, but the *real thing*.

In the past 50 years, physicists have started to solve the mystery of *how* our solar power plant operates. Now they are trying to recreate a bit of the sun on earth. When they succeed, man will have a clean, pure source of energy. These scientists are trying to bottle up a star. And stars are made of strange stuff.

Ordinarily we consider our universe to be made up of just three states of matter—liquids, solids and gases. But there is a fourth state of matter called *plasma*. This is the stuff of which the stars are made and it makes up 99 percent of the total matter of the universe. Plasma is a collection of negatively charged electrons and positively charged ions. The sun, and all other living stars, are simply glowing spheres of plasma.

To understand plasma better, let's create some. If we heat any solid hot enough, it will either turn into a liquid and then into a gas, or directly into a gas. More heat will cut the binding cords of the molecules, separating them into atoms moving randomly in all directions. Occasionally one will strike another. The more heat we apply, the faster the atoms move, and the more likely they are to collide.

When such collisions occur, the atoms may be shattered. Negatively charged electrons are chipped away. The remainder of a broken atom then is positively charged, and is called an *ion*. Now we have a true plasma, with electrons and ions zipping about.

Such "low-temperature" plasmas are quite common. Fluorescent lights and neon signs are plasmas at work. An arc welder is a plasma of a slightly higher temperature.

Contrast the puny plasmas with the plasma of the sun. Deep in our mother star, two hydrogen atoms collide. This in itself is a miracle; despite the sun's density, two adjacent atoms normally are as far apart—in relation to their size as the Earth is from Venus!

Such cosmic bumper car accidents take place because there are so many ions. It has been calculated that about 564 million tons of hydrogen ions collide every second within the sun; the collisions instantly turn the hydrogen into 560 million tons of helium. Thus there is a net loss of four million ions, which escapes as radiation in all directions. It takes about eight minutes for this radiation to move through the heavens and impinge upon our little planet. Here it produces sunburns, is altered into the food we eat, and creates our fossil fuel.

The sun also loses energy in another way. It flings some of its own particles, its own *plasma*, outward into interplanetary space. This flow of particles is called the *solar wind*. It flows to the earth and right on past. And because the solar wind actually is a part of the sun, astrophysicists now take the novel view that *we are living inside the sun, inside the solar plasma!*

Some of this errant plasma leaks down through our atmosphere in the polar regions and creates nature's own fluorescent lights and neon signs, the spectacularly beautiful borealis.

Within this thin outer shell of the sun in which we live there are about 30,000 to 300,000 plasma particles per cubic foot. But far out in the blackness of interstellar space, plasma still exists—about 3,000 to 30,000 particles per cubic foot. Thus our home galaxy, the Milky Way, is not simply a collection of stars stewn through empty space but a thin, quite uniform plasma with occasional larger clots of plasma—the stars—born by gravitational attraction. We can picture the known universe as a kind of cosmic gelatin with gobs of denser plasma spotted here and there like bits of fruit in a jello mold.

In this view, our three familiar states of matter—liquid, solids and gases—are insignificant local accidents. It is the fourth state of matter—plasma—that is the true state of the universe.

If we could only stuff some of this universal energy into a bottle and clamp on the lid, we would have a limitless supply of energy—energy as clean and nonpolluting as sunshine itself.

The fuel for this process is not a problem. What is needed to start this *fusion reaction* (as the plasma reaction is called (is a supply of *deuterium*. This is simply one form—a relatively scarce form—of hydrogen. Ordinary hydrogen has a single proton for a nucleus; deuterium has a proton and a neutron. The water you drink contains deuterium. So does sea water.

Fortunately separation of deuterium from ordinary hydrogen is not difficult. The 1/200 ounce of deuterium in a gallon of water can be extracted at a cost of less than four cents. And if you could release all of the energy in the deuterma you'd have the equivalent of 300 gallons of high-test gasoline.

If we could only persuade the deuterons (individual atoms of deterium) to fuse, to produce a self-sustaining reaction.

Fusion in the depths of the sun takes place in three conditions:

1. *High density*. At the sun's center the density is about 11.4 times the density of lead.

2. *Extremely high temperatures*. At its center the sun's temperature is about 29,000,000 degrees Fahrenheit.

3. *Time enough to react*. The plasma must exist in the above conditions long enough for fusion to take place.

A star will be born.

In 1944, even before the first atom bomb had been tested, Los Alamos scientists were the first to suspect that man might be able to create such a star. Sporadic research forward fusion was performed over the years. Then in 1952 the Atomic Energy Commission organized the research and gave it a name—Project Sherwood.

In that same year scientists exploded the first hydrogen bomb. And a hydrogen bomb is simply an uncontrolled fusion reaction. In this first hydrogen bomb they used an atom bomb to create the necessary conditions for fusion, a *superdense* hydrogen plasma at *high temperature* for at least *long enough* for fusion to take place.

If such a reaction could be controlled. If . . .

You can't bottle plasma in an ordinary pickle jar—the highest melting point of any known material is 6,000 degrees Fahrenheit.

Fortunately, the laws of atomic physics have provided another possible bottle. A *magnetic* field strongly affects the ions and electrons in a plasma. If scientists can create an extremely strong magnetic field around the plasma, trapping these particles within a small volume, they will have an effective magnetic bottle.

There appears to be no reason why a magnetic bottle can't be created. Despite all their efforts, though, scientists have not been able to build one.

The problem is the temperamental nature of a plasma. As fusion is approached, the plasma's own electrons begin pinching it into a "rope." But then, for reasons not completely understood, this plasma "rope" begins to writhe. A wave appears in it; suddenly the entire plasma distorts itself right out of existence.

Nuclear scientist Edward Teller has described the problem of containing a plasma within a magnetic field as similar to attempting to hold a blob of jelly with a web of rubber bands.

But, depending upon your definition, controlled fusion *has* been accomplished. Temperatures and densities have momentarily reached fusion levels. The star has been born, and has burned brightly for an instant—then spun out of control.

How long will it be before man can sustain a controlled fusion reaction?

Robert Hirsch, AEC Director of Controlled Thermonuclear Research, says, "Twenty years ago we started with much unfounded optimism, and we were burned for it. However, in the last four years we've been as successful as theoretically possible in a variety of different experiments and now we're proceeding on *founded* optimism. If the results of all our experiments match our expectations, we may have fusion power plants by the year 2000."

Would more money for research help achieve this goal faster? Lawrence M. Lidsky, Associate Professor of Nuclear Engineering at MIT, says, "The U.S. has spent $30 million a year until recently. We're spending $45 million a year now. U.S. scientists could spend twice this much wisely and well. Generally speaking, the field is underfunded, but increasing spending by a factor of 5 or 10 *right now* would merely be money wasted."

And, as good as it promises to be, fusion power will not be cheap. Dr. Melvin Gottlieb of the Princeton University Plasma Physics Lab says, "Several billion dollars of development activity will be required before we can start producing fusion in these power plants.

"But fusion is our best long-term possibility. All energy production has undesirable side-effects, and there seems to be less with nuclear fusion than other power sources currently in use or under exploration."

Mankind once thought his fossil fuel supplies of coal and petroleum were so vast they were inexhaustible. Today we know this is not true. However, based on our present knowledge, the fusion fuel supply is virtually inexhaustible.

Dr. Lidsky: "If the world has five times its current population with twice the current U.S. energy consumption rate per capita, there will be enough energy in the oceans, without affecting life processes in the ocean, to provide mankind with power for a thousand million years."

There is other good news about nuclear fusion. It seems quite likely that:

Plasma plants will be easier and cheaper to construct than fission plants, and may eventually be built to any desired size. If this proves true, they can be tailor-made to the needs of specific areas, and may even be portable.

They will be cleaner and safer than fission energy plants. The fusion reactor is inherently safe. When fusion plasmas are disturbed in any manner other than the proper compressive forces, they will expand and decrease or quench the reaction. And they probably will offer one major bonus: Dangerous radioactive by-products from fission plants may be changed into valuable nonradioactive materials inside fusion plants!

They very likely will provide mankind with all the electrical power he will need for untold generations to come.

The moment scientists succeed in bottling up a star will be a pivotal point in man's history. The first commercial plasma reactor, it has been estimated, will have an electrical power output comparable to that of Hoover Dam. A handful of reactors could conceivably provide all the power requirements of the entire East Coast. The word brownout would disappear as fast as it has appeared.

It has taken man only a brief moment of cosmic time to poison his home. Soon, perhaps, as he sails along on the solar wind through a universe of plasma, he can truly begin the process of restoration.

If he can only bottle up a star.

OPEN LETTER TO THE PRESIDENT

Dear Mr. President: As an avid student of history, you know that while war clouds loomed in 1941, President Franklin D. Roosevelt read a letter from Albert Einstein and quickly decided to take a bold gamble. He committed the resources of this nation to a top secret venture designed to split the atom and build a bomb. His gamble—involving the most advanced technology and thousands of brilliant scientists, with no monetary limitations—paid off.

You also know that in 1960, President John F. Kennedy captured the imagination of the nation by boldly predicting that, even though behind the Russians in space, we would be the first nation to put a man on the moon. And do it before 1970! He pledged the necessary brains, manpower and money to win the race. That massive national commitment, carried out under three presidents, paid off. And you had the honor of personally welcoming back to the earth those pioneering astronauts.

Now, Mr. President, you have an unparalleled opportunity—indeed, a deep obligation—to launch a venture so beneficial to mankind that it dwarfs both of these great achievements.

You can practically ensure the earth's people of a cheap, clean and virtually unlimited supply of energy. This will make possible a higher standard of living and a richer quality of life for billions of people in the United States and around the world.

You can do this by making a massive national commitment to develop new sources of energy:

Nuclear fusion: The power that fuels the stars.

Solar: The power from the sun that makes plants grow and sets winds in motion.

Geothermal: The power contained in the earth's molten center.

Mr. President, you have recognized we are in deep trouble on the energy front, and have called for more research on coal gasification, oil exploration, on saving fuels. And you have urged people to reduce their energy use by five percent.

But there's real danger that we will become so preoccupied with trying to hoard and stretch our dwindling fossil fuels that we may think the problem is being solved, when at best this is a temporary "get-by" program.

It is decision time now for what happens *after* fossil fuels are exhausted. Unless we launch a crash program to develop new sources of energy for the year 2000—and do it now—then in twenty-five years all industrialized nations may degenerate into chaos. Tractors will quit in the fields and people will go hungry. Factories will shut down and lights will go off. And this disaster will also shrivel the hopes of two-thirds of the human race who have never had the good things in life.

A bold move now, a truly national commitment of the highest priority can not only stave off disaster—it can open up a rich new era of quality living for all people. So we urge you to consider this program:

Mission Possible: Launch a crash program to develop a demonstrable fusion plant and also a workable solar plant within fifteen years. This is no pipe dream. Scientists tell me nuclear fusion can be a practical reality by the year 2000. Right now, for four cents we can extract the 1/200 ounce of deuterium found in a gallon of water. In a controlled fusion reaction, that tiny drop of deuterium will produce as much energy as 300 gallons of high octane gasoline.

Special Task Force: Create an independent task force with this single-minded objective. Give it prestige, clout and leadership. Give it authority to draw upon all resources of government as well as private industry.

Cost: Fund it for whatever it needs to reach the objective, in the shortest time possible. The Manhattan Project, in a war crisis, had no monetary limitations; we are in a crisis equally threatening.

Timetable: Aim should be to have workable models in fifteen years. Industry can then take over and develop the hardware to start producing power in another ten years or so. We are already behind the Russians as you must know, but this is no mere prestige race. It is a race for the survival of civilization as we know it. We have perhaps twenty-five years before our gas and petroleum run out.

Mr. President, I doubt that we will ever solve the energy crisis on a government-as-usual basis. You must give it the same national priority as President Roosevelt gave to splitting the atom and President Kennedy gave to putting a man on the moon.

The pay-off for this energy program can be far, far greater.

Sincerely,

THOMAS L. KIMBALL,
Executive Vice President,
National Wildlife Federation.

LIGHTSHIP CHRISTENED

Mr. BIDEN. Mr. President, earlier this month the Lewes Historical Society unveiled its newest attraction, the "Overfalls," a lightship that until last year was anchored off the entrance to Boston harbor. Mrs. James E. Marvil, wife of society president Dr. James E. Marvil, christened the 110-foot vessel which will be reconditioned and opened to the public as a historical museum.

The society should be commended for its outstanding work in preserving our historical legacy and, in so doing, making the State of Delaware a showplace for people from all over the country to enjoy.

I ask unanimous consent that this article printed in the "Delaware Coast Press" documenting this ceremony be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIGHTSHIP CHRISTENED

(By David S. Hugg)

The Lewes Historical Society christened and unveiled the state's newest tourist attraction on Saturday afternoon.

With Mrs. James E. Marvil, wife of the society president, wielding the traditional bottle, the Boston Lightship was renamed "The Overfalls" in a ceremony witnessed by historical Society and guests.

Instead of champagne, the vessel was "christened" with "Cape Henlopen Wine", made and donated by a local, and admittedly amateur, wine maker.

It took two heaves by Mrs. Marvil before the straw-encased bottle shattered on the right bow of the 110-foot lightship, which from 1939 until last year guided ships to and from the Boston Harbor.

The ceremony, held on the south end of the Lewes Municipal Dock, was preceded and followed by conducted tours of the vessel. Later in the day, an informal reception for members and guests was held at the Rabbit's Ferry House in the Society's Historic Complex at Third and Shipcarpenter Sts. At the latter, "Lightship Punch" (based on an old Colonial recipe more generally known as "Fishhouse Punch") was served.

While the lightship is destined to become Delaware's newest tourist attraction, it will not fully assume this role until sometime next spring. Meanwhile, it will undergo some reconditioning at its present temporary mooring at the Lewes Municipal Dock.

Although lightship was made inoperable by its previous owner, the U.S. Coast Guard, before being "mothballed" in Curtis Bay near Baltimore, Dr. Marvil says that its equipment is in good shape and can readily be restored to working condition. This he points out will be accomplished before the ship is moved to a permanent location on the Lewes & Rehoboth Canal and again opened to public viewing.

After being donated to the Lewes Historical Society, the ship was towed in mid-August from Curtis Bay, through the Chesapeake & Delaware Canal and down the Delaware River and Delaware Bay, to its present temporary mooring opposite Lewes' 1812 Park.

While on "active duty", the lightship was anchored for almost 33 years 12 miles off the entrance to Boston Harbor where here flashing white light, visible in clear weather for 12 miles, a continuously operating radio beacon and a large diaphone (fog horn) safely guided ships to and from the harbor.

Except for periodic docking for repairs, the lightship remained in position with two 5,000-pound mushroom-shaped anchors holding it fast even in the roughest seas.

She carried at the time a complement of 20 men, captained by an ensign. With no more than one-third ashore at any one time, the ship always had 13 to 14 officers and men aboard on duty.

In bad weather, the lightship's position was checked every eight minutes to be certain that anchors were not dragging. An 18-foot wooden lifeboat and a larger motor boat were kept on davits for emergency use.

These boats were launched and taken aboard by use of a deck winch operated by compressed air. "Call letters", painted on the bridge deck, provided identity for aircraft flying over.

The vessel was pretty much self-sufficient, providing its own power needs with three 110 volt diesel generators, two air compressors and a large Cooper Bessemer engine. The latter was used to take the ship off station for supplies and to the shipyard when necessary.

The ship was heated by steam supplied by a modern gun-fired oil burner and cooking was accomplished in a large well-equipped galley. Large refrigerators and freezers assured a supply of fresh meats, daily products and other perishables.

A large tank in the hull also assured an adequate supply of fresh water at all times. Other tanks in the hull served as storage for diesel fuel and for ballast.

Although the almost constant use of fog horn made sleeping difficult at times, the crew had comfortable sleeping quarters. Modern tiled bathrooms were also available.

The wheelhouse was, of course, equipped with compass, binnacle, telegraph, radar, and radio receiver sets for all marine channels. Radio transmitting equipment was housed in an area to rear of the wheelhouse.

Lightships are now gradually being replaced by fully automated towers or large buoys, which was the fate of the former Boston Lightship and of the series of Overfalls Lightships that until 1961 did service off Cape Henlopen.

The memory of the latter is now perpetuated in the lightship that on Saturday afternoon became "The Overfalls".

Although the lightship was replaced by automatic equipment last year and then mothballed for a year, all of its equipment is still intact and in relatively good condition, as was evident at time of tour on Saturday. In addition, the ship contains quite an array of spare parts which will make the forthcoming reconditioning an easier task.

Indications are that much of the reconditioning will be accomplished by volunteers, some of whom have already joined together as the nucleus of an Overfalls Lightship Association. This association, according to Dr. Marvil, will not only assume the responsibility for preparing the ship for use as an historical museum but of maintaining it and later providing guided tours after it is again made available for public viewing.

Membership in the association is open to everyone interested in helping prepare the ship for its future role as one of the area's many outstanding attractions. A donation of $1 or more, sent to either Capt. Harry Frazier or Capt. G. H. Orton, makes the donor a charter member.

DEATH OF ARCHIBALD RUTLEDGE, POET LAUREATE OF SOUTH CAROLINA

Mr. THURMOND. Mr. President, one of America's notable literary figures, Archibald Rutledge, who was an outstanding and honored South Carolinian, died Sunday, a week before his 90th birthday.

Archibald Rutledge was the poet laureate of South Carolina for the last 39 years of his life, a position justly merited by the quality and quantity of his writings over a lifetime.

A man of distinguished letters, he contributed greatly to the inspirational and lyric tone of our national literature. His writings reflected wisdom and humanity and often centered around nature, particularly the familiar scenes of his stately plantation home, "Hampton." During his life he published nearly 100 books.

Upon graduation from Union College in Schenectady, N.Y., in 1904, as valedictorian, he went to Mercersburg Academy in Pennsylvania where he taught English and headed that academic department for the next 30 years. At the time he left Mercersburg, he returned to his ancestral home which was built in 1730, undertaking the job of restoring the stately structure which had fallen into disrepair.

Shortly after completing that project, he wrote one of his best known books, "Home By the River" which had Hampton as its setting.

In recognition of his great literary and human qualities, Dr. Rutledge received more than 20 honorary degrees. He also had been presented more than 30 gold medals for his writings. Twice he was second in the Pulitzer Prize for Poetry contest, losing once to Robert Frost and once to Edna St. Vincent Millay. He reportedly missed the Nobel Prize for Literature by only one vote the year William Faulkner was selected.

Mr. President, at the time of the death of Dr. Rutledge, a large number of articles and editorials concerning his life and work appeared in the newspapers of my State. Accordingly, I ask unanimous consent that several of them be printed in the RECORD at the conclusion of my remarks, as follows: "Poet Laureate Archibald Rutledge Dies," the News and Courier, Charleston, S.C., September 17, 1973; "Archibald Rutledge, Poet Laureate, Dies," the State, Columbia, S.C., September 17, 1973; "State's Poet Laureate Dead," Grand Strand Journal American, Georgetown, S.C., September 17, 1973; "Archibald Rutledge Dies," Charleston Evening Post, Charleston, S.C., September 17, 1973; "Archibald Rutledge Dies at 90," the Beaufort Gazette, Beaufort, S.C., September 17, 1973; "S.C. Poet Laureate Is Dead at Age 90," the Spartanburg Herald, Spartanburg, S.C., September 17, 1973; "Poet Laureate's Home Now Belongs to Us All," the News and Courier, Charleston, S.C., September 17, 1973; "Archibald Rutledge," the Greenville News, Greenville, S.C., September 19, 1973; "At Home on the River," the State, Columbia, S.C., September 19, 1973; "Archibald Rutledge," the News and Courier, Charleston, S.C., September 18, 1973; and "They Meant Much to Spartanburg," the Spartanburg Herald, September 18, 1973.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From The News and Courier, Charleston, S.C., Sept. 17, 1973]

POET LAUREATE ARCHIBALD RUTLEDGE DIES

South Carolina's first and only poet laureate is dead.

Dr. Archibald Hamilton Rutledge died Saturday night at Hampton Plantation near McClellanville. His 90th birthday would have been next month.

Private funeral services will be held Tuesday at Hampton Plantation. Burial will be in the plantation cemetery.

Poet, naturalist, teacher and self-described "plantation boy", Rutledge was born in McClellanville, a son of Henry Middleton Rutledge and Mrs. Mary Hamilton Seabrook Rutledge.

Descended from distinguished South Carolina families, he was a great-grandson of two former governors, Whitemarsh B. Seabrook and John Rutledge. His father served as a colonel in the Confederate States Army.

Rutledge's schooling began in McClellanville. He later attended Porter Military Academy in Charleston and graduated in 1904 from Union College in Schenectady, N.Y.

After a brief period as a newspaper man, Rutledge joined the faculty of Mercersburg Academy in Pennsylvania, where he taught for 33 years.

While living in Pennsylvania, Rutledge's stories, for the most part, depicted life on the Carolina coast, and the subject matter of much of his poetry was drawn from the same source.

"I was transplanted to the mountains of Pennsylvania, but my roots and heart remained in the low country of Carolina," Rutledge once said.

Upon his retirement as head of the English department at Mercersburg Academy, Rutledge returned to his ancestral home in the Santee River.

The state's poet laureate was appointed to the position in 1934 by the late Gov. I. C. Blackwood.

But his career in poetry began much earlier.

Rutledge claimed his first composition was made at the age of three years when he told his mother: "I saw a little rattlesnake, too young to make his rattle shake."

The wildlife of the Lowcountry was a source of inspiration for works throughout Rutledge's lifetime.

"Under the Pines" was the first of the 90-some books the poet was to publish in his lifetime. His poetry and prose ranged through nature and Lowcountry lore. Among his best-known works are "My Colonel and His Lady" and "Home By The River."

Over the years Rutledge received more than 20 honorary degrees and 30 gold medals for his writing. He was a member of numerous professional and honorary societies.

"A literary gift is a high trust that ought to be maintained," Rutledge insisted.

"The legitimate field of art is beauty and truth."

His works chronicled a gentle, less hectic time.

He was frankly impatient with the poets of the 60s. "They have little to say, and they say it profoundly," he once complained to an interviewer.

"Most modern poets seem to hate romance and the past," he added. "Those are the things that used to make poetry lovable. Poetry today is rather like modern art. People assume a certain superiority by saying they understand it. But I suspect they do not."

Of his own writing, Rutledge said, "My formula is to find a subject worth writing about and then to make the writing simple, and then to make it clear and then to make it reach the heart and then to make it beautiful."

He wrote of love, of life's giddy moments, and of sentimentality.

Modern writers "generally select subjects not worth writing about, and then write it in such a fashion it is difficult to understand. When I read this writing over and over in search of meaning, I generally find nothing there but pessimism and cynicism," the poet laureate said.

"A writer has one great job in life and that is to tell about the hopes and the joys and the real things in life. He must be careful to never corrupt his readers," Rutledge observed on his 87th birthday.

It was on that day that his 95th book was released.

Writing in "The Woods and Wild Things I Remember" the poet laureate said:

"Darkness and I have long since been real friends; and I think she has revealed more to me of life's secrets than day has revealed. . . . I have learned that in the night are voices of strong appeal to the heart; and silences full of mystic meaning. . . . Always the night seems to be trying to show me patiently, with the infinite tenderness and wistful love of a mother, something of the truth of the mighty trinity of existence—life, love and death."

Surviving are: a son, Irvine H. Rutledge, a circuit court judge in Hagerstown, Md.; and four grandchildren, Donald T. Rutledge, a Charleston attorney, Elise Rutledge Bradford of Windermere, Fla., Henry Middleton Rutledge an attorney in Salisburry, Md. and Dr. Eleanor Rutledge of Gainsville, Fla.

[From the State, Columbia, S.C., Sept. 17, 1973]

ARCHIBALD RUTLEDGE, POET LAUREATE, DIES

MCCLELLANVILLE.—Archibald Rutledge, poet, author and educator, died last Saturday at his home here. He was 90.

A South Carolina patriarch of letters, Rutledge was a prolific and much-published poet, calling predominantly upon his state's Lowcountry of which he was a native and

Hampton, his 3,000-acre estate on the lower Santee River, for his subjects and his inspirations.

He was officially the poet laureate of South Carolina, and had held that honor for 39 years.

Mr. Rutledge was the author of 95 books, and an enormous output of poems. A book published in 1960, as the complete poems of Rutledge, contained more than 800 works and ran to 635 pages. Many of his poems were short, and through the years scores of them were carried in national publications such as the "Atlantic Monthly," "Harper's Magazine," the "Christian Herald," the "New York Times," "Poetry Magazine" and "Good Housekeeping."

Of his many books, the best known was "Home on the River," with ancient Hampton as the setting. Others included "Brimming Tide," "Life's Extras," "The Heart's Citadel," "Those Were the Days" and "Rain on the Marsh."

Although much of Rutledge's life was spent away from Hampton, which is nine miles off U.S. 17 near the village of McClellanville, the old plantation with its columned house seemed ever in his heart—and in his writings. There he would go when he could, sleep in a large downstairs bedroom, hunt—and write. His acute and sophisticated awareness of his surroundings found expression not only in poems and stories of Hampton and its immediate environs, but of the nearby marshes and ocean.

The House at Hampton was built in 1730 by a Frenchman named Noe Serre. It was later acquired by Daniel Huger Horry who had married Serre's daughter in 1757. After her death, Horry married Harriott Pinckney, daughter of Charles and Eliza Lucas Pinckney. Their daughter became the wife of Frederick Rutledge, a son of John Rutledge, noted colonial governor and a leader in the Revolution. In this way, Hampton came into the hands of Archibald Rutledge, a great, great grandson of John Rutledge.

It was at age 54 that Archibald Rutledge returned to Hampton, after a 30-year English-teaching career at Mercersburg Academy in Mercersburg, Pa. He resolved to restore the decaying house.

"People said it couldn't be done without resources," he said. "They meant money. But they forgot that there are other resources. I drew on faith, hope, a little hard work and the loyalty of the Negroes." Two years later, he opened to the public what has been called the most famous Georgian home in America.

Hampton wasn't his only home. He and Mrs. Rutledge maintained for many years a summer home at Spartanburg.

In an interview there on one of his many birthday anniversaries, he once commented on writing.

"My formula for writing," he said, "is to find a subject worth writing about, and then to make the writing, and then to make the writing simple, then to make it clear, then to make it reach to the heart, and then to make it beautiful."

To younger writers, he said: "I cannot agree with the writers of today. I still believe a reader wants to read something to which he can relate and with which he can identify." Most modern writers, he commented, selected subjects which are not worthwhile, and "write in a style which is difficult to understand."

"And when I read this writing over and over in search of the meaning, I generally find nothing there but pessimism and cynicism," he added.

At 87, in a new book he was completing, he wrote at one point:

"Darkness and I have long been real friends; and I think she has revealed to me more of life's secrets than day has revealed. I have learned that in the night are voices of strong appeal to the heart; and silences full of mystic meaning.

"Always her white stars seem to me to be rising to immortality, her beautiful dark tide settling toward eternity."

When in his latter years he was working on his autobiography, he said its publication had to wait because "there are too many wretched people alive." The meaning was clear. Immediate publication would mean he would have to gloss over certain episodes and he didn't want to do it.

Mr. Rutledge's writings were read and highly appraised far beyond the borders of South Carolina. He received more than 20 honorary degrees and more than 30 gold medals for his writings.

In the Pulitzer contest in poetry once he was second to Robert Frost, and once second to Edna St. Vincent Millay.

When William Faulkner was given the Nobel Prize, the judges told Mr. Rutledge he had lost by only one vote.

He was a member of the American Poetry Society, the Neucomem Society, the American Academy of Arts and Letters and many similar organizations.

In 1956, the S.C. General Assembly presented him with a handsome medal, emblematic of his stature as poet laureate.

Mr. Rutledge was born at McClellanville Oct. 23, 1883. His father was Col. Henry Middleton Rutledge and his mother, Margaret Hamilton Seabrook Rutledge.

He was educated by his mother and by Miss Annie Lucas, who had a plantation school near his home.

He was graduated from the McClellanville High School and then as salutatorian from Porter Academy in Charleston. In his senior year he received four gold medals for excellence in English and French.

He won a Lorillard Scholarship to Union College in Schenectady, N.Y., where he worked his way through, during which time he kept up his writing, publishing in several national magazines before he was 20 years old.

Upon his graduation in 1904 as valedictorian, he went to teach English at the Mercersburg Academy in Pennsylvania where he was married.

[From the Grand Strand Journal American, Georgetown, S.C., Sept. 17, 1973]

Archibald Rutledge—State's Poet Laureate Dead

McClellanville, S.C.—Archibald Rutledge, the poet laureate of South Carolina and author of 95 books, died Sunday at his ancestral plantation home in his beloved Low Country of South Carolina.

He was 90.

Rutledge was named the state's poet laureate in 1934 for his enormous output of poems, many of them about the coastal land of rice fields and marshes, and the nearby ocean, and the wildlife and fish in the area.

In an interview with The Associated Press on his 87th birthday, Rutledge said, "this plantation boy has lived a long life, and a happy life, and a misspent life."

Chuckling at his joke, Rutledge said he couldn't think of one thing he would change in his life, "although I have made a few mistakes, but all men are subjected to that."

His works appeared in such publications as the Atlantic Monthly, Harper's Magazine, the Christian Herald, the New York Times, Poetry Magazine, and Good Housekeeping.

Of his many books the best known was "Home on the River" with his plantation home "Hampton" as the setting.

Although he spent most of his life away from Hampton, with its columned house, and the great stretches of marshland, it seemed always in his heart and in his writing.

The house at Hampton has been built in 1730 and when it came into his possession, Rutledge restored the decaying home to its former grandeur.

One of his last books was "The Woods and Wild Things I Remember," a collection of stories from his days along the South Carolina coast.

He said at that time, "I fear this may be my last book and I find it a hard book to write because there are so many wretched people still alive, I have to be careful what I say about them."

Of his writing, Rutledge said, "My formula is find a subject worth writing about, and then to make the writing simple, then to make it clear, then to make it reach to the heart and then to make it beautiful."

Of modern writers, he said, "they generally select subjects not worth writing about, and then write in such a fashion it is difficult to understand. When I read this writing over and over in search of meaning, I generally find nothing there but pessimism and cynicism."

Rutledge was born in McClellanville, Oct. 23, 1883. His father was Col. Henry Middleton Rutlede and his mother Margaret Hamilton Seabrook Rutledge.

His schooling began at McClellanville and later at Porter Military Academy in Charleston and thence to Union College in New York where he graduated in 1904.

For 30 years he taught English and later was head of the English Department at the Mercersburg Academy in Mercersburg, Pa.

During his years, he received 20 honorary degrees and many literary awards.

Funeral services are pending.

He once said that now was the time "to hear America sing. We have heard so much else. Hear America sing through the throats of our native birds, and learn the joys of the wilderness and the wildlife."

[From the Charleston Evening Post, Charleston, S.C., Sept. 17, 1973]

Archibald Rutledge Dies

Archibald Hamilton Rutledge, poet laureate of South Carolina since 1934, died early Sunday at his residence in McClellanville. He was 89 years old.

Private funeral services will be held Tuesday at the house at Hampton plantation, his ancestral home. Burial will be in the plantation cemetery.

Dr. Rutledge was the author of 95 books, the 95th being published on his 87th birthday in 1970.

Born Oct. 23, 1883, his interest in literature stemmed from the education and cultural interests of his parents. His father was Henry Middleton Rutledge, a Confederate Army colonel and owner of Hampton Plantation on South Santee River. His mother was Margaret Hamilton Seabrook, like Col. Rutledge, a member of the Lowcountry plantation aristocracy.

Dr. Rutledge's mother gathered her six children around her each night and read to them. By the time the author was 12, he had read all of Dickens, Thackeray, Scott and Tennyson and the theme of his life was set.

He was graduated as second honor man from Porter Military Academy in Charleston in 1900 and was awarded a Lorillard Scholarship to Union College in New York where he majored in English and biology. His boyhood was spent either at Hampton plantation or at the family's summer cottage in nearby McClellanville. Hunting, fishing and boating were among the many facets of country living that were ingrained in his nature.

During his college years, he was a correspondent for the New York Times, Troy Times and Albany Herald. When he was graduated from Union College in 1904 he took a reporter's job with the Washington Post but left six months later to become head of the English Department at Mercersburg Academy in Pennsylvania, a post he held until his retirement in 1937.

In 1907 he received the masters degree from Union College and married Frances L. Hart of Winchester, Virginia. They had three children, Irvine Hart Rutledge, Maryland banker; the late Dr. Henry Middleton Rutledge and the late A. H. Rutledge Jr. Mrs. Rutledge died in 1935. A year later, Dr. Rutledge married Miss Alice Lucas, a Spartanburg schoolteacher, who had grown up in McClellanville with the poet laureate. She died in 1968.

While at Mercersburg, Dr. Rutledge produced 17 books of prose and 10 of poetry in addition to numerous magazine articles. He continued his writing after retirement, either in Spartanburg or in the room at Hampton Plantation where he had learned to read as a child.

His short stories, essays and poems have been reprinted in many English textbooks and his books have been printed in foreign countries. English schools still use his works in the classroom. When the S.C. State Legislature created the office of poet laureate for South Carolina, he was its first holder, retaining the post until his death.

His literary creed, expressed in 1938, was: "A literary gift is a high trust that ought to be maintained. The legitimate field of art is beauty and truth."

In his writing, he expressed his love of the beautiful, whether it be wildlife, woodlands, flora, fauna, the sea or human beings. He used his intimate knowledge of the area around Hampton and the entire Lowcountry as the basis from which his pen drew stories and poems that were to entertain and enchant millions of people.

At Mercersburg, in the cold Pennsylvania hills, he continued his nature studies. Filling his students with some of his zeal for exploration and study, he amassed the largest American Indian weapon collection in the world.

Together they collected more than 150,000 arrowheads, spearheads, and tomahawks. When Dr. Rutledge left Mercersburg, he presented the school with a collection of more than 75,000 items.

When he retired, Hampton House was in a bad state of repair. He set out to restore it to its former state and did so despite a lack of funds. Then he opened it to the public as one of the few remaining "Great Houses" in the state, maintaining it as a sort of museum. He continued to keep it open until prevented by illness.

In 1972 Dr. Rutledge sold Hampton House and a portion of the plantation property to the S. C. Parks, Recreation and Tourism Dept. The house will be maintained as a museum by the state.

A number of his books have been best sellers. "An American Hunter," published in the 1930s has been described as "the grandest book on hunting ever written by an American." Of his book of poems, "The Brimming Chalice," the Baltimore Sun said: "The note here is unmistakable; it is that of the immortal singer."

From the time he published his first book of poetry, "Under the Pines" (1907), until illness prevented him from working, he wrote daily. He became much in demand as a lecturer and traveled widely.

Hampton House was begun in 1730 and has played a role in much of the state's history. George Washington visited there on his tour of the nation and earlier the British very nearly captured Gen. Francis Marion, "The Swamp Fox", while he was a guest of Dr. Rutledge's ancestors. The property has been in the hands of the same family since 1688.

His forebears included some of the leading founders and maintainers of both the state and the nation. Two of his great-grandfathers were state governors: Whitemarsh B. Seabrook and John Rutledge. The latter also was president of South Carolina at the onset of the Revolutionary War.

Dr. Rutledge was a member of many learned societies, both in an active and honorary status. He received more than 20 honorary degrees, the Phi Beta Kappa key, and more than 30 gold medals for his writings.

Surviving are a son, Judge Irvine Hart Rutledge of Hagerstown, Md., and a number of grandchildren, including Donald T. Rutledge of Charleston.

[From the Beaufort (S.C.) Gazette, Sept. 17, 1973]

ARCHIBALD RUTLEDGE DIES AT 90

McCELLANVILLE, S.C.—Archibald Rutledge, the poet laureate of South Carolina whose works appeared in publications throughout the nation, died Sunday at the age of 90 in his plantation home that seemed ever in his heart and in his writings.

Funeral services are pending.

Rutledge, the author of 95 books, kept a deep love for the Low Country of South Carolina and its rice fields, marshes, the nearby ocean, and the wildlife.

Rutledge once said in an interview with The Associated Press that now was the time "to hear America sing. We have heard so much else. Hear America sing through the throats of our native birds and learn the joys of the wilderness and the wildlife."

On his 87th birthday and during one of his last visits with newsmen, he said, "this plantation boy has lived a long life, and a happy life, and misspent life.

"And," he continued, "I can't think of one thing I would change, although I have made a few mistakes, but all men are subjected to that."

Of his many books, the best known was "Home on the River," with his plantation home of "Hampton" as the setting.

Although he spent most of his life away from Hampton, he said his most pleasant days were when he could return to the large, white, columned house, and sleep in the large downstairs bedroom, and arise early to hunt, and then to write.

The house at Hampton was built in 1730 and when it came into his possession, Rutledge restored the decaying home to its former grandeur.

Rutledge was born in McClellanville, Oct. 23, 1883. His schooling began at McClellanville and later at Porter Military Academy in Charleston. He graduated from Union College of New York in 1904.

For 30 years he taught English at the Mercersburg Academy in Mercersburg, Pa.

During his years, he received 20 honorary degrees and numerous literary awards.

He was named poet laureate of South Carolina in 1934.

Of his writing, Rutledge once said, "My formula is find a subject worth writing about, and then to make the writing simple, then to make it clear, then to make it reach to the heart and then to make it beautiful."

Of modern writers, he said, "they generally select subjects not worth writing about, and then write in such a fashion it is difficult to understand. When I read this writing over and over in search of meaning, I generally find nothing there but pessimism and cynicism."

When his 95th book—"The Woods and Wild Things I Remember"—was released, Rutledge said, "I fear this may be my last book and I found it a hard book to write because there are so many wretched people still alive, I have to be careful what I say about them."

In that book, Rutledge wrote:

"Darkness and I have long since been real friends; and I think she has revealed more to me of life's secrets than day has revealed .... Always the night seems to be trying to show me patiently, with the infinite tenderness and wistful love of a mother, something of the truth of the mighty trinity of existence—life, love and death."

[From the Spartanburg (S.C.) Herald, Sept. 17, 1973]

SOUTH CAROLINA POET LAUREATE IS DEAD AT AGE 90

McCLELLANVILLE, S.C.—"Darkness and I have long since been real friends; and I think she has revealed more to me of life's secrets than days has revealed . . ."

This was a paragraph in Archibald Rutledge's last book, his 95th entitled, "The Woods and Wild Things I Remember." Rutledge, poet laureate of South Carolina and former resident of Spartanburg, died Sunday at his ancestral plantation home in his beloved Low Country of South Carolina. He was 90.

Rutledge spent long hours at his former 175 Alabama St. residence in Spartanburg working on some of his many publications. At 80, the home was "where I'm spending my 27th wonderful summer," according to Rutledge.

The senior citizens' high-rise Rutledge Apartments on North Church Street was named for Archibald Rutledge in August of 1971. Rutledge said of the dedication, "I will so try to live that you will feel this building has not been misnamed."

He was 90.

Rutledge was named the state's poet laureate in 1934 for his enormous output of poems, many of them about the coastal land of rice fields and marshes, and the nearby ocean, and the wildlife and fish in the area.

In an interview with The Associated Press on his 87th birthday, Rutledge said, "this plantation boy has lived a long life, and a happy life, and a misspent life."

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Funeral services are pending.

[From Charleston (S.C.) News & Courier, Sept. 17, 1973]

POET LAUREATE'S HOME NOW BELONGS TO US ALL

(By John D. Hughes)

The State of South Carolina now owns the historic Hampton Plantation which Dr. Archibald Rutledge revived from ruin in the late 1930's.

In 1972, a spokesman for the state's Dept. of Parks, Recreation and Tourism reported funds weren't available for restoration and that it would take five to ten years to complete restoration of Hampton Plantation.

The Plantation building dates to 1735 and the plantation itself dates to a 1686 land grant. This land grant came just 16 years after the founding of South Carolina and a year after the first French Huguenots settled on Santee River to form what was called French Santee.

A third generation Huguenot, Noe Serre, built the first substantial dwelling on the south side of Wambaw Creek in 1735.

The great house came into the possession of Daniel Horry, a French Huguenot, when he married Judith Serre, daughter of the builder.

When Judith died in 1768, Horry married Harriott Pinckney, the daughter of Chief Justice Charles Pinckney and Eliza Lucas Pinckney.

The Horrys and Pinckneys expanded the house to its present size and style about 1790 or 1791. The eight-columned portico was apparently the last addition.

In 1795 Harriott Horry married Frederick Rutledge and they obtained Hampton Plantation. Rutledge was the son of John Rutledge, once President of South Carolina and a framer of the Constitution. John's brother, Edward Rutledge, was a signer of the Declaration of Independence.

Since 1797 the plantation has been occupied by the Rutledges. The state purchased it in 1971 at a cost of $150,000.

In a May 14, 1939, News and Courier article the process of Dr. Rutledge's restoration of the plantation is described.

"People said it couldn't be done without resources. They meant money. But they forgot that there are other resources. I drew on faith, hope, a little hard work and the loyalty of the Negroes," Dr. Rutledge said.

Dr. Rutledge also wrote about the plantation in a March, 1938 edition of the "Saturday Evening Post."

"In restoring the house, I have had occasion to see behind every wall, under every floor, all those places where shoddy work, had it been done, might for centuries have been concealed. But all is massive, true. It seems to be a house affectionately built The giants sleepers, hewn out with the broadax, are still sound to the core after the lapse of more than 200 years," Dr. Rutledge wrote.

For Dr. Rutledge, Hampton Plantation was more than a place, a building, for him it was a philosophy and a way of life as it shown by another passage from his 1938 article.

At the time of the sale of Hampton to the state Maryland Circuit Judge Irvine H. Rutledge was acting as trustee for his father, Dr. Rutledge.

Judge Rutledge was quoted in the News and Courier as saying he liked the statement made by a friend about the Hampton negotiations: "You aren't really selling, you are just preserving it."

[From the Greenville (S.C.) News, Sept. 19, 1973]

ARCHIBALD RUTLEDGE

Archibald Rutledge, poet laureate of South Carolina for nearly four decades, was one of those rare symbols of seeming permanency, a beloved institution giving a sense of well-being just because he was around. His recent death, therefore, comes as a shock to South Carolinians, although it was not unexpected considering his 90 years.

Once Mr. Rutledge was a familiar figure as he journeyed about the state giving lectures in public schools and elsewhere. Of late years he had been in retirement in Spartanburg and more recently at his beloved Low-Country home, Hampton.

As a writer of prose and poetry, Mr. Rutledge was well known throughout the nation. In 1958 he was one of five American poets invited to make tape recordings of his poems for the National Archives. In 1972 the Library of Congress petitioned him for permission to publish his classic Home By The River in braille as a service to the blind.

The poet laureate's works appeared often in numerous national publications. He was the recipient of 20 honorary degrees and numerous literary awards. In 1934 the General Assembly adopted a resolution authorizing the governor to appoint a state poet laureate. Governor Blackwood appointed Mr. Rutledge on the basis of his achievements in the literary world. The laureate later was presented a gold medal bearing the State Seal in recognition of his services.

Mr. Rutledge was known best as a lover of and writer about the South Carolina Low Country. It is true that most of his poems and stories had Low-Country settings. But some of his most delightful stories concerned mountain people, whom he came to know quite well as a result of frequent visits to the Red Hills. Therefore, he was in every sense of the word representative of the entire State of South Carolina.

He was a productive writer, publishing 100 books. His works continued to emerge in his later years. Quite possibly some unpublished Rutledge writings will come out later.

An outstanding South Carolina man of letters, Mr. Rutledge proved by his writings that the simple style is the best. He strove first for simplicity, then clarity, then beauty—and he achieved all three.

He will be sorely missed in a state made richer by his life. Appropriately the State Parks, Recreation and Tourism Department recently acquired Hampton, the Rutledge home, which was built in 1730 and was restored by Archibald * * * valuable memorial to the poet laureate and the way of life he loved and described so well.

[From the Columbia (S.C.) State, Sept. 19, 1973]

AT HOME ON THE RIVER

The literature of South Carolina is neither vast nor rich. It has nurtured few writers and poets of real stature. Among the most illustrious of this rare breed was Archibald Rutledge.

Mr. Rutledge, whose life ebbed away Saturday at the age of 89, was a true son of South Carolina. His roots ran deep into the history of the state. He was a great, great grandson of John Rutledge, the most exalted South Carolinian of the Revolutionary period.

He personified the patrician gentleness that South Carolinians like to think characterized their past, and which indeed helped shape the South Carolina character. His huge outpouring of books and poems reflected his love of nature, his reverence for the old ways, and his noble philosophy. His columned plantation home, Hampton, near McClellanville, has been called "the most famous Georgian home in America."

Part of that fame stems from the fact that it was the setting for his best known book, *Home on the River,* which probably graces more South Carolina coffee tables than any other work.

His short poems, even more than his books, gave Mr. Rutledge a high place in the world of letters. "My formula for writing," he once said, "is to find a subject worth writing about, and then to make the writing simple, then to make it clear, then to make it reach the heart, and then to make it beautiful." That is a formula that would serve any writer well.

He was witness to the great events and vast changes of a period stretching from the post-Reconstruction days to the present. Yet he remained steadfast in his adherence to and respect for the traditions of the Old South.

His state has honored him in many ways. He has been its poet laureate since that position was created by the legislature in 1934. And national honors have also come his way.

Hampton Plantation, the Rutledge birthplace, is now owned by the state, which will complete its restoration. Archibald Rutledge spent much of his life away from the place, but it was ever in his thoughts, and now he will rest at home on the river.

[From Charleston (S.C.) News & Courier, Sept. 18, 1973]

ARCHIBALD RUTLEDGE

A prolific writer, Archibald Rutledge gave pleasure and inspiration to countless thousands who read his prose and poetry. A lifelong interest in nature provided both a background and a storehouse of themes for his stories, mostly concerning life along the South Carolina coast where he was born.

A teacher for 33 years at Mercersburg Academy, Mr. Rutledge returned in retirement to Hampton Plantation on the Santee, his "Home by the River".

"I was transplanted to the mountains of Pennsylvania, but my roots and heart remained in the Lowcountry of Carolina," he said of his period as a teacher. His philosophy of literature was summed up in these words: "A writer has one great job in life and that is to tell about the hopes and the joys of the real things in life. He must be careful to never corrupt his readers."

The code was in contrast to the fashions of his time. "Most modern poets seem to hate romance and the past," he said. "Those are the things that used to make poetry lovable. Poetry today is rather like modern art. People assume a certain superiority by saying they understand it. But I suspect they do not."

The demand for Mr. Rutledge's work was proved by publication of nearly 100 volumes. His appointment in 1934 as poet laureate of South Carolina was well received by fellow citizens. His works will continue to be read and remembered long after his death, at age 89, has terminated a long and fruitful lifetime. They are a record of his region, his heritage and his own rich personality.

[From the Spartanburg (S.C.) Herald, Sept. 18, 1973]

THEY MEANT MUCH TO SPARTANBURG

Two men who meant much to Spartanburg—and each of whom loved this community—died Sunday.

One was Archibald Rutledge, South Carolina's first and only poet laureate.

The other was Dr. T. S. Buie, who earned renown as a pioneer soil conservationist in this county and in the nation.

Their careers were quite diverse but very probably their philosophies were close. Both loved nature and each of them nurtured it lovingly.

Neither was native to this area. Rutledge was born in McClellanville and Buie was born in Marlboro County. But both of them chose to live in Spartanburg for considerable portions of their lives.

Each of them in his own special way, has enriched the community by his presence and his work.

"This plantation boy has lived a long life a happy life . . . " said Archibald Rutledge in

1970. The happy spirit of his life, expressed by many volumes of exquisite poetry and prose, he imparted in bountiful portions to hosts of others.

"A literary gift is a high trust that ought to be maintained," said Rutledge. "The legitimate field of art is beauty and truth."

It was a creed to which he was forever faithful.

Dr. Buie came to this county in the bleak depths of the Great Depression. He brought scientific know-how, determination and faith to an impoverished countryside.

He proved that proper techniques could turn ugly red gullies into green, productive fields and forests. His pioneering work spread from here throughout the Southeast and was influential throughout the nation.

These two men—Archibald Rutledge and T. S. Buie—were giants in an era when there was sore need for them. Their monuments will remain long after them in the work they did.

We in Spartanburg are blessed to have been a part of it.

OIL SHORTAGES—NEED FOR MANDATORY ALLOCATION

Mr. NELSON. Mr. President, in recent weeks the Congress has been exhorted to concern itself with "the business of the people" on the grounds that we have been neglecting that responsibility while diverting our attention to nonimportant matters.

Many of us do not agree, of course, that those nonimportant matters are not the business of the people and that they do not require our attention. More importantly, however, there is ample evidence as reported by Congressional Quarterly and the news media that Congress this year has dedicated itself to the business before it with a degree of dispatch that far exceeds the record of many past sessions.

I think that there is one particular area in which it is most important that we compare the relative attention of the Congress and the administration to the business of the people. I refer to the oil and gasoline shortage that has been a matter of concern since early last winter, and which as each day passes occupies more of our attention.

Members from the upper Midwest will recall the seeming suddenness with which these problems hit our offices last winter, necessitating considerable staff work with the Office of Emergency Preparedness to get crucial supplies of propane gas and fuel oil to our constituents. That is part of our job, of course—to be the liaison between the people back home and the Federal agencies that can solve their problems.

But an even bigger part of our job is to foresee such problems as that which occurred last winter, or at least to learn from them, and to enact legislation that will forestall them.

I submit that the Senate's record on the business of the people in this matter is very good.

Because of last winter's shortages, the Congress—and in particular, the Senate—feared even more severe problems in this area this winter. As a consequence of our concern the Senate amended the Economic Stabilization Act last spring to provide the administration with the power to call upon the industry for voluntary allocation of petroleum products, and if this failed, to institute mandatory allocation.

Anticipating that the administration might not exercise this discretionary power, the Senate in two other instances in which I concurred passed amendments to other legislation that made such allocation mandatory on the part of the administration.

Obviously, therefore, the Senate has been aware of the potential problems and has taken affirmative action to meet the problem.

The administration on the other hand, while generally charging that the Congress has been preoccupied with other matters that are "the business of the people," has gone through a series of gyrations that have not only thoroughly confused the problem but have not in any way solved it.

The administration has set up a voluntary allocation plan but the major oil companies have simply ignored it. Substantive proof of their failure was documented just this week by Senator RIBICOFF who pointed out that in the northeastern United States, the major oil company fuel oil storage facilities are filled to 82 percent of capacity while the independents have only 25 percent of the capacity filled.

And this, as Senator RIBICOFF points out, is not because of a shortage of fuel oil in that area. In fact, the major oil companies reported that in total they have 15 percent more fuel oil than they had a year ago.

My office, and I am certain it is not the exception, has received countless letters from gasoline service station operators, independent fuel oil and gasoline distributors, and the farmers and businessmen who depend upon them, detailing the manner in which the voluntary allocation program has failed and spelling out the shortages that can be anticipated in Wisconsin this fall and winter.

Now the complaints that I am getting and that arise from the statistics that Senator RIBICOFF has developed are truly "the business of the people" for what it indicates is that we are talking about a major industry, the oil industry, manipulating the existing supplies in such a way as to jeopardize the well-being not only of the independent dealers who have serviced the Nation's homes and businesses in the past, but the very security of those institutions.

Consider the administration's gyrations on this matter. Earlier this year it instituted the voluntary allocation plan and hinted it might use the mandatory powers it possessed. Then in late summer Gov. John Love, Director of the President's Energy Policy Office, said that there was no need to use these powers in view of the available supply.

On September 6, however, Governor Love reversed himself and declared that the supply situation is so tight that it may be necessary to ration heating oil at the consumer level.

Within a few days, this position was contradicted by the President who declared that we are not faced with a shortage and that short-term problems could be met by lowering emission standards and allowing the use of imported, high-sulphur oil at a higher cost.

There has been no better demonstration of how the administration, on the one hand, and the Congress, on the other hand, are looking after "the business of the people."

It is time, I submit, that we present this administration with a mandatory plan that will provide that the existing supply of petroleum products be allocated fairly on the basis of the past distribution experience. If we have less fuel oil this winter, let the independents receive proportionately the amount they received last year. If there is more, let the independents share proportionately in that also.

Any lingering doubt that action is needed in this area was dispelled just today with the release of a study by the Joint Economic Committee of the Congress documenting the potential for dangerous shortages, as well as the statement by a consortium of the Nation's largest electric utilities calling for mandatory allocation.

And finally an administration spokesman said that the White House might wait for Congress to impose mandatory fuel allocations—this despite the demonstrated need for such action and the fact that the White House already possesses the authority for such controls.

Well, let Congress not hesitate then to make it mandatory that the White House use the power it already possesses. Hopefully the House will act shortly on one of the mandatory plans already passed by the Senate. But if it does not, I submit that the Senate should attach such an amendment to every bill before it until it finds one acceptable to the House and one which the President cannot veto.

The tragedy here, of course, is that time is flying by and irreparable damage is being done to thousands of small businessmen throughout the Nation with the potential of great peril to the Nation's homes and many other institutions.

While the Government lollies it just could happen that the furnace fires in many of our Nation's homes will go out this winter.

SENATOR MATHIAS REPORTS ON CHESAPEAKE BAY

Mr. BUCKLEY. Mr. President, Americans are becoming increasingly aware of the complex and conflicting claims which man's needs and activities are placing upon our natural environment. The senior Senator from Maryland has vigorously supported the establishment of procedures and mechanisms for insuring that all these claims are pulled together and that a balanced environmental policy is developed at all levels of government. I am pleased to note that my colleague is now undertaking an intensive study of one of the Nation's largest and most important estuaries, the Chesapeake Bay. The Senator recently reported to his constituents on the progress of his study, and this report sparked much comment throughout the Chesapeake Bay area.

I would like to call the attention of

my colleagues to this report, and I ask unanimous consent that it be printed in the RECORD, together with an editorial which appeared in the Baltimore News American commenting on the Senator's efforts.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE CHESAPEAKE BAY

(By Senator CHARLES McC. MATHIAS, Jr.)

The tour of the Chesapeake Bay that I took in late June covered 465 miles and included meetings with over 150 Marylanders directly concerned with the economy or the ecology of this vital waterway.

I looked at the Bay through many different eyes. The Baltimore businessman has a completely different view of the Bay from that of the waterman in Crisfield, or the boating enthusiast from Prince Georges County. One major problem is to get a perspective that includes all of these viewpoints. Only then can we make intelligent decisions on priorities for the future and how we must proceed toward common goals.

UNITY OF BAY

The Chesapeake Bay, so large and so diverse, is nevertheless a unity, and we must learn to treat it that way.

A marina in Harford County or a shipper in Baltimore cannot ignore the Southern Maryland tourism industry or the value of the marshes on the Eastern shore.

At the same time, environmentalists must realize that there can no longer be any value in a policy of digging in the heels and opposing all change. Change will come, and we will have to decide what kind of change it will be for everyone affected. One environmentalist told me during the tour that he realizes there "will have to be some trade-offs" as pressures mount on environmental problems in the years just ahead.

Businessmen must realize that they can no longer save money by ignoring the environmental consequences of their methods. Just because dumping wastes into a river has always been permitted is no longer an excuse to continue the practice. There is no right to pass one's own cleanup costs on to residents of the next town downstream.

SPARROWS POINT

This problem is particularly critical at Bethlehem Steel's Sparrows Point plant where officials are spending millions to get on top of serious pollution problems . . . in one case, taking a multi-million-dollar gamble on technology that they hope will help greatly in cleaning up their steelmaking.

At the same time, each of us as private citizens must do a part. It's tempting to get rid of old crankcase oil by tossing it down a sewer, but that sewer leads to a river and eventually to the Bay itself. Secretary of the Interior Rogers Morton told me that 40 percent of the oil pollution in the Bay comes from old crankcase oil dumped in waterways as far away as Western Maryland.

Boaters have a responsibility to the water they use, because a busy summer weekend will find a boating population on the Bay equal to the combined size of Frederick and Hagerstown, and only a few of those boats are equipped with chemical toilets or other devices to avoid polluting the Bay waters.

That is a particular vital consideration because raw human sewage is the single greatest pollutant of the Bay, whether it somes from boats or from shore communities without adequate sewage treatment facilities.

The tough decisions on the future of the Bay are coming up fast. One thing I learned during the tour is that we need both knowledge and the kind of decision-making machinery which can translate that knowledge into responsible action.

DATA BANK

At the start of the tour, it seemed that many of the scientists who are studying everything from crabs to marsh grasses to power plants to soil erosion were unaware of what each other was doing. I thought it would be a good idea to have some central data bank on the Bay to collect information.

Then during the tour, I met with many of these scientists and found that there is an informal scientific grapevine which operates efficiently. Scientists, it turns out, may have disagreements, but they are generally aware of what research is being done.

The real problem is that when a controversy becomes a matter of public debate, and scientific opinion is needed, it is hard to tap into the grapevine: I think a data bank is still a good idea as a convenience to scientists, but also for those of us who are not experts and who have to make decisions that are economic or political, based on scientific knowledge.

I am now going back to many of those I met, and asking how some resource could be created to give us the information we need. If we in Congress, for example, knew what the gaps are in our current knowledge, we could seek the funds for the right kind of research to fill those gaps.

DECISIONMAKING

There is also the need for decisionmaking machinery to translate knowledge into action. When it comes to the Chesapeake Bay, economy and ecology are two ends of the same string and you can't pull one end without affecting the other.

To this end, I am writing state officials to ask their opinions of ways to make these decisions. Because Virginia shares the Bay, I also am contacting state officials there.

In addition, many agencies of the Federal government have duties and jurisdictions which may or may not be coordinated with each other, much less with their counterparts on the state level. The oysters, crabs, and rockfish all know the Bay as a unity, but mankind has a long way to go before he treats it that way. On the federal level, I will be working through contacts and agencies, and through legislation, if it is needed, to bring about better interagency cooperation, and better state-federal cooperation, to make sure that everyone shares the same overall goals for the Bay and those it serves.

BAY COMPACT

Specifically, I hope to investigate the possibility of a Bay compact, including both states and the federal government. If the Potomac and Susquehanna compact agreements can be our model, it may be possible to create a compact for the Bay.

GATEWAY

I also will investigate the Gateway project, which reportedly has worked with such success in the San Francisco Bay, to see if that idea can be put to work on the much larger scale needed to handle the problems of the nation's largest estuary, the Chesapeake.

A DROP OF WATER

I learned during my tour that a drop of water which enters the Chesapeake Bay from the Susquehanna River travels down the Bay for one year before it finally joins the ocean. It is clear that we must be very careful about how we treat that drop and all the others, because pollution from a town at the top of the Bay will have an effect on business, recreation and the quality of the environment along the entire length.

One final item I must share with you is my impression of the Bay as a uniquely beautiful and vital asset to Maryland and the lives of all who live in it. Out on the water, enjoying the breeze and the freshness, it is hard to believe that such a resource could be in danger, and one day may be lost to us.

I returned from my tour dedicated to doing all I can, as a Senator and as a Marylander, to preserve the health of the Bay. In the months ahead, I will be working on the official level and as an informal intermediary between the many people concerned with economy and ecology, to ensure that the Chesapeake Bay will always be Maryland's greatest resource.

THE CHESAPEAKE BAY

In his years in the Senate, Sen. Charles McC. Mathias has established a reputation as a thoughtful student of national problems and an innovative thinker.

He has added to that reputation with an essay entitled "Preliminary Report: The Chesapeake Bay" in the current issue of his monthly publication of reports and comments.

Points out Sen. Mathias: "The Baltimore businessman has a completely different view of the Bay from that of the waterman in Crisfield, or the boating enthusiast from Prince George's County. One major problem is to get a perspective that includes all of these viewpoints. Only then can we make intelligent decisions on priorities for the future and how we must proceed toward common goals."

Sen. Mathias adds: "The Chesapeake Bay, so large and so diverse, is nevertheless a unity, and we must learn to treat it that way."

He observes wryly that the oysters, crabs and rockfish all know the Bay as a unity, but mankind has a long way to go before he treats it that way.

A specific solution which Sen. Mathias plans to investigate is the establishment of a Bay compact, including both states and the federal government.

If the Potomac and Susquehanna compact agreements can be the model, then it may be possible to create a compact for the Bay, he believes.

The senator writes on the basis of a tour of the Bay he took in late June which covered 465 miles and included meetings with more than 150 Marylanders concerned with the Bay's economy or ecology.

Pollution is a serious threat. Sen. Mathias points out that pollution from a town at the top of the Bay will have an effect on business, recreation and the quality of the environment along the entire length of this body of water.

Sen. Mathias has done his homework. He has become well aware of the Bay's problem. His suggestion for a solution—a Bay compact—is worthy of serious study by all the governmental agencies concerned.

DELAWARE LEAGUE OF WOMEN VOTERS SUBMITS VIEWS ON TRADE LEGISLATION

Mr. BIDEN. Mr. President, I recall that one of the first groups of constituents to visit my Senate office was the Delaware League of Women Voters. Its members came to attend hearings and collect documents from the congressional committees involved in reviewing foreign trade. In the intervening months the women have completed their year of study on the issue and now present their views and recommendations on the trade legislation which will come before the Senate. I commend the league members for their conscientious efforts to both understand the complex issues involved in the negotiations on tariffs and trade which will begin later this year and provide constructive policy recommendations for the legislation which will give the administration bargaining authority to reach agreements with our trading partners.

I ask unanimous consent that the letter from the Delaware League of Women Voters and the accompanying report by Sarah Whitehorn, chairman of the International Relations Committee, and statement of position on trade by the League of Women Voters of the United States be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LEAGUE OF WOMEN VOTERS,
OF NEWARK, DEL.,
September 7, 1973.

Hon. JOSEPH R. BIDEN, Jr.,
Senator From Delaware, New Senate Office Building, Washington, D.C.

DEAR SENATOR BIDEN: Enclosed is a copy of a report on the Trade Conference which Sarah Whitehorn had an opportunity to attend during the summer in Washington sponsered by the League of Women Voters Education Fund.

The League of Women Voters of Delaware felt that our legislators would welcome this trade information. We are also enclosing the League of Women Voters position on trade, a position which was adopted after a year of study by Leagues throughout the country.

We hope that you will find this material helpful when the trade bill comes to the floor of the Senate. If we can be of any further service, please let us know.

Sincerely yours,
MARY MARGARET JUERS,
President.
SARAH WHITEHORN, *Chairman,*
International Relations Committee.

REPORT ON LEAGUE OF WOMEN VOTERS' TRADE CONFERENCES

(By Sarah Whitehorn)

Sixty League members representing every state in the Union as well as its territories attended the Trade Conference sponsored by the National League on July 10 and 11, 1973 in Washington, D.C. The Conference provided the participants with information on trade and with many points of view on the subject. It was a tremendously stimulating experience for the League members who had the opportunity to attend.

Many of the speakers were those responsible for carrying out the trade policies of their countries. William D. Eberle, Special Representative for U.S. Trade Negotiations was the opening speaker. Taking part in a panel were Adolpho Combo, from the Directorate for External Relations, Common Market Countries, S. Hayashi, 1st Secretary for Economics, Japanese Embassy, Guy Erb, Senior Fellow from the Overseas Development Council, and Yuri Molov, Assistant Commercial Counselor, Soviet Embassy.

Other speakers represented various points of view on Trade found in the U.S. James Kelley, from the I.B.M. Corporation, spoke for Multinationals. Stanley Ruttenberg, former Assistant Secretary of Labor gave labor's point of view. Robert Lewis, secretary of the Farmers' Union gave the picture as it looks to the farmer. Richard Frank from the Center for Law and Social Policy represented the consumer.

Also speaking to League members were Peter Peterson, former Secretary of Commerce, and Congressmen John Culver (D-Iowa), James Burke (D-Mass.) and Barber Conable (R-N.Y.).

Representative William Eberle said that the objectives for the coming trade negotiations were to work toward (1) a more open world and (2) an improved international economic system. Several speakers stressed the importance of recognizing the relationship of international trade to the economic well-being of our own country and that of all countries of the world.

Particularly interested in this interrelationship were Representative Culver and Former Secretary of Commerce Peterson. Peterson said that all the negotiators meeting this fall must have a "generalist" view or overview of the whole world as they make plans for their future together.

The speakers who represented our trading partners made it clear that the negotiations that would be taking place in Tokyo would not be an easy matter. Both Combo from the Common Market and Hayashi from the Japanese Embassy recognized the interdependence of nations and yet they seemed to have reservations. They pointed to the recent export controls and other U.S. acts taken unilaterally which had hurt their people and made their governments lose confidence in their ability to deal with the U.S. Combo particularly, took a hard stance. Molov from the Soviet Union, pointed to the growing trade between our countries but said that we must break down antagonistic public attitudes which grew up in both countries during the cold war days. Guy Erb, speaking for the Low-Developed Countries, said that these countries are suspicious and anxious about the coming trade negotiations. They feel that they cannot improve their trade prospects through reciprocal trade agreements because they have so little with which to bargain. They are also fearful that they will lose the trade preferences that they now have with the Common Market countries and Japan. They feel that they have been given little assurance that they will get trade preferences from the U.S.

Much of the Conference time was spent on discussing the trade bills that are in committee. Eberle said that the bill that is finally passed must give the President the kind of authority which will give him "credibility, leverage and flexibility" to negotiate. Ruttenberg, former Assistant Secretary of Labor, stressed the use of restrictions as a stick for concessions from other countries. He said that the U.S. has been "soft" with her trading partners in the past and has given them trading advantages. In return the U.S. has been rewarded by restrictions on U.S. products entering their countries. Most speakers seemed to feel that the President must be given authority to negotiate. The question was how to limit this power and how to set up a mechanism that would keep Congress constantly informed on the progress of negotiations.

The philosophy of an adjustment assistance program and the mechanics of such a program were discussed by many speakers. Congressman Burke was not interested in adjustment assistance. He said he wanted restrictions on imports and not welfare. Congressmen Conable and Culver felt that a free flow of goods and commodities between countries was to everyone's advantage. However, they said, liberal trade policy must be accompanied by a good adjustment assistance program. Without this a liberal trade policy is unfair and inhuman. The argument is that liberal trade policies give consumers lower prices and better quality goods. Those who lose their jobs or their businesses for the good of the whole society should be helped to train for and find new jobs or establish new businesses. Culver said that a good adjustment assistance program should include an early warning system, retraining, relocating the work force and loans to business and communities. The estimated cost of such a program would be $500 million to $1 billion. The cost of restrictions is said to be $8 to $15 billion in higher prices to consumers and subsidies to inefficient industries.

Whether or not greater restrictions should be placed on multinationals or whether changes should be made on their tax status was also discussed by several of the speakers. The case against multinationals was hardest hit by Burke and Ruttenberg. The answers coming from some of the others were that multinationals are a fact of today's economic system.

These corporations should not be handicapped by U.S. restrictions, neither should they be given tax privileges by the U.S. government. Instead, they suggested that multinationals be regulated by an international agency. The U.S. must help strengthen such an international agency and then cooperate with it.

Some conclusions that I, personally, drew from this conference are as follows:

(1) A liberal trade policy is the only rational course in today's interdependent world.

(2) The U.S. should plan her economic goals.

(3) A trade bill should be passed as soon as possible. This bill should include:

(a) Presidential authority to negotiate trade agreements.

(b) Presidential authority should have built in time limits.

(c) Built in mechanism for Congressional in-put and review during negotiations.

(d) Use of restrictions as means of bargaining should be specifically limited.

(e) Preferences should be given to Low-Developed Countries.

(f) Farm products should also be negotiated.

(g) Adjustment assistance must be part of the bill and it must be a strong part of it.

(h) Some changes in tax laws for multinationals.

At its June 11–15 meeting, the national Board of the LWVUS adopted the following International Relations position which reflects the analysis and evaluation of the trade consensus reports recently completed by local Leagues.

STATEMENT OF POSITION ON TRADE

The League of Women Voters continues to believe in a liberal U.S. trade policy. We are convinced that the political and economic interests of this country and of its citizens collectively and individually are best served by such a policy, which paves the way for political harmony with other nations, stimulates economic development at home and abroad, and expands consumer choice. We believe that our trade policy should be flexible, effective and efficient and that it should be based on the public interest, not on special or sectional interests.

LIBERAL TRADE POLICIES

The League endorses systematic reduction tariff and nontariff trade barriers and broad, long-range presidential authority to negotiate trade agreements. The United States should continue to participate in multilateral negotiations of trade agreements, and the benefits of these agreements should be extended to our trading partners through most-favored-nation treatment. In recognition of the gross disparity in trading positions between the developed and the developing countries, the principle of reciprocity in trade agreements should be waived to the extent that is necessary to make special trade concessions to developing countries.

Implicit in the League's support of expanded trade is opposition to measures which impede trade: restrictive administrative procedures, quotas, Buy American provisions, and similar measures. We favor the application of domestic health, safety and environmental protection regulations to imports. We believe that these measures should, at a minimum, conform to international standards but that they should not be used as a pretext for restricting the flow of trade. We also believe that customs procedures should be simplified.

THE U.S. AND THE WORLD ECONOMY

The League members are convinced that national and international remedies for the U.S. balance-of-payments deficit should be aimed generally in the direction of trade expansion and away from narrow, short-range, restrictionist palliatives. We support such positive remedies as:

Efforts by U.S. industries to improve product quality and international marketing techniques.

Reform of the international monetary system.

Government policies designed to promote expansion of U.S. exports, encourage industrial research and development, and promote tourism from other countries to the United States.

We believe that the free flow of investment and technology plays an important role in fostering economic development and the improvement of living standards throughout the world. However, the interests of citizens in both the host and parent countries should be guarded by:

International standards and agreements to regulate overseas corporate investment policies and practices.

Some modification of domestic tax laws which affect multinational corporations.

ADJUSTMENT PROGRAMS

Trade adjustment assistance should be made easily available to domestic firms and workers injured by import competition. The goal of this assistance should be to encourage economic adaption through self-help efforts of business and labor.

Workers: Adjustment assistance to workers should be expanded and improved.

Retraining of workers should be central to the program and should be better related to job opportunities by being linked to national training programs and to an early warning system for identifying employment trends.

Job mobility should be facilitated through the protection of pension rights and other fringe benefits.

Financial compensation should be increased.

Firms: Adjustment assistance to firms for retooling or conversion should take the form of tax incentives or government loans.

Industries: If an industry were found to be severely injured by an extensive and rapid influx of imports, temporary trade restrictions might be needed to allow time for adjustment. Any such safeguard measures must be multilaterally negotiated and short term, with specific phase-out provisions.

"LITTLEJOHN DAY" IN EDGEFIELD, S.C.

Mr. THURMOND. Mr. President, a distinguished gentleman and his charming wife were the recipients recently of an outpouring of love and appreciation in Edgefield, S.C. The recipients were Rev. and Mrs. J. T. Littlejohn, who have carried the word of God to countless people both here in America and abroad.

Having had the honor of knowing the Littlejohns for years, I can truthfully state they deserve this tribute. "J. T. Littlejohn Day" was Edgefield's way of saying thank you.

Reverend Littlejohn and his wife, Marguerite, have spent their lives in the ministry. They have seen heartbreak. They have offered their shoulders to those who had no one else. On the other hand, they have seen joy. They have seen lives transformed as a result of their ministry. They sacrificed the materialistic values of life and chose, instead, to devote their lives to Christian values.

Mr. President, a newspaper article regarding "J. T. Littlejohn Day" was recently called to my attention and I would like to share it with my colleagues.

Accordingly, I ask unanimous consent that the article entitled "Littlejohn Day—What a Day It Was," which appeared in the Edgefield County News, September 13, 1973, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"LITTLEJOHN DAY"—WHAT A DAY IT WAS!

Littlejohn Day—and what a day it was! A tremendous crowd of well-wishers jam-packed the First Baptist Church Sunday afternoon to pay tribute to the patriarch of all Christians throughout the entire area, regardless of church affiliations.

The Rev. J. T. Littlejohn and his wife Marguerite were overwhelmed and overjoyed by the honors and gifts bestowed upon them.

The appreciation service followed dinner on the grounds, which was marked by much good food, good fellowship, and lots of good sunshine.

Since the programmed services didn't begin until 2:30 p.m., the sweltering visitors gratefully sought relief in the air-conditioned church auditorium. Under the direction of Herbert Albin, the entire congregation from tots to older people joined in singing old time favorites in a great outpouring of spiritual praise, which continued for almost an hour.

An estimated 500 or 600 persons crowded the choir lofts, sat in the aisles and stood in the rear of the sanctuary.

The Rev. Eugene Eaddy led in prayer. In his welcoming remarks, the Rev. Thom Collins said, "This was not the idea of any one church. People from other churches and other denominations within the county and some from throughout South Carolina have joined in this expression of love and appreciation to this fine couple."

Rep. Butler Derrick, Jr., read a joint resolution passed by the South Carolina legislature proclaiming Sept. 9th "John T. Littlejohn Day."

The Rev. Richard Brewer and son Ricky sang several numbers, with Mrs. Brewer at the piano.

The Rev. Brewer, pastor of Antioch Church, told of Rev. Littlejohn's ministry of ten years at Antioch, and of the love of the people for him and his wife. He asked for a show of hands from those who had been visited in hospitals by Mr. Littlejohn, and hands were raised all over the church.

Layman Bud Robertson added words of appreciation.

The Rev. G. W. Splawn, pastor of Red Hill Church, stressed Mr. Littlejohn's devotion to his Savior and his adherence to the teachings of the Scriptures. Layman Thomas Mathias, of Red Hill, mentioned that Mr. Littlejohn had spent part of his early life in the Red Hill community, and that, in the light of his record of service, he might well be called "Big John."

The Rev. Byron Twigg, pastor of Republican Church, spoke of what it meant, as a pastor, to follow in the footsteps of such a church leader. He said that Republican Church has been well-schooled in what is expected of a church and in what is expected of Christians in their everyday life. He said it was an inspiration to him as well as to all who knew Mr. Littlejohn to know his compassion for and his understanding of the many problems everyone has to face. He said that his faith in God, and in his fellowman, was manifested in everything he did. Layman Charles Stone also paid tribute to his compassion, and mentioned his unfailing sense of humor. He said Mr. Littlejohn loved everyone, regardless of station, color or creed, and was, in turn, loved by everyone.

The Littlejohns were escorted outside and assisted to seats on the back of a truck which had a banner emblazoned with "Littlejohn Day" on the side of it.

Mrs. Frances Chapman presented the first gift, a huge bound book containing letters of love and appreciation from those he had served during his long ministry as missionary, chaplain, and pastor.

De Loach Padgett read and presented a framed appreciation from the U.S. Government thanking the First Baptist Church at Elliott, S.C. for releasing him from that church to serve in the Chaplaincy of the U.S. Army.

Mrs. Lena Kemp presented a hugh silver tray to the couple, bearing suitable inscriptions.

Kenneth Morgan announced that a room at the Edgefield County Hospital had been furnished in honor of Mr. and Mrs. Littlejohn, for which both were greatly moved.

D. T. Mathis, a life-long friend of the Rev. Littlejohn, mentioned the fact that "J. T." was a minister's son, and that everyone knew how bad minister's children were "especially one red-headed, freckled-faced boy." However, he added "J. T." had outgrown some of that, but still liked a practical joke.

He presented a garden tiller and lawn mower to the Littlejohns, purchased from funds contributed from a host of friends. Mr. Littlejohn's hobby is gardening.

When a shiny new black 1973 Chevrolet rolled up and parked in front of the make-shift platform, the Littlejohns' eyes widened in disbelief.

Mr. Frank Timmerman told them they had worn out their old car going to hospitals, visiting the sick and in doing good in other ways, "So, we thought you might need a new one."

Music from a tape recorder sounded as the car doors were opened and the keys presented to the delighted pair. Someone opened the trunk and displayed boxes and boxes of peppermint candy, Mr. Littlejohn's stock-in-trade. He keeps his pockets bulging with it, and distributes it to all and sundry as he goes about from hospitals, to homes, and to churches. Children call him "The Candy Man."

The Littlejohns were last seen buckling their seatbelts in the new car and driving happily homeward.

TOM VAIL—A DEDICATED PUBLIC SERVANT

Mr. RIBICOFF. Mr. President, it was with great sadness that I learned of the death of Tom Vail, the chief counsel of the Senate Finance Committee. Both the Senate and the Nation have lost a dedicated public servant. He will be missed.

When I joined the Senate Finance Committee it had no staff of its own. Tom was the sole professional Finance Committee staff member in 1964 and 1965. He was appointed in 1966 to become chief counsel and to organize a staff. He put together a staff which is recognized today as being amongst the best in the Senate. Tom's organizational talents made this possible and his administrative talents enabled the committee to run smoothy. He and his staff were always available to provide assistance to Senate Members, whether Democrat or Republican.

Tom was also a top-notch tax lawyer. He joined the Joint Internal Revenue Taxation Committee in 1951 and served while working his way through college and law school. In 1964 he came to the Finance Committee and we have benefited from his expertise ever since. He had an immense storehouse of knowledge on the many complicated tax matters which came before our committee.

It is a tragedy to lose a man like Tom who was so young. He exemplified the best qualities in public service. He was a man of the highest moral character and his personal and professional integrity were without question.

His loss will be felt not only by the members of the Senate Finance Committee and the Senate but by all those who knew him and worked with him.

Tom will not be forgotten. As the distinguished chairman of the Senate Finance Committee so eloquently stated:

> The greatest legacy a man leaves to his fellow man is that of a shining example. Truly Tom Vail leaves that with all of us.

My wife Lois and I send our deepest condolences and prayers to his wife Nancy and their four children.

J. GREGORY POOLE

Mr. HELMS. Mr. President, the Nation lost a great citizen on Saturday, September 22. J. Gregory Poole, a dear friend of mine and a fine citizen of my State, passed away in Raleigh after an illness of several months.

Mr. President, this man was remarkable because he had an unyielding faith in God and a complete dedication to his country. He was quiet; he was always a gentleman. But he stood fearlessly and constantly for what he believed.

And among the things he believed, Mr. President, was that this Nation's destiny is tied directly to Providence. North Carolina has few citizens as successful in business as was J. Gregory Poole. Yet he was an unpretentious man. He was always ready to help those less fortunate than he.

He helped me, Mr. President, because he constantly inspired me with his faith and courage and dedication. He was a friend of several Members of the Senate. All of us who were blessed with his friendship mourn his loss. We will miss him. But we will be forever grateful that he walked our way, and that he set such an example of integrity and honor.

Mrs. Helms and I extend our deepest sympathy to his family.

CRIB DEATH

Mr. MONDALE. Mr. President, for nearly 2 years the tragedy of crib death or sudden infant death syndrome has been of great concern to me and many of my colleagues in the Senate.

On September 20, my Subcommittee on Children and Youth and Senator KENNEDY's Subcommittee on Health held a joint hearing on this problem. It has been and is still our aim to create the momentum necessary to pass a bill which will provide support for families who lose children to the disease; as well as adequate research funds.

On September 21, the Washington Post printed a most informative article about SIDS, how it affects the parents, and what can be done to help.

An article which appeared in Ebony magazine provides special insight into the problem of crib death in black families. We know that SIDS strikes families of all economic and social classes. However, statistics show that the incidence is higher among black and poor families. I ask unanimous consent that the article from Ebony, entitled "The Mystery of Crib Death," and the article from the Washington Post be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE TRAGEDY OF CRIB DEATH

(By Colman McCarthy)

Earlier this year in a small California town near San Diego, John and Patricia Smiley went into the bedroom of their four week old infant. The child, healthy the day before, lay dead. The couple, frantic with sudden shock, immediately called the local sheriff's office to ask for an ambulance. As Smiley remembers it, the voice at the other end replied that if the child was dead, why was an ambulance needed.

So began the post-death ordeal of the Smileys. The young and poor couple was charged on suspicion of involuntary manslaughter and jailed for three days. The charges were eventually dropped but not before the couple had been harassed to the point that they left town. The Smileys were in Washington yesterday, testifying before a joint session of the Senate subcommittee on children and youth and the subcommittee on health. "There are just so many bad memories to the whole situation and I would like to forget," Smiley told the senators, "but I know that I will never be able to forget. . . . I hope that it never happens to anyone else like it happened to us. The death of a child is bad enough. It's the harassment and lack of knowledge, lack of understanding and lack of compassion that hurts more than anything else."

The tragedy of the Smileys would pass unnoticed—another hard luck case in a world full of them—except that it is part of a national pattern. Their child died from sudden infant death syndrome, a disease that kills an estimated 10,000 infants a year, at a ratio of one in 350. SIDS (crib death) is neither predictable nor preventable. Perhaps because of this, interest in its research has been limited, from medical schools to the federal government; current federal primary money for SIDS research grants is $262,000, less than the cost of remodeling the President's jet; primary research contracts are $340,000. What is especially strange about the disease is not its mystery but that little is done for the surviving parents, even though much is known about their anguish. Couples are not usually jailed as the Smileys were, but nearly all are imprisoned within some kind of emotional torment from which release is painful and perhaps impossible.

Many who are concerned about SIDS learned long ago not to look at the federal government for leadership, much less to local health officials. Instead, several private groups are at work. Among them are the Guild for Infant Survival (Baltimore) and the National Foundation for Sudden Infant death (New York). In testimony yesterday, Dr. Abraham Bergman, a Seattle pediatrician and the foundation's president, said that the parents' post-death anguish "is all so unnecessary. By the expenditure of a small amount of funds (such as proposed in legislation now before the Senate), and just the semblance of some action on the part of HEW, the human aspects of SIDS which causes an enormous toll of mental illness could be solved within two years."

In other years, Bergman has come to Washington with mostly general statements on the degree of neglect. The response was small. This time, he is presenting specific details from 158 American communities on what action coroners, medical examiners, health officials and parents take when infants die suddenly and unexpectedly. The report, with a few bright parts, is generally bleak. A coroner in Alabama called a SIDS death suffocation because "blacks do not know how to care for their children properly." An Idaho coroner called it "partial neglect and pneumonia." Only half of some 400 parents were told their children died of SIDS. Only 27 percent of the communities had pathologists to certify the cause of death; in 43 per cent of the communities it was not even a physician who performed this service, but often an undertaker, ambulance driver or sheriff. More than a third of the families had to wait between a week and many months before the autopsy results were provided; 9 per cent were never told by anyone why their infants died.

Not surprisingly, Bergman's study found racial and class discrimination in the management of SIDS. "Half as many blacks as whites were given SIDS as an explanation for death; four times as many blacks were told that their baby suffocated; and three times more blacks than whites were never told why their baby died. Some 75 per cent of upper class families had heard of SIDS before their baby died, and 92 per cent received information afterwards. Only 48 per cent of lower class families had heard of SIDS before their baby died and only 40 per cent received information about SIDS after their baby died. The people who needed the help most were least apt to receive it."

The loss of an infant causes an anguish that only the surviving parents can feel. Even when a parent is familiar with the disease, the trauma can be intense. A Seattle pediatrician working in the hospital with the world's largest SIDS research project said that her knowledge that SIDS is neither predictable nor preventable "did not protect me from painful guilt feelings and depression. I was a human being and a mother who needed help at a critical time." She was visiting in Los Angeles when her infant son died and the help was not provided. More than two months passed before she even knew that an autopsy had been performed. "I keep thinking," the woman has written, "if a physician's family, which has some understanding of SIDS, is treated in this way in Los Angeles, what happens to other families who don't have similar resources? Why can't parents who lose treasured infants be treated with dignity and compassion?"

It is a fair question. One possible answer is the lack of leadership among public health officials. Why should a local sheriff's office be expected to show sensitivity if no example is given by the supposedly alert doctors in many state and federal agencies? At the last Senate hearings on SIDS, an HEW doctor in charge of SIDS research issues the inevitable promise to take action, but he's gone from the agency now. His successor has renewed the promise. "I don't know what happens to people when they come back here to the banks of the Potomac," Bergman said. "Maybe it's the heat or maybe it's the smog. Government officials here in Washington are always busy, busy, busy with *big problems*. HEW always seems to have some reorganization cooking. *Global* health strategy is being devised, or else 'we're new in our job, just give us time.' Senator Magnuson says that, what with all the job changes, the busiest people in this town are the sign painters down at HEW."

If we were told this morning that in the next year a dreadful plague would kill 10,000 of America's children, it is likely the nation's medical community would command the front pages of newspapers to announce plans to meet the threat. The sign painters at HEW would be idle because no official would dare leave his post in this emergency. Every local community, including Alabama coroners, would be on the alert. Such a plague is not coming, of course, at least not the Black Death kind of threat. But a year from now, another 10,000 infants will have been found dead in their cribs. Afterward, their parents will die repeated emotional deaths in private anguish. The research to prevent SIDS may be far off, but ways to prevent the abuse of surviving parents is well known. Perhaps the largest mystery involving SIDS is that we are not acting on facts already available.

Crib Death

"I don't understand this 'crib death.' Why do these babies go and they can't find anything?" bemoans the young Harlem mother who recently lost her "little man." "I argued with the man at the morgue, but he told me they couldn't find anything wrong with the baby. He said something about 'crib death.' I had never heard the word before in my life; I thought my baby's death had something to do with the actual crib.

"The baby was not too long come into this world and all of a sudden he's gone," Mrs. Juanita Brown continues in anguish. "He wasn't here long enough to even know the world. Whenever I see another mother with a baby, I'm wondering why she has her baby and I don't have mine. When I see babies wearing the same outfits my baby used to wear, it really affects me. It puzzles me a whole lot; everybody has their babies but me!"

Mrs. Brown, 22, had departed home as usual that night in February, 1973, for her midnight to 8 a.m. job as a nurses' aide, leaving two-month-old Ely under the watchful eyes of her mate. Before she left, she had given the infant a baby aspirin for he appeared to be coming down with a cold, and bade him her usual, cheery farewell, "I'll see you tomorrow morning. You be a good boy." Upon arriving home from work the next day, she found her child sleeping peacefully in his crib.

"I sensed something was strange, but I just let him sleep for a while," Mrs. Brown recalls. "I had his bottle and his Pampers ready. I was just talking to him, not realizing anything suspicious or anything, except that I noticed that he didn't jump up when I touched him like he usually did. He was laying on his stomach—but when I turned him over, I looked at him and screamed because I knew something was fishy. One side of his face was blue and his nose was mashed in."

She looked at the baby again and ran next door to her neighbor's apartment. The neighbor returned with her and they called the police. The doctor and the police came, and her son was pronounced dead.

"Working all night and finding your baby dead is a real shock," says Mrs. Brown. "It was like a nightmare; I couldn't believe it. The police asked me a few routine questions that I didn't feel like answering. Afterwards, I kept thinking, 'Was it the aspirin I gave him?' You don't know what I went through. I knew he didn't smother himself because I found him laying on his face, this I knew. I figured maybe he choked on his milk."

It was a week after the death occurred that Mrs. Brown received information and literature concerning "crib death" from her visiting nurse, who, unaware of the child's death, had called Mrs. Brown to make an appointment to see the baby. But after reading the literature and contacting other "crib death" parents she met through the National Foundation for Sudden Infant Death Syndrome, Mrs. Brown says she still cannot totally accept and understand the death of her only child.

"I dream about my baby sometimes and frequently I find myself thinking that he is not gone, but merely visiting with friends," she explains. "I know now, of course, that I am not the only mother who has lost a child to 'crib death,' but it puzzles me why babies go just like that. I could understand it better if my child had died of pneumonia or something. But it's hard for me to figure out why 'crib death' only strikes healthy babies. I mean it really puzzles me."

What is a puzzle to Mrs. Brown is a perplexity to the medical and scientific communities as well. For although the research that has been done has helped to further understanding of the phenomenon, "crib death" or Sudden Infant Death Syndrome (SIDS) nonetheless is one of medicine's mysteries yet to be solved. Presently, there is no way to predict or prevent "crib death."

Each year, an estimated 10,000 mothers like Mrs. Brown put apparently thriving, healthy babies to bed, only to find them dead a few hours later. SIDS victims die quickly, quietly and inexplicably.

The syndrome, identified and described in 1969 as a scientific disease, strikes three out of every 1,000 infants born in the United States and about the same percentage of the infant population in other countries. It is the leading cause of death in infants between the ages of one week and one year old. Most of the victims are between three weeks and five months of age, with the syndrome, cresting between the second and fourth months of life. The syndrome, which strikes boys more often than girls, rarely occurs after the sixth month. It is most prevalent in late autumn, winter and early spring when colds are common.

Although SIDS strikes in all segments of society regardless of race or economic status, it has been found that it has a higher incidence rate among non-white babies, families of low socio-economic status, children living in crowded dwellings, premature infants, and babies who have had recent colds. Death always occurs while the infant is asleep.

Compounding the tragic effects of SIDS itself are widespread misunderstanding and ignorance on the part of some physicians, relatives, friends and even misinformed public employees, such as policemen and firemen, who add to the distress of parents and make them feel guilty.

Take, for example, the experience of Mrs. Nina Clarke, another Harlem resident who lives not far from Mrs. Brown. Mrs. Clarke says the death of her two-and-a-half-month-old son, Jason, caused a family feud. Jason, who died October 10, 1972, was a premature baby who weighed five-and-a-half pounds at birth. He had doubled his weight at the time of his death and recently had a slight cold. The Clarkes have a daughter, Ronda, two.

"When Jason died," she recalls, "my mother-in-law made all kinds of accusations. I was accused of not keeping my child in the hospital long enough after he was born; of not taking care of the baby. I was even accused of killing my own baby! My mother-in-law didn't believe in the existence of 'crib death,' and probably would not believe that it existed to this day if she had not seen a special documentary on television. When some of my neighbors first heard about it, they thought the crib had something to do with it, and started throwing their cribs away."

Fortunately, Mrs. Clarke herself was not totally unfamiliar with the disease when her son died; she had read articles and had heard about it on television. Her physician also was familiar with the disease. Yet, she says she still felt guilty.

"I breast-fed my daughter, but not Jason," she says, "and I had let Ronda sleep in the bed with me that night while Jason remained in his crib. Black men take the death of their children so hard. They feel the woman's duty is the children and the home, and if anything goes wrong, it's all your fault. My husband took Jason's death much harder than I. He was so proud of his son. Ronda cried and screamed every night for two weeks after Jason's death, and would ask me constantly, 'Mommy, where's the baby?' I was in shock, too, but I tried to accept the death and be calm because I believe God won't put no more on you than you can stand. I remember reading an article on SIDS which told of a white couple who never went back to their apartment after their baby died. But when you're black and poor, you have no alternative. You have to face up to it and go back home and keep on living."

While Mrs. Clarke was made to feel guilty by relatives, other families report abrupt and callous treatment by the police. Within the last year, there have been at least four cases, including a couple presently under indictment in Washington, D.C., in which the parents were held for murder after their babies died of "crib death," according to Dr. Abraham B. Bergman, president of the National Foundation for SIDS.

"The thing that still rankles me," notes Dr. Bergman, associate professor of pediatrics at the University of Washington in Seattle, "is when I was called last spring to testify in the case of a young black couple in New York City." In that case, both a mother and father were charged with "criminal neglect-homicide" after their son died. Both parents spent months in jail because neither could raise $1,000 for bond. They were finally released, however, when the medical examiner testified at the trial that the little boy's death was "consistent with crib death."

"We have found the treatment of parents of SIDS victims to be particularly bad for poor people who have no private physician," says Dr. Bergman, who supervised a study of the handling of SIDS cases in 450 cities last summer.

Dr. Bergman contends there are few communities in the U.S. where SIDS families are treated by public officials who are both knowledgeable about SIDS and sensitive to the feelings of grieving parents. The study reveals, he says, that only 40 percent of the black parents whose babies died of SIDS had heard about the disease previously. Only 50 percent of the black parents received any information as to why their babies died, as compared to 75 percent of the white parents. About 20 percent of the black parents thought their babies had suffocated.

The pediatrician would like to see passage of a bill introduced by U.S. Senator Walter F. Mondale, which would set up a federal grants program to provide funds to local communities to perform autopsies on all babies who die. Congress appropriated funds for the program, he says, but President Nixon vetoed the measure. He also would like to see widespread adoption of a program at the Children's Orthopedic Hospital and Medical Center in Seattle, where he works. The Seattle program performs autopsies in all unexplained infant deaths, assures that the correct terminology of SIDS is used on death certificates, promptly notifies parents of the cause of their child's death, and follows up with counseling to explain to parents why they are not to blame.

A former SIDS researcher, Dr. Bergman has become more involved with the "human aspect" of the disease because "this is the area in which something can be accomplished," he says. "We won't be able to find a cure for SIDS for a long time." He believes the scope of research finding during the past decade has established only two things—first, that SIDS is a real disease entity, and secondly, that the disease is definable by autopsy.

"We don't know why poorer families have a higher incidence of 'crib death'; we don't know why the incidence is higher in blacks. We're really just speculating," he explains. "This is a tough concept to get across because a big baby from a rich family may die, and often does die, of 'crib death,' but a premature baby from a poorer family is *more likely* to die of the disease."

Although one study has shown that the incidence of SIDS is higher among blacks on all socio-economic levels, Dr. Bergman refutes this concept, saying there is not so much a higher racial incidence as a socio-economic one. "In one study in Washington, D. C., where there are a significant number of middle and upper class blacks," he says, "it was found that the incidence of the disease among black middle and upper class families was nearer to the white ratio. We don't think it's a genetic disease."

The exact cause of SIDS has not been identified, and many of the earlier theories—including cow's milk allergy, breast-milk allergy, and "whip-lash" injury to the spinal cord—have been disproved.

"We now know that viruses are involved, but they're the same kind of viruses that cause common colds; it's not a killer virus," Dr. Bergman notes. "This viral infection, we believe, makes the baby more susceptible to 'crib death.' About half the victims have a cold in their histories, but very minor colds."

Through his autopsies of SIDS victims, Dr. Bruce Beckwith, a pathologist on the Seattle team of researchers along with Drs. Bergman and C. George Ray, a virologist, has discovered a pattern of hemorrhagic spots the size of a pinhead in the lungs of victims. He also has found slight swelling in the infants' throats. A pediatrician, Dr. Alfred Steinschneider, associate professor of pediatrics at the State University of New York State's Upstate Medical Center in Syracuse, has proved that low-birth-weight babies have less stable autonomic nervous system controls than other infants. This system controls the involuntary muscles, such as the windpipe and the larynx.

"The Seattle group theorizes that the infant's vocal cords slam shut during sleep, cutting off the air wave suddenly without warning. The baby doesn't suffer, doesn't feel anything," Dr. Bergman reasons. "In order for this to occur, the baby has to be susceptible to the happening through some nervous system mechanism, something in the brain. The viral infection makes it more likely to occur, but there are other factors which we don't know about." (This theory is not universally accepted.)

He likens the occurrence to a nuclear explosion in which everything has to come together at once for the event to occur. "We think it's like when you plug in a toaster, an iron and an electric mixer. When you put on the last thing, the fuse blows. You can't say any one thing causes the fuse to blow; it's a combination of all these things together."

In addition to studying the role of viruses in the disease, researchers are probing "sleep physiology"—patterns of infant breathing during sleep—and working with infant monkeys who also have been found to be susceptible to the disease.

Although SIDS is believed to be as old as the Bible itself, there is still only a "tiny" amount of research into the problem, Dr. Bergman says. A little research was done in the 1930s and '40s, but it wasn't until the 1960s that organized research programs began.

"This happened only because of the agitation and protests of parents," he says. "The medical profession did not take the initiative in organizing the research. What happened is that the babies of a couple of prominent people died."

Dr. Bergman feels that the main problem in research SIDS is the lack of trained scientists who are willing to devote their energy to the problem, and he believes that federal funds for research go mainly to diseases that "kill older politicians." After all, he reasons, "Children don't vote, and the parents of SIDS victims often are young and poor."

He says he is disappointed that not too many blacks are actively involved in NFSIDS activities, but a Chicago couple is seeking to interest more blacks in the problem. Mr. and Mrs. Elbert Dumetz, who lost their two-and-a-half-month-old daughter, Cherease, to the disease on January 16, 1970, are attempting to establish an NFSIDS auxiliary for nonwhites. They may be contacted through the Chicago office of the National Foundation for SIDS, 203 N. Wabash Ave., Chicago, Ill. 60601.

Despite increased publicity regarding SIDS, many doctors warn that parents of infants should not become unduly overanxious or apprehensive about "crib death." The sudden, unexpected death of a healthy baby is a very remote hazard to any one family; every infant who gets sniffles is not a candidate for SIDS and is not a cause for alarmed parents to sit up all night watching the child.

In an age when babies have never been safer, it is indeed tragic that new scientific findings about SIDS have not led to a program for preventing the phenomenon. Yet, this knowledge has proved invaluable in stripping away some of the mystery surrounding the disease, and eradicating much of the guilt feeling and panic that SIDS evokes.

DEATH OF ORIEN W. FIFER, JR.

Mr. FANNIN. Mr. President, Mr. Orien W. Fifer, Jr., outstanding editor and columnist but most of all a newspaperman's newspaperman, died at his home in Phoenix, Ariz., on September 8, 1973, following a lingering illness of almost 1 year.

Mr. Fifer was a man whom I admired and respected and whose writing gave me pleasure, but no eulogy which I could recite would come close to expressing the true greatness of the man.

His peers in the newspaper field have expressed their feelings as well as mine and thousands of his loyal readers in news accounts of his passing and in editorial tributes.

I ask unanimous consent to have printed in the Record these news stories as well as editorials from the Phoenix Gazette, the Arizona Republic, the Scottsdale Progress, and a letter to the editor of the Phoenix Gazette.

There being no objection, the material was ordered to be printed in the Record, as follows:

ORIEN FIFER, COLUMNIST, DIES

Phoenix Gazette columnist Orien Fifer died at 8:30 a.m. today at his home, 830 E. Sierra Vista, after a lengthy illness.

Mr. Fifer, a veteran newspaperman, had been released from a hospital 10 days ago. Kidney failure was the cause of death.

Services will be at 2 p.m. Tuesday at the Church of the Beatitudes, 555 W. Glendale Ave. The Rev. Culver Nelson, pastor, will officiate.

A. L. Moore & Sons Funeral Home will handle arrangements. There will be no visitation there.

"Fife," as he was affectionately known, had been in ill health for several months. He was 70.

Mr. Fifer came to Phoenix in 1952 as managing editor of The Arizona Republic. Eight years later, he became the day managing editor of that newspaper. In addition to administrative duties, he began writing a column for The Republic.

In 1966, he switched to The Gazette as a five-day-a-week columnist. His column appeared on the second first page.

His writing covered a wide variety of human interest subjects. He consistently championed the cause of the "underdog," including inmates at the Arizona State Prison, patients at the Arizona State Hospital and the underprivileged.

Eugene C. Pulliam, publisher of The Arizona Republic and The Phoenix Gazette, said:

"Orien Fifer was a newspaperman who always had the goodwill and respect of his fellow journalists. 'Fife,' as he was known all his life, was a dear and close friend of mine. We had so many, many things in common. Our fathers were both Methodist ministers. We both attended DePauw University. We had a close personal, social and professional relationship for almost 40 years.

"Fife was a top editor in our organization, both here and in Indianapolis, for almost 40 years. In all the years of our association we never had a serious argument except when I tried to get him to watch his health.

"As a writer, Fife was unique. He had a delicious sense of humor, but on serious reporting he was extremely accurate and demanded the same quality from the reporters who worked under his watchful eye.

"What can you say about a dear friend who is gone, but to recall the many, many things he did to make life happier and more interesting for those around him."

Mr. Fifer was born in York, Neb., the fourth child of a Methodist minister.

He spent nine of his first 10 years in Des Moines, Iowa, where his father was pastor of Grace Church. The Fifer family also resided a few years in Denver, Colo., where his father served the Warren Memorial Church.

When young Fifer was in Denver's Manual High School, the Rev. Mr. Fifer Sr. was called to a pastorate in Indianapolis, and the change put Orien Jr. in the city's Shortridge High School. There he wrote for the school paper and, as a senior, played football.

After high school, Mr. Fifer enrolled in DePauw University in Greencastle, Ind. There he eventually became managing editor of the student newspaper, a cartoonist, writer and editor of the humor magazine, a class president and a member of Beta Theta Pi and Sigma Delta Chi, the journalism society.

During World War II, Mr. Fifer served in the U.S. Navy as a public relations specialist with the rank of lieutenant commander.

His first experience on a big-time newspaper came during a summer vacation from DePauw when he was hired as a cub reporter on The Indianapolis Times.

When he was graduated from DePauw in 1925, Mr. Fifer was hired by The Indianapolis Star. He spent 18 months on The Star before going to work for The Associated Press in Chicago. After being assigned, in rapid succession to AP bureaus in Madison and Milwaukee in Wisconsin and to New York City, he returned to Indiana.

There on The Indianapolis News, Mr. Fifer rose from reporter to assistant managing editor.

While Mr. Fifer was managing editor of The Republic, the newspaper won the National Bell Award for a series of stories on the Arizona State Hospital. And in 1969, "Fife" won a $1,000 first-place award in an awareness of safety contest sponsored by the National Trucking Association. The award was for a column he wrote after seeing an elderly man killed in a traffic accident.

Mr. Fifer was called on frequently as a public speaker. He was active in community affairs as a member of the Maricopa County Hospital Board, the Advisory Board of The Salvation Army, The Phoenix Press Club and the Valley of the Sun Chapter of Sigma Delta Chi. In 1967, he was Maricopa County chairman for the Cancer Crusade.

He is survived by his wife, Mary; two daughters, Mrs. Saul Bernstein, Thousand Oaks, Calif., and Mrs. Murray Hutchison, Palos Verdes Estates, Calif.; a stepson, Steve Elam, and four grandchildren.

Gazette Columnist Orien Fifer Dead at 70 After Long Illness

Orien W. Fifer, Jr., former managing editor of The Arizona Republic and a columnist for both Phoenix newspapers for many years, died in his sleep yesterday morning.

Death, from kidney failure, came to the 70-year-old editor and writer at 9 a.m. in his home, 830 E. Sierra Vista Drive in Phoenix.

A warm, gentle and gregarious man, known to hundreds of his colleagues and other friends as "Fife," the veteran journalist had been ill for almost a year.

For the last 13 years, his touching, down-to-earth columns had recorded the fears and foibles, the victories and defeats, the joys and tragedies of countless Arizonans—first in The Republic, most recently in The Phoenix Gazette.

He returned to his home from Good Samaritan Hospital 10 days ago.

Survivors include his wife, Mary; two daughters, Mrs. Saul Bernstein, Thousand Oaks, Calif., and Mrs. Murray Hutchison, Palos Verdes Estates, Calif.; a stepson, Stephen Elam, and four grandchildren.

Said Eugene C. Pulliam, publisher of The Arizona Republic and the Phoenix Gazette.

"Orien Fifer was a newspaperman who always had the goodwill and respect of his fellow journalists. 'Fife', as he was known all his life, was a dear and close friend of mine. We had so many, many things in common.

"Our fathers were both Methodist ministers. We both attended DePauw University. We had a close personal and professional relationship.

"Fife was a top editor in our organization, both here and in Indianapolis, for almost 40 years. In all the years of our association we never had a serious argument except when I tried to get him to watch his health," Pulliam said.

"As a writer Fife was unique. He had a delicious sense of humor, but on serious reporting he was extremely accurate and demanded the same quality from the reporters who worked under his watchful eye.

"What can you say about a dear friend who is gone, but to recall the many, many things he did to make life happier and more interesting for those around him?"

Mr. Fifer's death closed a journalistic career that spanned almost half a century and stilled a writer's touch that merged compassion and understanding with justice and perception.

He was the expert of that subtlety known as "human interest."

And in speeches, Mr. Fifer would describe his purpose this way:

"I consider newspaper work a calling just as much as the ministry, medicine or law. I don't know how it feels to get a commission on a $5,000 insurance policy. But I do know how it feels to print the story that freed an innocent man who was on his way to the gas chamber.

"Every day is a challenge and a different experience. I am in love with my job."

Fifer's love of writing led the public to love his writing and applaud its achievements.

When he published a book in 1964 entitled "The Best of Fifer," a close friend and former Republic columnist, Don Dedera, wrote:

"Heart. That's the vital quality, impossible to fake, that throbs through the writing of Orien W. Fifer."

An editorial in The Republic read:

"While Fife regularly carries on a love affair with the world, he is not a Pollyanna and his columns are not solely of innocence and warmth. Pool sharks . . . skid row derelicts . . . child molesters . . . those who would undermine God with their sacrilegious utterances . . . race track touts—those, too, inhabit the world of Orien Fifer."

Services will be at 2 p.m. Tuesday in the Church of the Beatitudes, 555 W. Glendale, with the Rev. Culver Nelson officiating. Burial will be in Greenwood Memorial Park. Funeral arrangements have been made by A. L. Moore and Sons Mortuary.

Active pallbearers will be Ben Avery, Joe Gilmartin, Hugh Harelson, Dave Nichols, Tom Sanford and Vic Thornton.

Honorary pallbearers are Robert Black, Paul Dean, Don Dedera, Julian DeVries, Robert C. Dunn, Jerry McLain, Edward Mell, Harry Montgomery, Lowell Parker, Pulliam and William R. Shover.

The family suggested contributions may be made to the Orien Fifer Memorial Fund at the Church of the Beatitudes.

Born in York, Neb., the son of a minister, Mr. Fifer spent his boyhood in Des Moines, Iowa, and Denver, Colo., before moving with his family to Indianapolis, Ind.

Following graduation from DePauw University, he worked for 18 months at The Indianapolis Star, then became a special correspondent for the Associated Press in Illinois, Wisconsin and Ohio.

Mr. Fifer joined The Indianapolis News in the early 1930s and became assistant managing editor in 1942.

During World War II, he served as a lieutenant commander in the Navy and was stationed in Honolulu when the war ended in 1945. He then returned to The Indianapolis News.

In 1952, Pulliam named him to replace Eugene F. Williams as managing editor of The Republic. Eight years later, following a brief but severe illness, he became day managing editor and columnist for the paper.

In May 1966, Mr. Fifer moved across the corridors of The Republic & Gazette building and became daily columnist of The Phoenix Gazette.

He helped organize the Valley of the Sun Chapter Sigma Delta Chi, the professional journalism society, and later served as its president. He was president of the Phoenix Press Club in 1964.

The Phoenix Elks Lodge presented him with its annual Community Service Award in 1958. During 1960, he was chairman of the Arizona Associated Press News Study Committee in Arizona.

He was chairman of the 1967 fund-raising campaign of the Maricopa County Unit of the American Cancer Society. Two years later he received the $1,000 first place award in the 14th Annual Newspaper Safety Writing Competition sponsored by the American Trucking Association.

He served on the board of governors of the Arizona Journalism Institute for the 1971–73 period and was a former trustee of the Barrow Neurological Foundation of St. Joseph's Hospital.

From Faraway Fiji a Eulogy to "Fife"

(By Paul Dean)

Deuba Beach, Fiji.—The telephone call found me after straining across 6,000 miles and that crazy international date line gap where my Tuesday was your Monday.

The drama of communications across such distance excited the hotel help, Fijians for whom time still tolls by drumbeat These people—gentle, beautifully naive, with thoughts monopolized by positive things—presumed some great happiness in the call.

They were wrong.

The telephone message from the United States said that good friend and Phoenix Gazette columnist and surrogate father Orien Fifer was dead.

There was nothing to do. No hope of backtracking a quarter of the world and being in time for Fife's funeral. No way of hugging Mary, now a widow and easing my sorrow by cushioning hers. No means to find the close contact that would create an acceptance of death, this thing we had been assaulting with stupid, forced humor at Fife's bedside for four critical months.

Nothing to do. But sit alone on a beach, watch an irritable Pacific and wonder if Fife would have written that waves crush themselves to foam. Then light a cigarette, realize that you smoke the same brand as Fife, and change that tense to say you "smoked" the same brand as Fife.

And then I thought precisely of Fife and smiled at how his literary spirit would shudder if any eulogists wrote or spoke about that big newsroom in the sky for a newspaperman's newspaperman.

Yet Fife, although he would have writhed from such cliches, wasn't the greatest writer I've known. Nor was he a thundering intellectual. Nor could he claim all the private virtues that a public assumes of its paragons.

But he was, by several miles and all standards, the nicest guy I have ever known or can ever miss.

Tough, but not hard. Professional, but not cynical. Suspicious, but not calloused. Consistent, but not perfunctory. Understanding, but not gullible.

No man who worked with Fife was allowed to die without a full column for his obituary. Ralph Mahoney. Johnny Johns. Ed Fitzhugh. Mourning for these men was softened by Fife's columns with each written recollection forming a quiet instruction as to what we should all see in our fellows.

Aye, there's the challenge. What do I recollect and write about you, Fife?

Shall I tell how you always called me "kid," complimented my writing but said it would be much better if the Americans I quoted didn't sound as though they spoke with a British accent?

Or shall I talk of calling you "dad" and kidding that if I was ever stuck for a column I'd rent a compass and climbing boots and take a two-day trek though those tumbleweed eyebrows of yours?

Remember those mornings when we were both stuck for columns? You always had a letter or an idea saved for me and I'd always have an outline for a reader's thought kept for you. We'd say to hell with traditions for competing columnists because we recognized each other's knacks with certain subjects.

There were those notes you sent while I was sloshing in some Vietnam paddy. Then birthday cards written for a cripple you'd never met but knew was my father-in-law who read you daily. Then the cash donations you made to my column crusades, always with the warning that you'd sabotage my typewriter if I told anyone.

You were the man I visited for advice before marriage. You were the man my wife visited for advice before marriage. We have only just told each other, this gray day, that we both sought your counsel.

I remember the last hour we spent together, just one evening before flying to this vacation. You hoisted my son on your knee, showed him how to play with a little helicopter toy, sneaked him candies and laughed when he finally chirped: "Sank yoo, Fife."

So on this island, on this beach, with these memories, my sorrow is unhidden. But now I'm not alone. A new friend, a big Fijian called Joe has joined me and asked about the telephone call from home. I've told him all these things about Fife.

"Don't grieve for this man of yours," said Joe, quite carefully. "Remember, his spirit will remain on earth and his example is eternal."

He Was "Simpatico"

Most newspapermen are hardbitten. They may no longer revel in the toughness of

"The Front Page" but they are more likely to respect Little Orphan Annie than Pollyanna.

Orien Fifer had a touch of kindness and personal friendliness often absent in the makeup of the men who report the news.

As a columnist first for The Arizona Republic and most recently for The Phoenix Gazette. "Fife" devoted himself to such causes as rehabilitating ex-convicts, raising money for the cancer society, helping kids from Phoenix's inner city to visit mountain camps during the summers.

The son of a preacher in Iowa, Fife knew what "the poor box" meant. He worked his way up to the top in the administrative sides of the newspaper business, filling the post of assistant managing editor of the Indianapolis News before coming to Phoenix as managing editor of The Arizona Republic.

But his greatest joy was in writing the human interest pieces that so often helped an innocent victim of man's inhumanity to man. If we had to describe Orien Fifer in one word it would be in Spanish. He was "simpatico."

He could be sympathetic without being maudlin; he could help a prison inmate without wanting to tear down the prison walls. He knew that real charity lay somewhere between the coldness of the professional social worker and the saccharine warmth of a Lady Bountiful.

Orien Fifer died yesterday.

We at The Arizona Republic will remember him as one working newspaperman who never lost his illusions in a business whose hallmark is disillusionment.

ORIEN W. FIFER JR.

Orien W. Fifer Jr. could be described in many different ways. Gifted writer, first-rate editor, patriot, civic leader—all these characterizations and more fit him perfectly. Most important of all, though, he was a man who cared a lot about people.

"Fife," as he was known so affectionately, cared about everybody, the high and the mighty, the low and the powerless. He cared about their hopes and dreams, their weaknesses and disappointments. He cared enough to cry and to laugh, to scold and to praise, to complain and to give thanks.

As readers of his column know, Orien W. Fifer Jr. led with his heart in everything he did. Fife had the keenest of minds, as evidenced by his many achievements, and he was seldom outsmarted in a newspaper career that stretched over nearly 50 years. He was nobody's patsy.

But he had also a rare ability to understand people, especially the losers in life. He could peer straight into the soul, sort out the good and the bad and explain both in rational terms. Never cruelly, though; Fife always managed to accomplish what had to be done with a kindness that was his nature.

In an imperfect world, Orien W. Fifer Jr. relentlessly pursued perfection. In a cruel world, he practiced compassion. In an evil world, he displayed virtue. In a world of hate, he radiated love. Indeed, Fife was a man of uncommon character.

With his death, this community loses a man who always did his best to make this world a better place, and succeeded to a remarkable degree. Phoenix is fortunate that Orien W. Fifer walked this way in life and stayed among us for so long. There are too few like him; he will be sorely missed.

TAUGHT BY FIFER

There was a time I was young. I got into trouble and needed someone to help me. I read Orien Fifer.

As I grew older I found my goals in disarray and confusion my guide. Then, one afternoon, I read of a lady's dog which had died and people's efforts to help her. I read it in Orien Fifer's column.

A friend worked at local gas stations around my house. He did other odd jobs as well, and became well known and well liked by the neighborhood. His name was Joe. I read about his accidental death in Orien Fifer's column.

When a smile was needed we could depend on Orien Fifer. If consolation fitted the times, no one did it like Orien Fifer.

He taught me the value of compassion, the worth of love, and the beauty of life.

I am sorry the future has to grow up without him.

CHRIS GRAUL,
Arizona State University, Tempe.

IT'S "30" FOR FIFE

We do not often write in this space about persons working for the competition. And we seldom discuss fellow journalists here because readers are rarely interested in them. Orien Fifer, who wrote for the Phoenix papers is an exception.

Fife died last Saturday, and a lot of Arizonans will miss him.

This was a unique man. He was a combination of a gentleman, a tough editor, imaginative reporter and a person who genuinely cared about helping others.

Fife had something of the same quality which made the late Ernie Pyle a journalistic legend. He could interpret the joy and tragedy in life, and no person was too humble for his typewriter.

In an era of technology and rush, this was a man who had time for his fellow men. He told the personal stories of people with warmth and wit, and he did not hesitate to prick the pompous and the phonies among us.

No one will ever know how many individuals Fife helped quietly when they were in trouble, or how many younger newsmen he encouraged and taught high standards of integrity and decency. He was an unusual human being who was not afraid to give of himself to other people.

U.S. SANCTIONS AGAINST RHODESIA

Mr. McGEE. Mr. President, with the nations of the world becoming so interdependent, particularly in the area of economics, it is vitally important for the United States to give long-range consideration to its foreign policy initiatives. Within the scope of this concern, one of our first priorites should be to placing the United States back into compliance with U.N. sanctions against Rhodesia.

The United States, as the world's leading industrial nation, is facing the problem of depletion of its natural resources and raw materials. We are fast becoming reliant upon the raw materials of other nations. We also find ourselves confronted by the growing economic giants of Japan and the European Economic Community, both of which present major competitive forces to this Nation in the development of new export markets. Therefore, our foreign policy must begin focusing on the developing nations of the world for two reasons vital to our national interests and our survival as a major economic power.

First, it is an indisputable fact that the developing nations represent a natural resource potential of unrealized magnitude. For example, in the last 5 years the United Nations development program surveys have uncovered natural resources valued at more than $13 billion, most of which are to be found in the developing world. These UNDP surveys have just scratched the surface of resource exploration and discovery.

Second, the vitality of any industrial nation depends upon both the access to raw materials and ever-expanding export markets. Presently, we face serious challenges from both Western Europe and Japan for these markets as both economic giants are focusing increasing attention on the developing world.

If we are to maintain our economic viability, then we are going to have an increasing share of the market potential in these areas of the world. For example, we must turn to the developing nations of Africa and Latin America as a source of both natural resources and export markets. We will become increasingly reliant upon these areas of the world for both. This means we will also have to become increasingly sensitive to the aspirations, concerns, and needs of the developing nations. If we do not, we will be confronted with potentially disastrous problems. If we continue pursuing narrow, short-range objectives that seem attractive at first glance, then it will be the United States who will pay the price in the long run for these shortsighted policies.

The developing nations, unless we become increasingly sensitive to their concerns, have the potential to:

Deny us supplies of crucial raw materials, or divert them to our competitors, or gouge us on the prices they charge for their natural resources. Presently such leverage exists on natural resources such as oil, iron, copper, tin, bauxite, manganese, and many other raw materials.

Confiscate or restrict U.S. investments. These investments in the developing world have reached more than $15 billion, exclusive of oil. This is worth more than $1 billion a year to our balance of payments.

These are but two examples of what could happen to us unless we demonstrate a more enlightened foreign policy. Here again, we are confronted with the issue of continued U.S. violation of U.N. sanctions against Rhodesia.

At present more than 30 percent of our exports go to the developing nations. In Africa and Latin America we enjoy favorable trade balances that cannot be found anywhere else in the world. Yet, our violation of the sanctions has become an increasingly controversial focus of concern in Africa. The two African nations which have become increasingly aggressive on this issue are Nigeria and Kenya—where the bulk of U.S. investments in the black African nations are located. What is particularly significant about these developments is that Nigeria has now passed Venezuela as a major petroleum supplier to the United States. We should not lose sight of the significance of this factor as the present energy crisis in the United States should serve as a daily reminder of our need to maintain access to all sources of petroleum.

Therefore, we are confronted with the following dilemma—whether the United States can continue pursuing a policy forced upon us by a handful of American corporations, which have put forth dubious and oftentimes misleading arguments for our continued violation of sanctions against Rhodesia, at the potential expense of denying us access to such raw materials as oil, iron, bauxite, copper manganese, and others. I would hope that the Congress would not again become a party to this potentially disastrous policy.

What is the resource potential of black Africa? My source of information is the U.S. Department of Commerce and its year-end report for 1972 entitled "Overseas Business Reports."

The United States presently commands about 10 percent of the export markets in Africa, with the European Economic Community and Japan representing our major competitors. It is apparent the U.S. economic health is contingent upon an expansion of these markets. At the end of 1970, we had more than $3.5 billion in direct U.S. private investment in Africa. It is apparent that our foreign policy initiatives in Africa should be sensitive to the concerns of these nations in order to protect this investment. All we have to do is look at what has happened in Latin America and the price we have paid there for insensitivity.

Now, let us take a look at what individual black African nations can offer the United States in the way of potential raw materials.

NIGERIA

Minerals represent the most rapid growth sector in Nigeria, with oil the leading natural resource. Nigeria has large deposits of tin, coal, marble, and limestone. They also possess large natural gas reserves. The United States investment in Nigeria is several hundred million dollars which is that nation's second largest source of foreign investment. ing, and industrial plants.

KENYA

Direct United States investment is primarily in food processing, petroleum, pharmaceuticals, chemicals, and tire production.

BOTSWANA

Substantial known reserves of copper, nickel, diamonds, and coal. Also small deposits of gold, iron, soda ash, salt, and asbestos. Mining industry has great potential. American investment interest is growing. The United States has a minimal portion of Botswana's import market.

BURUNDI

United States has 4 percent of Burundi's import market. Our private investment is IBM, Texaco, and Mobile, doing mainly retail business. UNDP survey has identified copper, diamonds, and calcareous soils, with mineral production primarily in tungsten, cassiterite, gold, and tantalite.

CAMEROON

The United States has 6 percent of Cameroon's import market. Has important bauxite reserves. Oil, natural gas, copper prospecting continuing. Limited cassiterite, limestone, uranium, barium, lead, zinc, and silver.

CENTRAL AFRICAN REPUBLIC

United States has 6 percent of the import market. Mineral resources include diamonds, uranium, iron ore, manganese, cassiterite, zinc, copper gold, cobalt, platinum, and tin.

CHAD

United States has 4 percent of Chad's import market. United States private investment is primarily in banking, petroleum exploration, and tourism. Mineral exploration continuing with discoveries of oil shale and tungsten.

CONGO (BRAZZAVILLE)

United States has 6 percent of import market. United States private investment limited to manganese ore transport and storage. Production of petroleum from new wells was expected to reach 500,000 metric tons in 1972. High quality potash production. Estimated billion-ton high-grade iron ore reserves. Limited, but increasing gold, tin, copper, lead, zinc production.

DAHOMEY

United States has 6-percent share of import market. United States private investment primarily in petroleum exploration and distribution of petroleum products.

ETHIOPIA

United States has 8.5 percent of import market. Substantial United States private investment in petroleum exploration and space extraction. Large potash reserves with exploration for petroleum and other minerals under way.

LIBERIA

United States has 30.9 percent of import market. United States private investment is estimated to be $201 million, mainly in iron ore and rubber. World's 10th largest source of iron ore with 24.6-million metric tons produced in 1970. Growing importance of diamonds. Largely unexploited reserves of barite, kyanite, gold, and other minerals.

MALAGASY REPUBLIC

United States has 4.9 percent of import market. Some United States investment in petroleum exploration and refining. Minerals include graphite, mica, chromite, and urano-thorianite all of which are mined and exported.

MALAWI

United States has 5.4 percent of import market. Known deposits of bauxite and coal.

MALI

United States has 1 percent of import market. Traces of bauxite, petroleum, uranium, iron ore, gold, copper, manganese and phosphates with surveys continuing.

MAURITANIA

United States has 11 percent of import market. United States private investment is in petroleum exploration and banking. Producing high grade iron ore and copper. Deposits of gypsum, phosphates, and diamonds with exploration for petroleum underway.

NIGER

United States has 7 percent of import market. American private investment in banking, mineral exploration and petroleum distribution. Minerals include tin ore, gypsum, limestone—1,500-ton capacity expected for 1975 for uranium concentrate. Iron ore reserves of about 300-million tons with traces of coal, manganese, lithium, and molybdenum.

RWANDA

United States has 7 percent of the import market. Mineral production in tin oxide, tungsten ore. Columbo-tantalite, ambylgonite and beryl are also mined.

SENEGAL

United States has 6 percent of import market. United States private investment includes distribution facilities of three petroleum companies, offshore petroleum concession, phosphate extraction, and banking. Calcium phosphate production of 1.4-million metric tons, aluminum phosphate production 147,000-metric tons. Limestone, titanium, and salt also commercially significant.

SIERRA LEONE

United States has 8 percent of import market. United States private investment in rutile and diamond mining, an oil refinery, a fishing complex, and a flour mill. Minerals include diamonds, iron ore, bauxite, large reserves of rutile—a titanium ore.

SOMALI DEMOCRATIC REPUBLIC

United States has negligible share of import market. Deposits of uranium are being explored with commercial production confined to salt, charcoal, limestone, and meerschaum.

SUDAN

United States has negligible share of import market. Small scale production of iron ore, chromite, manganese ore, slate, gold, and gypsum.

SWAZILAND

Trade with United States is minimal. Mineral production in 1971 included iron ore—2.3-million tons—chrysolite asbestos—38,000 tons—and coal—151,000 tons.

TANZANIA

United States has 4.3 percent of import market. Diamonds are most important of minerals being exploited. Production of salt, mica sheets, gem stones and tin concentrates increasing. Known deposits of coal and iron which are unexploited.

TOGO

High-grade phosphate production of 1.5-million tons in 1970 with estimated reserves of over 100-million tons.

UGANDA

United States has 7.1 percent of import market. Mineral reserves are principally copper, tin, gold, phosphates, and salt.

UPPER VOLTA

United States has 5 percent of import market. Large deposits of high-grade manganese. Traces of limestone, phosphate, iron ore, copper, vanadium, molybdenum, zinc, bauxite, lead, tin, graphite, nickel/chrome, and gold.

ZAIRE

World's largest producer of industrial diamonds and fifth largest producer of copper. Other important minerals include gold, tin oxide, manganese, zinc. Oil was recently discovered offshore.

ZAMBIA

United States has 10.2 percent of import market. United States private investment principally in copper mining. A ranking world producer of copper with an output of 633.4-million tons in 1971.

Extensive copper reserves. Cobalt, lead, and zinc are also produced.

While this is a brief analysis of the mineral potential of many of the black African nations, I think it is a very vivid portrait of what our stakes are in these nations. Cut off both the natural resource potential and export market potential of these nations, and the United States will be confronted with problems detrimental to the economic well-being of our Nation. I do not take this situation lightly. The potential is there, and the prospects for this potential to bear fruition increase the longer we continue a disastrous and ill-conceived course in international affairs such as our continued violation of U.N. sanctions against Rhodesia. We must take corrective action and we must take it now.

I would warn my fellow colleagues that we must not be misled by the somewhat dubious, and at best marginal, benefits which accrue to a limited sector of our economy because of our continued violation of the sanctions. What we have done is to take a very limited and short-range view of our policy toward Africa with the continued violation of the sanctions.

I believe we stand on the brink of an important economic relationship with the black African nations, from the standpoint of both market potential and access to raw materials. However, this is not a one-way street. In order for us to realize the full benefits of this potential relationship, we are going to have to begin exercising a more sensitive foreign policy in that part of the world. A significant step in that direction would be for the Congress to pass S. 1868.

We have heard statements from many quarters in Congress warning that the time is long overdue for the legislative branch of our Government to play an instrumental role in foreign policymaking. However, rhetoric is easy to come by. The real issue is whether the Congress can, or will, exercise a responsible role in the area of foreign policymaking. The onus is on the back of the Congress and legislative efforts to place this Nation back in compliance with U.N. sanctions against Rhodesia represent a test as to whether we can indeed act responsibly and with enlightenment. After all, it was Congress which placed the United States in this untenable position.

DELAWARE OIC ASSISTS VIETNAM VETERANS

Mr. ROTH. Mr. President, highlighted in this month's issue of American Education is a program sponsored in Delaware by the State's Opportunities Industrialization Center which, through guidance and counseling, has helped over 500 men and women to continue their education in postsecondary schools. By combining two Federal education programs—Upward Bound and Talent Search—Delaware OIC has designed a unique program which is tailored to meeting the needs of Vietnam-era veterans.

I hope my colleagues will join me in saluting the accomplishments of this worthwhile program. I ask unanimous consent that the text of this article be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FROM THE SERVICE—TO THE CAMPUS

(By Steve Hulsey)

A Delaware project that combines talent search and Upward Bound illustrates a nationwide effort to open education of Vietnam Vets.

Like many another Vietnam veteran, Robert Hilton returned home with no clear idea of what kind of a career he might want to take up and an equally hazy notion of the possible options.

Bob luckier than some in that he did manage to find work—with a burglar alarm company, thanks to his training as an electronics technician with the U.S. Coast Guard. However, he says, "The kind of training I could qualify for in the service was so general that it wouldn't carry me very far in a civilian job, and of course the fact that I had only a high school diploma didn't help, either."

The more he thought about the situation the more convinced he became that his best bet was more education. After an absence of three years in the service, however, he was uncertain as to how to go about applying and felt apprehensive about tackling whatever procedures might be involved. Moreover, though he had been saving from his salary from the burglar alarm company job, he recognized that money would be a problem, too. All in all, the odds seemed so much against him that he came close to abandoning the whole idea.

Bob Hilton's dilemma was resolved by a form letter. It came from the Delaware Opportunities Industrialization Center, it described this private, nonprofit training organization's Veterans Upward Bound program, and it invited inquiry. Bob responded, and this is what happened as a consequence: Counselors at the DOIC/VUB, as the enterprise usually identifies itself, familiarized him with the requirements and procedures for enrolling in a small liberal arts college near his home. Since in high school he had not taken the college entrance examination, they helped him get admitted on a probationary basis to complete the course requirements. They helped him apply for education benefits under the Veterans Administration's GI Bill. And to carry him along until his VA checks began to arrive, they helped him arrange a $150 loan to cover the difference between his savings and what he would have to spend. Bob proved to be a first-rate student, and this fall he plans to transfer—again with DOIC/VUB help—to the University of Delaware to major in accounting.

Bob is one of more than 500 Delaware men and women who have received guidance and counseling from DOIC/VUB, and they are in turn among an estimated 40,000 who are being helped by somewhat similar operations run by institutions or organizations in locations marked by high concentrations of unemployed or underemployed veterans. With the support of funds authorized under Title IV of the Higher Education Act, five pilot Veterans Upward Bound projects were established last year. They quickly proved their worth, and today 67 such projects are operating in 41 States, the District of Columbia, and Puerto Rico.

The Delaware program is the only one that is statewide, and it is unique also in that it is administered by an Opportunities Industrialization Center, an agency rather than an educational institution. The first such center was founded in 1964 in Philadelphia to provide free job training and to help disadvantaged persons find jobs. Like the VUBs, the OICs have expanded, there now being 105 of them in the United States and seven overseas.

Despite its name, the VUB component includes not only the Office of Education's Upward Bound program but its Talent Search program as well, these having been adapted to the particular needs of this special "client." The program is designed primarily for Vietnam-era vets (though assistance is also given to veterans of other wars, and their families), and though the focus is on education, in practice it deals with just about any veteran-connected problem.

Talent Search identifies disadvantaged veterans who have a capability for postsecondary education and encourages them to return to school, and also publicizes GI Bill educational benefits and other available financial aid. Upward Bound helps such vets get high school certification, arranges for whatever tutorial or remedial assistance they may need, and seeks to move them into a postsecondary setting, either for vocational training or for academic study in a college or university. The latter involves some special problems.

Many vets, says Eugene N. Cannon, director of DOIC's Veterans Upward Bound program, feel apprehensive about getting back into the classroom and competing with "regular" students. Most have been out of school for a long time and have lost the "feel" of attending classes and studying.

"Just about every veteran we deal with is bothered by having gotten out of the academic flow," Cannon says. "Moreover, though they want to get an education, they are adults now and have adult responsibilities." Most support themselves, many have acquired automobiles, and some have families. Most seem to have shut off all avenues other than that of finding a job. VUB seeks to open up, through counseling and training, the option of getting an education.

"We showed one vet," says Cannon "that he would be making less on a $2.25-an-hour job he was interested in than he would get on the GI Bill while he was getting an education."

Members of the DOIC/VUB staff do not always have so cogent a dollars-and-cents argument to offer, but their batting average is nevertheless high. Many are Vietnam-era veterans themselves. They understand the problems that other veterans face, they are persuasive advocates of VUB services, and they are experts in how to put those services to best use.

Typical of the young people they deal with are George Wilson, James Fitzpatrick, and Priscilla Graham. Wilson spent three years in the Army as a supply clerk. He had a high school diploma, but when he returned home in July of 1971 he was able only to find work "doing odds and ends." At the urging of a friend he entered a DOIC program set up to train technicians in industrial chemistry. VUB staff members helped him apply for GI Bill benefits. And as the training sessions neared an end, they taught him how to fill out job application forms and coached him in how to be effective in job interviews, down to such details as how to dress for such an encounter.

Wilson is now part of a four-man crew that operates and maintains extruding equipment used to manufacture new plastic materials at the Marshallton, Delaware, plant of Hercules, Incorporated, one of the world's largest chemical companies.

"I couldn't have got the job without the DOIC/VUB programs," Wilson says. "I'd probably still be looking."

Much the same series of events led James Fitzpatrick, who had been a reciprocating-engine mechanic in the Air Force, to become a fellow member of George Wilson's crew at Hercules. Upon his discharge in 1971 Jim wanted to work for a local aviation firm but discovered it was laying off workers rather than hiring them. He then took a course in welding, only to find that welding jobs were scarce in that area, too. Then through an advertisement in a local newspaper he learned of DOIC/VUB and subsequently enrolled in its industrial chemistry technicians training program. Illustrative of the uncertainty that many veterans feel is that Jim remembers—perhaps more vividly than anything else about the DOIC experience—the help he and George Wilson received in learning how to fill out job application forms, and above all how to handle the tense business of going through an interview. That they learned well is testified to by their supervisor, Gerald H. Zimmerman. "They knew what to say and what not to say," Zimmerman recalls, "And subsequently they demonstrated that they knew how to accept the responsibility of a job."

Like Jim Fitzpatrick, Priscilla Graham made a couple of false starts before DOIC/VUB helped her find her niche. Priscilla had been a nurse's aide in the Women's Army Corps, but when she was discharged she decided she would like an office job. So she completed a course at a data processing school to become a key punch operator, only to discover that the job market for key punch operators was so tight that only experienced people were being hired. She was unhappily working as a waitress when she learned of the DOIC/VUB. There she entered a training program to learn typing, accounting, and the operation of business machines, the staff having meanwhile taken her through the ropes of applying for GI Bill benefits. When a local bank subsequently called DOIC/VUB with openings for teller trainees, Priscilla was recommended by her instructor and landed a job in the bank's computer center. Currently, on the advice of a DOIC/VUB counselor, she is also a part-time student in banking courses at a local vocational college.

"In the job I have now," she says, "I can go as far as I want to. I can move to other departments and get more experience, and when the right time comes I think I can get a supervisory position."

DOIC's Veterans Upward Bound program got under way in July of 1972 with an initial Office of Education Talent Search/Upward Bound grant of $60,000 (later boosted to $85,000) and the mission of serving unemployed veterans throughout Delaware. Inquiries about the VUB program began to come in even before it officially got started, says Cannon. Nearly 70 veterans were enrolled in the first three-month training courses devoted to college preparatory subjects, with a large backlog of others waiting for the start-up of vocational sessions. Meanwhile DOIC/VUB was establishing itself as a kind of "sub-VA," offering special counseling and advice and volunteering help on just about any veteran-related problem. With an office in each of Delaware's three counties, DOIC/VUB now provides Delaware veterans with 24-hour service and the assistance offered has ranged from providing benefits information for the widow of a Spanish-American War veteran to helping an enterprising Vietnam vet negotiate a loan to build an apartment house.

Since a year ago, when Delaware had an estimated 10,000 Vietnam-era veterans, the DOIC/VUB's potential clintele has been increasing at a rate of about 150 per month. Each receives a letter describing the program (the same letter that captured the attention of Bob Hilton) and letting it be known that DOIC/VUB is ready to lend a hand. Those that enroll in the program can get basic instruction in math and English as well as take vocational training or college preparatory courses.

A DOIC staff member known as the "job developer" keeps track of employment opportunities available in the community and maintains a "job bank" that not only serves the trainees but is used as the basis for adjusting the curriculum, toward making sure that the training programs reflect employer needs. Local industries have in turn agreed to interview DOIC/VUB trainees before advertising new job openings.

What happens to the young men and women exposed to the program is indicated by a survey of an initial group of 210: 89 had been placed in jobs, 15 were still in DOIC/VUB training programs, another 15 were taking on-the-job training, 80 had entered a college or university, and the remainder were doing preparatory work toward enrolling in a postsecondary institution this fall.

Those that enter the University of Delaware can receive further assistance under the Special Services for Disadvantaged Students program, also funded under Title IV of the Higher Education Act. These services, operating at the college level, include tutoring, help with applications for GI Bill benefits, and counseling not only as to course work but social problems as well.

Because the Special Veterans programs are so new, no statistics are available as to the performance of DOIC/VUB men and women who enter college or undertake vocational training at the postsecondary level. However, the veterans seem to be at least average students and may be somewhat above average. So says the Office of Education's Prince Teal, Jr., veterans coordinator for Delaware and other States included in OE's Region III.

"There is no question but what the Talent Search/Upward Bound approach works," Teal says, "and it helps not only the veterans themselves but the institutions they attend. In some ways it is a kind of unofficial arm of the institution's administration. Veterans today make up a large segment of many undergraduate student bodies—25 percent or more in some places—and it would seem important that these institutions use some of their funds to establish programs that specifically concern themselves with the needs of veterans in the fashion that VUB does. Many colleges apparently are not aware of such things as that the VA will pay tutorial fees for veterans of up to $50 a month."

As the Delaware example demonstrates, moreover, VUB's potential for helping veterans is just beginning to be tapped. As director of DOIC's Veterans Upward Bound program, Eugene Cannon is now seeking to bring its benefits to eligible veterans who are inmates of the States prison. At Delaware State College, campus veterans' clubs are being organized toward building *esprit de corps* and giving these young people an opportunity to share their experiences and aspirations; other veteran-oriented projects are being planned.

"The transition from the service back into civilian life presents some problems for any veteran," Cannon says, "but particularly for those from disadvantaged backgrounds. They recognize that they need more training, more education, if they're not going to wind up in dead-end jobs. And yet they're not sure they can handle it, or even how to go about getting started. That's what VUB is all about. We want to dig out the God-given talent these young people have and then help them exploit it.

"The Vietnam-era veteran represents a major resource for this Nation. We don't want to see it go to waste."

FOR FURTHER INFORMATION

Readers wanting more information about the Veterans Upward Bound or Talent Search programs should write to: Upward Bound/Talent Search, Director, Division of Student Assistance, USOE Room 4100 ROB, 400 Maryland Ave., S.W., Washington, DC 20202.

THE NEED FOR PUBLIC FINANCING

Mr. CLARK. Mr. President, last week the Senate Subcommittee on Privileges and Elections held hearings on the subject of public financing for political campaigns. Under the able leadership of Senators Pell and Cannon, the subcommittee heard from a number of public officials, concerned citizens and experts in the field. Almost unanimously, they called for some form of public campaign finance, usually in concert with limited private contributions.

In an excellent editorial yesterday, the Washington Star-News took an even stronger position, advocating—

> Total public financing of campaigns for all federal offices, in both primary and general elections.

The editorial continues:

> To many observers, no doubt, a change of that magnitude will seem beyond the limits of possibility, given Congress' many divisions on the subject, and the natural inertia that still could sidetrack even the milder proposals. But we think public financing has got to come in the end. For the profit stakes in the influencing of government are so high that great ingenuity will be exercised to defeat the intent of restrictions, if private bankrolling remains anywhere in the picture . . .
>
> So why not go all the way—avoid the enforcement uncertainties of a mixed system by allowing only public funds in politics?

It is a question, Mr. President, which we will have to face and hopefully answer, in the 93d Congress.

Mr. President, I ask unanimous consent to print the entire text of the editorial in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Best Way To Finance Elections

Over and over we keep hearing it from scandal-weary Americans: "What good can come out of Watergate?" The damage, true enough, is heavy and its full measurement still cannot be taken. But nonetheless, we think there are at least two answers to the recurring question that lend a good deal of encouragement.

First, this painful experience is showing that the system works, to expose and crack down on political wrongdoing, bringing even the mightiest to account for their acts. This is no small reassurance. But going beyond it is an even more encouraging development—the growing momentum for reform which is powered by reaction to the scandals.

This thrust, if it goes far enough, can freshen the whole political environment and bring a renewal of faith in elected government. Assuredly, the difficulties in such a task are awesome. But the commitment seems to be getting stronger every day—at least in the Senate, where reform enthusiasm is most manifest. Its hearings last week on proposals to clean up the political system through public financing of campaigns were remarkable for the idealistic intensity of many legislators' appeals.

In fact, the Senate already had taken a dramatic step, weeks earlier, in passing a campaign reform bill of unprecedented severity. By voting for a $3,000 limit on individual campaign contributions, and numerous other stringencies, the senators delivered hard blows at a system that put most of them where they are. Very rarely in history have political people been moved to do anything like that. It reflected an acute appreciation of what the Watergate syndrome amounts to, on the political Richter scale of trauma. But, fortunately, there also is wide realization in Congress that these reforms, needed as they are, don't go nearly far enough.

So the movement for public underwriting of federal races is off to a much faster start on Captol Hill than anyone would have predicted a few weeks ago. This week, 33 senators endorsed eight "basic principles" that include a mixture of public and private campaign financing, with emphasis on a low ceiling for private donations. Under a variety of plans being discussed, small givers would be the only givers, whereas at present they often account for no more than 10 to 20 percent of funds raised to conduct a major campaign. So quite a turnabout is envisioned.

We have a foreboding, though, that even these formulations may be much too weak, in view of the rejuvenation that's required if public doubts about the integrity of government are to be measurably reduced. We suspect that Senator Dick Clark of Iowa was right on Thursday when he told a Senate Rules subcommittee that private financing "probably is beyond reform, beyond rehabilitation, beyond reconstruction." And though he didn't quite advocate such a plan, we think the target should be total public financing of campaigns for all federal offices, in both the primaries and general elections.

To many observers, no doubt, a change of that magnitude will seem beyond the limits of possibility, given Congress' many divisions on the subject, and the natural inertia that still could sidetrack even the milder proposals. But we think public financing has got to come in the end. For the profit stakes in the influencing of government are so high that great ingenuity will be exercised to defeat the intent of restrictions, if private bankrolling remains anywhere in the picture. In the past, before Watergate, campaign laws were flagrantly ignored, or circumvented by various mechanisms. A few years after Watergate, enforcement may well lapse again. And we can be fairly certain that some interests would be trying to organize even limited private donations in such a way as to put a stamp of obligation on the office-seeking recipient.

So why not go all the way—avoid the enforcement uncertainties of a mixed system by allowing only public funds in politics? Too expensive, some will say reflexively. But the total cost of the presidential race and all congressional campaigns last year was something less than $225 million, which would be a rather small item on the scale of federal spending. It amounts to about a dollar for every citizen of the United States. The protection of removing private donations that are made to tilt the decisions of government would, at the price, be a tremendous bargain for the taxpayers.

Some other objections, though, point to rigorous tests of statecraft in devising any such program. How can a public financing law be equitable, and still prevent a flood of minor candidates from entering races just because federal money is available? Congress should be able to work out rules that are stringent enough to prevent widespread abuses, yet generous enough to assure that serious candidates are not short-changeed. This will not be easy, though. Another problem is the advantage enjoyed by senators and representatives already in office, who are usually hard to unseat unless their challengers raise a great deal of money. But the other side of this, a recent study report shows, is that incumbents under the present system generally are capable of raising far more campaign money than their opponents.

Public financing would not remove all inequities, but it could balance the advantages between the "ins" and the "outs" better than the present system does. Incumbents in Congress, however, have one sizable exposure advantage in the free-mail privilege, which should be extended in some degree to their opponents. And some reform-minded people fear that if office-seekers no longer have to solicit money from the populace, they simply won't put out a very vigorous effort to meet great numbers of people, and the voters won't feel as involved. Well, the burning desire to get elected should be sufficient to energize the candidates, and small contributions are all too scarce anyway, as things how stand.

And as to public involvement, there are some ideas for stimulating that, too. Senator Hugh Scott, the Republican majority leader, and Senator Edward M. Kennedy have legislation that would allow a doubling of checkoffs on federal income tax returns to support a public campaign financing system of large scope. Admittedly, the existing $1 checkoff for political party support has been a flop in its first year, but public support might swell in a new context of sweeping reform. In any case, if this source of funding should fall short, the Treasury would make up the difference, and candidates for federal offices would not have the option of using private monies. This measure falls short, in that it does not apply to primaries, but it is a very good start.

Of course a blending of public and private financing, with severe limits on the latter, would be better than no reform at all. But the public deserves the very best remedy available for the poison of special-interest money that corrupts its political institutions. If Congress takes maximum action before the momentum of Watergate subsides, it will be giving splendid proof that the country is capable of renewing itself. The country desperately needs such a demonstration.

FOREIGN AID IN AN INTERDEPENDENT WORLD

Mr. HUMPHREY. Mr. President, Sunday's Washington Post carried an editorial calling for "A Responsible Foreign Aid Policy." This editorial emphasized the need for "creating the mutual confidence in international relations which is required in a time of détente."

The editorial supported the new approach to foreign aid expressed in the Foreign Assistance Act as a way of furthering cooperation between the United States and the less developed countries in meeting the needs of the world's poorest people. It pointed out that our approach to foreign assistance has become increasingly sophisticated over the years and that our expectations have become more realistic. The new foreign assistance legislation soon to come before the Senate reflects both what we have learned from experience about the effectiveness of foreign assistance and what we believe to be the purpose of foreign assistance in an era of détente—to help build a cooperative relationship with the less developed countries in dealing with worldwide problems.

The editorial also stated that U.S. support for the regional development banks is essential to implementing a policy of cooperation with the less developed countries. It pointed out that "of $15 million previously pledged to the African Development Bank, not a nickel has yet been forwarded."

If we are serious about the need for greater international cooperation in economic development, we must support efforts such as those of the African states to develop common solutions to their economic development problems.

I recently introduced legislation, S. 2354, to meet our pledge to the African Development Bank.

Mr. President, I ask unanimous consent that the Washington Post editorial on foreign aid be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

A Responsible Foreign Aid Policy

The United States may never have been better situated to conduct responsible and effective foreign-aid policy. For one thing, very few people have illusions left about what marvels can be performed; experience has produced at last an appropriate modesty and realism, on the part of recipients as well as contributors. Secondly a broader understanding has taken root in the United States of the part which development assistance plays in improving the atmosphere in which issues of trade, money and investments are worked out with the poorer countries. Finally, the agencies and methods of aid have been subjected to hard scrutiny and, although the process of modernization is inherently as political as it is scientific, these agencies and methods have been continuously refined.

In practical terms, what this means is that the Congress is well justified in looking at the various requests for development assistance which are before it now with some substantial confidence. Of these requests, the foreign aid bill is especially interesting. It passed the House and goes to the Senate floor shortly—though, regrettably, with a good bit less money than was voted in the House. The bill incorporates a "new look" meant to steer spending away from capital projects toward programs more directly affecting people's lives—in farming, family planning and the like. This change in emphasis emerged from a deep feeling on the part of many congressmen that aid was not reaching down adequately to improve the living standards of the very poor. Whether the aid agency, which would be renamed the Mutual Development and Cooperation Agency, can in fact carry out the changes directed in the pending legislation is, of course, crucial. The agency's new director-designate, Daniel Parker, who replaced the able and conscientious John Hannah, has yet to be confirmed. He did not have a hand in devising the new approach he will be expected to implement. The agency will be on clear notice, however, that the Congress expects results.

It is through the multilateral development banks, to be sure, that most American development assistance now flows. These banks are not without their special weaknesses, not the least of which is their vulnerability to American political pressure. But they have become essential to the process of transferring capital and technology to the countries least able to generate these resources on their own. Adequate participation in the work of these banks has become, in turn, essential to the world standing of the United States. This has very little to do with the old and simplistic cold-war notion of winning friends and influencng people abroad. It has a great deal to do with creating the mutual confidence in international relations which is required in a time of detente.

The United States is a year behind in putting up its fair share—a share now reduced, by the way, from 40 per cent to one-third—of the World Bank's soft-loan outlet, the International Development Association. The Congress last year approved only half the funds pledged to the Inter-American Development Bank, and it left the Asian Development Bank some $100 million in the lurch. (The Asian Bank and the World Bank, according to Treasury Secretary George Shultz, are prepared to head a group of member nations to mobilize resources from many capital-exporting countries for reconstruction aid to Indochina.) Of $15 million previously pledged to the African Development Bank, not a nickel has yet been forwarded.

This is an embarrassing and disturbing record. These banks represent not only a good part of the future for the countries which borrow from them. They represent essential strands in the web which ties the United States increasingly tightly to the poor nations of the world. For markets, for investment opportunities, for their resources and in many other ways involving international economic and political cooperation the United States needs firm relations with these nations. Support for the development banks is an investment in our own self-interest.

MEALS ON WHEELS

Mr. PERCY. Mr. President, at noon last Friday, the Senate Select Committee on Nutrition and Human Needs sponsored a luncheon to honor the Washington, D.C., area participants in the Meals on Wheels program. More than 200 recipients and volunteers from all over the metropolitan area came together here on Capitol Hill to celebrate Meals on Wheels Week.

Senator McGOVERN, the chairman of the Nutrition Committee, Senator SCHWEIKER, and I had the honor and pleasure of spending a most enjoyable hour having lunch, visiting, and joining in song with the people involved in the Meals on Wheels program. We served a number of the meals ourselves to demonstrate the fact that the program is successful only because of the tremendous effort of many volunteers.

I spend, as do all of my colleagues, most of my time with the people who are on the planning and administration end of federally sponsored programs. It is therefore a tremendous pleasure for me to have the opportunity to spend some time with the people on the other end of these programs—the participation end. And more than any other program I can think of, Meals on Wheels is a program of participation—participation by the recipients of meals and participation by the hundreds of volunteers who make sure the meals reach the clients.

The tremendous success of Meals on Wheels is based not on the extent of Federal involvement but on the extent of enthusiasm and social concern at the community and neighborhood levels. Meals on Wheels is a people-helping-people program if there ever was one.

At the luncheon, I spoke with dozens of participants who expressed to me their sense of satisfaction in being part of the Meals on Wheels program. Clients who receive meals told me not only of the nutritional benefits they derive from the program, but of the social benefits as well. How important it is to them to have a friend drop by every day or so to deliver a nourishing meal and, as so often happens, to stay for a visit.

But the thing that was most gratifying to me was to have many of the volunteer workers make a special point of telling me how much they themselves benefit from the program. It is not always easy to find a vehicle through which an individual person can make life a little more pleasant for another individual on a one-to-one basis. But Meals on Wheels provides such a vehicle, and I was very pleased to meet today so many of the people who take advantage of the program to enrich their own lives and the lives of others.

The Greater Washington Meals on Wheels Confederation has every reason to be proud of its programs. Similar projects across the country would be wise to look to our local programs as examples of what is possible in communities all across the Nation, and as models of cooperation among individuals, groups, and governments. I hope that next year we will be able to have another Meals on Wheels Week here and another luncheon to celebrate continued local expansion of Meals on Wheels.

Friday's Washington Post carried an editorial describing in some detail the local Meals on Wheels activities. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MEALS ON WHEELS

Every day in a community the size of ours, there are countless numbers of people volunteering long hours in the quiet service of less fortunate neighbors, carrying out less than glamorous tasks with little regard for public recognition. Because they perform important functions that governments may not or will not take on, and because most of them use still more volunteer help, the successful service organizations around town deserve more notice for their accomplishments than they usually get. So we're pleased to report that the area's 15 Meals on Wheels programs—which deliver low-cost, nutritious meals to the homebound elderly, convalescent or handicapped people of Greater Washington—are the subject of a special tribute this week.

Meals on Wheels, a nonprofit, volunteer-staffed service, is currently delivering more than 4,000 meals to 400 clients each week. Purposely avoiding "sob sister" or "heart-string" appeals for publicity, more than 800 volunteers contribute time as drivers, visitors, packers, food shoppers, kitchen managers and program administrators to provide hot and cold lunches and suppers for those who cannot prepare such meals for themselves.

The local Meals on Wheels programs, which rely on help recruited by churches, temples and social and civic organizations throughout the region, estimate that more than 5,000 individuals have been served by their operations since they began in Alexandria eight years ago. Now organized to coordinate activities through a Metropolitan Meals on Wheels Confederation, the effort includes plans for four additional programs in the area in the near future.

Even though this coalition served more than 208,000 meals last year to area residents—traveling more than a million miles to deliver the food—leaders of the program estimate that there are some 5,000 additional people here who live alone, are infirm, or live on a small income and do not have the resources to feed themselves adequately.

To draw attention to the need for more community support, officials in the various jurisdictions of Greater Washington have proclaimed Sept. 16–22 "Meals on Wheels Week," culminating today with a fitting tribute to nationwide Meals on Wheels programs from the Senate Select Committee on Nutrition and Human Needs. Committee Chairman George S. McGovern (D-S.D.) and Sen. Charles Percy (R-Ill.), the committee's ranking minority member, are hosting a special dinner for the volunteers and their clients—and the two senators and other members of the committee will do the serving. For more information on the local programs, or to volounteer for service, area residents may call 434–1922 between 10 a.m. and 1 p.m. weekdays.

GENOCIDE IS AN INTERNATIONAL CONCERN

Mr. PROXMIRE. Mr. President, genocide is the attempted destruction of a national, racial, ethnic, or religious group by killing, causing serious bodily harm or mental damage, restricting births, forcibly transferring children, or otherwise imposing upon the group conditions of life designed to lead to its extinction. This is clearly a crime that affects the entire world community. The Genocide Convention with 75 signatories is an attempt to firmly establish in international law the principle that genocide is an international crime. It is an effort with which we must associate ourselves.

Some have argued that genocide is an inappropriate subject for a treaty, and that it should be treated solely as a domestic matter for constitutional reasons. This is simply not true. It has been generally recognized that treaty power extends only to matters of international concern. The fact that the United Nations General Assembly passed the resolution for the Genocide Convention unanimously and that 75 nations have acceded to it, surely makes it a matter of international concern. In addition, the Supreme Court in the famous 1890 Geofroy against Riggs decision stated:

> It is not perceived that there is any limit to the questions that can be adjusted touching any matter which is properly the subject of negotiations with a foreign country.

Charles Evans Hughes, in his famous address to the American Society of International Law, has even noted that treaty power "is not a power intended to be exercised, it may be assumed" for matters of international concern.

Mr. President, in recent years it has become a cliche to discuss the growing interrelationship of world events. Yet now more than ever before the destruction of human life in one country affects those in others. The Genocide Convention thus is a valuable addition to international law. It deserves our support.

CHARLESTON, S.C., AIR FORCE BASE

Mr. THURMOND. Mr. President, about a month ago a prominent article on the front page of the Washington Post indicated that vast amounts of equipment had been buried at Charleston Air Force Base to avoid discovery, during inspection, of excess supplies.

Considerable attention was drawn to this report which originated with a civilian employee. Subsequently, a complete inspection of the base and the charges was undertaken by the Inspector General of the Military Airlift Command. His findings, while not nearly so startling as the charges, received little press coverage.

An editorial, entitled "End of the Story," which appeared September 17, 1973, in the News and Courier of Charleston, S.C., put the matter into proper perspective. I ask unanimous consent that the editorial be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorial

was ordered to be printed in the Record, as follows:

[From the Charleston (S.C.) News and Courier, Sept. 17, 1973]

End of the Story

Last month a civilian employe of the Charleston Air Force Base telephoned The Washington Post to report that large quantities of usable supplies and equipment had been buried in a dump during preparation for inspection of the base.

The Post sent a reporter to Charleston and his account was prominently displayed in that newspaper. Other newspapers—including the Charleston newspapers—also printed the charges. The wing commander received mail from far and near indicating widespread circulation of the story.

A team of investigators, including Brig. Gen. John H. Germeraad, inspector general of the Military Airlift Command, found no firm evidence to back up the charges. Some usable supplies and equipment were discovered in an area adjacent to the dump. They were wrapped in plastic and authorities are satisfied the intention was to return them to the shop where they belonged when the inspection was completed. The value was estimated at approximately $2,000 by Brig. Gen. Robert L. Moeller, 437 Military Airlift Wing Commander.

The investigators had the dump dug up and a pond dredged. Some people said they had been misquoted, and photographs supposed to have been taken of dumping usable goods were not produced for the investigators.

The outcome of the investigation exonerating local Air Force authorities was published in the Charleston newspapers, but if any follow-up report appeared in The Washington Post and other outside news media which spread the original charges it has not come to the attention of Gen. Moeller or The News and Courier.

After the investigation, Gen. Moeller said that Charleston AFB had been "judged the best in MAC in the Commander's Facilities Inspection. An investigation of the allegations exonerated us and has again proved that we, the personnel of Charleston AFB both civilian and military, are indeed Number 1."

We wish the outcome of the story could have received the same attention as the original charges. This recital of the story is intended to clear the record at least insofar as our readership is concerned.

FEDERAL PAPERWORK

Mr. CLARK. Mr. President, the Subcommittee on Government Regulation of the Senate Select Committee on Small Business, of which I am a member, has conducted a series of hearings on growing problems of paperwork and bureaucratic redtape. As these hearings have progressed, I have become increasingly concerned with the demands the Federal Government makes for an endless variety of data, statistics, administrative reports, and other information ad infinitum, and especially the disastrous impact it has upon the small businessmen of this country.

The testimony before the subcommittee indicates that this Federal paperwork is a factor in the collapse of many small businesses today. It has been estimated that small businesses, such as the "Mom and Pop" type grocery store, must spend at least 100 hours a year, or the equivalent of 2 weeks of worktime to satisfy the paper appetite of the Federal Government.

Mr. President, the Government certainly has legitimate information needs, but not to the degree that is now imposed upon the citizens of this country. The current demand of paperwork serves only to contribute to our most recent environmental crisis: Federal form pollution.

As a result of the subcommittee's hearings, I have joined in cosponsoring three bills to help alleviate the problem. The first is S. 200 which would require the affirmative disclosure in committee reports of paperwork requirements contained in any legislation reported to Congress. This information is currently unavailable and has led to many of the current difficulties.

The second measure is S. 1812 which would transfer the authority for the administration of the Federal Reports Act of 1942 from the Director of the Office of Management and Budget to the General Accounting Office. This would correct the failure of the 1942 act to recognize the needs of small business. It also would allow the Congress to oversee the problems of reporting more effectively.

A third bill, S. 2445, introduced this past Wednesday, would combine the reporting of wages by employers for income tax withholding with old-age, survivors, and disability insurance. It would severely reduce the paper burden imposed by Internal Revenue Service form 941, which costs the Nation's small businessmen some $235 million annually.

The Senate Government Operations Committee held hearings on this particular problem on September 11 and 12. At that time, Senator McIntyre, the chairman of the Subcommittee on Government Regulation of the Senate Select Committee on Small Business, appeared on behalf of S. 200 and S. 1812. He delivered a penetrating analysis of the entire problem of burdensome Federal form requirements. I strongly agree with the statement of the distinguished Senator and ask unanimous consent that it be printed in the Record.

Mr. President, I hope these bills will be considered favorably by the Senate as soon as possible.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Senator Thomas J. McIntyre

Mr. Chairman and Members of the Committee, it is a distinct pleasure for me to appear before you today to testify in support of S. 200 and S. 1812, two bills which I introduced and which have been cosponsored by other Senators, in an effort to stem the rising tide of government paperwork.

For the past two years the Subcommittee on Government Regulation of the Senate Select Committee on Small Business has been conducting an extensive inquiry and public hearings into the nature and extent of the Federal redtape and paperwork burden and its effect on the economic viability of small businesses throughout the nation.

The information which our Subcommittee received during these hearings I found to be alarming. For example, on May 2, 1972, during a field hearing in Chicago, Illinois, Mr. Dennis O'Brien in referring to the information-gathering techniques of the Federal government, stated that "the tone of the forms (and) the information requested very definitely indicate that the Government has a deep and abiding distrust of citizens generally, and businessmen in particular."

Mr. O'Brien's statement was among the milder criticisms recorded by the Subcommittee on Government Regulation. In our hearings in Chicago, in Boston, in New Hampshire, and here in Washington, D.C., the same refrain of discontent appeared over and over. The message was clear. To put it simply, the small businessman wants to know what happened to that time-honored tradition of "government for the people."

Dr. Edward J. Murry, vice president of Fibra-Sonics, Inc. of Chicago, asserted that the paperwork burden left small businessmen with only two choices: "Take a chance on going to jail or go out of business—since no one-man or 10-man business can keep up and be honest." I am sure all of us hope that this overstates the case. We must remember, however, that the consequences to our nation could be grave if a sufficiently large number of small business owners come to regard such a statement as truth. Judging by the Subcommittee's investigations and hearings this seemingly incredible state of affairs is not very distant in the future.

It is worth noting that those who testified at the Subcommittee's hearings are not radicals. We are talking about businessmen. It is clear their statements reflect frustration, exasperation, and desperation. Mr. William Mashaw, managing director of the National Retail Hardware Association, voiced the concern of hundreds of owners of small hardware stores when he stated:

"We have reached the saturation level and each new law and each new agency at every level of government providing forms is forcing decent citizens into involuntary noncompliance with the law. Now this is tragic when upstanding, honest citizens just can't comply with the laws, and the result is obviously intolerable."

Other witnesses were pessimistic about the very possibilities of survival for small business. Mr. Frederick H. Sleep, Jr., president and treasurer of Tri-County Service, Inc. of Laconia, N.H., stated:

"Small business is the backbone of this country and carries disproportionately the largest burden in many ways—taxes, local responsibility, and compliance with (government) regulations, and we, generally, have the smallest amount of working capital. It is only kept alive by the instinct to survive. In the present economy, there is little or no relief for small business by local, State or Federal regulations. It cannot survive in the present structure."

What casts such a blanket of gloom over small businessmen throughout the country is not only the 130.5 million man-hours required per year to fill out the necessary forms. (These 130 million hours are an estimate of the Office of Management and Budget which may not necessarily be accurate and, moreover, are in addition to the millions of hours required to fill out Internal Revenue forms.) It is the $18 to $50 billion which small businessmen must spend each year to make sure these forms are filled out properly.

The aggregate figures, however, do not reflect the impact of the reporting burden on individual businesses. A one-man business must use 100 hours or over two weeks of work-time per year to comply with Federal reporting regulations. A restaurant grossing $30,000 a year must pay an accountant $820 to fill out forms. In addition, the slightest error may incur fines or the added expenses of audits. A small manufacturing firm reported paying $900 in fines to IRS for being tardy an accumulated 13 days on two tax deposits. Prior to these instances the company had made tax deposits precisely on schedule for 20 years. IRS did not consider the company's extenuating circumstances or its unblemished 20-year record of cooperation.

The expense of compliance with Federal reporting requirements is only a portion of the total cost to the small businessman. Like everyone else, his taxes continue to rise to pay for the operation of the mammoth Federal reporting and statistical information system. Paper-shuffling costs billions. Based on 1966 figures, the Small Business Committee report placed the cost to the Federal government at $8 billion per annum. This mountain of paperwork at that time filled 4½ million cubic feet of space annually.

More recent figures, however, indicate the cost has almost doubled. The General Accounting Office announced on August 13, 1973, that the Federal costs of writing memos, signing directives, keeping files and issuing reports now total an estimated $15 billion a year. Reports and forms alone account for $3.72 billion of this amount. Official records stored around the country now total 11.6 million cubic feet, or an amount 11 times larger than the volume of the Washington Monument.

At a cost of $15 billion per annum, paperwork accounted for approximately 6 percent of Federal expenditures in fiscal 1973. It now costs $7 billion more per annum to process Federal paperwork than it did six years ago, and $11 billion more per year than paperwork costs in 1955. The astronomical rise in Federal paperwork costs serves to emphasize the urgency of the paperwork problem for small business. I should also like to point out that the cost to the Federal government will continue to rise in light of what we have all been hearing about a real shortage of paper—the paper which will be necessary for all of these Federal forms.

The Federal paperwork report of the Select Committee on Small Business released earlier this year, which I submit for your record, lists a number of recommendations to alleviate the paperwork crisis for small business. Legislative action is, of course, crucial to the solution of this problem. The two legislative proposals now before this Committee are among the recommendations in the paperwork report.

The first recommendation is contained in S. 200, which I introduced in the Senate on January 4, along with 27 other Senators, to amend the Legislative Reorganization Act of 1970 to require all standing legislative committees of the Senate to identify in each committee report on a bill, all new reporting systems required of the private sector by the legislation.

This requirement will alert us, as members of the Senate, to additional paperwork demands which might be placed on small business as a result of pending new legislation. Such awareness will, I hope, result in a lessening of the paperwork burden. Passage of S. 200 may well lead both to the consolidation and the elimination of many of the Federal reporting requirements now in existence and will demonstrate to the small business community that Congress is working to reduce the Federal paperwork burden.

Congress can and should take the lead in cutting Federal redtape. As one of our Subcommittee witnesses pointed out: "The problem originates with the legislation. Congress should see to it that no bill is reported to the floor for action unless there has been full consideration in committee of the paperwork burden."

S. 200 is a positive step toward correcting some of the inequities of our Federal reporting system. I ask each member of the Committee on Government Operations to give this bill his careful consideration.

When the 93rd Congress convened in January, numerous articles appeared about the ensuing battle between the Executive and Legislative branches of the government. In the intervening months, a great deal has been written about the reassertion of Congressional authority. Imperative to any reassertion of Congressional authority, however, is an improvement in legislative oversight of the functions of government. The intent of S. 1812, the second proposal pending before this Committee, would enable Congress to oversee more adequately reporting by the private sector to the Federal government.

S. 1812 would accomplish this end by transferring authority for the administration of the Federal Reports Act of 1942 from the Director of the Office of Management and Budget to the Comptroller General of the United States and by including the Internal Revenue Service under the provisions of this Act.

This bill, which I introduced on May 15, along with 15 cosponsors, is one result of months of study by members of the Select Committee on Small Business. Our investigations into the Federal paperwork burden led us to conclude that Congress must look other than to OMB for improvement in the paperwork crisis.

The Congress has understood the destructive potential of Federal paperwork for a number of years. Thirty years ago Congress sought to halt the proliferation of redtape by enacting a paperwork control law known as the Federal Reports Act of 1942. This law was designed to hold in check the tendency of the bureaucracy to demand ever more data from small business. It sought to eliminate duplication and to simplify government data request forms. It recognized the disparity of resources between small businesses and large firms, which have staffs of accountants and lawyers to process paperwork forms. It sought to protect small businesses from the competitive disadvantage of having to spend precious resources just to comply with Federal statistical and administrative reporting requirements.

Regrettably, the Federal Reports Act does not protect, and has not for some time protected, small business. It is ineffective in controlling the proliferation of Federal paperwork for two reasons: lack of authority over IRS and the weak administration of the Act by OMB.

The Internal Revenue Service affects more Americans than any other single agency of the Federal government. About 35 percent of all Federal reports involving the general public are generated by this one agency. The Internal Revenue Service lists 269 public use forms. Sixty-four of these relate to small businesses. The number of IRS forms applicable to small businesses has more than doubled in the past three years. This proliferation of forms has caused much indignation among many small businessmen. Quoting the "1972 Tax Guide for Small Business" which purports to deal "in sequence, with the starting, operating and *disposing* of a business," a Chicago hearing witness wondered "if this wording means that the Government presupposition is that small businessmen, unable to keep up with the Government's paper tiger, will ultimately fold and steal silently away to join the ranks of the unemployed, or if he is more fortunate, find a job where the Government can keep better track of him and extract his Federal taxes from him as much as 52 weeks before they are due."

Although the small businessman may resent the tactics of IRS, he often complies rather than fight what he considers an unjust assessment. Mr. Irving Cooper, a C.P.A. from Worcester, Mass., explained this tendency by stating:

"It's cheaper not to fight (audits) . . . we settle many IRS cases for minimal amounts, because it is cheaper not to fight. Obviously, small business cannot absorb both the costs of collecting taxes and protecting against them as well."

Such statements indicate that IRS is suffering from eroding credibility in the minds of many small businessmen. The proliferation of tax forms and their increasing complexity contributes significantly to this attitude. If the small businessman's faith in the Federal tax system is to be maintained, IRS must be brought under the authority of the Federal Reports Act.

It would serve little purpose, however, to place IRS under the authority of the Federal Reports Act if administration of the law remains with the Office of Management and Budget. OMB efforts to administer the Act have been woefully inadequate, a fact documented by both Congressional investigations and management studies.

In 1965 the House Post Office and Civil Service Committee concluded that "a major strengthening of (OMB) staffing facilities is the first requisite for correction of the highly unsatisfactory condition of Federal reporting activities."

The following year (1966), the Kaysen Committee, commissioned by the then Bureau of the Budget to appraise certain aspects of the Federal statistical systems, reported:

"As it is presently operated, the statistical system is both inadequate in the sense of failing to do things that should and could be done and at minimum cost, or getting less for what it spends than might be possible."

The Kaysen report details three "major elements of inefficiency" in the system: (1) duplication in the collection of information; (2) the failure to use all of the information potential available in the data collected; and (3) the failure of some of the smaller agencies to make use of modern techniques, professional specialists and automatic data processing equipment.

A report issued in 1968 by the Select Committee on Small Business concurred in the findings of the Kaysen Committee and concluded that Congress must look elsewhere than to the Bureau of the Budget (now OMB) for any improvement in the Federal reporting system.

The 1972 investigations of the Select Committee not only confirmed these conclusions but documented the worsening situation.

Although repeatedly admonished to increase the staff of the Statistical Policy Division which oversees clearance procedure, top OMB officials have consistently refused to do so. In 1965 there were 25 professionals employed in clearance procedure. In fiscal 1973 the number was still 25. These figures contrast with 1947 when the office had 47 professionals.

Understaffing is especially detrimental considering that OMB implements only Section 5, or the clearance procedure portion, of the Federal Reports Act. It is hardly surprising to learn, then, that even the clearance procedure portion of the Act is haphazardly enforced.

Section 5 of the Federal Reports Act requires all Federal agencies collecting information from 10 or more persons other than Federal employees, to submit all forms to be used to OMB for approval. Each form is approved for a specific length of time. If the requesting agency wishes to continue use of the form, it must apply for renewal.

A recent investigation by my staff uncovered 14 expired forms still in use by the Health Services and Mental Health Administration at HEW. So far as we were able to determine, OMB has made no effort to curb the use of these report forms after their expiration.

Such poor administration is clearly in violation of Section 2 of the Act which declares it "to be the policy of the Congress that information which may be needed by the various Federal agencies should be obtained with a minimum burden upon business enterprise (especially small business enterprise) and other persons required to furnish such information."

OMB has also consistently violated the provisions of Section 3(b) of the Act. Section 3(a) specifically "directs" the Director of OMB to investigate the needs of the various

Federal agencies for information and their methods of obtaining such data, and to coordinate the information-gathering services of all such agencies. Section 3(b) further states that if after such investigation the Director finds that "the needs of two or more Federal agencies for information . . . will be adequately served by a single collection agency . . . he shall fix a time and place for a hearing at which the agencies concerned and any other interested persons shall have an opportunity to present their views, and he shall issue an order directing a single agency to collect the necessary data."

The language of the law is not optional. OMB, however, has simply ignored those provisions of the law it considers inconvenient. According to the testimony of Mr. Paul Krueger, acting chief of the Statistical Policy Division, before the Subcommittee on August 2, 1972, OMB has never conducted formal investigations and hearings pursuant to Section 3(b).

At this point, Mr. Chairman, I submit for your record the most current index of Federal public use forms approved by OMB. This voluminous catalog shows the extent of Federal paperwork demands on the public generally. In it, should your Committee staff wish to spend the enormous amount of time that would be necessary for such an examination, is example upon example of duplication and overlapping of information demands of the various Federal agencies.

During our investigation, we heard of numerous examples that could have profitably been investigated. Mr. William E. Naumann, national treasurer of the Associated General Contractors of America, Inc., cited as one example the enormous duplication involved in complying with Equal Employment Opportunity regulations.

Contractors working for the Federal government have to submit their proof of compliance with Equal Employment Opportunities regulations to each agency for which work is done. If a contractor has five jobs for five different agencies he must submit the same record of compliance to all five different agencies. Although Equal Employment Opportunity laws have been on the books for almost a decade, OMB has yet to provide any coordination of reporting efforts. Again, a very good law has been hampered by voluminous redtape with the inevitable consequences of increased costs to businessmen and the taxpayer.

Not only is OMB ineffective in controlling the proliferation of Federal paperwork, it obstructs the ability of Federal regulatory agencies to obtain necessary information. The Business Advisory Council on Federal Reports is supposed to advise OMB on the effects of Federal reporting requirements on business in general and small business in particular.

In theory, the Council should provide a good cross section of the thinking of American business. In practice, the small businessman is rarely, if ever, represented on the Council. The affiliations of the Council members read like a gold-star listing of *Fortune* magazine's 500. Big business dominates the Council, and it is these same big business interests which are consistently asked by OMB to pass judgment on the necessity of specific Federal regulatory agency report forms. The industries regulated have substantial veto power over the ability of independent regulatory agencies to gather information on their business activities. The whole situation, in my opinion, reeks of conflict of interest.

For this reason, several of my colleagues have introduced legislation in the Senate to correct this situation. The Bentsen amendment to the Alaska Oil Pipeline bill provides a separate section 3512 in the Federal Reports Act to deal with the information needs of the seven independent regulatory agencies. OMB authority over the information-gathering activities of these agencies would be removed and placed instead with the General Accounting Office. GAO would review potential report forms to determine the availability of the desired information from other Federal sources and to minimize the reporting burden to small business.

In passing the Bentsen amendment, the Senate served notice of its disapproval of OMB's actions in regard to the information-gathering activities of regulatory agencies. It was obviously the consensus of the Senate that OMB had not lived up to its full responsibilities under the Federal Reports Act. I totally support this action of the Senate.

It seems to me, however, that we have only gone halfway toward completing the job. The Senate has moved to protect the functional capacity of regulatory agencies. OMB's inept administration of the Federal Reports Act has been acknowledged by Congressional action. It is now our duty as members of Congress to extend equal consideration to the small business community in this country. Passage of S. 1812 is the next logical step given action already taken.

The criticisms of this proposed legislative action have been twofold. First, it has been suggested repeatedly that the General Accounting Office does not want responsibility for the administration of the Federal Reports Act. I would point out that GAO did not welcome its present authority under the Federal Campaign Act of 1971. The Comptroller General actively discouraged GAO participation in overseeing Congressional and Presidential elections. The Congress persisted and a compromise was reached whereby GAO would carry out oversight duties for Presidential elections. The last several months have demonstrated the wisdom of that Congressional decision. GAO has done a superior job monitoring Presidential campaign contributions and expenditures, and I am sure that this legislative agency would do an excellent job in administering the Federal Reports Act.

GAO is the logical choice for supervising and coordinating the functions of the Federal Reports Act. The agency presently audits the receipt, expenditure and application of public funds by the departments and agencies of the Federal government. These studies include examining the efficiency of operations and program management as well as determining whether agency programs are achieving the intent of Congress. The scope of GAO's work also extends to certain activities of State and local governments, quasi-governmental bodies, and private organizations in their capacity as recipients under, or administrators for, federally funded programs. These activities place GAO in an excellent position to oversee the information-gathering activities of Federal agencies.

In addition, GAO already has considerable knowledge of the Federal paperwork problem. The Budget and Accounting Act of 1921 and the Accounting and Auditing Act of 1950 authorize the Comptroller General to make periodic investigations into and reports on ways to improve records management practices in the Federal government. By extending GAO's authority to include basic oversight over the source of paperwork as well as the ability to review internal management and storage arrangements for the actual documents, a centralized approach to the control of the growing paperwork crisis may be realized. GAO's impeccable reputation for investigatory ability would be invaluable in implementing Sections 3(a) and 3(b) of the Federal Reports Act.

Most importantly, GAO is a part of the legislative branch of government and as such it would provide Congress a more adequate means of overseeing the statistical and reporting system of the Federal government.

The second criticism of S. 1812 directly relates to GAO's status as a legislative branch agency. It has been postulated that responsibility for approval of Federal agency report forms is an Executive function. I do not understand the rationale behind such thinking. Perhaps the critics do not remember that the President only acquired authority for formulating the national budget in 1921. Prior to the Budget and Accounting Act of that year, Congress maintained sole control over the formulation of the budget.

Authority for administration of the 1942 Federal Reports Act was placed by the Congress in the Bureau of the Budget so that review of funds for statistical purposes could be more easily facilitated. There was nothing sacrosanct about that decision. Congress certainly has every right to remove that authority. Critics would do well to remember the words of Thomas Jefferson when he said: "Whatever of the enumerated objects (in the Constitution) is proper for a law, Congress may make the law."

Mr. Jefferson also noted that "the people and I look for our safety to the broad representation of the people (in Congress)." Those words are just as true today as they were 180 years ago. Congress has the duty to protect the rights of the people against the encroachment of the Federal establishment. S. 1812 is, I feel strongly, essential toward ensuring the continued viability of the small business community in this country by curbing the natural tendency of the Federal government toward increasing domination of the private sector by unnecessary reporting and paperwork demands.

For your record, Mr. Chairman, I submit two documents which were prepared at my direction by the American Law Division, Congressional Research Service, of the Library of Congress. The first, entitled "Congressional Alternatives Available to Remedy Office of Management and Budget Failure to Comply with Section 3 of the Federal Reports Act of 1942," concludes that the most viable way to control Federal redtape and paperwork is to transfer the authority of the Federal Reports Act from OMB to GAO or a new agency within the legislative branch. I am sure the memorandum with its many legal citations is self-explanatory.

The second such memorandum also prepared by the Library of Congress entitled "Constitutionality of Transfer of Authority and Functions Under the Federal Reports Act of 1942 from Office of Management and Budget to General Accounting Office," makes a most persuasive case for that which we seek to accomplish by S. 1812.

Mr. Chairman, I deeply appreciate the opportunity to appear here this morning in support of S. 200 and S. 1812. I know that I am not speaking out of school when I say that the small businessmen throughout the United States appreciate the dedication and concern of the Government Operations Committee in seeking to reduce and control the voracious forms and paper appetite of the Federal bureaucracy.

AMERICAN SAMOA AND FRENCH NUCLEAR TESTING

Mr. HARTKE. Mr. President, while the U.S. Government has remained silent on France's continued nuclear atmospheric testing in the Pacific Ocean, one of our territories has taken upon itself to speak out.

The American Samoa Legislature passed a resolution condemning continued atmospheric testing in the South Pacific. I find contained within that resolution a very candid, honest, and humanitarian appraisal of continued detonation of atmospheric nuclear devices:

> Whereas, no scientific or political rhetoric can disguise the brutal fact that bomb explosions conducted while there is still any possibility of harm are a complete betrayal

of the obligations and responsibilities that civilised nations have for one another. . . .

Mr. President, on August 2, 1973, I introduced Senate Resolution 155, cosponsored by Senators McGOVERN, BAYH, INOUYE, and TUNNEY; calling upon the President to condemn the continued detonation of nuclear devices by France in the Pacific Ocean. The world will little note nor long remember what we say here; but it can never forget what we do here to protect man's integrity, respect for others, and courage to condemn those who irresponsibly endanger the welfare of mankind.

I ask unanimous consent that the resolution adopted by the Legislature of American Samoa be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

American Samoa: Petition Relating to Pacific Area Atomic Tests

Whereas, the birth of the atomic age also heralded an era of changing and more sensitive relationships among the family of nations: and

Whereas, although originally seen as a major scientific breakthrough with limitless advantages for the well being and progress of mankind, the release of nuclear energy has proved to be a two edged sword and a curse as well as a blessing: and

Whereas, it is now a scientifically acknowledged fact, disputed by none, that the cumulative effect of exposure to radiation can and does result in a horrible and fatal disease for the living and agonizing disfigurement for innocent children as yet unborn: and

Whereas, considering the dangers involved, all that can be reasonably expected to be learned from the explosions of nuclear bombs has already been learned: and

Whereas, no scientific or political rhetoric can disguise the brutal fact that bomb explosions conducted while there is still any possibility of harm are a complete betrayal of the obligations and responsibilities that civilized nations have for one another: and

Whereas, any action taken in the light of this simple fact becomes even more appalling when the explosions are to be conducted in an area far removed from the authors of the holocaust and close to innocent people who have no wish to participate either as perpetrators or as victims: Now, therefore

Be it resolved by the medical services and public safety committes of the senate and the medical services and public health and legal affairs and public safety committees of the House of Representatives of the legislature of American Samoa that we join with Australia, New Zealand and other areas of the South Pacific in voicing our indignation and protest against further testing of atomic bombs by any nation in the South Pacific area and indeed in any area where to do so would jeopardize the health and welfare of innocent people: and

Be it further resolved that copies of this petition and resolution be forwarded to the proper authorities of France, the Secretary of State of the United States, the Secretary of the Interior, the Assistant Deputy Secretary of the Interior, and the Governor of American Samoa.

LAURENS COUNTY, S.C., A DISASTER AREA

Mr. THURMOND. Mr. President, on September 20, 1973, the South Carolina General Assembly passed a concurrent resolution memorializing the President of the United States to declare a portion of Laurens County which was severely damaged by the recent flood to be a disaster area.

On behalf of the junior Senator from South Carolina (Mr. HOLLINGS) and myself, I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

A Concurrent Resolution

Memorializing the President of the United States to Declare a Portion of Laurens County Which Was Severely Damaged by the Recent Flood To Be a Disaster Area.

Whereas, a portion of Laurens County near the City of Laurens was recently severely damaged when the Little River overflowed its banks and destroyed numerous homes, buildings and other property; and

Whereas, persons of this area victimized by this violent act of nature are in need of special assistance to enable them to reorder their lives and property; and

Whereas, the damage to this small area, still untotaled, will exceed millions of dollars. Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That the President of the United States be, and hereby is, memorialized to immediately declare that portion of Laurens County which was severely damaged by the recent flood to be a disaster area and make such area eligible for whatever assistance of an emergency and longtime nature is available.

Be it further resolved that copies of this resolution be forwarded to the President of the United States and all members of the South Carolina Congressional Delegation in Washington.

ACTION ON FUEL COSTS

Mr. EAGLETON. Mr. President, this morning's Washington Post quotes White House counselor Melvin Laird as saying the administration "may not be able to wait for action by the Congress" before moving ahead with mandatory allocation of fuels. According to Laird:

> It probably will be necessary for the executive branch to do it on its own.

Mr. President, this effort to shift blame for the administration's do-nothing policy on the fuel shortage is a gross distortion of the record. The fact is that 5 months ago, Congress passed my amendment to the Economic Stabilization Act giving the President all the authority he needs to allocate petroleum products on either a voluntary or mandatory basis. The fact is that after opposing passage of that amendment, the administration has refused to use the authority it grants despite repeated urging by Members of Congress.

As a result of the administration's failure to act, the Congress is now considering a second, stronger bill to require mandatory allocation of fuels. But there should be no confusion about the facts of the situation—authority to impose mandatory allocation of fuel is on the books, but the administration has not used it.

Today we face the prospect of severe shortages of heating fuel and propane on top of the gasoline shortages we have had all summer.

If the winter is a cold one—and the odds are against a repeat of last year's mild weather—hundreds of thousands of American homes will go without heat and factories across the country could be forced to shut down.

Unless something is done about continuing gasoline problems, thousands of independently owned service stations will have to close their doors.

We have known for a long time that these problems were coming, but for 5 months, the administration sat on its hands; for 5 months it has refused to use the authority Congress gave it. I think it is time the administration stopped looking for scapegoats and began looking for answers to our energy problems.

THE "TODAY" SHOW INTERVIEW OF SENATOR ROBERT C. BYRD

Mr. ROBERT C. BYRD. Mr. President, on September 5, I was a guest of the "Today" show, a production of the NBC network. The interviewers were Bill Monroe, Today's Washington editor, and Robert McCormick, an NBC newsman who has covered Congress for over a quarter century.

I ask unanimous consent that the transcript of the interview be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

An Interview With Senator Robert C. Byrd

BARBARA WALTERS. The Ninety-third Congress, back from the August recess, returns to lawmaking in the United States Capitol at noon today. The senators and representatives have a full agenda of controversial issues waiting for them, including the President's power to make war and to impound funds, minimum wages, reform of campaign spending and a great many other issues.

We want to discuss the congressional prospects today with a Democratic leader in the full expectation of doing the same with a Republican leader very shortly.

On hand today in our Washington studio is Senator Robert Byrd of West Virginia, and he's the Democratic Whip. And with him are "Today" Washington editor Bill Monroe, who is just back from vacation himself, and NBC News congressional correspondent, Robert McCormick.

Good morning, gentlemen.

BILL MONROE. Good morning, Barbara.

Senator Byrd, do you agree with Senator Dole that the people of the country are sick and tired of the Watergate hearings, and will you go along with his resolution to put an end to television coverage of the hearings?

Senator ROBERT BYRD. As I understand his resolution, he would end the hearings; I would be opposed to concluding the hearings. I don't feel that the people of the United States want the hearings ended until the work is done. I do believe that the people are getting tired of the television hearings. I think that television has performed a great service for the country in informing the people as to what Watergate is all about. But at the same time, I do believe that the hearings are somewhat over the hill from the standpoint of television. I would assume, and I would hope, that when Phase I of the investigation is completed that the remainder of the hearings would be open to the public and, of course, covered by the press, but not televised.

MONROE. What about the ratings indicating that when the hearings are shown on a single network they are outdrawing the daytime soap operas?

Senator BYRD. I think that the hearings have been very good for public television, for educational television. And I think that there's a tremendous amount of interest in the country in the hearings. But having said that, I do believe that if the televised hearings should continue beyond Phase I, a backlash for the committee could be created. I think that sympathy for those people who are responsible for Watergate could be generated. I feel that the televised aspect would have served its very useful purpose by that time.

Monroe. Senator—Senator, what about President Nixon's feeling that the Congress in its preoccupation with Watergate has been neglecting other business?

Senator Byrd. This, of course, is a false issue and is obviously an attempt to divert public attention away from his own difficulties, which the President himself has contributed to in considerable measure. Truman said that if you can't stand the heat, get out of the kitchen. President Nixon appears to be saying that if you can't stand the heat, shift the blame to someone else. The record will show that Congress has a very good record throughout this first session. I think we have to keep in mind that this is the first session of the Ninety-third Congress. And the Senate has passed a very impressive array of important legislation.

Now it's easy to get the impression in watching the televised hearings that Congress is all tied up in Watergate. But we must recall that only seven members out of five hundred and thirty-five members of Congress are involved in the Watergate hearings. And while those seven members have rightly given a great deal of their time to carrying out their responsibilities under the Senate resolution, the remaining five hundred and twenty-eight members have been busy in their committees and in their subcommittees, of which there are a total—in both houses, counting standing committees, full committees, subcommittees, special committees and select committees and subcommittees—a total of over two hundred and fifty of these committees and subcommittees. And they've all been busy. Members have been busy in the committees, and the action on the floor has been heavy. The roll calls have been many. And as I say, I think the Senate, especially, has passed a tremendous volume of important legislation already in this session.

Robert McCormick. Senator, most of your colleagues who've come back seem to think that inflation is the number one problem and not Watergate. Can Congress do anything about high prices?

Senator Byrd. This is correct. Inflation is the issue that's uppermost in the minds of the people. This is reflected in my own mail. Congress has given to the President the tools with which to combat inflation. These are tools which he said that he didn't want at one time, which he wouldn't use. But after the Congress passed legislation providing these tools, the President finally acted in August of 1971 when he first applied the ninety-day freeze. He then went to Phase II, which worked very well throughout all of 1972 and which was prematurely lifted in January of this year. So, the President has the tools with which to adequately deal with inflation all along the line. The administration's problem has been that it has oscillated, first to laissez faire and then back to controls, and then back to laissez faire and then back to controls. So it has gone back and forth, and the indecision has created consternation and lack of confidence among business people and money markets not only in this country, but throughout the world.

So, Congress has given the President the tools. Congress itself can exercise restraint upon spending. I think it is trying to do that. It has, of course, set a ceiling below the President's own ceiling. The Congress ought to try to live within that ceiling and establish priorities so that it will do so. And I think that it will. Some of the appropriation bills that have passed the Senate have been below the budget estimate. It must be kept in mind that during the first four years of the Nixon administration, the Congress cut the President's budget by a total of twenty billion dollars during those four years. The Congress has a good record with respect—a reasonably good record I think with respect to restraining itself. It can continue to do this, and this will be a factor in helping to control inflation.

McCormick. But Congress can't do anything directly to reduce prices or to control—keep them where they are?

Senator Byrd. The President has the authority to do this. The President is the man who . . .

McCormick. He has to do it.

Senator Byrd. . . . executes the laws, and the Congress has provided him the authority through the Economic Stabilization Act to deal with wages and prices, et cetera.

McCormick. Could I ask you just one more question just very quickly, Bill?

Do you anticipate this session as just one long fight with the White House, as many reporters seem to think?

Senator Byrd. I would hope not. I think there will be future confrontations, as we might expect, under any administration, especially when there's divided government, the Congress under one party and the White House under another. I think, though, that the need today is for both the Congress and the executive branch to attempt to bring and end of the civil war. And in my judgment, the President can do more in this regard than anyone else.

I feel that there has been entirely too much isolation on the part of not only the President, but the White House in general. And this is not to say that there are not a lot of good people down at the White House who work effectively with the Congress. Tom Korologas is excellent. I wish we had more men like him dealing with the Senate. I think the President made a wise choice in selecting Mr. Laird and Mr. Harlow. These are people who know the outer limits of political warfare. They're well liked and respected on the Hill. And I believe that it will be their goal to bring about this reconciliation and accommodation that's so needed in the best interests of the people and the country.

Monroe. Senator, there are two bills pending that are right in the middle of what seems to be a general conflict between the Congress and the White House, one restricting the President's war-making powers and another prohibiting him from impounding funds appropriated by the Congress.

Don't you expect that after these bills are passed, the White House will veto—the President will veto both of them; the Congress will not be able to override the vetoes? And in that case, what will have been accomplished?

Senator Byrd. Well, I have to say this, that the odds are usually with the President when it comes to overriding a veto. It requires two-thirds of both houses, and, of course, this means that one hundred and forty-six members of the House of Representatives can sustain a veto. And the President has a hundred and ninety-two Republicans in the House and a good many Democrats who are often sympathetic with his position. So the odds are with him.

Now, as to the war powers measure and the impounding measure, it has been anticipated that the President would veto these. I don't know. I wouldn't want to second-guess the President. I wouldn't be surprised if he did. But in the event that he does, I think that much good will have been done in that the people will have spoken through their representatives, and I think that even though he were to veto these bills and the vetoes were sustained, they would be sustained by a minority of the representatives in the House and by the Senate. And I'm not sure that the Senate would sustain either of the vetoes. The chances might be fairly good that the Senate would override. I would not attempt to prognosticate in that regard.

But I do believe that it would indicate that the great majority of both houses would still favor legislation which would delineate the President's war-making powers in an undeclared war and also the President's powers to impound funds that have been appropriated by the Congress.

Monroe. Isn't the minimum wage bill which the Congress has passed also likely to be successfully vetoed by the President?

Senator Byrd. I understand that he may veto that bill. And if he does, I would say the chances of overriding the veto in the House would be poor. In the Senate, I think it would be nip and tuck. But I believe it was a House bill, and, if so, it goes to the House. If the House fails to override, of course the Senate will never get a chance.

McCormick. Do you think Congress is really—is regaining any of what it considers its rightful share of authority in our three-way government? Or if it hasn't, will it?

Senator Byrd. I think that the Congress has reasserted its position very emphatically. It hasn't lost any of its powers. Its powers are inherent in the Constitution, and these have not been lost. But they have been temporarily suspended or surrendered. The President has been very alert in this regard. We've been talking about the war powers measure and the impoundment measure, and measures dealing with executive privilege. The Congress has set a ceiling below that of the President. The Congress has passed legislation requiring the confirmation of the Director of the OMB and also legislation requiring the reconfirmation of cabinet officers. And so the Congress is acting all along the line. It has done a superb job I think with respect to the oversight function, which is a very important responsibility under the Constitution. We have only to look at the hearings with respect to L. Patrick Gray and the hearings with respect to the Special Prosecutor and the fact that the Congress through the Judiciary Committee of the Senate laid down very strict and clear guidelines by which that Special Prosecutor would be guided in the investigation of the Watergate case to see that Congress has really lived up to its responsibilties under the Constitution, especially with respect to the oversight function.

Monroe. Senator, thank you very much for being with us this morning. Senator Robert Byrd, Democrat of West Virginia, the Democratic Whip in the Senate. Thank you, Bob McCormick. Now back to Barbara.

FORTHCOMING VISIT OF THE PRIME MINISTER OF NEW ZEALAND

Mr. HARTKE. Mr. President, the Prime Minister of New Zealand, the Right Honorable Norman E. Kirk, is due to arrive in the Nation's Capital this coming Wednesday, September 26, 1973. Prior to the Prime Minister's arrival in Washington, he is to address the General Assembly of the United Nations.

The United States and New Zealand have long enjoyed common philosophies and principles. Our mutual accord under the ANZUS Pact has gained the respect and admiration of knowledgeable observers.

Prime Minister Kirk last visited the United States in 1971 while a member of Parliament. He became Prime Minister in 1972 when the Labour Party won control of the Parliament.

Prime Minister Kirk was born at Wai-mate—Canterbury—in January 1923 and was educated in Christchurch.

Before he entered Parliament, Mr. Kirk held a variety of positions, including that of apprentice welder with the Railway Department. While with the Department he obtained his Boiler and Firemen's Certificate by correspondence.

He joined the Labour Party at the age of 20 and his first office was that of president of the Bay of Plenty branch. He entered national politics in the 1957 elections, and won the marginal parliamentary seat of Lyttelton. He increased his majority in the 1960 and 1963 elections in spite of a general swing away from the Labour movement.

In 1959, Mr. Kirk was first elected to the National Executive of the Labour Party as division area representative for Canterbury.

He held this post until he was elected vice president of the party in 1963. In 1964, Mr. Kirk was elected president and held this position for 3 years.

In December of 1965, after only 7 years as a member of Parliament and without having held an administrative portfolio in government, Mr. Kirk was elected leader of the opposition. In the 1969 election, Mr. Kirk won the Sydenham seat which in 1972 returned him to Parliament with a very substantial majority.

Mr. President, the foreign policy of New Zealand has undergone some significant changes since Prime Minister Kirk took office. I mention here that it appears to be an independent road built on morality and the good of New Zealand. That is a laudable policy, yet hopefully it will also be for the good of all mankind.

I ask unanimous consent that a pamphlet entitled: "New Zealand: A New Foreign Policy" by the Right Honorable Norman E. Kirk, be printed in the Record at the conclusion of my remarks.

Mr. President, I also ask unanimous consent that a paper depicting the trade and economic relations between new Zealand and the United States be printed in the Record following my remarks. I include that paper for the purpose of indicating to my colleagues some very interesting highlights on the posture of the U.S. export policy.

We have long thought we enjoyed the luxury of being the greatest producer of agriculture products. Yet, it is evident that, while we exported to New Zealand many manufactured goods, our imports from New Zealand exceeded our exports because of the vast quantities of food and fibre brought into the United States to balance our needs with our supply.

Let us review our efforts to produce food and fiber on the vast loam plains and farms within the United States. Any government that encourages the production of agricultural products to feed and clothe mankind will be recognized with a humanitarian interest. It gives me pleasure to welcome the Prime Minister of New Zealand to the Nation's Capital.

There being no objection, the pamphlet and paper were ordered to be printed in the Record, as follows:

New Zealand: A New Foreign Policy

(By Right Honorable Norman Kirk)

INTRODUCTION

The changes of leadership that take place in a democratic system of government have a salutary effect on the direction of policy making. New ideas are brought forward. Old policies are reviewed. What is good is refreshed, and what is no longer relevant or useful is discarded. Nowhere is this process more needed or productive than in foreign affairs.

Since assuming office the Government has carried out a complete and systematic review of foreign policy. Important issues, such as the withdrawal of New Zealand servicemen from Vietnam and the recognition of the People's Government of China, have been dealt with promptly but in general we have proceeded in an orderly fashion from the formulation of general principles to their application in specific cases. We have sought to develop a greater degree of forward planning than has been evident in the past: our new aid programme is a notable example.

The Government which I lead is determined to find and hold to a firm moral basis for its foreign policy. It may be said that the only basis for a sound foreign policy is the national interest. I see no contradiction. I believe that to base our foreign policies on moral principles *is* the most enlightened form of self-interest. What is morally right is likely to be politically right. What appears in the short term to be the path of expediency is all too likely to lead into a blind alley.

The Government has already had to take one decision on an issue involving both foreign and domestic policy where the dictates of morality and expediency appeared to conflict. It would have been expedient to have allowed the Springbok rugby tour to proceed. It would—so it seemed—have been the popular decision with many rugby-loving New Zealanders. When the Government had access to all the relevant information and advice, however, it was quickly evident that it would not be in the larger interests of New Zealand for the tour to take place with a South African team selected on a discriminatory basis. Strenuous efforts were made by the Government to persuade those concerned to take account of these larger interests. Only after the most exhaustive consultations with all parties, when it became clear that the Rugby Union was not prepared to take any action in regard to the invitation it had already issued unless it was required to do so by the Government—only then, and with reluctance, did the Government inform the Rugby Union that the tour must be postponed until a South African team was selected on the basis of merit alone.

Within New Zealand, there was a wide measure of acceptance that this very real sacrifice was one that had to be made. Abroad, it was generally welcomed. The Government's conviction that a policy based on moral principle was also in the national interest and would command national support, was thus reinforced at the very beginning of its term of office.

The decision on the rugby tour underlies the Government's determination that all aspects of its policy should reflect its support for the principles of the Universal Declaration of Human Rights, of which this year marks the twenty-fifth anniversary. New Zealand will take every opportunity to reject doctrines of racial superiority and discrimination, wherever they may be preached or practiced.

The Government has approached a second major policy issue with a similar concern for the moral issues it raises. This is the question of nuclear weapons testing, which affects New Zealand most directly when the tests are conducted in the South Pacific. In the past many people have assumed that New Zealand's opposition to nuclear testing by France in the South Pacific is based solely on the immediate danger to our own citizens. This really misses the point. In its application to the International Court of Justice instituting proceedings against France, New Zealand made it clear that our approach rests on a much broader basis of international concern. It proceeds in part from a widely shared belief that world peace and security depend on whether nuclear weapons can be limited and, eventually, eliminated, and that the continued development and proliferation of these weapons increase tension and the risk of nuclear war. In part also, it proceeds from a concern that the irreversible pollution created by nuclear fall-out presents a risk to the health of mankind, and particularly of future generations. The full extent of the risk may not be known: but obviously it cannot be justified where there is no benefit to those who are subjected to it against their will.

For these reasons, New Zealand opposes all nuclear weapons testing in all environments. Because fall-out is widely disseminated, we are especially opposed to the conduct of tests in the atmosphere. During our first ministerial contact with the Government of China, one of the two nations at present conducting tests in the atmosphere, the opportunity was taken to make our opposition to nuclear testing known.

Because New Zealand is one of the countries nearest to France's nuclear testing zone at Mururoa, and because there are Pacific islands closely associated with New Zealand even closer to the test area, New Zealand has felt obliged to take a leading part in efforts to persuade France to abandon its test programme. This is not the course of expediency. New Zealand has a close traditional friendship with France, which it values highly. It has vital trade links with the European Economic Community, of which France is an influential member. Its relations with France in every respect except this are excellent. A policy limited to token protest might, therefore, be regarded as the expedient course, and in the national interest. In the Government's view, such an approach would be tragically short-sighted. We see only one possible course in the national interest, and that is the same course that is required by the interest of mankind: to bend every effort to bring nuclear weapons testing to an end. At the same time, we shall devote equal attention to maintaining our good relations with France in every other field, for it will only hinder us in seeking to persuade France to change course if we allow bad relations to develop.

In deciding like Australia to take our dispute with France to the International Court of Justice, New Zealand was motivated not merely by a concern to dispose of a troublesome issue but by an earnest wish to promote and strengthen the rule of law in international affairs. It is a fundamental principle of our foreign policy that the use of force to settle disputes between states is unacceptable. Unlimited nuclear war among the great powers may be ruled out, however precariously, by the so-called balance of terror. But if small states are to have any sense of security from the use of force against them by more powerful states, it is essential that recourse to law, or some comparable form of impartial arbitration, should become the accepted method of peacefully settling international differences. The history of the twentieth century so far has been one of attempts to establish effective and accepted methods of peaceful settlement and of their recurrent failure. The international community has become adept at creating machinery designed to regulate its own behaviour, but national governments remain singularly reluctant to accept in practice the limitations on their sovereignty which are essential to permit it to operate as intended. The two world wars resulted in giant steps forward in the development of international machinery, both political and legal. But in the years that followed these forward steps—the establishment of the League of Nations, the United Nations, and the International Court of Justice—the nations of the world have quietly shuffled backward.

The constitution of the United Nations was severely handicapped by the great power unanimity rule, as my distinguished predecessor, Peter Fraser, was quick to emphasize. But it was the abuse of the unanimity rule, rather than the rule itself, which crippled the United Nations as a collective security organisation and which turned its members away from a belief in the efficacy of international machinery for peaceful settlement and has led all too often to resort to force.

The impetus generated by the Second World War in the development of world organisation is now expended. The concept of world organisation that emerged from that conflict was essentially a great power concept: the principal members of the alliance that won the war would also keep the peace. That hope has proved to be forlorn. Not only did the permanent members of the Security Council fail to keep the peace, but every one of them at one time or another has itself engaged in open hostilities.

The Vietnam conflict caused a revolution in public attitudes to this kind of war, in which the civil population is inevitably the chief sufferer. It marked the end of an era. By its close, it had become plain that military intervention by great powers in the affairs and on the territory of smaller nations is no longer acceptable to world opinion. We hope that the Soviet Union and China as well as the United States have learned this lesson, as France and Britain did in 1956. My Government believes that United States intervention in South Vietnam—however honestly motivated—was a mistake, and regrets that New Zealand participated in it. It ended that participation as soon as it was in a position to do so.

It is sufficient commentary on the decay in western belief in the rule of law in international affairs, and of the efficacy of the existing collective security machinery, that at no time was the Vietnam conflict submitted either to the clearly applicable jurisdiction of the Security Council, or even to the verdict of public opinion in the General Assembly. Perhaps there was doubt as to what that verdict might be.

At least in the field of international peace and security, the United Nations has reached a low point. My Government is not prepared to leave things that way. We do not suffer from any illusions about the extent of our own power and influence. But we believe that the role of the smaller nations in world affairs is in the ascendant. The time has come for their voice to be heard in international forums.

New Zealand for its part intends to follow a more independent foreign policy. It has emerged from the phase in its national development where it allowed its policies to be determined by the views and interests of its most influential ally: at one time Britain, more recently the United States. From now on, when we have to deal with a new situation, we shall not say, what do the British think about it, or what would the Americans want us to do? Our staring point will be, what do we think about it? What course of action best accords with the fundamental principles of our foreign policy?

New Zealand's foreign policy under this Government will be sensitive and responsive to the needs and aspirations of other peoples, and especially those in the developing countries of the Pacific, Asia, and Africa. Eschewing an excessive loudness or stridency ill-suited to New Zealand's size and national character, it will nevertheless when the need arises be a frank and indeed an outspoken policy. We shall speak out in the United Nations. We believe that resolutions of the United Nations Assembly deserve deep respect and careful consideration, even when we disagree and vote against them. We can hardly expect the resolutions that we ask the United Nations to adopt to be observed if we ignore those which other countries seek and which ask us to change or review our policies. We cannot undertake automatically to give effect to every United Nations resolution, but it will be our predisposition to do so whenever the fundamental principles of our policy will allow. We believe that the future of the United Nations lies with the smaller nations, poor and weak though many of them are. If the world organization is to undergo a renascence, it will begin with their determination to achieve it, and the recognition of the great and wealthy nations of their right to do so. New Zealand, a small but not poor nation, will play its part.

The entry into office in this country of a new Government determined to follow a more self-reliant foreign policy, has coincided with developments in great power relationships and in world affairs generally which offer particularly favourable opportunities to develop such a policy. For a quarter of a century we have lived in a world of bipolar confrontation: the Cold War. Although it is not yet clear what is to be the new pattern of relationships among the great powers, it is apparent that it will no longer be dominated by the super-power rivalry between the United States and the Soviet Union. The two giants of the communist world, Russia and China, are at serious odds. The United States, on the other hand, is making a serious effort to improve its relations with both these countries, which in turn have shown what appears to be a genuine desire to reciprocate. Britain has thrown in its lot with Europe, which must now review and redefine its relationships with both the Soviet Union and the United States. Japan, the next most important power in the world at least in economic terms—must similarly review and redefine its relationships with the other great powers. India, for long beset by quarrels with her neighbours, has greatly strengthened her position under the vigorous leadership of Mrs. Gandhi, and has the opportunity to play the independent role in world affairs envisaged by her founding statesmen.

In such a changing world New Zealand, too, must review and redefine its relationships. This does not mean any radical reorientation on our part. New Zealanders are a democratic, freedom-loving people, and our future will remain in a close association with other peoples who share our traditions and ideals. In that sense New England will remain an "aligned" nation. But with the rebalancing of great power relationships that I have described, and with the ending of American military involvement in Asia, tensions have been lowered and the danger of war breaking out in areas of direct concern to New Zealand has receded. The need has greatly lessened for New Zealand to consider its relationships with other countries, and particularly those of Asia and the Pacific, primarily in terms of security. Some of the organisations to which we belong such as SEATO, have become largely obsolete and irrelevant to our present needs, even though our relations with individual members remain as close and cordial as ever. We are phasing down our participation in SEATO's activities to a very much lower level, particularly on the military side, but are continuing our membership because this is clearly what its Asian members want, and because other Southeast Asian Countries regard the organisation as a stabilising influence in the area. Other commitments such as the Five-Power Defence Arrangements with Malaysia and Singapore, have been successfully adapted to changing circumstances.

New Zealand would like to see new regional arrangements that will unite the peoples of Asia and replace those that have had a divisive effect in the past. But as a nation on the periphery of Asia, we recognise that any such arrangements will not come about as a result of some external initiative, but as an expression of the collective will and needs of the people of Asia themselves. The central issue is the future relationship of China with her neighbours. Fear and suspicion will not disappear overnight; nor will the problem of Sino-Soviet rivalry for the position of dominant power in the continent.

Our consultations with South-east Asian countries have shown that they are not yet ready to consider a wider arrangement of this kind. For the time being, therefore, we are concentrating on strengthening our relations with individual countries in the area, in a way which we hope will strengthen their confidence in the values of regional co-operation. We have met a ready response to our expressed wish for closer bilateral relations and shall lose no opportunity of developing them. Already we have had a number of most useful exchanges with South-east Asian leaders, both in their own countries and in New Zealand.

It remains our long-term aim to bring about a reconciliation between countries that have been divided by the conflicts of the past generation, and especially between the countries of South-east Asia on the one hand and China on the other. China is so big and important a country, so close to South-east Asia, and so deeply involved in its affairs, that peace can hardly be achieved there without its co-operation. Its actions have a profound influence on the course of events throughout the area. To play an active and constructive part in the Asian and Pacific region, it is essential to be able to communicate directly with the Chinese Government—not only to follow the development of its policies but also to be in a position to express views on them and get them heard. This applies to New Zealand as much as to any other country in the region.

My Government, therefore, on assuming office, recognized the People's Republic of China and normalized relations between the two countries. We met a ready and friendly response from the Chinese Government, and shall shortly complete the exchange of diplomatic representation. We have been criticised for not insisting on maintaining at the same time our diplomatic relations with Taiwan. This was an unrealistic policy, as its proponents well knew. New Zealand is not the United States; and no other country had established any form of relations with Peking while continuing to recognize the Taiwanese Government. We had a choice between progress and no progress, and we took a decision which has proved to be right. We have made a promising beginning in the development of friendly and businesslike relations with China, and our trade with Taiwan has not suffered.

We took our decision to recognise China independently, but implemented it in close consultation with Australia. The election of new governments in both countries was a happy coincidence. One of my first actions as Prime Minister was to invite Mr. Whitlam to visit New Zealand. At our meeting in January we set the pattern for close and continuous consultation on all matters of common concern. There has since been a constant stream of visitors, both Ministers and officials, in either direction across the Tasman. In all these personal contacts, constructive collaboration has been the goal. The fruits of this collaboration are already evident. It is not to be expected that Australia and New Zealand will adopt identical policies on all issues. This is also evident. Since our basic philosophies are similar, however, our approaches to specific problems will complement and reinforce each other all the more effectively for being independently conceived.

Mr. Whitlam and I thought it particularly important to have an early exchange of views with the other leaders of the independent and self-governing nations of the South Pacific. At the invitation of the host country, Western Samoa, the date of the next meeting of the South Pacific Forum was accordingly advanced from September to April. Although the meeting itself took place outside the period reviewed in this report, I may record the preparatory decisions which enabled me to take several important initiatives there. As a first step, Cabinet approved a comprehensive review of South Pacific policy. It also approved a new 3-year aid programme in which both total expenditure, and the proportion of the total devoted to the South Pacific region, would be substantially increased.

In framing its policy, the Government felt obliged to take a close look at the machinery for South Pacific co-operation. It was aware of a strong feeling among the independent island governments that the South Pacific Commission, the only organisation which embraced all the peoples and territories of the area, was by no means as effective as it should be in promoting economic, social and educational development in the area. Certainly the establishment of the South Pacific Forum has given the independent governments a meeting place for exchanging views on political, social, and economic problems of common concern. The South Pacific Bureau for Economic Co-operation has been established to advise the Forum and member governments on problems of economic development and trade. But more needs to be done. New Zealand and Australia have therefore decided to give the South Pacific Commission, hampered by lack of funds, a shot in the arm by making each a voluntary contribution of $250,000. The Commission thus has the opportunity to demonstrate that, with adequate finance, it has the capacity to make a worth-while contribution to the development of the region. In addition New Zealand would like the parliamentarians of the South Pacific countries to have a more direct and effective say in regional affairs: and we shall be discussing with our neighbors the possibility of establishing a South Pacific Council, with parliamentary participation.

During the year two South Pacific countries, Papua, New Guinea and Niue, made rapid progress towards self-government. New Zealand welcomes the prospect of their becoming full members of the South Pacific Forum at an early date. We intend to establish a diplomatic post in Port Moresby when Papua, New Guinea becomes independent.

Discussions have also been held with the Cook Islands Government about the constitutional relationship between the two countries. It has been made clear that this special relationship imposes no limitation on the right of the Cook Islands to determine its own future. New Zealand will deal with the Cook Islands Government in the same way as with other South Pacific countries and has undertaken to ensure that the Cook Islands Government has access to the information on world affairs that it needs to promote its own international interests. It is envisaged that in the course of the next 2 or 3 years responsibility for the conduct of New Zealand's relations with the Cooks will be transferred to the Ministry of Foreign Affairs.

New Zealand's first concern must be to promote co-operation with its South Pacific and Asian neighbours, but this does not mean any lessening of its efforts to develop and strengthen New Zealand's "presence" in Europe and the Americas. Even if we had no interest in political developments in more distant continents, which is by no means the case, New Zealand's world-wide and ever diversifying trade interests would preclude any such reduction. On the contrary, we intend to intensify our diplomacy, and especially our economic diplomacy, in both Europe and the Americas as strongly as our resources permit.

In 1972, New Zealand established diplomatic missions for the first time in two South American countries, Chile and Peru. We are now actively considering the extension of our representation on the American continent, and perhaps also in the Caribbean, by cross-accreditation from existing posts. It is hard to see a limit to New Zealand's trading opportunities in either North or South America, and we intend to exploit them even more intensively than in the past.

New Zealand's relations with the United States remain of prime importance to us. The ANZUS treaty has continuing validity for Australia and New Zealand, even though we hope and work for a relaxation of tension which will lessen the likelihood of our having to call for American protection under the security provisions of the treaty. Although we detect signs that the United States administration may be attaching less significance, and devoting less attention, to its relationship with New Zealand than it did during the era of "containment", this is in part at least because it is concentrating its diplomatic efforts on a more active policy in other directions—a policy which New Zealand welcomes and which is in our interests. We do not intend on our side to lessen our efforts to maintain close and friendly relations with the United States: at the same time, we have not hesitated and shall not hesitate to express disagreement with American policies, as with those of any other government, when in our view New Zealand's interests, on the common interest, so require.

We also intend to maintain strong links with Canada. Under their present leadership, I believe that Australia, Canada, and New Zealand have a closer identity of approach than ever before in the philosophy of their foreign relations. Within the Commonwealth, they have an important role to play in bridging the gap which at one time seemed likely to develop between the older and the newer developing members. I look forward greatly, in 1973, to meeting Mr. Trudeau and to participating under his chairmanship in the Ottawa meeting of Commonwealth Heads of Government.

In Europe, the absence of New Zealand representation in Moscow has been one of the most glaring gaps. The Soviet Union, one of the two military super-powers, has apparently accepted the need for *detente* in her relationships with the United States and western Europe: she is a nation predominantly European but with important Asian and Pacific interests—not the least a fishing industry which operates close to New Zealand's coasts—a nation which has made known, through the visit of a senior Minister, its desire to establish friendly and businesslike relations with South Pacific countries, including New Zealand. It is manifestly in our interests, both political and economic, that our response should be prompt and positive. The status of the Soviet diplomatic mission in New Zealand has accordingly been raised to that of Embassy, and a New Zealand Embassy will be fully operational in Moscow in 1973.

New Zealand's representation in Eastern Europe will be further strengthened by the appointment of a resident Ambassador to Austria. Our Embassy, although small, will be strongly staffed on the trade side, and will provide a base for developing our economic relations with a number of Eastern European countries in a more effective way than has been possible from London in the past.

New Zealand's diplomatic presence in Europe will be extended by the device of multiple accreditation. Although we are at present represented in all the member countries of the European Economic Community except Denmark, we have no direct representation in Scandinavia, the Iberian Peninsula, the Balkan countries (except Greece), or in the Vatican. We expect to remedy these deficiencies by accrediting Ambassadors in existing posts to one or more of the countries concerned, and by instructing them to give special attention to the promotion of trade.

With the development of our diplomatic and trade representation in Europe, we are examining whether it is possible to achieve a significant reduction in the size and cost of our High Commission in London. Reduction will mean no diminution in the closeness of our relationship with Britain. This is based on ties of kinship and shared tradition which are unlikely to weaken. Our trade with Britain and her Community partners is very large and is vital to us.

New Zealand does not have any constitutional problems in her relations with Britain. New Zealand's loyalty to the Crown remains strong. We look forward to the presence in New Zealand of the Royal Family during the Commonwealth Games next year. We plan no hurried changes in the application of the honours system in New Zealand. In accordance with tradition, I have accepted membership of the Privy Council. I expect that in due course the Government will consider possible changes in the honours system, in our National Anthem, and flag, which would give them a more distinctively New Zealand character, but these are not matters of urgency.

If there are problems in our relations with Britain, these are of a more practical character. The special arrangement for New Zealand butter and cheese concluded with the European Economic Community at the time of Britain's entry had unsatisfactory features, notably in regard to prices. The position has been made worse by the floating, and effective devaluation, of Britain's currency. We have been disappointed by Britain's failure so far to accept the justice of our argument that prices under the arrangement should be adjusted in order to maintain the real return to the New Zealand farmer and the New Zealand economy. On this and many other aspects of our future trade relations with Britain and the European Economic Community, strenuous negotiations lie ahead. We must ensure that the special dairy arrangement continues on a satisfactory basis beyond 1977. We must safeguard our trade in lamb. We must co-operate closely with the Community to find ways of giving effect to their undertaking not to frustrate the diversification of our economy and markets. In all these negotiations we shall certainly not neglect the asset of our traditional relationship with Britain.

Until recently, freedom of personal movement between New Zealand and the United Kingdom was taken for granted. For Britons wishing to emigrate to New Zealand, it still exists. Under current immigration rules, adopted to cope with a situation in which New Zealand had no part, New Zealanders no longer have unrestrained right to enter Britain in order to work or settle unless a parent or grandparent was British-born. These rules thus discriminate among New Zealanders, and although the discrimination is not overtly racial, the effect is to deny Maoris, as well as pakeha New Zealanders of long-settled families, the privileges of unrestricted entry. This situation, which contrasts with the unrestricted reciprocal freedom of entry recently agreed upon by the new governments in this country and Australia, cannot give my Government any satisfaction. We propose, at an appropriate time, to raise the matter again with the British Government.

Our wish to maintain and extend freedom of movement between New Zealand and other countries will find expression in other ways. Our immigration policy is being reviewed, and it is our objective to conclude reciprocal immigration agreements with countries which wish to do so, including Asian countries.

Although not exceptionally endowed with natural resources, apart from its climate, New Zealand has achieved a standard of prosperity for its people which marks it in comparative terms as a developed rather than a developing country. Our decision to seek membership of the Organisation for Economic Co-operation and Development, and the Organisation's willingness to receive us, constitute a recognition of this fact. We recognise also that membership of this group confers a special responsibility on us in regard to the large group of countries which are at an earlier stage of development, and in many of which ordinary people go short of some of the basic necessities of life. Indeed, it is one of the least comfortable facts of today's world that in spite of all the aid programmes so far undertaken, the overall burden of poverty is increasing rather than declining. This must surely affront our consciences.

For some years New Zealand has paid lip service to the internationally accepted targets for aid. In absolute terms, our aid expenditure has steadily increased. Proportionally to gross national product, however, it lags well behind and the rate of percentage increase has been minute. This situation the present Government is determined to correct. Recognising all the difficulties, including pressure on resources and competing priorities, the Government has nevertheless drawn up and approved an official aid programme whose objective is the achievement of the target over a period of 3 years. This means that, as an immediate consequence, Government aid will rise from $19.4 million in 1972–73 to $27 million in 1973–74, and that it will need to rise to an estimated $62 million by the 1975–76 financial year. The rate at which projects are developed and the availability of resources may mean that the third-year target is not attained, but it is accepted as a target that the Government will sincerely try to reach.

An equally dramatic increase in non-government aid, investment, and other resource transfers will be required if New Zealand as a whole is to achieve the overall target of 1 percent of its gross national product. The Government will do its part. I hope that the business community, the voluntary organisations, and the people of New Zealand will also respond to the challenge. We can afford to give more aid: we cannot afford not to.

The gerater part of Government aid will continue through bilateral programmes. These will concentrate mainly on the Pacific—where we shall aim at a "great leap forward" in living, social welfare, health, and education standards, job opportunities, and export earnings—and in South-east Asia. A substantial amount of assistance funds will, however, be contributed to international agencies such as the United Nations Development Programme (to whose Governing Council New Zealand was recently elected), the World Food Programme, the Asian Development Bank, the South Pacific Commission, the Commonwealth Fund for Technical Co-operation, and other Commonwealth assistance arrangements.

In giving aid we shall pay careful and constant attention to the economic, social, and political aspirations of the developing nations. It is for them to set their objectives and determine their own priorities. It is essential, therefore, that our diplomatic missions abroad should have the capacity and expertise to work closely with the recipient governments in order to ensure not only that our aid programmes are efficiently administered, but that they meet the real wants and needs of the peoples they are intended to benefit.

In preparing this introduction to the Ministry's annual report, I have gone beyond the normal recording of past events to give a broad outline of the new Government's objectives and future intentions. It may, therefore, be reproduced separately as a paper on New Zealand's foreign policy. As such, and at the risk of oversimplification, it may be useful for me to conclude by summarising what I conceive to be the basic elements of that policy.

New Zealand is determined to establish a firm moral basis for its foreign polices.

New Zealand will follow more independent policies: our starting point on every issue will be what we think is right.

New Zealand strongly supports the principles of the Declaration of Human Rights, and will equally strongly oppose all forms of racial discrimination at every opportunity.

New Zealand will work to strengthen the rule of law and the role of the smaller nations in the United Nations.

New Zealand will seek to develop more direct contacts and relations with the great powers, in order to increase our understanding of basic trends in world affairs.

There will be the closest co-operation and consultation with Australia on all foreign policy issues.

New Zealand has a special concern, and acknowledges a special responsibility, to assist and co-operate with its neighbours in the South Pacific.

New Zealand, recognising that the initiative for the development of new regional arrangements in Asia must come in the first place from Asian countries themselves, will nevertheless seek to encourage and support the concept of a regional arrangement of a unifying character involving China.

New Zealand will strengthen and extend its diplomatic network in both North and South America, and both Eastern and Western Europe.

New Zealand will continue to be closely associated with Britain and the United States, and other freedom-loving nations which share our ideals and traditions.

New Zealand will make a determined effort, in the next 3 years, to reach the goals of 0.7 percent of GNP for official aid to developing countries and 1 percent of GNP for total resource transfers.

At all times there will be frankness and openness on the Government's part in public discussion of its foreign policies, with the object of ensuring support for them from an enlightened and humane public opinion in this country.

It will take time to bring the Government's foreign policy to full fruition. Many aspects of it will require the most careful planning and delicate negotiation. The extremes of impatience and complacency must alike be voided. In our Ministry of Foreign Affairs and its missions abroad we have an instrument capable of the task. The Government will give it the resources it needs to carry out that task and to represent New Zealand modestly but effectively throughout the world. Its aim is to ensure that both its foreign policies and its foreign service are such that the people of New Zealand can be proud of them.

New Zealand/United States Trade and Economic Relations

One of the most significant factors in New Zealand/United States relations in recent years has been the phenomenal growth in trade between the two countries which has risen 67 percent in the past six years (see table).

EXPORTS TO NEW ZEALAND

From 1967 to 1972 United States exports to New Zealand increased by 49 percent. American exports to that country include machinery, chemicals, fertilisers, textile yarns and fabrics, and scientific instruments. Trade in these commodities has risen steadily over the period although 1972 exports to New Zealand valued at $133.7 million did not reach the record level of $134 million in 1970. Last year, American exports rose some $23 million over 1971, significant increases occurring in exports of motor vehicles (up $5.7 million) electrical and generating machinery (up $5.6 million) chemicals (up $2 million) fertilisers (up $2.2 million) tobacco (up $1 million) and scientific instruments (up $1 million).

IMPORTS FROM NEW ZEALAND

United States imports from New Zealand increased by 77 percent from 1967 to 1972. The United States has become New Zealand's second largest export market taking almost 20 percent of her exports in 1972. Imports from New Zealand reached a record $275.9 million last year, a 20 percent increase over the 1971 figure of $229.5 million. High prices for beef and wool account for part of this growth. As some 60 percent of New Zealand beef exports are shipped to the United States, New Zealand has long sought the elimination of quantitative restraints on the importation of this product. For this reason the President's action in temporarily suspending the quotas in June 1972 was welcomed by New Zealand exporters who were able to increase their shipments by 10 percent in 1972 over the previous year. With the continued suspension of the voluntary restraint programme for 1973 imports of beef, shipments have been increased by 23 percent from January to July 1973 over the corresponding period in 1972 and New Zealand's exporters are hopeful of further increasing supplies to this market

DAIRY PRODUCTS

As the world's leading exporter of dairy products, exports totalled just under $423.8 million in 1972 of which less than $23.7 million was destined for the United States. New Zealand has long been anxious to increase exports of these products to this market and has therefore been more than willing to respond to the opportunities offered by the recent emergency import quotas for cheese and non-fat dry milk and is hopeful of increasing liberalisation on imports of dairy products to this country.

MEAT

While beef constitutes almost half by value of the United States imports from New Zealand, other products are contributing their share of the trade. During 1972, imports of lamb rose some $2.7 million, sausage casings $2.3 million and casein $3.8 million over the previous year.

MANUFACTURED PRODUCTS

One of the most significant increases has been the $5 million rise in imports of New Zealand steel. Other manufactured products are also being successfully sold on this market, for example, leather goods, tableware, textile yarn and thread and machinery and appliances.

TARIFF REVISION

As a result of Britain's entry into the European Economic Community the New Zealand Customs Tariff is currently being revised to eliminate British Preferential rates of duty. This revision will improve considerably the competitive position of the United States in the New Zealand market The outlook for United States exporters to New Zealand is therefore favourable.

NEW ZEALAND EMBASSY,
Washington, D.C.

TRANSFER OF TIME OF SENATOR ROBERT C. BYRD TO SENATOR STENNIS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the remaining time allocated to the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD) be retained rather than given up; that there be a conclusion of the time for the transaction of morning business; and that the remaining time under the allocation to Senator ROBERT C. BYRD be transferred to the distinguished Senator from Mississippi (Mr. STENNIS), the Chairman of the Committee on Armed Services.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. STENNIS. Mr. President, how much time, then, remains to me?

The ACTING PRESIDENT pro tempore. The Senator from Mississippi has 14 minutes remaining.

Mr. STENNIS. I thank the Chair and the two leaders.

ENLISTMENTS IN THE ALL-VOLUNTEER ARMY

Mr. STENNIS. Mr. President, I do not have lengthy remarks, but I wish to speak briefly concerning the problem of the all-volunteer forces, the volunteers who are going to serve in the military forces.

On a recent trip I made to Hawaii and to Fort Lewis, Wash., I personally interviewed about 200 enlisted men and some 10 enlisted women from all four of the military services. My specific purpose in talking with these people was to obtain a frank appraisal on the question of how to get men to enlist for the first term and then to learn what were the determining factors in gettting them to enlist a second time.

All of the interviews were held behind closed doors with no one present except the men themselves and me, and I believe the answers I received were sincere and truthful. I talked with every person involved, generally opening the discussion by asking each one to make an observation or ask me a question and by stressing that I was not looking for shortcoming or wrongdoings. I told them that I was not an inspector general. All of the discussions were full and frank, probably in part because of my promise not to individually quote them and/or use their names.

In the Honolulu area, I interviewed 150 men and 10 women from the 50 States. At Fort Lewis, I interviewed 15 junior officers, 9 sergeants with 5 to 21 years of service, and 25 privates and corporals serving their first term. All of them except probably one or two, were volunteers.

Based upon my experiences with these people, I find the following points to have been of significance in deciding to enlist. I made notes without taking down names.

First. It is an adventure for a great number of them who are at the high school level, as they came out of high school or left high school. Most of them consider the pay now as comparable and good employment by contrast with an outside civilian job.

I think the major considerations, however, for reenlistment are as follows, in order of relevance and comparative influence:

First. By then, they are interested in living quarters. Most of them are married. Many have children. They are very interested in where their family is going to live.

Second. The person wants to keep the job he is doing.

Third. The person has a chance to get started on some other job or training program within the service.

In other words, some of them are disappointed in their own choices as to what they want to train for, and in many instances it is impossible to give them fully what they were promised. The popular training programs cannot be provided all of them.

Both of the above considerations have an eye to the value of training or experience in getting a job later in civilian life. If he decides not to continue in the military, he wants that training and job to be something that will help him in civilian life.

Fourth. The retirement plan.

Fifth. The salary, including possible bonus payments, but further increases are not the major factor.

I was looking all the time for deterrents that relate to reenlistment. Senators would be surprised, as I was, with this candor and frankness and their willingness to discuss the matter from the standpoint of the problem of the service they are in, and for themselves and for the good of the country. I was very pleased, in a broad sense, with what I learned. Of course, there were some exceptions. Following are the main deterrents that relate to reenlistment:

First. Poor living quarters. Many of these men, as I said, have a family by this time.

Second. If the work the enlistee is doing near the end of his first term is scarce, or not found at all in civilian life, he will not be interested in reenlisting unless he has airtight assurance that he will be given a real chance in another job of interest. He may have had a chance to see that he is going down a dark alley; it is a one-way street, with no way out. But I found many who are willing to stay in the service if they are given ironclad assurances that they will be switched over and given some other kind of training. If an enlistee feels he was not given training as promised, he is not likely to reenlist. I ran across that. It makes no difference whether he has been given a reason or whether he is very logical in his position that they did not do what they had promised. If he feels that way, he is a poor prospect for reenlistment—which emphasizes how important it is for the recruiting team not to overstate to these men what they are going to be given to do.

Third. The enlistee is adverse by nature to military life, including military discipline. That is no reflection on him. Some people are just that way. They do not like military life and discipline.

Fourth. He considers outside pay as being better.

The problem of retaining a junior officer—primarily first and second lieutenants—is very similar, with emphasis on the following subjects:

One. Military housing. That shows up with many of them when they are considering staying in the service.

Two. The matter of military discipline, which in many places is too soft to please the rugged individual and too hard to please the soft type. I was surprised that a number of young men—young officers, young corporals and sergeants—with whom I spoke said it is too soft, that they do not believe it is going to be a good unit and that they are not attracted.

In view of the foregoing, I think it will be a severe but not impossible problem for all four services to fill their ranks with volunteers if the necessary quality is maintained. That is, in part, a concession for me. I advised against going into this plan, but I want to support it now and give it a real chance and judge it as best I can on the merits. I am going to follow up this study in the same pattern I have outlined in this speech. Unless we rigidly maintain the quality level, we will not have many units with military uniforms on which are dependable units of military strength. That is just commonsense. Some of them never will be reliable and responsible military men, and any unit that has an appreciable number of them is not going to be a dependable military unit.

I am willing to spend the same amount of money—even more, if necessary—on fewer men than we have now, if the quality is actually maintained.

The difficulty of filling the ranks with all volunteers will be experienced by the four services in the following order:

First. The Army.

Second. The Navy.

Third. The Air Force—the Air Force is by no means immune from this problem. I base that on what these men told me in the privacy of these conversations.

Fourth. The Marines.

I was greatly encouraged by the volunteer Army concept as found in the 9th Division at Fort Lewis under Gen. William B. Fulton and his excellent staff and commanders, both commissioned and noncommissioned officers. The effort started from scratch with volunteers only shortly prior to May 1972, and as of mid-August they were only 2,000 short of their full manpower requirements on duty. These 2,000, I was told, were "in the pipeline," being either in basic training or at some other preliminary step.

These enlistees were all volunteers, with just a few exceptions scattered among various units where they had to have some experienced sergeants; and, of course, virtually all of the experienced sergeants and similar officers have been supplied from other units. They gave this general the 13th Division—it is numbered 9—just on paper. It did not have a single man in it. He was told it was up to him to get the volunteers.

From the latest arrivals to the commanding general, everyone that I contacted in the 9th Division has a very fine attitude, which includes a "can do it" spirit. I believe that this effort of the 9th Division is going to be successful, but this does not mean it is possible to apply this same system to all 13 divisions. Most of these men are taken from the five nearby northwestern States, plus the State of Florida, which for some reason has been used as an additional recruiting area for the 9th Division.

In virtually all cases, whether they plan to reenlist or not, the enlistees say that their period in the service has been helpful to them, and most of them voluntarily expressed appreciation of the good that the service had brought them. There is a very slight dissent from this position, even though different enlistees assigned different reasons for this result.

In this partial examination of the way the Volunteer Army concept is working, I saw some streaks of encouragement, but there has not yet been time for a full trial. I think that it will require 2 to 3 years more time to give a full test and fair trial to the plan.

Patience and hard work by all the services will be required. It is essential that all this effort by all the services be based on the idea that quality manpower must be maintained. Quality must not be sacrificed to other considerations.

We can yield some on the number of personnel required, but we cannot yield on quality. Any service that does yield on these quality requirements renders a serious dissservice to the Nation and will destroy itself.

I think young girls who are willing to go into the service should be encouraged. It seems to me that they should be given more and more places and used more and more by the services—especially in the Air Force and the Army—but not for combat. They are an abundant source of talent and more extensive experiments of their use should be made.

To give the volunteer plan a chance, I will support all reasonable measures therefor, so that an exhaustive effort can be made to make the plan work.

I do not think that the Congress can or should pass any selective service legislation for at least 2 more years. Having gone as far as we have, we must be certain that this plan is given a real chance and, to that end, all commissioned officers and noncommissioned officers must make a special effort to see that they have done their best to make it work. I refer particularly to those in command at every level in every service.

I have no patience for those in the military uniform 2 years ago who were beating the drums for the all-volunteer concept, and who are now saying it will not work. The facts are that the plan has not been sufficiently tried, not by any means.

The burden now rests on the services. This includes civilians in places of authority and command.

The annual added cost to the military budget, because of this plan has been estimated by the Department of Defense at $3 billion. From 80 to 90 percent of this $3 billion increase will remain as an annual cost, whether this all-volunteer plan is retained or not. Congress is certainly obligated to see that the plan is given a fair trial and not dropped, at least until it has been given an exhaustive trial.

The Army, the Air Force, the Navy, and Marines all have a problem in getting enough of the right kind of personnel. I have been skeptical about the plan from the beginning but as of now I can see there is a chance that it can be made to work. I plan to make a further grassroots level study of the situation and problem and hope that many of my colleagues will do the same.

As this all-volunteer force plan is being tried out, we can greatly strengthen our military security by making our Reserve units and National Guard units more attractive and more effective, by providing them, where needed, with additional rifles, planes, guns, transportation and other equipment, supplies, and related items.

This will make it possible for the Regular services to further reduce their personnel requirements and at the same time save money.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. GRIFFIN. Mr. President, I yield part of my time to the Senator from Mississippi.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Michigan is to be recognized until 10:30 a.m. Does the Senator yield to the Senator from Mississippi?

Mr. GRIFFIN. Mr. President, the Senator from Oklahoma wishes to be recognized for 4 minutes. I yield 4 minutes of my time to the Senator from Oklahoma.

Mr. SYMINGTON. Mr. President, would the Senator be good enough to yield to me briefly? As the acting manager of the bill, I would like to ask a couple of questions on the subject.

Mr. GRIFFIN. Mr. President, except for the last 4 minutes, I yield the remainder of my time to the Senator from Mississippi, and I am sure that he will be glad to yield to the Senator from Missouri for questions.

The ACTING PRESIDENT pro tempore. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, in conclusion I make the point in these remarks that we are spending around $3 billion a year extra, because of this system. I think that is a fixed amount and very little of it will ever be repealed. It is a permanent cost. I think we would show a lack of faith if we turn away now and cut off the funds without giving the system a try. Only the military, the officers and noncommissioned officers in the services, can make it work.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. SYMINGTON. Mr. President, I appreciate the chairman yielding to me. I had the privilege of reading his speech this morning in the press. I was very much impressed with it. I would like to ask a couple of questions.

When I went into the military in 1918 I was paid $17 a month. It is my understanding now that a private goes into the service at $340 a month.

The testimony before the committee was that the amount of money involved was not the reason for the reticence of these young men wanting to go into the services. The information we received was that in order to fill the volunteer requirement we would have to get at least one-third of the high school graduates, even on a 50–50 basis. We know the Secretary of the Army now hopes for a 50–50 ratio.

Those of us who are for a reduction of troops in Europe, and have been for many years, as a result of the recommendation of President Eisenhower, feel the silver lining in the problem may be that they will not be able to get the volunteers necessary. They are tens of thousands short already.

I would like to ask the distinguished chairman this question. Does he feel that additional money beyond that already authorized and appropriated should be given to the military services in order to obtain the volunteers?

Mr. STENNIS. My present view is: Not very much. There may be some instances where we could appropriate a little more money and make allowances and increase these chances. But we already have the bonuses. I think they have almost enough money to do the job.

Mr. SYMINGTON. Is that the $3 billion?

Mr. STENNIS. It runs around $3 billion?

Mr. SYMINGTON. If they cannot do the job for $3 billion, and we have to maintain the structure as it is, we should go back to the draft.

Mr. STENNIS. Yes, if we cannot do it for that or near that, we would have to go back, but we have not given it a try yet.

Mr. SYMINGTON. Mr. President, in closing I wish to say to the able chairman that what worries me more and more is that the world has changed tremendously since World War II, but except for additional lethal strength we have not changed the services.

I thank the Senator for yielding.

The ACTING PRESIDENT pro tempore. The Senator from Michigan has yielded to the Senator from Oklahoma. The Senator from Oklahoma may proceed.

OPEC

Mr. BARTLETT. Mr. President, it is about time Congress and the administration took constructive, positive action to solve our severe energy problems. It appears that once again the leaders of this country are refusing to act to avoid or limit a crisis, but instead are waiting until the crisis occurs—to provide an emotional vehicle which all politicians will climb aboard in order to fashion crash legislation designed to eliminate the crisis. This has occurred before with problems in our cities, environment, economy, et cetera.

As long as Congress and the administration refuse to face up to the fact that foreign nations are beginning to push us around, and as long as Congress refuses to take necessary action to increase our domestic supplies of conventional fuels for the near term, there will continue to be an open invitation to the petroleum exporting nations of the world to raise further their crude oil prices. Those nations selling oil will continue to apply pressure until they see what the market will bear. When they determine what the market will bear, we will have a significant shortage. If we do not act now, our Nation will suffer energy shortages at a high price in terms of the consumers' dollars, national security and position in world affairs.

Various comments about gasoline rationing and oil shortages of all forms of energy make it appear most likely that gasoline rationing, as well as other fuel rationing, is just around the corner. Congress is mainly to blame—but the administration is not without blame.

Two actions which should be taken immediately are: first, the administration should immediately remove price controls on crude oil and petroleum products, and second, Congress should move forward on legislation to deregulate the price of natural gas at the wellhead.

As long as price controls are maintained on either oil or gas, the domestic exploration and development and research necessary to make our Nation more self-sufficient—less dependent on nations that are continually making demands in a politically volatile atmosphere—is severely hampered.

Not only should the Federal Government take action and remove price controls on oil and gas, but also the Federal Government should establish a national energy policy that strikes a balance between our social, economic, and environmental goals and their respective demands upon energy.

If we fail to act now but instead wait for the crisis to force us into action, we will find serious shortages of geologists, petroleum engineers, drill pipe, drilling rigs, experienced drilling crews, service equipment, and personnel, et cetera. However, if the free market is permitted to work, the energy industry can proceed in a more orderly fashion to prepare better for the tremendous challenges facing it.

Unless a coordinated effort is made to overcome our energy problems, we can expect the foreign oil producing nations to continue to raise prices and pick the pockets of American consumers. We can expect the OPEC nations to make additional demands concerning our foreign policy. In short, unless we act now, we can expect to be subjected to extortion, because of our own indifference to see the signs which are plain to see.

QUORUM CALL

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The ACTING PRESIDENT pro tempore. Under the previous order the Senate will now return to the consideration of the unfinished business, H.R. 9286, which the clerk will state.

The assistant legislative clerk read as follows:

H.R. 9286, to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

The Senate resumed the consideration of the bill.

The ACTING PRESIDENT pro tempore. The pending question is on amendment No. 476 by the Senator from Arizona (Mr. Goldwater), which the clerk will read.

The assistant legislative clerk read the amendment, as follows:

At the appropriate place in the bill insert a new section as follows:

Sec. . (a) The Secretary of Defense is authorized and directed to carry out a comprehensive study and investigation to determine the desirability and feasibility of merging the Air Force Reserve and the Air National Guard of the United States. In carrying out such study and investigation the Secretary shall consider all the advantages and disadvantages of such a merger and shall give special consideration to (1) the increased efficiency which might be expected to result from such a merger, (2) the economies that might be expected to result from such a merger, and (3) the ability of the organization resulting from such merger to effectively perform its mission.

(b) The Secretary of Defense shall submit to the President and the Congress a detailed report of such study and investigation not later than January 31, 1975. The Secretary shall include in such report a detailed explanation of the facts and information which serve as the basis for any conclusions stated therein, and shall also include in such report such recommendations for legislative action as he deems appropriate.

Mr. GOLDWATER. Mr. President, I might note that the majority leader's name, Mr. Mansfield, should be listed on that amendment as a cosponsor. I also ask unanimous consent that the name of the Senator from Massachusetts (Mr. Brooke) be added as a cosponsor of amendment No. 476.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that a number of directives from the office of the Secretary of Defense pertaining to the general subject of the Reserve and the Guard be placed in the Record at this point in my remarks.

There being no objection, the directives were ordered to be printed in the Record, as follows:

The Secretary of Defense,
Washington, D.C. August 23, 1973.

Memorandum for Assistant Secretary of Defense (Manpower and Reserve Affairs).

Subject: Guard and Reserve in the Total Force.

Please have the Deputy Assistant Secretary for Reserve Affairs undertake a study of Guard and Reserve forces which will include consideration of the availability, force mix, limitations and potential of the Selected Reserve in a national emergency. The study should involve responsible officials of the Services and the Guard and Reserve components as well as appropriate agencies of the Office of the Secretary of Defense and the Joint Chiefs of Staff.

A study plan and outline should be submitted to me for approval not later than 30 days from this date.

J. R. Schlesinger.

The Secretary of Defense,
Washington, D.C., August 23, 1973.

Memorandum for Secretaries of the Military Departments; Chairman, Joint Chiefs of Staff; Director, Defense Research and Engineering; Assistant Secretaries of Defense; Director, Defense Program Analysis and Evaluation; and Directors of Defense Agencies.

Subject: Readiness of the Selected Reserve.

An integral part of the central purpose of this Department—to build and maintain the necessary forces to deter war and to defend our country—is the Total Force Policy as it pertains to the Guard and Reserve. It must be clearly understood that implicit in the Total Force Policy, as emphasized by Presidential and National Security Council documents, the Congress and Secretary of Defense policy, is the fact that the Guard and Reserve forces will be used as the initial and primary augmentation of the Active forces.

Total Force is no longer a "concept." It is now the Total Force Policy which integrates the Active, Guard and Reserve forces into a homogeneous whole.

As a result of this policy, the Selected Reserve has moved towards timely responsiveness and combat capability. Application of this policy has improved equipping, funding, facilities, construction, programing and some training areas.

I recognize and appreciate the great amount of effort that has been made to develop the Guard and Reserve. Progress has been made.

However gross readiness measurements (which should be improved) indicate that we have not yet reached a level consistent with the objective response times. It is clear that we should move as much post-mobilization administration as possible to the pre-mobilization-period and streamline all remaining post-mobilization administrative and training activities.

We must assure that the readiness gains in the Selected Reserves are maintained and that we move vigorously ahead to reach required readiness and deployment response times in areas still deficient.

I want each Service Secretary to approach affirmatively the goals of producting Selected Reserve units which will meet readiness standards required for wartime contingencies. Each Secretary will provide the manning, equipping, training, facilities, construction and maintenance necessary to assure that the Selected Reserve units meet deployment times and readiness required by contingency plans. You will have my support and personal interest in overcoming any obstacles in these areas.

The Assistant Secretary of Defense for Manpower and Reserve Affairs is charged by statute and by Defense policy and Directives with the responsibility for all matters concerning Reserve Affairs. It is my desire that the Assistant Secretary of Defense for Manpower and Reserve Affairs, as a matter of priority, take such actions as are necessary to bring the Selected Reserve to readiness goals. In this respect, the Services, the other Assistant Secretaries of Defense, the Joint Chiefs of Staff, the Director of Defense Program Analysis and Evaluation and other Defense Agencies will provide support on a priority basis. Particular emphasis will be placed on assistance in manning, equipping and training. The Deputy Assistant Secretary of Defense (Reserve Affairs) will continue to function in accord with current statutes and directives.

To emphasize and to strengthen Selected Reserve management, I suggest a civilian Deputy Assistant Secretary for Reserve Affairs in the office of each of the Assistant Secretaries of the Military Departments for Manpower and Reserve Affairs. This Deputy should be supported by an adequate staff and be assigned responsibilities and functions similar to those assigned the Deputy Assistant Secretary of Defense for Reserve Affairs.

At the military level, the Navy has been given specific guidelines for developing the new office of Chief of Naval Reserve. The Air Force and Marine Corps management structure has produced combat readiness and that is the vital test. I expect that the Army's reorganization, with strong command emphasis and good selection of leaders will produce demonstrably visible improvement and I shall follow the results with interest.

The Chiefs of the National Guard and Reserve components will be the staff level managers of the Guard and Reserve programs budgets, policy, funds, force structure, plans, etc. They will be provided the authority, responsibility and means with which to accomplish their functions effectively. The overall management responsibility of the Chiefs of the Selected Reserve, under the Service Chiefs, will be supported by all other appropriate staff agencies.

In addition to the foregoing emphasis on Reserve Force policy and management, I am asking my Deputy Assistant Secretary for Reserve Affairs, with your support, to manage a study covering the issues of availability, force mix, limitations and potential of Guard and Reserve Forces.

In summary strong management with achievement of readiness levels in the Selected Reserve is among our highest priorities—we must and will accomplish this objective as soon as possible.

J. R. SCHLESINGER.

Mr. GOLDWATER. Mr. President, last week, in the discussion on this amendment, the distinguished chairman of the committee, the Senator from Mississippi (Mr. STENNIS), told me that he might have an amendment to my amendment. He has shown me that amendment. I am perfectly willing to take it. In fact, I think it makes a much better amendment out of my amendment than it would be without it. If the Senator is willing to offer it, I am willing to accept it.

Mr. STENNIS. Mr. President, I appreciate the Senator's statement. I was not ready at that time with any language, but I put this amendment together this morning. I checked with the Senator from Arizona. I greatly appreciate the fact that it is entirely agreeable to him. If my amendment is added to his amendment, I can support his amendment and this one also. I appreciate the opportunity to get it in. So when the time comes when I can offer this amendment to the amendment, I shall be glad to do so.

Mr. GOLDWATER. Mr. President, I see no need for further debate on this subject. I am perfectly willing to take the amendment offered by the Senator from Mississippi to my amendment.

The ACTING PRESIDENT pro tempore. Does the Senator ask unanimous consent?

Mr. GOLDWATER. Mr. President, I ask unanimous consent that my amendment be amended to include the language offered by the Senator from Mississippi (Mr. STENNIS).

Mr. SYMINGTON. Mr. President, reserving the right to object—and I shall not object—as I understand it, then, the able Senator from Arizona accepts this amendment, and the matter is presented at this time as far as he is concerned. Is that correct?

Mr. GOLDWATER. Yes. It is a much better amendment with that amendment. Frankly, I see no need for a rollcall vote, which was ordered on it last week.

Mr. President, I ask unanimous consent that the order for the rollcall vote be dispensed with.

Mr. SYMINGTON. That is what I was going to suggest.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the order for the rollcall vote is dispensed with.

Mr. STENNIS. Mr. President, may I take just a minute? There is no need for an explanation of this amendment. It speaks for itself.

I ask unanimous consent that my amendment to the Senator's amendment be printed in the RECORD at this point.

There being no objection, Mr. STENNIS' amendment to Mr. GOLDWATER'S amendment was ordered to be printed in the RECORD, as follows:

On page 1, line 5, insert the following: after the period after the word "States" delete the sentence beginning with the word "In" and ending with "mission."

Add the sentence:

In carrying out such study and investigation the Secretary shall quantitatively measure the effects on full costs and on combat capability and readiness, as well as enumerate the military and other advantages and disadvantages of at least the following alternatives: (a) merging the Air Force Reserve into the Air National Guard structure; (b) merging the Air National Guard into the Air Force Reserve structure; and (c) retaining both the Air Force Reserve and the Air National Guard. Such study shall also consider and give equal weight to the modernization needs of the Air National Guard and the Air Force Reserve, including: (a) aircraft; (b) ground equipment; (c) facilities; (d) communication, and (e) other pertinent needs. It shall also consider the related problems of recruiting, training and retaining sufficient manpower of needed quality to man the authorized units.

Insert on page 2, line 11, after the word "report": . . . a complete evaluation of each of the alternatives specified in paragraph (a) above, and . . .

Mr. STENNIS. Mr. President, it is merely spelling out clearly that the Air National Guard and the Air Force Reserve merger is going to be weighed from the standpoint of equipment, supplies, planes, and hardware of various kinds. I think the amendment proposed included that, anyway, but this spells it out.

Mr. GOLDWATER. I agree that this language is proper. I may point out that the material I have just inserted in the RECORD from the Office of Secretary of Defense includes directions from him to proceed with such study, including combat readiness, equipment, personnel, and so forth—everything that goes into making the Reserve and the Guard viable units.

We sometimes think of the Guard and the Reserve as two separate identities. Actually they are both Reserve forces. The Guard can be used by the Governor; the Reserve is used by the forces who are parent to that particular force.

Mr. President, before action is completed on this amendment, I ask unanimous consent that statistics involving the Air National Guard and the Air Force Reserve be printed at this point in my remarks, and this is all I have to say on the subject.

There being no objection, the statistics were ordered to be printed in the RECORD, as follows:

Air National Guard aircraft authorized, 1,533.

Types

F-100, F-102, F-101, F-106, F-105, F-4, F-104, A-37.

RF-4, RF-101, C-123, C-130, C-7, C-119, C-124, KC-97, B-57, EC-121, O-2.

Air Force Reserve aircraft authorized, 408.

Types

C-130, A-37, F-105, C-123.

Air National Guard

Fiscal year 1974 strength request (approved by committee), 92,291.

Fiscal year 1974 budget (in millions):

Personnel	$191.2
O. and M.	525.7
Construction	20.0
Procurement	30.5
Total	767.4

Air National Guard

Flying units, 92.

Aircraft, 1,533 authorized.

Air Force Reserve

Fiscal year 1974 strength request, 49,773.

Fiscal year 1974 budget (millions):

Personnel	$145.4
O. and M.	229.2
Construction	10.0
Procurement	21.8
Total	406.4

Air Force Reserve

Flying units, 54.

Aircraft, 408 authorized.

(Does not include associate units which fly C-141's and C-5's)

Air Reserve and Air Guard Combined

Strength, 142,064.

Budget

Personnel	$336.6
O. and M.	754.9
Construction	30.0
Procurement	52.3
Total	1,173.8

Mr. STENNIS. Mr. President, I have nothing more to say. I have talked with the Secretary of Defenese, who is interested in this matter. I understand he does not object. He said he would give the whole question urgent consideration.

Mr. THURMOND. Mr. President——

The ACTING PRESIDENT pro tempore. There is plenty of time on the amendment. Does anyone yield to the Senator from South Carolina?

Mr. GOLDWATER. Mr. President, I am glad to yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, this is a matter of great importance. The National Guard is vitally important to our States. What is proposed is a study of the entire matter. There is nothing binding about it. The proposal is to make a study. A study can be made.

Personally, I think the Guard ought to be made stronger, ought to have more modern equipment, more training, and assistance in every way possible. I feel the same about the Air Force Reserve.

This is a matter of great importance. These studies can certainly hurt nobody, and we are pleased to agree to it.

The ACTING PRESIDENT pro tempore. Do Senators yield back their time?

Mr. GOLDWATER. Mr. President, I yield back my time.

Mr. SYMINGTON. Mr. President, I yield back my time.

The ACTING PRESIDENT pro tempore. All time on the amendment having been yielded back, the question is on agreeing to the amendment of the Senator from Arizona, as modified by the amendment of the Senator from Mississippi.

The amendment, as modified, was agreed to.

Mr. SYMINGTON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, what is the pending business?

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House insists upon its amendment to the bill (S. 1317) to authorize appropriations for the U.S. Information Agency, agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HAYS, Mr. MORGAN, Mr. ZABLOCKI, Mr. MAILLIARD, and Mr. THOMSON of Wisconsin were appointed managers of the conference on the part of the House.

NATIONAL SCHOOL LUNCH AND CHILD NUTRITION ACT AMENDMENTS OF 1973

The ACTING PRESIDENT pro tempore. Under the previous order, the Chair now lays before the Senate H.R. 9639, which the clerk will read by title.

The assistant legislative clerk read the bill (H.R. 9639) by title, as follows:

A bill to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs.

The ACTING PRESIDENT pro tempore. The unfinished business will be temporarily laid aside and remain in a laid-aside status until the disposition of H.R. 9639 or the close of business today, whichever is earlier.

The time for debate on this bill will be limited to 2 hours, to be equally divided and controlled by the majority leader and the minority leader, with 30 minutes on any amendments and 20 minutes on any debatable motions or appeals.

The Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with amendments, on page 7, line 15, after "1975," insert a semicolon and "and by inserting after the word "State" each place it occurs the following: "; Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare".; in line 23, after "(b)", strike out "The second sentence of section 17(b) of such Act is amended to read as follows: "In order to carry out such program during the fiscal year ending June 30, 1974, and during the fiscal year ending June 30, 1975, there is authorized to be appropriated for each such fiscal year the sum of $20,000,000, but in the event that such sum has not been appropriated for such purpose by August 1, 1973, for the fiscal year ending June 30, 1974, and by August 1, 1974, for the fiscal year ending June 30, 1975, the Secretary shall use $20,000,000, or, if any amount has been appropriated for such program for the fiscal year concerned, the difference, if any, between the amount directly appropriated for such purpose and $20,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c))." "; and, in lieu thereof, insert:

"Section 17(b) of such Act is amended by inserting immediately after the second sentence thereof the following: "In order to carry out such program during the fiscal year ending June 30, 1975, there is authorized to be appropriated the sum of $40,000,000, but in the event that such sum has not been appropriated for such purpose by August 1, 1974, the Secretary shall use $40,000,000, or, if any amount has been appropriated for such program, the difference, if any, between the amount directly appropriated for such purpose and $40,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c))."; at the top of page 9, insert a new section, as follows:

"ELIGIBILITY FOR SPECIAL MILK PROGRAM

SEC. 7. Section 3 of the Child Nutrition Act of 1966 is amended by adding at the end thereof the following: "Any school or nonprofit child care institution shall receive the special milk program upon their request. Children that qualify for free lunches under guidelines set forth by the Secretary shall also be eligible for free milk."

And at the beginning of line 8, insert a new section, as follows:

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SEC. 8. Section 14 of the National School Lunch Act is amended as follows:

(1) In subsection (a) strike the word "thirteen" and insert the word "fifteen" and insert after the phrase "(or the equivalent thereof)," the first time it appears the following: "one member shall be a supervisor of a school lunch program in a school system in an urban area (or the equivalent thereof), one member shall be a supervisor of a school lunch program in a school system in a rural area,".

(2) The first sentence of subsection (b) is amended by striking out "nine" and inserting in lieu thereof "eleven", and by striking "such" and inserting "the nine".

(3) In subsection (e), strike the word "Seven" and insert in lieu thereof the word "Eight".

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that no time be taken out of either side.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. Since we are operating under controlled time, someone has to yield time.

Mr. MANSFIELD. Mr. President, I yield the Senator from South Dakota 1 minute; then I yield the remainder of my time to the Senator from Alabama (Mr. ALLEN).

The ACTING PRESIDENT pro tempore. The Senator from South Dakota is recognized.

Mr. McGOVERN. Mr. President, I ask unanimous consent that Mr. Kenneth Schlossberg and Mr. Alan Stone, who are staff members of the Select Committee on Nutrition and Human Needs, be granted the privilege of the floor during the consideration of H.R. 9639.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I make the same request on behalf of a member of my staff, Mr. Bill Wohlford.

The ACTING PRESIDENT pro tempore. The Senate is under controlled time.

Mr. DOLE. Will the Senator from Nebraska yield me 30 seconds?

Mr. CURTIS. I yield the Senator whatever time he may want.

Mr. DOLE. I make the same request as made by the Senator from South Dakota in behalf of Mr. Bill Wohlford of my legislative staff, to have the privilege of the floor during the consideration of this measure.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CASE. Mr. President, I ask unanimous consent, during discussion of this bill and all amendments and motions, and so forth thereto, that my assistant, Stephen Bryen, be allowed the privilege of the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I ask unanimous consent that there may be a quorum call with the time being charged to neither side.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. ALLEN. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Abourezk). Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I yield such time as he desires to the Senator from Kansas (Mr. Dole).

Mr. DOLE. Mr. President, I ask unanimous consent that Vern Goetcheus and Lucy Knight of the minority staff of the Select Committee on Nutrition and Human Needs be allowed the privilege of the floor during consideration of H.R. 9639, to amend the National School Lunch Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. ALLEN. Mr. President, I ask unanimous consent that the following staff members of the Committee on Agriculture and Forestry be permitted to be present on the floor during the consideration of H.R. 9639, including all rollcall votes thereon: Michael R. McLeod, Forest W. Reece, James E. Thornton, Harker T. Stanton.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ALLEN. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, with the time to be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Alabama yield?

Mr. ALLEN. I yield.

Mr. ROBERT C. BYRD. I thank the Senator.

DEPARTMENT OF DEFENSE APPROPRIATION ACT, 1974—TIME LIMITATION ON AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, the following requests have been cleared with the leadership on both sides of the aisle, with Mr. Thurmond and Mr. Tower, with Mr. Stennis and Mr. Symington, with Mr. Cannon and Mr. Humphrey and Mr. McIntyre.

Those are the Senators directly involved.

I make the following requests:

I ask unanimous consent that upon the disposition of the Stevens amendment, the Senate proceed to the consideration of the Cannon amendment on the F–14, and that there be a limitation thereon of 2 hours, with a limitation on any amendment, debatable motion, or appeal of 30 minutes, the time to be divided and controlled in accordance with the usual form; and that no amendment not germane to the Cannon amendment be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, will the Senator from West Virginia indicate the number of the Cannon amendment?

Mr. ROBERT C. BYRD. I do not have the number; but it is on the F–14. Perhaps I could get the number at the desk.

Mr. McCLELLAN. That can be supplied at the desk.

Mr. ROBERT C. BYRD. Yes.

Mr. President, I ask unanimous consent that on the amendment by the Senator from Minnesota (Mr. Humphrey), dealing with an overall cut, there be a limitation of 2 hours, with a time limitation on any amendment thereto of 30 minutes; and that the time on any debatable motion or appeal in relation thereto be limited to 30 minutes; all to be divided and controlled in accordance with the usual form, with the proviso that no amendment not germane to the Humphrey amendment be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. The amendment is not locked in.

Mr. HUGH SCOTT. Not locked in as to date.

Mr. ROBERT C. BYRD. That is correct.

I ask unanimous consent that at such time as the Humphrey amendment on troop levels is called up, there be a limitation of 2 hours, with a limitation on any amendment thereto or any debatable motion or appeal in relation thereto, of 30 minutes, the time to be equally divided and controlled in accordance with the usual form, and that no amendment not germane to the Humphrey amendment be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that at the hour of 1:30 p.m. tomorrow, the Senate proceed to the consideration of the so-called Trident amendment, and that there be a 2½-hour limitation on that amendment tomorrow, the debate thereon to close at the hour of 4 p.m., the time on the amendment to be equally divided and controlled by the distinguished Senator from New Hampshire (Mr. McIntyre) and the distinguished Senator from Washington (Mr. Jackson).

Mr. TOWER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. TOWER. I assume that the distinguished Senator from Washington (Mr. Jackson) has been contacted on that change?

Mr. ROBERT C. BYRD. He has; as a matter of fact, he requested the change.

Mr. TOWER. Yes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Wednesday, at the hour of 10 a.m., if not earlier, the Senate resume the consideration of the Trident amendment; that there be a limitation thereon, on that date, of 4 hours, the time to be equally divided and controlled by the Senator from Washington (Mr. Jackson) and the Senator from New Hampshire (Mr. McIntyre); that the time on any amendment thereto be limited to 1 hour, to be equally divided and controlled, in the usual form; that the time on any debatable motion or appeal in relation thereto be limited to 40 minutes, to be equally divided and controlled by the Senator from Washington (Mr. Jackson) and the Senator from New Hampshire (Mr. McIntyre), in accordance with the usual form; and that no amendment not germane to the Trident amendment be in order.

Mr. McCLELLAN. Mr. President, will be Senator yield at that point?

Mr. ROBERT C. BYRD. I yield.

Mr. McCLELLAN. Is it two amendments?

Mr. ROBERT C. BYRD. No, it is the same amendment.

Mr. McCLELLAN. The Senator said we would begin that debate at 1:30 p.m.

Mr. ROBERT C. BYRD. On Tuesday, but I said that the Senate would resume the debate on the Trident amendment on Wednesday.

Mr. McCLELLAN. Now, I understand the Senator is asking for 4 hours then, and 2½ hours on Tuesday.

Mr. ROBERT C. BYRD. Yes, 2½ hours on Tuesday and 4 hours on Wednesday.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. I thank the Senator.

TIME LIMITATION AGREEMENT ON MANSFIELD AMENDENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on the Mansfield amendment at such time as the Senate proceeds to debate thereon of 3 hours, to be equally divided between the distinguished majority leader (Mr. Mansfield) and the distinguished Senator from Texas (Mr. Tower). Mr. President, the Mansfield amendment already is in the second degree, is it not?

The PRESIDING OFFICER. The Chair would state that the Mansfield amendment is in the second degree and that a substitute for that amendment would not be in order.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. HUMPHREY. The troop level amendment which I spoke about to the majority leader and the majority whip related to what might happen to the Mansfield amendment.

Mr. ROBERT C. BYRD. Yes.

Mr. HUMPHREY. Would I be precluded from offering that amendment in light of the fact that the Mansfield amendment is in the second degree?

Mr. MANSFIELD. That is right.

Mr. HUMPHREY. In other words, I would not be forcelosed from offering it, once the Mansfield amendment is disposed of.

Mr. ROBERT C. BYRD. The Senator is correct.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. NUNN. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I will be glad to yield in just a moment but first, for purposes of clarification, we have a time limitation on the amendment by Mr. MANSFIELD, which is an amendment in the second degree, it being an amendment to the amendment by Mr. CRANSTON.

Do Senators wish to reach an agreement on the Cranston amendment at this time?

Mr. MANSFIELD. If the Senator will yield, I do not think that is necessary.

Mr. ROBERT C. BYRD. Very well. I yield to the distinguished Senator from Georgia.

Mr. NUNN. Has the rule been set on the Jackson-Nunn amendment at this point in time?

Mr. ROBERT C. BYRD. It has not.

Mr. NUNN. Is the Humphrey amendment an amendment in the second degree?

Mr. ROBERT C. BYRD. That would depend on when Mr. HUMPHREY offers it and what he offers it to. If he offers it to the unfinished business, it would be an amendment in the first degree; if he offered it to some other amendment, if it were germane, it would be an amendment in the second degree. That remains to be seen.

Mr. NUNN. But the Mansfield amendment is in the second degree, and it would not be to that.

Mr. ROBERT C. BYRD. That is correct.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. THURMOND. I understand that the Senator wishes to transfer the Jackson-Nunn amendment and the Hartke amendment.

Mr. ROBERT C. BYRD. I am not asking for that at this time. I am leaving the Senate with flexibility in that regard.

Mr. THURMOND. I see no objection.

Mr. MANSFIELD. Has the Chair ruled on the Mansfield amendment?

The PRESIDING OFFICER. Yes. The request has been agreed to.

Mr. ROBERT C. BYRD. I wish to recapitulate for the information of my colleagues, if the distinguished Senator from Alabama will allow me to proceed.

Mr. President, I ask unanimous consent that I be allowed to proceed for not to exceed 3 minutes, with the time not to be charged against either side on the school lunch bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, following the school lunch bill today, the Senate will proceed to consider the McGovern amendment on economic conversion on which there is a 2-hour limitation.

Upon disposition of that amendment, the Senate will proceed to the consideration of the Eagleton amendment on the XM-1 tank on which there is a 2-hour limitation.

Following that, the Senate will proceed to consider the Stevens amendment on housing allowances, on which there is a time limitation of 1 hour.

Thereafter, the Senate will take up the Cannon amendment on the F-14, on which there is a 2-hour limitation.

Thereafter, the bill is open to further amendment.

On Tuesday, beginning at 1:30 p.m., the Senate will proceed to the consideration of the amendment on the Trident. Debate will ensue for 2½ hours and conclude at 4 p.m., at which time the Senate will take up the Presidential message on the veto of the SBA bill. The debate will last for 1 hour on the Presidential override; it will begin at 4 p.m. and the vote will occur at 5 p.m.

After 5 p.m. the Senate will return to the consideration of the military procurement bill.

Prior to 1:30 p.m. tomorrow the day is open for consideration of amendments to the military procurement bill.

On Wednesday, beginning at 10 a.m. the Senate will resume consideration of the Trident amendment and proceed thereon for 4 hours, after which the remainder of the day is open for amendments or for continuation of debate on the Trident amendment, should circumstances so dictate.

That is as far as we have proceeded in connection with locking in amendments as to dates. However, Senators will be interested in this recapitulation.

The time limitation agreement already has been secured on the McGovern amendment dealing with the categorical ceiling. Four hours have been agreed to on that amendment. A time limitation of 4 hours has been agreed to on the Proxmire amendment No. 515 dealing with an outlay ceiling. A time limitation has been agreed to of 4 hours on the SAM D missile, amendment No. 487. A time limitation of 2 hours has been agreed to on the Hughes amendment No. 493. This is the amendment the Senator called up the other day and then pulled down. A time limitation has been agreed to on the Humphrey amendment dealing with an overall cut of 2 hours. A time limitation of 2 hours has been agreed to on the Humphrey amendment dealing with troop levels. A time limitation has been agreed to on Mr. CLARK's amendment No. 519 which would cut funds for aircraft carriers, the time limitation being 4 hours.

Mr. HUGH SCOTT. Mr. President, the Senator did not mention the Fulbright amendment.

Mr. ROBERT C. BYRD. That would fall in the category of 30 minutes allowed for amendments to the Hughes amendment. I wish to ask the Chair if it is correct that amendments to the Hughes amendment No. 493 are limited to 30 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. That covers all amendments that the leadership on both sides knows about, with these exceptions. The Senator from Wisconsin (Mr. PROXMIRE) has an amendment on research and development. Mr. JACKSON and Mr. NUNN jointly have an amendment. Mr. KENNEDY has one or two amendments.

On the Hartke amendments Nos. 494 and 501 an agreement has been entered into with 2 hours of debate on each.

Mr. MANSFIELD. And the Mansfield amendment.

Mr. ROBERT C. BYRD. Yes, on the Mansfield amendment there is a time limitation of 3 hours.

Mr. HUGH SCOTT. Mr. President, will the Senator yield for a clarification?

Mr. ROBERT C. BYRD. I yield.

Mr. HUGH SCOTT. I would, therefore, assume from the recapitulation that the distinguished assistant majority leader would not expect the Mansfield amendment to come up before the time following the vote on the SBA veto which occurs at 4 p.m. on Tuesday.

Mr. ROBERT C. BYRD. The distinguished Republican leader is preeminently correct.

Mr. HUGH SCOTT. Enjoying a reputation of being preeminently correct in some respects——

Mr. ROBERT C. BYRD. The Senator is always preeminent.

Mr. HUGH SCOTT. I thank the Senator. May I further suggest for the benefit of the Senate that what we are engaged in here is an opportunity to try to find a way, hopefully, to vote before Friday on all amendments.

Mr. ROBERT C. BYRD. Yes.

Mr. HUGH SCOTT. In order that, finishing that, we may, again, hopefully finish the bill this week.

Mr. ROBERT C. BYRD. And thus avoid a Saturday session.

Mr. HUGH SCOTT. The Senator has anticipated me. And thus avoid a Saturday session. So I do hope we can work this out in such a way that we will not have the crucial vote on Friday, in order to accommodate a great number of Senators.

I thank the Senator.

Mr. ROBERT C. BYRD. I thank the distinguished Republican leader.

I thank the distinguished Senator from Alabama for his usual courtesy, cooperation, and patience.

Mr. ALLEN. I thank the distinguished Senator from West Virginia.

NATIONAL SCHOOL LUNCH AND CHILD NUTRITION ACT AMENDMENTS OF 1973

The Senate continued with the consideration of the bill (H.R. 9639) to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs.

Mr. ALLEN. Mr. President, I yield myself such time as I may use.

The pending measure is H.R. 9639, the

amendments to the National School Lunch and Child Nutrition Acts, popularly known as the school lunch program.

On Thursday, September 13, 1973, the Subcommittee on Agricultural Research and General Legislation held hearings on proposed amendments to the child nutrition program.

The Committee on Agriculture and Forestry and the subcommittee regarded this legislation as emergency legislation. The distinguished chairman of the committee (Mr. TALMADGE) requested that an early hearing by the subcommittee be held on the bill. Such hearing was held, and the bill was passed out of the subcommittee and given expeditious handling by the full committee.

At the subcommittee hearing I pointed out that the committee was faced once again with the need to take emergency action on behalf of that program.

In March of this year the committee considered, the Senate approved, and the President signed into law another emergency measure which was designed to require the Department of Agriculture to make up for an anticipated shortfall of donated commodities to the child nutrition programs by an increased Federal cash reimbursement to States and local communities.

This bill had reference to the provision of law under which the Secretary was furnishing the school lunch program 7 cents per lunch in commodities for each child in the lunch program, whether that child was a needy child, getting a free lunch, a reduced price lunch, or whether the child paid for the lunch.

There had been a shortfall in the amount of commodities that were available for distribution, and it was not possible to discharge this obligation in commodities. So this legislation provided that where the Secretary was unable to provide the 7 cents per lunch per child in kind, in commodities, he would be required to pay cash to the school lunch program.

That measure was passed with very little or no opposition and signed into law by the President, and its significance will be pointed out later.

In the 92d Congress it was necessary to pass three different bills to make changes in the child nutrition program and to provide for increased Federal reimbursement to states and local communities for the child feeding programs.

At that time the amount that was provided to be paid by the Secretary for the school lunch program was raised from 6 cents to the present 8 cents per lunch. That is a payment that is made for every child getting a lunch of any sort. The free and reduced price lunches account for approximately only one-third of all the lunches served, and the children pay for the remaining two-thirds of the lunches that are served. So the 8 cents at present is paid not just for the free and reduced price meals; it is also paid for those children who supposedly pay for the cost of their meals.

A 2-cent increase in this payment sounds like a mighty little to be concerned about, but each cent increase multiplied by the number of lunches costs $41,750,000. Already the House bill has added 2 cents per lunch to this payment. So that increase alone amounted to $83,500,000.

We will recapitulate in a moment the total amount being paid by the Federal Government on this measure.

The new emergency measure now before the Senate, H.R. 9639, as passed by the House of Representatives on September 13, 1973, and approved by the Senate Committee on Agriculture and Forestry on September 19, 1973, would again increase the Federal cash reimbursement for the school lunch program and the school breakfast program to provide relief for the Nation's schools which are faced with sharply increased costs of preparing meals. In addition—the House bill does this—one, make permanent the requirement that the Secretary of Agriculture make cash payments to the States of any funds programed for the purchase of commodities which he had been unable to expend for such purpose.

That was only a 1-year provision as passed in the last Congress, and the House bill does make that requirement permanent—that to the extent that the Secretary of Agriculture is unable to furnish the 7 cents in commodities programed for each child in the program to receive a meal of any sort, to the extent of the shortfall, the amount must be paid in cash to make up the difference. That is in addition to the present 8 cents. Each 1 cent costs the Government $41,750,000. That is made permanent.

Second, the bill as it comes from the Committee on Agriculture and Forestry of the Senate extends the authorization for the special supplemental food program—an amendment which was sponsored by the distinguished Senator from Minnesota (Mr. HUMPHREY)—to June 30, 1975, and provides an increased authorization for fiscal year 1975 of $40 million.

Third—another addition by the Senate committee—this was an amendment sponsored by the distinguished Senator from South Dakota (Mr. MCGOVERN)—makes agencies of Indian tribes eligible to administer the special supplemental food program;

Fourth, require that the special milk program be available to any school or nonprofit child care institution that requests such program and require that children who qualify for free lunches shall be eligible for free milk. This amendment was also sponsored by the distinguished Senator from South Dakota (Mr. MCGOVERN) and the distinguished Senator from Minnesota (Mr. HUMPHREY).

This not only extends the special milk program as we have known it up to the present time, but it also makes another change, requiring that every child who qualifies for a free lunch shall also be eligible for free milk. This addition would cost the Government an additional $16 million. And the cost of the milk program would be $88 million more than is budgeted for this year.

Fifth, it increases the membership of the National Advisory Council on Child Nutrition from 13 to 15 members by adding an urban and a rural school lunch program supervisor; and

Sixth, it changes the method of apportioning funds for free and reduced-price lunches from an apportionment based on the number of needy children in each State to a performance basis, calculated upon the number of free and reduced-price lunches served in a State.

In the present system the money is apportioned among the States on the basis of the number of children in each State from ages 3 to 17. It is a statistical, theoretical figure, whereas the Senate bill bases apportionment on the number of meals actually served, which actually puts the money where the need actually is.

Now, as to the increased reimbursements provided by the bill, they are as follows:

One. Lunches: (a) The basic minimum reimbursement for lunches would be increased from the present 8 cents to 10 cents per lunch. It has gone up another 2 cents from the raise in the 92d Congress when it was raised from 6 cents to 8 cents. The year before it was raised to 6 cents; and for fiscal year 1974 the additional minimum reimbursement for free lunches would be increased from the present 40 cents to 45 cents per lunch and the additional minimum reimbursement for reduced-price lunches would be increased to 35 cents per lunch.

The program provides that three types of money are pumped into this fund by the Federal Government. In the first place, under the present law 8 cents is paid by the Federal Government for each child eating a school lunch. That is for all children, whether paying children or children getting a free lunch.

Then, in addition, the present law provides 40 cents for each child getting a free lunch. It then provids an additional 7 cents for commodities or the equivalent in cash.

So, if we added those figures up, there is 40 cents under the present law and if we would add the 8 cents and the 7 cents, it would be 55 cents for the free lunch.

The House bill, as approved by the Senate committee, would raise this from 8 cents for each lunch served to 10 cents, and the 40 cents would be raised to 45 cents. The commodities would remain the same. So it would be 45 cents plus the 17 cents, or 62 cents paid by the Federal Government for each free or reduced price lunch served.

If the child is paying for the lunch—and about two-thirds of the children do and if the money is not used for them, if they are in fact fully paying for their lunch—then the subsidy or payment of 10 cents and 7 cents could all be used for the free or reduced-price lunches.

So it would actually treble that. Seventeen cents times three would be 51 cents, and when added to the 45 cents could actually provide a total of 96 cents per free lunch, if the 10 cents per lunch and the 7 cents for commodities were applied entirely to free lunches. This is what the Federal Government provides for the program.

I believe in States rights, but I also believe in States responsibilities. I believe that the local and State governments should take up some of the funds. It is not only a Federal program, but it is also a local program as well.

Two. As to breakfasts, the basic minimum reimbursement for breakfasts would be set at 8 cents per breakfast, the additional minimum reimbursement for a free breakfast would be set at 20 cents, and the additional minimum reimbursement for a reduced-price breakfast would be set at 15 cents.

In considering this emergency measure and other bills before it, the committee felt that it should not attempt to consider new programs or to make controversial changes in the basic structure of our child nutrition programs. In the interest of time and money it decided to report the bill as passed by the House with a minimum of committee amendments.

But, the need for this bill now is unassailable.

The committee received a number of reports from school officials around the Nation that the school districts are faced with a severe financial crisis due to the rising cost of operating a school lunch and school breakfast program. Faced with unprecedented escalation of food costs, many school districts have been forced to take emergency measures. They have begun to reduce the quantity and quality of meals served in schools and they have raised the price that students must pay for a meal.

These undesirable emergency steps are having an unfortunate effect on participation in the school lunch program. The committee has received reports that the schools are experiencing a 1-percent decrease in participation in the school lunch program for every one cent increase in the price of a school lunch.

Mr. President, that does not mean that they cannot get a meal. The parents probably want them to take a lunch from home. And the fact that they are not participating in the school lunch program does not necessarily mean that they are not getting an adequate meal. But the failure of the Federal Government to provide these schools with some immediate relief does seriously jeopardize the national school lunch program, both for the current year and years to come.

The longstanding school lunch program and the new school breakfast program are two of the most successful of all Federal programs. This success is due in no small part to the fact that the program depends so heavily on sound administration and financial participation by State and local community authorities.

At the present time State and local communities share a sizable portion of the financial burden of the child nutrition programs. And the local contribution has been increasing, but not as rapidly as the Federal contribution.

For example, in 1970 State and local direct appropriations for the child nutrition programs amounted to $185.1 million. The 1973 estimate is now $376.1 million.

The local government puts in as of this present time $376 million. Other local contributions, including services, decreased however from $361.6 million to $317.8 million. These local contributions, which would be volunteer services, possibly the rent on the facilities, PTA drives, and local efforts all added up. That amount is going down, and it is going to continue to go down as long as the Federal Government continues to pick up all of the expenses. Payments by children also decreased from $1.105 billion to $1.063 billion. Over the same period, Federal contributions for the child nutrition programs increased from $718 million to $1.4 billion.

So, when we speak of the present bill increasing the payment under section 4 from 8 cents to 10 cents, and when we speak of that as being only 2 pennies, I would point out again that it runs up to quite a lot of money, $83.5 million, for each 2-cent raise.

The expenditures for 1973 by the Federal Government on the child nutrition program, as I have stated, were approximately $1.4 billion. The budget request for this year is $1.518 billion—$1,518,000,000—which is an increase of approximately $125 million.

Well, what does the committee do? The committee adds to that $83.5 million for the section 4 funds, $29 million for the section 11, and $16.5 million for the school breakfasts, making an additional $129 million.

Then the special milk program adds $88 million to the reduced request of the administration, and then the WIC program, the special food for women, infants, and children, sponsored by the distinguished Senator from Minnesota (Mr. HUMPHREY), will add an additional $40 million in 1975, so that, with the administration raising the budget $125 million, the committee further adds $217 million for 1974 over the budget, and in 1975 it will be $257 million, if it does not go up more.

Of the total 394.7 million lunches served in April 1973, 35.1 percent were free and 1 percent were at a reduced price. The rest of them were paid for.

The committee feels strongly that it would be a grave mistake to change the philosophy of the program to the extent that the Federal contribution would far overshadow State and local community participation.

This cooperative effort has produced very desirable results and we want to keep it that way.

There is no Federal program I believe in more than the national school lunch program. This program is an excellent example of how Federal, State, and local governments can work in partnership to provide a needed service to the people. In this partnership each level of government has its responsibilities and each has a financial burden to bear. Each level of government has an interest in giving the taxpayer the highest possible return on his tax dollar.

In my own State of Alabama, we have one of the strongest school lunch programs in the Nation, with over 93 percent of the schools participating. The tradition of local responsibility has made our program a good one.

The committee bill would provide the State and local governments with some relief from escalating food costs, but it would also preserve the partnership that has made our child nutrition programs strong.

Mr. President, I reserve the remainder of my time, and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. CURTIS. Mr. President, I yield myself 10 minutes.

In considering school lunch legislation, I think there are a few basic facts which we should present to the Senate.

One is that this is not a program confined to assisting needy children. It is not a program that is limited to providing school lunches for children unable to buy for themselves. It is not limited to schools or communities where the standard of living and the income falls below the national average.

This is a program that reaches all schools in all localities. This is a program that the wealthiest school district in the United States shares in, just like all other districts. This is a program where the Federal subsidy on the lunch provided goes to all schoolchildren, regardless of the income of their parents.

I am afraid sometimes we become a bit emotional over these issues, because all people of good will are concerned about the poor and the needy. Most people feel that if Federal money is to be handed out for anything connected with our schools, consideration should be given to those localities that are just unable to finance their school expenses in any proper way at all.

We might also give thought to the fact that we are forever amending the school lunch program on an emergency basis. In the 92d Congress, Congress acted three times to increase the Federal contribution to the school lunch program, and we have already done so once in this, the 93d Congress.

At this point in time, the Federal Government is providing almost four times as much as all State and local governments combined for school lunches, and just slightly less than the total contributions of State and local governments plus meal payments by the students.

We have some interesting figures as to just what has taken place. Congress has voted appropriations for school lunch and child nutrition legislation which have resulted in tripling of the Federal contribution to school lunch and child nutrition programs during the last 5 years. Not doubling, but tripling, from $500 million in 1968 to a budget request for $1.5 billion this fiscal year. It is a Federal program which has increased from 1968 to the present time, from $500 million to $1.5 billion. And again I point out this is not a program that is confined to providing school lunches for needy children or children who cannot pay all or any part of the cost of the meals.

Mr. President, during the time that the Federal participation has tripled, State and local government appropriations went from $185 million in 1970 to $376 million in 1973; but during that time, Federal expenditures went from $700 million to $1.4 billion.

The House of Representatives sent us

a bill increasing Federal participation in the cost of school lunches by 2 cents per meal. That sounds like a small amount of money, but the cost of such an increase amounts to about $83 million. There may well be an effort from the floor to raise what the House has done and raise what the Committee on Agriculture and Forestry has approved by another increase of $83 million.

If that floor amendment is adopted, it will mean that the bill alone will carry an increase of 50 percent, because the Federal cost of meals is now 8 cents. The House and the committee are recommending it be raised to 10 cents—which I shall support—but if we go further and raise it to 12 cents, that will be a 50-percent increase in this one Federal program.

Mr. President, can we do it? Can we take all Federal programs and raise them by 50 percent? We may hear many speeches in this Chamber concerning the need for nutrition. We may hear speeches in this Chamber concerning the people of low income; but I would remind you, Mr. President, that is not what the program is all about. It is a program for everyone. I think that we need to take an overall look. Maybe it is not possible and not wise, to try to find out which school districts and which localities can pay for their own schools. Maybe it is. Maybe it does create many problems, to have a subsidy for the price of a lunch for some children and not for other children. But, on the other hand, the way the program is going, we should take a look at it.

Therefore, a little later, I expect to offer an amendment that would make it possible for Congress to have before it all the facts to reappraise the program and see what basic changes should be made.

Since this is administered on the Federal level by the Department of Agriculture, my amendment, which I will offer later, would be one that would direct the Secretary to make a study of the direction that this is taking and to supply us with all the facts and to get that report back to us by the end of this fiscal year, June 30, 1974.

Mr. President, in addition to the increase in costs provided in the House bill, the Senate committee did adopt some amendments which will add materially to this. While I do not agree with what was done in the committee, I expect to vote for the bill.

However, I raise a word of caution about increasing Federal participation with a floor amendment because we are appropriating money for middle-class people, the well-to-do and the wealthy to help pay their grocery bills—to help pay for their food. In light of all the problems the Federal Government has with taxes and so forth, I think that is a questionable practice.

Also, we will be increasing Federal participation to assist certain schools and localities which can make no claim whatever to being a depressed area or in areas of low income and unable to provide these things for themselves.

It seems to me that here we have a program that many value and has so many virtues, but it also has been a periodic patchwork of emergency legislation and is now at the point where it has been amended three times in the past Congress and once previously in this Congress. Since 1968, Federal expenditures have gone from $500 million to $1.5 billion. I think it is time, if we are going to display any responsibility, to take a look at this and certainly not to amend this bill on the floor.

Mr. President, I yield the floor.

Mr. HUMPHREY. Mr. President, might I ask of the distinguished manager of the bill, would it not be desirable, for the purpose of this debate and whatever amendments might be offered, to adopt the committee amendments en bloc?

Mr. ALLEN. Mr. President, I appreciate the suggestion of the distinguished Senator from Minnesota, but I believe it would be well to consider each amendment separately. If the Senate has no objection, we will proceed in that direction.

Mr. HUMPHREY. Fine.

Mr. ALLEN. Does the distinguished Senator wish to speak on the bill at this time?

Mr. HUMPHREY. Yes.

Mr. ALLEN. Mr. President, I yield to the Senator from Minnesota such time as he may desire.

Mr. HUMPHREY. I thank the Senator very much.

Mr. President, the school lunch program of this Nation faces a crisis of historic proportions. That is evident by the surveys and the studies that have been made individually and by committees of the Congress as well as by school authorities. The rapidly escalating cost of food, the inability of many school districts to secure bids for basic foodstuffs, has made it very difficult and in some cases almost impossible for some school lunch districts to operate a program this year, if immediately relief is not forthcoming.

Therefore, of course, we have before us this bill, H.R. 9639, as adopted by the House, with what I think and what I believe are important and strengthening amendments that were approved by the Senate Committee on Agriculture and Forestry. My hope is that the amendments will be adopted along with other amendments that we shall offer, further to strengthen this measure.

The school districts and the school authorities tell us that their food costs have gone up as much as 15 to 20 percent in the past 12 months. In fact, I should note that overall food costs have gone up between 20 and 30 percent this past year. In the month of August this year, food costs went up over 6 percent. Those food costs are reflected in school budgets, and in the school lunch programs, just as they are reflected in individual family budgets.

So our school lunch program faces a very serious financial pinch. School budgets at the State and district level were adopted prior to action by Congress. The State legislatures have completed their school assistance programs already for the coming school year. School districts have to arrive at a school budget before the school year opens. Therefore, many of our school districts today simply have not been able to budget substantially increased amounts for school lunches, because the money is not there. Most of these school budgets are based upon what they call property tax revenues. Those taxes have been levied, the mill rate has been set, the revenues have been gathered, and the budgets have been outlined and are now effective.

Therefore, the entire school lunch program today is in jeopardy as these costs continue to go up. Most of the school budgets were programed sometime in the early part of the summer. Congress has had difficulty, in any of its programs of assistance to education, in getting its appropriations early enough to be factored into or phased into the school year budgets of local school districts. This has been one of the problems that surround the promise of Federal aid to education. For some reason or other, Congress thinks school starts at Christmas. The mothers and fathers know that is not the case. School opened in Minnesota in the last week of August. Yet, our aid to education program has not even passed the Senate or the House.

How can a school superintendent, a school authority, or a school board properly plan a school budget when they have to look to the Federal programs for anywhere from 8 to 10 percent of their total revenues? Yet, those Federal assistance programs come in so late that it makes it literally impossible for any sensible programing of school facilities or school programs.

The school lunch program is a long-established program. This Government has established by law a national nutrition objective or goal for the children of America—in other words, that they shall have good food, that they shall have good nutrition, and that the school lunch program is a part of that total, overall national objective.

In view of these rapid cost increases—I repeat, they have gone up at the rate of approximately 30 percent this past year, 6 percent this last month, and in many of the metropolitan areas, with a large number of school children, the costs are even higher—it is absolutely imperative that there be substantial increase in Federal aid to the school lunch program, to the school breakfast program, and to other supplemental feeding programs.

We are not arguing about whether we ought to have these programs. That has been decided by public law. Just as I have been critical of a President who impounds money that Congress duly appropriates—and thereby negates the purpose of the law—I would be critical of Congress, after having declared what the public policy is, if we do not follow through with the necessary resources to effectuate and achieve that policy goal.

It is quite evident that if there is going to be a continuation of our school feeding programs, we have to do what this bill calls for, at least at a minimum, and I believe substantially more. It would seem to me that the administration would be willing to provide school districts with prompt relief. As a matter of fact, there is sufficient authority under existing law, as the distinguished

Senator from Kansas (Mr. Dole) pointed out in committee hearings on the bill, for increases in section 4, general assistance. But instead of the Government or the Department of Agriculture acting affirmatively, we have had to come back to Congress each time to legislate, by specific legislative act, increases in the general assistance program under section 4. We had to do so last year, when we raised it from 6 to 8 cents. The bill before the Senate calls for an increase, under section 4 of the national school lunch program, from 8 to 10 cents. It is my judgment—and it is the overwhelming judgment of the study made by the Select Committee on Nutrition—that it should go to 12 cents.

The reimbursement received by our school districts will be decreased this year unless Congress takes strong affirmative action. The administration has recommended that the special milk program be terminated for schools now serving lunches. Thank goodness this has been overruled, I understand, in conference between the House and the Senate on agricultural appropriations where there has been acceptance of the Senate figure of more than $97 million, which means that the school milk program will be continued at least on the basis of last year.

I see the distinguished Senator from North Dakota (Mr. Young) in the Chamber. He has been in the forefront of this battle for years, to keep our feeding programs at a high standard. I know that he served on the conference committee which prevailed in keeping the Senate figure of $97.5 million for the school milk program.

Mr. YOUNG. Mr. President, will the Senator yiled?

Mr. HUMPHREY. I yield.

Mr. YOUNG. I thank the Senator for his kind remarks.

The House and Senate conferees did agree to accept the Senate figure on the school milk program of $97 million, as against the House figure and the budget figure of $25 million.

Mr. HUMPHREY. I thank the Senator for his reassurance on that.

This will restore the special milk program, which is a vital part of the overall nutrition program for our Nation's schoolchildren.

It appears that our schools can no longer depend on the distribution of surplus commodities, because those commodities are no longer surplus. We should note that traditionally our schools have received large quanties of pork, beef, poultry, cheese, flour, certain types of vegetables, and other commodities that have been in surplus. These commodity distributions were worth about 7 cents per meal, but last year the surplus commodities were not available in the normal quantities. Because the school districts did not receive the normal supply of agricultural commodities, I introduced emergency legislation which required the administration to provide the school districts additional cash reimbursement to make up for the shortage of commodity deliveries. This legislation was passed overwhelmingly by Congress, and it did provide the school districts with enough help to enable them to complete the last school year.

This year, the commodity situation is much more serious. We in the Committee on Agriculture provided in the so-called farm bill another year's extension of the cash payment in lieu of the surplus commodities. This bill, by House action and Senate committee action would make it permanent. This simply means that if the surplus commodities are not available, a cash equivalent shall be made available to the school to help the schools in meeting their feeding commitments.

The measure before the Senate also provides substantial increases in the school breakfast program, which is very necessary. It provides assistance for the free breakfast, as well as the free lunch program, on an increased basis.

All of these, I think, are very worthy and commendable actions on the part of the Senate committee and the House of Representatives.

I introduced legislation back in March known as S. 1063, a bill that would establish a nutrition education program for children, increase rates of reimbursement for the child nutrition programs, and strengthen our feeding programs in several other respects. One thing my bill as amended would do would be to increase the minimum rate for reimbursement for section 4 assistance from 8 to 12 cents. The original bill was 8 to 10 cents, but since last March there has been a substantial increase in food costs, I amended that bill to provide for an increase from 8 to 12 cents. That would be a minimum rate of reimbursement to reflect the yearly increase and costs of the basic school lunch program.

I also provided in this bill for what we would call an escalator clause that relates to the cost of food and labor that goes into the school lunch program. I wish to state that this does not necessarily mean that the reimbursement goes up; it could actually come down. There is reason to believe, in light of the market conditions as of now, that certain food commodities will drop in price. Pork has dropped as far as farmers are concerned, and likewise, beef and poultry. It has not been reflected yet in the supermarkets but there has been a substantial reduction in the price the farmer receives.

The proposal in my original bill would provide for yearly adjustment in the minimum rate of reimbursement to reflect yearly increases in costs in school lunch programs or yearly decreases. These are just some of the features I thought necessary.

The legislation before us includes many of the features offered by the Senator from South Dakota (Mr. McGovern) and me. For example, it would increase the reimbursement for the school breakfast program to 8 cents. Schools would receive 15 cents for each reduced-price breakfast and 20 cents for each free breakfast up to 45 cents, to be made for breakfasts served in cases of severe need. The bill as reported to the Senate includes these features.

Mr. President, I am going to offer an amendment on behalf of myself and Mr. McGovern, Mr. Case, Mr. Clark, Mr. Mondale, and Mr. Biden. I wish to say a few words about the amendment and when the time comes for offering the amendment I will speak more specifically to each of them.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. McGOVERN. The Senator mentioned a number of Senators have joined in the cosponsorship of his amendment. Several other Senators have spoken to me who also would like to be added as cosponsors. I ask unanimous consent that in addition to the Senators mentioned, that the names of the following Senators be added as cosponsors: Senator Hart, Senator Hartke, Senator Kennedy, Senator Stevenson, Senator Cranston, and Senator Javits.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. I thank the Senator.

Mr. McGOVERN. I thank the Senator for yielding.

Mr. HUMPHREY. Mr. President, I have an amendment I shall call up in due time which is at the desk.

While I have the floor I ask unanimous consent that my amendments be considered en bloc.

Mr. ALLEN. I object. At this time I would like to have them considered separately.

Mr. HUMPHREY. Mr. President, I have listened to the argument here about the cost of this program. Let me say that the people who get this program pay the taxes. Most of the recipients of the school lunch program or the school breakfast program are the children from working families in this country. Already they are paying plenty, young men and women, boys and girls, to receive a good, well-balanced meal for breakfast or lunch, one that will add to the health of the person getting the meal. We have all sorts of evidence that the school lunch program improves the health of students, helps in learning, assists in stopping school dropouts, and is generally beneficial to them.

The point is made that if we adopt these increases—and I shall offer an amendment on behalf of myself and other Senators—we are causing an increased cost of this program by many millions of dollars.

The PRESIDING OFFICER. All the time available to the Senator from Alabama on the bill has expired.

Mr. HUMPHREY. Then I shall send to the desk my amendment, and I will speak on it.

Mr. ALLEN. The committee amendments will first have to come up. The Senator will have time on them. The committee amendments will come before the Senate before the Senator from Minnesota can offer his amendment.

Mr. HUMPHREY. I thank the Senator. Does not the rule require that the committee amendments be adopted now?

The PRESIDING OFFICER. Yes. The clerk will state the first amendment.

The assistant legislative clerk read as follows:

On page 7, line 15, after "1975," insert a semicolon and "and by inserting after the word 'State' each place it occurs the following: '; Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare'."

The **PRESIDING OFFICER**. Thirty minutes is available on the amendment.

Mr. **ALLEN**. Mr. President, the amendment was offered in committee by the distinguished Senator from South Dakota (Mr. McGovern). It would allow Indian tribes to be eligible to administer the special supplemental food program. As the distinguished Senator pointed out in committee, there was an oversight. There was no intention to deprive Indian tribes of access to the program. As a matter of fact, the Indians need the program very badly. The committee went along with the amendment suggested by the Senator from South Dakota. I ask that the amendment be agreed to.

The **PRESIDING OFFICER**. Does the Senator yield back his time?

Mr. **McGOVERN**. Mr. President, will the distinguished Senator yield me a couple of minutes?

Mr. **ALLEN**. I yield as much time to the Senator from South Dakota as he requires.

Mr. **McGOVERN**. As the Senator from Alabama has said, there was no real objection to the amendment in committee. As a matter of fact, the amendment is favored by the administration as well as by a unanimous vote in the Senate Committee on Agriculture and Forestry.

We have now about nine Indian reservations that have applied for the right to administer the program. I think it is well known in the Senate that the infant mortality rate and the malnutrition rate among the children on Indian reservations, and also among the adult Indian population on reservations, is higher than among any other group in the country.

All the amendment does is to authorize Indian tribes, Indian bands, or the Indian Health Service to administer the same kind of supplemental food program as is operated by other groups for non-Indian persons.

I am glad the distinguished Senator from Alabama supported the amendment in committee and that he is willing to accept it on the floor of the Senate. I hope it will be unanimously adopted.

The **PRESIDING OFFICER**. Do both sides yield back the remainder of their time?

Mr. **ALLEN**. I yield back the remainder of my time.

Mr. **CURTIS**. I yield back the rest of my time.

The **PRESIDING OFFICER**. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The **PRESIDING OFFICER**. The clerk will state the second committee amendment.

The assistant legislative clerk read the second committee amendment, as follows:

On page 7, line 23, after "(b)", strike out: "The second sentence of section 17(b) of such Act is amended to read as follows: 'In order to carry out such program during the fiscal year ending June 30, 1974, and during the fiscal year ending June 30, 1975 there is authorized to be appropriated for each such fiscal year the sum of $20,000,000, but in the event that such sum has not been appropriated for such purpose by August 1, 1973, for the fiscal year ending June 30, 1974, and by August 1, 1974, for the fiscal year ending June 30, 1975, the Secretary shall use $20,000,000, or, if any amount has been appropriated for such program for the fiscal year concerned, the difference, if any, between the amount directly appropriated for such purpose and $20,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)).'"; and, in lieu thereof, insert:

"Section 17(b) of such Act is amended by inserting immediately after the second sentence thereof the following: 'In order to carry out such program during the fiscal year ending June 30, 1975, there is authorized to be appropriated the sum of $40,000,000, but in the event that such sum has not been appropriated for such purpose by August 1, 1974, the Secretary shall use $40,000,000, or, if any amount has been appropriated for such program, the difference, if any between the amount directly appropriated for such purpose and $40,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)).'"

Mr. **ALLEN**. Mr. President, as this bill came over to us from the House, it provided for $20 million for fiscal 1975 the same as for the present fiscal year, for the special supplemental food program. As a result of the fact that the administration did not implement this program, which was a 2-year program, for 1973 and 1974, and no money was spent in 1973, under court action the administration has been ordered to spend the $20 million in this fiscal year, making a total of $40 million to be spent this year under the so-called WIC program, originally sponsored by the distinguished Senator from Minnesota, the women's, infants', and children's supplemental food program. The effect of this committee amendment would be to maintain this level by increasing the amount authorized by the House for fiscal 1975 to $40 million.

It does not increase the amount that has been ordered to be spent this fiscal year, though it does double the original program as contemplated by the original Senate amendment which authorized the program. But the committee did agree on the amendment. The committee was of the opinion that it was an excellent program, and that $20 million would not be sufficient. Inasmuch as $40 million is available this year, it should be carried on in fiscal year 1975 at the same level.

I recommend the adoption of the committee amendment.

The **PRESIDING OFFICER**. Do Senators yield back their time

Mr. **HUMPHREY**. Mr. President, an important component of the legislation we are considering today deals with this special supplemental food program for women, infants, and children—WIC program. I am pleased that the Congress adopted the pilot WIC legislation that I proposed last year. This pilot program which is intended to provide high nutrient foods for malnourished infants and children—under 4 years of age—as well as to pregnant and lactating mothers, and which will provide us with data to determine whether a permanent, nationwide program should be established—is of fundamental importance to our efforts seeking the eradication of hunger in America. Substantial medical evidence indicates that children under 4 years of age can be irreparably harmed if they receive inadequate nutrition.

The WIC legislation that our committee has set before us today will extend the pilot program into fiscal year 1975. Although the legislation requires the Agriculture Department to spend $20 million in fiscal year 1974, the committee was aware that the true spending mandated for this year is $40 million. This is because a Federal district court in Washington, D.C., in a suit against the Agriculture Department, enforced our intentions under the previous legislation to establish the 2-year pilot project at a $40 million expenditure level; since the Department did not spend any money in fiscal year 1973, the funds to be spent in 1973 were carried over and mandated for expenditure in fiscal year 1974, pursuant to section 3 of the School Lunch Act. Our action acknowledges and leaves untouched the Federal district court's order with respect to fiscal year 1974. In addition, however, we have extended the pilot program into fiscal year 1975 at a mandated expenditure level of $40 million. Therefore, with the passage of this legislation, and with our commitment to this $80 million 3-year experiment, we are taking the preliminary steps necessary to assure that hungry infants will no longer be plagued by the severe and longlasting effects of malnutrition. I am hopeful you will support this vital effort.

I thank the Senator from Alabama for his help in this matter.

Mr. **McGOVERN**. Mr. President, through this legislation as passed out of committee, we are authorizing the continued implementation and operation of the special supplemental food program for women, infants, and children. Originally, this program as mandated for fiscal years 1973 and 1974 at a total expenditure of $40 million. Now, we are requiring the Agriculture Department to continue an additional year of WIC operations. The $40 million mandated for use in the WIC program for fiscal year 1975 is necessary to maintain the WIC projects that began with our original $40 million commitment. I believe our total WIC commitment under this bill—$80 million—will go far toward providing high nutrient food to thousands of impoverished infants who otherwise would be unwilling victims of malnutrition and its inevitable consequences.

Mr. **CASE**. Mr. President, last year at this time, Senator Humphrey ably impressed upon us the grave damage that malnutrition can cause to infants and young children. It was clear to us at that time that irreparable physical and mental damage due to malnutrition can best be avoided through the provision of highly nutritious foods to children during the early stages of their lives. We set out to solve this problem by creating the special supplemental food program for women, infants, and children. We authorized the WIC program for a 2-year period—fiscal year 1973 and 1974 and required a total expenditure of $40 million during that period. I strongly support this legislation, therefore, because it reemphasizes our commitment of rescuing hundreds and thousands of infants from hunger and malnutrition. This new legislation authorizes WIC operations for fiscal year 1975 and requires expenditures of $40 million in that year. I believe that this body's total commitment of $80 million to the WIC program will do much to pave the groundwork for a permanent program providing necessary foods to this most vulnerable of our population.

Last year at this time, this legislative body took another step toward eradicating the threat of malnutrition amongst the impoverished children of this land through its passage of the WIC legislation. We now reaffirm this commitment to these infants by authorizing the continued implementation and operation of WIC for fiscal year 1974 and 1975. For fiscal year 1974, the sum of $20 million is and was specifically mandated for the WIC program. But this sum, of course, is in addition to any funds remaining unspent out of the $20 million mandated for use in fiscal year 1973. For fiscal year 1975, the sum of $40 million is now required. WIC, therefore, has become a 3-year program from which hundreds and thousands of infants can receive proper nutrition and thereby avoid the ravages of hunger and malnutrition. I believe this $80 million expenditure is the best possible investment we can make to insure the future health of this Nation's citizenry.

Mr. ALLEN. Mr. President, I yield back my time.

Mr. CURTIS. Mr. President, I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The last committee amendment will be read.

The assistant legislative clerk read the committee amendment, as follows:

At the top of page 9, insert a new section, as follows:

"ELIGIBILITY FOR SPECIAL MILK PROGRAM

"SEC. 7. Section 3 of the Child Nutrition Act of 1966 is amended by adding at the end thereof the following: 'Any school or nonprofit child care institution shall receive the special milk program upon their request. Children that qualify for free lunches under guidelines set forth by the Secretary shall also be eligible for free milk.' "

And at the beginning of line 8, insert a new section, as follows:

"NATIONAL ADVISORY COUNCIL

"SEC. 8. Section 14 of the National School Lunch Act is amended as follows:

"(1) In subsection (a) strike the word 'thirteen' and insert the word 'fifteen' and insert after the phrase '(or the equivalent thereof),' the first time it appears the following: 'one member shall be a supervisor of a school lunch program in a school system in an urban area (or the equivalent thereof), one member shall be a supervisor of a school lunch program in a school system in a rural area,'.

"(2) The first sentence of subsection (b) is amended by striking out 'nine' and inserting in lieu thereof 'eleven', and by striking 'such' and inserting 'the nine'.

"(3) In subsection (e), strike the word 'Seven' and insert in lieu thereof the word 'Eight'."

Mr. ALLEN. Mr. President, I yield myself such time as I may require.

This amendment provides for the carrying on of the special milk program. The distinguished Senator from North Dakota mentioned a few minutes ago that the conference report on agriculture, environmental, and consumer protection appropriation—1974, has approved the $97 million appropriation for the special milk program, instead of the $25 million as proposed by the House. This amendment would go one step further than the present law.

According to estimates of the Department of Agriculture, it would require an additional expenditure of $16 million. So that if this amendment is adopted, it would require a supplemental appropriation to obtain the necessary funds. But the committee, even realizing that an additional expenditure of $16 million would be required, accepted the amendment.

The amendment requires that the special milk program be made available to any school or nonprofit child care institution that requests the program, and the amendment also requires—and this is not part of the present program—that children who qualify for free lunches shall also be eligible for free milk.

Notwithstanding the additional $16 million in expense, the amendment was accepted in committee. It does represent a rise over the budget of $88 million, but only $16 million more than has been agreed to in conference. It does result in being $16 million over the conference figure. The committee, however, recommended adoption of the amendment.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. McGOVERN. I think it is important to understand that while it was essential that the House-Senate conference on the appropriations for Agriculture take the steps that they did, I commend the Senator from Minnesota and others for providing money for the program.

It is also essential that the language adopted by the Senate Agriculture and Forestry Committee remain in the bill, because in the absence of that, the administration is now pursuing a direction which would make it impossible for children to participate in this program where there is any other food service. It would automatically eliminate the school milk program in those schools which had anything else known as food service.

To show how narrow that directive has been written, I would like to read from the language of a Department of Agriculture directive that went out to all schools with reference to the special milk program, dated August 28. This begins by explaining that no school with either a school lunch or school breakfast program or any other kind of food service would be permitted to participate, but then they include even those that have vending machines, and things like that, and they go so far as to say this:

For example, if the mothers' club sells hot dogs every Wednesday, this would be a food service.

That is hard to believe, but, nevertheless, that is an official directive of the Department of Agriculture. If there were a school where a group of parents came in just 1 day a week and sold hotdogs to the children in that school, it would automatically be eliminated from getting included in the milk program under the school lunch program, no matter how much money we appropriate for that purpose.

So it is essential that this language stay in the bill as added by the Senate Committee on Agriculture and Forestry, which says that any school or nonprofit child care institution shall receive the special milk program upon their request, whether they have a food service program or whether mothers sell hotdogs or whether there is a vending machine there today.

I hope very much the Senate will adopt this language overwhelmingly, and that it will stay in conference, because it is imperative that we retain this amendment, insofar as the nutritional needs of our children are concerned.

Mr. President, I ask unanimous consent to have printed in the RECORD the response of State school lunch directors to the survey conducted by the committee on school lunch costs.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESPONSE OF STATE SCHOOL LUNCH DIRECTORS TO SURVEY BY SENATE NUTRITION COMMITTEE ON SCHOOL LUNCH COSTS

ALABAMA

3. Do you anticipate a decrease in the availability of commodities? Will this affect costs appreciably?

Yes, I do anticipate a decrease in commodities. The decrease in the availability of commodities will have a disastrous effect on the cost of producing meals. Had it not been for commodities and the commodity short-fall funds last year, many school food service programs in Alabama would be bankrupt.

a. There will be a significant reduction in the number of paying students participating;

b. There will even be a reduction in the number of students participating who are eligible to receive free or reduced price meals;

c. There is also the danger that school food service programs will reduce the quality and quantity of meals to the point where they will not meet the minimum nutritional requirements for reimbursement.

ARKANSAS

2. Many schools were forced to increase prices by 5¢ to 10¢ to students for paid meals during the past school year. The majority of schools report now that there is no alternative except to increase the price again this year. Increased charges to students will reflect a price of 45¢ to 50¢ for lunch and 20¢ for breakfast. [This action could result in a decrease in participation by as much as 6% to 10% of paid students.]

FLORIDA

4. Past performance has shown that when sales prices increase 5¢, that participation decreases by 10% and fixed costs remain the same. Therefore, we anticipate a reduction in participation of 12%–15%.

As you know, these students (the 12%–15%) are the borderline students—economically. That is, they are not economically needy, but certainly not affluent enough to afford 65¢ lunches every day.

GEORGIA

2. School administrators recognized a need for 5 to 10¢ more revenue per lunch. Such an increase in sale price is expected to reduce participation of paying children by 10 to 20%.

IDAHO

4. If reimbursement rates are not increased, what will the specific effects be in your State? If they are, will participation decrease?

If reimbursement rates are not increased, schools will increase their prices accordingly. Participation will drop because increase in prices drops many children from the program. Many will not ask for a free lunch but will bring a lunch from home.

ILLINOIS

4. With the shortage of dollars for education, we see no alternative for the lunch program other than increasing prices. This will have to be done with the full knowledge that the effect will be a decrease in participation in direct proportion to the price increases. Our experience has shown that each penny increase in the cost of meals results in approximately a 1% decrease in participation.

5. We recommend the Type A reimbursement be pegged at a minimum of 12 cents per lunch; free lunch be reimbursed 48 cents.

INDIANA

4. Reimbursement rates should be increased in order that we may continue to feed children. If they are not, the needy schools will suffer more than the less needy and may even be forced to reduce or close their operation for lack of funds.

5. It is our recommendation that the reimbursement rates be increased to 12 cents per meal and a larger allocation of commodities or cash in lieu of commodities be made available to schools.

KENTUCKY

4. There is prevalent among school food service officials in Kentucky a cliche of a sort of which goes something like this: "Someone must pay the fiddler." The same is true as far as food is concerned, and the food bills as well as the labor bills must be paid. When there are three sources of funds, namely from the Congress, from a State appropriation, and from the paying child, in the face of increased prices the paying child must be tapped for an additional source of funds if the other two are leveled off. It is our feeling that unless sufficient funds are available to pay the bills the attitude of the school officials will be such that services will be curtailed and the performance affected so that a reduced participation rate will result. It also could be that the quality of the meal will be reduced to the point that the meal service will be rejected with a corresponding result in decreased participation. Still another factor would be that the greater reliance could be put upon the donated foods as they become available, and to the point where the repeated use of an item such as dry beans can create an attitude of rejection.

5. It is the recommendation of the Kentucky Department of Education that:

a. the general cash for assistance rate be increased to 10¢ from the present 8¢ rate;

b. the maximum rate for free lunches in "especially needy schools" be increased to 65¢ from the present 60¢ rate;

c. the Special Milk Program be funded in full and continued as during previous years; and

MAINE

(b) We are approaching the point in the program where local community effort is being taxed to saturation point. Most communities in the State of Maine have been very willing to support the program with tax appropriated funds but with spiraling costs the budgets for all school operations are being taxed to the limit.

(c) If prices to paying students have to increase again after the increase which was necessary March 1, 1973 we can expect a dramatic reduction in participation of paid meals. We are approaching the point where if paid meal participation continues to decrease, the program will become a "welfare program." This, in turn, will discourage the low income youth from participation as his participation will identify his economic status, particularly at the Junior High and High School levels.

5. (a) A minimum of 12¢ and 45¢ with an escalator clause to cover sharp increases in prices is needed. As we are now faced with emergency conditions with spiraling food and labor costs, we must have increased reimbursement rates prior to the opening of school so that administrators will have the confidence to start the programs at the beginning of the school year.

MARYLAND

4. If reimbursement rates are not increased, there will undoubtedly be an increase in the price of lunch to the paying child and/or a drastic reduction in the quality of the meal. A five cent increase in the lunch prices causes a 5–10% decrease in lunch participation or an 8% statewide decrease. School systems with the lower cost of lunch to the child have higher participation rates. A pilot study conducted in one local school system showed increased participation when the price of lunch was lowered.

5. With the availability of State money to help underwrite the cost of free and reduced price lunches, the area of greatest need in the State of Maryland is an increase in the national average lunch payment from general cash-for-food assistance for lunches from the present 8¢ to a national average of 15¢. This is urgently needed in order not to price the paying child out of the market.

MASSACHUSETTS

Without compensatory increases in federal cash reimbursements and in the value of available free food commodities, all school food service programs are headed for financial difficulty.

Increasing charges to the children, which have been at an average of 35 cents for lunches and 20 cents for breakfasts is not the answer. To offset anticipated 25% increases in labor and food costs, charges for lunches would have to be increased by about 15 cents and for breakfasts, about 10 cents.

Previous experience indicates to us that each 5 cent increase in charges will surely result in a 20 percent decline in the number of children purchasing either lunches or breakfasts. It is frightening to contemplate the separation of at least 300,000 children each day from needed nutritional supplementation.

You ask what suggestions we would make to improve these programs in light of increased costs. Rather than 10 cents, the average payment for paid lunches should be increased to at least 12 cents and the special assistance factor for free lunches to at least 55 cents. Breakfast reimbursement rates should be increased also in recognition of cost increases.

MICHIGAN

4. Without increased reimbursement rates to at least 12¢ under Section 4, and 50¢ under Section 11, combined with "commodity shortfall" legislation, our school lunch programs will be discontinued by the dozens. A few high schools have already dropped out in favor of a-la-carte and vending machine service.

MISSOURI

(4) For fiscal year 1974, a categorical state appropriation as required under Public Law 91–248 will provide approximately 1.4 cents per lunch. It is my judgment that if Federal reimbursement rates are not increased to cushion the shock of anticipated continuing inflationary trends there can be no doubt that participation on the part of paying students will continue to decline. History has told us that each time we have an increase in the charge for lunches it has the effect of pricing a number of the middle and lower middle income children out of the program. This is the very group that has represented our major participants in the expansion and growth of the program over the past 28 years. At the same time we should be reminded that the middle and lower middle income families represent the largest segment of our tax paying population that are contributing toward sustaining the availability of free lunches for needy children. In many, many instances there is very little difference between the income of these families and those declared to be eligible for free lunches under Federally mandated policy regulations. These are the families that are most drastically affected by inflation. Without their continued participation and contributions, we would seriously question the logic in continuing to operate School Food Service Programs strictly for the needy who are guaranteed free lunches by our Federal Government. The schools of this nation were established for the education and training of children (all children), the affluent, middle income, and the needy. At the present time, lunches are available to all children in our schools. The record will show that our lowest participation comes from the affluent; therefore, without the volume participation from the middle and lower middle income groups, it would seem illogical that we could justify continued offering of school lunches on school premises for just one segment of the school population, the needy. Even if lunch programs were continued on such a basis, would this not be a form of identification?

NEVADA

1. We estimate the average cost of producing a lunch will be 80 to 85¢ which is 20 to 25¢ more than last year. We estimate the average cost for producing a breakfast will be 45¢ which is 20¢ more than last year.

4. We believe participation will decrease unless reimbursement rates are increased.

SOUTH DAKOTA

4. If reimbursement rates are not increased, what will be the specific effects in your State?

With 30 to 35% of our students eligible for free lunches if reimbursements are not increased who will pay the difference? Many school boards are having difficulty now meeting costs and will not channel funds into breakfasts and lunches. Their only alternative would be to force the paying child to absorb the costs. This will destroy programing.

If rates are increased it will provide more opportunity for the needy to eat and allow managers some alternative from beans and macaroni. The rates should go to 12¢ and 50¢ but 10¢ and 50¢ could help ensure survival of many programs.

VIRGINIA

4. If reimbursement rates are not increased, what will the specific effects be in your State? If they are, will participation decrease?

Programs cannot operate at a deficit. There will be a decrease in the quantity and variety of foods served. Some schools may be forced to go off the program. It is recognized each time there is an increase in the price of lunch or breakfast there is a decrease in participation. The higher the increase, the greater the drop in participation. Increased reimbursement will help to keep price increases at a minimum.

TEXAS

4. If reimbursement rates are not increased to offset the increase of food and labor for the various school districts, we believe it will have a negative effect upon all Child Nutrition Programs and eventually could cause some districts to discontinue the Program. We anticipate that the increase in the price of lunches to students will cause a decrease in participation.

Mr. ALLEN. I thank the Senator from South Dakota. The committee accepted the validity of this amendment.

I am willing to yield back the remainder of my time.

Mr. CURTIS. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. ALLEN. Mr. President, I believe there is another amendment.

Mr. HUMPHREY. Mr. President, there is an amendment on the National Advisory Council.

The PRESIDING OFFICER. The Chair is advised that it was included in the last amendment.

Mr. HUMPHREY. Mr. President, then I believe that does complete action on all the committee amendments.

Mr. CASE. Mr. President, today I am submitting, along with Senators HUMPHREY, McGOVERN, and CLARK, three amendments to the National School Lunch Act. If adopted, these three amendments will have the effect of placing a price ceiling on school lunches so that children will not have to pay more for lunch, and will also expand coverage of the lunch program to working families.

The first amendment raises the basic subsidy on all school lunches, whether paid for, available on a reduced price basis, or offered free to needy children. The basic subsidy has been only 8 cents per lunch, an amount insufficient to cover the costs of rapidly rising food prices. School food authorities tell us that they are now unable to make firm contracts for food because of the fluctuation of prices. Many communities already have raised lunch prices and others, in response to the crisis, have reduced the quality of the lunch served.

Worst of all, the essential protein quality of the lunch has been curtailed and substitutes, including soybean meal, now replace meat, poultry, and fish.

It is tragic that the primary children's feeding program for the Nation—the national school lunch program—is being curtailed at this time.

Raising the basic subsidy to a credible level is, at this time, not inflationary. The billions of dollars in farm subsidies paid out in the past will not be needed this year.

The second amendment we offer is designed to expand the availability of reduced price lunches to the children of working families. It is a modest increase—allowing participation by families with children earning less than $7,200. The cost to the treasury is minimal—but the impact will be substantial. It will reduce the burden of price increases and inflation shouldered by families who are not on welfare and who receive little in the way of government assistance. By adopting our amendment some help will be provided.

Our third amendment seeks to head off future crises in the lunch program by implementing a cost-of-living escalator clause. Under this amendment, as food prices increase the basic subsidy for the school lunch program will likewise increase. It makes sense to protect the lunch program in the same manner the Congress has adopted a cost of living escalator clause in the social security program.

Mr. President, if these amendments are adopted we will assure the continuation of the lunch program and, more than that, we will effectively place an essential and effective price ceiling on the lunch program. So that children will not have to pay more for their lunches.

I urge adoption of these amendments.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, I call up my amendment No. 534 on behalf of myself and Senators McGOVERN, CLARK, CASE, MONDALE, BAYH, BIDEN, and the other cosponsors which the Senator from South Dakota listed this morning and asked unanimous consent that they be listed as cosponsors.

This amendment essentially would accomplish three objectives:

First, it would increase section 4 general assistance funding from the 10 cents per meal now provided for in H.R. 9639 to 12 cents per meal;

Second, it would provide for an automatic adjustment in Federal reimbursement assistance rates in future years relating to both the school lunch and breakfast programs; and

Third, it would allow schools to go 75 percent over the income guidelines in determining which students may receive "reduced price" lunches.

Mr. President, on March 1 of this year I introduced S. 1063, a bill containing many amendments to our national school lunch and child nutrition statutes which are not contained in this legislation before us here today. In addition to the provisions contained in S. 1063, I offered some additional amendments to these basic statutes when I testified before Senator ALLEN's subcommittee on September 13, 1973. Many of the amendments contained in S. 1063 and those I offered on September 13 which are not now contained in H.R. 9639 were supported both by the U.S. Department of Agriculture and by many others who testified before Senator ALLEN's subcommittee. However, during our full committee markup on this legislation, a plea was made by Senator ALLEN and other members of the Committee on Agriculture that we should limit modifications to our school lunch laws at this particular time in order to expedite meeting the escalated financial burdens now facing our Nation's schools relating to basic reimbursement rates, an approach we have now repeated each year for the past 3 years.

While time circumstances argue in favor of Congress moving promptly in this regard, I think it is unfortunate that we must again forego addressing ourselves to a number of important issues relating to these programs because of last minute action.

While I am willing to again cooperate in limiting consideration of many of these issues, I nonetheless feel compelled to insist that consideration be given today to at least some of these issues, namely those three contained in amendment 534.

The increase provided for H.R. 9639 for section 4 reimbursement from the current 8 cents per meal to 10 cents per meal is not adequate in my judgement to maintain the integrity of our national commitment regarding the nutritional objectives of this program. Even the increase to 12 cents per meal provided for in amendment 534 will not cover all of the increased costs now being borne by State and local school jurisdictions and by students, but it will materially help closing the inflationary cost gap they are now experiencing.

The Select Committee on Nutrition and Human Needs recently conducted a survey among the States concerning these increased costs and found that something closer to a 15 cent section 4 reimbursement figure is actually required to close this gap. Therefore increasing the section 4 reimbursement rate to 12 cents per meal will still require increased costs for most State and local school jurisdictions and for students.

Also, in considering these rates, we must keep in mind the fact that any increase in price for students purchasing school lunches usually means a drop in participation in the program. Studies show that for every 1 cent increase in lunch costs to students you get a 1 percent drop-off in participation. Therefore, in view of facts, I urge that we provide at least a 12 cent per meal section 4 reimbursement rate.

The second provision contained in amendment 534 would provide for an automatic adjustment in Federal reimbursement rates for our school lunch and school breakfast programs beginning with the next school year, namely July 1, 1974. The need for this important provision to me is obvious. As I stated before, each year for the past 3 years Congress has had to address itself to adjusting these rates because the administration—although they have the administrative authority to do so—have refused to make these adjustments. The provisions in amendment 534 would require adjusting these rates annually based upon the wholesale price index and the average hourly wages of employees employed in such food services. Having these provisions in law would mean that Congress would not have to be called upon each year at the last minute to adjust them. It would mean that schools could more appropriately plan and budget for these programs in future years instead of wondering and guessing what adjustments that the Executive or the Congress may make—usually after the school year already has begun. Similar automatic adjustment features are now provided in our Nation's social security laws, food stamp laws, and now even in our farm program laws. I think it only fair and good management that we now do the same with respect to these school feeding programs for our Nation's children.

The last provision in amendment 534 merely makes the reduced-price provision of the school lunch more attractive to offer. It provides that schools may go to 75 percent, instead of the current 50 percent, over the income guidelines in offering the reduced priced program to students whose income is just over those applicable for free lunches. Only about 1 percent of students are now participating in the reduced price program. By going to 75 percent, we anticipate that participation in this program may go to 2 percent, we anticipate that participation in this program may go to 2 percent with only minimum additional cost. With the increases in cost for school lunches we are now experiencing many of these students whose income is just over that which would otherwise qualify them for a free lunch, will likely be the first to drop out of the program altogether, because they can least afford to pay the full bill that would be required of them.

In short, Mr. President, the provisions in amendment 534 are needed and modest adjustments which I hope and urge the Congress will adopt. We must also keep in mind that we must take this bill to conference with the other body and I would hope that the Senate would give us something to bargain with in this regard. Mr. President, I urge the adoption of these amendments.

The PRESIDING OFFICER (Mr. HART). Does the Senator ask unanimous consent that the amendments be considered en bloc?

Mr. HUMPHREY. Mr. President, I ask unanimous consent that they be considered en bloc.

Mr. ALLEN. Mr. President, I reserve the right to object. I might later agree on the last two. However, I do object.

The PRESIDING OFFICER. The Chair is advised that the amendment is not in order unless it is considered en bloc.

Mr. ALLEN. I object to considering them en bloc.

The PRESIDING OFFICER. The Chair is advised that the first two lines of the amendment are in order. The clerk will report the amendment.

Mr. HUMPHREY. Just a moment. I would like more information. I have never heard that an amendment at the desk is not in order. It is germane.

The PRESIDING OFFICER. The Chair is advised that the amendment is, in effect, three amendments.

Mr. HUMPHREY. The amendment is one amendment, and it can be divided.

The PRESIDING OFFICER. The Chair is advised that the amendment relates to three different sections of the bill.

Mr. HUMPHREY. I understand that. I wrote it.

The PRESIDING OFFICER. Unless unanimous consent is given to proceed to the consideration of the amendments en bloc, the only part of the amendment that would be in order would be the first part, as the Chair has indicated.

Mr. HUMPHREY. The Chair is ruling that we must proceed to consider one at a time.

The PRESIDING OFFICER. The Senator from Minnesota is correct.

Mr. HUMPHREY. All right. We will proceed first with the first part of the amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

On page 1, line 8, insert the following: "12 cents per lunch" in lieu of "10 cents per lunch".

Mr. HUMPHREY. Mr. President, how much time do we have on each amendment?

The PRESIDING OFFICER. Thirty minutes, the time to be equally divided.

Mr. HUMPHREY. I will take just a very few minutes.

This amendment does what the study that has been made by the Select Committee on Nutrition recommends, as well as what the testimony before the committee indicates needs to be done.

There is no doubt that the increase in the committee bill as passed by the House and subsequently in the Committee on Agriculture and Forestry—namely, to increase section 4 funds from 8 to 10 cents—is helpful. However, I would remind the Senate that food costs have gone up rapidly and in some areas they have gone up even more than in other places.

Mr. President, if we are to have any kind of balanced program at all, we must have the necessary funds.

The argument is that this could all be taken care of by the people themselves, by the children who come to school, or it could be taken care by more effort at the local or State level.

Earlier today I indicated part of the problem at the local and State levels. Those budgets are already set. The legislatures will not be called back into session for this one item. The school districts of America are very tight already.

Last year, as I recall, we increased the allotment under section 4 to 8 cents from 6 cents. That was a very modest increase in light of what had happened to food costs. However, most of the food costs have gone up since that time.

We all know that the food costs have gone up between 20 and 30 percent in 1 year, and 6 percent in the month of August. We all know that school budgets are tight and that school lunch programs are closing down because of the increased costs. We are simply asking that this amount be changed from 10 to 12 cents.

This is not going to bankrupt the Government. First of all, one of the reasons we have to raise it is because agricultural prices are up. The farmers deserve to get a fair price.

Mr. President, let me say for the RECORD at this time that the Department of Agriculture this year will spend very little on so-called farm subsidies and very little next year. All agricultural prices are above what we call the target prices. So, we will be saving a couple of billion dollars on agricultural appropriations because we have good farm prices, and we will add a few more million dollars to the school lunch program in order to compensate for the sharp rise in food costs to the commissaries, to the school lunch authorities, and to those who prepare the school lunch program.

This is a good tradeoff. On the one hand, we have a couple of billions of dollars on farm subsidies because the farm prices are up. And, as a result, the school lunch costs have skyrocketed. We are asking for another $85 million extra.

I just finished reading the testimony of the Senator from Missouri (Mr. SYMINGTON) before the Committee on Defense Appropriations. That testimony reveals that we have had over $20 billion in prototype weapons systems that have not worked, had never been used, and which required canceling.

My gracious, the interest on the public debt is running considerably higher. No one seems to be complaining about that. They complain about the public debt. However, no one complains about the rape of the Treasury with the unbelievable rise in interest rates which will cost this Government $4 billion additional dollars. I do not know who is going to get that money. I am not. And I do not think that any of the school kids are going to get that $4 billion. However, someone will get it.

Here we are talking about a little money for a school district where the taxpayers live in order to provide adequate school lunches. Let me say that I know that the taxpayer has to pay the bill. However, he is already paying billions of dollars extra in family food costs.

I know that the farmers are going to be able to pay some taxes this year because they are getting revenue, they are getting income. And the modest amount of increase is hardly worth arguing about.

It seems to me to be so patently evident that we ought to proceed.

I know that the bill will have to go to conference because there are amendments. This will not constitute any increase that will be of undue proportion. I do not think that any President would veto a bill that would provide an extra penny or so for school lunches. I do not think that President Nixon would do that. I give him the benefit of the doubt.

Studies show that for every 1-cent increase to school students we get a 1-percent dropoff in participation. The tradeoff here is good because farm prices are way up and farm income is way up and farm tax receipts are way up. This has meant that the Department of Agriculture will spend a couple billion dollars less this year than had been anticipated. It also means that the budget will have an immense savings because of the increase in farm prices. The Federal Treasury will have hundreds of millions of dollars coming in by way of increased tax revenues because the farmers are making money. However, as a result of all of this, the food costs have gone up 30 percent this year and 6 percent just last month.

If we want a school lunch program, we have to pay for it. Let us not say that the local governments can do it better. They are already doing most of it. The Federal Government is not paying for it all. The Federal Government will be contributing 12 cents in section 4 assistance. It also will be contributing 7 cents in commodities. That is 19 cents. It costs over 70 cents to make a lunch. That does not come from Santa Claus. That is paid by the State and local folks.

When it comes to free lunches, that is another matter. Even there, only 45 cents is provided in the bill for the free lunch program.

We are not exactly going down the drain fiscally. I would hope that the Senate would support the amendment just offered on behalf of a number of Senators which is reasonably and urgently needed.

Mr. JAVITS. Mr. President, will the Senator yield momentarily to me?

Mr. HUMPHREY. Mr. President, I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I would not seek to intervene were it not for my experience in the field of education and my service on the Select Committee on Nutrition of the Senator from South Dakota.

From the point of view of education, I think that everyone ought to know that it is as absolutely essential that every child be fed properly as it is that he have the proper books.

Unless we have the necessary Federal aid provided by this bill and these amendments there will be millions of children who are under par in this regard.

We are not giving them the educational system which we wish to give them and which they deserve as Americans; for me that is the most eloquent reason, in addition to the other persuasive reasons stated by the Senator from Minnesota and the Senator from South Dakota, to vote for the amendments which the Senator wishes approved.

As for H.R. 9639, there can be no question of the need for this bill. It is unanimously approved by the entire Agriculture Committee in near record time. I commend my colleagues on that committee for such expenditious action.

The committee has amply demonstrated and documented the need for increased funding. Food costs have increased 28 percent since last year; unless we act now many needy children will have to forego the Federal child nutrition programs that are so vital to their health and well-being.

The reimbursements provided for in the bill are the minimum that we can deem acceptable. They do not make up for the increased costs that the programs' beneficiaries have experienced over the past year. Thus, even passage of this bill, as reported, would at best be marking time with increased costs.

It is for that reason, that I have joined to cosponsor the amendments to the bill proposed by Senators HUMPHREY, CASE, McGOVERN, and CLARK. The first of those, which would increase the minimum reimbursement for lunches from 8 cents to 12 cents, rather that to 10 cents as reported, is necessary to insure continued participation in the program for all of those who so desperately need it. The costs of such an increase, when weighed against the need, are minimal. As has been said, we cannot balance the Federal budget on the backs of our needy children. They are least of all the group that can afford it.

The second amendment, which would provide for an escalator clause, is also a necessity. It is difficult to revise funding levels yearly. Only with an escalator clause can we insure that reimbursement levels continue to provide the support that we now deem necessary.

Finally, the income guidelines for the reduced price lunch program are plainly inadequate. At present, a family that earns $7,000 per year is ineligible. This is a gross injustice. The amendment calls for a modest but necessary increase to 75 percent above the poverty guidelines. Clearly, this does not permit participation by any family that can afford adequately to feed its children without the program. This amendment is essential to the working poor, it would be most unfortunate to discriminate against those that need the benefits of Federal school lunch programs the most and to relegate them to a situation worse than that of the Nation's hard-core poor. I urge my colleagues to provide the necessary funding so that these families of the working poor may participate in reduced price lunch programs.

Mr. President, the bill and the amendments are equally necessary. They will continue one of the most successful of all Federal programs, programs where the States and localities already pay their fair share. I urge passage of H.R. 9639 together with all three of the Humphrey amendments.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from South Dakota, the principal proponent of this measure, such time as he may require.

Mr. McGOVERN. Mr. President, in addition to the strong participation the Senator from Minnesota and the Senator from New York have already made in behalf of this amendment, I would just like to add that the Select Committee on Nutrition and Human Needs surveyed all the States as to their needs with regard to the school lunch program. Thirty of the States replied that the actual costs of the lunches in this school year are going to be anywhere from 5 to 10 cents per child higher than they were a year ago.

We are asking for a 4-cent increase in the amendment that the Senator from Minnesota (Mr. HUMPHREY) and I and others have introduced. We are still below the level of the actual cost increase.

I think it is very important for the Senate to recognize that there are many budgets that are under intense pressure today because of the increased cost of living, but none of those budgets is any more squeezed than the family food budget. Here is a way for Congress to do something to relieve some of that pressure. If every family that has a child in school, or one or more children in school, knows those children are going to get a hot lunch once a day, for which the Federal Government pays a reasonable part of the cost, at least that takes some of the anxiety off that family in knowing that the child will receive one good meal a day, no matter how high the cost of food may go.

There is another budget in this country that is under great pressure, and that is the average school budget. Certainly most of the school budgets in my State, and I think that is true with respect to school districts across this country, are under almost unprecedented pressure. The cost, not only of food but of everything else, has gone up. Instead of shifting that increased cost to the school lunch programs of these school districts that are already laboring under unprecedented pressures, I think it is a mark of prudence on the part of Congress to help pick up a little greater share of these increasing costs of the school lunch programs.

There is no better program that this Government operates than the school lunch program. Dollar for dollar, it probably returns more in the way of health, improved education, and improved development of our children than anything else we do.

So I hope we will not be penny-wise and pound-foolish on this program, and that we will approve the amendment that is now pending.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I wish to join the Senator from South Dakota in this respect. It really surprises me that anyone opposes or wishes to restrict this program. It has had a long history, and I was just thinking of the irony of the fact that the late Senator Russell, who was such a stalwart, as chairman of the Committee on Armed Services, in behalf of the Defense Department, was also a champion of this program, and the fact that consideration of this measure should occur in the midst of the consideration of appropriations for the Defense Department, with its incredibly expensive programs, and yet we seem to stumble over such a small program as this, seems to be representative of the conflicts we face these days.

If the sense of Congress is so distorted that it does not recognize the significance of feeding children, and especially the poor children of this country, I must say my hope for the future is very slight.

I want to take this occasion to read one typical passage. I have received several letters from schools of my State, most of them from the smaller communities, where this program obviously has the greatest importance. This letter is from the superintendent of the Cotton Plant Public Schools. Cotton Plant is a relatively small town in the mideastern part of Arkansas. I shall read only a part of it.

This is dated September 18. It says:

> Cotton Plant is a small district composed mostly of impoverished blacks. Something like 90% of our students meet the federal guidelines for free lunches. Because we have such a large proportion of free lunches, we cannot solve our lunch problem by raising the price of the luncheon, as can the larger and more affluent districts.
>
> The school lunch programs have lived off of the government's purchasing of commodities for price support; since this is gone, we are having to purchase foods which always before have been provided us. An important facet of the lunch program is milk; we are presently having to pay 8½ per half pint and expecting this to rise next semester.
>
> I wonder if Congress really understands

> that the school lunch program is going down the drain unless something is done immediately.
>
> We need to get the following things undertaken now if we are to be able to continue to operate a lunch program:
>
> 1. A much larger reimbursement for milk served to students.
>
> 2. Cash payments of a substantial nature to lunchrooms to replace commodities which are no longer available.
>
> 3. A larger reimbursement for meals served free to students to reflect the higher prices of groceries.

As I say, that is only a typical letter. I have some from West Memphis and other areas of my State.

The need is uneven, of course. Some communities are quite capable of dealing with these situations, as in the very rich suburban communities of our large cities, but all over this country there are many small communities such as this which simply cannot cope with the kind of inflated prices we have today and continue the school lunch programs.

But over and above that question—and I shall not dwell on the details; the Senator from Minnesota and the Senator from South Dakota have already gone into that—it is such a reflection upon the sense of values of Congress as to what is important to this country to let a program of this kind, of which the whole program, I suppose, does not cost more than one B-1 bomber——

Mr. HUMPHREY. Just about the same.

Mr. FULBRIGHT. It is incredible that in weighing these things in balance, because of the budget, we could choose the bomber over the school lunch program, involving hundreds of thousands of children. It is unbelievable to me that we would not take action in helping this program.

Mr. HUMPHREY. Just let me say——

The PRESIDING OFFICER. The Senator's available 10 minutes have expired.

Mr. HUMPHREY. My time is gone.

Mr. ALLEN. I will yield the Senator an additional minute if he is not through.

Mr. HUMPHREY. I thank the Senator. I just wanted to make an observation. I just wanted to note that for fiscal year 1972, the total of Federal expenditures for these programs, including all surplus commodities, the school milk program, breakfasts, and everything you can toss in, was $1.256 billion, in comparison to which the State, local governments, and students put in $1.661 billion. So the local governments and students are paying their share.

And might I add, one Trident submarine would cost us more than the entire food program for the school children of the United States of America.

Mr. FULBRIGHT. From all sources.

Mr. HUMPHREY. From all sources, that is correct. One sub. I think that speaks for itself.

Mr. ALLEN. Mr. President, I yield 3 minutes to the distinguished Senator from Nebraska.

Mr. CURTIS. Mr. President, I think it is well that we again look at the figures for the school lunch and child nutrition program.

In 1968 the total expenditures were $500 million. The budget request for this year is $1.5 billion—increased threefold. Now the House has sent us a bill that will increase expenditures by $149 million. The Senate committee approved the House increases and also added amendments increasing the cost by $108 million. The pending amendment would add an additional $83.5 million.

We should keep in mind that if the plan is adopted, the Senate will have voted to increase the Federal contribution for meals by 50 percent, in spite of the fact that we increased it three times in the 92d Congress and once in the 93d. Also this is a program for all schools and all pupils in all communities. That is what this amendment is about. It is not confined to poor school districts. It is not confined to impoverished children. It is not confined to children who come from financially deprived homes. This is an increase in Federal expenditures for the whole program so that the men and women who work, who pay their taxes, are called upon to support this increase that will increase the Federal contribution for the wealthiest districts in the country and for all children including the middle class, the well-to-do, and the wealthy.

It seems to me that the Senate committee has gone as far as it should in increasing this amount if it is to be justified by an increase in the cost of food to operate the program.

I hope that the Senate will reject the amendment.

Mr. YOUNG. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I yield.

Mr. YOUNG. What was that total figure the Senator gave as the cost for the school lunch program?

Mr. CURTIS. For school lunches and child nutrition it is now $1½ billion.

Mr. YOUNG. Except for a part of the bill, we are legislating and appropriating on this bill and it permits no further consideration by the Appropriations Committee. We are taking the funds out of section 32 funds, so there is no further appropriating needed. Presently there is more than $100 billion in Federal expenditures over which the Appropriation Committees of Congress have no jurisdiction whatever, so that when we are talking about holding down the budget in this case, we are increasing it because there is no further appropriation necessary, as I understand it.

Mr. CURTIS. I thank the Senator for his contribution. There will be no opportunity for the Appropriations Committee to look it over.

The PRESIDING OFFICER (Mr. JOHNSTON). The time of the Senator from Nebraska has expired.

Mr. ALLEN. Mr. President, I yield myself such time as I may need.

Mr. President, the basic elements of the three sections of the amendment originally offered en bloc by my distinguished colleagues have been studied carefully by the Committee on Agriculture and Forestry. All were rejected.

That amendment would:

First, increase reimbursement for all school lunches from 8 cents per lunch to 12 cents per lunch rather than the 10 cents provided in the committee bill;

Second, provide an escalator clause that would increase the Federal reimbursement for general cash assistance, free and reduced price assistance and school breakfasts each year to reflect the increased cost of operating a school lunch and school breakfast program; and

Third, authorize States to provide reduced price lunches for children from families having income 75 percent greater than the income poverty guidelines rather than 50 percent greater, as in present law.

Let me take each of these elements separately and explain why the committee acted as it did:

In regard to the issue of 10 cents per meal versus 12 cents per meal, the committee was on the horns of a dilemma. We are more sensitive to escalating food costs than most.

We are also aware that as farmers increase their income, so they no longer have to rely on Federal crop subsidies, we will have to transfer some of our efforts to insure that programs such as the one we are discussing today do not suffer.

But we are also aware that Federal resources are finite. The Federal Treasury is not a bottomless barrel of money. We are also aware that we must exercise budgetary caution and restraint in order to get a handle on the inflation that is crippling this country.

For fiscal year 1974, the measure that our committee offers today is approximately $217.1 million more than what was in the administration budget request. For fiscal year 1975, the committee bill would add another $40 million to the cost of child nutrition programs, for a total added cost of $257.1 million. But we felt that given increasing food costs, it was imperative that we adopt this measure to keep the school nutrition program viable.

My worthy opponents tell you that they are only talking about 2 pennies per meal—just 2 more cents. What you must know is what they are talking about is much greater in real terms, because the 2 pennies they are talking about—which on a per meal basis will not really mean very much—are going to cost another $83.5 million over and above what the committee has authorized.

The House has approved 10 cents per meal. So should we.

The Members of this body should not have to deal with this problem every year. It should be handled administratively. But each year it has been necessary for us to come back to this floor to force the administration to keep these nutrition programs operating properly.

That is why the escalator clause in the amendment which we are considering is so appealing. It would keep the Congress from having to put out this fire every year as school opens.

But as I see it, the escalator clause has two major defects built into it.

First, let me ask you to think about the Federal budget for a moment. Fully half of it is taken up with fixed costs that no committee of Congress can control—things such as social security and veterans' pensions. If we adopt this amendment today we will be adding one more uncontrollable cost that will impinge on our ability to manage Federal spending in a responsible way.

Second, this escalator would only affect Federal performance and Federal spending as it concerns this program. What about State and local responsibility? Why not write in an escalator clause that would insure that State and local governments share in the escalating costs for this program? Why is it that all of society's problems must be resolved here in Washington?

Presently, the Federal Government is contributing 8 cents for all meals served under the school lunch program. The committee bill increases that amount to 10 cents. The committee bill also guarantees that the schools will receive 7 cents worth of donated commodities for each meal served or additional cash in lieu of commodities.

Thus, the committee bill guarantees that the Nation's schools will receive at least 17 cents for each meal served under the national school lunch program.

In addition, the schools will receive an additional 45 cents for each free meal served and an additional 35 cents for each reduced-price meal served.

When we add the additional reimbursement received for free and reduced-price meals to the regular reimbursement of 17 cents, we have a total of 62 cents for free meals and 52 cents for reduced-price meals.

Free meals are roughly one-third of total meals served. Reduced-price meals are only 1 percent of total meals. If the schools need additional funds for free meals, they can utilize part of the funds they receive for reimbursement of lunches of children who can afford to pay. They can utilize part of the 17 cents per meal that all schools receive for paying lunches.

Despite the problems we have had getting the administration to implement these nutrition programs, the Federal Government has done its job. If we here today force an escalator clause on the Federal Government—no matter what course that escalator begins to take—we will simply increase the inequities between Federal and State participation. If the State governments are collecting more tax money than they can spend, then let them spend it on their most valuable resources, their children. But we cannot continually turn to the Federal well every time there is trouble.

However, now is no time to add an escalator clause for Federal participation or an escalator clause for State and local participation. To consider such measures would hopelessly complicate the emergency legislation and deny our schools the help they need immediately. The relative contribution of Federal, State, and local government is a matter that should be the subject of thorough hearings.

Finally, the third aspect of this amendment dealing with reduced-price meals has a laudatory goal—to increase participation in the reduced-price portion of the program. But again there is no telling what the costs involved would be.

Here is the situation. Thirty-five percent of all the meals served under this program are free. That is right. More than one-third of the children who are participating pay nothing. However, only 1 percent of the meals served are under the reduced-price plan.

It is evident that at the local level where the program is administered, the school officials do not wish to be burdened with the administrative problems of a reduced-price program.

I admire my colleagues greatly, and also admire their motives in bringing this amendment to the floor, but the committee has increased the proposed cost of this program by $217.1 million by its action. The further increases of over $83.5 millon called for under this amendment would be fiscally irresponsible no matter how worthy their intent. These increases would create a strong likelihood of a Presidential veto, thus denying our school districts any immediate help in their financial crisis. I ask for the defeat of the amendment.

Now, Mr. President, the Senator from Minnesota has talked about this being such a small addition, of 2 cents. It amounts to $83,500,000, this 2 cents that he is talking about.

Actually, the issue is not whether it is an additional 2 cents, because the House has already put 2 cents on at the cost of $83,500,000 and the Senate committee has agreed to that. The distinguished Senator mentioned the amount the States are paying. He gave that figure as being $1,661 million. Actually, in 1972, the States contributed only $335 million and in 1973 it is estimated they will only contribute $376 million as opposed to the $1,510 million by the Federal Government.

Mr. HUMPHREY. If the Senator will yield, just for the RECORD, I am merely pointing out that the State and local governments and the student participants in the program pay more than the Federal assistance in the program.

Mr. ALLEN. Yes.

Mr. HUMPHREY. That is a factual statement. There is also the formula that requires, when we increase Federal assistance, that the State also increase its share proportionately.

Mr. ALLEN. I thank the distinguished Senator from Minnesota. He apparently overlooks the fact that as the bill comes to us from the committee, it increases the budget $217 million. The administration has already increased the budget request by approximately $120 million, and then we add the $217 million that the committee has added to it, the House and the committee, which gets the amount up to $335 million additional to the budget as submitted.

So it is not just a matter of 2 cents or $83.5 million. It has already increased the budget by $335 million. If the amendment suggested by the Senator from Minnesota is added, that would raise it up to around $400 million in increases.

We are all for schoolchildren. I do not suppose there is anyone who wants to vote against anything for schoolchildren. I yield to no man in my love for schoolchildren and my desire to do something for them. I believe that this program is a great program, but I also feel that we can make the mistake of reaching out and seeking more than is justified and more than will be approved by the President. I also feel that the additions made by the committee, and those which have been tacked on by the House—we have already approved three amendments here by the distinguished Senator from Minnesota and the distinguished Senator from South Dakota, which will add $1 million to the bill. Now they are seeking to add still more.

Mr. FULBRIGHT. Mr. President, will the Senator from Alabama yield for a question?

Mr. ALLEN. On whose time? I do not have much time.

Mr. FULBRIGHT. I do not have any, but I wanted to ask the question, Did the committee take into consideration the recent very dramatic rise in the cost of food which occurred during the months of July and August this year?

Mr. ALLEN. Yes, sir, it did. That is the reason it added these 2 cents. I might point out that the New York Times reported on Friday that the cost of beef cattle has gone down from 60 cents a pound on the hoof to 40 cents a pound on the hoof. Also there has been a comfortable drop in the price of hogs. I feel that it——

Mr. FULBRIGHT. What about milk?

Mr. ALLEN. The 10-cent figure——

Mr. FULBRIGHT. And milk?

Mr. ALLEN. Milk is provided.

Mr. FULBRIGHT. Milk has gone down?

Mr. ALLEN. I do not believe that the price of milk has gone down.

Mr. FULBRIGHT. I do not believe there are many beefsteaks around——

Mr. ALLEN. Well, I do not want to argue with the distinguished Senator because we have only 15 minutes here and I would rather make my own argument.

Mr. President, I should like to point out that when we talk about the 8 cents, or the 10 cents, or the 12 cents, that is only part of the program, the 8 cents, the 10 cents, or the 12 cents.

The 10 cents by the committee, which is a 25-percent raise, would be paid to all children who pay for a lunch. Two-thirds of them pay for their own lunches.

If we take the 10-cent subsidy for every lunch for every schoolchild and the 7-cent subsidy in commodities or cash we get 17 cents for every lunch. Since only one-third is on the free lunch basis, that figure would be trebled—51 cents—if it is all used for the free lunch. Add that to the 45 cents for each free lunch and we would have the Federal Government paying 96 cents for each child. That is enough for the Federal Government to pay when the State and local governments and the private contributions are added to that. So, let us not relieve the local government of all responsibility. We have pretty well relieved them of all rights. Let us not relieve them of responsibilities.

So I feel that the House action of raising this to 10 cents, which has been approved by the committee, continuing the 7 cents, the commodity subsidy, and raising the free lunches to 45 cents will be adequate. Take that and take the second part of the Senator's amendment, the escalator, and it would be a good bill, in the judgment of the Senator from Alabama. I do not believe we need the raise to 12 cents and the escalator added to that. I believe we could get through the conference the 10 cents with the escalator. I do not believe we could get the 12 cents.

I reserve the remainder of my time.

Mr. CURTIS. Mr. President, I yield to the Senator from North Dakota.

Mr. YOUNG. Mr. President, the distinguished Senator from Minnesota (Mr. HUMPHREY) is one of the greatest humanitarians I have ever known. When it comes to a subject such as this, he has a heart as big as a washtub. He has been very helpful in all these programs.

In this case, I think the committee has gone a long way—in fact, we may be inviting a veto now. I think the committee bill is very fair, and I, for one, am going to support the committee position. This is not easy for me as I have long been an ardent supporter of the school lunch program.

Mr. McGOVERN. Mr. President, I would like to speak on behalf of amendment No. 534 introduced by Senators HUMPHREY, CASE, CLARK, HART, HARTKE, KENNEDY, STEVENSON, CRANSTON, and myself.

Before doing that, however, I wish to compliment Senator ALLEN and the Agriculture Committee for the efforts they have made to bring this emergency school lunch legislation to the floor of the Senate.

Senator ALLEN and the chairman of the Agriculture Committee, recognizing the financial crunch now being faced by so many school districts around the country, have produced a bill for the Senate to consider that goes a long way toward solving the immediate problem.

The committee bill raises the reimbursement for the lunches of paying children from 8 cents to 10 cents, for poor children from 40 cents to 45 cents, provides airtight language in the special milk program as well as extending and improving the special feeding program for pregnant women and children.

The amendment that I am offering today along with my fellow Senators is simply an attempt to meet the present financial crisis more squarely and hopefully to eliminate the need for this kind of emergency action next year.

We would increase the reimbursement for paying lunches from 8 cents to 12 cents. The 12-cents figure is amply supported by a survey of the States conducted by the staff of the Select Committee on Nutrition. This survey showed that in over 30 States the actual cost of lunches was going up 5 cents to 10 cents.

These figures, of course, were based on the cost of food as of late July and early August. The latest cost figures would seem to indicate that an even higher increases might be justified.

The chairman of the House committee, Congressman PERKINS, himself recognized this fact during the debate on the bill in the other body. Mr. PERKINS states that if he had been introducing the bill to meet the most current cost estimates that he would have been justified in seeking 12 cents instead of 10 cents. If the Senate approves the 12 cent figure, I think we have some reason to believe that we might find a sympathetic ear during conference committee session with the House.

Beyond the immediate reimbursement rate for section 4, I believe it is time, once and for all, to build into the school lunch and child nutrition programs an automatic means of dealing with changing costs from year to year. For this reason, we have included in amendment No. 543 a so-called escalator clause which, on an annual basis, would adjust the reimbursement rates for these programs in accordance with changing food and labor costs. This is a principle that we have now accepted in many other programs, including social security, farm payments, and food stamps. It makes only the most elementary sense to me to eliminate, by foresight, these annual crises that afflict our school districts and cause incredible administrative difficulties from year to year.

Finally, Mr. President, this amendment as suggested by Senator CASE would authorize the Secretary of Agriculture to raise the eligibility levels for reduced price lunches by 25 percent above current authorized levels. In effect, this means that we would be making children from families with incomes up to $7,300, rather than the current $6,300, eligible for reduced price lunches.

I believe this is an important improvement in the program because it would seek to alleviate some of the current difficulties facing many of our middle income families around the country in maintaining an adequate diet for their families. It would also recognize the eroding effect that inflation is having on the incomes of those families and it may keep hundreds of thousands of children from these families in the lunch program who would otherwise be forced to drop out. I, therefore, urge the Senate to vote in favor of amendment No. 534.

Mr. MUSKIE. Mr. President, the legislation before the Senate today, the National School Lunch and Child Nutrition Act Amendments of 1963 (H.R. 9639), would make many welcome changes in the school lunch and child nutrition programs, including increasing the basic Federal reimbursement for each school lunch from 8 cents to 10 cents. Yet the rampant inflation of food prices in recent months makes this reimbursement insufficient. To safeguard the ability of local school systems to provide reasonably priced lunches to schoolchildren, the Senate should adopt the amendment pending before us to increase further the reimbursement level this year.

The effect of food price increases on school lunch programs is well documented by statistics about the program in my own State of Maine. According to the Maine Department of Educational and Cultural Services, the cost of the average school lunch will be 6 cents higher this year than last year. It is unlikely that local communities in Maine will be able to provide additional funds to absorb these increases. Unless the Federal subsidy rises substantially, this cost increase will result either in cutbacks of the school lunch program, or in cost increases to the schoolchildren themselves. So the plain result would be that fewer children would be able to take advantage of the school lunch program.

We, in Maine, experienced last March a 5 cents per meal increase in the price of most school lunches. In view of that experience, the director of the Maine school nutrition program expects "a dramatic reduction in participation of paid meals" if the Federal subsidy is not adequately increased. The State program estimates that the base Federal reimbursement per lunch must be a minimum of 12 cents—the level established by the pending amendment—to avoid new sharp increases in prices.

Mr. President, we cannot afford to cut back our commitment to the sound nutrition of our schoolchildren. That commitment requires the adequate level of Federal school lunch reimbursement provided in the amendment before us.

Mr. COOK. Mr. President, again, we come together to deal with the perennial problems of the school food program. With the rising food prices and labor costs, school food directors in Kentucky are again reaffirming their determination to feed needy children. It is imperative that this Congress not render the school food programs ineffectual by failing to meet the responsibility to fulfill the critical need for greater subsidy for food programs.

Our efforts should be directed toward not only maintaining the status quo, but to maximize the school food program participation. H.R. 9639, introduced by my colleague, Congressman PERKINS, provides solid support for the existing school lunch program. I support updating Federal subsidy for school lunch from 8 cents to 10 cents, and updating Federal subsidy for the total cost of a school lunch from 40 cents to 45 cents.

During the 1973 August recess, I met with Miss Norma North, consultant, division of school lunch, Owensboro, Ky., Mrs. Jim Wallace, consultant, division of school lunch, Simpsonville, Ky., Miss Martine Collier, consultant, division of school lunch, Jefferson County, Ky., Mrs. Jane Bailey, director, school lunch program, Shelby, Oldham, Grayson Counties, Ky., Sister Ann Bell, director school lunch, Louisville Diocese, Kentucky, Mrs. Hannah Mather, Jefferson County coordinator school food service, Louisville, Ky., Mrs. Maxine Preuett, director, school food service, Oldham County, LaGrange, Ky., Mrs. Helen Underwood, director Bullitt County, Shepherdsville, Ky. These directors have provided pertinent information concerning their program incomes and their needs for 1974. Therefore, Mr. President, I ask unanimous consent that this information be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BULLITT COUNTY SCHOOLS

Item	Bid 1972–73	Bid 1973–74	1972–73 cost per pound serving or pound	1973–74 cost per pound serving or pound
Art. I—Staple and dry products:				
Baking powder	2.25 1 No. 10	8.29 4 No. 10	2.25 1 No. 10	2.07 1 No. 10.
Cereals:				
(a) Sugar Frosted Flakes, 48 servings.	3.22	3.35	.0675	.069 s.
(b) Sugar Pops				
(c) Fruit Loops				
(d) Cocoa Crispies				
(e) Captain Kangaroo				
(f) Sugar Smacks				
Crackers, saltine	3.58	3.64		
Macaroni, 460 servings, 20 lbs	3.19	3.59	.0069 s.	.0078 s.
Onions, chopped	20.18	18.63 30 lbs		
Potatoes:				
(a) Instant, without milk	11.49	12.48		
(b) Flakes, Idaho, bags	7.43	10.27		
Salt, Iodized: 25 lb:				
(a) 50 lb bag	1.42	2.29	.28 lb	.45 lb.
(b) 24/26 oz boxes	2.08	2.83	.086 box	.117 box.
Spaghetti, 360 servings 20 lb	3.19	3.59	.008 s	.009 s.
Sugar, cane, white, 100 lb	13.63	15.46	.136 lb	.154 lb.
Sugar, light brown, No. 8	3.75 25 lbs	9.25 50 lbs	.15 lb	.185 lb.
Sugar, powdered	3.85 25 lbs	9.50 50 lbs	.154 lb	.19 lb.
Bleach, 6/1 gal	2.19	2.47	.365 gal	.411 gal.
Cups, 5 oz water, 2,500	17.75	18.17	.0072 s	.0076 s.
Foil wrap, .001, 24 x 1,000	18.47	18.45		
Napkins, 10,000	9.30	7.87	.0009 s	.0007 s.
Souffle cups, 5,000	17.75	14.89	.0035 s	.0029 s.
Straws, 25,000	9.99	9.99	.0003 st	.0003 st.
Straws, separately wrapped, 12,500.	10.70	10.70	.0008 st	.0008 st.
Applesauce, 150 servings	5.39	7.03	.035 s	.047 s.
Beans, green, 144 servings	4.95	6.44	.034 s	.044 s.
Beans, red kidney, 150 servings.	4.65	4.55	.031 s	.03 s.
Pork and beans, 150 servings	4.75	5.30	.031 s	.035 s.
Coleslaw dressing, 1,024 servings.	8.40	9.07	.008 s	.009 s.
Corn, whole kernel, 150 servings.	5.59	6.33	.037 s	.042 s.
Fruit cocktail, 150 servings	9.28	9.94	.061 s	.066 s.
Jelly, assorted fruit, 200 servings.	2.31	2.30	.011 s	.01 s.
Juices:				
(a) Grape, 138	8.07	10.02	.058 s	.072 s.
(b) Pineapple, 138	4.20	4.15	.03 s	.03 s.
(c) Orange, 138	4.92	4.93	.035 s	.035 s.
(d) Tomato, 138	3.69	4.60	.026 s	.033 s.
Kale, chopped, 150	4.34	4.72	.028 s	.031 s.
Peaches, sliced, 150	7.64	8.33	.05 s	.056 s.
Peaches, halves, 150	5.35	8.33	.035 s	.056 s.
Peas, 150	6.47	16.59	.043 s	.043 s.
Tomato Paste	9.86	10.76	1.64 can	1.79 can.
Tomato ketchup	7.02	8.74	1.17 can	1.45 can.
Tomato ketchup (individual)	2.55	24.99		
Tuna fish, 174 servings	22.77	24.99	.128 s	.143 s.
Art. II–Frozen and refrigerated:				
Bacon, 600 slices	20.19	30.80	.033 sl	.051 sl.
Beans, lima, 168 servings	8.26	9.24 (12/2 ½ lbs.).	.049 s	.55 s.
Broccoli, 120 servings	6.70	8.06	.055 s	.067 s.
Cheese, American 240 slices 61 lbs.	27.60	34.32	.115 sl	.143 sl.
Cherries, 197 servings 30 lbs	16.39	7.73	.032 s	.039 s.
Orange juice, 300 servings	10.88	10.89	.0362 s	.0363 s.
Potatoes, French Fries 615	5.45	5.37	.181 lb	.179 lb.

JEFFERSON COUNTY SCHOOL FOOD SERVICE—1972–73 SCHOOL YEAR

We spent 97.8% of income leaving a 2.2% reserve earned.

We served 74.8%, 11,129,870 Meals, of Average Daily Participation. Had we not had the Government donated commodities and the money (which was allocated for commodities but not used) sent to us near the end of this year we would have ended the year in the red.

For 1973–74 school year:

Anticipated salary increase is approximately	$225,000
Anticipated increase in food (20%) is approximately	640,092
Anticipated increase in other (10%) is approximately	5,000
Conservative anticipated increases, total	870,092
Income on a 0.05 price raise for lunch (based on 11,129,870 meals)	556,649
Loss unless some help comes	313,433

SUMMARY OF EXPENSES OF OLDHAM COUNTY CAFETERIAS

	Actual cost per month	Proposed cost per month
Oldham County High School Cafeteria	$9,434.16	$10,529.11
Crestwood Elementary School Cafeteria	4,733.95	5,023.69
Liberty Elementary School Cafeteria	1,926.05	2,164.51
LaGrange Elementary School Cafeteria	5,117.56	5,860.84
Total	21,211.72	23,578.15

BULLITT COUNTY SCHOOLS, PRICE COMPARISON BETWEEN 1972–73 AND 1973–74 BIDS

Food on bid	1972–73 price	1973–74 price	Increase	Percent of increase
Milk ½ pt	0.067	0.0669	0.0062	9
Bread (loaf) bun 1 doz	.21	.25	.04	16
Ice cream (1 doz, 3 oz. cup)	.54	.58	.04	7
Donuts (1 doz.)	.40	.48	.08	16
Canned and frozen food on bid staples on bid (per case or unit)	433.16	461.32	38.16	8
EXAMPLES				
Bacon (500 slices)	22.99=0.045	30.80=0.060	0.01½	+25
Tuna fish (6/4 No. 2½ oz. case)	22.94	24.99		+8
Cheese 6/5# (pounds)	22.80=.76	34.32=1.14	.38	+33
Breakfast:				
Juice	.03	.04		
Ham	.06	.11		
Buttered toast	.01	.015		
Jelly	.01	.02		
Milk	.0607	.0669		
Labor and other	.05	.055		
Total	.2207	.3069		

[1] Per slice.

Note: Ham at Hardy's Super Market—1.79 lb. divided by 8 servings equals .22 per serving (2 oz.) September 1972 equals 0.15 per serving (2 oz.)—up 31 percent or 0.07 per serving; April 1973 equals 0.18 per serving.

SUMMARY SHEET ON INCOME

	Actual	Proposed 1973–74 at 35 cents	Proposed 1973–74 at 40 cents
Oldham County High School:			
Income	$7,125.62	$6,821.95	$7,615.20
Disbursements per month	9,434.16	10,529.11	10,529.11
Subtotal	2,308.54	3,707.16	2,913.91
Extra money	434.14		
Debit	1,874.40		
Crestwood Elementary School:			
Income	3,942.84	3,826.60	4,330.10
Disbursements per month	4,733.95	5,023.69	5,023.69
Subtotal	791.11	1,197.09	693.59
Extra money	276.52		
Debit	514.59		
LaGrange Elementary School:			
Income	4,678.36	4,332.00	4,902.00
Disbursements per month	117.56	5,860.84	5,860.84
Subtotal	3,439.20	1,528.84	958.84
Extra money	319.11		
Debit	120.09		
Liberty Elementary School:			
Income	1,576.04	1,480.10	1,674.85
Disbursements per month	1,926.05	2,164.51	2,164.51
Subtotal	350.01	684.41	489.66
Extra money	102.44		
Debit	247.57		

OLDHAM COUNTY HIGH SCHOOL CAFETERIA, ACTUAL INCOME 1972-73, PROPOSED INCOME 1973-74

	Actual income per month at 35 cents (1972-73)	Proposed income at 35 cents (1973-74)	Proposed income at 40 cents (1973-74)
Income from student and adult lunches per month	$5,459.65	$5,552.75	$6,346.00
Income from reimbursement per month on plates	1,871.88	751.50	751.50
Income from extra milk reimbursement	21.90	None	None
Total	7,353.43	6,304.25	7,097.50
Extra income from:			
State money	166.67	(1)	(1)
Commodity money	267.47	(1)	(1)
Average per month	434.14	(1)	(1)
Total income 1972-73 per month	7,787.57	(1)	(1)

[1] No guarantee of this extra money.

OLDHAM COUNTY HIGH SCHOOL CAFETERIA PROPOSED BUDGET 1973-74

Item	Actual cost per month	Proposed cost per month
Milk	$1,641.80	$1,881.80
Meat	2,192.57	2,521.50
Food	1,895.53	2,085.00
Labor	2,329.44	[1] 2,428.81
Equipment	219.71	240.00
Bread	259.12	298.00
Produce	335.98	672.00
Other (soap, cleaning supplies, maintenance of equipment, and office supplies)	560.01	400.00
Total	9,434.16	10,529.11

[1] Actual cost.

OLDHAM COUNTY HIGH SCHOOL—PLATE COST

Milk:	
Per student	.105
Per plate	.063
Meat	.145
Food (except produce)	.077
Fruits and vegetables	.022
Labor	.15
Equipment	.014
Other	.036
Bread	.016
Total Cost of Plate	.523
Average daily participation year 1972-1973	821

The PRESIDING OFFICER. The Senator from Alabama has 2 minutes remaining.

Mr. ALLEN. I yield back the remainder of my time.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CURTIS. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to part 1 of the amendment of the Senator from Minnesota. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. CHILES), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Colorado (Mr. HASKELL), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Utah (Mr. MOSS), and the Senator from Connecticut (Mr. RIBICOFF) are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut (Mr. RIBICOFF) and the Senator from Wyoming (Mr. MCGEE) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), and the Senator from Oregon (Mr. HATFIELD) are necessarily absent.

I further announce that the Senator from Vermont (Mr. AIKEN), and the Senator from Ohio (Mr. TAFT) are absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 52, nays 34, as follows:

[No. 410 Leg.]

YEAS—52

Abourezk
Baker
Bayh
Beall
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Cook
Cranston
Eagleton
Fong
Fulbright
Hart
Hathaway
Hollings
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McGovern
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Schweiker
Stevens
Stevenson
Symington
Tunney
Weicker
Williams

NAYS—34

Allen
Bartlett
Bennett
Brock
Buckley
Byrd, Harry F., Jr.
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Goldwater
Griffin
Gurney
Hansen
Helms
Hruska
McClellan
McClure
McIntyre
Roth
Saxbe
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Talmadge
Thurmond
Tower
Young

NOT VOTING—14

Aiken
Bellmon
Chiles
Gravel
Hartke
Haskell
Hatfield
Huddleston
Long
McGee
Moss
Pearson
Ribicoff
Taft

So part 1 of Mr. HUMPHREY's amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I call up the second part of my amendment which starts on page 3.

The PRESIDING OFFICER. The amendment will be stated. The legislative clerk reads as follows:

On page 3, line 6, insert new language.

The amendment is as follows:

On page 3, line 6, insert the following: "For fiscal years subsequent to the fiscal year beginning July 1, 1974, the Secretary shall prescribe reimbursement rates for lunches served under section 4 of the National School Lunch Act and section 11 of the National School Lunch Act, and for breakfasts served under section 4 of the Child Nutrition Act of 1966, as amended, that shall reflect changes in the cost of operating a school lunch and breakfast program under this Act by giving equal weight to changes in the wholesale prices of all foods and hourly wage rates for employees of eating places published by the Bureau of Labor Statistics of the Department of Labor.".

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. HUMPHREY. Mr. President, this provision can save Congress a great deal of trouble and time in the years ahead, and also it is genuinely merited. This provision provides for an automatic adjustment in Federal reimbursement rates for our school lunch and school breakfast programs in the next school year, beginning July 1, 1974. The adjustment would be made annually. It would be related to the cost of preparing lunch on the food and labor costs. The Federal assistance would be related to the base period we start with now and then go up or down according to these costs.

Each year for the past 3 years Congress has had to address itself to adjusting these rates because the administration refused to make these adjustments, even though it had authority to do so. These provisions of amendment No. 534 would require adjusting these rates annually based on the wholesale price index and the hourly wage adjustment of employees employed in such services.

That is the wholesale price index of the food which is required by the school lunch program. Having these provisions in law would mean Congress would not have to be called upon each year to adjust them.

These last-minute adjustments jeopardize this program, because they come so late, when the school year is well on its way. Therefore, the school lunch program suffers severe losses or is put in jeopardy each year because of the lateness of our action.

It would mean the school could plan a budget for this program in future years instead of wondering what adjustments Congress may make, usually after the school year has already begun and they are far into it. Similar automatic adjustment features are now provided in our Nation's social security laws, food stamp laws, and now even in our farm program laws.

So what we are really talking about here is to have for our school lunch program what we have done for our farm program, what we have done for our social security program, and what we have done for our food stamp program. We now have social security, food stamp, and the farm programs with automatic adjustment features.

I believe this feature will be beneficial. I do not expect that will result in increased costs for next year. As a matter of fact, there is every reason to believe that food costs will come down, and if those food costs do come down, as was stated earlier, it will reflect itself in the amount of reimbursement the Government must make to the local school districts.

Mr. ALLEN. Mr. President, I yield myself such time as I may use.

I am not going to offer any objection on behalf of the committee to this amendment, even though it was turned down in the committee itself, having conferred with a number of the committee members. I did want to comment on what we have already done here in the Senate with respect to this program. We have authorized the expenditure of some $400 million more than was expended last year. We have authorized the expenditure of some $300 million more than the budget figure.

By a vote of 52-to-34, the Senate has added $83,500,000 of that figure on the last amendment, thereby, in the judgment of the Senator from Alabama, inviting a veto of the bill.

It was the opinion of the committee that by accepting the House bill and adding on the amendments that the committee did add on, amendments proposed by the Senator from Minnesota and the Senator from South Dakota, we would end up with a bill that would be accepted by the administration. This is going to run the expenditures on the child nutrition program up to approximately $1.8 billion, whereas the States are spending some $360 million, and they will always continue to spend that proportion or less as long as the Federal Government comes in and insists on picking up the tab.

This is supposed to be a cooperative effort. All of us are for schoolchildren. All of us are for furnishing free lunches. I dare say the 34 Senators who voted against reaching out just a little more are just as concerned about the welfare of the children as are those who stood on the floor of the Senate and beat their breasts and said how much they wanted to do something for schoolchildren.

Let us support a school lunch program, but let us get some cooperation from the State and local governments.

I do feel that we are in danger of having this bill vetoed. I am hopeful that the conference committee will save the bill by reversing some of the actions that the Senate has taken today.

This is an emergency measure that requires quick action. We could have passed the bill 2 hours ago if Senators had accepted the committee recommendations, which added some $217 million to the budget, and which certainly seemed fair.

But be that as it may, the bill will go to conference, and I am hopeful that the bill will be saved in conference, so as to make it acceptable to the administration.

I shall not ask for a rollcall vote on the escalator amendment. It has been stated that Congress is always willing to escalate. We do not need an escalator to escalate a program, as witness the social security amendment, which contained an escalator clause; but the distinguished Senator from Minnesota took the lead in escalating the escalator, by providing that the social security raise come into effect long before it was provided in the escalator clause and in social security.

There is really no need for the amendment. The Senator says that it applies to reducing as well as to raising the amount. I do not feel that the Senator from Minnesota would allow this figure to be reduced; he could come in with remedial legislation if the amount were to be reduced. So a one-sided escalator is not worth a great deal.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. DOLE. The Senator from Kansas may be one of the conferees on this bill. I certainly share the views expressed by the Senator from Alabama. I hope we can have a bill that will be satisfactory to everyone. Since school lunch programs urgently need more assistance to continue providing nutritious meals.

I am in the position of many other Senators. I support the escalator amendment of the Senator from Minnesota (Mr. HUMPHREY). I think it is a good amendment. But I could not support the Senator's first amendment for its inflationary effects and for reasons stated by a number of Senators.

I favored the rather generous treatment we gave the school lunch programs in the subcommittee and in the full committee. The 2-cent increase in Federal assistance is needed and will help. Nationally this increase and the other provisions of the bill will make available an additional $238 million to the school lunch program. In addition I support the amendment offered by the distinguished Senator from Minnesota to provide an automatic escalation in the level of Federal participation in the school lunch program should the cost of food continue to increase. For these reasons, and because it appears that the cost of food is finally beginning to stabilize, I feel the increase in Federal assistance level to 12 cents per meal is not necessary at this time. I am hopeful that when we return the bill from conference, it may not contain the first Humphrey amendment, but will contain the escalator, which I think is a good amendment. I would like to join the Senator from Minnesota as a cosponsor of it.

Mr. HUMPHREY. I am highly honored.

Mr. DOLE. The distinguished Senator from Alabama (Mr. ALLEN) has said that he will not ask for a rollcall vote on this amendment. I am advised there may be other Senators who will wish to be on record on this amendment, just as they wanted to be on record for the other amendment, or against the other amendment. So I join in the statement made by the distinguished Senator from Alabama (Mr. ALLEN), but I also join in support of the escalator offered by the distinguished Senator from Minnesota.

Mr. ALLEN. I appreciate the remarks of the distinguished Senator from Kansas.

There is one further defect in the escalator, and it is that it has no way of escalating the State and local contributions. The State and local governments and the volunteer workers at the State level are sitting back and saying, "Well, it is going to be escalated under the escalator clause. What is the use of our making further provision?"

Mr. HUMPHREY. Mr. President, does the Senator yield at that point?

Mr. DOLE. Mr. President, I would say in response that I believe the Senator from Minnesota stated earlier that he had no objection to that. Perhaps it is in the amendment now or will be added.

Mr. HUMPHREY. Mr. President, I would like to point out for the information of the Senate that under Public Law 92–433 there is an adjustment feature as to the amount of State contributions. As the amount of Federal contributions go up, so does the State proportion go up. That is in section 10 of Public Law 92–433, passed in July of 1972. That law makes that provision.

Mr. ALLEN. Mr. President, how much does the Senator feel would be added by the State and the local governments under his pending amendment?

Mr. HUMPHREY. Mr. President, I cannot say for sure. This year we are up to 8 cents, and I suppose that if there were to be an automatic adjustment clause in future years the State contribution would go up by similar percentage increase. I cannot give the exact figures.

Mr. President, the State governments are now paying about 6 percent of the costs of the program and under the bill now before us, which would further increase Federal reimbursements, the State's contribution would increase proportionately, in accordance with section 10 requirements provided in Public Law 92–433.

Mr. DOLE. Mr. President, would the Senator from Minnesota yield?

Mr. HUMPHREY. Mr. President, I will yield to the Senator from Kansas from my time if the Senator from Alabama would yield to me.

Mr. ALLEN. Mr. President, I yield.

Mr. DOLE. Mr. President, as I understand, it is the intent of the Senator from Minnesota that it would apply to State and local governments as well as to the Federal Government?

Mr. HUMPHREY. As provided in the public law I cited a moment ago, Public Law 92–433.

Mr. DOLE. The amendment would not change that?

Mr. HUMPHREY. The amendment would not change that. It would remain as it is under the authorities.

Mr. ALLEN. Mr. President, I yield to the Senator from Delaware.

Mr. ROTH. Mr. President, I join with the Senator from Kansas in saying that I share his concern. I voted against the first part of the amendment of the Senator from Minnesota, as I had hoped this legislation would remain substantially in the form adopted by the House. I support the increased subsidies for school lunches proposed by the House. I think that the increase—cost of living makes it mandatory that we help our school offset this increase.

I am also concerned that we act promptly. My school boards tell me that it is important that we act as promptly as possible. I fear that amendment we just voted on will delay the legislation. It is already the end of September and we cannot afford further delay.

I do however support the second part of the amendment of the Senator from Minnesota. I think an automatic cost of living formula is the proper way to handle this matter in the future.

If food costs should rise in the future, I fear that corrective action will be taken late in the school year—It is important that our school administrators know prior to the school year what they will receive in Federal assistance. Because I think this is extremely important.

I ask the Senator from Minnesota, if it is agreeable to him, that I be listed as a cosponsor of his amendment.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the name of the Senator from Delaware (Mr. ROTH) be listed as a cosponsor of my amendment. I might say that it is a special pleasure to have him as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I also ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

In closing, Mr. President, I would like to reemphasize that I support the increased benefit proposed by the Committee as well as the House of Representatives. I hope the conference bill will more nearly reflect the increased benefits of the House bill plus the automatic cost-of-living provision.

Mr. HUMPHREY. Mr. President, I yield to the Senator from Illinois.

Mr. PERCY. Mr. President, I should like to commend the distinguished Senator from Minnesota for his amendment. I think that in this case we could almost say that what is good for General Motors is good for everyone else. A slight modification is necessary here: If it is good for the UAW in its contracts to have an automatic escalator clause, it is good for everyone else. This has been done as a result of collective bargaining. It has worked extremely well and is not resisted at all by the companies.

On the basis of equity we ought to have an escalator clause and not have Congress be in a position of bailing out the program, when they recognize the facts of life. We cannot take increases in the cost of living out of the hides of the people who are living on an income below the poverty line.

I certainly commend the distinguished Senator from Minnesota for his amendment. I also say that I believe that the Committee on Agriculture and Forestry has done a fine job.

Mr. President, I want to commend the committee for so speedily responding to the financial crisis facing the school lunch and school breakfast programs and for reporting out the bill we are acting on today.

The Congress has been called on to deal with emergencies facing our child nutrition programs in each of the last 4 years. And the Congress seems always to act just in the nick of time with the necessary remedial action. We always seem to act on an emergency basis.

By all indications we shall once again meet the challenge and ward off the money crisis which threatens the integrity of our school food service programs.

No one denies that the cost of preparing and serving lunches and breakfasts has escalated sharply in the last year. My own State of Illinois estimates the increase to be on the order of 15 percent.

No one denies that in the absence of increased Federal contributions and in the face of severe budgetary problems at the State and local levels that the cost of the meal to the paying student will have to be increased. Illinois anticipates that these increases will average out to about 10 cents per lunch.

And no one refutes the proposition that participation decreases as the price increases. The Illinois State school food director estimates a 1-percent drop in participation for every cent increase in price.

Mr. President, this is similar to what happens in the field of mass transit. Every time we raise the price, the participation drops.

These people do not drop out because they want to. They drop out because they cannot pay the price.

We are faced then with two choices: We can stand idly by while students—or, indeed, whole schools or school districts—drop out of the program, or we can raise the Federal reimbursement rates.

I am pleased that the Congress and the administration have agreed that the reimbursement rate for free lunches should be increased from 40 to 45 cents. But even this may not be enough to meet the needs of a State such as Illinois. The director of school food services suggests 48 cents as an appropriate average reimbursement rate.

The PRESIDING OFFICER. All the time of the Senator from Alabama has expired.

Mr. HUMPHREY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Minnesota has 10 minutes remaining.

Mr. HUMPHREY. Mr. President, I yield 2 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 2 additional minutes.

Mr. PERCY. Mr. President, I am also pleased that the committee has recommended increasing the basic reimbursement rate paid for all school lunches. But this measure may also be insufficient to counter inflation. In Illinois, for example, we estimate that the reimbursement rate would have to go from 8 cents to 16 cents per lunch to avoid any price increases whatsoever. We shall, therefore, still be asking young consumers to pay more this year than last.

We have made great progress in recent years to expand participation in our child nutrition programs. And rightly so. The investment we make now in adequate nutrition will reap dividends in years ahead in terms of fully realized human potential as well as savings in health and welfare programs.

We cannot turn our backs on these programs now. We must pass this emergency legislation quickly. Yet, Mr. President, I am extremely troubled by this bill.

I am troubled because we continue year after year to pass child nutrition legislation only in the face of the latest crisis in these programs and only in great haste and on an emergency basis. Our programs deserve better than this.

I think our child nutrition programs suffer in the long run from this sort of treatment by the Congress.

Over the years we have built up a jumble of 24 separate child nutrition programs and we have amended each so many times that the welter of regulations and redtape emanating from Washington holds back rather than enhances our efforts to assure good child nutrition.

It is time we take a very long, close look at the incrementally built structure of child nutrition programs. In S. 550, the Comprehensive Child Nutrition Act, I have proposed a consolidation and simplification of these programs. In place of 24 separate programs, each with its own regulations and funding provisions, I propose a single bloc grant to the States which will provide the dedicated people at the State and local levels with the necessary funds to meet the needs they themselves have identified. Flexibility in the use of available funds is impossible under the present fragmented program structure.

I happen to believe my bill provides the best approach to reforming and restructuring our child nutrition programs, but no doubt other approaches of considerable merit also exist. All alternative proposals must be considered by the appropriate congressional committees in the near future if we are ever to eliminate what we are doing today—legislating in the midst of yet another school lunch crisis.

Let us open debate the future of our child nutrition programs. All our children have nothing to lose and a lot to gain from comprehensive and far-reaching reform in these programs.

Mr. President, when I increase an amount and vote for legislation beyond the budgetary level, I always try to point out at the same time where we can take the money from. I do believe that over a period of years we can take more money out of the Department of Agriculture budget for subsidizing the farmers. We need a program which stimulates production and this year's farm bill does set a goal of expanding production. Yet we may still be paying out millions in subsidy dollars should market prices fall below the minimum prices the bill estabishes for wheat, corn, and cotton.

Mr. President, I commend the committee for reporting this bill. But we must do more to stimulate food production and get this food into the hands of the needy and those suffering from malnutrition.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. Mr. President, I yield.

Mr. ALLEN. Mr. President, I call to the attention of the Senator from Illinois the fact that the farm bill which has been enacted and which the President has already signed does move from a program of scarcity to a program of abundance.

If there ever was a time when payments were made in connection with the nonproduction of crops, that time has ended. I call to the attention of the distinguished Senator from Illinois. That is not a part of the present law of the land, applicable to the 1974 crop.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I am prepared to yield back my time. Does the Senator from New York wish some time?

Mr. BUCKLEY. I would like to have some, on the amendment.

Mr. HUMPHREY. I yield to the Senator from New York.

Mr. BUCKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUCKLEY. Have we divided the original amendment of the Senator from Minnesota into two parts or three parts?

The PRESIDING OFFICER. Three parts.

Mr. HUMPHREY. This is the second part.

Mr. BUCKLEY. The second part, dealing only with the escalation?

Mr. HUMPHREY. That is correct.

Mr. BUCKLEY. Let me say, Mr. President, that I support this amendment, first of all because it does equity, and also because if we try to get this kind of legislation on an automatic adjustment basis to reflect increases in the cost of living, we may, in the future, spare ourselves the temptation of not only of adjusting for the increase in the cost of living but then adding another 5, 10, or 15 percent on top of that.

I, therefore, support the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Johnston). All remaining time having been yielded back, the question is on agreeing to the second part of the amendment (No. 534) of the Senator from Minnesota (Mr. Humphrey). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. Chiles), the Senator from Alaska (Mr. Gravel), the Senator from Kentucky (Mr. Huddleston), the Senator from Utah (Mr. Moss), the Senator from Indiana (Mr. Hartke), the Senator from Colorado (Mr. Haskell), and the Senator from Louisiana (Mr. Long) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon) and the Senator from Oregon (Mr. Hatfield) are necessarily absent.

I further announce that the Senator from Vermont (Mr. Aiken) and the Senator from Ohio (Mr. Taft) are absent due to official business.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that, if present and voting, the Senator from Oregon (Mr. Hatfield) would vote "yea."

The result was announced—yeas 86, nays 2, as follows:

[No. 411 Leg.]

YEAS—86

Abourezk
Baker
Bartlett
Bayh
Beall
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Goldwater
Griffin
Gurney
Hansen
Hart
Hathaway
Helms
Hollings
Hruska
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Scott,
William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—2

Allen
Talmadge

NOT VOTING—12

Aiken
Bellmon
Chiles
Gravel
Hartke
Haskell
Hatfield
Huddleston
Long
Moss
Pearson
Taft

So part 2 of Mr. Humphrey's amendment (No. 534) was agreed to.

Mr. HUMPHREY. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, in view of the fact that we will very likely have a number of votes this afternoon, or at least it seems so at the moment, I ask unanimous consent that the rollcall votes from now on take up a period of 10 minutes rather than the usual 15 minutes, with the warning signal going out at 2½ minutes after the beginning of the rollcall.

The PRESIDING OFFICER (Mr. Helms). Without objection, it is so ordered.

The clerk will state the third part of the amendment of the Senator from Minnesota (Mr. Humphrey).

The assistant legislative clerk read as follows:

On page 8, line 1, insert the following:

"INCOME GUIDELINES FOR REDUCED PRICE LUNCHES

"Sec. 7. Section 9(b) of the National School Lunch Act is amended by adding the following at the end of said subsection: '*Provided further*, That, for the fiscal year ending 1974 State educational agencies are authorized to establish income guidelines for reduced price lunches at not more than 75 per centum above the applicable family size income levels in the income poverty guidelines as prescribed by the Secretary.'"

Mr. HUMPHREY. Mr. President, this merely makes the reduced price provision of the school lunch more attractive to offer. It provides that schools may go to 75 percent, instead of the current 50 percent, over the income guidelines in offering the reduced priced program to students whose income is just over those applicable for free lunches. Only about 1 percent of students are now participating in the reduced price program. By going to 75 percent, we anticipate that participation in this program may go to 2 percent, we anticipate that participation in this program may go to 2 percent with only minimum additional cost. With the increases in cost for school lunches we are now experiencing many of these students whose income is just over that which would otherwise qualify them for a free lunch, will likely be the first to drop out of the program altogether, because they can least afford to pay the full bill that would be required of them.

Mr. President, what this does in substance, in other words, is to take those that might, because of their income level, drop out of the free lunch program and go into that second tier we have in the school lunch program, which is the reduced price lunch.

I believe that it has genuine merit. It is not a very costly item.

Mr. CURTIS. Will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. CURTIS. Would the Senator kindly explain or give a hypothetical case as just what it does?

Mr. HUMPHREY. The present income level for participating under the free lunch program is somewhere around $1,200 income for a family of four which is the base. Then the law provides that students whose family income is up to 50 percent above that level may participate in a reduced-price lunch program which would be about $6,300 in income for a family of four.

My amendment would enable a family with an income of approximately $7,000 to be eligible for such reduced priced lunches.

Mr. CURTIS. What would be the cost of it?

Mr. HUMPHREY. The maximum estimate on this that we have received is approximately $15 million, if there is wide participation. Probably no cost this year.

Mr. CURTIS. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. I yield myself such time as I may use.

Mr. President, this amendment was not actually considered in the Agriculture Committee. It would allow a reduced price lunch to be served to the children of families that are 75 percent above the poverty guideline, which is a little more than $4,000, and 75 percent added to that would bring it up to approximately $7,200.

Actually, the school districts and the lunchrooms do not look too kindly toward this particular category. They would much rather have the children classified in the free lunch or the paying lunch category. An indication of that is the fact that only 1 percent of the lunches and breakfasts that are served are in this category. It would add a great deal of redtape and bookkeeping to the administration of this program, because they would have to weed out the children who are in this increased category up to some $7,200.

What is the difference in payments to the State between one getting a free lunch and one getting a reduce price lunch? Under the bill, each one, of course, would get the 12 cents regular payment for each child, it would get the 7 cents in commodities; but whereas the free lunch would have 45 cents added for the free lunch recipient, the reduced price payment would add only 35 cents. So it would be an additional expense to the State government and would make administration of the law much more difficult. I do not believe it is necessary.

We had this matter before us the last time the school lunch program was before the Senate, and at that time it was increased to 150 percent of the poverty level. It is just a case of biting away, biting away, biting away at the various rules and regulations, to call for spending more and more money on the program. I do not believe it is necessary. It does not come to us with the approval of the Agriculture Committee. It was not in the House bill. It would delay the conference in agreeing on a bill. This is emergency legislation. We have a difficult enough time now in ironing out the differences with the House because we have added a couple of hundred million dollars to the bill over what the House did. I do not believe the amendment is necessary, and I hope it is rejected.

Mr. HUMPHREY. Mr. President, this amendment was basically sponsored by the distinguished Senator from New Jersey (Mr. Case). But I join in sponsoring this important amendment.

I think it should be noted that there is nothing mandatory about this. This is just an expanded option for a school. In other words, the choice now most schools take is either a free lunch or a fully paid lunch.

This amendment applies to persons who are the victims of inflation, as most people are who are in low-income brackets. This relates to a family with an income between $4,200 and $7,200. The children from families having an income within this range would be able to participate in what we call a reduced-price lunch program rather than the free lunch or a fully paid lunch.

All this would do would be to take into consideration the fact that incomes have become meaningless with the rate of inflation that grinds down upon people who have low incomes just an inch above the poverty line. That is all it amounts to.

Today, we are giving the reduced-price lunch fare to families with incomes of approximately that range between $4,200 and $6,200. This would expand that range for families with an income of between $4,200 and $7,200, thereby increasing the incentive for schools having many of these above the poverty income students to offer reduced-price lunches to them.

These children would not get a free lunch.

We legislated, for example, in the committee bill that the reduced-price lunch reimbursement would be increased. We recognized that there ought to be an increase in terms of the Federal reimbursement. All this amendment says is that we will take into consideration certain family income problems. And rather than driving schools into offering only the free lunch and fully paid lunch programs, this amendment would encourage greater use of the reduced-price lunch program. This would permit those schools that wish to take on this kind of program the option to do so, and it would provide some semblance of economic justice to the families and to the children that fall into the middle to low-income ranges.

I am sorry that the chairman does not want to take this amendment to conference, because I think it merits our thoughtful consideration. I believe we ought to do it.

I do not want to have another rollcall vote, but it seems to me that I am obligated, under the terms of this amendment, to bring the issue to a head.

I say to the distinguished Senator from Alabama that if any great additional cost seems to be involved, we could at least take a look at it in the conference committee. Actually, the costs, according to the estimates we have, would be very minimal, even if we got the extra 1 percent of new participation that is estimated. But it would give some schools—such as in New Jersey, in New York, in Illinois, in Pennsylvania, in California, in Ohio, and in Michigan—in the large urban centers where the income level is not very big for living in a metropolitan center, but larger than the present income guidelines permit for free lunches, the opportunity to offer the students in those families a chance to get a lunch at a somewhat reduced rate and still pay their fair share. I think it is perhaps the most equitable amendment we have had here.

Mr. ALLEN. Mr. President, in response to the eloquence and sincerity of the distinguished Senator from Minnesota, after conferring with the ranking Republican member of the committee, the Senator from Nebraska (Mr. Curtis), we will agree to take the amendment to conference and see what might be worked out.

Mr. HUMPHREY. I thank the Senator.

While I have the floor, I thank the distinguished Senator from Alabama for his steadfast work in behalf of this program. We have had our differences over some details here. But I want the record to show—because sometimes these votes are interpreted by some people as being against the children or against the school lunch, and that is not the case—the Senator from Alabama conducted the hearings, did his work well and promptly, and has a responsibility under the terms of this bill, as it comes from the committee, to defend the committee bill. Also, he has his own convictions. He knows that I have mine. My respect for him is sincere and great.

I just wanted to let him know this, so that the Record would be clear as to the sincerity of his purpose and the generosity he has exhibited in this program.

Mr. ALLEN. I thank the distinguished Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I yield back the remainder of my time.

Mr. CURTIS. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the third part of the amendment of the Senator from Minnesota (putting the question).

All those in favor will signify by saying "aye." All those opposed will signify by saying "no."

The noes appear to have it.

Mr. HUMPHREY. Mr. President, I ask for a division.

The PRESIDING OFFICER. A division is called for.

On a division, the amendment was agreed to.

Mr. CURTIS. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

H.R. 9639 is amended by adding the following new section:

"Sec. 9. The Secretary of Agriculture is authorized and directed to carry out a comprehensive study to determine if the benefits of programs carried out under the National School Lunch Act and Child Nutrition Act are accruing to those children and schools who are most in need and report his findings, together with any recommendations he may have with respect to additional legislation, to the Congress no later than June 30, 1974."

Mr. CURTIS. Mr. President, I believe Congress should review the entire school lunch and nutrition program. We are told that it is important to get this bill through right away because it is an emergency. In the 92d Congress we amended this law three times. This is the second time in the 93d Congress.

I think Congress should take a look at the whole program, its priorities, how the money is being handled, what the needs are and the like. I think the best way to bring about that result is to ask the department that is to administer it for a comprehensive report of their stewardship on how this program is going.

My amendment asks the Secretary of Agriculture to make this study and report back to us. It will be up to Congress to evaluate the information so reported.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. PASTORE. I see no harm in the spirit of the amendment but I hope the history insofar as the debate is concerned will indicate that this is not a hostile move in any way nor a critical move in any way. We are very much interested in feeding our young people because they are the citizens of tomorrow. This program never should be criticized nor degraded. If we can send a lot of money abroad in foreign aid and if we can send money to Vietnam, certainly we can afford to feed our young children where the need is clear.

Mr. CURTIS. I thank the Senator for his contribution. It is my hope that the department can give us an objective and factual report on what the program is doing and what it is not doing, and the like. It would be my hope that the manager of the bill might see fit to accept this amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. HUMPHREY. I wonder if the

Senator would be willing to accept the suggestion that the department, in making that study, should work with and consult with the National School Lunch Advisory Council, which is set up to advise the department on these programs.

I want to be sure we get the input not merely from the department and those who have been running the program, but also from those who have been operating these programs. Would the Senator accept that suggestion?

Mr. CURTIS. I would not want to change the amendment, but I would certainly agree that the department might well choose to do that and certainly when the report comes to Congress the appropriate committees would call upon them for their comments, too.

The reason I hesitate to insert it in the amendment is that then we would get an investigation of outside sources and so on, and who is going to run the matter, and I did not have in mind that sort of investigation.

Mr. HUMPHREY. I understand the purpose of the amendment and I commend the Senator. I know the Senator from Nebraska is offering the amendment to look at the totality of the program in terms of future needs, of how it is being operated, and I want to be sure the department, in making that study, will consult with and take into consideration the views and observations of the long-established National School Lunch Advisory Council regarding this program, because that council has a fine background in the whole operation of the program and has views on its future.

Mr. CURTIS. Mr. President, I would not object to having the record show this expression of concern about it, and in all probability the department would not object.

Mr. HUMPHREY. Does the Senator feel this is necessary for the department to do? I mean, to consult with that group?

Mr. CURTIS. Yes, I do because I feel they are an important factor in the final determination. By that I do not mean they should be subject to the will of the Advisory Committee.

Mr. HUMPHREY. I understand that.

Mr. CURTIS. But they should take it into account. What I had in mind was the mechanics of the program, the matching formulas, the basic facts.

Mr. HUMPHREY. Is there anything in the amendment that would tie the hands of Congress during the time the study is being made?

Mr. CURTIS. No, I think not. They are to finish it in this fiscal year, and it is not my intention that this would in any way interfere with what Congress provided for. They would merely bring back information for Congress and Congress will make the decision.

Mr. ALLEN. Mr. President, speaking on behalf of the committee, we are willing to accept the amendment and go to conference with it. I certainly feel that with the legislative history resulting from the colloquy between the Senator from Nebraska and the Senator from Minnesota, the National Advisory Committee on Child Nutrition would be called in for an expression of its views.

We agree to go to conference with the amendment.

I yield back the remainder of my time.

Mr. CURTIS. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HANSEN). All time is yielded back. The question is on agreeing to the amendment of the Senator from Nebraska.

The amendment is agreed to.

TIME LIMITATION AGREEMENT ON AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, we have several amendments backed up on the military procurement bill and they will have to be finished today or we will throw our whole week out of order.

Therefore, I ask unanimous consent that time on any amendments to the pending measure, the school lunch bill, be limited to 20 minutes, in accordance with the usual form.

Mr. YOUNG. Mr. President, reserving the right to object, I would like to have 5 minutes.

Mr. CURTIS. The Senator will get 5 minutes on the bill.

Mr. ROBERT C. BYRD. And the time on any amendment to amendments be limited to 10 minutes, to be equally divided.

Mr. BURDICK. Mr. President, reserving the right to object, would the Senator give 5 minutes to the other Senator from North Dakota? I need 5 minutes.

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEAVE OF ABSENCE

Mr. MANSFIELD. Mr. President, I have to leave to attend the funeral of a very dear friend. If present and voting on final passage of this bill I would vote in favor of it.

I ask unanimous consent of the Senate to be excused for the remainder of the day and part of tomorrow.

The PRESIDING OFFICER. Without objection, the Senator is excused.

Mr. DOLE. Mr. President, I have an amendment at the desk and I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> At the end of the bill add the following new section:
>
> SEC. 5(d)(2) of the Act of September 30, 1950 (Public Law 874, 81st Congress). Shall not operate to deprive any local educational agency of payments under such Act during the fiscal year ending June 30, 1974, as if such local educational agency is in a state which after June 30, 1972 has adopted a program of state aid for free public education which is designed to equalize expenditures for education among local educational agencies in that state. This section shall be effective on and after July 1, 1973, and shall be deemed to have been enacted on June 30, 1973.

Mr. DOLE. Mr. President, let me make it clear at the outset that this amendment is so drafted as to apply to only two States, the State of North Dakota and the State of Kansas. It does not in any way affect the impacted aid program in any other State.

The amendment is limited to these two States, because of adverse rulings they have received from the Department of Health, Education, and Welfare due to their State laws being in conflict with section 5(d)2 of Public Law 874.

I think it best that I take another moment or two to explain why this amendment is necessary and why it should be tacked onto the school lunch bill. Unless this action is taken, one school district in Kansas will be out of funds by December 1, and several others will face several financial problems in January. There appear to be no other education bills to be considered by the Senate in the coming month which would provide an appropriate vehicle for the amendment. So because of this urgency I ask that the bill be attached to the school lunch measure.

Insofar as Kansas is concerned, the amendment involves about $8 million. I feel it is a fair amendment but the key question that should be asked by anyone in this Chamber who votes for the amendment is whether or not the new State education assistant program in Kansas discriminates against federally impacted districts for this is what the provision in the law which is to be waived was enacted to prevent.

I can say very clearly that the new State school assistance program in Kansas maintains State support for impacted districts.

Under the new program in Kansas the impacted districts receive an increase in State assistance amounting to about $50 million. I make this point so that everybody will understand there was not any effort on the part of Kansas or the legislature to use impacted funds to reduce State and local effort. I will include in the RECORD a chart which clearly evidences this fact.

Mr. President, the Kansas Legislature last year, in an attempt to comply with a court decision which had found the State's prior school foundation finance law unconstitutional on both Federal and State grounds, enacted a general State education assistance act aimed at equalizing the tax effort and the per pupil expenditure within each of the State's school districts. The State legislature enacted a comprehensive formula which is considered one of the more progressive laws to be adopted in the equalization field. The legislature discovered, however, that in order for the equalizing formula to work and function equitably it was necessary that Public Law 874 funds be considered as a factor in determining the level of State assistance to that school district. The inclusion of Federal impact funds in the definition of "local resource" was found to be necessary in order that an equitable result could be reached under the State law and the court mandated equalization obtained. Yet, it is the inclusion of Public Law 874 funds in the definition of "local resource" which places the State law in conflict with the Federal law and led to the September 14 ruling by HEW that Kansas was not in compliance with Federal law and, therefore, not eligible to receive Federal impact aid funds.

Section 5(d)2 of Public Law 874 states that no payments may be made during any fiscal year to any local education agency in any State which has taken into consideration impact aid programs to its school districts in determining the amount of State aid to be made available to that school district. In effect, the State is required by 5(d)2 to provide aid to federally impacted districts at the same rate as nonimpacted districts and totally ignore the fact that Federal payments are also being made to that district. The requirement is in conflict with the basic tenants of the equalization concept and places States in a precarious position.

The intent of the amendment I am proposing is to suspend the application of 5(d)2 in determining the eligibility of a State to receive fiscal year 1974 impact aid funds. Only a 1-year suspension of 5(d)2 is permitted by the amendment, and in order for the suspension to be granted to any State, the State must itself request that suspension. In addition, the amendment is drafted in such a way, that taking into consideration the time requirement for State legislative action, only Kansas and North Dakota, which have already been ruled ineligible for impacted aid funds in the coming year, would be eligible for suspension of 5(d)2 during fiscal year 1974. Thus, the amendment would not encourage other States to change their laws in a way that might conflict with 5(d)2 just to take advantage of this provision.

The purpose of the amendment I propose is to provide a 1-year period in which Federal impact funds would still be available to Kansas, taking into account the fact that the spirit, if not the letter of section 5(d)2 is being adhered to by the State law. During this year, comprehensive action on the elementary and secondary education law might possibly solve the problem or, in the alternative, the State legislature would have the opportunity to take whatever action is deemed appropriate. Immediate State legislative action to bring the Kansas law in line with Federal law is not a possible alternative because the prior State school finance law was ruled unconstitutional and reversion to the prior law would violate the court order and subject the State to court action. A simple revision of the State law removing the Federal impact aid funds from the definition of "local resources" is also not possible because of the ramification a simple change would have and the inequities which would arise.

If Public Law 874 receipts are not considered in the computation of State aid, some school districts would have no general fund tax levy and their revenue would exceed the amount that it is possible for them to legally budget or spend. For example, if the 874 receipts are not considered in the State formula in Junction City, Washburn, and Derby, three of the most heavily federally impacted districts in the State, there would be no local property tax levy to support education and each district would have nearly one-half million dollars it could not spend due to the local budget ceiling provided in the law. A further explanation of this point is included in testimony presented before the Labor and Public Welfare Committee by Joseph Harder, State senator and chairman of the State Committee on School Finance.

Thus, a simple revision of the law is not possible at the State level, and time is needed for more comprehensive action to be taken on either Federal or State law.

The amendment I propose is intended to grant both the State and Federal Government the time they might need to resolve the conflict that exists in North Dakota and Kansas without disrupting the operation of the impact aid program in other States.

Time is an important element in this consideration in terms of Kansas interests. One school district, the Fort Leavenworth School District, is comprised entirely of Federal reservation property. Because of its unique situation, a special State law was drafted to provide the necessary and equitable level of State assistance to the Fort Leavenworth School. The State law appropriates a maximum of $700,000 but in no case an amount to exceed $291 per pupil to the Fort Leavenworth School District for each fiscal year. Since all of the students at the Fort Leavenworth School are category A students, and the Federal impact aid for these students has remained relatively constant, the State used an estimated figure which they felt could be relied on as the level of Federal assistance to the Fort Leavenworth School, and then added enough State assistance to bring the Fort Leavenworth School budget up to the average per pupil expenditure across the State.

This special State Fort Leavenworth law, however, does not require that the State make up the loss of Federal aid that the Fort Leavenworth District suffers in case impact aid to category A students is withheld. Because the State of Kansas and one of its school districts have now been ruled ineligible for 1974 impact aid and because the State under existing law is not required to make up the loss in Federal funds, it appears that the Fort Leavenworth School will only be able to hold its doors open for its 2,500 category A students until early November unless some legislative action is taken.

In the other impacted districts, the State law guarantees the schools a set budget less contributions they should receive from "local resources." Yet, the State bases the impact aid portion of the local resources on the prior year's funding level under the 874 program. Since impact aid funds were available last year, the State does not under the existing State law incur an increased liability to the impacted school district this year because this year's Federal moneys are cut off. Thus, to increase the level of assistance to State schools to make up for this year's withholding of Federal funds, a legislative change in the State law will be necessary, and the complexities of making this change would delay increased payments until early February. In many of the more heavily impacted districts across the State, school operations during the month of January will only be able to be maintained at a marginal level. For this reason, prompt legislative action at the Federal level is needed. Leaving the issue to be resolved by consideration of H.R. 69 is not a satisfactory solution for Kansas as far as this year's problems are concerned, although resolution of the issue on the comprehensive education bill will eventually determine the fate of the State's program.

I would add at this point, however, that the Kansas law is a progressive statute in its field. As more States take upon themselves the equalization burden, more States will experience the problems with Public Law 874, and I therefore feel that the Federal rather than the State law should be altered to solve this problem.

Finally, one of the more important questions remaining regarding the amendment is that of a justification for waiving the Federal law to comply with the State's statute. The Kansas State law, it appears, was enacted with an awareness of the potential conflict with 5(d)2, but because the alternatives for the State legislature were limited and the modifications which would have been required would have compromised the quality of the law, it was felt that the present program should be instituted. The State argued that its law did not conflict with 5(d)2 because the Kansas impact funds were considered as a "local resource" rather than being assessed as an outright reduction from the level of State assistance required. Unfortunately, HEW could not buy that argument.

However, I feel there is even a stronger argument to be made for the State law in that it complies with the basic spirit and purpose of 5(d)2 even if it does conflict with the letter of 5(d)2. Under the new State law, all but three of the States' 94 impacted districts received an increase rather than a decrease in State assistance even though Public Law 874 funds were counted as a local resource.

Statewide, State assistance comprises approximately 43 percent of the total general fund budgets of all school districts. In the three largest impacted districts, State assistance averages 54 percent of the school districts' general fund budget. Thus, it seems obvious that the State has not reduced its financial responsibility to impacted school districts, but actually has increased its assistance to these districts. Section 5(d)2 was included in the law for just that purpose—to insure that States did not diminish their support for districts receiving impact funds, in effect, relying on Federal support to do the State's job for it. That purpose is upheld by the State law, and I feel it is unjust that the schoolchildren in Kansas should suffer, and it is unfair that the State's taxpayers be required to shell out an additional $8 million merely because of a technical conflict between the Federal and State law which could not be avoided by the State without compromising the State legislature's goals in enacting the law.

The conflict is obvious, and the legislature is caught between the court on one hand and the Federal Government on the other.

I have discussed this amendment with

the ranking member of the Education Subcommittee, the Senator from Rhode Island (Mr. Pell), and the ranking minority member of the committee, the Senator from Colorado (Mr. Dominick). I have also discussed the amendment with Senators Burdick and Young. My colleague, Senator Pearson, who as everyone knows, is indisposed at this time, also has given strong support for the amendment. We think we have touched all the bases to make certain, first of all, that this provision is restricted to just two States, and second, that the amendment is signed into law before the impacted school districts are forced to substantially reduce their programs and detrimentally affect the education of their students.

The amendment is drafted so it will be harmless on areas outside Kansas and North Dakota. It is not going to encourage any other States to change their laws. By providing a 1-year suspension, the amendment gives both the States and the Federal Government an opportunity to erase the conflict that now exists between States and Federal law, and I have been assured by the distinguished Senator from Rhode Island that the Senate committee will give close attention to this issue in its forthcoming consideration of the new education bill.

Mr. President, I ask unanimous consent that there be printed in the Record the following: The ruling of the Department of Health, Education, and Welfare, dated September 14, 1973; a copy of the testimony of Kansas State Senator Joseph Harder to the Senate Education Subcommittee, dated September 14, 1973; a summary of the Kansas Equalization Statute and special State legislation relating to the Fort Leavenworth School District; a table indicating the estimated increase or decrease in State aid for school districts which received Public Law 874 funds; a statement by the Senator from Colorado (Mr. Dominick) in support of the amendment; and a statement by my distinguished colleague (Mr. Pearson) in support of the amendment.

There being no objection, the material was ordered to be printed in the Record, as follows:

Department of Health,
Education, and Welfare,
Washington, D.C., September 14, 1973.

Mr. Robert N. Jones,
Director, School Facilities Services, Kansas State Department of Education, Topeka, Kans.

Dear Mr. Jones: This is to inform you that the review referred to in my letter dated August 10 to ascertain whether the recently enacted Kansas State aid apportionment statute is or is not in compliance with Section 5(d)(2) of Public Law 81–874 has been completed.

The following will explain the basis for our conclusion that this Kansas Statute is not in compliance with Section 5(d)(2) of Public Law 81–874, Title I:

Section 5(d)(2) of Public Law 81–874 provides:

"No payments may be made during any fiscal year to any local educational agency in any State which has taken into consideration payments under (Title I of P.L. 874) in determining the eligibility of any local educational agency in that State for State aid (as defined by regulation), or the amount of that aid, with respect to free public education during that year or the preceding fiscal year, or which makes such aid available to local educational agencies in such a manner as to result in less State aid to any local educational agency which is eligible for payments under (Title I) than such local educational agency would receive if it were not so eligible." (Section 5(d)(2); 20 U.S.C. 240 (d)(2))

The question presented is whether, under the new State law, Kansas takes into consideration payments under Title I of Public Law 874 to local educational agencies in determining the amount of State aid made available to the local educational agencies.

Section 14 of the new State law provides:

"In February of each year, the state board (of education) shall determine the amount of general state aid each district is entitled to receive for the current school year by subtracting the amount of the district's local effort from the district's legally adopted budget of operating expenses for the current school year. The remainder is the amount of general state aid to which the district is entitled."

"Local effort" is defined in section 13(c) of the Act as—

". . . the sum of (1) the product of a district's local effort rate and the district wealth, and (2) an amount equal to moneys the district received in the preceding school year, or was entitled to receive if no application was made for such moneys, under the provision of 20 U.S.C.A. 238 and 239 (title I of P.L. 874) and congressional appropriations therefor, and (3) an amount equal to the amount that the state board determines the district is entitled to receive from the fund established in section 45 (the county school foundation fund) based on the percentage of such fund that the district is entitled to receive from the levy made in the current school year for the fund, and (4) the amount of intangible tax to the credit of the district on the tax rolls of the current year."

Section 8 defines legally adopted budget of operating expenses as "the amount legally authorized for such expenses in the budget of a district." Section 7 defines operating expenses as "the total expenditures and lawful transfers from the general fund of a district during a school year for all purposes, except expenditures for the purposes specified in section 35." And section 35 makes it clear that P.L. 81–874 funds are not excluded from a district's operating expenses. It reads in part as follows:

"Expenditures of a district for the following purposes are not operating expenses:

* * * * *

"(e) Programs financed in part or in whole by federal funds which may be expended although not included in the budget of the district, excepting funds received under the provisions of 20 U.S.C.A. 238 and 239 (title I or P.L. 874), to the extent of the federal funds to be provided."

Therefore, the LEA must include in the budget payments received or eligible to receive under Public Law 874 as "local effort." Since these funds are subtracted to arrive at the amount of State aid, they are considered in the distribution of State aid. The effect of this statute is to reduce the amount of State aid to Public Law 874 applicants, thus we conclude that it is not in compliance with Section 5(d)(2) of Public Law 874.

You have expressed the opinion that the Kansas School District Equalization Act does not apply to Unified School District No. 207, Fort Leavenworth, and that the legislature makes a separate appropriation for USD No. 207.

Section 48 of the new State law provides:

"Except for this section, nothing in this act shall apply to the school district created by K.S.A. 72–5333a. The legislature shall make suitable provisions for financing the educational needs of such school district."

K.S.A. 72–5333a provides:

"The Fort Leavenworth military reservation, by and with the consent of the department of defense of the United States, shall be and the same is hereby set apart, established and created a school district, to be designated and known as the 'Fort Leavenworth school district,' being unified school district No. 207, Leavenworth County, Kansas."

A premise that because USD No. 207 is excluded from the provisions of the School District Equalization Act, that Public Law 874 funds may be approved for USD No. 207 cannot be sustained.

The Federal law provides that "no payments may be made during any fiscal year to any local educational agency in any State" if that State takes into consideration the Public Law 874 payments to any LEA in determining the eligibility for or the amount of State aid to any LEA. USD No. 207 is an LEA in the State. Assuming the payments it receives under Public Law 874 are not taken into account to determine the amount of State aid which it may receive, nevertheless, such Federal payments must be considered with respect to other LEAs in the State. As we read 20 U.S.C.A. 240(d)(2), even if the State did that with one LEA, Federal funds would have to be withheld from all LEAs in the State.

Unless we receive assurance that the newly enacted legislation will not be implemented, no Public Law 874 payments can be authorized for Kansas school districts for the fiscal year beginning July 1, 1973.

Sincerely yours,

Gerald M. Cherry,
Director, School Assistance in Federally Affected Areas.

State of Kansas,
Senate Chamber,
September 14, 1973.

To: Senate Education Subcommittee, Senator Claiborne Pell, Chairman.
From: Kansas State Senator Joseph Harder.
Subject: Public Law 874 Funds.

I sincerely appreciate having the opportunity to appear before this committee. I am here today to share my views, and to relate to you the problems we have encountered with the present federal statutes and administrative regulations concerning (impact area) P.L. 874 funds. The problem presented in this paper is not only a concern in the State of Kansas, but the Education Commission of the States and the National Legislative Conference.

The details of my testimony will focus on the new Kansas school finance law because I am most familiar with it, but other states have been or undoubtedly will be confronted with the same problem that the Kansas Legislature encountered with respect to P.L. 874 funds.

Realizing that the old Kansas school finance laws did not provide for equalized tax effort or equalized educational opportunity, committees of the Kansas Legislature studied the problem for a number of years before the School District Equalization Act was enacted in 1973. During the course of these studies, several court cases have required state legislatures to provide for equalization of tax effort and educational opportunities. In Kansas, a case was filed and a district court judge ruled that Kansas laws did not conform with the state or the federal constitutions. The Kansas Attorney General evidently agreed with that ruling since it was not appealed to the Kansas Supreme Court. The judge ordered the Legislature to restructure the school finance system by July, 1973.

Kansas recognized it had an obligation to improve the financing of public schools even before the court mandated finance reform in Caldwell vs. the State of Kansas. In attempting to effect a solution, various methods were explored for financing public education. Invariably, the problem of how to deal with PL 874 moneys arose.

If the states are to be "fiscally neutral" in order to comply with standards laid down in several court decisions, including Caldwell as it affected Kansas, then the resources of school districts, including PL 874 funds, must be taken into account.

BRIEF EXPLANATION OF THE KANSAS SCHOOL FINANCE FORMULA

The general state aid formula in the 1973 School District Equalization Act is based on the "district power equalizing" concept. In general, the formula in the Act is one under which a district local effort rate (LER) is prescribed by law at 1.5% for a specified or "norm" budget per pupil (BPP), as determined under a schedule which divides districts into enrollment categories selected through analysis of median operating costs per pupil at various levels of enrollment. If the BPP of a district is more or less than the amount specified in the enrollment-BPP schedule, the LER is proportionately more or less than the prescribed LER of 1.5%. The district's wealth is multiplied by its LER to determine, in part, how much the district will have to raise to finance its general fund budget. Therefore, the higher a district's BPP in relation to the specified or "norm" BPP in its enrollment category, the higher its LER and the greater its deduction based on district wealth. State aid is provided if the required local effort (district wealth times LER plus other deductions discussed below) does not produce enough revenue to finance a district's general fund budget.

More specifically, general state aid for a district is computed as follows: the district's legally authorized general fund budget minus the sum of

a. district wealth times the district LER,

b. district receipts (if any) in the preceding school year under Public Law 874,

c. district's share of the 2-mill county school foundation tax levy, and

d. district's share of the intangibles tax (school districts receive 25% of this tax).

Kansas' new general state aid formula is designed to provide more state aid to districts with low "wealth" per pupil than to districts with high "wealth" per pupil (wealth is measured by adding the total equalized assessed valuation and taxable income of a school district). Districts with low "wealth" per pupil include those which have received relatively large amounts of PL 874 funds—they have such low "wealth" mainly because of their number of federally-impacted pupils in relation to their taxable property valuation (federal property being exempt from the property tax).

If Public Law 874 receipts are not considered in the computation of state aid, some school districts would have no general fund tax levy and their revenue would exceed the amount that it is possible for them to legally budget or spend. We have listed below three Kansas school districts which receive large sums of 874 funds and the amount of the property tax levy for the 1973–74 budget. As you will notice, the amount of 874 funds received by each school district the prior year, which is considered in computing state aid, far exceeds the amount of property tax levy. I would particularly call your attention to Lines 5 and 6. Junction City would receive over ¾ of a million dollars in revenue that it would be unable to spend if 874 funds are not considered in the computation of state aid. This also means it would have no mill levy for the general operation of the school district. The Washburn and Derby school districts would have approximately $500,000 "excess revenue" with no general fund mill levy.

Based on 1973–74 adopted budgets	Junction City	Washburn	Derby
1. General fund budget adopted for 1973–74	$5,027,400	$2,334,152	$4,021,920
2. Estimated general State aid in budget, 1973–74	2,200,532	784,020	2,246,839
3. Public Law 874 receipts, 1972–73, deducted in computing general State aid	1,549,512	902,564	947,875
4. Property tax levy for general fund in 1973–74 budget	782,896	404,878	451,633
5. Property tax levy if Public Law 874 not deducted	0	0	0
6. Revenue in excess of general fund budget if Public Law 874 not deducted	766,616	497,686	496,242

Other districts with comparable enrollments and budgets per pupil, but which receive relatively little or no PL 874 funds, have general fund tax rates ranging from 20 to 30 mills.

The new Kansas school equalization formula provided a considerable amount of property tax relief for many school districts throughout the state. Taxpayers in the three school districts listed below, which received large sums of 874 funds, also received a reduction in property tax for general operating purposes.

[In mills]

	1972 general and county foundation rate	1973 general and county foundation rate	Amount of reduction
Junction City	25.26	21.43	−3.83
Derby	32.29	17.74	−15.55
Washburn	35.91	23.71	−12.20

The Junction City School District will receive 65% of its general fund budget from state and PL 874 aid. Washburn school district will receive 59% and Derby will receive 72% from those two sources.

The Kansas Legislature has enacted a new school finance law which is designed to improve equalization of local tax effort and of expenditures per pupil. There certainly was no intention to discriminate against districts which have received PL 874 funds, as indicated by the above figures.

* * * * *

In one sense under the plan, the state is oblivious to the PL 874 Program just as it is to the "wealth" of any individual district. The plan provides for full funding of a school district's legally adopted general fund budget. That budget, subject to certain constraints, is determined locally. To the extent that a district's resources for funding this budget increase or decrease, the state would provide more or less aid, in the amount necessary for full funding of the district's budget.

During the hearings on the new Kansas school finance law, no one representing any of the districts which receive PL 874 funds appeared before the committees to object to the way such funds are treated in the new law.

The district court judge who struck down the old Kansas school finance laws reviewed the 1973 Equalization Act and ruled that it established a constitutional finance system.

I cannot overemphasize the urgent need to change the federal law so as to permit states to take PL 874 funds into account in an equalization formula. For example, one Kansas school district which receives a very large sum under Public Law 874 probably will run out of operating cash by December 1 if PL 874 funds for FY 1974 are not distributed by then.

Mr. Justice Powell, at the conclusion of the U.S. Supreme Court's majority opinion in *Rodriguez*, said:

> The consideration and initiation of fundamental reforms with respect to state taxation and education *are matters reserved for the legislative processes of the various states*, and we do no violence to the values of federalism and separation of powers by staying our hand. We hardly need add that this Court's action today is not to be viewed as placing its judicial imprimatur on the status quo. The need is apparent for reform in tax systems which may well have relied too long and too heavily on the local property tax. *And certainly innovative new thinking as to public education, its methods and its funding, is necessary to assure both a higher level of quality and greater uniformity of opportunity*. These matters merit the continued attention of the scholars who already have contributed much of their challenges. *But the ultimate solutions must come from the lawmakers and from the democratic pressures, those who elect them*." (emphasis added)

To achieve greater equalization of local tax effort and educational opportunity, lawmakers in Kansas and certain other states have concluded that Public Law 874 funds must be taken into account as part of the financial resources of school districts which receive such funds. Section 5(d)(2) of PL 81–874 is a serious impediment to the current efforts of the states to achieve greater equalization. The Congress should keep in mind what Justice Powell said in the above quoted excerpt and should, therefore, remove federally-imposed restrictions on the taking into account of PL 874 funds in state school finance equalization laws.

I will be glad to try to answer any questions you may have concerning this problem

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SUMMARY OF KANSAS EQUALIZATION STATUTE

SUMMARY OF SUB. S.B. 92

Following is a summary of the major provisions of the 1973 School District Equalization Act. Numerous details are not covered and for them one should refer to Sub. S.B. 92.

Some important definitions

"Pupil" means any person who is regularly enrolled in any of grades K–12 of a school district. Any pupil not enrolled full-time shall be counted on a proportional basis, to the nearest one-tenth. Kindergarten pupils shall be counted as one-half pupil. An area vocational school pupil shall be counted as that proportion of one pupil (to the nearest one-tenth) that his non-vocational education enrollment bears to full-time enrollment.

"General fund" means the fund of a district from which operating expenses are paid and to which is deposited general state aid, property taxes levied for operating expenses, receipts from the 2-mill county levy, the amount of the 10% income tax rebate, receipts under PL 874, payments under K.S.A. 72–7105a, the district's share of the intangibles tax, and such other moneys as are provided by law.

"Operating expenses" means the total expenditures and lawful transfers from the general fund during a school year, except for expenditures specified in section 35 of the bill.

"Legally adopted budget of operating expenses" means the amount legally authorized for such expenses (i.e., from the general fund) in the budget of a district. To establish a base for computing limitations on operating expenses in 1973–74 and thereafter, "legally adopted budget of operating expenses" in 1972–73 means the amount budgeted in the general fund, excluding transportation and social security (if any).

"Budget per pupil" means the legally adopted budget of operating expenses divided by the number of pupils enrolled in the district on September 15. The definition of BPP is used in both the general state aid formula and in the budget control provisions of the bill.

"District wealth," which is used in the general state aid formula, means the sum of the adjusted valuation of a district and the taxable income within a district. "Adjusted valuation" is the assessed valuation of tangible taxable property adjusted to a 30% assessment level (the level required by Kansas law). "Taxable income" is the amount reported by resident individuals on Kansas income tax returns.

General State aid

The general state aid formula in Sub. S.B. 92 is based on the "district power equalizing" concept. In general, the formula in the bill is one under which a district local effort rate (LER) is prescribed by law at 1.5% for a specified or "norm" budget per pupil (BPP), as determined under a schedule which divides districts into enrollment categories selected through analysis of median operating costs per pupil at various levels of enrollment. If the BPP of a district is more or less than the amount specified in the enrollment-BPP schedule, the LER is proportionately more or less than the prescribed LER of 1.5%. The district's wealth is multiplied by its LER to determine, in part, how much the district will have to raise to finance its general fund budget. Therefore, the higher a district's BPP in relation to the specified or "norm" BPP in its enrollment category, the higher its LER and the greater its deduction based on district wealth. State aid is provided if the required local effort (district wealth times LER plus other deductions discussed below) does not produce enough revenue to finance a district's general fund budget.

More specifically, general state aid for a district is computed as follows: the district's legally authorized general fund budget *minus* the sum of

a. district wealth times the district LER,

b. district receipts (if any) in the preceding school year under PL 874,

c. district's share of the 2-mill county school foundation tax levy, and

d. district's share of the intangibles tax (school districts receive 25% of this tax).

The total of items (a) through (d) is defined as a district's "local effort."

For the 1973–74 school year, the enrollment categories and the specified or "norm" BPP's are:

District enrollment (E)	Budget per pupil	Adjustment
Under 400	$936	(1)
400 to 1,299	936	(2)
1,300 and over	728	(1)

[1] None.

[2] Minus $0.23111 (E–400).

These categories were based on an analysis of general fund budgets per pupil (less transportation and social security) in 1972–73. By using more than one enrollment category, the general inverse relationship of enrollment and BPP is taken into account. The BPP specified for districts with under 400 pupils is the median BPP of all districts with 400–499 enrollment. This was a policy decision by the legislature in order *not* to establish an excessive BPP "norm" for such districts, many of which have very high BPP's. The adjustment factor in the above schedule is designed to prevent sharp changes in the specified or "norm" BPP between the lowest and middle and the middle and highest enrollment categories.

The formula for determining a district's LER based on the above schedule is:

$$\frac{\text{District's BPP}}{\text{BPP "Norm" for the District's Enrollment Category}} \times 1.5\%$$

As previously stated, if a district's BPP is greater than the "norm" BPP in its enrollment category, its LER will be greater than 1.5% in the same proportion; if its BPP is less than the "norm", its LER will be less than 1.5% in the same proportion. To illustrate: a district with under 400 pupils and a BPP of $936 will have a LER of 1.5%, but another district with less than 400 pupils and a BPP of $1,872 will have a LER of 3.0% because $1,872 is twice the "norm" BPP of $936.

The specific enrollment categories (except "under 400") and the "norm" BPP's set forth in the above schedule may change after 1973–74. In order to keep the schedule reflective of current enrollment and BPP trends, Sub. S.B. 92 provides that the State Board of Education shall make an annual analysis of BPP's in enrollment intervals of 100 pupils ranging upward from the minimum or lowest category of "under 400 pupils." This provision is intended to prevent state aid from lagging behind the trend of operating costs, as occurred under the repealed school foundation finance law.

Under the "power equalizing" formula in Sub. S.B. 92, each district's locally-elected board of education will determine what it wants to budget per pupil, subject to budgetary limitations which are discussed subsequently herein. However, the higher the BPP the higher the LER would be. The state will make up the difference between the district's general fund budget and its "local effort" from revenues derived from the state as a whole. Therefore, each district will have equal power to select its level of spending because its expenditure per pupil will be a function of the school board's budget policies and its local effort, not of the district's wealth.

Transportation aid

State aid for transportation of pupils is provided under the same cost-density formula as in the repealed school foundation finance law. However, under Sub. S.B. 92 aid is based on 100% of actual cost or 100% of the cost-density formula, whichever is less, instead of the lesser of 70% of cost or 70% of the formula under the repealed law. Also, the limitation of $6 million for transportation aid was deleted; that limitation had required proration of transportation aid at 75% in 1972–73. All districts that now qualify for transportation aid, including those that will receive no general aid or less general aid, will be entitled to an increase in transportation aid.

STATE SCHOOL EQUALIZATION FUND

Sub. S.B. 92 establishes a state school equalization fund from which general and transportation aids are to be paid. This fund consists of (a) all moneys deposited in the state annual school fund, mainly from the motor carrier property tax which is collected by the state, (b) proceeds of fines, penalties and forfeitures collected by courts for violations of state laws (such proceeds formerly were credited to the county school fund), (c) 5.5% of state sales and use tax collections, and (d) amounts appropriated therefor or transferred thereto by the legislature.

Prior to enactment of Sub. S.B. 92, 10% of state sales and use tax collections was earmarked for the local ad valorem tax reduction fund (LAVTRF). School districts received about 55% of that fund. The new law earmarks 4.5% of such tax collections for the LAVTRF and eliminates school district sharing in that fund. In effect, the school districts' share of the LAVTRF will be used to help finance state aid under the new state school equalization law.

DISTRIBUTION OF STATE AIDS

General state aid will be distributed directly to school districts, as follows: on the 20th of each of the months of September through January, an amount equal to 10% of the district's general state aid entitlement in the preceding school year; on the 20th of each of the months of February through April, 10% of the current school year's entitlement; and on May 20, the full amount of the current year's entitlement less amounts paid in September through April. A special transitional provision is that the payments to be made in September 1973 through January 1974 shall be 10% of the amount the district would have received as general state aid in 1972–73 if Sub. S.B. 92 had been in effect that year.

General state aid would be prorated among all districts entitled to such aid if the amount in the state school equalization fund on or after March 1 is insufficient to pay general aid in full.

Transportation aid will be distributed in two payments: on September 25, half of the amount paid as transportation aid in the preceding school year; and on February 25, the entire amount of the district's entitlement for the current school year less the amount paid on September 25. Another transitional provision is that the payment on September 25, 1973, shall be an amount equal to the full amount the district received as transportation aid in 1972–73.

COUNTY SCHOOL FOUNDATION FUND

The county school foundation fund tax levy is continued under Sub. S.B. 92, but at a reduced rate. The rate under the repealed law was approximately equivalent to 8 mills on assessed valuation adjusted to a 30% level of assessment. Section 45 of the new law provides that the levy for the county fund shall be at a rate which will produce the amount which would be produced by a 2-mill levy on the 1971 adjusted valuation (30% level of assessment) of the county. By pegging the dollar amount of the levy to 1971 adjusted valuation, the actual tax rate necessary to produce the amount required will decline as assessed valuations increase.

No change was made in the distribution of the county foundation fund. That is, most of the fund will be distributed to districts in the county on the basis of their relative number of certificate employees. There will still be a per pupil distribution where joint school district territory and pupils are involved.

The county school foundation levy remains exempt from the property "tax lid" (1973 Sub. S.B. 11).

Ten percent income tax rebate

Commencing with taxable years beginning after December 31, 1972, each school district shall be entitled to an amount equal to 10% of the resident individual income tax liability, after credits for taxes paid to another state, imposed under the Kansas income tax law. This entitlement will be based upon the district residence of taxpayers as shown on state income tax returns filed in 1974 and in each year thereafter.

An amount equal to the entitlement of districts is to be transferred from the state general fund to the new school district income tax fund, upon certification thereof by the state secretary of revenue, prior to the prescribed distribution dates. These dates are May 1 and August 1, beginning in 1974, for moneys transferred prior thereto and February 1, beginning in 1975, for money transferred after July 31 of the preceding year. Districts will receive two payments during their 18-month budget period beginning July 1, 1973, and these two payments should cover most of their entitlements based on returns filed in 1974. The payments in February of each year are expected to be small.

It is estimated that the total income tax rebate to districts will approximate $11 million in May and August of 1974. All districts are entitled to the 10% rebate, which has no bearing on general state aid or the computation thereof. The real effect of the revenue which otherwise would have to be raised locally from the property tax.

Budgetary limitations and appeals

Enrollment categories identical to the ones established for purposes of the general state aid formula are made applicable to the budget control provisons in section 26 of Sub. S.B. 92. The basic limitation is that no district may budget or expend for operating expenses per pupil more than 115% of its BPP in the preceding school year or 105% of the median BPP in the preceding school year of districts within the same enrollment category, whichever is less. However, any district may budget or expend 105% of its BPP in the preceding school year. Also, if approved by the electors of the district, the BPP may be increased to the BPP in the preceding year of the district which had the highest BPP in the enrollment category, provided that the increase does not exceed 115% of the district's own BPP in the preceding year. No district may budget in any year an amount for operating expenses less than $600 per pupil.

These limitations were designed to allow the low expenditure districts within each enrollment category to increase their BPP's by a greater percentage than the high expenditure districts, thus narrowing the gap over a period of years. The $600 BPP floor applies only to the district with the lowest BPP in the state, and it may increase its BPP by about 24% in 1973–74.

If a district does not budget in any year the full amount allowable under the basic limitations, i.e., excluding the election provision, the difference may be added to its legal budget for operating expenses of a later year, provided that the total increase does not exceed 115% of its BPP in the preceding school year. This provision was intended to make it unnecessary for districts to budget the full amount allowable in each year, when such amount may not be needed at the time, in order to protect their budget base for the future.

If the enrollment of a district in the current school year has declined by less than a specified percentage from the enrollment in the preceding school year, the amount which the district may budget and expend may be computed on the basis of the enrollment in the preceding year. The specified percentages are: 10% for districts in the smallest enrollment category (under 400 pupils), 7.5% for districts in the middle enrollment category, and 5% for districts in the largest enrollment category.

Penalty. If a district expends in any school year an amount for operating expenses which exceeds the budget limitations outlined above, the excess shall be deducted from amounts payable to the district during the next school year from the state school equalization fund.

18-Month Budget. All districts adopt a budget of operating expenses for an 18-month period, July of the current year through December of the following year. The months to that budgeted for the first 12 months shall not be less than 40% or more than 50%.

Appeals. The State Board of Tax Appeals may authorize a school district to increase its legally adopted budget of operating expenses upon a finding by the Board that:

1. The construction of new or additional school facilities causes an increase in operating expenses greater than the district is permitted to budget under the budget limitations.

2. The requirements of law to provide special education cause an increase in operating expenses greater than the district is permitted to budget under the budget limitations.

3. The requirements of law to pay out-district tuition for vocational education and the requirements of contractual agreements for payment of amounts for an area vocational school cause an increase in operating expenses greater than the district is permitted to budget under the budget limitations.

4. The requirements of law to provide transportation of students cause an increase in operating expenses greater than the district is permitted to budget under the budget limitations.

5. Operation of an existing program of cooperative special education at a level of financial support equal to that of the 1972–1973 school year causes an increase in operating expenses under the provisions of Sub. S.B. 92 and the assumption of such increase by the cooperating districts, including the sponsoring district, is agreed upon, subject to appeal.

No appeal shall be made under items 4 and 5, above, after August 1, 1973.

In addition, the Board of Tax Appeals may authorize a district to levy a property tax each year for the purpose of maintaining an existing program for transportation of pupils equal to that of the 1972–73 school year, to the extent that the same cannot be financed under appeal reason 4, above. The amount of such levy is limited to the difference between the amount of transportation aid the district would have received in 1972–73 if the revised transportation aid formula in Sub. S.B. 92 had been in effect that year and the amount budgeted for transportation in 1972–73 in the general fund of the district. No appeal under this provision shall be made after August 1, 1973.

Property tax levy for operating expenses

Within the budgetary limitations prescribed by the new law, the board of any school district may levy property taxes for operating expenses. There is no other restriction on the amount of such levy or on the tax rate for the district general fund. School districts are not covered by the "tax lid" law (1973 Sub. S.B. 11).

Special program funds

Sub. S.B. 92 creates the following special program funds of school districts: special education, vocational education, driver training, food service, and transportation. All moneys received by a district for these programs shall be deposited in the respective funds and all expenditures for these programs shall be paid from the respective funds, not from the general fund. Miscellaneous revenues of a district (such as interest earnings), not required by law to be credited to a specific fund, shall be deposited in one of the aforementioned funds or in the capital outlay fund. The existing social security and capital outlay funds are continued without change.

Transfers may be made from the district general fund to the capital outlay, transportation, special education, food service, driver training, or vocational educational funds. Any such transfer shall be an operating expense in the year the transfer is made.

The authority of the district board of education to levy 2 mills for vocational education programs and for payment of out-district tuition for vocational education and to levy 1.5 mills for special education is continued by Sub. S.B. 92. Proceeds from the latter levy must first be used for mandated special education programs under K.S.A. 72-933, as amended, and any remaining amount shall be used for other approved special education programs.

SPECIAL STATE LEGISLATION FOR THE FORT LEAVENWORTH SCHOOL DISTRICT

COMPANION LEGISLATION

Two other bills enacted by the 1973 Legislature are companions to Sub. S.B. 92.

S.B. 583 establishes a budget limitation on and appropriates $700,000 (not to exceed $291 per pupil) from the state general fund to the Ft. Leavenworth school district. Because of the unique characteristics of that district, it was excluded from the provisions of Sub. S.B. 92.

H.B. 1583 makes the technical changes in numerous statutes necessary to carry out the provisions in Sub. S.B. 92 requiring that proceeds from fines, penalties, and forefeitures for violation of state laws shall be remitted to the state for deposit in the state school equalization fund. Such proceeds no longer will be credited to the county school fund. This bill takes effect on June 1, 1973, after its publication in the official state paper.

ESTIMATED INCREASE OR DECREASE IN STATE AID FOR SCHOOL DISTRICTS WHICH RECEIVE PUBLIC LAW 874 AID

USD No.	District name	1973 impact aid estimate Public Law 874 (fiscal year 1973)	State assistance last year (1973) general State and supplemental aid (1972–73)	State assistance (1974) estimated aid and income tax (1973–74)	Increase in State assistance 1974 increase or decrease in State aid
101	Erie-St. Paul	15, 355	359, 177	519, 818	160, 641
203	Piper	1, 536	117, 950	301, 665	183, 715
204	Bonner Springs	1, 191	506, 449	1, 184, 882	678, 433
205	Leon	932	167, 861	264, 235	96, 374
207	Fort Leavenworth	927, 813	510, 017	700, 000	189, 983
211	Norton	4, 567	293, 914	468, 811	174, 897
230	Spring Hill	6, 570	125, 628	339, 633	214, 005
231	Gardner	28, 753	238, 202	334, 126	95, 924
232	DeSoto	99, 981	311, 082	823, 544	512, 462
233	Olathe	66, 584	895, 398	2, 043, 995	1, 148, 597
244	Burlington	20, 589	187, 984	283, 632	95, 648
246	Arma	2, 215	180, 380	300, 179	119, 799
247	Cherokee	8, 318	244, 124	443, 543	199, 419
248	Girard	1, 768	272, 888	405, 376	132, 488
250	Pittsburg	10, 525	763, 204	1, 066, 227	303, 023
259	Wichita	630, 523	11, 682, 014	23, 608, 855	11, 926, 841
260	Derby	1, 000, 855	1, 306, 567	2, 262, 161	955, 594
261	Haysville	76, 021	851, 269	1, 943, 169	1, 091, 900
262	Valley Center	10, 444	462, 686	800, 669	337, 983
263	Mulvane	54, 236	357, 015	723, 874	366, 859
264	Clearwater	4, 923	170, 344	373, 067	202, 723
265	Goddard	16, 784	326, 505	890, 825	564, 320
266	Maize	3, 632	198, 305	474, 609	276, 304
268	Cheney	3, 391	128, 962	235, 954	106, 992
272	Cawker City	25, 294	207, 668	270, 960	63, 292
277	Burr Oak	2, 387	48, 526	71, 081	22, 555
278	Mankato	11, 650	104, 259	206, 417	+102, 158
287	Pomona	10, 646	185, 607	265, 115	79, 508

USD No.	District name	1973 impact aid estimate Public Law 874 (fiscal year 1973)	State assistance last year (1973) general State and supplemental aid (1972–73)	State assistance (1974) estimated aid and income tax 1973–74)	Increase in State assistance 1974 increase or decrease in State aid
289	Wellsville	2, 997	177, 497	325, 204	147, 707
290	Ottawa	10, 502	591, 149	837, 336	246, 187
305	Salina	586, 522	2, 212, 488	3, 315, 392	1, 102, 904
307	Ell-Saline	31, 740	54, 023	108, 477	54, 454
312	Haven	1, 799	190, 389	462, 638	272, 249
320	Wamego	13, 724	279, 840	432, 897	153, 057
323	Westmoreland	4, 066	178, 979	312, 323	133, 344
324	Kirwin	8, 607	44, 736	66, 118	21, 382
331	Kingman	379	248, 727	167, 073	(−81, 654)
337	Mayetta	18, 986	148, 111	323, 429	175, 318
339	Winchester	3, 181	142, 705	231, 483	88, 778
340	Meriden	9, 022	152, 099	341, 214	189, 115
341	Oskaloosa	17, 446	144, 701	216, 096	71, 395
342	McLouth	3, 285	129, 724	227, 505	97, 781
343	Perry	19, 502	218, 520	415, 080	196, 560
348	Baldwin	10, 760	181, 499	349, 216	167, 717
353	Wellington	15, 391	527, 311	763, 554	236, 243
356	Conway Springs	4, 217	135, 366	239, 069	103, 703
357	Belle Plaine	15, 158	133, 684	318, 340	184, 656
358	Oxford	5, 669	130, 242	192, 563	62, 321
367	Osawatomie	6, 253	279, 314	558, 725	279, 411
368	Paola	6, 051	396, 915	550, 462	153, 547
375	Circle	6, 794	302, 229	519, 225	216, 996
377	Effingham	11, 374	236, 957	428, 449	191, 492
378	Riley	51, 224	110, 108	180, 398	70, 290
379	Clay Center	37, 211	392, 093	548, 999	156, 906
383	Manhattan	111, 452	980, 154	1, 367, 099	386, 945
384	Randolph	64, 829	59, 958	2, 483	(−57, 475)
385	Andover	19, 238	245, 559	540, 225	258, 666
389	Eureka	30, 017	233, 107	324, 568	91, 461
394	Rose Hill	17, 558	153, 918	388, 179	234, 261
396	Douglass	9, 855	142, 212	286, 034	143, 822
420	Augusta	16, 031	465, 376	852, 698	387, 322
409	Atchison	23, 508	510, 667	817, 792	307, 125
416	Louisburg	6, 633	136, 986	238, 885	101, 899
417	Council Grove	12, 044	242, 976	376, 666	133, 690
420	Osage City	7, 819	182, 331	318, 682	136, 351
421	Lyndon	7. 768	96. 678	159, 062	62, 384
430	Horton	2, 091	203, 683	360, 409	156, 726
434	Santa Fe Trail	22, 782	240, 902	459, 024	218, 122
435	Abilene	18, 311	475, 532	655, 929	180, 397
437	Washburn	902, 564	733, 888	793, 796	59, 908
439	Sedgwick	2, 199	139, 677	306, 545	166, 868
446	Independence	36, 234	663, 713	978, 896	315, 183
447	Cherryvale	7, 640	200, 356	389, 867	189, 511
449	Easton	22, 882	161, 162	280, 696	119, 534
450	Tecumseh	30, 853	543, 064	1, 258, 260	715. 196
453	Leavenworth	303, 825	1, 278, 384	2, 171, 003	892, 619
454	Burlingame	5, 257	91, 596	200, 781	109, 185
456	Melvern	15, 137	89, 176	189, 395	100, 219
458	Basehor	5, 144	260, 838	506, 372	245, 534
461	Neodesha	567	193, 943	344, 493	15, 5500
462	Burden	6, 071	79, 985	69, 101	(−10, 884)
463	Udall	5, 819	92, 833	192, 392	99, 559
464	Tonganoxie	9, 869	254, 702	482, 490	227, 788
469	Lansing	50, 702	245, 164	489, 200	244, 036
470	Arkansas City	13, 660	742, 191	1, 287, 162	544, 971
473	Chapman	58, 915	408, 155	572, 469	164, 314
475	Junction City	1, 549, 512	1, 784, 538	2, 229, 080	444, 542
481	Hope	10, 447	140, 178	257, 697	117, 519
487	Herington	8, 721	234, 706	367, 526	132, 820
491	Eudora	17, 424	126, 427	332, 950	206, 523
493	Columbus	7, 706	382, 413	398, 091	15, 678
497	Lawrence	55, 901	1, 326, 753	1, 677, 874	351, 121
500	Kansas City	102, 292	5, 616, 580	11, 993, 154	6, 376, 574
501	Topeka	216, 239	4, 037, 984	7, 998, 161	3, 960, 177
503	Parsons	46, 778	637, 989	1, 010, 469	372, 480
504	Oswego	6, 330	150, 586	214, 929	64, 343
505	Chetopa	2, 504	101, 536	175, 823	74, 287
506	Altamont	16, 491	405, 550	637, 047	231, 497
510	Powhattan	23, 120	30, 077	146, 090	116, 013
512	Shawnee Mission	270, 293	6, 375, 079	10, 716, 040	4, 340, 961
	Total	8, 130, 375	60, 842, 653	109, 817, 271	48, 974, 618

STATEMENT OF SENATOR DOMINICK

As ranking minority member of the Subcommittee on Education, I support the amendment introduced by the gentleman from Kansas, Mr. Dole, and three cosponsors. I understand that this amendment also has the support of the Administration.

Adoption of this amendment to PL 874, the education impact aid law, will take care temporarily of an inequitable situation and give the Education Subcommittee an opportunity to act with care and deliberation on a revision to the statute. As the author of S-1813, which seeks to make certain long-needed improvements to the impact aid program, I welcome the opportunity to revise Sec. 5(d) (2), to which the pending amendment is directed, to meet changing needs.

STATEMENT OF SENATOR PEARSON

ONE YEAR SUSPENSION OF SECTION 5(d)(2)

I want to express my strongest support for efforts to provide relief for states which have enacted equalization laws for school finance, but which will be penalized due to the wording of Section 5(d)(2) of Public Law 874. As some of my colleagues may know, the Office of Education has ruled that Kansas may not receive impact aid in Fiscal Year 1974 because its recently passed school district equalization act violates the provisions of Section 5(d)(2).

Section 5(d)(2) was enacted in PL 90-576. In essence, it terminates impact aid to all districts in any State which uses federal payments in determining the level of state assistance for any district. This section was enacted with good intentions. Prior to its passage, many states had reduced state aid by an amount equal to all or part of 874 payments. This action was counter-productive to the purpose of PL 874, namely the effort by the federal government to compensate school districts with substantial federal activity which did not receive the benefits of the tax base associated with that activity.

Recent events, however, have placed Section 5(d)(2) in a totally new perspective. Pursuant to Court cases mandating school financing equalization, many states have passed laws which include 874 funds in computations intended to yield more equal state payments. In Kansas, *Caldwell v. Kansas* held that the state School Foundation Act violated the equal protection guarantees of both the Kansas Constitution and the Fourteenth Amendment to the United States Constitution. Holding that the Kansas system of school finance caused education to be adequate or inadequate by "the caprice of the wealth or local tax base within a district," the Court restrained and enjoined the operation of the existing school finance scheme and prohibited the allocation of funds on the basis of existing law.

Reacting to this mandate, Kansas enacted a School District Equalization Act in the form of Senate Bill No. 92, during the past session of the Kansas legislature. The most important aspect of this bill is that it creates a power equalization formula, designed to provide more aid to districts with low "wealth" per pupil than to districts with higher "wealth" per pupil. Wealth, however, is a factor of local effort: state aid is provided if the required local effort does not produce enough revenue to finance a district's general fund budget. This formula, albeit simplified for present purposes, considers PL 874 receipts a part of local effort, just as are the district's share of the 2-mill county school foundation tax levy, the district's share of an intangible tax, and a factor represented by district wealth times the district local effort rate.

Because 874 receipts are counted as local effort, districts with substantial 874 funds receive more under the school equalizing formula than they would without this type of computation. Consider three school districts which have received relatively large amounts of PL 874 funds. Even with such funds computed as district revenue resources, the final computer application of the general state aid formula indicated the following increases in state aid for 1973–74 over actual aid in the past under the prior law:

Junction City	$1, 006, 812
Derby	1, 136, 705
Washburn	510, 296

To sharpen the analysis of this situation, the Kansas Legislative Research Department estimates that these same districts would have no general fund tax levy if PL 874 funds were not considered as district revenue resources.

These figures indicated that the spirit of Section 5(d) (2) is not being violated. The state is not offsetting federal payments against state aid. Rather, a serious attempt is made to evaluate the financial capabilities of local school districts and to achieve an equitable means of distributing state funds.

I believe that Kansas has enacted a new school finance law which is designed to improve the equalization of local tax efforts and of expenditures per pupil. There was no intention to discriminate against districts which receive 874 funds, and to continue enforcement of 5(d) (2) would seriously undermine this effort.

One other problem results from literal enforcement of Section 5(d)(2). The Fort Leavenworth, Kansas, school district is located on federal property and serves 100 per cent federal 3-A pupils. There are no local pupils and there are virtually no local resources to support this district. In recognition of this fact, the Kansas Legislature exempted the school district from the provisions of the school equalizing formula, and provided it with a direct appropriation of $700,000 from the state general fund. Nonetheless, because of the wording of 5(d)(2), the entire state is precluded from receiving state aid if 874 funds are included in the computation of the level of state aid for any one district. This action will cause the Fort Leavenworth district to terminate operations—its resources are totally inadequate without 874 funding.

As early as 1969, the Batelle Memorial Institute, in its study of school assistance in federally affected areas, found that the "effects of the prohibition against offsetting of PL 874 payments tend to reduce the effectiveness of attempts by the States to provide relatively equal education opportunities with limited State funds and to discourage States without equalization formulas from adopting them." The prediction has now come true.

I believe that an emergency exists, and that action must be taken now. This is an opportunity to start. In the process, we can avert potentially disastrous consequences in Kansas and other states which have made good faith efforts to achieve school financing equalization. I believe that the amendment which my colleague, Mr. Dole, proposes to offer is an effective means of avoiding school finance crises in these states.

In particular, I want to emphasize that the one-year exemption from the provisions of 5(d)(2) permits time for the Education and Labor Committee in the House and the Labor and Public Welfare Committee in the Senate to achieve a permanent revision of Public Law 874. It in no way detracts from those efforts but merely provides additional time for them to accomplish this task. I hope that the amendment will be adopted.

Mr. DOLE. Mr. President, I reserve the remainder of my time.

Mr. CURTIS. Mr. President, I yield 10 minutes under the bill to the distinguished Senator from North Dakota (Mr. YOUNG).

Mr. YOUNG. Mr. President, I believe the distinguished Senator from Kansas has very ably explained the problem involved. Both of our States passed special legislation during their last session, setting up a foundation payment similar to an equalization fund. Under this program a school that gets Federal impacted funds, in some cases, or in many cases, will get less funds than they got in the past. The Office of Education has warned our State that unless the State law was repealed, or changed they no longer would be eligible for impact funds.

This amendment could if approved take care of our problem for this fiscal year. It could do no harm to the other States and could avert a special session in our two States.

I would like to read a telegram which I sent to our Governor and the superintendent of public instruction, which explains the problem to some extent. The telegram was dated September 20, 1973. We had an exchange of telegrams before this:

SEPTEMBER 20, 1973.

Hon. ARTHUR A. LINK,
Governor, State of North Dakota,
Bismarck, N. Dak.
Hon. M. F. PETERSON,
Superintendent, Department of Public Instruction, Bismarck, N. Dak.:

Reurtel, your telegram didn't answer the questions posed by me in my telegram of September 18.

If section 5(d)(2) is repealed and N.D. senate bill 2026 goes into full effect, how much less money from all sources will federally impacted school districts have available to them? I understand a reduction is made to offset at least a portion of Federal impact funds. For example, how much less money from all sources will Grand Forks, Minot, Riverdale, New Town, Parshall, Dunseith and other schools with similar problems receive? Your telegram didn't answer this and I need to have this information before supporting repeal of the provisions of the Federal law which apparently would adversely affect many school districts in North Dakota.

I have a special concern since I was successful, after a long and hard fight, in getting my amendment cosponsored by Senator HRUSKA approved which provides 100 percent of entitlement to those school districts where 25 percent or more of the children live on federal property. In the case of Grand Forks and Minot, the local school districts are operating schools on the military bases and declared in past years that they couldn't continue to educate these children unless they received 100 percent of entitlement under impact funding. Understand they will have a similar problem now if section 5(d)(2) is repealed. Understand many other schools will be similarly affected. What I need to know is how much less will be available from all sources to these schools under your proposal. Understand some of the major school systems in North Dakota oppose your proposal. Regards

MILT YOUNG,
U.S. Senator.

I can understand their problem. They operate a school on the base and they have to transport high school children back and forth from the base. They have several times said that they could not continue the operation of these schools unless they received a 100 percent entitlement of impact funds. The proposal which they oppose, of course, is the repeal of this section.

Mr. President, I received a letter dated September 21, 1973, which reads as follows:

STATE OF NORTH DAKOTA,
Bismarck, N. Dak., September 21, 1973.
Hon. MILTON R. YOUNG,
U.S. Senator,
Washington, D.C.

DEAR SENATOR YOUNG: Attached are figures you requested in your telegram of September 20 for six school districts showing the increase in each case following the enactment of North Dakota Senate Bill 2026. In addition, each of these school districts will receive federal impact payments. The amount of federal payments are not available at this time and will not be available until after the first of the year. Therefore, we can only report the amount of increase to each school district from the state of North Dakota.

Amending Section 5(D)(2) does not reduce federal impact payments. This section now requires North Dakota to make state payments to some school districts when these districts are already receiving these same payments from the federal government. The Dole amendment removes this requirement. It assures that the district receives this payment only from the federal government. It assures the amount of aid the district is entitled to receive.

Perhaps some districts wish to continue receiving duplicate payments. This cannot be considered equalization.

Sincerely yours,

ARTHUR A. LINK,
Governor.
M. F. PETERSON,
Superintendent of Public Instruction.

Mr. President, I ask unanimous consent that the tabulation, including the figures referred to in the foregoing letter and chart, be printed at this point in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

School district	1972-73 State and local taxes	S. 2026 and local taxes	Amount of increase
Grand Forks		$7,628,016.55	
Amount of duplication received in Federal impact payments		−289,385.19	
Total	$6,322,191.09	7,338,631.36	$1,016,440.27
Minot		6,170,816.97	
Amount of duplication received in Federal impact payments		−282,701.11	
Total	4,803,930.15	5,888,115.86	1,084,185.71
Riverdale		171,248.47	
Amount of duplication received in Federal impact payments		−17,397.13	
Total	101,370.37	153,851.34	52,480.95
New Town		$491,715.17	
Amount of duplication received in Federal impact payments		−18,565.37	
Total	$339,390.50	473,149.80	$133,759.30
Parshall		351,580.70	
Amount of duplication received in Federal impact payments		−7,323.74	
Total	281,553.78	344,256.96	62,703.18
Dunseith		418,664.72	
Amount of duplication received in Federal impact payments		−18,078.53	
Total	290,154.56	400,586.19	110,431.63

Mr. YOUNG. Mr. President, somehow or other I fail to quite understand the chart. However, I gather from the chart that the Grand Forks School District will receive $289,385 less if the section of the Federal law is repealed.

The Minot School District which operates another school at the Minot Air Force Base, would receive $282,701 less. That is out of a total budget of $6,170,816.97. That is a sizable reduction for a school of that size.

Mr. President, taking everything into consideration, including the letter and chart from Governor Link and the superintendent of public instruction in my State, I am going to vote to support the amendment. It offers a way out of a bad situation we in North Dakota find ourselves.

Mr. DOLE. Mr. President, I yield 2 minutes to the Senator from North Dakota.

Mr. CURTIS. Mr. President, I yield 3 minutes from the bill to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 5 minutes.

Mr. BURDICK. Mr. President, I rise in support of the amendment. The Office of Education has declared North Dakota ineligible to receive any Federal impact aid this fiscal year, creating a true educational crisis for the State.

Ineligibility is said to result from a conflict between section 5(d)(2) of Public Law 81-874 and a 1973 North Dakota law—known as Senate bill 2026. This measure completely reworked the North Dakota education foundation program. One section provided:

> In determining the amount of payment due school districts for per-pupil aid under this section (providing support to elementary and secondary education in the State), the following shall be subtracted from the amount of such aid:
>
> That amount in dollars of the state group rate for Title I of Public Law 81-874, 81st Congress represented by the twenty-one mill county equalization levy in the determination of the state group rate multiplied times the number of students for whom the district received Public Law 874 payments.

According to the Office of Education, this North Dakota provision runs counter to section 5(d)(2) of Public Law 874, because it has the effect of subtracting from the amount of assistance provided to a local educational agency by a State, a portion of the amount paid that school district under Public Law 874. Section 5(d)(2) then operates to make North Dakota ineligible to receive Public Law 874 payments.

Mr. President, I ask unanimous consent that a copy of the August 29, 1973, letter to me from Peter Muirhead, Acting U.S. Commissioner of Education, which summarizes the position of the Office of Education on this matter, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., August 29, 1973.

Hon. QUENTIN N. BURDICK,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BURDICK: Thank you for your letters of July 30 and August 13 on behalf of H. J. Snortland, Assistant Superintendent, Department of Public Instruction, North Dakota, regarding the newly enacted State aid program which may affect payments to local educational agencies in the State pursuant to Public Law 81-874.

Section 5(d)(2) of Public Law 874 provides as follows:

"No payments may be made during any fiscal year to any local educational agency in any State which has taken into consideration payments under . . . (P.L. 874) in determining the eligibility of any local educational agency in that State for State aid (as defined by regulation), or the amount of that aid, with respect to free public education during that year or the preceding fiscal year, or which makes such aid available to local educational agencies in such a manner as to result in less State aid to any local educational agency which is eligible for payments under . . . (P.L. 874) than such local educational agency would receive if it were not so eligible." (Section 5(d)(2); 20 U.S.C. 240 (d)(2))

The pertinent portion of the recently enacted North Dakota statute (formerly Senate Bill No. 2026) provides:

"In determining the amount of payment due school districts for per-pupil aid under this section (providing support to elementary and secondary education in the State), the following *shall be subtracted from the amount of such aid:*

"* * * That amount in dollars of the state group rate for Title I of Public Law 81-874, 81st Congress, represented by the twenty-one mill county equalization levy in the determination of the state group rate multiplied times the number of students for whom the district received Public Law 874 payments." (emphasis supplied)

It is our understanding that the above State law would have the effect of subtracting from the amount of assistance provided to a local educational agency by a State, a portion of the amount paid under the provisions of P.L. 874. Thus a school district receiving no P.L. 874 payment would receive the full proceeds from a twenty-one mill equalization levy, while a district receiving a P.L. 874 payment would receive a lesser portion of the equalization levy. Under these circumstances, Section 5(d)(2) of P.L. 874 would permit no payments to be made under that Act to any local educational agency in the State of North Dakota.

Of course, the ultimate responsibility for the interpretation and application of the State provision in question is vested in officers of the State of North Dakota. There may exist, for example, other provisions of State law which could lead State officers to interpret or apply the statute in a manner different from that described above. However, we are not currently aware of any basis for such interpretation or application.

I have been informed that in September 1972, Mr. Snortland, in replying to a routine request from the Office of Education for State aid information, inquired about the effects a certain proposed State statute, Senate Bill No. 2026, might have upon P.L. 874 payments in the State. The Division of School Assistance, which is responsible within the Office of Education for the impact aid program, received copies of the proposed legislation from several local school district superintendents from North Dakota, who also expressed concern about its possible effects.

A preliminary review of the bill indicated that its passage would result in Section 5(d)(2) requiring that no payments be made to local educational agencies in the State. Mr. Snortland, in telephone conversations in September, October and December with Mr. Jack Thomas of the Division of School Assistance, was so informed.

The final review of the proposed legislation, confirming the conclusions of the preliminary review, was completed on March 12. On the same date, Mr. Snortland was informed of this fact in a telephone conversation with Mr. Thomas. Mr. Snortland indicated that the bill had not yet been passed by the legislature. The substance of the oral communication was also repeated in a letter to Mr. Snortland dated March 15.

The current pertinent State law provision was passed and approved by the Governor on March 23, 1973. There appears to be no change in the text of the provision from that reviewed prior to March 12. Consequently, Mr. Snortland has been informed that, if the State legislation is interpreted and implemented in such a way that it has the effects described above, no payments may be made pursuant to P.L. 874 in Fiscal Year 1974 to any local educational agencies in the State of North Dakota.

Since the Senate Bill was merely a proposed statute, which might have been amended or abandoned in the legislative process and since many other problems were pressing upon our limited staff at the time, we were unable to make a final formal determination with regard to the matter as promptly as we would have wished. Apologies have, however, been conveyed to Mr. Snortland for the delay between the date of his inquiry and that of our final response.

In his letter to you of August 3, 1973, Mr. Snortland indicates his belief that the U.S. Office of Education may not understand that "we are not planning to deduct payments from 874 applicants." The Director of the Division of School Assistance, Mr. Gerald Cherry, would be happy to discuss further with Mr. Snortland his understanding of the effects of the bill.

Sincerely,

PETER P. MUIRHEAD,
Acting U.S. Commissioner of Education.

Mr. BURDICK. Mr. President, let me be more specific. For the 1973-74 school year, North Dakota has requested a State rate of $481.65 per pupil to be paid districts having students whose parents both live and work on Federal property. The new North Dakota law provides that a portion of the Federal payment will be considered in allocating State funds.

North Dakota has a mandatory 21-mill levy which is included in computing the State rate per pupil. This amounts to about one-fifth of the State rate. The State allocates the proceeds from the 21-mill levy as a part of its State aid program. Section 5(d)(2) of Public Law 874 operates in such a fashion as to require that impacted districts receive a Federal payment which includes an amount equal to the 21-mill levy and also receive a State aid allocation from the 21-mill levy. Thus, the aid is received twice—once from the Federal Government and once from the State.

The new North Dakota law specifies that the amount which the school districts get from the 21-mill levy shall be subtracted from the State aid allocation. The State aid allocation to a Federal impact school is reduced by an amount equal to about one-fifth of the Federal impact payment.

An example is the Grand Forks Public School District, which is heavily impacted by students whose parents live and work on the Grand Forks Air Base. The district expects about $1,600,000 as a Federal impact payment. However, because the new State aid program eliminates the duplicate payment of some $289,000 to that district, Section 5(d)(2) of Public Law 874 will deny the payment of any Federal impact aid to the district.

North Dakota will be denied more than $5 million in impact aid this year. Kansas, as you have heard, has a similar problem.

I am confident that Congress will develop a permanent, comprehensive solution to this problem. However, the situation in North Dakota is extremely pressing. What we are attempting to do today is suspend the operation of section 5(d)(2) to permit the disbursing of these needed funds until the Federal policy has been settled by permanent legislation.

Mr. ALLEN. Mr. President, the Senator from Kansas raised a question concerning the amendment. I understand the amendment has no application to the school lunch program but does have application to the impacted aid areas.

Through some quirk in recently passed laws in Kansas and North Dakota, the respective States have been unable to receive the impacted aid to which they would otherwise have been entitled. Is that correct?

Mr. DOLE. The Senator is correct.

Mr. ALLEN. However, the Senator's amendment would have no effect on any waiver of plans in this fiscal year, concerning the laws of States of Kansas and North Dakota.

Mr. DOLE. The Senator is correct. I might add that action taken by a special session of our State legislature would not solve the problem, since the State would, without the time for comprehensive action, be forced to revert to its old State assistance law which had been ruled unconstitutional, so at the present time Federal action is the only adequate remedy we have. This is why I bring up this urgent proposal.

Mr. ALLEN. The study indicates that North Dakota and Kansas would get no less under this program than they would have received had the laws with respect to those States been changed.

Mr. DOLE. That is correct. There is no additional appropriation. It merely permits the payment of what is already theirs.

Mr. ALLEN. So sometime during this fiscal year Kansas and North Dakota would have to change their laws to make them compatible with Federal law on this subject.

Mr. DOLE. The Senator from North Dakota and I have discussed this matter briefly today along with the Senator from Rhode Island. We believe this will give the State governments time to enable them to take another look at their situation and also give us an opportunity to deal in a more comprehensive fashion with the conflict that is developing between the law which assures that impact aid funds do actually benefit the impacted district, and on the other hand, the effort of the States to enact effective and equitable equalization statutes.

Mr. ALLEN. I thank the distinguished Senator.

Mr. YOUNG. The same amount as in the past will be paid to each of the States, but it is true that the highly impacted schools in Grand Forks and Minot are ones which will be receiving less money under the new State laws. That is why this law has to be temporarily suspended, so far as our States are concerned. Either that or we will have to have a special session to change our law.

Mr. ALLEN. That will have to be done unless some different method can be devised.

Mr. YOUNG. That is correct. For many years, the Senate Appropriations Committee has been determining the formula under which impact funds would be paid, from 75 percent up to 100 percent. I think it will be necessary to look into the whole impacted funds program and to make some changes.

Mr. ALLEN. I thank the Senator from North Dakota.

Speaking for the committee, we would have no objection to the adoption of the amendment and taking it to conference, to see what can be worked out.

Mr. PELL. Mr. President, I am in favor of the amendment proposed by Senators BURDICK and DOLE respecting the consideration of impact aid funds in State aid formulas. Under present law, section 5(d)(2) of Public Law 874 places a penalty on any State which takes impact aid payments into consideration in its allocations of State aid for free public education.

This provision was adopted in 1968 in order to prevent States from substituting Federal funds for State funds in their State aid programs. At that time, several States were deducting 874 payments from State aid payments to local educational agencies. This practice was found unconstitutional and inconsistent with Federal law by several courts, and, therefore, the Congress placed the section 5(d)(2) penalty in the law in order to enforce the decisions of the Federal courts.

Since 1968, the States have been developing State equalization formulas which are designed to equalize expenditures for education among local educational agencies. In doing so, I understand a few States have wanted to consider 874 payments to be local resources in computing local ability to fund education. This has not been possible because of the penalty language in section 5(d)(2) of Public Law 874.

Senator BURDICK has made presentations to the Subcommittee on Education indicating that the penalty provision acts unfairly against States attempting to equalize expenditures. For this reason, the Subcommittee on Education will study the effect of such section 5(d)(2) and, if merited, recommend changes in that provision designed to foster greater equalization.

As I understand the amendment proposed by the Senators from Kansas and North Dakota, it would suspend the operation of section 5(d)(2) of Public Law 874 for fiscal year 1974. In the meantime, it is hoped that the Congress can enact amendments to that provision and give the States an opportunity to modify State law accordingly.

The PRESIDING OFFICER. Do the Senators yield back the remainder of their time?

Mr. ALLEN. I yield back the rest of my time.

Mr. YOUNG. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. STEVENS. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS' amendment is as follows:

On page 2, line 1, strike out "sentence" and insert in lieu thereof "sentences".

On page 2, line 5, between the period and the quotation marks, insert the following: "Notwithstanding any other provision of this Act, the amount of any funds which would otherwise be paid under sections 4 and 5 to the State of Alaska during any fiscal year shall be increased by an amount equal to 25 per centum."

On page 2, between lines 5 and 6, insert the following:

(c) Section 10 of the National School Lunch Act is amended by adding at the end thereof a new sentence as follows: "Notwithstanding any other provision of this Act, the amount of any funds which would otherwise be disbursed to any school under this section in the State of Alaska in any fiscal year shall be increased by an amount equal to 25 per centum."

On page 4, line 20, between the period and the quotation marks, insert the following: "Notwithstanding any other provision of this Act, the amount of any funds which would otherwise be paid under this section to the State of Alaska during any fiscal year shall be increased by an amount equal to 25 per centum."

On page 4, between lines 20 and 21, insert the following:

"(d) Section 4(f) of the Child Nutrition Act of 1966 is amended by adding at the end thereof a new sentence as follows: "Notwithstanding any other provision of this Act, the amount of any funds which would otherwise be paid under this section to any school in the State of Alaska in any fiscal year shall be increased by an amount equal to 25 per centum.".

Mr. STEVENS. Mr. President, with the unprecedented increase in food costs across the Nation, the action to increase the school food program reimbursement rates is greatly needed. As very few agricultural products are locally grown in my State of Alaska, we have long known the effect of high food costs on our budgets. With the general inflationary trend of the economy, food products in Alaska have not only increased by the amount of increase in agricultural products, but also by the higher costs of transportation and labor.

Last year the Fairbanks North Star Borough School District was losing 17 cents on every free type A lunch—this loss had to be absorbed by those children who could afford to pay for their lunch. Last year the median figure for Federal support for school lunch programs was 25 percent—in Fairbanks it was only 17 percent. As Fairbanks is our second largest city in Alaska, many areas of the State experience costs substantially higher, for one of the unique features of Alaska is that it is cheaper to live in an urban area than in a rural one.

For these reasons I am introducing an amendment which would increase the reimbursement rates for all school food programs by 25 percent for Alaska. I ask that my colleagues recognize our responsibility to provide school food programs for all students on an equitable basis.

Mr. President, I have discussed this matter with the manager of the bill and the Senator from Nebraska.

I would point out that if you examine the law that was in effect prior to last year, the Secretary of Agriculture did in fact have discretion to increase these allowances. With the law that is in effect today, that is impossible. However, the Department of Agriculture does allow an increase in the amount of income to determine eligibility, and that is 20-percent higher than for the rest of the country, so that we have, in effect, 25 percent more students to provide free lunches to, but we get the same amount of money that the other States get.

For instance, we served 269,040 lunches under the national school lunch program—I am quoting from page 8 of the committee report—and received $111,541. Our sister State of Wyoming, which is approximately the same size as ours, served less than half the number of lunches, 117,944 compared to our 269,040 lunches, and they received more money. They received $111,797, and we received $111,541.

That is the problem with this program. When you approach the magnitude of the cost of living that we have, you find some real disparities, like that which determines that eligibility is to be allowed on a cost of living basis making people whose annual income is 20-percent higher than the standard in what we call the South 48 States eligible, but at the same time giving us the same amount of money that the other 48 States get, so that we thus have an unfair circumstance.

I am told that if you use the urban United States as a standard index of 100, while metropolitan areas generally in the country would have a cost of living index of 102 and nonmetropolitan areas would have 93—Austin, Tex., for example, would have 88 and Nashville Tenn., would have 91—Anchorage, Alaska, would have an index of 153, and that is the lowest cost of living we have in the State.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for a question or two?

Mr. STEVENS. I am happy to yield.

Mr. CURTIS. Does the Senator's amendment relate to more than one State?

Mr. STEVENS. It relates only to Alaska. It relates to providing discretion to pay up to 25-percent higher than the standard that would apply to the other States.

Mr. CURTIS. This is a cost differential by reason of the difference in the level of the cost of living?

Mr. STEVENS. Not only that, but also that we have already recognized that in the eligibility.

For instance, a family of three must have an income of $3,450 or less to qualify for a reduced price lunch in the lower 48. In Anchorage, the limit is $4,170, so that we have an expanded eligibility area, but we do not have an expanded rate of compensation to make up for our increased costs.

Mr. CURTIS. For the record, what precedents are there for giving special treatment to Alaska in various Federal programs by reasons of their unusual prices there?

Mr. STEVENS. Immediately there comes to mind the fact that we pay our Government employees 25 percent more as a cost-of-living differential.

Mr. CURTIS. Federal employees?

Mr. STEVENS. Federal employees. On our housing programs, we are allowed 25 percent higher in terms of the loan eligibility rate. There has been constant recognition by Congress of the fact that Alaska has the highest cost of living in the Nation, and that is what this amendment seeks.

Furthermore, I know that prior to the act of last year, the discretionary features of the school lunch program did in fact permit the Secretary of Agriculture to meet the cost. All we are seeking is a cost level, and obviously not to try to make any money out of the program.

While the Senator from Alabama was out of the Chamber, I pointed out that the problem is, as graphically shown in the chart on page 8 of the committee report, that my State receives less money than Wyoming in assistance under this program, and yet pays for twice as many lunches because of the eligibility factor.

I really hope that the Senator will take the amendment to conference. I would be happy if we could restore the discretion which the Secretary of Agriculture had previously. For reasons unknown to me, they sought to do away with that last year, and that is why, rather than take on the national problem, I have put in the amendment to take care of the Alaskan problem only.

Mr. ALLEN. Mr. President, I yield myself so much time as I may use.

Mindful of the problem that the State of Alaska has in this connection, with the high cost of living there, and also mindful, of course, of the high per capita income of the people of the State of Alaska, and mindful as to what sort of precedent we may be setting here, and that other States may come forward and say, "On account of our high cost of living we need a different differential," or that a State might come forward and say, "Our per capita income is so very low that we need more Federal assistance and less State and local assistance," in a Union of 50 States it is somewhat difficult to say that one rule will apply on a program of this sort in one State, but a more generous rule will apply to another State, so that 49 will follow one rule and the other State have a different rule.

But in view of the statement of the distinguished Senator, he being willing to get out of the conference the giving to the Secretary of discretion in this matter, it might be that something can be worked out in conference, and after conferring with the distinguished Senator from Nebraska, the ranking Republican member of the committee, in behalf of the committee we would agree to accept the amendment and take it to conference, to see what might be worked out.

Mr. STEVENS. I am indebted to the Senator from Alabama for his consideration. I do hope that will be the outcome.

I ask unanimous consent to have printed in the RECORD at this point the letter from the Fairbanks North Star School District which started this line of inquiry so far as I am concerned.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FAIRBANKS NORTH STAR BOROUGH
SCHOOL DISTRICT,
Fairbanks, Alaska, May 26, 1972.

Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STEVENS: Since the Universal Child Nutrition and Nutrition Education Act, S. 2593 has been brought before the Senate, I would like to provide you with a little additional information with regard to the Alaska School Lunch Program.

Just yesterday I received a bulletin from our State School Food Coordinator indicating that the breakfast reimbursement rate was to be reduced from 15c to 5c and 20c for free breakfasts. We have had an extremely good breakfast program going here in Fairbanks this year and have been able to provide this breakfast for a charge of 25c in the elementary schools. With the 15c reimbursement, we were also able to provide the very needy students a free breakfast.

The new regulations not only reduce our total potential revenue; but also make it mandatory that we provide more free breakfasts. In addition to this, the poverty level for the State of Alaska has been raised and we will now have to provide more free lunches and breakfasts.

Our local school board has made it clear that they plan to put no money into the school food service program—it is to break even. This means that the middle income children will carry a greater portion of the program costs in the form of higher prices to those who can afford to pay.

The saddest part of the federal reimbursement plan is that the same rate of reimbursement is applied to all school districts. As an Alaskan you know that some adjustment needs to be made for the cost of living in the different areas of the country. In the autumn of 1971 urban family budgets were compared geographically by the Bureau of Labor Statistics. Urban United States would have an index of 100; while metropolitan areas would be 102 and nonmetropolitan areas 93. Austin, Texas was 88, Nashville, Tennessee, 91, and Anchorage, Alaska, 153 (Fairbanks is higher still); yet, we all will receive the same 5c reimbursement for breakfasts, or 20c for free breakfasts.

The food costs for our meals run about 31c with an additional 5½c in commodities to use for each meal. Our labor costs are 27c per meal. In our district other costs are also charged to the program which amount to 5c per meal. This includes electricity, repair of equipment, office supplies, new equipment, etc.

When we receive 46c for every free Type A lunch we have lost 17c and this 17c will have to be made up through an increased charge to every paying child. In Austin, Texas and Nashville, Tennessee that 46c would have paid for the meal.

In an article in *School Management*, dated February 1972, the median figure for percentage of federal support was 25 percent throughout the United States. In Fairbanks this year it is 17%. The median for state funds was 10 percent. In Fairbanks there are no state funds allowed for the local school districts which are not state operated or B.I.A.

Although Fairbanks has a mean level of income of about $14,000 per year, there are many families—in some of our schools as high as 16%—falling below the poverty level. In Anchorage, Alaska, $11.037.42 would be necessary to live on a lower level budget as calculated by the Bureau of Labor Statistics. $16,785.63 would be necessary to live on an intermediate budget.

Any assistance you can give us will be appreciated. If we can provide you with further information, we will be happy to do so.

Respectfully yours,
(Mrs.) MARGUERITE STETSON,
Food Service Director.

Mr. STEVENS. I would be most willing and anxious to work with the committee to try to work it out, if there is any other way to achieve what I seek to achieve, and that is just a break-even point for the school districts in my State, so that they will not lose money by serving the so-called free lunches and breakfasts.

The PRESIDING OFFICER. Do Senators yield back the remainder of their time?

Mr. ALLEN. Mr. President, I yield back the remainder of my time.

Mr. STEVENS. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Alaska.

The amendment was agreed to.

The PRESIDING OFFICER (Mr.

HELMS). The bill is open to further amendment.

Mr. HATHAWAY. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

The text of the amendment is as follows:

H.R. 9639

At the end of the bill add a new section as follows:

STATE ADMINISTRATIVE EXPENSES

SEC. 9. Section 7 of the Child Nutrition Act of 1966 is amended by inserting "(a)" immediately after "Sec. 7." and by adding at the end of such section a new subsection as follows:

"(b)(1) There are authorized to be paid for each fiscal year beginning with the fiscal year 1974, to State educational agencies an amount equal to 2 per centum of aggregated payments made to such agencies by the Secretary under the National School Lunch Act and the Child Nutrition Act of 1966 in the preceding fiscal year, to assist in the administration and supervision of the programs authorized under such Acts: *Provided,* That not less than 75 per centum of any funds used under this authority shall be directed to the employment of field nutrition supervisors and auditors who have a certificate of training in the subject areas or the equivalent in field supervisory or auditing experience: *Provided further,* That the funds expended under this section shall be used to supplement the existing level of administrative support services and expenditures therefor for the child nutrition programs in each State. Nothing in this subsection shall be construed to prohibit any State from utilizing for administrative expenses any funds otherwise made available to it under this Act or the National School Lunch Act to the extent that the use of such funds for such purpose is necessary for the effective operation of the programs under such Acts.

"(2) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section."

Mr. HATHAWAY. Mr. President, the gist of the amendment is that it adds on to the authorization an amount equal to 2 percent of what was actually expended in the last fiscal year for administrative funds. This does not take the 2 percent out of the money being allocated by the bill for the substantive provisions of the act.

It has come to my attention that many States, particularly the small States such as Maine and others not so well off, have not been able to use the administrative funds provided for under the act because they need all the money to purchase food for the children. This amendment, therefore, would be of some help to those States that need the money to administer the program properly.

The program, although it is good in design, will not work out very well if we cannot administer it properly. At the present time, many States are using volunteers and underpaid staffs in order to carry out the program. This 2 percent, which amounts to, this year, less than $20 million—19.5 million, based on the 2 percent of the sum of $975 million expended last year—is not a large amount, yet it would be of considerable help in administering the law.

This was an amendment that was incorporated in the bill which was sponsored by the Senator from Minnesota (Mr. HUMPHREY) and many of us, but was, for some reason, dropped from committee consideration.

I would hope that the committee would reconsider it at this time—especially when it is an add-on and does not come out of the funds to purchase food—and will acquiesce in this amendment so that the Senate can take it to conference with the House.

Mr. HUMPHREY. Mr. President, will the Senator from Maine yield?

Mr. HATHAWAY. I yield.

Mr. HUMPHREY. The Senator is correct that the proposal he advances today was a part of my bill, S. 1063, which the Senator helped with and cosponsored. Assistant Secretary of Agriculture Yeutter, in general, supported this proposal which the Senator from Maine has just advanced. I have Mr. Yeutter's testimony before me, in which he said in part:

> For the present, we recommend that S. 1063 be amended to provide a more general authorization for State administrative expenses, training of nutrition program workers and administrators and special developmental projects. Specifically, we would propose that States be permitted to use up to two percent of the funds expended for child nutrition programs in the previous fiscal year to finance projects in those three areas. This would enable States to better allocate available resources to meet their needs.

Now here is the important sentence:

> Needless to say, such an authorization—

Which is what the Senator is seeking to do here—

> —would presently be subject to the appropriation process; and budget proposals would, as now, be subject to approval by the Secretary of Agriculture.

So there is general support for the need of a larger amount to be made available for administrative purposes and I think that is what the Senator is addressing his amendment primarily to.

Mr. HATHAWAY. Yes, that is correct.

Mr. HUMPHREY. We considered this in committee and I must be candid about it, it was not looked on with favor, even though it was meritorious; but I am accused of being overgenerous on these things. I do not happen to believe that taking care of the basic needs of a school program for our children is any form of generosity but a wise investment.

Mr. HATHAWAY. Mr. President, I agree with the Senator 100 percent. He is not over-generous in supporting a 2 percent allocation for these funds. The people in my State administering this program asked me to push for 2.5 percent. They based that on the cost of administering the program last year and in previous years. I think that 2 percent is by no means an over-generous authorization, and I would be in hopes that the membership will support the amendment.

Mr. President, I reserve the remainder of my time.

Mr. ALLEN. Mr. President, I yield myself such time as I may require.

The bill before us was the committee's recommendation on the House bill. The House bill adds millions of dollars. The committee adds millions of dollars. Now the Senate, by its votes today, adds more millions of dollars to the bill. The amendment offered by the distinguished Senator from Maine (Mr. HATHAWAY) may well be the amendment that will defeat the bill and will cause a veto of it. It may well be the straw that breaks the camel's back.

We say here that 2 percent of money going to the States under the school lunch program shall be set up for State administrative expenses. Well, that sounds mighty small, but it amounts to $30 million. We have already gone $300 million over last year and $400 million over the budget. Now, to add another $30 million is just inviting and insisting on a veto of the measure.

If the U.S. Government can put up $1.5 billion, why in the world cannot State and local governments put up 2 percent of that figure? Do they expect the Government to come in and appropriate $1.5 billion, running up under the bill actually to $1.8 billion after the amendments that have been agreed to here, and then have the States unwilling to put up this 2 percent?

Well, let us not add another $30 million. Let us say to the States, "Why can't you put up the 2 percent?"

This is supposed to be a program in which State and local governments cooperate with the Federal Government. If they are not willing to put up 2 percent, let us quit calling it a cooperative program. Let us not add another $30 million to the expenses of the U.S. Government to a bill already some $400 million over last year and $300 million over the budget, and expect the President to sign the bill. He has already shown that he will veto bills that exceed his budget requests. If we go $400 million over the budget, is it good judgment to add still another $30 million?

Mr. HUMPHREY. Mr. President, will the Senator from Alabama yield?

Mr. ALLEN. I yield.

Mr. HUMPHREY. The Senator recalls, I am sure, our conversation about this in committee. As I say, the committee did reject the 2 percent as an add-on. The problem that comes up is one that we can manage. Some States do have difficulty meeting some of the administrative costs. Other States do not. I have spoken and have been visiting with the Senator from Maine (Mr. HATHAWAY), and it seems to me that if we would follow the suggestion the Department has given us; namely, that we can use up to 2 percent out of whatever funds are available to us under the program, in our State, it is not an add-on.

May I say to the Senator from Alabama that we have put up the 2 percent of funds available under the program which does not increase the appropriation or increase the requirements, but it gives some States more flexibility because some States have a difficult time and others do not. So that I think that might overcome some of the difficulties we face here.

Mr. ALLEN. What the Senator is suggesting is to take this $30 million away from the plates of the school children and make it available to State bureaucracies——

Mr. HUMPHREY. No. What I am suggesting, to the man who believes so strongly in State's rights, is for the State to make that judgment that they can take up to 1 percent. The point would be made to take it up to 2 percent, because we have increased substantially the sums under this bill, and I do not think that is going to break the back of the school lunch program.

Mr. ALLEN. What is the authority for saying that they can go up to 1 percent?

Mr. HUMPHREY. That is what I understand they have authority to pay now.

Mr. ALLEN. According to the Department of Agriculture, they are paying $3.5 million.

Mr. HUMPHREY. I said "up to." I understand they can go "up to" 1 percent, although the Department contributions for that purpose is now running below that 1 percent level. That indicates the point I was making earlier—namely, that what is being provided here is the opportunity for States to develop their nutrition education programs, special services programs, up to a maximum of 2 percent.

Mr. ALLEN. But that would be taking away from the furnishing of food.

Mr. HUMPHREY. That is correct, which I would rather not happen, but all I am trying to do here is arrive at a compromise.

Mr. ALLEN. And it would then make the school lunch program come up that much short.

Both Senators from Alabama are strong believers in State's rights and strong believers in State's responsibilities; and if the Federal Government can pay 100 percent of the food program, the States ought to be able to pay 2 percent of that figure for overhead.

Mr. HUMPHREY. The Federal Government does not pay 100 percent.

Mr. ALLEN. A hundred percent of this figure.

Mr. HUMPHREY. I just offered this as a possibility of bridging the gap between what would be an add-on to the authorizations we are discussing here, as compared to a draw-down from those authorizations.

Mr. ALLEN. The Senator from Alabama has pointed out that that would be a backward step from what the Senator has already accomplished here. By adding the additional 2 cents to the money paid under section 4, he got $41,750,000 for each cent he raised that allotment. Here he is going to be waiving almost the whole cent of that increase, which would not be in the best interests of the school lunch program, in the judgment of the Senator from Alabama.

Mr. HUMPHREY. The Senator has made a powerful argument for the amendment of the Senator from Maine. I will back off. I did not know he wanted to support the Senator from Maine. If he believes we ought not touch these funds in any way, I think the Senator from Maine has a good case.

Mr. ALLEN. But the Senator from Alabama suggested that 2 percent be paid by the States as their contribution to this program. They ought to be willing to pay 2 percent.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. CURTIS. We should also keep in mind that a program of revenue sharing has been inaugurated, by which the Federal Government sends sums to the States and localities, some of which is not at all earmarked. We are providing such great sums in this school lunch and nutrition program that I believe that to further pay from Federal funds the cost of administration would not be a good, wholesome arrangement with the States and localities.

Mr. HUMPHREY. When the Senator from Nebraska mentioned revenue sharing, I could not help thinking, as a retired pharmacist, that we used to have a liniment years ago that was a sort of a general, all-purpose liniment, a kind of snake-oil compound. That is what revenue sharing has become. When anything comes up now, it is said that we have revenue sharing, and we can take care of all needs through such funds—to mend the holes in your socks, cure arthritis, a remedy for diabetes, take care of the manholes and sewers and water problems. It cannot cover them all, even though revenue sharing goes a long way. It is like Lydia Pinkham's compound.

Mr. CURTIS. It is a substantial item in the Federal budget, and most States have not turned it down.

Mr. ALLEN. Mr. President, the bill as now amended on the floor of the Senate raises last year's appropriation by $400 million. There is no showing whatever of the States putting up another dime. If the States did put up this 2 percent, it would require $30 million. Surely, they can put up $30 million if the Federal Government can put up $400 million extra.

I hope the amendment will be rejected.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. HARRY F. BYRD, JR. The Senator from Alabama mentioned the increase in the bill now before the Senate is $400 million more than what was appropriated last year.

Mr. ALLEN. That is correct.

Mr. HARRY F. BYRD, JR. Would the Senator from Alabama indicate what percentage increase that represents?

Mr. ALLEN. It raised it from approximately $1,394,000,000 to $1,800,000,000.

Mr. HARRY F. BYRD, JR. In rough calculation, that is a 30-percent increase?

Mr. ALLEN. That is correct.

Mr. HARRY F. BYRD, JR. I think the school lunch program is a good program. I am just wondering whether we can justify so large an increase in this critical period of our budgetary problems, although I realize the cost of food has increased.

Mr. ALLEN. Does not the Senator feel that the States could take over this 2-percent cost?

Mr. HARRY F. BYRD, JR. I think the States should.

The PRESIDING OFFICER. All time of the Senator from Alabama has expired.

Mr. HATHAWAY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 5 minutes.

Mr. HATHAWAY. I should like to comment on a couple of points that have been made by the opponents to the amendment, particularly the last point.

My amendment takes 2 percent of the funds actually expended in the prior fiscal year for the substantive part of the program. This means that since we spent $975 million on the program last year, we would take 2 percent of that, which comes to $19.5 million, and add that to the amount that would be expended this year. It is not 2 percent of everything that has been added on here today to what was in the bill originally. It is 2 percent of what was actually expended last year. And since it will continue that way from year to year, it will be 2 percent of what was expended on the substantive part of the program during the previous fiscal year. In most cases, this will not amount to 2 percent of the authorization or even the appropriation if the money is not actually expended.

In addition, I make the point that many States are spending a considerable portion of their own funds on administration of this program.

The third point is in answer to the Senator from Alabama's statement that if we keep adding on amounts, we are going to wind up with a bill that the administration might veto. I do not think this add-on would cause the administration to veto this bill, because the administration witness testified in support of this provision.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine. (Putting the question).

The "nays" appear to have it.

Mr. HATHAWAY. Mr. President, I call for a division.

The PRESIDING OFFICER. A division is called for.

The Senate proceeded to divide.

Mr. HATHAWAY. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The nays have it. The amendment is rejected.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. BUCKLEY. Mr. President, I will vote in favor of the bill as reported out by the Senate Agricultural Committee with considerable reluctance. The Senate version would add $217 million to the cost of the program, which the House had already increased by more than 20 percent over last year.

We all recognize that there has been a sharp rise in the cost of food in recent months but the rise does not begin to equal the 43 percent reflected in the

Senate version as before floor amendments were adopted. It seems to me that the House bill is more appropriate to existing needs. I want the Record to show that while I am voting in favor of H.R. 9639 as modified by the Senate, I fervently hope that what will emerge out of the conference will be far closer to the original House version than to that of the Senate. We simply must learn to exercise some degree of fiscal self-discipline if we are to bring inflationary forces under control.

SCHOOL LUNCH AND SPECIAL MILK PROGRAMS

Mr. BIDEN. Mr. President, because of the tremendous rise in the prices of food and labor and the scarcity of many commodities once in abundant supply, the cost of the preparation of meals for our schoolchildren has increased sharply.

I have recently been in contact with educators from my home State of Delaware. They inform me that the average price of a school lunch will go up from about 66.7 cents to between 70.7 cents and 73.4 cents—an increase of 4 cents to 7 cents. This situation is not peculiar to Delaware, however. The expense of producing these meals has risen even higher in other parts of the country.

It is up to us in the Congress to take corrective measures needed to insure that our children continue to receive nutritious meals at reasonable prices. If this remedial action is not taken quickly, the cost of school lunches will increase about 5 cents in Delaware and at least twice that amount in other areas. This should not be allowed to happen.

For the children of many needy families, the food they receive in school is the only nutritious, well-balanced meal they get all day. It takes more than capable teachers aind motivation for a person to receive a good education. A child who is hungry is not going to be able to learn properly. Fortunately, a large number of children in this situation qualify for free school feeding programs. Children from lower middle-income families are caught in a serious bind, however, because of increased costs. Many are just over the borderline of qualifying for free breakfasts or lunches and, therefore, stand the best chance of dropping out of the school food program altogether. U.S. Department of Agriculture surveys indicate that for every penny increase in the price of a school lunch, 1 percent of the students withdraw from the program. If projected increases go into effect as planned, this would mean that 1 million children might drop out of the school lunch program.

Several times in the recent past, Congress has met to adjust the Federal share of nutrition programs for students. Rather than constantly face this prospect and subject the programs to uncertain financing, I think it would be wise to write into this school lunch and child nutrition bill, H.R. 9639, a cost of living escalator, as was suggested to me 2 weeks ago in a meeting with members of the Wilmington school board. This would automatically take into account such factors as the costs of food and labor, the availability of commodities supplied by the USDA, and the national average payment of a school meal.

I consider the committee bill to be a good one and a step in the right direction. However, I do not feel it goes quite far enough. Therefore, I am pleased to join my colleagues Senators Humphrey and McGovern in sponsoring amendment No. 534 to this bill. This amendment would increase the Federal share of each school lunch from 10 cents, as the committee recommends, to 12 cents and insert the aforementioned reimbursement escalator. It would also modestly raise the cutoff point for reduced price lunches so that many of those students from lower middle income families could remain on this worthwhile program.

Another matter that concerns me greatly is the plight of the special milk program. This program, which has gained broad acceptance throughout the land, has been in danger of being mangled in the guise of a cost-cutting measure. The administration has proposed to deny this program to all schools serving the normal "A" type lunches and, in so doing, cut the money for this valuable aid to good health by three-fourths. To me there is no more important food to growing children than milk, and I think this ploy is very poor economy indeed. I was very heartened to hear that the House conferees on the agriculture appropriations bill agreed to fund the full amount suggested by the Senate which would bring it up to the same level as last year. It is very unwise to tamper with a program so nutritionally beneficial to our children.

Mr. President, I ask unanimous consent that this letter addressed to Senator McGovern from Robert C. John, Delaware Supervisor of School Food Services, concerning the school lunch program, be placed into the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of Public Instruction,
Dover, Del., August 31, 1973.

Senator George McGovern,
Chairman, Select Committee on Nutrition and Human Needs, U.S. Senate, Washington, D.C.

Dear Senator McGovern: This is in reply to your July 24 telegram about the problems of operating the Child Nutrition Programs in view of increasing food and labor costs associated with these program operations. The following is a restatement of your questions and my replies to each.

Question 1. What do you estimate will be the average cost in your state of producing a lunch this coming year? A breakfast? How will this compare to last year?

Based on whether a 6% or a 10% inflationary factor is applied to last year's cost of producing a Type A Lunch, I project a cost of between 70.7¢ and 73.4¢ as an average cost for producing a Type A Lunch in Delaware during the 1973-74 school year. Applying the same inflation factors to the breakfast, I project a cost of 25¢ to 26¢. This compares with 1972-73 school year costs of 66.7¢ and 23.6¢ respectively.

Question 2. Will the student's price be increased per lunch? Per breakfast? How much, on the average, would the increase be?

Unless remedial legislation such as H.R. 9639 or S 1063 becomes law, I project a general state-wide increase in student lunch and breakfast prices. As you know, the Administration has defended the continuation of present reimbursement rates as a matter of national priorities. They have suggested that any additional revenues needed for program support be obtained either from States in some cases where there have been revenue surpluses or that, since family income levels are higher than ever, the revenues be obtained by increasing the prices to the child. Since Delaware is not one of the States with a revenue surplus, I can only conclude that additional revenues needed for program support will come from increased prices to the students.

Last year the state-wide average price of a lunch was about 35¢. If, for coming year, we add to that figure 15¢ per lunch in Federal assistance (assuming some sort of remedial action regarding commodities) and 10¢ in State assistance (in the form of State paid salaries of food service supervisors and managers), we arrive at a per lunch income of 60¢, which according to my 1973–74 cost projections is 10–13¢ less than the total cost of producing a lunch. Assuming that local sources may help out with about 10% of the total cost in the form of in-kind assistance (custodial services, payment of utilities, delivery costs, etc.), this would add another 7 or 8¢ to the average school's per lunch income. This aggregate of about 67 or 68¢ still leaves the school from 2 to 5¢ per lunch short of actual production costs. Therefore, I would predict average lunch price increases of about 5¢.

The breakfast program presents a slightly different problem as to rising food and labor costs. Since about 85% of the breakfasts are served free, any increase in price to the paying children, however substantial, would not be sufficient to offset the 5 or 6¢ greater cost than the maximum reimbursement presently allowed for free breakfasts (20¢). Thus, unless this office could authorize these participating schools as "especially needy" on the allowable criteria of "unusual costs required to provide a breakfast in the school in spite of the observance of good management practices", some of the schools may choose to drop out of the program.

Question 3. Do you anticipate a decrease in the availability of commodities? Will this affect costs appreciably?

All information received by this office indicates an increasingly bleak situation as to the availability of commodities for the coming school year. Certainly, the outlook is very unfavorable with regard to the more valuable commodities such as red meats and dairy products. And, even though canned fruits and vegetables may be available in sufficient quantities, higher prices for them will mean lesser quantities purchased. Recently, there have even been speculations of relative shortages of commodities heretofore in abundant supply such as flour and other various grain products. It would seem logical that there would be a direct relationship between any decline in per meal value of donated commodities and the added cost of meal production that would have to be borne by individual programs. In fact, meal costs might increase slightly more than the decreasing value of the commodities since it would cost the average school or school district more to purchase foods of the type previously donated because of the lower purchase prices by USDA due to the volume of their purchases. That is, schools would generally pay more for the same type of foods than would USDA purchasing on a national basis.

Question 4. If the reimbursement rates are not increased, what will the specific effects be in your state? If they are, will participation (increase)?

Unless meal prices to the students are increased by the amounts projected in the answer to Question 2, it is likely that, by the end of the school year, many of the school district food service programs will be operating at a deficit. At the least, many of the school districts' contingency reserves will be vastly reduced or non-existent.

The second part of your question has been misstated in the telegram, and it is difficult to interpret. If you mean "Will increased reimbursement rates increase participation?", the answer is not appreciably, since we have broad participation by the schools in the programs and rather high participation within these schools. However, increased reimbursement rates would permit program solvency. If your question means, "If reimbursement rates are *not* increased, will participation decrease?", I would predict some decline in participation, but not to the degree experienced in the past when prices were raised since at home "brownbag" lunch production costs will also vastly increase.

Question 5. What suggestions would you make to maintain and improve these programs in light of increased costs?

As is often the case, additional funding will alleviate many problems. Certainly, the increased reimbursement rates proposed by H.R. 9639 and S. 1063 would maintain program solvency and improve the programs insofar as their relationship with the total school district administration. If the school food service programs can avoid becoming a fiscal "millstone", they can continue their efforts to be accepted as a vital and integral part of the total scholastic offering to the children. In addition, provision for administrative expenses for the State distributing agencies to help reduce the cost of commodity delivery and services, would further assist the schools.

Further, since successful food service operations depend, to the maximum extent possible, upon uniformity of menu offerings (with reasonable variety) and a high volume of participation to keep costs at a minimum, reinstitution of Federal regulations concerning the time and place of the sale of competitive food items would be of inestimable value to the stability of the school's Type A lunch and breakfast programs. The more variables that are introduced in the form of competing snack bars, food concessions etc., the more difficult it becomes to project and maintain the large volume and steady participation needed for optimum operating efficiency of the school food service programs.

For this reason, I believe legislation that would rescind Section 7 of P.L. 92–433 would be most beneficial to achievement of one of the prime goals of school food service programs—to fulfill its role as an educational laboratory which provides a nutritional environment in which the child can learn to make wise food choices.

In meeting this objective, we fulfill the obligation we have to parents to safeguard their children's health and well-being as mandated by the National School Lunch Act.

We have a further duty to parents to see that the money they invest in school lunch programs, both as a portion of their taxes and as payment for their children's lunches, is spent in the most beneficent and efficient manner possible.

Thank you for asking for my views and for the consideration you have given them.

Sincerely,

ROBERT L. JOHN,
State Supervisor, School Food Services.

Mr. ABOUREZK. Mr. President, there can be little question that school districts all across the country are currently facing a severe financial crisis due to the rising cost of operating a school lunch and school breakfast program. Rising food costs, which have had a dramatic impact on individual families across the Nation, are also affecting food programs supported by the Federal Government. The children of our Nation are caught in the middle of the inflationary squeeze.

In recent weeks, school officials from all over the country have expressed concern about their ability to continue to operate an effective school lunch program. Faced with unprecedented escalation of food costs, many school districts have been forced to take emergency measures. They have begun to reduce the quantity and quality of meals served in schools, and they have raised the price that students must pay for a meal.

These emergency measures can only compound an already critical problem. And, what is most disturbing, they have placed the whole school lunch program in jeopardy.

I am greatly concerned about this mounting problem, and I am convinced that the Congress must act, and must act now, to forestall any possible deterioration in the school lunch program.

In my view, there can be little doubt about the merits of this Federal program. Its value in terms of the nutritional health and well-being of our Nation's schoolchildren can be seen in communities all across the United States. Any large scale decrease in participation in this program will certainly have a disastrous impact on the nutrition of these children.

Due to increased food, labor and transportation costs, the prices of lunches and breakfasts in a majority of the States is up 5 to 10 cents. Meanwhile, Agriculture Department studies indicate that for every 1-percent increase in meal prices, participation in the school lunch program drops 1 percent. Translated, this means that some 800,000 students from low- and middle-income families will probably cease their participation in the lunch program this year.

The implications of these statistics are as distressing as they are obvious. Any large scale decrease in participation in the school lunch program will inevitably initiate a chain reaction that will have a negative effect upon the nutrition of many schoolchildren. It is apparent that, caught in the inflationary squeeze, many children will drop out of the school lunch program and begin to bring their lunches to school. Commonsense and past experience repudiate any suggestion that the nutritional value of these brown-bag lunches will be equal to that of school-provided lunches.

Furthermore, any decrease in participation in the school lunch program by paying children will have an even more disastrous impact on needy children who are currently participating in the free or reduced-price lunch programs.

As we well know, the viability of the free and reduced-price lunch programs is largely dependent upon a high degree of participation by paying children. If these children withdraw from the school lunch program in large numbers, the free and reduced-price school lunch programs will be in grave danger. In both cases, the nutrition well-being of our Nation's youth will invariably suffer.

The need for prompt congressional action to fortify the National School Lunch program would appear to me to be evident. The piece of legislation which we are considering today, the National School Lunch and Child Nutrition Act Amendments of 1973, acknowledges the merits of the school lunch program and directly confronts the challenge which currently threatens it. It is a sound piece of legislation, and I urge its prompt enactment.

In my view, we can do no less than to assure that nutritious meals are available for all children during the school day. Passage of H.R. 9639, as amended, will constitute a strong indication of our commitment to the maintenance of a high standard of child nutrition and a sound investment in the future of our country. Our children deserve no less.

Mr. CLARK. Mr. President, the school lunch legislation we are considering today deserves all of our support.

The importance of the school lunch program to our Nation's children is well documented. Studies over the past 5 years have reported serious nutritional deficiencies among school-age children, and the school lunch program is shown to be effective in correcting those deficiencies as a major contributor of the nutrients necessary for children's health and learning ability.

The most comprehensive study of the nutritional status of the Nation's poor—HEW's 10-State nutrition survey—found that school lunch programs were "a very important part of nourishment" for many of the children studied, especially in our less-prosperous States. Among the three ethnic groups surveyed—black, white, and Spanish-American—the most important nutritional problems among school-age children were deficiencies in iron and vitamin A. School lunches were found to contribute 20 to 35 percent of the daily iron intake and 20 to 45 percent of the daily vitamin A intake in children from 10 to 16 years of age.

This year, school lunch programs across the country again face uncertainty in the level of Federal participation. Their tenuous situation is compounded by rising labor costs, possible food shortages and numerous other conditions that have sent food prices skyrocketing—such as abnormal weather during the 1972 fall harvest, strong export demands, high prices for livestock, and price freezes.

Mr. Vern Carpenter, State school food services director in the Iowa Department of Public Instruction, has compiled information which illustrates clearly the needs of Iowa's school lunch program for the upcoming school year. I ask unanimous consent that this data be inserted in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CLARK. Mr. President, briefly summarized, it projects a 20-percent increase in food costs, a 15-percent increase in labor costs, and a 3-percent increase in extra expenses. When these projections are applied on a cost-per-meal basis, we can anticipate an 8-cent-per-meal increase this year.

Where is this additional 8 cents to come from?

To make up the amount still needed to

serve a meal, a number of school districts in Iowa this fall have raised the price of lunches to the paying child by 5 cents and in some instances by 10 cents. Without additional Federal reimbursement, student prices may have to be raised again. The potential danger is, of course, when student lunch prices are raised, student participation will drop. From past experience we know the participation will decline from 10 to 20 percent. Needless to say, without adequate participation from paying children, the cost of providing reduced-price and free lunches would be much higher.

Let me just project the income realized from a 5-cent student lunch price increase, which comes only from the paying child. Last year, Iowa schools served 15.8 percent free and reduced-price lunches, and 96 percent of these were free. If every school in Iowa raised their student lunch price 5 cents, and if the participation level of paying children remained 85 percent, the average increase per meal would be 4 cents—still 4 cents short of the 8-cent goal.

The tables provided by Mr. Carpenter also include individual food prices and total menu costs obtained through a survey of four school districts in Iowa and a chart indicating the present status of school lunch cash balances in Iowa's school districts. Approximately 53 percent of Iowa's districts started this school year with a cash balance of less than 1 month and approximately 12 percent started with a deficit balance. Although I have cited figures here in terms of my own State, I have every reason to believe Iowa is representative of the situation in other States as well.

I would like to comment on just one other facet of this bill which seems of fundamental importance if we are to end the crippling effects of malnutrition and hunger. I am speaking of the WIC program which we are extending to fiscal year 1975. Under this pilot program, we will be feeding many needy youngsters and their mothers. The program is designed to end hunger among those individuals who will be most severely affected by malnutrition. It is our hope that through our experience in feeding infants under this program, together with the administrative and medical data that will be developed demonstrating the feasibility and importance of a larger effort, that we soon can make a determination about a permanent, nationwide program.

The legislation we are considering postpones the Agriculture Department's reporting requirements by 1 year. In addition, it will require the Department to expend $40 million for the pilot project in fiscal year 1975. This expenditure parallels the amount of money that must be spent in fiscal year 1974 under previous legislation—Public Law 92-433. Although the mandatory appropriations language for fiscal year 1974 specifies $20 million in expenditures, the Department must spend $40 million this year because it failed to spend a single penny of the $20 million appropriated in fiscal year 1973. This money was carried over fiscal year 1974 pursuant to section 3 of the National School Lunch Act. With the extension of the program into fiscal year 1975, Congress will be able to carefully examine this $80 million experiment to determine whether a permanent nationwide effort should be established to eradicate hunger among the impoverished infants of America.

The entire school lunch program is of the greatest importance and I am hopeful that it will receive the support it so clearly deserves.

EXHIBIT 1

I. PROJECTED INCREASES IN IOWA'S PER MEAL COSTS

Actual expenditure for 1972-73 school year were:	
Food	$19,109,272
Labor	12,657,256
Other	2,567,437
Total	34,393,965
Projections for expenditures for 1973-74 school year:	
Food (20 percent increase)	3,833,854
Labor (15 percent increase)	1,898,588
Other (3 percent increase)	77,023
Total	5,809,465
Less increased amount of State reimbursement	—457,912
Amount needed	5,351,553

Note: Total projected increase in expenditures of $5,351,553 divided by the estimated number of lunches to be served (69,000,000) —7.76 cents per lunch increase.

II. COMPARISON—THE VALUE OF GOVERNMENT COMMODITIES IS NOT INCLUDED

[Children and adult lunches in cents]

	School year 1971-72	School year 1972-73	Cents increase or decrease	Percent Increase or decrease
Food	24.14	27.70	+3.56	15
Labor	17.25	18.29	+1.04	6
Other	3.59	3.71	+.12	3
Subtotal	44.98	49.70	+4.72	70
Indirect costs	10.88	12.16	+1.28	12
Total	55.86	61.86	+6.00	11

III. PROJECTED INCREASE IN PER MEAL COSTS DURING 1973-74

[In cents]

	School year 1972-73	Projected percentage increase	Projected cost 1973-74	Projected percent increase in total cost of lunch
Food	27.70	20	33.24	
Labor	18.29	15	21.03	
Other	3.71	3	3.82	
Subtotal	49.70		58.09	17
Indirect costs	12.16	07	12.16	
Total	61.86		70.25	14

IV. FEDERAL AND STATE REIMBURSEMENT IN IOWA FOR 1973-74

	Federal	State		Total
Type A lunch	$0.08	$0.0070		$0.0870
Free lunch	.40	.0356	.4356+0.0870=	.5226
Reduced price lunch	.20	.0180	.2180+.0870=	.3050

V. PROJECTED COST

Projected cost of preparing and serving a free lunch	$0.7025
Minus total Federal and State reimbursement	—.5226
Loss per free lunch	.1799

VI. CASH BALANCES

Year	Total districts	Percent having 2 months or more	Percent having 1 month or more	Percent having 0 to 1 month	Percent having deficit
1968-69	466	4.29	23.61	57.51	14.59
1969-70	477	4.61	20.34	60.17	14.88
1970-71	473	4.65	13.95	56.03	25.37
1971-72	465	10.97	28.82	57.84	2.37
1972-73	466	8.80	25.32	53.86	12.02

It can be seen from the above that cash balances have decreased during this past school year. In summary, 53.86 percent of Iowa's school districts started this school year with a cash balance of less than one month and 12.02 percent started with deficit balances.

VII. Four community school districts in Iowa were surveyed to obtain increases experienced in food costs. These four districts have capable school food service directors and all observe excellent management practices.

INCREASE IN MENU COSTS

This represents only food costs—not labor and other costs. These are actual figures. These are not estimates nor projections.

	Menu cost (food)				
Main dish	September 1972 (cents)	December 1972 (cents)	May 1973 (cents)	Percent increase for year	September 1973 (cents)
Waterloo:					
Beefburger	30.7	31.1	33.0	7.5	(1)
Fish square	29.7	30.0	34.2	15.2	34.8
Sioux City:					
Beefburger	26.0	29.0	32.3	24.2	34.3
Hot dog	24.0	29.7	33.4	39.2	36.7
Chili	27.0	30.1	32.7	21.1	38.7
Fish square	29.0	32.0	(1)		41.1
Cedar Rapids:					
Beefburger	26.2	26.5	28.4	8.4	33.1
Macaroni and cheese	24.9	25.5	25.5	2.4	30.0
Hot dog	19.5	19.7	20.5	5.1	30.7
Chili	22.6	22.8	23.7	4.9	29.9
Fish square	20.5	20.5	20.5	0	21.6
Des Moines:					
Beefburger	29.0	31.5	33.0	13.8	38.6
Macaroni and cheese	23.5	24.6	24.6	4.7	29.8
Hot dog	29.0	29.0	31.0	6.9	35.3
Chili	27.1	27.1	31.0	14.4	30.8
Fish square	31.0	31.0	31.0	0	36.3

[1] Not served.

VIII.—INCREASES IN FOOD COSTS—ACTUAL

	Purchased foods			Percent increase
Foods	September 1972	May 1973	September 1973	May to September
WATERLOO				
Ground beef	65¢	79¢	(1)	
Franks 8 to 1 lb	69¢	66¢	$1.16	68.1
½ pt. whole-milk, white	6.2¢	6.2¢	6.6¢	6.5
Sliced white bread per pound	13¢	13¢	14.7¢	13.1
No. 10 green beans	90¢	$1.12	$1.12	24.4
No. 10 tomato paste	$1.65	$1.75	$1.95	18.2

Foods	Purchased foods			Percent increase May to September
	September 1972	May 1973	September 1973	
Spaghetti per pound	21¢	20¢	31¢	47.6
Processed American cheese	64¢	81¢	84¢	31.3
Grade A large eggs, per dozen	42¢	58¢	76¢	81.0
No. 10 instant potatoes	$1.96	$2.15	$2.33	18.9
No. 10 W.K. corn	96¢	$1.07	$1.14	18.8
No. 10 fruit cocktail	$1.49	$1.75	$1.91	28.2
SIOUX CITY				
Ground beef	60.5¢	78¢	98¢	62.0
Franks 8 to 1 lb	56¢	72¢	83¢	48.2
½ pt whole milk, white	6.6¢	6.6¢	7.5¢	13.6
Sliced white bread per pound	34¢	35¢	37¢	8.8
No. 10 green beans	86.5¢	86.5¢	96.5¢	11.6
No. 10 tomato paste	$1.46	$1.46	$1.56	6.8
Spaghetti per pound	16.5¢	23.8¢	21.8¢	32.1
Processed American cheese	(1)	(1)	(1)	
Dried eggs per pound	58¢	$1.09	$1.54	165.5
No. 10 instant potatoes	$1.80	$1.80	$2.06	14.4
No. 10 W K corn	93¢	93¢	96.5¢	3.8
No. 10 fruit cocktail	$1.30	$1.40	(1)	
CEDAR RAPIDS				
Ground beef	72¢	84¢	98¢	36.1
Franks 8 to 1 lb	68¢	79¢	$1.15	69.1
½ pt whole milk, white	6.25¢	6.25¢	6.37¢	1.9
Sliced white bread per pound	21¢	21¢	24¢	14.3
No. 10 green beans	80.8¢	(2)	(2)	
No. 10 tomato paste	$1.58	(2)	(1)	
Spaghetti per pound	19.8¢	22.3¢	23.5¢	18.7
Processed American cheese	63.1¢	65¢	80¢	26.8
Grade A large eggs, per dozen	37¢	51¢	84¢	127.0
No. 10 instant potatoes	$1.875	(2)	(2)	
No. 10 whole kernel corn	85¢	(2)	(2)	
No. 10 fruit cocktail	$1.145	(2)	(2)	
DES MOINES				
Ground beef	62.5¢	81¢	(1)	
Franks 8 to 1 lb	67¢	74¢	$1.06	58.2
½ pt whole milk, white	6.45¢	6.45¢	7.2¢	11.6
Sliced white bread per pound	23¢	23¢	25¢	8.7
No. 10 green beans	79.5¢	85.8¢	85.8¢	7.9
No. 10 tomato paste	$1.53	$1.63	$1.72	12.4
Spaghetti per pound	18.0¢	20.3¢	25.3¢	40.6
Processed American cheese	66¢	70.6¢	70.6¢	7.0
Grade A large eggs, per dozen	41¢	41¢	50¢	22.0
No. 10 instant potatoes	$1.76	$1.75	$1.75	.6
No. 10 W.K. corn	87.5¢	91.7¢	95.8¢	9.5
No. 10 fruit cocktail	$1.52	$1.64	$1.64	7.9

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[1] No bid.

[2] None purchased.

Mr. ALLEN. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from Alabama yield me a minute?

Mr. ALLEN. I do not have any time.

Mr. CURTIS. Mr. President, I yield the distinguished Senator 1 minute on the bill.

Mr. HARRY F. BYRD, JR. Mr. President, I favor this school lunch program. I think it is a good program. I am concerned about the increases added by the Senate. That does give the Senator from Virginia a great deal of concern.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. CURTIS. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is, Shall the bill pass? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. CHILES), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HASKELL), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Montana (Mr. MANSFIELD), the Senator from Louisiana (Mr. LONG), and the Senator from Utah (Mr. MOSS) are necessarily absent.

I further announce that, if present and voting, the Senator from Florida (Mr. CHILES) and the Senator from Montana (Mr. MANSFIELD) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Oregon (Mr. HATFIELD), and the Senator from Maryland (Mr. BEALL) are necessarily absent.

I further announce that the Senator from Vermont (Mr. AIKEN) and the Senator from Ohio (Mr. TAFT) are absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that, the Senator from Alaska (Mr. STEVENS) is detained on official business.

If present and voting, the Senator from Maryland (Mr. BEALL) and the Senator from Oregon (Mr. HATFIELD) would each vote "yea."

The result was announced—yeas 82, nays 4, as follows:

[No. 412 Leg.]

YEAS—82

Abourezk
Allen
Baker
Bartlett
Bayh
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Church
Clark
Cook
Cotton
Cranston
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fong
Fulbright
Griffin
Gurney
Hansen
Hart
Hartke
Hathaway
Helms
Hollings
Hruska
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Magnuson
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Scott,
William L.
Sparkman
Stafford
Stennis
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—4

Bennett
Curtis
Fannin
Goldwater

NOT VOTING—14

Aiken
Beall
Bellmon
Chiles
Gravel
Haskell
Hatfield
Huddleston
Long
Mansfield
Moss
Pearson
Stevens
Taft

So the bill (H.R. 9639) was passed.

Mr. ALLEN. Mr. President, I ask unanimous consent that the Secretary be authorized to make clerical corrections in the Senate engrossment of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I also move that the Senate insist on its amendments and request a conference with the House thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ALLEN, Mr. MCGOVERN, Mr. HUMPHREY, Mr. YOUNG, and Mr. DOLE conferees on the part of the Senate.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Berry, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

S. 1148. An act to provide for the operation of programs by the ACTION Agency, to establish certain new such programs, and for other purposes;

S. 1636. An act to amend the International Economic Policy Act of 1972 to change the membership of the Council on International Economic Policy, and for other purposes; and

H.R. 8917. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1974, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore.

ORDER FOR PRINTING OF H.R. 4200 IN THE RECORD

Mr. NELSON. Mr. President, I was requested by the chairman of the Finance Committee to have printed the pension reform bill which was passed last Wednesday. It had required some technical changes in order to be perfectly correct, so I did not submit it for printing at that time.

The reason that I am submitting this pension reform bill for printing in the RECORD is that there are widespread requests for the text of the bill, and in order that it be distributed to the libraries and around the country in the most efficient way possible to be made available to those who are concerned about the pension plan and to those who are involved in the pension plan, both employers and employees, I ask unanimous consent that the bill be printed in full in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Resolved, That the bill from the House of Representatives (H.R. 4200) entitled "An Act to amend section 122 of the Internal Revenue Code of 1954", do pass with the following amendment:

Page 2, after line 18, insert:

SEC. 2. (a) This Act, other than the first section, may be cited as the "Retirement Income Security for Employees Act".

(b) TABLE OF CONTENTS.—

TITLE I—ADMINISTRATION

PART A—INTERNAL REVENUE SERVICE

Sec. 101. Establishment of office.
Sec. 102. Authorization of appropriations.

PART B—REGISTRATION

Sec. 151. Duties of plans.
Sec. 152. Duties of Secretary of Health, Education, and Welfare.
Sec. 153. Effective date.
Sec. 154. Authorization of appropriations for Department of Labor.

TITLE II—PARTICIPATION; VESTING; FUNDING; CERTAIN BENEFITS

PART A—PARTICIPATION

Sec. 201. Minimum standards relating to participation.

PART B—VESTING

Sec. 221. Minimum standards relating to vesting.

Sec. 222. Certain nonqualified plans.

Part C—Funding

Sec. 241. Minimum standards relating to funding.

Part D—Optional Form of Benefit; Special Rules

Sec. 261. Amendment of section 401.
Sec. 262. Prohibition against maintaining nonqualified plans.

Part E—Protection of Pension Rights Under Government Plans and Contracts

Sec. 281. Duties of the Secretary of the Treasury.
Sec. 282. Duties of Secretary of Labor.

TITLE III—PORTABILITY

Sec. 301. Definitions.
Sec. 302. Program established.
Sec. 303. Establishment of fund.
Sec. 304. Registration.
Sec. 305. Acceptance of deposits.
Sec. 306. Individual accounts.
Sec. 307. Payments from individual accounts.
Sec. 308. Assistance to plan administrators.
Sec. 309. Amendment of Internal Revenue Code of 1954.
Sec. 310. Authorization of appropriations.

TITLE IV—PLAN TERMINATION INSURANCE

Part A—Pension Benefit Guaranty Corporation

Sec. 401. Definitions: Special rules.
Sec. 402. Pension Benefit Guaranty Corporation.
Sec. 403. Establishment of Pension Benefit Guaranty Fund.

Part B—Coverage

Sec. 421. Plans covered.
Sec. 422. Benefits covered.
Sec. 423. Contingent liability coverage.
Sec. 424. Other risks.

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Part B—Fiduciary Standards

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Sec. 511. Amendment to the Welfare and Pension Plans Disclosure Act.
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TITLE VI—ENFORCEMENT

Part A—Disputes Relating to the Qualification of Certain Employee Plans

Sec. 601. Tax Court procedure.

Part B—Auditing, Etc.

Sec. 641. Excise tax for auditing; etc.

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Sec. 671. Enrollment and reports of actuaries.

Part D—Enforcement; Resolution of Disputes Generally

Sec. 691. Arbitration; civil actions by participants and beneficiaries.
Sec. 692. Civil actions by Secretary of Labor.
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Sec. 698. Statute of limitations.
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TITLE VII—RETIREMENT SAVINGS; LIMITATION ON PROPRIETARY EMPLOYEE CONTRIBUTIONS; TAXATION OF CERTAIN LUMP-SUM DISTRIBUTIONS

Sec. 701. Deduction for retirement savings.
Sec. 702. Certain plans.
Sec. 703. Taxation of certain lump-sum distributions.
Sec. 704. Contributions on behalf of self-employed individuals and proprietary employees.
Sec. 705. Collectively bargained plans.
Sec. 706. Miscellaneous provisions.

(c) Amendment of 1954 Code.—Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference is to a section or other provision of the Internal Revenue Code of 1954.

TITLE I—ADMINISTRATION

Part A—Internal Revenue Service

Sec. 101. Establishment of Office.

(a) In General.—Section 7802 (relating to Commissioner of Internal Revenue) is amended to read as follows:

"Sec. 7802. Commissioner of Internal Revenue; Assistant Commissioner.

"(a) Commissioner of Internal Revenue.—There shall be in the Department of the Treasury a Commissioner of Internal Revenue, who shall be appointed by the President by and with the advice and consent of the Senate. The Commissioner of Internal Revenue shall have such duties and powers as may be prescribed by the Secretary.

"(b) Assistant Commissioner for Employee Plans and Exempt Organizations.—There is established within the Internal Revenue Service an office to be known as the 'Office of Employee Plans and Exempt Organizations'. The Office shall be under the supervision and direction of an Assistant Commissioner of Internal Revenue. As head of the Office, the Assistant Commissioner shall be responsible for carrying out such functions as the Secretary or his delegate may prescribe with respect to organizations exempt from tax under section 501(a) and with respect to plans to which part I of subchapter D of chapter 1 applies (and with respect to organizations designed to be exempt under such section and plans designed to be plans to which such part applies).".

(b) Salaries.—

(1) Assistant commissioner.—Section 5109 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) The position held by the employee appointed under section 7802(b) of the Internal Revenue Code of 1954 is classified at GS–18, and is in addition to the number of positions authorized by section 5108(a) of this title.".

(2) Classification of positions at GS–16 and 17.—Section 5108 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) In addition to the number of positions authorized by subsection (a), the Commissioner of Internal Revenue is authorized, without regard to any other provision of this section, to place a total of 20 positions in the Internal Revenue Service in GS–16 and 17.".

(c) Clerical Amendment.—The table of sections for subchapter A of chapter 80 is amended by striking out the item relating to section 7802 and inserting in lieu thereof the following:

"Sec. 7802. Commissioner of Internal Revenue; Assistant Commissioner.".

Sec. 102. Authorization of Appropriations.

(a) Initial Authorization.—There is authorized to be appropriated to the Department of the Treasury for the purpose of carrying out all functions of the Office of Employee Plans and Exempt Organizations for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976, an amount equal to the sum of $35,000,000 and one-half of the collections from the taxes imposed under section 4940 of the Internal Revenue Code of 1954 (relating to excise tax based on investment income) during the second preceding fiscal year.

(b) Permanent Authorization.—There is authorized to be appropriated to the Department of the Treasury for the purpose of carrying out all functions of the Office of Employee Plans and Exempt Organizations for each fiscal year beginning after June 30, 1976, an amount equal to the sum of—

(1) the amount of the collection from the taxes imposed under section 4975 of the Internal Revenue Code of 1954 (relating to annual tax on plan participation) during the second preceding fiscal year, and

(2) one-half of the collections from the taxes imposed under section 4940 of such Code (relating to excise tax based on investment income) during the second preceding fiscal year.

Part B—Registration

Sec. 151. Duties of Plans.

(a) Annual Registration.—Within such period after the end of a plan year as the Secretary of the Treasury may prescribe, the administrator of each plan to which part I of subchapter D of chapter 1 of the Internal Revenue Code of 1954 applied at any time during such plan year, and each pension plan operated by the Government of the United States, or by the government of any State (including the District of Columbia) or political subdivision thereof, or by an agency or instrumentality thereof, shall file a registration statement with the Secretary of the Treasury. The registration statement shall set forth—

(1) the name and address of the plan,

(2) the name and taxpayer identification number of each individual who has a right to a deferred vested benefit in that plan as of the end of such plan year (other than those individuals who were paid retirement benefits under that plan during such plan year) and who has terminated his employment with the employer, who established and maintained that plan, within that year,

(3) the nature, amount, and form of any such deferred vested benefit, and

(4) such additional or other information as the Secretary may require.

(b) Changes in Status.—The administrator of any plan required to be registered under section (a) shall also notify the Secretary, at such time as the Secretary may prescribe, of—

(1) any change of address of the plan,

(2) any change of name of the plan,

(3) the termination of the plan, or

(4) the merger or consolidation of the plan with any other plan.

(c) Voluntary Reports.—The Secretary is authorized and directed to receive such additional reports relating to plan years ending before January 1, 1974, as the administrator of any such plan may wish to file with him relating to the deferred vested benefit rights of any person terminating his employment during any such plan year with the employer who established and maintained the plan.

(d) Transmission of Information to Secretary of Health, Education, and Welfare; Regulations.—The Secretary of the Treasury shall transmit any statements, reports, or other information obtained by him under this section to the Secretary of Health, Education, and Welfare at such times and in such form as the Secretary of Health, Education, and Welfare may require in order to carry out his responsibilities under section 1131 of the Social Security Act. The Secretary of the Treasury, after consultation with the Secretary of Health, Education, and Welfare, is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section.

(e) Definition of Administrator.—For purposes of this section, the term "administrator" means the person or persons described in section 3(15) of the Welfare and Pension Plans Disclosure Act.

(f) Certificate of Rights.—Each plan administrator filing a registration statement under subsection (a) shall also furnish to each individual described in paragraph (2) of that subsection, within the time prescribed for the filing of the registration statement, a statement setting forth the information with respect to that individual required in the registration statement. At the time he files the registration statement with the Secretary, the administrator of a plan shall furnish evidence satisfactory to the Secretary that he has complied with the requirements of this subsection.

Sec. 152. Duties of Secretary of Health, Education, and Welfare.

Title XI of the Social Security Act (relating to general provisions) is amended by adding at the end of part A thereof the following new section:

"NOTIFICATION OF SOCIAL SECURITY CLAIMANT WITH RESPECT TO VESTED PENSION BENEFITS

"Sec. 1131. (a) Whenever the Secretary makes a finding of fact and a decision as to—

"(1) the entitlement of any individual to monthly insurance benefits under section 202, 223, or 228,

"(2) the entitlement of any individual to a lump-sum death payment payable under section 202(i) on account of the death of any person to whom such individual is related by blood, marriage, or adoption, or

"(3) the entitlement under section 226 of any individual to hospital insurance benefits under part A of title XVIII,

or upon request made by any individual with respect to whom the Secretary holds information obtained under section 151 of the Retirement Income Security for Employees Act, he shall furnish to such individual any information regarding any vested right to a pension benefit acquired by the Secretary pursuant to such section with respect to the person on whose wages and self-employment income entitlement (or claim of entitlement) is based.

"(b) (1) For purposes of section 201(g) (1), expenses incurred in the administration of subsection (a) shall be deemed to be expenses incurred for the administration of the Federal old-age and survivors insurance program.

"(2) There are hereby authorized to be appropriated to the Federal Old-Age and Survivors Insurance Trust Fund for each fiscal year (commencing with the fiscal year ending June 30, 1974) such sums as the Secretary deems necessary on account of additional administrative expenses resulting from the enactment of the provisions of subsection (a).".

Sec. 153. Effective Date.

This part shall take effect upon the date of enactment of this Act, but the requirements of section 151 (a) and (b) shall apply only with respect to plan years ending after December 31, 1973.

Sec. 154. Authorization of Appropriations for Department of Labor.

There are authorized to be appropriated such sums as may be necessary to enable the Secretary of Labor to carry out his functions and duties under this Act.

TITLE II—PARTICIPATION; VESTING; FUNDING; CERTAIN BENEFITS

Part A—Participation

Sec. 201. Minimum Standards Relating to Participation.

(a) In General.—Part I of subchapter D of chapter 1 (relating to pensions, etc., plans) is amended by inserting at the end thereof the following new subpart:

"Subpart B—Special Rules

"Sec. 410. Minimum standards relating to participation.

"Sec. 410. Minimum Standards Relating to Participation.

"(a) Participation.—

"(1) Maximum condition. A trust shall not constitute a qualified trust under section 401(a) if the plan of which it is a part requires, as a condition of participation in the plan, that an employee have a period of service with the employer (including, to the extent provided in regulations prescribed by the Secretary or his delegate, a predecessor of the employer) extending beyond the later of—

"(A) one year of service, or

"(B) the date on which the employee attains the age of 30 years.

"(2) Definitions.—For purposes of this subsection—

"(A) Year of service.—The term 'year of service' means a calendar, plan, or fiscal year (whichever is applied on a consistent basis under the plan) during which the employee is employed by the employer for more than 5 months.

"(B) Month.—The term 'month' means any calendar month during which the employee is employed for at least 80 hours of employment.

"(b) Eligibility.—

"(1) In General.—A trust shall not constitute a qualified trust under section 401(a) unless the trust, or two or more trusts, or the trust or trusts and annuity plan or plans are designated by the employer as constituting parts of a plan intended to qualify under section 401(a) which benefits either—

"(A) 70 percent or more of all the employees, or 80 percent or more of all the employees who are eligible to benefit under the plan if 70 percent or more of all the employees are eligible to benefit under the plan, excluding in each case employees who have not satisfied the minimum age and service requirements, if any, prescribed by the plan as a condition of participation, employees whose customary employment is for not more than 80 hours in any one month, and employees whose customary employment is for not more than 5 months in any calendar, plan, or fiscal year (whichever is applied on a consistent basis under the plan), or

"(B) such employees as qualify under a classification set up by the employer and found by the Secretary or his delegate not to be discriminatory in favor of employees who are officers, shareholders, or highly compensated employees.

"(2) Exclusion of certain employees.—For the purpose of determining whether a trust constitutes a qualified trust under paragraph (1), there shall be excluded from consideration—

"(A) employees who are included in a unit of employees covered by an agreement which the Secretary or his delegate finds to be a collective bargaining agreement between employee representatives and one or more employees, if such agreement does not provide that such employees are to be included in the plan, and if there is evidence that retirement benefits were the subject of good faith bargaining between such employee representatives and such employer or employers during the most recently concluded contract negotiations which were the subject of bargaining between such representatives and the employer or employers, and

"(B) employees who are nonresident aliens who have no earned income (within the meaning of section 911(b)) from sources within the United States (within the meaning of section 861(a) (3)).

"(3) Affiliated groups of employers.—For purposes of this subsection, section 401 (a) (4), and section 411, all employees of all corporations that are members of a controlled group of corporations (within the meaning of section 1563(a)) shall be deemed to be employed by a single employer."

(b) Conforming Admendments.—

(1) Section 401(a) (relating to requirements for qualification) is amended by—

(A) striking out paragraph (3) and inserting in lieu thereof:

"(3) if the plan of which such trust is a part meets the requirements of section 410 (relating to minimum standards relating to participation); and", and

(B) striking out "paragraph (3) (B) or (4)" in paragraph (5) and inserting in lieu thereof "paragraph (4) or section 410(b) (without regard to paragraph (1) (A) thereof)".

(2) Section 406(b) (1) (relating to certain employees of foreign subsidiaries) is amended by striking out "paragraphs (3) (B) and (4) of section 401(a)" and inserting in lieu thereof "paragraph (4) of section 401(a) and subsection (b) of section 410 (without regard to paragraph (1) (A) thereof)".

(3) Section 407(b) (1) (relating to certain employees of domestic subsidiaries engaged in business outside the United States) is amended by striking out "paragraphs (3) (B) and (4) of section 401(a)" and inserting in lieu thereof "paragraph (4) of section 401(a) and subsection (b) of section 410 (without regard to paragraph (1) (A) thereof)".

(c) Clerical Amendment.—Part I of subchapter D of chapter 1 is amended by inserting after the heading and before the table of sections the following:

"Subpart A. General Rule.
"Subpart B. Special Rules.

"SUBPART A—GENERAL RULE".

(d) EFFECTIVE DATE.—

(1) Except as provided in paragraph (2), the amendments made by this section shall apply to plan years beginning after the date of enactment of this Act.

(2) In the case of a plan in existence on the date of enactment of this Act, the amendments made by this section shall apply—

(A) to plan years beginning after December 31, 1975, or

(B) if later (in the case of a plan maintained pursuant to an agreement which the Secretary of the Treasury finds to be a collective-bargaining agreement between employee representatives and one or more employers), to plan years beginning after the earlier of—

(i) the date on which the agreement terminates (determined without regard to any extension thereof agreed to after the date of enactment of this Act), or

(ii) December 31, 1980.

PART B—VESTING

SEC. 221. MINIMUM STANDARDS RELATING TO VESTING.

(a) IN GENERAL.—Subpart B of part I of subchapter D of chapter 1 (relating to special rules), as added by section 201 of this Act, is amended by inserting after section 410 the following new section:

"SEC. 411. MINIMUM STANDARDS RELATING TO VESTING.

"(a) GENERAL RULE.—Except as provided in subsection (c), a trust shall not constitute a qualified trust under section 401(a) unless the plan of which such trust is a part satisfies the requirements of paragraphs (1) and (2).

"(1) EMPLOYEE CONTRIBUTIONS.—A plan satisfies the requirements of this paragraph if, under the plan, an employee's rights in his accrued benefit derived from his own contributions are nonforfeitable.

"(2) EMPLOYER CONTRIBUTIONS.—

"(A) NONFORFEITABLE PERCENTAGE.—A plan satisfies the requirements of this paragraph if, under the plan, after 5 years of service (3 of which are consecutive) with an employer, an employee has a right to a percentage of his accrued benefit derived from employer contributions which is nonforfeitable other than by reason of death. The percentage shall not be less than the percentage determined under the following table:

"Years of service	*Nonforfeitable percentage*
5	25
6	30
7	35
8	40
9	45
10	50
11	60
12	70
13	80
14	90
15 or more	100

"(B) YEAR OF SERVICE.—For purposes of this paragraph, the term 'year of service with the employer' means—

"(i) with respect to plan years ending before January 1, 1982, a year in which an employee is employed more than a number of months (for not less than a number of hours in each such month) prescribed in regulations promulgated by the Secretary or his delegate after consultation with the Secretary of Labor, and shall include service with a predecessor of the employer to the extent provided in regulations prescribed by the Secretary or his delegate; and

"(ii) with respect to plan years ending after December 31, 1981, any calendar, plan, or fiscal year (whichever is applied on a consistent basis under the plan) in which an employee is employed for more than 5 months (if he is employed at least 80 hours in each of such 5 months) in such year with the employer who adopted the plan (including, to the extent provided in regulations prescribed by the Secretary or his delegate, a predecessor of the employer).

"(C) TENTH YEAR VESTING FOR CERTAIN PLANS.—Paragraph (A) shall not apply to a trust which meets the requirements of section 401(a) and is exempt from tax under section 501(a) or a plan which meets the requirements of section 404(b)(2), if such trust or plan was in existence and met such requirements on the date of enactment of the Retirement Income Security for Employees Act and if the plan of which such trust is a part, or such plan, provides on and after such date that each employee's rights to or derived from employer contributions become completely nonforfeitable (other than by reason of death) no later than the end of the tenth year of service of the employee with the employer who maintains the plan. A plan described in this subparagraph meets the requirements of this paragraph.

"(D) SPECIAL RULES.—For purposes of determining the nonforfeitable percentage—

"(i) no year of service which begins more than 5 years prior to the beginning of the year in which an employee is first eligible to participate in the plan shall be considered, unless with respect to such year, the employee makes contributions under the plan or the employer makes contributions under the plan on behalf of such employee,

"(ii) years of service shall include any years beginning on or after the date the plan was first effective, and

"(iii) years of service beginning prior to the enactment of the Retirement Income Security for Employees Act and on or after the date on which the plan was first effective (or any amendment thereto was first effective) shall be considered.

"(b) DEFINITIONS AND RULES RELATING TO ACCRUED BENEFITS.—

"(1) EMPLOYEE'S ACCRUED BENEFIT.—

"(A) IN GENERAL.—For purposes of this section, an employee's accrued benefit as of any applicable date is—

"(i) in the case of a defined benefit plan, except as provided under paragraph (3), the annual benefit commencing at normal retirement age to which he would be entitled under the plan as in effect on such date if he continued to earn annually until normal retirement age the same rate of compensation upon which his benefits would be computed under the plan, determined as if he had attained normal retirement age on the applicable date, multiplied by a fraction, the numerator of which is the total number of his years of active participation in the plan (including, to the extent provided in regulations prescribed by the Secretary or his delegate, a predecessor plan) as of such date, and the denominator of which is the total number of years he would have actively participated in such plan as of normal retirement age if he had continued to be an active participant in the plan until attaining such age, or

"(ii) in the case of a plan other than a defined benefit plan, the balance of the account or accounts for such employee as of that date.

"(B) LIMITATION.—The numerator of the fraction referred to in subparagraph (A)(i) shall not exceed the denominator.

"(C) DEFINED BENEFIT PLANS GENERALLY.—In the case of a defined benefit plan which permits voluntary employee contributions, the portion of an employee's accrued benefit derived from such contributions shall be treated as an accrued benefit derived from employee contributions under a plan other than a defined benefit plan.

"(D) CERTAIN INSURED DEFINED BENEFIT PLANS.—In the case of a defined benefit plan which is funded exclusively by the purchase of individual insurance contracts, an employee's accrued benefit at any date shall be equal to the benefit which might be purchased by the cash surrender value of the policy on the applicable date. An employee's accrued benefit under such a plan shall not be determined under this subparagraph unless the plan satisfies the requirements of paragraphs (1) through (6) of section 4971(e) (relating to certain insured plans).

"(E) VARIABLE ANNUITY PLANS.—In the case of a variable annuity plan, an employee's accrued benefit at any date shall be determined in accordance with regulations prescribed by the Secretary or his delegate.

"(2) ALLOCATION OF ACCRUED BENEFIT BETWEEN EMPLOYER AND EMPLOYEE CONTRIBUTIONS.—For purposes of this section, an employee's accrued benefit derived from employer contributions as of any applicable date is the excess of the accrued benefit determined under paragraph (1) for such employee as of such applicable date over the amount of the accrued benefit derived from contributions made by such employee as of such date. In the case of a plan other than a defined benefit plan, the amount of accrued benefit derived from contributions made by an employee is the balance of the employee's separate account consisting only of his contributions and the income, expenses, gains, and losses attributable thereto or, if a separate account is not maintained with respect to an employee's contributions under such a plan, is an amount which bears the same ratio to his total accrued benefits as the total amount of the employee's contributions (less withdrawals) bears to the sum of such contributions (less withdrawals) and the contributions made on his behalf by the employer (less withdrawals). In the case of a defined benefit plan providing an annual benefit in the form of a single life annuity commencing at normal retirement age without ancillary benefits, the amount of the accrued benefit derived from contributions made by an employee as of any applicable date is the annual benefit equal to the employee's accumulated contributions multiplied by the appropriate conversion factor. For purposes of the preceding sentence, the term 'appropriate conversion factor' means the factor necessary to convert an amount equal to the accumulated contributions to a single life annuity commencing at normal retirement age and shall be 10 percent for a normal retirement age of 65 years. For other normal retirement ages the conversion factor shall be determined in accordance with regulations prescribed by the Secretary or his delegate. For purposes of this paragraph, the term 'accumulated contributions' means the total of—

"(A) all mandatory contributions made by the employee,

"(B) interest (if any) under the plan to the end of the last plan year to which subsection (a)(2) does not apply (by reason of the applicable effective date), and

"(C) interest on the sum of the amounts determined under subparagraphs (A) and (B) compounded annually at the rate of 5 percent per annum from the beginning of the first plan year to which subsection (a)(2) applies (by reason of the applicable effective date) to the date upon which the employee would attain normal retirement age.

The accrued benefits derived from contributions made by an employee shall not exceed the accrued benefits determined under paragraph (1). The Secretary or his delegate is authorized to adjust by regulation the conversion factor, the rate of interest described in subparagraph (C), or both, from time to time as he may deem necessary. The rate of interest shall bear the relationship to 5 percent which the Secretary or his delegate determines to be comparable to the relationship which the long-term money rates and investment yields for the last 10 calendar year period ending at least 12 months prior to the beginning of the plan year bear to the long-term money rates and investment yields for the 10 calendar year period 1964 through 1973. No such adjustment shall be effective for a plan year beginning before the expiration of 1 year after such adjustment is determined and published. For purposes of this paragraph, the term 'mandatory contributions' means amount actually contributed to the plan by the employee which are required as a condition of employment, as a condition of participation in such plan, or as a condition of obtaining benefits under the plan attributable to employer contributions.

"(3) For purposes of this section, in the case of any defined benefit plan, if an employee's accrued benefit is to be determined as an amount other than an annual benefit commencing at normal retirement age, or if the amount of accrued benefit derived from contributions made by an employee is to be determined with respect to a benefit other than an annual benefit in the form of a single life annuity commencing at normal retirement age without ancillary benefits, the employee's accrued benefit, or the amount of accrued benefit derived from contributions made by an employee, as the case may be, shall be the actuarial equivalent of such benefit or amount determined under paragraph (1) or (2).

"(c) Special Rules.—

"(1) Prohibited discrimination.—Subsection (a) shall not apply to benefits which may not be provided for designated employees in the event of early termination of the plan under provisions adopted to preclude discrimination prohibited by section 401(a)(4).

"(2) Class year plans.—The requirements of subsection (a)(2) shall be deemed to be satisfied in the case of a class year plan if such plan provides that 100 percent of each employee's rights to or derived from the contributions of the employer on his behalf with respect to any plan year are nonforfeitable not later than the end of the fifth plan year following the plan year for which such contributions were made (within the meaning of section 404(a)(6)). For purposes of this section, the term 'class year plan' means a profit-sharing or stock bonus plan which provides for the separate nonforfeitability of employees rights to or derived from the contributions of each plan year.

"(3) Voluntary withdrawals from certain plans.—A trust which is a part of a plan to which employees make mandatory contributions (within the meaning of subsection (b)(2)) shall not be disqualified under this section merely because an employee's rights to his accrued benefit derived from employer contributions under the plan (or employer contributions for a particular plan year, in the case of a class year plan) are forfeitable if, by reason of his separation from the service or termination of his active participation in the plan, he voluntarily withdraws all or part of the mandatory contributions made by him (or all or a part of the mandatory contributions made by him for that particular plan year, in the case of a class year plan).

"(4) Termination or partial termination.—Notwithstanding the provisions of subsection (a); a trust shall not constitute a qualified trust under section 401(a) unless the plan of which such trust is a part provides that, upon its termination or partial termination, the rights of all employees to benefits accrued to the date of such termination or partial termination, to the extent then funded, or the amounts credited to the employees' accounts, are nonforfeitable. This paragraph shall not apply to benefits or contributions which, under provisions of the plan adopted to preclude the discrimination prohibited by section 401(a)(4), may not be used for designated employees in the event of early termination of the plan.

"(5) Discrimination.—A plan shall not be deemed to have satisfied the requirements of section 401(a)(4) merely because it satisfies the requirements of this section.

"(d) Recordkeeping Requirements.—

"(1) Single employer plan.—Except as provided by paragraph (2), every employer shall, in accordance with regulations prescribed by the Secretary or his delegate, maintain records with respect to each of his employees sufficient to determine the benefits due or which may become due to such employees.

"(2) More than one employer.—If more than one employer adopts a plan, each such employer shall, in accordance with regulations prescribed by the Secretary or his delegate, furnish to the plan administrator (within the meaning of section 3(15) of the Welfare and Pension Plans Disclosure Act) the information necessary for the administrator to maintain the records required by paragraph (1). Such administrator shall maintain the records required by paragraph (1).

"(e) Cross References.—

"For penalty for failure to meet requirements of subsection (a)(2)(A), see section 4973.

"For penalty for failure to furnish the information or maintain the records required under this section, see section 6690.".

(b) Penalty for Failure To Furnish Information.—Subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end thereof the following new section:

"Sec. 6690. Failure To Furnish Information or Maintain Records.

"(a) Civil Penalty.—If any person who is required, under section 411, to furnish information or maintain records for an employee fails to comply with such requirement he shall pay a penalty of $10 for each employee with respect to whom such failure occurs, unless it is shown that such failure is due to reasonable cause.

"(b) Deficiency Procedures Not To Apply.—Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, gift, and certain excise taxes) shall not apply to the assessment or collection of any penalty imposed by subsection (a).".

(c) Comparability of Plans.—Section 401 (a) (relating to qualified pension, etc., plans) is amended by adding at the end of paragraph (5) the following: "For purposes of determining whether two or more plans of an employer satisfy the requirements of paragraph (4) when considered as a single plan, if the amount of contributions on behalf of the employees allowed as a deduction under section 404 for the taxable year with respect to such plans, taken together, bears a uniform relationship to the total compensation, or the basic or regular rate of compensation, of such employees, the plans shall not be considered discriminatory merely because the rights of employees to, or derived from, the employer contributions under the separate plans do not become nonforfeitable at the same rate. For purposes of determining whether two or more plans of an employer satisfy the requirements of paragraph (4) when considered as a single plan, if the employees' rights to benefits under the separate plans do not become nonforfeitable at the same rate, but the levels of benefits provided by the separate plans satisfy the requirements of regulations prescribed by the Secretary or his delegate to take account of the differences in such rates, the plans shall not be considered not to satisfy the requirements of paragraph (4) merely because of the differences in such rates.".

(d) Conforming Amendment.—Paragraph (7) of section 401(a) (relating to requirements for qualification) is amended to read as follows:

"(7) A trust shall not constitute a qualified trust under this section unless the plan of which such trust is a part meets the requirements of section 411 (relating to vesting).".

(e) Clerical Amendments.—

(1) The table of sections for subpart B of part I of subchapter D of chapter 1, as added by section 201, is amended by inserting at the end thereof the following new item:

"Sec. 411. Minimum standards relating to vesting.".

(2) The table of sections for subchapter B of chapter 68 is amended—

(A) by striking out the item relating to the section captioned "Assessable penalties with respect to information required to be furnished under section 7654" and inserting in lieu thereof:

"Sec. 6688. Assessable penalties with respect to information required to be furnished under section 7654.",

and

(B) by inserting at the end thereof the following new item:

"Sec. 6690. Failure to furnish information or maintain records.".

(3) Subchapter B of chapter 68 is amended by striking out the heading of the section immediately preceding section 6689 and inserting in lieu thereof:

"Sec. 6688. Assessable Penalties With Respect to Information Required To Be Furnished Under Section 7654.".

(f) Effective Dates.—

(1) Except as provided in paragraphs (2), (3), and (4), the amendments made by this section shall apply to plan years beginning after the date of enactment of this Act.

(2) In the case of a plan (other than a plan described in paragraph (3)) in existence on the date of enactment of this Act, the amendments made by this section shall apply to plan years beginning after December 31, 1975; however, if the Secretary of Labor determines that the application of any or all of such amendments to a plan for those plan years would create substantial economic hardship for that plan and certifies his determination to the Secretary of the Treasury before that date, the amendments made by this section with respect to which the Secretary of Labor makes such determination shall apply only to plan years of that plan beginning after December 31 of a year not later than 1981 determined by the Secretary of Labor and certified to the administrator of the plan and to the Secretary of the Treasury. For purposes of this paragraph the term "substantial economic hardship" includes, but is not limited to, a finding by the Secretary that—amendment or amendments apply to the plan

(A) there is a substantial risk that, if such amendment or amendments apply to the plan without any extension, the voluntary continuation of the plan will be unlikely;

(B) the plan will be unable to discharge its contractual obligations for the payment of benefits; or

(C) application of the amendments to the plan without an extension is likely to cause a substantial reduction in the number of plan participants or persons employed by the employer or employers contributing to or under the plan.

Benefits under a plan may not be increased by amendment if an extension under this paragraph is in effect with respect to the plan on the effective date of amendment. If a plan is amended in violation of the provisions of this paragraph, any such extension shall not apply to plan years beginning after the plan year in which such amendment becomes effective.

(3) The amendments made by this section shall apply to plan years beginning after December 31, 1980, in the case of a plan established and maintained by the United States or a State or political subdivision thereof, the District of Columbia, or an agency or instrumentality of the United States or of a State or a political subidvision thereof, or of the District of Columbia.

SEC. 222. CERTAIN NONQUALIFIED PLANS

(a) General Rule.—Section 404 (relating to deduction for contributions to an employee's trust, etc.) is amended—

(1) by inserting in subsection (a) (5) "or subsection (g)," after "or 3,", and

(2) by inserting at the end thereof the following new subsection:

"(g) Certain Plans.—No deduction shall be allowed under this section for a contribution by an employer to a trust created or organized in the United States which is not a trust described in section 401(a) (or a contribution to or under a plan which does not satisfy the requirements of subsection (a) (2)) if the plan of which such trust is a part (or such plan)—

"(1) is established under a written governing instrument,

"(2) provides a determinable retirement benefit for an employee or his beneficiaries which is not required, under the plan, to be paid in full to the employee or his beneficiaries within 5 years after such benefit accrues, and

"(3) in the case of a plan of an employer which is a corporation, provides for the deferral of compensation of any employee who—

"(A) is not an officer of such corporation, and

"(B) owns (or is considered as owning (within the meaning of section 1563(e))) stock possessing less than 5 percent of the total combined voting power.".

(b) Effective Date.—The amendments made by this section shall apply for taxable years beginning after December 31, 1975.

Part C—Funding

SEC. 241. MINIMUM STANDARDS RELATING TO FUNDING

(a) Excise Tax on Failure To Meet Minimum Funding Standard.—Subtitle D (relating to miscellaneous excise taxes) is amended by adding at the end thereof the following new chapter:

"CHAPTER 44—QUALIFIED PENSION, ETC., PLANS

"Sec. 4971. Minimum standards relating to funding.
"Sec. 4972. Taxes on failure to meet minimum funding standard.
"Sec. 4973. Taxes on failure to meet minimum vesting standard.

"SEC. 4971. MINIMUM STANDARDS RELATING TO FUNDING

"(a) General Rule.—This section applies to a plan to which part I of subchapter D of chapter 1 applies, which—

"(1) has satisfied (or has been determined by the Secretary or his delegate to have satisfied) the requirement of section 404(a) (2), or

"(2) includes a trust which has qualified (or has been determined by the Secretary or his delegate to have qualified) under section 401(a).

A plan to which this section applies shall have satisfied the minimum funding standard provided by this subsection for a plan year at the end of which the plan does not have an accumulated funding deficiency. For purposes of this section and section 4972, the term 'accumulated funding deficiency' means (except in the case of a plan described in subsection (g)) the excess of the total charges to the funding standard account for all plan years over the total credits to such account for such years.

"(b) Funding Standard Account.—

"(1) Account required.—Each plan to which this setion applies shall establish and maintain a funding standard account. Such account shall be credited and charged solely as provided in this section.

"(2) Charges to account.—For a plan year, the funding standard account shall be charged with the amount described in subsection (e) (if applicable), or the sum of—

"(A) the normal cost of the plan for the plan year,

"(B) the amounts necessary to amortize in not less than equal annual installments (computed on the basis of plan years)—

"(i) the initial unfunded past service liability under the plan, over a period of 30 plan years (or the period determined under subsection (d)(2)) until full amortized,

"(ii) separately, with respect to each plan year, the net increase (if any) in unfunded past service liability under the plan arising from plan amendments adopted in such year (if as a result of such plan amendments the net unfunded past service liability under the plan for such year increases by 5 percent or more), over a period of 30 plan years, until fully amortized.

"(iii) the net experience loss (if any) for each plan year, over the lesser of a period of 15 plan years or of a number of years equal to the average remaining service life of participants in the plan at the end of such plan year, until fully amortized, and

"(iv) separately, with respect to each plan year, the net increase (if any) in unfunded past service liability under the plan arising from plan amendments adopted in such year (other than net increases required to be amortized under clause (ii)) over the lesser of a period of 15 plan years or of a number of years equal to the average remaining service life of participants in the plan at the end of such plan year, until fully amortized, and

"(C) the amount necessary to amortize in equal payments each waived funding deficiency (within the meaning of subsection (d)) for each prior plan year over a period of 10 plan years, until fully amortized.

For purposes of subparagraph (B), in the case of a plan in existence on the effective date of this section, the initial unfunded past service liability under the plan shall be an amount equal to the unfunded past service liability on such date.

"(3) Credits to account.—For a plan year, the funding standard account of a plan shall be credited with the sum of—

"(A) the amount considered contributed by the employer to or under the plan (within the meaning of section 404(a)(6)) for the plan year,

"(B) the amount necessary to amortize in equal payments—

"(i) the net experience gain (if any) for each plan year over the lesser of a period of 15 plan years or a number of years equal to the average remaining service life of participants in the plan at the end of such plan year, until fully amortized,

"(ii) separately, with respect to each plan year, the net decrease (if any) in unfunded past service liability under the plan arising from plan amendments adopted in such year (other than net decreases required to be amortized under clause (iii)) over the lesser of a period of 15 plan years or a number of years equal to the average remaining service life of participants in the plan at the end of such plan year, until fully amortized,

"(iii) separately, with respect to each plan year, the net decrease (if any) in unfunded past service liability under the plan arising from plan amendments adopted in each plan year (if as a result of such plan amendments the net unfunded liability under the plan for such year decreases by more than 5 percent) over a period of 30 plan years, until fully amortized, and

"(C) the amount of the waived funding deficiency (within the meaning of subsection (d)) for the plan year.

"(4) Interest.—The funding standard account shall be charged or credited with interest (at the rate of interest used under the plan to determine costs) with respect to the balance of such account.

For purposes of this section, normal costs, past service liabilities, and experience gains and losses, shall be determined under the funding method used to determine costs under the plan, and the actuarial assumptions used to determine costs and liabilities under the plan must in the aggregate be reasonable.

"(c) Definitions and Special Rules.—

"(1) Full funding.—If, as of the end of a plan year, a plan would have an accumulated funding deficiency (but for the application of this paragraph) in excess of the full funding limitation—

"(A) the funding standard account shall be credited with the amount of such excess, and

"(B) all amounts described in paragraphs (2) (B) and (C) and (3) (A) and (B) of secsection (b) which are required to be amortized shall be considered fully amortized for purposes of such paragraphs.

For purposes of this paragraph, a plan shall be considered fully funded if the accrued liability (including normal cost) under the plan (determine under the funding method used by the plan to determine normal cost for such year if such liability can be directly calculated under such funding method, or determined under the entry age normal funding method if such liability cannot be so calculated under the funding method so used by the plan) is not greater than the value of the assets of the plan (determined, in accordance with regulations prescribed by the Secretary or his delegate, on the basis of average value for 5 or fewer years) on the valuation date of the plan for such year.

"(2) Computation of net experience gains and losses.—In computing net experience gains and losses for a plan year, the value of the assets held under a plan shall be determined (in accordance with regulations prescribed by the Secretary or his delegate) on the basis of average values for 5 or fewer years.

"(3) Change in actuarial assumptions, social security, etc., benefits.—For purposes of this section, all costs liabilities, interest rates, valuations of assets, and other factors under the plan shall be determined on the basis of actuarial assumptions which in the aggregate, are reasonable, and, if a change in the funding method or actuarial assumptions used under the plan, a change in benefits under the Social Security Act or other retirement benefits created under State or Federal law, or a change in the definition of the term 'wages' under section 3121, results in an increase or decrease in accrued liability under a plan, such increase or decrease shall be treated as an experience loss or gain. If a plan changes its funding method, the new funding method shall become the funding method used to determine costs and liabilities under the plan only if the change is approved by the the Secretary or his delegate. The plan year of a plan may be changed only if the change is approved by the Secretary or his delegate.

"(d) Waiver of Minimum Funding Standard.—

"(1) In general.—If an employer is unable to satisfy the minimum funding standard for a plan year without substantial business hardship, the Secretary or his delegate is authorized to waive the requirements of subsection (a) for such year with respect to all or any portion of the minimum funding standard except the portion thereof determined under subsection (b) (2) (C). The Secretary or his delegate shall not waive the minimum funding standard with respect to a plan for more than 5 of any 10 consecutive plan years. For purposes of this section, the term 'waived funding deficiency' means the portion of the minimum funding standards (determined without regard to subsection (b)(3)(C)) for a plan year waived by the Secretary or his delegate and not satisfied by employer contributions.

"(2) MULTIEMPLOYER PLANS.—In the case of a multiemployer plan (as defined in section 401(a)(3)) of the Retirement Income Security for Employees Act—

"(A) the term '40 plan years' shall be substituted for the term '30 plan years' wherever it appears in subsection (b); and

"(B) if 10 percent or more of the number of employers contributing to or under the plan demonstrate to the satisfaction of the Secretary of Labor that they would experience substantial economic hardship if required to contribute the amount necessary to amortize in equal payments any unfunded liability (described in clause (i) or (ii) of subsection (b)(2)(B)) of such plan over a period of 40 years until fully amortized, then the 40-year period described in such clause shall be extended for the period of time (not in excess of 10 years) that is certified for this purpose by the Secretary of Labor to the Secretary of the Treasury.

"(3) LIMIT ON INCREASES IN BENEFITS WHILE WAIVER OR EXTENSION APPLIES.—Benefits under a plan may not be increased by amendment if a waiver under paragraph (1) or an extension under paragraph (2) is in effect with respect to the plan on the effective date of amendment. If a plan is amended in violation of the provisions of this paragraph, any such waiver or extension shall not apply to plan years beginning after the plan year in which such amendment becomes effective.

"(e) CERTAIN INSURED PLANS.—If—

"(1) a plan is funded exclusively by the purchase of individual insurance contracts,

"(2) such contracts provide for level annual premium payments to be paid extending not later than the retirement age for each individual participation in the plan, and commencing with the date the individual became a participant in the plan (or, in the case of an increase in benefits, commencing at the time such increase becomes effective),

"(3) benefits provided by the plan are equal to the benefits provided under each contract at normal retirement age under the plan and are guaranteed by an insurance carrier (licensed under the laws of a State to do business with the plan) to the extent premiums have been paid,

"(4) premiums payable for the plan year, and all prior plan years under such contracts have been paid before lapse or there is reinstatement of the policy,

"(5) no rights under such contracts have been subject to a security interest at any time during the plan year, and

"(6) no policy loans are outstanding during the plan year,

the amount charged to the funding standard account shall be equal to the net premiums paid under the plan.

"(f) PLANS OTHER THAN DEFINED BENEFIT PLANS.—In the case of a profit-sharing, stock bonus, or money purchase plan—

"(1) 'normal cost' shall be the amount required under the plan to be contributed for a plan year to fund the current service liability, and

"(2) the amounts required to be charged under subsection (b)(2)(B) (i), (ii), and (iv) shall be the amount required under the plan to be contributed on account of past service liability.

"(g) EXCEPTIONS.—Subsection (a) shall not apply to—

"(1) a plan established or maintained outside the United States primarily for the benefit of employees who are not citizens of the United States if the fund for such plan is maintained outside the United States,

"(2) a plan established and maintained solely for the purpose of complying with applicable workmen's compensation or unemployment compensation or disability insurance laws,

"(3) a plan established and maintained by a church or by a convention or association of churches which is exempt from tax under section 501(a) of the Internal Revenue Code of 1954,

"(4) a plan established and maintained by a fraternal society, order, or association described in section 501(c) (8) or (9) of the Internal Revenue Code of 1954 if no part of the contributions to or under such plan are made by employers of participants in such plan,

"(5) a plan established or maintained by the Government of the United States or the government of any State or political subdivision thereof, or by an agency or instrumentality thereof, or

"(6) a plan described in section 404(a)(5).

"(h) REGULATIONS.—The Secretary or his delegate is authorized to prescribe such regulations as are necessary to carry out the provisions of this section.

"SEC. 4972. TAXES ON FAILURE TO MEET MINIMUM FUNDING STANDARD

"(a) INITIAL TAX.—For each taxable year of an employer who maintains a plan to which section 4971 applies, there is hereby imposed a tax of 5 percent on the amount of the accumulated funding deficiency under the plan, determined as of the end of the plan year ending with or within such taxable year. The tax imposed by this subsection shall be paid by the employer responsible for contributing to or under the plan the amount described in section 4971(b)(3)(A).

"(b) ADDITIONAL TAX.—In any case in which an initial tax is imposed by subsection (a) on an accumulated funding deficiency and such accumulated funding deficiency is not corrected within the correction period, there is hereby imposed a tax equal to 100 percent of such accumulated funding deficiency. The tax imposed by this subsection shall be paid by the employer described in subsection (a).

"(c) SPECIAL RULE.—In the case of a multiemployer plan, see section 413(b)(6).

"(d) DEFINITIONS.—For purposes of this section—

"(1) CORRECT.—The term 'correct' means, with respect to an accumulated funding deficiency, the contribution, to or under the plan, of the amount necessary to reduce such accumulated funding deficiency as of the end of a plan year in which such deficiency arose to zero.

"(2) CORRECTION PERIOD.—The term 'correction period' means, with respect to an accumulated funding deficiency, the period beginning with the end of a plan year in which there is an accumulated funding deficiency and ending 90 days after the date of mailing of a notice of deficiency with respect to the tax imposed by subsection (a) under section 6212, extended by—

"(A) any period in which a deficiency cannot be assessed under section 6213(a), and

"(B) any other period which the Secretary or his delegate determines is reasonable and necessary to permit a reduction of the accumulated funding deficiency to zero under this section.

"(e) REGULATIONS.—The Secretary or his delegate may prescribe such regulations as may be necessary to carry out the provisions of this section.

"(f) CROSS REFERENCE.—

"For disallowance of deduction for taxes paid under this section, see section 275.".

(b) AMENDMENT OF SECTION 404.—Section 404 (relating to deductions for contributions to an employees' trust, etc.) is amended by—

(1) inserting immediately after subsection (a)(1)(D) the following new sentences: "The limitations under subparagraphs (B) and (C) shall not apply with respect to the amount of a contribution made to or under a pension plan to the extent such contribution does not exceed the amount of employer contributions necessary to satisfy the minimum funding standard provided by section 4971(a) for the taxable year. For purposes of determining the amount deductible under section 162 or 212 with respect to a contribution to a pension plan and for purposes of determining the limitations under subparagraphs (B) and (C), assets held under the plan shall be valued (in accordance with regulations prescribed by the Secretary or his delegate) on the basis of average values for 5 or fewer years."; and

(2) by striking out subsection (a)(7), and inserting in lieu thereof:

"(7) LIMIT OF DEDUCTIONS.—If amounts are deductible under paragraphs (1) and (3), or (2) and (3), or (1), (2), and (3), in connection with two or more trusts, or one or more trusts and an annuity plan, the total amount deductible in a taxable year under such trusts and plans shall not exceed the greater of 25 percent of the compensation otherwise paid or accrued during the taxable year to the persons who are the beneficiaries of the trusts or plans, or the amount of contributions made to or under the trusts or plans to the extent such contributions do not exceed the amount of employer contributions necessary to satisfy the minimum funding standard provided by section 4971 for the plan year which ends with or within such taxable year. In addition, any amount paid into such trust or under such annuity plans in any taxable year in excess of the amount allowable with respect to such year under the preceding provisions of this paragraph shall be deductible in the succeeding taxable years in order of time, but the amount so deductible under this sentence in any one such succeeding taxable year together with the amount allowable under the first sentence of this paragraph shall not exceed the greater of 30 percent of the compensation otherwise paid or accrued during such taxable year to the beneficiaries to or under the trusts or plans to the extent such contributions do not exceed the minimum funding standard provided by section 4971 for the plan year which ends with or within such taxable year. This paragraph shall not have the effect of reducing the amount otherwise deductible under paragraphs (1), (2), and (3), if no employee is a beneficiary under more than one trust or a trust and an annuity plan.

"SEC. 4973. TAXES ON FAILURE TO MEET MINIMUM VESTING STANDARD

"(a) INITIAL TAX.—For each taxable year of an employer who maintains a plan to which section 411 applies there is hereby imposed a tax of 5 percent on the amount of the accumulated vesting deficiency under the plan, determined as of the end of the plan year ending with or within such taxable year. The tax imposed by this subsection shall be paid by the employer who maintains the plan.

"(b) ADDITIONAL TAX.—In any case in which a tax is imposed by subsection (a) on an accumulated vesting deficiency and such accumulated vesting deficiency is not corrected within the correction period, there is hereby imposed a tax equal to 100 percent of such accumulated vesting deficiency. The tax imposed by this subsection shall be paid by the employer described in subsection (a).

"(c) DEFINITIONS.—For purposes of this section—

"(1) ACCUMULATED VESTING DEFICIENCY.—The term 'accumulated vesting deficiency' means an amount equal to the actuarially equivalent value of all benefits under a plan derived from employer contributions which are required by section 411(a)(2)(A) to be nonforfeitable as of the end of a plan year, reduced by an amount equal to the actuarially equivalent value of all such benefits which are, in fact, nonforfeitable under that plan as of the close of that plan year.

"(2) Correct.—The term 'correct' means, with respect to an accumulated vesting deficiency, the crediting under the plan of the amount necessary to reduce such accumulated vesting deficiency to zero as of the end of a plan year in which such deficiency arose.

"(3) Correction period.—The term 'correction period' means, with respect to an accumulated vesting deficiency, the period beginning with the end of a plan year in which there is an accumulated vesting deficiency and ending 90 days after the date of mailing of a notice of deficiency with respect to the tax imposed by subsection (a) under section 6212, extended by—

"(A) any period in which a deficiency cannot be assessed under section 6213(a), and

"(B) any other period which the Secretary or his delegate determines is reasonable and necessary to permit a reduction of the accumulated vesting deficiency to zero under this section.

"(d) Regulations.—The Secretary or his delegate may prescribe such regulations as may be necessary to carry out the provisions of this section.

"(e) Cross Reference.—

"For disallowence of deduction for taxes paid under this section, see section 275.".

(c) Conforming, Clerical, Etc., Amendments.—

(1) The table of chapters for subtitle D is amended by adding at the end thereof the following new item:

"Chapter 44. Qualified pension plans.".

(2) Section 6161 (relating to extensions of time for paying tax) is amended by striking out "or 42" each place it appears in subsection (b) and inserting in lieu thereof ", 42 or 44".

(3) Section 6201(d) (relating to assessment authority) is amended by striking out "chapter 42" and inserting in lieu thereof "chapter 42 or 44".

(4) Section 6211 (relating to definition of a deficiency) is amended by—

(A) striking out so much of subsection (a) as precedes "(1) the sum of" and inserting in lieu thereof the following:

"(a) In General.—For purposes of this title in the case of income, estate, and gift taxes imposed by subtitles A and B and excise taxes imposed by chapters 42 and 44 the term 'deficiency' means the amount by which the tax imposed by subtitle A or B, or chapter 42 or 44, exceeds the excess of—"; and

(B) striking out "chapter 42" in subsection (b)(2) and inserting in lieu thereof "chapter 42 or 44".

(5) Section 6212 (relating to notice of deficiency) is amended—

(A) by striking out "or chapter 42" in subsection (a) and (b) and inserting in lieu thereof "chapter 42, or chapter 44",

(B) by striking out "chapter 42, and this chapter" in subsection (b), and inserting in lieu thereof "chapter 42, chapter 44, and this chapter", and

(C) by striking out "chapter 42 tax" in subsection (c) and inserting in lieu thereof "chapter 42 or 44 tax".

(6) Section 6213 (relating to restrictions applicable to deficiencies and petition to Tax Court) is amended—

(A) by striking out "or chapter 42" in subsection (a) and inserting in lieu thereof ", chapter 42 or chapter 44",

(B) by striking out the heading in subsection (e) and inserting in lieu thereof "Suspension of Filing Period for Certain Chapter 42 or 44 Taxes.—"; by striking out "or 4945 (relating to taxes on taxable expenditures)" in subsection (e) and inserting in lieu thereof "4945 (relating to taxes on taxable expenditures), 4972 (relating to taxes on failure to meet maximum funding standard), section 4974 (relating to excise tax on prohibited transactions)"; and by striking out "or 4945(h)(2)" in subsection (e) and inserting in lieu thereof ", 4945(h)(2), 4972 (d)(2), or 4974(f)(4)".

(7) Section 6214(c) (relating to determinations by Tax Court) is amended—

(A) by striking out the heading and inserting in lieu thereof "Taxes Imposed by Section 507, Chapter 42, or Chapter 44.——",

(B) by striking out "chapter 42" each place it appears therein and inserting in lieu thereof "chapter 42 or 44"; and

(C) by striking out "chapter 42" in subsection (d) and inserting in lieu thereof "chapter 42, chapter 44".

(8) Section 6344(a)(1) (relating to cross references) is amended by striking out "chapter 42" and inserting in lieu thereof "chapter 42 or 44".

(9) Section 6501(e)(3) (relating to limitations on assessment and collection) is amended by striking out "chapter 42" and inserting in lieu thereof "chapter 42 or 44".

(10) Section 6503 (relating to suspension of running of period of limitations) is amended—

(A) by striking out "and chapter 42 taxes)" in subsection (a)(1) and inserting in lieu thereof "chapter 42 or 44 taxes)", and

(B) by striking out "or section 507" in subsection (h) and inserting in lieu thereof ", section 507, or chapter 44", and by striking out "or 4945(h)(2)" in subsection (h) and inserting in lieu thereof "4945(i)(2), 4972(d)(2), or 4974(f)(4)".

(11) Section 6512 (relating to limitations in case of petition to Tax Court) is amended by striking out "chapter 42" each place it appears therein and inserting in lieu thereof "chapter 42 or 44".

(12) Section 6601(d) (relating to interest on underpayment, nonpayment, or extensions of time for payment of tax) is amended by—

(A) striking out "chapter 42" and inserting in lieu thereof "chapter 42 or 44", and

(B) striking out in the heading thereof "Chapter 42" and inserting in lieu thereof "Chapter 42 or 44".

(13) Section 6653(c)(1) (relating to income, estate, gift, and chapter 42 taxes) is amended by striking out "chapter 42" each place it appears therein (including the caption) and inserting in lieu thereof "chapter 42 or 44".

(14) Section 6659(b) (relating to applicable rules) is amended by striking out "chapter 42" and inserting in lieu thereof "chapter 42 or 44".

(15) Section 6676(b) (relating to failure to supply identifying numbers) is amended by striking out "chapter 42" and inserting in lieu thereof "chapter 42 or 44".

(16) Section 6677(b) (relating to failure to file information returns with respect to certain foreign trusts) is amended by striking out "chapter 42" and inserting in lieu thereof "chapter 42 or 44".

(17) Section 6679(b) (relating to failure to file returns as to organization or reorganization of foreign corporations and as to acquisitions of their stock) is amended by striking out "chapter 42" and inserting in lieu thereof "chapter 42 or 44".

(18) Section 6682(b) (relating to false information with respect to withholding allowances based on itemized deductions) is amended by striking out "and chapter 42" and inserting in lieu thereof "chapter 42, and chapter 44".

(19) Section 6861 (relating to jeopardy assessments of income, estate, and gift taxes) is amended by striking out "AND GIFT TAXES.", and inserting in lieu thereof "GIFT, AND CERTAIN EXCISE TAXES."

(20) Section 6862 (relating to jeopardy assessment of taxes other than income, estate, and gift taxes) is amended—

(A) by striking out "AND GIFT TAXES.", and inserting in lieu thereof "GIFT, AND CERTAIN EXCISE TAXES.",

(B) by striking out "and gift tax)" and inserting in lieu thereof "gift tax, chapter 42 tax, and chapter 44 tax)".

(21) Section 7422 (relating to civil actions for refund) is amended—

(A) by striking out "chapter 42" and inserting in lieu thereof "chapter 42 or 44" in subsection (e), and

(B) by striking out "chapter 42" in the handling of subsection (g) and inserting in lieu thereof "chapter 42 or 44", and

(C) by striking out "or 4945" in subsection (g)(1) and inserting in lieu thereof "4945, 4972, 4973, or 4974", and

(D) by striking out "section 4945(a) (relating to initial taxes on taxable expenditures)" in subsection (g)(1) and inserting in lieu thereof "section 4945(a) (relating to initial taxes on taxable expenditures), 4972(a) (relating to initial tax on failure to meet minimum funding standard), 4973(a) (relating to initial tax on failure to meet minimum vesting standard), 4974(a) (relating to initial tax on prohibited transactions)", and

(E) by striking out "or 4945" in paragraphs (2) and (3) and inserting in lieu thereof "4945, 4972, 4973, 4974, or 4975".

(F) by striking out "or section 4945(b) (relating to additional taxes on taxable expenditures)" in subsection (g)(1) and inserting in lieu thereof "section 4945(b) (relating to additional taxes on taxable expenditures), section 4972(b) (relating to additional tax on failure to meet minimum funding standard), section 4973(b) (relating to additional taxes on failure to meet minimum vesting standard), or section 4974(b) (relating to additional tax on prohiibted transactions)", and

(G) by striking out "or 4945" in subsections (g) (2) and (3) and inserting in lieu thereof "4945, 4972, 4973, or 4974".

(22) Section 275(a) (relating to certain taxes) is amended by inserting immediately following paragraph (5) the following new paragraph:

"(6) Taxes imposed by chapter 42 and chapter 44 (except section 4975 thereof)."

(d) Effective Date.—

(1) Except as provided in paragraph (2), the amendments made by this section shall apply to plan years beginning after the date of enactment of this Act.

(2) In the case of a plan in existence on the date of enactment of this Act, the amendments made by this section shall apply to plan years beginning after December 31, 1975; however, if the Secretary of Labor determines that the application of any or all of such amendments to a plan for those plan years would create substantial economic hardship for that plan and certifies his determination to the Secretary of the Treasury before that date, the amendments made by this section with respect to which the Secretary of Labor makes such determination shall apply only to plan years of that plan beginning after December 31 of a year not later than 1981 determined by the Secretary of Labor and certified to the administrator of the plan and to the Secretary of the Treasury. For purposes of this paragraph the term "substantial economic hardship" includes, but is not limited to, a finding by the Secretary that—

(A) there is a substantial risk that, if such amendment or amendments apply to the plan without any extension, the voluntary continuation of the plan will be unlikely;

(B) the plan will be unable to discharge its contractual obligations for the payment of benefits; or

(C) application of the amendments to the plan without an extension is likely to cause a substantial reduction in the number of plan participants or persons employed by the employer or employers contributing to or under the plan.

Benefits under a plan may not be increased by amendment if an extension under this paragraph is in effect with respect to the plan on the effective date of amendment. If a plan is amended in violation of the provisions of this paragraph, any such extension shall not apply to plan years beginning after the plan year in which such amendment becomes effective.

Part D—Optional Form of Benefit; Special Rules

Sec. 261. Amendment of Section 401.

(a) In General.—Section 401(a) (relating to requirements for qualification) is amended by—

(1) striking out paragraph (4) and inserting in lieu thereof the following:

"(4) if the contributions or benefits provided under the plan do not discriminate in favor of employees who are—

"(A) officers,

"(B) shareholders, or

"(C) highly compensated,

excluding for this purpose employees who are nonresident aliens whose compensation from the employer (for the taxable year of the employer) does not include any earned income (within the meaning of section 911 (b)) from sources within the United States (within the meaning of section 861(a) (3)).", and

(2) by inserting at the end thereof the following new paragraphs:

"(11) A trust shall not constitute a qualified trust under this section if the plan of which such trust is a part provides for the payment of benefits in the form of an annuity for the life of a participant unless such plan provides for the payment of such benefit in the form of a joint and survivor annuity (with a survivor annuity of not less than one half of the amount of the annuity payable to the participant during the joint lives of the participant and his spouse), unless participant elects in writing, within 2 years of normal retirement age (or, if earlier, within 2 years of the first payment of regular retirement benefits), not to have the benefit paid in such form and that such election may be made only after such participant receives a written explanation of the terms and conditions of such joint and survivor annuity and the effect of such election.

"(12) A trust shall not constitute a qualified trust under this section unless the plan of which such trust is a part provides that benefits provided under the plan may not be assigned or alienated unless the beneficiary thereof cannot be located or ascertained within such reasonable period of time as the Secretary or his delegate may prescribe by regulation.".

(b) Plans Benefiting Owner-Employees.—Section 401(d) (3) (relating to additional requirements for qualification of trusts and plans benefiting owner-employees) is amended by striking out "calendar year." and inserting in lieu thereof: "calendar, fiscal, or plan year, or any employees who are included in a unit of employees covered by an agreement which the Secretary or his delegate finds to be a collective-bargaining agreement between employee representatives and one or more employers, if such agreement does not provide that such employees are to be included in the plan, and if there is evidence that retirement benefits were the subject of good faith bargaining between such employee representatives and such employer or employers during the most recently concluded contract negotiations which were the subject of bargaining between such representatives and the employer or employers.".

(c) Conforming Amendments.—

(1) Section 404(a) (2) (relating to deduction for contributions of an employer to employes' annuity plan) is amended by striking out "and (8)," and inserting in lieu thereof "(8), (11), (12), (13), (14), and (15),".

(2) Section 805(d) (1) (C) (relating to definition of pension plan reserves) is amended by striking out "and (8)" and inserting in lieu thereof "(8), (11), (12), (13), (14), and (15)".

(d) Effective Dates.—

(1) General rule.—Except as provided by paragraph (2), the amendments made by this section shall apply with respect to plan years and taxable years beginning after the date of enactment of this Act.

(2) Exception.—In the case of a trust which is part of a plan which was in existence on December 31, 1972, the amendments made by this section shall not apply with respect to plan years beginning before January 1, 1976.

Sec. 262. Prohibition Against Maintaining Non-Qualified Plans.

(a) In General.—Except as otherwise provided in this section, no person engaged in a trade or business which is in or affects interstate commerce shall establish or maintain a retirement plan which does not meet the requirements of section 401 of the Internal Revenue Code of 1954 (other than a plan described in section 404(a) (5) of such Code to which section 404(g) of such Code does not apply).

(b) Enforcement.—The Secretary of the Treasury is authorized to bring an action in any district court of the United States having jurisdiction over a person who establishes or maintains a retirement plan in violation of the provisions of subsection (a) against such person for equitable relief to restrain that person from maintaining such a plan.

(c) Exceptions.—Subsection (a) shall not apply to—

(1) a plan established or maintained outside the United States primarily for the benefit of employees who are not citizens of the United States if the fund for such plan is maintained outside the United States,

(2) a plan established and maintained solely for the purpose of complying with applicable workmen's compensation or unemployment compensation or disability insurance laws,

(3) a plan established and maintained by a church or by a convention or association of churches which is exempt from tax under section 501(a) of the Internal Revenue Code of 1954,

(4) a plan established and maintained by a fraternal society, order, or association described in section 501(c) (8) or (9) of the Internal Revenue Code of 1954 if no part of the contributions to or under such plan are made by employers of participants in such plan,

(5) a plan established or maintained by the Government of the United States or the government of any State or political subdivision thereof, or by an agency or instrumentality thereof, or

(6) a plan described in section 404(a) (5) of such Code to which section 404(g) of such Code does not apply.

(d) Definitions.—For purposes of this section, the term—

(1) "retirement plan" means any plan, fund, or program other than a profit-sharing plan, which is established under a written governing instrument and provides a determinable retirement benefit for a participant in the plan or his beneficiaries; and

(2) "profit-sharing plan" means a retirement plan established or maintained by an employer to provide for the participation by his employees in the current or accumulated profits of the employer in accordance with a formula for allocating contributions made to the plan. by participants in the plan and for distributing benefits under the plan upon retirement or death of any participant.

(e) Regulations.—The Secretary of the Treasury shall prescribe regulations as may be necessary to carry out the provisions of this section.

Part E—Protection of Pension Rights Under Government Plans and Contracts

Sec. 281. Duties of the Secretary of the Treasury.

The Secretary of the Treasury or his delegate shall study the extent to which pension plans established and maintained by the Government of the United States, or by any State (including the District of Columbia) or political subdivision thereof, are adequately funded. In determining whether any such plan is adequately funded, the Secretary or his delegate shall consider the minimum funding standards applicable to private pension plans under the Internal Revenue Code of 1954, the taxing power of the government maintaining the plan, and whether it would be advisable or appropriate to require such plans to comply with the same minimum funding standards applicable to private pension plans or with other minimum funding standards. The Secretary shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives the results of such study not later than December 31, 1976, together with such recommendations, including recommendations for legislation, as he may deem appropriate.

Sec. 282. Duties of Secretary of Labor.

(a) Development of Regulations.—The Secretary of Labor shall develop, in consultation with appropriate professional societies, business organizations, and heads of interested Federal departments and procurement agencies, recommendations for modifications of Federal procurement regulations to insure that professional, scientific, and technical personnel and others working in associated occupations employed under Federal procurement, construction, or research contracts or grants shall, to the extent feasible, be protected against forfeitures of pension or retirement rights or benefits, otherwise provided, as a consequence of job transfers or loss of employment resulting from terminations or modifications of Federal contracts, grants, or procurement policies.

(b) Publication.—Recommended changes in regulations governing Federal contracts, grants, or procurement policies shall be developed by the Secretary, as required by subsection (a), within six months after enactment of this Act, and shall be published in the Federal Register within fifteen days thereafter as proposed regulations subject to comment by interested parties.

(c) Recommendations.—After publication under subsection (b), receipt of comments, and such modification of the published proposals as the Secretary deems appropriate, the recommended changes in procurement regulations developed under this title shall be adopted by each Federal department and procurement agency within sixty days thereafter unless the head of such department or agency determines that such changes would not be in the national interest or would not be consistent with the primary objectives of such department or agency.

TITLE III—PORTABILITY

Sec. 301. Definitions.

For purposes of this title—

(1) "fund" means the Pension Benefit Portability Fund established under section 303;

(2) "corporation" means the Pension Benefit Guaranty Corporation established under title IV of this Act;

(3) "qualified plan" means—

(A) a pension, profit-sharing, or stock bonus plan described in section 401(a) of the Internal Revenue Code of 1954.

(B) an annuity plan described in section 403 (a) or (b) of such Code, and

(C) a bond purchase plan described in section 405(a) of such Code;

(4) "qualified insurance carrier" means an insurance carrier subject to regulation and examination by the government of the State in which an annuitant resides, which is determined by the corporation to be suitable as the issuer of annuity contracts authorized to be purchased under section 307(b)(3);

(5) "participant" means an employee who is covered under a qualified plan other than an employee who, at any time, has been an employee within the meaning of section 401 (c)(1) of the Internal Revenue Code of 1954;

(6) "administrator" means the person or persons described in section 3(15) of the Welfare and Pension Plans Disclosure Act; and

(7) "State" means any of the States of the United States or the District of Columbia.

Sec. 302. Program Established.

The corporation shall establish a voluntary pension benefit portability program in accordance with the provisions of this title.

Sec. 303. Establishment of Fund.

(a) In General.—The corporation shall establish a Pension Benefit Portability Fund. Any payments received by the corporation under this section or under section 305 shall be deposited in the fund, and all expenditures made by the corporation under, or in connection with, this title shall be made out of the fund.

(b) Investment of Fund Moneys.—The corporation is authorized to invest any amounts in the fund during any fiscal year which it determines not to be needed for use in the program for the payment of liabilities during that year, and any amounts in the fund not needed for the payment of current operating and administrative expenses, in obligations of the United States, and to deposit any such amounts in interest-bearing accounts in, or purchase certificates of deposit from, any bank the deposits of which are insured by the Federal Deposit Insurance Corporation, and to deposit any such amounts in interest-bearing accounts in any savings and loan association in which the accounts are insured by the Federal Savings and Loan Insurance Corporation or in any credit union insured under title II of the Federal Credit Union Act. In no case shall more than 10 percent of the amount invested under this subsection be invested in or with any particular bank, savings and loan association, or credit union.

(c) Reports on Status of Fund.—The corporation shall report to the Congress not later than the first day of the fourth month beginning after the end of the fiscal year of the corporation on the operations and status of the fund during that fiscal year, and on its expected operations and status during the fiscal year of the corporation during which such report is made and the two succeeding fiscal years. The report shall also contain a review of the general policies followed by the corporation in managing the fund and may contain recommendations, including recommendations for additional legislation, with respect to the operations of the fund and of the portability program established by this title, which the corporation chooses to make.

Sec. 304. Registration.

(a) In General.—If an employer who maintains a qualified plan wishes to be able to make payments from his qualified plan assets on behalf of former employees to the corporation for deposit in the fund, or to be able to receive payments from the corporation for the purchase of benefits under his qualified plan for his employees, he shall register the plan with the corporation. The registration shall be in such form and contain such information as the corporation may require. The corporation may not accept any registration application which does not contain the employer's agreement, the breach of which is subject to such charge as the corporation may by law impose, to pay to the corporation, within 180 days after the date on which it is requested, the amount payable under section 305 with respect to a participant in the registered qualified plan who is covered by such registration who requests such payment if that participant was employed by the employer at any time within a period of not less than 12 months preceding the date of the request.

(b) Termination of Registration; Reregistration.—An employer may terminate the registration of his plan under this section and reregister from time to time; however, if the corporation determines that a requested termination of registration and a subsequent registration by an employer were for the purpose of discriminating against an employee or group of employees in an unlawful manner or in a manner prohibited to qualified plans under section 401(a) (3) or (4) of the Internal Revenue Code of 1954 or for the purpose of frustrating the purpose of this title, that termination of registration will be treated as not having been effective.

(c) Limited Registration.—An employer may register a qualified plan under this section with respect to less than all of his employees who are participants in that qualified plan if the group of employees with respect to whom he registers the plan is reasonably defined and the employer demonstrates to the satisfaction of the corporation that the group has a particular need for access to the voluntary pension benefit portability program which is not shared by his other employees who are excluded from the registration but who are participants in the same qualified plan.

Sec. 305. Acceptance of Deposits.

(a) Payments by Administrators.—The corporation shall accept for deposit into the fund any payment made from the assets of a registered qualified plan by the administrator of that plan at the request of a participant if the payment represents a full discharge of liability by that plan to the participant and is made upon his separation from the service of the employer or employers who maintain the plan.

(b) Payments by Participants.—The corporation shall accept for deposit into the fund any payment made by a participant (or former participant) in a qualified plan if—

(1) the payment is all or not less than the taxable portion of a distribution made to the participant by the plan representing a full discharge of liability of the plan to the participant, or a partial discharge of liability which will become a full discharge after being adjusted to reflect the participant's interest in the plan at the close of the plan year, or an installment portion of such a full discharge of liability with any remainder to be paid within 12 months after the date on which the first portion of such distribution is made; and

(2) the payment is made to the corporation for deposit into the fund within 60 days after the date on which the participant (or former participant) received the distribution to which the payment relates.

For purposes of this subsection, the term "taxable portion" means that part of any distribution to which the subsection applies which is attributable to amounts other than employee contributions made by the participant.

(c) Other Conditions.—The corporation shall not accept any payment described in subsection (a) unless the payment is made directly to the corporation by the administrator of the plan, nor shall it accept any payment described in subsection (a) or (b) unless it is made in cash or its equivalent and it is accompanied by such information with respect to the plan and with respect to the payment and the participant on behalf of whom the payment is made, or who is making the payment, as the corporation may require for the efficient administration of the voluntary pension benefit portability program.

Sec. 306. Individual Accounts.

(a) Account Established.—The corporation shall establish and maintain a separate account for each separate payment received by the corporation under section 305 of this title on behalf of each participant.

(b) Items Shown in Account.—An account established under subsection (a) shall identify the participant for whom it is established and shall show—

(1) the name and address of each qualified plan which makes a payment under section 305 of this title on behalf of the participant in whose name such account is established;

(2) the portion of each such payment which constitutes the amount treated under sections 72, 402(a), and 403 of the Internal Revenue Code of 1954 as the net amount contributed by the participant;

(3) any remaining portion of each such payment; and

(4) the amount which constitutes the income attributable to such account while in the custody of the fund.

Sec. 307. Payments From Individual Accounts.

(a) General Rule.—Except as provided in subsection (b), an amount credited to the account of any participant under this title may be paid by the corporation to—

(1) such participant,

(2) his beneficiary,

(3) a qualified insurance carrier selected by such participant, or

(4) a qualified plan.

(b) Limitations.—

(1) In the case of a payment by the corporation to a participant, such payment shall be made upon the written request of such participant and in an amount—

(A) of $100 or more, or

(B) which constitutes the total amount credited to the account of such participant.

The corporation shall, upon the date a participant attains the age of 70½ years, pay to such participant the amount which constitutes the total amount credited to the account of such participant. No payment may be made to a participant who has not attained the age of 59½ years unless that participant is disabled (within the meaning of section 72(m)(7) of the Internal Revenue Code of 1954).

(2) A payment shall be made by the corporation to the beneficiary of a participant only if—

(A) the participant dies before the total amount credited to his account has been paid or distributed in accordance with paragraphs (1), (3), and (4), and

(B) the payment is made to the beneficiary upon his written request and—

(i) is in an amount of $100 or more,

(ii) constitutes the total amount credited to the account of the participant (if less than $100), or

(iii) is used to purchase an immediate annuity for such beneficiary (which is payable for his life or for a term certain not extending beyond the life expectancy of the beneficiary) and which is distributed immediately to the beneficiary.

For purposes of this paragraph, the total amount credited to the account of a participant must be paid or distributed to his beneficiary not later than 10 years after the death of the participant.

(3) In the case of a payment by the corporation to a qualified insurance carrier selected by a participant who has attained the age of 59½ years, such payment shall only

be made if such payment is used for the purchase of—

(A) a single premium life annuity contract payable during the life of such participant commencing not earlier than the date on which such participant attains the age of 59½ years and not later than the date on which he attains the age of 70½ years, or

(B) a single premium joint and survivor annuity contract payable during the lifetimes of such participant and his spouse commencing not earlier than the date on which such participant attains (or would have attained) the age of 59½ years and not later than the date on which such participant attains (or would have attained) the age of 70½ years,

which will be distributed to such participant on the date on which payments are to commence.

(4) The corporation shall make a payment to a qualified plan only if—

(A) the plan is registered under section 304,

(B) the payment is made pursuant to a request made by the participant within 12 months after he becomes a participant in such plan, or, if later, within 12 months after the plan is registered under section 304, and

(C) the administrator of the plan agrees to accept the payment and to apply it to the purchase of benefits under the plan which have a value equivalent to the value of the payment if it were left in the fund.

(c) MANDATORY WITHDRAWALS.—The balance of any account of a participant shall be paid by the corporation to such participant within 30 days after notification to the corporation by the Secretary of the Treasury or his delegate that the trust or plan (which made a payment credited to such account) has been determined not to be a qualified trust under section 401(a) of the Internal Revenue Code of 1954 or not to be a plan which satisfied the requirements of section 404(a)(2) of such Code at the time such trust or plan made such payment.

SEC. 308. ASSISTANCE TO PLAN ADMINISTRATORS.

The corporation shall provide assistance to employers, employee organizations, trustees, and administrators of pension plans in their efforts to provide greater retirement protection for indiivduals who are separated from employment covered under such plans. Such assistance may include, but is not limited to (1) the development of reciprocity arrangements between plans in the same industry or area, and (2) the development of special arrangements for portability of credits within a particular industry or area.

SEC. 309. AMENDMENT OF INTERNAL REVENUE CODE OF 1954.

(a) AMENDMENT OF SECTION 402.—Section 402 (relating to taxability of beneficiary of employees' trust) is amended by—

(1) striking out "and (4)" in the first sentence of paragraph (1) of subsection (a) and inserting in lieu thereof ", (4) and (6)",

(2) inserting after paragraph (5) of subsection (a) (as amended by section 703(b) of this Act) the following new paragraph:

"(6) CERTAIN TRANSFERS.—For purposes of this section, a transfer of the full amount representing an employee's interest in an employee's trust described in section 401(a) which is exempt from tax under section 501 (a) shall not be considered a distribution under paragraph (1) if the transfer is made in connection with a change of employment by the employee and the transfer is made from a trust under his former employer not later than the 60th day after its receipt by the employee, and within 12 months after such change of employment, to—

"(A) a trust of his new employer which is described in section 401(a) and exempt from tax under section 501(a), or

"(B) an annuity plan of his new employer which meets the requirements of section 404(a)(2).

This paragraph shall not apply to a transfer made in connection with a change of employment by an individual who was, at any time, under the former employer's plan an employee within the meaning of section 401 (c)(1). This paragraph shall also apply in the case of a transfer to such a trust or annuity plan of not less than that portion of an employee's interest in his former employer's plan which does not represent the employee's own contributions if the full amount of his interest in such plan was distributed to him. For purposes of this title, the contribution made to the new employer's plan by such a transfer shall be treated as an employer contribution made on the date contributed, except that for purposes of sections 219(b)(2), 404, 411, 414(a), and 1379(b) it shall be treated as an employee contribution made on such date.", and

(3) adding at the end thereof the following new subsections:

"(f) TAXABILITY OF PAYMENTS TO THE PENSION BENEFIT PORTABILITY FUND.—A payment to the Pension Benefit Portability Fund (established under section 303 of the Retirement Income Security for Employees Act) by a qualified plan of an amount described in section 305 of that Act on behalf of a participant shall not be includible in the gross income of such participant for the taxable year of such participant in which such payment is made.

"(g) TAXABILITY OF PAYMENTS FROM THE PENSION BENEFIT PORTABILITY FUND.—Any amount paid on behalf of a participant from the Pension Benefit Portability Fund—

"(1) to a member plan, shall not be includible in the gross income of such participant for the taxable year of such participant in which such payment is made;

"(2) to or with respect to such participant, shall be includible in gross income to the extent that such amount (when added to amounts previously received) exceeds the aggregate amount of each payment to the Pension Benefit Portability Fund credited to the account of such participant which is treated as contributed by such participant under subsection (a), or section 72 or 403;

"(3) to a qualified insurance carrier (within the meaning of section 301(4) of the Retirement Income Security for Employees Act) for the purchase of an annuity contract described in section 307(b) (2) or (3) of that Act shall not be includible in the gross income of such participant for the taxable year in which such annuity contract is purchased.

"(h) TAXABILITY OF MANDATORY WITHDRAWALS FROM THE PENSION BENEFIT PORTABILITY FUND.—Any amount paid to a participant under the provisions of section 307(c) of the Retirement Income Security for Employees Act shall be includible in the gross income of such participant to the extent such amount constitutes the amount described in section 306(b)(4) of such Act."

(b) AMENDMENT OF SECTION 403.—Section 403(a) (relating to taxability of beneficiary under annuity plan) is amended by—

(1) striking out "paragraph (2)" in the first sentence of paragraph (1) and inserting in lieu thereof "paragraphs (2) and (4)", and

(2) inserting after paragraph (3) (as added by section 703(b) of this Act) the following new paragraph:

"(4) CERTAIN TRANSFERS.—For the purposes of this section, a transfer of the full amount representing an employee's interest in an annuity plan described in section 404(a)(2) shall not be considered a distribution under paragraph (1) if the transfer is made in connection with a change of employment by the employee and the transfer is made from a trust under his former employer not later than the 60th day after its receipt by the employee, and within 12 months after such change of employment, to—

"(A) a trust of his new employer which is described in section 401(a) and exempt from tax under section 501(a), or

"(B) an annuity plan of his new employer which meets the requirements of section 404(a)(2).

This paragraph shall not apply to a transfer made in connection with a change of employment by an individual who was, at any time, under the former employer's plan an employee within the meaning of section 401 (c)(1). This paragraph shall also apply in the case of a transfer to such a trust or annuity plan of not less than that portion of an employee's interest in his former employer's plan which does not represent the employee's own contributions if the full amount of his interest in such plan was distributed to him. For purposes of this title, the contribution made to the new employer's plan by such a transfer shall be treated as an employer contribution made on the date contributed, except that for purposes of sections 219(b)(2), 404, 411, 414(a), and 1379(b) it shall be treated as an employee contribution made on such date."

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective on and after the date of enactment of this Act.

SEC. 310. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the corporation (which shall be treated solely for purposes of this section as an instrumentality of the United States) such sums as may be necessary to carry out the provisions of this title.

TITLE IV—PLAN TERMINATION INSURANCE

PART A—PENSION BENEFIT GUARANTY CORPORATION

SEC. 401. DEFINITIONS: SPECIAL RULES.

(a) DEFINITIONS.—For purposes of this title, the term—

(1) "administrator" means the person or persons described in section 501(g)(11) of this Act;

(2) "substantial employer" means any employer (treating employers which are members of the same affiliated group, within the meaning of section 1504(a) of the Internal Revenue Code of 1954, as one employer) who—

(A) has made contributions to or under a multiemployer plan for each of any 2 consecutive plan years equaling or exceeding 10 percent of all employer contributions paid to or under that plan for each such year, and

(B) who has received notice from the plan administrator under section 466 and has not withdrawn from the plan within 24 months after receiving such notice;

(3) "multiemployer plan" means a plan which the corporation determines is a plan to which more than one employer (treating employers who are members of the same affiliated group within the meaning of section 1504(a) of the Internal Revenue Code of 1954 as one employer) is required to contribute and which is a plan established or maintained pursuant to a collective bargaining agreement between employee representatives and one or more employers, but a plan shall not be considered to be a multiemployer plan within the meaning of this section unless the corporation determines that—

(A) under the plan benefits are payable with respect to each participant without regard to the cessation of contributions by the employer who employed that participant, and

(B) the amount of contributions made to or under the plan for a plan year by any employer making such contributions is less than 50 percent of the aggregate amount of contributions made to or under the plan for that plan year by all employers making such contributions;

(4) "corporation" means the Pension Benefit Guaranty Corporation established under section 402; and

(5) "fund" means the Pension Benefit Guaranty Fund established under section 403.

(b) Special Rules.—

(1) Non-multiemployer plans.—A plan which is not a multiemployer plan shall be treated as the separate plan of each employer (with predecessor and successor employers treated as one employer) who contributed to or under the plan.

(2) Employer.—An individual who owns the entire interest in an unincorporated trade or business shall be treated as his own employer, and a partnership shall be treated as the employer of each partner who is an employee within the meaning of section 401(c)(1) of the Internal Revenue Code of 1954.

Sec. 402. Pension Benefit Guaranty Corporation.

(a) Establishment.—There is established within the Department of Labor a body corporate to be known as the Pension Benefit Guaranty Corporation (hereinafter referred to as the "Corporation"). In carrying out its functions under this Act the Corporation shall be administered by a Board of Directors (as provided in subsection (c)), under the general supervision and direction of the Secretary of Labor.

(b) General Powers.—In addition to any specific power granted to the Corporation elsewhere in this Act, the Corporation shall have the power—

(1) to sue and be sued, complain and defend, in its corporate name and through its own counsel, in any court, State or Federal;

(2) to adopt, alter, and use a corporate seal, which shall be judicially noticed;

(3) to adopt, amend, and repeal, by its Board of Directors, bylaws and rules relating to the conduct of its business and the exercise of all other rights and powers granted to it by this Act;

(4) to conduct its business (including the carrying on of operations and the maintenance of offices) and to exercise all other rights and powers granted to it by this Act in any State or other jurisdiction without regard to qualification, licensing, or other statute in such State or other jurisdiction;

(5) to lease, purchase, accept gifts or donations of, or otherwise to acquire, to own, hold, improve, use, or otherwise deal in or with, and to sell, ocnvey, mortgage, pledge, lease, exchange, or otherwise dispose of, any property, real, personal, or mixed, or any interest therein wherever situated;

(6) subject to the provisions of subsection (c), to elect or appoint such officers, attorneys, employees, and agents as may be required, to determine their qualifications, to define their duties, to fix their salaries, and, to the extent desired, require bonds for them and fix the penalty thereof;

(7) to enter into contracts, to execute instruments, to incur liabilities, and to do any and all other acts and things as may be necessary or incidental to the conduct of its business and the exercise of all other rights and powers granted to the Corporation by this Act.

(c) Board of Directors.—The Board of Directors of the Corporation shall be composed of the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce. Members of the Board shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of their duties of members of the Board. The Secretary of Labor shall be the Chairman of the Board of Directors.

(d) Meetings of Board.—The Board of Directors shall meet at the call of its Chairman, or as otherwise provided by the bylaws of the Corporation.

(e) Bylaws.—As soon as practicable but not later than 180 days after the date of enactment of this Act, the board of directors shall adopt initial bylaws and rules relating to the conduct of the business of the corporation. Thereafter, the board of directors may alter, supplement, or repeal any existing bylaw or rule, and may adopt additional bylaws and rules, from time to time as may be necessary. The Secretary of Labor shall cause a copy of the bylaws of the corporation to be published in the Federal Register not less than annually.

(f) Exemption From Tax.—The Pension Benefit Guaranty Corporation, its property, its franchise, capital, reserves, surplus, and its income (including, but not limited to, any income of the Pension Benefit Guaranty Fund and the Pension Benefit Portability Fund), shall be exempt from all taxation now or hereafter imposed by the United States (other than taxes imposed under chapter 21 of the Internal Revenue Code of 1954, relating to Federal Insurance Contributions Act, and chapter 23 of such Code, relating to Federal Unemployment Tax Act) or by any State or local taxing authority, except that any real property and any tangible personal property (other than cash and securities) of the corporation shall be subject to State and local taxation to the same extent according to its value as other real and tangible personal property is taxed.

Sec. 403. Establishment of Pension Benefit Guaranty Fund.

(a) Trust Fund.—

(1) In general.—There is established on the books of the Treasury of the United States a trust fund to be known as the "Pension Benefit Guaranty Fund" (hereinafter in this title referred to as the "fund"). The fund shall remain available without fiscal year limitation and shall consist of such amounts as may be appropriated to it and deposited in it as provided in subsection (b). Upon request made by the Corporation, the Secretary of the Treasury shall transfer such amounts from the fund to the Corporation as the Corporation deems necessary to pay benefits guaranteed under section 422 and to pay the operational and administrative expenses of the Corporation.

(2) Trustee.—The Secretary of the Treasury is the trustee of the fund and shall report to the Congress not later than the first day of March of each year on the operation and status of the fund during the preceding fiscal year of the corporation.

(b) Authorization of Appropriations.—There is authorized to be appropriated to the fund for each fiscal year an amount equal to the amount of the collections of tax under section 4972 of the Internal Revenue Code of 1954 (relating to taxes on failure to meet minimum funding standard) and chapter 45 of such Code.

(c) Premium Rates; Coverage Schedules.—

(1) In general.—The corporation shall prescribe such insurance premium rates and such coverage schedules for the application of those rates as may be necessary to provide sufficient revenue to the fund for the corporation to carry out its functions under this title.

(2) Coverage schedules.—The corporation shall maintain separate coverage schedules for—

(A) plans which are multiemployer plans,

(B) plans which are not multiemployer plans, and

(C) employers who wish to be insured against liability under part D of this title.

Except as provided in paragraph (3), the corporation may revise such schedules whenever it determines that revised rates are necessary, but a revised schedule described in subparagraph (A) or (B) shall apply only to taxable years beginning more than 30 days after the date on which the Congress approves such revised schedule by a concurrent resolution originating in the House of Representatives.

(3) Initial coverage schedules for plans.—The rate of all plans with respect to plan years ending with or within taxable years ending before January 1, 1977, shall be—

(A) in the case of each employer who maintains one or more plans other than a multiemployer plan, with respect to each such plan, an amount equal to $1 for each individual employed by him at any time during each plan year who is a participant in such plan at any time during such plan year; or

(B) in the case of a multiemployer plan, an amount equal to $1 for each individual who is employed by any of the employers in such plan at any time during each plan year and who is a participant in such plan at any one time during such plan year.

(d) Revised Coverage Schedule Procedure.—

(1) In general.—In order to place a revised coverage schedule (other than a schedule described in subsection (c)(2)(C) of this section) in effect, the corporation shall transmit the proposed schedule, its proposed effective date, and the reasons for its proposal to the Committee on Ways and Means of the House of Representatives.

(2) Exercise of rulemaking power of the Senate and the House of Representatives.—The succeeding paragraphs of this subsection are enacted by Congress as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described in paragraph (3); and they shall supersede other rules only to the extent that they are inconsistent therewith. They are enacted with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(3) Resolution.—For the purpose of the succeeding paragraphs of this subsection, "resolution" means only a concurrent resolution originating in the House of Representatives, the matter after the resolving clause of which is as follows: "That the Congress favors the proposed revised coverage schedule transmitted to Congress by the Pension Benefit Guaranty Corporation on ————.", the blank space therein being filled with the date on which the corporation's message proposing the rate was delivered.

(4) Referral of Resolution.—A resolution shall be referred to the Committee on Ways and Means and the Committee on Education and Labor of the House of Representatives or the Committee on Finance and the Committee on Labor and Public Welfare of the Senate.

(5) Discharge of Committee.—If the committee to which has been referred a resolution has not reported it before the expiration of 10 calendar days after its introduction, it shall then (but not before) be in order to move to discharge the committee from further consideration of that resolution, or to discharge the committee from further consideration of any other resolution with respect to the proposed adjustment which has been referred to the committee. The motion to discharge may be made only by a person favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same proposed rate), and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to. If the

motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same proposed rate.

(6) Consideration of resolution.—When the committee has reported, or has been discharged from further consideration of a resolution, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to. Debate on the resolution shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(7) Debatability of motions.—Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution and motions to proceed to the consideration of other business shall be decided without debate. Appeals from the decisions of the Chair relating to the application of rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution shall be decided without debate.

(e) Borrowing Authority.—The corporation is authorized to issue to the Secretary of the Treasury notes or other obligations in an aggregate amount of not to exceed $100,000,000, in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notes or other obligations of the corporation. The Secretary of the Treasury is authorized and directed to purchase any notes or other obligations issued by the corporation under this subsection, and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act, as amended are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

Part B—Coverage

Sec. 421. Plans Covered.

(a) General Rule.—Except as provided by subsection (c), this section applies to any plan which, for a plan year, is, or has been determined by the Secretary of the Treasury to be, a plan described in section 401(a) of the Internal Revenue Code of 1954, or which meets the requirements of section 404((a)(2) of such Code. For purposes of this section, a successor plan is deemed to be a continuation of a predecessor plan. For this purpose, a successor plan is a plan which covers a group of employees which includes substantially the same employees as a previously established plan and provides substantially the same benefits as that plan provided.

(b) Consent by Plans To Be Covered by Title.—The filing of a return under section 6040 of the Internal Revenue Code of 1952 for a plan claiming treatment as a plan to which part I of subchapter D of chapter 1 of such Code applies shall constitute the consent of that plan and its administrator to be bound by the provisions of this title.

(c) Limitations.—This section shall not apply to any plan—

(1) which is a pension plan of the money purchase type, a profit-sharing plan, or a stock bonus plan,

(2) established and maintained by the United States, a State or political subdivision thereof, or a corporation which is an instrumentality of the United States, a State or political subdivision thereof,

(3) established and maintained by a church or a convention or association of churches which is exempt from tax under section 501(a) of the Internal Revenue Code of 1954, unless—

(A) such plan has notified the corporation, in accordance with procedures prescribed by the corporation, that it wishes to have the provisions of this title apply to it,

(B) the plan is established and maintained for the exclusive benefit of employees of such church or convention or association of churches who are employed exclusively in connection with one or more unrelated trades or businesses (within the meaning of section 513 of such Code), or

(C) the plan is a multiemployer plan, and one or more of the employers in the plan is not a church (or a convention or association of churches) which is exempt from tax under section 501(a) of such Code, or

(4) a plan established and maintained by a fraternal society, order, or association described in section 501(c) (8) or (9) of such Code under which no part of the contributions to or under the plan are made by employers of participants in the plan.

For purposes of paragraph (1) of this subsection, the term "money purchase type" does not include a plan under which a fixed benefit is promised if the employer or his representative participated in the determination of that benefit.

Sec. 422. Benefits Covered.

(a) General Rule.—Subject to the limitations contained in subsection (b), the corporation shall guarantee the payment of all nonforfeitable benefits and of all ancillary benefits under the terms of a plan which terminates at a time when section 421 applies to it. For purposes of this subsection, the term "ancillary benefit" means any nonforfeitable retirement benefit which is determined by the corporation to be insurable as an ancillary benefit.

(b) Limitations.—

(1) New benefits.—No benefits provided by a plan in effect for less than 36 months at the time the plan terminates shall be guaranteed under this section. For purposes of this paragraph, the time a successor plan (within the meaning of section 421(a)) has been in effect includes the time a previously established plan (within the meaning of section 421(a)) was in effect.

(2) Benefit increases.—The amount of benefits described in subsection (a) shall be determined without regard to any amendment of the plan which increases the value of benefits payable with respect to a participant, if such amendment was made within the 36-month period preceding the date on which the plan terminates.

(3) Maximum guaranteed benefit under single plan.—Except as provided in paragraphs (8) and (9), the amount of monthly benefits described in subsection (a) provided by a plan, which are guaranteed under this section with respect to a participant, shall not have an actuarial value which exceeds the actuarial value of a monthly benefit with no ancillary benefits in the form of a life annuity commencing at age 65 equal to the lesser of—

(A) 50 percent of his average monthly gross income from his employer during the 5 calendar year period (or, if less, during the number of calendar years in such period in which he actively participates in the plan) preceding the calendar year in which the plan terminates (or the calendar year in which he is no longer an active participant) determined by dividing 1/12th of the sum of all such gross income by the number of such calendar years in which he had such gross income, or

(B) $750 multiplied by a fraction, the numerator of which is the contribution and benefit base (determined under section 230 of the Social Security Act) in effect at the time the plan terminates and the denominator of which is such contribution and benefit base in effect in calendar year 1974. The actuarial value of a benefit (including ancillary benefits) shall be determined in accordance with bylaws of the corporation. For purposes of subparagraph (A), gross income within the meaning of section 911(b) of the Internal Revenue Code of 1954 from the employer; and the 5 calendar year period taken into account shall be the 5 consecutive calendar years period which yields the largest average annual gross income from an employer.

(4) Maxmum amount payable under more than one plan.—Nothwithstanding paragraph (3), no person shall receive from the corporation with respect to a participant an amount, or amounts, that has an actuarial value which exceeds a monthly benefit with no ancillary benefits in the form of a life annuity commencing at age 65 equal to the amount determined under paragraph (3)(B) at the time of the last plan termination.

(5) Certain participants.—

(A) This paragraph shall apply only to a participant who is covered by a plan as an owner-employee (within the meaning of section 401(c)(3) of such Code) on any day during the plan year in which the plan terminates or any of the 3 consecutive plan years immediately preceding such year.

(B) The amount of monthly benefits otherwise payable from the corporation with respect to each participant described in subparagraph (A) shall be reduced to take account of such participant's individual pro rata share of the accumulated funding deficiency (as defined in section 4971(a) of the Internal Revenue Code of 1954) at the time the plan terminates. The individual pro rata share shall be equal to such accumulated unfunded deficiency multiplied by a fraction, the numerator of which is the amount of benefits otherwise payable from the corporation with respect to such participant and the denominator of which is the value of benefits payable from the corporation with respect to all such participants on the date of termination.

(6) Disqualification.—

(A) Disqualification by secretary.—No benefits accrued under a plan after the date on which the Secretary of the Treasury or his delegate issues notice that he has determined that any trust which is a part of a plan does not meet the requirements of section 401(a) of the Internal Revenue Code of 1954, or that the plan does not meet the requirements of section 404(a)(2) of such Code, are guaranteed under this section unless such determination is erroneous. This subparagraph shall not apply if the Secretary or his delegate subsequently issues a notice that such trust meets the requirements of section 401(a) of such Code or that the plan meets the requirements of section 404(a)(2) of such Code.

(B) Other disqualifications.—No benefits accrued under a plan after the date on which an amendment of the plan is adopted which causes the Secretary of the Treasury or his delegate to determine that any trust under the plan has ceased to meet the requirements of section 401(a) of the Internal Revenue Code of 1954 or that the plan has ceased to meet the requirements of section 404(a)(2) of such Code, are guaranteed under this section unless such determination is erroneous. This subparagraph shall not apply if the amendment is revoked as of the date it was first effective or amended to comply with such requirements.

Sec. 423. Contingent Liability Coverage.

(a) In General.—The corporation is authorized to insure any employer who maintains or contributes to or under a plan to which section 421 applies against the payment of any liability which would be imposed on him under part D of this title in the event of a termination of that plan.

(b) Premiums.—The corporation is authorized to prescribe and collect, in such manner as it deems to be appropriate, premiums for insurance offered under subsection (a). Such premiums shall be determined by the corporation and revised by it from time to time as may be necessary, without regard to the provisions of section 403(d), and shall be chargeable at a rate sufficient to fund any payments by the corporation which become necessary under any such contract of insurance.

(c) Contingent Liability Coverage.—No payment shall be made by the corporation under any contract of insurance entered into under this section with an employer for contingent liability arising with respect to any benefit unless the premiums under such contract have been paid by the employer and such contract has been in effect (with respect to any such benefit) for more than 60 months.

(d) No Payment If Employer Remains in Business.—No payment shall be made by the corporation under any contract of insurance entered into by it under this section with respect to the contingent liability of any employer who, within the meaning of section 462(f), remains in business after the termination of the plan with respect to which the contingent liability arose.

(e) Other Insurance.—Nothing in this section shall be considered to preclude the purchase by an employer of insurance from any other person, or to limit the circumstances under which had insurance is payable, or in any way to limit the terms and conditions of such insurance.

Sec. 424. Other Risks.

The corporation is authorized to insure (subject to the limitations of section 422(b)(4)) the payment of other classes of benefits under a plan wherever feasible, to prescribe the terms and conditions of such insurance, and to establish and collect such premiums as may be necessary.

Part C—Terminations

Sec. 441. Termination by Plan Administrator.

(a) General Rule.—Before the effective date of the termination of a plan, the administrator shall file a notice with the corporation that the plan is to be terminated and for a period of 90 days thereafter the plan administrator shall pay no amount pursuant to the termination procedure of the plan unless, before the expiration of such period, he receives a notice of sufficiency under subsection (b). Thereafter, the plan administrator shall proceed with the termination of the plan in a manner consistent with section 444.

(b) Notice of Sufficiency.—If the corporation determines that, after application of section 444, the assets held under the plan are sufficient to discharge when due all obligations of the plan with respect to benefits guaranteed under section 422 (without regard to section 422(b)(5)), it shall notify the plan administrator of such determination as soon as practicable.

(c) Notice of Insufficiency.—If, within a period of 90 days after a notice of termination is filed by a plan administrator pursuant to subsection (a), the corporation finds that it is unable to determine that, after application of section 444, the assets held under the plan are sufficient to discharge when due all obligations of the plan with respect to benefits guaranteed under section 422 (without regard to section 422(b)(5)), it shall notify the plan administrator within such 90-day period of such finding. Upon issuance of such notice, the plan shall be treated as if it had been terminated by the corporation under section 442 on the date such notice is issued.

(d) Extension of Time.—The corporation and the plan administrator may agree to extend the 90-day period provided by this section by a written agreement signed by the corporation and the plan administrator before the expiration of the 90-day period. Such agreement shall extend the 90-day period in accordance with the agreement. The 90-day period may be further extended by subsequent written agreements signed by the corporation and the plan administrator made before the expiration of a previously agreed upon extension of the 90-day period. Any extension may be made upon such terms and conditions (including the payment of benefits) as are agreed upon by the corporation and the plan administrator.

(e) Subsequent Insufficiency.—If in terminating the plan as authorized by this section, the plan administrator finds that the plan is unable, or will be unable, to pay when due, benefits guaranteed under section 422 (without regard to section 422(b)(5)) the plan administrator shall notify the corporation of such finding as soon as practicable thereafter. If the corporation concurs with the finding of the plan administrator, it shall terminate the plan under section 442.

(f) Certain Amendments of Plan.—For purposes of subsection (a), a plan with respect to which benefits are guaranteed under section 422 shall be treated as terminated upon the adoption of an amendment to such plan, if, after giving effect to such amendment, the plan is a plan described in section 421(c)(1).

Sec. 442. Termination by Pension Benefit Guaranty Corporation.

(a) Preliminary Determination.—The corporation may institute proceedings under this section to terminate a plan whenever it determines that—

(1) the plan has not met the minimum funding standard required under section 4971 of the Internal Revenue Code of 1954, or has been notified by the Secretary of the Treasury that a notice of deficiency under section 6212 of such Code has been mailed with respect to the tax imposed under section 4972(a) of such Code,

(2) the plan is unable to pay benefits when due to the extent guaranteed under section 422 (without regard to section 422(b)(5)),

(3) the reportable event described in section 443(b)(8) has occurred, or

(4) the liability of the corporation may reasonably be expected to increase substantially if the plan is not terminated.

(b) Notice to Plan.—Whenever the corporation makes a determination under subsection (a) with respect to a plan it may, upon notice to the plan, apply to the appropriate United States district court for the appointment of a trustee to administer the plan with respect to which the determination is made pending the issuance of a decree under subsection (c) ordering the termination of the plan. If within 3 business days after the filing of an application under this subsection, or such other period as the court may order, the administrator of the plan shall consent to the appointment of a trustee, or fail to show why a trustee should not be appointed, the court may grant the application and appoint a trustee to administer with plan in accordance with its terms until the corporation determines that the plan should be terminated or that termination is unnecessary.

(a) Application for Decree.—If the corporation has issued a notice under this section to a plan administrator and (whether or not a trustee has been appointed under subsection (b)) has determined that the plan should be terminated, it may, upon notice to the plan administrator, apply to the appropriate United States district court for a decree adjudicating that the plan must be terminated in order to protect the interests of the participants and to avoid any further deterioration of the financial condition of the plan or any further increase in the liability of the fund. Upon granting a decree for which the corporation has applied under this subsection the court shall authorize the trustee appointed under subsection (b) (or appoint a trustee if one has not been appointed under such subsection and authorize him) to terminate the plan in accordance with the provisions of section 444.

(d) Powers and Duties of the Trustee.—

(1) Powers.—

(A) Powers before issuance of decree.—A trustee appointed under subsection (b) shall, until the issuance of a decree under subsection (c), have the power—

(i) to do any act authorized by the plan or this title to be done by the plan administrator or any trustee of the plan;

(ii) to require the transfer of all (or any part) of the assets and records of the plan to himself as trustee.

(iii) to invest any assets of the plan which he holds in accordance with the provisions of the plan and applicable rules of law;

(iv) to limit payment of benefits under the plan to amounts guaranteed by section 422 (without regard to section 422(b)(5)) or to continue payment of some or all of the benefits which were being paid prior to his appointment; and

(v) to do such other acts as he deems necessary to continue operation of the plan without increasing the political liability of the corporation, if such acts may be done under the provisions of the plan.

If the court which application is made under subsection (c) dismisses the application with prejudice, or if the corporation fails to apply for a decree under subsection (c) within 30 days after the date on which the trustee is appointed, the trustee shall transfer all assets and records of the plan held by him to the plan administrator within 3 business days after such dismissal or the expiration of such 30-day period, and shall not be liable to the plan or any other person for his acts as trustee except for willful misconduct.

(B) Powers upon issuance of decree.—If the court to which an application is made under subsection (c) issues the decree requested in such application, the trustee shall have the power—

(i) to pay benefits under the plan in accordance with the provisions of section 444,

(ii) to collect for the plan any amounts due the plan,

(iii) to receive any payment made by the corporation to the plan under this title,

(iv) to commence, prosecute, or defend on behalf of the plan any suit or proceeding involving the plan, other than a suit or proceeding in which the corporation is an adverse party,

(v) to issue, publish, or file such notices, statements, and reports as may be required by the corporation or any order of the court,

(vi) to liquidate the plan assets, and

(vii) to do such other acts as may be necessary to comply with this title or any order of the *court* and to protect the interests of plan participants and beneficiaries.

(2) Notice to interested parties.—As soon as practicable after his appointment, the

trustee shall give notice to interested parties of the institution of proceedings under this title to determine whether the plan should be terminated or to terminate the plan, whichever is applicable. For purposes of this paragraph, the term "interested party" means—

(A) the plan administrator,

(B) each participant in the plan and each beneficiary of a deceased participant, and

(C) each employer who may be subject to liability under section 462.

(3) Duties.—Except to the extent inconsistent with the provisions of this Act, or as may be otherwise ordered by the court, a trustee appointed under this section shall be subject to the same duties as a trustee appointed under section 47 of the Bankruptcy Act.

(e) Effect of Other Pending Actions.—An application by the corporation under this section may be filed notwithstanding the pendency in the same or any other court of any bankruptcy, mortgage foreclosure, or equity receivership proceeding, or any proceeding to reorganize, conserve, or liquidate such plan or its property, or any proceeding to enforce a lien against property of the plan.

(f) Executive Jurisdiction Over Plan.—Upon the filing of an application for the appointment of a trustee or the issuance of a decree under this section, the court to which an application is made shall have exclusive jurisdiction of the plan involved and its property wherever located, with the powers, to the extent consistent with the purposes of this section, of a court of bankruptcy and of a court in a proceeding under chapter X of the Bankruptcy Act. Pending an adjudication under subsection (c) such court shall stay, and upon appointment by it of a trustee as provided in this section such court shall continue the stay of, any pending bankruptcy, mortgage foreclosure, equity receivership, or other proceeding to reorganize, conserve, or liquidate the plan or its property and any other suit against any receiver, conservator, or trustee of the plan or its property. Pending such adjudication and upon the appointment by it of such trustee, the court may stay any proceeding to enforce a lien against property of the plan or any other suit against the plan.

(g) Appropriate Court.—An action under this subsection may be brought in the judicial district where the plan administrator resides or is doing business or where any property of the trust forming a part of the plan is situated. A district court in which such action is brought may issue process with respect to such action in any other judicial district.

Sec. 443. Reportable Events.

(a) Report of Event.—Within 30 days after the occurrence of a reportable event, the plan administrator shall notify the corporation that such event has occurred.

(b) Occurrence of Reportable Event.—For purposes of this section a reportable event occurs—

(1) Loss of qualified or exempt status by trust.—At the time the Secretary of the Treasury issues notice that he has determined that any trust which is a part of the plan and which has previously qualified under section 401(a) of the Internal Revenue Code of 1954, or which the Secretary of the Treasury has previously determined has so qualified, has ceased to so qualify, or ceased to be exempt from tax under section 501(a) of such Code;

(2) Loss of qualified status by plan.—At the time the Secretary of the Treasury issues notice that he has determined that a plan which has previously satisfied the requirements of section 404(a)(2) of the Internal Revenue Code of 1954 or which the Secretary of the Treasury has previously determined has satisfied such requirements, has ceased to satisfy such requirements;

(3) Benefit decreased.—At the time an amendment of the plan is adopted if, under the amendment, the benefit payable with respect to any participant may be decreased;

(4) Decrease in participants.—At the time the number of active participants is less than 80 percent of the number of such participants at the beginning of the plan year or less than 75 percent of the number of such participants at the beginning of the previous plan year;

(5) Termination under internal revenue code.—At the time the Secretary of the Treasury determines that there has been a termination or partial termination of the plan or a complete discontinuance of contributions thereunder, within the meaning of section 401(a)(7) of the Internal Revenue Code of 1954;

(6) Failure to meet minimum funding standard.—At the time the plan fails to meet the minimum funding standard under section 4971 of the Internal Revenue Code of 1954;

(7) Plan unable to pay benefits.—At the time a plan is unable to pay benefits thereunder when due; or

(8) Certain distributions.—At the time there is a distribution under a plan to a participant who is an owner-employee (within the meaning of section 401(c)(3) of the Internal Revenue Code of 1954) if such distribution is made other than on account of death or disability, exceeds $10,000, and results in the certain of, or an increase in, unfunded vested liabilities under the plan.

(c) Notification by Secretary of the Treasury.—The Secretary of the Treasury shall notify the corporation whenever he makes a determination described in paragraph (1) or (5) of subsection (b), issues the notice described in paragraph (2) of such subsection, mails a notice of deficiency under section 6212 of the Internal Revenue Code of 1954 to a plan with respect to the tax imposed under section 4972(a) of such Code, or obtains any other information with respect to a plan which constitutes a reportable event.

Sec. 444. Allocation of Assets.

As soon as practicable after the termination of a plan to which section 421 applies, the plan administrator shall allocate the assets of the plan as follows:

(1) Certain employee contributions.—In the case of a plan which provides for employee contributions other than mandatory contributions, the portion of an employee's accrued benefit derived from such employee contributions shall be treated as an accrued benefit derived from contributions under a plan other than a plan to which section 421 applies, and, before applying paragraph (2), assets shall first be allocated to such other plan in accordance with the account balances of the participants in such other plan.

(3) Mandatory contributions.—Assets shall first be allocated to each participant to the extent of his total mandatory contributions. In the event that the assets are insufficient for this purpose, the assets shall be so allocated pro rata.

(3) Benefits in pay status for at least 3 full years.—If the assets of the plan exceed the total amount allocated under paragraphs (1) and (2), the remaining assets shall be allocated to each participant who began to receive payment of benefits not less than 3 years prior to the time the plan terminates to the extent not included in paragraphs (1) and (2) and to the extent of the excess of the present value (as of the date on which the plan terminated) of his benefits (at the level in effect 36 months prior to the date of termination) over his total mandatory contributions under the plan. If the assets of the plan are insufficient for this purpose, the assets remaining after the allocation described in paragraphs (1) and (2) shall be so allocated pro rata.

(4) Other guaranteed benefits.—If the assets of the plan exceed the total amounts allocated under paragraphs (1), (2), and (3), the remaining assets shall be allocated to each participant to the extent of the present value of all other benefits guaranteed under section 422 (without regard to section 422(b)(5)). If the assets of the plan are insufficient for this purpose, the assets remaining after the allocations described in paragraphs (1) and (2) shall be so allocated pro rata with respect to all such other benefits of each participant.

For purposes of this section, "mandatory contributions" are amounts contributed to the plan by the participant which are required as a condition of employment, as a condition of participation in such plan, or in order to obtain benefits under the plan attributable to employer contributions. For this purpose the total amount of mandatory contributions of a participant is the amount of such contributions reduced (but not below zero) by the sum of the amounts paid or distributed to him under the plan prior to such termination.

Sec. 445. Recapture of Certain Payments

(a) Authority.—To the extent the Corporation would not otherwise have the power under this title to undertake the action described in this section with respect to a plan, the Corporation shall have such power with respect to any plan which affects interstate commerce. For purposes of this section, a plan affects commerce if a labor dispute concerning the plan would hinder or obstruct commerce or the free flow of commerce.

(b) Recapture.—Except as provided in subsection (c), the Corporation is authorized to recover from a participant the recoverable amount of all payments from the plan to him which commenced within the 3-year period immediately preceding the time the plan is terminated. The recoverable amount is the sum of all payments actually received by the participant reduced by (1) the amounts such participant would have received during such 3-year period if he had elected at the time of the first such payment to receive his interest in the plan as a monthly benefit equivalent to a monthly benefit with no ancillary benefit in the form of a life annuity commencing at age 65 and (2) the present value at the time of termination of the benefits guaranteed under this title to the extent such benefits exceed his pro rata share of the corporation liability (determined under section 461). Such pro rata share shall be determined in accordance with bylaws or rules of the corporation.

(c) Special Rules.—

(1) Certain distributions.—In the event of a distribution described in section 443 (b)(8) the 3-year period referred to in subsection (b) shall not commence until the date on which the corporation is notified of the distribution.

(2) No recovery for death or disability distributions.—The corporation shall not recover any payment made from a plan after or on account of the death of a participant; or an account of his disability (if he is receiving disability benefits under the Social Security Act with respect to that disability).

(3) Waiver.—The corporation is authorized to waive, in whole or in part, the recovery of any amount which it is authorized to recover under this part in any case in which it determines that substantial economic hardship would result to the participant or his beneficiaries from whom such amount is recoverable.

Sec. 446. Report by Corporation

The corporation shall furnish to the trustee and file with the court a report setting forth—

(1) the amount of benefits payable with

respect to each participant under a plan to be terminated,

(2) the amount of benefits guaranteed under section 422 which are payable with respect to each participant in the plan,

(3) the present value, as of the time of termination, of the aggregate amount of benefits payable under section 422 (determined without regard to section 422(b)(5)),

(4) the fair market value of the assets of the plan at the time of termination.

(5) the computations under section 444, and all actuarial assumptions under which the items described in paragraphs (1) through (4) were computed, and

(6) such other information with respect to the plan as the trustee may require in order to terminate the plan.

PART D—LIABILITY

SEC. 461. CORPORATION LIABILITY.

The liability of the corporation with respect to a plan which is terminated under this title shall be equal to the present value, as of the time of termination, of the aggregate amount of benefits guaranteed under section 422 (determined without regard to section 422(b)(5)), to the extent not provided for by the fair market value of the assets of the plan, at such time, allocated in a manner consistent with the requirements of section 444. This amount shall be payable from the fund described in section 403.

SEC. 462. LIABILITY OF EMPLOYER.

(a) EMPLOYERS LIABLE.—This section applies to any employer who maintained a plan (other than a multiemployer plan) at the time it was terminated by the corporation, but does not apply—

(1) to an employer who maintained a plan with respect to which he paid the annual optional premium described in paragraphs (2)(C) and (3)(B) of section 403(b) for each of the 5 plan years immediately preceding the plan year during which the plan terminated unless the employer remains in business (as defined in subsection (f)), or

(2) to the extent of any liability arising out of the insolvency of a qualified insurance carrier (as defined in section 301(4) of this Act).

(b) AMOUNT OF LIABILITY.—Any employer to which this section applies shall be liable to the Corporation, in an amount equal to the lesser of—

(1) the amount finally determined under section 461, or

(2) 30 percent of the net worth of such employer determined as of the day 120 days prior to the date of termination, without regard to any liability under this section.

(c) NET WORTH.—For purposes of subsection (b)(2) the net worth of an employer means—

(1) in the case of a corporation whose stock is traded on a national exchange, the aggregate value of such corporation's stock, and

(2) in the case of any other employer, the fair market value of its assets less its liabilities determined in a manner consistent with section 2031 of the Internal Revenue Code of 1954.

(d) SUBORDINATION OF DEBT.—If any employer or employers liable to the corporation under this section or section 464 neglects or refuses to repay, after demand, the amount of such liability (including the interest) there shall be a lien in favor of the United States upon all property and rights of property, whether real or personal, belonging to such employer or employers, against the interest of any other creditor of such employer or employers, other than a lien under section 6321 or 6324 of the Internal Revenue Code of 1954 (relating to lien for taxes), or a lien or other security interest perfecting not later than 30 days after termination securing an obligation incurred by such employer or employers prior to termination.

Notwithstanding the provisions of the preceding sentence, if the corporation determines, with the consent of the board of directors, that subordination of the lien to any other creditor of the employer or employers would not adversely affect the collection of such liability, or that the amount realizable by the corporation from the property to which the lien attaches will ultimately be increased by such subordination, and that the ultimate collection of the liability will be facilitated by such subordination, and the corporation issues a certificate of subordination of the lien with respect to such property, or any part thereof.

(e) SUCCESSOR LIABILITY.—For purposes of this section the following rules apply in the case of certain corporation reorganizations—

(1) CHANGE IN IDENTITY, ETC.—If an employer ceases to exist by reason of a reorganization which involves a mere change in identify, form, or place of organization, however effected, a successor corporation resulting from such reorganization shall be treated as the employer to whom this section applies.

(2) LIQUIDATION INTO PARENT.—If an employer ceases to exist by reason of a liquidation into a parent corporation, the parent corporation shall be treated as the employer to whom this section applies.

(3) REORGANIZATION.—If an employer ceases to exist by reason of a merger or consolidation, the successor corporation shall be treated as the employer to whom this section applies.

(f) REMAINING IN BUSINESS.—For purposes of subsection (a), an employer shall be considered to remain in business if, during the plan year within which the plan terminates or the 36-month period following the date of termination, the employer—

(1) is a party to a reorganization described in subsection (e), or

(2) continues to carry on the same business as, or a business similar to, the business in connection with which he maintained the plan which was terminated, without regard to whether he continues to carry on such business at the same location or at a different location.

For purposes of paragraph (2), in the case of a business in which sales are the primary income producing factors, if an employer's gross sales during the year of plan termination or during the 12-month period following the date of termination in such business are less than 25 percent of his average gross sales in such business for the 3 years immediately preceding that year, the employer shall not be considered to have remained in business.

(g) TERMINATION OF SUBSTANTIAL FACILITY.—If an employer ceases operations at a facility in any location and, as a result of such cessation of operations, more than 20 percent of the total number of his employees who are participants under a plan established and maintained by him are separated from employment the employer shall be treated with respect to that plan as if he were a substantial employer under a multiemployer plan and the provisions of sections 463 and 464 shall apply.

SEC. 463. LIABILITY OF SUBSTANTIAL EMPLOYER FOR WITHDRAWAL.

(a) GENERAL RULE.—Except as provided in subsection (d), the plan administrator of a multiemployer plan—

(1) shall notify the corporation of the withdrawal of a substantial employer from the plan, within 60 days after such withdrawal, and

(2) request that the corporation determine the liability of such employer under this title with respect to such withdrawal.

The corporation shall, as soon as practical thereafter, determine whether such employer is liable for any amount under this title with respect to the withdrawal and notify such employer of such liability.

(b) LIABILITY OF EMPLOYER. Except as provided in subsection (c) an employer who withdraws from a plan to which section 421 applies, during a plan year for which he was a substantial employer, and who is notified by the corporation as provided by subsection (a), shall be liable to the corporation in accordance with the provisions of section 461 (without regard to the provisions of paragraphs (1) and (2) of section 462(a)) and this section. The amount of such employer's liability shall be computed on the basis of an amount determined by the corporation to be the amount described in section 461 for the entire plan, as if the plan had been terminated by the corporation on the date of the employer's withdrawal, multiplied by a fraction—

(1) the numerator of which is the total amount contributed to the plan by such employer for the last 5 years ending prior to the withdrawal, and

(2) the denominator of which is the total amount contributed to the plan by all employers for such last 5 years.

Any amount collected by the corporation under this subsection shall be held in escrow subject to disposition in accordance with the provisions (2) and (3) of subsection (c).

(c) SPECIAL RULE.—

(1) FURNISHING OF BOND.—In lieu of payment of his liability under this section the employer may be required to furnish a bond to the corporation in an amount not exceeding 150 percent of his liability to insure payment of his liability under this section. Such bond shall be in such form and with such surety or sureties and upon such conditions as the corporation may require.

(2) NO TERMINATION WITHIN 5-YEAR PERIOD.—If the plan is not terminated within the 5-year period commencing on the day of withdrawal, the liability of such employer shall be abated and any payment held in escrow shall be refunded without interest to the employer (or his bond canceled) in accordance with by-laws or rules prescribed by the corporation.

(3) TERMINATION WITHIN 5-YEAR PERIOD.—If the plan terminates within the 5-year period commencing on the day of withdrawal, the corporation shall—

(A) demand payment or realize on the bond and hold such amount in escrow for the benefit of the plan;

(B) treat any escrowed payments under this section as if they were plan assets and apply them in a manner consistent with this title; and

(C) refund any amount to the employer which is not required to meet any obligation of the corporation with respect to the law.

(d) ALTERNATIVE PROCEDURE.—The provisions of this subsection shall apply in the case of a withdrawal described in subsection (a), and the provisions of subsections (b) and (c) shall not apply, if the corporation determines that the procedure provided for under this subsection is consistent with the purposes of this section and section 464 and is more appropriate in the particular case. Upon a showing by the plan administrator of a multiemployer plan that the withdrawal from the plan by any employer or employers has resulted, or will result, in a significant reduction in the amount of aggregate contributions to or under the plan by employers, the corporation may—

(1) require the plan fund to be equitably allocated between those participants no longer working in covered service under the plan as a result of their employer's withdrawal, and those participants who remain in covered service under the plan;

(2) treat that portion of the plan fund allocable under paragraph (1) to participants no longer in covered service as a termination; and

(3) treat that portion of the plan fund allocable to participants remaining in covered service as a new plan.

(e) No Withdrawal Liability Under Alternative Procedure.—The corporation is authorized to waive the application of the provisions of subsections (b), (c), and (d) of this section to any employer or plan administrator whenever it determines that there is an indemnity agreement in effect among all other employers under the plan which is adequate to satisfy the purposes of this section and of section 464.

(f) Rules.—The corporation is authorized to prescribe rules as it deems necessary in order to implement the purposes of this section.

Sec. 465. Liability of Employers on Termination of Multiemployer Plan.

(a) Application of Section.—This section shall apply to all employers who maintain a multiemployer plan at the time such plan is terminated

(b) Liability of Such Employer.—The corporation shall determine the liability of each such employer in a manner consistent with section 462 except that the amount of the liability determined under section 462(b)(1) with respect to the entire plan shall be allocated to each employer by multiplying such amount by a fraction—

(1) the numerator of which is the amount contributed to the plan by each employer for the last 5 plan years ending prior to the termination, and

(2) the denominator of which is the total amount contributed to the plan by all such employers for such last 5 years,

and the limitation described in section 462 (b)(2) shall be applied separately to each employer.

Sec. 465. Annual Report of Plan Administrator.

For each plan year for which section 421 applies to a plan, the plan administrator shall file with the corporation, on a form prescribed by the corporation, an annual report which identifies the plan and plan administrator and which includes—

(1) a copy of each notification, required under section 463 with respect to such year, and

(2) a statement disclosing whether any reportable event (described in section 443(b)) occurred during the plan year.

The report shall be filed within 6 months after the close of the plan year to which it relates.

Sec. 466. Annual Notification to Substantial Employers.

The plan administrator of each multiemployer plan shall notify, within 6 months after the close of each plan year, any employer making contributions under that plan who is described in section 401(a)(2)(A) that he is a substantial employer for that year.

Sec. 467. Recovery of Employer Liability for Plan Termination.

(a) Collection.—The corporation is authorized to make arrangements with employers, liable under section 462, 463, or 464 for payment of their liability, including arrangements for deferred payment on such terms and for such periods as the corporation deems equitable and appropriate.

(b) Disposition of Employer Liability Payments.—Any amounts received by the corporation as payments of employer liability under this part may be retained by it and used to defray operating and administrative expenses.

Part E—Amendments to Internal Revenue Code of 1954; Effective Dates

Sec. 481. Amendments to Internal Revenue Code of 1954.

(a) Section 401(a).—Section 401(a) (relating to requirements for qualification) is amended by inserting at the end thereof the following new paragraphs:

"(14) In the case of a plan which is required to register with the Secretary or his delegate under the provisions of section 151 of the Retirement Income Security for Employees Act, a trust forming part of such plan shall not constitute a qualified trust under this section unless the plan is so registered.

"(15) In the case of a plan which is required to provide for determination of disputes under the provisions of part A of title VI of the Retirement Income Security for Employees Act, a trust forming a part of such plan shall not constitute a qualified trust under this section unless the plan so provides.

"(16) In the case of a plan to which section 421 of the Retirement Income Security for Employees Act, a trust forming a part of such plan shall not constitute a qualified trust under this section unless the plan provides for the maintenance of insurance under title IV of such Act.

"(17) A trust shall not constitute a qualified trust under this section unless the plan of which it is a part provides that, unless the participant and his employer agree otherwise in writing, the payment of benefits under the plan to which section 411 applies will commence not later than the later of the thirtieth day after—

"(A) the date on which the participant attains the age of 65 years, or

"(B) the date on which the participant completes 10 years of participation in the plan.".

(b) Section 162.—Section 162 (relating to trade or business expenses) is amended by redesignating subsection (h) as (i) and inserting after subsection (g) the following new subsection:

"(h) Insured Pension Losses.—No deductions shall be allowed under subsection (a) for any payment to the Pension Benefit Guaranty Corporation with respect to liability for a plan termination.".

(c) Section 4981.—Subtitle D (relating to miscellaneous excise taxes) is amended by adding at the end thereof the following new chapter:

"CHAPTER 45—CERTAIN GUARANTEED BENEFIT PLANS

"Sec. 4981. Excise Tax on Privilege of Maintaining Insured Plan.

"(a) Imposition of Tax.—There is hereby imposed on the privilege of maintaining a plan insured under the provisions of title IV of the Retirement Income Security for Employees Act a tax determined under subsection (b) for any plan year during which section 421 of such Act applies at any time.

"(b) Rate of Tax.—

"(1) In general.—Except as provided in paragraph (2), the rate of tax for a plan year shall be equal to the rate contained in the coverage schedule in effect for that plan year under subparagraph (A) (in the case of a plan which is not a multiemployer plan) or subparagraph (B) (in the case of a multiemployer plan) of section 403(c)(2) of the Retirement Income Security of Employees Act.

"(2) Alternative tax.—In the case of a taxpayer to which subparagraph (C) (in the case of a plan which is not a multiemployer plan) or subparagraph (D) (in the case of a multiemployer plan) of section 403(c)(2) of the Retirement Income Security for Employees Act applies, the rate of tax for a plan year shall be equal to the rate contained in the coverage schedule in effect for that plan year under such subparagraph.

"(c) By Whom Payable.—The tax imposed under subsection (a) shall be paid by the administrator (as defined in section 3(15) of the Welfare and Pension Plans Disclosure Act) of a plan.

"(d) Exception.—This section shall not apply with respect to a plan year in which the plan terminates under section 441 or 442 of the Retirement Income Security for Employees Act.

"(e) Definition of Multiemployer Plan.—The term 'multiemployer plan' means a plan described in section 401(3) of the Retirement Income Security of Employees Act.

"(f) Cross Reference.—

"For penalties and other general and administrative provisions applicable to this section, see subtitle F.".

(d) Amendment of Section 6511.—Section 6511(d) (relating to special rules applicable to income taxes) is amended by adding at the end thereof the following new paragraph:

"(8) Special period of limitation with respect to amounts included in income subsequently recaptured under qualified plan termination.—If the claim for credit or refund relates to an overpayment of tax imposed by subtitle A on account of the recapture, under section 445 of the Retirement Income Security for Employees Act, of amounts included in income for a prior taxable year, the 3-year period of limitation prescribed in subsection (a) shall be extended until the date which occurs one year after the date on which such recaptured amount is paid by the taxpayer.".

(e) Conforming Amendments.—

(1) Section 404(a)(2) (relating to deduction for contributions of an employer to employees' annuity plan) is amended by striking out "and (8), and if applicable, the requirements of section 401(a) (9) and (10) and of section 401(d) (other than paragraph (1))," and inserting in lieu thereof "(8), (11), (12), 13, (15), (15), and (16), and, if applicable, the requirements of section 401 (a) (9) and (10), of section 401(c)(6), and of section 401(d) (other than paragraph (1)),".

(2) Section 805(d)(1)(C) (relating to definition of pension plan reserves) is amended by striking out "and 8)" and inserting in lieu thereof "(8), (11), (12), (13), (14), (15), and (16)".

(f) Clerical Amendment.—The table of chapters for subtitle D is amended by adding at the end thereof the following new item:

"Chapter 45. Certain guaranteed benefit plans.".

Sec. 482. Effective Dates.

(a) In General.—Except as provided in subsections (b) and (c), this title shall take effect on the date of enactment of this Act.

(b) Privilege Tax.—The amendments made by section 481 shall apply with respect to plan years and taxable years beginning after December 31, 1973.

(c) Terminations; Liability.—Part C and part D shall apply with respect to plan years beginning after December 31, 1976, unless the corporation determines that moneys in the fund are sufficient to enable it to meet its liability under section 461 with respect to terminations occurring before that date.

Part F—Allocation of Assets Where Section 444 Does Not Apply

Sec. 491. Allocation of Assets for Plan Terminations Not Covered.

(a) In General.—If a plan to which this title applies is terminated and the provisions of section 444 do not apply to that termination, the administrator of the plan shall allocate the assets of the plan in accordance with the provisions of that section (without regard to the 3-year pay status for benefits rule of paragraph (3)).

(b) Application of Section.—The provisions of subsection (a) shall apply with respect to the termination of any plan other than a plan which is in existence on the date of enactment of this Act and with respect to which there is in effect on such date a written provision governing allocation of assets under the plan upon termination.

TITLE V—DISCLOSURE AND FIDUCIARY STANDARDS

PART A—DISCLOSURE

AUTHORITY TO ISSUE REGULATIONS

SEC. 501. (a) The Secretary of Labor shall have authority to issue such rules and regulations as are necessary to implement the provisions of this Act and the Welfare and Pension Plans Disclosure Act.

(b) In order to avoid unnecessary expenses and duplication of functions among government agencies the Secretary may make such arrangements or agreements for cooperation or mutual assistance in the performance of his functions under this Act and the Welfare and Pension Plans Disclosure Act and the functions of any agency, Federal or State, as he may find to be practicable and consistent with law. The Secretary may utilize on a reimbursable or other basis the facilities or services of any department, agency, or establishment of the United States or of any State including services of any of its employees with the lawful consent of such department, agency, or establishment; and each department, agency, or establishment of the United States is authorized and directed to cooperate with the Secretary and to the extent permitted by law to provide such information and facilities as the Secretary may request for his assistance in the performance of his functions under this Act.

AMENDMENT TO WELFARE AND PENSION PLANS DISCLOSURE ACT

SEC. 502. (a) Section 3 of the Welfare and Pension Plans Disclosure Act (72 Stat. 997) is amended by adding at the end thereof the following new paragraphs:

"(14) The term 'relative' means a spouse, ancestor, descendant, brother, sister, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law.

"(15) The term 'administrator' means—

"(A) the person specifically so designated by the terms of the plan, collective bargaining agreement, trust agreement, contract, or other instrument, under which the plan is operated; or

"(B) in the absence of such designation (i) the employer in the case of an employee benefit plan established or maintained by a single employer, (ii) the employee organization in the case of a plan established or maintained by an employee organization, or (iii) the association, committee, joint board of trustees, or other similar group of representatives of the parties who established or maintained the plan, in the case of a plan established or maintained by two or more employers or jointly by one or more employers and one or more employee organizations.

"(16) The term 'employee benefit' or 'plan' means an employee welfare benefit plan or an employee pension benefit plan or a plan providing both welfare and pension benefits.

"(17) The term 'employee benefit fund' or 'fund' means a fund of money or other asssets maintained pursuant to or in connection with an employee benefit plan and includes employee contributions withheld but not yet paid to the plan by the employer. The term does not include: (A) any assets of an investment company subject to regulation under the Investment Company Act of 1940; (B) premium, subscription charges, or deposits received and retained by an insurance carrier or service or other organization, except for any separate account established or maintained by an insurance carrier.

"(18) The term 'separate account' means an account established or maintained by an insurance company under which income, gains, and losses, whether or not realized, from assets allocated to such account, are, in accordance with the applicable contract, credited to or charged against such account without regard to other income, gains, or losses of the insurance company.

"(19) The term 'adequate consideration' when used in section 15 means either (A) at no more than the price of the security prevailing on a national securities exchange which is registered with the Securities and Exchange Commission, or (B) if the security is not traded on such a national securities exchange, at a price not less favorable to the fund than the offering price for the security as established by the current bid and asked prices quoted by persons independent of the issuer, or (C) if the price of the security is not quoted by persons independent of the issuer, a price determined to be the fair value of the security.

"(20) The term 'nonforfeitable pension benefit' means a legal claim obtained by a participant or his beneficiary to that part of an immediate or deferred pension benefit which, notwithstanding any conditions subsequent which would affect receipt of any benefit flowing from such right, arises from the participant's covered service under the plan and is no longer contingent on the participant remaining covered by the plan.

"(21) The term 'covered service' means that period of service performed by a participant for an employer or as a member of an employee organization which is recognized under the terms of the plan or the collective-bargaining agreement (subject to the requirements of the Retirement Income Security for Employees Act), for purposes of determining a participant's eligibility to receive pension benefits or for determining the amount of such benefits.

"(22) The term 'pension benefit' means the aggregate, annual, monthly, or other amounts to which a participant has or will become entitled upon retirement or to which any other person is entitled by virtue of such participant's death.

"(23) The term 'accrued portion of normal retirement benefit' means that amount of such benefit which, irrespective of whether the right to such benefit is nonforfeitable, is equal to—

"(A) in the case of a profit-sharing-retirement plan or money purchase plan, the total amount credited to the account of a participant;

"(B) in the case of a unit benefit-type pension plan, the benefit units credited to a participant; or

"(C) in the case of other types of pension plans, that portion of the prospective normal retirement benefit of a participant that, pursuant to rule or regulation under the Retirement Income Security for Employees Act, is determined to constitute the participant's accrued portion of the normal retirement benefit under the terms of the appropriate plan.

"(24) The term 'security' means any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in, or, in general, any interest or instrument commonly known as a security, or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing.

"(25) The term 'fiduciary' means any person who exercises any power of control, management, or disposition with respect to any moneys or other property of any employee benefit fund, or has authority or responsibility to do so.

"(26) The term 'market value' or 'value' when used in this Act means fair market value where available, and otherwise the fair value as determined pursuant to rule or regulation under this Act.".

(b) Paragraph (1) of section 3 of such Act is amended by inserting the words "or maintained" after the word "established", by inserting a comma after the word "unemployment", and by adding the following: "or benefits of the type described or permitted by section 302(c) of the Labor Management Relations Act".

(c) Paragraph (2) of section 3 of such Act is amended by inserting the words "or maintained" after the word "established".

(d) Paragraph (3) of section 3 of such Act is amended by striking out the word "plan" the first time it appears and inserting in lieu thereof the word "program".

(e) Paragraphs (3), (4), (6), and (7) of section 3 of such Act are amended by striking out the words "welfare or pension" wherever they appear.

(f) Paragraph (13) of section 3 of such Act is amended to read as follows:

"(13) The term 'party in interest' means as to an employee benefit plan or fund, any administrator, officer, fiduciary, trustee, custodian, counsel, or employee of any employee benefit plan, or a person providing benefit plan services to any such plan, or an employer, any of whose employees are covered by such a plan or any person controlling, controlled by, or under common control with, such employer or officer or employee or agent of such employer or such person, or an employee organizaion having members covered by such plan, or an officer or employee or agent of such an employee organization, or a relative, partner, or joint venturer or any of the above-described persons. Whenever the term 'party in interest' is used in this Act, it shall mean a person known or should have been known to be a party in interest. If any moneys or other property of an employee benefit fund are invested in shares of an investment company registered under the Investment Company Act of 1940, such investment shall not cause such investment company or such investment company's investment adviser or principal underwriter to be deemed to be a 'fiduciary' or a 'party in interest' as those terms are defined in this Act, except insofar as such investment company or its investment adviser or principal underwriter acts in connection with an employee benefit fund established or maintained pursuant to an employee benefit plan covering employees of the investment company, the investment adviser, or its principal underwriter. Nothing contained herein shall limit the duties imposed on such investment company, investment adviser, or principal underwriter by any other provision of law.".

(g) Section 4(a) of the Welfare and Pension Plans Disclosure Act is amended by striking out the words "welfare or pension", "or employers", and "or organizations" wherever they appear.

(h) Paragraph (3) of section 4(b) of such Act is amended to read as follows:

"(3) Such plan is administered by a religious organization described under section 501(c) of the Internal Revenue Code of 1954 which is exempt from taxation under the provisions of section 501(a) of such Code;"

(i) Section 4(b)(4) of such Act is repealed.

(j) Section 4(b) of such Act is further amended by adding at the end thereof the following new paragraph:

"(5) Such plan is established or maintained outside the United States primarily for the benefit of employees who are not citizens of the United States and the situs of the employee benefit plan fund established or maintained pursuant to such plan is maintained outside the United States."

(k) Section 5(b) of the Welfare and Pension Plans Disclosure Act is amended to read as follows:

"(b) The Secretary may require the filing of special terminal reports on behalf of an employee benefit plan which is winding up its affairs (whether or not the plan has terminated), including any period during which the plan has moneys or other assets remaining and for one hundred and fifty days thereafter. Such reports may be required to be filed regardless of the number of participants remaining in the plan and shall be in such form and filed in such manner as the Secretary may prescribe."

(l) Section 5 of such Act is further amended by adding at the end thereof the following new subsection:

"(c) The Secretary may by regulation, as to any class or type of employee benefit plans—

"(1) grant an exemption from all or part of the reporting, disclosure, and publication requirements of this Act; or

"(2) provide a variance in the form or manner of reporting, disclosure and publication required by this Act; or both,

if he finds that the exemption or variance is necessary or appropriate and consistent with the purposes of this Act. Any such exemption or variance may be granted on such conditions as the Secretary may deem appropriate. The Secretary shall prescribe by general rule simplified reports for plans which cover less than 100 participants and which maintain an employee benefit fund with less than $100,000 in assets, except that nothing contained herein shall preclude the Secretary from requiring any information or data from such plans where he finds such data or information necessary to carry out the purposes of this Act nor shall the Secretary be precluded from revoking provisions for simplified forms for any such plan if he finds it necessary to do so in order to carry out the objectives of this Act.".

(m) Section 6 of the Welfare and Pension Plans Disclosure Act is amended to read as follows:

"SEC. 6. (a) A description of any employee benefit plan shall be published as required herein within ninety days after the establishment of such plan or when such plan becomes subject to this Act.

"(b) the description of the plan shall be comprehensive, written in a manner calculated to be understood by the average participant, and shall include the name and type of administration of the plan; the name and address of the administrator; the names and addresses of any person or persons responsible for the management or investment of plan funds; the schedule of benefits; a description of the provisions providing for vested benefits; the source of the financing of the plan and indentity of any organization through which benefits are provided; whether records of the plan are kept on a calendar year basis, or on a policy or other fiscal year basis, and if on the latter basis, the date of the end of such policy or fiscal year; the procedures to be followed in presenting claims for benefits under the plan and the remedies available under the plan for the redress of claims which are denied in whole or in part. Amendments to the plan reflecting changes in the data and information included in the original plan, other than data and information also required to be included in annual reports under section 7, shall be included in the description on and after the effective date of such amendments. Any change in the information required by this subsection shall be reported in accordance with regulations prescribed by the Secretary.".

(n) Subsection (a) of section 7 of the Welfare and Pension Plans Disclosure Act is amended by adding the number "(1)" after the letter "(a)", and by striking out that part of the first sentence which precedes the word "if" the first time it appears and inserting in lieu thereof the words "An annual report shall be published with respect to any employee benefit plan if the plan provides for an employee benefit fund subject to section 15 of this Act or".

(o) Section 7(a)(1) of such Act is further amended by striking out the word "investigation" and inserting in lieu thereof the words "notice and opportunity to be heard", by striking out the words "year (or if" and inserting in lieu thereof the words "policy or fiscal year on which", adding a period after the word "kept", and striking out all the words following the word "kept".

(p) Section 7(a) of such Act is further amended by adding the following paragraphs:

"(2) If some or all of the benefits under the plan are provided by an insurance carrier or service or other organization, such carrier or organization shall certify to the administrator of such plan, within one hundred and twenty days after the end of each calendar, policy, or other fiscal year, as the case may be, such information as determined by the Secretary to be necessary to enable such administrator to comply with the requirements of this Act.

"(3) The administrator of an employee benefit plan shall cause an audit to be made annually of the employee benefit fund established in connection with or pursuant to the provisions of the plan. Sush audit shall be conducted subject to regulations of the Secretary and in accordance with generally accepted standards of auditing by an independent certified or licensed public accountant, but nothing herein shall be construed to require such an audit of the books or records of any bank, insurance company, or other institution providing insurance, investment, or related function for the plan, if such books or records are subject to periodic examination by any agency of the Federal Government or the government of any State. The auditor's opinion and comments with respect to the financial information required to be furnished in the annual report by the plan administrator shall form a part of such report.".

(q) Sections 7 (b) and (c) of such Act are amended to read as follows:

"(b) A report under this section shall include—

"(1) the amount contributed by each employer; the amount contributed by the employees; the amount of benefits paid or otherwise furnished; the number of employees covered; a statement of assets, liabilities, receipts, and disbursements of the plan; a detailed statement of the salaries and fees and commissions charged to the plan, to whom paid, in what amount, and for what purposes; the name and address of each fiduciary, his official position with respect to the plan, his relationship to the employer of the employees covered by the plan, or the employee organization, and any other office, position, or employment he holds with any party in interest;

"(2) a schedule of all investments of the fund showing as of the end of the fiscal year:

"(A) the aggregate cost and aggregate value of each security, by issuer,

"(B) the aggregate cost and aggregate value, by type or category, of all other investments, and separately identifying (i) each investment, the value of which exceeds 3 per centum of the value of the fund and (ii) each investment in securities or properties of any person known to be a party in interest;

'(3) a schedule showing the aggregate amount, by type of security, of all purchases, sales, redemptions, and exchanges of securities made during the reporting period; a list of the issuers of such securities; and in addition, a schedule showing, as to each separate transaction with or without respect to securities issued by any person known to be a party in interest, the issuer, the type and class of security, the quantity involved in the transaction, the gross purchase price, and in the case of a sale, redemption, or exchange, the gross and net proceeds (including a description and the value of any consideration other than money) and the net gain or loss, except that such schedule shall not include distribution of stock or other distributions in kind from profit-sharing or similar plans to participants separated from the plan;

"(4) a schedule of purchases, sales, or exchanges during the year covered by the report of investment assets other than securities—

"(A) by type or category of asset the aggregate amount of purchases, sales, and exchanges; the aggregate expenses incurred in connection therewith; and the aggregate net gain (or loss) on sales, and

"(B) for each transaction involving a person known to be a party in interest and for each transaction involving over 3 per centum of the fund, an indication of each asset purchased, sold, or exchanged (and, in the case of fixed assets such as land, buildings, and leaseholds, the location of the asset); purchase or selling price; expenses incurred in connection with the purchase, sale, or exchange; the cost of the asset and the net gain (or loss) on each sale; the identity of the seller in the case of a purchase, or the identity of the purchaser in the case of a sale, and his relationship to the plan, the employer, or any employee organization;

"(5) a schedule of all loans made from the fund during the reporting year or outstanding at the end of the year, and a schedule of principal and interest payments received by the fund during the reporting year, aggregated in each case by type of loan, and in addition, a separate schedule showing as to each loan which—

"(A) was made to a party in interest, or

"(B) was in default, or

"(C) was written off during the year as uncollectable, or

"(D) exceeded 3 per centum of the value of the fund,

the original principal amount of the loan, the amount of principal and interest received during the reporting year, the unpaid balance, the identity and address of the loan obligor, a detailed description of the loan (including date of making and maturity, interest rate, the type and value of collateral, and the material terms), the amount of principal and interest overdue (if any) and as to loans written off as uncollectable an explanation thereof;

"(6) a list of all leases with—

"(A) persons other than parties in interest who are in default, and

"(B) any party in interest,

including information as to the type of property leased (and, in the case of fixed assets such as land, buildings, leaseholds, and so forth, the location of the property), the identity of the lessor or lessee from or to whom the plan is leasing, the relationship of such lessors and lessees, if any, to the plan, the employer, employee organization, or any other party in interest, the terms of the lease regarding rent, taxes, insurance, repairs, expenses, and renewal options; if property is leased from persons described in (B) the amount of rental and other expenses paid during the reporting year; and if property is leased to persons described in (A) or (B), the date the leased property was purchased and its cost, the date the property was leased and its approximate value at such date, the gross rental receipts during the reporting period, the expenses paid for the leased property during the reporting period, the net receipt from the lease, and with respect to any such leases in default, their identity, the amounts in arrears, and a statement as to what steps have been taken to collect amounts due or otherwise remedy the default;

"(7) a detailed list of purchases, sales, exchanges, or any other transactions with any party in interest made during the year, including information as to the asset involved, the price, any expenses connected with the transaction, the cost of the asset, the proceeds, the net gain or loss, the identity of the other party to the transaction and his relationship to the plan;

"(8) subject to rules of the Secretary designed to preclude the filing of duplicate or unnecessary statements, if some or all of the assets of a plan or plans are held in a common or collective trust maintained by a bank or similar institution or in a separate account maintained by an insurance carrier, the report shall include a statement of assets and liabilities and a statement of receipts and disbursements of such common or collective trust or separate account and such of the information required under paragraphs (2), (3), (4), (5), (6), and (7) of section 7(b) with respect to such common or collective trust or separate account as the Secretary may determine appropriate by regulation. In such case the bank or similar institution or insurance carrier shall certify to the administrator of such plan or plans, within one hundred and twenty days after the end of each calendar, policy, or other fiscal year, as the case may be, the information determined by the Secretary to be necessary to enable the plan administrator to comply with the requirements of this Act; and

"(9) in addition to reporting the information called for by this subsection, the administrator may elect to furnish other information as to investment or reinvestment of the fund as additional disclosures to the Secretary.

"(c) If the only assets from which claims against an employee benefit plan may be paid are the general assets of the employer or the employee organization, the report shall include (for each of the past five years) the benefits paid and the average number of employees eligible for participation."

(r) Section 7(d) of such Act is amended by striking out the capital "T" in the word "The" the first time it appears in paragraphs (1) and (2) and inserting in lieu thereof a lowercase "t".

(s) Section 7(e) of such Act is amended to read as follows:

"(e) Every employee pension benefit plan shall include with its annual report (to the extent applicable) the following information:

"(1) the type and basis of funding,

"(2) the number of participants, both retired and nonretired, covered by the plan,

"(3) the amount of all reserves or net assets accumulated under the plan,

"(4) the present value of all liabilities for all nonforfeitable pension benefits and the present value of all other accrued liabilities,

"(5) the ratios of the market value of the reserves and assets described in (3) above to the liabilities described in (4) above,

"(6) a copy of the most recent actuarial report, and

"(A) (i) the actuarial assumptions used in computing the contributions to a trust or payments under an insurance contract, (ii) the actuarial assumptions used in determining the level of benefits, and (iii) the actuarial assumptions used in connection with the other information required to be furnished under this subsection, insofar as any such actuarial assumptions are not included in the most recent actuarial report,

"(B) (i) if there is no such report, or (ii) if any of the actuarial assumptions employed in the annual report differ from those in the most recent actuarial report, or (iii) if different actuarial assumptions are used for computing contributions or payments than are used for any other purpose, a statement explaining same; and

"(7) such other reasonable information pertinent to disclosure under this subsection as the Secretary may by regulation prescribe."

(t) Section 7 of such Act is further amended by striking out in their entirety subsections (f), (g), and (h).

ANNUAL REPORTS

Sec. 503. (a) Section 8 of the Welfare and Pension Plans Disclosure Act is amended by striking out subsections (a) and (b) in their entirety and by redesignating subsection (c) as subsection (a). The subsection redesignated as subsection (a) is further amended by striking out the words "of plans" after the word "descriptions", striking out the word "the" before the word "annual" and adding the word "plan" before the word "descriptions".

(b) Such section is further amended by adding subsections (b), (c), (d), and (e), to read as follows:

"(b) The Administrator of any employee benefit plan subject to this Act shall file with the Secretary a copy of the plan description and each annual report. The administrator shall also furnish to the Secretary, upon request, any documents relating to the employee benefit plan, including but not limited to the bargaining agreement, trust agreement, contract, or other instrument under which the plan is established or operated, and any document so furnished shall be available for public inspection by the Secretary.

"(c) Publication of the plan descriptions and annual reports required by this Act shall be made to participants and beneficiaries of the particular plan as follows:

"(1) the administrator shall make copies of the plan description (including all amendments or modifications thereto) and the latest annual report and the bargaining agreement, trust agreement contract, or other instrument under which the plan was established or is operated available for examination by any plan participant or beneficiary in the principal office of the administrator;

"(2) the administrator shall furnish to any plan participant or beneficiary so requesting in writing a fair summary of the latest annual report;

"(3) the administrator shall furnish or make available, whichever is most practicable: (i) to every participant upon his enrollment in the plan and within one hundred and twenty days after each major amendment to the plan, a summary of the plan's important provisions, including the names and addresses of any person or persons responsible for the management or investment of plan funds, and requirements of the amendment, whichever is applicable, written in a manner calculated to be understood by the average participant; such explanation shall include a description of the benefits available to the participant under the plan and circumstances which may result in disqualification or ineligibility, and the requirements of the Welfare and Pension Plans Disclosure Act with respect to the availability of copies of the plan bargaining agreement, trust agreement, contract or other instrument under which the plan is established or operated; and (ii) to every participant every three years (commencing January 1, 1975), a revised up-to-date summary of the plan's important provisions and major amendments thereto, written in a manner calculated to be understood by the average participant; and (iii) to each plan participant or beneficiary so requesting in writing a complete copy of the plan description (including all amendments or modifications thereto) or a complete copy of the latest annual report, or both. He shall in the same way furnish a complete copy of any bargaining agreement, trust agreement, contract, or other instrument under which the plan is established or operated. In accordance with regulations of the Secretary, an administrator may make a reasonable charge to cover the cost of furnishing such complete copies.

"(d) The administrator of an employee pension benefit plan shall furnish to any plan participant or beneficiary so requesting in writing a statement indicating, on the basis of the latest information available, (1) whether or not such person has a nonforfeitable right to a pension benefit, (2) the nonforfeitable pension benefits, if any, which have accrued or the earliest date on which benefits will become nonforfeitable, and (3) the total pension benefits accrued.

"(e) In the event a plan is provided a variance with respect to standards of vesting, funding, or both, pursuant to title II of the Retirement Income Security for Employees Act, the administrator shall furnish or make available, whichever is most practicable, notice of such action to each participant in a manner calculated to be understood by the average participant, and in such form and detail and for such periods as may be prescribed by the Secretary.".

INVESTIGATIONS

Sec. 504. (a) Section 9(d) of the Welfare and Pension Plans Disclosure Act is amended to read as follows:

"(d) The Secretary may make appropriate investigations when he believes it necessary in order to determine whether any person has violated or is about to violate any provision of this Act or the Welfare and Pension Plans Disclosure Act and in connection therewith he may require the filing of (1) any instruments under which the plan is and has been operated, and (2) supporting schedules of the financial information required to be furnished under either Act and may enter such places, inspect such records and accounts, and question such persons as he may deem necessary to enable him to determine the facts relative to such investigation, except that no periodic examination of the books and records of any plan or fund shall be conducted more than once annually unless the Secretary has reasonable cause to believe there may exist a violation of this Act or any rule or regulation issued thereunder. The Secretary shall make such arrangements as are necessary with the Secretary of the Treasury to preclude a duplication of effort with regard to investigation of violations relating to fiduciaries. For the purposes of any investigation described in this subsection, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, records, and documents), of the Federal Trade Commission Act of September 16, 1914 (15 U.S.C. 49, 50), are hereby made applicable to the jurisdiction, powers, and duties of the Secretary or any officer designated by him. To the extent he considers appropriate the Secretary shall delegate his auditing and investigative functions under this section with respect to insured banks acting as fiduciaries of employee benefit plans to the 'appropriate Federal banking agency' as that term is defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)).".

(b) Subsection (h) of section 9 of such Act is repealed and subsection (i) of such section is redesignated as subsection (h).

PUBLIC INFORMATION

Sec. 505. Section 10 of the Welfare and Pension Plan Disclosure Act is amended to read as follows:

"REPORTS MADE PUBLIC INFORMATION: RESEARCH AND STATISTICS

"Sec. 10. (a) The contents of plan descriptions and annual reports filed with the Secretary pursuant to this Act shall be public information and the Secretary may publish any such information and data as he may deem appropriate.

"(b) The Secretary shall develop and maintain a comprehensive and effective program of collection, compilation, and analysis of employee benefit plan information and data. Such program shall relate to information and data whether or not required to be furnished by this Act or the Retirement Income Security for Employees Act and to employee benefit plans whether or not subject to these Acts. Moreover the Secretary is authorized and directed to undertake appropriate studies relating to employee benefit plans including, but not limited to, the effects of the Retirement Income Security for Employees Act upon the provisions and costs of pension and profit-sharing retirement plans, the role of private pensions in meeting requirement security needs of the Nation, as well as alternative methods of providing additional retirement security, the administration and operations of pension plans including types and levels of benefits, degree of reciprocity of portability, financial characteristics and practices, methods of encouraging the growth of private pension and profit-sharing retirement plans, and the adequacy of coverage under this Act and the Retirement Income Security for Employees Act. Without limiting the generality of the foregoing, the Secretary shall also undertake a special study of the sufficiency of the provisions of the Retirement Income Security for Employees Act as applied to high mobility employees and shall recommend such changes in existing law and regulations as may be appropriation to afford such employees adequate protection against unreasonable forfeiture of pension credits as a result of frequent job changes inherent in the conduct of their occupations or professions, and such other changes as may be appropriate to provide more adequate protection to such employees. In developing such recommendations, the Secretary shall consult with appropriate Federal and State agencies, professional societies, industry and labor representatives, and other professional societies, industry and labor representatives, and other interested groups with specialized knowledge of the problems of high mobility workers. This special study shall be completed and submitted to the Congress within three years after enactment of the amendments to this Act.

"(c) To carry out his duties under this subsection the Secretary may—

"(1) promote, encourage, or directly engage in programs of studies, information, and communication concerning employee benefit plans;

"(2) compile and publish such studies, analyses, reports, and surveys as he may deem appropriate;

"(3) arrange, through grants or contracts for the conduct of such research and investigations as he may deem appropriate;

"(4) make such agreements as are necessary to maintain the confidentiality of the source of any information furnished pursuant to a request by the Secretary for use in connection with the collection, compilation, and analysis of employee benefit plan information and data.".

ESTABLISHMENT OF ADVISORY COUNCIL

SEC. 506. Section 14 of such Act is amended to read as follows:

"ADVISORY COUNCIL

"SEC. 14. (a) (1) There is hereby established an Advisory Council on Employee Welfare and Pension Benefit Plans (hereinafter referred to as the 'Council') consisting of twenty-one members appointed by the Secretary. Not more than eleven members of the Council shall be members of the same political party.

"(2) Members shall be appointed from among persons recommended by groups or organizations which they shall represent and shall be persons qualified to appraise the programs instituted under this Act and the Retirement Income Security for Employees Act.

"(3) Of the members appointed, five shall be representatives of labor organizations; five shall be representatives of management; one representative each from the fields of insurance, corporate trust, actuarial counseling, investment counseling, and the accounting field; and six representatives shall be appointed from the general public, three of whom shall be persons representing those receiving benefits from a private pension plan.

"(4) Members shall serve for terms of three years, except that of those first appointed, six shall be appointed for terms of one year, seven shall be appointed for terms of two years, and eight shall be appointed for terms of three years. A member may be reappointed, and a member appointed to fill a vacancy shall be appointed only for the remainder of such term. A majority of members shall constitute a quorum and action shall be taken only by a majority vote of those present.

"(5) Members shall be paid compensation at the rate of $150 per day when engaged in the actual performance of their duties except that any such member who holds another office or position under the Federal Government shall serve without additional compensation. Any member shall receive travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(b) It shall be the duty of the Council to advise the Secretary with respect to the carrying out of his functions under this Act, and the Retirement Income Security for Employees Act and to submit to the Secretary recommendations with respect thereto. The Council shall meet at least four times each year and at such other times as the Secretary requests. At the beginning of each regular session of the Congress, the Secretary shall transmit to the Senate and House of Representatives each recommendation which he has received from the Council during the preceding calendar year and a report covering his activities under the Act and the Retirement Income Security for Employees Act for the preceding fiscal year, including full information as to the number of plans and their size, the results of any studies he may have made of such plans and the operation of this Act and the Retirement Income Security for Employees Act and such other information and data as he may deem desirable in connection with employee welfare and pension benefit plans.

"(c) The Secretary shall furnish to the Council an executive secretary and such secretarial, clerical, and other services as are deemed necessary to conduct its business. The Secretary may call upon other agencies of the Government for statistical data, reports, and other information which will assist the Council in the performance of its duties."

ADMINISTRATION

SEC. 507. Section 5108 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) In addition to the number of positions authorized by subsection (a), the Secretary of Labor is authorized, without regard to any other provision of this subsection to place a total of 20 positions in the Department of Labor in GS-16 and 17.".

PART B—FIDUCIARY STANDARDS

Subpart I—Fiduciary Standards Under the Welfare and Pension Plans Disclosure Act

AMENDMENT TO THE WELFARE AND PENSION PLANS DISCLOSURE ACT

SEC. 511. The Welfare and Pension Plans Disclosure Act is amended by redesignating sections 15, 16, 17, and 18 as sections 17, 18, 19, and 20, respectively and by inserting immediately after section 14 the following new sections:

"FIDUCIARY STANDARDS

"SEC. 15. (a) Every employee benefit fund established to provide for the payment of benefits under an employee's benefit plan shall be established or maintained pursuant to a duly executed written document which shall set forth the purpose or purposes for which such fund is established and the detailed basis on which payments are to be made into and out of such fund. Such fund shall be deemed to be a trust and shall be held for the exclusive purpose of (1) providing benefits to participants in the plan and their beneficiaries and (2) defraying reasonable expenses of administering the plan.

"(b) (1) A fiduciary shall discharge his duties with respect to the fund—

"(A) with the care under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; and

"(B) subject to the standards in subsection (a) and in accordance with the documents and instruments governing the fund insofar as is consistent with this Act, except that (i) any assets of the fund remaining upon dissolution or termination of the fund shall, after complete satisfaction of the rights of all beneficiaries to benefits accrued to the date of dissolution or termination, be distributed ratably to the beneficaries thereof or, if the trust agreement so provides, to the contributors thereto; (ii) that in the case of a registered pension or profit-sharing-retirement plan, such distribution shall be subject to the requirements of the Retirement Income Security for Employees Act; and (iii) any assets of the fund, attributable to employee contributions, remaining after complete satisfaction of the rights of all beneficiaries accrued to the date of dissolution or termination shall be equitably distributed to the employee contributors according to their rate of contribution.

"(2) A fiduciary is prohibited from engaging in the following transactions:

"(A) holding or purchasing on behalf of the fund any security which has been issued by an employer or employer-group whose employees are participants in the plan, under which the fund was established or a corporation controlling, controlled by, or under common control with such employer, or employee-group, if such investment, which when added to such securities already held, exceeds 7 per centum of the fair market value of the assets of the fund. Notwithstanding the foregoing, such 7 per centum limitation shall not apply to profit sharing, stock bonus, thrift and savings or other similar plans which explicitly provide that some or all of the plan funds may be invested in securities of such employer or a corporation controlling, controlled by, or under common control with such employer, nor shall said plans be deemed to be limited by any diversification rule as to plan funds which may be invested in such securities. Profit sharing, stock bonus, thrift, or other similar plans, which are in existence on the date of enactment and which allow investment in such securities without explicit provision in the plan, shall remain exempt from the 7 per centum limitation until the expiration of one year from the date of enactment of this section. Nothing contained in this subparagraph shall be construed to relieve profit-sharing, stock bonus, thrift and savings or other similar plans from any other applicable requirements of this section. For the purposes of this subparagraph the leasing (or a purchase in connection with such lease) of real property and personal property related to such real property to an employer or employer-group by a plan shall be deemed to be a security of such employer or employer-group;

"(B) any fund other than a profit-sharing, stock bonus, thrift savings plan, etc., holding securities of an employer or employer group which employs participants in such plan, in excess of 7 per centum of the fair market value of such fund on the effective date of this section shall, within 5 years after the effective date of this section, divest not less than 50 per centum of such excess and shall, not later than 10 years after the effective date of this section divest not less than 100 per centum of such excess.

"(3) Except as provided in subsection (c), a fiduciary shall not engage in a transaction with respect to a trust which constitutes a direct or indirect—

"(A) sale or exchange, or leasing of any property between the trust and a party in interest;

"(B) lending of money or other extension of credit between the trust and a party in interest;

"(C) furnishing of goods, services, or facilities between the trust and a party in interest;

"(D) transfer to, or use by or for the benefit of a party in interest of any assets of the trust;

"(E) act by a fiduciary whereby he deals in his own interest for his own account;

"(F) receipt by a party in interest from any party dealing with the trust in a transaction involving the trust; or

"(G) represent any other party with such fund or in any way act on behalf of a party adverse to the fund or adverse to the interests of its participants or beneficiaries.

"(4) The Secretary, in conjunction with the Secretary of the Treasury, shall by rule or regulation provide for the conditional or unconditional exemption of any fiduciary or class of fiduciaries or transactions or class of transactions from all or part of the restrictions imposed by paragraph (3) of this subsection.

An exemption granted under this section shall not relieve a fiduciary from any other applicable provisions of this Act. In granting an exemption under this paragraph the Secretaries shall assure that such exemption is (A) administratively feasible, (B) in the interests of the fund, and (C) protective of the rights, both contingent and vested, of participants and beneficiaries of such plan. Prior to the granting of an exemption under this paragraph, the Secretaries shall give adequate notice which shall include publication in the Federal Register, to interested persons, of the pendency of such exemptions.

"(c) The prohibitions provided in subsection (b)(3) shall not apply to—

"(1) any loan made by the trust to parties in interest who are participants or beneficiaries (other than an owner within the meaning of section 401(c)(3) of the Internal Revenue Code of 1954 or a proprietary employee within the meaning of section 412(c)(1) of such Code) of the plan if such loans are (i) available to all such participants on a nondiscriminatory basis, (ii) are not made available to highly compensated employees in an amount greater than that amount made available to other employees, (iii) are made in accordance with specific provisions regarding such loans set forth in the plan, (iv) bear a reasonable rate of interest, and (v) are adequately secured;

"(2) a fiduciary receiving any reasonable compensation for services rendered, or for the reimbursement of expenses properly and actually incurred, in the performance of his duties with the fund, or receiving in a fiduciary capacity proceeds from any transaction involving plan funds, except that no person so serving who is actually receiving full-time compensation from an employer or association of employers whose employees are participants in the plan under which the fund was established, or from an employee organization whose members are participants in such plan shall receive compensation from such fund, except for reimbursement of expenses properly and actually incurred and not otherwise reimbursed;

"(3) the receipt by a fiduciary or other party in interest of any benefit to which he may be entitled as a participant or beneficiary in the plan;

"(4) contracting or making reasonable arrangements with a party in interest for office space and other services necessary for the operation of the plan and paying reasonable compensation therefor;

"(5) following the specific instructions in the trust instrument or other document governing the fund insofar as consistent with the specific prohibitions listed in subsection (b)(3);

"(6) taking action pursuant to an authorization in the trust instrument or other document governing the fund, provided such action is consistent with the provisions of subsection (a) or (b).

"(d) Any fiduciary who breaches any of the responsibilities, obligations, or duties imposed upon fiduciaries by this Act shall be personally liable to such fund for any losses to the fund resulting from such breach, and to pay to such fund any profits which have inured to such fiduciary through use of assets of the fund.

"(e) When two or more fiduciaries undertake jointly the performance of a duty or the excise of a power, or where two or more fiduciaries are required by an instrument governing the fund to undertake jointly the performance of a duty or the excise of power, but not otherwise, each of such fiduciaries shall have the duty to prevent any other such cofiduciary from committing a breach of responsibility, obligation, or duty of a fiduciary shall be liable for any consequence to redress such a breach, except that no fiduciary shall be liable for any consequence of any act or failure to act as a cofiduciary who is undertaking or is required to undertake jointly any duty or power if he shall object to in writing to the specific action and promptly file a copy of his objection with the Secretary.

"(f) No fiduciary may be relieved from any responsibility, obligation, or duty imposed by law, by any agreement, or otherwise. Nothing herein shall preclude any agreement allocating specific duties or responsibilities among fiduciaries, or bar any agreement of insurance coverage or indemnification affecting fiduciaries subject to regulations promulgated by the Secretary.

"(g) A fiduciary shall not be liable for a violation of this Act committed before he became a fiduciary or after he ceased to be a fiduciary.

"(h) No fiduciary shall permit any assets of the fund to be held, deposited, or invested outside the United States unless the indicia of ownership remain within the jurisdiction of a United States District Court, except as authorized by the Secretary by rules or regulations.

"(i) Any party in interest who participates in a transaction prohibited by this Act knowingly, or with reason to know that the transaction was a transaction to which this Act applies, shall be personally liable to make good to the fund any losses sustained by the fund resulting from such transaction, and to pay to the fund any profits realized by him from such transaction.

"(j) For the purposes of this section a transfer of real or personal property by a party in interest to a trust to which the property is subject to a mortgage or similar lien which the trust assumes or if it is subject to a mortgage or similar lien which a party in interest placed on the property within the 10-year period ending on the date of tranfer.

"(k) For the purposes of this section the term 'employer-group' means any controlled group of corporations (as defined in section 1563(a) of the Internal Revenue Code of 1954) of which the employer who maintains the plan is a member.

"(l) This section shall not apply to—

"(1) funds held by an insurance carrier unless that carrier holds funds in a separate account,

"(2) funds held by an investment company subject to regulation under the Investment Company Act of 1940,

"(3) a plan administered by the Government of the United States, or by the government of a State or political subdivision thereof, or by an agency or instrumentality of such a government, or

"(4) a plan established or maintained by a church or a convention or association of churches which is exempt from tax under section 501(a) of the Internal Revenue Code of 1954, unless that plan is taxable under chapter 45 of such Code.

"PROHIBITION OF FIDUCIARY SERVICES

"SEC. 16. (a) No person who has been convicted of, or has been imprisoned as a result of his conviction of, robbery, bribery, extortion, embezzlement, grand larceny, burglary, arson, a felony violation of Federal or State law involving substances defined in section 102(6) of the Comprehensive Drug Abuse Prevention and Control Act of 1970, murder, rape, kidnaping, perjury, assault with intent to kill, assault which inflicts grievous bodily injury, any crime described in section 9(a)(1) of the Investment Company Act of 1940 (15 U.S.C. 80a-9(a)(1)), a violation of any provision of this Act, a violation of section 302 of the Labor-Management Relations Act of 1947 (61 Stat. 157, as amended; 29 U.S.C. 186), a violation of chapter 63 of title 18, United State Code, a violation of section 874, 1027, 1503, 1505, 1506, 1510, 1951, or 1954 of title 18, United States Code, a violation of the Labor-Management Reporting and Disclosure Act of 1959 (73 Stat. 519, as amended; 29 U.S.C. 401), or conspiracy to commit any such crimes, or attempt to commit any such crimes, or a crime in which any of the foregoing crimes is an element, shall serve—

"(1) as an administrator, officer, trustee, custodian, counsel, agent, employee (other than as an employee performing exclusively clerical or janitorial duties), or fiduciary of any employee benefit plan, or

"(2) as a consultant to any employee benefit plan, during or for five years after a conviction or after the end of an imprisonment for any crime listed in this paragraph, unless prior to the end of such five-year period, in the case of a person so convicted or imprisoned, the Board of Parole of the United States Department of Justice determines that such person's service in any capacity referred to in subparagraph (A) or (B) would not be contrary to the purpose of this Act. Prior to making any such determination the Board shall hold an administrative hearing and shall give notice of such proceedings by certified mail to the State, county, and Federal prosecuting officials in the jurisdiction or jurisdictions in which such person was convicted. The Board's determination in any such proceeding shall be final.

"(b) Any person who willfully violates this section, or knowingly permits another person to violate this section, shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

"(c) For purposes of this section—

"(1) any person shall be deemed to have been 'convicted' and under the disability of 'conviction' from the date of the judgment of the trial court or the date of the final sustaining of such judgment on appeal, whichever is later, regardless of when such conviction occurred;

"(2) the term 'imprisonment' shall not include any period of parole; and

"(3) 'consultant' means any person who, for pecuniary benefit, direct or indirect, advises or represents an employer benefit plan, concerning the establishment or operation of such plan.".

EFFECTIVE DATES

SEC. 512. Th eamendments made by part A and subpart I of part B of this title shall be effective *January 1, 1974*, except for those amendments dealing with prohibited transactions which shall be effective January 1, 1975.

Subpart II—Fiduciary Standards Under the Internal Revenue Code of 1954

SEC. 521. FIDUCIARY STANDARDS.

(a) DUPLICATION OF EFFORT.—In order to avoid unnecessary expense and duplication of functions among Government agencies the Secretary of Labor and the Secretary of the Treasury shall make arrangements or agreements for cooperation and mutual assistance. Any information coming to the attention of the Secretary of the Treasury in the course of his administration of this section which may warrant consideration for criminal prosecution under the warded to the Secretary of Labor for immediate transmittal to the Attorney General.

(b) COOPERATION WITH REGARD TO INVESTIGATIONS.—The Secretary of the Treasury shall make such arrangements as are necessary with the Secretary of Labor to preclude a duplication of effort with regard to investigations of violations relating to fiduciaries.

(c) ADMINISTRATION.—

(1) The provisions of subchapter II of chapter 5 of title 5, United States Code, shall apply to this section.

(2) The Secretary of Labor, in conjunction with the Secretary of the Treasury, shall promulgate rules and regulations for the administration and enforcement of this section with regard to prohibited transactions under section 522(d) (1).

SEC. 522. PROHIBITED TRANSACTIONS.

(a) AMENDMENT OF SECTION 503.—Section 503 (relating to requirements for exemption) is amended—

(1) by striking out "or (18)" in subsection (a) (1) (A),

(2) by striking out subsection (a) (1) (B) and by redesignating subsection (a) (1) (C) as (a) (1) (B),

(3) by striking out "or section 401(a)" in subsections (a) (2) and (c),

(4) by striking out subsections (d), (f), and (g) and redesignating subsection (e) as (d).

(b) EXCISE TAX ON PROHIBITED TRANSACTIONS.—Chapter 44 of subtitle D (relating to miscellaneous excise taxes) (as added by section 241 of this Act) is amended by adding at the end thereof the following new section:

"SEC. 4974. EXCISE TAX ON PROHIBITED TRANSACTIONS.

"(a) INITIAL TAXES ON PARTY IN INTEREST.—There is hereby imposed a tax on each prohibited transaction at the rate of 5 percent of the amount involved with respect to the prohibited transaction for each year (or part thereof) in the taxable period. The tax imposed by this paragraph shall be paid by any party in interest who participates in the prohibited transaction.

"(b) ADDITIONAL TAXES ON PARTY IN INTEREST.—In any case in which an initial tax is imposed by section (a) on a prohibited transaction and the transaction is not corrected within the correction period, there is hereby imposed a tax equal to 100 percent of the amount involved. The tax imposed by this paragraph shall be paid by any party in interest who participated in the prohibited transaction.

"(c) SPECIAL RULE.—For purposes of subsections (a) and (b) if more than one person is liable under any paragraph of subsection (a) or (b) with respect to any one prohibited transaction, all such persons shall be jointly and severally liable under such paragraph with respect to such act.

"(d) PROHIBITED TRANSACTION.—

"(1) GENERAL RULE.—For purposes of this section, the term 'prohibited transaction' means a transaction between a party in interest and an employee's trust described in section 401(a), a plan described in section 404 (a) (2), or a qualified individual retirement account described in section 408(a), which is exempt from tax under section 501(a) (or which, at any time, has been determined by the Secretary or his delegate to be such a trust, plan, or account) and which constitutes a direct or indirect—

"(A) sale or exchange, or leasing of any property between the trust and a party in interest;

"(B) lending of money or other extension of credit between the trust and a party in interest;

"(C) furnishing of goods, services, or facilities between the trust and a party in interest;

"(D) transfer to, or use by or for the benefit of a party in interest of any assets of the trust;

"(E) act by a party in interest whereby he deals with the assets of the trust in his own interest;

"(F) receipt of consideration from any party in interest by any party dealing with the trust in a transaction involving the trust.

"(2) SPECIAL RULES.—For the purposes of paragraph (1)—

"(A) EXEMPTION.—The Secretary, in conjunction with the Secretary of Labor shall by rule or regulation provide for the conditional or unconditional exemption of any fiduciary or class of fiduciaries or transactions or class of transactions from all or part of the restrictions imposed by paragraph (1) of this subsection. An exemption granted under this section shall not relieve a fiduciary from any other applicable provisions of this Act. In granting an exemption under this paragraph, the Secretaries shall assure that such exemption is (i) administratively feasible, (ii) in the interests of the fund, and (iii) protective of the rights, both contingent and vested, of participants and beneficiaries of such plan. Prior to the granting of an exemption under this paragraph, the Secretaries shall give adequate notice to interested persons, which shall include publication in the Federal Register, of the pendency of such exemptions;

"(B) ENCUMBERED PROPERTY. A transfer of real or personal property by a party in interest to a trust to which this section applies shall be treated as a sale or exchange if the property is subject to a mortgage or similar lien which the trust assumes or if it is subject to a mortgage or similar lien which a party in interest placed on the property within the 10-year period ending on the date of the transfer;

"(C) LOANS TO PARTICIPANTS.—Any loan made by the trust to parties in interest who are participants or beneficiaries (other than an owner employee within the meaning of section 401(c) (3)) of the qualified plan is not a prohibited transaction if such loans are (i) available to all such participants or beneficiaries on a nondiscriminatory basis, (ii) are not made available to highly compensated employees in an amount greater than that amount made available to other employees, (iii) are made in accordance with specific provisions regarding such loans set forth in the plan, (iv) bear a reasonable rate of interest, and (v) are adequately secured.

"(D) COMPENSATION TO FIDUCIARY.—Receiving any reasonable compensation for service rendered, or for the reimbursement of expenses properly and actually incurred, in the performance of his duties with the fund, or receiving in a fiduciary capacity proceeds from any transaction involving plan funds is not a prohibited transaction except that no person so serving who is actually receiving full-time compensation from an employer or association of employers whose employees are participants in the plan under which the fund was established, or from an employee organization whose members are participants in such plan, shall receive compensation from such fund, except for reimbursement of expenses properly and actually incurred and not otherwise reimbursed.

"(E) LEASE ARRANGEMENTS BETWEEN PLANS AND EMPLOYERS OF PARTICIPANTS.—The leasing (or a purchase in connection with such lease) of real property and personal property related to such real property to an employer or employer-group by a pension plan shall not be a prohibited transaction if such agreements do not exceed the limitations imposed by section 15(c) (6) (A) of the Welfare and Pension Plans Disclosure Act. For the purposes of this paragraph the term 'employer-group' means any controlled group or corporation (as defined in section 1563(a)) of which the employer who maintains the plan is a member.

"(F) ACTIONS IN ACCORDANCE WITH GOVERNING DOCUMENT.—It is not a prohibited transaction to—

"(i) contract or make reasonable arrangements with a party in interest for office space and other services necessary for the operation of the plan and to pay reasonable compensation therefor;

"(ii) follow specific instructions in the trust instrument or other document governing the fund insofar as consistent with the specific prohibitions listed in this section; or

"(iii) take action pursuant to an authorization in the trust instrument or other document governing the fund, provided such action is consistent with the prohibitions of this section.

"(G) FIDUCIARY OR PARTY IN INTEREST AS PARTICIPANTS.—The receipt by a fiduciary or other party in interest of any benefit to which he may be entitled as a participant or beneficiary in the qualified plan is not a prohibited transaction.

"(H) OTHER OFFICES.—It is not a prohibited transaction for a fiduciary to serve as an officer, employee, agent, or other representative of a party in interest.

"(I) EXCLUSIONS.—A qualified plan or part thereof does not include—

"(i) funds held by an insurance carrier unless that carrier holds the funds in a separate account,

"(ii) funds held by an investment company subject to regulation under the Investment Company Act of 1940,

"(iii) a plan administered by the Government of the United States, or by the government of a State or political subdivision thereof, or by an agency or instrumentality of such a government, or

"(iv) a plan established and maintained by a church or a convention or association of churches which is exempt from tax under section 501(a), unless that plan is taxable under chapter 45 (relating to certain guaranteed benefit plans).

For purposes of this subparagraph, the term 'separate account' means an account established or maintained by an insurance company under which income expenses, gains, and losses (whether or not realized) from assets allocated to such account are credited or charged against the account in accordance with the applicable contract without regard to other income expenses, gains, or losses of the insurance company.

"(J) DISTRIBUTION TO EMPLOYER.—It is not a prohibited transaction for a fiduciary to make a distribution of the residual assets of the trust in accordance with the terms of the plan, and not in contravention of existing law, to the employer who maintains the plan after all liabilities of the plan with respect to participants and their beneficiaries have been satisfied, except that any assets of the fund attributable to employee contributions, remaining after complete satisfaction of the rights of all beneficiaries accrued to the date of dissolution or termination, shall be equitably distributed to the employee contributors according to their rate of contribution.

"(e) FIDUCIARY AND PARTY IN INTEREST.—

"(1) PARTY IN INTEREST.—For purposes of this section, the term 'party in interest' means, with respect to a qualified plan, a person who is—

"(A) with respect to a particular prohibited transaction, a fiduciary who benefits from the particular prohibited transaction;

"(B) an administrator, officer, trustee, custodian, counsel of, or person providing benefit plan services to, a qualified plan;

"(C) an employer any of whose employees are covered by such a plan;

"(D) an employee organization any of whose numbers are covered by such a plan;

"(E) an owner, direct or indirect, of 50 percent or more of—

"(i) the combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of a corporation,

"(ii) the capital interest or the profits interest of a partnership, or

"(iii) the beneficial interest of a trust or unincorporated enterprise,

which is an employer or an employee organization described in subparagraph (C), (D);

"(F) a member of the family (as defined in paragraph (5)) of any individual described in subparagraph (A), (B), (C), or (E);

"(G) a corporation, partnership, or trust or estate of which (or in which) 50 percent or more of—

"(i) the combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of such corporation,

"(ii) the capital interest or profit-interest of such partnership, or

"(iii) the beneficial interest of such trust or estate,

is owned directly or indirectly, or held by persons described in subparagraph (A), (B), (C), (D), or (E);

"(H) a corporation which is owned in the manner described in subparagraph (G) by a person who is a person described in subparagraph (E);

"(I) an officer, director (or an individual having powers or responsibilities similar to those of officers or directors), a 10 percent or more shareholder, or highly compensated employee (earning 10 percent or more of the yearly wages of an employer) of a person described in subparagraph (C), (D), (E), (G), or (H); or

"(J) a 10 percent or more (in capital or profits) partner of a person described in subparagraph (C), (D), (E), (G), or (H).

"(2) Fiduciary.—For purposes of this section, the term 'fiduciary' with respect to a qualified plan means—

"(A) any person who—

"(i) exercises any power of control, management or disposition with respect to any moneys or other property of a qualified plan, or

"(ii) has authority or responsibility to exercise such powers,

If any moneys or other property of an employee benefit fund are invested in shares of an investment company registered under the Investment Company Act of 1940, the investment shall not cause that investment company or that investment company's investment adviser or principal underwriter to be treated as a fiduciary or a party in interest for purposes of this section, except when an investment company or its investment adviser or principal underwrite acts in connection with an employee benefit fund established or maintained pursuant to an employee benefit plan covering employees of the investment company, its investment adviser, or its principal underwriter.

"(3) Stockholdings.—For purposes of paragraphs (1)(E)(i), (G)(i), and (H), there shall be taken into account indirect stockholdings which would be taken into account under section 267(c), except that, for purposes of this paragraph, section 267(c)(4) shall be treated as providing that the members of the family of an individual are the members within the meaning of paragraph (5).

"(4) Partnerships; trusts.—For purposes of paragraphs (1) (E) (ii) and (iii), (G) (ii) and (iii) and (J), the ownership of profits or beneficial interests shall be determined in accordance with the rules for constructive ownership of stock provided in section 267(c) (other than paragraph (3) thereof), except that section 267(c)(4) shall be treated as providing that the members of the family of an individual are the members within the meaning of paragraph (5).

"(5) Member of family.—For purposes of paragraph (1)(F), the family of any individual shall include his spouse, ancestor, descendant, brother, sister, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law.

"(f) Other Definitions.—For purposes of this section—

"(1) Taxable.—The term 'taxable period' means, with respect to any prohibited transaction, the period beginning with the date on which the prohibited transaction occurs and ending on the earlier of—

"(A) the date of mailing of a notice of deficiency pursuant to section 6212, with respect to the tax imposed by subsection (a), or

"(B) the date on which correction of the prohibited transaction is completed.

"(2) Amount involved.—The term 'amount involved' means, with respect to a prohibited transaction, the greater of the amount of money and the fair market value of the other property given or the amount of money and the fair market value of the other property received; except that, in the case of services described in subparagraph (d)(2)(C) or (D) the amount involved shall be only the excess compensation. For purposes of the preceding sentence, the fair market value—

"(A) in the case of the tax imposed by subsection (a), shall be determined as of the date on which the prohibited transactions occurs; and

"(B) in the case of the tax imposed by subsection (b), shall be the highest fair market value during the correction period.

"(3) Correction.—The terms 'correction' and 'correct' mean, with respect to a prohibited transaction, undoing the transaction to the extent possible, but in any case placing the plan in a financial position not worse than that in which it would be if the prohibted transaction had not occurred.

"(4) Correction period.—The term 'correction period' means, with respect to a prohibited transaction the period beginning with the date on which the prohibited transaction occurs and ending 90 days after the date of mailing of a notice of deficiency with respect to the tax imposed by subsection (a)(1) under section 6212, extended by—

"(A) any period in which a deficiency cannot be assessed under section 6213(a), and

"(B) any other period which the Secretary or his delegate determines is reasonable and necessary to bring about the correction of the prohibited transaction.".

(c) Clerical Amendments.—

(1) The table of sections for chapter 44 (relating to qualified pension plans), which was added by section 241 of this Act, is amended by adding at the end thereof the following new item:

"Sec. 4974. Excise tax on prohibited transactions.".

(d) Effective Date.—The amendments made by this section shall take effect on January 1, 1975.

(c) Savings Provision.—Section 4974 of the Internal Revenue Code of 1954 (relating to excise tax on prohibited transactions) shall not apply to—

(1) a loan of money or other extension of credit between a trust and a party in interest under a binding contract in effect on August 21, 1973 (or pursuant to renewals of such a contract) until August 22, 1983, if such loan or other extension of credit remains at least as favorable to the trust as an arm's-length transaction with an unrelated party would be, and if the execution of the contract, the making of the loan, or the extension of credit was not, at the time of such execution, making, or extension, a prohibited transaction (within the meaning of section 503(b) or the corresponding provisions of prior law);

(2) a lease or joint use of property involving the trust and a party in interest pursuant to a binding contract in effect on August 21, 1973 (or pursuant to renewals of such a contract), until August 22, 1983, if such lease or joint use remains at least as favorable to the trust as an arm's-length transaction with an unrelated party would be and if the execution of the contract was not, at the time of such execution, a prohibited transaction (within the meaning of section 503(b)) or the corresponding provisions of prior law;

(4) the sale, exchange, or other disposition of property described in paragraph (3) between a trust and a party in interest before August 22, 1983, if—

(A) in the case of a sale, exchange, or other disposition of the property by the trust to the party in interest, the trust receives an amount which equals or exceeds the fair market value of the property at the time of such disposition; and

(B) in the case of the acquisition of the property by the trust, the trust pays an amount which is not in excess of the fair market value of the property at the time of acquisition.

TITLE VI—ENFORCEMENT

Part A—Disputes Relating to the Qualification of Certain Employee Plans

Sec. 601. Tax Court Procedure.

(a) In General.—Subchapter C of chapter 76 of the Internal Revenue Code of 1954 (relating to the tax court) is amended by adding at the end thereof the following new part:

"Part IV—Declaratory Judgments Relating to Qualification of Certain Employee Plans

"Sec. 7476. Declaratory judgments.
"Sec. 7477. Procedure.

"Sec. 7476. Declaratory Judgments.

"(a) Jurisdiction.—The United States Tax Court shall have jurisdiction under this part to hear controversies and to enter judgments declaring whether a plan established by an employer for his employees is a qualified plan as defined in subsection (b). Any such judgment by the Court constitutes its decision in the proceeding and shall be reviewable in the same manner as any other decisions of the Court.

"(b) Qualified Plan Defined.—As used in this part, the term 'qualified plan' means—

"(1) a pension, profit sharing, or stock bonus plan described in section 401(a),

"(2) an annuity plan described in section 403(a), or

"(3) a bond purchase plan described in section 405(a).

"(c) Exhaustion of Administrative Remedies, etc.—The Tax Court shall not issue a declaratory judgment under this part in any proceeding unless it determines that the petitioner has exhausted administrative remedies available to him within the Internal Revenue Service and that the plan with respect to which the judgment is sought has been put into effect prior to the commencement of the proceeding before the Tax Court. A plan shall be treated as in effect even though it includes a provision that the funds contributed to it may be refunded in the event the plan is found by the Secretary or his delegate or by the Tax Court not to be a qualified plan.

"(d) Commissioners.—The chief judge of the Tax Court may assign proceedings under this part to be heard by the commissioners of the court, and the court may authorize a commissioner to enter the decision of the court with respect to such proceeding, subject to such conditions and review as the court may be rule provide.

"Sec. 7477. Procedure.

"(a) Right To Bring Action.—

"(1) Actions brought by employer or trustee; intervention by employee.—An action for a declaratory judgment under this part may be brought by an employer who has established a pension, profit sharing, stock bonus, annuity, or bond purchase plan and who has submitted to the Secretary or his delegate a request for a determination that the plan is a qualified plan, that, if amended in accordance with a proposed amendment, it will continue to be a qualified plan, or that termination of the plan in accordance with a proposed plan of termination will not result in the plan being treated as not a qualified plan for the plan year during which the termination occurs. If such a request was submitted by the trustee of the plan, the action for a declaratory judgment may be brought by the trustee. If the action is brought by the employer or the trustee, an employee of that employer may intervene in the proceeding if—

"(A) he intervened in the proceeding before the Internal Revenue Service relating to the requested determination, or

"(B) the employer or trustee failed to provide notice to employees of the submission of the request for a determination at, or prior to, the time at which the request was submitted to the Secretary or his delegate.

"(2) Actions brought by employees; intervention by employer.—An action for a declaratory judgment with respect to a determination obtained by an employer or by a trustee may also be brought by an individual who was an employee of the employer during the period with respect to which the judgment is sought. In any such action brought by an employee, the employer may intervene.

"(b) Time for Bringing Action.—

"(1) 90-day period.—Except as provided in paragraph (2), an action for declaratory judgment under this part must be commenced within 90 days after the date on which the Secretary or his delegate sends by certified or registered mail his determination with respect to the qualification of the plan to the person requesting such determination.

"(2) Failure to issue determinations; extensions of time.—If the Secretary or his delegate fails to issue a determination, an action for a declaratory judgment, a requested determination with respect to the qualification of a pension, profit sharing, stock bonus, annuity, or bond purchase plan, or with respect to a proposed amendment or termination of a qualified plan, within 270 days after the filing with him of the request for such determination, an action for a declaratory judgment under this part may be commenced within 90 days after the expiration of such 270-day period. If, prior to the expiration of such 270-day period, the Secretary or his delegate and the person requesting the determination consent in writing to an extension of such period, the 90-day period for commencing an action shall not begin to run until the expiration of the extended period agreed to by the parties.

"(c) Burden of Proof.—The person bringing an action for declaratory judgment under this part shall have the burden of proof with respect to any ground which was set forth in the determination by the Secretary or his delegate in such manner as to inform the person adequately of the reasons for the determination. The Secretary or his delegate shall have the burden of proof with respect to any ground on which he relies in the proceeding for a declaratory judgment and which was not set forth in his determination in such manner. If the Secretary or his delegate did not issue a determination, he shall have the burden of proof with respect to any ground on which he relies in a proceeding under this part.".

(b) Technical Amendments.—

(1) Fee for filing petition.—Section 7451 (relating to fee for filing petition) is amended by striking out "deficiency" and inserting in lieu thereof "deficiency or for a declaratory judgment under part IV of this subchapter".

(2) Date of decision.—Section 7459(c) (relating to date of decision) is amended by inserting before the period at the end of the first sentence the following: "or, in the case of a declaratory judgment proceeding under part IV of this subchapter, the date specified by the Tax Court in its decision".

(3) Venue for appeal of decision.—Section 7482(b)(1) (relating to venue) is amended by adding at the end thereof the following new sentence: "In the case of declaratory judgment of the Tax Court, the rules of this paragraph shall be applied with respect to the employer.".

(c) Clerical Amendment.—The table of parts for subchapter C of chapter 76 is amended by adding at the end thereof the following new item:

"Part IV. Declaratory judgments relating to qualification of certain employee plans.".

(d) Effective Date.—The amendments made by this section shall take effect on January 1, 1975.

Part B—Auditing; Etc.

Sec. 641. Excise Tax for Auditing; Etc.

(a) Annual Tax on Plans Participation.—Chapter 44 (relating to qualified pension plans) which was added by section 241 of this Act is amended by adding at the end thereof the following new section:

"Sec. 4975. Annual Tax on Plan Participation.

"(a) General Rule.—For the calendar year beginning on January 1, 1974, and each calendar year thereafter, there is hereby imposed a tax equal to $1 per participant under a plan established by the employer which is—

"(1) a pension, profit sharing, or stock bonus plan described in section 401(a),

"(2) an annuity plan described in section 403(a), or

"(3) a bond purchase plan described in section 405(a).

"(b) By Whom Paid.—The tax imposed by this section shall be paid by the employer of such participant under such plan.

"(c) Special Rules.—

"(1) The tax imposed by subsection (a) shall not apply to participants under a plan established and maintained by the United States; a State or political subdivision thereof; or a corporation which is an instrumentality of the United States, a State or political subdivision thereof.

"(2) In the case of a plan which is established pursuant to an agreement which the Secretary or his delegate determines to be a collective-bargaining agreement, see section 413.

"(3) For purposes of this section, a plan established by the employer includes a plan established by a predecessor of the employer.

"(d) Definition of Participant.—For purposes of this section, the term 'participant' means an individual who is—

"(1) actively employed by the employer at any time during the calendar year.

"(2) entitled to make contributions to or to have amounts contributed to or under the plan on his behalf by the employer, and

"(3) not currently receiving benefits under the plan.

"(e) Regulations.—The Secretary or his delegate may prescribe such regulations as may be necessary to carry out the provisions of this section.

"(f) Cross Reference.—

"For disallowance of taxes paid under this section as a deduction, see section 275.".

(b) Clerical Amendment.—The table of sections of chapter 44 (relating to qualified pension plans) which was added by section 241 of this Act is amended by adding at the end thereof the following new item:

"Sec. 4974. Annual tax on plan participation.".

(c) Effective Date.—The amendments made by this section shall apply to calendar years beginning after December 31, 1973.

Part C—Actuaries

Sec. 671. Enrollment and Reports of Actuaries.

(a) Reports, Statements, and Notices by Actuaries.—Part III of chapter 61 (relating to information and returns) is amended by inserting at the end thereof the following new subpart:

"Subpart E—Reports, Statements, and Notices by Actuaries

"Sec. 6058. Periodic report and statement of actuary.

"Sec. 6058. Periodic Report and Statement of Actuary.

"(a) General Rule.—The actuarial report described in subsection (b) shall be filed by the plan administrator (as defined in section 3(15) of the Welfare and Pension Plans Disclosure Act) with respect to each defined benefit plan to which section 4971(e) does not apply, for the first plan year for which this section applies to the plan and each third plan year thereafter (or more frequently if the Secretary or his delegate determines that more frequent reports or statements are necessary).

"(b) Actuarial Report.—The actuarial report of a plan required by subsection (a) shall be prepared by an enrolled actuary (within the meaning of section 7517) and shall contain—

"(1) a description of the plan,

"(2) a description of the funding method and actuarial assumptions used to determine costs under the plan,

"(3) a certification that the funding standard account required under section 4971(b)(1) has been maintained during the period to which the report relates,

"(4) such other information regarding the plan as the Secretary or his delegate may by regulations require, and

"(5) a statement—

"(A) that to the best of his knowledge the report is complete and accurate, and

"(B) of his opinion regarding the reasonableness of the funding method and actuarial assumptions used to determine the normal costs of the plan.

"(c) Time and Manner of Filing.—The actuarial report and statement required by subsection (a) shall be filed at the time and in the manner provided by regulations prescribed by the Secretary or his delegate."

(b) Assessable Penalties.—Subchapter B of chapter 69 (relating to assessable penalties) is amended by adding at the end thereof the following new section:

"Sec. 6692. Failure To File Actuarial Notice, Report, or Statement.

"The plan administrator (as defined in section 3(15) of the Welfare and Pension Plans Disclosure Act) of a defined benefit plan to which section 6058 applies who fails to file the report or statement required by that section at the time and in the manner required by that section, shall pay a penalty of not to exceed $1,000 for each such failure unless it is shown that such failure is due to reasonable cause.".

(c) Enrollment of Actuaries.—Chapter 77 (relating to miscellaneous provisions) is amended by inserting at the end thereof the following new section:

"Sec. 7517. Enrollment of Actuaries.

"The Secretary or his delegate shall, by regulations, establish reasonable standards and qualifications for persons performing actuarial services described in section 6058 and shall enroll persons found by the Secretary or his delegate to satisfy such standards and qualifications. The Secretary or his delegate may, after notice and an opportunity for a hearing, suspend or terminate the enrollment of an actuary under this section if the Secretary or his delegate finds that the actuary has not satisfied requirements for enrollment. For purposes of this title, the term 'enrolled actuary' means a person who is enrolled by the Secretary or his delegate pursuant to this section."

(d) Clerical Amendments.—

(1) The table of subparts for part III of chapter 61 is amended by inserting at the end thereof the following new item:

"Subpart E—Reports, statements, and notices by actuaries.".

(2) The table of sections for subchapter B of chapter 68 is amended by inserting at the end thereof the following new item:

"Sec. 6992. Failure to file actuarial notice, report, or statement.".

(3) The table of sections for chapter 77 is amended by inserting at the end thereof the following new item:

"Sec. 7517. Enrollment of actuaries.".

(c) Effective Dates.—

(1) The amendments made by subsections (a) and (b) shall apply for plan years beginning on or after January 1, 1976.

(2) The amendments made by subsections (c) and (d) shall take effect on the date of enactment of this Act.

PART D—ENFORCEMENT; RESOLUTION OF DISPUTES GENERALLY

Sec. 691. Arbitration; Civil Actions by Participants and Beneficiaries.

(a) Arbitration Procedure.—Each employee pension benefit plan subject to this part shall provide—

(1) a procedure for the fair and just review under the plan of any dispute between the administrator of the plan and any participant or beneficiary of the plan, and

(2) an opportunity, after such review and a decision by the administrator (or a failure to make a decision within a reasonable period of time by the administrator), for the arbitration of such disputes.

(b) Civil Actions.—A participant or beneficiary of such a plan may bring a civil action in accordance with the provisions of section 693 of this Act in lieu of submitting the dispute to arbitration under the plan.

(c) Alternative Procedures.—If a dispute under a plan is subject to procedures established by collective bargaining for the resolution of such dispute, the Secretary of Labor, upon written request by a plan administrator, may waive the application or subsections (a), (b), and (e) to such dispute if he determines that the procedures provided for are reasonably fair and effective.

(d) Application of Law Relating to Section 301 of Labor Management Relations Act, 1947.—The arbitration of disputes in accordance with the requirements of this section, and judicial proceedings relating thereto, shall be governed by the laws, decisions, and rules applicable to the arbitration of disputes under section 301 of the Labor Management Relations Act, 1947.

(e) Payment of Arbitration Costs.—The cost of any arbitration proceedings required under this section (including arbitrators' fees) shall be paid by the plan under which the dispute arises, unless the arbitrator determines that a participant's or beneficiary's allegations are frivolous and assesses all or a portion of such cost to that party.

(f) Information and Assistance.—The Secretary shall inform participants and their beneficiaries under plans to which this part applies of their rights under this part. The Secretary is authorized to furnish assistance to such participants and their beneficiaries in obtaining such rights.

(g) The Secretary shall prescribe rules and regulations necessary to carry out this section.

Sec. 692. Civil Actions by Secretary of Labor.

Whenever the Secretary believes that an employees' benefit fund is being or has been administered in violation of the requirements of the Welfare and Pension Plans Disclosure Act and the Retirement Income Security for Employees Act or the documents governing the establishment or operation of the fund, the Secretary may petition any district court of the United States having jurisdiction of the parties or the United States District Court for the District of Columbia for an order (1) requiring return to such fund of assets transferred from such fund in violation of the requirements of such Act, (2) requiring payment of benefits denied to any participant or beneficiary due to violation of the requirements of such Act, or of the requirements of this Act and the Retirement Income Security for Employees Act, and (3) restraining any conduct in violation of the fiduciary requirements of such Act, or of this Act, and granting such other relief as may be appropriate to effectuate the purposes of this Act, including but not limited to, removal of a fiduciary who has failed to carry out his duties and the removal of any person who is serving in violation of the requirements of section 16(h) of the Welfare and Pension Plans Disclosure Act and the Retirement Income Security for Employees Act.

Sec. 693. Actions To Redress or Restrain Violations of Fiduciary Duty.

Civil actions for appropriate relief, legal or equitable, to redress or restrain a breach of any responsibility, obligation, or duty of a fiduciary, including but not limited to, the removal of a fiduciary who has failed to carry out his duties and the removal of any person who is serving in violation of the requirements of section 15(h) of the Welfare and Pension Plans Disclosure Act or against any person who has transferred or received any of the assets of a plan or fund in violation of the fiduciary requirements of the Welfare and Pension Plans Disclosure Act or in violation of the document or documents governing the establishment or operation of the fund, may be brought by any participant or beneficiary of any employee benefit plan or fund subject to the Welfare and Pension Plans Disclosure Act in any court of competent jurisdiction, State or Federal, or the United States District Court for the District of Columbia, without respect to the amount in controversy and without regard to the citizenship of the parties. Where such action is brought in a district court of the United States, it may be brought in the district where the plan is administered, where the breach took place, or where a defendant resides or may be found, and process may be served in any other district where a defendant resides or may be found. Such actions may also be brought by a participant or beneficiary as a representative party on behalf of all participants or beneficiaries similarly situated. In all civil actions authorized by this Act or the Welfare and Pension Plans Disclosure Act, attorneys appointed by the Secretary shall represent the Secretary except as provided in section 518(a) of title 28, United States Code (relating to litigation before the Supreme Court of the United States).

Sec. 694. Jurisdiction of Courts.

Suits by a participant or beneficiary for benefits from an employee benefit plan or fund, subject to the Welfare and Pension Plans Disclosure Act, may be brought in any court of competent jurisdiction, State or Federal, or the United States District Court for the District of Columbia, without respect to the amount in controversy and without regard to the citizenship of the parties, against any such plan or fund to recover benefits due him required to be paid from such plan or fund pursuant to the document or documents governing the establishment or operation of the plan or fund, or to clarify his rights to future benefits under the terms of the plan. Where such action is brought in a district court of the United States, it may be brought in the district where the plan is administered, or where a defendant resides or may be found, and process may be served in any other district where a defendant resides or may be found. Such actions may also be brought by a participant or beneficiary as a representative party on behalf of all participants or beneficiaries similarly situated.

Sec. 695. Procedure.

(a) Service.—The jurisdiction of any court competent to hear an action brought by a participant or beneficiary under section 693 or 694 shall be conditioned upon the service of a copy of the complaint upon the Secretary by certified mail, who shall have the right in his discretion to intervene in the action.

(b) Removal.—Notwithstanding any other law, the Secretary shall have the right to remove an action brought under section 693 or 694 from a State court to a district court of the United States, if the action is one seeking relief of the kind the Secretary is authorized to sue for under this Act. Any such removal shall be prior to the trial of the action and shall be to a district court where the Secretary could have initiated the action.

Sec. 696. Application of Act of March 23, 1932.

The provisions of the Act entitled "An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes", approved March 23, 1932, shall not be applicable with respect to suits brought under this title.

Sec. 697. Actions Brought by Administrator or Fiduciary Against Secretary.

Suits by an administrator or fiduciary of an employee benefit plan subject to this Act or the Welfare and Pension Plans Disclosure Act, to review a final order of the Secretary, to restrain the Secretary from taking any action contrary to the provisions of such Acts, or to compel action required under this Act, may be brought in the name of the plan or fund in the district court of the United States for the district where the fund has its principal office, or in the United States District Court for the District of Columbia.

Sec. 698. Statute of Limitations.

Any action, suit, or proceeding based upon a violation of this Act or the Welfare and Pension Plans Disclosure Act shall be commenced within five years after the violation occurs. In the case of fraud or concealment, such action, suit, or proceeding shall be commenced within five years of the date of discovery of such violation.

Sec. 699. Relationship to State Laws.

(a) Pre-emption of State Laws.—It is hereby declared to be the express intent of Congress that, except for actions authorized by section 694 of this title, the provisions of this Act or the Welfare and Pension Plans Disclosure Act shall supersede any and all laws of the States and of political subdivisions thereof insofar as they may now or hereafter relate to the subject matters regulated by this Act or the Welfare and Pension Plans Disclosure Act, except that nothing herein shall be construed—

(1) to exempt or relieve any employee benefit plan not subject to this Act or the Welfare and Pension Plans Disclosure Act from any law of any State;

(2) to exempt or relieve any person from any law of any State which regulates insur-

ance, banking, or securities or to prohibit a State from requiring that there be filed with a State agency copies of reports required by this Act to be filed with the Secretary; or

(3) to alter, amend, modify, invalidate, impair, or supersede any law of the United States other than the Welfare and Pension Plans Disclosure Act or any rule or regulation issued under any law except as specifically provided in this Act.

(b) JURISDICTION OF STATE COURTS.—Subsection (a) of this section shall not be deemed to prevent any State court from asserting jurisdiction in any action requiring or permitting an accounting by a fiduciary during the operation of an employee benefit fund subject to the Welfare and Pension Plans Disclosure Act or upon the termination thereof or from asserting jurisdiction in any action by a fiduciary requesting instructions from the Court or seeking an interpretation of the trust instrument or other document governing the fund. In any such action—

(1) the provisions of this Act and the Welfare and Pension Plans Disclosure Act shall supersede any and all laws of the State and of political subdivisions thereof, insofar as they may now or hereafter relate to the fiduciary, reporting, and disclosure responsibilities of persons acting for or on behalf of employee benefit plans or on behalf of employee benefit funds subject to the Welfare and Pension Plans Disclosure Act except insofar as they may relate to the amount of benefits due beneficiaries under the terms of the plan;

(2) notwithstanding any other law, the Secretary or, in the absence of action by the Secretary, a participant or beneficiary of the employee benefit plan or fund affected by this subsection, shall have the right to remove such action from a State court to a district court of the United States if the action involves an interpretation of the fiduciary, or reporting, and disclosure responsibilities of persons acting on behalf of employee benefit plans subject to the Welfare and Pension Plans Disclosure Act;

(3) the jurisdiction of the State court shall be conditioned upon—

(A) written notification, sent to the Secretary by certified mail at the time such action is filed, identifying the parties to the action, the nature of the action, and the plan involved; and satisfactory evidence presented to the court that the participants and beneficiaries have been adequately notified with respect to the action; and

(B) the right of the Secretary or of a participant or beneficiary to intervene in the action as an interested party.

SEC. 699A. RECRIMINATION AGAINST EMPLOYEES AND OTHER PERSONS.

It shall be unlawful for any person to discharge, fine, suspend, expel, discipline, or discriminate against a participant or beneficiary for exercising any right to which he is entitled under the provisions of the plan, this Act, or the Welfare and Pension Plans Disclosure Act, or for the purpose of interfering with the attainment of any right to which such participant may become entitled under the plan, this Act, or the Welfare and Pension Plans Disclosure Act. It shall be unlawful for any person to discharge, fine, suspend, expel, or discriminate against any person because he has given information or has testified or is about to testify in any inquiry or proceeding relating to this Act or the Welfare and Pension Plans Disclosure Act. The provisions of sections 692 and 693 shall be applicable in the enforcement of this section.

SEC. 699B. INTERFERENCE WITH RIGHTS

It shall be unlawful for any person through the use of fraud, force, violence, or threat of the use of force or violence, to restrain, coerce, intimidate, or attempt to restrain, coerce, or intimidate any participant or beneficiary for the purpose of interfering with or preventing the exercise of any right to which he is or may become entitled under the plan, this Act, or the Welfare and Pension Plans Disclosure Act. Any person who willfully violates this section shall be fined $10,000 or imprisoned for not more than one year, or both.

TITLE VII—RETIREMENT SAVINGS; LIMITATION ON PROPRIETARY EMPLOYEE CONTRIBUTIONS; TAXATION OF CERTAIN LUMP-SUM DISTRIBUTIONS

SEC. 701. DEDUCTION FOR RETIREMENT SAVINGS.

(a) IN GENERAL.—Part VII of subchapter B of chapter 1 (relating to additional itemized deductions for individuals) is amended by redesignating section 219 as 220 and inserting after section 218 the following new section:

"SEC. 219. RETIREMENT SAVINGS

"(a) DEDUCTION ALLOWED.—Subject to the limitations imposed by subsections (b) and (c), in the case of an individual, there shall be allowed as a deduction amounts paid in money during the taxable year by such individual for his benefit—

"(1) to or under a qualified individual retirement account described in section 408 (a) which is exempt from tax under section 501(a), or

"(2) for a qualified individual retirement bond purchase described in section 409, unless the bond is redeemed within 12 months after its issuance and no interest is payable on account of the application of section 409(b) (1) (D) (iii).

"(b) LIMITATIONS.—

"(1) GENERAL RULE.—Except as provided in paragraphs (2) and (3), the amount allowable as a deduction under subsection (a) to an individual for any taxable year shall not be less than the lesser of his earned income paid or accrued for such taxable year up to a deduction of $1,000, nor more than 15 per centum of his earned income paid or accrued for such taxable year, up to a deduction of $1,500.

"(2) PARTICIPATION IN CERTAIN OTHER PLANS.—No deduction shall be allowed under this section for the individual's taxable year if, at any time during such taxable year, he is an active participant in—

"(A) an employees' trust described in section 401(a) which is exempt from tax under section 501(a),

"(B) a plan which meets the requirements of section 404(a) (2),

"(C) a qualified bond purchase plan described in section 405(a),

"(D) an annuity plan described in section 403(b), or

"(E) a plan established and maintained by the United States, a State or political subdivision thereof, or a corporation which is an instrumentality of the United States, a State, or a political subdivision of a State.

"(3) REDUCTION FOR CERTAIN EMPLOYER ACCOUNTS.—If an individual is a participant in an account described in section 408(a) (8) for the taxable year, the amount of the limitation otherwise determined under paragraph (1) of this subsection for such year shall be reduced by an amount equal to the employer contributions to such account for such year. If an individual is a participant in such an account for less than his entire taxable year, the amount of the deduction allowable under this section to him for such year shall be reduced by the sum of any amounts allowed as a deduction to the individual for his contributions to such account, and the amount of the reduction determined under this paragraph.

"(4) CONTRIBUTIONS MADE AFTER AGE 70½ YEARS.—No deduction shall be allowed under this section with respect to any payment described in subsection (a) which is made by an individual who attains the age of 70½ years before the end of the taxable year of such payment.

"(c) RECONTRIBUTED AMOUNTS.—No deduction shall be allowed under this section with respect to a contribution to which section 72(p) (2) (C) applies.

"(d) MARRIED INDIVIDUALS.—In the case of a married individual (as defined in section 153), the amount determined under subsection (b) (1) shall be determined without regard to the earned income of his spouse. For purposes of this section, the earned income of any payments by, a married individual shall be determined without regard to the community property laws of a State.

"(e) EARNED INCOME DEFINED.—For purposes of this section, the term 'earned income' means any income which is earned income within the meaning of section 401 (c) (2) or 911(b)."

(b) INDIVIDUAL RETIREMENT ACCOUNTS.—Subpart A of part I of subchapter D of chapter 1 (relating to general rules) is amended by adding at the end thereof the following new section:

"SEC. 408. INDIVIDUAL RETIREMENT ACCOUNTS.

"(a) REQUIREMENTS FOR QUALIFICATION.—A trust created or organized in the United States shall constitute a qualified individual retirement account under this section provided that under a written governing instrument—

"(1) it is maintained for the purpose of distributing the contributions thereto and the income therefrom to a specific individual or his beneficiaries;

"(2) except in the case of a contribution to which section 72(p) (2) (C) applies, contributions thereto during any taxable year may not exceed the excess of—

"(A) the limitation provided by section 219 (b) (plus any amounts contributed by an employer to an account described in paragraph (8) for such taxable year), over

"(B) the sum of the amounts paid by such individual during such year—

"(i) for a qualified individual retirement bond purchase described in section 409, for his benefit, or

"(ii) under another qualified individual retirement account,

and, except as provided in subsection (b) (3), may be made only by the individual for whose benefit the account is maintained;

"(3) the assets thereof may not be commingled with other property except in a common trust fund or in the case of accounts maintained by an employer for his employees;

"(4) the assets thereof are required to be held by a bank (as defined in section 401(d) (1)) or other person who demonstrates to the satisfaction of the Secretary or his delegate that the manner in which such other person will hold such assets will be consistent with the requirements of this section;

"(5) the entire interest of the individual for whose benefit the account is maintained will be distributed to him not later than his taxable year in which he attains the age 70½ years, or will be distributed, commencing not later than such taxable year, in accordance with regulations prescribed by the Secretary or his delegate, over—

"(A) the life of such individual or the lives of such individual and his spouse, or

"(B) a period not extending beyond the life expectancy of such individual or the life expectancy of such individual and his spouse;

"(6) if the individual for whose benefit the account is maintained dies before his entire interest has been distributed to him, or if distribution has been commenced in accordance with paragraph (5) to his surviving spouse and such surviving spouse dies before the entire interest has been distributed to such surviving spouse, the entire interest (or the remaining part of such interest if distribution thereof has commended) will, within 5 years after his death (or the death of his surviving spouse), be distributed, or applied to the purchase of an immediate annuity for his beneficiary or beneficiaries (or the beneficiary or beneficiaries of his surviving spouse) which will be payable for the life of such beneficiary or beneficiaries (or for a term certain not extending beyond the life expectancy of such beneficiary or beneficiaries) and which will be immediately distributed to such beneficiary or beneficiaries;

"(7) if contributions thereto may be used for the purchase of an annuity or similar contract issued by a life insurance company, any refunds of premiums are applied within the current taxable year or next succeeding taxable year toward the payment of future premiums or the purchase of additional benefits; and

"(8) in the case of an account to which an employer contributes the additional requirements of subsection (b)(3) are met.

For purposes of this title, a custodial account, annuity contract, or other similar arrangement shall be treated as a trust constituting a qualified individual retirement account of such arrangement would, except for the fact that it is not a trust, constitute a qualified individual retirement account under this subsection. Paragraph (6) shall not apply if distribution of the interest of such individuals have commenced and such distribution is for a term certain over a period permitted under paragraph (5).

"(b) Special Rules.—

"(1) Excess contributions.—If all or a portion of the contributions paid by an individual during any taxable year to a qualified individual retirement account are not deductible under section 219 (other than by reason of section 219(c)), such contributions or portions thereof shall be treated in the same manner as an excess contribution within the meaning of section 401(e)(1), and, for this purpose, section 401(e) (2) and (3) shall apply as if such individual were an owner-employee.

"(2) Community property laws.—This section shall be applied without regard to the community property laws of any State.

"(3) Employer contributions.—An employer may maintain and may contribute to qualified individual retirement accounts for his employees if, with respect to each employee's account for such employee's taxable year—

"(A) the employee is not an active participant in another trust or plan of such employer which is qualified under section 401 (a), 404(a)(2), or 405(a),

"(B) the aggregate employer and employee contributions with respect to such account do not exceed $1,000,

"(C) the interest of such employee in such account is nonforfeitable, and

"(D) separate records are maintained for employer and employee contributions.

An account described in this paragraph shall satisfy the requirements of subsection (a) with respect to each individual who participates and shall be treated as such individual's separate account, except that the employer may pay reasonable administrative expenses. In determining the deductibility of employer contributions satisfying the requirements of this paragraph, the limitations under section 404 shall not apply; however, any amount contributed by an employer to such an account during the employee's taxable year for whom the account is maintained in excess of the limitation contained in subparagraph (C) shall not be deductible, but shall be withdrawn from the account by the employer before the end of the taxable year of the employer during which it was made, or carried over to the succeeding taxable year of the employer, during which year it shall be deductible to the extent that a contribution during that year of such excess amount is deductible. Contributions made by an employer to such an account shall be taxable to the participant only as provided by this section.

"(4) Transfer of account incident to divorce.—The transfer of an individual's interest in a qualified individual retirement account to his former spouse under a divorce decree or under a written instrument incident to such divorce shall be deemed not to be a taxable transfer by such individual notwithstanding any other provision of this subtitle, and such interest at the time of the transfer shall be deemed to be a qualified individual retirement account of such spouse, and not of such individual. The basis of such account to such spouse at such time shall be deemed to be the same as the individual's basis at such time. Thereafter such account for purposes of this subtitle shall be treated as maintained for the benefit of such spouse.

"(c) Treatment as Qualified Trust Benefiting Owner-Employee.—Solely for purposes of subchapter F, chapter 44, and subtitle F, a qualified individual retirement account shall be treated as a trust described in section 401(a) which is part of a plan providing contributions or benefits for employees some or all of whom are owner-employees (as defined in section 401(c)(3)), the individual for whose benefit such account is maintained shall be treated as an owner-employee for whom such contributions or benefits are provided, and the person holding the assets of such qualified individual retirement account shall be treated as the trustee of such trust. If section 72(p)(2)(C) applies to a contribution to a qualified individual retirement account, chapter 44 shall not be applied to such contribution.

"(d) Taxability of Beneficiary of Qualified Individual Retirement Account.—

"(1) In general.—Except as provided in paragraphs (2) and (3), the amount actually paid, distributed, or made available to any payee or distributee by a qualified individual retirement account shall be taxable to him in the year in which actually paid or distributed under section 72 (relating to annuities).

"(2) Recontributed amounts.—Amounts paid or distributed by a qualified individual retirement account (except amounts distributed pursuant to provisions of the governing instrument, and meeting the requirements of subsection (a)(5)) shall not be includible in gross income in the year paid or distributed to the extent that such amounts are not subject to the tax imposed by section 72(p)(3) by reason of the application of section 72(p)(2)(C).

"(3) Applicability of section 72(m).—Under regulations prescribed by the Secretary or his delegate, an individual who establishes a qualified individual retirement account shall be treated as an employee who is an owner-employee for purposes of applying paragraphs (2) and (4) of section 72(m) (relating to special rules applicable to employee annuities and distributions under employee plans).

"(e) Treatment of Nonqualified or Nonexempt Account.—If for the preceding taxable year of a trust it was described in subsection (a) and was exempt from tax under section 501(a) and if for the taxable year such trust is not exempt from tax under section 501(a), the fair market value of the account at the beginning of the taxable year, reduced by any contributions of the individual who established such account which were not deductible under section 219 (other than by reason of section 219(c)), shall be included in the gross income of the individual who established such account or his beneficiary as if the assets of the trust had been distributed to him on the first day of the taxable year.

"(f) Special Rule.—Solely for the purpose of determining whether section 72(p)(2)(C) applies to a contribution under subsection (a)(2) or to an amount paid or distributed under subsection (d)(2), the requirement of section 72(p)(1) that the amount paid or distributed be received before age 59½ shall not apply.

"(g) Cross References.—

"(1) For excise tax on a qualified individual retirement account, see section 4960.

"(2) For additional tax on certain distributions from a qualified individual retirement account, see section 72(p)."

(c) Treatment of Distributions From Individual Retirement Accounts.—Section 72 (relating to annuities) is amended—

(1) by striking out subsection (m)(1),

(2) by inserting after "section 401(c)(1)" in subsection (m)(2) ", or under section 219",

(3) by striking out at the end of subsection (m)(3)(A)(i) "or",

(4) by striking out at the end of subsection (m)(3)(A)(ii) "participant." and inserting in lieu thereof "participant, or",

(5) by inserting after subsection (m)(3) (A)(ii) the following new clause—

"(iii) purchased by a trust described in section 408(a) which is exempt from tax under section 501(a).",

(6) by striking out subsection (m)(3)(B) and inserting in lieu thereof:

"(B) Any contribution to a plan described in subparagraph (A)(i) or a trust described in subparagraph (A) (ii) or (iii), which is allowed as a deduction under section 404 or section 219, and any income of a trust described in subparagraph (A) (ii) or (iii), which is determined in accordance with regulations prescribed by the Secretary or his delegate to have been applied to purchase the life insurance protection under a contract described in subparagraph (A), is includible in the gross income of the participant for the taxable year when so applied.",

(7) by inserting after "501(a)" in subsection (m)(4)(A) ", a trust described in section 408(a) which is exempt from tax under section 501(a),",

(8) by inserting after "501(a)" in subsection (m)(4)(B) ", a trust described in section 408(a) which is exempt from tax under section 501(a),", and

(9) by redesignating subsection (p) as (q) and inserting after subsection (o) the following new subsection:

"(p) Treatment of Certain Premature Distributions.—

"(1) Application of subsection.—This subsection shall apply to amount paid or distributed by a qualified individual retirement account described in section 408(a) which is exempt from tax under section 501 (a), which are includible in the gross income of the distributee or payee and which are received by him before the individual for whose benefit such account is maintained attains the age of 59½ years.

"(2) Limitations.—This subsection shall not apply to an amount described in paragraph (1)—

"(A) paid or distributed to such individual on account of his becoming disabled within the meaning of subsection (m)(7),

"(B) includible in gross income under section 72(m)(3)(B), or

"(C) paid or distributed by a qualified individual retirement account to the individual for whose benefit such account is maintained if, within 60 days after receipt, such amount is contributed in full to another qualified individual retirement account for such individual's benefit.

Subparagraph (C) shall not apply to an amount described in paragraph (1) which is paid or distributed to an individual with respect to whom such subparagraph applied at any time during the preceding, 36-month period, nor shall it apply unless the same property (other than money) received in such payment or distribution is contributed to such other qualified individual retirement account for such individual's benefit.

"(3) Amount of penalty.—If an individual is required to include in gross income for the taxable year an amount to which this subsection applies, there shall be imposed, in addition to any other tax imposed by this chapter, a tax for such taxable year equal to 30 percent of such amount. The tax imposed under this paragraph shall not be reduced by any credit under part IV of subchapter A and shall not be treated as a tax imposed by this chapter for purposes of section 56.".

(d) Excise Tax on Excessive Accumulations.—Subtitle D (relating to miscellaneous excise taxes) is amended by adding at the end thereof the following new chapter:

"CHAPTER 43.—RETIREMENT PLANS

"Sec. 4960. Excise tax on individual retirement accounts.

"Sec. 4960. Excise tax on individual retirement accounts.

"(a) Imposition of Tax.—There is hereby imposed for each taxable year on the assets of a qualified individual retirement account described in section 408(a) which is exempt from tax under section 501(a) a tax equal to 10 percent of an amount which bears the same ratio to the fair market value of the total assets in such account at the beginning of the taxable year as—

"(1) the minimum amount required to be distributed during such year under section 408(a) (5) or (6) (whichever applies), reduced (but not below zero) by the total amount actually distributed during such year by the account to the individual for whose benefit such account is maintained or his beneficiary, bears to—

"(2) the minimum amount required to be distributed during such year under section 408(a) (5) or (6) (whichever applies).

"(b) When Applicable.—The tax imposed by this section shall apply only for taxable years beginning after the taxable year in which the individual who established such account attains the age of 70½ years.

"(c) Rules.—For purposes of this section, the minimum amount required to be distributed during a year under section 408(a) (5) or (6) shall be determined under regulations prescribed by the Secretary or his delegate. In the case of an account described in section 408(a) (8) the tax shall be computed only with respect to each individual in such account. A bond described in section 409, with respect to which a deduction was claimed under section 219, shall be treated, for purposes of this section, as a qualified individual retirement account."

(e) Limitation on Application of Sections 402(a) and 403(a) in the Case of Certain Contributions.—Subpart A of Part I of subchapter D of chapter 1 (relating to general rules) is amended as follows:

(1) Amendment of section 402.—Section 402(a) (relating to taxability of beneficiary of exempt trust) is amended—

(A) by striking out in the first sentence of paragraph (1) "and (4)" and inserting in lieu thereof ", (4), and (6)", and

(B) by inserting after paragraph (5) the following new paragraph—

"(6) Individual retirement accounts.—In the case of an employee's trust described in section 401(a), which is exempt from tax under section 501(a), if the total distributions payable with respect to any employee are paid to him within 1 taxable year of the employee (during which he is not at any time 59½ years of age or older) on account of his separation from the service other than by reason of his death, the amount of such distribution, to the extent such distribution would be includible in gross income but for the provisions of this paragraph, shall not be includible in gross income in the year paid if, no later than the 60th day after the close of the taxable year in which such amount was paid to him, such otherwise includible amount is contributed by him in full to one or more qualified individual retirement accounts described in section 408(a). This paragraph shall not apply unless the same property (other than money) received in the total distribution is contributed.

(2) Amendment of section 403.—Section 403(a) is amended—

(A) by striking out in the first sentence of paragraph (1) "paragraph (2)" and inserting in lieu thereof "paragraphs (2), and (4)", and

(B) by inserting after paragraph (3) the following new paragraph—

"(4) Individual retirement accounts.—If—

"(A) an annuity contract is purchased by an employer for an employee under a plan described in paragraph (1);

"(B) such plan requires that refunds of contributions with respect to annuity contracts purchased under such plan be used to reduce subsequent premiums on the contracts under the plan; and

"(C) the total amounts payable by reason of an employee's separation from the service other than by reason of death are paid to the employee within one taxable year of the employee (during which he is not at any time 59½ years of age or older),

then the amount of such payment, to the extent such amounts would be includible in gross income but for the provisions of this paragraph, shall not be includible in gross income in the year paid if, no later than the 60th day after the close of the taxable year in which such amounts are paid to him, such otherwise includible amounts are contributed by him in full to one or more qualified individual retirement accounts described in section 408(a). This paragraph shall not apply unless the same property (other than money) received in such payments is contributed. The Secretary or his delegate shall prescribe such regulations as he may deem necessary to carry out the purposes of this paragraph."

(f) Individual Retirement Bond Purchase.—Subpart A of Part I of subchapter D of chapter 1 (relating to general rules) is amended by adding at the end thereof the following new section:

"Sec. 409. Individual Retirement Bond Purchases.

"(a) Requirement for Qualification.—An individual's purchase of United States bonds described in subsection (b) shall constitute a qualified individual retirement bond purchase under this section if contributions (not in excess of an amount determined under section 219) are used solely to purchase for the individual or his beneficiaries United States bonds described in subsection (b).

"(b) Bonds to Which Applicable.—

"(1) Characteristics of bonds.—This section shall apply to a bond issued under the Second Liberty Bond Act, as amended, which by its terms, or by regulations prescribed by the Secretary under such Act—

"(A) provides for payment of interest, or investment yield, only upon redemption;

"(B) provides that no interest, or investment yield, is payable if the bond is redeemed within 12 months after its issuance;

"(C) provides that it ceases to bear interest, or provide investment yield, on the earlier of—

"(i) the date on which the individual in whose name it is purchased attains the age of 70½ years; or

"(ii) five years after the date on which such individual dies, but not later than the date on which he would have attained age 70½ had he lived;

"(D) may be purchased only in the name of an individual described in subsection (a);

"(E) may be redeemed before the death of the individual in whose name it is purchased only if such individual—

"(i) has attained the age of 59½ years,

"(ii) has become disabled (within the meaning of section 72(m) (7)), or

"(iii) redeems the bond within 12 months after its issuance; and

"(F) is not transferable.

"(d) Taxability of Holder of Qualified Individual Retirement Bonds.—

"(1) Gross income not to include bonds at time of distribution.—For purposes of this chapter, in the case of an individual purchasing a bond described in subsection (b), gross income does not include any amount attributable to the receipt of such bond. Upon redemption of such bond, the proceeds shall be subject to taxation under this chapter, but the provisions of section 72 (relating to annuities, etc.), section 402 (relating to taxability of beneficiary of employee's trust), and section 1232 (relating to bonds and other evidences of indebtedness) shall not apply.

"(2) Basis.—The basis of any bond received by an individual under a qualified individual retirement bond purchase shall be zero.

"(3) Bonds deemed redeemed.—For purposes of paragraph (1), the proceeds of a bond described in subsection (b) shall be includible in gross income no later than the taxable year in which the individual attains the age of 70½ years.".

(g) Conforming Amendments.—

(1) Retirement income.—Section 37(c) (1) (defining retirement income) is amended—

(A) by striking out subparagraph (A) and inserting in lieu thereof the following new subparagraph:

"(A) pensions and annuities including—

"(i) in the case of an individual who is, or has been, an employee within the meaning of section 401(c) (1), a distribution by a trust described in section 401(a) which is exempt from tax under section 501(a) to the extent such distribution was not subject to the tax imposed by section 72(p) (3), and

"(ii) a distribution form a qualified individual retirement account described in section 408(a) which is exempt from tax under section 501(a) to the extent such distribution was not subject to the tax imposed by section 72(p) (3),".

(B) by striking out subparagraph (E) and inserting in lieu thereof the following new subparagraphs:

"(E) bonds described in section 405(b) which are received—

"(i) under a qualified bond purchase plan described in section 405(a),

"(ii) in a distribution from a trust described in section 401(a) which is exempt from tax under section 501(a), or

"(iii) from a qualified individual retirement account described in section 408(a) which is exempt from tax under section 501 (a), or

"(F) bonds described in section 409(a), or".

(2) Adjusted gross income.—Section 62 (relating to definition of adjusted gross income) (as amended by section 702(d) (2) of this Act) is amended by inserting after paragraph (8) the following new paragraph:

"(9) Individual retirement savings.—The deduction allowed by section 219."

(3) Basis for assets held for qualified pension plan contracts.—Section 801(g) (7) (relating to basis of assets held for qualified pension plan contracts) is amended by striking out "or (D)" and inserting in lieu thereof "(D), or (E)".

(4) Pension plan reserves.—Section 805(d) (1) (relating to definition of pension plan reserves) is amended by striking out "or" at the end of subparagraph (C), by striking out "foregoing." at the end of subparagraph (D) and inserting in lieu thereof "foregoing; or",

and by adding at the end thereof the following new subparagraph:

"(E) purchased under contracts entered into with trusts which (as of the time the contracts were entered into) were deemed to be qualified individual retirement accounts described in section 408(a) which are exempt from tax under section 501(a)."

(5) Averageable income.—Paragraph (2) (A) of section 1302(a) (relating to definition of averageable income) is amended by inserting "or 72(p)(3)" after "section 72(m)(5)".

(6) Earned income.—Section 1348(b)(1) (relating to definition of earned income) is amended by inserting ", 72(p)(3)" after "72(n)".

(h) Clerical Amendments.—

(1) The table of sections for part VII of subchapter B of chapter 1 is amended by striking out the item relating to section 219 and inserting in lieu thereof the following:

"Sec. 219. Retirement savings.
"Sec. 220. Cross references."

(2) The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 408. Individual retirement accounts."

(3) The table of sections for subpart A (designated as such by section 201(c) of this Act) of part I of suchapter D is amended by adding at the end thereof the following item:

"Sec. 409. Qualified individual bond purchases.".

(4) The table of chapters of subtitle D is amended by adding at the end thereof the following new item:

"Chapter 43. Retirement plans.".

(i) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1973.

Sec. 702. Certain Plans.

(a) Certain Defined Benefit Plans.—Section 401 (relating to qualified pension, etc. plans) is amended—

(1) by inserting at the end of subsection (a) the following new paragraphs:

"(12) In the case of a trust which is a part of a defined benefit plan, the plan of which such trust is a part satisfies the requirements of subsections (j) and (k).

"(13) A trust forming part of a plan which provides contributions or benefits for employees, some or all of whom are proprietary employees, shall constitute a qualified trust under this section only if the requirements of section 412 are satisfied.",

(2) by striking out the first sentence of subsection (d)(1) and inserting in lieu thereof the following:

"In the case of a trust which is created on or after the date of the enactment of this subsection, or which was created before such date but is not exempt from tax under section 501(a) as an organization described in subsection (a) on the day before such date, the assets thereof are held by a bank or other person who demonstrates to the satisfaction of the Secretary or his delegate that the manner in which he will hold such assets will be consistent with the requirements of this section. Notwithstanding the requirements of the preceding sentence, a person (including the employer) other than the trustee or custodian so holding plan assets may be granted, under the trust instrument, the power to control the investment of the trust funds either by directing investments (including reinvestments, disposals, and exchanges) or by disapproving proposed investments (including reinvestments, disposals, or exchanges).", and

(3) by redesignating subsection (j) as (l) and inserting after subsection (i) the following new subsections:

"(j) Certain Defined Benefit Plans.—

"(1) General rules.—A trust which is a part of a defined benefit plan which provides benefits for employees, some or all of whom are employees within the meaning of subsection (c)(1) or proprietary employees within the meaning of section 412(b)(1), shall not constitute a qualified trust under this section unless the plan of which such trust is a part provides that the basic benefit accruing for each separate plan year of participation by such an employee shall not exceed the product of the compensation of such employee under the plan for such year (not in excess of $50,000) and the percentage shown on the following table corresponding to his age at the time his current period of participation began:

"Age attained at participation—

30 or less	6.5
35	5.4
40	4.4
45	3.6
50	3.0
55	2.5
60 or over	2.0

For purposes of this subsection, the term 'basic benefit' means a benefit in the form of a straight life annuity commencing at the later of age 65, or 5 years from the time the participant's current period of participation began, under a plan which provides no ancillary benefits and to which employees do not contribute. The Secretary or his delegate shall prescribe regulations under which the percentages shown on such table shall be adjusted for plans which do not meet the conditions described in the preceding sentence and under which percentages for ages between those shown on the table shall be determined. After December 31, 1977, the Secretary or his delegate may, by regulations, prescribe revised percentages to be used in lieu of the percentages shown in the table provided by this subsection. Such percentages shall be revised by the Secretary or his delegate on the basis of changes in prevailing interest and mortality rates occurring after 1973.

"(2) Alternative limitation for proprietary employees.—Notwithstanding the provisions of paragraph (1), a qualified plan (other than a plan which provides benefits for an employee of an electing small business corporation as defined in section 1371) may provide for a basic benefit on behalf of an individual who is a proprietary employee (within the meaning of section 412(b)(1)) which does not exceed 75 percent of the participant's average high 3-year compensation from the employer. This amount shall be amortized in equal payments over the remaining future service of each such proprietary employee or over 10 years whichever is the longer. Average high 3-year compensation from the employer is the amount includible in the gross income of the participant (determined without regard to section 911) for the period of 3 actual consecutive taxable years (or if he has been an employee for less than 3 years, the number of years he has been an employee) of the participant for which his compensation from the employer is the greatest but not in excess of the first $100,000 per year. Where contributions are made under a plan for a proprietary employee who was a participant for a period of less than 10 years, the basic benefit which may be provided under the plan (under this paragraph) shall be reduced ratably.

"(3) Aggregation of plans.—For purposes of this subsection—

"(A) Defined benefit plans.—If a defined benefit plan provides benefits for an owner-employee of a trade or business who controls, or for two or more owner-employees who together control, one or more other trades or businesses, that defined benefit plan and all defined benefit plans established with respect to such other trades or businesses shall be considered as a single plan.

"(B) Defined contribution plans.—If a defined contribution plan provides for contributions from an owner-employee of a trade or business who controls, or for two or more owner-employees who together control, one or more other trades or businesses, that defined contribution plan and all defined contribution plans established with respect to such other trades or businesses shall be considered as a single plan.

"(C) Rules.—For purposes of this paragraph, the term 'owner-employee' also includes an individual who is a proprietary employee (as defined in section 412(b)(1)), and the terms 'control' and 'controls' have the same meaning as they have in subsection (d)(9). An owner-employee who is a participant in both types of plans (described in subparagraphs (A) and (B)) shall be treated, under regulations prescribed by the Secretary or his delegate, as if he were a participant in only one such type of plan.

"(4) Reduction of benefits.—In the case of an owner-employee or proprietary employee who is covered by a defined benefit plan to which this subsection applies, as well as a defined contribution plan, if for a taxable year a deduction is allowable under section 404(a)(9) for a contribution with respect to such owner-employee, then for the plan year of a defined benefit plan ending with or within such taxable year, in applying this subsection the percentage determined under paragraph (1) shall be the percentage determined under such paragraph (without regard to this paragraph) multiplied by the excess of 1 over a fraction—

"(A) the numerator of which is the amount so allowable under section 404(a)(9), and

"(B) the denominator of which is the limitation determined under section 404(a)(9) with respect to such individual.

"(5) Special rules.—Section 404(e) (relating to special limitations for self-employed individuals) shall not apply to a trust to which this subsection applies.

"(k) Limitation on Benefits Under Defined Benefit Plan.—A trust which is a part of a defined benefit plan shall not constitute a qualified trust under this section if, under the plan of which such trust is a part, the benefit under the plan, together with the benefits under all other defined benefit plans (whether or not terminated) of the employer, exceeds 100 percent of the participant's average compensation from the employer which is includible in the gross income of the participant (determined without regard to section 911) for the period of 3 consecutive taxable years of the participant for which his compensation from the employer is the greatest. For purposes of this subsection, if the benefits provided under a pension plan are not in the form of a straight life annuity commencing at age 65 adjusted for fluctuations in the cost of living under a plan to which employees do not contribute, which provides no ancillary benefits, the 100 percent limit provided by the preceding sentence shall be adjusted, in accordance with regulations prescribed by the Secretary or his delegate to reflect such other form. In the case of a participant in a defined benefit plan who is also a participant in a money purchase pension plan with respect to the same employment, the limitation determined under this subsection shall be the 100 percent limitation (as adjusted pursuant to the preceding sentence), multiplied by the excess of one over a fraction—

"(1) the numerator of which is the percentage of compensation contributed under the money purchase pension plan (but not greater than 20), and

"(2) the denominator of which is 20.

The percentage limitation applicable to an employee who has been an active participant in the *plan for fewer than* 10 full plan years shall be the percentage limitation otherwise determined under this subsection, multiplied by a fraction, the numerator of which is the number of such full years and the denominator of which is 10."

(4) by striking out, at the end of subsection (d) (9) (B) (i) "or", by striking out at the end of subsection (d) (9) (B) (ii) "partnership." and inserting in lieu thereof "partnership, or", and by inserting after subsection (d) (9) (B) (ii) the following new clause:

"(iii) in the case of a corporation, own, or are considered as owning, within the meaning of section 1563 (e), stock possessing 50 percent or more of the total combined voting power of all classes of stock entitled to vote or 50 percent or more of the total value of shares of stock of the corporation."

(b) Plans of Proprietary Employees.—Subpart B of part I of subchapter D of chapter 1 (relating to special rules), as added by section 201 and amended by section 221, is amended by inserting at the end thereof the following new section:

"SEC. 412. PLAN OF PROPRIETARY EMPLOYEE

"(a) General Rule.—In the case of a plan which provides contributions or benefits for employees some or all of whom are proprietary employees (as defined by subsection (c))—

"(1) the provisions of section 404(e) shall apply, and

"(2) paragraph (5) of section 401(d) (without regard to subparagraph (c)) and section 401(e) (without regard to paragraph (2) (E)) shall apply if such plan is not a defined benefit plan but excess contributions shall be repaid to the proprietary employee on whose behalf they were made.

For purposes of paragraph (1), the compensation of a prorietary employee taken into account shall not exceed $100,000 per year, and the basic or regular rate of compensation of such an employee taken into account shall not exceed the rate equivalent to compensation at a rate of $100,000 per year paid in equal installments over the year. The provisions referred to in paragraphs (1) and (2) shall be applied as if each proprietary employee were an employee within the meaning of section 401(c) (1).

"(b) Definitions.—For purposes of this section and section 401—

"(1) Proprietary employee.—The term 'proprietary employee' means an individual who owns, or is considered as owning, within the meaning of section 1563 (e), stock possessing 2 percent or more of the total combined voting power of all classes of stock entitled to vote or 2 percent or more of the total value of shares of stock of the corporation if the total of the present value of the accrued benefits, of all such employees who are active participants in the plan, derived from employed contributions (within the meaning of section 411(b) (2)) exceeds 25 percent of the present value of such accrued benefits for all active participants in the plan. For purposes of this paragraph, in the case of a profitsharing or stock bonus plan, the rules of section 1563(e) shall be applied without respect to paragraph (3) (C) thereof. To the extent provided in regulations prescribed by the Secretary or his delegate, such term also means an individual who has been a proprietary employee within the meaning of the preceding sentence. The Secretary or his delegate is authorized to prescribe by regulations the actuarial assumptions to be applied in computing accrued benefits for purposes of this paragraph and the time at which the present value of such benefits is determined.

"(2) Aggregation of plans.—For purposes of this subsection—

"(A) Defined benefit plans.—If a defined benefit plan provides benefits for a proprietary employee of a trade or business who controls, or for two or more proprietary employees who together control, one or more other trades or businesses, that defined benefit plan and all defined benefit plans established with respect to such other trades or businesses shall be considered as a single plan.

"(B) Defined contribution plans.—If a defined contribution plan provides for contributions from a proprietary employee of a trade or business who controls, or for two or more proprietary employees of a trade or business who together control, one or more other trades or businesses, that defined contribution plan and all defined contribution plans established with respect to such other trades or businesses shall be considered as a single plan.

"(C) Rules.—If any such proprietary employee is an owner-employee (within the meaning of section 401(c) (3)) of a trade or business and is a participant in a defined benefit or a defined contribution plan established with respect to that trade or business, such plan shall be taken into account under subparagraph (A) or (B), whichever is applicable, for purposes of this paragraph. A proprietary employee who is a participant in both types of plans (described in subparagraphs (A) and (B)) shall be treated, under regulations prescribed by the Secretary or his delegate, as if he were a participant in only one such type of plan.

"(D) Control.—For purposes of subparagraph (A), a proprietary employee, or two or more proprietary employees, shall be considered to control a trade or business if such proprietary employee, or such two or more proprietary employees together—

"(i) own the entire interest in an unincorporated trade or business,

"(ii) in the case of a partnership, own more than 50 percent of either the capital interest or the profits interest in such partnership, or

"(iii) in the case of a corporation own (or are considered among as owning, within the meaning of section 1563(e)) more than 50 percent of the total combined voting power of stock entitled to vote more than 50 percent of the total value of shares of stock of the corporation.

For purposes of subparagraph (B), a proprietary employee, or two or more proprietary employees, shall be treated as owning any interest in a partnership which is owned, directly or indirectly, by a partnership which such proprietary employee, or such two or more proprietary employees, are considered to control within the meaning of the preceding sentence.".

(c) Repeal of Section 1379.—Subchapter S of chapter 1 is amended by striking out section 1379.

(d) Conforming Amendments.—

(1) The table of sections for subchapter S of chapter 1 is amended by striking out the last item in the table.

(2) Section 62 (relating to adjusted gross income) is amended by striking out paragraph (9).

(e) Clerical Amendment.—The table of sections for subpart B of part I of subchapter D of chapter 1 (relating to special rules), as added by section 221 and amended by section 231, is amended by adding at the end thereof the following new item:

"Sec. 412. Plan of a proprietary employee.".

(f) Effective Date.—

(1) General rule.—Except as provided in paragraphs (2) and (3), the amendments made by this section shall apply to plan years beginning after December 31, 1973.

(2) In the case of a plan in existence on July 24, 1973, the amendments made by this section shall apply—

(A) to plan years beginning after December 31, 1975, or,

(B) if later, the earlier of plan years beginning after—

(i) the termination of the agreement pursuant to which the plan is maintained, which the Secretary of the Treasury or his delegate finds to be a collective-bargaining agreement, between employee representatives and one or more employers, in effect on July 24, 1973, or

(ii) December 31, 1980.

For purposes of clause (i), the date on which an agreement terminates shall be determined without regard to any extension thereof agreed to after July 24, 1973.

(3) In the case of a plan in existence on July 24, 1973, the second sentence of section 401(j) (4) (as added by this section) shall apply only with respect to plan years beginning after December 31, 1979.

Sec. 703. Taxation of Certain Lump-Sum Distributions.

(a) Amendment of Section 72(n).—Section 72(n) (relating to total distributions) is amended by—

(1) striking out the portion of paragraph (2) preceding "applies" the first time it appears and inserting in lieu thereof the following:

"(2) Certain employees.—In any case to which this paragraph",

(2) inserting after paragraph (B) of such paragraph the following: "This paragraph applies to amounts to which this subsection applies which are distributed or paid with respect to an individual who is an employee (within the meaning of section 401(c) (1)) if the number of plan years such individual was such an employee under the plan under which such amounts are distributed or paid exceeds 50 percent of the number of plan years for which he was a participant in such plan.",

(3) striking out "this subsection" in paragraph (3) and inserting in lieu thereof "paragraph (2)", and

(4) striking out paragraph (4) and inserting in lieu thereof the following:

"(4) Determination of tax on certain total distributions.—Notwithstanding any other provisions of this chapter, except as provided in paragraph (5), the tax on amounts to which this subsection (other than paragraph (2)) applies is 15 times the product of—

"(A) the tax (determined by applying the rates contained in the table in section 1(c)) that would result if the taxable income of the recipient were one-fifteenth of the excess of

"(i) the sum of the amount to which this paragraph applies and the portion of the distribution or payment which receives capital gains treatment under section 402(a) (2) or 403(a) (2) (A), over

"(ii) the minimum distribution allowance, multiplied by

"(B) a fraction, the numerator of which is the number of calendar years after 1973 the recipient was an active participant in the plan and the denominator of which is the total number of calendar years the recipient was an active participant in the plan.

For purposes of this paragraph, the minimum distribution allowance is one-half of the first $20,000 of the sum referred to in clause (i), reduced (but not below zero) by 20 percent of the excess of such sum over $20,000.

"(5) Multiple distributions.—If an individual receives more than one distribution to which paragraph (4) applies during a period of 6 consecutive taxable years of that individual, the tax payable on the second or subsequent such distribution shall be determined, under regulations prescribed by the Secretary or his delegate, by applying the provisions of paragraph (4) to the aggregate amount of all such distributions within such period and reducing the amount of the tax so determined by the amount of tax paid with respect to prior distributions within the period. For purposes of this paragraph, such distribution shall be aggregated without regard to the source of such distributions.

"(6) Community property laws.—The provisions of paragraphs (4) and (5) shall be applied without regard to the community property laws of any State.

"(7) Annuities.—For purposes of paragraphs (4) and (5), the distribution of an annuity shall be treated as a distribution as an amount equal to the cash surrender value of such annuity on the date of distribution.".

(b) Amendment of Section 402.—Section 402(a) (relating to taxability of beneficiary of exempt trust) is amended by striking out paragraph (5) and inserting in lieu thereof the following:

"(5) Phase out of capital gains treatment.—The first sentence of paragraph (2) shall apply to a distribution paid after December 31, 1973, only to the extent that it does not exceed such distribution (reduced in accordance with such sentence) multiplied by a fraction, the numerator of which is the number of full years of active participation by the employee in such plan for plan years beginning before January 1, 1974, and the denominator of which is the number of full years of active participation by the employee in such plan."

(c) Amendment of Section 403.—Section 403(a) (relating to taxability of beneficiary under a qualified annuity plan) is amended by striking out paragraph (2) (C) and inserting in lieu thereof the following:

"(C) Phase out of Capital Gains Treatment.—Subparagraph (A) shall apply to a payment paid after December 31, 1973, only to the extent that it does not exceed such payment (reduced in accordance with such subparagraph) multiplied by a fraction, the numerator of which is the number of full years of active participation by the employee in such plan for plan years beginning before January 1, 1974, and the denominator of which is the number of full years of active participation by the employee in such plan."

(d) Conforming Amendments.—

(1) Prohibition of double income averaging.—Subsection 1304(b) (relating to special rules) is amended by redesignating paragraphs (3), (4), (5), and (6) as paragraphs (4), (5), (6), and (7), respectively, and inserting after paragraph (2) the following new paragraph:

"(3) section 72(n) (4) (relating to determination of tax on certain total distributions) and section 72(n) (5) (relating to multiple distributions),".

(2) Limitation on the application of subsection 1304(b).—Section 1304 (relating to special rules on income averaging) is amended by adding at the end thereof the following new subsection:

"(g) Limitation on the Application of Subsection.—(b) Recipients of distributions to which section 72(n) (2) or 72(n) (4) apply may choose the benefit of this part except with respect to such distributions.".

(e) Effective Dates.—The amendments made by this section shall take effect on January 1, 1974.

Sec. 704. Contributions on Behalf of Self-employed Individuals and Proprietary Employees.

(a) Revision of Limitations.—

(1) Limit on deductions.—Section 404(e) (relating to deduction limitations) is amended by—

(A) striking out "$2,500, or 10 percent" in paragraphs (1) and (2) (A) and inserting in lieu thereof "$7,500, and 15 percent",

(B) striking out "whichever is the lesser." in paragraphs (1) and (2) (A) and inserting in lieu thereof "whichever is the lesser, the alternative limitation for proprietary employees described in paragraph (4), or the minimum deductible amount described in paragraph (5).", and

(C) by inserting after paragraph (3) the following new paragraph:

"(4) Alternative limitation for proprietary employees.—

"(A) Notwithstanding the limitations of paragraph (1) (but subject to the provisions of section 414), in the case of a plan (other than a plan which provides benefits for an employee of an electing small business corporation as defined in section 1371) which provides contributions for employees, some or all of whom are proprietary employees (within the meaning of section 412(b) (1)), the amounts deductible under subsection (a) in any taxable year with respect to contributions on behalf of any proprietary employee may equal the present value (based on a 6 percent interest rate) of the 'unfunded limitation balance'.

"(B) The term 'unfunded limitation balance' means in the case of a plan which provides no ancillary benefits any excess of—

"(i) 75 percent of the 'contribution base' divided by the appropriate conversion factor (within the meaning of section 411(b) (2)), over

"(ii) what the balance of the employee's account under the plan, as of the close of the preceding plan year, would be if it earned interest at the rate of 6 percent per annum, compounded annually until 'normal retirement age'.

The Secretary or his delegate shall prescribe regulations defining the term 'unfunded limitation balance' for plans providing for ancillary benefits.

"(C) The term 'contribution base' means the average high 3 year compensation includible in the gross income of the participant (determined without regard to section 911) for any 3 consecutive (current or past) taxable years (or if he has been an employee for less than 3 years, the number of years he has been an employee) of the participant for which his compensation from the employer is the greatest, but not in excess of the first $100,000 of compensation for any year.

"(D) For purposes of this paragraph, the term 'normal retirement age' means the older of age 65 or if older the age of the employee on the last day of the tenth year for which he will be a participant under the plan.

"(E) In making the computation provided under this paragraph the provisions of paragraph (2) shall be applicable.

"(F) Notwithstanding the limits of subsections (a) (3) and (7) (whichever is applicable), if the amount determined under subparagraph (A) for any taxable year is less than the amount allowable as a deduction under such subsections then, the excess of the amount allowable under such subsections over the amount determined in subparagraph (A) shall be carried forward and allowable as a deductible contribution when paid in succeeding taxable years to the extent that the total contributions do not exceed the amount determined under subparagraph (A) in such taxable year.

"(G) The Secretary or his delegate may prescribe separate conversion factors under subparagraph (B) (i) for whose normal retirement age is other than age 65 and may adjust this factor to reflect changes in mortality or interest rates.

"(5) Minimum deductible amount.—For purposes of this subsection, the minimum deductible amount for any employee is the lesser of—

"(A) $750, or

"(B) 100 percent of his earned income derived by him from the trade of business with respect to which the plan is established.".

(2) Limit on contributions.—Section 401(e) (3) (relating to contributions for premiums on annuity, etc., contracts) is amended by striking out "$2,500" and inserting in lieu thereof "$7,500".

(3) Limit on amount received.—Section 72(m) (5) (B) (i) (relating to penalties applicable to certain amounts received by owner-employees) is amended by striking out "$2,500" and inserting in lieu thereof "$7,500".

(b) Discrimination.—Section 401(a) (relating to requirements for qualification) is amended by adding at the end thereof the following new paragraph:

"(12) In the case of a plan which provides contributions or benefits for employees some or all of whom are employees (as defined in subsection (c) (1)), the compensation of such an employee taken into account for purposes of paragraph (4) shall not exceed $100,000 per year, and the basic or regular rate of compensation of such an employee taken into account for such purposes shall not exceed the rate equivalent to compensation at a rate of $100,000 per year paid in equal installments over the year.".

(c) Effective Date.—The amendments made by this section shall apply for taxable years beginning after 1973.

Sec. 705. Collectively Bargained Plans.

(a) General Rule.—Subpart B of part I of subchapter D of chapter 1 (relating to special rules) as added by section 201 and amended by sections 221 and 702 is amended by inserting at the end thereof the following new section:

"Sec. 413. Collectively Bargained Plans.

"(a) Application of Section.—This section applies to—

"(1) a plan created and maintained pursuant to an agreement which the Secretary or his delegate finds to be a collective bargaining agreement between employee representatives and one or more employers, and

"(2) each trust which is a part of such plan.

"(b) General Rule.—If this section applies to a plan, notwithstanding any other provision of this title—

"(1) Section 410 shall be applied as if all employees of each of the employers who are parties to the collective bargaining agreement and who contribute to or under the plan on the same basis were employed by a single employer.

"(2) Section 401(a) (4) and 411(c) (4) shall be applied as if all participants who are employed by employers who contribute to or under the plan on the same basis were employed by a single employer.

"(3) For purposes of section 401(a), in determining whether the plan of an employer is for the exclusive benefit of his employees and their beneficiaries, all plan participants shall be considered to be his employees.

"(4) Section 411 shall be applied as if all employers who have been parties to the collective bargaining agreement constituted a single employer.

"(5) The minimum funding standard provided by section 4971 shall be determined as if all participants in the plan were employed by a single employer. For purposes of section 4971 (other than for purposes of determining the portion of a liability required to be amortized for a plan year), a plan year shall be considered to begin on the date the collective bargaining agreement is first effective (treating an agreement to extend a prior agreement as a new agreement, and to end on the expiration date of the agreement determined under such agreement).

"(6) For a plan year (determined without regard to paragraph (5)) the liability under section 4972 of each employer who is a party to the collective bargaining agreement shall be determined, in accordance with regulations prescribed by the Secretary or his delegate, on the basis of his contributions under the plan and his liability for contributions under the plan. The liability for tax under such section in the case of such a plan shall apply first to the extent of any delinquency in meeting required contributions on the part of an employer under such plan.

"(7) For a calendar year the liability under section 4975 of each employer who is a party to the collective bargaining agreement during the calendar year shall be determined by reference to the number of plan participants employed by the employer at any one time during the calendar year.

"(8) Each applicable limitation provided by section 404(a) shall be determined for a plan year (within the meaning of paragraph (5)) as if all participants in the plan were employed by a single employer. The amounts contributed to or under the plan by each employer who is a party to the contract, for the portion of his taxable year which is included within such a plan year, shall be considered not to exceed such a limitation if the anticipated employer contributions for such plan year (determined in a manner consistent with the manner in which actual employer contributions for such plan year are determined) do not exceed such limitation. If such anticipated contributions exceed such a limitation, the portion of each such employer's contributions which is not deductible under section 404 shall be determined in accordance with regulations prescribed by the Secretary or his delegate."

(b) Effective Date.—The amendment made by this section shall apply for taxable years and plan years beginning on or after January 1, 1976.

Sec. 706. Miscellaneous Provisions.

(a) Employee Contributions of Owner-Employees.—Section 401(d)(4)(B) (relating to additional requirements for qualification of trusts and plans benefiting owner-employees) is amended by inserting "in excess of contributions made by an owner-employee as an employee" after "benefits".

(b) Certain Custodial Accounts.—Section 401 (relating to pension, profit-sharing, and stock bonus plans) is amended by striking out subsection (f) and inserting in lieu thereof the following:

(f) Certain Custodial Accounts or Other Arrangements.—For purposes of this title, a custodial account or an arrangement similar to a custodial account or similar to an annuity contract shall be treated as a qualified trust under this section if—

"(1) the custodial account or arrangement would, except for the fact that it is not a trust, constitute a qualified trust under this section, and

"(2) the assets thereof are held by a bank (as defined in subsection (d)(1)) or another person who demonstrates, to the satisfaction of the Secretary or his delegate, that the manner in which he will hold the assets will be consistent with the requirements of this section.

For purposes of this title, in the case of a custodial account or arrangement treated as a qualified trust under this section by reason of this subsection, the person holding the assets of such account or arrangement shall be treated as the trustee thereof.".

(c) Custodial Accounts for Regulated Investment Company Stock.—Section 403 (b) (relating to taxability of beneficiary under annuity purchased by section 501 (c)(3) organization or public school) is amended by adding at the end thereof the following new paragraph:

"(7) Custodial accounts for regulated investment company stock.—

"(A) Amounts paid treated as contributions.—For purposes of this title, amounts paid by an employer described in paragraph (1)(A) to a custodial account which satisfies the requirements of section 401(f) shall be treated as amounts contributed by him for an annuity contract for his employee if the amounts are paid to provide a retirement annuity for that employee and are to be invested in regulated investment company stock to be held in that custodial account.

"(B) Account treated as plan.—For purposes of this title, a custodial account which satisfies the requirements of section 401(f) shall be treated as an organization described in section 401(a) with respect to amounts received by it (and income from investment thereof) which are excluded under this subsection from the gross income of the employees on whose behalf such amounts are paid.

"(C) Regulated investment company.—For purposes of this paragraph, the term 'regulated investment company' means a domestic corporation which is a regulated investment company within the meaning of section 851(a), and which issues only redeemable stock.".

(d) Amendments to Section 404.—

(1) Section 404(a) (relating to deduction for contribtuions of an employer to an employee's trust, etc.) is amended by—

(A) striking out paragraph (1)(A);

(B) striking out paragraph (1) (B) and (C) and inserting in lieu thereof the following:

"(B) the amount necessary to provide with respect to all of the employees under the trust the remaining unfunded cost of their past and current service credits distributed as a level amount, or a level percentage of compensation, over the remaining future service of each such employee, as determined under regulations prescribed by the Secretary or his delegate, but if such remaining unfunded cost with respect to any three individuals is more than 50 percent of such remaining unfunded cost, the amount of such unfunded cost attributable to such individuals shall be distributed over a period of at least 5 taxable years, or

"(C) in lieu of the amount allowable under subparagraph (B), an amount equal to the normal cost of the plan, as determined under regulations prescribed by the Secretary or his delegate, plus, if past service or other supplementary pension or annuity credits are provided by the plan, an amount not in excess of 10 percent of the cost which would be required to completely fund or purchase such pension or annuity credits as of the date when they are included in the plan as determined under regulations prescribed by the Secretary or his delegate, except that in no case shall a deduction be allowed for any amount (other than the normal cost) paid in after such pension or annuity credits are completely funded or purchased"; and

(c) adding immediately after paragraph (1)(D) the following new sentence: "The limitations under subparagraphs (B) and (C) shall not apply with respect to the amount of a contribution made to or under a pension plan to the extent such contribution does not exceed the minimum funding standard described in section 4971.".

(2) Section 404(a) (relating to deduction for contributions of an employer to an employee's trust, etc.) is amended by striking out paragraph (6) and inserting in lieu thereof:

"(6) Time when contributions deemed made.—For purposes of paragraphs (1), (2), and (3), a taxpayer shall be deemed to have made a payment on the last day of the preceding taxable year if the payment is on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (including extensions thereof)."

(e) Inclusion of Certain Employee Contributions in Gross Income.—Subpart A of part I of subchapter D of chapter 1 (relating to general rules) as added by section 201 and as amended by sections 701 (b) and (e) of this Act is further amended by adding at the end thereof the following new section:

"Sec. 414. Inclusion of Certain Employer Contributions in Gross Income.

"(a) Inclusion of Contributions in Gross Income.—Notwithstanding the provisions of section 402 (relating to taxability of beneficiary of employees' trust), section 403 (relating to taxation of employee annuities), or section 405(d) (relating to taxability of beneficiaries under qualified bond purchase plans), an individual shall include in gross income, for his taxable year in which or with which the taxable year of his employer ends, the amount equal to the excess of—

"(1) the amount of the contributions made on his behalf by the employer during the taxable year of the employer (including amounts deemed to be paid during such year under section 404(a)(6)) to or under a money purchase pension plan which satisfies the requirements of section 401(a), 404(a) (2), or 405(a) during such taxable year of the employer, over

"(2) 20 percent of such individual's compensation otherwise paid or accrued by him from such employer during the employer's taxable year.

In any taxable year of an individual in which he is covered under two or more money purchase pension plans maintained by an employer, the amount includable in gross income shall be the amount by which the total of such contributions exceeds 20 percent of the compensation received or accrued by such individual during the taxable year of his employer.

"(b) Treatment of Amounts Included in Gross Income.—Any amount included in the gross income of an individual under subsection (a) shall be treated as consideration for the contract contributed by the individual for purposes of section 72 (relating to annuities).

"(c) Deduction for Amounts Not Received as Benefits.—If—

"(1) Amounts are included in the gross income of an individual under subsection (a), and

"(2) the rights of such individual (or his beneficiaries) under the plan terminate before payments under the plan which are excluded from gross income equal the amounts included in gross income under subsection (a),

then there shall be allowed as a deduction, for the taxable year in which such rights terminate, an amount equal to the excess of the amounts included in gross income under subsection (a) over such payments.

"(d) Limitations.—(1) Subsection (a) shall not apply for a taxable year of an employee if, at all times during the employer's taxable year referred to in subsection (a), under the money purchase pension plans maintained by the employer (considering all such plans as a single plan) the rate at which employer contributions are to be made with respect to employee compensation does not exceed 20 percent.

"(2) Subsection (a) shall not apply to contributions made to or under a money purchase pension plan on behalf of an individual who is an employee within the meaning of section 401(c)(1).

"(e) Regulations.—The Secretary or his delegate is authorized to prescribe such forms and regulations as may be necessary to carry out the purposes of this section, including forms on which employers may be required to furnish needful information to employees. Such forms shall be furnished to employees at such time as the Secretary or his delegate may by regulations prescribe."

(f) Limitation on Deduction for Contributions on Behalf of Corporate Employees.—Section 404 (relating to deduction for contributions of an employer to an employees' trust or annuity plan and compensation under a deferred-payment plan) is amended by adding at the end thereof the following new subsection:

"(h) Limitation on Deduction for Contributions on Behalf of Corporate Employees.—Notwithstanding the provisions of subsection (a), no deduction shall be allowed for a contribution made for or on behalf of a corporate employee to or under a defined benefit plan or a defined contribution plan if the amount of such contribution or if the benefit provided under the plan exceeds the amount specified as an alternative limitation on deduction or benefits for proprietary employees in subsection (e)(4) or section 401(j)(2), whichever is applicable.".

(g) Penalty for Failure To Furnish Information.——Subchapter B of chapter 68 (relating to assessable penalties) as amended by section 221 of this Act is further amended by inserting at the end thereof the following new section:

"Sec. 6691. Reports by Employers.

"(a) Civil Penalty.—If any person who is required, by regulations prescribed under section 409(e), or by regulations prescribed under section 151 of the Retirement Income Security for Employees Act, to furnish information to the Secretary or his delegate or to an employee fails to comply with such requirement at the time prescribed by such regulations, such person shall pay a penalty of $10 for each such failure, unless it is shown that such failure is due to reasonable cause.

"(b) Deficiency Procedures Not To Apply.—Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, gift and certain excise taxes) shall not apply in respect of the assessment or collection of any penalty imposed by subsection (a).".

(h) Net Operating Loss.—Section 172(d) (4) (relating to net operating loss modifications) is amended by—

(1) striking out "and" at the end of subparagraph (C),

(2) striking out "such individual." in subparagraph (D) and inserting in lieu thereof "such individual; and", and

(3) by adding immediately after subparagraph (D) the following new subparagraph (E):

"(E) any deductions allowed under section 219 shall not be treated as attributable to the trade or business of an individual."

(i) Retroactive Changes in Plan.—Section 401 (relating to qualified pension, etc., plans) is amended by striking out subsection (b) and inserting in lieu thereof:

"(b) Certain Retroactive Changes in Plan.—A stock bonus, pension, profit-sharing, or annuity plan shall be considered as satisfying the requirements of subsection (a) for the period beginning with the date on which it was put into effect, or for the period beginning with the date on which there was put into effect any amendment which caused the plan to fail to satisfy such requirements, and ending with the time prescribed by law for filing the return of the employer for his taxable year in which such plan or amendment was put into effect (including extensions thereof) or such later time as the Secretary or his delegate may designate, if all provisions of the plan which are necessary to satisfy such requirements are in effect by the end of such period and have been made effective for all purposes for the whole of such period.".

(j) When Contributions Are Includible in Income.—

(1) Beneficiary of employee's trust.—Section 402(a)(1) (relating to taxability of beneficiary of exempt trust) is amended by striking out "(1) General rule.—" and inserting in lieu thereof the following:

"(1) General rules.—A contribution by an employer to an employees' trust described in section 401(a) which is exempt from tax under section 501(a) shall not be includible in the gross income of the employee in the year in which so contributed or accrued. For purposes of the preceding sentence, a contribution shall not be treated as having been made by an employer if it is designated as an employee contribution or if the contribution is made as a consequence of the employee's individual choice in return for a reduction in his compensation for foregoing an increase in compensation.".

(2) Employee annuities.—Section 403(a) (1) (relating to taxability of beneficiary under a qualified annuity plan) is amended to read as follows:

"(1) General rules.—If an annuity contract is purchased by an employer for an employee under a plan which meets the requirements of section 404(a)(2) (whether or not the employer deducts the amounts paid for the contract under such section)—

"(A) the payment of the purchase price by the employer shall not be includible in the gross income of the employee in the year in which paid or accrued; and

"(B) except as provided in paragraph (2), the employee shall include in his gross income the amounts received under such contract for the year received as provided in section 72 (relating to annuities).

For purposes of subparagraph (A), an amount paid for the purchase of an annuity contract shall not be treated as being paid by an employer if such amount is designated as an amount paid by the employee or if the amount is paid as a consequence of the employee's individual choice in return for a reduction in his compensation or for foregoing an increase in compensation.".

(3) Effective date.—The amendments made by this subsection shall apply with respect to taxable years beginning after December 31, 1973.

(k) Technical Amendments.—

(1) Information with respect to pension, profit sharing and stock bonus plans.—Subpart A of part III of subchapter A of chapter 61 (relating to information returns) is amended by redesignating section 6040 as section 6040A and inserting after section 6039 the following section:

"Sec. 6040. Information Required in Connection With Certain Plans of Deferred Compensation

"(a) In General.—Every employer who establishes or maintains a plan of deferred compensation described in part I of subchapter D of chapter 1, or the administrator of the plan, shall file an annual return stating such information as the Secretary or his delegate may by forms or regulations prescribe with respect to the qualifications, financial condition and operations of the pension, annuity, profit-sharing, stock bonus, or bond purchase plan established or maintained by such employer; except that, in the discretion of the Secretary or his delegate, the employer may be relieved from stating in its return any information which is reported in returns filed by an organization forming a part of such plan.

"(b) Employer.—For purposes of this section, the term 'employer' includes a person described in section 401(c)(4) and an individual who establishes an individual retirement account described in section 408. The term 'administrator' means the person or persons described in section 3(15) of the Welfare and Pension Plans Disclosure Act.

"(c) Cross Reference.—For provisions relating to penalties for failure to file a return required by this section, see section 6652(f).".

(2) Publicity of returns.—

(A) Section 6103 (relating to publicity of returns and disclosure of information as to persons filing income tax returns) is amended by adding at the end thereof a new subsection (g) to read as follows:

"(g) Information With Respect to Pension, Profit-Sharing and Stock Bonus Plans.—Any return filed under section 6033 or 6040 with respect to a plan of deferred compensation (or copy thereof) or under 6051(d) with respect to wages paid to an employee shall be open to inspection by the proper officers of the Pension Benefit Guaranty Corporation.".

(B) Section 6104 (relating to publicity of information required from certain exempt organizations and certain trusts) is amended by—

(i) striking out "(A) In general.—" in subsection (a)(1) and inserting in lieu thereof "(i) Exempt organizations generally.—",

(ii) inserting "(A) In general.—" in subsection (a) immediately after "(1) Public inspection.—",

(iii) inserting the following clause immediately before subparagraph (B) of subsection (a)(1):

"(ii) Pension, profit-sharing, and stock bonus plans.—An application filed with respect to the qualification of a pension, profit-sharing, or stock bonus plan under section 401(a), 404(a)(2), or 405(a), covering more than 25 persons or with respect to the exemption from taxation under section 501 (a) of an organization forming a part of such a plan, together with any papers submitted in support of such application, shall be open to public inspection at such times and in such places as the Secretary or his delegate may prescribe.", and

(iv) striking out "and 6056" in subsection (b) and inserting in lieu thereof "6040, and 6056".

(3) Penalties.—Section 6652 (relating to failure to file certain information returns) is amended by adding at the end thereof the following new subsection:

"(f) Information Required in Connection With Certain Plans of Deferred Compensation.—In the case of failure to file a return required under section 6040 (relating to information required in connection with certain plans of deferred compensation) or 6047 (relating to information relating to certain trusts and annuity and bond purchase plans) on the date and in the manner prescribed therefore (determined with regard to any extension of time for filing), unless it is shown that such failure is due to reasonable cause there shall be paid (on notice and demand by the Secretary or his delegate and in the same manner as tax) by the person failing so to file, $10 for each day during which such failure continues, but the total amount imposed hereunder on any person for failure to file any return shall not exceed $5,000.".

(l) Excess Contributions.—Section 401(e) (1)(B) is amended by striking out clause (ii) and inserting in lieu thereof:

"(ii) with respect to any plan other than a defined benefit plan, the amount of any contribution made by any owner-employee (as an employee) at a rate which exceeds the rate of contributions permitted to be made by employees other than owner-employees;"

(m) Plans Benefiting Self-Employed Individuals.—Section 402(c) (relating to definitions and rules relating to self-employed individuals and owner-employees) is amended by adding at the end thereof the following new paragraph:

"(6) Additional requirements for qualification of trusts and plans benefiting self-employed individuals.—A trust forming part of a pension or profit-sharing plan which provides contributions or benefits for employees some or all of whom are employees within the meaning of paragraph (1) shall constitute a qualified trust only if—

"(A) under the plan, forfeitures attributable to contributions made on behalf of an employee other than an employee within the meaning of paragraph (1) may not inure to the benefit of any individual who, at any time during the period beginning with the taxable year for which the contribution is made and ending with the taxable year during which the forfeiture occurs, is an employee within the meaning of paragraph (1),

"(B) in the case of a defined benefit pension plan, a separate account is maintained with respect to all participants under the plan who are not employees within the meaning of paragraph (1) and another separate account is maintained with respect to all participants under the plan who are employees within the meaning of paragraph (1), and

"(C) it meets the requirements for a qualified trust which is a part of a defined benefit plan which provides benefits for employees, some or all of whom are employees within the meaning of subsection (c)(1) or proprietary employees within the meaning of section 412(b)(1), as those requirements are defined in subsections 401(j) and 401(k).

(n) Conforming and Clerical Amendments.—

(1) Section 6033(c) (relating to cross-references) is amended by adding at the end thereof the following:

"For provisions relating to information required in connection with certain plans of deferred compensation, see section 5040.".

(2) Section 6047 (relating to information with respect to certain trusts and annuity and bond purchase plans) is amended by striking out subsection (d) and inserting in lieu thereof the following:

"(d) Cross References.—

"(1) For provisions relating to penalties for failure to file a return required by this section, see section 6652(f).

"(2) For criminal penalty for furnishing fraudulent information, see section 7207.".

(3) Section 6051 (relating to receipts for employees) is amended by inserting after "exemption," in subsection (a) the following: "or who pays wages as defined in section 3121 (a), 3306(b), or 3041(a) to an individual who is an active participant in a plan described in section 219(b) (2),".

(4) The table of sections for subpart A of part III of subchapter A of chapter 61 is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 6040. Information required in connection with certain plans of deferred compensation.

"Sec. 6040A. Cross references.".

(5) Section 62 (relating to definition of adjusted gross income) is amended by adding after paragraph (9) the following new paragraph:

"(15) Money purchase pension plans.—The deduction allowed by section 410(c).".

(6) Clerical amendments.—

(A) The table of sections for part I of subchapter D of chapter 1 as amended by sections 701(b) and (e) of this Act is further amended by inserting at the end thereof the following new item:

"Sec. 410. Inclusion of certain employer contributions in gross income.".

(B) The table of sections for subchapter B of chapter 68 as amended by section 221(b) of this Act is further amended by inserting at the end thereof the following new item:

"Sec. 6691. Reports by employers.".

(o) Effective Dates.—Except as otherwise provided in this section, the amendments made by this section shall take effect on January 1, 1974.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the unfinished business, H.R. 9286, which the clerk will state by title.

The legislative clerk read the bill by title, as follows:

A bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Mr. TOWER. Mr. President, during the debate of the military procurement bill on the floor of the Senate, we are likely to hear over and over again how defense spending is bankrupting the country. That, of course, is a ridiculous claim for defense spending now runs about 6.4 percent of the gross national product compared to 13.3 percent in 1953, 8.8 percent in 1961, and 9.4 percent in 1968. Defense spending has dropped steadily from 1953 when it was 60.5 percent of the budget to 1973 when it will be about 30 percent. In the September 14, 1973 issue of the Los Angeles Times there appeared an article by Ernest Conine on precisely this issue of defense spending. Because my colleagues must pick fact from fiction in the current debate, I ask unanimous consent that the article be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Los Angeles Times, Sept. 14, 1973]

Our Military Spending Myth—And the Reality of Russia

(By Ernest Conine)

When President Nixon told Congress the other day that he would veto any cuts in military spending that would imperil national security, Senate Democratic Leader Mike Mansfield grumped that "if we are not careful, we will 'defense' ourselves into bankruptcy."

It was an absurd assertion, as anybody knows who has bothered to look at the actual figures on federal outlays for military versus civilian purposes in recent years. But a myth has taken root that the Pentagon is spending the country into the poorhouse—and the myth will be cited again and again during the current Senate debate on military appropriations.

It would be ridiculous, of course, for Mr. Nixon or anyone else to claim that every item in the military budget is sacrosanct.

The services are top-heavy with admirals and generals, and Congress could do the country a favor by writing a formula forcing the Pentagon's top brass to do something about it. The proportion of servicemen who are actually combat personnel instead of cooks, clerks and bottle washers is astoundingly low. There is still a tendency to drive costs up through wasteful procurement practices.

Obviously there is water in the defense budget. Congressional pressure, sensibly applied, can help prod the Pentagon into providing a leaner, tougher and more cost-conscious defense establishment.

The trouble is, though, that too many politicians find it convenient to go much further, to pretend that military spending has been roaring out of control while outlays for health, education and other domestic programs have been kept on a cruelly short leash. It just isn't so, and perpetuating the myth that it is could prove a dangerous hoax on the American people.

This year's defense budget is about $80 billion—almost precisely the same as five years ago when President Nixon took office. If inflation is taken into account, it is almost a third less. As the President observed last Monday, "In constant dollars, our defense spending in this fiscal year will be $10 billion less than was spent in 1964"—a pre-Vietnam year when the military budget barely exceeded $50 billion.

Military spending this year will amount to less than 6% of our gross national product—the lowest level since 1950. In other words, the share of our national wealth going for defense purposes is decidely down not up.

Spending for nonmilitary purposes, meanwhile, has far outrun inflation. Chairman John L. McClellan (D–Ark.) of the Senate Appropriations Committee points out, "Twenty years ago, defense spending was nearly double that of all other federal agencies and departments combined. Today, the other federal agencies spend a total of more than twice as much as defense. Twenty years ago, defense-spending was also nearly double that of all state and local governments combined. Today, state and local government spending is more than double that for defense."

Since 1964, overall federal spending has gone up by $150 billion. Of that increase, only 19%, or $28.6 billion, was for defense.

Looking at the Nixon years alone, spending for community development and housing has increased from $2 billion to almost $5 billion a year. Spending for education and manpower training has gone from $6.5 billion to $10 billion, and federal outlays for health have almost doubled from $11.2 billion to $21.7 billion. Military spending, while up about 3 billion over last year's level, is roughly the same as in fiscal 1969.

In short, if we are spending ourselves into bankruptcy, as Mansfield suggested, the military budget is nowhere near the top of the list of reasons.

Unfortunately, there is no sign that the same sort of reshaping of priorities is happening in the Soviet Union

The London-based Institute for Strategic Studies; in its annual assessment of military power, observed that the Soviet Union is spending at least as much as the United States and perhaps more—this on a gross national product only half as large as ours. Furthermore, Russian soldiers are paid only a fraction as much as ours, meaning that the Kremlin has that much more to spend on new weapons—and is clearly doing so.

According to the institution, the Soviet Union is rushing to build the maximum number of long-range missiles permitted under the Phase 1 strategic arms limitation agreement—2,359. The agreement limits the United States to 1,710 offensive missiles.

Three new types of long-range, land-based missiles are under development by the Russians, the institute says, and Soviet shipyards are already turning out submarines armed with missiles capable of traveling 4,600 miles. The U.S. Navy will have nothing to match before 1978—and not then, if the congressional economy bloc has its way.

The United States still has a big lead in warheads, but this may evaporate within a few years, too, now that the Russians have successfully tested multiple, independently targeted warheads of their own.

Obviously, it is extremely important to head off the arms race, so that we—and, we hope, the Russians—can spend less for defense. That is the object of the Phase 2 SALT negotiations that get under way soon.

Mr. Nixon rightly points out, however, that it would be dangerous to confuse wish with reality—that, welcome as the seeming birth of a new era of detente with the Russians may be, it would be folly to call off the American half of the arms race without regard to whether the Soviet Union proves willing to call off its half.

U.S. TROOPS STATIONED ABROAD

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record a number of newspaper articles and letters concerning the subject of U.S. troops stationed abroad. I also ask unanimous consent to have printed in the Record my testimony before the Subcommittee on Arms Control, International Law and Organization on July 25, 1973.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Sept. 13, 1973]

NATO DRAFTS PLAN FOR TROOP CUTBACKS

(By Robert C. Toth)

WASHINGTON.—In a further attempt to relax cold war military postures, the United States and its NATO allies soon will propose to the Warsaw bloc that each side cut its total forces in Central Europe to the same level of about 700,000 men, The Times has learned.

This would mean a 10% NATO reduction and a 20% Communist reduction, to take place over several years.

For the United States and the Soviet Union, the cuts would be deeper—15% by each nation in the first phase, which could begin next year, and perhaps another 15% in the subsequent phase.

Numerically, 28,500 American soldiers would come back in Phase I, and perhaps 3,000 U.S. airmen, if the Russians can successfully bargain for air force as well as ground troop cuts.

American forces in Europe total slightly more than 300,000 troops of all descriptions. Of these, 190,000 are assigned to ground forces in Germany and 22,000 are attached to air units there. The balance are assigned to support units, to Greece and Spain, and to the 6th Fleet in the Mediterranean.

On the Soviet side, Phase I would mean the withdrawal of 67,500 men, with NATO expected to call for the withdrawal of some Soviet armor units as well as foot soldiers.

The NATO proposal, largely a plan presented to the alliance by the United States in June, should be completed formally very soon. It will be presented at the mutual and balanced force reduction talks that reconvene in Vienna Oct. 30.

These talks will rival in interest and importance the initial strategic arms limitation talks which culminated in a Soviet-American agreement at the 1972 Moscow summit.

The scheme should satisfy to some extent those congressmen who have been calling for deep cuts in U.S. forces abroad, to be made unilaterally, if necessary. Mike Mansfield (D-Mont.), the Senate's majority leader, recently proposed a 50% cut in American ground troops abroad over a three-year period, with at least 25% from each major theater of operation.

If the Soviet-led Warsaw bloc eventually accepts the NATO proposal, up to 30% of U.S. ground forces in Europe will be brought back within the Mansfield timetable.

Unless the men are demobilized, however, little monetary saving will result and perhaps, if huge new air transport systems are needed to return them quickly in time of crisis, it may cost more to station them here than in Europe.

Even if the Soviet Union does accept the basic outline for an agreement, many difficult issues remain. Should equipment like artillery and tanks be left behind, be brought out with withdrawing troops or be destroyed? If some U.S. air power is withdrawn, will the number of U.S. nuclear weapons in Europe—over 7,000—also be cut? How can cuts be verified?

The Administration's proposal to some extent appears to be a revision in its thinking on a fundamental problem: returning troops to Europe would be far harder for the United States than it would be for the Soviet Union, whose forces will be only a few hundred land miles away.

In his "state of the world" message of 1971, President Nixon appeared to rule out cutbacks of equal percentages. Among "tentative findings," he wrote:

"The U.S.S.R. can mobilize and reinforce its forces in Central Europe much more rapidly than NATO. Therefore, any agreement to reduce forces simply on an equal percentage basis is inherently unfavorable to NATO, and the larger the percentage, the greater the inequity."

Mr. Nixon's remarks were read to mean that the Russians would be asked to cut a greater percentage of their forces than the United States, which is the main counter-balance to Soviet armed might in Europe.

NIXON MESSAGE

The U.S. argument for cutbacks to a common ceiling was made in Mr. Nixon's 1972 state of the world message, released last May. "Reduction to equal levels" on both sides of the Iron Curtain, the message said, would require "some unequal cuts in absolute numbers, but the residual capabilities would be more balanced and offensive potential would thereby be reduced."

Whether the Russians will agree to the cutbacks as outlined is not known since the plan has yet to be presented to them. The expectation is that while they may refuse to accept a common ceiling, at least explicitly, they will agree de facto to that goal by accepting the troop reductions.

Many NATO leaders in Europe initially were suspicious that the U.S. proposal was intended only to cover a U.S. withdrawal from Europe.

AGAINST CUTS

Military men, particularly in Britain, argued against any reduction, since the thinner NATO's defense line, the greater the advantage of potential aggressors who could concentrate their forces. Until recently, Britain opposed a second phase cutback in the NATO plan.

West Germany insisted on phase II withdrawals, demanding that they be explicitly mentioned in the phase I agreement, however vaguely. It wants to benefit from the reductions by demobilizing some of its 327,000-man army, and it believes that a U.S.-only cutback would leave Germans feeling isolated.

The lineup across the "central sector" of Europe now is 890,000 Warsaw bloc troops—of which 450,000 are Soviet, with the rest divided between the Poles, Czechs and East Germans—and 780,000 NATO troops. Reduction to the common ceiling would mean an 80,000 cut for NATO, a 190,000 cut for the Warsaw bloc.

MIX OF FORCES

The reductions to occur in phase II would include a mix of all forces in NATO and in the Warsaw bloc. There has been considerable debate within NATO on how many troops each ally would cut.

If the United States gets another 15% cut in phase II, for example, there would be less than 30,000 men to be cut from other NATO countries to reach the common ceiling. The West Germans have not mentioned how much they would like to reduce their forces, but they might resent such a big American bite the second time around.

Besides United States and West German forces in the central sector, other NATO forces include 55,000 British soldiers (plus 8,600 airmen), 2,800 Canadians, 25,000 Belgians and about 300 troops from the Netherlands.

France, which is ostensibly outside the NATO military structure and strongly opposed to the force reduction talks, has about 50,000 men in West Germany. It is not expected to make any cuts.

[From the Washington Star-News, Aug. 22, 1973]

PENTAGON TO CLOSE MORE BASES

Defense Secretary James R. Schlesinger has told the armed services to prepare for possible new base closings and cutbacks before next year's congressional elections.

This would be the second wave of base cutbacks in about a year.

The Pentagon in April closed, reduced or consolidated 274 installations in 32 states at a claimed savings of $3.5 billion over the next 10 years.

Since then, Congress has been cracking down hard on defense money requests for new weapons and one key committee has voted to cut the armed forces 156,000 men below what the Nixon administration has planned for the post-Vietnam era.

Pentagon sources said Schlesinger has directed the Army, Navy, and Air Force to review their requirements and to send him a list of expendable installations by mid-December.

Congress will have finished work on the defense budget by then, and Pentagon leaders will know where they stand.

Sources said Schlesinger has not given the services specific guidelines in determining which bases could be closed. The number could run into the hundreds, and probably would include some overseas. There are 451 major bases in the United States and 323 abroad.

Any new base closings and cutbacks probably would be announced early in 1974 when the next budget goes to Capitol Hill but would not take effect until after the voters pick their representatives and senators in next November.

Congressmen can be expected to fight the loss of bases in their states, and the jobs that go with them.

There are indications that the Air Force may have to close the most bases. Officials say bases that have been reduced in stages over the years probably will be the first to go.

Shrinking faster than the other services, the Army seems likely to close at least one of its six training centers, probably the one at Ft. Dix, N.J.

[From the Washington Post, Aug. 23, 1973]

PENTAGON PREPARES TO CLOSE MORE BASES

(By Fred S. Hoffman)

The Pentagon said yesterday that it expects to order significant new base closings by next spring.

It confirmed reports that Secretary of Defense James R. Schlesinger has ordered the armed services to prepare for possible new base cutbacks before next year's congressional elections.

This would be the second wave of base closings in about a year.

"We are looking closely at U.S. military bases both in the United States and overseas with a view to closing those found to be unnecessary or underutilized," the Pentagon said in a statement.

"No decisions have been reached and none are expected immediately. However, we do expect to produce a significant base closure package within the foreseeable future, but we can't say now whether this will occur next winter or next spring."

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Congressmen can be expected to fight the loss of bases in their states, and the jobs that go with them.

But Schlesinger has shown signs he intends to be tough in dealing with Congress, an attitude reminiscent of former Defense Secretary Robert S. McNamara.

All the services operate some bases they would rather shut, but evidently have been unable to do so because of political pressure. They would rather spend the money on keeping more ships, planes, and other military hardware in operation.

There are indications that the Air Force may have to close the most bases. Officials say bases that have been reduced in stages over the years probably will be the first to go.

Shrinking faster than the other services, the Army seems likely to close at least one of its six training centers, probably the one at Ft. Dix, N.J.

The Navy might eliminate a shipyard and perhaps seven other major shore installations.

[From the Allentown (Pa.) Sunday Call-Chronicle, June 10, 1973]

Taxpayers Will Pay Plenty To Support Army in Europe

(By Ray Howard)

The Pentagon has announced that we are going to support 300,000 men in Europe again next year. The same Pentagon generals estimate that the cost of those 300,000 men is going to be $17 billion.

Now those are very important figures.

They mean that we are going to dump billions of dollars in Europe so we can topple our already tipsy balance of payments situation. That means more devaluations and more inflation for the folks back home.

Those figures also mean that the boys in Europe are costing you about 20 cents on every dollar of federal income taxes you pay, since $17 billion is about 20 per cent of projected personal income tax collections.

But most interesting of all is how those two figures go together—$17 billion to support 300,000 men. Run those through your pocket calculator just one time.

ASTRONOMICAL FIGURE

It comes to $56,667 per soldier!

We are spending $56,667 for every private, corporal, sergeant, captain, colonel and general stationed in Europe. But official budget figures say that pay and allowances average only $7,550 per man.

So what happens to the missing $49,117?

Well, there is a lot of support needed, according to the Pentagon generals. That $56,667 per man includes food, shelter, guns, tanks, ammunition, helicopters, supply dumps and other expensive toys.

But no matter how you cut it, $56,667 soldiers don't come off as much of a bargain. By comparison, $10,000-a-year schoolteachers look cheap. And $9,500 cops look like a steal.

But that's just my opinion. What we need are facts. So I decided to do some checking with some famous civilian generals. For example, I contacted the big auto general, General Motors. And the two food generals, General Foods and General Mills. Then the utility brass, General Telephone. I also scrubbed the figures of General Electric, General Dynamics and General Tire.

How much do they spend per employe?

GENERAL MOTORS STORY

It must be over $70,000 per man at General Motors because auto workers make a lot more than privates, and corporate officers make a lot more than Army officers. And General Motors has $18 billion in machinery, factories, supplies and staff to cover each year.

Surprise, counting all 1971 costs, including taxes, General Motors spends only $4,000 per employe. That's 40 per cent less than the Pentagon generals are spending on our boys in Europe. In 1971 General Motors made profits of $1.9 billion. But if they had spent $56,667 per employee, General Motors would have lost $15.5 billion!

General Electric? On the same basis, $25,000 per employe—or less than half of what the Pentagon spends on a boy in Europe. Wait until the electrical workers hear about that.

TELEPHONE EXPENDITURES

General Telephone was even more efficient in 1971. They spent only $21,000 per telephone man. And that included executive airplanes, executive toilets, executive expense accounts—the works. If General Telephone had spent $56,667 per employe in 1971, it would have lost about $6 billion.

If General Foods had spent $56,667 per employe in 1971, it would have lost over $300 million. Its competitor, General Mills, spent only $33,000 per cereal man in 1971. But if it had been as big with your buck as the Pentagon was, General Mills would have lost over $700 million.

General Tire was no exception. It made $48.8 million in profits in 1971. But if that rubber general had spent like the Pentagon generals it would have lost $8 billion.

DEFENSE CONTRACTOR

How about General Dynamics? This general is a defense contractor, which often means it is extremely inefficient. Maybe so. But the data says that it spent only $28,000 per employe—or less than half of what the Pentagon spends per man in Europe.

Let's sum it all up.

In 1971, the seven civilian generals made profits of almost $3 billion. They employed 1.5 million people. Their average cost per employe was $30,000. But if they had spent money like the Pentagon generals, the seven civilian generals would have lost $36.8 billion in 1971.

And you think you are being taken at the meat counter?

Stick to Your Guns and Hurry

(By Henry J. Taylor)

New York.—Defense Secretary James R. Schlesinger has privately given President Nixon a top-secret, green-covered book. It requires 712 pages merely to list America's overseas bases and the installations where we maintain U.S. troops.

Incredibly, we have a military presence today in 38 countries.

Much of this costly presence results from 42 treaties—some as obsolete as the Queen of Sheba's camel.

Mr. Schlesinger noted to Mr. Nixon that we are spending nearly 5 billion dollars this year on these presences and that, almost half of them are a balance-of-payments drain on the United States.

Then Schlesinger included the crusher: Only about 200 of the citations in the 712 pages are officially listed as vital, even assuming the maintenance of five U.S. divisions in Europe to live up to our NATO commitment.

WINDOW DRESSING

For years on end we have poured our taxpayers' billions, and recklessly strained our balance-of-payments problem, by window-dressing defense treaties that were utterly powerless to frighten or restrain an enemy. But old, obsolete treaties never die—they have just spent and spent away.

Our largely inoperative SEATO (Southeast Asia Treaty Organization) was signed in 1954. Japanese reluctance to support it stems from our doubtful attempt to link it with ANZUS, the Australian-New Zealand-U.S. security pact which is operative in Vietnam. Yet we have poured more and more money and trained personnel into the old SEATO setup just the same. Schlesinger underscored that to Nixon.

The NATO pact was signed in 1949. Twelve countries signed it. Greece, Turkey and West Germany were included later. The members agreed to settle disputes by peaceful means; to develop their individual and collective capacities to resist armed attack; to regard an attack on one as an attack on all, and swore to try to repel it under Article 21 of the United Nations Charter.

COSTS SKYROCKET

When President Charles de Gaulle threw NATO out of France the loss to the United States in our NATO investment inside France exceeded 2.5 billion dollars. But we are, nevertheless, still obligated to come to the aid of France under the Brussels Treaty of March 17, 1948. This treaty of 25 years ago, which formed the Western European Alliance, NATO's predecessor, is still operative.

Meanwhile, except Greece and West Germany, not a single one of the NATO allies has at any time met its level-of-forces obligation under the NATO pact.

About 300,000 of NATO's armed men are Americans. Mr. Schlesinger estimated to Mr. Nixon that, since the dollar devaluation it costs at least 8,000 dollars a year to keep one U.S. fighting man in Western Europe. That's 2.4 billion dollars a year against our balance of payments, plus a Mt. Everest of extras.

Schlesinger expressed skepticism about the claims that NATO intelligence recently supplied in Brussels. He said the intelligence chiefs there believe the Soviet and satellite striking power against NATO is today vastly increased through advanced (still secret) missiles, better general weaponry, nearly complete motorization and large-scale maneuvers.

DIFFERENT VIEW

They told Mr. Schlesinger that, the buildup against China notwithstanding, around 70 per cent of the Soviet satellite ground and air forces now face NATO.

Differing with this, Schlesinger stated that he believes about 30 fewer Russian and Warsaw Pact divisions face NATO than calculated in Brussels. And he told the President we should decrease the U.S. costs by requiring our NATO allies to finance most of the U.S. military maintenance in this presence.

He estimated this gain to us as at least 1.5 billion dollars annually.

In Schlesinger's expressed opinion the question is not NATO's potential value, for NATO is indispensable. The issue is the real effectiveness of disproportionately large U.S. ground forces if our NATO allies fail to supply their own.

Summarizing to President Nixon the 712-page secret listing, Schlesinger insisted that merely translating "a crusading spirit" into frail and ambiguous treaties, promoted "to show a united front with the United States," means absolutely nothing in our defense system. Nor does the money and trained personnel that we pour into them.

Behind the scenes President Nixon now has this entire matter of obsolete treaties under top-to-bottom review.

Fact Sheet on U.S. Troops Overseas

A major issue in the debate on military spending is the deployment of U.S. forces overseas. Sen. Mike Mansfield intends to introduce an amendment to cut 250,000 of the 500,000 non-naval forces over a three year period. Other amendments calling for smaller reductions are likely when the Department of Defense Authorization bill is considered.

There is considerable confusion concerning the extent of our overseas deployment with the debate centering around two points. The first concerns the 313,000 troops stationed in

Western Europe and related areas (areas which include Morocco, Iceland and Turkey), including 228,000 troops in Germany as of March 31, 1973. Reduction of these forces is complicated by the U.S.-Soviet talks on mutual troop reductions, by the feeling of some that any reductions should be negotiated in concert with our NATO partners and by fears of others of upsetting major political developments in Europe such as Chancellor Willy Brandt's Ostpolitik and the movement toward economic and social integration in Europe.

The second part of the debate is the almost 300,000 troops located in the rest of the world; these could be cut back without getting into some sensitive European issues. Included are 42,000 troops in South Korea, 45,000 in Thailand, 15,000 in the Philippines, 9,000 in Taiwan, 17,000 in Guam and 58,000 in Japan and the Ryukyus Islands. Healthy cutbacks can be made in these areas without endangering U.S. security; what is needed is an effort to eliminate troop commitments resulting from the crises and threats of 20 years ago.

Unfortunately, many thinking about troops overseas concentrate only on Europe without considering the massive U.S. troop commitments elsewhere. The overall statistics are staggering:

The Department of Defense maintains 1,963 bases, installations and properties abroad, including what it terms 322 significant bases (April 17, 1973, news conference with Secretary of Defense Elliot Richardson).

The Pentagon estimates that the total cost of our NATO commitment alone—including all U.S. forces committed to NATO and their support—will run to about $16.8 billion in FY 1974 (Pentagon Directorate for Defense Information, Press Division, March 8, 1973). Senate Majority Leader Mansfield estimates the total cost of all U.S. troops overseas to be about $30 billion.

The Department of Defense employed 166,984 direct hire and indirect hire foreign civilians throughout the world to support U.S. troops overseas at the end of February 1973 (DOD Information Office, Legislative Affairs).

Additionally DOD employed 78,870 U.S. civilians outside the United States as of June 1973 (Additional Report of the Joint Committee on Reduction of Federal Expenditures, Joint Committee Print No. 353, June 1973).

Accompanying the forces overseas are 365,413 military and civilian dependents outside the U.S. as of September 1972 (Office of the Assistant Secretary of Defense, Comptroller, January 18, 1973).

The net negative U.S. balance of payments deficit for all FY 1972 military transactions, which includes a negative balance on direct expenditures and a positive balance of sales, was $3.6 billion, the largest since World War II (Economic Report of the President, January 1973, p. 293).

The impact of these statistics is clear: the U.S. maintains a huge military establishment abroad which requires enormous support, is costly and adds to our balance of payments deficit. Moreover, most of these deployments were made as a consequence of a world situation which has changed drastically. In the last two years, President Nixon visited Peking and Moscow. Chairman Brezhnev visited Washington. Last year the U.S. and the U.S.S.R. signed the SALT accords limiting both offensive and defensive weapons systems. U.S. trade with communist nations is rapidly growing. This year we withdrew the last of our combat troops from Vietnam. In April 1973 the Pentagon announced the elimination, reduction in size or consolidation of 274 military installations within the U.S. with a resulting job loss of 42,800. Yet, we still maintain over 600,000 troops abroad.

The changed situation is perhaps best illustrated in South Korea. The last extensive fighting there occurred over 20 years ago. Since then the South Koreans have built up their ground combat forces to 600,000, many of whom are Vietnam combat veterans, backed by a large trained reserve, while North Korean ground combat forces are estimated at 360,000, most of whom have not fought in 20 years. In addition, the two Koreans have begun their own set of detente negotiations.

Yet the U.S. still has 42,000 troops in South Korea. The pay, upkeep and operating costs in FY 1972 were $584 million. In addition, South Korea received $192 million in U.S. economic assistance and $155 million in military assistance. This expensive troop commitment is an anachronism of past crises.

This tendency to stick with the status quo in defiance of changed world conditions persists with our overseas troop deployments. Congress should start asking such questions as whether we should have any troops in Taiwan at a time when we are establishing ties with China. Do we still need 45,000 troops in Thailand after the withdrawal of U.S. troops from Vietnam? Is it necessary to maintain 97,000 U.S. forces afloat? (The U.S. has announced some withdrawals from Taiwan and Thailand.)

Military arguments revolve around the need to demonstrate the strength of U.S. commitments to the many countries in which we have troops by providing a "tripwire" to assure an immediate U.S. response in case of attack. Few expect the U.S. to engage in massive land combat in most of the places we maintain troops. Therefore the U.S. could deploy many less than the 600,000 "tripwires" around the world and still assure U.S. commitments.

Neither the Nixon Administration nor the countries in which we maintain forces have much incentive to begin reducing the U.S. overseas troop strength. The hard questions raised by new political and economic developments are ignored by keeping a status quo force level. It is up to Congress to encourage new thinking which can be brought about by passing legislation forcing the first troop reductions overseas.

Now is the time to cut overseas deployments. The tremendous costs associated with placing 600,000 troops abroad should be cut. Such reductions will not hurt our military security; they will aid our economic and social security.

U.S. MILITARY STRENGTH OUTSIDE THE UNITED STATES AS OF MARCH 31, 1972

Total Outside the United States	606,000
U.S. Territories and Possessions	42,000
Foreign Countries	564,000
Selected areas	
Southeast Asia	63,000
Thailand	45,000
Afloat	18,000
Western Pacific	164,000
Japan	18,000
Philippines	15,000
Ryukyu Islands	40,000
South Korea	42,000
Taiwan	9,000
Afloat	40,000
Other areas	66,000
Bermuda	1,000
Canada	2,000
Cuba	3,000
Guam	17,000
Panama Canal Zone	10,000
Puerto Rico	7,000
Afloat	16,000
Other	10,000
Western Europe and related areas	313,000
Belgium	2,000
Germany	228,000
Iceland	3,000
Italy	10,000
Greece	3,000
Morocco	1,000
Netherlands	2,000
Portugal	2,000
Spain	9,000
Turkey	7,000
United Kingdom	21,000
Afloat	23,000
Other	2,000

Less than 250: Antarctica, Bahamas, Bahrain, Leeward Islands, New Zealand, Norway, Saudi Arabia, South Vietnam.

Less than 1,000: Australia, Cyprus, Ethiopia, Greenland, Iran, Johnston Island, Midway Island.

All other countries: Less than 100 U.S. military personnel.

From: OASD (Comptroller), Directorate for Information Operations.

Foreign civilians employed by DOD—February 28, 1973:

Direct hire	57,040
Indirect hire	109,944
Total	166,984
U.S. civilians employed by DOD outside the U.S.—June 1973	78,870
Military and civilian dependents outside the U.S.—September 1972	365,413

AUGUST 1, 1973.

Hon. MIKE MANSFIELD,
Washington, D.C.

DEAR SIR: 1. Although I am not an American Citizen I am married to an American and would like to take this opportunity to relate some of the situations faced by Americans (especially Servicemen) here in Germany.

2. With the 10% dollar devaluation and the rise in the cost of living, (the price freeze does not affect the Commissary or BX), a number of married servicemen are considering or already have sent their dependents back to the States. Frankly they just can't afford to pay the rent or apartments here. On an average a one bedroom apartment costs between 350 to 420 Deutsche Marks a month. With the fluctuation of the dollar from 2.40 to 2.26 marks per dollar the rent can run as high as $150 to $190 a month. Now you start talking about family apartments of two and three bedrooms then you can estimate $250 to $300 a month, depending on the exchange rate. Under German law a landlord can charge more rent for military members (even their own) than civilians.

3. The devaluation has also hit the servicemen in the form of car insurance. Our 1971 VW Beetle cost us over 500 marks per year for liability insurance only, full coverage is way beyond our means. My husband was stationed in Germany in October 1968 and has not had an accident or made a claim against his insurance but he does not receive any discount whatsoever. A German, on the other hand, can receive a 50% reduction on his insurance if he has not made a claim. The insurance companies claim that American cars cost more to repair, but they do not take into account that a large number of Americans drive European cars.

4. When the dollar was devalued 10% the BX, to cover paying local nationals in marks, raised prices on most of their stock 13%. The serviceman lost again. For example, prices in the Rhein-Main Commissary are rising all the time. T-Bone steak costs from $1.89 to $2.00 a pound (this is U.S. beef and

has been frozen once and sometimes 2 or 3 times before it is bought). You may say the costs are high in the States, but at least you can shop around for "specials" and you have a choice of stores, here we do not, it is the Commissary or nothing.

5. Now we come to the wives working to supplement the pay check. Yes, if most of them could get decent jobs they probably would. Sir, the minimum wage right now on Rhein-Main is $1.73 an hour (as of 16 August the minimum wage will be $1.83 an hour). The wage scale ranges from a laborer or chambermaid at $1.73 to clerical positions or supervisory positions up to $2.20 an hour. These are the nonappropriated funds positions including the hotel, clubs, audio club and EES. Of course there are a few appropriated funds positions but the waiting lists for these positions far exceeds the number of available positions. As these people pay American income tax, social security, etc., why are they not paid the minimum wage effective in the United States? Plus under the Status of Forces Agreement only a limited number of positions can be filled by American dependents, with the better positions being filled by local nationals.

6. In conclusion I think it is about time the American public learned of the plight of their servicemen overseas. These men are here under orders. These young men are living in barracks of substandard conditions as these buildings are the same ones erected after the end of the war. Morale is low and some of the unmarried first term airmen are turning to drugs or alcohol for solace. From what I hear drugs are readily available and cheap. Don't let anyone tell you there is no drug problem in Germany. If there is none how come bases have a drug and alcohol abuse program in effect, the Customs MP's are using dogs to search baggage of military members and dependents and a "no notice" urine testing program is in effect at Rhein-Main Air Base to try to determine the drug users in the under 25 age group. Unless conditions improve in the near future, many of these young men are going to get into trouble which could be avoided.

7. I am sorry I have taken up so much of your valuable time but these things have needed to be said for a long time. The general opinion in Germany is that the Government has forgotten them or just doesn't care. Thank you for your time and attention.

Sincerely,

———— ————.

PSC Box 1364, APO New York,
July 31, 1973.

Senator M. Mansfield,
U.S. Senate,
Washington, D.C.

Dear Senator Mansfield: For many months I have been aware of the numerous problems facing the American military and civilians living in Germany—money, housing, rent, and the ever increasing loss of the dollar's purchasing power. Vigorous action on the part of our government is needed to ease the burden of devaluation now being suffered by all, and this action is needed NOW.

Headlines such as "New Housing Indexes are Released" advising of DoD record-breaking increases in housing allowances for troops stationed in Germany, "Higher COLA and HOLA announced" certainly helps the serviceman but what about DoD civilians? Why does it cost a captain with a family of three, living on the economy more to live than his civilian counterpart, a GS–11? It doesn't! Their basic salary is comparable yet the captain gets all kinds of allowances in addition to his salary with timely increases, while the DoD civilian gets a mere housing allowance which is not only after the fact but considerably below the actual costs.

To get down to cold, hard facts of the effect of the dollar devaluation, below are listed actual cost increases sustained by us since February when the dollar was first devalued:

Rent—DM cost and actual amount in dollars as cleared by bank

February:		
	DM820	$257.05
March:		
	DM820	290.78
April:		
	DM820	297.10
May:		
	DM820	315.38
June:		
	DM820	356.52

Housing allowance presently received bi-monthly is $134.00.

As you can see, our rent has increased, in dollar amounts, a whopping $99.47, an increase of 39% each month. What pocket can withstand this month after month with no relief in sight? Cost of oil for hot water and heat has increased $35.20 since February for each delivery. Utilities—gas, water and electricity, all of which has to be paid in Deutsch Marks, have increased by 35%. On July 26, 1973, in Stars and Stripes, European Exchange System (EES) announced an increase in gasoline prices of 36% effective July 27! This is in addition to the 16% hike in February. Our gas has increased a total of 52% since February, a mere five months. With all these price hikes, including all merchandise in the Base Exchange, food and merchandise in the Foodland and all services, caused by the dollar devaluation, there has been no relief for DoD civilians stationed in Europe.

Letters have appeared in Stars and Stripes lately, pertaining to our plight. I have copied a few and they are enclosed for your information and action. Especially informative and honest in its evaluation of the American military overseas is the letter by Tony Lutz, Baumholder, which appeared in the July 24 issue of Stars and Stripes. I have marked it in red for quick ready reference.

This is no "dream junket" we're on; living overseas, representing our country and trying to do a good job becomes increasingly harder as we are sacrificed to devaluation.

The situation in Europe and especially West Germany at the present time for military and DoD civilians is deplorable and remedial action is needed immediately. We are sick to death of reading remarks such as those of NATO secretary Joseph Luns, who stated, ". . . United States would 'demoralize' Europe if it withdrew troops unilaterally from the continent," without any thought given to the demoralization that has been occurring among the U.S. forces stationed in Europe and in particular West Germany since February 1973. This demoralization is occurring because of the devaluation and little or no financial relief has been given to these forces.

I read with interest Senator Kennedy's comments regarding closure of U.S. bases while keeping overseas bases open, giving work to Local Nationals (Germans, Italians, Spaniards, etc.) while our own people were unemployed. This is an excellent point. Not only are we continuing to pour dollars overseas, adding to our deficit balance of payments but we are paying out hundreds of thousands of dollars in fringe benefits to Local Nationals because of antiquated and irrelevant Status of Forces Agreements.

Do you know that a Local National employee is entitled to what is termed "kur leave" every five years? This entitles the employee, upon the advice of his or her physician, to six weeks sick leave to go to a sanatorium, and to an additional two weeks "post kur" if necessary. A total of eight weeks! All on full pay in addition to normal sick leave and annual leave. Naturally, this "kur leave" is used extensively at Uncle Sam's expense!

How long must this farce of defending Europe at the expense of our own country and citizens go on? Kenneth Rush was quoted in the July 26 edition of Stars and Stripes: ". . . U.S. Forces in Europe play an important role in deterrence; make a significant contribution to defense, reassure allies about the U.S. commitment and bolster negotiations with the East. We cannot negotiate from a posture of weakness and retreat." What rubbish—it is certainly not "retreat" to withdraw unnecessary troops from Europe and save our country billions of dollars by doing this. We certainly cannot negotiate with an economy floundering and weakened by the drain on our budget, a deficit balance of payments, our people unhappy and demoralized, and inflation running rampant from coast to coast. Rush went on to say that it cost $4 billion a year to maintain 300,000 men in Europe, but if they were brought home and not demobilized the cost would rise to $7.7 billion. What he failed to point out, however, was that this $7.7 billion would remain within the continental United States and would not be poured into the European economy, further devaluating the dollar and fattening the pockets of our now prosperous European allies.

I await word of your actions on our behalf.

Sincerely,

———— ————.

[From the Stars and Stripes,
July 12, 1973]

Time Has Come To Rock Boat

For many months I have been acutely aware of the foremost problems facing the American military and civilians living in Germany. Namely, money, housing rent, and outright atrocious behavior of many of our "host nation" citizens. For the past six weeks I have talked, listened, and shared with many the common family crises, and inabilities to organize a way of coping with what has been handed out to us. I am of a totally nonpolitical leaning, and confine this letter to my outright compassion and outrage of injustice to my fellow Americans in Germany—and we are all in the same boat. I feel the time has come for each of us to rock that boat and try to help ourselves. Shaking your head, complaining to each other, and hating the insecurity of what the next paycheck will cover, will do no one a damn bit of good. You must realize that the people at home are facing what they believe to be hard times too—and many at home may even have the age-old belief that we over here are having a "free ride" of glamour, travel, bargains in purchases, etc. OK, maybe we can't get everyone behind us to fight our problems here, but we can darn well shout out loud and clear, and bombard the strategic offices at home and over here until we are heard and helped. There is a great strength in numbers, you know. If you are one who doesn't want to bother, or you are secure with your family in "free housing" and you don't feel the heat of your deflated dollar, or you feel that you aren't your brother's keeper, turn this page now—you don't belong with us, and that's your prerogative. It is also not my intention to fake an intelligence that's able to formulate plans that would bring about positive results to better our lot. Before I go further, I would like to quote a part of a front page article published in the Sunday Express (British) on July 1, 1973 written by Peter Vane:

"A stiff 'give-us-more-cash' demand to help keep the British Army on the Rhine is likely to be made to the West German government after Friday's upward revaluation of the mark. NATO experts estimated that the 5½ per cent change in the mark could add at least 10 million pounds to the 200 million it is costing Britain this year to help defend W. Germany. Part of the added expense will stem from the fact that the Army does not wish the troops to suffer . . ."

How quickly the British arise to the defense of their military. Especially the fact that they're getting the ball rolling and will surely have results by the time the mark will be revalued again. The British news also reported that West German financial circles have forecasted the revaluation of the mark again by three and five per cent in a few months.

If our government would "lay it on the line" in order to help us, it would not only reinstate our pride and sense of security, but also erase the doubts and fears of "raw deals" that prey on the minds of many potential and existing "lifers."

We are the victims, not the cause of these things. Why should we be punished? Because of what we are—the families and members dedicated to the protection of our country, we should demand and get the best deal and support that our government can and must give out. I'm sure that it is beyond the imagination of almost every country of the world to visualize America without great military strength and support; a nightmare that could lead the world to only God knows where.

We shouldn't expect to get anything more than priority evaluation and adjustment of our paychecks to balance with the mark. How many of us over here are being forced to send our wives and children home, with borrowed money, because of inadequate dollars in the paycheck to cover the rent and bills we must pay in marks? How many of us have to write home to the folks for the money to send the wife and junior home because they were "non supported" in the first place? Why can't we live normal family lives? Separations because of war are sacrifices many of us have made once or even several times—but these are peaceful times here! So why do we have to put our families on the sacrificial block of inflation, scandal, and kid-glove treatment of our "host nations." The West German government repeats over and over that we are needed for their national security. Fine! Let them start paying for it. They have had their noses wiped too long and have grown into big boys Let them start repaying their benefactors and guardians with something more than keys to cities, friendship-for-a-day beer busts and festivals. These are very nice and enjoyable, but you can't eat them. I am sick of being told that we are "guests" over here. If that is true, it's high time the German government provide for its guests—in politeness, money, housing. I feel that our government must become acutely aware of its serious responsibilities to us, and extract strong agreements with West Germany to do their part in providing us with adequate housing, or at least stop the economy landlords from placing unreal rents on houses we are forced to take. Is there such a thing as a house that rents to us for the same price a German could have it? We can't wait any longer. We must help ourselves and start to regain a sense of pride, honesty and fair play. We must not be further forced into the mental image of a dog running with his tail between his legs. "It's not the size of the dog in the fight—it's the size of the fight in the dog." You can do your part, if you care enough, by writing your own letter, or copying this and sending it today to:

(1) Senator Stuart Symington, chairman, Senate Armed Forces Committee, Washington, D.C.

(2) James R. Schlesinger, Secretary of Defense, Washington, D.C.

(3) Rep. Gerald R. Ford, House Minority Leader, Washington, D.C.

Then set Sept. 3 (Labor Day) as the day for bombarding Senator Symington with night letters or telegrams requesting word of results attained.

My family, my people, and my country are the most important elements in my life. Take this letter as you will. I can only state that I have written it with the sole desire to help all of us over here—to help ourselves.

PATRICIA BRUG,
Housewife in Germany.

[From the Stars and Strips, July 30, 1973]

SICK DOLLAR AND GI PROBLEMS AT FULDA

(By Ed Reavis)

FULDA, GERMANY.—Dollar leukemia! U.S. servicemen and civilians all over Germany are suffering from the effects of the sinking dollar and striding inflation.

Economy buying has shriveled and inflation has hit the PX and commissary where wages for local national employes and the price of locally purchased food-stuffs and goods constantly rises.

Given this situation, it is no surprise that dissatisfaction is spreading among the troops.

Commanders all over Germany are seeking ways to alleviate the effects of the financial squeeze on their men.

One of the most extraordinary steps has been initiated by Col. Robert L. Schweitzer, 11th Armed Cav CO in Fulda.

Schweitzer has appealed to the landlords who rent housing to his men in Fulda, the Wasserkuppe, Bad Kissingen and Bad Hersfeld to lower the rents by 10 per cent wherever possible. At the same time he went to the German press, the lord mayor and mayor of the city of Fulda and even the archbishop to enlist their support.

"We don't want pity or alms," Schweitzer said. "On the contrary, we just ask understanding for our present situation."

The present situation, according to Schweitzer, and backed up by Lt. Robert Hanssen of the housing referral office in Fulda, is that Americans are paying more for their economy housing than a German would pay for equivalent quarters. The Fulda variation on this theme is that basic rents are just about equal to German rents, but utility charges are extremely high.

WO William P. Shobe Jr., a helicopter pilot with the 11th Armd Cav, is here with his wife and two children.

"My wife and I both speak German, and as far as relations with the people go, they are great. I do know, from talking to the people in the village, that a German would not pay as much as I am for the same place."

Shobe pays $250 for a three-bedroom place. His housing allowance is $171.40, which means he adds almost $80 per month out of his pocket to pay his rent.

Shobe said he thought the appeal to the landlords is fair. "The landlords are getting more than their share from us."

Schweitzer's appeal has had some impressive resonance. Dr. Adolf Bolte, archbishop of Fulda, addressed the problem in a Sunday sermon, and Otto Geffert, deacon of the Church Region of Fulda, has also addressed the Protestant community on the problem. The mayor has promised support in the local press and the two German national TV stations have done features on the housing problem and Schweitzer's appeal.

In his appeal, Schweitzer, a veteran of the civil rights movement and the Vietnam war, recalled the social encyclicals of the Popes, letters which state that every human being has the moral right to living space and social justice.

"I was able to find sympathy on the side of the church and the local Social Democrats with the concept of social justice," Schweitzer said.

Schweitzer outlined the situation:

—Families of 31 soldiers in Fulda have returned to the United States because of the dollar devaluation, and another 15 are preparing to follow.

—Some soldiers have resorted to scavenging furniture from the refuse thrown out by the Germans. (Low-ranking GIs are not loaned family housing furniture.)

Morale problems are arising because of families who are returning to the United States.

"These married men," Schweitzer continued, "are some of my best fighting troops. I don't want them worrying about their families going back to the Sates because it will make them angry at me and their jobs."

Schweitzer then cited the additional problem of trying to house his men in the already overcrowded barracks if they decide to come in from the economy.

Schweitzer claims that although they have just begun the campaign to lower rents, he is already finding positive reaction in the form of higher morale, even among soldiers in the barracks who identify with the low-ranking soldier on the economy.

Pvt. Cecil McPherron pulls duty on a border outpost. He and his wife enjoyed being in Germany, but the rent costs, he said, are discouraging. He pays 320 marks for a small, two-room flat in Fulda and said every month it gets harder to pay. He said he hopes he won't have to send his wife back before he rotates.

Spec. 5 Robert Locklear said he thought coming to Germany was a good deal until the devaluation started taking the fun out of it.

Lt. John McKay, on duty at the Fulda outpost, said he now spends one-third of his salary for rent.

Sgt. David King, sitting in his crowded room in the barracks, said he couldn't make it anymore. He sent his wife back to the States in March.

Spec. 4 Dennis G. Hackett lives on the economy with his wife, Helen, and 18-month-old Jessica. They pay an average of 400 marks a month with utilities. His wife's allotment is $120, which they have to supplement out of his salary to come up with rent money. Helen works at the service club, but this adds babysitter and transportation expenses. Mrs. Hackett has started packing her belongings. If some kind of aid is not in the offing, she will leave Germany.

The Hackett's plight is a good example of that of the low-ranking servicemen. If they want to leave, they have to pay their own way. They can ship only 250 pounds of household goods when the husband rotates. Mrs. Hackett is vociferous about the situation.

"You know that saying about the Army taking care of its own? Well, they know where they can shove that. They won't even let me go home on emergency leave at government expense. They don't recognize me, they said, because my husband is an E4.

"Well, if they don't recognize me they are not recognizing my husband. What do you think this Army would be like without the E4s? Do you know what this place would be like if we wives went back to the States? They'd be pregnant German girls and fights all over the place. If my husband hadn't kept me back, I'd have been picketing Downs Barracks long ago."

When asked if she thought the colonel's program had any chance of success, Mrs. Hackett said, "You know, I really don't expect anything to come of all this. Good, NBC was here, then the First German TV program and Stars and Stripes, but I really don't expect a thing to be done by the Germans. What I really want is for the American government to do something about all this. And if I lose, I only hope that others will gain from my protest."

August Moeller is one landlord who does think the colonel has morality on his side. Moeller, a woodcutter who also makes those "honey wagons" for the PX, said when he read of the plight of the serviceman, he dropped the rents of his two apartments by 10 per cent. Moeller said it was the second time he had done this because he and his wife Elsa thought they were taking too much.

"We've been renting to Americans for years and I have never had a complaint against them. I know there are some landlords that have had bad experiences but I would say that that is a rare case."

When asked if he thought there was any chance of the plan succeeding, Moeller said, "I really don't know. Certainly the Americans deserve our help but it's hard to tell how people will react when you want to take money out of their pockets."

The housing referral office in Fulda is well acquainted with the market and the landlords. Did they feel the plan had a chance?

"I'm not allowed to talk to the press," said Frau Irmingard Fryer, an employe of the office and a person described by the Fulda information office as having the best knowledge of the landlords' feelings on the topic.

She referred all questions to Hanssen who said the idea was not utopian and that with the present availability of apartments—there are 80 units on the housing office list waiting for occupants—it is possible to put some pressure on the landlords to drop their prices.

Schweitzer is optimistic about the immediate future, and there are indications of success in the Bad Hersfeld area that would support his optimism.

There was a consensus among Germans interviewed that in the past, Americans drove up the prices of quarters when Germans could hardly afford to compete. They believed Americans came first for choice apartments or houses when the dollar was worth more than four marks, and Americans often outbid the German by offering landlords more money.

At the same time, they said, while a majority of the U.S. soldiers did not ask to come here, they are watching the border to protect not only America, but Germany also, and said they've always been there when needed, providing helicopters for emergencies; building playgrounds, swimming pools and lakes; and giving concerts for communities.

One German noted that an American may be shocked at paying one-third of his salary or more for rent, but said Germans have been paying that much since the war ended.

A periodical lowering of rents, they agreed, is a small price to pay for what may even be the beginning of the disintegration of NATO. Unfortunately, none of those expressing this view was a landlord.

DEMORALIZED GI's

After having read the recent article relating to an interview with Mr. Joseph Luns, NATO secretary, I felt compelled to write this letter. Luns stated that "United States would 'demoralize' Europe if it withdrew troops unilaterally from the continent." Apparently he is not aware of the demoralization that has been occurring among the U.S. forces stationed in Europe, particularly West Germany, frequently since February 1973. This demoralization is occurring because of the devaluation of the U.S. dollar, which has greatly reduced the standard of living for U.S. forces to that of second class citizens. Little or no financial relief has been given to these forces.

Luns said, "Europe can do something" to help offset U.S. defense costs in Europe, "but it cannot do too much." For starters, how about lower rents and reduced automobile insurance rates. These are two items that affect every service family living on the economy and every serviceman owning an automobile.

Most personnel in Germany took it on the chin when the dollar was officially devalued 10 per cent in February 1973. This can no longer be taken on the chin. The U.S. forces must now unite with an extensive letter campaign to Congress, relatives, and friends. The plight of the U.S. forces living on the economy and driving automobiles has to be broadcast to all levels of government. In two years the U.S. dollar has been devalued nearly 35 per cent and it is still going down. COLA and HOLA assistance is 18 months behind the current worth of the dollar. We can send our wives and children home, we can talk about our problem, but nothing is going to be done about it if we don't spend a few minutes of our time to sit down and write a letter—today!

T. SGT. ROBERT W. KNAPP.

WASSERKUPPE, GERMANY.

[From the Stars and Stripes, July 24, 1973]

LETTERS TO THE EDITOR—SACRIFICE TO DEVALUATION

Why are Americans stationed in Europe being sacrificed? Why do we have to carry the burden of the dollar devaluation? Isn't America strong enough or have guts enough to help all her people?

Why can't American bases be self-sustaining? For example, this post has numerous German employees and other employees who do not speak English or German. They are paid in German currency. More and more dollars are going for their salaries. Why can't the government put a dollar limit to the salaries that are paid? Why can't Americans be hired for these positions? Why can't the United States put a limit on how much they can pay? Salaries should be set in American dollars. The employee can take the position or find another job. I realize there are agreements, pacts, treaties, etc. That is fine for them but what protection do we have?

The dollar is still dropping. Soon it will be two marks to the dollar. Many men in Europe are E4 and below. They have their families here. It will soon be impossible for them to keep their families here. That means wives and children go home and dad goes back to the Drug Den (the barracks). Gee, the prices of drugs are going up too. What will the poor GIs do? Steal?

What kind of morale will the Army have with this type of a situation? Is this a hardship tour? What about overseas pay?

It is too expensive to buy products on the German economy and prices are also going up in the PX, commissary and other base facilities. What can we do? We don't have a chance. Everythings going up except our pay.

When listening to AFN radio I hear messages encouraging travel in Germany and descriptions of the wonderful activities in which I can participate. What a joke! I have recently purchased a used car but now I can't afford insurance. Car insurance must be paid in marks, therefore, it is continually more expensive to buy insurance. The price goes up but there are no increased benefits to the insured.

It looks like more and more time in the barracks and less travel for me. Big deal, a three-day pass and I can't afford to go anywhere.

Perhaps this will give you an idea of the situation here. Do you have an answer to my questions? True, I am only but one of many who are facing the same problems and asking the same questions.

I am doing my duty to God and my country. I am giving three years of my life to serve my country. Why am I being punished for this? Where do we go from here?

THOMAS A. COMPTON JR.,
Heilbronn, Germany.

Right now the Congress of the United States is discussing the reduction of forces in Germany by about 50 per cent. Aside from the very complicated aspects of the question that also requires great insights into the future political, economic and military situation, there are some very practical thoughts to be considered.

The American military in Germany is an unwanted wart on the German society. We live in ghettoes that attract hucksters, gyp-artists, prostitutes, sleazy bars and every possible gimmick to separate the American from his money. Not a day goes by when we don't read of an American being busted for drugs, committing serious crimes, committing suicide, causing slaughter on the roads, refused entrance into a German establishment for some real or imaginary possibility of a disturbance, and creating unrest and tragedies among our families. If we live on the economy we pay double for housing with practically no protection from the American or German governments.

This taking advantage of Americans as a group is apparent in other areas also. We have watched our young soldiers send their wives and children home because the value of the American dollar has plummeted drastically. This is a special type of inflation peculiar to the military in Germany and the American and German governments have not realistically come to grips with this problem. We have seen air charter agencies like Davis, Shoftour, and United Services which cater exclusively to military related personnel having their passengers refused landing rights at Frankfurt. This is an unfriendly and insulting harassment of USAREUR and USAFE related people.

While on the surface it might seem we are given some concessions by the Bonn government, just consider the rentals our government pays, the monies for military maneuver damage, the cost of phones, utilities, the hiring of LNs with their years of vested interests.

When military experts talk to one another, they might make a case out of keeping the status quo in Germany. But speak to the soldiers and their dependents and they think our huge presence here in Germany is an anachronism that continues to make patsies out of those big-hearted and generous Americans. That Germany needs our presence here for the economic advantages it brings to its economy makes sense. That our present strength in Germany is needed to restrain the hungry Russian Bear is a bit hard to swallow in 1973.

TONY LUTZ,
Baumholder, Germany.

Help! That's the first word out of the mouths of many young GIs living on the economy these days. As one of them, I would like to say just a little more.

Since the dollar devaluation in February, the exchange rate has gone down, down, down. With the rate now hovering near the 2.30 mark level, many married soldiers not eligible for housing will probably have to send their wives and families back home because they just can't afford to pay rent any more. Is there any help in sight for this problem? Well, we did get a $7 increase in station housing allowance, but how much help is that when rent has increased as much as $75 in some cases? Also, as a result of the survey now being taken, there may be another increase; but no one knows how much or when.

We need help now! If the U.S. had the gall to take a hard stand against the Western European countries, the dollar wouldn't be so weak. Our economy is not worse off than most European countries, nor is "Watergate" any worse than the scandals going on in the British and West German governments. Yet the policy makers in Washington sit back and say they are pleased with the present monetary situation because they are afraid of hurting some feelings in Europe if they push too hard. Well, they sure have hurt some feelings—mine—and I am sure many other people living on the economy feel the same as I do.

It seems that after World War II Europe was glad to have dollars. Now all the countries are acting like the dollar carries a plague. They don't want to touch it. France wants to have the dollar backed by gold again, which would make it fall even lower because gold prices are so high. But, if France would pay back the gold borrowed from the U.S. during the war, it wouldn't be so bad.

It is my opinion that the U.S. should take a firm stand to support the dollar. If something cannot be worked out between Washington and the Western European countries, then I think the U.S. should get its troops out just as fast as possible. If we are to be a part of NATO, then there should be some support from the other members instead of them trying their darndest to wreck the dollar.

I have written my Congressman concerning the present situation here in Europe. I urge everyone living on the economy to do the same. Maybe then, our lawmakers will realize that everyone isn't happy about it and that something should be done immediately.

Spec. 4 RICHARD G. KELLER,
Frankfurt, Germany.

SUPPORT YOUR LOCAL DOLLAR

No matter what the "experts" say about the value of the dollar, the effect is the same. We, the consumer, are paying more for everything while living outside the United States. Economists don't know why the dollar is undervalued, others say things will be better in a year or so, but the question is—what to do in the meantime while waiting for "someone" to do something about the situation.

I would like to make a few suggestions about consumer purchases in Germany which may make things more equitable for all of us sooner. I'm sure there will not be a bad effect on the German economy because Helmut Schmidt, West German finance minister, stated he didn't know why the dollar should be affected since the mark was revalued against European currencies. So, if things go the other way we can say, "we don't know either!"

For starters: discontinue the sales of foreign products in the clubs, exchanges, audio clubs and the like; replace foreign nationals working in appropriated and nonappropriated positions by American personnel, such as dependents and military personnel; and reduce purchases on the economy.

We, the consumers, can make a positive contribution toward the value of the dollar by showing that we can live comfortably by buying the same consumer items as our peers in the United States, without the consumption of large quantities of European products.

To determine if we, the consumers, really want to protect the dollar, I suggest the month of September 1973 be declared "Buy American" month. If we show an overwhelming confidence in American products, we may get some relief in the form of constant or lower prices. If on the other hand, we ignore the problem, then we will have to live with the consequences.

JOHN J. CRAMSEY,
Frankfurt, Germany.

[From the Baltimore Sun, July 12, 1973]

SCHLESINGER OPEN TO TROOP CUT

(By Charles W. Corddry)

WASHINGTON.—James R. Schlesinger, the Secretary of Defense, indicated under congressional prodding yesterday that a 5 per cent reduction of American troops in Europe—about 15,000 men—would not be militarily damaging to the Western alliance.

In testimony before the House Foreign Affairs Committee, the defense chief steadfastly backed the administration's position against unilateral troop withdrawals at a time when negotiations are scheduled for October with Warsaw Pact countries on mutual force reductions in Central Europe.

Yet he exhibited somewhat more flexibility on the matter of U.S. military requirements in the North Atlantic alliance than had Kenneth Rush, the deputy Secretary of State, who told the committee Tuesday a cut even of 1,000 men might start an unravelling of the alliance.

Mr. Schlesinger told receptive committee members also that Europe must get over its tendency to "rely unduly" on America for defense. He said at one point that Europe has a "sense of inferiority" about its own ability to build defenses against the Warsaw Pact forces, which heightened its reliance on the United States. Substantial American cuts, therefore, would raise questions in the European countries at this point about their ability to withstand political pressures from the East.

"Substantial" cuts, as the term is being used now in Congress, apparently would range from 50,000 to 150,000 of the approximately 300,000 U.S. troops now in Europe.

Near the end of the three-hour session yesterday, Representative Clement J. Zablocki (D., Wis.), the acting committee chairman, asked Mr. Schlesinger what he would think of a "moderate" cut and how he would define it.

He would prefer it to a "substantial" cut, the secretary replied, and would define it as "no more than, say, 5 per cent at a maximum."

He added that he thought there should be no cuts now in the face of the coming negotiations. Asked then whether it would be "responsible" for the committee to approve a resolution calling for a 5 per cent cut toward the end of this year, if negotiations were going well, Mr. Schlesinger replied that such a measure could harm negotiations psychologically, "though not the military substance."

Later he told reporters he regarded these as theoretical questions.

In both his prepared statement and his answers to committee questions, however, Mr. Schlesinger said that the present level of American forces in Europe is not "immutable."

"We ought to determine the size of our forces in relation to the opposing forces, taking into full account the capabilities of our allies," he said.

Another possible straw in the wind from the secretary, who had something of a reputation as an economizer when he served in the budget bureau early in this administration, was a statement that he will be looking for changes in present troop-support arrangements "with the hope of sharing more equitably with our allies certain of the support and logistics responsibilities now borne by the United States."

On purely military grounds that could point to some cut in U.S. support troops.

Mr. Schlesinger was adamant, however, against making a substantial cut such as he was questioned about—50,000 to 150,000 men.

That would "destroy the hopes that we have for a stalwart conventional defense" in Europe, he said, and the alternative would be "an earlier recourse to nuclear weapons" if war broke out.

The secretary, together with Gen. Andrew J. Goodpaster, Supreme Allied Commander in Europe, and Adm. Thomas H. Moorer, chairman of the Joint Chiefs of Staff, warned the congressmen that Russia's apparent interest in detente is not matched by any reduction of its military power. They said the contrary is true.

[From the Washington Star-News, July 15, 1973]

DOUBTS OF NATO ALLIES TARNISH NUCLEAR SHIELD

(By John W. Finney)

Testimony published by the Joint Congressional Atomic Energy Committee discloses that there is a serious question whether some of the European allies will permit the United States to use certain nuclear weapons stationed on their soil.

The heavily censored testimony released over the weekend indicates that one of the North Atlantic Treaty allies had refused the United States permission to dig holes for hundreds of atomic demolition mines. The ally was not identified but from various references in the testimony it appeared to be West Germany.

The attitude of the ally could frustrate one of the nuclear tactics, conceived by the U.S. Army at a cost of hundreds of millions of dollars, for blocking a Soviet invasion of Western Europe.

For some years the Army has been building atomic demolition mines, which could be set off at "choke points"—such as mountain passes—along the likely invasion routes that would be used by the Soviet army.

If this tactic is to be successful, however, the holes must be dug in advance, so that the atomic demolition crews could rush in, drop the mines in "prechambered holes" and then fall back to detonate the mines.

In confirming that this concept has run into some reluctance on the part of "authorities in some areas," Maj. Gen. Edward B. Giller of the Air Force, assistant general manager for national security of the Atomic Energy Commission, complained that the unidentified ally was being "rather contradictory." On one hand, he said, the foreign authorities have permitted holes to be dug for "prechambering" conventional high explosives. But they will not publicly permit the digging of holes for nuclear weapons, although the atomic mines could be put in the conventional holes if necessary.

While the testimony did not go into the reasons for the reluctance to permit the use of the atomic mines, one possible explanation is that such nuclear explosions, because they are set off in the ground, produce considerable radioactive fallout, which would result in civilian casualties.

From the testimony it appeared that this concern about having a nuclear war fought on their territory, with resulting civilian casualties from fallout, was contributing to a reluctance by NATO allies to let the United States use other nuclear weapons stationed on their soil.

In a statement accompanying the testimony, Sen. Stuart Symington, D.-Mo., chairman of the atomic energy subcommittee, on miiltary applications, observed: "There is a serious question as to whether some of the host countries in which these nuclear weapons are stored would consent to their actual use."

Between bombs, missiles and demolition mines, the United States has some 7,000 atomic warheads stationed in Western Europe, primarily in West Germany. While all are officially classified as "tactical," many of the warheads have an explosive power of several hundred kilotons, many times more powerful than the 20-kiloton bomb that destroyed Hiroshima. A kiloton is equal to 1,000 tons of TNT.

The military is pressing to develop and build a new generation of tactical warheads for Europe that would be more accurate and have a lower explosive yield. Giller made it clear that one reason for this military pressure was that both the allies and the Russians question whether the larger weapons would ever be used, thus vitiating the effect of the nuclear deterrent.

Giller estimated that the program would cost "a couple of billion dollars over the next 10 years."

From the testimony, it was apparent that the subcommittee members were skeptical whether the new weapons were worth the cost, would really contribute to the nuclear deterrent and would significantly reduce casualties.

The testimony was unusual in that it represented the first time that the normally secretive Joint Atomic Energy Committee has published its hearings on the atomic weapons programs.

[From the Baltimore Sun, July 28, 1973]

Debate and Discussion—A Unilateral U.S. Troop Cut in Europe

(Congress is arguing the pros and cons of withdrawing unilaterally some of the U.S. forces in Europe in advance of East-West talks on mutual cutbacks. The House Foreign Affairs Committee recently heard testimony from retired Rear Admiral Gene La Rocque, director of the Center for Defense Information, and Kenneth Rush, deputy Secretary of State. Excerpts follow:)

(By Gene La Rocque)

According to some arguments, there will never come a time when it will be possible to begin to withdraw American forces from Europe. Just now, for example, the cold war is officially over and we have entered a new era, one of negotiation not confrontation, with the Russians.

Nevertheless, it is solemnly argued that a time of relaxed tensions is just when our forces in Europe must be maintained in all their strength—in order, it is said, to preserve the new detente. Of course, if the detente were to slip and the atmosphere became less relaxed, the same people would then insist it was also the wrong time to talk about cutting the military forces.

Yet a 20 per cent cut in United States troops in Europe would leave the NATO ground forces and the Warsaw Pact forces still in rough balance, if French troops are included on the NATO side, as surely they ought to be included. And many of the Warsaw Pact ground forces are really Soviet garrison forces, who are in Europe not for aggressive use against NATO troops, but for holding on to Eastern Europe, against ever-possible rebellions and uprisings there against Soviet domination. For example, two Soviet divisions in Poland, four in Hungary and five in Czechoslovakia.

There are almost 320,000 American military in Europe, and 220,000 American military dependents. These forces are one quarter of all the general purpose forces of the United States. They provide 10 per cent of the NATO ground troops, 25 per cent of the air forces, 20 per cent of the NATO naval forces. But a lot of that is fat, and a lot of the Europeans' military effort is mere duplication of one another's forces.

Now that we have relaxation and detente and an official ending of the cold war, it is high time to look at this 25 years' military growth that seems to have built up according to Parkinson's Law.

It is said that, sure, there ought to be a reduction of those forces, but let's wait for the forthcoming discussions with the Russians, due to commence this October in Vienna, about what is called mutual and balanced forces reduction—cuts by them to match cuts by us. It sounds good. But there are grave difficulties.

It will be extremely hard to achieve *balanced* reduction of forces, because so many different sorts of units and complex weapons are involved. These discussions will be more difficult even than the SALT talks, and they seem likely to drag on for years. SALT after all was bilateral discussion; force reductions in Europe involve a large number of countries besides the U.S. and U.S.S.R.

At the end of it all, all that may be achieved is a mutual 10 per cent forces cut by NATO and the Warsaw Pact countries. This would mean that 90 per cent of present American troop strength in Europe would be frozen in position, perhaps indefinitely, perhaps "only" for another quarter century.

Such an outcome would very likely be rejected by public opinion in this country, which is now increasingly restless and dissatisfied about our military commitment in Europe. Better, therefore, a carefully thought out, well planned, phased withdrawal, than a 10 per cent cut reached only after years of talk and followed perhaps by an angry backlash and a precipitate, wholesale withdrawal of our forces that could be extremely damaging.

Rather than risk such a debacle, it would be preferable even to make a unilateral beginning with military cuts in Europe. The Russians might well respond to our example, for it is probable that they really do want to cut back their forces in Europe because of the Chinese threat. If they did respond that way, good and well. If they failed, the situation could be reassessed. . . .

This country is pledged to help defend Europe because Europe's defense is in America's own interest. It is hard to envisage an armed attack by Russia on Europe that would not involve the U.S. So it is obviously as well for the U.S. to be involved beforehand in military plans that are aimed to prevent such an attack, if possible, and beat it off successfully if it should come.

However, the chance of such an armed attack seems quite remote at present. And the Europeans *have* now built up their forces, including, in the case of Britain and France, their nuclear forces. . . .

This country will, of course, remain in NATO; and a reduction of the American military presence in Europe should leave NATO still strong.

The alternative to phased withdrawal is almost certainly *not* a stubborn continuation of the status quo, but a fierce backlash against the whole NATO concept, and a revival of old-fashioned isolationism that could involve a hasty, heedless American pullout from Europe, at the wrong time and in the worst way.

A phased withdrawal is not a denial of our NATO commitment; rather it is perhaps the only way to save NATO from being destroyed.

(By Kenneth Rush)

Historically, NATO's first function, and still its most important, has been to safeguard its members from external attack and pressure. I know that Soviet relations with its neighbors in Europe, as well as with us, have improved significantly in recent years. We welcome that improvement. But I also know that the Soviet Union is still far more powerful than any other state or group of states in Europe. I know that there is no certainty, nor can there ever be any, that its power will *never* be used to threaten the interests of the members of the NATO. Such power would be a constant political pressure on the Western European states to accommodate to Soviet policies unless it continues to be counterbalanced by NATO.

The Warsaw Pact nations see no inconsistency between negotiations to reduce tension in Europe and maintaining and strengthening their military power. Nor is there any necessary inconsistency. Soviet negotiating from strength has not impeded our search for better relations with the East. In fact, it has probably provided the only basis for Soviet policy to evolve as it has. The Eastern countries no doubt will continue to negotiate on this basis. It is important that they never have reason to expect that we would do otherwise. . . .

Unilateral reductions would . . . cripple our careful effort to negotiate reciprocal force reductions. In May, 1972, at the Moscow Summit, we and the Soviet Union agreed in principle to seek reciprocal reductions. In November of that year, the NATO allies invited the Warsaw Pact states to exploratory talks that opened shortly thereafter in January, 1973. These resulted in an important agreement on a negotiating forum and upon the negotiating procedures. Finally the President and General Secretary Brezhnev agreed during their Washington meetings that the substantive phase of the negotiations will begin on October 30 of this year.

We are now poised to begin a series of negotiations that could be among the most portentous of the post-war era.

It would be unthinkable to jeopardize these negotiations by unilateral action. Such a step would make almost inconceivable the conduct of reciprocal negotiations. The very likelihood of such a decision would remove the incentive of the Warsaw Pact states to negotiate at all.

Moreover, a unilateral American troop reduction would seriously divide the NATO Alliance. Since the U.S. would have reduced without regard to the military consequences, our allies would be under political pressure from their parliaments to make comparable unilateral reductions. The entire fabric of our common decision-making could be torn apart. And while the governments would probably oppose any further reductions—reciprocal or not—the process of unraveling the peacetime defense of the West would be underway and would have been begun by the United States itself.

Under such circumstances, our every effort would be needed to hold NATO together and to restore some degree of its effectiveness.

Our unilateral reductions would unsettle the entire military situation in Europe to our detriment. Who among us can be confident that the discovery of a weakened and divided West would not reawaken the appetite of those in the East whose hope for the control of all Europe must still survive? Who would feel America's interests would be safeguarded once accommodation rather than independence became the guiding rule of Europe's foreign policy?

We do not yet know precisely where the effort to achieve mutual reductions will eventually lead. Like SALT, it promises to be a process that will yield not only substantial military results but a continuing political discourse that could well be valuable to us. In SALT, our candid discussions with the Soviet Union did much to dispel common misconceptions. That same possibility lies before us in MBFR. I urge that none of us underestimate the contribution that it could make to our security and to reduced international tensions.

But the promising prospects of these momentous negotiations would be destroyed by a unilateral decision of the United States to reduce its NATO forces. Such a pullout would disrupt NATO, unsettle the existing East-West equilibrium and abruptly halt the process of reciprocal force reduction. . . .

Equally important, our efforts with our allies for more equitable burden-sharing trade and monetary arrangements are also underway. Programs to improve NATO's defense and to provide a more cost-conscious and efficient posture are also in train.

Nor need we feel compelled by our budget or balance of payments to withdraw our troops from the area where they are most valuable to a distant base in the United States. The improvement in our over-all balance of payments that is already beginning to show can be expected greatly to diminish this pressure in the months ahead.

It is for these essential reasons that my colleagues and I believe that unilateral troop reductions in Western Europe would be contrary to the interests of the American people and that we ask your continued support for our Atlantic defense policy.

Statement of Senator Mike Mansfield (D., Mont.) Before the Subcommittee on Arms Control, International Law and Organization, July 25, 1973

Mr. Chairman, I want to begin by thanking you for the invitation to address this Committee on the question of U.S. forces in Europe—as well as on the broader context in which we must place our consideration, the question of U.S. military forces around the world.

The United States currently has stationed *on* foreign soil over 500,000 military personnel.[1] In addition, over 100,000 military personnel are afloat off foreign shores.[2] Almost 30% of our military forces are stationed beyond our homeland. Not since the days of the British Empire or probably more truly, the Roman Empire, have so many been required to "maintain the peace" away from their shores.*

I believe it is important to view the question in the broad context of U.S. forces stationed around the world. It has been painfully evident and generally agreed in the United States Senate for at least the last several years that the United States is badly over-extended abroad.

We must not forget the lesson of the tragic war in Vietnam; for that tragedy will only be compounded if we refuse to learn and guide our actions accordingly.

The National Commitments Resolution passed overwhelmingly by the Senate was significant evidence of the prevailing sentiment in the Senate.[3] The War Powers legislation passed overwhelmingly by both Houses of Congress is another significant step.[4]

But these vital actions reform and refine our institutional mechanisms. They serve notice of the Congressional threshold of tolerance. They demonstrate a Congressional attitude that seeks a greater share of responsibility. But these constructive changes are not enough. We must accept the realization that our commitments and policies are not always made in formal and traditional ways. In fact, some policies seem to "just happen."

The presence of so many U.S. forces on foreign soil is such a policy. Their presence presumes a policy that heavily favors the military option. The War Powers legislation expresses Congressional dissent to that emphasis. But *the fundamental difficulty in discerning semblance to America's policy abroad is that the commitment and level of U.S. forces abroad has determined our policy rather than our policy determining the level of U.S. forces abroad.* The intractability of executive branch attitude on force levels abroad during the past 25 years can only be explained by the incapacity of the policymakers to perceive that the troops on foreign soil was our policy and policy-makers were really articulating after-the-fact rationalizations. Members of the Executive Branch, whether in office for two weeks, two months, two years or two decades, have had the *same theme*, and it is always one that the world will fall if any of our soldiers return home.

But yearning to return home shall become more compelling with each passing month. The impoundment by this Administration of $12 billion for domestic needs; the closing of many U.S. military bases as an economy measure, putting many Americans out of work; the devaluation of the dollar by more than 25% over the past two years; all will join in marshalling attention to what heretofore has been considered an issue that should be left to the "experts." I believe the arguments this year will be heard.

As I stated above, the plain fact is that the United States stations over 600,000 military forces outside the United States and its territories and possessions. We maintain over 2,000 bases and installations on foreign soil.[5] There are over 314,000 dependents stationed overseas accompanying these forces.[6] The Defense Department *employs* directly or indirectly approximately 173,000 foreign nationals at these bases overseas to support these U.S. forces abroad.[7] These are not reasons for bringing our troops home, but they are facts that should make America listen to the reasons.

The most detailed focus can be obtained on Europe. At least in 1950 the Congress was asked to participate in that decision of sending troops to that Continent. But equally forceful questions can be raised as well to the U.S. troop commitments in Thailand—now about 45,000; or in Okinawa, about 40,000; or Korea, about 42,000; or Taiwan, about 8,000; or the Philippines, about 15,000; or Japan, about 18,000; or even Bermuda where about 1,000 men defend our national interests.[8]

Let us look at Europe when NATO was first structured. Let us look at the realities that faced this Nation at that time which precipitated the commitment of four divisions to Europe. Let us look at the premises upon which the Congress assented to this commitment of these divisions and the representations that were made at that time about the permanence of such a commitment of manpower abroad. Then let us look at Europe and the U.S. today, 28 years after the War, 23 years after the initial stationing of these divisions to NATO.

EUROPE AFTER WORLD WAR II

World War II left Western Europe in ruins. The general view in the West was that the communist monolith under Stalin had the domination of the entire planet as its goal. The United States moved swiftly with the most massive reconstruction effort ever attempted with its Marshall Plan—an effort has proven successful beyond expectations. The institutions of Europe, political, economic as well as military, were in shambles. With these weakened conditions in Europe combined with the common perception of the threat of the hordes from the East[9] a strong military presence in Western Europe to complement the economic effort was rational. But the North Atlantic Treaty itself did not commit U.S. troops to the European continent for deterrence. In fact, the treaty itself made no commitment of U.S. ground troops to Europe. It was not until 1951 that the decision was made to send four land divisions to Europe and Congressional assent solicited to this significant commitment of troops.

The history of proceedings before the Congress are very revealing.

Secretary Marshall claimed at that time that there was nothing magical about four divisions. The full level was selected based upon a judgment of our resources and their availability. If only the same standard were to be applied today. And why should it not be applied?[10]

But even more revealing is the exchange that Senator Hickenlooper had with Secretary Acheson when it was made clear by Secretary Acheson that the original NATO Treaty envisioned no troops stationed in Europe by the United States and that it was clear that each signatory to the NATO Treaty would unilaterally make its own determination of its contribution of military equipment, manpower and facilities.[11] In addition, Secretary Acheson envisioned the return of troops subsequently sent if the situation got better.

But what conditions were envisioned in 1951 that initially warranted the troops to go to Europe and what thorny questions should be resolved for us to expect their return. Senator Smith of New Jersey sought this information from General Bradley in 1951 and General Bradley felt the making of a peace treaty with Germany and the state of preparedness of the other nations of Europe as well as the aggressive intentions of the East were the chief irritants that justified U.S. action.[12]

These were all valid concerns in 1951. In addition, it was a time when the Korean War was underway; China was an active enemy; the Soviets had come of nuclear age; the South East European flank was still threatened; the economies of Western Europe were just back on their feet; political instability was prevalent in most West European countries. Strong men replaced strong institutions and provided the cohesion for Western Europe. But even then the questions were raised: Should the U.S. commit four divisions to Europe as a deterrent to another European war at least until Europe is ready to assume its own defenses.

The Congress assented to that request and the American troops returned to Europe to meet the threat that was perceived at that time. However real the threat then, has it changed since that time?

EUROPE SINCE THE 1950'S

When U.S. troops were intially committed to the European continent, total GNP of all European NATO countries was $46.9 billion compared to $831.9 billion for 1972.[13] The era of confrontation was high and the national institutions were weak. Interrelationships were virtually non-existent. Let us look at and contrast the economic exchange:

[In millions]

	1951	1972
U.S. imports from USSR	$27.4	$95.5
U.S. exports to USSR	0.1	546.7
U.S. imports from Eastern Europe	63.8	320.1
U.S. exports to Eastern Europe	2.8	818.2

The total exports from all NATO countries to the USSR and Eastern Europe in 1972 amounted to $9.89 billion. The imports from the USSR and Eastern Europe to NATO countries totaled $8.67 billion.[14] In this one area alone of trade between the blocs, the most dramatic change in climate must be recognized.

But even more significant than evaluating not only the strength of Western Europe and appreciating the strong trade flow between East and West is the great number of events since 1963 that manifest as well as significantly contribute to the lessening of tensions between East and West. I have selected eighty-two events I consider significant since 1963.[15] They range from the hot line to the Nuclear Test Ban to the Consular Convention to the Non-proliferation Treaty to the treaty normalizing relations between Germany and Poland; to the Soviet-West German agreement on consulates; to the German treaties with Soviet Union; to the SALT treaty; to the signing of the treaty on relations between East and West Germany. But to many the threat of an all-out conventional war with the hordes from the East remains the same. Rigidity affects not only the rhetoric but the policy. General Eisenhower testifying in 1951 about Congressional responsibility in the determination and the evolution of the level of U.S. troops in Europe said:

"I do think that Congress ought to see a respectable, reasonable approach, and the second they see anything to be, let's say, cockeyed and crazy, to get into the thing with both feet."[16]

Well, Mr. Chairman, I think the time has come when Congress must recognize that in the words of General Eisenhower, something is cockeyed about U.S. troops stationed abroad. President Eisenhower later recognized that change was justified. He stated in 1963 that one U.S. division would be sufficient to fulfill our commitment to NATO.[17]

It is evident from these indicia of engagement with the Soviet Union and Eastern Europe that the tension that existed in the early '50's has changed significantly. Further movement has been proposed between East and West. As President Nixon stated to a Joint Session of the Congress on June 1, 1972:

"By forming habits of cooperation and strengthening institutional ties in areas of peaceful enterprise, these four agreements (Moscow summit, May 1972) to which I have referred will create on both sides a steadily growing vested interest in the maintenance of good relations between our two countries.

"Expanded United States-Soviet trade will also yield advantages to both of our nations. When the two largest economies in the world start trading with each other on a much larger scale, living standards in both nations will rise and the stake which both have in peace will increase."

It is time that the U.S. recognized the existence of its own policy toward the East.

Footnotes at end of article.

The policy of this government should be consistent, not one of engagement with the Soviet Union in trade and cultural exchange and confrontation in military matters. There should be but one barometer by which this government guides its actions toward the East.

But we have many barometers that provide such different readings for the same phenomenon. This dual standard for rationalizing our policies vis-a-vis the Eastern bloc cannot withstand thoughtful focus. If our policy toward the East is predicated upon a desire to open markets and develop a mutual interdependency of East and West upon each other, that policy will yield benefits beyond the economic sphere as they have with increased cultural and educational exchanges. It is a natural evolution of the events of the past decade. But in the military sphere—in the NATO structure—what remains is a stale rigidity; a resort to old rationalizations from bygone years.

But the double standard is not new, even within our own Alliance. Our European allies have permitted themselves to adapt to the changing mood between East and West. Not only does France withdraw all its forces from NATO—a measure I do not propose for the U.S. to follow—but Canada reduces her military forces substantially. Other NATO nations have in recent years come far shorter of target force levels to NATO than the U.S; in fact, the U.S. has been the most faithful burden-sharer over the history of the Alliance. Just two weeks ago, Secretary Schlesinger stated that the U.S. is doing more than its fair share in Europe.[18] But still the U.S. cannot take the unilateral action clearly called for in the Treaty—the unilateral action heretofore clearly contemplated by all the Treaty partners. Prior consultation would be ample but the decision would be unilateral.[19]

The time has come for the United States to realize that tensions have eased between East and West—and that this relaxation is a healthy and desirble change.

The time has come to set aside the rhetoric of the Cold War used to justify a *status quo* of military involvement around the world.

The time has come to recognize action that is long overdue, and to prevent deferral of that action under a cloak of multinational negotiations that could take a decade or longer to recommend less than what is justified today.

It is time now to respond to the spirit of detente, to the success of the Marshall Plan and the current economic vitality of Europe, to respond to the realities of the '70's, to respond more fully to the needs of its own people at home.

FLEXIBLE RESPONSE

So the absurdity of the U.S.-NATO posture for a long war in Europe is indicative of the staleness of thought that has accompanied the American military poistion in the Atlantic Alliance.

While I have no intention of going into detailed arguments of a military character, there are a few points which I believe are directly relative to our consideration of the appropriate levels of U.S. forces in Europe. The main focus of these arguments is the so-called "flexible response" theory. This policy was advanced early in 1965 by the United States but it was only formally adopted by NATO in 1967. I certainly have no quarrel with any policy which seeks to avoid automatic resort to nuclear war. And flexible response is a policy that should provide an expanded pause period before nuclear weapons are resorted to on either side.

Unfortunately, however, "flexible response" has been interpreted as a reason to prepare for a full-scale conventional war of the World War II variety. But is it again a case of the words replacing a thoughtful policy; of reducing the choices of NATO to either an immediate nuclear war or a prolonged and exclusively conventional war? Both are extremely unlikely.

The "Economist", one of the more conservative journals on European affairs, wrote on September 16, 1972:

"The heart of the matter is that most people believe that the present allied forces in Western Europe, including the present American contingent, would not be able to defend themselves for more than a week without using nuclear weapons and perhaps for no more than two or three days. Removal of half the American contingent would probably reduce that to a maximum of four days and a minimum of one unless the Russians reduce their own army proportionately or the West Europeans are able to make up the difference."

So the doctrine of flexible response is most constructive in extending the pause period before any confrontation in Europe turns into a nuclear holocaust. As the "Economist" noted, a week is the maximum pause period that any European really feels the NATO structure could undertake. This is basic realism. It is public knowledge that over 7,000 tactical nuclear weapons are in position in Western Europe [20] some of them reported very near the frontier. In view of this wide proliferation of nuclear warheads in Europe and some so near the frontier, it is hard for me to envision any serious conventional war scenario that doesn't go nuclear in less than two days. Our "tactical" nuclear weapons will be either "captured" or "detonated."

The "hot line" was installed in Washington and Moscow to permit wise use of the pause period. If a full-scale conventional war is the NATO strategy—then all the nuclear weapons—whether called tactical or strategic—should be removed far to the rear where there might then remain the option of not using these weapons.

It is a total inconsistency to have tactical nuclear weapons—some of them anchored into the ground near the frontier and to be preparing for a sixty-ninety day conventional war of the World War II variety in Europe.

But still it is our premise that the American forces must be structured for a long war in Europe. Supply and logistic levels of American troops in Europe are for sixty-ninety days, putting an added burden on manpower and supplies well beyond the realm for reason.[21]

But even more significant is the European reaction to any removal of U.S. troops from the Continent. It is an accepted axiom that the Europeans would follow suit and reduce their conventional forces as well.[22]

What is the threat, then, that requires so many U.S. forces on the Continent? If there is a truly perceived threat of a conventional war from the East, would not our European allies who are closer to the "threat" then respond by an accelerated commitment of resources? But no, they would relax as well, accept the detente [23] and devote more resources to non-military ventures. Then why should we, 3,000 miles away, assume such arrogance as to perceive a greater threat to Europe than do the Europeans?

I think the question presumes a rational answer but there is none. It does highlight, however, the dominance of the military posture in Europe by the United States. Since the formation of NATO, there has never been a Supreme Allied Commander who was not an American. U.S. perceptions of the threat are tolerated by the Europeans and why not—the U.S. is footing the greatest share of the cost. Since it is really our nuclear response that the Europeans wish committed, their tolerance for our eccentricities—including the World War II conventional war contingency—is very high.

Should the unlikely contingency of a mass movement by Warsaw Pact forces take place, it is inconceivable to me that the President of the United States would not be in immediate contact with his counterpart in the Soviet Union. In any event, to pile inconsistency upon inconsistency, if the NATO military scenario calls for a defense of a massive move from the East, that move must necessarily come across the north German plains, the likely area for a swift move because of the terrain. For this conventional attack the U.S. forces are stationed in the wrong part of Germany. The U.S. forces are positioned in central and southern Germany with an enormous back-up capacity and with a consistently top-heavy command structure which still has one flag officer for roughly every 2,200 men.

It baffles me why a properly structured U.S. military force of one or at the most two lean, mobile divisions, in position to move rapidly along the German frontier, would not be even greater insurance against any form of pressure from the East.

It would be more realistic to the type of improbable attack that might conceivably come from the East. It would permit American forces to be engaged from the beginning thus allaying any fears on the part of the Europeans that the United States would not be involved in the event of a quick thrust into Western Europe.

THE MBFR**

Again and again over the years we have been told both by our own officials and those in Europe that some decrease in U.S. military presence should take place.[24]

But the time is never right for such action. Two years ago the argument was the policy of detente was underway and that nothing should be done that would disrupt the process, including the U.S.-USSR SALT negotiations and the goals envisioned by Chancellor Brandt's "Ostpolitik."

Today we find ourselves in a new situation. Success has been achieved in the first and most important round of SALT talks; the Warsaw and Moscow treaties have been concluded; the status of Berlin has been regularized; through the exchanges of visits between President Nixon and Chairman Brezhnev a new and better climate has been created which allows us to talk about the Cold War in terms of the past.

Despite this movement, we are being told that this is the "worst possible time" in which to take any action on the question of our forces in Europe. The bargaining chip is back. Negotiations on mutual force reductions are to begin on October 30th of this year.[25]

At the outset we were told by all the experts that MBFR negotiations will be even more complicated and lengthy than the first phase of SALT. Most informed and optimistic speculations are that the outcome of such negotiations after perhaps two to three years might be a reduction of no more than 10–15% on the part of those countries involved.[26]

Nothing has happened in the interim since President Nixon's letter of November 22, 1971, which has given us any different picture of this argument. Indeed, since the preliminary talks—i.e., talks as to whether there should be talks—were expected to take roughly five weeks and took about five months, my skepticism has been increased rather than diminished about MBFR. I really doubt that the United States can remain immobilized on the troops question for a minimum of two and possibly even four to five years. So the argument to wait for MBFR really is a postponement of significant action indefinitely.

UNILATERAL ACTION

The questions of MBFR are immensely complicated even if they were undertaken

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Footnotes at end of article.

in a bilateral framework. The positioning of forces, the proportionate reduction of one side as opposed to the other because of different logistical requirements will generate solutions equal to the number of participants at the conference. So the complexity of MBFR is magnified 19 times.[27]

The wisdom of the North Atlantic Treaty which left the question of specific troop commitments in the NATO command to be decided *unilaterally* by each country is abandoned. Unilateral action on such a matter is the only practical method. Any nation entering into negotiations whether bilateral or multilateral only agrees in those negotiatiations to what she determines unilaterally she can do or must do in her own national interest. No negotiation with the Soviet Union determines that those troops are needed in the Eastern European countries for other than protection against an external threat. In like manner, if the Soviet Union senses a greater need for its troops on other frontiers, or if she desires to divert a greater proportion of her resources to non-military interests, then the appropriate reductions by the USSR will be made—but only then.

So unilateral action on our part to reduce U.S. troops in Europe, while still maintaining our commitment with a more wisely structured but significantly reduced level of troops could very well stimulate a similar independently arrived at response on the part of the Soviet Union. This is not unprecedented in recent history. Unilateral and independent actions taken by the United States and the Soviet Union for moratoriums on nuclear tests in the atmosphere precipitated similar constructive independent responses on each side which ultimately led to the nuclear test ban treaty. So the arguments that unilateral action cannot lead to constructive responses are unwarranted.[28]

Unilateral action on the part of the United States might produce surprising and constructive results. What people fail to realize is that the Soviet Union, ever since World War II, has not only been acting, but reacting, within its military establishment. Much of the Soviet force was created at a time when the United States had clear nuclear superiority. Most informed observers, here and in Western Europe, agree that the Soviet Union is considerably more conservative and suspicious than the United States because of its historical experiences and the character of its society.[29]

Yet no one seems willing to make allowances for the inertia of this military conservatism in the USSR. We forget that the speeches by our NATO Commanders, as well as our political leaders, regarding need for NATO strength and readiness are read in quite a different light by the Soviet leadership than we intended. It seems a simple proposition, that they trust us no more than we trust them, but we do not seem to be able to absorb this view and act upon it.

THE FINANCIAL BURDEN

Mr. Chairman, I have not dwelled upon the question of budgetary drain and balance-of-payments costs of our troops stationed overseas. I have deliberately left this point to one side in considering these questions because I believe the United States will bear the necessary costs to fulfill its international obligations. Our history will show that! But I believe it is clear that the United States can fulfill its international obligations abroad with a significant reduction of U.S. forces on foreign soil.

I believe a focus on this issue can be gained at last because of the competition for resources at home. But these resources will be saved, not by trimming our sails on our international obligations but by trimming the waste from years of inattention to a rational international policy.

This Committee is well aware that the overall costs of our commitment to NATO amounts to something in the neighborhood of $17 billion, including everything except strategic forces; that the direct annual operating costs for the approximately 300,000 U.S. forces actually located in Europe amounts to approximately $4 billion; [30] that the net balance of payments drain because of the U.S. forces in Europe is approximately $1.5 billion annually and that these figures are growing daily because of the United States' disadvantage because of inflation, successive devaluations of the dollar and other weakenings.

A return to rationality on the part of the United States and its forces abroad would yield a very significant savings in resources to the United States. I have deliberately, Mr. Chairman, not addressed myself to the issue of whether the troops that should be removed from foreign soil should be demobilized. It is my opinion that a very sound international policy for the United States could be implemented with a reduction of 50% of the over 500,000 troops stationed on foreign soil.

The return of over 250,000 military personnel would reflect the judgment that they were not needed to fulfill existing international and domestic obligations and therefore appropriate for demobilization. But I don't think that the question of demobilization has to be directly addressed at this time since I believe the pressures of obtaining a military armed force without the draft will to a great extend resolve the issue of demobilization.

CONCLUSION

Mr. Chairman, I would like to suggest a course of action which I hope you will agree is most reasonable and desirable. I believe it is a course that provides the appropriate civilian guidance to our military leaders and gives them sufficient lattitude in adjusting for themselves the specific reduction which would stem from this proposal.

I believe that we should move in the direction of a 50% reduction of our total forces stationed in all overseas territories. I believe this reduction should be accomplished within a three-year period and in a carefully structured way which would not necessarily entail the same percentage reduction in each of the three years or in any one area or the world, but would provide that not less than 25% of the total envisioned cut would take place in each of the three years. I prefer to do this on a worldwide basis because I believe the United States is overextended precisely on that basis.

Secondly, I would suggest confining the cuts to land-based units in order to permit our fleets to operate at appropriate strengths, but at the same time not excluding home ported naval units from the overall computation.

Finally, I am proposing to leave as much discretion to our military commanders as is commensurate with our foreign policy interests.

In sum, Mr. Chairman, the wasteful expression of our external power—expression well beyond any reasonable need—has begun to erode our internal freedom. The disclosures of recent months might very well be interpreted in part as the methodology of the American Empire returning home to undermine the fibre of our republic.[31]

I believe we have talked, debated and quarreled long enough about this whole problem of U.S. foreign policy as it is implemented abroad. The time for action is long overdue and action is what I hope this Committee will recommend.

FOOTNOTES

* The percentage of U.S. forces stationed overseas was even higher during some years since World War II.

[1] See Appendix A.

[2] *Ibid.*

[3] *Congressional Record*, Permanent Ed., June 25, 1969, p. 17245, 91st Cong., 1st Sess.

[4] *Congressional Record*, July 18, 1973, p. 24705; July 20, 1973, p. 25119, 93rd Cong., 1st Sess.

[5] Office of Assistant Secretary of Defense, Installations and Logistics, Sept. 16, 1972.

[6] See Appendix B.

[7] See Appendix C.

[8] See Appendix A.

[9] Adam Ulan, *Expansion and Coexistence* (New York, 1969) pp. 414–415.

[10] Senator GILLETTE. Just one additional question. There is no magic formula in the four plus two divisions, as I understand it?

Secretary MARSHALL. It is just a combination of considerations that we have had to turn over in our minds.

Senator GILLETTE. Taking into consideration a number of factors, the immediate availability of troops and the fact that we want to make, in our opinion, a move, take a course that will give some reassurance to our allies that we are taking into consideration our resources and their availability, the formula of four plus two was reached?

Secretary MARSHALL. Yes, sir.

Senator GILLETTE. And there is nothing magic about it?

Secretary MARSHALL. No, certainly not. . . Hearings on "Assignment of Ground Forces of the United States to Duty in the European Area," February, 1951, Committee on Foreign Relations and Committee on Armed Services, U.S. Senate, 82nd Congress, 1st Session.

[11] Senator HICKENLOOPER. . . . I do say to you that without any doubt in my mind, the North Atlantic Pact proposition was sold to a great many Members of the Congress on the idea that prior to aggression we would not be called upon to implement the land armies of Western Europe by large numbers of troops. . . .

Now, may I ask you, has the policy changed, or is this a new proposition? Has your position changed? Apparently it has, but I would like to have you comment on it.

Secretary ACHESON. I shall be glad to comment on what you have just stated.

The question which you asked me was understood by me as it has just been understood by Senator Smith, and that was whether, under article 3 of the treaty, we were expected, in the sense of were we undertaking a commitment, to send ground troops to Europe. I replied to you that the answer to that is a clear and absolute "no." We were not undertaking a commitment by article 3 of that treaty to do anything except to work with our allies to establish individual and collective defense.

I think it was clearly understood that way by the committee, which you will remember, and I should like to recall to you that that committee, in its report, said, under this article 3:

"Realistic assessment of the defensive capacity necessary to resist armed attack will be a function of the organization to be established under article 9."

And it goes on:

"On the basis of this assessment, each party would determine for itself what it could most effectively contribute in the form of facilities, military equipment, production capacity, manpower, etc. This decision would be taken in the light of the resources and geographical location of the individual state, and with due regard to its economic stability. There is no specific obligation as to the timing, nature, and extent of assistance to be given by any party."

That is exactly in accordance with my understanding then and now, and that was what I thought was being asked, and to that I was responding.

Senator HICKENLOOPER. I am trying to find out whether this is only the camel getting its head under the tent, and whether the 4 divisions will require 6 more and then the 10 will require 12 more, and where we are going, what we have to look forward to? In view of the fact that we did not contemplate sending any substantial numbers of ground troops to implement the North Atlantic Treaty, and now the scenes have shifted and we are being edged in, not by the back door but by the front door, with divisions of troops which at least I did not contemplate we were going to send or intended to send. I am wondering where the end of this matter is. In the long run will we be put into the inevitable position of assuming the primary responsibility for the land defense of Europe. I am concerned as to whether or not we are going to get ourselves in that position by this piecemeal attrition method, or whether our commitments on land forces at the moment meet our reasonable obligations under the defense program as it is now contemplated.

Secretary ACHESON. Senator, I think you are asking me quite impossible questions. I do not know. In the first place, you say. Are we going to be asked to take over the land defense of Europe? The answer is, of course, we are not going to be asked to take over the defense, the land defense of Europe. If you ask me whether in the future we may be asked to send more than six divisions, how can I possibly answer that? I suppose if there is war you will. Maybe if the situation gets better it will be less. Maybe if it stays the same it will be the same. Maybe if it gets more tense, there may be some additions to it. *Op. cit.*

[12] Senator SMITH (N.J.). Now, the immediate question I want to ask you is this: Are we building up this European Army by putting our divisions there at the moment, in order to deter an aggression while they are getting their strength built up. Will the time come when they will be able to defend themselves entirely without our aid so far as Europe is concerned?

In other words, can we look upon this as a gradually reducing contribution to the European Army of our United States forces, as we did on the Marshall plan from an economic standpoint? We started substantially and reduced until we do not have to give any more.

Now, is our support, ground support, of a Western European army on the same principle? Is it on the principle of giving them strength and giving them courage to go ahead and set up their force, but as they get their own strength we will gradually withdraw from there and keep our forces mobile for any part of the world where they may strike?

General BRADLEY. I think the question of whether a military contribution to Europe would be a decreasing one is almost an impossible one to answer at this time. So much depends upon the making of a peace treaty with Germany and the state of preparedness of the other nations, the continuing aggressive moves on the part of other nations that are presently opposed to us, and their ideology. I think, Senator Smith, that is a rather long-range question to which any answer at this time would not be worth much.

Senator SMITH (N.J.). The only reason I asked you the question is because I understood in talking with General Eisenhower that he thought we might think in terms of an approach similar to the Marshall plan from an economic standpoint: that what we are trying to do now is trying to put spirit into the European nations that may be fearful that we are not giving them support. They need it now more than they will a little later.

General BRADLEY. I think that is true. They need it possibly more now. And, if you can look far enough ahead to the time when France has 50 or 60 divisions and those other countries have similar size forces, the time might arrive when we could withdraw our forces altogether, and certainly when you get a peace treaty with Germany you are going to be faced with the question of reduction of forces, because some of these people are on occupation duties now; but that apparently is sometime in the future, and I would prefer not to try to answer your question, which in my opinion is based on conditions which are going to exist a considerable time in the future, and I can perceive of circumstances being possible which would permit us to withdraw entirely, but I say that is certainly going to be sometime off. *Op. cit.*

[13] See Appendix D.

[14] *Ibid.*

[15] Events from 1963 to 1973 which significantly contributed to the lessening of tensions between East and West:

1. Renewal of Franco-Soviet trade agreement. February 1963.

2. U.S.-U.S.S.R. agreement to establish an emergency communications line (hot line). June 1963.

3. Tripartite treaty banning nuclear weapons tests in the atmosphere, in outer space, and under water. October 1963.

4. Approval by President Kennedy of U.S. wheat sales to the USSR. October 1963.

5. U.S.-USSR agreement of exchanges in the scientific, technical, educational, cultural, and other fields. February 1964.

6. U.S. restores MFN treatment to Yugoslavia and Poland. March 1964.

7. Renewal of U.S.-USSR trade agreement. April 1964.

8. U.S. Romanian trade discussions. May 1964.

9. U.S.-USSR consular agreement. Signed June 1964. Ratified March 1967.

10. French-Soviet trade agreement. September 1964.

11. U.S.-USSR agreement on cooperation in desalination of sea water. November 1964.

12. Warsaw Pact Political Consultative Committee approval of the Rapacki suggestion for a conference on European security. January 1965.

13. Franco-Soviet color television agreement. March 1965.

14. Italo-Soviet agreement on joint cooperation in peaceful uses of atomic energy. October 1965.

15. U.S.-USSR consular convention. December 1965.

16. Italo-Soviet cultural agreement. February 1966.

17. Italo-Soviet economic, scientific, and technical cooperation agreement. April 1966.

18. Yugoslavia becomes full contracting party to GATT. April 1966.

19. De Gaule's visit to the USSR. June 1966.

20. Franco-Soviet space research agreement. June 1966.

21. Franco-Soviet scientific, technical, and economic agreement. June 1966.

22. Fiat-Soviet agreement for construction of a Fiat factory in Russia. August 1966.

23. Renault and Peugeot agreements with USSR regarding cooperation with Soviet motor industry. October 1966.

24. Kosygin's visit to France. December 1966.

25. Establishment of joint Franco-Soviet permanent commission. December 1966.

27. Establishment of joint Franco-Soviet chamber of commerce. December 1966.

28. North Atlantic Ministerial Council declaration emphasizing a willingness to explore ways of developing cooperation with the USSR and the states of Eastern Europe. December 1966.

29. Franco-Soviet atomic energy cooperation agreement. January 1967.

30. Franco-Soviet trade agreement. January 1967.

31. Kosygin visit to the United Kingdom. February 1967.

32. Fanfani visit to Moscow. May 1967.

33. Italo-Soviet agreement on cooperation in tourism. May 1967.

34. Italo-Soviet consular convention. May 1967.

35. Poland becomes full contracting member of GATT. June 1967.

36. U.K.-USSR establish London-Moscow teleprinter line. August 1967.

37. Harmel Report of North Atlantic Council proposes discussion of mutual and balanced force reductions in Central Europe. December 1967.

38. Announcement of plans for joint Franco-Soviet space research. January 1968.

39. Prime Minister Wilson's visit to the USSR. January 1968.

40. U.K.-USSR scientific and technological agreement.

41. NATO declaration calling for discussions of mutual and balanced force reductions. June 1968.

42. Signature of the non-proliferation treaty on nuclear weapons. July 1968.

43. Natural gas delivery contract consummated between the State of Bavaria and the USSR. September 1968.

44. U.K.-USSR civil air agreement. December 1969.

45. Franco-Soviet civil air agreement. December 1969.

46. Italo-Soviet long-term agreement on the supply of Soviet natural gas to Italy. December 1969.

47. Soviet-West German agreements on supply of Soviet natural gas to West Germany. February 1970.

48. Opening in Vienna of U.S.-USSR negotiations on strategic arms limitation (SALT). April 1970.

49. NATO declaration on mutual and balanced force reductions. May 1970.

50. Signing of non-aggression treaty between the Federal Republic of Germany and the Soviet Union. August 1970.

51. President Pompidou's visit to the USSR. October 1970.

52. Signing of Franco-Soviet protocol on Franco-Soviet political cooperation. October 1970.

53. Signing of treaty of normalization of relations between the Federal Republic of Germany and Poland. December 1970.

54. Creation of a new basis for SALT negotiations. May 1971.

55. Ouster of hard-line East German Communist leader, Walter Ulbricht. May 1971.

56. Resumption of SALT negotiations. July 1971.

57. Soviet-West German agreement to open consulates in Hamburg and Leningrad. July 1971.

58. Signature of first part of quadripartite agreement on Berlin. September 1971.

59. Chancellor Brandt's visit to the USSR. September 1971.

60. U.S.-USSR agreement on exchanging information on certain missile testing activities. September 1971.

61. U.S.-USSR agreement on improving the "hot line" between Washington and Moscow. September 1971.

62. Secretary Brezhnev's visit to France. October 1971.

63. Franco-Soviet agreement on economic, technical and industrial cooperation. October 1971.

64. Romania becomes a full contracting party to GATT. November 1971.

65. Soviet-West German civil air agreement. November 1971.

66. Ratification by the West German parliament of the West German treaties with the Soviet Union and Poland. May 1972.

67. President Nixon's visit to Moscow. May 1972.

68. U.S.-USSR agreement on cooperation in the exploration of outer space. May 1972.

69. U.S.-USSR agreement on cooperation in solving problems of the environment. May 1972.

70. U.S.-USSR agreement on joint efforts in the field of medical science and public health. May 1972.

71. U.S.-USSR agreement on expanded cooperation in science and technology and the establishment of a joint commission for this purpose. May 1972.

72. U.S.-USSR agreement on cooperation between the American and Soviet navies to reduce the chances of dangerous incidents. May 1972.

73. Signing of the SALT Treaty. May 1972.

74. Signing of the final quadripartite agreement on Berlin. June 1972.

75. U.S.-USSR three year agreement on the export of U.S. agricultural commodities (especially wheat and feed grains). July 1972.

76. Settlement of USSR lend-lease obligations. October 1972.

77. U.S.-USSR maritime agreement. October 1972.

78. Signing of U.S.-USSR Commercial treaty. October 1972.

79. Quadripartite declaration supporting East and West German membership in the United Nations. November 1972.

80. Signing of the basic treaty on relations between the Federal Republic of Germany and the German Democratic Republic. December 1972.

81. Opening of preparatory talks in Vienna for negotiations on mutual and balanced force reductions. January 1973.

82. Soviet-West German 10-year agreement on the development of economic, industrial, and technical cooperation, and cultural educational exchanges, May 1973.

[16] Hearings on "Assignment of Ground Forces of the United States to Duty in the European Areas," February, 1951, Committee on Foreign Relations and Committee on Armed Services, U.S.S., 82nd, 1st Sess.

[17] "Saturday Evening Post," October 26, 1973, page 27.

[18] House Foreign Affairs Hearings, July, 1973, 93rd Cong., 1st Sess.

[19] It was with disbelief that I read the newspaper reports of President Nixon's recent visit with President Pompidou of France in Iceland and the reports that President Pompidou told President Nixon that France would fight the removal of any U.S. troops from Europe, even if done in the context of the so-called "MBFR."

Here is the President of one of the great countries of Western Europe which removed all their troops from the NATO Command in 1967 which has refused to participate in the military aspects of NATO since that time, which responded very early to the changed circumstances of Europe—its political and economic health vis-a-vis the East, telling the President of the United States that France would protest the removal of any American troops from the NATO Command in Europe.

It is statements of this character that makes one wonder about the viability of U.S. European policy on forces in Europe. "Washington Post," June 1, 1973; June 28, 1973. See also Address by Michel Jobert, French Minister of Foreign Affairs, Before the National Assembly, June 19, 1973.

[20] The Military Balance 1972–1973," International Institute of Strategic Studies, London, England, pg. 90. See also Testimony Joint Committee on Atomic Energy, Subcommittee on Military Applications, April 16, 1973, 93rd Cong., 1st Sess.

[21] "The NATO military objectives are deterrence and defence. Yet NATO, and the United States in particular, maintain all-purpose, *offensive*-oriented, expeditionary-style forces that do not provide the desired deterrence because of their low *initial* combat capability and their destabilizing tactical nuclear posture. A force structure oriented for deterrence and defence can be bought at much less than present cost—as Soviet forces in East Germany prove. *Adjusted* (equal front-line platoon strength, defined as infantry, tank, cavalry, and anti-tank) peacetime division slices (the division itself plus its share of non-divisional support personnel) total *approximately 42,000 for American forces in West Germany; but only 18,500 for Soviet forces.*" "The Wasteful Ways of NATO," Steven L. Canby, *Survival*, Vol. XV, No. 1, Jan.-Feb., 1973, Institute Strategic Studies, London, England.

[22] Testimony of Secretary Rush, House Foreign Affairs, July 10, 1973, 93rd Congress, 1st Sess.

[23] Testimony of Administration witnesses, House Foreign Affairs, July 10, 11, 12, 1973, 93rd Congress, 1st Sess.

** I use the familiar abbreviation, MBFR, throughout, even though the more proper abbreviation since the preliminary talks is MFR. See: Final Communique of Preparatory Consultations.

[24] Most recent statement of Secretary of Defense Schlesinger that the U.S. is doing more than its fair share in Europe. House Foreign Affairs, July 1973, 93rd Congress, 1st Sess.

[25] The communique announcing the intention to meet on October 30th issued by the countries involved managed to lose the word "balance." When the Senate last voted on a proposed amendment to reduce U.S. forces in Europe, the distinguished Chairman of the Armed Services Committee received a letter from President Nixon stating his opposition to the amendment partly on the grounds that "we expect that Mr. Borsio will be received in Moscow next week to begin discussions on basic issues of mutual and balanced force reductions."

I do not myself doubt that this letter from the President naturally had great weight with our colleagues. But Mr. Brosio never got to Moscow and preliminary discussions on MBFR did not begin until this past January, 14 months after that letter.

[26] "Mutual and Balanced Force Reductions," Library of Congress Study, 73–36F, February 2, 1973.

[27] There are 19 countries participating in MBFR. See Appendix E.

[28] I only wish that the classic argument of doing things in unison with the Soviet Union would be applied when it comes to the stationing of U.S. forces on foreign soil. According to figures published by the International Institute of Strategic Studies, the Soviet Union has about 15,000 troops stationed outside the Soviet territory and Eastern Europe, whereas the United States has about 300,000 military forces scattered around the world, outside the U.S. and Europe. A parity with the Soviet Union in this area would be a significant and constructive start towards bringing America home again.

In its Eastern European satellites, USSR has stationed 330,000 USSR troops. See New York Times, July 20, 1973. The total USSR troops outside of Soviet soil is therefore 345,000.

[29] See Louis J. Halle, *The Cold War as History* (New York 1967).

[30] Testimony of William J. Casey, Under Secretary of State for Economic Affairs, House Foreign Affairs Committee, July 12, 1973, 93rd Cong., 1st Sess.

[31] *See* David P. Calleo, *The Atlantic Fantasy* (Johns Hopkins Press 1970).

APPENDIX A

U.S. MILITARY STRENGTH OUTSIDE THE UNITED STATES AS OF MARCH 31, 1973

Total Outside the United States	606,000
U.S. Territories and Possessions	42,000
Foreign Countries	564,000
Selected Areas, Southeast Asia	63,000
Thailand	45,000
Afloat	18,000
Western Pacific	164,000
Japan	18,000
Philippines	15,000
Ryukyus Islands	40,000
South Korea	42,000
Taiwan	9,000
Afloat	40,000
Other Areas	66,000
Bermuda	1,000
Canada	2,000
Cuba	3,000
Guam	17,000
Panama Canal Zone	10,000
Puerto Rico	7,000
Afloat	16,000
Other	10,000
Western Europe and Related Areas	313,000
Belgium	2,000
Germany	228,000
Iceland	3,000
Italy	10,000
Greece	3,000
Morocco	1,000
Netherlands	2,000
Portugal	2,000
Spain	9,000
Turkey	7,000
United Kingdom	21,000
Afloat	23,000
Other	2,000

LESS THAN 250

Antarctica, Bahamas, Bahrain, Leeward Islands, New Zealand, Norway, Saudi Arabia, South Vietnam.

LESS THAN 1,000

Australia, Cyprus, Ethiopia, Greenland, Iran, Johnston Island, Midway Island.

All other countries: Less than 100 U.S. military personnel.

OSAD (COMPTROLLER),
Directorate for Information Operations.

U.S. MILITARY STRENGTH OUTSIDE THE UNITED STATES AS OF DECEMBER 31, 1972

Total Outside the United States	635,000
U.S. Territories and Possessions	42,000
Foreign Countries	593,000
Selected Areas, Southeast Asia	97,000
South Vietnam	24,000
Thailand	43,000
Afloat	30,000
Western Pacific	162,000
Japan	20,000
Philippines	15,000
Ryukyus Islands	42,000
South Korea	38,000

U.S. MILITARY STRENGTH OUTSIDE THE UNITED STATES AS OF DECEMBER 31, 1972—Cont.

Taiwan	9,000
Afloat	38,000
Other Areas	69,000
Bermuda	1,000
Canada	2,000
Cuba	3,000
Ethiopia	1,000
Guam	17,000
Panama Canal Zone	10,000
Puerto Rico	6,000
Afloat	16,000
Other	13,000
Western Europe and Related Areas	307,000
Belgium	2,000
Germany	221,000
Iceland	3,000
Italy	10,000
Greece	3,000
Morocco	1,000
Netherlands	2,000
Portugal	1,000
Spain	9,000
Turkey	7,000
United Kingdom	21,000
Afloat	24,000
Other	3,000

LESS THAN 250

Bahamas, Bahrain, Johnston Island, Leeward Islands, New Zealand, Norway, Saudi Arabia.

LESS THAN 1,000

Antarctica, Australia, Cyprus, Greenland, Iran, and Midway Island.

All other countries: Less than 100 U.S. military personnel.

OASD (COMPTROLLER),
Directorate for Information Operations.

APPENDIX B

DEPARTMENT OF DEFENSE—MILITARY AND CIVILIAN DEPENDENTS LOCATED IN ALASKA, HAWAII, U.S. TERRITORIES, AND FOREIGN COUNTRIES, AS OF SEPT. 30, 1972

	Total dependents				Dependents of active duty military personnel					Dependents of U.S. citizen civilian employees [1]				
	DOD total	Army	Navy and Marine Corps	Air Force	DOD total	Army	Navy	Marine Corps	Air Force	DOD total	Army	Navy	Air Force	OSD-JCS and other defense activities
Total	465,779	170,683	91,356	202,950	437,198	155,648	69,547	14,395	197,608	28,581	15,035	7,414	5,342	790
Alaska	36,915	14,985	1,430	20,491	34,557	13,905	1,158	64	19,430	2,358	1,080	208	1,061	9
Hawaii	63,451	14,182	31,197	17,964	60,410	13,091	20,327	9,028	17,964	3,041	1,091	1,832		118
U.S. territories	31,342	6,946	11,296	12,906	28,121	6,012	8,848	618	12,643	3,221	934	1,830	263	194
Guam	12,153	12	7,149	4,987	10,645	12	5,473	173	4,987	1,508		1,503		5
Johnston Island	17			17	17				17					
Midway Island	742		733	9	723		714		9	19		19		
Panama Canal Zone	12,299	6,934	755	4,421	10,948	6,000	533	106	4,309	1,351	934	116	112	189
Puerto Rico	6,089		2,618	3,471	5,746		2,114	312	3,320	343		192	151	
Samoa (American)	26		26		26		7	19						
Virgin Islands	14		15		15		7	8						
Wake Island	1			1	1				1					
Foreign countries and areas	334,071	134,570	47,443	151,589	314,110	122,640	39,214	4,685	147,571	19,961	11,930	3,544	4,018	469
Afghanistan	17	17			17	17								
Argentina	46		21	25	46		14	7	25					
Australia	1,241	5	623	613	1,221	5	588	15	613	20		29		
Austria	42	38	1	3	41	37		1	3	1	1			
Bahamas	152		152		152		152							
Bahrain	246		246		246		237	9						
Barbados	85		85		85		85							
Belgium	3,039	1,795	200	1,014	2,792	1,578	186	14	1,014	247	217			30
Bermuda	1,127		1,127		732		680	52		395		395		
Bolivia	118	63	1	45	99	53		1	45	19	10			9
Brazil	170	28	64	46	115	6	54	9	46	55	22	1		32
Burma	12	3	9		12	3	4	5						
Cambodia	6	3	3		6	3	3							
Canada	3,190		674	2,498	3,047		561	50	2,436	143		63	62	18
Canary Islands	3		3		3			3						
Cape Verde Islands	4		4		4			4						
Chile	39		19	12	31		12	7	12	8				8
Colombia	98	50	16	19	72	37	8	8	19	26	13			13
Congo (Brazzaville)	2	2			2	2								
Costa Rica	23	17	3		17	14		3		6	3			3
Cuba	1,215		1,215		1,054		881	173		161		161		
Cyprus	282	5	277		282	5	208	69						
Czechoslovakia	4	1	3		4	1		3						
Denmark	69	19	16	31	66	19	13	3	31	3				3
Dominican Republic	81	26	43	9	75	23	31	12	9	6	3			3
Ecuador	41	18	11		13	2	6	5		28	16			12
El Salvador	28	3	5	16	21			5	16	7	3			4
Ethiopia (including Eritrea)	1,160	591	468	101	1,149	580	461	7	101	11	11			
Finland	39	25	14		39	25	11	3						
France	190	120	56	14	170	101	51	5	13	20	19		1	
Germany (including West Berlin)	151,019	103,180	1,579	46,102	143,580	97,067	1,406	144	44,963	7,439	6,113	29	1,139	158
Ghana	7	7			7	7								
Gibraltar	1,326	16	1,310		1,323	13	1,310			3	3			
Greece (including Crete)	2,237	131	51	2,051	2,048	105		23	1,920	189	26	28	131	4
Guatemala	988	84	886	18	988	84	881	5	18					
Honduras	34	22		7	25	18			7	9	4			5
Hong Kong	64	17	47		64	17	33	14						
Hungary	8	7	1		8	7	1							
Iceland	2,087		1.425	662	1,990		1,295	33	662	97		97		
India	57	23	28	6	57	23	22	6	6					
Indonesia	50	5	45		50	5	31	14						
Iran	770	287	24	454	764	286	24		454	6	1			5
Ireland (Eire)	509	15	476	18	509	15	470	6	18					
Israel (including Jerusalem)	21	11	10		21	11	8	2						
Italy (including Sicily and Sardinia)	14,209	3,101	4,790	6,318	13,324	2,612	4,322	171	6,219	885	489	297	99	
Ivory Coast	7	5	2		7	5		2						
Jamaica	9		9		9		5	4						
Japan	23,976	4,751	8,504	10,701	21,699	3,871	6,209	1,248	10,371	2,277	880	1,047	330	20
Jordan	14	4	1	9	14	4		1	9					
Kenya	3		3		3			3						
Laos	28	18	10		28	18	9	1						
Lebanon	85	54	27	1	79	51	14	13	1	6	3			3
Leeward Islands	115		115		115		115							
Liberia	62	36	26		62	36	20	6						
Luxembourg	41	39	2		7	5		2		34	34			
Malawi	12	11	1		12	11		1						
Malaya, States of	32	24	7		31	24		7		1				1
Malta	10		10		10		10							
Marshall Islands	33	29			2	2				31	27			4
Mexico	87		81		81		48	33		6				6
Morocco	2,073	34	1,982	57	1,980	17	1,806	100	57	93	17	76		
Nepal	5	5			5	5								
Netherlands	2,790	635	34	2,121	2,671	601	26	8	2,036	119	34		85	
Netherland Antilles	3		3		3		3							
New Zealand	316	5	131	180	316	5	123	8	180					

APPENDIX B—Continued

DEPARTMENT OF DEFENSE—MILITARY AND CIVILIAN DEPENDENTS LOCATED IN ALASKA, HAWAII, U.S. TERRITORIES, AND FOREIGN COUNTRIES, AS OF SEPT. 30, 1972—Con.

	Total dependents				Dependents of active duty military personnel					Dependents of U.S. citizen civilian employees [1]				
	DOD total	Army	Navy and Marine Corps	Air Force	DOD total	Army	Navy	Marine Corps	Air Force	DOD total	Army	Navy	Air Force	OSD-JCS and other defense activities
Nicaragua	46	32	2	8	37	27		2	8	9	5			4
Nigeria	29	27	2		29	27		2						
Norway	502	113	49	340	489	100	39	10	340	13	13			
Pakistan	12	5	4	3	12	5	4		3					
Panama, Republic of	2,270	1,594	32	641	2,051	1,410		32	609	219	184		32	3
Paraguay	355	27	293	19	326	14	286	7	19	29	13			16
Peru	34		13	8	21		8	5	8	13				13
Philippines	20,040	154	7,900	11,978	19,095	148	6,905	369	11,673	945	6	626	305	8
Poland	18	11	7		18	11	5	2						
Portugal (including Azores)	2,852	56	404	2,392	2,652	53	351	3	2,255	190	3	50	137	
Rumania	14	7	7		14	7	4	3						
Ryukyu Islands	25,860	9,538	2,063	14,259	22,872	7,075	883	1,151	13,763	2,988	2,463	29	496	
Saudi Arabia	86	60	4	22	50	24	4		22	36	36			
Senegal	12		12		12		9	3						
Singapore	45	6	14	22	31	6	9	1	15	14		4	7	3
Somali Republic	2	2			2	2								
South Africa	22	8	14		22	8	13	1						
South Korea	4,296	2,820	227	1,239	3,720	2,357	73	80	1,210	576	463	74	29	10
South Vietnam	20	1	13	6	20	1	9	4	6					
Spain	13,282	332	4,840	8,102	12,452	72	4,395	182	7,803	830	260	263	299	8
Sri Lanka (Ceylon)	10		10		10		8	2						
Sweden	30	21	9		30	21	7	2						
Switzerland	26	13	13		26	13		13						
Taiwan	5,853	822	983	3,977	5,691	782	882	50	3,977	162	100	51		11
Thailand	4,202	1,816	284	2,084	4,079	1,807	155	68	2,049	123	9	61	35	18
Trinidad and Tobago	18		18		14		11	3		4		4		
Tunisia	36	8	7	21	36	8		7	21					
Turkey	7,216	831	157	6,228	7,013	769	144	13	6,087	203	62		141	
United Arab Republic (Egypt)	36		36		38		28			8		8		
United Kingdom	30,668	713	2,930	27,013	29,446	349	2,491	279	26,327	1,222	364	160	686	12
Uruguay	24		11	13	24		6	5	13					
U.S.S.R. (Soviet Union)	49	21	25		46	21	18	7		3				3
Venezuela	77	13	23	22	58	13	11	12	22	19				19
Yugoslavia	29	20	9		29	20	5	4						
Zaire (Congo)	76	48	1	27	76	48		1	27					
Undistributed	68	6	48	14	64	6	14	34	10	4			4	

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[1] Dependents of employees paid from appropriated funds. Data for Alaska, Hawaii and U.S. territories exclude dependents of U.S. citizen civilian employees who are permanent residents and who are employed in the State or territory of their residence.

APPENDIX C

DEPARTMENT OF DEFENSE

CIVILIAN PERSONNEL BY COUNTRY, AS OF DEC. 31, 1972

	Department of Defense				Army			Navy			Air Force			
		Direct hire		Indirect hire—foreign nationals	Direct hire		Indirect hire—foreign nationals	Direct hire		Indirect hire—foreign nationals	Direct hire		Indirect hire—foreign nationals	OSD JCS and other defense activities
	Total civilian personnel	U.S. citizens	Foreign nationals		U.S. citizens	Foreign nationals		U.S. citizens	Foreign nationals		U.S. citizens	Foreign nationals		
Worldwide total	1,189,030	1,012,380	69,322	107,328	364,164	34,820	77,709	319,060	20,761	11,178	260,809	13,363	18,392	68,774
United States	977,971	977,971			346,358			310,728			252,925			67,960
Alaska	5,465	5,465			2,602			157			2,684			22
Hawaii	19,888	19,888			5,793			10,722			3,285			88
Other 48 States and District of Columbia	952,618	952,618			337,963			299,849			246,956			67,850
U.S. territories	12,750	9,080	[1] 3,670		1,737	2,372		5,163	560		2,096	706		[1] 116
Guam	4,840	4,576	264					3,759	249		814	15		3
Midway Island	57	57						33			24			
Panama Canal Zone	4,646	1,243	3,403		828	2,372		159	308		182	691		106
Puerto Rico	3,199	3,196	3		909			1,212	3		1,068			7
Wake Island	8	8									8			
Foreign countries and areas	198,309	25,329	[1] 65,652	[2] 107,328	16,069	32,448	77,709	3,169	20,201	11,178	5,788	12,657	18,392	[1, 2] 698
Afghanistan	3		3											3
Argentina	17	5	12		1	7		2						7
Australia	316	27	289					25	288		2			1
Austria	6	2	4											6
Bahamas	3	3						3						
Bahrain	68	43	25		43				25					
Belgium	811	328	10	473	289	6	473							43
Bermuda	458	236	222					236	222					
Bolivia	20	6	14		3	8								9
Brazil	55	16	39		6	26		1	2					20
Bulgaria	3	1	2											3
Burma	4	1	3											4
Cambodia	7	1	6											7
Canada (including Newfoundland)	951	135	816			4		78	127		48	661		33
Chad	1		1											1
Chile	15	3	12			4								11
Colombia	14	4	10		1	6								7
Costa Rica	3	1	2			1								2
Cuba	1,130	253	877					253	877					
Cyprus	1		1											1
Czechoslovakia	3	2	1											3
Denmark	27	9	18		7	6						7		7
Dominican Republic	7	1	6			3								4
Ecuador	5	3	2											5

		Department of Defense			Army			Navy			Air Force			
		Direct hire		Indirect hire—	Direct hire		Indirect hire—	Direct hire		Indirect hire—	Direct hire		Indirect hire—	OSD-JCS and other
	Total civilian personnel	U.S. citizens	Foreign nationals	foreign nationals	U.S. citizens	Foreign nationals	foreign nationals	U.S. citizens	Foreign nationals	foreign nationals	U.S. citizens	Foreign nationals	foreign nations	defense activities
Foreign countries and areas—Continued														
El Salvador	5	1	4			3								2
Ethiopia (including Eritrea)	495	34	461		31	394		3	65					2
Finland	6	1	5											6
France	37	21	14	2	13	7	2				2			13
Germany	73,437	11,013	39	62,385	9,734	32	54,449	12		55	1,188		7,871	96
Ghana	1		1											1
Greece (including Crete)	611	132	43	436	61	37	2	24		92	42		342	11
Guatemala	7	1	6			4								3
Haiti	1		1											1
Honduras	6	2	4			3								3
Hong Kong	13		13											13
Hungary	4	1	3											4
Iceland	703	134	569					128	550		6	19		
India	21	1	20					1	7			6		7
Indonesia	31	4	27		3			1	21					6
Iran	202	21	181		16	176					1			9
Ireland	1		1											1
Israel (including Jerusalem)	4	1	3								1			3
Italy (including Sicily and Sardinia)	3,241	811	2,430		565	1,013		179	815		63	596		10
Ivory Coast	2		2											2
Jamaica	1		1											1
Japan	[3] 45,020	5,581	1,424	38,015	2,124	72	18,871	1,063	1,344	10,398	2,381		8,734	33
Jordan	8		8			3						3		2
Laos	3	1	2		1									2
Lebanon	6	1	5									2		4
Leeward Islands	3	3						3						
Liberia	11		11			5						5		1
Luxembourg	14	14			14									
Malagasy Republic	1		1											1
Malawi	1		1											1
Malaya, States of	2	1	1											2
Malta	1		1											1
Marshall Islands	66	66			66									
Mexico	5	1	4											5
Morocco	694	111	11	572	47	6		64	1	572				4
Nepal	2		2											2
Netherlands	410	136	8	266	107	4	202				27		64	6
New Zealand	1		1											1
Nicaragua	5	1	4			2								3
Nigeria	4		4			1						1		2
Norway	69	31	38		30	5						29		5
Pakistan	21		21						8			7		6
Panama	2	1	1			1								1
Paraguay	9	4	5			3								6
Peru	16	6	10			3								13
Philippines	16,554	1,146	15,408		5	81		392	12,825		745	2,497		9
Poland	8	3	5											8
Portugal (including Azores)	1,136	214	922		3	7		93	22		117	879		5
Rumania	4	1	3											4
Saudi Arabia	32	11	21		1	16					10	4		1
Senegal	1		1											1
Seychelles Islands	1	1			1									
Singapore	42	20	22					12	15		8	3		4
South Africa, Republic of	5		5											5
South Korea	16,885	1,130	12,111	3,644	850	10,724	3,644	93	241		180	1,142		11
South Vietnam	18,103	571	17,532		426	16,456		98	352		24	713		34
Spain (including Balearic Islands)	2,609	744	1,865		408	59		146	1,071		183	730		12
Sri Lanka (Ceylon)	1		1											1
Sweden	7	2	5											7
Switzerland	5	3	2											5
Taiwan	1,934	254	1,680		65	205		69	645		115	825		10
Islands:														
Thailand	7,020	266	6,727	27	105	2,444		69	257		83	4,013		49
Trinidad and Tobago	1	1						1						
Tunisia	6	2	4		2	3								1
Turkey	996	379	617		259	115					120	498		4
United Arab Republic (Egypt)	106	4	102					4	102					
United Kingdom	3,553	1,249	796	1,506	713	479	66	113	309	61	412		1,381	19
Uruguay	10	1	9			5								5
USSR (Soviet Union)	16	4	12											16
Venezuela	13	5	8		1	3								9
Yugoslavia	4	1	3											4
Laire (Congo)	9	1	8		1	6								2
Undistributed	117	100	17		67			3			30	17		

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[1] Includes 32 and 346 Direct Hire Foreign Nationals of OSD and Other Defense Activities in territories and foreign countries respectively.

[2] Includes 49 Indirect Hire Foreign Nationals of Other Defense Activities.

[3] Includes civilians located in the Ryukyus.

APPENDIX D

NATO AND SOME NATO SEGMENTS' TRADE WITH EASTERN EUROPE AND THE U.S.S.R.—1951-72

[In millions of dollars]

	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961
NATO [1] total exports [2] with Eastern Europe	515.7	522.4	551.1	769.3	887.5	1,159.9	1,303.7	1,368.1	1,497.8	1,925.3	1,896.9
NATO total imports with Eastern Europe	753.8	695.8	681.7	829.5	1,101.6	1,279.4	1,410.2	1,450.2	1,692.2	1,978.0	2,089.7
NATO total exports with U.S.S.R	129.0	184.1	164.6	237.2	243.5	415.3	412.3	444.7	418.0	672.8	761.1
NATO total imports with U.S.S.R	283.2	294.4	240.4	308.5	407.8	452.0	463.9	532.6	672.2	876.4	989.3
U.S. total exports with Eastern Europe	2.8	1.1	1.8	6.1	7.0	11.2	86.2	113.3	89.3	193.4	133.4
U.S. total imports with Eastern Europe	63.8	39.6	36.4	42.4	56.0	65.5	61.3	62.6	80.9	81.0	81.1
U.S. total exports with U.S.S.R	.1	(*)	(*)	.2	.3	3.8	3.6	3.4	7.4	39.3	45.6
U.S. total imports with U.S.S.R	27.4	16.8	10.8	11.9	17.1	24.5	16.5	17.5	28.6	22.6	23.2

Footnotes at end of table.

APPENDIX D—Continued

NATO AND SOME NATO SEGMENTS' TRADE WITH EASTERN EUROPE AND THE U.S.S.R.—1951–72—Continued

[In millions of dollars]

	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961
European NATO total exports with Eastern Europe	512.3	520.7	548.8	757.2	869.8	1,083.6	1,186.2	1,231.6	1,371.1	1,695.1	1,669.8
European NATO total imports with Eastern Europe	683.6	648.8	640.4	783.1	1,040.7	1,203.9	1,338.4	1,377.6	1,598.9	1,883.7	1,992.9
European NATO total exports with U.S.S.R.	128.9	184.1	164.6	232.0	240.5	386.5	397.2	421.8	397.3	625.0	691.3
European NATO total imports with U.S.S.R.	255.3	279.2	228.7	295.9	390.1	426.5	544.5	513.4	641.2	850.5	968.4

	1962	1963	1964	1965	1966	1967	1968	[3] 1969	[3] 1970	[3] 1971	[3][4] 1972
NATO total exports with Eastern Europe	2,144.6	2,258.5	2,835.7	2,779.7	3,397.0	3,667.5	3,956.1	4,436.3	5,194.9	5,712.3	7,477.7
NATO total imports with Eastern Europe	2,214.7	2,480.0	2,574.0	3,956.9	3,449.1	3,686.6	3,914.7	4,340.9	4,948.8	5,599.6	6,609.3
NATO total exports with U.S.S.R.	758.9	792.5	1,023.7	826.1	925.8	1,049.8	1,294.4	1,415.2	1,689.3	1,738.2	2,413.3
NATO total imports with U.S.S.R.	1,043.5	953.8	918.7	1,149.9	1,274.4	1,385.0	1,466.0	1,581.8	1,724.2	1,860.5	2,066.9
U.S. total exports with Eastern Europe	125.1	166.4	339.1	139.4	198.0	195.2	216.8	249.3	353.3	384.0	818.2
U.S. total imports with Eastern Europe	78.9	80.6	98.8	137.4	178.6	177.1	198.3	195.1	225.5	222.7	320.1
U.S. total exports with U.S.S.R.	20.1	22.9	146.4	44.4	41.7	60.2	57.5	105.5	118.4	161.8	546.7
U.S. total imports with U.S.S.R.	16.2	21.2	20.8	42.6	49.5	41.1	58.1	51.5	72.3	57.6	95.5
European NATO total exports with Eastern Europe	1,974.0	1,912.6	2,054.2	2,357.9	2,833.5	3,304.7	5,612.3	4,162.3	4,688.6	5,161.9	[5] 6,308.4
European NATO total imports with Eastern Europe	2,120.1	2,380.5	2,449.8	2,879.0	3,220.6	3,436.8	3,645.4	4,075.6	4,658.7	5,297.6	6,187.9
European NATO total exports with U.S.S.R.	735.7	630.4	584.5	598.8	587.6	870.4	1,154.1	1,399.6	1,473.7	1,451.0	1,801.8
European NATO total imports with U.S.S.R.	1,025.6	930.4	895.3	1,098.2	1,214.1	1,322.7	1,387.9	1,518.9	1,648.1	1,790.4	1,956.0

[1] All NATO member countries.

[2] East European Communist countries.

[3] Trade data with Albania excluded.

[4] Preliminary.

[5] Greece and Turkey trade computed at 1971 levels.

* Insignificant amount.

Note: Differences in the valuation of trade appear in various statistical series. Their relative value in relation to the totals shown here, however, is insignificant in the process of abstracting trends from this summary table.

Sources: Department of Commerce trade statistics, OECD trade statistics and assistance from Miss Lucie Kornei, Department of State, REU. Dario Scuka, analyst in international trade and finance, May 24, 1973.

Appendix E

Record of Plenary Meeting of the Preparatory Consultations Held in Vienna on Monday, May 14, 1973 at 10:30 A.M.

Chairman (Mr. J. A. Thomson). We have gathered to resolve the question of participation and procedures. In this connection we, as I understand, are to hear nine points and four statements.

Mr. O. N. Khlestov. 1. Representatives of the following states are the participants in the preparatory consultations related to Central Europe which began in Vienna on January 31, 1973:

The Kingdom of Belgium
The People's Republic of Bulgaria Canada
The Czechoslovak Socialist Republic
The Kingdom of Denmark
The German Democratic Republic
The Federal Republic of Germany
The Kingdom of Greece
The Hungarian People's Republic
The Italian Republic
The Grand Duchy of Luxembourg
The Kingdom of the Netherlands
The Kingdom of Norway
The Polish People's Republic
The Socialist Republic of Romania
The Republic of Turkey
The Union of Soviet Socialist Republics
The United Kingdom of Great Britain and Northern Ireland
The United States of America.

2. Representatives of the following states, which are potential participants in possible agreements related to Central Europe, will take the necessary decisions by consensus:

The Kingdom of Belgium
Canada
The Czechoslovak Socialist Republic
The German Democratic Republic
The Federal Republic of Germany
The Grand Duchy of Luxembourg
The Kingdom of the Netherlands
The Polish People's Republic
The Union of Soviet Socialist Republics
The United Kingdom of Great Britain and Northern Ireland
The United States of America

If another state wishes to be included among the states listed in this paragraph and this is agreed by consensus of the representatives of the states listed in this paragraph, it may be so included. Such inclusion in negotiations or decisions related to Central Europe could either be general or, if so agreed, could be for the limited purpose of taking part in a particular decision or decisions relating to this subject. It is understood that such additional participation in decisions, agreements, or measures would be without prejudice to the security of any of the parties.

3. The following states will participate with a special status:

The People's Republic of Bulgaria
The Kingdom of Denmark
The Kingdom of Greece
The Hungarian People's Republic
The Italian Republic
The Kingdom of Norway
The Socialist Republic of Romania
The Republic of Turkey.

4. All participants will be seated as listed in paragraph 3 according to the English version.

5. The chairmanship will rotate from meeting to meeting among the representatives of the states listed in paragraph 2 in the order set forth in the English version. The first chairman will be drawn by lot.

6. All participants will have the right to speak and to circulate papers on the subject matter.

7. The meetings will be open only to the participants.

8. Following the opening statements, proceedings and documents of the meetings will be confidential except for those matters on which it is agreed in advance that another procedure will be followed. There will be no official records of meetings except as otherwise agreed.

9. The official languages will be English, French, German, and Russian.

Mr. B. Quarles van Ufford. The representatives of Belgium, Canada, the Federal Republic of Germany, Luxembourg, the Netherlands, the United Kingdom, and the United States of America wish to point out that the arrangements for the participation of Hungary in these consultations are without prejudice to the nature of Hungary's participation in future negotiations, decisions, or agreed measures or to the security of any party, and that, in particular, the question of how and to what extent Hungary will be included in future decisions, agreements, or measures must be examined and decided during the pending negotiations.

Mr. E. Ustor. In connection with the unilateral statement of the representatives of Belgium, Canada, the Federal Republic of Germany, Luxembourg, the Netherlands, the United Kingdom, and the United States of America the representative of the Hungarian People's Republic wishes to state the following:

As the representatives of Hungary and of other socialist states have explained during the course of the consultations, Hungary could consider participation in possible decisions, agreements, or measures only if the appropriate conditions are fulfilled.

Mr. B. Quarles van Ufford. It is understood that the arrangement on participation and procedures being adopted today will also be applied in the forthcoming negotiations.

Mr. O. N. Khlestov. It is agreed that the arrangement on participation and procedures being adopted today will also be applied in the forthcoming negotiations. This does not preclude the possibility of raising the question of inviting other European states to participate in these negotiations as observers.

Chairman (Mr. J. A. Thomson). Are there any objections?

I see none.

It will be so recorded.

THE NEED FOR SAM–D

Mr. McINTYRE. Mr. President, later this week the Senate will consider an amendment to delete the funds recommended by the Armed Services Committee for the SAM–D missile system.

The SAM–D program has been a matter of indepth discussion and debate in recent years. Reservations have been expressed about the need, the cost effectiveness, and other aspects of this program.

The Research and Development Subcommittee of the Senate Armed Services Committee, which I chair, has given thorough and hard consideration to the SAM–D program. The subcommittee and the full Armed Services Committee are convinced that the SAM–D program is a must.

This program offers the best and most effective protection from the air that we can offer our footsoldiers in the future. I, for one, sometimes think we give too little thought to those who risk their necks and their lives out in the front lines. The SAM–D is for their protection.

We will be debating the SAM-D program in some detail when the amendment is before the Senate. But, in the meantime and in partial preparation for that debate I wanted to make my colleagues aware of a very excellent article on the technical aspects of the SAM-D program which appeared in a recent issue of Aviation Weekly.

Mr. President, I ask that this article by Clarence A. Robinson, Jr., be included in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

SAM–D Readied for Firing Tests—Demonstration Equipment Moves to White Sands Next Month for Series of Launchings Leading to Full-Scale Trials in 1974

(By Clarence A. Robinson, Jr.)

Bedford, Mass.—Demonstration equipment for the Army/Raytheon SAM–D surface-to-air defense missile system will be moved in July to the Defense Dept.'s White Sands, N. M., range with fully-guided, closed-loop, target-via-missile tests scheduled for the summer of 1974.

One of the Army's five biggest programs in Fiscal 1974 budget requests, SAM–D is scheduled to replace both the Raytheon MIM-23A Hawk missile and Western Electric Nike Hercules MIM–14B in the 1980s (AW&ST June 4, p. 27).

The Army budget director, Maj. Gen. John A. Kjellstrom, said, "The SAM–D will provide an increased rate of fire by combining the ability to simultaneously engage and defeat multiple aircraft in an increased electronic countermeasures environment. A significant reduction in personnel and maintenance be achieved when compared to the current air defense systems it is designed to replace." He added that the Hercules and Hawk systems, already modified and improved, will not be capable of meeting the threat in the 1980s and beyond.

Sixteen demonstration model firings will be conducted at White Sands, starting in May 1974, and running over a period of approximately 15 months. "The first six flights will not be closed-loop but will be fully monitored closed-loop but will be fully monitored flights. After the first few [tests], target-via-missile [TVM] guidance will be used with full control of the missile from ground equipment," said a Pentagon official.

In November, 1973, according to the official, 10 flights will be conducted using SAM–D control test vehicles with onboard programs for maneuver tests and full aerodynamic vehicles for testing propulsion and programed trajector. Seventeen full-up missiles will be tested with on-board guidance, and the first four will be ground controlled.

"Thiokol has already completed 14 static motor test firings at its Redstone Arsenal installation. HTPB [hydroxyl terminated polybutadiene] propellant is used in the single-stage high-energy propulsion system," explained Floyd T. Wimberly, Raytheon vice president and SAM–D program manager. "Thiokol is under contract to Martin Marietta, which is responsible to Raytheon for the total launcher complex, missile airframe, automatic pilot and control system."

The Thiokol tests included firings at extreme temperatures to meet tactical motor requirements. HTPB, according to Wimberly, "is low cost [and] has improved mechanical properties and aging characteristics."

Shear-spun maraging steel cases are used with the test motors, and the cases are rolled from a single ring forging to offer no longitudinal welds in the one-piece cylinder.

"Martin [Marietta] will have short-burn motor tests at its Orlando, Fla., facility in September, 1973, designed to check the capability of the control unit with actuated fins, speed/range and maneuvers. The tests will offer propellant data, some design modifications of the missile—some have already been accomplished—and an opportunity to do some final computing," added Wimberly. "The short burns will develop chamber pressure and test characteristics of the missile and canister as the missile leaves it."

The system's operating software and integration with the SAM–D hardware systems will be the key to the success of the missile in its present engineering development phase, and according to Wimberly, "It is a tough task that faces us." In the advanced development phase, successfully completed in 1971, integration of the hardware and software components into a fully functioning system was accomplished.

The software programs control:

Operations of the multifunction phased-array radar which detects and establishes a track of targets.

A near realtime situation display for operators to control the system.

Necessary predetermined logic for the large volume of data input from the phased-array radar leading to an engagement decision analysis.

Essential data processing to provide a format for the operators and initiate intercept operations for the missiles when authorized.

Generation of pre-launch data and commands for steering the missile during flight.

Communications to receive data from the battalion commander/coordination group and launcher groups for format and transfer to the hardware for engagement decision. Communications software transmits data and commands to the launcher groups, the command/coordination group and fire section.

"The SAM–D system operates in real-time accomplishment through its phased-array radar and software control. The phased-array radar is no more complex than radars used in other air defense systems," Wimberly said.

He said 5,240 phase shifters, elements used in the array antenna, are the key to the phased-array radar system. "A full-size array antenna has been constructed with the shifters, a driver and beam steering programer in a special test mount to verify pattern and gain characteristics," he added.

The phase shifter is approximately 8.7 in. long and weighs about 4 oz. Its characteristics already demonstrated during the test are:

Zero-deg. to 337.5-deg. phase shift.

22.5-deg. shift increment.

13 w. average to 2,500 w. peak power handling capability.

The phase shifter elements provide SAM–D with a practical method of combining the array radar with a digital computer and signal processing techniques to encompass the functions of an air defense system into a single radar, according to Wimberly.

Switching the beam in space electronically is accomplished in millionths of a second, Wimberly explained, and the radar's changing waveform, dwell time and power can be switched in millionths of a second using digital processing. "Search radar, tracking radar, and missile guidance radar are shared functions accomplished almost simultaneously by the radar. The computer memory can store and retrieve data to keep track of multiple targets while still performing all functions."

"SAM–D can engage in an order of magnitude many targets more than other systems. Even with an aircraft employing defense suppression tactics, including electronic countermeasures, maneuver tactics, anti-radiation missiles and formation flying, SAM–D is far less vulnerable to air attack than present systems," Wimberly said.

The SAM–D systems uses only 238 replaceable microelectronic modules to support all electronic circuitry in the system and 90% of all system electronics. "This compares to 30,000 replaceable parts in the Nike Hercules and Hawk systems," said Wimberly. "The cost of a weapons system is dependent to a great degree on the number of peculiar parts and the cost of each part," Wimberly added.

Standardized electronic assemblies, or modules, for the system have been applied to digital and analog components, A/D converters, power supplies and memories. High-power elements of the radar transmitter, low noise and pulse compression elements of the radar receiver are exclusions. "The entire SAM–D system will require fewer than 3,000 repair parts, with a reduction of this number occurring as we progress in engineering development," Wimberly said.

"The fire section performs the basic functions for air defense with the SAM–D," said Wimberly. A fire section is broken down into a radar, a weapons control unit that houses the computer and two men required to operate the system, and multiple launchers with each containing four missiles.

The launcher systems are located remotely from the radar and control shelter and operate over an established radio data link. No land lines are used with the system, according to Wimberly. "SAM–D's radar has no pattern so that enemy aircraft will not be able to locate the radar by finding launchers," he said. "Movements from one location to another is rapid and can be accomplished in about the same time frame as field artillery relocation."

The exact number of launchers used with a fire section has been given a secrecy classification by the Army, but Raytheon is basing its contract pricing on five launchers per section. More can be used, but "that is a nominal deployment figure," said a Raytheon official.

Six SAM–D fire sections will make up a SAM–D battalion. While fire sections can be deployed independently, the Army does not anticipate operating them separately. Within the battalion, only 33 men are directly involved in the operation of the SAM–D system, according to the Army, and they are employed for maintenance of the system.

"Radar and weapons control units are mounted on standard Army inventory vehicles. The launchers are located in standard vehicles also and deployed remotely about 1 km. [0.621 mi.] away from the radar," said Wimberly. "Even the generators used with the SAM–D are Air Force off-the-shelf equipment. The fire section has three 60-kw. gas turbine generators with a spare in reserve."

A SAM–D battalion is transportable either by USAF/Lockheed C–141 or the Army's heavy lift helicopter (AW&ST May 21, p. 19).

Raytheon is developing SAM–D under a cost incentive contract arrangement that encompasses production unit price goals. They include:

Phased-array radar at a production cost of $2.8 million per copy, based on 125 units. Raytheon estimates it will better that figure.

Launchers at $250,000 per copy, based on a run of 625. The company believes it is very close to that cost now.

Weapons control unit for $887,000 each, based on building 125 units. Raytheon is under that figure now, according to the Army and the company.

Missiles for $90,000 per copy, based on a run of 6,250. Company officials said they will have the biggest struggle in this area. They have not achieved the goal yet but believe they are very close to it.

The missile, said Wimberly, will employ an Army warhead similar to but bigger than the one used on Hawk. "Twenty of the warheads have been fired in ground tests at the Army's Picatinny Arsenal, N.J., where the development of the warhead is being done. A full up SAM–D with the new warhead will be flying by 1975," said Wimberly.

Approximately $557.8 million has been

spent on SAM–D thus far, with about $258.9 million for total expenses in the advanced development phase. The total research, development, test and evaluation costs are estimated at about $1.1 billion with $91 million in management reserve. The total costs for engineering development are estimated at $700 million.

"The SAM–D system will be extremely cost-effective for the Army when comparing it with the systems that it will replace in the air defense inventory," Wimberly explained. "The system minimizes the number of major equipment items and the number of parts necessary for support. It increases firepower at a ratio of 4:1 over present systems while reducing manpower levels to achieve it. Skill levels required of these men are also reduced, saving money spent on training."

The Army added that a major manpower reduction is possible by using advanced technology: Electronic rather than mechanical equipment, radio communications instead of cables, advanced solid-state circuit modules for high reliability with automatic built-in test features to reduce test and maintenance functions. Circuit modules have been standardized throughout the system to reduce the number of special parts by a factor of 10, the Army added. "About 92% of the time," said Wimberly, "the software will locate and isolate problems within the system down to the circuit module level. The modules can be replaced at battery level and they are repairable at depot level. The skill level is much less since no oscilloscope or soldering iron soldiers will be required at battery level.

"The whole system from beginning to operation in the field has been geared to reduce costs," said Wimberly. "A special-purpose computer by Raytheon with a processor designed for SAM–D uses 80% off-the-shelf storage units. The storage capacity is about 750,000 bit words expandable to 1.5 million bit words. The system is a truly advanced state-of-the-art."

Wimberly said that the guidance system, track-via-missile (TVM), is conceptually similar to the Hawk's but is mechanically different and with the phased-array radar can avoid suppression tactics of aircraft. "To reduce costs in a guidance system, the SAM-D does all the processing on the ground instead of in the missile. A pulse Doppler time shared waveform in a missile is too expensive. The idea is to get the missile to a point in space to go into a terminal maneuver. The dual-mode TVM receives mid-course commands directing it to the target after a preprogramed initial turn. In the terminal phase, the guidance system [seeker] acquires the target and relays information to the radar on the ground for final calculations.

TVM can select a single aircraft from a formation and home on it based on its potential threat.

"The airborne guidance system was tested under electronic countermeasures conditions in ground-to-air and air-to-air captive flight tests. To save funds we installed the guidance section in one aircraft and flew another aircraft at it. It provides the needed guidance data and saves destroying the expensive seeker," said Wimberly.

"The Army has been criticized for the increase in costs of the SAM-D program," Wimberly said. The original costs were increased in first quarter Fiscal 1972 by $1.2 billion. More missiles and launchers accounted for about half of this figure. It also included escalated dollars in future years for the first time. About $600 million was added because of the 'then year dollars' required by the Defense Systems Acquisition Review Council in February, 1972, to initiate engineering development.

The Army has presented material on SAM–D to the North Atlantic Treaty Organization, and West Germany has displayed an interest in the system. The Army is interested in a co-production contract with a NATO nation, said Wimberly, but not in a codevelopment deal.

"Most likely SAM-D will have a new name that will be selected from a list prepared by the Army. It also is likely that it will become a corps commander's weapon complemented by forward area anti-aircraft defense systems as gap-fillers at low altitudes. It is certain that the SAM-D concept of a single radar to track and conduct siltaneous launches against multiple targets on a cost-effective basis has been proved," concluded Wimberly.

AMENDMENT NO. 533

The PRESIDING OFFICER. The pending question is on the amendment of the Senator from South Dakota relative to economic conversion. There will be 2 hours of debate on that amendment.

Who yields time?

Mr. McGOVERN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. McGOVERN. On my own time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me for a unanimous consent request?

Mr. McGOVERN. I am happy to yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on this amendment be reduced to 1½ hours instead of the 2 hours originally agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on the Eagleton amendment on the XM tank be reduced to 1½ hours, subject to his approval only, in lieu of the 2 hours originally agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, I call up my amendment No. 533 and ask that it be stated.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk proceeded to read the amendment.

Mr. McGOVERN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 533 is as follows:

On page 26, between lines 22 and 23, insert a new title as follows:

"TITLE VII—ECONOMIC ADJUSTMENT

"Sec. 701. (a) There is hereby established within the Department of Defense an office to be known as the Office of Economic Adjustment (hereinafter in this section referred to as the 'Office'). It shall be the function of the Office to carry out the provisions of this title, under the supervision and control of the Secretary of Defense, and to carry out such other functions as the Secretary of Defense may prescribe.

"(b) There shall be at the head of the Office an officer to be known as the Director of the Office of Economic Adjustment (hereinafter in this section referred to as the 'Director'). The Director shall be appointed by the Secretary of Defense.

"Sec. 702. There are authorized to be appropriated during the fiscal year ending June 30, 1974, the sum of $50,000,000 for use by the Office to assist workers, business firms, and communities which may suffer economic damage as a consequence of reduced expenditure on any defense facility or installation or on any defense project or program being carried out by any business entity. Any amount appropriated under authority of this section shall be in addition to any other funds appropriated to carry out the functions of the Office.

"Sec. 703. (a) At least one hundred and eighty days prior to the closing or substantial curtailment of any military camp, post, station, base, yard, or other installation in the United States employing five hundred or more people, or at any earlier time when the consideration of such action begins, the Secretary of Defense shall notify the Director of such contemplated action.

"(b) Upon such notification, the Office shall immediately begin consulting with appropriate local, State, and Federal officials and with private individuals in communities which may be affected by such closing or curtailment. The Office shall further begin preparing recommendations for alternative productive uses of facilities no longer required by the Department of Defense on such installation and for employment opportunities to replace those to be lost when the installation is closed or curtailed. Such recommendations shall include proposed specific action which should be taken by other agencies of the Federal Government as well as suggestions for actions to be taken by local and State agencies and private groups and individuals.

"(c) Recommendations developed as provided by subsection (b) of this section shall be completed no later than the date on which the military installation is scheduled to be closed or curtailed.

"(d) At the request of appropriate local officials, the Office shall assist in the implementation of economic adjustment plans by providing expert and technical advice and information and by coordinating such plans with other appropriate Federal agencies

"Sec. 704. (a) In negotiating any contract for the procurement of specialized goods or services for the Armed Forces of the United States in which—

"(1) the value of the contract is in excess of $10,000,000, and

"(2) the contract is made with a contractor whose business with the Department of Defense accounts for 25 per centum or more of his total business, including the contract being negotiated,

there shall be included in such contract a provision which requires the contractor, under such rules and regulations as the Secretary of Defense may prescribe, to undertake planning and preparation for the employment of the personnel and utilization of the facilities employed on such contract after the completion of such contract or in the event that such contract is canceled or the work thereunder is curtailed.

"(b) The terms of any such contract shall also require the contractor to supply reports on such planning to the Secretary of Defense and to the Director within sixty days thereafter, until the contract is completed or otherwise terminated.

"(c) The reasonable cost of performing the planning and reporting requirements imposed by this section, including market research, independent studies, and the employment of specialized personnel, may be included as a part of the cost of performing the contract.

"Sec. 705. In performing the duties assigned by this title, the Office is authorized to—

"(1) employ on a temporary basis, or contract with, private firms or individuals with expertise which may be helpful in finding solutions to specific economic adjustment problems, and

"(2) secure the assistance of other Federal agencies, including the Economic Development Administration, the Department of Commerce, and the Department of Labor, which administer economic development programs or conduct activities which might utilize the facilities or employ the manpower that become surplus to the needs of the Department of Defense."

On page 26, line 23, strike out "TITLE VII" and insert in lieu thereof "TITLE VIII".

Renumber sections 701 through 703 as sections 801 through 803, respectively.

Mr. McGOVERN. Mr. President, I call up my amendment No. 533 and ask that it be stated.

This amendment addresses a problem which has concerned me for at least 10 years: How can we smooth out the sharp economic dislocations that are bound to occur whenever a military procurement contract is ended, or whenever a military installation is closed or curtailed?

Neither the Congress or the executive branch has yet come up with a satisfactory answer. And we have learned that painful lesson again this year.

On April 17, with little or no prior warning, the administration announced 274 specific steps to change the status of military installations in the United States and Puerto Rico. A total of 42,800 jobs were eliminated. And that does not describe the full impact. A total of 74,000 jobs were either lost or transferred elsewhere.

That may not be such a large figure on a nationwide basis. But, as is always the case, the impact was concentrated. Just seven States—Rhode Island, Massachusetts, California, Georgia, Texas, Kansas, and Pennsylvania—suffered about 78 percent of the job dislocations announced in April. And the job terminations focus primarily on just 28 cities. They have been dealt an enormous economic blow.

Many of those areas were already in economic trouble when these latest decisions were announced. Most of them have been heavily dependent on the military for a number of years, and some were depressed because of prior base closings or because of declining arms contracts. Two earlier actions of this kind, in October of 1969 and in March of 1970, had already closed a total of 22 major installations, and had eliminated nearly 127,000 jobs.

There are two aspects of these April 1973, actions which I find especially hard to understand.

First, as Senator PELL has pointed out so forcefully in recent months, it is extremely difficult to comprehend why some of the installations were actually being built up and modernized before the 1972 elections, only to be closed soon after the votes were in.

According to an article in the Newport Daily News on May 2 of this year, Undersecretary of the Navy Frank Sanders said the termination of some of these naval stations was the result of a "thoroughly thought-out deliberate decision that was made in 1969."

Yet in his testimony in June before the Military Construction Subcommittee, Senator PELL pointed out that:

> In the last year's budget, fiscal year 1973, you authorized, at the request of the Defense Department, $18,849,000—the largest military construction budget in the history of Rhode Island for the very same military base areas that were about to be closed down.

Senator PELL also referred to a newspaper advertisement from last fall's campaign paid for by the Finance Committee to Re-Elect the President. He said that:

> Many people understandably followed the admonition of this advertisement to the effect that if our State voted for Senator McGOVERN they would lose our Naval bases and their jobs.

Senator PELL continued:

> Accordingly, they voted for President Nixon and still find themselves losing their bases and their jobs.

That is one confusing aspect of this latest series of steps to change the status of military installations in the United States. The odor of political manipulation at the taxpayer's expense is very strong indeed.

I also find it very hard to fathom why the administration decided to carry out these sweeping cutbacks at home, while they are continuing to underwrite similar facilities abroad.

The overall figures are becoming quite well known: more than 2,000 military bases and installations abroad; some 500,000 American troops stationed in other countries, and another 100,000 at sea; more than 173,000 foreign nationals employed on those bases; a net balance-of-payments drain of $1.5 billion from our forces in Europe alone, and of perhaps $5 billion from the worldwide total.

What is more, some of those facilities abroad are virtually identical to installations that were terminated here at home in April.

Senator TUNNEY has pointed out that the carrier U.S.S. *Midway* used to be home ported at Alameda, Calif., and used to be repaired at Hunters Point Naval Shipyard in San Francisco.

Now the *Midway* is home ported in Yokosuka, Japan. Hunters Point has been closed. And the Navy is expanding the Naval Ship Repair Facility at Yokosuka.

Senator TUNNEY has properly observed that it "appears to be the express intent of the Department of Defense to transfer work previously done domestically to foreign bases to take advantage of cheaper labor costs." Whatever the reason, the administration seems determined to keep exporting military work, while it is laying off defense-related workers here in the United States. For a country with severe balance of payments problems, with persistently high unemployment, and with a currency that is becoming more and more depleted in the world money markets, that is a strange posture indeed.

Nonetheless, these arguments have been made with a great force in recent months, and they have been unavailing. The warning that a new President would close bases was apparently not seen by its authors as a promise that the incumbent would keep them open. And I know of no case in connection with these decisions on U.S. military installations in which the administration has yielded to reductions of bases overseas instead. The terminations, transfers, and cutbacks at home are going through as originally announced.

Under those circumstances, the least we can do is move speedily to alleviate the hardship to our own people. In cases of this kind we should make a maximum effort to see that the economic slack will be taken up as quickly as possible, and to find possible alternative uses for the facilities the Pentagon says are beyond its needs.

That is the first objective of the pending amendment.

I am pleased to note that there has been a noticeable increase in concern about economic conversion with the Department of Defense, especially in the wake of the April decision. Some years ago I had some experience in attempting to work with the Pentagon's Office of Economic Adjustment when an ordnance depot at Igloo, S. Dak., was closed. We found that the Department could do little more than write encouraging letters and try to make helpful contacts with other Government agencies. This year's expansion of the staff of OEA, from 13 to 33 persons, should make that office somewhat more effective. The expansion of the Economic Adjustment Committee, which attempts to tap the resources of other agencies of Government, was another useful step.

Yet the available resources are still spread far too thin. And conversion is still an afterthought. Instead of planning ahead, the Government comes in belated to see if the pieces can be picked up.

My amendment has two main provisions in this respect:

First, it would require advance notice, through the Office of Economic Adjustment. The director would have to be advised at least 180 days in advance of any firm decision to close or substantially curtail a military installation in the United States—or sooner, if such a step is under consideration longer than 6 months.

Second, the Office of Economic Adjustment would be further expanded and its obligations to consult with local leaders and to prepare conversion recommendations would be formalized. I propose a $50 million addition to the OEA budget—a modest amount, but enough to secure a much more substantial expert staff, to contract out some of its more specialized work, and to prepare recommendations that will make a real contribution at the local level.

I see no persuasive reason why these plans affecting U.S. military installations must be kept secret until the last moment, so they can be sprung on an unsuspecting public. Surely suspense is not a useful commodity, to be bought at the expense of sound planning. It makes far more sense to let people know what may be in store, so appropriate preparations can be made. And it makes eminent good sense to aim for conversion plans that can be implemented at the same time as the old activity is being phased out, so that instead of boom-to-bust-to-recovery, we can promote a stable economic pattern throughout the transition.

Likewise, the added $50 million in budget authority for the Office of Economic Adjustment makes sense. While major decisions must, of course, be made at the local and State levels, we should nonetheless have an operational agency at the Federal level, and not just a consulting group. That is the one way we can assure that all options are adequately laid out for those who will decide what route to take. To put the cost in context, it is useful to note that the total addition is only about one-seventh of what the administration expects to save annually from the base closings announced in April, and work on matters of that kind will represent only a part of OEA's business. Further, if the Office makes the kind of contribution I expect to economic stability, it could easily pay for itself, by recouping tax revenues that will otherwise be lost through localized economic stagnation.

The amendment is also designed to deal with another aspect of the economic conversion problem, and that is the effect Pentagon procurement decisions have on arms industry workers and on local economies.

Specifically, it provides that as an explicit condition of fulfilling military procurement contracts, arms industry managers must undertake continuing planning to employ their workers and use their productive resources when those contracts are completed or phased out.

The planning requirement would apply only to companies which are engaged in substantial military work and to those which are substantially dependent on military work. It would be written in on each contract of $10 million or more, if the company involved does at least 25 percent of its total business with the Pentagon. So it would not place an excessive burden on small businesses.

The reasonable costs of this conversion planning could be written into the contract price. So there would be not only a negative incentive against failing to plan, but a positive incentive for making good plans.

I contemplate that the adequacy of those plans would be evaluated by the Office of Economic Adjustment. The amendment requires regular reports on planning to the Director of that Office, as well as to the Secretary of Defense.

In many ways this aspect of the conversion problem is more complex than that of dealing with closed or curtailed military installations. The status of the worker in the private arms industry is more precarious because he usually has no such thing as tenure. In response to the April cutbacks, DOD imposed a Defensewide freeze on permanent appointments, in order to build up a stockpile of jobs for workers displaced from the installations that were closed. It is hard to imagine a private arms contractor implementing plans of that kind. On the contrary, I think the arms industry in general has exhibited a remarkable degree of shortsightedness, usually expecting simply to get another military contract to replace the current one, and usually making no contingency plans in case there is no new Pentagon contract at all.

The need for such planning is sharpest, of course, in a period when military procurement is declining. But to some extent it is present all the time. Military procurement is a boom and bust industry. There are frequent long gaps between the time one contract is finished and the time work begins on another. It also happens that the subsequent contract goes elsewhere. So prudence dictates continuing preparations, even when military spending is relatively stable.

It may be argued that this planning requirement interferes too much with the management of private industry. But, upon close inspection, that concern simply does not hold up. Rather than describe them as free enterprise, it is more appropriate to define the major arms suppliers simply as extensions of the Pentagon.

The distinction between buyer and seller has virtually disappeared. Since only a very small portion of contracts are based on competitive bidding, there is rarely a market test of efficiency or quality. Because work is related to national security, considerations of cost play a minor role. Price escalation, instead of resulting in lost business for the company, usually brings a few red faces in the Pentagon and renegotiated contract to assure the company at least some profit. Government supplies much of the machinery used in production. And if a company's management is bad, the Government stands ready to assure continued survival of the firm by finding that it is essential to the Nation.

Therefore, it seems logical to exhibit the same kind of concern for the job security of arms workers in the private sector as we do for workers whose pay comes directly from the Pentagon. Further, since we have been so solicitous toward those who invest their money in military production—underwriting Lockheed, for example, to the tune of $250 million—it is certainly no imposition to expect that they, in turn, will take steps to protect their workers against long-term unemployment.

Finally, it is pertinent to note that action of this kind will be needed even if the administration's military procurement budget goes through intact, or even if there are no further cuts below the figures set by the Armed Services Committee.

Despite the proposed overall increase in military spending, the President's budget requests $1.3 billion less than in fiscal 1973 for procurement and research and development. That means lost jobs in the private sector.

The Armed Services Committee has made a further reduction of about $1.5 billion on specific weapons systems. If the bill is approved as reported, that means military procurement and research and development will be down $2.8 billion from last year. And that means thousands more lost jobs—thousands more people relegated into what is already a buyer's job market, with millions of skilled workers unemployed.

It is pertinent to note, too, that much of what has been included in this budget falls into the category of "bargaining chips," to be used by our diplomats in pursuit of an agreement in the strategic arms limitation talks, phase II. I think that is bad strategy because it inevitably pushes up the terms of the agreement and because whether or not we "win" at the bargaining table, we lose the cost of our "bargaining chips" when we build them. But in any case, it is clear that if SALT II produces any meaningful agreement, we can expect even bigger cuts in procurement and research and development over the next several years. That means the planning process for alternative employment and use of facilities should start now.

For most of us the transition from war to peace represents a time of hope and opportunity. We want very much to turn our attention away from war and toward the compelling problems we have at home—housing, health, transportation, the energy crisis, the economy, and other concerns which now constitute the major threats to the well being of the American people.

It is within our power to spread that spirit of optimism, to include even those who have grown dependent upon arms spending. Their skill and their energy is needed in the civilian sector. What we must do now is allocate the resources to employ them, and then give management some positive incentives to begin planning for the changeover from military to civilian priorities.

That is the purpose of this amendment. I hope it will receive broad support.

Mr. PASTORE. Mr. President, will the Senator yield? I expect to speak on my own time later.

Mr. McGOVERN. Mr. President, I yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I am one of those who have lived through this agony. I dare say that the Senator from South Dakota is absolutely correct. As a matter of fact, he made the statement that there was little or no warning. There was absolutely no warning, not even a little warning.

The fact remains that we in Rhode Island who have had a 200-year tradition with naval facilities in our State took 50 percent of the cuts that were inflicted all over the country. One can imagine the severe blow dealt to the economy of our State. We have not gotten over it yet. I do not know whether we will ever get over it.

The Senator talked about no warning being given. I had heard rumors, and I was faced by the workers of Quonset Point and Newport Naval Base in my State of Rhode Island in September of 1972.

I picked up the telephone and called Admiral Zumwalt. I said:

> Admiral, you have come to me a number of times and have asked me to support the security of this country. And I have always done so, sometimes subjecting myself to criticism on the part of the penny pinchers.

Even my opponent in the last election said I gave a blank check to the Defense Department. Where does the Senator think he is now? He is writing speeches for the President.

When I was talking to the admiral on the telephone, I said: "What will happen, Admiral?"

The admiral said: "Well, there has been a study going on for 2 years. We have not made up our minds yet."

Mr. President, their minds were already made up.

I said: "What is the study about? What is going to happen to us?"

The admiral said: "Well, I can't tell you."

He was very candidly elusive, and I told him so at the time we had hearings before the distinguished Senator from Missouri (Mr. SYMINGTON).

The admiral said: "Of course, the decision will have to be made by the Secretary of Defense."

I then called up Mel Laird. I asked him about it.

He said: "John, I know that there is a report. It is not on my desk yet. However, I am not going to take the responsibility. I am going to wait for the next Secretary."

So, we wrote a letter to Mr. Richardson, who had been nominated by the President to be the Secretary of Defense. I sent him a letter and congratulated him.

He said: "When I am confirmed, I will talk to you."

We went to the Pentagon. The Governor came down and we went with him to the Pentagon. We talked to Mr. Richardson. He took out one of these pads and made copious notes. When he got through, I said: "What can I report to the State I represent? What can I tell the people? Are they going to be ordered closed or not?"

He could not tell me. So, we had a meeting with the Massachusetts delegation in Tip O'Neill's office. Mr. Richardson was there again. And he was again elusive.

I said: "Well, can we throw our hats in the air or begin to cry in our beer."

He said: "Well, you will be hurt."

I said: "Where?"

He said: "I can't tell you."

The only solution we had was to write a letter to the President of the United States. We wrote the President of the United States asking for a meeting. We got a letter back from a man by the name Cook saying: "We will refer it to the scheduling office."

I knew that the President was busy with Watergate. So, I called up Henry Kissinger. And I said: "You are in the President's office every day. Can you find out for us and let us know?"

When we did not hear from him, I called General Haig. They said that Kissinger had left for Paris.

I said: "What is the answer?" We had to wait until he came back.

So, Henry Kissinger came back. And there was another Secretary of Defense, Jim Schlesinger.

When Henry Kissinger came back I called and said: "Henry, what is the answer?"

He said: "I should talk with Jim Schlesinger."

I said "Yes, I know him well. He used to be Chairman of the AEC." I am vice chairman, of the Joint Committee on Atomic Energy.

I did not get anywhere. I called up General Haig and I said: "You are the new staff aide to the President." That was after Ehrlichman had resigned. He said: "Well, I will let you know." So, I never heard from him either.

So finally I talked with Tom Korologos, he took it up with the President, and finally the President saw us. He gave us the ultimatum. He said: "Gentlemen, I am sorry, but this is the way it is."

We have not got the excess land yet. They have given it to somebody for training purposes. We have had a job checker up there. The Navy wants to keep most of the land, anyway. They said they had to close down these installations, but they still want to keep the land.

So that is where this bill comes in. It calls upon the Department of Defense to take it up with the communities, with the States, with the congressional delegations, so they may know just what plans to make. So that they will not clobber us first and then say, "We cannot come in there to help you."

I have been told by the distinguished manager of the bill that the President called upon these agencies to assist. That is fine; but so far, of course, we have not seen the light at the end of the tunnel.

The fact remains that a lot of this we should know beforehand. After all, this is the Congress of the United States. We are the ones who appropriate the money. Why should all this be kept in the dark?

What we are saying here, all we are saying in this bill, is that they should make plans for reconversion when they are going to close down the base.

There is another element in this bill that I think raises certain complexities, that I intend to discuss with my colleague at the proper time. But the fact still remains that this is planning before the act takes place, and that is what we need.

Everybody knows that at the end of Vietnam we had to close down some of our bases. We had to make some readjustments. The only sad thing is that we have had 1,963 bases all over the world and the only ones they close are those in the United States of America.

I have said to the Department time and time again, "You have an African desk, you have an Asian desk, you have a European desk, it is about time you had an American desk."

So they cannot close a foreign base. We have 125 bases and more in Japan, and they do not dare close one down. Why? Because under our agreement we have to engage Japanese nationals in those bases, and that is the reason why we are not closing the bases abroad.

I hope that does take place. I do not say this with any vengeance. I do not want to incriminate anyone. There is no acrimony in what I say. All I am saying here is that I know of this happening, we have not lived through it yet, and it is about time the Senate stood up and said, "Will you begin to do something about this before the damage is done?"

That is all this bill seeks to do.

We are going to be told that the President of the United States has called upon all these agencies to come in and help. But it is a little late. This bill is not going to help us in Rhode Island a great deal. We have lost 80 percent of our facilities. They have thrown 5,000 people out of work. I get letters from wives who say, "My husband is only 42 years old. He has worked 15 years. He cannot get retirement. Where does he go? Where will he get a job?"

Now we are beginning to wake up; and, you know, the funny thing is, they may not understand it down there in the White House, but a family eats every day. Every day; and when a man loses his job, he cannot wait a week, 2 weeks, or 3 weeks.

The other day I was going home, and at the terminal here I met a man working down at Foster Point, which they closed down. He shook hands with me, and said, "Senator PASTORE, I am glad for all you tried to do. I appreciate that you cannot do all of this alone."

He said: "I have just come back from Jacksonville, where they have moved our facilities out of Rhode Island. They don't have housing in Mayport. They don't have housing in Charleston. They don't have housing in Norfolk. So Jacksonville is where they are sending us."

We have spent a million dollars in Rhode Island to build housing for our Navy personnel.

On April 17 this announcement was made. On the first of April I visited Quonset Point. I went to the barracks of the enlisted men. That is a $3 million installation. Half the job was completed. The other half was being worked on, and it is not completed yet. A $3 million program, and there they are. They have engaged themselves in a $3 million program for the rehabilitation of the barracks. Talk about waste. There is waste.

The man I met in the terminal said: "PASTORE, I have just come back from Jacksonville. They gave me $4,000 to go down there and look for a job. I could not pick a job. They wanted to pay me 50 cents more an hour than I was getting in Rhode Island. But I could not pick out a house. It cost $48,000. I have four children. I can't afford to buy a house like that. I don't know how long I am going to be in Jacksonville. But I like to live in Rhode Island."

They wanted to pay him $40,000; yet they could have kept him in Rhode Island.

Did they put the destroyers in mothballs? No. They took 36 destroyers out of Newport. Where do Senators think they sent them? They sent them to Norfolk, Virginia; they sent them to Charleston; and they put some in Mayport. That is what we are up against.

I spoke on the floor of the Senate—I talked myself blue in the face—fighting for that new atomic aircraft carrier.

What do you think Bill Moorer said to me when he came to my office? He said, "We have to get out of there because the carriers are too big." Imagine that, after I put them there for him.

I struggled on the floor of the Senate to convince the Senator from Minnesota (Mr. MONDALE) that his amendment was not proper. They came and told me after I had done it, "The water is not deep enough."

I said, "Where have you been up to now? It would only cost you $10 million to deepen the channel."

We even asked them to use Mayport. Mayport is not inland. And Cherry Point is landlocked. What is wrong with keeping it in Rhode Island?

They said, "We haven't got the money."

That is my story. That is why I like the thrust of the bill, even though it may be too late for Rhode Island.

I thank the Senator from South Dakota for giving me the opportunity to tell my story.

Mr. PELL. Mr. President, will the Senator from South Dakota yield?

Mr. McGOVERN. I yield.

Mr. PELL. What compounds the problem and is particularly unconscionable is not just the amount, the $18 million, but the fact that it was the largest amount of money the Department of Defense had spent on military construction in Rhode Island since 1950.

Why?

In my view it was because it was an election year, 1972. I have stated and reiterated in my State and here in the Senate my sense of shock, or of wrongdoing at what was done. While manipulating the dates of base closing announcements may be within the laws of the political game, but doubling the amount of money for base construction because it is an election year, while knowing that the bases will be closed, is unconscionable. That is the thing I believe the American people should not accept, and I wish we were more concerned about it.

Mr. McGOVERN. I appreciate the Senator's underscoring that point. His colleague (Mr. PASTORE) referred a moment ago to the seeming preference for closing down bases in this country as against the bases that we operate abroad. I suspect that one of the reasons is that they know they will get less response from Senators and Representatives and the affected communities when they close down the bases abroad. But it does make one wonder, under the circumstances, why facilities that are very similar to installations we have maintained here at home are sometimes kept open and the installations here in the United States are closed down.

Mr. GOLDWATER. Mr. President, will the Senator from South Dakota yield for a question?

Mr. McGOVERN. I yield.

Mr. GOLDWATER. Referring to the remarks made earlier, that the Senator's amendment requires 6 months' notice, my personal feeling is that it could well be 1 year. I know that there are a number of bases being considered now. I cannot name one and I am pretty close to the Pentagon; but I think that 1 year would be ample time. I am sure that they would know what the economic situation will be and what the political situation is going to be.

We in the West have had the same problem as you gentlemen on the eastern seaboard have had. They close bases in my State and I learn about it when I read the newspapers. I would see no reason at all why every base being considered today for closing down could not be made known to Members of Congress.

Mr. McGOVERN. If the Senator will yield on that point, the bill does make such a provision. The way the language reads is that there will be a minimum of 6 months, but where the Department of Defense has under consideration the closing of an installation, it must immediately inform the affected community even if it is 2 or 5 years in the future. It would cover the concern the Senator so well expresses.

Mr. GOLDWATER. I am very glad the Senator is doing this, but I have been trying, ever since I came to the Senate, to get the Pentagon to let us know the day they begin consideration of closing any base. I maintain, and I believe that I am right, that if we could have as much as 1 year so as to be able to go to the chambers of commerce, the business community, the labor community, I am certain that in 1 year's time we could work out the economic problem. But when we open up the morning newspaper and it says that one of our big bases has been closed that morning, that is a horse of another color. So I am very glad that the Senator is doing what he is doing.

Mr. McGOVERN. I thank the Senator for his help.

Mr. PASTORE. If the Senator will yield, and I may enter this dialog, the fact still remains that not only will we know it is going to happen but at the same time they should tell us what land will be given up. So then a State or local community can begin to make plans as to how they will utilize it.

In Rhode Island, for instance, there is the matter of the piers, and the matter of the warehouses at Coddington Cove and over at Quonset Point, where they want to retain 500 acres which is really the heart of any planning for reconversion.

When we ask them, they say, "Well, the hospital is on it. The commissary is on it." So, for that reason—and, there is a golf course on there, too—let us not forget that. It is a golf course that has a railroad siding on it—I repeat, a railroad siding. But we cannot get them to make up their minds exactly what they will do. So they dilly-dally back and forth. Our Governor has been down here already a dozen times. We have had some wonderful plans on the part of the State administration, but nothing seems to happen.

Take only this morning, as I came down on the 7:20 plane I happened to read a Rhode Island newspaper and they claim that the State expects a slowup in Newport and it will take some 5 to 8 years for the Aquidneck Island to rebound fairly from the economic blow of the Navy cutback there.

Why should that happen? Here we are, going up to an almost 12 percent unemployment on that island. Why should it be?

Mr. SYMINGTON. Mr. President, will the Senator from South Dakota yield?

Mr. McGOVERN. I yield.

Mr. SYMINGTON. At the request of the distinguished Senators from Massachusetts and Rhode Island, we held hearings in the Armed Services Committee for several days and we got to the question of closing the bases in Rhode Island and Massachusetts. For the life of me, listening to the testimony, it was difficult to understand how the Department of Defense could take the position they are taking with respect to Americans working in this country and being forced out of their jobs, at the same time that they were asking for millions and millions of dollars to reinforce the bases abroad.

In addition to that, the whole ploy, we might say, of the Navy Department today is that they want to be able to operate better from these shores, to be able to work independent from foreign shores more than ever before. That, for example, is the core of the argument for the new Trident submarine acceleration. Under these circumstances, they seem to be arguing against themselves.

Mr. McGOVERN. I certainly agree with the Senator. As he knows, we have been trying, off and on for more than 10 years, to get some kind of conversion planning capability in the Department of Defense. They do have a little office there that they call the Office of Economic Adjustment; but we discovered, when we lost an installation a few years ago, an ordnance depot in the western part of the State, that they were so understaffed in that office and were of such a low grade in terms of the great power of the Department of Defense that they had little or no effectiveness at all in assisting us.

So what this amendment attempts to do is to upgrade that office and give it some stature and a modest budget, to enable it to hire first-rate people at higher grade levels and, if necessary, go outside the Department of Defense and contract with private consultants in this field so that they will be in a position months in advance of the closing down of an installation to give the communities some extra advice, to help them with market surveys, to help them find alternative sources of employment.

My amendment—if I may summarize it very quickly, because we are short on time—would require, first of all, a minimum of 180 days' advance notice of the closing down of any installation. But where the Department of Defense has knowledge longer than that, where they have serious thoughts about the closing down of an installation 6 months or a year or 2 years ahead of time, they would be obligated at that point to so advise the Office of Economic Adjustment in the Defense Department, which in turn would be obligated immediately to consult with the affected community.

In that way, the Senator from Rhode Island would not learn about the loss of a major installation when he read the newspapers. He would know it a minimum of 6 months ahead of time—perhaps a year or 2—and that community would have the benefit of experts in this field to work with the community to try to find alternative sources of employment. It might even give the Senator a chance to make a case against the closing of a base.

Mr. PASTORE. We have been talking about base closings up to now, but I note that section 704 has to do with negotiating contracts with defense contractors. I am afraid that there are so many complexities within that section, that it raises so many problems or so many imponderables, that it might weaken the thrust of everything we have said here so far to have that remain in the bill.

I wonder whether the Senator would consider deleting that part of the bill. I do not think that responsibility should be left up to the contractor when he negotiates for a defense contract, that he has to do planning for reconversion. I think that is a State and community responsibility. Otherwise, I am afraid that too many people will be in the act.

Mr. McGOVERN. The Senator has expressed that concern to me. I am primarily concerned at this moment with the problem of base closings, which is a direct involvement of the U.S. Government.

I think the point the Senator is making is that it is considerably more complex and difficult to deal with the problems of private contractors. There are varying degrees of competence and capacity within those private plants to carry out conversion plans.

In view of the high opinion I have of the Senator's knowledge of this field, if he thinks it would complicate the adoption of this amendment to leave in section 704, which has to do with private defense contractors, I would be willing to delete that portion.

Mr. PASTORE. I appreciate that. That matter, of course, could be studied later. I do not expect the Senator from South Dakota to forsake that part of his measure.

Mr. McGOVERN. I think it is something that we might bring up at a later date, after further study.

Mr. PASTORE. I hope the Senator would do that, because I am afraid that too many questions can arise.

Mr. McGOVERN. Mr. President, I modify my amendment by striking out section 704, which begins on the last line of page 3 and ends on the second line of page 5.

The PRESIDING OFFICER. Is there objection to the Senator so modifying his amendment? The Chair hears none, and it is so ordered.

The modified amendment is as follows:

On page 26, between lines 22 and 23, insert a new title as follows:

"TITLE VII—ECONOMIC ADJUSTMENT

"SEC. 701. (a) There is hereby established within the Department of Defense an office to be known as the Office of Economic Adjustment (hereinafter in this section referred to as the 'Office'). It shall be the function of the Office to carry out the provisions of this title, under the supervision and control of the Secretary of Defense, and to carry out such other functions as the Secretary of Defense may prescribe.

"(b) There shall be at the head of the Office an officer to be known as the Director of the Office of Economic Adjustment (hereinafter in this section referred to as the 'Director'). The Director shall be appointed by the Secretary of Defense.

"SEC. 702. There are authorized to be appropriated during the fiscal year ending June 30, 1974, the sum of $50,000,000 for use by the Office to assist workers, business firms, and communities which may suffer economic damage as a consequence of reduced expenditure on any defense facility or installation or on any defense project or program being carried out by any business entity. Any amount appropriated under authority of this section shall be in addition to any other funds appropriated to carry out the functions of the Office.

"SEC. 703. (a) At least one hundred and eighty days prior to the closing or substantial curtailment of any military camp, post, station, base, yard, or other installation in the United States employing five hundred or more people, or at any earlier time when the consideration of such action begins, the Secretary of Defense shall notify the Director of such contemplated action.

"(b) Upon such notification, the Office shall immediately begin consulting with appropriate local, State, and Federal officials and with private individuals in communities which may be affected by such closing or curtailment. The Office shall further begin preparing recommendations for alternative productive uses of facilities no longer required by the Department of Defense on such installation and for employment opportunities to replace those to be lost when the installation is closed or curtailed. Such recommendations shall include proposed specific action which should be taken by other agencies of the Federal Government as well as suggestions for actions to be taken by local and State agencies and private groups and individuals.

"(c) Recommendations developed as provided by subsection (b) of this section shall be completed no later than the date on which the military installation is scheduled to be closed or curtailed.

"(d) At the request of appropriate local officials, the Office shall assist in the implementation of economic adjustment plans by providing expert and technical advice and information and by coordinating such plans with other appropriate Federal agencies.

"SEC. 704. In performing the duties assigned by this title, the Office is authorized to—

"(1) employ on a temporary basis, or contract with, private firms or individuals with expertise which may be helpful in finding solutions to specific economic adjustment problems, and

"(2) secure the assistance of other Federal agencies, including the Economic Development Administration, the Department of Commerce, and the Department of Labor, which administer economic development programs or conduct activities which might utilize the facilities or employ the manpower that becomes surplus to the needs of the Department of Defense."

On page 26, line 23, strike out "TITLE VII" and insert in lieu thereof "TITLE VIII".

Renumber sections 701 through 703 as sections 801 through 803, respectively.

Mr. McGOVERN. That has the effect, Mr. President, of relating this amendment entirely to the matter of Federal installations—naval bases, air stations, Army fields, or anything that could be described as a defense installation.

As it is now modified, the amendment would not relate to private contracts—that is, contracts with private defense suppliers. That is an important problem, and it is one that I hope we can get to at a later date.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. McGOVERN. I reserve the remainder of my time.

Mr. PELL. Mr. President, will the Senator yield me a few minutes?

Mr. McGOVERN. Mr. President, let me say to the manager of the bill, Senator THURMOND, that we had a quorum call earlier which I took entirely out of my time.

Mr. THURMOND. Mr. President, I yield 2 minutes to the distinguished Senator from Rhode Island and 5 minutes to the distinguished Senator from South Dakota.

Mr. McGOVERN. I appreciate that. I thank the Senator.

Mr. PELL. I thank the Senator from South Carolina.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. PASTORE. Mr. President, I ask unanimous consent to have placed in the RECORD the article that appeared in the Providence Journal-Bulletin.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Providence Journal Bulletin, Sept. 24, 1973]

STATE EXPECTS SLOW UPTURN AT NEWPORT

It will take from 5 to 8 years for Aquidneck Island to rebound fully from the economic blow of Navy cutbacks there, the state administration estimates in a renewed bid for federal help to ease the recovery.

A detailed response just filed by Governor Noel to previously announced Pentagon plans for releasing Newport Navy Base lands for civilian development, reiterates his demand that more property be turned over and that some proposed restrictions be lifted.

Much of the mid-September document prepared by the governor's Economic Renewal Coordinating Center retraces his opposition to such ideas as requiring emergency Navy storage capacity at the Melville oil tank farm and federal retention of acreage and buildings at Coddington Cove that the state wants for profitable use of destroyer piers there.

But the 48-page report also refines state requests for a number of other Navy installations and gives the most detailed picture yet of the economic adversity confronting Newport, Middletown and Portsmouth.

Predicting "severe initial and long-term effects" because of their heavy dependence on the Navy, the report states "it will be a long-term process to develop substitutes needed to generate comparable economic well-being."

At least 5,000 new jobs are required to reach this "parity," it declared. The three communities themselves cannot do it "unless provided with major federal and state assistance and unless they approach the problems on a regional basis," it observed.

Because of space and access limitations, "industrial development will largely be restricted to firms attracted by the island's unique locations, its water resources and its surplus labor," according to the report.

It pin-pointed tourism and recreation as the principal focus, "with emphasis to be placed on Bicentennial-related developments in order to enhance the area's permanent ability to draw tourists."

However, even this resource is "restricted by its seasonability and the small size of the island," it was noted. A suggestion here was that some excess Navy housing be converted into retirement communities as a year-around supplement.

The report was skeptical of much of the housing being turned over by the Navy. The 186-unit Brenton Village and the 119-unit Naval Gardens were best-suited for demolition, with the sites being used, respectively, for possible condominium and commercial-industrial use, it said.

The 440-unit Anchorage apartments in Middletown are in better condition, but would have to be thinned out to reduce their density, which is almost three times what the town zoning code allows, it was said.

The report called on the Navy to turn over the 58-unit Cloyne Court at Coasters Harbor and the adjacent Enlisted Men's Club (whose "clientele," it noted, "is being practically eliminated" by the Navy's cutbacks) for private ownership. The same should be done with 140 units on Coddington Highway and a 15-acre area at Coggeshall Farms should be given Middletown for construction of an elementary school, the report said.

It also proposed transfer to Newport of an 80-by-300 foot strip adjacent to the city sewer plant on Connell Highway for plant expansion and of three acres just north of gate 4 on Coddington Highway for commercial or light industry development. The state could help by adding two acres from its traffic circle there to the plot, it said.

Reviewing the litany of economic problems brought on by the Navy moves, the report claimed 484 base civilian jobs and up to 6,300 others indirectly in the three communities would be lost; that the island payroll would be reduced by 25 per cent; that its approximately 6 per cent unemployment rate could rise to from 16 to 22 per cent; that 25 per cent of its small businesses would go under; that 12 per cent of its housing units would be vacated with no ready market for them, and that schools on which money is still owed face closure, while a reduction in federal impacted area funds would cut Middletown's education revenue alone by 12 per cent.

In discussing use of the Melville oil tank farm and the Coddington Cove piers, the report talked of such possible developments as an oil refinery at the former site and a "free port" for assembly of imported parts, a shipbuilding and repair facility or a "mini-steel plant" at the latter. But it said more land and fewer restrictions than the Navy was proposing is a necessity in any case.

It also scored again proposed cutting of the Defense Highway, the so-called "Burma Road," for Navy purposes, saying this is an integral connection for joint development of the Melville and Coddington Cove areas.

"The recommendations of the state of Rhode Island," a general summary explained, "calls for a re-configuration of the lands excessed to maximize the opportunities for development and reconversions as commensurate with the economic impact sustained by the residents and communities of Aquidneck Island by the military cutbacks.

The proposal will provide an economically viable and marketable package. "It is noted that these modifications will only bring the number of job positions back to parity and they are justifiable if the possibility of economic conversion is to occur."

Mr. PELL. Mr. President, as a resident of Aquidneck Island, whose plight is portrayed in this newspaper article, I share the anguish of my senior colleague over what has happened to my area.

I, too, have seen in my city of Newport houses being built after the decision was made by the Government to move away the people for whom they were being built. It is this kind of waste and this kind of nonplanning which, I believe, bring discredit to the Defense Department.

Some of the destroyers stationed at Newport have been moved to Norfolk, Mayport, and Charleston, and some have been moved to Athens, Greece.

In regard to the pending amendment, the question is whether or not the Office of Economic Adjustment, as presently constituted, does any good. My experience in our State, which has been more acutely affected than any other State, by recent base-closing decisions, has been that this Office, with all the good will in the world, simply has not been able to do the job. The reason is this: The man who heads it and very ably, Mr. Sheehan, is one of about 159 GS-17's in the Defense Department. He assigns a man at a GS-15 level to handle the problem in Rhode Island. Are they able to stand up to the various Assistant Secretaries, to the generals, to the admirals, and all the other bosses in the Defense Department? No. They cannot do so, because they work for the same people they are supposed to argue against and reverse.

My view is that there is a good reason for this office, and I probably will support the amendment of the Senator from South Dakota, but I believe this office should not be in the Department of Defense. It should be moved out of the Department of Defense and to either the Department of Commerce or the GSA.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement as to the salaries and the budget of this little office.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FACT SHEET ON OFFICE OF ECONOMIC ADJUSTMENT

The Office of Economic Adjustment of the Department of Defense is in the office of the Assistant Secretary of Defense for Installations and Logistics.

The office is headed by a director (GS-17) who is one of 159 GS-17's in the Department of Defense. The office has a staff of 33 persons (22 professionals and 11 clerical and secretarial).

The budget of the office is as follows:

	Fiscal year—		
	1972	1973	1974
Salaries	$293,000	$340,000	$351,000
Travel	21,000	25,000	30,000
Other	3,000	5,000	5,000
Total	317,000	370,000	386,000

The grade structure is as follows:

GS-17	1
GS-16	3
GS-15	9
GS-14	3
GS-13	2
GS-9	1

In addition, the professional staff includes the following military personnel: AF colonel 1; Navy commander, 1; Army liteutenent colonel, 1.

Mr. PELL. When we look at the salaries and the budget of this office, when we realize that in 1972, 1973, and 1974 the increases have barely kept up with the cost of living in the country, we realize that this little office, with its tiny number of personnel and low-ranking status in the executive branch, is totally unequipped to do the job. If this amendment is not adopted and the office is left in its present tiny state, I believe we would be better off with no Office of Economic Adjustment than to have it as it is today.

Mr. McGOVERN. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, the proposed amendment dealing with economic adjustment for defense impacted communities basically makes mandatory by legislation functions and duties already being pursued by administrative regulation and Presidential memorandum.

Section 701 simply confirms the existence of an already existing agency within the Department of Defense and already "under the supervision and control of the Secretary of Defense."

Section 702 represents a substantial departure from previous practice.

To date, all moneys used to assist communities and individuals hurt by defense program changes have been provided out of existing resources of Federal departments and agencies possessing the programs to render the necessary aid. Only salaries and associated overhead for staff of the Office of Economic Adjustment have been provided by the Department of Defense.

The providing of funds directly to the Department of Defense for assisting of communities will likely cause other Federal departments and agencies to use their funds for other than defense-impacted communities.

I wonder if the distinguished Senator would agree to modify section 702 as suggested?

Mr. McGOVERN. Yes. I read the Senator's language. I do not see where it substantially changes the impact of what we are trying to do with the amendment. So I would be perfectly willing to modify my amendment as suggested by the Senator.

I would underscore the fact that the $50 million in additional funds is designed to upgrade and strengthen the capacity of the existing office of the Department of Defense. It does not create a new office, as the Senator has properly said, but it does have for its purpose the upgrading and strengthening of that office so that they can do more than write letters of sympathy to communities that have lost installations.

The legislative history I want to be made here if this amendment is agreed to and enacted into law is that we expect the Office of Economic Adjustment and the Department of Defense to perform an important function and that is not only to give advance notice of closings of military installations but to work with the best people they can find to provide assistance and guidance to communities that are faced with these transitional problems.

The PRESIDING OFFICER. Will the Senator restate his proposed modification?

Mr. THURMOND. I send to the desk section 702 as rewritten.

The PRESIDING OFFICER. The modification will be stated.

The assistant legislative clerk read as follows:

"SEC. 702. There are authorized to be appropriated during the fiscal year ending June 30, 1974, the sum of $50,000,000 for the use by the Office to assist communities which the Office determines may suffer substantial economic damage as a consequence of Defense program changes. Any amount appropriated under authority of this section shall be used to supplement funds available to defense impacted communities from other Federal departments and agencies and shall be available until expended.

The PRESIDING OFFICER. Is there objection to the amendment being so modified?

The Chair hears no objection, and the amendment is so modified.

The amendment, as modified, is as follows:

On page 26, between lines 22 and 23, insert a new title was follows:

"TITLE VII—ECONOMIC ADJUSTMENT

"SEC. 701. (a) There is hereby established within the Department of Defense an office to be known as the Office of Economic Adjustment (hereinafter in this section referred to as the 'Office'). It shall be the function of the Office to carry out the provisions of this title, under the supervision and control of the Secretary of Defense, and to carry out such other functions as the Secretary of Defense may prescribe.

"(b) There shall be at the head of the Office an officer to be known as the Director of the Office of Economic Adjustment (hereinafter in this section referred to as the 'Director'). The Director shall be appointed by the Secretary of Defense.

"SEC. 702. There are authorized to be appropriated during the fiscal year ending June 30, 1974, the sum of $50,000,000 for use by the Office to assist communities which the Office determines may suffer substantial economic damage as a consequence of Defense program changes. Any amount appropriated under authority of this section shall be used to supplement funds available to defense impacted communities from other Federal departments and agencies and shall be available until expended.

"SEC. 703 (a) At least one hundred and eighty days prior to the closing or substantial curtailment of any military camp, post, station, base, yard, or other installation in the United States employing five hundred or more people, or at any earlier time when the consideration of such action begins, the Secretary of Defense shall notify the Director of such contemplated action.

"(b) Upon such notifications, the Office shall immediately begin consulting with appropriate local, State, and Federal officials and with private individuals in communities which may be affected by such closing or curtailment. The Office shall further begin preparing recommendations for alternative productive uses of facilities no longer required by the Department of Defense on such installation and for employment opportunities to replace those to be lost when the installation is closed or curtailed. Such recommendations shall include proposed specific action which should be taken by other agencies of the Federal Government as well as suggestions for actions to be taken by local and State agencies and private groups and individuals.

"(c) Recommendations developed as provided by subsection (b) of this section shall be completed no later than the date on which the military installation is scheduled to be closed or curtailed.

"(d) At the request of appropriate local officials, the Office shall assist in the implementation of economic adjustment plans by providing expert and technical advice and information and by coordinating such plans with other appropriate Federal agencies.

"SEC. 704. In performing the duties assigned by this title, the Office is authorized to—

"(1) employ on temporary basis, or contract with, private firms or individuals with expertise which may be helpful in finding solutions to specific economic adjustment problems, and

"(2) secure the assistance of other Federal agencies, including the Economic Development Administration, the Department of Commerce, and the Department of Labor, which administer economic development programs or conduct activities which might utilize the facilities or employ the manpower that becomes surplus to the needs of the Department of Defense."

On page 26, line 23, strike out "TITLE VII" and insert in lieu thereof "TITLE VIII".

Renumber sections 701 through 703 as sections 801 through 803, respectively.

Mr. McGOVERN. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. THURMOND. I yield.

Mr. McGOVERN. I ask unanimous consent that the names of the following Senators be added as cosponsors of this amendment: Senators MANSFIELD, PASTORE, HUMPHREY, and BAYH.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, does the record show that section 704 has been stricken, as was requested by the Senator from Rhode Island? If not, I move that that be done.

The PRESIDING OFFICER. The Chair is advised that that has been done.

Mr. THURMOND. Mr. President, I can fully appreciate the hardship of these communities which have had installations closed. It has been a hardship on them and I am sure everyone connected with the Department of Defense understands that. For instance, in my State of South Carolina alone DOD action since May 1970 has had the following adverse impact on the Charleston area:

The closure of five industries and job cutbacks at two others between May 1970 and February 1972, amounting to a loss of 5,870 civilian jobs.

As a result of DOD's February 18, 1972 announcement, the loss of 442 civilian jobs and 1,715 military personnel at the Charleston Naval Shipyard.

As a result of DOD's April 17, 1973 announcement, the loss of 148 civilian jobs by July 1974 due to the reduction to inactive status of the Charleston Army Depot and the loss of 684 military personnel and 83 civilian jobs by June 1974 due to transfers from the Charleston Air Force Base.

I wish to tell my good friends who are interested in this amendment that they are not the only ones suffering from actions of the Department of Defense. I think we have to realize, however, that now that the war is over the Department of Defense does have to make cuts. Not only have installations and personnel been reduced in my State but also they have been reduced in many other States. Reductions have been made all over the world. It has to be done because there is no longer the need, as existed during the war.

I would like to say further in defense of the administration that on March 4, 1970, the President established the Interagency Economic Adjustment Committee. He stated at that time:

On March 4, 1970, I established the Interagency Economic Adjustment Committee to assist individuals and communities that suffer adverse economic impacts as a result of necessary Defense realignments. I now intend to strengthen the Committee's efforts and expand its membership.

The Secretary of Defense will continue to chair the Committee. As members, each of you will be cooperating closely with the Chairman to discharge fully the Committee's important responsibilities . . .

I know that I can count on your full energies in this vital effort.

RICHARD NIXON.

That was an excerpt from the White House memorandum dated April 16, 1973, to the heads of the following 17 Federal departments.

I wish to bring out that those 17 departments are now working with the Department of Defense on this matter. They are as follows:

MEMBER AGENCIES OF ECONOMIC ADJUSTMENT COMMITTEE

1. Department of Defense: Department of the Army, Department of the Navy, Department of the Air Force, Defense Supply Agency.
2. Department of the Interior.
3. Department of Agriculture.
4. Department of Commerce.
5. Department of Labor.
6. Department of Health, Education, and Welfare.
7. Department of Housing and Urban Development.
8. Department of Transportation.
9. Department of Justice.
10. General Services Administration.
11. Small Business Administration.
12. Arms Control and Disarmament Agency.
13. Civil Service Commission.
14. Office of Management and Budget.
15. Council of Economic Advisors.
16. Domestic Council.
17. Environmental Protection Agency.

So the President of the United States has designated the Department of Defense to coordinate the efforts and the Secretary of Defense to act as chairman of this committee to take the steps necessary to alleviate as much as possible the hardship caused by the closing of installations in various States.

I might state that in this report that was just made, there are 28 adversely impacted communities, with economic analyses included in this report. So not only those that I have mentioned here today, but 28 others have been mentioned in this report. These are: Fairbanks, Alas-

ka; Imperial Beach Calif.; Long Beach, Calif.; Novato, Calif.,; Oxnard, Calif.; San Francisco, Calif.; Pasadena, Calif.; Key West, Fla.; Orlando, Fla.; Albany, Ga.; Brunswick, Ga.; Topeka, Kans.; Bainbridge, Md.; Barnstable County, Mass.; Boston, Mass.; Chelsea, Mass.; Chicopee, Mass.; St. Albans, N.Y.; Philadelphia, Pa.; Phoenixville, Pa.; Aguadilla, P.R.; Newport, R.I.; Quonset Point, R.I.; Charleston, S.C.; Laredo, Tex.; Mineral Wells, Tex.; Ogden, Utah.

So, Mr. President, we can see that many communities have been affected by the steps taken in order to reduce defense expenditures that has been brought about by the closing of installations.

I am very pleased that the Department of Defense has taken steps to alleviate as much as possible the burdens brought upon these communities by the closing of these installations. I am glad the President has brought into play all the agencies of Government I have referred to, to help as much as possible. I am very sympathetic to the problem.

The Senator from South Dakota and both Senators from Rhode Island appeared before the committee. We can understand the situation with which they were confronted. If anything reasonable can be done, I would like to see it done.

In view of the fact that the distinguished Senator has modified section 702 and, upon the recommendation of the Senator from Rhode Island, has stricken section 704, we are now willing to take this amendment to conference and give it support at that time.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. THURMOND. I yield.

Mr. PASTORE. I thank the Senator. I would hope in conference he would use his influence and prestige to see that it is maintained in the bill, to the best of his ability.

Mr. THURMOND. I thank the Senator.

Mr. President, I am ready to yield back my time.

Mr. McGOVERN. Mr. President, I want to add, in closing, that I appreciate very much the contribution by the two Senators from Rhode Island and specifically the modification suggested by the senior Senator from Rhode Island (Mr. PASTORE). I also think the modification the Senator from South Carolina (Mr. THURMOND) has proposed does not weaken the bill or the amendment in any way, and I am very pleased that he is willing to accept the amendment.

I think that obviates the need for a rollcall, and on that basis, I am willing to yield back the remainder of my time.

Mr. THURMOND. Mr. President, I yield back the remainder of our time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from South Dakota, as modified.

The amendment, as modified, was agreed to.

ORDER FOR ADJOURNMENT TO 9 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS AND RESUMPTION OF UNFINISHED BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, immediately after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Idaho (Mr. CHURCH) be recognized for not to exceed 15 minutes, and that he be followed by the junior Senator from West Virginia for not to exceed 15 minutes, after which the Senate resume consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHANGE IN ORDER OF CONSIDERING AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, if I may have the attention of the very distinguished Senator from South Carolina, it has become necessary to make a change in the schedule in one respect during the remainder of this afternoon, and I would ask unanimous consent that the Cannon amendment on the F–14 go over until tomorrow and that the Senate proceed to the consideration of that amendment immediately after the special orders for the recognition of Senators previously agreed to, which would mean that the Senate would begin at about 9:30 a.m. tomorrow on the Cannon amendment dealing with the F–14.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Would this be agreeable to the distinguished Senator from South Carolina?

Mr. THURMOND. Mr. President, we have no objection.

Mr. ROBERT C. BYRD. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Mansfield amendment, which had earlier been scheduled for tomorrow morning, go over until Wednesday morning, and that upon resumption of the unfinished business on Wednesday morning the Senate proceed to the consideration of the Mansfield amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, if it is agreeable with the distinguished Senator from South Carolina, that on the two Hartke amendments, Nos. 494 and 501, there be a time limitation on each of 1½ hours, instead of 2 hours as previously agreed to.

Mr. THURMOND. Mr. President, we have no objections.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, as the distinguished whip knows, I have an amendment pertaining to the M–16. I could take that up at any time, and I would need very little time to explain it, not over a half hour, to be equally divided.

Mr. ROBERT C. BYRD. Mr. President, may I make an inquiry of the Chair? We have already a time limitation on that amendment. Do we not?

The PRESIDING OFFICER. Two hours.

Mr. ROBERT C. BYRD. Could we cut that limitation?

I ask unanimous consent, with the concurrence of the distinguished Senator from Arizona (Mr. GOLDWATER) that the time on the amendment of Mr. GOLDWATER dealing with the M–16 rifle, be limited to 1 hour, equally divided, in accordance with the usual form.

Mr. GOLDWATER. It is perfectly all right with me. I would not need that much time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I wonder if the distinguished Senator from Arizona would consent to bringing that amendment up today following disposition of the Stevens amendment, and in the alternative, if Mr. STEVENS does not call up his amendment today, then, following the disposition of the Eagleton amendment.

Mr. GOLDWATER. I would be very happy to do so.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that that be the order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, if the Senator would yield, did the Senator provide which of the Hartke amendments was going to be called up tonight?

Mr. ROBERT C. BYRD. I did not. The Senator from Indiana is not going to call up either one of his amendments tonight.

Mr. SYMINGTON. Mr. President, I thank the Senator.

Mr. PELL. Mr. President, would the Senator from West Virginia have any idea when the last rollcall vote would be tonight?

Mr. ROBERT C. BYRD. Mr. President, the pending amendment is the Eagleton amendment. No time has begun to run on that amendment as yet, although there is a 1½ hour time limitation on that amendment, and I would assume that there will be a rollcall vote on it. After the disposition of that amendment, the Stevens amendment on housing allowances will be called up. In the alternative, if the Senator from Alaska (Mr. STEVENS) is not prepared to call up his amendment on housing allowances——

Mr. President, may we have order in the back of the Chamber?

The PRESIDING OFFICER. The Senate will be in order. The Senator from West Virginia may proceed.

Mr. ROBERT C. BYRD. Mr. President, in the alternative, if the Senator from Alaska (Mr. STEVENS) is not prepared to call up his amendment tonight, the Senate will then proceed to the consideration of an amendment by the Senator from Arizona dealing with the M–16 rifle, on which there is a 1-hour limitation of time.

If all time is consumed, that will mean, with 1½ hours on the Eagleton amendment and 1 hour on the Goldwater amendment plus 10 minutes by rollcall vote on the Eagleton amendment, and likely the possibility of a rollcall vote on the Goldwater amendment, that it would be sometime around 7 o'clock.

Mr. PELL. Mr. President, I thank the Senator.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, as the schedule is now arranged, if all time is taken on the Cannon amendment, dealing with the F–14 on tomorrow morning, the time to begin running at about 9:30 a.m., that amendment would be disposed of around 11:30 a.m.

Under the previous order, the Senate will not proceed to take up the amendment on the Trident tomorrow until 1:30 p.m., part of which, if not all of which, time on tomorrow would be for debate in closed session, with an open session on that amendment to occur on Wednesday.

I ask unanimous consent, if it is agreeable with the distinguished Senator from South Carolina (Mr. THURMOND), that upon the disposition of the Cannon amendment on the F–14 tomorrow morning, the distinguished Senator from Indiana (Mr. HARTKE) be permitted to call up either of his two amendments, either 494 or 501, on each of which there is 1½ hours limitation of time.

I think that one of those amendments could be sandwiched in between the disposition of the F–14 amendment and the beginning of debate on the Trident amendment tomorrow.

Mr. THURMOND. Mr. President, we have no objection.

Mr. ROBERT C. BYRD. Mr. President, that would leave it up to the distinguished author of the amendment, the Senator from Indiana (Mr. HARTKE) as to which amendment he would prefer to call up.

Mr. THURMOND. Reserving the right to object, I would like the proviso that there be no rollcall vote between 12 noon tomorrow and 1:30 p.m., the time for the Republican luncheon.

Mr. ROBERT C. BYRD. Mr. President, could we delay that proviso at the moment? The leadership over here is going to work with the Senator in every way possible to see that that is done. I do not think that we should firm it up at the moment, however.

Mr. THURMOND. That is agreeable.

ORDER REDUCING TIME ON MANSFIELD AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time for debate on the Mansfield amendment—and this has been cleared with the Senator from Montana—be 2 hours instead of 3 hours as originially ordered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. THURMOND. Mr. President, reserving the right to object, I wonder if I might confer with the distinguished Senator from West Virginia.

Mr. ROBERT C. BYRD. Certainly. Mr. President, I ask unanimous consent that the time not be charged against the distinguished Senator from Missouri.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I will repeat the request and modify it.

I ask unanimous consent that the time on the Mansfield amendment be reduced to 2 hours instead of 3 hours, and that the Mansfield amendment be shifted to Wednesday morning, immediately after the opening remarks of the two leaders.

The PRESIDING OFFICER. Is there objection.

Mr. THURMOND. Mr. President, we have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the Senator from Missouri for his usual patience and courtesy.

Mr. President, I ask unanimous consent that the time on the Jackson-Nunn amendment be limited to 2½ hours, to be equally divided, and that the time on any amendment thereto, debatable motion, or appeal be limited to 30 minutes, in accordance with the usual form.

The PRESIDING OFFICER. Is there objection?

Mr. THURMOND. We have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that debate on the Jackson-Nunn amendment begin to run immediately following the vote tomorrow afternoon on the override of the Presidential veto.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, September 24, 1973, he presented to the President of the United States the following enrolled bills:

S. 1148. An act to provide for the operation of programs by the ACTION Agency, to establish certain new such programs, and for other purposes; and

S. 1636. An act to amend the International Economic Policy Act of 1972 to change the membership of the Council on International Economic Policy, and for other purposes.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes.

The PRESIDING OFFICER. The Senate will now proceed to the consideration of the amendment by the Senator from Missouri (Mr. EAGLETON) relative to the XM–1 tank.

The clerk will read the amendment.

The assistant legislative clerk read the amendment (No. 530) as follows:

On page 19, between lines 17 and 18, insert the following:

SEC. 202. The Secretary of the Army shall take such measures as may be required to limit the program unit cost for the XM–1 tank to an amount not to exceed $730,000 based on the acquisition of a total number of units requested in the budget for the fiscal year beginning July 1, 1973. The program unit cost shall be computed on the basis of the fiscal year 1972 dollar value; and in determining the rate of price change for any period in connection with any cost estimate or cost analysis of the program, such rate may not exceed the rate of change reflected for the same period in the Wholesale Price Index for Manufactured Goods—Durable, seasonally adjusted, as published by the Bureau of Labor Statistics, United States Department of Labor.

Mr. ROBERT C. BYRD. Mr. President, may I say to the distinguished Senator from Missouri (Mr. EAGLETON) that I took the liberty a little earlier today to cut down the time on the Eagleton amendment on the XM–1 tank, subject only to the approval of the author of the amendment. He could vitiate that agreement, if he wishes, in which case, the time limitation would still be 2 hours.

Mr. EAGLETON. Mr. President, out of an abundance of caution, I would prefer an hour to the side. It is my fervent hope that we can dispose of it in less time.

Mr. ROBERT C. BYRD. Very well. Then the previous order with respect to the Eagleton amendment would stand.

I announced at the time I made the unanimous-consent request to cut the time to 1½ hours that it was to be subject to the approval of the Senator from Missouri (Mr. EAGLETON).

Mr. EAGLETON. Mr. President, I yield myself such time as I may require.

Mr. President, debate on this year's defense authorization bill will undoubtedly follow a predictable course. We will hear arguments and counterarguments about our negotiating posture at the SALT talks—about this or that weapon system being absolutely essential to maintain our national security—about the manpower levels needed to maintain our defense.

But there is a serious problem affecting our defense posture which should receive much more attention than it normally does in this era of inflation. In short, we are in grave danger of being priced out of our ability to provide America with an adequate defense.

This ominous prognosis is shared by prominent leaders within the defense establishment and well-known Defense Department antagonists alike. Air Force Chief of Staff Gen. George S. Brown recently issued one of the most troublesome assessments.

General Brown warns:

> We are going to be out of business if we don't find ways to cut costs. We simply can't go on spending the kind of money we are spending now.

As General Brown and others see it, either we find ways to drastically reduce the cost of acquiring and operating weapons systems, or we cut our defense in both quantity and quality to a dangerously low level.

Congress is now being severely criticized in some quarters for looking carefully at the defense budget with an eye toward reductions. But in some areas of defense spending waste is obvious—in others, policy considerations seem to justify cutbacks or even deletions.

Congress would be failing the taxpayers if some legitimate reductions could not be made in a budget request of over $20 billion. Certainly, the Armed Services Committee has again demonstrated concern for both the national defense and the taxpayers' dollar in making a number of responsible reductions in the administration's request.

But Congress must also fulfill the more difficult job of answering General Brown's call for help. We must help the Defense Department find ways to cut costs. And to do so we must offer encouragement to those within the Pentagon who seek change and innovation.

Over the long run, reductions such as we will undoubtedly make in this budget may encourage some innovative thought—after a boxer has been hit a few times he does learn to move his head. But in our current economic state, the Nation simply cannot wait for the bureaucracies of Government and industry to slowly adjust to the stark realities of a tight money market.

During his tenure as Deputy Secretary of Defense, David Packard did much to shake up the defense industries with a variety of cost-saving innovations. He adapted business techniques to Defense and made great progress during his short time in Government. One of the most successful Packard innovations was the "design-to-cost" concept.

The concept is officially embodied in DOD Directive 5000.1 which was issued in 1971. Design-to-cost is described in that directive as follows:

> Cost parameters shall be established which consider the cost of acquisition and ownership: discreet cost elements shall be translated into "design to" requirements. Practical tradeoffs shall be made between system readiness, capability or cost.

In plain English, Mr. Packard was trying to make cost a primary consideration in systems acquisition. The concept is a simple one: decide the cost goal and design to that cost; aim to purchase the least expensive system capable of doing the job well.

The design-to-cost concept, when backed by a resolve to stick to the established cost goal, has an interesting and beneficial effect on the decisionmaking process. Most important is the element of cost tradeoffs during the developmental stages. According to Mr. Packard:

> The cost of developing and acquiring new weapons systems is more dependent on making practical trade-offs, between the stated operating requirements and the engineering design, than almost any other factor.

Mr. Packard, back in 1970, discussed cost tradeoffs in terms of the antecedent of the system we are dealing with today, the Main battle tank:

> We got into that same question (practical trade-offs) with the MBT–70, where the boys wanted everything but the kitchen sink on the tank. There are reasons why they might want these things, but when you got down and looked at it, there were some real opportunities to trade-off, when you got into the practical engineering design.

The Army never did make adequate tradeoffs on the original Main Battle Tank and, consequently, the price tag went up to the million dollar level. The result was an expensive tank that was so fancy its reliability was questionable. When Congress canceled the MBT–70/XM–803 program in 1971, over 10 years of tax investment went down the drain.

Congress' message to the Army in 1971 came from the House Appropriations Committee. The Army was told by that committee to "design a tank with far less sophistication, a tank that can be produced at about a third of the cost now estimated for the current design."

The current design back in 1971 was the XM–803, about a million dollars a tank. So the House Appropriations Committee said:

> We are scuttling the old tank program. We want you to design a tank and bring it in at a third of a million dollars.

The Army is now back from its drawing board with a new, less sophisticated tank concept which has a program unit cost of $713,000—approximately three-fourths of the cost of the canceled MBT–70. So the Army has already exceeded the one-third goal set by the House Committee.

Nonetheless, Mr. President, some contend that the committee's goal was unrealistically low, and I feel the Army should be commended for making a good effort to comply with Congress desires. Still, the cost figure provided by the Army is at the very threshold of cost-effectiveness. If that price is exceeded, Congress would be better off sending the Army back to the drawing board once again.

The amendment I propose today has a twofold purpose: First, to fulfill Congress special responsibility that the new main battle tank stay within strict cost parameters, and second, to give a boost to those at the Pentagon who are trying hard to make "design-to-cost" a working principle of systems acquisition.

The concept advocated today should not divide this body along traditional lines. My amendment does not take issue with the Army's stated requirement for the XM–1 tank. The XM–1 program is fresh from the drawing board, and although I still have serious doubts about the need for a new tank considering the diminished role of the tank on the modern battlefield, my amendment does not question the Army's requirement.

In addition, the amendment not only accepts the Army's cost figure, it provides a safety margin of $17,000 per tank—an additional amount I hope will not be necessary. As I have previously stated, I believe that a program unit cost of $730,000 is at the absolute threshold of cost-effectiveness, and I am confident that that is the position Congress as a whole takes as a result of the history of the old tank program.

My amendment uses the "program unit cost" designation. This is the same category as the "program acquisition cost" indicator, but broken down to the unit level. This category is reflected in the selected acquisition report which is received by the Armed Services Committee from DOD on a quarterly basis.

I will not go into the formula for computing the program unit cost except to say that it includes R.D.T. & E., procurement and production costs for the program—everything except postproduction maintenance and manpower.

The Army has provided me with a detailed description of the method used to compute the program unit cost. If there is any question concerning this cost figure, this memorandum will make the exact method a part of the legislative history.

It should be noted that the Army's memorandum also shows the method of estimating escalated—or inflated—dollars. This explanation would not pertain to my amendment since I have used the fiscal 1972 dollar value as a base, with the wholesale price index rate for manufactured goods—durable as the rate-of-change indicator. It should also be noted that the term "program acquisition cost" is the same as "program unit cost" in the Army's memorandum.

Mr. President, with those explanations and qualifications, I ask unanimous consent that the Army's memorandum—fact sheet of September 20, 1973, be granted in the RECORD following my remarks.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

(See exhibit 1.)

Mr. EAGLETON. Mr. President, my amendment refers to the "total number of units requested in the budget for the fiscal year beginning July 1, 1973" as the basis for the computation of the program unit cost. That number has now been declassified and it is 3,312.

Let me emphasize that there is nothing magic about the quantity of tanks DOD has requested in this year's budget. According to the Army, 3,312 is the figure arrived at by the XM–1 task force. It is the number approved by the Joint Chiefs and the Secretary of Defense, and I think it would be safe to say that it is an optimum defense requirement.

I stress the word optimum because I want to make clear that adoption of my amendment would not imply acceptance of the 3,312 figure as the congressionally authorized quantity. That figure is simply a base to compute the program unit cost.

If the number of tanks required or approved in the future changes, then obviously the program unit cost would change as well. But that is all part of the cost tradeoff decisionmaking my amendment seeks to impose during the life of the XM–1 program—a life that could be ended at any time by congressional action.

The oversight and authorization role of the Armed Services Committee—and of Congress as a whole—will not be altered in any way if my amendment is adopted. In fact, that role will be enhanced by establishing a statutory benchmark by which to measure the Army's performance in meeting the cost goals.

The "design-to-cost" formula I propose today for the XM–1 program has been devised especially for that program. The same formula, using the all-inclusive "program unit cost" designation, may be unrealistic for systems whose R. & D. costs are difficult to estimate.

But the XM–1 program has the advantage of more than 10 years of research and development on the MBT–70. According to the Army, actual components of the MBT–70 will be provided to the two competing contractors. These contractors will also take maximum advantage of the technology of the canceled main battle tank program.

As a demonstration of the stability of the R. & D. factor for the XM–1, the Army has informed me that the three companies who bid for the prototype contract all come within 3 percent of the Army's own estimate.

Needless to say, the Army is confident that it can deliver a tank for $713,000. Gen. Robert Baer, project manager of the XM–1, expressed this resolve in testimony before the Armed Services Committee when he said:

> We are going to reduce complexity and end up with a tank that has a price tag that this country or the Congress or the Department of Defense can afford.

The XM–1 tank is nothing more than a concept today. There is great opportunity for the Army, or industry, or both, to add on to that concept, and add on to the price. We have seen the add-on process occur so often in the past. I frankly do not think Congress wants to get burned again with a reincarnation of Main Battle Tank No. 1.

In a March 1973 report entitled "Reducing Costs of Defense Systems Acquisition," a group of America's top businessmen strongly advocated the "design-to-cost" concept and lamented the fact that great lipservice was being paid to it at DOD, but little actual follow through was evident. They found too little incentive to stick to a cost ceiling. This study, known as the Bucy Report, recommended strongly that cost considerations become "a continuing force throughout the program life, from initial conceptual planning through the entire production phase."

The amendment I propose today is intended to give just that type of continuing force for the life of the XM–1 program. Its adoption by Congress will provide the surest guarantee that the incentive to cut costs will permeate all levels of Army decisionmaking on the XM–1.

I recognize that adoption of my amendment would represent a new congressional approach to defense spending. But I hope this body will recognize that alternatives to the meat ax are badly needed.

There is waste in the defense budget; very few would deny that. But if Congress is going to reduce that waste it must work with the Pentagon to encourage innovation. There is no better place to begin than with one of the few weapons systems Congress has canceled—the Main Battle Tank. I urge my colleagues to support my effort by using our legislative power to assure that "cost discipline," rather than "cost overrun," becomes the descriptive motto of the XM–1 program.

EXHIBIT 1

FACT SHEET

20 September 1973.

Subject: Cost Estimates for XM1 Tank Program.

Purpose. To provide information on cost estimates for the XM1 tank program to Mr. Bryan Atwood, Staff Assistant to Senator Eagleton as requested.

FACTS

1. The Army cost estimating techniques is a building block type process operating under costing definitions contained in AR 37–18 and the Development Concept Paper (DCP).

2. The starting point is the amount of money estimated to be necessary for the manufacturing process. To determine the hardware cost the penalty for operating the production line at less than the optimum wartime rate and the systems management must be added. For the XM1 these figures are estimated to be:

	Millions
Manufacturing	$1615.6
Low Production Penalty	15.9
Systems Management	50.3
	1681.8

Dividing by the number of tanks to be produced gives the Average Unit Hardware Cost of $507,790 in constant 1972 dollars. If this cost is escalated to the money in use the year of purchase of each tank, the cost totaled and this total divided by the number of tanks purchased this total becomes $669,867 per tank. Escalation factors are computed by DOD Comptroller and must be used for all costing.

3. AR 37–18's definition of hardware cost is slightly different than that used in the DCP in that a portion of the Military Personnel, Army (MPA) people cost and Operation and Maintenance, Army (O&MA) must also be charged against the individual tank. These figures are $1.8M MPA and $0.6M O&MA. These added to the above costs and divided by 3312 tanks gives $508,454 and $670,592 in FY 72 and escalated dollars respectively.

4. Rollaway cost includes tooling so the estimated tooling cost of $75M must be added to the DCP hardware costs and this divided by 3312 tanks These costs then are $530,435 and $696,498 in FY 72 and escalated dollars respectively.

5. Rollaway cost is equal to and called production cost in the DCP but AR 37–18 requires the remaining MPA and O&MA cost to be charged to get a production cost. These figures as before are $1.8M and $0.6M respectively. When added to the above cost and divided to obtain unit cost the results are $531,159 and $697,222 in FY 72 and escalated dollars respectively.

6. To the DCP production cost all nonrecurring Procurement-Equipment and Materiel-Army (PEMA) cost must be added to obtain the weapon system cost. For the XM1 these costs are estimated to be as follows:

	Million
Data and documents	$1.1
Training aids	34.0
Common support equipment	19.0
Peculiar support equipment	5.4
Production base support	44.8
	104.3

Also added are Recurring PEMA Cost as follows:

	Million
Data and documents	$0.9
Remaining systems management	74.7
First destination transportation	6.5
Production base support	1.8
	83.9

When these two are added to totals above and the sum divided by 3312 tanks the weapon costs become $587,258 and $767,814 in FY 72 and escalated dollars respectively.

7. Procurmeent costs includes all of the above plus the cost of initial provisioning, that is the costs of all of the initial spare parts which must be bought and placed in stock throughout the areas where the tanks are to be used. This cost for the XM1 program is estimated to be $45.3M. When this amount is added in and the total divided by 3312 tanks the quotient becomes $600,936 in FY 72 dollars which escalates to $784,420.

8. Program acquisition cost is all of the above plus each tank's pro rate share of the $371.1 million Research and Development bill. These costs then are $712,983 and $920,743 in FY 72 and escalated dollars respectively.

Mr. McINTYRE. Mr. President, I want, first of all, to say to the distinguished junior Senator from Missouri that many of the points he raises relate to what we would all like to achieve. I know that to one who works in the field of research and development, as I do, and sees the cost of the weapons systems—B–1 bombers about $45 million each; tanks, at $500,000 production cost per unit; giant new submarines, at a program cost of $1,300 million; and the completion of the CVN–70 *Nimitz* class carriers at a cost of $1 billion.

We agree with the Senator from Missouri that every effort must be made by the military to bend itself to try to bring these weapons systems figures into some sort of reasonableness, even though we all understand how difficult that is in these days of escalation of prices and costs.

Mr. President, I should like to speak in opposition to the amendment offered by Senator EAGLETON, in which he would place a statutory ceiling on the program unit cost of the Army's new tank, the XM–1.

In his remarks, he has talked about the design to cost concept—that is, to design a weapons system to a cost figure. We on the Armed Services Committee agree. This is a concept that Secretary Packard left with us, and he was one of the best men I ever had a chance to work with on the Armed Services Committee. But I express to the Senator from Missouri that this is only a concept. This is a goal to be attained, a result hopefully to be achieved. Despite the fine statement and the arguments of the Senator from Missouri, we cannot lock this into law. We cannot put this into concrete and expect that it is going to be a practical solution.

I state at the outset that I do not believe any Senator agrees more than I do that the cost of these weapons systems must be controlled. I do not believe, however, that this proposed legislation is the means by which controls should be implemented. In fact, it is my opinion that through the committee process, and the annual authorization and appropriation review by Congress, there are adequate opportunities for Congress to maintain control over the cost of any weapons system. In fact, two of the more notable defense programs—the MBT–70 tank and the Cheyenne helicopter—were terminated by Congress during the annual review process.

I pay a particular accolade to the work of the distinguished junior Senator from Missouri so far as the main battle tank is concerned. We were working on this tank in conjunction with the West German Republic. It had approached the million-dollar figure in unit cost.

I agree with the distinguished Senator from Missouri that we are not saying "no" as often as we should. We have reports, we have SARS—selected acquisition reports—that come to us on a quarterly basis; and the staffs of the Armed Services Committee and the Appropriations Committee, in the House and the Senate, take a hard look at these. We do have a process that involves a review of these escalating figures.

With respect to the establishment of a legislative ceiling on the cost of development and procurement of a weapon system, let me explain why I am opposed to this particular amendment.

First, the amendment would require the Secretary of the Army to take measures as required to limit the program unit cost to an amount not to exceed $730,000 in fiscal year 1972 dollars.

The review process already implemented by the Secretary of Defense requires the Secretary of the Army to maintain a production unit cost ceiling on the XM–1 tank program of $507,000 in fiscal year 1972 dollars subject to a complete program reevaluation if the amount goes even $1 over this ceiling.

Let me pause to explain what we are talking about in a production unit cost as opposed to a program unit cost. When we talk about a program unit cost, we are lumping, as I am sure the Senator from Missouri knows, all the research and development costs that went into finally getting this weapons system into a position so that we could ask for bids. That is what the overall cost per aircraft, per tank, would be. When we talk about production unit costs, we are talking about bids that come back in. We will buy so many tanks at so much per tank.

Mr. EAGLETON. Mr. President, will the Senator yield?

Mr. McINTYRE. I yield.

Mr. EAGLETON. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. McINTYRE. Mr. President, the Senate Armed Services Committee monitors this activity closely, and, in fact, the committee receives quarterly reports on the progress of this as well as other programs. So, it would appear that the language of this amendment would not significantly add to the existing controls on the program cost.

I might point out that the difference between the program unit cost ceiling discussed in the amendment and the production unit cost of $507,000 mentioned previously is primarily due to the amortization of the development cost over the quantity of tanks currently planned by the Army as a requirement. This brings up a second point in the proposed amendment that I should like to mention. The Army's comparative estimate of a program unit cost is only $713,000. Senator EAGLETON in his amendment has apparently arbitrarily added $17,000 per tank to the unit cost of this tank. In my opinion, Congress should not legalize what would constitute an anticipated overrun. We have enough problems with covering actual overruns. The committee monitors the cost to the Army's best estimate; and if the Army knows that it has an overrun allowable by law, it would make the committee's job that much harder to contain cost growth on this program.

We must keep in mind that the program unit cost ceiling assumes that the research and development cost would be amortized over a fixed quantity of tanks. If Congress decided after analysis that the Army's planned quantity of tanks were for any reason not completely required and the development costs were then amortized over a lesser quantity of tanks, the program unit price would automatically increase. What is expected to be done at that time if there is legislation to keep the unit cost at a fixed ceiling? In other words, any unit price is quantity related. The buy we make has a great deal to do with that unit price. This amendment would not take into account a reduction in quantity.

I know it may sound hopeful that I could even mention a possible reduction in quantity, but during the debate on the Cheyenne helicopter, which was a tank-killing weapon system—and we are now working on a new attack helicopter—there were some admissions by the Army generals that perhaps we would not need as many tanks if we had all these attack helicopters. So it is possible that a quantity reduction would take place, and that would make this amendment a very unstable piece of legislation.

I might point out also that this amendment is silent on what should be done if the program unit cost should exceed $730,000. One possibility is that the law would have to be amended, and this may not be possible if an increase is to be authorized when the Congress is not in session. The could complicate legal contractual relationships. The amendment does not provide for this or any other course of action which could be taken.

The means of establishing how the $730,000 unit cost is determined is very important in reaching any conclusions on this suggested legislation, and the amendment is also silent on that point. For instance, it could be interpreted that the only way to arrive at an average unit cost is to average the costs after all the tanks have been purchased, which would render the amendment meaningless. It might also be interpreted that the intent is that the first tank purchased will average $730,000, but as everyone realizes, if all of the development costs were applied to the first tank, then the unit price would be astronomical. If the determination is to be made that the unit price is to be estimated as the program progresses, then we are back to our normal review process, and the Congress can consider this as we are now doing on an annual basis.

The XM–1 program is in the advanced development stage. Two contractors—General Motors and Chrysler—were awarded competitive prototype contracts in June 1973. These will be completed and competitively tested during the 3-year period ending June 1976. Each contract identifies a production unit price goal of $507,000, which serves the purpose of emphasizing the importance of cost in addition to technical and other approaches which will determine the winner of the competition.

During this 3-year period of advanced development, many significant technical changes will occur because of this early stage of development as is normal in all major weapon systems development programs. The prototype that each contractor produces, therefore, will be markedly different from each contractor's initial design. These many changes have a direct effect on cost and cannot be predicted with any degree of competence. It is at the end of this 3-year period of advanced development when tanks have been produced and tested that a basis then exists for determining estimated costs to complete the development of the tank and then approve it for production.

The quarterly reports to Congress which are routinely submitted for every major weapon system in engineering development or production provides a positive means for the Congress to oversee the progress made during the engineering development phase. These reports would point up any problem which could result in significant cost increases, and the Congress could then take appropriate steps to direct a change in the program or even termination if necessary. The annual review of the Department of Defense budget provides another opportunity to consider progress to date and authorization and appropriation of funds to proceed with production if the Congress should consider it necessary.

Mr. President, the amendment if approved could establish a precedent which would be much more far-reaching than the XM–1 program. It would interfere and interrupt the ordinary process of research and development and production and impose a redundant constraint which would seriously complicate the effective management of the weapon system's acquisition program. Current controls by the Department of Defense and the Congress of the programs of various military departments are adequate.

Mr. President, I realize that this is a difficult situation where I am basically in agreement with the objective of controlling the cost of weapon systems, but this amendment is not the way to accomplish this purpose. Therefore, I would ask my colleagues to reject this amendment. The committee will conduct its surveillance over each weapon system on a continuing basis as well as when it is presented to Congress in the annual budget request.

Mr. THURMOND. Mr. President, I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, this amendment attempts to legislate the cost management of the Army's XM–1 tank program by establishing a statutory cost ceiling on development and production of the new tank.

The author proposes to establish a program ceiling of $730,000 per tank, based on 1972 dollars. Presently, the Army estimates the program unit cost for the tank in 1972 dollars will be $713,000.

Mr. President, the amendment ignores the fact that the Army tank is a research and development program, unknowns are dealt with in research and development programs. The eventual and exact cost is unknown, it may be more or less than current estimate. The Army is not buying a known product; it is building a complex machine which will have components added and taken away during the development period.

Mr. EAGLETON. Mr. President, will the Senator yield?

Mr. THURMOND. I yield on the Senator's time.

Mr. EAGLETON. The Senator said it may cost more and it may cost less, that it is a developmental tank. I wish to ask the Senator how far up can this tank go before it becomes noncost effective?

Mr. THURMOND. That depends entirely on what happens between now and the time the prototypes have been built; and it would depend on the number of tanks we buy.

Mr. EAGLETON. The amendment is written in 1972 dollars. I will rephrase my question predicated on a constant dollar value, that takes into account, one, the base line 1972 dollar and, two, 3,312 tanks. How much beyond $173,000 per tank is the Senator prepared to go before he considers the tank to be noncost effective?

Mr. THURMOND. That is a question that I think it would be unwise for anyone at this time to attempt to answer, for this reason. Suppose the Army achieved a great breakthrough on some particular facet on the tank, something they thought should go into that tank to save the lives of Army soldiers in the future. Are they going to refuse to put it in because it might cost $10,000 or $25,000? I think the Senator is asking a question which at this time it would be unreasonable for anyone to attempt to answer.

Mr. EAGLETON. The Defense Department itself found with respect to the MBT that the cost became too great. There was even consideration given at one time to putting air-conditioning in the tank. They thought that luxurious, but even without air-conditioning it got to $1 million. Would $1 million be the Senator's outside limit?

Mr. THURMOND. The Army cancelled that program. They canceled the program with the German Government to build the tank. They eliminated some additions, but even then the program was high and it was cancelled. They started on a new tank.

I was in Fort Knox last fall and went over this tank and the program, and I was very much impressed. They are building a simple tank and one they feel will not have so many complex devices in it and will meet the needs of the occasion and be within a reasonable cost.

No one at this time can tell exactly what that tank will cost because they do not know what the value of the dollar will be then. We do not know how many tanks will be built and we cannot project how much it should cost. The Army estimated $713,000.

Mr. EAGLETON. I shall not interrupt the Senator further but the Senator does trouble me when he talks about this tank being built at Fort Knox.

Mr. THURMOND. It is not being built there. The plans are being made there.

Mr. EAGLETON. That is where what little gold we have left is stored.

Mr. THURMOND. The Senator is correct. Some of that gold is at Fort Knox but I do not think it will go into these tanks unless it is first returned to Washington and converted to silver dollars, and into iron and then into the tanks.

The Senate should not write into laws rules directing the management of the tank or other procurement programs. Each year Congress has an opportunity to approve or disapprove the program both in authorization and appropriation procedures. Why should the Senate support allowance of a $17,000 margin of increased cost per tank?

The distinguished Senator from New Hampshire brought out that point. Why should Congress tell the Army now that we will tolerate that much excess? We want to keep the cost down as much as possible. If we buy 3,000 of these tanks and the cost goes up $17,000 per tank, the total extra cost for 3,000 tanks could be $51 million more than the present estimate. How was $730,000 per tank arrived at? What is sacred about it?

On the other hand, allowing a $17,000 margin on $730,000 per unit program gives the Army about a 0.05 percent of the cost in which to operate.

Flexibility is needed in a development program. Some technical breakthrough might develop and the Army could not apply it because of the cost limitation. One invention leads to another and one improvement leads to another. It is important that we maintain flexibility.

This amendment also would inhibit the Army's management responsibilities in that unwise decisions may be forced upon the program managers simply to achieve cost objectives.

Procurement requirements change so it is difficult to fix at this time, 5 or 6 years before production, the definite number of tanks needed.

We could make a great mistake. We want our men fighting on the battlefield to have the best tank possible, and as development occurs and goes along, if a few dollars more can be added to give them a better tank and save American lives who would stand and say, "No, let us not do it."

If more tanks are needed, the unit cost goes down; if less are needed, the unit cost goes up. This amendment is trying to legislate the price of a tank we will be buying in the 1980's and 1990's.

The Senate should reject this amendment as unwise and unnecessary.

Mr. McINTYRE. Mr. President, let me say to the distinguished Senator from Missouri, as I previously said, I do sympathize with what he is trying to do, but if he will remember, in July of 1976 there will be a selection by the Army of a winning contract, a development contract. That will be completed in October of 1979, by the Defense System Acquisition Review Council. In July of 1976 this review will establish the final value per unit cost against which trade-offs between performance and cost will be made—speed versus late, whatever it happens to be. So in attempting to set a figure now, which the Senator's amendment would do, it would only be in the way and will have to be amended or repealed or deleted. So that the Senator's amendment would really serve no purpose, as I tried to explain in my remarks.

I know Members of the Senate wonder if we do have control over these weapons systems, but we do have. As I have said, we are not saying "No" enough; we are not coming down hard enough.

So when the Senator asked my colleague, who is a pillar of strength in the committee, a question, he was talking about something that the R. & D. Subcommittee is interested in.

We had General Lucas before us after the B–1 fiasco. After they said everything was hunky-dory in April, in July they came in and said, "We are in trouble." The B–1 bomber has a figure, on a program unit cost, of admittedly about $55 million per aircraft, and a production unit cost of $45 million. We put the very question that the Senator asked of my distinguished colleague to the Secretary. We said, "Mr. Secretary, when does this aircraft become cost ineffective?" And the Secretary, on cross-examination, admitted that we were getting close to it on the B–1.

So it was an apt question that the Senator put. If it went on to $1 million, it would be cost ineffective, and we would wash it out.

But with all due credit to this amendment, we can do the job better. This amendment will only get in the way. We agree 100 percent with the Senator on the concept that we have to do a better job in the Armed Services Committee, and the Armed Forces have to do a better and better job on these weapons systems.

Mr. EAGLETON. Mr. President, I yield myself such time as I may consume.

We are not terribly far apart on this amendment. About 90 percent of what the distinguished Senators from New Hampshire and South Carolina have said has a common thread, although it may well be that when we come to a vote, one of us here present will vote "yes" and at least two will vote "no."

We all agree that there should be a greater system of cost control and cost analysis within the Department of Defense. It is not just three Senators on the floor of the Senate who are in agreement on that. As I said, the Chief of Staff of the Air Force has spoken on cost overruns and cost ineffectiveness.

It was the former Deputy Secretary of Defense David Packard who conceived of this design-to-cost concept. The Senator says, "Let us not put that into law." I say it will be of inestimable help to the Armed Services Committee to put it into law and hold the Pentagon's feet to the fire.

If this were one of the most sophisticated, glamourous, and vaguely defined weapons systems, then it might not lend itself to any cost-effective or design-to-cost concept, as would be the case with some of the more glamourous ones that were mentioned by the Senator from New Hampshire. He could have added the AWACS system to his list. That system may be another boondoggle down the road. We debated that system on the floor of the Senate on Saturday. AWACS seems to be so new in thrust and so untried that probably it would not lend itself to the design-to-cost concept, nor would it lend itself to the amendment being offered on the floor. But that is not the case with the XM-1. There is nothing very new about the concept of a tank. They have been around for a great deal of time, I guess as far back as World War I, when Colonel McCormick of the Chicago Tribune claimed to be its inventor, and the Russians claimed to be the inventors. The colonel went to his grave feeling that he was the inventor of the tank, and I assume the Russians went to their grave feeling likewise.

We have the recent history of the MBT-70—one of the few systems that the Pentagon dropped—which is relevant to this debate. Back in 1965 the cost of the MBT-70 was $350,000. By 1967 it had increased to $520,000. By 1969 it was $720,000. Late in 1969, when Secretary Packard said he wanted more accurate figures, it turned out that it was more than $850,000.

Then Secretary Packard ordered that the tank be redesigned and be reduced from a cost of $850,000 to $600,000. What was the cost when the order was to reduce it? It went from $850,000 to $1 million. They reduced it by taking off all the excess items. I think they left the treads on, and they got the cost up to $1 million after getting a stripped-down Pinto economy tank.

So I think this is a classic case—it is perhaps the classic case—with this remarkable antecedent history on tank development, for us to impose some limits.

The $713,000 figure is not mine. This is what we got out of the Defense Department as to what they could deliver it for. Fear not about inflation costs insofar as the amendment is concerned, because we have built in a provision to take care of inflation. We keep it at constant dollars. We are talking about 1972 dollars, and everything that grows therefrom goes back to that base. So there is no inflation factor to worry about.

I added $17,000. I am sorry I did. That is about a 2-percent increase. I put that in, to use their jargon, as a Pentagon fudgefactor, realizing that the Department is seldom close to the mark. I figured I would give them 2 percent to play with. There is still a fellow over there who wants to put an air conditioner in the tank. So I gave them $17,000 to play around with.

I am thinking now that I should have cut out the fudge factor. I was too generous. I am sorry for that, but I was trying to pick a figure that under all circumstances we could live with, because it is my fear here and now, if this amendment is defeated, that a year from now, when the same bill reaches the floor, the cost of the tank will be considerably over $730,000, and 2 years from now it will be even higher. I predict that in 1976 it will be even higher, possibly $1 million, and then they will want to go into production.

After investing all this into R. & D.—they put $300 million into the MBT-70, and that all went down the drain—they are going to put several million dollars into this tank, and they are going to be determined to produce a tank.

Bear in mind that this is a badge of honor. An admiral has to have an aircraft carrier. He cannot be an admiral unless he sits on one, and the Navy has to have 15 of them. An Air Force general has to have a B-1 aircraft. That is his indicia of honor. And ground commanders will want a tank because Pershing had tanks, Eisenhower had tanks, and they have to have tanks.

Mr. President, they will want to produce this baby, whatever the cost and regardless of the good intentions of the Armed Services Committee. The pressures will be enormous. They will say: "We have put $300 million into research, and we have put x number of dollars into research on this one. Let us have a tank. You give an admiral his air carrier. You have got to give us a tank. We cannot be treated as second class military citizens."

Unless we put some kind of control on this now, it will soon be beyond our control. It is too late after all of the investment for R. & D. has been made, hundreds of millions of dollars, to say that we want it redesigned. The Army has already ignored the recommendations of Congress.

The Appropriations Committee of the House of Representatives said: "You design us a tank for $333,000, and we will allow it." And, after a not ungenerous committee recommended that amount, they are already over two and one half times what the House of Representatives directed.

There is no greater support than we can give to the Senator from New Hampshire as a crutch then the design-to-cost ceiling I propose. He can then say to them: "Boys, it is $713,000 or, as Senator Eagleton in a fit of generosity said, $730,000. You cannot go over that. And if you do, you have to give us a good explanation why it is over, the same as you should have given us a good explanation as to why the MBT-70 went clear out of sight and off the drawing board."

Unlike many other systems, this is a weapon which deals with a rather commonplace military weapon with a long history that is similar to its grandmother, the MBT-70, and its mother the XM-803. It is the same tank, but it has a different number. It is the same line of history from 1963 to 1973.

This is one program that should be reduced to what Deputy Secretary of Defense Packard called design-to-cost. I think that it would be a wholesome warning to the Defense Department that Congress is very serious about this matter.

I reiterate, we are not even attempting to strike this out of the budget. We are only taking the Pentagon at its own word. That is not too much to expect. We are asking them what it would cost. They said $713,000. We say: "Well, we will take you at your word. Bring in a tank at that price." It should not be too much to ask them to live up to it. It should be of great value to the Armed Services Committee at some future time if they had this legislative crutch on which to lean.

Mr. President, I would be happy to yield back the remainder of my time if that is the desire of those who oppose the amendment.

Mr. President, I will retain the remainder of my time, since I want to have the yeas and nays.

The PRESIDING OFFICER. A quorum can be called after the debate.

Mr. McINTYRE. Mr. President, I must say that the amendment of the Senator from Missouri is premature. In my opening remarks in rebuttal, I indicated that the Secretary of the Army is currently operating at a unit production cost of $575,000 per tank. To come up with a figure of $731,000 per unit and per program cost is to ask us to look ahead 3 years. We just cannot tell what the research, development, testing, and evaluation programs will run into.

Perhaps the best thing would be to take a look 3 years hence when the equipment competition will have been cleared and the winner of the competition between Chrysler and General Motors will have been selected. Then, if we find that they have exceeded the firm figure of $575,000 per unit, and per production cost, the Senator from Missouri as well as the Senator from New Hampshire will be up in arms if they are over that figure in constant 1972 dollars.

As I said initially, I understand what the Senator from Missouri is struggling for. However, this is not the way to do it. It will only interfere with the natural way the Department of the Army, the Secretary of Defense, and the committees of the Senate and the House work.

The Senator's amendment, despite its good objectives and despite the best of intentions, will only clutter up the way and will only interfere with the orderly processes we try our best to maintain as we deal with the Army and the rest of the military services of the Nation.

Mr. President, I have to ask my colleagues to reject the amendment as being premature and unnecessary, despite its good intentions.

Mr. EAGLETON. Mr. President, I am prepared to yield back the remainder of my time.

Mr. THURMOND. Mr. President, I yield back the remainder of my time.

Mr. EAGLETON. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. EAGLETON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Missouri. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. Chiles), thte Senator from Alaska (Mr. Gravel), the Senator from Colorado (Mr. Haskell), the Senator from Montana (Mr. Mansfield), the Senator from Utah (Mr. Moss), the Senator from Mississippi (Mr. Stennis), and the Senator from New Jersey (Mr. Williams) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Oregon (Mr. Hatfield), and the Senator from Maryland (Mr. Beall) are necessarily absent.

I further announce that the Senator from Vermont (Mr. Aiken) and the Senator from Ohio (Mr. Taft) are absent on official business.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that, if present and voting, the Senator from Oregon (Mr. Hatfield) would vote "yea."

The result was announced—yeas 26, nays 60, as follows:

[No. 413 Leg.]

YEAS—26

Abourezk
Bayh
Brooke
Burdick
Case
Church
Clark
Cranston
Eagleton
Fulbright
Hart
Hartke
Hathaway
Huddleston
Kennedy
McGovern
Mondale
Muskie
Nelson
Packwood
Pell
Proxmire
Ribicoff
Saxbe
Stevenson
Weicker

NAYS—60

Allen
Baker
Bartlett
Bennett
Bentsen
Bible
Biden
Brock
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Long
Magnuson
Mathias
McClellan
McClure
McGee
McIntyre
Montoya
Nunn
Pastore
Percy
Randolph
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stevens
Symington
Talmadge
Thurmond
Tower
Tunney
Young

NOT VOTING—14

Aiken
Beall
Bellmon
Chiles
Gravel
Haskell
Hatfield
Mansfield
Metcalf
Moss
Pearson
Stennis
Taft
Williams

So Mr. Eagleton's amendment was rejected.

Mr. THURMOND. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. McINTYRE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President——

Mr. ROBERT C. BYRD. Mr. President, it is my understanding that the distinguished Senator from Alaska (Mr. Stevens) is not prepared to call up his amendment tonight. Therefore, I ask unanimous consent that that amendment be temporarily laid aside and remain in a temporarily laid-aside status until another day; that the Senate now proceed to the consideration of amendment No. 525 of the Senator from Arizona (Mr. Goldwater), which was to come at this time as the alternative; and that the amendment by Mr. Goldwater be followed by the amendment of the Senator from Wisconsin (Mr. Proxmire) on which there be a time limitation of 15 minutes, divided as follows: 10 minutes under the control of Mr. Proxmire and 5 minutes under the control of Mr. McIntyre.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. McCLELLAN. Mr. President, may I ask the Senator from West Virginia, is it anticipated that there will be any more rollcall votes tonight?

Mr. ROBERT C. BYRD. That is what I am going to try to find out in a moment.

Now, Mr. President, would the Chair recognize the Senator from Arizona to call up his amendment and then I will ask the Senator to yield me 2 minutes.

AMENDMENT NO. 525

Mr. GOLDWATER. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 19, line 2, strike out "$38,900,000" and insert in lieu thereof "$43,085,000".

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Arizona yield me 2 minutes?

Mr. GOLDWATER. I am happy to yield 2 minutes to the Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia is recognized for 2 minutes.

Mr. ROBERT C. BYRD. Mr. President, for the information of the Senate, may I ask the Senator from Arizona as to whether he intends to ask for the yeas and nays on his amendment, or whether anyone else intends to ask for the yeas and nays on that amendment?

Mr. GOLDWATER. I have no intention of asking for the yeas and nays.

Mr. ROBERT C. BYRD. Then the Senator will be agreeable to a voice vote; is that correct?

Mr. GOLDWATER. That is correct.

Mr. ROBERT C. BYRD. Mr. President, may I ask the able Senator from Wisconsin (Mr. Proxmire) the same question?

Mr. PROXMIRE. I will not ask for the yeas and nays.

Mr. ROBERT C. BYRD. Does any other Senator intend to ask for the yeas and nays on the Proxmire amendment?

May I ask Senators if any other Senator is ready to call up an amendment today following a voice vote on the Proxmire amendment?

Mr. President, there will be no more yea-and-nay votes tonight.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 9 a.m. tomorrow. The Senator from Idaho (Mr. Church) and the junior Senator from West Virginia (Mr. Robert C. Byrd) will each be recognized for not to exceed 15 minutes, in that order; after which the Senate will immediately proceed to the consideration of the Cannon amendment dealing with the F–14.

The Whip notice says that the Senate will proceed at 10 o'clock. The Senator from Nevada (Mr. Cannon) has called my attention to that error. The Senate will instead proceed at 9:30 a.m. tomorrow to consider the Cannon F–14 amendment.

In that regard, may I ask the Senator from Nevada, would he care to ask for the yeas and nays at this time?

Mr. CANNON. Yes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays at this time on the Cannon amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, following the vote on the F–14 amendment, the Senator from Indiana (Mr. Hartke) will call up his amendment, No. 494, dealing with recomputation. There is a time limit thereon of 1½ hours. A yea-and-nay vote may occur thereon.

At 1:30 p.m. tomorrow, the Senate will take up the amendment dealing with the Trident. Debate will ensue thereon from 1:30 p.m. until 4 p.m. The vote on the Trident amendment will not occur at that time.

Mr. GOLDWATER. Mr. President, if the Senator will yield at that point, I thought that at 1:30 p.m. tomorrow we had an executive meeting to listen to Senator Jackson.

Mr. ROBERT C. BYRD. If the Senator will allow me to proceed, my understanding is that, at 1:30 p.m., the distinguished Senator from Washington (Mr. JACKSON) will ask for an executive session during that 2½ hours. He needs only 1 second to accomplish that purpose. Assuming that he gets that 1 second to do so, which he undoubtedly will, there will then be a closed session, and the 2½ hours will be equally divided between Senators MCINTYRE and JACKSON during the closed session.

At 4 p.m. the Senate will go back into open session, the Trident amendment will be set aside, and debate will begin on the question of the override of the Presidential veto of the Small Business Administration bill, with a yea-and-nay vote, as provided under the Constitution, to occur thereon no later than 5 p.m.

Following the vote on the veto override, which I assume will be completed at about 5:10 or 5:15 p.m., the Senate will take up the Jackson-Nunn amendment which provides for U.S. troop financing by NATO countries under a 2½-hour limitation. That will take us up to about 7:30 p.m. or 8 p.m., with a yea-and-nay vote to occur thereon.

That takes care of the schedule for tomorrow. I thank all Senators for their courtesy and attention.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation, for the Armed Forces and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Mr. GOLDWATER. Mr. President, how much time do I have?

The PRESIDING OFFICER. Under the agreement, there is 1 hour on this amendment to be equally divided; therefore, the Senator has 30 minutes.

Mr. GOLDWATER. Mr. President, for the information of my colleagues, I have no desire to use more than 10 or 12 minutes, so the amendment of the Senator from Wisconsin (Mr. PROXMIRE) may come much faster than the 1 hour.

Mr. President, this amendment, on page 19, line 2, would strike out $38,900,000 and insert in lieu thereof $43,085,000. That is an increase of $4,085,000. Let me explain why I feel that increase to be necessary.

When the hearings were held before the Armed Services Committee, the Army did not request additional M–16 rifles because they thought, under their existing purchase, that they would have enough.

However, since that time, the Colt Manufacturing Co., which makes the M–16 rifles, has had a 19-week strike. Consequently, the Army has been denied deliveries. Also, the plant which Colt is building in Korea has not yet been completed. So deliveries from that country have not come about.

The increase results from the Army's decision to adopt a one-rifle—the M–16A1 concept—rather than the two-rifle—M–16A1, M–14—concept which prevailed throughout the Vietnam conflict.

Under the two-rifle concept, the M–14 rifle was retained in the continental U.S. units, which were not likely to be deployed, and in overseas units not likely to be engaged in combat operations.

The Army did not reclama the House or Senate reductions on the M–16A1 rifle because of its relative importance when considering the fact that we were at 93 percent of the revised AAO without this buy.

Prior to the strike, the fiscal year 1974 procurement was needed to maintain a warm production base through the fiscal year 1974 funded delivery period. However, in April 1973 a strike occurred at the Colt plant, the producer of the rifle, which shut down the line and had the effect of extending production into the fiscal year 1975 funded delivery period. This provided the Army an option to evaluate a fiscal year 1975 buy without a break in production to determine whether M–16A1 Rifles should be submitted in the fiscal year 1975 President's budget. In essence, the strike removed the urgency of reinstating the fiscal year 1974 buy to maintain the warm base and, therefore, the Army did not reclama the reduction.

The Army supports the reinstatement of 31,000 rifles because it will assist in maintaining the warm base and falls within the Army's cold base inventory authorization.

Mr. President, what we are trying to do here is to make sure that the production line at Colt remains warm, or remains open, so that the Army will be in a position to know what it will need when they come to that moment of decision in the 1975 budget.

As I mentioned, the Colt people are constructing a plant in Korea. They will have other factories around the world to take care of the growing demand for this rifle from other countries, not just the U.S. Army.

Mr. President, as I said, I do not intend to ask for a rollcall vote on this amendment. I would hope that the committee would recognize that the Army has had a change of mind, which was literally forcd on them by a strike over which thy had no control, and that the committee might deem it wise to accept this amendment.

Mr. THURMOND. Mr. President, we think this is a good amendment, and we are willing to accept it .

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. GOLDWATER. I yield back the remainder of my time.

Mr. THURMOND. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arizona.

The amendment was agreed to.

Mr. PROXMIRE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 19, between lines 17 and 18, insert a new section as follows:

SEC. 202. Notwithstanding any other provision of this Act, the total amount of funds authorized in this Act for independent research and development work, bid and proposal expenses, and other technical effort projects is hereby reduced by an amount equal to 50 per centum. The Secretary of Defense shall allocate the amount of the reduction in such manner as he deems appropriate.

Mr. PROXMIRE. I yield myself such time as I may require.

Mr. President, I first raised questions about the subject of independent research and development, known as I.R. & D., in 1969 during the Senate debate of the military authorization bill. I pointed out then that this little known program had grown from about $450 million in 1963 to over $600 million in 1968 and that it was virtually uncontrolled by the Department of Defense.

Several steps have been taken since 1969 by the Senate Armed Services Committee, by Congress, and by the Pentagon to gather additional information about I.R. & D. and to develop controls over it. I regret to report, however, that the costs of I.R. & D., after dropping off some, have resumed an upward trend and have risen precipitously in the past 2 years.

I have a table here, which I ask unanimous consent to have printed in the RECORD, showing the costs. They were intended to go down—that was the agreement, the understanding—but they have gone up to more than $700 million. The table illustrates the disturbing cost trend.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	Total I.R. & D. and bid and proposal expense (millions)	Percent of I.R. & D. and bid and proposal expense to defense sales of recipients
1968	$609	2.73
1969	675	3.00
1970	654	3.07
1971	619	3.16
1972	704	3.83

Note: Figures cover defense contractors which had $15,000,000 in annual auditable costs incurred, or which required 4,000 or more man-hours of DCAA direct audit effort. In fiscal year 1972, this included 77 major defense contractors, comprising 167 reporting divisions or operating groups.

Mr. PROXMIRE. In addition, the efforts to improve controls over the contents of I.R. & D. efforts of private contractors have produced disappointing results, at best.

For these reasons I believe Congress would do well to impose a strict ceiling over I.R. & D. expenditures. Setting a ceiling to cut the costs of the program was the approach I employed in 1969. The Senate approved a 20-percent cut in funds for the program that year, but the figure was drastically reduced in conference to only a 7-percent reduction. After an immediate decline in the costs of I.R. & D. the ceiling approach was abandoned in favor of tightening up the ground rules and imposing certain restrictions. I do not believe the second approach to the problem has worked. The recent increase in I.R. & D. costs has done much to persuade me that the only way to reduce the size of this program is to place a ceiling over it.

I have therefore submitted an amendment which would reduce the funds for I.R. & D. in this year's military authorization act by 50 percent.

It may be that a 50-percent cut does not go far enough. Indeed, I think a case can be made that this program is a backdoor boondoggle and ought to be eliminated altogether.

However, I have been discussing the question with the chairman of the Subcommittee on Research and Development of the Committee on Armed Services, the distinguished Senator from New Hampshire (Mr. MCINTYRE). I have decided to withdraw the amendment with the understanding that we agree to a study by the General Accounting Office.

Instead of attempting to legislate on this complex matter during the present session of Congress, the Senator from New Hampshire and I have agreed to request an indepth investigation by GAO into the underlying assumptions and the overall justification of the I.R. & D. program as well as into the implementation of the current regulations. This study is to be completed and a report issued to the Senate Armed Services Committee in time for consideration of next year's military authorization bill.

I want to emphasize that I believe the Armed Services Committee and the Subcommittee on Research and Development have been doing an excellent job in trying to tighten up the controls over this program. I testified in the extensive and productive hearings conducted by Senator MCINTYRE in 1970 and I have been working closely with him on this matter. It is reassuring to know that he is keeping an eye on the program and I am confident that when GAO completes its inquiry and all the facts are known appropriate action will be taken by the committee and by Congress.

Before ending the present discussion, I want to explain my reservations about I.R. & D. and why I believe a closer look at it is necessary. As I indicated earlier, I was flabbergasted to learn in 1969 that the Pentagon was picking up the bill for hundreds of millions of dollars in private contractors' research and development costs.

It needs to be stressed that these costs are almost entirely separate from the Pentagon's research and development program, known as research, development, testing and evaluation—R.D.T. & E. The Defense Department is spending about $8 billion in R.D.T. & E. and costs are scheduled to rise significantly next year. The I.R. & D. program must be distinguished from the R.D.T. & E. program. The $700 million which the Pentagon pays to private contractors for I.R. & D. is separate from the $8 billion which the Pentagon pays to private contractors for R.D.T. & E. This raises a basic question: Why do we need two separate programs within the Pentagon to sponsor research and development efforts by private contractors?

In addition to the fact that we have, in effect, to separate research and development programs being funded through the defense budget is the absence of the normal kinds of safeguards around I.R. & D. in contrast to R.D.T. & E. and other procurement efforts. I pointed out in 1969 that I.R. & D. costs: First, were not the subject of contracts or grants or other specific arrangements between the Government and defense firms; second, they did not need to bear any direct or even indirect relationship to any military or special need of the Government; and third, and they were not being controlled by the Government.

Rather than eliminating this expense, which I first proposed, or placing it under a ceiling, Congress has attempted to legislate tighter control,. The controls have not been effective and I.R. & D. costs have continued to rise. They have increased in dollar amounts and as a percentage of defense sales. This increase can be seen in the last column of the table I introduced a short while ago. The table shows that the ratio of I.R. & D. costs have risen from 2.73 percent of the recipients' defense sales to 3.83 percent of their sales, a 40-percent increase from 1968 to 1972. This means that I.R. & D., the least controlled form of procurement spending, is becoming a larger and larger share of defense business.

There may be a rational and acceptable explanation for this. But it causes me great concern at present because it appears that the I.R. & D. program is being used to prop up the sales of defense firms whose prime contract awards have declined in recent years. I do not believe that would be a proper use of I.R. & D. funds. It may very well be that defense firms need to be propped up. However, the I.R. & D. program is not the way to do it. If defense contractors need to be subsidized the final decision should be made by Congress after hearings and full debate. We ought not be propping up private corporations through back door methods such as the I.R. & D. program.

The possibility that contractors might be using I.R. & D. as a subsidy or substitute for prime contract awards is raised by the overall statistics as well as the figures relating to three major aerospace firms that have experienced great financial difficulties in the past several years: Litton Industries, Lockheed Aircraft Corp., and Grumman Aerospace Corp. In the case of each of the three firms defense sales declined from 1971 to 1972 while I.R. & D. costs increased or remained about the same. For example, Litton's I.R. & D. costs more than doubled, from $3.6 million to $7.8 million at the same time that its defense sales dropped from $548 million to $414 million.

I should add here that there seems to be some confusion about the overall costs of I.R. & D. The GAO report contains figures that are somewhat different and somewhat higher than the ones I have used. My figures come from the DCAA annual reports on the I.R. & D. program. GAO's figures, which are also contained in the Senate Armed Services Committee report, were apparently obtained from the Defense Department. The discrepancy in the GAO and DCAA figures may be due to the fact that GAO's figures include the item known as other technical effort—OTE—which is funded in a manner that is similar to the way I.R. & D. is funded and which has been considered as part of the I.R. & D. program in the past. If this is the case it raises the question of why DCAA does not include OTE costs in its annual report. I assume GAO will want to explore this matter in its next report.

My concern over the costs of this program is equaled by my concern over its content. Three years ago, in the fiscal year 1971 Military Procurement Authorization Act, Congress limited I.R. & D. expenditures to programs that could be shown to have a military benefit. Section 203 of Public Law 91–441 provides that funds shall not be made available for I.R. & D. unless the Secretary of Defense determines that the work for which payment is made has a potential relationship to a military function or operation. This requirement, which I fully support, represented a substantial improvement in the program, because previously there was no requirement that I.R. & D. efforts meet the test of military relevancy.

The question now is, do I.R. & D. efforts meet the test of relevancy as the law requires? There is evidence that they do not, that the law has not been effective, and that contractors are merely submitting detailed and attractive brochures which make it appear that proposed I.R. & D. efforts will have a potential military benefit. It is an easy matter to word I.R. & D. proposals to suggest a potential military benefit. We are all familiar with the techniques of brochuremanship which have been raised to a high state of fine art by aerospace firms in connection with other aspects of defense procurement. As a result, contracting officers may find themselves on weak ground if they try to disallow I.R. & D. proposals on grounds of irrelevancy. On the other hand, a good brochure is no guaranty of good results.

The fact is that the Pentagon has not demonstrated a willingness or capability for determining whether proposed I.R. & D. work is ever actually performed or whether such work benefits the Government. The recent GAO report, "Payments for Independent Research and Development and Bid and Proposal Expense" reveals the shortcomings of current procedures. GAO concludes in its report that—

> The potential military relationship provision of section 203 continues to be vague. As interpreted and applied by DOD, it has had no measurable effect on DOD's ceiling or on IR&D or B&P payments.

GAO goes on to say that it noted in the GAO April 1972, report that the language of section 203 did not provide criteria for determining when a project was considered to have a potential military relationship and that in the current review it was found that DOD had still not issued uniform criteria for determining relevancy.

The law provides that the Pentagon negotiate firm ceilings for I.R. & D. with contractors who receive $2 million or more of I.R. & D. funds in the preceding year. Loopholes have also been carved into this provision. GAO reports that inconsistencies and other problems in developing and negotiating I.R. & D. and B. & P. agreements persist and that most agreements are not negotiated before costs are incurred. In one case cited by GAO an "advance" agreement was entered into only 6 weeks before the end of the year covered by the agreement.

The law provides that the Pentagon must technically evaluate each contractor's proposed I.R. & D. program. Again, the law has not been effective. According to GAO, the Defense Department has not provided the necessary guidance to specify how the technical quality rating will be recognized or how the contractor should be rewarded or penalized. GAO looked at the I.R. & D. programs of seven contractors. In three cases the Pentagon's records did not identify the effect, if any, that the technical evaluation had on the ceiling negotiated, nor were the contract negotiators able to identify or quantify the impact it had on the ceiling. For the other four contractors, the Pentagon's negotiator said the technical evaluation was considered but the change from the year before warranted neither an increase or a decrease in the contractor's program. That might have been an odd coincidence, but the implication in the GAO report is that the Government is going through the motions of making technical evaluations without knowing how to do them or without allowing them to influence any decisions. GAO concludes:

> There is little evidence that technical evaluations are adequately considered in negotiating ceilings or that they are used to motivate contractors to improve performance.

GAO does not recommend any changes in the law pending the result of several ongoing studies. But it should be pointed out that GAO in its study was not asked to review the desirability of I.R. & D. or whether it is in the national interest. It was only reviewing the Pentagon's implementation of the existing law.

Whether we ought to have an I.R. & D. program at all, and if so at what level of funding, is another and more basic question. This question has not been raised before. It needs to be confronted and there is no better time to face up to it than at present when concerted efforts are being made to hold down Federal spending and to trim the fat from the defense budget.

The evidence I have seen strongly suggests that the existing system of I.R. & D. payments amounts to a Pentagon subsidy of its major contractors. The I.R. & D. program allows contractors to get large sums from the Government—and several firms receive $30 million or more annually in I.R. & D. funds alone—to use as they see fit in developing new products, conducting their own research and development work, and otherwise enhancing their ability to obtain defense or commercial contracts.

Reimbursement for I.R. & D. comes through overhead charges on defense contracts. The costs of the I.R. & D. program cannot be found in any line item in the authorization or appropriation bills. The funds are the results of numerous add-ons to weapons contracts. But the add-ons cannot be seen individually. They are buried in the amounts budgeted for military procurement as a kind of surcharge or sales tax on top of the direct costs of individual contracts except that it is a sales tax that the Government pays.

Although the Pentagon may have paid millions of dollars for a private firm's I.R. & D. program, the Pentagon does not have the right to see the technical data developed under that program. The Government receives no license, patent, royalty, or other rights in any inventions that result from I.R. & D. efforts paid for with taxpayers' money. Defense contractors can retain the income from such patents or inventions, and the Government may even end up paying royalties for the right to use inventions developed at public expense. The contractors can exploit such inventions in either defense or commercial markets. They are thus able to increase their profits and their competitive advantages over smaller firms and nondefense contractors who are not eligible for the I.R. & D. subsidy.

This program contributes to the continued dominance of the large aerospace firms in the defense market. The largest defense contractors get the largest I.R. & D. subsidies. In 1972, the top 25 defense contractors received 41 percent of the Pentagon's business. But the same 25 firms received 72 percent of the I.R. & D. subsidy. In an area already dominated by a few large firms and where there is little effective competition, the I.R. & D. program encourages further concentration. In addition, it is possible for multidivisional conglomerates to pass on to Government contracts nearly all the costs of its defense-oriented business, and then to use inventions from I.R. & D. efforts in its commercial business.

It is argued that I.R. & D. is a legitimate overhead cost which the Government should pay along with other overhead such as rent, light, and general and administrative expenses. But I.R. & D. belongs in a separate category from the accepted overhead costs. For one thing, contractors have little incentive to control I.R. & D. costs, because the Government picks up most of the bill and any new inventions or processes could help them improve their market position and their profits. Secondly, in a period of declining defense sales, I.R. & D. can help pick up the slack, and it can be used to support staffs who cannot be employed on contract work. In such circumstances, it becomes a disincentive to trim excess overhead costs and excess staff.

It is also argued that I.R. & D. provides a way to develop and demonstrate prototypes of technologically advanced hardware before a formally recognized military requirement exists. I have advocated the development of prototypes prior to production of new systems. But prototypes should be funded according to a rational plan, not on the arbitrary criterion of how much business a contractor happened to do a year ago. And prototypes ought to be subjected to congressional authorization and appropriation.

A third argument is that I.R. & D. is necessary to maintain a modern technology base. Does the I.R. & D. program contribute to this objective and does it do it in a way that is in the national interest? If Government subsidies are needed to keep our technology up to date then Congress ought to deliberate over the best way to do it. There ought to be hearings in which the public is heard and various means for attaining the objective are considered. And there ought to be a congressionally enacted program, accountable to the legislative branch and subject to periodic review.

Under the present system, the larger the defense firm, the larger is its I.R. & D. subsidy. I do not believe that such a system is calculated to insure the continuance of a modern technology base. Moreover, as I mentioned earlier, the Pentagon is already spending about $8 billion annually for research and development, presumably to provide itself with a modern technology base.

Finally, it is argued that I.R. & D. is necessary to maintain the profitability of defense business. Of course, I.R. & D. makes defense work more profitable. But they are hidden profits and they may be unearned profits. Defense contractors—especially the larger firms—make ample profits, as recent studies have shown, and in some cases excess profits, without the added factor of hidden I.R. & D. profits.

Certainly, any review will show that some good ideas have come out of I.R. & D. efforts and that there have been benefits to the Government. The question is whether the benefits are worth the cost—presently running over $700 million annually. We are spending more through the Pentagon's I.R. & D. back door than the entire research budget of the National Science Foundation, more than the combined 1974 Federal budget for research on cancer and cardiovascular disease.

It is also interesting to note that the Atomic Energy Commission has an entirely different policy toward I.R. & D. for its contractors. The AEC does not accept I.R. & D. costs on its contracts unless the contractors can demonstrate direct benefits to the contracts they are working on. The AEC does not pay for a contractor's research program until it enters into a specific contractual arrangement and unless Government rights are reserved in resulting inventions and technical data. Not surprisingly, the AEC pays only a few millions of dollars per year for I.R. & D. If AEC can operate satisfactorily under such rules why cannot the Pentagon?

Mr. President, I am firmly in favor of research and development and a strong industrial base and a modern technology. But these worthy objectives do not justify back door subsidies of large defense contractors. If we need to subsidize industry for these purposes we might consider doing so through the National Science Foundation which is supposed to encourage the application of science and technology to the needs of industry and Government, or through some other means determined to be in the public interest. I do not believe the public interest is served, however, when programs are allowed to mushroom in the dark recesses of the Pentagon without being subjected to rational debate or congressional deliberation. We do not serve the national interest by burying it in the defense budget.

For these reasons I am very pleased that my distinguished colleague, the chairman of the Subcommittee on Research and Development, is agreeable to an intensive study of the I.R. & D. program from top to bottom. I understand that our staffs have held discussions on the design of the study and that there will be further discussions with the staff of the GAO. I am most reassured by our cooperation in this matter and I look forward to the results of this effort.

Mr. President, I ask unanimous consent that the text of my amendment be printed in the RECORD.

My objection to the program, as I have explained in the past, is that there is no connection between this enormous amount of $700 million and our military research. This is the way that contractors can engage in other research, in nonmilitary research—specifically in nonmilitary research. As I say, it was the understanding that the program had become too extravagant, had gotten out of line somewhat. Nevertheless, it is something that the Armed Services Committee has become aware of. They have begun to tighten up on it. But I do think that the General Accounting Office study will give us the basis, give us the reason, to put a ceiling on the authorizations.

So I withdraw the amendment I have sent to the desk, with the understanding that the distinguished Senator from New Hampshire will agree to join me in requesting the General Accounting Office for the study I have proposed.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. McINTYRE. I say to the distinguished Senator from Wisconsin that the I.R. & D. is a familiar friend, ever since 1969 when we had an amendment to look into the I.R. & D. Generally speaking, I came out with a feeling that the independent R. & D. was being conditioned into some tightening up.

I understand that the Senator is willing to withdraw his amendment. I know that the distinguished Senator from Missouri (Mr. SYMINGTON), the acting chairman, and the distinguished Senator from Mississippi (Mr. STENNIS), the chairman, will go along with the Senator's proposal. We will ask the General Accounting Office to give it a good, hard look. I think that when that has been done, the independent I.R. & D. will pursue its efforts to reduce costs.

Mr. PROXMIRE. I thank the Senator from New Hampshire. I hope that when that is done, the Senator will join me in my efforts.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. SYMINGTON. I am glad that the chairman of the Research and Development Subcommittee agrees with the Senator's position. For many years I have felt that research and development has become a glamorous organization that is costing the American taxpayer an unnecessary amount of money.

For the last 6 years I have said to research engineering, Why not see that we get results from that Department? The Soviet gets the hardware. I have found that the cost of research on a shell is 7,000 times its cost in production—7,000 times the cost of a shell.

There are other things I cannot discuss on the floor with respect to whether there is an agreement or not or whether the shell can be used as it was designed to be used. Research and development has become a part of this gigantic complex that the Senator has been so forthright and able in presenting to the people of this country from the standpoint of wasted effort.

Mr. PROXMIRE. I yield the floor.

The PRESIDING OFFICER. The amendment has been withdrawn.

Mr. ROBERT C. BYRD. Mr. President, there will be no further action on the unfinished business today.

TIME LIMITATION AGREEMENT ON AMENDMENT NO. 528

Mr. ROBERT C. BYRD. Mr. President, while the Senator from Missouri (Mr. SYMINGTON) and the Senator from South Carolina (Mr. THURMOND) are here, I ask unanimous consent that at such time as amendment No. 528—authored by Mr. BAKER and Mr. BENTSEN to the military procurement bill—is called up and made the pending question, there be a time limitation thereon of 1 hour, with a time limitation on any amendment or debatable motion in relation thereto of 20 minutes, to be equally divided and controlled in accordance with the usual form, and that no amendment not germane be in order.

Mr. THURMOND. I have no objection.

The PRESIDING OFFICER. Does the Senator refer to the amendment as modified?

Mr. ROBERT C. BYRD. As modified.

The PRESIDING OFFICER. Without objection, it is ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with statements limited therein to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSERVATION OF CERTAIN SPECIES

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1983.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1983) to provide for the conservation, protection, restoration, and propagation of threatened and endangered species of fish, wildlife, and plants, and for other purposes, which were to strike out all after the enacting clause, and insert:

That this Act, with the following table of contents, may be cited as the "Endangered and Threatened Species Conservation Act of 1973".

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Sec. 2. Findings, purposes, and policy.
Sec. 3. Definitions.
Sec. 4. Determination of endangered species and threatened species.
Sec. 5. Land acquisition.
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Sec. 9. Prohibited acts.
Sec. 10. Exceptions.
Sec. 11. Penalties and enforcement.
Sec. 12. Endangered plants.
Sec. 13. Conforming amendments.
Sec. 14. Repealer.
Sec. 15. Authorization of appropriations.
Sec. 16. Effective date.

FINDINGS, PURPOSES, AND POLICY

SEC. 2. (a) The Congress finds and declares that one of the unfortunate consequences of growth and development in the United States and elsewhere has been the extermination of some species or subspecies of fish, wildlife, and plants; that serious losses in species of wild animals with educational, historical, recreational, and scientific value have occurred and are occurring; that the United States has pledged itself, pursuant to migratory bird treaties with Canada and Mexico, the Migratory and Endangered Bird Treaty with Japan, the Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere, the International Convention for the Northwest Atlantic Fisheries, the International Convention for the High Seas Fisheries of the North Pacific Ocean, the Convention on International Trade in Endangered Species of Wild Fauna and Flora, and other international agreements, to conserve and protect, where practicable, the various species of fish, wildlife, and plants facing extinction; that a key to more effective protection and management of native fish and wildlife that are endangered or threatened is to encourage and assist the States in developing programs for such fish and wildlife; and that the conservation, protection, restoration, or propagation of such species will inure to the benefit of all citizens.

(b) The purposes of this Act are to provide a means whereby the ecosystems upon which endangered species and threatened species depend may be conserved, protected, or restored, to provide a program for the conservation, protection, restoration, or propagation of such endangered species and threatened species, and to take such steps as may be appropriate to achieve the purposes of the treaties and conventions set forth in subsection (a) of this section.

(c) It is further declared to be the policy of Congress that all Federal departments and agencies shall seek to protect endangered species and threatened species and shall utilize their authorities in furtherance of the purposes of this Act.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) The term "Convention" means the Convention on International Trade in Endangered Species of Wild Fauna and Flora, signed on March 3, 1973, and the appendices thereto.

(2) The term "endangered species" means any species of fish or wildlife which is in danger of extinction throughout all or a significant portion of its range.

(3) The term "fish or wildlife" means any wild member of the animal kingdom, whether or not raised in captivity, including without limitation, any mammal, fish, bird (including any migratory, nonmigratory, or endangered bird for which protection is also afforded by treaty or other international agreement), amphibian, reptile, mollusk, or crustacean, and includes any part, product, egg, or offspring thereof, or the dead body or parts thereof.

(4) The term "foreign commerce" includes, among other things, any transaction—

(A) between persons within one foreign country;

(B) between persons in two or more foreign countries;

(C) between a person within the United States and a person in a foreign country; or

(D) between persons within the United States, where the fish and wildlife in question are moving in any country or countries outside the United States.

(5) The term "import" means to land on, bring into, or introduce into, or attempt to land on, bring into, or introduce into, any place subject to the jurisdiction of the United States, whether or not such landing, bringing, or introduction constitutes an importation within the meaning of the customs laws of the United States.

(6) The term "person" means (A) any private person or entity, and (B) any officer, employee, agent, department, or instrumentality of the Federal Government, of any State or political subdivision thereof, or of any foreign government.

(7) The term "plant" means any member of the plant kingdom, including seeds, roots and other parts thereof.

(8) The term "Secretary" means, except as otherwise herein provided, the Secretary of the Interior or the Secretary of Commerce as program responsibilities are vested pursuant to the provisions of Reorganization Plan Numbered 4 of 1970; except that with respect to the enforcement of the provisions of this Act and the Convention which pertain to the importation or exportation of terrestrial plants, the term means the Secretary of Agriculture.

(9) The term "species" includes any subspecies of fish or wildlife or plants and any other group of fish or wildlife of the same species or smaller taxa in common spatial arrangement that interbreed when mature.

(10) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands.

(11) The term "take" means to harass, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to harass, pursue, hunt, shoot, wound, gill, trap, capture, or collect.

(12) The term "threatened species" means any species of fish or wildlife which is likely to become an endangered species within the foreseeable future throughout all or a significant portion of its range.

(13) The term "United States", when used in a geographical context, includes all States.

DETERMINATION OF ENDANGERED SPECIES AND THREATENED SPECIES

SEC. 4. (a) The Secretary shall by regulation determine whether any fish or wildlife is an endangered species or a threatened species because of any of the following factors:

(1) the present or threatened destruction, modification, or curtailment of its habitat or range;

(2) overutilization for commercial, sporting, scientific, or educational purposes;

(3) disease or predation;

(4) the inadequacy of existing regulatory mechanisms; or

(5) other natural or manmade factors affecting its continued existence.

(b) (1) The Secretary shall make determinations required by subsection (a) of this section on the basis of the best scientific and commercial data available to him and after consultation, as appropriate, with the affected States, interested persons and organizations, other interested Federal agencies, and, in cooperation with the Secretary of State, with the country or countries in which the fish or wildlife concerned is normally found or whose citizens harvest such fish or wildlife on the high seas; except that in any case in which such determinations involve native species of fish or wildlife, the Secretary shall consult with and consider the recommendations of each State concerned before adding such species to, or removing such species from, any list published pursuant to subsection (c) of this section.

(2) In determining whether or not any fish or wildlife is an endangered species or a threatened species, the Secretary shall take into consideration those efforts, if any, being made by any nation or any political subdivision of any nation to protect such fish or wildlife, whether by predator control, protection of habitat and food supply, or other fish or wildlife conservation or management practices, within any area under the jurisdiction of any such nation or political subdivision.

(3) The Secretary shall give full consideration regarding whether or not fish or wildlife which have been designated by any foreign country, or pursuant to any international agreement, as requiring protection from unrestricted commerce are endangered species or threatened species.

(c) (1) The Secretary shall publish in the Federal Register, and from time to time he may by regulation revise, a list of all fish or wildlife determined by him to be endangered species and a list of all fish or wildlife determined by him to be threatened species. Each list shall refer to the species contained therein by scientific and common name or names and shall specify with respect to each such species over what portion of its range it is endangered or threatened.

(2) The Secretary shall, upon the petition of any interested person under subsection 553 (e) of title 5, United States Code, also conduct a review of any listed or unlisted species of fish or wildlife proposed to be removed from or added to either of the lists published pursuant to paragraph (1) of this subsection, but only when he finds and publishes his finding that, to his satisfaction, such person has presented substantial evidence to warrant such a review.

(3) Any list in effect on the day before the date of the enactment of this Act of species of fish or wildlife determined by the Secretary of the Interior, pursuant to the Endangered Species Conservation Act of 1969, to be threatened with extinction shall be republished to conform to the classification for endangered species or threatened species, as the case may be, provided for in this Act, but until such republication, any such species so listed shall be deemed an endangered species within the meaning of this Act. The republication of any species pursuant to this paragraph shall not require public hearing or comment under section 553 of title 5, United States Code.

(d) Whenever the Secretary lists a species of fish or wildlife as an endangered species or a threatened species pursuant to subsection (a) of this section, he shall issue such regulations as he deems necessary and advisable to provide for the conservation, protection, restoration, or propagation of such species. The Secretary may by regulation prohibit under section 9(a) of this Act with respect to endangered species; except that with respect to native species of fish or wildlife, such regulations shall apply in any State which has entered into a cooperative agreement pursuant to section 6(c) of this Act only to the extent that such regulations have also been adopted by such State.

(e) For the purpose of facilitating the enforcement of this Act, the Secretary may from time to time, by regulation, treat, to the extent he deems advisable, any species of fish or wildlife or of any plant which is not listed pursuant to section 4 of this Act as an endangered species or threatened species, if such species so closely resembles in appearance, at the point in question, a species of fish or wildlife or plant which has been so listed that substantial difficulty is posed to enforcement personnel in attempting to differentiate between listed and unlisted species or subspecies of fish or wildlife or plants, and this difficulty poses an additional threat to an endangered species or threatened species.

(f) Section 553 of title 5, United States Code, shall apply with respect to any regulations issued pursuant to this Act.

LAND ACQUISITION

SEC. 5. (a) The Secretary shall establish and implement a program to conserve, protect, restore, or propagate (A) fish or wildlife which are listed as endangered species or threatened species pursuant to section 4 of this Act or (B) plants which are included in Appendices to the Convention. To carry out such program, the Secretary—

(1) shall utilize the land acquisition and other authority under the Migratory Bird Conservation Act, the Fish and Wildlife Coordination Act, as appropriate; and

(2) is authorized to acquire by purchase, donation, or otherwise, lands, waters, or interest therein, and such authority shall be in addition to any other land acquisition authority vested in him.

(b) Funds made available pursuant to the Land and Water Conservation Fund Act of 1965, as amended, may be used for the purpose of acquiring lands, waters, or interests therein under subsection (a) of this section.

COOPERATION WITH THE STATES

SEC. 6. (a) In carrying out the program authorized by this Act, the Secretary shall cooperate to the maximum extent practicable with the States. Such cooperation shall include consultation with the States concerned before acquiring any land or water, or interest therein, for the purpose of conserving, protecting, restoring, or propagating any endangered or threatened species.

(b) The Secretary may enter into agreements with any State for the administration and management of any area established for the conservation, protection, restoration, or propagation of endangered or threatened species. Any revenues derived from the administration of such areas under these agreements shall be subject to the provisions of setcion 401 of the Act of June 15, 1935 (49 Stat. 383; 16 U.S.C. 715s).

(c) In furtherance of the purposes of this Act, the Secretary is authorized to enter into cooperative agreements to provide financial assistance to States, through their respective fish and wildlife agencies, which maintain or establish adequate and active programs to manage and protect endangered and threatened species. In order for any State to qualify for assistance under this subsection, the Secretary must find annually that under the State program—

(1) authority resides in the State fish and wildlife agency to manage and protect native species of fish or wildlife determined by the State agency or the Secretary to be endangered or threatened;

(2) the State fish and wildlife agency has established acceptable management programs, consistent with the purposes and policies of this Act, for all species of fish or

wildlife indigenous to the State which are deemed by the Secretary to be endangered or threatened;

(3) the State fish and wildlife agency is authorized to conduct investigations to determine the status and requirements for survival of indigenous species or subspecies of fish and wildlife;

(4) the State fish and wildlife agency is authorized to establish programs, including the acquisition of land or aquatic habitat or interests therein, for protection and management of endangered or threatened species; and

(5) provision is made in such programs for public participation in designating indigenous species or subspecies of fish or wildlife as endangered or threatened.

(d) (1) Funds appropriated annually for purposes of assistance under subsection (c) shall be available to the Secretary for allocation to the States under cooperative agreements to assist in development by States of programs for management and protection of endangered and threatened species of fish or wildlife including research, censusing, law enforcement, and habitat acquisition or improvement. The Secretary shall make an allocation of appropriated funds to the States based on consideration of—

(A) the international obligations of the United States to protect a species;

(B) the national significance of a species found to be endangered or threatened within a State; and

(C) the potential for preventing extinction of a species and restoring such species to nonendangered or nonthreatened status.

So much of any appropriated funds allocated for obligation to any State for any fiscal year as remains unobligated at the close thereof is authorized to be made available to that State until the close of the succeeding fiscal year. Any amount allocated to any State which is unobligated at the end of the period during which it is available for expenditure is authorized to be made available for expenditure by the Secretary in conducting programs under this Act.

(2) Such cooperative agreements shall provide for (A) the actions to be taken by the Secretary and the States; (B) the benefits that are expected to be derived in connection with preservation and restoration of endangered or threatened species; (C) the estimated cost of these actions; and (D) the share of such costs to be borne by the Federal Government and by the State; except that—

(i) the Federal share of such program costs shall not exceed 66⅔ per centum of the estimated program costs stated in the agreement; and

(ii) the Federal share may be increased to 75 per centum whenever two or more States, having a common interest in a program that the Secretary deems to meet the criteria of paragraph (1), enter jointly into an agreement with the Secretary.

The Secretary may, in his discretion, and under such rules and regulations as he may prescribe, advance funds to the State for financing the United States pro rata share agreed upon in the cooperative agreement.

(e) Any action taken by the Secretary under this section shall be subject to his periodic review at no greater than annual intervals.

(f) Any State law or regulation which applies with respect to the importation or exportation of, or interstate or foreign commerce in, endangered or threatened species is void to the extent that it may effectively (1) permit what is prohibited by this Act or by any regulation which implements this Act or (2) prohibit what is authorized pursuant to an exemption or permit provided for in this Act or in any regulation which implements this Act. This Act shall not otherwise be construed to void any State law or regulation which is intended to conserve and manage migratory, resident, or introduced fish or wildlife, or to permit or prohibit sale of such fish or wildlife. Any State law or regulation respecting the taking of an endangered or threatened species may be more restrictive than the exemptions or permits provided for in this Act or in any regulation which implements this Act, but not less restrictive than the prohibitions so defined.

(g) The Secretary is authorized to promulgate such regulations as may be appropriate to carry out the provisions of this section relating to financial assistance to States.

(h) There are hereby authorized to be appropriated for the fiscal years 1974, 1975, and 1976 such sums as may be necessary to carry out the purposes of this section.

INTERAGENCY COOPERATION

SEC. 7. (a) The Secretary shall review other programs administered by him and utilize such programs in furtherance of the purpose of this Act. All other Federal departments and agencies shall, in consultation with and with the assistance of the Secretary, utilize their authorities in furtherance of the purposes of this Act by carrying out programs for the protection of endangered species and threatened species listed pursuant to section 4 of this Act and by taking such action necessary to insure that actions authorized, funded, or carried out by them do not jeopardize the continued existence of such endangered species and threatened species or result in the destruction or modification of habitat of such species which is determined by the Secretary, after consultation as appropriate with the affected States, to be critical.

(b) The Secretary of Agriculture is authorized, notwithstanding the provisions of any other law, to bear the full cost, or any lesser amount that he, in consultation with the Secretary, may determine desirable to accomplish the objectives of the Act, of the cost of installing any practice, measure, work of improvement, facility, or other developmental, protective, or management systems on private land, the primary purpose of which is to enable landowners to comply with the regulations, or other recommendations, of the Secretary pertaining to the conservation, protection, restoration, or propagation of such species. The Secretary of Agriculture, in carrying out the purposes of this subsection, shall utilize his authorities to conduct research and investigations into vegetative and structural methods and other methods and practices, measures, works of improvement, and facilities most appropriate or effective in the protection, control, management, or enhancement of such species. If determined desirable, the Secretary and the Secretary of Agriculture may jointly carry out such research and investigations. The Secretary may transfer to the Secretary of Agriculture such funds as may be necessary to carry out the purposes of this subsection.

INTERNATIONAL COOPERATION

SEC. 8. (a) As a demonstration of the commitment of the United States to the worldwide protection of endangered species and threatened species, the President, may, subject to the provisions of section 1415 of the Supplemental Appropriation Act, 1953 (31 U.S.C. 724), use foreign currencies accruing to the United States Government under the Agricultural Trade Development and Assistance Act of 1954 or any other law to provide to any foreign country (with its consent) assistance in the development and management of programs in that country which the Secretary determines to be necessary or useful for the conservation, protection, restoration, or propagation of any endangered species or threatened species listed by the Secretary pursuant to section 4 of this Act. The President shall provide assistance (which includes, but is not limited to, the acquisition, by lease or otherwise, of lands, waters, or interests therein) to foreign countries under this section under such terms and conditions as he deems appropriate. Whenever foreign currencies are available for the provision of assistance under this section, such currencies shall be used in preference to funds appropriated under the authority of section 15 of this Act.

(b) In order to carry out further the provisions of this Act, the Secretary, through the Secretary of State, shall encourage—

(1) foreign countries to provide for the protection, conservation, restoration, or propagation of fish or wildlife including endangered species and threatened species listed pursuant to section 4 of this Act;

(2) the entering into of bilateral or multilateral agreements with foreign countries to provide for such protection, conservation, restoration, or propagation; and

(3) foreign persons who directly or indirectly take fish or wildlife and plants in foreign countries or on the high seas for importation into the United States for commercial or other purposes to develop and carry out, with such assistance as he may provide, conservation practices designed to enhance such fish or wildlife and plants and their habitat.

(c) After consultation with the Secretary of State, the Secretary may—

(1) assign or otherwise make available any officer or employee of his department for the purpose of cooperating with foreign countries and international organizations in developing personnel resources and programs which promote the protection, conservation, restoration, or propagation of fish or wildlife and plants; and

(2) conduct or provide financial assistance for the educational training of foreign personnel, in this country or abroad, in fish, wildlife and plant management, research and law enforcement and to render professional assistance abroad in such matters.

(d) After consultation with the Secretary of State and the Secretary of the Treasury, as appropriate, the Secretary may conduct or cause to be conducted such law enforcement investigations and research abroad as he deems necessary to carry out the purposes of this Act.

(e) The President is authorized and directed to designate appropriate agencies to act as the Management Authority or Authorities and the Scientific Authority or Authorities pursuant to the Convention. The agencies so designated shall thereafter be authorized to do all things assigned to them under the Convention, including the issuance of permits and certificates. The agency designated by the President to communicate with other parties to the Convention and with the Secretariat shall also be empowered, where appropriate, in consultation with the State Department, to act on behalf of and represent the United States in all regards as required by the Convention. The President shall also designate those agencies which shall act on behalf of and represent the United States in all regards as required by the Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere.

PROHIBITED ACTS

SEC. 9. (a) Except as provided in section 10 of this Act, it is unlawful for any person subject to the jurisdiction of the United States to—

(1) import into, or export from, the United States any endangered species listed pursuant to section 4 of this Act;

(2) take any such species within the United States or the territorial sea of the United States, upon the high seas, or in any foreign country, except that this paragraph shall apply within any State which has entered into a cooperative agreement pursuant to section 6(c) of this Act only to the

extent that the taking of any such species is contrary to the law of such State;

(3) possess, sell, deliver, carry, transport, or ship, by any means whatsoever, any such species taken in violation of paragraph (2);

(4) deliver, receive, carry, transport, or ship in interstate or foreign commerce, by any means whatsoever and for commercial purposes, any such species;

(5) sell or offer for sale in interstate or foreign commerce any such species; or

(6) violate any regulation promulgated by the Secretary pursuant to section 4(d) of this Act.

(b) (1) It is unlawful for any person subject to the jurisdiction of the United States to engage in any trade in any specimens contrary to the provisions of the Convention, or to possess any specimens traded contrary to the provisions of the Convention, including the definitions of terms in article I thereof.

(2) Any importation into the United States of fish or wildlife shall, if—

(A) such fish or wildlife is not an endangered species listed pursuant to section 4 of this Act but is listed in Appendix II to the Convention,

(B) the taking and exportation of such fish or wildlife is not contrary to the provisions of the Convention and all other applicable requirements of the Convention have been satisfied, and

(C) the applicable requirements of subsections (d) and (e) of this section have been satisfied,

be presumed to be an importation not in violation of any provision of this Act or any regulation issued pursuant to this Act.

(c) (1) It is unlawful for any person to engage in business as an importer or exporter of fish or wildlife (other than shellfish and fishery products which (A) are not listed pursuant to section 4 of this Act as endangered or threatened species, and (B) are imported for commercial purposes or taken in waters under the jurisdiction of the United States or on the high seas for recreational purposes) or plants without first having obtained a permit from the Secretary.

(2) Any person required to obtain a permit under paragraph (1) of this subsection shall—

(A) keep such records as will fully and correctly disclose each importation or exportation of fish, wildlife, or plants made by him and the subsequent disposition made by him with respect to such fish, wildlife, or plants;

(B) at all reasonable times upon notice by a duly authorized representative of the Secretary, afford such representative access to his places of business, an opportunity to examine his inventory of imported fish, wildlife, or plants and the records required to be kept under subparagraph (A) of this paragraph, and to copy such records; and

(C) file such reports as the Secretary may require. (3) The Secretary shall prescribe such regulations as are necessary and appropriate to carry out the purposes of this subsection.

(d) It is unlawful for any person importing or exporting fish or wildlife (other than shellfish and fishery products which (A) are not listed pursuant to section 4 of this Act as endangered or threatened species, and (B) are imported for commercial purposes or taken in waters under the jurisdiction of the United States or on the high seas for recreational purposes) or plants to fail to file any declaration or report as the Secretary deems necessary to facilitate enforcement of this Act or to meet the obligations of the Convention.

(e) (1) It is unlawful for any person subject to the jurisdiction of the United States to import into or export from the United States any fish or wildlife (other than shellfish and fishery products which (A) are not listed pursuant to section 4 of this Act as endangered species or threatened species, and (B) are imported for commercial purposes or taken in waters under the jurisdiction of the United States or on the high seas for recreational purposes) or plants, except at a port or ports designated by the Secretary. For the purpose of facilitating enforcement of this Act and reducing the costs thereof, the Secretary, with approval of the Secretary of the Treasury and after notice and opportunity for public hearing, may, by regulation, designate ports and change such designations. The Secretary, under such terms and conditions as he may prescribe, may permit the importation or exportation at nondesignated ports in the interest of the health or safety of the fish or wildlife or plants, or for other reasons if, in his discretion, he deems it appropriate and consistent with the purpose of this subsection.

(2) Any port designated by the Secretary of the Interior under the authority of section 4(d) of the Act of December 5, 1969 (16 U.S.C. 666cc–4(d)), shall, if such designation is in effect on the day before the date of the enactment of this Act, be deemed to be a port designated by the Secretary under paragraph (1) of this subsection until such time as the Secretary otherwise provides.

(f) It is unlawful for any person subject to the jurisdiction of the United States to attempt or conspire to commit, or cause to be committed, any offense defined in this section.

EXCEPTIONS

SEC. 10. (a) The Secretary may permit, under such terms and conditions as he may prescribe, any act otherwise prohibited by section 9 of this Act for scientific purposes or to enhance the propagation or survival of the affected species.

(b) (1) If any person enters into a contract with respect to a species or subspecies of fish or wildlife or plant before the date of the publication in the Federal Register of notice of a proposed listing of that species as an endangered species and the subsequent listing of that species as an endangered species pursuant to section 4 of this Act will cause undue economic hardship to such person under the contract, the Secretary, in order to minimize such hardship, may exempt such person from the application of section 9(a) of this Act to the extent the Secretary deems apppropriate if such person applies to him for such exemption and includes with such application such information as the Secretary may require to prove such hardship; except that (A) no such exemption shall be for a duration of more than one year from the date of publication in the Federal Register of notice of a proposed listing of the species or subspecies concerned, or shall apply to a quantity of fish or wildlife or plants in excess of that specified by the Secretary; (B) the one-year period for those species or subspecies of fish or wildlife listed by the Secretary as endangered prior to the effective date of this Act shall expire in accordance with the terms of section 3 of the Act of December 5, 1969 (83 Stat. 275); and (C) no such exemption may be granted for the importation or exportation of a specimen listed in Appendix I of the Convention which is to be used for primarily commercial purposes.

(2) The Secretary shall publish notice in the Federal Register of each application for an exemption which is made under this subsection. Each notice shall invite the submission from interested parties, within thirty days after the date of the notice, written data, views, or arguments with respect to the application. Information received by the Secretary as a part of any application shall be available to the public as a matter of public record at every stage of the proceeding.

(c) The Secretary may grant exceptions under subsections (a) and (b) of this section only if he finds and publishes his finding that (1) such exceptions were applied for in good faith, (2) if granted and exercised will not operate to the disadvantage of such endangered species, and (3) will be consistent with the purposes and policy set forth in section 2 of this Act.

(d) Any taking by an Indian, Aleut, or Eskimo of any marine mammal (as defined in section 2(5) of the Marine Mammal Protection Act of 1972) which is listed pursuant to section 4(a) of this Act as an endangered species or threatened species shall not be deemed to be in violation of this Act or any regulation issued pursuant thereto if such taking is lawful under section 101(1) of the Marine Mammal Protection Act of 1972.

PENALTIES AND ENFORCEMENT

SEC. 11. (a) (1) Any person who violates any provision of this Act, or any permit or certificate issued hereunder, or of any regulation issued in order to implement subsection (a) (1), (2), (3), (4), or (5), (b), (c) (other than a regulation relating to recordkeeping or filing of reports), (e) or (f) of section 9 of this Act may be assessed a civil penalty by the Secretary of not more than $10,000 for each such violation. Any person who knowingly violates any provision of any other regulation issued under this Act may be assessed a civil penalty by the Secretary of not more than $5,000 for each such violation. No penalty may be assessed under this subsection unless such person is given notice and opportunity for a hearing with respect to such violation. Each violation shall be a separate offense. Any such civil penalty may be remitted or mitigated by the Secretary. Upon any failure to pay a penalty assessed under this subsection, the Secretary may request the Attorney General to institute a civil action in a district court of the United States for any district in which such person is found, resides, or transacts business to collect the penalty and such court shall have jurisdiction to hear and decide any such action. The court shall hear such action on the record made before the Secretary and shall sustain his action if it is supported by substantial evidence on the record considered as a whole.

(2) Hearings held during proceedings for the assessment of civil penalties authorized by paragraph (1) of this subsection shall be conducted in accordance with section 554 of title 5, United States Code. The Secretary may issue subpenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and administer oaths. Witnesses summoned shall be paid the same fees and mileage that are paid to witnesses in the courts of the United States. In case of contumacy or refusal to obey a subpena served upon any person pursuant to this paragraph, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Secretary or to appear and produce documents before the Secretary, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(b) (1) Any person who knowingly commits an act which violates any provision of this Act, of any permit or certificate issued hereunder, or of any regulation issued in order to implement subsection (a) (1), (2), (3), (4), or (5), (b), (c) (other than a regulation relating to recordkeeping or filing of reports), (e), or (f) of section 9 of this Act shall, upon conviction, be fined not more than $20,000 or imprisoned for not more than one year, or both. Any person who knowingly commits an act which violates any provision of any other regulation issued under this Act shall, upon conviction, be fined not more than $10,000 or imprisoned for not more than six months, or both. Upon the recommendation of the Secretary, the Secretary of the Treasury is authorized to pay an amount equal to one-half of the fine incurred but not to exceed $2,500 to any person who furnishes information which leads to a conviction for a criminal violation of any provision of this Act or any regulation or permit issued thereunder. Any officer or employee of the United States or of any State or local government who furnishes information or renders service in the performance of his official duties shall not be eligible for payment under this section.

(2) The head of any Federal agency which has issued a lease, license, permit, or other agreement authorizing the use of Federal lands, including grazing of domestic livestock, to any person who is convicted of a criminal violation of this Act or any regulation, permit, or certificate issued hereunder may immediately modify, suspend, or revoke each lease, license, permit, or other agreement. The Secretary shall also suspend for a period of up to one year, or cancel, any Federal hunting or fishing permits or stamps issued to any person who is convicted of a criminal violation of any provision of this Act or any regulation, permit, or certificate issued hereunder. The United States shall not be liable for the payments of any compensation, reimbursement, or damages in connection with the modification, suspension or revocation of any leases, licenses, permits, stamps, or other agreements pursuant to this section.

(c) The several district courts of the United States, including the courts enumerated in section 460 of title 28, United States Code, shall have jurisdiction over any actions arising under this Act. For the purpose of this Act, American Samoa shall be included within the judicial district of the District Court of the United States for the District of Hawaii.

(d) (1) The provisions of this Act and any regulations or permits issued pursuant thereto shall be enforced by the Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating, or all such Secretaries. Each such Secretary may utilize by agreement, with or without reimbursement, the personnel, services and facilities of any other Federal agency or any State agency for purposes of enforcing this Act.

(2) The judges of the district courts of the United States and the United States magistrates may, within their respective jurisdictions, upon proper oath or affirmation showing probable cause, issue such warrants or other process as may be required for enforcement of this Act and any regulation issued thereunder.

(3) Any person authorized by the Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating, to enforce this Act may detain for inspection and inspect any package, crate, or other container, including its contents, and all accompanying documents, upon importation or exportation. Such person may execute and serve any arrest warrant, search warrant, or other warrant or civil or criminal process issued by any office or court of competent jurisdiction for enforcement of this Act. Such person so authorized may search and seize, with or without a warrant, as authorized by law. Any fish, wildlife, property, or item so seized shall be held by any person authorized by the Secretary, the Secretary of the Treasury, or the Secretary of the Department in which the Coast Guard is operating pending disposition of civil or criminal proceedings, or the institution of an action in rem for forfeiture of such fish, wildlife, property, or item pursuant to paragraph (4) of this subsection; except that the Secretary may, in lieu of holding such fish, wildlife, property, or item, permit the owner or consignee to post a bond or other surety satisfactory to the Secretary.

(4) (A) All fish or wildlife or plants taken, possessed, sold, purchased, offered for sale or purchase, transported, delivered, received, carried, shipped, exported, or imported contrary to the provisions of this Act, any regulation made pursuant thereto, or any permit or certificate issued hereunder shall be subject to forfeiture to the United States.

(B) All guns, traps, nets, and other equipment, vessels, vehicles, aircraft, and other means of transportation used to aid the taking, possessing, selling, purchasing, offering for sale or purchase, transporting, delivering, receiving, carrying, shipping, exporting, or importing of any fish or wildlife or plants in violation of this Act, any regulation made pursuant thereto, or any permit or certificate issued thereunder shall be subject to forfeiture to the United States upon conviction of a criminal violation pursuant to section 11 (b) (1) of this Act.

(5) All provisions of law relating to the seizure, forfeiture, and condemnation of a vessel for violation of the customs laws, the disposition of such vessel or the proceeds from the sale thereof, and the remission or mitigation of such forfeiture, shall apply to the seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this Act, insofar as such provisions of law are applicable and not inconsistent with the provisions of this Act; except that all powers, rights, and duties conferred or imposed by the customs laws upon any officer or employee of the Treasury Department shall, for the purposes of this Act, be exercised or performed by the Secretary or by such persons as he may designate.

(e) The Secretary, the Secretary of the Treasury, and the Secretary of the Department in which the Coast Guard is operating, are authorized to promulgate such regulations as may be appropriate to enforce this Act, and charge reasonable fees for expenses to the Government connected with permits or certificates authorized by this Act, including processing applications and reasonable inspections, and with the transfer, board, handling, or storage of fish or wildlife or plants and evidentiary items seized and forfeited under this Act. All such fees collected pursuant to this subsection shall be deposited in the Treasury to the credit of the appropriation which is current and chargeable for the cost of furnishing the services. Appropriated funds may be expended pending reimbursement from parties in interest.

(f) (1) Except as provided in paragraph (2) of this subsection any person may commence a civil suit on his own behalf to enjoin any person, including the United States and any other governmental instrumentality or agency (to the extent permitted by the eleventh amendment to the Constitution), who is alleged to be in violation of any provision of this Act or regulation issued under the authority thereof. The district courts shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce any such provision or regulation, as the case may be.

(2) No action may be commenced—

(A) prior to sixty days after written notice of the violation has been given to the Secretary, and to any alleged violator of any such provision or regulation;

(B) if the Secretary has commenced action to impose a penalty pursuant to subsection (a) of this section; or

(C) if the United States has commenced and is diligently prosecuting a criminal action in a court of the United States or a State to redress a violation of any such provision or regulation.

(3) (A) Any suit under this subsection may be brought in the judicial district in which the violation occurs.

(B) In any such suit under this subsection in which the United States is not a party, the Attorney General, at the request of the Secretary, may intervene on behalf of the United States as a matter of right.

(4) The court, in issuing any final order in any suit brought pursuant to paragraph (1) of this subsection, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such award is appropriate.

(5) The injunctive relief provided by this subsection shall not restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any standard or limitation or to seek any other relief (including relief against the Secretary or a State agency).

(g) The Secretary of Agriculture and the Secretary shall provide for appropriate coordination of the administration of this Act with the administration of the animal quarantine laws (21 U.S.C. 101–105, 111–135b, and 612–614) and section 306 of the Tariff Act of 1930 (19 U.S.C. 1306). Nothing in this Act or any amendment made by this Act, shall be construed as superseding or limiting in any manner the functions of the Secretary of Agriculture under any other law relating to prohibited or restricted importations or possession of animals and other articles and no proceeding or determination under this Act shall preclude any proceeding or be considered determinative of any issue of fact or law in any proceeding under any Act administered by the Secretary of Agriculture.

(h) Nothing in this Act shall be construed as superseding or limiting in any manner the functions and responsibilities of the Secretary of the Treasury under the Tariff Act of 1930, including, without limitation, section 527 of that Act (19 U.S.C. 1527), relating to the importation of wildlife taken, killed, possessed, or exported to the United States in violation of the laws or regulations of a foreign country.

ENDANGERED PLANTS

Sec. 12. The Secretary of the Smithsonian Institution, in conjunction with other affected agencies, is authorized and directed to review (1) species of plants which are now or may become endangered or threatened and (2) methods of providing adequate protection to such species, and to report to Congress, within one year after the date of the enactment of this Act, the results of such review including recommendations for new legislation or the amendment of existing legislation.

CONFORMING AMENDMENTS

Sec. 13. (a) Subsection 4(c) of the Act of October 15, 1966 (80 Stat. 928, 16 U.S.C. 668dd (c)), is further amended by revising the second sentence thereof to read as follows: "With the exception of endangered species and threatened species listed by the Secretary pursuant to section 4 of the Endangered and Threatened Species Conservation Act of 1973 in States wherein a cooperative agreement does not exist pursuant to section 6(c) of that Act, nothing in this Act shall be construed to authorize the Secretary to control or regulate hunting or fishing of resident fish and wildlife on lands not within the system."

(b) Subsection 10(a) of the Migratory Bird Conservation Act (45 Stat. 1224, 16 U.S.C. 715i(a)) and subsection 401(a) of the Act of June 15, 1935 (49 Stat. 383, 16 U.S.C. 715s(a)), are each amended by striking out "threatened with extinction," and inserting in lieu thereof the following: "listed pursuant to section 4 of the Endangered and Threatened Species Act of 1973 as endangered species or threatened species,".

(c) Section 7(a) (1) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–9(a) (1)) is amended by striking out:

"Threatened Species.—For any national

area which may be authorized for the preservation of species of fish or wildlife that are threatened with extinction."

and inserting in lieu thereof the following:

"ENDANGERED SPECIES AND THREATENED SPECIES.—For lands, waters, or interests therein, the acquisition of which is authorized under section 5(a) of the Endangered and Threatened Species Conservation Act of 1973, needed for the purpose of conserving, protecting, restoring, or propagating endangered species of fish or wildlife or plants."

(d) The first sentence of section 2 of the Act of September 28, 1962, as amended (76 Stat. 653, 16 U.S.C. 460k–1), is amended to read as follows:

"The Secretary is authorized to acquire areas of land, or interests therein, which are suitable for—

"(1) incidental fish and wildlife-oriented recreational development,

"(2) the protection of natural resources,

"(3) the protection of endangered species or threatened species listed by the Secretary pursuant to section 4 of the Endangered and Threatened Species Conservation Act of 1973, or

"(4) carrying out two or more of the purposes set forth in paragraphs (1) through (3) of this section, and are adjacent to, or within, the said conservation areas, except that the acquisition of any land or interest therein pursuant to this section shall be accomplished only with such funds as may be appropriated therefor by the Congress or donated for such purposes, but such property shall not be acquired with funds obtained from the sale of Federal migratory bird hunting stamps."

(e) The Marine Mammal Protection Act of 1972 (16 U.S.C. 1361–1407) is amended—

(1) by striking out "Endangered Species Conservation Act of 1969" in section 3(1)(B) thereof and inserting in lieu thereof the following: "Endangered and Threatened Species Conservation Act of 1973";

(2) by striking out "pursuant to the Endangered Species Conservation Act of 1969" in section 101(a)(3)(B) thereof and inserting in lieu thereof the following: "or threatened species pursuant to the Endangered and Threatened Species Conservation Act of 1973";

(3) by striking out "endangered under the Endangered Species Conservation Act of 1969" in section 102(b)(3) thereof and inserting in lieu thereof the following: "an endangered species or threatened species pursuant to the Endangered and Threatened Species Conservation Act of 1973"; and

(4) by striking out "Endangered Species List, authorized by the Endangered Species Conservation Act of 1969," in section 202(a)(6) thereof and inserting in lieu thereof the following: "endangered species list and threatened species list published pursuant to section 4(c)(1) of the Endangered and Threatened Species Conservation Act of 1973".

REPEALER

SEC. 14. The Endangered Species Conservation Act of 1969 (sections 1 through 3 of the Act of October 15, 1966, and sections 1 through 6 of the Act of December 5, 1969; 16 U.S.C. 668aa–668cc–6), is repealed.

AUTHORIZATION OF APPROPRIATIONS

SEC. 15. Except as authorized in section 6 of this Act, there are authorized to be appropriated—

(A) not to exceed $6,000,000 for fiscal year 1974, not to exceed $8,000,000 for fiscal year 1975 and not to exceed $10,000,000 for fiscal year 1976, to enable the Department of the Interior to carry out such functions and responsibilities as it may have been given under this Act; and

(B) not to exceed $1,500,000 for fiscal year 1975 and not to exceed $2,000,000 for fiscal year 1976, to enable the Department of Commerce to carry out such functions and responsibilities as it may have been given under this Act.

EFFECTIVE DATE

SEC. 16. This Act shall take effect on the date of its enactment.

And amend the title so as to read: "An Act to provide for the conservation, protection, restoration, or propagation of endangered and threatened species of fish, wildlife, and plants, and for other purposes."

Mr. ROBERT C. BYRD. Mr. President, I have been asked to move that the Senate disagree to the amendments of the House of Representatives and agree to the conference requested by the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HART, Mr. TUNNEY, and Mr. STEVENS conferees on the part of the Senate.

ORDER FOR ADJOURNMENT FROM TOMORROW TO WEDNESDAY AT 9 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on tomorrow, it stand in adjournment until the hour of 9 a.m. on Wednesday.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, these further requests can be modified later, but it is well to get them now.

ORDER FOR ADJOURNMENT FROM WEDNESDAY TO 9 A.M. THURSDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Wednesday, it stand in adjournment until the hour of 9 o'clock a.m. Thursday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM THURSDAY TO 9 A.M. FRIDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Thursday, it stand in adjournment until the hour of 9 a.m. Friday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM FRIDAY TO 9 A.M. SATURDAY

Mr. ROBERT C. BYRD. Mr. President, here is a request I hope will be vitiated later in the week.

I ask unanimous consent that when the Senate completes its business on Friday, it stand in adjournment until the hour of 9 a.m. on Saturday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT SENATE CONVENE ON MONDAY NEXT AT 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate meets on Monday, October 1, it meet at the hour of 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 9 o'clock a.m. After the two leaders or their designees have been recognized under the standing order, the Senator from Idaho (Mr. CHURCH) will be recognized for not to exceed 15 minutes, after which the junior Senator from West Virginia (Mr. ROBERT C. BYRD) will be recognized for not to exceed 15 minutes, after which the Senate will resume the consideration of the unfinished business, the military procurement bill.

This would mean that the Senate would resume consideration of the unfinished business at about 9:30 a.m. tomorrow. The pending question at that time will be on the adoption of the Cannon amendment on the F–14. There is a time limitation of 2 hours on that amendment. A yea-and-nay vote undoubtedly will occur thereon.

The Senate will then take up the Hartke amendment No. 494, dealing with recomputation, under a time limitation of not to exceed 1½ hours. A yea-and-nay vote undoubtedly will occur thereon.

At 1:30 p.m. the Senate will take up the amendment dealing with the Trident, and debate will ensue thereon until 4 p.m. The vote on the Trident amendment will not occur at that time, and the amendment will go over to Wednesday.

The distinguished Senator from Washington (Mr. JACKSON) has indicated he will ask for a closed session at 1:30 p.m. tomorrow. The time for debate on the Trident amendment will be divided between and controlled by Mr. MCINTYRE and Mr. JACKSON, whether in closed or open session.

At 4 o'clock p.m. the Trident amendment will be set aside, and 1 hour of debate will begin on overriding the Presidential veto, with a yea-and-nay vote automatically to occur not later than 5 o'clock p.m.

Upon disposition of the vote to override the Presidential veto, the Senate will proceed to consider the Jackson-Nunn amendment dealing with financing of U.S. troops in Europe by NATO countries. There is a time limitation of 2½ hours on that amendment, and a yea-and-nay vote will occur thereon.

That will make for a very full day, and will carry us to about 8 o'clock p.m.

On Wednesday the Senate will convene at 9 o'clock a.m. and after the two leaders or their designees have been recognized, the Mansfield amendment will be taken up under a time limitation agreement of 2 hours. A yea-and-nay vote will occur thereon, after which the Senate will resume the consideration of the Trident amendment for a time span of 4 hours. The remainder of Wednesday is, at this moment, undecided, but there will be further action into the evening—8 or 9 o'clock perhaps.

Mr. President, while time agreements

have been entered with respect to most of the remaining amendments known to the leadership, the amendments have not been clocked in as to the date on which they will be called up.

For the convenience of Senators, those amendments are as follow—not to be called up necessarily in the following order:

The McGovern amendment dealing with the categorical ceiling, 4 hours;

The Proxmire amendment (No. 515) dealing with an outlay ceiling, 4 hours;

The SAM–D amendment (No. 487) by Mr. Bayh, 4 hours;

The Hughes amendment (No. 493), 2 hours;

The Humphrey amendment dealing with an overall cut, 2 hours;

The Humphrey amendment with relation to troop levels, 2 hours;

The Clark amendment (No. 519), to cut funds for the aircraft carrier, 4 hours; the Baker-Bentsen amendment, No. 528, on which there is a time limitation of 1 hour;

Amendment No. 501 by Mr. Hartke, 1½ hours;

An amendment by Mr. Stevens dealing with housing allowances, 1 hour. There may be one or two amendments by Mr. Kennedy. I have not discussed these with Mr. Kennedy, but the amendments stated, I think, pretty well cover the remaining action on the procurement bill, as far as we can foresee at this time.

Mr. President, I wonder if the distinguished assistant Republican leader would agree at this time that after the first yea-and-nay vote tomorrow, all subsequent rollcall votes tomorrow be limited to 10 minutes, with the warning bells to be sounded after the first 2½ minutes.

Mr. GRIFFIN. I think that is an excellent suggestion. I particularly think it wise that the agreement be made today so that notice will go out and our colleagues will be aware of it.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, the Senate will meet early and late daily throughout this week, in the effort to complete action on the military procurement bill this week. Yea-and-nay votes will occur daily, early and late, throughout the week. In order to complete work on the military procurement this week, it will be necessary for the leadership to have as much flexibility as is possible in scheduling amendments to the military procurement bill. Senators who have amendments will please keep themselves in readiness for scheduling those amendments as best meets the convenience of the Senate.

Mr. President, I think that is about all, but I suggest the absence of a quorum to be sure that nothing remains.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 9 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 9 a.m. tomorrow.

The motion was agreed to; and at 6:36 p.m. the Senate adjourned until tomorrow, Tuesday, September 25, 1973, at 9 a.m.

HOUSE OF REPRESENTATIVES—*Monday, September 24, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The fear of the Lord is wisdom, and to turn from evil is understanding.—Job 28: 28.

O God and Father of us all, from whom cometh light and life for our way, touch Thou our dust with spirit-hand and make us souls that understand. Facing the tasks of this day we pray for wisdom to choose wisely, for strength to stand firm for what is right, and for courage to walk worthily in the way of Thy word.

Help us to accept our privileges with gratitude, to carry our responsibilities with honor, to meet our difficulties with courage, and to discharge our duties with fidelity.

We pray for justice between our people, for good will in all our hearts and for an enduring peace in our world. Together may we walk the upward way toward the heights of Thy Kingdom on Earth.

In the mood of the Master we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1636) entitled "An act to amend the International Economic Policy Act of 1972."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8917) entitled "An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1974, and for other purposes" and that the Senate agrees to the House amendments to Senate amendments Nos. 4, 6, 7, 15, 17, 29, 30, 32, 36, 39, 40, 41, 42, and 48, to the foregoing bill.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 4200. An act to amend section 122 of the Internal Revenue Code of 1954; and

H.R. 6628. An act to amend section 101 (b) of the Micronesian Claims Act of 1971 to enlarge the class of persons eligible to receive benefits under the claims program established by that act.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4200) entitled "An act to amend section 122 of the Internal Revenue Code of 1954," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Long, Mr. Williams, Mr. Randolph, Mr. Nelson, Mr. Bentsen, Mr. Javits, Mr. Schweiker, Mr. Bennett, and Mr. Curtis to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1317) entitled "An act to authorize appropriations for the United States Information Agency," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Fulbright, Mr. Mansfield, Mr. McGovern, Mr. Aiken, and Mr. Case to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 988. An act to designate certain lands in the Shenandoah National Park, Va., as wilderness;

S. 1101. An act to amend the Wild and Scenic Rivers Act by designating certain rivers in the State of Michigan for potential additions to the National Wild and Scenic Rivers System;

S. 1391. An act to amend the Wild and Scenic Rivers Act by designating a segment of the Wisconsin River for potential addition to the National Wild and Scenic Rivers System;

S. 1848. An act for the relief of Mrs. Lucy Locke;

S. 2174. An act to amend the civil service retirement system with respect to the definitions of widow and widower; and

S. 2410. An act to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive area emergency medical services systems.

PERMISSION TO FILE CONFERENCE REPORT ON S. 1141, AMERICAN REVOLUTION BICENTENNIAL COINAGE DESIGN

Mrs. **SULLIVAN.** Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (S. 1141) to provide a new coinage design and date emblematic of the Bicentennial of the American Revolution for dollars, half dollars, and quarter dollars, to authorize the issuance of special gold and silver coins commemorating the Bicentennial of the American Revolution, and for other purposes.

The **SPEAKER.** Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Conference Report (H. Rept. No. 93–521)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1141) to provide a new coinage design and date emblematic of the Bicentennial of the American Revolution for dollars, half dollars, and quarter dollars, to authorize the issuance of special gold and silver coins commemorating the Bicentennial of the American Revolution, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That the reverse side of all dollar, half-dollar, and quarter-dollar coins minted for issuance on or after July 4, 1975, and until such time as the Secretary of the Treasury may determine, shall bear a design determined by the Secretary to be emblematic of the Bicentennial of the American Revolution.

Sec. 2. All dollar, half-dollar, and quarter-dollar coins minted for issuance between July 4, 1975, and January 1, 1977, shall bear "1776–1976" in lieu of the date of coinage; and all dollar, half-dollar, and quarter-dollar coins minted thereafter until such time as the Secretary of the Treasury may determine shall bear a date emblematic of the Bicentennial in addition to the date of coinage.

Sec. 3. Until the Secretary of the Treasury determines that the mints of the United States are adequate for the production of ample supplies of coins and medals, any facility of the Bureau of the Mint may be used for the manufacture and storage of medals and coins.

Sec. 4. Notwithstanding any other provision of law with respect to the design of coins, the Secretary shall mint prior to July 4, 1975, for issuance on and after such date, 45 million silver-clad alloy coins authorized under section 101(a) of the Coinage Act of 1965, commemorating the Bicentennial of the American Revolution, of such design, in such denomination, and containing such quantities of such other metals as he determines appropriate. In addition, the Secretary shall coin and issue not more than an additional 15 million such coins, if he determines such coins are needed to meet public demand. Coins minted under this section may only be distributed by the Secretary as proof or uncirculated coins at such prices as he may determine. The Secretary is authorized, by regulation, to limit the number of silver coins minted under this section which any one person may purchase. Coins minted under this section shall be treated as pieces subject to the one hundred and fifty million piece limitation contained in section 101(d) of the Coinage Act of 1965, and shall be subject to such limitation. Receipts from the sale of coins under this section shall be covered into the Treasury as miscellaneous receipts.

Sec. 5. In connection with the operations of the Bureau of the Mint, the Secretary of the Treasury is authorized to manufacture and distribute numismatic items. Proceeds from the sale of numismatic items shall be reimbursed to the current appropriation for the cost of manufacturing and handling of such items.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the Senate bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the title of the Senate bill, insert the following: "An Act to provide a new coinage design and date emblematic of the Bicentennial of the American Revolution for dollars, half dollars, and quarter dollars, to authorize the issuance of special silver coins commemorating the Bicentennial of the American Revolution, and for other purposes."

And the House agree to the same.

Wright Patman,
Leonor K. Sullivan,
Parren J. Mitchell,
W. A. Barrett,
Henry Gonzalez,
Andrew Young,
Pete Stark,
Joe Moakley,
Edward Koch,
William B. Wadnall,
Chalmers Wylie,
Margaret M. Heckler,
Stewart B. McKinney,
Matthew J. Rincaldo,
Angelo D. Ronallo,
Managers on the Part of the House.

John Sparkman,
H. Williams,
W. D. Hathaway,
Edward W. Brooke,
Robert Taft,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1141) to provide a new coinage design and date emblematic of the Bicentennial of the American Revolution for dollars, half dollars, and quarter dollars, to authorize the issuance of special gold and silver coins commemorating the Bicentennial of the American Revolution, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendments struck out all of the Senate bill after the enacting clause and inserted a substitute text and provided a new title for the Senate bill.

The committee of conference has agreed to a substitute for both the Senate bill and the House amendment to the text of the bill. Except for clarifying, clerical, and conforming changes, the differences are noted below:

Section 3 of the Senate bill directed the Secretary of the Treasury to coin and issue or cause to be sold, between July 4, 1975, and January 1, 1977, not exceeding sixty million gold coins commemorating the Bicentennial. There was no comparable provision in the House amendment. The Senate recedes to the House.

Section 4 of the Senate bill directed the Secretary to mint for issuance between July 4, 1975 and January 1, 1977 at least 60 million silver-clad coins commemorating the Bicentennial of the American Revolution which could be made from silver presently held by the Treasury for the manufacture of up to 150 million Eisenhower proof and uncirculated dollars. There was no comparable provision in the House amendment. The House receded with an amendment in the form of a substitute for section 4 of the Senate bill, further amended by the Senate and accepted by the House. As agreed upon, this section provides that 45 million silver coins must be minted by July 4, 1975, for issuance on and after that date, with an additional 15 million coins authorized to be struck if the Secretary determines they are needed to meet public demand. The silver-clad coins are to be sold only as proof and uncirculated coins and the Secretary is authorized to limit by regulation the number which can be purchased by any person. Net receipts from the sale of the silver-clad coins are to be covered into the Treasury as miscellaneous receipts.

Section 6 of the Senate bill, in connection with the operations of the Bureau of the Mint, authorized the Secretary to manufacture and distribute numismatic items, the proceeds from which shall be reimbursed to the current appropriation for the cost of manufacturing and handling such items. There was no comparable provision in the House amendment. The House recedes to the Senate.

Section 7 of the Senate bill repealed sections 3 and 4 of the Gold Reserve Act of 1934, eliminated all restrictions on the purchase, holding, selling or otherwise dealing in gold, and provided for sales of gold by the Secretary of the Treasury at not lower than the average private market price for gold. This section would have taken effect no later than January 1, 1975, or on the date prior thereto when the President finds and reports to the Congress that international monetary reform shall have proceeded to the point where elimination of regulations on private ownership of gold will not adversely affect the United States international monetary position. There was no comparable provision in the House amendment. The conferees agreed that this issue had been resolved in the Conference Report on the Par Value Modification Act of 1973 (House Report 93–424). The Senate recedes.

Wright Patman,
Leonor K. Sullivan,
Parren J. Mitchell,
W. A. Barrett,
Henry Gonzalez,
Andrew Young,
Pete Stark,
Joe Moakley,
Edward Koch,
William B. Widnall,
Chalmers Wylie,
Margaret M. Heckler,
Stewart B. McKinney,
Matthew J. Rinaldo,
Angelo D. Roncallo,
Managers on the Part of the House.

John Sparkman,
H. Williams,
W. D. Hathaway,
Edward W. Brooke,
Robert Taft,
Managers on the Part of the Senate.

PERMISSION TO CORRECT THE CONFERENCE REPORT ON H.R. 8619, AGRICULTURE - ENVIRONMENTAL AND CONSUMER PROTECTION APPROPRIATIONS, 1974

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to make certain corrections in the conference report on the bill (H.R. 8619) making appropriations for agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1974, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

IMPORTANT FEATURES OF AGRICULTURE-ENVIRONMENTAL AND CONSUMER PROTECTION APPROPRIATIONS BILL

(Mr. WHITTEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WHITTEN. Mr. Speaker, we agreed upon the conference report on H.R. 8619, the appropriations bill for agriculture-environmental and consumer protection for 1974. This bill provides the funds for the Food and Drug Administration, the Federal Trade Commission, the Consumer Product Safety Commission and many other activities of the Government.

Mr. Speaker, I mention this now for we must adopt this conference report, signed by all members of the conference, both House and Senate, otherwise we will continue under the continuing resolution with reduced funds for school milk, for food stamps where increased funding has been made mandatory by law, and for many other vital programs.

I would like to call attention to several important provisions agreed on by the conference.

SPECIAL MILK

The conferees agreed to the Senate figure of $97,123,000 for the special milk program. This will enable the program to continue at the same level as in 1973.

FOOD STAMPS

The conferees agreed to $2.5 billion for food stamps—$300 million more than provided in the House bill. The additional funds are made mandatory by the liberalization of eligibility provisions contained in the recently enacted farm bill.

RURAL DEVELOPMENT

We have restored the action programs, such as housing and sewer and water grants which are essential for any effective rural development program. The bill also includes the first funds to be appropriated for industrial development loans and other new programs provided by the Rural Development Act. These new programs cannot begin until the bill is approved.

PAYMENT LIMITATION

The limit on farm payments is set at $20,000, the same as provided by the law.

COTTON ALLOTMENTS

The report strikes the provision prohibiting the sale or transfer of acreage allotments because such provisions would put at least 214,000 small farms in this country with cotton allotments of 10 acres or less out of business. These farmers cannot afford the investment in machinery necessary to farm this small acreage, therefore, they must lease the land. Many of these people are obviously the rural poor and the retired. To deprive them of their income from their small allotment would cause severe economic hardship for those that can least afford it. This would result in reducing acreage in cotton by 1,250,000 to 1,500,000 million acres at a time when the textile mills are unable to secure cotton and consumers are in need of all-out production if prices are to be held in line.

COTTON INC.

The conference has reduced the amount available from $10,000,000 to $3,000,000 and restricted the use for research only, with projects to be approved by the Secretary as provided by law.

Mr. Speaker, I repeat again, we need to approve the conference report. Otherwise, the special milk program would operate at a reduced level, as would the food stamp program and many other essential activities of all these agencies. Many important programs would be seriously curtailed. The conference report will provide for these essential programs, and I urge all Members to support its adoption when it is considered by the House.

CONSIDERATION OF PENSION BILL

(Mr. ULLMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ULLMAN. Mr. Speaker, the Ways and Means Committee plans to begin consideration of a pension bill this next Monday, the first of October.

I am at this time introducing the Senate amendment as a House bill so the Ways and Means Committee when it begins markup on a bill will have the Senate version of the bill before it. I am introducing this, with technical corrections, as passed by the Senate as a means of having the bill available to the committee. My introducton of the bill does not mean that I either support or oppose any particular provision in the bill. I hope to have the bill printed in the RECORD tomorrow.

EMERGENCY TELEPHONE NUMBER 911

(Mr. ROUSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROUSH. Mr. Speaker, my enthusiasm for "911," the single uniform nationwide telephone number for reporting emergencies concept, continues to grow. This past weekend I visited the New York City Communication Center where I saw over 40 well-trained operators receive "911" emergency calls. I saw the immediate dispatch of appropriate units in response to calls for ambulances, fire equipment, police units and other emergency units. I was greatly impressed by the efficiency of the operation.

In our 4 hours preceding my visit—not by any means the busiest time of the day for them—2,257 calls were received. In only nine instances did it require more than 15 seconds to answer the call. The citizens of New York are truly being well served by "911."

In speaking with certain of the operators some very dramatic stories were related. In one instance during one of the local call-in talk shows a lady called in. She was pregnant but despondent and was threatening suicide. The talk show MC kept her on the telephone while another called "911." She lived in New Jersey; the New Jersey police were alerted and arrived on the scene in time to prevent the suicide. Two lives were saved, that of the woman and that of her unborn child.

In another instance a man had suffered either a heart attack or a stroke and he dialed "911" but could not speak so as to be understood. The "911" operator quickly instructed him to tap out his address and by a "yes" and "no" signal obtained the necessary information to dispatch an ambulance. Another life was saved.

Mr. Speaker, we should press diligently to make "911" the universal emergency telephone number.

CAPT. WILLIAM P. McAULIFFE, JR.

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, as all of my colleagues are aware, it is refreshing, from time to time, to take a break from the everyday duties of our elective office for the purpose of "catching up" with a constituent we have aided in the past.

It is my pleasure to bring to the attention of my colleagues the accomplishments of Capt. William P. McAuliffe, Jr., who recently became the first master of the new innovative bulk cargo ship, the MV *Sugar Islander*, now on her maiden voyage from the Pacific coast to Hawaii.

In 1959, under the congressional Academy appointment program, I nominated Mr. McAuliffe to the U.S. Merchant Marine Academy, Kings Point. It gives me a humble sense of satisfaction to know that in some small way I was able to help Mr. McAuliffe start an extremely successful career.

I would like to take this opportunity to congratulate Mr. McAuliffe on his new assignment and I hope that he will have many more rewarding years while serving in the U.S. merchant marine.

The following article, which appeared in the September 5, 1973, edition of the Norwood Messenger, details Mr. McAuliffe's career with the U.S. merchant marine:

Norwood Man Commands Innovative New Bulk Cargo Ship

Captain William P. McAuliffe, Jr., who calls Norwood his personal home port, is commanding an innovative new bulk cargo ship, the M–V *Sugar Islander*, now on her maiden voyage form the Pacific Coast to Hawaii.

Captain McAuliffe became the first master of the $17 million bulk sugar carrier when the builder, Lockheed Shipbuilding and Construction Company of Seattle delivered the new vessel to the owners at Portland, Oregon, last week.

During delivery ceremonies the Norwood resident told newsmen that his new ship is, "a pacesetter . . . the most sophisticated, fully instrumented and automated bulk cargo ship in America's merchant service."

Although the Sugar Islander is the Norwood merchant marine officer's first command, the 31-year old captain is an "old hand" in the trade in which his ship will serve. He most recently was relief master aboard the bulk carriers S.S. Walter Rice and S.S. Inger for four and one-half years for Reynolds Metals Company—Marine Division. During the five previous years he served aboard the same ships successively as third officer, second officer and chief officer.

As captain, he will sail the Sugar Islander into familiar ports along trade routes he has navigated repeatedly. Term chartered by California and Hawaiian Sugar Company of San Francisco, the new ship will be used to deliver Hawaii's most valuable product, Hawaiian cane sugar, primarily to Gulf Coast and East Coast ports, and on occasion to the firm's refinery near San Francisco.

On his first trip to the mainland aboard the Sugar Islander, Captain McAuliffe will break cargo records held by his former ship the S.S. Inger. This week the Sugar Islander will take on almost 31,000 tons of raw cane sugar in Honolulu, the largest sugar cargo ever loaded in Hawaii, for delivery to New Orleans. While serving aboard the Inger and the Walter Rice, McAuliffe gained valuable experience for his new command transporting alumina from the Texas Gulf Coast to Washington state and picking up raw cane sugar at various Hawaiian ports on the return trip for delivery to the Gulf and East Coasts.

The 641-foot, 28,000 deadweight-ton Sugar Islander is acknowledged to be the largest dry, bulk cargo vessel yet built in the U.S. for ocean service and was the first major merchant ship built in the Pacific Northwest in recent years. Operated by Pyramid Sugar Transport Company, the ship's home port is New Orleans.

McAuliffe is a 1963 honors graduate of the United States Merchant Marine Academy, King's Point. He holds an unlimited license as Master of Steam and Motor Vessels and is a member of The Council of American Master Mariners, Inc. During respites from his duty at sea, the young, unmarried merchant marine officer resides at 70 Nichols street in Norwood.

HOW MUCH LONGER?

(Mr. RANDALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RANDALL. Mr. Speaker, late in June of this year Colorado's Governor Love left his statehouse in Denver to become this administration's energy adviser. When he arrived in Washington, he was called the new energy czar.

If what he has done in other areas of the United States can be gaged by what he has done in the Middle West and, particularly in Missouri, he is not much of a ruler. In fact, he has done nothing since his arrival on the scene to alleviate the critical shortages that occur after about the 15th of each month to plague the residents of all the small communities in west central Missouri.

More important is the fact that our farmers have crops in the field, now 3 weeks late for silage cutting, with documented instances of diesel fuel in the tanks of distributors who are given orders not to sell the produce in those tanks to our farmers whose machinery is sitting idle in the fields for want of diesel fuel.

This past weekend just past, I committed myself to my constituents that not a day would pass that I would neglect to call attention of my colleagues in the House to the omissions and failures of this administration in the present energy crisis. As a first installment of this effort, my question is, "How much longer, Governor Love?"

CIVILIAN COST OVERRUNS

(Mr. DICKINSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DICKINSON. Mr. Speaker, on March 29, 1973, in hearings before the House Armed Services Committee regarding cost escalation in defense procurement contracts and military posture, I asked Thomas D. Morris, Assistant Comptroller General of the United States to furnish the committee with information pertaining to civilian cost overruns.

The information contained in this report from Mr. Morris points out rather vividly that cost overruns are not the exclusive property of the Defense Department but cover the whole spectrum of Government contracts.

At this point I would like to insert in the RECORD a copy of the report received from Mr. Morris in hopes that it will point out some of these civilian cost overruns.

COST GROWTH ON CIVIL SYSTEMS

[In millions of dollars]

	Early estimate	Later estimate
NASA:		
Applications technology satellite	$92	$252
Earth resources technology satellite	84	172
Viking	406	915
Saturn workshop	274	680
Saturn V vehicle (S–IC stage and F–1 engine)	4	37
Lunar module	388	2,304
Orbiting Astronomical Observatory	32	235
GSA:		
FBI Building	60	126
Labor Building	47	95
Hirshhorn Building	15	16
AEC: Fast Flux Test Facility	$88	$188
Department of Transportation:		
Automated radar terminal system	33	65
Bay area rapid transit system	994	1,493
Metro transit authority	2,500	3,000
Corps of Engineers: Nine Osage River Basins	243	530
Miscellaneous:		
Kennedy Center	31	72
Dworshak Dam Reservoir (Idaho)	127	383
Interstate Highway program	37,600	69,900
World Trade Center	350	650
Post Office Facility, Secaucus, N.J	9	60

APPOINTMENT OF CONFEREES ON S. 1317, AUTHORIZING APPROPRIATIONS FOR U.S. INFORMATION AGENCY

Mr. HAYS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1317) authorizing appropriations for the U.S. Information Agency, with a House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? The Chair hears none, and appoints the following conferees: Messrs. HAYS, MORGAN, ZABLOCKI, MAILLIARD, and THOMSON of Wisconsin.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

SEPTEMBER 21, 1973.

The Honorable Carl Albert,
The Speaker,
U.S. House of Representatives

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 12:19 p.m. on Friday, September 21, 1973, and said to contain a message from the President transmitting to the Congress the First Annual Report on the Administration of the National Sickle Cell Anemia Control Act.

With kind regards, I am

Sincerely,

W. PAT JENNINGS, *Clerk,*
U.S. House of Representatives.

FIRST ANNUAL REPORT ON ADMINISTRATION OF NATIONAL SICKLE CELL ANEMIA CONTROL ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I am pleased to send to the Congress the First Annual Report on the Administration of the National Sickle Cell Anemia Control Act in accordance with the requirements of Section 1106 of the Public Health Service Act, as amended. The Annual Report describes the ongoing research and service activities established to carry out the provisions of the act.

Research efforts to investigate the mechanism and subsequent complications of the abnormal sickling process in sickle cell anemia have been significantly increased over the past year under the National Institutes of Health. Clinical trials utilizing antisickling agents are underway to alter the sickling process and thus aid individuals who suffer from sickle cell anemia. Demonstration service activities designed to improve public awareness, education, detection and counseling concerning sickle cell disease have been initiated by the Health Services Administration.

These efforts are directed towards one genetic blood disorder—sickle cell disease, but the research and service results will also be relevant to a broader spectrum of genetic blood disorders. The fight against sickle cell anemia continues to be a high priority for our Government and I am pleased to commend this report to the attention of the Congress.

Richard Nixon.

The White House, *September 21, 1973.*

OVERTHROW OF MARXIST REGIME IN CHILE DRAMATIZES NECESSITY FOR FIRM STAND BY UNITED STATES AGAINST ANY SURRENDERS AT PANAMA—CONGRESSMAN FLOOD WILL ADDRESS THE HOUSE ON WEDNESDAY, SEPTEMBER 26, 1973

Mr. FLOOD. Mr. Speaker, on September 7, 1973, strongman Omar Torrijos left Panama for Spain on what has been predicted by Panamanians would be a long vacation. His departure was followed, 4 days later, by the overthrow of the Marxist government of Chile, which has had worldwide repercussions.

In an address to the House of Representatives on Wednesday, September 26, I plan to discuss the possible significance of the two above-mentioned events and invite other Members to participate in a colloquy.

CONGRESSMAN RALPH H. METCALFE—FIRST DISTRICT OF ILLINOIS

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. Annunzio) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, during the half-time of the Chicago Urban League's third annual football benefit classic on September 15, 1973, my distinguished colleague from Chicago, Hon. Ralph H. Metcalfe, received the league's Joe Louis Trophy.

This award is presented yearly by the league to persons who have demonstrated outstanding leadership in furthering progress in human relations.

There was a time when the name Ralph H. Metcalfe brought forth fond memories of his mastery of the track field. While a student at Marquette University—Wisconsin—Metcalfe excelled in track and broke or tied every world's record from 40 to 220 yards. He participated in the 1932 Olympics, where he ran second in the 100 meters and third in the 200 meters, and in 1936 Metcalfe won a gold medal as a member of the famed U.S. Olympic 400-meter relay team led by Jesse Owens.

In making the presentation, James Compton, the league's executive director, stated:

> Tonight, we honor U.S. Congressman Ralph Metcalfe for being a champion in a different arena—the arena of human rights.

Congressman Metcalfe's courage and staunch leadership in defending the rights of minorities are well known to us in the Congress of the United States. He is an outstanding member of the Interstate and Foreign Commerce Committee as well as the Committee on Merchant Marine and Fisheries. During his short tenure in the Congress, he has earned the respect and admiration of his colleagues. I can honestly say that he has made a most valuable contribution in this legislation body, on issues beneficial not only to the people of his district but to our State and our Nation as well.

Mrs. Annunizio joins me in extending our sincerest congratulations to Ralph and his lovely wife on this well-deserved honor that has been conferred upon him. May he continue to enjoy good health and fruitful public service in behalf of his fellow Americans.

THE GAS BUBBLE—VII

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. Gonzalez) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, the Coastal States Gas Co. serves a great many cities and industrial clients in Texas, in addition to San Antonio. Every one of these customers, like San Antonio, is being victimized by Coastal's sudden inability to meet its contract obligations. Among others, the University of Texas may be dark and cold this winter, and the city of Austin as well. One wonders if the Governor will have enough heat and light for his needs, or if the State will be able to maintain its offices in full operation. It would be the greatest of ironies if the Texas Railroad Commission, which regulates the mightiest oil and gas industry in America, were to find itself without light and heat this winter, courtesy of Oscar Wyatt—but that could happen.

How did Austin come to be in this plight, in this same sorry shape as San Antonio? How could it be that Oscar Wyatt was able to sell so many contracts, so many in fact that he cannot deliver gas for a third of them? One answer could be that he knew how to win friends and influence people. I do not mean that he went to a Dale Carnegie course, but that he might have relied on the more familiar influence-winning of paying off the right people for their "professional services" in connection with winning contracts.

It is well known in most cities that if you want to get something done, you go to the "right people." For most of us, this means something as innocent as making a phone call to city hall to ask why the garbage has not been picked up, or why the street lights will not work on your block. But for others, it may mean entering into intense lobbying. When you are talking about a long-term gas contract, there are hundreds of millions of dollars at stake, and that means heavy lobbying.

A document I have indicates that Coastal got its Austin contract by paying the right amount of money to the "right people" for what seems to have been "professional services"—services so good that they were payable over the life of the contract for Austin's gas.

The deal, according to this document, was for a group of people involved in the Austin contract to receive a certain payment, depending on the amount of gas sold, every month for the life of Austin's contract with Coastal. As I understand the contract or agreement, Coastal was to pay "the sum of 1½ mills for each mega-btu of gas sold and delivered to the city of Austin" into a special account at the City National Bank of Austin, which account was to be divided among several individuals.

In other words, Coastal was paying off certain individuals for "services" rendered in connection with the Austin contract, or services that were to be rendered.

Oddly enough, this was no one-time fee, but a payment to be made every month, and the amount of it was based on the amount of gas Austin used. Every time people in Austin consumed some gas, they had to pay a little tax to these lucky people who had made a deal for Coastal.

One of these individuals who received a royalty from the unsuspecting householders of Austin was Clint Small, who was cut in for 28 percent of the special account—so far, $77,000.

Mr. Small is an attorney in a large Austin firm. Oddly enough, he has represented Coastal, while another partner represented the Lower Colorado River Authority—a major customer, and current victim of Coastal. There might not have been any impropriety at all, but the situation does look odd.

I can only wonder what Mr. Small and his friends might have done that earned them a fee that was completely open-ended in nature, and which was divided very precisely among the lucky few.

Another recipient of Coastal's largesse was Frank Irwin, another Austin lawyer who later became a member of the University of Texas Board of Regents. Mr. Irwin became a controversial figure as chairman of the regents, and it certainly seems odd that he could at once serve on the board of an institution that did business with Coastal, and at the same time receive regular monthly payments from Coastal's Austin kitty. Mr. Irwin's interest was, and as far as I know still is, 8.2 percent of the Coastal slush fund, which through this year amounted to a grand total of $274,000. Certainly Mr. Irwin's share of the kitty was small, but 8.2 percent of $274,000 is still a lot of money. I'm sure that had the university known of this little conflict between one regent and one contractor, it might have looked several times at possible other conflicts, since the regents controlled commitments worth hundreds of millions of dollars.

Coastal paid in 40 percent of its kitty to one Chester Wheless, but I have not been able to determine who he is or what he did to earn that tremendous fee. Others included Richard Craig and J. H. Brown and one Jack Sparks, cut in for 12 percent, 8.2 percent and 3.6 percent respectively.

Considering the nature of this arrangement, it looks as if Coastal was paying a finders fee to this group—a kind of salesman's commission—instead of a legitimate legal fee. That is one way of looking at it. Another way of looking at it is to say that these fine individuals were simply being given a slice of Oscar's cake, in return for helping him become a great gas baron. Wyatt went on to be a millionaire many times over, and this little group grew in wealth by $274,000—so far, as a token of Coastal's gratitude for their services.

People with whom I have talked have always wondered just how Coastal got so big so fast. Maybe one reason, if the document I have is what it purports to be, is just that Oscar Wyatt and Coastal States Gas knew the right people, and paid them the right price.

DEVELOPMENT OF A DOMESTIC AND INTERNATIONAL FOOD POLICY

The SPEAKER. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 10 minutes.

Mr. FRASER. Mr. Speaker, H.R. 8547, a bill to amend the Export Administration Act of 1969, now being considered by the Senate, is designed to protect the American consumer from the drain of scarce materials and the inflationary impact of abnormal foreign demand. Among the agricultural commodities subject to controls under the EAA of 1969 are those which have served as the basis for food donations and concessional sales under the surplus provisions of Public Law 480.

Since 1971 grain and acreage reserves have been seriously drawn down as the result of rising commercial exports. Total agricultural exports were at a record $9.4 billion for the 1972 calendar year. Public Law 480's percentage of this total dropped to 11 percent—the lowest level since the first year of the program.

Because of the market conditions which determine the availability of Public Law 480 commodities, long term credit sales, government-to-government donations for disaster relief and economic development and donations through voluntary agencies may be seriously curtailed in the months to come.

I am concerned that Public Law 480 suspensions and export control of food aid commodities will seriously damage the capacity of some countries to provide emergency and development food aid to their people. If pressure to restrict food exports continues, I strongly advise that the shipment and procurement of food aid provided under title II of Public Law 480 be exempt from such controls.

This is, admittedly, a short term response to conditions which are likely to persist. However, before decisions are made that adequately deal with the world food crisis, a number of countries will face chronic food shortages which may undermine their development efforts. We must assure access to vital food commodities to countries whose production and import capacities are not sufficient to meet their projected food needs.

Self-sufficiency in food production among developing countries is certainly the long range solution to many of the world's food supply problems. This will not be accomplished until adequate financing is made available to improve the agricultural sectors of developing countries. The agricultural development provisions of the Foreign Assistance Act of 1973 are a first step towards this long range goal. Until this effort or another succeeds, the United States must be a reliable source of agricultural commodities for those countries unable to compete for scarce supplies on the international market.

The establishment of international food reserves is a second approach to the problems of production shortfalls and emergency conditions. No reserve exists now, at a time when several areas of the world are facing severe food shortages. The World Food program/FAO handles only 10 percent of world food commodities available to meet food crises, to provide food as an aid to economic development and to assist in child feeding programs. The total value of commodities, cash and services distributed under WFP auspices since its inception in 1963 amounts to $1.1 billion. In calendar year 1972 alone, the United States provided slightly over $1 billion in Public Law 480 commodities.

The World Food Program—WFP—is gaining in importance as the major multilateral food aid distributor. However, Public Law 480 commodities still represent the major source of food aid provided on a government-to-government basis, to voluntary agencies and to the WFP itself. The major part of these commodities were provided in 1972 under the concessional sales programs of title I—$655 million. Under title II emergency and donation programs, $376 million in commodities were made available.

Access to agricultural commodities under favorable credit or grant terms is important if the precarious foreign exchange positions of food aid recipients is not to be endangered. Increased food imports purchased at prevailing market prices would be a severe drain on the limited reserves of these countries. On the other hand we must guard against institutionalized disincentives to agricultural production and trade in developing countries. Avoiding the negative effects of past concessional arrangements calls for increased multilateral consultation in determining reserve levels and in establishing lending terms.

At the present, we are operating in a policy vacuum. We have no mechanism to determine priorities for our domestic and foreign supply commitments. We have few reliable estimates of domestic and world production of major commodities, price effects, effective demand or food aid requirements. This vacuum contributed to the August decision of the Department of Agriculture to suspend procurement of Public Law 480 commodities for August and September. This decision has since been reversed but overall procurement is down. For some commodities, such as soya fortified rolled oats and powdered milk—both protein sources—the suspension is still in effect.

The Executive Director of the WFP said in his statement before the 23d session of the organization that the need for food aid will not diminish during the present decade. In 1970, the excess of effective demand for food which could not be met from domestic production or imports in developing countries was estimated at $1 billion. According to FAO projections, this figure is expected to increase to $2.7 billion in 1980. Of course, the excess of unsatisfied need over supplies is much greater than the excess of demand because many of these countries need more food than they can purchase.

Despite increased demand and need for food in 1972, the United States began to reduce its voluntary pledge to the WFP. From 1963 through 1970, the United States pledged 50 percent of the cost of the program on a matching basis. In 1972 the United States reduced its matching ratio to 40 percent. At pledging meetings this year, the United States plans to abandon the matching arrangement altogether, making only a flat contribution.

Until 1965, U.S. commodity shipments to WFP never represented more than 5 percent of total Public Law 480 title II food shipments in any year. In the 3 years beginning with U.S. fiscal year 1970, title II shipments for the WFP averaged almost 15 percent of the annual title II shipments. This increase shows expanded U.S. participation in multilateral food aid programing and demonstrates the importance of continued U.S. food shipments to the WFP.

The United States has defended its scaled down role in food aid programs by calling for increased production in developing countries and for increased burden sharing by other major producers. But the United States has also reduced its contributions to bilateral and multilateral institutions and programs that provide the financial means to increase production. Soft credit loans from World Bank affiliates like the International Development Association and the regional banks help provide agricultural capital, small farmer credit and technical assistance, as well as compensatory financing to meet production shortfalls through imports. U.S. contributions to these institutionst are either being reduced or are held up in negotiations.

The United States is more than a year behind schedule in the current round of contributions to the International Development Association. Congress has still not approved the U.S. pledge of $100 million to the Asian Development Bank.

Last year Congress approved only half of the pledged amount for the Inter-American Bank and a further cut is threatened in the current $500 million request. Finally, the United States is the only one of the 16 members involved in the establishment of the African Development Fund that has not contributed. The United States has, in fact, progressively reduced its original pledge to the fund from $60 million in 1968 to the present $15 million which would be allocated over a 3-year period.

In his July 31, 1973, statement before our House Foreign Affairs Subcommittee on International Organizations and Movements, David H. Popper, Assistant Secretary of State for International Organizations Affairs, touched on this problem:

> The situation we see arising is this. Because of our domestic food requirements and our balance of payments and monetary problems, our ability to respond to future food emergencies is likely to be severely limited, especially when the need is for assistance on concessional terms or even gratis. On the other hand, we cannot in conscience completely disregard the clamorous and increasing demands of the developing world for food aid. How shall we strike our balance? The United States government has an obligation first and foremost to its own people. But we cannot limit ourselves to that proposition exclusively when we are asked to help others fight hunger.

In the past few months, this country has been on a seesaw of unplanned, ad hoc domestic and foreign economic policy. Food aid policy is only one dimension of the present resource crisis, but it is an immediate problem that must be dealt with on a short-term basis until production and distribution priorities are developed.

We see distinct linkages between petroleum shortages and fertilizer production, between fertilizer shortfalls and grain production, and between grain production and overall food deficits.

During the last 25 years, the production potential of the United States seemed unlimited and the political will of the United States went largely unchallenged. The United States did not hesitate to initate policies and programs within international bodies. We encouraged other nations to enter into multilateral consulations to deal with the global problems of war and underdevelopment. Now that we are in a period of scarcity and shifting political relations, we must not abandon a system which the United States itself has fostered.

The world food situation requires a high level of cooperation if food scarcity leading to international unrest is to be averted.

The following statistical information shows how Public Law 480 commodities have been utilized in the past. A comparison between domestic production, commercial exports, and Public Law 480 aid is also presented. This gives an estimate of the possible allocation of agricultural commodities to food aid requirements. Emphasis has been placed on the use of title II, government-to-government donatons, and to donations to voluntary relief agencies.

VALUE OF U.S. FARM PRODUCTS SHIPPED UNDER PUBLIC LAW 480 COMPARED WITH TOTAL EXPORTS OF U.S. FARM PRODUCTS, JULY 1, 1954, THROUGH DEC. 31, 1972

[In millions of dollars]

Calendar year	Government[1]	Donations[2]	Total[3]	Total Public Law 480
1954	28	20	48	70
1955	56	186	242	767
1956	65	187	252	1, 262
1957	39	175	214	1, 218
1958	43	159	202	1, 019
1959	32	111	143	1, 050
1960	49	124	173	1, 304
1961	93	151	244	1, 304
1962	81	178	259	1, 444
1963	99	160	259	1, 509
1964	62	186	248	1, 621
1965	73	180	253	1, 326
1966	79	132	211	1, 306
1967	108	179	287	1, 230
1968	101	150	251	1, 178
1969	103	153	256	1, 021
1970	129	126	255	1, 021
1971	139	152	291	983
1972 preliminary	235	141	376	1, 031
	1, 614	2, 850	4, 464	21, 661

[1] Government donations for disaster relief and economic development.

[2] Donations through voluntry relief agencies.

[3] Total Public Law 480, title II.

VALUE OF U.S. FARM PRODUCTS SHIPPED UNDER PUBLIC LAW 480 COMPARED WITH TOTAL EXPORTS OF U.S. FARM PRODUCTS

Calendar year	Total (millions)[1]	Total[2]	Public Law 480[3]	Public Law 480[4]
1954	$1, 585	4	3.0	69
1955	3, 199	24	7.5	32
1956	4, 170	30	6.0	20
1957	4, 506	27	4.7	18
1958	3, 855	26	5.2	20
1959	3, 955	27	3.6	14
1960	4, 832	27	3.5	13
1961	5, 024	26	4.8	18
1962	5, 034	29	5.1	11
1963	5, 584	27	4.6	17
1964	6, 348	26	3.9	15
1965	6, 229	21	4.0	19
1966	6, 881	19	3.2	16
1967	6, 380	19	4.4	23
1968	6, 228	19	4.0	21
1969	5, 936	17	4.2	25
1970	7, 259	14	3.5	25
1971	7, 698	13	3.7	30
1972 (preliminary)	9, 404	11	3.9	36
	104, 107	21	4.3	22

[1] Total agricultural exports (millions).

[2] Total Public Law 480 as percent of total exports.

[3] Public Law 480, title II as percent of total exports.

[4] Public Law 480, title II as percent of total Public Law 480 exports.

SUPPLY/DISBRIBUTION OF MAJOR COMMODITIES AND PUBLIC LAW 480 AS PERCENT OF EXPORTS AND PRODUCTION

Marketing years	1970–71	1971–72	1972–73 (projected)
Rice (million hundredweights, rough):			
Production	83.8	85.8	85.2
Domestic use	35.3	35.4	37.6
Total exports	46.5	57.1	53.0
Public Law 480 exports	24.0	37.5	25.5
Public Law 480 percent of total exports	51.6	65.7	48.1
Total Public Law 480 percent of total production	28.6	43.7	29.9
Public Law 480, title II percent of production	8.6	13.1	9.0
Wheat (thousand bushels):			
Production	1, 352	1, 618	1, 545
Domestic use	769	855	817
Total exports	738	632	1, 150
Public Law 480 exports	246	237	161
Public Law 480 percent of total exports	33.3	37.5	14.0
Total Public Law 480 percent of total production	18.2	14.6	10.4
Public Law 480, title II percent of production	5.5	4.4	3.1
Feedgrains (million short tons):			
Production	160.1	207.7	197.7
Domestic use	155.2	165.7	177.2
Total exports	20.7	27.3	33.2
Public Law 480 exports	1.4	1.6	2.0
Public Law 480 percent of total exports	6.8	5.9	6.0
Total Public Law 480 percent of total production	0.9	0.8	1.0
Public Law 480, title II percent of production	0.3	0.2	0.3
Soybean oil (million pounds):			
Production	8, 265	7, 891	7, 900
Domestic use	6, 292	6, 491	6, 750
Total exports	1, 743	1, 388	1, 300
Public Law 480 exports	803.1	734.6	550.0
Public Law 480 percent of Total exports	46.1	52.9	42.3
Total Public Law 480 percent of total production	9.7	9.3	7.0
Public Law 480, title II percent of production	2.9	2.8	2.1

In light of the growing crisis in domestice and international food policy, Mr. Speaker, I am introducing the following resolution:

RESOLUTION CALLING FOR THE DEVELOPMENT OF A DOMESTIC AND INTERNATIONAL FOOD POLICY

Whereas the depletion of agricultural commodity and acreage reserves has weakened existing mechanisms employed in the management of national and international food production and distribution programs and has led to an urgent need to specify domestic and foreign supply priorities in times of scarcity; and

Whereas severe weather conditions during the last three years have seriously affected the the productive capacities of several parts of the world to adequately meet projected food demands during the next 12 months; and

Whereas the absence of methods to set supply priorities may lead in times of scarcity to untenable choices between commercial opportunities and human needs, and can also lead to narrow policy measures, such as export controls which inevitably damage the political and economic interest of the United States and restrict the access of other nations to food commodities vital to their national well-being; and

Whereas such measures in recent months have in fact created hardships for the American consumer, disrupted normal trade relations with foreign countries, and threatened the supply of major foodstuffs to countries whose production and distribution systems have been adversely affected by natural and man-made disaster or who are suffering from chronic food deficits caused by the inability of their agricultural sectors to meet rising demand: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) the United States shall cooperate to the fullest possible extent with appropriate international agencies including the Food and Agriculture Organization of the United Nations, in efforts to establish world reserves of basic food commodities;

(2) the United States shall cooperate to the fullest possible extent with appropriate multilateral financial and development assistance agencies, including the International Bank for Reconstruction and Development and its regional affiliates, in efforts to improve the agricultural productive capacity of developing countries;

(3) the President should immediately issue a policy statement reasserting the United States commitment to respond to international disaster and famine conditions to the fullest extent possible by providing through the appropriate U.S. government agencies, the U.N. specialized agencies and nongovernmental voluntary relief agencies

adequate food supplies as well as technical and logistic support in order to assure the efficient distribution of food aid commodities;

(4) the President of the United States should immediately initiate a study to determine proper levels of domestic reserves, and appropriate rules and regulations for the effective management of domestic reserves of basic food commodities, taking into account domestic and foreign demands in commercial and concessional markets, and food aid requirements to meet international emergency relief need; and

(5) at the beginning of the second session of the 93rd Congress, the President should recommend to the Congress a plan for the establishment of domestic food reserves, and that he should report to the Congress at the same time on progress toward the establishment of world food reserves.

HEARING SET ON THREE-JUDGE COURTS AND SIX-MEMBER CIVIL JURIES

The SPEAKER. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, congestion of our courts has become a national scandal and a national danger. Our hopes for healthy national survival of a tripartite democracy depend in no small degree on our ability to unblock and expedite adjudication.

As a step in that direction, the Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice has scheduled a public hearing on two measures which are supported by the Judicial Conference of the United States as procedural improvements affecting the Federal judiciary.

The first of these is S. 271, to improve judicial machinery by amending the requirement for a three-judge court in certain cases. This measure passed the Senate on June 14. In sharply reducing the kind and number of situations in which three-judge courts would continue to be required, S. 271 adopts to a substantial degree the recommendation of the Chief Justice, who told the American Bar Association last year—

> We should totally eliminate the three-judge district courts that now disrupt district and circuit judges' work.

The other bill to be a subject of the hearing is H.R. 8285, to amend title 28, United States Code, to provide in civil cases for juries of six persons. H.R. 8285 was introduced by Judiciary Chairman Rodino at the request of the Judicial Conference. It would render uniform the number of jurors in Federal civil cases at six. S. 2057, a slightly variant measure is pending in the other body. The hearing is set for 10 a.m. on Wednesday, October 10, 1973 in room 2226, Rayburn House Office Building. At the hearing, the subcommittee expects to receive testimony from representatives of the Judiciary Conference, the Department of Justice and the American Bar Association.

It is hoped that prompt consideration of these bills may contribute to the improvement of administration of justice by the Federal courts.

I take this occasion Mr. Speaker, to note with some gratification that on the 14th of this month the Judicial Conference took a significant step in the area of judicial ethics. On that day the Conference approved a new text of Canon 7 of the American Bar Association Code of Judicial Conduct as it uniquely relates to Federal judges. The new text of Canon 7 provides that a judge should refrain from political activities, should not act as leader or hold any office in a political organization, and should not make speeches or solicit funds for candidates or organizations. It further provides that he should resign when he becomes a candidate for elective office. The alertnes of the Judicial Conference in adopting these provisions is in refreshing contrast with the failure to observe ethical imperatives elsewhere in Government.

AMERICAN AGRICULTURE MUST HAVE TOOLS PROVIDED BY MODERN TECHNOLOGY

(Mr. POAGE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. POAGE. Mr. Speaker, relatively few Americans recognize the vitally important part played by our farmers. Our farmers not only feed every citizen in the United States but they provide the great bulk of the products which have in recent months enabled us to reverse the balance of international trade which for several years has been running so consistently against the United States.

If American agriculture is to continue to play the vital part which it must play in our economy, it is essential that agriculture have and use all of the tools provided by modern technology. Our colleague, Hon. OLIN E. TEAGUE, chairman of the Committee on Science and Astronautics, recently discussed this subject in a speech in Waxahachie, Tex., on September 17, 1973. I believe that Mr. TEAGUE's remarks will be of interest to all of those who are concerned with our capacity to meet the production challenges of the future. His comments follow:

REMARKS OF HON OLIN E. TEAGUE, SEPTEMBER 17, 1973

When I was a young man studying agriculture at Texas A&M, it would have been hard for someone to convince me that advanced technology would ever contribute much to our farms. Even today, many farmers don't see any close connection between their work and things like computers, rockets, and satellites—in short, our space program.

I would like to say a few words about what I think the connection is, and, more importantly, what I believe it will be in the future.

Everyone here knows there is a growing concern that the world's expanding human population may outrun man's capacity to produce an adequate supply of food and fiber. Even now in some of the most densely populated areas of the world, people are starving, and millions more are living on marginal diets. In the United States, where we are justly proud of our farms and our farmers, it seems clear that we are going to have to increase production to meet our own needs and those of our customers abroad.

Man's very survival may depend upon how well he learns to conserve and manage his agricultural resources. Surely, we must find better ways to do the job, and I'm convinced that the answer lies in the advance of technology.

This is not really a new idea, but rather an idea whose time has come. Modern Technology has already made some important contributions to agriculture. For example, aerial photography has been used by the U.S. Department of Agriculture in surveys of land use and land capability for more than 40 years. The value of visual photographic interpretation techniques is well established.

But we are not entering a new era. We have begun to look at soil and plant life in other parts of the electromagnetic spectrum, such as ultraviolet and infrared. These radiations can't be seen by the naked eye, but they can be detected by instruments, and they often reveal even more valuable information than what can be seen by the human eye. These instruments have been put aboard airplanes, and more recently in satellites orbiting hundreds of miles above the surface of the earth. This new technique is called remote sensing; and satellites provide a unique vantage point for remote sensing instruments.

My Scientist friends explain it this way. Every object on the surface of the earth reflects and emits radiation from one end of the spectrum to the other. But each object reflects and emits differently from others, so that each has what is called a "spectral signature". Looking at crops and trees in various regions of the spectrum at the same time is called multispectral sensing.

Various species of plant life tend to blend together in photographs, and crops and trees therefore usually cannot be identified when viewed remotely in the visible portion of the spectrum. Tone and texture differences are revealed, however, when visual images are examined in combination with images produced by sensors using other frequencies, and various species and varieties of plant life can thus be identified and distinguished.

Healthy crops and trees can also be distinguished from infected ones using multispectral scanning techniques because they reflect or emit radiation differently.

In effect, such sensors extend man's sight by revealing what cannot be seen with the naked eye. For example, diseased vegetation can be identified in the near infrared even though it may appear perfectly normal to the untrained eye.

With the advent of multispectral sensing techniques, airplanes are becoming more useful than ever before for agricultural surveys. In some ways, satellites are even better, and can do things that aircraft simply cannot do. Unlike aircraft, a satellite in an appropriate orbit comes back over the same place at the same time of day, again and again. Repetitive satellite surveys of growing crops can be used to predict harvest times, give warning of blight and insect infestation, monitor growth and changes in soil moisture content—all of which can have a bearing upon planning, production, and ultimate market value.

A little more than a year ago—in July 1972, NASA launched the first experimental satellite specifically designed to survey the earth's resources from space. This satellite is called ERTS (which stands for Earth Resources Technology Satellite) and it has been much more successful than anyone anticipated. It has demonstrated that many things on the surface of the earth can be accurately categorized, measured, and monitored inexpensively from space.

You might wonder when I say "inexpensively from space." It is true that rockets and satellites are mighty costly items; nevertheless, information can be acquired from space more cheaply than in any other way. The experts tell us that the system is cost-effective.

For example, Professor Charles Poulton of Oregon State University, one of more than 300 principle investigators currently analyzing ERTS data, tells us that some 800,000 acres of cotton-producing land in California must be inventoried every year at critical times in order to control pink bollworm infestation. Before ERTS, this required 128 man-hours. ERTS photo techniques require only 18 man-hours, a 9 to 1 benefit ratio.

Another principle investigator, Dr. David Lindgren of Dartmouth University has said that "by the most conservative estimates, land use mapping by satellite is cheaper by more than an order of magnitude over land use mapping from conventional medium-altitude photography." According to Dr. Lindgren, to survey a State the size of Iowa or Illinois with medium-altitude aircraft would cost about $1 million: but by utilizing ERTS imagery, the job can be done for about one-twelfth as much, or approximately $80 thousand.

One of the most important benefits to agricultural, range, and forest areas is the repetitive coverage by ERTS at almost no additional cost.

Skylab also has a number of instruments aboard called the Earth Resources Experimental Package (EREP). EREP is a man-tended facility capable of acquiring data over large portions of the spectrum. These data are expected to be valuable to many earth observation disciplines, and you'll be interested to know that out of a total 172 investigations to be conducted on EREP pictures, 25 are specifically devoted to agriculture, range land, and forestry.

EREP includes instruments that are complimentary to those in ERTS, and some additional devices that are too large to be flown in automated satellites.

EREP photos from the first skylab mission have just recently been distributed to the Scientific investigators, so it is too early for any definitive results. But NASA believes the EREP pictures will be a valuable supplement to the ERTS images.

It should be understood that both ERTS and EREP are only experiments. We're several years away from an operational system on which farmers can depend for regular and timely information on which to base their planning.

Nevertheless, the preliminary results from the first year of ERTS operations have been better than expected, and the scientists who are analyzing the data are very enthusiastic. The point is that space technology has now progressed to the point that it has considerable economic potential.

Let me conclude with a few general remarks about the role of technology in our society.

We have seen how modern technology can stimulate economic growth and productivity. Since World War II, the development of the jet engine has revolutionized the air transportation industry. Advances in solid state physics have led to modern computers whose utility to a host of commercial enterprises has become obvious. To many businesses, computers are now absolutely essential. Developments in atomic energy research have already led to commercial power plants, and it is my impression that we have only scratched the surface in harnessing nuclear energy for civilian purposes. In short, our technological society has been shaped by past research and development efforts, and the investment has paid handsome dividends.

The truth is, technological achievements have transformed the American economy. There is little doubt about the direct correlation between a Nation's economic strength and its technological leadership.

For many years, the United States enjoyed an unchallenged dominence in most high technology products. This contributed heavily to a favorable American balance of trade. In recent years, the nations of Europe and Japan have recovered from the devastation of World War II. They have worked hard to upgrade their technology—they learned a great deal from the United States—and have now reached the position where they can compete effectively with U.S. industry in many products where we previously held a commanding lead. In fact, American imports of high technology products have recently grown faster than exports. At the same time, imports of low technology goods—ranging from shoes to automobiles—have increased markedly, and so have imports of raw materials, especially petroleum.

The result has seen a serious erosion of the United States' world trade position. Beginning in the mid-1960's, our nation has incurred larger and larger balance of payments deficits. In 1972, for the first time this century, imports exceeded exports, and we now have a balance of trade deficit.

We cannot continue to have trade deficits indefinitely. The value of our currency is threatened by negative trade balances and, in the longer term, the economic health of our nation is in danger.

One answer would be to attempt to recapture our competitive edge in high technology products. But to do so, it will be necessary to make substantial new investments in research and development.

I personally believe that the United States is investing too little in research and development efforts like the space program. Technology does not stand still, but moves forward at a rate that is largely dependent on the amount of financial support given to research and development.

Those nations in the world which are unwilling to make adequate investments in R & D programs are the same ones that also fail to develop strong economies which can adequately feed, clothe, house, and educate their people. I don't want to see the United States fall into that category.

American leadership in science and technology may not be a matter of first priority with many of our fellow citizens at the moment. They are understandably preoccupied with other pressing needs. Yet, I have no doubt that the viability of our economy a generation from now, the standard of living of our people, and even the future security of our nation may be at stake. I believe that the advance of technology is essential to our national well-being.

COURAGE OF A FEW GREAT RUSSIAN MEN

(Mr. ICHORD asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ICHORD. Mr. Speaker, thanks to the rare courage of a few great men, the entire issue of the Soviet Union's repression of intellectuals has been exposed for all the world to see.

All free men owe a debt of gratitude to Russian nuclear physicist Andrei D. Sakharov, the father of the Soviet hydrogen bomb, and to Russian writer Alexander Solzhenitsyn, a Nobel Peace Prize winner, for their heroic utterances of recent days in the face of warnings by the Kremlin that they will be subject to further prosecution and persecution for their outspoken criticism of the Soviet Communist regime.

We should be unstinting in our support of these voices of the Russian conscience who are appealing to mankind to censure the totalitarian oppression that is being exercised in the U.S.S.R. against all who cling to moral, religious, and intellectual convictions.

Both Sakharov and Solzhenitsyn are urging us to beware of the dangers of détente with a government that cruelly suppresses dissenters among its own citizenry. Both are crying out to any who will listen that before we enter into treaties and agreements on armaments and trade with such a dictatorship, we demand a change of attitude toward the world and an end to the repression of the Russian people.

Sakharov, who has now held two unprecedented news conferences with Western reporters to wage his single-handed war with the Kremlin and Communist leadership in general, has been so assaulted and threatened by a Moscow-organized campaign of criticism that it seems likely he will soon be carted off to a long-term prison sentence or be consigned to a Soviet mental hospital.

I am pleased to note that leaders of the scientific community in the United States are sounding their own alarm on Sakharov's behalf, clearly warning the Soviets that further mistreatment of Russian scientists will make it difficult, if not impossible, for American scientists to cooperate with the Soviets in future scientific endeavors.

I am also pleased to note that our distinguished colleague—the chairman of the House Ways and Means Committee—has indicated that he would favor a moratorium on further trade agreements with Moscow until and unless they cease and desist from their oppressive acts against the Russian populace.

For the benefit of those who may not have seen some of the information coming out of the Soviet Union in recent days regarding Sakharov and Solzhenitsyn and other intellectuals, I hereby insert the several pertinent articles appearing in the Baltimore Sun and Washington Post at this point in the Record.

[From the Baltimore Sun, Sept. 7, 1973]

Solzhenitsyn Says KGB Seized Novel on Labor Camps

Moscow.—Alexander Solzhenitsyn, the Russian novelist, said yesterday the Soviet secret police has seized an unpublished novel by him and he fears it will lead to persecution of about 200 persons named in the book.

Mr. Solzhenitsyn, the 1970 Nobel laureate, said in a statement that the KGB confiscated a typewritten copy of the novel in the "past few days" at Leningrad. The novel is about Stalinist labor camps.

The author said a woman he identified as Yelizaveta Voronyanskaya revealed the location of the manuscript after being interrogated without interruption for five days.

"When she returned home, she hanged herself," Mr. Solzhenitsyn said. His statement provided no further details on the woman.

Mr. Solzhenitsyn said the book is called "Arkhipelag GULAG" and is about Soviet labor camps in the years 1918 through 1956.

The book, apparently of a documentary nature, contains "only real facts, places and names of persons who are still alive—more than 200 persons," Mr. Solzhenitsyn said.

He said he issued the statement because he fears that, with a copy of the book in the hands of the KGB, "persecution will begin for all of them for the information they gave 10 years ago about their tortures in Stalinist camps."

"Arkhipelag GULAG," means an archipelago, or chain, of camps run by GULAG, the Soviet acronym for the main administration of corrective labor camps.

The novelist said in the interview that the KGB had threatened his life, but added that "my death will not make happy those people who count on my death to stop my literary activities.

"Immediately after my death, or immediately after I have disappeared or have been deprived of my liberty," the novelist said, "my literary last will and testament will irrevocably come into force. . . . And then the main body of my works will start being published—works I have refrained from publishing all these years."

Mr. Solzhenitsyn, declined then to go into detail on this unpublished body of works, but apparently copies have already been deposited in the West for safekeeping.

[From the Baltimore Sun, Sept. 10, 1973]

VOICES OF SOVIET DISSENT

More than any living Russian, novelist Alexander Solzhenitsyn has not only appreciated the impact of foreign opinion on Kremlin leaders but has rallied that opinion through his books and his statements of dissent. In this recent interview with The Times of London, Solzhenitsyn reminded the world that radio jamming remains an instrument of Communist oppression.

Today in many of the statements from the western press and western personalities, even from those who are most sensitive to oppression and persecution in the East, in order to create an artificial balance in the face of left-wing circles, there must always be the reservation: the same thing happens in Greece, Spain, Turkey . . .

I dare to declare that there is no such "the same thing happens" . . . I dare make the observation that in all these countries violence does not reach the level of today's gas chambers, the prison psychiatric clinics.

I tried in vain a year ago in my Nobel prize lecture to draw attention in a reserved way to these two incomparable scales of evaluation of the volume and moral meaning of events. And that it is impossible to accept as internal matters events in countries that decide the worlds fate.

Also in vain I there pointed to the fact that jamming of Western radio broadcasts in the East creates a situation comparable to that on the eve of a common catastrophe, nullification of international agreements and guarantees, because they thus don't exist in the conscience of half of mankind—their superficial trace can easily be swept away in the course of a few days or a few hours.

What jamming of radio broadcasts means is impossible to explain to those who haven't experienced it themselves, who haven't lived under it for years. It means daily spittle into your ears and eyes, it is an offense and degradation of man to a robot's level . . . It means that grown persons are reduced to infants: swallow what your mother has already chewed for you.

Even the most benevolent broadcasts during the most friendly visits are jammed as systematically: there must not be the slightest deviation in the evaluation of events, in the nuances, in the accents—everybody has to be informed about and remember an event 100 per cent the same way. And many world events must not be made known to our people at all.

Moscow and Leningrad have paradoxically become the most uninformed big cities in the world. The inhabitants ask people who come in from the countryside about news. There, because of cost (our population has to pay very dearly for these jamming services), the jamming is weaker. It is important to understand that the East is not at all indifferent to protests from public opinion in the West. On the contrary—it has deadly fear of them—and only of them—but this is the case only with the united, mighty voice of hundreds of prominent personalities, with the opinions of a whole continent.

Then the authority of the advanced structure may falter. But when timid, isolated protests are heard, without every belief in their success and with the compulsory reservations "the same thing happens in Greece, Turkey, Spain" then this evokes only the laughter of the aggressors.

[From the Washington Post, Sept. 10, 1973]

SOVIETS SCORED ON SAKHAROV

(By Stuart Auerbach)

The National Academy of Sciences yesterday warned its Soviet counterpart that American scientists will refuse to participate in joint projects as long as Moscow keeps harassing non-conformist physicist Andrei D. Sakharov.

The warning was contained in an unusually strong cable sent by Dr. Philip Handler, president of the National Academy here, to Dr. Mstislav V. Keldysh, president of of the Soviet Academy of Sciences.

Novelist Alexander Solzhenitsyn today nominated Sakharov for the Nobel peace prize.

The U.S. Academy's statement indirectly raised the possibility of a conflict between the Nixon administration's attempts to normalize relations with Moscow and the attitude of the American scientific community toward exchanges with Soviet groups.

"Harassment or detention of Sakharov will have severe effects upon the relationships between the scientific communities of the U.S. and the U.S.S.R. and could vitiate our recent efforts toward increasing scientific interchange and cooperation," said Handler in a covering cable on behalf of the National Academy's Executive Council.

Sakharov, called the father of the Soviet hydrogen bomb, was elected a foreign associate of the U.S. National Academy in April.

Since 1968, when he issued a 10,000-work manifesto calling for intellectual freedom and human rights, he has been the leading Soviet civil rights activist.

An intense Soviet press campaign to discredit him has been waged for the last 12 days, after he invited a group of foreign correspondents to his Moscow apartment Aug. 25 and said that Western nations should demand some democratization of Soviet society as a condition of East-West detente. Scientific exchanges and joint projects have been a mainstay of the current Soviet-American.

"Were Sakharov to be deprived of his opportunity to serve the Soviet people and humanity," Handler cabled Keldysh, "it would be extremely difficult to imagine successful fulfillment of American pledges of bi-national scientific cooperation, the implementation of which is entirely dependent upon the voluntary effort and goodwill of our individual scientists and scientific institutions.

"It would be calamitous indeed," the cable continued, "if the spirit of the detente were to be damaged by any further action taken against this gifted physicist who has contributed so much to the military security of the Soviet people and who now offers his wisdom and insights to that people and to the entire world in the interests of a better tomorrow for all mankind."

In an interview, Handler said "it is my very real belief" that American scientists would refuse to take part in joint projects if the harassment of Sakharov continues.

He said the Academy decided to send the cable without consulting with the State Department or the White House.

Although the Academy receives 80 per cent of its funds from the federal government, it is a private organization. In the area of international exchanges, however, it was given official responsibility by the government for carrying on joint projects with the Soviet Union.

Handler and Keldysh exchanged official visits last year.

Officially, the U.S. government has taken a hands off position toward Soviet's treatment of intellectual dissidents. Under questioning by the Senate Foreign Relations Committee Friday, Secretary of State designate Henry A. Kissinger said he was "very moved" by Sakharov's writings.

But, he added, "I feel nevertheless that we must proceed on the course on which we are"—of better relations with the Soviets.

Congress has taken a different tack, attaching riders to bills insisting that the Soviets allow Russian Jews to leave if they are to get trade concessions. Chairman Wilbur Mills (D-Ark.) of the House Ways and Means Committee said yesterday that he cannot see the United States expanding trade relations with the Soviet Union if the Kremlin continues to harass dissidents like Sakharov and Nobel Prize novelist Alexander Solzhenitsyn.

Members of the U.S. National Academy of Sciences were dismayed last week when they saw that the Russian scientific community was joining in the attacks on Sakharov. These Russian scientists included 40 members of the Soviet academy, five of whom are foreign associates of the U.S. Academy.

"This attack revives memories of the failure of our own scientific community to protect the late J. R. Oppenheimer (the American physicist who led in the development of the atomic bomb during World War II and who later lost his security clearances on charges of aiding the Communists) from political attack," Handler cabled.

"The case of Andrei Sakharov, however, is far more painful for the fact that some of our Soviet colleagues and fellow scientists are among the principal attackers when one of the scientific community courageously defends the application of the scientic ethos to human affairs."

[From the Washington Post, Sept. 10, 1973]

REVIVING MEMORIES OF OUR OWN FAILURE

(The following is the text of a cable sent Saturday by the U.S. National Academy of Sciences to the Soviet Academy of Sciences.)

This will convey to the Academy of Sciences of the U.S.S.R. the deep concern of the Council of the National Academy of Sciences of the U.S.A. for the welfare of our foreign associate member, academician Andrei Sakharov.

We have warmly, supported the growing detente being established by our respective governments. We have done so in the belief that such a course would bring significant social and economic benefits to our peoples and generate opportunity for alleviation of that division of mankind which threatens its destruction by nuclear holocaust. We were heartened by the fact that the various agreements signed by our political leaders in Moscow in 1972 and in Washington in 1973 gave so prominent a role to cooperation in scientific endeavors. We joyfully extended those intergovernmental agreements by the signature, in 1972 and again in 1973, of protocols pledging the mutual cooperation of our respective academies in specific appropriate scientific areas.

Implicit in this prominence of scientific cooperation in our recent binational agreements was: (1) The recognition that science, itself, knows no national boundaries; (2) The awareness that the world scientific community shares a common ethic, a common value system and, hence, is international; (3) Appreciation that mankind, the world over, derives deep satisfaction from our ever more profound understanding of the nature of man and the universe in which he finds himself. So true and important are these relationships that the national scientific communities of the world also share heroes; witness the rosters of foreign members of academies of science, including yours and ours.

But neither your country nor ours sustains its large scientific enterprise "for science's own sake." We also share a faith in the continuing truth of the historically demonstrated fact that the wise, humane application of scientific understanding constitutes the most powerful means available to our societies to improve the condition of man.

Unhappy, as Sakharov and others have noted, application of scientific understanding has also generated the means for deliberate annihilation of human beings on an unprecedented scale. The industrialization process made possible by science can, if unregulated, occasion unwitting damage to man and the flora and fauna with which we share the planet. Indeed, by reducing death rates more successfully than increasing agricultural productivity, application of science may even have created the possibility of malnutrition and famine on a huge scale.

If the benefits of science are to be realized, if the dangers now recognized are to be averted, and if the full life which can be made possible by science is to be worth living, then, in the words of academician Sakharov, "Intellectual freedom is essential to human society—freedom to obtain and distribute information, freedom for open minded and unfearing debate, and freedom from pressure by officialdom and prejudice." Scientists will recognize this description of a vital, functioning society as a restatement of the ethos of science itself. Violation of that ethos during the period of Lysenkoism deprived the Soviet Union and the world of the full potential of the scientific genius of the Russian people.

Accordingly, it is with great dismay that we have learned of the heightening campaign of condemnation of Sakharov for having expressed, in a spirit of free scholarly inquiry, social and political views which derive from his scientific understanding. Moreover, it was with consternation and a sense of shame that we learned of the expression of censure of Sakharov's contributions to the cause of continuing human progress that was signed by 40 members of your academy including five of our foreign associate members. This attack revives memories of the failure of our own scientific community to protect the late J. R. Oppenheimer from political attack. The case of Andrei Sakharov, however, is far more painful for the fact that some of our Soviet colleagues and fellow scientists are among the principal attackers when one of the scientific community courageously defends the application of the scientific ethos to human affairs.

Were Sakharov to be deprived of his opportunity to serve the Soviet people and humanity, it would be extremely difficult to imagine successful fulfillment of American pledges of binational scientific cooperation, the implementation of which is entirely dependent upon the voluntary effort and goodwill of our individual scientists and scientific institutions. It would be calamitous indeed if the spirit of détente were to be damaged by any further action taken against this gifted physicist who has contributed so much to the military security of the Soviet people and who now offers his wisdom and insights to that people and to the entire world in the interest of a better tomorrow for all mankind.

[From the Washington Post, Sept. 10, 1973]

Ten Soviet Jewish Scientists Assail Anti-Dissident Drive

Moscow, September 9.—Ten Jewish scientists said today the letter-writing campaign against physicist Andrei Sakharov and novelists Alexander Solzhenitsyn in the Soviet press is aimed at "the intimidation of all free thinkers and the preparation of public opinion for future repression."

The 10, including well known scientists Benjamin Levich, Mark Azbel and Alexander Lunts, issued a statement saying Sakharov and Solzhenitsyn are people of whom "any great country would be proud."

All those who signed the statement have applied for visas to emigrate to Israel, but they said they could not "remain indifferent to Russia.

"If any enemy appeared who wanted to destroy every thing beautiful in this country, he would begin with Solzhenitsyn and Sakharov. Any great country would be proud of these people and only Russia carries on its old traditions of devouring its best sons.

"If repressions break over the heads of Sakharov and Solzhenitsyn, then the Soviet Union will return to the darkest years of its history."

Meanwhile, a Russian novelist, recently expelled from the official Writers' Union for his dissident views, said he had been summoned by Soviet officials for psychiatric examination but had refused to comply.

Vladimir Maximov, 40, also said he had been called to undergo a military medical in apparent preparation for being drafted into the armed forces.

In a statement made available to foreign newsmen here, Maximov said he was now ready to emigrate from the Soviet Union at any time "as long as the Soviet authorities do not have any more radical intentions towards me."

Maximov was expelled from the Writers' Union for statements similar to those issued by Sakharov warning the West against making too many concessions to the Kremlin in the search for detente. Since, like Sakharov, Maximov has been the subject of attacks in the Soviet press. Following this campaign, his statement said, he made it known to the authorities that he was ready to leave the country.

Dissidents here allege that many sane people are held in mental hospitals because of their unorthodox views and that critics of the Soviet system have also been drafted in the armed forces to silence them. Maximov noted that he was invalided out of military service as a youth and is now over military age.

In Budapest, the Hungarian Communist Party accused Solzhenitsyn and Sakharov of irresponsible malice. The party newspaper Nepszadbadsag said they had irresponsibly magnified supposed or existing defects with deliberate malice. It called Sakharov's statements "a provocative appeal for interference in the internal affairs of the Soviet Union and the return of the Cold War."

East Germany also renewed its attack on West German support for dissident Soviet intellectuals. The Communist Party newspaper Neues Deutschland asked, "is this shabby anti-Soviet campaign to become a last desperate pretext to attack the European security conference?"

SOME SCHOOL DISTRICTS SUFFER FOR LACK OF FUNDS

(Mr. MILLER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER. Mr. Speaker, tomorrow the House will consider House Joint Resolution 727, making continuing appropriations for fiscal year 1974. An amendment will be offered to the bill providing an 85 percent holdharmless for local educational agencies under title I–A, ESEA.

Under the current resolution, only the States are protected from any reduction in title I funding. Within the States, however, there have been dramatic shifts in the allocation of title I grants. Some school districts have been cut by as much as 80 percent. The Office of Education's revised 1974 allocations have brought precipitous reductions in title I funding to many poor school districts while other school districts with greater wealth receive a windfall.

In my congressional district, many school boards entered into contracts with teachers this summer on the basis of their expected title I allocation, but now that money has been drastically reduced and there are simply no ready sources of money available this far into the school year.

Not only are these school districts in a legal bind, but they face the unpleasant prospect of terminating successful title I programs unless their allocations are soon readjusted.

I hope my colleagues will consider the financial plight of these school districts and vote to allow them to complete this school year with a reasonable level of funding.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. HANSEN of Washington (at the request of Mr. O'NEILL), for this week, on account of official business.

Mrs. BOGGS (at the request of Mr. O'NEILL), for September 25 and 26, on account of official business (International Monetary Fund Conference).

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. JAMES V. STANTON) and to revise and extend their remarks and include extraneous matter:)

Mr. FLOOD, for 5 minutes today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes today.

Mr. FRASER, for 10 minutes today.

Mr. KASTENMEIER, for 5 minutes today.

Mr. FLOOD, for 60 minutes, on September 26.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GROSS.

(The following Members (at the request of Mr. PARRIS) and to include extraneous material:)

Mr. STEELMAN.

Mr. HASTINGS.

Mr. QUIE.

Mr. DICKINSON.

(The following Members (at the request of Mr. JAMES V. STANTON) and to include extraneous matter:)

Mr. FRASER in five instances.

Mr. MOAKLEY.

Mr. EILBERG in 10 instances.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. WALDIE.
Mr. GUNTER.
Mr. NATCHER.
Mr. BADILLO.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 988. An act to designate certain lands in the Shenandoah National Park, Va., as wilderness; to the Committee on Interior and Insular Affairs;

S. 1101. An act to amend the Wild and Scenic Rivers Act by designating certain rivers in the State of Michigan for potential additions to the national wild and scenic rivers system; to the Committee on Interior and Insular Affairs;

S. 1391. An act to amend the Wild and Scenic Rivers Act by designating a segment of the Wisconsin River for potential addition to the national wild and scenic rivers system; to the Committee on Interior and Insular Affairs;

S. 1848. An act for the relief of Mrs. Lucy Locke; to the Committee on the Judiciary;

S. 2174. An act to amend the civil service retirement system with respect to the definitions of widow and widower; to the Committee on Post Office and Civil Service; and

S. 2410. An act to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive area emergency medical services systems; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 8917. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1974, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1148. An act to provide for the operation of programs by the ACTION Agency, to establish certain new such programs, and for other purposes; and

S. 1636. An act to amend the International Economic Policy Act of 1972 to change the membership of the Council on International Economic Policy, and for other purposes.

ADJOURNMENT

Mr. JAMES C. STANTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 15 minutes p.m.), the House adjourned until tomorrow, Tuesday, September 25, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1371. A communication from the President of the United States, transmitting proposed amendments to the request for appropriations for the Department of Defense—Military for fiscal year 1974 (H. Doc. No. 93-155); to the Committee on Appropriations and ordered to be printed.

1372. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a list of Department of Defense contract award dates for the period September 15 to December 15, 1973, pursuant to section 506(b) of Public Law 92-156; to the Committee on Armed Services.

1373. A letter from the Executive Secretary, Public Service Commission of the District of Columbia, transmitting the 60th Annual Report of the Commission, covering calendar year 1972, pursuant to section 8 of the act of March 4, 1913; to the Committee on the District of Columbia.

1374. Assistant Secretary of State for Congressional Relations, transmitting the final report for fiscal year 1973 listing excess defense articles to be furnished foreign countries on a grant basis, pursuant to section 8(d) of the Foreign Military Sales Act Amendments of 1971, as amended; to the Committee on Foreign Affairs.

1375. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the proposed financing with fiscal year 1974 Foreign Military Sales credit funds of the procurement of components from U.S. sources for the construction in Korea of a P.G. class patrol ship, pursuant to section 42(b) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

1376. A letter from the Acting Secretary of Health, Education, and Welfare, transmitting the third annual report on marihuana and health, pursuant to title V of Public Law 91-296; to the Committee on Interstate and Foreign Commerce.

1377. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to carry into effect certain provisions of the Patent Corporation Treaty and for other purposes; to the Committee on the Judiciary.

1378. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 7, 1973, submitting a report, together with accompanying papers and illustrations, on Zumbro River Basin, Minnesota, requested by a resolution of the Committee on Public Works, House of Representatives, adopted March 5, 1952. (H. Doc. No. 93-156); to the Committee on Public Works and ordered to be printed with illustrations.

1379. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the National Visitor Center Facilities Act of 1968, as amended, to facilitate the construction of an intercity bus terminal, and for other purposes; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATMAN: Committee of conference. Conference report on S. 1141; (Rept. No. 93-521). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADAMS (for himself and Mr. PRITCHARD):

H.R. 10467. A bill to provide for the continued operation of the Public Health Service hospitals which are located in Seattle Wash., Boston, Mass., San Francisco, Calif., Galveston, Tex., New Orleans, La., Baltimore, Md., Staten Island, N.Y., and Norfolk, Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. CORMAN:

H.R. 10468. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. HALEY (for himself and Mr. SAYLOR):

H.R. 10469. A bill to provide for the addition of certain eastern national forest lands to the National Wilderness Preservation System, to amend section 3(b) of the Wilderness Act, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ULLMAN:

H.R. 10470. A bill to amend the Internal Revenue Code of 1954 to strengthen and improve pension plans of American workers by establishing minimum standards for such plans relating to participation, vesting, and funding, to provide for the insuring of benefits under such plans, and for other purposes; to the Committee on Ways and Means.

By Mr. HARRINGTON:

H.R. 10471. A bill to amend chapter 403 of title 10, United States Code, to prohibit the administration of any unauthorized or unofficial deprivation of any right or privilege against any members of the corps of cadets of the U.S. Military Academy; to the Committee on Armed Services.

By Mr. HOWARD:

H.R. 10472. A bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance the national attack on diabetes; to the Committee on Interstate and Foreign Commerce.

By Mr. MATHIS of Georgia:

H.R. 10473. A bill to amend the Accounting and Auditing Act of 1950 to provide for the audit of certain Federal agencies by the Comptroller General; to the Committee on Government Operations.

By Mr. OBEY:

H.R. 10474. A bill to amend the Social Security Act to provide restrictions upon the disclosure of an individual's social security account number, to require certain information be provided to any individual who is requested to disclose or furnish his social security account number, and for other purposes; to the Committee on Ways and Means.

By Mr. OBEY (for himself and Mr. WALDIE):

H.R. 10475. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

By Mr. RODINO:

H.R. 10476. A bill to permit payment of transcript costs for indigent litigants in certain civil proceedings before U.S. magistrates; to the Committee on the Judiciary.

By Mr. ROSENTHAL:

H.R. 10477. A bill to authorize the appropriation of $2,626,685.07 as payment to the city of New York to assist in defraying the extraordinary and unprecedented expenses incurred during the 25th General Assembly of the United Nations; to the Committee on Foreign Affairs.

By Mr. SISK (for himself, Mr. Derwinski, Mr. Duncan, Mr. Hosmer, Mr. Leggett, Mr. Michel, Mr. Nichols, Mr. Rees, Mr. Roe, Mr. Pickle, Mr. Steed, Mr. Waggonner, Mr. Widnall and Mr. Wright):

H.R. 10478. A bill to prohibit the telecasting of professional basketball games during certain periods when regularly scheduled intercollegiate or interscholastic basketball or football games are played, and for other purposes; to the Committee on the Judiciary.

By Mr. VANIK:

H.R. 10479. A bill to authorize and direct the Secretary of Commerce to study applications of solar energy, to establish a system of grants for solar energy research, and to establish the Solar Energy Data Bank; to the Committee on Science and Astronautics.

By Mr. MATHIS of Georgia:

H.J. Res. 739. Joint Resolution proposing an amendment to the Constitution of the United States to authorize Congress, by three-fourths vote of both Houses, to override decisions of the Supreme Court; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

298. By the SPEAKER: Memorial of the Legislature of the State of Oregon, relative to the Douglas Fir tussock moth; to the Committee on Agriculture.

299. Also, memorial of the Legislature of the State of Oregon, relative to quality standards for filberts imported into the United States; to the Committee on Agriculture.

300. Also, memorial of the Senate of the State of Washington, relative to the phase IV economic regulations concerning service stations; to the Committee on Banking and Currency.

301. Also, memorial of the Legislature of the State of Oregon, relative to the continuation of title III Federal funds for elementary and secondary education; to the Committee on Education and Labor.

302. Also, memorial of the Legislature of the State of Oregon, relative to the continuation of the Tongue Point Job Corps Center; to the Committee on Education and Labor.

303. Also, memorial of the Legislature of the State of California, relative to the Roseville munitions disaster of April 28, 1973; to the Committee on Interstate and Foreign Commerce.

304. Also, memorial of the Legislature of the State of Oregon, relative to the allocation of scarce petroleum products; to the Committee on Interstate and Foreign Commerce.

305. Also, memorial of the Legislature of the State of Oregon, ratifying the proposed amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. SISK introduced a bill (H.R. 10480) for the relief of Rodney E. Hoover, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

284. By the SPEAKER: Petition of the city council, Philadelphia, Pa., relative to members of the Armed Forces who are still either prisoners of war or missing in action; to the Committee on Foreign Affairs.

285. Also, petition of Milton Mayer, New York, N.Y., relative to redress of grievances: to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

PHASE IV REGULATIONS RELATING TO RETAIL SALE OF GASOLINE

HON. PETE V. DOMENICI

OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

Monday, September 24, 1973

Mr. DOMENICI. Mr. President, on September 21, 1973, I joined with my distinguished colleagues in introducing a Senate resolution to reflect the sense of the Senate that retailers of gasoline should be allowed to pass through increased costs from their suppliers. In my introductory remarks I mentioned a meeting with officials of the Cost of Living Council on September 17, 1973, for the purpose of discussing the phase IV regulations relating to retail sale of gasoline. I also mentioned that I would include as an extension of my remarks, my opening statement to the Cost of Living Council at that meeting.

Accordingly, I ask unanimous consent that the following statement be printed in its entirety in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Pete V. Domenici

On July 18, 1973, the President of the United States said: "The fundamental pricing rule of Phase IV is that prices are permitted to rise as much as costs rise, in dollars per unit of output, without any profit margin on the additional costs." He made that statement pursuant to the authority delegated to him by Congress through the Economic Stabilization Act wherein he was directed to issue standards which "shall be generally fair and equitable."

Notwithstanding these clear directives by the President and the Congress, the Cost of Living Council has promulgated regulations relating to the sale of gasoline which have resulted in the grossest hardships and inequities.

Information available to my office indicates that the following situation appears to be typical in New Mexico: The average dealer leases his station from an oil refinery company or owns his own independently. He does not own his own refinery nor has he any say over the terms and conditions of sale of his product from the refinery that supplies him. On the average, he will sell 15,000 gallons of gasoline per month. From the time the gasoline hits his station he will incur a number of actual costs. He will pay about a cent and a half per gallon for rent. It will take about two cents per gallon to pay overhead expenses such as utilities, insurances, taxes, telephone, and operating supplies such as windshield towels, etc. And he will pay about two and one half cents per gallon wages and that does not include any amount for the station owner or lessee himself to take home. Thus, his actual cost per gallon, based on a 15,000 gallon month is about six cents. Under the Phase IV regulations he may mark up his gasoline by the same amount it was marked up on January 10, 1973 or seven cents per gallon whichever is more. As New Mexico was involved in a severe price war on January 10, the markup, almost without exception is seven cents and not more. It is out of this seven cents that he must pay these six cents of actual costs per gallon. That leaves him one cent per gallon to take home or approximately $150.00 per month.

Under the regulations, the seven cents markup must be on his August 1, 1973 cost. So if the costs are increased to the retailer due to the increased costs of import crude, for example, the retailer must absorb that increase in cost himself in that $150 and may not pass that on to his customers. Such a result is grossly unfair to what is probably already the lowest paid group of blue collar workers in the country.

The situation is even worse for that group of small businessmen who constitute what the regulations term as "reseller-retailer," that is they perform the operations of both the wholesaler and the retailer. As he is a related party, that is to say, as a wholesaler he is distributing the gas to himself as the retailer, his August 1 cost basis on which he may add the seven-cents margin is his cost from the refinery. That is to say, if he performs both the functions of a wholesaler and a retailer, not only must forego any profit he made at the wholesale stage but he is not even allowed to pass on his actual, proveable wholesale costs. According to figures quoted in the National Petroleum News, the average cost per gallon to perform the wholesaling operation alone is 3.5¢. Our survey in New Mexico indicates that the cost there is closer to 4¢ per gallon merely to perform the wholesaling operation alone, that is, to get the gasoline from the refinery to the station retailer. If that 4¢ wholesaling cost is added on to the 6¢ retail cost, it costs the small businessman who performs both the wholesale and retail operations 10¢ in actual, proveable costs to pump a gallon of gas. Yet his markup out of which he must pay those costs is 7¢. Therefore, it costs the wholesaler-retailer three cents out of his pocket or savings account every time he walks out on the driveway to pump a gallon of gas. And it goes without saying that his plight becomes even worse as his costs are increased by the refiners and he is not allowed to pass those on. It becomes cheaper to close the station than it does to stay in business.

Under these regulations, as I understand them, if either of these two classes of gasoline distributors were big enough to own their own refinery, then they would be guaranteed their profit margin and also be allowed to pass on their increased costs. Further, they would be allowed to use a May 15, 1973 rather than a January 10 date on which to determine their markup. New Mexico was not in a depressed situation on May 15 as it was on January 10, but because they are not so big it appears they are being penalized. There is no justification for those results.

I am told that the economic theory on which the Phase IV price regulations are premised is that if the retailer is not allowed to pass on his increased costs, then he will apply pressure back up the ladder to the refiner not to increase costs. The economic soundness of such a theory cannot be questioned in an economy where there is the free flow of goods controlled only by the laws of supply and demand. Yet such is not the case with the purchase and sale of gasoline.

We have for some time had a severe gasoline shortage. Refiners can sell all amounts of gasoline they can produce. If dealer "A" refuses to buy from the refiner because the cost of gasoline has increased a penny a gallon, then all he must do is offer it to dealer "B" to sell it. It is a sellers' market. Given this economic fact, this reverse pressure theory fails. Such failure cannot be better illustrated than to realize that in New Mexico, there have been two significant price increases on the part of the refineries already this summer, one in June and a second just days ago with retailers vigorously resisting but unable to do much more.

Mr. Owen, the goals of Phase IV cannot be criticized. It is the means being employed to implement them that must be examined. Can it be justified to allow the refiner to pass on his costs, yet not the retailer? Can it be justified to allow the independent third party reseller, or wholesaler, to charge his costs and also keep his profit margin, yet not even to allow the reseller-retailer to charge his actual proveable wholesale costs, much less his profit margin? I think not! This Council is urgently requested to reexamine its Phase IV oil regulations as they relate to the retail sale of gasoline so that we may move toward that goal as set out in the Economic Stabilization Act itself to set standards which "shall be generally fair and equitable." I commend the Council for its recent announcement to do just that and I urge that it be done quickly.

NEW CUBAN POLICY

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. WALDIE. Mr. Speaker, all of us I am sure will be watching with interest for a new direction in the administration of the State Department under its new Secretary. Cuba is one area where Secretary Henry Kissinger should direct his earliest attention.

American policy on Cuba has as we all know been in limbo for the last decade. In that time, several developments have occurred which warrant, in my opinion, a new and detailed look at Cuban policy.

The current state of affairs between our Government and Cuba was summarized in a scholarly but succinct way recently by John N. Plank, a professor of international affairs at the University of Connecticut. I am submitting the summation he offers, as printed in the Los Angeles Times of September 14, 1973, for review by my colleagues at this time:

THE STUBBORN U.S. POLICY TOWARD CUBA: OUT OF STEP WITH THE WORLD MAJORITY

(By John N. Plank)

Not long ago a senior State Department officer remarked, casually and complacently, "Our Cuba policy is set in concrete." As a statement of fact, his comment is accurate enough: The basic lines of U.S. policy toward the government of Fidel Castro were laid down more than a decade ago and have not been changed substantially since then.

But the durability of a foreign policy is in itself no adequate measure of that policy's effectiveness, and we Americans can rightly ask ourselves whether the established Cuba policy any longer serves our own national interests, the interests of the Cuban people, or the broader interests of the Western Hemisphere and the world.

Cuba policy as designed and implemented under Presidents Eisenhower, Kennedy, Johnson and Nixon has depended on two major instruments—political ostracism and economic denial. It has had one constant objective: to do all that might prudently be done to ensure the failure of Premier Castro's experiment with revolutionary socialism.

Castro's regime, however, now has endured for more than 14 years, and its end is nowhere in sight. Moreover, although his experiment cannot be counted a stunning success, it is certainly not an unqualified failure. Ironically, too, U.S. policy has given Castro precisely the scapegoat he needs to account for many of his regime's economic shortcomings, and has provided him with the external enemy he needs to justify his arbitrary, totalitarian rule.

A sensible reading of the record would indicate that fundamental changes in our Cuba policy are called for. That judgment is reinforced when account is taken of the broader hemisphere and global contents within which the United States and Cuba act.

As far as the hemisphere is concerned, the United States must acknowledge that support for its exclusionary policy toward Cuba is eroding rapidly. Canada and Mexico have never accepted that policy and more recently Argentina, Chile, Peru, Barbados, Guyana, Jamaica and Trinidad-Tobago have accorded full diplomatic recognition to Castro's government. (Chile's position is expected to change with the overthrow of Salvador Allende.)

It is only a matter of time until the United States, instead of leading a majority of hemispheric states in an effort to isolate Cuba, will find itself in a minority position on the issue. Indeed, the secretary-general of the Organization of American States has already announced that in his view a full review of hemispheric Cuba policy—with an eye toward "lifting the sanctions imposed . . . more than a decade ago"—is in order.

Our European allies—Britain, France, Spain and others—are out of sympathy with our Cuban practice and are taking advantage of our absence to exploit the Cuban market themselves, their trade with Cuba being restricted only by Cuba's ability to pay. Japan, too, has active economic relations with Cuba.

Cuba is an outspoken member of the United Nations, and enjoys good diplomatic relations with most states of the world, both socialist and nonsocialist, whether in Europe, Africa, Asia or the Middle East.

Evidently, then, the United States is out of phase with majority world opinion regarding Cuba, and is finding it increasingly difficult to justify its Cuba policy to others. A decade ago, the United States could claim that ostracism of Castro's Cuba was required because (1) Marxism-Leninism was incompatible with the values of the societies of the Western Hemisphere; (2) Castro was in a military alliance with an extrahemispheric power, the Soviet Union and (3) Castro was attempting to export his revolution to other Latin American countries through subversion, terror and guerrilla warfare.

Today, however, those arguments lack persuasive power. Not only has a socialist government been freely elected in Chile, but also the hand of U.S. friendship has been warmly extended to the People's Republic of China.

Castro's military dependence on the Soviet Union cannot be seen to pose a serious strategic threat to the United States or other American states. To the extent that any such threat exists, it must be viewed as coming directly from the Soviet Union, not from its Caribbean satellite. And Castro's efforts to export his revolution, to make the Andes the Sierra Maestra of Latin America, have been dismally unsuccessful.

Why, then, does the United States not change its Cuba policy to make it more consonant with the facts and trends of today?

The answer is twofold:

First, if the United States were to change its policy, it would expect some reciprocity from Castro and the available evidence indicates that Castro has concluded that economically he does not need the United States (Cuba has now been brought firmly into the Soviet orbit and is the recipient of a substantially Soviet subsidy), while politically the enmity of the United States is of immense domestic and international usefulness to him.

Second, President Nixon is under no great domestic pressure to change current Cuba policy. Present practice can be maintained indefinitely at low cost and minimal risk. Cuba does not bulk large on the horizons of most Americans; indeed, acute awareness of Cuba is confined largely to members of the Cuban refugee community, and most would be offended by any softening of our official posture.

Early and significant change in our Cuba policy is unlikely, therefore, despite the strong case that can be made for such change. But Mr. Nixon and Henry A. Kissinger have surprised us before. It is conceivable that they will decide that the time has come to reach an accommodation between Washington and Havana.

Kissinger said in Senate testimony last week that the United States was willing to discuss with other OAS members the possibility of modifying the current embargo against Cuba. Perhaps such discussion might be followed by quiet US.-Cuban negotiations on specific issues of trade and settlement of small claims by American's over Castro's expropriation of their property.

Already, in February of this year, the two nations signed an agreement to control hijackers through prosecution or extradition.

Such steps toward accommodation deserve the understanding and support of all Americans.

FRED R. KEITH

HON. JESSE A. HELMS

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, September 24, 1973

Mr. HELMS. Mr. President, on Friday of this past week I had been scheduled to speak on the campus of Campbell College at Buies Creek, N.C. My duties in the Senate prevented my leaving Washington that day.

I was disappointed for a number of reasons. For one thing, I am a former trustee of Campbell College, which is now being guided to further greatness by Norman A. Wiggins, a longtime friend of mine. Dr. Wiggins is a splendid college president, and my State—indeed the entire Nation—will profit immensely from his great efforts. I would so much have enjoyed a trip to the campus.

Second, my mission in planning to go to Buies Creek last Friday was to pay tribute to a distinguished North Carolinian and generous benefactor of Campbell College, Mr. Fred R. Keith of St. Pauls, N.C.

The occasion last Friday, Mr. President, was the dedication of a new golf course at Campbell College, in tribute to Mr. Keith. Preliminary to my speech, I had prepared a few remarks in testimony to the fine citizenship of Mr. Keith.

I ask unanimous consent, Mr. President, that these preliminary remarks be printed in the Extensions of Remarks.

There being no objection, the remarks were ordered to be printed in the Extensions of Remarks, as follows:

Fred R. Keith

Some advance information was sent to me a few weeks ago about this dedication ceremony today. I found out a lot of things about my good friend, Mr. Fred Keith, that I had not known before. I had known that he was a good, solid, successful citizen—but I was simply astonished at what this fine man has meant to so many.

Much can be said about the blessing that Mr. Keith has been to Campbell College. But the fact is, Mr. Keith, has been a blessing to everything he has touched. He doesn't brag. He goes ahead and does the job that needs doing.

A little research discloses more than 50 organizations, institutions and other endeavors to which he has contributed a remarkable spirit of leadership. Hospitals, schools, agriculture business, banks, municipal government, fire fighting—you name it, and he's supplied his wisdom and his energy. He has been mayor of his town, he has been an active participant in politics and government—doing his best, as always, to make things better than he found them.

He's the kind of citizen who makes me glad that I'm a North Carolinian and an American—because, in a very real way, Mr. Keith symbolizes the spirit of America.

My friend, Norm Wiggins supplied me with an insight that tells something of the nature of Mr. Keith. An official of this fine institution remarked recently that when "Mr. Keith takes an honest and healthy swing at anything, you can be sure that he wants to do it right. He has this reputation at home, too. Mr. Keith is one of the few registered Republicans at St. Pauls. Republicans are outnumbered there by at least ten to one. But the Democrats of St. Pauls have elected Mr. Keith *Mayor* for six terms. That tells you something about him."

One of Mr. Keith's business associates had a word for those who might wonder about his sponsorship of a golf course.

Mr. Keith is a fine church man, but he's wise enough to know that a facility like a golf course can be a character-builder, and I am sure that will be the result of this splendid facility which will mean so much to the young men and women attending Campbell College.

So, it has been correctly said that Fred R. Keith is one of the most valuable public servants ever produced in Eastern North Carolina. And, of course, as one who has served in years gone by as a trustee of Campbell College, I know personally that Fred Keith is one of the top-ranking trustees ever to serve this institution.

I am here today principally because of my respect and affection for Mr. Keith. He is one of Nature's Noblemen, and I join you in expressing to him a deep sense of appreciation and admiration. God bless you, Mr. Keith.

NUCLEAR SAFETY IN PERSPECTIVE

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. HOSMER. Mr. Speaker, the following editorial comment by Thomas G. Ayers, chairman and president of Commonwealth Edison Co., appeared in the July–August issue of Edison Service News, the company's employe magazine. It affords a reasonable perspective on the nuclear safety issue:

The Case for Nuclear Power

Despite a record covering some 675 plant-years of operation around the world without a single radiation fatality, the safety of nuclear power plants continues to be challenged. Most recently the issue was brought before the federal courts in connection with a suit seeking the shutdown of 20 nuclear power units, including four of ours. It is therefore appropriate to comment on the extreme concern for safety and protection of the public that governs the building, operation and regulation of every nuclear power plant.

To begin with, no knowledgeable critic today suggests that a nuclear power reactor will explode. What some do charge, however, is that the reactor will run out of cooling water and touch off an unacceptable release of radioactivity.

The matter of concern is the heat which remains in the nuclear fuel rods after a shutdown of the reactor. This heat steadily declines, but it amounts to several per cent of the full-power value for several hours after shutdown. To prevent melting of the fuel rods, the fuel must be cooled even after shutdown. This is done by running the reactor's main coolant system as long as necessary.

Extraordinary measures are taken to build and operate this primary cooling system to minimize any interruption in the flow of cooling water. But in the unlikely event of a failure, it is backed up with emergency core cooling systems which were developed through the exhaustive review process of the Atomic Energy Commission. These back-up cooling devices have no function during normal reactor operation, but would automatically take over in the event of a sudden and total shut-off of the normal coolant flow.

The emergency core cooling systems of each reactor consist of not one but four separate subsystems with some of these built in duplicate. This chain of safety precautions compares with having a half-dozen braking systems on an automobile, each backing up the other. Each of the cooling systems is tested before plant operation to establish that they will provide the proper quantity of water in the required time. They are tested periodically after the unit goes into operation to be sure they are ready for service if needed.

These layers of carefully engineered safeguards, together with the quality assurance and regulatory surveillance that attend the design, construction and operation of all nuclear plants provides the basis of our confidence in nuclear power safety.

A FARM WOMAN SPEAKS

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. GROSS. Mr. Speaker, last week Mrs. Gross and I were privileged to attend a dinner with 100 Iowa Farm Bureau Federation women who were visiting Washington.

At that dinner, Mrs. Herbert Johnson, chairman of the Iowa Farm Bureau Women, made an excellent speech on what could well be called the "State of Our Nation."

Mrs. Johnson, the wife of a farmer living near Charles City, Iowa, put special emphasis on the threat to our most basic industry—farming—a threat that is posed by too much government, especially at the Washington level.

Because I believe that Mrs. Johnson spoke for the great majority of this country's farm men and women, I commend her remarks to the Members of Congress from urban districts.

All of us have a vital stake in the well-being of agriculture and all of us would benefit from a better understanding and appreciation of the problems confronting America's farm families.

The speech follows:

Mrs. Herbert Johnson

Distinguished guests and Farm Bureau friends, we appreciate the presence here of every single one of you. We recognize the dedication, the honesty, and the integrity required to be a good government leader. We are aware, as well, of our own obligation to be a thinking, informed constituency. Only thus will a leader in the political arena be enabled to be a statesman, looking ahead to the way his decisions will affect the next generation, rather than a politician, looking ahead only to the next election. The world is in desperate need of statesmen, and they will be long remembered.

I have chosen to base my brief comments on two quotations: "Life is made of marble and mud", from Hawthorne's House of Seven Gables and "It was the best of times, it was the worst of times . . ." from Dickens' A Tale of Two Cities. Both quotes apply in many respects to our country, to agriculture, and to our own lives. The proportion of marble and mud depends largely on us. We can increase the marble and decrease the mud if we try. Our mix depends on our attitude, our understanding, our appreciation for the things we have, and, more especially, on the amount of effort we are willing to put forth to make things better.

It is the best of times: In many ways we have never had so much reason to be thankful, so much marble in agriculture. Farmers, by and large, even had a good net income this past year. There were record prices and record farm production at the same time. This year we expect a gradual simmering-down of the general economy, which will affect agriculture and the food industry, but there is little doubt that farm prices will move into winter on an upward tilt.

Forecasters assure us that the price bubble is not going to pop in 1973 or in early 1974. Demand for the key grains is solid. The Administration would like to smother food costs, but the price ceilings so far have backfired, as we in Farm Bureau said they would. Economists said they would. Agriculture Secretary Earl Butz said they would. We predicted that the boycotts, the price freezes, and other controls would only delay the inevitable explosion in food prices. With costs, especially feed expense, streaking past prices, livestock producers are taking a second look at their plans for the future. Those who raise corn and beans are inclined to sell rather than feed. They are assured of tiptop grain prices so why risk growing livestock. Also, many farmers have a deep-seated distrust of government planners . . . a feeling that maybe those who engineered the food price freeze, export controls, etc. aren't through tinkering. We well remember all the pressure for members of Congress for a food price freeze last spring when the Senate Democratic caucus voted to roll back food prices to the level of January 16. Senate members, by their vote of 84 to 5 early in August to lift the beef price freeze immediately, apparently are now convinced of the failure of price controls. This failure stuck out for everyone to see, if they would. It now seems likely that the giant tidal wave for price controls on food has moved back out to sea, washing with it the advocates of said price controls. We are sure there will be more efforts, such as export controls, to hold down food prices, but we feel that food at bargain basement prices has finally gone the way of the $800.00 automobile, of the $2.00 shirt and the 5¢ cigar.

As a nation, the end of the Vietnam conflict probably overshadows everything else, especially since it was brought about in an honorable way in the eyes of the world, and our POW's brought home.

There appears to be reduced national tensions as evidenced by fewer protests and hardly any riots. In fact, we've almost forgotten the massive protests, riots, fires, explosions, which were the context in which Watergate evolved. Recent statistics showed that serious crimes declined last year by 2%, marking the first decrease in 17 years.

According to some social and political scientists, there would seem to be some marble even in Watergate in the form of some socially redeeming features to the whole affair. One is that the Watergate revelations will simply inhibit future Presidents and their staffs from abusing their burgeoning power as their predecessors have for at least 30 years. Another is the way the checks and balances system works to restrain an overwhelming Chief Executive. The televised Senate Watergate hearings have offered a refresher course on the Constitution. That document's resilence offers marble to our way of life.

Iowa Farm Bureau Women have awarded 18 2-year scholarships each year for the past 27 years. As we interviewed the top 36 applicants for these scholarships this year, I felt that the quality of education in Iowa must be improving. The young people are better informed, more poised, and more capable of expressing themselves well than were the applicants a few years before them, certainly better than ourselves at that age.

As farmers we are pleased to be engaged in a growth industry. This term may surprise you. We have checked with stock brokers and analysts. They tell us that growth industries have these qualities: (1) a permanent demand for the product (2) an increasing demand for the product (3) an adequate number of trained personnel (4) it must be an efficient industry. Farming measures up by all of these criteria as one of the leading growth industries in the nation.

I am sure you already know this, but I want to say that we are, I think, justifiably proud of the importance of agriculture to Iowa. We are marble to our beloved state. Every $1.00 of farm income generates at least $3½ of income up and down Main Street and in the factories and offices of Iowa's cities and towns. This economic fact is the weather vane of Iowa's future. Iowa's rich soil already produces more wealth than all the gold mines in the world. Our food production is the envy of the world—it wants more of our farm output, and is willing to pay high prices for it, particularly for high protein food—animal proteins. This growing need will place an even greater demand on Iowa's highly efficient partnership between industry and farmers. Farm Bureau ladies, it should make us stand tall.

We are not complainers. We are not protestors. We recognize that, in many ways it is "the best of times". In most ways there is more marble in our way of life than ever before.

However, in some ways, it is "the worst of times". It is important that we talk about problems so that we can seek solutions. Even though our national posture and our personal lives contain most marble, the mud in the crevices can be extremely dangerous if not given attention. This is our purpose in discussing the matters of concern to us. One is the overdependence on controls and edicts to try to correct problems. A recent survey showed that those who call for more and more state intervention into the lives of individuals are calling for a policy which the majority of Americans reject. The plight of the American Indian is conspicuous evidence of the sorry results of extremes of manipulation and intervention. They resent the paternalism of people coming out to the reservations asking only to be of service in their own inimitable ways, quoting from Vine Deloria, Jr. in his book, "Custer Died for Your Sins." We in agriculture resent, also, the rules and regulations imposed by persons who know better what is good for us than we know ourselves. There is a dangerous lack of understanding and appreciation for the private enterprise system. Obviously the functions of price are poorly understood. The governmental approach to economic problems has too often seemed to be one of floors, ceilings, or price fixing, none of which solve the underlying economic inequity.

Mrs. Nullinger has very ably expressed our concern over inflation. There's no way to stop inflation unless we stop building into our economy cost-price-push factors like increasing the minimum wage, unemployment compensation, social security benefits, etc. These by themselves sound good until we realize that inflation eats up the increases, and does inestimable harm to those on fixed incomes.

Farmers are extremely concerned about transportation strikes. We certainly do not object to longshoremen receiving higher pay if the demand for their labor and the supply available so dictate. We are opposed to the government legislating longshoremen's and Teamsters' Union monopoly power to lock down the transportation system of America. The country cannot permit transportation strikes. Consequently, we must either establish machinery for settling these strikes as they occur, or settle each one by an act of Congress. We are normally opposed to compulsion, but in dealing with a monopoly like transportation, we believe compulsory arbitration of "the best final offer" variety should be a big improvement over political settlements dictated by Congress, with the inevitable, disastrous delays. The good prices prevailing in agriculture depend heavily on export markets. Foreign buyers tell us they would like to depend on us exclusively for some product or products but dare not because of the fear of a dock strike. Why should a handful of laborers have the authority to lock farmers out of foreign markets?

Some unwarranted restrictions in the form of environmental and safety standards dangle as a millstone from the farmers' neck. As a practical matter, on the bulk of Iowa farms, you will find owner-operators and family members involved in the actual work. Safety to them is a personal matter. If the issue were simply one of safety, the remedy would be simple. It isn't. The farmer does not have the power to "pass on" added costs of production entailed in the use of safety and environmental controls.

No one appreciates the beauty of the countryside more than do farmers. No one is more concerned about family health than farm women. We support reasonable, intelligent efforts to prevent pollution. Iowa Farm Bureau Women selected this as one of their major study and action program emphases the past two years. We pledge our support for any necessary legislation to avoid jeopardizing the health of consumers.

On the other hand, some proposals being considered would make it virtually impossible for the family-type farmer to keep on farming. With today's consumer unrest, it is inconceivable that consumers would support the imposition of any restrictions which would place added pressure on food costs, particularly when the interest and position of the vast majority of the nation's farmers has been virtually ignored. Many of the standards at best attack pocket problems which are clearly localized. We get concerned about government leaders who pay lip service to preserving the family farm then vote for rules and regulations which definitely threaten its survival.

Our final concern is over a fundamental change which seems to be taking place in our process of translating public opinion into laws. More and more our government is resembling the kind of "direct democracy" about which James Madison wrote: "Such democracies have ever been spectacles of turbulence and contention; have ever been found incompatible with personal security or the rights of property." Our founding fathers felt the true interest of our country would be best served by a representational democracy whereby the people elect representatives to write the laws for them. Working at its best, the public views would be refined and enlarged by being passed through the medium of a chosen body of citizens with wisdom, called a legislature or a Congress.

The instantaneous and universal reporting of public events which is now occurring could lead into this kind of direct democracy. The Greek system, where citizens wrote laws in open assemblies, did not lead to good government. As Benjamin Franklin said, when asked following the Constitutional Convention, "What have we?', he replied, "A Republic, if you can keep it!"

To try to diminish the clashes between our executive and legislative branches of government, which intensified beginning with Franklin Roosevelt, and has climaxed in the Watergate mess, we need Senators and Representatives chosen for courage and statesmanship by a constituency willing to support them with patience and forbearance. We would like to try to be that kind of constituency.

UNITY REMAINS THE GOAL

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. CRANE. Mr. Speaker, as a further clarification of the West German Supreme Court's interpretation of the basic treaty between East and West Germany, I am including in the RECORD an explanatory article from the Cologne paper. I have placed in the RECORD additional statements on two earlier occasions so that the Congress might have an opportunity to examine what is at stake in this verdict:

[Translation from the German article from Kölner Rundschau, Aug. 1, 1973]

UNITY REMAINS THE GOAL

(By Rudolf Heizler)

A verdict which satisfies both parties, is a rarity. That applies to the ruling of Karlsruhe on the basic treaty. The federal government exults over rejection of Bavaria's claim, it is triumphant because the seven judges did not declare the treaty incompatible with the constitution. The Bavarian government is satisfied because the judges accorded a very clear interpretation to the basic treaty as well as to the basic law in the area of reunification.

The ruling of Karlsruhe does not only effect the past by giving its subsequent constitutional blessing to a treaty already in validity. At least of equal importance is its effect on the future. The verdict imposes very close limits on the political activities of the government vis-à-vis the GDR which must not be transgressed. The decision of July 31, 1973 is no blank cheque for the coming negotiations between the two parts of Germany.

In regard to the subject matter at issue, it is probably the most important verdict ever passed by Karlsruhe. It receives added weight through the fact that it was passed unanimously. There is no minority vote. That gives the treaty an unusual moral power, which no politician will find it easy to ignore.

For the federal government the reasons for the verdict also contain something of a scolding by stating that in regard to the timing on validating agreements it should be born in mind in the future that every law can be examined. The court wants no repetition of the time pressure applied to this treaty. The guiding principles of the decision state expressly that the executive should not try to disregard the constitutional court. Most likely, the court would not have accepted disregard by the government in this proceeding either, if it had not been determined from the start to give its constitutional seal on the basic treaty.

Some parts of the guiding principles deserve emphasis: The claim to reunification is confirmed expressly as "restitution of the national unity." Willy Brandt's notion of the nation as an eternal value beyond the existing borders with common cultural traditions of both German states obviously does not suffice the constitutional court.

A German citizen is not only a citizen of the Federal Republic. The inhabitants of the GDR also possess German citizenship and thus full legal protection, just like any other German citizen. There are not two German citizenships, one for the FRG and one for the GDR. That means that every resident of the GDR may stay in the Federal Republic (for example following his successful flight), if his flight was motivated by purely materialistic or private and not by political reasons (such as persecution because of his oppositional attitude). Restriction to the political right to asylum is thus eliminated.

The twin character of the basic treaty is also clearly stressed. It is basically a treaty of international law. However, according to its substance it is a treaty of a special nature which settles "above all inter-se relations", i.e. relations between each other. The GDR is therefore no foreign state in the eyes of the court, and Member of Parliament Dietrich-Wilhelm Rollmann (CDU) may continue to use the address "fellow-countrymen" when he is in East Berlin. Trade must not turn into "external trade" and may thus not be subjected to custom duties.

The wall, the barbed wire, the death-stripe and the shooting order are not compatible with this basic treaty according to the verdict of the seven judges. These are clear words which are certain to be met with great uneasiness on the other side. If the federal government takes this verdict seriously—and that should not be doubted after it welcomed it so heartily—its negotiations with the GDR will become very difficult in the successor agreements. The constitutional court has limited its leverage very closely. Any efforts to consider the GDR as a state like a hundred other states would be clearly unconstitutional. Agreements to that effect will be canceled by Karlsruhe.

Relations between West Germany and East Germany are not relations subject to international law. But neither may they turn into international relations. The foreign minister of the GDR, Otto Winzer, contested the special relationship between the two parts of Germany during the ratification debate in the East German "People's Chamber" on June 13. Thus interpretation of the basic treaty differs considerably with regard to a very decisive issue. The constitutional court sees the treaty differently, and it forces the federal government to see it differently than Otto Winzer.

The verdict does not permit development of the basic treaty in direction of international relations. Reunification and state unity continue to be the objectives. The federal government will have to enter the next round of the inner-German negotiations on this basis. That will surely not delight those responsible on the other side of the wall and the barbed wire.

SKYLAB PROVES MAN'S FLEXIBILITY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. TEAGUE of Texas. Mr. Speaker, the Japan Times, June 28, 1973, offers a good perspective on the Skylab program as it proceeds with outstanding success into its second mission. This editorial describes well the achievements of astronauts Charles Conrad, Joseph Kerwin, and Paul Weitz, who capably and courageously made Skylab work when it appeared that the entire mission would be lost. As the remainder of the Skylab program unfolds, it becomes clearer each day that their achievements provide substantial lessons for the future of the space program. Clearly, man has a significant role to play in repairing, retrieving, and altering during the course of a mission the spacecraft that performs useful functions for us here on Earth. The achievement of Skylab makes the development of the Space Shuttle, now underway, even more important. The editorial follows:

[From the Japan Times, June 28, 1973]

Skylab Proves Man's Flexibility

The three American astronauts in the first Skylab mission established a long list of impressive records but above all proved that men can not only survive but think and work effectively during prolonged space voyages.

Their achievement makes possible the second Skylab mission. Three more astronauts are scheduled to rendezvous with Skylab July 27 to begin 56 days of occupancy—twice the time spent aloft by the first crew. And the first and two forthcoming missions will represent a big step toward the day when men will be able to visit Mars and the other planets.

American astronauts Charles Conrad, Dr. Joseph Kerwin and Paul Weitz orbited for 28 days, breaking the old record set by the ill-fated Soviet Soyuz crew which remained in space for 23 days and 18 hours. The Soviet spacemen were killed in preparing to descend to earth.

The Americans manned the largest and heaviest spacecraft ever launched. Skylab is 40 meters long and weighs 100 tons. They made 391 orbits around the earth traveling 1,700,000 kilometers—both new records for manned orbiting space flights. And for the first time in space history, they carried out repair work outside an orbiting craft.

For Skylab commander Conrad, the space flight that ended last week was a personal achievement. He now has spent more time in space than any other man—49 days, one hour and eight minutes during four missions. And although Conrad is 43 and older than the other two astronauts, he experienced less troube in readjusting to the earth's gravity after the crew splashed down in the Pacific Ocean in their Apollo spaceship.

For 24 hours after the astronauts came back, there was concern about their physical condition and some doubts if man could withstand the rigors of weightlessness for such a long period of time. All the astronauts were wobbly on their feet and suffered from dizziness and nausea due to ear and circulatory difficulties in readjusting from zero gravity to the earth's gravity.

However, after 12 hours of sleep, doctors pronounced that all three had made a rapid recovery, and they were given permission to fly to the Western White House at San Clemente to meet visiting Soviet Communist Party Secretary Leonid Brezhnev and President Richard Nixon.

Conrad never had any doubts. Immediately after the splashdown, he declared the mission a success and stated that he and the other two Skylab crew members had proved that men could live and work in extended periods of weightlessness. The doctors later concurred.

But the "fix-it" crew of Skylab did much more than prove men could adjust to weightlessness for four weeks. Through their risky repair work on a solar panel, they saved the entire Skylab project from failure. In Houston, Skylab Director Kenneth Kleinknecht made this interesting observation: "We demonstrated that man, whether he be on the ground or in the air, is the most flexible, adaptive, non-specialized machine in existence today.'

We can all draw encouragement from the fact that we are still better than machines and that there is the need if not the necessity for manned space flights. Only men with tools saved Skylab from disaster.

Although testing the endurance of man in prolonged weightlessness was one objective of the Skylab program, there were others of great scientific importance. The Skylab crew brought back to earth 30,000 photographs of the sun which were the clearest yet taken, 14,000 photographs of the earth's resources and nine miles of magnetic tape which recorded other earth data.

One of the most spectacular observations was made only a few days before the mission ended. The Skylab crew was able to photograph a massive solar flare from the sun measuring 40,233 kilometers in width. Excited scientists were convinced that these photos would help explain this phenomenon which periodically disrupts radio communications on earth and causes magnetic storms that cause power blackouts.

The accomplishments of the first Skylab mission were many and significant not only for the future of space travel but in increasing man's knowledge of the sun and his own earth. We look forward to the even longer missions of Skylab and to the knowledge which will be obtained for the benefit of all of us on earth.

MERITORIOUS BILL

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. GUNTER. Mr. Speaker, earlier this month I joined the Honorable Charles Vanik and other Members of the House of Representatives in the introduction of the Fuel Economy Act of 1973.

Stated simply, the purpose of this legislation is to stimulate the development and sale of more efficient automobiles by imposing a graduated excise tax based on fuel consumption. It would also have the effect of reducing the Nation's energy demands in future years.

I was pleased to read an editorial recently in the Clearwater Sun newspaper in Clearwater, Fla., commenting on the legislation and calling it a "meritorious bill."

Mr. Vanik and the other sponsors of the bill will be pleased to know that there is a good deal of support for this legislation and I would like at this point to have the editorial by Mr. James L.

"Colonel Clearwater" Beardsley printed in the RECORD.

MERITORIOUS BILL

We are impressed with the common sense and obvious merit behind a consumer-oriented bill introduced in the U.S. House of Representatives by Reps. Bill Gunter (D-Fla.) and Charles A. Vanik (D-Ohio).

They have introduced the Fuel Economy Act of 1973 designed to stimulate the development of more efficient automobiles while at the same time reducing the nation's energy demands.

Under the Gunter-Vanik bill, a graduated excise tax on autos would favor cars offering higher gas mileage per gallon, and would become effective with the 1977 model year, when the cars go on sale July 1, 1976.

A standardized testing procedure would be developed by the Department of Transportation, and any cars offering 20 miles per gallon or more would be tax-free.

Reps. Gunter and Vanik point out that the average American car now gets 13 miles to the gallon. The excise tax on these would be $120 to $140 for the 1977 model year, and if the manufacturer has made no improvements, the next year the tax would double.

The bill stipulates that revenues raised from the tax would go into a fund to assist in research into and development of alternatives to the internal combustion engine.

The bill would offer a strong incentive for auto manufacturers to produce a more efficient product. In view of the high cost of gasoline and the gasoline shortage, this is a measure that should get Congressional approval.

NATIONAL OFFICE FOR MIGRANT AND SEASONAL FARMWORKERS

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. ROYBAL. Mr. Speaker, I have introduced legislation, H.R. 10462, to establish a national office of migrant and seasonal farmworkers within the Department of Health, Education, and Welfare. This legislation would affect between 4 and 6 million U.S. migrant and seasonal farmworkers and place the responsibility for coordinating the program in HEW. The Federal office would be responsible for the development of a national farmworker policy which includes setting program priorities and goals and allocating funds to meet the needs of agricultural workers. The bill also directs the Secretary of HEW to appoint a special task force that would study and investigate the problems facing farmworkers and develop a national migrant policy and strategy.

This proposal would replace our present system of resolving migrant problems through a multitude of Government departments and agencies. This diffusion of programs has resulted in ambiguity and conflicts in goals, lack of a unifying approach to migrant needs and frustration among farmworkers. My bill would correct these wrongs and make one single agency at the national level responsible for migrant programs.

A companion measure, H.R. 10461, would prohibit revenue sharing under Federal laws and programs designed to serve migrant and seasonal farmworkers. Due to the mobility of the farmworker population State and local governments are unable to meet their needs. In fact, they have traditionally shirked their responsibility to migrants.

It is ironic that in a country popularly thought of as affluent, migrants continue to live in poverty and despair. Their life encompasses a rootless, almost nomadic existence characterized by low wages, poor housing, and often long periods of unemployment. In 1971 nearly 1.6 million workers existed solely on farm wage labor. On the average they were employed 94 days, earning a total of only $1,095—an average daily wage of about $11.95. Wages for migrant farmworkers continue to be the lowest of the working poor. In addition, the work itself is unpredictable. Even when a worker has traveled many hundreds of miles to harvest a crop, adverse weather conditions like floods or frost may mean no work at all. Equipment breakdowns and shortages can cause further delays.

But even if he finds work, he is not likely to receive the minimum hourly wage for farmworkers, which is presently $1.30. Further there are virtually no overtime provisions in this type of work. Untrustworthy employers often manipulate the wages and hours so that a migrant or seasonal farmworker will get even less than he thought he was bargaining for. This situation helps to explain why children of migrant families are forced to work. It is estimated that one fourth of the farm wage workers in the United States are under 16 years of age.

Child labor has resulted in the loss of educational opportunity for farmworker families. Migrant children, for instance, are enrolled in school sometimes less than 80 percent of the school year. During that year they are likely to attend a number of schools in different areas. They are usually not accepted by their classmates, nor understood by their teachers. What they experience is a deep sense of rejection and alienation from society and its institutions.

Another obstacle facing migrant workers is unsanitary and unsafe housing provided by growers. Some migrant workers and their families have been known to live in chicken coops with no sanitary facilities. Growers have used the need for housing as an advantage to keep workers from organizing and bargaining for fair wages and adequate living conditions. It has been reported that some labor camps have become virtual prisons for the workers and their children.

This cycle of poverty and lack of opportunity is perpetuated by the daily advances made in farm technology. While many of these improvements have helped increase our crop yield, they have also caused further unemployment among seasonal farmworkers. Since 1960 the need for seasonal farm labor has dropped nearly 30 percent, and further job losses due to mechanization will continue to occur.

This is a very stark picture but one which is painfully real. The establishment of a national office for migrant and seasonal farmworkers would be an important beginning in meeting this Nation's responsibility to the migrant population. Further, it would help consolidate the various migrant programs now scattered throughout the Federal bureaucracy. Instead of duplication of efforts, conflicting program standards, there would be a national migrant policy and strategy.

I firmly believe that both H.R. 10461 and 10462 would bring about a rededication to improve the social and economic conditions facing farmworkers. Further, these bills would create a national office and unifying approach so that farmworkers can begin to better their life and share in this country's prosperity. I urge my colleagues to join me in establishing this national approach and commitment.

JOSEPH MANN, JR., ON THE SHORTAGE OF BLACK DOCTORS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. RANGEL. Mr. Speaker, one major reason for the present crisis in health care faced by black Americans is the tragic shortage of minority doctors. For too many years American medical schools have practiced racial exclusion and have refused to train black doctors. Now, even as the number of minority medical students is increasing, it is evident that there is still a drastic underrepresentation of blacks in the health professions. In addition, the Nixon administration has blocked attempts to improve the delivery of medical care to all people in the United States, further intensifying the shortage of quality health services to low-income families.

Joseph Mann, Jr., senior vice president for operations of the New York City Health and Hospitals Corp. has explained the situation in an article appearing in the September 15, 1973, issue of the Amsterdam News as part of the newspaper's series on "Blacks in America":

BLACK HEALTH CARE: ONLY 7,000 BLACK DOCTORS

(By Joseph Mann, Jr.)

The Kerner Commission reported that the nation is moving towards two separate societies, one Black and one white. One poor and one affluent. The truth of this statement is apparent in the area of health care.

Although health care is an annual multibillion dollar business Blacks are receiving an ever decreasing share of health care services these monies provide. The cost of health insurance is rising with the costs of health care services. Voluntary and private hospitals are still rejecting Blacks who cannot pay.

While group medical practices funded by state and federal monies are popping up in fancy buildings throughout the nation, the Black family has seen little money spent in building these facilities in our communities.

Health care services remain fragmented and sparse.

HEALTH CARE CRISIS

With the increasing exodus of doctors and other health professionals from the inner cities, Blacks are faced with a growing health care crisis. Even if transportation were provided for Blacks to travel outside their communities for health care, they do not have the money nor the health insurance coverage to pay for the care they would receive.

Health care has developed into a multilayered problem. The lack of adequate resources in terms of money, facilities, and professionals in the Black community feeds upon the problem of the inadequate allocation of existing resources. Blacks must work to get additional city, state and federal monies for facilities and the education of manpower while we work towards the restructing of priorities in the present services.

Although the nation is faced with a monetary crisis, monies are available to meet the health care needs of the people. With the end of the Vietnam War millions of dollars which flowed into that effort can now be redirected.

NEED QUALITY SERVICES

In the reallocation of existing resources voluntary and private institutions which have received public monies for their survival should be held accountable. They should be required to provide their share of comprehensive and quality health care to the poor Blacks.

Modes of health care delivery such as Neighborhood Family Care Centers have been developed which revolve around the treatment of the family as a unit.

This health care vehicle seeks to treat existing health care problems with the emphasis on preventive care and educating the family in how to maintain good health once it has been acquired.

Information on nutrition, proper diet, immunizations, exercises and the vital roles they play in health care is provided to the family as a unit instead of on an erratic basis. Blacks have relied too heavily on the fragmented care received during visits to the hospital emergency rooms.

However, there are not enough outpatient facilities to cope with the growing demand for services in the areas of mental health, child care, drug abuse and more.

ONLY 7,000 BLACK PHYSICIANS

Through community organizations, legislation, community boards of municipal hospitals and through whatever mechanisms they can Blacks must get these resources into their communities at convenient locations and operating at hours tailored to their needs.

Grants, loans and scholarships must be found to graduate Black health professionals. Of a total of 305,000 physicians in the nation only 7,000 are Black. Methods must be devised whereby these Blacks are encouraged to return to their communities.

HASTINGS' TEAM IS A WINNER

HON. JAMES F. HASTINGS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. HASTINGS. Mr. Speaker, we hear considerable talk these days about the San Diego Padres coming or not coming to Washington.

I, of course, am among those thousands who look forward to the return of big league baseball to the Nation's Capital.

However, should the decision be an adverse one, and I certainly hope not, I am suggesting that all is not lost for right here on Capitol Hill, we have a team that might as well be just what Washington sports fans are looking for—a champion.

I am speaking for Jim's Giants, winners of the House Congressional Softball League for 1973.

Jim's Giants, and I say this with unabashed immodesty, was sponsored by me but I hasten to add that I had nothing to do with the team management, which no doubt accounts for its lofty record of 16 victories against only 1 loss.

I will be merciful and not mention the names of the Congressmen whose teams suffered defeat at the hands of Jim's Giants but I do want to pay tribute to those who so ably represented my office.

Making up the pennant winning team were Terry and Linda Rothschild, Matt Cary, John Mullen, George Lynch, Randy Cole, Jay Woodall, Dick Fontaine, Bob Johnson, Ellen Rayner, Ellen Weick, Susie Chandler, Clare Ryland, Art Lang, Dick Raeon, John Wisiackas, Jim Wright, Bruce Thevenot, Bill and Mike Malone, George Altenbach, Scott Bell, Art Kusinski, and last but far from least, the team captain, Jennifer Sampsel, who not only is a good long ball hitter but also has a stellar record batting out correspondence as a secretary in my office.

PETROLEUM MARKETS AND PHASE IV REGULATIONS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. FINDLEY. Mr. Speaker, phase IV price regulations for petroleum marketers have placed independent service station operators and fuel dealers and jobbers in an impossible economic situation. Many are operating at a loss and face bankruptcy. Some have already gone bankrupt and are no longer serving their customers who must now frantically search for new fuel sources.

Arbitrarily the Cost of Living Council has frozen the margins which independent service stations may charge at the January 10, 1973, levels, while stations owned by the major oil companies may charge May 15 prices.

For example, one small dealer in Illinois operates several service stations. This dealer purchases petroleum products from a major refiner and performs the functions of both jobber and retailer within one enterprise. Under phase IV regulations, he is defined as a reseller-retailer.

As I understand the regulations, there are three types of retailers defined: Retailer, reseller-retailer, and refiner-retailer. Retailer and reseller-retailer prices are limited to August 1, 1973, costs plus gross profit margins of January 10, 1973. Refiner-retailers are permitted to use the pump prices as of May 15, 1973. These regulations clearly discriminate in favor of refiner-retailers and should be revised immediately.

Retail prices were depressed at most gasoline retailers on January 10, 1973. Therefore, their gross profit margins were inadequate to meet normal operating expenses and phase IV has locked them into this loss position.

The effect of having profit margins frozen at January 10 levels upon this small dealer in Illinois is no profit at all, only losses. Following is a chart of this dealer's prices both 1 year ago and today. You will note that in each case his prices are lower today than they were a year ago—due to phase IV regulations—yet he must pay more for the gasoline he sells today than he did last year. Consequently, he is now operating at a loss.

Chart follows:

RETAIL PUMP PRICES—REGULAR GASOLINE

[In cents]

	Pump prices		Decrease (increase)	Increase in purchase price interim period	Total loss in gross profit
	Sept. 11, 1972	Sept. 11, 1973			
Springfield, Ill	38.9	36.7	−2.2	+2.0	−4.2
Jacksonville, Ill	38.9	35.2	−3.7	+2.0	−5.7
Champaign, Ill	37.9	35.2	−2.7	+2.0	−4.7
Bloomington, Ill	37.9	36.2	−1.7	+2.0	−3.7
Galesburg, Ill	37.9	36.7	−1.2	+2.0	−3.2
Danville, Ill	38.9	35.2	−3.7	+2.0	−5.7
Marshalltown, Iowa	35.9	34.2	−1.7	+2.5	−4.2
Ottumwa, Iowa	36.9	34.2	−2.7	+2.5	−5.2
Clinton, Iowa	34.9	35.2	(+.3)	+2.5	−2.2
Waterloo, Iowa	35.9	35.2	−.7	+2.5	−3.2

Unless the regulations are changed, an important segment of our fuel delivery system will be destroyed and along with it the fuel supply of many consumers, who will be unable to find alternative sources during the approaching cold winter months.

The result of all of this will be a decrease in competition among fuel suppliers, an increase in monopoly power among the major oil producers, and higher prices for all consumers. Already this trend is becoming an epidemic, and the Cost of Living Council's oil pricing policies are one of the major causes.

There is no rhyme or reason for this discrimination, which requires independent stations to sell gas at below cost, while the major stations are permitted to make a handsome profit.

When House Joint Resolution 727, to make continuing appropriations, is before the House tomorrow, I shall offer the following amendment to end that discrimination:

> None of the funds made available by this Act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products.

I hope that the amendment will be accepted. All it will do is require that all service station owners be treated alike, no matter where the Cost of Living Council sets the price of gasoline.

COMPLETE STATE "SPACE MAP"

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. TEAGUE of Texas. Mr. Speaker, the Birmingham Post-Herald of August 27, 1973 carried a most interesting article on the first "space map" of Alabama. This program, which is a part of the Earth Resources Technology Satellite effort, is providing improved and up-to-date mapping services which, heretofore, were either unavailable or too expensive to be done by other more conventional means. Space related activity of this type is improving our daily lives. Our need is to continue to support this type of work and intensify our efforts for the benefit of all the people. The article follows:

COMPLETE STATE "SPACE MAP" NOW MADE AVAILABLE TO PUBLIC

TUSCALOOSA.—State Geologist Phillip E. LaMoreaux Sunday announced the availability of the first complete "space map" of Alabama compiled through pictures taken from the Earth Resources Technology Satellite.

LaMoreaux said Alabama is the first among all state geological survey offices in the nation to make the map available to the general public.

He said 11 photographs imaged by the satellite between last July and this past March have been made into a mosaic to produce the map.

"The result is a cooperative effort and example of the continuing technological revolution within the earth sciences," LaMoreaux said. The mosaic was pieced together at the Experiments and Evaluation Office of the Mississippi Test Facility at Bay St. Louis by Henry T. Svehlak. The text was written by C. Wielchowsky of the Remote Sensing Section of the Geological Survey of Alabama.

The scale of the map being released to the public is about one inch to 18 miles. LaMoreaux said that a band collecting red light was used to construct the Alabama map, providing maximum contrast between cleared land and forested land. This information, he said, will allow state agencies to plan for Alabama's growth and development more efficiently than in the past.

Cultural features are particularly prominent on red band products, he said, and all Alabama's major cities appear in light grey tones.

Cultivated land of the Black Belt, which runs from east to west across Alabama, appears as a very light tone, while the forest areas of the Bankhead, Talladega and Conecuh National Forests appear quite dark as does the large pine forest areas north of Mobile and Baldwin Counties.

The photograph used for Mobile Bay was apparently made in the spring, LaMoreaux said, because suspended sediment is quite evident, indicating heavy discharges from rains.

Several undetected lineaments and circular patterns were found in the photographs on Alabama's surface, indicating zones of possible mineralization and ground water movement, he said.

Copies of the map are available from the publication sales department of the Geological Survey of Alabama at the University of Alabama.

NCPC VETO POWER—H.R. 9682

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. STARK. Mr. Speaker, as one who has served on the National Capital Planning Commission as a representative of the Committee on the District of Columbia, I would like to take this opportunity to comment on planning provisions in H.R. 9682.

This bill, which will be considered by this august body during the month of October, incorporates a unique mechanism for the protection of the Federal interest in planning within the District of Columbia.

In title II, section 203 of H.R. 9682, the National Capital Planning Commission is authorized to act as the primary agency for insuring the preservation of the historic and national character of this Nation's Capital, both through review and veto power over comprehensive plans for this great city, and through controls over development in the city. To accomplish these ends, section 203 provides that the District of Columbia City Council must submit all comprehensive plans, or plan amendments, to the Planning Commission for its determination of the impact of the plans on the interests and functions of the Federal establishment. The sole judgment of the plan's impact is to be made by the Commission.

The NCPC has a 45-day period in which to make its decision. If the Planning Commission determines that a comprehensive plan or a plan amendment has a negative impact upon Federal interests and activities, H.R. 9682 requires that the city council either modify the plans to remove the source of the negative impact, or that it submit them to the Commission for reconsideration. In the event of a second determination that the plans would have a negative impact on the Federal interest, the city council would be forbidden to implement them.

In addition to the previously stated means for protecting the Federal interest in planning, the National Capital Planning Commission is given the sole authority to determine the conformity of zoning regulations proposed for Washington, D.C. Under the laws and regulations of the District of Columbia, building permits are not issued to a contractor or to a developer unless the design and purposes of the building are consistent with the zoning ordinances for the structure's proposed site. The authority granted the NCPC insures that not only would any plans for the District preserve the character and design of the city, but that development and construction in the District would not proceed unless it were equally as protection of the Federal interest in this city.

J. HOLLAND RANNELLS

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. BYRON. Mr. Speaker, last Friday, I was saddened by the death of J. Holland Rannells, an unselfish community leader and pioneer of cable television in western Maryland. The Cumberland News-Times recently ran a background story on Mr. Rannells which I would like to share with you now in memory of his contributions to our area and the Nation. J. Holland Rannells will be missed, but his accomplishments will long be remembered.

The article follows:

PRESIDENT OF PVTV DIES AT AGE 70

J. Holland Rannells of Romney, founder and president of the Potomac Valley Television Company in Cumberland, died yesterday at Hampshire Memorial Hospital. He was 70.

Mr. Rannells, a former operator of Chrysler-Plymouth agency in Romney, came to develop one of the first, and at one time the largest community cable television system in the United States. The local operation began with three channels that year, eventually expanding to the present 12-channel system.

He was a past director of the National Television Association and a member of the Pioneer Club of Cable Television.

A member of Romney United Methodist Church, he served on its official board. He also was a member of Ali Ghan Shrine Club, its Provost Guard, BPO Elks Lodge 63, Western Maryland Chamber of Commerce, South Cumberland Business and Civic Association and Cumberland Country Club. In Romney, he was a member of Clinton Lodge 86, AF & AM, American Legion, Veterans of Foreign Wars, an honorary member of Volunteer Fire Company and a director of the Hampshire County Library.

Mr. Rannells was an Army Air Force veteran of World War II, Active in community affairs in Romney, he was instrumental in the founding and building of Hampshire Memorial Hospital, the Romney swimming pool, remodeling of the United Methodist Church, restoration of Indian Mound Cemetery and Branch Mountain Cemetery at Three Churches. The football field at Hampshire High Schol was named Rannells Field in appreciation for his participation in that effort.

A native of Three Churches, W. Va., he was a son of the late John B. and Hettie (Martin) Rannells.

Surviving are his widow, Anita (Moler) Rannells, a daughter, Mrs. Buford L. Saville, Cumberland; a son, John R. Rannells, Romney, four grandchildren and one great-grandchild.

The body is at the Shaffer Funeral Home in Romney, where friends will be received after 2 p.m. today.

A service will be conducted at Romney Methodist Church tomorrow at 2 p.m. Rev.

Ronald R. Brooks will officiate and interment will be in Indian Mound Cemetery. The body will be taken to the church one hour prior to the service, A graveside service will be in charge of Clinton Lodge 87.

Pallbearers will be R. L. Sumner, Bernard Hughes, Ralph W. Haines, William E. Orr Jr., Richard J. Hare, and Bruce Anderson.

The family requests that expression of sympathy take the form of contributions to the Hampshire County Memorial Hospital or Library in Romney.

WELFARE REFORM—WHAT NEXT?

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. FRASER. Mr. Speaker, in the aftermath of the battle over the family assistance plan, one of this country's leading social policy experts has come forward with some useful new approaches to the problems of poverty and dependency.

Mitchell Ginsberg, writing in Commonweal, maintains that we must return to the original concept of welfare as a residual program for those with no viable alternatives.

But first, Ginsberg goes on to say, we must provide avenues of escape from the current bloated and chaotic welfare system by strengthening social insurance programs and implementing a policy of full employment.

I want to take this opportunity to insert Mitchell Ginsberg's article in the Record:

Welfare Reform—What Next?

(By Mitchell I. Ginsberg)

Those of us who are still concerned about the problems of poverty in America must recognize the fact that there will be no significant reform of the welfare system for the next few years. Politics and programmatic inadequacy killed the Family Assistance Plan, and no well-conceived or enthusiastically-supported alternative can be expected in the near future.

That is not to say that the urgency for welfare reform has lessened, either among the nation's 15 million welfare recipients, the approximately 40 million more who are below or just above the poverty line, the program's administrators, public officials and millions of American taxpayers—all of whom agree that welfare is a failure. But there, unanimity ends. The nation is divided on the definition of poverty—what it is and what to do about it; indeed, whether to do anything about it at all. Therefore, the urgent jobs today are reviving a concern for America's poor, developing a consensus on solutions and arousing a constituency. I suggest that this can be done by concluding the arguments about why FAP failed, resisting regressive legislation, correctly defining poverty problems and subjecting alternative solutions to rigorous analysis before formulating the next round of legislation.

First, some thoughts on the three-year struggle over the FAP. Those who were knowledgeable enough about it to explain and fight for it were probably too close to it to be objective about why FAP failed. Jim Welsh of the *Washington Star* in a thoughtful and penetrating *New York Times Magazine* article of January 7, 1973 and Pat Moynihan in his thorough and interesting book, *The Politics of a Guaranteed Income* have provided differing interpretations of what happened and why.

In placing the Welsh article in the Congressional Record, Senator Abraham Ribicoff, who played a strong leadership role in the fight for welfare reform, said: "Welfare reform . . . was the victim of political posturing and misunderstanding on all sides. There is enough blame to go around, but there is no point in dwelling on that theme." While that makes sense, perhaps some looking back will help avoid repeating mistakes and false allegations in the future.

I do differ with Pat Moynihan in his interpretation of the role of social workers and liberals, however defined. What he overlooks is that many individuals and groups opposed the bill mainly because they didn't think it was good enough. Whether they were right or wrong is a matter of judgment. But it was *not* concern for their jobs or lack of concern for the poor that motivated their opposition.

Many who supported and worked to secure the passage of FAP also disagreed with some of its specific provisions, and sought to have them changed. The President's bill as it passed the House under the leadership of Ways and Means Committee Chairman Mills—with its coverage of the working poor and its provision for federal standards and administration—had good potential for progess in welfare. But we did not think FAP was "the greatest piece of legislation since the New Deal," a claim that the bill certainly contradicted as time went on and it was weakened rather than strengthened. What we did see in FAP was something better than what we had or were likely to get in the near future. It was to be a beginning, not an end.

To suggest that liberals killed the bill is to overlook the work done by such organizations as the AFL–CIO, the League of Women Voters, Common Cause, the UAW, the American Jewish Committee and many others. It is true that many social workers and their allies opposed the bill out of conviction even if sometimes with exaggerated rhetoric. However, most of them would be astonished by the contention that they had that much influence on Congress.

Who can ever really know why a bill fails to pass? In my judgment FAP's best chance was in 1969–70. It failed then because of inadequate preparation and effort by the Administration and other supporters; the determined opposition of Senator Williams, Senator Long and most other members of the Finance Committee; divisions among the bill's supporters; and the fact that the latter were consistently out-maneuvered by the opposition.

In 1971–72 the chances were never good, especially as the election year developed. Once welfare became an election issue that clearly appeared to favor President Nixon, there was little hope of passage of a bill that would remove welfare from the campaign. The last chance disappeared in the spring of 1972. Jeff Peterson of Senator Ribicoff's staff, Leonard Lesser of the Center for Community Change and I represented the Senator in lengthly negotiations with the staff of Health, Education and Welfare and the Department of Labor to work out the so-called Ribicoff-Richardson compromise. An agreement was reached that was acceptable to Senator Ribicoff and his colleagues and apparently to HEW and Labor Secretaries Richardson and Hodson.

The President was then faced with three options: to stay with his own bill; to attempt to work out an agreement with the Finance Committee; or to go along with the Ribicoff-Richardson compromise. It appeared clear that the last alternative provided the only reasonable prospect of legislation, but the first had greater political advantage.

At Senator Ribicoff's suggestion, I called Pat Moynihan and outlined the compromise, asking for his support and intervention with the President. He said that the terms of the agreement made complete sense and "were in line with what the President originally suggested." He agreed to call the President and get back to us in a few days.

Neither Senator Ribicoff nor I heard from him. About a month later he told me that he had tried his best, but that the President would not go along with the compromise. Actually, there was no guarantee that the compromise would have passed the Senate even with the President's support. It was near the end of the session and Senator Long with some colleagues was threatening a filibuster. But without Presidential support, passage was impossible.

To most of us it was clear—welfare was more important as a political issue than as a program.

The significance of all this for the future lies in the fact that meaningful welfare reform lacked a significant political constituency. In a national referendum such a program would have met overwhelming defeat. The public pressure that might have helped FAP was almost entirely lacking. Well, what does happen next? As I have indicated, probably not much in the near future. Those of us who supported meaningful welfare reform are likely to be immediately busy seeking to prevent more repressive legislation and regulations than now exist.

At the same time what is needed is a major rethinking of the basic approach to the issue of welfare and related programs. Aside from the politics there were basic substantive difficulties in the FAP approach which were never adequately considered. Senator Williams and his colleagues may have exaggerated the "notch problem"—the fact that a family can lose considerable benefits by earning a few more dollars and thus face a disincentive to earning more—but that is a problem, and not enough attention was given over to it until it was too late.

Also, there is the extremely difficult and indeed thus far the largely insurmountable problem of providing at least a minimally adequate level of payments for those who can't work, while maintaining reasonable incentives for those who do work but require supplementation. To cope with this problem it has been proposed that welfare recipients not have all their earnings subtracted from their payments, thus avoiding the so called 100 per cent tax rate. But how much should be disregarded? Set the amount too low and presumably you create disincentives to work. Set it substantially higher, the costs rise sharply and many more people are on welfare.

Tinkering with the present welfare system is obiously not the route to the legislation of responsible programs. In addition to problems such as those I have just mentioned as besetting FAP, there is the overwhelmingly negative attitude toward welfare throughout the country. And just changing its name doesn't help. As a western state legislator put it, after I had spoken about FAP to a national conference he attended: "Commissioner, you explained the plan very well and I know you are trying to help the poor, but what we mean by welfare reform is getting people off welfare, not adding more."

While it is true that welfare reformers are interested in getting poor people the help they need rather than simply adding to the rolls, this appears to many to be a distinction without a difference. Therefore, it is crucial to take a step back and look at the nature of the problems the system was supposed to confront.

A fundamental factor often overlooked is that the primary reason people are on welfare is that they are poor. Whatever else may be involved, there are still about 25 million people below the poverty line—approximately $4,000 a year for an urban family of four—and another 25 to 30 million at or just above it. That means 50–60 million Americans below what almost all of us would concede is a minimally decent standard of living. By any definition that's a problem, and it helps not at all to say that "the poor will always be with us," or that "they are rich in comparison with the poor in other countries."

A second key fact is that welfare is neither the basic cause of nor the solution to the poverty problem. Nor was the welfare program ever intended to be so. Basically, it was designed as a residual program to take temporary care of those not covered by one or another of the more basic programs. It has been the failures in our education and health systems, in our supposed commitment toward full employment, in our social insurance system including unemployment insurance, that have thrust on welfare a responsibility it was never designed to handle.

Up to now we have not been able to get beyond the confusing and largely fruitless debate about ineligibles, fraud, employables, illegitimacy, management or lack of it, etc. These are important issues because of the money involved and the effect on public support or lack of it. There are both ineligibility and fraud, and to the maximum degree possible, they should be eliminated. (Incidentally, the need to differentiate between these two is long overdue. It is clear that more than half of the cases of ineligibility and over-payment are caused by mistakes, not fraud; and the mistakes are much more often made by the worker than by the recipient. Given the unbelievable complexity and variety of welfare systems in the 50 states and over 400 welfare jurisdictions, some of the mistakes seem impossible to eliminate. We must do better, but real progress will come only with significant change in a largely unworkable system.)

Meanwhile, the debate rages on about ineligibility. I don't know what the real figure is, and I doubt that anybody does; probably somewhat higher than I and my fellow professionals have usually estimated. At the same time it is much lower than the general public assumes. Let's do everything we legitimately can to reduce ineligibility and overpayments, but let's also be equally concerned about the eligibiles rejected and those who receive under-payments.

Much the same sort of debate has gone on about the number of employables on welfare. An estimate largely depends on the extent to which one includes female-headed families (AFDC, the largest welfare category) in the discussion. Contrary to public belief, there are very few employable men on welfare, although the status of men who are related to welfare families but are not themselves on the rolls is a question not to be casually dismissed.

I have long felt that the issue of AFDC mothers' working is a highly over-rated one. Many mothers and their families would be better off with the mother employed. However, shouldn't that be their choice as it is for non-welfare mothers? The evidence overwhelmingly is that many more mothers want to work than are able to because of the unavailability of jobs or day care for their children. Leonard Goodwin in his recent book *Do the Poor Want to Work?* has shown that "welfare recipients, whatever their race or time spent on welfare have essentially the same work ethic and life aspirations as do employed middle-class people."

The issue remains not willingness to work, but the availability of jobs. What is puzzling is the lack of attention given this essential issue. With an official unemployment rate only now getting down to 5 percent and the actual figures including the under-employed—those who have given up looking for work, etc.—more than double that, where are the jobs that wellfare recipients are to fill? If these jobs are available, why the unemployment and the under-employment?

Much has been said recently about poor administration in welfare. Programs need to be better administered, and welfare has been slow to adopt modern management techniques and equipment. Until very recently, who was willing to invest the necessary resources? It is only a few short years since I spoke publicly about having to operate a billion dollar welfare program like a "corner candy store."

While doing everything we can to improve welfare administration, however, we should also respect the recent words of John Veneman, Under Secretary of HEW—"We are at best fighting a holding action in welfare administration today and . . . this state of events cannot greatly improve under existing law." Also, one of the very helpful studies in Public Welfare carried out for the Subcommittee on Fiscal Policy chaired by Congresswoman Martha Griffiths of the Joint Congressional Economic Committee makes the point that: "The present welfare system is an administrative nightmare: it may also be an administrative impossibility."

This review of the major difficulties with the present welfare program points to what I believe are inevitable conclusions: We must move to make welfare the residual system it was originally designed to be, by separating out as many individuals and groups as possible and keeping in the program only those for whom there are no viable alternatives. At the same time, we must have no illusions that any improved system can make up for the failures of such systems as health, education and employment. Not to do something significant about these systems will simply perpetuate dependency; but that is a subject for several other articles.

There are no blueprints to achieve welfare reform objectives, and there is no one program that provides a solution. Various alternatives will have to be considered and in some cases tested to provide a meaningful package of programs.

Over a period of time an expansion of the social insurance systems will be an absolutely essential element of this package. One significant step has already been given responsibility for administering the program for the aged, blind and disabled. (Incidentally, the removal of requirements to take liens on a recipient's possessions and to hold relatives responsible for their care are two little-noticed, but very important improvements.) Over a period of time these programs can be more closely integrated into social security, although problems of funding and of the effect on the insurance concept will make this a politically touchy issue.

Separating out the unemployed and the clearly employable from welfare is another essential step. My colleague, Tom Joe, recently of HEW and now with McKinsey & Company, who has been doing some creative thinking in this area, points out that of 2.6 million parents in AFDC in 1970, 355-000 were employed either full time or part time; of those not currently employed, 1.6 million had previous employment experience and more than 1.1 million or 44 percent had actually been on unemployment insurance and had exhausted their benefits.

It is neither logical nor feasible to expect welfare to be responsible for most of these people. Much the same is true for their first job. What we have to recognize is the real problem; lack of work and adequate jobs. Only when we fully accept this essential fact can we move toward a solution. Inevitably, this means a strong commitment to a true full-employment policy which would guarantee jobs for all. Where the problem is lack of work, let us provide work and real jobs, not rhetoric like workfare and work ethic. For a nation presumably committed to the concept of work, our failure to develop and implement a realistic policy of full employment is baffling, to say the least.

As part of this type of employment policy, the unemployment insurance system or some similar program would become the mechanism for dealing with the weak spots and the limitations. Obviously, this would mean a drastically revised and strengthened unemployment insurance program with higher benefit levels, longer coverage, federal standards and some federal financing. Such drastic changes present many difficulties and will require the most careful working out. They will encounter very strong political opposition. But meaningful debate and action on them is long overdue. After all, unemployment insurance was the mechanism established for loss or lack of employment. It is time we began to use it more effectively rather than continuing to shift the burden to a welfare system which obviously cannot handle it.

This approach would remove most of the unemployed from welfare. Something would then have to be done about the working poor. Equity requires that some provision be made for the large number of persons who work full time but whose incomes are below an acceptable level. Their inclusion in the Family Assistance Plan was one of its most innovative features, but covering them under welfare creates many problems that appear to defy both practical and political solutions. The greatly expanded food stamp program has helped somewhat and a more realistic minimum wage with fuller coverage would reduce the number to be aided. But some federal system of supplementation of earned income for the working poor remains essential. There is a variety of possible approaches including but not limited to children's allowances, tax credits and wage supplements. Each one needs to be discussed thoroughly, planned and tested for workability, costs and political feasibility. But the problem will not go away, nor can it be allowed to sink back into limbo.

What I have outlined is a conception rather than a plan that probably raises more questions than it answers. What is needed is a package approach that separates the unemployed and the working poor from those on welfare. Only then can we begin to define welfare as a truly residual program. Only then can we begin to develop a federally administered and financed income maintenance system at an adequate level for those in need and who will continue to be in need until health, education and other systems begin to carry out their responsibilities more effectively.

TITLE I AND THE CONTINUING RESOLUTION—A PROBLEM THAT MUST BE SOLVED

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. QUIE. Mr. Speaker, currently a great number of school districts across the Nation are suffering losses in their programs for the educationally disadvantaged funded by title I of the Elementary and Secondary Education Act because of the effects of the provision in both the continuing resolution and the Labor-HEW appropriations bill holding each State harmless to the total number of dollars it received in fiscal 1972.

Since fiscal 1972 we have learned the effects of the 1970 census and have discovered that there have been shifts in title I funds even more dramatic than I had predicted. The number of title I eligible students in some areas has doubled while other areas have had a decrease in title I students. Since we had to wait until fiscal 1974 to apply new census statistics, changes which took place over a 10-year period were imposed in one fell blow.

Since the hold harmless provision in

the continuing resolution did not protect local school districts in any way, the effects of the State hold harmless provision was to skew the distribution within States even more than the census has indicated. One of the major tragedies is that the State hold harmless prevents money from reaching children in those States which have gained population. The table below shows the gains and losses among States as the result of that provision.

TABLE A

State	Fiscal year 1974 ESEA I, part A estimated allotments with 1972 floor	Fiscal year 1974 ESEA I, part A estimated allotments without 1972 floor	Loss or gain under hold harmless	Percent of formula allotment with fiscal year 1972 floor
Alabama	$42,202,992	$22,685,091	+$19,517,901	186.04
Alaska	4,108,676	4,745,528	−636,852	86.58
Arizona	11,523,805	13,047,637	−1,523,832	88.32
Arkansas	26,470,169	13,383,963	+13,086,200	197.78
California	151,796,957	183,335,748	−31,538,791	88.80
Colorado	14,061,868	16,598,162	+2,536,294	84.72
Connecticut	17,099,599	20,457,938	−3,358,339	83.58
Delaware	3,649,464	4,212,224	−562,760	86.64
Florida	39,837,839	40,721,904	−884,065	97.83
Georgia	42,188,006	32,050,692	+10,137,314	139.63
Hawaii	4,636,313	5,594,705	−958,392	82.87
Idaho	3,977,755	4,307,637	−329,882	92.34
Illinois	82,549,907	100,027,048	−17,477,141	82.53
Indiana	20,487,387	24,353,714	−3,866,327	84.12
Iowa	16,645,654	12,594,561	+4,051,093	132.17
Kansas	12,478,897	11,930,161	+548,736	104.60
Kentucky	38,302,224	23,014,304	+15,287,920	166.43
Louisiana	37,989,922	31,943,897	+6,046,025	118.93
Maine	6,549,274	7,617,589	−1,068,315	85.98
Maryland	24,621,223	29,564,565	−4,943,342	83.28
Massachusetts	33,505,700	40,254,091	−6,748,391	83.24
Michigan	65,576,522	78,255,320	−12,678,798	83.80
Minnesota	23,183,881	22,160,878	+1,023,003	104.66
Mississippi	44,154,990	22,829,237	+21,325,753	193.41
Missouri	28,547,584	24,025,663	+4,521,921	118.82
Montana	4,379,638	4,425,127	−45,489	98.97
Nebraska	$8,461,135	$7,789,028	+$672,107	108.63
Nevada	1,666,084	1,950,597	−284,513	85.41
New Hampshire	2,801,095	3,304,210	−503,115	84.77
New Jersey	60,773,155	73,044,917	−12,271,762	83.20
New Mexico	11,203,896	10,614,276	+589,620	105.56
New York	255,282,719	309,962,830	−54,680,111	82.36
North Carolina	61,621,074	35,255,652	+26,365,422	174.78
North Dakota	5,447,877	4,140,123	+1,307,754	131.59
Ohio	51,107,359	61,063,079	−9,955,720	83.70
Oklahoma	20,300,817	17,010,041	+3,290,776	119.35
Oregon	12,858,310	15,009,650	−2,151,340	85.67
Pennsylvania	74,583,599	88,482,429	−13,918,830	84.27
Rhode Island	6,041,948	7,252,309	−1,210,361	83.31
South Carolina	37,107,533	18,991,562	+18,115,971	195.39
South Dakota	6,870,494	4,632,141	+2,238,353	148.32
Tennessee	38,712,613	20,021,999	+18,690,611	193.35
Texas	93,439,492	81,923,055	+11,516,437	114.06
Utah	5,302,785	6,304,179	−1,001,374	84.12
Vermont	3,014,806	3,268,002	−253,196	92.25
Virginia	37,084,416	29,347,081	+7,737,335	126.36
Washington	19,676,262	23,307,758	−3,631,496	84.42
West Virginia	21,681,593	12,118,337	+9,563,256	178.92
Wisconsin	19,931,228	23,752,279	−3,821,051	83.91
Wyoming	1,821,060	1,891,064	−7,004	101.59
District of Columbia	13,478,984	16,197,598	−2,718,614	83.22

Even more stark is the comparison of how much each State receives for each title I child as a result of the State hold harmless. As the table below shows, some States receive as much as 80 percent of the cost of educating a child while others are receiving as little as 19 percent. That sort of inequity is simply not defensible.

TABLE B.—ESEA, TITLE I, PT. A, ALLOTMENT ANALYSIS OF STATE HOLD HARMLESS CONTAINED IN H.J. RES. 636 (PUBLIC LAW 93-52)

[Dollar amounts in thousands]

State	Fiscal year 1972 (1)	Estimated allotment with 1972 floor (2)	State average per pupil grant using 1972 floor allotment (3)	Percent column 3 is of State average per pupil expenditure (4)
Alabama	$42,103	$42,203	$402.72	76.07
Alaska	2,282	4,109	290.35	19.99
Arizona	11,201	11,524	185.48	24.86
Arkansas	26,235	26,470	427.01	82.33
California	135,234	151,797	170.58	19.94
Colorado	12,843	14,062	170.42	20.97
Connecticut	13,940	17,100	200.19	19.83
Delaware	3,327	3,649	199.77	20.05
Florida	37,844	39,838	175.44	22.45
Georgia	41,682	42,188	279.68	43.38
Hawaii	3,639	4,636	195.95	19.92
Idaho	3,838	3,978	188.84	30.95
Illinois	68,663	82,550	196.94	19.84
Indiana	20,034	20,487	170.84	21.81
Iowa	16,581	16,646	284.97	32.95
Kansas	12,105	12,479	220.90	28.06
Kentucky	38,084	38,302	353.57	61.83
Louisiana	37,177	37,990	253.04	35.32
Maine	6,379	6,549	175.96	24.80
Maryland	21,241	24,621	195.47	19.83
Massachusetts	27,121	33,506	177.36	19.83
Michigan	55,196	65,577	192.75	19.83
Minnesota	22,936	23,184	257.28	25.58
Mississippi	43,902	44,155	420.34	89.51
Missouri	28,205	28,548	253.76	35.14
Montana	4,217	4,380	208.43	26.00
Nebraska	$8,338	$8,461	$229.92	28.48
Nevada	1,274	1,666	176.97	22.45
New Hampshire	2,394	2,801	173.27	22.48
New Jersey	51,141	60,773	225.17	19.83
New Mexico	11,026	11,204	222.96	32.36
New York	207,039	255,283	295.12	19.84
North Carolina	60,833	61,621	390.50	63.84
North Dakota	5,417	5,448	267.14	38.98
Ohio	44,587	51,107	170.51	22.35
Oklahoma	19,820	20,301	254.99	40.88
Oregon	12,267	12,858	189.59	19.81
Pennsylvania	73,925	74,564	183.75	20.20
Rhode Island	5,846	6,042	188.96	19.85
South Carolina	36,357	37,108	438.59	76.80
South Dakota	6,683	6,870	328.20	45.64
Tennessee	38,263	38,713	427.22	77.28
Texas	90,094	93,439	250.04	37.44
Utah	4,380	5,303	170.99	25.74
Vermont	2,621	3,015	190.39	23.88
Virginia	36,127	37,084	270.71	36.65
Washington	15,953	19,676	177.20	19.82
West Virginia	21,494	21,682	389.77	60.51
Wisconsin	19,327	19,931	188.47	19.83
Wyoming	1,810	1,821	212.40	24.08
District of Columbia	9,285	13,479	221.55	19.84

In place of the 100-percent State hold harmless in the continuing resolution which will come to the floor this week, I intend to offer an amendment to hold local districts harmless to 85 percent of the amount they received in fiscal 1973. The effect of this amendment will be twofold: First, it will permit moneys to shift to States which have gained population since 1970; and, second, it will restore funding to many districts which lost it because of the combined effects of the State hold harmless provision and the 1970 census. In this latter case districts will be able to absorb the decrease over a period of years rather than having to suffer the loss in one blow. The effects of the amendment which I intend to offer are shown in table C. I urge your support for this amendment.

TABLE C

State	Fiscal year 1973[1] actual allotments	Fiscal year 1974[2] ESEA 1, pt. A, estimated allotment with 85 percent of 1973 floor
Alabama	$36, 401, 903	$31, 524, 245
Alaska	3, 733, 423	4, 673, 262
Arizona	10, 996, 734	12, 698, 616
Arkansas	23, 079, 131	20, 428, 998
California	125, 654, 918	170, 843, 900
Colorado	13, 203, 916	15, 962, 163
Connecticut	14, 082, 445	19, 322, 569
Delaware	3, 493, 086	4, 148, 008
Florida	37, 021, 551	40, 952, 113
Georgia	42, 634, 436	37, 055, 629
Hawaii	4, 137, 759	5, 183, 201
Idaho	3, 943, 640	4, 253, 677
Illinois	75, 824, 607	92, 778, 336
Indiana	22, 141, 108	23, 156, 157
Iowa	15, 708, 515	13, 788, 634
Kansas	11, 130, 264	11, 438, 319
Kentucky	33, 227, 526	28, 619, 608
Louisiana	34, 566, 397	30, 464, 800
Maine	6, 513, 282	7, 181, 685
Maryland	22, 269, 455	27, 777, 141
Massachusetts	28, 935, 270	37, 794, 665
Michigan	61, 674, 584	74, 181, 276
Minnesota	22, 830, 751	20, 727, 689
Mississippi	37, 905, 476	32, 844, 431
Missouri	26, 213, 359	23, 336, 876
Montana	4, 228, 832	4, 395, 566
Nebraska	8, 041, 771	7, 338, 379
Nevada	1, 313, 805	1, 862, 867
New Hampshire	2, 584, 343	3, 147, 063
New Jersey	51, 464, 849	68, 540, 040
New Mexico	8, 944, 790	10, 099, 386
New York	212, 916, 666	286, 662, 020
North Carolina	56, 460, 652	50, 055, 178
North Dakota	5, 265, 065	4, 875, 990
Ohio	49, 873, 001	57, 783, 899
Oklahoma	18, 554, 868	16, 610, 786
Oregon	11, 776, 238	14, 647, 518
Pennsylvania	72, 188, 475	82, 577, 993
Rhode Island	5, 572, 597	6, 782, 218
South Carolina	32, 163, 595	28, 589, 346
South Dakota	6, 065, 968	5, 348, 790
Tennessee	33, 551, 724	29, 337, 452
Texas	91, 309, 880	86, 089, 986
Utah	4, 785, 278	5, 971, 062
Vermont	2, 987, 323	3, 206, 751
Virginia	34, 407, 313	30, 616, 220
Washington	17, 234, 129	22, 326, 879
West Virginia	18, 328, 333	16, 018, 586
Wisconsin	20, 489, 168	22, 559, 486
Wyoming	1, 739, 326	1, 858, 127
District of Columbia	11, 571, 059	15, 176, 036

[1] 1973 allotment based on $1,585,000.
[2] 1974 allotment based on $1,810,000.

AMERICA HAS NO CONFIDENCE IN ITS OWN COMPOSERS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. RARICK. Mr. Speaker, many Americans continue to wonder why our national policies seem more oriented toward helping foreigners than our own people. Another example of this seems to be the recent fury unleashed over the announcement that a non-American has been commissioned to compose an opera in honor of the bicentennial of the United States.

One would hope that upon reaching our 200th anniversary that we would have developed some confidence in the creative ability of our own citizens. After all, Americans are the descendants of every other country on the face of the Earth.

Why should we increase funding for the National Endowments for the Arts and Humanities if we do not have confidence to use American artists for an American celebration?

The related newsclipping follows:

AN AMERICAN BICENTENNIAL OPERA WRITTEN BY A FOREIGN COMPOSER?

(By Paul Hume)

About four months ago the Chicago Lyric Opera announced that it had commissioned an opera to honor the bicentennial of the United States.

For every reason this seemed a fine idea. The arts should, and obviously are going to play a major role in celebrating our 200th birthday. It is always a good idea to commission a major new work even though there is no guarantee that the final result will prove to be great or merely good. It might possibly even be bad. From the Chicago company, which has, throughout its 20 years of life, kept fairly close to the conventional in repertoire, the commission for a new opera sounded especially promising. Until you saw the name of the composer to whom the commission was given.

His name, if you can believe it—and I have double-checked—is Krysztof Penderecki! Just in case you are not up on the world's leading composers, Penderecki certainly is one. He is 40. And he is Polish. Not Polish-American, Polish.

When I first heard this news, I decided to wait a bit to see if the Lyric Opera would not quickly follow up the announcement with the names of several United States composers whom they were also commissioning. To such a group of commissions it would be hard to object.

But no such word came from Chicago. Finally, I telephoned and asked if they were going to commission anyone else to write them an opera for our 200th birthday party.

The answer was blunt: "No."

When I expressed a certain surprise, not to say sheer disbelief, mingled with obvious disappointment, the company's director of publicity said, "Well he (Penderecki) certainly is the world's leading opera composer, isn't he?"

The answer to that one, dear friends in Chicago, is "No." To stay with that line for a second, Penderecki has written one opera, "The Devils of Loudoun," to the same story as the Whiting play, "The Devils." Performed several seasons ago in Santa Fe, it turned out to be a very absorbing version of the play with some highly dramatic and intense music. The production suffered from a misbegotten stage set that continually broke up what should have been a very swift flow from scene to scene.

That, which is the sum of Penderecki's operatic work, can be heard in a very accurate recording on Phillips 6700042.

As for other operatic composers of greater experience and at least as much stature and accomplishment, the names of England's Britten and Tippett and Argentina's Ginastera come at once to mind as having vastly more proven knowhow.

The point, Chicago, however, is that the commission, or a commission, for 1976 should go—how can there be any question about it?—to any one of a large number of this country's composers. Their names? It is almost insulting to the wealth of this country's musicians to print a partial list, but since Chicago has felt that Poland was its best supplier for our nation's birthday observations, I may be pardoned for listing a few who have qualifications as varied as they are substantial.

Ranging from their 20s to the 70s, in alphabetical order, and now living in the East, the Midwest or the Far West, we could suggest these names: Argento, Barber, Beeson, Bernstein, Copland, Crumb, Ferris, Hoiby, La Montaine, Levy, Mollicone, Rorem, Schuller, Schuman and Ward. Someone else might very well name 15 others. If the Chicago Lyric Opera has not heard of these men it is simply another indication of its failure to relate itself to the music of the country it thinks it is honoring.

The American Music Center, representing the community of American composers, has already registered a strong protest against the Lyric's contemptuous move. It is hard to think of a major opera company serving the city that houses such famous American names as Sears, Marshall Field, Walgreen Drugs and The Loop turning to Poland for its new music.

One further suggestion can be made at this point with which the Chicago Lyric could make handsome amends for its unbelievable goof: Without having to commission a single note, it could announce the U.S. premiere of Roger Sesions' "Montezuma," an opera with American roots by one of the great musicians of this country. That would be an artistic coup entirely appropriate to the finest aims of our 1976 celebrations. Well, Chicago—how about it?

INTRODUCTION OF THE SOLAR ENERGY DEVELOPMENT ACT OF 1973

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. VANIK. Mr. Speaker, our Nation's economy has thrived on the ready availability of cheap fossil fuels. We inefficiently consume energy with a naive ignorance of the implications of our actions. Only recently have we come to understand the costs in dollars, in harm to the environment, and impact on national security of our present pattern of energy use.

GROWING AND CHANGING ENERGY NEEDS

The Clean Air Amendments of 1970 established a necessary, comprehensive Federal-State program to achieve acceptable nationwide air quality by 1975. With this vitally important legislation, we have made significant changes in the way we consume our energy. In an effort to rid our air of sulfur oxides, we have shifted from high sulfur coal to more acceptable alternatives such as natural gas and low sulfur crude oil. We have also taken significant steps to curb the pollutants discharged into our air by automobiles. All of these efforts to clean our air have had impacts in the shape and size of our energy budget.

Further, as our economy has grown and our energy needs have expanded, we have approached the limits of our domestic capacity to produce petroleum economically and in sufficient quantity. And because of our society's overwhelming dependence on crude oil, we have been forced to look elsewhere in search of oil. Unfortunately, as our dependence on foreign supplies grows, there is the very real threat that our national security will be compromised to narrow but powerful foreign interests. Our need for foreign oil will become so great that a few nations will be able to hold us ransom to constantly increasing prices. They will be able to try to hijack our foreign policy into courses alien to our Nation's traditions and beliefs. Even now, there are ominous rumblings that the producing nations want to renegotiate ownership questions and the 1971 Tehran agreements on crude oil prices. Continued petroleum consumption will create the most serious balance-of-payments difficulties. Following current projections, petroleum imports could mean a dollar outflow of as much as $20 billion a year by 1985.

FAILURE OF ADMINISTRATION'S ENERGY POLICY

All these factors have combined to paint a gloomy picture of our energy future. President Nixon has suggested limiting our commitment to clean air as a way out of our immediate dilemma. At the same time he has proposed a multifaceted program to encourage domestic oil production through the construction of the Alaskan pipeline, the acceleration of leasing on the Outer Continental Shelf, and the extension of more tax benefits to the oil industry.

These proposals, if enacted, would have catastrophic results on the quality of our national life and the long-range health of our economy. The critical message of our present energy shortages have escaped the President. The fact is that we cannot continue wasting our national resources with impunity. Quite simply, our store of fossil fuels is finite. Continued careless expansion of production and consumption will only hasten the day when we reach the bottom of our energy barrel.

FOSSIL FUELS AND THEIR DANGER TO THE ENVIRONMENT

Just as important as the economic argument against mindless expansion of production and consumption, is the critical need to protect our environment from further degradation. Every ounce of fossil fuel that is converted to heat alters our environment. When our consumption ranges in the millions of barrels a day this threat to environmental quality suddenly becomes quite real. The Council on Environmental Quality in its just-released fourth annual report notes an ominous trend in this regard with the increase worldwide of the concentration of carbon dioxide—CO_2—in the atmosphere. CO_2 is a natural byproduct of the combustion process. The significance of CO_2 as a pollutant is its capacity to prevent heat from escaping from the Earth's lower atmosphere. A "greenhouse effect" is created which has significant long-range implications for our Earth's climate. To quote from the CEQ report:

> The most notable example of a potential global air pollution problem is the concentration of carbon dioxide in the atmosphere.

The simple fact of the matter is, we are releasing into the Earth's atmosphere during some 200 years, most of the stored solar heat energy created in oil and coal fields over a 400-million-year period. How can we expect anything but the ultimate environmental disaster—a major change in our atmosphere and climate—a change of unknown consequences to all future generations of man?

SOLAR ENERGY

The scandalously low level of funding for solar energy research is a primary failing of this administration's energy strategy. Following the projections of the Solar Energy Panel of the National Science Foundation and the National Aeronautics and Space Administration, direct energy from the sun could provide up to 80 percent of the heating and cooling requirements in 90 percent of all new houses and single-story commercial buildings. The panel suggests that a realistic schedule for equipping buildings with solar equipment is 10 percent of new buildings constructed in 1985, 50 percent in 2000, and 85 percent in 2020. Following these projections solar energy could provide considerable savings in fossil fuel costs. According to the panel's report:

> Equivalent annual values of probable fuel savings at these three intervals are $180 million, $3,600 million and $16,300 million. Gas and oil costs are estimated at a present average price of $1.50 per million BTU delivered to residential customers.

This does not consider the tremendous potential of using solar energy to meet other energy requirements, including electricity generation and even the development of hydrogen fuels for automobiles.

The technological feasibility for accomplishing this conversion is well established. In fact, economic studies cited by the Solar Energy Panel of the National Science Foundation and National Aeronautics and Space Administration show that solar space heating in most areas of the United States is less expensive than electric heating. In some areas solar energy is economically competitive with oil and natural gas. The following table, taken from the Solar Energy Panel report illustrates the competitive position of solar space heating. Obviously, as the cost of fuels and electricity spiral upward, the advantage of limitless solar energy will increase.

COSTS OF SPACE HEATING (1970 PRICES)

[In dollars per million Btu useful delivery (7)]

Location	Optimized solar heating cost in 25,000 Btu/degree-day house, capital charges at 6 percent, 20 years: Collector at $\$2/\text{ft}^2$	Optimized solar heating cost in 25,000 Btu/degree-day house, capital charges at 6 percent, 20 years: Collector at $\$4/\text{ft}^2$	Electric heating, usage 30,000 kWh/year	Fuel heating, fuel cost only: Gas	Fuel heating, fuel cost only: Oil
Santa Maria	1.10	1.59	[1] 4.28	1.52	1.91
Albuquerque	1.60	2.32	4.63	.95	2.44
Phoenix	2.05	3.09	5.07	.85	1.89
Omaha	2.45	2.98	[2] 3.25	1.12	1.56
Boston	2.50	3.02	5.25	1.85	2.08
Charleston	2.55	3.56	4.22	1.03	1.83
Seattle–Tacoma	2.60	3.82	[2,3] 2.29	1.96	2.36
Miami	4.05	4.64	4.87	3.01	2.04

[1] Electric power costs are for Santa Barbara, electric power data for Santa Maria were not available.

[2] Publicly owned utility.

[3] Electric power costs are for Seattle.

NOTES

Solar heat costs are from optimal systems yielding least cost heat.

Electric power heat costs are from U.S. Federal Power Commission, All electric homes, table 2 (1970). Conventional heat fuel costs are derived from prices per million Btu reported in P. Balestra, The Demand for Natural Gas in the United States, tables 1.2 and 1.3 (North Holland Publishing Co., 1967). The 1962 costs were updated to 1970 by use of national price indexes on gas (121.1 in 1970 versus 112.8 in 1962) and on fuel oil (119.22 in 1970 versus 101.2 in 1962) as adjustment factors on each fuel price in each State. Bureau of Labor Statistics fuel prices indexes obtained from Gas Facts. Fuel prices were converted to fuel costs by dividing by the following national average heat (combustion) efficiencies: gas, 75 percent; oil, 75 percent. Heat efficiencies are from American Society of Heating, Refrigerating and Air Conditioning Engineers, Guide and Data Book, 692-694 (1963 ed.).

All solar heat costs based on amortizing entire solar system capital costs in 20 years at 6 percent interest. Capital investment based on current prices of solar water heaters at $\$4$ per ft^2 plus current costs of other components, and on anticipated near-term solar collector price of $\$2$ per ft^2.

OBSTACLES TO IMMEDIATE USE OF SOLAR ENERGY

Reviewing these figures the obvious question arises, "If solar energy is technologically feasible and economically competitive with traditional fuels, why do not we see more solar houses being constructed?" The answer to this question must come in two parts. First, we must look at the nature of the building industry today. Second, we must understand the difficulties confronting the infant solar equipment industry.

The building industry is a highly fluid sector of our economy. Profits are made chiefly through speculation. As a consequence, there is a tremendous pressure to build quickly and at the lowest possible cost. Innovations which stress savings over the life of the building are not considered if there is a way to build with a lower initial cost. Solar energy equipment falls into this category. This problem of discrimination would substantially disappear if there were an incentive for the housing industry to shift from initial cost accounting to life-cycle cost accounting. The latter technique would provide a more comprehensive view of the complete cost of the building by taking into account maintenance costs over the life of the structure.

In addition, the very complex nature of the market discourages design innovation. The construction of any building involves a wide range of different interests—engineers, architects, local zoning boards, contractors, building inspectors, and so on. With such a confusion of interests, revolutionary design changes—such as solar heating and air conditioning—face tremendous obstacles before they can be introduced on a wide scale.

Compounding this problem created by the obstacles to innovation in the building industry is the lack of development in the solar equipment industry. At present, most solar installations must be customized to fit the particular structure. If component manufacture could be standardized around adequate design studies, the cost of solar equipment would decline considerably. Rightfully, this task should be performed by American industry. However, there has been little economic incentive to devote resources to solar development, although one can expect that higher fossil fuel prices will make solar energy increasingly appealing to industry in the future. But the enveloping crisis has shown us that we cannot leave our energy future solely to the vagaries and whims of the private sector.

INTRODUCTION OF SOLAR ENERGY DEVELOPMENT ACT

For these reasons I am introducing today the Solar Energy Development Act of 1973. This legislation seeks to speed up research and development into solar equipment needed to heat and cool residential and commercial buildings. My legislation offers three distinct but interrelated programs to move solar equipment from the realm of discussion and blueprints to actual use in our economy as soon as possible.

First, the National Science Foundation is directed to establish a solar energy data bank. The data bank will serve as a central source for technical and scientific information as well as an evaluation center with respect to the development and use of solar energy. A formidable obstacle to the implementation of solar technologies is the lack of a central clearinghouse for studies, reports, case histories, and evaluative information. The data bank will not only collect vital information from worldwide sources but will also facilitate its dissemination.

Second, the Secretary of Commerce is directed to conduct, through the National Bureau of Standards, component and system design studies as well as cost analysis for the application of solar equipment to residential and commercial buildings. Any new solar energy equipment product, before it is marketed, must go through an extensive series of tests to assess its marketability. It is exactly this phase of market development which the Secretary of Commerce and the Director of the National Bureau of Standards shall conduct under this proposal. The standardization and integration of solar equipment components is a vital step in the development of economical applications of solar energy. Equally, system design studies, emphasizing the interrelationships between designers, builders, and equipment manufacturers are an essential preliminary to the development of a successful solar equipment market.

Third, the Secretary is authorized to issue grants for research into the design, manufacture, and marketing of solar equipment. This grant-making authority will accelerate the movement of technology from the testing and evaluation stage to the point of commercial application. As with all our research efforts in the field of energy development, the question of timing is vitally important. The financial resources we commit today will determine the choices available to us tomorrow. While there are legitimate issues that must be examined before we develop a comprehensive Federal energy research and development strategy, there is no reason to delay on implementing a national solar energy program and there are two good reasons why we should begin immediately.

ACTION NEEDED NOW

First, the amount of money needed to develop solar energy is small relative to other alternatives. President Nixon has suggested a $10 billion program to extend over 5 years to develop coal gasification, oil shale, geothermal energy, advanced power cycles and the like. The solar energy panel, on the other hand, suggests that a commitment of $100 million over 10 years will bring solar energy for residential heating and cooling to general use.

Second, there are no risks involved in solar research. The question is not whether solar energy is technologically feasible, but how it will become economically and socially acceptable. Additionally, there are no environmental risks in solar research. The sun is a pollution-free source of energy. The same cannot be said for all the other, more popular energy alternatives: oil shale, coal gasification, and atomic power.

At a time when the air is clogged with pollutants from our combustion chambers and our land is gouged in the search for more coal, and our waters are fouled by oil spilled from tankers and drilling rigs, we must search for ways to limit our overdependence on fossil fuels. The quality of our environment is not the only issue at stake, however. We, as a nation, simply cannot afford to continue on with our gluttonous consumption of irreplaceable energy shortages. Our national security today, as well as our future well-being, demand that we reassess our true energy needs and draw them more in line with what we are capable of supplying from our domestic sources.

Energy conservation—including the expanded use of solar energy—deserves our most serious consideration. No less is at stake than the health of our economy and quality of our national life.

I hope that early consideration of this legislation will be possible. It is of fundamental and immediate importance to our world, our Nation and to each of us.

SOVIET LABOR CAMPS AND THE CONSCIENCE OF THE AMERICAN PEOPLE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. ASHBROOK. Mr. Speaker, on Sunday, September 23, the Washington Star-News featured an extensive article, "Soviet Labor Camps: The Nightmare That Does Not End," authored by its staff writer, Brian Kelly. The Star-News and Mr. Kelly cannot be commended too highly for attempting to call to public attention in the Washington area current information on existing labor camps in the Soviet Union. No other time could be more opportune to remind Members of Congress and executive branch officials of the brutal, inhuman conditions under which flesh-and-blood victims of Soviet oppression exist from day to day.

It is depressing to consider that these victims can expect little or no help from some American businessmen who are launching elaborate trade plans with their Soviet slavemasters. Nor is help apparently forthcoming from U.S. officials who, like the new Secretary of State Kissinger, cannot meddle in the Soviets' internal affairs. Fortunately, there are indications that the American people—they keep the businessman in business and the official in office—are beginning to sense something phony, false, and fraudulent about the cries of "peace," "détente," and "peaceful coexistence."

For a more complete treatment of the Soviet labor camps issue one should procure the excellent hearings issued by the Senate Internal Security Committee entitled "U.S.S.R. Labor Camps." These hearings in three parts can be obtained from the subcommittee, free of charge, while the supply lasts. They can also be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, for the price of $2.50 per set.

The above-mentioned article, based mainly on the subcommittee's hearings, follows this acknowledgement to the Star-News and Mr. Brian Kelly of appreciation for their timely and concerned effort.

[From the Washington Star-News, Sept. 23, 1973]

SOVIET LABOR CAMPS: THE NIGHTMARE THAT DOESN'T END

(By Brian Kelly)

As his train rocked and swayed on the KGB's narrow-gauge railway in the forests of Russia's Mordovia region, Alexander Krimgold was stunned by what he saw in the clearings. One ugly compound after another. Barbed-wire fences. Fierce-looking patrol dogs. Watchtowers and armed guards.

A Russian Jew escorting a prisoner's wife to a visit with her husband, Krimgold really had no reason to be surprised. Like millions of others in the Soviet Union today, he knew about labor camps.

Still, he never had seen one, and his glimpse of the Potma camp complex in Mordovia two summers ago left him with an image straight from Dostoyevsky.

The terrible labor camps of Potma, he later wrote, lie along the tracks "like so many boils." Declaring that "the gloom can hardly be exaggerated," Krimgold says, "Potma is a fearful place which readily evokes Nazi concentration camps."

But Krimgold saw only Potma. He traveled only on the KGB's 37-mile private rail spur from Potma to Barashevo, a rail line mysteriously missing from official maps of the Soviet Union.

Now safe in Israel, he didn't see Russia's remaining "boils." On Wrangel Island in the Arctic Ocean, along the steppes, across the Urals, in the Ukraine—camps stretch across the entire USSR, from its borders with Western Europe to the vastness of Siberia in the East. Camps dot the plains and forests at the sites of new cities, lumber camps, hydro-electric dams, railroad and airport construction, coal mines and like projects requiring heavy labor. There are perhaps 1,000 of them in a nationwide system enslaving what many experts estimate to be 5 to 10 million persons. Many are political prisoners, members of the dissident movement that has surfaced in recent years, or people from minority groups—not only Jews, but members of every minority race or faith in the Soviet empire.

Camps for men, camps for women, for women with babies. Camps where men and women fall ill, and often die, from poor food, lack of medical care, exposure, outright brutality and overwork. Camps, in one case at least, where prisoners have been the guinea pigs in dangerous medical experiments.

In the last third of the 20th Century, it sounds like a forgotten nightmare, perhaps a last gasp of offsetting Nazi propaganda. A reminder of the terrifying Stalinist era in Soviet Russia.

But it is none of these. The details cited here come from survivors or observers of the hidden Russian labor camp system in the 20 years since Stalin's death in 1953, up to and including the last two years.

Krimgold says he saw the "boils" in July 1971. Reyze Palatnik, another recent emigrant to Israel, left a camp last December. It was "located in a swamp," she recalls. "Buildings damp . . . semi-cold existence, no medical services. One had to lose consciousness to be allowed off for the day."

In February 1972, Yuri Galanskov, the dissenting writer and intellectual, wrote the

International Red Cross and the United Nations, saying in part:

"The sixth year has begun . . . I am ill . . . duodenal ulceration. Denied food and sleep for more than five years now. Obliged to work eight hours a day. Every day a torture. Health deteriorating. I am gradually exterminated.

"No longer can keep quiet. Not only my health, but my very life, is now endangered."

Nine months later, Galanskov died in the Potma labor camps.

According to Mikhail Shepshelovich, another recent labor camp graduate, such deaths are no mistake. "Annihilation is achieved through a slow process of destruction over a period of many years," he writes.

"Continuous malnutrition and the constant nervous tension to which a prisoner is subjected in his environment, is the essence of this method.

"The prisoner's medical treatment depends very much on his attitude toward his political views. A person who does not renounce his political convictions receives practically no medical aid.

"In a labor camp, such people are condemned to slow deterioration and death."

Such allegations are contained in a report recently published by the Senate Internal Security Subcommittee, "USSR Labor Camps", containing 280 pages of testimony from recent emigrants, from underground writings smuggled out of the USSR, extracts from other sources and a graphic, eyewitness account by Avraham Shifrin, a remarkable Soviet Jew, intellectual, lawyer and self-professed Zionist who said he spent a decade in 30 labor camps, more years quietly gathering evidence in Russia, and the past three years interviewing incoming Soviet Jews as they arrive in Israel.

In a personal appearance before the Senate committee, he provided corroborating documentation, including statements by 10 freshly arrived Israeli emigrants, among them Krimgold, Reyze Palatnik and Mikhail Shepshelovich. In all, the Senate report may be the most extensive view the West has been given of Soviet Russia's labor camp system since Stalin's death in 1953.

The most graphic details are those supplied by Shifrin himself.

By Shifrin's account, he was arrested in 1953, on trumped-up charges of spying for the United States and Israel. Originally, he was condemned to death, but his own persecutors vanished in an internal KGB purge. His penalty reduced, Shifrin was released in 1963 to exile in "exprisonerland" in Kazakhstan.

Given a legal post with the region's government, Shifrin, then 40, sometimes was able to travel on "state business". He interviewed fellow labor camp survivors wherever he could find them and mapped the locations of the camps themselves. It is his estimate that Russia today operates a system of at least 1,000 labor camps.

In 1970, Shifrin was among the very first Jews permitted to leave for Israel, most of them "trouble-making" dissidents the Soviet regime was glad to see go.

According to Shifrin, the camps he knew were crowded with prisoners incarcerated for their ideological or religious beliefs. But he also tells a story of four or five Chukchi—Russian Eskimos—sentenced to 25 years for trying to harpoon a Soviet submarine. They thought it was a whale, he says.

He recalls a man, beaten and interrogated to the breaking point, who finally "confessed" he was a spy. "For which country?" he was asked. Afraid to name a great power such as the United States, he satisfied his tormentors by naming little Guatemala. His sentence also was 25 years.

More commonplace, however, were those whose thoughts were suspect. Arkady Voloshin, released last year, was sentenced for distributing a Jewish prayer book, planning Hebrew studies and printing Hebrew textbooks, Shifrin said.

Once, stationed temporarily in a "transit" camp in between assignments to regular labor camps, Shifrin also encountered a group of strange, bearded men in handmade clothes and boots.

Religious fundamentalists, the bearded "Old Believers" had lived unknown and undisturbed in a forest village in the Northern Urals for 40 years—from the tumultuous civil war years of 1917–1919 until their discovery by a KGB helicopter in 1959.

When the KGB came to draft the young men, the Old Believers refused to go. They were arrested, but in the transit camp with Shifrin, they also refused to work. "We do not wish to work for the anti-Christ," they said. They were ordered to solitary confinement for six months, but still defiant, they turned to the camp commander, made the sign of the Cross and said, "Begone, Satan."

Shifrin says he saw many horrors. He saw companions mutilate themselves in despair or protest. Prisoners working in lumber camps would even chop off a hand and place it in the stacks of wood as a reminder of their plight to the lumber's eventual recipients, some of them in the Free World. Shifrin saw others gash themselves, then infect their cuts with plaque from their teeth to gain the respite of a hospital bed. Protesting inmates severed their ears or tatooed their foreheads with anti-regime slogans.

Some desperate prisoners sliced flesh from their own bodies to put in their thin soup, or drew their own blood to enrich their plain bread, Shifrin testified.

In response, Shifrin saw his guards react with terrifying cruelty. One man he knew was punished—and died—when they poured water on him in temperatures 30 degrees below zero. Another died tied to a stake in a region infested by gnats, his body swelling visibly as the tiny insects swarmed.

In the northern camps, a number of prisoners died each night during winter.

Then there was Wrangel Island in the Arctic waters. Shifrin never was there himself, but he met one prisoner who was.

According to the Wrangel Island survivor, inmates there were subjected to medical experiments—injections, strange diets, radiation exposure, oxygen and submersion tests. The same source reported seeing Raoul Wallenberg, the Swedish diplomat who organized a rescue effort for Hungarian Jews fleeing the Nazis in World War II, only to "disappear" when the Red Army stormed Budapest. Also languishing at Wrangel Island was Rudolph Trushnovich, a leader of the anti-Soviet NTS organization who was kidnaped from West Berlin in 1954.

Shifrin says he himself knew of many such cases, and met foreign prisoners of war in the Soviet camps as late as 1962, a full 17 years after the end of World War II.

Shifrin, in his appearance here this year, told of the existence of separate camps for men, women, children, even babies in arms. Once, he told the Senate committee, his prison train stopped alongside an ordinary-looking camp in the dreaded Potma complex, seven hours travel time from Moscow, the same string of "boils" that struck Alexander Krimgold two summers ago. About 200 to 250 women, each with "a baby on her hands," appeared at the camp gates.

Shifrin cited cells containing one bunk for seven persons held in a single cubicle 8½ feet by 10, and barracks holding as many as 500 persons in one long room. The camps he knew ranged from 250 to 10,000 in population. Invariably, the food was poor, often rotten. In some northern camps, where temperatures dipped to 30 and 40 degrees below zero, prisoners went to work in makeshift shoes cut from rubber tires. Frostbite was commonplace.

The Russian Zionist said the experiences had some value, however. The transit camps, he discovered, were prisoner "universities," where the persecuted traded both information and hopes. Apparently in an effort to prevent internal organization or resistance among the prisoners, the regime constantly transfers them from one camp to another.

Shifrin cited the great uprisings of labor camp prisoners in the 1950s, some put down by Red Army tanks, but he also was moved by those who resisted alone, by less dramatic means. One, a rabbi Shifrin knew, was put into chains for months for insisting upon prayer. He spent 10 years on a diet of bread and water—"and he came unbroken from concentration camp." Another, a Ukrainian Christian and nationalist, was taken into the streets of Kiev once a year for 25 years and told, "only your signature that you are not now a nationalist, and you can go home with your family." When finally he was released last year, he was an old man, but still unbroken, Shifrin asserted.

If Shifrin's personal observations of life in the Soviet labor camps appear dated because of his release a full decade ago, the documentation he provided the Senate committee supports his contention that the camps have changed little since he was a prisoner. Krimgold's description of Potma in 1971, for instance, closely matches Shifrin's view of the same complex eight years earlier.

Shifrin, in the meantime, doubts the widespread labor camps are maintained only to crush political dissent. Historically he noted, mass arrests sending new waves of prisoner to the camps have taken place about every 10 years.

While the crackdowns appear to coincide with time of political stress in the U.S.S.R., Shifrin theorizes the real reason for the timing is to replenish the camps every 10 years, because most men cannot perform hard labor for more than a decade.

Invariably, he adds, the camps are bleak, built next to major building projects, mines and lumber camps. He himself worked upon a dam constructed largely of huge stones hauled into place by hand—like the Egyptian pyramids.

Convinced that world opinion has its effects upon Moscow, Shifrin urges a Free World outcry of revulsion against the Soviet slave labor system of the 1970's.

"We can help in two ways," he says. "First by exposing the facts, and second, by voicing our indignation.

"In helping them, we shall also be helping ourselves."

WORLD FOOD BANK PROPOSED

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 24, 1973

Mr. RARICK. Mr. Speaker, during the recent consideration of the Agriculture and Consumer Protection Act of 1973—Public Law 93–86—repeated efforts were made to include in the farm bill a strategic reserve provision to protect the American consumers from shortages of food and fiber. Every attempt to provide legislation for such a reserve was successfully blocked, probably because of the surplus-oriented syndrome which prevailed at the time.

The consumer groups felt such a food bank would prove to be a subsidy boondoggle for the farmers, while the farmers feared a reserve stock would be used as a tool by the Government to control market prices.

Now we learn that a "World Food

Bank" is proposed to curb food shortages in overpopulated developing countries. The World Food Bank is said to be the brainchild of economists from North America, Europe, and Japan. It will accumulate food stocks from all industrial nations to alleviate food shortages in underdeveloped countries and act as an international economic tool to control year-to-year world market fluctuations.

It should prove most interesting to the American people to see how their governmental leaders, who were recently bitterly opposed to a strategic stockpile of food for the American people, will now react to support of a World Food Bank for other than Americans.

The related newsclippings follow:

[From the Washington Post, Sept. 22, 1973]

WORLD FOOD BANK IS PROPOSED

Economists from North America, Europe and Japan yesterday proposed creating an international food bank, from which food could be withdrawn to meet serious shortages.

They recommended an international agreement to fix the quantity of food that would be held in reserve—one participant suggested 100 million tons of grains—and to arrange a joint decision-making procedure on how and when the food would be used.

The costs of accumulating and saving the food stocks would be shared by all the industrial countries. Food reserves also would be available to the developing countries and could be used to smooth year-to-year world market fluctuations, they said.

The economists acknowledged that building the reserves would involve some sacrifice, including occasionally denying food to hungry people, and at the least diverting grain from livestock feed to direct use, meaning reducing available meat.

"The principal alternative is to do nothing . . . to build up for ourselves in a few years agricultural problems even more divisive than in the past couple of decades," said Philip H. Trezise, a former assistant secretary of state now working with the Brookings Institution.

The world food bank recommendation followed a three-day conference on world agricultural policy sponsored by the Brookings Institution and attended by 14 economists from the United States, Canada, Western Europe and Japan.

[From the Washington Post, Sept. 23, 1973]

GRAIN RESERVE POLICY URGED

(By Jack Egan)

The depletion in world grain reserves this past year—particularly wheat—to the lowest levels in 20 years has ignited urgent calls for an international policy to set aside stocks as insurance in case of shortages.

The drawdown of reserves, primarily in the United States which has served as the world's major granary, has triggered volatile increases in the prices of wheat, corn and soybeans. These doublings and triplings have in turn been translated into higher food prices of all kinds and induced a searing general inflation in this country.

In addition there is concern that without grain reserves, only good weather in crop-producing countries stands in the way of widespread famine in certain areas of the world like the sub-Sahara or southern Asia.

Reserves are essentially a cushion against adversity. Famine can be avoided by tapping stocks of grain built up in years of abundance. In addition, the stocks moderate and largely stabilize food prices from the erratic fluctuations fed by speculation against shortages.

The world has had a reserves policy for the past 20 years in the form of the huge—and burdensome—grain surpluses, mainly held by the U.S.

But they did serve their function as a form of insurance.

"They were good to have when the 1972 world crop was short," Don Paarlberg, the Agriculture Department's chief economist, said in a speech last week to the National Public Policy Conference.

"Had stocks been available we would not have seen wheat double in price from July 10 to August 13 this year, and then drop 15 per cent in three days, fluctuations that did little good for anyone," he continued.

Paarlberg noted that the U.S. government has built up stocks six times in the past 45 years under price-support storage programs, and liquidated them six times:

"Once in the depth of the Depression, hurtfully. But five times helpfully: During the droughts of the '30s, during the needs of World War II, during the Korean war, during the food crisis in India (in the mid-1960s), and most recently during the 1972 shortfall in world food production."

Paarlberg, discussing the 1973 Farm Act, pointed out that Congress rejected a proposal for the government to maintain reserves in anything more than token amounts. "But the idea is not dead," he added significantly.

The proposal for a grain reserve policy in fact has gained some diverse and powerful adherents.

A. H. Boerma, director-general of the United Nations Food and Agriculture Organization, called for such a policy earlier this year. (The FAO has been meeting in Rome this week to decide what should be done in the event of a world grain shortfall this year, although world crop prospects have recently brightened, increasing the chances of squeaking through.)

A group of European, Japanese, U.S. and Canadian economists proposed this week that an international feed bank should be established which would supply food to meet serious shortages. The group, meeting under the auspices of the Brookings Institution, recommended that the costs be shared by all industrial nations including both importing and exporting countries and that the amount in reserve should be fixed by international agreement.

The Federation of American Scientists recently suggested that the U.S. "take the lead in encouraging a system of stable food reserves." The statement, drafted by population expert Paul R. Ehrlich and food expert Lester Brown, said that, in the absence of U.S. surpluses and excess acres to protect against shortages, this country should not be put in the position of choosing "during famines between selling our food to developed nations or donating it to the underdeveloped."

Several bills have been introduced in the Senate which propose a grain stockpile. * * * who tried unsuccessfully to attach an amendment to the farm bill to set up a domestic grain and oil seeds reserve, has introduced separate legislation to require the government to set aside 600 million bushels of wheat, 150 million bushels of soybeans and 40 million tons of feed grains.

* * * recently proposed legislation which would require the amount of raw agricultural products needed for domestic consumption plus "a reasonable amount for a carryover" to be subtracted from the year's total harvest before any was allocated for export.

In addition, up to 10 per cent of the exportable amount of a crop could be placed in a reserve for unexpected emergency situations abroad.

One of the large grain firms which participated in last year's sales to the Soviet Union, Cargill Inc., last week came out with its own "strategic agricultural commodity reserves" plan.

Cargill would establish enormous reserves—50 per cent of annual domestic consumption, export shipments and food aid needs for food grains (nearly 1 billion bushels for wheat alone), 25 per cent for feed grains like corn (1.5 billion bushels) and 25 per cent for oil seeds like soybeans (400 million bushels).

The difficulty with all of these proposals is two-fold. They would be expensive. And, in periods when even record domestic and world crops can't keep up with current demand, it is nearly impossible to build up reserves.

The current tight wheat situation illustrates both the benefits of having a reserve policy and also the difficulty in implementing one in the next few years without the government entering the market at very high prices.

Despite a record 1973 wheat crop of 1.727 billion bushels, there are sober fears that there may be actual shortages of some categories of wheat in this country by next summer.

U.S. wheat reserves, always ample in the past, were drawn down substantially in 1972 by a combination of the mammoth 400 million bushel sale to the Soviet Union and buying by other countries suffering from a series of crop disasters.

Reserves going into the new crop year beginning July 1 were 428 million bushels, for a total supply of 2.156 billion bushels. Domestic use for the year is projected at 755 million bushels, and the USDA expects exports to total 1.1 billion bushels. This would leave only 300 million bushels by next summer.

However, even the 300 million bushel carryover figure for next year is in dispute. Actual exports of wheat, bookings for shipment to specific countries and to unidentified destinations already total more than 1.3 billion bushels—far more than the Agriculture Department has predicted—and it is only three months into the new crop year.

This activity has sent wheat to the stratospheric price of $5.43 a bushel, triple what it was little more than a year ago.

USDA officials argue that much of the early buying has been precautionary to insure against the possibility of future export controls on wheat and that there is a lot of "water" to be squeezed out of the figures. Others are not so sure. The problem is that no one knows.

Conceivably, even if very little further purchasing takes place, next year's carryover would be drawn down to 200 or 100 million bushels or less, barring application of export controls at some point and the cutting of previously signed contracts—a repeat of the soybean situation.

The small carryover figure itself is decentive, because in the aggregate it masks the possibility that some desirable categories of wheat used for baking or noodle products would disappear entirely. Also, the very last part of carryover stocks are often in the worst condition due to long storage and often have reduced protein content.

For the 1974 wheat crop, the first tentative estimates put out by the USDA predict another record, up nearly 10 per cent to 1.9 billion bushels.

But even with reduced export expectations contained in the department's 1974–75 figures and using the optimistic 300 million bushel carryover for next year, the carryover by 1975 is put at just 405 million bushels.

What this means is that in 1975 after two years of all-out record production, the amount of U.S. wheat reserves will be even less than they are coming into this crop year, and the price may be anybody's guess.

If the U.S. or any other government were to stockpile from the domestic crop during the next two years, it would put even a greater strain on supplies for current use and greater upward pressure on prices.

SENATE—*Tuesday, September 25, 1973*

The Senate met at 9 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou who art the hope of the world, hasten the coming of Thy kingdom on Earth. Establish Thy rule within us. Enter our minds with Thy truth and dwell in our hearts with Thy righteousness and compassion. Establish Thy rule in our common life. Enter into our homes, our schools, our legislative assemblies and churches, our industry and commerce, our cities and countryside, our diplomatic and military services that the world may be turned from sin and sorrow and destruction toward truth and justice and the city of God; through Jesus Christ our Lord. Amen.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, September 24, 1973, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I would just like to suggest to the cloakroom to remind Senators that after the first rollcall vote today, all subsequent rollcall votes will consume only 10 minutes, in accordance with the order of yesterday, with the warning signal to be sounded after the first 2½ minutes.

The PRESIDENT pro tempore. Does the Senator from Pennsylvania desire to be recognized at this time?

Mr. HUGH SCOTT. Mr. President, I yield back my time.

The PRESIDENT pro tempore. Under the previous order the distinguished Senator from Idaho (Mr. CHURCH) is now recognized for not to exceed 15 minutes.

Mr. CHURCH. Mr. President, my principal purpose this morning is to introduce a resolution calling for Senate review of the SEATO alliance, but before doing so I should like first to turn to another subject.

THE NATIONAL WATER COMMISSION REPORT: A LURKING THREAT TO IDAHO WATER

Mr. CHURCH. Mr. President, as chairman of the Senate Interior Committee's Subcommittee on Water and Power Resources, I have been conducting a series of hearings on the report of the National Water Commission. The hearings thus far have raised several alarming issues in terms of the future of agriculture in Idaho and the Pacific Northwest.

If the Commission's recommendations become national policy, it is clear to me that the Federal reclamation program, which has contributed so greatly to irrigated agriculture in the West, would come to an end. Not only would the newly proposed standards render new irrigation projects unfeasible, but they might well raise insurmountable barriers to all kinds of multiple-purpose water projects in the future.

For example, one wonders who the "direct beneficiaries" of a large flood control project might be, and how they could be separated out from the rest of the inhabitants of the downstream drainage basin, in order to assess them for their pro rata share of the cost? The practical difficulties of such a calculation boggle the imagination.

The report, in general, moves in the direction of terminating Federal support for water development programs. The Commission explicitly bases its conclusions on the assumption that the production of food and fiber need no longer be encouraged. This is reflected in the testimony before the subcommittee that "since the West has been won, there is no reason to provide additional interest-free money for new irrigation development in the 17 Western States as provided in the Federal reclamation laws." It is also embodied in the Commission's suggestion that additional water supplies for municipal and industrial uses in the arid regions of the West could be obtained by decreasing irrigated lands.

In the face of the sudden shortages of agricultural products, this suggestion seems a bit ludicrous. But, after all, the report is the result of a 5-year study, the basic data for which was collected—and most of the consultants' contributions were prepared—before our agricultural picture began to change. As a result, the National Water Commission's recommendations are already out of date.

Today, the American farmer is the most efficient in the world. It is preposterous for the U.S. Government to hobble him at a time when the country must buy increasingly larger quantities of its mineral and fuel requirements from abroad. An up-to-date public policy should look toward unshackling American farmers, in order that they may export more food, once our own needs at home are adequately met. In this manner, we can earn the foreign exchange necessary to pay for our burgeoning imports of petroleum and other raw materials. Given the markets of a hungry world, the American farmer may well become our indispensable producer who enables this country to stay solvent in its international accounts. One can hardly conceive of a more inappropriate time to advocate what, in effect, would be the shutdown of Federal reclamation.

Another of the Commission's specific recommendations raises a warning flag for Idaho. The Commission urges the repeal of the hard-won legal moratorium against Federal studies for diverting water out of the Columbia Basin.

There are vast tracts of fertile, arid lands in Idaho, Oregon, and Washington which, with adequate irrigation water, would support a rich agricultural economy. Idaho, alone, has between 4 and 6.5 million desert acres of potentially irrigable lands. The region is still sparsely populated and could provide an alternative lifestyle for many of its young people who would prefer not to migrate to the big cities. Furthermore, there will be added demands for domestic, industrial, and municipal water supplies for our own growing communities. And abundant water—whether drawn deep in natural lakes and manmade reservoirs, or left wild and free-flowing—is essential to the fulfillment of our great potential for outdoor recreation.

So, we will need accurate projections and careful planning if we are to guarantee ourselves sufficient water supplies for the future. Furthermore, we must meet these needs without destroying the purity and natural grandeur of our rivers which are so important to the quality of life indigenous to the Northwest.

A comprehensive inventory of our future water needs has not yet been completed. In 1968, the Idaho delegation joined with other Northwest Senators to impose a 10-year moratorium upon any Federal participation in schemes to divert water from the Columbia Basin to the Southwest, so that adequate time for planning would be available. The National Water Commission would do away with this protective legislation, leaving in its place nothing more substantial than the doctrine that those who get our water should be required to pay for it. Meanwhile, according to the Commission, interbasin water diversion studies should go forward, whether or not the Northwest has had enough time to calculate its future water requirements.

Mr. President, Congress must not permit the Commission's recommendations to be transformed into Federal policy without specific congressional consent. The subcommittee's hearings with members of the Water Resources Council, failed to elicit the administration's position with respect to the National Water Commission's report. Although recent decisions by the administration appear to reflect the same negative attitude toward Federal participation in water resource development, no exectuive department has yet taken a position, pro or con, on the specific recommendations of the National Water Commission. My subcommittee will continue its surveillance, holding such hearings as may be required, to make certain that neither the National Water Commission nor the executive departments of the Government, usurp the right of Congress to formulate water policies. In this regard, I shall continue to provide the Senate with reports on our oversight activities.

Recently, an editoral appeared in the South Idaho Press of Burley, Idaho, which concisely spelled out the dangers in the Commission's recommendations for Idaho, the Northwest and other reclamation States. Written by William E. MacKnight, general manager of the Press, the editorial is an accurate summary of what is in store should these recommendations be adopted. I ask unanimous consent that it be printed in the Record, as well as an article written by John E. Simonds, of Gannett News Service, published in the Idaho Statesman on June 29, 1973, entitled, "Water Share Plan for West Criticized." Mr. Simond's column sums up the danger facing the Northwest if the recommendations of the National Water Commission were to become the governing law.

There being no objection, the editorial and article were ordered to be printed in the Record, as follows:

[From the South Idaho Press, July 20, 1973]

Church Warns of Water Struggle

The die has been cast and the table has been set in Washington for the diversion of interbasin waters in the western states. Sen. Frank Church has sounded the warning to his constituents in Idaho by opposing the recommendations of the National Water Commission which can pave the way for water diversion from the Pacific Northwest and elsewhere throughout the nation where Congress can establish need.

As chairman of the Sub-Committee on Water and Power Resources of the Senate Interior Committee, Sen. Church is in a unique position to help the water states of which Idaho is a key member in their battle to hold onto these vital resources.

In a statement released from Washington Monday, Senator Church made these observations on the current hearings relative to the recommendations of the National Water Commission:

"If adopted by Congress, the commission's recommendations would spell the end of the federal reclamation program as we have known it in the West," Church said.

"Furthermore, the commission's recommendations, if adopted, could open the way to interbasin water diversions such as those proposed from Idaho and the Northwest to California and the Southwest."

"I strongly oppose such diversion," emphasized the senior senator from Idaho.

The hearings started the latter part of June and will continue into August on the recommendations of this five-year study. Commission Chairman Charles F. Luce and members of the commission do not identify with reclamation in a single instance. Luce is a former Bonneville Power administrator whose background has little relation to reclamation or agriculture. The recommendations are biased against reclamation states.

Consequently it is necessary for water users of Idaho to oppose the recommendations with all their might. There has been one safeguard provided Idaho the last six years and that is the ten-year moratorium against studies to divert the Snake River. We are nearing the end of that period. In fact, Congress upon the influence of other powerful lobbies and state delegations could abort the moratorium. Idaho's basic growth has been attributed to agriculture. The use of land and water is the principal reason for the achievement of this empire, extending over the southern reaches of the state. Certainly we are headed for a showdown on water and land use. Sen. Church is out front in the leadership of this struggle. He needs support of the people who toil and sweat on the plains in one pursuit or another related to our basic economy.

[From the Idaho Statesman, June 29, 1973]

Water Share Plan for West Criticized

(By John E. Simonds)

Washington.—Sen. Frank Church, D-Idaho, greeted the formal report of the National Water Commission with lukewarm enthusiasm Thursday at a hearing of his Interior subcommittee on water and power resources.

Church and Sen. Mark O. Hatfield, R-Ore., both expressed skepticism about the commission's view that Congress could settle the problem of water-sharing between states in the Northwest, where it seems abundant. and those in the Southwest where it is scarce.

National water needs should overcome state considerations, the commission said, in effect, but Church and Hatfield called this unrealistic.

The commission, created in 1968 to study the nation's water resources, appeared before Church's subcommittee to discuss the 570-page document it completed two weeks ago, Charles F. Luce, chairman of the board of Consolidated Edison in New York, but originally from Washington State, headed the seven-member commission.

"If any of the recommendations of the commission are to be adopted as national policy," Church said, "they should be adopted only after adequate discussion and only in the form and to the extent that they can be supported in a comprehensive public debate. They must not be permitted to influence the future of federal water policy merely because they are the views of a prestigious commission."

The issue of "inter-basin transfers" especially set Church and Hatfield off against the commission. That is the movement of water from one region to another. Luce said New York has no problem doing it, getting much of its metropolitan water from the Delaware River basin, and he saw no reason why other states couldn't work out similar deals.

Church asked Luce what should be done if the people of Los Angeles decide they want the water that is plentiful in some neighboring state and that state refuses to cooperate. Luce said Congress could settle the dispute. Church laughed and reminded Luce that Congress had enacted a moratorium on such inter-basin transfers in the Northwest about five years ago just to head off such situations.

Such a moratorium was needed, Church argued, to allow time for the Northwest to assess its future water demands on the basis of its development before trading away the resource to the already developed Southwestern parts of the country.

"We were simply behind in our development in the Northwest," Church said. "That's why we wrote the moratorium into the law to give us a chance to catch up with our future needs . . . That's the reason I'm having difficulty with your recommendation to abolish the moratorium on inter-basin transfers."

(The remarks Senator Church made at this point on the submission of Senate Resolution 174, dealing with U.S. participation in the Southeast Asia Collective Defense Treaty and Organization, are printed in the Record under Submission of Resolutions.)

THE SCHOOL LUNCH PROGRAM

Mr. BUCKLEY. Mr. President, yesterday we considered and debated the school lunch program and, in the course of floor amendments, the Senate managed to add another $200 million to a bill which was already $200 million in excess of the amount approved by the House of Representatives.

I believe that the House version did not adequately reflect inflationary pressures on the school lunch program. I know in my own case—the Senator from Idaho (Mr. McClure) will speak for himself—I voted in favor of the final bill, because the conference will predictively cut back on the amount finally voted by the Senate. I want to take this occasion to urge the House conferees to recognize that 34 Members of this body voted against the Humphrey amendment and to urge them to stand firm in coming up with a package that is closer to the House version than the Senate's. Otherwise we will have chipped away still more on our determination to keep total Federal expenditures this year within fiscally responsible limits. I believe a compromise closer to the House version will more adequately reflect the inflationary pressures that we have in fact experienced in the cost of food. Should the Senate version prevail, relatively intact, significant opposition may develop on the Senate floor to the bill reported out by the conferees.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. BUCKLEY. I yield.

Mr. McCLURE. I am happy to commend the Senator from New York and to join with him in suggesting that the vote on final passage of the measure yesterday, in which both the Senator from New York and I voted "yea," should not be taken by the conferees as being the critical vote within the Senate, but, rather, the vote on the first Humphrey amendment which passed the Senate by a vote of 52 yeas and 34 nays.

I hope the Senate conferees, in going to conference, will keep that in mind and that the House conferees will be mindful of the strong minority action, and the result on the whole Federal budgetary process, which is lost as we address ourselves to appealing programs, but do not necessarily apply to ourselves any sense of fiscal responsibility.

I thank the Senator from New York for yielding to me and I also thank the Senator from Nevada for yielding us this time.

Mr. BUCKLEY. I also thank the Senator from Nevada and the Senator from Idaho.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask that the time be taken out of the time under my order.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATIONS AUTHORIZATION ACT, 1974

The PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the unfinished business, H.R. 9286, which the clerk will read.

The legislative clerk read the bill by title, as follows:

A bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

The PRESIDENT pro tempore. The pending question is on the amendment of the Senator from Nevada (Mr. CANNON), relative to the F–14, on which there will be 2 hours of debate.

Mr. CANNON. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. CANNON. Has the amendment been reported?

The PRESIDENT pro tempore. Yes. The amendment is the pending question. It was reported yesterday.

Mr. CANNON. Mr. President, I yield myself 15 minutes.

Mr. President, I am pleased to report today on the investigation of the F–14 program by the Armed Services Committee and its Tactical Air Power Subcommittee of which I am the chairman. In view of its importance, extensive hearings were held. The full hearing record is available in volume 7 of the authorization bill hearings for those who want to explore the program in detail.

We received testimony from Deputy Secretary of Defense Clements, Secretary of the Navy Warner, Admiral Zumwalt, Chief of Naval Operations, and other expert witnesses.

I want to express my deep appreciation to the members of the Tactical Air Power Subcommittee; namely, Senators SYMINGTON, JACKSON, NUNN, GOLDWATER, TOWER, and THURMOND, for their invaluable assistance during our extensive consideration of this program.

Today, Mr. President, I will present only a brief program history, recognizing that I have covered it at some length in prior years.

More importantly, I intend to cover the reasoning as to why the committee recommended $197.6 million in the authorization bill—denying the balance of $505.1 million—and why today I am introducing an amendment to restore $495.5 million—$505.1 million, less $9.6 million not needed as a result of the recent negotiations between the Navy and Grumman.

PRIOR YEARS FUNDING

The Congress has approved $3.5 billion for the F–14 program in prior years. This includes $1.063 billion for F–14A R. & D.; $370.5 million for F–14B R. & D.; and $2.070 billion in procurement funds.

The procurement funds have purchased 134 F–14's; namely, 6 in fiscal year 1969, 6 in fiscal year 1970, 26 in fiscal year 1971, 48 in fiscal year 1972, and 48 in fiscal year 1973.

Inasmuch as the total number of F–14's to be purchased is uncertain, the Navy added $1 billion in F–14A R. & D. costs to the $2 billion in procurement costs for the 134 aircraft. This gives a unit program cost of $23.3 million each. If the $370 million in F–14B R. & D. costs are added, the program unit cost is $26 million each.

Quite frankly, Mr. President, I find this a more realistic method of presenting the F–14 costs. We have already appropriated this money. We are well on our way to spending it. Consequently, it makes more sense to me to spread the R. & D. costs over the 134 aircraft on order.

Everyone should realize, of course, that concentrating nearly all the R. & D. funds in such a few aircraft makes them look expensive—which in fact they are—unless additional aircraft are purchased.

BACKGROUND

As the Members will recall, the Navy and Grumman signed the F–14 contract in February 1969. It was a fixed-price-incentive contract. It provided for research and development as well as firm-fixed-price options for production over an 8-year span.

The basic contract called for 469 aircraft and the Navy could increase or decrease any given lot by 50 percent.

This was one of the total package procurement—TPP—contracts where a contractor bound himself to a production price even before he commenced research and development. This type of contracting has fallen into disrepute for understandable reasons. Contractors have not been able to project with accuracy—years before they occurred—their actual production costs. Consequently, it was not unexpected to find nearly every company with this type of contract encountering significant financial difficulties, particularly in light of the explosive inflationary situation that has confronted the Nation. At times I think many of us fail to clearly appreciate the impact of inflation on the procurement of weapon systems, although we do fully recognize it with respect to those everyday staples we purchase such as meat, potatoes, bread, et cetera.

My personal long-standing view has been that the Congress should require adherence to the F–14 contract as long as reasonably possible in order to uphold the "integrity" of valid contracts. As a result of our committee's insistence, which the Congress has supported, the contractor has been compelled to deliver 134 aircraft under his contract with the Navy. In doing so his losses on the F–14 airframe contract are currently estimated at $256.3 million. After considering his profit on the spares and support items, his estimated loss is $205 million. In this regard, the contractor wrote off $65 million in losses in calendar year 1971 and $140 million in calendar year 1972. After taking into account his profit on other business and receiving tax refunds from prior year profits, the Grumman Corp. had a net corporate loss of 18 million in 1971 and $70 million in 1972. In addition, the company was denied commercial bank credit and was forced to obtain advance payments from the Navy to continue production.

In my judgment, I see no benefit to anyone in driving this or any other corporation into bankruptcy merely and solely for the sake of maintaining a legal principle, if such action is to the overall detriment of the Government.

I feel Grumman could not have taken the 50 aircraft in this year's budget under its old contract. To do so would have put them in bankruptcy. In addition, I doubt very seriously if Grumman would have accepted Lot V at ceiling—with an $80 million loss as a result—if they were told or knew they had to produce Lots VI and VII—179 aircraft—at cost. Grumman so testified. They probably would have elected a lengthy court battle where there would be no winners.

Therefore, I concur in the agreement reached in March of this year whereby the Navy agreed to negotiate the purchase of additional F–14's with Grumman on an annual basis commencing in fiscal year 1974. In consideration thereof Grumman agreed to produce the 48 aircraft in Lot V at its contract ceiling price, recognizing it would lose about $80 million in the process.

I should say parenthetically, Mr. President, that the Navy exercised the Lot V option on December 8, 1972, and Grumman rejected it on December 11 and directed its subcontractors to stop work pending a resolution of the problem.

After extensive negotiations the Navy and Grumman reached the agreement of March 8, 1973, mentioned above.

FIFTY AIRCRAFT IN FISCAL YEAR 1974 BUDGET

Now, Mr. President, I would like to cover the developments with respect to the 50 aircraft and $702.7 million in this year's bill. The President's budget initially requested 48 aircraft and $572 million in production funds, plus $57.4 million in R. & D.—$40.4 million for the F–14A and $17 million for the F–14B.

Secretary Clements testified on March 26, 1973, that the Defense Department had not reached a decision on the F–14 program. It was not until June 19, 1973, that the final administration request was presented to us. The procurement request was for $702.7 million for 50 F–14A's. The R. & D. request of $57.4 million remained unchanged.

The final request added 2 F–14A's—48 to 50—and increased the procurement request from $572 million to $702.7 million. OSD took $131 million in the budget for 10 Marine Corps' F–4J's and added it to the $572 million. The Marine Corps will now receive 25 percent of all F–14's on order instead of F–4J's.

MARINE CORPS SWITCH TO F–14

Although the Marine Corps testified before the full committee that it desired F–4J's, it subsequently changed its position on June 19, 1973, in testimony before our subcommittee when the commandant testified he desired F–14 aircraft instead of the F–4J. His rationale was based on defending the offshore naval ships supporting future Marine amphibious landings as well as providing air cover for marines on the ground.

General Cushman said the Marine Corps had always recognized the F–14 as a very capable aircraft, but had been told by a previous Secretary of the Navy it could not receive F–14's. Hence, the Marines opted for the F–4J only to learn from the current Secretary of the Navy that they could now receive F–14's to meet the requirement mentioned above. Hence, the current program provides that the Marine Corps will receive 68 F–14's to outfit four squadrons.

SUBCOMMITTEE DECISION

The final procurement request of $702.7 million included $334 million for the airframe. This amount goes to Grumman and the balance is distributed between the engine and avionics manufacturers, and so forth. What concerned the subcommittee primarily was the fact we were authorizing funds for 50 F–14's and yet no agreement had been reached between Grumman and the Navy as to what the price would be. As a result of this uncertainty, the subcommittee authorized $197.6 million and denied the balance of the request for $505.1 million.

The $197.6 million would fund the program through December 1973. The Navy stated it would take until the end of December to complete negotiations for 50 aircraft. I felt this was unacceptable. On July 20 I wrote Secretary Clements advising him of our reasons for denying the $505.1 million.

I told him that in addition to our concern over current pricing, the subcommittee was concerned with the fact that lots IV and V had not been completely definitized, and the delivery schedule was uncertain.

It was my recommendation that the Navy and Grumman complete their negotiations and establish a firm price by the end of August 1973.

I was pleased to receive Secretary Clements' response on August 30, 1973, informing me that the Navy and Grumman had completed intense negotiations during August and reached an agreed-upon price for the 50 aircraft in this year's budget. In addition, the other areas of concern I mentioned to Secretary Clements were also satisfactorily resolved. I ask unanimous consent, Mr. President, that my letter to Secretary Clements and his reply be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

JULY 20, 1973.

Hon. William P. Clements,
Deputy Secretary of Defense,
The Pentagon,
Washington, D.C.

My Dear Mr. Secretary: Yesterday the Tactical Air Power Subcommittee completed its action on the FY 1974 budget request. I felt it would be helpful to inform you of our decision on the F–14 program.

As you recall, it was not until June 19th of this year that the Administration's position was presented for our consideration. Therefore, although I had hoped to hold hearings earlier, it was not possible to do so.

The subcommittee denied the request to initiate the F–14D/F–15N prototype program. It was felt insufficient justification existed to embark on a program that might cost several hundred million dollars which would produce only two aircraft of each type. I believe computer analyses would probably suffice to demonstrate the capabilities of each aircraft. However, if you wish to recommend a prototype program next year, it would be given serious consideration. I do feel that it should be far more austere from a financial standpoint and the need for it over and above what is already available should be demonstrable.

The subcommittee deliberated at considerable length over the $703 million request for the 50 F–14s. In view of the agreement reached earlier this year, to not enforce the contract further, the subcommittee felt it should know more precisely what the cost of the 50 F–14s in this year's budget will be. Therefore, we will recommend to the full committee the $197.6 million necessary to fund the program through December 1973. We denied the balance of the request amounting to $505.4 million.

As you know, Grumman and the Navy are scheduled to complete negotiations on the price of the 50 F–14s by the end of December. Quite frankly, I cannot understand why it should take six months to reach an agreed upon price when we have already bought 134 aircraft. It is my judgment these negotiations could be completed by the end of August so as to permit the Navy to present its case to us in September.

I recognize further that negotiations are not complete on Lots IV and V which were authorized in FY 1972 and FY 1973. I find this frustrating even in the light of the difficulties over Lot V. In addition, there is uncertainty over the agreed upon delivery schedule for Lots IV and V, and this year's buy. Until this situation is settled, the cost situation will remain unstable.

The committee's action will direct the Navy to present its justification to the Congress, including a negotiated contract ready for signature with Grumman, in order for us to make a determination on funding the remaining $505.4 million. If the Navy waits until December to conclude its negotiations, the Congress would have to consider the matter in January in a supplemental which, of course, could be quite difficult.

I believe you share my concern on this program and therefore urge you to recommend that the appropriate officials of both the Navy and Grumman proceed with dispatch. I am sending a copy of this letter to the Secretary of the Navy for his information.

With kind personal regards, I am,
Sincerely,

Howard W. Cannon,
Chairman, Tactical Air Power Subcommittee.

The Deputy Secretary of Defense,
Washington, D.C., August 30, 1973.

Hon. Howard W. Cannon,
Chairman, Ad Hoc Subcommittee on Tactical Air Power, Committee on Armed Services, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: In your letter of July 20, 1973, you advised me of the Subcommittee's decision to recommend authorization of $197.6 million to fund a FY 1974 program for 50 F–14A aircraft through December 1973. The balance of our request, amounting to $505.4 for this program, was denied pending consideration by the Committee of further justification of the program by the Navy, including a negotiated contract for the 50 aircraft which is ready for signature by Grumman. You expressed the view that negotiations for this contract should be completed by the end of August to permit presentation of our position on the F–14A to Congress in September.

Your letter also recognized that negotiations were not yet complete on Lots IV and V which were authorized in FY 1972 and FY 1973 and that uncertainty remained over an agreed upon delivery schedule for these lots as well as over the proposed FY 1974 procurement.

The Navy has now completed negotiations on these matters, and the Secretary of the Navy has advised me that Lots IV and V have now been definitized and that a contract with Grumman for a 50 aircraft FY 1974 procurement has been drawn.

The Negotiations concerning the FY 1972–73 procurements of Lots IV and V have been definitized in firm-fixed-price contracts setting forth the delivery schedule shown on enclosure (1). An equitable adjustment of $18.3 million was made in Lot IV covering a six-month slip in the commencement of that Lot due to the effects of the crash of aircraft number one and covering tooling to increase production from four to six aircraft per month in order to recover the schedule. Lot V was definitized at the contract ceiling price with no adjustment.

The FY 1974 contract for the 50-aircraft program upon which the Navy and Grumman have agreed is a fixed-price incentive instrument with an 80/20 share pattern on a target cost of $281.5 million, a target profit of $25 million—8.9%, a target price of $306.5 million and a ceiling of $325 million for the airframe and an integrated logistic support program. We therefore will require an FY 1974 F–14A total program amount of $693.1 million instead of the original request of $702.7 million (see enclosure 2).

These actions, Mr. Chairman, are, I believe, consistent with the views and recommendations expressed in your letter of July 20, 1973. Accordingly, I request that the Committee authorize $693.1 million for the purchase of 50 F-14A aircraft in FY 1974.

We do not plan to make any public announcement concerning the facts in this letter until the legal contract has been consummated between the Navy and Grumman; when that has been accomplished we would plan to make a normal contract announcement after informing the Armed Services Committee of that through our normal liaison procedures.

I assure you of my continuing interest, and that of the Secretary of the Navy, in cost reductions wherever wise and possible as the F-14 program proceeds at a carefully monitored and orderly pace.

Sincerely,

W. P. CLEMENTS, Jr.

ENCLOSURE (2)

F-14A/F-4J BUDGET REQUEST FOR FISCAL YEAR 1974

	Fiscal year 1974 original request	Fiscal year 1974 revised request	Fiscal year 1974 current estimate
FY 14A	(48) 455.0	(50) 594.5	(50) 584.9
F-14A adv. proc. CY	75.8	55.0	55.0
F-14A initial spares	41.2	53.2	53.2
F-4J	117.6		
F-4J adv. proc. CY	8.0		
F-4J initial spares	5.1		
Total	702.7	702.7	693.1

Note: All estimates based on ceiling prices.

ENCLOSURE (1)

FISCAL YEAR 1972-1974 F-14A—DELIVERY SCHEDULE

	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
LOT IV (Fiscal year 1972) 48 A/C		1[1]	5	5	5	5	5	5	4	4	4	5																	
LOT V (Fiscal year 1973) 48 A/C													5	5	5	5	5	5	6	6	6								
Fiscal year 1974 50 A/C																						6	6	6	6	7[2]	6	7[2]	6

(Fiscal year 1974 schedule per solicitation No. N00019-73-Q-140)

[1] 4 additional aircraft from Lot III scheduled for delivery in September.

[2] Does not constitute requirement for additional tooling over that provided in Lot IV negotiations.

Mr. CANNON. As Secretary Clements indicates, the request for $702.7 million can be reduced to $693.1 million, a reduction of $9.6 million, as a result of the negotiations between the Navy and Grumman.

Inasmuch as the Defense Department has responded affirmatively to the areas that led the subcommittee to deny $505.1 million in F-14 funds, I am introducing an amendment to the authorization bill which will add $495.5 million to the $197.6 million already in the bill, for a total F-14 authorization of $693.1 million. My amendment provides that not more than $693.1 million can be spent and that not less than 50 F-14's must be produced for that sum.

NAVY-GRUMMAN NEGOTIATIONS FOR 50 AIRCRAFT

Mr. President, now I would like to explain a few of the important highlights relative to the negotiations between Grumman and the Navy. Everyone should realize that these 50 aircraft will be produced between May and December 1975. Therefore, both the contractor and the Navy must estimate costs substantially in the future. The cost to produce the 50 aircraft was negotiated at $281.5 million. This is known as the target cost. A target fee of $25 million—8.9 percent—was agreed to, for a total target price of $306.5 million. A ceiling price of $325 million was agreed to, and this is important to bear in mind. This is a fixed-price-incentive contract with an 80/20 cost-sharing ratio. What does this mean? It means that for every dollar spent by the contractor over $281.5 million the Government pays 80 cents and the contractor pays 20 cents. If the costs exceed $325 million, the contractor pays all costs over that amount.

Let me put it another way. If Grumman's actual costs exceed the current estimate of $281.5 million by 10 percent, their fee will be cut to 5 percent. If their costs are 15.4 percent over the target cost of $281 million, they will not make 5 cents on these 50 aircraft.

A major consideration is the fact Grumman desired a ceiling price of $340.5 million. This was reduced to $325 million during negotiations. The $325 million is the Government's maximum liability. My amendment so provides and only permits normal technical changes thereto. In my judgment, that is primarily what we are interested in. If they produce the F-14's at a lesser cost that is fine, and is beneficial to both the Government and the company. But what the Congress needs to know is its maximum liability.

No one can predict with certainty what these planes will actually cost. We have learned regretful lessons in the past on this and other weapon systems. However, I believe sufficient cost data are available to conclude that the 50 aircraft can be produced within the $281 to $325 million area.

Of course, everyone will probably not be satisfied. There are those who may talk about a "bailout" if we authorize the $325 million, and there are those who may say "buy-in" if we use the $281 million figure. That is why, in my judgment, it makes good sense to use a fixed-price-incentive contract, recognizing the fact that the actual costs will be somewhere in between.

NEW UNIT COST

The target price of $306.5 million equates to a unit price of $6.1 million per aircraft. If the contractor goes to the ceiling price of $325 million, then each F-14 could cost the Government $6.5 million. These are Grumman costs and do not include the cost of the engines and the avionics.

If we use the $325 million ceiling price, as the airframe portion of the cost, the flyaway cost per aircraft will be $10.8 million each. Including the spares and support equipment, the procurement cost per aircraft will be $13.9 million each. If we include the R. & D. costs in this year's budget, then the program unit cost for each F-14 is $14.7 million each. I think this is important to bear in mind, Mr. President—that is, the F-14 cost the Congress is examining today for the 50 aircraft in this year's budget.

People will ask the reasonable question: "How does the negotiated price for 50 aircraft compare with the original 1969 price for 50 aircraft?" It is a reasonable question, but somewhat difficult to answer. The reason being, that there are changes in the monthly delivery rate; provisions for abnormal inflation; inclusion of modest engineering change orders; and other variables having costs associated with them. However, the best available estimate indicates that Grumman's airframe price has increased approximately $1.8 million, from $4.640 to $6.5 million each. This increase is reflected in the flyaway cost and procurement cost that I mentioned in the previous paragraph.

I have already explained that the $1 billion in research and development has been amortized over the 134 F-14 aircraft previously purchased. People continually ask me what will the F-14 cost in the future and my constant answer is that it depends on many factors, most importantly, how many F-14's will ultimately be purchased, at what monthly rate will they be produced, what will be the annual rate of inflation, and many other constantly changing variables. We must realize this is not a precise art.

COST OF 179 AIRCRAFT—134 TO 313

Mr. President, the total number of F-14's to be purchased is uncertain. However, the number most frequently testified to as the requirement is 313 aircraft. Therefore, people may ask how much will it cost to buy the 179 remaining aircraft to complete the purchase of 313 planes. Quite frankly, I am somewhat reluctant to get into the game of projecting costs too much in the future. I would rather have the Congress review the justification and wisdom of purchasing the 50 aircaft in this year's bill rather than speculating too far into the future. Why do I say this?

What gets everyone into difficulty, including the weapons systems themselves, is extensive speculation on future costs when we really do not have enough data to be accurate. Then when an original estimate is proven wrong because of insufficient data, everyone becomes agitated and talk about "cost overruns." Seldom does anyone stop to consider the basic unknowns, uncertainties, and outright guesswork that went into the original estimate. Generally, I have no criticism for those well-intentioned people who, no matter how thorough, cannot accurately predict the future. We all recognize this can be a hazardous business.

I stress, Mr. President, that there is no magic formula that will ever permit the Government to predict with certainty what a weapon system will cost when the research, development, and procurement phases cover many years and the unknowns of inflation, lack of stability in Government procurement, and many other unforeseen events that cannot be predicted.

With this caveat and background I will now offer the projected cost estimates to buy 179 additional aircraft over the next 4 years—including the 50 in this year's bill.

The total program cost to buy 179 planes will increase from $1.7 billion under the original contract to $2.8 billion if current cost estimates are correct. Therefore, the total F–14 program cost for 313 aircraft is presently estimated at $6.3 billion and the program unit cost per plane is $20.1 million each.

The "flyaway" unit cost will be $11.8 million each and the procurement unit cost will be $15.7 million each. This represents an increase from $8.3 to $11.8 million in flyaway costs and from $9.7 to $15.7 million in procurement costs.

The $3.5 million increase in flyaway cost—from $8.3 to $11.8 million each—consists of four major factors:

First. To purchase 179 aircraft "at cost" rather than enforcing the 1969 contract with Grumman increases the cost $260 million or $1.45 million per aircraft.

Second. To stretch the production of 179 aircraft from 2 to 4 years—88/91 to 50/50/50/29—adds $209 million or $1.16 million per aircraft.

Third. To pay an estimated $88 million in profit adds $500,000 per aircraft.

Fourth. About $68 million in added cost; that is, $15 million for engineering changes and modifications over 4 instead of 2 years, and $53 million for the cost of Government-furnished equipment over 4 instead of 2 years.

The reason procurement unit costs jumped an additional $2.5 million per aircraft is due to, first, $338 million in support costs to fund eight rather than three carriers and the addition of two Marine Corps sites, and second, $120 million in added spares costs for eight vice five carriers plus two Marine Corps sites.

DELIVERY SCHEDULE

At the time of our hearings in June, Grumman was behind in meeting its F–14 delivery schedule. Only 27 of 35 scheduled aircraft had been sold to the Navy. The primary problem was in achieving a fully production-configured aircraft and stepping up its production rate to four planes per month.

This caused concern. In addition, there was some uncertainty over what the legally binding schedule was and whether Grumman, at some point, might put in a claim in this regard. I registered my concern to Secretary Clements. In his response I was pleased to see that a mutually agreed upon delivery schedule has been established. It calls for nearly five planes a month from September 1973 until early 1975.

The 50 aircraft in this year's budget will be delivered between May-December 1975 at the rate of 6 per month—except 7 in 2 months.

Grumman delivered F–14 No. 35 on September 14. Planes No. 36–37–38 flew over the weekend of September 15. Lot III of the contract will be complete with delivery of No. 38. No. 39 will fly during the week of September 17 and will be the first fully production configured aircraft.

A staff visit to the plant last week disclosed Grumman has added 300 people to its two final assembly plants, bringing the work force there to about 3,000. They are working two shifts, 10 hours each day, and a 6-day week in order to get production up to five planes per month. This involves substantial overtime. I hasten to add that these are Grumman and not Government incurred costs, because Lots III, IV, and V are being produced under the ceiling price of the original contract. Therefore, I think they have taken constructive action to get this plane on a solid monthly production basis. This is a positive action to address the problem. I expect Grumman to reach and maintain the new mutually agreed upon delivery schedule in the future.

PERFORMANCE OF THE F–14

Mr. President, unfortunately everyone spends nearly all of the time talking about the cost of the F–14 without mentioning the fact that technically this aircraft is performing splendidly in the air. As of August 29, 1973, there had been over 5,000 flight hours. The aircraft assigned to the training and operational squadrons are attaining over 30 flying hours per month per aircraft versus the 15 projected at this point in the program. The F–14 demonstrated this year a marked and significant air combat superiority over the latest F–4—the slatted F–4J—achieving eight kills in eight combat engagements. It demonstrated remarkably well at the Paris Air Show and I know Senator GOLDWATER can comment on that as he witnessed the demonstration and, more importantly, he has flown the F–14.

The Phoenix missile together with its AWG–9 fire control system has achieved remarkable progress this year. For example, four Phoenix missiles were launched simultaneously and shot down four targets simulating enemy fighters. This had never been done before. The Phoenix intercepted a Foxbat-type target above 80,000 feet and mach 2.2. The F–14 radar can detect a Foxbat-type target at over 125 nautical miles. The Phoenix missile has been launched at a target over 110 nautical miles away and scored a hit.

The F–14/Phoenix has looked down at three targets below 5,000 feet from high altitude and shot them down which has never been done before. On one of the shots the F–14 was at 20,500 feet and launched a missile at a target 20.2 miles away simulating an enemy cruise missile at less than 500 feet and scored a direct hit.

There are other technological achievements that I shall not go into, Mr. President, but I do want to assure the Members that this aircraft and its Phoenix missile system will give the Navy an outstanding capability against enemy aircraft. It is a capability I believe essential to our national security. It is the only airborne weapon system with a capability against submarine or surface-launched cruise missiles.

PHOENIX MISSILE

Although the Phoenix missile costs are not a part of the F–14 airplane costs, it should be mentioned that the fiscal year 1974 budget contains $97.8 million to purchase 240 production missiles.

In prior years the Navy has bought 592 Phoenix missiles—37 R. & D. and 555 production—at a cost of $540.2 million—$164.6 million in R. & D. and $375.9 million in production funds.

The Phoenix missile test program is proceeding extremely well. As a matter of fact, the last 19 Phoenix missiles shot from the F–14 have been successful hits.

PROTOTYPE PROGRAM

The Defense Department requested authorization for $150 million to initiate an F–14D/F–15N prototype program. Secretary Clements estimated the total cost to be $250 million and indicated that he would obtain the $150 million this year from other sources in the budget.

The subcommittee unanimously concluded that insufficient justification existed to initiate a prototype program that would cost, in our judgment, over $367 million to produce only four test aircraft.

It was our view that an actual flyoff could take place between the F–14/F–15 if the Defense Department believed it advisable without building prototype aircraft for this purpose.

Mr. President, it is not humanly or financially possible for our Government to purchase weapon systems with significant technical capabilities without spending some commensurate sum of money to buy that capability. I stress again that we cannot go down to the local 10-cent store and get aircraft or weapon systems with the capability necessary to cope with potential aggressors, particularly the Soviet Union which has made rapid advances technologically in recent years and which continues to do so.

I share, Mr. President, the constant concern of the distinguished Members of this body who are vitally concerned with weapon systems costs, but I cannot use that as a the sole decisionmaking barometer in the face of the expanding Soviet bloc military capability.

Mr. President, for the many reasons cited in my remarks, I urge the support of the Senate to adopt my amendment which will provide a total of $693.1 million to buy 50 F–14A's in fiscal year 1974.

Mr. JAVITS. Mr. President, will the Senator yield me about 3 or 4 minutes?

Mr. CANNON. I am delighted to yield the Senator from New York 3 minutes.

THE F–14: A PRUDENT DECISION

Mr. JAVITS. Mr. President, in its report on the military authorization bill the Senate Armed Services Committee deleted $505.4 million from the $703 million for the procurement of 50 F–14A aircraft. The committee based its decision on the fact that at the time it acted the Navy and Grumman Aerospace Corp. had not finalized a binding contract for fiscal year 1974 F–14 purchases, and the delivery schedules of lots IV and V—the fiscal year 1972 and 1973 purchases—

were uncertain, resulting in an unstable cost situation.

These issues which prompted the committee deletion have now been resolved, and the requirements established by the Armed Services Committee in its report have been met. As of August 31, Grumman and the Navy have agreed on cost adjustments and delivery schedules for both lots IV and V and have reached a fixed-price incentive contract for the purchase of 50 F-14A in fiscal year 1974 at a total program cost of $14.9 million per plane. Grumman has indicated that it is prepared to sign the contract thus making it final and legally binding, as soon as the Naval Air Systems Command obtains the required approvals.

Furthermore, I am informed that a majority of the Armed Services Committee is in agreement that the criteria established in the committee report have now been met and that it is now appropriate to proceed on schedule with this very important program. I am a cosponsor of Senator CANNON's amendment to restore full funding for the F-14 in fiscal year 1974 and I urge all Senators to support it.

There is virtually no debate on the question of the F-14's technical proficiency. Over 5,000 hours of F-14 flight experience indicates that the F-14 meets or exceeds all of its performance requirements; it is perhaps the world's most capable fighter aircraft. There is simply no comparison between the F-14 and the Navy's present front line fighter-bomber, the F-4 Phantom. But, more importantly, the F-14 is the only plane the Navy will have in the second half of this decade and in the 1980's capable of dealing with the considerable and very evident surge in the development of tactical aircraft by the Soviet Union. The evidence is considerable that if the United States is to deal adequately with the threat posed by the Soviet Union's Mig-25 and other modern aircraft, our fleet needs the F-14 and its Phoenix missile system. No other plane in our Nation's present inventory can meet this threat with a reasonable chance of success.

The area where this is most immediately likely to be put to the test is in the Mediterranean and the Mideast. American deterrent power in that critical region of superpower tension is concentrated in the 6th Fleet, the backbone of which is our carriers and their aircraft. The 6th Fleet's deterrent capability in the decade ahead depends very largely on the F-14, a fact borne out by the Shah of Iran's decision to purchase 13 F-14A's.

The achievement by the U.S.S.R. of strategic parity in the nuclear field raises new dangers and new possibilities of threats in the conventional field. In many areas the Soviet Union enjoys clear advantages with respect to conventional capabilities. If the achievement of nuclear parity serves to cancel out our own nuclear strength in crisis situations, the readiness and capabilities of U.S. conventional forces becomes critical.

The question surrounding the F-14 has not been the plane's capability but its cost—$14.9 million per aircraft is a lot of money. However, there is no viable alternative. A cheaper but second-class fighter unable to meet the needed capability would be a waste of money and it would take years to develop—and with rising defense costs there is no guarantee that it would in fact be cheap. Even vastly improved versions of present fighters, the F-4 for instance, just do not compare with the F-14 and more importantly cannot adequately meet the foreseen threat.

The Senate is being called upon to make a judgment on a weapons system which can make a significant difference on the question of adequate security in the Middle East and the world. In this context, I believe that the best interests of peace and of our Nation's security will be served by sustaining the F-14 program.

Finally, Mr. President, there is the question of the impact of forcing a major cutback of the F-14 program on Suffolk County, Long Island, N.Y. This county, where Grumman Aerospace is building the F-14, has experienced extraordinarily high unemployment during a period when the rest of the Nation experienced a period of prosperity, and a cutback now would work a severe hardship on the workers and companies of Long Island. The F-14 is produced by a company with unparalleled experience and an international reputation for exceptional technical excellence.

I strongly urge adoption of Senator CANNON's amendment for full funding to be restored to the F-14 program.

Mr. President, it is very well known that this particular aircraft is made in Suffolk County of the State of New York, and is indispensable to the economy of that county, which has a high and rising unemployment rate. Also, Mr. President, it is known that I have very conservative views on the expansion of weapons systems, any weapons systems, and the general expansion of the military operations of the United States.

None of these facts, however, is inconsistent, in my judgment, with my responsibility respecting this particular weapons system. It can make a very significant contribution to that kind of prudent returns which will induce us to make further SALT agreements in respect of continuing to sustain nuclear parity, which is, I think, very much in the long term and overall interests of both the United States and the Soviet Union.

In addition, this is essentially a defensive weapon to protect the United States against international situations which may require an effective defense by our country. I have always subscribed to an effective defense. I believe that the description that the Senator from Nevada (Mr. CANNON) has given shows that this is a very prudent purchase as it stands now. I find the diplomatic as well as the strategic situation to be entirely compatible with this weapon.

Therefore, Mr. President, I believe this is a place where the national defense requires greater emphasis rather than less, and though, as I say, my State has a direct interest, it is still my duty as a Senator of the United States to support what I think is desirable in the total complex of security for our country. I therefore strongly support the amendment of the Senator from Nevada (Mr. CANNON).

Mr. SYMINGTON. Mr. President, will the Senator yield for a question?

Mr. CANNON. I am delighted to yield.

Mr. SYMINGTON. What is the total program cost? How many are we now asking for, how many F-14's, and what is the total program cost, based on the money expected to be spent for those airplanes?

Mr. CANNON. I spelled that out quite precisely in my talk here. As I pointed out, it depends on the number of aircraft to be purchased, and it depends, again, on whether the R. & D. is written off over the aircraft already purchased. As I said, the best available estimate indicates that the Grumman airframe price now will be $6.5 million each.

Mr. SYMINGTON. That cannot be the program cost.

Mr. CANNON. No, that is not the program cost. That is the new unit price with Grumman for the airframe.

Mr. SYMINGTON. I am sorry not to hear all the able Senator's talk, although I did hear most of it. On this question I submitted a series of questions and received answers only yesterday afternoon. I understand that the distinguished Senator from Wisconsin has not yet received answers to some questions he asked. We have some half billion dollars of the taxpayers' money riding on this amendment, and I believe it ought to be thoroughly explored. I am sorry we cannot obtain an estimate of the cost of the F-14. It has been said the program cost already is between $20 and $22 billion.

Mr. CANNON. I can give the Senator an estimate, all right.

Mr. SYMINGTON. Thank you.

Mr. CANNON. As I said, it depends on many things. It depends on whether we go to 722 aircraft, as was originally envisioned, or 313. The basic figure is now 313. We have to use that as the best estimates, 179 of the 313 are not yet under contract. If we use the best estimate now, for 313 aircraft, the program cost estimate is $6.3 billion.

Mr. SYMINGTON. The program cost is $6.3 billion?

Mr. CANNON. $6.3 billion, for 313 aircraft.

Mr. SYMINGTON. What is it for the number of aircraft currently under contract? In other words, if you take all the money authorized for the F-14 and divide that by the number of aircraft, what is that amount?

Mr. CANNON. On page 1 of my statement I have gone through that quite carefully and have pointed out that we have spent $3.5 billion so far.

Mr. SYMINGTON. For how many?

Mr. CANNON. 134 aircraft. That includes all of the R. & D. for the F-14A. It includes $2.07 billion in procurement funds.

Mr. SYMINGTON. 134 aircraft. Could I ask the able Senator, what is the total amount that has been expended?

Mr. CANNON. $3.5 billion has been approved in prior years. That is for the 134 aircraft.

Mr. SYMINGTON. We have a figure

of $3,733,800,000, which would give a unit cost of some $27,900,000 apiece, program cost. Let us get together on this price and work it out.

Mr. CANNON. Congress has approved $3.5 billion in prior years, including all R. & D. and procurement costs for 134 aircraft. If we write off all the R. & D. funds against the 134 aircraft and assume that we are pricing it out on that basis, then the program unit cost is $26 million each.

Mr. SYMINGTON. I thank the able Senator, and do not want to talk more on his time.

Mr. CANNON. Mr. President, I reserve the remainder of my time.

Mr. SYMINGTON. Mr. President, upon hearing that the Department of Defense stated a contract had been entered into with the contractor, we raised several questions with regard to the new contractual agreement reached with the contractor on the restructured F–14 program.

We received a reply to these questions yesterday afternoon, and find that, in several areas, the answers do not appear to be responsive.

We worked on it last night, the reason I was late for the Senator from Nevada's talk.

These questions and answers will be submitted for the RECORD, but at this time we will mention a few areas where a more responsive answer would appear desirable, in fact necessary.

We had asked if it would have been necessary to restructure the F–14 contract to avoid contractor bankruptcy if the current cost estimate of $281.5 million were used to compute contractor potential losses, instead of the $350 million cost estimate provided the Tactical Air Power Subcommittee in March 1973 as the projected cost of the fiscal year 1974 procurement.

The reply indicated the answer was yes, but there was and is no direct explanation of the comparison of projected loss on a $281.5 million cost as against a $350 million cost projected.

Instead the reply would indicate that the Navy estimated Grumman would lose $114 million—presumably on the earlier $350 million cost estimate—if it were forced to produce the lot 6—the 1974 buy—under the original contract.

The reply also states that this loss would be in addition to a $256 million loss already estimated by the contractor on prior lots 1–5; and would in part represent additional risk exposure on lots 1–5. The previous testimony, however, says this loss would be on lot 6 of the old contract, but the reply states that part of this loss would be additional loss on lots 1–5.

This is a serious matter indeed since Grumman has an SEC responsibility to report all known or estimated losses on their annual financial statements.

In other words, it would appear that the Navy has estimated the contractor will lose more money on lots 1–5 than the contractor has reported in its annual financial statement; and the Navy considers also that this is an element which is adequate to meet the criteria for restructuring the contract; that is, modifying the contract so as to proceed with production.

We do not recall any testimony before our committee which justifies any such statement.

Nor does this reply provide an objective computation of the Grumman estimated loss on this fiscal year 1974 procurement, pointed out as approximately $120 million in the most recent hearings held on the F–14 program by the subcommittee; and a loss that would be computed on the basis of the recently negotiated cost—$281.5 million.

As we now understand it, the basic difference between a possible contract ceiling, if the original contract were maintained, and this present negotiated cost, could be less than $50 million—before the testimony was $120 million.

The question, therefore, still remains open whether this program should have been restructured in the first place, this based on previous testimony given the committee.

If there actually are other losses estimated by the Navy, but not yet presented in testimony, then they should be so presented for evaluation by the committee, before this money is authorized.

We also asked about the reasonableness of the profit rate of 8.9 percent, in view of the fact that this is now a renegotiation, on a sole source basis, of a previous program. The Navy reply would seem to state that the profit is reasonable because it is unlikely the aircraft can be produced at the newly negotiated cost.

What sense does it make to first agree to a cost, then later say it is unlikely the contractor can meet that cost; but establish the contract with the premise that he will?

Are we going to in effect be acknowledging another buy-in on a new program? If so, surely the contract needs further evaluation.

We also asked if it were fair to expect the Government to pay an interest rate of 6⅞ percent on advance payments, when the Government itself would be paying more than that to borrow money. The answer received did not relate specifically to the fiscal year 1974 contract, which is a new contract. Instead, the response relates entirely to the prior contract conditions; in our opinion a pretty shoddy reply.

We asked about the need for funding this program to the ceiling price. Again, we received a response which would make it appear the cost estimates are still unsure; but the reply acknowledges that it is not customary to fund procurement programs to the ceiling price.

We inquired about whether it was responsible management action to pay a bonus to employees. This issue was raised in the subcommittee hearings on this plane, at which time Deputy Secretary of Defense Clements stated the paying of a previous bonus of $17 million for 1972 was a mistake; and it was also stated in the testimony of March 1973, that this would be watched in the future.

In July 1973, however, Grumman paid a bonus of over $8 million to employees; and has continued these bonus estimates in the overhead projections used to compute the price of the 1974 procurement of this F–14 aircraft.

The reply in this category discusses the historic bonus package at Grumman that we all have heard about; and also discusses the possible problems at Grumman if said bonus were eliminated. The reply did not rationalize the action of the contractor, however, in awarding a bonus in July 1973, with the testimony given to the subcommittee in March 1973. That testimony would lead anyone to believe that the Department of Defense and the subcommittee would disapprove any more bonus payments while the company was in such a serious financial condition.

In addition, we asked about the Navy's demonstrating a test of the firing of six Phoenix missiles simultaneously. Testimony before the full committee was that the only missiles which really counted were the fifth and sixth. That testimony was given by the Navy. We were advised, however, that this test has not yet been accomplished, although the Navy states it has every confidence that it would work.

Since this firing capability is emphasized by the Navy as essential, we believe the test should be made. The committee often receives testimony of confidence and every expectation of the success of many programs, but the sad record of a good many of said programs speaks for itself.

If this year's procurement is passed without the successful completion of this test, the Congress will have authorized 184 of these unprecedentedly expensive F–14 fighter aircraft, without proving out the most emphasized reason for buying the aircraft on any basis—namely, this simultaneous firing of the Phoenix missile.

If we have 134 airplanes and use the figure of the distinguished Senator from Nevada of approximately $3.5 billion, it comes to $26 million an airplane. If we divide the number into the figure we have, it is more than $27 million. We can check that out.

For 3 years, Mr. President, Congress has placed restrictions on the C–5A contractor because he failed to meet the original, agreed-to contract price. No such restrictions are in this contract. Should not Congress be equally equitable in its treatment of any contractor who fails to produce as agreed? Otherwise, in this bill—if we pass the bill—we will be treating two different contractors on an entirely different contract base.

Mr. President, I ask unanimous consent that the questions I asked some time back, and the answers received to those questions only yesterday, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the questions and answers were ordered to be printed in the RECORD, as follows:

QUESTIONS AND ANSWERS

Question 1: Would it have been necessary to restructure the F–14 contract to avoid contractor bankruptcy if the current cost estimate of $281.5 million were used to compute contractor potential losses instead of the $350 million cost estimate that was provided to the Tactical Air Power Subcommittee in March 1973 as the projected cost of the FY 1974 procurement?

Answer: Yes. The decision by the Secretary of the Navy to relieve Grumman from producing additional F–14 aircraft under its original contract was made under the authority of Public Law 85–804. It was based on a Navy estimate that Grumman would lose $114 million in 1973 if it were forced to produce Lot VI under the original contract. The $114 million would have been in addition to the $256 million in losses already estimated by Grumman for Lots I through V.

The Navy estimate that Grumman would lose $114 million in 1973 was based on producing Lot VI at 6 per month, together with other loss exposure resulting from the work stoppage, schedule adjustment, make/buy changes, and additional risk exposure in Lots I through V.

In the Navy's judgment, it would have resulted in a negative total shareholder's equity and consequent bankruptcy.

It must be recognized that the negotiated target costs of $281.5 million is on a fixed-price-incentive contract, subject to a $325 million ceiling price which gives recognition to the *risk* implicit in the negotiated target cost of $281.5 million. Considering the effect of continuing the contract utilizing the negotiated target cost of $281.5 million fails to recognize the type of contract (fixed-price-incentive) and the negotiated ceiling price of $325 million.

Question 2: Is it reasonable to allow a profit of $25 million or 8.9 percent of cost on this procurement in view of the fact that this contract is being renegotiated on a sole source basis and at a greater cost to the government than previously contracted for under a competitive procurement?

Answer: The proposed Navy-Grumman agreement provides that Grumman's maximum possible profit is $25 million, or 8.9% providing Grumman produces the 50 planes at the target cost of $281.5 million. This seems unlikely. However, if it is achieved then Grumman would make 8.9% profit and the planes would be produced for a total price of $306.5 million. Most importantly, the government would not spend $18.5 million of the $325 million to be authorized.

If Grumman does not produce 50 planes for $281.5 million in cost, their profit will be reduced 20% for every dollar costs exceed $281.5 million. For example, if the actual costs are 5% over $281.5 million, Grumman's profit will be reduced to 7.5%; if the actual costs run 10% over the $281.5 million, Grumman's profit will be 5%; and if Grumman's costs run 15.4% over the current estimate of $281.5 million then Grumman will not make 5¢ profit.

Grumman believes its costs will run $298 million. If they meet that figure they will make 7% profit.

Assuming Grumman realizes a 7% fee on this contract, then after deducting interest and other nonallowable expenses as well as providing for federal income taxes the company will hopefully realize a net profit of 2% on sales.

Question 3: Notwithstanding other general contractual provisions or other program conditions, would it not be reasonable to expect a special penalty clause for late delivery of aircraft in the proposed restructured contract in view of the past history on deliveries of aircraft for this program?

Answer: Penalty clauses and liquidated damages clauses for late delivery of aircraft are not used normally in contracts for the procurement of weapons systems.

The 50 aircraft in this Bill will be delivered at the rate of 6 per month starting in May, 1975. However, the critical delivery period is September, 1973 to February, 1974, namely building up to and maintaining a production rate of 5 aircraft per month. The equivalent of a penalty will be paid by the contractor if he does not meet this new mutually agreed upon delivery schedule for Lots IV and V because these Lots are already fixed price at ceiling. Any slippage in delivering Lot IV and V aircraft will result in increased cost to Grumman and in further losses on Lots IV and V. This appears clear incentive for the contractor to insure timely delivery. It is considered greater incentive than any liquidated damage clause that might be established with respect to the aircraft in this year's Bill, which will not be produced until 1975.

Question 4: Is it fair and reasonable to expect the government to provide advance payments to the contractor at a fixed interest rate of 6⅞ percent when the government itself could be currently paying a higher interest rate to borrow money?

Answer: After Grumman encountered significant losses in the F–14 program, it could not obtain commercial bank credit. As a result the Navy entered into an Advance Payments Pool Agreement in August, 1972. It provided the Navy would advance money as needed to continue production on *all* Navy programs at Grumman—not just the F–14. The Advance Payments Pool Agreement expires June 30, 1974.

Grumman was required to pay 6⅞ percent interest on the advance payments even though (1) the Armed Services Procurement Regulations provide that companies should pay 6 percent on advance payments and (2) at the time of agreement the prime interest rate at which the government borrowed money was 5½ percent. Therefore, it was a favorable financial agreement for the government at that time.

Last year the Navy enforced its contract with Grumman concerning the performance of Lot V. The Navy promised to continue such financial assistance as had been agreed upon between Grumman and the Navy in the Advance Payments Pool Agreement. This was one of the principal factors in the settlement agreement. If the Navy was now required to change the interest rate agreed upon, it could raise a serious breach of contract issue.

Grumman hopes to obtain a commercial line of credit after January 1, 1974, which would make the entire issue largely academic.

Question 5: Have the aircraft performance specifications been reduced for this FY 74 procurement from the original contract specifications, and what is the basic effect on performance of any reduction in the specifications?

Answer: Yes. Some of the F–14 aircraft performance specifications have been reduced for the FY 1974 procurement from the original contract specifications.

The basic effect on performance of the F–14 by reducing these specifications is zero, there is no effect. The F–14A's that we are considering now (number 135 through 184) will have the same performance as the F–14As delivered under the earlier contract lots, production planes number 39 through 134. The only difference is that the contract specification for this year's airplanes will reflect accurately what the actual performance of the F–14 really is.

Flight testing of the F–14 and pilot operating experience is showing that the F–14 actually is exceeding the Navy's original operational requirements and is proving to be a more versatile combat airplane than had originally been expected. Paradoxically, however, at the same time it is not necessarily meeting all of its originally specified contractual requirements.

Let me explain a single example of this by discussing the combat radius of the F–14. The Navy requirement for combat radius on the F–14 is 500 nautical miles. Grumman in 1969 was willing to guarantee to the Navy, in the contract, that the F–14 would have a 500 mile combat radius with a fuel load of 14,300 pounds, or some 2,000 pounds less than full capacity. Although Navy evaluations calculated that the F–14 would only have a 456 mile radius with that lesser fuel load, nevertheless the Navy signed a contract with Grumman which specified that the plane would indeed achieve the 500 mile requirement on a partial fuel load.

How did it turn out? Well, the F–14A actually falls almost 20 percent short of the contractually specified 500 mile radius with the partial fuel load. However, with the tanks full, the F–14 has a combat radius of 508 miles, which slightly exceeds the Navy operational requirement. Thus the plane betters the requirement because Grumman built more fuel capability in the plane than was required, but fails to meet the original contract specification, which as I said before, results in an interesting paradox. Overall, the test pilots and operational pilots are reporting a host of enhancing characteristics for combat which result in unprecedented maneuverability and excellent performance with the F–14A.

The Navy is no longer talking about a paper airplane—they are talking about the F–14 as it exists—the airplane they are flying—which is reflected in the modified specification. The proof is in flying the aircraft, not blind adherence to paper specifications.

A discussion of the fact that there are some specification deficiencies should recognize areas where the contractor has made several significant achievements in performance over and above what was contractually required. For example, the contractor built in 2,000 pounds of internal fuel capacity above the contract requirement; he designed a structural strength of 7.5 G's versus the specified 6.5 G's, providing far greater maneuverability than was required. The excellent performance of the variable sweep wing gives a performance better than was anticipated.

Other excellent characteristics of the aircraft are its spin resistant characteristics, extremely fine handling characteristics throughout the flight envelope, particularly in the high angle of attack flight, together with the capabilities and performance of the AWG–9 fire control system and the Phoenix missile system. The Navy is extremely pleased with all facets of the performance characteristics of the F–14. It will meet all of its mission requirements.

Question 6: What additional costs did the government incur for the tooling and test equipment to allow the contractor to build up to a production rate of 6 aircraft per month? Is it reasonable to require a production rate of 6 aircraft per month for a one-year period and then reduce the rate to 4 per month as currently planned? Should consideration be given to reducing the FY 1974 procurement to substantiate a production rate of 4 or 5 per month in order to maintain an even production flow?

Answer: The government negotiated a price of $11.8 million in Lot IV to increase the tooling and test equipment production rate to 6 aircraft per month. The increased tooling rate is required to produce quantities over the previous capability of 4 aircraft per month in 7 months of the Lot IV deliveries, and all months of the Lot V and FY 1974 deliveries with maximum capability being utilized the last 3 months of Lot V deliveries and all of FY 1974.

This schedule will restore F–14 deliveries to a calendar year basis—or the normal funded delivery period.

Increased production rate capability would have been required to deliver in excess of 4 aircraft per month. The delivery schedule included in Lots IV and V and FY 1974 represents the optimum of available production capability and acceptance of F–14's by the Navy. Reducing the production rate of FY 1974 aircraft would increase the cost. Proper production phasing of requirements following FY 1974 will minimize the effort of any change in production rate, however, it must be recognized that some elements of cost will increase on a per unit basis as a result of lower production rates.

Question 7: Why should this FY 1974 procurement of F–14 aircraft be funded to the ceiling price when the renegotiated target prices are based on current up-to-date cost data? Is it customary to fund procurement programs to target price or ceiling price?

Answer: The F–14 contract has been funded to ceiling in prior years. Yet the ceiling price has not provided sufficient funds to produce Lots I through V. This is not offered as justification to fund to the ceiling price this year, only to reflect what has been historical precedence.

Second, there is absolutely no guarantee that the company can produce to the agreed upon target cost figure. It is the desired cost objective.

It is not expected that the contract for the 50 planes in this year's budget will go to ceiling price. However, it still is not possible to predict costs with certainty when they will be incurred in 1974 and 1975, particularly in the explosive inflationary period in which we find ourselves.

Budgeting at ceiling is a reflection of the Navy's risk assessment and recognize the unforeseen difficulties that could be encountered.

While it is not customary to fund procurement programs to the ceiling price, it has been done several times in the past where warranted. Specifically, the S–3A aircraft, the SSN–668 submarine, the LHA ship, and the FLGN 36–37 frigate have all been funded to ceiling at some time in prior years.

Question 8: Can it be considered a responsible management action toward reducing cost, when the contractor pays a bonus to employees in June 1973 after testimony received by the Tactical Air Power Subcommittee in March 1973 to the effect that an earlier bonus was a mistake under the existing contractor financial conditions?

Answer: Management, in deciding whether to pay a bonus or not, must consider the long and short run effects of the decision. In judging whether or not management acted responsibly many factors should be considered; namely,

1. The June 1973 bonus was paid almost entirely by Grumman by increasing its costs to produce the F–14 and other Navy airplanes at Grumman which are essentially subject to firm-fixed-price contracts.

2. Grumman has paid a bonus to its employees for the past 40 years.

3. New employees are advised that it is a part of their total compensation.

4. If the bonus' were terminated without other compensation, Grumman could well be the subject of employee suits.

5. Termination of the bonus without additional compensation would result in serious loss of morale at a time when Grumman is striving to increase its productive output.

6. Grumman contends the bonus has always been needed to remain competitive with its aerospace industrial counterparts.

7. Cancelling the bonus and adding an equivalent amount to the hourly wage rate of its employees is essentially a "wash" transaction.

8. The cost of "folding in" the bonus did not enter into the Navy-Grumman negotiations of the $281.5 million target cost because the Navy negotiated at the "old" rates existing prior thereto.

9. Officers are excluded from receiving bonus' at Grumman.

Secretary Clements, while stating it was his view that paying a bonus in 1972 was a mistake, recognized the historical aspect of the bonus as well as the detrimental effect on employee morale if it were terminated.

Question 9: Is it reasonable that the government should pay additional costs in the FY 1974 procurement of F–14 due to the contractor's new position of adding bonus to the employee direct salaries?

Answer: The government did not include additional costs in the FY 74 negotiated procurement for the 50 planes as a result of the contractor's "new position" of adding bonus' to the employees direct salaries. The wage rates used by the government were based on the "old" position. Direct salaries will be permitted to the contract only to the extent they are judged allowable under the Armed Services Procurement Regulations.

Question 10: Is it reasonable to continue further procurement of F–14 aircraft at this time before the Navy demonstrates the simultaneous firing of 5 and 6 Phoenix missiles from an F–14 aircraft when this capability is considered essential to the F–14/Phoenix system?

Answer: Yes. If there is a single facet of F–14 capability that has been thoroughly demonstrated at this point it is the performance of the AWG–9 fire control system and the Phoenix missile.

To date the contractor and the Navy have fired a total of 24 Phoenix missiles from the F–14 and have scored 21 hits. The last 19 Phoenix missile shots from the F–14 have been unqualified successes and scored hits.

Although the system has not been tested by firing 6 missiles against 6 targets, the Navy achieved an unprecedented success when it fired 4 missiles against 5 widely separated targets (smaller than Foxbat targets).

The Navy is planning to utilize a Navy crew to fire 6 missiles against 6 targets as part of its operational test and evaluation of the F–14 system. This test was planned for the fall of this year. It has been delayed because of an overall delay in the flight test program caused by (a) late deliveries of aircraft, and (b) the loss of the #6 F–14 aircraft in the test program.

Based on excellent test results to date the Navy has every confidence the AWG–9 fire control system and the Phoenix missile will demonstrate this essential capability in the same manner that it has met and/or exceeded all other test requirements.

The Navy has every expectation of achieving this important test objective well in advance of the deployment of the first F–14 operational squadrons on the nuclear carrier Enterprise in the fall of 1974.

Mr. PROXMIRE. Mr. President, will the Senator yield for a question?

Mr. SYMINGTON. I am glad to yield to the distinguished Senator from Wisconsin.

Mr. PROXMIRE. Would the Senator from Missouri, the acting chairman of the Committee on Armed Services, tell me when the contract was signed?

Mr. SYMINGTON. The original contract was signed in 1969.

Mr. PROXMIRE. When was this latest contract signed?

Mr. SYMINGTON. Unless it was signed yesterday, it has not yet been signed.

Mr. PROXMIRE. So it has been signed—if it has been—within the last 24 hours?

Mr. SYMINGTON. If it has been signed, it has been signed within the last 24 hours, and nobody has had a look at it.

Mr. PROXMIRE. What the Senator from Missouri has been saying—the Senator from Nevada, also—is that this seems to be a complicated problem, a complicated contract. Is there going to be any opportunity for Members of Congress to examine this contract in advance of the vote?

Mr. SYMINGTON. The Senator makes my point. The staff has seen the contract. I have not, and look forward to reading it; and should think we would all want to look at it because of the many billions of dollars of the taxpayers' money tied up in the contract.

Mr. PROXMIRE. Does it not seem wise, under these circumstances, to have hearings on this kind of contract, to develop a record, to have questions asked and answered, so that we can have a basis for judging as to whether or not to go ahead? Are we not really being asked to move in the dark on the basis of blind faith?

Mr. SYMINGTON. There is already enough money to operate, on the basis of what the company and the Navy desire, until December. I do not see why at this time we should rush through this amendment without taking a real look at the contract along the lines suggested by the able Senator from Wisconsin. There is no reason why we have to do it right now. We could look at it in a supplemental later on.

This development looks to me as, in effect, a bail-out. I think the people of the United States are becoming increasingly apprehensive about the degree as well as the nature of some bail-outs on some of these contracts.

I have here a report to Congress, made this year. It is entitled "Military Policy and Budget Priorities." It has been compiled by about a dozen military people and civilians, prominent scientists, and former Deputy Secretaries and Assistant Secretaries of Defense. They say in their report that they are critical of the F–14 program, as follows:

> Eliminate F–14 program ($633 million). This plane is financially and technically troubled and represents little, if any, advance on the proven F–4.

I do not think we should eliminate it, but do not like to go ahead on the basis of a letter from the Deputy Secretary of Defense about the contract, which many of us have not seen. I do not like to sign up for more than half a billion dollars of the taxpayers' money without knowing of the details.

Mr. PROXMIRE. If the distinguished Senator from Missouri has time on his side, I would appreciate it, whenever the Senator wishes, if I could speak in order to question the need for 50 more of these planes. I question whether we need more of these immensely expensive planes in addition to the 134 already contracted for, and which Congress has already approved.

Mr. SYMINGTON. I agree with the Senator's position.

Mr. President, would the distinguished Senator from Nevada wish to yield time now on this subject?

Mr. THURMOND. Mr. President, I should like to yield to the distinguished Senator from Arizona, a member of the Committee on Armed Services.

The PRESIDING OFFICER. The time is controlled by the Senator from Nevada.

Mr. CANNON. I yield such time as he may need to the Senator from Arizona.

Mr. GOLDWATER. Mr. President—in

order to get the record in some kind of order, I ask unanimous consent that a report made to the Senate Committee on Armed Services by the Senator from Nevada (Mr. CANNON) be printed at this point in the RECORD. I think it answers most of the questions put by the Senator from Missouri.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT TO THE SENATE ARMED SERVICES COMMITTEE BY SENATOR HOWARD W. CANNON

I am pleased to report on the investigation by the Subcommittee into the F-14 program. In view of its importance extensive hearings were held. Testimony was received from Deputy Secretary of Defense Clements, Secretary of the Navy Warner, Admiral Zumwalt, etc.

ORIGINAL FISCAL YEAR 1974 REQUEST

The funds requested in the President's budget were $633 million—$572 million for 48 F-14 aircraft; $40.4 million for F-14A R&D; and $17 million for F-14 R&D. The production funds request was based on continuing Lot VI under the original contract with the Grumman Corporation.

Secretary Clements testified on March 26, 1973, that the Defense Department had not decided what the F-14 program would be beyond Lot V or what the FY 74 final request to Congress would be. He testified the program was being reevaluated.

FINAL AMENDED REQUEST FOR FISCAL YEAR 1974

The final Administration request was presented by Mr. Clements on June 19, 1973. The request was for 50 F-14s at a cost of $703 million in procurement funds. The R&D request for $40.4 million for F-14A and $17 million for F-14B was unchanged.

The final request added 2 F-14s (48 to 50) and changed the procurement request from $572 to $703 million. OSD took the $131 million in the budget for 10 Marine Corps F-4Js and added it to the original request for $572 million. The Marines will get 25% of all F-14's on order instead of F-4's.

PRIOR YEARS FUNDING

Total prior year funds approved was $3.5 billion. This includes $1,063 million for F-14A R&D; $370.5 million for F-14B R&D; and $2,070 million for procurement. This authorized 134 F-14s; namely, 6 in FY 1969, 6 in FY 1970, 26 in FY 1971, 48 in FY 1972; and 48 in FY 1973.

BACKGROUND

The Navy and Grumman signed the F-14 contract on February 3, 1969. It was a fixed-price-incentive contract. It provided for research and development as well as firm-fixed-price options for production Lots over an 8-year span.

It will be recalled the Navy purchases the engines and the avionics systems independently and provides them to Grumman as government-furnished equipment.

The basic contract quantity was 469 aircraft and the Navy could legally increase or decrease any given Lot by 50%.

The Congress in prior years legislation insisted that the contractor live up to the terms of his agreement with the Navy, particularly the ceiling prices in its contract.

After Congress provided funds for Lot V under the contract last year Grumman publicly stated on December 11, 1972, it would not accept Lot V under the contract. The company issued a "stop work order" on December 8, 1972, with respect to Lot V. Extensive negotiations took place between the contractor and the Navy, both prior and subsequent to that date. It was not until March 8, 1973, that Grumman and the Navy resolved the impasse. In brief, the accord provided that (1) Grumman would produce the 48 aircraft in Lot V in accordance with the terms of its contract; and (2) the Navy would release Grumman from the contractual provisions pertaining to subsequent Lots. This meant the Navy and Grumman would negotiate annual F-14 purchases on a year-by-year basis. Grumman agreed to accept the cost of the "stop work order."

Grumman has written off significant losses to date on the F-14 program; namely, $65 million in 1971 and $140 million in 1972. After considering profits on other business and receipt of tax refunds from profits in prior years the company had a net corporate loss of $18 million in 1971 and $70 million in 1972.

Shareholders equity has gone from $167.8 to $67.2 million from December 31, 1970, to December 31, 1972.

TECHNICAL PERFORMANCE

The F-14 aircraft is performing well technically. As of June 19, 1973, 27 aircraft had been delivered. As of June 30 there had been 2,200 flights and 4,400 flight hours, comparing favorably to my report of last year when 10 aircraft had flown 284 flights and 624 flight hours.

A total of 3 aircraft have been lost to date, the most recent occurring in June when a SPARROW missile launched improperly, struck the aircraft, ruptured a fuel line, caused a fire and loss of the aircraft.

DELIVERIES

Grumman is behind in meeting its scheduled deliveries. As of June 19, the contractor should have delivered 35 F-14s and had delivered 27 aircraft. The primary problem is in achieving a fully production configured aircraft and in stepping up its monthly production rate to 4 per month.

A definitized and legally binding delivery schedule must be established between Grumman and the Navy.

COSTS

The most important issue with respect to the request for 50 F-14s is the total program cost and the unit cost per aircraft, recognizing the increase in cost by virtue of going to an "annual buy" with Grumman rather than continued production under the original 1969 contract.

The committee for the last 2 years insisted on compliance with the contract. I believe the Congress can take considerable satisfaction in enforcing the contract as long as it has. This forced Grumman to accept over $200 million in F-14 losses. These losses would have been passed on to the taxpayer if relief had been granted previously.

The contractor could not accept further production options under the contract. It would have driven the company into bankruptcy.

The next question is: What increases in cost will result from annual purchases of F-14's versus adhering to the contract? The program cost last year under the contract was $16.8 million each for 313 aircraft. It was $11.4 million for 722 aircraft and $13.6 million each for 469 aircraft.

Inasmuch as the total number of F-14's to be purchased is questionable, the Navy added the R&D cost of $1.06 billion to the cost of 134 aircraft previously approved by the Congress. This gives a unit program cost of $23.3 million each. If the $370 million in F-14B R&D costs are added, the program unit cost is $26 million each.

If 179 additional aircraft are purchased (134 to 313) the procurement unit cost is estimated at $15.7 million each. The flyaway unit cost will be $11.8 million each. This represents an increase from $8.3 million to $11.8 million in flyaway cost and from $9.7 million to $15.7 million each in procurement cost. It should be pointed out that Grumman's estimated cost for 179 additional aircraft goes from $4.4 million to $7.5 million each.

The reason for the $3.5 million increase in flyaway cost consists of the following four areas:

1. To purchase 179 aircraft "at cost" rather than enforcing the original 1969 contract with Grumman increases the cost $260 million or $1.45 million per aircraft.

2. To stretch the production of 179 aircraft from 2 to 4 years (88/91 to 50/50/50/29) adds $209 million or $1.6 million per aircraft.

3. An estimated profit of $88 million adds $500,000 per aircraft.

4. $68 million in added cost, i.e., $15 million for a 4-year vice 2-year engineering changes and modifications, and $53 million for the cost of a 4-year vice 2-year increase in cost for Government-Furnished Equipment (GFE).

The procurement unit cost increases an additional $2.5 million per aircraft due to (1) $338 million in added support costs which funds 8 rather than 3 carriers and adds 2 Marine Corps sites; and (2) $120 million in added spares cost for 8 rather than 5 carriers, plus 2 Marine Corps sites.

The program cost to buy 179 aircraft will increase from $1.7 billion under the original contract to $2.8 billion under current cost estimates. Hence the total program cost for 313 aircraft is presently $6.3 billion. The unit cost would be $20.1 million each.

FISCAL YEAR 1974 COSTS BOTH UNDER THE CONTRACT AND AS PROPOSED BY GRUMMAN

The ceiling price for 48 aircraft under the contract for Lot VI was $237 million. Grumman's proposal in April, 1973, was $277 million estimated cost, plus $25 million profit (9%), plus an estimated $30 million for the 85/15 cost-sharing up to a "not to exceed" ceiling price of $332 million. If the $332 million "not to exceed" price were realized, the cost increase would be $95 million or about $2 million per aircraft.

Extrapolating the change in quantity from 43 to 50 aircraft Grumman proposed a cost figure of $286 million—a profit of $25.8 million (9% and $31.2 million for cost-sharing up to a "not to exceed" ceiling of $343 million.

The Navy estimates a slightly higher cost to produce the 50 aircraft; namely, $302.9 million—a $21.2 million profit (7%) and hopes to negotiate a ceiling of $334 million.

The FY 74 costs are still tentative in that Grumman will not submit a finalized proposal until July 31, 1973, and the Navy said it may take until December, 1973, to complete negotiations.

The flyaway cost for the 50 aircraft in this year's budget will go from $9.3 million to $11.2 million each. Grumman's airframe price which is a part of the total flyaway price goes from $4.9 million to $6.7 million each. The $1.8 million cost increase to Grumman is represented by (a) $400,000 per aircraft increase for abnormal inflation; (b) $500,000 per aircraft increase due to business base reductions; (c) $400,000 per aircraft increase for design changes; and (d) $500,000 per aircraft profit. These are non-negotiated estimated costs.

MARINE CORPS SWITCH FROM F-4J'S TO F-14'S

The Marine Corps budget and testimony before the full Committee requested 10 F-4Js, costing $131 million. This was to start a modernization of the Marine Corps fighter inventory. The total program was 138 F-4Js, costing $890 million.

Subsequently, the Marine Corps changed its position. It testified on June 19 before the subcommittee it desired F-14 aircraft based on the rationale it would have to defend the offshore naval ships supporting Marine amphibious landings in addition to providing air cover for Marines on the ground.

General Cushman said the Marine Corps had always recognized the F-14 as a very capable aircraft but had been told by a previous Secretary of the Navy that it could not get F-14's, hence it requested and received the approval of former Deputy Secretary of Defense Rush to initiate an F-4J modernization program.

The question remains as to what degree the

Marines did or did not have their arm twisted to "sign up" for F–14's. The current agreement provides that the Marines will receive 68 F–14s for outfitting 4 squadrons. They are to receive 25% of all F–14s ordered, including 25% of the 134 already under contract. The figure is derived at by taking 25% of the 150 F–14 aircraft to be ordered (50 per year for 3 years) and 25% of the 134 already ordered and subtracting the 12 R & D aircraft.

F–14B

The Navy has been sharing with the Air Force the R & D funding for the Advanced Technology Engine (ATE). The Navy has spent $370 million on the F–14B in research and development so far. It has $17 million in this year's budget.

The Qualification Test (CT) was to be completed in June, 1973. It has slipped to September or October, primarily due to the problems in qualifying the Air Force engine. It may slip further due to a further slip in Air Force testing.

More money will be needed in FY 1974 to share with the Air Force added R & D costs. The amount has not yet been identified by the Navy.

This program should be pursued after such a sizeable investment of government funds and in order to make a determination on the wisdom of placing this engine in production.

The F–14B is to fly in July or August with 2 test engines.

The staff learned this week that Pratt-Whitney has proposed a slip of the Qualification Test to November 1974 at a cost increase ranging from $124 to $174 million. This is a most serious situation that I am requesting the staff to look into further.

The R & D program has gone from an estimated $272 million to $431 million already for the joint Advanced Technology Engine (ATE).

AWG–9 AVIONICS

The AWG–9 is the avionics for the F–14 aircraft. It can simultaneously track 24 targets as well as launch and control 6 PHOENIX missiles simultaneously. It scans large volumes of airspace never before achievable. It recently launched against a simulated enemy aircraft at a distance of 110 miles scoring a hit.

The AWG–9 costs are a part of the F–14 airplane costs previously stated. The AWG–9 price is currently about $2 million per aircraft.

There is $89.7 million in the FY 74 budget to purchase 50 AWG–9 avionics sets.

F–14A ENGINE

There is $90.9 million in the FY 74 budget to purchase 100 F–74A engines at a cost of about $901,000 each.

PHOENIX

The FY 74 budget contains $97.8 million to purchase 240 production missiles. The Navy intends to purchase a total of 2,420 production missiles.

The Navy has bought 592 PHOENIX missiles (37 R&D and 555 production) through FY 1973 at a cost of $164.6 million in R&D funds and $375.9 million in production funds.

PROTOTYPE PROGRAM

Secretary Clements requested on June 19 that the subcommittee authorize $150 million to initiate an F–14D/F–15N protoype program. He estimated the total cost at $250 million. He said he would obtain the $150 million from other sources in the President's FY 1974 budget.

On June 22, 1973, he identified the funding sources; namely, $113.6 million from the POSEIDON conversion program and $36.4 million from 7 Navy R&D programs.

I am advised the staff of the full Committee has already decided to recommend deletion of (a) the $113.6 million from the POSEIDON conversion program because of a delay in shipyard availability, and (b) 2 of the 7 listed R&D requests totaling $16.8 million. If these recommendations are adopted only $19.6 million would be available to fund the prototype program.

The prototype program contemplated the production of 2 F–14Ds and 2 F–15Ns, consuming 2½ years followed by a 6-month flyoff. Then Secretary Clements would make a decision in July 1976 as to which aircraft would be selected. He testified that about 400 aircraft would be purchased to modernize both the Navy and Marine Corps inventories after the Navy had bought about 313 F–14As.

The prototype program contemplates removing the PHOENIX capability from the F–14A aircraft and hopefully reducing the avionics package from 1,300 to 1,000 pounds, and a SPARROW-only capability. The F–15 would be made carrier compatible by adding 3,000–5,000 pounds, making it a two-seat rather than a one-seat aircraft, folding wing tips, heavier landing gear, etc.

The Navy supported the prototype program as proposed by Secretary Clements. Subsequent testimony by Mr. Spangenberg, recently retired Director of the Navy Evaluation Division for all Navy aircraft, took significant exception to the wisdom of initiating this program. The cost data presented by Spangenberg indicated the F–15 prototype program would cost $221.4 million and the F–14 would cost $146.4 million, for a total of $367.8 million. Once the successful aircraft was selected, engineering development cost would be necessary on the selected aircraft. These costs were $214 million for the F–15 and $51.8 million for the F–14 and would be additive to the prototype costs. These numbers were contained in a Navy submission to Secretary Clements on June 13, 1973.

CONCLUSIONS

The Subcommittee unanimously concluded that insufficient justification existed to initiate a prototype program that would cost $150 million this year and would cost a minimum of $367.8 million if the Navy figures are accurate, plus $214.7 million for engineering development if the F–15N is selected, or $51.8 million if the F–14D were selected. This does not include an estimated $136.5 million to complete F–14B development work.

2. It appears from the testimony that the Department of Defense could either have computer analyses or an actual aircraft flyoff at a reasonably early date if that is deemed essential. They could extrapolate the F–14 without a PHOENIX avionics capability and the F–15 with the added weight to make it carrier compatible without spending several hundred million dollars to construct prototypes.

3. Grumman has stated it will complete production of Lots I through V even if it does not receive additional F–14 orders from the Navy.

4. Grumman may well incur losses over-and-above those written off so far on Lots IV and V if past history is any indicator because the losses Grumman initially forecast on Lots I, II, and III have increased as production actually took place.

5. An agreed-upon legally binding delivery schedule between Grumman and the Navy must be achieved. There have been several changes in the delivery schedule and it is not at all clear as to who is legally bound to do what. The Congress should insist upon an agreed delivery schedule that has been priced out for its future guidance.

6. The Subcommittee unanimously agreed to authorize $197.6 million to fund the F–14 program through December 1973. It denied the request for the balance of the $703 million requested; namely, $505.4 million. After Grumman and the Navy complete negotiations on the price for the 50 F–14s requested this year, it is our conclusion that the Navy should return to the Congress and justify the remaining funds, including a proposed contract between the Navy and Grumman that is ready for signature. Then Congress can act on the remaining request of $505.4 million.

I personally feel these negotiations should be completed by the end of August and the Navy should present its case in September. If they wait until January then it will be quite difficult for the Congress to authorize and appropriate by way of a supplemental if that is our decision.

RECOMMENDATION

1. It is recommended that the request to initiate the prototype program with $150 million this year in authorization authority be denied. If the Defense Department desires to present a more thorough program next year that is far more austere in cost, the Subcommittee would be glad to give it serious consideration.

2. It is recommended that the full Committee authorize $197.6 million for the F–14 program which will fund it through December, 1973. Further, that we insert appropriate language in the report specifying that this is a "not to exceed" price for this program until further Congressional approval has been obtained. This would deny the request for $505.4 million. The Navy would be required to complete its negotiations for 50 aircraft with Grumman and to present a proposed agreement ready for signature for our consideration. Then the Congress can decide on the wisdom of authorizing the $505.4 million. I also feel a mutually agreed upon delivery schedule should be required between the Navy and Grumman, as well as a final definitization of Lots IV and V which Congress has already acted upon.

3. I would like to present and concur in a recommendation made by Senator Goldwater that the Navy should be directed to examine the potential of a completely new aircraft—in the general size category of what is now called lightweight fighters—as an alternative to the F–14 in the out-years. The Navy should request proposals from the aircraft industry and evaluate these proposals to determine if a smaller and presumably cheaper aircraft can be designed to serve as an air-superiority fighter and to complement the F–14. If such a fighter is found to have the operational potential to serve the Navy and Marines in the fighter roles other than fleet air defense, I would urge the Committee to encourage the Navy to begin a competitive prototype program once this determination has been made and after all costs of such an alternative had been thoroughly evaluated. This recommendation was not acted upon by the Subcommittee.

Mr. GOLDWATER. Mr. President, what we are seeing here today is the payoff for nearly 10 years of no research and development. We cannot build new weapons systems without heavy research and development costs, we have not been spending money constantly through the years to update, modernize, and improve the weapons we use.

When we realize that the F–14 is the only fighter plane that has been developed since 1957, we get some idea of what I am talking about. Had we used the Soviet system—which, by the way, is our own capitalist system we would not have incurred these costs. Every 3 years the Soviets introduce a new fighter plane into their inventory. They may not use it, but it is there. As a result, their Mig–25 is probably the greatest aircraft that has been built, up to the F–14 and F–15. I *think* the F–14 and F–15 are of better value and will handle any Mig's the Soviets have.

I hope we will never get into this situation again. I think it may be up to the

Federal Government to pay the money for this purpose so that we can have new planes coming into the inventory.

I take this opportunity to congratulate the Senator from Nevada (Mr. CANNON) and his staff for having been able to reach an agreement between Grumman and the Navy. I have never seen more determined antagonists than Grumman and the Navy. If it had not been for Senator CANNON getting them together, I think they would never have gotten together.

I serve on the committee under the able Senator from Nevada, and I am satisfied that they reached agreement through his efforts, and that it is as good an agreement as we are going to reach.

If we are going to talk about the total cost of an airplane, we have to take the total cost of everything we produce. The staff and the Senator are to be congratulated on the settlement of this contract. Whether it has been signed or not, does not make any difference to me. We have an agreement with the company to buy these airplanes. The Navy needs them, and the Marines need them. They are needed badly to replace the F–4J, which itself is a good airplane.

I am not downgrading that airplane, but it is 15 or 16 years old now, and the modifications made to the J with a slotted wing enable it to maneuver better. I was flying in an F–14 at the same time when a J was up and we turned inside that J easily all afternoon. I hate to admit it, but 7 g's is a little too much for a man my age, and I found out.

The Navy's F–14 fighter plane is designed to accomplish several missions. It will be very effective in escorting our attack planes to their targets and protecting them against attack by enemy fighters. After it has established air supremacy it can be converted to an attack role itself, but its main job will be to defend the fleet—the carrier and other fighting ships plus the more vulnerable tankers and freighters which we have to have to support our allies and our own forces overseas. The F–14 will be able to defend the fleet against attack by bombers and guided missiles.

Guided missiles pose a serious threat to all our ships. These missiles can be launched by enemy submarines, surface ships, or airplanes. If they are launched by subs or by surface ships they rely on radar planes to guide them to the vicinity of the target. The F–14 will be especially effective in destroying enemy bombers before they can launch their missiles and it will be able to destroy any radar planes snooping around our force. It has already shown in tests of its Phoenix missile that it can shoot down enemy guided missiles even after they are launched.

Guided missiles are very much like airplanes, and the Navy uses them as targets for its pilots to practice on. These target drones, in fact, are tougher to knock down than enemy missiles would be since they are very maneuverable while the guided missile generally proceeds on a straight course, at a steady altitude, and at a constant speed about the same as our target drones.

In tests of the F–14's Phoenix missile against high-speed target drones the Navy has shot down dozens of the drones. The F–14 with Phoenix will give our fleet a much-needed boost in its defense against guided missiles, especially when you remember that the F–14 will carry six Phoenix missiles and will be able to deliver them on target day or night, fair weather or foul.

Unless we plan to do our fighting in the United States—or Canada or Mexico—we have to be able to support ourselves and our allies on the other side of the ocean. To do this requires shipping. Not even the Air Force's fine C–5A transport plane can get around the fact that over 99 percent of our exports and imports come by sea—or the fact that 97 percent of our support to Vietnam went by sea—and the fuel to return the planes that deliver the other 3 percent also has to be sent by sea. Our sealanes have to be kept open to us.

The Navy is charged with keeping those sealanes open—and denying them to our enemies. To be able to do this the Navy has to have the airplane that can defend the surface ships of all kinds from attack by bombers and missiles. The Navy has to have the fighter plane that can jump into the air fast, get to the bomber while he is still outside his missile-launching range, find and destroy the bomber or the missile in all kinds of weather, day or night. The Navy has developed that plane—the F–14—and must push hard to get it into the fleet as soon as possible. If we get it in time we may not need it. If we never need it it will be a "best buy." If we need it and do not get it in time we will once again learn that the cost of war is far greater than the cost of avoiding war by being strong.

Mr. President, there is one more facet to this airplane that the Senator from Nevada touched on briefly. I did see the F–14 demonstrated at the Paris Air Show and in talking to friends of mine in the air forces of Europe and elsewhere around the world, I found an overriding interest in this airplane. It is no secret that the Shah of Iran was here and is interested in buying it for his own fleet, as are other countries.

It is the first fighter plane since 1957. It is not the only aircraft. The F–15 has the same capability but the F–14 preceded the F–15 and it has the capability of fighting any Mig the Soviets have or will have in the future.

Mr. President, I urge my colleagues in this body to support this amendment. I do not think I have ever seen an amendment more soundly arrived at. I do not know of any subject that received the hours, days, and almost months of concentrated effort as the F–14 contract received. We have had ample hearings on it. The record is complete, with arguments presented by the Navy, by Grumman, and by people opposed to the F–14 and people opposed to any new fighter aircraft. However, the judgment of the subcommittee, backed up by the judgment of the full committee, is that we need this airplane. I sincerely hope the day comes when the Navy will get it.

Mr. CANNON. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER (Mr. HATHAWAY). The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, the Senator from Missouri raised the question of the company's failure to comply with the SEC requirement. I pointed out that $256 million in losses has been written off already by the company on the air frame portion of the F–14 contract.

In addition, the Senator asked me what the program unit cost was for the 134 aircraft we have bought in prior years. I pointed out in my speech it was $26 million each. If all of the research and development costs are written off on the 134 aircraft, then the program unit cost for the 50 aircraft this year is $14.7 million each. In other words, you cannot count the R. & D. time. If you write all R. & D. off against the 134 aircraft you have a unit cost of $26 million each, and the 50 planes in this year's program cost $14.7 million each.

The Senator from Wisconsin raised the question of whether or not the contract was signed. Had he been here when I made my talk, he would have found that I submitted a letter from Secretary Clements dated August 30, advising me he had negotiated an agreement and complied with the terms of the subcommittee instructions earlier to him. That letter is now a part of the record, and I might say to my colleagues that the contract itself has been signed as of yesterday. It was signed by the parties and it has a paragraph in it making it subject to the authorization and appropriation approval of Congress, because the Navy could not sign a firm, binding contract if Congress does not approve the authorization and the appropriation. But the contract has been signed. It is in the hands of our staff people and the Navy has complied with the instructions that the subcommittee gave them after the long and extensive hearings we had on this matter.

I am delighted to yield 6 minutes to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in support of the amendment to restore funds for the F–14 program as offered by the distinguished Senator from Nevada (Mr. CANNON).

This amendment is necessary because the committee withheld the F–14 funds in the bill in order to force the contractor and the Navy to reach an agreement on this year's buy. This action has resulted in an agreement which enables the committee to go forward in supporting this vital aircraft procurement program.

Mr. CANNON, the chairman of the committee's Tactical Air Subcommittee, proposes in this amendment to restore to the bill funds originally requested by the Navy. His amendment increases the F–14 money in the bill from $197.6 to $693.1 million.

The F–14 weapons system is one of the highest priority items in the Navy budget. To date, 134 F–14's have been funded. We have 179 remaining to be funded over the next few years to complete the fleet requirement of 313. It should be noted that even with 313 F-14 aircraft the Navy will still have to depend upon older planes to help protect our fleet.

The F-14's importance rests primarily on its ability to track and fire on multiple targets simultaneously at long ranges. Recent Soviet exercises indicate their intention to saturate our defenses with coordinated aircraft and antiship missile attacks. None of our defensive systems alone can deny effective Soviet missile employment. All of the studies over the past several years have indicated that in an antiship environment our fighters must be capable of effectively reducing to a manageable level those antiship missiles.

The F-14 weapons system is the only air defense system in being that provides the large radar search volume and track-while-search multiple firing capability to defeat the antiship threat. Capable of tracking and evaluating up to 24 separate targets at one time, the F-14 can simultaneously take six of these targets under attack.

Another severe requirement for the Navy fighters is to counter the high-altitude, high-speed Foxbat in whatever role it may be employed. We must deny the enemy the capability to operate in this sanctuary with impunity. None of our present fighters can provide a credible engagement probability because the time-motion problem is too demanding for existing weapon systems. Employing the Phoenix missile, the F-14 is the only system with near-term fleet introduction that possesses the necessary capability to penetrate the Foxbat's haven within acceptable launch parameter and provide a consistently high probability of success.

This aircraft is probably the most outstanding plane the United States has built to date. It helps maintain the strength of our shrinking fleet. It is technically sound and there is no evidence of any problems as in the F-111.

We have already obligated $3.5 billion in research, development, and procurement to obtain 134 planes. To stop now would give us a pitiful handful of these planes, and the unit cost would be very high as the cost per plane is a product of the numbers we buy.

Equipped with the Phoenix missile, the F-14 has simultaneously engaged and killed four targets fired from a distance of 50 miles. Thus, it can kill enemy planes many miles distant before they could reach a range to attack our aircraft. No other plane in the world can do this.

The F-14 Phoenix missile has shot down a simulated cruise missile. No other plane can do this.

The F-14 has demonstrated the ability to kill a jamming target and bring down the Soviet's very high altitude Foxbat plane. No other plane can do this.

While the F-14 is unquestionably a very costly aircraft, it nevertheless gives us a capability which will protect our expensive aircraft carriers and provide a sea force of great power and strength.

Current Navy fighter planes represent technology of the 1950's and must be replaced. The great technical advances in the F-14 indicate it will satisfy Navy requirements through the 1980's.

Therefore, Mr. President, I urge the Senate to accept the Cannon amendment so that we might go forward with the F-14 program and thus help assure that our Navy can meet the challenge in the remaining decades of this century.

Mr. CANNON. Mr. President, I yield 5 minutes to the distinguished Senator from New York (Mr. BUCKLEY).

Mr. BUCKLEY. Mr. President, I want to join with other Senators in complimenting the extraordinary skill and effectiveness of the Senator from Nevada and his subcommittee in bringing about the renegotiation of the F-14 contract so that we may continue with the program on the basis that is as fair as possible to the taxpayers of this Nation.

The procurement of the F-14 Navy carrier based aircraft has been a subject of controversy in the Congress for several years. At first, there was serious debate as to whether an aircraft could in fact be developed that would meet the exacting performance characteristics that had been specified for the F-14. This issue has long been settled. The extraordinary capabilities of this aircraft are universally recognized.

More recently, the F-14 has come under attack because of its very high unit cost, and because that cost exceeded by so wide a margin the price stipulated in the original purchase contract. Thanks to the proddings of the Senate Armed Services Committee, and thanks to the skill displayed by the Senator from Nevada (Mr. CANNON), Grumman and the Navy have reached an agreement on a new price schedule that will allow the company to continue to produce the aircraft that the Defense Department considers so critically important. The purpose of the Cannon amendment is to restore the contemplated procurement program so that the Navy can proceed with the purchase of lots 5 and 6, now that the vexing question of price has been satisfactorily resolved.

Mr. President, I have followed the course of the negotiations between the Navy and Grumman with great care over the past several years, and I fully agree with the judgment of the Senator from Arizona (Mr. GOLDWATER) that the unit price finally agreed to is about the best we would be able to get. It is romantic to believe that any major manufacturer will continue to produce itself into bankruptcy, but the debate now turns on a more fundamental question, and that is: Given the so-called spirit of detente, given the fact that we are no longer engaged in a war in Southeast Asia, given all these conditions, does it still make sense to invest so large a sum of money in so sophisticated a weapons system?

I am persuaded that the F-14 is as an appropriate a weapon today as it was when it was first planned. It is an essential arm of our continuing ability to maintain the U.S. presence in sensitive areas to implement, to sustain American foreign policy in such critical areas as the Mideast.

If we are to maintain our fleets as a stabilizing influence in the face of the rapid growth of the Soviet Navy, if we are to be able to maintain flexibility of response, we must maintain the kind of quality that today only the F-14 can provide. We cannot lose sight of the enormous projection of U.S. influence made possible by the projection of tactical air power capable of beng deployed from a naval aircraft carrier. Eighty-five percent of the earth's surface is contiguous to some ocean body, and as such is accessible to U.S. naval aviation. If the United States is to maintain a persuasive ability to protect its interests and support its policies abroad, it must possess a credible military force with which to do so. Under these circumstances, the crucial ingredient is the ability of carrier-based aircraft to defend the fleet.

The U.S. Fleet is now operating in a technological environment that is substantially different from the one for which the current operational aircraft such as the F-4 were designed.

To meet today's challenges, fleet aircraft must be able to cope with the following:

Supersonic bombers with long range air to surface missiles;

Mobile surface to air missiles;

Tactical aircraft under the control of effective ground radar;

Low altitude, small antiship missiles launched from submarines;

Sophisticated high speed, high altitude tactical aircraft with long range air-to-air missiles.

None of these threats were present when the mainstay of fleet air defense, the F-4, was originally designed in the mid-1950's.

The question comes down to this: Will we maintain a fleet capable of the kind of response made by the 6th Fleet in recent Middle Eastern crises, or will we, in the future, be forced to avoid the deployment of our carriers in times of political crisis because of their inability to protect themselves? I am sure that no Member of the Congress wishes the United States to be placed in so untenable a position. Yet this will soon be the reality unless we purchase and deploy in sufficient numbers the only aircraft now available that is capable of protecting our carriers against existing challenges, and that is the F-14.

I want to emphasize that the threat to our carrier forces is not theoretical. It is here. It will not wait on the development of a lighter or cheaper aircraft. The F-14 is the only plane we have that is capable of meeting the threat. It is fully developed, and it is in production. For the Congress to fail to allocate sufficient funds to provide this aircraft to the fleet at the earliest time we can prudently afford, would be to take unacceptable risks with our security.

Mr. CANNON. I yield 2 minutes to the Senator from Texas.

Mr. JAVITS. Mr. President, will the Senator yield briefly to answer a question, which will help the debate at this point?

Mr. CANNON. I yield.

Mr. JAVITS. Senators may be puzzled as to why it is that the chairman of the subcommittee has offered an amendment, with the ranking Republican member of the subcommittee (Mr. GOLDWATER), the Senator from South Carolina (Mr. THURMOND), and other Senators favoring it. Why did not the committee put this item in the bill? I understand why, but I think it ought to be pinpointed here.

Mr. CANNON. I will say to my colleague, in the first place, the committee took the money out of the bill and instructed the Navy to comply with its instruction. They came back to the committee and advised us on the 30th of August that they had complied. At that time we had had the markup of the bill in the full committee and therefore we did not have the opportunity to put it back into the bill. Therefore, I brought it to the floor.

I yield 2 minutes to the Senator from Texas.

Mr. TOWER. Mr. President, I would like to associate myself with the remarks of the Senator from New York, especially when he talks of the need for a flexibility response on the part of the fleet. Without it in many respects we would become a second-rate Navy. The thing that gives us an edge is the carrier and the ability to use aircraft anyplace in the world.

I would say that the aircraft carrier might be regarded as a precision instrument. It is a way in which we can show the flag and show our full capability without ever delivering a shot. I think it is essential in keeping with our policy of modernizing the Navy that we modernize the aircraft used to protect the Navy that is responsible for keeping our sealanes open.

Mr. President, the Armed Services Committee recommended that $505 million be withheld from the fiscal year 1974 Navy budget request for 50 F–14A aircraft until the Navy and Grumman Aircraft reached agreement on a new contract. Such agreement has recently been reached and I might add at a cost of $10 million less than was estimated originally—$703 million to $693 million.

The decision by the Navy to renegotiate the F–14 contract was a fact-of-life realization that to continue insistence on the original contract terms would result in the bankruptcy of Grumman and a production cessation of a vitally needed new aircraft for fleet air defense. The original contract was drawn under terms that are not allowed today in Government procurement. The Grumman Co. has already suffered losses to the maximum it can absorb without closing its doors.

The Congress has thus far authorized and funded 134 F–14A's in a planned program of 334. To date in this program the F–14 has met and exceeded every design parameter, and in the recent Paris Air Show it demonstrated flight characteristics never before achieved in a modern swept-wing, supersonic fighter aircraft. Contrary to some information that the F–14 is plagued with technical difficulties, the entire test program is proceeding extremely well. Experienced test pilots are unanimous in their praise of the aircraft throughout the performance envelope and also as a most effective fleet air defense weapon system. With the Phoenix missile system, the F–14 is the only sea-based aircraft capable of dealing with current and projected threats of the 1980's.

The F–14 is admittedly the most expensive fighter aircraft weapon system in our history. However, it should be remembered that the F–14 is also the most effective fighter in the world and that it is the equivalent of three of the current first-line fighter, the F–4J—an aircraft designed in 1954 for the threat of the 1960's. The F–4J will not be capable of adequately meeting the threat we face in the future.

With the drastic reduction in both aircraft and ships the Navy has been forced to take, primarily due to fiscal constraints, it is imperative that maximum effectiveness be maintained in these smaller forces to insure continued control of our vital sea lines of communication.

Allegations have been made by some of our colleagues that the current contract is a possible "bail out" for Grumman. This seems to ignore every other facet of the economy, experiencing record cost increases. It is also claimed that the Navy "developed the threat" to justify our putting up additional money for the F–14. Let me assure you that the Tactical Air Power Subcommittee has given the "threat" a full exposure in this year's hearings on the F–14 program. Indeed, the committee based the recommended funds denial on the lack of a firm contract. Such a contract has now been negotiated and its details made available to the committee, as discussed by Senator CANNON. It is clear that there is no indication whatsoever of a "bail out" in the provisions of the contract and that the Navy and the contractor are ready to proceed.

The Navy Department decision to produce one modern fighter for the Navy and Marine Corps has also been attacked as "developing a novel scenario to match a need." Such inferences do injustice to our dedicated military leaders and ignore the fact that a common weapon system provides reduced support requirements and increased force effectiveness in an era of steadily declining total forces.

In summary, the F–14 is a highly successful aircraft capable of providing an essential element of our national defense. This fact is not contested. The contractual and high cost problems form the objections which have been voiced. The Navy has resolved the contractual issue. The cost is a factor our entire economy faces in virtually all areas and which shows little promise of being solved in the near future.

Faced with declining force levels, it is imperative that we not allow the capability of our Armed Forces to also decline. I urge support of the pending amendment to restore these funds.

Mr. SYMINGTON. Mr. President, I yield myself such time as may be required.

Mr. President, I join my colleagues in commending the able Senator from Nevada. We are generally in agreement on these matters, but not in this case.

With respect to the contract being signed yesterday, I am glad to hear that. I did not know it had been signed.

With respect to losses filed with the Securities and Exchange Commission, the Navy says there will be additional losses on lots 1 and 5.

Mr. President, before yielding to the Senator from Wisconsin, I received a memorandum which I will read quickly into the RECORD.

The memorandum reads as follows:

Purchase of the F–14 Carrier Plane and the Phoenix Missile

This memorandum is in response to your request for complete cost information on the F–14 aircraft program. The cost data presented herein includes the cost to field the F–14 weapon system hardware and includes cost data on the aircraft, engine, and PHOENIX air-to-air missile system. Recognizing that the missile system used on an aircraft is not normally included in computing the cost of an overall aircraft system, in the case of the F–14, I have presented this cost here because of the direct interrelationship of the PHOENIX system and its AWG–9 fire control system with the F–14 aircraft and the essentiality of this system to the Navy in meeting its mission with the F–14 aircraft.

ESTIMATED COST CONSIDERING THE F–14/PHOENIX WEAPON SYSTEM

The total estimated cost to field the F–14/PHOENIX system in the total quantity of 313 as desired by the Navy under the restructured airframe program is $7,740.1 million or an average cost of $24.7 million per unit.

The total estimated cost to field the F–14/PHOENIX system through the FY 1973 authorization for 134 aircraft is $4,274.3 million or an average of $31.9 million per system.

The estimated funding currently projected as required to field the remaining 179 of the F–14/PHOENIX systems desired by the Navy under a restructured airframe program is $3,448.7 million or an average of $19.3 million per system.

ESTIMATED COST CONSIDERING ONLY THE F–14 AIRCRAFT PROGRAM

The total estimated cost to field the F–14 aircraft program as restructured in the total quantity of 313 aircraft, including the AWG–9 fire control system, as desired by the Navy is $6,626.7 million or an average unit cost of $21.2 million per aircraft.

The total estimated cost to field the 134 aircraft already authorized under the original airframe contract price is $3,733.8 million or an average unit cost of $27.9 million per aircraft.

The estimated funding projected by the Navy as required under the restructured program for 179 additional aircraft desired by the Navy is $2,875.8 million or an average unit cost of $16.1 million per aircraft.

It should also be considered that the Navy has spent over $350 million for a new advanced engine, which is currently being tested, for the F–14 aircraft. If the Navy ultimately decides that it needs this new engine, then the cost to field the F–14 system will increase according to the requirements of the Navy. For instance, if the Navy desired to retrofit the 134 F–14A aircraft already authorized with the new engine, the cost would increase over $2 million per aircraft. The Navy has yet to decide on the future requirements for this engine.

It should also be recognized that if the Navy should desire to provide support for this aircraft aboard the projected 12 carrier force in lieu of the support planned for 8 carriers currently included in the program cost, then an additional increase in program cost can be expected.

This cost data is extracted from data provided to the Committee in support of the FY 1974 budget presentation.

Mr. President, I yield 15 minutes to the able senior Senator from Wisconsin.

THE F-14: TIME FOR A THOROUGH REASSESSMENT

Mr. PROXMIRE. Mr. President, I thank the distinguished acting chairman of the Armed Services Committee.

I think the issue before the Senate is whether we need an additional 50 F-14 planes. Frankly, if I thought we did, I would be willing to vote for the amendment even if it cost a great deal more than it does. I think it is very clear that we do not need an additional 50 of these planes.

Mr. President, for a number of years I have been following the F-14 program, and I have become highly skeptical that the F-14 will provide any significant return on the dollar.

At this time I would like briefly to discuss the F-14 with regard to certain specific points for only by a full understanding of the ancillary arguments can the F-14 be properly evaluated.

There are four issues that cast doubt on the wisdom of proceeding with the F-14. The first of these is the question of mission.

MISSION: HIGH-THREAT CARRIER PROTECTION

The F-14 with its weapon system, the Phoenix standoff missile, is a sophisticated fleet air defense system. About that there is no argument. In terms of complexity, there is no comparison with any other fighter in the world. The F-14 and Phoenix have been designed to provide protection against a coordinated, advanced attack from standoff ranges both in the air and off the surface. Leaving aside for a moment the question of actual capability, it is clear that the F-14 is intended to face the most determined threat on the seas. If it were not, it simply would not require the complex fire-control system and multishot capability of the Phoenix. For years now the F-14 has been described to Congress as the only aircraft capable of defending against a sophisticated attack.

This is an enormously expensive plane. And I think that the data printed in the RECORD by the Senator from Missouri stresses the cost of this plane. It is by far the most expensive plane we have ever procured or that any other country in the world has procured. However, the circumstances under which they can be used are very limited. We have 134 planes, and I think I can document the fact that that is all that we need.

Now this raises an often overlooked but critical point. If the F-14 is designed for this advanced threat, under what conditions would this capability be utilized?

Certainly it would not be necessary around South America or Africa.

Much of the Pacific likewise is free from the threat of attack by a technologically advanced power. The same goes for the China coast and Southeast Asia. The Indian Ocean contains no threat of this nature.

In fact, the F-14 with its highly complex defensive system is intended only for use against a massive land-based Soviet attack on our carriers. This is likely to materialize only in two specific regions: In the eastern Mediterranean and in the North Sea region. The F-14, then, is a highly specialized weapon system whose capabilities, on paper at least, are tailored for operation in limited circumstances.

I would inquire of the Pentagon just how the F-14 could be used cost-effectively in the developing world. Is the F-14 the best plane for carrier defense against the low-threat areas of Africa or South America. Is it necessary there? If not, just where is it expected to be employed with maximum effectiveness? How plausible are those assumptions? Is carrier defense in a high-threat area possible under any conditions?

It is quite likely that the entire fleet need not be equipped with F-14's. Since we already have 134 planes on order, it will be possible to deploy this number on the few carriers we operate in high-threat zones.

Surely we do not need a $19 million plane to influence the developing nations or show the flag or create an American presence. We only need it to fight the Soviet Union at sea and that contingency is not very plausible in itself.

Too often the F-14 program is justified without suitable reference to the primary mission of carrier defense and analysis of the overall carrier vulnerability problem.

The U.S. carrier fleet is faced with a military dilemma. In time of crisis and impending military action, the carriers are to utilize their mobility and take up positions close to the potential battle zone. In other words, they would move into the high-threat areas. And yet it is precisely in these high-threat areas that the carriers are most vulnerable. The eastern Mediterranean, for example, would be a graveyard for U.S. carriers. And so would portions of the North Sea where Soviet submarines operate in great numbers. The combination of air-to-surface missiles, submarine launched tactical missiles, surface-to-surface missiles, torpedoes, and land-based aircraft in high-threat areas is enough to force U.S. carriers to retire. Thus we have a strange circumstance. U.S. carriers will be less effective in the high-threat areas due to forced retirement or sinkage. Their mission would be severely curtailed and with that comes the conclusion that carriers will not be able to operate in the waters demanded by their mission.

The F-14 will do little to alleviate this situation. It basically is a question of numbers. Even with the multishot Phoenix capability, and I think that has been greatly exaggerated, the Soviets will be able to attack with far more aircraft, missiles, and submarines than a full complement of F-14's with a high success rate could defend against.

Carriers have their place and can perform valuable operations. But operating in high-threat areas is not one of them and this casts doubt on the sophisticated F-14 program. Against a heavy threat, the F-14's would exact a larger price but fail in the basic mission—successfully defending the carrier.

SKYROCKETING COSTS

Behind this backdrop of carrier vulnerability the costs of the F-14 program stand out starkly. The original planning and development estimate for the F-14 was for 469 planes at $13.1 million each—program unit costs—for a total of $6.16 billion. Several months later in September of 1969 this was changed to 293 aircraft at $16.6 million. December brought a new total of 722 planes at $11.4 million.

In 1970 the total went from 722 to 437 and back to 722. The 1971 figure fluctuated from 437 to 313.

At the present time, the Navy wants at least 313 including 68 for the Marine Corps. Mr. President, this kind of up-down, back-and-forth planning is absurd.

By any standards the F-14 will be the most expensive fighter in the world and by a wide margin. It already has cost $3.46 billion for a paltry 134 aircraft or a program unit cost of $25.8 million each. Contrast this with the $1 million-plus price tag of the Soviet Mig-21.

An additional $2.5 billion at lot 6 prices will be required to fund the 179 planes needed to fill out to 313. This will bring the F-14 program to over $6 billion or about the same as the original planning estimate in 1969 but for 156 fewer planes.

The unit cost would be a staggering $19 million at lot 6 prices compared to the original $13.1 million. This means that the U.S.S.R. or People's Republic of China would be able to field 10 Mig-21's at the inflated price of $2 million each for every F-14 we produce. And the F-14 has not been made that can handle 10 Mig-21's by itself even with its heralded six-shot Phoenix capability and 100-percent reliability.

DECLINING FORCE LEVELS

Mr. President, to put it simply, declining force levels are more of a threat to the United States than many potential adversaries. We are buying fewer weapons and paying more for them. And in many cases they simply do not work. It has happened with the MBT-70 tank. It has happened with ground vehicles like the gamma goat. The expensive aircraft carrier program has forced reduction in other Navy vessels. And it is happening with tactical aircraft.

At the current rate of force level decline, it will not be long before the U.S. Navy will not have as many on-line fighters as North Korea or other potential minor adversaries.

This is a point we ought to recognize. This is unilateral disarmament on our own part because our planes are so expensive that the number we can afford will be less than the number afforded by little North Korea. That country, for example, has about 389 Mig-15's and 17's, 108 Mig-21's, a handful of Mig-19's, and 28 SU-7's, not to mention 70 IL-28 light bombers. The 14 United States attack carriers carry two fighter squadrons each with 12 unit equipped aircraft per squadron—336 total.

At present, these fighters mainly are F-4's which can also double as attack aircraft, a capability that is noticeably lacking in the F-14. Therefore, every addition of F-14's as a replacement to existing F-4's also will have the effect of taking away some offensive firepower from the carrier force. In other words, we are getting less offensive firepower, less combat effectiveness, than we had before—not more—and for a greater cost.

The main point, however, has been aptly put by a veteran Navy pilot. We are well along the road, he stated, to buying just one aircraft and letting everyone take turns flying it.

When costs go up, force levels are pushed down and one for one replacement is not possible. This is the real threat posed by the F-14.

Evidence about declining force levels comes from Vice Admiral Houser, the Deputy Chief of Naval Operations—Air Warfare. Admiral Houser has made it clear that the Navy's aircraft procurement program is below that necessary to maintain force levels and has resulted in program stagnation and rapid obsolescing of aircraft in the inventory. We are buying less than half as many Navy aircraft this year as in 1969. The active inventory is going down dramatically. The F-14 program accelerates this disarmament. Every F-14 purchased at $19 million drives down the force level.

PHOENIX: A NIFTY CHANGE IN JUSTIFICATION

The F-14 has been sold to Congress on the basis of the Phoenix missile system. In March, testifying before the Senate Armed Services Committee, Admiral Zumwalt emphasized just how important Phoenix is to the F-14. He said:

> The F-14's importance rests primarily on its ability to track and fire on multiple targets simultaneously at long ranges.

He added:

> Two primary fighter requirements have repeatedly emerged (from studies); the requirement for large radar search volume and a long range track-while-scan multiple shoot-while-scan capability.
>
> These requirements must be achieved if the Navy is to survive and operate forces in the face of enemy air and missile concentrations.

Thus, the F-14 is inextricably bound to the Phoenix system, according to expert testimony. Previous congressional hearings confirm this fact. And yet the Navy now was willing to drop the Phoenix capability on future purchases of F-14's or F-15 variants competing in the fly-off. Suddenly the primary positive characteristics of the F-14 turned out to be its dogfight capability. Such is the flexibility of justifications presented to Congress.

CONCLUSIONS

Given the current status of the F-14 program and the ever-changing Navy figures, I can only conclude that this has turned into the most mismanaged application of defense dollars since its illfated predecessor, the TFX. Not since the F-111B—TFX—disaster has the Navy so fouled up a major aircraft procurement program. Costs have soared, force levels have plummeted, and the Navy has engaged in a prolonged game of indecision.

The situation becomes even more critical when the forced Marine Corps F-14 purchase is considered. Let me say what many in the Marine Corps are thinking privately: The F-14 will cost Marine lives during a landing. It cannot perform the close support and interdiction function as well as the F-4J's it replaces.

It is essential that some order be brought out of the F-14 mess. The Navy will not do it. The Pentagon will not do it. Congress must do it.

The F-14 should be discontinued both for cost and force level reasons. Continued purchase of the F-14 is an exercise in unilateral disarmament. It will create lower force levels, perhaps to a dangerous degree.

I propose three corrective actions:

First, no further F-14's should be purchased. The existing 134 on order could be distributed, 1 squadron each on 6 carriers or 2 squadrons each on 3 carriers in high-threat zones. The cutoff of F-14 purchases would save at least $2.5 billion under present planning.

Second, the Navy should substitute a lightweight fighter for the existing F-4's at an appropriate time in the 1980's when that becomes necessary. Purchase of a $3 million lightweight fighter at a quantity of 500 would ($1.56) permit a savings of about $3.5 billion over a comparable buy of stripped-down $10 million F-14's—5.06. This plane could be a modified YF-16, YF-17, or pure Navy version. Recent studies indicate that a lightweight fighter would have more capability in terms of range and payload capacity than thought in previous years.

Third, in the interim years before a new lightweight fighter comes on line, I recommend continued purchase of the excellent F-4J to upgrade the Navy and Marine Corps inventory.

The combined effect of my recommendations would be to provide a "hi-lo" tactical mix of great versatility at a price at least $6 billion below what the Navy wants to spend, not including continued F-4J acquisitions.

To do less is to endanger our future force levels and leave the aircraft carriers vulnerable even in low threat areas.

Mr. President, a few more points about the advisability of going to a lightweight fighter are in order.

First, we have the time to develop a cheap and reliable alternative to the F-14. In a recent reply to a request for information, the Director of Defense Research and Engineering, Malcolm Currie, stated that the F-4J will be operationally effective through 1985 against an aircraft threat less sophisticated than the Foxbat. Now this is an important admission. First, the F-4J cannot handle the Foxbat in its normal operating environment. This we know. But it is also known that the Foxbat cannot handle the F-4J in its operating environment. The F-4J will shoot down a Foxbat in a dogfight at low to midelevations with consistency.

If the F-4J remains effective through 1985, then there is ample time to begin developing a lightweight fighter variant for the Navy while continuing to purchase the remarkable F-4J's for Navy and Marine Corps use.

This is the practical alternative to the F-14.

The Currie letter also indicates that the Navy plans to use the F-14 to make up one half of 24 squadrons on 12 carriers plus 4 Marine squadrons. Thus the F-14 is deemed necessary for worldwide deployment.

I consider this an exaggeration of great proportions. The F-14 is not needed in the Indian Ocean or in the Pacific or in some stations in the Atlantic. It is only needed where there is a sophisticated air threat and that means off the coast of the U.S.S.R. or within range of Soviet land based aircraft. As I have explained earlier, we could provide all necessary carrier protection by basing the 134 F-14's now on order on 6 carriers in high threat zones.

The Navy is dragging its feet on a low cost alternative to the F-14 because it does not want to lose its prize procurement problem. And yet there are data which suggest rather strongly that a lightweight fighter is not only functional but highly effective.

Using contractor data for the YF-16/17 and comparing it to the F-14, it should be noted that the YF-16/17 would have superior acceleration, better turning radius, a higher rate of climb, lower maintenance requirements, higher effectiveness in close combat, equal radius, higher reliability, and lower cost. This is the plane we need for combat. Ask any pilot from Vietnam whether he would take a standoff fighter or a close-in fighter. You always get the same answer: "Give me a tight turning high thrust, reliable dogfighter any day."

The F-14 on the other hand is geared for performance against long range threats and it is superior than a light weight fighter in those characteristics that provide that capability.

I say that we need a mix of the two types. Since we already have 134 F-14's, let us stay at that number and use the technological life of the F-4J to develop a new lightweight fighter.

With the F-14 we have a $20 million plane on our hands. Great claims are made for it. It is supposed to have a simultaneous 6-fire capability. But this has not been tested. A five-round test has not even been attempted. And yet there is a contract signed between Grumman and the Navy for 50 more aircraft.

This contract could allow Grumman up to a 8.9 percent profit on the deal. It is a giant get well present from the Navy.

This contract itself has no penalty clauses for late delivery nor any liquidating damage clause. Again instead of firm contractual agreements we have placed our faith in good intentions. Even though realistic target prices are available, the contract calls for funding to ceiling prices, thus allowing the builder greater leeway for costing errors. The Navy is giving Grumman every break it can.

The Navy judged that Grumman would go broke under the original contract. That contract was dropped under the extraordinary authority given to the Pentagon and President under Public Law 85-804. This is the special arrangement the Pentagon has with defense industry. If something goes wrong, we will work it out. The new Grumman contract is sole source and at greater cost to the Government than previously contracted for under competitive procurement. But all this is judged appropriate. And Congress is once again hostage.

It is time that other alternatives are found. The lightweight fighter is not only a sound alternative but extremely cost effective.

Mr. President, it seems to me that to expect the Senate to act within the next half hour on a contract which has only this morning been made available to Members of the Senate—even the acting chairman of the Armed Services Committee has indicated he has just seen it now—and to expect us to make an affirmative decision to spend hundreds of millions of dollars of the taxpayers' money on the basis of this kind of information, is asking too much. So I hope Senators will vote no on the amendment.

Mr. President, I ask unanimous consent to have printed in the RECORD my letter of June 29 to the Secretary of Defense, and the response of the Defense Department dated September 13, 1973.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JUNE 29, 1973.

Hon. JAMES SCHLESINGER,
Secretary of Defense, The Pentagon, Washington, D.C.

DEAR MR. SECRETARY: Now that you have officially assumed the Office of Secretary of Defense, I hope you will quickly turn your attention to the F–14 program.

It is quite evident that the Navy feels strongly about obtaining a quantity of F–14s even to the point of pressuring the Marine Corps to change its mind about purchasing F–4Js.

Less apparent, however, are the alternatives to continued F–14 production. In a recent Senate speech, I outlined a proposal designed to provide a "hi-lo" mix of 134 F–14s plus a replacement for the F–4s and F–8s by a cheap lightweight fighter at considerable savings.

I have been told that the lightweight fighter program is developing aircraft capable of performing missions with greater range and payload than previously expected. If this is the case, it would dispel several of the major arguments against using the lightweight fighter to replace F–4s.

In order to obtain more information and clarify concepts, I invite you to comment on my June 26th speech (attached). In particular I would be interested to answers to the following questions:

1. What is the Navy's anticipated squadron force level requirement for fighters in 1980? What mix would this entail? Is this a 12 carrier force?

2. What plans are currently under consideration by the Navy for a lightweight fighter?

3. What factors would impinge on the use of the Air Force lightweight fighter, the YF–16 or YF–17, as carrier capable aircraft. Please include cost and mission characteristics for a theoretical one for one replacement for the existing unit equipped F–4s and F–8s.

4. What is OSDs assessment of the technology life of the F–4J's?

5. What is your assessment of the minimum number of F–14s required for defense of the carrier fleet or whatever portion of that fleet is determined to need high threat protection?

6. Would you compare the capabilities of the F–14A and the projected YF–16 or YF–17 along the lines of acceleration, payload, turning radius, climb rate, reliability, maintenance, program unit costs, and ordinance capability?

7. What alternatives to Nimitz-class nuclear aircraft carriers now are being considered by DOD? Have you made the last request for a new nuclear carrier of that size?

8. Would you comment on the proposition that U.S. carriers operating in the Eastern Mediterranean, North Sea, Norwegian Sea and Baltic area would be forced to retire in time of crisis and impending major attack?

I appreciate your willingness, as shown in the confirmation hearings, to cooperate closely with Congress. I am convinced that such an atttiude on both sides will produce valuable results.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.

DIRECTOR OF DEFENSE
RESEARCH AND ENGINEERING,
Washington, D.C., September 13, 1793.

Hon. WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PROXMIRE: The Secretary of Defense has requested me to reply to your letter of June 29, 1973. Before I proceed with the substance of the reply, I would like to apologize for the delay in answering. However, I know you appreciate the magnitude of the task of dealing with the complex issues you have raised.

Decreasing the procurement of the F–14 and initiating the acquisition of a Navy lightweight fighter is certainly an alternative. I am sure you can appreciate, however, that obtaining the sound data and analysis to support management consideration of such an alternative requires considerable effort. In this regard, we are continuing to gather information which, hopefully, could lead to an acceptable alternative to the F–14 program.

In the interim, I trust the following answers to the specific questions of your letter will suffice. Any comments that we would make on your speech are also contained in these answers.

1. The Navy's planned fighter squadron force level for 1980 is two per carrier. Twelve carriers are now planned for 1980. The 334 F–14A aircraft now planned will provide for one-half of the carrier fighter squadrons and four Marine squadrons.

2. Navy has examined lightweight fighter alternatives. Efforts to date have not identified a suitable system meeting cost objectives. The analysis is continuing.

3. The factors impinging on the use of either the YF–16 or YF–17 are:

a. The possible need for a radar missile system for a light weight fighter.

b. The possible increase in structural strength for carrier compatibility.

c. Range sufficiency for the Navy mission.

d. Flying qualities for the carrier approach and catapult launch.

e. Cost objective of no more than an F–4 and an operational cycle time improved over the F–4.

f. Support of multiple aircraft types on a carrier.

g. Efficient use of available carrier deck space. It should be noted that the YF–16/17 program is a technology effort and any follow-on for either Air Force or Navy application, will require substantial further development efforts.

4. We assess the F–4J as being operationally effective through 1985 against an aircraft threat less sophisticated than, for example, the Foxbat. However, it should be noted that the F–4J is not adequate against the current ASM/SSM threat.

5. At least one squadron of F–14's per carrier is needed for fleet air defense. The Navy believes that, if the world situation deteriorates to the point where potential enemies were to attack our critical sea lines of communications, the requirement for F–14 Phoenix capability would increase.

6. The following compares critical factors of the YF–16/YF–17 relative to the F–14A. The comparison is meaningful in a limited sense only because the F–14's intended mission capabilities are beyond the realm of lightweight fighter mission capabilities. Additionally, I would enjoin you to keep in mind that all lightweight fighter performance data are contractor furnished estimates and therefore should be carefully assessed in that light before making any qualitative judgment or comparisons with thoroughly tested or operationally proven fighter aircraft now in existence.

Acceleration—Superior.

Payload—Less.

Turning Radius—Better except at very low speeds.

Rate of Climb—Higher.

Maintenance—Lower.

Ordnance Capability—Much lower.

Effectiveness in Close Combat—Higher.

Effectiveness in Long Range Combat—Much Inferior.

Radius—Equal.

CAP Loiter Time—Much lower.

Effectiveness Against ASM/SSM—Much Inferior.

Reliability—Higher.

Cost—Lower.

It should be noted that YF–16/YF–17 performance is based on contractor claims.

7. There is no plan to request a new nuclear carrier the size of the Nimitz. The Navy is considering alternative designs to meet future carrier requirements. A replacement program is necessary because the Forrestal class carrier entered the fleet at an average rate of one per year commencing in 1955 and will be approaching obsolescence in the 1980's.

8. Our carriers are not ordinarily deployed to Northern European waters, but, in time of crises, carrier forces could be dispatched to that area to bolster NATO forces. Since the Russian Baltic Fleet is virtually powerless unless it can sail into the North Sea and thence to the Atlantic via the narrow Skagerrak and Kattegat between Denmark and Sweden, we, accordingly, foresee no reason for sending carrier forces into the Baltic. Rather, we would expect to bottle-up the Soviet Fleet without entering the Baltic. Insofar as the Eastern Mediterranean is concerned, we have deployed carrier forces to this area and will continue to do so as our National policy dictates. As you are aware, forces are risked in time of crises/war to accomplish tactical and strategic as well as political objectives.

In summary, I would like to reaffirm that we support the F–14 program as it has been briefed to the Congress and that the DoD is actively seeking a low-cost alternative to the F–14 aboard carriers. I hope these comments and answers to your questions will serve our common purpose to attain an affordable and stronger defense capability.

Sincerely,

MALCOLM R. CURRIE.

Mr. PROXMIRE. I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time.

Mr. SYMINGTON. Mr. President, the people should appreciate the remarks of the distinguished Senator from Wisconsin. I had hoped we could examine this contract the able Senator from Nevada now says was signed yesterday, look into the matter from the standpoint of this steadily increasing problem of military expenditures in relation to our overall budget. We are told of détente prevailing between various countries, including the other superpower, and we know of the ending of the wars in Indochina.

At this time the Department of Defense is asking for some $7 billion more for defense than was asked for only 2 years ago. It would seem as this program has developed, that details given by the able Senator from Wisconsin, especially from the standpoint of why we should have this type and character of plane in low-risk areas, is fundamentally important.

The question can only cross one's mind as to how much new technology at these prices is necessary to handle the mission the carriers have.

As this discussion of the military procurement budget proceeds, I am more impressed with the logic of handling procurement the same we have done with respect to personnel reductions; in other words, turning it all over to the Secretary of Defense. We all know that, whereas we want whatever is necessary for the security of the country, we do not want to spend money for what is not essential to that security. Everyone knows also that a sound dollar and a sound economy are just as important to true national security as the latest weapons systems.

The Senator from Wisconsin (Mr. PROXMIRE), as usual, comes to the floor with pertinent facts, and I would hope that other Senators will read this debate and consider these points when we come to future discussions of the overall military budget.

Mr. GOLDWATER. Mr. President, will the Senator from Nevada yield me 2 minutes?

Mr. CANNON. I yield 2 minutes to the Senator from Arizona.

The PRESIDING OFFICER (Mr. HATHAWAY). The Senator from Arizona is recognized for 2 minutes.

Mr. GOLDWATER. Mr. President, I could not remain seated after listening to some of the remarks of my good friend from Wisconsin (Mr. PROXMIRE), who outlined some areas of the world where he sees no threat and no need for the F-14 aircraft.

He named the Indian Ocean. This is probably one vital area we have facing us in the future, the Straits of Malacca, which is in the long-range plans of the Soviet Union which, if denied us, we will be through with international shipping, and we will be denied outside oil, as will be our allies as well.

The Pacific is another major area where we have to defend every square inch of it, if it comes to that.

Mr. PROXMIRE. Mr. President, will the Senator from Arizona yield for a comment?

Mr. GOLDWATER. In a moment.

One other point the Senator makes concerns the F-4 and upgrading it. It has been upgraded. They put slots in the wings. I have flown that particular airplane. I have also been in the F-14, and the F-14 outflies the F-4. Contrary to what the Senator from Wisconsin said, the F-14 outclimbs and outturns it. There is no test pilot living that can take all that the F-14 can give. From the computer statistics I have seen, and the comparative tests through the computers of any Mig, the F-14 will outfight it.

Many of the things the Senator from Wisconsin says have some good value. I believe in the lightweight fighter. But we are about a year and a half away from such a prototype, and when that comes out, it will have a role in the Navy and in the Air Force, but it will never have the range of the F-14. The range of the F-14 in the Mediterranean is probably one of its greatest necessities because, as the Senator knows, we will be fighting against Soviet land-based equipment. Range is of the essence.

Mr. PROXMIRE. Mr. President, when I said we did not need the F-14 in the Indian Ocean, I was talking about that we did not have the high technological threat in that area. True, that can be a very important area and a significant area for our protection, but we do not need a high technology plane that is so immensely costly.

Then, on the second point, the reason why I argued that the F-4J is technologically capable of lasting for some years, is a statement from Malcolm R. Currie, who, as the Senator knows, is the Director of Defense Research and Engineering in the Pentagon. He says the F-4J can last technologically until 1985, and that indicates we have some protection now in this area. It is not the kind of gap the Senator from Arizona suggests.

Mr. GOLDWATER. I would agree that the F-4 probably would be useful for a long time. It will be useful undoubtedly. But to say it is an aircraft that will last another 15 years and that we do not need a new one is following the same path that has gotten us into the position of having to pay such ridiculously high prices for R. & D.

Mr. PROXMIRE. I do not take that position. We do need a new one. We need a lightweight fighter. What I am saying is that we do not need these immensely costly planes. As the Senator knows, and I would like him to meet this fact, North Korea may well be in the position of having more fighter planes than the United States of America, and that is appalling.

Mr. GOLDWATER. If the Senator wants the truth, there are a number of other countries which have more fighter planes than the United States.

Mr. PROXMIRE. That is right.

Mr. GOLDWATER. We have 8,000 fewer aircraft today than we had in 1964 and we are buying fewer aircraft this year than in 1935.

Mr. PROXMIRE. But we are spending enormous sums for them today because the per copy cost is so immense.

Mr. GOLDWATER. I grant the Senator that. I do not like the cost of these airplanes any more than the Senator does. But we do not have a lightweight fighter. We can talk about rebuilding the B-52, but that would be an effort that would cost more than the new B-1; or put such an effort into rebuilding the F-4J into whatever might follow it, and that could cost more than the F-14.

The Senator bemoans the fact that they cost what they do, but the strange thing is that those who oppose military strength and the buying of new weapons are the very ones who vote for every increase that comes across the floor—$250 million only yesterday—and no one raises Cain about that, or points out that it will increase inflation.

Mr. SYMINGTON. Mr. President, I noticed again a reference of my good friend from Arizona made to expenses he considers unnecessary in HEW programs. We have spent hundreds of billions of dollars on national defense since World War II; and the people of the United States are beginning to believe it more wise for this Government to stop ruling and babysitting the rest of the world, attempting to dominate militarily the rest of the world, paying for that effort with their taxes, and start thinking more about the growing problems of the people of this country.

I do not know what the conditions are in the State of Arizona, but I do know the conditions in the State of Missouri, large cities such as St. Louis and Kansas City, and small towns and the countryside, where we have great poverty. I saw a clipping the distinguished Senator from Rhode Island (Mr. PASTORE) had recently about a 79-year-old woman who receives $145 a month, out of which she had to pay $85 a month for rent. She said, "I can get along with what is left. I try, but do not like to see my elderly neighbors hitting the garbage cans in my alley."

So I would hope the Senator's rather negative reference is not because we are trying to do something for the people of this country. The people of this country have a right to live decently as much as any other people.

I now return to what we were originally discussing, which has nothing to do with the HEW budget. The able Senator from Arizona mentions the carriers in the Mediterranean when he talks about the F-14. In all sincerity, against any major offensive, especially from a super power, it is impossible to realize how a carrier could live in the Mediterranean.

The whole question of naval warfare was shaken when the destroyer *Elath* was hit. They did not know what hit it at first. They thought it came out of a harbor in Africa. Then they found the hit actually came from a motorboat.

When we see the gigantic developments in sea-to-sea missiles and air-to-air missiles; and, above all, in that narrow inland sea, when we think of the land-to-sea missiles that can come off the whole north littoral of Africa, which is almost entirely in the hands of countries that are either Communist or supporting the Communist cause, I do not see how carriers could live in the Mediterranean.

There is merit in the position taken by the able Senator from Wisconsin. We do not have to have the very latest technology, all over the world, to resist every possible effort, even threats that might come from organized tribes in some country with little technical knowledge.

Before our committee, the Commandant of the Marine Corps, an experienced fighting general, said he would much rather have another plane than the F-14. He and the Chief of Naval Operations disagreed in front of the committee as to what the Marines needed. I would rather have the Marines state what they need than have the Navy state it for them. But a few weeks later, the Marine Corps said:

> We believe, after thinking it over, it is better for us to have the F-14, even though we could have bought two or three of the other planes for the same price.

Mr. President, I yield back the remainder of my time.

Mr. CANNON. Mr. President, inasmuch as the Marines have been mentioned, I have a letter from the Commandant of the Marine Corps; and I ask unanimous consent to have printed in the RECORD his recent letter to me on this subject.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 20, 1973.

Hon. HOWARD W. CANNON,
Chairman, Tactical Air Power Subcommittee, Committee on Armed Services, U.S. Senate, Washington, D.C.

DEAR SENATOR CANNON: The modernization of our aging fighter force has been high on the Marine Corps priority list for the past three years. As you know, this program has been delayed and changed several times for a variety of reasons. As I stated in my testimony before your committee on June 19, 1973, the decision to modernize with F–14's vice F–4J's was made only after careful consideration of all factors involved. I reaffirm my June 19, 1973, position.

I have been concerned that the difficulties the Navy has experienced in obtaining accurate cost data might again jeopardize our plans for fighter modernization. The recent events which have led to firm contract prices have relieved that concern and I am hopeful that we can get on with our fighter modernization program wthout further delays.

I want to extend my personal thanks to you and the members of your committee for your continued support of Marine Corps programs.

Sincerely,

R. E. CUSHMAN, Jr.,
General, U.S. Marine Corps, Commandant of the Marine Corps.

Mr. CANNON. Mr. President, much has been made about the fact that no one has seen the contract and the fact that the contract was signed only yesterday.

I point out that the practice in the past has been that contracts are never signed until the authorization bill is passed and the money is appropriated. This contract could not have been signed yesterday had it not had written in it a paragraph providing the contract could not become effective until Congress authorized and appropriated the necessary funds.

The distinguished Senator from Missouri spoke about the moneys we have authorized and appropriated for HEW and for great social causes, and that is well and true. We never do that on the basis of a contract that is signed and in hand. We have no department in Congress to review contracts, and I hope we never will. I hope that when we get a representation from a department concerning a contract, they are able to administer their own contracts and that it does not have to come to the Senate for administration purposes and purposes of review and approval.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. GOLDWATER. I am sitting here, trying to recall any time that a contract has appeared before a committee or a subcommittee on which I have served.

Does the Senator from Nevada recall any subcommittee of the Committee on Armed Services or the full committee ever having a contract to look at?

Mr. CANNON. Not specifically. I recall that we have had testimony from the respective services concerning contracts.

The PRESIDING OFFICER. All time has been yielded back or has expired.

Mr. SYMINGTON. Mr. President, I ask unanimous consent not to yield back the remainder of my time, based on what the able Senator from Nevada has stated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. The reason why we were and are interested in the contract was that we had weeks—it is fair to say months—of considering this entire purchase in the subcommittee of which I have the honor to be a member. The question came down to the nature of the contract. In the last few days, I received a letter from the distinguished chairman of the subcommittee stating that the contract had been signed; and that, therefore, he was satisfied to go ahead with this amendment. They called people on the staff and inquired what the contract says with respect to the details we had discussed. They did not know.

So far as the contract itself is concerned, presumably it has been carefully examined; and I am sure the chairman has presented it accurately on the floor. I am a member of the subcommittee that considered this matter however and supported the original position, and would have appreciated a chance to study the contract before approving it today to the tune of a half billion dollars of the taxpayers' money.

The PRESIDING OFFICER. Does the Senator yield back the remainder of his time?

Mr. SYMINGTON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used up or yielded back.

The question is on agreeing to the amendment. On this questoin, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Montana (Mr. MANSFIELD), the Senator from Michigan (Mr. HART), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I also announce that the Senator from Iowa (Mr. CLARK) is absent because a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) and the Senator from Massachusetts (Mr. KENNEDY) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New Jersey (Mr. CASE) is absent to attend the funeral of a friend.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that, if present and voting the Senator from New Jersey (Mr. CASE) would vote "nay."

The result was announced—yeas 66, nays 26, as follows:

[No. 414 Leg.]

YEAS—66

Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Brock
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Huddleston
Inouye
Jackson
Javits
Johnston
Long
Magnuson
Mathias
McClellan
McClure
McGee
McIntyre
Nelson
Nunn
Packwood
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stevens
Talmadge
Thurmond
Tower
Tunney
Weicker
Young

NAYS—26

Abourezk
Biden
Brooke
Burdick
Church
Eagleton
Fulbright
Hartke
Haskell
Hatfield
Hathaway
Hughes
Humphrey
McGovern
Metcalf
Mondale
Montoya
Moss
Muskie
Pastore
Pell
Percy
Proxmire
Stevenson
Symington
Williams

NOT VOTING—8

Case
Clark
Hart
Kennedy
Mansfield
Pearson
Stennis
Taft

So Mr. CANNON's amendment (No. 526) was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Indiana (Mr. HARTKE) is recognized to call up one of his amendments.

Mr. HARTKE. Mr. President, I ask unanimous consent that Mr. Craig Hudson, of my staff, be permitted on the floor during the consideration of the amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Which amendment does the Senator from Indiana call up?

Mr. HARTKE. Mr. President, I call up my amendment No. 494, as modified.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk proceeded to read the amendment (No. 494), as modified, offered by Mr. HARTKE for himself, Mr. THURMOND, Mr. TOWER, Mr. CRANSTON, Mr. DOLE, Mr. DOMENICI, Mr. MCGOVERN, Mr. GURNEY, and Mr. MCGEE.

Mr. HARTKE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, it will be printed in the RECORD.

Amendment No. 494, as modified, is as follows:

TITLE VIII—MILITARY RETIREMENT

SEC. 801. That notwithstanding any other provision of law, a member or former member of a uniformed service (1) who is sixty years of age or older on the date of enactment of this Act or becomes sixty years of age after such date, is retired for reasons other than physical disability, and is entitled to retired pay computed under the rates of basic pay in effect before January 1, 1972, or (2) who is entitled to retired pay for physical disability under title IV of the Career Compensation Act of 1949 (63 Stat. 816–825), as amended, or chapter 61 of title 10, United State Code, whose disability was finally determined to be of permanent nature and at least 30 per centum under the standard schedule of rating disabilities in use by the Veterans' Administration at the time of that determination, and whose retired pay is computed under rates of basic pay in effect after October 11, 1949, and before January 1, 1972, is entitled to have that pay recomputed upon the rates of basic pay in effect on January 1, 1972.

Sec. 802. A member or former member of a uniformed service who retired by reason of physical disability and who is entitled, in accordance with section 411 of the Career Compensation Act of 1949 (63 Stat. 823), to retired pay computed under provisions of law in effect on the day preceding the date of enactment of that Act, may elect within the one-year period following the date of enactment of this Act to receive disability retirement pay computed under provisions of law in effect on January 1, 1972, in lieu of the retired pay to which he is otherwise entitled.

Sec. 803. (a) A member or former member of a uniformed service who is sixty years of age or older on the date of enactment of this Act and is entitled to have his retired pay recomputed under the first section of this title shall be entitled to retired pay based upon such recomputation effective on the first day of the first calendar month following the month in which this Act is enacted.

(b) A member or former member of a uniformed service who becomes sixty years of age after the date of enactment of this Act and is eligible to have his retired pay recomputed under the first section of this title shall be entitled to retired pay based upon such recomputation effective on the first day of the first calendar month following the month in which he becomes sixty years of age.

(c) A member or former member of a uniformed service who is entitled to make an election under section 802 of this Act and elects to have his retired pay recomputed as authorized in such section shall be entitled to retired pay based upon such recomputation effective on the first day of the first calendar month following the month in which he makes such election.

Sec. 804. The enactment of sections 801 and 803 of this Act does not reduce the monthly retired pay to which a member or former member of a uniformed service was entitled on the day before the effective date of this Act.

Sec. 805. A member or former member of a uniformed service whose retired or retainer pay is recomputed under this Act is entitled to have that pay increased by any applicable adjustments in the pay under section 1401a of title 10, United States Code, which occur or have occurred after January 1, 1972.

Sec. 806. As used in this title (1) the term "uniformed services" has the same meaning ascribed to such term by section 101(3) of title 37, United States Code, and (2) the term "retired pay" means retired pay or retainer pay, as the case may be.

The PRESIDING OFFICER. On this amendment there is a time limitation of one and a half hours.

The Senator from Indiana is recognized.

Mr. HARTKE. Mr. President, I yield myself 15 minutes.

Mr. President, the amendment which I offer is designed to correct an obvious injustice done by the Government to the military retirees and to those actively serving in the military forces at the time the 1958 Military Pay Act was adopted.

At that time, and for many years previously, the law had provided for retirees to share proportionately in raises given to the active duty force. Since in those days, military pay was low and raises came only infrequently, the recomputation system for retired pay was really the one favorable feature of the compensation system.

People who entered the service while that law was in effect had every right to expect that they would continue to be compensated under that system after their retirement.

It is quite normal when making changes in compensation systems to include a "grandfather clause" to protect the rights of people then in the system. But such a clause was not included in this very significant adverse change in the military compensation system.

Surprisingly, too, in suspending the recomputation system without a provision protecting the rights of those already in the system, Congress acted in direct disregard of the recommendations of the Cordiner military pay study committee, upon which the pay act was based. The committee concluded that:

> The incentive value of the existing military retirement system depends to a major degree upon the integral relationship with active duty compensation and the confidence which has been built up on the military body that no breach or faith or breach of retirement contract has ever been permitted by Congress and the American people.

In 1966, only a few years after this mistake had been made during the Eisenhower administration, President Johnson appointed a special Cabinet Committee on Federal Staff Retirement Systems. One of their findings was:

> Whenever a staff retirement system is changed, provision shall be made to protect the equities of any individuals who would be adversely affected by such change.

After the military retirement system, including the recomputation feature, was adopted for officers in 1861 and for enlisted men only a few years later, it continued in force until 1922 when an economy-minded Congress suspended its application to retired officers, only to restore it 4 years later.

In their report recommending reestablishment of the system for those already retired, the House Committee on Military Affairs—House Report 857, 69th Congress—said:

> The purpose of the bill (is to restore) to those officers retired before the 30th of June, 1922 the compensation promised to them by section 1274 of the revised statutes.

I say that we can do no less for our older and physically disabled retirees of today. They, too, are being denied compensation specifically promised to them by the statutes that were in effect until suspended in 1958 and repealed in 1963.

The amendment I have offered is similar to one I proposed last year, which was adopted by this body by an overwhelming vote of 82 to 4. That amendment was dropped in conference in deference to the House of Representatives which had not given the subject any consideration. The House has now held hearings on this subject under the auspices of the special Subcommittee on Retired Pay Revisions of the House Armed Services Committee.

I might say during the debate and when the distinguished Senator from Mississippi was objecting to this measure at that time he contended that there had not been hearings on the Senate measure. When the conference report came back, it was with a great deal of reluctance that we agreed not to raise any objection to the conference report, on the understanding that the committee would hold hearings, the Senator from Mississippi (Mr. STENNIS) being chairman at that time and having promised to hold hearings. However, due to his unfortunate accident, he could not hold hearings, and we were not able to persuade other Senators to hold hearings.

I have assurances from the Senator from Mississippi that he is not going to object on the ground that hearings were not held, and he is not going to object on the ground that the administration has promised to propose an entirely new retirement system. He will probably vote against the amendment, but I want Senators to know that the objection previously raised by him on the ground of a lack of hearings, I understand, is not going to be raised at this time by the Senator from Mississippi.

The pending amendment will provide a one-time recomputation of military retired pay to the 1972 rates, as adjusted upward by intervening raises based upon increases in the Consumer Price Index.

The higher rates will be effective immediately for retirees who are retired for years of service under earlier pay rates and are 60 years of age and older, and regardless of age for those who are retired for physical disability under the current standards. Other retirees who are not now age 60 would move to the new rates as adjusted upward, based upon the CPI at the time they reach 60 years of age.

Persons retired for physical disability under the standards existing before 1949 would have a new option to remain under the old system at the existing rates or move to the current system at the recomputed 1972 rate.

This is a change from the amendment of last year and meets one of the objections raised by a House Member.

Mr. President, I am happy to say that this formula has the unanimous support of the members of the Council of Military Organizations and of other military oriented organizations. I ask unanimous consent that letters from organizations supporting my amendment be printed in the RECORD at his point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN ASSOCIATION OF RETIRED PERSONS, NATIONAL TEACHERS ASSOCIATION,
Washington, D.C., Sept. 20, 1973.

Hon. VANCE HARTKE,
Washington, D.C.

DEAR SENATOR HARTKE: The American Association of Retired Persons urges your support for a one-time recomputation of military retired pay. We feel that the difference between retirement pay received by an individual who retired last year and that received by an individual with the same rank and years of service who retired five or ten years earlier has become too great.

Now that military pay scales have reached a level of comparability with civilian pay scales for similar work and responsibility, military retirees should be permitted to receive the benefits of this comparability equally, regardless of when they retired. We feel it is unfair to discriminate against individuals who retired a number of years ago, simply because pay scales were inadequately low at the time they retired. It is our understanding that the fiscal year 1974 budget contains enough money to cover the first year cost of a one-time recomputation.

Sincerely,

Cyril F. Brickfield,
Legislative Counsel.

Fifty-Fifth National Convention
of the American Legion,
September 17, 1973.

Hon. Vance Hartke,
U.S. Senate.

Dear Senator Hartke: Your announced intention to introduce legislation to provide recomputation of retired pay for certain physically disabled and older retirees has the strong support of The American Legion.

As you pointed out on the floor of the Senate last year when this subject was debated in connection with another bill, today we have eleven different rates of retired pay for former members of the Armed Services of equal grade and length of service. The oldest retirees, whose needs are the greatest, receive the smallest pay and the youngest receive the largest. The disparity in many cases is as much as fifty percent.

Enclosed is a copy of a resolution adopted last month by our National Convention restating The American Legion's endorsement and support of legislation to equalize military retired pay on the basis of the rates currently in effect for active duty personnel of the same grade or rank and length of service.

The opportunity to submit a copy of this resolution to you in support of your effort is appreciated.

Sincerely yours,

Robert E. L. Eaton,
National Commander.

Fifty-Fifth National Convention of the American Legion, Honolulu, Hawaii, August 21, 22, 23, 1973

Resolution No. 189

Subject: Equalize military retired pay.

Whereas, past inequities have been created by failure to update military retired pay; and

Whereas, the Federal Government has an obligation to retired military personnel to provide retired pay in line with what they were led to expect when they entered the armed forces and acknowledging that retirement pay is part of what a veteran has earned; and

Whereas, the retired pay for these military retirees is based on the inadequate pay scales which prevailed during their long and faithful years of service; and

Whereas, those who have retired for disabilities incurred in line of duty have by their sacrifices earned the right to every consideration when corrections in provisions for retirement and retainer pay are considered for all members and former members of the uniformed services; and

Whereas, it is quite clear that pay for all retirees, including all disabled retirees should be equalized so that all such retirees of the same grade, years of service, and all disabled retirees be the same; and

Whereas, the application for piecemeal increases based on the consumer price index does not compensate for the low retirement pay; now, therefore, be it

Resolved, by The American Legion in National Convention assembled in Honolulu, Hawaii, August 21, 22, 23, 1973, that we endorse and support legislation to equalize military retired pay currently in effect for active duty personnel having the same grade or rank and length of service.

Veterans of Foreign Wars,
Washington, D.C., September 19, 1973.

Hon. Vance Hartke,
Chairman, Veterans Affairs Committee, U.S. Senate, Washington, D.C.

My Dear Mr. Chairman: Since the time recomputation of military retired pay based on active-duty pay scales was discontinued, when Congress departed from this method of adjusting retired pay in the 1958 Military Pay Act, each ensuing National Convention of the Veterans of Foreign Wars of the U.S. has given us a mandate, in the form of a resolution passed by the more than 14,000 voting delegates thereto, to seek recomputation of retired pay on present-day pay scales and such has been one of our continuing Priority Legislative Goals. Our most recent National Convention, held in New Orleans, Louisiana, August 17–24, 1973, gave us a somewhat broader mandate, a copy of which is enclosed.

In view of the foregoing, rest assured you have the full support of the 1.8 million members of the Veterans of Foreign Wars of the U.S. and the more than 500,000 members of our Ladies Auxiliary in your Bill, S. 1336, to amend the Military Procurement Authorization Bill and grant recomputation of military retired pay, for which funds have been allocated by the present Administration.

Trusting your amendment receives overwhelming approval and with best wishes and kindest personal regards, I am

Sincerely,

Francis W. Stover,
Director, National Legislative Service.

Resolution No. 684

RECOMPUTATION OF RETIREMENT PAY,
RETIRED MILITARY PERSONNEL

Whereas, recomputation of retirement pay for retired members of the military has not been accomplished since 1958; and

Whereas, the number of pay increases authorized for the U.S. Military since 1958 has caused a vast difference in the amount of retirement pay to individuals retired in 1958 and subsequent years; and

Whereas, military personnel retired since 1958 did serve long and faithfully to earn their retired benefits; and

Whereas, the recomputation regulation was abolished late in the careers of a very large group of those presently retired and was not expected by that group; now therefore

Be it resolved, by the 74th National Convention of the Veterans of Foreign Wars of the United States, that we vigorously support Recomputation of Retirement Pay Bills in Congress.

Disabled American Veterans,
September 14, 1973.

Hon. Vance Hartke,
U.S. Senate,
Washington, D.C.

Dear Senator Hartke: The most recent National Convention of the Disabled American Veterans unanimously adopted a resolution to endorse and support the enactment of legislation by the U.S. Congress to equalize military disability retired pay for equal rank and years of service.

In accordance with our convention mandate, we strongly support the Recomputation amendment that you will offer to the Military Procurement Authorization bill, HR 9286, and we respectfully urge the Senate's approval of this equitable proposal.

Sincerely yours,

John T. Soave,
National Commander.

Mr. HARTKE. Mr. President, the pending amendment is quite similar to a proposal recommended by an interagency committee appointed some 2 years ago by the President, which included in its membership, the present Secretary of Defense, Mr. Schlesinger. That proposal was sent to Congress last year by the President but was never acted upon. It was resubmitted to the Congress early in the present session.

The President included in his budget request the amount of $360 million for a fiscal year 1974 cost. The cost of my proposal for the full year would be approximately the same, although it will not, of course, be effective for the full fiscal year.

Mr. President, I am certain many Senators will recall that the President said, back in 1968, that the action of Congress in first suspending and then repealing the statutory provision for recomputation which had been relied upon by the members of the military service for an adequate retired pay scale, was:

> A breach of faith for those hundreds of thousands of American patriots, who have devoted a career of service to their country and who, when they entered the service, relied upon the laws insuring equal retirement benefits.

I agree fully with the President on this point, and join with him in urging corrective action. In effect, the pending amendment is the congressional way of keeping President Nixon's 1968 campaign pledge.

I would point out that it was also the campaign pledge made by the Democratic candidate for the Presidency at that time, the Senator from Minnesota (Mr. Humphrey) and also the pledge made by Mr. Wallace, the Independent Party candidate. We had three candidates for the Presidency at that time making a pledge in this matter.

The Senator from Indiana is urging the Senate to agree to this amendment.

The amendment I offer today differs only slightly from the proposal I made last year. The small change affects only a few thousand people who had retired for physical disability under the more liberal standards existing prior to 1949. Under my proposal of last year, they would also have been eligible for recomputation at age 60. I still prefer that formula and think it would have been equitable.

In an effort to meet that objection, I have changed my original proposal by substituting the provision mentioned earlier, under which the pre-1949 retirees will have a new option to remain under the old pay rates computed at the full 75 percent or to come under the new rates based upon their actual degree of disability.

As I indicated earlier, the pending amendment, including this specific provision, has the full backing of all of the military oriented organizations.

I remind my colleagues that action is needed now. Time is fast running out for many elderly retirees who have now been denied an earned benefit for more than 15 years.

At the present time there are 11 different pay schedule for retirees all based on the same rate and grade. In other words, the older people are, the less they receive. The younger retirees receive more benefits than people who are older.

This is a modest proposal, the cost of which is included in the President's budget request. It applies only to physically disabled and older retirees, bringing them up to the 1972 pay scales. It does not deal with full computation, as the Senator from Texas advocated. As I have indicated, I would prefer to have full recomputation. However, in an effort to pass legislation which will be objective and meet the objections, I have changed my original proposal.

The amendment is a modest proposal. The cost suggested is included in the President's budget request and applies only to the older retirees and physically disabled so as to bring them up to the 1972 pay scale.

I urge the Senator to agree to the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. SYMINGTON. Mr. President, it is with regret that I must oppose the amendment on recomputation of military pay offered by my good friend, the distinguished Senator from Indiana, last year.

THE RECOMPUTATION OF MILITARY RETIRED PAY

I voted for an almost identical measure proposed by Senator HARTKE last year; but oppose this amendment, at this time for two basic reasons.

First, because I believe the present system for adjusting military retired pay to be a fair one, more fair than anything provided the average American taxpayer who must, after all, foot the bill for this amendment.

Second, because I believe it is now much more clear that we must control inflation in this country by controlling spending wherever appropriate. I am concerned, and have been for some time, with the stability of the dollar, the balance-of-payments problem, trade deficits, and other related matters which impact severely on the economic viability of the Nation.

More specifically in regard to this amendment, I am also worried about the alarming rise in the cost of personnel as a portion of the defense budget.

SOME SENATORS COMMITTED TO RECOMPUTATION

I know a number of Senators are committed to some kind of recomputation of retired pay. This was clear when the Senate voted in favor of the Hartke recomputation amendment by a vote of 82–4 on August 1, 1972. Before a vote is taken on this amendment, however, I would share with the Members some of the background and reasons why I now oppose this amendment.

DESCRIPTION OF HARTKE AMENDMENT

Basically, this amendment provides for a one-time recomputation of retired pay, based on the January 1, 1972, basic pay scales, at age 60 for nondisability retirees and for those disability retirees with disability of less than 30 percent. Those retirees with disability of 30 percent or greater would be allowed to recompute immediately.

The first-year cost of this amendment is estimated to be $296 million with a lifetime cost of over $16 billion.

Depending on the military retiree's pay grade and year of retirement, this amendment could result in sizable annual increases for the retirees involved: for example, an O–10—general—officer, who retired in 1958 with 30 years of service, would receive an increase in retired pay of $5,593.44 from his current retirement pay of $24,282.60 to $29,876.04; an E–7—sergeant 1st class—retired in 1965 would receive an increase of $1,017.12 per year from his current retired pay of $4,744.08 to $5,761.20.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a tabulation showing representative examples of increases in retirement pay for various pay grades under this amendment.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Grade and date retired (before)	Length of service	Current retired pay	Hartke amendment	Under Hartke amendment: Monthly increase	Under Hartke amendment: Annual increase	Under Hartke amendment: Annual retired pay
General, 0–10:						
June 1, 1958	30	$2,023.55	$2,489.67	$466.12	$5,593.44	$29,876.04
Jan. 1, 1965	30	2,106.03	2,489.67	383.64	4,603.68	29,876.04
July 1, 1970	30	2,456.82	2,489.67	32.85	394.20	29,876.04
Lieutenant general, 0–9:						
June 1, 1958	30	1,785.48	2,256.09	470.61	5,647.32	27,073.08
Jan. 1, 1965	30	1,858.12	2,256.09	397.97	4,775.64	27,073.08
July 1, 1970	30	2,167.68	2,256.09	88.41	1,060.92	27,073.08
Major general, 0–8:						
June 1, 1958	30	1,606.93	2,034.26	427.33	5,127.96	24,411.12
Jan. 1, 1965	30	1,675.37	2,034.26	358.89	4,306.68	24,411.12
July 1, 1970	30	1,954.63	2,034.26	79.35	952.20	24,411.12
Colonel, 0–6:						
June 1, 1958	30	1,172.47	1,553.73	381.26	4,575.12	18,644.76
Jan. 1, 1965	30	1,279.90	1,553.73	273.83	3,285.96	18,644.76
July 1, 1970	30	1,492.91	1,553.73	60.82	729.84	18,644.76
Lieutenant colonel, 0–5:						
June 1, 1958	25	768.75	1,056.47	287.72	3,452.64	12,677.64
Jan. 1, 1965	25	870.05	1,056.47	186.42	2,237.04	12,677.64
July 1, 1970	25	1,014.97	1,056.47	41.50	498.00	12,677.64
Major, 0–4:						
June 1, 1958	20	$499.93	$706.78	$206.85	$2,482.20	$8,481.36
Jan. 1, 1965	20	582.02	706.78	124.76	1,497.12	8,481.36
July 1, 1970	20	679.06	706.78	27.72	332.64	8,381.36
Sergeant major, E–9:						
June 1, 1958	30	(1)				10,080.48
Jan. 1, 1965	30	691.58	840.04	148.46	1,781.52	10,080.48
July 1, 1970	30	807.15	840.04	32.89	394.68	10,080.48
Master sergeant, E–8:						
June 1, 1958	30	(1)				9,004.08
Jan. 1, 1965	30	617.64	750.34	132.70	1,592.40	9,004.08
July 1, 1970	30	720.86	750.34	30.08	360.96	9,004.08
Sergeant 1st class, E–7:						
June 1, 1958	24	333.29	480.10	146.81	1,761.72	5,761.20
Jan. 1, 1965	24	395.34	480.10	84.76	1,017.12	5,761.20
July 1, 1970	24	461.35	480.10	18.75	225.00	5,761.20
Staff sergeant, E–6:						
June 1, 1958	20	230.13	330.00	99.87	1,198.44	3,960.00
Jan. 1, 1965	20	271.90	330.00	58.10	697.20	3,960.00
July 1, 1970	20	317.11	330.00	12.89	154.68	3,960.00

[1] Pay grades E–9 and E–8 were established June 1, 1958. Accordingly, there were no retirees in those grades before that date.

PRESENT COST OF MILITARY RETIREMENT SYSTEM

Mr. SYMINGTON. Mr. President, I would now discuss some important statistics concerning the military retirement system not well known or understood, but which will put this recomputation amendment in proper perspective.

The cost of military retirement pay has risen dramatically over the years.

In 1900 there were approximately 3,000 retirees on the rolls with an annual cost of $3.5 million.

In 1960 there were about 240,000 on the retirement rolls at a cost of almost $700 million.

In fiscal year 1974 there will be over 1 million on the retirement rolls at a cost of almost $5 billion.

By fiscal year 2000 there will be about 2 million retirees with an annual cost in excess of $30 billion.

Given reasonable pay and price increases the Government will disburse between now and the year 2000—26 short years—over $400 billion in retired pay. To put this in some perspective, military retired pay was less than 1 percent of defense outlays in fiscal year 1954, 2.4 percent in fiscal year 1964 and over 6 percent of defense outlays in fiscal year 1974.

Put differently, if military retired pay is $30 billion in fiscal year 2000, then the entire defense budget would have to be $500 billion in fiscal year 2000 to maintain the same proportion that retired pay is of the defense budget today.

UNFUNDED LIABILITY OF MILITARY RETIREMENT SYSTEM

I would say a word here about the unfunded liability of military retirement pay. As of June 30, 1973, the unfunded liability of military retirement pay was approximately $135 billion.

What does this staggering figure mean? Essentially it means that if the Government were to pay its military members retirement pay on the basis of service that had been performed through June 30, 1973, it would have to put $135 billion into a fund earning 3½ percent interest to be able to meet its obligation.

One could also say that the "past service" cost of military retirement is nearly $250 billion—a quarter of a trillion dollars—if we do not include the discount rate. Of course, that does not account for inflation, but does give some idea of the magnitude of the amount involved.

This $135 billion unfunded liability figure is staggering, and merits some close attention.

Part of the reason we do not normally become concerned with the cost of military retirement pay is the fact we generally only consider its cost as we pay it out each year, and not as we incur the liability for retirement pay.

It is high time that we look at the cost of military retirement and other systems as we incur the liability for payment, not just as we pay it—this is the essence of fiscal responsibility.

MANPOWER COSTS AS A PORTION OF THE DEFENSE BUDGET

To put the cost of the military retirement system in better perspective, let me cite some facts which appear important concerning manpower costs as a portion of the defense budget.

In fiscal year 1954 the defense outlay budget was $43.6 billion. In fiscal year 1974 it will be about $79.0 billion, an increase of $35.4 billion in 20 years.

Of this $35.4 billion increase, $32.9 billion, or 93 percent went for pay and operating costs and only $2.5 billion, or 7 percent of the increase went for Investment defined as the combined total of procurement research and development and military construction.

Since 1964, the picture is even worse, with 96.4 percent of the $28.2 billion increase in the defense budget going for pay and operating costs, and only 3.6 percent or $1 billion of the increase for investment spending.

ALARMING TREND IN DEFENSE MANPOWER COSTS

In fiscal year 1954 manpower costs—narrowly defined—were almost 38 percent of defense outlays; in fiscal year 1964 they were 43.3 percent and in fiscal year 1974 they will be 55.6 percent. And if we define manpower costs more broadly and include the costs of medical programs, construction of hospitals, et cetera, we come to the alarming result that about 66⅔ percent—2 out of every 3 dollars—of the defense budget is manpower related.

The Soviets are estimated to spend about 30 percent of their defense budget for manpower.

Not only are manpower costs rising as a portion of the defense budget but significantly we are buying fewer people for the increase. For example, defense is paying $22 billion more in fiscal year 1974 than in fiscal year 1964 in pay and allowances and yet has over 400,000 fewer military personnel.

In other words, defense is paying significantly more in personnel costs for significantly fewer people.

Mr. President, we may well be pricing ourselves out of the ability to fight a war of any scope. For example, if we had to pay for the fiscal year 1968 force at fiscal year 1974 pay rates the defense outlays budget would be $114 billion in fiscal year 1974 and not $79 billion.

CONSIDERATION OF RECOMPUTATION ITSELF

In addition to the alarming increase in retirement and other personnel costs in the defense budget, and the need to control overall spending, I think it highly significant to point out that the present Consumer Price Index—CPI—method of adjusting military retired pay is an eminently fair one.

Let us look at this for a moment—is the CPI method of adjusting military retired pay fair? I submit that it is fair. Since 1958 military retired pay has been increased by approximately 68 percent as a result of CPI adjustments.

How does this compare with adjustments made to retirement income in other sectors of our economy?

A recent survey of State and local government retirement systems reported that of a total of 214 retirement plans, only 14 provided for an automatic increase in retired pay to keep pace with the cost of living.

Employers in the private sector are even less generous. One study covering 201 major companies with over 7 million workers found no provisions for automatic adjustment of retirement income based on movements in the Consumer Price Index.

In other words, the average American taxpayer does not have anything resembling an automatic CPI adjustment of his retired pay, that is, if he receives his retired pay at all, which is often not the case as has been amply and tragically demonstrated in recent floor statements by various Senators.

In contrast, upon reaching eligibility for retirement, a military retiree is guaranteed his retirement pay, which in turn is automatically adjusted according to increases in the Consumer Price Index—a very fair system indeed.

MILITARY DESERVES PRESENT SYSTEM

Mr. President, I do not say that the military does not deserve the significant benefits of automatic CPI adjustment of retired pay. Our military men and women deserve the best their country can offer, within reason. I only say that the CPI adjustment of retired pay is reasonable, and provides an eminently fair system for adjusting the retired pay of our military members.

To my knowledge, recomputation is not a feature of any public or private retirement system.

Why, some would ask, can not we have a "one-time" recomputation for Federal civil service employees? Certainly a civil servant or any worker in the private sector who retired 10 or 15 years ago is earning less in retirement pay than his counterpart retiring today. Why should military retirees be any different in this regard?

HISTORY OF RECOMPUTATION

Let me review for a minute the history of recomputation and what it was intended to do. While recomputation was generally a feature of the military retirement system prior to 1958, it really acted as a cost-of-living increase in retirement pay, as military pay raises were few and far between. For example, there were no general increases in military pay between 1870 and 1908, 38 years, or between 1908 and 1922, 14 years. In effect then, recomputation was needed just to keep retirement pay reasonably in line with cost-of-living increases.

Now that military retirement pay is automatically CPI adjusted—68 percent since 1958—it removes the only real justification for recomputation.

It should be pointed out that recomputation was discontinued in 1922 for military officers because of its high cost and was restored in 1926 because the Congress recognized the need to protect retirement pay from increases in the cost of living.

Mr. President, I ask unanimous consent at this point that a statement made by the distinguished chairman of the Senate Armed Services Committee, Senator STENNIS, last July 31, 1972, concerning the issue of recomputation be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

HOUSE REPORT ON RECOMPUTATION

Mr. SYMINGTON. Mr. President, it is important at this point to note that a special subcommittee of the House Armed Services Committee, chaired by Congressman STRATTON of New York, held extensive hearings on the matter of recomputation last October 1972, and issued a detailed report, dated December 29, 1972, against recomputation in any form. I recommend this excellent report (No. 92–80) to any Member of the Senate or anyone else for that matter who wishes a better understanding of the complex but important issue of recomputation.

NEED FOR FUTURE ONE-TIME RECOMPUTATIONS

If this amendment becomes law, will there not, I ask, be a need for another so-called one-time recomputation of retired pay 10 or 15 years from now to accomplish the same end as this amendment today? Remember that the Congress provided for a one-time recomputation in 1963 and a number of prominent witnesses testified, among them a former Chief of Naval Operations, Admiral Louis Denfield, then President of the Retired Officers' Association, that that would be the last one-time recomputation. But here we are again with an amendment for another one-time recomputation.

All this must stop somewhere, but it will not if recomputation is permitted to continue as a method for adjusting retirement pay. I can assure you, Mr. President, that the issue of recomputation will not go away for long if this amendment becomes law.

CLOSING

In summary, Mr. President, the cost of the military retirement system has grown so dramatically as a part of the defense budget that is already alarmingly high in manpower costs. What, one regrets to ask, is going to be cut to pay for the over $16 billion lifetime cost of this amendment?

The recomputation of military retired pay was historically meant to keep retired pay up with increases in the cost of living. That is exactly what the present Consumer Price Index method of adjudging retired pay does today and has done since 1958—indeed it is a much more generous system of adjusting retired pay than anything the average American taxpayer has today.

Mr. President, for these reasons, and I believe they are cogent reasons, I am forced to oppose the amendment.

EXHIBIT 1

STATEMENT BY SENATOR JOHN C. STENNIS ON THE HARTKE AMENDMENT IN THE CONGRESSIONAL RECORD, JULY 31, 1972

Mr. STENNIS. I thank the Senator very much for his fine remarks. He certainly does help out with problems on this bill. We happen to disagree on this matter.

Mr. President, I shall not detain the Senate for more than a few minutes. I understand that another bill is scheduled to be laid before the Senate soon.

I invite the attention of the Senate to the fact that hearings were held on this matter in 1963, and a bill was passed which allowed all those who had retired since 1958 to recompute under 1963 pay schedules or take a flat 5-percent increase, whichever was most advantageous to them. This record nails it down.

I refer to page 248 of the record of those hearings before the Committee on Armed Services on H.R. 5555, conducted July 16, 17, and 18, 1963, by the Senator from Nevada (Mr. CANNON). Admiral Smedberg is the witness to whom I refer. Admiral Smedberg was then Chief of Naval Personnel and the spokesman for the bill. He said, at page 66:

"My father was a brigadier general, a West Pointer. I spent some 60 years subject to influences of Army and Navy, and I know the deep feeling that exists and the trust and confidence that Regular officers have in the Congress and the commitments that are made to them when they come into the service. So I feel it is most significant, sir, that this recomputation be permitted for those people who retired prior to 1958, and I also agree that from now on, there is no reason for any of us who retire to feel that our retired pay should be boosted in conjunction with any increase in pay for the Active Forces."

He was talking about the bill then, and he was asking for recomputation at the 1963 level.

The bill also contained the provision I mentioned earlier about the periodic pay increases base on the rising scale of the economy.

I now refer to page 248 of the same hearing, before Senator CANNON, and the witness was Rear Admiral Denfeld, who was then president of the Retired Officers' Association. He was giving his reasons for advocating passage of the 1963 bill:

"(b) The fact that the Department of Defense's recommendation for recomputation based on the 1958 rates was made with—'the explicit understanding that henceforth, all personnel retired, or to be retired, will have periodic adjustments to retired pay made on recognized changes in the cost of living.'

"The Retired Officers Association, therefore, recommends enactment of the bill, H.R. 5555, amended as suggested. Thank you very much, Mr. Chairman, and members of the committee, for the privilege of appearing before you today.

"Senator CANNON. Thank you, Admiral Denfeld.

"In order that we have the record straight, as I understand it now, your association recognizes the fact, as a fact, that if Congress enacts this law, providing recomputation under the 1958 pay bill, with the 5-percent increase up to now and the provision in the bill for cost-of-living raise hereafter, that this puts an end to recomputation once and for all?

"Admiral DENFELD. I think there is no question about that, Mr. Chairman. I think that this is the first time that they really have taken out all the provisions in previous bills for recomputation.

"Senator CANNON. And you support the bill on that premise?

"Admiral DENFELD. Yes, absolutely.

"Senator CANNON. With that recognition?

"Admiral DENFELD. Absolutely."

So, Mr. President, I do not see how we can get anything clearer, firmer, more binding, or more conclusive than the testimony of these witnesses.

Congress did exactly what it was asked to do by the Reserve Officers' Association and the others—to recompute one time, or, if 5 percent is more favorable, take the 5 percent. Then they would get these periodic pay increases. Since 1963, those periodic pay increases have been given and now total 60 percent. They have been given during periods of rise, sometimes two a year, and that, of course, will continue. If this amendment is adopted, it will continue on top of that. If the amendment is not adopted, it will continue in the regular way.

Mr. President, I will not pursue this matter further. We will have a chance to argue it briefly later in the day.

I ask unanimous consent to have printed in the RECORD a brief statement, based upon research, about the history of recomputation, together with certain tables which show amounts and the retired pay adjustments.

There be no objection, the material was ordered to be printed in the RECORD, as follows:

HISTORY OF RECOMPUTATION

Mr. President, since so much of this argument depends on historical precedent, it is essential to give a brief historical review to have any understanding of this matter.

EFFECT OF AMENDMENT

What this amendment proposes Mr. President, is that we continue the cost-of-living method which would not be altered, and in addition authorize a one-shot recomputation for those reaching age 60 based on the January 1, 1972 rates.

In other words, the effect of the amendment is to leave unaltered the cost-of-living system which is permanent law but impose on top a one-shot recomputation for those reaching age 60.

I would observe, Mr. President, that since 1957 military personnel are now covered under the social security system and most of them are entitled to social security benefits in addition to the benefits under retirement laws.

MEANING OF TERM—RECOMPUTATION

Mr. President, the term recomputation meant that a military retired pay would be adjusted or "recomputed" whenever the active duty pay rates for his grade was increased. At this point, let me point out an important historical fact. Recomputation was always dependent on what the Congress decided as a part of the infrequent pay acts. There wasn't any permanent statute that provided that retired pay would be prospectively increased whenever the active duty rates were increased. This matter was dependent on each pay act. It was not automatic. The 1958 Act did not abrogate any general permanent statute authorizing recomputation.

DENIAL OF RECOMPUTATION FOR SOME IN 1949

The Congress began to depart from the recomputation as early as 1949. In the career compensation act as enacted over 40,000 retired persons were not allowed to recompute under the scales enacted at that time. This was a group that failed to qualify under the new disability retirement rules of 1949 legislation. This group was given no increase at all. Later, they received a percentage increase in 1952, 1955 and at later times just as the other groups.

HISTORIC TREATMENT

Mr. President, it has often been stated that recomputation was an un-interrupted system for over 100 years. Let me cite these facts as a matter of understanding. The pay raise of 1908 was the first general pay raise since 1870. The next raise did not occur until 1922 with the next one occurring in 1941.

These general pay increases which included the so-called recomputation provisions were nothing more than cost-of-living increases. The recomputation provisions which applied in the days when people had a full lifetime career and retired at about age 60 years was, in effect, the cost-of-living method of adjusting retired pay.

THE ACTION OF 1958

This matter was thoroughly debated and examined in 1958. In substance, it was decided that in lieu of continuing the recomputation method, a cost-of-living increase of a flat 6 percent would be granted to all persons then retired.

Had the recomputation been continued at that time, the retired increases would have been from 15 to 75 percent in the upper ranks; however, 38,000 in the lower ranks would have received less than 6 percent and some no increase at all.

The fundamental policy was established that active duty pay rates must be enacted primarily for meeting the needs of the active force. These needs are totally different from those on the retired list. For this reason, the cost-of-living approach was adopted.

Moreover, as I have stated, many systems in the public and private sectors do not allow for any increases following retirement.

ONE-SHOT RECOMPUTATION IN 1963 PAY LEGISLATION

Mr. President 1963 as a part of the pay legislation, the Congress did authorize a one-shot recomputation for those retired prior to 1953. Those retired in the higher ranks felt very strongly that they should be allowed to recompute on the 1958 pay rates. I would observe, Mr. President, that the 1963 hearings reflect that several high ranking military witnesses testified that if the one-shot 1963 recomputation were enacted, the recomputation should be ended once and for all.

RETIRED PAY ADJUSTMENTS

There are two basic methods that can be used to increase the pay of retired personnel. Retired pay can be *recomputed;* that is, when an element of the formula—for example, the pay base—is changed, retired pay is recalculated. Or retired pay can be *adjusted;* that is, the formula and pay base remain unchanged, but the dollar amount of the annuity is changed by increasing it by a flat amount or a percentage factor. These two basic methods can be used singly or in combination to produce many alternative methods of increasing retired pay.

HISTORICAL DEVELOPMENT

Recomputation of military retired pay dates from the Act of August 3, 1861, in which present retirement laws are based. Recomputation was a part of the military retirement system until the Joint Service Pay Act of 1922, when it was deleted because the structure of the proposed pay raise would have resulted in a great increase in retired costs. The recomputation provision was restored by Congress in 1926 in recognition of the requirement for earlier retirees to meet greater financial obligations due to increases in the cost of living. Again, in 1958 legislation. Congress departed from recomputation by providing that those retired before June 1, 1958, would not be entitled to an increase in retired pay based upon new rates of active duty pay which became effective on June 1, 1958. Instead, the pay of these retirees was adjusted by increasing the amount of retired pay as of May 31, 1958, by 6 percent. Since the active duty pay raise was much in excess of 6 percent for many personnel, recomputation of retired pay based on the new pay scale would have raised retirement costs substantially.

Widespread dissatisfaction with this legislation resulted in several bills being introduced in Congress; however, none were enacted. At that time, most of the proposals for a return to "recomputation" actually did not argue for a return to the practice on a continuing basis. Rather, the more usual argument was for a final "one-time recomputation" of the pay of those who retired before the 1958 pay raise, using the increased 1958 rates as the basis for this final recomputation. In 1960, such a recomputation bill passed the House but was defeated in the Senate. In 1963, with the support of the Department of Defense, that proposal was enacted.

This law, Public Law 88–132, allowed members who retired before June 1, 1958, to have their pay recomputed at the rates that became effective June 1, 1958, or to have their current retired pay increased by 5 percent, whichever was greater. In addition, it established in law the policy of adjusting retired pay based on increases in the Consumer Price Index (CPI).

STATEMENT OF PROBLEM

Stated in simplest terms, the problem of adjusting Uniformed Services retired pay is one of deciding to what degree service retirees should share in the benefits of economic growth and a rising standard of living. We live in a dynamic society with rising price levels and a rising standard of living. The benefit of gains in the economy is passed on to the worker primarily through higher wages. If his wages rise faster than prices, he will achieve a higher standard of living. Unless prices increase faster than his wage level, his achieved standard of living will not decline.

The comparability policy enacted by Congress in 1967 assures that Uniformed Services active duty pay raises will keep pace with pay raises in the civilian sector. Thus, active duty personnel can realistically anticipate an increasing real wage and a rising standard of living.[1]

The CPI method of adjusting retired pay provides retired members only with the assurance of a secure level of purchasing power. It guarantees to maintain a standard of living achieved at time of retirement but not to raise it beyond the extra 1 percent given with each CPI increase. The retired member must depend on his second career earnings to raise his standard of living if it is to rise.

CONSUMER PRICE INDEX METHOD VERSUS RECOMPUTATION

Under the CPI formula, retired pay is increased every time the CPI increases by 3 percent over the CPI at the last adjustment and sustains that level for 3 consecutive months. The adjustment is 1 percent more than the highest percentage increase during the 3-month period. It is effective at the beginning of the third month after the 3-month period.

Before 1958, military retired pay was related at all times to active duty pay, and whenever active duty pay scales were changed, the pay of retired members was recomputed on the basis of the new pay scale. Recomputation resulted in the equalization of retired pay; i.e., all retirees with the same grade and length of service received the same monthly retired pay, regardless of the date of retirement.

Those who advocate a return to recomputation either for all past and future retirees or for members who were on active duty in 1958, when the practice was discontinued, generally cite the following arguments in support of their position:

Equalization of retired pay is desirable. Just as all active duty service members with the same grade and length of service receive the same pay, so should retired service members.

The government "broke faith" with retirees and potential retirees in 1958 when a long-standing method of adjusting retired pay was discontinued. Service members had served at below-standard pay levels and had endured the extra rigors and hazards of military service partially in anticipation that their retired pay would be based on active duty pay as increased throughout their lifetime.

The recomputation method makes military service more attractive, increasing enlisted and officer accessions and increasing retention.

Opponents of a return to recomputation for any present or future retirees generally cite the following arguments to support their position:

Recomputation as a method of adjusting retired pay for future retirees is inefficient. It is the most costly method of adjusting retired pay. At the same time, it encourages early retirement, since liberal automatic increases make the combination of retired pay and second career income more attractive than continuing on active duty after retirement eligibility (at 20 years of service, any age) has been reached. It is also inefficient because it puts extra compensation resources into retired pay rather than into demonstrably more flexible and effective active duty pay elements.

If recomputation is restricted only to some limited groups of retirees, eventually, members of that group will receive higher retired pay than members of the same grade and length of service who retire *after* them. This "inversion" of retired pay will adversely affect the morale of future retirees, who in all probability would become a new dissatisfied group.

Members who are retired no longer contribute to national security to the same extent as their active duty counterparts. Therefore, while it is logical that their retired pay should be adjusted periodically to maintain its purchasing power, it is illogical to provide them with the same percentage increases that active duty members receive for their current productive service to the Nation.

The reasons for the distribution of active duty pay raises by grade and length of service are related to the procurement and retention needs of the active force. Retention problems or other active duty considerations may warrant a differential pay raise in which, for example, E–7's receive a higher percentage increase than O–5's. Nevertheless, recomputation passes that same differential on to retired members. This has the effect of basing retired pay on needs unrelated to those of retirees or, alternatively, denying management flexibility in using its resources.

No major public or private retirement system uses recomputation as a means of adjusting pay for retired employees. Further, the CPI adjustment method is liberal compared to private sector employer practice. Many private sector employers do not provide for any periodic adjustment or retirement annuities.

TWO KEY ISSUES

Two key questions were addressed by the Interagency Committee in developing its recommendation on adjusting retired pay:

Did the Government "break faith" with any service members, retired or active, when the practice of recomputation was terminated on June 1, 1958?

Would recomputation be appropriate as the method for adjusting service retired pay?

On the first question, opinions are diversified, and the answer is not clearcut. Behind the allegation of Governmental "breach of faith" in terminating recomputation is the argument that the action constituted, if not breach of formal contract, at least a breach of an implied contract. The Court of Claims in a 1966 case, *Charles L. Andrews Jr. vs. U.S.*, ruled that there was no formal contract guaranteeing recomputation to members, but that the entitlement was statutory and subject to legislative changes. The Court further ruled that service pay is not subject to common law rules governing contracts and that there was, therefore, no binding common law contract.

Thus, the Government has no legal obligation to return to recomptuation for service retirees, and the issue of "broken faith" becomes ethical rather than legal and more difficult to define. If recomputation was a factor that pre-1958 service members considered at the time they made a career decision, it could be persuasively argued that by discontinuing the practice, the Government did break faith in an ethical sense and has an unfulfilled obligation toward members who served under the recomputation law.

On the second issue, the evidence is overwhelming. Compared with the CPI method for adjusting civil service retirement annuities, it would be much more generous and without justification under the principle of comparability. Compared with methods used by private industry and other public jurisdictions to adjust retired pay, it would be liberal and is without precedent among other major employers. Recomputation would not be an appropriate method of adjusting service retired pay. It would be enormously costly and, as discussed, a major impediment to the effective management of the active duty forces.

One recent survey[2] of state and local government retirement systems reported that of a total of 214 retirement plans, only 14 provided for an automatic increase in retired pay benefits to keep pace with the cost of living. Employers in the private sector are still less generous in their protection of the purchasing power of annuities. Another study[3] covering 201 major companies with over 7 million workers found no provisions in any of the plans for automatic adjustment of retirement income based on movements in the CPI.

CONCLUSIONS

The Interagency Committee is persuaded that termination of recomputation was inevitable in view of the trends toward earlier retirement after World War II. The pre-World War II retiree spent most of his working lifetime in the military while the post-World War II retiree, because retirement rules have been liberalized, is a younger man who re-enters the work force for many productive years. Under these circumstances, the Committee believes that the Government was justified in discontinuing recomputation.

Apart from the ethical obligation issue, which the Committee recognizes but does not consider overriding, there is no justification for recomputation. The CPI formula is fair and very generous compared to practice in industry and state governments. It provides military personnel with a level of security enjoyed only by the Federal civilian work force and very few other workers in the economy.

Although the Committee believes that a

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[1] This same effect is realized to some extent by Uniformed Services personnel retiring since 1967. Pay increases in the civilian force are applied to salary and because civilian retired pay is based on salary, retired pay increases in consonance with salary. These same pay increases are transmitted to Uniformed Services total compensation by the mechanism of increasing basic pay. Since basic pay is only one element of total compensation, it increases faster than total compensation. Because retired pay is calculated from basic pay, retired pay increases faster than it would if it were based on total compensation and, consequently, faster than the standard of living.

[2] State and Local Employee Pension Systems, Tax Foundations, Inc., December, 1969.

[3] Bankers Trust Company, *1970 Study of Industrial Pension Plans*, New York, 1970.

> return to continuing recomputaton is wholly unwarranted, it recognized that the sudden discontinuance of recomputation in 1958 became a matter of grave concern for many of those already retired in 1958 as contrasted to those on active duty in 1958, most of whom will have second careers before reaching old age.
>
> Thus, the Committee believes that the concept (income supplement/old age annuity) developed for use in revising the nondisability retirement system lends itself to providing remedial action for those affected by the discontinuance of recomputation. In the plan described below, those who have the greater need will receive an immediate increase in retired pay when the revised plan becomes law. The retirees in the defined second career period will receive an adjustment upon reaching the established old age thresholds.

Mr. HARTKE. Mr. President, I yield 10 minutes to the distinguished Senator from South Carolina (Mr. THURMOND).

The PRESIDING OFFICER (Mr. HASKELL). The Senator from South Carolina is recognized for 10 minutes.

Mr. THURMOND. Mr. President, my position on recomputation is well known. Last year, when this matter came up, I spoke on it at that time, and I have not changed my position.

I wish to commend the able Senator from Indiana (Mr. HARTKE) for offering this amendment. I was pleased to join him as a cosponsor, as I did last year on an amendment offered by him on this subject.

It is with reluctance that I have to disagree with the able distinguished acting chairman of the committee, the Senator from Missouri (Mr. SYMINGTON), since I hold him in such affection and high esteem.

Mr. President, this is a matter, though, of simple justice. It is a question of whether we are going to do what is right by the retirement people, or we are going to say it costs too much. On the very question we are considering today, about expediting the Trident submarine, they say, well, it costs a great deal. It does cost. It costs to keep the country prepared, and it will cost to do what is right by the retired people.

The Retirement Officers Association has done a fine job in preparing information on this subject and I hope that it has been received by all Members of Congress.

True, they have an ax to grind. It affects them and their very lives, but I want to remind Congress that retired military personnel were traditionally paid a percent of the current active duty pay until July 1, 1958, and many members joined the service relying on that situation continuing.

Mr. President, retired members of the uniformed services have suffered a serious loss in their earned compensation due to the action of Congress in suspending the direct relationship between retired pay and current active duty rates in 1958, although the permanent laws of the United States at that time clearly provided for such direct relationship, and in replacing that system with one of lesser value in 1963.

As a result, retirees who entered upon a military career under a retirement system which guaranteed them the same retired pay as other retirees of equal grade and years of service now draw 12 different rates depending entirely upon the date on which they retired from active service. In each grade, the lowest rate is for the oldest group of retirees and the highest rate is for the youngest group.

If we had to make a decision, I would say it should be reversed, if justice is to be done.

As successive pay raises are granted in the future, the disparity against the older groups will continue to increase.

These injustices have come about because of the failure of the Government to recognize its moral obligation to pay these individuals the retired pay which they earned on the basis of the laws in effect when they entered upon their military careers. In establishing military pay rates during the period of active service of today's retirees, Congress invariably took into consideration the guaranteed favorable retirement system then in effect, setting the active duty rates at a lower figure then would have been adopted otherwise.

Meanwhile, in the past several years, pay scales for all employed persons have escalated rapidly, and the Government now appears committed to a course of providing "pay comparability" with private industry and with Federal civilian employees for the current active members of the Armed Forces.

However, such comparability is forever denied to military retirees, who have seen the Government take away their earned retirement formula during the very time that retirement benefits for almost all other classes of workers are being tremendously broadened.

Changing the rules adversely after a person has entered the service of his country has never previously been the policy of the Government. Normally Congress is careful, when making such changes in the law, to provide a "savings clause" so that a new law which reduces previously authorized benefits applies only to those entering the service after the date of enactment of the new law.

The principle of including a "savings clause" under such circumstances was endorsed by the Cabinet Committee on Federal Staff Retirement Systems in its 1966 Report, recommending that the Government adopt a retirement policy providing that.

> Whenever a staff retirement system is changed, provision shall be made to protect the equities of any individuals who would be adversely affected by such change.

But, Mr. President, that was not done here. The Retired Officers Association endorses that recommendation and retirees all over the country favor the recommendation specifically for application to military retirees who entered service prior to 1958.

Enactment of legislation to directly link the retired pay of persons who entered the Uniformed Services prior to June 1, 1958, to current active duty rates would reestablish the principle that the Government will in good faith carry out its obligations which exist as the result of an implied contract entered into between the serviceman and the Government at the time he entered the service. In so doing, it will create confidence among the current active duty members of the Armed Forces that their earned rights will not also be swept away after their service has begun or been completed, a confidence that does not exist under the present circumstances.

Now, Mr. President, I invite the attention of the Senate to the fact that since 1958, beginning June 1, 1958, there have been 12 changes in the rates of pay of the military services.

Let us take a major who retired on June 1, 1958. The compensation he would have received would be $582. But the pay was raised March 31, 1963, and the major who retired then would have received $599.

Again, the pay was raised August 31, 1964, and if the major retired then, he would have received $672.

Another change in rates of pay came August 31, 1965, and a major who retired then would have received $688.

Another increase in pay came on June 30, 1966, and the major who retired then would have received $698.

Another change came on June 30, 1968, and a major who retired then would have received $720.

Another change came on June 30, 1969, and a major who retired then would have received $742.

Another increase came in April 14, 1970, and a major who retired then would have received $780.

Another increase in pay came on December 31, 1970, and a major who retired then would have received $815.

Another increase in pay came on December 31, 1971, and a major who retired then would have received $825.

Another increase in pay came on December 31, 1972, and a major who retired then would receive $848. Another increase in pay came on July 1, 1973, and a major who retired then would receive $867.

So it can be seen that a major who retired in 1958 at $582 is being denied the retirement of a major who retired on July 1, 1973, who receives $867, or a difference of $285, or 48 and nine-tenths percent less.

Mr. President, this is not right. It simply is not right that this be done. Congress has a moral obligation. Last year, Congress realized this, and that is the reason why it passed this bill by a vote of 82 to 4, to correct this injustice.

This does not apply only to officers. It applies to all military personnel. With respect to a master sergeant, I will not go into these figures for every year, but I will just take 1958. A master sergeant who retired then receives $323.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. HARTKE. Mr. President, how much time does the Senator desire?

Mr. THURMOND. Ten minutes.

Mr. HARTKE. I yield the Senator an additional 10 minutes.

Mr. THURMOND. Through the series of 12 pay increases, a sergeant major who retired on July 1, 1973, would receive $491.

I realize that some cost-of-living increases have been given. However, we still have the differences I have mentioned, and these figures show it. For example, there is a $168 difference in the sergeant major's pay, a difference of 52 percent.

Mr. President, in 1968, during the Presidential campaign, this matter was called to the attention of candidate Nixon, and he wrote a letter in which he stated that he favored recomputation. Mr. HUMPHREY, his opponent, did likewise. He wrote a letter in which he said it was an injustice, and he favored correcting it. Mr. Wallace, the third-party candidate, did likewise. Every candidate for President that year realized the injustice that had been done to these people and favored the change.

This administration still favors it. They have the money this year to pay for it. In fact, they have $360 million in the budget, and only $296 million would be required to pay for this amendment. They still recognize the injustice in the situation. It seems to me that we have to make this correction sometime and do right by these people.

I realize that if this matter goes to the conference committee, they may again stop it, as they did last year. But it is our duty to do what we think is right in the Senate.

I realize, also, that if the matter goes to the conference committee, perhaps we can get some adjustment of it, get part of it, get some of it, if not all, or start the recomputation at age 65. That would cut it to $179 million a year. Certainly, at some age, at some time during the retired military person's life, he ought to have a recomputation, a one-time recomputation, to bring him up to whatever military people are getting.

In the 91st Congress, more than 47 Senators and 100 Representatives were on recomputation bills. In the 92d Congress, as many as 50 separate bills were introduced. Although we are only in the first 8 months of the 93d Congress, the trend is running about the same, as 55 House bills have been introduced on this subject, and 3 bills in the Senate now have 36 cosponsors.

I favor hearings and am confident that our chairman will hold them when he is able to do so; but these hearings have not been held, and we think action should be taken. The record is clear. The conference committee can work this matter out.

I am pleased to cosponsor this amendment, and I hope the Senate will see fit to adopt it.

Mr. HARTKE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. THURMOND. I yield.

Mr. SYMINGTON. I thank my able friend from South Carolina.

The Senator has brought up the tables with respect to increases for the military today, yesterday, and day before yesterday. Is it not true that that is also correct with respect to all people who work for Government? In other words, the CPI formula for adjusting retired pay applies all across government today.

Mr. THURMOND. The military pay never was equalized until the last few years, we might say, with the civilian pay I think the Senator is correct on that point.

However, I should like to make this point: When a man joins the military, he may be forced to take a gun. That is the purpose of having military service—a man who will take a gun if war comes. A man holding some soft job as a civilian is not subjected to that hazard. Therefore, it was always considered that this was—if we want to call it that—a fringe benefit; but it is really a part of the military life that if he served 30 years, he would receive three-fourths of his regular pay when he retired, or if he served 20 years, he would receive half of that pay.

When people joined the military service, they joined thinking that would be the case. Now it has been changed altogether. It is not the case. I think that faith has been broken with these people. It is a question of trying to right a wrong. It has been delayed for years because it has been said it would cost too much. But the Senate expressed itself strongly on this subject, and I think it will be approved again this year.

I am hopeful that the conference committee will work out something that is just. Perhaps the distinguished Senator from Missouri, the acting chairman, who will be on the conference committee, can work out something that will bring some semblance of justice to these people who have retired.

Mr. SYMINGTON. I thank the able Senator from South Carolina, the ranking minority member of the Committee on Armed Services.

I would ask the Senator this question: Does he know what the cost would be if we put the same one-time recomputation into effect, regardless of the CPI, for all members of the Government—what it would cost the Government per year?

Mr. THURMOND. The first year cost of this particular amendment would be $296 million.

Mr. SYMINGTON. That is only this amendment for military retirees?

Mr. THURMOND. That is correct. The administration originally estimated it at $360 million and put that amount in the budget, and that is in the budget today. As I have said, we could raise the age from 60 to 65, and that would cut it to $179 million for a first year cost.

Mr. SYMINGTON. I do not have the figure, but would like to have it. For all present retirees in the long run, it would certainly cost more than $16 million.

Mr. THURMOND. Approximately $16 billion over the whole life. But we cannot go by that. We could figure what the cost of HEW would be on the same basis, and we would find that it would be much more. In other words, the question is, What is the right thing to do?

I am convinced it is the right thing that we should recompute for the military personnel, and if we cannot do it at 60 as this bill calls for, maybe in conference we can work it out at some other age. Certainly, a recomputation should take place to be fair and just to these people.

Mr. HARTKE. Mr. President, the Senator from Kansas asked for time. How much time does the Senator desire?

Mr. DOLE. Three minutes.

Mr. HARTKE. I yield 3 minutes to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, I have listened carefully to the distinguished Senator from Missouri. He made some excellent points. I know of his interest in and concern about the military. It is a long-standing interest. He speaks with a great deal of authority and I respect the arguments he made. However, I share the view expressed by my distinguished colleague from South Carolina and the distinguished Senator from Indiana.

We are discussing equity and fairness, on a one-shot proposition. Rightly or wrongly certain commitments have been made to retired personnel. There is a feeling among some retirees that Congress or the administration or both have reneged on promises made over the past several years. We have now another opportunity to make the record very clear so far as Congress is concerned.

Historically the situation has been explained very clear by the distinguished Senator from Indiana. I can understand the reasons for the opposing views of the Senator from Missouri (Mr. SYMINGTON). His reasoning is an important factor, but as we look down the road to the all-volunteer Army concept, and as we look back in the other direction to those who served their country, certain commitments were made to these men and women who served their country, whether officers or enlisted personnel. It seems to me when you balance all the equities the scale is tipped in favor of the proposal now before us.

Therefore, I am very pleased to support the amendment and to be a cosponsor of the amendment. I hope that Congress, in its wisdom, will not only pass this legislation, or agree to it in the Senate, but also make certain that when the House and Senate conferees meet some meaningful proposal survives. I am certain that is the intent of the first sponsor of the measure, along with the Senator from South Carolina, the Senator from Texas (Mr. TOWER), and others.

Mr. President, I support the amendment to provide a one-time recomputation of military retirement benefits to January 1, 1972. Starting during the Civil War, a retirement system for the military came into effect, and almost since that time there has been the issue of recomputation. It is my hope that this amendment will correct the inequity in the system that has existed since 1958. As you know, from 1861 to 1958, aside from the time between 1922 and 1926, the retired pay of military men was recomputed every time there was a pay raise.

RECOMPUTATION

Recomputation of military pay was historically a system of adjusting retired pay upward whenever the pay of the active duty forces was increased. Beginning in 1963 this method of providing equitable adjustments for military retirement pay was changed. Adjustments were than provided on the basis of a cost-of-living system each time the Consumer Price Index increased by three percent. However, the consumer price increase has not increased on the same scale as active duty pay scales, and the resulting inequity is unfair in view of the history of previous military authorizations.

PREVIOUS PROPOSALS

A number of recomputation compromises have been proposed by the Congress and numerous attempts have been made to adjust the retirement system. In the military procurement authorization bill for fiscal 1973 the Senate adopted essentially the same amendment to provide a one-time recomputation on January 1, 1972, pay scales for military retirees at age 60.

Earlier this session I joined with Senator TOWER in cosponsoring S. 838 which allowed for a recomputation to those servicemen retired or in a career status at the time the retirement system was changed. I have, also joined with Senators HARTKE, THURMOND, and TOWER in cosponsoring amendment No. 494 to the Department of Defense Appropriations, Authorization Act, 1974.

The exclusion of a recomputation provision from the final bill approved by the Congress for fiscal year 1973 resulted in the fact that men retiring today make in some cases 1½ times the retired pay that pre-1958 retirees of the same rank and years of service make. This unfair discrimination is contrary to the established principle of equalizing retired pay with existing active duty pay for the same grade or rank.

SECURITY IN RETIREMENT

The provision of this amendment which restricts recomputation to servicemen to a one-time recomputation at age 60 or upon 30 percent or more disability should make the process economical and sound in accomplishing its purpose of providing equitable retire pay. The retiree has in most cases reached the end of his work career, and this assurance of an equitable adjustment will provide a security to those coming of age and allow them the dignity they have earned in service to their country.

Mr. SYMINGTON. Mr. President, I appreciate the remarks of the able Senator from Kansas, and assure him that I would like to give all these people everything possible. My worry today has to do primarily with the increasing danger to the economy of the country, and although, no doubt, as the able Senator from South Carolina points out, there may be reasons why military retirees should have a distinct advantage over all other retirees in Government, I must consider that very seriously. The figures I have presented previously show that the full cost of the military personnel is now 66 percent of the U.S. Defense budget as against 30 percent in the Soviet budget.

We know what is happening to the dollar. I do not think this is the year when we should argue against the House where they have just issued an emphatic report against recomputation at this time—last December.

I appreciate the situation from the standpoint of all retirees, whether military or civilian, and believe I am working for the importance of preserving the value of their current retirement pay by preserving some value of the deteriorating dollar.

Mr. DOLE. Mr. President, I appreciate the comments of the Senator. I know how strongly he feels about the military and the great things accomplished for America by our Armed Forces. There may be some room for a little discrimination as suggested because retirees are very responsible Americans, and have provided great service for their country in times of great conflict.

Mr. ROTH. Mr. President, if the Senator will yield, I would like to pose a question to the Senator from Missouri.

Mr. SYMINGTON. I yield.

Mr. ROTH. I recall that last year—and I am not certain it came during the debate on recomputation—but there was some discussion about the need for a careful study being made by Congress as to our entire pension program, both with respect to civilian employees in the executive branch as well as to military employees.

I further recall there was some concern expressed that with the recent increases in pay, that maybe the military retirement system should be reviewed from that standpoint. I am not certain what the answer is.

The question I would like to ask is: Are there any plans to the Senator's knowledge in the Senate to hold hearings to review the entire pension program, not only with respect to military employees but their relationship with respect to civilian employees?

I think it is extremely important that we treat all employees fairly and squarely wherever they may be. It may be difficult because of the nature of their duties, but I am concerned that we are not proceeding with this overall study.

Mr. SYMINGTON. Mr. President, the able Senator from Delaware has brought up a very good point. Earlier this year we received from the Department of Defense an analysis that they had made on the military retirement system. It is a very involved report, now in the form of a legislative proposal, that includes hundreds of pages and the staff of the committee has been studying it. It is not ready yet. The committee is not ready yet to reach a conclusion, it might be said, on this recommendation, which I am hopeful will be done next year.

Mr. ROTH. I would like to urge on the Committee on Armed Services, as well as other committees that have jurisdiction over pensions for other employees, that some means should be found to review the entire pension program and not limit it to one group, but rather across the board, and that the means should be by either creating a special ad hoc committee or acting separately and together so that we can be certain we are treating all of our employees fairly.

Mr. SYMINGTON. I fully agree with the position of the Senator and to the best of my knowledge it will be done next year.

Mr. HARTKE. Mr. President, how much time do I have remaining

The PRESIDING OFFICER. The Senator has 60 minutes remaining.

Mr. HARTKE. Mr. President, I think this is the year and the time to correct an error. I share with all those who are concerned about convertibility of the dollar and inflation the concern that this is not a question of inflation or convertibility of the dollar. I would be glad to participate in doing something to give us a strong currency and eliminate the problems of inflation. But really, we are not dealing with that. The whole problem the Senator from Missouri is dealing with—and I understand his concern—is that he is talking about the cost of personnel being up. The cost of active duty personnel is a real problem. It is up 136.4 percent. The retired people, on the other hand, have had theirs increased by 58 percent. What we are really saying is, "If you are old and do not have long to fight the battle and have made your contribution to society and the defense of this Nation, you are supposed to bear all the penalties of an inflationary spiral, when you have done nothing to cause it."

Really, what we are saying is that these people, in a way, have been cheated, and what we are trying to do is rectify this deficiency.

I would like to point out that if we are really going to make the volunteer Army successful, we are going to have to establish the basic principle that those people who retire are going to expect that their Government is going to be morally and legally responsive, in a fashion which would treat people generally alike.

If there is anything to be said about this amendment, it is that it is too little. The statement of the Senator from Texas indicates that full recomputation is just staggering. What full recomputation really says to most of the retirees is, "If you retired at a lower rate of pay and your retirement is based on that lower rate of pay, you are going to be made to suffer because the country has had inflation and you are going to get less than those people who came after you."

They are being told, "Just because you are old and lived at a time when wages were lower, you as individuals are going to suffer and pay for the expense of people today."

I think young people are willing to bear their fair share. That is all we are asking for today—fair treatment and a fair share. When we adopt this amendment, as I am confident we will, we will not have the same question of having to come back from the conference committee, because all that needs to be done and all the studies that need to be made have already been done, and all we need to do now is treat these retired people fairly. What I really should say is, treat them a little more fairly than they have been treated, because if we treated them fairly, we would be giving them much more.

Mr. HATHAWAY. Mr. President, will the Senator yield for a question?

Mr. HARTKE. I yield.

Mr. HATHAWAY. The military retirement system is a noncontributory system. Is that correct?

Mr. HARTKE. It is noncontributory, but not by virtue of the people in the system, but the military establishment. As a matter of fact, many of the organized groups and associations of retired people have consistently said that a retirement system based on voluntary contributions would result in a better retirement system. That is not their choice. It is not a contributory system.

Mr. HATHAWAY. It is financed out of the general funds. Is that correct?

Mr. HARTKE. Yes.

Mr. HATHAWAY. And the basis upon which one gets his retirement is a percentage of his actual pay while in the service?

Mr. HARTKE. That is right.

Mr. HATHAWAY. Is it not true that if we continued with the Senator from Indiana's contention, having a recomputation, as long as pay goes up we are going to have to compute the retirement of these retirees based on the new salary increases? This does not seem to be equitable in that, for civil servants and other Federal employees, there is a system that awards retirement based on salary, and even though these plans are contributory, retirees are stuck with a percentage of the salary received when they were employed.

I think the Senator from Missouri's point is well taken—that the recomputation promise, so-called, is not a legal right of the serviceman, but something which was in the regulations prior to 1958, and the point was well taken that the cost of living increase was given to retirees in lieu of that, and that was really the purpose of having the recomputation provision in the regulations prior to 1958.

Mr. HARTKE. There are several answers to that. In the first place, the Senator says that is not a legal right. These people retired prior to 1958 thinking they were going to have recomputation. That is when they changed the law. We have a one-shot recomputation. If the argument is pursued to its logical conclusion, a really equitable system, as the Senator from Maine is suggesting, is not going to be done, but should be done, and that is what the Senator from Texas suggested—a complete recomputation.

But the net result of the cost-of-living increase is that there has been an increase of 136 percent in the amount of pay, while only a 50 percent increase in retired pay. So what has happened is that Congress, by its action, has gone ahead and has effectively compensated those who are on active duty. Those who retired subsequently increased their retirement because their retirement was based upon the percentage of active duty pay.

What we are saying is that we are not going to go back to make a recomputation of what was done in 1953 by action of Congress. Only once before was such a mistake made, and that was in 1922. It was subsequently corrected in 1926.

If there is to be a new retirement system, there would have to be much more adequate limits based on the demands and needs of the day. I would be the first to join in that plan. But that is not in front of us.

The Senator from Missouri has looked at the recommendation from the Department of Defense, and we have been able to make an assessment as to what they wanted.

I talked with the Senator from Mississippi (Mr. STENNIS), and he said he himself felt encouraged by what the Defense Department had come forward with. For that reason, I suppose he is not violently opposed to this measure. He is a real—I was about to say bulldog, although I do not think the Senator from Mississippi is a bulldog—but I know that Senator Stennis feels that the response has not been what he expected.

Mr. HATHAWAY. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. HATHAWAY. What assurance does the Senator have that there will be no further requests for recomputation?

Mr. HARTKE. Every organization I have consulted with has said that they will not ask for any further recomputation.

Mr. HATHAWAY. That is based on statements from persons on the board of directors of the organizations to which the Senator refers. I presume those are the ones we have listed in the RECORD. But I suppose there will someday be another group or another board of directors who will say that their salaries have increased by x percent and that they ought to have another recomputation.

So I think we had better have hearings and not keep coming back seeking recomputation that seem good when we look at the particular effect of social security recipients, who are far worse off than retirees from the service, if we look at the whole picture. I think that hearings on the whole subject of pensions by the Government should be looked into before we go ahead.

Mr. SYMINGTON. Mr. President, will the Senator from Indiana yield on my time?

Mr. HARTKE. I yield.

Mr. SYMINGTON. Col. James W. Chapman, USAF retired, senior legislative counsel, Reserve Officers' Association of the United States said he could not speak for the indefinite future from the standpoint of still another recomputation. It put in the RECORD what Admiral Denfeld said back in 1963, it was the last time they would ask for a recomputation of this character.

I am in sympathy with the position taken by the Senator from Indiana. He presents his case in masterly fashion, as he does other matters. But I just do not think the economy of the United States is in a position where we can, to this extent, increase this type and character of cost. I wish I could. I wish we could give everybody what he rates and what we also believe he rates.

Mr. HARTKE. I said it was suggested last year. It did not happen. The Senator from Mississippi wanted to conduct hearings. I spoke with him, and he assured me that probably hearings would not have been held even if he had not had his unfortunate accident. For example, I know he anticipated that the Defense Department would like to come up with some affirmative answer to the problem.

Mr. SYMINGTON. The Defense Department did come up with some recommendations in regard to the nondisability retirement system and recomputation. Unfortunately, the distinguished chairman had his tragic accident last January. He told me of his obligation to the Senator from Indiana, however, to have hearings about the recomputation matter. He wanted me to know about that. He felt the obligation keenly. I am sure the Senator from Indiana remembers how the Senator from Mississippi felt. I am sure he would have had the hearings on the recomputation report from the Department of Defense.

As the able Senator from South Carolina knows, we have had some problems. We have had three Secretaries of Defense, with new staffs, to deal with since the first of the year. That coincided with the problems resulting from the accident to the distinguished chairman. This has made it difficult indeed to handle many problems.

My point is I think the Defense Department has completed what they think is an adequate study on the retirement system. I hope this will be acted upon in the Armed Services Committee in the next year. I have been assured of that by the distinguished chairman of the committee.

Mr. HARTKE. Mr. President, we have had three Secretaries of Defense. However, we have had the same number of retirees that we would have had otherwise, plus those who have passed on to their reward. It is not their fault that there have been no hearings and that they have been treated in what I consider to be an unfair manner.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. THURMOND. Mr. President, I am prepared to yield back the remainder of my time.

Mr. SYMINGTON. It is unfortunate that because of all the changes in the Pentagon—with which Congress has nothing to do and concerning which I do not criticize the Pentagon—changes in the Secretaries—Deputy and Assistant Secretaries, we have not been able to reach an agreement on the matter. The chairman of the committee has told me hearings will occur next year on the military retirement system.

Mr. TOWER. Mr. President, I am a cosponsor of Senator HARTKE's amendment No. 494 to permit a one-time recomputation of military retired pay. As you may know, military retired pay is computed by multiplying a base pay the retiree received while in the service times a given percentage which is calculated based on years of service. Since the base pay would increase whenever there was a military pay raise, two servicemen with the same grade and years of service could easily end up getting two different rates of retired pay if there were a military pay raise in between their retirements. To counteract that, military retirees prior to 1958 were allowed to recompute the base pay upon which their retired pay was figured. This meant that, generally speaking, servicemen of the same grade and years of service would receive the same retired pay.

However, in 1958, the laws were changed and recomputation was ended. It was replaced with a different method of giving military retired pay increases. The retiree was allowed to increase his pay as the Consumer Price Index increased. On the surface, this appears of little consequence, but the fact of the matter is that military pay rates have increased at a much faster rate over the last decade than the Consumer Price Index. The effect of this is to give the retiree today more retired pay than his counterpart of equal grade and length of service who served several years ago. Instead of grade and years of service determining a man's retired pay, it now is also influenced by when a man was born. Mr. President, I ask you, why should earlier retirees be discriminated against so severely? In some cases, a later retiree gets nearly 150 percent of the pay of his colleague of the same grade and length of service who retired prior to 1958.

If anyone needs higher retired pay it is precisely this older retiree. Often, a serviceman will retire with 20 years service and find another job in industry or with the Government. With two incomes does he need the higher rate of pay? Even at 30 years a retiree will be usually about 50 with 10 to 15 working years left. Mr. President, it is the older retiree who cannot have a second job that we are discriminating against.

Senator HARTKE's amendment would remedy, to a large extent, this problem. Though it is not a permanent reestablishment of recomputation, the amendment would at least for the time being equalize the pay for these older retirees. Under the amendment retirees computing their pay on base rates in effect prior to January 1, 1972, would be allowed when they reach age 60 to recompute their retired pay based on the rates in effect on January 1, 1972. Persons already age 60 would recompute immediately. Servicemen entitled to disability retired pay under current disability retirement laws would be allowed to recompute their pay as well.

Mr. President, I strongly urge my colleagues to support this amendment. A similar version passed last year by overwhelming vote and I am sure the Senate will be equally fair-minded this year.

ORDER FOR ADJOURNMENT TO 8:45 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 8:45 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR STEVENSON AND FOR VOTE ON MANSFIELD AMENDMENT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, after the two leaders or their designees have been recognized under the standing order on tomorrow, the distinguished Senator from Illinois (Mr. STEVENSON) be recognized for not to exceed 15 minutes, after which the Senate proceed to the consideration of the Mansfield amendment under the order previously entered and that at the conclusion of the 2 hours allotted for that amendment, or in the event time thereon is yielded back, a vote then occur on the Mansfield amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat and research, development, test, and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, this vote on the Hartke amendment will be a 10-minute rollcall vote; is that correct?

The PRESIDING OFFICER. The Senator is correct.

All time has been yielded back. The question is on agreeing to the amendment of the Senator from Indiana, as amended. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Montana (Mr. MANSFIELD), the Senator from Michigan (Mr. HART), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I also announce that the Senator from Iowa (Mr. CLARK) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is detained on official business.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that, if present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "present."

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "yea."

The result was announced—yeas 71, nays 14, as follows:

[No. 415 Leg.]

YEAS—71

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Brock
Brooke
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Church
Cook
Cotton
Cranston
Curtis
Domenici
Dominick
Eastland
Fannin
Fulbright
Gravel
Griffin
Hartke
Hatfield
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Jackson
Javits
Johnston
Long
Magnuson
Mathias
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stevens
Talmadge
Tower
Tunney
Weicker
Williams
Young

NAYS—14

Biden
Buckley
Eagleton
Ervin
Hansen
Haskell
Hathaway
Kennedy
McClellan
Proxmire
Saxbe
Scott,
William L.
Stevenson
Symington

ANSWERED "PRESENT"—8

Cannon
Dole
Fong
Gurney
Inouye
Moss
Sparkman
Thurmond

NOT VOTING—7

Clark
Goldwater
Hart
Mansfield
Pearson
Stennis
Taft

So Mr. HARTKE's amendment, as amended, was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HARTKE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I voted "present" on the recomputation amendment, as its passage would affect me personally.

AMENDMENT NO. 540

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at this time the distinguished Senator from Oklahoma (Mr. BARTLETT) be recognized to call up amendment No. 540, which I understand has been discussed with the leadership on both sides and the managers of the bill, and that it will be accepted; and that there be a time limitation thereon of 10 minutes, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

VACATION OF ORDER FOR 10-MINUTE VOTES

Mr. GRIFFIN. Mr. President, will the Senator from Oklahoma yield to me very briefly?

Mr. BARTLETT. I yield.

Mr. GRIFFIN. Mr. President, if I may have the attention of the distinguished majority whip, yesterday there was an order entered by unanimous consent that all rollcalls today would be on a 10-

minute basis rather than a 15-minute basis.

I am aware of a considerable problem that this has created, particularly while committees are in session, and I wonder if the majority whip might want to reconsider that order. I think perhaps the 5 minutes that we save is not worth all the difficulty and inconvenience that it causes.

Mr. ROBERT C. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. GRIFFIN. I am convinced that when the Senate meets in the evening such an order is a good thing, and I also think that when we have two or three votes back to back it is a good thing. But when we have permission for committees to meet during the day, I have found, from Members on our side of the aisle, particularly I do not know whether the distinguished majority whip has heard similar reports, that it makes it very difficult to get over here in order to meet a 10-minute vote. I know that some Members have had to leave the Chamber already and they will have to come back again. So I wonder whether perhaps we could get some reconsideration of that 10-minute vote.

Mr. ROBERT C. BYRD. Mr. President, I fully understand the situation the distinguished assistant minority whip has just described. I think that for the next 3 or 4 hours the order of yesterday to provide for 10-minute votes should be vacated, if we can get unanimous consent to do it.

Mr. GRIFFIN. Then if we are in beyond 5 p.m., it can be reconsidered.

Mr. ROBERT C. BYRD. Yes. Mr. President, I ask unanimous consent that the order of yesterday to provide for 10-minute votes today be vacated as of now.

The PRESIDING OFFICER (Mr. HASKELL). Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I thank the Senator from Oklahoma (Mr. BARTLETT) for yielding up this time, and I ask unanimous consent that the time we have just used not be taken out of the Senator's time, if possible.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 540

Mr. BARTLETT. Mr. President, I call up my amendment No. 540 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Amendment No. 540, intended to be proposed by Mr. BARTLETT to H.R. 9286.

Mr. BARTLETT. Mr. President, will the clerk please read the entire amendment.

The legislative clerk read as follows:

At the appropriate place in the bill insert a new section as follows:

The Secretary of Defense is authorized and directed to request from retiring military and civilian personnel, of a level of GS-13 and above, who are employed in military procurement, suggestions of methods to improve procurement policies including ideas for improving competitive bidding and eliminating any inequities that may exist. The request shall be made of personnel during their last month of employment and they shall be allowed adequate time during working hours to complete their voluntary report to be submitted upon retirement. The Secretary or his designate shall quarterly furnish members of the Armed Services Committee of the House and Senate a copy of all such recommendations and the response of the Department of Defense.

Mr. BARTLETT. Mr. President, let me add briefly to that, because the amendment is self-explanatory, that there is a lot of expertise not surfacing on matters of procurement that could very well improve the efficiency and eliminate inequities, because those who have this information are concerned about their own futures if they appear to be critical even if the criticism is constructive. So I believe that this amendment would lead to an improvement in our procurement policy. It would enable members of the Armed Services Committees of both House and Senate to have additional information not now available to them.

Mr. President, I reserve the remainder of my time but am ready to yield it back.

Mr. SYMINGTON. Mr. President, we have looked over this amendment, and it appears to be constructive to us. We on this side of the aisle will be glad to accept it.

Mr. THURMOND. Mr. President, the amendment of the distinguished Senator from Oklahoma (Mr. BARTLETT) appears to have considerable merit and we are willing to accept it.

Mr. BARTLETT. Mr. President, I yield back the remainder of my time.

Mr. SYMINGTON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Oklahoma (No. 540).

The amendment was agreed to.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business not to extend beyond 15 minutes, with statements therein limited to 3 minutes, at the conclusion of which the Senate resume the consideration of the unfinished business and proceed at that time to the consideration of the amendment on the Trident submarine.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSERVING GASOLINE

Mr. RANDOLPH. Mr. President, in the course of the Senate's debate on S. 1570, the Emergency Petroleum Allocation Act, last June 4 it was my responsibility to propose an amendment for a significant reduction of speed limits on all Federal-aid highways as one practical means of conserving the Nation's gasoline supply.

With the persuasive support of colleagues, including HENRY JACKSON, PAUL FANNIN, and BARRY GOLDWATER, the amendment was adopted and was included in S. 1570. The measure is awaiting House action.

Since my proposal was only a "sense-of-the-Senate" expression, however, I recognized that—regardless of what final action Congress takes on it—it would serve only as a recommendation and that it could be implemented and enforced only at the State level.

Thus, it was clear that the real test of the worth and potential effectiveness of such a plan would depend on the degree of its acceptance by the States.

Consequently, on June 7 I addressed identical letters to the 50 Governors, citing the need for the amendment and the scope of its provisions. I sought in that way to receive individual reactions.

I have heard from more than half of the States—28 of them, and I think you will be impressed and gratified, as I was, by the tone and trend of those answers.

Eighteen of the 28 Governors responded in a positive way, indicating their awareness of the nature and scope of the gasoline shortage situation and the recognition that specific measures such as the type proposed might be needed to cope with it.

Several of them indicated in their replies that steps are already being undertaken to implement such measures at an early date through administrative or legislative procedures.

Replies from 5 of the other 10 expressed a willingness to take a close look at the solution my amendment proposes as one of the possible alternatives.

Only two of the responses indicated specific opposition to the amendment or serious misgivings about its provisions.

The expressions of support came from all parts of the country. The list included big States and small ones, urban and rural oriented, industrial and agricultural.

In other words, a consensus would seem to be already emerging.

This is highly encouraging.

The responses provide clear evidence that a growing number of State leaders are ready to accept the harsh realities of the current situation and to make the hard decisions which will be required of them if the problem is to be resolved.

I believe now, as I did last June when I first proposed it, that the plan outlined offers a realistic, practical and workable approach to the dilemma we face to varying degrees in all parts of the Nation.

The situation may very well become progressively worse before it is better, particularly in light of recent developments in the oil-producing area of the Middle East—developments which I would observe offer even further proof of the weakness of our position in mounting dependence on that source of petroleum.

In any event, it is increasingly obvious that more needs to be done to conserve the gasoline supply we now have available.

I plan to continue to work for acceptance and adoption of my speed-limit proposal because its gas-saving potential is already a matter of record.

I also see it as a way of conserving another and infinitely more valuable and precious resource—that represented by the lives that can be saved and the injuries that can be avoided by cutting our shocking and grisly traffic toll. So I hope that States and Congress will continue to work for its implementation.

I am appreciative of support for the concept of lower speed limits from my Senate colleagues. I particularly note the efforts of the able Senator from Idaho (Mr. McClure), a member of the Committee on Public Works, who has in his State urged the reduction of speed limits. I ask unanimous consent to have printed in the Record the text of my letter to the Governors and appropriate excerpts from some of their replies, because they point out what the States, themselves, are beginning to do in reference to the reduction of speeds by motor vehicles.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Senate,
Committee on Public Works,
Washington, D.C., June 7, 1973.

Dear Governor: On June 4 the Senate adopted my amendment declaring it to be the sense of the Congress that speed limits should be reduced on our country's highways as a gasoline conservation measure. This amendment calls upon the states to lower speed limits on all Federal-aid highways by 10 miles per hour or to 55 miles per hour, whichever is greater.

In view of the present gasoline shortage and the immediate prospects for its becoming even more severe, I believe this action could be instituted with relative speed and would produce significant savings in gasoline on a short term basis as we attempt to secure a permanent solution to this problem. For your information, I enclose a copy of the Senate debate on this amendment.

The provisions of this amendment are not mandatory. The fuel shortage is a matter of serious national concern, and lowering speed limits is one way in which we can respond immediately, with positive results.

With best wishes, I am

Truly,

Jennings Randolph.

State of Maine

We are taking the proposal under consideration, and I want to thank you very much for bringing it to my attention.

State of Connecticut

I appreciate, as you do, the need for effective action to deal with possible fuel and related energy shortages. A number of steps have been taken here in Connecticut already and my staff has under consideration possible other measures along the lines you suggested to cope with this problem.

Again, thank you for writing in regard to this shared concern.

State of New Hampshire

Thank you for your letter of June 12 concerning your amendment to reduce speed limits on our country's highways.

Presently we have a bill in our State Legislature on this subject. I appreciate having a copy of the Senate debate.

State of Kentucky

This is to acknowledge receipt of your letter of June 12 regarding the Senate amendment that gasoline be conserved through the reduction of speed limits. I have asked all Kentuckians to voluntarily lower speed limits. While this is not mandatory, I hope that most citizens will comply. In addition, some departments of state government have already been asked to lower highway speeds in the use of state vehicles.

State of South Carolina

I certainly applaud your Senate-approved amendment to conserve gasoline by reducing speed limits on Federal-aid highways.

You were most thoughtful to send along a copy of the Senate debate on your amendment. I immediately passed this information to the Chairman of our State Energy Council and asked that early consideration be given to this excellent approach to gasoline conservation.

State of California

We, in California, are also concerned about fuel conservation. As a result of proposals such as yours and letters from interested citizens, representatives from several State agencies are studying the potential of a program to reduce the consumption of fuel. One item being considered in the program is a speed limit reduction.

Our studies indicate that reducing the maximum speed limit on all California streets and highways to fifty miles an hour would reduce fuel consumption by four percent. Urban freeways constitute 1,300 of the 80,000 miles of highways permitting higher speeds. Limiting speeds on these urban freeways would provide a two percent savings in fuel. We do not believe that a fifty mile per hour limit would affect the capacity, operation, or safety of urban freeways and should not cause enforcement problems. Also, since commercial truck traffic is currently limited to fifty-five miles per hour, the impact on freight movement would probably be small. Rural highways, on the other hand, could pose difficult enforcement and safety problems. These highways carry a large portion of the long distance travel and the increase in travel time would be significant, particularly for intercity passenger carriers.

State of Florida

Over the past several months, I have emphasized the need to conserve and more efficiently use energy of all types, particularly gasoline, and I appreciate your amendment. Recently, I asked our State Department of Transportation officials to investigate the legality and impact of a speed limit reduction, and am currently evaluating their report.

I look forward to congressional consideration of the additional measures mentioned in the Senate debate including Federal incentives to require the production of a more efficient automotive engine.

State of Alabama

We certainly want to do all that we can to assist in the conservation of fuel. However, the speed limits on our highways are established by act of the Legislature and they would have to act on the reduction your amendment calls for. Our Legislature is now in session and we will forward your letter to them for action by that body.

State of Delaware

Similar legislation has been introduced in our General Assembly to limit speed on Delaware highways to 50 miles an hour, with a view to conserving fuel. Sponsors of this bill are being given copies of your amendment for their information and consideration.

State of Oregon

We have made an unsuccessful attempt in our State Legislature to obtain temporary authority to reduce the existing speed limits in those zones now operating under the higher speed levels. It is now our opinion that successful action on this must come from Washington, D.C.

State of Hawaii

While the situation in the State of Hawaii is unique because of our island status and the resultant lack of long distance automotive travel, we too have felt the effects of the national gasoline shortage. Most of our highways have speed limits of 55 m.p.h. or less; therefore, Hawaii is in substantial compliance with your aim.

I wish to assure you that I will lend my support to all efforts being made to ease the present national fuel crisis. I feel that your amendment is a good, sensible start in this area.

State of Maryland

At the recent meeting of the National Governors' Conference the question of lowering speed limits was reviewed extensively. When I returned from that meeting I directed members of my staff to review the matter thoroughly. Under present law I have no authority to lower the existing limits. The matter is being studied to see if legislation could alleviate the problem.

I share your concern for providing an adequate supply of gasoline and I am prepared to take all actions available to me to ensure such supplies. My office will keep you informed as to action taken in this regard.

State of Louisiana

The State of Louisiana endorses the voluntary lowering of speed limits on highways, thereby conserving gasoline which is in such short supply. In fact, just this week, Governor Edwards asked the citizens of Louisiana to do just that. We are now making plans to announce shortly to Louisiana citizens our recommendations for individual assistance in conserving all forms of energy.

I believe we have no choice but to do everything possible to educate our people both with regard to the energy shortage and its severity, as well as suggested means of satisfying our energy needs, which would include a comprehensive program of conserving the energy we have available for our use.

I agree with you that the fuel shortage is a matter of serious national concern, and lowering the speed limit is one way in which we can respond immediately.

State of New York

Governor Rockefeller has asked me to thank you for your letter requesting that New York State consider lowering speed limits to conserve gasoline in accordance with your June fourth amendment.

New York is anxious to cooperate with any programs which will help relieve the expected gasoline shortage this summer. We are presently reviewing ways to increase public awareness of this problem and encourage the several means suggested by your amendment to conserve gasoline.

Governor Rockefeller proposed at the recent Governors' Conference in Lake Tahoe that the States agree cooperatively to reducing highway speed limits to conserve gasoline. I am enclosing a copy of the press release summarizing the Governor's proposal.

The Governor is concerned about the gasoline problem and is willing to offer his support whenever possible to assist in arriving at a solution to this problem. Accordingly, the Governor supports the intent of your amendment.

State of Utah

I, at approximately the same time, had made a similar appeal to Utahans to voluntarily reduce their speeds in an effort to save gas. This was done along with other moves to attempt to reduce consumption of gasoline. We are in the process now of attempting to get all western states to make uniform reductions in the speed limit.

State of Missouri

The approach you have chosen in this Amendment is both realistic and effective to aid in the conservation of our fuel resources. Additionally, it should reduce our high rate of highway fatalities, to which excessive speeds contribute significantly.

The State of Missouri is feeling the impact of scarce fuel resources, as indicated in the enclosed article. I will work here to encourage the people of Missouri to drive more slowly; if legislative changes are required to achieve this effectively, I will make those recommendations.

State of Michigan

I have recently established a Task Force on Fuel Supply. His group is composed of State agency heads and receives technical assistance from various industry representatives. You can be sure that the Task Force will carefully consider your proposal and its effect on gasoline consumption.

You may also be interested to know that the Michigan Legislature is considering legislation which would allow reduced speed limits in the State.

State of Illinois

We certainly agree with you that a reduction in highway speeds could be a subtantial contribution toward the alleviation of the current fuel shortage. Although transportation people have generally thought of more restrictive speed limits only in terms of safety and the saving of human lives, the situation we are faced with today is unprecedented, and we recognize that new problems are sometimes amenable to old solutions. You may be sure that the sense of the Congress, as expressed in your amendment, will be given the important consideration it deserves in our assessment of the operational, legal, and law enforcement implications that are attendant upon the proposal.

Mr. McCLURE. Mr. President, I want to commend him most highly for his leadership in proposing and urging the adoption of an energy conservation measure which could have a dramatic and immediate effect upon energy shortages which threaten domestic chaos. Last April, in a speech in Boise, Idaho, I urged immediate action by the States to reduce speed limits. A week later advertisements began appearing in important publications. In a hearing of the Interior and Insular Affairs Committee I pointed to one such ad in the New York Times and renewed my call for immediate action by the various States. Unfortunately there has been little action, but quite a little talk.

I joined with the distinguished chairman of the Public Works Committee when he led the Senate to adoption of language urging that this be undertaken. I cannot tell you how pleased I am to again commend the Senator for his leadership in urging each of the States to act.

Mr. President, this Nation cannot afford cold homes nor tolerate cold schools or hospitals. Neither can we afford the spectre of idle factories and men and women thrown out of work because of fuel and energy shortages. This is particularly true when measures can be taken to avoid this stark result. This proposed action may be felt by some to be drastic. Some may urge that it is not yet proven to be necessary. I say that the evidence is clear that the danger is substantial, the shortage is real and the crisis is upon us. I again join in a call for action.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report of Defense Civil Preparedness Agency

A letter from the Director, Defense Civil Preparedness Agency, transmitting, pursuant to law, a report of Federal Contributions Program Equipment and Facilities for the quarter ended June 30, 1973 (with an accompanying report). Referred to the Committee on Armed Services.

Proposed Legislation by the Secretary of Housing and Urban Development

A letter from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to assist States and local governments to improve their capabilities for responsive and effective governmental action (with accompanying papers). Referred to the Commtitee on Banking, Housing and Urban Affairs.

Proposed Legislation by the Commissioner of the District of Columbia

A letter from the Commissioner, District of Columbia, transmitting a draft of proposed legislation to amend the District of Columbia Redevelopment Act of 1945 and the Street Readjustment Act of the District of Columbia, relating to development and plans, and for other purposes. Referred to the Committee on the District of Columbia.

Report of Public Service Commission of the District of Columbia

A letter from the Executive Secretary, Public Service Commission of the District of Columbia, transmitting, pursuant to law, a report of the Commission for the calendar year 1972 (with an accompanying report). Referred to the Committee on the District of Columbia.

Proposed Legislation by the Administrative Office of the United States Courts

A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation to provide to the United States magistrates alternative means of disposition of certain offenders in minor offense cases, prior to trial, and for other purposes (with an accompanying paper). Referred to the Committee on the Judiciary.

A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend the act of August 6, 1958, 72 Stat. 497, relating to service as chief judge of a U.S. district court (with an accompanying paper). Referred to the Committee on the Judiciary.

A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend title 28 of the United States Code to provide for the investigation and prosecution of disciplinary proceedings against members of the bar of the courts of the United States, and for other purposes. Referred to the Committee on the Judiciary.

A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to authorize in the District of Columbia a program providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the District of Columbia, and for other purposes (with an accompanying paper). Referred to the Committee on the District of Columbia.

Proposed Family Contribution Schedule for Basic Educational Opportunity Grant Program

A letter from the U.S. Commissioner of Education, transmitting, pursuant to law, the proposed family contribution schedule for the basic educational opportunity grant program for use during fiscal year 1975 (with accompanying papers). Referred to the Committee on Labor and Public Welfare.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California. Referred to the Committee on Public Works:

"Assembly Joint Resolution No. 42

"Relative to offshore superports

"Whereas, A variety of recent circumstances have stimulated the development of crude petroleum transportation systems which include the transport of such petroleum products in large quantities to onshore refineries by means of new transport vehicles; and

"Whereas, Modern technological advances have led to the development of very large deep-draft ocean tankers in excess of 250,000 dead-weight tons; and

"Whereas, These very large deep-draft tankers will require port depths in excess of 90 feet; and

"Whereas, There are no existing ports in California capable of accommodating such very large deep-draft tankers; and

"Whereas, The United States Army Corps of Engineers is currently conducting a study as to the possible location on the West Coast of ports, sometimes called "superports," capable of handling these very large deep-draft tankers; and

"Whereas, The existing data seems to indicate that such superports will most likely be constructed and operated at offshore locations; and

"Whereas, The likelihood of such superports actually being constructed adjacent to California's coastline in the near future is great; and

"Whereas, The location and operation of any such superport near the coast of California is of significant and vital concern and interest to the state and its people; and

"Whereas, It appears possible that the actual location of such offshore superports may be outside the legal jurisdiction of the State of California; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature respectfully memorializes the President to support, and the Congress of the United States to enact, legislation which would require authorization for the construction of such offshore superports from the coastal state or states adjacent to whose shores such superport would be located whether or not it would be located within the boundary of such state or states; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and

Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of Oregon. Referred to the Committee on Agriculture and Forestry:

"SENATE JOINT MEMORIAL 5

"To the Honorable President of the United States, the Oregon Delegation, the Honorable Senate and House of Representatives of the United States of America in Congress assembled and the United States Department of Agriculture:

"We, your memorialists, the Fifty-seventh Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas the Douglas Fir tussock moth has severely damaged and destroyed several hundred thousand acres of standing timber in Eastern Oregon; and

"Whereas the tree fruits, nuts and nursery stock industry contribute extensively to the agricultural economy in the Willamette Valley and Oregon; and

"Whereas the production from tree fruits, nuts and nursery stock in the Willamette Valley contributed to the economic health of the state; and

"Whereas we are dependent upon this tree fruits, nuts and nursery stock production to meet our domestic and export market demands for these products; and

"Whereas the national balance of payments, as well as the horticultural economy of this area have been damaged and will be damaged even further through foreign infiltration of United States markets once served by Oregon's orchardists as a result of the fruit and nut trees laid waste by the cold and;

"Whereas this $41.1 million industry received severe damage due to unseasonably cold weather occurring in December 1972; and

"Whereas the severe damage suffered by the tree fruits; nuts and nursery stock industry will have a devastating effect upon both the farmer and the business community alike, since the total value of these crops in nine Oregon counties alone in 1971 was shown on the schedule below; and

"Whereas the damage will substantially reduce the 1973 production from tree fruits, nuts and nursery stock; and the loss of many trees and nursery stock from this sudden freeze will reduce future production substantially and render many orchards and horticultural operations useless; now, therefore,

"Be it resolved by the Legislative Assembly of the State of Oregon: That the Oregon Legislature urge all possible federal assistance to a speedy and effective restoration of all the orchards, trees and fruits of Oregon and all horticultural damage in the Northwest; and be it further

"Resolved, That copies of this memorial be delivered to members of the Oregon Congressional Delegation and, if possible, personally delivered by them to the Secretary of Agriculture, to the leadership of the United States House of Representatives and the Senate, to the leaders of their respective caucuses and to the individual members of the Congress."

SCHEDULE GROSS INCOME 1971

County	Horticultural	Tree fruits and nuts
Benton	$620, 000	$508, 000
Clackamas	6, 109, 000	709, 000
Lane	2, 200, 000	1, 327, 000
Linn	250, 000	303, 000
Marion	4, 339, 000	1, 409, 000
Multnomah	9, 123, 000	76, 000
Polk	93, 000	2, 548, 000
Washington	5, 970, 000	2, 286, 000
Yamhill	400, 000	2, 764, 000
Total	29, 104, 000	11, 930, 000

A resolution adopted by the City Council of Mayfield Heights, Ohio, relating to the oil shortage. Referred to the Committee on Interior and Insular Affairs.

A resolution adopted by the Joint Interim Committee on Health and Welfare, Legislative Research Commission, Commonwealth of Kentucky, praying for the enactment of legislation relating to the protection of unborn human life. Referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McGEE, from the Committee on Post Office and Civil Service, without amendment:

S. Res. 171. A resolution disapproving the alternative plan for pay adjustments for Federal employees (Report No. 93–407).

By Mr. CANNON, from the Committee on Commerce, without amendment:

S. 1116. A bill to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Algona, Iowa, for airport purposes (Rept. No. 93–408).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. RANDOLPH, from the Committee on Public Works:

William W. Blunt, Jr., of the District of Columbia, to be an Assistant Secretary of Commerce.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

W. Tapley Bennett, Jr., of Georgia, a Foreign Service officer of the class of career minister, to be the Deputy Representative of the United States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary;

William E. Schaufele, Jr., of Ohio, a Foreign Service officer of class 1, to be Deputy Representative of the United States of America in the Security Council of the United Nations, with the rank of Ambassador;

Barbara M. White, of Massachusetts, a Foreign Service information officer of the class of career minister for information, to be the Alternate Representative of the United States of America for Special Political Affairs in the United Nations, with the rank of Ambassador;

Kingdom' Gould, Jr., of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of the Netherlands; and

William R. Kintner, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary to Thailand.

Executive O, 93d Congress, 1st session, International Coffee Agreement 1968, as extended, adopted by the International Coffee Council in its resolution No. 264 of April 14, 1973 (Exec. Rept. No. 93–16).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred or placed on the calendar as indicated:

By Mr. CHILES:

S. 2481. A bill to amend the Accounting Act of 1950 to provide for the audit of certain Federal agencies by the Comptroller General. Referred to the Committee on Government Operations.

By Mr. CRANSTON (for himself, Mr. TOWER, and Mr. SPARKMAN):

S. 2482. A bill to amend the Small Business Act. Placed on the calendar, by unanimous consent.

(Reference is made to the above bill when introduced by Mr. CRANSTON, and appears later in the RECORD, following the vote on the Presidential veto of Senate Bill 1672.)

By Mr. MONDALE:

S. 2483. A bill for the relief of Klaus Rowedder. Referred to the Committee on the Judiciary.

By Mr. CHURCH:

S. 2484. A bill to amend the Social Security Act to permit a grandchild who has been placed in legal custody of his grandparent to qualify for benefits as a child of his grandparent. Referred to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHILES:

S. 2481. A bill to amend the Accounting and Auditing Act of 1950 to provide for the audit of certain Federal agencies by the Comptroller General. Referred to the Committee on Government Operations.

Mr. CHILES. Mr. President, today I am introducing a bill, which is a companion measure to one introduced by Congressman GIBBONS on July 16, 1973, to amend the Accounting and Auditing Act of 1950 to provide for an audit by the Comptroller General of Federal agencies which are not now audited. These agencies are the Federal Reserve Board, Federal Reserve banks and their branches, the Internal Revenue Service, the Comptroller of the Currency, and the Office of Alien Property.

Each of these agencies spend taxpayers' money, and I feel they should be held accountable to the public just as other Federal agencies of the Government are.

The General Accounting Office was created to assist Congress in providing legislative control over the receipt, disbursement, and application of public funds; and I believe it should be required to audit the Federal agencies which are not now audited. It is in the ultimate interest of these agencies that their funds be audited, and I believe the people of the United States are entitled to an accounting. For these reasons, I am today introducing this bill.

By Mr. CHURCH:

S. 2484. A bill to amend the Social Security Act to permit a grandchild who has been placed in legal custody of his grandparent to qualify for benefits as a child of his grandparent. Referred to the Committee on Finance.

SOCIAL SECURITY BENEFITS FOR A GRANDCHILD PLACED IN THE CUSTODY OF A GRANDPARENT

Mr. CHURCH. Mr. President, I introduce for appropriate reference, a bill to permit grandchildren to receive social security benefits in certain instances when they have been placed in the custody of their grandparents.

Under present law, a child under 18 is entitled to social security payments when his father or mother qualifies for retirement or disability benefits.

But in the case of a grandchild who lives with and is supported by a grandparent, the requirements are more stringent. Under these circumstances, the grandchild may receive benefits on the basis of the grandparent's earnings record, provided:

First. The grandchild was adopted by the grandparent; or

Second. The parents of this individual are deceased or disabled when the grandparent becomes entitled to social security.

In general, these restrictions are designed to guard against certain abuses in payment of benefits. However, there are still some instances in which a grandparent can have legal custody of a grandchild; yet the grandchild cannot qualify for monthly payments when his grandparent retires or becomes disabled.

The bill that I introduce today is designed to provide further protection in these cases. Specifically, my proposal would authorize social security benefits for grandchildren who live with and are supported by a grandparent, provided a court order awarding the grandparent custody of the grandchild is in effect:

First. For at least 1 year; and

Second. At the time the grandparent made application for retirement or disability payments.

When a grandparent retires or becomes disabled under these circumstances, the grandchild has clearly suffered a loss of support. To my way of thinking, he should also be entitled to social security benefits—in the same manner that a child under 18 is eligible for monthly payments when his father or mother retires or becomes disabled. Economic justice requires no less.

In my judgment, it seems especially harsh to deny benefits to this grandchild, simply because the grandparent has not adopted him. Oftentimes the grandparent is reluctant to do this, because there is a possibility that the grandchild may eventually be reunited with his natural parents.

Moreover, we should also remember that the court has awarded custody of the grandchild to the grandparent in the interest of youngster's well-being. However, this purpose can easily be subverted when the grandchild is precluded from receiving benefits on his grandparent's earnings record when he retires or becomes disabled.

Today social security constitutes the economic mainstay for the vast majority of older Americans. But social security is far more than just protection against loss of earnings, because of retirement. It is also family security as well. For these reasons, it is vitally important that this essential program be made as equitable as possible for all concerned—whether they be retired workers, wives, widows, or dependent children and grandchildren.

Mr. President, I urge the early adoption of my bill and ask unanimous consent that it be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2484

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 216(e) of the Social Security Act is amended—

(1) by striking out "and" before clause (3), and

(2) by inserting before the period at the end thereof ", and (4) a person who is the grandchild of an individual or his spouse and who has been placed in the custody of such individual or his spouse by an order of a court of competent jurisdiction within the United States which is in effect on the day on which such individual's application for old-age insurance benefits or disability insurance benefits is filed and has been in effect for at least one year before such day".

Sec. 2. Section 202(d)(9)(A) of such Act is amended by inserting after "such first sentence" the following: ", or who is a child of an individual under clause (4) of such first sentence and is not a child of such individual under clause (1), (2), or (3) of such first sentence,".

Sec. 3. The amendments made by this Act shall apply with respect to monthly benefits payable under title II of the Social Security Act for months after the month in which this Act is enacted on the basis of applications for such benefits filed in or after the month in which this Act is enacted.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 585

At the request of Mr. Moss, the Senator from Kentucky (Mr. Cook) and the Senator from Alaska (Mr. Stevens) were added as consponsors of S. 585, a bill to amend section 303 of the Communications Act of 1934 to require that radios be capable of receiving both amplitude modulated—AM, and frequency modulated—FM—broadcasts.

S. 847

At the request of Mr. Robert C. Byrd, the Senator from Oregon (Mr. Packwood) was added as a cosponsor of S. 847, to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize safety design standards for schoolbuses, to require certain safety standards be established for schoolbuses, to require the investigation of certain schoolbus accidents, and for other purposes.

S. 1855

At the request of Mr. Mathias, the Senator from Ohio (Mr. Taft) was added as a cosponsor of S. 1855, a bill to promote the development of American Handcrafts.

S. 1939

At the request of Mr. Mondale, the Senator from Minnesota (Mr. Humphrey), the Senator from South Dakota (Mr. Abourezk), the Senator from Florida (Mr. Gurney), the Senator from Wisconsin (Mr. Nelson), the Senator from Kentucky (Mr. Cook), and the Senator from Illinois (Mr. Stevenson) were added as cosponsors of S. 1939, a bill to prohibit pyramid sales transactions, and for other purposes.

S. 2258

At the request of Mr. Ribicoff, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 2258, to create and administer a Children's Trust Fund.

S. 2400

At the request of Mr. Bellmon, the Senator from Oklahoma (Mr. Bartlett), the Senator from Tennessee (Mr. Brock), the Senator from Nebraska (Mr. Curtis), the Senator from Arizona (Mr. Fannin), the Senator from Virginia (Mr. William L. Scott), and the Senator from Ohio (Mr. Taft) were added as cosponsors of S. 2400, to amend section 202 of the Clean Air Act with respect to motor vehicle emission standards.

S. 2453

At the request of Mr. Stevenson, the Senator from Indiana (Mr. Hartke) was added as a cosponsor of S. 2453, a bill to amend section 203 of the Economic Stabilization Act in regard to the authority conferred by that section with respect to petroleum products.

S. 2470

At the request of Mr. Curtis, the Senator from New Mexico (Mr. Domenici) was added as a cosponsor of S. 2470, a bill to amend the Consolidated Farm and Rural Development Act.

SENATE RESOLUTION 174—SUBMISSION OF A RESOLUTION RELATING TO THE U.S. COMMITMENT TO THE SOUTHEAST ASIA COLLECTIVE DEFENSE TREATY AND ORGANIZATION

(Referred to the Committee on Foreign Relations).

Mr. CHURCH. Mr. President, it is my intention to submit a resolution this morning. I am joined in this resolution by the senior Senator from Vermont (Mr. Aiken), and I understand that the distinguished majority whip has indicated that he favors the purpose of the resolution; and I would be most gratified if he, too, would join in its cosponsorship.

Mr. ROBERT C. BYRD. Mr. President, I would appreciate it if the distinguished Senator and author of the resolution would add my name as a cosponsor.

Mr. CHURCH. I ask unanimous consent that that be done, Mr. President.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CHURCH. Mr. President, on behalf of the distinguished Senator from West Virginia (Mr. Robert C. Byrd), the senior Senator from Vermont (Mr. Aiken), and myself, I submit a resolution calling upon the Committee on Foreign Relations to undertake a full and complete review of U.S. participation in the Southeast Asia Collective Defense Treaty and Organization.

As set forth in the resolution, the committee would be expected to conduct the review and to report its findings and recommendations to the Senate no later than March 31, 1974. Congress could then consider the proper future U.S. approach to SEATO.

This review should include examination of basic foreign policy considerations which originally led the United States to join seven other nations in the SEATO alliance. These considerations should be reassessed by the committee in light of subsequent developments in the SEATO Treaty Organizations and the foreign policy interests of the United States.

For years, problems of more pressing nature have diverted our attention from SEATO. However, some of our partners in the pact have not been so diverted, and recent decisions by others have been running against the treaty and the organization. Pakistan will be completely out within a matter of months. France has announced her intention of stopping the payment of dues as of mid-1974. Others, such as Australia, have evidenced misgivings, particularly as to the military aspects of the treaty and the organization. Australia has announced that it will not participate in the annual SEATO naval maneuvers this fall in the South China Sea.

Only the United States and the two recipients of SEATO backing, Thailand and the Philippines, remain firm supporters of the alliance. Both Thailand and the Philippines, however, find SEATO only one of several sources of outside help; the United States gives substantial direct aid to both nations already. Seven years ago, Presidential aspirant, Richard Nixon, described SEATO as "a somewhat anachronistic relic." Today, I wonder what purpose is served by sticking steadfastly to an organization that appears to be, to a large extent, superfluous and already in the process of falling apart.

Given both the withering support for SEATO and the tremendous changes in the world situation which have taken place since the inception of the treaty and the organization nearly two decades ago, I question the wisdom of staying with SEATO as it is. At the very least, we should work with the other members of SEATO to act in the near future to salvage what is worthwhile in the treaty and the organization and to discard what is no longer useful. Beyond that, as a result of thorough hearings by the Committee on Foreign Relations, we may well conclude that the interests of the United States would be better served by our giving the requisite notice and by quitting SEATO entirely.

I would expect the Committee on Foreign Relations to explore these options in the course of its inquiry.

Mr. ROBERT C. BYRD. Mr. President, I am grateful to the distinguished Senator from Idaho (Mr. CHURCH) for offering the resolution which has been submitted and for allowing me to participate as a cosponsor thereof.

Mr. President, the Southeast Asia Treaty Organization—SEATO—is an obstacle to a realistic and progressive American policy in Asia. It no longer promotes U.S. objectives, if, in fact, it ever did. Nineteen years ago, when the Senate gave its advice and consent to the Southeast Asia Collective Defense Treaty and SEATO was formed, the situation in Asia was very different. In the mid-1950's the entire area seemed to be threatened by Communist expansion, which was apparenly sponsored by Communist China and the Soviet Union. It seemed that a collective security agreement among certain Southeast Asian nations, backed by the concerned Western powers—France, Great Britain, and the United States—would be an effective tool for maintaining regional security. The Communist threat is less ominous now, but not because of SEATO.

The United States has fought for peace and security in Southeast Asia, where over 56,000 Americans have died in the last 12 years. The United States has maintained defensive forces in several parts of Asia as a deterent to aggression and has helped many Asian countries through difficult periods in their struggles toward national security and economic and political viability. Recently, the United States, through extensive negotiations with the great powers of the world, both friendly and adversary, has reached understandings and agreements that have improved relations by reducing tensions and increasing prospects for cooperative ventures.

Our SEATO allies have done very little for regional security and show little enthusiasm for the treaty obligations. France has withdrawn from Asia and has been a very inactive member of SEATO. Only token British forces remain in the area. Pakistan saw that SEATO membership was inappropriate to its needs, and last November it gave official notice that it was disassociating itself from the pact. Philippine leaders have said SEATO needs a major transformation and have called for neutrality in Southeast Asia. Even Thailand's leaders, in a nation that eventually must reach an accommodation with its Communist neighbors, have called for a neutral Southeast Asia.

Now that cease-fire agreements have been reached in Vietnam and Laos and the U.S. military involvement in Cambodia has finally been terminated, America can state unequivocally that it has met its military obligations in this area. But we are still obligated by the Southeast Asia Collective Defense Treaty to respond to future outbreaks of Communist-instigated violence even though further American military involvement in the region would be harmful to this country, would be contrary to U.S. policy, would not be tolerated by the American people, and would be of very questionable value to the inhabitants of Southeast Asia. It is time to put aside this treaty.

Although the U.S. policy toward Asia has not been well-articulated, there are a few basic tenets that are clear; and they indicate the need to scrap SEATO and to redirect American efforts and resources into more productive ventures. The primary U.S. objective in Asia is peace. SEATO was formed in large part to help maintain the peace, and it failed—the region has been riddled with violence. And there is less reason today to think that SEATO will provide a significant hedge against the outbreak of war than there was in 1954.

Furthermore, by now we have learned that the United States does not have vital interests in Southeast Asia that justify great costs or great risks to our Nation. Our interests in Asia are primarily concerned with Japan, the People's Republic of China, and the Soviet Union. It is all too clear that our policies toward these powers are not served by SEATO.

Japan is America's primary economic and political partner in Asia; we share many of the same aspirations and problems. Now that Japan has developed into a major world power, it is natural and beneficial to U.S. interests that the Japanese will assume greater responsibilities in Asia. SEATO discourages a greater Japanese role in regional security and development programs by excluding Japan from its parleys and operations and by assuming for itself more responsibility in those areas than it can effectively handle.

The United States has recently acknowledged that the People's Republic of China is a major force in Asia and that it should be drawn into cooperative involvement in Asian programs. Whereas SEATO was created in 1954 as part of the U.S. plan to isolate and contain China, for the last few years it has been American policy to encourage Chinese participation in world affairs. Secretary Rogers said at the 1971 SEATO Council meeting, it is our hope that China's role in Asia will become "constructive rather than disruptive." The Southeast Asia Treaty Organization, which alines two Asian countries, and three Western Powers against China, is certainly not conducive to a more constructive, cooperative, or responsible Chinese role in regional affairs. SEATO as a cold war instrument, stands in the way of the conciliation that the United States is trying to promote.

As a deterrent to Chinese aggression, SEATO has become meaningless. The United States is the only member of SEATO that has fully met its treaty obligations, and we do not need this document to make our intentions known to would-be aggressors. This collective defense treaty does not deter Chinese aggression, and rather than help our policy of reconciliation, it polarizes Asia and acts as an obstacle to improved relations.

The Soviet Union, the other major Asian power, is practically ignored by SEATO. Of course, the SEATO treaty adds little or nothing to America's own deterrence of aggressive Soviet inclinations. But SEATO also is unable, by its very nature and structure, to accommodate Russia's growing interest in Southeast Asia or its ability to help maintain peace and to sponsor development.

So America's policies toward the three major powers in Asia are poorly served and, in some cases, even obstructed by SEATO.

For the Southeast Asian states themselves, as for all countries of the world, we sincerely support their aspirations for political, social, and economic well-being. We hope that each of these nations can achieve freedom from tyranny and political corruption, freedom from hunger and the crippling effects of high birth rates, freedom from chronic and debilitating poverty, freedom from the ravages of disease, and freedom from the shackles of poor education and inadequate technical training programs. But SEATO is poorly equipped for undertaking the job of development assistance. Its primary orientation toward defense and its restricted and unbalanced membership do not provide the basis for effective self-help programs. There are many other institutions and agencies better suited for this task through which the United States can channel its aid to worthwhile programs.

For some time I have hoped that we could reshape SEATO to meet the current needs of Southeast Asia and to better serve American policy and interests. But now we are beyond that point. The treaty, the membership, the organization, and the basic purpose of SEATO are inappropriate to today's problems. The United States must withdraw from SEA TO and should place its support behind organizations and programs that are compatible with American objectives, that are better equipped to help the peoples of Southeast Asia, and that will not commit the United States to further warfare in Asia.

It is important that the Senate act quickly on the resolution to study U.S. withdrawal from SEATO. The next meeting of the SEATO Council is scheduled for September 28, and I believe that the U.S. representative to that meeting should go with knowledge of the views of what I feel will be the large majority of the Members of this body.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield gladly.

Mr. CHURCH. Mr. President, I welcome the cosponsorship of the distinguished Senator from West Virginia. As he has noted in his splended summary statement of his reasons for supporting this resolution, the SEATO alliance has been rendered largely obsolete by the passing of events in Asia. It never has met the test on any occasion when it has been called into use.

The United Kingdom and France, as the Senator noted, no longer give and have never given active support to the alliance. During the height of the war in Vietnam both Australia and New Zealand gave only token support and their particular security interests are serviced by bilateral treaties with the United States.

The same is true of the Philippines. Its withdrawal from SEATO or the dissolution of the treaty could not affect the security of the Philippines, because the United States maintains bilaterally a separate treaty with that nation.

So, for those reasons, it is obvious that the time has come to reassess the efficacy of the SEATO alliance, and I am happy that the distinguished majority whip has seen fit to lend his name to the resolution.

Mr. ROBERT C. BYRD. Mr. President, I thank the Senator.

The resolution is as follows:

S. Res. 174

Resolved, by the United States Senate that the Committee on Foreign Relations undertake a full and complete review of United States participation in the Southeast Asia Collective Defense Treaty and Treaty Organization and report to the Senate the Committee's findings and recommendations no later than March 31, 1974. Such review shall include re-examination of the basic foreign policy considerations which originally lead the United States to join the SEATO Organization and reassessment of those considerations in the light of subsequent developments relating to that Organization and the foreign policy interests of the United States.

ADDITIONAL COSPONSORS OF SENATE RESOLUTIONS

SENATE RESOLUTION 123

At the request of Mr. Mondale, the Senator from New York (Mr. Javits) be added as a cosponsor of Senate Resolution 123, to amend the standing rules of the Senate to provide for a question and report period.

SENATE RESOLUTION 161

At the request of Mr. McClure, the Senator from Illinois (Mr. Percy) was added as a cosponsor of Senate Resolution 161, to amend the Legislative Reorganization Act of 1946.

SOCIAL SECURITY ACT—AMENDMENT

AMENDMENT NO. 542

(Ordered to be printed and referred to the Committee on Finance.)

MEDICARE COVERAGE FOR PRESCRIPTION DRUGS

Mr. RIBICOFF. Mr. President, today I am submitting an amendment to the social security bill, H.R. 3153, to provide medicare coverage for prescription drugs purchased outside the hospital.

Medicare—the Federal health insurance program for the elderly—has made great strides in the last few years in protecting senior citizens against rising health costs. But at least one big gap exists in the program—coverage for prescription drugs.

Millions of medicare patients every year contract illnesses of varying severity that require treatment with prescription drugs. The costs of these medicines make up a large part of the expenses associated with an illness and can run into hundreds or even thousands of dollars. The problem is especially acute for those with chronic illnesses. Their average drug expenditures run three times as high as those without such illnesses.

Patients who suffer such afflictions as heart and respiratory disease should not be forced to choose between bankruptcy and survival.

Under present medicare law, drugs used for patients in the hospital are covered by medicare but there is no coverage for medicines purchased by those not in hospitals. Because of financial need some patients are forced to stay in the hospital just to have their drug bills covered. This represents an extra burden to hospitals, to the medicare program, and to the patient himself. The patient would generally prefer to be at home but his out-of-hospital medicine costs are not covered.

The legislation I am submitting would provide drug coverage benefits for all persons covered under part A of medicare—over 20 million senior citizens. The benefits would be available for drugs necessary in the treatment of the following chronic diseases:

Diabetes, high blood pressure, chronic cardiovascular disease, chronic respiratory disease, chronic kidney disease, arthritis and rheumatism, gout, thyroid disease, cancer, epilepsy, Parkinson's disease, myasthenia gravis, tuberculosis and glaucoma.

A patient needing prescription drugs to treat such diseases would be able to purchase them through a participating pharmacy for $1. Medicare would cover additional costs.

The proposal would exclude drugs not requiring a physician's prescription—except for insulin—drugs such as antibiotics which are generally used for a short period of time and drugs such as tranquilizers and sedatives which may be used not only by beneficiaries suffering from serious chronic illnesses, but also by many other persons as well.

Ever since the inception of the medicare program it has been recognized that providing coverage for drugs is of the utmost importance if we want to help America's senior citizens hold down their medical costs. This legislation passed the Senate last year but was deleted in conference. I hope that Congress will take fast action to bring relief to the millions of medicare participants who up to now have had to single-handedly bear the burden of purchasing drugs.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974—AMENDMENTS

AMENDMENT NO. 543

(Ordered to be printed, and to lie on the table.)

Mr. HUMPHREY submitted amendments, intended to be proposed by him to the amendment (No. 510) proposed by Mr. Jackson (for himself and others) to the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes.

AMENDMENT NO. 544

(Ordered to be printed, and to lie on the table.)

Mr. STEVENS submitted an amendment, intended to be proposed by him to House bill 9286, supra.

AMENDMENT NO. 545

(Ordered to be printed, and to lie on the table.)

Mr. MUSKIE (for himself, Mr. Mathias, and Mr. Stevenson) submitted amendments, intended to be proposed by him, to House bill 9286, supra.

ADDITIONAL STATEMENTS

ADDRESS BY SECRETARY OF STATE KISSINGER BEFORE THE UNITED NATIONS

Mr. AIKEN. Mr. President, it was my privilege yesterday to be with Secretary Kissinger at the United Nations where he made his speech to that organization.

The Assembly hall was filled and the representatives of all nations were extremely attentive. In fact, one could almost have heard a pin drop. This was in sharp contrast to the situation which frequently prevails.

Secretary Kissinger, after a few general remarks, dealt with specifics.

The speech appeared to be exceptionally well received, although, as was expected, the delegates from a few countries did not applaud.

Secretary Kissinger did not complete the final version of his speech until 2 a.m. Monday, but I am advised that the speech, as delivered, was taken down verbatim by the New York Times and appears in this morning's issue of that newspaper.

I ask unanimous consent that the speech, as reported in the Times, be printed in the Record.

It is my opinion that Secretary Kissinger got off to a good start in his new job. I also believe that he is determined to improve the political, the economic, and the welfare levels of the world and with the wholehearted cooperation of the Congress, he will succeed.

There being no objection, the speech was ordered to be printed in the Record, as follows:

United Nations, N. Y., Sept. 24.—Following is the text of the speech delivered here today by Secretary of State Kissinger:

I come before you today—confirmed in office but two days ago—as probably the world's most junior foreign minister. That President Nixon should ask me as my first official act to speak here for the United States reaffirms the importance that my country attaches to the values and ideals of the United Nations.

It would be idle to deny that the American people, like many others, have sometimes been disappointed because this organization has not been more successful in translating the hopes for universal peace of its architects into concrete accomplishments.

But despite our disappointments, my country remains committed to the goal of a world community. We will continue to work in this parliament of man to make it a reality.

Two centuries ago the philosopher Kant predicted that perpetual peace would come eventually—either as the creation of man's moral aspirations or as the consequence of physical necessity. What seems utopian then looms as tomorrow's reality; soon there will be no alternative. Our only choice is whether the world envisaged in the Charter will come about as the result of our vision or of a catastrophe invited by our shortsightedness.

The United States has made its choice. My country seeks true peace, not simply an armistice. We strive for a world in which the rule of law governs and fundamental human rights are the birthright of all. Beyond the bilateral diplomacy, the pragmatic agreements and dramatic steps of recent years, we envisage a comprehensive, institutionalized peace encompassing all nations, large and small—a peace which this organization is uniquely situated to foster and to anchor in the hearts of men.

This will be the spirit of American foreign policy.

This attitude will guide our work in this organization.

We start from a bedrock of solid progress. Many of the crises that haunted past General Assemblies have been put behind us. Agreement has been reached on Berlin; there is a cease-fire in the Middle East; the Vietnam war has been ended. The rigid confrontation that has dominated international life and weakened this organization for a quarter of a century has been softened.

The United States and the Soviet Union have perceived a commonality of interest in avoiding nuclear holocaust and in establishing a broad web of constructive relationships. Talks on strategic arms limitation have already produced historic accords aimed at slowing the arms race and insuring strategic stability; we have, today, resumed negotiations on this subject. The positive results we hope for will enhance the security of all mankind.

Two decades of estrangement between the United States and the People's Republic of China has given way to constructive dialogue and productive exchanges. President Nixon has met with the leaders of that nation; we have agreed to a historic communique that honestly sets forth both our differences and our common principles; and we have each opened a liaison office in the capital of the other.

Many other countries have seized the initiative and contributed—in substance and spirit—to the relaxation of tensions. The nations of Europe and North America are engaged in a conference to further security and cooperation. The two German states have taken their place in this Assembly. India, Pakistan and Bangladesh have begun to move toward a welcome reconciliation. North and South Korea are at last engaged in a dialogue which we hope will lead to a new era of peace and security between them.

Yet these achievements, solid as they are, have only made less precarious the dangers and divisions inherited from the postwar era. We have ended many of the confrontations of the cold war; yet, even in this room, the vocabulary of suspicion persists. Relaxation of tensions is justified by some as merely a tactical interlude before renewed struggle. Others suspect the emergence of a two-power condominium. And as tension between the two original blocs has eased, a third grouping increasingly assumes the characteristics of a bloc of its own—the alignment of the nonaligned.

BETWEEN OLD AND NEW

So the world is uneasily suspended between old slogans and new realities, between a view of peace as but a pause in an unending struggle and a vision of peace as a promise of global cooperation.

In 1946 James Byrnes, the first Secretary of State to address this Assembly, spoke of how the United Nations could help break down habits of thinking in national isolation and move toward "universal understanding and tolerance among all peoples."

The United States will never be satisfied with a world of uneasy truces, of offsetting blocs, of accommodations of convenience. We know that power can enforce a resigned passivity, but only a sense of justice can enlist consensus. We strive for a peace whose stability rests not merely on a balance of forces but on shared aspirations. We are convinced that a structure which ignores humane values will prove cold and empty and unfulfilling to most of mankind.

The United States deeply believes:

That justice cannot be confined by national frontiers.

That truth is universal, and not the peculiar possession of a single people or group or ideology.

That compassion and humanity must ennoble all our endeavors.

NEW STEP FORWARD URGED

In this spirit we ask this Assembly to move with us from détente among the big powers to cooperation among all nations, from coexistence to community.

Our journey must begin with the world as it is and with the issues now before us. The United States will spare no effort to ease tensions further and to move toward greater stability.

We shall continue, in the spirit of the Shanghai communique, our search for a new relationship with the People's Republic of China.

We shall work to promote positive trends elsewhere in Asia. The uncertain peace in Indochina must be strengthened; the world community cannot afford, or permit, a relapse into war in that region.

We shall continue to pursue vigorously the building of constructive real-Union.

We shall strive to promote conciliation in Europe. In the negotiations beginning next month we shall seek a reduction of the military forces that have faced each other for so long across that divided continent.

We shall give new vigor to our policy of partnership in the Western Hemisphere.

We shall honor our pledge to promote self-determination, economic development and human dignity across the continent of Africa.

We shall press on with strategic arms limitation talks. We consider them crucial for security and stability in this period.

We shall search for solutions to the worldwide problem of conventional weapons, which drain our resources and fuel the fires of local conflict.

FUNDAMENTAL PRINCIPLES

In all these efforts the United States will be guided by fundamental principles:

We have no desire for domination. We will oppose—as we have consistently opposed throughout this century—any nation that chooses this path. We have not been asked to participate in a condominium; we would reject such an appeal if it were made.

We will never abandon our allies or our friends. The strengthening of our traditional ties is essential foundation for the development of new relationships with old adversaries.

We will work for peace through the United Nations as well as through bilateral relationships.

We recognize our special obligation, as a permanent member of the Security Council, to assist in the search for just solutions in those parts of the world now torn by strife such as the Middle East. While we cannot substitute for the efforts of those most directly involved, we are prepared to use our influence to generate a spirit of accommodation and to urge the parties toward practical progress.

But progress on the traditional agenda is not enough. The more we succeed in solving political problems the more other and perhaps deeper challenges emerge. As the world grows more stable we must confront the question of the ends of detente. As the threat of war recedes the problem of the quality of life takes on more urgent significance.

We are in fact, members of a community drawn by modern science, technology, and new forms of communication into a proximity for which we are still politically unprepared. Technology daily outstrips the ability of our institutions to cope with its fruits. Our political imagination must catch up with our scientific vision. This is at the same time the greatest challenge and the greatest opportunity of this organization.

POLLUTION AND SCARCITY

The pollution of the skies, the seas and the land is a global problem.

The increased consumption of cereals has reduced world food reserves to dangerously low levels.

The demand for energy is outrunning supply, and the need for technological innovation is urgent.

The growth of the world's economy is inhibited by restrictive trading blocs and an insufficiently flexible international monetary system.

The exploitation of the resources of the ocean beds, which is essential for the needs of burgeoning populations, requires global cooperation lest it degenerate into global contention.

Challenges of this magnitude cannot be solved by a world fragmented into self-contained nation-states or rigid blocs.

I do not intend, today, to cover the whole agenda of international cooperation. Rather, I shall speak briefly of some illustrative areas of common action. I pledge the readiness of the United States to solve these problems cooperatively and to submit proposals aimed at their resolution:

First, a world community requires the curbing of conflict.

The United Nations, in its 28-year history, has not always been idle in this sphere. In Indonesia, the Indian subcontinent, the Middle East, the Congo and in Cyprus, it has shown its ability for effective fact-finding, mediation and peace-keeping missions. This central aspect of the United Nations' work must be strengthened. On a small planet, so bound together by technology and so interdependent economically, we can no longer afford the constant eruption of conflict and the danger of its spread.

"FRUITLESS DEBATES"

Yet, in recent years, we have found ourselves locked in fruitless debates about the inauguration of peace-keeping operations and over the degree of control the Security Council would exercise over peace-keeping machinery—an impasse which has insured only that permanent peace-keeping machinery would not come into being. Each peace-keeping unit we have formed has been an improvisation growing out of argument and controversy.

We should delay no longer. The time has come to agree on peace-keeping guidelines so that this organization can act swiftly, confidently and effectively in future crises. To break the deadlock, the United States is prepared to consider how the Security Council can play a more central role in the conduct of peace-keeping operations. If all countries concerned approach this problem with a desire to achieve a cooperative solution, the United Nations can achieve a major step forward during this session.

Second, a world community must have the widest possible membership.

The exclusion of any qualified state denies representation not only to governments in this body should be a step toward reconciliation, not a source of conflict. The time has come for North and South Korea to be offered their rightful places here, without prejudice to a future evolution toward unification.

In this spirit also we support the permanent membership of Japan in the Security Council.

Third, a world community must assure that all its people are fed.

The growing threat to the world's food supply deserves the urgent attention of this Assembly. Since 1969 global consumption of cereals has risen more rapidly than production; stocks are at the lowest levels in years. We now face the prospect that—even with bumper crops—the world may not rebuild its seriously depleted reserves in this decade.

WORLD FOOD CONFERENCE

No one country can cope with this problef. The United States therefore proposes:

That a world food conference be organized under United Nations auspices in 1974 to discuss ways to maintain adequate food supplies and to harness the efforts of all nations to meet the hunger and malnutrition resulting from natural disasters.

That nations in a position to do so offer technical assistance in the conservation of food. The United States is ready to join with others in providing such assistance.

Fourth, a world community cannot remain divided between the permanently rich and the permanently poor.

Let us therefore resolve that this Assembly, this year, initiate a search—drawing on the world's best minds—for new and imaginative solutions to the problems of development. Our search must be candid and realistic, but it must also be free of peremptory demands, * * * propositions, ideological confrontation or propagandistic rhetoric—or we will surely fail.

The United States is prepared to join in this new search, providing freely of the experience gained over two decades. We have learned not to exaggerate our capacity to transform nations—but we have also learned much about what progress is possible.

We will participate without preconditions, with a conciliatory attitude and a cooperative commitment. We ask only that others adopt the same approach.

In this spirit the United States is willing to examine seriously the proposal by the distinguished President of Mexico for a charter of the economic rights and duties of states. Such a document will make a significant and historic contribution if it reflects the true aspirations of all nations; it will accomplish nothing if it is turned into an indictment of one group of countries by another. To command general support—and to be implemented—the proposed rights and duties must be defined equitably and take into account the concerns of industralized as well as of developing countries. The United States stands ready to define its responsibilities in a humane and cooperative spirit.

ECONOMIC CHARTER NOTED

Fifth, finally, a world community must harness science and technology for the benefit of all.

We must begin to match our remarkable technological skills with our equally remarkable technological needs. We must find the means for the cooperative and judicious development of our energy resources. We must responsibly confront the problems of population growth, which are fast pushing humanity towards the limits of what our earth can sustain. We must embark on a new scientific revolution to increase agricultural productivity in all lands. No field of human endeaver is so dependent upon an open world for its advancement, no field is so in need of international cooperation to cope with its potential dangers.

Mr. President, fellow delegates:

Are we prepared to accept and infuse our labors with a new vision? Or shall we content ourselves with a temporary pause in the turmoil that has wracked our century? Shall we proceed with one-sided demands and sterile confrontations? Or shall we proceed in a spirit of compromise produced by a sense of common destiny? We are convinced that we must move from hesitant cooperation born of necessity to genuine collective effort based on common purpose.

It is a choice no country can make alone. We can repeat old slogans or strive for new hope. We can fill the record of our proceedings with acrimony or we can dedicate ourselves to dealing with man's deepest needs. The ideal of a world community may be decried as unrealistic—but great constructions have always been ideals before they can become realities. Let us dedicate ourselves to this noblest of all possible goals and achieve at last what has so long eluded us: true understanding and tolerance among mankind.

GENOCIDE CONVENTION POSES NO THREAT TO STATES RIGHTS

Mr. PROXMIRE. Mr. President, as this Chamber is well aware, it is my firm conviction that the Genocide Convention represents one of the most significant documents in the field of human rights that has been produced in the last 25 years. Over the years, 75 nations have acceded to its provisions. There are some critics of this Convention in the United States who argue that Senate ratification would be an infringement upon States rights. Permit me to set the record straight.

Recent developments in American law have largely made this argument obsolete. The American Bar Association's Section on Individual Rights and Responsibilities in its report on the subject concluded:

> The barring of school segregation, which was accomplished without any statute, the passage of the Civil Rights Acts of 1957 and 1964 and the Voting Rights Act of 1965, all sustained by the Supreme Court, show that ratification of the Convention will add no powers to those the Federal Government already possesses.

In addition, the language of article 1, section 8, clause 10 of the Constitution seems to me to be quite clear. This clause gives Congress the right to define and punish offenses against the law of nations, thus providing the legal justification for any enabling legislation passed by the Congress pursuant to ratification of the Convention. Finally, there are Supreme Court decisions such as Missouri against Holland that make it quite clear that Congress can pass legislation pursuant to valid treaty commitments which it might not have the power to do in the absence of these commitments.

Mr. President, by ratifying the Genocide Convention the Federal Government would not be infringing upon States rights. It would merely be exercising its inherent powers.

I urge Senators to make ratification of this Convention one of the hallmarks of the 93d Congress.

AN END TO FOREIGN AID?

Mr. JAVITS. Mr. President, during this week the annual meetings of the International Monetary Fund and the World Bank are taking place in Nairobi, Kenya. This is the first time such meetings have been held on the African Continent.

While these meetings are crucial for the establishment of a new order in world monetary affairs, other important issues, such as the replenishment of funds for international financial institutions, are also being considered. Unfortunately, the role of the United States in this critically important aspect of aiding world development has changed from that of unrivaled leadership. An excellent editorial from the Wall Street Journal of September 21, 1973, points out clearly the costs to the United States should this mark a policy shift.

I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

An End to Foreign Aid?

As much as we've harped against various aspects of the U.S. foreign aid programs over the years, it is in no way satisfying to see

Senate Majority Leader Mansfield suggest that it may now be time to simply end foreign aid. To correct a mistaken program is one thing, to pull the rug out from under other nations is something else again.

While we are unaccustomed to defending foreign aid, we have never doubted that there are circumstances in which it is appropriate. Pakistani Premier Bhutto has been asking this week for food to feed his flood-ravaged land, for example. Would Senator Mansfield have us refuse that? Foreign aid helped rebuild South Korea, much to the benefit of American influence in Asia. Now that 55,000 Americans have died in Vietnam, should we really scuttle aid to its economy?

Even the softer kinds of aid have worked in a few instances, particularly when the problems scaring off private capital were not economic risk but political risk. The progress of post-Sukarno Indonesia is a case in point. And sometimes the multinational lending institutions can discourage the zanier internal politics of some governments. It now does Cuba little good to assert, as it did this week in the UN, that the United States caused the collapse of Dr. Allende in Chile by getting the World Bank to turn down his requests for credits; by now, the rest of the world is well aware that the World Bank doesn't dance to Washington's tune and that Chile simply wasn't creditworthy.

None of which is to say we are going to join those who expected miracles. The idea of benefitting the underdeveloped by underwriting projects that private capital would not touch was a dubious proposition to begin with, and the record of these public lenders provides just the sort of evidence that should have been expected. While some of the gambles paid off, more often capital has been fed into forced industrial development that not only has failed, but in so doing has diverted the energy and resources of a developing nation from projects it could more realistically handle. Easy development money also gives the Ruritanias of the world the unhappy illusion that they can spend more of the capital they generate internally for an air force and navy.

In fact, we would strongly oppose an unlimited expansion of lending by the World Bank and similar institutions. With private capital from the Eurodollar market opening up to the Third World, going into developing nations at double the rate of the World Bank loans, the U.S. negotiators at Nairobi can make a good argument for limiting the next replenishment of the bank's soft-loan window. The taxpayer-supported lenders should be discouraged from competing with private lenders and should limit themselves to worthy high-risk ventures that the private markets can't touch.

For all that, a great nation does not welsh on commitments it has undertaken, at least if it wishes to retain its political influence. And while the other developed nations have been meeting their subscriptions on schedule, the United States is now more than $1.2 billion behind on the pledges it has made to the international financial institutions. Merely to catch up, Congress this session would have to appropriate $320 million to the International Development Association, $693 million to the Inter-American Development Bank, and $221 million to the Asian Bank. Of the latter amount, $100 million was subscribed for the Asian Bank's "soft-loan" window in 1967 and has been brushed aside by Congress ever since.

The political effects of this record are already being felt. In the monetary talks in Nairobi, for example, the developing nations are clamoring for aid through the Special Drawing Rights arrangement, a scheme the U.S. negotiators are properly resisting because it would dilute the SDRs and weaken whatever reforms are arrived at. But the other developed nations, anxious to pacify the Third World, find it difficult to argue against this back-door foreign aid when the U.S. won't support it at the front door either.

The United States can properly insist that its percentage share of support decline from levels established before the economic booms in Western Europe and Japan. But politically the U.S. can't afford to drop out of the global lending institutions. However much some Americans would like to drop out of the world entirely, the global economy has grown too interdependent. American interests in markets and resources are at stake in monetary, trade and investment negotiations all over the world.

To make those negotiations work, the United States has to be trustworthy, not a capricious giant that would first sell the concept of multilateral aid to the world, then tear down the system in a fit of national self-doubt.

SOUTHERN RHODESIA

Mr. McGEE. Mr. President, it is anticipated that the Senate will soon consider legislation which would place us back in compliance with U.N. sanctions against the illegal Government of Southern Rhodesia.

Once again we are being confronted with misrepresentations and distortions of fact from special interests who stand to profit from our continued violation of the sanctions at the expense of other sectors of our economy and at the expense of our broader international economic interests.

These special interests continue to allege that Russian chrome, which has been imported into the United States, is nothing more than Rhodesian chrome transshipped. The basis of this claim was a dubious test conducted by the Crucible Steel Division of Colt Industries. The Colt analysis utilized an electron microprobe in search of titanium content in the chromite. Colt claimed that low titanium content—a characteristic of Rhodesian chrome ore—had also been found in Soviet Russian ore being imported into the United States, leading them to conclude Russian ore was nothing more than Rhodesian ore transshipped.

My distinguished colleague, the chairman of the African Affairs Subcommittee of the Senate Foreign Relations Committee, the Senator from Minnesota (Mr. Humphrey) requested information from the U.S. Geological Survey concerning this claim. As a result of his inquiry, the USGS responded with a packet of correspondence, refuting this claim, even though Colt still advances the argument. USGS scientists—as one can see by the correspondence—stated that titanium content alone was not the basis for determining the origin of the chrome ore. According to the USGS, such a determination is based upon a combination of physical characteristics, content of chromium and iron oxides, commercial value of the ores, records of production from Rhodesian mines, and the geology of Russian chromite deposits.

The USGS noted the ore that Colt Industries claimed to be transshipped Rhodesian ore contained only an average of 38 percent chromium oxide—"far below that of the Rhodesian ore that is supplied to the world market." For these reasons, the USGS stated unequivocably that Rhodesian ore was not being transshipped through Russia to the United States. Further, the USGS stated that Russian ore with similar titanium content as Rhodesian ore actually comes from the Urals and is known as Saranovskaya ore.

Now we are being subject to additional allegations. We are told by these same special interests that Soviet Russia is buying Rhodesian chrome for their own use and selling us Russian chrome. Again, no evidence has been offered to substantiate this claim. While the United Nations has been able to target those nations who are covertly violating sanctions against Rhodesia, there is absolutely no evidence the Soviets are doing so. Thus, once again, we are confronted with allegations and rumors which are not based upon fact. We are confronted with misrepresentations in an effort to coerce the Congress of the United States into continuing this Nation's violation of U.N. sanctions against Rhodesia.

Mr. President, throughout the 2 years the U.S. Senate has been dealing with this issue, the Members of this body have been continually deluged with many such examples of distortions that border on prevarication. We have been confronted with a limited sector of our national economy which, as I mentioned previously, stands to profit greatly from our continued violation of sanctions at the expense of other sectors of our economy and at the expense of our broader national interests. This special interest knows that an honest discussion of the merits of placing this Nation back into compliance with U.N. sanctions against Rhodesia would result in an overwhelming congressional action in favor of S. 1868, the chrome repeal legislation. Thus, these special interests resort to subterfuge and the basest instincts known to man in an effort to victimize once again the Congress of the United States relative to this issue.

I am greatly angered that Congress has twice been duped by corporations. I do not believe the Congress will allow itself to be blinded a third time by arguments that represent misrepresentations and distortions.

I ask unanimous consent that the packet of materials and correspondence sent to Senator Humphrey and my office by the U.S. Geological Survey be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Department of the Interior,
Geological Survey,
Washington, D.C., July 13, 1973.
Hon. Hubert H. Humphrey,
U.S. Senate,
Washington, D.C.

Dear Senator Humphrey: The subject of your telephone inquiry on July 9, namely, possible transshipment of Rhodesian chrome ore by the U.S.S.R., was investigated by the Geological Survey in June 1971. As shown by the enclosed copies of correspondence, seven samples of ore provided by the Bureau of Customs from Russian shipments were examined, and four were analyzed in our laboratories. The Geological Survey did not publish its findings, but the enclosed statement was prepared in the State Department for release.

The enclosed copy of a clipping from the Daily Telegraph (London) and a related inquiry from the British Customs and Excise Division indicate some public misunderstanding of the basis for our conclusion. The charge against the Russians by Colt Industries, Inc. in the letter of March 10, 1971 to the State Department was based entirely on content of titanium (Ti), as determined by electron microprobe, in chrome ores from various sources. The analyses quoted by Colt show a range from 0.06 to 0.30 percent Ti in Russian ore, only 0.08–0.09 percent in Rhodesian ore, and much higher values (0.29–0.49 percent Ti) in South African and Indian ores. Titanium content alone, however, is not diagnostic in identification of chrome ore by source: chrome ore from the southern Urals ranges from 0.0 to 0.24 percent Ti, and ores from the Great Dyke in Rhodesia range between 0.0 and 0.36 percent Ti. The samples we analyzed for the Bureau of Customs fell in two groups: between 0.18 and 0.27 percent TiO_2 (0.37–0.41 Ti). The Geological Survey analyses were made by standard "wet" methods, not by electron microprobe. The words "microscopic analysis" in the State Department release became "electron microscope tests", a very different technique, in the Daily Telegraph.

Our conclusions are based not on Ti content alone, but on a combination of physical characteristics content of chromium and iron oxides, commercial value of the ores, records of production from Rhodesian mines, and geology of Russian chromite deposits. We still believe, as we said in our letter of July 2, 1971 to the State Department, that the Russians are taking advantage of the chrome ore market situation to tie sale of some of their otherwise unmarketable ore to sale of premium grade ore.

As requested by your office, we are sending copies of this letter and the enclosures to Mr. Richard McCall in Senator McGee's office.

Sincerely yours,

V. E. McKelvey,
Director.

Colt Industries, Inc.,
Washington, D.C., March 10, 1971.

Attention: Mr. R. L. Bruce.
U.S. Department of State,
New State Department Bldg.,
Washington, D.C.

Dear Mr. Bruce: This will confirm our recent conversation in which we advised that the Crucible Steel Division of Colt Industries, Inc., had conducted tests on chromium ore to determine its true origin.

When we decided to investigate the Soviet chrome ore against Rhodesian ore, we had originally believed there was an outside chance that such a determination might be made by identifying the accessory minerals in the ore sample and comparing this information with published compositions from the ores from the two sources. It was found that this was not possible because of the similarity of accessory minerals in ores from both sources.

However, in checking chemical analysis of dozens of chromites from many sources it appeared that all contained some titanium and that the titanium appeared to be at two distinctly different levels, depending upon the source. On this basis we obtained chromium ores from several well known sources from Mr. Harry Mikani, Vice President of Research for Lavino Division of International Minerals and Chemical Corp., Philadelphia, Pa. The chromite phase in these ores (see Table I) was analyzed by means of the electron microprobe for titanium and compared with samples of so-called Soviet chromium ore taken from four different locations in the stockpile of Foote Mineral Co. plant in Mingo Junction, Ohio. An examination of the data in Table I (attached) shows:

(1) the titanium level of all samples may be placed in one of two categories—low (0.10% or less) and high (above 0.25%),

(2) the range of the titanium content within a source is relatively small,

(3) most importantly, the so-called Soviet ore overlaps the range of the sample from Rhodesia (0.00 to 0.10% compared to 0.08 to 0.09 for the Rhodesian ore) while the sample known to have come from the major Russian source contains 0.29 to 0.30%.

We believe that not only is Rhodesian ore finding its way to the Soviet Union, but also to Japan.

The Soviet Union has been increasing its prices on chrome ore for the last year and since Rhodesian is cheaper the profit factor is involved and the Soviets would not be above collecting a lot more foreign exchange whenever possible.

I believe a lot more Rhodesian ore is reaching Japan than even the Soviet Union. As mentioned the purchase of chrome ore from South Africa has doubled in less than a year and the purchase of Soviet chrome by Japan has been decreasing.

There is nothing that could prevent manifests being cleared in Angola indicating the ore was of South African origin; whereas it actually originated in Rhodesia.

I intend, if it is possible, to secure a listing of the daily arrivals of vessels in Japan to check their origin and cargo. Perhaps this list is already available.

The Japanese are now able, with their low labor costs and a source of cheap chrome ore, to supply stainless steel to the American market and, in my opinion, they have been dumping the steel at the expense of the U.S. manufacturers who are excluded from the Rhodesian market.

It is true that the above could be interpreted as circumstantial evidence. However, it certainly suggests strongly that some ore being supplied by the Soviet Union does originate in Rhodesia, and from the statements made concerning Japan it indicates that this country is also securing ore from Rhodesia.

I feel that this should be investigated thoroughly and if there is anything that our divisions can do to cooperate in this matter, we will only be too happy to extend our cooperation.

Very truly yours,

F. P. Deockef.

TABLE I.—TITANIUM CONTENT OF CHROMITE PHASE IN CHROMIUM ORES FROM VARIOUS SOURCES

	Titanium[1] content of chromite phase in weight percent
Source of chromium ore:	
Low titanium group:	
Soviet (Foote) sample No. 1	0.08-0.09
Soviet (Foote) sample No. 2	.08- .10
Soviet (Foote) sample No. 3	.06
Soviet (Foote) sample No. 4	.06- .07
Rhodesia (Lavino) (Selukwe)	.08- .09
Greece (Lavino) (Kozanhi)	0- .05
Cuba (Lavino)	.09
Philippine (Lavino) (Masinloc)	.10
High titanium group:	
Soviet (Lavino)	.29- .30
Transvaal (Lavino) (Bushveldt)	.38- .40
Transvaal (Groot Boom)	.44- .49
India (Lavino)	.29- .31

[1] The titanium analyses reported is the range found in 3 samples from each source.

DETERMINATIONS ON 4 SAMPLES FROM U.S.S.R.

Laboratory number	Field number	Cr_2O_3 percent	Co/Fe	FeO percent (total)	TiO_2 percent	SiO_2 percent
W175771	CL-4112	57.3	4.05:1	12.4	0.18	2.46
W175772	CL-4116	38.3	1.75:1	18.8	.63	4.53
W175773	CL-4120	57.3	4.6:1	12.5	.27	2.18
W175774	CL-4128	37.4	1.7:1	19.0	.68	5.43

July 2, 1971.

Mr. George F. Hazard,
Chief, Licensing Section, Office of Foreign Assets Control, Department of the Treasury.
Mr. Thomas P. Thayer,
Eastern Mineral Resources Branch, U.S. Geological Survey, Department of the Interior:

Samples of chromite ore, reported to be of Russian origin.

Chemical analyses of four of the Russian chrome ore samples sent by Dr. James M. Adams, Chief Chemist of the Bureau of Customs in Baltimore show two very different kinds (see attached table of analyses). As I told you by telephone, two kinds of ores that differ radically in texture are also present. Both, however, we now believe to be from the USSR.

The Saranovskaya ores, CL 4116 and CL 4128, are granular in appearance, and consist of crystals (octahedra) of chromite ranging from about 0.25–2.0 mm in a white or almost white matrix. The chemical analyses indicate, likewise, that the ores are essentially identical, and from the same deposit. The low Cr_2O_3 content, high FeO and TiO_2, and low Cr:Fe ratio are completely consistent with the texture in pointing to a layered type of deposit. Such deposits are known in the Urals in rock bodies that also yield platinum.

The other 5 samples, CL 4112, 4118, 4120, 4122 and 5069, are all alike in having very irregular broken textures that characterize what we call podiform ores. The chemical analyses of 4112 and 4120 show what we expected: high Cr_2O_3, low FeO and TiO_2, and high Cr:Fe ratio (4:1 to 4.1:1); characteristic Uralian ores, but of a different kind from Saranovskaya.

The economics and geology of the situation argue against mixing of African (Rhodesian) and Russian ores. Geologically, both could come from Ural deposits. Economically, it would not make sense for the Russians to tranship low-grade ores like the Saranovskaya. Furthermore, Bureau of Mines figures do not indicate shipments of such low-grade ores from Rhodesia before the embargo. In the present market situation, however, it would be good business for the Russians to tie sales of low-grade ores to high-grade. The user could blend the two kinds to make charge-grade Fe Cr.

Conclusion: As far as these samples are concerned, the Russians appear to be "playing it straight."

Laboratory of the Government Chemist,
September 14, 1971.

The Director,
U.S. Geological Survey, General Services Administration Building, Washington, D.C.

Dear Sir: The attached photostat of a report in a British newspaper is of some interest to us because this Laboratory has the task of providing HM Customs and Excise with its scientific advice and analytical services. HM Customs and Excise have duties in respect of operating Rhodesia sanctions and the problem of identifying the original of chromite ores and ferrochrome is certainly not easy.

We are interested to see that American steel manufacturers and the U.S. Geological Survey have used electron microscopy to differentiate between Russian and Rhodesian material. We would be very pleased if you will send us details of the methods employed or cite a literature reference that we can refer to.

Yours sincerely,

J O'G Tatton,
Superintendent, Customs & Excise B Division.

[From the Daily Telegraph, Aug. 26, 1971]

Chromium Battle: Rhodesia Ore Claim

American manufacturers of steel in which chromium is used are trying to convince the Government that electron microscope tests show that some of the supplies being obtained from Russia originate in Rhodesia. Rhodesia imports have been banned since 1967.

The United States Geological Survey made similar tests, indicating that all the samples were from the Ural Mountains in Russia. The manufacturers are seeking to end sanctions on imports of Rhodesian chrome ore because they feel sanctions do not really penalise Rhodesians.

State-AID-USIA Routing Slip

October 6, 1971.

Dr. Thomas Thayer,
U.S. Geological Survey, Bureau of Standards, Washington, D.C.

Dr. Thayer: Attached is the statement I prepared following on our telephone conversation October 1.

Bill Farrand.

Statement on the Question of Transshipment via the Soviet Union of Rhodesian Chrome Ores to the United States

The U.S. Geological Survey recently analyzed seven samples of chrome ore selected at random by the U.S. Customs Department from shipments imported from the U.S.S.R. Of the seven samples analyzed, five were found to be physically, that is, texturally, unlike any Rhodesian ores known to the Geological Survey. This finding was confirmed by detailed chemical analysis conducted on two of these five samples. In these samples the ratios of titanium and iron to chrome were so markedly different from those found in Rhodesian chrome ores as to allow a positive confirmation of the physical analysis.

Under microscopic analysis, all chrome ores are crystalline in nature. However, in the Rhodesian ores the chromite typically forms fine-grained octahedral crystals. Only two of the samples of Soviet ore resembled Rhodesian in crystalline structure. These two samples were low-grade ore found in Soviet deposits in the Northern Urals containing less than 38% chromic oxide. The low-grade ore mentioned above is significantly lower in quality than any ore that has historically been exported from Rhodesia to the United States. Further, there is no evidence that the Rhodesians are presently exporting ore of this low quality.

Therefore, five of the seven Soviet samples examined were completely different in physical texture from Rhodesian ores and could not have come from any known Rhodesian deposits. With regard to the remaining two samples from the Soviet Union, it would make no economic sense for the Soviets to import high-grade Rhodesian chrome ore for mixing with this low-grade Soviet ore and further transshipment to the United States.

The conclusion of the U.S. Geological Survey was, therefore, that the Soviet Union is not involved in shipments of Rhodesian chrome to the United States, either in pure or commingled form.

U.S. Department of the Interior,
Geological Survey,
Washington, D.C., November 10, 1971.

Mr. J. O'G. Tatton,
Superintendent, Customs & Excise B Division, Department of Trade & Industry, Laboratory of the Government Chemist, London S.E.1

Dear Mr. Tatton: I have your letter of September 14, 1971, in which you inquire about techniques used by Geological Survey scientists to distinguish chromium ores that originated from Russia from those that may have originated from Rhodesia.

Our scientists have had only one involvement with this problem, and this concerned a collection of seven samples that were submitted to our laboratories by officials of the U.S. Customs Office. These samples were examined by one of our petrologists who determined that 5 of the 7 samples had obvious mineral textures that precluded a Rhodesian origin. To be specific, they exhibited textures typical of podiform chromite deposits rather than of cumulative deposits. Podiform deposits are not known to occur in Rhodesia. The remaining 2 samples were of cumulative type, which is the typical texture of the Rhodesian ore, but they contained an average of only 38% Cr_2O_3—far below that of Rhodesian ore that is supplied to the world market. For that reason, our petrologist inferred that these 2 samples were also not of Rhodesian origin.

To our knowledge, Geological Survey scientists have not used an electron microscope to distinguish Russian from Rhodesian chromite ore.

Sincerely yours,

Richard S. Fiske,
Deputy Assistant Chief Geologist, Geochemistry and Geophysics.

THE ENERGY CRISIS

Mr. YOUNG. Mr. President, we are already facing an energy crisis and it is very apparent that it will become much more severe and critical in the months and years ahead unless something is done.

One of the best analyses of this critical problem is a letter I have received from Mr. Andrew L. Freeman, manager of the Minnkota Power Cooperative, Grand Forks, N. Dak., and an article from the September 3 issue of Barron's entitled "Back to the Drawing Board, That's Where the Clean Air Act Should Go."

I ask unanimous consent that both the editorial commentary and Mr. Freeman's letter be printed in the Record as a part of my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Back to the Drawing-Board, That's Where the Clean Air Act Should Go

Washington.—The House Public Health and Environment Subcommittee next Monday opens two weeks of hearings on the Clean Air Act. Among those tentatively scheduled to testify are various federal officials, the Natural Resources Defense Council and the Big Three auto manufacturers. The fireworks likely to follow may convince Russell Train that confirmation of his appointment as Administrator of the Environmental Protection Agency (EPA) will place him in one of the hottest seats in a town which abounds in them.

EPA, which administers the Clean Air Act, is suddenly in the midst of a raging controversy over it. Congress enacted the measure back in 1970 in a hasty burst of environmental fervor. Now it belatedly is waking to the fact that it may have created an instrument of bureaucratic tyranny and economic paralysis.

EPA itself admits that some of its edicts lack scientific validity. It also confesses that it is having trouble figuring economic costs and equating them with health benefits, many of which are unquantified. Yet the Clean Air Act stipulates fines of up to $25,000 a day and imprisonment up to a year for a first violation of EPA rules and $50,000 a day and two years for a second offense. Notwithstanding the Bill of Rights, such penalties apply to state and local officials, too.

The move which has attracted most attention nationwide is an EPA scheme to ban virtually all auto traffic in Los Angeles by 1977. EPA, which came up with it under pressure of a court order, maintains that there's no other way to comply with the law. But almost unnoticed, the agency also has rejected state and local transportation plans for 36 other areas in 23 states and imposed harsher standards of its own. These include, for instance, a $5-a-day parking surcharge for Boston and a 68% reduction in New Jersey auto traffic by 1977. As the fall deadlines draw near, many of the impacted areas have voiced frantic protests.

The proposal to ban auto traffic in Los Angeles strikes most observers as so preposterous that no one expects it to happen. However, what EPA has stipulated for the "clean" Phoenix-Tucson area offers keener insight into the agency's highhanded policies. When EPA ordered Arizona to prepare its own plan, the state proposed emission control devices on all pre-1974 light-duty vehicles, use of evaporative emission controls on storage tanks, conversion of 10,000 vehicles to natural gas power and mandatory vehicle inspection and maintenance.

While this program won the approval of EPA's regional office, Washington turned it down as inadequate. The powers-that-be also demanded limits on gas consumption and motorcycle registrations, reduced off-street parking and special lanes for buses and car pools. EPA established these requirements on the basis of a single year-long air check in bustling downtown Phoenix. Yet the agency proposes to apply them to Tucson, as well as to the 120 miles of desert in between.

The plan brought Arizona Governor Jack Williams, Arizona House Majority Leader Burton Barr and several other state officials to Washington for a special meeting with the Arizona Congressional delegation and Robert Fri, four days before he left his post of acting EPA Administrator. Governor Williams said Arizona's calculations showed that the state's plan would easily meet EPA air standards. Moreover, he and Mr. Barr explained they could not carry out EPA's plan without new Arizona law which they were sure they could not get. Finally, they noted the total lack of public transportation to make up for EPAs' proposed cutback in auto use.

A court order was obtained to postpone the implementation date from August 15 to October 15. Rep. Sam Steiger (R., Ariz.) declares, "Any further delay in court in view of the statute would be unlikely. I'm convinced Congress has led the bureaucracy into this trap." Understandably, Governor Williams and his colleagues have voiced concern over the draconian penalties for failure to comply with the law.

Those sanctions, by the way, are perhaps the clearest thing in the Clean Air Act. Much else—notably the official standards and the goals they allegedly seek to achieve—is murky. On this score, Senator Philip A. Hart (D., Mich.) last March told the Senate: "There is no sound, scientific evidence that the 1975–76 standards (mandated by the Clean Air Act) will do anything to improve health. If it can credibly be said four years from now that we had caused the expenditure of billions to no purpose or to questionable purpose, the clean air cause will be dealt a blow from which it will be difficult to recover."

According to Government Executive magazine, acting EPA Administrator John Quarles recently was quoted as saying, "We simply do not have adequate data as to the quality of the air throughout the country. We have a limited number of monitoring stations and they tell us we have a problem, but we don't know what the scope of that problem is."

MINNKOTA POWER COOPERATIVE, INC.,
Grand Forks, N. Dak., September 20, 1973.
Hon. MILTON R. YOUNG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR YOUNG: The attached commentary concerning the Clean Air Act again points out the need for an early revision of it. This position is sound, for unless some changes are made, it may be impossible to build and operate any new coal fired power plants, including ones using low sulphur coals.

North Dakota has lignite coal deposits in terms of billions of tons and every ton of low BTU lignite used can take the place of 90 gallons of fuel oil. Numerous other states also have great deposits of coal of even greater BTU value. If these can be used to generate electricity, each ton of coal can free up to 180 gallons of fuel oil for use in some farm tractor or truck, or airplane where fuel oil is vitally needed. It is unthinkable that we should cripple our ability to put this valuable resource to work to conserve what little oil the nation has.

We must remember that nature itself is capable of accommodating a certain amount of air impurities and that it is not necessary to assume that everyone lives in an atmosphere like that in Gary, Indiana. Power plants can be built in rural areas where the adverse effects of the small amounts of sulphur dioxides are not necessarily harmful. It is conceivable that they may even be helpful in the growth of our food supplies which require and contain sulphur such as corn, potatoes, alfalfa, and wheat do.

I think the evidence is beginning to clearly show that Congress has moved entirely too far and too fast. We need time and temperance and a measure of common sense in solving our clean air problem. We need time to develop and test out the needed corrective equipment and time to determine the extent to which we must go to unburden nature's task.

To do otherwise as we are now doing, will result in great economic harm to our nation and physical suffering to many innocent people.

The basic problem is the law which Congress passed. It must be modified and until it is, the Sierra Club and others of like mind will continue to insist that the present unrealistic Clean Air Act must be followed regardless of the consequences.

I urge you to speak out and act before irreparable damage is done to the vital fuel and energy supplies of our nation, and do it promptly.

Yours very truly,
ANDREW L. FREEMAN,
Manager.

THE FOOD SCALPERS—PART II

Mr. McGOVERN. Mr. President, at least once a week and sometimes more frequently, the mail brings to every Member of this body a new slick public relations brochure prepared by a commercial interest with a stake in the commodities market.

Seldom, however, has information come to the attention of this body which so enlightens the heretofore little-known dealings of the commodities market as the perceptive series now running in the Washington Star-News entitled, "The Food Speculators."

On yesterday, I inserted in the RECORD the first of three in this series. Today, I would like to insert the second of John Fialka's illuminating articles, together with an accompanying article which explains how one "scalper" can win thousands of dollars in a split second. I ask unanimous consent that these articles be printed following my remarks.

My staff and the staff of the Senate Committee on Agriculture and Forestry have been delving into the law covering the commodities trading markets, to determine how regulation might be improved to return the commodities markets to their original purposes. That they have strayed from that purpose is clear from reading the Star-News articles.

Legislation to reform the regulatory system in the commodities market, I am told, is in preparation in several offices in the Congress. My office is one of those.

While I cannot predict the ultimate result, it is my judgment that commodities market regulation will be one of the major, and certainly the most important, items on the agenda of the Congress in the upcoming second session.

I hope that my colleagues will find these articles useful and informative.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

IN THE PIT, A "SCALPER" EARNS HIS

(By John Fialka)

Eddie Schwartz plays a crucial but dimly understood role in the daily drama that unfolds every morning in the soybean pit at the Chicago Board of Trade.

He sees himself as a middleman, standing somewhere in the food chain between the farmer and the supermarket patron, as he stands there in the pit, hands upraised, shouting:

"Hundred May at five."

Translated, it means he wants to buy 100 contracts calling for delivery of soybeans next May at $7.95 a bushel, which happens to be 2 cents higher than the previous price. That amounts to a commitment to buy 500,000 bushels of soybeans, or over two trainloads.

Within seconds a man standing nearby shouts, "Sold." Both men scribble little notations on cards. Soon the price for May soybean futures is $7.95.

That is the part of Eddie's work that he is proud of. "When that comes across on the ticker," he told a reporter, "that is the world price for May soybeans."

There are apparently other facets of Eddie's job that he is less proud of. The main condition of a recent interview was that his real name (which is not Schwartz) could not be used.

The most interesting part of Eddie's job is that he is a full-time scalper, one of about 150 who own seats on the Chicago Board of Trade.

He does not represent anyone in the grain business. He does not broker orders from outside speculators. Eddie works for himself.

When the price of May soybeans went up 2 cents, to $7.97, he quickly sold his hundred contracts. The 2-cent difference means he will pocket almost $10,000.

Recently during the hectic, record trading in the soybean pit Eddie asserts he has bought and sold the limit imposed on him by board rules, 3 million bushels of soybeans, in the first half hour of trading. He sells what he buys, rarely keeping any contracts overnight.

How does Eddie know if soybeans are going up? Does he study world crop reports? Does he know about the failing anchovy catch off Peru and other factors of world protein demand?

Eddie smiles benevolently at the question. "The average guy out on the floor is a gambler. It's just like poker or craps. Ninety percent of floor traders (scalpers) are just crap shooters."

"If you're out there long enough, you have a feel for the action, but you don't always know. All I'm thinking about when I'm out there is buy it at half a cent up and sell it at three fourths. . . . That's all I think about."

"What I am is like an underwriter. I'm saying give me a quarter of a cent," he added, explaining that up until this year, scalpers have traditionally worked on tiny, fractional price changes. This year, because of erratic spurts in soybean prices, the game is riskier because the price sometimes gyrates over an 80-cent range.

He sees himself as a "stabilizing factor," a risk taker who helps—if only for a moment—provide the speculative money needed to help commercial food processors hedge against price changes.

"In many respects I will fade them (commercial interests). I am a fader anyway," said Schwartz, using gamblers' slang for taking the opposite side of a bet. When commercial interests are selling futures, he asserts, he is usually buying.

Eddie, 43, a well-known trader on the floor, was once in the commercial grain business. He became a floor broker about 10 years ago and found himself placing sophisticated "spread" orders for outside speculators.

Spreading, also known as arbitrage, is a kind of a bet on the relative price difference between two different markets, say between May soybeans and December soybeans. "I did that for about two months and I found I could fill the spreads so much better for myself that I thought this is what I want to do."

"I like to trade on the floor. I tend to be very competitive and it fulfills a real need for me. I can't go out and play football anymore, like I used to, but this is like being Johnny Unitas. It's a combination of physical and mental at the same time."

"People who worry about the cash grain business make poor speculators," Eddie asserts. Many of the older, more experienced scalpers lost "fortunes" this year because they believed that soybeans could never go over $6 a bushel, he said.

"Those younger guys who bought when they went over $6 bought with their eyes closed, but they turned out to be right." It's been weird out there this year."

Schwartz regards floor brokers, men who handle orders for other people, as "mechanics" and believes they should not be allowed to scalp at the same time because of a possible conflict of interest.

"Of course when I say that," he added, "you could say it is self-serving because I would get more of the action."

He also is aware that farmers and other peaple in agriculture often take a dim view of speculators. That's because they don't appreciate the risks he is taking for them, he adds.

"What does a farmer risk? All he has to worry about is the weather."

Finally, he is also familiar with a ruling adopted by the Securities and Exchange Commission that has all but ended the role of the full-time scalper on the floors of major stock exchanges.

The ruling came after several SEC studies concluded that floor scalpers held an unfair advantage over outside speculators and that their activties tended to "accentuate price movements" in the most active stocks.

"That ruling," Schwartz concluded, "is why the stock market is dead."

MAKING A BUNDLE IN BEAN TRADE

(By John Fialka)

CHICAGO.—Between last August and this June, Tom B. Sanders says he has made a million dollars in soybeans.

Sanders does not farm soybeans, nor does he process them. He spends all day standing with about 150 other men inside an eight-sided enclosure with seven tiers of steps descending toward its middle where no one ever sees any soybeans.

This is the soybean pit at the Chicago Board of Trade, the nation's largest commodity exchange. It is the center of the nation's price-setting mechanism for such basic agricultural products as corn, wheat and soybeans.

Working in the soybean pit as a floor broker, Sanders, 31, a former accountant for an automobile dealership in Bethesda, Md., has learned to read meaning from the sight of grown men jumping up and down, waving their arms; from the sound of a chorus of hoarse male voices shouting things like "Gimmie Ten May at Five!"; and from the sensation of being literally run down by other brokers scrambling to deal with the right buyer or seller.

To an outsider it is frenzy, a maelstrom of meaninglessness, to Sanders it is excitement, big money; to the farmer and consumer, this is the process that tells us, ultimately, how much we will pay or get for our foodstuffs.

The Chicago Board of Trade defines itself in its promotional literature as a "free market where the forces that influence price are brought together in open auction."

"Regard exchanges as you would a thermometer," the literature states. "A thermometer does not influence the temperature, it simply records it."

There is some trouble with the thermometer concept this year, some of it is brewing in the very heart of the thermometer.

First, the Department of Agriculture's Commodity Exchange Authority, which is supposed to regulate the trading of contracts for future delivery of an agricultural commodity, is investigating hyper-active trading at the Board of Trade this summer that culminated in two sensational prices: $3.80 a bushel for corn and $11.87 a bushel for soybeans, both in July futures contracts.

The pattern of trade in the soybeans, for instance, looks like the fever chart of someone dying of malaria. The price went from $5.25 a bushel in early April to an unprecedented $12.90 in May. Then in a series of record trading days the price gyrated wildly, going up and down over an 80-cent range. It dropped to $6.30 before a phenomenal closing rally carried up almost to the $12.00 mark.

According to the House Small Business Committee, which has been investigating the trading, substantial portions of futures contracts calling for delivery of July soybeans were held in a few hands. At one point in June, one trading company owned 35 percent of the July soybean futures. At another point in July, four trading interests controlled over 90 percent of the market between them.

The theory is that futures prices are supposed to serve as a national predictive indicator for cash prices. Usually, in the final month of trading of a futures contract, the futures price comes very close to cash prices being paid by major commercial grain users.

This July, however, the futures prices for both July corn and soybeans assumed a life of their own, at times leading the cash prices for these commodities by as much as $1.50 a bushel.

According to Alex Caldwell, the head of the CEA, his investigation is operating on a theory that the prices may have been manipulated by, as yet, unnamed speculators.

The second problem is part of a protracted debate that has gone on within the secretive confines of the Board of Trade for years: Do exchange rules which permit floor brokers almost unlimited opportunities to trade for their own accounts cause the "thermometer" to generate some of its own heat?

According to his own account and those of several other traders and officials at the Board of Trade, Sanders is but one of dozens of young brokers this year who made fortunes trading for themselves, or, in the jargon of the trading floor, "scalping" in soybean futures.

They are part of a "new breed" taking power in an institution that has, for years, been dominated by sons and representatives of families and companies in the business of gathering and processing agricultural commodities.

Their major characteristic is that many of them have little or no background in agriculture.

Men have haggled over grain prices in Chicago since the early 1800's when farmers brought their grain in from the prairies over plank roads and dumped it in piles beside Lake Michigan for shipment to world markets.

The Board of Trade evolved as a mechanism to set fair and orderly prices for the grain. Traders used to be experts who poured the grain samples on shiny black tables and bargained over its merits.

But times have changed. Although the board still operates a small cash exchange, most of the grain sampling tables are now used to support banks of shiny black telephones connected to brokerage houses.

Now people are sending money to Chicago in unprecedented quantities to speculate on increasingly rapid price fluctuations. In fiscal 1973, a record $268.3 billion worth of futures contracts was traded in the nation. That is $70 billion more than the worth of all stocks traded in the same period.

The Board of Trade controlled about 60 percent of the business, which continues to mushroom. Last year a record $122 billion worth of contracts were traded at the Board. This year the record was broken in the first six months, when traders handled $128 billion worth of futures contracts.

Officially, the Board of Trade exults in its new image. "Today what you have," asserts Sue Winter, its press spokesman, "is a change in the image of the futures market . . . it is a better educated, younger, very aggressive group of men who find the challenge of markets exciting."

Thus, Tom B. Sanders and his counterparts can now spend a lifetime trading in soybeans without knowing much about them. Their skill is in judging floor activity.

Nine years ago, Sanders left his accounting job, which paid $3.50 an hour, to learn the ropes of the trading floor.

He has always worked as a broker in the active markets. He began in the silver pit when trading in that commodity was new and hectic. Then he gravitated to the corn pit during the frantic months of the corn blight.

Now he works the soybean pit where, recently, the price has gyrated over a range of as much as 80 cents a day.

As a representative of about a dozen brokerage houses, he usually holds a "deck," or wad of buy and sell orders from outside clients. During lulls in trading he buys and sells for his own account. He is quick to point out that he has never violated the board rule which prohibits a broker from favoring his own trades over customers' orders.

How does he know which way soybean prices are going to move?

Sanders begins his trading day by talking to as many as a dozen other brokers to "get the feel of the market." Once the trading begins, he tends to anticipate movements through his knowledge of the traders involved ("See that gray-haired man over there, entering the pit? He represents a big commercial house. He only comes over when he's got a big bomb to drop.").

On an active day, the shouting, hand-waving, jumping up and down and an occasional shoving match can erupt in several quarters at once.

It is that part, the action, which Sanders likes best. "I enjoy it, I have to admit. I always wanted to play professional football and I'm too small. This is second to that, but still a contact sport as far as I'm concerned."

While he was explaining his feeling about trading to a reporter, Sanders sold a contract for May soybeans (representing an order for future delivery of 5,000 bushels) at $8.06 a bushel and bought it back, moments later, when the price dropped to $8.04.

At that moment, he was scalping and had made $100 on the transaction. "I don't want to give you the illusion I can do that all the time," he explained.

"This market has had such a big range lately you've got to think quick or you're out of dough," he added, asserting that many floor traders have also gone broke this year. "They're the ones you don't see."

Trades happen in an instant. A broker, using cryptic phrases and special hand signals, makes an offer. Another one will holler "Sold!" The two men will scribble notations on cards. And the price soon flickers on the electronic board on the wall as the latest price for May soybeans.

Because Sanders and his fellow floor brokers could be trading for themselves, for any of a number of brokerage houses they represent, or on behalf of another floor trader at any given time, the fast-paced trading is usually accompanied by an identifying: "O.K. in that one I was . . . (mentions the name of a brokerage house), who are you gonna be?"

To the outside investor, the operation of the scalper is invisible. The changes in the price for soybeans come across the ticker in a steady flow, unaccompanied by the volume of the trade or by any other indication whether the trade was made by commercial interests or scalpers. Each trade makes a new price.

Scalpers move in and out of the market constantly, buying and selling contracts representing up to three million bushels of grain a day, usually ending the day with a net balance of zero.

According to a recent CEA study of the Board of Trade, scalpers now account for as much as 35 to 40 percent of all trades on a given day.

Frederick G. Uhlmann, chairman of the Board of Trade, states that between 150 to 200 of the 800 members who regularly work on the trading floor are full-time scalpers. They do not handle outside orders but trade only for their own accounts. (See accompanying story.)

According to Uhlmann, scalpers provide the essential "liquidity" to make a solid commodity market. Because they are always there, trading during the slow periods, they react to the needs of the commercial interests. "When the commercials are buying the scalper is selling," he explained.

Uhlmann's theory, however, has not been universally held by officials of the Board of Trade. According to a former board official, proposals to regulate the operation of scalpers have been under preparation for years.

"They always seem to get shot down at the end of the runway," he added, explaining that a majority faction at the Board, dominated by floor brokers, have always voted it down.

The former official, who asked that his name be withheld believes that the broker-scalper is an "inherent conflict of interest."

"They're nothing but crap shooters out there. We should have stopped letting people have an opinion in the market for nothing years ago, but we never did," he added, pointing out that scalpers, because they are members of the board, pay only a tiny fraction of the margin that outside speculators put up.

"I remember one commercial broker who always used to raise the pitch of his voice when he had a big order on the floor. The locals (scalpers) knew that. Knowing that was the essence of their business."

If the commercial broker has a big buy order, the scalpers will try to "walk him up" or begin buying at a price higher than he is buying to force the market up, he explained. A similar, downward movement begins with a big sell order.

Scalpers, he maintains, may have been necessary in the early days of trading to provide a constant market, available for commercial users. "Now with the outside speculative business they've got you could do away with the pit and match the buy and sell orders on a computer."

And Harry Fortes, a Chicago attorney who worked as a commodity broker and scalper for over 20 years, recently told a congressional committee that the scalper's impact was an inflationary one.

According to Fortes: "You've got the broker down there. He's got his deck and he knows what his orders are and he knows what his friends' orders are so he knows which way the market's going to go."

Fortes' experience with commodities was gained at the Chicago Mercantile Exchange, located three blocks west of the Board of Trade. It dominates national futures trading in live cattle, pork bellies, eggs and other markets which the Board of Trade is not involved in.

However, Fortes insists the process works about the same in both exchanges. Broker-scalpers often use their dual role, he asserts, to pull off market "squeezes" that force other speculators to pay huge prices to get out of trading before the time for actual delivery of a commodity is called for.

There are also "accommodation trades" in which the broker uses other friendly traders as straw parties to, in effect, buy and sell from himself at inflated prices, Fortes asserts.

Soybeans, he has argued, should never have risen above $6 a bushel under traditional supply and demand factors. "When did you ever see a time when the farmer would go to bed at night and wake up with his crops worth $50,000 more?"

Self regulation, Fortes asserts, is impossible. "As long as you're a member of the exchange, you've got a ——— good thing going and you keep your mouth shut."

Recently Fortes, 59, quit the Mercantile Exchange, where he served as vice chairman of the board, to take up a law practice which specializes in private antitrust suits against traders accused of market manipulations.

"As I stood there in the pit for over 20 years I tried to delude myself that I was doing a public service. But I knew I was a damn liar. It was no different than Las Vegas," he concluded.

There are other bits of evidence pointing in the same direction. The Securities and Exchange Commission, which regulates stock exchanges, slapped strongly restrictive regulations on scalpers in 1964 after 15 separate studies showed, in the words of an SEC report, that scalpers "as a group are usually buyers when the market is rising and sellers when the market is declining."

Scalpers, the report concluded, tended to "accentuate price movements," and concentrated "in the active stocks, where additional liquidity is least needed." The SEC also found that the broker-scalper duality amounted to a "conflict of interest" that "arises between the commission broker's duty of fidelity to his customer and his opportunity to personally profit from his customer's investment decisions—perhaps at the customer's expense."

In 1965, investigators from the U.S. General Accounting Office reported that scalping had apparently widened the price range of soybean futures. They said that no definitive ruling could be made, however, because exchanges did not require that cards showing the individual trades be marked with the time of the trade, thus the chronology of trading could not be established.

Several veteran grain buyers also hold the same theory, including Gene F. Cottle, who buys soybeans for the A. E. Staley Co., a major grain company. He believes that some of the up and down gyrations of soybeans this year were the product of scalping activity.

All of these notions are being strongly resisted by the hierarchy at the board. Lee B. Stern, a broker and member of the Board's public relations committee, asserts that by trading for themselves, brokers become "better technicians" to fill orders.

While he admitted that there might be a temptation for brokers to enhance their income at the expense of outside orders, conflicts of interest seldom occur because the brokers police themselves, he added.

"The integrity of this institution is so tremendous that . . ." Stern left his sentence dangling in the air for want of a word to show how deeply he feels about the subject.

There are no public records of how many cases of conflict of interest come before the Board of Trade's disciplinary committee of floor brokers each year or what the committee's actions are.

According to board chairman Uhlmann, that is an internal matter. Uhlmann is equally convinced that there can be no widespread problem posed by the broker-scalper. If a broker traded against his own orders, it would probably be reported by his fellow brokers, he stated.

"You'd be amazed how brokers and traders would know who other brokers are buying and selling for. It's in the same manner in which poker players tell if each other is bluffing or not . . . these fellows have keen noses down there for what's going on," he said.

He concluded that any move to regulate trading by brokers for their own accounts would be "strongly resisted."

Uhlmann believes that all of the price gyrations are causeed by outside influences on the market, beginning last summer with the massive Russian wheat deal, which, he said, started the spurt in soybean prices by monopolizing necessary transportation and elevator facilities.

"We want to take the emphasis off the role of the speculator and put it where it properly belongs and that is on the world conditions that led to the distorted marketing patterns that developed," he added.

Uhlmann resents any comparison between scalping and crap shooting. "Please be fair in saying that crap shooting is a dice game and speculating is, is a different game," he told a reporter.

Because the scalper, he said, works against the market, buying when the commercial representative is selling and vice-versa he helps "take the peaks and valleys" out of the price.

Why then has 1973 been the year of monumental peaks ad valleys in grain prices, forcing the Board to repeatedly impose trading limits and stiffen margin requirements?

"We try to be an orderly market, but you can be only as orderly as conditions will permit you to be," Uhlmann said in an interview during which he repeatedly asserted that floor activity this year has largely been mirroring the chaos caused by the shortage of anchovies off Peru and the drought in India.

"Those people who would put the blame on the futures market are the same people who would say cancel all the insurance companies when there's a tornado.

"Obviously those insurance companies are having a hard time keeping their rates down. This has been a storm this year and it has been monumentally difficult to maintain order," Uhlmann added.

"If we hadn't sold wheat to Russia and had it rained in India and had Peru caught fish, prices for soybeans would have been $3 instead of $10 and you wouldn't be here," he told a reporter.

Because of the drought in India, or for whatever other reasons economists may eventually assign to it, it is raining money in Chicago.

But commodity traders seem to be weathering the storm.

CONGRESS AND THE BUDGET

Mr. HUGH SCOTT. Mr. President, Congress, in its continuing effort to reassert its proper authority, is now dealing positively with the budgetary procedure as indicated in a thorough and highly persuasive article in yesterday's Washington Post. Two of our colleagues, Senators PERCY and ERVIN, as coauthors of this article and as strong advocates for budgetary reform, emphasize the critical need for congressional action in this area, emphasizing that—

> It can do more than anything we can imagine . . . to reassert the proper constitutional role of Congress.

I feel sure each member will find this article both timely and informative. Therefore, I ask unanimous consent that "Congress and the Budget" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONGRESS AND THE BUDGET

(By CHARLES H. PERCY and SAM J. ERVIN, JR.)

We hear a good deal lately about the need for "congressional budget reform." The phrase itself is misleading. It implies that Congress indeed has a structured budget process to reform. Unfortunately, nothing could be further from the truth. The incredible fact is that, although some $270 billion will be spent in fiscal 1974 as a result of congressional actions, there is nothing in existence that can be fairly described as a budget process, if that term is to be taken to mean a mechanism for adjusting expenses according to the state of the economy, estimated revenues and selection of national priorities.

Even the word "budget" implies a more limited scope than is in fact embodied in the major reform legislation now being considered by Congress. What we are really dealing with here is an effort by the legislative branch to reestablish its slipping hold on the national purse strings and to do so in a fiscally responsible manner.

To that end, the Senate Committee on Government Operations has been working on legislation for congressional spending control since last April. We anticipate that the full committee will start action on the bill before the end of September and that the measure will be reported to the Senate floor well before the end of the first session of Congress.

While there are strong constituencies in favor or reform, there is also the understandable fear that any reform will require unsettling changes in present institutional structures and relationships and that those who have benefited under the current system may suffer. The debate appears to be taking shape in the context of how much and what kind of reform we shall have (see "Shaping the Budget: A Way Out of Chaos," by Alice Rivlin and Charles Schultze in Outlook, Sept. 9).

We must emphasize that our purpose has been and remains to create an open, politically neutral process that will not discriminate in favor of one faction or another. Indeed, specific actions were taken to remove any bias in the bill. One of the first amendments accepted in subcommittee was one offered by Sen. Percy to eliminate the requirement that a "quota" of members of the planned 15-member budget committee be drawn from any other committee. The amendment was accepted, and the bill now provides that the members of the Senate budget committee would be selected in the same way as the members of any other Senate committee. Regrettably, the mistaken impression persists that the bill would create a biased budget committee; Rivlin and Schultze incorrectly stated in their article that our bill "would draw 40 per cent of the members" of the budget committee from the Appropriations and Finance committee.

DEVELOPING A FRAMEWORK

Simply stated, our objective is to develop, near the outset of each session, a framework within which Congress' spending decisions would proceed. This framework takes the form of a concurrent resolution, binding on Congress but not subject to presidential veto. The resolution would establish the appropriate level of revenues, surplus or deficit, and the appropriate level of spending in major categories such as defense, education, environment. The concurrent resolution certainly would not be a huge, unmanageable document of telephone-book size. It would contain ceilings for appropriations and "backdoor" spending measures by major program categories only. It might contain as few as 30 items.

There is some concern that the budget committees, which would draft and report the all-important concurrent resolution, would somehow act in ignorance of budget goals and economic policy needs. Not so. The process is designed so that by the time the budget committees report the first concurrent resolution on March 1 each year, they would have had the benefit of substantial expert advice and, for the first time, an overall rather than a piecemeal view of the entire spending and revenue process.

This would be accomplished in several ways. The budget committees would have detailed recommendations on budget priorities, program effectiveness, fiscal and economic policy from a new Congressional Office of the Budget. This would be a highly expert organization which would work on budget matters throughout the year and be available to all members and committees in the same way as the General Accounting Office is. It would be the congressional counterpart to the President's Office of Management and Budget. We intend to develop fully the capability to create a congressional budget, in which the President's budget would simply be an important input rather than the principal influence. Thus we recognize at last that the President's budget, which was created by the Budget and Accounting Act of 1921, was never intended to become the dominating political force that it is today.

The budget committees would also receive reports from the Joint Economic Committee, the Joint Committee on Internal Revenue Taxation, appropriations, taxing, and other committees. Under the bill the President must submit his budget by Nov. 15. This means that Congress would no longer need to wait until the end of January each session to get to work. The staffs could begin their analyses in November and December, and the committees could begin their work immediately after the new calendar year. Under the bill Congress is required to report and agree on all spending measures authorizing new or additional spending before the beginning of the new fiscal year. This would have a major beneficial impact on the states, which for the first time in years would know, before the beginning of their own fiscal years, how much federal matching money and other funds they will have available. It is also at least a first step toward advance planning and away from the prevailing last-minute crisis response.

We are aware that the timetable, which requires congressional action on the budget resolution to be completed by April 15, is demanding, but it should be. This schedule was necessary so that the resolution could be completed well before the start of the fiscal year. Our objective is to encourage early completion of the appropriations process, thus permitting executive agencies to plan effectively for the coming year. Nonetheless, the bill provides for a full 60 hours of debate on the resolution, during which any amendments may be offered to raise or lower amounts therein.

"TARGETS" PLAN REJECTED

A final word about the "binding nature" of the ceiling and subceilings in the concurrent resolution. The major philosophical and political issue debated by our subcommittee was whether the ceiling and subceilings should be set early and then enforced on all spending bills, or whether we should adopt a procedure where more spending "targets" are set at the outset. Under the latter procedure, which was in fact inspired by Mr. Schultze, all spending bills might very well go forward as if the target amounts did not exist. At the end of the session, there would be an attempt to reconcile the amounts voted for actual spending by rescinding amounts already voted, or by setting a new ceiling.

This plan was offered in subcommittee and was rejected. After a great deal of thought and discussion, the majority concluded that it would not provide meaningful budget reform. It was noted that committee chairmen would actually have an incentive to increase the total amounts of their spending bills, aware that at the end of the session they might have to cut back. The majority believed that the result of this rescission, or reconciliation, procedure would more likely be that all the previously adopted spending bills would simply be added up and the new total would be adopted. This, in effect, would render the ceiling set in the concurrent resolution meaningless. It would remove any link between spending totals, revenues and economic conditions.

The subcommittee concluded that under this approach the Congress would be little better off than it is today. We would have created a new structure of budget committees and staff with no real purpose. The debate on the resolutions containing the targets would quickly become *pro forma* as the members discovered that the amounts set in the resolution were merely hortatory, and thus the opportunity for a meaningful, major debate on national priorities would be lost.

It is extremely important to point out that the spending ceilings in the first concurrent resolution, which would in fact be binding on later spending bills, would not be forever cast in concrete. The bill specifically provides that any number of additional concurrent resolutions could be reported by the budget committees to reflect changing economic conditions, changed spending priorities, a national emergency or any other contingency. Any member of the Senate could introduce a new concurrent resolution and under the appropriate rules of the Senate, the budget committee could be discharged if it failed to act. Such a resolution could be adopted by simple majority.

Enormous effort has gone into this bill. The authors of the Outlook article stated that the bill was drafted "with great haste." The reverse is true. The bill was drafted with great care over a period of six months.

This long-overdue, urgently needed congressional reform is now within reach. It can do more than anything we can imagine to apply a rational process to congressional budgetary and spending procedures and to reassert the proper constitutional role of Congress. It is a fundamental solution to the problem of executive impoundments. It can aid immeasurably in stabilizing the economy and thus in bolstering the faltering dollar. Viewed in its largest context, it may well be the single most significant piece of legislation Congress has dealt with in decades.

TOM VAIL

Mr. CHILES. Mr. President, it was with great sadness that I learned of the passing of Thomas Vail, the chief counsel of the Senate Committee on Finance.

Tom was an outstanding public servant and gave his tremendous talents their full exercise on the Finance Committee as its chief counsel since 1966. In my 2½ years in the Senate I found him to be a man of unusual dedication to his work with a broad knowledge and keen mind that made him invaluable to the Senate.

I know others who have served in the Senate longer than I came to depend upon his excellent judgment and will have much to say about the fine character and the loyal service he rendered to his government. We all mourn his loss and share his family's sorrow at this time.

WILLIE MAYS RETIRES

Mr. JAVITS. Mr. President, last week, a relatively young man announced his retirement in New York City. At the age of 42, Willie Mays "hung up his glove" after 22 years of electrifying play as one of the most exciting performers in major league baseball.

Tonight, at Shea Stadium in New York my city will honor one of its truly favorite sons with a Willie Mays Night. It is but one of many richly deserved tributes Willie Mays has received. There will be many more to come, I am sure. The New York Times noted Willie's retirement in an editorial in its issue of September 22. If what Willie Mays was, and is, can be summed up in a few lines of type the Times editorial has accomplished that.

Mr. President, I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Say Hey, Mr. Mays

Willie Mays may have been born in Alabama, but he was a New Yorker from the time he made his debut with the old New York Giants in 1951. His fourteen years in San Francisco when the Giants moved there were full of brilliant accomplishment, but his love stayed here and the city loved him. There was joy all around when he came back as a member of the Mets last year. Now, retiring at age 42, he is saluted not because he helped break down baseball's race barriers or because he was in the front rank of the game's all-time greats, but because he was the epitome of what all great athletes ought to be—a man of grace and dignity. His list of vices began and ended with the bedevilment of opposing pitchers.

MILLIONS MAY STARVE

Mr. SAXBE. Mr. President, on Sunday, September 9, Dr. Jean Mayer, professor of nutrition in the Harvard School of Public Health, wrote an article entitled, "U.S. Adds to Bangladesh's Chronic Woes: Unfulfilled Food Pledge Means Millions May Starve." Dr. Mayer emphasizes two things: One, the United States has a deficit of 220,000 tons of wheat on its March 31 pledge and, two, he is not aware of any response to my request that a joint U.S.–U.S.S.R. arrangement be reached allowing the diversion of wheat to Bangladesh from the United States-Soviet grain deal.

I recently returned from Bangladesh which I visited during the August recess. Our tour took us to all parts of the country and gave us an unparalleled opportunity to see all segments of the Bengali society. I was much impressed by the industriousness of the people and the feelings of the people of Bangladesh towards America.

However, I, like Dr. Mayer, am concerned about the possibility of starvation in that young nation. Therefore, I raised this issue during confirmation hearings on Secretary of State Kissinger and Chairman FULBRIGHT submitted the question to him. Because the answer was given at a later date in writing, I am placing it in the RECORD for the benefit of my colleagues. The answer is disappointing because I believe we can do more in alleviating the possibility of a famine.

I did receive a response from the White House regarding the request that I along with 37 of my colleagues made for a diversion of Soviet wheat shipment to Bangladesh. I also will have this printed in the RECORD for the benefit of my colleagues. In fact, 200,000 tons of wheat was diverted to Bangladesh by the Soviet Union on loan repayable in March of 1974. Hopefully, the Soviets will cancel the obligation of the Bengalis because the price on the world market of wheat has risen which would net the Soviets a profit on the deal.

I recommend Dr. Mayer's article to my colleagues and ask unanimous consent that it along with my letter of June 20, 1973, the list of signatories, the White House response, the question submitted to Secretary Kissinger by the Senate Foreign Relations Committee and Secretary Kissinger's response be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., June 20, 1973.
Hon. RICHARD M. NIXON,
President of the United States,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: We are extremely concerned with the critical shortage of food in the newly established nation of Bangladesh.

There is a food shortage, and we are alarmed at the prospect that millions will die this summer. The only way we believe this can be averted is by jointly diverting Russian purchased American grain without delay.

Therefore, we respectfully suggest that you consider diversion of a certain quantity of wheat under our Russian grain agreement with Secretary General Brezhnev during your summit talks.

Much has been achieved and will be achieved during the course of the summit, and it would certainly seem fitting that the immediate humanitarian concern for this small nation be a part of your historic meeting with Secretary General Brezhnev.

Sincerely yours,
WILLIAM B. SAXBE,
U.S. Senator.

LIST OF SIGNATORIES

Senators Bartlett, Beall, Bellmon, Brock, Buckley, Case, Chiles, Church, Clark, Cook, Cranston, Domenici, Eagleton, Fannin, Goldwater, Gurney, Hatfield, Hathaway, Helms, Hollings, Hughes, Humphrey, Javits, Kennedy, McGovern, Mathias, Metcalf, Mondale, Moss, Muskie, Nelson, Percy, Roth, Saxbe, Schweiker, Stafford, Stevens, Taft, and Weicker.

THE WHITE HOUSE,
Washington, D.C., July 12, 1973.
Hon. WILLIAM B. SAXBE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SAXBE: In further reponse to the letter which you and your colleagues sent to the President on the food situation in Bangladesh, I have checked into present conditions in greater detail.

We, of course, appreciate the concern expressed in your letter about the possibility of a critical food shortage in Bangladesh. As you know, we have already donated more than 1 million tons of foodgrain to Bangladesh since its independence.

Although the US is currently facing severe limitations on its own ability to respond because of abnormally low supply levels of wheat here, we have already shipped some 200,000 tons of grain assistance to Bangladesh to meet the needs projected for this year, and we expect to ship more before the end of the year.

We are almost continuously involved in assessment of the food situation in Bangladesh. In the latest review of the situation, the Department of State has asked United Nations representatives and United States Government officials on the spot for their latest assessment and has also been in touch with the Government of Bangladesh. These sources confirm their earlier view that while 1973 is unavoidably a year of great difficulty for the people of Bangladesh, critical shortages can be avoided between now and the next major harvest beginning in November if grain already pledged to Bangladesh by international suppliers is shipped there on a timely basis. In that context we are making every effort to meet our own pledge of assistance and have just approved shipment of another 100,000 tons of grain in the next several weeks.

Should the situation in Bangladesh change to the point where even greater urgency is called for, we shall continue to coordinate activities through the United Nations, since the problem is one which requires sharing of effort among all international suppliers. We feel additionally that any wheat the USSR may wish to provide should be handled in this context.

Sincerely,
FREDERICK L. WEBBER,
Special Assistant to the President.

RESPONSE TO SENATOR SAXBE'S QUESTION

Q. My friend and colleague Senator Saxbe visited Bangladesh during the recent Congressional recess. He informs me that the Bengalis are very appreciative of the assistance provided by the United States since their independence. However, he was told that there will be a food shortage from mid-November to January of this year when the new crop is harvested and distributed.

As you know, their food deficit was caused first by the war in 1971 and the drought in 1972. When this nation declared its independence, it had a short fall of 2.5 million tons of food grain and therefore relied on supplies from the United States and India. Last year we furnished 800,000 tons of food. This year on March 31 the United States Delegate to the AID meeting in Dacca pledged 500,000 tons of wheat. To this date, we have committed 280,000 tons. The first 200,000 tons, which consists of a grant, has already arrived while the 80,000 tons of PL 480 is now being purchased. This assistance plus the diversion of 200,000 tons of food grain by the Soviets has held off the famine until mid-November.

Because of the world food shortage and possibility of export controls, I am aware of the difficulties involved. However, do you believe we can fulfill our pledge of 220,000 tons of wheat before the critical period of mid-November?

A. As you know, because of the heavy worldwide demand for US wheat, only limited amounts are available this year for assistance programs. Consequently we have not been able to make as much wheat available as we would have liked for a number of needy nations, including Bangladesh.

At the time of the meeting in Dacca on March 31–April 1, 1973, we believed we would be able to provide 500,000 tons between them and the end of the year. We couched our pledge, however, in terms of dollar amounts and noted that it was subject to budgetary and supply constraints.

Bangladesh has already received a large share of worldwide US food contributions this year. We are looking at Bangladesh's further needs along with those of other countries and will do our best to help meet them. At this time, we cannot state that we will be able to provide another 220,000 tons of wheat by mid-November, but as Senator Saxbe noted, there is wheat in the pipeline from the US; there is also wheat from other donors that is scheduled to arrive during the fall.

Even if a serious shortage materialized in mid-November in Bangladesh, this should ease within weeks since the harvest comes in early December.

UNITED STATES ADDS TO BANGLADESH'S CHRONIC WOES—UNFULFILLED FOOD PLEDGE MEANS MILLIONS MAY STARVE

(By Jean Mayer)

The new nation of Bangladesh arose out of the 1971 Indo-Pakistani war in a setting of indescribable destruction and misery. East Bengal, East Pakistan, Bangladesh: it had been, under its successive names, the most overpopulated area on earth, and one of the most destitute.

Now, to its chronic problem was added the return of millions of refugees to a region where bridges and means of communication had been destroyed and much of the leadership massacred by the Pakistani; a region which had been the scene of one of the worst typhoons in history, with an estimated 200,000 victims.

The country, with its 76 million inhabitants, could not fend for itself and foreign governments, including neighboring India, sent immediate help.

Trying to assess the longer-term needs, the United Nations sent study missions and in

December 1972, the UN "Chandler Report" estimated that 2.5 million tons of food would have to be imported through early December 1973 if mass starvation affecting millions of persons was to be avoided.

The government of Bangladesh pledged itself to purchase one-third of this amount, the international community was to donate two-thirds. The United States, in particular, pledged itself to fulfill approximately one-half of the international commitment. More specifically, we promised to donate a minimum of 700,000 tons of food.

On March 31, 1973, in the capital of Bangladesh, our ambassador restated that we would deliver 500,000 tons of food grain by December 1973 to cover the critical period which will end in early December. This amount, added to an earlier delivery of 200,000 tons would have essentially fulfilled our December 1972 commitment.

However, some six weeks ago, the United States government (doubtless under the squeeze of the Russian wheat sales and the soaring prices at home) abruptly told the government of Bangladesh that it would not fulfill its commitment to deliver the life-saving 500,000 tons of grain.

Faced with the despair of the Bangladesh government and the pleas of the United Nations, our government did reinstate 280,000 tons of the March 31 pledge, but the remaining deficit of 220,000 tons virtually ensures that millions of people will starve, commencing around Oct. 15. If nothing further happens, it will be totally impossible to maintain even the meager 1500-calorie allocation presently planned in Bangladesh.

At this late date, with the grain held back in U.S. ports when it should have been sent to Asia, there is only one source of food and of shipping available which could reach the people of Bangladesh in time to avoid catastrophe. This source is the Soviet Union.

The Soviets are importing over one million tons of food grain a month, principally from the United States: during August, September, and October, 2½ million tons of corn will be transported from the United States to the Soviet Union.

The Soviets have grain ships at sea, which could reach Bangladesh within three or four weeks. Ships now loading at U.S. ports can reach Bangladesh within six weeks. A diversion of those ships should be possible; the Russians have, in fact, diverted 200,000 tons of wheat to Bangladesh in past months; this wheat has been unloaded in Bangladesh during the past four weeks and is preventing famine now.

The problem is that without a commitment from the United States to repay the Soviet Union for the additional 300,000 tons urgently needed, this diversion of grain ships will not continue and starvation, though postponed, will resume. The amount in question, incidentally, represents less than one thousandth of the U.S. food crop being harvested now. The repayment of this amount could have at most an infinitesimal effect on U.S. prices.

The repayment approach to this urgent relief problem has been suggested to the President. On June 20, 1973, Sen. William Saxbe and 39 other U.S. senators (22 Democrats and 17 Republicans) wrote to the President strongly requesting that a joint U.S.–U.S.S.R. arrangement be reached to assure the immediate diversion of the necessary food grain to Bangladesh. The letter urged the President to put the matter on the agenda of the Nixon-Brezhnev meeting.

No response, to my knowledge, has been received by Sen. Saxbe and his colleagues. The topic apparently was not discussed at the Nixon-Brezhnev meeting and the most recent administration policy paper is said to be that we will not enter into any repayment arrangement with the Soviet Union for the diversion of the necessary food grain to Bangladesh.

At present, the situation is that Bangladesh has essentially spent all of its foreign currency. At the last count, its remaining stocks were at 175,000 tons; below 200,000 tons is considered "critical shortage" as this is the minimum amount necessary to insure that all major distribution areas have some food and that the pipeline remains open. The projected deficit of 300,000 tons cannot be made up (nor can the remaining stock, necessary for the distribution mechanism, be included in this category).

We had committed ourselves to help, and we have not fulfilled our commitment.

DEATH OF TOM VAIL

Mr. KENNEDY. Mr. President, it is with great sadness that I learned last week of the death of Tom Vail, the chief counsel of the Senate Committee on Finance.

Although I am not a member of the committee, I came to know Tom over the past decade, especially during his able service as chief counsel to the committee.

In recent times, there has been no Senate staff member whose arrival on the Senate floor more clearly signaled the beginning of debate on major national legislation than the arrival of Tom Vail. Over the years, in countless areas involving major and complex legislation of absolutely vital importance to the Nation, Tom's skillful assistance and expert guidance contributed immensely to the Senate's understanding and development of the issues. Whether the question was a subtle nuance of Federal taxation, a complex aspect of medicare or social security, a refinement of the foreign trade laws, or a controversy over welfare reform, I was always impressed not only with Tom's mastery of the almost endless complexity of the bills he handled, but also with his uncommon ability to present the issues clearly and fairly.

And it was not just Tom's skill as a staff assistant that impressed me and so many other Members of the Senate. It was also his unfailing good nature, his gentle humor and his obvious love of the people and institutions he served that made us so proud to know him. Without Tom's warm smile and ready wisdom, the Senate is the poorer. He died too young, and all of us shall miss him.

TOM VAIL

Mr. BEALL. Mr. President, I was saddened to hear of the passing away of Tom Vail, chief counsel of the Senate Finance Committee. Tom Vail was one of those energetic and unique individuals whose creative lives do not make the headlines. Yet, his contribution to legislation and to the public good are legion.

Those of us who had the pleasure of knowing and working with Tom Vail are aware of the effective manner in which he carried out his demanding job. As a junior Senator, I was always impressed by the fact that Tom Vail, no matter how hectic his day or how pressed he was with committee business, always had time to advise and counsel other Senators and even to respond to routine questions by our staffs. The Nation and the Congress clearly benefited from the 22 years of service rendered by Tom Vail. When we lose the service and expertise from one as talented as Tom, we are much poorer. But Tom has set a standard of excellence that will continue to inspire the many other capable staff people that the Hill is fortunate to have.

I want to join my other colleagues in extending to Mrs. Vail and her children my sincere condolences.

HOW A STATE WITH LOTS OF POOR IS GETTING PEOPLE OFF WELFARE

Mr. DOMENICI. Mr. President, I would like to direct the attention of my colleagues to an article which appeared in the October 1, 1973, issue of U.S. News & World Report.

This article points out the great strides made by the State of West Virginia in reducing welfare rolls. I would like to compliment the State for its successful efforts in this regard, and in particular, the efforts of Gov. Arch Moore.

Apparently Governor Moore instigated an improved, up-to-date system of reviewing welfare recipients. Whenever possible, training was provided for meaningful employment and the State obtained support payments from more runaway fathers than ever before, reducing State aid to dependent children. These were only two approaches discussed in the article which were instrumental in welfare reform.

I would like to suggest that all other States study the approaches developed by the welfare officials in West Virginia. Surely such a success story will stimulate similar actions in other localities.

I ask unanimous consent that the article from the U.S. News & World Report be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the U.S News & World Report, Oct. 1, 1973]

HOW A STATE WITH LOTS OF POOR IS GETTING PEOPLE OFF WELFARE

CHARLESTON, W. VA.—Welfare has made a dramatic turnabout in this rural, mountainous, traditionally poor State.

Until 1971, West Virginia was typical of most of the nation, with relief rolls climbing regularly—even in times of relative prosperity.

In a recent two-year span, however, this State led the nation in reducing the number of families receiving aid to dependent children—the critical problem area in welfare everywhere in the U.S.

Jobs were found for thousands once on public assistance. At the same time, welfare payments and services were increased for those persons who needed help badly.

Federal officials say what is going on here is an example of a trend they hope will catch on across the nation. West Virginia is one of a handful of States leading the way in welfare reform—and the only such State that is mainly rural.

As a result, observers from 47 other States and four foreign countries have come here to see how this reform plan works.

A top official of the Department of Health, Education and Welfare in Washington explains:

"Governors, more and more, are beginning to face up to the problems of welfare, squarely and personally. For a long time, it was thought that nothing much could be done. And the bureaucracy tended to encourage this thought.

"Now, there are some examples—such as West Virginia, California and New York—to show what can be done. Welfare rolls are being cut. Payments to those who are really in need are going up. Better administrative policies are being put into effect. Arch Moore is one of the first Governors to take those steps."

FIRST-TERM MOVES

When West Virginia's Governor Moore began his first term in 1969, what he did was this:

To start with, he organized welfare operations to increase efficiency. The initial relief check for a new applicant now comes within a week. Once it took six weeks, or more.

Then he moved to eliminate deadbeats. The rolls are screened regularly. The latest investigation of the more than 18,000 families with dependent children began a few weeks ago.

At the same time, with the help of the Internal Revenue Service, collections from runaway fathers rose from $21,460 in 1969 to $178,632 last year.

Next, a major emphasis was placed on finding jobs for those eligible to work. Five years ago, there were 5,376 fathers on relief. Today, there are 945, with a goal of putting all able-bodied fathers to work by Christmas.

Over all, in the family category, the rolls dropped from 23,518 cases including 95,034 individuals in July, 1971, to 18,713 cases with 72,621 persons in July of this year.

Savings from more efficient operations were used to improve benefits. Where needed, additional money was sought. In November, 1971, grants in the aged, blind and disabled categories were increased from $76 to $123 a month for individuals and from $97 to $156 a month for a couple. Last October, the grant for a family of four was raised from $182 to $217 a month.

"One major goal when I took office was to get a handle on welfare," says Governor Moore. "We wanted to stress finding out who was available for work and getting them on the job. It was hard to sell this new attitude to all the staff and the clients."

As welfare commissioner, the Governor chose Edwin F. Flowers, who is a lawyer, not a welfare professional. He is a long-time friend of the Governor.

"At one point," Governor Moore remembers, "Ed Flowers had me go out and talk to the staff in the field to let them know that this was the Governor's program. We have turned around the thinking of the staff. And I think we have turned arond the thinking of the people of the State about welfare."

One symbol of change is the support that the Democratic-controlled legislature is giving the Republican Governor's program. In the past, lawmakers consistently cut money bills for welfare. Now, even though spending still is rising, appropriations pass unchanged.

FULL STATE CONTROL

In reorganizing the system, the Governor eliminated county involvement entirely, giving the State total control of welfare. The entire record-keeping operation is tied into a central computer at the Charleston headquarters.

Fifty-five county food-stamp offices, 55 county welfare offices and nine district offices were consolidated into 27 area offices, with thinly staffed satellite offices remaining in counties where there is no area office.

West Virginia also originated sale of food stamps by mail. A family in a remote area can have the cost of stamps deducted from its relief check and get both by mail.

Few problems were found in the adult categories—the aged, blind and disabled. But in the family areas, the Governor says, "We found we actually were providing benefits to a third generation on welfare in some cases."

When Mr. Flowers took over, he spent two days a week in the field for several months. He went out with case workers, interviewed clients.

"I learned a lot about the clients and the case workers," he says. "I learned what was right and wrong with the system. I also found out that many decisions we were making in the early days were not getting through to case workers."

In 1970, Mr. Flowers went on a Statewide listening tour. He explains:

"We would announce where the meeting would be held, then I would sit down and spend the evening listening to what citizens, recipients and groups had to say about welfare."

A SPEEDUP

Out of this came the realization that the mails were too slow in dealing with problems and complaints.

"To speed things up," says Mr. Flowers, "we set up connections so they can call us toll free from anywhere in the State. Instead of writing, we try to call back with the answer the same day. I take some of the calls myself."

At first—even as late as last December and January—not all of what West Virginia was doing met with the approval of U.S. officials. It wasn't until Caspar W. Weinberger took over as HEW Secretary last January that solid support came from the federal level.

As long as West Virginia's welfare rolls went up like those in the rest of the nation, Mr. Flowers says, HEW was pleased. He points out:

"It was when our rolls started descending that these same officials grew suspicious and displayed adverse reaction to our efforts. I am pleased that the recent changes which have been made in HEW bring a new consistency of purpose throughout the Department and complement our goal of freeing persons from welfare dependency."

Three years ago, West Virginia tested rules that mothers of school-age children on welfare must register for either work or job training. These regulations were adopted Statewide July 1, 1971. A year later, Congress adopted this policy nationwide.

An effort was made, at one point, to require each family on welfare to file a new application every six months. The courts ruled this illegal, but officials say essentially the same goal is accomplished by rechecking eligibility regularly.

Now, unemployed fathers or mothers with school-aged children may be sent first to apply for a job. If they refuse, no welfare will be approved.

On the other hand, if need is urgent, even a satellite office can write an emergency check.

IN THE FIELD

How does this new philosophy work in the field? A visit to the Summersville area office, about 100 miles east of Charleston, shows case workers competing to reduce family assistance rolls.

Summersville serves Nicholas and Webster counties. These are two of the 10 counties in the State where there is not a single unemployed father on relief—this despite the fact that unemployment remains relatively high in the two counties.

"When we get a man applying for welfare, we don't talk about anything but finding him a job," explains Delmas Cogan, head of the job-finding unit. "We talk about his qualifications. We try to get him talking to possible employers, even though we don't have a specific job."

Paul Girod, area director, says:

"We never give him a chance to think about anything else. Even if he doesn't plan to work, we wear him down."

Both men agree that when the word "job" is mentioned, some applicants head out the door, or develop an ailment. But they say this is a relatively small number, that most men and women want to work.

Finding jobs in this rural, mountainous area is a problem, Mr. Cogan admits.

"We get a lot of jobs by going door to door to employers," he says. "We try to get them to come to us, but we recheck periodically. It's hard to get some employers to hire a person on welfare, but we are changing that attitude. In fact, we have been so successful that now some people not eligible for welfare come to us for help in finding a job."

TRANSPORTATION WOES

For both men and women in such rural counties, there is a problem of how to get to work. No public transportation is available in either county.

Some persons have been kept on welfare simply because there is no way to get them to and from work. Others have been relocated closer to jobs, with help from the welfare office. Car pools are arranged, even rides on school buses.

Welfare mothers are harder to place than fathers, in most cases. Many have no work experience. They may need daycare services or care after school for their children.

Wayne Starkey, who works with welfare mothers, tells how this part of the system works:

"We sit down as a team to talk to each mother. We size up their qualifications. We plan what kind of job they might fill. If job training is required, that is part of the plan. We look at other needs, day care and so on."

Most frequently, he says, mothers go to work under a "work experience" setup. While in training, they get their relief check, plus $30 extra for job costs, day care and transportation help, if needed. They get no salary from the employer who trains them. Usually, after this three-month training period, they are hired at regular pay.

Mothers with school-age children must register for such training. Others, with younger children, can volunteer.

"Some welfare mothers are shaken by the idea that they must work," says Mr. Starkey. "One woman cried all day when she was told about it. Next day, when I saw her, she told me, 'I've never worked. I can't work. I don't know how.' Now, she is in work experience, doing well and likely to be hired."

As to the job itself, any work is considered acceptable, so long as it meets existing State and federal standards for wages and working conditions.

Says Commissioner Flowers:

"We take the position that if they are in a job, they are more likely to be promoted into adequate-paying jobs than if they are sitting at home. Taking a low-paying job doesn't mean they have to stay there, although many will. If they are out of a job too long, it gets harder and harder to redevelop the work habits they lost."

IMPROVING SERVICES

For those persons who still qualify, welfare services are improving.

There are foster-care arrangements, a home repair plan and a new program providing subsidized bus rides where there is publc transit, plus more day care, and family planning.

For children, there is an early screening and diagnostic system aimed at the spotting and correction of health problems as promptly as possible.

Also, welfare children get a $30 grant for back-to-school clothes, and another $10 for winter clothing.

To help poor families stretch food budgets, a weekly radio broadcast of nutritional and cooking tips is sponsored. Country-and-Western music on the show is performed by food-stamp users and welfare clients. It is a regular feature on 35 stations in West Virginia, Kentucky and Ohio.

This year, other benefits were added.

"We increased payments for nursing care for the aged and upgraded medical care," says Mr. Flowers. "As a result, many more nursing homes will take welfare cases, and we have almost doubled our medicaid rolls."

The philosophy behind all this, explains the commissioner, is this:

"We feel that no person should be on welfare if they are not eligible on the basis of legitimate need, but if that need exists, they should be supported decently."

ROBERT N. POYNTER, JR., PEACE CORPS VOLUNTEER IN LESOTHO, AFRICA

Mr. FANNIN. Mr. President, the Peace Corps has put out a very interesting news release concerning the work of Mr. and Mrs. Robert N. Poynter Jr., of Litchfield Park, Ariz. The Poynters are serving in Lesotho, Africa, where Mr. Poynter is operating a construction company as a school to train workers in building trades and construction management.

It appears that Mr. Poynter is doing a fine job of helping these people learn to operate their own enterprises within a business enterprise system.

Mr. President, this is the second tour of duty for the Poynters in the Peace Corps. I wish to congratulate them and call the attention of the Congress to their work. I ask unanimous consent to have the Peace Corps release printed in the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

PEACE CORPS VOLUNTEER FROM LITCHFIELD PARK RUNS UNIQUE SCHOOL/COMPANY IN LESOTHO, AFRICA

MASERU, LESOTHO.—A former Phoenix area building contractor serving as a Peace Corps volunteer in this small southern African kingdom is running what may be one of the most unusual construction companies in the world.

He is Robert N. Poynter Jr. of Litchfield Park, Ariz., director of a vocational school which operates as a construction company to train workers in the building trades and in construction management.

"I personally have the philosophy that a business can do as much training as a trade school," says Poynter, who describes his Matsieng Vocational School as the only mobile school in Lesotho. "You just have to be sensitive toward the idea of training somebody."

Poynter, 28, who owned and operated the Poynter Construction Co. in Phoenix before coming to Lesotho in February, 1972, is a construction engineering graduate of Arizona State University in Tempe. With him in Maseru, capital of Lesotho, are his wife, Betty, 28, of Mesa, Ariz. and their three-year-old son, Carey.

Serving overseas with the Peace Corps is not a new experience for the Poynters. Both were Peace Corps volunteers from 1967 to 1970 in the West African nation of Sierra Leone, where Poynter helped build hospitals and Mrs. Poynter worked in hygiene and nutrition education for clinic patients.

The unusual construction firm was set up after Poynter, whom the Lesotho Ministry of Education had asked to teach construction management, maintained that the best way for trainees to learn management would be to actually work with a company.

The result was the construction company, directed by Poynter with the assistance of another Peace Corps volunteer. The company employs about 15 trainees, all of them Basotho, the native people of Lesotho.

"It all sort of worked out," said Poynter. "The Ministry of Education couldn't run a construction company, so they decided to call it a school. We're free to run our own operation. We submit tenders on projects just like all the other contractors—we're always on a competitive bid basis.

"Although we're a school, all the Basotho on the crew are paid standard wage rates. We're not subsidized at all by the government—we operate on our profits. We hope, as an end result, that we can successfully train Basotho to run all aspects of a construction company. At that time, all the strings with the government could be broken and it would be a private company."

Poynter spent his first six months in Lesotho studying available construction materials and surveying construction needs and problems. The local brick used in nearly all construction was of poor quality, he found, and lumber was expensive and also poor in quality. As an alternative, he and his colleagues came up with a modular design for housing using pre-cast concrete panels.

Supported during this initial organizational period by donations from the Lesotho government, CARE, the U. S. embassy and other organizations, the company built a house as a pilot project. Using space made available by the Lerotholi Training Institute, a government trade school in the capital, the company remodeled a carpentry production shop and built itself a storage room and a pre-casting yard. Its first job became the construction of three faculty houses for the training institute.

"Before we even go on a job, everything is totally built in the pre-cast yard or in the production shop," said Poynter, describing the pre-fabricated building operation. "The concrete crew lays out the building, does the excavation, puts the foundations in, pours the floors and erects the walls. The ceiling frames, doors, and windows are totally built at the shop and sent out to the site. The carpenters come in and put on the roof, hang all the doors and install the cabinets.

"The quality control is in the yard and in the shop—the field operation is like putting together an erector set."

The company work force includes four artisans—two carpenters and two masons. The rest of the crew rotates between carpentry and concrete work to learn as many skills as possible.

"The artisans are the nucleus of the company," Poynter said. "What we're doing is trying to train the artisans as supervisors of the crews, and the laborers in turn are learning their skills. The laborers are learning from the artisans, and the artisans are learning from us."

The design, strength and low cost of its houses has brought the company job offers for more than $2 million worth of work, Poynter said. But two considerations have limited its scale of operations so far.

"You can't get too oriented toward just a product or you lose sight of your goal," Poynter said. "We're trying to show that business can do an awful lot of training."

In the second place, he said, the company will need the help of more Peace Corps volunteers skilled in the building trades to help meet its training goals.

"The thing has really gone extremely well," he said. "We've had a tremendous acceptance of the pre-fabricated construction. If you can sell people something that's a better quality, you have got it made—and it appears we're on the verge of doing this."

By training local tradesmen and construction managers in these techniques, the combination school/company may make it possible for the Basotho to win a larger share of the construction business. While Lesotho is experiencing something of a construction boom, about 75 to 90 per cent of the work is done by firms owned by expatriates—as foreigners are known here. The few small-scale Basotho building firms are plagued by poor management, Poynter said.

"The modular system is just so much easier to manage," Poynter noted. "We price everything out by pieces and components, and we use the same pieces over and over again in different configurations. It's a very simplified management system that over a period of time can lead to a very successful Basotho-owned company."

As a Peace Corps volunteer, Poynter receives neither a salary nor a share of the profits from the construction company. Instead, he and his family receive only a modest Peace Corps living allowance. They share their home on the training institute grounds with a local boy, six years old, whose mother cannot afford to support him or send him to school.

Poynter is one of 45 Peace Corps volunteers serving in Lesotho in a variety of education, technical training, development and other programs.

Skilled in carpentry, cabinet making, plumbing, ceramic tiling, and construction management, Poynter is licensed in Arizona as a residential and small commercial contractor. A 1967 graduate of Arizona State, he operated his Phoenix construction business from March, 1970—when he returned from Peace Corps service in Sierra Leone—until his departure for his second term of volunteer service in Lesotho last year. He is the son of Mr. and Mrs. Robert N. Poynter Sr. of 414 E. Indian School Road, Litchfield Park.

Mrs. Poynter is the daughter of Mr. and Mrs. Charles T. Davis of 832 W. Mountain View, Mesa. A 1963 graduate of Mesa High School, she received her bachelor's degree in French at Arizona State in 1967.

Around the world, about 7,400 Americans are serving as Peace Corps volunteers in 58 developing nations.

The Peace Corps is part of ACTION, the federal agency established by President Nixon on July 1, 1971 to administer federal volunteer programs at home and overseas. Mike Balzano is the director of ACTION.

ACTION's domestic programs are Volunteers in Service to America (VISTA), Foster Grandparent Program, Service Corps of Retired Executives (SCORE), Active Corps of Executive (ACE), Retired Senior Volunteer Program (RSVP) and University Year for ACTION.

FEDERAL POWER COMMISSION USURPS RESPONSIBILITY OF THE CONGRESS

Mr. MOSS. Mr. President, on September 14, 1973, the Federal Power Commission by administrative fiat deregulated the rates at which natural gas is sold at the wellhead to pipelines in interstate commerce. This action is equivalent to repealing the Natural Gas Act. Disturbing as that might be, it is even more dangerous when we consider that hearings on amendments to the Natural Gas Act will be considered by the Senate Commerce Committee within a very few weeks, and legislation will be forthcoming.

Fortunately, the Consumer Federation of America, the American Public Gas Association, the American Public Power Association, and the National League of Cities, U.S. Conference of Mayors has filed suit protesting the FPC's action.

Tomorrow, joined by Senators MCGOVERN and METCALF and Representatives ECKHARDT and MOSS, I will file an amicus brief with the U.S. Court of Appeals for the District of Columbia Circuit in support of the challenge to the Commission.

Mr. President, I ask unanimous consent that some relevant petitions and press releases be printed in the RECORD at the conclusion of my remarks as well as two speeches by Lee C. White, former Chairman of the Federal Power Commission and currently chairman of the Consumer Federation of America Energy Task Force.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Consumer Federation of America

WASHINGTON, D.C.—In an extraordinary display of coordinated effort in the interest of American consumers, four major national organizations today filed suit in the U.S. Court of Appeals for the D.C. Circuit to "stay" the effect of a Federal Power Commission order suspending the regulation and control of natural gas prices.

The Consumer Federation of America, the American Public Gas Association, the American Public Power Association, the National League of Cities-United States Conference of Mayors joined as plaintiffs in a suit protesting the FPC's action of Friday, September 14, 1973, which, by administrative fiat, deregulated the rates at which natural gas is sold at the wellheads to pipelines for interstate commerce.

In commenting on the law suit, Lee. C. White, Chairman of the CFA Energy Policy Task Force and a former Chairman of the Federal Power Commission, made the following statement:

"The consumers of this country have every right to be outraged by the action taken by the Federal Power Commission in disregarding the Natural Gas Act of 1938 and in ignoring the interpretation of the Act by the United States Supreme Court in the landmark *Phillips* decision of 1954. The Commission's action, which is tantamount to a repeal of a portion of the Natural Gas Act designed to afford protection to the millions of consumers of natural gas in this country, is an act of legislative usurpation that has rarely, if ever, been exceeded by any administrative agency. We believe that the Congress will want to react sharply to this usurpation, but it is essential that this matter be litigated on an expeditious basis in the courts. The irreparable harm that can come to consumers requires prompt action and we are hopeful that the courts will provide relief against this extraordinary decision.

"Obviously, it is the effect of the Order that is of most concern, but additionally the procedure used by the FPC in reaching its decision and in making it effective the very day it was issued, makes a mockery of the Administrative Procedure Act and violates every concept of fairness and decency in conducting the public's business. There was no opportunity for anyone to be aware, before the fact, of what the Commission's action proposed or how it would operate. There are legitimate policy issues to be decided by the Congress in how natural gas should be controlled in the country, but those are Congressional decisions. The FPC action is especially offensive in light of the announced hearings to be held on the Natural Gas Act by the Senate Commerce Committee early next month."

Petition for Leave To Intervene, for Rehearing and for an Immediate Stay

United States of America, Federal Power Commission; policy with respect to establishment of measures to be taken for the protection of reliable and adequate service for the 1973–1974 winter heating season; Docket No. AM74–3

This Petition is filed on behalf of the Consumer Federation of America, the American Public Gas Association, the American Public Power Association and the National League of Cities—United States Conference of Mayors.

Copies of all filings, notices and other papers should be served upon:

Edward Berlin, Esq., Berlin, Roisman and Kessler, 1712 N Street, NW., Washington, D.C. 20036.

Charles F. Wheatley, Jr., Esq., American Public Gas Association, 2600 Virginia Avenue, NW., Washington, D.C. 20037.

Frank W. Frisk, Jr., Esq., Special Counsel, American Public Power Association 2600 Virginia Avenue, NW., Washington, D.C. 20037.

I. INTERVENTION

1. The Consumer Federation of America ("CFA"), the American Public Gas Association ("APGA"), the American Public Power Association ("APPA") and the National League of Cities-United States Conference of Mayors ("Conference"), hereby petition for leave to intervene in the captioned proceeding. CFA is a federation of more than 200 national, regional, state and local consumer organizations which, in turn, have memberships totaling in excess of 7 million consumers. The maintenance of adequate supplies of energy, including natural gas, at prices which are fair to the consumer has long been a central policy goal of CFA. In this connection, and in part because of the recent controversy concerning the adequacy of natural gas supplies and pricing mechanisms, CFA has constituted an Energy Policy Task Force designed to permit both member and nonmember organizations an opportunity to participate in the resolution of the energy crisis by bringing their collective voice to the attention of the appropriate regulatory and administrative authorities. APGA, APPA, and the Conference are members of the Task Force.

2. The American Public Gas Association is an association of 235 municipally-owned gas distribution systems serving approximately 1¼ million consumers of natural gas throughout the United States.

3. The American Public Power Association is an association of 1,400 municipally-owned electric utilities, some of which burn natural gas as boiler fuel. APPA member organizations serve approximately 30 million consumers throughout the United States.

4. The National League of Cities—United States Conference of Mayors is the organization charged with the representation of Cities of populations of 30,000 and over. The 700 Cities in the Conference, with total populations in excess of 100 million persons many of whom are consumers of natural gas, are represented in the Conference by their chief executive officer.

5. Order No. 491, issued in this docket on September 14, 1973, is related directly to the concerns of Petitioners. It authorizes, for all practical purposes, the deregulation of natural gas pricing. CFA, by policy resolution, is four-square committed to the continuation and perfection of FPC price regulation over natural gas, and in the main its Energy Policy Task Force was established to take all appropriate action directed to that end. Order No. 491, therefore, strikes at the very heart of the respective purposes of Petitioner organizations.

6. Moreover, there can be little dispute but that implementation of Order No. 491 will impact significantly the price of natural gas to consumers. Under the Commission's existing, but more limited, deregulation effort sales have been commenced at prices significantly in excess of twice the applicable area rate.[1] The effect of the instant order is to extend deregulation for a period three-fold that previously authorized, compounding the economic impact on the individual natural gas consumer. As such it is appropriate that consumers participate in this proceeding through the organizations they have joined for the purpose of furthering their interests as consumers.

II. REHEARING

7. The procedures selected by the Commission for the implementation of its policy determination cannot be justified under any conceivable rationale. We are wholly sympathetic with the need to take all appropriate steps to assure the maintenance of reliable natural gas service. However, even if the Commission's Order could be said to promote the adequacy of service—which, as we show below, cannot be concluded—there is no basis for the wholesale eradication of basic notions of procedural due process. Even if it is assumed that deregulation can be accomplished through rulemaking, and naturally we do not so assume, elementary notions of administrative fairness mandate that interested persons at least be permitted to file comments addressed to proposed policy modifications. The Commission itself recognized the propriety of so proceeding as the predicate for the issuance of Order No. 418, where it authorized 60-day uncertificated emergency sales by producers to interstate pipelines.[2]

8. The justification for dispensing with similar procedures here is made even more difficult to comprehend by an examination of the underlying chronology. In response to the notice issued on October 6, 1970, "[s]everal parties suggested that the proposed 60-day period of emergency operation be extended to periods ranging from three to six months." Order No. 418, 44 FPC 1575. Characterizing that suggestion as requiring "a drastic departure of our heretofore stated purpose" the Commission "defer[ed] disposition of this [suggestion] until such time as we may *propose* additional rules applicable to emergency transactions on a more extended basis." 44 FPC 1575, emphasis added.

9. In light of that pronouncement it was reasonable for interested parties to assume that before that "drastic" proposal would be implemented the Commission would indeed *propose* a rule change and invite public participation—if necessary on an expedited basis—through the ordinary commenting process. It is ironic that the delay necessary to permit public participation was tolerated before the adoption of a 60-day deregulation rule but not deemed important where the authorized period of deregulation was to continue for six months (although the Commission previously labeled any extension of from *three* to six months as "drastic"). The irony is compounded when one considers that owing to the existence of Order No. 418 a mechanism would be available for emergency sales (initially limited to a 60-day period but subject to possible extension)[3]

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[1] See Orders issued September 13, 1973 in *Shenandoah Oil Corp.* (Docket No. CI73–922); *Rains & Williamson Oil Co.* (Docket No. CI73–930); and *W. S. Etchieson and J. B. Watkins* (Docket No. CI74–4).

[2] That order, issued on December 10, 1970, was preceded by a notice issued on October 6, 1970 which set forth in full the proposal under consideration.

[3] See *HNG Oil Company*, Docket No. CI74–8, where, in its order issued on September 13, 1973, the Commission noted:

> From May 17, 1973, through July 16, 1973, Applicant made a sixty-day emergency sale of natural gas from the subject acreage to Texas Eastern within the contemplation of Section 157.29 of the Regulations under the Natural Gas Act (18 CFR 157.29); and upon Applicant's request by letter dated July 13, 1973, Applicant was authorized to continue the emergency sale within the contemplation of Section 157.29 until September 14, 1973, or until a certificate is issued in the subject docket, whichever is earlier.

during any period prescribed for the filing of comments.

10. Moreover, the fact that the suggestion has been pending before the Commission since at least beginning some time earlier than December 10, 1970 belies any suggestion that the need for expedition can excuse administrative due process. Nor is the Commission's position here strenghtened by the staff report on curtailments to which reference is made. Order No. 491, p. 4. That report, published on July 16, 1973, was certainly available to the Commission by no later than that date. Perhaps the Commission was dilatory in responding to its implications but that serves as no excuse to compound the felony by slamming the door shut on public participation.

11. We must inescapably, and regretably, conclude that the Commission does indeed intend to shield itself from public participation. That is the only conclusion one logically can attribute to the Commission's refusal to even tolerate the filing of comments by interested persons until January 15, 1974—four months after the Order's effective date.

12. In these circumstances the Commission cannot find—and we note does not attempt to find—that good cause exists for dispensing with the notice and public participation procedures required by the Administrative Procedure Act, 5 U.S.C. 553(b) (3) (B). Instead the Commission seeks to justify its avoidance of mandated procedures by noting its inability to find that compliance would promote any beneficial objectives. Without debating that point, we note that under the Act the presumption is that the requisite procedures are to be satisfied *unless* the agency finds that application would be "impracticable, unnecessary or contrary to the public interest." *Ibid.* Having failed to so find, the Commission was obliged to discharge its procedural requirements.

13. Indeed, it is open to serious question as to whether the Commission even had the prerogative of limiting its procedures to the requirements of 5 U.S.C. 553, "the minimum protections upon which administrative action may be based, according to interested parties a simple notice and right to comment." *Mobil Oil Corp.* v. *FPC,* — F. 2d — (CADC No. 72–1471), Slip Op., p. 29. In *Mobil* the Commission's adherence to Section 553 was held to be an inadequate basis for the promulgation of minimum rates for the transportation of liquefiable hydrocarbons. We suggest that the impact of the Commission's decision here is legally indistinguishable. The Commission just as assuredly exercises its authority to set rates by ordering deregulation as it does when it affirmatively sets prices. The effect upon consumers will be no different than had the Commission readjusted area rates to what ever level the market will bear, a conclusion plainly at odds with *CATCO* (*Atlantic Refining Co.* v. *Public Service Commission,* 360 U.S. 378) and *Texas Gulf Coast Area Natural Gas Rate Cases,* — F. 2d — (CADC, No. 71–1828) where the Court stated (Slip Op., pp. 25–26, footnote omitted):

Another option does remain—that of setting the price of natural gas at the market price, or of allowing the market price to govern the "just and reasonable price" of natural gas. A variant of this contention is the submission by the producers that in time of supply shortage, regulation for an area that serves not only an interstate market but also an (unregulated) intrastate market must set the regulated prices as high as the unregulated in order to prevent diversion to the intrastate market. However, so long as the legislature has assigned the agency the function of regulation of rates, it cannot legitimately execute that function in a fashion which, in fact, is tantamount to total deregulation or nonregulation. Congress did not provide for agency action and court review as a charade.

14. The prejudicial consequences of Order No. 491 are not limited to its expansion of the deregulation period. Rather, the integrity of gas supply will itself be threatened by the suspension of the limited-term certificate provisions of Section 2.70(b) (3). It has been the practice that parties to 60-day uncertificated sales have sought their extension, by the filing of limited-term certificate applications, for periods of from one to two years. Suspension of that procedure will frustrate seriously the ability of distribution companies to obtain commitments for periods in excess of 180 days. We fail to appreciate why that action is not entirely inconsistent with the expressed objective of Order No. 491 and no explanation is offered.

15. We are also perplexed by the implicit suggestion that Order No. 491 is but the logical next step in an evolutionary process that began with the issuance of Order No. 402. It is quite unlike the earliest orders which were not at all concerned with rates, but with affording assurance to non-jurisdictional companies that their actions in assisting gas-short pipelines and distributors would not thereby subject them to FPC jurisdiction under the Natural Gas Act. To be sure Order No. 418 and 431 were quite different in their impact but as already noted they did not result in deregulation to the "drastic" extent now provided and both in theory and fact it was contemplated that short-term uncertificated transactions would be subjected, shortly following their commencement, to certification review. Arguably those actions were "necessary or appropriate to carry out the provisions" of the Natural Gas Act and therefore were appropriate under Section 16. But clearly that Section in no way permits the Commission to usurp the legislative prerogative of excusing compliance with the Act. *Texaco, Inc.* v. *FPC,* 474 F.2d 416, 420 (CADC, 1972). In *Mobil, supra,* the Court laid to rest any conceivable argument that Section 16 can be looked to excuse compliance with the Natural Gas Act's rate setting requirements, "indeed, the inference is to the contrary." Id. at 36. Section 16 "merely augment[s] existing powers conferred upon the agency by Congress, [it does] not confer independent authority to act." Id. at 35, quoting from *New England Power Co.* v. *FPC,* — F.2d — (CADC No. 71–1539) Slip Op., pp. 11–12.

16. Nor can the Commission's action be justified under the exemption for temporary sales permitted by Section 7(c), 15 USC 717f (c). That Section arguably supports the procedures provided for by Order No. 431 but unless and until the Commission establishes—and it has made no attempt so to do—that it is not possible to complete limited-term certificate proceedings within the 60-day grace period afforded natural gas companies, there clearly is no "emergency" justifying even a more sweeping eradication of Section 7 protections. It bears emphasizing that the Commission's inability to make the requisite findings is compounded by its seeming ability to extend the 60-day waiver. See *HNG, supra.* Again, without accepting the propriety of the extension there granted, it is a far different thing to grant relief tailored to an ad hoc situation, *with respect to which a hearing was in process,* than abruptly to slam the door on regulation per se.

17. Without debating whether the Commission is sweeping away its Section 7 responsibilities or, as we submit those of Section 4 (15 U.S.C. 717c), its action can be sustained only if supported by substantial evidence in the record. *Mobil, supra,* at 38–43. This requirement itself dictates "the sort of procedures required." *Id.* at 40. At a minimum it requires that there be a *record.* If there is a record here there is no indication as to what it consists of, apart from untested staff compilation of untested industry supplied curtailment information—supplied without any person at all apprised of the use to which it would be put. If this be the record upon which the Commission is acting then here, as in *Mobil,* "Much of the evidence appears possibly suspect, we have no way of knowing from the record whether the figures are valid. There is no evidence in the record except that which the Commission has chosen to include to support its position." *Id.* at 42, footnote omitted.

18. Further, the Commission has failed to offer any findings at all which purport the action it is taking here with the promotion of adequate gas supplies. Apart from its failure to explain how any such administrative fiat can overcome the lead time for exploration and development of new supplies, there is no suggestion made that the extension of the deregulation period to 180 days (240 days in the case of persons now making sales under the old 60-day rule) would bring *1 mcf* of additional natural gas to the interstate market beyond the amounts that would be committed under existing procedures. There is, in short, no indication of the *quid pro quo* to consumers as the price of deregulation.

To be sure it is conceivable that a limited-term certificate would be denied by the Commission where it finds the price too high and absent Order No. 491 that sale would presumably cease at that price after 60 days. But surely it cannot be said that the justification for the 180 day exemption is that it would permit the continuation of sales which the Commission would hold to be in contravention of the public interest. And even if that is the justification—or indeed whatever be the justification—the Commission was obliged to articulate sufficient reasons and adequate findings upon which to permit interested parties to focus on rehearing and in considering judicial review and to permit a court to exercise its reviewing function. *Mobil, supra* at 48; *Citizens Association of Georgetown* v. *Zoning Commission,* 477 F.2d 402, 408 (CADC, 1973).

III. STAY

19. In these circumstances an immediate stay of Order No. 491 is warranted. A stay would permit the Commission—following abbreviated notice procedures if necessary—to permit meaningful public participation in this matter if only through the consideration of any Petitions for Rehearing that may be filed. Moreover, and most significantly, it could prejudice no one for the effect of a stay would be to reinstate the 60-day and limited-term procedures of Orders No. 418 and 431. Hence emergency sales could begin and continue pending resolution of this docket with it open to any natural gas company to seek a limited-term certificate extending the sale beyond the 60-day period. As indicated, the only person who could conceivably be prejudiced by a stay of Order No. 491 would be a natural gas company that wished to continue, for the full 180 days, a sale the Commission would determine to be in contravention of the public interest. Tested by each of the applicable criteria, a stay is most appropriate.

CONCLUSION

For the foregoing reasons the Commission should:

(1) Grant the Petition for Leave to Intervene of the Consumer Federation of America, the American Public Gas Association, the American Public Power Association and the National League of Cities-United States Conference of Mayors;

(2) Stay the effective date of Order No. 491 at least until the completion of the requisite administrative procedures and the

consideration of all Petitions for Rehearing; and

(3) Upon rehearing rescind Order No. 491 in its entirety or, should it fail to do so, stay its effectiveness for 20 days so as to permit interested parties an opportunity to seek appropriate judicial relief.

Respectfully submitted,
EDWARD BERLIN,
BERLIN, ROISMAN AND KESSLER, *1712 N Street, N.W., Washington, D.C. 20036.*
CHARLES F. WHEATLEY, Jr.,
AMERICAN PUBLIC GAS ASSOCIATION, *2600 Virginia Avenue, N.W., Washington, D.C. 20037.*
FRANK W. FRISK, Jr.,
AMERICAN PUBLIC POWER ASSOCIATION, *2600 Virginia Avenue, N.W., Washington, D.C. 20037.*
September 20, 1973.

(United States of America Federal Power Commission; Policy with Rest to Establishment of Measures to be Taken for the Protection of Reliable and Adequate Service for the 1973–1974 Winter Heating Season; Docket No. RM74-3)

VERIFICATION

Edward Berlin, being duly sworn, states that he is the attorney for the Consumer Federation of America, the American Public Gas Association, the American Public Power Association, and the National League of Cities—United States Conference of Mayors, and as such is authorized to file the attached Petition for Leave to Intervene, for Rehearing and for an Immediate Stay, and further states that he has examined said document and believes its contents to be true.

EDWARD BERLIN.

Subscribed and sworn to before me this 20th day of September, 1973.

MEMORANDUM IN SUPPORT OF APPLICATION FOR A STAY

(In the U.S. Court of Appeals for the District of Columbia Circuit; Consumer Federation of America, American Public Gas Association, American Public Power Association, National League of Cities—United States Conference of Mayors, Petitioners v. Federal Power Commission, Respondent)

INTRODUCTION

On September 14, 1973 the Federal Power Commission issued Order No. 491 (copy attached) authorizing natural gas producers to make sales of natural gas to interstate pipelines at *any price* and without the need to apply for a certificate of public convenience and necessity. The sole limitation is that such sales are, in the main, limited to six months. Thus, by administrative fiat the FPC has directed what the President recently announced he would seek of the Congress—The deregulation of natural gas.[1]

It is noteworthy that the Commission order was issued as a *fait accompli* without prior warning or provision for public participation through the customary commenting procedures of the Administrative Procedure Act. 5 U.S.C. 553. Petitioners, on September 20, filed with the Commission a Petition for Leave to Intervene, for Rehearing and for an Immediate Stay.

As we hereinafter discuss, the procedures utilized by the Commission violate the most basic requirements of procedural due process. We next show that, procedural problems aside, the Commission is utterly without the authority to effect deregulation by administrative fiat. Finally, there can be no equitable basis for the taking such extraordinary steps even if to so do were within the Commission's legislative competence for (1) the Commission has not, and cannot, demonstrate that interstate natural gas supplies would be at all augmented by its Order and (2) postponement of the 180-day deregulation rule would leave in effect a prior Commission order which would permit uncertificated sales for a 60-day period with natural gas companies free to seek extension of that period by application for a limited-term certificate. In these circumstances the only person who conceivably could be prejudiced by a suspension of this latest deregulation rule would be a natural gas company desirous of continuing a sale for more than 60 days where the Commission, following consideration of a limited-term certificate application, found the sale (i.e., price) to be in contravention of the public interest. In the circumstances, each requirement for emergency relief is satisfied and a stay should issue. *Virginia Petroleum Jobbers Assn.* v. *FPC*, 104 U.S. App. D.C., 106, 110, 259 F. 2d 921, 925 (1958).

1. *The Commission Ignored the Basic Requirements of Administrative Due Process.*

The Commission's 180-day deregulation order was issued without prior warning or notice. There was no opportunity for the filing of comments. Indeed, one must suspect that the Commission is particularly desirous of avoiding public participation for it specifically directed parties to withhold the filing of comments until January 15, 1974. As such, its procedure is violative of the most basic requirements of the Administrative Procedure Act.

To be sure the Commission sought to justify its procedural failures by finding that "No notice of these actions is required under the Administrative Procedure Act, nor do we find that notice and public procedure would either be practicable, necessary, or serve the public interest" citing 5 U.S.C. 553 (b)(3) (A) and (B). What the Commission fails to appreciate, however, is the nature of the burden established by the APA. The stated presumption is that the mandated procedures are to be complied with *unless* the agency finds that their application would be "impracticable, unnecessary or contrary to the public interest." Having failed to so find the Commission was obliged to discharge its procedural requirements.

Indeed, it is open to serious question as to whether the Commission even had the prerogative of limiting its procedures to the requirements of 5 U.S.C. 553, "the minimum protections upon which administrative action may be based, according to interested parties a simple notice and right to comment." *Mobil Oil Corp.* v. *FPC*, — U.S. App. D.C. —, F. 2d — (CADC No. 72-1471), Slip Op., p. 29. In *Mobil* the Commission's adherence to Section 553 was held to be an inadequate basis for the promulgation of minimum rates for the transportation of liquefiable hydrocarbons. We suggest that the impact of the Commission's decision here is legally indistinguishable. The Commission just as assuredly exercises its authority to set rates by ordering deregulation as it does when it affirmatively sets prices. The effect upon consumers will be no different than had the Commission readjusted area rates to what ever level the market will bear, a conclusion plainly at odds with *CATCO* (*Atlantic Refining Co.* v. *Public Service Commission*, 360 U.S. 378) and *Texas Gulf Coast Area Natural Gas Rate Cases*, — F. 2d — (CADC, No. 71-1828) where the Court stated (Slip Op., pp. 25–26, footnote omitted):

"Another option does remain—that of setting the price of natural gas at the market price, or of allowing the market price to govern the "just and reasonable price" of natural gas. A variant of this contention is the submision by the producers that in time of supply shortage, regulation for an area that serves not only an interstate market but also an (unregulated) intrastate market must set the regulated prices as high as the unregulated in order to prevent diversion to the intrastate market. However, so long as the legislature has assigned the agency the function of regulation of rates, it cannot legitimately execute that function in a fashion which, in fact, is tantamount to total deregulation or nonregulation. Congress did not provide for agency action and court review as a charade.

We are wholly sympathetic with the need to take all appropriate steps to assure the maintenance of reliable natural gas service. However, even if the Commission's Order could be said to promote the adequacy of service—which, as we show below, cannot be concluded—there is no basis for the wholesale eradication of basic notions of procedural due process. Even if it is assumed that deregulation can be accomplished through rulemaking, and naturally we do not so assume, elementary notions of administrative fairness mandate that interested persons at least be permitted to file comments addressed to proposed policy modifications. The Commission itself recognized the propriety of so proceeding as the predicate for the issuance of Order No. 418, where it authorized 60-day uncertificated emergency sales by producers to interstate pipelines.[2]

The justification for dispensing with similar procedures here is made even more difficult to comprehend by an examination of the underlying chronology. In response to the notice issued on October 6, 1970, "[s]everal parties suggested that the proposed 60-day period of emergency operation be extended to periods ranging from three to six months." Order No. 418, 44 FPC 1575. Characterizing that suggestion as requiring "a drastic departure of our heretofore stated purpose" the Commission "defer[ed] disposition of this [suggestion] until such time as we may *propose* additional rules applicable to emergency transactions on a more extended basis." 44 FPC 1575, emphasis added.

In light of that pronouncement it was reasonable for interested parties to assume that before that "drastic" proposal would be implemented the Commission would indeed *propose* a rule change and invite public participation—if necessary on an expedited basis—through the ordinary commenting process. It is ironic that the delay necessary to permit public participation was tolerated before the adoption of a 60-day deregulation rule but not deemed important where the authorized period of deregulation was to continue for six months (although the Commission previously labeled any extension of from *three* to six months as "drastic"). The irony is compounded when one considers that owing to the existence of Order No. 418 a mechanism would be available for emergency sales (initially limited to a 60-day period but subject to possible extension)[3] during any period prescribed for the filing of comments.

Moreover, the fact that the suggestion has been pending before the Commission since at least beginning some time earlier than December 10, 1970 belies any suggestion that the need for expedition can excuse administrative due process. Nor is the Commission's position here strengthened by the staff report on curtailments to which reference is made. Order No. 491, p. 4.

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[1] President's Press Conference of September 5, 1973.

[2] That order, issued on December 10, 1970, was preceded by a notice issued on October 6, 1970 which set forth in full the proposal under consideration.

[3] See *HNG Oil Company* Docket No. C174-8, where, in its order issued on September 13, 1973, the Commission noted:

> From May 17, 1973, through July 16, 1973, Applicant made a sixty-day emergency sale of natural gas from the subject acreage to Texas Eastern within the contemplation of Section 157.29 of the Regulations under the Natural Gas Act (18 CFR 157.29); and upon Applicant's request by letter dated July 13, 1973, Applicant was authorized to continue the emergency sale within the contemplation of Section 157.29 until September 14, 1973, or until a certificate is issued in the subject docket, whichever is earlier.

That report, published on July 16, 1973, was certainly available to the Commission by no later than that date. Perhaps the Commission was dilatory in responding to its implications but that serves as no excuse to compound the felony by slamming the door shut on public participation.

2. *Procedural Problems Aside, the Commission Lacks the Legal Competence to Declare Deregulation by Administrative Fiat.*

The Commission's order purportedly is based on Sections 7 and 16 of the Natural Gas Act, 15 U.S.C. 717f and 717o. The former establishes the need for certificates of public convenience and necessity as the condition precedent to the transportation or sale of natural gas in interstate commerce. The latter authorizes the Commission "to perform any and all acts, and to prescribe, issue, make, amend, and rescind such orders, rules, and regulations as it may find necessary or appropriate to carry out the provisions of" the Act.

As to the former, it is clear that Section 16 in no way permits the Commission to usurp the legislative prerogative of excusing compliance with the Act. *Texaco, Inc.* v. *FPC*, 474 F.2d 416, 420 (CADC, 1972). In *Mobil, supra*, the Court laid to rest any conceivable argument that Section 16 can be looked to, to excuse compliance with the Natural Gas Act's rate setting requirements, "indeed, the inference is to the contrary." Id. at 36. Section 16 "merely augment[s] existing powers conferred upon the agency by Congress, [it does] not confer independent authority to act." Id. at 35, quoting from *New England Power Co.* v. *FPC*, —— F. 2d —— (CADC No. 71–1539) Slip Op., pp. 11–12.

Nor can the Commission's action be justified under the exemption for temporary sales permitted by Section 7(c), 15 U.S.C. 717f(c). That Section arguably supports the procedures displaced by the Commission's latest order which permitted uncertificated sales for a 60-day period during which time a natural gas company, should it desire an extension of that period, could apply for a limited-term certificate. Unless and until the Commission establishes—and it has made no attempt so to do—that it is not possible to complete limited-term certificate proceedings within the 60-day grace period afforded natural gas companies, there clearly is no "emergency" justifying even a more sweeping eradication of Section 7 protections. It bears emphasizing that the Commission's inability to make the requisite findings is compounded by its seeming ability to extend the 60-day waiver. See *HNG, supra*. Without accepting the propriety of the extension there granted, it is a far different thing to grant relief tailored to an ad hoc situation, *with respect to which a hearing was in process*, than abruptly to slam the door on regulation per se.

Without debating whether the Commission is sweeping away its Section 7 responsibilities or, as we submit those of Section 4 (15 U.S.C. 717c), its action can be sustained only if supported by substantial evidence in the record. *Mobil, supra*, at 38–43. This requirement itself dictates "the sort of procedures required." *Id.* at 40 At a minimum it requires that there be a *record*. If there is a record here there is no indication as to what it consists of, apart from an untested staff compilation of untested industry supplied curtailment information—supplied without any person at all apprised of the use to which it would be put. If this be the record upon which the Commission is acting then here, as in *Mobil*, "Much of the evidence appears possibly suspect, we have no way of knowing from the record whether the figures are valid. There is no evidence in the record except that which the Commission has chosen to include to support its position." *Id.* at 42, footnote omitted.

Further, the Commission has failed to offer any findings at all which purport to relate the action it is taking here with the promotion of adequate gas supplies. Apart from its failure to explain how any such administrative fiat can overcome the lead time for exploration and development of new supplies, there is no suggestion made that the extension of the deregulation period to 180 days (240 days in the case of persons now making sales under the old 60-day rule) would bring *1 mcf* of additional natural gas to the interstate market beyond the amounts that would be committed under existing procedures. There is, in short, no indication of the *quid pro quo* to consumers as the price of deregulation.

To be sure it is conceivable that a limited-term certificate would be denied by the Commission where it finds the price too high and absent Order No. 491 that sale would presumably cease at that price after 60 days. But surely it cannot be said that the justification for the 180 day exemption is that it would permit the continuation of sales which the Commission would hold to be in contravention of the public interest. And even if that is the justification—or indeed whatever be the justification—the Commission was obliged to articulate sufficient reasons and adequate findings upon which to permit interested parties to focus on rehearing and in considering judicial review and to permit a court to exercise its reviewing function. *Mobil, supra* at 48; *Citizens Association of Georgetown* v. *Zoning Commission*, 477 F. 2d 402, 408 (CADC, 1973).

3. *Failure to Stay the Commission's Order Will Irreparably Harm Petitioners and the Public Generally While Causing No Prejudice to the Commission or Its Presumed Objective.*

We need not belabor the irreparable harm to the public interest as a direct and unavoidable consequence of the Commission's action. Natural gas has been deregulated. The public, which must obtain service from franchised monopolies, will be left to the mercy of "what-the-traffic-will-bear pricing." Now, during times of scarcity when vigilant regulation is far more critical than it has ever been in the past, the public is to be stripped clean of the protective shield afforded it by the Congress.

Necessarily this public harm is prejudicial to Petitioners. The Consumer Federation of America is a federation of more than 200 national, regional, state and local consumer organizations which, in turn, have memberships totalling in excess of 7 million consumers. The maintenance of adequate supplies of energy, including natural gas, at prices which are fair to the consumer, has long been a central policy goal of CFA. In this connection, and in part because of the recent controversy concerning the adequacy of natural gas supplies and pricing mechanisms, CFA has constituted an Energy Policy Task Force designed to permit both member and nonmember organizations an opportunity to participate in the resolution of the energy crisis by bringing their collective voice to the attention of the appropriate regulatory and administrative authorities.

The American Public Gas Association is an association of 235 municipally-owned gas distribution systems serving approximately 1¼ million consumers of natural gas throughout the United States.

The American Public Power Association is an association of 1,400 municipally-owned electric utilities, some of which burn natural gas as boiler fuel. APPA member organizations serve approximately 30 million consumers throughout the United States.

The National League of Cities—United States Conference of Mayors is the organization charged with the representation of cities of populations of 30,000 and over. Through its 700 member cities the League represents in excess of 100 million persons many of whom are consumers of natural gas.

Moreover, there can be little dispute but that implementation of Order No. 491 will impact significantly the price of natural gas to consumers. Under the Commission's existing, but more limited, deregulation effort sales have been commenced at prices significantly in excess of twice the applicable area rate.[4] The effect of the instant order is to extend deregulation for a period threefold that previously authorized, compounding the economic impact on the individual natural gas consumer. As such it was most appropriate that consumers be afforded the opportunity to participate, through the organizations established for the specific purpose of furthering their interests as consumers, a right denied by the Commission's abortive procedures.

The prejudicial consequence of Order No. 491 are not limited to its expansion of the deregulation period. Rather, the integrity of gas supply will itself be threatened by the suspension of the limited-term certificate provisions of Section 2.70(b)(3). It has been the practice that parties to 60-day uncertificated sales have sought their extension, by the filing of limited-term certificate applications, for periods of from one to two years. Suspension of that procedure will frustrate seriously the ability of distribution companies to obtain commitments for periods in excess of 180 days. We fail to appreciate why that action is not entirely inconsistent with the expressed objective of Order No. 491 and no explanation is offered.

In these circumstances an immediate stay of Order No. 491 is warranted. A stay would permit the Commission—following abbreviated notice procedures if necessary—to permit meaningful public participation in this matter if only through the consideration of any Petitions for Rehearing that may be filed. Moreover, and most significantly, it could prejudice no one for the effect of a stay would be to reinstate the 60-day and limited-term procedures of Orders No. 418 and 431. Hence emergency sales could begin and continue pending resolution of this docket with it open to any natural gas company to seek a limited-term certificate extending the sale beyond the 60-day period. As indicated, the only person who could conceivably be prejudiced by a stay of Order No. 491 would be a natural gas company that wished to continue, for the full 180 days, a sale the Commission would determine to be in contravention of the public interest. Tested by each of the applicable criteria, a stay is most appropriate.

CONCLUSION

For the foregoing reasons we request that the Court set this motion for hearing within 5 days. During the delay the Commission will have an opportunity to consider the stay application previously filed with it. Although we are not at all sanguine about the Commission's likely response—particularly in view of its postponement of any commenting period until January 15, 1974—should the Commission grant a stay emergency action by this Court will not be necessary. Should the Commission decline to respond a stay will be required if the status quo is to be maintained pending review of the merits.

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[4] See Orders issued September 13, 1973 in *Shenandoah Oil Corp.* (Docket No. CI73–922); *Rains and Williamson Oil Co.* (Docket No. CI73–930); and *W. S. Etchieson and J. B. Watkins* (Docket No. CI74–4).

28 U.S.C. 1651; *FTC* v. *Dean Foods Co.* 384 U.S. 597 (1966); *Whitney National Bank* v. *Bank of New Orleans* 379 U.S. 411, 425–426 (1965).

Respectfully submitted,
EDWARD BERLIN,
Berlin, Roisman & Kessler.
CHARLES F. WHEATLEY, Jr.,
American Public Gas Association.
FRANK W. FRISK, Jr.,
American Public Power Association.
WASHINGTON, D.C.

(In the U.S. Court of Appeals for the District of Columbia Circuit, Consumer Federation of America, American Public Gas Association, American Public Power Association, National League of Cities—United States Conference of Mayors, Petitioners, v. Federal Power Commission, Respondent)

PETITION FOR REVIEW

The Consumer Federation of America, the American Public Gas Association, the American Public Power Association, and the National League of Cities—United States Conference of Mayors hereby Petition for Review of Order No. 491 issued by the Federal Power Commission on September 14, 1973.

By the said order the Federal Power Commission has authorized natural gas producers, which otherwise would be subject to the restrictions of the Natural Gas Act (15 U.S.C. 717), to make sales of natural gas to interstate pipelines at any price and without the need to apply for certificates of public convenience and necessity.

Petitioners, aggrieved by said order, hereby seek review and, by a motion simultaneously filed, an emergency stay. It is our position that the Commission entirely lacks the legal competence to issue the deregulation order and that, in any event, the procedures which it followed fail to comply with the basic requirements of the Administrative Procedure Act (5 U.S.C. 553) and the Natural Gas Act.

Respectfully submitted,
EDWARD BERLIN,
Berlin, Roisman and Kessler.
CHARLES F. WHEATLEY, Jr.,
American Public Gas Association.
FRANK W. FRISK, Jr.,
American Public Power Association.
WASHINGTON, D.C.

MOTION FOR A STAY

(In the U.S. Court of Appeals for the District of Columbia Circuit; Consumer Federation of America, American Public Gas Association, American Public Power Association, National League of Cities, United States Conference of Mayors, Petitioners; v. Federal Power Commission, Respondent)

By this Motion, filed pursuant to the All Writs Act (28 U.S.C. 1651), Petitioners seek a stay of the effective date of Order No. 491 issued by the Federal Power Commission on September 14, 1973. That Order (which is attached to our supporting Memorandum) authorizes natural gas producers to make sales of natural gas to interstate pipelines at *any price* and without the need to apply for a certificate of public convenience and necessity. The effect of the order is to declare deregulation by administrative fiat in contravention of the Natural Gas Act. 15 U.S.C. 717.

The grounds in support of this Motion are set forth in the accompanying Memorandum. As is there established, the Commission lacks the legal competence to free natural gas companies from regulation and, even were it not lacking in authority, the procedures which it utilized were violative of both the Natural Gas Act and the Administrative Procedure Act.

Petitioners have sought to invoke appropriate procedures by a filing addressed to the Commission on September 20, 1973. The stay which we here seek is necessary to preserve this Court's jurisdiction to review the Commission's Order. *FTC* v. *Dean Foods Co.*, 384 U.S. 597 (1966); *Whitney National Bank* v. *Bank of New Orleans*, 379 U.S. 411, 425–426 (1965).

Respectfully submitted,
EDWARD BERLIN,
Berlin, Roisman and Kessler.
CHARLES F. WHEATLEY, Jr.,
American Public Gas Association.
FRANK W. FRISK, Jr.,
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WASHINGTON, D.C.

CERTIFICATE OF SERVICE

(In the U.S. Court of Appeals for the District of Columbia Circuit; Consumer Federation of America, American Public Gas Association, American Public Power Association, National League of Cities, United States Conference of Mayors, Petitioners; v. Federal Power Commission, Respondent)

I hereby certify that copies of the Petition for Review, Motion for a Stay, and Memorandum in support of Application for Stay, were today served on the Federal Power Commission by delivery to:

GEORGE MCHENRY, Esq.,
Solicitor, Federal Power Commission.
EDWARD BERLIN,
Berlin, Roisman and Kessler.
WASHINGTON, D.C.

THE STRUGGLE FOR ADEQUATE ENERGY: ARE WE WINNING OR LOSING?

(Remarks of Lee C. White, Chairman, Energy Policy Task Force, Consumer Federation of America, September 18, 1973)

It is tempting to respond to a title such as that given to this panel discussion (The Struggle for Adequate Energy: Are We Winning or Losing?) with a simple yes or no. In light of the importance of the subject, the fact that there is a distinguished interested audience present and two other panel members to discuss the topic, the temptation must be resisted. Instead, I would offer the following: "Yes, we are winning and we are losing, but all is not lost."

In the current idiom of "good news—bad news", let me first list the "good news" factors. The first positive note is that at long last energy problems have risen to the top of our national priority list of domestic problems to be understood and resolved. By putting energy on the domestic list, I do not mean to ignore energy policy's significant international ramifications, but rather to locate it in the category where its characteristics logically place it. One of the traditional standard difficulties for those who are interested in and have worked with natural resource problems has been an inability to get policy makers in this country to focus on such problems long enough and deeply enough to reach decisions by positive conscious process, rather than by default.

Like most other major national concerns, the cluster of energy problems and issues have some short term, some moderate term and some long term considerations, consequences and solutions. The President's personal attention has apparently been brought to bear on the energy problems; he has designated Governor Love to be the Director of the Executive Branch Energy Policy formulation mechanism; there has been an almost constant spate of Congressional hearings on the many aspects of energy; and the general press has been devoting increased and nearly daily attention to these matters. All of these factors make it clear that some important and basic decisions are going to be reached.

Another piece of positive news is, I think, implicit in the title of this panel which refers to "adequate energy." I interpret this to mean that we have turned a corner in this country, so to speak, and we no longer assume that there need be or will be the same growth in energy consumption reflecting our continually increasing appetite for energy that has characterized the past half century. There may be doubt as to whether the President's energy conservation legislative program or his administrative actions go far enough, but at least he is saying the right things. We are constantly being reminded of the need to use our energy resources wisely, efficiently and even judiciously. President Johnson's admonition to "turn the lights off" when we are not using them is not a joke now, it is instead in vogue. Even Johnny Cash, through the courtesy of our local friendly oil company, is telling us to drive more slowly so that we will consume less gasoline.

A further encouraging note is that we have responsible political leaders—in the form of the President and Senator Jackson of our host State of Washington—in virtual agreement that we must make a national commitment to devote billions of dollars to research and development for energy purposes. R&D for making our energy resources available, for increasing the efficiency with which we transform them into energy, for minimizing environmental impacts and for conserving energy is nowhere as glamorous as sending a man to the moon. Similarly, it is a bit difficult to believe that our very national survival rests upon such R&D efforts as was true in the case of the World War II Manhattan Project. Despite the lack of glamour and belief that our very existence depends upon energy R&D, we appear to have reached a national consensus that we should commit $2 billion annually to this activity. Comparisons are rarely easy, but many of us believe achievement of these scientific and technological objectives is more important to our national well-being than was our space effort. In any event, the important thing is the commitment appears to have been made.

Any "Good News" list should also note that our national disruption and discomfort in terms of last year's heating season, this summer's air conditioning requirements and our gasoline supply situation, was weathered with relatively little national inconvenience. That may be scant comfort to those who were stranded this past summer or to those who chose not to run the risk of alerting their plans, but let's not carp about that.

And now for some of the "Bad News." If we got through the summer safely, even though barely, we have yet another winter staring us in the face and severe situations may well develop. Congress authorized the President to adopt a mandatory fuels allocation program last April, but thus far the President has refused to exercise that authority, choosing instead to rely upon voluntary programs. The Task Force that I represent here today believes that this is the wrong approach and continues to urge, in every possible forum and at every possible time, that the mandatory program be put into effect immediately. The 2,000 independent gasoline stations that have gone out of existence in the year 1973 (which is not over yet) will find little comfort in the Administration's reliance upon voluntary action by the major integrated petroleum companies to allocate their crude oil and finished petroleum products so as to ensure continuation of a competitive situation between them and the independent refiners and marketers of petroleum products. In testimony before the Administration's Oil Policy Committee, which incidentally has a little of the flavor of a floating crap game in the sense that it seems to change chairman every other week, our Task Force suggested that a mandatory program ought to rest on humane consideration for major integrated oil company executives. It is simply unnatural to expect industry leaders, who have come to positions of power through decades of having their efforts measured by their annual profit and loss statements, make decisions on a voluntary basis that are contrary to the best interests of their stockholders even though those decisions would better serve a larger national purpose. Put differently, the point is that if the Administration knows what it wants and will adopt rules that are uniform and as equitable as possible, oil company executives should be relieved to be told what they must do without detriment to their relative position with regard to other oil companies and thereby be spared the difficult problem of choosing between their stockholders and the company's customers which, of course, are the consumers of the country.

Another facet of the energy situation that belongs on the "big trouble" list is the administration's apparent belief that the major solution to the energy supply problem is to remove all controls on the price of energy. To some extent, this is probably a result of basic philosophy of the administration. But philosophy aside, any such proposal must be evaluated in terms of the situation that exists today and that which can be expected to exist in the future. Undoubtedly consumers are willing, as they have been through the decades, to pay the fair costs of energy plus a reasonable return. In situations such as electricity and gas, where the physical characteristics make normal competition impossible, regulation has served as a substitute, albeit, an imperfect one. Under today's circumstances with energy supply out of balance with demand, it is imperative that there be protection for the millions of consumers who have invested in equipment and facilities to use natural gas. The President's recommendation to deregulate the prices of newly discovered gas at the wellhead should be the subject of Congressional inquiry and although our organization is opposed to deregulation, we contend that the decision should be reached by Congress squarely and directly, not by default.

One key explanation for the recent failure of the petroleum industry to make significant increases in exploration and development—as well as the decreasing amounts of gas dedicated to the interstate market—is the understandable reluctance of the industry to move at a time when the promised land, deregulation, is just around the corner. Congress should examine the subject and make clear to the industry what the ground rules are to be in the foreseeable future.

It is not easy, of course, to be a regulator in periods of rising costs and prices, and I have considerable empathy for those of you who are in that particular line of business. But the consumers, in the nature of things, are captives and must depend upon the regulatory process to protect them. I don't think we should be abandoned to the "free market" at this time. Another piece of "bad news" is the troubled world oil picture. In 1959, President Eisenhower adopted the oil import quota program on the ground that we should restrict the amount of low cost foreign petroleum entering the United States in order to provide incentives for the domestic industry to develop our own national resources so that this country would not be dependent upon "unstable foreign nations" for its energy supply. Fourteen years later with the consumers having paid an annual excess petroleum bill estimated at between $5 billion and $7 billion, or approximately $85 billion total, we find ourselves exactly where we were told the program was to prevent us from winding up—namely, dependent upon "unstable foreign nations."

With the nation's major integrated petroleum companies reporting record-breaking profits for the first half of this year, it seems to me that there are some suggestions that ought to be considered in increasing our domestic petroleum exploration and production other than simply increasing prices. Our tax policies should be modified to discourage the majors from investing in exploration in every other corner of the world; we, as a nation, should insist as a condition before granting benefits to domestic oil producers, such as participating in offshore leasing and in importing foreign crude oil and petroleum products without paying import fees, that those companies receiving such benefits will allocate their products on a basis specified by the government to ensure a fair allocation that will promote competition; requirements in offshore leases should be strengthened and rigidly enforced; and rather than nationalize the petroleum industry or transform it into a public utility status, I believe the Congress should create a Government-owned corporation which would explore for, develop, produce and sell oil and gas deposits from public lands to serve as a competitive spur to the privately-owned petroleum companies and to provide the public and the Government with hitherto unavailable data on the actual costs of such production.

Not even the positive items mentioned at the outset are free of some difficulty. For example, as laudable as our acceptance of the conservation ethic may be, experience tells us that some very tough and affirmative actions will have to be taken by Congress before real progress is made on handling the demand side of the energy equation. Today, hardly anybody is opposed to conserving energy, but Detroit is not likely to stop manufacturing gas-guzzlers unless there is a legislative prohibition or some very meaningful disincentive—for example, a steeply graduated tax on automobiles that are wasteful users of energy.

Even though the R&D commitment is in the "good news" category, there are still some very tricky and sticky decisions to be reached on priorities and, indeed, part of the difficulty is who will make the decisions and what criteria should govern.

Yet another less-than-positive aspect of the energy situation is the conflict it poses with environmental concerns. The past 5 years has seen a drastic change in our national attitude towards the environment, and it is most unfortunate that some of the goals and objectives that are so reasonable and, indeed, even essential, may require postponement. I think one would be foolish to say that there can be no yielding of any environmental standard once it is promulgated by any Federal, state or local government. Rather, in my view, the test ought to be one of reasonableness. Any weakening or delay should be for a limited, definite and very short term; the burden should be on the industry or other institution seeking the delay; and the granting of any such action ought to be on a case-by-case basis with considerable weight given to how serious the efforts have been to comply with the requirements and how the public's conflicting interests are balanced.

A mere listing of some of these important considerations that are a part of our energy package of problems should suggest the complexities and the difficulties that face our nation and especially the Congress. The beginning of wisdom is to recognize a need—I think we can safely chalk that up as behind us. From then on it gets more difficult, but we enjoy a national optimism about handling problems. I personally find it impossible to believe that when the various factors and the full range of solutions are before the Congress and the public that we will not make the hard decisions and find the right basic solutions.

Remarks of Lee C. White, September 19, 1973

Your annual meeting is a useful opportunity for you to gather together to focus on past activities of common interest, and, more importantly, it affords the opportunity to consider and plan for the coming year.

I would guess there is no time when your organization meets that there is not some particular package of problems—both national and local in character. This year's meeting, however, comes at an especially dramatic moment in that Congressional hearings are to be held beginning next month on a number of proposed changes to the Natural Gas Act, an Act of enormous significance to you and your individual systems and to APGA as a national association. And it occurs only a few days after the Federal Power Commission, in an extraordinary act of arrogance, has, for all practical purposes, suspended a part of the Natural Gas Act, reversed the Supreme Court (by treating the 1954 *Phillips* case on wellhead regulation as though it did not exist), made a shambles of the Administrative Procedure Act and has capitulated to the gas producing industry. The FPC order decontrolling natural gas wellhead rates for six months will be challenged—administratively, judicially, or legislatively—perhaps in all of those ways.

The President has recently emerged from his self-imposed seclusion to demonstrate to us his ability to govern—so far as I am concerned, this is as it should be. In his second press conference in two weeks and in his briefing of the White House press following a Saturday morning Cabinet-level discussion of energy, the President has indicated that a number of his legislative proposals are languishing in Congress, and he has asked for action. I believe the President is entitled to have his legislative recommendations considered by the Congress and, quite frankly, I think that all of us should be pleased that this is about to occur.

Among the legislative suggestions we can expect to be explored in hearings are:

Deregulation of new natural gas at the wellhead;

Deregulation of both new and flowing gas at the wellhead;

Extension of FPC jurisdiction to intrastate gas well as to interstate gas;

Variations of the "sanctity of contract" legislation;

A resolution prohibiting the FPC from adopting a national gas rate, at least until a definitive decision is reached by Congress on many of these substantive points;

Possibly a proposal to establish a United States Energy Corporation to explore for oil and gas deposits on public lands;

Whether the FPC should have jurisdiction over liquefied natural gas and/or synthetic gas produced from coal, oil shale, naphtha and other substances;

Whether the FPC, assuming the continuation of regulation, should be permitted latitude (which I and others contend the Commission does not presently possess under the Act) to exempt small producers, to provide optional pricing alternatives, and generally to move away from cost-based rate-making.

There may be others, and it makes sense in my judgment, to reexamine our whole national attitude about the manner in which natural gas should be treated in this country. A great deal has happened since the enactment of the Gas Act in 1938, and there can hardly be any remaining doubt of the importance of this particular fuel to the nation.

Having said that a full scale review and reexamination is appropriate, I want to make clear that I have some preconceived notions as to what that re-assessment will show and what some of the steps are that should be taken by the Congress in response to the circumstances that exist today. Before getting into any of those, however, it occurs to me that a little attention should be focused on how to organize for the debates and struggles that are about to occur. As you may know, I am here today in my capacity as the Chairman of the Energy Policy Task Force of the Consumer Federation of America. This is a group of 20 organizations, national in scope and with a broad membership base. Early in this year, a number of people, including your own General Manager, Charlie Wheatley, concluded that a great void existed in the energy policy debates then beginning to take place in Congress, in the press and generally across the country. As a consequence, they conceived the idea of the Task Force, which came into being in late March. Since that time there has been at least one voice in those policy debates frankly and unabashedly espousing the prejudices and biases of consumer interests. We have had numerous opportunities to express our views. Although it is not possible to assess our accomplishments and failures in any definitive way, we have offered some alternative views and suggestions and have criticized those of the Administration, the industry and others when we believe such criticism is warranted.

Many of you will recall the ad hoc coalitions that came into existence in 1956 and earlier to engage in the great struggles that took place then over what his nation's natural gas policies ought to be. A similar effort is required today, and our task force may well be the suitable vehicle for such concentrated efforts. I hope that in the remainder of your meeting here in Missouri, you will focus considerable attention on what you believe ought to be our nation's policies with regard to natural gas and other energy forms and that you will also examine what role you wish to take as individual gas distribution systems upon whom hundreds of thousands of people rely for gas service and as a national organization with experience, data and views that ought to be placed before the decision makers in our society.

With regard to the FPC order mentioned earlier (Order No. 491, September 14, 1973), it must not be permitted to stand. I assume that the APGA will contest the commission's action in all proper ways. You do not customarily shrink from tough battles—I do not expect you will this time.

On the various substantive issues, I would like to sketch briefly the positions that have thus far been enunciated by the task force; during the remainder of my stay here I hope you will give me the benefit of your reactions, suggestions and comments. In addition, I know that Charlie Wheatley and other members of the APGA staff, who have not been noted in Washington for their reticence or bashfulness, will make your views known somewhat vigorously.

Deregulation of Natural Gas—The same characteristics of the natural gas industry which prompted the Congress to adopt the Natural Gas Act in 1938 and the Supreme Court's *Phillips* decision in 1954, exist today—in fact, the need to provide consumer protection is far greater today. The principal elements arguing against decontrol of wellhead prices—either for all gas or only for newly discovered gas—are the following: There is absolutely no credible evidence indicating the additional volumes of gas that would be produced and available for any particular price whether it is 35¢ per thousand cubic feet, 50¢, 75¢, $1.00 or $2.00, and, indeed, no natural gas producer, that I am aware of, has even been willing to make a commitment to increased investment in exploration and development if prices are increased or if controls are removed; if the ability to pay higher prices for natural gas is the only test to be employed, residential consumers are at the mercy of the producer with almost no ability to convert to other fuels; and the basic function of regulation is to prevent windfalls and unconscionable profits by those in positions of economic strength to exact whatever prices they choose to fix and, in this instance, the producing industry has the economic power, the captive customer and an essential product. A far more realistic approach would be to include intrastate gas within the price-regulating responsibilities of the FPC; natural gas is a national resource that should be used for the highest and best purposes and all that this nation possesses should be subject to the same standards and regulations. It makes no sense for natural gas to be burned to heat boilers in Oklahoma or Louisiana simply because it happens to be located there when there are families elsewhere in the United States who cannot attach new housing units to gas distribution systems because there is not enough gas for those purposes.

Modification of Tax Policies—Federal tax policies have encouraged American petroleum companies to invest vast sums of money in exploring for oil and gas in areas outside of the United States. Obviously, there are some national interests that are served by such efforts, and yet when one examines our need today for investment funds in the United States to discover and develop petroleum deposits, it is obvious that our tax policies should be modified to reduce incentives for overseas investments in exploring for oil and gas. Congress, as the policy-making mechanism in our society, should determine our national objectives and modify the rules including taxes to achieve those objectives. Since there is a need to stimulate greater investment to find oil and gas in this country, we must tilt the tax factors so they will achieve that goal.

Modification of Policies Governing Offshore Leasing—It has been suggested in numerous ways and on numerous occasions that a shift to a "royalty" basis in leasing government lands would stimulate investors to discover oil and gas deposits in the Outer Continental Shelf. Additionally, there should be tougher requirements on production schedules. Perhaps one can understand why a producer of gas on Federal property may want to make an economic evaluation of whether to drill, find and deliver gas to the interstate market or to wait for that "great day" when gas is deregulated. But the owner of that property, the people of this country, should insist on prompt action by its lessees.

Impact of State Conservation Practices—Conservation practices implemented by gas-producing states have a considerable impact on the supply picture. If natural gas is a premium fuel, currently in short supply, and if this shortage has an adverse impact on national well-being and industrial development, the Federal Government should control this activity insofar as it relates to natural gas to ensure that there are no state policies operating to diminish the flow of gas for any improper purposes. Sound conservation practices are, of course, to be encouraged. But when state interests, particularly in the case of tax revenues and other interests, such as state-received royalties, are permitted to influence state agency decisions on the volume of gas that can flow, there is an obvious conflict with the national interest. Such action which is undesirable at any time becomes intolerable in times of gas shortage.

Use of the Federal Government's position and programs to achieve greater petroleum resource exploration and development—In addition to tightening up its leasing requirements, the Federal Government has considerable leverage in who it permits to bid for leases on Federal lands. To me, it makes a great deal of sense for the Federal Government to impose conditions for permitting companies to bid on Federal leases that, in the Government's judgment, will add to our domestic supplies of oil and natural gas; additionally, how the petroleum products resulting from those efforts are used should also be the subject of conditions laid down in advance for participating in such lease sales. For example, there could be a condition that a certain percentage of any oil found on Federal lands must be made available to independent refiners on a specified formula or allocation basis. Another condition could specify that a certain percentage of profits realized from gas and oil on Federal lands would be committed to exploring for oil and gas elsewhere in the United States. Under the new program announced in April by the President for handling oil imported into this country from abroad, the Administration has provided a waiver of certain import fees; these are valuable rights and easily calculated into dollars. It seems to me perfectly reasonable to require any company which imports crude oil or finished petroleum products and which takes advantage of the fee waiver, to agree ahead of time to allocate those products on a basis that the Government determines is equitable, uniform and designed to preserve and promote competition. In short, the Federal Government ought to use the strengths available to it to achieve national objectives.

Most of us have a great reluctance to take over the petroleum producing industry, either by way of nationalizing it or by way of converting it to public utility status. Although this may be understandable, it is certainly frustrating when the industry is not properly meeting national needs. In that set of circumstances, the Federal Government must do more than simply request an industry as essential to this nation as the petroleum industry is to do the right thing—it should use every ounce of muscle it possesses to see to it that national objectives and requirements are met.

United States Energy Corporation—An idea which has been receiving increasing attention and interest is the establishment of a United States Government-owned corporation which would be given the primary mission of exploring for oil and gas deposits on public lands. As suggested earlier, even though nationalization and imposing public utility status on the petroleum industry may not be appropriate at this time, it is appropriate for the Federal Government to take other actions and certainly one of them is to create a corporation which will be motivated not exclusively by the profit motive, but also by meeting national requirements. Such a government corporation would not pre-empt all publicly owned lands, but would have a fraction reserved for it. It should be comparable to a privately owned corporation as possible and should be specially charged with operating in a manner that minimizes environmental damage and which ensures competition among refiners and distributors of petroleum products including natural gas. One of the great frustrations for government regulators has been the paucity of information relating to production costs—a government-owned corporation would obviously make that data available to the public and afford some means of measuring production costs of the privately operated sector.

The TVA experiment has adequately demonstrated the ability of the Federal Government to operate efficiently in the energy field. We would expect its counterpart in the oil and gas producing business to achieve the same level of efficient operation. We hope efforts to translate this concept into legislation will proceed rapidly and that appropriate Congressional committees will have the opportunity to evaluate the proposal soon.

The listing of these items—and certainly there are a host of others that come quickly to mind—suggest the significance and the difficult character of the problems facing the nation, the Congress and the President. Those of you who have some experience and some interest in this energy field have an obligation to make your views known. There are no simple approaches lying around waiting to be discovered. This is a basic aspect of our national life, and it merits the attention and the analytical assessments of our most experienced and able people. Above all, it needs to be brought to the attention of the American public in the most understandable manner. The magnitude of the task is enormous, but it must be done. You have it within your ability to contribute to the understanding and thereby to the solution of these difficult problems. But it won't be done unless you make the commitment, and I hope that this annual meeting will not end without such a decision having been reached by you.

[From the Washington Post, Sept. 16, 1973]

LEE WHITE HITS FPC GAS ACTION

(By Morton Mintz)

A surprise Federal Power Commission decision to decontrol natural gas prices for six months was denounced by a former FPC chairman yesterday as one that capitulates to the oil industry, runs "roughshod over consumers" and administratively repeals part of the Natural Gas Act.

"Arrogance of enormous proportions," was the description given by Lee C. White, who is now chairman of the Consumer Federation of America's Energy Policy Task Force. White was FPC chairman from 1966 to 1969.

He also charged that the commission, which took the action Friday without notice and without giving interested parties a chance to comment, used procedures that "violate decency and fair play."

The commission's secretary, Kenneth F. Plumb, was directed by FPC Chairman John N. Nassikas to be in his office Friday at the unusually early hour of 7 a.m. so that the order could be prepared, a Senate source told The Washington Post.

Plumb was at home yesterday but declined to take a reporter's call. Nassikas was said to be unavailable.

In related developments:

Representatives of consumer groups, including the Consumer Federation, Consumers Union and the American Public Gas Association, set an emergency meeting for today to coordinate an attack on the FPC action.

A source close to Consumers Union, publisher of Consumer Reports, said CU will consider the possibility of filing a lawsuit to overturn the FPC decision on the ground that it was made in violation of the Administrative Procedure Act.

The FPC's chief economist, in an implied criticism of President Nixon as well as the commission and the oil industry, said the shortage of natural gas is aggravated by "public pronouncements that FPC regulation of gas producers was unworkable and should be abandoned."

The economist, Haskell P. Wald, in a Sept. 10 letter requested by Senate Interior Committee Chairman Henry M. Jackson (D-Wash.), did not name the President or others among the "many top administration officials" who for several years have been endorsing various decontrol proposals.

Such proposals, based on the claim that regulated prices are too low to make exploration and development attractive, undermine FPC regulation and development attractive to hold back supplies in "expectation of higher prices," Wald said.

The argument for ending controls on prices at the well-head, as Mr. Nixon urged Congress to do in a recent plea, rests on the proposition that the industry is composed of independent companies that compete on price in response to market forces.

"I am unaware of any evidence of that sort," Wald told Jackson. "The majors' economic dominance over the industry and their long-standing practices of working together so as not to 'spoil the market' for gas and oil are antithetical to meaningful price competition."

Friday's FPC decision, which was unanimous, permits interstate pipelines to buy gas from producers for six months, in porported "emergencies," without first obtaining commission approval. The pipelines automatically can pass price increases to consumers.

"The impact on consumers of this nation, both in the coming winter season—and by implication for the indefinite future—can be staggering," said the Consumer Federation's White. The former FPC head whose energy task force is a broad alliance of 21 organizations, continued:

"In effect, the commission has capitulated to the industry that has been unwilling to make natural gas commitments at the prescribed area rates, determined by the commission to be 'just and recoverable.'

"The order, resting on the assumption that there is plenty of natural gas available, but which has been withheld from the market, forces the consumer to pay any price that the producer exacts for his gas."

The FPC made its order effective the day of its adoption, while, in what White termed "an astoundingly bizarre provision," trying to prevent consumer groups and others from filing formal comments until Jan. 15. The order contemplates evaluation of the comments by the FPC starting on March 15——when the order is scheduled to expire.

The action was "especially surprising" in light of congressional hearings on the whole range of natural gas legislative proposals scheduled to begin next month, White said.

COST-OF-LIVING INCREASE FOR SOCIAL SECURITY RECIPIENTS

Mr. PERCY. Mr. President, I am joining today with a majority of my colleagues in the Senate in cosponsorship of Senator CHURCH's bill, S. 2397, to provide for a 7-percent increase in social security benefits beginning with benefits payable for the month of January 1974.

It is a well known fact that during these months of soaring food prices and continuing inflationary pressure on nearly all products and services, our Nation's elderly are suffering a tremendous financial hardship. Living on fixed retirement incomes, millions of our senior citizens simply cannot keep pace with the rising financial requirements for basic food, shelter, and health care.

Congress and the administration have recognized this problem and provided a 5.9-percent cost-of-living increase in social security benefits, effective next June. Such an increase, however, is needed now and it is needed desperately. On September 11 the Senate passed S. 1866, the civil service annuities bill, including an amendment by Senator HUMPHREY to make the social security increase effective immediately. I voted for that amendment and for final passage of the bill, and it is still my hope that the House will do the same and that the President will sign the increase into law in the near future.

Unfortunately, there is considerable doubt that the Humphrey amendment will survive House and Presidential action. The majority of my colleagues, many of whom voted for the Humphrey amendment, and Senator HUMPHREY himself, now feel that the bill introduced by Senator CHURCH, and initially cosponsored by Senators CRANSTON, RIBICOFF, CLARK, PELL, and HART, will have a better chance to become law. S. 2397, providing for a 7-percent increase effective in January, is now cosponsored by more than 50 Senators.

Because I feel that it is imperative that the elderly receive an increase as soon as possible, I am joining as a cosponsor of S. 2397, even though there is still a possibility the Humphrey amendment will be approved. My simultaneous support of Senator HUMPHREY's amendment and Senator CHURCH's bill is not an indication that I am in favor of two raises totalling 12.9 percent within the next few months. Such a combined increase, although attractive to social security recipients, would not be currently feasible.

There can be no question about my position on this issue: I will work for whatever measure seems most likely to accomplish with the greatest expediency the ultimate goal of implementing a cost-of-living increase for social security recipients. If Senator HUMPHREY's amendment to S. 1866 does indeed receive final approval, I shall not, of course, support S. 2397.

I believe that the large number of cosponsors of Senator CHURCH's bill is a clear indication that most of my colleagues agree with me. The Senate's desire for speedy implementation of this raise is obvious; I hope that the House will recognize our dedication on this issue and will act in accordance.

A CRISIS OF CONSUMER ECONOMICS: FAILURE OF THE NIXON ADMINISTRATION

Mr. MUSKIE. Mr. President, the statistics released last week on the current state of our economy confirm that our Nation continues to face a consumer economic crisis. The final price figures for the month of August show an inflation rate without recent historical precedent: consumer prices up that month 1.8 percent, wholesale prices up 5.8 percent, retail food prices up 6 percent, and wholesale food prices up 17.6 percent.

And these 1-month figures are merely the peak of a recent trend. Based on figures for the last 6 months, the annual inflation rate for all consumer prices is 10 percent; for all wholesale prices, the annual inflation rate is almost 25 percent. And annual inflation rates for food prices are phenomenal: 28 percent at the retail level, and 59 percent at the wholesale level.

I share the hope of most Americans that we will emerge from this economic crisis quickly. But this administration's record of handling the economy gives no reason for confidence in their performance.

On economic matters, the President has been acting like a whirling dervish. He had no economic philosophy when he began and he has got none now. The continued abandonment of old positions and the enthusiastic embrace of new positions by the President has created some of the uncertainties that have led to many of our economic difficulties.

Because recent price increases have been so dramatic, we forget that inflation has not just been a phenomenon of recent months, but has clouded the entire record of this administration.

Since the beginning of Mr. Nixon's first term, the cost of living has gone up twice as fast as in the same period before his administration.

Food prices, of course, have gone up over one-third since Nixon's first inaugural.

Some individual items have gone much higher: the average price of hamburger across the Nation was 58.4 cents per pound in January 1969, but increased 60 percent with Nixon in office, to 93.7 cents per pound in July; a few weeks ago, in my home State of Maine, it was selling for $1.29 per pound, over twice the pre-Nixon price.

Chicken is up 54 percent in the Nixon era, 36 percent since his second inaugural—from 39 cents a pound in January 1969, to 44 cents a pound in January 1973, to 60 cents a pound in July—and 79 cents to Maine consumers last week.

Meat is not the only food item to skyrocket. While Nixon has been handling the economy, fruits and vegetables went up 42 percent. Onions are up 80 percent, cabbage up 30 percent, and potatoes up 145 percent.

And rampant cost increases extend beyond the supermarket:

If you go to the hospital, you will find operating room charges up 48 percent.

If you try to buy a house, you may be asked to pay interest on your mortgage of over 9 percent—if you can get a mortgage.

If you try to relax with a round of golf, you will find greens fees up almost one-third.

And if you begin to worry about your future and ask a lawyer to write your will, you will find his fee has increased over 50 percent.

All of these price increases came under the economic leadership of President Nixon.

The burden of this Nixon inflation has fallen squarely on the backs of American working people.

Average weekly earnings have increased only about 5 percent in real purchasing power since President Nixon took office, less than one-fourth as fast as inflation.

And since Nixon was inaugurated for his second term, the real purchasing power of the average worker's weekly earnings has actually declined by almost 2 percent.

But while the individual worker's purchasing power has declined, corporate profits have jumped: they were up 23 percent in the first 6 months of the second Nixon term.

In view of this history of failure, the academic rules of phase IV are probably as good as the administration can put together. Whether these rules will succeed will depend on how they are administered. Price controls and economic restraints work only to the extent that the people perceive that they are firm and evenhanded. We will have to wait and see the results.

But a special problem is posed by high food prices.

Our country has suddenly moved from a society of abundance to one of scarcities. We are not accustomed to that. The problem now is how do we produce enough to meet not only our domestic needs, but also the needs of those overseas who have come to rely on our agricultural abundance.

Some statistics on food supply and demand illustrate the problem. Food production has increased steadily in the United States, about 4 percent per year since 1968. But because of the dollar devaluation, and the increased world demand for food, our agricultural exports have climbed much more rapidly. The total value of our food exports have almost doubled in the past year, while food production increased only 3 percent.

One year ago we were importing more food than we were exporting, as we have in every year since 1967. But beginning last October we began to experience a tremendous net export drain of food.

So even though production has increased, food exports have taken a bigger and bigger chunk out of domestic food supply. For instance, in the case of wheat, we exported an amount equal to 77 percent of our crop in the past crop year, compared with only 39 percent in the previous year. But our production of wheat in that period increased only about 5 percent. We used our wheat reserves to meet the export demand, but, clearly, continued large exports will affect domestic supply. And the impact of such large foreign purchases is felt by the American family—in the form of higher prices and scanty supplies.

I have consistently supported the philosophy of free trade as an ideal to guide us in our commercial relations with other nations. But it would be foolish to adhere stoicly to this ideal in the world food market, at the cost of outrageous domestic food prices, while we cannot reap its benefits in other areas of commerce. We should instead take the responsible position of allocating our food exports, insuring both sufficient domestic supply and respect for our historical trade partners. And allocation should be planned with enough flexibility and advance notice to avoid the disruptive effects of precipitous action.

The President has export allocation authority now, but he has refused to use it effectively—just as he repeatedly refused to recognize until too late the need for firm wage and price controls. It may be necessary for Congress to force the President's hand on the issue of export allocation.

But in addition to planning allocation of our exports we must plan ahead to insure adequate food production. The agricultural policy of the Government in the past has been geared to a domestic market of chronic food surpluses. National agricultural policy was directed to keeping those surpluses down—by limiting production—to insure food price levels adequate to support the farmer. But now that we have experienced a shift in the balance of food demand and supply, we must begin thinking in terms of maximizing the production of food, so that we will have enough food to meet our domestic needs, and our foreign trade commitments.

So far, we have seen no signs that the Nixon administration is making comprehensive plans to meet the long-term problems of food supply and food prices—or that they are effectively meeting the immediate problems of inflation.

BALTIMORE HOSPITAL NEARS EXTINCTION

Mr. MATHIAS. Mr. President, an article by Victor Cohn in a recent issue of the Washington Post vividly illustrates the potential loss to a large number of Baltimore City residents that would stem from the closing down of the U.S. Public Health Service hospital in Wyman Park. Far from having outlived its usefulness, this institution has set the pace for others in two increasingly important areas of medicine, cancer research and service to an immediate community which is woefully short of outpatient facilities. It is this kind of facility which we need most urgently, and should not be thinking of shutting down; rather we should consider how to apply the lessons learned in community service here to other institutions.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BALTIMORE HOSPITAL NEARS EXTINCTION

(By Victor Cohn)

BALTIMORE, September 9.—The U.S. Public Health Service hospital here is on the ropes, losing its doctors, its nurses, even the beds for its patients.

It is a hospital suffering a crisis because for three years it has been one of seven such institutions kept dangling on the verge of extinction by the Nixon administration.

This dusty-red-brick facility set off by green lawns and old trees across from the gracious campus of Johns Hopkins University, may live or die according to a House of Representatives vote scheduled Wednesday on whether or not to override a presidential veto of legislation to keep it alive.

It is a fate faced by PHS hospitals in seven other cities. Here, as in the other communities, local officials and physicians are expressing strong opposition to the administration's move. Says Dr. Spencer Foreman, executive vice president of Baltimore's Sinai Hospital and a former director of the PHS hospital, "There are a lot of sick people who could benefit" from the hospital's remaining open.

President Nixon said in January the PHS hospitals had "outlived their usefulness." It was the latest statement in a series of attempts in recent years to downgrade the hospitals.

Here, the long campaign has had an effect, as professional staff in search of permanent places have drifted away. Even if the administration loses the Wednesday vote and is unsuccessful in appealing a court decision that prevents it from otherwise phasing out the hospital, backers of the Baltimore facility fear the government's budgetary and publicity powers may enable it to continue encouraging resignations until these hospitals can no longer safely care for their patients.

"It is sad what has been happening here," said Dr. K. (for Kamehameha) K. Wong, the Baltimore hospital's acting director, successor to two directors who have left in three years.

"Just in the last year we've lost 125 employes, a 25 per cent drop. We're down from 109 MDs to 83. We're hard hit in surgery, radiology, pathology, nursing care."

The hospital now operates 161 beds, of which about half are empty because of understaffing. About a third of all the patients are military or merchant seamen or dependents. The PHS hospitals were founded to serve merchant seamen.

Two of seven floors of the Baltimore hospital are closed because of lack of staff. But activity bustles in the other wards and in a variety of specialized medical laboratories, a recent tour showed.

Some wards were dowdy—the building is 42 years old—some smartly refurbished. Some were more than half empty for lack of staff and summer lull.

One that was crowded was a cancer research center operated by the National Cancer Institute at Bethesda. It gives this hospital an expert capability in tumor and cancer management and diagnosis, as well as Baltimore's only program for brain cancer chemotherapy.

In a laminar air flow room—a sterile unit where a constant airstream minimizes bacterial infection—a patient was being treated for acute leukemia.

In a nearby room, Nursing Supervisor Wanda Prosser touched a finger here and there to a parade of green and white images on a TV-like screen. This was the display terminal of a computer at the University of Vermont, and just by these finger-touches, the leukemia patient's condition and medications were being recorded there in a project to improve and computerize medical record-keeping.

This hospital is in part a treatment center manned by doctors in Public Health Service uniforms and in part a place of medical innovation and training of Johns Hopkins, University of Maryland and other budding doctors and therapists. It is also a training place for a steady flow of Public Health Service residents, some of whom will stay in federal service.

One of the key centers of innovation is a Health Operations Research Center directed by Dr. Richard Hsieh (pronounced "Shay"). Hsieh's greatest impact has been on the hospital's highly busy outpatient department—113,000 visits last year—where he developed a 90-minute assembly line of tests to give the examining doctor a thorough view of the patient.

Hsieh, like some of the other doctors here, could move to any of several universities if the hospital closes. "But I chose this hospital," Hsieh says "because it is in a good position to be a laboratory to explore our future health policy. "You need more than just a building to do this. You need a hospital with patients and staff, and a flexible, closely knit staff willing to adapt and work on new things. I think there is a great need for the federal government to operate at least a modest system of hospitals as experimental modules."

This point is made also by Sinai's Dr. Foreman. "At this stage, it's my feeling that these hospitals should not be maintained primarily for the people they serve—though they get a total kind of care hard to give in any other setting—but as a workshop for future national health decisions. They can also set a data base and standards against which other hospitals can be measured."

Wong said this hospital currently provides care, including all drugs and all services for $107 a day per bed patient and $17.59 a day per outpatient. Private medical care would run at least half again as much.

In recent years, the hospital's chiefs, backed by Baltimore health planners, have tried to get HEW to designate it as a neighborhood health center. It has not been so designated—"because they want to close us," maintains Wong—though it is on the edge of a sorely undoctored neighborhood of 300,000 persons. HEW has just established a new "Community Health Center" nearby. It has just two doctors and shorter hours.

Despite the fact that Baltimore hospitals in general have many empty beds and might welcome the Public Health Service hospital's present patients, Jerry Gill of the Metropolitan Baltimore Regional Planning Council said, "This hospital has been a major part of our health planning in the last three or four years. We've felt it could be utilized in the community. There's been every effort here to give it a chance to phase out of federal ownership into community control—and certainly not to close it down in one fell swoop, because that goes against everything the Department of Health, Education and Welfare has said it stands for."

IN ONE SMALL PARISH, THE GOOD LIFE

Mr. MONDALE. Mr. President, a few days ago an excellent article, entitled "In One Small Parish, the Good Life," appeared in the New York Times. This article was written by the Reverend Vincent A. Yzermans, pastor of the St. Rosa Parish in Freeport, Minn.

Reverend Yzermans, a dear friend of mine, emphasizes the importance of friends, family, an appreciation of nature, and a confidence in one another in seeking to build happier and more useful lives. These are the secrets of "the good life" in Freeport, Minn., and in many rural communities throughout America.

I would like to share with my colleagues in the Senate the simple eloquence of Reverend Yzermans' words, for I believe there is much truth and wisdom in his article.

Mr. President, I ask unanimous consent that the full text of the following article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HE'S A FRIEND IN ONE SMALL PARISH, THE GOOD LIFE

(By Vincent A. Yzermans)

FREEPORT, MINN.—I suppose we can start with a softball game. Young men watching young ladies competing against New Munich or Freeport or Melrose. Young mothers with young husbands and two young children on the hood of the car. The cheering, the yelling, the laughter—and sometimes, tears—as spectators scream for their favorite team. It is a good way of life.

And, again, we might start with a visit to a nursing home. It might be Pine Villa in Melrose or Albany Nursing Home. Grandma and Grandpa are here. They lived the good life. They are rich with memories. They know more about life and living—and even dying—than all of us put together. They are the depository of the wisdom of over one hundred years.

Then, too, you might take that third grader on his bike. He rides it back and forth, long into the hours of dark. What thoughts pass through his mind? What dreams? What visions? He, too, is part of this good life.

What, then, when you sit down and try to put all the pieces together, is this very elusive and abstract thing we call "the good life"? We know it is not war—we are far removed from it. We know it is not national scandal—we are far removed from that, too. We know it is not envy, greed or jealousy—happily most of us are spared these tiresome, tedious sins.

We do know what we have. Good land and good climate. Shopkeepers and farmers, children and households, husbands and wives, teachers and pastors. We look at times for a cloud on the horizon and at other times for a rainbow in the sky. We mark time not so much by the letters on a sheet of paper as by the wind and the rain, the snow and the heat. We are a hardy people. Land and family, faith and nature, have all combined in making us what we are, for better or for worse.

We are a close-knit people. Our families mean a great deal to us. Our community is our social, cultural and religious center. We really don't care too much about what goes on in New York or Washington or Rome. We belong to each other. We have created a happy, wholesome way of life. We do our work. We say our prayers. We love our families, friends and neighbors. When all is said and done, is there really too much more to life and living that matters?

Our joys are simple. Our needs are few. We look forward to a barn dance, a shower dance, a neighborly visit over a glass of beer at the local pub. We mark births, weddings and deaths with a celebration, seeing in each a sign of life here and hereafter. We don't easily express our feelings; we take them for granted. We know how we feel, we don't have to advertise it.

Sometimes the outer world impinges upon us. We are sometimes upset by the folly and the madness of that world that seems to lose its sense of balance. It might be Vietnam or Watergate or Papal directives on First Holy Communion. But, really, nothing disturbs us too much. We do, however, take pride in the fact that many sons and daughters of our area have answered the call of church and state throughout the years. They have served as missionaries and public officials, if these words are still in fashion, in every corner of the world—bringing, we like to think, the good news of our good life to people less fortunate.

We must admit, we are not much interested in politics. We have never produced from our area a high-ranking politician, such as Senators Hubert H. Humphrey and Walter F. Mondale. We do lay claim, however, to the fact that a Congressman was born and reared in Melrose. By the same token, however, we are very proud that our area has contributed to the service of the Church many priests and sisters.

We do have, when all things are considered, the good life. Some people may call it culture. Be that as it may. We fear, however, one fact. Our schools today are not contributing to our culture. On the contrary, they are despoiling our Christian rural culture. We do have a problem here. How can we make educators understand that there is a regional culture and how can we persuade them to preserve it? This is not our problem; this is the problem educationists have created for us. How can we educate the educationists?

Sometimes we wonder, as we look over our fields and hills, how we can preserve this for our children. We know that they really do not know the bounty that is theirs. We hope, and even pray, that some day they will. We even think, and sometimes say among our relatives and neighbors, perhaps this current shortage, these current high prices, will bring all of us—city cousins and country cousins—back to a more simple, hearty and wholesome way of life.

PAUL DOUGLAS: STILL A GIANT

Mr. PERCY. Mr. President, last Sunday the Chicago State University paid a high tribute to Senator Paul Douglas and his wife Emily. At a ceremony at the university, a new library was dedicated to the Senator and his wife.

It was a perfect tribute to the Douglases, I think, for they themselves have been a source of inspiration and intellectual guidance for thousands of people. As you know, Paul Douglas was once a professor of mine at the University of

Chicago. I have never forgotten how much I learned from him or how I admired him.

Mr. President, I was pleased to see in a recent newspaper article in the Chicago Daily News that Senator Douglas is as active and perceptive as he always was. Over the years since I was a student of his—35 years ago—I have found that I have continued to learn from him. We were opponents for the Senate seat from Illinois in 1966, but that encounter only served to strengthen my regard for him. No man ever had a fairer or more conscientious opponent than I did.

During his retirement, with Mrs. Douglas at his side, Senator Douglas has continued to engage in the intellectual pursuits and social causes which have held his interest and concern for so many years. At 81 years old, he remains, as the article says, "a giant of a man."

I would like to add my tribute to those so rightfully showered on him this past Sunday. He continues to be an inspiration to all who know him.

Mr. President, I ask unanimous consent that the Chicago Daily News article be printed in the RECORD for the Senators' attention.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chicago Daily News, Sept. 15–16, 1973]

PAUL DOUGLAS AT 81 STILL IS GOING STRONG

(By Robert Gruenberg)

WASHINGTON.—His hair is pure white now, and he speaks a little slower—reined in by the marching years and occasional illness.

But Paul H. Douglas of Illinois, teacher, economist and United States senator, is still a giant of a man.

In his home, a stone's throw from the tangled work of Rock Creek Park, he follows his former colleagues in the Senate and keeps up with their lives and changing times.

At 81, his eyes a piercing blue, the New Englander who became a son of the Midwest is coming home next week on what might be called a sentimental journey.

Chicago State University, at 95th and King Dr., is going to dedicate its new library on Sunday, Sept. 23, to the senator and his wife, Emily.

"Paul and Emily Douglas never have had the recognition they both so richly deserve," a school official said. "And this can be only a small tribute to them."

The school is almost evenly divided between white and black students. Economics is one of its mainstays.

Somehow, the school official said, the combination is symbolic of what Paul Douglas involved himself in most of his life: brotherhood and battling Samuel Insull, the Chicago traction magnate, and the economic barons of the land.

Nobel prize winner Paul Samuelson, the economist at the Massachusetts Institute of Technology who studied under Douglas at the University of Chicago in the '30s, will say a few words. He is expected to be joined by Sen. Adlai E. Stevenson III (D-Ill.).

In a friendly, rambling conversation with a Daily News reporter, Douglas recalled the times when, as a University of Chicago professor, he was paid $6,000 a year and sold editorials at $50 a copy to one of the Chicago newspapers.

The editorials attacked the traction interests and, he said, the paper had the option "of buying them—or rejecting them—but not changing them."

After a day's pause following the library dedication, the Douglases will go to the Indiana sand dunes, formally called the Indiana Dunes National Lakeshore, 8,000 acres of beach, woods, dune, trail and glen that Douglas doggedly fought for during his years in the Senate.

The Save the Dunes Council will host a dinner for the Douglases at the Red Lantern Inn in Beverly Shores, Ind. There will be a few words from him, and maybe a few of the dunes folks, but "mostly it's going to be socializing," said Mrs. Edward Osan, of Dune Acres, Ind., a council member.

"Of all the things I tried to do in the Senate," Douglas recalled "the one I take the most pleasure in was in helping to create the dunes park."

But the work he considered the "most important," he said, was trailblazing the civil rights bills in the early '60s.

He has published his memoirs, "In The Fullness of Time," recounting the days from the hard, young years in the Maine woods to the cloakroom intrigue of the Senate, but he is not resting.

Although his fingers are stiff, he is spending his time on two works: sketches of the later years of Michelangelo, Titian, Shakespeare, Beethoven and Tolstoi, and "the common thread that bound these geniuses, love and reconciliation," and an article on "The Production Function," a treatise on labor and capital.

He started the labor book 45 years ago, he mused, and a man should finish his work, he thought.

SECRETARY OF STATE KISSINGER'S ADDRESS BEFORE THE UNITED NATIONS GENERAL ASSEMBLY

Mr. HUMPHREY. Mr. President, in his address before the U.N. General Assembly, Secretary of State Kissinger pledged the commitment of the United States to "the goal of a world community." He asked that "this assembly move with us from détente among the big powers to cooperation among all nations, from coexistence to community."

The goal set by Dr. Kissinger is the only one appropriate for an increasingly interdependent world. But, as the text of his speech suggests, it will take more than a verbal commitment to build this community. It will require the will of the United States in cooperation with all the nations of the world—lesser powers as well as big powers—to undertake the difficult task of building lasting and effective peace. As Dr. Kissinger pointed out, certain requirements must be met if a genuine world community is to be built.

"First," according to the Secretary of State, "a world community requires the curbing of conflict . . . a small planet, so bound together by technology and so interdependent economically, we can no longer afford the constant eruption of conflict and the danger of its spread." He cited the Middle East and Southeast Asia as areas where the peace must be made more firm and called for a strengthening of the peace-keeping role of the United Nations.

"Second," he said, "a world community must have the widest possible membership." The Secretary of State announced U.S. support for North and South Korea becoming members of the United Nations and for Japan becoming a permanent member of the Security Council.

"Third," Dr. Kissinger said, "a world community must assure that all its people are fed." Secretary of State Kissinger proposed that a world food conference be organized in 1974 to discuss ways to maintain adequate food supplies and that nations in a position to do so offer technical assistance in the conservation of food. I have long advocated a system of world food reserves, with the responsibility of maintaining these reserves to be shared among the nations. The current world food shortage has revealed the critical need for such reserves. We can no longer be confident that nations like the United States will have surpluses to meet food shortage crises such as those in Africa and Bangladesh.

"Fourth," Dr. Kissinger, asserted "a world community cannot remain divided between the permanently rich and the permanently poor. Let us therefore resolve that this assembly, this year, initiate a search—drawing on the world's best minds—for new and imaginative solutions to the problems of development."

"Fifth," he said, "finally, a world community must harness science and technology for the benefit of all. We must begin to match our remarkable technological skills with our equally remarkable technological needs." Dr. Kissinger cited the needs for development of energy resources, for solving the problems caused by population growth and for increasing agricultural productivity throughout the world, as examples of ways the international community must use its technological resources to solve our common problems.

I am certain my colleagues will join me in expressing our wholehearted support of the goals Dr. Kissinger set forth in his first major address as Secretary of State. But if we are to take seriously the role Congress must play in defining U.S. foreign policy, we must do more than commend the Secretary of State for his noble goals and wish him well. Just as it will take the hard work and sincere commitment of all nations to build an international community, it will also require the hard work and sincere commitment of both the Congress and the executive branch—and of the American people—to assure that the United States will play a constructive role in building this international community.

I have introduced several pieces of legislation which will give strong congressional support to the policy of building a genuine international community.

First, the Mutual Development and Cooperation Act, which is included in S. 2335, will contribute significantly to meeting the requirements Secretary of State Kissinger outlined for a world community.

It will focus U.S. bilateral assistance on improving the standard of living of the majority of the world's population that is poor. Its purpose is to see that U.S. technology and research capabilities are applied to the very problems Dr. Kissinger believes the international community must solve: world food shortages and inadequate agricultural production in many countries; population control and the low standard of living and poor health facilities that make population control impossible in many areas; the development of the Earth's vast untapped human and natural resources.

Second, Senator JAVITS and I will be introducing an amendment to S. 2335 calling on the President to take immediate steps to initiate a high level commission study and report on the world food situation. This study is to be conducted in cooperation with the international agencies. It is to focus on the technological problems now limiting world food production and on the contribution the United States can make to overcoming those problems.

Third, I will introduce an amendment to authorize a U.S. contribution of $30 million for relief to the people of the Sahel, the drought afflicted areas of Africa, in the next year. This money is to be spent not only in assuring that adequate food supplies are available to keep people from starving, but also to help these countries develop the capability to once again feed themselves. Major new methods of international coordination and use of research and agricultural technology are being developed to meet this extreme food shortage crisis. These methods will certainly serve as a model for increasing agricultural production around the world.

Finally, to give credence to our stated commitment to "a world in which the rule of law governs and fundamental human rights are the birthright of all," the United States must return to full compliance with international sanctions against Rhodesia. Dr. Kissinger in his address renewed the U.S. pledge to "promote human dignity across the continent of Africa." He stated that the "United States firmly believes that justice cannot be confined by national frontiers." And he further stated that the Security Council should play a more central role in the conduct of peacekeeping operations. As sanctions against Rhodesia are an attempt by the United Nations to uphold human rights and promote the peaceful resolution of conflict, it is inconsistent with all the goals Dr. Kissinger expressed in his address for the United States to be violating these sanctions. I have introduced S. 1868 to restore U.S. compliance with U.N. sanctions.

Mr. President, if the United States is to take the lead in building a genuine world community, the United States Congress must give its full support to the goals outlined by Secretary of State Kissinger. The administration cannot achieve alone the goals of international cooperation in economic development and building a lasting peace. It needs both initiative and cooperation from the Congress to enact legislation which will give these ideals concrete expression. It is my hope that Congress will pass the legislation I have mentioned as the beginning of a new partnership with the administration—and with the rest of the international community.

Mr. President, I ask unanimous consent that Secretary of State Kissinger's address, from the New York Times, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TEXT OF SECRETARY OF STATE KISSINGER'S ADDRESS BEFORE U.N. GENERAL ASSEMBLY

I come before you today—confirmed in office but two days ago—as probably the world's most junior foreign minister. That President Nixon should ask me as my first official act to speak here for the United States reaffirms the importance that my country attaches to the values and ideals of the United Nations.

It would be idle to deny that the American people, like many others, have sometimes been disappointed because this organization has not been more successful in translating the hopes for universal peace of its architects into concrete accomplishments.

But despite our disappointments, my country remains committed to the goal of a world community. We will continue to work in this parliament of man to make it a reality.

Two centuries ago the philosopher Kant predicted that perpetual peace would come eventually—either as the creation of man's moral aspirations or as the consequence of physical necessity. What seemed utopian then looms as tomorrow's reality; soon there will be no alternative. Our only choice is whether the world envisaged in the Charter will come about as the result of our vision or of a catastrophe invited by our shortsightedness.

The United States has made its choice. My country seeks true peace, not simply an armistice. We strive for a world in which the rule of law governs and fundamental human rights are the birthright of all. Beyond the bilateral diplomacy, the pragmatic agreements and dramatic steps of recent years, we envisage a comprehensive, institutionalized peace encompassing all nations, large and small—a peace which this organization is uniquely situated to foster and to anchor in the hearts of men.

This will be the spirit of American foreign policy.

This attitude will guide our work in this organization.

We start from a bedrock of solid progress. Many of the crises that haunted past General Assemblies have been put behind us. Agreement has been reached on Berlin; there is a cease-fire in the Middle East; the Vietnam war has been ended. The rigid confrontation that has dominated international life and weakened this organization for a quarter of a century has been softened.

The United States and the Soviet Union have perceived a commonality of interest in avoiding nuclear holocaust and in establishing a broad web of constructive relationships. Talks on strategic arms limitation have already produced historic accords aimed at slowing the arms race and insuring strategic stability; we have, today, resumed negotiations on this subject. The positive results we hope for will enhance the security of all mankind.

Two decades of estrangement between the United States and the People's Republic of China has given way to constructive dialogue and productive exchanges. President Nixon has met with the leaders of that nation; we have agreed to a historic communique that honestly sets forth both our differences and our common principles; and we have each opened a liaison office in the capital of the other.

Many other countries have seized the initiative and contributed—in substance and spirit—to the relaxation of tensions. The nations of Europe and North America are engaged in a conference to further security and cooperation. The two German states have taken their place in this Assembly. India, Pakistan and Bangladesh have begun to move toward a welcome reconciliation. North and South Korea are at last engaged in a dialogue which we hope will lead to a new era of peace and security between them.

Yet these achievements, solid as they are, have only made less precarious the dangers and divisions inherited from the postwar era. We have ended many of the confrontations of the cold war; yet, even in this room, the vocabulary of suspicion persists. Relaxation of tensions is justified by some as merely a tactical interlude before renewed struggle. Others suspect the emergence of a two-power condominium. And as tension between the two original blocs has eased, a third grouping increasingly assumes the characteristics of a bloc of its own—the alignment of the nonaligned.

BETWEEN OLD AND NEW

So the world is uneasily suspended between old slogans and new realities, between a view of peace as but a pause in an unending struggle and a vision of peace as a promise of global cooperation.

In 1946 James Byrnes, the first Secretary of State to address this Assembly, spoke of how the United Nations could help break down habits of thinking in national isolation and move toward "universal understanding and tolerance among all peoples."

The United States will never be satisfied with a world of uneasy truces, of offsetting blocks, of accommodations of convenience. We know that power can enforce a resigned passivity, but only a sense of justice can enlist consensus. We strive for a peace whose stability rests not merely on a balance of forces but on shared aspirations. We are convinced that a structure which ignores humane values will prove cold and empty and unfulfilling to most of mankind.

The United States deeply believes:

That justice cannot be confined by national frontiers.

That truth is universal, and not the peculiar possession of a single people or group or ideology.

That compassion and humanity must ennoble all our endeavors.

NEW STEP FORWARD URGED

In this spirit we ask this Assembly to move with us from détente among the big powers to cooperation among all nations, from coexistence to community.

Our journey must begin with the world as it is and with the issues now before us. The United States will spare no effort to ease tensions further and to move toward greater stability.

We shall continue, in the spirit of the Shanghai communique, our search for a new relationship with the People's Republic of China.

We shall work to promote positive trends elsewhere in Asia. The uncertain peace in Indochina must be strengthened; the world community cannot afford, or permit, a relapse into war in that region.

We shall continue to pursue vigorously the building of constructive * * * Union.

We shall strive to promote conciliation in Europe. In the negotiations beginning next month we shall seek a reduction of the military forces that have faced each other for so long across that divided continent.

We shall give new vigor to our policy of partnership in the Western Hemisphere.

We shall honor our pledge to promote self-determination, economic development and human dignity across the continent of Africa.

We shall press on with strategic arms limitation talks. We consider them crucial for security and stability in this period.

We shall search for solutions to the world-wide problems of conventional weapons, which drain our resources and fuel the fires of local conflict.

FUNDAMENTAL PRINCIPLES

In all these efforts the United States will be guided by fundamental principles:

We have no desire for domination. We will oppose—as we have consistently opposed throughout this century—any nation that chooses this path. We have not been asked to participate in a condominium; we would reject such an appeal if it were made.

We will never abandon our allies or our friends. The strengthening of our traditional ties is essential foundation for the development of new relationships with old adversaries.

We will work for peace through the United Nations as well as through bilateral relationships.

We recognize our special obligation, as a permanent member of the Security Council, to assist in the search for just solutions in those parts of the world now torn by strife such as the Middle East. While we cannot substitute for the efforts of those most directly involved, we are prepared to use our influence to generate a spirit of accommodation and to urge the parties toward practical progress.

But progress on the traditional agenda is not enough. The more we succeed in solving political problems the more other and perhaps deeper challenges emerge. As the world grows more stable we must confront the question of the ends of detente. As the threat of war recedes the problem of the quality of life takes on more urgent significance.

We are in fact, members of a community drawn by modern science, technology, and new forms of communication into a proximity for which we are still politically unprepared. Technology daily outstrips the ability of our institutions to cope with its fruits. Our political imagination must catch up with our scientific vision. This is at the same time the greatest challenge and the greatest opportunity of this organization.

POLLUTION AND SCARCITY

The pollution of the skies, the seas and the land is a global problem.

The increased consumption of cereals has reduced world food reserves to dangerously low levels.

The demand for energy is outrunning supply, and the need for technological innovation is urgent.

The growth of the world's economy is inhibited by restrictive trading blocs and an insufficiently flexible international monetary system.

The exploitation of the resources of the ocean beds, which is essential for the needs of burgeoning populations, requires global cooperation lest it degenerate into global contention.

Challenges of this magnitude cannot be solved by a world fragmented into self-contained nation-states or rigid blocs.

I do not intend, today, to cover the whole agenda of international cooperation. Rather, I shall speak briefly of some illustrative areas of common action. I pledge the readiness of the United States to solve these problems cooperatively and to submit proposals aimed at their resolution:

First, a world community requires the curbing of conflict.

The United Nations, in its 28-year history, has not always been idle in this sphere. In Indonesia, the Indian subcontinent, the Middle East, the Congo and in Cyprus, it has shown its ability for effective fact-finding, mediation and peace-keeping missions. This central aspect of the United Nations' work must be strengthened. On a small planet, so bound together by technology and so interdependent economically, we can no longer afford the constant eruption of conflict and the danger of its spread.

"FRUITLESS DEBATES"

Yet, in recent years, we have found ourselves locked in fruitless debates about the inauguration of peace-keeping operations and over the degree of control the Security Council would exercise over peace-keeping machinery—an impasse which has insured only that permanent peace-keeping machinery would not come into being. Each peace-keeping unit we have formed has been an improvisation growing out of argument and controversy.

We should delay no longer. The time has come to agree on peace-keeping guidelines so that this organization can act swiftly, confidently and effectively in future crises. To break the deadlock, the United States is prepared to consider how the Security Council can play a more central role in the conduct of peace-keeping operations. If all countries concerned approach this problem with a desire to achieve a cooperative solution, the United Nations can achieve a major step forward during this session.

Second, a world community must have the widest possible membership.

The exclusion of any qualified state denies representation not only to governments in this body should be a step toward reconciliation, not a source of conflict. The time has come for North and South Korea to be offered their rightful places here, without prejudice to a future evolution toward unification.

In this spirit also we support the permanent membership of Japan in the Security Council.

Third, a world community must assure that all its people are fed.

The growing threat to the world's food supply deserves the urgent attention of this Assembly. Since 1969 global consumption of cereals has risen more rapidly than production; stocks are at the lowest levels in years. We now face the prospect that—even with bumper crops—the world may not rebuild its seriously depleted reserves in this decade.

WORLD FOOD CONFERENCE

No one country can cope with this problem. The United States therefore proposes:

That a world food conference be organized under United Nations auspices in 1974 to discuss ways to maintain adequate food supplies and to harness the efforts of all nations to meet the hunger and malnutrition resulting from natural disasters.

That nations in a position to do so offer technical assistance in the conservation of food. The United States is ready to join with others in providing such assistance.

Fourth, a world community cannot remain divided between the permanently rich and the permanently poor.

Let us therefore resolve that this Assembly, this year, initiate a search—drawing on the world's best minds—for new and imaginative solutions to the problems of development. Our search must be candid and realistic, but it must also be free of peremptory demands, antagonistic-propositions, ideological confrontation or propagandistic rhetoric—or we will surely fail.

The United States is prepared to join in this new search, providing freely of the experience gained over two decades. We have learned not to exaggerate our capacity to transform nations—but we have also learned much about what progress is possible.

We will participate without preconditions, with a conciliatory attitude and a cooperative commitment. We ask only that others adopt the same approach.

In this spirit the United States is willing to examine seriously the proposal by the distinguished President of Mexico for a charter of the economic rights and duties of states. Such a document will make a significant and historic contribution if it reflects the true aspirations of all nations; it will accomplish nothing if it is turned into an indictment of one group of countries by another. To command general support—and to be implemented—the proposed rights and duties must be defined equitably and take into account the concerns of industrialized as well as of developing countries. The United States stands ready to define its responsibilities in a humane and cooperative spirit.

ECONOMIC CHARTER NOTED

Fifth, finally, a world community must harness science and technology for the benefit of all.

We must begin to match our remarkable technological skills with our equally remarkable technological needs. We must find the means for the cooperative and judicious development of our energy resources. We must responsibly confront the problems of population growth, which are fast pushing humanity towards the limits of what our earth can sustain. We must embark on a new scientific revolution to increase agricultural productivity in all lands. No field of human endeavor is so dependent upon an open world for its advancement, no field is so in need of international cooperation to cope with its potential dangers.

Mr. President, fellow delegates:

Are we prepared to accept and infuse our labors with a new vision? Or shall we content ourselves with a temporary pause in the turmoil that has wracked our century? Shall we proceed with one-sided demands and sterile confrontations? Or shall we proceed in a spirit of compromise produced by a sense of common destiny? We are convinced that we must move from hesitant cooperation born of necessity to genuine collective effort based on common purpose.

It is a choice no country can make alone. We can repeat old slogans or strive for new hope. We can fill the record of our proceedings with acrimony or we can dedicate ourselves to dealing with man's deepest needs. The ideal of a world community may be decried as unrealistic—but great constructions have always been ideals before they can become realities. Let us dedicate ourselves to this noblest of all possible goals and achieve at last what has so long eluded us: true understanding and tolerance among mankind.

RESPONSIVE DISASTER RELIEF PROGRAM NEEDED

Mr. DOLE. Mr. President, I vote to sustain the President's veto of S. 1672, the Small Business Act amendments. My action on this vote is not a reflection of unconcern. While a member of the Senate Public Works Committee, my activity and direct contact with families and businesses which were affected has given me an awareness of the devastating effect of disasters and the great need for help which is experienced at such times.

The veto will not leave the country unprotected. The provisions of Public Law 91–606, the Comprehensive Disaster Relief Act of 1970, on which I worked as a member of the Public Works Committee, are left intact, so that basic disaster relief assistance remains available.

Certainly there is a need for improvement in the area of disaster relief and a need to be consistent. Congress and the administration have shifted positions on several occasions within the last year on the amount of disaster loan interest and forgiveness that is appropriate.

Congress has the control and needs to assume proper responsibility and act in a responsive manner within the fiscal limits set. It makes little sense to burden the Federal budget by a fragmented network of legislation on disaster relief, which will only increase the inequity to the already burdened taxpayer.

Relief from disasters must be available to those that genuinely need it, but it makes little sense to provide forgiveness to those who are financially in a position to pay loans back.

The President has sent recommendations along with the veto for modified changes in disaster relief, which are now before the Senate Banking, Housing, and Urban Affairs Committee. If Congress takes the responsibility, we can still have in this 93d Congress an effective, comprehensive disaster relief program.

ERVIN SUPPORTS CAPITAL PUNISHMENT BILL

Mr. ERVIN. Mr. President, I am pleased to join in cosponsoring S. 1401, a bill which imposes the death penalty in certain cases and establishes standards and a procedure for its imposition which should overcome the constitutional objections to capital punishment set forth by the Supreme Court in the case of *Furman* v. *Georgia*, 408 U.S. 238 (1972).

S. 1401, originally introduced by Senator McCLELLAN and Senator HRUSKA, is presently under consideration by the Senate Subcommittee on Criminal Laws and Procedures, of which I am a member. The subcommittee has already held hearings on this bill and other similar proposals which authorize capital punishment.

In my opinion, the Supreme Court made a serious constitutional error in the case of Furman against Georgia by holding that the imposition of the death penalty constitutes "cruel and unusual punishment" in violation of the 8th and 14th amendments. As Justice Powell suggests in his dissenting opinion, the Supreme Court's majority in this case overlooked

> The clearest evidence that the Framers of the Constitution and the authors of the 14th amendment believed that those documents posed no barrier to the death penalty. *Furman* v. *Georgia*, 408 U.S. 238, 417 (1972).

The only particle of judicial wisdom to be found in the Court's majority opinions is the refusal on the part of all but two Justices to declare capital punishment unconstitutional per se. Concurring in the majority decision, Justice White wrote:

> I do not at all intimate that the death penalty is unconstitutional per se or that there is no system of capital punishment that would comport with the eighth amendment.

Thus, even though the Supreme Court declared the death penalty statutes of Georgia and Texas to be unconstitutional, it did leave some opportunity for Congress and State legislatures to authorize the imposition of capital punishment as long as it would not be "so wantonly and so freakishly imposed," in the words of Justice Stewart.

S. 1401 is a reasonable and carefully drafted proposal to include capital punishment in our system of Federal criminal justice. It certainly should be able to withstand any reasonable contention that it would authorize the imposition of the death penalty in a "wanton" or "freakish" way.

In brief, S. 1401 establishes a procedure for the imposition of the death penalty upon conviction of certain specified crimes. It provides for a two-stage or "bifurcated" trial and sets forth understandable criteria which must be found to exist before capital punishment can be imposed. The bill also provides for review of death penalty sentences as an additional safeguard against arbitrary imposition of the penalty.

Mr. President, in cosponsoring this legislation I do not for a moment take lightly the sacred value of each human life. Rather, it is because I do value the life of every human being that I am determined to support effective and constitutional legislation to deter violent crime in our country. From 1966 to 1971, the numbers of murders in this country increased 61 percent and the rate of murder per 100,000 persons increased 52 percent. These horrible statistics should shock every American who loves his fellowman and who understands that the blessings of liberty cannot survive in a society terrorized by uncontrolled crime.

Although surveys and studies may be somewhat inconclusive as to the degree to which capital punishment deters crime, common sense and experience convince me that capital punishment is an absolutely necessary element of any effective sentencing system. I do not claim, of course, that restoration of the death penalty will suddenly bring an end to murder and other heinous criminal conduct. But, I do believe that it is one of the important tools—along with better law enforcement, more efficient courts, and improved rehabilitation programs—which we must have to combat the unacceptable levels of violence which prevail in so many of our communities. Human life and community safety are too precious for government not to use every resource and every constitutional power at its disposal to protect against the brutality and fear of uncontrolled crime.

Mr. President, I believe that the people of this country want the Congress and State legislatures to restore capital punishment to its proper place in our system of criminal justice. Even in holding the Georgia and Texas death penalty statutes unconstitutional, the Supreme Court left room for legislative action. In this context, the Congress has a great responsibility to consider and adopt legislation which will restore capital punishment in the case of certain heinous crimes. In my opinion S. 1401 is an excellent vehicle by which the Congress can discharge its responsibility.

SCHOOL LUNCH

Mr. DOMENICI. Mr. President, yesterday, a measure was passed by this body, a measure I feel to be absolutely essential to the Nation's youth. This legislation, the National School Lunch and Child Nutrition Act Amendments of 1973, H.R. 9639, passed by a resounding 83 to 4, certainly a mandate of the Senate's commitment to adequate nutrition for our schoolchildren.

The Nation's schools are faced with highly increased costs of food and labor, a fact also facing each American family this year. Without increased Federal assistance, the school lunch and special milk programs throughout the Nation will face extinction in a very short time. Certainly in the State I represent, there is a desperate need. Only 11 public schools in the State of New Mexico, and 25 private schools, are not now participating in the program. Sixty percent of all other student bodies participate, 40 percent of those meals given free or at reduced prices. New Mexico is not a rich State. Our children need nutritious meals at least once a day—something many families cannot offer. For example, a family with four children would spend more than $4,000 on lunches during their school years, a prohibitive cost to most families. If Congress had not acted at this time, the children would have been the ones to suffer.

I feel this is one worthy program aimed directly to help poor and lower middle-income children. The quality and the type of lunch that will be available without this additional will simply not be adequate. The increased cost of school lunches is resulting in hundreds of thousands of children throughout the Nation, as well as in my own State, being denied a nutritious, well-balanced meal. The runaway inflation in food prices has largely wiped out the school lunch improvements we have legislated in past years.

In rural areas the increase in the price of school lunches is as much as 15 cents per meal. And the cost of producing a meal in urban schools has risen as much as 30 cents in some areas.

H.R. 9639 increases the reimbursement rate for lunches from the present 8 cents per meal to 12 cents and increases the reimbursement rate for free meals 5 cents to 45 cents a meal. The bill also provides that reduced-price meals will be reimbursed at the rate of 35 cents a meal over the present rate of 30 cents. In addition, breakfast will be reimbursed 8 cents over the current 5 cents.

Another important feature I strongly supported requires the Secretary of Agriculture to make cash payments to the States when he is unable to purchase required commodities which are distributed to participating school districts. The present scarcity of commodities is the second largest problem area faced by school lunch programs, and no one can reasonably predict just what the outlook will be. School districts and our schoolchildren should not be penalized for national shortsightedness.

Furthermore, H.R. 9639, as passed by the Senate would allow Federal support for school meals to rise as the cost of living increases, a provision which would eliminate the lag between congressional support of national programs and congressional approval of these programs. Reimbursement rates can be automatically raised each year according to the wholesale price index and average hourly wages of employees of eating establishments. This is a simple way to eliminate this yearly time-consuming crises situation in the school lunch program.

The best public investment we can ever make in this country is the well-being of our children to which good nutrition is one of the most important contributing factors. We certainly can do no less than to assure that nutritious meals are available for all children during the schoolday. I, therefore, urge the Conference Committee of Senate and House representatives to adopt the more generous Senate version of the bill.

Mr. President, at this point, I would like to ask unanimous consent that a letter from Mrs. Gretchen Y. Plagge, Director of School Food Services, New Mexico Department of Education be printed in the Record. Mrs. Plagge points out the several areas needing assistance in our State and I would like to make her comments a matter of public record.

There being no objection the letter was ordered to be printed in the Record as follows:

State of New Mexico,
Santa Fe, N. Mex., August 9, 1973.

Hon. Pete Domenici,
U.S. Senator,
New Senate Office Building,
Washington, D.C.

Dear Senator Dominici: I want to take this opportunity to point out to you the extremely critical nature of the school Food Services Programs in the State of New Mexico as we look to the opening of school this Fall.

The current status of the price freeze and the supply of perishable and processed foods places schools in our State in a position of real financial disaster. Prices to children which have been increased in the last year in most of our schools from 35c to 40c will, in all likelihood, need to again be increased within the next few weeks in order to meet the spiraling costs of food. Many superintendents have contacted our office with an urgent plea for additional assistance in any way that we may be able to help them.

As you may know, Representative Carl Perkins of Kentucky has introduced a bill in the House of Representatives (HR 9639) calling for an immediate increase in federal reimbursement in Section 4 and Section 11. Under this Legislation, Section 4 would be increased from 8c to 10c and Section 11 from 40c to 45c. This added reimbursement would help greatly in meeting the increased costs of operation.

The average cost per lunch to the school district in New Mexico as of July 1 was 55.1c. As you can see, this cost will not be met entirely by an increased reimbursement; however, the difference between the reimbursement and the cost which we anticipate at the beginning of this year will be met through expenditures from school operating funds. During the past year, diligent efforts have been taken by school districts to curtail all possible costs of operation, including improved management for efficiency menu planning and better purchasing methods.

Many schools anticipate increased participation this year due to the higher costs of family food buying and the restriction of available nutritious foods. I hope that school districts will not be forced into a decision as to whether or not they can continue School Food Service Programs in light of the increasing strains upon existing resources.

Your efforts and interest in prior nutritious programs in the past have been exemplary. We look forward to continued support from you in order that these vital programs will not be sacrificed at this time of economic uncertainty and pressure. Thank you very much for your interest and concern. We will be eager to provide any information you may need in order to support this urgent measure.

Very sincerely yours,
(Mrs.) Gretchen Y. Plagge,
Director, School Food Services.

AFL-CIO CALLS FOR PUBLIC FINANCING OF ELECTIONS

Mr. MONDALE. Mr. President, last Friday Andrew Biemiller of the AFL-CIO made a strong and eloquent plea for public financing of campaigns.

He said:

> We want the Congress to put the AFL-CIO out of the business of making campaign contributions. We would be delighted if the AFL-CIO never had to raise another dime for a candidate.

Mr. President, the significance of this testimony cannot be overemphasized, and I regret that so far it has not received the attention it deserves. The AFL-CIO Committee on Political Education has for years been one of the strongest, most forthright, and most effective sources of financial support for political candidates.

Their readiness to give up this role is a clear sign that public financing of campaigns is picking up powerful support. What is needed now is a similar commitment from the wealthy and powerful business interests whose contributions labor seeks in some small measure to balance.

Congress can take a hand in this by heeding Mr. Biemiller's plea:

> Stop us and every other campaign contributor. The risks are too great for us to unilaterally stop making campaign contributions as long as the other side continues.

Mr. Biemiller's testimony has helped to pave the way for effective congressional action on public financing. The AFL-CIO deserves the praise of all of us for their forward-looking and constructive position on this vital issue.

Mr. President, I ask unanimous consent that the full text of Mr. Biemiller's excellent statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

FEDERAL FINANCING OF ELECTION CAMPAIGNS

(Statement of Andrew J. Biemiller, Director, Department of Legislation, AFL-CIO)

Mr. Chairman, the AFL-CIO believes that these hearings are a direct, positive welcome result of the Watergate scandal.

The confidence and trust that citizens in a democracy must have in their government has been shaken to its very core by Watergate and related scandals. These hearings are a major step in restoring public confidence in government.

While we are not here to belabor the Committee with the sordid details of Watergate, there is one fact that the Ervin Committee hearings have made perfectly clear: America's political system has been corrupted beyond belief by money.

Organized labor has long believed that money—campaign contributions—is the seedbed of political corruption. And it is up to Congress to act now to prevent this seedbed from sprouting future Watergates.

Despite the efforts of Congress to tighten the campaign financing laws, consider the abuses in the 1972 election that have been uncovered thus far:

One party collected millions of dollars before the effective date of the Campaign Financing Act of 1971—contributions that were unreported, unreceipted and contrary to the spirit of the law.

Hundreds of thousands of dollars in virtually untraceable cash—generally the infamous $100 bills—floated around Washington and the country and across international borders, accompanied by a retinue of bagmen and launderers.

Under the threat of criminal action corporations have belatedly reported making illegal contributions out of corporate funds at the urging of fund raisers for the one person who, above all others, is charged with administering the laws of this country.

Then there were the "quid pro quos"—anti-trust actions stopped, higher support prices for vital commodities, a subminimum wage to benefit hamburger chains and exemption from price controls for an industry, to mention just a few.

What this adds up to is subversion of the democratic process. The democratic principle of government by the people has been undermined by the big contributor, turning public servants into politicians for rent to the highest contributor.

We do not appear before this Committee as political neophytes. We are seasoned veterans at the "political game". Organized labor sets up separate political funds, solicits voluntary contributions from individual union members to these funds, and makes contributions from these funds to congressional candidates.

But we want to get out of this element of the "game".

We have never tried to hide labor's political contributions. In fact, Mr. Chairman, we are quite proud of the work of our Committee on Political Education. And, until the laws are changed, we will continue to urge our members to make voluntary donations to COPE, which, in turn, will continue to make contributions to candidates who support working men and women.

But we have never liked making political contributions. It is an activity that has been forced upon us.

If we did not contribute to friendly candidates, we would risk the election of anti-labor candidates and the enactment of laws contrary to the interests of working people.

The foes of labor have contributed millions of dollars to elect their friends, so contributions by organized labor have partially filled a vacuum—and, we believe, prevented monied interests from totally dominating elections.

Frankly, Mr. Chairman, what we are saying to this Committee is: "Stop us and every other campaign contributor. The risks are too great for us to unilaterally stop making campaign contributions as long as the other side continues."

We want the Congress to put the AFL-CIO out of the business of making campaign contributions. We would be delighted if the AFL-CIO never had to raise another dime for a candidate.

Without fund-raising headaches, we would be able to better fill our members' needs for registration assistance, providing them information about candidates and issues, and finally getting our members out to vote their consciences on Election Day.

We want to put an end to the present system of campaign financing, with all its inherent abuses.

Democracy works best when the greatest number of citizens participate; therefore, we believe the United States should strive for maximum participation by all citizens in the electoral process.

The Senate has already taken one step toward this goal which we heartily applaud—passing the postcard voter registration bill. Now it can take the next step by providing for federal financing of campaigns—all candidates having the same amount to spend with no advantages to a candidate for federal office because of money.

The idea of government financing of federal campaigns has been around a long time. President Theodore Roosevelt first proposed it, and the AFL-CIO has consistently supported the concept since 1956.

We realize there are many problems that must be worked out—such as funding for primaries, elimination of capricious candidates. But, we submit, these problems are less overwhelming than piecemeal attempts to make the present corrupt system workable.

The Congress has already tried the piecemeal approach, and the events of 1972 proved that approach won't work. As soon as the Congress passed the 1971 Act, a nest of political vultures found the weak underbelly—the time between the signing of the 1971 Act and its effective date. They tore holes in it—large enough to drive millions of dollars through.

So, Mr. Chairman, the AFL–CIO wholeheartedly supports complete federal campaign financing for all offices and a complete bar on any private contributions to such candidates.

We know there are many grave problems that may take time to solve but there are some actions which can be taken without delay. They are:

1. Provide for sole federal financing of the 1976 presidential campaign with a clear mandate for strict enforcement of the law to prevent any contributions from any other source. In view of the politicizing of the Justice Department by the present administration, enforcement of the law should be taken out of the hands of the Justice Department by creating a special commission with enforcement powers answerable only to the people's elected representatives, the Congress.

2. To reduce the cost of campaigns require that television and radio stations, which use the public's air waves, provide equal, free air time for federal candidates. It is ironic that the air waves—the property of all the people—have become the most costly medium for reaching the people.

3. Establish a special election frank permitting postage-free mailing by legitimate candidates for federal office.

4. Establish and strictly enforce ceilings on the total, aggregate contributions to Congressional candidates or their political committees. Every contribution must be reported in full and reports supplied to the public before Election Day.

We repeat, the goal is federal financing of elections.

If federal financing of elections is not provided soon and if the costs of campaigning continue to spiral, then America will be plagued by a succession of Watergates.

In conclusion, Mr. Chairman, let me point out that 17 years ago, AFL–CIO President George Meany proposed—quite seriously—that, if the Congress failed to provide federal financing of elections, it should limit campaign contributions to $1 per individual.

That idea alone would have prevented Watergate. It certainly isn't too late to prevent future Watergates.

ADVERTISING MEDIA AND DRUG PRODUCTS

Mr. MOSS. Mr. President, I would like to ask unanimous consent that a letter which I received from Mr. Walter J. Ziegler, superintendent, Simi Valley Unified School District, Simi Valley, Calif., be printed in the Record.

In addition, I ask unanimous consent that Resolution No. 23 of the governing board, Simi Valley Unified School District, be printed in the Record.

The guidelines regarding advertising of nonprescription drugs seems reasonable to me.

There being no objection, the letter and resolution were ordered to be printed in the Record, as follows:

Simi Valley Unified
School District,
Simi Valley, Calif., July 24, 1973.

Hon. Frank E. Moss,
Senate Office Building,
Washington, D.C.

Dear Senator Moss: Thank you for your personal interest regarding our RESOLUTION 79 expressing concern regarding the advertising media eulogizing drug products and its effect upon the youth of our nation.

Subsequent to the adoption of our RESOLUTION 79 we were informed that the National Association of Broadcasters has adopted voluntarily a set of guidelines developing non-prescription drug advertising.

This program was adopted last March by the nine member Television Code Review Board, and is intended to go into effect on September 1, 1973. Among the 671 broadcasters in our country, 398 TV stations subscribed to the N.A.B. Code and will be bound by the rule. The voluntary effect will be applicable to the remaining 273 non-code stations. The guidelines proposed by the Television Code Review Board are as follows:

No on-camera gulping of pills and capsules

No advertisements for medications in or adjacent to programs aired primarily for children

No use of children in commercials for non-prescription medications intended for adults

No personal endorsements or testimonials for the beneficial effects of drug products by "authority figures or celebrities"

No commercial approaches which might be associated with the "drug culture" or which imply a casual attitude toward the use of drugs and medications

No reference to non-prescription medications as "non-habit forming" or "non-addictive".

The only change in the user of a drug which may be portrayed in a TV commercial under these limitations will be one "reasonably experienced through relief of symptoms or conditions for which the product has been proven effective".

Our school district Board of Education is currently in the process of notifying local, state and national agencies of this commendable action by the N.A.B. and encouraging them to request that their local television stations abide by these new guidelines. We are convinced that this is a major step forward in curtailing the use of non-prescriptive drugs by our youth and the subsequent use of illegal drugs by many young people.

We would appreciate knowing your reaction to this approach and any other suggestions you may have to offer in solving this critical problem. A copy of our recent resolution is enclosed for your information.

Very sincerely,
Walter J. Ziegler, *Superintendent.*

Simi Valley Unified School District, Resolution of the Governing Board, No. 23

Whereas, the Board of Education, Simi Valley Unified School District, has expressed a concern about the effects of indiscriminate sales promotion of drugs, tobacco and alcohol products on the attitudes of young people, and

Whereas, the National Association of Broadcasters has developed a set of rules governing non-prescription drug advertising as a guide for voluntary reform of such advertising, and

Whereas, the National Association of Broadcasters is to be commended for adopting these guidelines, and

Whereas, the guidelines are considered reasonable and consistent with the concerns of the Board of Education,

Now therefore be it resolved, that television broadcasters serving the Simi Valley area be encouraged to accept and comply with the new rules governing non-prescription drug advertising, adopted in March 1973 by the Television Code Review Board, and

Be it further resolved, that this resolution be disseminated widely among boards of education and interested community groups in the spirit of encouraging their support of similar efforts in their respective communities.

I hereby certify the foregoing to be a full, true and correct copy of a resolution duly adopted by the governing board of the Simi Valley Unified School District, County of Ventura, State of California, at a regular meeting of said board held in Simi Valley, California, on July 16, 1973.

Kenneth Ashton,
Clerk, Board of Education, Simi Valley Unified School District.

NATIONAL HIGHWAY WEEK PROVIDES OPPORTUNITY TO ASSESS PROGRESS IN TRANSPORTATION

Mr. RANDOLPH. Mr. President, the automobile long ago became a recognized part of our way of life. As a nation we have adopted motor vehicles as our primary means of transportation. They have greatly influenced development of our country in the past half-century. Cars, buses and trucks have become the instruments to a better way of life for all our people.

Our reliance on motor vehicles would not be possible without an extensive network of modern highways.

The development of highways in this country is essentially the responsibility of the individual States. For many years, however, there has been an extensive Federal presence in this activity. This partnership between the Federal and State governments has enabled us to construct a highway system that is without equal in the world.

Mr. President, this week has been designated as National Highway Week, a time for recognizing the important role that motor vehicles perform in our lives. This is a particularly appropriate time for such an observation this year, for within the last few months Congress completed action on a new highway act of significant proportions.

I have described the Federal-Aid Highway Act of 1973 as a transportation measure. It is not a terminology that in any way downgrades the importance of highways in the United States or the need for a continuing highway program. Calling the new act a transportation measure merely formalizes what is today a reality: That in a modern, complex society all forms of transportation are closely related.

The ability to adapt to changing requirements is the quality of the highway program that makes it a viable activity.

Mr. President, many people who are supporters of highway development and who know of the importance of motor vehicles to our country are concerned with the growing interest in other forms of transportation. Often they see this concern as a threat to the highway program that will render it incapable of meeting further needs. I do not share this pessimism. Developments of recent years are merely a belated recognition of the fact that we have lagged in our attention to other transportation modes.

The United States is the most car-dependent nation on earth. In our country there are more than 500 cars for every 1,000 people. Vast amounts of our commerce are transported by truck, and thousands of our fellow citizens daily depend on buses for their mobility. Each year these statistics grow more impressive. We are a nation fully committed to the motor vehicle and as such we need an ongoing highway program.

Mr. President, the highway act recently passed by the Congress and signed by the President continues the evolutionary process that has been underway for more than 50 years. It is not a static program, and I hope that we never see the day when it becomes one.

National Highway Week is a time for recognizing the accomplishments of the past as well as the unfinished work that lies ahead. I invite my colleagues to join me in an assessment of the highway program, not only this week when we give it special emphasis, but on a continuing basis.

CONGRESSMEN OBEY AND STEIGER ON BUDGET REFORM

Mr. MUSKIE. Mr. President, last week in joint testimony before the House Rules Committee, Congressman DAVID R. OBEY and Congressman WILLIAM A. STEIGER of Wisconsin, submitted one of the most lucid and most compelling statements on congressional budget reform that I have yet seen. I commend Congressmen OBEY and STEIGER for their excellent statement and urge my colleagues to read it.

I ask unanimous consent that this statement be printed in its entirety in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JOINT STATEMENT OF CONGRESSMEN DAVID R. OBEY AND WILLIAM A. STEIGER

Over the past six months we have been among those who have been raising questions about proposals made by the Joint Study Committee on Budget Control contained in H.R. 7130. That does not mean we do not believe that there is a strong need for budget reform. We need it badly, and if we get it, it will be in no small measure due to the efforts of members of the Joint Study Committee—especially the efforts of Al Ullman and Jamie Whitten.

We hope Congress will enact a budget procedures reform bill in this session, but it must be a workable bill that will be compatible with the processes and traditions of Congress. In our statement here today we will try to do two things:

(1) Explain why we strongly question certain procedural aspects of H.R. 7130, the Joint Study Committee proposal, and

(2) Give some suggestions as to modification of that plan which we believe would make it acceptable.

1. *What is wrong with the Joint Study Committee Proposal?*

That proposal already has been modified by its sponsors substantially in an effort to soften some of its harsher provisions. But there still remain basic procedural defects that cannot be remedied merely by expanding the composition of the budget committees or by a slight relaxation of the rigid rules which would be imposed on the consideration of budget matters.

The problem, as we see it, is that supporters of H.R. 7130 simply come before the committee and say "we have a terrible problem; the budget process is impossible" which everyone agrees with. But then they jump to the statement "so let's pass our bill."

We agree that something must be done. But we think it is critically important that that something be the right thing. If it isn't; if it is unnecessarily complicated and does not reflect reality in the House, it will fail. The price of the 1947-49 legislative budget fiasco was 25 years of waiting before another drive for budget reform could get off the ground. If we fail again, it may be difficult to move on this matter for another generation. We dare not bequeath to the 1980's the tale: "They tried to change it in 1973, but it didn't work." If we are not to repeat the mistakes of the 1940's, we must not readopt the simplistic notion of a legislative budget.

Let us briefly outline the four problems we see with H.R. 7130:

Problem No. 1: A monopoly of budgetary power. Virtually every reform that the House has adopted in the last four years has tried to do two things:

1. Provide additional tools for the Leadership, and

2. Build an increased sense of participation on the part of individual members of the House.

The problem with H.R. 7130 in this regard is that its thrust is just the opposite. Under the original plan Members of the new budget committee would have been largely self-appointed (from Ways and Means and Appropriations). Elaborate procedure and the two-thirds requirement would have denied to a majority of the House an opportunity to work its will on the most important piece of legislation we deal with each year.

In short it would have created a tremendously powerful committee which could set ceilings and subceilings for the over-all budget and a of its subcategories *before* the average Member even knew what was in the budget recommended by the Budget Committee. Gentlemen, that is not a procedure which the membership of the House will allow to stand over the long run.

Problem No. 2: Premature spending decisions. The problem with the proposal is that it calls for the establishment of the over-all budget ceiling and subceilings *early in the year*, before public hearings have been held on the various budgets by Appropriations. A number of problems are associated with that procedure which we believe are profoundly unrealistic and needlessly complicated.

The Congress is forced to make macro-economic and priority choices at a time when their best judgments about future economic conditions are nothing more than seat of the pants guesstimates.

Priority choices will be made without adequate opportunity for review by an outside group—giving any President an advantage in the budget process he should not have.

Problem No. 3: A hopelessly complicated process. The establishment of an early session budget resolution adds another step to an already complicated budget process and will further delay the passage of actual appropriations bills.

A. If the over-all ceilings and subceilings are binding—as they are in the original Whitten-Ullman proposal and in the Senate bill—the most controversial and important budget decisions each member is asked to make—i.e., over-all spending levels and priority choices—will be made at the time when individual members of Congress are least able to make intelligent choices.

They will be at a much greater disadvantage in terms of budget information available to them than will members of the budget committee. They will not even have any reasonably firm estimates regarding program spending levels in the previous fiscal year. For example, as late as June 1972, the Administration was several billion dollars off in its projection of the amount of money that would be spent in the fiscal year that ended only one month later.

They will not have been able to read appropriations subcommittee hearing records to determine what facts were brought before the committee by witnesses who know the most about individual programs—including administration witnesses.

That procedure will put a very few people—members of the budget committee—in the driver's seat. It will severely handicap every other member of the House.

The winners in such an arrangement would be 21 members of the House who would collectively wield more power than any group since the time of Speaker Cannon.

The losers would be many:

Individual members of the House—especially younger members—who are interested in and want to retain their ability to have an effect on budget priorities;

The appropriations process itself, because the appropriations process would become meaningless. The ceilings for the committee and each subcommittee would be established by the concurrent resolution of the budget committee, and while the committee could change its priorities within a subcommittee, it could not significantly alter the emphasis between subcommittees by, for example, cutting money for defense and using it for health, except within certain very narrow limits;

The elected leadership of both caucuses, who would have even less input in budget decisions rather than the additional input which is badly needed;

The public because budget levels would be established before the public has had a chance, through hearings in the Appropriations Committee process, to assess the adequacy of Presidential budgetary recommendations and to try to effect changes which they deem necessary;

The authorizing committees which would be deprived of an opportunity for meaningful participation in setting program priorities. The new budget committee would be able to work its will without regard for the oversight work conducted by the other committees. Thus, while authorizing legislation would have a June 30 cutoff date under H.R. 7130, the concurrent resolution on the budget would have been decided two months earlier, by May 1.

In short, we would be replacing one solitary king in the budget-making process—the President—with a collection of 21 new and enormously powerful demi-gods—members of the budget committee itself.

B. If the ceilings and subceilings are merely suggestive in nature—in other words unbinding targets—they will be a meaningless additional layer of procedures on top of an already complicated appropriations procedure and the result will be more delay. In short, it will not get the country off a continuing resolution, and that is the main procedural problem facing this Congress in budget reform.

Problem No. 4: The needless creation of another committee. H.R. 7130 would needlessly complicate the appropriations process by adding another committee. At the present time, the Bolling Committee (Select Committee on Committees) is trying to remedy problems of committee jurisdictions. Many of these problems arise from the tendency of the House to create another committee or subcommittee whenever a problem arises. It is ironic that a budget reform aimed to do something about the incredible fragmentation of the budget process proposes to further fragment the process by layering still another committee into the process. What we need is not additional committees, but a sensible restructuring of the committee process already in place.

What supporters of Whitten-Ullman say is that the traditional role of the Appropriations Committee—the coordination of Congressional budget actions has been so eroded that the Appropriations Committee no longer can do the job. It exercises control over only a minority portion of the budget. Backdoor spending—contract authority—and the like, is in other hands. A new budget committee is created to piece together the pieces. It is given the power to make macro-economic decisions.

Gentlemen, that is a Rube Goldberg approach. If you do that, you will have a three-stage authoring and appropriating process.

Authoring committees will authorize.

Appropriating committees will appropriate.

The budget committee will reconcile the results with fiscal reality.

Gentlemen, if you are going to do that, you are really suggesting that the Appropriations Committee should be abolished. The logical outcome of the creation of another committee—the budget committee to reconcile committee action with economic and fiscal considerations—is the abolition of the Appropriations Committee. Members of Congress will look at the system in a few years and they will say "since the budget committee decides priorities and reconciles spending with marco-economic reality, why do we need the Appropriations Committee anymore? Why not just abolish the Appropriations Committee, add their functions to the budget committee, let the budget committee set over-all ceilings and subceilings and let the authorizing committees parcel out the money to individual programs within the targets set out by the budget committee?

If that is what should be done, let's do it now. Let's not refuse to face the logic of our decisions. Let's not add yet another layer. Let's do it right the first time.

And gentlemen, we think we can do it right—and do it within the present committee structure in a very simple way.

AN ALTERNATIVE APPROACH TO BUDGET REFORM

The Joint Study Committee recommended that Congress equip itself to do two things: Give Congress an opportunity to deal with macro-economic questions; give Congress an opportunity to deal with priorities within a comprehensive decision process.

Both of these opportunities are absolutely necessary and we suggest we can do them without passing a premature budget resolution each year; without setting up another layer of budget committees; without concentrating unprecedented budget power in a budget committee.

The remedy must fit the problem. The evidence gathered by the Joint Committee points to a different conclusion than the one it drew. The evidence is that concerning those matters within the province of the Appropriations Committee, Congressional action is timely and responsible. In each of the past 20 years, the Appropriations Committees have carefully examined the money bills brought before them and have reduced the amounts recommended by the President. Even as it operates through subcommittees—as any Congressional committee with a broad workload must—the Appropriations Committees have kept an eye on spending totals. Some would say that they have done too good a job of budget-cutting, but none can accuse them of being reckless spenders.

The Joint Study Committee also showed that appropriations action usually comes only a short time after the authorizations bottleneck has been removed. It is not the appropriations process that is responsible for the flood of continuing resolutions, and no change in that process will bring relief from this undesirable practice.

Let's recognize that fact and act accordingly.

What should be done?

1. *Move the fiscal year to October 1st.* As Comptroller General Staats has stated: "It is clear that the Congress cannot reasonably be expected to complete appropriation action on the budget by July 1." An October 1st date would enable the Congress to adequately consider the budget and it would enable the President to submit a budget using actual prior year figures. That would do a great deal to solve the most pressing problem we have—getting the country off continuing resolutions—provided that it is accompanied by other budget reforms. Other advantages are outlined by Mr. Staats, and we will not outline them here.

2. *Early Congressional access to budget estimates.* Require federal agencies to give Congress their budget estimates at the same time they are submitted to OMB in the Fall of each year. This would give Congress an early start on preparing the next year's appropriations, and equally important, it would give Congress some independence from the dogmatic estimates contained in the President's budget. While this might seem to be a radical breach in the executive budget process, it is nothing of the sort. When we served in the Wisconsin Legislature, we obtained agency estimates at the time they went to the Governor. In fact, this practice is followed in well over half of the states—without any dire consequences and, in many instances, with continuing cooperation between the executive and legislative branches.

3. *June 30 deadline for new authorizations.* Prohibit appropriation of money for any program unless it has been authorized by June 30, three months before the start of the new fiscal year (which would begin on October 1). Of course, there would be ample provision for the Rules Committee to vote exceptions in emergency cases. Two advantages would flow from early authorizations. First, the main cause of delays and continuing resolutions would be eliminated. The authorizing committees would have a full half year to report new legislation, but (with the fiscal year change) there still will be three months for completion of all appropriations. Second, these committees will be freed during the second half of each year to review and evaluate agency programs, a responsibility which currently often is pre-empted by the continuing pressure of authorizing legislation. (Of course, even more lead time could be obtained by simply requiring authorizations to be completed the previous calendar year. Either approach would be preferable to the present system.)

4. *Return jurisdiction over backdoors to the Appropriations Committee.* The Joint Study Committee presented conclusive evidence that backdoor spending is the practice which accounts for the fragmentation of the budget process and the inability of Congress to maintain effective control over spending. Backdoor practices means that rather than one set of committees with authority over appropriations, any committee can play the backdoor game. Backdoors come in a number of forms—contract authority, borrowing authority, mandatory spending—but their over-all effect is to put certain categories of spending beyond the reach of Congress. It is now common to hear that 75 percent of the budget is uncontrollable. One of the main reasons why this percentage is so high is the upsurge in backdoor spending in recent years.

At the present time, more than $100 billion in spending does not go through the Appropriations committees. Most of this money is in the form of permanent appropriations, which doesn't go through any committee of Congress—it is appropriated automatically. As a matter of fact, we soon will reach the point where more spending—in the form of tax expenditures and direct expenditures—will go through the Ways and Means Committee than will go through Appropriations.

If the backdoor is again policed by Appropriations, it will be possible to control total spending in accord with economic policy and to balance the spending needs of all programs within the regular appropriations process.

5. *Expand the initial overview hearings of the Appropriations Committee.* Now the Committee hears only the Administration's witnesses: Treasury, OMB, etc. Expand hearings somewhat along the lines suggested by Comptroller General Staats by providing each department head—such as Defense, HEW, HUD—an opportunity to discuss major program developments and issues in their particular agencies. Presently the Appropriations Committee functions too exclusively on the subcommittee level. A two-week period of hearings on major developments in every policy field would give the Appropriations Committee members a better understanding of budget policy problems in areas other than their own subcommittee jurisdiction.

Also give the Joint Economic Committee and the Ways and Means Committee an opportunity in the same hearing, to respond to the major macro-economic policy judgments in the President's budget. This could provide an early Congressional response to the President's over-all budget decisions by those best qualified to make that response without locking Congress into an early decision on those decisions.

That is important in this year's budget because early macro-economic decisions by Congress this year would not be worth a plugged nickel today because of the rapid changes in the economic situation (in the 4-month period between Feb. 1 and June 1 revenue estimates increased by $10 billion). Finally, the Committee would hear outside witnesses from national organizations which have made special studies of federal programs, expenditures and their impacts.

6. *Give authorizing committees greater input into appropriations process.* Have the Appropriations subcommittees proceed with hearings on submitted budgets just as they do now *with one change*. After the department secretaries present their policy statements to the appropriate Appropriations subcommittee, provide an opportunity for comment by the chairman and ranking minority members of each of the authorizing committees involved. This cooperative procedure should help to narrow the authorizations-appropriations gap which has proved so troublesome in recent years. The authorizing committees would have a direct channel of input into appropriations.

7. *Individual appropriation bills.* Allow the Appropriations Committee to bring each bill to the floor just as it now does. Allow the Committee of the Whole to work its will on each appropriations bill *but* in contrast to present procedure, when Committee of the Whole consideration is completed, instead of putting the bill to a final vote in the House, recommit it to the Appropriations Committee with instructions to report it back unchanged later in the session as part of an over-all omnibus appropriations bill. (A possible variation would be to allow the House to complete action of each appropriation bill and send it to the Senate. After the Senate has acted, the subcommittees would go to conference and bring back the bills just as they do now. When the House finally acts on the conference report, refer that back to Appropriations for inclusion in the later omnibus bill. That would mean we would deal in the omnibus bill with the end product of the Congress rather than just the House. It would have the advantage of reducing the items in disagreement between each house in the final conference and it could vote the final conference faster and more manageably.)

8. After all 13 appropriation bills have been dealt with by the House, require the Appropriations Committee, acting in its budget control capacity, to bring back to the floor two measures:

(1) An omnibus appropriations bill representing the sum total of all the actions taken by the House on appropriations (including backdoor spending), and

(2) A substitute amendment representing its best judgment as to the reductions that are necessary in the light of fiscal and economic realities. Those recommendations would be made by Appropriations on the basis of prior recommendations to the House

by the Joint Economic Committee on the preferable income, outgo, deficit or surplus given economic conditions at the time.

The final Appropriations Committee report on the omnibus bill could indicate the over-all budget policy underlying its recommendations much the way the President provides such estimates associated with his recommendations for Congressional action on the budget.

This report could include:

A. The revenues estimated to be available given the current tax structure and the latest readings on the economy.

B. The estimated outlays associated with the committee recommendations on budget authority.

C. A statement of the estimated deficit or surplus, and the borrowing necessary to fund the spending plan.

D. A comprehensive listing of tax expenditures and the associated revenue losses.

This aspect of the report could be based on consultation between the Ways and Means Committee and Appropriations Committee, thereby providing the House with an up-to-date and comprehensive picture of the over-all budget at the time when final spending decisions are under consideration. This reporting procedure could be carried through the conference stage.

It could be possible to stage the process so that action on the individual appropriations measures is completed prior to the August recess—one month after the authorizations deadline, but two months before the new fiscal year starts. Congress would take up the omnibus measure upon its return in September.

With this improved timetable, we will be able to put an end to continuing resolutions or markedly shorten their duration.

9. *Final action on appropriations*. The House would then work its will on the recommendation of the Appropriations Committee. It could stick to its original action. It could accept Appropriations Committee recommendations, or it could modify them.

We believe this procedure would have a number of advantages.

1. It relies as much as possible on the current committee structures of the House; and

2. It is relatively simple and uncomplicated. It contains no reserve funds, no contingency funds as under the Joint Study Committee plan. It provides for no early straight-jacket on the Congress.

And most importantly:

1. It does give the Congress an opportunity to deal with the crucial problem of priorities.

2. It does give the Congress an opportunity to confront and make decisions about over-all economic and fiscal reality facing the country and the government.

It provides for consideration of both these questions at a time in which the maximum number of House members are informed to the greatest possible extent about individual programs, the content of individual budgets, and the economic problems of the country—at the end of this decision-making process—not at the beginning. It would parallel the construction of the President's budget which, after all, is the sum total of a great many individual decisions. It would be what it should be—an end product of the decision-making process, not an early stage, running, flying guess based on little specific information.

It also provides that macro-economic decisions will be made at a time which gives the Congress the best chance of actually guessing right. It gives Congress the opportunity to obtain the very latest economic news possible before making its economic decisions.

It also provides an opportunity for a greater degree of party accountability in the budget-making process by providing the leadership of each caucus an opportunity to help influence the outcome.

These procedures do not guarantee that Congress will make the right choices. But, they do guarantee that Congress will have the opportunity as it does not now have, to accomplish the two goals laid out in H.R. 7130:

1. To determine priorities among competing programs.

2. To face the economic and funding problems for the country, and decide clearly whether it will be responsible or not.

And it does it in a way which we believe is workable. It contains no magic procedural formula for guaranteeing that Congress will make the right decisions, but it does contain a practical way to make Congress face its choices clearly with knowledge and forwarning of the consequences of its acts. And in a legislative body of 435 people that is all you can ask. When we finish with budget action under this procedure, it will be clear who did what and the public will be able to hold us accountable.

We would like to file with the Committee later a bill which reflects in greater detail the recommendations which we are making now.

TRIBUTE TO IRVING KUPCINET

Mr. STEVENSON. Mr. President, on October 21 the friends of Chicago's Irving Kupcinet will join in honoring him by gathering to benefit the Karyn Kupcinet International Science School of the Weizmann Institute of Science in Rehovet, Israel. This event to raise funds for the school named in memory of Kup's daughter Karyn is a personal tribute to Kup, befitting his interests and involvement, and an event which will make possible the furtherance of the important work of this famed institute.

The Weizmann Institute serves as an oasis in the Israel desert where men and women of science work to discover truth and answers to the trials of mankind. Kup has served humanitarian interests with much the same determination. His efforts in behalf of countless good causes including the Chicago Boys' Foundation and Variety Clubs, and the annual Purple Heart Cruise on Lake Michigan, have earned him the respect and gratitude of the people of Chicago.

I join with Kup's friends in celebrating his spirit and in offering him the thanks of his community.

THE SCHOOL LUNCH PROGRAM

Mr. McGOVERN. Mr. President, last week, on September 17, hearings were held before the Select Committee on Nutrition and Human Needs, concerning the urgent need for additional funds to provide kitchen equipment for schools across the country so that they can more fully participate in the national school lunch programs.

These hearings brought out the fact that 5 million children who attend 17,700 schools still have no opportunity to obtain a nutritious lunch because their schools do not participate in the program. Much of this problem is attributable to the inability of these schools to afford kitchen equipment. The need for additional funds in this area is even larger if one adds in the number of schools that joined the program years ago and are now attempting to continue participating in the program despite their dilapidated equipment.

The Department of Agriculture is not unaware of these problems. On September 26, 1972, Public Law 92–433, the school lunch amendment of 1972, was signed into law. One of the provisions of that bill instructed the Agriculture Department to conduct a survey of the schools' needs for equipment funds. That survey, which is still unfinished today, shows that a minimum of $83,000,000 is needed to meet the equipment requirements of the Nation's schools at this moment. It should be pointed out that that figure does not include the needs of several key States who have not yet responded to the survey.

To meet this urgent need, Congress appropriated $6,000,000 on June 30, 1973, as part of the Second Supplemental Appropriations Act of 1973, to provide funds for equipment purchases during the summer of 1973. Today by virtue of amendment No. 37, as agreed to by the conferees for this bill, we are appropriating an additional $2,110,000 to be spent during fiscal year 1974 in partial fulfillment of the schools' requirements.

It is important to emphasize that all of this money—both the $6,000,000 from June 30, 1973, and the $22,110,000 we are providing today—must be fully spent by the Agriculture Department if the congressional mandate to provide free and reduced-price lunches to all the needy children in the Nation's schools, as set forth in the School Lunch and Child Nutrition Acts is to be carried out. I need not add that were the Agriculture Department to impound any of these funds, then that important congressional intent would be quite clearly violated.

THE PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED: MOCK CONGRESSIONAL HEARINGS

Mr. WILLIAMS. Mr. President, when the President's Committee on Employment of the Handicapped met here in Washington in May, I had the pleasure to chair a mock congressional committee hearing with Senator Dole and Congressman Brademas and Congressman Hansen of Idaho. We received testimony covering the areas of transportation and architectural barriers, civil rights and education of handicapped individuals.

The witnesses were Raymond Cheever, editor of Accent on Living magazine; Harold S. Remmes, with the Boston Housing Authority and president of the Massachusetts Council of the Physically Handicapped; Robert R. J. Scanlon, psychologist; John N. Gibson, president of the World Association to Remove Prejudice Against the Handicapped; Dr. Yasoma B. Challenor, doctor of rehabilitation medicine at Columbia Presbyterian Medical Center; and Mr. Charles Mitchell, Jr., chairman of the Recreation Committee of the National Association for Retarded Children.

I found this session extremely valuable in conveying information about the problems faced by handicapped individuals. But most important was the fact that the testimony was being presented by individuals who have had to confront these problems all of their lives because they themselves have disabilities.

At the end of this session, I suggested that we might include the transcript of the hearing in the CONGRESSIONAL RECORD so that many more persons might gain some insights from this meeting. Mr. President, I therefore ask unanimous consent that this hearing be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

MOCK CONGRESSIONAL HEARINGS—PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED, MAY 31, 1973

Miss PEARL BAILEY. How many of you have ever attended a Congressional hearing? Well, you're going to attend one right now. Since we couldn't all fit in the Halls of Congress, a Joint Congressional hearing is going to take place right here. It will hear testimony on problems of the handicapped from half a dozen witnesses.

First, let me present the Members of Congress.

Senator Harrison A. Williams, of New Jersey, Chairman of the Senate's Labor and Public Welfare Committee, member of the United States Congress for the past twenty years; winner of many awards for service to humanity.

Senator Robert J. Dole of Kansas, active in the Agricultural and Forestry and Public Works Committees, as well as a couple of Select Committees. A disabled veteran himself, he has maintained a keen interest in the handicapped and has introduced a number of bills on the subject.

Congressman John Brademas of Indiana, Chairman of a Select Subcommittee on Education of the House Education and Labor Committee; active member of three other House Committees; his concern for the handicapped is known around the country.

Congressman Orval Hansen of Idaho also is a member of the Education and Labor Committee, as well as a couple of others. He, too, has been deeply concerned with the well-being of the handicapped.

Now for the witnesses.

Raymond Cheever is Editor of Accent on Living, an excellent little magazine for and about the handicapped. He also operates a novel computer information retrieval service dealing with the handicapped.

Harold S. Remmes is with the Boston Housing Authority, and also is President of the Massachusetts Council of the Physically Handicapped.

Robert R. J. Scanlon is a psychologist who directs psychological services and research for the Archdiocese of Miami. He once sued a major airline because it wouldn't let him travel alone.

John N. Gibson is founder and President of WARPATH, which stands for the World Association to Remove Prejudice Against the Handicapped. He once ran for Mayor of Miami.

Dr. Yasoma B. Challenor is a Doctor of Rehabilitation Medicine at the Columbia Presbyterian Medical Center. She also is Legislative Chairman for the Regional Chapter of the National Rehabilitation Association.

Charles Mitchell, Jr., is Chairman of the Recreation Committee of the National Association for Retarded Children. His interest is leisure-time activities for all the handicapped.

Now, on with the panel.

Senator WILLIAMS. This is a unique experience for those of us in Congress. This is really a joint committee hearing of the House and Senate. It's not the way we normally do business. The President's Committee probably has found a more effective way of working on legislation, having both Houses of Congress sitting in this Congressional hearing. I know you want to get to the witnesses. It's a morning we have all looked forward to. Before we do turn to the witnesses, I would like to turn to my colleagues of the committee. Congressman Hansen.

Congressman HANSEN. Thank you very much. My colleague, Congressman John Brademas, will be here later, at which time the House will be in full strength. Thank you, Mr. Chairman.

Senator DOLE. It's good to be with many people I know. Senators generally take all the time and witnesses are asked to put their statements in the record. But in view of the great importance of this, I have a signed statement indicating my interest, and I'll ask the Chairman if this may be included in the record as though stated in full, and we will proceed to hear the witnesses.

Thank you, Mr. Chairman. [The prepared statement of Senator Dole follows.]

REMARKS OF SENATOR BOB DOLE—MOCK HEARINGS, PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED

There can be no question, with respect to the various rights we will be discussing, that the handicapped are in a better position in America today than they were 10 or 20 years ago. More than ever, they are receiving effective educational, vocational rehabilitation, medical and other vital services.

I think, however, there can also be no question that the situation is still not good enough. Too many handicapped children are denied a basic education, too many handicapped youth and adults have not been able to benefit from vocational rehabilitation services. Far too many suffer both deliberate and thoughtless injustices as they attempt to work and participate in the world about them. We still have a long way to go.

So I wish to express my appreciation for the opportunity to participate in this hearing today. It is one of the most significant forums ever assembled to review the problems of the handicapped, and I am hopeful it will produce some initiatives and new directions. Perhaps it will generate ideas and suggestions to meet some of the more important problems. It will surely add to the awareness of those who heretofore have not been closely involved in efforts to aid the handicapped and assure them the full enjoyment of their rights as American citizens.

Each of the six areas which our witnesses will explore has a unique set of problems and challenges. But by taking them together in this one hearing we can better understand the need for a comprehensive approach to the handicapped—as individuals in a complex and demanding world.

Two of these areas are of special interest to me at this point, and I would like to make a few brief comments before turning to our witnesses.

HOUSING RIGHTS

Housing has always been a major difficulty for the handicapped. For a variety of reasons, relating to their unique physical, medical, or financial requirements, their living accommodations frequently must conform to special needs. Doorways may have to be widened to allow easy passage on crutches or in wheelchairs. Elevators and ramps may be required too. The installation of handrails, grip-bars, lifting devices, and other equipment is often necessary.

Unfortunately, many disabled persons are forced to live in environments with architectural barriers which limit their ability to care for themselves and live as independently as their physical capacities permit.

Indeed, so far no broad-scale, concentrated efforts have been devoted to providing residential facilities designed specifically for severely handicapped adults. Except in rare instances, substantially handicapped persons have remained in their parents' homes until emergency, such as the death or physical impairment of the parents, has forced them into institutions. Or they have been placed in institutional care from childhood. Little thought has been given to alternative living accommodations.

Our goal in housing the handicapped should be to integrate them into the community, but still provide all the special services they require—through placing a new emphasis on planning for future housing construction and utilizing available services and facilities more effectively, efficiently, and economically.

To this end, I have introduced in the 93rd Congress, a bill entitled, "Housing Opportunities for the Handicapped Act." The purpose of this legislation is:

1. To promote the development alternatives to institutional living arrangements for severely handicapped adults;
2. To promote opportunities for severely handicapped adults to choose how and where to live and thereby reduce dependency, increase opportunities for vocational evaluation, training, and placement, and utilize already obtained rehabilitation and educational experiences;
3. To focus attention on housing needs;
4. To promote construction of adequate housing facilities suited to both handicapped and non-handicapped individuals;
5. To demonstrate models of housing and services for severely handicapped adults; and,
6. To utilize existing supportive service systems.

I am hopeful this bill will provide the push for long-overdue experimentation and innovation in housing for the handicapped. And I look forward to seeing hearings scheduled and receiving comments from interested individuals and organizations.

TRANSPORTATION RIGHTS

Transportation is another crucial factor in the lives of many handicapped persons. The excessive transportation expenses incurred by some handicapped individuals as they attempt to pursue gainful employment can be ruinous.

Many efforts have been made to improve the routing, accessibility, and availability of transportation for them. These efforts have been conducted on many levels, both public and private. Many who would otherwise be deprived of vital mobility have been served and now are able to move about their cities and towns for business and pleasure to a much greater extent.

But reliance on special transportation programs utilizing public facilities has proved inadequate for serving those employed or employable handicapped persons whose disabilities prevent them from using public transportation. Their needs are so great that no present system is adequate, for each individual requires a personalized service that is beyond the financial capabilities of these individuals, and too costly for public or private agencies to supply.

Clearly this is a deplorable situation. These men and women want to work, and are able to work. But their ability to earn and contribute to their support is stifled by the problem of getting to and from jobs. This situation is one of the most disturbing wastes of human resources of which I am aware.

In March, Senator Percy and I introduced the Antienvironmental Barriers Act, which provides tax incentives for the removal of architectural and transportation barriers to the handicapped and the elderly. We hope that this legislation will provide a valuable incentive for environmental modifications and, at the same time, alerting the public to the barriers faced by the disabled and the elderly.

I do not want to take away from the time allotted for our witnesses. They bring to these hearings a great store of knowledge, understanding and sensitivity gained through years of effort in their specialized fields.

So I would again state my pleasure at being here and having an opportunity to participate.

Senator WILLIAMS. Thank you, Senator Dole. We will now turn to our witnesses. Mr. Raymond Cheever has been introduced. We are honored to hear your statement.

Mr. CHEEVER. Thank you for giving me the opportunity to talk about the subject of transportation as it relates to handicapped individuals. My testimony concerns public or mass transportation such as buses, trains, planes and subways. As editor of *Accent on Living* magazine, read nationally by well over 10,000 physically handicapped individuals, my remarks will reflect the cumulative viewpoint of many of our readers who have written to us on this subject.

The Department of Transportation has estimated that there are 1,493,000 employable transportation-handicapped persons in the United States and of these, 103,000 transportation-sensitive unemployed. If each of these individuals could be made mobile and thus return to work in our society, it has been estimated that annual earnings of $452,692,000 would be generated. That is an average of $4,388 per person. As a consequence, yearly welfare payments would decline by $49,582,000 and income taxes would increase by $39,679,000.

To review some important legislative mileposts, in the 1970 Congress, U.S. Representative from New York Mario Biaggi's amendment to the Urban Mass Transportation Act was adopted making it national policy for the first time that the elderly and handicapped should have equal rights to mass transit facilities.

Section 16 of Public Law 91–453 now says (a) "It is hereby declared to be the national policy that elderly and handicapped persons have the same rights as other persons to utilize mass transportation facilities and services; that special efforts shall be made in the planning and design of mass transportation facilities and services so that the availability to elderly and handicapped persons of mass transportation which they can effectively utilize will be assured; and that all federal programs offering assistance in the field of mass transportation (including the programs under this Act) should contain provisions implementing this policy."

(b) "In addition to the grants and loans otherwise provided for under this Act, the Secretary is authorized to make grants or loans for the specific purpose of assisting state and local public bodies and agencies thereof in providing mass transportation services which are planned, designed and carried out so as to meet the special needs of elderly and handicapped persons."

Yet, in spite of the intentions and purposes of the laws of our land, problems continue to arise. One example is the interpretation of the law by the Urban Mass Transportation Administration in the Department of Transportation. The discretionary policy of UMTA as related to Public Law 91–453 has been defeating the outstanding progress being made establishing equal rights for handicapped people by such groups as this President's Committee and numerous organizations composed of and/or serving the physically handicapped.

The Urban Mass Transportation Administration had stated on December 20, 1972 that Public Law 90–480 does not apply to UMTA funded projects. Following this statement the General Services Administration was requested to give a legal opinion on whether the Act, and regulations issued pursuant thereto, do in fact apply to mass transit facilities funded in whole or in part by the Federal Government.

In February of this year, Arthur F. Sampson, acting administrator of the General Services Administration, wrote to Harold Russell, Chairman of the President's Committee, saying in part, "Enclosed is an opinion of our General Council in which he concludes that the Secretary of Transportation, as a condition of any loans and grants for construction or alterations made under Section 3 of the Urban Mass Transportation Act of 1964, as amended (49 USC 1602), must require the recipients to adhere to GSA standards for design and construction for the accommodation of the handicapped."

Perhaps this is one of the most important decisions made thus far on this subject. Certainly the General Services Administration should be applauded for this ruling since the ruling addresses itself in essence to the design and construction of terminal and station facilities.

I would also like to comment on another specific problem related to transportation. This is the non-acceptance of physically disabled passengers by airlines personnel. In answer to the question, "What to do about the incapacitated passenger?" it was recently reported in the Airline Pilot magazine that, "The right solution, according to the consensus, is mandatory able-bodied attendants or escorts with all incapacitated passengers on airlines."

It is being reported that certain airlines again are becoming more restrictive in their attitudes and policies toward the transportation of physically disabled travelers. It seems that in most instances the denial of travel to handicapped wheelchair users appears to be the result of the judgment of an individual agent who quotes from a manual. The traveler many times does not know how to respond effectively or has no one to call and is not permitted to board.

To show you how ridiculous, actually embarrassing and dehumanizing this can become, I have a letter from an *Accent* reader in Maryland who says, "Last Saturday I was to fly down to Miami. I was just about to be handed my ticket when the clerk asked me if I could stand. As I am in a wheelchair I said, 'No.' He then referred me to the manager who said because I was alone I must have on me a card showing I am 'stable trained.' He showed me this in his book of regulations, but could not explain what it was." This reader has written to *Accent on Living* wanting to know, "(1) what stable trained, is, (2) how do I go about getting this training and (3) where do I obtain proof I need so I can fly to Miami rather than take the long car ride."

The Federal Aviation Administration is now reviewing new provisions concerning the transportation of disabled individuals and it is hoped that these will be forthcoming just as soon as possible and that they will provide much clearer rules for airline personnel to follow and that they will hopefully eliminate the problems being encountered by many disabled passengers.

What I see in my position as editor of *Accent* is actually a more basic problem that affects the attitudes towards not only the transportation of the handicapped, but all other areas like those being mentioned today. This problem is the image of handicapped people in today's society.

The educational processes being carried out by such groups as The President's Committee are certainly to be commended. I strongly suggest that there are two additional areas where efforts can bring effective results. Number one, handicapped people themselves must begin to make reasonable demands of themselves. Handicapped people need to raise their expectations to create new areas of competency. There are many that are doing this, but there are many more who are not. Secondly, society must be prepared to make it much easier for handicapped individuals to make positive contributions to society. You gentlemen have been placed in the most powerful positions in our land by your electorate. You and your colleagues have the means to make these things happen now, in transportation and these other areas.

On the cover of the January issue of *Paraplegia News*, an excellent publication and a good friend of ours at *Accent*, was a picture of the Statue of Liberty and these words, "Give me your tired, your poor, your huddled masses yearning to breathe free, the wretched refuse of your teeming shore. Send these, the homeless, tempest-tossed to me. I lift my lamp beside the golden door!" Then it was followed by this note: "This offer void for the physically handicapped in areas where architectural and other barriers prevent access to aforementioned golden door."

Senator WILLIAMS. Thank you very much. I think we have time for some questions. Yours was a very forceful, and believe me, most helpful statement for this committee. I'll just make one observation. We are close to passage in the Congress of a mass transportation bill. It is now ready for conference between the Senate and the House. Both bodies have passed legislation as part of the Highway Bill. It provides three billion dollars for the fiscal year 1975–76. There are other provisions for urban mass transit. It is not quite clear yet just what will be the resolution of the joint conference of the two bodies. But I can assure you that when that comes for a final vote before the Senate, I will be there. This bill happens to be the bill that I introduced. I will reinforce the amendment with the statement that it is the "clear" intention of Congress that when this amount of money, everybody's money, is applied to mass transportation, the law should be followed, and the handicapped needs should be planned into any federal funding of mass transportation. I am glad you are here to enlighten me on the oversights that I will have to correct.

I might also add that as many of you know, the Rehabilitation Act of 1973 contains one provision to seek compliance with existing federal laws prohibiting architectural and transportation barriers, the Architectural and Transportation Barriers Compliance Board. I feel certain that such a provision will be included in the final version of this extension legislation. Note: Such a board has been included in Conference Report on the Rehabilitation Act of 1973. In addition, a provision to authorize Amtrak to take all steps necessary to insure that no elderly or handicapped individual is denied intercity transportation on any passenger train operated by or on behalf of the National Railroad Passenger Corporation was contained in the Amtrak Improvement Act of 1973, presently in Conference Committee.

Senator DOLE. I think in that general area, one other area Congress is looking into is the Capitol itself. In the Capitol itself you have about as many architectural barriers as any place in the country. Such rooms are not accessible to those in wheelchairs.

You made a statement that, "handicapped people themselves must begin to make reasonable demands of themselves."

What do you mean, should make reasonable demands of themselves?

Mr. CHEEVER. The pervading philosophy is that you are handicapped and we are going to have to put you away some place and take care of you, or else we will find you a real good job and get a medal for doing it. Or one manufacturer is going to hire someone handicapped and say, "Gee, look, we hire the handicapped." "I am great, give me an award for it." I think it has to start with the handicapped group, that once you have a disability, you are not incompetent, that you fall in the same social category that other people happen to fall in, and you are not segregated into a separate group because of a physical handicap. You have to realize, "Maybe I can get a job, or learn a job." People have to realize that the handicapped people are a viable part of our society. There are as many handicapped people in the United States as there are black people. Everybody has been hearing about black people, because of the important and necessary efforts that have been made to ensure equal protection to this group. But there are just as many handicapped people around. We are an important group in our society. People in wheelchairs can be a part of society like anybody else and won't have to be given special consideration, but their rights to equal protection have to be enforced.

Senator DOLE. Thank you. Mr. Chairman, I think in the interest of time we should go ahead.

Congressman HANSEN. Let me ask you one brief question. You have placed in perspective some of the problems in implementing what is congressional intent. We have this difficulty in other areas too. Your focus has been largely on transportation. There is a place where there is a greater responsibility for government to develop solutions. Let me ask you for your suggestion on how we can provide better transportation for those who live in areas where there is no public transportation or adequate public transportation? In many parts of the country, in my own State, for example, there is no public transportation between cities. What are some of the major barriers and steps that can be taken to improve transportation services in those places for handicapped persons?

Mr. CHEEVER. There are some yet unfound answers to that question. I think intelligent investigation can be done more in this area as to the types of buses that can be used. Perhaps the steps can be constructed closer to the level of the street, maybe with a small ramp. For example, out in California they have a transit system that is accessible by wheelchair. They have elevators going from the street level down to the subway level. Of course, that is a big area I am talking about. In small areas you could have various types of mini-buses that would have automatic lifts in them that could be used as a shuttle system. Some of these need to be developed and studied to see how effective they are. I think an intelligent program could be studied in that area to really find an answer to mobility. There needs to be more education about what can be done.

Senator WILLIAMS. Mr. Harold S. Remmes of the Boston Housing Authority. We have another hearing in Boston on Monday on the education of the handicapped. I hope to see you up there, and we welcome you here.

Mr. REMMES. Thank you. Gentlemen, and Mr. Chairman, my name is Harold S. Remmes and I am employed by the Boston Housing Authority in the Elderly and Handicapped Program.

While the figures vary regarding the handicapped population in this country, one needs only walk down any street in any city and observe the persons one encounters who have a physical mobility problem. There are the elderly, women in late stages of pregnancy, the physically impaired, yes, and even the obese. Add to this those with cardiac and other non-visible impairments and it becomes obvious that there is a substantial number of persons in this country who are unable to cope with the physical barriers which an unthinking society has created.

The Federal Government has not responded to the needs of this population which common sense tells us is far larger than any ethnic or minority group in this country. Even if we confine our attention only to those identified by the national health survey in 1966 as being homebound but not bedbound, we would be talking about a minimum of 1,500,000 citizens. If we add to this those persons who are visibly handicapped and who are seen every day, there can be little doubt of the large number of mobility impaired in this country.

Because of my own personal experience as one with a mobility problem, and because I deal with handicapped clients, I can vouch for the fact that rehabilitation is virtually impossible unless the client is provided with living arrangements which allow him access to the outside world. How can we train a person for a trade or profession if he cannot get out of his house to the training or educational facility or to a job when his training is completed? How can a person add to the tax base if he is a prisoner at home forced to accept public assistance?

Federal thinking shows little real understanding of the problem. Handicapped are usually given some consideration under the elderly program in public housing. A young disabled person, however, lives a totally different life style than does the senior citizen. He may want to have visitors when the elderly residents are ready for bed. He may not even be able to get into an elderly development because somehow Washington believes that all handicapped are hermits who live alone and, thus, no provision is made for families with a handicapped member.

In those few instances where the Federal Government has created a facility especially for the handicapped, and that may be counted on the fingers of one hand, no real attempt has been made to mix impaired and non-impaired persons and thus another "institution" is created.

Another glaring failure of the system is that no provision has been made for those who do not necessarily qualify for low-income public housing or who may have income slightly above the maximum for admission.

Unlike the stereotype which the authorities apply to the handicapped, he is essentially just like everyone else. The only difference is that he requires a modified environment in order to function maximally. He does not want to be restricted to living with the elderly. He does not want to be confined to public housing. He does not want to be separated from his family and if we allow him some options, congressional figures show that he returns to the tax base $3.00 to $7.00 for every dollar spent on his rehabilitation.

Most housing built with federal funds, whether it be 232, 235, 236 or any other program is not really accessible to the handicapped. The government has the ability to insist on accessibility as a condition of funding. This is seldom enforced.

The government has the ability to offer tax incentives to those who build within the private sector or to those who modify existing dwelling units for the handicapped. The same could be said for employers who modify their facilities to accommodate the handicapped. If such tax incentives were offered, we would see more builders, developers and employers subscribe to the criteria of accessibility in order to gain a tax advantage and there would be no need for a superstructure for enforcement of architectural regulations.

Our President has said that we must learn to stand on our own two feet. I submit that there are those who will never meet this admonition, literally. Figuratively, however, they can if they receive the necessary assistance to get out of their houses to buy the braces, crutches or wheelchairs so that they can go to work. I submit that the handicapped themselves know their needs far better than those who sit in their ivory towers and plan programs which they think are needed. If the handicapped were involved in planning realistic programs there would be a substantial reduction in the numbers of public assistance recipients and an increase in our gross national product.

The time has come to end the contrived impression of concern which purports to serve the handicapped while upholding a presidential veto of the Rehabilitation Act. It allows a moratorium on housing when there is essentially none which the physically impaired can utilize and which allows our tax dollars to be sent abroad to rehabilitate our former enemies while keeping our own handicapped population, many of whom are taxpayers, relegated to a position of second-class citizens. Thank you.

Senator WILLIAMS. Thank you very much. You were obviously well received. We appreciate your statement very much. I wonder if you feel there is a focus in any of your departments that really accepts the opportunity and responsibility of building into federal programs an understanding of the problems faced by handicapped people? Do you feel it would be helpful to have an office designated as an office for the handicapped, an office within HEW?

Mr. REMMES. It could be very helpful.

Congressman HANSEN. Thank you very much for very reasonable and clearly stated testimony. I gather it is your endorsement to urge Congress to continue in any new legislation to eliminate architectural barriers?

Mr. REMMES. That's right.

Senator WILLIAMS. We will have to do something about that moratorium on housing. Thank you, again.

Robert Scanlon, Director of Psychological Services and Research for the Archdiocese of Miami.

Mr. SCANLON. My name is Robert Scanlon. I have been totally confined to a wheelchair for the past 24 years.

In the five minutes allotted me, I would like to very briefly and succinctly address myself to three problems, and then develop possible alternatives for these.

Transportation:

Presently the physically handicapped individual is unable to obtain adequate public transportation. The buses and trains are not accessible. The airlines frequently take handicapped individuals depending upon the discretion of the passenger service representative, the interpretation of individual airline policies, and the particular persuasiveness of the handicapped individual.

Environmental Barriers:

Public housing is by and large not designed for accessibility by the physically handicapped.

Accessibility to buildings is difficult and sometimes impossible.

Churches, civic auditoriums, libraries, theatres, restaurants, and so on, often bar entry and participation by the handicapped.

Employment:

As I am sure you are aware, properly trained, the handicapped employee is a positive asset to his employer. However, in order to obtain proper training, realistic support must be given to the federal agency charged with this responsibility, namely, the Rehabilitation Services Administration. The recent Vocational Rehabilitation Act, which was unfortunately vetoed by the President, contained a realistic philosophy toward the training of all handicapped individuals. For the first time, attention was given to the needs of the more severely handicapped individual. This individual is frequently not accepted under Vocational Rehabilitation criteria because his potential for competitive employment is, at best, bleak. This legislation would have given support to programs which would provide training for lifetime activities. All individuals, regardless of severity of handicap, are guaranteed a high school education or its equivalent. Yet after this training, they are all too frequently totally relegated to their homes. Unfortunately, there is no continuance of service for the severely handicapped once he has completed the public education program.

Realistically, these three problems can be dealt with in the following manner:

First. It should be mandated by Congress that all transportation systems, that are supported by federal funds, make allowances for meeting the needs of the handicapped.

Secondly. It should be further mandated by Congress that all public buildings be made accessible for the handicapped. As a sidelight, this can frequently be incorporated into building code regulations.

Thirdly. The philosophy and the support of that philosophy which was contained in the Vocational Rehabilitation Act must be accepted.

Lastly. There is many a slip between the cup and the lip. In order to see that the law is fulfilled, an advocacy program must be built into legislation. In this way, specific individuals will be charged with seeing that the law is carried out.

Plato made an interesting observation. He stated that "The mark of a civilization or nation is measured by the humane philosophy it adopts toward the less fortunate of that civilization." I would submit to you, that if you believe this, then this becomes a damning condemnation of much of our society as we relate to the handicapped, aged, disadvantaged, mentally retarded and other minority groups. Thank you very much for the opportunity to address you.

Senator **WILLIAMS**. We have at this time, Congressman Brademas.

Congressman **BRADEMAS**. Thank you very much. I am pleased to be able to join my distinguished colleagues at this hearing. I apologize for my tardiness. I want to make one or two quick statements and then yield the microphones. First I want to congratulate the President's Committee on Employment of the Handicapped for the initiative it has demonstrated in arranging this hearing. In particular I want to congratulate your distinguished chairman, Harold Russell, for he has done so much to increase awareness, not only of the public generally, but of us Congressmen in particular in shaping programs that are effective to meet the needs of the handicapped.

I think this area of rehabilitation should not be a partisan matter. I think it ought to be said as in the old folk tale, The Emperor's New Clothes, in this one the President has new clothes. We have got to get support from Democrats and Republicans for legislation to extend the vocational rehabilitation program and to strengthen it. We should be working closely with Senator Williams and Senator Dole to shape a bill that will meet this objective and that will at the same time, hopefully, win the support of the President.

Senator **WILLIAMS**. Thank you very much, Congressman Brademas.

We now have before the committee, Mr. John N. Gibson, the President of the World Association to Remove Prejudice Against the Handicapped, WARPATH. Mr. Gibson comes to us from Florida, Key Biscayne.

Mr. **GIBSON**. Honorable gentlemen, I hope to open your minds to a few facts regarding the civil rights of the handicapped nation. In doing so, I welcome you to the "Underworld." The underworld is the world where the civil rights of those who are in it are violated legally by the public and by the government. You have never been in this position. But join me for a few minutes as I take you with me to the underworld. This is our world. In the first place we come to a major office building in my town, which basically, is Miami, Florida. You go to the elevator with perhaps a friend. You are told that you cannot use it, that you must use the freight elevator because you happen to be in a wheelchair.

You might go to a resort hotel in Miami Beach. If you have an obvious physical handicap, and you have made reservations, you are told that there are no rooms at the inn, and a little bit later that they cannot have a handicapped person mixed in with the guests who want to enjoy themselves—"You understand, don't you?"

Now you can go to a restaurant which sits on city owned land in Biscayne Bay, Florida, and it's a franchised operation. You go there knowing that we have a law in Dade County, Florida, which states that every restaurant must have ramped access to the entrance. When you arrive with your wife or a beautiful girl, you are going to find that she can take the stairs leading up to the restaurant, but that you must take the ramp, which is the garbage ramp. I resent being classified with the garbage.

Then if you try to apply for insurance in most States of this nation, if you drive an automobile, you will find that for no reason whatsoever you must pay two to three times the amount the ordinary person pays. Yet, there is no evidence that a person who is handicapped is any greater risk than one who is not handicapped. Because of prejudice, and prejudice alone, you are paying two to three times the rate.

If you apply for a job in my community in any of the government agencies, municipal, county or state, you will find that the physical requirements for those jobs have no relation to the demands of the job. If you are a secretary who sits down to type you are going to have to prove that you can climb a one-foot barrier. This is ridiculous, but this is the rule in my community.

If you want to fly from Miami to another city, or vice versa, if you happen to have a wheelchair you suddenly find an instant diagnosis by a steward or ticket agent, "Aha, a paraplegic." A paraplegic to the airlines is anyone who cannot traverse a level surface unaided. When that happens they say, "You are a special person. Unless you can pay for a ticket for an adult to travel with you who is ablebodied," and it could be your 87-year old mother, "or if you cannot pay for a second ticket, then you must have a certificate from a doctor or you must have permission from a supervisor before you can board the airplane." Now, I maintain that this is the underworld. Airlines are given the privilege to carry you from Point A to Point B. If they are given that privilege, they must have responsibility.

They say, "In the event of an emergency, you cannot evacuate that plane like ordinary people evacuate a plane." I resent that. Who is a ticket agent or a stewardess to say that I cannot run 20 feet and jump out the escape hatch? Can every other passenger run 20 feet and jump out the escape hatch? How about the obese person, the cardiac case and the two year old child? Can they run 20 feet and jump out the escape hatch? If the airlines maintain that we are hazardous to other passengers, then they are saying, ipso facto, that flying is hazardous. Every passenger should be able to pass that test, not just me.

There is a boy in my home town, Fort Lauderdale, Florida, who happens to be an "A" student, president of his senior class, a member of the swimming team, and who the previous summer served as a message-carrying page in our State Senate, and who was born without fingers or toes. He was selected to be the Fort Lauderdale representative for Boys' State. The day of registration they said, "Sorry, we can't have you in the Boys' League because you have no fingers and toes. In effect, you are handicapped, and we cannot have you. We cannot take handicapped persons in our Boys' State in Florida. We are so very sorry. It hurts us to do this." Now, you do not understand the enormity of this injustice. Do you realize what you are doing? This is the cream of our youth, our future representatives. The government must be for the fit and able? The disabled have no right to be in government? This is un-American. It's the Un-American Legion as far as I am concerned. Some of my best friends are legionnaires.

Let's take something else. Let's take the Federal, State, County and Municipal Governments, every government agency in this nation. Let's take Uncle Sam first. What does he do? He has put out posters with a man in a top hat saying, "Uncle Sam Wants You," unless you are disabled, and then we can't use you. Why not? Why cannot a person who has a disability have the honor of wearing his nation's uniform if he so wishes? But he cannot, and why can't he? Because they say for 10,000 years men have fought wars with spears and clubs and they have to fight each other. They no longer fight wars this way. The vast majority of the fighting force today never sees combat. The majority of our forces is in a sedentary position not in combat areas. Why cannot a person in a wheelchair sit there in a depot, in Columbus, Ohio, counting parts in a uniform, if he so wishes, rather than in Civil Service status?

I saw these magnificent buildings in Washington. I sat there and thought, "Why do you deny me access to 95 percent of the buildings in this city?" Now, why does this occur, and this is the essence of my talk to you gentlemen. This occurs because of the fault of what we call the Code of Laws in this nation. The English Common Law was established some 700 years ago when a group of citizens voted against the Crown and said they wanted the rights of common men. They wrote the Magna Carta and started the common law theory. When they started the common law many hundreds of years ago there were no handicapped people alive, to speak of. They had died in infancy or they could not survive childhood.

Today 10 percent of the adult population is handicapped according to the Bureau of the Census. This is not at all true. This is their definition of what a handicapped person is. There is no definition, truly, of a handicapped person. We want a reasonable interpretation of the common man. Our only hope is that you understanding members of Congress, on the federal level, establish that definition. This is the key to it. We must say that the government has no right to tax people, one-third of whom cannot climb stairs, and build a building for the use of these people which they cannot enter. This is a transgression against our rights. Gentlemen, unless we gain your aid, rehabilitation is difficult. Thank you.

Senator **WILLIAMS**. You have made a forceful and challenging statement and we are very grateful for it.

Congressman **HANSEN**. You have made an extremely eloquent and useful statement. In view of the time limitations, I'll reserve my questions.

Senator **WILLIAMS**. Thank you, again. Dr. Challenor?

Dr. **CHALLENOR**. Our common task today is the consideration of all aspects of the provision of opportunity, encouragement and promotion of a full and productive life for the handicapped. Clearly, equal opportunity for employment based on ability rather than disability is a fundamental right of the handicapped, and not a special privilege. It appears that current needs in the area of employment can be subsumed within three broad categories: education, setting of examples, and legislation.

Education implies accumulation and dissemination of information with regard to the numbers of the handicapped who are willing and able to be self-supporting, but who cannot work because of discriminative practices, inaccessible transportation or architectural barriers. Moreover, a public relations approach is needed to call to the attention of both the general and employer publics the abilities of the handicapped currently performing actively in a multiplicity of job descriptions. This publicity cannot be effective if high-lighted only by such measures as a National Employ the Handicapped Week or annual sharing of goals and ideas. Much as such measures are needed, a year-long dissemination of information is needed to be more effective.

Setting examples can be a powerful stimulus to employers to hire the handicapped. Government and local agencies should take the lead in offering opportunity in their services to significant numbers of the handicapped, and in publicizing such programs.

Legislation can be operative in clearly categorizing fundamental rights regarding employment and in providing opportunities. It is essential that job discrimination on the basis of handicap be viewed in the same light as discrimination because of sex, race, national origin, etc. City and State human rights laws should and must include the handicapped in their provisions as do the States of New Jersey, Colorado, Wisconsin, Iowa, Illinois and the District of Columbia. Human rights laws which include the handicapped may be somewhat more effective in preventing discrimination and assuring the rights of the handicapped if they include in detail provision for scheduling hearings of complaints within a specified number of days, and details of penalties for discrimination.

Legal advocacy programs for the handicapped at local levels could effectively supplement such human rights legislation.

Other possible legislative incentives for hiring the handicapped should include tax relief on the reconstruction costs of removing architectural barriers to the handicapped, as well as tax relief for employers who hire more than a specified percentage of the handicapped.

Certainly none of these ideas are new, but each year we consider anew perspectives in fostering their exploration and application. Let us hope that this year takes us several steps further toward meeting our common goals.

Senator Williams. Thank you.

Senator Dole. I know we have a time problem. I'll not ask you any questions. I'll write you a note with questions that will be helpful and you can respond to those.

Congressman Hansen. I'll defer also in the interest of time and commend you for the excellent statement that will be very helpful to the committee.

Senator Williams. Now we have Mr. Charles T. Mitchell, Jr., of the National Association for Retarded Children. Mr. Mitchell.

Mr. Mitchell. Mr. Chairman, I am pleased to have this opportunity to represent the National Association for Retarded Children before this committee today.

Although I shall address my testimony more specifically to the needs of mentally retarded children and adults, it is my intent to endorse fully the objectives of the Standing Committee on Recreation and Leisure of the President's Committee on Employment of the Handicapped.

The National Association for Retarded Children has long since advocated the improvement and expansion of recreational opportunities for handicapped citizens. The growth of their organization to its present membership of 150,000 in 1500 local units throughout our country, in itself is indicative of NARC's continued concern for the delivery of adequate services for the mentally retarded and disabled persons.

The present day trend in mental retardation programming is toward an increased utilization of community-based facilities and services by retarded citizens. This changing program emphasis has been influenced considerably by the normalization principle which is defined as, ". . . making available to the mentally retarded persons patterns and conditions of everyday life which are as close as possible to the norms and patterns of the mainstream of society." In this regard, recreational programming offers an ideal medium for achieving normalization since recreational activities can readily incorporate within their context a wide spectrum of educative and social learning experiences. Such learning can further occur in a variety of community settings and can be easily adapted for any developmental age group.

The importance of providing recreational opportunities for mentally retarded persons is well documented. On the one hand, habits of social adjustment and work are known to be influenced greatly by the play and recreational activities of children. On the other hand, it is not uncommon to find that mentally retarded adults, although proficient in work, fail to adjust to community living because they lack knowledge of recreation and leisure resources or have not learned to use these outlets.

To use the full impact and potential of recreation, therefore, is to assist each individual to take his place in society as a productive, well-adjusted adult who is capable of living the fullest, most satisfying and worthwhile life possible within the limitation of his handicaps.

Despite the manifold benefits of recreational programming, recreating opportunities are not being provided currently for a majority of disabled citizens.

Presently, the major problems hindering the expansion of recreation services for handicapped citizens appear to include: (1) A lack of qualified leaders at all levels who are fully cognizant of the recreational requirements of mentally retarded and other developmentally disabled persons; (2) A lack of ready access to practical guidelines intended to facilitate program planning and implementation; (3) Inadequate public awareness regarding the recreational requirements and availability of existing services for handicapped individuals; and (4) Insufficient fiscal support to allow for the modification of existing facilities and the establishment of new areas, facilities and programs which will meet the needs of all citizens, including those with special recreational requirements.

The federal establishment is in a particularly good position through its funding agencies to establish standards and operational guidelines which will ensure that all federally funded recreational services and resources be planned and operated in such a manner as to provide for the needs of all citizens. In this regard, it is strongly recommended that federal support be made contingent upon future projects providing fully for the special recreational needs of mentally retarded and other developmentally disabled persons. Also, it is suggested that hereafter, no municipality, organization or agency should be considered eligible for continuing federal support unless their new recreational facilities conform to the AIA recommended standards possible, existing facilities and structures for barrier free architecture; and where should be modified to conform to AIA standards.

The federal sector should further ensure that those municipalities, organizations and agencies, state, county or local, currently operating tax-supported recreational programs not only provide appropriate facilities and projects, but also, with consumer representative support, actively seek the participation of mentally retarded and other developmentally disabled persons in their recreation programs. Moreover, one of the most important considerations for the Federal Government should be to provide funding for leadership and programming as well as funding for the establishment of areas and facilities.

There is also a continuing need for federal agencies to stimulate the publication of documents and to finance clearinghouse operations to assist other agencies, the private sector, and individuals, in providing for the recreational needs of the developmentally disabled. Research grants and contracts for the provision of services can also serve as an effective means in this regard to encourage the private sector to consider fully the requirements of handicapped citizens of this nation.

Finally, when establishing priorities for the allocation of funds, we respectfully request that agencies keep in mind the suggested criterion that all recreation programs must fully consider the needs and plans for the inclusion of handicapped persons of this our nation.

Senator Williams. Thank you very much. You have maintained the highest quality of helpful testimony. We gratefully appreciate it, Mr. Mitchell. We have a chance to follow up and I am sure we will do our best. Are there any questions?

Congressman Hansen. I would have to underscore that point.

Mr. Mitchell. I will leave you with the thought that there are more similarities than dissimilarities between the handicapped person and the so-called normal person, than we realize.

Senator Williams. A record has been made of all the statements and all the testimony, questions and answers. This will be put in printed form. I am sure my colleagues of the panel, Senator Dole, Congressman Hansen and Congressman Brademas will join me in the suggestion I am to make, that this entire record be included in the Congressional Record. I would suggest to all of you who have been a part of this history, make sure you get a copy of that Congressional Record.

Thank you very much.

CVN–70 RESEARCH REPORT

Mr. STEVENSON. Mr. President, later this week, the Senate will consider an amendment offered by the junior Senator from Iowa (Mr. Clark) to delete the $657 million authorized in the military procurement bill for construction of a fourth nuclear aircraft carrier, the CVN–70.

The CVN–70 proposal has been the subject of a great deal of debate and controversy for almost 7 years now—in the military community, in the executive branch, and in the Congress. But this will be the Senate's last opportunity to make its sentiment felt on the project, because if it is approved, the country will be committed to spending $3 billion over the next 8 years to build and outfit this one ship. There will not be any turning back.

There are fundamental disagreements about CVN–70—about its vulnerability, its usefulness, and its effectiveness. But on one point, there is virtually no disagreement, its cost. At $3 billion, this country simply cannot afford to build this aircraft carrier.

I opposed the CVN–70 project last year. I will vote against it again this year. By cutting this $657 million request from the bill, we not only will be saving taxpayers' money this year, fighting inflation in the process, but we will be saving money years into the future.

Members of Congress for Peace Through Law—MCPL—recently issued a research report on the CVN–70. It succinctly summarizes the arguments for and against the project and the alternative to it.

I ask unanimous consent to print a summary conclusion and the text of the report in the Record, and I recommend it to my colleagues.

There being no objection, the material

was ordered to be printed in the Record, as follows:

Research Report on the Nuclear-Powered Aircraft Carrier (CVN-70)

SUMMARY CONCLUSION

At a cost conservatively estimated at one billion dollars, CVN-70 adds only a small fraction to the U.S. capacity for air power at sea. The U.S. capacity already dominates all the other navies of the world combined, and will continue to do so, even without new construction, into the 1980s.

When the cost of the nuclear-powered ships which are required to provide CVN-70 with a protective escort of comparable endurance and sea-keeping capability are included, and when the cost of CVN-70's air group is added to the total, the total initial cost of this program will reach about three billion dollars. This figure does not include the staggering cost of operation and maintenance and periodic replacement of aircraft. The marginal addition to national security provided by such a nuclear task force is incommensurate with its cost, especially in view of the existing and projected lead held by the U.S. in this type of military power.

RECOMMENDATION

It is recommended that the CVN-70 project be cancelled and that the $657 million dollars requested in the FY 1974 Department of Defense budget request be deleted. The Navy should make every effort to find alternative uses for the items already on order as long lead-time items.

Report on the Nuclear Attack Carrier CVN-70

DESCRIPTION OF CVN-70

If built, CVN-70 would be the Navy's fourth nuclear-powered attack aircraft carrier. It would be the third Nimitz class carrier, the first two of which are still under construction. Current Navy planning calls for an Initial Operating Capability (IOC) date of 1981.

The specifications for CVN-70 are as follows:

Displacement, 94,400 tons; Length, 1,092 feet; Estimated speed, 36 knots; and Crew (approximate), 5,000.

This new nuclear attack carrier is expected to support an air group of some 100 aircraft. This air group would consist of a number of different aircraft types: fighters (for combat air patrol [CAP] or protection of the carrier and its escorts against air attack); anti-submarine warfare aircraft (to protect the carrier task force against enemy submarines); fighter-bombers (for projecting air power inland from the seas); support aircraft (such as the carrier on-board delivery [COD] aircraft); rescue aircraft (principally helicopters); and reconnaissance aircraft for photographic or electronic surveillance missions.

THE DEVELOPMENT OF MODERN ATTACK CARRIERS

Originally designed to provide air cover for major battle fleets and to operate against the major surface forces of enemy powers, the attack carrier as it is known today developed during the naval war in the Pacific between 1941 and 1945. The first major use of carrier air power against land targets was the devastating Japanese attack on the U.S. naval complex at Pearl Harbor.

Subsequently, the United States employed its carrier fleet against the Japanese Navy and in assaults on Japanese-held islands. The carrier eclipsed the battleship as the capital ship of the Navy, functioning both as a strategic weapons system for the projection of power over great distances and as a tactical means of protecting the U.S. fleet.

After World War II, the carrier served briefly as the launching platform for America's nuclear deterrent, carying medium-range bombers armed with atom bombs until long-range land-based bombers capable of reaching the Soviet Union entered the U.S. arsenal.

Early in the Korean War, aircraft carriers provided air power against enemy land targets when no airbases were available within flying range. Carriers were deployed during numerous East-West confrontations during the Cold War and figured prominently in the U.S. landing in Lebanon in 1958.

During the Vietnam War and in subsequent air operations over Laos and Cambodia, the U.S. attack carrier force was used to bomb land targets while operating in the Gulf of Tonkin. In this role, the carrier supplemented land-based fighter-bomber aircraft (which could be refueled in mid-air) and strategic bombers capable of flying thousands of miles and returning to base without refueling.

During this same period, the attack carrier was utilized by the U.S. to "show the flag" off foreign shores and to apply pressure on short notice in sensitive areas of the world. Deployment of the *U.S.S. Enterprise* in the Bay of Bengal during the Indo-Pakistan War in 1971 was an example of this.

With the passage of time, the carrier's function of providing fleet air cover has diminished as combat at sea between major surface forces has become less and less likely and the carrier's air defense capacity has been realigned to provide protection for the carrier itself, for escorts in its task force, and, less often, for amphibious assault operations.

Since the end of World War II, U.S. attack carriers have never operated against a nation which had any semblance of a navy. U.S. carriers have been able to launch tactical air power inland unopposed by any retaliatory air power or submarine threat.

Technology and time have overcome the primary roles which carriers once had. The strategic role of delivering fire power inland is now reserved for ICBMs, submarine-launched ballistic missiles, and land-based long-range bombers. The range and destructive power possessed by any one of these systems far surpass anything that the CVN-70 can offer, although certain fighter-bombers aboard existing attack carriers are armed with nuclear weapons for use in "theatre nuclear wars" which could develop in Europe or the Mid-East.

A trend is increasingly clear. Attack aircraft carriers are no longer intended primarily for use against the most-often-assumed opponents of the U.S.—the Soviet Union and the Peoples' Republic of China.

The attack aircraft carrier today is largely a potential instrument of intervention against non-naval powers, especially in the "Third World." In effect, it is a weapons system for projecting U.S. military power against militarily inferior countries, not for defending the territory of the U.S. or its ships at sea.

THE MISSION OF NUCLEAR-POWERED ATTACK CARRIERS

The Navy has assigned three basic missions to attack aircraft carriers:

1. "Sea Control." This mission implies action against enemy surface forces and merchant shipping in a manner reminiscent of World War II. It reveals a new U.S. strategy of "control" of the sealanes rather than the traditional U.S. strategy of protecting the international right of freedom of the seas. It is basically an updated version of historic "warfare at sea" concepts, and it suggests a refighting of the naval engagements of World War II and of the nineteenth century. Such a strategy assumes that a foreign navy will challenge the U.S. at sea, attempting to sink U.S. shipping by air, surface, or submarine attack. No navy possesses the capability of carrying out such an attack on U.S. naval forces, but, even if this were otherwise, such sea warfare is an improbable scenario in the modern era of ballistic missiles for a very simple reason: a power launching such a naval attack would have to assume that the conflict would escalate quickly to a catastrophic nuclear level.

2. "Projection of Power Ashore." This mission signifies the ability to bomb land targets. It can be accomplished with relative impunity wherever the U.S. is unopposed by naval or air retaliatory forces, as in Korea and Vietnam. Wherever the U.S. might encounter meaningful opposition from enemy fighter-bombers, surface vessels (such as cruise missile patrol craft), or submarines, attack carriers themselves become prime targets. Committing a carrier to contested waters to cover amphibious or other land operations is a high risk venture, for the loss or incapacitation of a carrier due to enemy attack is a huge loss of both firepower and capital investment.

3. "Peacetime Presence." Under friendly conditions, this mission involves "showing the flag." Under hostile conditions, it means "gunboat diplomacy." Peacetime presence is one of the main roles of the attack carrier task force in the Mediterranean, but the U.S. Navy has begun to wear its welcome a bit thin, even with allied powers on the Mediterranean. As a result, port calls in recent years have been increasingly difficult to schedule with the same duration and frequency as in the past. Many citizens of foreign countries find U.S. warships in their harbors an affront or a challenge to their national sovereignty. Even the most tolerant local authorities have difficulty in coping with the influx of sailors, despite the rewards in U.S. dollars for local economies, devalued dollars which now are becoming less of an incentive. In short, there can be too much of a good thing with Peacetime Presence; it may frustrate the friendly international relations which it seeks to promote.

As to the more ominous role of influencing regional politico-military events, the counterproductive deployment of a nuclear task force in the Bay of Bengal during the 1971 Indo-Pakistani War should provide an object lesson in the futility of strong arm diplomacy in today's world.

THE THREAT

CVN-70 is being built, in part, to meet the supposed challenge of a growing and changing Soviet navy. While the Soviet navy has indeed been in the process of a decade-long expansion and modernization program, it requires a certain distortion of the facts to perceive a threat to the U.S. from the Soviet fleet.

The Soviet development of a limited naval infantry and amphibious assault capability, the building of a series of anti-submarine warfare helicopter cruisers (of the *Moskva* type), and the more recent construction of a light aircraft carrier for fleet air cover do not constitute a credible offensive force or a serious challenge to U.S. naval supremacy. It is significant that the Soviets, along with their Eastern European allies, have concentrated on building various types of missile-carrying patrol craft for the purpose of inexpensive defense of home waters against capital ships such as the aircraft carrier.

Furthermore, the Soviet Union, unlike the United States, is severely limited in its naval operations by restricted access to the open ocean and by an almost total lack of overseas logistics support bases, despite several years of attempting to establish a few regular port facilities for its modest forces. The forward bases which would be vital for offensive deployment of Soviet naval elements (which remain predominantly non-nuclear-powered) do not exist.

The Soviet navy's strategy, deployments, training, and fleet exercises continue to reflect a defensive orientation and posture aimed primarily against superior Western naval forces which have the capacity to attack Eastern Europe and the Soviet Union. Soviet naval surface forces do not have a similar capacity to launch meaningful attacks against the West.

This Soviet defensive alignment emphasizes nuclear submarines and nuclear-tipped weapons well equipped to counteract attack carrier forces in restricted waters where attack carrier task forces are especially vulnerable.

The Soviets could never assume that an attack on the forward-deployed U.S. fleet would not escalate quickly to a full scale nuclear confrontation involving domestic land targets. Naval blockade and attack on the warships of another nation have long been recognized as highly provocative military gestures. It is for this reason, in part, that the United States and the U.S.S.R. negotiated in 1972 the "Incidents at Sea Agreement" so as to avoid any confrontation arising out of a misunderstanding at sea.

In any confrontation following an actual attack on naval vessels, aircraft carriers (and CVN-70, if built, among them) would be irrelevant to the worldwide outcome. In all probability, if they were not already sunk carriers would be withdrawn from the area of the immediate naval confrontation because of their vulnerability and high cost. Even during the Six-Day War of 1967, both U.S. carriers in the Near East were ordered to withdraw to the Western Mediterranean. Despite numerous attempts by the U.S. Navy to hypothesize the conditions leading to continued conventional "warfare at sea" with another major power, which might rationalize construction of CVN-70, there is no credible justification for expending $3-billion for adding to an outmoded naval weapons system in a thermonuclear era.

ECONOMICS OF CVN-70

The planned spending for CVN-70 is:

[*In millions*]

Appropriated in FY 1973	$299
Requested for FY 1974	657
Anticipated for FY 1974	16
Total	972

Although the bulk of the funds for building CVN-70 have been requested for fiscal years 1973 and 1974, the expenditures would be made during the entire seven-year period required for its construction. Of the $299-million appropriated in FY 1973, only nine million dollars had actually been expended as of May, 1973.

These figures do not make full allowance for the inflation and cost-growth which can be anticipated for CVN-70. All Navy ship construction programs in recent years have experienced extensive cost over-runs. During the period 1970–1972, the three *Nimitz*-class carriers have experienced cost increases. The *Nimitz* and the *Eisenhower* together showed a cost rise of $271-million, and the projected cost of CVN-70 alone rose by $300-million. By conservative estimate, the final cost of CVN-70 will be at least one billion dollars when the ship is ready for sea in 1981.

Cancellation of the CVN-70 program now would result in some financial penalties to the government for contract recissions, but such losses would be minimal as compared with the total one billion dollar cost of the ship alone.

The costs cited thus far are only for the ship. Aircraft and escort vessels entail large expenses as well. About 100 sophisticated aircraft for attack, antisubmarine warfare, and other missions will be required for CVN-70. Using a cost factor of $10-million per aircraft (less than the cost of the Navy's new F-14 but more than the cost of other aircraft types) and allowing for the seven-year impact of inflation, the initial carrier air group for CVN-70 will cost between 900 million and a billion dollars, and these aircraft will have to be replaced approximately every five years.

Aircraft carriers also require escort vessels. Since CVN-70 would theoretically possess unlimited range as a result of its nuclear propulsion system, it should be provided with four nuclear-powered escorts, if its operational advantage of range and speed is not to be diminished by conventional escorts. The price for these four nuclear-powered escorts would be at least one billion dollars.

Thus, if all the necessary basic hardware is purchased, a CVN-70 Task Force would cost about three billion dollars. Other costs, such as crews, training, operations and maintenance, and aircraft replacement will raise this total far higher over the projected thirty-year life of the ship. The Center for Defense Information estimates the total 30-year cost at $9-billion.

CRITIQUE

For an initial $3-billion, the U.S. would obtain one floating airfield with about 90 to 100 aircraft, many of which will be required to protect the carrier itself from air, submarine, or surface-to-surface missile attack. CVN-70's maximum effectiveness as an instrument of military power will thus be largely dependent on its ability to operate in uncontested waters. When operating in defended areas, the carrier's air group will be oriented to ship defense, and only about 37 per cent of the aircraft will be available for attack missions. The remainder would provide support (refueling, reconnaissance, rescue, electronic jamming, etc.) and a protective air umbrella for the carrier task force.

The main advantage which the Navy claims for the nuclear-powered CVN-70 is its unlimited range and high-speed endurance. Although an attack aircraft carrier cannot safely travel alone in combat, it now appears doubtful that CVN-70 will have escorts to match its vaunted range and speed, for the Navy has no plans to build the expensive, vital nuclear-powered escorts which would maximize the carrier's effectiveness. (A nuclear-powered escort costs nearly as much as a conventionally-powered aircraft carrier.)

The Navy hopes that four nuclear-powered attack carriers will be in the fleet in 1981, but only two will have nuclear-powered escorts. Without these protective nuclear escorts of like range and endurance, the principal advantage of a nuclear carrier will be nullified.

CVN-70, if completed, will be only one ship in the 12-ship attack carrier force planned by the Navy for the early 1980's. It will represent an incremental addition to U.S. sea-based striking power of only one-twelfth at a cost ranging into the billions. There is no rational justification for the expenditure of such enormous sums for so small an addition to U.S. offensive power.

If CVN-70 is not built, the U.S. will continue to possess an eleven-ship attack carrier force in the early 1980's and, at projected retirement rates, a nine-carrier force level in 1987, three of which will be nuclear-powered. These carriers will be supplemented by the anti-submarine warfare carriers (CVSs) now in the fleet and any light carriers (Sea Control Ships) which may be built in the meantime.

A decision not to build CVN-70 will not affect meaningfully the Navy's carrier deployment plans which are based on technologically conservative and economically extravagant planning factors requiring a total of three attack carriers in the fleet for every carrier deployed at sea. CVN-70 only represents an addition to the excess capacity which the Navy claims is "required" to keep a force of four carriers deployed.

If CVN-70 is not built, the Navy could still maintain four carriers continually deployed with a back-up of only seven carriers instead of eight undergoing yard repairs, replenishment, or refresher training. Of the four carriers deployed for "quick reaction" (two in the Western Pacific and two in the Mediterranean), only three would be nuclear-powered. However, if the Navy carries out its plan not to provide adequate nuclear-powered escorts for two of the nuclear carriers, then cancellation of CVN-70 would be no disadvantage, for nuclear-powered carriers would be limited in range and speed by the inferior capabilities of conventional escorts.

At a level of nine or eleven carriers, the U.S. attack carrier force will still outweigh any challenger for the foreseeable future. In view of the decreasing utility of the attack carrier in all forms of modern warfare except unopposed intervention, any program to build more of these ships will be an investment in obsolescence.

OTHER OPTIONS

Basically a warship whose time has passed, CVN-70 is not the only "air capable" ship contemplated by the Navy. One alternative, a more austere platform for employing air power at sea, is the Sea Control Ship. Essentially, a light aircraft carrier with V/STOL (vertical/short takeoff and landing) aircraft and helicopters, this type of ship would be an economical protective ship. The Navy is now seeking funding for eight such ships at a total cost of about $800-million, substantially less than the cost of one CVN-70.

A second proposal, now in the research and development state, is the Surface Effect Ship. It would travel on an air bubble, skimming over the ocean surfaces at speeds up to 80 knots. It would be used primarily for anti-submarine warfare and would carry modern aircraft. Acceptance of this ship by the Navy would represent the beginning of the "100 Knot" Navy of the future, instead of the Navy of the past represented by CVN-70.

CONCLUSIONS

1. CVN-70, at a cost of one billion dollars for the ship alone, would add only a small incremental fraction to an already substantial U.S. capacity for airpower at sea that will continue to exist into the 1980's. If its construction is authorized, it will entail a subsequent purchase of about 100 aircraft at an initial cost of one billion dollars. For CVN-70 to operate with maximum effect, four new nuclear-powered escort vessels at an additional cost of a billion dollars would have to be built.

2. CVN-70 embodies obsolete "warfare at sea" concepts and is so vulnerable and costly that it can be employed effectively only in uncontested waters.

3. CVN-70 does not represent a valid reaction to the changing capabilities of a defense-oriented Soviet navy.

4. In a confrontation with the Soviet Union, attack carriers would be vulnerable to nuclear weapons launched from surface vessels or submarines. It is likely that an attack involving a major warship such as a carrier would quickly escalate to an intercontinental nuclear level, at which carriers would be of negligible value.

5. Forward deployment of attack carriers for political reasons is a risky venture with dubious political payoffs.

6. Similarly, the use of fast carrier task forces for intervention in the co-called "third world" is a high-risk tactic of dubious value.

7. Whatever legitimate purposes attack carriers may have can readily be achieved with the eleven-carrier force the U.S. will possess in the 1980's even if CVN-70 is not built.

BUREAUCRATIC LIES

Mr. CHURCH. Mr. President, an unusual firsthand glimpse into bureaucratic lying has been related in a New York Times article written by a former USIS press attache stationed in Laos during some of the bloody years the United

States bombed in secret that tiny plot of sovereignty. The Executive acted secretly "from motives of purest bureaucratic self-defense," Jerome Doolittle writes.

Doolittle was instructed to lie to the press in his briefings. Two other examples demonstrate his point. A study conducted by the American Embassy on the destruction and dislocation of the B–52 bombings was buried into the classification process. Ambassador Godley, according to his former spokesman, kept the facts and figures of the bombing from his own diplomatic staff.

Through lies, Doolittle points out:

> The bombing didn't shut off enemy supplies. It didn't bomb Hanoi to the conference table. It didn't destroy the enemy's morale or halt his advances.
>
> Consider that in 1969 Laotian Government troops took the Plaine des Jarres with the assistance of massive U.S. bombing. A few months later they lost it despite massive U.S. bombing. Somewhere in that equation is a factor that works out to zero.

The conclusion of the article brings the reader closer to 1984. "Insofar as the executive branch could possibly manage it, the air war in Indochina was kept a secret till August 15, the day Congress ended it." And Doolittle ends, the secrecy "was a way to keep those facts from leaking in. After all, the lies did serve to keep something from somebody, and the somebody was us."

I ask unanimous consent that the Doolittle article of September 20 be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Search for Peace of Mind—Through Lies

(By Jerome Doolittle)

West Cornwall, Conn.—The Pentagon's most recent lies about bombing Cambodia bring back a question that often occurred to me when I was press attache at the American Embassy in Vientiane, Laos.

Why did we bother to lie?

When I first arrived in Laos, I was instructed to answer all press questions about our massive and merciless bombing campaign in that tiny country with: "At the request of the Royal Laotian Government, the United States is conducting unarmed reconnaissance flights accompanied by armed escorts who have the right to return fire if fired upon."

This was a lie. Every reporter to whom I told it knew it was a lie. The Communist Pathet Lao knew it was a lie. Hanoi knew it was a lie. The International Control Commission knew it was a lie. Every interested Congressman and newspaper reader knew it was a lie.

All the lie did was make us look just as cheap and dishonest as the North Vietnamese who were also lying about the presence of their troops in Laos and South Vietnam.

Why, then, did we bother to tell it?

A surprising number of reporters thought we bothered because the truth would make men free, and armed with it they would rise up and make us stop the bombing. But our lies weren't skillful enough to keep the truth from anybody. Everybody knew we were bombing, and nobody cared enough to stop us.

The diplomats in our embassy said we lied because public admission by an American official that we were violating the Geneva accords would damage chances of getting back to the terms of those accords someday. But then in March of 1970 President Nixon publicly admitted the bombing of Laos and many other clear violations of the Geneva accords.

And still the lies and the secrecy continued. American air bases in Thailand remained off limits to the press, sortie figures were juggled or concealed, reporters were not allowed on bombing missions. The B–52 bombing of Northern Laos went on in secrecy so deep that Ambasador G. McMurtrie Godley kept knowledge of the raids from his own embassy's political section. Insofar as the executive branch could possibly manage it, the air war in Indochina was kept a secret till Aug. 15, the day Congress ended it.

The bombing didn't shut off enemy supplies. It didn't bomb Hanoi to the conference table. It didn't destroy the enemy's morale or halt his advances.

Consider that in 1969 Laotian Government troops took the Plaine des Jarres with the assistance of massive U.S. bombing. A few months later they lost it despite massive U.S. bombing. Somewhere in that equation is a factor that works out to zero.

Outside the Government, many people knew all along that our bombing was a bloody, ineffective sick joke. But inside the Government this was less widely understood. The lies and the secrecy saw to that by insuring that the only source of detailed information on the bombing was the bombers themselves.

In 1970, Les Whitten, of the Jack Anderson column, came to Laos and wrote a story based on his tape-recorded interviews with refugees from the Plaine des Jarres. The story was that the U.S. Air Force was bombing Laotian villages, although our ambassadors kept assuring everybody that no such thing was going on. It wasn't the first time this story had been written, but it was the first time it had got the wide circulation that Anderson was able to give it.

The day after a copy of Whitten's story reached the embassy in Vientiane, the country team decided that the U.S. Information Service should go to the refugees and find out what they had really said. Newspaper stories, in that embassy, were considered unlikely repositories of truth.

Acting from motives of purest bureaucratic self-defense, we were finally going to ask the people on the ground at the time just where all those bombs had been falling. Never before—through the years of bombardment, the hundreds of thousands of refugees, the tens of thousands maimed and wounded and killed, the billions of dollars gone forever—had such an idea occurred to the U.S. Embassy.

Now that it had, the fact turned out to be that many of those bombs had indeed been falling on villages, just as Whitten had said. The officer instructed to conduct the poll wasn't any wavemaker, but he wasn't going to falsify the figures collected by his interviewers, either. They showed that a majority of the refugees, so huge as to approach unanimity, had seen their villages destroyed by American bombers.

The embassy coped with this lengthy, detailed and disturbing report by deciding that it wasn't a report at all. It was merely a preliminary study carried out by a junior officer with no training in polling techniques of a subject that turned out on investigation not to be worth pursuing. The U.S.I.S. report was thus awarded the highest security classification of them all—nonexistence.

That secrecy was never so much a way to keep the facts about our bombing from leaking out of the executive branch as it was a way to keep those facts from leaking in. After all, the lies did serve to keep something from somebody, and the somebody was us. Jerome Doolittle, resigned from the United States Information Service in 1970.

ABA'S SEPARATION OF POWERS COMMITTEE 1972–73 REPORT

Mr. ERVIN. Mr. President, the American Bar Association's Committee on Separation of Powers recently issued its 1972–73 annual report. Prof. John L. FitzGerald of the Southern Methodist University School of Law has served as chairman of the ABA committee for the past several years, and his committee, which is a part of the ABA administrative law section, has performed an excellent service in bringing to the attention of members of the bar questions relating to the separation of governmental powers—questions which are of particular significance to the legal profession.

The Senate Subcommittee on Separation of Powers, which I chair, has cooperated with the ABA Separation of Powers Committee by furnishing information concerning its activities and legislation pending before it, and the ABA committee has been helpful to the subcommittee by sharing with us its reports and recommendations. I take this opportunity to commend the ABA committee on the manner in which it is carrying out its important function, and to express my appreciation to Professor FitzGerald and the other members of the ABA committee.

Mr. President, I ask unanimous consent that the 1972–73 annual report of the American Bar Association's Committee on Separation of Powers be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

1972–73 Report of the Separation of Powers Committee [1]

1. SUMMARY OF RECOMMENDATIONS

The Committee recommends that a procedure be established by the Office of Management and Budget of the Executive Office of the President, and by the Congress, for the drafting of more definitive standards to be contained in federal legislation. Such procedure would provide for coordinated review of proposed substantive and procedural provisions of legislation—most of which is proposed by the federal administrative agencies—in an Office of the Department of Justice, and in an Office or Offices of the Congress, to assure that Congress does not delegate unlawfully its legislative power in such statutes, and to this end assure that more precise statutory standards shall replace the vague definitions and other indefinite substantive and procedural directions now being enacted into federal statutes that form the bases of administrative policy, quasi-legislative, quasi-judicial and administrative.

The Committee offers the following recommendations:

2. RECOMMENDATIONS

(1) That the President of the United States designate the Department of Justice to review (and when appropriate to such review perform a drafting function) and report to the Office of Management and Budget within 30 days with respect to the constitutional sufficiency of each legislative proposal initiated by the Executive Branch, an instrumentality thereof, or any independent administrative tribunal or independent regulatory board or commission, hereinafter "administrative agency," and particularly whether such proposal sufficiently sets forth standards for exercise of the powers, func-

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Footnotes at end of article.

tions and duties proposed to be delegated by the Congress to the administrative agency. Such report should be in writing and should be transmitted to the Congress with the legislative proposal of the administrative agency. The Office of Management and Budget should withhold its concurrence in any such legislative proposal until it receives the Department of Justice report. Circular No. A-19 of such Office should be revised appropriately to effectuate this recommendation.

(2) That the Congress or each House thereof establish an office or offices that shall review, draft and report with respect to the constitutional sufficiency of each legislative proposal initiated by an administrative agency, and particularly with respect to the sufficiency of the standards set forth therein for the exercise of the powers, functions and duties proposed to be delegated by the Congress. Should establishment of such an office not be feasible, the responsibility otherwise to be vested in such office should be vested in Committee Counsel. The required report should be in writing and, together with the Department of Justice report transmitted with the legislative proposal, should be included with each bill reported by a Committee to the floor for consideration by the members of the Senate or House. The inclusion of such reports, providing evidence of constitutional compliance should be required upon risk of a point of order being made by any member to the consideration of the bill.

3. REPORT

Need for recommendations

Previous Administrative Law Section Committee reports relevant to the delegation of legislative power in Federal administrative agency statutes were made as follows: Report of the Separation of Powers Committee, 1972 (the 1972 report of this Committee was distributed to the Council but otherwise was unpublished, under the recent Council policy to discontinue publication of the Annual Reports of Committees); Report of the Separation of Powers Committee, 7 Ann. Rep. Com. (Admin. Law Section) 6 (1970); Report of the Separation of Powers Subcommittee, 3 Ann. Rep. Com. 22 (1966); Report of the Committee on Housing and Urban Development, 4 Ann Rep. Com. 72-85 (1967); Report of the Committee on Housing and Urban Development, 5 Ann. Rep. Com. 111, 115-120 (1968).

We agree with Professor Kenneth Culp Davis that as applied to federal agency statutes "The Nondelegation doctrine is almost a complete failure." [2] A condition should be added—that, as now applied (or not applied), it is a failure.

As the above reports show, Congress has not maintained a position of enacting laws containing clear standards governing administrative rule making and administrative orders. As a result, federal courts are faced with unrealistic alternatives of striking down the law because of constitutional defects or accepting nebulous standards. Past reports of the Committee have furnished examples of the broad legislative delegations of discretion to administrative agencies that result. In view of the Section's and the Association's awareness of their existence, a few illustrations from those reports should suffice. They are contained in Exhibit A attached.

The Committee agrees, however, with Professor Maurice Merrill [3] that most, if not all, of the Supreme Court decisions can be classified, by their factual settings or other statutory subject matter, in a manner that leaves the delegation doctrine intact in theory. For example, the Supreme Court has never expressly held that a statute delegating the power to an administrative body to act as it deems fit in the public interest in a given area, such as the licensing of radio communications stations, in the absence of any other "standard," is valid; it may be acknowledged that the Court also has not expressly held that such a delegation would be invalid. The Court has found other statutory provisions which, read "in context" with the phrase "public interest," have supplied the necessary intelligibility and standard.

In practice, however, the Courts tend to refer less frequently to the limiting "context" of the statutes, and accord more apparent acceptance to the "public interest" alone. Through dicta the inference grows that the latter term might carry a meaning of its own.[4]

It must be conceded that the term "public interest" should convey an idea resembling the common weal, the general welfare, and the like. But as an expression of legislative policy, though it may supply an optimum objective, it supplies no clue and no measure of its attainment. The "what" and "why" may be revealed or intimated, but not the "who," "when," "where," and especially the "how." Professor Merrill's article suggests:

> . . . the practical employment of the doctrine of standards embodies a number of useful functions. It furnishes guidance for administrators in the application of the statutes entrusted to their care. It affords safeguards against unwarranted enlargement of legislative grants. It focuses attention upon the public objectives of statutes. It limits the extension or discretion as to social policy beyond the approved legislative direction. Judicial enforcement of requirement for standards improves legislative draftsmanship. The insistence upon the observation of standards impels exploration by the agencies as to the existence or absence of conditions justifying proposed action. Appropriate standards, of course, are an almost indispensable prerequisite to effective judicial review of administrative action. . . .[5]

On the basis of the past Committee reports of the Administrative Law Section referred to *supra*, the conclusion of the 1971-72 report of this Committee, partially repeated below, bears similarity to Professor Merrill's suggestion, and to certain of the conclusions reached by the Senate Subcommittee on Separation of Powers. It also recommends that certain further steps be taken:

The Administrative Law Section has been concerned for sometime about the problem of increasingly vague and indefinite statutes, particularly those conferring discretion upon administrative tribunals, insofar as such laws (1) cause a variance from the intention of the framers of the Constitution, Federal and State, and (2) permit or encourage administrative action that may be arbitrary, capricious, inconsistent or ultra vires, but most difficult to challenge or obtain appropriate judicial review because the statutory measure of validity of the action is obscure.

A Senate Subcommittee [6] has evidenced its grave concern with the same problem, . . . From the depth of its concern, we may take some hope that Congress *can* cope with the difficult task of drafting broad policy directives. The depth of concern shown by the Senate Subcommittee indicates an interest in undertaking cooperative effort of enacting laws requested by the administrative branch but drafted in a manner preserving the prerogatives and functions of the Congress, the one branch that directly represents the electorate.

It is suggested that next year's efforts of this Commitee be directed toward examination of the tools and methods available that could be of assistance to the Congress in firming up, by more definite statutory standards and procedural provisions, the often indefinite policy objectives appearing in laws delegating power to administrative agencies.

Most of the important legislation Congress enacts is proposed by the Executive Branch, or by the independent regulatory commissions, after clearance with the Office of Management and Budget in the Executive Office of the President.[7] Such proposals nearly always come to Congress in the form of bills, ready for introduction, drafted in the Executive Branch or the independent agencies.

These legislative proposals (including amendments), drafted by officials who will execute them if enacted, are drafted in such manner as they believe is necessary or desirable to deal with a problem. They are drafted without special attention to the inroads the law will make upon congressional powers. That is not the draftsmen's problem; administrative flexibility of action ordinarily is sought, and in this sense the executive and regulatory officials, and their attorneys who undertake the drafting of the proposals as their agents, are special pleaders. Their interests, and those of the Congress, can and do clash when the administrative advantages of a flexible statute are weighed in the balance with the legislature's function to enact a law having appropriate standards.

The Office of Management and Budget, Executive Office of the President, is not organized to correct this lack of balance, e.g., to weigh the question of whether appropriate standards are contained in the administrative legislation. The Office's review function is for the purpose of determining whether the legislation proposed by the agency (or the agency comment to Congress on pending legislation) is in accord with the President's overall legislative program. This is a policy function. It would not include the question of breadth, indefiniteness or vagueness of the draft of bill being cleared through the Office for submission to and adoption by Congress.[8]

This is a brief statement of the administrative process in which nearly all important legislation arises that Congress enacts. As constituted, it explains, but offers no practical solution for, the problem.

The legislative process, with one exception, does not focus more specifically on the problem. Legislative proposals of the Administration are enacted without substantial amendment; rarely does the matter of adequacy of legislative standards receive special consideration. Committee hearings, and executive Committee sessions for making up bills, take or review testimony on broad social and regulatory policies and the need for laws on particular subjects, and some changes are made in the executive sessions to meet stated objections. At times a bill may be referred to Senate or House Legislative Counsel for drafting, or preparation of amendments. In this situation, which is the exception mentioned above, constitutional questions of delegation of legislative power would be considered; and the consideration would be on the part of an *expert working for the legislative branch.* However, the advice of Legislative Counsel may not be sought, or may be received and disregarded, for example, if the advice is received at a late juncture and there is pressure for the legislation. Counsel for Senate and House Committees, on the other hand, are not as a rule charged with this kind of responsibility. Other priorities have primary claim upon their attention.

Thus, (1) most important legislation is initiated by scores of administrative agencies; (2) no coordinated legislative drafting supervision or review is provided for in the legislative branch to give legislative policy direction thereto by establishing statutory standards in the legislation before enactment, and (3) no coordinating legislative drafting and review staff, expert in constitutional matters and particularly those raising doctrinal questions of separation of powers and delegation of congressional power to the administrative branch, functions on an interagency basis at the point where most legislation is initiated and drafted—e.g., the administrative agency. A gap of crevasse proportions exists in the way of accomplishing the foregoing objective. This report attempts to offer a constructive plan for closing this gap.

Footnotes at end of article.

Explanation of recommendations

As one member of our Committee remarked in appraising statutory delegations, "just how precise the expression of standards will be may depend on how well thought out the proposed program is," as well as on what compromises and deferrals of decision are thought necessary to get it enacted.

It is hoped that if the Committee's recommended procedure is approved the result will be to force the administrators and the legislators to think out adequately the proposed program before writing it into law. It is the expressed intent of the recommended procedure that the legislative clearance offices in both the Executive Branch and the Legislative Branch, as provided *infra*, be granted all jurisdictional authority necessary to enable them to require the full cooperation of the administrative agency personnel. The administrative agency personnel will have more knowledge of a particular grant-in-aid, administrative, licensing, or regulatory subject involved in proposed legislation than the legislative clearance officials, whose expertness will lie in the fields of legislation and constitutional law. The actual drafting, or drafting revision, required to meet a serious question of delegation of legislative power, cannot be met by the establishment of a relatively disinterested reviewing office alone; or by staffing it with personnel possessing the necessary expertness in the legislative drafting and interpretation and in constitutional law. It will also require the assistance of the administrative agency personnel in suggesting and writing out the appropriate standards.

The Committee contemplates that:

Congress or the Office of Management and Budget should require that an administrative agency (including any Government department, instrumentality of the Executive Branch, independent administrative agency, or independent regulatory board or commission), in connection with any [memorandum] proposal for, or comment recommending, legislation delegating discretionary powers, duties or functions to such agency, which proposal or comment under Committee Recommendation No. 1 at the beginning of this report is filed with the Congress, attach thereto a memorandum as described in the paragraph next following.

A memorandum of the General Counsel of the administrative agency should be required to be filed, as part of the explanation and recommendation that the administrative agency makes to the Congress supporting the need and purposes of the legislation proposed. (A) The memorandum should set forth the General Counsel's opinion that after examining the proposal, he or she has concluded that it contains a sufficient statement of legislative policy and of legislative standards to (1) comply with the intent and purpose of the separation of powers and due process provisions of the Constitution, (2) inform the public of how it affects the public, (3) direct the agency in executing its provisions, and (4) furnish the courts with the criteria necessary to decide whether agency action is unconstitutional as violating the doctrine of separation of powers or improper delegation of legislative power, exceeds its statutory power or constitutes an abuse of its statutory discretion. (B) The memorandum should identify the language providing such standards.

The administrative agency legislative proposal and explanation (including general counsel's memorandum) should be reviewed by an office of legislative review that should be established in the Department of Justice for this purpose exclusively, equipped with skills comparable to those of the staff of the Office of Legislative Counsel, *supra*.

The Office of Management and Budget should withhold its concurrence in the submission of a legislative proposal by an administrative agency to Congress until the Office has received a report in writing from the Office of Legislative Review of the Department of Justice that the four requirements set forth in the above paragraph have been satisfied by the language of such proposal as reviewed or as amended following review. A copy of the report from the Department of Justice shall be transmitted to the administrative agency and shall be attached to the legislative proposal, which it concerns, for transmission to Congress.

Congress should take appropriate steps to require that all bills (including amendments thereto), and particularly those proposed by an administrative agency as herein defined, and independent agencies, boards and commissions, must be reviewed and reported by a legal office of the Congress or of each house thereof, for compliance with the requirement that the bills (including amendments thereto) contain adequate and intelligible standards. This review should be required following reference of the bill to the appropriate committee, and prior to the holding of committee hearings on the bill, assuring that a report by such administrative office would be available with respect to such legislation under active consideration by Congress.

The review should be assigned by law to a professional office possessing the kinds of skills represented by the Office of Legislative Counsel of the Senate or House of Representatives.[9]

The review should be accomplished in consultation with the Counsel (and his staff) of the Committee or Subcommittee planning to hold hearings upon the legislation. A review memorandum, with suggested staff changes in language of the bill of a *basic nature, due to issues of delegation of legislative power or separation of powers,* should be completed prior to the closing of the hearing record, and preferably prior to the opening of the hearing. Notice should be given the Chairman and other members of the Committee or Subcommittee upon the opening of the hearing, if practicable, of any questions raised, or such substantial changes in the bill suggested, by the Office, and such questions and suggested changes should be made a part of the hearing record unless satisfactorily resolved earlier. If establishment of such an Office is not feasible, it is suggested that Committee Counsel be given this responsibility, together with the necessary authority. Upon the authorization of the Chairman of the Committee, the services of a consultant should be obtained if necessary or desirable in order that Congress (or the administrative agency) may have the benefit of all such legal advice as it may require relating to aforesaid constitutional aspects of the legislative proposal.

Congress should be encouraged to call the General Counsel of the administrative agency or his representative, and the head of the legislative review office of the Department of Justice or his representative to any hearing held upon the legislative proposal of the administrative agency, for questioning with respect to their expert and professional opinions. It should be understood that such questioning contemplates their appearance as advisers expressing their best opinions to the Congress upon a question of delegation of legislative power and not as advocates of an objective of the administrative agency; and the statement of their opinions should subject them in no manner to administrative reprisal.

Exhibit B, attached, briefly summarizes the German method of dealing with essentially the same problem as is dealt with in this Committee's report.

Exhibit C is a suggested form of resolution for Council adoption if the Council concurs in the Committee's recommendation.

EXHIBIT A*

In the Demonstration Cities and Metropolitan Development Act of 1966[10] the Government has established a grant program to pay 80% of the cost of Demonstration Cities where: (1) the physical and social problems in that area of the city are such that a program is necessary to carry out the policies of Section 101 (improving the quality of urban life, increasing the supply of adequate housing for low- and moderate-income people, expanding housing, job and income opportunities and combating disease and ill health); (2) the program will contribute to the sound development of the entire city; (3) it will make marked progress in reducing social and educational disadvantages, ill health, and under-employment; (4) it will contribute to a well-balanced city with a substantial increase in the supply of standard housing of low and moderate cost; and (5) such other requirements as the Secretary may establish (Section 103).

Under the Federal Food Stamp Act of 1964,[11] the states are directed to determine the households to be eligible under a plan submitted to the Secretary of Agriculture. The standards are (1) that income be a substantially limiting factor in the attainment of a nutritionally adequate diet; and (2) the setting of maximum income limits which are consistent with those income standards used by the state in administering its federally-aided assistance program.

In the Child Nutrition Act of 1966[12] one program directs the Secretary to encourage the consumption of fluid milk "to the maximum extent practicable in the same manner as he administered the special milk program provided for by Public Laws 85-478. . . ." Under the school lunch program.[13] the Secretary is to aid needy programs, and the schools participating are to be selected by the State Education Agency with first consideration given to (1) "those schools drawing attendance from the areas in which *poor economic conditions exist,*" and (2) "those schools in which a substantial portion of the children enrolled must travel long distances daily." (Emphasis supplied.)

Section 15a(3) of the Interstate Commerce Act provides:[14]

> In a proceeding involving competition between carriers of different modes of transportation subject to this Act, the Commission in determining whether a rate is lower than a reasonable minimum rate, shall consider the facts and circumstances attending the movement of the traffic by the carrier or carriers to which the rate is applicable. Rates of a carrier shall not be held up to a particular level to protect the traffic of any other mode of transportation, *giving due consideration to the objectives of the national transportation policy declared in this Act.* (Emphasis supplied.)

Professor Joe Scott Morris has recently written:[15]

> So long as judicial review remains a valuable part of the overall administrative process, the question of reviewable standards will be important. Statutes such as the National Environmental Policy Act, with their emphasis on sharing information,[16] coordinating planning efforts,[17] and with instructions that environmental values be considered,[18] can and must play a valuable role, over the long run, in re-orienting the policies of federal agencies. At the same time, they fall short in that they do not lay down clearly reviewable standards, thus encouraging agencies to go ahead with the pursuit of their own self-created policies relatively free of any fear of reversal in the courts.[19] In contrast, the Wilderness Act of 1964[20] and the Wild and Scenic Rivers Act of 1968[21] put a check on the agencies concerned by giving the ultimate decision-making power to Congress and the President.

Footnotes at end of article.

EXHIBIT B**

Greater attention is paid in Europe to the drafting of laws in a manner calculated to retain the political (policy) decision power and function in the legislature. This may be due in part to the fact that European countries are governed by the code system; perhaps in part due to the fact that they have been in existence much longer and have not grown so rapidly. However, in Europe also there is a sharp awareness of the problem discussed in this report. Just as in this country, there is disagreement as to how important the problem is and how much can be done about it; but more has been done in Europe.

In the Congress most laws originate at the request of administrative agencies, Zinn, How Our Laws Are Made (1967) (Document No. 125, 90th Cong., 1st Sess.), 3–4, who clear their request with the Bureau of the Budget to assure conformity with the overall program of the President, but there is no central administration-wide legal office required to review proposed bills for legality and constitutionality and staffed with experts specializing in the legislative areas under discussion. Bills after they have been introduced are referred to committees of the Senate and House of Representatives having jurisdiction over the subject which committees have staffs, 2 U.S.C. 72a, of various sizes often very skilled in the subject areas, but not required to possess or exercise the skills under discussion. An act of Congress, 2 U. 271 et seq., provides for special staffs to be headed by Senate and House Legislative Counsel to give aid in drafting public bills and resolutions or amendments on the request of any committee of either House, respectively. There is no requirement that Senate or House Legislative Counsel, each skilled in the area under discussion, review proposed legislation, and there is no uniformity of practice in this regard. The Librarian of Congress is also authorized by 2 U.S.C. § 66(e) to give research help to Congressional committees, but this appears to extend to research and analysis of broad policy areas rather than drafting assistance.

Article 80 of the German Constitution, which is an outgrowth of the experience from preceding decades, in particular from the years of the Hitler regime, requires that the purpose, content and scope of the power and authority delegated must be specified in the law delegating the authority. The German Constitution also provides for separation of powers. While the German Federal Constitutional Court has not required the maximum of possible definiteness to be provided in statutes, and has been liberal in its application of the constitutional provision, it has overturned more statutes for this reason than would appear to be the case in this country. Article 80 is but one application of the broader principle of the Rule of Law contained in Article 20 of the German Constitution: the Executive shall not infringe on citizens' rights without specific authority.

PRE-ENACTMENT REVIEW

In connection with the first reading of a Bill of the Federal Government (Article 76, paragraph 2, first sentence of Basic Law for the Republic of Germany, 31 May 1971), the Bundesrat will, as a rule, thoroughly examine such Bill as to its legal admissibility, expediency and form. Since the Bundesrat (Council of Constituent States) is composed of representatives of the executive of the Federal States, the administrative experience gained by the Federal States will in this way be made use of for the purposes of the Federal Legislature. Moreover, the Bundesrat, being a permanent organ of the Federal legislature (in other respects being but little comparable to the Senate of the United States), will see to it that a certain continuity is guaranteed.

In Germany there is a Research Service of Parliament manned by an extensive staff, whose activity could include the area under discussion, but it is not called upon frequently in this manner by Parliamentary Committees or Members of Parliament; it stands ready however to examine the constitutionality of a bill upon demand by the chairman of the committee and the members of the committee appointed to report on it. This section gives expert opinions on the policy effect of proposed legislation. There is also a Law Committee which is always brought in by the other committees, when questions of constitutionality or legal principles are raised, upon the request of one representative. While the Law Committee of the Bundestag plays its part in this area, it does not always exercise its function owing to the traditionally heavy work load on the Committee.

The Ministry of Justice and the Ministry of Interior maintain separate staffs which are required to examine all government bills for compliance with Constitutional provisions and other lawful Procedure. This procedure was prescribed by Administrative rule—that every proposed bill be so cleared—in 1950. As late as two years ago, a project group for reform of administration questioned whether greater economy could be realized by having only one of the above departments examine into constitutionality of recommended legislation, but concluded the constitutional questions were so important that two departments should examine them.

The Department of Interior has been involved for historical reasons beginning at the time of Bismarck. Although there may be a rivalry between the departments, one of which in a sense acts as a check upon the other, both departments are the focal point of review in this respect of legislation sponsored by all other departments.

The Ministry of Justice reviews all bills (1) mainly for conformity to constitutional requirements, but also (2) for conformity to general rules regarding the form of statutes and (3) for conformity with existing laws, questions raised by the courts, and questions of basic human rights which engage its attention. The general examination as to other legislation (not constitutional law) is solely a matter for the Minister of Justice. This does not, of course, exclude the possibility that the Federal Minister of Interior may examine an Act or Ordinance as to "simple" law so far as the subjects concerned are such for which the Federal Minister of Interior is specifically competent, e.g., public security and order, establishment of new government offices, etc. But in this respect the position of the Minister of Interior is in no way different from that of other Ministers.

To be complete, a third department giving review to constitutional questions is the Ministry of Finance, when matters such as taxation are involved.

In practice, the Minister of a Department elaborates a bill which he gives to the Minister of Justice for his required review. The bill is also sent to all other Ministers concerned, and particularly the Minister of Interior. If the Minister of Justice, after review under the three tests above, finds the bill satisfactory, he approves it. If either the special division of the Ministry of Justice or of the Ministry of Interior raises a constitutional question, the division official competent to deal with the bill calls his counterpart and advises him (only in cases of conflict would the heads of the Divisions of the two Ministries get into contact with each other); for example, the vagueness of language would occasion such a call. Conferences are then held with the Ministry that drafted the bill. Each bill is accompanied by an explanation which, if clear enough, may be drawn upon to supply guidelines for the bill. Further conferences, at which the representative of the originating Minister presides, and probing by questions the minds of the originating officials for facts, conditions, problems and intentions, should help to furnish common sense solutions. By asking questions it may develop that the department that drafted the bill has concrete ideas of what it wants, but has not written them into the bill, and the Justice representatives will write them in.

There are few cases in which the term "public interest" would not be criticized by the Ministry of Justice as too indefinite, though after an examination of the entire bill it might obtain clarity from other context.

If the Justice and Interior departments are unable to obtain a satisfactory resolution of the questions they raise—they present a common front in 95 percent of the conflicts—according to the Rules of the Cabinet they have a special right to object to introduction of legislation on which they raise a constitutional question. If the cabinet by majority vote supports them, the originating Minister is prohibited from introducing the bill in question. However, in partial testimony to the efficiency of the procedure, it is extremely seldom that the right of objection is resorted to.

If a Minister attempts to coerce staff opinion, staff members are protected in good part by life tenure, only the officials at the top of the staff pyramid being political appointees and removable without reason (but with pensions). It is expected that the staff member will give his opinion and stand by that opinion, at the sole possible disadvantage of loss of opportunity for promotion to a higher position. Such moments of decision also are made more happenstance by the fact that in the usual case the vagueness of language questioned tends to raise constitutional questions of legal doubt, rather than fixed and settled opinions based on actual court decisions; hence amenable to conference give-and-take legislative clarification. It may be added that experts of these two staffs command respect and deference because of their specialized knowledge and administrative stature.

EXHIBIT C

RESOLUTION

Resolved, that the Section of Administrative Law recommends that the House of Delegates adopt the following resolution.

Whereas, In view of the increasing trend on the part of Congress during the past forty years to delegate broad discretionary powers to administrative agencies, which powers in many instances are to be exercised under vague and indefinite statutory standards; and

Whereas, The majority of such statutes have their beginning in legislative proposals sent to Congress by the administering agencies; and

Whereas, The risk of arbitrary exercise of such powers is increased, the likelihood of securing appropriate judicial review thereof is diminished, and the accomplishment of the legislative intent and purpose is rendered uncertain, when the Congress delegates powers to administrative agencies in such general terms as the "public interest," and the "objectives of the national transportation policy" to cite but two examples;

Resolved, That the American Bar Association recommends

(1) That the President designate the Department of Justice to review (and when appropriate to such review perform a drafting function) and report to the Office of Management and Budget and the originating agency within a reasonable period of time with respect to the constitutional sufficiency

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Footnotes at end of article.

of each legislative proposal initiated or reported on the Executive Branch, an instrumentality thereof, or an independent administrative tribunal or independent regulatory board of commission, hereinafter "administrative agency," and particularly whether such proposal sufficiently sets forth standards for exercise of the powers functions and duties proposed to be delegated by the Congress to the administrative agency. As used herein the term "administrative agency" shall not include the Administrative Conference of the United States. Such report should be in writing and should be transmitted to the Congress with the legislative proposal of the administrative agency and the opinion of the counsel for the administrative agency on the same matter. No legislative proposal or report shall be submitted to the Congress until such a Department of Justice report has been issued. Circular No. A–19 of such Office should be revised appropriately to effectuate this recommendation.

(2) That the Congress or each House thereof designate a legislative committee, office, staff or consultants to review, draft and report with respect to the constitutional sufficiency of each legislative proposal initiated by an administrative agency, and particularly with respect to the sufficiency of the standards set forth therein for the exercise of the powers, functions and duties proposed to be delegated by the Congress. The legal report should be in writing and, together with the opinions transmitted from the Department of Justice and administrative agency counsel, should be incorporated by each Committee report recommending a bill for consideration and vote by the members of the Senate or House, and omission to include such reports and opinions might subject the consideration of the bill to a point of order upon request of a member.

Resolved further, That other interested sections and committees of the American Bar Association be notified of this Resolution.

FOOTNOTES

[1] This Committee was originally established in February, 1965, as a subcommittee of the Administrative Process Committee "with the objective of studying vague delegations of authority to administrative agencies and pointing the way towards true standards for the guidance of the agencies, greater intelligence to the general public, and a definite frame of reference for the courts." The Committee's proposed functions included the "study of statutory standards and case law to show, upon an individual agency and comparative basis, the extent of the need for improvement and to make recommendations." It was clear that one objective of the Committee was to delve into substantive standards as applied by agencies and as further amplified by the Courts upon judicial review. 3 A.B.A. Section of Administrative Law, Am. Rep. Com. 23–24, 20 (1966) (Report of the Subcommittee on Delegation of Powers to Administrative Agencies). The Committee's formation was in partial response to a call by Dean E. Blythe Stason in an address to the Section on August 12, 1963, the substance of which appears in his article, *Research in Administrative Law,* 16 Ad. L. Rev. 99 (1964). He recommended focusing attention upon the substantive aspects of administrative law, with particular reference to vague definition in statues which form the bases of administrative policy, quasi-legislative, quasi-judicial and administrative. He recommended the improvement in precision of existing statutory deficiencies. He specified (at 105) "the special need for standards governing rule making powers, the need for standards prescribing jurisdictional limits, the factual bases of quasi-judicial decisions, and the need for greater specificity in delegations of authority to attach 'terms and conditions' to official actions." *Id.,* 30.

The views expressed in this report are those of the Committee, and do not reflect the views of the American Bar Association.

[2] Kenneth Culp Davis, *A New Approach to Delegation,* 36 U. Chi. L. Rev. 713 (1969).

[3] Merrill, *Standards—A Safeguard for the Exercise of Delegated Power,* 47 Nebr. L. Rev. 469 (1968). *See also* Long, *Arbitrary Administrative Decisions: the Need for Clearer Congressional and Administrative Policies, Id.,* 459. Examples of Professor Merrill's seven classifications are his first, second and fourth: (1) "specific prescriptions" where "(i)n all these instances, discretion as to policy is completely non-existent. There is no room for administrative adventuring. . . ." Merrill, 480. (2) "Reasonably detailed portraiture of legislative purpose," *Id.,* 480; for example, ". . . whether kerosene oil is safe, pure, luminous and free from objectional substance. . . ." *Id.,* 481. This category includes "public interest" with reference to particular listed factors. (4) "Imprecise words acquiring legal significance" involves "reasonable" as in "reasonable rates," "reasonable profits" or "public health," "public safety," etc. *Id.,* 487.

[4] For example, referring to "public interest" without much reservation, if any, as to the acceptability of the words as a standard, is the recent case of Red Lion Broadcasting Co., Inc. v. FCC, 395 U.S. 367, 377 (1969). See also U.S. *ex rel.* Knauff v. Shaughnessy, 338 U.S. 537 (1950) ("in the interests of the United States" upheld as a statutory standard to bar aliens in a time of national emergency; however, the power of Congress to exclude aliens has always been interpreted as peculiarly broad).

This report deals with Congressional delegations of legislative power only; thus only with Federal cases. In the State courts there is a greater tendency to question broad delegations of legislative power by state legislatures. For example the Texas Supreme Court recently, on a petition for rehearing, granted a writ of mandamus requiring a State Board to certify a doctor as a psychologist. The two statutory qualifications had been met by the doctor, but the statute said that the doctor then "may" be certified without examination. The Board argued that "may" gave it a discretion to further consider the "best interest of the public." This argument was rejected:

> The correct meaning of the word, "may," is that the Board has discretion in its administration of the statute's stated standards, but the word does not empower the Board to make standards which are different from or inconsistent with the statute, even though they may be reasonable and may be administered reasonably. . . .
>
> It is a well-established principle of constitutional law that any statute or ordinance regulating the conduct of a lawful business or industry and authorizing the granting or withholding of licenses or permits as the designated officials arbitrarily choose, without setting forth any guide or standard to govern such officials in distinguishing between individuals entitled to such permits or licenses and those not so entitled, is unconstitutional and void. . . . (Bloom v. Texas State Board of Examiners of Psychologists *et al.,* 16 Tex. Sup. Ct. Jour. 236 (Tex., 1973).)

[5] Merrill, note 3, *supra,* at 470.

[6] The Subcommittee on Separation of Powers, Senate Committee of the Judiciary.

[7] As a recognized authority has indicated, in modern times the "executive communication" (or the administratively-drafted bill) is the chief type of bill considered by Congressional Committees. Charles J. Zinn, How Our Laws Are Made, 3–4 (1967) (Document No. 125, 90th Cong., 1st Sess.)

[8] *See* Executive Office of the President, Office of Management and Budget, Circular No. A–19, revised, July 31, 1972.

[9] Frequently the office is now called upon to review drafts of bills prepared in executive agencies and elsewhere [but no requirement exists that such review be given regarding all such bills, and in most instances the office is not called upon]. (Congressional Record, vol. 115, pt. 28, pp. 38224–38225. Statement of Senator Jordan, D., North Carolina, Chairman of the Senate Committee on Rules and Administration, in recognition of the 50th Anniversary of the Office of Legislative Counsel.)

The Committee on Rules and Administration of the Senate is authorized to determine the preference to be given by the office to requests for service. The order of preference in effect for many years is the following: (1) measures in conference; (2) measures pending on the floor of the Senate; (3) measures pending before a standing committee; and (4) preparation of original measures for individual Members of the Senate.

The office has no part in the formulation of legislative policy. Its only concern with policy is to ascertain the desired policy in adequate detail *and with sufficient precision* to enable it to formulate a measure which is technically effective to carry out the legislative intent.

During the 90th Congress approximately 4500 measures were drafted. Of greater significance is the number of new subjects of Federal legislation which has occupied the attention of the Congress during that period, and the increasing technical complexity of many of those subjects.

In 1919 the office had a staff of three attorneys and one clerk. By 1945 the number of attorneys in the office had increased to six. Under the authority given by the Legislative Reorganization Act of 1946, the office reached its present normal strength of eleven attorneys in 1949.

*The Committee acknowledges with appreciation the two extensive surveys of this problem by George E. Atkinson, Jr., which analyzed several of the illustrative statutes quoted herein, as reflected in reports of the Housing and Urban Development Committee, *supra*

[10] Public Law 89–754.

[11] U.S.C. Sec. 2014.

[12] 42 U.S.C. Sec. 1771 et seq.

[13] 7 U.S.C. Sec. 1773.

[14] 72 Stat. 572 (1958), 49 U.S.C. 15a(3).

[15] Morris, *Environmental Statutes: The Need for Reviewable Standards,* 2 Environmental Law 75, 81 (Winter 1971).

[16] 42 U.S.C.A. Sec. 4332(2) (Supp. 1971).

[17] *Id.* at Sec. 4331.

[18] *Ibid.*

[19] 16 U.S.C.A. 1131–1136 (Supp. 1971).

[20] 16 U.S.C.A. Secs. 1271–1287 (Supp. 1971).

[21] The Wilderness Act, 16 U.S.C. Secs. 1131, 1132 (Supp. 1971); The Wild Life and Scenic Rivers Act, 16 U.S.C. Sec. 1275 (Supp. 1971).

**Exhibit B appears as a Note at pages II:79–81 of FitzGerald and O'Reilly, Materials on the Administrative Process (for use by students at Southern Methodist University and Boston College Law Schools) (1972, unpublished); its source is a study, not yet published, of the problem in the United States and six foreign countries, made by the Chairman with fellowship grant aid by the Relm Foundation and Southern Methodist University.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that morning business be closed.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Colorado (Mr. Dominick) may be recognized at this time to call up an amendment; that there be a time limitation thereon of 10 minutes; that the time be equally divided in accordance with the usual form; and that at the conclusion of action of this amendment, which I understand the managers of the bill on both sides have agreed to accept, the Senate then proceed to the consideration of the Trident amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill, add the following:

The Congress finds that the Department of Defense, which will use, at its present rate of consumption, an estimated 12 billion gallons of petroleum products in 1973, is one of the largest single consumers of petroleum products in the world, and that a reduction in consumption of such products by the Department of Defense would aid materially in meeting the energy shortages which the United States now faces. It is, therefore, declared to be the sense of the Congress that the Department of Defense should implement a 10 per centum reduction of its consumption of petroleum products except where such a reduction would adversely affect the national security or essential training exercises.

Mr. DOMINICK. Mr. President, just to give a little background on this amendment, for the purpose of the record, the amendment I offer is basically a sense of Congress amendment. It draws attention to the amount of petroleum products which the Department of Defense uses in a year, and it asks a sense of Congress that the amount be reduced by at least 10 percent.

If we could ge a 10-percent reduction, it would amount to more than a billion gallons of petroleum products which would be available not only here but also from those sources overseas where they purchase petroleum products now for our forces there.

It is not binding, but it is my hope that this will emphasize to them the seriousness with which we look at the energy crisis.

I had thought this amendment was adopted by the full committee as an amendment to the bill originally in a little fuller form. But inadvertently, through some error, it was not included in the bill when the bill was printed and presented to the Senate as a whole. Therefore, Senator Humphrey's amendment, which was adopted Saturday, was very helpful along this line; and my amendment simply emphasizes what the Senator from Minnesota was trying to do and which I had tried to do in a resolution prior to this time.

It is my hope that the managers of the bill will accept this amendment.

Mr. THURMOND. Mr. President, we feel that this is a sound amendment and are willing to accept it.

Mr. ROBERT C. BYRD. Mr. President, I have discussed this matter with the distinguished Senator from Missouri (Mr. Symington), the acting manager of the bill, and the acting chairman of the committee, and he has authorized me, on behalf of himself, to accept the amendment.

Mr. DOMINICK. Mr. President, I yield back the remainder of my time.

Mr. ROBERT C. BYRD. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Randolph). All time on the amendment having been yielded back, the question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIDENT QUESTIONS

Mr. McINTYRE. Mr. President, several weeks ago a significant article appeared in the Washington Star-News. This story, headlined "Navy Trident Reviewed as MIRV's Fail," indicated that the new Secretary of Defense, James R. Schlesinger, was taking a second look at the acceleration proposed for the Trident program.

At the time, I was heartened by the report because after a year of study I had concluded that the Navy's plans for acceleration were fraught with the risks of concurrency and the potential for costly and wasteful errors.

Accordingly, on August 30, I wrote to Secretary Schlesinger asking for the full facts of the matter. I requested in particular whether or not his office was reviewing the pace of the Trident program.

I am sorry to report to my colleagues that my letter has not yet been even acknowledged. This is indeed unfortunate because I believe the Senate needs and is entitled to the full facts before voting on such a costly and complex weapons system.

Mr. President, I ask unanimous consent that the Star-News article, dated August 29, 1973, and a copy of my letter to Secretary Schlesinger be inserted in the Record at this point.

There being no objection, the article and letter were ordered to be printed in the Record, as follows:

NAVY TRIDENT REVIEWED AS MIRV'S FAIL

(By Orr Kelly)

Defense Secretary James R. Schlesinger is taking a hard, critical look at the Navy's Trident missile and submarine program because of problems with the Poseidon missile, according to Pentagon sources.

The new Defense secretary is reported to be particularly concerned with the fact that most of the problems in operational tests of the Poseidon missiles involve some form of failure in the MIRV, or multiple independently targetable re-entry vehicle system.

In 24 operational tests of Poseidon missiles, there were failures in 14 cases—48 percent. The majority of the failures were associated with the MIRV system, according to information supplied to the Senate Armed Services Committee by the Navy.

No decision has yet been made on whether to "recall" the missiles already deployed, as recommended by the admiral in charge of the program, in an effort to make them more reliable.

At this point, Schlesinger has not ordered a slowdown in the Trident program, which involves the construction of 10 large new submarines and the development of two long-range missiles capable of carrying the MIRV system.

But he reportedly wants to be sure the Trident MIRV will work when it is deployed—and this could mean delay for more complete testing of the system.

Schlesinger has long been skeptical about the wisdom of putting major emphasis in the U.S. strategic arsenal on the MIRV system when it was not thoroughly tested and when the costs were not fully known.

In 1968, when he was director of a strategic studies at the Rand Corporation, Schlesinger wrote a report for a Senate subcommittee headed by Henry M. Jackson, D-Wash., in which he described how careful analysis was supposed to precede decisions to buy major weapons systems.

"Yet, curiously, in the programmed forces for the 70's our strategic forces are scheduled to become increasingly dependent on MIRVed vehicles, even though the technology is not yet in hand and we have only an inkling of the ultimate cost," Schlesinger wrote. "The appropriate review of alternatives and hedges did not take place."

Sources familiar with Schlesinger's thinking said he still retains the skepticism expressed in that 1968 report.

The Trident program will probably be the most hotly debated defense issue when the Senate returns from its vacation. It was only by a single vote, the result of a last-minute switch, that the program emerged unscathed from the Senate Armed Services Committee, and many critics feel that Trident should be slowed while efforts to reach a longer-range arms agreement with the Soviet Union are pursued.

The present plan is to build the first Trident submarine so it will be ready in 1978 and to build three more each year after that for a total of 10.

At the same time, a new Trident missile with a range of 4,000 nautical miles is being developed to be ready in 1978. Later an even more advanced missile would be substituted in the Trident, and the first-generation missiles would be shifted into the 31 existing Poseidon submarines.

The total cost of the program, including a base at Bangor, Wash., was estimated last year at $13.5 billion, but cost estimates for the total program were deleted by Pentagon censors from congressional testimony this year.

The 1974 budget contains a total of $1.7 billion and would permit awarding of a contract for construction of the first submarine in November.

August 30, 1973.

Hon. James R. Schlesinger,
Department of Defense,
Washington, D.C.

Dear Mr. Secretary: An article in yesterdays Washington *Star* asserts that according to "Pentagon sources" you are taking a "hard, critical look at the Navy's Trident Missile and Submarine program" because of troubles with the Poseidon Missile. The article also states that while you have yet "not ordered a slow-down in the Trident program," you want "to be sure Trident MIRV will work when it is deployed—and this could mean delay for more complete testing of the system."

As you may remember, late last month you and I discussed a proposal of the Armed Services R&D Subcommittee, which I chair, which recommended a more orderly, intensive, and sustained developmental program for the Trident system. You may also remember that our proposal would concentrate our resources on the development of the Trident I Missile by authorizing 498 million dollars out of 529 million dollars DOD requested for FY 74 for R&D on this missile and would avoid the dangerous concurrence inherent in the rapid acceleration of the production of the Trident boat as DOD has proposed.

I am, therefore, understandably encouraged by the *Star's* report, and I would appreciate your providing me with the full facts of the matter. In particular, I would like to know if you are in fact currently reviewing the pace of DOD's Trident program and whether you are considering decelerating the program in order to insure a thorough testing and reliable development of the system.

Sincerely,

Thomas J. McIntyre,
Chairman, Research and Development Subcommittee.

Mr. ALLEN. Mr. President, just over 1 year ago, I voted against both the ABM treaty and the Moscow agreements which were brought before the Senate by the President. The treaty and the agreements represented years of effort on the part of American negotiators in dealing with the wily Russians. I opposed those proposals because I did not trust the Russians—and I still do not trust them—and because it is my firm conviction that unless the United States maintains a strong defense, there can be no peace in the world.

Many Senators who voted for the treaty and agreements did so in the belief that even though they put the United States at a decided disadvantage to the Russians in strategic offensive strength, the Russians would be easier to deal with in future talks seeking further cuts in military weaponry.

Mr. President, such talks are now under way even while the U.S. Senate is engaged in deep debate over the military procurement authorization bill which would provide adequate weapons, research and development and support equipment for our military forces. The President has declared that he must have such authorization in order to deal with the Russians from a position of strength.

Many Senators who applauded Mr. Nixon's success in the SALT I talks and in the Moscow talks last year recognized that those agreements came partially as a result of the fact that the Russian leaders recognized our commitment to a policy of a strong national defense.

Today, however, many of those same Senators are attempting to undercut the President's defense request at the very time that the new talks with Russia are about to reach a decisive point.

Mr. President, the highly esteemed Wall Street Journal on Monday, September 24, 1973, published an editorial entitled "Another Senate Arms Debate," that underlines the contradictory position of those who applauded the President's successful negotiations with Russia last year, but who now fail to support his defense budget request which he insists is necessary to this year's negotiations with Russia. I believe that the editor has a message that all Senators should heed. I ask unanimous consent that the article be printed in the Record:

There being no objection, the article was ordered to be printed in the Record, as follows:

Another Senate Arms Debate

It's impossible to say which of the steps, major or minor, taken by President Nixon and Dr. Kissinger over the past 4½ years were absolutely indispensable in bringing us to the point in the world we today behold. It is fair to say, though, that the net effect of the Nixon-Kissinger global strategy has been undeniably positive.

Perhaps it wasn't really necessary to invade Cambodia, to defend Khe Sanh, or to mine Haiphong in order to achieve peace with honor in Vietnam. Maybe the White House didn't have to "tilt" to Pakistan, undertake secret diplomacy, or "shock" Japan to open the way to Peking. And it could be that had Congress defeated the President's request for antiballistic missiles in 1969, instead of approving it by one vote, there still would have been a strategic arms limitation agreement with the Soviet Union in 1972. Yet the President thought these steps essential, and he has results to show.

So taken as a whole, it's difficult to see how anyone who approves of the current state of the world relative to 1969 can continue to dismiss the essence of the Nixon-Kissinger strategy. Yet as the Senate moves into this year's debate on defense spending, many of its members, perhaps a majority this time, seem more eager than ever to second-guess the underpinnings of this strategy. Once again, they would deny the President that level of defense spending which he believes is indispensable in order to successfully pursue further arms agreements with the Soviets. Those same Senators who are ready to publicly admire Dr. Kissinger for his ability to conduct foreign policy on his feet, instead of on his knees, are busily forming coalitions to strip him of the tools of superpower diplomacy.

In many ways the Senate debate this time around is even more important than those of 1969 and 1970. Then, with the nation mired in a costly and unpopular war, the notion of taking a "big risk for peace," i.e. unilateral disarmament, had understandable attractions; the Senate floor fights were intensely emotional. Now, the nation is at peace, there is that first genuine sense of detente with Moscow and Peking, and the public's first priority is the containment of inflation; the Senate debate will be unemotional, coldly arithmetical, with participants calculating the number of Pentagon dollars that can be channeled into domestic spending.

This is evident in the approach being taken by Sen. Stuart Symington, who is floor-managing the $20.4 billion procurement bill for the Armed Services Committee and who earnestly desires to cut it further than the $1.6 billion already trimmed out by the committee. Although returned to the Senate, Chairman John Stennis is still convalescing, but will be present to defend the committee bill against further cuts. Senator Symington argues that true national security requires a strong economy and a strong dollar, so cutting another $2 billion or so from this procurement bill really will contribute to national security.

While there are those in the Senate who will vote, item by item as amendments come up, against each of the President's requests, there is no concerted drive to flatly eliminate any major weapons system, as there was over the ABM. Instead, the emphasis is on stretching out procurement buys, cutting chunks out of line items, thinning out research and development funds, and trimming back military manpower slots. It all seems so reasonable, as if the Senate truly is interested in cutting only the fat and leaving the muscle.

The committee has already cut $100 million from the request for $473.5 million for continued development of the B-1 strategic bomber, and there will be attempts to cut this further on the floor. The Navy's $3.9 billion request for shipbuilding is vulnerable, with a special effort to delay development of the CVN-70 nuclear carrier. And there's a determined drive, which may succeed, to lop $885.4 million from the $1.5 billion the President wants to hurry development of the Trident submarine.

In each case, spending opponents will argue the wastefulness and inefficiency of hasty development, which is true enough. But the President and Dr. Kissinger are playing for such large stakes—in SALT II and the European security negotiations—that the amounts the Senate would save are trifling by comparison. The ABM opponents of 1969, including Mr. Symington, should recall their predictions that if the system were approved, the U.S. would inexorably be driven to spend $60 billion or $70 billion to complete it. Yet the President won the vote and went on to agree to SALT I, as a result of which even the limited system approved in 1969 will not be built.

The Soviets, of course, are not suddenly worried about being businesslike and efficient, but are pouring extravagant amounts into their nuclear arsenal in areas permitted by SALT I. As SALT II negotiations open this week, a Senate truly interested in economic prudence would give the President all that he asks. It would make it that much easier for him to bargain away the plans to build those weapons in exchange for Soviet forbearance. Given the prospect of saving tens of billions of dollars in arms spending that SALT II offers, it does not seem frugal at all to be scuffling with the President over the amounts he says he needs to make those negotiations successful.

AN ADEQUATE DEFENSE AND A SUCCESSFUL FOREIGN POLICY

Mr. GOLDWATER. Mr. President, at this time when we are debating the military authorization bill and in debating it realize its very, very close relationship to our foreign policy, I think it is proper to put in the Record anything that has a strong and direct bearing on it. A colleague of ours, the Honorable Craig Hosmer of the House of Representatives, has written a paper called "The New Geopolitics," which I think should be read by everyone interested in the close relationship of an adequate defense posture with successful foreign policy. I ask unanimous consent that it be printed at this point in my remarks.

There being no objection, the paper

was ordered to be printed in the RECORD, as follows:

THE NEW GEOPOLITICS

(By Rear Adm. CRAIG HOSMER, U.S. Naval Reserve)

Elihu Root: "When foreign affairs were ruled by autocracies or oligarchies the danger of war was in sinister purpose. When foreign affairs are ruled by democracies the danger of war will be in mistaken beliefs."

With rare exceptions, American presidents have not assumed office as experts in the theory and practice of using their country's power to enhance its national security and attain its external goals. U.S. history is replete with instances of options neglected, of off-handed commitments supported by no more than one man's prejudicies or intuition, and with questionable decisions of great consequence belatedly made on fragmentary data in atmospheres of crisis. Fortunately, during recent years, reforms have occurred in the institution of the presidency, and in the civilian and military organizations supporting it, which have corrected many of the flaws and gaps in the national decision-making machinery. Today, the restructed National Security Council and its counterpart nonmilitary agencies are fully capable of laying before the President and his key advisors precise, up-to-the-minute assessments of the global geopolitical environment, together with the alternatives and options available for coping with any conceivable domestic or foreign emergency. They do so routinely.

In parallel with this institutional growth, government leaders and the public have developed a mature awareness and appreciation of those basic facts of international life without which viable decisions cannot be reached. Not only are the physical fundamentals of global power relationships—as defined long ago by Mahan and his successors—accepted as matters of course, but many more recent postulates governing the psychology of nations also are considered to be essential inputs to the decision-making processes. For example, it is now reasonably well accepted that:

Whereas it is difficult to perceive basic local, national, and international realities in or about open societies, their perception is infinitely more difficult in closed societies. No two nations view themselves, other nations, and the world in exactly the same light.

When dealing with those nations hewing to geopolitical misconceptions, one must either dispose of the fictions or accept them as realities for the purposes of the dealing.

Thus, in the years ahead, how well we fare in maintaining our national security and in attaining our international objectives will depend not only on how intelligently we exploit the geopolitical realities of the world, but also on how well we turn to our advantage the myths and fables other societies have been passing off as truth.

Such matters were understood only vaguely as the United States moved from isolation to international involvement and as the events of the two great wars first made it a world power and then, as hostilities ceased in 1945, thrust upon America the predominant role in the family of nations. At that moment, a combination of some naiveté, the heady promises of lasting peace made in the new United Nations Charter and the flush of victory blurred our own—and many other nations'—images of the world to come. Our rose-colored glasses were shattered by several gratuitous Soviet slaps and we saw that country's pugnacious posture in fuzzy, but no less ominous, outline. Camaraderie with the allies was quickly ended by Soviet paranoia over fraternization. Secrecy and haste to consolidate control over countries destined to become satellites offended Americans and menaced international harmony. At Yalta and Potsdam, Stalin repeatedly appeared to be inexplicably arrogant and unyielding. Some excused these and other enigmatic Soviet actions—how can one condemn the thrashings of a badly-wounded bear?—as being merely the natural reaction of a war-weakened nation which was seeking to position itself against potentially fickle friends who were likely to turn belligerent at any moment. Others thought that these were deliberately hostile actions which unmasked a malicious and treacherous society that seemed to be brazenly girding itself for the conquest of the world, as called for by Marxist-Leninist dogma.

Unable to solve the riddle of Soviet intentions, the United States for many years after World War II conceived the Communist world to be unified and monolithic in ideology, hostile and aggressive in purpose, and dedicated totally to obliterating or devouring all before it. We came to see the Free World as a reverse image of the Communist one, with all the virtues of the former locked in mortal struggle with all the vices of the latter. This concept of opposing and opposite worlds dominated our foreign policy and shaped our defense posture for more than two decades. Faced with aggression, our logical response was to isolate this contagion and quarantine it within Communist borders. Promulgation of the Truman Doctrine and the Marshall Plan in 1947 were the initial major moves to implement this strategy. Many others followed as we began working and spending to bring order, stability, and economic opportunity to those allied and friendly nations whose freedom and safety appeared to be intertwined with our own. A threat to any was seen as a threat to all; it would be countered by "cold" means if possible, but by hot war if need be.

Within a short time, the Berlin Crisis of 1948 simultaneously confirmed our belief in the correctness of this analysis of Communist intentions and verified our estimate of the necessity for a strategy of quick and positive responses to every appearance of aggression. Thus, in 1950, when the Republic of Korea was attacked by the Communist North, containment of the forces of total aggression, even to the point of open conflict, seemed essential and proper, not just to save that particular ally, but to prevent other free nations from thereafter falling—as one prominent American put it, "like dominoes."

In retrospect, the "Two Worlds in Conflict" concept and our strategies and initiatives to cope with its manifestations seem to have worked reasonably well throughout the 1950s. The ascendence to power of the People's Republic of China early in this era confirmed our suspicions of Communist malevolence, malfeasance, and perfidy. But history is not static and, by the early 1960s, signs began to appear that some things in the Communist world (as well as in our own) were not quite as we had thought them to be, or had changed, or were changing from what they had been. As time passed, the evidence of change mounted. Even so, revision of our concepts of an enemy, long tempered by years of Hot War and Cold War, did not come quickly. It is the way of men and nations alike to hold to old patterns until a significant event triggers movement, and then change comes swiftly.

The succession of President Richard M. Nixon in 1969, following bitter debate over the "hot," although undeclared, Vietnam war, was such an event. It focused the national awareness not just upon the realities of the two Vietnams, but also upon broader aspects of relations within and outside the Communist bloc. Many of the nation's key leaders, including the President, became convinced that the Communist world was no longer unified and monolithic, and they believed that it ceased to project the intensity of hostility and aggression that it did in earlier years. Instead, they came to regard the Communist bloc as being under great stress from internal forces which seemed to be sapping both its appetite and its capacity for external adventures.

Recognizing these changed circumstances, the new administration began a search for alternative strategies which it believed would prove more responsive to current U.S. national interests and opportunities than those of the Containment Doctrine. These took form as the Nixon Doctrine, the formulation of which began at Guam in 1969 and continues today. Its application already is manifesting distinguishable differences in power relationships in the 1970s from that which prevailed in the 1960s.

Viewed in the light of the Containment Doctrine, the escalation of aggresion by North Vietnam, which began early in the 1960s, appeared then to be yet another centrally-directed, Korean-type probe, tilting the dominoes, testing the climate for worldwide aggression and justifying commitment of more than half-a-million American ground troops to hurl back the aggressor and reseal the Iron and Bamboo Curtains. That may have been exactly the way it was then; but, today, taking into account the major changes which have since taken place within the Communist world, the continuation by North Vietnam of its military effort to conquer the South obviously is locally-inspired rather than externally-directed. Under such conditions, the tenets of the Nixon Doctrine devolve upon the victim the primary responsibility for its own defense and encourage others to assist reasonably with materials, but only sparingly, if at all, with men. Accordingly, American forces were repatriated from Asia at a pace, in a manner, and under arrangements calculated to avoid strewing politico-economic wreckage in the area which later could embroil the United States in renewed hostilities.

It is apparent that the Nixon Doctrine is basically an ongoing effort to accurately perceive the world not only as it now is, but also as it changes and evolves. Implicit therein is our exploitation of those fictions and myths which realism decrees should be treated as fact. Then, based upon these understandings, U.S. policies, doctrines, and strategies are conceived, modified, or discarded so that we can more quickly and efficiently respond to current realities, evolving challenges, and emerging opportunities. The Nixon Doctrine places heavy reliance on negotiation, partnership, and strength as techniques for forwarding U.S. national interests. It recognizes defense priorities in the following order of importance: *first*, continental defense; *second*, protection of lines of communications; *third*, maintenance of alliances; *fourth*, protection of U.S. overseas interests, and *fifth*, the capability to assist indirectly or directly in local conflicts, if, when, and where advisable.

Our earlier strategy called for an always ready response to every opposition initiative and therefore demanded full manning of all the Cold and Hot War ramparts. In contrast, current doctrine does not insist that every move by the other camp be treated with equal alarm. It thus permits assignment of increasingly limited resources according to carefully calculated orders of need.

From this perspective, our Southeast Asia troop withdrawal, Vietnamization of that war, and the vigorous campaign to end it by strong diplomatic and extended military pressures on Hanoi can be seen to fall squarely into the new fifth priority concept of limited parnership with allies engaged in local conflicts. And, whereas the older Containment Doctrine assigned top priority to multiple areas of defense, the Nixon Doctrine realistically highlights continental defense as America's first priority. To this end, the Strategic Arms Limitation Talks were begun in 1969. They aimed first to freeze nuclear stockpiles at levels assuring mutual deterrence, and thereafter in the ongoing SALT II negotiaitons to reduce their size and cost. Knowledgeable observers believe the initial agreements negotiated in Moscow will extend for several years the time during which the continental United States will remain secure from nuclear attack. At the same time they do nothing to allay the growing unease with which members of the Sino-Soviet bloc have come to regard each other's nuclear capabilities.

As a sign of the times, it is interesting to note that the Soviet and U.S. strategic stockpiles now regulated by SALT may constitute the last remaining vestiges of our former all-pervasive bipolar concept of the world. Polycentrism in Communist and noncommunist countries alike has become the order of the day. Its ubiquitous influence has flooded the international scene since the U.N. decision in mid-1971 to seat the People's Republic of China and to give it Nationalist China's former permanent membership on the Security Council.

Those acts gave the lie to the fiction of a lurking conspiracy led by the United States to "unleash Chiang" Kai-Shek upon mainland China. They undermined the foundations of the Peking regime's violent, long-standing anti-American propaganda campaign. They caused Mao's minions finally to focus their undivided attention upon the many conflicting ideological, geographic, and historical forces which serve to repel the Chinese and Russian societies from each other. Peking's leaders at last were forced by these events to acknowledge that their basic danger stems not from the United States and its allies, but from the pincers of Soviet power steadily encircling China from the north, from the west, and from the south. Top Chinese officials are lately reported to have but two reactions to Soviet Russia: "hatred and fear." The realignment of the two Chinas at the United Nations also has forced Moscow to see more clearly the collision course being set by Mainland China's need to expand into the same vast spaces of the Siberian heartland that the Soviet Union feels it must occupy if it is to fulfill its own destiny. That nation's regard for the P.R.C. is mutely expressed by the presence of 49 Red Army divitions along the disputed 7,000-mile-long Sino-Soviet frontier.

The leaders of the Soviet Union and the People's Republic of China have become increasingly aware of the costly implications of this diametric opposition of their basic future interests. In the Communist world, the fostering of continued fighting in Vietnam once seemed a cheap and easy means to nettle the United States while demonstrating fealty to the legend of Marxist solidarity. Then, as the Sino-Soviet rivalry came into sharp focus, continued support of Hanoi by the Soviet Union appeared counterproductive to its need for calm in the West during a time when prudence suggested that Soviet attention ought to be directed primarily toward the East.

Similarly, the P.R.C. came to see that its basic security interests were substantially disserved by keeping open channels for military aid to Hanoi which also functioned as conduits for further extension of Soviet influence at China's southern border. For these reasons, Washington could safely estimate that both countries had come to recognize that an end to the Vietnam war would be in their own self-interest and that the mining and closure of Haiphong Harbor by the United States to forward that end would be accepted with the equanimity that it actually was. President Nixon's later visits to their capitals constituted tacit admission, by both, of their self-interest in gradually normalizing relations with the United States. They also served as occasions to offer each party parallel presidential assurances of U.S. neutrality and evenhanded treatment during the indefinite duration of their Siberian contest.

In that conflict, both powers understand that permanent domination of the vast territory involved can be assured only by massive settlement, development, and industrialization. They know that unprecedented capital investments will be demanded and are preparing to make them. Recently, the Soviet Union exhibited unusual goodwill in settlement of the German issue, and its remarkable acquiescence to Egypt's abrupt demand for withdrawal of Soviet forces probably signaled the start of a new era of relaxation in the Mediterranean. Moscow's diplomats moved to dampen rather than to fan the flare-up of Arab-Israeli tensions which followed tragic events at the Munich Olympic games. They appear serious about achieving a mutual and balanced reduction of forces in Europe.

Such conciliatory moves seem to be in response to a perceived need for détente with the West while the problem in Asia is dealt with. From the Soviet standpoint, these are the kind of things which can contribute to the creation of a comparatively benign international climate conducive to buttressing their Asian ramparts from domestic resources, from profits growing out of expanded trade, and even from borrowed Western capital. The Chinese, on the other hand, move ever more inscrutably to clear their decks for economic battle, but P.R.C. placidity on the Taiwan issue and the rapidly evolving political and industrial rapprochement with Japan are two of many indicators that China, too, intends to flex growing economic muscle in the years ahead.

There is talk by these two countries of a formal renunciation of the use of force against each other, and there is hope that this conflict which finds the world's two largest armies facing each other can be resolved without warfare—but there is no assurance that it will be. Soviet strategists have pointedly discussed the doctrine of pre-emption in nuclear war, while the key political and industrial areas of Mainland China long have been protected by the most extensive underground defenses extant.

It does not follow that the United States and others may relax simply because the world's two most populous countries are in serious contention. In this lawless world, many separate forces of disharmony, in addition to those stemming from the struggle between Communism and Capitalism, abound between nations. Those underlying the Arab-Israeli war are but one example. Moreover, there is no assurance even that the two principal contenders will choose to devote all their capabilities to be worrisome exclusively to each other. Communism's dogmatic hostility to competing systems remains an underlying fact of international life which can swiftly surface above intramural disputations whenever pragmatism and the self-interests of Moscow and Peking fall into momentary coincidence. Nevertheless, the emergence and growth of Sino-Soviet tensions over the Eurasian land mass serve, while they continue, to moderate those between East and West. They provide this nation and others a respite to address unrelated concerns.

Of course, for many millions of individuals everywhere, Communists and non-Communists alike, the world will never lose its bipolar image, the intensity of Cold War will not diminish, and global Hot War will be forever imminent. And, it is possible that the nation's leaders have, indeed, been deliberately deceived by a clever enemy masking its solidarity behind a disguise of disunity. If that is the case, or if the unexpected occurs, or should dangers revive through the passage of time, then they must be faced. However, it becomes increasingly difficult for most individuals to interpret the significant events of these beginning years of the current decade except in terms of the consequences of growing Sino-Soviet alienation and disharmony. Therefore, it seems provident for the country to take advantage of the possibilities while they last for advancing U.S. domestic and overseas interests afforded by this probable condition of low international threat.

Already, national priorities have been reordered and defense spending has been pared to a level appropriate for a period of respite from serious external exigencies. This is obvious when the defense budget, adjusted for pay changes and exclusive of retired pay for Fiscal Year 1964, the year prior to the Vietnamese buildup, is compared with that for current Fiscal Year 1973. In constant 1973 dollars, the 1964 expenditure was $78 billion, while that for 1973 will be less than $73 billion, a cut $5 billion below the previous peacetime level. For these comparison years, this reduction is equivalent to a decline in defense outlays from 9.7% to 6.5% of the gross national product, from 44% to 31% of the Federal budget, and from 30 to 20% of public spending. It has been absorbed completely by domestic programs and tax cuts. Thus, the elimination and cutback of bases and the reorganization of command structures now underway Servicewide should not be regarded as a response to the ending of the war in Southeast Asia, but instead as a reshuffling of available defense dollars in order to allocate them in closer accord with the revised order of defense priorities called for under the Nixon Doctrine.

There is a minimum level of defense effort below which no nation can fall for long without arousing the bloodlust of predators. Unless, in the first place, creating the U.S. nuclear deterrent capability was unnecessary and a foolish miscalculation, any subsequent failure to maintain it at the level needed for nuclear parity inescapably will force Soviet leaders to evaluate the wisdom of pre-emption. On the other hand, so long as mutual deterrence is maintained, it operates as a strategic umbrella beneath which crises involving conventional armaments probably can be orchestrated to fairly high intensities without undue risk of nuclear backlash. Thus, should the West's conventional defenses be sadly neglected, Moscow and Peking might realistically entertain a temporary moratorium on their own controversy in order to seize an opportunity to forward their still-common eventual goal of Marxist universality. In this context, the Soviet Union's conciliatory efforts for a détente with NATO are not inconsistent with the recent strengthening of its Red Army forces in Europe. This buildup has a dual purpose: first, to protect that country's Western flank while it is engaged in the East; and second, to preserve its military and political options to maneuver westward again if irresistibly easy opportunities are presented.

Given circumstances in which bluff or blackmail are likely to succeed, and, should they fail, the cost of following through militarily seems reasonable, neither Soviet Russia nor Communist China can be expected to ignore opportunities to buy substantial advancements in objectives at bargain basement prices. In fact, the same can be said of almost all nations, and it means that even if Communist threats dissipate entirely, there still will be other dangers presented by other countries. Over the long haul, a constant ebb and flow of international tensions is guaranteed indefinitely by the impending world energy, population, and food crises alone. The need to stay prepared for an inevitable flow after any ebb in tension will long remain.

The world's nuclear powers incur unique risks and heavy expense for their atomic arsenals, but, deterred except as a last resort from initiating the strategic use of these special weapons, their need to maintain suitable conventional forces is no less than that of the nonnuclear weapons states. With regard to conventional arms, no nation can hope to survive unless it maintains a defense base high enough to deter nonnuclear attack and wide enough, if deterrence fails, to support the fast expansion of its survival capability. For the United States, this is not an inconsequential task. It regularly demands a burdensome share of the national budget. And, when danger is not imminent, it is difficult year after year to persuade the Congress to keep on providing substantial arms outlays to maintain it. It would be ironic if an increasingly niggardly defense budget someday weakens us to the point of inviting a conventional attack upon ourselves and key allies, as in Western Europe, against which attack the only viable alternative to surrender is an early resort to our outdated stockpile of crude and highly radioactive tactical nuclear weapons. It would be even more ironic if the adoption of new force postures and tactical doctrines, clearly and cleanly capable of deterring that kind of attack before it ever begins, remains blocked by the persistence of an anti-nuclear psychosis that bars the introduction of a new generation of discrete, substantially fallout-free, tactical warheads based on newly emerging pure hydrogen fusion technologies.

In the future as in the past, the keystone of U.S. national security will always be a willingness by the American people to support a thoroughly modern military force capable of coping with any emergency, strategic or tactical, nuclear or conventional.

The clarity with which molders of the Nixon Doctrine and their successors analyze changes in the geopolitical climate, and the ingenuity of their suggested responses to such developments, will be meaningful only for as long as the military establishment capable of implementing them is maintained. Yet, military preparedness is not an American tradition. During the extended ebb in international tension experienced by the United States between the two World Wars, for example, defense was only marginally supported. The Selective Service Act of 1940 was enacted by but one vote, and early World War II GIs had to drill with wooden guns.

Two generations of war and danger have built up a momentum of public support for adequate defense budgets which has not yet run out, but the existence of antimilitary sentiment today is obvious and growing. The critical test of the Nixon Doctrine is still ahead. It will be necessary to devise effective means to maintain that momentum during another probable period of extended respite from imminent external threat.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries, and he announced that the President had approved and signed the following acts:

On September 21, 1973:

S. 1165. An act to amend the Federal Cigarette Labeling and Advertising Act of 1965 as amended by the Public Health Cigarette Smoking Act of 1969 to define the term "little cigar," and for other purposes; and

S. 1385. An act to amend section 2 of the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. HASKELL) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations received today, see the end of Senate proceedings.)

ORDER OF BUSINESS

Mr. JACKSON. Mr. President, I move under rule XXXV that the Senate go into closed session.

Mr. NUNN. I second that motion.

(At 1:24 p.m. the doors of the Chamber were closed.)

LEGISLATIVE SESSION

(At 4 p.m. the doors of the Chamber were opened).

AMENDMENT OF THE SMALL BUSINESS ACT (S. 1672)—VETO MESSAGE

The PRESIDING OFFICER (Mr. HELMS). Under the previous unanimous-consent agreement, the hour of 4 o'clock having arrived, the Chair lays before the Senate the President's veto message on S. 1673, which the clerk will state.

The legislative clerk read as follows:

A veto message on S. 1672 Amendment of the Small Business Act.

(The text of the President's veto message is printed on page S. 17331 of the CONGRESSIONAL RECORD of September 22, 1973.)

The Senate proceeded to reconsider the bill.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask unanimous consent that during the consideration and vote the following persons be afforded the privilege of the floor: Carolyn Jordan, Reginald Barnes, Mike Burns, Jack Lewis, and Barry Goode.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

Who yields time?

Mr. CRANSTON. Mr. President, I yield myself such time as I may need.

Mr. President, this measure is important to small businessmen. It is also important to our farmers. It passed overwhelmingly by Congress and was vetoed by the President. It is very important to small businessmen and important to our homeowners. It gives them interim disaster relief on an equitable basis until permanent legislation is written by Congress.

The President vetoed this measure primarily on the ground that the $2,500 forgiveness feature is too costly. That plain just is not so. It is not too costly. It provides disaster victims with the opportunity to obtain a 3-percent loan with a $2,500 forgiveness, or a 1-percent loan with no forgiveness.

The President's costs projections are based on the year with the most disasters in the history of this program. They are not based on any reasonable average and so they are not reliable. Of course, no one can predict how many disasters will occur in any given year, but it is unlikely they will occur with the frequency, the dimensions, and the destructiveness in the year that was chosen as the basis for these projections on the President's analysis of the cost of the bill.

The President recently asked Congress to grant as much money as necessary to help victims of the Nicaraguan earthquake. I ask, why should we do any less for victims of disasters here at home?

The program authorized by the bill is not intended to help the wealthy, as charged by the President. It does not propose a means test. I will grant that a few wealthy people could benefit under it, but its real purpose is to help farmers whose croplands are flooded, our rural folk and our city folk whose homes are wrecked by flood, earthquakes, and other disasters, the working people and small businessmen whose only alternative would be a second mortgage on their homes, farms, or businesses, or bankruptcy and perhaps destitution.

Oddly enough, we had forgiveness in the law until April 20 when the administration managed by an amendment to the bill on another topic to wipe out that forgiveness. Even more oddly, the administration proposed forgiveness on the comprehensive disaster bill submitted to us on May 8 of this year. So I think it is appropriate to ask, why does the administration want to deny forgiveness to those struck by disasters between April 20 and whatever time we enact new and permanent legislation? It seems to me that is unfair, unjust, and discriminatory. I do not think that Congress should countenance that approach.

This measure gives details about two other points. It requires that the Farmers Home Administration offer loans to farmers with the same forgiveness feature from December 27, 1972, to April 20, 1973, that small businessmen received. This would help to insure equal treatment for all disaster victims, ending a serious discriminatory practice against farmers and residents of small rural towns. This provision received overwhelming approval within the Senate.

One other point about the bill: It includes erosion in the list of natural disasters for which Federal assistance is available. This does not mandate the expenditure of funds; it merely allows centers of severe erosion to be declared disaster areas if conditions warrant. This simply puts erosion directly related to floods, high water, or tidal waves on the same explicit footing as all other natural disasters. There is no reason for treating it differently from other natural calamities. Erosion can occur as relentlessly as hurricanes, tornadoes, and floods. It is a disaster in slow motion, and losses due to erosion can be as great as those caused by any other disaster.

This bill has the added advantage of eliminating a major administrative difficulty for the SBA which now attempts to distinguish between lawsuits caused by ongoing erosion and those caused by a severe storm. It is very difficult to make such a determination in any given case, and S. 1672 would save the SBA from having to make such difficult distinctions by making all losses eligible, whatever the cause. Thus, contrary to the allegation by the President that this measure would create an administrative nightmare, the fact is that it would reduce administrative difficulties for the SBA.

Mr. President, I yield the floor.

Mr. TOWER. I yield myself such time as I may require.

Mr. President, as expected, the bill increasing the loan authorization levels for the Small Business Administration has been vetoed, because of the addition of the disaster assistance provisions onto this vehicle during floor consideration. The disaster assistance matter is one which should be taken up as an independent subject in the appropriate committees, and after full and careful consideration, could be dealt with properly by a comprehensive disaster assistance act such as the present administration bill pending in the Banking Committee. Disaster assistance is a necessary, but a very costly, governmental program, and it should not be dealt with on the ad hoc basis which floor amendments normally entail.

The Banking Committee has held hearings on the administration bill, in June, and the outlook right now would be for another round of hearings early next year, with problems and issues being discussed and thought out in the meantime. The Public Works Committee has, I believe, also held hearings on the bill. This deliberate approach to the subject, based on thorough hearings and consideration, is the appropriate way to shape such a large and expensive program. The veto should be sustained so that this approach can be continued and so that a well-designed bill can issue for eventual floor debate.

I well realize that most Senators want to support a reasonable disaster assistance program, and I do not want to be thought to be opposing the concept of disaster assistance in this or any other vote. But this would not be so with this veto vote. I support disaster assistance, but I will vote to sustain the veto, because there has not been full consideration of a comprehensive bill on this subject. We need more OMB testimony on cost estimates of matters like erosion assistance and the question of an income-related criterion for loan forgiveness. We need more discussion of the problem of how to mix personal financial assistance with block aid to local governments and to institutions damaged by major disasters, in the most efficient and equitable way. We need to design a comprehensive flood insurance plan that meshes satisfactorily with disaster assistance programs, so that some of the costs of disaster assistance can be put on an insurance and risk basis. These things take time and careful planning, and we are not doing justice to these complex legislative problems if we do not carry through on the extensive background work needed to prepare any good legislation.

Therefore, I urge my colleagues to vote to sustain this veto, not because they are opposed to the concept of disaster assistance, but because they want to see only thoroughly prepared legislation come to the floor on this complex subject. We will have a chance later on in this Congress to work on such a bill on the floor, so that every Member will still have a chance to discuss and make an input on this subject within the next year.

Mr. President, again I want to emphasize that I come from a disaster-prone State and I have been in several hurricanes and tornadoes. I can well understand and see the devastation and the suffering that are caused by these disasters. I think I am better advised to wait and support comprehensive legislation on the subject that might be better and more effective and more efficient.

I am afraid that if we fail to sustain this veto and allow this disaster assistance program to remain in this bill, it might deter further consideration in the near future of legislation that might more efficiently and more effectively deal with disaster situations. Therefore, I think that all of us who favor disaster assistance can vote with a clear conscience to sustain this veto.

This is the only provision of the bill that brought about the veto. The authorization which increased SBA ceilings was acceptable. The loans to meet regulatory standards, to increase aid basically for environmental equipment costs, was acceptable. The administration testified in support. The conforming technical amendments were acceptable. The only aspect of this bill that brought about the veto was that involving disaster loans.

Therefore, because we are considering comprehensive disaster legislation that I think conceivably could be a vast improvement on what is in the bill that was vetoed, I urge the Senate to sustain the veto by the President.

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, I yield 5 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. STEVENSON. Mr. President, President Nixon's veto of S. 1672 was a sorry denial of the needs of thousands of Americans. Small businessmen needing loans, communities affected by military base closings, farmers with their lands flooded, individuals and communities whose shorelines are relentlessly eroding, the thousands of Americans stricken annually by natural disasters must all be made to suffer if the veto is sustained.

The President's veto message argued that the disaster relief provisions of S. 1672 were too generous. If anything, they were not generous enough to those who suffer through no fault of their own.

S. 1672 offers disaster victims a choice between a 1-percent loan, or a 3-percent loan with a $2,500 forgiveness clause.

The President would have us believe that most of these loans would go to wealthy people. That is not the case. These loans are needed by farmers whose croplands are flooded, by poor people living in damaged or dilapidated housing in flooded areas of our cities, and by rural residents whose homes have been blown apart by tornadoes—people whose alternative to a disaster loan is a second mortgage on the house or farm, at exorbitant interest rates. For many there is no alternative.

These loans could have gone to flood-stricken farmers in flooded valleys of the Mississippi, Illinois, and Embarras Rivers. Such loans have gone to the poor in East St. Louis whose meager homes were destroyed by a blast in the railroad yards. They went to hurricane victims in Pennsylvania, whose lives literally were shattered financially and psychologically—by the disaster of Hurricane Agnes.

The President has stated that this measure will be too expensive. Yet he bases his cost estimate on the experience of the past year—a year in which we suffered more disasters with more catastrophic effect than in any other year in the history of the program

It is no surprise that an extraordinarily bad year produces such high estimates. No one can guarantee a disaster-free year, but statistics argue that the future will not be as bad as the recent past.

Regardlessly of our ability to predict disasters and project cost estimates, we cannot say to disaster victims that the Government will not provide reasonable assistance to people who suffer because there are too many who suffer.

Our Government has been sensitive to the suffering of people in Managua, the Sahel and Bangladesh. Surely it should provide a fair measure of assistance to its own calamity-stricken citizens.

The President's assertion that this would create an administrative nightmare is without foundation. These loans would be no more difficult to administer than existing disaster relief loan programs. The entire disaster assistance program should be improved and I am hopeful the Congress will produce a comprehensive revision of the disaster relief act during this session of Congress. But in the interim, it must provide some relief to victims of major natural disasters.

S. 1672 did more than just liberalize the terms of disaster assistance loans. An amendment I offered provided relief to those suffering the effects of shoreline erosion. Another required the Farmers Home Administration to offer emergency loans at the same rates the SBA charges on its loans. This would help to insure equal treatment of all disaster victims and end discrimination against farmers.

The extent of the administration's discrimination against farmers is becoming clear. In the past week I have received several letters from farmers who tell me that the FHA is refusing to make 5-percent disaster relief loans on the grounds that area banks are willing to make loans at upward to 8½ percent.

Mr. President, the statutes provide that emergency loans be available where sufficient credit is not otherwise available at reasonable rates and terms. Yet the FHA has adopted the practice of defining "reasonable" as "anything the market will bear," even interest rates twice as high as those on FHA loans. That is unreasonable. The FHA ignores the clearly expressed intent of Congress. The law does not say that emergency loans shall be made only when no other credit is available. It affirmatively requires the FHA to define reasonable terms and conditions. This the FHA refuses to do at a time when the cost of money is at an all-time high. The 8½- and 10-percent loans are not reasonable for farmers who have lost crops and equipment and are already burdened by heavy debts for land and machinery. This discriminatory practice denies farmers the benefit of this law. I ask unanimous consent that the text of a letter I have sent to FHA Administrator Frank Elliot protesting this policy, be printed in the Record following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STEVENSON. Finally, Mr. President, another victim of the President's ill-considered veto is section 7 of S. 1672. That part of the bill makes "erosion directly related to floods, high water, and tidal waves" eligible for disaster assistance. This provision was overwhelmingly approved by the Senate on two separate occasions when I offered it.

Yesterday's Washington Post revealed plans of the Department of the Interior to abandon its efforts to save the Nation's eroding shorelines. Its argument is that it is not possible to fight nature, and that we are only wasting money in the effort.

Not all shoreline erosion is due to natural physical forces. In too many instances, we are losing our valuable beachland because of man's misplaced efforts to save the shoreline.

An example is the Indiana Dunes. Studies have shown that the prime cause of erosion at the Nation's first urban national seashore is the large breakwater at Michigan City, Ind. That breakwater stops the natural westward flow of sand to the dunes and starves and erodes the beach.

There is nothing natural about the erosion at the dunes. It is caused by man's meddling with nature. In all cases the people suffer. Whether from natural or man-made causes the effect is the same—danger to people and damage to their property. That danger and damage will be increased if the administration gives up the fight to save the shorelines—and is yet another reason for providing reasonable disaster relief assistance.

Mr. President, S. 1672 has been thoroughly debated. I urge this body to reaffirm its commitment to the welfare of people suffering through no fault of their own by voting to override this latest Presidential veto.

Exhibit 1

September 25, 1973.

Mr. Frank B. Elliott,
Administrator, Farmers Home Administration, U.S. Department of Agriculture, Washington, D.C.

Dear Mr. Elliott: In the past week I have received several letters from constituents in disaster areas informing me that they are unable to obtain emergency loans from the Farmers Home Administration. Without exception, these people have been denied loans because of the FHA's interpretation of the "credit elsewhere" provision of Section 321 (b) of the Consolidated Farm and Rural Development Act. Careful examination of the history and language of that provision has convinced me that the FHA is unnecessarily denying Emergency assistance to these and other applicants.

The law states: "The Secretary shall make loans . . . to established farmers . . . *Provided*, That they . . . are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time."

On September 6, 1973 in a letter to Mr. Howard A. Brown of the Congressional Research Service, you stated that the FHA considers:

"'. . . reasonable rates and terms' to be rates and trems available to other farmers in the area, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes and periods of time in the community in or near where the applicant resides. Example: if credit is being made available to farmers in the area for crop production purposes at 9 percent repayable when the crops are sold, we would consider this as reasonable rates and terms for the area."

I believe this misinterprets Section 321(b). That law requires the FHA to determine whether credit is available at reasonable rates and terms—not whether it is available at any rates and terms. Yet it appears that the FHA will consider to be "reasonable" whatever the market will bear, even interest rates twice as high as those on FHA loans.

This position is untenable. The cost of money is at an all time high. Eight and one-half and ten percent loans are not reasonable for farmers who have lost crops and equipment and who are already burdened with heavy debts for land and machinery. In many instances, disaster loans are used to replace property which was destroyed before it was fully paid for. Under such circumstances, 8½ to 10 percent interest rates are not reasonable.

I therefore urge you to reexamine the position of the Farmers Home Administration with regard to the administration of Section 321(b), and make the necessary determination that farm credit is unreasonably expensive for disaster victims. If you believe this decision can only be made on a state by state basis, I hope you will start in the disaster stricken areas of Illinois, where loans are being made available to farmers at rates between 8½% and 10%.

Because of the clear and present need for immediate assistance, I trust your response will be prompt. If I can be of any assistance in expediting your consideration of this request, please do not hesitate to call.

With best wishes,

Sincerely,

Adlai E. Stevenson.

ORDER FOR CONSIDERATION OF TRIDENT AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, immediately following the vote on the Mansfield amendment, the Senate resume the consideration of the Trident amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. GOLDWATER. Mr. President, will the Senator yield to me for 1 minute?

Mr. CRANSTON. I yield.

VICE PRESIDENT AGNEW

Mr. GOLDWATER. Mr. President, I was shocked when I returned to my office a short while ago to have several calls from my home town of Phoenix, asking for comments on the resignation of Vice President Agnew.

I have chased this down and found it comes from a Dow-Jones tape to a UPI tape. I contacted the Vice President's office. I just want to tell this body, there is no truth to it. Not only is there no truth to it, but I think you are going to see a fighting Vice President.

MESSAGE FROM THE HOUSE

A message from the House of Representative, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two House on the amendments of the Senate to the bill (H.R. 8619) making appropriations for Agriculture-Environmental and Consumer Protection programs for the fiscal year ending June 30, 1974, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 40, 42, 57, and 59 to the bill and concurred therein; and that the House receded from its disagreement to the amendments of the Senate numbered 9, 12, 48, 64, and 69 to the bill and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 9639) to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Perkins, Mr. Meeds, and Mr. Quie were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the current resolution (H. Con. Res. 315) providing for a correction in the enrollment of the bill (H.R. 8619), in which it requested the concurrence of the Senate.

AMENDMENT OF THE SMALL BUSINESS ACT (S. 1672)—VETO MESSAGE

The Senate continued with the reconsideration of the bill (S. 1672), to amend the Small Business Act.

Mr. TOWER. Mr. President, I yield 4 minutes to the Senator from New Mexico (Mr. Domenici).

Mr. DOMENICI. I thank the distinguished Senator from Texas (Mr. Tower) for yielding to me.

I rise, Mr. President, to indicate that I will vote to sustain the President's veto of S. 1672, the Small Business Act amendments.

I hope the distinguished Senator from California (Mr. Cranston) and the distinguished Senator from Illinois (Mr. Stevenson), recognize that I have been very concerned about our national policy on disaster relief, and due to my experience as the ranking Republican member of the Public Works Disaster Relief Subcommittee, I am fully aware of the fragmentation of the Federal disaster relief effort and the need for a comprehensive, coordinated program.

The fact that the existing disaster program—I should say programs—is fragmented does not mean I should support the President's veto. But let me say I do not think the Senate of the United States ought to banter back and forth proposals providing either $5,000 forgiveness or $2,500 forgiveness and say that that is any kind of plan or equity. It is not equity but quite the contrary. Nor should the Senate impose upon SBA and the FHA or any other Federal agency a grant program under the guise of a loan program with a forgiveness feature. Neither the SBA nor the FHA is staffed to handle the burdens of administrating disaster relief and the kind of program this bill would give to them.

As a member of the Public Works Disaster Relief Subcommittee I have heard testimony about the numerous abuses of both the $5,000 loan forgiveness program and the $2,500 forgiveness program that preceded it. These abuses will continue.

Nor have I seen evidence that we are serious about requiring the American people to purchase insurance to help pay for disaster losses.

We do not yet have a disaster assistance bill before the Senate which will effectively tie a workable, adequate insurance program to a disaster assistance program. We have fragmented the many problems of disaster relief. The administration has estimated that S. 1672 would cost $800 million based on our experience of last year—a year of numerous severe disasters.

I am convinced that we must build into the disaster grant program some kind of test that permits those who are most in need to get the most in relief, not those who need help the least, but who are informed and able to capitalize on a grant-in-aid program parading under the guise of a loan program. I do not know whether this test should be a means test or whether the amount of damage suffered by a citizen should be determinative—somehow, however, these features must be combined.

The President has submitted to the Senate S. 1840, a broad, comprehensive disaster assistance proposal. I do not believe that it is perfect. S. 1840 proposes grants for needy families suffering losses in a disaster based purely on a means test. It does not take into consideration the amount of damage they may suffer and for this reason, I am not totally in favor of it. S. 1840 would devolve much of the responsibility for disaster relief from the Federal Government to the States. Some compromise is in order. We are not, however, going to get a national disaster assistance program with national goals to deal with the average disaster.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TOWER. Mr. President, I yield 1 minute to the Senator from New Mexico.

Mr. DOMENICI. We are never going to get a national program by a willy-nilly approach. I hope the need for this legislation will bring the diverse jurisdiction together to arrive at a truly comprehensive, national approach to deal with the many disasters which occur each year. Such a program may not deal completely with the catastrophic disasters, such as Agnes, it would be more than adequate for the more typical disaster situations.

Mr. President, I ask unanimous consent that the text of my prepared statement appear in the Record at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Domenici

Mr. President, I will vote to sustain the President's veto of S. 1672, the Small Business Act amendments. My vote today does not represent any lack of concern on my part for the very real need experienced by the victims of a disaster or any opposition to providing adequate assistance to these individuals.

I have spoken before on the floor of the Senate about my concerns on the inadequacy of the approach we are taking in this bill to provide assistance to persons affected by a natural disaster. Congress cannot pass legislation every 6 months or each time a disaster strikes to decide whether to provide a $5,000 or a $2,500 grant in the FHA or the SBA loan programs. There is no equity, no fairness in such legislation. We cannot continue to handle disasters and the need for disaster assistance in a piecemeal manner. We are not going to solve the problems with the existing disaster loan programs if we continue to follow the fragmented approach which this legislation perpetuates.

The disaster loan programs of the Small Business Administration and the Farmers Home Administration overlay the regular programs and responsibilities of these agencies. The Small Business Administration was not created nor is it equipped in terms of manpower to handle the increasing burden of disaster loans. Testimony before the Public Works Disaster Relief Subcommittee earlier this year indicated a need to simplify the present loan programs, to make them more uniform and gear them to the special needs of the disaster victim. The bill before us would not address these problems.

Under the existing loan programs every individual, rich or poor, with little damage or completely wiped out, is treated alike. Abuses of the program have been documented and there is need to review this approach. I believe we must give more attention to the more hard pressed victim than is done under the current program.

A uniform Federal policy could be based on some criteria either to measure the individual's need as a result of the catastrophe or perhaps it could be based on an individual's economic position before the disaster—a sort of means test. The Taft amendment, which I supported earlier, was a move in this direction in that it would have tied the grant assistance to a person's income and the extent of his losses.

The President has recommended a program to provide direct grants to needy families. Rather than the artificial structure of forgiveness which is now a feature of the loan program, we need to determine which families are in need and approach it directly with a grant as the President has proposed. The National Red Cross has provided grant assistance to needy individuals in the past but, because of serious budget demands, the Red Cross has discontinued its grant assistance program. Many needy families, who might have been assisted by these grants, are not eligible for the disaster loans and, thus, will not benefit from the forgiveness provisions. While I do not totally agree with the approach in S. 1840, I believe the grant proposal merits full consideration.

Based on an extensive review of the present Federal disaster assistance program, the administration has introduced a broad disaster assistance proposal, S. 1840 which is now pending before the Banking, Housing and Urban Affairs Committee and the Public Works Committee. While there are differences over the approach in the bill, I believe it offers the Senate an opportunity to deal with the problems of disaster assistance in a comprehensive manner, including all forms of disaster assistance to individuals—loans, grants and the provision of flood insurance. Extensive hearings have been held on the bill and I am confident that action will be forthcoming on this legislation.

Mr. CRANSTON. Mr. President, I yield 5 minutes to the Senator from Missouri (Mr. Eagleton).

Mr. EAGLETON. Mr. President, although the President's veto message addressed itself in the main to the so-called Taft-Stevenson amendments, it is also my understanding that an amendment which I offered was found to be unacceptable to the President. Thus, I would like to address a few remarks to that amendment and in support of the general proposition as espoused by the Senator from California (Mr. Cranston) and the Senator from Illinois (Mr. Stevenson) to vote to override the President's veto.

As Senators will recall, in the spring of this year, especially in the month of April, there was gigantic flooding in the United States, especially in the Midwest, the whole expanse of our Nation from the northern extremity to the gulf. Literally hundreds and hundreds of millions of dollars were lost in that flood damage.

I visited in Missouri during that time, seeing at firsthand the enormity of the devastation, and was in frequent contact with the Office of Emergency Preparedness, which was carrying on general relief activities. I asked them what the loan and relief provisions were under SBA and FHA for people who suffered damage. They assured me that under both SBA and FHA 1 percent loans would be available with the $5,000 forgiveness provision.

To my dismay and surprise, I later learned while the SBA agreed that that is the law, and that the law provided for $5,000 forgiveness and 1 percent loans, the Farmers Home Administration, by some quixotic interpretation, believed the law provided for 5 percent loans with no forgiveness provision.

Thus, we had some very anomalous situations. In my State there might be a farmer who was wiped out, having lost his dwelling and various aspects of his property, and he would have a 5 percent no forgiveness provision applied to him, and next door would be a grain salesman who was wiped out in the same flood who got a 1 percent loan with $5,000 forgiveness.

I was informed by Congressman HÉBERT of a very curious thing that occurred in his State of Louisiana. Apparently, if one is a shrimp fisherman, he is considered a businessman by the Federal Government. He is eligible to go to the SBA and get a 1-percent loan with $5,000 forgiven. But, if one is doing something with oysters—whatever one does with oysters—he is not a businessman but a farmer under this program. Oystermen are farmers, so the FHA says they come under their umbrella and they get 5-percent loans with the no-forgiveness provision.

Here we have two people. The shrimp fisherman gets in his boat. The oyster grower gets in his. They probably leave from the same dock. One gets a 1-percent loan with $5,000 forgiveness, and the other gets a 5-percent loan with no forgiveness.

In order to rectify these imbalances and inequities, I offered the amendment, which is now in the bill, that would equalize loans for all who suffered devastation in the same flood and put them on the same footing, eligible for the same benefits. That was what the law intended. So my amendment would establish 1-percent loans with $5,000 forgiveness and would apply those terms to all those who suffered damage from the floods that took place in April and May of this year.

With respect to future disasters, the Taft-Stevenson provisions would become operative, but in the case of my amendment we are talking about the law as it was in the spring of this calendar year.

So I strongly support the contention of the Senator from California (Mr. CRANSTON) and the Senator from Illinois (Mr. STEVENSON) that, in all fairness, in all equity, in all that is really decent, we must vote to override the President's veto.

Mr. CRANSTON. Mr. President, I yield 3 minutes to the Senator from Rhode Island (Mr. PELL).

Mr. PELL. Mr. President, the veto by the President of the small business bill is a damaging blow to the small businessmen of our Nation, and will have a particularly harsh and cruel impact on small businessmen in my own State of Rhode Island.

The treatment of small businessmen by the administration stands in sharp contrast to the response of the White House when major corporations, such as Lockheed or Penn Central, seek Federal Government assistance.

I know the owners and operators of small businesses are not equipped with Vesco-sized suitcases, but I for one do not think that should disqualify small businessmen from receiving just, fair and equitable treatment from the Federal Government.

Oddly, and perhaps significantly, the President's message on his veto of the Small Business Act amendments mentions the words small business just once. There is not even a bow in the direction of the needs of small businessmen.

This bill contained a number of provisions of importance to small businesses. Among them was my amendment, adopted by a vote of 69 to 11 in the Senate, to provide disaster assistance to small businessmen facing serious problems because of the closing of military installations.

The small businessmen of my State have suffered a double wrong. First, we are the victims of the outrageous and wrong decision to close the major naval installations in our State.

And now, the President's veto of this bill rips from our hands one of the best hopes for badly needed readjustment assistance.

I deplore this veto. I shall vote to override it, and if that fails, I will vote for passage of a new bill with provisions for disaster assistance to small businessmen.

Mr. CRANSTON. Mr. President, I yield 3 minutes to the Senator from New Jersey.

Mr. WILLIAMS. Mr. President, President Nixon's decision to veto S. 1672 was a most unfortunate one. This bill would establish much needed reforms in our disaster assistance programs, and it would provide relief for thousands of innocent victims of natural disasters.

For example, the bill included an amendment which I offered which would have insured the availability of low-cost Federal loans to farmers who suffer economic loss due to epidemics among livestock. Early last fall, hog cholera of major proportions broke out in my State of New Jersey and resulted in the loss of approximately 30,000 animals. The disease has had a devastating impact on many hog farmers, and upon their employees and families in my State where, regrettably, we are already facing the forced closing of an average of one farm a day.

Hog cholera has also hit herds in both Georgia and Indiana over the last year. When an outbreak of hog cholera occurs, all the animals in the affected area are quarantined and when the infection begins to spread, the entire herd must be destroyed. This is a substantial economic blow for these small farmers. And I know that they are all small farmers. There is not a wealthy farmer in the State of New Jersey that has been affected by this. There is nothing to indicate to me that this is, in the words of President Nixon, a rich man's bill.

The farmers of California have had a similar experience with Newcastle disease which destroyed millions of chickens last year. And there are, of course, other diseases like brucellosis, a bacterial infection among dairy cattle, which wipe out entire herds. Nevertheless, Federal aid to provide operating capital to farmers whose livestock is destroyed is not currently available, and if President Nixon's veto is sustained, it will not be available in the future.

S. 1672 would also provide relief for the thousands of individuals who have suffered extensive flood damage. Even President Nixon acknowledged that last year our Nation experienced the worst series of natural disasters in recent memory. In 1972 Hurricane Agnes left us with over $3 billion in damages, and as recently as this past August heavy rains in New Jersey caused damages well into the millions.

Mr. President, this veto is truly inexplicable. This bill would have brought to thousands of Americans the assistance they so clearly need from their Government, and would have done so at minimal cost. I fear the veto is yet another example of this administration's total lack of appreciation for the real problems that face the average citizens of this country. I urge my colleagues to override this insensitive and ill-advised veto.

Mr. CRANSTON. Mr. President, I yield 3 minutes to the distinguished Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, the President's veto will adversely affect Arkansas in at least the following ways:

First, the forgiveness and low-interest loan features incorporated in the bill will not be available to those who suffered losses in the flooding in Arkansas which occurred after April 20 and resulted in losses in excess of $14 million, nor to those who suffered in the tornadoes which struck the State in the latter part of May and resulted in approximately $50 million in damage. Instead of Federal assistance under the terms agreed upon by the conference committee—1-percent loan with no forgiveness or 3-percent loan with $2,500 forgiveness—the assistance will remain available at 5 percent with no forgiveness.

In addition, the veto will penalize victims of the floods in the State which occurred between December 27, 1972, and April 20. Under the terms of the laws presently in effect, FHA assistance available to farmers in this period is less than similar assistance available under the SBA program. S. 1672 would have changed this discriminatory practice.

President Nixon, in his veto message, claimed that making these provisions law "would represent a backward march for the Federal Government's disaster relief programs."

Congress decided that these provisions were a necessary backward step to insure that those who suffered from natural disasters in 1972 and 1973 are treated equitably under the existing Federal programs.

Moreover, the major inequities which presently exist are due in no small measure to the President's own action. It was the President who requested additional assistance for the victims of Hurricane Agnes which resulted in the $5,000 forgiveness/1-percent loans under Public Law 92–385, and yet he now objects to 1-percent loans with no forgiveness and 3-percent loans with $2,500 forgiveness.

In addition, his unilateral termination of the FHA emergency loan program in January left Congress with the difficult choice of having a disaster program of 5-percent loans for farmers or none at all.

Senators will recall the objections raised by those who suffered losses in Arkansas cities such as Helena and Jonesboro about the discrepancies in the grant and loan programs which were available to them. The net result of these discrepancies was that the assistance received from the Federal Government depended upon the date of the disaster and whether a person was a businessman or a farmer. The provisions of S. 1672 to which the President objected would have alleviated such discrepancies.

I received today a letter from Guy Ransom on this subject which I think illustrates the difficulties of the current situation. This man lives in Jonesboro, one of the areas hardest hit by the tornados last May. I ask unanimous consent that the letter be printed in the Record.

I do hope the Senate will override the veto.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Jonesboro, Ark.,
September 21, 1973.

Hon. J. W. Fulbright,
U.S. Senate, U.S. Capitol,
Washington, D.C.

Dear Senator Fulbright: Following the tornado which struck Jonesboro on May 27, I made application to the United States Small Business Administration for a "DISASTER" loan. Today I received their "Generous" approval of this loan notification.

If this is the manner in which people in need are "assisted" by our government, this great country of ours is in worse trouble than one would think, even from reading our newspapers.

My home was destroyed in the tornado as was most of our household and personal property.

In accord with the SBA requirements an estimate to replace the destroyed property was provided, as follows:

Estimate on Building and Fences by Little, Maddox, & Standefer, Architects, $27,185.00.

Listing of Personal Property, $12,488.94; total, $39,673.94.

Of the above I had insurance coverage which paid $24,000.00 of which I was required to pay off an existing loan, leaving me a net of these proceeds of $13,139.79.

The estimated cost of building construction was provided by a friend, Hardy Little III, due to my being unable to secure a contractor who would take the time to inspect the premises and make an estimate. However, architects work closely with contractors and are well informed on construction costs, therefore, this should have been sufficient. All of the necessary documents required were submitted to the SBA with the loan application, which was in amount of $25,996.00, to put my family very near where we were before the storm.

The SBA has "generously" authorized a loan of $11,200.00. This amount together with the net proceeds from my insurance will not come close to putting my family back where we were. Plus the fact, the debris removal phase of the Corps of Engineers did approximately $1,200 to $1,500 damage to my sidewalks and yard with no recourse. This resulting from "free" programs financed by our tax dollars.

Senator, why do programs designed to help those in need end up benefitting most those not in need?

With construction costs up at this time, interest rates up, the cost of living up, there is no way I can provide a decent home for my family under the "generous" terms of the SBA.

Our government can waste more money, but, when it comes down to helping those who really need help, we come up so short.

I am not asking for a "gift" merely a loan at an interest rate I can live with, which will gladly be repaid.

And, I am not alone in this predicament in Jonesboro, Arkansas, but many folks here feel their justified complaints will fall upon deaf ears, which is too often the case.

The figures listed previously can be properly proven and documented if you wish.

Whether there is anything you can do, I don't know, but at least you know my feelings. I should appreciate your bringing this to the attention of the other members of Congress from our great state.

Very sincerely yours,

Guy Ransom.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974—LIMITATION OF TIME ON AMENDMENTS

Mr. TOWER. Mr. President, I yield 1 minute to the distinguished Senator from West Virginia.

Mr. ROBERT C. BYRD. I thank the Senator from Texas.

Mr. President, the request I am about to make has been cleared with the managers of the military procurement bill on both sides of the aisle and with the leadership on both sides of the aisle. It has been cleared with the Senator from Washington (Mr. Jackson), the Senator from New Hampshire (Mr. McIntyre), the Senator from Missouri (Mr. Symington), the Senator from Texas (Mr. Tower), the Senator from Colorado (Mr. Dominick), and other Senators.

I ask unanimous consent that on Thursday, at the hour of 10 a.m., the Senate resume the consideration of the Trident amendment No. 517, offered by the distinguished Senator from New Hampshire (Mr. McIntyre) and the distinguished Senator from Colorado (Mr. Dominick); that there be 1 hour of debate, thereon, to be equally divided between the Senator from Washington (Mr. Jackson) and the Senator from New Hampshire (Mr. McIntyre), and that the vote occur on the amendment at 11 a.m.

Mr. McCLELLAN. Mr. President, do I correctly understand that there is to be only 1 hour of debate?

Mr. ROBERT C. BYRD. No. The Senate has already entered into an agreement under which there will be 4 hours of debate on Trident tomorrow.

Mr. TOWER. Do I understand that the vote will occur at the end of that hour on Thursday?

Mr. ROBERT C. BYRD. Yes, at 11 o'clock.

Mr. McCLELLAN. Eleven o'clock.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the amendment by the Senator from California (Mr. Cranston), to which an amendment by the Senator from Montana (Mr. Mansfield) was offered, there be a limitation of 1 hour, to be equally divided in accordance with the usual form; that there be a limitation on any amendment thereto of 30 minutes, to be equally divided in accordance with the usual form; and that there be a limitation on any motion to table or any appeal in relation thereto of 10 minutes, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Is there objection?

Mr. FULBRIGHT. Mr. President, reserving the right to object, and I shall not object, but take this opportunity to inquire, was a similar agreement entered into with regard to my amendment, or had the Senator dealt with that?

Mr. ROBERT C. BYRD. I believe the Senator has reference to his amendment to the Hughes amendment.

Mr. FULBRIGHT. Well, I thought the leadership thought it should be brought up separately. But what I am inquiring about is, I just wanted to know whether a time limitation agreement on it had been reached.

Mr. ROBERT C. BYRD. At the time the leadership was pleading with the Senator to bring up his amendment separately it was another day, and circumstances were different.

Mr. FULBRIGHT. Well, I was just taking the opportunity to inquire. I will speak to the Senator separately about it.

Mr. ROBERT C. BYRD. If an amendment is entered to the Hughes amendment, as I understand the order entered some days ago, there would be a 30-minute time limitation, would there not?

Mr. FULBRIGHT. I will speak to the Senator later. He has not made any separate request in connection therewith?

Mr. ROBERT C. BYRD. No.

Mr. FULBRIGHT. That is all I am asking.

The PRESIDING OFFICER (Mr. Helms). It would be 30 minutes on an amendment to the amendment, the Senator is correct.

Without objection, the request of the Senator from West Virginia is agreed to.

AMENDMENT OF THE SMALL BUSINESS ACT (S. 1672)—VETO MESSAGE

The Senate continued with the reconsideration of the bill (S. 1672), to amend the Small Business Act.

Mr. STEVENSON. Mr. President, will the Senator from California yield for a question?

Mr. CRANSTON. I am delighted to yield to the Senator from Illinois.

Mr. STEVENSON. The Farmers Home Administration is now administering a program of 5 percent loans. The legislation passed last spring provided that rates would be "reasonable." The FHA is taking the position that reasonable rates are market rates, which are now 7, 8, and 9 percent, and if any farmer can get a loan at 7, 8, or 9 percent, it will not make relief available under the Farmers Home Administration.

Is it the Senator's opinion that 7, 8, or 9 percent interest rates are reasonable for disaster victims?

Mr. CRANSTON. Most certainly not. That is not the sort of aid that we should give to victims of disasters. The Senator from California would like to point out that under the President's proposal yesterday, we gave aid to the people of Nicaragua, unlimited aid to them, without any interest.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. TOWER. I yield the Senator a minute.

Mr. STEVENSON. I thank the Senator from Texas and the Senator from California.

If Congress approved, as it did, a disaster relief program providing for one percent loans to disaster victims, it could hardly be inferred that Congress intended to make 7 or 8 or 9 percent interest rate loans available to the victims of natural disasters.

I just wanted to point out, and I thank the Senator, that the Farmers Home Administration in this case has defied the will and the intent of Congress.

Mr. BAKER. Mr. President, I have reviewed President Nixon's veto message to S. 1672, the amendment of the Small Business Act, for myself and Senators COOK and BROCK and have reluctantly concluded that the objections outlined therein by the President are well founded.

My reluctance stems from a firm conviction that the provision of compassionate and substantial relief to disaster victims is a paramount national concern, and from the realization that S. 1672 would speed the economic recovery of many areas of our country which have been afflicted by natural disasters. I must agree, however, that the level of Federal spending required to comply with the provisions of S. 1672 is too exorbitant and would provide an additional and unnecessary inflationary impetus further raising the pall of a tax increase.

My vote to sustain the President's veto should not be cast as a belief that the current, post-April 20 Federal disaster relief program consisting of 5-percent loans with no forgiveness is adequate—for I do not so believe. I voted for Senator TAFT's amendment to S. 1672, which was unfortunately deleted in conference, providing for a graduated forgiveness program based on the adjusted gross income of the individual disaster victim and on the extent of the loss incurred. I considered the Taft amendment, in its original form, as reflecting both responsiveness to the needs of disaster victims and fiscal responsibility. The bulk of grant assistance would have been directed to those middle- and low-income individuals least able to cope with the financial strain imposed by damage repair and replacement expense.

Regrettably, S. 1672, as forwarded to the President, entitles a disaster victim to a free grant of as much as $2,500 irrespective of the victim's income and access to private sources of relief. This constitutes unnecessary spending as well as inequitable distribution of disaster assistance.

I fervently hope that fair, equitable, and comprehensive disaster assistance legislation may be soon forthcoming. The Senate currently is considering the administration's disaster bill, S. 1840, which includes a program of grants to needy families and loans, at the Treasury rate of interest, for other victims. The need for disaster legislation which is comprehensive, reflecting consideration of all aspects of the effects of natural disasters, is evident; but we must recognize that the allocation of free grants must be tied to the extent of damage and to the income of the victim. That is the only fair and responsible means of relief.

Mr. BIBLE. Mr. President, as chairman of the Select Committee on Small Business, I would like to comment on the question of whether S. 1672, the Small Business Act Amendments, should be passed over President Nixon's veto.

The aspect of the bill which I know best is section 2—the so-called economic disaster provision, which would consolidate and extend SBA's authority to make loans to assist small firms into compliance with Federal environmental, consumer, health, and safety laws. The Senate and the House worked closely together to develop an acceptable proposal in this area as evidenced by the fact that Representative PATMAN, chairman of the House Banking Committee, introduced the companion measure this year (H.R. 4272).

I have spoken at length about this provision—CONGRESSIONAL RECORD, May 17, page 16113)—and feel that it is unnecessary to do so now, since there seem to be no objections to section 2 of this bill by either branch of the Congress or by the President.

Section 1 of S. 1672 proposes increases in the overall ceilings for SBA loan programs as outlined in the report of the Senate Banking Committee—Senate Resolution 93-132, April 30, 1973, pages 1 and 2. That report makes it clear that increases sought are the routine type that occur from time to time as these programs approach the maximum levels which were previously authorized by Congress. There seem to be no objections to this provision by either branch of Congress or by the President.

Objection was first noted on July 10 when Mr. Roy L. Ash, Director of the Office of Management and Budget, sent a letter to Speaker of the House of Representatives recommending against favorable consideration by the House of the forgiveness and erosion sections of the bill—at that time sections 4 and 6 of H.R. 8606.

The President's veto message of September 22 appeared in the CONGRESSIONAL RECORD, page 30996—and objects to the forgiveness section of the present bill—section 4 of S. 1672.

The history of the administration's position on forgiveness over the past 16 months is worth noting:

After tropical storm Agnes, the administration proposed a $5,000 forgiveness for each disaster loan.

On December 27, the administration eliminated all forgiveness for Farmers Home Administration loans.

In 1973, the administration proposed a farm bill making this FHA elimination a matter of statute, and supported the Tower amendment extending the elimination to the SBA loan program. This was in April of this year—see Public Law 93-24, effective April 30, 1973.

On May 8, shortly thereafter, the administration sent a message to Congress which in effect proposed the restoration of a maximum of a $4,000 grant for "needy persons—the President's message to Congress proposing enactment of the Disaster Preparedness and Assistance Act, May 1973; Weekly Compilation of Presidential Documents, Monday, May 14, 1973, page 656.

This message was brought before the Congress on May 17 in connection with the introduction of the administration's proposed bill, S. 1840.

Because the bill presents "a comprehensive new approach" to disaster relief, including the consolidation of functions in the Department of Housing and Urban Affairs and the transfer of disaster programs from elsewhere in the Government, it was referred to both the Senate Banking Committee and the Senate Public Works Committee for hearings.

Now, as of September 1973, the administration opposes the $2,500 foregiveness figure as being too large.

I must confess that in light of these four shifts of position in less than a year and a half, the current Nixon administration argument has less than full credibility with the Senator from Nevada.

As the Senate will recall, S. 1672 was considered on May 17—page S9237 and the following—at a time of very extensive flooding in the Mississippi Valley. I believe that the question on the Senate floor was that if the President was proposing a maximum $4,000 grant for the relief of those injured in future disasters, why should not comparable relief be available immediately to businesses and homeowners actually suffering damage while the bill was being considered?

The consequent $4,000 figure for both FHA and SBA was incorporated into the bill by amendment, and the bill was then passed by a vote of 82–1.

Subsequently, the $4,000 figure was cut to $2,500 by the Conference Committee with an accompanying 3-percent interest rate on the balance; with an option to waive any foregiveness and have the entire loan at a 1-percent interest rate—Conference Report: Senate Report 92-363; House Report 93-428.

This proposal may not be the ideal

solution. Hearings are presently underway in the Senate Public Works Committee on the President's proposal, which is also being considered by the Senate Banking Committee. These will undoubtedly be full and fair inquiries. To the extent that the adminintration proposals have merit, they can be enacted by this 93d Congress. Following any such enactment, such subsequent provisions can supersede the legislation we are considering today.

In the meantime, the unfortunate disaster victims of our country need continuity in the adminintration of this program. To me there is no justification whatever in leaving this year's disaster victims without the relief that would be provided by this legislation.

Accordingly, I believe the Senate should override this veto and enact S. 1672 into law.

WE MUST OVERRIDE NIXON VETO OF SMALL BUSINESS ACT

Mr. HUMPHREY. Mr. President, I strongly support the motion to override the most regrettable veto by President Nixon of S. 1672, amendments to the Small Business Act. The Senate adopted this important bill overwhelmingly by a vote of 82–1. I believe it is a thoughtful piece of legislation and certainly does not deserve the treatment it has received from the White House.

S. 1672, which the Nixon administration apparently believes to be unnecessary, is designed to provide a minimum of assistance to American small businesses and to assure assistance at reasonable costs to citizens who have suffered from natural disasters.

In these times of economic chaos, when interest rates are forcing growing numbers of small businessmen to close down operations, it is inconceivable to cut off the meager amounts of help provided in this vetoed bill. A thriving American economy requires the continuation of a vibrant and competitive small business sector. I believe that the vetoed measure made an important contribution to this goal.

Of course, the President claims that he vetoed this legislation because of the high costs involved in the disaster relief sections of the bill. I could not disagree more. I believe that victims of natural disasters should be helped by their Government to get back on their feet. The vetoed legislation would provide such aid at what I consider to be a very reasonable level. The President may be able to wait until a new more comprehensive disaster relief program is developed and approved by Congress, but people affected by these unfortunate natural calamities cannot.

I believe that we must overwhelmingly reject this Presidential veto and I urge all of my colleagues to join me.

Mr. PERCY. Mr. President, I intend to vote to sustain the President's veto of S. 1672. My reasons are based not only on fiscal prudence, but on fiscal fairness as well.

This bill would reinstitute the same type of loan forgiveness program which the Senate specifically voted to terminate last spring. While I believe that most Americans are more than willing to have their tax money used to assist the victims of natural disasters who do not have the resources to make up their own losses, I do not believe we should ask them to pay for outright grants to those who are financially able to provide for themselves.

Last August I supported an amendment to the disaster relief program gearing Federal assistance to the financial need of the recipient. The version of S. 1672 originally passed by the Senate included a similar sliding scale and I regret that the final bill did not retain the Senate language.

Subcommittees of both the House and the Senate are now considering the administration's proposed Disaster Preparedness and Assistance Act of 1973, and I understand that a comprehensive bill could be reported to the full Senate this year. Before rushing to reinstitute a program which, by all accounts, has been subject to serious abuses, we should allow the proper committees to complete their work and carefully consider their recommendations.

I understand that the conferees on S. 1672 were wary of possible delays in administering a grant and loan program based on need. I hope that the respective committees will give priority attention to the establishment of a workable system. I also hope that serious consideration will be given to the possibility of a Federal program to assist individuals in securing adequate insurance against future natural disasters. In addition, I believe low-interest loans should be made available to those unable to secure similar financing from private sources. Whatever legislation is finally adopted should be retroactive to the termination of Public Law 92–335 so that all individuals in need of such assistance will be eligible.

I will give whatever support I can to the passage of comprehensive disaster relief legislation, but I do not believe we should rush a bill through without thoroughly studying the programs of the past.

The PRESIDING OFFICER (Mr. Helms). All remaining time having been yielded back, the question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding? On this question, the yeas and nays are required by the Constitution, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Michigan (Mr. Hart), and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I also announce that the Senator from Iowa (Mr. Clark) is absent because of death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. Clark) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. Taft), is absent on official business.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft) would vote "yea."

The yeas and nays resulted—yeas 59, nays 36, as follows:

[No. 417 Leg.]

YEAS—59

Abourezk
Aiken
Allen
Bayh
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Church
Cranston
Eagleton
Eastland
Ervin
Fulbright
Gravel
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pell
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Stevens
Stevenson
Symington
Tunney
Weicker
Williams
Young

NAYS—36

Baker
Bartlett
Beall
Bellmon
Bennett
Brock
Buckley
Byrd, Harry F., Jr.
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hruska
Mathias
McClure
Nunn
Packwood
Percy
Proxmire
Roth
Saxbe
Scott, Hugh
Scott, William L.
Talmadge
Thurmond
Tower

NOT VOTING—5

Clark
Hart
Pearson
Stennis
Taft

The PRESIDING OFFICER. On this vote the yeas are 59 and the nays 36. Two-thirds of the Senators present and voting not having voted in the affirmative, on reconsideration the bill fails of passage.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the veto was sustained.

Mr. CURTIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, I voted today to sustain the President's veto of S. 1672, a bill to amend the Small Business Act. My basic reason is because of the provisions relating to the Federal Government's disaster relief program.

In Florida, as in many other parts of the Nation, we have witnessed a tremendous series of natural disasters. In my State, where these disasters have occurred, I have worked very hard to assist unfortunate victims in cutting Government redtape in obtaining Federal assistance. Resulting from many of these disasters, there are several proposals now pending in the Congress to help in the fastest way possible disaster victims. My prime concern in this area is to help disaster victims who cannot help themselves, in particular, low-income families.

Given the current state of our economy, and the need to hold the line and even cut back on some Federal expenditures, I feel S. 1672 would cause another serious leak in the Federal Treasury. In particular, is the large and unnecessary expense to taxpayers of making tax dollars available for subsidized loans and grants to all disaster victims regardless of their financial need. For example, it would be possible under this bill for a wealthy landowner to obtain a $2,500 free grant from the Government and another loan at only 3 percent interest. On the other hand, this same landowner could obtain a loan for the full amount at only 1 percent interest. This does not seem to be fair to the taxpayer.

The estimated cost of S. 1672 is around $400 million in Federal dollars for each $1 billion in loans. This could add up to $800 million to the Federal budget.

It just seems to me that in a time when we are trying to balance our budgets, trying to avoid raising taxes and halt rising inflation, this bill runs too far in the other direction. In addition, we need to understand that Government should not be called on to solve all problems.

INTRODUCTION OF S. 2482, TO AMEND THE SMALL BUSINESS ACT

Mr. CRANSTON. Mr. President, on behalf of myself, the distinguished Senator from Texas (Mr. TOWER), and the distinguished Senator from Alabama (Mr. SPARKMAN) I send to the desk a bill which removes the controversial elements that produced the veto. It is a bill designed for rapid treatment, because unless we act swiftly, no funds will be available for SBA loans after October 12. I send the bill to the desk with the unanimous-consent request that it go straight to the Calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the unfinished business, H.R. 9286, which will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

AMENDMENT NO. 510

The PRESIDING OFFICER. The pending question is on the Jackson-Nunn amendment, on which there is a 2½-hour limitation.

The amendment will be stated.

The legislative clerk read as follows:

On page 30, between lines 2 and 3, insert a new section as follows:

"SEC. 703. (a) The Congress finds that in order to achieve a more equitable sharing of the costs and expenses arising from commitments and obligations under the North Atlantic Treaty, the President should seek, through appropriate bilateral and multilateral arrangements, payments sufficient in amount to offset fully any balance-of-payment deficit incurred by the United States during the fiscal year ending June 30, 1974, as the result of the deployment of forces in Europe in fulfillment of the treaty commitments and obligations of the United States.

"(b) In the event that the North Atlantic Treaty Organization members (other than the United States) fail to offset the net balance-of-payment deficit described in subsection (a) prior to the expiration of twelve months after the date of enactment of this section, no funds may be expended after the expiration of eighteen months following the date of enactment of this section for the purpose of maintaining or supporting United States forces in Europe in any number greater than a number equal to the average monthly number of United States forces assigned to duty in Europe during the fiscal year ending June 30, 1974, reduced by a percentage figure equal to the percentage figure by which such balance-of-payment deficit during such fiscal year was not offset.

"(c) The Congress further finds (1) that the other members of the North Atlantic Treaty Organization should, in order to achieve a more equitable sharing of the cost burden under the treaty, substantially increase their contributions to assist the United States in meeting those added budgeting expenses incurred as the result of maintaining and supporting United States forces in Europe, including, but not limited to, wages paid to local personnel by the United States, recurring expenses incurred in connection with the maintenance and operation of real property, maintenance facilities, supply depots, cold storage facilities, communications systems, and standby operations, and nonrecurring expenses such as the construction and rehabilitation of plants and facilities; (2) that the amount paid by the United States in connection with the North Atlantic Treaty infrastructure program should be reduced to a more equitable amount; and (3) that the President should seek, through appropriate bilateral and multilateral arrangements, a substantial reduction of the amounts paid by the United States in connection wtih those matters described in (1) and (2) above.

"(d) The President shall submit to the Congress within ninety days after the date of enactment of this Act, and at the end of each ninety-day period thereafter, a written report informing the Congress of the progress that has been made in implementing the provisions of this section."

On page 30, line 3, strike out "SEC. 703" and insert "SEC. 704".

Mr. JACKSON. Mr. President, I will be very brief in my remarks, and I see no need to utilize the full 2½ hours, from my point of view; and I think Senator NUNN would agree with that.

In behalf of Senator NUNN, Senator PERCY, Senator BROCK, Senator MAGNUSON, Senator THURMOND, Senator BENTSEN, and Senator JOHNSTON, I am presenting this amendment to the Senate.

Mr. ROBERT C. BYRD. Mr. President, will be the Senator yield?

Mr. JACKSON. I yield.

Mr. ROBERT C. BYRD. I have two questions. One, does the Senator intend to ask for the yeas and nays on his amendment?

Mr. JACKSON. Yes.

Mr. President, I ask for the yeas and nays at this time.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Second, would the Senator agree to cutting the time at this point, so that Senators will know how much time will be consumed?

Mr. JACKSON. I hesitate to be specific. I see no reason why we cannot finish in an hour, but I would prefer at this moment not to set it at that. We could at least set the time at an hour and a half. My guess is that it will be less than an hour.

Mr. ROBERT C. BYRD. Is it agreeable with the Senator from South Carolina (Mr. THURMOND) if time is reduced on the Jackson-Nunn amendment to 1 hour and 30 minutes instead of 2 hours and 30 minutes, as previously ordered?

Mr. THURMOND. I have no objection.

Mr. ROBERT C. BYRD. Mr. President, I make the request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JACKSON. Mr. President, shortly before the August recess, Senator NUNN and I indicated that we would offer an amendment to the defense procurement bill designed to solve the principal problem arising out of our force deployments in Europe: the adverse impact on our balance of payments.

We offer this bipartisan initiative in the conviction that a strong North Atlantic Alliance is vital to the security of the United States, to the successful negotiation of mutual and balanced force reductions in Europe, and to the continuity of an internationalist foreign policy that has served the security interests of the United States and the cause of individual liberty throughout Europe for nearly 30 years. We offer our amendment as friends of the North Atlantic Treaty Organization and as supporters of a significant, adequate American presence in Europe.

Mr. President, it is because I am proud of the record of the NATO Alliance and persuaded of its continuing importance that I am concerned to see the division of burdens within the Alliance shared as equitably as possible and shared in a way that will be acceptable to the 15 member nations. And among the burdens to be shared is the impact of NATO expenditures on the balance of payments of the participating allies. It is toward a more equitable sharing of this burden that our amendment is directed.

In my judgment, Mr. President, the principal objection of Members of Congress to the stationing of American forces in Europe as a part of our commitments and obligations under NATO has been the adverse impact on our balance of payments—an adverse impact that has been particularly objectionable in view of the strength of the currencies of some of our NATO allies and the recent weakness of the U.S. dollar in relation to those currencies. Moreover, the weakness of the dollar as against, say, the German mark or the French or Belgian franc has been aggravated by that part of our balance-of-payments deficit resulting directly from the stationing of our forces in Europe. The political tensions to which this aggravation has given rise have been exacerbated by the activities of speculators in Germany, France, and Belgium, among others, who have sought to profit from the weakness of the dollar. It is, I suppose, only human to react with deep resentment against the sort of speculative activity that has been going on in countries that are allies of the United States. But it is in the common interest of all the allies to work together to solve the economic problem of burden sharing within the Alliance. To economic problems we should be able to apply economic solutions—and that is what our amendment proposes to do.

Our amendment advises the President to seek, through appropriate bilateral and multilateral arrangements, the complete offset of any balance of payments deficit resulting from the stationing of American forces in Europe in fulfillment of the treaty commitments and obligations of the United States. I believe that our NATO allies can and should relieve the United States of this burdensome drain on our balance of payments. Our economic position with respect to Europe is no longer adequate to justify the continued forbearance of the United States in the face of the growing economic strength of our European allies. That we have, in the past, been willing to absorb substantial balance of payment deficits surely attests to our good will; that we can no longer absorb these deficits and have decided to shift the responsibility for balancing the outflow of dollars to the countries where the dollars are spent will test the good will of the allies. This decision challenges the sincerity of our allies in living up to the obligations under article 3 of the North Atlantic Treaty for "continuous and effective self-help and mutual aid." I am confident that, with the sort of clear direction from the Congress that our amendment provides, the allies will rise to the challenge.

Our amendment provides, Mr. President, that in the event that we fail to obtain a total offset of the fiscal 1974 deficit in balance of payments within 12 months of the enactment of the amendment, we shall reduce our forces in Europe by a percentage equal to the percentage shortfall. The formula is simple: If the offset is only 75 percent then we shall only retain 75 percent of the present force level in Europe; if the shortfall is 10 percent, then 10 percent of the forces will be withdrawn. I hope—and I fully expect—that the President will succeed in achieving the cooperation of the NATO allies in offsetting the balance-of-payment deficit and that, in consequence, we would retain a full and adequate level of forces in Europe. But I believe that, in fairness to our allies and in response to the legitimate concern of many Members of Congress, it is right and proper that we clearly indicate the nature of the American response in the event that we fail to achieve a total offset of the deficit in balance of payments resulting from the deployment of forces in Europe in fulfillment of our treaty commitments and obligations. I emphasize the phrase "in fulfillment of our treaty commitments and obligations," for not all of our European deployments meet this definition; and it is not intended to require our allies to offset costs associated with, for example, our strategic nuclear deterrent, even though some components thereof may be based in Europe.

Mr. President, I believe that the balance of payments situation has been the principal concern of Members of Congress as they have viewed our troop level in Europe. Nevertheless, there is a second problem which, while less critical, is a matter of concern. The United States presently incurs substantial budgeting expenses as the result of maintaining and supporting U.S. forces in Europe as part of the common defense. Now, with a thriving and prosperous Western Europe, we can reasonably expect this prosperity to be reflected in an increase in contributions to assist the United States in meeting these added budgeting expenses. Our amendment identifies, partially but in some detail, those areas where we believe our allies should increase their direct budgetary contributions to costs presently borne by the United States. These relate to facilities, installations, and recurring annual expenses now assumed by the United States in Europe. They include permanent construction, the costs of hiring local personnel, and the operation and maintenance of real property.

It is our purpose in proposing this amendment that the Congress participate constructively in the formulation of American policy with respect to burden sharing in the North Atlantic Alliance. In this spirit, we provide that the President shall make periodic reports to the Congress as to the status of bilateral and multilateral negotiations directed toward implementing the policy set out in the amendment. We are confident that the Committee on Armed Services will monitor these reports so as to assure that our overall objective, a more balanced and equitable sharing of burdens within the Alliance, will be realized.

We urge our colleagues to support this amendment. We believe that the NATO allies can resolve this longstanding issue of burden sharing among its members and that, in so doing, it will provide a firm foundation from which we can together seek mutual and balanced force reductions in Europe in the context of an East-West agreement.

The junior Senator from Georgia (Mr. NUNN) is one of the principal architects of this amendment and he has made a tremendous contribution in putting the amendment together. I am delighted at the outset to associate with him in offering this amendment, which we did in a preliminary way shortly before the August recess. I want to say how effective he has been in putting this amendment together, and in contributing to the work on the entire defense procurement bill.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question before yielding the floor?

Mr. JACKSON. I am going to yield to the Senator from Georgia and then I will be glad to yield after he completes his statement.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. NUNN. Mr. President, first I wish to thank my colleague for his generous remarks. I think he played a major role in this legislation. I have done what I could to assist him but I do appreciate his remarks.

Mr. President, when the Armed Services Committee considered the defense procurement legislation, I think all of us on the committee recognized that we had to reconcile several major considerations. As much as we welcomed the prospects for better relations with the Soviet Union, we recognized the prudence of maintaining a credible defense posture. And as vital as a strong defense is to our national security, we recognized that we live in a time of severe inflation, growing Federal expenditures, a severe balance-of-payments problem, and rising manpower and weapons costs. In effect, we recognized that without a strong economy, we cannot in the long run continue a strong national defense posture.

This is why I am pleased to offer, along with Senator JACKSON and a bipartisan group of Senators, an amendment to the procurement legislation which will enhance our security, contribute to the strength of our defenses, while providing for a more equitable distribution of the costs of collective security in the Atlantic Alliance.

We are all familiar with the great success of NATO over the years. In particular, our military contribution has not only helped maintain a realistic balance of power in Europe and thus deter aggression, it has provided a powerful shield behind which the countries of Western Europe could grow and develop. When we consider how a prosperous European Economic Community has replaced a group of war-ravaged states, we realize how far we have come since the dark days following World War II.

Our allies are now in a position to do more. Twenty-five years ago, the United States had a problem in the enormous surplus in our trade account, and the worldwide shortage of dollars. Today, we are having a hard enough time reducing an enormous trade deficit, while the West's principal source of monetary instability is a surplus of dollars in the world's money markets. I believe this balance-of-payments problem is the most serious of the challenges facing the alliance—an issue of highest priority. For it affects NATO's cohesion just as the MBFR talks are about to begin.

The amendment we are proposing recognizes that, in view of these facts, we need a new level of cooperation within the North Atlantic Alliance. Our amendment establishes clear guidelines for our negotiations with Alliance partners on this matter. Specifically, we are proposing that the President negotiate appropriate bilateral or multilateral arrangements that will result in an offset of the entire balance-of-payments deficit associated with our NATO treaty commitment. And we establish, through the budgetary process, an appropriate remedy if such negotiations are not successful—a reduction in our troop strength, in percentage terms, equal to the percentage of the deficit that is not offset.

Furthermore, our amendment recognizes that while the balance-of-payments deficit is the most pressing problem, there are direct budgetary expenses associated with our NATO commitment which also need to be brought into better balance. I refer to bases, installations, and other fixed facilities—and the recurring annual expenses connected with their upkeep—the burden of which is borne by the United States. Thus the amendment identified areas of possible consideration in some degree of detail, and requires that the President report to Congress progress in bringing about a more equitable cost sharing agreement with our NATO allies.

I want to emphasize, Mr. President, that our overriding concern is a strengthened NATO Alliance. The West is about to begin important and wide-ranging negotiations with the Soviet bloc. On the crucial question of mutual and balanced force reductions in Europe, the interests of every member of the alliance will be directly affected, and many of them will be direct participants in the discussions. It is important that the governments—and especially the peoples—concerned share a common purpose, so that no one of them is tempted to adopt a unilateral stance, rather than stay with a united position.

NATO's military forces and their American component serve two purposes. They are our first line of defense against any aggression in Europe. And they serve to back up our position in important negotiations. For 25 years we have been trying to achieve a durable political settlement—a settlement that would have to include the return of Soviet forces to the Soviet Union. But this is a difficult undertaking. The Soviets would not be convinced that it is in their interests to move in this direction if they see a weak and divided Atlantic community. We must strengthen America's economic position, but we must not give away all hope of a mutual balanced force reduction through unilateral withdrawal.

Now, in recent years, many Americans have come to believe that the Europeans simply are not as concerned with the defense of Western Europe as we are. I believe there is good reason for this feeling. Certainly, some of the European countries are making great efforts, and many of them have their own problems. Yet, considering the prosperity of Western Europe, the Europeans overall have not been putting up their fair share. I know that Americans don't object to making sacrifices for collective security when they know those sacrifices are justified. But as I pointed out earlier in my remarks, we can not pretend that the distribution of resources in the West is what it was 25 years ago.

It should be understood, in sponsoring this amendment to have the Europeans offset the balance-of-payments deficits arising from our commitments to NATO, we are not trying to be punitive. We are trying to be realistic. Simply put, over the long run, if the Europeans would not contribute more to the common effort, we will find that the United States alone will not be able to carry all the load. Indeed, public feeling in America will reach a point where it will not support such a lopsided American contribution.

I am confident, Mr. President, that the Senate, in passing our amendment, will indicate to the American people and to the people in Western Europe that we want a sound collective security system to which all the partners are making a fair contribution.

Mr. JACKSON. Mr. President, I yield 5 minutes to the distinguished Senator from Texas, who is a cosponsor of the amendment.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. BENTSEN. I congratulate the distinguished Senator from Washington and the Senator from Georgia for their work in regard to this measure.

Mr. President, every time we have before us an amendment to withdraw U.S. forces from Europe, we are told time and time again by the administration that they are making approaches to the countries of NATO to get them to carry their share of the load, and invariably the following year we see little progress.

At the present time we are talking about spending 6 percent of our gross national product on defense. At the same time the Germans are spending 5 percent, and the Norwegians are spending 3.5 percent of their gross national product on their defense. And then we have the French who will not even have maneuvers with us under the NATO pact.

I share with Senators concern over NATO. I want to see the peace kept, and kept viably.

In their proposal the Senators have come up with parameters that I think will help make the alliance work. When we argue these things with our allies, they say, "Of course, we want American troops here because you are the glue that ties NATO together. In addition, we do know if we have the American troops here, you will be here to defend us."

I say to our European allies: When we did all we did to save 600 POW's in Southeast Asia, there is no question as to what we would do to try to protect troops in Europe, because we know the future of Western civilization is there. But again, there must be a way to influence these people to accomplish a fair sharing of the NATO burden. There is a lot of difference today in the deutschmark and the dollar, as compared with the way it was when the NATO Alliance was started. We must have some leverage for increasing the contributions of those countries, as I do not think they are going to do it on their own. They have not done it in the past, and they are not going to do in the future.

Let me say that is certainly not our goal to Finlandize Europe. We want to see it progress and grow with the NATO Alliance. I think an amendment like this will make a major contribution in helping to see that come to pass.

I congratulate the distinguished Senator for offering the amendment, and I appreciate this opportunity to speak for it.

Mr. JACKSON. Mr. President, let me express my deep appreciation, on behalf of myself and the Senator from Georgia (Mr. NUNN), for the remarks of the distinguished Senator from Texas. I do not think anyone in the Senate is a better student, not only of national finance, but international finance as well. I deeply appreciate his comments, because they come from one who has a great interest in NATO and who has participated in the NATO Parliamentarian's activities; but, above all, his knowledge in the field of international finance is so pertinent to this subject.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield me a minute?

Mr. JACKSON. I yield to the Senator from West Virginia.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, following the 4 hours that have been set aside for further debate on the Trident, the Senate resume the consideration of the Cranston amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, following the disposition of the Cranston amendment on tomorrow, the Senate proceed to the consideration of the Hartke amendment No. 501, and that time thereon be reduced to 1 hour, instead of 1 hour and a half; that time on any amendment thereto be limited to 20 minutes; that time on any debatable motion or appeal in relation thereto be lmited to 10 minutes; all to be equally divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the Hartke amendment on tomorrow, the Senate proceed to the consideration of the Proxmire amendment No. 515; that time on that amendment be reduced from 4 hours to 2 hours; that time on any amendment thereto be limited to 30 minutes; that time on any debatable motion or appeal in relation thereto be limited to 10 minutes; and that all time be divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I ask unanimous consent that the distinguished junior Senator from Arkansas (Mr. FULBRIGHT) control one-half of the time, in view of the fact that he will be opposing the amendment. This is in accord with the wishes of the manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes.

Of course, I am completely in accord with the move to try to reduce the number of troops in Europe and/or the deficit in our balance of payments. My objection to the pending amendment is that it does not assure than anything will be done. Actually, as I read the amendment, there is no definition of how to arrive at the deficit in the balance of payments as a result of the current deployment of our forces in Europe.

This is, in effect, a sense-of-the-Senate resolution, asking the President to try to get our NATO partners to make a contribution. Well, this administration and its prodecessors have been trying to do that for some 10 years. Although some slight progress has been made there is nothing in this amendment that will change this situation. I am sure the

President would like to reduce our deficit, but he has been unable to do so.

This amendment is not mandatory in the true sense of the word. There is no way to ascertain just what the deficit is—that is, there is no way other than to take the President's word as to what it should be. If this amendment provided that, as a result of the deficit and the imbalance of payments incurred by the troops in Europe, as determined by the General Accounting Office, within 12 months the troops had to be reduced in accordance with that deficit as estimated by the GAO, I think it would be worthy of consideration. I think it would support it. But I anticipate that the effect of this amendment will be simply to weaken the support that the Mansfield amendment may have.

The Mansfield amendment has developed considerable support in the Senate over the years. The purpose of the pending amendment is to have a great deal of fine rhetoric, urging the President to seek, through appropriate bilateral and multilateral arrangements, payments sufficient in amount to offset fully any balance-of-payments deficit. The amendment leaves it up to the President, as I read it, to determine what the deficit is. In my judgment, its effect is merely to say it is the sense of the Senate that he should seek a greater contribution by the members of the NATO Alliance in Europe. And such a result may weaken support for the Mansfield amendment.

We have been talking about this subject now for 7 or 8 years, ever since our balance of payments became so greatly in deficit. It seems to me it is time either to fish or cut bait. Either we ought to forget all about it, or we ought to adopt the Mansfield amendment, make it mandatory, and make it specific.

This amendment reminds me of the same kind of ploy that was used last year on Radio Free Europe. The proponents of Radio Free Europe—the opponents of my efforts to end it—made the commitment that they would get contributions from Europeans. They all agreed they thought that was proper, and they intimated they would get support from Europeans to pay half the cost. On the strength of that, Radio Free Europe was given a year of life. This year they came in with an entirely new arrangement, with a separate commission, denying they want any contributions from Europe, having tried to get them and failed.

While I approve of the objective of getting greater participation by Europe, I see nothing in this amendment that would lead to such a result. Therefore, I think we are only kidding ourselves and, furthermore, since passage of this amendment would have the effect of undermining such strength as the Mansfield amendment might have, I oppose the amendment.

Mr. JACKSON. Mr. President, I yield 3 minutes to the Senator from South Carolina (Mr. THURMOND).

Mr. THURMOND. Mr. President, amendment No. 510, offered by the distinguished Senator from Washington, represents a constructive effort by the Senate to bring about a more equal sharing of the responsibilities of NATO between the United States and our allies in Western Europe.

As a cosponsor of this amendment, it is my hope the Senate will approve it overwhelmingly. In doing so we would be greatly strengthening the President's hand in his effort to persuade our NATO allies to bear a greater proportion of the costs in the defense of Western Europe.

Mr. President, the amendment is appealing in that it does not represent a unilateral action but rather calls upon our allies to take steps to join more fully with us in providing a counterforce to the Warsaw Pact in Europe.

It also enables the Congress, which has a deep interest in our NATO commitment, to participate constructively in the formulation of our policy as it applies to this vital area of the world.

Since World War II, the American people have provided a disproportionate share of the costs involved in maintaining a credible deterrent in NATO.

In the last 10 years our NATO allies have grown much stronger and today they are able to carry a greater cost burden than they have in the past.

This amendment, which is tied directly to our balance-of-payments deficit, merely establishes a limit as to how far this country will go in supporting NATO. It is my view that once this is understood by our allies then they will respond accordingly.

Mr. President, I urge the Senate to support this amendment because of its partnership approach to a difficult problem involving our national security interests.

Mr. JACKSON. Mr. President, I thank the Senator from South Carolina for that fine statement. I appreciate his cosponsorship.

I now yield to the Senator from Illinois (Mr. PERCY), also a cosponsor of the amendment, and a man who has been most helpful in this endeavor.

Mr. PERCY. Mr. President, the annual cost of all the U.S. Armed Forces worldwide which are committed to NATO and which would be deployed in the event of hostilities in Europe is $17 billion. The budget cost to the United States of maintaining the troops that actually are in Europe, and their dependents in Europe, is about $4 billion a year—for pay and maintenance. If the cost of their support facilities in the United States, the cost of their equipment, and a proportionate share of the costs for U.S.-based training and logistics support were to be added, the cost rises to $7.7 billion for fiscal year 1974.

The balance-of-payments costs to the United States was $1.5 billion in fiscal year 1972. It has been computed by GAO in a careful study to be $1.7 billion in calendar year 1972. And, according to the best estimates I can obtain from the executive branch at the present time, the cost will rise to between $2 and $2.2 billion for each of fiscal years 1974 and 1975 respectively.

The United States spends a larger proportion of its annual budget and GNP on defense than do its Atlantic partners, and the cost to the United States is too high, both in relative and absolute terms compared to our allies. The cost of maintaining over 300,000 military personnel in Europe is too high, and the European countries, with monetary reserves twice those of the United States, will have to contribute more to the cost of maintaining these troops. Europe is just not picking up its fair share of the cost of NATO. Helmut Kohl, leader of the German Christian Democratic Party, in August, called for German Government financial aid to financially pressed U.S. soldiers in Germany because the shrunken U.S. dollar will no longer cover the rising cost of living for U.S. troops in Germany. If the Germans recognize that the cost to the United States is too high, then why cannot we ourselves recognize it and act on it?

As my colleagues know, the question of the cost of U.S. forces in NATO has been one of my main concerns over the past several years. Through my work in the NATO North Atlantic Assembly and elsewhere, I have continually tried to stress the need for the European members of NATO to pick up a larger share of the financial burden of NATO and help relieve the crushing burden imposed on the United States.

To be specific, I think there are a number of readily identifiable areas in which Europeans could pick up the cost burden from the United States:

First. Salaries of local nationals employed by U.S. NATO forces. They serve the interests of the Alliance. Why should not the host governments assume these costs? Why should we be paying with U.S. dollars for 60,000 or 70,000 Europeans hired for the defense of NATO?

Second. Construction costs. Buildings in Europe for U.S. forces are obviously not going to be brought back to the United States when and if American forces leave, nor are we likely to be reimbursed for them at a later date. They should be paid for by the host governments.

Mr. President, while serving as a member of the Appropriations Committee, I saw an appropriation come through for $5 or $6 million to convert to more modern furnaces in Germany for our forces stationed there. This is ridiculous—we will never bring those furnaces back here. That is the very kind of costs that Germany can pay itself. It is ludicrous for us to pay that kind of cost in dollars, thus adding another burden on our country to cover the cost for this item, as well as its being a drain on our balance of payments.

Third. Goods and services purchased in the local economy for use in that country should be paid for by the host government.

Fourth. Transportation, power, and other services provided by Government-owned entities. Why should we pay the cost of transporting our troops in Europe when the means of transportation are owned by the local government? The same argument applies to Government-owned power supplies.

Germany owns the railroads. Yet we pay the Germans for the cost of moving our troops. This constitutes a drain on our balance of payments and yet it is used for the transportation for our men in their tasks in the common defense.

Fifth. NATO infrastructure expenses. Certain structures like runways and roads cannot be carried back to the United States. They should be paid for by the host government.

Further, no taxes of any kind should be imposed upon U.S. NATO troops. I think it is scandalous that the U.S. Government continues to pay millions of dollars annually to its NATO partners in taxes—real property taxes, local and municipal taxes, business and trade taxes, excise taxes, import taxes, and so forth. We do not pay taxes to the States and communities in our own country where we have military installations, yet we are faced with those costs in Europe. Payment of such taxes should be totally eliminated.

We do not pay taxes to States and communities in our own country. The Federal Government does not pay the State of Washington property taxes for the use of the land in that State. Why should we pay the Government of the Federal Republic of Germany tax money for the use of such facilities by our forces when they are there in defense of Germany and other NATO countries? Such payments should be totally eliminated. This amounts to hundreds of millions of dollars. It should be put on their budget and not on ours.

Also, in negotiating offsets of costs with European governments, and particularly with the West German Government, we should insist on real offsets. By that I mean real dollars that will stay in the United States. Purchase of military equipment is one such real offset. However, I consider the practice in the past of loans made to the U.S. Treasury by foreign governments to be phony offsets. Obviously, loans have to be repaid.

No one realizes this better than Chancellor Willy Brandt. I talked to him after the Bundesbank called in $500 million in loans without any advanced notice. He was shocked, and we were shocked. The bank said it was a financial transaction. It was understood that these loans would not be called. There was great embarrassment on both sides.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JACKSON. Mr. President, I yield 1 additional minute to the Senator from Illinois.

Mr. PERCY. Loans only make the balance of payments account look better at the time the loans are made. When the loans are repaid, the balance of payments will suffer. Therefore, in further negotiations with the West German Government this year, we should insist on real offsets—either actual military purchases in this country or, to the extent that such equipment is not needed, the remainder of the offset should be in direct cash payments, not loans.

I have come to the conclusion that the two critical factors to consider are MBFR and costs. I have felt that significant unilateral U.S. reductions might be considered by the Soviet Union to be an indication of diminishing U.S. interest in European security as a consequence of isolationist sentiments aroused by our disastrous experience in Southeast Asia. Moreover, it seemed unwise to make unilateral reductions when the Soviet Union was willing to discuss mutual reduction. I think that the peace of Europe would be better served by negotiated, mutual reduction of forces than by unilateral American reductions. I do not think, however, that this position detracts from a position in favor of European countries' bearing a larger share of the costs of the common defense, thus lifting some of the financial burden from the shoulders of the United States.

I think both goals are achievable, and, in fact, are interrelated. Only if the United States remains economically strong, can we hope to negotiate successfully at the MBFR talks. Weakness in the vital economic sector would weaken our credibility at the MBFR talks. Both the success of MBFR and the success of burden sharing negotiations in NATO can be influenced by how we handle these questions in this debate.

MBFR talks reconvene in Vienna on October 30, and, at the moment, we have no offset agreement in force with the Federal Republic of Germany, much less with any other European nation. The guidelines we in the Congress set down can influence the progress of both sets of negotiations. That is why I am pleased to join with the Senator from Washington (Mr. JACKSON), the Senator from Georgia (Mr. NUNN), and the Senator from Tennessee (Mr. BROCK) in offering an amendment to the military procurement bill which we think achieves both aims. As we said in a letter to all Senators:

> From an American perspective, the most pressing problem before the alliance is the disproportionate burden the United States is bearing for the defense of Europe. The balance of payments deficit arising from the deployment of U.S. troops has contributed to the weakness of the dollar, itself a source of monetary instability and associated problems in the Western community. Direct NATO-related budgetary costs, made more severe by recent dollar devaluations, strain our own defense budget at a time of rising weapon and manpower costs. Thus, in the final analysis, the failure of some of our European allies to assume their fair share of these costs erodes the military capabilities of the United States, weakens the overall security position of the Western nations, and diminishes the likelihood that we can, at the MBFR talks, achieve enhanced security at a lower force level.
>
> Our amendment attacks these problems on two fronts: (1) The Congress will urge the President to seek agreements, bilateral or multilateral, to offset completely any balance of payments deficit incurred as the result of the deployment of U.S. forces in Europe. If such agreements have not been concluded by the end of this fiscal year, then our troop strength will be reduced by a percentage figure equal to the balance of payments shortfall. If, for example, only 75% of the deficit is offset, our forces will be reduced by 25%; if the deficit is offset by 90%, our forces will be reduced by 10%; and (2) our amendment identifies in some detail those areas where our allies should increase their direct budgetary contributions to costs presently borne by the United States.

It is my feeling that we can encourage our European allies, our partners, to help us more equitably share the economic burden of the NATO alliance and make a successful outcome of the MBFR talks even more probable. Thus, I urge support for this amendment.

Mr. SYMINGTON. Mr. President, relatively, I believe that this amendment is a step forward in many ways. My problem is that for many years I have supported the distinguished majority leader in his effort to reduce the number of troops in Europe in accordance with the expressed opinion of the late President Eisenhower some 10 years ago. Tomorrow we vote on the Mansfield amendment. That is an amendment I have supported over recent years and I feel obligated to support Senator MANSFIELD's position.

I respectfully commend the four Senators who have proposed this amendment and I will support it if the majority leader feels that it would not infringe on the possibility of his amendment for the reduction of troops regardless of what the President does, or the other people now do, or the other countries in Europe.

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes. I think this amendment, as written and offered has no teeth in it whatever, because it leaves the determination of the deficit up to the President.

The distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) put his finger on one of the problems with such a scheme. On September 6, he commented on this issue as follows:

> During Armed Services Committee hearings on March 28, 1973—this past March—I posed this question to then Secretary of Defense Elliot Richardson. The Secretary's response was that, including certain offsets, the cost to our balance of payments was only $200 million per year to maintain these troops.
>
> On June 7 of this year, Secretary of Defense-designate James R. Schlesinger indicated that the balance-of-payments deficit from our NATO commitments was $1.5 billion annually.
>
> At my request, the General Accounting Office has completed an analysis of the balance-of-payments deficit that can be attributed to our participation in NATO.
>
> The results of this analysis shows a figure of $1.7 billion for calendar year 1972.

So we had there, within the course of 2 or 3 months, a shift of from $200 million to $1.7 billion, as to what the impact on the deficit is.

I want to make it clear that this is not the cost, the overall cost of maintaining our troops. The distinguished majority leader, in an address to this body some time ago, did his best to estimate the overall cost of everything, and he used the figure of $17 billion. All this amendment address is the deficit in the balance of payments.

I believe that if the amendment offered by the Senator from Washington and his associates were amended to include a requirement in section (a) that the balance-of-payments deficit shall be determined by the GAO, it would have some teeth in it.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. But as it is, it has no validity; it is just imploring the President to do something about it.

Mr. JACKSON. Will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. JACKSON. I will be glad, if we can, to work out a perfecting amendment here which would authorize the GAO to make that finding and that judgment.

Mr. FULBRIGHT. All I can see is that on line 7, if we say this balance-of-payments deficit could be determined by the GAO——

Mr. JACKSON. Mr. President, I suggest the absence of a quorum, the time to come out of both sides equally.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, I misunderstood information that I had received with respect to the position of the majority leader, and therefore, I ask unanimous consent to change the record accordingly.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SYMINGTON. I am glad to yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, when I heard what the distinguished Senator had said, I came back to the floor. I am afraid I did mislead him, because it is my intention to vote for this sense of the Senate resolution. It is a move in the right direction. How effective it will the remains to be seen.

Mr. SYMINGTON. Mr. President, I thank the majority leader for his statement.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I offer an amendment to the amendment. It reads as follows——

The PRESIDING OFFICER. An amendment is not in order at this time.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that it be in order.

The PRESIDING OFFICER. Is there objection?

Mr. JACKSON. Mr. President, I ask that this be treated as a perfecting amendment to the amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. FULBRIGHT. Mr. President, I suggest this amendment: On line 7, add the following language:

> The balance of payments deficit shall be determined by the General Accounting Office.

Mr. JACKSON. Mr. President, I am prepared to accept that amendment.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. HARRY F. BYRD, JR. Mr. President, for the sake of the legislative history, is the Senator speaking now of the net balance of payments deficit?

Mr. FULBRIGHT. I am taking the words of the Senator from Virginia in his statement of September 6, that the General Accounting Office determined the amount to be $1.7 billion for calendar year 1972. I assume that that is so; the Senator from Virginia proposed it.

Mr. HARRY F. BYRD, JR. That is correct; but I just want to point out to the Senator from Arkansas that when the Secretary of Defense testified before the Armed Services Committee, he gave a figure of a little over $2 billion for the balance of payments thus far. Then he began to offset that figure and cut it down to $200 million. I feel certain that what the Senator from Arkansas has in mind is the net balance of payments after the General Accounting Office takes off what it considers to be legitimate offsets.

Mr. FULBRIGHT. That is correct. That is the way I understand the report of the Senator from Virginia. In fact, his investigation is what inspired this amendment.

Mr. HARRY F. BYRD, JR. Unless we put some figure in the amendment, we shall not be getting very far.

Mr. NUNN. Mr. President, I think the Senator from Virginia has made a good point, and I believe the perfecting amendment of the Senator from Arkansas has inspired this. I was present when the Secretary of Defense testified to the balance of payments. It was a very strange method of computing payments; in fact, it was so strange that many of us got a chuckle out of it. I think that the Department of Defense is no longer using that method of computation—at least, I hope it is not.

I have found that the Department of State, in their definition of the method of computation, is not far from the method of the General Accounting Office. I think there is less disagreement at this time than there was a couple of months ago. But there is a divergence of opinion on that subject, and I think a determination by the General Accounting Office, following the language of the amendment, will certainly be one of equity.

Mr. HARRY F. BYRD, JR. I think it certainly would tend to make the amendment far more effective than to leave it open to each individual to determine for himself what it might be.

Mr. FULBRIGHT. What inspired this was the procedure by which the General Accounting Office arrived at the figure of $1.7 billion in the report. In reponse, I have said that I believe that procedure should be followed in connection with this amendment. In other words, the legislative history should show that this procedure in arriving at the net deficit we have used is the one given by the Senator from Virginia in his report.

Mr. NUNN. The original statement by Secretary Richardson had it down to $200 million.

Mr. FULBRIGHT. I noticed that.

Mr. NUNN. In a matter of 45 days, the new Secretary of Defense had it up to a billion and a half dollars. Then the General Accounting Office came in with what may be a more accurate figure than Mr. Schlesinger's. Of course, we will need to study what the GAO included on the outlay side as well as the offset side. The pending amendment excludes forces not deployed under our treaty commitments.

Mr. JACKSON. Mr. President, might I make a comment, so that we do not have a misunderstanding here. It might be useful to have some kind of general definition. We have limited the amendment, as shown on page 2, beginning on line 4, to the:

> . . . deficit incurred . . . as the result of deployment of forces in Europe in fulfillment of the treaty commitments and obligations of the United States.

Not all of our deficit—whatever the future—is incurred as a result of treaty commitments. Obviously, we cannot ask NATO to offset costs associated with our strategic deterrent.

That definition should be followed by the GAO in defining the net balance of payments deficit. The amendment makes that general distinction.

Mr. FULBRIGHT. That is what I had in mind. That is right.

Mr. JOHNSTON. Mr. President, if the Senator will yield, would that include the cost of dependents as well?

Mr. JACKSON. It is related——

Mr. FULBRIGHT. It is related, yes.

Mr. JACKSON. It is related. It would include it to the extent that it is a result, as we said, of the deployment of U.S. forces in Europe in fulfillment of the treaty commitments and obligations of the United States. So that in defining the balance of payments deficit, the GAO would follow the basic criteria laid down in our amendment.

Mr. FULBRIGHT. They should. That is included in the GAO statement.

Mr. HARRY F. BYRD, JR. Mr. President, for the record, I should like to quote the first paragraph from the letter I have received from the GAO, which states:

> In your letter of March 30, 1973, you requested our comments as to the accuracy of the $4.1 billion balance of payments offset figure stated in testimony by the Secretary of Defense. The figure was related to U.S. participation in the North Atlantic Treaty Organization (NATO) for fiscal years 1972 and 1973.

So it is clear that the GAO is speaking of the figure which relates to U.S. participation in the NATO alliance.

Mr. JACKSON. I now yield to the Senator from Louisiana (Mr. JOHNSTON) and then we can vote on the amendment.

Mr. JOHNSTON. Mr. President, I thank the Senator from Washington for yielding me this time.

I should like to make the record clear, if I may, that the language used in the initial colloquy with the Senator from Arkansas indicated that the cost of deployment of our troops in Europe should be the test. I should like to add the qualification that the cost of dependents should also be included. I understood the answer to be yes, that it should be.

Mr. JACKSON. Yes——

Mr. JOHNSTON. I refer to the cost of maintaining dependents in Europe.

Mr. JACKSON. Yes, in connection with the balance-of-payments deficit, it is, because as the language on page 2, line 4 of the amendment states:

> . . . deficit incurred by the United States during the fiscal year ending June 30, 1974, as the result of the deployment of forces in Europe in fulfillment of the treaty commitments and obligations of the United States.

Obviously, that will include dependents. That is in fulfillment of the NATO treaty commitments and obligations.

Mr. JOHNSTON. I wanted to make that perfectly clear that all costs, ancillary, caused by, or in connection with the deployment of our troops, should be included in determining the balance-of-payments deficit.

Mr. JACKSON. Deployment of our forces in Europe in fulfillment of treaty commitments, yes.

Mr. JOHNSTON. The point is, we are not obligated to put dependents over there.

I would simply like to congratulate the Senator from Washington and the Senator from Georgia and also the Senator from Arkansas for making this amendment much stronger and a very useful device to help cut the balance of payments.

Mr. JACKSON. I thank the Senator from Louisiana for his cosponsorship of the amendment.

Mr. President, I ask unanimous consent that the amendment be perfected as offered by the Senator from Arkansas.

The PRESIDING OFFICER (Mr. HUDDLESTON). Without objection, the modification is so made. Will the Senator from Arkansas please send his modification to the desk?

The text of the modification is as follows:

> On page 2, line 7, after "States". insert: "This balance-of-payment deficit shall be determined by the General Accounting Office."

Mr. FULBRIGHT. Mr. President, what is the situation on time?

The PRESIDING OFFICER. The Senator from Arkansas has 34 minutes remaining, and the Senator from Washington has 13 minutes remaining.

Mr. FULBRIGHT. Mr. President, just one word. It is my understanding now, to clarify this, that the GAO uses the language the Senator from Virginia (Mr. HARRY F. BYRD, JR) referred to, the figure related to U.S. participation in NATO. The language of the bill is broad enough to include that procedure, as described by the Senators from Washington and Louisiana, in determining this impact of the deployment of our forces in Europe. What we are after is the same procedure that was used in making the report to the Senator from Virginia (Mr. HARRY F. BYRD, JR) in arriving at the result that everyone seems to think is the issue with regard to the balance-of-payments deficit.

Mr. JACKSON. We are confining this part of it solely to the balance-of-payments issue and solely to the deficit incurred as a result of treaty commitments. The GAO gets into the budgetary costs——

Mr. FULBRIGHT. I am not talking about the overall budget but the deficit in the balance of payments. I think we understand it.

Mr. JACKSON. I think we do. Yes. We are talking about the deficit incurred as a result of the deployment of U.S. forces in Europe in fulfillment of our treaty commitments and obligations.

Mr. FULBRIGHT. I believe the distinguished majority leader wants to say something.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I yield to the Senator from Montana whatever time he wishes.

Mr. MANSFIELD. Mr. President, will the Senator yield me 1 minute?

Mr. FULBRIGHT. I yield.

Mr. MANSFIELD. Mr. President, in addition to what I said earlier today, I should like to add the following:

The Nunn-Jackson amendment now before the Senate seeks to have the President obtain, through arrangements with the other NATO countries, payments by the other NATO countries of the balance-of-payments drain caused by the U.S. troops in Europe.

A substantial reduction of U.S. troops in Europe and elsewhere is long overdue. However, even after a substantial number have been withdrawn, I believe that any U.S. troops that remain should have any balance-of-payments drainage of the United States offset by appropriate payments by the other NATO countries.

In my opinion, the amendment is not at all inconsistent with the efforts to remove substantial U.S. troops from Europe and elsewhere, for that matter.

I shall vote for this amendment. It expresses a sentiment of dissatisfaction with the status quo in Europe.

Mr. JACKSON. Mr. President, I yield back the remainder of my time.

Mr. FULBRIGHT. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment, as modified. On this question, the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I understand that the Republicans are having a very important conference at the moment. I suggest a brief quorum call to alert them that a vote is about to occur.

Mr. FULBRIGHT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator has the right to suggest the absence of a quorum.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STEVENSON). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I note that the distinguished Senator from Arizona (Mr. GOLDWATER) is not at a conference but is on the floor at this time, so the Republican Party is being given some representation.

Mr. JACKSON. Substantial representation.

Mr. HUMPHREY. Effective representation.

Mr. GOLDWATER. If the vote were in progress I am sure the Republicans would be here. They are not very far away.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Michigan (Mr. HART), the Senator from Maine (Mr. HATHAWAY), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Mississippi (Mr. STENNIS), are necessarily absent.

I also announce that the Senator from Iowa (Mr. CLARK), is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from New York (Mr. BUCKLEY), and the Senator from Connecticut (Mr. WEICKER), are necessarily absent.

I further announce that the Senator from New York (Mr. JAVITS), and the Senator from Ohio (Mr. TAFT), are absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON), is absent because of illness.

The result was announced—yeas 84, nays 5, as follows:

[No. 418 Leg.]

YEAS—84

Abourezk
Aiken
Allen
Baker
Bayh
Beall
Bentsen
Bible
Biden
Brock
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fulbright
Goldwater
Gravel
Griffin
Gurney
Hansen
Hartke
Haskell
Hatfield
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Williams
Young

NAYS—5

Bartlett
Bellmon
Brooke
Fong
McClure

NOT VOTING—11

Bennett
Buckley
Clark
Hart
Hathaway
Javits
Kennedy
Pearson
Stennis
Taft
Weicker

So the Jackson-Nunn amendment (No. 510), as modified, was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the amendment was adopted.

Mr. TOWER and Mr. THURMOND moved to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Stevenson). Without objection, it is so ordered.

THE PROXMIRE AMENDMENT ON FLAG OFFICERS

Mr. GOLDWATER. Mr. President, although the Proxmire amendment to cut the number of general officers was defeated, nevertheless, this issue is far from dead. I tried during the course of that debate to point out that only one country in the world had fewer general officers per hundred thousand men than the United States, and that is the government of Free Germany.

I have put together some more statistics on this and I ask that they be made a part of the Record at this point in my remarks.

There being no objection, the statistics were ordered to be printed in the Record, as follows:

Information Paper

Myth: There are more generals and admirals today than there were at the peak of World War II.

Reality:

There were 2068 flag officers in uniform on 30 June 1945. On 30 June 1973, there were 1294 flag officers in Defense; *774 less*.

On 30 June 1945, the Army had 1221 general officers in ground commands (and 298 general officers in air commands). On 30 June 1973, there were 499 general officers in the Army. These are projected to decrease to 484 by 30 June 1974; *737 less* than at the peak of World War II.

The Army has general officers serving in positions both *inside* and *outside* the Army. On 30 June 1948 the Army had 293 general officers to command and manage a 554 thousand man Army. By 30 June 1974 the Army is projecting 368 general officers to command and manage a 790 thousand man Army. (See next paragraph.)

In 1948 sixty-five generals were assigned to positions *outside* the Army. The Army is projecting in FY 74 to have 24% (116) of its general officers working in assignments *outside* the Army; e.g., Defense and joint assignments. These positions are the result of the National Security Act of 1947, as amended by the National Defense Act of 1949, which established the Department of Defense, the Joint Chiefs of Staff, and three military departments, Army (successor to the War Department), Navy, and Air. In addition, to strengthen the Defense Department, Joint Chiefs of Staff, and the unified command system, the Defense Reorganization Act of 1958 also created additional requirements for flag officers. Today, for example, as a result of these Acts, general officers are serving outside the Army in four combined commands (allied), seven unified/specified commands, five Defense agencies, and 16 Military Assistance Advisory Groups/Missions.

Twenty-five percent of the Army's four-star generals are assigned outside the Army.

Thirty-four percent of the Army's lieutenant generals are assigned outside the Army.

Twenty-four percent of the Army's major generals are assigned outside the Army.

Twenty-two percent of the Army's brigadier generals are assigned outside the Army.

THE ARMY

Mr. GOLDWATER. Mr. President, during this period of our session when we are engaged in serious and lengthy debate on the military authorization bill, there comes a time, I am sure, in many of my colleagues' minds when they begin to wonder why we need an Army. The Association of the U.S. Army has issued a position paper precisely to that point, and I ask unanimous consent that it be inserted at this point in my remarks.

There being no objection, the paper was ordered to be printed in the Record, as follows:

Why Do We Need An Army?

At no other time in our history has there been such widespread confusion about the size, role, costs and effectiveness of our Armed Forces. With so many conflicting pressures, it is little wonder that we tend to lose sight of some of the fundamentals of a realistic defense force, an understanding of which can help us to more intelligent decisions across the whole spectrum of defense requirements.

During this period of active negotiations and a renewed search for a new international order, it is particularly appropriate to examine the basics of our military structure. We have to assure ourselves as a nation that the military posture of the U.S. really does provide the capability to support United States national policy in all situations against all reasonable threats. We need to be sure that our military program provides for forces and measures that provide a credible, integrated, and realistic deterrent to war and, if necessary, to wage war in such a manner as to achieve our national objectives.

Since World War II, we have used our military force in being as the backbone of our national policy of containment and deterrence. Now, with at least a temporary lessening of tensions among the big powers, the military establishment has been under both internal and external pressure to spell out the details of effective and realistic deterrence, both because of the awesome responsibilities it has been assigned and because of growing budget restrictions.

The bulk of the public controversy concerns our strategic armaments and most particularly your strategic strength in relation to the Soviets. The maintenance of nuclear parity is an essential keystone to our defense structure.

It is against this backdrop that we address the question: "Why do we need an Army?"

The principal basis of Army legitimacy, philosophy and doctrine is expressed in Title 10, United States Code, Section 3062. It defines the Army's role this way, "It is the intent of Congress to provide an Army that is capable, in conjunction with other armed forces, of preserving the peace and security . . . of the United States; . . . supporting national policies; . . . implementing the national objectives; . . . and overcoming any nations responsible for aggressive acts that imperil the peace and security of the United States.

"(The Army) shall be organized, trained, and equipped primarily for prompt and sustained combat incident to operations on land . . . (and) . . . (it) is responsible for the preparation of land forces necessary for the effective prosecution of war except as otherwise assigned and, in accordance with . . . integrated mobilization plans, for the expansion of the peacetime components of the Army to meet the needs of war." These fundamentals remain sound and provide an adequate basis for meeting the challenge of today's complex and changing world.

A very basic principle of warfare is that wars are fought for the control of land areas and the people who inhabit them. Although land, sea and air forces are complimentary, Army forces possess capabilities which set them apart. The Army can direct and support full-time and comprehensive control over the land, over its resources, and over its people. In peacetime, this power is the basis of the stability, law, and order essential to a free society. In wartime it is the ultimate decisive act of occupying and securing of those land areas necessary to the achievement of our national objectives. This is particularly true in the limited war situation where there is an overriding requirement on the ground for forces that can occupy and continuously control the people in the contested area. Only Army forces can execute and support a requirement of this type for any period of time.

In its deterrent role, the military is as important to the political intention that it conveys as it is to the sheer destructive power it can wield. In the era of nuclear stalemate, the role of the Army has taken on even greater importance. It emerges as the really significant balance of employable power and has profound effect on the military relations between powers. The force in being is so important because our old pre-nuclear concept of total war of the forties is viewed more and more as an unrealistic alternative.

Operating behind our shield of nuclear sufficiency, Army forces thus provide the basic credible deterrence against and only acceptable response to non-nuclear military adventurism.

It is obvious from the record of recent years that the availability of nuclear weapons and a preponderance of strategic delivery means have scarcely slowed the historical march of conflict.

Since 1945, there have been more than 130 armed conflicts in the world, a number of which have either involved the major powers or have had the strong potential for doing so. This would tend to bear out the observation by Will and Ariel Durant in their book, "The Lessons of History," that "War is one of the constants of history and has not diminished with civilization or democracy. In the last 3,421 years of recorded history, only 268 have seen no war." The United States has been directly involved in more than eighteen separate confrontations including Berlin, Korea, Vietnam, Cuba, Lebanon, the Dominican Republic and others—all of which contained the ingredients for serious involvement even in our nuclear environment. Coincidentally, almost all of these have had as their utlimate and credible solution the ability of ground forces to move in, occupy the territory and accomplish the objectives.

When we consider our growing reliance on strategic materials and trade from abroad and our security partnerships currently involving directly some 46 nations, the essentially of a strong, visible United States defense force is abundantly clear. General Abrams, the Army's Chief of Staff, emphasized this point in recent testimony before

Congress when he said, "I do not know, nor do I propose to forecast, when and where some contingency will arise calling for the use of Army forces. I only know that such a contingency probably will arise and it is our business to be prepared for it. We are faced with uncertainty and, in the face of uncertainty, we need an Army. There is even today no more positive declaration of national interest and national will than placing trained and disciplined military force on the ground.

"There is little doubt that real opportunities exist today to reach more lasting and less dangerous security arrangements which rely less on military confrontation and more on negotiation and cooperation. Diplomacy and military strength are not competing approaches in our pursuit of peace—they are part and parcel of a common approach to achieve detente. The condition for successful diplomatic solutions to major world problems in today's international atmosphere will be enhanced if military alternatives become unacceptable to other nations because of our military strength."

In today's world, American foreign and military policy will be increasingly constrained by the weapons technology and arms control agreements. An effective Army "force in being" will grow in importance to our goal of deterrence.

There are areas of actual and potential disturbance which endanger the climate of order and stability so important to the peaceful adjustment of the delicate agreements and negotiations still under way. It is a major role of the Army to provide the capability for carrying out the land power tasks of the United States policy so that turbulence is reduced, stability is preserved, and peace is achieved under the rule of law and without destruction of the institutions of society. This is the broad objective beyond any war. Its achievement requires the clearly understood capability of Army land power not only to fight and defeat an enemy but also its ability to control land area and people after the fighting has ended.

Strong, mobile, modern Army forces project the most credible deterrence to nonnuclear aggression available to mankind. It is our view that such forces have never been more urgently needed. It is a matter of serious concern that the size of our Army forces have been reduced so far that their ability to meet their legitimate requirements have been impaired.

Not only do we need an Army—we need a strong one and we need it now. Recent history suggests that such an Army constitutes the best investment for peace that we can make.

ORDER FOR CONSIDERATION OF BAKER-BENTSEN AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the disposition of the Proxmire amendment (No. 515) tomorrow, the Senate proceed to the consideration of the Baker-Bentsen amendment (No. 528), depending upon the time and circumstances at that hour; and, in the alternative, if time and circumstances dictate against calling up that amendment at such hour tomorrow, that the amendment be called up on Thursday immediately after the disposition of the Hughes amendment (No. 493).

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR VOTE ON CERTAIN AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday, following the vote on the McIntyre amendment, No. 517, on the Trident, the Senate proceed to the consideration of the Fulbright amendment, No. 544, concerning the financing of military assistance in Southeast Asia, that there be a time limitation thereon of 1 hour, with a time limitation on any amendment thereto of 30 minutes, and a time limitation in relation thereto on debatable motions or appeals of 10 minutes, the time to be equally divided and controlled in accordance with the usual form; that upon the disposition of amendment No. 544, the Senate take up the Hughes amendment, No. 593, that upon the disposition of the Hughes amendment, the Senate turn to the consideration of the McGovern amendment on categorical ceilings; that upon the disposition of the McGovern amendment, the Senate proceed to the consideration of the Bayh amendment, No. 487, which deals with the Sam-D.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

ORDER BARRING NONGERMANE AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, I have not cleared this request with the other side of the aisle. However, I will propound it and see whether the Senator from South Carolina or the Senator from Michigan may have objection thereto.

Mr. President, I ask unanimous consent that no amendments not germane to any of the amendments that have been locked in for action on tomorrow or Thursday be in order.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. GRIFFIN. Mr. President, I certainly agree with that request.

Mr. THURMOND. Mr. President, I certainly agree with the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I thank both distinguished Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House insisted upon its amendments to the bill (S. 14) to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, health care resources, and the establishment of a Quality Health Care Commission, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Staggers, Mr. Rogers, Mr. Satterfield, Mr. Kyros, Mr. Preyer, Mr. Symington, Mr. Roy, Mr. Nelsen, Mr. Carter, Mr. Hastings, Mr. Heinz, and Mr. Hudnut were appointed managers on the part of the House at the conference.

The message also announced that the House insisted upon its amendment to the bill (S. 2016) to amend the Rail Passenger Service Act of 1970 to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Staggers, Mr. Jarman, Mr. Dingell, Mr. Adams, Mr. Podell, Mr. Metcalfe, Mr. Harvey, Mr. Kuykendall, Mr. Skubitz, and Mr. Shoup were appointed managers on the part of the House at the conference.

The message further announced that the House had passed a joint resolution (H.J. Res. 727) making further continuing appropriations for the fiscal year 1974, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 5451) to amend the Oil Pollution Act, 1961 (75 Stat. 402), as amended, to implement the 1969 and 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended; and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 727) making further continuing appropriations for the fiscal year 1974, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

FEASIBILITY INVESTIGATION OF McGEE CREEK RESERVOIR, OKLA.

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2075.

The PRESIDING OFFICER. (Mr. Stevenson) laid before the Senate the amendments of the House of Representatives to the bill (S. 2075) to authorize the Secretary of the Interior to undertake a feasibility investigation of McGee Creek Reservoir, Oklahoma, which were to strike out all after the enacting clause, and insert:

> That the Secretary of the Interior is hereby authorized to engage in feasibility studies of the following potential water resource developments:
>
> 1. Hood-Clay unit, American River division, Central Valley project, in Sacramento County and San Joaquin County, California;
> 2. McGee Creek Reservoir in Atoka County in southeastern Oklahoma;
> 3. Moorehead unit, Powder division, Pick-Sloan Missouri Basin program, on the Powder River in Powder River County, Montana, and Campbell County, Wyoming; and
> 4. Geary project on the Canadian River in Blaine and Custer Counties, Oklahoma.

And amend the title so as to read: "An Act to authorize the Secretary of the Interior to engage in feasibility investigation of certain potential water resource developments."

Mr. ROBERT C. BYRD. On July 26, 1973, the Senate passed S. 2075, authorizing the Secretary of the Interior to undertake a feasibility investigation of McGee Creek Reservoir in Oklahoma.

On September 13, the House passed the measure amended to include an additional three projects, as follows:

First. The Hood-Clay unit, American River division, Central Valley project in California.

Second. The Moorehead unit, Powder divison, Pick-Sloan Missouri Basin program in Montana and Wyoming; and

Third. The Geary project on the Canadian River in Oklahoma.

The three investigations added by the House bill conform with the policy followed by the Senate concerning such studies. All three projects under consideration have undergone reconnaissance level investigations by the Bureau of Reclamation, and all three, on the basis of the reconnaissance data, offer a reasonable expectation that they will prove to be viable subjects for detailed studies.

I ask unanimous consent that descriptions of the three projects be printed in the RECORD at this point.

There being no objection, the descriptions were ordered to be printed in the RECORD, as follows:

FEASIBILITY STUDIES ADDED TO S. 2075 BY HOUSE AMENDMENTS

Project: Hood-Clay Unit.

Location: American River Division, Central Valley project, in Sacramento County and San Joaquin County, California.

Feasibility study cost: $125,000 for 2 years.

Project description:

This project would direct water releases from Federal reservoirs into the American River through Sacramento to a pumping plant site on the Sacramento River near Hood, California. The water would then be pumped into a conduit which would connect to the Folsom South Canal near Clay, California. It would be used to supply the irrigation, municipal and industrial water needs of the Sacramento and San Joaquin Counties. The project would allow for a sustained flow of water in the lower American River as it goes through metropolitan Sacramento, which would enhance the environmental value and recreational usage of the American River in that area.

Justification for feasibility investigation:

A feasibility investigation of this project would allow further review of the water needs in the two counties and further data gathering on the alternatives for optimizing the use of water supplies to meet multipurpose needs.

Project: *Moorehead Unit (Moorehead Dam and Reservoir) Pick-Sloan, Missouri Basin Program.*

Location: Southeastern Montana in Powder River County; Northeastern Wyoming in Campbell County.

Feasibility study cost: $250,000 for 2 years.

Project description:

The Moorehead Unit is situated astride the Montana-Wyoming state line. The reservoir would extend from the Powder River in Powder River County, Wyoming. The estimated capacity of the reservoir would be 358,000 acre feet. The purpose of the Moorehead unit is to provide the additional water storage capacity for satisfying the multipurpose water supply needs of the area. The economic benefits which would accrue from implementation of the unit include increased agricultural production from the supplemental water supply, increased and varied recreational usage, and expanded use in the area's industry operations. The unit could also be utilized by the coal-fired thermal electric generating plants projected for construction in the southeastern part of Montana. In addition, the Moorehead unit would serve the region in the areas of flood control and sediment deposition.

Justification for feasibility investigation:

The feasibility investigation of the Moorehead unit would entail further field surveys and geological explorations of the area in question. It is warranted particularly in terms of identifying the full extent of uses to which the unit could be applied.

Project: Geary Project, Oklahoma.

Location: Canadian River in Blaine County, Oklahoma and Deer Creek in Custer County, Oklahoma.

Feasibility study cost: $245,000 for 3 years.

Project description:

The Geary project involves the construction of a multipurpose dam and reservoir which will serve the area of Oklahoma in which the project will be located. The project functions would include flood control, fish and wildlife conservation and public outdoor recreation. In addition, it is expected that the project will provide supplemental irrigation water, and industrial water supplies possibly for the development of future electric power plants.

Justification for feasibility investigation:

A feasibility investigation of the project is well justified, both in terms of reviewing present and projected needs for agricultural and industrial water supply, and on the basis of the other water storage and supply needs of this, the most populous and industrialized portion of Oklahoma. The proposed study would explore ways of regulating the flow of the Canadian River to avoid water shortages that could threaten economic growth in this area within ten years.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

RELIEF OF GUIDO BELLANCA

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 464.

The PRESIDING OFFICER (Mr. STEVENSON) laid before the Senate the amendment of the House of Representatives to the bill (S. 464) for the relief of Guido Bellanca, which was to strike out all after the enacting clause, and insert:

That, for the purposes of section 101(a)(27)(B) of the Immigration and Nationality Act, Guido Bellanca shall be held and considered to have been a returning resident alien at the time of his admission to the United States on June 3, 1971.

Mr. ROBERT C. BYRD. On March 15, 1973, the Senate passed S. 464 to grant permanent residence status to a former resident of the United States, such residence to be effective as of the date of enactment. On September 19, 1973, the House of Representatives passed S. 464, with an amendment to deem the beneficiary to have been a returning resident alien at the time of his last entry to the United States in 1971.

The amendment is acceptable, and I move that the Senate concur in the House amendment to S. 464.

The motion was agreed to.

QUORUM CALL

Mr. ROBERT C. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at the hour of 8:45 a.m. Immediately after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Illinois (Mr. STEVENSON), who is now presiding over the Senate, will be recognized for not to exceed 15 minutes; after which the Senate will resume the consideration of the unfinished business.

The pending question at that time will be on the adoption of the Mansfield amendment No. 538 to the Cranston amendment No. 527.

The time on the Mansfield amendment is limited to 2 hours. A yea-and-nay vote will occur on the passage of this amendment.

This would mean that the vote on the Mansfield amendment, if all time were consumed, would occur at about 11 a.m. However, time may be yielded back, thus allowing a vote at an earlier hour.

Upon disposition of the Mansfield amendment, the Senate will resume the consideration of McIntyre amendment No. 517 on the Trident submarine. Four hours have been agreed to for that debate, at the conclusion of which the vote on the Trident amendment will not occur. The amendment will then go over until Thursday.

At the conclusion of the debate on the Trident submarine amendment on tomorrow, the Senate will resume the consideration of the Cranston amendment No. 527—if not already disposed of—on which there is a 1-hour limitation, with a limitation on amendments thereto of 30 minutes.

The Senate will then take up Hartke amendment No. 501, on which there is a 1-hour limitation. Presumably a yea-and-nay vote will occur thereon; after which the Proxmire amendment No. 515 will be called up.

That amendment deals with an outlay ceiling. There is a time limitation on the Proxmire amendment of 2 hours. Undoubtedly a yea-and-nay vote will occur thereon.

Mr. President, if all the time is consumed that has been allotted to these various debates and amendments on tomorrow, the program I have outlined will constitute a long day, longer than today's action. However, time may be yielded back occasionally, and in the event that time and circumstances would indicate the necessity therefor, upon the disposition of the Proxmire amendment, the Senate may proceed to take up other amendments or other business.

Mr. President, the program for Thursday is as follows:

Beginning at the hour of 10 a.m., the Senate will resume consideration of the Trident amendment No. 517 by the Senator from New Hampshire (Mr. McIntyre), the amendment dealing with the Trident submarine. There will be 1 hour of debate thereon, at the conclusion of which a yea-and-nay vote will occur on the amendment.

Upon the disposition of the Trident amendment, the Senate will take up the Fulbright amendment No. 544, concerning the financing of assistance in Southeast Asia, on which there is a 1-hour limitation.

Upon the disposition of that amendment, the Senate will take up the Hughes amendment No. 493, on which there is a time limitation.

Following the disposition of the Hughes amendment, the McGovern amendment with reference to a categorical ceiling will be called up. On that amendment there is a time limitation of 4 hours.

Upon the disposition of that amendment, the SAM–D amendment, the Bayh amendment No. 487, will be called up under a time limitation of 4 hours, thus constituting another active day for the Senate.

As to whether or not any business will follow the action on the SAM–D amendment on Thursday, I cannot say at this time. It would depend upon the situation at that time.

Mr. President, it is clear that tomorrow and Thursday will be busy days, long days, and Senators should be prepared to stay in session on both tomorrow and Thursday until a reasonably late hour—I would say perhaps 8 p.m. on both days, depending on how things go.

This would leave for Friday, if I have been correctly advised by Senators, the Clark amendment which may cut funds for the aircraft carrier and the Humphrey amendment which would provide an overall cut. There may be other amendments at the last dealing with an overall cut, and so forth.

That about sizes up, I think, the business of the Senate through Friday.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 8:45 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 8:45 a.m. tomorrow.

The motion was agreed to; and at 6:55 p.m. the Senate adjourned until tomorrow, Wednesday, September 26, 1973, at 8:45 a.m.

NOMINATIONS

Executive nominations received by the Senate September 25, 1973:

Council of Economic Advisers

William John Fellner, of Connecticut, to be a member of the Council of Economic Advisers, vice Marina von Neumann Whitman, resigned.

In the Marine Corps

The following-named women officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel:

Barbara J. Roy
Karen G. Wheeler

The following named officers of the Marine Corps for temporary appointment to the grade of lieutenant colonel:

Frank D. Brady
Charles S. Cahaski
John J. Guenther
Kenneth A. McVay
Willie G. Roberson

The following-named women officers of the Marine Corps for permanent appointment to the grade of major:

Martha S. Basham
Joan M. Collins
Harriet T. Conway
Donna R. McLennan
Janice C. Scott
Joanne L. Stangenberger
Karen J. Tomlinson
Clara L. Tucker
Ruth D. Woidyla

The following-named officers of the Marine Corps for temporary appointment to the grade of major:

Winfree M. Abernethy
Denis J. Anderson, Jr.
James W. P. Andrews
Joseph U. Arroyo
James W. Baker
Barry V. Banks
William L. Barba
James B. Barr
William E. Bartels, Jr.
Donald E. Bonsper
Norman P. Bourre
John T. Boyer
John F. Brosnan, Jr.
Neil J. Bross
Edward C. Brown
William F. Brown
Roland J. Brunelle
James M. Burch
Thomas V. Burns
David L. Caldon
Charles M. Calhoon
Columbus P. Calvert, Jr.
Michael D. Carey
John R. Carswell II
Thomas J. Caulfield, Jr.
Russell E. Cazier
Johnny D. Chapman
Benjamin F. Collins II
John R. Connors, Jr.
Anthony D. Costa
Martin E. Costello
Ronald J. Coulter
Thomas N. Cox
Curtis T. Crews
Allen D. Crosier
Carson L. Culler
Jack W. Cunningham
Donald L. Davis
Peter K. Davis
Conrad A. Delateur, Jr.
Charles F. Denison, Jr.
Richard E. Donaghy
Robert J. Dougal
David Douglas III
John B. Dudley III
Thomas M. Early
Sidney A. Eilertson
Delano R. Esguerra
Gerald D. Fabricius
Raymond W. Fesperman
Dennis M. Finnance
Dennis R. Fitz
Ronald E. Fix
Joseph G. Flynn
David E. Foss
Stephen R. Fulk
Randolph A. Gangle
Anthony J. Garcia
Dixon B. Garner
Wayne M. Gibbons
Roger H. Gingrich, Jr.
Donald S. Giusto
Lyal V. Gustafson
Gustav E. Gyllenhoff
Thomas M. Haddock
Francis T. Hankins
James R. Harper
Richard T. Harry
Stephen M. Hartnett
Eric E. Hastings
William E. Healy
William A. Henderson
William R. Herder
Ronald G. Herms
Donnie H. Hester
David A. Higley
Alan S. Hill
Homer E. Hire, Jr.
James H. Hodgson III
Thorvald P. Holm
Marvin T. Hopgood, Jr.
David Howe
Jack R. Howell
Stanley P. Huey, Jr.
Jimmy W. Hughes
Therlon E. Hughes
Edward L. J. Hutchinson
Leonard L. Ingram
James W. Jacobson
William W. Jeffrey
Harry E. Jensen III
Gerald O. Jenson
Jeffrey L. Johnson
Kenneth H. Johnson
Michael B. Johnson
Robert J. Johnson, Jr.
Fred L. Jones
John F. Juul
Richard J. Kalata
Arthur J. C. Keener
James M. Kelly
James D. Keown
Robert F. Kehres
Norman G. G. Kerr
Robert E. Kiah, Jr.
Raymond C. Kinkead
David R. Kinneer
Edward J. Kline
James L. Klingerman, Jr.
Larry P. Klipp
John E. Knight, Jr.
John B. Krueger
Shelton F. Lankford
David L. Lapham
William F. Lawlor III
Walker M. Lazar
Charles D. Lea
Roy E. Lee, Jr.
Peter J. Lepo
Hans W. Lindholm
James L. Lucas
Bertie D. Lynch
James M. MacEvitt III
Gerald R. Magliano
Bruce A. Major
Douglas A. Manz
Jon A. Marshall
Malcolm R. Massie, Jr.
Frederick H. J. Matthys
James E. McClenahan, Jr.
John C. McGee
John P. McMahon
Donald A. McPheron
Terry L. Miner
John J. Mondry, Jr.
William O. Moore, Jr.
Joseph J. Morrissey II
James B. Murray
James E. Murphy
John D. Murray
James M. Mutter
Richard I. Neal
David W. Nelson
Ronald S. Neubauer
Andre Novickis
Donald J. O'Connor
Thomas F. O'Malley, Jr.
Gene P. O'Neill
Billy W. Owens
Douglas B. Page
Lionel Parra, Jr.
Lowell W. Patak
Erwin W. Paulson
Alan D. Pettit
John D. Phillips
Richard P. Pierzchala
Gerald J. Polyascko
Harry P. Porth, Jr.
James M. Puckett
John A. Rank III
Don T. Reed
Robert R. Renier
Alfred J. Reyer, Jr.
Philip F. Reynolds
James P. Riordan
Joseph W. Robben, Jr.
Douglas A. Roberts
George R. Robison
Nedson K. Robison II
Richard J. Rochford
Waynor F. Rogers
Jack A. Ruffer
Kenneth S. Russom
Durward T. Savage
Don F. Schafer, Jr.
Edward C. Schriber
Thomas E. Schwartz
James E. Secrist
Vytautas S. Senkus
Merlyn A. Sexton
John D. Shinnick
Raul A. Sifuentes
Thomas R. Siggins
Stephen K. Smith
Robert L. Snyder
Eugene A. Steffen
Louis C. Stengel III
John E. Stocking
James F. Stodola
Edward G. Stuckrath, Jr.
Jerry K. Taylor
Robert O. Tilley
Stanley R. J. Tomlinso
Charles G. Tyrian, Jr.
William J. Vankat
Morton Vaserberg
Jimmie Veater
Alfred J. Walke
Earl P. Wallis
George H. Walls, Jr.
Paul F. Wendler, Jr.
William D. Wester
William K. Westling
David L. White
Harold B. Wilber
David B. Williams
Robert S. Williams
Gordon R. Willson
Lance P. Woodburn
Patrick A Yaccarino
Thomas Zalewski
Kenneth W. Zitz

The following-named women officers of the Marine Corps for permanent appointment to the grade of captain:

Bonnie L. Allen
Karen A. Allison
Jill A. Berle
Margaret E. Bird
Juliana S. Braze
Nancy I. Dickey
Robin L. Herther
Diane S. Hoeft
Maralee J. Johnson
Karen I. Kelly
Diane E. Kline
Dolores K. Lyons
Shelley B. Mayer
Renee Patrow
Eleanor F. Pekala
Patricia A. Perkins
Karen S. Pond
Linda S. Rains
Carol A. Rice
Beverly A. Short
Sandra R. Swango
Sandra M. Miller

The following-named officers of the Marine Corps for temporary appointment to the grade of captain:

William B. Baker
Michael F. Barone
Jimmy E. Belcher
Ralph A. Bingham
Archie G. Bobo
Jonah H. K. Chang
Connie S. Chavez
Patrick C. G. Coulter
Steven J. Draper
Sidney B. Ewards
David W. Fowkes
William M. Grant
Donald C. Haines
Guy B. Harwood
James E. Haskins
Jack W. Holt, Jr.
Joe Killebrew
Ray E. Kittilstved
Joseph Kochuba
Babre Lewis
Leonard A. Long
William T. Manning
George L. Marshall, Jr.
Aove E. Mattox
James F. McLean
Kenneth H. Medeiros
Joseph A. Menart
Jerry R. Oberg
Francis J. Priest
Robert J. Saffer
Dennis R. Smith
Sidney L. Spurgeon
Jimmie R. Thompson
Joseph Thurmond
Larry F. Vance
James W. Wofford, Jr.
Richard P. Wolfe
James E. Woodruff, Jr.
Martin J. Zigovsky

HOUSE OF REPRESENTATIVES—*Tuesday, September 25, 1973*

The House met at 12 o'clock noon.

Father Pete S. Lawdis, pastor of the St. Elias the Prophet Greek Orthodox Church, Dubuque, Iowa, offered the following prayer:

Let us pray. As we begin this new day's work, we thank You, O Lord, for the sake of Your great kindness and long suffering for us. We thank You that You have not had indignation against us for we are slothful and sinful and yet You have not destroyed us for our bold transgressions. Instead, You have shown us Your customary love toward mankind, and You have raised us up from our heedlessness that we might sing our morning hymn unto You and glorify Your sovereignty. Do you now enlighten the eyes of our understanding, open our ears to receive Your words and teach us Your commandments. Help us to do Your will, to offer You hymns of praise, to confess to You from the depth of our hearts and, to extol the holy name of our Father in Heaven, the Son, and the Holy Spirit, now and ever, and unto the ages of ages. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 5451. An act to amend the Oil Pollution Act, 1961 (75 Stat. 402), as amended, to implement the 1969 and 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended; and for other purposes.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 9639. An act to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 9639) entitled "An act to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs," request a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Allen, Mr. McGovern, Mr. Humphrey, Mr. Young, and Mr. Dole to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1983) entitled "An act to provide for the conservation, protection, restoration, and propagation of threatened and endangered species of fish, wildlife, and plants, and for other purposes," agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Hart, Mr. Tunney, and Mr. Stevens to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 921. An act to amend the Wild and Scenic Rivers Act; and

S. 1296. An act to further protect the outstanding scenic, natural, and scientific values of the Grand Canyon by enlarging the Grand Canyon National Park in the State of Arizona, and for other purposes.

THE REVEREND PETE LAWDIS

(Mr. SARBANES asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SARBANES. Mr. Speaker, this morning's prayer was offered by the Reverend Pete Lawdis of St. Elias the Prophet Greek Orthodox Church in Dubuque, Iowa. The gentleman from Iowa (Mr. Culver) is unavoidably absent at this time, and I ask unanimous consent to insert at this point the remarks he had prepared for the occasion.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The remarks of Mr. Culver are as follows:

Mr. CULVER. Mr. Speaker, it is with great pride and appreciation that I acknowledge that our prayer this morning was offered by the Reverend Pete Lawdis, since 1970 the rector of St. Elias the Prophet Greek Orthodox Church in Dubuque.

Father Lawdis is a graduate of Hellenic College and the Holy Cross School of Theology in Boston, and he has received a master's degree in guidance counseling from Loras College in Dubuque.

He is the author of "Daily Gospel Readings for Eastern Orthodox" and has published articles on euthanasia and pastoral counseling.

Father Lawdis' concern for his fellow man is shared by his wife, the former Christine Andrews. They have two lovely daughters, Katina and Lisa.

It is with great pleasure that I thank Father Lawdis for his inspiration this morning, and I thank our Chaplain, Dr. Latch, for making it possible. I also would like to express my gratitude to my colleagues for their courtesy in extending the privilege of the rostrum of the U.S. House of Representatives to Father Pete Lawdis, a distinguished priest from Dubuque, Iowa.

THE LATE FULLER WARREN

(Mr. SIKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKES. Mr. Speaker, I regret to advise the House that Florida's former Gov. Fuller Warren died Sunday in Miami. He was born in 1905. He served as Governor from 1949 to 1953. Governor Warren served our State with ability and distinction during a time of major change which marked the transition of control of State government in Florida from rural to urban areas. Although coming from a rural area, he supported reform and change, including the enactment of meaningful antigambling legislation.

Florida has produced its full share of remarkable public figures, few from less promising backgrounds than Governor Warren. He was born to a poor family in Calhoun County, one of the smallest in the State, and worked as a boy in nearby cottonfields. Determined to push ahead, he attended the State university and was elected to the legislature when not much more than a boy. Then, sensing the need for a broader amphitheater, he moved to Jacksonville for the practice of law.

He ran for Governor in 1940 with little background and less money. He almost made it into the runoff primary. When World War II began, he entered the Navy, earned a lieutenant's commission, and served as commander of a guncrew on a merchant ship.

He ran again for Governor in 1948 and was elected. He was an honest Governor, but was frequently in hot water with the press for the handling of the work of his administration. He left the Governor's office a poor man, which again speaks for the qualities of the man.

Fuller Warren possessed an astounding ability as an orator. Even after he left the Governor's office, he was in great demand as a public speaker, and his talents in this field never waned.

I served with Mr. Warren in the State legislature and there a friendship which had been formed earlier was cemented. I have continued to count him a warm friend and I have felt that he was entitled to much fuller credit for his accomplishments as Governor and his constant efforts for good government.

His body is being taken home to Calhoun County where he began his career. Interment will be on tomorrow. In Blountstown he will rest with other members of the family and with the family friends who are also interred there. His neighbors and his friends throughout Florida have not forgotten the personal charm, the oratorical ability, or the greatness of Fuller Warren.

Mr. Warren is survived by two brothers, Julian Warren and Joe Warren; a sister, Miss Alma Warren; and by other relatives. To each of them I extend earnest sympathy on their loss, which I share.

Mr. FUQUA. Mr. Speaker, let me thank the distinguished gentleman from Florida for yielding.

We both share a feeling of loss of one of the Golden Voices of all time—Governor Fuller Warren.

Here was a man with a flair for the dramatic, the dramatic speech in the manner of William Jennings Bryan, and a gentleman with a sense of humor without part.

I feel a particular loss because Governor Warren was born in my home county of Calhoun in Florida. As a boy he announced his ambition to be the Governor of our great State and he never wavered in his determination to achieve that goal.

While at the University of Florida, he was elected to the State house of representatives, an office I was to succeed him in many years later.

When I was State president of the Future Farmers of America, I remember many cordial visits with the Governor and an autographed picture of the two of us still hangs in my bedroom at the home of my parents in Altha.

Yes, Fuller Warren was a showman and certainly a legend in my State.

But aside from that showmanship, there was substance. Even his worst detractors admit that he was one of the great Governors of our State. He served during that critical period from 1949 to 1953 when Florida really emerged from a small State to the modern era. There were other men like Spessard Holland and Millard Caldwell to hold that office in the critical period surrounding World War II, and while you cannot give Governor Warren all the credit, neither can you take away from what he accomplished.

He used to say that the Warren administration was 50 years of progress crammed into 4 years.

I guess if there is one thing that typified his administration it was the passage of legislation requiring cattle and livestock owners to keep them fenced. It is almost humorous today to think how controversial this was at the time. But the lives and injuries that cattle caused to the occupants of high-speed vehicles was anything but funny.

I cite this as an example of his drive to bring us into the 20th century. Another example of his foresightedness was his leadership in the preliminary planning of the Florida turnpike.

Tomorrow, Fuller Warren goes home to the land he and I both love so much. There in Calhoun County, he will find rest from his toil. He lived a full and rich life. At his passing, he knew that no story of his beloved Florida would be complete without his name being mentioned and I know that pleased him.

This man who often told a tale about practicing public speaking while following a mule in the furrow held the highest office within the power of the people of Florida to give.

And history will record that he was worthy of that trust.

Again, on a personal note, Governor Warren was to have been in Blountstown next week to participate in ceremonies dedicating a new courthouse for Calhoun County. I was to appear on the program with him.

He will not be with us in person, but you can bet he will live on in spirit and in the hearts of those who felt they really knew him.

GENERAL LEAVE

Mr. SIKES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life, character, and public service of the late Fuller Warren.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

THE CRISIS FACING THE AMERICAN STEEL INDUSTRY

(Mr. ROONEY of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROONEY of Pennsylvania. Mr. Speaker, for a number of years our domestic steel industry has suffered the impact of excessive foreign steel imports, rising production costs, massive capital outlays both for new facilities and to achieve compliance with environmental standards, much of the time restricted by mandatory price controls.

Although we regard the steel industry as the foundation of our economy. Federal policy has been inclined to stifle this important industry's growth and to sacrifice the jobs and efficient, productive, and prosperous steel industry can support creates within its own plants, and in related industries and throughout the economy.

Projected world steel demand by 1980 indicates our domestic industry should increase its production capacity by 25 million tons, plus an almost equal production capacity to replace facilities which are becoming outmoded. This translates into a capital expenditure of $18 billion for new steel facilities by 1980.

The Cost of Living Council's negative response to necessary steel price increases now places in serious jeopardy the industry's potential to meet the growing demands of a domestic and/or an international market.

Mr. Speaker, I will include at a later point in the RECORD, and bring to my colleagues' attention an editorial which appeared in the September 20, 1973, issue of American Metal Market.

ARAB NATIONS AND THE BIG OIL COMPANIES MUST NOT BE ALLOWED TO SHAPE U.S. FOREIGN POLICY

(Mr. LONG of Maryland asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. LONG of Maryland. Mr. Speaker, the Arab nations and the big oil companies must not be allowed to shape U.S. foreign policy. We are told that we depend heavily upon oil imports from the Middle East. The fact is that only 4 percent—I repeat 4 percent—of U.S. oil consumption in 1972 and the first half of 1973 came from the Mideast. Forecasts that future U.S. dependence on Arab oil will increase are just forecasts and need not come true if we use good management; namely:

Shift taxes from income and property onto gasoline, thus creating incentives to curtail driving and drive at slower speeds;

Build smaller and more efficient car engines;

Develop mass transit;

Step up research into the conversion of coal and wood chips and into development of nonfossil energy sources;

Reduced oil consumption would also improve our balance of payments, reduce air pollution, and save thousands of lives.

If we move quickly and wisely, the United States need never be at the mercy of the black oil blackmail.

PUBLIC HEARINGS ON TRANSPORTATION AND STORAGE OF CHEMICAL NERVE AGENTS

(Mr. PRICE of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE of Illinois. Mr. Speaker, as you will recall, on July 31 during debate on the annual military authorization bill for fiscal year 1974, Chairman HÉBERT assured Members of the House that the Armed Services Committee would schedule committee hearings on questions arising from the transportation and storage of chemical nerve agents on or from military installations in the United States.

I am now happy to announce that my Armed Services Committee Subcommittee No. 1 which has responsibility for research, development, test, and evaluation will commence public hearings on H.R. 9745 and a series of related bills including H.R. 9749, H.R. 10011, and H.R. 10012 on Wednesday, October 3, in open session, in room 2118 of the Rayburn House Office Building.

Members of the Congress who wish to be heard on this matter should contact the committee offices.

OVERTHROW OF MARXIST REGIME IN CHILE DRAMATIZES NECESSITY FOR FIRM STAND BY UNITED STATES AGAINST ANY SURRENDER AT PANAMA—CONGRESSMAN FLOOD WILL ADDRESS THE HOUSE ON WEDNESDAY, SEPTEMBER 26, 1973

(Mr. FLOOD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matters.)

Mr. FLOOD. Mr. Speaker, on September 7, 1973, Strongman Omar Torrijos left Panama for Spain on what has been predicted by Panamanians would be a long vacation. His departure was followed 4 days later by the overthrow of the Marxist government of Chile, which has had worldwide repercussions.

In an address to the House of Representatives on Wednesday, September 26, I plan to discuss the possible significance of the two above mentioned events and invite other Members to participate in a colloquy.

VOLUNTEER CONCEPT IN U.S. DEFENSE

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, to continue my 1-minute speeches. I noticed in yesterday's Washington Star News the headline said: "Hunt Names Colson in Break-in."

Mr. Speaker, who cares any more who did what in Watergate?

The people I represent are tired of seeing and hearing about the Senate Watergate hearings. My people want the courts to take over and punish those who are found guilty.

I say stop the Senate Watergate hearings and take the money left over to let the Senate Armed Services Committee gather testimony on whether the all-volunteer concept is working or not. It makes more sense to me to take the money to find out about the defense future of this country than who did what to whom in Watergate.

CONFERENCE REPORT ON S. 607, LEAD-BASED PAINT POISONING PREVENTION ACT AMENDMENTS

Mr. BARRETT submitted the following conference report and statement on the bill (S. 607) to amend the Lead-Based Paint Poisoning Prevention Act, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 93–522)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 607) to amend the Lead Based Paint Poisoning Prevention Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That (a) section 101(a) of the Lead Based Paint Poisoning Prevention Act is amended by striking out "units of general local government in any State" and inserting in lieu thereof "public agencies of units of general local government in any State and to private nonprofit organizations in any State".

(b) Section 101(b) of such Act is amended by striking out "75 per centum" and inserting in lieu thereof "90 per centum".

(c) Section 101 of such Act is amended by adding at the end thereof the following new subsection:

"(e) The Secretary is also authorized to make grants to State agencies for the purpose of establishing centralized laboratory facilities for analyzing biological and environmental lead specimens obtained from local lead based paint poisoning detection programs.".

(d) Section 101 of such Act is further amended by adding at the end thereof the following new subsection:

"(f) No grant may be made under this section unless the Secretary determines that there is satisfactory assurance that (A) the services to be provided will constitute an addition to, or a significant improvement in quality (as determined in accordance with criteria of the Secretary) in, services that would otherwise be provided, and (B) Federal funds made available under this section for any period will be so used as to supplement and, to the extent practical, increase the level of State, local, and other non-Federal funds that would, in the absence of such Federal funds, be made available for the program described in this section, and will in no event supplant such State, local, and other non-Federal funds.".

SEC. 2. (a) Section 201 of the Lead Based Paint Poisoning Prevention Act is amended by striking out "units of general local government in any State" and inserting in lieu thereof "public agencies of units of general local government in any State and to private nonprofit organizations in any State".

(b) Section 201(a)(2) of such Act is amended to read as follows:

"(2) the development and carrying out of procedures to remove from exposure to young children all interior surfaces of residential housing, porches, and exterior surfaces of such housing to which children may be commonly exposed, in those areas that present a high risk for the health of residents because of the presence of lead based paints. Such programs should include those surfaces on which non-lead-based paints have been used to cover surface to which lead based paints were previously applied; and"

(c) Section 201 of such Act is amended by adding at the end thereof the following new subsection:

"(c) Any public agency, of a unit of local government or private nonprofit organization which receives assistance under this Act shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for purposes of audit and examination, any books, documents, papers, and records that are pertinent to the assistance received by such public agency of a unit of local government or private nonprofit organization under this Act."

SEC. 3. Section 301 of the Lead Based Paint Poisoning Prevention Act is amended to read as follows:

"FEDERAL DEMONSTRATION AND RESEARCH PROGRAM

"SEC. 301. (a) The Secretary of Housing and Urban Development, in consultation with the Secretary of Health, Education, and Welfare, shall develop and carry out a demonstration and research program to determine the nature and extent of the problem of lead based paint poisoning in the United States, particularly in urban areas, including the methods by which the lead based paint hazard can most effectively be removed from interior surfaces, porches, and exterior surfaces of residential housing to which children may be exposed.

"(b) The Chairman of the Consumer Product Safety Commission shall conduct appropriate research on multiple layers of dried paint film, containing the various lead compounds commonly used, in order to ascertain the safe level of lead in residential paint products. No later than December 31, 1974, the Chairman shall submit to Congress a full and complete report of his findings and recommendations as developed pursuant to such programs, together with a statement of any legislation which should be enacted or any changes in existing law which should be made in order to carry out such recommendations."

SEC. 4. (a) Title III of the Lead Based Paint Poisoning Prevention Act is amended—

(1) by adding at the end thereof the following:

"FEDERAL HOUSING ADMINISTRATION REQUIREMENTS

"SEC. 302. The Secretary of Housing and Urban Development (hereafter in this section referred to as the 'Secretary') shall establish procedures to eliminate as far as practicable the hazards of lead based paint poisoning with respect to any existing housing which may present such hazards and which is covered by an application for mortgage insurance or housing assistance payments under a program administered by the Secretary. Such procedures shall apply to all such housing constructed prior to 1950 and shall as a minimum provide for (1) appropriate measures to eliminate as far as practicable immediate hazards due to the presence of paint which may contain lead and to which children may be exposed, and (2) assured notification to purchasers and tenants of such housing of the hazards of lead based paint, of the symptoms and treatment of lead based paint poisoning, and of the importance and availability of maintenance and removal techniques for eliminating such hazards. Such procedures may apply to housing constructed during or after 1950 if the Secretary determines, in his discretion, that such housing presents hazards of lead based paint. The Secretary may establish such other procedures as may be appropriate to carry out the purposes of this section. Further, the Secretary shall establish and implement procedures to eliminate the hazards of lead based paint poisoning in all federally owned properties prior to the sale of such properties when their use is intended for residential habitation."; and

(2) by inserting after "PROGRAM", in the caption of such title, a semicolon and the following:

"FEDERAL HOUSING ADMINISTRATION REQUIREMENTS".

(b) The amendments made by subsection (a) of this section become effective upon the expiration of ninety days following the date of enactment of this Act.

SEC. 5. Section 401 of the Lead Based Paint Poisoning Prevention Act is amended to read as follows:

"PROHIBITION AGAINST USE OF LEAD-BASED PAINT IN CONSTRUCTION OF FACILITIES AND THE MANUFACTURE OF CERTAIN TOYS AND UTENSILS

"SEC. 401. The Secretary of Health, Education, and Welfare, in consultation with the Secretary of Housing and Urban Development, shall take such steps and impose such conditions as may be necessary or appropriate—

"(1) to prohibit the use of lead based paint in residential structures constructed or rehabilitated by the Federal Government, or with Federal assistance in any form, after the date of enactment of this Act, and

"(2) to prohibit the application of lead based paint to any toy, furniture, cooking utensil, drinking utensil, or eating utensil manufactured and distributed after the date of enactment of this Act."

SEC. 6. Section 501(3) of the Lead Based Poisoning Prevention Act is amended to read as follows:

"(3) the term 'lead based paint' means—

"(A) prior to December 31, 1974, any paint containing more than five-tenths of 1 per centum lead by weight (calculated as lead metal) in the total nonvolatile content of liquid paints or in the dried film of paint already applied;

"(B) after December 31, 1974, any paint containing more than six one-hundredths of 1 per centum lead by weight (calculated as lead metal) in the total nonvolatile content of liquid paints or in the dried film of paint already applied, except that if prior to December 31, 1974, the Chairman of the Consumer Product Safety Commission, based on studies conducted in accordance with section 301(b) of this Act, determines that another level of lead, not to exceed five-tenths of 1 per centum, is safe, then such other level shall be effective after December 31, 1974.".

SEC. 7. (a) Section 503(a) of the Lead Based Paint Poisoning Prevention Act is amended (1) by striking out the word "and" and inserting in lieu thereof a comma, and (2) by inserting before the period a comma and the following: "and $25,000,000 for each of the fiscal years 1974 and 1975".

(b) Section 503(b) of such Act is amended (1) by striking out the word "and" and inserting in lieu thereof a comma, and (2) by inserting before the period a comma and the following: "and $35,000,000 for each of the fiscal years 1974 and 1975".

(c) Section 503(c) of such Act is amended (1) by striking out the word "and" and by inserting in lieu thereof a comma, and (2) by inserting before the period a comma and the following: "and $3,000,000 for each of the fiscal years 1974 and 1975".

(d) Section 503(d) of such Act is amended by striking out all matter after the semicolon and inserting in lieu thereof "and any amounts authorized for one fiscal year but not appropriated may be appropriated for the succeeding fiscal year.".

(e) Title V of the Lead Based Paint Poisoning Prevention Act is amended by adding at the end thereof the following new sections:

"ELIGIBILITY OF CERTAIN STATE AGENCIES

"SEC. 504. Notwithstanding any other provision of this Act, grants authorized under sections 101 and 201 of this Act may be made to an agency of State government in any case where State government provides direct services to citizens in local communities or where units of general local government within the State are prevented by State law from implementing or receiving such grants or from expending such grants in accordance with their intended purpose.

"ADVISORY BOARDS

"SEC. 505. (a) The Secretary of Health, Education, and Welfare, in consultation with the Secretary of Housing and Urban Development, is authorized to establish a National Childhood Lead Based Paint Poisoning Advisory Board to advise the Secretary on policy relating to the administration of this Act. Members of the Board shall include residents of communities and neighborhoods affected by lead based paint poisoning. Each member of the National Advisory Board who is not an officer of the Federal Government is authorized to receive an amount equal to the minimum daily rate prescribed for GS-18, under section 5332 of title 5, United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of the Board. All members shall be reimbursed for travel, subsistence and necessary expenses incurred in the performance of their duties.

"(b) The Secretary of Health, Education, and Welfare, in consultation with the Secretary of Housing and Urban Development, shall promulgate regulations for establishment of an advisory board for each local program assisted under this Act to assist in carrying out this program. Two-thirds of the members of the board shall be residents of communities and neighborhoods affected by lead based paint poisoning. A majority of the board shall be appointed from among parents who, when appointed, have at least one child under six years of age. Each member of a local advisory board shall only be reimbursed for necessary expenses incurred in the actual performance of his duties as a member of the board.

"EFFECT UPON STATE LAW

"SEC. 506. It is hereby expressly declared that it is the intent of the Congress to supersede any and all laws of the States and units of local government insofar as they may now or hereafter provide for a requirement, prohibition, or standard relating to the lead content in paints or other similar surface-coating materials which differs from the provisions of this Act or regulations issued pursuant to this Act. Any law, regulation, or ordinance purporting to establish such different requirement, prohibition, or standard shall be null and void.".

SEC. 8. Section 314(c) of the Public Health Service Act is amended by inserting at the end thereof the following new paragraph:

"No funds appropriated pursuant to the authorization of this subsection shall be available for lead based paint poisoning control of the type authorized under the Lead Based Paint Poisoning Prevention Act (84 Stat. 2078)."

And the House agree to the same.

WRIGHT PATMAN,
W. A. BARRETT,
LEONOR K. SULLIVAN,
THOMAS L. ASHLEY,
WILLIAM S. MOORHEAD,
ROBERT G. STEPHENS, Jr.,
FERNAND ST GERMAIN,
HENRY B. GONZALEZ,
RICHARD T. HANNA,
WILLIAM B. WIDNALL,
GARRY BROWN,
J. WILLIAM STANTON,
BEN BLACKBURN,
MARGARET M. HECKLER.

Managers on the Part of the House.

EDWARD M. KENNEDY,
HARRISON WILLIAMS,
GAYLORD NELSON,
TOM EAGLETON,
ALAN CRANSTON,
HAROLD E. HUGHES,
CLAIBORNE PELL,
WALTER F. MONDALE,
RICHARD S. SCHWEIKER,
J. JAVITS,
PETER H. DOMINICK,
J. GLENN BEALL, Jr.,
ROBERT TAFT, Jr.,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 607) to amend the Lead Based Paint Poisoning Prevention Act, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House struck out all of the Senate bill after the enacting clause and inserted a substitute amendment.

The committee of conference has agreed to a substitute for both the Senate bill and the House amendment. Except for clarifying, clerical, and conforming changes, the differences are noted below:

FEDERAL DEMONSTRATION AND RESEARCH PROGRAM

The Senate bill contained a provision authorizing the Secretary of HEW to conduct appropriate research on multiple layers of lead paint film containing the various lead compounds used and to submit a full and complete report to the Congress with its findings and recommendations no later than October 1, 1973.

The House amendment contained a provision authorizing the Chairman of the Consumer Product Safety Commission to conduct the appropriate research on multiple layers of lead paint film and to submit a complete report on his findings and recommendations to the Congress no later than December 31, 1974.

The conference report contains the House provision.

FHA REQUIREMENTS

The House amendment contained a provision directing the Secretary of HUD to establish procedures to eliminate the hazards of lead paint and must provide assured notification of purchasers and tenants of such housing.

The Senate bill contained a similar provision that provided for the assured notification to only purchasers. The conferees intend that this amendment apply as a condition to the Secretary's acceptance of an application for mortgage insurance or an application for housing assistance payments.

PROHIBITION AGAINST LEAD-BASED PAINT IN CONSTRUCTION OF FACILITIES AND MANUFACTURE OF CERTAIN TOYS AND UTENSILS

The Senate bill contained a provision directing the Secretary of HEW to take such steps and impose such conditions to prohibit the use of lead paint in residential structures receiving any Federal assistance. It would also direct the Secretary of HEW to prohibit the application of lead-based paint to any toy, furniture, cooking utensil, drinking utensil, or eating utensil manufactured and distributed after the date of enactment.

The House amendment contained a provision providing for consultation between the Secretary of HEW and Secretary of HUD with regard to the steps and conditions to be taken to prohibit the use of lead paint in residential structures receiving any Federal assistance.

The conference report contains the Senate provision with the House provision providing for consultation with the Secretary of HUD and also contains the Senate provision prohibiting the application of lead paint in the manufacture of certain toys and utensils. The conferees intend that the itemization of articles covered by this provision should be read broadly to cover any articles likely to be used by children, such as pencils coated with paint.

DEFINITION OF LEAD PAINT

The Senate bill contained a provision defining the lead content in paint to be .5 percent lead by weight prior to December 1, 1973. After December 31, 1973, a new definition of .06 percent lead by weight would become effective, except that if prior to December 31, 1973, the Secretary, based on studies conducted, determines that another level of lead, not to exceed .5 percent lead by weight, is safe. The House amendment contained a provision providing for the definition of lead contained in paint to be .5 percent lead by weight.

The conference report contains the Senate provision with the following changes:

(1) Prior to December 31, 1974, the new definition of lead-based paint would be .5 percent.

(2) That after December 31, 1974, the definition of lead-based paint would be .06 percent lead by weight except that if prior to December 31, 1974, the Chairman of the Consumer Product Safety Commission, based on studies conducted in accordance with section 301(b) of this Act, determines that another level of lead, not to exceed .5 percent is safe, shall be effective after December 31, 1974.

AUTHORIZATIONS

The House amendment contained a provision providing for the authorization of $20 million for each of fiscal years 1974 and 1975 for assistance under Title I—Detection and Treatment Programs; $30 million for each of fiscal years 1974 and 1975 for Title II—Elimination of Lead Paint Poisoning Programs; $2.5 million for each of fiscal years 1974 and 1975 for Title III—Research and Demonstration Programs.

The Senate bill contained a provision providing $30 million for each of fiscal years 1974, 1975, 1976 and 1977 for Title I; $40 million for each of fiscal years 1974, 1975, 1976, and 1977 for Title II; $5 million for each of fiscal years 1974, 1975, 1976, and 1977 for Title III.

The conference report contains the following authorizations: $25 million for fiscal years 1974 and 1975 for Title I; $35 million for fiscal years 1974 and 1975 for Title II; and $3 million for fiscal years 1974 and 1975 for Title III.

FEDERAL PREEMPTION

The House amendment contained a provision providing for Federal preemption of any and all laws of States and local governments regrading the requirement prohibition of standards relating to lead content in paints on any other surface coating in materials which differs from the provisions of this Act or regulations issued pursuant thereof. The Senate bill contained no similar provision.

The conference report contains the House provision.

PUBLIC HEALTH SERVICE ACT

The Senate bill contained a provision providing that no funds appropriated pursuant to the authorization of section 314(e) of the Public Health Service Act shall be available for lead-based paint poisoning control of the type authorized under the Lead-Based Paint Poisoning Prevention Act. The House amendment contained no similar provision.

The conference report contains the Senate provision.

WRIGHT PATMAN,
W. A. BARRETT,
LEONOR K. SULLIVAN,
THOMAS L. ASHLEY,
WILLIAM S. MOORHEAD,
ROBERT G. STEPHENS, Jr.,
FERNAND ST GERMAIN,
HENRY B. GONZALEZ,
RICHARD T. HANNA,
WILLIAM B. WIDNALL,
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WALTER F. MONDALE,
RICHARD S. SCHWEIKER,
J. JAVITS,
PETER H. DOMINICK,
J. GLENN BEALL, Jr.,
ROBERT TAFT, Jr.,
Managers on the Part of the Senate.

HEARINGS ON CORRECTIONS RESCHEDULED

(Mr. KASTENMEIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KASTENMEIER. Mr. Speaker, I announced on Tuesday, September 18, that the Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice would convene on Thursday, September 27 for the purpose of hearing testimony from the distinguished Representative from Florida, the Honorable CLAUDE PEPPER, on the subject of corrections.

At this time I regretfully announce that due to the untimely death of former Governor Warren of the State of Florida, Mr. PEPPER will not be able to testify on Thursday, September 27, and the hearings set for that day will be rescheduled at a later date in October.

THE LATE HONORABLE ROY H. McVICKER

(Mr. BROTZMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROTZMAN. Mr. Speaker, I have the sad duty to inform the Members of the House of the death of one of our former colleagues. The Honorable Roy H. McVicker, who represented the Second District of Colorado in 1965 and 1966, died this past weekend. I know all of my colleagues join Mrs. Brotzman and myself in expressing our deepest sympathies to Roy's wife; his father, the Reverend Roy McVicker, Sr.; and the other members of his family.

Although Roy and I found ourselves pitted against each other on three occasions for the seat I am now priviliged to hold in this body, we always maintained a personal friendship. He dedicated his life to public service, having served with distinction in the Colorado General Assembly prior to his election to Congress and having devoted a great deal of his recent energy toward channeling resources of the private sector into the economic advancement of Latin America.

GENERAL LEAVE

Mr. BROTZMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend the remarks on the late Honorable Roy H. McVicker.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS PRESIDENT IS TALKING ABOUT FALSE CEILINGS ON INTEREST RATES FOR FHA INSURED MORTGAGES

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, last week I pointed out that President Nixon's housing program would not fix a leaky roof.

Now I would like to assess that program in terms of ceilings—I mean ceilings on interest rates for FHA- and VA-insured home loans. President Nixon said he would ask Congress to lift those limitations because they are having an adverse effect on the housing market.

Mr. Speaker, President Nixon is talking about a false ceiling.

A good 5 years ago, Congress gave the President authority to raise ceilings on interest rates beyond the statutory limit if necessary to meet market conditions. Not only does FHA have such authority, FHA is using it.

As recently as August 25, FHA boosted its allowable interest rates on home mortgages to 8½ percent—which is 2½ percent higher than the statutory limit.

In addition, Congress passed and the President signed into law last July a bill that give VA separate authority to set its own interest rates. VA promptly raised its maximum to 8½ percent.

Now, if the President thinks that FHA and VA interest ceilings need to be raised still more, he has the authority to do it.

President Nixon is trying to divert attention from the faults in his housing program by making a political issue out of a purely management problem. Meanwhile, housing credit remains tight, and the low- and moderate-income families suffer.

APPOINTMENT OF CONFEREES ON H.R. 9639, NATIONAL SCHOOL LUNCH AND CHILD NUTRITION ACTS

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9639) to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

The Chair hears none, and appoints the following conferees: Messrs. PERKINS, MEEDS, and QUIE.

CONFERENCE REPORT ON H.R. 8619, AGRICULTURE, ENVIRONMENTAL AND CONSUMER PROTECTION APPROPRIATIONS—1974

Mr WHITTEN. Mr. Speaker, I call up the conference report on the bill (H.R. 8619) making appropriations for agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1974, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of September 20, 1973.)

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, the conference report before the House was signed by all of the House and Senate conferees.

This conference report provides for the special milk program at the level proposed by the Senate in order to be certain that milk is made available to all schoolchildren.

The conferees approved the increase in funds for the food stamp program. This was necessary because the Agriculture and Consumer Protection Act of 1973, recently passed by Congress, directed and mandated various increases in eligibility.

With regard to rural development, we restored the funds or directed the restoration of the funds that have been frozen for housing grants and sewer and water grants. We also provided funding for rural development programs authorized by the Rural Development Act.

In connection with the payment limitation, the conferees went along with the limitation of $20,000 as provided by law.

In the matter of the sale or lease of cotton acreage allotments, which was prohibited under the House version of the bill, our investigation disclosed that this limitation would eliminate 214,000 farmers with less than 10 acres of cotton at a time when our mills cannot find sufficient cotton, and when we are begging people to produce it. Cotton is selling now, as I understand, at about 93 cents a pound. Certainly we felt it would be most unwise to eliminate these 214,000 farms from the production of cotton at this critical time.

With respect to the cotton research funds that were eliminated by House action on the bill, we reduced that fund from $10 million to $3 million and provided it be used for research only with the projects to be approved by the Secretary as provided by law.

Comments on other items in the bill are contained in the statement of the managers.

SUMMARY OF CONFERENCE ACTION

At this point in the RECORD, I would like to insert a written statement and table summarizing in detail the major actions taken on the bill.

1974 AGRICULTURE-ENVIRONMENTAL AND CONSUMER PROTECTION APPROPRIATION BILL

SUMMARY OF CONFERENCE ACTION

New budget (obligational) authority, fiscal year 1973	$12,738,992,700
Budget estimates of new (obligational) authority, fiscal year 1974	9,519,550,600
House bill, fiscal year 1974	9,385,737,600
Senate bill, fiscal year 1974	10,176,926,500
Conference agreement	9,927,667,000
Conference agreement compared with—	
New budget (obligational) authority, fiscal year 1973	−2,811,325,700
Budget estimates of new (obligational) authority (as amended), fiscal year 1974	+408,116,400
House bill, fiscal year 1974	+541,929,400
Senate bill, fiscal year 1974	−249,259,500

Some of the Most Significant Actions Include:

Agricultural Stabilization and Conservation Service, Salaries and Expenses ---- $169,235,000

(Restores program to 1973 level and directs the Department not to cut county offices without approval of the Congress. Provides that State and county committeemen shall not be arbitrarily dismissed.)

Rural Electrification Administration ---- $950,000,000

(Switches to an insured loan program and provides $317 million more than last year. Also provides for new guaranteed loan program with Congress to be given 30 days' prior notice of approvals.)

Farmers Home Administration:

(1) Housing Programs ---- $2,144,000,000

(Restores discontinued housing programs and provides not less than $1.2 billion for low-income programs.)

(2) Rural Water and Waste Disposal Grants ---- $150,000,000

(Restores program proposed for elimination. Includes $30 million in new funds and $120 million in frozen funds.)

(3) Rural Development Insurance Fund ---- $720,000,000

(Establishes new insured loan programs authorized by the Rural Development Act of 1972 (P.L. 92-419). Conferees caution USDA to move slowly in implementing the new industrialization loan program until sufficient expertise is gained.)

Environmental Protection Agency ---- $534,000,000

(1. Provides $60 million more than 1973. Major congressional changes include: provision for environmental impact statements on EPA actions, study by National Academy of Sciences of EPA programs, and research and testing of substitute chemicals.)

(2. Includes $600 million for liquidation of contract authority under new Federal Water Pollution Control Act Amendments of 1972.)

HUD Water and Sewer Grants ---- $400,000,000

(Directs HUD to reinstate discontinued program using prior year frozen funds. $100 million to be transferred to start a Special Great Lakes Program.)

Soil Conservation Service ---- $334,523,000

(Provides generally the same personnel level as 1973, except personnel ceilings shall not include the approximately 200 man-years required for the filing of environmental impact statements.)

Agricultural Conservation Program (REAP) ---- $175,000,000

(Restores program eliminated in budget. Includes transfer of $15 million from EPA. County committees retain right to select practices. Funds will be available for practices authorized under the Rural Environmental Conservation Program established under the Agriculture and Consumer Protection Act of 1973.)

Water Bank Act Program ---- $10,000,000

(Restores program eliminated in the budget.)

Food and Drug Administration ---- $168,590,000

(Includes $200,000 for study of the pros and cons of the Delaney Clause in its current form. Includes $2.8 million in prior year funds to renovate laboratory at National Center for Toxicological Research for research on effects of low dosages of chemicals.)

Consumer Product Safety Commission ---- $30,900,000

(Includes first permanent funding of new Commission, which is currently operating on funds transferred from other agencies.)

Federal Trade Commission ---- $30,600,000

(Includes $1,000,000 for a study of the energy industry similar to the recently completed study of the petroleum industry.)

Child Nutrition Programs ---- $761,243,000

(Provides $165 million increase over 1973 for school lunch and other feeding programs.)

Special Milk Program ---- $97,123,000

(Restores proposed budget reduction of $72 million. Will enable program to operate at last year's level.)

Food Stamp Program ---- $2,500,000,000

($300 million over the budget request because of liberalized eligibility requirements in the recently passed farm bill. Administration is currently considering a $700 million supplemental for this item.)

Other important items in the bill:

Provides a $20,000 payment limitation.

Restricts funds to Cotton, Inc. to $3,000,000 for research only and to be approved in advance by the Secretary of Agriculture.

Calls for a study of the need for an animal quarantine facility.

Personnel ceilings shall be adjusted to allow for congressional increases.

AGRICULTURE—ENVIRONMENTAL AND CONSUMER PROTECTION APPROPRIATIONS

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1973 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1974

[Note: All amounts are in the form of appropriations unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1973 (2)	Budget estimates of new budget (obligational) authority, fiscal year 1974 (3)	New budget (obligational) authority recommended in House bill (4)	New budget (obligational) authority recommended in Senate bill (5)	New budget (obligational) authority recommended by conferees (6)	Increase (+) or decrease (—), conferee recommendations compared with— 1973 enacted (7)	1974 budget estimate (8)	1974 House bill (9)	1974 Senate bill (10)
TITLE I—AGRICULTURAL PROGRAMS									
DEPARTMENT OF AGRICULTURE									
Departmental Management									
Office of the Secretary	$11,224,000	$10,933,000	$10,822,000	$10,872,000	$10,822,000	—$402,000	—$111,000		—$50,000
Office of the Inspector General	14,519,000	14,501,000	14,501,000	14,510,000	14,501,000	—18,000			
Transfer from food stamp program	(4,250,000)	(4,250,000)	(4,250,000)	(4,250,000)	(4,250,000)				
Total, Office of the Inspector General	(18,769,000)	(18,751,000)	(18,751,000)	(18,751,000)	(18,751,000)	(—18,000)			
Office of the General Counsel	6,779,000	6,666,000	6,666,000	6,666,000	6,666,000	—113,000			
Office of Management Services	4,147,000	4,147,000	4,147,000	4,147,000	4,147,000				
Total, Departmental Management	36,669,000	36,247,000	36,136,000	36,186,000	36,136,000	—533,000	—111,000		—50,000
Science and Education Programs									
Agricultural Research Service:									
Research	190,892,600	170,790,000	172,790,000	178,946,900	175,938,400	—14,954,200	+5,148,400	+$3,148,400	—3,008,500
Transfer from sec. 32	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)				
Special fund (reappropriation)	2,000,000	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	—2,000,000			
Scientific activities overseas	10,000,000	10,000,000	5,000,000	10,000,000	5,000,000	—5,000,000	—5,000,000		—5,000,000
Total, Agricultural Research Service	202,892,600	180,790,000	177,790,000	188,946,900	180,938,400	—21,954,200	+148,400	+3,148,400	—8,008,500
Animal and Plant Health Inspection Service	304,899,000	336,171,000	287,171,000	342,871,000	285,925,000	—18,974,000	—50,246,000	—1,246,000	—56,946,000
Cooperative State Research Service	91,438,000	73,700,000	86,700,000	90,121,000	89,880,000	—1,558,000	+16,180,000	+3,180,000	—241,000
Extension Service	194,331,000	196,831,000	199,573,000	208,573,000	204,073,000	+9,742,000	+7,242,000	+4,500,000	—4,500,000
National Agricultural Library	4,226,750	4,226,750	4,226,750	4,226,750	4,226,750				
Total, Science and Education programs	797,787,350	791,718,750	755,460,750	834,738,650	765,043,150	—32,744,200	—26,675,600	+9,582,400	—69,695,500
Agricultural Economics									
Statistical Reporting Service	22,875,200	22,834,200	22,834,200	22,859,200	22,859,200	—16,000	+25,000	+25,000	
Economic Research Service	[1] 15,819,000	[1] 15,505,000	[1] 15,505,500	[1] 15,880,000	[1] 15,780,000	—39,000	+275,000	+275,000	—100,000
Total, Agricultural Economics	38,694,200	38,339,200	38,339,200	38,739,200	38,639,200	—55,000	+300,000	+300,000	—100,000
Marketing Services									
Agricultural Marketing Service:									
Marketing services	34,648,000	34,865,000	34,528,000	34,865,000	34,865,000	+217,000		+337,000	
Payments to States and possessions	2,500,000	1,600,000	1,600,000	1,600,000	1,600,000	—900,000			
Total, Agricultural Marketing Service	37,148,000	36,465,000	36,128,000	36,465,000	36,465,000	—683,000		+337,000	
Commodity Exchange Authority	2,906,000	2,906,000	3,257,000	3,257,000	3,257,000	+351,000	+351,000		
Packers and Stockyards Administration	4,062,650	4,054,650	4,054,650	4,154,650	4,054,650	—8,000			—100,000
Farmer Cooperative Service	2,055,000	1,955,000	1,955,000	1,955,000	1,955,000	—100,000			
Total, Marketing Services	46,171,650	45,380,650	45,394,650	45,831,650	45,731,650	—440,000	+351,000	+337,000	—100,000
International Programs									
Export Marketing Service	(3,830,000)	(3,830,000)	(3,830,000)	(3,830,000)	(3,830,000)				
Foreign Agricultural Service	25,971,000	25,805,000	25,805,000	26,000,000	25,805,000	—166,000			—195,000
Transfer from sec. 32	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)				
Total, Foreign Agricultural Service	(29,088,000)	(28,922,000)	(28,922,000)	(29,117,000)	(28,922,000)	(—166,000)			(—195,000)
Public Law 480	895,000,000	653,638,000	453,638,000	653,638,000	553,638,000	—341,362,000	—100,000,000	+100,000,000	—100,000,000
Total, International Programs	920,971,000	679,443,000	479,443,000	679,638,000	579,443,000	—341,528,000	—100,000,000	+100,000,000	—100,195,000
Commodity Programs									
Agricultural Stabilization and Conservation Service:									
Salaries and expenses	169,235,000	152,000,000	169,235,000	169,235,000	169,235,000		+17,235,000		
Transfer from Commodity Credit Corporation	(78,346,000)	(82,027,000)	(78,346,000)	(78,346,000)	(78,346,000)		(—3,681,000)		
Total, salaries and expenses	(247,581,000)	(234,027,000)	(247,581,000)	(247,581,000)	(247,581,000)		(+13,554,000)		
Sugar Act program	84,500,000	89,500,000	88,500,000	88,500,000	88,500,000	+4,000,000	—1,000,000		
Cropland adjustment program	52,500,000	51,900,000	51,900,000	51,900,000	51,900,000	—600,000			
Dairy and beekeeper indemnity programs	3,500,000					—3,500,000			
Total, Agricultural Stabilization and Conservation Service	309,735,000	293,400,000	309,635,000	309,635,000	309,635,000	—100,000	+16,235,000		
Federal Crop Insurance Corporation:									
Administrative and operating expenses	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000				
Federal Crop Insurance Corporation Fund	(3,654,000)	(3,632,000)	(3,632,000)	(3,632,000)	(3,632,000)	(—22,000)			
Total, Federal Crop Insurance Corporation	(15,654,000)	(15,632,000)	(15,632,000)	(15,632,000)	(15,632,000)	(—22,000)			
Commodity Credit Corporation:									
Reimbursement for net realized losses	3,267,575,000	3,457,409,000	3,301,940,000	3,301,940,000	3,301,940,000	+34,365,000	—155,469,000		
Limitation on administrative expenses	(39,900,000)	(41,800,000)	(39,900,000)	(39,900,000)	(39,900,000)		(—1,900,000)		
Total, Commodity Programs	3,589,310,000	3,762,809,000	3,623,575,000	3,623,575,000	3,623,575,000	+34,265,000	—139,234,000		
Total, Title I, agricultural programs	5,429,603,200	5,353,937,600	4,978,348,600	5,258,708,500	5,088,568,000	—341,035,200	—265,369,600	+110,219,400	—170,140,500

Footnotes at end of table.

AGRICULTURE—ENVIRONMENTAL AND CONSUMER PROTECTION APPROPRIATIONS—Continued

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1973 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1974—Continued

[Note: All amounts are in the form of appropriations unless otherwise indicated]

Agency and item	New budget (obligational) authority enacted to date, fiscal year 1973	Budget estimates of new budget (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	New budget (obligational) authority recommended by conferees	Increase (+) or decrease (−), conferee recommendations compared with—			
						1973 enacted	1974 budget estimate	1974 House bill	1974 Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE II—RURAL DEVELOPMENT PROGRAMS									
DEPARTMENT OF AGRICULTURE									
Rural Development Service	[2] $2,661,000	[2] $2,661,000	[2] $2,661,000	[2] $2,661,000	[2] $2,661,000				
Rural development grants and technical assistance		20,000,000	5,000,000	20,000,000	10,000,000	+$10,000,000	−$10,000,000	+$5,000,000	−$10,000,000
Resource conservation and development	26,600,000	8,217,000	17,217,000	17,217,000	17,217,000	−9,383,000	+9,000,000		
Rural Electrification Administration:									
Rural electrification and telephone revolving fund:									
Electric loans	[3] 488,000,000	[4] (618,000,000)	(618,000,000)	(750,000,000)	(750,000,000)	−488,000,000	(+132,000,000)	(+132,000,000)	( )
Telephone loans	145,000,000	[4] (140,000,000)	(140,000,000)	(200,000,000)	(200,000,000)	−145,000,000	(+60,000,000)	(+60,000,000)	( )
Total, loans	633,000,000	(758,000,000)	(758,000,000)	(950,000,000)	(950,000,000)	−633,000,000	(+192,000,000)	(+192,000,000)	( )
Capitalization of Rural Telephone Bank	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000				
Salaries and expenses	16,720,000	16,720,000	16,720,000	16,720,000	16,720,000				
Total, Rural Electrification Administration	679,720,000	46,720,000	46,720,000	46,720,000	46,720,000	−633,000,000	(+192,000,000)	(+192,000,000)	
Farmers Home Administration:									
Direct loan account:									
Operating loans	(350,000,000)	( )	( )	( )	( )	(−350,000,000)	( )	( )	( )
Soil conservation loans	(24,000,000)	( )	( )	( )	( )	(−24,000,000)	( )	( )	( )
Total, direct loan account	(374,000,000)	( )	( )	( )	( )	(−374,000,000)	( )	( )	( )
Rural Housing Insurance Fund:									
Direct loans	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	( )	( )	( )	( )
Insured loans	(2,144,000,000)	(1,133,000,000)	(1,500,000,000)	(2,144,000,000)	(2,144,000,000)	( )	(+1,011,000,000)	(+644,000,000)	( )
Reimbursement for interest and other losses	51,461,000	89,170,000	89,170,000	89,170,000	89,170,000	+37,709,000			
Total, Rural Housing Insurance Fund	(2,205,461,000)	(1,232,170,000)	(1,599,170,000)	(2,243,170,000)	(2,243,170,000)	(+37,709,000)	(+1,011,000,000)	(+644,000,000)	( )
Agricultural Credit Insurance Fund:									
Insured real estate loans	(370,000,000)	(370,000,000)	(370,000,000)	(370,000,000)	(370,000,000)	( )	( )	( )	( )
Insured water and waste disposal loans	(300,000,000)	( )	( )	( )	( )	(−300,000,000)	( )	( )	( )
Emergency loans	(350,000,000)	[5] (100,000,000)	[5] (100,000,000)	[5] (100,000,000)	[5] (100,000,000)	(−250,000,000)	( )	( )	( )
Soil conservation loans	( )	(24,000,000)	(24,000,000)	(24,000,000)	(24,000,000)	(+24,000,000)	( )	( )	( )
Operating loans	( )	[6] (350,000,000)	[6] (350,000,000)	[6] (350,000,000)	[6] (350,000,000)	(+350,000,000)	( )	( )	( )
Reimbursement for interest and other loses	56,762,000	74,554,000	74,554,000	74,554,000	74,554,000	+17,792,000			
Total, Agricultural Credit Insurance Fund	(1,076,762,000)	(918,554,000)	(918,554,000)	(918,554,000)	(918,554,000)	(−158,208,000)	( )	( )	( )
Rural water and waste disposal grants	92,000,000		30,000,000	30,000,000	30,000,000	−62,000,000	+30,000,000		
Prior year unobligated balances	(58,000,000)	( )	(120,000,000)	(120,000,000)	(120,000,000)	(+62,000,000)	(+120,000,000)	( )	( )
Total, rural water and waste disposal grants	(150,000,000)	( )	(150,000,000)	(150,000,000)	(150,000,000)	( )	(+150,000,000)	( )	( )
Rural housing for domestic farm labor	3,750,000		5,000,000	15,000,000	7,500,000	+3,750,000	+7,500,000	+2,500,000	−7,500,000
Mutual and self-help housing	3,000,000	3,000,000	3,000,000	5,000,000	4,000,000	+1,000,000	+1,000,000	+1,000,000	+1,000,000
Rural Development Insurance Fund:									
Water and sewer facility loans	( )	[7] (545,000,000)	(445,000,000)	[7] (545,000,000)	(470,000,000)	(+470,000,000)	(−75,000,000)	(+25,000,000)	(−75,000,000)
Industrial development loans	( )	(200,000,000)	(100,000,000)	(400,000,000)	(200,000,000)	(+200,000,000)	( )	(+100,000,000)	(−200,000,000)
Community facility loans	( )	[7] ( )	(50,000,000)	[7] ( )	(50,000,000)	(+50,000,000)	(+50,000,000)	( )	(+50,000,000)
Total, Rural Development Insurance Fund	( )	(745,000,000)	(595,000,000)	(945,000,000)	(720,000,000)	(+720,000,000)	(−25,000,000)	(+125,000,000)	(−225,000,000)
Payment of participation sales insufficiencies	( )	[8] (1,476,000)	[8] (1,476,000)	[8] (1,476,000)	[8] (1,476,000)	(+1,476,000)	( )	( )	( )
Salaries and expenses	116,627,000	112,500,000	112,500,000	112,500,000	112,500,000	−4,127,000			
Transfer from loan accounts	(1,500,000)	(3,500,000)	(3,500,000)	(3,500,000)	(3,500,000)	(+2,000,000)	( )	( )	( )
Total, salaries and expenses	(118,127,000)	(116,000,000)	(116,000,000)	(116,000,000)	(116,000,000)	(−2,127,000)	( )	( )	( )
Total, Farmers Home Administration	323,600,000	279,224,000	314,224,000	326,224,000	317,724,000	−5,876,000	+38,500,000	+3,500,000	−8,500,000
INDEPENDENT AGENCIES									
Farm Credit Administration (limitation on administrative expenses)	(5,545,000)	(5,810,000)	(5,810,000)	(5,810,000)	(5,810,000)	(+265,000)	( )	( )	( )
Total, Title II, rural development programs	1,032,581,000	356,822,000	385,822,000	412,822,000	394,322,000	−638,259,000	+37,500,000	+8,500,000	−18,500,000

Footnotes at end of table.

AGRICULTURE—ENVIRONMENTAL AND CONSUMER PROTECTION APPROPRIATIONS—Continued

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1973 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1974—Continued

[Note: All amounts are in the form of appropriations unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority enacted to date, fiscal year 1973 (2)	Budget estimates of new budget (obligational) authority, fiscal year 1974 (3)	New budget (obligational) authority recommended in House bill (4)	New budget (obligational) authority recommended in Senate bill (5)	New budget (obligational) authority recommended by conferees (6)	Increase (+) or decrease (−), conferee recommendations compared with— 1973 enacted (7)	1974 budget estimate (8)	1974 House bill (9)	1974 Senate bill (10)
TITLE III—ENVIRONMENTAL PROGRAMS									
INDEPENDENT AGENCIES									
Council on Environmental Quality and Office of Environmental Quality	$2,550,000	$2,466,000	$2,466,000	$2,466,000	$2,466,000	−$84,000			
Environmental Protection Agency:									
Agency and regional management	41,960,400	50,800,000	54,475,000	55,375,000	54,675,000	+12,714,600	+$3,875,000	+$200,000	−$700,000
Research and development	185,223,700	148,700,000	146,175,000	178,975,000	157,775,000	−27,448,700	+9,075,000	+11,600,000	−21,200,000
Prior year unobligated balances	(............)	(............)	(13,000,000)	(9,000,000)	(9,000,000)	(+9,000,000)	(+9,000,000)	(−4,000,000)	(............)
Total, research and development	(185,223,700)	(148,700,000)	(159,175,000)	(187,975,000)	(166,775,000)	(−18,448,700)	(+18,075,000)	(+7,600,000)	(−21,200,000)
Abatement and control	217,222,700	243,100,000	265,400,000	291,800,000	273,400,000	+56,177,300	+30,300,000	+8,000,000	−18,400,000
Prior year unobligated balances	(............)	(............)	(5,700,000)	(1,700,000)	(3,700,000)	(+3,700,000)	(+3,700,000)	(−2,000,000)	(+2,000,000)
Total, abatement and control	(217,222,700)	(243,100,000)	(271,100,000)	(293,500,000)	(277,100,000)	(+59,877,300)	(+34,000,000)	(+6,000,000)	(−16,400,000)
Enforcement	28,894,200	47,400,000	45,950,000	46,850,000	46,150,000	+17,255,800	−1,250,000	+200,000	−700,000
Construction grants	1,900,000,000					−1,900,000,000			
Liquidation of contract authority	(............)	(600,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	(+600,000,000)	(............)	(............)	(............)
Scientific activities overseas	4,000,000	4,000,000	2,000,000	4,000,000	2,000,000	−2,000,000	−2,000,000		−2,000,000
Total, Environmental Protection Agency	2,377,301,000	494,000,000	514,000,000	577,000,000	534,000,000	−1,843,301,000	+40,000,000	+20,000,000	−43,000,000
National Commission on Materials Policy	1,300,000	91,000				−1,300,000	−91,000		
National Commission on Water Quality	200,000	[9] 14,800,000		10,000,000	10,000,000	+9,800,000	−4,800,000	+10,000,000	
DEPARTMENT OF COMMERCE									
National Industrial Pollution Control Council	330,000	323,000				−330,000	−323,000		
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT									
Grants for basic water and sewer facilities									
Prior year unobligated balances	(500,000,000)	(............)	[10](400,000,000)	[10](400,000,000)	[10](400,000,000)	(−100,000,000)	(+400,000,000)	(............)	(............)
Total, facilities	(500,000,000)	(............)	(400,000,000)	(400,000,000)	(400,000,000)	(−100,000,000)	(+400,000,000)	(............)	(............)
DEPARTMENT OF THE TREASURY									
Bureau of Accounts:									
Salaries and expenses		1,188,000	1,188,000	1,188,000	1,188,000	+1,188,000			
Advances to the Environmental Financing Authority fund	(............)	[11](100,000,000)	[11](100,000,000)	[11](100,000,000)	[11](100,000,000)	(+100,000,000)	(............)	(............)	(............)
Total, Bureau of Accounts		1,188,000	1,188,000	1,188,000	1,188,000	+1,188,000			
DEPARTMENT OF AGRICULTURE									
Soil Conservation Service:									
Conservation operations	163,440,000	153,923,000	160,000,000	168,069,000	160,000,000	−3,440,000	+6,077,000		−8,069,000
River basin surveys and investigations	11,859,000	12,351,000	12,351,000	12,351,000	12,351,000	+492,000			
Watershed planning	7,789,000	7,053,000	7,053,000	12,000,000	10,000,000	+2,211,000	+2,947,000	+2,947,000	−2,000,000
Watershed and flood prevention operations	170,049,500	84,847,000	134,000,000	134,000,000	134,000,000	−36,049,500	+49,153,000		
Great Plains conservation program	18,113,500	18,172,000	18,172,000	18,172,000	18,172,000	+58,500			
Total, Soil Conservation Service	371,251,000	276,346,000	331,576,000	344,592,000	334,523,000	−36,728,000	+58,177,000	+2,947,000	−10,069,000
Agricultural Stabilization and Conservation Service:									
Agricultural Conservation Program (REAP):									
Advance authorization (contract authority)	225,500,000		160,000,000	160,000,000	160,000,000	−65,500,000	+160,000,000		
Liquidation of contract authority	(195,500,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(−180,500,000)	(............)	(............)	(............)
Water Bank Act program	10,000,000		([12])	[12] 10,000,000	[12] 10,000,000		+10,000,000	+10,000,000	
Emergency conservation measures	25,000,000	10,000,000	10,000,000	10,0000,00	10,000,000	−15,000,000			
Total, Agricultural Stabilization and Conservation Service	260,500,000	10,000,000	170,000,000	180,000,000	180,000,000	−80,500,000	+170,000,000	+10,000,000	
Total, Title III, environmental programs	3,013,432,000	799,214,000	1,019,230,000	1,115,246,000	1,062,177,000	−1,951,255,000	+262,963,000	+42,947,000	−53,069,000
TITLE IV—CONSUMER PROGRAMS									
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE									
Office of Consumer Affairs	1,100,500	1,200,000		1,200,000	1,140,000	+39,500	−60,000	+1,140,000	−60,000
Food and Drug Administration:									
Salaries and expenses	156,195,000	161,140,000	160,590,000	160,590,000	160,590,000	+4,395,000	−550,000		
Product safety transfer	(−11,300,000)	(............)	(............)	(............)	(............)	(+11,300,000)	(............)	(............)	(............)
Prior year unobligated balances	(9,547,000)	(............)	(3,000,000)	(3,000,000)	(3,000,000)	(−6,547,000)	(+3,000,000)	(............)	(............)
Total, salaries and expenses	(154,442,000)	(161,140,000)	(163,590,000)	(163,590,000)	(163,590,000)	(+9,148,000)	(+2,450,000)	(............)	(............)

Footnotes at end of table.

Agency and item	New budget (obligational) authority enacted to date, fiscal year 1973	Budget estimates of new budget (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	New budget (obligational) authority recommended by conferees	Increase (+) or decrease (−), conferee recommendations compared with— 1973 enacted	1974 budget estimate	1974 House bill	1974 Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE IV—Continued									
Buildings and facilities		5,000,000					−5,000,000		
Prior year unobligated balances	(3,900,000)	(------------)	(5,000,000)	(5,000,000)	(5,000,000)	(+1,100,000)	(+5,000,000)	(------------)	(------------)
Total, buildings and facilities	(3,900,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(+1,100,000)	(------------)	(------------)	(------------)
Total, Food and Drug Administration (including prior year unobligated balances)	(158,342,000)	(166,140,000)	(168,590,000)	(168,590,000)	(168,590,000)	(+10,248,000)	(+2,450,000)	(------------)	(------------)
GENERAL SERVICES ADMINISTRATION									
Consumer Information Center	823,000	635,000	635,000	635,000	635,000	−188,000			
INDEPENDENT AGENCIES									
National Commission on Consumer Finance	$365,000					−365,000			
Consumer Product Safety Commission		$30,900,000	$30,900,000	$30,900,000	$30,900,000	+$30,900,000			
Transfers from other aencies	(13,554,000)	(------------)	(------------)	(------------)	(------------)	(−13,554,000)	(------------)	(------------)	(------------)
Total, Consumer Product Safety Commission	(13,554,000)	(30,900,000)	(30,900,000)	(30,900,000)	(30,900,000)	(+17,346,000)	(------------)	(------------)	(------------)
Federal Trade Commission	30,474,000	30,090,000	29,600,000	32,090,000	30,600,000	+126,000	+$510,000	+$1,000,000	−$1,490,000
Product safety transfer	(−1,500,000)	(------------)	(------------)	(------------)	(------------)	(+1,500,000)	(------------)	(------------)	(------------)
Total, Federal Trade Commission	(28,974,000)	(30,090,000)	(29,600,000)	(32,090,000)	(30,600,000)	(+1,626,000)	(+510,000)	(+1,000,000)	(−1,490,000)
DEPARTMENT OF AGRICULTURE									
Food and Nutrition Service:									
Child nutrition programs	477,296,000	555,612,000	555,612,000	567,612,000	561,612,000	+84,316,000	+6,000,000	+6,000,000	−6,000,000
Transfer from sec. 32	(119,165,000)	(199,631,000)	(199,631,000)	(199,631,000)	(199,631,000)	(+80,466,000)	(------------)	(------------)	(------------)
Total, child nutrition programs	(596,461,000)	(755,243,000)	(755,243,000)	(767,243,000)	(761,243,000)	(+164,782,000)	(+6,000,000)	(+6,000,000)	(−6,000,000)
Special milk program	97,123,000	25,000,000	25,000,000	97,123,000	97,123,000		+72,123,000	+72,123,000	
Food stamp program	2,500,000,000	2,200,000,000	2,200,000,000	2,500,000,000	2,500,000,000		+300,000,000	+300,000,000	
Total, Food and Nutrition Service	3,074,419,000	2,780,612,000	2,780,612,000	3,164,735,000	3,158,735,000	+84,316,000	+378,123,000	+378,123,000	−6,000,000
Total, Title IV, consumer programs	3,263,376,500	3,009,577,000	3,002,337,000	3,390,150,000	3,382,600,000	+119,223,500	+373,023,000	+380,263,000	−7,550,000
RECAPITULATION									
Title I—Agricultural programs	5,429,603,200	5,353,937,600	4,978,348,600	5,258,708,500	5,088,568,000	−341,035,200	−265,369,600	+110,219,400	−170,140,500
Title II—Rural development programs	1,032,581,000	356,822,000	385,822,000	412,822,000	394,322,000	−638,259,000	+37,500,000	+8,500,000	−18,500,000
Title III—Environmental programs	3,013,432,000	[9] 799,214,000	1,019,230,000	1,115,246,000	1,062,177,000	−1,951,255,000	+262,963,000	+42,947,000	−53,069,000
Title IV—Consumer programs	3,263,376,500	3,009,577,000	3,002,337,000	3,390,150,000	3,382,600,000	+119,223,500	+373,023,000	+380,263,000	−7,550,000
Total, New Budget (obligational) authority	12,738,992,700	9,519,550,600	9,385,737,600	10,176,926,500	9,927,667,000	−2,811,325,700	+408,116,400	+541,929,400	−249,259,500
Consisting of:									
1. Appropriations	11,878,492,700	[9] 9,519,550,600	9,225,737,600	10,016,926,500	9,767,667,000	−2,110,825,700	+248,116,400	+541,929,400	−249,259,500
2. Reappropriations	2,000,000	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	−2,000,000	(------------)	(------------)	(------------)
3. Contract authorizations	225,500,000		160,000,000	160,000,000	160,000,000	−65,500,000	+160,000,000		
4. Authorizations to spend from debt receipts	633,000,000					−633,000,000			
5. Direct and insured loan level	(3,548,000,000)	(3,490,000,000)	(3,707,000,000)	(4,893,000,000)	(4,668,000,000)	(+1,120,000,000)	(+1,178,000,000)	(+961,000,000)	(−225,000,000)

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[1] Reflects transfer of Economic Development Division and $2,621,000 to Rural Development Service.

[2] Reflects transfer of $2,261,000 from Economic Research Service for activities of Economic Development Division.

[3] Excludes $107,000,009 of prior year balances available in 1973.

[4] These amounts included in the Rural Development Insurance Fund.

[5] Department requested definite limitation on loans; committee provided indefinite amount.

[6] Department requested indefinite limitation on loans; committee provided definite limitation.

[7] Total of $545,000,000 available for water, waste disposal, and other community facilities.

[8] Indefinite appropriation.

[9] Includes budget amendment of $13,800,000 not considered by House.

[10] $100,000,000 to be transferred to the Environmental Protection Agency for a storm and combined sewer demonstration program in the Great Lakes area.

[11] In addition, the Secretary of the Treasury is authorized to purchase $200,000,000 of the obligations of the Authority.

[12] Unobligated balance of $11,390,820 available for obligation in 1974.

FORESTRY INCENTIVES PROGRAM

Mr. WHITTEN. Mr. Speaker, one of the things in which my colleagues have a very definite interest is the forestry incentives program, which was authorized in the Agriculture and Consumer Protection Act of 1973 which became law on August 10, 1973.

In our report, we call attention to this program and direct that it be administered by the Agricultural Stabilization and Conservation Committees in the various counties.

Now, the reason for that is that the U.S. Forest Service is operating under severe personnel ceilings. The ASCS committees in the various States and counties have provided some 5 billion trees since the start of the tree planting program. They are well trained in this area and have a nationwide organization to administer the program.

Now, personally, after talking to the Secretary of Agriculture and others, I feel this is a sound approach. There has been no budget estimate submitted for this program, and I am informed it would be most difficult to obtain an increase in the personnel ceiling for the Forest Service.

The conferees felt that it was more practical for this program to be handled by the local committees who are experienced in the job, and have the organization available to do the work.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to my colleague from Florida.

Mr. SIKES. I appreciate the explanation the distinguished gentleman from Mississippi has given on the reasons for placing the forestry incentives program under the jurisdiction of ASCS. This, as the distinguished gentleman has stated, does mean that the program can be carried forward immediately through county committees, which are charged with responsibility for ASCS programs existing virtually all over the country. They have personnel. They can begin immediately to expand the programs already in progress, forest planting and forest stand improvement.

I recognize the gentleman's aims and I recognize also the fact that the Forest

Service does not have personnel who are widely distributed, who could immediately begin this operation. We want this program to be successful and we want to avoid delays in its implementation. There are two points which should have additional explanation. One is that the authorizing legislation specifically states the program of forestry incentives shall be carried on by the Secretary in consultation with the State foresters or other appropriate officials of the respective States.

I presume there is nothing in the gentleman's language which will interfere with this directive in the supervision and operation of the forestry incentive program. Can the gentleman substantiate this?

Mr. WHITTEN. Mr. Speaker, there is nothing in the report that would do that. I would have to say that when the request for appropriations comes up for this program, I believe we will have an obligation on the Appropriations Committee to study the facts of the situation. Since we have not yet had a budget request for this program, precise guidelines for its administration have not been prescribed in detail. The conference language does not prohibit cooperation and coordination with State foresters. I do not mean to raise the question here, but I do point out that I, as chairman, would feel we should develop all the necessary and related facts when we consider the budget estimate.

Mr. SIKES. Mr. Speaker, I will address one further question to the distinguished chairman.

Does the gentleman feel that he has adequate assurance from the administration that the work of the Department of Agriculture now being done in the agricultural conservation program will be continued so that the forestry incentives program may go forward?

Mr. WHITTEN. Mr. Speaker, I have had verbal assurances to that effect. When I see it in writing, I will be a little more certain, but until the program is restored, I can only say I have had all the assurances I feel I can hope to receive from the Department.

Mr. SIKES. In any event, the gentleman's committee is doing all it can, and the House is doing all it can to see that these programs will go forward?

Mr. WHITTEN. That is certainly true.

SPECIAL MILK PROGRAM

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to my colleague, the gentleman from Wisconsin.

Mr. OBEY. May I ask the gentleman from Mississippi this question:

Does the language in the committee report mean that it is the intent of the Congress to carry on the special milk program as it has been carried on in the past?

Mr. WHITTEN. That is essentially correct. The reason we went along with the increased amount for the special milk program was to make certain that milk is available to all school children.

Mr. OBEY. Mr. Speaker, I thank the gentleman, and I congratulate the committee.

Mr. ANDREWS of North Dakota. Mr. Speaker, as the chairman of the subcommittee has pointed out, this was a good conference, and all the conferees signed the conference report. We made a number of changes in the original bill.

We increased, as was pointed out a moment ago, the funding for the school milk program. We also received assurances from the Office of Management and Budget that they would implement a new Rural Electrification program, so we did not write into the conference report the strong language which we would have otherwise.

Mr. Speaker, it is a good bill. I urge my colleagues to support it.

Mr. Speaker, I yield at this time for the purpose of a question only to my colleague, the gentleman from Illinois (Mr. Findley).

Mr. FINDLEY. Mr. Speaker, I thank the gentleman for yielding.

I would like to draw attention to page 31191, September 24, 1973 Record, which carries an explanation inserted by the gentleman from Mississippi.

The reference is to Cotton, Inc., and this explanation says that: "The conference has reduced the amount available from $10,000,000 to $3,000,000 and restricted the use of research only, with projects to be approved by the Secretary as provided by law."

Now, perhaps either the gentleman from North Dakota or the gentleman from Mississippi would clarify that for me.

Mr. WHITTEN. My remarks as they appeared in the Record for September 24 are as follows:

> Mr. Whitten. Mr. Speaker, we agreed upon the conference report on H.R. 8619, the appropriations bill for agriculture-environmental and consumer protection for 1974. This bill provides the funds for the Food and Drug Administration, the Federal Trade Commission, the Consumer Product Safety Commission and many other activities of the Government.
>
> Mr. Speaker, I mention this now for we must adopt this conference report, signed by all members of the conference, both House and Senate, otherwise we will continue under the continuing resolution with reduced funds for school milk, for food stamps where increased funding has been made mandatory by law, and for many other vital programs.
>
> I would like to call attention to several important provisions agreed on by the conference.
>
> #### SPECIAL MILK
>
> The conferees agreed to the Senate figure of $97,123,000 for the special milk program. This will enable the program to continue at the same level as in 1973.
>
> #### FOOD STAMPS
>
> The conferees agreed to $2.5 billion for food stamps—$300 million more than provided in the House bill. The additional funds are made mandatory by the liberalization of eligibility provisions contained in the recently enacted farm bill.
>
> #### RURAL DEVELOPMENT
>
> We have restored the action programs, such as housing and sewer and water grants, which are essential for any effective rural development program. The bill also includes the first funds to be appropriated for industrial development loans and other new programs provided by the Rural Development Act. These new programs cannot begin until the bill is approved.
>
> #### PAYMENT LIMITATION
>
> The limit on farm payments is set at $20,000, the same as provided by the law.
>
> #### COTTON ALLOTMENTS
>
> The report strikes the provision prohibiting the sale or transfer of acreage allotments because such provisions would put at least 214,000 small farms in this country with cotton allotments of 10 acres or less out of business. These farmers cannot afford the investment in machinery necessary to farm this small acreage, therefore, they must lease the land. Many of these people are obviously the rural poor and the retired. To deprive them of their income from their small allotment would cause severe economic hardship for those that can least afford it. This would result in reducing acreage in cotton by 1,250,000 to 1,500,000 acres at a time when the textile mills are unable to secure cotton and consumers are in need of all-out production if prices are to be held in line.
>
> #### COTTON, INC.
>
> The conference has reduced the amount available from $10,000,000 to $3,000,000 and restricted the use for research only, with projects to be approved by the Secretary as provided by law.
>
> Mr. Speaker, I repeat again, we need to approve the conference report. Otherwise, the special milk program would operate at a reduced level, as would the food stamp program and many other essential activities of all these agencies. Many important programs would be seriously curtailed. The conference report will provide for these essential programs, and I urge all Members to support its adoption when it is considered by the House.

COTTON RESEARCH

Mr. FINDLEY. Mr. Speaker, may I ask either of these gentlemen this:

Does this change mean that $3 million will be made available to Cotton, Inc., for fiscal year 1974 but such money can be used only for cotton research, as distinguished from advertising or public relations?

Mr. WHITTEN. That is true.

Mr. Speaker, I will say further that under the provisions of the conference report research projects and activities of Cotton, Inc. must be approved by the Secretary, as provided by law.

Mr. FINDLEY. Mr. Speaker, historically, when an appropriation bill establishes a level below that authorized in the legislation, the lower figure has tended to become a ceiling for future years.

Can we have any confidence that the $3 million approved for cotton research in this conference report will be the guide or, as one might say, the ceiling for such appropriations in the further authorization for this type of project?

Mr. ANDREWS of North Dakota. Mr. Speaker, let me elaborate on that for the benefit of my colleague.

After all, it is in the interest of the consumer that an adequate amount of research be conducted to assure that the consumers have all the fibers they need to clothe themselves and to satisfy all the other purposes to which cotton is put, cotton which is of reasonable cost and of good quality.

This amendment came about on the restriction of research because of a colloquy on the floor of the House which developed during the debate. The supporters of Cotton, Inc., said that Cotton, Inc. had already voted to spend their money only for research, and the answer was, of course, that they would unvote that in another week.

Therefore, we wrote this language in, and it is good language. It stands in good stead for the cotton producers as well as for the cotton consumers.

Mr. FINDLEY. Then, may we also assume that the $3 million annual level is probably about as much as could properly be utilized in Cotton, Inc., for the foreseeable future? Will the gentleman respond to that comment?

Mr. WHITTEN. Will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman.

Mr. WHITTEN. May I say from my own observation I believe it would be difficult for them to find sound research projects to use this much additional money. This is especially true if you consider the other cotton research being conducted under the "dollar-a-bale" program and by the Agricultural Research Service in the Department of Agriculture. I would have to say, however, that no Congress can bind a succeeding Congress and no chairman can bind any succeeding chairman. Neither can any chairman, trying to do right each year, bind himself in the future. My own belief is that this would be the maximum that could be used effectively. On the other hand, if they cannot use that much, I would expect them to return it to the Treasury. But in the future, if some emergency should arise and should more money be fully justified, I hope to be able to preserve my freedom of action to provide more money if it is fully justified to the Congress.

I think I have a rather conservative record in my close scrutiny of appropriations and I hope to keep it up. However, I hope my conservatism will not keep me from doing that which is essential for the benefit of the industry and the consumer.

As the gentleman well knows, yesterday cotton was selling for 93 cents a pound, and the farmers do not have any cotton and the country does not have any cotton. We need to have cotton; the consumer needs to have cotton. We hope that prices can be held to the point where the consumer can afford to buy cotton.

We certainly need cotton research, but I would say that the $3 million which is provided in the conference report is more than adequate to meet the research needs as we now see them. I hope that will continue to be true in the future, and I expect it will.

Mr. FINDLEY. I am gratified at the gentleman's assurance. As he knows, I have not been an admirer of Cotton Inc., or the leadership of that organization, but I am impressed with the provisions of this conference report, which gives the authority and responsibility to the Secretary of Agriculture to examine very carefully any proposals for contracts.

Mr. WHITTEN. I thank the gentleman for his comments. As I am sure he knows, I have always felt that all research, particularly with Government money—and even if it is not Government money but producer money, as under the "dollar-a-bale" program—should be coordinated to get the maximum benefit from it. There should not be duplication. The different research organizations should work together. I think it is sound business for all research to be coordinated by the Secretary so that the same thing will not be done over and over, and that is what the conference report provides.

PAYMENT LIMITATION

Mr. FINDLEY. I would like to add a brief comment.

I am disappointed at the changes made in the payment limitation language. Frankly, with regard to fiscal year 1974, it was a moot issue, because no payments of any magnitude are in prospect, but I can assure the gentleman that several of us will be back next year if and when payments of substantial size are in prospect.

Mr. WHITTEN. I would like the gentleman to study that a little bit, because it looks to me as if payments will not be made.

Mr. FINDLEY. I hope that is true for the good of the farmers as well as other taxpayers.

I thank the gentleman and yield back the balance of my time.

Mr. ANDREWS of North Dakota. Mr. Speaker, I yield such time as he may use to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. I thank the gentleman from North Dakota for yielding.

I want to commend the distinguished chairman of the subcommittee and the ranking Republican member, the gentleman from North Dakota (Mr. ANDREWS), and all of the conferees for their decision to accept the Senate language on the special milk program. I know of no effort that is more important to schoolchildren across this country or the Wisconsin dairy farmers. This particular aspect of the conference report and the decision to keep it at last year's budget figure is the right one. I am grateful to all of the conferees for their willingness to accept the better figure.

I thank the gentleman for yielding.

Mr. ANDREWS of North Dakota. I yield to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, I, too, want to indicate my support for what the conference has done on the special milk program.

Mr. Speaker, I want to commend the House conferees in their agreement to accept the Senate appropriation figure of $97,123,000 for the special milk program instead of $25,000,000 as proposed by the House. This program has been a tremendous asset to our schoolchildren, and the possibility of the cutback to $25,000,000 was indeed harmful which many of us have heard about from our constituents. The special milk program is especially beneficial to schoolchildren who need that "pick-me-up" and children who bag-lunch their meal. It would have been a shame to reduce this outstanding program.

While I am at it, I would like to also mention the Soil Conservation Service appropriation. While it would have been preferable to me to see the House accept the Senate figure, which was $8,069,000 higher, I at least commend the conferees for their sentiments expressed:

> The conferees are in agreement that more favorable consideration must be given to the operations of the Soil Conservation Service with regard to the imposition of personnel limitations because of the increased workload resulting from expanded operations and additional duties being incurred by the requirement for filing environmental impact statements.
>
> Additional personnel needed to carry out the programs under the increased funding provided in this bill shall be in addition to any personnel limitations heretofore or hereafter imposed. It is most important that the essential services of the Soil Conservation Service not be curtailed.

It is unfortunate the cuts in personnel which the Minnesota Soil and Water Conservation districts have experienced this year. The rural environmental conservation program now enacted into law has the potential of being an outstanding program. While it is administered through the county ASCS committee, the Soil Conservation Service personnel provide the expertise for wise conservation practices.

Mr. ANDREWS of North Dakota. Mr. Speaker, I have no further requests for time.

Mr. WHITTEN. Mr. Speaker, I yield to my colleague, the gentleman from New York.

Mr. ADDABBO. Mr. Speaker, there are rumors that the Department of Agriculture is possibly seeking to move the Animal Control Center from Clifton, N.J., to the site of St. Albans Naval Hospital in New York. Will this bill permit such a move?

Mr. WHITTEN. May I say to my colleague, a member of the appropriations committee, that there is no money in this bill for that, and, further, that we have asked the Department to make a study of this whole matter and to report back to the committee. The question that the gentleman has raised, and that has been raised by others, certainly will have the consideration of the committee in any of its future actions.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to my colleague, the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding. I note in the report accompanying the conference report that the conferees have been advised that a supplemental in excess of $700 million for food stamp amendments is going to be considered by the executive branch. Do the substandard increases already made as a result of the conference take care of this, or is there to be still more in a supplemental for food stamps?

Mr. WHITTEN. My understanding is that with the additional $300 million provided in this bill, the supplemental estimate will probably be reduced accordingly. I understand the original estimate being considered was about $700 million before the conference action on this bill was consummated.

If we should receive a supplemental request for $700,000,000 our committee probably would take into consideration the additional $300 million in this bill. If the Congress approves this report, as I feel they will, doubtless the Office of Management and Budget will take this into consideration and reduce the supplemental request accordingly. On the face of it, it would appear sound for them to do so.

Mr. GROSS. I should hope that if the Bureau of the Budget does not, the committee will take it into consideration when the supplemental is offered.

Mr. WHITTEN. I think our report indicates that that would be the feeling of the conferees.

Mr. GROSS. I thank the gentleman.

Mr. MAHON. Mr. Speaker, the conference report on the agriculture, environmental, and consumer protection appropriation bill is by no means perfect. But it was the best that could be worked out under the circumstances. I wish to commend the chairman of the subcommittee, Mr. WHITTEN, and the ranking minority member, Mr. MARK ANDREWS, for their diligence and effectiveness in handling the bill in committee, on the floor, and in conference. I hope that the deficiencies of the measure can be minimized and that the Department of Agriculture will be able to do the best possible job in administering this important measure, which is vital to producer and consumer alike.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the "ayes" appeared to have it.

Mr. DELLENBACK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 348, nays 24, not voting 62, as follows:

[Roll No. 475]

YEAS—348

Abdnor
Abzug
Addabbo
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Armstrong
Aspin
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Biester
Bingham
Blatnik
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Broyhill, N.C.
Broyhill, Va.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Corman
Coughlin
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanrahan
Hansen, Idaho
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Holtzman
Horton
Huber
Hudnut
Hungate
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
McSpadden
Madden
Madigan
Mahon
Mailliard
Mallary
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Mosher
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reid
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
Sarasin
Sarbanes
Saylor
Scherle
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wyatt
Wydler
Wyman
Yates
Yatron
Young, Alaska
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—24

Adams
Anderson, Calif.
Archer
Ashbrook
Clancy
Collins, Tex.
Conlan
Crane
Fascell
Gross
Hosmer
Jones, Okla.
Landgrebe
Maraziti
Milford
Pike
Rosenthal
Rousselot
Satterfield
Schneebeli
Shuster
Symms
Wolff
Young, Fla.

NOT VOTING—62

Ashley
Badillo
Bevill
Biaggi
Blackburn
Boggs
Boland
Brinkley
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burleson, Tex.
Conte
Conyers
Cotter
Culver
Danielson
Davis, Ga.
Dorn
Fountain
Gettys
Gubser
Hanley
Hanna
Hansen, Wash.
Hébert
Heckler, Mass.
Holifield
Howard
Hunt
Johnson, Pa.
Jones, Tenn.
Long, La.
McEwen
Macdonald
Mann
Mills, Ark.
Minish
Moorhead, Pa.
Moss
Murphy, N.Y.
Nix
Patman
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Roncallo, N.Y.
Rooney, N.Y.
St Germain
Sandman
Stanton, J. William
Stephens
Stubblefield
Taylor, Mo.
Teague, Calif.
Wright
Wylie
Young, Ga.

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Blackburn.

Mr. Rooney of New York with Mr. Gubser.

Mrs. Boggs with Mr. McEwen.

Mr. Burleson of Texas with Mr. Wylie.

Mr. Minish with Mr. Sandman.

Mr. Moorhead of Pennsylvania with Mr. Rinaldo.

Mr. Hatfield with Mr. Rhodes.

Mr. St Germain with Mrs. Heckler of Massachusetts.

Mr. Roberts with Mr. Hunt.

Mr. Murphy of New York with Mr. Brown of Michigan.

Mr. Nix with Mr. Conte.

Mr. Hanley with Mr. Brown of Ohio.

Mr. Biaggi with Mr. Buchanan.

Mr. Ashley with Mr. Roncallo of New York.

Mr. Boland with Mr. J. William Stanton.

Mrs. Burke of California with Mr. Taylor of Missouri.

Mr. Culver with Mr. Teague of California.

Mr. Danielson with Mr. Badillo.

Mr. Mills of Arkansas with Mr. Gettys.

Mr. Moss with Mr. Hanna.

Mr. Stubblefield with Mr. Patman.

Mr. Stephens with Mr. Riegle.

Mr. Wright with Mr. Jones of Tennessee.

Mr. Brinkley with Mr. Johnson of Pennsylvania.

Mr. Bevill with Mr. Howard.

Mr. Conyers with Mr. Macdonald.

Mr. Cotter with Mr. Mann.

Mr. Davis of Georgia with Mr. Burgener.

Mr. Dorn with Mr. Fountain.

Mrs. Hansen of Washington with Mr. Long of Louisiana.

Mr. Reuss with Mr. Young of Georgia.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: Strike out "$287,171,000" and insert in lieu thereof "$342,871,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted by said amendment insert "$285,925,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 12: On page 10, strike out "$68,565,000" and insert "$69,104,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted by said amendment insert "$70,104,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 40: On page 27, insert: *Provided*, That the Secretary may, on an insured basis or otherwise, sell any notes in the fund or sell certificates of beneficial ownership therein to the Secretary of the Treasury, to the private market, or to such other sources as the Secretary may determine. Any sale by the Secretary of notes or of beneficial ownership therein shall be treated as a sale of assets for the purpose of the Budget and Accounting Act, 1921, notwithstanding the fact that the Secretary, under an agreement with the purchaser or purchasers, holds the debt instruments evidencing the loans and holds or reinvests payments thereon for the purchaser or purchasers of the notes or of the certificates of beneficial ownership therein:

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 40 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 42: On page 29, insert: *Provided*, That the Secretary may, on an insured basis or otherwise, sell any notes in the fund or sell certificates of beneficial ownership therein to the Secretary of the Treasury, to the private market, or to such other sources as the Secretary may determine. Any sale by the Secretary of notes or of beneficial ownership therein shall be treated as a sale of assets for the purpose of the Budget and Accounting Act, 1921, notwithstanding the fact that the Secretary, under an agreement with the purchaser or purchasers, holds the debt instruments evidencing the loans and holds or reinvests payments thereon for the purchaser or purchasers of the notes or of the certificates of beneficial ownership therein.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 42 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 48: On page 30, insert: *Provided*, That the Secretary may, on an insured basis or otherwise, sell any notes in the fund or sell certificates of beneficial ownership therein to the Secretary of the Treasury, to the private market, or to such other sources as the Secretary may determine. Any sale by the Secretary of notes or of beneficial ownership therein shall be treated as a sale of assets for the purpose of the Budget and Accounting Act, 1921, notwithstanding the fact that the Secretary, under an agreement with the purchaser or purchasers, holds the debt instruments evidencing the loans and holds or invests payments thereon for the purchaser or purchasers of the notes or of the certificates of beneficial ownership therein. Loans provided to rural communities, under the Rural Development Insurance Fund, to enable them to attract new or expand industrial enterprises, by providing sewer, water, and for other necessary facilities, may allow for a grace period of not to exceed three years on the repayment of principal and interest on direct and insured loans, if these communities demonstrate to the satisfaction of the Secretary of Agriculture that they do have serious economic problems that such industrial expansion would help to alleviate.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 48 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: *Provided*, That the Secretary may, on an insured basis or otherwise, sell any notes in the fund or sell certificates of beneficial ownership therein to the Secretary of the Treasury, to the private market, or to such other sources as the Secretary may determine. Any sale by the Secretary of notes or of beneficial ownership therein shall be treated as a sale of assets for the purpose of the Budget and Accounting Act, 1921, notwithstanding the fact that the Secretary, under an agreement with the purchaser or purchasers, holds the debt instruments evidencing the loans and holds or invests payments thereon for the purchaser or purchasers of the notes or of the certificates of beneficial ownership therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 57: On page 36, strike out "1973" and insert 1973: *Provided*, That these funds shall be available to carry out the activities authorized by sections 104(g) (1) and (2) of the Federal Water Pollution Control Act.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 57 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 59: On page 36, insert "to be transferred to and merged with the authority of the Agricultural Conservation Program (REAP) of the Department of Agriculture for the 1974 program,".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 59 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 64: On page 38, insert:

NATIONAL STUDY COMMISSION ON WATER QUALITY MANAGEMENT

SALARIES AND EXPENSES

For an additional amount for the National Study Commission on Water Quality Management authorized by section 315 of the Federal Water Pollution Control Act Amendments of 1972 (86 Stat. 816–904), $10,000,000.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 64 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

NATIONAL COMMISSION ON WATER QUALITY

SALARIES AND EXPENSES

For an additional amount for the National Commission on Water Quality authorized by section 315 of the Federal Water Pollution Control Act Amendments of 1972 (86 Stat. 816–904), $10,000,000 to remain available until June 30, 1975: *Provided*, That no part of these funds shall be used to delay existing projects heretofore authorized.

The motion was agreed to.

The SPEAKER. The Clerk will report the last amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 69: Page 47, line 11, insert:

OFFICE OF CONSUMER AFFAIRS

For necessary expenses of the Office of Consumer Affairs, established by Executive Order 11583 of February 24, 1971, as amended, $1,200,000, including services authorized by 5 U.S.C. 3109.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 69 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following: "$1,140,000".

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to and that I may revise and extend my remarks and insert certain tables on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

AUTHORIZING CHANGE IN ENROLLMENT OF H.R. 8619

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 315.

The Clerk read the concurrent resolution as follows:

H. CON. RES 315

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives, in the enrollment of the bill (H.R. 8619) making appropriations for agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1974, and for other purposes, is authorized and directed to make the following change: In lieu of the word "Community" on page 21, line 23, of the House engrossed bill, insert the word "Commodity".

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

FURTHER CONTINUING APPROPRIATIONS, 1974

Mr. MAHON. Mr. Speaker, pursuant to the order of the House on Wednesday last, September 19, 1973, I call up the joint resolution (H.J. Res. 727) making further continuing appropriations for the fiscal year 1974, and for other purposes, and I ask unanimous consent that the joint resolution be considered in the House as in the Committee of the Whole.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 727

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That clause (c) of section 102 of the joint resolution of July 1, 1973 (Public Law 93-52), is hereby amended by striking out "September 30, 1973" and inserting in lieu thereof "the sine die adjournment of the first session of the Ninety-third Congress".

Mr. MAHON. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I hope that the House will look upon the action proposed in this resolution as a routine procedure.

I think most Members of the House have been reasonably well pleased with the continuing resolution which was passed through the House in late June, and which was enacted into law on July 1. We do not disturb this resolution, we simply continue it until the House and Senate have adjourned. In other words, the termination date would be that of the sine die adjournment of the Congress.

Mr. LONG of Maryland. Mr. Speaker, would the gentleman yield?

Mr. MAHON. May I proceed for just a few minutes, and then I will gladly yield to the gentleman from Maryland.

Mr. Speaker, the present continuing resolution under which most of the Government is operating expires this coming Sunday night, September 30. The continuing resolution before us today extends the effective date of the current resolution until the sine die adjournment of the first session of the 93d Congress. The sine die date was adopted after consultations with leaders on both sides of the aisle because of the difficulty of forecasting accurately the time period that will be required to complete final action on all the appropriation bills.

The new resolution simply extends the effective date until sine die adjournment. No other changes are recommended and all of the special provisions of the original resolution are continued in effect including those applicable to the Labor-HEW bill, the August 15 cutoff date on Cambodian bombing, the $2.2 billion annual rate for activities carried on under the Foreign Assistance Act and the Foreign Military Sales Act, and the prohibition against aid to North Vietnam.

THE APPROPRIATION BILLS OF THE SESSION

Mr. Speaker, while not as many appropriation bills have been enacted as at this time last year, I believe the House has done a reasonably good job of handling the appropriation business of the session.

Of the 13 regular annual appropriation bills, 9 had cleared the House as of July 1, the beginning of the new fiscal year. This list includes: legislative; Agriculture-Environmental and Consumer Protection; District of Columbia; Transportation; HUD-Space-Science-Veterans; Labor-HEW; Interior; State-Justice-Commerce-Judiciary, and Public Works.

Additionally, we handled two supplemental appropriation bills associated with fiscal year 1973 and the original continuing resolution before close of business on June 30.

The Treasury-Postal Service bill for fiscal 1974 was approved by the House on August 1.

The three remaining regular annual appropriation bills not yet considered by the House—Defense, military construction, and foreign aid—lack authorizing legislation. The Defense Subcommittee is in final stages of hearings but it will be necessary to await further action on the authorizing legislation before the Appropriations Committee will be in a position to report to the House. Hearings on the military construction bill and the foreign aid bill were concluded before the August recess. Authorizing legislation for foreign aid has passed the House but not the Senate. The House has not yet considered the military construction authorization.

Also yet to be considered is a resolution making appropriations pursuant to the Par Value Modification Act amendments signed by the President last Friday and the customary catchall, close-of-session supplemental.

Three of the appropriation bills have been signed into law. Seven other bills are either in some stage of conference action, awaiting conference, or pending Senate consideration. Last Thursday we cleared the conference report on the Interior bill and the Agriculture-Environmental and Consumer Protection conference report is ready for House consideration. We expect to be able to move forward with other conferences in the near future.

NEED FOR EXTENSION OF CONTINUING RESOLUTION

As has been the practice over a period of years, the continuing resolution establishes an appropriate rate of funding for the various departments and agencies of Government until the respective appropriation bills can be enacted. The report which accompanies this bill and the report which accompanied the original June continuing resolution clearly spell out the mechanics of this interim financing vehicle. The whole theory of the continuing resolution is to neither start a program nor stop a program but only to continue ongoing activities until such time as Congress can work its will in the usual manner. As indicated, the present continuing resolution expires on Sunday night. An extension is essential to provide for the orderly continuation of governmental fuctions. I urge adoption of the joint resolution before the House.

Mr. Speaker, I now yield to the gentleman from Maryland (Mr. LONG).

Mr. LONG of Maryland. Mr. Speaker, I personally wish to compliment the gentleman from Texas (Mr. MAHON). I agree that the appropriations legislation is under better shape than I think it has ever been since I have been on the committee, and probably is one of the best in the history of the Congress.

I note that the only change that the resolution makes is in the date, continuing it from the effective date which was September 30, 1973, to the sine die adjournment of the first session of the 93 Congress. And thus I understand that the Long-Eagleton amendment which forbids any further funds being used for combat activity in Indochina remains in the resolution. Is that correct?

Mr. MAHON. The gentleman from Maryland is correct. All those provisos that were in the continuing resolution as of the first of July remain in the continuing resolution. We are simply changing the date in the resolution before us today.

I would say to my colleagues, if they would get the report on this continuing resolution, they will note the various provisos that are contained in the continuing resolution, like the so-called Cambodian prohibition.

Mr. LONG of Maryland. I thank the gentleman.

Mr. MAHON. Also continued is the provision which prohibits aid to the North Vietnamese. I would commend the report to the attention of the Members.

Mr. Speaker, I ask unanimous consent to place in the RECORD the report on the continuing resolution which is before us today.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The material follows:

FURTHER CONTINUING APPROPRIATIONS, 1974

Mr. MAHON, from the Committee on Appropriations submitted the following Report [To accompany H.J. Res. 727]:

The Committee on Appropriations, to which was referred House Joint Resolution 727, making further continuing appropriations for the fiscal year 1974, and for other purposes, reports the same to the House without amendment and with the recommendation that the joint resolution be passed.

Extension of the current resolution (Public Law 93–52) which expires September 30, 1973, is essential to avoid interruption of continuing governmental functions pending final approval of the applicable annual appropriation acts for fiscal year 1974. The resolution extends the current resolution until the sine-die adjournment of the session because of the difficulty of forecasting accurately the time period that will be required to complete final action on the remaining appropriation bills. No other changes are made to the original continuing resolution.

The resolution follows the form and concept of the one now in effect for the period July 1–Sept. 30—Public Law 93–52, which was based on House Joint Resolution 636 and which is explained in detail in House Report No. 93–328 and Conference Report No. 93–364.

LEVELS OF FUNDING PERMITTED UNDER THE RESOLUTION

As has been the practice over a period of years, the continuing resolution establishes an appropriate rate of funding for the Departments and agencies until the respective regular annual appropriation bills can be enacted by Congress.

In summary, operations under the resolution are based on the status of each particular bill as of July 1, 1973, the date of passage of Public Law 93–52, is as follows:

1. Where the applicable bill had *passed only one House,* the rate for operations shall not exceed the current rate or the rate permitted by the action of the one House, whichever is lower (Sec. 101(a)(4)). Included in this category are:

Legislative appropriation bill;

Labor-HEW appropriation bill (see item number 2 under the heading "special provisions" outlined below);

Interior appropriation bill; and

State-Justice-Commerce-Judiciary appropriation bill.

2. Where the applicable bill had *passed both Houses* but had not cleared conference, and the amount as passed by the House is different from that passed by the Senate, the pertinent project or activity shall be continued under the lesser amount or the more restrictive authority (Sec. 101(a)(3)). Included in this category are:

Agriculture-Environmental and Consumer Protection appropriation bill; and

HUD-Space-Science-Veterans appropriation bill.

3. Where the applicable bill had *not been passed by either House,* the rate for operations for continuing projects or activities shall not exceed the current rate or the rate provided for in the budget estimate, whichever is lower, and under the more restrictive authority (Sec. 101(b)). Included in this category are:

Treasury-Postal Service-General Government appropriation bill;

Department of Defense appropriation bill;

Foreign Assistance appropriation bill; and

Military Construction appropriation bill.

4. In certain instances where the current rate is difficult to define or would be inadequate because of the special circumstances involved, special provision is made to base the rate of operations on the budget estimate (Sec. 101(d)).

5. Where there is *no budget estimate or if the budget request has been deferred* for later consideration, the rate for operations for continuing projects or activities shall not exceed the current rate (Sec. 101(e)).

6. The resolution does not in any way augment the appropiration for a given project or activity in the regular bills for fiscal year 1974. Sec. 105 provides that expenditures pursuant to the resolution shall be charged to the applicable appropriation, fund, or authorization whenever the subject bill is enacted into law.

7. No funds provided in the resolution can be used to initiate any new project or activity or to resume any for which appropriations, funds, or other authority were not available in fiscal year 1973 (Sec. 106).

AGENCY COMPLIANCE WITH THE RESOLUTION

The Committee reiterates its statement in House Report 93–328 that it is essential that officials responsible for administering programs during the interim period covered by the resolution take only the limited action necessary for orderly continuation of projects and activities, preserving to the maximum extent possible the flexibility of Congress in arriving at final decisions in the regular annual bills.

Without laying down any hard and fast rules and short of encumbering administrative processes with detailed fiscal controls, the Committee expects that departments and agencies will especially avoid the obligation of funds for specific budget line items or program allocations, about which congressional committees may have expressed strong criticism, at rates which unduly impinge upon discretionary decisions otherwise available to the Congress.

STATUS OF 1974 APPROPRIATIONS BILLS

Three of the thirteen regular annual appropriation bills for fiscal year 1974 have been enacted. Seven other bills have passed the House and are either in some stage of conference action, awaiting conference action, or pending Senate consideration. The three remaining bills—Defense, Military Construction and Foreign Assistance—have not been reported to the House. Authorizing legislation for the remaining three bills has not yet been enacted. The status of the appropriation bills is reflected in the following schedule:

Bill	House approved	Senate approved	Enacted
1. Legislative	Apr. 18	July 19	
2. Agriculture-Environmental and Consumer Protection	June 15	June 28	(1)
3. District of Columbia (Federal funds)	June 18	July 20	Aug. 14
4. Transportation	June 20	July 28	Aug. 16
5. HUD-Space-Science-Veterans	June 22	June 30	(2)
6. Labor-HEW	June 26		
7. Interior	June 27	Aug. 1	(3)
8. State-Justice-Commerce-Judiciary	June 29	Sept. 17	
9. Public Works-AEC	June 28	July 23	Aug. 16
10. Treasury-Postal Service-General Government	Aug. 1	Sept. 5	
11. Defense			
12. Foreign assistance			
13. Military construction			

[1] Conference report pending.

[2] Conference report adopted in both Houses, but certain language amendments are still in disagreement.

[3] Conference report filed Sept. 17, 1973.

SPECIAL PROVISIONS

The resolution continues in effect without change the special provisions of the current resolution (Public Law 93–52) including the following:

1. With respect to the projects and activities included in the Departments of Labor, and Health, Education, and Welfare, and Related Agencies Appropriation Act, the current rate for operations is that permitted by the joint resolution of July 1, 1972 (Public Law 92–334, as amended), and other appropriations for the fiscal year 1973. In general, this provides for a rate of operations equal to the lower of the rate passed by the House or Senate in H.R. 15417, the first vetoed appropriation bill for the Departments of Labor, and Health, Education, and Welfare and Related Agencies, for fiscal year 1973.

2. Upon passage by the Senate of the Departments of Labor, and Health, Education, and Welfare and Related Agencies Appropriation Bill for fiscal year 1974, the pertinent project or activity shall be continued at the rate provided under the House Bill or Senate Bill, whichever is lower, and under the more restrictive authority.

3. The aggregate amounts made available to each State under title I–A of the Elementary and Secondary Education Act for grants to local education agencies within that State shall not be less than such amounts as were made available for that purpose for fiscal year 1972.

4. New obligational authority authorized in the resolution to carry out the Foreign Assistance Act of 1961, as amended, and the Foreign Military Sales Act, as amended, shall not exceed an annual rate of $2,200,000,000. The resolution also extends to the second quarter applicability of the proviso that none of the activities contained in this paragraph should be funded at a rate exceeding one quarter of the annual rate as provided by this joint resolution.

5. SEC. 108 provides that notwithstanding any other provision of law, on or after August 15, 1973, no funds in the resolution or heretofore appropriated may be obligated or expended to finance directly or indirectly combat activities by United States military forces in or over or from off the shores of North Vietnam, South Vietnam, Laos or Cambodia.

6. SEC. 110 provides that unless specifically authorized by Congress, none of the funds appropriated under the joint resolution or heretofore appropriated under any other Act may be expended for the purpose of providing assistance in the reconstruction or rehabilitation of the Democratic Republic of Vietnam (North Vietnam).

7. SEC. 111 provides that any provision of law which requires unexpended funds to return to the general fund of the Treasury at the end of the fiscal year shall not be held to affect the status of any lawsuit or right of action involving the right to those funds.

COMPLIANCE WITH RULE XIII—CLAUSE 3

The following is submitted in compliance with clause 3 of Rule XIII:

The accompanying House Joint Resolution would amend Section 102 of Public Law 93–52 by striking out (per brackets) and inserting (per italicized matter), as follows:

SEC. 102. Appropriations and funds made available and authority granted pursuant to this joint resolution shall remain available until (a) enactment into law of an appropriation for any project or activity provided for in this joint resolution, or (b) enactment of the applicable Appropriation Act by both Houses without any provision for such project or activity, or (c) [September 30, 1973] *the sine-die adjournment of the first session of the Ninety third Congress,* whichever first occurs.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gross: On page 1, line 7, strike the period, insert a comma and add the following: "or termination of the Watergate hearings, whichever first occurs."

Mr. GROSS. Mr. Speaker, I think there ought to be some indication somewhere along the line that this Congress is going to adjourn. I am convinced that if the so-called Watergate Committee can dredge up enough witnesses that this session of Congress may well go on to Christmas Eve. If the House is to be held hostage to the Senate committee we might as well have that understanding now. This amendment is simply for the purpose of applying a little pressure in an attempt to accomplish our business and get out of this place as we ought to do. The business of passing continuing resolutions on an indefinite basis is becoming fashionable. We ought to terminate this session within a reasonable time and let the Members go home, and the other body ought to go along. I am afraid that unless some restriction, or some incentive, source pressure is offered that we are going to go on indefinitely.

Mr. Speaker, I urge the adoption of my amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from Iowa (Mr. Gross).

The amendment was rejected.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gross: On page 1, line 7, strike the period and insert the following: "on November 16, 1973."

Mr. GROSS. Mr. Speaker, now to get down to some really serious business; this amendment would simply provide that Congress adjourn sine die on Friday, November 16, the weekend preceding Thanksgiving. What can be wrong with that?

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I thank the gentleman for yielding.

Mr. Speaker, I think probably the thing that is wrong with it is that we hope to adjourn earlier than that. The problem that we have run into in the past is that we have gone from date to date and we have always stayed until that date, so we thought maybe the wise thing to do at this time would be to say sine die, and obviously hope that the sine die would come ahead of any other date that might be adopted. That may be a false hope. We tried the other route; it did not work. Every time we put a date in a continuing resolution, we always stay right up to that date, so why not make it sine die in the hope that we might meet some date which, hopefully, would be before November 16?

Mr. GROSS. With respect to earlier adjournment, the gentleman from Michigan is one of the greatests optimists of all time.

Mr. CEDERBERG. I am a great optimist.

Mr. GROSS. I hope he does not suffer the penalty of being a disillusioned optimist.

Mr. CEDERBERG. I have been a disillusioned optimist, but I still remain optimistic. We tried the other route, and it did not work, so let us try this one.

Mr. GROSS. As I understand it, we have three appropriation bills outstanding I believe the gentleman from Texas so stated.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. MAHON. I thank the gentleman for yielding.

Mr. Speaker, there are three appropriation bills outstanding. The major stumbling blocks to reporting these bills are the lack of a foreign aid operation authorization and the lack of authorization for the military programs such as research and development and procurement, and so forth. This latter authorization bill has passed the House but it has not passed the other body. A long conference may result, so we cannot predict when we will bring those bills before the House. Furthermore the military construction authorization has not yet been reported to the House.

If the gentleman will yield further, I should like to say that there have been some statements made that the objective of the other body is to adjourn on October 15. It is admitted that they may not make that date, but that is their target. I am afraid that it will dampen whatever enthusiasm there may be in the House and Senate for an early adjournment if we set November 16 as the date.

Mr. GROSS. Does not the gentleman think that if we dispensed with golf tournaments, junkets to Nairobi and elsewhere and get down to business, with the Members present, that we could get out of here by November 16, of course, with a little pressure from the leadership of the House on both sides of the aisle?

Mr. MAHON. If the gentleman will yield further, I think we should adjourn prior to November 16, and I am joining with the gentleman from Iowa in pushing for adjournment on an earlier date.

But even if the House meets every day and passes legislation after legislation after legislation, we cannot adjourn until the Congress has taken action on the big defense authorization bill, so the pressure must be on if we are to adjourn at an early date.

Mr. GROSS. What is wrong with getting the defense appropriation bill to the floor and disposing of it promptly?

Mr. MAHON. We do not know what will be authorized. The House has authorized a certain amount but the other body will undoubtedly make some rather marked changes in the bill. There are some very large and very important programs and issues involved and we cannot act in an orderly manner until we know what the action of the Congress will be on the authorization bill. So it seems to me that we might slow down our effort to adjourn at the earliest possible date if we say November 16 because that seems a long way off at the moment.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Speaker, I might suggest to my good friend, the gentleman from Iowa, that in years past when we have not had these authorization bills, we have had the gentleman from Texas before the Rules Committee requesting a rule so he can proceed, and we are willing for him to come up and ask for a rule.

Mr. GROSS. The gentleman from Ohio is correct. They have gotten rules waiving points of order and gone right ahead.

Mr. LATTA. Absolutely. There is a way to break this bottleneck.

Mr. GROSS. I do not know when they will hit that sawdust trail this year. That is yet to be demonstrated.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, if the gentleman would help us, he would get out of his committee the foreign aid bill.

Mr. GROSS. The foreign aid bill is already out and it has passed the House.

The SPEAKER. The question is on the amendment offered by the gentleman from Iowa (Mr. Gross).

The amendment was rejected.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Quie: Page 1, after line 7, insert the following:

Sec. 2. The third proviso of section 101(a)(4) of such joint resolution is amended to read as follows: ": *Provided further*, That the aggregate amount made available to each local educational agency under title I–A of the Elementary and Secondary Education Act of 1965 shall not be less than 85 per centum of the amount made available for that purpose for 1973;".

Mr. QUIE. Mr. Speaker, when we had this before us earlier in an appropriation bill for Labor-HEW, we had quite an argument and I know some Members felt that if we held every State harmless as to the amount of money they received for 1972, that it would protect the local educational agencies.

Those Members who were back home at the end of August when the information started coming out, or those who heard about it in September have noticed to their surprise a number of educational agencies around the country, quite a large number, will be cut back drastically. In fact, some local educational agencies will be cut out entirely.

For instance, in my congressional district there is one school district which was receiving $25,000 last year which will be cut back to $1,000 this year. Under the authorization act unless they receive $2,500 they do not have any program, so they are cut out entirely. There are teachers who are ready to teach and who are expecting their payment to provide compensatory education for disadvantaged children. There is not any money for them.

That is a small amount, going from $25,000 to $1,000 as in my congressional district, but it runs to $800,000 in a county in the state of the gentleman from Kentucky. In New York there is a drop in one place of more than $100,000.

In any school district that begins a school year expecting to receive the money they received last year and then they are reduced, they will have a difficult time providing the education.

The question before us is that we have shifted from the 1960 census to the 1970 census, and there has been a shift in population in some areas in those 10 years. There was a shift in population and the kids went someplace else. However, we use the AFDC factor as well which is cranked in each year, so in 1973 there has been a shift in AFDC that occurred as compared to 1972.

Some of that shift has already happended. The problem here, however, is to give that drastic a cut to many of the school districts. Therefore, my amendment would hold such school districts harmless 85 percent of what they received in 1973. It would substitute for the State hold-harmless provision contained in the present continuing resolution.

The result of my amendment also would mean a number of the States would get additional amounts of money, and they would be the ones who did not have as drastic a reduction of the number of children with $2,000 income or had a substantial increase in AFDC. That is what the formula is right now, but a number of school districts where educationally disadvantaged kids exist do not have these children counted under the present formula. The present continuing resolution does serious harm to many school districts.

So far, many school districts would be out of business entirely. Therefore, if the Members want to see what the effect would be on their States while we are debating this, yesterday in the RECORD on page 31210 I placed some tables which go to the next page as well.

In fact, on page 31211 is the table, the amount that the State received last year as compared to what it would receive this year with the 85 percent held harmless on the local educational agency. The other table, table B, indicates an analysis of when the State was held harmless under the resolution that was passed before. The amount of money that would go per student one can see is out of kilter.

Then the table which indicates the amount of money that would go to each State in the event that we left the 100 percent hold harmless to the State as it presently is drafted. So the Members have heard from their school districts, and those from congressional districts who have school districts in which that kind of drastic cut occurs, this is the only way they can be protected that I can see.

Also, it would mean that we can start making shifts away from the 1960 census, referring to AFDC changes, by shifting at a rate which the schools could tolerate. If we had told them way last year, then perhaps they could tolerate something greater than 85 percent held harmless, but I do not think they can now. Also, if we do not hold the State harmless, then the aggregate of local educational agencies holds it at 85 percent of the previous year under my amendment and we will find a shift to the other States that are necessary in order to make this more equitable.

SUBSTITUTE AMENDMENT OFFERED BY MRS. GREEN OF OREGON FOR THE AMENDMENT OFFERED BY MR. QUIE

Mrs. GREEN of Oregon. Mr. Speaker, I offer a substitute amendment for the amendment offered by Mr. QUIE.

The Clerk read as follows:

Substitute amendment offered by Mrs. GREEN of Oregon for the amendment offered by Mr. QUIE: On page 1, line 7, after "Ninety-third Congress", insert the following: ", and section 101(a)(4) of said joint resolution is hereby amended by striking out '*Provided further*, That the aggregate amounts made available to each State under title I–A of the Elementary and Secondary Education Act for grants to local education agencies within that State shall not be less than such amounts as were made available for that purpose for fiscal year 1972;' and inserting in lieu thereof '*Provided further*, That the per pupil grant made available to each local education agency under title I–A of the Elementary and Secondary Education Act shall not be less than the per pupil grant made to such local education agency for fiscal year 1973' ".

Mrs. GREEN of Oregon. Mr. Speaker, the gentleman from Minnesota just offered an amendment in which he said that this was the only possible way that the school districts could be protected. I suggest that, while his amendment is an improvement over the present formula, that we still would be paying local school districts for many youngsters who moved away from that school district 5 or 8 or 10 years ago and are now in another school district; but the school district in which he is now actually enrolled is not receiving any money for him.

Mr. Speaker, I do not consider that good educational practice, and I consider it the worst kind of formula which Congress can enact in terms of fairness and equity.

It is my hope that the authorizing committee will come up with some kind of a change in a formula for distributon of funds, not only under title I, but also under Federal impact aid.

I think they are the most unfair formulas for distribution of funds that the mind of man could ever possibly conceive.

The amendment I am suggesting would for the first time consider the tremendous migration that has occurred during the 1960's. Every one of us in the Congress knows that for a period of years there were 500,000 to 600,000 people a year who were moving from one area of the United States to another area, and yet the existing formula for allocation of funds ignores this completely. In school districts they are actually receiving Federal funds under title I, and they have been for 10 years, for youngsters who are not even enrolled; so that if school district X has 4,000 youngsters who move to school dstrict Y, under the "hold harmless" clause, school district X is still receiving the Federal funds for those 4,000 youngsters that have not lived there for 6 or 8 or 10 years, and school district Y that has the youngsters actually enrolled is not receiving one dime for those children that they have the responsibility to educate.

If this is fairness and if this is sound educational policy, then I would like to know what would be unfair.

What does my amendment do? It says that every single school district is guaranteed to receive funds for every child who is eligible under title I and who is actually enrolled in that school district and not less on a per capita basis than it received last year for each child who was actually enrolled and who was eligible under title I.

I appeal to the Members on the basis of fairness, on the basis of sound educational policy, that we once and for all start to abandon this principle of using 1960 census figures, which is what the "hold harmless" clause actually means.

Mr. CEDERBERG. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. I am glad to yield to the gentleman from Michigan.

Mr. CEDERBERG. I would like to concur in what the gentlewoman from Oregon has said. She is absolutely correct. If we want title I to mean what we intend it to mean, we should adopt her amendment, because it gets at the heart of the problem of taking care of children who are actually enrolled and saves the school districts "harmless" from any reduction in the amount of money per pupil. That is what it is all about.

I shall support the amendment of the gentlewoman from Oregon. I think it is a proper amendment, but it once again points up the need for the Committee on Education and Labor to do something about title I, that we have been talking about for years, and the Committee on Education and Labor has been absolutely neglectful in its concern for this title and some of the other titles in the Education Act.

Mr. KAZEN. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentlewoman for yielding.

The difficulty that I find in my district is the fact that the census figures do not reflect a true picture. The people in my schools have told me that they have the students, but they are forced to take what the Census Bureau has told them.

I would agree with the gentlewoman's premise if there were some way we could actually count every student in the school and have the schools get what they are entitled to.

The SPEAKER. The time of the gentlewoman from Oregon has expired.

(By unanimous consent, Mrs. GREEN of Oregon was allowed to proceed for 3 additional minutes.)

Mrs. GREEN of Oregon. May I suggest to my colleague, and I have heard what he said, there is just as much likelihood that the 1960 census figures were not accurate, either, and were not any more accurate than the 1970 census figures. Your choice is to decide whether 1960 or 1970 census figures portray a more accurate picture of the number of children, today, 1973, in your school districts.

What we have been doing all through these years is accepting the 1960 figures as if they were 100 percent perfect and identified every child and his school district residence in 1974, 14 years later. I suggest the 1960 census does not include those who might have migrated and left during the 10-year period.

Mr. KAZEN. The gentlewoman is probably correct; but the fact remains that these children are there now in the schools and the census figures do not show them.

Mrs. GREEN of Oregon. I suggest that this amendment goes exactly to this, because it says they will be paid for every child who is enrolled in the district.

Mr. KAZEN. But this is my question. Is there a procedure whereby the schools can do this and not have to rely upon the census?

Mrs. GREEN of Oregon. They certainly can do it. They know in their own district so it is based upon the actual presence of youngsters who are enrolled instead of 1960 census figures that we pretend give us the accurate statistics in 1973–74.

Mr. LATTA. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Speaker, I wish to thank the gentlewoman for yielding.

I will say, after listening to her explanation of the amendment, that I can support it. In fact, I have an amendment offered to increase it by 100 percent, but I wish to be sure that we are on the same wavelength.

Is the gentlewoman by her amendment keeping the same "hold harmless" clause for the State schools, as to school enrollments?

Mrs. GREEN of Oregon. Mr. Speaker, there is no floor under a State allocation, but we do attempt to limit an individual school districts allocation to the students who are there and enrolled which seems to me to be the important thing, because we have a tremendous migration also within a State. We can have a State floor, and yet we can have a migration from one city to another city within that State, and nothing is done in terms of allocating funds to reflect the actual number of children enrolled.

Mr. LATTA. Mr. Speaker, I wish to thank the gentlewoman for offering the amendment. I intend to support it.

I am curious about this: In my district we have one county with nine school districts, and we cut back on the districts. There was not a shift in population, so there must have been something else involved.

I was somewhat embarrassed, as other Members must have been, to get all these school districts, because we thought that we had a "hold harmless" amendment before.

Mr. Speaker, I hope the gentlewoman's amendment does what we thought we were doing earlier.

Mrs. GREEN of Oregon. Mr. Speaker, I do not suggest that it is a perfect answer, but I suggest that it is a step forward, through the use of the 1970 census and counting children where they are rather than counting the childhen who have not lived there for 10 years and awarding funds on that basis.

Mr. LATTA. Mr. Speaker, let me ask the gentlewoman one further question.

The gentlewoman says that it is a step in the right direction. I want to make absolutely certain that these school districts are going to get the same amount of money this school year that they got the last school year, because they do employ these teachers, and they must pay these teachers. They did have the money last year, and they must have it this year also.

Mrs. GREEN of Oregon. Mr. Speaker, my amendment is on a per pupil basis. The district receives on a per pupil basis the same amount which they received last year.

The SPEAKER. The time of the gentlewoman from Oregon (Mrs. GREEN) has expired.

(On request of Mr. QUIE and by unanimous consent, Mrs. GREEN of Oregon was allowed to proceed for 3 additional minutes.)

Mr. LATTA. Mr. Speaker, will the gentlewoman yield further?

Mrs. GREEN of Oregon. I yield further to the gentleman from Ohio.

Mr. LATTA. Mr. Speaker, to proceed further on this question, my good friend, the gentleman from Wisconsin, who is on the committee, says that they are not getting that amount of money.

Mrs. GREEN of Oregon. Mr. Speaker, let me further describe the difference between this amendment and another amendment which will be offered which says that no school district will receive less than it received last year. That would mean that if 4,000 children have moved away from that district, they are still going to be paid for 4,000 children who are not living there and not enrolled in a school there. That seems to be unfair.

Under the amendment which I have offered the school district will not receive less for each child enrolled in the district than it received last year for each child who was enrolled and eligible under title I. But that amount will be multiplied by the number actually enrolled.

The total amount that a school district may receive may be much higher, or it may be lower, but it seems to me this is the fairness of it. In a district whose enrollment has decreased by 4,000 pupils, it seems to me that district ought to receive less in Federal funds; in another school district which has a 4,000-pupil increase, an increase in students enrolled, it ought to follow that it should be credited and have more money than the other. So it is for the youngsters actually enrolled on a per capita basis.

I hear the argument that a school district has acted in "good faith" and hired teachers under the existing formula for 8,000 students, including 3,000 who no longer live in the area. With funds for 8,000, of course they can hire more teachers and reduce teacher-student ratio, because 3,000 students are a myth.

But consider the school district that was told they would receive funds for 5,000—1960 census figures—students only when in fact in 1973 they have 8,000 students enrolled. There was an absence of "good faith" there—an absence of equity—and only great anguish as this district provides the teachers, the classes, the education for which the other school district is getting paid for students long since moved.

Mr. PATTEN. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from New Jersey.

Mr. PATTEN. Mr. Speaker, the amendment calls for a 100-percent increase in 10 years in AFDC. Nothing is more apparent than that, so I must look for the amendment offered by the gentlewoman.

However, it is a disgrace to the gentlewoman's committee who have the same rehearsal that we had last September. Why does the gentlewoman not go back to her committee instead of coming up here with a continuing resolution to try to run the Government?

We should vote for the continuing resolution and get out of here and let the gentlewoman's committee go to work and write a fair and equitable distribution system under title I.

Mr. WYMAN. Mr. Speaker, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from New Hampshire.

Mr. WYMAN. Mr. Speaker, I thank the gentlewoman for yielding.

I support the amendment offered by the gentlewoman. I would, however, like to ask again if the gentlewoman would distinguish between the amendment she is offering as a substitute and the amendment offered by the gentleman from Minnesota.

Mrs. GREEN of Oregon. Yes.

The reason why I consider mine to be preferable is that it says it will actually pay a school district for the youngsters who are present, who are actually enrolled, and whom they are trying to educate.

The SPEAKER. The time of the gentleman has expired.

(By unanimous consent, Mrs. GREEN of Oregon was allowed to proceed for 1 additional minute.)

Mrs. GREEN of Oregon. The gentleman from Minnesota says any district will receive not less than 85 percent of last year's amount, but under his amendment, youngsters could still have left the school district 8 years ago, and that district from which they moved would still be receiving the funds while the district which is actually providing the education for the new youngsters would not be getting anything for them.

Mr. WYMAN. Will the gentlewoman yield further?

Mrs. GREEN of Oregon. I yield to the gentleman.

Mr. WYMAN. Under your amendment, then, in the district in which there are large numbers of new students your amendment will provide a greater benefit for that type of situation than the amendment offered by the gentleman from Minnesota. Is that correct?

Mrs. GREEN of Oregon. Yes, that is correct.

Mr. QUIE. Will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Minnesota.

Mr. QUIE. I just want, on the time of the gentlewoman, to find out from her, because she indicated she would use AFDC. Is it not true under your amendment you would use just the census information plus AFDC and not ADA?

Mrs. GREEN of Oregon. I do not change the eligibility under title I at all. If a child was eligible under title I last year, he is eligible under title I this year. That is not changed. Neither your amendment, nor the amendment yet to be offered, nor mine changes the eligibility under the "poverty level" nor under the "ADC" criteria.

The SPEAKER. The time of the gentlewoman has again expired.

(By unanimous consent, at the request of Mr. WAGGONNER, Mrs. GREEN of Oregon was allowed to proceed for 1 additional minute.)

Mrs. GREEN of Oregon. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. I thank the gentlewoman for yielding.

I think we might as well face a fact of life, which is that we do either what the gentleman from Minnesota suggests or what the gentlewoman from Oregon suggests in the substitute amendment.

There are going to be some school districts, and maybe some of mine, that will lose money because they will not be grandfathered in, but if we do not start doing it right here, we will never correct some of these problems.

I think the gentlewoman is right and it is more equitable and better education than what we are doing, and I would support her substitute, because I think she is right.

Mrs. GREEN of Oregon. I thank the gentleman very much.

AMENDMENT OFFERED BY MR. PERKINS TO THE SUBSTITUTE AMENDMENT OFFERED BY MRS. GREEN OF OREGON FOR THE AMENDMENT OFFERED BY MR. QUIE

Mr. PERKINS. Mr. Speaker, I offer an amendment to the substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. PERKINS to the substitute amendment offered by Mrs. GREEN of Oregon for the amendment offered by Mr. QUIE: Strike the language of the Green substitute and insert the following:

"SEC. 2. Section 101(a) of Public Law 93-52 is amended by substituting a colon ":" for the semicolon at the end thereof and adding the following: '*Provided further*, That each local educational agency which has been allocated funds under title I–A of the Elementary and Secondary Education Act, prior to September 30, 1973, pursuant to this Act at a rate for operations less than the rate for operations in fiscal year 1973, shall be allocated, consistent with the amounts previously provided by this Act, no less than the amount necessary to maintain the rate for operation for which allocations were made to each such agency in fiscal year 1973;' ".

(By unanimous consent, Mr. PERKINS was allowed to proceed for 5 additional minutes.)

Mr. PERKINS. Mr. Speaker, the amendment that I offer to the substitute amendment offered by the gentlewoman from Oregon (Mrs. GREEN) is a very simple amendment.

The effect of my amendment would be to allow those school districts which received increased grants under the first continuing resolution to retain those grants where the allocations have already been made by the Office of Education in July and August announcing how much money each local educational agency would receive. They would retain those grants.

Mr. Speaker, the facts supporting my amendment are simple and clear. Thousands of schoolchildren in all of the 50 States will be denied title I services and programs that they were receiving last year if my amendment is not adopted. School districts in 50 States will lose $117 million as compared with the amounts they received in fiscal year 1973.

On the other hand, Mr. Speaker, the position taken by the gentleman from Minnesota (Mr. QUIE) purporting to guarantee local educational agencies only 85 percent of what they received last year, will not only cut these school systems 15 percent but also will cut others even more drastically because hidden in the Quie amendment is language which would knock out the State hold harmless provision carried in the original continuing resolution.

Mr. Speaker, justice and fairness require our action today to protect services to thousands of children in all the States until the authorizing committee can make appropriate and equitable adjustments in the title I formula for the following years.

Mr. Speaker, the necessity for a hold harmless provision for local educational agencies in the continuing resolution and in the appropriations measures for fiscal year 1974 arises out of the fact that the basic title I formula requires the use of census data on the number of children coming from families whose income is less than $2,000 per annum.

In the last extension of the Elementary and Secondary Education Act, the Congress recognized that when the new 1970 census data became available, the low-income factor of $2,000 might be an unrealistic measure of the financial need of families. As a consequence, it wrote into Public Law 91-230, the Elementary and Secondary Education Amendments of 1969, a requirement that the U.S. Office of Education do an extensive analysis of the 1970 census data and its impact on the title I formula in distributing funds to local educational agencies. It required that the results of this study be submitted to the Congress by March 30, 1972.

Mr. Speaker, the first interim report of the Office of Education with respect to its analysis of the 1970 census data and its impact on the title I formula was not received until a year following that March 30 deadline. By way of explanation, I was advised that the administration had not extracted from the census data the necessary information on a county-by-county basis until December of 1972.

Hampered by the lack of this information, the Education and Labor Committee of the House and the Labor and Public Welfare Committee of the Senate did not have the data upon which to determine whether or not the existing title I formula was adequate to fulfill the objectives of title I of the Elementary and Secondary Education Act.

In the process of the hearings that we have conducted beginning in January of this year, it has become obvious that the existing title I formula does not accomplish title I objectives and works hardships on many districts unable to finance high quality education for the hundreds and thousands of young people who come from families with very low income.

The Education and Labor Committee is in the process of marking up legislation which will provide a more equitable allocation of funds for fiscal year 1975 and thereafter. In the meantime, it is essential that we take steps today to assure that the inequities in the formula do not adversely affect the several million children in the Nation's schools who need title I services but will not get them if we do not act today.

Now, I do not believe that we want to vote here today for the Green amendment.

What does it do? It repeals the States' hold-harmless provision. It freezes, without protection, the irregularities of the existing law. The fact as I understand it, the gentlelady's amendment would take more from the poorer districts to add to the more wealthy.

We do not have any assurance that we are going to get a HEW appropriation bill passed and signed by the President. Neither do we have any assurance that we will get the authorization bill. For this reason it is essential that we prevent drastic changes in allocations from fiscal year 1973 to fiscal year 1974.

I went before the Committee on Appropriations and made a fight for the $1.8 billion for the Elementary and Secondary Education Act this year. And with only $1.5 billion allocated we will only take $116 million that has never been allocated or which may never be spent, and give it to these poor districts that have already had money taken away from them, to bring these districts up to the same level of expenditure they had last year.

I would hope that we would not vote for an amendment that would close the school door on thousands of schoolchildren, but would vote for my substitute which would assure these children of a title I opportunity.

Mr. STEIGER of Wisconsin. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, as I have sat here and listened, even though I serve on the Committee on Education and Labor, it is difficult to play school board for the 50 States. Where are we? We are at the point now where we have three approaches to one problem. The problem is simply this. Some school districts across the United States in September and August of 1973 suddenly learned that they were going to receive less money under title I of the Elementary and Secondary Education Act.

The reason for this fuss today is because of that single fact. There are I think—and I hope I do not do a disservice to any of those who are deeply involved in this—two basic reasons. One very simply is because we are now using the 1970 census data instead of the 1960 census data. Secondly is because incomes have risen. There are no longer as many people who are categorized as falling under the low-income factor of $2,000.

If I can, then, let me try in my way at least to separate out where we are. The Quie amendment in essence, the one that was offered first, says that each local educational agency will receive not less than 85 percent of the amount they received previously. The 85 percent hold harmless at the local level is designed to insure that regardless of whether there are less children there in fact or whether the incomes of the parents have changed in fact, that the educational agencies' allocation will not be seriously disrupted.

Second, the Green amendment as I heard it and as I listened to the gentlewoman from Oregon eloquently plead on behalf of it, provides that no local educational agency should receive less than it received in fiscal year 1973 for those children actually counted and eligible under the ESEA title I. That means there will be districts that will receive substantially less money than they did last year simply because of the two changes in the census data—the number of children counted and the income factor—so I think we ought to understand that the Green amendment does in a number of cases mean the amount of money that would go to the local educational agency would be substantially less than it received last year. It could also mean they would get more if they had more children being counted. So Members are going to have to figure that out for themselves in their own districts.

The Perkins amendment—and let me say to my chairman I know of no one who does a better job of defending the indefensible—says it does not make any difference where they are, we are in effect going to keep them at the 1960 level and count everybody as if we were back in the 1960 census. I am sorry, I really do not buy the Perkins amendment. I just do not think there is any defense for this House today maintaining the 1960 census data in 1973. I do not think I do a disservice to my chairman in saying that.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Speaker, where the gentleman is in error, it is not true we are holding to the 1960 census. What we are doing is assuring needy children support when the appropriations are not sufficient to provide support for all children counted under the 1970 census. Each year the number of children from families on welfare payments in excess of $2,000 on January 1 that have been added into the formula and the AFDC count has grown from 580,000 in 1965 to 3.5 million. That poses the whole problem. Several million children from low income families slightly above the $2,000 income factor are not counted each year while an increasing number of children whose families receive welfare payments in excess of $2,000 are added each year. When the formula is underfunded funds are taken from areas that cannot pay high AFDC payments to areas that can afford high AFDC payments.

Mr. STEIGER of Wisconsin. Mr. Speaker, I will not yield any more at this point.

The gentleman has answered my question. It is that we keep them at the 1960 data and I do not think it is fair. It may be fair for Kentucky but I do not think it is for the rest of the country.

On balance then, we are dealing with this when we get all through.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

(On request of Mr. PERKINS, and by unanimous consent, Mr. STEIGER of Wisconsin was allowed to proceed for 1 additional minute.)

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Speaker, let me state I am the last one who would want to keep the 1960 data, however, I would like to utilize current data that reflect accurately where the poor children are. A $2,000 level of family income does not. The census definition of poverty in 1970 does more accurately reflect this.

Whether it is $3,000, $4,000, or $4,500, let the authorizing committee work this out for fiscal year 1975, but for the time let us make sure we do not turn kids out of programs this year.

Mr. STEIGER of Wisconsin. Mr. Speaker, I recognize that in my remaining 10 seconds it is not possible to rewrite the formula for title I ESEA, but at least I would hope that we recognize really that the Quie amendment and the Green amendment will have some positive impact on school districts across the United States.

I would only suggest that each of us estimate our own judgment about it. I happen to think that on balance the Quie amendment is the better one.

Mr. SMITH of Iowa. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, no matter what we do here today, some districts are going to get more money than they deserve compared to other districts. None of these proposals prevent that from happening. What we are really looking at is what to do at this juncture when the school semester has already started.

Under the Quie amendment, compared to last year, each would get not less than 85 percent. The trouble is that allocations have already gone out. How are we going to tell some district which has been allocated more money than they deserve perhaps that they cannot have as much as they were notified they would get? We know that will not work.

On the other hand, under the Green amendment which is based on a specified number of dollars per pupil, uses as a yardstick the eligibility that is in the law. Children of the working poor who make over $2,000 would be excluded but those who receive welfare over $2,000 would be included. Here is what happens under that eligibility yardstick: A family, for example, the child of a family which makes $2,100 by the sweat of its brow—would be excluded. That district gets nothing for that child. In another district, there may be a child whose parents receive $3,500 in welfare, and it is included. So, we include welfare families that have $3,500 of income and exclude the working poor that only earn $2,100. The basic formula is just wrong.

It needs to be changed. The education and labor committee needs to get a new formula on the floor, and hopefully it will propose a bill in time for the 1974 allocation. So, all we can do at this point, it seems to me, is let some of them get more money than they deserve because they are going to anyway, but make sure that we do not harm those that should not be harmed.

I think at this juncture, all we can do is one of two things. First of all, vote for the Perkins amendment, and then in the end either for or against the whole ball of wax. One thing sure, we do not want the Quie amendment and we do not want the Green amendment. Both make it more unfair than it is now; then we end up with either the Perkins amendment or nothing.

Before money is allocated next year, I hope they will have this thing straightened out, because it cannot be properly done in an appropriations bill; but, meanwhile the least unfair situation would develop under the Perkins amendment.

Mr. PEYSER. Mr. Speaker, I have been listening, and I thought the gentleman from Wisconsin (Mr. STEIGER) did a good job in outlining the differences in these amendments. I do not want to re-cover his ground. We passed this resolution originally misunderstanding what was going to happen to title 1. From what I have gathered in the discussion today, we still do not know exactly what might happen to title 1 in our school districts.

Chairman PERKINS is offering his amendment on the basis that he can get another $116 million into this program. Now, he has to my knowledge no assurance that he can get this money, and I do not know that he is going to get the money. If he does not get the extra $116 million, every one of our school districts is going to be hurting just the way they are today. If there is some guarantee of that money, some of us might look at it differently, but at this point I know of no way that is going to happen.

Second, the amendment of the gentlewoman from Oregon (Mrs. GREEN) creates a genuine problem that is far bigger than was outlined in the previous discussions.

I agree philosophically, and I think most of us do, that all the aid that is given under title I should go to where the children are. We agree with that, but we are dealing right now with the situation where school districts in good faith have gone ahead and contracted for title I teachers and title I programs.

Those school districts that have had a reduction in the number of children, under the amendment of the gentlewoman from Oregon, would not receive the money that they had already contracted for. If it were now taken away from them, the children who are there who are eligible will also end up being dropped, for the simple reason that unless there is enough money coming in to fulfill these contracts, there will be no title I programs in those areas.

If Members believe they have been hearing from people in their school districts, as I have, in my State of New York, and as Members have from all over the country, if we pass the amendment of the gentlewoman from Oregon (Mrs. GREEN), Members really are going to hear a scream, because it is going to end their program. It will help some districts, but others will be clobbered by this to the point that it would affect all title I children. Everyone will be affected. We now come down to the amendment of the gentleman from Minnesota (Mr. QUIE). The amendment is the closest thing to giving the school districts this year the best break.

The amendment is not perfect. The formula is not perfect. Hopefully, the committee is going to come out with something this year that in the future will solve these problems; but right now the amendment of the gentleman from Minnesota (Mr. QUIE) is the only amendment that is being offered here that is going to give the local school districts a chance.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I rise in support of the amendment offered by the gentleman from Minnesota (Mr. QUIE).

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Michigan.

Mr. CEDERBERG. All these years I have been here since the passing of the Elementary and Secondary Education Act, all of the educators have been saying they are all for title I. Now they do not want to live under the rules of title I. Now, if a school district does not have that child who is eligible under title I, and that child is somewhere else, why should that school district get paid for that child?

Mr. PEYSER. The gentleman is perfectly right; but it was due to Congressional action and Office of Education action that school districts until the 1st of September this year did not know what their situation was. They had no reason to assume that we were going to pull the rug out from under them.

All I am saying is that we made a bad move for a number of years. Let us not kill the entire program this year. Let us get a new bill this year.

Mr. CEDERBERG. Oh, just continue the inequity?

Mr. PEYSER. Well, it is going to be more inequitable if Members vote for anything other than the amendment of the gentleman from Minnesota (Mr. QUIE). It is better than any amendment offered.

Mr. PATTEN. Mr. Speaker, I move to strike the requisite number of words.

The Appropriations Committee has brought forth a continuing resolution, because come next Sunday there will be no authority to pay millions of Federal employees, to pay the bills for many Federal departments.

We should pass this continuing resolution to prevent a crisis after September 28.

What do we find? We find the whole membership of the Committee on Education and Labor here holding open meetings and holding private caucuses all over the floor of the House, on a bill they have been trying to correct for 8 years.

If we pursue this course, and if we amend our continuing resolution today, the 25th of September, when it has already been announced that we are not going to do any voting on Thursday or Friday, what chance will there be for the Senate to concur in what we do and for the President to sign the resolution?

What chance is there for the Senate to concur in what we do and for the White House to sign it?

Mr. Speaker, I believe that all those Members who are bringing up these amendments today are interfering with the orderly parliamentary process. We should pass the continuing resolution, send it over to the Senate, and complete our business so the Government can run. We will never settle this debate which is going on about authorization under title I.

I say that even though my State got hurt more than any other. If the gentleman from Michigan (Mr. CEDERBERG) wants to know where they are, I will take the gentleman to my district and show him thousands of people who did not live there 10 years ago.

In New Jersey, we have a 600-percent increase in the number of AFDC children, and under any of these formulas we do not get a square deal.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. PATTEN. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, the gentleman should obviously be in favor of the Green amendment in that case, because with 8,000 more children than they had before, they will get paid for them, as they should, under title I.

Mr. PATTEN. Mr. Speaker, I do not want the amendment. I want to pass the continuing resolution so this Government will be able to run after next Sunday.

AMENDMENT OFFERED BY MR. LATTA TO THE AMENDMENT OFFERED BY MR. QUIE

Mr. LATTA. Mr. Speaker, I offer an amendment to the amendment offered by Mr. QUIE.

The Clerk read as follows:

Amendment offered by Mr. LATTA to the amendment offered by Mr. QUIE: Strike out "84 per centum" and insert "100 per centum".

POINT OF ORDER

Mr. MAHON. Mr. Speaker, I have a point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. MAHON. Mr. Speaker, we have pending an amendment offered by the gentleman from Minnesota (Mr. QUIE) and then we have the amendment in the nature of a substitute offered by the gentlewoman from Oregon (Mrs. GREEN). Then we have the amendment offered by the gentleman from Kentucky (Mr. PERKINS).

Mr. Speaker, I am wondering if a further amendment at this time is in order.

The SPEAKER. The Chair will state that the amendment offered by the gentleman from Ohio (Mr. LATTA) is in order at this time. It is the understanding of the Chair that the amendment offered by the gentleman from Ohio (Mr. LATTA) does relate to the amendment offered by the gentleman from Minnesota (Mr. QUIE) and is an amendment thereto.

Mr. LATTA. I thank the Speaker.

Mr. Speaker, after listening to this debate a little bit earlier, I found myself in agreement with the amendment offered by the gentlewoman from Oregon (Mrs. GREEN) believing that this action would put us right back where we started from, and that is where I believe we should be.

However, I now find that this would not be the case, and I believe that every Member of this House wants these title I funds to be paid to the school districts on the same basis used by HEW before the Congress changed the rules in the middle of the game, meaning after the school districts had already contracted for teachers for this year.

Now, this is where the school districts want to be, and that is where I believe this Congress ought to put them. After the Education Committee irons out the differences which are apparent here, we can then vote on another authorization bill.

Right now I believe this House should pass corrective legislation to save all of these school districts harmless for the full 100 percent.

Mr. Speaker, my amendment will do exactly that. It will give them 100 percent of the amount they were getting prior to this new formula. The amendment offered by the gentlewoman from Oregon does not make this guarantee. The Quie amendment only gives 85 percent. The amendment offered by the gentleman from Kentucky assures us only of a veto. My amendment is the only one which will assure 100-percent funding for all school districts based on last year's payments.

So, Mr. Speaker, I ask that the House support my amendment.

Mr. GUYER. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Ohio.

Mr. GUYER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, by actuality, we have 72 of our 88 counties in Ohio that suffered a loss of 5 to 80 percent of the funds they previously had a right to participate in.

Reading, writing, and arithmetic are traditionally and historically the three guaranteed segments of what we think of as a good education, a quality education for students.

I wish to go on record as supporting my colleague, the gentleman from Ohio, and I say let us give them reading as they have had it, and let us give them a quality education. Nobody has protested this action except those who have been shortchanged.

Mr. Speaker, the adoption of this amendment will work toward providing them something for the future, and I believe this is the proper way to do it.

Mr. ANDREWS of North Carolina. Mr. Speaker, I move to strike the last word.

Mr. Speaker, as a freshman Member, let me confess to you that in the some 9 months that I have been here I do not thoroughly understand, as a member of the Committee on Education and Labor, everything about these four proposals. I am being quite serious, and I think I do know something about education, but this is extremely complicated.

As I listened to the people on the committee and the people speaking here on the floor, however, some things have become very, very obvious. The distinguished gentleman from Wisconsin, and most of those who have spoken in support of the amendment offered by the gentleman from Minnesota (Mr. Quie) or the approach of the gentlewoman from Oregon (Mrs. Green) will not speak about one thing, whereas, on the other hand, this beloved gentleman who is chairman of the committee practically will not talk about anything else, and that is AFDC.

Let me say this to you, in case you do not understand, and I think I have finally gotten it.

We are dealing here with a bill, with a proposal, which, in my opinion, is not only improper and unfair but I believe it is illegal. I believe it will have to be tested if we go on this way, and let me tell you why.

As I understand, it is required by the Constitution that we pass legislation uniformly across the country. For example, we cannot have a tax of 8 percent on an item in one State and 4 percent in another State. By the same token, as I understand it, it is required of us that we appropriate uniformly throughout the United States.

I believe in more recent years that has been varied slightly on the basis of some reasoning such as the cost of living and such as the cost of providing a service which may cause a variance from one point to another as regards an appropriation by the Congress.

However, in the ESEA you have all kinds of variances based not on anything dealing with a rationale and not on an act of this Congress but based upon what various State legislatures say the AFDC level shall be in their States, and, within those States, based upon what a county authority determines shall be the level of payment of AFDC even within the counties in the State.

What we are doing at the present time is saying that based on the census we will determine how many children we have in the various States from families with incomes of $2,000 or less and we will count those children, sir, in determining how much money you get at so much per head; but in addition to that, in addition to that, we will take whatever is determined by that State to be poor people in terms not of ESEA or education or any act of Congress but in terms of what that State legislature and the various counties within it are doing about AFDC. That means in many States, as the gentlewoman from Oregon said, the State legislature in some county determines that if a family of, let us say, only one child deserves AFDC, then they are paid up to $5,000. So we count that child in this program, and that is what the gentlewoman would do.

On the other hand, if in another State a man works at a sawmill or what have you and makes $5,000 or $4,000 or $3,000 or anything above $2,000, then those children are not counted although he may have six of them. That is the kind of problem we have here already. Hence we cannot know, based on the information as to the 1972 operation or the 1973 operation, how many poor children, which is what we are supposed to be talking about, by uniform standard there are in any of the States.

The committee is working hard and diligently. We met this morning and we are meeting tomorrow morning, and we are trying to iron these things out based on recently acquired information. Give us a chance to do that, and let us vote for the Perkins amendment and leave it as it is, because we are into the school year, and we will work it out.

Mrs. GREEN of Oregon. Will the gentleman yield?

Mr. ANDREWS of North Carolina. I yield to the gentlewoman.

Mrs. GREEN of Oregon. I am not in disagreement on the unfairness of the $2,000. This morning we had the Commissioner of Education appear before the Committee on Appropriations and other people from the Office of Education. I asked them if we are not funding at the full $2,000 if we counted AFDC at $2,000, how much more would it cost. My recollection is it would cost over $1 billion. There is not a single person in this room who thinks the President is going to sign a bill that is going to add another $1 billion to the bill that was already voted out of the Committee on Appropriations.

That is why I believe my amendment should be adopted.

The SPEAKER. The time of the gentleman has expired.

(On request of Mr. Perkins, and by unanimous consent, Mr. Andrews of North Carolina was allowed to proceed for 5 additional minutes.)

Mr. ANDREWS of North Carolina. Mr. Speaker, let me reply to the gentlewoman from Oregon that I believe what we ought to come up with is a formula, and it should not be uniform, I would agree with the chairman, because you have two isolated factors here. We ought to determine where the poor children are, but before doing that we ought to determine what level we want to follow, for instance, $2,000, $3,000, or $4,000. We should determine that. Then we should determine a cost-of-living differential. The situation of one State's cost of living may be different than that of another. We are trying to find the poor people. If we are talking about a $4,000 level then that may be poorer in one place than in another. Then how much do we need for that child once we have found him and we count the child, then what do we pay? We should, as I say, adjust it, make the uniform adjustment as to educational cost differentials between the States. And I do agree that there is a differential because what we are talking about in large part is as between the Southeast versus the urban and more affluent sections of our country. That is basically what is involved.

I would say that our adjustments should be based on rationales rather than on State and county AFDC determinations.

Mr. PEYSER. Mr. Speaker, would the gentleman yield?

Mr. ANDREWS of North Carolina. I yield to the gentleman from New York.

Mr. PEYSER. Mr. Speaker, does the gentleman from North Carolina agree that the Perkins amendment that has been offered does call for the release of another $116 million?

Mr. ANDREWS of North Carolina. I am glad the gentleman from New York has asked that question, and I will try to answer it. My understanding is that it is the same thing we had under the impact aid bill. We will get the $116 million, and everybody will get as much as they had before plus what that would bring under the present formula.

Mr. PEYSER. The question that was raised was that this will probably result in another court action which could mean that it would not be settled until 1974 or in the middle of fiscal 1975, before that $116 million would be available. What we are looking for is to have that $116 million effective in the program, and that money has to be made available today or else the school districts will not have the money.

That is the real problem that I have with the amendment offered by Mr. Perkins. Unless we have 116 million more dollars to put in here, and that is why I cannot support the amendment.

Mr. SMITH of Iowa. Mr. Speaker, if the gentleman will yield, I believe it is true that they held back $200 million, is that correct?

Mr. ANDREWS of North Carolina. That is correct.

Mr. SMITH of Iowa. So the money is already there.

Mr. ANDREWS of North Carolina. Yes, the money is already there.

Mr. CASEY of Texas. Mr. Speaker, will the gentleman yield?

Mr. ANDREWS of North Carolina. I yield to the gentleman from Texas.

Mr. CASEY of Texas. Mr. Speaker, the argument the gentleman has made about the rationale that has to be determined in the new formula, I agree with the gentleman on that heartily. Frankly, I think that this is the wrong place to try to work out all these differences on a very complicated matter in a continuing resolution. If the committee is working as hard as the gentleman says it is, and I am sure that it is, I am sure the committee will come up with a new rationale that will be acceptable, and will be of benefit to the school districts, and that we ought not to try to legislate thusly on an appropriation bill at this time, but instead to wait for the committee. The committee is holding hearings, and has been holding hearings, and trying to settle this particular knotty problem, and I am sure they can do it.

It is, I suppose, something like a cat in a barrel of mice, snatching here and there, and we are not really getting hold of the real problem here.

Mr. ANDREWS of North Carolina. That is certainly true, and if we could not settle it in 9 months then I do not believe we can settle it here on the floor in 9 or 90 minutes.

Mr. MICHEL. Mr. Speaker, I move to strike the requisite number of words, and I rise in opposition to the so-called Perkins amendment.

Mr. Speaker and Members of the House, I feel betwixt and between again today for here we are attempting to amend a continuing resolution. The subject matter itself is very complicated and I sympathize with my chairman in his hope that it not be amended. In a sense I feel for him but I cannot reach him.

I have gone along in times past opposing amendments to continuing resolutions feeling that this was a bad way to do business; but it is quite obvious to me that the HEW bill which we passed in the House at a level of $1,200,000,000 over the budget, and still to be acted upon on the other side, is going to get vetoed. So we are facing the prospect of living under a continuing resolution for an extended period of time. So rather than dawdle and dawdle and dawdle along in the hope that the legislative committee will do something about this thing, this is the only opportunity for some of us who normally would be restrained to come forward and say, let us do it now. This is the only opportunity where we have a chance.

I would say first and foremost by all means do not support the Perkins amendment. His only answer is one of more money, and that is all. He speaks of it providing uniformity but only in the sense that nobody gets less; that is all.

At a time when we are trying to hold Federal expenditures within reasonable bounds, do not for a moment think that that kind of a proposition is going to be passed or signed into law, or even that the people downtown will spend it unless they are forced to by a court proceeding.

I would say support the Green amendment because it is right; equitable, and defensible; It puts the money going where the kids are. I think that is what we were attempting to legislate for in the first place—the poor disadvantaged kids. But we have forgotten about them in favor of the professional educators and the school districts, and we have gotten so wrapped up in the pressures that come to bear from anyone who can write a letter, that we have forgotten about the kids themselves.

The thing that disturbs me here is the fact that the Green amendment is so right and defensible that it may go down. Sure some of the Members' school districts are going to lose; some are going to gain. Why cannot we for once in a blue moon do the right thing for the kids who cannot speak for themselves instead of listening solely to those more interested in preserving the old 1960 status quo?

Frankly, if the Green amendment goes down, I shall have to support the Quie amendment. Personally, I would prefer it be at a figure of 80 percent rather than 85, and my State would lose more than any other in this House under that formula. The only way to do this thing right is for all of us to come to grips with this thing, regardless of the pressures. So some States like my own will lose several million dollars if we update our figures, but the States under general revenue are making up far more than what they are going to lose. It is just ridiculous for us to continue following this silly formula tied to the sixties.

Mr. PERKINS talks about the spending level of $1.5 billion. Actually, the word that went out to the school districts around the country in July was at a level of $1,629,000,000. It is not going to be less than that. We passed the bill in the House at $1,810,000,000. As I said, I think that bill is going to be vetoed.

I just hope, Mr. Speaker, that at this juncture we are not going to be sold a bill of goods by the chairman of the committee that money is the only answer to this thing. His amendment ought to be soundly defeated. Let your conscience be your guide with respect to Mrs. GREEN and Mr. QUIE. Personally I am going to support Mrs. GREEN's amendment. Then if that should fail I will certainly support the Quie amendment.

Mr. ANDREWS of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from North Carolina.

Mr. ANDREWS of North Carolina. I understood the gentleman to stay that he believed that expenditure of the money was to be on the basis of where the poor children are. I ask him under the Quie or the Green amendments how we determine who are the poor children.

Mr. MICHEL. Mrs. GREEN might like to answer that question.

Mrs. GREEN of Oregon. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. There would not be a single school district in the country that would not have or could not obtain current figures. How many schoolchildren are enrolled in that school for that year? They have the statistics. How many are eligible under title I of the ESEA? Every school district can provide that information. It is current information, and it is not going back to the 1960 census figure, which the chairman's amendment does and which the Quie amendment does to a very great extent.

The SPEAKER. The time of the gentleman has expired.

(On request of Mr. PERKINS, and by unanimous consent, Mr. ANDREWS of North Carolina was allowed to proceed for 2 additional minutes.)

Mr. ANDREWS of North Carolina. The question I am trying to ask is not about the average daily attendance, but how do we determine who are poor children? What I am trying to get at here is the truth of the matter.

We determine it according to what various districts and States say they will pay for aid to dependent children, to parents all over the country. That is what we are supposed to use to determine where the poor children are.

What it amounts to is that the poor get poorer and the rich get richer.

Mrs. GREEN of Oregon. Mr. Speaker, not one of the amendments is going to change the formula in terms of eligibility, so we might as well forget that. Under any amendment offered, the $2,000 cutoff will hold unless this Congress and this administration are prepared to add additional billions. The ADC remains the same. The only thing we are discussing here is whether or not we use the 1960 census figures or the current statistics—whether we pay some districts to educate children who are not there—and refuse to pay other school districts for children who, in fact, are in attendance. This is the issue today.

Hopefully, the authorizing committee will attack the real problem of different ADC payments and different "legal" levels of poverty in different cities or different parts of the country.

Mr. MICHEL. And, frankly, we have been bugging the people downtown and asking why they have not turned earlier to the updated figures. I think all of us would agree that with more and more money which we are putting into statistics and the gathering of information, we ought to keep as current as we can, and we have not done that. Again, Mr. Speaker, the Green amendment is the best amendment and we ought to support it.

Mr. FLOOD. Mr. Speaker, I move to strike the last word.

Mr. Speaker, ai-yi-yi. I am chairman of the Appropriations Subcommittee having jurisdiction over the Departments of Labor and Health, Education, and Welfare. I called a special meeting of my subcommittee at 10 o'clock this morning, because I knew as sure as God made little apples what was going to happen here and I invited the Commissioner of Education and his assistants. We had the room packed with all the experts, just as we have here. We sat there for 2 hours. I let them go at it and they knocked each other's brains out, just as they have been doing here. We quit at 12 o'clock and they did not know any more at 12 o'clock than they knew at 10 o'clock and they did not know any more than the Members or I do now.

For heaven's sake, let us not kid the troops. This is a mere continuing resolution. It is a very simple thing that ordinarily we pass in about 5 or 10 minutes, for the last hundred years that I have been here. It is the way we do these things.

Now we are going to take a can of worms like this, and they are crawling all over the floor, all over the place. We have experts. When I was an assistant attorney general, I tried 14 murder cases and never lost one. Because why? Because each time they called experts in, I called experts in. We had experts, experts, experts. I had them up to my elbows and so did the court. We have them here. We have the Quie amendment and we have the Perkins amendment and we have the Green amendment, and we have a substitute for this and a substitute for that.

Let me tell the Members that Senator MAGNUSON is sitting right now with the Senate Appropriations Committee. He is my opposite number in the Senate. They will act on the bill we passed on June 26 after they pass it, as the agents of our Members in the House we are going to meet with the Senate Members in conference on the HEW appropriation bill. For heaven's sake, that is what this is all about. Then we will come back with a bill. OK. Suppose the President vetoes it. He has done it before. We will come back with a compromise and it will be passed and he will sign it. And if he does not sign it for reasons best known to him, that is his business. What will happen? If the Members do not know, let me tell them.

The gentleman from Texas (Mr. MAHON) will come in with another continuing resolution, and the Members know what we can do then, and properly then we can amend the continuing resolution to deal with this problem by amending it to include the language upon which both Houses have already agreed.

Stop this long-winded nonsense. That is the procedure of this House. That is the proper procedure for dealing with this very complicated subject.

I am against all of these amendments, Mr. Speaker. Out of an abundance of caution, if for no other reason, for heaven's sake let us pass the continuing resolution and that is all. That is all.

Mr. QUIE. Mr. Speaker, I rise in opposition to all the amendments and substitutes to my amendment.

Mr. Speaker, we have five options before us right now. One thing we can do is vote down all amendments. If we do that, we would have every State held harmless compared to what they received in 1972. If, as the gentleman from Kentucky and others have said, that there is not going to be the $1,810,000,000 spent, but stays the same as it was in the last fiscal year, that will mean that the States that had an increase in 1973 over 1972 will have a loss in 1974. It will mean that those States that had a reduction in 1973 from 1972—and those were mostly Southern States—they will have an increase again, even though some of the population has left and gone someplace else.

So, that is why the resolution as presently written is inequitable. It seems to me that even worse than that is the Perkins amendment to the Green substitute. It is worse because it retains the 100 percent hold harmless to 1972 for the States and adds a 100 percent hold harmless for each district to 1973. The reasons why it is worse is that it does not permit any kind of a shift over to the 1970 census, but it leaves it entirely with that obsolete 1960 census. It seems to me that would be totally unacceptable.

It seems to me, then, the next worst one would be the Latta amendment, because that leaves every district 100 percent of what they received before. There has been some shift of population. There has been some shift, and we should not be educating children who are not there any more. This amendment would make certain that we continue to provide money for those who no longer exist there.

It seems to me the choice ought to be between the Green substitute and my amendment. In the Green substitute, the problem here stems from the fact that we are going to multiply the number of children who are counted under the 1970 census, $2,000 plus AFDC, which no one thinks is equitable. That is what is in the law, but nobody thinks it is equitable. Some Members look at it and try to see if they get more money for their States, but we cannot find anyone who says it is equitable. We can take a long time to talk about it, but we shall not do so right now.

We have to permit some of the shifts in population to work out now. We cannot go too far. The other thing is, if the children mentioned above all multiplied by the amount that was available per child during 1973, a smaller amount would be the factor than this year—1974. Last year the formula used the 1960 census. There was a 47-percent reduction in $2,000 income children in the 1970 census.

This is the complicated part of it, because to divide the total amount of money by the larger number of children counted in 1973, we have a smaller payment in 1973 per person than in 1974. That is why it is going to be a drastic cut in some districts.

It will not be as bad as leaving the continuing resolution as it is. It will not be that bad, but it is not going to help enough. It seems to me that we cannot correct the title 1 formula now, but this debate is good for all the Members here, because you can see how ridiculous the present title I formula is, but we have to go part way to correcting inequities.

The school districts did not know until the 1st of September what was going to happen. The Federal Government did not get the census information out soon enough. The Office of Education did not get it out, I guess, until the end of July. It was sent to the States; the States worked out how it would affect the counties; and from the counties worked it out for the school districts within the counties and the schools found out just recently. They had teachers hired and we just cannot knock them out of the box the way the continuing resolution is written.

Therefore, my proposal is that they get 85 percent of the money they received last year. Last year, where there was a shift in population, there was money reduced in some school districts and increased in other school districts. It was reduced in some States and increased in other States.

Let us not revert back to 1972, but let us not throw the baby out with the bath water before the authorization committee can act.

Therefore, I urge the Members to vote down the other amendments and support my amendment. If they cannot do that, I say that the next best one is the Green amendment.

Mr. MAHON. I move to strike the last word.

Mr. Speaker, most of the Government would come to a grinding halt if we did not pass the continuing resolution. The present continuing resolution expires on September 30. We should not project into this continuing resolution issues which will complicate an agreement between the House and the Senate on this continuing resolution and delay the passage of the resolution.

Normally we try not to have amendments on continuing resolutions. An amendment on a continuing resolution is most unusual. I hope that we will not muddy the water and pass any of the pending amendments to this continuing resolution.

All of this debate today has exemplified once again that we cannot write complicated, complex legislation on the floor of the House of Representatives. We need to work these things out in committee and Members need to have an opportunity to study the proposals upon which they are to vote.

The chairman of the Committee on Education and Labor appeared before the Committee on Appropriations last June and asked that the committee put a proviso in the continuing resolution in order to give his committee more time—a very logical request—to work out some sort of solution to the problem which we have been discussing here today. So this language was put in the continuing resolution in the Committee on Appropriations and presented to the House, and the House approved the continuing resolution. It was also in the regular Labor-HEW bill that was passed by the House in June. So we are absolutely consistent in the resolution that is before us today in extending the existing provision.

It would seem to me that we should recognize that there are many inequities in this situation, that there will be inequities regardless of any of the amendments which are adopted here today. Therefore, the best thing to do is let the Committee on Education and Labor have further opportunity to recommend a formula that will be more fair and equitable than the present formula, because the present formula is not good enough.

We passed the appropriation bill for the Office of Education. It has gone to the other body. It is being marked up and will be presented to the other body. In a very short time we should be in conference on the Labor-HEW appropriation bill. They will probably change the language that the House adopted in connection with the appropriation bill for HEW and we will have opportunity to address the matter that time.

What this continuing resolution does is just to carry forward the language in the original continuing resolution and in the appropriation bill for HEW.

But one will say, "Well, the HEW appropriation bill may be vetoed." If it is, we will have to pass a substitute bill or we will have to pass another continuing resolution. If by that time the Committee on Education and Labor has not come out with appropriate legislation, then this matter can be again considered. If necessary, we can try to write a new proviso that will meet the situation.

I think the only logical thing to do at this time is to vote against all these amendments. They all have good features; but it is a mistake to inject an item of this nature in this bill and risk the possibility of getting into an extended conference with the other body, and hazard a delay of the continuing resolution. As Members know, the present continuing resolution expires on midnight Sunday and the majority of the Government will be without funding authority on Monday morning.

We ought to act more responsibly by passing this simple continuing resolution today.

So I would say, Mr. Speaker, let us vote down all the amendments, the Latta amendment, the Perkins amendment, the Green amendment, and the Quie amendment—all the amendments. This is not to say that they are all bad because they do have some good features. But this is not the time or place to tackle the problem if we expect to get long-range, beneficial results.

Mr. BAUMAN. Mr. Speaker, I rise in support of the amendment of the gentleman from Ohio (Mr. LATTA) which has as its objective the guarantee that no local school jurisdictions will lose funds under title I during the present 1973–74 school year. Failing that I will support the amendment of the gentleman from Minnesota (Mr. QUIE).

Whatever the merits of the types of programs funded under title I and the need to revise the funding formula, the inequity of the sudden cutoff of funds at a point in time well into the current school year is the real problem we must solve.

In my own district, which includes more than half of the counties of Maryland, each county school system has lost substantial amounts of title I funds which have been shifted instead to the wealthier suburban counties and Baltimore City.

Coming at this time, hundreds of school employees, already contracted for, will lose their jobs. Reading and other special programs will end in midschool year. Admittedly this results from the operation of the current law which requires the use of 1970 census figures in determining how much each local jurisdiction is to receive under title I.

The fact is, however, that the Congress must accept full responsibility for this problem. The Department of Health Education, and Welfare anticipated this problem months ago and attempted to meet it by recommending the passage of the Better Schools Act, now pending in the other body. But Congress failed to act, and only now, under emergency conditions, are we faced with seeking a temporary solution. I say temporary because House Joint Resolution 727 is only a resolution continuing appropriations and we in Congress must find a permanent solution before we adjourn this session.

As in all legislation dealing with education, I deeply believe that we should not lose sight of the most important factor to be considered—that is the welfare of the thousands of young children who will be very directly and detrimentally affected by the shifting of title I funds in midschool year. Simple equity would seem to dictate that we act to guarantee at least for this year that no local school system will lose funds.

Lastly, in a broader sense, the problem we now face on title I funding calls into question the whole concept of Federal aid to education as it now exists. Such categorical grants, geared as they are to achieve various objectives deemed worthy by Federal officials, often fail to meet the far more specific needs of local school systems. Here, today, we see the mischief resulting from such a "strings attached" law. Areas needing help are denied aid, and those wealthy enough already are automatically given even more.

I therefore urge the adoption of an equitable amendment to House Joint Resolution 727, as a temporary solution and express the hope that Congress will act on a permanent remedy, perhaps by amending the pending HEW appropriations bill before the other body.

I include at this point in my remarks a table showing the past title I funding of Maryland counties in my district; the present funding using the 1970 census computation; and the effect of the Quie amendment which guarantees 85 percent of current title I funding for each local jurisdiction:

County	Fiscal year 1973	Fiscal year 1974	Quie amend. (85 percent)
Calvert	220, 899	171, 029	187, 764. 15
Caroline	186, 544	95, 555	158, 562. 40
Charles	373, 570	277, 294	317, 534. 50
Cecil	237, 755	172, 870	202, 091. 75
Dorchester	276, 926	125, 008	235, 387. 10
Harford	350, 292	293, 527	297, 748. 20
Kent	112, 215	44, 849	95, 382. 75
Queen Annes	141, 915	72, 294	120, 627. 75
Somerset	215, 120	110, 784	182, 852. 00
St. Marys	345, 957	227, 257	294, 063. 45
Talbot	142, 075	51, 208	120, 763. 75
Wicomico	322, 519	259, 890	274, 141. 15
Worcester	240, 484	106, 935	204, 411. 40
Total	3, 166, 271	2, 008, 500	2, 691, 330. 35

Mr. REID. Mr. Speaker, I rise in support of the Green substitute.

Mr. Speaker and Members of the House, let me see if I can clarify some of the debate.

First, the vote will occur on the Latta amendment to the Quie amendment, followed by the vote on the Perkins amendment, to the Quie amendment then the Green substitute, and finally the Quie amendment.

I believe the facts here are clear. First, the Green substitute, which I support, would hold harmless the eligible student, based on the current census. This is an eminently fair and sound proposition—sound and fair to the majority of States and for the majority of our children.

The Quie amendment, which changes the hold harmless formula from 100 percent to 85 percent, is a step in the right direction. It lessens the adverse effects on 29 States in providing a limited hold harmless provision for 21.

The Perkins amendment, however, is not a step forward in my judgment. It not only retains the inequitable hold-harmless formula at the 1972 level for State but adds a hold-harmless provision at the 1973 level for counties. In New York State, for example, the Perkins amendment would result in a loss for every school district in the State.

Mr. Speaker, the principle, is clear. The continuing appropriations measure, if it is not amended here on the floor, will prevent States with increased numbers of disadvantaged children from receiving funds and will give funds to States which have a decreased eligible population. The money should go first and foremost to where it is most needed—namely to those areas that have experienced increases in eligible children.

Lastly, let me just give the Members the figures as we have them, and then I will yield to the gentleman from New York.

Mr. Speaker, under the Green substitute, our estimates show that New York would receive $309 million, under the Quie amendment, $285 million, and under the continuing resolution, unamended, $255 million.

Thus, in terms of dollars and more particularly in terms of principle, the eligible student, and current figures, I commend the Members to the support of the Green substitute.

Mr. CAREY of New York. Mr. Speaker, will the gentleman yield?

Mr. REID. I yield to the gentleman from New York (Mr. CAREY).

Mr. CAREY of New York. Mr. Speaker, I thank my colleague for yielding.

In the 10 years during which I have been on the Committee on Education and Labor, we have tried to design a formula for student impact under title I.

One thing which this bill has in it is provision for disadvantaged children and school districts, attempting to help them in such a way that the Federal Government should never pay for empty seats. There are too many seats that should be filled with children who have learning disabilities and other kinds of disadvantages for us to pay for empty seats. Were this another kind of a bill, we could afford to be more generous. But this is a modest bill.

Mr. Speaker, I have heard the chairman of the Committee on Appropriations say that we should stick with the bill and let it be handled in the Committee on Education and Labor. That is not an accurate portrayal of the problem.

There is an amendment in the continuing resolution which is continuing in nature. It is a discrimination amendment. It pays for empty seats. We cannot hold harmless the children from the impact of no money.

Mr. Speaker, the one amendment that says we should put the money where the children are is the Green amendment. The Green amendment is based on the latest figures of those children in attendance, and no money can go to districts where there are empty seats.

Now, if there is a need for districts to have money to cope with faulty enrollments due to school conditions, let the Committee on Education and Labor bring out that kind of an impact bill. But the only amendment that puts the money, according to title I, where the bill was designed to put the money in 1965 and thereafter is the Green amendment.

Not because it would do something for New York but because it would do something for 29 of the 50 States who would get more money under any other version except the Green amendment.

Mr. REID. I thank the gentleman from New York for his contribution.

I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. I have just asked the author, the gentlewoman from Oregon, and have now clarified in my mind this fact: First, there is no hold-harmless phrase in her amendment. That to me is salutary. Second, the per pupil expenditure under the Green amendment will be at least that presently existing or existing in the immediate past and may possibly be slightly more. However, there will be no penalty. So it has the advantages pointed out by the gentleman from New York (Mr. CAREY) in that the children are counted where they are, which is, of course, meritorious; and, second, that for each child the level of expenditure will not be cut.

Mr. REID. The gentleman is correct.

Mr. HARRINGTON. Mr. Speaker, I rise in support of the amendment offered by Congressman QUIE of Minnesota on House Joint Resolution 727, continuing appropriations for fiscal year 1974 for all those departments and agencies whose programs and activities have not yet been enacted into law.

This resolution is an extension of an existing continuing resolution which funds, among other government programs, title I of the Elementary and Secondary Education Act.

New information in the form of results from the 1970 Census makes necessary the modification of the resolution, in order to justly allocate funds to States affected by the immigration of eligible children from other areas of the country.

The original continuing resolution, which provided funds for title I through September 30 of this year, contains a 100-percent "hold harmless" provision assuring that no State shall receive less funding than it did in fiscal year 1972. The distribution formula which resulted was equitable in light of statistics then available. But the 1970 Census indicates that 29 States, including Massachusetts, have attracted additional needy and eligible children, as a consequence of internal migration from other parts of the Nation. Holding fast to the previous distribution formula for funds over-assists certain States and under-assists others, usually those whose population is predominantly urbanized.

I would like to point out, Mr. Speaker, that the States which are disadvantaged by the inflexible 100-percent "hold harmless" provision are represented by 288 Members of the House and 58 Members of the Senate.

Congressman QUIE's amendment would hold local education agencies, rather than States, harmless at 85 percent of their previous funding. This offers the flexibility needed to adjust the distribution of funds in line with demographic shifts. Certain communities would receive less money because less children in need reside there. Other communities would receive upward adjustments in funding because more deserving children have moved to those areas. The concept of fairness at stake here is a simple one, and I urge my colleagues to subscribe to it.

Mr. GUYER. Mr. Speaker, historically and traditionally, reading, writing, and arithmetic are the basic essentials of a child's education. But as a result of serious cuts in elementary and secondary education title I reading programs, our fine youth are being seriously jeopardized in this most important educational opportunity. School districts in more than 71 counties in my State of Ohio alone have suffered from 5 to 80 percent cuts in title I funding due to the use of 1970 census figures in the funding formula under the previous continuing resolution.

Unless this oversight is corrected by inserting a local education area "hold harmless" clause into the continuing resolution that we are considering today, many small and rural school areas will find their students shortchanged in this important segment of education.

In order to substantially correct these gross inequities, I am supporting my fine colleague from Minnesota, Congressman QUIE in his amendment to House Joint Resolution 727 which inserts language assuring local school districts 85 percent of their 1973 funding. This amendment would approximate the provisions of legislation which Congressman LATTA and I introduced on September 6, providing that no local educational agency's allocation may be reduced for the fiscal year 1974 below its allocation for fiscal year 1973.

This measure would at least reduce the budget hardship that so many of the communities in our district have suffered.

Mr. BEARD. Mr. Speaker, I rise in support of the pending amendment to hold local education agencies harmless to not less than 85 percent of fiscal year 1973 allocations. The amendment will partially restore title I funds to some 90 school districts in Tennessee which have lost money ranging from $175 to $147,151.

Under the earlier continuing resolution, only States were held harmless at the previous year's funding—not local school districts. Allocations of that amount were based on the original ESEA title I formula with new 1970 census data. The result was a serious loss of funds to 90 local education agencies in Tennessee.

My support for the pending amendment is not based on the need for increased funds for title I but to prevent a massive breakdown in school budget programs already approved by local school boards. In many cases, local education agencies in Tennessee were not aware of the impending cutbacks until shortly before the beginning of the school year.

In my own district, 11 school systems are scheduled to be reduced a total of $716,375. Three of the poorest counties—Decatur, Fayette, and Giles Counties—are faced with huge deficits. In fiscal year 1973, Decatur County received $115,135 and with new allocation data will receive $28,944 in fiscal year 1974. Fayette County, one of the poorest in the Nation, received $788,857 in fiscal year 1973 and its fiscal year 1974 total will be $678,912. Giles County's fiscal year 1973 total was $294,000 and in fiscal year 1974 it is slated to receive $146,849—a loss of $147,151. In these three counties alone, losses of title I funds will amount to over $343,000.

Difficulty in planning is one of the most serious problems with Federal aid to education. Federal budgetary procedures should reflect adequate leadtime so that State and local education agencies get the maximum return on the education dollar

Mr. Speaker, I know that the ESEA title I formula has been much discussed during the debate on new education legislation in the Education Committee. I am sure the committee will attempt to address this problem in a substantive way. My position on future aid to education has not yet been determined. However, my support of the pending amendment is only to avoid serious dislocation among local education agencies this school year. You may be certain that I will take a good, hard look at future proposals to see that they pay adequate attention to giving State and local education agencies sufficient time to develop their budgets and curriculum. A continuation of the present situation can only lead to reduction in the quality of education our children are receiving.

Mr. Speaker, I ask that Governor Winfield Dunn's letter and enclosure on this subject be printed following my remarks.

STATE OF TENNESSEE,
September 4, 1973.

Hon. ROBIN L. BEARD, Jr.,
U.S. Representative,
Washington, D.C.

DEAR ROBIN: It has been brought to my attention that Congress, in passing the continuing resolution, requested that the 1970 census be used in distributing ESEA Title I funds. This action, coupled with the action of the Department of Health, Education and Welfare, is causing significant complications in Tennessee. I am enclosing for your use and information a chart showing the funding changes in Tennessee. Thanks to your efforts Tennessee has been held harmless, and with the larger appropriation authorized in the continuing resolution, we actually gained some $5 million.

You will further note on this chart that some 90 school districts in Tennessee will lose money ranging from $175 to $147,151. It is obvious that the sudden transfer of these funds is causing hardships among the local school districts. This is further complicated by the fact that it was August before the Department of Health, Education and Welfare had notified the states of the revised formula.

I have been further informed that there is likely to be an effort made by some states to remove the hold harmless provisions for states in its entirety when they consider the HEW-Labor Appropriations Bill. If this is done, Tennessee will lose some $20 million in ESEA Title I funds. This in addition to the existing problems created by the redistribution of funds will do much to destroy the efforts being made with the use of Title I ESEA funds. It would, of course, be helpful if something could be done to protect those school districts which are losing significant amounts of money. I recognize, however, the time to do this is very short. I also recognize that any efforts along this line may well increase the HEW/Labor Appropriations Bill beyond acceptable limits.

In your review of substantive legislation for Title I ESEA funds, I would offer the following considerations. The first of these is that under the present law without the hold harmless provision for states there will be a tremendous shift in dollars from the south to the north. This is caused primarily by one factor, the addition of AFDC children to the eligible recipients. While it is obvious that an income below $2,000 is no longer adequate in defining the poverty level, the addition of AFDC recipients severely penalizes poorer states. Even cursory analysis will indicate that the major reason for the larger welfare rolls in the northern states is the fact that they are more capable of making payments to higher income individuals. There very obviously needs to be some adjustments made in the formula for distribution of funds under Title I ESEA. However, until this can be done I strongly urge you to maintain the hold harmless clause.

I would also urge that when and if changes are to be made in the distribution of funds that it would be more administratively viable if Congress would provide some transition mechanism for the school systems which are going to be losing or gaining funds. Thank you very much for your consideration in this matter.

Sincerely,

WINFIELD DUNN,
Governor.

THE 1973 FISCAL YEAR GRANT AND 1974 FISCAL YEAR PRELIMINARY GRANT FOR THE LOW INCOME, PART A, TITLE I, PUBLIC LAW 89-10 AS AMENDED, SHOWING INCREASE OR DECREASE

Local educational agency	Fiscal year 1973 grant	Fiscal year 1974 preliminary grant	Increase or decrease
Anderson County	$307, 447	$420, 968	$113, 521
Clinton	11, 205	17, 452	6, 247
Oak Ridge	42, 580	84, 279	41, 699
Bedford County	153, 233	158, 767	5, 534
Benton County	98, 887	76, 617	(22, 270)
Bledsoe County	152, 673	137, 059	(15, 614)
Blount County	285, 737	323, 494	37, 757
Alcoa	57, 707	47, 248	(10, 459)
Maryville	90, 763	80, 022	(10, 741)
Bradley County	104, 770	131, 952	27, 182
Cleveland	119, 197	181, 752	62, 555
Campbell County	500, 750	536, 319	35, 579
Cannon County	85, 722	93, 643	7, 921
Carroll County	$43, 281	$13, 620	$(29, 661)
Atwood	31, 095	11, 493	(19, 602)
Hollow Rock-Bruceton	33, 897	23, 410	(10, 487)
Huntingdon	69, 893	36, 180	(33, 713)
McKenzie	49, 584	37, 032	(12, 552)
South Carroll County	33, 616	10, 216	(23, 400)
Trezevant	37, 958	12, 344	(25, 614)
Carter County	290, 920	325, 197	34, 277
Elizabethton	78, 858	122, 162	43, 304
Cheatham County	60, 088	80, 874	20, 786
Chester County	133, 764	111, 095	(22, 669)
Claiborne County	412, 778	396, 280	(16, 498)
Clay County	189, 370	151, 106	(38, 264)
Cocke County	316, 272	290, 294	(25, 978)
Newport	47, 483	48, 098	615
Coffee County	120, 038	86, 833	(33, 205)
Manchester	26, 893	43, 842	16, 949
Tullahoma	68, 492	69, 806	1, 314
Crockett County	28, 014	21, 283	(6, 731)
Alamo	45, 661	32, 775	(12, 886)
Bells	40, 479	28, 519	(11, 960)
Crockett Mills	19, 190	14, 472	(4, 718)
Friendship	21, 991	16, 175	(5, 816)
Gadsden	50, 564	27, 241	(23, 323)
Maury City	31, 235	25, 964	(5, 271)
Cumberland County	277, 893	198, 353	(79, 540)
Davidson-Metro	1, 479, 808	2, 512, 614	1, 032, 806
Decatur County	115, 135	28, 944	(86, 191)
DeKalb County	139, 367	69, 807	(69, 560)
Dickson County	146, 790	88, 961	(57, 829)
Dyer County	261, 646	169, 409	(92, 237)
Dyersburg	126, 761	86, 833	(39, 928)
Fayette County	788, 857	678, 912	(109, 945)
Fentress County	253, 802	194, 522	(59, 280)
Alvin C. York	39, 079	40, 011	932
Franklin County	236, 715	164, 301	(72, 414)
Gibson County	392, 048	306, 043	(86, 005)
Humboldt	91, 603	103, 582	10, 979
Milan	60, 369	25, 123	(35, 256)
Giles County	294, 000	146, 849	(147, 151)
Grainger County	205, 478	180, 050	(25, 428)
Greene County	397, 230	358, 823	(38, 407)
Greeneville	88, 942	164, 301	75, 359
Grundy County	183, 768	161, 321	(22, 447)
Hamblen County	95, 246	35, 755	(59, 491)
Morristown	116, 395	210, 697	94, 302
Hamilton County	352, 128	337, 966	(14, 162)
Chattanooga	924, 161	1, 648, 970	724, 809
Hancock County	203, 938	351, 162	147, 224
Hardeman County	429, 165	383, 511	(45, 654)
Hardin County	287, 838	227, 723	(60, 115)
Hawkins County	390, 507	343, 500	(47, 007)
Rogersville	28, 854	14, 046	(14, 808)
Haywood County	644, 728	570, 797	(73, 931)
Henderson County	190, 070	113, 649	(76, 421)
Lexington	36, 558	22, 985	(13, 593)
Henry County	150, 152	160, 896	10, 744
Paris	34, 176	59, 591	25, 415
Hickman County	139, 788	139, 613	(175)
Houston County	58, 688	61, 294	2, 606
Humphreys County	106, 030	136, 634	30, 604
Jackson County	189, 511	151, 957	(37, 554)
Jefferson County	154, 774	148, 978	(5, 796)
Johnson County	229, 991	167, 281	(62, 710)
Knox County	295, 822	586, 972	291, 150
Knoxville	943, 631	1, 282, 484	338, 853
Lake County	213, 602	77, 894	(135, 708)
Lauderdale County	461, 381	522, 272	60, 891
Lawrence County	279, 434	318, 812	39, 378
Lewis County	71, 154	43, 416	(27, 738)
Lincoln County	242, 597	220, 061	(22, 536)
Fayetteville	52, 385	58, 740	6, 335
Loudon County	147, 630	167, 281	19, 651
Lenoir City	35, 157	60, 868	25, 711
McMinn County	243, 997	112, 372	(131, 625)
Athens	71, 294	79, 596	8, 302
Etowah	12, 606	8, 088	(4, 518)
McNairy County	317, 112	243, 472	(73, 640)
Macon County	156, 174	103, 433	(52, 741)
Madison County	405, 634	352, 864	(52, 770)
Jackson	273, 831	382, 660	108, 829
Marion County	281, 675	229, 426	(52, 249)
Richard City	2, 941	5, 533	2, 592
Marshall County	159, 396	117, 480	(41, 916)
Maury County	336, 721	391, 173	54, 452
Meigs County	112, 894	61, 294	(51, 600)
Monroe County	294, 282	208, 143	(86, 139)
Sweetwater	50, 284	35, 755	(14, 529)
Montgomery-Clarksville	311, 650	704, 877	393, 227
Moore County	35, 717	27, 242	(8, 475)
Morgan County	238, 674	206, 866	(31, 808)
Obion County	204, 217	106, 413	(97, 804)
Union City	56, 027	50, 226	(5, 801)
Overton County	264, 727	171, 537	(93, 190)
Perry County	86, 702	36, 180	(50, 522)
Pickett County	76, 337	52, 355	(23, 982)
Polk County	108, 552	90, 238	(18, 314)
Putnam County	287, 838	253, 688	(34, 150)
Rhea County	155, 334	135, 357	(19, 977)
Dayton	25, 212	10, 641	(14, 571)
Roane County	$221, 305	$232, 831	$11, 526
Harriman	59, 809	67, 253	7, 444
Rockwood	48, 043	------------	(48, 043)
Robertson County	283, 496	151, 532	(131, 964)
Rutherford County	229, 991	309, 873	79, 882
Murfreesboro	85, 861	85, 556	(305)
Scott County	233, 632	255, 816	22, 184
Oneida	58, 969	133, 654	74, 685
Sequatchie County	62, 190	51, 078	(11, 112)
Sevier County	292, 740	269, 011	(23, 729)
Shelby County	682, 267	771, 279	89, 012
Memphis	3, 137, 922	7, 264, 574	4, 126, 652
Smith County	153, 794	94, 494	(59, 300)
Stewart County	111, 353	77, 043	(34, 310)
Sullivan County	403, 113	510, 355	107, 242
Bristol	108, 832	142, 593	33, 761
Kingsport	168, 500	193, 245	24, 735
Sumner County	313, 050	296, 253	(16, 797)
Tipton County	533, 235	535, 894	2, 659
Covington	32, 915	49, 801	16, 886
Trousdale County	58, 828	77, 468	18, 640
Unicoi County	143, 570	128, 121	(15, 449)
Union County	137, 966	100, 028	(37, 938)
Van Buren County	62, 890	34, 903	(27, 987)
Warren County	209, 961	231, 554	21, 593
Washington County	239, 655	261, 349	21, 694
Johnson City	153, 934	222, 615	68, 681
Wayne County	188, 810	128, 972	(59, 838)
Weakley County	205, 478	176, 219	(29, 259)
White County	253, 521	177, 071	(76, 450)
Williamson County	186, 149	108, 115	(78, 034)
Franklin	73, 255	83, 853	10, 598
Wilson County	131, 803	147, 700	15, 897
Lebanon	53, 366	102, 582	49, 216
Watertown	6, 303	9, 364	3, 061
Total	31, 273, 191	36, 288, 395	5, 015, 204

Source: Tennessee State Department of Education, Aug. 14, 1973.

Mr. MILLER. Mr. Speaker, I support the Quie amendment and urge its adoption.

On June 26 this body considered House Joint Resolution 636, making continuing appropriations, and H.R. 8877, the fiscal year 1974 Labor-HEW appropriations bill. However, serious deficiencies exist in two provisions relating to the allocation of title I, ESEA funds. The provisos stipulate that no State will receive less title I funds than it received in fiscal year 1972. While no specific reference to local school districts is contained in the legislation, it was nevertheless the intent that they be accorded some measure of hold-harmless protection.

However, the Office of Education has construed the hold-harmless language as being applicable only to the States and accordingly made county allocations on the basis of the 1970 census data. Although the States are receiving the same level of funding as 1972, there have been drastic shifts in funding within the States. Many of the poorest school districts have experienced precipitous reductions in their title I grants while other districts have received windfalls. Knowing that use of the 1970 census data could have disruptive local effects, we intended, I believe, that no local educational agency be subjected to a precipitous loss of funds. Obviously that intent was never made clear either in the language of the proviso or the legislative history. The consequences have been dramatic.

In my home State of Ohio 71 of the 88 counties have lost funds ranging from 5 percent to 80 percent. One school district in the State will receive no funds, while others have been cut up to 80 percent. Last school year my congressional district received $2.4 million in title I grants, but under the 1974 allocations, it receives $1.6 million—two-thirds of last year's level. All but 1 of the 13 counties in the 10th Congressional District have lost funds. In fact, the poorest county in the State loses $79,589—a 70-percent reduction. Of the 50 school districts in our area, 42 have had their allocations reduced—some by as much as 80 percent.

Needless to say, the lack of protection for local educational agencies under the current resolution has caused gross inequities and hardships among various school districts. The distressing fact is that the richer districts appear to have benefited at the expense of the poorer ones.

If the cutbacks were not enough in themselves to create problems locally, they were announced just as many schools were ready to open their doors. School boards had entered into contracts with their title I teachers and finalized their budgets. Suddenly, the money they had earmarked for teachers and programs was not there. The many school superintendents and education officials I have talked to over the past month and a half have told me they are in serious financial and legal straits and are counting on Congress to remedy the situation so they can fashion curriculums and programs for the remainder of the school year.

These drastic redistributions of title I funds coming at the beginning of the school year have already disrupted the education process, but we have the opportunity to prevent any serious harm if we act now. I therefore urge that the legislative intent be clarified by adopting the hold-harmless provision for local school districts so that they may be able to finish out the school year at reasonable levels of funding.

Mr. GILMAN. Mr. Speaker, I urge my colleagues to support the amendment offered by the gentleman from Minnesota (Mr. QUIE).

Our legislative goal in providing title I, ESEA funds is to assure high quality education for disadvantaged students, no matter where they may be living.

The proposed formula for distributing title I funds in the resolution before us could result in an outrageously inequitable apportionment to many of our States, unless we adopt Mr. QUIE's proposal.

House Joint Resolution 727, as it now stands, provides for the distribution of title I funds at a level that guarantees that no State will receive less funding than it had received in the most recent appropriation. There have been marked changes in population distribution since this last allocation.

The 1970 census amply demonstrates that many recipients of title I funds are now located in urbanized areas. If we approve the dispersal of title I funds at the hold-harmless provisions inherent in this resolution, we would be supporting flagrant abuses in per-student allotments. In some States the Federal share of educating a disadvantaged child will be as high as $438, while in other regions the per-student allotment would be as low as $170.

Our own State of New York stands to lose over $54 million in title I funds if we allow this unjust formula to remain unchanged.

If, however, we adopt Mr. QUIE's rational compromise, which provides for an 85-percent hold-harmless funding to local districts, we are making some gains at equalizing per-student allocations and will be providing a more equitable formula for all of our States.

Mr. Speaker, our congressional intent is to improve the quality of education for disadvantaged students. We must reach as many disadvantaged students as we can while, at the same time, providing the most effective assistance possible. Let us put our money where our children are.

Accordingly, I urge my colleagues to join in support of the Quie amendment.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members of the House may be permitted to revise and extend their remarks at this point in the RECORD in connection with the joint resolution and the pending amendments.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all debate on the pending amendments and amendments thereto, the substitute amendment and so forth, end in 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. PERKINS. Mr. Speaker, I want 5 minutes. I object.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all debate on the pending amendments and amendments thereto be concluded in 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The Chair now recognizes the gentleman from Connecticut (Mr. GIAIMO).

(Mrs. GREEN of Oregon and Mr. SISK asked and were given permission to yield their time to Mr. GIAIMO.)

Mr. GIAIMO. Mr. Speaker, I rise today in support of the Green amendment and hope that it will carry.

I speak here not as an expert on education, although I did serve on the Committee on Education and Labor for some years, but I do speak as a member of the Committee on Appropriations and primarily to urge people in the House today to voice their will on this very important item.

I must respectfully disagree with my chairman and the chairman of the subcommittee who say this is simply a continuing resolution and should not be amended at any point.

There is no such thing as a simple continuing resolution. A continuing resolution is a device for appropriating moneys running into the billions and billions of dollars for appropriations acts which have not yet been signed into law. Add to that fact that the Labor-HEW appropriation has still not been enacted into law. We are well past the beginning of the fiscal year which started July 1, and here we are practically going into the second quarter of the fiscal year on continuing resolutions.

I do not like the fact that this Government of ours continually operates on continuing resolutions, but it has become a fact of life, unfortunately. The fact is that if we are to cure inequities, inequities which affect our schoolchildren and our school districts, which need funds in order to educate these children, we have to do it in this body, in this House. We have to do it with the only mechanism and vehicle available to us. The only tool and vehicle that we have is the continuing resolution before us today.

We can debate at length in the Committee on Education and Labor, changes in the authorizing legislation and have done so for years and to no avail. Today, we can act effectively, and we can act today through the device of amending a continuing resolution. Because what we are saying by this amendment is: If you are going to spend money in accordance with the terms of the continuing resolution you must spend the money in the manner in which we are mandating today by virtue of the adoption of certain amendments.

So I say today is the day to act. It may create some delays and difficulties in the conference on the adoption of the continuing resolution between the House and the other body, but we have had difficulties before, and they can be worked out. I say that this is the time to end the inequities which exist.

I urge the adoption of the Green amendment.

The SPEAKER. The Chair recognizes the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, I yield back the balance of my time. I believe that I have discussed this matter enough.

The SPEAKER. The Chair recognizes the gentleman from New York (Mr. CAREY).

Mr. CAREY of New York. Mr. Speaker, I think one of the ways to avoid budget-busting proposals is to go along with the views of the administration whenever we find them equitable.

The closest thing that we can get to educational revenue sharing, which has been advocated by the President as fiscally feasible, is the Green amendment.

If the Members believe in per population basis of disbursement of moneys, then put the money where the population is in the schools. That is what the Green amendment does. It is very close to educational revenue sharing. Let us give it a try.

The SPEAKER. The Chair recognizes the gentleman from New York (Mr. REID).

Mr. REID. Mr. Speaker, I urge support of the Green substitute amendment on the basis of the very simple principle that funds should go to the eligible students based on the most current figures. As one of the drafters of the original

ESEA, I support its original premise—namely that funds should go where the children are. I think the substitute amendment offered by the gentlewoman from Oregon (Mrs. GREEN) achieves this, and I believe it should be supported.

The SPEAKER. The Chair recognizes the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Speaker, I want to join with the gentleman from Connecticut (Mr. GIAIMO) in urging that we not adopt a policy which says that we do nothing. Clearly at this point a number of school districts are going to lose funds unless we take some action. I have some reservations about the Green amendment. Frankly, I would hope that the Quie amendment could be adopted. But either of those amendments is preferable to letting this opportunity pass whereby we will have lost the chance to correct the inequities that exist, and they exist not through the fault of anybody in particular, but simply because we are so late in making the changes that are necessary with reference to the school districts, that this opportunity we have now is the only opportunity we have to correct this problem.

The SPEAKER. The Chair recognizes the gentleman from Michigan (Mr. WILLIAM D. FORD).

(By unanimous consent, Mr. WILLIAM D. FORD yielded his time to Mr. MEEDS.)

The SPEAKER. The Chair recognizes the gentleman from Washington (Mr. MEEDS) for 2 minutes.

Mr. MEEDS. Mr. Speaker, to add to the confusion, I am going to vote for the Quie amendment, against the Green amendment, against the Perkins amendment, and against the Latta amendment. I do this because I think the Quie amendment does something. It is not perfect.

I think there is great potential in the Green amendment, but because it fixes statistics and leaves us counting substantially fewer children in this country, I do not know what the effect will be. The effect may be, for instance, to cost about 60 percent of its entitlement to the State of Alabama. I do not think we can do that. I do not think we can do that with the precipitousness that this amendment does. I think we should have some time to work this out in the Committee on Education and Labor, to work this formula out.

The Quie amendment at least goes 15 percent toward balancing any inequity which presently exists, so it is not completely equitable. I think it is better than any of the others that are offered. I shall support it.

The SPEAKER. The Chair recognizes the gentleman from North Carolina (Mr. ANDREWS).

Mr. ANDREWS of North Carolina. Mr. Speaker, I should just like to disagree slightly with the gentleman who just spoke. The Quie amendment, I believe, is only 85 percent as bad as the others.

All of us during the latter part of the August recess, or shortly after our return here, were asked, What was the No. 1 problem in our districts? I read what many of you said—inflation, this, that, and other. The No. 1 problem in all of our districts is obviously human nature. Human nature is the problem here today. The best thing we can possibly do is to adopt the Perkins amendment and leave this like it is within the States and within the districts in those States until we can resolve this matter.

I urge the Members' support of the Perkins amendment.

The SPEAKER. The Chair recognizes the gentleman from Iowa (Mr. SMITH).

Mr. SMITH of Iowa. Mr. Speaker, I have been one of the principal supporters on the Committee on Appropriations for using title I as a vehicle for distributing education funds in this country, but if we are going to use it to distribute more and more and more to the wealthy and less and less and less for the children of the poor, I am going to stop supporting it. That is what the Green amendment will do. That is what will happen if we do not adopt the Perkins amendment.

Under the Quie amendment, some districts will receive less than they have already been allocated. That would be a bad situation.

The Green amendment and the others exclude the children of the working poor who make over $2,000 per year and include all those who get big welfare payments. The children of families of $2,100 in income earned by the sweat of their brow would be excluded. The children of the families that get $3,900 on welfare would be included. That is not fair.

I urge you to adopt the Perkins amendment.

The SPEAKER. The Chair recognizes the gentleman from Ohio (Mr. HARSHA).

Mr. HARSHA. Mr. Speaker, I rise in support of the Quie amendment.

Mr. Speaker, a great many school districts throughout the Nation are facing a serious problem as a result of the distribution of title I funds. This problem has arisen as a result of the provision contained in both the continuing resolution providing funds for the first quarter of fiscal year 1974 and the Labor-HEW appropriations bill holding each State harmless to the total amount of assistance received in fiscal year 1972. The effect of using 1970 census data also contributed to the disparity in the redistribution of funds, and as a result many school districts have suffered tremendous reductions in their allocations.

While the continuing resolution provided for a hold-harmless provision for the States, it did not protect local school districts in any way. As a result, there has been a dramatic redistribution of funds within the States which has led to many inequities in the allocation of title I funds. In my own State of Ohio, 71 counties have lost funds varying from 5 to 80 percent. One school district will receive no funds, and many school districts have been reduced in their allocations up to 80 percent. Under the present formula, funds have been prevented from reaching many children eligible for title I assistance in States which have gained in population since 1970.

I wish to express my strong support of the Quie amendment to hold local districts harmless to 85 percent of the amount they received in fiscal 1973. Enactment of this amendment will permit moneys to shift to States which have gained population since 1970 and will restore funding to many school districts which experienced reductions because of the combined effects of the State hold-harmless provision and the 1970 census. In the case of Ohio, this change in distribution will increase the maximum funds available for title I assistance to a total of $57 million, an increase of $6 million from the present level of distribution, and allow a fairer distribution of funds within the State.

I strongly urge my colleagues to support this amendment. It will do much toward alleviating the extremely inequitable situation which prevails throughout the country with respect to this vital educational program.

Many school districts have already entered into contracts based on much higher amounts and unless this hold-harmless amendment is adopted they will have no way of honoring these contracts. This method of allocating funds to school districts after they have obligated themselves and without adequate advance notice of these cutbacks is totally unconscionable.

In the interest of fairness and equity the Quie amendment should be adopted.

(By unanimous consent, Mr. BURTON yielded his time to Mr. PERKINS.)

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky (Mr. PERKINS) for 2 minutes.

The SPEAKER. The Chair recognizes the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, the language in the present continuing resolution was considered reasonably satisfactory on June 30 of this year by the House and by the Senate. So if it was reasonably satisfactory on June 30 of this year, why should it not be satisfactory for a few more days or a few more weeks?

The debate has clearly shown and the number of amendments offered has clearly shown that this is not the time to try to write legislation on the floor and particularly legislation of which the effect is so difficult to determine.

I am advised that we have no legislative program in the House for Thursday. Tomorrow is Wednesday. We need to get this legislation to the other body and cleared tomorrow so we can send it to the President, so it will take effect on Monday, at which time the present legislation will have expired.

The SPEAKER. All time has expired.

The question is on the amendment offered by the gentleman from Ohio (Mr. LATTA) to the amendment offered by the gentleman from Minnesota (Mr. QUIE).

The amendment to the amendment was rejected.

The SPEAKER. The question is on the amendment offered by the gentleman from Kentucky (Mr. PERKINS) to the substitute amendment offered by the gentlewoman from Oregon (Mrs. GREEN) for the amendment offered by the gentleman from Minnesota (Mr. QUIE).

The question was taken; and the

Speaker announced that the noes appeared to have it.

Mr. PERKINS. Mr. Speaker, I demand a recorded vote.

A recorded vote was refused.

So the amendment to the substitute amendment was rejected.

The SPEAKER. The question is on the substitute amendment offered by the gentlewoman from Oregon (Mrs. GREEN) for the amendment offered by the gentleman from Minnesota (Mr. QUIE).

The question was taken; and the Speaker announced that the noes appeared to have it.

Mrs. GREEN of Oregon. Mr. Speaker, I demand a recorded vote.

A recorded vote was refused.

On a division (demanded by Mr. GIAIMO) there were—ayes 54, nays 76.

Mr. GIAIMO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 184, nays 198, not voting 52, as follows:

[Roll No. 476]

YEAS—184

Abzug
Adams
Addabbo
Annunzio
Archer
Armstrong
Ashbrook
Aspin
Badillo
Baker
Bell
Bennett
Biaggi
Bingham
Blatnik
Boland
Brademas
Brasco
Bray
Broomfield
Broyhill, Va.
Burke, Mass.
Byron
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Collier
Collins, Ill.
Collins, Tex.
Conlan
Crane
Cronin
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Delaney
Denholm
Dennis
Derwinski
Diggs
Dingell
Donohue
Dulski
du Pont
Edwards, Calif.
Esch
Fascell
Flynt
Ford, William D.
Fraser
Fulton
Giaimo
Gibbons
Goldwater
Grasso
Gray
Green, Oreg.
Griffiths
Gross
Grover
Guyer
Hammerschmidt
Hanrahan
Harrington
Harvey
Helstoski
Hinshaw
Holtzman
Howard
Huber
Hudnut
Hungate
Jarman
Jones, Okla.
Karth
Kastenmeier
Keating
Kemp
Ketchum
Kluczynski
Koch
Kuykendall
Kyros
Landgrebe
Landrum
Latta
Lehman
Lent
Litton
Lujan
McCloskey
McCollister
McKay
McKinney
Madden
Madigan
Mallary
Maraziti
Martin, Nebr.
Mathias, Calif.
Melcher
Michel
Minshall, Ohio
Mitchell, Md.
Moakley
Moorhead, Calif.
Murphy, Ill.
Nedzi
Nelsen
O'Hara
O'Neill
Owens
Patten
Pettis
Pike
Podell
Price, Ill.
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reid
Riegle
Robinson, Va.
Rodino
Roe
Rosenthal
Rostenkowski
Roush
Rousselot
Runnels
Ruppe
Ruth
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Schroeder
Seiberling
Shipley
Shoup
Shuster
Sisk
Staggers
Steele
Steelman
Steiger, Ariz.
Stokes
Stratton
Studds
Sullivan
Symington
Symms
Talcott
Teague, Calif.
Thompson, N.J.
Thone
Tiernan
Ullman
Van Deerlin
Vander Jagt
Veysey
Waggonner
Whalen
Whitehurst
Wiggins
Wilson, Bob
Wolff
Wyatt
Wydler
Wyman
Yates
Young, Ill.
Zablocki

NAYS—198

Abdnor
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Arends
Bafalis
Barrett
Bauman
Beard
Bergland
Biester
Bolling
Bowen
Breaux
Breckinridge
Brooks
Brotzman
Brown, Calif.
Broyhill, N.C.
Burke, Fla.
Burlison, Mo.
Burton
Butler
Camp
Carter
Chappell
Clay
Cleveland
Cochran
Cohen
Conable
Corman
Coughlin
Daniel, Dan
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dellums
Dent
Devine
Dickinson
Downing
Drinan
Duncan
Eckhardt
Edwards, Ala.
Eilberg
Erlenborn
Eshleman
Evans, Colo.
Evins, Tenn.
Findley
Fish
Fisher
Flood
Flowers
Foley
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Gilman
Ginn
Gonzalez
Goodling
Green, Pa.
Gubser
Gude
Gunter
Haley
Hamilton
Hansen, Idaho
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heinz
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Horton
Hosmer
Hunt
Hutchinson
Ichord
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jordan
Kazen
King
Leggett
Long, Md.
Lott
McClory
McCormack
McDade
McFall
McSpadden
Mahon
Mailliard
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Mezvinsky
Milford
Miller
Mink
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Morgan
Mosher
Moss
Myers
Natcher
Nichols
Obey
O'Brien
Parris
Passman
Pepper
Perkins
Peyser
Pickle
Poage
Powell, Ohio
Preyer
Price, Tex.
Pritchard
Quie
Quillen
Robison, N.Y.
Rogers
Roncalio, Wyo.
Rooney, N.Y.
Rooney, Pa.
Rose
Roy
Roybal
Ryan
Sarbanes
Sebelius
Shriver
Sikes
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Stanton, James V.
Stark
Steed
Steiger, Wis.
Stuckey
Taylor, N.C.
Teague, Tex.
Thomson, Wis.
Thornton
Towell, Nev.
Treen
Udall
Vanik
Vigorito
Waldie
Walsh
Wampler
Ware
White
Whitten
Widnall
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Yatron
Young, Alaska
Young, Fla.
Young, S.C.
Young, Tex.
Zion
Zwach

NOT VOTING—52

Ashley
Bevill
Blackburn
Boggs
Brinkley
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burleson, Tex.
Conte
Conyers
Cotter
Culver
Danielson
Dorn
Ford, Gerald R.
Gettys
Hanley
Hanna
Hansen, Wash.
Hébert
Heckler, Mass.
Johnson, Calif.
Johnson, Pa.
Jones, Tenn.
Long, La.
McEwen
Macdonald
Mann
Metcalfe
Mills, Ark.
Minish
Moorhead, Pa.
Murphy, N.Y.
Nix
Patman
Reuss
Rhodes
Rinaldo
Roberts
Roncallo, N.Y.
St Germain
Sandman
Stanton, J. William
Stephens
Stubblefield
Taylor, Mo.
Wright
Wylie
Young, Ga.

So the substitute amendment was rejected.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Blackburn.

Mr. Bevill with Mrs. Heckler of Massachusetts.

Mr. Cotter with Mr. McEwen.

Mr. Macdonald with Mr. Conte.

Mr. Minish with Mr. Burgener.

Mr. Moorhead of Pennsylvania with Mr. Brown of Michigan.

Mr. Stubblefield with Mr. Wylie.

Mr. St Germain with Mr. Sandman.

Mr. Nix with Mr. Rhodes.

Mr. Hanley with Mr. Rinaldo.

Mrs. Boggs with Mr. J. William Stanton.

Mr. Burleson of Texas with Mr. Roncallo of New York.

Mr. Culver with Mr. Taylor of Missouri.

Mr. Gettys with Mr. Brown of Ohio.

Mr. Hanna with Mr. Johnson of Pennsylvania.

Mr. Ashley with Mr. Gerald R. Ford.

Mr. Jones of Tennessee with Mr. Buchanan.

Mr. Metcalfe with Mrs. Burke of California.

Mr. Mann with Mr. Conyers.

Mr. Reuss with Mr. Danielson.

Mr. Roberts with Mrs. Hansen of Washington.

Mr. Stephens with Mr. Johnson of California.

Mr. Dorn with Mr. Long of Louisiana.

Mr. Brinkley with Mr. Mills of Arkansas.

Mr. Murphy of New York with Mr. Patman.

Mr. Young of Georgia with Mr. Wright.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the amendment offered by the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 286, nays 94, not voting 54, as follows:

[Roll No. 477]

YEAS—286

Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Annunzio
Arends
Armstrong
Ashbrook
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boland
Bolling
Brasco
Bray
Broomfield
Brotzman
Broyhill, Va.
Burke, Fla.
Burke, Mass.
Butler
Byron
Carey, N.Y.
Carney, Ohio
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Corman
Coughlin
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Delaney
Dellenback
Dellums
Dennis
Dent
Derwinski
Devine
Diggs
Dingell
Donohue
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Ford, William D.
Forsythe
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Goldwater
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Heinz
Helstoski
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jordan
Keating
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros

Landgrebe
Latta
Leggett
Lehman
Lent
Litton
Long, Md.
McClory
McCloskey
McCormack
McDade
McFall
McKay
McKinney
Madden
Madigan
Mailliard
Mallary
Maraziti
Martin, Nebr.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Michel
Milford
Miller
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Calif.
Morgan
Mosher
Moss
Murphy, Ill.
Myers
Nedzi
Nelsen
Obey
O'Brien
O'Hara
O'Neill

Owens
Parris
Patten
Pepper
Pettis
Peyser
Pike
Podell
Powell, Ohio
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reid
Riegle
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Rostenkowski
Rousselot
Roybal
Ruppe
Ryan
Sarasin
Sarbanes
Saylor
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shuster
Sisk
Smith, N.Y.
Staggers
Stanton, James V.

Stark
Steele
Steiger, Ariz.
Steiger, Wis.
Stokes
Stratton
Studds
Symms
Talcott
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waldie
Walsh
Ware
Whalen
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wyatt
Wydler
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Zablocki
Zion
Zwach

NAYS—94

Abdnor
Alexander
Andrews, N.C.
Andrews, N. Dak.
Archer
Aspin
Bowen
Brademas
Breaux
Breckinridge
Brooks
Brown, Calif.
Broyhill, N.C.
Burlison, Mo.
Burton
Camp
Carter
Casey, Tex.
Cochran
Crane
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Denholm
Dickinson
Downing
Flood
Flowers
Flynt
Fountain

Ginn
Gonzalez
Gross
Hamilton
Hechler, W. Va.
Henderson
Holt
Hosmer
Jarman
Jones, N.C.
Jones, Okla.
Kastenmeier
Kazen
Landrum
Lott
Lujan
McCollister
McSpadden
Mahon
Martin, N.C.
Mathis, Ga.
Mezvinsky
Mizell
Montgomery
Natcher
Nichols
Passman
Perkins
Pickle
Poage
Preyer
Price, Tex.

Rarick
Rooney, N.Y.
Rose
Roush
Roy
Runnels
Ruth
Satterfield
Scherle
Shriver
Sikes
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Steed
Steelman
Stuckey
Sullivan
Symington
Taylor, N.C.
Thornton
Waggonner
Wampler
White
Whitehurst
Whitten
Winn
Young, S.C.
Young, Tex.

NOT VOTING—54

Ashley
Bevill
Blackburn
Boggs
Brinkley
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burleson, Tex.
Conte
Conyers
Cotter
Culver
Danielson
Dorn
Foley
Ford, Gerald R.

Gettys
Hanley
Hanna
Hansen, Wash.
Hébert
Heckler, Mass.
Johnson, Pa.
Jones, Tenn.
Karth
Long, La.
McEwen
Macdonald
Mann
Metcalfe
Mills, Ark.
Minish
Moorhead, Pa.
Murphy, N.Y.
Nix

Patman
Reuss
Rhodes
Rinaldo
Roberts
Roncallo, N.Y.
St Germain
Sandman
Stanton, J. William
Stephens
Stubblefield
Taylor, Mo.
Teague, Tex.
Wright
Wylie
Young, Ga.

So the amendment was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Gerald R. Ford.

Mrs. Boggs with Mr. Brinkley.

Mr. Minish with Mr. Metcalfe.

Mr. Moorhead of Pennsylvania with Mr. Young of Georgia.

Mr. Teague of Texas with Mr. Karth.

Mr. Nix with Mr. Hanna.

Mrs. Hansen of Washington with Mr. Burleson of Texas.

Mr. Bevill with Mr. Wylie.

Mrs. Burke of California with Mr. Foley.

Mr. Cotter with Mrs. Heckler of Massachusetts.

Mr. Danielson with Mr. Rhodes.

Mr. Jones of Tennessee with Mr. Taylor of Missouri.

Mr. Macdonald with Mr. Burgener.

Mr. Long of Louisiana with Mr. J. William Stanton.

Mr. St Germain with Mr. Buchanan.

Mr. Roberts with Mr. McEwen.

Mr. Murphy of New York with Mr. Sandman.

Mr. Stubblefield with Mr. Brown of Ohio.

Mr. Wright with Mr. Rinaldo.

Mr. Hanley with Mr. Conte.

Mr. Gettys with Mr. Brown of Michigan.

Mr. Conyers with Mr. Ashley.

Mr. Dorn with Mr. Blackburn.

Mr. Culver with Mr. Johnson of Pennsylvania.

Mr. Mills of Arkansas with Mr. Roncallo of New York.

Mr. Mann with Mr. Patman.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. FINDLEY

Mr. FINDLEY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FINDLEY: Add a new section at the end of the resolution as follows:

"SEC. 3. None of the funds made available by this Act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products."

Mr. FINDLEY. Mr. Speaker, each of us in recent days undoubtedly has had a number of independent petroleum marketers visit our offices. They are literally writhing under the regulations established by the Cost of Living Council. The almost incredible fact is that the Cost of Living Council in setting up phase IV established a double standard, one standard for the independent retailer who does not refine or job his own products, and another standard for the big operators such as Exxon, Mobil, and so on, the firms who refine their own products and also market their own products at retail.

For this first group, the independent petroleum marketer, the Cost of Living Council deliberately chose their markup margin of January 10 as the margin the petroleum marketers in that category would be required to live with under phase IV. They chose it because it was the traditional low-price period of the year. It was the gas war time of the year, the time when margins were much lower than at any other time. They chose it, of course, in order to keep prices down.

For the other category, the retailer who is also a refinery—in other words, the big operator—they chose instead May 15 as the base day. Here, they chose that date for an entirely different reason. They chose it because May 15 happens to be a high profit time of the year.

Now, their rationale—believe it or not—was that they wanted to give the refinery-retailer an incentive for greater production to meet the rising demand for gasoline. Therefore, they gave the refinery, the big operator, the chance for better profits.

In addition, the Cost of Living Council gave the refiner-retailer the chance to pass through cost increases. This right was denied, of course, to the small independent.

The purpose of my amendment is just as simple and fair as any language could be. It requires that the Cost of Living Council treat all retailers alike, whether they be independent merchants; whether they also own their own refining operation. If May 15 makes sense for one retailer, let May 15 make sense for the rest. If January 10 makes sense for one, then let it be January 10 for the rest.

The truth is that this double standard is causing the independent petroleum marketers in the Nation to die out like flies. That is what this is doing. They simply cannot live with the margins prescribed by the Cost of Living Council.

The Members may have noticed in the paper that the President is putting some pressure on the Cost of Living Council to try to correct the problem. I do not have any inside information, but the best information I can get is that the Cost of Living Council at best will recommend a 1 or 2 cent price increase for the independent petroleum marketer, but no matter what the Cost of Living Council should decide to do today or tomorrow or next week, the Cost of Living Council ought to play fair with all retailers and have the same set of rules for the little fellow as for the big fellow.

The effect of all this is to cause less competition in this critical field, and of course in the long term the party that gets hurt as competition is reduced is the consumer. Therefore, this is clearly a pro-consumer amendment, a fair play amendment to strengthen a competitive marketplace system where competition is very precious.

Ever since the price freeze of last June, the ability of small independent service station owners to raise prices has been severely circumscribed by Government regulation. While there are many areas of phase IV which should be subjected to review and consideration, one area which appears to be clearly inequitable and in need of immediate change if independent gasoline marketers are to remain a competitive force in keeping gas prices low to consumers is the imposition of a January 10, 1973, date for determining independent service station prices and a different date, May 15, 1973, for determining the price of gas sold by the major oil companies.

It is important to note that the phase IV regulations break down the petroleum industry into four segments: producer, refiner, reseller, and retailer. A special set of guidelines has been developed for each segment and it is recognized that vertically integrated firms can and do perform up to all four functions.

The date of January 10, 1973, for determining retailer margins was chosen by the Cost of Living Council after much study and review of margins on various dates. January 10, 1973, was chosen because, on average, operating margins were lower on that date than on dates thereafter. In fact, prices were quite depressed and profit margins were below normal.

The Cost of Living Council also investigated similar data for the producing and refining segments of the petroleum industry and their company-owned stations, which sell 25 percent of the gasoline to the public. Finally, ceiling price calculations for these sectors were based on May 15, 1973, costs, and prices. While it recognized that prices earlier in the year were considerably lower, the Cost of Living Council reasoned that the higher May 15, 1973, prices would provide an incentive to produce additional supplies. The right to pass-through costs was justified in this vein also. Thus by choosing the May 15, 1973 date and permitting cost pass-throughs, the Cost of Living Council purposely created a profitable climate for the major oil companies.

In other words, COLC decided to sacrifice the small independent businessmen in favor of the major oil companies at a time when the major oil companies were earning the greatest profits in history.

Just listen to these profits earned in the first 6 months of this year by a few of the big oil companies and the tremendous increase over the first 6 months of last year:

Exxon earned $1 billion, 18 million, up 48 percent over the same period last year.

Texaco earned $531 million, up 28 percent over last year.

Gulf earned $360 million, up 46 percent over last year.

Mobil earned $340 million, up 25 percent over 1972.

Standard of California earned $334 million, up 33 percent.

Standard of Indiana earned $242 million, up 29 percent.

Shell earned $169 million, up 52 percent.

Despite those profits, the Cost of Living Council decided that the majors were not earning enough and so they gave them the more profitable date of May 15 at which to set their pump prices of gasoline.

Second, COLC also provided for automatic increases in the price of crude oil, which the majors can pass forward on a dollar-for-dollar basis to independent wholesalers and retailers. The result is that these increases passthrough to the retailers, where they must be absorbed on gasoline, diesel, and No. 2 home heating oil. Of course the majors' outlets absorb their share of these price increases, which account for about 25 percent of the gas sold. But the small independents which sell the other 75 percent must absorb the majors' price increase because they cannot raise the ceiling price to reflect higher product cost. Thus, a direct subsidy from the small businessman to the multinational oil company results.

Realizing the inequity of this, President Nixon yesterday ordered the Cost of Living Council to come up with new price levels by the end of this week. However, the Washington Post says this morning that—

> Cost of Living Council sources said they expected the new ceilings would be about 2 cents higher than the current ceilings.

It seems that COLC is not even contemplating revising the dates for determining prices. Nor is it considering permitting the independent owners to pass through the cost increases which it permits the major companies to charge the small businessmen.

The action by the President is a stopgap measure only. Unless the small businessman is permitted to passthrough costs on a penny-for-penny basis, we will be right back in the same position several months from now. The reason is that the Cost of Living Council continues to allow the major oil companies to increase the price of gasoline which they sell to the independent small businessmen, but does not allow the small businessman to pass those cost increases on. Such blatant discrimination is unfair and will cause increased concentration in the oil industry, a decrease in competititon, and eventually higher prices for all consumers.

In any case, the President's action clearly will not affect the different and discriminatory dates of January 10 and May 15 established by COLC for the independent and the major gas dealers.

The amendment I am offering today will end that discrimination. All it says is that the Cost of Living Council may not discriminate among petroleum marketers in the method of establishing prices for petroleum products.

It does not tell COLC what price should be charged or what date or standard should be used in determining what price to set. All this amendment says is that all petroleum marketers should be treated alike.

Unless you want to see the petroleum industry monopolized by the giants unless we want to see all gas prices set at a uniformly high level with no independents around to keep prices low and competitive, then you should vote for this amendment.

Generally, the fact that independents must base their prices on January 10 margins, while the majors may charge May 15 prices, means that independents must price their gas 4 to 6 cents below the majors. In Illinois, independents must price their gas at about 36 cents, while the majors are charging from 40 to 42 cents.

All marketers should be treated alike. My amendment requires that, if passthrough is granted to one group of retailers, all must have the right. If one has the May 15 date as margin date, all must have it.

Mr. MOSS. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I have the greatest sympathy for the amendment offered by the gentleman from Illinois, but I submit that it does not do at all what he has talked about. It does not mention small or large distributors or marketers. In fact, it becomes a very ambiguous amendment—

> none of the funds made available by this Act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products.

Now, clearly that would deny the right to even enforce historic markup standards. The bulk marketer has a smaller percentage of markup than some classes of retail marketers.

Because no marketer is defined here we leave it to the imagination to conjure up what a marketer looks like. What are the characteristics of a marketer? Is a refiner a marketer? Is a producer a marketer?

Nothing can be used from these funds to develop any standard which discriminates. In other words, they must all be the same. They must all be the same regardless of the character or make-up of their business.

I believe that the Cost of Living Council has made an ungodly mess of the petroleum regulations; but I submit that they will have a mandate from the Congress to make an even greater mess if the language proposed here is adopted as a limitation.

In the Committee on Interstate and Foreign Commerce we have for a number of weeks been working with the question of more equitable treatment for the retailer, with particular attention to the independent retailer.

I submit that is where this kind of a question should be dealt with. Attempting to do it here where we require very careful and precise definition of what is intended is not, in my judgment, possible. We could create some very serious errors.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. MOSS. I yield to the gentleman from Illinois.

Mr. FINDLEY. I appreciate the gentleman yielding.

If there is any ambiguity in this language, the legislative history today will certainly help to clear it up. A marketer, of course, can cooperate at the refining level. He can operate at the jobbing level. He can operate at the retail level.

This amendment says that in establishing prices for petroleum products, the Cost of Living Council cannot discriminate within whatever level of marketing is at issue at this particular point. If it does not say that clearly to the gentleman's satisfaction, let my words in the RECORD clarify it for purposes of legislative history.

I am glad that the Committee on Interstate and Foreign Commerce has been holding hearings but the need is urgent.

Mr. MOSS. I do not yield further, but I do want to comment upon the fact that great care in debate in stating what we intend when the language itself cannot be used to support that intent is of little avail.

The language is not properly drafted.

It is not drafted with sufficient insight into the marketing structure. It is not drafted with sufficient understanding of the fact that there is discriminate treatment in various levels of marketing. For us to say that we do not intend what the amendment says does not cure the weakness of the amendment.

I would strongly urge that this is not the method of dealing with such a vital subject. We should not on this floor adopt this kind of limitation. We should leave it to the appropriate committees which have under consideration legislation which would resolve this issue.

Mr. MAHON. Mr. Speaker, I rise in opposition to the amendment.

The President has announced that new gasoline price regulations will be promulgated this week. I hope they will be fair and reasonable. I have been seeking to help gasoline retailers get a fair deal. I think all of us know that some of the regulations that have been made with reference to the retailers of gasoline have been absolutely unreasonable and indefensible. These regulations must be corrected. Undoubtedly they will be corrected. If the administration does not take appropriate action, then Congress through the passage of legislation sponsored by the appropriate committee must act. But this pending measure is not the vehicle in which to try to write legislation involving the Cost of Living Council and the price of gasoline or any other matter of this nature.

As stated earlier, I am, as a matter of orderly procedure, opposing all amendments to the pending measure. I shall vote against the pending amendment.

If it develops, after the announcements have been made as to the new regulations with respect to the price of gasoline, that they are not satisfactory to the Congress then let the appropriate committee of Congress quickly and effectively bring forth corrective legislation. I would certainly support such legislation under these circumstances.

I would hope that we would not burden this continuing resolution with an assortment of amendments. We must not look at the continuing resolution as a means of writing legislation on any and all subjects. Otherwise we are going to come to the point where we just cannot operate our system.

Mr. Speaker, I urge a vote against the amendment.

Mr. Speaker, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The SPEAKER pro tempore (Mr. McFALL). Is there objection to the request of the gentleman from Texas,

There was no objection.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, may I ask the gentleman this question:

Is this matter under study by the Committee on Banking and Currency?

Mr. MAHON. Mr. Speaker, I am not aware of what the committees are doing in regard to the gasoline pricing situation. I believe we have all had complaints—justifiable complaints—from our constituents on this subject. We have been in touch with our people, and certainly if there is any legislative action required, the appropriate committee should bring in the legislation.

Mr. GROSS. Mr. Speaker, the gentleman would not anticipate there would be any action taken if hearings have already started, would he? He would not anticipate any action before the end of this year, would he?

This matter is of prime importance at this time.

Mr. MAHON. Mr. Speaker, this amendment, it seems to me, is clearly out of order, not from a parliamentary standpoint, but from the standpoint of enacting legislating in an orderly way.

I would assume that this matter will be corrected before the end of this week, and if it is not corrected, then the Congress must take appropriate action.

Mr. GROSS. Mr. Speaker, I will ask the gentleman further, is this matter to be swept under the rug, or are we going to do something about it? The time for taking action is here now.

Mr. MAHON. I assume that the President is doing something about it this week, according to the announcements which have been made. I earnestly hope the President will correct the inequities of the Cost of Living Council.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Speaker and Members of the House, I would just like to answer the question that was proposed and say that we have been holding hearings. We are in executive session now and have held two or three executive sessions. We hope to vote out the fuel allocation bill tomorrow, if it is possible to do that, and if not, as soon as possible.

Mr. MAHON. Mr. Speaker, was action taken on my unanimous-consent request for limitations of debate?

The SPEAKER. The Chair will inform the gentleman that such action was taken.

Members standing at the time of the limitation of debate will be recognized for 1 minute each.

The Chair recognizes the gentleman from Wisconsin (Mr. FROEHLICH).

(By unanimous consent, Mr. FROEHLICH yielded his time to Mr. FINDLEY).

The SPEAKER. The Chair recognizes the gentleman from Connecticut (Mr. SARASIN).

Mr. SARASIN. Mr. Speaker, I rise to urge the adoption of the amendment offered by the gentleman from Illinois requiring that all gasoline service station owners be treated equally under the law.

There is no justification for a regulation that allows one group of service stations to offer their gasoline for sale at prices which assure a profit while forcing others to sell at prices below their cost. Government does not have the right to tell a businessman that he must lose money.

Such a policy is even doubly unacceptable when the eventual outcome would be to force the independent petroleum marketer out of the business and give the major oil companies even greater control over fuel prices and supplies than they already have.

The role of Government in business should be, and has traditionally been, to prevent abuses of power, not to foster them. These regulatory powers, going back to the tradition of President Theodore Roosevelt, are based on the prevention of monopolistic practices and the preservation of fair competition and a free market economy.

Now we see Government, in its understandable zeal to combat the problem of inflation, promulgating a policy which could have the effect of furthering the potential for monopolistic abuses to the detriment of the small, independent businessmen who provide the most effective hedge against such abuses.

By adopting this amendment we in this Chamber can give clear and effective notice that all businessmen shall receive equal treatment under this program and that we shall continue to be vigilant in protecting against the unfair implementation of these controls.

The SPEAKER. The Chair recognizes the gentleman from Colorado (Mr. ARMSTRONG).

AMENDMENT OFFERED BY MR. ARMSTRONG TO THE AMENDMENT OFFERED BY MR. FINDLEY

Mr. ARMSTRONG. Mr. Speaker, I offer an amendment to the amendment.

The Clerk read as follows:

> Amendment offered by Mr. ARMSTRONG to the amendment offered by Mr. FINDLEY: Amend the Findley amendment by striking the word, "Petroleum" as it appears in lines 5 and 6.

Mr. ARMSTRONG. Mr. Speaker, this amendment has no bearing really on whether or not we believe that the continuing resolution is the place to settle the competence of the Cost of Living Council. I, myself, have grave misgivings about whether or not this is the right place for such regulation.

It is a fact, as someone said, that the Cost of Living Council has really botched things up. My opinion and the purpose of my amendment is to say if the discrimination to which Mr. FINDLEY referred is unfair in petroleum, then it is unfair in all products, so I say however you feel about the amendment of the gentleman from Illinois, please adopt this amendment so all products will be treated equally.

The SPEAKER. The Chair recognizes the gentleman from Illinois (Mr. FINDLEY) for 2 minutes.

Mr. FINDLEY. Mr. Speaker, the language in my amendment was carefully examined by attorneys who are familiar with the marketing system in this country, by people who are going out of business as a result of Cost of Living Council discriminations. There is no doubt in their minds but what this language says exactly what needs to be said to the Cost of Living Council and that it will be interpreted as being directed right at the heart of the problem, which is the discriminatory action of the Cost of Living

Council in basing prices for one segment of marketers on January 10 and basing prices for the other segment on May 15.

The gentleman from West Virginia says that the Committee on Interstate and Foreign Commerce will come out tomorrow with a bill on fuel allocation. That has nothing to do with this problem. This problem is a discriminatory practice by the Cost of Living Council between the small independent retailer on the one side and a big outfit like Exxon, Mobil, and Texaco on the other hand, who are not only retailers but also refiners.

Finally, I realize that this is an unusual place to take up legislation like this, but time is of the essence. If we are going to save these independent firms who perform such a vital role in our merchandising system and provide protection for the interests of the consumer, today is the time to take the action, and therefore I urge support of my amendment.

The SPEAKER. The Chair recognizes the gentleman from Texas (Mr. Mahon).

Mr. MAHON. Mr. Speaker, I rise in opposition to both amendments, and I now yield to the gentleman from West Virginia (Mr. Staggers).

Mr. STAGGERS. All I wanted to say to the gentleman from Illinois was that we do have an amendment in there that all moneys appropriated for the refiner are passed on to the distributer and retailer.

Mr. FINDLEY. That helps, but it does not solve the problem.

Mr. STAGGERS. Let me say the gentleman has a good amendment.

Mr. FINDLEY. Thank you.

Mr. ICHORD. Mr. Speaker, I rise in support of the amendment of the gentleman from Illinois which I predict will be adopted by an overwhelming vote. The outcome of the vote is certain because it seeks to nullify one of the most ridiculous and inane orders ever made by any governmental body in modern times. The recent order of the Cost of Living Council freezing retail gasoline prices at January 10 levels and wholesale gasoline prices at May 15 levels without permitting retailers to pass on interim wholesale price increases threatens thousands of retail gas merchants with economic ruin and bankruptcy. The order is so ludicrous that it is void of all reason. As I stated in a recent letter to President Nixon, the action of the Cost of Living Council, which the Findley amendment seeks to reverse, "forces one to the conclusion that the Cost of Living Council is either incompetent, in collusion with the large oil companies to force independent station owners out of business, or intentionally trying to subvert any efforts to curb inflation by price controls."

I hope that after the vote today the Cost of Living Council will immediately amend the order. We should not be required to wait until the legislation clears the Congress and is signed by the President.

Mr. BIAGGI. Mr. Speaker, the President's announcement that he asked the Cost of Living Council to permit an increase in gasoline prices comes too late as usual. Many small, independent gasoline stations have been forced to close because they could not sustain the continued losses imposed on them by the Government.

Unfortunately, the result of the present policy is not so much to hold down inflation in influences on the market, but rather to eliminate independent competitors from the oil business. The Cost of Living Council devised two different formulas for determining profits in the oil industry. Stations that are outlets for major oil companies could use the higher May 15 date to determine their cost levels. Independent operators, meanwhile, had to use a January 10 date.

The result, as usual with the present administration, is big profits for the fat cats of the oil monopoly and short change for the small businessman and independent competitor. Congress must act now to change this situation.

The SPEAKER. The question is on the amendment offered by the gentleman from Colorado (Mr. Armstrong) to the amendment offered by the gentleman from Illinois (Mr. Findley).

The amendment to the amendment was rejected.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois (Mr. Findley).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FINDLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 371, nays 7, answered "present" 2, not voting 54, as follows:

[Roll No. 478]

YEAS—371

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Aspin
Badillo
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Broyhill, N.C.
Broyhill, Va.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Corman
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanrahan
Hansen, Idaho
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
McSpadden
Madden
Madigan
Mailliard
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Mosher
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reid
Riegle
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Ullman
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wyatt
Wydler
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—7

Bolling
Eckhardt
Erlenborn
Landgrebe
Mahon
Moss
Van Deerlin

ANSWERED "PRESENT"—2

Schneebeli
Smith, N.Y.

NOT VOTING—54

Arends
Ashley
Barrett
Bevill
Blackburn
Boggs
Brinkley
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burleson, Tex.
Conte
Conyers
Cotter
Culver
Danielson
Dorn
Gettys
Hanley

Hanna
Hansen, Wash.
Hébert
Heckler, Mass.
Johnson, Pa.
Jones, Ala.
Jones, Tenn.
Long, La.
McEwen
Macdonald
Mann
Mills, Ark.
Minish
Moorhead, Pa.
Murphy, N.Y.
Nix
Patman
Reuss
Rhodes
Rinaldo
Roberts
Roncallo, N.Y.
Ryan
St Germain
Sandman
Stanton, J. William
Stephens
Stubblefield
Taylor, Mo.
Udall
Wright
Wylie
Young, Ga.

So the amendment was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Arends.

Mr. Macdonald with Mr. Young of Georgia.

Mr. Burleson of Texas with Mr. Jones of Alabama.

Mr. Cotter with Mr. Mills of Arkansas.

Mr. Minish with Mr. Murphy of New York.

Mr. Moorhead of Pennsylvania with Mr. Conyers.

Mr. Stubblefield with Mr. Patman.

Mr. Nix with Mr. Ashley.

Mr. Barrett with Mr. Wylie.

Mrs. Burke of California with Mr. Mann.

Mr. St Germain with Mr. Sandman.

Mrs. Hansen of Washington with Mrs. Heckler of Massachusetts.

Mr. Hanley with Mr. Blackburn.

Mr. Gettys with Mr. Johnson of Pennsylvania.

Mr. Bevill with Mr. Taylor of Missouri.

Mrs. Boggs with Mr. Brown of Michigan.

Mr. Hanna with Mr. Rhodes.

Mr. Roberts with Mr. McEwen.

Mr. Udall with Mr. Brown of Ohio.

Mr. Long of Louisiana with Mr. J. William Stanton.

Mr. Jones of Tennessee with Mr. Buchanan.

Mr. Culver with Mr. Conte.

Mr. Danielson with Mr. Rinaldo.

Mr. Brinkley with Mr. Burgener.

Mr. Dorn with Mr. Roncallo of New York.

Mr. Reuss with Mr. Ryan.

Mr. Stephens with Mr. Wright.

The result of the vote was announced as above recorded.

Mr. PICKLE. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I want to confirm with my distinguished colleague from Texas that it is the Appropriations Committee's intention to continue the Job Corps at the same level of funding as it received in fiscal year 1973, which was $183.4 million. The chairman will recall that several Members had a colloquy on this subject on June 30 of this year when the conference report on the first continuing resolution was on the floor, and we did receive those assurances at that time. I am simply seeking to confirm that there has been no change in the committee's position since then and that those assurances are still to be viewed as the committee's express intent.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the distinguished chairman of the Appropriations Committee.

Mr. MAHON. Mr. Speaker, I wish to say that the gentleman is correct and that this continuing resolution does carry forward the same implications and language that was presented last June and that is reflected in the legislative history of the original continuing resolution. The answer to the gentleman's question is "Yes."

Mr. PICKLE. Mr. Speaker, I thank the distinguished gentleman from Texas.

Mr. MAHON. Mr. Speaker, will the gentleman yield further?

Mr. PICKLE. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Speaker, I would like to say for the benefit of the Members of the House that this continuing resolution makes available authority for the continuation of programs involving far in excess of $150 billion, and it is a matter of great consequence. It is not technically an appropriation bill, but in a true sense it is an appropriation bill because it makes funds available for various purposes of Government involving billions of dollars until Congress passes the respective appropriation bills or adjourns sine die.

In view of the importance of the measure, I shall ask for a rollcall vote on final passage.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

Mr. MAHON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 368, nays 7, not voting 59, as follows:

[Roll No. 479]

YEAS—368

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Aspin
Badillo
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conlan
Corman
Coughlin
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanrahan
Hansen, Idaho
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
McSpadden
Madden
Madigan
Mahon
Mailliard
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reid
Riegle
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wyatt
Wydler
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—7

Collins, Tex.
Crane
Gross
Rarick
Rousselot
Smith, Iowa
Symms

NOT VOTING—59

Ashley
Barrett
Bevill
Blackburn
Boggs
Bolling
Brinkley
Brown, Mich.
Buchanan
Burgener
Burke, Calif.
Burleson, Tex.
Conte
Conyers
Cotter
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Dorn
Esch
Gettys
Hanley
Hanna
Hansen, Wash.
Hébert
Heckler, Mass.
Johnson, Pa.
Jones, Ala.
Jones, Tenn.
Landgrebe
Long, La.
McEwen
Macdonald
Mann
Milford
Mills, Ark.
Minish
Moorhead, Pa.
Murphy, N.Y.
Nix
Patman
Quie
Reuss
Rhodes
Rinaldo
Roberts
Roncallo, N.Y.
St Germain
Sandman
Stanton, J. William
Steiger, Wis.
Stephens
Stubblefield
Taylor, Mo.
Wright
Wylie
Young, Ga.
Young, Ill.

So the joint resolution was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. St Germain.
Mr. Macdonald with Mr. Conte.
Mr. Burleson of Texas with Mr. Milford.
Mr. Cotter with Mr. Jones of Tennessee.
Mr. Minish with Mr. Wright.
Mr. Moorhead of Pennsylvania with Mr. Conyers.
Mr. Stubblefield with Mr. Esch.
Mr. Nix with Mr. Ashley.
Mr. Barrett with Mr. Landgrebe.
Mrs. Burke of California with Mr. Mann.
Mr. Hanley with Mr. Rhodes.
Mr. Gettys with Mr. Patman.
Mr. Bevill with Mr. Blackburn.
Mrs. Boggs with Mrs. Heckler of Massachusetts.
Mr. Hanna with Mr. Young of Georgia.
Mr. Roberts with Mr. Burgener.
Mr. Long of Louisiana with Mr. Roncallo of New York.
Mr. Culver with Mr. McEwen.
Mr. Danielson with Mr. Rinaldo.
Mr. Brinkley with Mr. Sandman.
Mr. Stephens with Mr. J. William Stanton.
Mr. Dorn with Mr. Steiger of Wisconsin.
Mr. Reuss with Mr. Brown of Michigan.
Mr. Dominick V. Daniels with Mr. Wylie.
Mr. Davis of Georgia with Mr. Young of Illinois.
Mrs. Hansen of Washington with Mr. Taylor of Missouri.
Mr. Jones of Alabama with Mr. Buchanan.
Mr. Murphy of New York with Mr. Johnson of Pennsylvania.
Mr. Mills of Arkansas with Mr. Quie.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Quie amendment, the Findley amendment, and the continuing resolution just passed; and that I may include extraneous tabular and narrative material in my remarks.

The SPEAKER pro tempore (Mr. McFALL). Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO FILE A REPORT

Mr. FUQUA. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations may have until midnight tonight to file a report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

APPOINTMENT OF CONFEREES ON S. 2016, AMTRAK ASSISTANCE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2016) to amend the Rail Passenger Service Act of 1970 to provide financial assistance to the National Railroad Passenger Corp., and for other purposes, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia? The Chair hears none, and, without objection, appoints the following conferees: Messrs. STAGGERS, JARMAN, DINGELL, ADAMS, PODELL, METCALFE, HARVEY, KUYKENDALL, SKUBITZ, and SHOUP.

There was no objection.

APPOINTMENT OF CONFEREES ON S. 14, HEALTH MAINTENANCE ORGANIZATIONS

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 14) to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, health care resources, and the establishment of a Quality Health Care Commission, and for other purposes, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia? The Chair hears none and, without objection appoints the following conferees: Messrs. STAGGERS, ROGERS, SATTERFIELD, KYROS, PREYER, SYMINGTON, ROY, NELSEN, CARTER, HASTINGS, HEINZ, and HUDNUT.

There was no objection.

PERSONAL EXPLANATION

Mr. FOUNTAIN. Mr. Speaker, on rollcall No. 475 on the conference report on the bill H.R. 8619, the agriculture-environmental and consumer protection appropriations bill, I was unavoidably detained on official business elsewhere in Washington, and could not get here in time. Had I been present I would have voted for the conference report.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

IMMIGRATION AND NATIONALITY ACT AMENDMENTS OF 1973

Mr. MATSUNAGA. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 545 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 981) to amend the Immigration and Nationality Act, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a subsitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 1 hour.

Mr. MATSUNAGA. Mr. Speaker, I yield 30 minutes to the gentleman from California pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 545 provides for consideration of H.R. 981, which, as reported by our Committee on the Judiciary, would extend to the Western Hemisphere the seven-category preference system and the 20,000-per-country limit on the number of immigrant visas available annually, which is currently in effect for the Eastern Hemisphere, and also expand the present refugee category to include conditional entry for political refugees from any country in the world. The resolution provides an open rule with 2 hours of general debate, with the time being equally divided and controlled by the chairman and the ranking minority member of the committee.

House Resolution 545 further provides that, after general debate, the bill shall be read for amendment under the 5-minute rule, at which time it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on the Judiciary, now printed in H.R. 981 as an original bill. At the conclusion of such consideration, the committee would rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall then be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. Speaker, the proposed legislation actually has its roots in the Immigration Act Amendments of 1965 which abolished the national quota system and established the principles of equity and family reunification as the basis of our immigration policy for the Eastern Hemisphere. These principles have never been extended to the Western Hemisphere, which since 1968 has been restricted to 120,000 visas per year on a first-come, first-served basis.

The result, entirely unforeseen and unintended, has been considerable hardship for intending immigrants from the Western Hemisphere. The committee in its report cites two comparative examples illustrating the consequences which flow from the two different sets of immigration laws for the two hemispheres:

> Under the provisions determining Eastern Hemisphere immigration, the 22-year-old British citizen daughter of a U.S. citizen or the Spanish wife of a permanent resident alien would receive preferential treatment over other intending immigrants whose relational ties were more distant, or who were entering under the occupational preferences.
>
> In contrast, the 22-year-old Brazilian daughter of a U.S. citizen or the Canadian wife of a permanent resident alien would be required to line up behind all the other intending immigrants from the Western Hemisphere—now numbering close to 200,000—and to wait nearly two years for a visa.

Mr. Speaker, H.R. 981, as amended, also modifies the preference system by expanding the present refugee category to include conditional entry for political refugees from any country in the world. We know that existing law restricts refugees to those persons who have fled from communism or from certain defined areas of the Middle East.

The proposed legislation, which would increase Federal cost by an estimated $1.3 million per fiscal year, also includes certain other provisions which are designed to strengthen our immigration laws generally and to achieve uniformity in their application to the Eastern and Western Hemispheres.

Mr. Speaker, I urge the adoption of House Resolution 545 in order that H.R. 981 may be considered.

Mr. DEL CLAWSON. Mr. Speaker, today we are considering House Resolution 545 which provides the rule for H.R. 981, Immigration and Nationality Act Amendments of 1973. This is an open rule with 2 hours of general debate, and also makes the committee substitute in order as an original bill for the purpose of amendment.

The primary purpose of H.R. 981 is to extend to the Western Hemisphere the same preference system and the same 20,000 per country limit on the number of immigrant visas available annually, which is presently in effect for the Eastern Hemisphere.

Existing law provides for an annual ceiling of 120,000 special immigrant visas for natives of the Western Hemisphere. Unlike Eastern Hemisphere immigration, which is controlled by a preference system, and per country limitation, Western Hemisphere immigration operates on a first-come-first-served basis. In effect, the United States has two different immigration laws for the two hemispheres. This bill will retain the present annual ceiling of 120,000 Western Hemisphere immigrants, but will extend the 20,000 per country limit and the preference system to the Western Hemisphere. The seven point preference system is designed to give top priority to reuniting families and to attracting aliens with needed skills to this country.

The bill also contains provisions dealing with refugees, labor certifications, immigrants from colonies, immigrants from Cuba, and aliens in the Virgin Islands.

The cost of this bill is estimated to be $1,368,000 for each fiscal year following enactment.

The committee report contains communications from the Department of State and the Department of Justice, suggesting some modifications in the bill as introduced. One major modification suggested was setting the limit for Canada and Mexico at 35,000 instead of 20,000.

Mr. Speaker, I believe H.R. 981 is a needed piece of legislation and urge the adoption of this rule.

Mr. Speaker, I yield to the gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. Mr. Speaker, this bill represents, along with H.R. 982 which has already passed this House, the results of more than 2 years of hearings and study by the Immigration, Citizenship and International Law Subcommittee of the Committee on the Judiciary.

Passage of this bill will complete the action necessary to meet the two most pressing needs of our immigration policy—to check the flow of illegal aliens into the United States, and to provide equal terms for the admission of natives of the Western Hemisphere—that is, a preference system similar to that applicable to the Eastern Hemisphere.

The purpose of H.R. 981, then, is to extend to natives of the Western Hemisphere exactly the same preference system and the 20,000 per country limitation on the annual number of immigrant visas, which applies to the rest of the world.

The absence of a hemisphere preference system and per country ceiling for the Western Hemisphere resulted from the imposition of a Western Hemisphere total ceiling of 120,000 by amendment originating in the other body during consideration of the 1965 Immigration Act. As a consequence, unlike Eastern Hemisphere immigration, aliens seeking admission from countries of the Western Hemisphere enjoy no relative preferences or priorities based upon skills.

Western Hemisphere immigration, therefore, since 1968 has operated entirely on a first-come, first-served basis, without any per country limitation. The only restriction is that an alien entering the country to perform skilled or unskilled labor must obtain a certification from the Secretary of Labor indicating that his entry will not adversely affect the American labor market. Parents, spouses, and children of U.S. citizens or of aliens legally admitted for permanent residence are exempt from this requirement.

As a direct result of the imposition of the Western Hemisphere ceiling of 120,000 without a preference system, all intending immigrants from this hemisphere who fall under the numerical ceiling are presently experiencing almost a 2-year wait for their visas. This backlog has been accumulating steadily, and the situation appears to be worsening each month.

The objective of this bill, accordingly, is to put an end to what amounts to two diverse immigration systems and to establish one uniform system with equal treatment for all aliens who seek admission to the United States.

H.R. 981 provides one uniform preference system—which is the means by which we establish priorities for aliens seeking admission under our selective immigration policy—for both hemispheres, and in both, the same per country limitation of 20,000 per year. The existing separate total hemisphere ceilings of 170,000 for the eastern and 120,000 for the western are maintained, however. That means there will be no increase in our total numerical worldwide immigration limitations.

A unified worldwide immigration system in some form is the ultimate goal after the Western Hemisphere situation has been resolved, and after there has been some opportunity to observe the operation of the preference system and per country numerical restriction in that hemisphere. The State Department has consistently recommended the temporary retention of separate ceilings so that the effects of the preference system on the Western Hemisphere may be evaluated before the next logical step is taken.

The bill proposes one slight change in the preference system—a redefinition of the refuge category to conform to the term in the U.N. protocol relating to the status of refugees. Extensive revision of the present preference system does not appear needed at this time, since experience in the Eastern Hemisphere indicates the objectives of the 1965 act—to bring order and uniformity of treatment—have been achieved for that part of the world.

With a uniform preference system and per country limitation, H.R. 981 marks the end of the last vestige of the old quota system. The discriminatory most-favored nation plan of immigration will now be completely abandoned. National origin no longer will be the key for admission—uniform treatment for all aliens regardless of place of birth will be our policy and law.

Other provisions of this bill are designed to meet special situations which have developed since the 1965 act. Section 2 will permit temporary workers to be admitted when a need is demonstrated for their services in any field of employment whether the jobs are seasonal in nature or permanent. This arrangement, to be carefully regulated by the Department of Labor, will be helpful to employers facing labor shortages and to aliens seeking to improve their economic lot. The need for this arrangement has been particularly demonstrated to the Immigration Subcommittee in Guam and in the Southwest. Another section of the bill provides that the remaining Cuban refugees in this country who have not yet acquired permanent resident status will not be charged against the hemisphere ceiling when they do qualify for such status. Another section will regularize the status of certain aliens who have long been resident in the Virgin Islands.

This is a good bill, one that is needed to bring uniformity and equality of treatment to our immigration system. I urge its prompt passage, Mr. Speaker.

Mr. MATSUNAGA. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. EILBERG. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 981) to amend the Immigration and Nationality Act, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 981, with Mr. ADAMS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Pennsylvania (Mr. EILBERG) will be recognized for 1 hour and the gentleman from Ohio (Mr. KEATING) will be recognized for 1 hour.

The Chair recognizes the gentleman from Pennsylvania.

Mr. EILBERG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the primary and overriding purpose of H.R. 981 is to amend the Immigration and Nationality Act in order to provide for equal and uniform treatment of all countries. The Congress began this important task in 1965 with the abolition of the national origins quota system, and I am pleased to move on with it today.

H.R. 981 is a matter of some urgency because of the increasingly deteriorating situation in the Western Hemisphere. According to the State Department, visas are available for September issuance to applicants from the Western Hemisphere who applied almost 2 years ago, before October 15, 1972. This applies to Canada and Mexico, as well as to the other countries in the Americas. Because of the absence of a Western Hemisphere preference system, all immigrants subject to numerical limitation must wait this 2-year period, regardless of their relation to U.S. citizens or to permanent resident aliens.

This very difficult situation is made worse by the sharp contrast with the Eastern Hemisphere. As of September 1973, visas are immediately available for the relative preferences for all independent countries under the Eastern Hemisphere ceiling with the one exception of the Philippines. What this means is that the Italian brother of a U.S. citizen may enter the country immediately, while his Canadian counterpart must wait 2 years. In addition to causing considerable unnecessary hardship for would-be immigrants, not surprisingly this inequitable situation is having an increasingly adverse effect on our foreign relations in this hemisphere. This is particularly true of Canada, where immigration has fallen from 38,327 in fiscal year 1965 to 10,776 in fiscal year 1972.

If I may briefly review the salient features of the immigration law, the Eastern Hemisphere is limited to 170,000 visas a year, with a 20,000 per country limit. Only two countries, Italy and the Philippines, are approaching that number. Within these two numerical restrictions, the visas are distributed according to a seven-category preference system which gives priority to reuniting families, attracting aliens with needed skills, and admitting refugees, in that order. At present, as I have noted, the relative preferences—first, second, fourth, and fifth—are current for all independent countries except the Philippines. Third preference, the professional occupational category, has about a 7-month waiting period, again for all independent countries except the Philippines. The nonprofessional occupational category, sixth preference, is current for all independent countries except Italy and the Philippines. In short, at least as measured in terms of the presence or absence of accumulating backlogs, the system is working comparatively well.

The Western Hemisphere, consisting of the Americas and the adjacent islands, is restricted to 120,000 visas a year for independent countries, a proportionately higher allotment than the 170,000 ceiling on the much larger Eastern Hemisphere. However, unlike the Eastern Hemisphere, Western Hemisphere immigration proceeds almost entirely on a first-come, first-served basis with no per-country limit and, most importantly, no preference system. As you know, the ceiling on Western Hemisphere immigration went into effect on July 1, 1968 as a result of the 1965 amendments. Prior to that time, immigration from this hemisphere was numerically unrestricted.

H.R. 981 amends the Immigration and Nationality Act by extending provision for both the seven-category preference system and the 20,000 per country limit to the Western Hemisphere. The two ceilings are retained at their present levels. The Committee has been cognizant throughout its consideration of this legislation of the recommendation made by the Commission on Population Growth and the American Future that "immigration levels not be increased" at this time. We are attempting to implement this recommendation.

In this regard, I would like to express my regret that I am unable to agree with the esteemed chairman of the Judiciary Committee at the per-country ceiling for Mexico and Canada should be set at 35,000. It is my understanding that he intends to introduce an amendment to this effect during the course of this debate. I would like to state at the outset that I must oppose this amendment on the floor, as I did in committee, on the basic principle that all countries should be treated equally. This, in fact, is the overriding purpose of the legislation before us today.

I would like to emphasize, at this point, that the major thrust of H.R. 981 is to establish a reasonable and orderly system of immigration for the Western Hemisphere in place of the chaotic procedure now existing. The bill does not increase the present immigration ceilings.

A second major purpose of H.R. 981 is amendment of the ambiguous and inadequate refugee provisions contained in the current law. The bill before us amends the definition of "refugee" to conform with the definition contained in the U.N. Protocol Relating to the Status of Refugees, to which the United States has acceded. The amended definition would remove the geographical and ideological limitations contained in the present law, and create a program which is worldwide in application. Refugees would continue to be granted conditional entry, as they are under the current law, with the opportunity to adjust their status to that of permanent resident alien after 2 years.

H.R. 981 also grants the Attorney General specific authority to parole certain defined refugees into the country pursuant to a recommendation by the Secretary of State, and after consultation with the Congress. The parole authority in the present law is unclear, too broad and is subject to misinterpretation. We have been particularly disturbed by the Attorney General's use of his parole authority without consultation with the appropriate congressional committees. As we point out in the report on this legislation—

> The Congress is charged by the Constitution with responsibility for the regulation of immigration, and this responsibility does not cease in the presence of an emergency refugee situation.

Another area which has been presenting difficulties is the labor certification program administered by the Department of Labor. Section 212(a) (14) of the Immigration and Nationality Act requires immigrants entering under the occupational preferences and specified Western Hemisphere immigrants to obtain certification from the Secretary of Labor to the effect that there are insufficient, willing and available U.S. workers in their occupation, and that their entry will not adversely affect the wages and working conditions of U.S. workers similarly employed. There is considerable evidence that this provision is being administered unevenly in different regions of the country by the Labor Department. In general, the Department has been uncooperative with the Congress and uninformative with the public regarding labor certification.

H.R. 981 makes only minor modifications in the labor certification provision itself, but adds a detailed reporting requirement. The Secretary of Labor will be required to submit quarterly reports to the Congress containing, and I quote directly from the bill—

> Complete and detailed statements of facts pertinent to the labor certification procedures including, but not limited to, lists of occupations in short supply or oversupply, regionally projected manpower needs, as well as up-to-date statistics on the number of labor certifications approved or denied.

We plan to return to further consideration of the entire labor certification program at a later time when we have more adequate information on its operation.

Another provision of H.R. 981 in the labor area is the removal of the restriction of H-2 temporary workers to employment which is temporary or seasonal in nature. This amendment is largely the result of the extensive illegal alien hearings held by the Immigration Subcommittee during the 92d Congress. In our opinion, it will ease some of the employment problems we have encountered, as well as meet the needs of many Mexicans who now enter as immigrants because they are unable to enter temporarily to work at permanent ongoing jobs. The protection provided U.S. labor is also strengthened. Labor certification would be statutorily required of H-2 temporary workers, and the period of stay would be limited to a maximum of 2 years.

Section 4 of H.R. 981 increases the annual visa allotment for colonies and dependencies from 200 to 600, chargeable to the hemisphere in which they are located rather than to the mother country, as is currently the case. Backlogs have developed in at least half of the dependencies. The committee believes that an increase to 600 would represent a reasonable allocation of visas to the dependencies. I want to emphasize that this provision provides only for a redistribution of visas; it does not increase the total number of admissible immigrants.

Two other provisions, relating to the Virgin Islands and Cuban refugees, are primarily of a housekeeping nature. Both are temporary in nature and limited in scope. Section 7 of H.R. 981 establishes a program under which certain aliens now in the Virgin Islands in a temporary nonimmigrant status would be afforded an opportunity to acquire permanent resident status. Section 8 provides that Cuban refugees in this country on the date of enactment who adjust their status to that of permanent resident alien will not be charged to the 120,000 Western Hemisphere ceiling.

Both provisions are designed to correct existing problems that were created many years ago. The proposed amendments will eliminate such situations in the future.

The subcommittee has worked long and hard to bring this essential legislation to the floor. A fair and reasonable immigration policy requires its enactment.

I urge my colleagues to support this very important immigration legislation.

Mr. KEATING. Mr. Chairman, I yield myself such time as I may consume.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from New York.

Mr. FISH. Mr. Chairman, I thank the gentleman for yielding.

Mr. FISH. Mr. Chairman, I support H.R. 981 and urge favorable consideration by the House.

The Immigration, Citizenship and International Law Subcommittee of the Committee on the Judiciary under the chairmanship of the able gentleman from Pennsylvania (Mr. EILBERG), has labored long and hard to bring about needed changes in our immigration law. Following 2 years of hearings on the illegal alien problem, the Subcommittee brought to the floor H.R. 982, a bill to bring an end to the flow of illegal aliens across our borders. I trust the other body will move before the end of this session to pass this urgently needed legislation.

Now this bill, H.R. 981, proposes to effect a second most needed improvement in our immigration system the establishment of a preference system and per country numerical ceiling for the Western Hemisphere. The absence of these provisions for the Western Hemisphere resulted from the manner in which the 1965 Immigration Act, after originating in the House, was amended by the other body. In consequence, since 1968 we have had what amounts to two different immigration systems for the two hemispheres.

H.R. 981, Mr. Chairman, proposes that the Western Hemisphere be given the same preference system as has operated so successfully for the Eastern Hemisphere since 1965. Additionally, the same 20,000 annual per country maximum ceiling on admissions would be established for the Western Hemisphere. Thus under a uniform system natives of all countries of the world will be treated exactly alike with priorities based not upon country of origin but upon family relationship to U.S. citizens and upon special skills needed in our country. This is the system that has operated so well for the Eastern Hemisphere with the result that in only one country of the world and a few dependent subareas is there any appreciable wait for admission of qualified aliens.

This bill retains separate total hemisphere numerical ceilings rather than proposing a worldwide total maximum number of admissions per year so that we can gain experience in the application of the preference system to the Western Hemisphere. If it is found that the patterns of immigration from countries of the Western Hemisphere are appropriately handled under the identical preference system used since 1965 for the Eastern Hemisphere, then the next logical step will be one numerical ceiling for the entire world.

H.R. 981 also contains a provision to increase the maximum annual admissions for the subareas or colonies from 200 to 600. It is expected this feature will clean up existing backlogs for Hong Kong, the British Virgin Islands, et cetera.

Other sections of the bill will clear up existing problems with Cuban refugees now in the United States and will regularize the status of a number of alien workers who have been resident in the Virgin Islands for 5 years or more. Section 2 of the bill will permit a more liberal admission of temporary workers to Guam and the southwest border areas when the Labor Department finds labor shortages in skills for which temporary aliens can qualify.

These needed improvements in our plan of immigration to be accomplished by this bill are provided without any increase in the existing hemisphere ceilings—170,000 for the Eastern Hemisphere and 120,000 for the Western Hemipshere. Thus our economy will not be asked to absorb additional aliens at a time when unemployment rates remain high.

Mr. Chairman, this is a good bill. I urge its prompt passage.

Mr. KEATING. Mr. Chairman, I strongly recommend passage of H.R. 981. This bill, along with H.R. 982, which has already received favorable action by this House, will provide solutions to the two pressing problems facing this country in the field of immigration. H.R. 982 will sharply reduce the present flood of illegal aliens across our borders. This bill, H.R. 981, will establish a preference system for the admission of eligible aliens from the Western Hemisphere—a badly needed change to correct an omission in the 1965 Immigration Act.

I wish to take this opportunity, Mr. Chairman, to pay tribute to Chairman RODINO of the Judiciary Committee, and the chairman, JOSHUA EILBERG, of the Subcommittee on Immigration, Citizenship, and International Law. Under their able leadership the Judiciary Committee has moved swiftly and efficiently, first, to meet the immediate most pressing needs for amendment to the general immigration law; second, to clean up the heavy backlog in private immigration bills and bring the private bill docket to current status for the first time in modern times; and third, to begin much needed oversight review and study on a continuing basis of the application of the laws relating to the issuance of immigrant and nonimmigrant visas and the admission of aliens to the United States. The subcommittee has labored diligently on these matters. It has been a cooperative joint undertaking by members from both sides of the aisle. It has been a great personal pleasure for me to work closely with Chairman EILBERG in our endeavor. I am happy to recognize their fine leadership publically. I am proud of what we have achieved and are accomplishing in the field of immigration.

This bill, H.R. 981, is a good bill—in some respects it can be said to be a minimal bill. It does not increase the numerical ceilings the Congress has set for the admission of aliens into the United States. It does meet an objective recommended by the Department of State and the Department of Justice—the establishment of a preference system for Western Hemisphere immigration. Thus it will bring order and uniformity to our immigration law so that immigration from the Western Hemisphere will be on the same orderly basis as the rest of the world.

When the Congress enacted the 1965 immigration amendments it did away with the old most favored nation policy and adopted a selective system for the admission of aliens to reunite families and to provide skills needed in the United States. This system for the selection of immigrants through the use of preferences for certain categories of aliens is based upon the concept that, so long as demand for immigration to this country exceeds the amount of immigration to be permitted, there should also be a system of selection and preferential treatment for certain classes of immigrants—skilled workers, close relatives, refugees, et cetera. Moreover, no nation receives favored treatment—the new system is administered upon a first-come, first-served basis without reference to country of origin. However, separate numerical ceilings were set for the Eastern and Western Hemispheres and, as a result of amendments in the other body, no preference system was provided for natives of the Western Hemisphere. This has created an anomalous situation seriously disadvantaging persons born in the Western Hemisphere.

H.R. 981, in applying an identical system of priorities for both hemispheres, does away with the last vestige of discrimination and truly establishes a uniform—no favoritism—system of immigration. Earlier I stated the bill could be called a minimal bill. It better can be described as a transitional bill. It is designed to provide experience for the Western Hemisphere under a system of priorities identical to that applicable to the Eastern Hemisphere so that it can be ascertained whether or not it is logical and practical to have one worldwide numerical ceiling on immigration. Experience under the two hemisphere ceilings with identical preference systems will provide guidelines for a more thorough revision of the existing preference system for the entire world. Although the bill maintains separate numerical ceilings for the two hemispheres, as recommended by the Department of State, it does provide the same preference system, the same entrance requirements—identical conditions for natives of every country in the world, and identical treatment for every country in the world.

The salient features of H.R. 981 are:

First. It retains the present numerical ceilings—170,000 for the Eastern Hemisphere and 120,000 for the Western Hemisphere.

Second. It provides a uniform nondiscriminatory, no-favored nation treatment for every country in the world—all will have the same numerical maximum of 20,000 immigrants per year.

Third. It applies the same identical preference system to both hemispheres.

Fourth. It makes no basic changes in the existing preference system—only redefining refugees to accord with the United Nations Protocol definition, and adding to the labor certification requirements specific directions for the Labor Department to provide quarterly statistics to the Congress.

Fifth. It provides that temporary nonimmigrant workers may be admitted temporarily to permanent jobs when the Department of Labor certifies there is a shortage of U.S. workers and that U.S. wage standards will be maintained. This provision should be particularly helpful to employers in the Southwest in obtaining needed Mexican labor.

Sixth. It provides that the parole section of the law can be used for the admission of groups or classes of refugees—as has been done in the past—only with advance consultation with the Congress.

Seventh. It provides a cleanup program for approximately 11,000 nonimmigrant workers who were admitted to the Virgin Islands more than 5 years ago and have become a permanent work force there.

Eighth. It raises the limitation on immigration from dependent areas of the world which are not independent countries—such as Hong Kong, Cape Verde, Grenada, the British Virgin Islands, et cetera, from 200 to 600 annually—but without increasing the total numerical ceilings.

This is a good bill—the result of hearings extending over several Congresses. It has received thorough and conscientious study. It will correct inequities present in our system of immigration and provide uniform treatment for all aliens who apply for admission. I urge its prompt passage.

Mr. EILBERG. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. Anderson).

Mr. ANDERSON of California. Mr. Chairman, as you know, under the provisions of section 203(a) of the Immigration and Nationality Act, visa numbers for persons born in areas other than the independent countries of the Western Hemisphere are allocated by preference categories. The first preference is given to unmarried sons and daughters of U.S. citizens; second preference to spouses and unmarried sons and daughters of aliens lawfully admitted for permanent residence; and third preference is given to members of the professions or persons of exceptional ability in the sciences and arts. There are four additional preference categories as well as a nonpreference category for those who do not fit in any of the special groups.

While I certainly have no argument with the groups of people who are covered by the higher preference categories, I am distressed that those aliens who courageously served with the U.S. Armed Forces are not given any special preference for receiving immigrant visas.

Veterans have a special place in the hearts of Americans. We all recognize the debt of gratitude that we owe those who served in the Armed Forces to protect and preserve this great land. But we have been remiss in paying that debt to the aliens who have served honorably as members of our Armed Forces. As an example, under current law, it means nothing that a man or woman served 4 years with the U.S. Army during World War II when he or she applies for an immigrant visa number. This is wrong, and it is high time that we corrected this injustice.

I am therefore, tomorrow—when the bill comes up for amendment—offering an amendment to H.R. 981 to extend the first preference category prescribed by section 203(a) of the Immigration and Nationality Act to include those persons who have served at least 3 years in the Armed Forces of the United States and have been honorably discharged.

If adopted, those who put their lives on the line to serve in our Armed Forces, in our uniforms, under our commanders, under our flag, would be on an equal footing with the other groups who receive special preference status.

I think it is only right and only just that those who offered their lives in service to this country be given first preference status and be permitted to enter this country, if they so choose.

The text of my amendment reads as follows:

Page 16, immediately after line 19 insert the following:

(2) by inserting immediately before the period in paragraph (1) of subsection (a) the following: ", or who are persons who have served honorably at any time in the Armed Forces of the United States for a period or periods aggregating three years, and who, if separated from the service, were never separated except under honorable conditions";

Page 16, line 20, strike out "2" and insert in lieu thereof "3".

Page 17, line 23, strike out "3' and insert in lieu thereof "4".

Mr. KEATING. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa (Mr. Mayne).

Mr. MAYNE. Mr. Chairman, I am pleased to join in support of H.R. 981, the Western Hemisphere preference bill.

It was my pleasure to serve as a member of the Immigration, Citizenship, and International Law Subcommittee of the Committee on the Judiciary during the extensive hearings on the illegal alien problem. I was privileged also to participate in significant hearings upon the operations of the immigration law since enactment of the 1965 amendments.

In my judgment, H.R. 982, the illegal alien bill, and H.R. 981, before us today, deal logically and effectively with the two most pressing problems facing this Nation in the formulation of a continuing immigration policy.

The two bills complement each other and might well have been considered in one legislative package. It is not possible to bring Western Hemisphere immigration under a systematic and effective system of priorities—that is a preference system for the issuance of visas—without bringing the illegal alien problem under control as H.R. 982 will do.

H.R. 981 is a bill to provide uniformity and equity for natives of the Western Hemisphere by applying the same system of priorities and qualifications as has been in effect for the rest of the world since 1965. The failure to bring the Western Hemisphere under a preference system was an oversight which has disadvantaged natives of the countries in this hemisphere. The aliens applying for admission from the Eastern Hemisphere have had the opportunity to gain priority, because of family relationships with U.S. citizens or because of their special skills. There has been no such opportunity for natives of Western Hemisphere countries and, as a result, all must secure labor certificates and wait 2 years for a visa. This bill will bring a halt to this unfair situation.

I am pleased, also, to note that H.R. 981 ends the last vestige of the old most-favored-nation policy by establishing one uniform maximum numerical ceiling for every country in the world. Since 1965, England, Germany, Italy, France, Greece, and every other country of the Western Hemisphere have found that an annual per country maximum of 20,000 visas is sufficient. Currently there is no significant wait for admission by qualifying aliens in any country in the Eastern Hemisphere except the Philippines. H.R. 981 will set the same equal numerical ceiling for Western Hemisphere countries. Thus we will have no discrimination and no favoritism. All aliens desiring admission to this great country will be treated equally without reference to place of origin. I will oppose any attempt to give favored treatment or additional visa numbers to the natives of any country.

Mr. Chairman, I am pleased to call attention to another significant feature of this bill. It does not increase the maximum number of immigrants who may be admitted. While provisions are included to regularize the status of Cuban refugees and certain aliens in the Virgin Islands, it is important to note that these aliens have already been accepted in this country so no additional admissions will result. The existing maximum number of visas which may be issued—170,000 for the Eastern Hemisphere plus 120,000 for the Western Hemisphere—is unchanged. In view of the extent of unemployment in the United States today, along with the many other economic and social problems requiring solution, I believe our society can best face up to its challenges without opening our doors to increased immigration at this time.

This is a good bill, Mr. Chairman. I urge prompt passage.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. MAYNE. I yield to the gentleman from Indiana.

Mr. DENNIS. I thank the gentleman for yielding.

I merely wish to state that I associate myself in general with his remarks and that I rise in support of H.R. 981, and in support of it in the form reported by the committee, which does give equal treatment. I would hope that any amendment which might be proposed, which would either increase the level of immigration or vary from the equal treatment as now provided in the bill, would be rejected.

I thank the gentleman.

Mr. MAYNE. I thank the gentleman from Indiana for his contribution.

Mr. EILBERG. Mr. Chairman, I yield to the gentlewoman from New York (Miss HOLTZMAN) such time as she may consume.

Miss HOLTZMAN. I thank the gentleman from Pennsylvania very much.

Mr. Chairman, I rise in support of H.R. 981. This bill has a number of very significant features, not the least of which is that it provides for equal treatment of the Eastern Hemisphere and the Western Hemisphere except for the numerical limitations. This is very important, because it will restore a basic principle to our entire immigration policy, and that is to give preference to the reunion of families and preference to persons who have special skills needed in our labor market.

I also wish to draw the attention of my colleagues to a very important change in the refugee provisions of H.R. 981. Under the present law a refugee is defined as a person who flees from political or religious or other persecution in a Communist country only. Persons who flee from a country that is not Communist, as a result of such persecution, do not acquire refugee status for immigration purposes. This bill makes a change that will accommodate all refugees from persecution, whether they come from Communist or non-Communist countries within the preference system and within the immigration limit. I think it is an important change.

Mr. Chairman, I urge the passage of this legislation.

Mr. KEATING. Mr. Chairman, I have no further request for time.

Mr. EILBERG. Mr. Chairman, I yield to the gentleman from Ohio (Mr. SEIBERLING) such time as he may consume.

Mr. SEIBERLING. Mr. Chairman, I rise in support of H.R. 981, which represents the very extensive work of a very scholarly committee and is a bill which I think commends itself in every respect to the other Members of this Chamber.

One of the important aspects of H.R. 982, the illegal alien bill, which I also supported and which has passed this House already, was the assurance that was given that we were going to follow up by trying to bring some logical order and some balance into the handling of the Western Hemisphere immigration. This bill does just that.

It also brings a measure of humanity as well as rationality into our handling of immigrants from our neighbors to the north and to the south and provides for the same kind of orderly preference procedure and commonsense approach that exists with respect to handling immigration from the Eastern Hemisphere.

I do feel that the House should seriously consider the possibility, which I understand the chairman of the Judiciary Committee is going to raise by offering an amendment, of increasing the immigration quota from our two immediate neighbors, on the north and south, that is, Canada and Mexico. During the course of the subcommittee's hearings into the illegal alien problem we had hearings in Los Angeles, and in El Paso and spent considerable time looking at the origins of problems involving illegal immigration from south of our border with the Republic of Mexico.

I think we were all impressed with the fact that there is a very serious problem which exists when you have an affluent country on one side of a border and a country that is still in process of developing and has many serious economic problems on the other side.

We interviewed illegal immigrants who had been rounded up for transporting back across their border in the camp where they were awaiting transportation, and, to a man, they all said the only reason why they left Mexico and illegally entered the United States was because they were searching for work. All those whom we interrogated said they would not have left Mexico but for that fact, and if they could have obtained a job in Mexico they would have returned voluntarily to Mexico.

I agree that there is an important principle in treating all countries alike. I think a strong case can be made for that, and certainly we should move in that direction. At the same time I think the Members should consider the fact that to reduce the maximum allowable immigration under the preference system to 20,000 from each country, which is what this bill would do, will result in cutting in half the current flow of immigration from Mexico under the preference system. I think that could aggravate pressures and tensions inside Mexico. I think we have to consider the practical desirability of helping maintain a tranquil and stable atmosphere on the south side of the border.

In the end, the problems of Mexico can only be solved by the people of Mexico, with our help where that is possible. However, I believe that, in view of the serious economic conditions inside Mexico which create the pressure on Mexicans to cross the border, it could be a mistake to make a radical cut in the flow of legal immigration from Mexico at this time.

While I have not finally decided to support the anticipated amendment to increase the quota from Mexico and Canada to 35,000, I would like to point out that the State Department has recommended that this be done, and that the views of the chairman of the Judiciary Committee are entitled to considerable weight.

Mr. EILBERG. Mr. Chairman, I yield to the gentleman from Hawaii (Mr. MATSUNAGA) such time as he may consume.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of the pending measure, H.R. 981, the proposed Immigration and Nationality Act Amendments of 1973. The main purpose of the bill is to extend to the Western Hemisphere the seven-category preference system and the 20,000 per country annual visa limit which are now in effect for the Eastern Hemisphere.

When the national origins quota system was abolished by the 1965 Immigration Act, Congress neglected to establish per country limits and preference systems for the Western Hemisphere, although they were established for the Eastern Hemisphere. This oversight has resulted in an extensive backlog of nearly 200,000 cases and has had an adverse effect on western hemispheric relations. To obtain a visa number this month, for example, Western Hemisphere intended immigrants would need a petition approved before October 15, 1971. The legislation under consideration seeks to alleviate this situation.

By adoption of a preference system,

immigrant applications will be processed more rapidly, thereby easing the tremendous backlog of cases. As it stands now, the Canadian wife of a U.S. citizen must wait the same length of time for admittance as does a Canadian immigrant with no relatives in this country. At the same time, the Spanish-citizen daughter of a U.S.-citizen receives preferential treatment over another Spanish immigrant whose only tie to the United States is a distant relative. Thus, the preference system will serve to establish a more rational and consistent policy toward both hemispheres.

H.R. 981 will retain separate hemispheric ceilings—170,000 for the Eastern Hemisphere and 120,000 for the Western Hemisphere—for two reasons: First, to keep immigration quotas at their present levels, and second, to postpone the establishment of worldwide ceilings until the effects of Western Hemisphere preference and per country limits can be assessed more fully.

The issue of applying a 20,000 limit to Canada and Mexico is admittedly controversial. However, it is a necessary step if we are to put an end to an immigration system based on nationality. For this reason, the bill does not extend preferential treatment to either Canada or Mexico, and thus forms the basis for equal opportunities for all immigrants.

In summary, H.R. 981 would apply a preference system to the Western Hemisphere immigrants, thus helping to alleviate the aggravation, frustration, and second-class treatment with which our neighbors in our half of the world have had to contend in order to gain admittance to the United States. This legislation represents an attempt to establish an immigration system that is consistent in both theory and practice. In 1965, when Congress overhauled the immigration system completely, immigrants from Asian countries began to have opportunities to settle in America on the same basis as those from Europe had enjoyed for decades. Just as those 1965 amendments signaled the end of discrimination against Asian-born immigrants, so will the enactment of H.R. 981 signal the end of our irrational system for dealing with intended immigrants from the Western Hemisphere.

I urge its passage.

Mr. EILBERG. Mr. Chairman, I yield to the gentleman from Texas (Mr. GONZALEZ), such time as he may consume.

Mr. GONZALEZ. Mr. Chairman, I thank the distinguished chairman of the subcommittee. Certainly, my intentions are to be very brief.

Mr. Chairman, I want to recite a little bit of history in connection with my voting record with respect to amendments to the fundamental immigration and naturalization laws. When we had the great bill that was celebrated nationally, and the President signed it in a special ceremony at the Statue of Liberty, I want to remind my colleagues that I voted against that bill. I was the only one that got up on the House floor and challenged the inclusion for the first time in in our history of a quota for the Western Hemisphere.

I felt then it was wholly unrealistic, that it was flying in the face of history, that it was overlooking some basic relationships that were inextricably linked in the historic development of our country, particularly the Southwest. At that time, peculiarly enough, the only one who got up and insisted and argued was the gentleman from Minnesota, at that time Mr. MacGregor, who last year was the campaign manager for the President in his reelection bid. I remember the surprise at the position taken by the then distinguished chairman of the Judiciary Committee (Mr. Cellers) who apparently at the last minute had a change of mind, a change in what he had originally stated had been his position.

Unfortunately, I believe that developments have borne out what he feared. I think that this bill in its present form, I cannot accept. I supported the committee in the last legislation they brought out a few weeks ago, the so-called Rodino bill, which I think is needed because of a problem that the distinguished gentleman from Ohio just outlined briefly a while ago, so do not accuse me of being partial in the sense that when it comes to immigration from Mexico, that I have unilateral and one-sided feelings.

I did vote and supported the Rodino bill, but I cannot support this bill in its present form because I predict, if it is adopted by the Congress and enacted into law, it will have mischievous results. It again flies in the full face of realism of the situation prevailing in the Americas, and particularly in the Southwestern United States.

Mr. Chairman, I have an amendment I hope I will have a chance to bring up and introduce tomorrow, and I will defer further discussion until that time.

Meanwhile, I do want to advise that in its present form this bill is unacceptable.

Mr. EILBERG. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey (Mr. RODINO).

Mr. RODINO. Mr. Chairman, I rise in strong support of H.R. 981. We began the important job of immigration reform in 1965, and it is of critical importance that we continue with it at this time. The legislation before us today is the result of a thorough study specifically addressed to the unresolved immigration problem of the Western Hemisphere. That problem is caused by a numerical ceiling of 120,000 persons a year for the Western Hemisphere without any reasonable mechanics for the selection of immigrants. The State Department reports a backlog under that ceiling of close to 200,000 active cases as of January 1, 1973. Further, and most importantly, there is no system of priorities regarding admittance.

We have, in effect, two immigration laws for the two hemispheres. We place top priority on reuniting families from Eastern Hemisphere countries, but we make no such distinction for the Western Hemisphere. Since the current demand for Western Hemisphere visas far exceeds the number of visas available, the result is a 2-year waiting period equally applicable to the wives and children of permanent resident aliens, live-in maids, surgeons, brothers and sisters of U.S. citizens, clerical workers, unmarried, and married children over 21 of U.S. citizens. Under the provisions regulating Eastern Hemisphere immigration, these various intending immigrants are all assigned priorities according to the seven-category preference system. Within certain numerical restrictions, the preference category determines the order in which they enter. In the Western Hemisphere, however, the visas are distributed almost entirely on a first-come, first-served basis, with certain relatives exempt from labor certification.

We have had two different immigration laws for the two hemispheres since enactment of legislation restricting immigration from the Eastern Hemisphere in the 1920's. At the time the national origins quota system was adopted on a temporary basis in 1921 and permanently in 1924, immigration levels from this hemisphere were so low that numerical restriction was felt to be unnecessary. Western Hemisphere immigration continued to be numerically unrestricted until July 1, 1968, when the 120,000 ceiling went into effect as a result of the far-reaching 1965 amendments which finally abolished the national origins quota system. This system was undisguisedly based on the assumption that immigrants from some countries were more desirable than those from other countries. To illustrate its effects in 1964, Great Britain used less than half of her nontransferrable annual allotment of 65,361 visas while there was a waiting list of nearly a quarter of a million applicants for the annual Italian quota of 5,666 visas.

Understandably, abolition of the National Origins Quota System was our primary purpose in 1965, and this fact in large part accounts for the inadequate attention given at the time to the actual mechanics of visa disribution under the Wesern Hemisphere ceiling. As my colleagues who were here at the time will recall, the ceiling itself was the subject of considerable controversy. The House narrowly rejected it, and it was subsequently incorporated in the bill as the result of an amendment adopted in the Senate. However, it was not fully integrated into the basic design of the Immigration and Nationality Act since it failed to provide for an adequate mechanism for selecting immigrants from the Western Hemisphere. The primary purpose of H.R. 981 is to remedy this serious defect in our immigration laws.

H.R. 981 extends the preference system currently in effect for the Eastern Hemisphere to the Western Hemisphere. The only change made is the amendment of the definition of those eligible for seventh preference refugee status. The number of immigrants eligible for entry remains the same, with retention of the separate ceilings of 170,000 on the Eastern Hemisphere and 120,000 on the Western Hemisphere.

During the hearings in 1965 on immigration legislation, I envisaged a three-step legislative program beginning with the repeal of the national origins concept for selecting immigrants, then developing experience with a preference system for the Western Hemisphere and culminating in a worldwide ceiling. Today, we consider this second step in perfecting a fair and equitable policy.

Our ultimate goal is a unified worldwide ceiling and some further perfection of the preference system, as well as modification of the labor certification program. However, as I noted in my testimony on H.R. 981 last March, elimination of the present inequitable treatment of the Western Hemisphere is so pressing a need that other legislative aims must take second place. In view of the hardships we are unintentionally causing would-be immigrants from the Western Hemisphere, and the adverse diplomatic effects of the increasingly deteriorating situation, we have concluded that immigration reform must be a two-step operation, with the first step embodied in the bill before us today. I am referring, of course, to the immediate extension of the Eastern Hemisphere preference system with its emphasis on family reunification to the Western Hemisphere.

Enactment of the refugee measures in H.R. 981, is also a matter of some urgency, particularly in view of the uncertainty of the Attorney General's present parole authority. Until 1965, we had never devised an adequate permanent means of dealing with the admission of refugees.

The enactment of the revised preference system—with the seventh preference for refugees—was a major step forward, but unfortunately it proved to be less than adequate. This fact became particularly evident in 1968, when many Czechs became refugees because of the Russian invasion of their country and we were unable to grant refugee status because the numbers allocated under the seventh preference had been exhausted. It was at that time that the members of the Judiciary Committee joined together to request the Attorney General to exercise his general parole authority so that we could offer asylum to the Czech refugees. More recently, I found it necesary to go to the Secretary of State, as well as the Attorney General, to seek the use of parole in behalf of the Soviet Jews who were fortunate enough to be able to leave the Soviet Union. I am pleased to say that the Secretary of State recommended the use and the Attorney General agreed to use parole.

While our response to specific situations has generally been humanitarian, it has always been ad hoc. I believe that the provisions in this bill are sufficiently flexible and generous to provide for all contingencies. However, unless there is full consultation by the Department of State and Justice with the Congress regarding use of the flexible refugee parole authority, we will necessairly have to return to a more restrictive position.

H.R. 981 also extends the 20,000 per-country limit now in effect in the Eastern Hemisphere to all countries in the Western Hemisphere. For reasons which I have outlined in detail in additional views appended to the committee report on this legislation, I will at the appropriate time introduce an amendment to increase the per-country allotments for the 2 contiguous countries to 35,000. This is also the limitation for Canada and Mexico provided by H.R. 9409, the administration's immigration bill.

The primary argument which has been used against such special treatment of Canada and Mexico is that it is analogous to the special treatement afforded countries in Northern Europe by the odious national origins quota system. In my opinion, such a comparison is pure sophistry. The words used may be the same—special relationship, unique position, et cetera—but their meaning in the two cases is vastly different. The unique or special relationship which existed between us and those countries favored by the National Origins Quota System was based on historical and sentimental considerations, combined with strong elements of racial prejudice and pseudoscientism. The unique relation we have with Canada and Mexico is geographical and physical—we live together on the same continent with miles and miles of unguarded common border, and until July 1968, these were open borders. We are involved in the practical day-to-day process of working and living together; we have factories which lie half in Canada; we have reciprocal trade agreements of all kinds with both countries; we have railroad lines weaving in and out of Canada; and we have innumerable social and cultural ties with both countries. Canada is our most important trading partner and we are theirs, and until recently we enjoyed thoroughly cordial relations.

In view of the current high volume of Mexican immigration, I foresee the primary problem with the 20,000 per country limit as arising there, rather than with Canada. Having disturbed our northern neighbor with our immigration policy, we now appear to be embarking on the course of similarly alienating our neighbor to the south. In its final report of January 15, 1973, the Special Study Group on Illegal Immigration from Mexico, appointed by the President after discussions with the President of Mexico, urged that there be no reduction in the present level of lawful immigration from Mexico. Yet H.R. 981 would accomplish an immediate reduction of over 50 percent in the number who could immigrate lawfully under the numerical ceiling. In fiscal year 1972, there were 64,040 immigrants from Mexico, of whom 41,707 were subject to the Western Hemisphere numerical limitation. Without question, the imposition of annual limitations of 20,000 each on Mexico and Canada would result in a Mexican backlog of such proportions that within a very short period we would be forced to enact special legislation to absorb it. This is the inevitable and unpalatable alternative to establishing a realistic limitation at this time.

With this one exception, I believe H.R. 981 in its present form to be excellent and critically important immigration legislation. We are well launched in this historical reform of one of the oldest and most important of our laws. I urge your support.

Mr. KEATING. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. PRICE).

Mr. PRICE of Texas. Mr. Chairman, I rise today in opposition to the Immigration and Nationality Act Amendments. The passage of this bill will only serve to complicate the plight of farmers and ranchers by denying them a viable labor market. What we need instead, is a program similar to the brocero program which existed from 1951 to 1963.

Looking back, the bracero program was the kind of program that had substantial appeals for those involved in it. U.S. farmers and ranchers like it, because it helped them meet their labor demands by supplying steady dependable help and at reasonable costs. Mexicans who participated in the program like it, because it enabled them to make significantly more money doing agricultural work in the United States than they were able to earn doing similar work in Mexico. The Government of Mexico favored the program, because it provided an additional means of obtaining U.S. dollars and it partially helped Mexico's domestic employment problems. In fact the only primary dissatisfactions with the bracero program stemmed from certain liberal politicians and organized labor representative who reviewed the program in the light of misguided idealism at best; and union organizational needs at worst.

I regretted the passing of the bracero program, and I have viewed with interest the varied attempts the detractors of the program have made to find a workable substitute. To date, nothing has really been developed. Farmers and ranchers in northwest Texas and throughout much of the Southwest still stand in dire need of steady and dependable form labor. I would point out here that the high unemployment rate has not materially changed this labor shortage situation, because there are just not that many people who are interested in working in agriculture. I say this despite the fact that the Department of Labor claims there are workers available in general and in northwest Texas in particular. I say this, because I know from bitter experience what other farmers and ranchers know; namely, that the chronically unemployed cannot do the needed jobs on farms and ranches—they just cannot do the work. The simple fact of the matter is farmwork is hard work. There is no real timeclock, work is governed more by the light of the sun and the state of the weather. Moreover, wages are typically low, because farmers, in the past, have not made enough money themselves to pay top dollar for farm labor. In this regard, as I and other farm State Members have often stated, the level of food prices in the marketplace depend more on distribution and packaging costs than they do on farm production costs.

Mr. Chairman, the present welfare system and unemployment compensation system also have contributed to the farm labor shortage. In some cases individuals can make more money by drawing welfare and unemployment compensation than they can make by either working part time or not working at all.

When all is said and done, when the liberals are through gnashing their teeth over the supposed immorality of encouraging Mexicans willing to work on U.S. farmlands, and when the labor organizers are through bemoaning the fact that the bracero program undercuts their efforts to unionize American farmworkers, then one central fact remains. The farmers and ranchers of this Nation need new sources of farm labor and they need it desperately.

In an attempt to meet this need I introduced a bill during the last session of the Congress to reestablish the bracero program, put it under the jurisdiction of the Secretary of Agriculture, and empower the Secretary to establish certain program standards governing the provision of adequate wages, hours, and conditions of employment. Under my proposal, U.S. farmers and ranchers would have had the opportunity to get more help, and Mexicans who wanted to better themselves and their families by earning more money would have been free to do so in this country.

Mr. Chairman, on balance it seems to me there is a clear need for instituting a new bracero program or something close to it rather than passing the legislation before us today. Not only would it benefit American agriculture, it would also appeal greatly to Mexican farmworkers. Such a program would strike a new equilibrium between the labor resources of Mexico and the agriculture labor needs in the United States. It would better enable the food and fiber producers of this Nation to continue to provide their needed goods at reasonable costs to the American consumer.

Mr. RAILSBACK. I support H.R. 981, Mr. Chairmain, and urge its prompt passage. This legislation is urgently needed to bring uniformity and equity in the application of our system of immigration to aliens from all countries throughout the world.

The basic purpose of this legislation is to provide an adequate mechanism in the form of a preference system to implement the Western Hemisphere numerical ceiling of 120,000 immigrants per year. Unfortunately, when the 1965 Immigration Act was enacted by the 89th Congress, no preference system and no per country limit were provided when, by amendment in the other body, a numerical ceiling was first applied to admissions from the Western Hemisphere. As a result, natives of countries in the Western Hemisphere have been severely disadvantaged and our diplomatic relations have also suffered.

In effect, since 1968 the United States has had two different immigration systems. For Europe and the Eastern Hemisphere we have an annual ceiling of 170,000, with a 20,000 per country limitation, and a seven-point preference system whereby close relatives of U.S. citizens and permanent resident aliens and those having talents and skills needed in this country, are given preference over others. However, natives of the Western Hemisphere, no matter what their relationship or skill have to line up in the order of qualification with no preferences whatsoever among the 120,000 maximum annual admissions. As a result, the Canadian son of a U.S. citizen or the Chilean wife of a permanent resident alien, is required to get at the end of the line after other intending aliens from the Western Hemisphere whether close relatives or not. Today that waiting list includes approximately 200,000 aliens and only those who qualified prior to October 15, 1971 can obtain immigrant visas.

H.R. 981 will correct this situation by applying to the Western Hemisphere the identical preference system and 20,000 annual per country limitation as have been in effect for the Eastern Hemisphere since 1965. A point of serious discussion and careful study by our Committee was the question of whether Canada and Mexico, our neighboring countries, should be subject to the same 20,000 per country ceiling as the rest of the countries of the world, or be given special favored treatment. I believe that there should be a higher ceiling but this was not the decision of the committee.

This bill contains a number of other needed but less significant provisions: Section 2 will permit the admission of temporary workers for as long as a year, renewable for a second year to any type employment, whether it be temporary or permanent in nature, provided the Labor Department has determined no qualified U.S. citizens are available at the place to which the alien is destined and wages and working conditions will not be adversely affected. This provision should provide much needed workers for employers presently unable to find ranch hands, agricultural workers, and so forth. Additionally, this provision will be particularly helpful to natives of Mexico who are interested in short run economic opportunities in the United States.

The bill also modifies the definition of refugees admissible to the United States to conform it to the definition in the United Nations Protocol Relating to the Status of Refugees, to which the United States acceded in 1968. The refugee conditional entry provisions are made applicable to the Western Hemisphere so that a uniform refugee system will be applied for the entire world.

More significantly, provisions have been placed in this bill to insure that the State Department and Attorney General will not abuse the parole sections of the Immigration Act by admitting large groups of refugees as parolees after the refugee quota has been exhausted. In the past large numbers of Hungarian, Cuban, and Czechoslovakian refugees have been paroled in by the executive branch. In this bill such group or class utilization of the parole provisions of the law can be done only after advance consultation with the Congress.

These, then, are the important provisions of H.R. 981, a bill greatly needed to bring order and uniformity to our immigration system.

Mr. Chairman, I urge favorable action upon this bill.

Mr. BIAGGI. Mr. Chairman, I rise in support of this legislation, H.R. 981, to amend the Immigration and Nationality Act. I feel that passage of this bill will result in an immigration system which is fair and equitable for all the nations and peoples of the world.

The most important provision in this legislation is the establishment of a realistic 20,000-person limitation on the number of immigrant visas which can be issued to one country. This provision will end, at long last, the archaic "quota system" of immigration which blatantly discriminated against thousands of persons, who were denied admission to the United States because of their nationality. At the same time, this section would also eliminate the equally unfair "special treatment policy" afforded certain nations at the expense of others.

There are other important provisions in this legislation which I fully support and commend the committee for taking up. Section 5, in particular, deals with a grave problem; namely, that of the refugee, and his place in our immigration policy. In the past, the conditions under which a person could enter this country as a refugee, were extremely limited. H.R. 981 seeks to remedy this unfortunate situation. The bill includes two new important provisions under which a person can enter as a refugee. For the first time, refugees can now come from the Western Hemisphere. In the past, only those persons from the Eastern Hemisphere were allowed. Recent events in Latin America, particularly in Chile and Argentina, as well as the threat of, and presence of communism, in other Latin American countries seems to dictate the need for this important revision in the law. Now the beleaguered peoples of these lands still have the opportunities to escape to freedom.

The continuing plight of the Jews of the Soviet Union, and Iraq, those of Assyrian ancestry, the residents of Northern Ireland as well as all other persons who must endure persecution at the hands of their homeland governments, can now look to the United States for relief. In this legislation, there is a section which expands the definition of "refugee" to include those persons who can claim that a return to their homeland will result in persecution, or those that can show a "well-founded fear of persecution on account of race, religion, or nationality."

Mr. Chairman, the immigrant in this country has had a long and distinguished history. Many individuals who entered this country as immigrants have worked themselves into positions of prominence in our society. This legislation which we are considering today seeks to promote an even fairer opportunity for people throughout the world to enter the United States.

It attempts to provide these persons who suffer persecution an opportunity to live in freedom. For many others in the world who live in poverty and misery, the United States still represents the promised land. Let us not dispel this concept, let us continue to allow these people to realize this dream.

Mr. Chairman, the Judiciary Committee, and particularly its distinguished chairman, Mr. RODINO, deserve the commendation of all my colleagues for this excellent legislation.

Mrs. COLLINS of Illinois. Mr. Chairman, I will vote for passage of H.R. 981, although I confess to some bewilderment as to why we are legislating on the side of legal aliens at a time when illegal aliens are swarming into the country at the rate of more than 1 million a year.

It is not without compassion that I view this tremendous influx of illegal aliens. In our own cities all across the country we have poverty, poor housing, deprivation, and other substandard conditions. Poor as they are, it is hard to believe that there are people in other lands who consider them preferable to the hardships they must endure in their home countries. It is hard to believe that otherwise good citizens in Mexico, Central, and South America and elsewhere will risk their rights to someday enter the United States legally—even risk their very lives to live in the United States under conditions which we consider deplorable but which they consider preferable to even worse hardships in their native lands.

It is only when I realize the burdens they impose upon our educational systems, and the risk they impose that our own children may be discriminated against in getting a good education that I can oppose the presence in our schools of children whose parents are in this country illegally. But, when we realize that in the schools of Washington, D.C., there are some 7,000 of these children, and in New York 70,000—10 times as many—then we also realize that our own children may be slighted in educational opportunities available to them.

Welfare organizations across the Nation are feeling pressures imposed upon them by applications from aliens in this country illegally. This is especially true in larger cities like Chicago and Los Angeles. Social workers place greater emphasis on the needs of their clients than upon their eligibility for relief. There simply are not enough welfare funds and food stamps to serve illegal alien applicants and adequately care for our own needy people.

There is no way to estimate the millions of dollars sent out of this country in the form of social security benefits to persons who acquired their eligibility while working here illegally and who were subsequently deported.

Those aliens here illegally, or those here in a legal status but working in violation of the terms of their entry, create a competitive situation of some magnitude in the job market, and especially with those jobs of a menial nature, wherein unemployment tends to run at a high level. A survey last year in the suburbs of a large eastern city revealed that approximately 20 percent of the jobs were held by illegal aliens.

In the entire spectrum of public service, ranging from police and fire protection to public assistance to medical care, these neediest of the needy compete with American citizens. Not even in a country as big and as wealthy as this one can we care for our own unfortunate citizens and those who have illegally slipped across our borders.

Since coming to Congress I have, as a member of the Legal and Monetary Affairs Subcommittee of the House Committee on Government Operations, sat through several days of hearings to examine the economy and efficiency of the Immigration and Naturalization Service. It is this agency that is charged with enforcing immigration laws and keeping our borders secure.

While the complete findings by the subcommittee are some months away from being compiled, it has become abundantly apparent to me that managerial and operational weaknesses on the part of the Immigration and Naturalization Service are not all of their own making. Rather, they are the product of the parent agency, Department of Justice's failure to attach a proper degree of importance to the vital function of the INS. This failure has been manifest in lack of support by justice for INS requests for manpower and financing.

I will cite just two examples of the foregoing. At the San Ysidro Port of Entry in California, INS has a full complement of only 30 inspectors to examine 125,000 arrivals a day at the facility. There is no money for additional people.

In Los Angeles, San Francisco, and New York, as well as in other big cities, automobiles for use by enforcement personnel are acquired from the border patrol after these vehicles have been driven 50,000 to 60,000 miles. These are large cars, equipped with high performance engines and are totally unsuitable for day-in, day-out service in the congested traffic of a big city. These cars are said to be in poor mechanical condition when they are received and generally only one vehicle is available for every eight enforcement officers, where, in other Federal law enforcement agencies there is one for each two officers.

Regardless of the merits of H.R. 981 I cannot be terribly impressed with this particular answer to our immigration problems when there are other, much more pressing needs in the area of alien interests.

I sincerely hope that when the report of the Legal and Monetary Affairs Subcommittee is completed, it will be used by the appropriate congressional committee as a guide toward legislation that will be effective in controlling violations of our borders and stemming the tide of illegal aliens that engulfs this country.

Mr. HUTCHINSON. Mr. Chairman, since the enactment of the 1965 Immigration Amendments, experience has made clear the necessity for certain modifications, particularly with reference to the Western Hemisphere. The imposition of a numerical ceiling upon the Western Hemisphere for the first time resulted from Senate amendments in 1965 to the legislation originating in the House of Representatives to phase out the most favored nation immigration policy. As a consequence, no preference system was established for immigrants for the Western Hemisphere.

This bill, H.R. 981, addresses this second of the two most pressing problems in the field of immigration. H.R. 982, passed by the House May 3, 1973, attacked the first problem, to reduce sharply the flood of illegal aliens into this country. This bill, H.R. 981, will correct an inequity in our present law which has operated unfairly to the disadvantage of natives of the Western Hemisphere. With these two bills, the Immigration, Citizenship, and International Law Subcommittee of the Judiciary has provided a constructive and logical package to resolve our present day immigration needs.

H.R. 981 applies to the Western Hemisphere the same preference system as has worked so well since 1965 for the Eastern Hemisphere. When H.R. 981 is enacted into law, natives of every country in the world will qualify for admission under the same selective system—the system which gives preference in the issuance of visas to close relatives of U.S. citizens and permanent resident aliens, and to aliens with skills needed in our country.

Mr. Chairman, this bill will do away with the last vestige of discrimination whereby an alien from one country can have an advantage over the natives of another country. Aliens from every country in the world will be able to qualify under exactly the same numerical limitations, the same relative preferences, the same occupational qualifications.

This bill, in providing equality of treatment, does so without any increase in the annual maximum numerical ceiling for the admission of aliens. This, to me, is a most significant feature of the bill. I am concerned about the long-term effects of immigration upon this country. This matter was the subject of great concern to the President's Commission of Population Growth and the American Future. The Commission report stated:

> The relative importance of immigration as a component of population growth has increased significantly as declining birth rates diminish the level of natural increase.

There was a sharp division of opinion within the Commission on policies regarding the number of immigrants to be admitted to this country. Some favored a gradual decrease in immigration, As the report of the Commission concluded:

> This group was concerned with the inconsistency of planning for population stabilization for our country and at the same time accepting large numbers of immigrants each year. They were concerned that the filling of many jobs in this country each year by immigrants would have an increasingly unfavorable impact on our own disadvantaged, particularly when unemployment is substantial. Finally, they were concerned because they believe that immigrant does have a considerable impact on United States population growth, making the stabilization objective much more difficult.

The Commission majority felt that the present level of immigration should not be increased. I am pleased to say that this bill follows that recommendation—providing for retention of the two existing hemisphere ceilings totalling 270,000 admissions with no increase.

I urge prompt passage of H.R. 981, Mr. Chairman. It is a good bill that will improve our immigration system.

Mr. WON PAT. Mr. Chairman, I thank the gentleman for yielding so that I may add my support for H.R. 981, a bill to amend the Immigration Act. I would also like to commend our colleague, Congressman Joshua Eilberg, and his fellow members of the House Judiciary Committee for a job well done on this legislation.

The success today of H.R. 981 is a vital matter to the economic well-being of our fellow Americans on the mainland and in the territories of Guam and the Virgin Islands. For too long, the territories have suffered severe economic problems because of our inability to attract the kind and number of professional workers we need in order to develop and prosper.

The root of this problem, I believe, lies with the current restrictions which prohibit temporary alien laborers of the H–2 category from holding positions that are considered by the U.S. Department of Labor to be of a "permanent" nature. Thus, alien workers, who constitute 24 percent of the total work force in the territory of Guam, are ineligible to be employed in tourist or resort facilities such as hotels and restaurants, or in farming and a host of other service, industrial, or retail positions.

Were it not for those entering Guam under the B–2 provision, the so-called treaty trader employees brought in to operate foreign firms, and military dependents moonlighting for extra money, Guam's food and hotel industry would almost come to a standstill. The same might also be said for other aspects of our economy as well.

On June 14, I emphasized the gravity of Guam's labor difficulties in a statement before the Immigration Subcommittee. Shortly thereafter, Congressman Eilberg and his colleagues went to Guam for a firsthand look at the problems which I described.

I am pleased to say that their committee report on H.R. 981 expertly states Guam's labor shortage problems, and I quote:

> In recent hearings held by a special immigration study group on Guam, it was found that the restrictions on the admission of H–2 workers has had a severe impact on Guam's economy . . . The current restriction on the admission of temporary workers to Guam has had the effect of placing Japanese and other foreign investors in a better competitive economic position than American businessmen. The Committee believes this to be patently unfair and feels that the removal of the temporary workers restrictions will enable American employers in Guam to compete on a more equal basis.

Simply stated, Guam, which is located 9,500 miles from the U.S. mainland, with a population of only 100,000 and with an extraordinarily high cost of living, is not in a position to compete for the skilled labor found here in the States.

We do not intend to be eternally dependent on outside labor sources. Guam will do everything within its power to train our own people to fill some of these highly skilled professions. But that will take time. The temporary workers that we will be authorized to import for a maximum stay of 2 years under the expanded provisions of the H–2 classification will provide invaluable assistance in the continuation of Guam's economic growth.

I therefore urge my colleagues to give H.R. 981 their full support. I thank you for your attention.

Mr. KEATING. Mr. Chairman, I have no further requests for time.

Mr. EILBERG. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Immigration and Nationality Act Amendments of 1973".

Mr. EILBERG. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Adams, Chairman of the Committee of the White House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 981) to amend the Immigration and Nationality Act, and for other purposes, had come to no resolution thereon.

COMMUNICATION FROM THE VICE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the Vice President of the United States:

The Vice President,
Washington, September 25, 1973.

Hon. Carl Albert,
Speaker of the House of Representatives, the House of Representatives, Washington, D.C.

Dear Mr. Speaker: I respectfully request that the House of Representatives undertake a full inquiry into the charges which have apparently been made against me in the course of an investigation by the United States Attorney for the District of Maryland.

This request is made in the dual interests of preserving the Constitutional stature of my Office and accomplishing my personal vindication.

After the most careful study, my counsel have advised me that the Constitution bars a criminal proceeding of any kind—federal or state, county or town—against a President or Vice President while he holds office.

Accordingly, I cannot acquiesce in any criminal proceeding being lodged against me in Maryland or elsewhere. And I cannot look to any such proceeding for vindication.

In these circumstances, I believe, it is the right and duty of the Vice President to turn to the House. A closely parallel precedent so suggests.

Almost a century and a half ago, Vice President Calhoun was beset with charges of improper participation in the profits of an Army contract made while he had been Secretary of War. On December 29, 1826, he addressed to your Body a communication whose eloquent language I can better quote than rival:

"An imperious sense of duty, and a sacred regard to the honor of the station which I occupy, compel me to approach your body in its high character of grand inquest of the nation.

"Charges have been made against me of the most serious nature, and which, if true ought to degrade me from the high station in which I have been placed by the choice of my fellow-citizens, and to consign my name to perpetual infamy.

"In claiming the investigation of the House, I am sensible that, under our free and happy institutions, the conduct of public servants is a fair subject of the closest scrutiny and the freest remarks, and that a firm and faithful discharge of duty affords, ordinarily, ample protection against political attacks; but, when such attacks assume the character of impeachable offenses, and become, in some degree, official, by being placed among the public records, an officer thus assailed, however base the instrument used, if conscious of innocence, can look for refuge only to the Hall of the immediate Representatives of the People."

Vice President Calhoun concluded his communication with a "challenge" to "the freest investigation of the House, as the only means effectively to repel this premeditated attack." Your Body responded at once by establishing a select committee, which subpoenaed witnesses and documents, held exhaustive hearings, and submitted a Report on February 13, 1827. The Report, exonerating the Vice President of any wrongdoing, was laid on the table (together with minority views even more strongly in his favor) and the accusations were thereby put to rest.

Like my predecessor Calhoun I am the subject of public attacks that may "assume the character of impeachable offenses," and thus require investigation by the House as the repository of "the sole Power of Impeachment" and the "grand inquest of the nation." No investigation in any other forum could either substitute for the investigation by the House contemplated by Article I, Section 2, Clause 5 of the Constitution or lay to rest in a timely and definitive manner the unfounded charges whose currency unavoidably jeopardizes the functions of my Office.

The wisdom of the Framers of the Constitution in making the House the only proper agency to investigate the conduct of a President or Vice President has been borne out by recent events. Since the Maryland investigation became a matter of public knowledge some seven weeks ago, there has been a constant and ever-broadening stream of rumors, accusations and speculations aimed at me. I regret to say that the source, in many instances, can have been only the prosecutors themselves.

The result has been so to foul the atmosphere that no grand or petit jury could fairly consider this matter on the merits.

I therefore respectfully call upon the House to discharge its Constitutional obligation.

I shall, of course, cooperate fully. As I have said before, I have nothing to hide. I have directed my counsel to deliver forthwith to the Clerk of the House all of my original records of which copies have previously been furnished to the United States Attorney. If there is any other way in which I can be of aid, I am wholly at the disposal of the House.

I am confident that, like Vice President Calhoun, I shall be vindicated by the House.

Respectfully yours

Spiro T. Agnew.

ORDER OF BUSINESS

Mr. GONZALEZ. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Does the gentleman insist on his point of order?

Mr. GONZALEZ. Mr. Speaker, I believe the Members of the House should have a chance to have the letter read to them at this time.

The SPEAKER. The Chair will inform

the gentleman that the letter has already been read.

Mr. GONZALEZ. Mr. Speaker, I withdraw my point of order.

PERSONAL STATEMENT

Mr. LANDGREBE. Mr. Speaker, during the final vote on the continuing resolution (H.J. Res. 727) I was in the hallway talking to one of my staff members and failed to vote. Had I been in the Chamber, I would have voted "nay" on the continuing resolution.

FREEDOM BEHIND IRON CURTAIN RECEIVING SUPPORT OF AMERICANS

(Mr. ICHORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ICHORD. Mr. Speaker, as more and more of Russia's intellectuals in the fields of art and science step forth to bravely challenge the oppressive anti-intellectualism of the Communist Party leadership of the Soviet Union, I am proud to note the growing support the cause of freedom behind the Iron Curtain is receiving from our own countrymen.

The National Academy of Science, which recently made it clear that scientific détente with the Soviets might cease if the Kremlin did not desist from its persecution of Russian nuclear physicist Andrei Sakharov and others, has now been joined by the 6,000 members of the Federation of American Scientists. The FAS has long encouraged political détente with Moscow but its spokesmen now urge that before that détente proceeds any further, a "second round" in the struggle for permanent peace must be the struggle for intellectual freedom.

Furthermore, the president of the American Federation of Labor-Congress of Industrial Organizations—Mr. George Meany—spoke out eloquently on September 17, 1973, when he said that congressional approval of a most-favored-nation clause for trade with the Soviet Union "would be an abandonment of this Nation's principles to support free nations, free economics, and free peoples."

And, of course, our colleagues on the other side of the Capitol have overwhelmingly approved a Senate amendment condemning Soviet treatment of dissidents.

Now, I see that yet another Russian intellectual—woman novelist Lydia Chukovskaya—has released a blistering attack on the Kremlin's efforts to suppress Sakharov, writer Alexander Solzhenitsyn and others by means of an open letter to the people of Russia. She notes that "Stalin is dead, but his business goes on" and she especially criticizes the intellectuals who have sided with the Kremlin in attacking dissident colleagues. Of this group she says—

> They are educated, well-read, and they know well the real value of Solzhenitsyn and of Sakharov and most important, of themselves. It isn't worth wasting words on them. The signature of (composer) Shostakovich on the protest of musicians against Sakharov proves irrefutably that . . . genius and evil are compatible. Genius and betrayal. Genius and lies . . .

Miss Chukovskaya declares that in the Soviet Union "we have an unwritten law which is stronger than any in our written code of laws . . . the one crime for which the authorities never forgive anyone: Every person must be severely punished for the slightest attemp to think independently."

And she warns the Kremlin masters of Communist tyranny that a "sincere wrath" may develop in Russia because of a "soundproof wall" that has been erected to separate the people from their "prophets and martyrs." This "wrath," she writes could "flood your wretched wall—and drown in blood both the guilty and the just, without distinction."

Mr. Speaker, ladies and gentlemen of this House, does this not remind us of our own heritage in the cause of liberty? As Thomas Paine said so well in "Common Sense"—"O! ye that love mankind! Ye that dare oppose not only the tyranny but the tyrant, stand forth!" This is what all free men and women must do in this critical hour when intellectuals so long choked by the yoke of communism are finally risking everything in an effort to remove the shackles of Soviet despotism.

TEACHING CHILDREN TO TALK: A MODEL CITIES SUCCESS STORY

(Mr. VAN DEERLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, thanks to the model cities program, the young children of San Ysidro, Calif., are learning to talk to each other.

San Ysidro, which is in my district, also shares a border with Mexico—and in many ways is more closely attuned to the Spanish language and culture than those of our own country. It is said that Spanish is the primary language spoken in the three-quarters of the homes.

Obviously, this linguistic dichotomy has created some special problems for the local schools which must help the Spanish-speaking youngsters bridge the gap with English while taking the English-speaking minority the other way to some command of Spanish.

Naturally, San Ysidro was an early qualifier for aid under the bilingual education program, a proven success but aimed primarily at children in the elementary years.

There was a feeling in San Ysidro that bilingual training would be even more effective if applied to younger, pre-school children, those 3 to 4 years old.

Accordingly, San Ysidro, in an innovative departure from the usual way of doing things, filed for bilingual aid under the HUD model cities program. One major advantage offered by model cities over the usual categorical education aid programs is the opportunity to employ significant numbers of local people in community service jobs.

The San Ysidro schools signed up with model cities back in 1970, and the program has been gathering momentum ever since.

But now there are dark clouds on the horizon; the same Federal Government which got the program going in San Ysidro is now threatening to derail it.

Funding is down from the high-water mark of 1971, when more than $700,000 was allocated, and Federal administrators have warned San Ysidrans support may be dropped altogether following this, the third full year of the model cities effort.

Local school administrators have reacted with understandable anguish. They were promised a 5-year program and now may be getting only 3, thanks mainly to the administration's insistence on revenue sharing through the States.

In a letter earlier this year to HUD, Bob Colegrove, the San Ysidro Schools superintendent, likened a proposed 45-percent cut in model cities spending to "taking the engine out of the car and expecting it to run."

But talking figures and percentages does not begin to tell the story of the setback in human terms if the administration is allowed to junk the model cities effort.

The kids are there, and they need the help. The San Ysidro program enrolls 420 small children, 240 of them financed by model cities. In addition, 83 people in the community are employed as classroom aides and in other capacities in jobs paying from $330 to $430 a month.

According to Superintendent Colegrove, early results of the bilingual training have been "very promising." He predicts that if the program is allowed to continue for the full 5 years, the children entering kindergarten and the first grade with newly acquired linguistic skills will pull the district close to State norms for academic performance. With its high proportion of children with language handicaps, San Ysidro traditionally has ranked near the bottom in achievement on the statewide tests.

Mr. Colegrove said:

> Youngsters now completing the preschool and going into kindergarten are able to communicate in both languages regardless of whether they're Mexican-American, Black, or Anglo.

How has the San Ysidro system been able to accomplish all this? Money alone is obviously not the complete answer.

The system in San Ysidro works by taking the preschoolers and giving them steady exposure to the alien tongue, English or Spanish. When they try to speak in their own language, the teacher or aide keeps the conversation going in the other language. The kids are young enough to absorb it all with none of the trauma that might be suffered by adults or older children.

Except for formal language instruction, the children of San Ysidro play and learn together. Even play periods are bilingual, with Spanish and English alternating as the languages of the day. Not so long ago, the Spanish-speaking students were not allowed to speak any Spanish, and since no one was really teaching them English, they spent most of their time in school in silence—and undereducated.

Mr. Speaker, I think all of us would agree that what San Ysidro has accomplished is a vast improvement over what went before. For the first time in the history of this border community, all the children are being presented with the keys to learning. And there is the promise they will grow up knowing of languages and customs other than their own—surely a laudable goal.

Model cities has had its failures. But I would hope that all our colleagues would consider the success stories like San Ysidro before deciding in their own minds whether the program should continue, and if so, in what guise.

FREEDOM OF IMMIGRATION STILL DENIED IN SOVIET UNION

(Mr. CAREY of New York asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. CAREY of New York. Mr. Speaker, cosponsors of Mills/Vanik/Jackson legislation, which denies most-favored-nation status to the Soviet Union, unless freedom of emigration is guaranteed to all Soviet citizens, have initiated a renewed effort to insure passage of this important United States-Soviet quid-pro-quo.

The 280-plus cosponsors in the House called a press conference this morning, will discuss the issue at a special order this afternoon, and will deliver 1-minute speeches concerning specific individuals denied the right to emigrate. These speeches will continue until passage of Mills/Vanik/Jackson, or an equally equitable resolution of this matter of the most basic human rights is achieved.

This morning, in the initial speech, I shall discuss the case of Silva Zalmonson.

THE CASE OF SILVA ZALMONSON

Mr. Speaker, emigration from the Soviet Union is not free. Silva Zalmonson is serving her third year of a 10-year sentence for trying to emigrate.

Silva, an engineer from Riga, will be 29 years old next month. She will celebrate her birthday in her cell at Potma prison in Soviet Mordovia. Like almost 40 other Jews who are languishing in Soviet prisons, Silva's major crime is her desire to emigrate to Israel.

Applying to emigrate first in 1968, she was repeatedly denied permission by Soviet authorities. In June 1970, Silva, her husband and her brothers were arrested with seven other persons in connection with an attempt to flee the country illegally, a treasonable offense in the Soviet Union. As a result of the infamous "Leningrad Trial" which followed, Silva was sentenced to 10 years hard labor in a prison camp. Her husband, Eduard Kuznetsov, was condemned to death, but as a result of a worldwide protest, his sentence was commuted to 15 years hard labor. Silva's two brothers are serving prison terms of 8 and 10 years, respectively.

Silva, a past victim of a severe case of TB, now suffers from a peptic ulcer, malnutrition, and immient deafness. Forced to perform tiring labor for long hours, provided with only a meager diet, and denied adequate medical treatment, Silva's continued imprisonment endangers her life.

Silva Zalmonson is not free to emigrate. It is to help Silva Zalmonson, and hundreds of thousands like her, that the Mills-Vanik bill must and will be passed by Congress.

SILVA ZALMANSON

[Data Submitted by National Conference on Soviet Jewry]

Profile: Silva Zalmanson.

Born: October 25, 1944.

From: Riga.

Status: Married (to P.O.C. Eduard Kuznetsov).

Occupation: Engineer.

Arrested: June 15, 1970.

Trial: (First Leningrad Trial) December 1970 (secret).

Charge: Conspiring to "hijack" a plane to Isarel.

Sentence: 10 yrs. strict regime.

Charges: She was arrested in connection with an attempt to flee the country which is illegal and "treasonable". Since the vehicle to have been used was an airplane, she was also charged with theft of government property; also "anti-Soviet propaganda" and "anti-Soviet organization."

Prison: At first in Mordovia, she is now in Potma. A food package sent to her in 1971, was returned (to the US) one year later. Another attempt to circumvent the food ban by sending warm clothing was carried out in December 1972 to Silva in Potma: USSR, RSFSR, Moscow, Uchr. 5110//1 Zh H., Silva Zalmanson. Silva's first appeal, filed after she had served 2½ years of the 10 year sentence, was rejected on grounds of her classification as a political prisoner; in her second appeal, which was also rejected, she protested this and claimed she was a Prisoner of Conscience. Friends feel it is now up to Israel and the West to exert pressure.

Illness: According to her uncle, Abraham Zalmanson, 23 Micva St. Bat Yam, Israel, in the past Silva suffered a "severe open case of TB," which required surgical intervention and recuperation in a special sanatorium. She now has a peptic ulcer and requires a special diet. Conditions in the camps have contributed to her physical and emotional deterioration. She has malnutrition and is possibly in danger of becoming deaf.

Silva Isofovna Zalmanson was born October 25, 1944. In Siberia. In 1968 she graduated from the Riga Polythechnical Institute and became a mechanical engineer. She worked as a designer at the Sarkana Zavaigzne factory in Riga. In 1968 she tried, in vain, to obtain permission from her local OVIR to leave for Israel. She appealed with this request to Soviet and foreign organizations. In 1970 she married Eduard Samuilovich Kuznetsov. That year she was deprived of the possibility of appealing again for permission to leave for Israel since the management of her factory refused to give her the necessary personal reference.

Despite inferences at her trial, Silva Zalmanson never believed that she was "anti-Soviet," but she was frustrated by a bureaucracy which demanded papers before she could leave the Soviet Union, then denied her the possibility of securing those documents.

She admitted at her trial that from approximately 1968, she helped print "Zionist" material. To the prosecutor's question as to whether she realized how "hostile" Zionism is to Marxism-Leninism, Silva Zalmanson answered that she did not think so, and considered that in Zionism there are sides that are not hostile to Soviet ideology, but that its main point was the reunification of Jews in one state.

To the end she clung to her belief that there was no place for her in contemporary Soviet society, and that the only place she could serve her Jewish national goals was in Israel, which she considered to be her homeland. Forced to reject life in a Soviet society, which was hostile to her beliefs and to Jewish tradition, she clung to that desire even when sentenced by a harsh court to prison.

Silva was arrested, with 10 other persons (2 non-Jews), in June 1970 in connection with an attempt to flee the country illegally, a treasonable offense in the USSR. Since the vehicle that was to have been used was an airplane, she was also charged with the theft of government property. Other charges included "anti-Soviet propaganda" and "anti-Soviet organization." On December 25, 1970, Silva Zalmanson was sentenced to ten years in strict regime. Her co-defendants received sentences which ranged from 4 to 15 years, the latter meted out to her husband (commuted from death, after world-wide protests were received in Moscow).

The young woman is now in Potma prison, and suffers from poor health. Her childhood respiratory ailments have come back to haunt her, and her hearing has begun to suffer. She has also developed a peptic ulcer, adding to her pain. Unable to maintain the heavy work demanded of her, and with only 2400 calories of meager food, she has had her semi-starvation diet cut in half on many occasions. Her condition has thus been described as poor, and deteriorating, by a fellow prisoner in Potma, Ruth Aleksandrovich, released in October of 1971.

PRESIDENT AND CONGRESS ENTERING ERA OF CONSTRUCTIVE COOPERATION

(Mr. DERWINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DERWINSKI. Mr. Speaker, I take this time to ask the Members to recall President Nixon's statement in his first inaugural address that "after an era of confrontation, we are entering an era of negotiations." I predict here today that the President and Congress will enter into an era of constructive cooperation not confrontation.

May I point out the obvious to the Members of the House that since the Democrats have substantial control of the Congress, they can push through any legislative package that they wish. However, it must be noted that the Republicans have demonstrated they have the strength to sustain Presidental vetos.

Practical politics and statesmanship clearly indicate the need for constructive cooperation between the legislative and executive branches especially at this time, and in my judgment, both the President and Congress are now in the mood to cooperate constructively rather than to seek confrontation.

Mr. Speaker, may I also point out that as the President can effectively negotiate difficult world problems with Chou En-Lai and Brezhnev, he should certainly be able to negotiate normal political differences with MIKE MANSFIELD and CARL ALBERT.

The President's legislative requests will be partially met by the Congress and predictably, there will be major changes made in Presidential proposals by various congressional committees. However, budget-busting bills will be vetoed by the President and sustained by Congress so that the stage is clearly set for legitimate compromises on budget figures and policy matters.

Notwithstanding the era the President sees developing, it is my prediction that there will be no tax increase imposed on American taxpayers by the Congress at this time. I believe we must emphasize economy in Federal programs so that the budget can be kept under control and inflationary pressures absolutely minimized.

It would certainly be in order to streamline the Federal bureaucracy so that the duplication, waste, and mismanagement, which is so visible in too many Federal programs, can be eliminated and better service provided to the public at less cost to the taxpayer.

KISSINGER AND HYPOCRISY

(Mr. ASHBROOK asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ASHBROOK. Mr. Speaker, I am deeply disturbed by the hypocrisy displayed by Mr. Kissinger in his testimony before the Senate Foreign Relations Committee. At no time was this more evident than in Kissinger's assessment of Rhodesia and the Soviet Union.

When questioned about the administration's attempt to grant most-favored-nation status to the Soviet Union despite the country's denial of fundamental human rights, Kissinger rejected the view that our foreign policy should be aimed at transforming the domestic structure of nations. Kissinger stated:

> Now I recognize there is a certain connection between domestic policy and foreign policy. But if we adopt as a national proposition the view that we must transform the domestic structure of all countries with which we deal, even if the foreign policy of those countries is otherwise moving in a more acceptable direction, then we will find ourselves massively involved in every country in the world, and then many of the concerns expressed by Senator Symington and Senator Church of a constant American involvement everywhere will come to the fore again.

Kissinger, however, expressed no qualms about intervening in Rhodesia's domestic affairs. When asked to give his thoughts on the Byrd amendment, which permits importation of certain strategic materials despite a U.N. embargo against Rhodesia because of certain internal policies, Kissinger answered in one sentence:

> The administration will support the repeal of the Byrd amendment.

Therefore, the administration and Kissinger support a complete sanction on Rhodesia because of its internal policies, yet favor most-favored-nation status for the Soviet Union despite its internal policy of denying human rights.

What sort of hypocritical nonsense is this? Kissinger's application of two moral standards when judging Rhodesia and the Soviet Union is repugnant.

Russian novelist Alexander Solzhenitsyn, a man well acquainted with repression and denial of human liberty, has sharply criticized Western leaders for their lopsided way of looking at the world and the hypocrisy of their protests.

> Could say, the Republic of South Africa, without being penalized, ever be expected to detain and torture a black leader for four years as General Grigorenko (Soviet dissident) has been? The storm of worldwide rage would have long ago swept the roof from that prison . . . There we have the whole hypocrisy of many Western protests. It is perfectly proper to protest if there is no danger to life, if the opponent is likely to back down and if you don't risk being denounced by the left (in fact, it is always better to protest together with the left).

I can only hope now that Mr. Kissinger has been confirmed as Secretary of State that he will reexamine his double standard of morality and adopt a more realistic view of the world.

WHERE, OH, WHERE ARE THOSE INVESTIGATORS?

(Mr. RANDALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RANDALL. Mr. Speaker, when Governor Love, the administration energy adviser, was good enough to come to our office just before the August recess, I thought he agreed that our congressional district was the worst hurt of any district in Missouri as to fuel shortages.

When he left I retained the clear impression that he had committed himself on behalf of the Office of Oil and Gas, Department of Interior, to send two investigators into our 16 counties in west central Missouri, during the August recess to conduct a survey followed by a report on the shortages of gas, diesel fuel, propane, and other petroleum products with the impact of such shortages on our farmers.

Well, I personally inquired when I was in Missouri during the August recess of my constituents in every county if they had seen or heard of these investigators moving about in our district. Everyone I talked to told me there had been no oil and gas investigators in any of our counties.

At this time I am required to reach one of two conclusions: either Governor Love or others in the executive branch had no intention of sending any investigators to our district or, if, in fact they did keep their commitment, the presence of these men in west central Missouri has been a masterpiece of concealment rivaling almost some other recent examples of concealment we hear about from the television hearings that have just been resumed in the other body of Congress.

These brief comments are the second installment of my daily effort to focus attention on the desperate shortage of fuel that our farmers are facing. Now, nearly 2 months after our conference with Governor Love, I ask the question, "Where oh where are those investigators?"

REGULATE COMMODITY MARKET TRADING—NOW

(Mr. MELCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MELCHER. Mr. Speaker, soon after I became a Member of the House, I introduced a bill that would assure commodity exchanges, and particularly the Chicago and Kansas City Boards of Trade, would have adequate multiple delivery points for commodities in which they conduct futures trading.

It was very obviously needed reform, but only scratches the surface of the reforms needed and made obvious to an increasing number of people by the recent gyrations of soybean, wheat, corn, pork belly and cattle futures markets.

It is so obvious, indeed, that the Administrator of the Commodity Exchange Authority has come up with six proposed amendments to the CEA Act, including multiple delivery points.

The first change he proposes would give the CEA authority to enjoin violations of the CEA Act, including prevention of any trader acquiring sufficient control over a commodity futures contract to restrain trading in it.

He would require proof that futures trading in a commodity serves an economic purpose, authorize imposition of money penalties, extend fitness checks to traders, and give the CEA Administrator power to require the exchanges to follow his orders in emergency situations to establish orderly trading or liquidate a contract.

That is all right for a start but not near enough to do the right kind of a job.

A tune-up job will not be enough because there is a need for a real overhaul of the entire supervision of commodity trading. It needs rigid regulations and continuous oversight to protect the investors who have been flocking by the thousands to invest billions of dollars in commodity futures contracts.

Producers also need this protection because trading in commodities certainly does affect markets.

Unlike continuous trading stocks, futures contracts have monthly or bimonthly maturity dates and must be settled. The losers have to pay off in cash and the winners stick them up for every dime possible in the final squeezes that frequently occur. It can be like the gun play of Gary Cooper in "High Noon," except the money stakes are usually a great deal more than ever carried in a Wells-Fargo coach. The opportunity for collective abuse by unfair practices is there.

Certainly, in view of obvious influence of speculators on several commodity contracts in the last few months, it is the responsibility of this Congress to establish controls which will prevent speculators rigging price structures which can ruin producers and unnecessarily tax consumers.

I am convinced Congress must do it for I have been told repeatedly by Commodity Exchange people that my multiple delivery point bill would not be needed, the Chicago Board of Trade was going to designate more corn delivery points itself as soon as they could figure out freight differentials. They have been at it over 4 years now and I understand they have only actually calculated differentials for Toledo, Ohio, which is hardly in the heart of the cornbelt. The elapsed time is not much of a recommendation for their mathematical wizardry either.

I am including in the record the reforms recommended by Alex C. Caldwell, Administrator of the Commodity Exchange Authority, which I consider minmal:

Reforms Recommended by Alex C. Caldwell

1. To provide for injunction authority to stop any person from violating the Act or regulations and to stop any trader from maintaining sufficient control over a commodity futures contract to effectively restrain trading in such contract.

2. To give the Secretary authority to require boards of trade to demonstrate that the contracts for the commodities for which they are designated or seek designation serve an economic purpose.

3. To give the Secretary and the Commodity Exchange Commission authority to impose money penalties in administrative proceedings.

4. To expand registration and fitness check authority to include all individuals handling commodity customers' accounts. At present, such authority is limited to futures commission merchants and floor brokers.

5. To give the Secretary authority to require, in emergency situations, that contract markets take such actions as the Secretary may direct to facilitate the orderly trading in or liquidation of any futures contract.

6. To give the Secretary authority to require contract markets to permit the delivery of any commodity, on contracts of sale thereof for future delivery, of such grade or grades, at such point or points and at such quality and locational price differentials as the Secretary of Agriculture, after notice and opportunity for hearings, finds will tend to prevent or diminish price manipulation, market congestion, or the abnormal movement of such commodity in interstate commerce.

In addition to the above, the CEA is studying hedging operations so that it may recommend to the Congress a change in the definition of "bona fide" hedging. The purpose of the change would be to eliminate the problems caused by the present "double hedging" concept under which a person may hedge both his long and his short positions in the cash market. In doing so, however, care must be taken to avoid unnecessary restriction of legitimate hedging operations.

Alex C. Caldwell,
Administrator.

OIL AND FUEL CRISIS

(Mr. MADDEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MADDEN. Mr. Speaker, my district, the Calumet industrial region of Indiana, is a victim of the retail control and price war engineered by the conglomerate oil monopolys of the Nation. It is indeed unfortunate that the Nixon policy of controlling pieces and inflation over the last 4 years has been a monumental failure.

Reports in the last few days from my congressional district reveal that the small oil and gas retail stations, representing especially independent companies, are closing their businesses, because of discrimination on the part of the administration's Cost of Living Council, in allowing the wholesale oil and fuel conglomerates to raise prices which will, in a short time, bankrupt and close thousands of small fuel retailers over the Nation.

Mr. Speaker, today I have taken up with the Cost of Living Council the matter of this unfortunate discrimination against the small oil and fuel operators, requesting that they order an immediate abandonment of their discrimination in favor of the large conglomerates.

The men President Nixon has entrusted with the problem of allocation and price control of our energy supplies are subservient to the dictates of the large chain oil conglomerates of the Nation. Even the news media now are criticizing the President's fuel control policy as one that is developed by or for the major oil companies. Public opinion is gradually coming to realize that this ridiculous control plan of the administration will drive the independent operators out of business.

Recently, a news commentator, attending a so-called "allocation program" meeting, reported that the Gulf Oil Co. representative who was present pleaded for the Government to allow the major oil companies to continue their voluntary allocation program. Already, in the last 6 months of the voluntary allocation program, many independent gasoline dealers through the Nation have been forced out of business.

The President's Cost of Living Council has frozen the margins which independent service stations may charge at the January 10, 1973, level, while stations owned by the major oil companies may charge May 15 prices.

Retail prices were depressed for most gasoline retailers on January 10, 1973. Therefore, their gross profit margins were inadequate to meet the normal operating expense, and phase IV has locked them into this price squeeze position. The small retailer's profit margin which was frozen on January 10 puts him in a position of receiving no profit at all. His prices are lower today than they were a year ago, due to phase IV regulations; yet he must pay more for the gas he sells today than he did last year. Consequently, the independents and small retailers are now operating at a loss, with bankruptcy facing them in the immediate future.

I have talked with members of the Banking and Currency Committee today, and they are reporting out legislation within the next few days which I do hope the Congress will act upon immediately to correct this injustice to the small gas and fuel retailers.

CENTENNIAL IN HONOR OF DOWNEY, CALIF.

(Mr. DEL CLAWSON asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DEL CLAWSON. Mr. Speaker, festivities arc underway in my home city of Downey to celebrate an event of particular historical significance.

One hundred years ago the city of Downey, Calif., was founded by former California Gov. John Gately Downey, the man who saved California for the Union during the Civil War.

John Downey had been Lieutenant Governor when Gov. Milton Latham resigned to become U.S. Senator in 1859. When the Civil War erupted, Governor Downey used the powers of his office to keep California in the Union. But he is judged thereby to have committed virtual political suicide, and Governor Downey failed reelection.

In 1859 Governor Downey had purchased the sprawling Santa Gertrudes Rancho at a sheriff's sale. After his term as Governor he offered small farm parcels of 10 to 40 acres at $10 per acre, as settlements. In 1873, the Southern Pacific built a spur line across the old rancho to haul the rich fruits of the land to distant markets. The railhead was called Downey. Around this station grew a city. The original plat was filed on October 13, 1973.

Less than 100 years later this city, founded by sturdy farmers, found itself propelled into the space age, when one of its major industries was called upon to contribute to the development of a spaceship that would take men to the moon.

The wearying trails to the West now flash by in an instant of space travel. The story of this unique community's development through its first century is a piece of fascinating Americana.

Now Downey is beginning its second century with a week-long centennial celebration from October 6–13, 1973. This event will be highlighted by an 1873 parade, centennial fair and barbeque, special religious services, a symphony concert featuring a musical history of Downey, a centennial ball, and a formal dedication program.

Today Downey is one of the major cities in Los Angeles County, with a population of 91,726 and an area of 13 square miles. Downey is a balanced community of fine homes, business, and industry. Its home-rule city charter, adopted in 1965, provides for an efficient council-manager form of government and constructive citizen participation which have earned wide recognition.

I believe I speak for my fellow citizens of Downey in greeting the beginning of Downey's second century with justifiable civic pride and high expectations for the future.

CONSUMER INFORMATION INDEX

The SPEAKER pro tempore (Mr. McFall). Under a previous order of the House, the gentleman from Pennsylvania (Mr. Williams) is recognized for 15 minutes.

Mr. WILLIAMS. Mr. Speaker, I wish to take this opportunity to commend General Services Administrator Arthur Sampson and his staff for their excellent work in producing the latest issue of the Consumer Information Index. This worthwhile publication lists nearly 200 valuable books and pamphlets of interest to the consumer.

Since I am sure that others will find the listing as helpful as my own family has, I am going to have it sent out to all of the families in the largest city in my district with the following message:

> Dear Friend, We all face higher and higher prices for food and other living expenses. Because of this, it is more important than ever that we get the most out of our spending dollar.
>
> I am happy to pass on to you a pamphlet which many people, including Chester City Officials, have found most useful. It is a list of selected consumer publications that can help you in your daily buying decisions.
>
> Between TV commercials and other adver-

tisements, it is hard to pick out the best buys. We don't always know where to turn for factual **information. This index contains** a comprehensive listing of publications which can give you those details.

Some of these publications are free, but there is a small charge for others. The prices are listed with each item. Please use the order blank on page 15, and send your order to: Consumer Product Information, Pueblo, Colorado, 81009. I hope you will find these publications useful.

Mr. Speaker, perhaps some of our colleagues will want to do the same thing. An important part of our job is keeping our constituents informed of what is available through the Government.

INTRODUCTION OF LEGISLATION GUARANTEEING EACH STATE A MINIMUM OF 80 PERCENT RETURN FOR CONTRIBUTIONS TO THE HIGHWAY TRUST FUND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina, (Mr. MIZELL) is recognized for 5 minutes.

Mr. MIZELL. Mr. Speaker, I am introducing today legislation to correct a serious inequity that last year penalized quite unfairly a large number of the States of this Union.

The inequity exists in the rate of return to individual States of Federal highway funds apportioned annually from the highway trust fund.

In my own State of North Carolina, for example, the year 1972 saw only 50 cents in Federal highway funds returned to the State for every dollar we contributed to the trust fund. The State of Wisconsin fared even worse, with only 48 cents return on the dollar.

In fact, last year there were only 22 of the 50 States that received a dollar's return—or more—for every dollar contributed. These returns ranged from the $1.05 returned to Alabama and Maine to the $7.25 returned to Alaska for every dollar's contribution.

I realize, Mr. Speaker, that it would be impossible to guarantee each State a dollar return for every dollar donation, but when some States, like mine, are receiving half a dollar or less for every dollar contributed, I believe it is time we took steps to insure a more equitable rate of return for all the States.

Accordingly, I am proposing today that each State be guaranteed a minimum of 80 cents' return for every dollar it contributes to the highway trust fund.

I believe my colleagues will find, as I have found, that this guarantee of fairness to all the States is long overdue, and I urge the swiftest possible consideration of this legislation.

SUPPORT MILLS-VANIK-JACKSON BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. STEELMAN) is recognized for 5 minutes.

Mr. STEELMAN. Mr. Speaker, I am encouraged by the progress made to date toward detente with the Soviet Union. World peace is enhanced, I believe, by the expansion of trade with all the countries of the world. However, the relative failure of much of our postwar aid and trade policies with regard to international friendships, currency valuations, and trade balance should demonstrate to us the folly of philanthropic policies. We should demand a quid pro quo in all pending and future trading arrangements. There should be an equal benefit to this country in either economic or social terms, or both. We are giving away too much for too little benefit in our dealings so far with the Soviet Union.

I stand as resolute now as I was before, in demanding that the United States refrain from giving special trading rights to any country that uses human beings as bargaining tools, and want to take this occasion to restate my strong support of the Mills-Vanik-Jackson bill.

I am very upset to learn of reports that compromises are being considered for some momentary trade advantages. I do not feel that there has been any indication of permanent improvement in the situation of Soviet Jews and I feel it would be totally repugnant to any American for the Congress to allow human rights to be traded for commercial gain.

When Soviet dissidents risk imprisonment or expulsion to call press conferences and warn us that we may be giving away too much, too early, I believe it deserves close attention. One day it seems the Soviet Union is lessening restraints, the next day press reports indicate the opposite, or that government pronouncements are overstated at best.

If, at this delicate stage of debate in the House of Representatives, the Soviets are providing only lip service and token gestures in allowing the freedom to emigrate to all their citizens, we cannot trust them once we have committed ourselves, to carry our promises of freedom of choice.

Personally I do not plan to ever trade human rights for trade rights. Until I am thoroughly convinced that permanent, irreversible measures have been taken by the Soviet Union to end persecution of any minority, I will not alter my position in support of the Mills-Vanik-Jackson legislation.

FREEDOM OF EMIGRATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HUDNUT) is recognized for 60 minutes.

Mr. HUDNUT. Mr. Speaker, I am pleased to join with some of my distinguished colleagues from both sides of the aisle, to appeal to the conscience of the U.S. House of Representatives in urging the passage of the Mills-Vanik amendment.

There are tens of thousands of citizens in the Soviet Union—Jews, Germans, Russians, Ukrainians, Lithuanians, Armenians, Estonians, Latvians, Turks, and members of other ethnic groups—who want to leave the country and who have been seeking to exercise that right for years at the cost of endless difficulty and humiliation. I am informed that there are now approximately 120,000 outstanding applications for visas from Soviet Jews, and the Soviet authorities are doing everything they can to prevent this number from growing by intercepting letters of invitation sent to Soviet Jews from their relatives in Israel—presentation of such a letter of invitation being the necessary first step in the emigration process.

The point that really must be stressed today is that the situation of the Soviet Jews is not really a political issue, but a moral one; and I for one feel it would be a tragic mistake to see it in partisan political terms. Thousands of Jews in the Soviet Union are being denied the right to leave Russia. More than that, they are being heavily penalized for even making a request to emigrate. We have documented literally hundreds of cases in which men and women have lost their jobs immediately after applying for an exit visa. It happens almost automatically, as the first reprisal by the Soviet Government. Any Jew applying knows he will face loss of his job and a wait of several years, yet they continue to apply. We have documented many instances of social and professional sanctions used against scientists, professors, and other intellectuals for daring to assert the most basic of all civilized rights—the right to leave and go somewhere else. And the individual is not the only one who comes under fire. His relatives and friends all too frequently share his misfortunes.

With labor camps, prisons, and mental hospitals in the Soviet Union being full of people who have sought to exercise their basic human right to emigrate, a few specific case histories may help to dramatize the plight of everyone thus unfortunately treated. Consider these three:

One. Mr. and Mrs. Valery Panov: The Panovs were featured dancers with the Leningrad Kirov Ballet until they applied for permission to emigrate to Israel, about 2 years ago. They were fired from their positions and even forbidden to teach ballet. At the time of Soviet Communist Party Chief Leonid Brezhnev's visit to the United States, the Panovs were advised that if they "behaved" and were quiet for 3 months, their application would be favorably considered. The Panovs "behaved" for the requisite period, reapplied for a visa, and were again denied. Most recently in a move that can only be described as immoral and cynical, the authorities informed Mr. Panov that if he left his wife he could leave. Mrs. Panov, in turn, was told that if she divorced her husband she could rejoin the ballet company.

Two. Retired Army Col. Y. A. Davidovich: Col. Y. A. Davidovich, in 1945, was a hero of the Soviet Union. As a soldier during World War II he was wounded five times and awarded 15 military honors and medals. A career army officer, he became a full colonel in 1966, but a serious heart condition led to hospitalization and his withdrawal from active duty in 1969. In 1971 he started writing letters to Soviet officials protesting anti-Semitic propaganda in his home city, Minsk. Because of his persistence, he soon found himself accused of "slanderous activities and participating in a conspiracy." Despite his history of heart disease, he was subjected to numerous rigorous interrogations by the KBG, the Soviet secret police. He has been threatened with deprivation of his rank and pension. About a year ago, he and his family applied for a visa for Israel, an application that is still denied. In a letter to Leonid Brezhnev, Davidovich said—

> My experience brought me to the conclusion that my family and I can live a life worthy of a human being and a citizen in a Jewish State. Help us to go to our historical homeland, to Israel.

(3) Beniamin Levich and Yevgeny Levich: Beniamin Levich and his 24-year-old son, Yevgeny Levich, are scientists whose applications for immigration have been denied. Yevgeny, who has a serious stomach ailment for which he has been denied treatment, was recently and incredibly found fit for military service and was sent to an army camp to do heavy labor at an Arctic outpost. His father was told that Yevgeny's physical condition must be good or else he would not have been taken into the army. Recently Beniamin Levich was awarded a medal by the American Electro Chemical Society. Soviet authorities have prevented delivery of the society's invitation to Levich to come to Boston on October 9 to receive the medal.

The United States must affirm its commitment to the importance of protecting the basic human right to freedom of residence within the country of one's choice, and set its moral, political, and economic influence against countries who deny that right to persons within their borders. As 12 leading Soviet Jewish scientists recently said:

> Apprehension for our future fate must not become a means for the unscrupulous exploitation of the humane feelings of American people or a pretext to abandon the fight for our human rights.

And the Soviet physicist, Andrei Sakharov, in his open letter to the U.S. Congress, echoed these sentiments in eloquent words:

> The abandonment of a policy of principle would be a betrayal of the thousands of Jews and non-Jews who want to emigrate, of the hundreds in camps and mental hospitals, of the victims of the Berlin Wall.
>
> Such a denial would lead to stronger repressions on ideological grounds. It would be tantamount to total capitulation of democratic principles in face of blackmail, deceit and violence. The consequences of such a capitulation for international confidence, detente and the entire future of mankind are difficult to predict.
>
> I express the hope that the Congress of the United States, reflecting the will and the traditional love of freedom of the American people, will realize its historical responsibility before mankind and will find the strength to rise above temporary partisan considerations of commercialism and prestige.

We know that the Soviet Union is not unresponsive to pressure from abroad. Nor is the Soviet Government unaware that efforts by Americans encourage the Jews in Russia. The Soviet Government has intercepted prayer books sent by Americans to Russian Jews. That Government has responded angrily to demonstrations by American citizens protesting the mistreatment of Soviet Jews. But when the pressure from Americans and Europeans builds up sufficiently, that Government does relent. The concessions are small and grudging, but they are real. A friend of mine visited the synagogue in Moscow recently, and was approached rather furtively by a plainly dressed man. The man looked around to satisfy himself that no one was listening, and in rather halting English he said:

> Tell the people in America not to stop their protests. When Americans make noise, it does make a difference. It does help.

We all know that there are many ways to "make noise." Public opinion can express itself through books, plays, newspapers, or the broadcast media—and these can be very effective forums for presenting one's point of view. The news conference this morning would have been pointless without the media. And I am sure that the Soviets monitor the American media and note the opinions presented. But we would be incredibly naive if we thought that we could change the calculated policy of the Russian Government by a well-reasoned argument. It is not going to happen. What might change their current repressive policy is economic pressure—trade sanctions. Specifically, as has been proposed in the Mills-Vanik bill in the House. The Soviet Government wants something; it wants the favorable trade provisions the administration has promised it. Well, the American people want something, too—a fair shake for Soviet Jews. It is an old Yankee tradition to trade, and that is all we are really proposing. No one, I am sure, wants to go back to the mentality that prevailed during the cold war. Trade with Russia may well advance the interests of both nations, and may even advance the cause of peace. Those of us who support this bill are not blind to these things; nor do I think we are unreasonable. What we are saying is simply: If Russia wants to trade with the free world, she must obey at least the most elementary ground rules of that world. She must stop depriving people of the right to leave. She must stop imposing confiscatory exit taxes on those whose only "crime" is their religious faith. Then we will trade—but not until then.

MILLS-VANIK AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN) is recognized for 60 minutes.

Ms. HOLTZMAN. Mr. Speaker, I have taken out this special order because I want to advise Members of the House of a very important bipartisan congressional action that was inaugerated today in support of the Mills-Vanik amendment. It is sponsored by a coalition group of 17 Democrats and 10 Republicans.

The Mills-Vanik amendment would withhold most favored nation status from any country which denies its citizens the right to emigrate.

As supporters of the Mills-Vanik amendment we feel very strongly that the purpose of that amendment should not be lost sight of: to relieve the plight faced by hundreds of thousands of Jews and political dissenters in the Soviet Union who have been forbidden to leave that country.

Despite all of the propaganda to the contrary, the fact remains that the Soviet Union is still preventing its citizens from exercising their right to emigrate and persecuting those who even attempt to leave.

To dramatize the need for the Mills-Vanik bill, 27 of my colleagues and I have decided to give specific examples of the suffering and oppression experienced by Soviet citizens seeking to exercise their basic right to emigrate. Today Congressman HUGH CAREY on the floor of the House outlined the tragic experiences of Silva Zalmanson. Tomorrow and each day thereafter that the House is in session, another Member of the House will recount the case history of a different persecuted Soviet citizen.

I believe that the Soviet citizens' fundamental right to emigrate and flee religious persecution must not be bartered away in our haste to "normalize" economic relations with the U.S.S.R.

At this time the bills denying the Soviet Union most-favored-nation status and restricting credit extensions until the repressive emigration policies are eliminated enjoy overwhelming support in both Houses of Congress. The Mills-Vanik bill has 280 cosponsors in the House, while the Jackson amendment has 76 Senate cosponsors. Being realistic, we must recognize that any compromise at this time would be seen as a retreat from our history of support for Soviet Jews and dissidents. Our failure to enact this legislation would not only be a cruel blow to those people who hope to emigrate as the result of its passage, but would also be a green light to the Soviet Union to continue its brutal repression against those who seek to leave for a freer life.

The United States has a long and proud history of interceding on behalf of peoples suffering from Government-inspired religious repression—one that dates back over 100 years.

We once before refused to continue trading with Russia because of extreme repression against Jews. In 1911, horrified by the government-sanctioned cruelty and violence that resulted in death and uprooting of thousands of Jews, the United States canceled a treaty that governed trade and commerce with czarist Russia. This act was spurred by a 300-to-1 vote in the U.S. House of Representatives to terminate the long-standing treaty which had governed Russian-American trade relations.

The administration has offered a number of spurious arguments against the Mills-Vanik amendment. According to Secretary of State Kissinger, we must draw the line in our economic and diplomatic relations at any interference with the "internal affairs" of another nation. It is hard to understand how the basic human right to be free from religious persecution can be blithely swept aside because it involves "internal" Soviet affairs. Surely, we are talking about issues of vital international and humanitarian concern that transcend Russian politics.

We also reject the administration's contention that greater trade will somehow magically transform attitudes and policies in the Soviet Union. There is absolutely no reason to think that trade by itself will impress upon the Soviet leadership the humanitarian concerns we are talking about. The Russians have been trading with Western nations for years with no apparent softening of their emigration policies. In fact, last year we had $642 million worth of trade.

The arguments of the administration in opposition to the Mills-Vanik amendment are particularly suspect in the light of its failure to act on behalf of Soviet Jews, either as a matter of general policy or in individual cases. Despite public assurances of concern and effort by the President and Secretary Kissinger, the administration refuses to aid Soviet Jews seeking to emigrate to Israel. I have sought the White House's assistance in several such cases—hoping that it might act privately if it was unwilling to do so in the open—and each time I have been informed in writing that "we are not in a position to intervene." Because the administration will not use its power to alleviate the suffering of Soviet Jews, Congress must.

In any case, it is important to remember that much of the trade we are talking about with the Soviet Union is not the classical economists' free trade, but is subsidized trade—subsidies coming in the form of American credits and credit guarantees.

A recent low-interest loan by the Export-Import Bank involved a $50 to $75 million subsidy to the Soviet Union financed by American tax dollars.

If we are going to ask the American taxpayer to subsidize trade with the Soviet Union—as we did to the extent of $300 million in the disastrous grain deal—we should not be hesitant to use our economic power to extract some long overdue freedoms.

Mills-Vanik has become a symbol to the entire world, as well as the Soviet Jews, of our country's continued concern for humanitarian principles. The concessions being demanded of the Soviets are not unreasonable. In 1968, the Government of Poland removed most of its restrictions on emigration, allowing thousands of Jews to leave freely. We are simply asking the Soviet Union to conform its policies to the accepted standards of the world community, and grant the elementary right of emigration to its people.

Participants in the Mills-Vanik program as of this date include:

COSPONSORS

Elizabeth Holtzman (D-N.Y.), Hugh L. Carey (D-N.Y.), Phillip Burton (D-Calif.), Silvio O. Conte (R-Mass.), Alphonzo Bell (R-Calif.), Philip M. Crane (R-Ill.), Lawrence Coughlin (R-Pa.), Henry B. Gonzalez (D-Tex.), William H. Hudnut (R-Ind.), Dante B. Fascell (D-Fla.), Barry M. Goldwater, Jr. (R-Calif.), Benjamin S. Rosenthal (D-N.Y.), Herman Badillo (D-N.Y.).

Jonathan B. Bingham (D-N.Y.), Jack Brinkley (D-Ga.), Samuel S. Stratton (D-N.Y.), James Collins (R-Tex.), Bella S. Abzug (D-N.Y.), James V. Stanton (D-Ohio), Alan Steelman (R-Tex.), Robert F. Drinan (D-Mass.), Mario Biaggi (D-N.Y.), Edward I. Koch (D-N.Y.), William Lehman (D-Fla.), Larry Hogan (R-Md.), Lester Wolff (D-N.Y.), John H. Rousselot (R-Calif.).

Mr. CAREY of New York. Mr. Chairman, this morning a press conference was called by cosponsors and supporters of the Mills/Vanik/Jackson bill. This conference, plus the special order we are now holding and a series of 1 minute speeches, are all destined to make clear to the administration, and other concerned parties, that supporters of this legislation are holding firm.

Granting most-favored-nation status to the Soviet Union must be accompanied by a guarantee of emigration rights to Soviet citizens. If there is one thing I am certain about, concerning the pending trade bills, is that there cannot be a compromise on this issue.

Whether a private citizen or the leading Soviet scientist and academician, this right is basic to all men, including Soviet citizens. The Soviet Union pays specific lipservice to the right of free emigration. They are parties and signatories to the U.N. Declaration on Human Rights and the Human Rights Convention, which spells out certain rights that accrue to every human being, including freedom or emigration.

Grave pronouncements issue from certain circles that achieving détente with the Soviet Union outweighs every other consideration. Certainly, continued and increased commercial exchanges with the Soviet Union are desirable, as are exchanges in scientific, and cultural matters. However, I think we must place this entire issue in proper perspective.

The Soviet Union has reached the point in its economic development, at which it needs to satisfy an increasing demand for consumer goods. The Soviets also need to upgrade their capabilities in, among other areas, electronics, cybernetics and management. In addition, long-term credits are needed with which to finance expected Soviet buying in the United States.

Mr. Chairman, certainly, even a cursory glance at present Soviet needs in these areas, indicates the Soviets need us far more than we need them. Quite frankly, while there certainly is a direct benefit from trade, to the degree it eases international tensions and suspicions, the real beneficiary to increased United States-Soviet trade and financial exchanges is the Soviet Union.

One of the particular problems the Soviets are now experiencing is the fiscal squeeze caused by continued increases in military expenditures plus demand for consumer goods. The determination of the Soviets to maintain massive conventional forces in both the West and along the Sino-Soviet borders, plus high costs in manpower, time, and materials required to maintain roughly equivalent strategic nuclear parity with the United States, leaves comparatively little for the butter the Soviets are trying to provide along with the guns.

In other words, the Soviets just do not have the cash to import heavily from the United States. They need credit and if they need it as badly as I think they do, and as badly as Brezhnev needs it in order to bolster his hold on the collective leadership in the Politburo, then they will just have to bargain for it.

One of the things they have that we want is freedom of emigration from the Soviet Union. We have what they want: trade and financing; they have what we want: guarantees of basic human rights, including the right of emigration. Frankly, if the Soviet Union is to have access to our manufactures and technology, and if we are, in a sense, going to subsidize the Soviet defense effort with long-term financing for their consumer needs, then I think it not only proper, but likely, the Soviet Union will see the extreme practicality in permitting those who want to leave the Soviet Union to do so. I do not know what the Soviet leaderships' hangup with emigration is. The United States has tens of thousands of citizens emigrating each year. They go to Australia, Canada, Europe, South America. I do not see any mass, official paranoia or pique at the decisions of these individuals to live their lives where they desire. If a person prefers to live in Canberra rather than Chicago, then that is his business. Surely, soviet citizens moving from Irkutsk to Israel will not damage either the reputation or the functioning of the Soviet Union.

Mr. Chairman, I have taken the time to discuss these matters because I believe they have a direct relationship to the realities of our dealings with the Soviets in trade and financing. Certainly, giving way on the issue of freedom of emigration, even before we begin bargaining on the specifics of trade and credits, will set a pattern of unilateral U.S. accommodation to the viewpoints of the Soviet Union. I do not want to see our economic and trade policies again become the handmaiden to our foreign policy and its efforts toward détente. Business, after all, is business. I am sure that is the way the Soviet Union looks at trade. Our treating hard bargaining about dollars and cents, about exports of technology and hardware, any other way should deserve the derisive laughter of the international trade and finance communities.

General Secretary Brezhnev and Mr. Gromyko, in recent days have both delivered speeches in which they complain bitterly about U.S. interference in the internal affairs of the Soviet Union. But surely, Mr. Chairman, the basic rights of human beings transcend borders. Furthermore, we are not interfering; we are urging, we are bargaining: We are trying to get what we want, in exchange for what they want. The United States certainly has the right to decide what stakes are in the game. If the Soviets want to play badly enough, then recognition of what we require for participation is essential. In addition, I might mention that freedom of emigration is only the ticket to the game; it does not guarantee anything in the way of concessions or compromise. Trade discussions and negotiations and success therein will stand and fall on their own merits. Freedom of emigration will not secure tariff cuts, credit extension, or further subsidized grain shipments.

Mr. Chairman, I urge the members cosponsoring and supporting Mills/Vanik/Jackson to stand firm. We cannot permit our desire for détente or a trade bill to blindly lead us into bartering away our souls, our humanitarian sensibilities and our heritage of struggling to secure the guarantees of basic human rights to all mankind.

Mr. BADILLO. Mr. Chairman, I am pleased to join in this special order this afternoon to discuss an issue of deep, unending concern to the vast majority of American citizens and to our colleagues in the Congress—the continued repression, harassment, and intimidation of Jewish citizens by the Soviet Union and the vicious campaign by the U.S.S.R. to deny the freedom of movement to many of its citizens. In recent months this tragic situation has escalated to include the unconscionable actions of the Soviet Government and Russian soldiers toward Israeli and Jewish Soviet citizens during the World University Games in Moscow and the ill-conceived policies of the Soviet leadership toward those who are exercising their basic human rights of freedom of expression and responsible dissent, such as those uncivilized acts perpetrated against persons such as Andrei Sakharov, Aleksandr Solzhenitsyn, Andrei Amalrik, and others.

All of these despicable and repressive acts are occurring at a time when the House Ways and Means Committee is considering extending most-favored-nation status to the U.S.S.R. How, in good conscience, can this country grant special treatment to a nation which continues to engage in such reprehensible policies which represent a standing affront to the family of free nations and defy countless international agreements protecting individual civil liberties and human rights? I remain convinced that granting most-favored-nation status to the Soviet Union will be interpreted throughout the world as tacit approval for the continuation of the poorly-considered campaign to deny freedom of movement and emigration to Soviet Jews and to stifle free speech and expression.

As an original cosponsor of the Mills-Vanik Freedom of Emigration Act I am deeply troubled that some compromise is being attempted in the Ways and Means Committee. This is an issue on which there simply can be no compromise. Under one alternative which has been proposed the U.S.S.R. would still be able to deny its citizens the right to emigrate, regardless of promises made by the Soviet leadership or supposed protections which the plans affords. It would be pure folly to cave in to various pressures at this point and permit the President to have the authority to grant most-favored-nation status while the Russians are waging an intensive campaign against dissidents and Jewish citizens. Although an attempt toward détente with the Soviet Union is being made we must maintain our vigilance and no effort can be spared in removing the restrictions on the free movement of people or permitting people the right to openly discuss and take issue with their government's policies. In adhering to the Charter of the United Nations the U.S.S.R. supported that organization's basic principles of "promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion." However, its recent actions and policies would seem to belie such a commitment.

Mr. Chairman, there can be no justification for extending credit or investment guarantees to any country which would deny its citizens the right or opportunity to emigrate or to otherwise capriciously restrict their freedom of movement, either through the imposition of exhorbitant taxes or levies or the employment of policies which gravely intimidate them. There can be no special commercial or economic consideration granted to a nation which would seriously infringe upon its citizens' basic rights and do its utmost to trample their human dignity or to allow them to be subjected to scurrilous attacks, unfounded charges and political, economic, and social ostracism. We cannot be deceived by various tactics employed by the Soviet Union to cloud the issue or by feeble attempts to draw attention from it. How can reasonable men seriously consider entering into international commercial negotiations on a most-favored-nation basis with a country which arbitrarily cancels its international monetary obligations by fiat and demonstrates its utter disregard for property rights or international law?

Mr. Chairman, the Congress has a special opportunity to provide forceful evidence of this country's moral concern and indignation over the problem of the emigration rights of Soviet Jews and the acts of repression against those with courage to speak out. Before the United States can even begin to give serious consideration to establishing any special economic ties with the Soviet Union, that nation must promptly and clearly act to redress its present policies. To do otherwise would amount to a rejection of those lofty principles upon which the United States was founded. Thus, I urge the Ways and Means Committee to adopt the language of the Mills-Vanik amendment to the Trade Reform Act and to refrain from any pressures to dilute these provisions or otherwise neglect this important issue.

Mr. WOLFF. Mr. Chairman, within the next few weeks, the House will have before it the 1973 trade bill. One of the most controversial provisions in this legislation concerns the granting of most-favored-nation status to the Soviet Union, an issue which has not yet been resolved by the House Ways and Means Committee. I am an original coauthor of the Jackson-Vanik amendment to deny most-favored-nation status to the Soviet Union because of its discriminatory emigration policies, directed mainly toward Soviet Jews. The repressiveness of the Soviet Union's treatment of Soviet Jews has raised a cry of protest among the American people that we must not barter human rights and freedoms for trade or political convenience. As intolerable as the Soviet Union's emigration policy toward Soviet Jews is, the reasons for withholding most-favored-nation status seem to me even broader and deeper. There is, of course, a reason why many Soviet Jews and others are seeking to emigrate from the Soviet Union, and not only to be reunited with their families and loved ones here in the United States, in Israel, or other parts of the free world. The philosophy embraced by the Soviet Government has led to a negation of the basic rights that are guaranteed to every human being. Jews in the Soviet Union do not have freedom to worship; their synagogues have been closed as well as their schools. In essence, they and others like them in the Soviet Union, are denied the freedom of choice that is essential to human dignity. The point for us to realize is that trade or political concessions made by this country with the Soviet Union will have no lasting value if they are purchased at the expense of human rights and values that we eminently believe in and uphold.

I am not advocating that we force our own philosophy of government upon the Soviet Union before establishing any kind of détente with them. I believe that expanded trade and relations with the Soviet Union are important for increasing the possibility for peaceful coexistence in this world. However, I would like to echo here the statement that was made by the Authors League of America in a telegram to Premier Kosygin that—

> True detente between the United States and the USSR cannot be accomplished by commercial bartering or cultural tokenism. It depends on mutual trust and respect.

Traditionally, we have granted most-favored-nation status to those countries with whom we could work, or with whom we could anticipate to work, in a spirit of cooperation. For the past several years, the Soviet Union has aggravated United States efforts to bring peace in Indochina and to restore hostilities in the Middle East and Korea. The Soviet Union has done very little, indeed, to contribute toward a climate of mutual trust between our two countries.

There are concessions which the United States can make in the interests of achieving peace in the world. I do not feel, however, that they should entail our closing our eyes to either the role which the Soviet Union has played in aggravating hostilities in certain areas of the world nor to the intolerable campaign of suppression that has been mounted against Soviet Jews and leading intellectuals in the U.S.S.R. It is mandatory that the House Ways and Means Committee preserve the Jackson-Vanik amendment in the 1973 trade bill and thereby preserve our dedication to the principles of freedom.

Mr. DRINAN. Mr. Chairman, the next few days are critical for Soviet Jews and for freedom in the Soviet Union. Tomorrow the House Ways and Means Committee will be considering the provisions of H.R. 6767, the Trade Reform Act of 1973, that deal with the administration's proposal to grant most-favored-nation trading status to the Soviet Union. Also under consideration will be the so-called Jackson-Vanik-Mills provision, which I have cosponsored, which would prevent the granting of MFN treatment to the Soviet Union unless that nation allowed its citizens the right to freely emigrate. Clear majorities of both Houses of Congress have sponsored this legislation, but in the face of concerted administration pressure its fate in the Ways and Means Committee remains uncertain.

I hope that the Jackson-Vanik-Mills provision will prevail in the committee, and I hope as well that its acceptance will provide a lesson to the leaders of the Soviet Union that the people and the Congress of the United States will insist now and in the future that the Soviet Union abide by the basic human rights and freedoms enumerated in the United Nations Universal Declaration of Human Rights—principles upon which genuine friendship and harmony among the civilized community of nations must be based.

Some arguments have been advanced against the Jackson-Vanik-Mills provision. Most of these arguments are based upon the false notion that somehow trade and political questions are separate and unrelated; that questions involving East-West trade must be looked at in a vacuum, without considerations remotely bearing the tag of "politics." Such is not the case—and in fact the administration's entire policy toward the Soviet Union, designed by Secretary of State Henry Kissinger—is based upon a principle that trade is inextricably linked to the widest range of intercourse between the two nations.

THE CHARACTER OF SOVIET-AMERICAN TRADE

In his report, "United States-Soviet Commercial Relations in a New Era," former Secretary of Commerce Peter G. Peterson quoted Alexander Hamilton as saying that—

> The spirit of commerce has a tendency to soften the hearts of man and to extinguish those inflammable rumors which have so often kindled into wars.

So it is that in some quarters the prospects of increased trade between the United States and the Soviet Union are being viewed as a panacea for the many issues, ideologies, and interests that have separated the United States and Russia. Amid this glow of optimism, I would like to express a few words of caution.

The points I wish to make are the East-West trade must be viewed as being essentially political in character; that this trade constitutes a form of political leverage not to be ignored by the United States; that expansion of Soviet-American trade is relatively insignificant in narrow economic terms beside potential diplomatic and political benefits to be gained; and that what is needed is significant improvement in East-West relations, not just a reversible—and modest—expansion of trade. In connection with this last goal, I will argue that it is in the vital interest of not only our country but the community of nations as well that the Soviet Union be held to universally accepted standards of basic human rights and freedoms.

THE ECONOMICS OF SOVIET-AMERICAN TRADE

In 1972, the year of the infamous "wheat deal," United States-Soviet trade turnover amounted to $640 million. U.S. exports to the Soviet Union were $545 million, ranking the Soviet Union behind Spain and Israel as U.S. trading partners, as we exported $972 million and $558 million to these nations, respectively.

United States-Soviet trade is likely to be characterized by "technology transfer," by which the technology-intensive goods and services of the United States will be exported to relatively backward sectors of the Soviet economy. In partial return, the Soviet Union will export to the United States primarily basic resources, including energy resources, either in the form of direct exports of raw materials or in the form of joint United States-Soviet ventures, with the U.S. supplying development capital and technological expertise, possibly including management services. Because of the chronic Soviet shortage of hard foreign currencies, potential Soviet-American trade will require substantial U.S. financing.

In truth, the Soviet Union has much to gain from us, while we have little to gain from them—at least in strictly economic terms. At the present time, a number of Soviet import needs can be identified that depend on a heavy influx of Western technology. Among these needs are areas where the United States appears to have a substantial technological advantage; large-scale petroleum and natural gas extraction, transmission, and distribution systems; management control systems utilizing computer facilities; mass production machinery; "agribusiness" systems; and tourist systems.

By way of contrast, at the present time there is very little that the Soviet Union has to offer the United States. And, the long-term potential for growth of Soviet-American trade will be sharply limited by the inability of the Soviet Union to match its heavy, and expensive, import needs with sufficient exports to afford a reasonable balance-of-payments situation. As a result of the limits upon Soviet export growth, it is apparent that the only way the Soviets will be able to meet their great import needs will be through securing very large amounts of foreign, long-term financing. Private institutions in the United States have shown considerable reluctance to make long-term financing arrangements in the face of the many uncertainties of future United States-Soviet relations. Thus the brunt of necessary financing will fall upon Government-sponsored agencies, principally the Export-Import Bank.

On a strictly economic basis, the Soviet Union will not be able to afford the massive Soviet-American trade that some look forward to. A political decision will be required to make this trade happen. It must be decided that the many economic risks of Soviet trade—I point to long-term financing agreements and the many risks inherent in natural gas exploration in Siberia as only two of many examples—can be justified by potential political/diplomatic gains. If we are to subsidize Soviet imports—through granting Eximbank credits—and thus Soviet economic development, then these subsidies must be viewed as a kind of foreign aid, and must logically be subject to the same political considerations that surround our foreign aid determinations.

The increasing demands of the Soviet consumer and the need to modernize seriously backward segments of the Soviet economy suggest that the Soviet Union has a great stake in seeing the fruition of Soviet-American technology transfer. The stake of U.S.–U.S.S.R. trade, as perceived by the Government of the Soviet Union, gives the United States valuable diplomatic as well as economic leverage. This potential must be utilized, not only for our own benefit, but for the larger benefit of the community of nations.

EQUAL TREATMENT

One of the arguments used by the administration and by representatives of the Soviet Government is that most-favored-nation treatment is accorded to all but a handful of U.S. trading partners, and that without MFN, as is the present situation, the Soviet Union is the victim of trade discrimination. It is argued that MFN is necessary so that the Soviet Union can receive "equal treatment" in trade.

I believe that the Soviet Union should receive equal treatment in our trade policy. What I object to is the fact that to date the Soviet Union has received not equal treatment, but preferential treatment. Such preferential treatment is unjustifiable on economic terms. Already the Soviets have bought American grain at bargain prices. The Soviets have received loans at preferential rates. The Soviets have consistently refused to comply with accepted norms for securing Eximbank financing. And the Soviet Union is hoping to receive preferential treatment for resource development as well.

The Soviet Union's desire for equal treatment is largely rhetorical. What they seem to want in fact is preferential treatment, and to date this is what they have received. We should not be blinded by the potential benefits of Soviet-American trade—which are real and desirable—as to foresake economic commonsense and reasoned self-interest in our trade policies.

More important is that this question of equal treatment reflects on the Soviet Union's desire to be granted MFN treatment. The Soviets have repeatedly stressed the state-to-state aspects of MFN as opposed to the economic implications. The Soviet leaders seem to regard MFN as a symbol of good faith and friendship. This is entirely understandable, for it is generally agreed that MFN would have only a marginal impact on Soviet exports. The preponderance of anticipated Soviet exports are basic resources and relatively unprocessed goods. As our tariff structure is so formulated as to penalize a product the more it is processed, Soviet exports, which fall at the lower end of the tariff scale, would not be heavily impacted by the discriminatory non-MFN tariff rates. MFN would acquire significance only if the Soviet Union began to export significant quantities of manufactured goods. This is unlikely—at least in the near future.

MFN is not terribly important in economic terms. It is important in political terms. If we are to grant Soviets preferential trade treatment, and if MFN is political in nature, then I believe that the United States has every good reason to insist that political considerations be included in the granting of MFN, and that the United States attempt to receive substantial political concessions in return for our granting a political benefit, MFN.

In fact, the only way that the United States can come out at least equal in the balance sheet with the Soviet Union in the proposed trade deals is if the political advantages secured through the trade are sufficient to overcome the economic imbalance currently slated in favor of the Soviets.

THE LINKAGE OF TRADE AND DIPLOMACY

The administration's commendable desire for improved Soviet-American relations is based on a "linkage" theory of international relations. The linkage of every facet of United States-Soviet diplomatic and cultural interchange is designed to create an overarching structure to maintain and generate improvements in Soviet-American relations. The trade agreement with the Soviet Union, for example, is inextricably linked to other diplomatic endeavors—the SALT treaty, the accord on offensive strategic weapons, cultural, scientific, and maritime agreements, and the like. As Dr. Kissinger said in a congressional briefing in June 1972:

> We hope that the Soviet Union would acquire a stake in a wide spectrum of negotiations and that it would become that its interests would be best served if the entire process unfolded. We have sought, in short, to create a vested interest in mutual restraint.
>
> . . . The SALT agreement does not stand alone, isolated and incongruous in the relationship of hostility, vulnerable at any moment to the shock of some sudden crisis. It stands, rather, linked organically to a chain of agreements and to a broad understanding about international conduct appropriate to the dangers of a nuclear age.

The administration is not attempting to accomplish "isolated and incongruous" agreements, but to construct a network of initiatives, ranging the gamut of diplomatic and economic policy. It is hardly inconsistent under this view to link trade, politics, and diplomacy. It is, however, positively foolish not to link these issues, especially in the context of a developing Soviet-American trade that offers little in the way of economic advantages to the United States—with what advantages there are being of a very long-run nature.

Soviet spokesmen have criticized the Jackson-Vanik-Mills bill by claiming it to be an intolerable "interference" in the internal affairs of another country. To be sure, this is a delicate issue, and the United States would be well advised not to seek too steep a political price for trade. But the history of the United States is full of "interventions"—good and bad—in the internal affairs of other nations.

For that matter, the recent history of the Soviet Union is even more strikingly marked by such interventions. It seems that here again, as with the equal treatment argument used by the Soviets for MFN, the Soviets wish to have their cake and eat it too. Interference is bad, it seems, when they are on the receiving end. Their interference into our grain market—well, that is OK, we would be led to believe.

The Soviets have also ominously suggested that if they are not granted MFN that the whole détente may fall apart. This claim is scarcely credible. As noted previously, MFN will not be significant in economic terms for many years to come, if then. Given this, would a refusal on the part of Congress to grant the Soviet Union MFN, or a delay of a year or two, really be sufficient cause for the Soviet Union to break the arduously accomplished chain of improved relations with the United States? I think not.

I believe that if necessary, the détente, which is surely to be desired, can survive a delay in granting MFN. It can also survive our requirement for the granting of MFN that the Soviets respect international agreements, chiefly the United Nations Declaration of Human Rights. Specifically, I believe that the détente can survive required guarantees that the citizens of the Soviet Union have the right to freely emigrate, and to use another example of human rights that need to be secured, that the scientists and intellectuals of the Soviet Union have freedom of expression. I believe that Soviet violations of United Nations agreements and denials of basic human rights and freedoms are far more disruptive of international relations than a refusal—or delay—in granting MFN could possibly be.

The Soviets argue that tariffs are discriminatory and that granting of MFN should be normal and automatic. At the same time we should consider the U.N. Universal Declaration of Human Rights to be "normal and automatic," as well as enforceable.

Freedom of emigration in the Soviet Union is not the only basic freedom that needs to be guaranteed to the Soviet people, but it is the central issue today. There is no more basic freedom than the right to leave one's country if one so chooses—a right consistently and oppressively denied the Jewish citizens of the Soviet Union. The Jews of the Soviet Union have suffered enough. We in Congress can help and must.

I believe that there is no greater goal before mankind than the relaxation of world tensions and the eventual realization of world peace. The developing commercial ties between the Soviet Union and the United States offer hope for improvements in a wide range of relations between our two countries. But we should not confuse superficial appearances of improved relations for genuine and lasting accomplishments. In our dealings with the Soviet Union, we should not deny the moral principles upon which our Nation was founded, and we should not ignore the basic rights and freedoms of all peoples of the world as enumerated in universally accepted international declarations and obligations.

True peace and mutually advantageous trade between the Soviet Union and the other nations of the Western World will require significant changes in the Soviet system. We cannot presume to see these changes occur overnight, but neither should we forsake opportunities which come to us to speed the fruition of these changes.

Ms. ABZUG. Mr. Chairman, I commend my distinguished colleague from New York, Representative Holtzman, on taking this afternoon's special order and in convening a press conference this morning.

Jackson-Vanik, the subject of both events today, is an issue that is vitally important not only to Members of Congress, to the American people but to many people around the world including specifically those in the Soviet Union.

As we approach a welcome period of détente that promises to end at last the cold war, we in the United States must do our part to develop a universal set of principles that will enable all people the right to emigrate freely, to practice freely their religion, and to have full academic and intellectual freedom.

As the Ways and Means Committee considers the important trade legislation, it must be aware of the interest of the American people, and the Members of Congress in seeing the inclusion of an undiluted version of the Jackson-Vanik resolution.

We must all continue the pressure to accomplish that goal.

Mr. ROUSSELOT. Mr. Speaker, I wholeheartedly support the Mills-Vanik amendment, which would deny most-favored-nation status to the Soviet Union until it liberalizes its emigration policies. Our concern is for the plight of all Soviet citizens, whether they be Jews who wish to emigrate to Israel, Ukrainians who seek to join relatives in Canada and elsewhere, or Latvians, Lithuanians, and Estonians, whose countries were annexed to the Soviet Union at the outset of World War II. The imprisonment and oppression of its citizens by the Soviet regime is a condition of which we are all aware, and it is one which demands not just sympathy but action on our part, and in no case should we settle for mere reports of progress as a substitute for the progress itself.

The action which we advocate is not limited to a denial of most-favored-nation status but, more importantly, would deny to the Soviets the credits and loan or investment guarantees by which the American taxpayer and consumer have subsidized such deals as the infamous Soviet wheat deal and the Kama River truck plant.

I believe I speak for most of my colleagues who have supported the Mills-Vanik amendment when I say that we are not opposed to Soviet trade as such. What we want to see, though, is trade, not massive giveaways of money, goods, and technology to support an increasingly repressive and aggressive Soviet state. If we must trade with the Russians, let us drive a hard bargain, as any rational trader would do.

The backwardness of their technology and the weakness of their planned economy have placed the Russians in such economic straits that we could demand both political and economic concessions as the price of our agreeing to do business with them. An article entitled "Russia's Economic Headache Turns Migraine" recently appeared in the London Economist magazine and was reprinted in the Los Angeles Times on August 5, 1973. This article describes the Soviet economic predicament in some detail, and I would like to call it to the attention of my colleagues at this time. The article follows:

Russia's Economic Headache Turns Migraine

London.—The size of the economic problem which is making the Russians look to the West for help gets clearer week by week.

This is the time of the year when Leonid I. Brezhnev, the Soviet Union's Communist Party leader, is anxiously watching the progress of the struggle to get in the harvest on the fields of the Ukraine and the nation's other major grain-growing areas.

Last year's disastrous grain harvest obliged the government to dig deep into its gold reserves in order to pay for $2 billion worth of emergency grain purchases from the West.

The gold reserves are estimated to be still worth between $8 billion and $10 billion, but they are needed to support Russia's other economic fronts.

The trouble is that the news from the other fronts is not good either. The Soviet Union's gross domestic product increased by less than 2% last year.

In the opinion of the authors of a study of Soviet economic prospects in the 1970s, just published under the auspices of the U.S. Congress, there is probably the worst result since Stalin introduced central planning in 1929.

Since agriculture still accounts for a quarter of Russia's gross domestic product, last year's miserable harvest—the result of bad weather and bad organization—takes part of the blame for that. But Soviet industry, too, did badly last year.

A lot of things failed to reach their planned targets for the year. They included natural gas (3.5% under target), oil field equipment (15.4% under), chemical equipment (9.6), light industry equipment (11.0), grain harvesting combines (7.1), turbines (11.1), washing machines (15.4), refrigerators (2.6) and glass (4.4).

The production of steel by the continuous casting method is far behind schedule, and this must be a particular disappointment to the Soviet leaders, who have been hammering home the need for Soviet industry to get on top of modern techniques of production.

Productivity in industry, according to the rather special way the Soviet planners measure it, rose only by 1½% a year in 1971 and 1972, well short of the 3.7 average planned for the 1971–75 period.

The latest setbacks come at an awkward time for Brezhnev. The Soviet government is now engaged in the difficult exercise of trying to provide a better deal for the consumer while at the same time putting a lot of resources into modernizing industry and agriculture, and doing all this without cutting the defense program.

Recent imports of western grain, steel pipes and machinery have helped to make up the worst shortfalls in Russia's own output.

Last year Russia had a balance-of-payments deficit of around $700 million which is expected to jump to $2 billion this year and to an even higher figure in 1974.

So, Russia probably will have to dip further into its gold reserves, as well as expand its gold production.

Can the Soviet Union ever get back to the relatively fast growth rates of the early 1960s? There is little prospect of throwing in any dramatically new amounts of labor or capital.

The supply of capital for the basic industries—mining, steelmaking, engineering, petrochemicals and the rest—is not getting any easier, either. The Brezhnev government's decision to increase the supply of consumer goods pulls resources away from heavy industry.

HOARDING PREVAILS

Managers are terrified of being caught unprepared for some sudden change in production targets, so they hoard both labor and raw materials as a form of insurance, regardless of the manpower shortage and the official campaigns against waste of materials.

There are really only three things the Soviet leaders could in principle do to improve the situation. The first would be to make substantial cuts in the country's defense program.

But this switch from guns to butter would clearly be unacceptable to most of the present political and military leaders unless it was accompanied by a wide-ranging agreement with the West; and even then they would still feel the need to keep up Russia's military superiority over China and its grip on the eastern European states.

The second option would involve radical economic reforms that would free the managers from some of the shackles of centralized control.

The decree issued on April 3, which provided for the establishment of new industrial associations, similar to Western corporations and supposedly free from ministerial control, showed that the Soviet government is prepared to contemplate limited measures in the interests of efficiency. But any major decentralizing reforms are probably unthinkable because they might lead to demands for political reforms as well as to a temporary falling off of output.

This leaves the third option: the large-scale import of Western technology to help the Soviet Union buy time. That is the meaning of the big new deals which Russia is trying to negotiate with West Germany, the United States, Japan and other non-Communist industrial nations.

Mr. ROSENTHAL. Mr. Speaker, as chairman of the House Foreign Affairs Subcommittee on Europe, I have held extensive hearings over the past 3 years on the plight of Soviet Jewry. In an effort to study the problem firsthand, I visited the Soviet Union late last year. The conclusion I drew from my trip was that 1972 was a setback for Soviet Jews despite the record-high emigration to Israel, and 1973 doesn't look any better.

In Russia, I spent an evening in the home of a Soviet Jewish activist. He was a highly trained industrial engineer—until he applied for emigration to Israel 2 years ago. He immediately lost his job. So did his wife. They now live on the meager earnings of their 17-year-old son, waiting and hoping that their exit visa will eventually be granted.

I would like to talk today about another such activist. It can only be labeled the strange case of Avictor Levit. He was born in Russia, but emigrated to Israel, with his parents, as a child. In Israel, he became a Communist and decided to emigrate to the Soviet Union. He now calls this the immature act of a child rebeling against his parents. In the Soviet Union, he married a Russian Jewess, became a father and settled down to the life of a factory worker in Moscow. After a few years, he became disenchanted with the Soviet system and applied for a visa so that he could rejoin his ailing father in Haifa. His application for the visa cost him and his wife their jobs and he now supports himself by doing menial tasks and illegally teaching Hebrew at an underground school in Moscow. He has not heard about the status of his exit visa in over a year and has no way to find out.

Avictor Levit lives in constant fear of being arrested by the KGB. He will not take foreign visitors to his apartment because he is sure it is bugged and that the transcripts of the conversations would be used against him in court. When he meets a foreigner, they speak while wandering through back streets, alleys, and subway stations. If the police approach, he walks away. Attempts to contact Avictor Levit from outside the Soviet Union have repeatedly failed.

It is a sad picture and one not likely to change drastically in the near future. But the Soviet Jews retain an optimism based on equal measures of personal fortitude and a deep belief in their cause of building a new life in Israel. The members of our Foreign Affairs Committee Study Mission were heartened by their strong spirits which reinforced our resolve to do everything we can in Congress to help Soviet Jews.

I think the Soviets seriously misunderstand our political system by forgetting the role of Congress in passing trade legislation. I am convinced that these trade ties are useful to both countries, and to the cause of world peace. But both the President and the Soviets must understand that normal relations between our two countries cannot proceed while Soviet Jews, other minorities and dissidents are harassed.

I cannot at this point support American trade concessions, such as most favored nation status, as long as the Soviets continue to harass their citizens and erect barriers to their free emigration.

Mr. Speaker, it is vital that we not weaken our support for the Mills-Vanik-Jackson amendment. We must firmly adhere to our convictions. To do otherwise would be to abandon millions of persons who are held virtual prisoners in the land of their birth. There is no room for compromise on the issue of human rights.

BOG FAMILY CONTRIBUTION SCHEDULE FOR 1974–75

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. O'Hara) is recognized for 10 minutes.

Mr. O'HARA. Mr. Speaker, section 411 of the Higher Education Act of 1965, as amended, directs that no later than February 1 of each year, the Commissioner of Education shall submit to the Congress a proposed family contribution schedule which will help set the size of basic opportunity grants for the succeeding academic year. According to the same provision of law, this proposed schedule will then come into effect unless one or the other House shall have by May 1 following, adopted a resolution of disapproval.

On February 1 of this year, precisely on schedule, the Commissioner filed the first such schedule—to take effect during the academic year now getting under way.

In my capacity as chairman of the Special Subcommittee on Education, which has jurisdiction over this legislation, I at once introduced a pro forma resolution of disapproval, and called for hearings by the subcommittee with regard to the proposed schedule.

The hearings, held on February 7, demonstrated considerable dissatisfaction with the schedule, and the correspondence that came in during the following weeks emphasized that dissatisfaction. However, the subcommittee, meeting in legislative session on April 3, voted to table the resolution of disapproval, in order to permit the launching of the basic opportunity grant program in time to be of some use to students for the academic year which is just now getting underway.

At the time of that April 3 meeting, the distinguished gentleman from Oregon (Mr. Dellenback) who is ranking minority member of the subcommittee, joined with me, in conveying to the Commissioner of Education a very strong recommendation that in developing the family contribution schedule for the academic year which will begin in the fall of 1974, he pay very careful attention to the congressional and public skepticism about the first year's schedule, notably as it dealt with the treatment of assets—home, farm, and business.

The letter reads as follows:

APRIL 3, 1973.

Hon. JOHN R. OTTINA,
Acting Commissioner of Education,
Office of Education,
Washington, D.C.

DEAR COMMISSIONER OTTINA: We have been directed by the Subcommittee to advise you that H. Res. 204, a resolution of disapproval of the proposed BOG family contribution schedule, has been laid on the table, and that as far as this Subcommittee is concerned, the Office of Education is free to proceed with the implementation of the schedule and the program, subject, of course, to action by the Congress in appropriating needed funds.

We are also authorized to say, in the name of the Subcommittee, that your cooperation and willingness to engage in a constructive dialogue with the Subcommittee on the proposed schedule has been deeply appreciated.

We would like to make two suggestions, also at the direction of the Subcommittee.

First, we would like to request that you make every effort to have the proposed family contribution schedule for next year in the hands of the Subcommittee substantially earlier than you were able to do so this year. You met the statutory deadline this year, and the Subcommittee is aware of the problems involved in the first draft of regulations for a new program. So there is no criticism implied in this request. But next year's schedule will obviously be based in substantial part on this year's schedule, and we feel that you will be able to get it to us earlier; and that it would be helpful to students, their families, the institutions, and to the Subcommittee if we had more time to deal with the details of the proposed schedule next winter.

In addition to this procedural recommendation, we would urge upon you a very careful and intensive analysis of the impact of this year's family contribution schedule upon the students involved, with a view to developing hard data on the issues as yet unresolved, notably, but not exclusively, the treatment of assets under the first year's schedule. It was more than evident at the meeting today that there was and remains considerable dissatisfaction with the manner in which the proposed schedule treats assets. Our unanimity in voting to table the resolution expressed a unanimity in wishing to see the program go forward, but should not be read as an enthusiastic endorsement of present guidelines.

With our best personal regards.

JAMES G. O'HARA,
Chairman.
JOHN DELLENBACK,
Member of Congress.

Today, Mr. Speaker, the Commissioner of Education has submitted the family contribution schedule for the academic year 1974–75—substantially in advance of the statutory deadline. For that, he deserves our commendation.

In submitting the schedule now, the Commissioner has met the spirit of two congressional "signals." The first was the letter, which appears above. The second was the text of a bill, introduced by the gentleman from Oregon and myself, calling for an advance in the dates of submission and congressional action. If that bill had been enacted by now, the date for submission this year would have been August 15—and, in subsequent years, July 1. And the deadline for congressional action would have been December 15, this year, and November 1, in subsequent years.

I appreciate the efforts of the Commissioner of Education to meet the need for early action. But I am deeply disappointed that in doing so, he has departed from what seems to me to be the spirit of the legislative review language of Section 411.

The Commissioner, in filing his "new" BOG schedule, has filed exactly the same schedule that was in effect last year. He has made no changes whatever in it. He has taken no account whatever of the serious criticism that has been levied against the existing schedule ever since it first hit the printed page last February.

Now it is perfectly true—and I find it a helpful indication—that the Commissioner has indicated a willingness to consider the comments that are received as the public looks at the new schedule. But at the same time, the Commissioner is asking us to review what we have reviewed before—and to complete our action by December 15—whether or not we will have had an opportunity to see the schedule which the Commissioner in fact intends to promulgate.

Congressional review is not an empty formality, Mr. Speaker. It is not my intention to be content with a review of last year's schedule—when we all know what was wrong with that schedule. Nor do I intend to utilize the only weapon the Congress has—a resolution of disapproval—on a schedule which no one intends to be taken seriously.

I have introduced a pro forma resolution of disapproval, which will serve as a basis for our subcommittee's hearings on the resubmitted schedule. But I will serve notice here and now that I will not ask my subcommittee to dispose of the resolution, until we have a better idea than we now have what we are being asked to permit the Office of Education to do.

I agree with the Commissioner of Education. The time available to students and their families and the institutions of higher education is very valuable, and it should not be wasted in shadowboxing.

It is my intention to begin hearings on the new schedule in subcommittee in the very near future. It is my hope that by the time the hearings are concluded we will have, in fact, a new family contribution schedule.

PORTUGUESE MASSACRES OF CIVILIANS IN MOZAMBIQUE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, a turning point in many conflicts is the discovery of atrocities committed by an alien army against the civilian population; the discovery and publicity given to the My Lai massacre in Vietnam was, in a sense, a turning point in the evolution of American public opinion toward our tragic involvement in the Vietnam war. Where there is an attempt to repress the aspirations of a whole population, massacres of civilians, including women and children, seem to be the inevitable result. What is not so inevitable, however, is for these crimes against humanity to become known to the people ultimately responsible for the conduct of their armed forces.

Frelimo, the liberation movement in Mozambique, has constantly complained of widespread atrocities by the Portuguese armed forces against the African population, but without any attention being paid by the Western countries, including the United States. Now that widespread publicity has been obtained for the reports of white missionaries about a massacre of hundreds of African villagers in the Tete province of Mozambique, many Western Europeans are beginning to review their collaboration with Portugal within NATO. Sweden proposed a resolution in the U.N. Committee on Decolonization, condemning Portugal for this massacre; West Germany's ruling party has promised to support the liberation movements and halt arms supplies for Portugal; Holland has accounted that it will call for a complete arms embargo on Portugal in the forthcoming General Assembly; even Canada has agreed to raise questions about the Portuguese wars in Africa within NATO.

For this reason, it is important that the facts be made known to the American people, and I include the following article, describing the massacres, published in the London Times of July 10, 1973, in the RECORD at this point.

MASSACRES IN MOZAMBIQUE

(By Father Adrian Hastings, College of the Ascension, Birmingham, England)

Western Central Mozambique has for the past few years been in a state of continual conflict between the Portuguese Army and Frelimo (the Mozambique Liberation Front). Many Africans in the area, as elsewhere in Mozambique, sympathize with the Frelimo guerrillas, and give them food and shelter from time to time, partly doubtless under coercion.

The principal reason why they support the guerrillas is the brutal treatment they frequently receive from government representatives. This was true of the past but it is even more true of today. Faced with the growth of guerrilla activity, the Portuguese forces have grown ever more brutal, carrying out the systematic genocidal massacre of people in villages thought to have helped Frelimo.

There was a whole series of such massacres in the Mucumbura area between May and November 1971, for ghastliness each rivalling that of My Lai, in Vietnam. The security forces feel free in the knowledge that there are no journalists for hundreds of miles and the victims know no European language; but the Spanish missionaries in the area obtained detailed information and themselves buried many of the victims.

As a result of their attempts to protest and bring what was happening to public notice the two Fathers, Martin Hernandez and Alfonso Valverde, were arrested and have now been in prison, untried, for 18 months in Lourenco Marques. Since their arrest early in 1972 many further massacres have taken place, the latest of which we know being that of several hundred people at the village of Wiriyamu last December. Hitherto no news of it has reached the rest of the world.

Since then all the missions in the country areas of that part have been closed by the Government so that it is hardly possible to obtain information of more recent atrocities.

The full account of the Wiriyamu massacre, carefully and secretly compiled by missionaries in the area, is as follows:

In spite of the difficulties which have arisen in making a complete list of the names of the victims of the massacre in the village of Wiriyamu, the sources of the detailed information we have collected give us the right to maintain the affirmation that there were more than 400 victims.

From our search we can vouch for the following facts: On the afternoon of December 16, 1972, the village of Wiriyamu was the victim of a military attack on the part of the armed forces.

Following a bombardment, the soldiers who had been transported here by helicopter and had already surrounded the village invaded it with ferocity, increasing the terror of the inhabitants already terrorized by the bombs. Once inside the village the soldiers started ransacking the huts, and this was followed immediately by the massacre of the people.

One group of soldiers got together a part of the people in a courtyard to shoot them. The villagers were forced to sit in two groups, the men on one side and the women on the other, so that they could more easily see those who were being shot. By means of a signal a soldier indicated whom he wished, either man or woman.

The indicated person stood up, separating himself from the group. The soldier shot him. The victim fell dead. This procedure brought about the largest number of victims. Many children at the breast and on the backs of their mothers were shot at the same time as their mothers.

* * * * *

One woman called Vaina was invited to stand up. She had her child in her arms, a boy of nine months. The woman fell dead with a bullet shot. The child fell with his mother and sat by her. He cried desperately and a soldier advanced to stop him crying. He kicked the boy violently, destroying his head. "Shut up, dog," the soldier said.

The prostrate child cried no more and the soldier returned with his boot covered with blood. His fellow soldiers acclaimed the deed with a round of applause. "Well done, you are a brave man." It was the beginning of a macabre football match. His companion followed his example.

Other soldiers, wandering about, forced people into their huts which they then set alight and the people were burnt to death inside them. Sometimes, before setting fire to the huts, they threw hand grenades inside which exploded over the victims.

* * * * *

Wandering about the village the soldiers found a woman named Zostina who was pregnant. They asked her the sex of the child inside her. "I don't know," she replied. "You soon will," they said. Immediately they opened her stomach with knives, violently extracting her entrails. Showing her the foetus, which throbbed convulsively, they said: "Look, now you know." Afterwards the woman and child were consumed in the flames.

Other soldiers amused themselves by grasping children by their feet and striking them on the ground. Among many others the following died in this way:

Domingas (girl aged one month), Chanu (boy aged one year), Kulewa (boy aged three), Chipiri (boy aged two), Chauma (girl aged four), Maconda (boy aged two), Marco (boy aged one), Luisa (girl aged five), Mario (boy aged five), Raul (boy aged five).

Several officers of the Directorate-General of Security (DGS) accompanied the soldiers and were also involved in the killing. One of them before killing, began sometimes by attacking the victims with his fists until they were exhausted. Then he gave them the finishing shot. Among those who died in this way were Kupesa, a boy, and Chakupa and Djone, adult men.

Many people were taken outside the village and killed. On the following day many corpses of adolescents and children from 11 to 15 years were found at the Nyantawatawa river. They could be counted by tens. The bodies were totally mutilated.

Some of them had been decapitated and others had had their heads smashed. The corpses were lying about in different positions. Some were piled up in mounds, others thrown aside, some side by side, the greater number scattered along the river. There were indications that there had been some ghastly game before the victims were massacred. There were no survivors to explain what happened.

A voice with authority had kept on shouting: "Kill them all that no one be left." One witness said that an Army officer had suggested a policy of clemency, with the idea of taking these people to a fortified village, but the voice was heard to say: "These are the orders of our chief, kill them all. Those who remain alive will denounce us."

Two children found by accident after the end of the massacre were burnt inside a hut by the same officer of the DGS. These scenes continued until nightfall. Taking advantage of the darkness, which fell rapidly, some victims managed to escape death by flight.

There is no comparable episode on record in the history of twentieth century colonialism in Africa.

IMMIGRATION AND NATIONALITY MATTERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Rodino) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, my distinguished colleague, the Honorable Edward M. Hutchinson, the ranking minority member on the Committee on the Judiciary, joins me in advising the Members of the House of Representatives that for the first time in the 26½ years that matters relating to immigration and nationality have been within the jurisdiction of the Committee on the Judiciary, the committee has a current docket of private immigration bills.

This desirable situation exists because of the enactment of fair and equitable immigration laws, and by the much-needed change in the Committee Rules of Procedure governing consideration of such bills which was so welcomed by the Members of Congress.

Introduction of private bills reached a peak in the 90th Congress when over 6,000 bills were referred to the Committee on the Judiciary. Approximately 4,000 of those bills were reintroduced in the 91st Congress and over 2,000 in the last Congress. Fewer than 400 private bills have been introduced in the present Congress and all of those bills ready for consideration have now been acted upon. I would like to take this opportunity to congratulate the Honorable Joshua Eilberg, chairman of the Subcommittee on Immigration, Citizenship, and International Law, the Members of that subcommittee, as well as all those Members who worked so diligently with me in the 92d Congress to accomplish this goal.

Now when a Member of Congress has a truly meritorious case, he can be assured that it will be considered promptly.

BAN SUPERSONIC FLIGHTS OVER UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Wolff) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, today I am introducing legislation to prohibit commercial flights by supersonic aircraft into or over the United States until the Environmental Protection Agency, to the satisfaction of Congress, determines that the SST will not have detrimental physiological, psychological, or environmental effects and that it meets all standards prescribed under the Federal Aviation Act of 1958 with regard to aircraft in commercial service.

Several weeks ago, I wrote to Alexander Butterfield, Administrator of the FAA, urging that he deny permission for the Anglo-French SST, the Concorde, to visit the United States this month. I pointed out to Administrator Butterfield that the Congress has acknowledged the American people's desire to prevent additional contamination and destruction of our environment by postponing and refusing to subsidize further development of an American SST, and that we are applying a double standard if we allow foreign SST's to land in this country or even fly over it. Regrettably, the FAA did not turn down the Concorde's application and it now sits at our own Dulles Airport, having already visited Dallas and Fort Worth, Tex.

I understand from the FAA that the Concorde has been required to operate at subsonic speeds while flying over U.S. airspace. While this requirement might help to minimize the environmental impact of the SST, it does not necessarily insure that the SST will meet FAA safety standards in existence for U.S. aircraft; in fact, it could very well add to the safety hazards connected with the SST. In June of this year, the Soviet Union's SST which was participating in the Paris Air Show crashed, killing 14 persons. Observers of the crash and aviation experts alike felt that the maneuvers which the Russian SST was performing at subsonic speeds may very well have been a critical factor in the crash of the aircraft.

I am deeply grateful that the United States has not experienced a similar tragedy during the Concorde's present visit; however, while the possibility of such danger continues to exist, as well as inherent environmental danger, I feel Congress must act, consistent with its earlier mandate regarding the American SST, to prohibit further flights by foreign SST's into or over the United States.

It makes little sense to me that we take steps to discourage the development of our own SST until adequate safety and environmental safeguards can be established, and yet allow foreign SST's to pose the same kinds of dangers to the American people. In an effort to remove this double standard, to protect the well-being of our citizens and to reaffirm the intent of Congress, I have introduced my bill to ban U.S. flights of foreign SST's.

HIGH HOLY DAYS 5734

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, September 26 is a significant day for those of the Jewish faith for its marks the beginning of the Jewish religious New Year 5734.

I am happy to join my colleagues in the Congress and my constituents and friends of the Jewish faith in observing the advent of the Jewish High Holy Days beginning with Rosh Hashanah on September 26 and 27 and ending with Yom Kippur on October 5 and 6.

Rosh Hashanah is a most solemn day, distinguished by reflection, prayer, and penitence. It is a holy day on which Jews all over the world assemble in synagogues to ask God's forgiveness for man's sins and to pray for the unification of mankind. "Unite all of us in the bond of brotherhood" is the beginning of one of the beautiful, thousand-year-old prayers associated with this holy day.

On Rosh Hashanah, or New Year, the shofar, or ram's horn, is sounded. The blowing of the ram's horn on this day has a deep symbolism. It is considered so important that the day has been called "the day of the clarion call." Only a man of outstanding character is permitted to sound the shofar, and its shattering sound is meant to awaken man's conscience to renew his faith and to return to God.

October 6, the Day of Atonement, or Yom Kippur, is always observed solemnly. It is the climax of 10 days of penitence with which the Jewish New Year commences. This is the most sacred day of all—for on this day the Lord judges each individual. Jews fast all day, confess, and repent, and ask forgiveness from the Lord and from their fellow man. In turn, they freely forgive their neighbors and look forward to a good new life.

The Jewish tradition of setting apart one day in every year to concentrate to their utmost ability on the spiritual advancement of man is without parallel in the history of humanity. And the fact that for thousands of years Jews all over the world have united in prayer and repentance on the very same day is immeasurable in its significance, particularly when one realizes the impediments that have been in the way of Jewish religious observances and the oppressive religious persecution to which the Jews have been subjected for centuries.

Denial of freedom to worship, whereever and whenever it occurs, is a crime against our common humanity and a violation of the noblest aspirations of the spirit of man. In recent years the Soviet Union has imposed hindrances on the religious freedom of the Jews residing within the Soviet Union by placing major restrictions on the training of new clerics. Many of the Jews who seek to emigrate to Israel give the lack of religious freedom as a reason for renouncing their Soviet citizenship.

Therefore, I have joined over 250 of my colleagues in the 93d Congress in the introduction of the Freedom of Emigration Act. Our Government has an opportunity in this situation to assert moral leadership by refusing to proceed with expanded East-West trade until the Soviet Union clearly recognizes the basic human rights of all of its citizens.

During the celebration of the Jewish high holidays, we recall once again the suffering endured by the Jewish people, and mankind's conscience cries out against the betrayal of human rights which they have tragically experienced. In the coming year, I do hope that the Jewish people may have freedom from persecution and may enjoy peace and prosperity.

As the Congressman for the 11th District of Illinois, where many of my friends and constituents of the Jewish faith reside, I take great pleasure, with the advent of the High Holy Days 5734, in extending my greetings and best wishes to them for the new year.

A NEW APPROACH TO CAMPAIGN FINANCING AND ETHICAL PROBLEMS IN THE THREE BRANCHES OF THE FEDERAL GOVERNMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. JAMES V. STANTON), is recognized for 30 minutes.

Mr. JAMES V. STANTON. Mr. Speaker, on September 12 I introduced in this Chamber H.R. 10218, a bill aimed at creating a new institutional framework in Government for the regulation of political campaign financing—and also for dealing comprehensively with conflicts of interest and other ethical problems in all three branches of Government. I appreciate this opportunity to explain the bill in detail, because I have been receiving queries about several of its innovative concepts. I regard the bill as more far reaching and, in many respects, more stringent than the other proposals we have under consideration, including S. 372, which the Senate has sent us, and H.R. 762, the so-called Anderson-Udall bill.

Title I of my legislation sets up a Federal Board of Elections and Ethics—hereinafter called the Board. Title II establishes a Federal Elections Campaign Bank—hereinafter called the Bank—functioning as an arm of the Board. Title III assigns to the Board duties which clearly confer on it an institutional status as being the focal point in Government for dealing with all sorts of ethical problems in the three branches. There are problems going beyond the immediate concern with Watergate and campaign financing. But they are problems, such as conflicts of interest, which are nonetheless familiar because they generated serious political scandals earlier in our Nation's history—in fact, even recently—and, unless they are dealt with now, are likely to recur, causing more disillusionment and further undermining the confidence of Americans in their Government.

I offer H.R. 10218, then, as a bill addressing itself to three goals. The first is to give the people, through the Bank, a governmental mechanism aimed at drawing campaign contributions out of subterranean channels—to force the flow of political cash and credit to the surface—where the press and public can watch the currents and see who is riding with them. The second goal is to establish for the Bank—through the instrumentality of the Board—some self-starting, self-propelled, free-wheeling enforcement machinery. Those being policed would have no place in the driver's seat, with one exception that will be explained fully below. The third goal is, over the long run, to localize in the Government, as it were, the primary responsibility for dealing with ethical problems that willy-nilly affect, and sometimes preoccupy, Federal officials in all three branches. The bill seeks to grant them relief from these concerns and to free them to conduct the much more important substantive business of government.

Of the three titles in H.R. 10218, I regard title I—the one establishing the Board and its enforcement powers—as the most important. But in the interest of a clearer exposition of what I seek to accomplish, I shall proceed, Mr. Speaker, by elaborating first on the duties and powers of the Bank, as contained in title II.

THE FEDERAL ELECTION CAMPAIGN BANK

A. General authority of the Bank

The Bank would be an agency of the Government, functioning as the sole and exclusive depository of all funds that finance campaigns for the Presidency, Vice Presidency, the House of Representatives and the Senate. Also, it would be charged with certain other duties. The plan, in essence, would work this way:

All candidates for Federal office in primary and general elections would be required to open accounts at the Bank. On receiving a campaign contribution, whether in the form of cash or a loan, the candidate without exception would have to deposit these receipts in his account at the Bank. There, a record of the contribution perforce would be made immediately, and it would be maintained thereafter for public scrutiny. This record would disclose the source of each contribution. It would identify the donor. In addition, the financial value of commercial services rendered to the candidate would have to be reported by him as contributions.

Moreover, it would be illegal to spend any campaign funds except by check drawn on these accounts. The Bank would be formally notified as to who is authorized to draw and sign these checks—the candidate and/or his agents. There is a similar provision for checks and checking accounts in section 311 of S. 372, a bill which, in lieu of a single Bank, authorizes a national network of campaign depositories, utilizing existing commercial banks.

Campaign expenditures, too, then, perforce would become a matter of record, these transactions being reported as they occur. Armed with this information, the voters would not have to wait until the election was over to learn where the candidate got his money and how he spent it. Under this system, it would be against the law for anyone running for Federal office, or for his agents, to receive or spend any campaign contributions without having the exchange of money recorded and cleared through the Bank. A separate provision is made in H.R. 10218, as a practical matter, for petty cash transactions.

In addition, organizations and groups supporting a candidate, or a group or slate of candidates, would have to open accounts of their own at the Bank, subject to the same rules and obligations that would be imposed on the candidates themselves. How these groups apportion their funds among the candidates, then, also would become a matter of public record. Such organizations would include, but would not be limited to, units and appendages of the national political parties and special-interest groups such as the AFL–CIO and the American Medical Association. They would be required to establish accounts at the Bank for that portion of their budgets that they earmark for electioneering purposes. Through checks drawn on the Bank, it would be revealed to the public that these groups had directed the Bank, say, to pay out x amount to, or on behalf of, candidate A, and y amount to, or on behalf of, candidate B.

The Bank would have no authority to interfere in campaigns by vetoing contributions or expenditures. It would impose no ceilings on giving, receiving, or spending—except that H.R. 10218 retains the limitations on broadcast expenditures and certain other restrictions that are part of the Federal Election Campaign Act of 1971—Public Law 92–225. In my opinion, a persuasive case against general limitations on contributions and expenditures was made by witnesses appearing earler this year in the Senate hearings. I, myself, believe that general limitations are not desirable. In most races they give an edge to the incumbent. However, should we decide later that limitations are in fact practical, and in the public interest, we would be armed through data developed by the Bank with the facts we must have if we are to establish ceilings at levels that are realistic. Right now, the public doesn't know how much a campaign costs—how much money is routed underground, sometimes surfacing, sometimes not. The Bank would bring this all out into the open. It would trace the flow for us. Similarly, although I am not myself an advocate of public financing of political campaigns, we ought to establish an agency like the Bank before we ever embark on such a program as a matter of public policy. For the Bank could give us a true accounting of the ratio of public funds to private funds in the candidate's campaign coffers, enabling us to see exactly how far we would like to go with public financing. If we were to adopt such a program, the public funds would be paid into the candidate's account at the Bank in the same way that private funds are received.

As I have indicated, Mr. Speaker, the Bank would maintain a record not only of contributions and expenditures, but also of debts incurred by the candidate or an electioneering organization. Both the amount and nature of the debts would be of interest. H.R. 10218 requires

> . . . continuous reporting of such debts after the election at such intervals as the (Bank) may require until such debts are repaid or otherwise extinguished, together with a statement as to the consideration for which any such debt is extinguished or a statement as to the circumstances and conditions under which any such debt is canceled.

Obviously, the Bank itself would not be liable for any debts. If the candidate's checking account becomes overdrawn, he would be responsible for it in the same way, and under the same laws, as patrons of commercial banks are held liable.

B. Affirmative action by the Bank

At this point, Mr. Speaker, I would like to call attention to a key provision of H.R. 10218 which, to my knowledge, does not occur in any of the proposals that Congress is considering. I refer to a section of my bill to assure that the disclosures of the Bank are meaningful and comprehensible to the public. This is a matter of overriding importance because anyone who is familiar with operations under the 1971 campaign reform legislation knows that, in many respects, it is a sham in terms of providing the public with relevant information in digestible form. Tons of paper are filed with the Clerk of the House, the Secretary of the Senate, and the Comptroller General—the latter with respect to the Presidential races. No effort is made by these officials—in fact, the law does not require them to make any effort—to cull from these forms facts that the public probably ought to know. No reports are routinely made to the public that relate one fact to another. The result is that, despite the voluminous disclosures mandated by the law, the public is better informed than it used to be under the old Corrupt Practices Act.

The remedy is clear, Mr. Speaker. In relieving the aforementioned officials of the responsibility for receiving and disseminating this information, H.R. 10218 reassigns the duty, of course, to the Bank. But the bill carries this still one step further—an important step. It imposes on the Bank itself the affirmative obligation "to gather, analyze, and disseminate to the public at reasonable intervals" data determined by the Bank to be significant. Such information would include reports on "the uses of—campaign—contributions and the purposes of—campaign—expenditures." In other words, the Bank would violate its mandate if it were to merely dump into the public's lap several carloads of raw statistics and puzzling lists of names. Detailed information would continue to be available. But, in addition, the data would be summarized and correlated and then imparted to the public in an understandable format—for example, in the form of a press release or a concise fact sheet. The Bank would take the initiative in releasing this information.

Why is this so important? Because, Mr. Speaker, if we are to have public disclosure, then the voters ought to be given the facts in a form enabling them to make intelligent and timely use of the data. How is the public served if it is told only that Mr. "A" contributed to a candidate's campaign, without also being apprised of the fact that Mr. "A" is the executive of a corporation having regulatory problems with the Federal Government, or of the additional facts that the candidate, besides receiving the contribution from Mr. "A", was also the recipient of a contribution from Mrs. "B", whose husband is an executive of the same corporation, and from Mr. "C" and Mr. "D", who hold positions of influence in other corporations in the same industry?

At present, the only time a voter is made aware of such facts is when an enterprising newspaperman with lots of time on his hands, and much acuity and an abundance of patience, discovers these facts for the voter by closely persuing available data. But the truth is that most newspapermen are not so endowed, or so motivated. And, besides, most of the newspapers in the Nation do not have Washington correspondents. Consequently, information that the voters really ought to have, and which actually is available to them, goes unreported. The disclosure statements in the offices of the Clerk, the Secretary, and the Comptroller General merely gather dust, costing the taxpayers money for storage. H.R. 10218 provides corrective action by authorizing for the Bank a professional staff, including auditors and other investigators, one of whose principal duties would be to take the initiative in this area. They would assist the press and citizens groups, such as the League of Women Voters, in a systematic manner, by formulating a program to get the facts out to the people.

H.R. 10218 says that anyone who violates its provisions would be fined not more than $5,000 or imprisoned not more than 5 years, or both—penalties drawn from the 1971 law. The bill, if approved by the Congress and signed by the President, would become effective for the Presidential race in 1976. Obviously, it is too late to implement such a plan in time for next year's congressional primaries and elections. With experience gained from concentrating their efforts on the 1976 Presidential contest, the Bank officials then would be equipped to deal with the multitudinous House and Senate races. Therefore, H.R. 10218 proposes that campaigns for Congress not be covered until the 1978 elections.

THE BOARD OF ELECTIONS AND ETHICS

A. Structure of the Board

Mr. Speaker, I said at the beginning of this presentation that I regard the enforcement machinery which H.R. 10218 seeks to establish as the most important feature of the bill. Obviously, a law that is not enforced—that really is unlikely to be enforced because it is out of touch with political reality—is worthless, perhaps worse than having no law at all. This was the case with the Corrupt Practices Act of the 1920's, and I am afraid it is true, as well, of the 1971 law which replaced it. The fact is that too much attention is being given right now to what I consider secondary issues—such as slapping a limit on contributions and having the campaigns financed in part out of the U.S. Treasury. It seems to me that, if a case can be made for these additional reforms, including those proposed in H.R. 10218, then we would have all the more reason to want to assure strict enforcement. But, if Congress fails to be persuaded of the need for any of these changes, we ought still to give consideration to amending the existing statute in such a way as to enhance the prospect that politicians will at least comply with the laws we already have, whatever they provide.

The problem, then, that confronts us immediately as we examine the proposition for a Bank is: Who will be in charge of it? I am assuming, of course, that we no longer want a system under which the politicians police themselves—with Members of the House and Senate "bowing" to their own employees, and with the President calling the shots for himself and others by having his own Attorney General sit in judgment on him.

Traditionally, when Congress wants to take the politics out of an issue, it resorts to the device of setting up a so-called independent, bipartisan, nonpolitical board or commission. As a matter of fact, this has been proposed in the area of campaign finance reform, and the Senate bought the idea when it approved S. 372. But the trouble with these new governmental entities is that they quickly become nonentities so far as the public is concerned; they fade into the bureaucratic jungle, settling into a status of obscurity on a level with that of dozens of other boards and commissions. These agencies have low visibility to begin with, as their members usually are appointees who lack name recognition and a popular base in the electorate. Since the public does not know these people, it has no particular reason to have confidence in them. In time, as has been shown in instance after instance, these so-called independent agencies tend to forget the public interest, anyway, and to begin perceiving their true role as one of servicing the groups they are supposed to be regulating. When this happens, the voters do not know where to turn. If they blame the President or their Senator or Congressman, they are reminded by these officials that responsibility had been vested in a presumably impartial panel that now is beyond their reach. So it is said.

Mr. Speaker, I appear to be posing a dilemma here. If we refuse to let the politicians police themselves and if, in addition, we refuse to entrust this task to the usual nondescript "independent" agency, then to whom do we turn? I submit that the answer lies in a new concept—establishing an agency that combines true independence with visibility and accountability, structuring the agency in a way that ties it in—perceptibly—with the highest level of government. We can accomplish this by putting the Bank under the control of a board of elections and ethics, with the President of the United States serving by statute as chairman of the board, and with its four other members, appointed by the President and confirmed by the Senate, holding life tenure, as Federal judges do.

H.R. 10218 spells out how the President, or a surrogate designated by him as his alter ego on the Board, would interact with the other Board members, under a system of checks and balances that would keep both in line—yet out front where the people see them.

I realize, of course, that in this era of Watergate it would seem to be insensitive, and lacking wisdom, to repose such authority in the President—authority not only to apparently be his own policeman, but also to police Members of Congress. As I will show in a few moments, however, his authority really would be limited. But first I would like to cite some reasons for putting the President, nominally, in charge at the Bank.

The main reason for doing this is that it provides a focal point for responsibility and, in doing so, it follows and preserves the lines of authority set forth in the Constitution. The President is, after all, the government's chief enforcement officer and, in normal circumstances, he is expected to provide moral leadership as well. With Watergate behind us, we might hope for a return to this state of affairs. The fact that the Board's actions would be taken in the President's name would preclude diffusion of authority and responsibility, as seen from the vantage point of the voters, and it would provide them with a proper—and effective—point of reference. Also, the President's seat at the helm of the Board would give this agency prestige and clout, keeping it in the public eye.

Besides having the President himself as chairman, the Board would be distinguishable from other so-called independent agencies in that its four regular members would serve for life, subject to removal only by impeachment. Lifetime tenure would assure true independence for the Board members—who would be inherited, as it were, by any new President on his inaugural. There would be no reason for them to feel inhibited about prodding the President and seeing to it that he does his job. They would not be as vulnerable as members of other governmental boards, who are appointed to fixed terms and who could be confronted with the need to make particularly sensitive decisions on the brink of the expiration of their terms. In such cases the member sometimes votes, or is suspected of voting, in a way to best assure his reappointment by the President. Having no concern about who is elected President, or who is elected or reelected to Congress, since the Board members' jobs would not depend on such decisions by the electorate, the Board would have maximum and assured freedom from outside influence.

H.R. 10218 would further enhance the actual power of the Board vis-a-vis the largely nominal authority of the President. The bill says that no more than two of the appointed members may belong to the same political party. There is a further requirement that at least four members constitute a quorum. This would prevent what might at some time be a faction of the Board, acting with or without Presidential leadership from making important decisions at a rump session. Moreover, the bill asserts that the President may vote as a member of the Board only under two sets of circumstances—first, to join in a unanimous decision of the Board or, second, to break a tie. Should it ever become necessary for the President to cast a tie-breaking vote, a great deal of public attention would be focused on him and he would have to answer for his action. But in most cases, as is evident, the President would have little actual control because he would not be participating in Board actions as a voting member, even though the Board would have the advantage of functioning in his name. It is at this level where we should want the Board to operate, because nothing is so vital to the functioning of our democracy than assuring the integrity of its electoral processes.

B. Operations of the Board

H.R. 10218 confers extraordinary powers on the Board, as does S. 372 on the independent agency which that particular bill would establish. The Board would have authority to issue subpenas, conduct hearings, seek injunctions in civil proceedings and to go to the grand jury and then to court to prosecute its own cases in criminal proceedings. In other words, the Board would operate independently of the President's Justice Department. As you know, Mr. Speaker, there is precedent for this. In 1971 we vested similar powers in the Equal Employment Opportunities Commission, albeit for different reasons. As our colleagues in the Senate have discerned, no board set up to police the President and Members of Congress could have true independence, or be effective, unless it were able not only to investigate complaints, and to launch investigations on its own initiative, but also to follow through without depending on the usual enforcement agencies of Government which might be under the influence of someone about to be prosecuted. To this end the Board would, of course, have its own staff, headed by an executive director and general counsel, appointed by and serving at the pleasure of the Board, plus a cadre of professional civil servants.

I would like to call attention, Mr. Speaker, to one additional power that the Board would have under H.R. 10218—a grant of authority that, so far as I am concerned, would give it one of its key weapons. The bill mandates the Board—

> To engage in random sampling of election campaigns conducted by all candidates for particular Federal offices in order to insure compliance with Federal laws in such campaigns, and to disseminate information to the public, before the elections to which such campaigns relate, regarding results of such sampling.

What this means, Mr. Speaker, is that the Board would not sit in Washington waiting for tips or complaints. Instead, it would send investigators into the field. The potency of this weapon is assured by the phrase "random sampling of election campaigns." In other words, the Board would act unpredictably in its monitoring operations, its investigators showing up, unexpectedly, in one or two States around the country to look into races for the Senate, in a few congressional districts to examine campaigns for the House of Representatives and in certain cities or counties and States to audit the Presidential contest in those areas. The fact that it would not be known in advance where the investigators might appear would create a powerful incentive for candidates and campaign committees everywhere to comply with the law. The risk of adverse publicity in the midst of a campaign—of criticism from impartial, wholly independent governmental investigators—would be too great for most candidates to choose to ignore. Moreover, this system of operation—in essence, what the Internal Revenue Service does when it spot-checks income tax returns—would solve the overwhelming logistical problems that the Bank and the Board would have if it were to attempt to do the impossible—that is, to monitor every single race for the House and Senate, and the Presidential race in every geographical jurisdiction in the country. The random sampling tactic would of course supplement, and in no way diminish, the ordinary disclosure operations of the Bank and the Board, in which data would be supplied to the public on the flow of campaign funds in every election contest.

H.R. 10218 also provides that, in any area randomly selected by the Board for a field investigation, Bank officials must audit the races of all the candidates in that particular contest. This would protect the Board from accusations of prejudice—charges that it had monitored, say, the Republican candidate while neglecting to investigate the operations of his Democratic rival.

OTHER DUTIES OF THE BOARD

In addition to its authority with respect to Federal elections, the Board would have other responsibilities, as provided by H.R. 10218. One such area of concern would be conflicts of interest. For all we know, as I pointed out earlier, Mr. Speaker, the next major scandal in government—as have some earlier ones—might revolve around a conflict-of-interest situation, rather than election campaign financing. Therefore, the time to do something preemptive is now.

All of us know about the confusion and varying standards in this area. Sanford Watzman, my administrative assistant, summed it up admirably in a book he wrote in 1971 entitled "Conflicts of Interest: Politics and the Money Game," a volume from which many of the concepts in H.R. 10218 are drawn. Mr. Watzman wrote:

> In the judiciary, conflict-of-interest rules are promulgated by a Judicial Conference with dubious enforcement powers; some judges of the lower courts reject its authority, and the Conference itself acknowledges it has no jurisdiction over the nine Justices of the Supreme Court. In Congress, there is one code for the Senate and another for the House, each relying heavily on the "honor" system for enforcement. In the Executive Branch, the situation hasn't changed much since the New York Bar Association reviewed it in 1960. Its report concluded: "Regardless of the administration in office, the Presidency has not provided central leadership for the executive branch as a whole. . . . Administration of conflict-of-interest restraints can be observed only on a fragmented basis—department by department, agency by agency.

In fairness to public officials in all three branches, Mr. Speaker, is not there a single, clear standard that we can adopt to identify conflicts of interest when they occur, and to enact a law that will prevent them from occurring? Several solutions have been suggested, but each has failings as well. Some of these are disclosure, divestiture, trusteeships, abstention from participation in certain government actions when one's financial interests might appear to be at stake, and so forth. I propose in H.R. 10218, Mr. Speaker, to have the Board study this problem and then recommend to Congress appropriate legislation that would establish a uniform government-wide test of what constitutes an illegal conflict of interest, and a single set of rules for preventing and erasing such conflicts in all three branches.

The Board would also make a study of how it might "monitor and review fund-raising and other financial activities of persons holding public office." If legislation resulted from such a study, it would put the Bank in business between elections, as well as during elections. It is no secret, Mr. Speaker, that the ordinary expenses of holding public office—I am thinking of Congress particularly—are not adequately covered by existing governmental expense allowances. For example, many of us find it necessary to make many more trips home per year than the Government reimburses us for. To this end, some Members maintain a special fund. I happen to think that the public ought to know where the money for these funds comes from, and how it is spent—since we are speaking here, after all, about what might properly be seen as official activities of the Congressman. Perhaps such a study would pave the way for our adopting more realistic expense allowances for ourselves and other governmental officials; perhaps it would result in legislation calling merely for a public accounting of such funds.

The Board would also be that agency of the Government that would, as H.R. 10218 provides, function in a general advisory capacity for officials in all three branches of the Government with respect to ethical problems of whatever kind.

And it would also make a study of—

> The establishment and maintenance of uniform accounting systems with respect to contributions to and expenditures on behalf of candidates for Federal office and political committees, with a view toward insuring an effective monitoring of such contributions and expenditures.

This is a broad and ambitious proposal, Mr. Speaker. I hope it is a practical and desirable one, and I would welcome public discussion of it in the weeks to come.

PRESIDENT WAITS, WHILE HEATING OIL CRISIS DRAWS NEAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BIAGGI) is recognized for 5 minutes.

Mr. BIAGGI. Mr. Speaker, in July I warned the Members of this body that the Arab States would make oil the big bargaining chip in the Middle East conflict. I predicted higher prices for their oil and demands for payment in gold to break the U.S. economy. Sadly, these predictions are coming true.

Feeble warnings from the President that the Arabs could lose their U.S. market do not stand the light of day. The United States is totally reliant on Middle Eastern oil, particularly to heat the homes in the Northeast United States. New supplies from the Alaskan North Slope and other domestic reserves are a long way from realization. This winter, particularly, we must have unprecedented quantities of Arab oil.

The crisis is drawing closer and closer, yet the President and his advisers issue press statements and hope for a warm winter. While a few days without heat this winter may be acceptable to the Nixon administration, it is totally unacceptable to the people in New York and other areas who will freeze as a result.

Without increased supplies, what can be done? President Nixon can use his existing authority to provide mandatory fuel allocations to all suppliers. This will guarantee an even distribution of all available oil to all dealers in every part of the country. The present voluntary allocation system is resulting in a distribution pattern based on a determination by the oil monopolies as to where they can get the most profit and whether or not the dealer is a company man. The independent distributor is going out of business fast.

In addition, the President should empower a Federal panel to watch the national oil supplies throughout the winter to allocate overall fuel supplies on a regional basis. Thus, if fuel is more urgently needed in the Northeast, the Government can direct suppliers to provide more oil for that section. This will assure that no one region will suffer any more than anyone else.

In the long run, this Nation must cut its reliance on foreign—particularly—Arab supplies of oil. Every effort must be made to expand domestic supply through tapping new reserves and developing ways of obtaining oil from other sources such as shale. Under no circumstances can we permit the growing threat of oil shortages force a change in our commitment to a free state of Israel. The basic rights of this Nation to exist cannot be drowned in a pool of Arab oil.

INTRODUCTION OF EIGHT PROPOSALS RELATING TO THE INTERNATIONAL PROTECTION OF HUMAN RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 10 minutes.

Mr. FRASER. Mr. Speaker, the Foreign Affairs Subcommittee on International Organizations and Movements is holding during September and October an extensive series of hearings on the international protection of human rights. These hearings are being held to develop recommendations for strengthening the U.N. in the human rights field and for increasing the priority given to human rights considerations in our own foreign policy decisionmaking.

U.N. Secretary-General Kurt Waldheim stated in his introduction to the annual report on the work of the organization that "the protection of human rights is an area where the credibility of the United Nations is especially at stake" because of its inability to prevent human rights violations in some areas. He called upon the member States to continue "to address themselves to the problem of developing more effective action by the organization on problems of human rights wherever they occur."

The seven resolutions and one bill described below have been introduced with the objective of increasing the effectiveness of the United Nations in protecting human rights.

Four concurrent resolutions relate to U.N. activities in human rights. House Concurrent Resolution 312—cosponsored by Mr. FINDLEY—urges the U.N. to take measures to prevent the practice of torture. The resolution calls upon the U.N. to condemn the practice of torture, to adopt a convention on the subject and to conduct a thorough study of the practice. The use of torture against political prisoners is growing and has reached alarming proportions. Amnesty International, a nongovernmental organization which is exclusively concerned with political prisoners, has estimated that at least 60 governments practice torture. In the light of these facts, the U.N. should be much more vigilant in preventing these inhuman acts.

House Concurrent Resolution 310—cosponsored by Mr. FINDLEY—urges the creation of a Human Rights Council as a principal organ of the U.N. in place of the Commission on Human Rights. The Council would be authorized to hold special sessions to deal with urgent situations involving gross violations of human rights—a power not held by the Commission. The Charter of the U.N. states that the promotion of human rights is a basic purpose of the organization and, consequently, this purpose should be given greater priority within the U.N. organization.

House Concurrent Resolution 311—cosponsored by Mr. FINDLEY—urges the U.N. to strengthen its effectiveness in preventing human rights violations. It calls for the appointment of a High Commissioner for Human Rights who would initiate action to promote and strengthen universal and effective respect for human rights and fundamental freedoms. It also recommends measures for strengthening the U.N.'s procedures for reviewing human rights petitions. The U.N. has declared that gross violations of human rights are matters within its jurisdiction; the member states should follow through by providing the necessary machinery to prevent violations and by providing a remedy for the victims of violations.

House Concurrent Resolution 313—cosponsored by Mr. FINDLEY—provides for U.S. support for the program of the UN Decade for Action to Combat Racism and Racial Discrimination which will be launched on December 10, 1973, the 25th anniversary of the Universal Declaration of Human Rights.

The International Committee of the Red Cross—ICRC—will be holding a diplomatic conference in 1974 to revise the laws of war. House Concurrent Resolution 307 requests the Department of State to support at the conference the prohibition of the use of weapons and methods of warfare which indiscriminately affect civilians and combatants. Modern weapons and methods of warfare, such as the use of napalm and carpet bombing, have made war increasingly cruel and destructive of civilians' lives and property. I hope the United States will support the efforts to put reasonable limits on the methods and means of warfare.

I have also introduced H.R. 10455 which establishes a Bureau for Humanitarian Affairs in the Department of State to handle matters relating to human rights, refugee, and migration affairs and disaster assistance. The Bureau would be headed by an assistant secretary of state who would advise the Department on all matters having significant human rights implications. The bill provides that it shall be the policy of the U.S. Government to terminate all military assistance and sales to any government committing serious violations of human rights, and to suspend any economic assistance directly supportive of the government committing such violations. The objective of the bill is to insure that our Government in making foreign policy gives at least the same priority to human rights factors as is given to political, economic, and military factors.

House Resolution 557—cosponsored by Mr. FINDLEY—urges the Senate to give its advice and consent to at least some of the many human rights conventions adopted by the UN, as well as by the International Labour Organization, UNESCO and the Organization of American States. To mention only the most serious omissions, I refer to the Genocide Convention—adopted by the UN 25 years ago—the International Convention on the Elimination of All Forms of Racial Discrimination—which now has over 75 states parties—the International Covenants on Human Rights, and the Inter-American Convention on Human Rights.

House Resolution 556 urges that private individuals, business organizations, and other legal entities be permitted to accept the compulsory jurisdiction of the International Court of Justice and be parties in cases before the Court in disputes arising between private individuals, business organizations, and other legal entities or persons from different states. Individuals who believe their rights have been violated would be permitted to petition the court.

A NEW NATIONAL AGENCY FOR TRANSPORTATION SAFETY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. ADAMS) is recognized for 5 minutes.

Mr. ADAMS. Mr. Speaker, I am introducing today the National Agency for Transportation Safety Act of 1973. An identical bill has been introduced in the Senate by Senators MAGNUSON and CANNON.

The purpose of this legislation is to create an independent agency charged with the improvement of transportation safety. It would replace the present National Transportation Safety Board, which is now part of the Department of Transportation. The new National Agency for Transportation Safety would be directed by an Administrator, appointed for a 6-year term. The Administrator, by law, would have to have high professional qualifications in the field of transportation safety and be a specialist in this field. The budget for the new Agency would be submitted directly each year to the Congress, thus insulating it from OMB pressures to change or modify its safety recommendations in order to obtain its budget requests.

The need for a completely independent agency with the staff and the knowledge to make expert recommendations on transportation safety has been demonstrated by the work of the Transportation Safety Board. The careful investigation of transportation disasters and the expert recommendations of the Board have contributed greatly to safer transportation.

However, the safety watchdog is on a budgetary leash held by OMB and has been pressured by the administration to modify its tough suggestions. As an agency within the Department of Transportation, it is part of the same jurisdiction whose actions it may need to criticize. At present, the Board has no power to compel adherence to its recommendations; it must rely on public pressure and the publicity given its recommendations to obtain compliance. I think its persuasive power would be greatly increased by making the Board an independent expert agency.

There are several ways the bill would make it more difficult for an unwilling bureaucrat to ignore safety recommendations. The Secretary of Transportation would first be required to respond within 120 days to recommendations of the new Agency. The Secretary would then either have to indicate his intention to see that the recommendations were adopted, or give his reasons for rejecting them. Full public disclosure would insure that the arguments for and against a particular recommendation could be judged by the public and the Congress. In this way, the expert judgments of the Agency would not be buried under a pile of interagency memorandums.

I am hopeful that this bill will be the subject of hearings in the House Transportation Subcommittee early in the next session. The subcommittee has a crowded agenda before it for the remainder of this session, but I think this bill is essential and should be considered on the earliest possible date.

During hearings, particular attention should be focused on two points. First, my bill proposes that the present 5-member Board be replaced by an Agency headed by a single Administrator, who would be an expert in the field of transportation safety.

On the one hand, I strongly believe in the concept of an independent agency which can speak its mind without budgetary intimidation. On the other hand, I am not completely convinced that the best way to proceed is by concentrating, in the hands of one transportation safety expert, the authority to make vital recommendations. I believe the present Board has done a very commendable job given the limitations of the legal and administrative structure in which the Congress placed it. Therefore, I believe that the actual structure of the new Agency should be the subject of testimony and careful consideration before a final decision is made.

Second, I think we should take a careful look at the authority of the new Agency and whether it should be given the power to make its recommendations mandatory in some instances. The bill I am introducing does not do this, but it does require a formal response from the Secretary of Transportation, which will at least force serious congressional and public consideration of the new Agency's recommendations. I would hope that the Transportation Secretary's commitment would be sufficient to enable the new Agency to do its job. However, if the testimony indicates otherwise, I would consider amendments to strengthen the hand of the Agency.

In conclusion, Mr. Speaker, I should point out that the Board itself stated in its annual report for 1971 that it should be established as an independent agency. The Board's 1972 report contains the following statement:

> The Board now is constrained not only to reaffirm its previous position but to make an even stronger plea to the Congress to establish the Safety Board as a completely independent agency. The Board believes that legislation is required.

This is strong testimony, indeed, on the necessity of a truly independent agency to serve as the overseer of transportation safety in the United States.

CATTLE PRICES DROP 30 PERCENT BUT NOT FOR CONSUMERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. Melcher) is recognized for 5 minutes.

Mr. MELCHER. Mr. Speaker, the disaster brought on this country by the administration's unwise meat price ceilings have already been grave, but only a fraction of the story has been unfolded so far.

Today, at South Sioux City, Nebr., cattlemen assembled to protest the ruinous prices which have resulted from the freeze, and now by a rather obviously manipulated bust in the cattle markets of one-third or more from peak prices.

The peaks were a bonanza, but cattle prices today are equally a tragedy. They are substantially below cost of production and the bulk of the cattlemen, who had nothing to sell in the short-lived bonanza period, are faced with losses up to $50, $60, and $75 per head on meat animals that have been produced with feed, the cost of which was inflated by the big soybean speculative boom that enriched no one but a few scalpers.

TRADING IN FUTURES MARKETS

Consumers are not getting any benefit of the depressed cattle prices. Meat prices here in Washington and other cities at the retail are just as high as they have ever been.

The consumers are going to get it in the neck later, however, because today's prices are putting farmers and ranchers out of the cattle game. Feeders are not being put into the feedlots. We are inevitably going to have a meat shortage starting toward to end of this year, after the current backup of heavy animals has been marketed.

The tragedy of the administration's meat pricing follies is going to stretch on far into 1974, or even further, as meat shortages and high prices continue.

I simply want to make a record here today, for the benefit of consumers who will be plagued with uncertain meat supplies for many months ahead, that their experience was the predictable consequence of what the Cost of Living Council did to our America's red meat producers back in July and August of this year and its failure to act this month to break up the manipulation of markets which have now driven beef animal prices far below the cost of production.

The administration's economic policies have had notable failures, but their beef policy has helped no one and has dangerously unsettled supply and demand.

I have just obtained the federally inspected cattle slaughter figures for August, the full month of continued beef price ceilings. It was off 20 percent, from 2,926,000 head in August last year to 2,363,000 head in August this year.

Slaughter has continued down this month. It has yet to get back up to year ago levels, although the disastrous price drop would indicate that an enormous supply has been coming to market.

The fact is that yesterday and today—Monday and Tuesday of the current week, both cattle and hog slaughter has continued off 10 percent from corresponding days last year, and I say the market is manipulated because it is reacting exactly contrary to supply and demand. Supply is down, as it has been for weeks, and only artificial manipulation can explain prices dropping 30 percent when supplies are short.

NORTHEAST RAIL CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. Drinan) is recognized for 5 minutes.

Mr. DRINAN. Mr. Speaker, six Northeast railroads are bankrupt. The economy of the entire Nation is heavily dependent on the continued operation and successful reorganization of these railroads. But without substantial congressional action in the very near future, the services of these railroads may be substantially reduced if not eliminated entirely, with grave repercussions.

Because of the urgency and national importance of the Northeast rail crisis, I would like today to discuss some of the issues involved in the Northeast rail crisis.

The bankruptcy judge in the rail proceedings, Judge Fullam, has stated that:

> It appears highly doubtful that the Debtor [Penn Central] could be permitted to continue to operate on its present basis beyond October 1, 1973.

While there is substantial uncertainty as to the powers of Judge Fullam to order the bankrupt railroads in liquidation, October 1 will be a watershed day for the rail crisis. Congressional action on or about this date will be necessary to avert possibly severe reductions or terminations of rail service.

It is my understanding that by October 1 the House Interstate and Foreign Commerce Committee will probably have reported to the whole House legislation designed to provide a long term solution to the Northeast rail crisis. Presently the Transportation and Aeronautics Subcommittee of the Interstate and Foreign Commerce Committee is marking-up legislation, H.R. 9142, introduced by my colleague Congressman Shoup, that would restructure Northeast railroads with Federal financial assistance in the form of direct grants and Government-guaranteed bonds. I believe that the principles of H.R. 9142 represent a balanced, workable and necessarily comprehensive approach to the Northeast rail crisis.

CONSEQUENCES OF TERMINATION OF SERVICE

The Northeast rail crisis is not a regional problem. It affects the economy of the entire Nation. According to a Wall Street Journal article of June 12, 1973:

> It has been estimated that if the Penn Central stopped running, national productivity would be cut by three percent and unemployment in the nation would be boosted by 60 percent due to the rippling effect on other businesses.

A soon-to-be-released study conducted by the Harbridge House of the Boston & Maine Railroad, a relatively small carrier servicing five New England States, suggests that more than 50,000 jobs and $811 million are dependent on continued B. & M. service. Cessation of B. & M. service would result, according to the study, in a 1- to 5-percent increase in the prices paid for major consumer commodities.

The Senate Commerce Committee has predicted that a shutdown of Penn Central would produce a decrease in the rate of economic activity in the Northeast of 5.2 percent, after the eighth week of such a shutdown. Economic activity for the entire Nation would fall by 4 percent, and the GNP would drop by 2.7 percent. Senator Hartke, the chairman of the Surface Transportation Subcommittee of the Senate Commerce Committee has stated:

> Careful analysis so far indicates that a shutdown of the Penn Central alone would affect the entire national rail system, coast to coast, clog highways North, South, East and West, and push waterway and air carriers beyond their capabilities.
>
> Employment nationally and the Gross National Product would drop three percent in less than eight weeks . . . and that is a very conservative estimate; and employment and the Gross National Product of the region East of the Mississipi would drop more than five percent in two months. Again, that is a conservative estimate.

It is unreasonable to expect that our already hard-pressed economy could withstand a blow of the proportions that would be caused by termination of services by the bankrupt railroads. Apart from the serious effects on economic activity directly dependent on rail services, termination would further fuel an inflation that is already staggering.

Household consumption items and construction materials would be particularly affected. Almost three-fourths of lumber and wood products are transported by rail. The Harbridge House study of the Boston & Maine estimates that termination of B. & M. service alone would increase lumber prices in the Northeast region by 2.1 percent. Such price increases would obviously be greater and more pervasive if more railroads terminate service.

Agricultural commodities and fuel, carried by the railroads in large quantities, would also be subject to price increases if railroad service was terminated. Supply of fuel resources might be reduced, thus causing power shortages in certain areas. The overall energy and environmental impact of cessation of rail service would be acute. To refer to the Harbridge House study of the B. & M. again, in 1972 the B. & M. carried 14.1 million revenue tons of freight. Over one million truck trips would be required to move the same amount of freight in the absence of rail services. If the freight currently carried by the B. & M. were moved by truck, an additional 26.1 million gallons of fuel oil would be required. This would make the energy squeeze in the region, already severe, even worse; 26.1 million gallons of fuel is enough to supply the annual electricity requirements of more than 40,000 households. And replacement of just B. & M. service with trucks would aggravate serious highway congestion problems and further add to automobile and truck-generated air pollution.

WHY THE CRISIS?

The six bankrupt Northeast railroads lost a total of $318 million in 1971, and even after the reorganization that followed the initiation of bankruptcy proceedings, the railroads lost $267 million in 1972. While Penn Central alone earns 14 percent of the Nation's rail revenue, it has not had a profitable year since 1968. Total losses in 1968, despite cost-saving improvements made in reorganization, were $198 million, down from $285 million deficit the previous year.

No single factor can be isolated as the root cause of the Northeast rail crisis. While mismanagement on the part of former Penn Central executives played a significant role in the PC's financial difficulties, it was not the exclusive cause. Since going into bankruptcy the Penn Central has been run by three reputable court-appointed trustees, including a new president who came from the profitable Southern Railway. Still, the Penn Central trustees have not been able to get out of the red, for the reasons behind Penn Central's financial crisis are not to be solved by new management alone.

Among the other factors involved in the demise of the Northeast railroads:

Decline In Demand.—The growth of light manufacturing industries in the East and the development of the highway system have combined to reduce the originated tonnage in the Northeast. While U.S. rails now handle 40 percent of all intercity freight, amounting to 260 million tons in 1971, since 1957 "originated tonnage" has increased by only 1 percent nationwide, and in the Eastern U.S. tonnage has declined by 21 percent.

Excess Trackage.—Penn Central does 80 percent of its business on 11,000 of its 20,000 miles of track. The dense network of lines in the Northeast, a relic from the boom era of the railroads, is largely unnecessary today. In Pennsylvania, for example, the Penn Central has 500 miles of track tied up in 167 branch lines, most less than 10 miles long. The revenues from many of these lines do not even approximate their costs of service. Redundant main-lines, freight yards, switching facilities and other facilities also contribute to the failing economics of Northeast railroads.

Regulatory Restrictions.—ICC procedures governing abandonment of unprofitable lines have made it extremely difficult for the railroads to rid themselves of loss-generating excess trackage. In addition, over-regulation has made it hard for railroads to innovate and adapt to changing market conditions. In addition, freight rates within States controlled by State regulatory agencies regularly run behind rate levels authorized by the ICC for interstate shipments.

Poor Service.—Due to their financial straits, the bankrupt railroads have deferred necessary maintenance and long-overdue improvements in their phsyical plant. As a result, the tracks and roadbeds and rolling stock of the railroads are deteriorating and service is impeded as a result of "slow orders" caused by unsafe track. The Boston & Maine railroad, for example, needs 700 new freight cars and 20 new locomotives, but cannot obtain financing for these acquisitions at at affordable rates. Penn Central has stated it needs between $600 to $800 million over the next 3 or 4 years so as to upgrade its plant and improve srevice. Poor service has compounded the traffic loss problem.

Discriminatory Taxation.—"Tax gouging" of the Northeast railroads by State and local governments has also hurt. It has been estimated by Senator Pearson that disproportionately high State and local taxes have cost the railroads between $60 and $100 million in unjustifiable expenses. Under the bankruptcy law for railroads—section 77—the bankrupt lines can defer or suspend taxes. Penn Central has already deferred at least $143 million in taxes since June 30, 1970.

Productivity.—Shorter hauls and frequent terminal operations in the Northeast mean that, while the Union Pacific in the West gets 1.6 million net ton miles per employee and the Southern Railway gets 2 million, the Penn Central gets only 900,000 ton miles per employee. Productivity of employees of the Boston & Maine has also declined.

Excess labor.—Union work rules have impaired efficiency of railroads across the Nation. The United Transportation Union finally agreed last year, after 16 years of fighting, to phase out firemen on diesel-powered freight trains by normal attrition. Yet all freight trains outside a yard still carry a conductor and two brakemen, even when there is usually no work for the second brakeman. The "100-mile-a-day-rule" still applies nationally; if a train covers 200 miles in 1 day, the crew gets two days pay. Labor still consumes more than half of the railroad industry's expenditures, despite significant attrition in the number of rail employees, as those employees remaining have benefited from substantial increases in wages and fringe benefits. While excess labor must be trimmed as a part of a successful reorganization, it must be recognized that the right of rail employees to protection is a Federal responsibility.

Environmental restrictions.—Federal and State clean-air standards have caused marked declines in revenues from the shipment of high-sulfur—bituminous—coal. One bankrupt line, the Reading Railroad, has stated that if they could return to their 1967 levels of bituminous coal shipments the expected $27 million in additional revenues would be enough for them to finance reorganization without Government financial assistance. Penn Central has also suffered revenue loss because of declining shipments of high-sulfur coal, as lost traffic in bituminous coal and associated freight items relating to the steel industry have resulted in a revenue loss equivalent to $172 million, according to PC claims.

Federal "benign neglect".—While each year Federal and State governments spend about $21 billion on highway construction, railroads have traditionally received minimal Federal assistance. Federal aid has gone to three other forms of transport: air, maritime and highway. But until the Emergency Rail Services Act of 1970, virtually no Federal money went to aid rail development.

THE IMMEDIATE CRISIS

Cash-Flow.—It is virtually certain that the long-term solution to the Northeast rail crisis will not begin to take effect until October of 1974 at the very earliest, because of the period required for planning a restructured Northeast rail system. In the interim, it will be necessary to rectify the cash-flow problem of certain of the bankrupt railroads, particularly Penn Central. Otherwise, the line will not be able to meet its day-to-day expenses.

According to a Senate Commerce Committee report, the "cash position" of the Penn Central is "particularly distressing." In May of this year the Penn Central trustees notified the committee that by the end of August they projected a negative cash position of $9.9 million. By February of 1974, according to the PC trustees, a negative cash position of $27.2 million was anticipated. Since the estimates of May the situation has become bleaker. As of July 2, 1973, the negative cash position estimate for February 1974 had worsened to $34.8 million.

Virtually all parties in the railroad debate agree that some sort of emergency aid will be necessary to keep Penn Central operating through the next year. The Senate has already passed legislation, S. 2060, that would expand the Emergency Rail Service Act of 1970 to provide Federal guarantees for $210 million in emergency loans—up $85 million from the current ceiling of $125 million. The Administration has also indicated its approval of an $85 million interim assistance figure, and it is expected that the version of H.R. 9142 that results from the work of the Transportation and Aeronautics Subcommittee of the House Interstate and Foreign Commerce Committee will include $85 million in direct emergency assistance.

Erosion of the Estate.—Even if the cash-flow problems of Penn Central and the other bankrupt railroads are alleviated, this may not guarantee the continued operation of these lines. The Penn Central reorganization plan filed with the reorganization court and the Interstate Commerce Commission sets forth relief from erosion of the estate as a requirement for continued rail service.

To explain the problem of "erosion of the estate" it is necessary to digress somewhat to explain the unique bankruptcy statutes governing railroads. Recognizing that railroads operate at least in part as a vital public service, and thus that wholesale liquidation of railroad assets as part of bankruptcy proceedings could disrupt if not terminate this public service, in 1933 Congress enacted "Section 77" of the bankruptcy law so as to provide a special procedure to enable bankrupt railroads to continue to operate while in the process of reorganization.

Once a railroad or its creditors have filed a petition stating that it is insolvent or unable to meet its debts as they mature, and that it desires to effect a reorganization plan, the railroad is not put into receivership as in an ordinary bankruptcy. The railroad does not close down its operations, its assets are not immediately sold, and the creditors do not immediately receive reimbursement for the value of their assets. The railroad is allowed to keep running, while special trustees appointed by the bankruptcy judge operate the railroad during reorganization. Within 6 months of approval of the bankruptcy petition, the railroad is to file a reorganization plan with the Interstate Commerce Commission that will supposedly make it into a profitmaking company or companies.

After ICC consideration and possible modification of the plan, the ICC certifies the plan and presents it to the bankruptcy court. Under section 77, the bankruptcy judge has the authority to either accept the plan, remand the plan back to the ICC for revision, or dismiss the proceedings. During section 77 reorganization, the bankrupt railroad gets to streamline its operation while reorganization is considered.

For example, since declaring bankruptcy Penn Central has been able to defer paying about $250 million in loan obligations and taxes. It has trimmed its work force from 95,000 to 81,000. Efficiency has improved somewhat as well. But wage increases, costing $700 million according to Penn Central, and the effects of Hurricane Agnes—among other factors—have combined to nullify most of the improvements that have been achieved. Penn Central has claimed, with substantial evidence, that it will be unable to reorganize into a profitmaking entity without substantial Federal assistance, since it has been unable to obtain sufficient private financing.

The Penn Central creditors have a very vital stake in the fate of the reorganization proceedings. Under section 77, whenever the Penn Central—(or any of the other bankrupt railroads—gets enough money to start paying off its obligations, it must first pay off certain postbankruptcy expenses: Real estate taxes, postbankruptcy loans—in PC's case a $100 million loan guaranteed by the Government—lease payments for branch railroad lines that are part of the Penn Central system but belong to other companies, and other postbankruptcy "administrtaive costs." Even if the railroad is eventually liquidated, or deemed liquidated as part of a Government takeover, all of the above-noted payments would take precedence over reimbursement of the prebankruptcy creditors. So, the greater the postbankruptcy debts and obligations, the greater the postbankruptcy decay, the more "erosion" of the value of the prebankruptcy creditor's holdings. According to the March 6, 1973 order of Judge Fullam, "postreorganization deferrals and unpaid administrative claims have already eroded the debtor's estate to the extent of about $500 million."

Judge Fullam noted that—

> Constitution prohibits sacrificing the property rights of creditors to the public interest (keeping the railroads operating, regardless of erosion of the estate) without just compensation.

The judge warned:

> Under any view of the matter, it seems clear that the point of unconstitutionality is fast approaching, if it has not already arrived.

Judge Fullam implied that unless relief from further erosion of the estate is forthcoming, he may attempt to order the railroads into liquidation, and in fact, the Penn Central trustees have stated that in the absence of such relief they will attempt to cease all freight and passenger service beginning October 1, 1973, on a 10-week schedule. Judge Fullam buttressed this threat by stating:

> This Court cannot ignore the realities of the Debtor's situation. On the basis of the record to date, it appears highly doubtful that the Debtor could properly be permitted to operate on its present basis beyond October 1, 1973.

There is considerable legal uncertainty as to whether Judge Fullam has the authority, either under section 77 or on the grounds of the fifth amendment, to order a railroad into liquidation. The general concensus is that no such authority exists under section 77, as the precedents indicate that the intent of section 77 is to keep the bankrupt railroads whole and in continued operation. Ordering liquidation would appear to violate the intent of section 77.

The judge does under section 77 have the option of dismissing the bankruptcy proceeding, but this would apparently not have the effect of liquidation, as even with dismissal abandonments of service, as proposed by the Penn Central trustees, would require assent from the ICC according to the usual, time-consuming procedures.

Authority under the fifth amendment to order liquidation is subject to considerable controversy, as a piecemeal sale of railroad assets that would follow liquidation would violate past railroad bankruptcy precedents. Nonetheless, there is cause for genuine concern that failure on the part of Congress to indicate forthcoming relief and support to the bankrupt railroads could prompt Judge Fullam into action that would endanger continued operations of the six bankrupt Northeast railroads.

CONGRESSIONAL ACTION TO DATE

In December of 1970, Congress enacted the Emergency Rail Services Act of 1970—Public Law 91-663. At the time the Penn Central and three other railroads were bankrupt, and the Penn Central trustees stated that they could not raise enough funds for day-to-day operations without Government guarantees for the loans they sought. Penn Central warned that without rapid Government help it appeared unlikely that they would be able to continue operations after January 8, 1971. As a result, the Emergency Rail Services Act of 1970 authorizes Federal guarantees for loans in the maximum amount of $125 million.

Earlier in 1970, Congress acted to remove a major part of the responsibility for passenger operations from the railroads, which generally view passenger service as an uneconomical burden the cost of which should be wholly borne by the public sector. The Rail Passenger service Act of 1970—Public Law 91-518—established a National Rail Passenger Corporation—Amtrak—with Federal assistance to be provided for the operation of passenger trains and for the upgrading of passenger equipment. $40 million was authorized in direct grants for the initial capitalization of the National Rail Passenger Corporation, $100 million in Federal loan guarantees to the Corporation, and $200 million in Federal emergency loans to the railroads to enable them to participate in the program. Legislation to reauthorize and amend the Rail Passenger Service Act of 1970—S. 2016/H.R. 8351—has been passed by both Houses of Congress and is presently awaiting action of a conference committee.

During the 93d Congress the Senate Commerce Committee has reported out four pieces of legislation relating to the Northeast rail crisis, three of which have already been passed. With the exception of S. 1149—passed July 23—which is designed to improve the availability of rolling stock, each of these bills reflects a short-term approach to the Northeast rail crisis. By contrast, the Shoup legislation in the House—H.R. 9142—offers a more comprehensive effort at restructuring the Northeast railroads.

S. 1925, passed by the Senate on July 14, authorizes the Interstate Commerce Commission to continue rail service whenever the ICC determines that an interstate railroad is unable to do so. In the event of termination of service on the part of one of the bankrupt carriers, this bill would allow other carriers still operating to utilize the lines of the railroad that had terminated service.

S. 2060, passed by the Senate on July 27, is the principle Senate short-term relief effort. The bill would amend the Emergency Rail Services Act of 1970 by expanding the authorized ceiling for Government guaranteed loans to $210 million. The bill is designed to provide interim relief for 1 year—presumably until a more comprehensive plan could be developed. The bill would authorize the Secretary of Transportation to enter into service contracts with railroads for continuation of service, if service would otherwise be terminated, and would authorize the Secretary to acquire rail equipment, facilities and operating rights. Loan guarantees to the railroads to prevent further erosion of the estate could total no more than $125 million, while obligations issued by the Federal Government to pay for service contracts—in the event of a cash-flow crisis—could not exceed $85 million.

The Senate Commerce Committee's vehicle for a long-range solution, S. 2188, appears to have been shelved pending House action on rail legislation. S. 2188 would create a "Rail and Emergency Planning Office" within the ICC to which the railroad buck would be passed for a year. Within a year, the Office would report back to Congress a plan to restructure all railroads in the Northeast and the Midwest—regardless of whether they were bankrupt or solvent. A rail plan based on identified "needs" would be formulated for 17 States, while an implementation plan would be developed separately. Once the Office recommendations were submitted to Congress, the House and Senate would have 60 legislative days in which to prepare legislation based on the recommendations.

S. 2188 has been the subject of considerable criticism. The administration vigorously opposes the bill, noting that it "provides a study, not a solution." The bill is overbroad, extending far beyond the six bankrupt Northeast carriers. It provides no guarantee that a solution will be forthcoming, even after a year of study. The massive restructured system based on identification of "need" might require unreasonable and excessive Government action for implementation. As a result, the work of a year's study might be defeated—or at least deferred until the next Congress—by a Congress concerned with the elections that would follow close upon the submission of the plan by the Rail and Emergency Planning Office. It is altogether possible that this approach could result in a 2-year delay in final resolution of the Northeast rail crisis. In the interim, $210 million at a minimum would have been pumped into propping up the failing railroads with hardly the slightest assurance or hope that an end to massive Government financial assistance might be near an end. As Senators **Pearson**, **Beall**, and **Baker** noted in their dissenting views to S. 2188:

> At best, enactment of the bill will result in a prolonged and unnecessary delay in resolving the problems of the bankrupt railroads in the Northeast. A more likely result will be the piecemeal liquidation of some if not all of those railroads.

Senator **Pearson** has filed an amendment to S. 2188 that resembles the approach to the Northeast rail crisis embodied in H.R. 9142, the bill likely to get to the House floor.

FEDERAL ROLE: HOW MUCH?

It seems almost inevitable that the Federal Government will be involved in the rescue of the Northeast railroads. A major question is: How much? At one extreme is the proposal advanced by the Department of Transportation. This would rely almost exclusively on private capital for the rehabilitation of a streamlined Northeast rail system. This approach has been generally discounted, for there is no reason to believe that investors are going to be willing to put their money in a very risky enterprise, especially without any Government guarantees that their money would not go down the drain. The bankrupt railroads, such as the Boston & Maine and the Penn Central, have had great difficulty attracting capital without Government assurances. The return on railroad investments is traditionally low, averaging only 2.9 percent. This is hardly an inducement to the kind of speculative investment that would be required by the administration proposal.

At the other extreme is nationalization—a course rightly desired by few. The failure of railroad nationalization in Great Britain ought to be a lesson to the United States, as the nationalized British railways have been a perennial drain on that nation's treasury, with no end in sight. Testifying before the Surface Transportation Subcommittee of the Senate Commerce Committee, Paul Cherlington, president and chief executive officer of the Boston & Maine, and former Assistant Secretary of Transportation for Policy and International Affairs, said of nationalization:

> We would urge the committee to examine the probable cost of nationalization very closely. It would be a bonanza for the unions, without doubt, since most present jobs would probably become locked in. It would probably also be a partial bonanza for creditors: New York banks, large insurance companies and the like . . . But nationalization or quasi-nationalization would be a disaster for the U.S. taxpayer who would be called upon to give constantly increasing subsidy support to the system. This is the record of every State-owned railroad abroad. It is the record of virtually every public transit authority in this country, and it was the history of the U.S. Post Office Department . . . Almost any alternative solution is likely to prove less costly.

There is an alternative to nationalization, that is workable where the administration's proposed reliance on private capital is not. Such an approach would involve Federal guarantees for funds needed to finance the rehabilitation of the Northeast railroads, and limited amounts of direct Government financial assistance. Such an approach would satisfy the apparent need for Government help without breaking the Federal budget or getting the Government into the business of running the railroads—a sure invitation to disaster.

H.R. 9142

While the House Interstate and Foreign Commerce Committee has not yet completed its work on H.R. 9142, the basic structure of the bill seems clear.

The bill would create a Federal National Railway Association—FNRA—"Fannie Rae" which would be patterned after the Government-sponsored but private corporation for housing mortgages. The FNRA would be charged with the responsibility for system planning and for developing an implementation plan. Operations of the bankrupt railroads would be the responsibility of a for-profit private corporation, the Northeast Rail Corporation—NRC—which would also be established by the bill. The NRC would acquire bankrupt rail properties in exchange for NRC stock—and possibly bonds issued by the FNRA—and would rehabilitate and operate the railroads.

Under the provisions of H.R. 9142 a "core system"—the basic, hopefully self-sustaining or even profitable nucleus of the regenerated Northeast railroads—would be designated. The Department of Transportation would formulate the basic core proposal which would then be sent to the ICC where public hearings would be held. From the ICC the core plan would be sent to the executive committee of the FNRA, composed of the Secretary of Transportation, the Commissioner of the ICC, and the Chairman of the FNRA. The core determination would be included in the overall FNRA regional plan, which once completed would go to the ICC for another round of hearings. After ICC action, the regional plan—including the core system—would go back to the FNRA for approval by the full board. The final step would be to send the regional plan to Congress for approval. The final core determination—DOT through ICC—would take about 120 days, while the time frame for completion of the regional plan—through the FNRA full board—would be about 300 days, $30 million is authorized for the planning process.

Once the regional plan of the FNRA is approved, discontinuance of service not in the plan would be permitted 30 days after the effective date of the plan. Abandonment would be permitted after 6 months. Shippers, States, or localities could subsidize the continued operation of a line to be abandoned, on a 70/30 Federal/State-local matching basis; $50 million is authorized annually for this purpose.

For direct emergency assistance to the railroads, $85 million would be authorized. The major financing agent for the rehabilitation of the Northeast railroads would be the FNRA, which would be authorized to issue $2 billion in Government guaranteed bonds. The operating entity, the Northeast Rail Corporation, would be authorized to issue up to 100,000 shares of common stock, and the NRC common stock would be the basis of the purchase of railroad assets from creditors. If, however, the bankruptcy judge determines that the value of this stock was not sufficient to match the value of creditors' assets, it might be possible that FNRA bonds, which are Government-backed, could be used to make up the difference between the value of the common stock and the assessed value of creditors' assets.

Apart from possible use as part of the

bankruptcy settlement, the FNRA bonds have two other intended uses: Acquisition of railroads, and rehabilitation and improvement of railroad facilities. Money from the FNRA bonds can either be loaned or advanced to the NRC for these purposes. One problem might be that the $2 billion bond figure is not enough. Assuming that a fair share of the bonds will end up in the hands of the creditors, the $2 billion figure may not be sufficient to meet the necessary demands of improvement—at least $600 million—or acquisition.

The labor protection provisions of H.R. 9142 are not final at this time. Reductions in service, consolidation of railroads, and the need to increase both efficiency and productivity will probably mean the end of a substantial number of railroad jobs. Penn Central has already indicated that they would like to cut out at least 5,700 jobs, and with a massive restructuring more jobs could be on the line. The Penn Central trustees estimate that the labor costs of an 11,000 mile system—cut from the existing 20,000 miles—would be $774.1 million through 1976. The United Transportation Union is legitimately concerned that its members receive adequate protection. I hope that as H.R. 9142 emerges from committee that it will embody provisions recognizing the public responsibility for the protection of labor.

A NATIONAL CONCERN

The Northeast rail crisis is of major importance to every part of the country. The Northeast railroads should be given a chance to again become self-sustaining entities. I believe that an initial Government investment, as embodied in H.R. 9142, will be required if the railroads are to have a fighting chance to make it on their own. The railroads need funds to upgrade their plant; they need funds to prevent erosion of the creditors' estate; and they need funds to keep the lines in operation on a day-to-day basis. Other kinds of reform are necessary, so as to allow for a more efficient and economical rail system. Other difficult issues must be resolved—and each has its own self-interested constituency. But I believe that if every party to the railroad debate recognizes their mutual interest in a healthy Northeast rail system, and exhibits a willingness to compromise, a workable solution can be found short of nationalization. Such a balanced solution is, I believe, contained in the principles of H.R. 9142.

I hope that my colleagues will join me on October 1 to address the Northeast rail crisis.

EXECUTIVE REORGANIZATION AND MANAGEMENT ACT OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. OWENS) is recognized for 10 minutes.

Mr. OWENS. Mr. Speaker, the executive branch of the Federal Government is now the largest and most complicated enterprise in the world, with more than 1,400 domestic programs distributed among 150 separate departments, agencies, bureaus, and boards. Since World War II, the Federal budget has expanded enormously from $42 billion to over $250 billion. The population has grown from 141 million to more than 205 million citizens. During this period, the gross national product has mushroomed by 450 percent. Yet, despite these vast changes, there have not been equivalent changes in our management of the affairs of government. The growth both of the functions and size of the executive branch since World War II now challenges Congress to exercise its authority to oversee Government operations and to begin a major reexamination of the structure of the executive branch.

From 1937 to the present, eight separate commissions have been concerned with the examination of the executive branch. However, between the establishment of the Brownlow committee in 1937 and the termination of the Ash Council in 1971, only two of the eight have been public or independent commissions. Both the 1947 and the 1953 Commission on the Organization of the Executive Branch of the Government, commonly referred to as the first and second Hoover Commissions, were bipartisan in nature with legislative, executive, and public representatives. These successful mixed commissions were effective forums for securing workable compromises and for settling disputes in advance. They were able to blend theory and practice by taking general principles of organization and management and showing in detail how to transform them into legislation and administrative action. The diversified membership, decentralized research, and wide range of experience and judgment contributed by the members attracted the attention and the respect of the public.

An example of the success of the second Hoover Commission is the creation of the General Services Administration which has resulted in substantial savings and increased efficiency of Government operations. Although gradual gains have been made in many areas, there is still much duplication, overlapping of functions, and absence of effective coordination. This has resulted in needless interdepartmental conflicts, waste, and inconvenience for the private citizen. As an example, nine different Federal departments plus 20 independent agencies are now involved in educational matters. In major cities, there are at least 20 separate manpower programs funded by a variety of Federal offices. Government can be neither responsive nor accountable to its citizens if it is plagued with needless duplication.

Whether or not there will be dollar savings resulting from a reorganization of the Federal Government, a more effective government is valuable in itself. I am sure you have all experienced the frustration and disappointment of obtaining poorer results than expected on legislation. The ratio of solutions achieved to activity carried out is far lower than necessary. Laws, programs, and appropriations are not doing all that they can do or are meant to do. People have lost confidence in the Government. They feel that it is unmanageable, that it is riddled by confusion, delay, and a failure to achieve its goals. They might well quote John Adams who said that—

> While all other sciences have advanced, that of government is at a standstill—little better understood, little better practised now than three or four thousand years ago.

I do not think anyone can argue that service to the people is the main goal of Government. We must restore the respect and confidence of the citizens who are puzzled by the discrepancy between what we know and the quality of what we do. We need to make Government more responsive and more effective now, in so doing, regain its lost credibility. Without the means to act, great programs and the resources of our Nation can accomplish nothing. Only unrelenting effort to define problems, to manage their solutions, and to evaluate accomplishments can bring significant progress.

For these reasons, I am introducing today a bill to create a public-type commission to study the whole range of the operation of the executive branch. The Executive Reorganization and Management Act of 1973 establishes a commission to study the organization, operation, and management of the executive branch of the Government, and to recommend changes necessary or desirable in the interest of governmental efficiency and economy. The Commission will be composed of eight members; four appointed by the President, and two each from the membership of the Senate and the House. Those members of the Commission chosen from private life and from Congress will represent equally the majority and minority parties. The duties of the Commission are multiple. It will analyze the current organization, coordination, and management of the executive branch and recommend appropriate actions to improve the operation of the Government. At the same time, it will seek means of improving the coordination and cooperation among Federal agencies to obtain the maximum degree of consistency in governmental actions. In examining Federal programs, the Commission will establish priorities, consider consolidation and redirection of these programs and even decide to eliminate those which are unnecessary. The work of the Commission will be completed within 2 years after its appointment, during which time it will report to Congress. This bill is similar to one introduced into the Senate in 1968 by Senator ABRAHAM RIBICOFF of Connecticut and Senator JAMES PEARSON of Kansas, which passed the Senate but died in the House.

The task of administrative improvement can never be regarded as permanently accomplished in a government the size of ours. Functions change. Services are expanded, decreased, or altered. Agencies, bureaus, and and even new departments are created. In a dynamic society, there can be no rigid pattern of governmental organization. A permanent core of organization is needed to give direction and continuity to the governmental process, but there must be flexibility. The Commission proposed in this bill will provide the flexibility necessary to enable our Government to adapt to new circumstances and new challenges.

A copy of the bill is here reprinted for Members' information.

S. 3640

A bill to establish a commission to study the organization, operation, and management of the executive branch of the Government, and to recommend changes necessary or desirable in the interest of governmental efficiency and economy

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Executive Reorganization and Management Act of 1973".

FINDINGS OF FACT AND DECLARATION OF POLICY

SEC. 2. (a) The Congress declares that it is the responsibility of the President in conformance with policy set forth by Congress, to administer the executive branch effectively and economically, and that it is the joint responsibility of the President and the Congress to provide an executive organization structure which will permit the efficient and economical discharge of the duties imposed upon the President by the Constitution.

(b) The Congress finds that there are more than one hundred and fifty departments, agencies, boards, commissions, bureaus, and other organizations in the executive branch engaged in performing the functions of government; that such a proliferation of governmental units tends to produce a lack of coordination between them and overlapping, conflict, and duplication of effort among them; that the Congress and the President do not have adequate information and techniques to determine the best means of improving the conduct of the public business in so many governmental establishments.

(c) The Congress further finds and declares that in order to promote the efficient management and improved coordination essential to the economical administration of governmental services and to assure that program expenditures and performance are consistent with the policies established by the Congress, a commission to review the organization, operation, and management of the executive branch should be established.

COMMISSION ESTABLISHED

SEC. 3. (a) For the purpose of carrying out the policy set forth in section 2 of this Act, there is hereby established a commission to be known as the Commission on the Reorganization and Management of the Executive Branch (referred to hereinafter as the "Commission"). The Commission shall be composed of eight members; four appointed by the President of the United States, two from the executive branch of the Government and two from private life; two appointed by the President of the Senate from the membership of the Senate; two appointed by the Speaker of the House of Representatives from the membership of the House. The Commission shall elect a Chairman and a Vice Chairman from among its members.

(b) Five members of the Commission shall constitute a quorum. A vacancy in the membership of the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(c) Members of the Commission appointed from private life shall represent equally the majority and minority parties; with respect to members of the Commission appointed from the House of Representatives and the Senate, there shall be a Representative and a Senator from the majority party and one each from the minority party.

(d) Members of the Commission appointed from private life shall receive compensation at the rate of $100 per diem when engaged in the actual performance of duties of the Commission. Members of the Commission who are Members of Congress or officers of the executive branch of the Government shall serve without compensation in addition to that received for their services as Members of Congress or officers of the executive branch. All members of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses actually incurred by them in the performance of the duties of the Commission.

(e) For the purposes of chapter 11, title 18, United States Code, a member of the Commission appointed from private life shall be deemed to be a special Government employee.

(f) Members of the Commission appointed pursuant to this section may continue to serve during the existence of the Commission. Any member of the Commission appointed pursuant to section 3(a) of this Act who, at the time of his appointment is serving as a Member of Congress, may continue to serve as a member of the Commission without regard to whether he continues to hold office as a Member of Congress.

DUTIES OF THE COMMISSION

SEC. 4. (a) It shall be the function of the Commission to—

(1) Analyze and assess the current organization, coordination, and management of the executive branch and recommend appropriate actions, modifications, innovations, and reorganizations to achieve the purposes of this Act;

(2) Consider, evaluate, and make recommendations regarding criteria, systems, and procedures for improved coordination and cooperation among Federal agencies to insure the maximum degree of consistency in governmental actions;

(3) Appraise the current status of administrative management in the executive branch and its individual departments, agencies, bureaus, boards, commissions, independent establishments, and other organizations with a view to proposing reforms and new procedures, techniques, and facilities which will improve the conduct of Government service; and

(4) Consider, evaluate, and make recommendations regarding criteria, systems, and procedures for the: (a) establishment of priorities among Federal programs; (b) consolidation and redirection of those programs; and (c) reduction or elimination of those which are of marginal utility or which are unnecessary.

(b) The Commission shall submit an interim report to the Congress one year after the date of its appointment and at such other times as the Commission may feel necessary or desirable and shall complete its study and investigation no later than two years after the date of its appointment. Within sixty days after the completion of such study and investigation the Commission shall transmit to the Congress a report of its findings and recommendations. Upon the transmission of such report, the Commission shall cease to exist.

POWERS OF THE COMMISSION

SEC. 5. (a) The Commission shall have power to appoint and fix the compensation of the Executive Director and other personnel as it deems advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) The Commission may procure temporary and intermittent services of experts and consultants to the same extent as is authorized for the departments by section 3109 of title 5, United States Code, but at rates not to exceed $75 per diem for individuals.

(c) To carry out the provisions of this Act, the Commission, or any duly authorized subcommittee or member thereof, may hold such hearings; act at such times and places; administer such oaths; and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued under the signature of the Chairman of the Commission, the chairman of any such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman, or member. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (U.S.C., title 2, secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

(d) To enter into contracts or other agreements with Federal agencies, private firms, institutions, and individuals for the conduct of research or surveys.

(e) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestion, estimates, and statistics for the purpose of this Act; and each such department, bureau, agency, board, commission, office, independent establishment, or instrumentality is authorized and directed to furnish on a nonreimbursable basis such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

APPROPRIATIONS

SEC. 6. There are hereby authorized to be appropriated to the Commission such sums as may be required to carry out the provisions of this Act.

PLUG LOOPHOLE AND AVOID WINDFALLS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 10 minutes.

Mr. PODELL. Mr. Speaker, it was recently revealed that the taxpayers of this country have spent over $10 million for improvements to the President's privately owned residences at San Clemente and Key Biscayne. The values of these properties have been tremendously enhanced by these improvements.

A report by the General Services Administration showed that the bulk of this $10 million was spent on security measures, as provided by law. However, some funds apparently were used for items bearing little or no relation to security. These include extensive landscaping, a new electric heating system at Casa Pacifica, and a flagpole for which the taxpayers shelled out an incredible $2,329.

As is so often the case, the basic problem here is statutory. Section 3056 of title 18, United States Code, authorizes the Secret Service to protect the President and Vice President and their families, but does not place any restrictions on the scope of expenditures which may be made in the exercise of this protective function.

Clearly, the Secret Service must not be impeded in its diligent protection of the Chief Executive. At the same time, however, there must be some control over nonsecurity improvements, which enhance the property's value for the economic benefit of its owner—and at the taxpayers' expense. This unjust enrichment must not be allowed to continue.

In an attempt to find a satisfactory solution to this problem, I have introduced a bill, H.R. 10457, which provides that the value of nonsecurity improvements made at Government expense shall be recoverable by the United States as a lien against the property. This interest would be enforceable in much the same manner as a mechanic's lien. This legislation would prevent a situation in which a President could be encouraged to abuse the privileges of his office by trying to achieve a windfall at the expense of the public. Moreover, by placing no restrictions on expenditures reasonably related to protective functions, the bill assures that essential security will not be compromised.

I am hopeful that the Judiciary Committee will schedule early hearings on this legislation. The text of the bill is as follows:

H.R. 10457

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the value added to the private real estate of any person who is protected by the Secret Service under section 3056 of title 18 of the United States Code, by reason of any improvement made at the expense of the United States, other than an improvement reasonably related to the security or protection of such person, shall be recoverable by the United States and constitutes a lien against the real estate so improved.

PLIGHT OF ELDERLY

(Mr. PRICE of illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, our Nation's senior citizens have been hardest hit by the inflationary spiral of phase IV economic policies. The overall cost of living has risen at a rate of 8 percent. Food prices have risen at a rate of more than 20 percent a year. The increased inflation reflected in higher prices poses a serious problem to senior citizens living on fixed incomes.

It is a startling realization to find that half of our Nation's aged widows are impoverished. Over 5 million elderly Americans are forced to live in poverty. It has been years since the low-income elderly could afford to buy meat. When enough money was available, poultry, fish, eggs, and other meat substitutes were eaten but now even these items are out of their reach. The ever-rising food costs now erode 26 percent of our senior citizen's disposable income.

Low cost housing opportunities also present serious problems for the elderly. Thirty-five percent of the senior citizens' income is taken by uncontrolled rental costs. The administration's 18-month moratorium on federally assisted housing programs has further prolonged the day the elderly can expect to live in adequate housing. A Federal housing report cites that 6 million elderly live in substandard, inadequate housing. It is obviously no time for a housing moratorium.

Health care is another costly item to the senior citizen. Medicare does not pay for dentistry, eye care, hearing care, or out-of-the hospital prescription drugs. Considering that 20 percent of our senior citizens require some form of continuing medication this is a serious cost consideration. Instead of finding ways to expand the medicare program, the administration has proposed adding an additional $1 billion a year in costs to an already overburdened beneficiary.

Phase IV has not bettered the condition of the senior citizen. The costs of food, rent, and medical care have all spiraled in an inflationary economy. It is my duty as a Congressman to call the disparaging inequities of the phase IV economic policy to the attention of my colleagues. I now urge that we work together toward more equitable policies for all our people.

A SALUTE TO THE BULL ELEPHANTS

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, this year one of Capitol Hill's most active and viable organizations, the Bull Elephants, celebrates its 20th anniversary. This date should not be allowed to pass without a kudo for a group of hard-working men who have contributed much to the esprit de corps of Republicans over the years.

Founded in 1953, the Bulls only enjoyed a brief hitch as being the representative staff organization for the majority. During the lean out-of-office years of the 1960's the Bulls had to rely on many qualified but out-of-office GOP spokesmen to make their luncheon meetings a continued success. Future Presidents and Vice Presidents met with the Bulls in those days as did minority leaders from the Senate and House.

In perhaps his last major public appearance before entering the hospital at his final illness, the late, beloved President Eisenhower spoke to an overflow Bull luncheon crowd. The Vice President of the United States recently continued this tradition of outstanding Republican speakers that have made Bull luncheons a real event over the years.

The Bulls were founded to promote a continuity of information, cooperation, and fellowship among male members of Republican House staffs. Active Bulls also include committee minority employees and GOP leadership appointees and employees. Among the categories of associate Bulls that contribute to the success of this dynamic organization are former Bulls, Republican National and Congressional Committee employees, Senate GOP employees, Republicans in the executive branch, and other Republicans.

The Bulls are governed by an eight-man steering committee following the geographical representation lines established by the Republican policy committee at the start of each Congress. The 93d Congress steering committee members are as follows: Region I—Monty Winkler, TEAGUE, California; region II—Jack Odgaard, MARTIN, Nebraska; region III—Denny Dennis, THOMSON, Wisconsin; region IV—Al Cook, SPENCE, South Carolina; region V—Belden Bell, ZION, Indiana; region VI—Jack Foulk, WYLIE, Ohio; region VII—Tony Raymond, Post Office and Civil Service, minority; and Sherry Boehlert, MITCHELL, New York. Belden Bell serves as chairman of the organization for this Congress while Ken Black, GOLDWATER, JR., California; holds the post of program chairman and Bob Walker, ESHLEMAN, Pennsylvania; again serves as the treasurer.

It gives me great pleasure to salute this growing and dynamic group as they enter their third decade of service to their party. The Bulls have long been a dedicated symbol of assistance to the Republican leadership of both this House and the executive branch of Government.

CONSIDERATION OF H.R. 8619

(Mr. DINGELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DINGELL. Mr. Speaker, I take this opportunity to commend the House conferees, and in particular my able and distinguished friend and colleague the gentleman from Mississippi (Mr. WHITTEN) for bringing to the House the conference report (H. Rept. 93-520; September 20, 1972) we consider today on H.R. 8619.

I particularly want to express my appreciation to all of the conferees for their agreement to appropriate over $97 million for the special milk program. The Nation's educators, parents, and, most importantly, schoolchildren, would indeed stand and applaud your efforts "to make certain that milk is made available to all schoolchildren." It is too bad that the administration, which sought to cut back the program by over $72 million, apparently does not have as great a concern for these children as the House and Senate conferees.

I also commend the conferees for including in this bill $10 million to continue the Water Bank Act program which the Nixon administration attempted to unlawfully terminate last December. This sum, coupled with the over $11 million of unobligated, but impounded, balances which are still available, will provide a total program of over $21 million to protect and preserve valuable wetlands in fiscal year 1974.

I also take this opportunity to note that no moneys are included in the conference reported bill to fund the National Industrial Pollution Control Council. The House will recall that last June this item was stricken from the House bill when I raised a point of order against it. The Senate also agreed not to include funds for this Council. It is my hope that the administration will not seek to revitalize this industry-dominated Council whose governmental-public purpose is of dubious value.

On page 18 of the conference report, the managers note agreement "that of the $715,000 provided in both the House and Senate versions of the bill for research studies, not less than $400,000 shall be utilized for carrying out the research studies specified by House Report" 93-275 of June 12, 1973 (p. 49). That report stated that because the Council on Environmental Quality was unable to say "how they planned to use" the $715,000, the committee "directs" the CEQ "to perform" five very broad studies. During the floor debate on the bill (H.R. 8619) on June 15, 1973, I said that "several" of these studies "would seem to be largely outside" of the CEQ's expertise and "more properly the responsibility of other agencies." (See CONGRESSIONAL RECORD—daily issue—June 15, 1973, p. 19829.)

The Senate Appropriations Committee was as skeptical as I was about these studies, as indicated by the committee's report on the bill (S. Rept. 93–253; June 26, 1973). The report states (pp. 41–42):

> The Committee is concerned with language in the House report directing the CEQ to undertake certain and specified studies for its fiscal year 1974 program. While each of these studies is certainly meritorious and should be given consideration by the agency, they are quite comprehensive in nature. To pursue all of them simultaneously might well require all of the research resources of the agency and might preclude any other studies that might be considered either at the direction of the President or at the initiative of the agency.
>
> Also, with these studies to be undertaken by CEQ, there appears to be some real possibility of duplication of effort and resources, particularly with reference to activities of the Environmental Protection Agency.
>
> Therefore, this Committee recommends that both Appropriations Committees of the House and Senate reach an accommodation with the Council on Environmental Quality as to how the studies recommended by the House Committee report can be accomplished, yet retaining the needed flexibility for the CEQ to fully utilize its $715,000 contract funds on the policy studies it deems necessary.

In discussion with the CEQ, I find that no "accommodation" was reached. Indeed, the CEQ did not indicate or recommend that "$400,000," or any sum, be earmarked for these five studies.

As chairman of the subcommittee which has legislative oversight as to CEQ, I want to make it clear, and I have so informed the CEQ, that before any of these five studies are undertaken, the CEQ must provide to our subcommittee the details of each study, including the estimated costs and scope. Moreover, I am going to insist that the studies are balanced, and do not reflect simply a one-sided approach. Furthermore, I expect the CEQ to inform our subcommittee at an early stage whether the earmarking of $400,000 for these studies will impair other studies that the CEQ planned to initiate or continue in fiscal year 1974 with the $715,000.

Mr. Speaker, I want now to turn to what I consider one of the most important provisions of the bill from an environmental standpoint, namely, the appropriation of $5 million to EPA to prepare environmental impact statements.

The House will recall that on June 15, 1973, when we considered H.R. 8619—as reported by the House Appropriations Committee—in the Committee of the Whole House, I, along with my distinguished colleague from Illinois (Mr. YATES) raised a point of order against language in the bill concerning this appropriation, I noted that the language was contrary to the rules of the House. However, the Chair was not required to rule on the matter, because the distinguished gentleman (Mr. WHITTEN) offered a substitute provision which I agreed to. At the same time, I agreed to withdraw the point of order. The agreed-to version of the bill as it passed the House last June is as follows:

> For an amount to provide for the preparation of environmental impact statements as required by Section 102(2)(C) of the National Environmental Policy Act on all proposed actions by the Environmental Protection Agency, except where prohibited by law, $5,000,000.

The Senate Committee on Appropriations deleted this language and inserted the following substitute provision which was accepted by the full Senate:

> For an amount to be provided for the preparation of environmental explanations on all proposed actions by the Environmental Protection Agency, $5,000,000.

In making this change, the Senate Committee said (S. Rept. 93–253, p. 45):

> The Committee also recommends modification of the language contained in the House bill which would require the Agency to prepare Environmental Impact statements pursuant to Section 102(2)(c) of the National Environmental Policy Act.
>
> *"The Agency has advised the Committee that regulations are now being promulgated which would require much of the information proposed to be obtained by the House action. The Committee recommends language which would require the agency to prepare and submit reports and statements pertaining to the environmental impact of its activities but would not require the formal requirements and standards of National Environmental Policy Act.* (Italic supplied.)

The "regulations" referred to by the Senate Committee were adopted by EPA, on June 14, 1973 (38 F.R. 15653). However, they were adopted without benefit of public comment thereon as required by the rulemaking provisions of the Administrative Procedure Act (5 U.S.C. 553).

It is interesting and quite revealing to note that, in adopting these "regulations", EPA did not tell the public that, in effect, these "explanations" were in lieu of the "formal requirements and standards of [the] National Environmental Policy Act" of 1969. Indeed, EPA merely said that its "new procedures are responsive to the growing demand by the judiciary and the public that Government agencies provide full and public explanations of their actions" beginning December 31, 1973.

When EPA adopted these regulations I thought that EPA deserved great credit for recognizing this "demand" and adopting such procedures. But at the time, I noted that many EPA "actions" will have been completed long before December 31, 1973, and I was concerned about EPA's motives vis-a-vis NEPA's requirements. After reading the June 1973 report of the Senate Committee, I realized that EPA's true motives were to try to circumvent NEPA's requirements and, hopefully, to gain congressional endorsement for this approach through this appropriation bill.

Fortunately, the House-Senate conferees did not buy the EPA story. Instead, the conferees retained the House language which Congressman WHITTEN and myself worked out last June on this floor. The conference report states (p. 18):

> Amendment No. 50: The House bill provided that the Environmental Protection Agency prepare environmental impact statements as required by the National Environmental Policy Act, the same as all other agencies of the Federal Government. The Senate bill provided that the Agency prepare "environmental explanations" rather than environmental impact statements. The conferees agree that the Agency shall be required to prepare environmental impact statements on all major actions of the Agency having a significant impact on the environment.

Mr. Speaker, it is my hope that this language will put the issue to rest for all time.

First. History of the Issue—EPA and CEQ have contended for some time that the legislative history of NEPA supported the view that EPA was not required by NEPA to prepare environmental impact statements in regard to its actions. Indeed, section 5(d) of the CEQ guidelines of April 23, 1971 (36 F.R. 7724) concerning implementation of section 102(2)(C) of NEPA, states:

> (d) Because of the Act's legislative history, environmental protective regulatory activities concurred in or taken by the Environmental Protection Agency are not deemed actions which require the preparation of environmental statements under section 102(2)(C) of the Act.

The so-called legislative history is of dubious value, as noted by the United States Court of Appeals for the District of Columbia Circuit, in *Portland Cement* v. *Ruckelshaus*, 5 ERC 1595, June 29, 1973. The court noted that there "is no express exemption in the language of the act or the committee reports" on the act. The only document that gave any credence to this contention of the CEQ is one entitled "Major Changes in S. 1075 as passed by the Senate," which was put into the CONGRESSIONAL RECORD by Senator JACKSON (CONGRESSIONAL RECORD, vol. 115, pt. 30, p. 40417). On the Senate floor Senator MUSKIE commented on this document and concluded that environmental agencies "will continue to operate under their legislative mandates . . . and that those legislative mandates are not changed in any way by section 102–5" of NEPA.

The Court of Appeals commented on the remarks of these two distinguished Senators as follows:

> Manifestly, the statements of these two Senators, who were among the most active in securing the passage of NEPA, are entitled to weight in ascertaining legislative intent
>
> However, their understanding was not formalized by any statement in the Conference Report or in the section-by-section analysis of the bill as reported by the Conference Committee. Senator Allott, ranking minority member of the Interior Committee, also a supporter of NEPA, stated:
>
> ". . . while the explanatory statements relative to the interpretation of the conference report language, as provided by the chairman, are useful, they have not been reviewed, agreed upon, and signed by the other Senate conferees. Only the conference report itself was signed by all the Senate

> conferees, and therefore, only it was agreed upon and is binding."

Thus, the court cast considerable doubt on the validity of this legislative history.

It should be noted that nowhere in the "Major Changes" document is there a reference to the term "environmental protective regulatory activities" which was adopted by the CEQ in its 1971 guidelines. Indeed, when I floor managed NEPA in this House and made remarks similar to those of Senator JACKSON, I never heard of or used that term. My comments are as follows:

> Mr. FALLON. What would be the effect of this legislation on the Federal Water Pollution Control Agency?
>
> Mr. DINGELL. Many existing agencies such as the Federal Water Pollution Control Agency have important responsibilities in the area of environmental control. The provisions of sections 102 and 103 are not designed to result in any changes in the manner in which they carry out their environmental protection authority. This provision is primarily designed to assure consideration of environmental matters by agencies in their planning and decision-making—by most especially those agencies who now have little or no legislative authority to take environmental considerations into account.

Thus, I envisioned then, and today, that EPA, the Bureau of Sports Fisheries and Wildlife, the Forest Service, and other "environmental" agencies would be subject to NEPA.

More recently, the CEQ promulgated revised NEPA guidelines for impact statements which will be effective next January (38 F.R. 20550; Aug. 1, 1973). These guidelines no longer include the exemption language of section 5(d) of the 1971 guidelines. I note that EPA, in its June 22, 1973 letter commenting on CEQ's proposed guidelines which did not include section 5(d), recommended that section 5(d) be included in the final version of the guidelines. The CEQ did not accept EPA's recommendation. In making this recommendation, EPA's Director of the Office of Federal Activities, Sheldon Meyers, made the following self-serving statement:

> The omission, as I understand it, is not intended to indicate that CEQ has taken the position that EPA should be required to prepare impact statements for its environmentally protective regulatory activities, but rather it constitutes a recognition that the question is presently under litigation and will be settled by the courts.

The Court of Appeals noted, in Portland Cement against Ruckelshaus, supra (footnote 31) that the CEQ had "retracted" section 5(d), and then commented on CEQ's 1971 interpretation of the legislative history as follows:

> The CEQ view was based on its reading of the legislative history of NEPA, which we find highly ambiguous, and cannot therefore assign this administrative determination controlling weight. At least part of the deference assigned to administrative construction of a statute, concerns the passage of time under which the agency view has become an accepted interpretation and in which the Congress has not acted to nullify the agency practice. Deference may also be accorded in administrative interpretation to avoid dislocation where agencies have shaped their actions in accordance with the interpretation, and the court concludes that the interpretation is not inconsistent with discernible legislative intention. Here, however, the issue of meaning turns on statutory wording and legislative history, available in extenso to the court, and not affected by any considerations of special technical expertise of CEQ, which might lead to extra deference.

Second. Judicial Decisions on the Issue—The Court of Appeals in the Portland Cement case concluded that section 111 of the Clean Air Act "requires the functional equivalent of a NEPA impact statement" and thus "in this case, as in *International Harvester* v. *Ruckelshaus*, slip opinion No. 72–1517 (4 ERC 2041) (D.C. Cir. February 10, 1973), at 62n.130, we refrain from a determination of any broader claim of NEPA exemption." In reaching this conclusion, the Court of Appeals noted—see footnote 41—that: "To date, only a few cases have dealt with the application of NEPA to EPA." But the Court noted, in footnote 41, that the courts have not ruled on the matter squarely, except in *Kalur* v. *Resor*, 335 F. Supp. 1, which, as the court notes, "was subsequently dismissed as moot on appeal to this court and is of no precedential value" on the issue of whether EPA must comply with section 102(2)(C) of the NEPA.

Third. Congressional Action on the Issue—The Federal Water Pollution Control Act (Public Law 92–500) was enacted on October 18, 1972, over President Nixon's veto. It contains a new section 511(c) which specifies that NEPA impact statements would be required in the case of EPA financed waste treatment works and permits for the discharge of any pollutant by a new source. Other actions taken by EPA under Public Law 92–500 would no longer be deemed a major Federal action within the meaning of NEPA. Thus, Congress decided to exempt EPA from the impact statement requirements of NEPA in the case of some, but not all, of its functions. Other provisions of NEPA still apply to EPA.

Fourth. The Views of the General Accounting Office on the Issue—Last March I asked the Comptroller General for his opinion on the extent to which the National Environmental Policy Act requires the Environmental Protection Agency to prepare and file environmental impact statements. My request was prompted by a series of exchanges with representatives of EPA, in which they have consistently refused to comply with the Act. The question which was asked of GAO was, in effect, "Does the term 'all agencies of the Federal Government' in section 102 of NEPA include EPA?" Not surprisingly, the conclusion of the Comptroller General, in his opinion of June 6, 1973 (B–170186), was that it did. After discussing much of the matters I have just mentioned, the Comptroller General said (pp. 12–13):

> When interpreting a statute, primary attention must be given to the plain words thereof. Section 102(2)(C) of NEPA requires, with respect to major Federal actions significantly affecting the quality of the human environment, that "all agencies of the Federal Government" shall prepare environmental impact statements. *EPA is, of course, a Federal agency and absent strong indications in the legislative history to the contrary, it would appear that EPA would be subject to NEPA's requirements.*
>
> It is well settled that pre-enactment legislative history represents the best evidence of the intent of the Congress in enacting a particular piece of legislation and, as noted above, the only pre-enactment legislative history dealing with the relationship of NEPA to EPA is contained in the Senate floor debate on the NEPA conference report. It appears to us that the thrust of this debate was to the effect that the change in the use of the modifying phrase "to the fullest extent possible" made by the conference committee in the Senate's version of the bill would not weaken the mandate of those agencies, such as the Federal Water Pollution Control Administration, having authority in the environmental improvement field. *In other words, the apparent intent of the discussion was to make it clear that the so-called environmental control agencies would not use the subject phrase as an excuse to exercise their environmental protection mandates with less diligence than before NEPA's enactment.*
>
> *Thus, it appears to us that there is nothing in NEPA's legislative history which would require countermanding the conclusion derived from the plain words of the Act that all Federal agencies, including EPA, are required, in the appropriate circumstances, to file environmental impact statements.*
>
> Nor do the provisions of section 511(c) of Public Law 92–500, or its legislative history (especially the conference committee report), require a different conclusion. Rather, it appears that that section was intended both to make it clear that Federal agencies could not use their NEPA responsibilities to interfere with, or dilute, the water quality standards set forth in and under the 1972 FWPCA Amendments and other water quality control acts and to provide a limited exemption to NEPA's environmental impact statement requirements. In this regard we agree with Judge Wright's statement in *Calvert Cliffs* supra., quoted above, *that had the Congress intended for EPA to be exempt from coverage under either section 102(2)(C) or from all of NEPA's provisions*, it could, and would, have made this clear in the law.
>
> Similarly, if the Congress had intended that either the WQIA or the 1972 Amendments to FWPCA exempt EPA from all of NEPA's provisions (or even just from section 102(2)(C) in other than water quality matters), it could have specifically so provided. Instead, since section 511(c)(1) of the FWPCA Amendments provides that no action of the Administrator—other than those specifically mentioned—taken pursuant to the Amendments is to be deemed "a major Federal action significantly affecting the quality of the human environment," within the meaning of NEPA, and since that phrase is applicable in NEPA only with respect to section 102(2)(C) thereof, the remainder of NEPA's provisions would, in our opinion, apply to EPA's activities, including its activities under the FWPCA Amendments.
>
> In conclusion, while the matter—due to the legislative debate on the subject as well as some court cases which, since they do not deal directly with the issue here involved, are not discussed herein—is not entirely free from doubt, *we feel that the plain words of the applicable statute require the conclusion that the EPA is subject to the provisions of section 102(2)(C) of NEPA, except with respect to the exemption thereto established in section 511(c)(1) of Public Law 92–500.* However, as noted above, this complicated issue is currently the subject of litigation and the final determination of EPA's responsibilities under NEPA is in the hands of the judiciary. (Italic Supplied)

Mr. Speaker, the action we take today in adopting the conference report on H.R. 8619, with the language agreed to last June by Mr. WHITTEN and myself on this floor, is wholly consistent with the Comptroller General's opinion. It is entirely consistent with the specific impact statement exemption established by Congress in section 511(c) of Public Law 92–500. And it is in accord with the narrow exemptions established by the courts in Portland Cement against Ruckelshaus, supra, and in other cases.

I might add, however, that no court has held, nor has Congress established, that EPA is "prohibited by law" from preparing impact statements pursuant to NEPA. The exemption from filing impact statements which Congress gave EPA in Public Law 92–500 relates only to some types of actions and certainly does not exempt EPA from preparing and filing impact statements as to other types of actions.

The Portland Cement case nicely sums up the practical arguments for and against application of NEPA impact statement requirements as follows:

> The policy thrust toward exemption of the environmental agency is discernible from these factors, taken in combination: (1) An exemption from NEPA is supportable on the basis that this best serves the objective of protecting the environment which is the purpose of NEPA. (2) This comes about because NEPA operates, in protection of the environment, by a broadly applicable measure that only provides a first step. The goal of protecting the environment requires more than NEPA provides, i.e. specific assignment of duties to protection agencies, in certain areas identified by Congress as requiring extra protection. (3) The need in those areas for unusually expeditious decision would be thwarted by a NEPA impact statement requirement. (4) An impact statement requirement presents the danger that opponents of environmental protection would use the issue of compliance with any impact statement requirement as a tactic of litigation and delay.
>
> The policies against a NEPA exemption embrace the endemic question of "Who shall police the police?" As Senator Jackson stated, "It cannot be assumed that EPA will always be the good guy." Concern was also voiced by petitioners in this case that EPA might wear blinders when promulgating standards protecting one resource as to effects on other resources, as is asserted in this case, that air standards may increase water pollution. Finally, it is argued that a NEPA statement's procedures, though burdensome, allow for needed input by other Federal agencies and simultaneously open up the decision-making process to scrutiny by the public. (Footnotes omitted.)

Of these contentions set forth against applying NEPA's impact requirements to EPA, I find only one that is even partly persuasive, namely, those situations where Congress has established a need "for unusually expeditious decision." But even this contention is full of holes.

EPA has often failed to meet even statutory deadlines by a wide margin. For example, sec. 508(c) required issuance of an order which EPA was to prepare for the President's issuance last April, but none was issued until September 10, 1973, nearly 6 months late. Furthermore, it is rare that EPA must meet deadlines so short as to preclude preparation of an adequate impact statement in accordance with the CEQ guideline provision. Indeed, those guidelines allow abbreviated public review time where necessary and justified.

I want to take just a few moments to comment on some additional comments in the conference report concerning impact statements. The report states (p. 18):

> Because of the need to maintain a common sense approach to our efforts to improve and restore our environment, all points of view need to be heard and taken into consideration. Therefore, the conferees expect the Administrator of the Environmental Protection Agency and the Chairman of the Council on Environmental Quality to work with the Secretary of Commerce so that the advice and recommendations of private industry, so essential to the economy and well-being of the people, will be given full consideration in the formulation of environmental policy.

I fully concur in the conferees' recommendation that all points of view not only must be heard and but also considered in trying to improve and restore our environment. But I fear that the conferees have over-emphasized the need for EPA and CEQ "to work with the Secretary of Commerce so that the advice and recommendations of private industry" will be considered. I think it is of equal importance that EPA and CEQ "work" with other Federal agencies and, most importantly, with the public at large, so that the views of the entire public—not just those of private industry or environmentalists—are heard and considered.

The conference report also states (pp. 18–19):

> It is the opinion of the conferees that had the Agency prepared environmental impact statements and given consideration to such things as cost to consumers and producers our present and foreseeable energy problems would likely not be as serious as they now appear to be.

I have long urged that environmental impact statements be prepared by EPA. However, I do not think a supportable case can be made that if EPA had prepared these impact statements and considered other matters that "our present and foreseeable energy problems would likely not be as serious as they now appear to be." Our energy problems are the result of the failure of the administration to foresee many months ago that we would have shortages of fuels and other energy resources, as well as the failure of the minerals industries and the utilities to take appropriate actions long ago to avert energy problems. No impact statement could have prevented such disastrous policies and practices.

TWO QUESTIONS OF OUR CONSTITUENTS

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, two questions our constituents are asking us in Congress more and more lately are "how did this massive escalation of food prices happen and what are we going to do about it?" These questions are difficult ones, but consumers as well as producers and retailers deserve an answer from us.

First, we have to accept the fact that Congress is limited in its ability to act on its own to deal with the food price problem. We can only legislate general policy; we must depend on the executive branch headed by the President to administer that policy and deal with the constant fluctuation in economic conditions in the food industry. Given this reality, we can address ourselves to the first question: how did it happen?

Congress recognized when the President first took office that a serious inflation problem was in the making. We acted to give his administration sufficient authority to deal with the situation—authority the President claimed then he did not want, did not need and would not use. Congress began working on and then enacted legislation in 1970 giving him wide power to impose controls on wages, prices and interest rates. Early in 1971, despite the President's reiteration that he would not use the authority, Congress extended the law. In August of 1971, he changed his mind. Since that time we have been subjected to a series of control programs or "phases" with varying degrees of disastrous results. Why? Because they were unevenly applied and "too little, too late." Where is the logic in controlling retail prices, but not wholesale—raw agricultural—prices, or finally placing strict controls on certain wholesale prices and not others which significantly affect those under control?

Back in April of this year, when the 1970 law was up for extension, I proposed along with others an immediate freeze on the price of all goods and services—including rents—and a gradual rollback of prices equitably administered. The President and Republicans argued that this was too restrictive and less controls would solve the problem, not more. Our proposal was defeated. Instead the President was given one more chance to slow down inflation his way. Since then, the arbitrariness and fluctuation of his control policies have so hurt producers, retailers and consumers that production has been cut, retail shutdowns and rationing have occurred and consumers have engaged in panic buying and boycotts.

The food market which is one of the most delicately balanced parts of our economic system has been thrown into chaos characterized by a fear and uncertainty on the part of all its participants. Add to this, the overlong continuation of an old system of government subsidies to encourage farmers to take land out of production and the President's own vigorous policy of fostering the sale of our agricultural products to other nations—particularly Russia and China—and you have a fairly clear picture of why food prices have escalated beyond belief and shortages have occurred.

What is the solution to this dilemma? The answer seems simple, increase the supply of our food commodities, decrease foreign buying of those products where there are significant shortages and stabilize the food market and industry. We need a comprehensive balanced policy to restore the confidence of the farmer so he knows he will not lose money if he produces more, of the retail merchant so that he will be willing to work toward economy of costs and lowering of prices, the consumer so he will stop erratic buying practices and boycotts, and our foreign trading partners so they will continue to purchase our exports while negotiating in good faith to reduce their demand on our scarce commodities. These are difficult goals to obtain, especially when the Congress and the President disagree on the methods, but we are trying.

The first step has been taken. August 10 the President signed into law the first major reform of the Government agriculture program in many years. Instead of paying farmers to keep land out of production, farmers would be guaranteed a minimum "target" price for their products. Since the end of the era of agricultural surpluses, many of us on the Democratic side have argued for such a change. Finally, it has come and hopefully it will have the desired results of encouraging an increase in farm production. The law included other provisions designed to deal with certain shortages: required the monthly publication of export contracts for feed grains, and soybeans, provided for an emergency reserve of up to 75 million bushels of wheat, feed grains and soybeans, and repealed the so-called bread tax—a 75-cent-per-bushel tax on wheat which raise the cost of a loaf of bread.

Second, the House recently passed a bill, H.R. 8547, liberalizing the President's authority to impose export controls on commodities in scarce supply, or subject to abnormal foreign demand. This basic authority has existed since the Export Control Act of 1949, but this administration has only used formal export control once in regard to agricultural products and that was in June of this year on soybean and feed grain exports. The Senate is currently working on H.R. 8547. When it is enacted, it is hoped that an amicable arrangement with our trading partners and the export industry in this country can be worked out so that the faith in our currency and in our stability as a seller can be maintained while at the same time protecting our domestic food market from severe inflation.

Third, one thing that this crisis has proved to use in Congress, is that we do not know enough about the food market and industry, how it works, what determines the prices and how prices can be controlled without risking shortages. I have cosponsored along with several of my colleagues legislation (H. Res. 530) establishing a Select Committee on the Cost and Availability of Food, and charging it to conduct a full and complete investigation of all matters affecting, influencing and pertaining to the cost and availability of food to the American consumer. After such a study, the committee is to report to the House as soon as practicable its findings and recommendations for congressional action. House Resolution 530 is currently pending before the House Committee on Rules.

Finally, we need to mobilize our best energies, and seek a resolution of our differences with the administration so that together we can stop the escalation of the cost of our most basic necessity of life. I pledge my most vigorous efforts in this regard.

ARTHUR SCHLESINGER'S REMARKS ON A MEMORIAL FOR F. D. R.

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, yesterday I attended a ceremony in the city of New York at which time Mayor John V. Lindsay announced that Welfare Island has been renamed Roosevelt Island in honor of Franklin Delano Roosevelt. At the ceremony Arthur Schlesinger, Jr., delivered remarks which thrilled the audience. These remarks transcend the occasion at which they were delivered and would, I think, be of interest to all. I am, therefore, setting forth his statement:

REMARKS OF ARTHUR SCHLESINGER, JR.

There is a special and singular felicity in the decision to rename Welfare Island in honor of Franklin Delano Roosevelt. After all (the words welfare and Roosevelt have become virtually synonymous in the history of the republic and are therefore profoundly interchangeable. Moreover, Franklin Roosevelt lived much of his life in this city, cared deeply about it and its citizens and has long deserved a better memorial than, say, the Franklin D. Roosevelt Drive. It is felicitous too that across this island's bow there should lie the gleaming tower of the United Nations, the embodiment of Roosevelt's vision of the way a war-torn world might find its laborious way to peace and cooperation. But most of all, I think, it is supremely right that Franklin Roosevelt be remembered on an autumn morning in a place of land and water, where the river begins to flow into the sea. For no President ever had such knowledge of land or such love of water or such acute understanding of the way water and land combine to provide sustenance for life on this planet.

We call it ecology now. FDR called it conservation. But the idea is the same—the idea that man owes a debt to nature, and that when man, in carelessness and greed, turns against nature, then nature will turn against man. As Roosevelt put it 37 years ago when he spoke not far from here at the dedication of the Triborough Bridge, "Government . . . cannot close its eyes to the pollution of waters, to the erosion of soil, to the slashing of forest, any more than it can close its eyes to the need for slum clearance and schools and bridges." Heaven alone knows what FDR might think if he looked too closely at the East River today. But one hopes that the baptism of Roosevelt Island will lead to a commitment on the part of New York and the nation to return the East River to what it was when FDR's friends Al Smith and old Bob Wagner used to swim in it as boys growing up on the East Side of New York.

The preservation of land and water was only one of FDR's concerns as he worked for the health and prosperity of the nation. We remember him for so many things—for the gallantry of his struggle against disabling sickness; for the confidence he imparted to the nation in the ordeal of economic depression; for the kill with which he mobilized the intelligence, the idealism and the youth of America in a great effort for recovery and reform; for his early recognition of the dangers gathering from abroad; for his undaunted leadership in the grim days of war; for the steadfast purpose with which he began the quest for peace; for his incomparable voice, resourceful intelligence and fighting heart. He led our nation through two of the great crises of our history—the crisis of economic collapse and the crisis of fascist aggression. And he did so while preserving at all times the essential liberties of our people and the essential balance of the Constitution.

He made the Presidency what it was—and some today hold him responsible for what it has become. For, as we meet today, the American Presidency itself is in a condition of unprecedented crisis. The headlines are dominated by the word Watergate. But Watergate is not the cause of this crisis. Watergate is only a symptom and a symbol. The cause lies deeper: it is the expansion and abuse of presidential power. What Watergate has done is to raise this question to the surface, dramatize it and make it at least politically accessible. Watergate is the byproduct of a wider state of mind and a larger purpose. As one examines the range of contemporary, presidential initiatives, from the new theory of the war-making power to the new theory of absolute executive privilege, from the new doctrine of impoundment to the new doctrine of the pocket veto, from the calculated disparagement of the cabinet and the civil service to the calculated concentration of federal management in the White House, one sees, I believe, what can only be understood as an attempt to alter the nature of the Presidency—an attempt to replace the Presidency of the Constitution by what can best be described as a plebiscitary Presidency.

According to this new revelation, election confers on a President a mandate to do on his own whatever he feels is good for the country. The mandate empowers him to make war or to make peace, to spend or to impound, to give out information or to hold it back, to bypass the legislative process by executive order and decree—and with no serious accountability to Congress and the people, between elections, except through impeachment. And fortifying the doctrine of the mandate is the President's supposed power to violate the laws and the Constitution in the name of national security.

It is hard for the historian to see that the nation is in greater danger today than it was, for example, at the bottom of the depression or during the perils of the Second World War. Yet national security did not lead Franklin Roosevelt to set aside the Congress of the United States and rule by inherent presidential power. The more venerable among us here today will still remember the words of Franklin Roosevelt's first inaugural, spoken forty years ago—words uttered in a more considerable national emergency than any faced by Richard Nixon. "In the event that the national emergency is still critical," Roosevelt said, ". . . *I shall ask the Congress* for the one remaining instrument to meet the crisis—broad executive power to wage a war against the emergency." For Roosevelt such broad power resided in the Congress and had to be delegated to the Presidency; he rejected the contemporary heresy that such power resided in the Presidency. FDR understood that the Constitution contemplated three coordinate and interdependent branches of government. He did not suppose that the Presidency superseded the Congress or the courts.

We read today that the President of the United States may decide to defy an order of the Supreme Court. A former Democrat, recently sent on waivers to the Republicans, told us the other day, "I think there are times when the President of the United States would be right in not obeying a decision of the Supreme Court." A remarkable proposition—and one shudders to think what might happen to the republic if John Connally ever became President himself and acted on this principle. No President up to this time has ever refused to obey a decision of the Supreme Court. If in a time of far greater national emergency the Supreme Court could divest Franklin Roosevelt of much of the early New Deal, it can surely divest Richard Nixon of a few electronic tapes bearing possible evidence of criminal activity on the part of government officials.

Franklin Roosevelt was a strong President, and he believed in a strong Presidency. But he did not suppose that a strong Presidency had to be a closed Presidency. He held press conferences, for example, twice a week, even through most of the war. Indeed, he held as many press conferences in his first three months in office as President Nixon held in his first four years. And Press conferences are not just scenes where Presidents tell things. They are very often scenes where Presidents learn things—things that their own executive establishment, consciously or not, may have been keeping from them. Rereading FDR's press conferences today makes it evident how much meeting the press twice a week contributed to the vitality and responsiveness of his Presidency.

Nor did Franklin Roosevelt have some spurious notion of "respect for the Presidency" with which to discourage argument and dissent in the presidential presence. His whole idea was to surround himself with obstinate and opinionated men—who else could have put up with Harold Ickes for twelve years?—and make debate a method of government. Instead of shutting himself off from the government and the people and allowing one or two men to control access to the royal presence, FDR read widely, talked widely, saw an immense diversity of people and constantly pitted his own private sources of information against the information delivered to him through official channels.

What FDR reminds us is that, under conditions of much greater national extremity than exist today, a strong Presidency can be an open Presidency, a strong Presidency can give due respect to the other branches of government, a strong Presidency can function within the Constitution. For history has shown that our Constitution is a spacious document within which very strong men indeed have been able to direct the affairs of state and guard the safety of the republic. It is the weak man as President who flinches from face-to-face contention and debate, who mistrusts Congress and the press, who intrigues and connives behind closed doors, who claims inherent power to take liberties with the law and the Constitution. The truly strong President is not the one who asserts a power to command but the one who recognizes a responsibility, and opportunity, to enlighten and persuade; not the one who places himself above the Constitution but the one who sees the disciplines of consent as indispensable to his own success as a democratic leader and to the survival of democratic government.

This was the kind of President Franklin D. Roosevelt was—which is why we rejoice in celebrating his memory today. "I am very confident of the future of this country, he once said, "as long as we maintain the democracy of our manners and the democracy of our hearts."

INCENTIVES FOR AN ALL-VOLUNTEER BLOOD DONOR SYSTEM

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, Health, Education, and Welfare Secretary Caspar Weinberger called yesterday for the development of a new national blood policy designed to achieve an all-volunteer blood donor system. In an address to the National Blood Policy Conference, he called for a partnership between government and the private sector in developing this policy. He set a 4-month deadline for the blood industry to determine how it would specifically accomplish these goals for a national voluntary program.

I support these efforts on the part of HEW and the blood-banking organizations. Certainly the formation of the American Blood Institute to help reorganize the country's blood distributing system by the American National Red Cross and the Council of Community Blood Centers which was announced at the meeting yesterday is a constructive first step to coordinate efforts.

Congress and HEW will be closely watching the developments of the next 4 months to see if the private sector can implement an all-voluntary program.

In looking to the future and insuring the continuance of such a program, Congress must help provide incentives for voluntary blood donations. The demand for commercially collected blood must be reduced. This blood is all too often responsible for over 100,000 cases for post-tranfusion hepatitis that are contracted yearly. The dope addict or derelict who is only interested in the immediate on-the-spot cash offered by the commercial blood banks is most often the unhealthy donor of this hepatitis-ridden blood. Approximately 11 percent of the blood collected is from commercial blood banks. This blood accounts for 25 to 45 percent of the cases of hepatitis. Dr. Charles Edwards, Assistant Secretary for Health, said these hepatitis cases cost Americans about $85 million a year in addition to time lost in the hospital.

I have sponsored a bill, H.R. 700, which would help solve the problem by providing that blood donations be considered charitable contributions deductible from a taxpayer's gross income. It allows a $25 deduction for each pint of blood donated to a nonprofit blood collecting agency, setting a $125 annual deduction limit for each donor which is a yearly maximum of 5 donated pints.

Under the present law, if a person sells blood to a commercial blood bank, he must include the proceeds as taxable income; yet when he gives the blood to a nopnrofit organization, the blood has no deductible value. Even more ironic is the fact that an individual may purchase a unit of blood from a commercial blood bank, then donate it to a nonprofit organization, and be able to deduct the full cost of the blood. A person can write a check to the Red Cross and take a tax deduction for that; yet he cannot deduct for the blood he gives the Red Cross.

Most people in this country think of blood donations as a charitable contribution. But, because the IRS regards blood donations as donations of "services" rather than of "property," a tax deduction for blood donations is not allowed. What greater personal property can a person give than his blood to save another person's life. For someone who is sick or dying, a pint of blood is much more important than $25 in cash donated to the Red Cross.

It would be very commendable if Americans would voluntarily give blood out of purely noble sentiments. But, we have always encouraged such charitable giving in other areas by providing economic incentives, that is, tax deductions. It is only logical that we do the same in this area.

By encouraging more people to voluntarily donate blood, we will be able not only to eliminate the need for commercial blood, but also eliminate the yearly blood shortage and avoid a crisis situation. The enactment of H.R. 700 would be a tangible acknowledgment by the Federal Government of the importance of voluntary blood giving. It would establish a national policy that blood giving is a practice to be encouraged.

I believe this bill will only become law with the support of the administration. I have testified at two hearings held by the Ways and Means Committee on this subject and HEW has not yet endorsed the concept. I would hope that the administration would change its position.

The current sponsors of H.R. 700 are Ms. ABZUG, Mr. ADDABBO, Mr. BINGHAM, Mr. BRASCO, Mr. BUCHANAN, Mr. BURKE of Massachusetts, Mr. BURTON, Mr. COUGHLIN, Mr. DANIEL, Mr. FISH, Mr. FOUNTAIN, Mr. GUDE, Mr. HARRINGTON, Mrs. HECKLER of Massachusetts, Mr. HELSTOSKI, Mr. LENT, Mrs. MINK, Mr. MOAKLEY, Mr. O'HARA, Mr. PODELL, Mr. RANGEL, Mr. ROSENTHAL, Mr. SARBANES, Mr. SARASIN, Mr. SYMINGTON, Mr. SYMMS, Mr. TIERNAN, Mr. CHARLES H. WILSON of California, Mr. WON PAT, and Mr. YATRON.

I urge our colleagues to add their names to this list of cosponsors.

KEEP THE FOCUS ON CRIME

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I was privileged to appear last week before the Select Committee on Committees' chaired by my distinguished colleague on the Rules Committee, the Honorable RICHARD BOLLING, to urge that the reorganization of the committee structure include a permament select committee on crime.

In the 4½ years which I had the opportunity to chair this House's temporary Select Committee on Crime I developed the strong convictions: First, that there should be one committee to deal with all aspects of crime; second, that no legislative committee of the House, under the present rules of the House, has complete jurisdiction over all facets of crime and, therefore, the investigative work or the legislative work of the several committees now, of necessity, must be fragmentary, and third, that to create one legislative committee with jurisdictions over all aspects of crime would take away very important legislative jurisdiction from a large number of the important standing committees of the House.

I have concluded, therefore, that the only way that the subject of crime can be treated as a whole without depriving the legislative committees of important aspects of their respective jurisdictions is to have a permanent select committee with comprehensive authority to investigate all aspects of crime but which would have no legislative jurisdiction and would make its recommendations to the respective legislative committees.

That is the thesis that I expressed to the distinguished Committee on Committees which I ask leave to insert in the body of the Record immediately following these remarks:

STATEMENT OF HON. CLAUDE PEPPER

Mr. Pepper. Mr. Chairman, and members of the committee, I apologize that I don't have a prepared, written statement. I will give you a brief summary of the proposals I wanted to lay before you today. As I said, I hope I can give you the happy experience of taking less time than you have generously allowed me.

Mr. Chairman and members of the committee, I first wish to commend your committee for the important work you are doing in examining the committee structure of the House of Representatives—the techniques by which we accomplish the constitutional objective we have as one of the legislative bodies of the Congress. You are doing a very fine job in pursuing the aim that the House has laid out for you, to improve the machinery as it were, by which we may legislate.

The experience that the House Select Committee on Crime had for a little over four years—a committee of which I had the honor to be chairman—has led me to believe that there should be in the House of Representatives a permanent select committee on crime. That proposal is what I wish respectfully to lay before your distinguished committee today.

There have been a number of suggestions made as to how there might be one committee which would have jurisdiction over the whole subject of crime. A number of members have from time to time suggested that there be a standing legislative committee that would have jurisdiction over all aspects of the complicated and complex problem of crime. That seems plausible on the face of it. But when you begin to examine that proposal, you see that the facets of the crime problems are so numerous that you would cut across the legislative jurisdiction of a number of the committees of the House.

For example, in our studies of the subject of crime, we submitted to the members of the House the following reports: "Street Crime: Reduction through Positive Criminal Justice Responses." That dealt with the police system of the country, with the court system of the country, state and federal, trial and appellate. It dealt with the probation system; it dealt with the correctional system of the country. Obviously, of course, in the background of that there are numerous aspects of different types of disability, physical, mental and otherwise.

"Drugs in Our Schools." The legislation making it unlawful to do a certain act respecting drugs, of course, is within the jurisdiction of the Judiciary Committee and also the Subcommittee of the House Judiciary Committee, headed by Mr. Edwards of California, which has been dealing with the drug problem. But the House Interstate and Foreign Commerce Committee, which also has juridiction over the subject, has been dealing with the drug problem and it has a subcommittee of which I believe my colleague, Mr. Paul Rogers, is the chairman. They have a part of the jurisdiction over the drug problem.

In respect to jurisdiction over correctional institutions, the subject of one of our reports, if you look at the rules of the House respecting the Judiciary Committee, the rules say the committee has jurisdiction over federal correctional institutions but not necessarily state. Yet, of course, most of the prisoners in the country are confined in the state institutions rather than in the federal.

Our report "Drugs in our Schools", described a situation which was described by some of the witnesses, school board members, outstanding medical authorities, as being epidemic in many places.

Drugs in the schools, I think, is a very, very important aspect of the crime problem of the country. Yet, what jurisdiction is there to deal legislatively with that? We have a bill pending, of which I am one of the authors for federal aid to schools for dealing with the drug problem, and we have already had some hearings about this and we expect to have other hearings from the Education and Labor Committee. The jurisdiction over this subject is in the Education and Labor Committee, if you are talking about the Federal Government helping the States to fund the programs that should be initiated and developed in the school to deal with the drug problem in the schools.

Then "Organized Criminal Influences in Horse Racing." There again, not the Judiciary Committee perhaps, although they would have jurisdiction over legislation, but that would probably come before the Committee on Interstate and Foreign Commerce.

Reform of our correctional institutions is divided between a number of committees.

Another one of our reports dealt with marijuana, a drug that has been the subject of a presidential panel and would come before Judiciary and Interstate and Foreign Commerce. At the same time jurisdiction might lie in the Education and Labor Committee. So could heroin and heroin paraphernalia.

The junvenile crime problem is a very great problem. About two-thirds of all the crime in the country is committed by people under 28 years of age. About half of the crime in the country is committed by people under 18 years of age.

If you are dealing with the problem of crime, the area where you could probably reduce crime most is in the youth area. What committee of the Congress has jurisdiction over the youth crime? Obviously this would be related to education, health, housing, jobs, drugs, the environment, etc. So we see the number of committees which would have jurisdiction over these subjects.

Our Crime Committee held hearings in Philadelphia due to the fact that for two or three years there had been every year at least 30 or more black youths in Philadelphia killed in gang warfare. In the course of the hearings it was brought out that there was only one recreational facility available to the whole black area from which these gangs came. There was no playground supervision, nothing to bring those boys out of their ghettos, out into recreational activities that would consume their energies.

Some of the business people who were trying to help, in any way they could, testified before our committee. I asked them, "How many playground supervisors do you have? How many athletic directors do you have? Have you gentlemen ever thought about hiring some good boy leaders that could bring intermural activity or bring athletic activity, games and that sort of thing to that area?"

They said, "No, we did not. We didn't think that was within the scope of our jurisdiction."

We see, then, how broad are the aspects of youth crime.

Another one of our reports was "Conversion of Worthless Securities Into Cash" and organized crime activity where millions of dollars were taken away from people by fraudulent practices. That might well come within the House Banking and Currency Committee's jurisdiction or the Committee on Interstate and Foreign Commerce.

I think it desirable to have one committee which at least can look at the whole problem of crime, all aspects of it, and try to keep them in focus and in perspective. I don't believe it is feasible under our system in the House to get that jurisdiction vested in one legislative committee. To do that, you would take away from the present legislative jurisdictions of numerous committees, very important jurisdictions that they possess.

I am a member of the House Internal Security Committee. The distinguished chairman of our committee appeared before your committee and recommended that the House Internal Security Committee be made the crime committee of the House of Representatives. That is all right with me, since I can only be on there one more year, since I am on the Rules Committee. But I doubt that the House is going to take away jurisdiction presently in the Interstate and Foreign Commerce Committee and in other committees of the House and put them all in the House Internal Security Committee or in any other committee.

In the same way the Interstate and Foreign Commerce Committee would resist violently, I am sure, any effort to take away their drug jurisdiction and give it to the Judiciary Committee. The same is true of the Judiciary Committee.

This has led me to suggest that the best way to deal with the subject, to keep it in any kind of focus, is to have a permanent select committee on crime.

I think that the House Select Committee on Crime, which I had the honor to chair—I don't want to commend our efforts; it is appropriate for others to do that if there is to be commendation—but I do think that we were able, by having jurisdiction over the whole subject of crime—jurisdiction co-extensive with the House, jurisdiction to transcend the jurisdiction of all of the legislative committees—we were able to penetrate to a degree of depth into the problem and to consider more aspects of the problem than any legislative committee with its limited jurisdiction could possibly have done.

Let me give you one example of what a select committee can do even if it does not achieve any legislation. The members of the old Select Committee on Crime of the House are now appearing before the various legislative committees to present our recommendations with the hope that they may be embodied in legislation upon the recommendation of those several legislative committees.

For example, our first appearance will be before Mr. Kastenmeier's Subcommittee on Correctional Institutions of the Judiciary Committee. He has graciously invited us to appear.

After that we will appear on other subjects before other legislative committees.

One of the subjects that we went into was this problem of drugs in the schools. We had hearings in New York, Miami, Chicago, San Francisco, Kansas City, Kansas and also Missouri—there was participation by the two cities and Los Angeles. In every one of those cities when we first started our inquiry, there was relatively little activity in respect to the problem of drugs in the schools. In fact, take New York for an example, it was rather a typical state and my City of Miami was comparable. They tried to sweep the problem under the rug. They had never made a survey in my City of Miami, although the county authority had requested the county school authority to have a survey of the problem of drugs in the schools if there were one. They had totally ignored the request of the county authority to do that.

In New York they were not even obeying the law which required that when there was a case of drug abuse discovered in the schools, that had to be reported to the medical authorities so that they could take whatever steps they would choose to take about it.

It was almost the same way in every other city.

By the way, yesterday Rep. Larry Winn, who participated in the hearing in his City of Kansas City, Kansas, was telling me that recently there had been a survey and some reports in that city and they were kind enough to mention our committee's appearance there and, as he related it to me, to give some commendation to what we had contributed by bringing the problem out into public focus and into public attention.

Due to the fact that we brought competent witnesses before the public and that we brought the matter to public attention through the press and the media, in every one of those cities, commendable efforts have since been taken by local authorities to do something about the problem of drugs in the schools. That is a good example of how public good may be achieved by a select committee by just prodding, by bringing to public attention problems that exist and deserve public consideration.

Take also the matter of horseracing. Some people asked why would a crime committee of Congress want to get into the fixing of horseracing? But it had just come out that in two racetracks in New York, a set of gangsters over a period of a couple of years made $2 million or $3 million by fixing races, by using exotic betting, where you could bet on four horses coming in a certain order.

As a result of our hearings, we have recommended and we are going to ask consideration of those recommendations by the Judiciary Committee, that it be made a federal offense to do anything to fix a horse race. You may ask why a horse race? That is because it is the most popular sport in the United States.

$500 million a year is paid into the States of the country from revenue derived from parimutual horseracing. Public confidence, of course, is very much related to the success of racing and the public's attendance.

All I want to say, Mr. Chairman, is that I believe there ought to be some committee which constantly can take a comprehensive look at all aspects of the problems of crime.

There has been a reduction in the rate of increase of most crime. There has been some reduction in the volume of crime, but it is generally agreed that there has been an increase in the most serious crime, murder, rape, and aggravated assault.

One of the things that we recommended is that the Federal Government pay half of the cost with the States in putting in correctional institutions located in urban areas instead of these rural areas where they are located today.

We recently had a plethora of prison riots. I think we are going to continue to have them as long as we have, as the President described it, penal institutions which are colleges for crime rather than correctional institutions for crime.

Governor Hughes testified that if we could modernize the correctional system of the country, we could reduce the crime in this country by 50 percent. If we could have small institutions in urban areas where families of people confined could come to see them and where there would be facilities for confining those who are dangerous and an opportunity for jobs for those that were found to be qualified for work and the like, we could partly reduce further crime by those confined in penal institutions.

There are many things that can be done by prodding, by holding up to public attention, by encouraging action of one sort or another at State, Federal and local levels in stimulating citizen participation in reducing crime. Of course, much can be done in recommending legislation dealing with various aspects of the subject to the appropriate committees.

To conclude, Mr. Chairman and Members of the Committee; I think the assumption is a fair one that there ought to be one committee that can deal in some helpful way with the problem. Having considered it, I believe your committee will find great difficulty and great resistance in trying to give to one legislative committee comprehensive jurisdiction over the whole problem. However, that can substantially be achieved by a permanent select committee which can fully investigate and can make recommendations to the appropriate legislative committees. I believe such a committee would be in the public interest.

Mr. Chairman, if I don't quit, I will not live up to my promise that I would not take up all my time, and allow for questions.

Chairman Bolling. Thank you for a very interesting statement.

Mr. Martin?

Mr. Martin. Thank you, Claude, I appreciate your coming over this morning and giving us your views on this subject of which I know you are very knowledgeable.

If a separate committee were set up to handle crime and you have pointed out that this cuts across jurisdictions of other committees, wouldn't we have to take away those jurisdictions? You mentioned Banking and Currency and, of course, the Judiciary Committee.

Mr. Pepper. No, I say to the gentleman. The reason the answer is no is that a select committee has no legislative jurisdiction. It can only recommend and inquire and suggest. It does not have legislative jurisdiction, so you wouldn't be taking any legislative jurisdiction away from any legislative committee.

At the same time, however, you would have a committee that would have a single purpose. Take the Judiciary Committee. My understanding was that when the Select Committee on Crime went out of existence on June 30 that perhaps the Judiciary Committee would take over and conduct special hearings and inquiries and at the same time deal with the legislative aspects of the problem. That committee is a very busy committee. They are revising the criminal code and they have a heavy legislative load to carry. A select committee has only one job to do, therefore, it can devote time and effort and attention that a legislative committee can usually not provide.

Mr. Martin. Has the Judiciary Committee followed up at all since your committee ceased to exist?

Mr. Pepper. So far as I am aware, they have not requested any money from the House Administration Committee. They have employed our top counsel, Mr. Nolde, and one of our associate counsel, Mr. Trainer, to work with us in the presentation of our recommendations so that they may give legislative consideration to our proposals. They have been very cooperative. The chairman, Mr. Rodino, and the chairmen of the subcommittees having appropriate jurisdiction have invited us and we will be appearing before them many times between now and the end of the session. In that sense, they have been most cooperative, but I am not aware that they have been able to organize and get personnel and undertake the responsibility of making investigations.

Mr. Martin. That is all. Thank you, Mr. Chairman.

Chairman Bolling. Mr. Frelinghuysen?

Mr. Frelinghuysen. Thank you, Mr. Chairman.

I would like to ask a couple more questions about the value of select committees. I would think that one could have the function of a select committee incorporated into a legislative committee. In other words, I would think that there would be more punch if they could make recommendations. The isolation of a select committee is not necessarily an asset, is it?

Mr. Pepper. Theoretically, that is true, but the problem is the limited jurisdiction of each one of the legislative committees.

Mr. Frelinghuysen. I don't see why that needs to be an insuparable problem. I think the answer would be there should be a major focal point in one committee and that committee would also have the rsponsibility that your select committee has had.

Mr. Pepper. In the first place, it would be a double expense if you are going to set up a competent staff in two or three committees.

Mr. Frelinghuysen. I am not suggesting that. I am suggesting that that committee would have legislative committee jurisdiction.

Mr. Pepper. Take for example drugs. You have two committees that have clear jurisdiction in that field. One is Judiciary, it has a subcommittee, and Interstate and Foreign Commerce has a subcommittee. I am sure neither one of these committees is willing to give up its prerogative in that area.

Mr. Frelinghuysen. But that should not end the argument. That is part of the problem, but it doesn't mean that things should go on that way. A divided jurisdiction with jealousy to protect the vested interest— to say nothing can be done about it except to have a select committee which only relates directly to the legislative committees.

Mr. Pepper. The inquiry of each committee will be limited to the scope of its legislative jurisdiction whereas it can only deal with an aspect of the problem.

Mr. Frelinghuysen. You are assuming that jurisdiction cannot be modified or taken away from one committee and enlarged in another committee. I would think the simplest thing would be to concentrate in one committee.

Mr. Pepper. That is entirely possible, but the matter of crime cuts across everything. Slum housing has to do with crime. You are not going to take that away from Banking and Currency. Drugs in the school, that is Education and Labor Committee jurisdiction. Another form of drugs is in Interstate and Foreign Commerce.

Mr. Frelinghuysen. You are assuming the jurisdiction cannot be changed. I would think that surely should not be the case. I would think if it is advisable to provide respective responsibility it can be done and the fact that certain members of certain committees do not like it does not mean that the House as a whole would not agree to provide a greater degree of focus than now exists.

Mr. Pepper. That is theoretically possible, I will say to my friend. I don't think there is any subject that is more pertinent to the wellbeing of the people of this country than the matter of crime. I think that transcends most other problems. After all, I don't like to smell polluted air, but I would rather smell polluted air than to be hit over the head by somebody.

Mr. Frelinghuysen. If we should accept your argument that there should be a select committee on crime, one could just as well argue that there should be a select committee on energy because there is a diffusion of and need for an overall perspective. I am not arguing that this is not a wise thing, but I think if we took your argument, it might lead us to establish a lot of other select committees.

Mr. Pepper. I think we should have more select committees.

The Senate, I think wisely, has more select committees than we have and it does not have the prejudice against them as we do in the House. I am not suggesting an unlimited number of select committees. I am simply saying there may be justification for more than one but, at least as far as crime, there should be one.

Mr. Frelinghuysen. Thank you.

Chairman Bolling. Mr. Steiger?

Mr. Steiger. I have no questions, Mr. Chairman. I have read with great interest the work of the gentleman's select committee. The point you make on select committees is an interesting one and one I think we have to deal with. I have no easy answer on whether what you have recommended, be it in the crime field, is the right answer.

Thank you for coming.

Chairman Bolling. Mr. Sarbanes?

Mr. Sarbanes. I have no questions, but I want to thank Mr. Pepper for coming this morning and giving his helpful testimony.

Mr. Pepper. Thank you very much.

Chairman Bolling. I have a few questions, Mr. Pepper.

There has been a great deal of testimony before this committee about the difficulty of members who have a variety of committee assignments and having to be in two places at once.

One of the dilemmas that I see about select or joint committees or committees other than standing committees is that it seems to me to increase that dilemma. I would like your comment on that, but I would also like it in connection with your point that there should be a permanent select committee.

It occurs to me that if the concept were for a temporary select committee, perhaps initially with a two, four or six-year plan in prospect, that then one could work out an arrangement whereby the burdens on the individual members would not be so onerous as they are when they have a committee that is so active already before they are involved in the select committee and there could be some understanding as there is in the Senate. As you well know from your experience in the Senate, Senators have 18 to 25 committee and subcommittee assignments. It results to a large degree, with no derogation to the Senate, that it is a staff operation. I am not saying that is bad. I am saying that it exists. One of the House's virtues is that there is a great deal of investigation in the legislative process. I would hate to see us lose that. If you have a permanent select committee and you have the problem of dual assignments, it seems to me you are building into the system almost the impossibility for a member who wishes to keep his important permanent assignment, to fully do either job on a long-range basis. I would like your comment on that particular problem because I am sure you have had some experience with it.

Mr. Pepper. The chairman has raised a significant point and maybe the Speaker, in the naming of personnel to a permanent select committee, should take into account the burden that the named individuals already bear upon the other legislative or joint committees. We all do have the problem of not spreading ourselves too thin. You have properly pointed out that that situation does exist to a large degree in the Senate. I know it is hard to keep abreast over there.

We have one permanent select committee in the House, that is the one on small business, headed by the distinguished gentleman from Tennessee, Mr. Evins.

Chairman Bolling. A permanent select committee, that is the first one in our history. I think I invented the name.

Mr. Pepper. I am sure you have invented many things and you may have invented that, too. Anyway, I think it serves a useful purpose The House thought so and it has been continued but the problem of small business is a particlar problem. We had the experience where, with the House Select Committee on Crime, the Speaker and other members felt that a select committee should not exist except for a limited time. In fact, I think he said he expected your committeee to end in a period of two years.

Chairman Bolling. I think I said that on the floor of the House.

Mr. Pepper. There is a tendency to expect a select committee to have a limited life. Crime is not going to go out of business at the end of a two or four-year session of the Congress. Until it does, relatively, go out of business as a challenge to the lives and liberties of the people of this country, then I think there ought to be a select committee that would have a continuing jurisdiction to keep working in this field. I believe a select committee on the whole is more desirable for that than to try to vest jurisdiction in a single standing legislative committee.

Chairman Bolling. I would like to commend the gentleman for his testimony.

SOCIAL SECURITY AMENDMENTS OF 1973

(Mr. PEPPER asked and was given permision to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I am introducing today the Social Security Amendments Act of 1973, a comprehensive bill which would, among other purposes, repeal the earnings test; liberalize eligibility requirements for men and women; and improve benefits under medicare and Federal supplementary security income. This legislation is being introduced in response to hundreds of letters I receive from my constituents whose needs are compelling and typical of the elderly across the Nation.

Despite some far-reaching legislative advances benefiting the elderly which were enacted in the Social Security Amendments Act of 1972, too many millions of senior citizens are living at the bottom of the economic ladder. They lack sufficient and proper food, decent housing, and adequate medical attention, particularly in health maintenance programs. We must recognize also that the increasing numbers of older Americans in our population and their increasing longevity make it imperative that a change of attitude toward priorities be recognized to provide increased income benefits and health benefits to enable the elderly American to remain independent, healthy, and as self-sufficient as possible.

A section-by-section analysis of this bill accompanies my statement, therefore, I shall mention only a very few of the provisions that are of particular significance to the elderly in view of their plight in our changing economic and social life.

First, a change in policy with regard to an "earnings test" to determine eligibility for cash benefits must be recognized now. More and more citizens are contributing more and more of their income during their working lives to the social security tax, and these citizens must be assured of a right to continue to work as long as they are able to contribute to the economic life of our country and their own security and welfare. Our society benefits from their work and their earnings provide the same additional income protection that now accrues to more fortunate senior citizens who derive supplementary income from other pensions and from investments.

Second, the inclusion in medical benefits of life-sustaining prescription drugs and essential prostheses such as eye glasses, dentures, hearing aides, among other benefits, is a necessary counterpart to the medical benefits provided under medicare.

Third, inflation and the increasing demands on our medical institutions and personnel compel the elimination of deductibles under medicare. Society must provide adequate compensation to the providers of health and medical services; however, the burdens on the elderly to do this are becoming increasingly unbearable. We now must provide more comprehensive services to the elderly and place the burden of the costs on all taxpayers through their contributions to general Federal tax revenues.

Many of the provisions in the bill I am introducing are similar to a bill introduced earlier in this session of the Congress by my esteemed colleague from New York, Congressman Jonathan B. Bingham. Many of the provisions would carry out the priorities of legislative programs of local and national senior citizen organizations including the National Council of Senior Citizens, the Amercan Association of Retired Persons, and the National Retired Teachers Association. With the hope that my colleagues in this Congress will all join in recognizing the merits of these amendments, I am introducing this legislation.

Section-by-Section Analysis of H.R. 10499 The Social Security Amendments Act of 1973

TITLE I

Section 101 increases the minimum primary insurance amount to $120 per month.

Section 102 provides an alternative primary insurance amount, equal to $8 multiplied by the number of years up to 25 that a person has worked under social security and had covered earnings equal to the amounts specified.

Section 103 increases the social securitiy tax and benefit base to $15,000 a year, effective January.

Section 104 repeals the earnings test.

Also provides for automatic increases in the exempt amount in direct proportion to the rise in average wages taxed for social security purposes.

Section 105 increases the lump-sum death payment to the smaller of four times the primary insurance amount or 150 percent of the maximum primary insurance amount shown in the benefit table in effect at the time the worker died.

Section 106 lowers the retirement age for men to 62 with full benefits and to 60 with actuarially reduced benefits.

Section 107 provides that widow's and widower's benefits shall be paid to a widow or widower if that person's spouse died while receiving benefits and the survivor was at least age 50 at the time of the spouse's death.

This section also provides that benefits for disabled widows and widowers shall be paid without regard to their age.

Furthermore, a widow would be eligible for widow's benefits at age 55, provided that her husband was insured by social security, even if he had not begun receiving benefits at the time of his death.

Section 108 reinstates full monthly benefits to a social security recipient who elects to receive reduced benefits. Full benefits are restored at the age at which the reduced benefits received equal the benefits which the recipient would have received had he or she waited until the full retirement age to begin receiving benefits.

Section 109 provides that forced retirees may begin receiving reduced benefits at age 55. A forced retiree is defined as a person who is required to retire before age 60 or who is unable to obtain employment suited to his experience and abilities.

Section 110 eliminates the actuarial reduction of a woman's old-age benefit (based on her own earnings) which applies when benefits begin before age 65 in the case of a woman who has had at least 30 years (120 quarters) of work under social security

Section 111 provides for the payment of benefits based on the combined earnings of a husband and wife (when both have worked long enough to qualify for benefits) in cases where a higher total payment than is payable under present law would result.

Section 112 provides that if a beneficiary's payments begin after age 65, that person will receive lifetime payments which actuarially equal the lifetime amount he or she would have received had benefits begun at age 65.

Section 113 applies the age 65 benefit computation point for men to current beneficiaries and eliminates the 2-year phase-in period which exists in present law.

Section 114 amends the definition of disability so that disability benefits would be payable starting after the third month of disability, without regard to the expected duration of the disability.

In addition, a special definition of disability would be provided for workers who are age 55 or over. Under this definition, benefits would be payable if the disability was one that prevented the person from doing his regular work or some other type of work which he had done at some time in the past.

Section 115 permits a fully insured individual to receive disability benefits, regardless of when his insured quarters of coverage were earned. This eliminates the recent work requirement for disability benefit eligibility.

Section 116 provides for the payment of disability insurance benefits to blind people who have at least six quarters of work under the social security program, regardless of when the quarters are earned.

Section 117 provides monthly benefits, similar to mother's benefits, to widowers who have children entitled to children's benefits.

Section 118 provides for paying monthly benefits to the dependent parent, age 62 or over, of a retired or disabled worker.

Section 119 provides for paying child's benefits to a fulltime student up to age 24, rather than age 22.

Section 120 provides for the payment of benefits to divorced wives and surviving divorced wives who had been married to the worker for at least 10 years, rather than for 20 years as in present law.

Section 121 eliminates the requirement that a husband must have been receiving at least one-half of his support from his wife in order to qualify for husband's benefits, and it eliminates the requirement that a widower must have been receiving at least one-half of his support from his deceased wife in order to qualify for widower's benefits.

Section 122 provides that marriage or remarriage after a person's 60th birthday will not be a reason for terminating benefits.

Section 123 provides that employee or self-employed social security contributions shall be optional after age 65.

Section 124 permits a person to exchange credits between the social security system and the civil service retirement system in order to obtain maximum benefits under the two systems.

Section 125 revises the social security tax schedule. Revised amounts not shown in draft.

Section 126 provides for payments from general Federal revenues to the social security trust funds. The payments would start at 5 percent of the social security taxes collected for fiscal year 1974 and rise by 5 percent each year until the payment reaches 50 percent of the taxes collected for fiscal 1983 and thereafter.

Section 127 is a general savings provision that no person's present social security or supplemental security income benefit may be reduced as a result of any of the provisions in this Social Security Amendments Act of 1973.

TITLE II

Section 201 provides that people entitled to cash benefits would become automatically entitled to supplementary medical insurance benefits and that the cost of these benefits would be paid out of social security taxes. Premiums collected from beneficiaries and the Federal Government would be abolished.

Section 202 eliminates all deductibles and coinsurance under medicare—except for the $1 deductible on drug prescriptions contained in section 204. Thus, the Government would pay all medical expenses incurred by a medicare beneficiary.

Section 203 extends medicare coverage to all persons who are receiving social security disability benefits.

Section 204 provides for the payment of prescription drugs purchased by a medicare beneficiary. The medicare beneficiary would pay $1 of the cost of each prescription and this amount would rise in proportion to rises in the future cost of prescription drugs.

Section 205 extends the coverage of the supplementary medical insurance program to include dentures and dental services—except for cleaning teeth—the cost of prescription eyeglasses, orthopedic shoes and braces, the services of an optometrist, the cost of influenza vaccination and hearing aids.

Section 206 extends medicare coverage to U.S. citizens outside the United States under the same general standards and requirements as apply within the United States.

Section 207 provides home health care and private duty nursing services under medicare and medicaid. This section also extends fire and safety standards requirements to intermediate care facilities and expands public disclosure requirements of finances, expenses, and charges of these facilities.

Finally, this section authorizes a subsidy program for families who care for their elderly, infirm dependents at home.

TITLE III

Section 301 extends the Federal supplemental security income program—minimum payment of $130 per individual, $195 per couple—to Puerto Rico, Guam, and the Virgin Islands.

Section 302 permits a disabled or blind person to receive Federal supplemental security income payments regardless of any income received by that person's spouse from social security or railroad retirement.

Section 303 provides that a person who has reached age 70 and is not covered by social security, and who would be eligible for the minimum Federal supplemental security income—aid to the aged, the blind, and the disabled—but for private pension or annuity income being received, annually shall have the first $7,500 of that pension or annuity disregarded in determining eligibility for the Federal supplemental security income.

Section 304 preserves eligibility for food stamps under the Federal supplemental security income program.

Section 305 provides special housing allowances from social security to elderly low-income persons. People over age 62 who have annual incomes under $4,500 would be eligible.

TITLE IV

Section 401 increases the authorization for appropriations for maternal and child health and crippled children's services from $350 million to $650 million a year.

In addition, it postpones from July 1973 to July 1977 the date by which State programs will have to offer certain specified services if they are to qualify for Federal grants and extends from June 30, 1973 to June 30, 1977 the authority to make special project grants to the States for maternity and infant care, health of school and preschool children, and dental health of children.

METAPSYCHIATRY

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I am pleased to be able to call to the attention of our colleagues an article written by an old friend of mine, Dr. Stanley R. Dean of Miami, who has for many years devoted his attention to the relationship between psychiatry and mysticism. This is a subject that is of great interest to many people throughout the country and I believe many of the readers of this RECORD will be interested in what Dr. Dean has to say.

I include the following text of Dr. Dean's article:

METAPSYCHIATRY: THE INTERFACE BETWEEN PSYCHIATRY AND MYSTICISM

(By Stanley R. Dean, M.D.)

INTRODUCTION

"Metapsychiatry" is a semantically congruent term that I have selected to designate the important but hitherto unclassified interface between psychiatry and mysticism. Metapsychiatry encompasses not only parapsychology, but also all other supra-sensory, supra-rational, and so-called "supernatural" manifestations of consciousness that are in any way relevant to the theory and practice of psychiatry. Metapsychiatry may be conceptualized as the base of a pyramid whose other three sides are psychiatry, parapsychology and mysticism.

Psychic research is a legitimate concern of Psychiatry, the specialty best qualified to investigate phenomena, assess validity and expose fallacy in matters of the mind. There can be little doubt that reciprocal enlightenment would result if Psychiatry lent its expertise to the religious and philosophic speculations that have hitherto preempted that field. Psychiatry can even take special pride in becoming involved, for a former President (in 1890) of our parent organization, the American Medico-Psychological Association—Dr. Richard Maurice Bucke—was a distinguished pioneer in the field. In May 1894, he read a paper entitled "Cosmic Consciousness" at the annual meeting of that society in Philadelphia. Four years later he published a book under the same title (1). In it he developed the theory that a seemingly miraculous higher consciousness, appearing sporadically throughout the ages, was a natural rather than an occult phenomenon, that it was latent in all of us, and was, in fact, an evolutionary process that would eventually raise all mankind to a higher level of existence. Dr. Bucke was ahead of his time, but more and more his book is being rediscovered and acclaimed.

Cosmic consciousness refers to a supra-sensory, supra-rational level of mentation that transcends all other human experience and creates a sense of One-ness with the universe. Its existence has been known since antiquity under a variety of regional and ritual terms—*nirvana, satori, samadhi, kairos, unio mystica,* to name but a few. For purposes of standardization I have proposed the term, "Ultraconsciousness," to provide a more congruent semantic tie to current psychiatric terminology (2).

Miraculous powers have been attributed to the Utraconscious, and from it have sprung the highest creativity and loftiest ideals known to man. Yet it still remains one of the great enigmas of the mind. All but neglected by scientific research in the past—despite the paradoxical fact that even scientists embrace it in religion—it has in recent years attracted increasing interest for a number of reasons: Accelerated communication and travel have forged closer transcultural links between Western empiricism and Eastern mysticism; computer technology has made available vast reservoirs of integrated data (e.g., The Central Premonitions Registry, Box 482, Times Square Station, New York 10036);

space exploration has ushered in an enormous and imminent awareness of the universe, and with it a corresponding desire to expand the horizons of consciousness; psychedelic drugs, their uses and abuses, have dramatically focused attention upon extraordinary levels of consciousness; people, increasingly disillusioned by the inability of modern technology to stem the tides of war, crime, intolerance, poverty and pollution, seek new avenues of universal harmony.

Some countries have already risen to the challenge. A current best seller reports large scale government-sponsored research in Soviet countries that has allegedly resulted in some startling psychic discoveries (3). One—with far-reaching political and paramilitary implications—deals with the possibility of influencing human behavior (brain-washing) and even matter (psychokinesis) by telepathic remote control. Another—of special interest to space exploration—alludes to instant telepathic communication over immense distances via theoretical units of thought.

There have even been attempts to explain supernatural religious beliefs on a scientific basis. For example, a special high frequency photographic technique, known as the "Kirlian Effect," after its Russian proponents (4), has allegedly revealed luminous pulsating energy waves that are emitted into the atmosphere by all forms of life; they presumably intermingle and interact with other emanations, past, present, and future, and can theoretically be detected by properly developed human and mechanical sensors. Thelma Moss, Ph.D. and her co-workers at UCLA have succeeded in taking similar photographs (5). The question naturally arises whether such emanations correspond to the religious conceptions of soul and, in turn, lend credence to the claims of gifted psychics that they are able to "tune into" the emanations of other souls, cure sickness by the laying on of hands, etc. If so, the human mind could be regarded as a super-sensitive receiver capable, in its highest development, of tuning into the innermost chanels of the universe.

Such reports hvae excited interest and concern the world over. There is certainly an urgent need for our own government to initiate similar research. It probably has considerable awareness of the problem already. The United States Army's Intelligence agency has for some time recognized the power of mental telepathy, and warns about it in a manual published by the Technical Bulletin Department of the Provost Marshal General's office, entitled "Techniques of Surveillance and Undercover Investigation" (6).

DESCRIPTION

It seems strange that I should have become involved in psychic matters, for my orientation is decidedly pragmatic, and I have never experienced any Ultraconscious manifestation stronger than an occasional flash of intuition, common to all of us. However, that may be all to the good, for it enables me to approach the subject with an unbiased, reportorial attitude.

My interest was first aroused by a chance encounter with a Zen master in Tokyo, then by subsequent observation and filming of Zen Buddhist rituals during several visits to Japan (7); also, by interviews with several so-called "sensitives" or "psychics." I was impressed to find that great numbers of sensible, rational people in all walks of life, lay and professional, believed in the Ultraconscious, had, themselves, experienced various manifestations of it, and had derived positive and constructive benefit from it. We psychiatrists are conditioned to equate hallucinations with schizophrenia and other psychoses; but the fact is that a great many non-psychotic individuals also hear voices, see visions and have other supernatural experiences. I am currently conducting intensive psychiatric evaluations on a series of such individuals in order to obtain a factual determination of their mental and emotional status. As a physician I am particularly interested in any healing factors that clinical development of the Ultraconscious may contribute to psychotherapy.

The Ultraconscious summit, though rare, produces a super-human transmutation that defies description. The mind, divinely intoxicated, literally reels and trips over itself, groping for words of sufficient exaltation to portray the ineffable experience. As yet, we have no such words. One cannot help but wonder if it is analogous, even remotely, to erotic love, the one other emotion that has inspired comparable paeans of earthly rapture. Gopi Krishna believes that the Ultraconscious (which he called "Kundalini") is, in fact, a highly evolved transmutation of sex vitality (8). But, if there is a similarity, it is like that between the light of the sun and the glow of a candle. The narrator must therefore be content with a mere approximation, trusting the intuition of the reader to sense the ultimate meaning.

To begin with, there are many *formes frustes* of the Ultraconscious spectrum, and they vary greatly in frequency, intensity and duration in different persons and even in the same person at different times. They may occur at any time, awake or asleep, spontaneously or only after long years of arduous discipline.

From the welter of literature and liturgy, ancient and modern, I have summarized these distinguishing characteristics of the Ultraconscious summit:

1. The onset is ushered in by an awareness of light that floods the brain and fills the mind. In the East it is called the "Brahmic Splendor." Walt Whitman speaks of it as ineffable light—"light rare, untellable, lighting the very light—beyond all signs, descriptions, languages" (9). Dantê writes that it is capable of "transhumanizing a man into a god," and gives a moving description of it in lines of mystical incandescence from "Il Paradiso" of the *Divine Comedy* (10).

2. The individual is bathed in emotions of supercharged joy, rapture, triumph, grandeur, reverential awe and wonder—an ecstasy so overwhelming that it seems little less than a sort of super-psychic orgasm.

3. A noetic illumination occurs that is quite impossible to describe. In an intuitive flash one has an awareness of the meaning and drift of the universe, an identification and merging with Creation, infinity and immortality, a depth beyond depth of revealed meaning—in short, a conception of an Over-Self, so omnipotent that religion has interpreted it as God.

4. There is a feeling of transcendental love and compassion for all living things.

5. Fear of death falls off like a mantle; physical and mental suffering vanish. There is an enhancement of mental and physical vigor and activity, a rejuvenation and prolongation of life. This property, especially, should command the interest of psychiatry and medicine.

6. There is a reappraisal of the material things in light, an enhanced appreciation of beauty.

7. There is an extraordinary quickening of the intellect, an uncovering of latent genius and leadership.

8. There is a sense of mission. The revelation is so moving and profound that the individual is moved to share it with all fellow men.

9. A charismatic change occurs in personality—an inner and outer radiance, as though charged with some divinely inspired power, a magnetic force that attracts and inspires others.

10. There is a sudden or gradual development of extraordinary psychic gifts such as clairvoyance, extrasensory perception, telepathy, precognition, healing, etc. Though generally regarded as occult, such phenomena may have a more rational explanation. They may be due to an awakening of transhuman powers of perception latent in all of us.

DISCUSSION

The Ultraconscious summit is a genuine metamorphosis of consciousness that has been experienced by certain sages, prophets, leaders and men of genius through the ages. The factors producing it are as yet unknown, but the remarkable uniformity of distinguishing characteristics, regardless of origin, should leave no doubt that a common denominator—empirically validated if not yet scientifically proven—underlies all of them. It is only a matter of time before science dissociates it from religious dogma and explains it to the satisfaction of the intellect in terms of natural law.

As ontogeny recapitulates phylogeny, so may the human mind be a microcosm that recapitulates the evolution of the universe—or, to coin a phrase, so may "psychogeny recapitulate cosmogeny." This theory presupposes that the rudiments of the Ultraconscious are present in all and can be prematurely awakened in some. If to do so would make a better world, then science will not long delay in accepting the challenge.

Fortunately, there is no dearth of material. Though total Ultraconsciousness is rare, a great variety of lesser manifestations is extremely common. While the scientist studies them in his laboratory, the enlightened clinician can observe them in his practice. A simple first step would be to encourage people to disclose any paranormal ("supernatural") experiences and to treat such disclosures with an open-minded, non-cynical attitude. The clinician will be amazed at the abundant material thus elicited. And if the resulting data from laboratory and clinic were collected, pooled and analyzed, it could not help but result in rational breakthroughs to this hitherto inscrutable subject.

Several psychiatrists, in addition to myself, have already recognized the importance of pyschic phenomena in the theory and practice of their profession. Among the better known are Jan Ehrenwald (11), Jule Eisenbud (12), Berthold Schwarz (13), Ian Stevenson, Montague Ullman, Shafica Karagulla (14), and Harold Kelman (15). The American Psychiatric Association has recently activated an official Task Force on Meditation.

Despite my lack of psychic powers, I can envision a tremendous upsurge in psychic research, with and without government support, in the very near future. Is that clairvoyance or common sense? Perhaps the two are not so different after all.

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LOCAL POLICE PROTECTION AND HOME RULE

(Mr. NELSEN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. NELSEN. Mr. Speaker, I wish to insert into the Record a copy of a letter that Police Chief Jerry Wilson wrote to the chairman of the House District Committee on September 5, 1973, discussing the problems of local government protection of the Federal interest in the District of Columbia. I think it important that all the Members of the Congress have an opportunity to read this letter in its entirety—inasmuch as it adresses an issue, that is, the question of police protection by the local government at the seat of the Federal Government, which was one of the principal reasons for the establishment of the District of Columbia as provided for in the Constitution. I have the permission of Police Chief Wilson to publish this letter.

The letter reads as follows:

September 5, 1973.

Dear Mr. Chairman: As you requested during our meeting yesterday I am summarizing in writing my views and suggestions regarding H.R. 9682, the District of Columbia Self-Government and Governmental Reorganization Act, as it pertains to the Metropolitan Police Department.

1. *Local government control over normal police operations:*

I recognize, as I am sure you do also, that some of the concerns over home rule for the District of Columbia directly relate to fear that local control of the police may result in misuse or nonuse of the police power in a manner adverse to the interests of the city, either as a local community or as the national capital.

As we discussed, there are historical precedents for various systems which remove police agencies either wholly or partially from usual political controls of large cities. Current examples are Baltimore, where the Police Commissioner is appointed by the Governor; St. Louis and Kansas City, where Boards of Police Commissioners are appointed by the Governor; Los Angeles, where the Board of Police Commissioners is appointed by the Mayor, but for staggered, fixed terms of office.

In some cities, the police are insulated from shifting politics by appointment of the head of police for a specified term of office. Indeed, in the District of Columbia, the original Board of Police Commissioners was Presidentially appointed, even though the city then had home rule.

This city has just come down from a peak of crime which was reached after some eleven years of almost constant increases. Few would disagree that crime reductions of the past three years reflect in large measure massive Federal initiatives, both in Presidential leadership and Congressional legislative action. Obviously, it is easy to argue that Federal control of local affairs deserves credit for the crime reductions, but to make that argument, one must also agree that Federal control of local affairs shares much of the blame for the twelve years of crime increase.

Personally, I feel that apprehension over local control of police power in the District is misplaced. My own sense of this community is the overwhelming majority are responsible citizens who want effective law enforcement just as much as residents do in any other city. If the city of Washington is to be treated substantially as a local community, albeit a special one, rather than a federal enclave, then there is no reason to deprive local citizens of control over that fundamental local service, the police force.

2. *Local government control over emergency police operations:*

This city has just come through a decade of potential and actual disorders. Some of those related to local, urban problems common to many large cities, others related to demonstrations directed against the Federal government.

Even though we assume that no such events are imminent, it is important that these past events not be overlooked as potential kinds of future problems. History records that interruption of the Continental Congress by mob actions at Philadelphia in 1783 had much to do with impressing on the public mind the need for a seat of government under control of the federal authorities and it has been less than three years since executive and legislative leaders experienced considerable concern that the government might be unable to open for business because of demonstrators.

Under H.R. 9682, local control over the police would prevail during urban rioting or during massive demonstrations against the Federal government. Furthermore, under H.R. 9682, there presumably is no power vested in the President to employ the militia or Federal forces within the city without express request of the Mayor. It is my impression that understandable hesitance of local officials to request Federal assistance was in hindsight perceived as problems in some other cities during the urban disorders 1960's.

In essence, of course, this again is a question of how much the District is to be treated as a local entity and how much as the National Capital. Although I personally believe that control over normal police operations should be in the local government, I suggest that some option should be considered by Congress of authorizing the President to determine when special events and emergencies require temporary Federal assumption of control over the police or the deployment of Federal forces.

3. *Guaranteed personnel benefits for incumbents:*

Section 422(3) of H.R. 9682 requires the District government to establish a merit system which will guarantee to incumbents personnel benefits at least equal to those provided by Congress. Generally, I think it indispensable that any reorganization of the city government guarantee continuance of current benefits for all current employees and pensioners. There are, however, I think two exceptions to this, one regards disability benefits for police officers and fire fighters, the other regards preference for residents in appointments and promotions.

It is incontrovertible that the disability retirement provisions for police officers and fire fighters have been badly abused and misused, particularly by individuals only slightly disabled who have retired from police and fire service only to accept immediate employment elsewhere.

Even though the retirement system is not under my direct control, I have felt so strongly on this issue that I have pressed continuously since I have been Chief of Police to eliminate or reduce the level of abuses. We have had some success, but it is clear that some change is needed in the basic statutes if a system is to be devised which will equitably serve both personnel and the government interests. I believe that an effective change in the system will be foreclosed by Section 422(3).

Secondly, I feel very strongly that fundamental improvement of the quality of life in core cities such as Washington can be greatly hastened by devising ways of encouraging city employees to live within the jurisdiction they serve. In this regard I don't mean just police officers, who because of their public visibility are often mentioned by advocates of city residence for city employees. Even more important are middle and upper managers in all agencies, essentially the makers and implementers of city policies.

For a variety of reasons, it is impractical to flatly require city residence for every city employee. But it seems to me that incentives such as preference in appointments and promotions should be available to a city government to encourage local residence of its employees. Existing statutory prohibitions against such incentives would be perpetuated for at least a generation by Section 422(3).

Sincerely yours,

Jerry V. Wilson,
Chief of Police.

LEAVE OF ABSENCE

By unainimous consent, leave of absence was granted to:

Mr. Johnson of Pennsylvania (at the request of Mr. Gerald R. Ford) on account of being named by President to represent the United States at the mourning and funeral services of the late King Gustaf VI of Sweden.

Mr. Cotter (at the request of Mr. O'Neill) for today on account of illness in family.

Mr. Roncallo of New York (at the request of Mr. Gerald R. Ford) for today and balance of week on account of official business to attend International Monetary Conference at Nairobi.

Mr. Fountain (at the request of Mr. O'Neill) until 1:30 p.m. today on account of official business.

Mr. McEwen (at the request of Mr. Gerald R. Ford) for today and balance of week on account of illness in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Rousselot) to revise and extend their remarks and include extraneous matter:)

Mr. Williams, for 15 minutes, today.
Mr. Kemp, for 30 minutes, today.
Mr. Mizell, for 5 minutes, today.
Mr. Steelman, for 5 minutes, today.
Mr. Hudnut, for 1 hour, today.

(The following Members (at the request of Mr. Ginn) to revise and extend their remarks and include extraneous matter.)

Miss Holtzman, for 60 minutes, today.
Mr. O'Hara, for 10 minutes, today.
Mr. Diggs, for 5 minutes, today.
Mr. Gonzalez, for 5 minutes, today.
Mr. Rodino, for 5 minutes, today.
Mr. Wolff, for 5 minutes, today.
Mr. Annunzio, for 5 minutes, today.

Mr. JAMES V. STANTON, for 30 minutes, today.

Mr. FRASER, for 10 minutes, today.

Mr. ADAMS, for 5 minutes, today.

Mr. MELCHER, for 5 minutes, today.

Mr. DRINAN, for 5 minutes, today.

Mr. OWENS, for 10 minutes, today.

Mr. PODELL, for 10 minutes, today.

Ms. ABZUG, for 5 minutes, today.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. ECKHARDT, immediately preceding the vote on the Findley amendment to House Joint Resolution 727 today.

Mr. BIAGGI, immediately preceding the vote on the Findley amendment to House Joint Resolution 727 today.

(The following Members (at the request of Mr. ROUSSELOT) and to include extraneous matter:)

Mr. SCHERLE in 10 instances.

Mr. TREEN.

Mr. RAILSBACK in three instances.

Mr. CRANE in five instances.

Mr. BROTZMAN.

Mr. SARASIN.

Mr. KETCHUM.

Mr. ANDERSON of Illinois in two instances.

Mr. WYMAN in two instances.

Mr. ROBINSON of Virginia.

Mr. SEBELIUS.

Mr. THONE.

Mr. GUYER.

Mr. HUBER.

Mr. HANRAHAN.

Mr. HOSMER in three instances.

Mr. DERWINSKI.

Mr. ROUSSELOT.

(The following Members (at the request of Mr. GINN) and to include extraneous matter:)

Mr. HOWARD.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. BADILLO.

Mr. HAMILTON.

Mrs. MINK in two instances.

Mr. RANGEL in 10 instances.

Mr. RONCALIO of Wyoming in 10 instances.

Mr. REID.

Mr. HARRINGTON in four instances.

Mr. WALDIE in three instances.

Mr. BLATNIK in 10 instances.

Mr. ROONEY of Pennsylvania.

Mr. EDWARDS of California.

Ms. ABZUG.

Mr. GRAY.

Mr. FAUNTROY in five instances.

Mr. DRINAN.

Mr. WHITE.

Mr. PATTEN.

Mr. KOCH in two instances.

Mr. VANIK in three instances.

Mr. ROE in two instances.

Mr. ANDERSON of California in four instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 921. An act to amend the Wild and Scenic Rivers Act; to the Committee on Interior and Insular Affairs; and

S. 1296. An act to further protect the outstanding scenic, natural, and scientific values of the Grand Canyon by enlarging the Grand Canyon National Park in the State of Arizona, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 5451. An act to amend the Oil Pollution Act, 1961 (75 Stat. 402), as amended, to implement the 1969 and 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended; and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on September 24, 1973, present to the President, for his approval, a bill of the House of the following title:

H.R. 8917. Making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1974, and for other purposes.

ADJOURNMENT

Mr. GINN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 38 minutes p.m.), the House adjourned until tomorrow, Wednesday, September 26, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1380. A letter from the Secretary of the Treasury, transmitting the Second Annual Report of the Emergency Loan Guarantee Board, covering the year ended July 31, 1973, pursuant to section 12 of Public Law 92–70; to the Committee on Banking and Currency.

1381. A letter from the Administrator, Small Business Administration, transmitting a draft of proposed legislation to amend the Small Business Act; to the Committee on Banking and Currency.

1382. A letter from the Commissioner of the District of Columbia, transmitting a draft of proposed legislation to amend the District of Columbia Redevelopment Act of 1945 and the Street Readjustment Act of the District of Columbia, relating to development and urban renewal plans, and for other purposes; to the Committee on the District of Columbia.

1383. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to authorize in the District of Columbia a program providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

1384. A letter from the U.S. Commissioner of Education, Department of Health, Education, and Welfare, transmitting a copy of the proposed family contribution schedule for the basic educational opportunity grant program for use during fiscal year 1975, pursuant to section 131(b) of Public Law 92–318; to the Committee on Education and Labor.

1385. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of various international agreements, other than treaties, entered into by the United States, pursuant to Public Law 92–403; to the Committee on Foreign Affairs.

1386. A letter from the Assistant Secretary of the Interior, transmitting notice of the deferment of construction repayment installments due the United States during 1973 through 1982 for irrigation facilities serving the Casper-Alcova Irrigation District, Kendrick project, Wyo., pursuant to 73 Stat. 584; to the Committee on Interior and Insular Affairs.

1387. A letter from the Secretary of Transportation, transmitting part I of an airport and airway cost allocation study, pursuant to section 4 of Public Law 91–258; to the Committee on Interstate and Foreign Commerce.

1388. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to provide to the U.S. magistrates alternative means of disposition of certain offenders in minor offense cases, prior to trial, and for other purposes; to the Committee on the Judiciary.

1389. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend the act of August 6, 1958, 72 Stat. 497, relating to service as chief judge of a U.S. district court; to the Committee on the Judiciary.

1390. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend title 28 of the United States Code to provide for the investigation and prosecution of disciplinary proceedings against members of the bar of the courts of the United States, and for other purposes; to the Committee on the Judiciary.

1391. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated September 7, 1973, submitting a report, together with accompanying papers and illustrations, on Bushley Bayou Area, La., authorized by section 3 of the act of June 28, 1879 and section 8 of the Flood Control Act of May 15, 1928 (H. Doc. No. 93–157); to the Committee on Public Works and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KASTENMEIER: Committee on the Judiciary. H.R. 7599. A bill to amend the Trademark Act of 1946 and title 35 of the United States Code to change the name of the Patent Office to the "Patent and Trademark Office" (Rept. No. 93–523). Referred to the House Calendar.

Mr. KASTENMEIER: Committee on the Judiciary. H.R. 8981. A bill to amend the Trademark Act to extend the time for filing oppositions, to eliminate the requirement for filing reasons of appeal in the Patent Office, and to provide for awarding attorney fees; with amendment (Rept. No. 93–524). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD: Committee on Government Operations. H.R. 10397. A bill to extend the authorization of appropriations for the Cabinet Committee on Opportunities for Spanish-Speaking People, and for other purposes (Rept. No. 93–528). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee of conference. Conference report on S. 607 (Rept. No. 93-522). Ordered to be printed.

Mr. PEPPER: Committee on Rules. House Resolution 565. Resolution providing for the consideration of H.R. 10088. A bill to establish the Big Cypress National Preserve in the State of Florida, and for other purposes (Rept. No. 93-527). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FLOWERS: Committee on the Judiciary. H.R. 3758. A bill for the relief of Isabel Eugenia Serrane Macias Ferrier; with amendment (Rept. No. 93-525). Referred to the Committee of the Whole House.

Mr. FISH: Committee on the Judiciary. H.R. 7535. A bill for the relief of Faustino Murgia-Melendrez; with amendment (Rept. No. 93-526). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California (for himself and Mr. Biester):

H.R. 10481. A bill to discourage the use of painful devices in the trapping of animals and birds; to the Committee on Merchant Marine and Fisheries.

By Mr. ARCHER:

H.R. 10482. A bill to strengthen interstate reporting and interstate services for parents of runaway children, and for other purposes; to the Committee on Education and Labor.

H.R. 10483. A bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance the national attack on diabetes; to the Committee on Interstate and Foreign Commerce.

By Mr. BROYHILL of Virginia:

H.R. 10484. A bill to amend the Railroad Retirement Act of 1937 to provide that the widower of a railroad worker who completed 15 or more years of service before his or her death may become entitled to a full widow's or widower's insurance annuity without regard to age or disability; to the Committee on Interstate and Foreign Commerce.

By Mr. BURKE of Massachusetts (for himself, Mr. Brown of Michigan, Mr. Broyhill of Virginia, Mr. Eshleman, Mr. Hanna, Mr. Harrington, Mr. Helstoski, Mr. McClory, Mr. McKay, Mr. Regula, Mr. Cleveland, and Mr. King):

H.R. 10485. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives to improve the economies of recycling waste paper; to the Committee on Ways and Means.

By Mr. CARTER:

H.R. 10486. A bill to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive area emergency services systems; to the Committee on Interstate and Foreign Commerce.

By Mr. DUNCAN:

H.R. 10487. A bill to amend the Internal Revenue Code of 1954 to deny any deduction for expenses of attending business conventions outside the United States; to the Committee on Ways and Means.

H.R. 10488. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. ERLENBORN (for himself, Mr. Conable, Mr. Quie, Mr. Collier, Mr. Sarasin, Mr. Duncan, Mr. Brotzman, and Mr. Pettis):

H.R. 10489. A bill to revise the Welfare and Pension Plans Disclosure Act, and to strengthen and improve the private retirement system by establishing minimum standards for participation in and for vesting of benefits under pension and profit-sharing retirement plans, by allowing deductions to individuals for their contributions to individual or employer retirement plans, by increasing contribution limitations for self-employed individuals and shareholder employees of electing small business corporations, by allowing tax deferral on certain lump-sum distributions from qualified retirement plans, and for other purposes; to the Committee on Ways and Means.

By Mr. HARRINGTON:

H.R. 10490. A bill to provide financial assistance for research activities for the study of sudden infant death syndrome, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of California:

H.R. 10491. A bill to provide for the leasing for commercial outdoor recreation purposes of certain lands of the forest reserves created from the public domain, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KASTENMEIER (for himself, Ms. Chisholm, Ms. Schroeder, and Mr. Stokes):

H.R. 10492. A bill to amend title 18 of the United States Code to provide a code of accountability and liability for Government officials engaged in making national security policy; to the Committee on the Judiciary.

By Mr. LOTT:

H.R. 10493. A bill to exempt from the licensing requirements of title 46, United State Code 224(a), for a period of 5 years, certain U.S. domestic fishing vessels of 220 or more gross tons but of less than 300 gross tons owned and operated by the Mavar Boat Co., Inc., MS, E. Beach and Maple streets, Biloxi, Miss. 39530; to the Committee on Merchant Marine and Fisheries.

By Mr. LUJAN:

H.R. 10494. A bill to prohibit the export of domestically extracted crude oil, and any petroleum products made from such oil, unless Congress first approves such exportation; to the Committee on Banking and Currency.

H.R. 10495. A bill to amend title 5, United States Code, to provide that individuals be apprised of records concerning them which are maintained by Government agencies; to the Committee on Government Operations.

By Mr. MIZELL:

H.R. 10496. A bill to amend title 23, United States Code, to insure that no State will be apportioned less than 80 percent of its tax contribution to the Highway Trust Fund; to the Committee on Public Works.

By Mr. OWENS:

H.R. 10497. A bill to establish a commission to study the organization, operation, and management of the executive branch of the Government, and to recommend changes necessary or desirable in the interest of governmental efficiency and economy; to the Committee on Government Operations.

H.R. 10498. A bill to amend the Federal Trade Commission Act (15 U.S.C. 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. PEPPER:

H.R. 10499. A bill to amend the Social Security Act to liberalize benefits under the old age, survivors, and disability insurance program and otherwise improve such program, to liberalize and improve the health insurance benefits program, to extend eligibility under the supplemental security income program, and for other purposes; to the Committee on Ways and Means.

By Mr. SAYLOR (for himself, Mr. Hays, Mr. Pepper, Mr. Edwards of California, Mr. Flowers, Mr. Slack, Mr. Vigorito, Mr. Burton, Mr. Hudnut, Mr. Podell, Mr. Duncan, Mr. Eilberg, Mr. Fascell, Mr. Sarasin, Mr. Michel, Mr. Camp, and Mr. Van Deerlin):

H.R. 10500. A bill to establish a loan program to assist industry and businesses in areas of substantial unemployment to meet pollution control requirements; to the Committee on Banking and Currency.

By Mr. SAYLOR (for himself, Mrs. Chisholm, Mr. Stuckey, Mr. Sisk, Mr. McFall, Mr. Clay, Mr. Bob Wilson, Mr. Rooney of Pennsylvania, Mr. Harvey, Mr. Hicks, Mr. Dulski, and Mr. Riegle):

H.R. 10501. A bill to establish a loan program to assist industry and businesses in areas of substantial unemployment to meet pollution control requirements; to the Committee on Banking and Currency.

By Mr. SIKES (for himself, Mr. Bennett, Mr. Haley, Mr. Fascell, Mr. Pepper, Mr. Burke of Florida, Mr. Frey, Mr. Young of Florida, Mr. Bafalis, Mr. Chappell, Mr. Fuqua, Mr. Gibbons, Mr. Gunter, Mr. Lehman, and Mr. Jones of Tennessee):

H.R. 10502. A bill to amend section 203 of the Economic Stabilization Act in regard to the authority conferred by that section with respect to petroleum products; to the Committee on Banking and Currency.

By Mr. STEPHENS (for himself and Mr. J. William Stanton):

H.R. 10503. A bill to amend the Small Business Act; to the Committee on Banking and Currency.

By Mr. THOMSON of Wisconsin:

H.R. 10504. A bill to promote the conservation of energy in the design of new federally owned and federally assisted facilities; to the Committee on Public Works.

By Mr. WALDIE:

H.R. 10505. A bill to provide certain new transportation services to elderly persons, to authorize studies and demonstration projects for the improvement of transportation services to the elderly, and for other purposes; to the Committee on Banking and Currency.

H.R. 10506. A bill to provide increased employment opportunities for middle aged and older workers, and for other purposes; to the Committee on Education and Labor.

H.R. 10507. A bill to amend title III of the Public Health Service Act to authorize grants for projects to develop or demonstrate programs designed to rehabilitate elderly patients of long-term health care facilities or to assist such patients in attaining self-care; to the Committee on Interstate and Foreign Commerce.

H.R. 10508. A bill to amend the Internal Revenue Code of 1954 to permit the deduction of all expenses for medical care of a taxpayer and his spouse if either of them attained the age of 65, and to provide a credit or refund of social security taxes withheld from the wages of certain individuals who have attained the age of 65 and a corresponding reduction in the tax on self-employment income of such individuals; to the Committee on Ways and Means.

By Mr. WHITE (for himself, Mr. Hanley, Mr. Lehman, and Mr. Charles H. Wilson of California):

H.R. 10509. A bill to establish a Commission on Organization of the Federal Statistical Establishment; to the Committee on Government Operations.

By Mr. WHITE (for himself, Mr. Hanley, Mr. Lehman, Mr. Pickle, and Mr. Charles H. Wilson of California):

H.R. 10510. A bill to amend section 131 of title 13, United States Code, to provide for the taking of censuses of manufacturers, of mineral industries, and of other businesses, for congressional approval of the content of questionnaires used in the taking of such censuses, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WRIGHT (for himself, Mr. Minish, and Mr. James V. Stanton):

H.R. 10511. A bill to amend section 164 of the Federal-Aid Highway Act of 1973 relating to financial assistance agreements; to the Committee on Public Works.

By Mr. WYATT:

H.R. 10512. A bill to extend the provisions of law authorizing members of the Armed Forces in missing status to accumulate leave without limitation and to be paid therefor to members who served during the Korean conflict; to the Committee on Armed Services.

By Mr. WYMAN:

H.R. 10513. A bill to amend title 5, United States Code, to correct inequities in the determination of rates of basic pay in conversions to the general schedule of employees and positions subject to prevailing rate pay schedules; to the Committee on Post Office and Civil Service.

By Mr. ADAMS:

H.R. 10514. A bill to promote safe transportation of people and property in commerce by establishing the National Agency for Transportation Safety as an independent agency of the United States to investigate transportation accidents, to make recommendations for avoiding such accidents, to represent the safety interests of the public before regulatory agencies, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BURTON:

H.R. 10515. A bill to amend the Immigration and Nationality Act to include sons and daughters within the provision relating to waiving the exclusion from the United States for fraud; to the Committee on the Judiciary.

H.R. 10516. A bill to amend the Immigration and Nationality Act to provide for recording of admission for permanent residence in the case of certain aliens who entered the United States prior to October 3, 1965; to the Committee on the Judiciary.

H.R. 10517. A bill to amend section 312 of the Immigration and Nationality Act with respect to certain tests for naturalization; to the Committee on the Judiciary.

H.R. 10518. A bill to amend the Immigration and Nationality Act to include sons and daughters within the provision relating to exclusion from deportation of aliens excludable for fraud; to the Committee on the Judiciary.

H.R. 10519. A bill to repeal the Bertillon System of Identification; to the Committee on the Judiciary.

H.R. 10520. A bill to repeal the "cooly trade" laws; to the Committee on the Judiciary.

H.R. 10521. A bill to amend the Immigration and Nationality Act to provide that parents of permanent residents be eligible to file for the second preference category; to the Committee on the Judiciary.

H.R. 10522. A bill to amend the Immigration and Nationality Act to remove the distinction between Eastern and Western Hemisphere immigrants, to establish an immigration ceiling, and for other purposes; to the Committee on the Judiciary.

By Mr. CRONIN (for himself, Mrs. Boggs, Miss Holtzman, Mr. Anderson of Illinois, Mr. Tiernan, Mr. Conyers, Mr. Rodino, Mr. Ketchum, Mr. J. William Stanton, Mr. Moakley, Mrs. Heckler of Massachusetts, Mr. Nix, Mr. Harrington, Mr. O'Brien, Mr. Hogan, Mrs. Chisholm, Mr. Winn, Mr. Horton, Mr. Myers, Mr. Alexander, Mr. Seiberling, Mr. Widnall, and Mr. Williams):

H.R. 10523. A bill to amend the Federal Aviation Act of 1958 and the Interstate Commerce Act to authorize reduced fare transportation on a space-available basis for persons who are 65 years of age or older; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL:

H.R. 10524. A bill to strengthen and improve the protections and interests of participants and beneficiaries of employee pension and welfare benefit plans; to the Committee on Education and Labor.

By Mr. DRINAN:

H.R. 10525. A bill for the relief of certain distressed aliens; to the Committee on the Judiciary.

By Mr. du PONT:

H.R. 10526. A bill to amend title 5, United States Code, to grant to civilian employees who are retired members of the uniformed services full retention preference credit in reductions in force for total length of time in active service in the Armed Forces; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of California:

H.R. 10527. A bill to provide financial assistance for research activities for the study of sudden infant death syndrome, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FISH:

H.R. 10528. A bill to provide for the continued supply of petroleum products to independent oil marketers; to the Committee on Interstate and Foreign Commerce.

By Mr. MURPHY of New York:

H.R. 10529. A bill to improve the conduct and regulation of Federal election campaign activities and to provide public financing for such campaigns; to the Committee on House Administration.

By Mr. ROBISON of New York:

H.R. 10530. A bill to permit collective negotiation by professional retail pharmacists within third-party prepaid prescription program administrators and sponsors; to the Committee on the Judiciary.

By Mr. WOLFF:

H.R. 10531. A bill to prohibit commercial flights by supersonic aircraft into or over the United States until certain findings are made by the Administrator of the Environmental Protection Agency and by the Secretary of Transportation and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BURTON:

H.J. Res. 740. Joint resolution proposing an amendment to the Constitution of the United States with respect to eligibility for the Office of President and Vice President; to the Committee on the Judiciary.

By Mr. GILMAN (for himself, Mr. Yatron, Mr. Cronin, Mr. Long of Maryland, Mr. Nix, Mr. Eilberg, Mr. Butler, Mr. Young of Florida, Mr. Winn, Mr. Roe, Mrs. Chisholm, Mr. Gunter, and Mr. Alexander):

H.J. Res. 741. Joint resolution providing for a congressional investigation into the status of those American men missing, captured, or dead in Southeast Asia, and for other purposes; to the Committee on Rules.

By Mr. LUJAN:

H.J. Res. 742. Joint resolution authorizing the Secretary of the Interior to establish a memorial museum at Las Vegas, N. Mex., to commemorate the Rough Riders and related history of the Southwest; to the Committee on Interior and Insular Affairs.

H.J. Res. 743. Joint resolution proposing an amendment to the Constitution of the United States to permit the Congress to provide by law for the imposition and carrying out of the death penalty in the case of certain crimes involving aircraft piracy; to the Committee on the Judiciary.

By Mr. WILLIAMS:

H.J. Res. 744. Joint resolution providing for the designation and adoption of the American marigold as the national floral emblem of the United States; to the Committee on House Administration.

By Ms. ABZUG:

H. Con. Res. 316. Concurrent resolution expressing the sense of the Congress regarding the free emigration and expression of ideas by citizens of the Soviet Union; to the Committee on Foreign Affairs.

By Mr. BIESTER (for himself and Mr. Hudnut):

H. Res. 560. Resolution for the creation of congressional senior citizen internships; to the Committee on House Administration.

By Mr. FRASER:

H. Res. 561. Resolution calling for the development of a domestic and international food policy; to the Committee on Foreign Affairs.

By Mr. HARRINGTON (for himself and Mr. Rangel):

H. Res. 562. Resolution to amend the Rules of the House of Representatives to create a standing committee to be known as the Committee on the Central Intelligence Agency, and for other purposes; to the Committee on Rules.

By Mr. O'HARA:

H. Res. 563. Resolution to disapprove certain regulations submitted to the House by the Commissioner of Education in accordance with section 411 of the Higher Education Act of 1965, as amended, relating to the family contribution schedule under the basic educational opportunity grant program; to the Committee on Education and Labor.

By Mr. WALDIE:

H. Res 564. Resolution to disapprove the President's alternative plan for pay adjustments for Federal employees; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

306. By the SPEAKER: A memorial of the Legislature of the State of California, relative to the Auburn Dam project; to the Committee on Interior and Insular Affairs.

307. Also, memorial of the Legislature of the State of California, relative to offshore superports; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FISHER:

H.R. 10532. A bill for the relief of Dr. Laurence T. Gayao, his wife, Edith Cabus Gayao, and their daughter, Lorraine Gayao; to the Committee on the Judiciary.

By Mr. McKAY:

H.R. 10533. A bill for the relief of Hedayatolla Kazemini; to the Committee on the Judiciary.

By Mr. ROSTENKOWSKI:

H.R. 10534. A bill for the relief of Mr. and Mrs. Philip Alaras; to the Committee on the Judiciary.

By Mr. TOWELL of Nevada:

H.R. 10535. A bill for the relief of Lt. Col. Franklin D. Ott; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

286. By the SPEAKER: Petition of the State of Tennessee, Junior Order United American Mechanics, Knoxville, Tenn., relative to the achievement of peace in Vietnam; to the Committee on Foreign Affairs.

287. Also, petition of Esther H. Foxworth, East Northport, N.Y., and others, relative to recycling of metal, glass, plastic, and paper products; to the Committee on Interstate and Foreign Commerce.

288. Also, petition of the Chicago Bar Association, Chicago, Ill., relative to the proposed new bankruptcy rules and official forms; to the Committee on the Judiciary.

289. Also, petition of John E. Thomas, Park Ridge, N.J., and others, relative to protection for law enforcement officers against nuisance suits; to the Committee on the Judiciary.

290. Also, petition of Eleanor B. Glowe, Chicago, Ill., and others, relative to impeachment of the President; to the Committee on the Judiciary.

291. Also, petition of the Italian American War Veterans of the United States, Inc., Hartford, Conn., relative to the issuance of a commemorative postage stamp honoring the veterans of the Spanish-American War; to the Committee on Post Office and Civil Service.

292. Also, petition of the King County Council, Wash., relative to amending the Federal Water Pollution Control Act; to the Committee on Public Works.

293. Also, petition of the city council, Mayfield Heights, Ohio, relative to Federal taxes on gasoline; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

DR. BENJAMIN W. WATKINS SPEAKS OUT ON THE HEALTH CRISIS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. RANGEL. Mr. Speaker, Dr. Benjamin W. Watkins, the mayor of Harlem, is a leading spokesman in the fight for quality health care for black Americans. Through his long experience in community activities, as well as through his professional work, Dr. Watkins is acutely aware of the health crisis poor people face in this Nation.

I am pleased to share with my colleagues in Congress Dr. Watkins' proposals for dealing with this critical situation. His article appeared in the September 15, 1973, issue of the Amsterdam News as part of the newspaper's series, "Blacks in America":

BLACKS CONTINUE TO SUFFER

(By Benjamin W. Watkins, M.D.)

The rather bizarre misconception fostered by the recent report, "Black Progress and Liberal Rhetoric" is generally detrimental to the Black community, particularly in the area of medicine and health care.

The now controversial study by Ben J. Wattenberg and Richard M. Scammon, which has since been rejected by most thinkers in the Black community, appeared in the April issue of Commentary magazine.

Among other things, the article said: "A remarkable development has taken place over the last dozen years: for the first time in the history of the republic, truly large and growing numbers of American Blacks have been moving into the middle-class, so that by now these numbers can be reasonably said to add up to a majority of Black Americans."

BLACKS STILL SUFFERING

Nonsense! While it is true to some extent that a small percentage of Blacks have become successful, the overwhelming majority of Blacks continue to suffer under a system of government and private enterprise that is, to say the least, racist.

And, based on my own research of data and statistics, of government and private records, health care and medicine are no exceptions to this rule. In many instances Blacks are worse off, for the truth of the matter is that it is almost a health hazard to be Black.

This is true because a Black has twice the chance of a white dying from hypertension, a disease afflicting one of every four Blacks, and killing more than 13,500 Blacks each year. Let's move on to strokes.

By being Black, you stand almost twice the chance of being killed by a stroke, which is considered the country's third biggest killer.

What about cancer? There is an 8 percent greater chance of a Black dying than a white. And the situation has gone from the frying pan to the fire; only 20 years ago a Black had a cancer mortality rate about 20 per cent lower than the white population. Not so anymore.

LIFE EXPECTANCY OF 61 YEARS

If you are Black, you are twice as prone to nephritis and chronic kidney disease, and you have four times the chance of dying if you are a Black woman giving birth, and three times if you are a Black baby being born.

Tuberculosis, nutritional anemia, rheumatic fever are other killers which strike more Blacks than whites. And what about the life expectancy of Blacks. If you are Black, you are doing good if you make it to 61, if you are white you will easily make it to 71 years.

Apparently Messrs. Scammon and Wattenberg forgot to check these figures, or did they forget to do it deliberately? They should know that we, by the virtual color of our skin alone, have been subjected to three and one-half centuries of blatant discrimination, and today's times are no different.

And maybe these propagandists should also check out the Black medical manpower and educational situations. Of the 108 medical colleges in the country, only two are Black, Howard and Meharry, and there are reports that a substantial number of their students are white.

With only about 6,000 Black doctors in the country, there is only one Black doctor for each 2,500 Blacks, compared to one white doctor for each 650 whites. And rather than recruit more Black doctors, many hospitals in the city and elsewhere are permitting foreign doctors to come into Black areas to replace potential Black physicians.

SOLVING THE PROBLEM

What can be done about these problems? The first thing would be to sue men like Wattenberg and Scammon for issuing false information or distorting statistics. Such information, if taken into serious consideration by foundations, legislators and others who are in the position to assist and help Blacks, could cut off vitally needed funds and support.

Secondly, the Black community must begin to use its legislators the way the lily-white American Medical Association does. The AMA has quite a few politicians in its pocket, and certainly there is no reason why we should not utilize the Black Congressional Caucus and others likewise.

There are many other approaches, but another major approach would be for us to set up our own medical colleges, do our own research, and become independent in general. We have a gross national product in excess of $50-billion, and we can do it.

Why are we waiting, especially with people around like Scammon and Wattenberg—enemies of Black people in the first order?

CONTINUING APPROPRIATIONS RESOLUTION

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. RAILSBACK. Mr. Speaker, I am in complete agreement with my colleague from Illinois that all service station owners must be treated alike. The Cost of Living Council should in no way discriminate among petroleum marketers in establishing prices for petroleum producers. The Council's decision to freeze the margins that independent service stations may charge to the January 10, 1973, level while permitting stations owned by major oil companies to the May 15 level seems to be arbitrary and clearly unfair.

The amendment before us this afternoon states the Council may not use any of the funds provided by the continuing appropriations resolution to perpetuate such discriminatory policies. Enactment of this amendment will put the Congress on record as supporting fair play and competition in this vital area. At a time when our Nation is suffering a fuel shortage, it is unwise as well as unfair to in any way adversely affect service stations who are making every effort to supply their customers.

My office as well as other congressional offices has been flooded by numerous complaints, both *from* consumers who cannot obtain fuel supplies and from independent stations who cannot cover their expenses. On their behalfs, I urge immediate enactment of this amendment.

OUR NATION SALUTES THE BOROUGH OF TOTOWA OF THE STATE OF NEW JERSEY, ON ITS DIAMOND JUBILEE, CELEBRATING ITS 75TH ANNIVERSARY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. ROE. Mr. Speaker, it is indeed my privilege and honor to call to the attention of you and our colleagues a most historic event that is being celebrated in my Eighth Congressional District, State of New Jersey: The diamond jubilee anniversary of the borough of Totowa. In 1898, the borough of Totowa was incorporated under chapter 56 of the Laws of the State of New Jersey. I know you will want to join with me in observing and commemorating the 75th anniversary of this most outstanding all-American community, which is my singular great honor to represent here in the Congress, with a special salute to the Honorable Sam Cherba, the distinguished mayor of Totowa, and to the Honorable Dominic Trouse, general chairman of the anniversary celebration. I also respectfully request that you join with me in extending our heartiest congratulations and best wishes to all of the good people of Totowa who throughout this past three-quarters of a century have sought and achieved a quality of excellence in their hometown which bespeaks the pioneering efforts of our forefathers and the traditions of a freedom-loving people dedicated to the American principles of democracy and a good family life for themselves and future generations to enjoy.

In commemorating this three-quarters of a century of progress in America's history the elected representatives of the borough of Totowa have indeed earned our respect and esteem and I wholeheartedly commend them to you for their outstanding public service and administration of a thriving suburban community of America in the interest of all of our citizens. The current members of the governing body are as follows:

The Honorable:
Samuel Cherba, Mayor.
Salvatore Delveccio, Councilman.
Paul Curcio, Councilman.
Jack Whitney, Councilman.
Thomas Hogan, Councilman.
Joseph F. Palumbo, Councilman.
George B. Cipolletti, Councilman.
Amos Saunders, Borough Attorney.

The first elected officials of the borough were:

The Honorable:
William Van Houten, Mayor.
John Powers, Councilman.
Luke Oldham, Jr., Councilman.
William D. Wilson, Councilman.
Robert Boyle, Councilman.
Charles Scrivens, Councilman.
John Van Houten, Councilman.
William Nelson, Attorney.

The borough of Totowa is richly endowed with America's historic beginnings and the activities of America's great men of destiny including such distinguished patriots as Generals Wayne, Knox, Lord Stirling, Huntington, Glover, St. Clair, Howe, Greene, Hand, and LaFayette; also, Baron von Steuben and Col. Alexander Hamilton who met on Totowa soil where they planned America's strategy with the father of our country, Gen. George Washington. Even today, if you could but tour this area of our Nation where people, purpose, and progress have gracefully intertwined to form a nucleus of achievement in family community living, you will see the names of these great Americans reminiscently interspersed at various landmarks among Totowa's complex of homes, schools, parks, business, and industry.

Mr. Speaker, during this week which is being celebrated by the citizens of the borough of Totowa as anniversary week, an outstanding program has been planned comprised of commemorative events and festivities in tribute to this 75th anniversary observance manifesting the great civic pride that the Totowa residents have in their community and, rightfully so, in view of the great heritage that they and their families before them have fostered and nurtured with strength and vitality of purpose these many years. May I also commend to you each and every member of Totowa's 75th anniversary committee who have been diligently pursuing a full citizens participation and observance for this diamond jubilee in our Nation's history. The members of this committee are representative of the ideal citizens of an ideal American community. Executive committee officers are as follows:

The Honorable:
Mayor Samuel Cherba, Honorary Chairman.
Dominic Trouse, General Chairman.
Edward Barnett, Co-Chairman and Parade Chairman.
Herman Diebler, Co-Chairman and Souvenir Book Chairman.
Ruth E. Accadia, Publicity Chairman.
Charles Willer, Events Chairman.
Marcella Trouse, Dance Chairman.
Hubert Vickerilla, Refreshment Chairman.
William Shipley, Decorations Chairman.
Frank Iurato, Souvenirs Chairman.
Mamie Wieda, Ecumenical Prayer Service Co-Chairman.
Nellie Van Way, Ecumenical Prayer Service Co-Chairman.
Mary Amato, Secretary.
Shirley Gerhardt, Secretary.
Robert Coyle, Researcher.
Carolyn A. Guzik, Researcher.

It was a pleasure to review the history of Totowa provided me by the chairman of the Totowa anniversary celebration, the Honorable Dominic Trouse, and with your permission I would like to submit at this point in the RECORD several excerpts from the history and highlights of the Borough of Totowa which provide an understanding of the land area known as Totowa insofar as it relates to its origin and the extraordinary evolution that has taken place over its early characteristics, as follows:

In 1699, George Willocks, a shrewd Scottish land speculator, acquired most of modern day Totowa Borough in a tract of land known as the Willock's Patent. The description of that tract is a classic piece of legal language of the day. The passage is 142 words, all in one sentence which states: "All that tract of land situate lying and being upon the Passaick River in the County of Essex and the Province of East New Jersey aforesaid called by the Indians Totoa beginning at a great stone above the turne of the river oposite to the mouth of a brook on the south side of the said river from thence runing Northwest and by North forty chaenes (a chain was 66 ft.) thence Northeast one degree and fifteen minutes more northerly two hundred and sixtie one cheanes thence Southeast and by south to the said Passaick River, thence up the stream of the said Passaick River to where it begun Together with all mannor of rivers, rivolettes, streams feeding paster (pastures) woods under woods trees waters water courses water falls ponds pooles pitts easements provits comodityes hereditament ffishings ffowlings hawkings huntings Mines minerals Quarries Royalities unto the same belonging."

The land was resold in 1710 to Anthony Brockholts, Helmegh Roelofse (Van Houten) and Roelef Helmeghse (Van Houten). It was called the Totowa Patent, most of which came into the hands of the Van Houten family. One of the earliest settlers in Totowa is said to be Roelof Van Houten, who was baptized on June 11, 1677. He married Aagtje Vreeland in 1701 and purchased land in Totowa from Anthony Brockholts in 1715. It is thought that this tract was in the area of present day Crews Street and Totowa Road. This old home, now owned by the Hollis family, is the oldest house still standing in Totowa. It has the characteristics of Dutch farm houses built about 1760 but sections of the house may be much older. This was the early homestead of ancestors of the Van Houten, Van Allen and Garrison (Gerrettson) families.

In the early 1700's Totowa was in the wilderness; it was the western frontier of civilization and record keeping was not quite as important as staying alive. Early records, even of deeds, are few and incomplete, but most historians believe that Totowa was settled about 1720 by the Van Houten family. We know that by 1750 Totowa, which included much of present Paterson, was a thriving Jersey Dutch farm community . . .

Dutch scholars translated Totowa or Totoa, as it appears in some early records, as "where you begin." This was a reference to Totowa's position on the edge of the frontier or wilderness. Hackewelder refers to Totowa Falls and interprets the name as "to sink or be forced down under water by weight". He mentions the Indian term Totauwei meaning "to dive and reappear". Dr. Brinton in "The Lenape and Their Legends" says, "The name is certainly the Delaware Indian word 'Tetauwi' meaning 'it is be-tween' (referring to the land between the river and the mountains). William Nelson concurs in his book 'The Indians of New Jersey' but suggests 'it is between' refers to Totowa as the neutral ground between the Hackensacks and the Pomptons (sub-tribes of he Minsi). Other interpretations are that Totowa means 'heavy, falling weight of waters' or 'God's Token". The Lenni Lenape had no alphabet, so we must depend upon translations of the lost language of a lost people. Perhaps a combination of interpretation would be in order, something like, "The land between the river and the mountains, near the heavy falling water where you begin." That's enough to start an Indian uprising. Of one thing there is no doubt, this area was called Totowa by the Indians and by the early Dutch settlers as well . . .

At the end of World War II, Totowa's growth was given new vitality by the returning veterans, their subsequent marriages and new families. New families meant new homes as people turned from crowded cities to the open land of the nearby suburbs. Homes began to mushroom in the lower sections of the Borough and gradually began to

> creep up the slopes of the mountain ridges. Most of these homes were modest structures on smaller lots. This attracted the fine young families who are the lifeblood of a community. Blending harmoniously, new and older residents formed the population that will see Totowa through the latter half of the 20th century . . .
>
> A population which doubled in a decade, meant new schools, new sewer plants and new services. New sources of tax revenue had to be found. Fortunately, industries located in the older cities were experiencing problems of their own . . . and need for expansion pushed industry out of the cities and into the open suburban lands beyond. A partnership was formed between the home owners of Totowa and these expanding industries . . .
>
> The view of these industries nestled comfortably in their small town surroundings, yet having all modern municipal services, attracted a host of other firms. Totowa's name began to appear on product labels throughout the world and the variety of products and services grew as well, reaching almost every major area of industry . . .
>
> The Borough, through the years, has successfully attracted business and industry, and with the completion of one of New Jersey's major highways, Route 80, the Borough has become a vital center of activity in the hub of the metropolitan area. . . .

I quote these excerpts to you, Mr. Speaker, because they express, in some measure, the historic significance and happenings of Totowa during these past 75 years. The quality of life in the Borough of Totowa we are commemorating today is stored up well within the heart and memory of our most distinguished elder citizen of Totowa, Mrs. Elizabeth "Libby" Wilson Raupp, who was born and resided in Totowa throughout her lifetime. She was a teenager at the time of Totowa's birth as a borough and we are all indeed proud of her and her family's contribution in the mainstream of the daily happenings of family living and historic record of achievements in the borough of Totowa.

Mr. Speaker, as we reflect in thanksgiving to all of the citizens of Totowa, I also commend to you the following esteemed mayors of Totowa who, throughout this diamond jubilee period served our country well at the helm of the governing body of the borough of Totowa:

The Honorable:
William Van Houten—April 18, 1898–March 1900.
Charles Scrivens—March 1900 until death 12–27–1900.
Robert Boyle—Presided until March 18, 1901.
William Wilson—March 18, 1901–March 1904.
Henry R. Crews—March 1904–Jan. 1909.
William J. Acorn—Jan. 1909–Jan. 1911.
Walter R. Hudson—Jan. 1911–Jan. 1917.
Fred S. Dodd—Jan. 1917–Jan. 1919.
John W. Sutton—Jan. 1919–Jan. 1923.
Francis M. Milne—Jan. 1923–Jan. 1925.
Elmer E. Miller—Jan. 1925–Jan. 1929.
J. Roy Sixx—Jan. 1929–Jan. 1931.
John Ulrich—Jan. 1931–Jan. 1933.
Joseph Boyle, Sr.—Jan. 1933–Jan. 1943.
Harry A. Stratton—Jan. 1943–Jan. 1949.
Joseph A. Stewart—Jan. 1949–Jan. 1955.
Joseph L. Ryan—Jan. 1955–Jan. 1959.
Felix Liberti—Jan. 1959–Jan. 1961.
Samuel Cherba—Jan. 1961 to present.

The history of Totowa would not be complete if we did not also offer a moment of silent prayer in memory of the young men of the borough who lost their lives in service to our country. I commend to you the following deceased servicemen of Totowa:

Thomas Birchall.
Charles Campbell.
Harold J. Davidson.
Frank A. Durning.
Ernst G. Graf.
Austin Loran.
Frank P. McCourt.
Walter J. McMann.
G. Elliot Morrell.
John J. Netzer.
Donald P. Oxley.
Antonio Pezzano.
Gerard B. Quigley.
William Romeo.
Thomas J. Stainton.
John Thaler.
Melvin Van Houten.
John H. Winschuh.
Chester Wortman.
Francis Yost.
John P. Zeliff.

Plaudits and deep appreciation are also extended to the following "Roll of Honor" of community organizations who have helped to attain citizens participation in civic endeavors and providing outstanding public service to the residents of Totowa:

Volunteer Fire Company No. 1.
Lincoln Fire Company.
Riverview Park Fire Company.
C.D. Fire Rescue.
Exempt Firemen's Association.
American Legion Post 227 and Auxiliaries.
Veterans of Foreign Wars Post No. 10104 & Auxiliaries.
First Aid Ambulance Squad.
Totowa Police Athletic League & Auxiliary.
Totowa Woman's Club.
Totowa Junior Woman's Club.
Chamber of Commerce.
Totowa Senior Citizen's Club.
Italian-American Independent Club.
Borough of Totowa Parent-Teachers Association.
Societies of St. James R.C. Church.
Societies of Totowa United Methodist Church.
Societies of Christ Episcopal Church.
Women's Society of Christian Service.
Scouting Units of Totowa Borough.
Totowa Kiwanis Club.
Totowa Lions Club.
Totowa Education Association.
Passaic Valley Elks and Auxiliaries.
Republican Club.
Democratic Club.
Deborah Society, Totowa Chapter.
Paterson Lodge No. 76 Order of Shepherds of Bethlehem.
Patrolmen's Benevolent Association.
4–H Club.
Naval Brigade.
Totowa Fire Belles.

Mr. Speaker, the magnificence of the borough of Totowa is well expressed by the explorer, seaman, and writer, David Pieterszoon deVries who, during the 1640's, in recounting his personal observations and impressions of his visit to Totowa and its environs, stated:

> It is a pleasant and charming country if only it were well peopled by our nation.

As the history of Totowa is well documented in the reality of his observations, his words are so true. The people of Totowa have made the difference in achieving a pleasant and charming community and I am pleased and privileged to seek this national recognition of all of their good works. We do indeed salute the citizens of Totowa in commemorating and celebrating this diamond jubilee anniversary of the borough of Totowa.

NEW IBERIA TROOPER SELECTED AS TOP OFFICER

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. TREEN. Mr. Speaker, I would like to take this opportunity to publicly congratulate Mr. Louis Ackal, Jr., of New Iberia, La., for his selection as the Outstanding Lawman of the Year by the Kiwanis Clubs of Louisiana, Mississippi, and western Tennessee. Mr. Ackal is a lieutenant with the Louisiana State Police and has compiled an outstanding service record. In this respect I submit the following article from the Daily Iberian:

TROOPER SELECTED AS TOP OFFICER IN THREE-STATE AREA

The New Iberia Kiwanis Club nominee for "Outstanding Lawman of the Year," Louis Ackal Jr. of New Iberia was selected as the top law enforcement officer over 117 other nominees submitted by clubs in Louisiana, Mississippi and Western Tennessee.

Ackal is a lieutenant with the Louisiana State Police and served in the detective-criminal division at the time of his nomination by the New Iberia club.

The lawman was recognized at the annual Kiwanis Convention held in Shreveport last week and received a plaque in honor of his selection. He was accompanied by his wife.

Ackal first joined the state police in 1966 and after completing basic training he was assigned to the now defunct Troop C in Franklin. In 1969 he began full time work in an undercover capacity to investigate narcotics. At a special training course for such agents he was elected president of his class.

During 1970 he worked full time as a narcotics agent and spent weeks and months without contact with his family. According to a deposition attesting to his work "most of his assignments involved 'hippie' groups and he was not allowed to cut his hair or shave in order to live with these people."

"These investigations not only involved the 'hippie type doper' but involved the 12-year-old marijuana user and salesman, the heroin addicts and the unsuspected clean citizen of a community," the Kiwanis statement reported. He was responsible for over 100 arrests.

The following is a list of his accomplishments:

In July of 1970, he completed an investigation which led to the arrest of over 30 people for the sales of marijuana and LSD in one community. Ages of these arrested ranged from 13 to 40.

He broke up an auto theft ring which operated from Dallas, Texas, through this area down to St. Petersburg, Fla. He recovered about 30 cars.

He broke up a boat theft ring out of Fort Worth, Dallas and down to Baton Rouge, Louisiana, and recovered 20 to 25 boats. This was in conjunction with the Texas Rangers and Baton Rouge City Police.

He was instrumental in breaking up a drug ring operating from New Orleans to Monroe, Louisiana.

He broke a dope case in North Louisiana, spending 5 days in jail to do it. He also spent time in jail in South Louisiana to break up a theft ring.

He broke up a Razzal Dazzal game near a Lafayette Club where tourists were being bilked out of money from $300 to $900.

He requested that he be allowed to give up his undercover duties in August of 1970. He has since been promoted to the rank of lieutenant.

He is presently assigned to security for dignitaries visiting Louisiana, such as the President, Vice President of the United States and celebrities such as Bob Hope, as King of Bachus.

He did find time to save a neighbor's life one night by giving artificial resuscitation.

FEDERAL EMPLOYEE PAY RAISE

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. WALDIE. Mr. Speaker, I am introducing today a resolution disapproving the President's alternative plan for pay adjustments for Federal employees as submitted to Congress on August 31, 1973.

For the third time in 3 years, now, the President has come up with an alternative plan to what Federal employees need in the way of pay raises—and deserve under the law. When Congress passed the Federal Pay Comparability Act, it surely did not foresee that a President would systematically try to cheat Federal employees out of a few months of increased pay—or grant them less than economic statistics indicate they deserve.

But, at least, under the provisions of that legislation, either House of Congress can disapprove of the President's action. After discussing the continued circumvention of the Comparability Act with Federal employee groups and associations, it was decided that a disapproval resolution should be introduced in each body, but with the realization that the Senate clearly offered the better opportunity for early and favorable action. Indeed, I understand that the Senate may act as soon as this week on its disapproval resolution.

But, Mr. Speaker, even if the disapproval resolution is passed the problem of a President being continually able to subvert the intention of the Pay Comparability Act will remain. For this reason, my Subcommittee on Employee Benefits will hold hearings in early October to consider needed changes in the current law.

For instance, even if the Congress forces the President to grant a pay raise on October 1 rather than December 1 of this year, the President would still appear to have discretion over what percentage that raise would be. Indeed, the President evidently has until the very day before the effective date of the salary increase to announce the adjustment figures.

In any case, it is now time that the Congress reevaluate the Pay Comparability Act in light of its obvious inadequacies to prevent the President from dealing inequitably with Federal employees.

Mr. Speaker, the text of the disapproval resolution follows:

Resolved, That the House of Representatives disapproves the alternative plan for pay adjustments for Federal employees under statutory pay systems recommended and submitted by the President to Congress on August 31, 1973, under section 5305(c) of title 5, United States Code.

REPUBLICAN LEADER PRAISED

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. ANDERSON of Illinois. Mr. Speaker, I think all of my colleagues, but especially those on the Republican side of the aisle, will be interested in an article which appeared in the September 24 Baltimore Sun. The subject of the article is our distinguished Republican leader, GERRY FORD. Its theme is that effective party leadership is possible in the House without resort to the kind of strong-arm tactics often associated with forceful party leaders in the past.

I found the article illuminating and a much deserved tribute to one who has served the Republican Party, the House of Representatives, and the American people faithfully and effectively for a quarter century. I ask unanimous consent that the article be included at this point in the RECORD:

FORD GETS THINGS DONE IN HOUSE, SAVES NIXON VETOES, LEADS GENTLY

(By Albert Sehlstedt, Jr.)

WASHINGTON.—There is not much for Republicans to cheer about in this year of Watergate, but if they need a hero now, Gerald Rudolph Ford, Jr., might qualify.

Mr. Ford is a Republican leader of the House of Representatives, and while he lacks the "star" quality of a man like the late Senator Everett McKinley Dirksen, he is getting the job done.

The job at the moment consists in large measure of sustaining a series of presidential vetoes of controversial legislation. Mr. Ford with some help from the Democratic side of the aisle, has managed to muster enough votes this year to sustain four presidential vetoes in the House. (A fifth was upheld in the Senate.)

NIXON OBJECTION

Last Wednesday, the 60-year-old congressman from Grand Rapids, Mich., turned in his best performance to date as he led the GOP forces to victory in sustaining Mr. Nixon's veto of an emergency medical services bill.

Mr. Ford's performance was noteworthy because the bill, only one step removed from "motherhood" legislation, simply authorized a modest amount of money, $185 million over three years, to do something almost everybody thought was a good idea.

The money would have been used to help cities bring faster aid to accident victims and to those struck down by heart attacks or stricken by other sudden medical catastrophes.

President Nixon had objected to the bill because it was another example of the federal government becoming involved in local matters and because the measure forbade the closing of eight Public Health Service hospitals, including one in Baltimore, which the chief executive said had "outlived their usefulness."

Despite the popularity of the bill, Mr. Ford prevailed, though by a narrow margin. The veto was sustained by the House 144 to 273. The 273 votes cast in favor of overriding the veto were only five fewer than the two-thirds majority required by the Constitution.

The Senate had overridden the veto in a landslide, 77 to 16.

Mr. Ford gets the job done by dint of hard work and kindness in the opinion of Representative Lawrence J. Hogan (R., 5th).

"He never cajoles," said Mr. Hogan who voted last Wednesday to override the veto. "He is persuasive. He works hard.

"He's the kind of guy who when he comes up to you, you listen," Representative Hogan said.

Representative Ford was coming up to people last Wednesday as he patrolled the Republican side of the House like a football coach on the sidelines during a tight game.

One person the GOP leader encountered was Representative Paul N. McCloskey, Jr., of California, who became well known nationally when he opposed President Nixon for the Republican presidential nomination.

"How do you feel?" Mr. Ford said he asked Mr. McCloskey, inquiring not about his health but about the way he was going to vote.

There were only 2 minutes remaining in the 15 minute voting period and it was apparent from the House's electronic scoreboard that the final outcome would be close.

"I haven't made up my mind," Mr. McCloskey replied.

Mr. Ford recalled that he and the Californian had "always had a good relationship," though they had voted differently on some issues. The minority leader said he explained the bill to Mr. McCloskey. Mr. McCloskey listened but walked away without saying what he would do.

A minute later, he came back to Mr. Ford and said: "I voted with you."

That helped.

The McCloskey anecdote does not summon up an image of a congressional leader in the tradition of a Lyndon B. Johnson, when he held sway in the Senate, but Mr. Ford is not in that mold.

This point was made by Representative Gilbert Gude (R., 8th) who observed however, that "leadership is a hard thing to define."

Mr. Gude said he has been accused by his own political opponent of lacking leadership, or the established criteria of leadership, and he seemed to think Mr. Ford might be in the same category.

However, the Marylander said, "the proof is in the pudding," and he mentioned sustaining the four vetoes.

The pudding is not easy to prepare.

GATHERING VOTES

Mr. Ford was asked last week how he gathered enough votes on each occasion to sustain the vetoes.

"First" he said, "we know in advance if a bill will be vetoed."

That is important because it gives the Republican leadership an opportunity to "protect" the GOP members against voting for a bill when it first comes to the floor and then reversing themselves later to sustain a veto, he said.

After a veto, he continued, the leadership makes a "whip check" in which Republicans from each state are asked how they would vote to sustain—yes, no, or undecided.

Then the leadership goes to work on the undecided members, working closely with the White House.

AGAINST ARM-TWISTING

White House lobbying against the medical bill was intense, according to Representative Carl Albert (D., Okla.), speaker of the House, who said after Wednesday's vote that it was all right for the President to be against the bill "but to put on the pressure that some Republicans have told me about is almost unbelievable when a spirit of co-operation is supposed to be in the air."

However, Mr. Ford said he is against arm-twisting tactics, such as threatening to block a public works project in a congressman's district if he does not vote with the party.

"If you did, you would destroy your relationship forever," the Republican leader said. "That might win you one vote, but in the long run it undermines your relationship.

Mr. Ford discussed these matters sitting behind his desk in the GOP leader's office in the Capitol. From the window there is an impressive view of the mall, extending up to the Washington Monument and beyond to the Lincoln Memorial.

He speaks to a visitor simply and directly in a style devoid of sweeping observations or witty asides that some educated politicians affect.

Growing to manhood in the Depression, Mr. Ford worked his way through the University of Michigan washing dishes and giving blood, at $25 a pint, to make expenses.

Young Ford also found time to play football and was named Michigan's most valuable player in 1934. He played center.

WENT TO YALE

He entered Yale Law School, despite the misgivings of the school because he was working full-time as an assistant football coach and freshman boxing coach. He was reminded that he would be entering the law course with a class of 125 that included 88 Phi Beta Kappa's.

Always able to get by on five or six hours sleep, Mr. Ford made it; was graduated from the Yale Law School in 1941 and admitted to the Michigan state bar the same year.

He also became interested in politics and worked for a reform group back home that was trying to oust a local boss who also was powerful in the state.

The reform group eventually won but by then Mr. Ford was in the Navy where he remained for 47 months, taking part in aircraft carrier operations in the Pacific.

After the war, he rejoined the reform group and tried to get somebody to oppose the resident congressman, Bartell J. Jonkman, whom Mr. Ford called an "extreme isolationist." Mr. Ford failed to find a candidate, ran against Mr. Jonkman himself and beat him 2 to 1.

Re-elected regularly, he became senior Republican on the important House Appropriations Committee.

CHALLENGED HALLECK

The 1964 elections (Johnson-Goldwater) were a debacle for House Republicans who lost 40 seats and were very unhappy. Mr. Ford challenged the Republican leader, Charles A. Halleck of Indiana, and won 73 to 67.

Asked if he thought he would ever become speaker of the House, he said "the odds are a little against us."

There are only 192 Republicans in the House now, compared to 243 Democrats and the GOP has not had a majority there since the first administration of President Dwight D. Eisenhower.

However, Mr. Ford speculated, if the House were divided philosophically—with Republicans and Southern Democrats together—it would be a different story.

Further, he noted, the GOP was making inroads in the South, picking up some seats long held by conservative Democrats.

But all that is pretty far down the road.

The next order of business for Mr. Ford comes up Wednesday when the House votes to sustain or override President Nixon's veto of the minimum wage bill.

He will be patrolling the aisles again looking for every possible vote.

NORTH VIETNAM TRIES TO DUCK ON MIA ISSUE

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. HUBER. Mr. Speaker, the vexing problem of accounting for our missing in action in Southeast Asia continues to bother many of us here in the Congress. Progress on the matter is not apparent and, in fact, the North Vietnamese are attempting to muddy the waters in that respect. A UPI story over this last weekend that appeared in the Washington Star-News reported that the North Vietnamese now demand that all political prisoners still held by South Vietnam be released before they will abide by the accords they signed. This is a typical Communist delaying tactic. There was nothing in the agreements we signed tying accounting for the missing in action to the political prisoner issue. The United States might just as well ask North Vietnam to return every South Vietnamese citizen they kidnaped first. This might be a fair exchange. The article follows:

[From the Washington Star-News, Sept. 23, 1973]

HANOI SHUNS SEARCHING FOR U.S. DEAD

SAIGON.—Vietnamese Communists yesterday said they could not help in the search for more than 2,000 dead and missing Americans in Indochina while political prisoners remain in South Vietnamese jails.

"How can the Vietnamese people enthusiastically get information about the U.S. missing in action while their relatives are still detained in the prisoners of that (South Vietnam) side?," asked North Vietnamese Maj. Pham Phu Binh, spokesman for the Hanoi delegation to the four-party joint military team.

Binh's restatement of a Communist tactic apparently meant another halt in the search for 2,400 Americans still officially unaccounted for.

There was no immediate comment from U.S. officials.

On the battlefront, fighting in the highlands north of Saigon and the Mekong Delta to the south killed 151 Communists and 23 government soldiers between dawn Friday and noon yesterday, the government high command said.

In the two worst battles reported, 39 Communist and six government infantrymen were killed Friday near Kontum in the central highlands, 260 miles north of Saigon, and 35 Communists and seven government troops were killed the same day near Cai Lay, 50 miles southwest of Saigon.

TRIBUTE TO BUCK OWENS

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. KETCHUM. Mr. Speaker, I am honored today to call to the attention of the Congress a man whose accomplishments as a musician and humanitarian are unsurpassed, Mr. Buck Owens.

Buck Owens is recognized throughout the Nation as being a pillar in the musical world, a man who probably more than any other has made country music the universally popular form of musical expression that it is today. Country music, particularly such as that of Buck Owens, is in my mind the true soul music of America.

Mr. Owens has traveled throughout the United States bringing his music and message to millions of fans in every State of the Union. Equally important, he has taken with him country musicians of exceptional talent and presented them in a showcase of America's finest music capabilities. The many entertainers, now stars, who have been helped by Buck Owens, as well as the many people who enjoy their music, owe much to him for this interest in advancing the message of this popular medium.

But perhaps more significant than what Buck Owens has done for the country music world is what he has done for the hundreds of thousands of our citizens afflicted with a wide variety of tragic maladies. For more than 10 years, Buck Owens has dedicated his talents in an immensely humanitarian effort to those who are underprivileged, handicapped, mentally retarded, mentally ill, or disabled by cancer or heart disease. He has done so by donating his services to the many groups and associations directly involved in the battle against such affliction.

Touched more than once through his family with the tragedy of cancer, Buck Owens established in 1971 the Buck Owens Health and Research Organization to advance the research on and cure of cancer and heart disease. This organization, in which his sister, Dorothy Owens, plays a prominent role, is recognized as being among the finest of such associations, and the completion of the Nation's fifth cancer research center, the Kern Radiation and Oncology Center, will soon be reality. This center is one of the few such centers in the United States, and will be a source of hope and comfort to many Californians.

Each year Buck Owens has sponsored the Buck Owens Celebrity Invitational Golf Tournament in Bakersfield, Calif., to raise money for this massive undertaking, and for the American Cancer Society. A memorial to his brother Mel, who died of cancer, the tournament raises thousands of dollars and enjoys the loyal support of celebrities, actors and athletes from all over the Nation.

I greatly admire Buck Owens as a great entertainer, great humanitarian and personal friend. Truly men of his stature and sensitivity do not come along every day.

THE CRISIS FACING AMERICAN STEEL INDUSTRY

HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. ROONEY of Pennsylvania. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article which I referred to earlier in my speech "The Crisis Facing the American Steel Industry."

[From the American Metal Market, Sept. 20, 1973]

BUREAUCRATS NEED BOARD EXPERIENCE

Last week's decision by the Cost of Living Council to grant some steel price increases in dribs and drabs and deny others at least up until December may have been politically expedient, but it lacked courage.

What it really all adds up to is that the traditional economic theory of supply and demand, a cornerstone of most economics courses have gone by the wayside.

CLC's ruling and other related actions over the past 18 months have effectively proved one point—the economics textbook is out the window and it has been replaced by something else—political influence or interference.

Many of Washington's current politico-economic policies have been promulgated at the expense of industry—not in its interest. We don't have to look any further than this nation's manufacturing industry to prove that despite the fact we are in an economic boom period right now there are fewer people employed in manufacturing than there were in 1969.

Right in the steel industry, quotas to curb imports have been largely ineffective for one reason—they have been formulated by people who for the most part are not directly involved in steel, and these people have not yet recognized the fact that foreign industry—a partnership of big business and government—has proven it needs no classic supply-demand situation or even profit motive to sell steel in a given market.

There is a startling paradox in this current confrontation between steel and government in this country.

The government by its supersensitive reaction toward steel has once again proclaimed that it is the industry on which this nation's economy is based. And yet it seems to be doing many things to insure that it becomes less efficient, less productive and less prosperous.

The experts say this nation's steel industry will need about 25 million brand new tons of steel capacity by 1980 to meet projected world demand, plus an additional 23 to 25 million tons of capacity to replace facilities that will have been outmoded by that time.

These same experts say this addition to capacity translates into $18 billion in capital expenditures. Where is this money going to come from?

It'll have to come from steel, but it won't come from an industry plagued with production problems, reeling from imports, and hampered by lack of any meaningful form of capital recovery.

Perhaps the answer is in putting the bureaucarts in the hot seat? It might be interesting to elect some of the Cost of Living Council members who voted down steel's increase to some of the boards of directors of our steel firms.

We wonder how comfortable they'd be agonizing over authorization of that kind of capital spending. Perhaps the perspective they'd gain would make it a worthwhile experiment?

GOVERNMENT'S REVOLVING DOOR

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. DERWINSKI. Mr. Speaker, Mr. Arch Patton, director of McKinsey & Co., is widely regarded as an expert in diagnosing and solving management problems, both in government and private industry. He served as chairman of the President's Commission on Executive, Legislative, and Judicial Salaries, which Commission report will serve as the basis for the President's executive salary recommendations next January. Mr. Patton has written an article, published in the September 22 issue of Business Week, entitled "Government's Revolving Door," which deals with the issue of tenure—or rather lack of tenure—of key Government executives. I commend Mr. Patton's comments to anyone who is interested in the operation of the Federal Government and the problems we face in making it work better:

GOVERNMENT'S REVOLVING DOOR

The 11 departments of the federal government have a normal complement of approximately 90 secretaries, undersecretaries, and assistant secretaries. The individuals appointed by the President to these positions provide top management guidance to some 1.7-million federal employees and supervise a $22-billion payroll. By any criteria, these men and women have an awesome responsibility for the well-being of our country.

Yet turnover among these key executives of our government is extremely high, which means on-the-job experience is low. The most common estimate heard in Washington is that the average undersecretary and assistant secretary keeps his official post for only 22 months. When asked what he would do if his own publicly owned company was limited to a 22-month top executive tenure, one chief executive of a big company responded: "I'd sell every share of stock I own as fast as possible."

The official attitude in Washington toward such short tenure among federal executives seems to be that it is not all bad, for much of the turnover represents the early elimination of hiring mistakes. Some comfort is also taken that the two-year job tenure average could be worse. And finally, the general attitude is: "It has always been this way."

Having had reason to review the tenure of appointees as secretary, undersecretary, and assistant secretary in several recent Administrations, I wonder if the 22-month average so widely regarded as "par" in government circles is not a dangerously simplistic figure. For example, the tenure of the 563 secretaries, undersecretaries, and assistant secretaries in the first Administration of the three most recent Presidents—Kennedy, Johnson, and Nixon—broke down as follows:

[In percent]

	Months on the job		
	Less than 12	12 to 24	Over 24
Secretaries	16	25	59
Undersecretaries	16	35	49
Assistant secretaries	22	32	46

Thus, when the generally accepted 22-month average tenure is analyzed, we see that a sizable number of officials held their jobs less than a year. Furthermore, more than half of the undersecretaries and assistant secretaries left their posts in less than two years.

These figures, of course, represent the average for all government departments. In the Commerce Dept., for instance, approximately one-third of its officials quit in less than 12 months, and nearly 40% left some time in their second year. The huge Defense Dept. had a somewhat better record: Only 10% of the undersecretaries and assistant secretaries left the first year, but nearly half of them quit in the second year.

Many top government officials question the ability of undersecretaries and assistant secretaries with less than a year of tenure to make a real contribution to their jobs. It takes longer than that, they argue, to understand the decision-making process, "how things are done around here." Former Commerce Secretary Maurice Stans says: "A business executive needs at least two years to become effective in government, to understand the intricacies of his programs, and to make beneficial changes."

A survey of the expectations of top executives in industry, on the other hand, indicates that when an individual is promoted to either a function or a business that is new to him, at least two years will pass before he is even held fully accountable for his decisions. As a top executive in a big company put it: "There are three levels of executive job learning: The superficial or 'talking' level may take six to nine months, understanding the economics-of-the-business level may take 12 to 18 months, but the 'instinctive' decision-making level will take at least one and perhaps two complete cycles of boom and recession—and this may encompass six to eight years." In other words, in the competitive world of business, the job-learning process is expected to take time, and the individual rises or falls on his ability to handle a job once the learning period is behind him.

POLITICAL NOVICES

A large proportion of the newly appointed undersecretaries and assistant secretaries, of course, accept jobs that are entirely new to them. Furthermore, most of them are entering the political arena for the first time, which must add a new—and difficult—dimension to the job-learning process. However, the political appointee does not expect to make a career of his job, so the penalty for failure is transferred from the individual—as in industry—to the employer, the government.

Looked at from the standpoint of job tenure alone, therefore, the executive branch of the federal government has a problem that would be disastrous for most industrial companies.

But there is another side to the tenure coin, one that I have rarely heard mentioned in Washington: the time a boss and his subordinate work together. The enormous importance of the working relationship between an individual and his superior stems from the need of the boss to size up the strengths and weaknesses of an individual he is counting on to discharge some of his own responsibilities.

Almost to the man, senior business executives contacted in the tenure survey believed it took longer for the boss to form a solid judgment of a subordinate's ability to do a job than it took for the man to learn the job. In other words, if it takes 18 months for a man to get a reasonable grasp of his job, it is likely to take his superior up to 50% longer to reach a balanced judgment of his ability to do the job adequately.

When the tenure of the government superior working with his subordinates in these same Presidential first terms is examined, the gravity of the management problem becomes clear. The following table shows the time span of the working relationships of the same secretary and the same reporting undersecretaries, as well as the same assistant secretaries working for the same undersecretaries, in these three first Presidential Administrations:

[In percent]

	Boss-subordinate relationship months		
	Under 12	12 to 24	Over 24
Undersecretaries to secretary	29	34	37
Assistant secretary to undersecretary	39	38	23

Note: In 1 department, the assistant secretaries report to the secretary and the relationships vary only moderately from these averages.

The fact that 29% of the undersecretaries and 39% of the assistant secretaries in these Presidential first terms worked less than a full year with their superiors must be close to the disaster level. When it is then realized that almost two-thirds of the undersecretaries worked for less than two years with the same boss, and more than three-quarters of the assistant secretaries fell into this category, the mind simply boggles.

The figures in some of the major departments are equally shattering to a taxpayer's equanimity. In the Defense Dept., for example, more than 40% of the assistant secretaries had a boss-subordinate relationship of less than 12 months, and more than 80% had less than two years. Even in the relatively conservative Treasury Dept., more than one-third of its undersecretaries and assistant secretaries had a superior-subordinate relationship of less than a year. The Commerce Dept. seems to be in a class by itself: 60% of its undersecretaries and assistant secretaries had a boss-subordinate relationship of less than 12 months.

THE CIVIL SERVICE

Any serious consideration of the boss-subordinate relationship in the executive branch, it seems to me, must raise at least two questions. The first, of course, is whether these men learn enough in their brief sojourn to make the decisions expected of them. If the answer is "no" as the facts suggest in all too many instances, then who does make them?

The answer to this second question may well offer one solution to the turnover problem. There is some evidence to suggest that many decisions presumably reserved to officials of the executive branch are in fact made by civil service executives in the so-called supergrades working under them. This, in its turn, suggests the possibility of eliminating the practice of making political appointees assistant secretaries and instead filling these positions from the ranks of civil service. Assuming qualified men can be found for these jobs in the supergrades, this would have the double advantage of providing one more promotion level at the top of the civil service structure, and vastly improving job tenure, which means more experienced decision-making at the assistant secretary level of the government departments.

England seems to have found this to be a workable approach. It is worth serious consideration in the U.S. The facts at hand suggest that almost anything reducing turnover will improve the decisions made in the executive branch, given the same quality of manpower.

It is also possible, of course, that the recruitment of better qualified secretaries, undersecretaries, and assistant secretaries would result in reduced turnover. The highly qualified individual is likely to feel comfortable in his new position more quickly, hence inspire greater confidence on the part of both superiors and subordinates. This, in turn, should result in greater *esprit* within the organization, thereby eliminating some of the causes of turnover.

YOUNGER APPOINTEES

However, this solution presupposes that government service carries a considerably higher prestige value among businessmen of proven ability than appears to exist today. One very obvious trend during the past decade has been that undersecretaries and assistant secretaries—particularly the latter—have been getting younger and younger. Many of the more recent appointees are in their early 30s.

This implies that more senior executives have been approached—for any administrator would prefer to appoint a man with an established reputation—and have turned down the offer. But the necessity of appointing younger men has the effect of further diminishing the prestige of these positions, for the 45-year-old executive who is close to the top shies away from working at the same level with men 10 years his junior. There is a sort of Gresham's Law controlling the prestige associated with a position. If the inexperienced young are acceptable, their experienced seniors find reasons for being unavailable.

THE TRAGEDY OF CRIB DEATH

HON. RICHARD C. WHITE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. WHITE. Mr. Speaker, on September 10, I introduced legislation in the House of Representatives providing financial assistance for research activities for the study of sudden infant death syndrome.

During my remarks before the House, I noted that serious and tragic injustices often occur because parents of SIDS victims are falsely accused of child abuse. The bill I introduced provides the means by which research may begin, and a protective device for those parents who are falsely accused of neglect because of the public's lack of knowledge and awareness of SIDS.

The Senate has once again begun hearings on SIDS, and the witnesses appearing before the joint session of the Subcommittee on Children and Youth and the Subcommittee on Health have brought to light new and more tragic injustices.

Mr. Colman McCarthy has stated well many of the injustices uncovered during those hearings, and I submit for the RECORD the contents of Mr. McCarthy's article which appeared on the editorial page of the Washington Post on Friday, September 19.

The article follows:

THE TRAGEDY OF CRIB DEATH

(By Colman McCarthy)

Earlier this year in a small California town near San Diego, John and Patricia Smiley went into the bedroom of their four week old infant. The child healthy the day before, lay dead. The couple, frantic with sudden shock, immediately called the local sheriff's office to ask for an ambulance. As Smiley remembers it, the voice at the other end replied that if the child was dead, why was an ambulance needed.

So began the post-death ordeal of the Smileys. The young and poor couple was charged on suspicion of involuntary manslaughter and jailed for three days. The charges were eventually dropped but not before the couple had been harassed to the point that they left town. The Smileys were in Washington yesterday, testifying before a joint session of the Senate subcommittee on children and youth and the subcommittee on health. "There are just so many bad memories to the whole situation and I would like to forget," Smiley told the senators, "but I know that I will never be able to forget . . . I hope that it never happens to anyone else like it happened to us. The death of a child is bad enough. It's the harassment and lack of knowledge, lack of understanding and lack of compassion that hurts more than anything else."

The tragedy of the Smileys would pass unnoticed—another hard luck case in a world full of them—except that it is part of a national pattern. Their child died from sudden infant death syndrome, a disease that kills an estimated 10,000 infants a year, at a ratio of one in 350. SIDS (crib death) is neither predictable nor preventable. Perhaps because of this, interest in its research has been limited, from medical schools to the federal government; current federal primary money for SIDS research grants is $262,000, less than the cost of remodeling the President's jet; primary research contracts are $340,000 What is especially strange about the disease is not its mystery but that little is done for the surviving parents, even though much is known about their anguish. Couples are not usually jailed as the Smileys were, but nearly all are imprisoned within some kind of emotional torment from which release is painful and perhaps impossible.

Many who are concerned about SIDS learned long ago not to look to the Federal government for leadership, much less to local health officials. Instead, several private groups are at work. Among them are the Guild for Infant Survival (Baltimore) and the National Foundation for Sudden Infant death (New York). In testimony yesterday, Dr. Abraham Bergman, a Seattle pediatrician and the foundation's president, said that the parents' post-death anguish "is all so unnecessary. By the expenditure of a small amount of funds (such as proposed in legislation now before the Senate), and just the semblance of some action on the part of HEW, the human aspects of SIDS which causes an enormous toll of mental illness could be solved within two years."

In other years, Bergman has come to Washington with mostly general statements on the degree of neglect. The response was small. This time, he is presenting specific details from 158 American communities on what action coroners, medical examiners, health officials and parents take when infants die suddenly and unexpectedly. The report, with a few bright parts, is generally bleak. A coroner in Alabama called a SIDS death suffocation because "blacks do not know how to care for their children properly." An Idaho coroner called it "partial neglect and pneumonia." Only half of some 400 parents were told their children died of SIDS. Only 27 percent of the communities had pathologists to certify the cause of death; in 43 percent of the communities it was not even a physician who performed this service, but often an undertaker, ambulance driver or sheriff. More than a third of the families had to wait between a week and many months before the autopsy results were provided; 9 percent were never told by anyone why their infants died.

Not surprisingly, Bergman's study found racial and class discrimination in the management of SIDS. "Half as many blacks as whites were given SIDS as an explanation for death; four times as many blacks were told that their baby suffocated; and three times more blacks than whites were never told why their baby died. Some 75 percent of upper class families had heard of SIDS before their baby died, and 92 percent received information afterwards. Only 48 percent of lower class families had heard of SIDS before their baby died and only 40 percent received information about SIDS after their baby died. The people who needed the help most were least apt to receive it."

The loss of an infant causes an anguish that only the surviving parents can feel. Even when a parent is familiar with the disease, the trauma can be intense. A Seattle pediatrician working in the hospital with the world's largest SIDS research project said that her knowledge that SIDS is neither predictable nor preventable "did not protect me from painful guilt feelings and depression. I was a human being and a mother who needed help at a critical time." She was visiting in Los Angeles when her infant son died and the help was not provided. More than two months passed before she even knew that an autopsy had been performed. "I keep thinking," the woman has written, "if a physician's family, which has some understanding of SIDS, is treated in this way in Los Angeles, what happens to other families who don't have similar resources? Why can't parents who lose treasured infants be treated with dignity and compassion?

It is a fair question. One possible answer is the lack of leadership among public health officials. Why should a local sheriff's office be expected to show sensitivity if no example is given by the supposedly alert doctors in many state and federal agencies? At the last Senate hearings on SIDS, a HEW doctor in charge of SIDS research issued the inevitable promise to take action, but he's gone from the agency now. His successor has renewed the promise. "I don't know what happens to people when they come back here to the banks of the Potomac," Bergman said. "Maybe it's the heat or maybe it's the smog. Government officials here in Washington are always busy, busy, busy with *big problems*. HEW always seems to have some reorganization cooking. *Global* health strategy is being devised, or else 'we're new in our job, just give us time.' Senator Magnuson says that, what with all the job changes, the busiest people in this town are the sign painters down at HEW.

If we were told this morning that in the next year a dreadful plague would kill 10,000 of America's children, it is likely the nation's medical community would command the front pages of newspapers to announce plans to meet the threat. The sign painters at HEW would be idle because no official would dare leave his post in this emergency. Every local community, including Alabama coroners, would be on the alert. Such a plague is not coming, of course, at least not the Black Death kind of threat. But a year from now, another 10,000 infants will have been found dead in their cribs. Afterward, their parents will die repeated emotional deaths in private anguish. The research to prevent SIDS may be far off, but ways to prevent the abuse of surviving parents is well known. Perhaps the largest mystery involving SIDS is that we are not acting on facts already available.

THE DEATH OF THE REVEREND URBAN J. VEHR

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. BROTZMAN. Mr. Speaker, last Thursday I was saddened to learn of the death of the Most Reverend Urban J. Vehr, the retired Roman Catholic archbishop of Denver.

Archbishop Vehr retired in 1967 after having served as a religious leader in the Denver community for 36 years. Originally from Ohio, Archbishop Vehr was named Bishop of Denver in 1931. He had been ordained a priest in 1915 and had immediately begun his full life of serving people. Prior to coming to Denver, he served as both a pastor and educator.

In 1941 Denver was raised to an archdiocese and Monsignor Vehr was elevated to archbishop at the age of 50. That made him one of the youngest archbishops in the country. During his tenure, Archbishop Vehr greatly expanded the number of Catholic parishes and churches in Colorado. He was a strong supporter of the Catholic press, having assisted in the formation of the Denver Register as a national Catholic newspaper.

On two occasions, Archbishop Vehr was recognized by the Pope for his efforts, he was named a knight commander of the Holy Sepulchre and an assistant to the pontifical throne.

Perhaps Archbishop Vehr will most be remembered for his efforts in the religious development of youth. Under his leadership the number of students receiving Catholic religious instruction increased by more than four-fold between 1946 and 1965.

In 1969 Archbishop Vehr received Regis College's highest honor, a Civis Princeps award as First Citizen of Religion.

Mr. Speaker, the entire Denver community is better for Archbishop Vehr's having been there. We will miss him, but we are thankful that he served us so well for so long.

UNICO NATIONAL SUPPORTS INCORPORATION PROPOSAL FOR ITALIAN AMERICAN WAR VETERANS OF THE UNITED STATES

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. ROE. Mr. Speaker, as a nation comprised of people of all nationalities and origins from throughout the world—each singularly, and rightfully so, proud of his individual heritage and united in common endeavor of freedom, justice, and a good life for all, I find it most rewarding as a Member of Congress to be able to participate in the legislative process of our Nation in helping to preserve the endowment and traditions of our forebearers which are truly the strength of our Nation's foundation and the sphere of America's heritage. Our representative democracy has been nourished and secured by the cultural standards of excellence that all nationalities have contributed to America's greatness

It was, therefore, a privilege and honor to learn from the Honorable Alphonse A. Miele, executive secretary of UNICO National, the nationwide service clubs of community leaders dedicated to the preservation of the Italian culture and heritage, that the board of directors of UNICO National had unanimously adopted a resolution wholeheartedly supporting and endorsing H.R. 8038 to incorporate the Italian American War Veterans of the United States.

In addition to my sponsoring this legislation, it has also been sponsored and endorsed by the distinguished chairman of the House Judiciary Committee, the Honorable PETER W. RODINO, Jr. of New Jersey; the Honorable FRANK ANNUNZIO of Illinois; the Honorable CARLETON J. KING of New York; and the Honorable MARIO BIAGGI of New York. This measure is presently being considered by the House Committee on the Judiciary.

For your information and guidance, I submit to you and our colleagues here in the Congress a copy of the resolution adopted by the board of directors of UNICO National at their national convention held in Chicago, Ill., on August 18, 1973, which reads as follows:

RESOLUTION OF THE BOARD OF DIRECTORS OF UNICO NATIONAL

Whereas, Unico National is a national service organization whose goals, aims and objectives are to foster, encourage and promote the Italian culture and heritage as a creative force in the United States; and

Whereas, Unico National is dedicated to the support and encouragement of many civic and social causes for the betterment of all mankind including the cause of national Mental Health; and

Whereas, Unico National recognizes the contributions made by Americans of Italian descent to this Country in all fields of human endeavor; and

Whereas, Unico National further recognizes the contributions made by Americans of Italian extraction who have rallied the cause of National Service in all branches of the Armed Forces of the United States distinguishing themselves in all conflicts which the United States has engaged in support of freedom and the cause of free peoples throughout the world; and

Whereas, many Americans of Italian descent have valiantly given their lives or suffered severe injuries in this cause of freedom; and

Whereas, Unico National recognizes the need for a national organization to encourage, foster and promote the needs, aims and ideals of all Italian American War Veterans for the perpetuation of patriotism in the minds of all Americans, allegiance to the United States of America and fidelity to its Constitution; and

Now therefore be it resolved by Unico National here in Convention assembled in Chicago, Illinois this 18th day of August, 1973, do wholeheartedly support and endorse the House of Representatives Bill 8038 which calls for the establishment of the Italian American War Veterans of the United States, Incorporated, and will cause this resolution to be sent and distributed to all members of the Congress of the United States as an expression of our support.

Mr. Speaker, in response to this resolution of UNICO National, I would respectfully urge all of my other colleagues here in the House to join with us in cosponsoring and to vigorously support the promulgation and enactment of this legislation into law at the earliest possible date.

Mr. Speaker, it is my esteemed privilege to have the opportunity to seek national recognition of all of the good works of UNICO National and join with all Americans in saluting our Italian-American war veterans. We can, indeed, share the great pride of our Italian Americans in the outstanding contributions that the people of Italian heritage have made to the quality of our way of life here in America.

GERTRUDE MAY, R.I.P.

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. SCHERLE. Mr. Speaker, last month Shenandoah, Iowa, lost one of its best and best-loved citizens. Mrs. Earl May's life was such an eloquent tribute to the power of individuals to influence their communities, however, that it can serve as an example to the whole Nation.

Born 81 years ago in the same town where she died, Gertrude May contributed to the civic, business, charitable, and religious life of Shenandoah in ways almost too numerous to mention. Some philanthropists are generous with money; others donate their time and talents to the causes they espouse. Gertrude May gave freely of everything she had to all who wanted and needed her.

She served as chairman of the board of her husband's seed and nursery company and filled the same role in the May Broadcasting Co., parent of Shenandoah's KMA radio station and Omaha's KMTV television station. Her influence on these important public enterprises was paramount. In addition to these obligations, Mrs. May found time for an amazing roster of civic and charitable activities. She is perhaps best remembered, however, for her 25 years' association with the Hand Community Hospital.

If every community were fortunate enough to its own Gertrude May, America would be immeasurably richer and happier. Those that do understand our gratitude and our grief.

THE BOROUGH PRESIDENT OF MANHATTAN REACTS TO THE PRESIDENT'S HOUSING MESSAGE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. RANGEL. Mr. Speaker, the housing message released by President Nixon last week has caused many of us grave concern. Those of us who represent inner cities with housing needs of crisis proportion are severely disappointed with the content of the President's message.

We have been suffering for 9 months from the effect of this administration's moratorium on Federal subsidized housing. The new housing desperately needed by the city of New York for our low and moderate income citizens has been stopped by this clogging of the Federal pipeline. We were told to wait for the completion of a comprehensive study of Federal programs and the announcement of new programs which would replace the old and prove more effective in meeting the needs of poor and moderate income citizens. Our hopes have been dashed instead of proposing new programs to increase the supply of low and moderate income housing, the President proposes the end of subsidized housing for the construction of new housing and the substitution of a program of housing allowances. It is elementary economics that if you increase the amount of money people have to purchase housing and do nothing to stimulate an increase in the housing stock, you are likely to simply drive the prices of existing housing even higher than its present level and thus further out of the reach of low and moderate income citizens.

Manhattan Borough president Percy Sutton, who has long fought as a private citizen, the State legislator and as the borough president of Manhattan for more low- and moderate-income housing eloquently set forth the basic problem with the President's proposal in a statement released by his office on Thursday, September 20, 1973. I want to share Mr. Suttons reaction with my colleagues and urge them to consider it carefully as we critically examine the Presidents housing message.

The message follows:

SUTTON CALLS NIXON MESSAGE A "TRAGEDY FOR NEW YORK CITY"

The housing message released yesterday by President Nixon to Congress is a tragedy for all people in New York City who need decent housing.

The most destructive part of the Nixon proposal is his plan to end subsidies for the construction of new housing and to substitute a program of housing allowances.

The housing allowance program, very simply, will not help the poor get decent housing. It is a program that will "put the slum landlord on welfare."

The housing allowance program gives low income families money to spend in getting a roof over their heads—but the amount of money given will not be enough to purchase new housing; only old, tired and worn out housing will be available to the poor under the President's housing allowance program.

The housing allowance plan does nothing to *increase* the available *supply* of decent housing. The law of *supply* and *demand* makes the outcome very predictable. The result of the Nixon housing allowance program will be that the rent levels of existing worn out housing will go, and the only federally subsidized housing will be for the other-than-poor.

Poor people will continue to live in the same dilapidated housing, but they will be paying a higher price as the rent gougers learn that the poor are not going to be able to use their small rent subsidies to afford getting into new housing, and are confined to old housing.

The Nixon housing allowance program is good for the slumlord, but bad for the tenant.

Finally, it ought to be known that the housing allowance program is unsound. It is unsound because it does not provide for new housing and new housing is the needed answer for the millions of citizens across this country who now live in seriously dilapidated housing and cry out for a change of their conditions.

Th Nixon housing allowance program is unsound because there is no way to implement it short of a federal commitment to improve the housing that people are now living. I, like others, view the President as cynical, and believe that if the Nixon administration had a real commitment to house the poor of America, he would never have brought forth the housing allowance program.

I urge the Congress, the New York City delegation and all the members of the Congress, to reject the Nixon housing allowance program as the latest chapter of the continuing saga of the arrogance and contempt in which Mr. Nixon holds the poor and middle class working people of America.

PHASE IV—AN EMPTY PROMISE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. CRANE. Mr. Speaker, Americans are being forced to learn economics the hard way. Perhaps the recent shortage of beef, and the dramatic rise in food prices of all kinds, will convince those who have advocated wage and price controls and other forms of Government intervention in the economy to rethink their position. It is clear that such controls have not only failed, but have made the situation far worse.

Discussing the prospects for the phase IV program, Dr. Beryl W. Sprinkel, senior vice president and economist for the Harris Trust and Savings Bank in Chicago, notes that:

> Phase IV promises much but will deliver little, except shortages, supply disruptions, reduced output and ultimately higher inflation.

Writing in the Los Angeles Times of August 5, 1973, Dr. Sprinkel points out that—

> History teaches us the lesson at lesser costs. Throughout recorded history countries have tried various forms of the current experiment and have inevitably been forced to abandon controls after failure and at great sacrifice of economic efficiency.

In the long run, Dr. Sprinkel believes, we have the option of returning to a system of free enterprise. He declares that—

> Prudent Federal spending control and less monetary growth can bring our inflation under better control. However, the lags between tighter budgets and less money are exasperatingly long. . . . There is no better time to start than now.

I wish to share Dr. Sprinkel's remarks with my colleagues and at this time insert his article from the Los Angeles Times of August 5, 1973 into the RECORD.

The article follows:

PHASE IV—AN EMPTY PROMISE

(By Dr. Beryl W. Sprinkel)

Phase IV promises much but will deliver little, except shortages, supply disruptions, reduced output and ultimately higher inflation. The objective of the new program is clear, understandable and hopes to achieve an end that all citizens, be they producers, consumers or government officials, ardently desire. The program will *attempt* to slow inflation over the months ahead while minimizing supply disruptions characteristic of Freeze II. Yet to the extent it achieves reduced inflation by suppressing market forces, it will create perverse incentives, shortages, production cutbacks and, if long continued, will lead to black markets and ultimately rationing.

But such a dire prediction smacks of crying wolf! Haven't we all been taught by Freeze I and Phase II that price and wage controls need not lead to such difficulties? Certainly Freeze I and the early part of Phase II appeared to lower inflation expectations, as well as reported inflation, without serious distortions. Unfortunately, the state of the economy is now much different. Then excess capacity existed in the labor force and most industries, and the rate of inflation had been declining nearly 1½ years in response to tight monetary-fiscal policies applied in 1969 and early 1970. Today the economy suffers from excess demand in most markets, capacity for increasing output is severely limited, price increases have been rising for nearly 1½ years, and inflation is much worse than in August 1971 when controls were first imposed. The public learned the wrong lesson and is only now feeling the effects of controls in an economy of excess demand.

But history teaches us the lesson at lesser costs. Throughout recorded history countries have tried various forms of the current experiment and have inevitably been forced to abandon controls after failure and at great sacrifice of economic efficiency. The reason is not difficult to ascertain.

The U.S. economy is the most wealthy and efficient in the world. How could a shortage develop in this land of plenty? Many conceive of a shortage as strictly a physical phenomenon resulting perhaps from exhausted resources, depressing poverty or natural disasters such as fires, floods or poor crop weather. However, the shortages we are facing are different. In our economy the price of a product performs the critical role of balancing supply with demand. If demand increases, the price rises; profits increase encouraging more production and as the price goes up some potential buyers decide that the price is too high and shift their spending elsewhere. No shortage develops because output increases and unit purchases subside. But what happens when price rises are prohibited by direct controls? First, the price cannot rise, production incentives are blunted and consumption is encouraged because of the low price. Presto, a shortage develops. Producers can be prevented from rising prices but they cannot be forced to produce at a loss or unattractive return. Neither can consumers be prevented from attempting to buy except by some form of rationing or ultimately black markets. Price and profit changes play a star role in determining production priorities in line with consumer demands. The information system is short circuited by controls and supply disruptions and shortages inevitably occur. The rules of Phase IV are complicated and varied by industry, but concentrate upon regulating price changes by cost increases, not market demand. Inevitably a growing list of intermediate and final products will develop short relative supply and output will be sacrificed, thereby exacerbating the basic inflation problem.

Nor will reduced production be the only cost of Phase IV. As consumers and producers, we will all lose a little precious freedom; producers because the Cost of Living Council will make many of their decisions and consumers because we will not be able to buy goods that are unavailable. The added cost of producers complying with complicated and ever changing rules is enormous. We all share in the cost of paying for 1,200 new controllers which will bring the Government staff to about 5,000. Can 5,000 Washington regulators run an enormous production machine efficiently? I think not.

Is there a viable alternative? In the short run our choice is simply open or suppressed inflation. The inflationary ingredients are already here and cannot be removed. Of the two unhappy choices, I prefer the first even though it means a price spurt because supply disruptions, shortages and black markets would be avoided. Phase IV opts for suppressed inflation with all the attendant penalties while battling symptoms and ignoring the cause.

In the longer run we have a more pleasant option. Continued large budget deficits and excessive monetary growth, especially the latter, will make serious inflation inevitable. But prudent Federal spending control and less monetary growth can bring our inflation under better control. However, the lags between tighter budgets and less money are exasperatingly long—on the order of two years. There is no better time to start than now. Phase IV concentration on symptoms will surely prove counter-productive.

U.S. POLICY TOWARD THE PERSIAN GULF

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. HAMILTON. Mr. Speaker, I think that most Members of Congress are increasingly realizing that our national energy strategy must include a coherent and thorough U.S. policy strategy toward the Persian Gulf.

On June 21 in a statement on the House floor, I expressed some concerns over what we are and are not doing in the Persian Gulf. During the August recess the State Department wrote a thoughtful reply dealing with some issues raised in my statement.

The State Department in its letter did acknowledge that the United States can do more to foster stronger political, economic, and cultural ties with the states of the Persian Gulf and that there was a need for more progress toward resolution of some outstanding territorial and other disputes in the area and for more cooperation among the states in the region.

The energy predicament of the United States has recently received much attention here in Congress and in the executive branch even if that attention has been uneven and, at times, unorganized and unproductive. Unfortunately, to date, the lack of a coherent national energy strategy and substantive plans for this winter and the next suggests that not all people involved are sufficiently imbued with a sense of urgency on this issue of major national and international importance. U.S. policy in the Persian Gulf is only one small aspect of a national strategy so badly needed, and needed yesterday.

There follows for the interest of my colleagues my statement of June 21, 1973 and the State Department's reply of August 17, 1973:

U.S. POLICY TOWARD THE PERSIAN GULF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HAMILTON) is recognized for 5 minutes.

Mr. HAMILTON. Mr. Speaker, this past month there has been considerable discussion in the press and in Congress about extensive arms sales the United States is making or contemplating with certain Persian Gulf states.

FOCI OF RECENT DEBATE

Three factors have served to make this subject a matter of major public interest and scrutiny in recent weeks.

First, an Iraqui-Kuwaiti border clash with temporary occupation by Iraq of a small piece of Kuwaiti territory and persistent Iraqi territorial demands on Kuwait—presumably in order to protect its naval base at Umm Oasr which is being built with some Soviet aid—has caused anxiety in Kuwait, a small but wealthy state which has friendly ties with the west, England and the United States in particular. Kuwait was prompted to make a sudden appeal and request to the United States for a deterrent strength that would be sufficent to make the costs for Iraq of attacking, occupying or conquering Kuwait in the future too high for Iraq to consider seriously. The United States answered that appeal affirmatively, and a more than $500 million deal may follow.

A second cause of the recent discussion of this issue was the probability that sophiscated weaponry, including the versatile Phantom jet, would be available to Persian Gulf states in limited quantities if they desired them. In the turbulent Middle East area where there is no peace yet in sight in the Arab-Israeli conflict, it seemed as though another large trigger or fuse was being added in the Persion Gulf region. The real concern here should not center on any speculation that these arms, sold to countries in the Persian Gulf, might be used in an Arab-Israeli military confrontation.

Indeed, these arms might likely have no significant impact on the military balance in the Middle East for the foreseeable future and nobody can guarantee that arms sold will not be used in a general Middle East war. The appropriate area of justifiable concerns is in the general policy of pouring lots of sophisticated arms in an extremely volatile portion of the Middle East, known, not for exemplary regional cooperation, but instead for a plethora of territorial, ethnic, familial and political disputes over the last several hundred years.

A third major cause of the debate over our arms supply policy in the Persian Gulf has been the magnitude of the sales envisaged. The two primary deals will be with Iran and Saudi Arabia, two states with close ties with the United States but not exactly a history of close cooperation with each other. In deals starting a couple of years ago and spanning almost a decade, we will be selling these two states billions of dollars worth of arms—$2.5 billion alone to Iran and something that may eventually aprpoximate that figure to Saudi Arabia. And on the horizon may be requests from some of the smaller Gulf states for arms deals, perhaps led by Oman, the only state in Arabia currently confronting an organized internal insurrection in which the rebels control part of the country.

These amounts suggest that the United States might be selling as much as five times more hardware to Persian Gulf states in the coming years than the Soviet Union has supplied to Iraq and the People's Democratic Republic of Yemen in recent years. Soviet aid to those states is estimated at a little more than $1 billion over the last several years.

REASONS FOR CONCERN OVER POLICY

My reservations over this evolving military supply policy center on the lack of a clearly enunciated rationale for the policy, the magnitude of the sales envisaged, the seemingly dominant military focus of our Persian Gulf policy and the relative absence of any priority for diplomacy as a means to prevent a conflict or arms race in this vitally important area. As I think most of any colleagues are aware, close and good relations with Saudi Arabia and Iran, in particular, will be an extremely important national interest for the United States for the next several years. That fact, in itself, demands careful attention to policy formulation.

Various rationales have been offered for our military arms deals in the Persian Gulf. Some are:

The military and political threat of Soviet-backed Iraq and South Yemen, with their operational Mig-21's, to the security of the more conservative states of the region and the corresponding need of other states to meet this threat. Assistant Secretary of State Joseph Sisco, in testimony before the subcommittee on the Near East and South Asia, emphasized this rationale.

If we do not sell arms, others, including our allies, will.

These sales are beneficial to our balance of payments.

These sales will create an important interrelationship between the United States and these oil-rich states and will, partially because of their need for spare parts in the future, give the United States some useful leverage in our dealings with these states.

The sale of Phantoms to Saudi Arabia and Kuwait, as Deputy Secretary of Defense William Clements suggested in a recent interview, can be seen also as a symbolic gesture to maintain excellent relations with the oil-producing states. Referring to the good qualities of the Phantom, he said Saudi Arabia and Kuwait would "like to have the best." The implication is that their desire to have this weapon is sufficient reason for selling it.

Mr. Speaker, some of these reasons given for our arms supply policy have merit and others, frankly, have little appeal, but all have been offered, suggesting to me, at least, that a clear rationale for the course we are following may be evolving only slowly and, at that, after the fact of confirmed deals in some cases.

OUR PERSIAN GULF POLICY

My major concern with this policy lies in its implications for the totality of what we are and are not doing in the Persian Gulf. It is curious that in an area where our pronounced policy puts such a heavy emphasis on regional cooperation and regional solutions to mutual problems of defense and security that there appears to have been little priority for diplomacy, coordination, and discussions prior to these arms deals. In fact the main evidence of regional cooperation in the Persian Gulf today is negative, rather than positive: disputes have not led to violence but close ties have not been built between states on the basis of sovereign equality. The one concrete example of regional cooperation to which I can point is Iranian, Saudi Arabian, Jordanian and Abu Dhabian participation in that nasty little Dhofar Rebellion in Oman. But that has an air of monarchies seeking merely to protect their own flanks.

Regional cooperation rather than regional domination or regional competition will be something we will have to work hard for over many years. It is my impression that the arms deals we are now making in the area are not harbingers of great cooperative schemes. Every state appears to be in the arms buying business for itself, and for some of the states, close ties with the United States are a political liability rather than an asset. That fact, it would seem, strengthens the desire to "go it alone," militarily and politically. And down the road a few years, this current policy might make a sham out of the argument sometimes heard that these Arab States need the United States as much as the United States may need them for petroleum.

Mr. Speaker, the policy of increased military supply of arms and equipment in the absence of strong political, economic, and cultural policy components is, in my opinion, an unwise path to follow. Simply to curry favor with these governments by selling arms they want can never be an adequate reason for a policy. If the threat to these governments from Soviet-backed South Yemen or Iraq is perceived by us to be great or if our arms sales policies were buttressed by a political and economic policy that emphasized social and economic development for all the peoples of the gulf, then the sale of adequate amounts of arms, even Phantoms, could be properly seen as part of a coherent gulf policy.

Unfortunately, the United States does not seem to be focusing enough attention on our future economic relations with these states, including the downstream investment idea proposed by the Saudis, or on the urgent need to help bring negotiations and peace to the Middle East. A successful Persian Gulf policy will depend as much on these facets of our Mideast policy as it will on any military supply relationship.

In short, it appears to be high time for us to address the larger, more difficult issues of our political and economic relations with the gulf states rather than rely so much on the short-term benefits of the military supply policy.

DEPARTMENT OF STATE,
Washington, D.C., August 17, 1973.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on the Near East, Committee on Foreign Affairs, Washington, D.C.

DEAR MR. CHAIRMAN: I have read with considerable interest your remarks to the House of Representatives on June 21 regarding U.S. policy toward the Persian Gulf. I believe that your remarks highlight several important points. The following comments are submitted in the spirit of the continuing and constructive exchange on Persian Gulf and other Middle East matters between the Department and the members of your Subcommittee.

In your statement you expressed concern that our arms supply policy in the Persian Gulf seems to lack a clear rationale and that the policy appears to be evolving after the fact of confirmed deals in some cases. You may recall that in my appearances before the Near East Subcommittee on August 8, 1972, and again on June 6, 1973, I discussed our arms sales policies in this area, stressing the long history of our military advisory and supply role in developing and modernizing the armed forces of Iran and Saudi Arabia. In doing so I emphasized the importance which we attach to encouraging these two countries, along with other friendly states of the region, to assume increasing responsibility for their own security and for that of the region as a whole. In our discussions with these governments we have not attempted to define for them the threats which may exist to their security and to stability of the region nor have we tried to dictate what arms are appropriate for their use. We have, however, given them our best advice and judgment in this regard and have maintained an open and continuing dialogue with them on ways in which their security needs can best be accomplished. In responding to requests from Iran and Saudi Arabia for aircraft and other weaponry, we have looked carefully at the impact which such sales would have on overall political and economic progress in these states. We have also reviewed carefully how our decisions to provide such arms as they request and in the quantities desired would affect the overall military balance in the area.

I would like to reiterate that our decisions to sell military equipment to Iran, Saudi Arabia and Kuwait are not knee-jerk reactions to the so-called energy crisis or to minor border incidents. For example, Saudi naval requests were carefully studied by us over a period of 3½ years before agreement on the scope of our cooperation in Saudi naval development was reached. The decision that the U.S. would assist in modernization of a part of the Saudi Arabian National Guard followed over a year of discussions with Saudi authorities. We have had a continuing dialogue with the Saudis as well as with Iran on their other military plans and programs for which U.S. support has been sought. In the case of Kuwait, discussions on its government's requests for improved defensive capabilities began well over a year before the March 1973 border incident with Iraq and have not yet been concluded. In many of these cases the programs that have been agreed upon will require many years before all equipment is delivered and local personnel have been trained in its use and maintenance. A large portion of the program costs, especially in Saudia Arabia, involve construction not only of structures directly related to equipment purchases but of such infrastructure as administration buildings and dependents' housing. In many instances equipment sales represent only a modest portion of the estimated total program costs.

I think, Mr. Chairman, that we would both agree there is no one exclusive rationale for our arms sales policies in the Persian Gulf. Political and economic ramifications are carefully examined as are military and strategic considerations. Obviously, such sales have economic as well as political benefits for the U.S. Nevertheless, the chief determinant in our decisions on arms sales to these states has always been whether such sales will enable these countries to deter or repulse outside attack so that in those cases, such as Iran, where we have specific security arrangements, it would not be necessary for U.S. forces to intervene. An Iran and Saudi Arabia which not only are but feel themselves to be secure are essential prerequisites to a policy based on their roles of assuming primary responsibility for maintenance of stability in the area. Naturally, we remain alert to ensure that only those arms which the recipients can reasonably be expected to operate and maintain are sold. We have in many cases withheld approval from companies desiring to promote the sale of certain equipment to Gulf countries when we have felt that these criteria could not be met. In agreeing to sell Phantom aircraft to Saudi Arabia, for example, we are insisting that the number of these aircraft and the timing of their delivery be closely linked to development by the Royal Saudi Air Force of the capacity to absorb them. A thorough review of Saudi Arabian manpower requirements, not only for the Air Force but for the other services, is therefore a requisite task. We have offered, and the Saudis have accepted, the services of U.S. military experts in reviewing these manpower requirements.

In your remarks you noted that regional cooperation rather than regional domination or regional competition will be something that the U.S. will have to work hard for over many years. I fully agree. *We, too, wish there had been more progress toward resolution of outstanding territorial and other disputes* that have hampered development of close and effective cooperation among some states of the region. I also agree that arms deals alone cannot bring about such cooperation. Much must be done if states which have not had the habit of cooperation in the past are to develop this habit in the future.

We do see in recent developments in the area hopeful signs that these states are beginning to give greater attention to how regional cooperation can best be accomplished. Early last month the Iranian Foreign Minister visited Saudi Arabia for what we have been told was a friendly and frank exchange of views on matters of mutual interest. At a banquet in honor of the Iranian guests Saudi Arabian Minister of State for Foreign Affairs Saggaf said: "I want to assure the Iranian Foreign Minister that the Saudi Arabian Government and especially His Majesty King Faisal is greatly interested in strengthening and expanding relations with the Imperial Iranian Government. I think that the Shah and other Iranian officials share this feeling. It is obvious that sometimes differences are created but fortunately the existence of such differences does not affect the relations between the two countries or the lofty goals they have in mind." Subsequently, in a July 14 speech to graduating cadets of the Saudi Air Force and visiting military commanders from Kuwait, Bahrain, Qatar, and Oman, Saudi Minister of Defense Prince Sultan announced that the armed forces of Saudi Arbia were available for the defense of all the Gulf states. In addition there has been over the last several months a significant increase in diplomatic activity among the Arabian states of the Gulf including the signature of several bilateral agreements intended to strengthen relations among them in a variety of areas. I cannot pretend that these speeches or these agreements in and of themselves will assure that regional cooperation rather than competition will be the dominant feature of relations among these states in the future. However, these and other developments point very clearly, in my opinion, toward a healthy and favorable trend toward closer working relations among friendly states of the region. We, for our part, will do all that we appropriately can to encourage these initiatives without, however, seeking to dictate the pace or the form of cooperation which states agree among themselves best serves their needs.

Mr. Chairman, we too consider that the U.S. can and should do more to foster stronger political, economic, and cultural ties with the governments and peoples of this region. However, the publicity given to recent arms sales agreements between ourselves and several states of the region overlook the important and developing relationships already established and the progress being made in other areas. Our arms arrangements are but a part of our larger policy.

In Iran, we have close ties covering the whole nexus of foreign relations which go far beyond our military cooperation in support of the regional security role Iran is performing. We regularly exchange views on a wide range of international, regional and bilateral issues of political importance and have active exchanges on programs in a number of areas—narcotics control, educational and cultural exchange, information and language training. In the economic sphere we derive substantial benefits from our relations. Iran is the second largest exporter of petroleum (Saudi Arabia is the first) and has an essential role to play in assuring stability to world energy supplies. We believe Iran will continue to do so as the long term sales contract recently negotiated with the consortium of major oil companies in Iran and the joint venture in the United States with Ashland oil illustrate. Iran and Saudi Arabia are also the largest and fastest growing markets the United States has in the Middle East with our exports to them of consumer and capital goods alone expected to reach nearly 1 billion dollars in 1973. Both countries are also hospitable sites for important levels of private investment by U.S. firms.

Other examples are the Peace Corps programs in the area. In Iran, the Peace Corps continues to make a valuable contribution. In Yemen, Bahrain and Oman, Peace Corps programs are scheduled to begin this fall. Although aid to Iran ended some years ago, we still have useful programs of technical cooperation now paid for entirely by Iran. For Saudi Arabia, we are presently reviewing within the Executive Branch a proposal to the Saudi Arabian Government for an "umbrella agreement" under which the services of American technicians and consultants would be available readily and on a reimbursable basis to Saudi government agencies. This would replace *ad hoc* arrangements we have made to supply the Saudis for short term services in such fields as air traffic control, planning, census administration, radio broadcasting, and social security administration. In the Lower Gulf and Oman, where there is growing interest in American technicians and a few contracted for, we believe our efforts will be facilitated if Congress gives us "topping off" authority to make the cost of their services more attractive and more competitive with those of technicians from Western Europe. In this connection we are deeply grateful for the strong support and encouragement given such legislation by members of the Near East Subcommittee, and especially Congressman Bingham who served as one of its sponsors.

We are currently giving very serious and high-level consideration to our future economic relations with Saudi Arabia and other oil producing states in this region. We have had a continuing dialogue with Saudi Oil Minister Yamani and other officials of his government on oil and the related problems of investing Saudi Arabia's surplus capital. In addition to exploring what can be done on a government-to-government basis, we are also encouraging American private interests to give serious attention to possible joint ventures with Saudi Arabia and other oil producing states of the Gulf to develop their resources, especially flared gas. Over the long run we believe that such privately arranged commercial activities will more than anything that we do as a government strengthen the ties between these countries and ourselves and further the social and economic development of all the peoples in the Gulf region.

Lastly, Mr. Chairman, I wish to express my complete agreement with you on the urgent need to achieve a negotiated settlement that will bring peace to the Middle East. I believe history will show that our decision recently to veto in the Security Council a resolution which we regarded as one-sided and unhelpful has kept open the opportunity for progress toward a peaceful settlement. I hope history will also show that this opportunity for peace in the Middle East is not missed as so many have been before. We continue, however, to be ready to be helpful in whatever way we can. UN Secretary General Waldheim's proposed visit to the area to consult with the parties offers an early opportunity for progress. The Secretary General has our full support in his efforts and we are asking the parties to give him their complete and imaginative cooperation.

Sincerely,

JOSEPH J. SISCO,
Assistant Secretary for Near Eastern and South Asian Affairs.

NEBRASKA, AN AGRICULTURAL STATE

HON. CHARLES THONE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. THONE. Mr. Speaker, agriculture is the basic industry of my home State of Nebraska. When the farmer does well in Nebraska, the economy of the Cornhusker State is good. Agriculture, with its roots in the family farm, is once again recognized as the No. 1 mainstay in the U.S. economy.

Forty-nine percent of those employed in Nebraska are engaged in agriculture or farm related industries, compared to 20 percent nationally. The percentage of people who actually work on farms and ranches in Nebraska is four times the national average.

I am most proud of the fact that I was born and raised on a northeast Nebraska farm which I now own with my two brothers. Since I came to Congress 2½ years ago, I have worked hard to increase net income for farmers. I will continue in these efforts as long as I am in Washington. It is good to know that farmers realized net income this year in America will approach $24 billions, up from the record $19.2 billions set last year.

The new 4 year farm act needs to be fully understood by all of agriculture.

Following is a brief summary of major features of the Agriculture and Consumer Protection Act as I see them. This is an informal, nonlegal description. Any producer having specific questions concerning interpretation of the act should discuss them with the local ASCS office.

THE NEW FARM LAW

The new farm act recognizes a change in the world food situation. For years, the market situation has been such that the Federal Government has given agriculture incentives for holding back production. Now, there is a worldwide demand for more food.

The new farm act encourages full production with payment in the market place, but it provides a floor on prices in case of a glut. The act provides target price guarantee of $1.38 per bushel on corn, $1.31 for grain sorghum—$2.34 per CWT, $2.05 on wheat, and $1.13 for barley. These target price guarantees will be in effect for crop years 1974 and 1975, with an important cost of production escalator in effect for 1976 and 1977 crops.

Yields will be computed on a 5-year basis, with authorization for excluding 1 year if it was abnormally low due to natural disaster, drought, or flood.

If farmers can receive more in the marketplace than the target prices, the Government would pay nothing. If farmers receive less, the Government would make up the difference between what was received in the market and the target prices. Prices received by farmers would be determined by taking the average price received all over the Nation during the first 5 months of the marketing year.

USDA can require farmers to set aside some acres to be eligible for both CCC loans and target price protection, but for 1974 USDA is asking no set-asides for corn or wheat.

Although a farmer can plant as much corn and wheat as he likes in 1974, his target price protection will only be on his allotment. For corn, there is a new corn acreage allotment, which works out to be about 68 percent of the old corn base. Protection for wheat is geared to the long-established wheat allotment—the full allotment, not just the domestic allotment.

The act sets a limit of $20,000 that can be paid in a year to a farmer under the target price program. Excluded would be loans, purchases, resource adjustment payments and public access for recreation payments.

The loan rates under the act are $1.10 per bushel for corn and $1.37 for wheat.

The act provides a formula for payment to farmers who are prevented from planting a crop or harvesting less than two-thirds of the farm acreage allotment because of natural disasters.

In the dairy field, milk prices will be supported at not less than 80 percent of parity until March 31, 1975. Then, the previous law would go back into effect, which requires support from 75 percent to 90 percent of parity.

The current wool program is extended through 1977, with wool supported at 72 cents.

The beekeeper indemnity program is extended through 1977.

The new act continues Public Law 480, the food for peace program.

The 1973 act provides for a new rural environmental conservation program. The new REAP also replaces the water bank and Great Plains conservation programs. This is intended to carry out most of the same purposes of the REAP program, except that the Government will only support conservation work done under a contract covering 3 or more years. One of the objections to REAP was that in some parts of the country it had been used to support annual production stimulants. The new program provides for Federal cost sharing of not less than 50 percent nor more than 75 percent.

EL GRITO DE LARES

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. RANGEL. Mr. Speaker, on September 23, 1868, in the mountain town of Lares, revolutionary forces surrounded the town and attacked the Spanish strongholds in the town. It is estimated that 700 people marched, men, women, slaves, and children. Armed with whatever they could find, sticks, knives, hatchets, and bottles, they marched together with their leader Ramon Emeterio Betances in hopes to abolish slavery and declare independence for their island, Puerto Rico.

The battle was won, the Republic of Puerto Rico was formed and the people were at peace. Their peace was short-lived, the Spanish army marched into Lares and killed and jailed innocent and guilty parties alike. Ever since, the people of Lares and other town in Puerto Rico come together in Lares and commemorate the holiday and pay homage to the great leaders whose lives were lost for this cause.

This celebration of freedom strikes a responsive chord in the hearts of all of us who know what it is to struggle against the oppressor for the right of self-determination and fulfillment of our destinies.

El Grito de Lares symbolizes the eternal quest for freedom and thus is an important day to be commemorated by freedom-loving people wherever they live.

On Sunday, September 23, the people of Puerto Rico and the people in Puerto Rican communities in New York joined together in remembering this day.

An explanation of the origin and meaning of El Grito de Lares appears in the current issue of the newsletter Puerto Rico Libre. I submit this article for the RECORD for the information of my colleagues:

EL GRITO DE LARES: BIRTH CRY OF A NATION

El Grito de Lares was an anti-colonial uprising that took place in the town of Lares, in the western part of Puerto Rico, after almost four centuries of Spanish rule. It was the occasion for the declaration of the slave-free, democratic Republic of Puerto Rico—a republic which lived only a few hours, but whose birth-cry is still heard echoing in the independence movement today. Although the event itself only immediately involved some 150 men and women it constitutes the first articulate expression of Puerto Rico's awareness of itself as a separate nation.

Still laboring under a feudal-imperial relationship, Spain and her colonies were particularly barren ground for the great humanist ideas of the 18th century but as the 19th century progressed, when property owners in other parts of the world had already taken their political destinies into their own hands and were prospering, the small landowners and businessmen of the Spanish colonies began to take notice that their interests were not best served by an imperial monarchy. They began to seek various compromises between their developing economies and the imperial "mother" country's control. In Puerto Rico, this liberal current manifested itself mainly in the autonomists who tried to win concessions from Spain, while remaining essentially within a colonial framework.

The repeated failures to persuade those in power to voluntarily surrender some of their wealth and privilege eventually convinced those of the more far-sighted liberals in 1867 to join forces with the small existing group of "independentistas" who sought complete separation from Spain.

The immediate antecedents leading up to the particular rebellion at Lares were as follows: one of the autonomist projects was the creation in 1867 of a Committee on Information, which published a number of forceful documents urging the abolition of slavery, and the right of the Puerto Rican people to self-determination. This was going too far and many of these reform liberals were arrested, imprisoned or exiled. Some of them escaped to New York, where they came into contact with the Republican Society of Cuba and Puerto Rico, an expatriate group of professionals and businessmen who had decided that "autonomy" was not viable and were dedicated in independence through armed struggle.

Ramon Emeterio Betances, a brilliant doctor from Cabo Rojo who had been educated and lived a good part of his life in Paris, was among the members of the Committee on Information who fled to New York. Betances was to become the moving spirit—guiding both in inspiration and organization—of the Puerto Rican abolitionist and independence movements. By now thoroughly committed to armed revolution as the only viable means of achieving national independence, Betances returned to the Caribbean and spent the next year tirelessly organizing, agitating, teaching, writing, conspiring and arming.

He managed to contact the existing abolitionist and independence groups on the island (of necessity underground organizations) as well as many exiles, and also established through his ceaseless dedication similar groups in many places, and put them in contact with one another. He issued a popular program, embodied in his "Ten Commandments of Man", which was received with tremendous enthusiasm by the population of the island. A declaration of human rights in the humanist tradition, these Commandments attacked the oppressive political, economic and social injustices of colonial rule.

He had to keep continually on the move. The plan was for various groups of armed men, totaling over 10,000, to land on the island at various points on the day of the slaves' festival of St. Michael: the 29th of September. There they would find the local underground organizations already armed and ready to join them.

In preparation for this Betances issued various explicit proclamations, in the name of the "Revolutionary Committee", outlining grievances and principles in a noble, philosophical style not unlike Jefferson's Declaration of Independence. They had also prepared a Constitution for the new republic. But at the last minute, someone passed basic information to the authorities and the plan was discovered. In an emergency decision, the underground in Puerto Rico decided to push ahead their coordinated action to the 23rd—six days earlier, Betances himself was prevented from landing.

Manuel Rojas, a Venezuelan, and Matias Bruckman (or Brugman), a North American, knowing they would not receive reinforcements, gathered their forces of some 150 people armed mostly with knives and machetes, and rode into the nearby town of Lares, under the insignia "Liberty or Death" on a white flag, to the cry of Viva Puerto Rico Libre. They took the town hall, proclaimed the Republic, read the new democratic Constitution aloud, forced the parish priest to celebrate a Te Deum in honor of the new Republic, and marched off to defeat and death in their confrontation with the vastly superior Spanish forces in a neighboring town.

So the Puerto Rican Republic lived only a few hours. But only one month after the Cry of Lares came the Cry of Yara, a similar event in the town of Yara, Cuba, marking the beginning of 30 years of almost uninterrupted wars for Cuban independence, which were to culminate in the final victorious rout of the Spaniards in 1898. Betances and the others devoted their energies to the Cuban wars as they had to their own; raising money, arms and support.

The 23rd of September has become a national birthdate, celebrated yearly by tens of thousands of Puerto Ricans. Although a military failure, El Grito de Lares was the first active living cry of a movement and a nation at the moment of its birth; both that movement and that nation have continued to grow and develop and are now reaching maturity.

JUVENILES IN JAIL

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. RAILSBACK. Mr. Speaker, recently I ran across an interesting article in the Christian Science Monitor which points out that the jailhouse blues is a sad song our Nation still sings. As a member of the House Judiciary Subcommittee which handles juvenile delinquency and crime legislation and as one who has testified before the Senate subcommittee on the seriousness of this issue, I am hopeful we can enact some responsive and responsible legislation.

Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following article, "Juveniles in Jail" for the review of my colleagues:

JUVENILES IN JAIL: THE UNITED STATES IGNORES A NATIONAL PROBLEM—BAYH COMMITTEE SEEKS WAY TO REFORM SYSTEM

(By Robert P. Hey)

WASHINGTON.—Another effort is being made to break an all-too-familiar pattern: too much talk and too little action.

The subject in this case is juvenile facilities that hold the estimated three-quarters of a million American juveniles who get into trouble each year and are picked up by law-enforcement authorities.

Despite improvements in a number of localities and the progressive step of abolishing large juvenile facilities in Massachusetts, say the specialists, over the decades very little has been done nationally to improve the situation. That is what Sen. Birch Bayh's subcommittee on juvenile delinquency is learning.

Senator Bayh (D) of Indiana hopes the outgrowth of his hearings will be to alert the public and the nation's lawmakers to the necessity of reforming a system that further alienates troubled youth rather than reforms them.

By listening to the defects of today's system and spotlighting the successes of experimental alternatives, Senator Bayh hopes to get Congress and state and local officials to adopt some of the recommendations expert witnesses are making in his subcommittee hearings.

Most recently the hearings have been in Washington; the next round will be in various parts of the United States, where the subcommittee will visit promising alternative juvenile facilities and learn why they are succeeding.

But the first step is alerting the nation to the dimension of the problem.

Experts say the most appalling problem

in the jailing of juveniles with adults—a process roundly condemned for years yet in many communities still followed.

Dr. Rosemary C. Sarri of the National Assessment of Juvenile Corrections of the University of Michigan, says the practice "is destructive for the child who is incarcerated and dangerous for the community that permits youth to be handled in clearly harmful ways."

She says that "despite frequent and tragic stories of suicide, rape, and abuse of youth, the placement of juveniles in jail has not abated in recent years. She notes that the "overuse of jails for adults and juveniles" has been denounced by experts for years and cites studies from 1916 to support her case.

"But this criticism has not produced any significant change in the vast majority of states," she says, adding "there is . . . no reason to be optimistic today about reductions in the jailing of children unless dramatic efforts are made and legislation is implemented that will require significant changes in current practices." This is where Senator Bayh hopes Congress can be persuaded to step in.

Dr. Sarri estimates that between 200,000 and 300,000 children probably will be put in local jails this year in the United States.

Further, many of these children will not even have been convicted of a crime. A 1970 Department of Justice survey of 7,800 juveniles jailed on a specific day that year found that 66 percent were awaiting trial.

RECOMMENDATIONS OFFERED

Witnesses before the Bayh subcommittee offer numerous recommendations, including:

Give children the same legal rights and protections as adults, recommends Judge Lois G. Forer. "I find it incredible and shocking that children do not have as many legal rights as adults," she said. "A moment's reflection would indicate that children are the most vulnerable members of society and least able to protect themselves, but under the law they are afforded fewer protections than adults."

Detain children in small facilities "in their home community," not in huge state institutions, urges Kenneth L. Preadmore, sheriff of Ingham County, Mich. Most state institutions, he charges, are "nothing more than warehouses where those who are incarcerated have very little chance of rehabilitation."

Pass national or state laws requiring mandatory training "for all custodial personnel employed in prisons, jails, detention homes, mental hospitals, and state training homes for boys and girls," says Sheriff Preadmore. He says "the lack of trained personnel is the most serious problem throughout the correctional system in the United States."

By law "prohibit the commitment of juveniles to jail [where adult offenders also are kept] under any circumstances," insists Dr. Sarri.

Set forth explicit criteria for detaining juveniles and limit them "solely to acts which would be criminal felonies if committed by adults," says Dr. Sarri. She notes that one study of the jailing of juveniles found that "judges report explicit choice of jails for juveniles in order to teach them a lesson."

Give high priority to "rapid development of alternatives to incarceration of juveniles," urges Dr. Sarri. "Foster and shelter homes can provide alternative 24-hour supervision but of equal or greater importance is home detention with supervision and consultation to parents," she notes.

SUPPORT OF FEDERAL FUNDS FOR SUDDEN INFANT DEATH SYNDROME RESEARCH

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. EDWARDS of California. Mr. Speaker, I wish to take this opportunity to insert my statement on "Sudden Infant Death Syndrome" made before the joint hearings of the Subcommittee on Children and Youth. In addition, I would like to say that I have recently sponsored legislation to provide Federal funds for SIDS research and that such funds need to be provided quickly to eliminate all the tragedy produced by SIDS.

The statement follows:

STATEMENT OF CONGRESSMAN DON EDWARDS

Mr. Chairman, I wish to thank you both for giving me the opportunity to speak at these hearings on the issue of Sudden Infant Death Syndrome. It is in large part due to your efforts along with those of private organizations involved in this matter, including one in my district, The International Guild For Infant Survival of California, Inc., that this most important problem has come to the forefront of public concern and remedial action is beginning.

Sudden Infant Death Syndrome is now the leading cause of death for infants between the ages of one month and one year. It is estimated that this dreaded disease claims around 10,000 lives annually in our country. The disease knows no economic or social boundaries and strikes infants of all types throughout America.

However, the tragedy of SIDS does not end here though. Since there is no known cause or cure of this disease and since the disease strikes without warning to produce instant death, parents oftentimes feel that their infant's death was a result of some negligence on their part. This trauma felt by the parents is not mitigated too when so many states do not list SIDS as a cause of death and instead list the cause of death as "unexplainable." Almost two years ago, the State of California became the first state to designate "Sudden Infant Death Syndrome" as the nomenclature to be used on death certificates under certain circumstances. Unfortunately, not all the states have followed this example.

The few studies that have been made on SIDS have not been thorough enough to fully examine the problem. Because of the nature of the disease, the most productive studies possible have to occur after death during an autopsy. However, autopsies are rarely performed in these instances as the parents are already in such a state of shock and confusion. Therefore, we still find ourselves in the dark on what exactly produces the disease and what can be done to prevent it.

Once again, I would like to commend the members of both subcommittees and involved private citizens for the tremendous amount of work done in this area. The nation is indebted to you for bringing this issue to the public's attention and for pressing for corrective action. The bills now before both of your subcommittees that authorize money for SIDS research, including the one I recently introduced, constitute an excellent start in the fight against SIDS and deserve prompt action by Congress.

ASSISTANCE TO THE AGED AND MIDDLE AGED

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. WALDIE. Mr. Speaker, one major test of any government, or of any people, is how it treats its aged citizens. In the United States today, the aged comprise too large a percentage and too much of an integral part of our society to be abandoned and ignored by this Government. In a youth-oriented society such as ours, senior citizens have an extremely difficult time maintaining a meaningful existence. It is up to this Government to provide needed assistance for these people whenever possible.

To this end, I am introducing today a package of four bills which would provide a wide range of Federal assistance to the elderly. This legislation is not designed simply to increase assistance to senior citizens, but also to provide them the opportunity to continue to lead meaningful and productive lives.

Mr. Speaker, the people who most deserve aid from the Government are those who are least able to fend for themselves. This includes those who are disabled, some of the very young, the sick, and the aged. There can be no justification for a national economy which drastically reduces programs geared to help these groups of people, while the Government condones tax loopholes for the rich and skyrocketing giveaway programs for the able-bodied.

The bills can be summarized as follows:

The first bill would amend the Internal Revenue Code to permit the deduction of all expenses for medical care of a taxpayer and his spouse if either of them attained age 65, and to provide for a credit or refund of social security taxes withheld from the wages of certain individuals who have attained the age of 65 and a corresponding reduction in the tax on the self-employment income of such individuals.

The second bill authorizes appropriation of $5 million for the fiscal year ending June 30, 1974, and $10 million for each of the next 3 fiscal years, to enable the Secretary of Health, Education, and Welfare to make grants to any public or nonprofit private agency, institution, or organization to cover all or any part of the cost of projects for the development or demonstration of progress designed to rehabilitate aged inpatients of long-term health care facilities or to assist such patients to attain self-support or self-care.

The third bill includes two major titles: The first would establish a comprehensive midcareer development service program, to be administered by the Manpower Administration in the Department of Labor, to assist middle-aged and older workers to find employment by providing training, counseling, and special supportive services to such workers. It further authorizes the Secretary of Labor through the Manpower Administration to make loans and grants to public and private nonprofit agencies, institutions, and organizations and to individuals for training, including on-the-job, institutional, residential, and other training, designed to upgrade the work skills and capabilities of older and middle-aged persons who are at least 45 years of age.

The bill also authorizes the Secretary to develop and carry out a program to train an adequate number of people to understand the learning processes of middle-aged and older persons. It provides for making personnel available to localities where such persons are unemployed as a result of plant closings or large scale reductions in work force.

The second major title of the bill would direct the Secretary to undertake either directly or by way of grant or contract, a thorough study of manpower programs authorized by provisions of Federal law other than this act, and other federally assisted training programs to determine whether such programs are responsive to the needs of persons who are at least 45 years of age. It requires the Secretary to report the findings and recommendations of this study, and his own recommendations with respect to additional legislation, to the President for transmittal to the Congress not later than January 31, 1975.

The bill also requires that additional studies be made on extended unemployment compensation and disability programs and on Federal employment opportunities.

The fourth bill would establish a program entitled, the "Senior Citizens Transportation Services Act." It would provide that applications under the urban Mass Transportation Act must contain provisions for reduced rates during non-rush hours for persons 65 years of age or older.

Second, it permits reduced fares for persons 65 years of age or older under the Federal Aviation Act and provides for reduced rates for persons 65 years of age or older on common carriers in interstate commerce.

Finally, it makes it unlawful for any person engaged in the business of insuring motor vehicles or selling motor vehicle insurance to deny or refuse to sell insurance to any individual on account of his age if that individual possesses a valid driver's license.

The bill also provides that any person who violates this provision shall be subject to a civil penalty of not to exceed $10,000. Provides that any such civil penalty may be compromised by the Secretary and in determining the amount of such penalty, or the amount agreed upon in compromise, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. Provides that the amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged.

Further, it authorizes the Secretary of Transportation, in consultation with the Secretary of Health, Education, and Welfare, to prescribe such standards for the design, construction, and alteration of buildings, structures, and facilities which are provided with financial assistance under the Urban Mass Transportation Act of 1964 and are subject to this act as may be necessary to insure that elderly and physically and mentally handicapped persons will have ready access to, and use of, such buildings.

The bill also authorizes the Secretary, after consultation with the Secretaries of Transportation and Housing and Urban Development, to make grants to any public or nonprofit private agency, organization, or institution and to enter into contracts with any agency, organization, or institution, or with any individual: first, to study the economic and service aspects of transportation for elderly persons living in urban or rural areas; second, to conduct research and demonstration projects regarding the feasibility of special transportation subsystems for use by elderly persons or similar groups with similar mobility restrictions; third, to conduct research and demonstration projects on portal-to-portal service and demand actuated services; fourth, to conduct research and demonstration projects concerning the impact of pricing structures on the comfort, well-being, and morale of elderly persons; fifth, to study transportation and social service delivery interface; sixth, to conduct research and demonstration projects to coordinate and develop better transportation services rendered by social service agencies; seventh, to conduct research and demonstration projects concerning other relevant problems affecting the mobility of elderly persons; or eighth, to conduct research and demonstration projects concerning the use of transportation personnel to assist elderly persons who use public transportation.

Finally, it authorizes to be appropriated to carry out this program $2,500,000 for the fiscal year ending June 30, 1974; and $5 million for the fiscal year ending June 30, 1975.

PHILLIPSBURG HAS IDEA FOR RURAL HEALTH CARE

HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. SEBELIUS. Mr. Speaker, during the month of October, my office will be conducting research into the rural health care problems we are experiencing, not only in my congressional district but throughout rural and small town America.

I know that many of my colleagues are vitally interested in this problem. To conduct this research, my office will have the services of Mrs. Martha Claypool, a nurse from Salina, Kans. Mrs. Claypool's late husband was a general practitioner in a small rural community in Kansas until his untimely passing in 1967. She is acquainted with the problem of inadequate health care on a first-hand basis and I am sure her research will be most helpful in determining which Federal programs and what legislation will provide practical results in our rural areas.

In connection with this effort and this issue, I should like to call to the attention of my colleagues an article published in the Topeka State Journal written by Associated Press writer, R. F. Harvison. The article details the untiring efforts of my good friend, McDill "Huck" Boyd, and those community leaders connected with the Dane Hansen Foundation to obtain health care services for Phillips County in Kansas. This article summarizes the kind of program that would benefit rural communities all over the Nation.

The article follows:

PHILLIPSBURG HAS IDEA FOR RURAL HEALTH CARE

(By R. F. Harvison)

KANSAS CITY, KANS.—The most effective program yet devised to interest young doctors in practicing in rural Kansas is that now under development in Phillips County, University of Kansas Medical School officials say.

Drs. William O. Rieke, vice chancellor for health affairs, and David Waxman, dean of students, displayed two file folders filled with letters from rural Kansas communities seeking doctors.

"These letters cover the full spectrum from loans to help students finish medical school, to guaranteed annual salary, to rent-free offices and clinics," Waxman said.

Rieke added the appeals also include preparation of brochures outlining what the communities feel are the advantages and inducements they have to offer.

Both doctors emphasized the university strongly supports the idea of their students going on to practice in rural Kansas and that they do all they can to keep graduating students advised of opportunities offered.

"But generally," Rieke said, "these attempts have not been successful. There are too many of these offers and they lack the element of personal interest. The young doctor's decision on where he will practice is based more on personal factors than on any public relations factor," he added.

"Interestingly, many of these letters from Kansas communities simply ask us how to go about finding a doctor who will come to a small, rural town. The most potentially effective program we know of is that developed by McDill "Huck" Boyd of Phillipsburg.

"What Boyd hopes and what we all hope is that if this model works, we can spread it to all of rural Kansas, using the same principle exactly," Rieke said.

With Boyd as the guiding force, the Dane Hansen Foundation announced last February the funding of the Hansen Rural Health Care Program in Phillips County with a grant of $60,000 the first year and $30,000 the second, if satisfactory progress is made.

The unique feature of the program is the use of nurse-clinicians scattered in communities around Phillipsburg who carry out the instructions of the doctors there by medical band radio.

The Hansen grant also will make possible the location in Phillipsburg of a resident physician in family practice—the new name for the general practitioner—plus equipment for satellite offices in outlying towns, as well as psychological services to round out a general health care program.

Boyd, contacted at Phillipsburg where he publishes a weekly newspaper, said plans now are being made for a satellite office of the High Plains Mental Health Clinic, located at Hays. The satellite office, at Phillipsburg, would include a doctor of psychology, a master's-level psychologist and a secretary. The office is scheduled to open in August.

Boyd added three nurse clinicians have completed their academic training at Wichita State University and are undergoing additional training in Phillips County. He said local doctors have been pleased with their progress.

Radio equipment has been installed at Phillips County Hospital, with portable equipment assigned to the doctors there.

Phillipsburg, with a population of 4,000, and Phillips County, with 8,386, had only one medical doctor, Dr. V. W. Seinkruger at Phillipsburg, and one osteopath, Dr. Lee Doctor, at Agra.

Resident doctors have been rotating at Phillipsburg in training periods of around two months each.

Actual use of the radio equipment has been deferred until the nurse-clinicians have had enough experience working directly with the area's physicians.

In addition, the county has an emergency ambulance van proposal under consideration.

The Dane Hansen Foundation was created by a Logan resident who prospered in oil and other business ventures and left nearly $10 million to assist in various community projects and charitable activities. Hansen died about 10 years ago.

Rieke asserted one of the strongest features of the Phillips County program has been Boyd's efforts to make the program known to students and young doctors.

"What has been done first is development of an innovative program involving nurse-clinicians to help minimize the load. Secondly, Boyd is developing a series of slides showing the communities, the service area and something about the population and the advantages of the Dane Hansen Foundation financing.

"And he intends to go around this fall personally and present it to our medical students and staff, to go to Creighton in Omaha, the University of Nebraska, Oklahoma, maybe even Denver—I don't know where all he is going," Rieke said.

"But here's a guy who sort of made it a personal mission in life to do something about health care in northwest Kansas and he's going to succeed."

Rieke noted one of the most important considerations to a young doctor is whether a community can offer all-around health services—including such things as mental health and dental care.

"Physicians just won't practice in isolation. They are afraid of getting out of touch with advances in medicine and with methods," he said.

Waxman added that while availability of a hospital and good equipment is important to a younger doctor, it is equally important for him to have someone with whom to consult.

Rieke said some students at the medical school here have entered into private contracts with communities, but that these are matters strictly between the student and the community in which the university takes no part.

"However," he added, "such inducement as loan forgiveness generally has not been successful. Many states have programs where students are offered loans by the state, then offered forgiveness of that loan if they remain in the state to practice. But the student often will pack up and go where he wants and then pay off the full loan. Only in one or two states has the procedure been successful."

One of those here who has entered into a contract with a community is Merlin Hull of Lyons. Hull is receiving help from Caney in the prospect that he might go there to practice.

Hull, who is in his second year of medical school, said he was chosen from among 30 applicants, but his contract will be applicable only if he doesn't specialize. If he goes on to Caney, he will have five years to pay back $2,000 advanced to him by the community. If he stays in Caney five years, he will be required to pay back only half the amount. If he decides to go into specialization or leaves Caney, he must repay the full amount.

Hull noted that coming from Lyons, he is used to smaller towns. His wife is from Garden City and also likes a smaller community.

Waxman said many communities are becoming more sophisticated in their invitations to young doctors. More consideration is being given to wives and to what the wives could look forward to in a small town.

"If the wife cannot make the adjustment, no contract in the world will keep a doctor there," Dr. Rieke added.

One of the reasons for the shortage of doctors in rural communities has to do with the subject of what used to be called the general practitioner. In the first or second decade of this century, nearly every town had a doctor.

But after the war, Dr. Rieke said, the number of GPs was reduced dramatically by specialization. "Only in 1969 did the new designation of "family practice" become a specialty in its own right. And this field is growing rapidly."

FERRUGGIARO TO QUIT POST AS BELMAR COMMISSIONER

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. HOWARD. Mr. Speaker, as Members of Congress we are all aware of the crucial role played by our local officials in making this a better America.

Local officials work long and hard, often with little or no salary, to make their communities a better place in which to live.

One such official is John Ferruggiaro of Belmar, N.J., who retired March 31 as a member of the Belmar Board of Commissioners.

Mr. Ferruggiaro, who dedicated 26 years to public service, will be honored for his dedication at a testimonial in Belmar, N.J. on October 4, 1973.

It has been my pleasure and privilege to know both Mr. Ferruggiaro and his able successor, Mr. Francis A. Pyanoe.

The Asbury Park Evening Press carried both a news story and an editorial outlining the role Mr. Ferruggiaro played in serving his community. I commend both to my colleagues.

[From the Asbury Park Evening Press, Mar. 31, 1973]

FERRUGGIARO TO QUIT POST AS BELMAR COMMISSIONER

BELMAR.—John Ferruggiaro, a member of the Board of Commissioners since 1947, will retire March 31.

Francis A. Pyanoe, 1009 13th Ave., was appointed to Mr. Ferruggiaro's unexpired term.

Mr. Ferruggiaro made his retirement announcement last night at the Board of Commissioners meeting. He said he's stepping down reluctantly.

"It's been part of my life . . . it's pretty hard to tear yourself away," he said.

Mr. Ferruggiaro praised his fellow commissioners, Peter Maclearie Sr. and Mayor John A. Taylor—as "two of the finest men I have ever had the pleasure of meeting or knowing," and he thanked them for "making a difficult job easy."

He also complimented Donald F. Matthews, whom he called "the best borough clerk in the world," and Harold Feinberg, borough attorney.

Mr. Ferruggiaro was commended in turn; by Mayor Taylor, who told him "if you think it's difficult to resign, it is equally—or more—difficult for us to accept your resignation."

Commissioner Maclearie said, "I have known many men . . . you have been one of the finest to work with. Even though we had disagreements, I've always respected your judgment. I hate to see it."

Mr. Ferruggiaro was himself appointed to fill an unexpired term on June 4, 1947, following the death of Commissioner-elect George Heyniger. Mr. Maclearie was then mayor, and the third Commissioner was Howard Hayes.

In 1966, Mr. Ferruggiaro was appointed secretary of the Monmouth County Board of Taxation, from which he is also retiring.

Commissioner Maclearie said Mr. Ferruggiaro will retain his seat on the Planning Board as a public member.

Mayor Taylor said Mr. Ferruggiaro will retain his seat on the Planning Board as a public member.

He is also a member of the state Beach Erosion Commission, treasurer of the Monmouth County Democratic Executive Committee, past president of the Belmar Democratic Club, a member of the Belmar Kiwanis Club and Monmouth County Real Estate Board, and past president of the St. Rose Holy Name Society.

Mr. Pyanoe, a resident here most of his life, has been a member of the Planning Board since 1963, and participated in the planning of the borough urban renewal project. He owns and has operated the F. A. Pyanoe Tile and Marble business, here.

He is a member of the Belmar Democratic Club and the St. Rose Holy Name Society.

Commissioner Ferruggiaro said he will continue to live in Belmar. He intends to spend more time traveling and playing golf.

Mr. Pyanoe will be formally installed at 8 p.m. April 2.

FERRUGGIARO RETIRES

Commissioner John Ferruggiaro served with distinction during the 26 years he devoted to public service as a member of the Belmar Board of Commissioners. His retirement brought deserved praise from his colleagues, Mayor Taylor and Commissioner Maclearie, for the capabilities Mr. Ferruggiaro exhibited in the borough government and the sound judgment he applied to his responsibilities.

Though an active figure in the county councils of the Democratic party Mr. Ferruggiaro honored the non-partisan character of commission government, serving with Republican colleagues in a manner that made political stability one of the strengths of local government. Belmar has kept pace with the changing times because Mr. Ferruggiaro made important contributions to the borough's welfare.

NEW JERSEY FLOOD VICTIMS AND A PRESIDENTIAL VETO

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. PATTEN. Mr. Speaker, this past Saturday, the President again chose to use the power of the veto. This time, the victim was the Small Business Act amendments bill which earlier met with little opposition before this body. I regret the President's decision, particularly in light of an item contained in the legislation that provides for a $2,500 forgiveness benefit and 3-percent interest disaster loans.

Mr. Speaker, on August 2, many communities of Middlesex, Union, and Somerset Counties, N.J., suffered extensive flood damage in the wake of heavy rainstorms. Accordingly, the President declared New Jersey a disaster area. The $2,500 forgiveness benefit provision would greatly help the flood victims of New Jersey, and it is important to those families and business owners that the Members of the House of Representatives and the Senate vote to override the veto.

Finally, I would like to submit the following telegram I received from Mayor Frank R. Nero of North Plainfield, N.J., to further illustrate the importance of an override to New Jersey flood victims:

(Telegram)

North Plainfield, N.J.,
September 24, 1973.

Hon. Edward J. Patten,
House of Representatives,
Capitol Hill,
District of Columbia:

I urge you to move immediately to override President Nixon's veto of Senate Bill 1672. This bill which passed both Houses of Congress overwhelmingly is absolutely needed to provide assistance to residents who suffered losses in the most recent storms which hit central New Jersey on August 2, 1973.

Respectfully,
Frank R. Nero,
Mayor, Borough of North Plainfield.

GEORGE MEANY ON CONTROLS

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. ROUSSELOT. Mr. Speaker, George Meany has recently spoken sharp words of warning that wage and price controls should be "phased out as rapidly as possible." He has urged that the administration and Congress move the Nation to a free and fair economy stating that "inequitable policies" have created a "framework of recession-breeding—job-destroying tight money, [and] soaring interest rates."

At a press conference after the first session of the AFL–CIO executive council's regular quarterly meeting in Oak Brook, Ill. on Tuesday, August 1, Meany in sharp criticism said:

> We are facing economic disaster in this country at the present time, unless there is some change in policy. We are willing to bite the bullet and face the end of all controls, knowing full well that it would cause a chaotic condition, maybe temporarily, but with a certain amount of confidence that when the free forces of the economy in the marketplace take over, we will be back to something resembling normal.

Then again in his Labor Day message, George Meany in a discussion of individual rights stated:

> The tools of those who would invade an individual's right of privacy are the tools of repression, thought-control and tyranny. . . .

He continued with—

> Of course, the inevitable result of this illogical policy would be government dictation of all wages, prices, rents, profits—what a person could buy, how he could live, where he would worship, what he could write, say, think.

Just last week, Mr. Speaker, the House passed legislation, H.R. 8547, that is intended to restrict the exportation of scarce materials and commodities.

But, we are only further compounding the inequities in our economy by placing one control on top of another while continuing to ignore the real and only solution—and that is, to free the economy from controls and return to the free-market system thereby allowing the consumer to make the ultimate decision.

I have long expressed the opinion that Federal controls on wages and prices cannot control inflation, and I have joined with my colleagues, Congressman Bill Keating, Congressman Barry Goldwater and Congressman Bill Ketchum, in cosponsoring legislation to repeal the so-called Economic Stabilization Act.

When the most recent extension of ESA was considered by the Banking and Currency Committee on which I serve, I opposed the bill and joined with several other colleagues on the committee in supplemental views which were included in the House Report urging this body to let the controls expire and defeat the legislation. I would like to resubmit excerpts from that statement in order that the Members will have an opportunity to consider the significant reasons we gave to substantiate our opposition to mandatory wage and price controls. I urge all Members who voted for this legislation in April to reevaluate their positions in light of the current inequities and shortages of vital commodities that are emerging in all areas of our domestic economy, and join in the effort to repeal ESA.

Supplemental views to H.R. 6168 follow:

Supplemental Views to H.R. 6168 of Congressmen John Rousselot, Ben Blackburn, Clair Burgener, Philip Crane, John Conlan

We opposed H.R. 6168 in Committee and urge its defeat by the House for a number of significant reasons:

1. During the last 20 months, it has been conclusively demonstrated that wage and price controls cannot control inflation.

2. The demand-pull inflationary pressures that we are now experiencing in such vital commodities as food, lumber, and fuel cannot be solved by controls; continued controls can only further aggravate the shortages.

3. The regulation of credit for commodity futures trading is based on a complete misunderstanding of the nature and function of commodity futures markets. The Committee was unable to establish any direct relationship between credit conditions in the commodity futures market and the prices of commodities. As a matter of fact, there is considerable evidence to the contrary. Section 10 of the bill requires the GAO to study and evaluate the relationship between consumer food prices and commodity exchanges. The Committee bill would authorize regulation for margin requirements for commodity futures trading (Sec. 206), while admitting in the same legislation that a study is needed to determine any relationship between food prices and commodity exchanges. This is grossly inconsistent.

4. Rent controls as proposed in this legislation can only interfere with the ability of the free market to bring about an increased supply of rental units, and the natural adjustments in rates for these units. Local governments that feel specific local conditions warrant rent controls or ceilings are free to act, and the legislation acknowledges that some local governmental bodies have chosen to follow this course. It has not been demonstrated that Federal intervention in this area is needed or appropriate.

Cost of implementation

5. A further consideration which was not debated in any meaningful sense by the Committee, was the cost which would be involved in establishing the necessary bureaucratic structure to administer this program. That this question should not have even been considered is shocking but not surprising considering the manner in which this bill has been considered.

About the only estimate that can be reasonably made in this regard, is the $2 billion which our colleague from Georgia (Mr. Blackburn) proposed to add to the bill for its administration when it was under consideration in 1972. Two billion dollars may or may not be enough, we simply do not know. But what we do know is that two billion dollars can be better spent on many higher priority programs than this one which will have only perverse effects on the functioning of our economy, without in any significant way addressing the problem of inflation.

I. INABILITY OF CONTROLS TO REDUCE INFLATION

We have consistently opposed the imposition of wage-price controls both in theory and in practice. These controls attack only the results of inflation, and cannot effectively deal with the causes. Until the Congress is willing to directly face-up to these causes, we cannot hope for economic stability.

Inflation is generated by the Federal government and it, therefore, compounds the problem when the government intervenes in the private sector of the economy with imposed controls to remedy a situation for which it is primarily responsible. The Federal budget is completely out of control. The Congressional budgetary process includes no procedure to consider the total budget (i.e., the total amount appropriated as compared with the total revenue). Under the current system, Federal commitments to programs are expanding more rapidly than sources of revenue, and at a rate faster than the economy can accommodate. It is clear that the Congress should be more concerned with fiscal discipline of its spending of tax dollars rather than imposing controls on the private sector.

Most economists generally agree that the continued trend of the government to increase spending for goods and services financed through heavy deficits, coupled with the Federal Reserve Board's creation of new money, is a primary inflationary pressure. The supply of money in the economy has increased more rapidly than the supply of food, or any other commodity. Based on the simple principle of supply and demand, if the demand for a good increases, and there is no change in the supply of this good, the price of the good goes up. However, in recent years the supply of dollars has so multiplied that money has actually decreased in value relative to the goods we purchase, and prices have logically increased to compensate for this imbalance. In his book, "To Free or Freeze," Leonard Read of the Foundation for Economic Education, states:

"Inflation is a *dilution* of the medium of exchange, an artificial expansion of the money supply. Inflation differs from counterfeiting in that it is legal and, also, it is an act of government rather than of individuals. But whether the money results from inflation or from counterfeiting, a dollar is a purchase order, and no one inquires into its source. A transaction involving counterfeit or inflation dollars is not an exchange of goods and services for goods and services but an exchange of paper money for goods and services. As the volume of paper money increases and as the quantity of goods and services decreases, everything else being equal, prices correspondingly rise. The equation is simple: Assume goods and services to be what they are now. Double the amount of money and prices will be twice as high.[1]"

Dr. Milton Friedman, University of Chicago economist and a leading monetarist, writing in the Morgan Guaranty Survey, published by New York's Morgan Guaranty Trust Co., has recently urged that the Federal Reserve sharply curtail the monetary growth. The money supply (comprising currency, bank checking accounts, and time deposits) has been growing at an annual rate of over 10% in the past year. Professor Friedman cautioned that even if this action is followed, it may already be too late to avoid a mini-recession. He stated: "There may simply be no way at this stage to prevent an acceleration of inflation without at least a mini-recession."

Phase III guidelines further confuse the issue of controlling inflation and confuse the industries that are to be controlled. It is reported that the 5.5% wage guideline is not to be strictly enforced in forthcoming negotiations. In his news conference of March 2, 1973, the President stated: "What we have here as most important is not the 5.5, but the bottom line, which is 2.5." President Nixon was, of course, referring to holding the inflation rate to 2.5%. However, the rate of inflation has been on the upswing as the economic controls are continued. According to U.S. Department of Labor statistics, the February increase in inflation, seasonally adjusted, as was .8%, which if continued at the same rate, annualizes to be almost 10% per year; using figures for the last three months, the annual rate of inflation works out to be 6.3%; over the last six-month period, the rate of inflation annualizes to be 5.2%; and over the last year, the rate of inflation averages out to be 3.9%. In a column which appeared in Newsweek, January 29, 1973, Dr. Friedman discusses the inability of controls to restrict the inflationary trends:

[From Newsweek, Jan. 29, 1973]

PERSPECTIVE ON CONTROLS

(By Milton Friedman)

What hath price and wage controls wrought?

A major reduction in the rate of inflation, to judge from much press commentary and economic punditry.

A trivial effect on the rate of inflation, to judge from the cold statistics. Here they are for the cost-of-living-index number:

Annual rate of rise:

At inflationary peak, early 1970	6.4
First eight months of 1971	3.8
August 1971 to November 1972	3.2

The initial sharp tapering off in the rate of inflation clearly owes nothing to controls, which were introduced in August 1971. The trivial further decline—which came to en end in early 1972—may well have occurred despite rather than because of controls. But it is also possible that it understates the effect of controls. Perhaps, in the absence of controls, inflation would have speeded up instead of tapering off a mite further. Our instruments are too crude to enable us to make such judgments accurately. But one thing is crystal clear: whether controls lowered or raised the rate of inflation, the effect was minor in magnitude—it would be a bold man who would assess the effect at more than one percentage point.

WHY THE IMPOTENCE?

How is it, that, despite all the fuss, the controls had so little effect?

1. Controls were introduced when inflation had already tapered off. Permitted wage and price increases averaged close to those that would have occurred anyway.

2. After the initial freeze, controls were highly selective. They covered, in anything more than name, well under half the economy—as measured by value of output, wages paid or any other broad yardstick. As a result, controls probably had a larger effect on specific sectors of the economy than on the economy as a whole.

For example, the controls clearly contributed to the rapid rise in food prices. Insofar as they held down the prices of automobiles or refrigerators or similar items, they left purchasers of such items with more to spend on other things, and this excess purchasing power naturally flowed to items exempt from control. Defenders of controls have pointed to rising food prices as an excuse for the failure of controls to hold down the cost of living as a whole—as if the rising food prices were independent of the controls!

Another example is the highly adverse effect of controls on the lumber industry. Booming demand has been prevented from raising prices and so has produced shortages, inefficiency and distorted patterns of distribution.

President Nixon deserves high praise for reading the record correctly and eliminating most mandatory wage and price controls. But, you may ask, does the past impotence of the controls mean that their termination is of equally little moment for the future?

THE REAL ISSUE

The answer is that what happens to inflation from here on out depends on what happens to total demand and not on controls. And what happens to total demand in turn depends largely on monetary and fiscal policy.

Inflation tapered off in 1970 and 1971 because the rate of momentary growth was reduced sharply from 1968 to 1969. Inflation stopped tapering off in early 1972 because the sharp reduction in the rate of monetary growth ended in 1970 and was followed by a mildly higher rate. Inflation threatens to speed up in 1973 and 1974 because the rate of monetary growth has speeded up sharply in recent months. If recent monetary growth were to continue, no conceivable controls could prevent inflation from accelerating. On the other hand, if the Federal Reserve cuts monetary growth sharply and holds it there, inflation will continue to taper off with or without controls.

Lower government spending is important primarily because we are not getting our money's worth for what the government spends. But it is important also because large deficits tend to raise interest rates, which induces people to hold less cash relative to their income and also puts pressure on the Fed to finance the deficits. If the President succeeds in holding down Federal spending, he will do the most important single thing he can to hold down inflation. If inflation nonetheless speeds up the Fed, and the Fed alone, will be responsible. It will have no excuses, no scapegoat to blame. As I put it in an earlier column, it will be "on the spot."

A major cost of controls has been to divert attention from the basic issues to a minor side show.

* * * * *

III. HOW STABILITY CAN BE RESTORED

In our view, wage and price controls are actually harmful to the economy. The stimulation of competition in the free market is the only route to a healthy economy. In a competitive market, prices respond quickly to changes in supply and demand, and prices are the barometer of the economy. For the government to intervene in the private sector distorts the whole economic picture. In a U.S. News & World Report interview, January 29, 1973 issue, Treasury Secretary Shultz replies to a question about what is going to prevent wages and prices from skyrocketing in Phase II by stating:

"The basic thing is competition—the free market. That is the fundamental force we reply on over a period of time to keep things under control. That same fundamental force helped reduce the rate of inflation from around 6 percent in 1969 to a little less than that in 1970, and to a still lower rate in 1971 and 1972."

In a U.S. News & World Report interview with Dr. C. Jackson Grayson, Jr., published in its March 5, 1973 issue, Dr. Grayson states in response to a question about what impressed him most about the American business system during his position as Chairman of the Price Commission during its 15-month existence:

"That the operation of our price system—the free-market system—is the best possible allocator of resources. It is far better than any control system ever could be. Controls can work—and they did work—over the short run. But in the long run, they never can substitute for the price mechanism as a way to get goods and services where they are needed."

This is the time to examine all areas of governmental intervention in the private sector which discourage competition, raise prices, or otherwise promote inflation in the economy. There can be no question but that the government has contributed to the upward pressures on costs and prices from tariffs, import quotas, price supports in agriculture, prevailing wage determinations, and other legislation relating to organized labor under which wages on a nationwide basis have been determined through collective bargaining. Government actions have sheltered certain segments of the economy from market forces through protectionist legislation.

Ota Sik, the former Minister of Economy in Czechoslovakia, who is now in exile in Switzerland, knows much about government controlled economies. In his book, "Czechoslovakia: The Bureaucratic Economy," he points out the paramount role of prices and competition in the allocation of resources, and that replacement of the market-price discipline with controls was disastrous to the Czech economy. He clearly makes his point that "price freezing has never yet solved any economic problem."[1] He further states that "It has been demonstrated that, despite its deficiencies, the market mechanism is the sole medium capable of dealing with the complex interrelationships in a modern industrial economy."[2]

Historically, controls have been tried in not only Communist countries, but many Western nations as well. Several Western European countries have tried controls since World War II. France has held the longest history of price controls, and also has a complex bureaucracy to implement these controls, yet the French franc has been devalued seven times since the War. In general, consumer prices have increased more quickly since 1963 in Western European countries with major controls than in the countries with few, if any, imposed controls.

IV. COMMITTEE TESTIMONY

The testimony before the Committee clearly revealed that many members of the labor and business community do not support the further imposition of mandatory controls, and some strongly oppose the extension of current controls beyond the April 30, 1973 expiration date.

1. Paul Jennings, President of the International Union of Electrical, Radio and Machine Workers, AFL-CIO, CLC, in his testimony before the Committee stated:

"I am here to urge that the Congress refuse to renew the Economic Stabilization Act.

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[1] Leonard E. Read, "To Free or Freeze" (Irvington-on-Hudson, New York: The Foundation for Economic Education, Inc., 1972), p. 13.

[1] Ota Sik, Czechoslovakia: The Bureaucratic Economy (White Plains, New York: International Arts and Sciences Press, Inc., 1972), p. 119.

[2] Ibid., p. 11.

"The ESA Program, as carried out by the national Administration since August 1971, has not been fair, is not fair and offers no prospect of fairness. What little has been achieved in the public interest during its life almost certainly would have been achieved without it, and could have been achieved more substantially through the vigorous pursuit of appropriate policies."

2. In the testimony of the Machinery and Allied Products Institute, this organization stated:

"Certain commentators on the subject of controls argue that a major cause of the persistent inflation we have experienced is structural defects in the economy which cannot be corrected through the imposition of controls. Further, the record for controls here and abroad indicates clearly that they cannot be successful beyond the short run because of the misallocations and inequities that inevitably accompany them. In sum, we did not think controls were necessary for the capital goods industries in August 1971 and do not think they are necessary now."

3. George G. Hagedorn, Vice President and Chief Economist of the National Association of Manufacturers, stated in his testimony:

"The economic background has, of course, changed dramatically since the initiation of the stabilization program. Instead of the sluggish conditions of two years ago we now have a rapidly expanding economy, fast approaching the limits of its potential. We no longer have the assurance of a substantial margin of unused resources to protect us against the emergence of economic shortages and bottlenecks.

"With these developments, the two reservations NAM had attached to its support of the stabilization program, as stated above, become of central importance. To put it bluntly the potential for wage and price controls to serve a useful purpose has diminished, and the danger that they will prove a disruptive force in the economy has increased.

"The way we see it, the control program is approaching the end of the interim period when it can play a constructive role in curbing inflationary forces. That is why we urge that its sole function, in the coming period, should be to smooth the transition to an uncontrolled economy."

4. Even though Leonard Woodcock, President of the United Auto Workers Union, did not appear before the House Committee, in his recent testimony before the Senate Committee on Banking, Housing and Urban Affairs, regarding extension of ESA beyond April 30, 1973, he stated:

"Our stand with relation to that Act has been and is perfectly consistent. We opposed its enactment when it was first under consideration by the Congress. We opposed its extension in 1971. We oppose its further extension now.

"I hasten to add that our opposition to the ESA does not spring from lack of concern about inflation. Everyone familiar with the UAW's history knows that we have gone to extraordinary length to combat inflation—in our collective bargaining, in our legislative activities, in our contacts with administrative agencies and even in the courts. We are deeply concerned about inflation—primarily for two reasons.

"The first is that inflation tends to redistribute income in the wrong direction. It tends further to enrich the wealthy who already have too much at the expense of others who start with far less than enough to meet their basic needs and their reasonable aspirations for a fair share in America's potential abundance.

"The second reason for our concern is that inflation or fear of inflation has been the main inhibiting factor—or excuse—for the failure of our government to carry out the national commitment to "maximum employment, production and purchasing power" expressed in the Employment Act. By comparison with other industrialized countries, our record on the employment front is an unmitigated disgrace. U.S. unemployment rates—starting with 1959, when the data begin—have averaged approximately 2½ times as high as the weighted average for all other countries (except Canada, whose unemployment is largely made in the U.S.) for which the Bureau of Labor Statistics computes comparable figures."

V. CONCLUSION

We agree that the only sensible approach to stability is to free the economy from controls. This can best be accomplished by allowing the Economic Stabilization Act to expire on April 30, 1973 rather than compounding the inequities by extending the law. This action, along with Congressional budgetary and fiscal reform, is the only effective course to bring inflation under control and restore economic equity. The elimination of wage and price controls would return the ultimate decision-making process to the consumer rather than leaving it in the power of an elite few in Washington, D.C.

JOHN H. ROUSSELOT.
BEN BLACKBURN.
CLAIR W. BURGENER.
PHILIP M. CRANE.
JOHN B. CONLAN.

THE HUMAN RIGHT TO INDIVIDUAL FREEDOM

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. BIAGGI. Mr. Speaker, I wish to bring to the attention of my colleagues the third and final section of the brief of Attorney Luis Kutner filed before the European Commission on Human Rights on behalf of the persecuted citizens of Northern Ireland.

In addition to his brilliant legal career, Mr. Kutner has received world acclaim as an author of such works as; "I, the Lawyer," "The Human Right to Individual Freedom," and "World Habeas Corpus."

It is not surprising in light of Luis Kutner's services to the persecuted in Northern Ireland, as well as the Jews in the Soviet Union, that he was nominated for the Nobel Peace Prize by my distinguished colleague from Illinois, Mr. MORGAN MURPHY.

Mr. Speaker, at this point in the RECORD it is my distinct privilege to insert the final section of Mr. Kutner's brief:

XII

International law is at present obviously facing a crisis. With the exception of the diplomatic and consular fields, almost all the rules of public international law have been constantly violated. Particularly subject to violation have been the rules concerning the use of force in international relations. The weak or weakened norms on the prohibition of the threat or use of force are not compiled with; their binding force is not established. These phenomena reflect a lamentable truth of the age, that international relations are not governed by international law but by the balance of power.

The present day crisis of international law stems from the fact that states, especially the larger ones, do not regard its rules as binding upon them. They treat the law as recommendations or as non-binding rules of international courtesy or morality. Such an attitude by states toward international law is dictated by many causes, the main one being the priority given to individual political interests. However, one of those causes is also the over-politicization of international law in terms of denying independent existence to international legal norms.

The frustration of the binding force of international legal rules is also enhanced by the body of doctrine which emphasizes the political nature of international law to an excess. In this way, international law becomes over-politicized. The illegal acts of states are sought to be justified in the intimate link between law and policy which, in the final analysis, means in the legally non-binding force of the rules of international law. The legal nature of international law gives way to its political function. An excessive insistence on the "political" has put in doubt the relative independence of legal norms, the separate existence of the law as a science, and mandatory rules of conduct.

Applicants contend that international law bases itself on realities and acknowledges only factual situations. A state exists as the subject of international law regardless of the way in which it was started and whether or not recognized by all the members of the international community. Hence, the rules of international law necessarily change in such a way as to reflect the realities of international relations in a given historical period. However, these rules have not changed every time it suited the pleasure of particular states. The adjustment of these rules or the substitution of new and better rules for the old ones takes place only when the majority of states favors it. And conversely, if the majority does not want existing rules to change, these rules continue to apply.

Of course, the minority has the right, while abiding loyally by those rules, to seek in the political arena to persuade the other states to back the ideas of the minority as expressed in the drafts of new rules. Therefore, until the majority is prepared to accept the new rules, the minority has to comply with the existing law. The minority must not act in violation of the law just because it does not like its norms. Needless to say, only such an approach to the law by states can make its evolution legal and regular. If each state recognizes as international law only what suits its immediate political interest, perpetual crises and anarchy will result. It goes without saying that this critique of the over politicization of international law does not imply a complete depoliticization of international law or its total separation from life.

The present crisis of international law in Northern Ireland has been the result of Respondents following their immediate political interests. The elimination of that crisis is neither an easy nor a short-term job. What the Commission, as international lawyers, must do in this respect is to fight for a greater autonomy of legal norms. It is necessary to point out that the legal norms are more lasting than political ones. Compliance with the former being an obligation of each member of the international community, even if such conduct may hamper its political interest or friendship with the delinquent state. If their political orientation precludes the members of the Commission from observing international law in a given situation, they should at least not make reference to it.

If international law is law, then it is political to the same extent as all other branches of law. Therefore, the political dimension of international law cannot be other than the political dimension of the law in general.

XIII

Counsel suggests to the Commission that international law is a "horizontal" legal system, not a primitive vertical system. Apparently geographical propinquity is not the golden thread that identifies a successful regional organization or a legal arena that offers a forum for resolving humanitarian problems. It is obvious that the European Commission offers functional ineffectiveness since it has no concern or interest for maintaining human rights stability nor providing a flexible, uninhibited, or viable forum for lawmaking efforts.

The Convention creating the Council of the Statute of Europe and its functional judicial arenas of the Commission and the Court was intended to tumble the arbitrary State royalists from their perch of insensitivity to the wide spectrum of human rights.

The prevailing rule of law since 1922 (and historically since 1155!) was the enemy of the liberty of human beings. It was intended to throttle governmental, political, racial, religious and economic racisms. The historic excesses by the United Kingdom were never to be repeated again—or at least so pledged the signatories at Rome. The Commission and the European Court were to be the corrective judicial balance between the liberty strivings and claims of the individual—sometimes articulate—and the inelectable darkness of an overly aggressive and oppressive government.

There is an absolute world consensus that the rule of law of the Statute of the Council of Europe has disappointed its expectations. There is no justification,—legal or moral—for the persecution in Northern Ireland. The vaccination of Human Rights dignity did not "take" on the body politic of the United Kingdom. Under the Convention, the state's power waxes and the individual wanes. The "clear and present danger" alibi by Respondents is a symbolic refuge of a vicious and mindless oppressor. The history of the "Inmates of the Tower of London" demonstrates the historic conduct of cruelty and deliberate violations of minimal due process of law by Respondents.

The judicial and political histories of the Respondents are eloquent testimonials of wilful and unfettered violations of moral and political obligations to its citizenry. Covenants, promises and oaths have no hold on the United Kingdom.

The Applicants in behalf of themselves and all others similarly situated—be they interned or released—decry the membership of the United Kingdom in a civilized world community. Applicants are aware that they are defenseless, not only in Northern Ireland, but in the forums of justice called the European Commission of Human Rights and the European Court of Human Rights.

As long as the Commission strangulates Applicants with procedural dead-end streets, they have little confidence that the Commission will remedy their defenselessness.

There is apparently no legitimate mode for Applicants in dealing with their barbarous oppressors. Liberty, as a vaunted principle has no application in reality. Liberty is simply a base alloy of governmental hypocrisy. The perishable evil of Adolph Hitler and Joseph Stalin bestrides Northern Ireland. The Applicants not only shudder with horror at their ruling tyrants, but summon their collective contempt and mistrust toward "lawful" authority in their crusade for freedom in Northern Ireland.

The Commission has the unique opportunity to cross the geographical lines of political ideology and create a judicial dialogue into the tragedy, pathos and cruelty in Northern Ireland of which the Applicants complain. The true facts of the oppressed and the oppressors can be verified if the ritual of the Commission could be made heroically decisive. The brutality of Applicants milieu,—the sadism, corruption and despair, are at the heart of the Applicants lives.

The various reports, cited herein, record the cruelty, the stench, the indomitable men and women of Ulster, the garbage—pail tops used as shields against blind hatred and of the brutality of the Scottish troopers, the children shot before their mothers' eyes, the slums, the heroics, the cowardice, the inevitability of death and torture.

It is all there for the Commission to consider with a realism that Nobel Laureates cannot match.

The crucial rulings of the Commission, as transmitted by its distinguished secretary, is a critical assessment of the rhetorical poverty of the Convention. The rulings are vehement declamations of excoriation precluding any remote hope of substantive relief for Applicants. Notably, the Commission has taken an adversary position advancing the national political interests of the Respondents. The optimistic Conseil of Europe Statute origins of a vibrant international law appears to constitute a fatal handicap in the contemporary international society of Applicants of Northern Ireland. The Applicants, in good faith, acting as natural persons, invoke, in their individual and collective capacity, and in behalf of all other persons similarly situated, or as a member of the class of the interned or the released, but juridical acts of violations by Respondents. They have suffered damage and are claiming damage in their own right. They are not claiming vicarious liability. The Commission should recognize the virile freedom of the fabric of the Statute and conduct its affairs publicly and be subject to public scrutiny. The Commission's administrative ultra vires provision of secrecy or "confidentiality", places the Applicants in a position of peril and repudiates their human right of the free interchange of opinion and the institutional international remedy of general enlightenment, Secrecy is an exclusionary improvisation by the Commission and has little validity in the substantive body of international law.

The presumption of openness and the requirement that the custodial Respondents make prompt determination on each individual Application can result in incremental case by case concretization in which proper issues are considered by proper persons at proper times. The principle of openness is established in fundamental law, together with the substantive basis and procedural requirements for exceptions. In order to establish the area of secrecy the signatories to the Convention at Rome should have initiated specific article legislation specifically authorizing it. This was not done and the Commission's ad hoc regulation to justify secrecy is arbitrary and self-serving ultra vires, "valle d'abisso dolorosa"—(Valley of the woeful abyss).

The plague of lawlessness sparked by the absolutism of Respondents will continue until there is balanced and just tension between the state and the people of Northern Ireland. The Commission and the European Court should intervene without delay to integrate a competent rule of law to eliminate evil, discord, destruction and humanicide in Northern Ireland.

The British Inquisition, the expulsion of the Northern Ireland Irish Catholics from the human race, the unenlightened attitude of the European Commission of Human Rights must be forthwith terminated. To do less is barbaric, malicious and diabolical.

POSTAL SERVICE MODERNIZATION

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. BINGHAM. Mr. Speaker, a most serious matter concerning the Postal Service's remarkable modernization program has come to my attention, and I feel compelled to share it with the readers of the CONGRESSIONAL RECORD.

The two letters reproduced below indicate what appeared to be a routine solution to a constituent's problem with the mail. But as shall be seen, the Postal Service has once again accomplished the unbelievable. The letters follow:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D.C., August 29, 1973.
Hon. JONATHAN B. BINGHAM,
House of Representatives,
Washington, D.C

DEAR CONGRESSMAN BINGHAM: This is in response to your letter of August 2, addressed to Bronx Postmaster Frank J. Viola, on behalf of Mr. Joseph Lahey, concerning four pieces of mail erroneously returned to the sender endorsed "Addressee Unknown."

We have been advised that the improper handling of Mr. Lahey's mail was caused by a mechanical failure in a newly implemented central mark-up system. This occurred during a change in routes and was corrected immediately.

Please convey our apologies to Mr. Lahey for any inconvenience he experienced. We appreciate your bringing this matter to our attention.

Sincerely,

J. A. MATUKONIS,
Congressional Liaison Officer, Government Relations Department.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., September 10, 1973.
Mr. JOSEPH LAHEY,
Bronx, N.Y

DEAR MR. LAHEY: I am enclosing the reply I received from J. A. Matukonis, Congressional Liasion Officer, Government Relations Department, United States Postal Service, regarding your complaint about letters addressed to you which were returned to sender erroneously marked "Addressee Unknown."

You will note that the improper handling of your mail was caused by a mechanical failure in a newly implemented central mark-up system which occurred during a change in routes and was corrected immediately.

The Postal Service apologizes for any inconvenience you experienced.

With best wishes.

Sincerely,

JONATHAN B. BINGHAM.

Unfortunately, I was unable to convey the good news to Mr. Lahey because the two letters reproduced above were returned to my office marked "addressee unknown."

One wonders whether the Postal Service has embarked upon a far-fetched campaign to build support for the recently requested postal increases.

SKYLAB

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. TEAGUE of Texas. Mr. Speaker, the Times-Herald of Newport News, Va., on September 1, 1973, carried a brief article on Skylab 2. It seems well to recall this article since Astronauts Alan L. Bean, Owen K. Garriott, and Jack R. Lousma will be returning today from a record shattering Earth orbital mission.

That new knowledge has been granted and new abilities acquired, there can be no doubt. This short article points out that everything from controlling locusts in Africa to understanding how the sun produces energy is being intensively examined from our first true space station. These outstanding astronauts continue to make clear that the participation of man in space is an important part of our acquisition of new scientific knowledge and application of that knowledge to the benefit of all the people of this Nation and of the world. As we welcome our astronauts home, it is important to remember that their contributions to those who support them on the ground have already far exceeded the fondest hopes of the architects of Skylab.

The article follows:

> SKYLAB
>
> HOUSTON.—The Skylab 2 astronauts took photographs today of a swarm of locusts in northeastern Africa to find out if space pictures might be helpful in controlling such pests.
>
> The space station fliers used hand held cameras to take pictures through a window of the horde of locusts, and to try to again study Tropical Storm Christine, nearing hurricane strength in the Atlantic Ocean.
>
> Alan L. Bean, Owen K. Garriott and Jack R. Lousma, sailing past the 14 million mile mark of their orbital voyage during the night, were also making a picture-taking sweep of earth's resources across South America, the Atlantic and West Africa.
>
> Monitoring the sun during what had been forecast as a quiet period, Garriott, the mission scientist, said there appeared to be a great deal of activity, despite the predictions. The crew spotted two small solar flares, or explosions of energy, off the solar surface Friday.
>
> "We've got a very interesting sun today," Garriott said as he peered through Skylab's battery of cameras and telescopes. "I guess the sun's two-faced. One's quiet and one's active."
>
> Surprised solar scientists on the ground said the sun was in its most active period since April."

COMMUNIST CHINA'S INVOLVEMENT IN THE ILLEGAL DRUG TRAFFIC

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. ASHBROOK. Mr. Speaker, the Bureau of Public Affairs of the Department of State issued on July 16, 1973, a statement entitled, "The People's Republic of China and International Drug Traffic." This statement promotes the idea that there is a "persistent propaganda campaign" to convince the American people that Red China is producing and exporting thousands of tons of opium annually. According to the U.S. State Department statement there is no evidence for any linking of Communist China to illegal drugs.

In the past, I have presented to the American people various materials showing that Red China is involved in both the manufacture and trade of illegal drugs. Refugees from Red China have attested to Chinese Communist involvement in the drug trade.

The State Department does not deny that Red China is growing opium. It maintains that this opium is grown only "for legitimate medical products which are consumed internally in China."

Recently, Dennis Bloodworth writing in the South China Morning Post of September 3, 1973, discussed Red Chinese involvement in the drug trade:

> At this point one could avoid all risk of contradiction by quoting Anglo-Saxon officials and other "reliable sources" whose misinformation is at least respectable. It is the unsavory who know about the unsavory, however, and the words of a good, disreputable, left-wing Cantonese contact should therefore be heard with an open mind.
>
> "You see," he says, pointing at two big bamboo chicken cages on the low roof of a house in the New Territories of Hong Kong, "when the left-hand one is sideways on it's all right to go in."
>
> The place is an opium den, one of dozens in the little townships of this peninsula on the flank of China. The cages are used as a signalling system . . .
>
> Where does the opium come from?
>
> It is common knowledge in the underground, he says, that the poppies are grown in the eastern part of Kwangtung province in South China by the Hakka and Chin Chow people. The raw drug, which is of inferior quality, is processed in two factories on the south bank of the Pearl River at Canton, and the output of heroin and refined opium is either shipped across the border into Portuguese Macau or smuggled into the New Territories by fishing vessels that rendezvous with boats from China along the frayed hem of coast.

The above information is not conclusive proof in itself that Communist China is involved in the drug traffic. However, this information together with that which is obtainable from many other sources, including other sources in Hong Kong, would seem to cast doubt on the State Department's almost wholesale disregard of any evidence that points to Red China as a source for illegal narcotics and partner in illegal narcotics traffic.

WATERGATE MESSAGE: NEED FOR INTEGRITY

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. RONCALIO of Wyoming. Mr. Speaker, one of Wyoming's excellent institutions of higher education, Casper Community College, sponsors a student newspaper, the Chinook.

In the August 31 issue, the editor, Gene Kennedy, reviewed the implications of Watergate in terms of its potential impact on idealistic college students.

As he notes the impact of Watergate is too serious to be swept under the rug or debated in partisan terms.

For its positive response and call for personal integrity, I suggest my colleagues take time to read the editorial, which follows:

> PERSONAL INTEGRITY
>
> Whether we feel that President Nixon's plea to cease the many-pronged investigations into the Watergate affair and leave the judgment to the courts is justified or not, the whole matter bears such grave implications in governmental circles and even in American society that we cannot afford to sweep it under the "forgive and forget" rug of complacency.
>
> We have long been concerned for the lack of credibility in our governmental leadership. Now, with Watergate, we feel a letdown in confidence in the presidential office. How deep is the dishonesty in government? Are the American people being governed by men who are merely in office for personal power and gain? I believe that this is a nonpartisan issue.
>
> The defense for engaging in clandestine acts of crime has been that the end purpose was of such great consequence that the means to achieve it was not important. Those who took part in Watergate felt that the need to get the President re-elected was so great that this excused the dishonest bugging and burglary. Likewise the burglary of Daniel Ellsberg's psychiatrist's office was justified in the name of plugging security leaks.
>
> This is to suggest that whenever we have an all-important issue, nothing is so sacred that we shouldn't take every means to get the job done. I hope that we refuse to accept this kind of justification. The end does *not* justify the means. God help us when this becomes an accepted policy. Who indeed is to decide what is the important issue in these cases?
>
> Many idealistic young people a few years ago engaged in civil disobedience because they felt they had a righteous cause. The result was a hardening of opinions and many acts of violence. I hope that we have learned from these experiences that this is not the best way to improve our country.
>
> I propose that a long-range change of attitude among college students today will pay off in a government tomorrow that will command the respect of its citizens. Students who will tomorrow occupy positions of authority in government, industry unions and other important posts, will ultimately make this country great or break it.
>
> The attitude we mention is honesty. We probably do not feel that it is important now to be completely candid. But we believe that our present attitude and self-respect will be carried on into our personal life and business life tomorrow. We need to take charge of it now.
>
> In recent years there has been a disclosure of cheating among students at the U.S. Academy at West Point and at the Air Force Academy at Colorado Springs. This kind of practice is far more wide spread than is generally known.
>
> It is not hard to arrange to take tests in which the answers are copied or made available. We have personally heard of men who have used another person's papers in writing a doctoral thesis. This practice not only cheapens the degree earned, but also makes that person's education a farce. Like the practice of disobeying traffic regulations, the only thing we must be careful about, some would say, is getting caught.
>
> Is honesty ultimately the best policy? We believe so. Several observations we believe that are valid are stated in the new Living Bible paraphrase, Proverbs 12: 13, 19 and 15, "Lies will get any man into trouble, but honesty is its own defense. Truth stands the test of time; lies are soon exposed. Telling the truth gives a man great satisfaction."
>
> If we are to gain poise and self-assurance and possess self-confidence in our maturing years, Let us hope that we who attend Casper College will begin the process of self-discipline in ourselves now.

CUTTING FAT IN THE PENTAGON: CONGRESSMAN WILLIAM STEIGER SUGGESTS ROUTE TO REDUCING MANPOWER COSTS

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. MATSUNAGA. Mr. Speaker, an economic crisis faces our Nation. Not only must we restore stability to the American economy, in part by controlling spending by the Federal Government, but we must also undertake a reordering of priorities within the limited amounts available.

In a thought-provoking article written for the Sunday Star-Daily News, our distinguished colleague from Wisconsin (Mr. STEIGER) suggests that reducing the Pentagon's manpower costs would be a giant stride toward reduction of the burden borne by the American taxpayer. According to Mr. STEIGER, research, procurement, and many other important areas have been neglected because of the huge amount of funds which go to manpower costs. Many have mistakenly saddled this increased manpower spending onto the return to an All-Volunteer Armed Force, but the problem does exist.

A number of ways are open in our attempt to harness and reduce these ever-growing Pentagon manpower costs. My friend, the distinguished gentleman from Wisconsin(Mr. STEIGER) discusses these alternatives very lucidly in the Washington Sunday Star-Daily News article. In the hope that it may stir up some tax-saving activity, I insert in the RECORD Representative STEIGER's statement.

The statement follows:

TAMING THE GROWTH IN PENTAGON'S MANPOWER COSTS

(By Representative WILLIAM A. STEIGER)

Thirty-eight percent of the defense budget is now devoted to military pay and related costs. The $30.4 billion we are spending to keep men in uniform can be reduced, consistent with our national security requirements, through wise management.

On the other hand, if steps are not taken to control the skyrocketing cost of manpower, our ability to invest sufficient funds in defense needs—such as research, development and procurement—and other national priorities will be badly curtailed. The effects of rising manpower expenditures already are taking their toll in some of these areas.

To produce significant reductions in manpower costs, we should take three immediate steps:

Change the retirement system;
Hold down "grade creep";
And revise the pay schedule.

Certain projects will require an initial investment now to produce significant cost reductions in the future. These steps include conversion to a visible salary system, creation of special incentives, and replacement of men with machinery. Such a plan can save the taxpayers billions of dollars—and each one of these cost-effective programs complements the greater efficiency in manpower utilization that will accompany the volunteer force.

RETIRED PAY

The military retirement system will cost this nation $4.7 billion in fiscal year 1974, up by $2.3 billion since 1969. Manpower experts are proposing a major revision to this costly program. By arranging meaningful severance pay for individuals who separate before they reach retirement eligibility, we can eliminate billions of dollars in retirement costs while giving ample recognition for service performed.

Going even further, a restructuring of the retirement system itself is proposed to provide reduced retired pay for members who leave the service short of a full career.

Active force costs are higher than need be at present because the system offers no incentive for short-service officers and NCOs to remain on active duty for the desirable period of 8 to 14 years.

More specifically, the current system distorts the force structure into a costly "barbell" shape. By withholding all benefits until 20 years of service, there is little incentive to remain on active duty at the critical first-term re-enlistment point. Training costs are thereby increased because of high turnover, while efficiency is reduced since too few officers and NCOs remain long enough to provide middle management experience.

At the other end of the force structure (or bar-bell), the present retirement program offers too great an incentive to remain in the military after 14 years of service. If we establish severance pay or revise retired pay, the services can recognize—as well they should—the valuable contributions made by these individuals, without perpetuating excessive costs.

GRADE CREEP

Beyond the retirement problem, which keeps some individuals in service for too long, the phenomenon of "grade creep"—too many individuals in the higher grades—counts for an added $1 billion this fiscal year. In a landmark report, Rep. Otis Pike's Armed Services subcommittee illustrated the top-heavy structure of our armed forces: there are more officers in the grade of lieutenant colonel or commander than in the rank of second lieutenant or ensign; and there are more E–5's among our enlisted ranks than E–1's and E–2's combined.

Although some of the grade creep can be attributed to the introduction of more sophisticated equipment, a former deputy director of the Office of Management and Budget has noted "much of the increase has occurred as a side effect of the sharp manpower reductions in recent years and should be eliminated."

PAY SCHEDULE

Inflation is the primary factor in recently skyrocketing manpower costs. If we exclude the 1971 volunteer force pay raise, we find that increases directly mandated by inflation have increased per capita costs from $5,910 to $8,250 in the past five years. In other words, even if we set aside the cost of ending the draft, an armed force of 2.3 million men today costs $5.5 billion more than the same force would have cost in 1969, simply due to cost-of-living increases.

Expensive pay increases are a result of legislation enacted in 1967 under the leadership of the late Rep. L. Mendel Rivers. The "Rivers Amendment" for inflation-triggered raises has produced equity for our men and women in uniform, because it grants military personnel the same rate of increase as their civil service counterparts.

Prior to the Rivers Amendment, military pay raises were few and far between and did not keep pace with compensation in the civilian sector. To adjust for this lag, additional longevity increases—not related to productivity or performance—were built into the military pay schedule. For example, let's take a sergeant who stays in the same pay grade for six years. He may well continue to increase his productivity over time by virtue of increased experience and he may well deserve a biennial longevity increment in pay. After that point, however, spending additional time in the pay grade may bring no additional productivity to that particular job. Nevertheless, under the present system, while this individual collects a cost-of-living increase, he also continues to get longevity increases for doing the same job in the same way.

Since the Rivers Amendment, the justification for longevity increases which are not based on productivity has disappeared, since there now is that protection against inflation. If we drastically overhaul the military pay schedule to reflect this reality, significant savings can be generated.

A similar opportunity exists because the compression of the current pay scale. For example, a sergeant E–5 with over four years' service receives a monthly basic pay which is only $12 greater than a corporal E–4, over four years' service working under him. This compression provides little incentive for the individual to improve himself and advance to a higher rank.

But, if we restructure the pay schedule to eliminate two of the nine pay grades, the individual who is promoted will obtain a greater reward than he now receives for his effort; at the same time, individuals will remain in a given pay grade longer, reducing over-all military pay costs.

INCENTIVES

Reforms in retirement, grade creep, and the pay schedule are by no means exhaustive of the potential for reduction in personnel costs. Some problem areas are inherently more difficult for a budgetary process which concentrates on annual income and receipts, because they require a down payment now, without concomitant savings until a future budget. This accounts, no doubt, for such investments not having been made to date; nevertheless, our escalating personnel costs provides compelling evidence of the consequences of this shortsighted approach.

One reform which will be considered soon is the so-called Special Pay Act. Sponsored by many members, it was approved by the House last year, but left unconsidered by the Senate.

The selective reenlistment provisions of this bill would eliminate a bonus which is currently paid to every individual who signs up for a second tour, whether or not his skill is in short supply. Nearly $125 million will be saved by 1978 through this action, and the institution of a system which is directed only at skills in demand.

In addition to the reduction in outlays which will result from a more efficient program, even greater savings can accrue through increased retention of skilled personnel. Experience with the nuclear incentive (the one special pay authority which was signed into law last year) demonstrates the potential of the Special Pay Act.

Before the nuclear bonus was instituted, the reenlistment rate among nuclear-qualified petty officers in the critical 6–9 year retention period was just 14 percent. Use of the bonus more than doubled the rate to over 30 percent—and reductions in training costs for the few men involved in this limited skill produced an annual savings of nearly $10 million.

Replacement costs could also be avoided through use of provisions of the proposed Special Pay Act to attract skilled recruits to the military. It now costs $13,927 to train a missile systems analyst. Under the current four-year enlistment, his cost per productive man-year is $4,285. But with the six-year enlistment associated with the Special Pay Act, his cost per man-year would be reduced to $2,843—leading to a savings of $7,570 per enlistment. If we apply this legislation to all occupations with high initial costs, the training portion of the military budget can be reduced at the same time the experience level of our armed forces is enhanced.

The authority would be used selectively, providing incentives only for skills in short supply. This represents a cost-effective improvement over the traditionally expensive method of providing an across-the-board increase for each individual in a given rank.

Ultimately, with greater retention and increased productivity, additional savings can be realized. The increased level of experience would permit a reduction in manpower consistent with maintaining the same effective strength. The British Air Force, for example, found that in ending the draft, one volunteer could perform the duties that formerly required two conscripts.

SALARY SYSTEMS

Another long over-due reform is designed to enhance the visibility and therefore the effectiveness of the present compensation levels. The First Quadrennial Review of Military Compensation (1967) concluded that military pay was so complex that the serviceman could not make a rational comparison of his wages to civilian compensation.

Aside from basic pay, military wages also include quarters and subsistence (or allowances for these items) and a "tax advantage" since the latter allowances are non-taxable. Surveys show that men at the end of their first tour underestimate the true value of their total pay by about 25 percent.

The resultant inability to make an accurate comparison to civilian wages has had an extremely negative impact upon retention. And in our current compensation system, it means that $3 to $4 billion of the taxpayers' money may be regarded as ineffectively spent, since the serviceman does not perceive the impact of that expenditure on his military pay.

To correct this huge wastage, the 1967 study recommended incorporating the various elements of compensation into a single lump-sum salary, so that the full value of a man's wages would be visible in his pay check. The cost of the initial investment was far less than the potential savings. Nevertheless, that recommendation has yet to be implemented.

EQUIPMENT

Another opportunity for budgetary reductions will come in revised capital-labor expenditures. Most procurement policy has not been updated to reflect the competitive pay scales enacted in 1971.

Two years ago, it may have been economical to purchase cheap materials and paint a ship several times a year. Today, it may be less expensive to use a higher quality paint, and perform the task only once a year.

Another simple example can be found in the engineering room of an aircraft carrier; a closed-circuit TV set, observed by a man already on duty, has fully replaced another individual whose sole responsibility was to sit on the deck and observe the discharge from smokestacks.

Current studies indicate that similar opportunities are plentiful. Significant cost reductions should appear in several years as weapons and material acquisition policies begin to reflect reasonable capital-labor tradeoffs, thus allowing substantial reductions in force levels.

Since World War II, our nation's approach to military manpower problems has been on an ad hoc and piecemeal basis. The result is the burdensome position we find ourselves in today. The volunteer force presents defense planners and budget specialists with a unique opportunity to reform military personnel policies. That opportunity will be lost if those responsible for change insist on focusing their attention on the temporary problems of the moment, rather than on a comprehensive overhaul of the military compensation system.

FOREST HILLS HOUSING BOONDOGGLE CONTINUES

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. BIAGGI. Mr. Speaker, the high cost and poor planning of federally supported public housing comes through crystal clear when the Forest Hills project in New York City is examined. This low-income project has been the subject of much controversy among the citizens of my area. Not only is the project excessively costly and totally unsuited for the land it is to be built on, but it is absolutely unharmonious with the surrounding neighborhood and will undoubtedly result in destruction of the environment and character of the local community.

Each unit in the project will cost approximately $60,000, according to the New York City Housing Authority. Unfortunately this does not include many additional costs that will be added later. Air conditioning for example, which is required by Federal law since the project is directly under one of the main flight paths for LaGuardia Airport, is not included. Also inflationary increases, resulting from the constant delays on the project, will push the cost up again. Yet the city, bent on building low-income housing projects in middle-income neighborhoods for the alleged social benefit to be derived, continues to pursue this massive boondoggle.

What bothers me is the critical voices of governmental cost overruns are strangely silent when it comes to a housing project. This apartment complex is so totally unsuited to its area—primarily because it will end up sinking into the marshlike ground in Queens—that it should never have been conceived in the first place. The ultimate costs could run up as much as $80,000 per unit. Yet while the critics condemn the cost overruns on the C–5A and other essential defense contracts, they sit idly by and watch millions of dollars go down the drain for a project nobody in the community wants.

Mr. Speaker, I want to bring this to my colleagues' attention at a time when new Federal housing programs are under discussion. The Department of Housing and Urban Development is allocating $1.7 million for the pilings alone on the Forest Hills project. Without this support, the project would have been considered too costly by the local government. But, if Uncle Sap is in there picking up the bulk of the excessive costs, why not build a project? This is the type of Federal interference we must put an end to. It does not provide better housing for the poor or improve the declining areas of our cities. It only destroys what semblance of order we have left in urban America.

AN ALBATROSS NAMED TRIDENT

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. BINGHAM. Mr. Speaker, the Department of Defense has been eagerly "leaking" selected bits of information in support of its efforts to fund the Trident submarine project at the requested level. One recalls the national debate over the B–70 manned bomber a decade ago which was, in light of history, properly discarded as an idea whose time had already passed.

We are now faced with another crucial decision—whether to fund now a monumentally expensive and questionable weapons system in the face of the initiatives of the President to achieve détente with Russia. Before we go ahead in a hasty manner, we should face up to two questions: First, what will the projected defense environment of the 1980's and 1990's be when these vessels will be operational, and second; what will be the status of the Polaris-Poseidon era vessels?

An article that appeared in the Washington Post on September 22, addresses itself to these issues, and in my opinion refutes at least the urgency of the alarmist salvos emanating from the Pentagon. The article follows:

TRIDENT: A MAJOR WEAPONS DECISION

(By George W. Rathjens and Jack P. Ruina)

(Dr. Rathjens is a professor of political science at the Massachusetts Institute of Technology. Dr. Ruina is a professor of electrical engineers at MIT. Both are former officials of the Defense Department and the Institute for Defense Analysis.)

A dozen years ago, Congress and the White House were at loggerheads on the question of whether the nation should build a fleet of B–70 bombers, with Congress supporting the Air Force position. The impasse was resolved by the administration's decision not to continue the program beyond the construction of two prototypes. In retrospect it was a wise decision.

The B–70 had been designed to fly high and fast—a natural extension of the trend in heavy bombers. However, it turned out later that these qualities were unimportant in the defense environment in which it would have had to operate. Penetration of Soviet air defenses can be best accomplished by flying at very low altitudes, something for which the B–52 is superior to the B–70. Had Congress had its way, we would have had a fleet of white elephants: aircraft that were technically advanced but militarily inadequate.

Instead, we have continued to rely on the B–52s as the backbone of our manned bomber force. Despite alarms raised in the '60s about their age, they are still flying and will be for some years to come. And despite improvements in Soviet capabilities both for attacking our bomber bases and for managing their own air defenses, the B–52s are still highly effective as strategic bombers. This is a result of improved countermeasures to Soviet defensive systems, better tactics for penetrating Soviet airspace, changed basing, and different ordnance, including air-to-surface missiles.

Within the next few days, the nation will be confronted with another major decision on strategic weapons that raises somewhat similar questions. This time, however, the roles are reversed. The administration wants to go ahead with the building of a fleet of new missile-launching submarines, the Tridents. But there is substantial sentiment in Congress to defer a commitment to full scale development and production, estimated to cost $13.5 billion.

Like the B–70, the Trident is a logical extension of the machines now in service. It will be twice as large as the Polaris-Poseidon subs, it will go faster, will be quieter and will have more sophisticated sonar equipment. It will also, like the B–70, be much more expensive than its predecessor. The similarity does not stop there. Like the B–70, the Trident could prove to be poorly matched to the environment in which it will have to operate. The Trident submarine also will cost so much that research for other weapons programs will be slighted. Indeed, this has already happened. Last year, the program to develop a new missile, the C–4, that would be compatible with *both* existing submarines and the Trident was postponed for a year. This was ostensibly because of funding limitations. One cannot help but suspect that a factor in the decision might have been concern that the early availability of the new missile would have undercut the case for the new submarine.

There are two major issues involved in the Trident submarine question: that of the aging of the Polaris-Poseidon ships; and the nature of the defense environment in the '80s and '90s.

As to the first, there is even less reason to believe that the present submarines will wear out than there was to believe that the B–52s would die of old age.

On the question of environment, the Navy seems to fear a situation in which the Soviets will improve their capability to detect our present submarines by the noise they radiate and, in the event of a long war at sea, be able to destroy our submarines one by one. However, there are reasons to discount this concern. First, with the thermonuclear weapons available, a long naval war seems totally unreal. After the first one or two of our ships were sunk, hostilities would be terminated by negotiations or they would escalate into a nuclear exchange with the remainder of the fleet being used to attack the Soviet Union.

Second, U.S. submarines will be able to launch the new C–4 missiles toward the U.S.S.R. from a much greater distance. The problems facing the Soviet Union in conducing anti-submarine warfare will be increased enormously and our existing Polaris-Poseidons force will then very likely be even less vulnerable in the '80s than it is now.

From the perspective of 1973, a more worrisome threat would be the development of a Soviet capability to trail all of the U.S. missile-launching subs in peace-time, with the possibility that the whole force might suddenly be destroyed. This could be accomplished, if at all, only with a large Soviet fleet of high-speed attack submarines. If that were the threat, the Trident's speed would be of little value. Its large size would be a disadvantage. With the kind of sonar the Soviets would most likely use, it could be somewhat more easily tracked than present submarines. More importantly, large size would mean that we would likely have fewer Tridents than we would smaller ships, considering the cost and also the nature of likely strategic arms limitation agreements with the U.S.S.R. The preferred response to such a threat is likely to be, as it was in the case of improved Soviet capabilities against the B–52s, changes in tactics and basing the use of decoys and other countermeasures, and improved ordnance. *If* a new kind of submarine is required, the trend should probably be in just the opposite direction from Trident. We would want large number of small submarines even if economic constraints dictated inferior performance in noise level and sonar performance.

The present submarine force has many years of useful life in it. Its capabilities can be markedly improved by a variety of means, particularly with the new C–4 missile. Thus, this hardly seems like the right time to freeze the design of a successor submarine, particularly since the threat cannot now be defined.

If we jump the gun and commit ourselves to a new vehicle with no clear idea of what the threat may be, we could have a fleet of underwater B–70s on our hands—at over a billion dollars a copy.

WOMEN'S EDUCATIONAL EQUITY ACT

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. DRINAN. Mr. Speaker, oftentimes we refer to the "brain drain" as a phenomenon happening outside our own country. I wonder if it has ever seriously occurred to us that we are facing a similar crisis within our borders—that of the underutilization of the talents of half our population? In our society, the education of women is carried out as an afterthought. Women are educated as though they are only appendages to men and capable of functioning only on the periphery of the world of work. Our primary level textbooks teach this. Their portrayal of women is usually only as mother, even though in reality 40 percent of all adult women now work. When women are shown to work at all, textbook publishers picture them as school cafeteria helpers, secretaries, nurses, or teachers.

We do not deny that women are still largely relegated to these jobs—but we object to the negative, invidious effect this exclusive portrayal has on young children who see that men have important roles and women inferior ones. This stereotyping severely restricts their appreciation of the true role of women. What is needed is a massive infusion of new ideas in our classroom and textbooks so our children will no longer be shortchanged by having their thinking narrowed by what is tantamount to sexism. To this end, our distinguished colleague, the Honorable Patsy T. Mink, has introduced the Women's Educational Equity Act, H.R. 208, which would create greater access of opportunity to women. The act would provide funds for special education programs and activities including the development of nonsexist curriculum materials, training programs for counselors and other educational personnel, community education programs and other programs designed to achieve educational equity for all.

Four days of hearings held by the Subcommittee on Equal Opportunities of the House Education and Labor Committee on July 25 and 26 and September 12 and 13, have brought to the surface many of the subtle ways in which women as girls and as students are kept in their "place". And women have for too long acquiesced in the perpetuation of this role playing. The necessity to correct these deficiencies in a girl's education was stressed in July. In September the subcommittee heard testimony on the specific ways girls are discriminated against in the sex role stereotyping of men and women in primary level textbooks from the Honorable William Lehman; Ms. Phyllis AlRoy from Women on Words and Images of Princeton, N.J.; Ms. Anne Ladky of Scott, Foresman, Co. Women; and Ms. Allene Dietrich of the Committee to Study Sex Discrimination in the Kalamazoo, Mich., public schools; as well as from Dr. Estelle Ramey of Georgetown University's Medical School.

I would like my colleagues to note an article on Mrs. Mink's bill written by Ms. Geri Joseph, as it appeared in the Washington Post on September 18, 1973, excerpted from the Minneapolis Tribune, which highlights the wide support that her bill has generated among women and scholars throughout the country:

Unlearning "Dick and Jane"

(By Geri Joseph)

Sugar and spice and everything nice—is that what little girls are made of? Not lately. Maybe not ever, although a lot of little girls grew up trying. It was a phony image anyhow, full of "you can't" and "you shouldn't" and limiting a girl's horizon from babyhood.

Just how girls came to be seen in this unreal and restrictive light is one of those "it's-always-been-this-way" stories. But important chapters undoubtedly were supplied by the free, public education system that most American boys and girls enter at age 5 and leave at 18, taking with them some basic ideas about themselves and each other. As a matter of fact, some experts claim that by age 8 there is 99 per cent agreement among children of both sexes as to which sex does which job, what kind of person a girl or boy should be and what the limitations and expectations are.

Eight years old—that seems ridiculously young for either a boy or girl to be settling neatly into a rut, even if it is hallowed by tradition. In the last few years, a rebellion sparked by the women's-rights movement has been trying to break the old, imprisoning mold, trying to bring the real world into the educational process.

The rebellion finally reached the halls of Congress last year Rep. Patsy Mink (D-Hawaii), a tough-minded lawyer, introduced a bill to provide $80 million over a three-year period for special programs and materials to improve education for women. Called the Women's Education Act (H.R. 208), it nevertheless treats men as equals. "Nothing in this Act," it reads right there at the beginning, "shall be construed as prohibiting men from participating in any of the activities funded."

At hearings in July, the House subcommittee on equal opportunities got a generous sample of ways in which public education short-changes girl children.

There were documented charges that vocational education for girls provides far fewer job-training opportunities than for boys, although women now number 40 per cent of the U.S. labor force. All too often, girls are channeled into "acceptable" if limiting courses in typing, cooking, sewing.

Sports and physical-education programs also were raked over the coals at the July hearings. One study denounced school athletics as "pervasively discriminatory." Swimming pools, tennis and basketball courts are generally far less available to girls, measured on a dollar, per-capita basis of interested participants.

But among the many charges of sex discrimination in schools, none was more thoroughly aired than complaints against elementary-school textbooks. What? Even Dick and Jane? Yes, and a plethora of studies unanimously says so. The National Organization of Women (NOW) has had task forces around the country pouring over children's readers, and numerous reports have come from university professors. They show that more than two-thirds of all stories studied are about boys or men or male animals, and most deal exclusively with male adventures. Boys are shown as active and creative, using their wits, solving problems for girls and even mothers. Girls, on the other hand, walk, read or dream and universally admire the prowess of boys. Seldom are girls seen doing anything athletic, not even riding a bicycle.

In still another report, the author remarked that she could not find a single description or picture of a woman driving a car, and she found only one picture book about working mothers, Eve Merriam's "Mommies at Work." But even that book has a cop-out ending. It says sweetly, "All mommies love the best of all to be your very own Mommy and coming home to you." Why, asks the author of the report, do we not feel the need to say about Daddy that he loves his children more than his work? "Couldn't Mommy matter-of-factly like working and baby, too?"

It is possible that Rep. Mink's bill, if passed, might provide the financial incentive to push text-book publishers a little faster into the modern world. They have complained in the past that it takes half a million dollars to launch a new series and a few millions more before the publisher makes a profit.

In testimony before the subcommittee, Arvone Fraser, national president of the Women's Equity Action League (and mother of six, four of them girls), summed up what this rebellion is all about:

"Our educational system has given boys and men first place long enough," she said. "Traditionally, we have looked at education of girls as a kind of life insurance—something they need 'just in case'—just in case their husband can't support them, in case they can't find a husband or in case they need to support themselves while looking for a husband. We want children to be educated as individuals, not as assigned members of a group."

Rep. Mink's bill will not achieve a perfect world of educational equality. But it can provide some small beginnings. Here's hoping it makes it through the Congress. And the White House.

F. D. R. ISLAND—PAST AND FUTURE: F. D. R.—PAST AND PRESENT

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Ms. ABZUG. Mr. Speaker, today in New York City a great event took place. New York City renamed and rededicated a small piece of land, an island surrounded by islands. Today New York renamed Welfare Island as Roosevelt Island. New York City is thus paying homage to a native New Yorker, a Governor of the Empire State and a great American President. It has rededicated this to a man of whom it has been said, "He made the Presidency what it is today." Arthur Schlesinger, Jr., a noted student of the Presidency delivered the dedication speech and in his speech draws for us some comparisons about the nature of the Presidency, Roosevelt as a President and Mr. Nixon. I commend this very fine speech to the attention of my colleagues:

REMARKS BY ARTHUR SCHLESINGER, JR.

There is a special and singular felicity in the decision to rename Welfare Island in honor of Franklin Delano Roosevelt. After all, the words welfare and Roosevelt have become virtually synonymous in the history of the republic and are therefore profoundly interchangeable. Moreover, Franklin Roosevelt lived much of his life in this city, cared deeply about it and its citizens and has long deserved a better memorial than, say, the Franklin D. Roosevelt Drive. It is felicitous too that across this island's bow there should lie the gleaming tower of the United Nations, the embodiment of Roosevelt's vision of the way a war-torn world might find its laborious way to peace and cooperation. But most of all, I think, it is supremely right that Franklin Roosevelt be remembered on an autumn morning in a place of land and water, where the river begins to flow into the sea. For no President ever had such knowledge of land or such love of water or such acute understanding of the way water and land combine to provide sustenance for life on this planet.

We call it ecology now. FDR called it conservation. But the idea is the same—the idea that man owes a debt to nature, and that when man, in carelessness and greed, turns against nature, then nature will turn against man. As Roosevelt put it 37 years ago when he spoke not far from here at the dedication of the Triborough Bridge, "Government . . . cannot close its eyes to the pollution of water, to the erosion of soil, to the slashing of forests, any more than it can close its eyes to the need for slum clearance and schools and bridges." Heaven alone knows what FDR might think if he looked too closely at the East River today. But one hopes that the baptism of Roosevelt Island will lead to a commitment on the part of New York and the nation to return the East River to what it was when FDR's friends Al Smith and old Bob Wagner used to swim in it as boys growing up on the East Side of New York.

The preservation of land and water was only one of FDR's concerns as he worked for the health and prosperity of the nation. We remember him for so many things—for the gallantry of his struggle against disabling sickness; for the confidence he imparted to the nation in the ordeal of economic depression; for the skill with which he mobilized the intelligence, the idealism and the youth of America in a great effort for recovery and reform; for his early recognition of the dangers gathering from abroad; for his undaunted leadership in the grim days of war; for the steadfast purpose with which he began the quest for peace; for his incomparable voice, resourceful intelligence and fighting heart. He led our nation through two of the great crises of our history—the crisis of economic collapse and the crisis of fascist aggression. And he did so while preserving at all times the essential liberties of our people and the essential balance of the Constitution.

He made the Presidency what it was—and some today hold him responsible for what it has become. For, as we meet today, the American Presidency itself is in a condition of unprecedented crisis. The headlines are dominated by the word Watergate. But Watergate is not the cause of this crisis. Watergate is only a symptom and a symbol. The cause lies deeper: it is the expansion and abuse of presidential power. What Watergate has done is to raise this question to the surface, dramatize it and make it at last politically accessible. Watergate is the by-product of a wider state of mind and a larger purpose. As one examines the range of contemporary presidential initiatives, from the new theory of the war-making power to the new theory of absolute executive privilege, from the calculated disparagement of the cabinet and the civil service to the calculated concentration of federal management in the White House, one sees, I believe, what can only be understood as an attempt to alter the nature of the Presidency—an attempt to replace the Presidency of the Constitution by what can best be described as a plebiscitary Presidency.

According to this new revelation, election confers on a President a mandate to do on his own whatever he feels is good for the country. The mandate empowers him to make war or to make peace, to spend or to impound, to give out information or to hold it back, to bypass the legislative process by executive order and decree—and with no serious accountability to Congress and the people, between elections, except through impeachment. And fortifying the doctrine of the mandate is the President's supposed power to violate the laws and the Constitution in the name of national security!

It is hard for the historian to see that the nation is in greater danger today than it was, for example, at the bottom of the depression or during the perils of the Second World War. Yet national security did not lead Franklin Roosevelt to set aside the Congress of the United States and rule by inherent presidential power. The more venerable among us here today will still remember the words of Franklin Roosevelt's first inaugural, spoken forty years ago—words uttered in a more considerable national emergency than any faced by Richard Nixon. "In the event that the national emergency is still critical," Roosevelt said, ". . . I shall ask the Congress for the one remaining instrument to meet the crisis—broad executive power to wage a war against the emergency." For Roosevelt such broad power resided in the Congress and had to be delegated to the Presidency; he rejected the contemporary heresy that such power resided in the Presidency. FDR understood that the Constitution contemplated three coordinate and interdependent branches of government. He did not suppose that the Presidency superseded the Congress and the courts.

We read today that the President of the United States may decide to defy an order of the Supreme Court. A former Democrat, recently sent on waivers to the Republicans, told us the other day, "I think there are times when the President of the United States would be right in not obeying a decision of the Supreme Court." A remarkable proposition—and one shudders to think what might happen to the republic if John Connally ever became President himself and acted on this principle. No President up to this time has ever refused to obey a decision of the Supreme Court. If in a time of far greater national emergency the Supreme Court could divest Franklin Roosevelt of much of the early New Deal, it can surely divest Richard Nixon of a few electronic tapes bearing possible evidence of criminal activity on the part of government officials.

Franklin Roosevelt was a strong President, and he believed in a strong Presidency. He held press conferences, for example, twice a week, even through most of the war. Indeed, he held as many press conferences in his first three months in office as President Nixon held in his first four years. And Press Conferences are not just scenes where Presidents tell things. They are very often scenes where Presidents learn things—things that their own executive establishment, consciously or not, may have been keeping from them. Rereading FDR's *press conferences* today makes it evident how much meeting the press twice a week contributed to the vitality and responsiveness of his Presidency.

Nor did Franklin Roosevelt have some spurious notion of 'respect for the Presidency' with which to discourage argument and dissent in the presidential presence. His whole idea was to surround himself with obstinate and opinionated men—who else could have put up with Harold Ickes for twelve years?—and make debate a method of government. Instead of shutting himself off from the government and the people and allowing one or two men to control access to the royal presence, FDR read widely, talked widely, saw a immense diversity of people and constantly pitted his own private sources of information against the information delivered to him through official channels.

What FDR reminds us is that, under conditions of much greater national extremity than exist today, a strong Presidency can be an open Presidency, a strong Presidency can give due respect to the other branches of government, a strong Presidency can function within the Constitution. For history has shown that our Constitution is a spacious document within which very strong men indeed have been able to direct the affairs of state and guard the safety of the republic. It is the weak man as President who flinches from face-to-face contention and debate, who mistrusts Congress and the press, who intrigues and connives behind closed doors, who claims inherent power to take liberties with the law and the Constitution. The truly strong President is not the one who asserts a power to command but the one who recognizes a responsibility, and opportunity to enlighten and persuade; not the one who places himself above the Constitution but the one who sees the disciplines of consent as indispensible to his own success as a democratic leader and to the survival of democratic government.

This was the kind of President Franklin D. Roosevelt was—which is why we rejoice in celebrating his memory today. "I am very confident of the future of this country," he once said, "as long as we maintain the democracy of our manners and the democracy of our hearts."

KENNEDY CENTER

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. RONCALIO of Wyoming. Mr. Speaker, there are a good number of Members of the House who can recall being asked to vote for authorizations and appropriations which made possible the John F. Kennedy Center for the Performing Arts. On several occasions misgivings and fears were expressed that the finished product would fall short of the goal that had been envisioned by four Presidents, beginning with President Eisenhower, that this institution should at least serve its purpose to give America a place of outstanding leadership in the performing arts.

A review of the Kennedy Center's nonperforming functions has appeared in the RECORD in several incidences, and there is no question but what it is serving as one of Washington's many excellent memorials to past Presidents, all of which are magnetic attractions to hundreds of thousands of citizens from throughout the Nation whose taxes have, of course, helped make the memorial possible.

Its role as a center for the performing arts, however, has not been reviewed by Congress, and, indeed, until a recent article by Mr. Wolf Von Eckardt in the Washington Post for Saturday, September 8, there were still a few skeptics that doubted that the tremendous institution, with its capacity for four performing functions simultaneously, was fulfilling the purpose for which it had been intended.

I am very pleased to include with these remarks the full article by Mr. Von Eckardt. I am sure all Members will find it of interest and will sustain their faith in having helped to create the Kennedy Center. The article, will, of course, continue the national dialog on the architecture of the building, but that is not the purpose of my comments, since we in the capital have our own architectural donnybrook regarding the East Front. I hope all Members will enjoy this article, Mr. Speaker.

The article follows:

IF ONLY IT LOOKED AS GOOD AS IT WORKS

(By Wolf Von Eckardt)

An architectural boondoggle has become a cultural boon. So don't be surprised if you see some of us architecture critics who warned you about the place shamelessly enjoying it.

As the John F. Kennedy Center for the Performing Arts begins its third season, it may be unkind to recall its esthetic and urbanistic shortcomings. A good many critics have frequently and warrantly pointed them out during the long years, beginning in the 1950s, when our national cultural center was conceived and designed.

But what needs to be said on the Center's second anniversary, is that the critics, including this one, obviously carried their nonenthusiasm for Edward Durrell Stone's design too far. Some of our dire predictions have been proven wrong. In other instances, the Center has managed to correct initial mistakes with amazing efficiency.

In short, if the Kennedy Center were to look as fine as it works, it would be exciting. Except for architecture and the environmental arts, it has become an inspired and inspiring catalyst for the capital's cultural life.

Saddened by the Center's unfortunate, anticity location (it preempts a park that should be devoted to aquatic enjoyment and deprives the city's center of the evening attractions it so badly needs) as well as its imperialistic, architectural mediocrity ("gemuetlich Speer," Ada Louise Huxtable called it), architecture critics also were concerned about the function of the building. For instance:

The Center would be woefully inaccessible except to the carriage trade, they said.

It is. But it is inaccessible only in the old-fashioned city sense (which I hope will see a revival in this country). Under that concept, the city is the people and people can spontaneously and perhaps even ceremoniously walk up to and through the buildings they love. They love their buildings because they can spontaneously and perhaps even ceremoniously walk up to and through them.

But old-fashioned city sense is lost. Whether the Center should have been located on Pennsylvania Avenue, say, is a moot question as well as a chicken-or-egg one, that most of its planners, from President Kennedy on down chickened out on.

The fact remains that you can get to the Center conveniently now unless you want to walk, which hardly anyone does (unless they live in Watergate). Bus and taxi service are adequate and still being improved. There will be a Metro stop only a block or so away. Two million people visited the Center at latest count, spontaneously or not, and 1.6 million are estimated to have attended performances.

Critics said the Center with its three halls was much too large to be filled because no one would come in from the suburbs.

Well, it is extremely well attended. The footlights in all three houses burn far more often than in other comparable American theaters, operas and concert halls. In its first year, the Kennedy Center Opera House was dark only one week.

The audience comes from all over the region, in relatively equal proportion to the population distribution. The percentage of people who drove more than 15 miles to hear opera on the Potomac has increased from 26 in 1972 to 47 in 1973. There has been a 20 per cent increase in tourist attendance.

Again, in view of the relative inaccessibility between the river (which still has no ferry boats or water taxis) and a spaghetti of freeways, many people felt that the 1,500 car underground garage would be woefully insufficient.

At the time the Center opened, parking was indeed a problem and there was talk of building a parking lot on the lawn in front of the place, as in a shopping center. That plan has luckily been dropped and there is now little inconvenience or delay. When there is an overflow, the labyrinthine Watergate garage comes to the rescue.

Several critiques deplored Stone's idea to package the opera, concert hall and theater under one roof. I thought, and still think, that the resulting size of the building puts it badly out of scale with the Washington cityscape, particularly in relation to the Lincoln Memorial. I also thought, and still think, that building one megastructure deprived Washington of a pleasing ensemble—smaller buildings around a pleasant plaza—with all the makings of urban delight. And I warned that one supersized foyer—the size of two football fields—would create confusion by scrambling the opera, theater and concert audiences.

That double, red-carpeted football field still gives me a kind of horizontal acrophobia. But I enjoy the opportunity to take a healthy intermission walk and chance to get to the bar without being pushed. Weather permitting, I escape Stone's space for God's—out on the marvelous terrace, at least until the jet noise drives me back again into the soundproof indoors.

But there is no scramble and confusion. Functionally, the foyer works extremely well.

In the first few months of the Center's operation, there were more complaints about the Center's box office service than there are today about the price of meat.

Whoever is responsible—executive director Martin Feinstein, I suppose—has, however, transformed an agony of inefficiency into a perfect joy. It is now a pleasure to reserve and purchase tickets for a Kennedy Center performance. The Center has initiated what Feinstein calls "instant charge." When you call for a reservation, you need only give your credit card number and the tickets are not only waiting for you at the box office, but already charged to your account. There is no fuss, filling out forms or waiting. I wish the airlines, with their complicated ticketing procedures, would take a look at this marvel.

Ticketing, Center officials say, now also works well for students, servicemen, the handicapped and elderly who get tickets at half price. The Center also has a laudable program for schoolchildren and is beginning to recognize the special artistic talents and interest of Washington's blacks.

The worst fear the Center's critics voiced before it opened was that it would monopolize Washington's cultural life, draining off the modest but growing enthusiasm and support that had sustained our local artists and producers.

The very opposite has happened. Culture outside the Center is thriving as never before. Arena Stage, the Kreeger Theater, Ford's, the National, the Hartke, the Theater Club and smaller theaters, old and new, have no cause for complaint about increasing interest and attendance. A new theater, The American in L'Enfant Plaza, has just opened. Wolf Trap is usually packed and always a delight. Washington's musical life, long "vivace," is "multo vivace" now.

There is no question that the Kennedy Center has turned Washington into a cultural as well as a political capital, though culturally Washington is not yet what Paris is for France or London for England. But the world's most renowned artists, I am told, are eager to play here, not only for the prestige but more importantly also because the Center has superb stages, auditoriums and acoustics.

What is more, many great artists say that Washington offers them the satisfaction of an exceptionally sophisticated and enthusiastic audience.

Too bad its architecture, as I wrote some years ago, "gives you a lift only as you ascend the elevator coming up from the basement garage."

ON THE NEED FOR MANDATORY FUEL ALLOCATION

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. BINGHAM. Mr. Speaker, the fuel oil dealers that supply New York City's homes with oil for heating report they have only one-fourth the amount of fuel oil they can store as opposed to the 70 percent of capacity they should have for this time of the year.

The Nation's largest city may well be the coldest unless we take decisive action to insure ourselves of adequate supplies of fuel oil, not only for the coming winter, but also for the years ahead.

I believe that the editorial appearing in the Washington Post on September 22, illustrates the immediate need for mandatory fuel allocation, as well as the need to plan for the future. The editorial follows:

Rationing Fuel Oil

President Nixon's fuel oil policy, at the moment, amounts to little more than a fervent hope for a warm winter. But in Congress and throughout Mr. Nixon's administration, there is now a widening consensus that drastic measures are going to be necessary to cut down the rate at which the country burns oil during the coming months. The President himself has been talking entirely in terms of large plans to expand fuel supplies in the latter 1970s. But those large plans will not help the country this winter. For this winter, it is increasingly clear that we are going to have to have a federal program of enforced fuel allocation. That means, in one sense or another, rationing.

Two studies published this week set out the dimensions of the coming shortages. One was drafted by the Interior Department for the White House, the other by the Joint Economic Committee's staff for Sen. Hubert H. Humphrey (D-Minn.). Both emphasize the unpleasant truth that the scale of these shortages now depends entirely upon circumstances that the government cannot control. The weather is one imponderable. Another is the willingness of other countries to export fuel oil to us. The Interior Department says that, with normal weather, the country will need to import 650,000 barrels a day of refined fuel oil throughout the winter. But the department finds only about 550,000 barrels is likely to be available. There will be even less if the winter in Europe is cold or if the Arab countries curtail shipments.

The immediate trouble is not a lack of crude oil, but of the refined product that we use for heating and diesel fuel. Demand for oil products in this country has now far outgrown the capacity of the American refineries. That is why we are currently dependent on other countries' refineries, particularly the Europeans'. But Europe is now bitterly accusing the United States of aggravating their very serious inflation by bidding up the price of their oil. Last year we imported fuel from western Europe at the rate of 13,000 barrels a day. In the first three months of this year we were importing it at a rate of 168,000 barrels a day. The more we buy, the higher the price goes and the more likely that the Common Market will impose export restrictions to protect its own consumers. Both Canada and Belgium are already restricting exports of refined products to the United States, and there have been warnings that other exporting countries are prepared to do the same.

Europe is, in turn, heavily dependent on crude oil from the American-owned wells that the Libyan government has now confiscated. There is a prospect of a long legal struggle in which the American companies attempt to prevent Libya from selling the oil. Two companies, Texaco and Standard of California, have now gone into the Italian courts to recover shipments that, they claim, were shipped from their properties to refineries in Sardinia. If there is a serious disruption in the flow of this crude oil from Africa to Europe, aggravating the shortages in Europe, European restrictions on fuel oil exports will become probable to the point of certainty.

That is why this country urgently needs a mandatory system to allocate fuel oil. It would obviously be wiser to impose allocations immediately, rather than waiting for cold weather and the arrival of actual hardship. Whether President Nixon is prepared to move fast enough and strongly enough is, unfortunately, open to doubt. All of his comments over the past month have indicated a fundamental failure to grasp the dimensions of the emergency that looms before us. But many of the men around him, within his administration, perceive it fully. The only real question is whether the administration proceeds with mandatory allocation before Congress enacts the bill drafted by Sen. Henry M. Jackson (D-Wash.) to force it.

The Jackson bill, passed by the Senate and now in the House, would do a great deal more than merely ensure supplies to independent dealers. It would enforce rationing at the wholesale level. It would also establish an order of priorities, with home heating and farming at the top. But, to work effectively, any allocation system is going to have to be accompanied by conservation. We are going to have to cut back the amount of oil that we are accustomed to burn to heat our buildings. Americans saved themselves from a major gasoline shortage last summer by voluntary conservation. If they turn down their thermostats this fall, perhaps they can spare themselves the endless headaches of formal rationing to consumers. It is an open question whether voluntary cooperation will be enough, and the answer probably depends on the severity of the weather.

But it would be highly dangerous to assume that we are dealing merely with a short-term crisis that is going to be resolved, one way or another, over the next few months. The necessity to restrict fuel consumption in this country is going to be with us for some years to come. John A. Love, the President's adviser on energy, recently noted that no new American refineries would come into production this year or next. He put the case accurately when he recently said, ". . . pushing as hard as we can for increased domestic production, increased imports, and a crash program of research and development, the very real possibility—almost a certainty—is that the only near term solution is to dampen the increase in demand." The Joint Economic Committee's staff study adds a well-founded warning: ". . . the public must recognize that fuel shortages will tend to get progressively worse for a number of years, and that conservation of oil, gas and electricity in all uses is the order of the future."

THE COOPERATIVE FINANCING FACILITY (CFF)

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. HANNA. Mr. Speaker, slowly at first, because it was an entirely new idea lifting off, but now swiftly, and soon with orbital velocity, if the thrust behind it is maintained, that is the progression of Eximbank's Cooperative Financing Facility (CFF) into the swirl of basic world trade financing procedures.

Still only 2 years of age, in virtually every market on Earth the CFF is gaining attention, being tried and found to be useful, thence fitted into the customer services provided by indigenous financial institutions and international banks, including principal banks headquartered in the United States.

"A significant new dimension," commented Alfred Brittain III, president of Bankers Trust Co., New York, whose overseas branches participate in the program.

"An imaginative . . . bold new departure," the Security Pacific National Bank of Los Angeles called it.

"A new complementary banking service which can help (our customers) in their U.S. equipment imports, with reasonable costs," said Vincente de Araujo, president of Banco Mercantil de Investimentos, S.A., of Belo Horizonte, Brazil.

"An attractive new channel," commented Switzerland's Banque de Financement S.A. Geneve.

"An effective tool," said the management of the Austrian Commercial Bank A.G.

"A response to market needs," is how the CFF was rated by Financiera Aceptaciones, S.A., of Monterrey, Mexico.

These are just random appraisals. Actually, it is possible to walk into any of the many thousands of branches in 109 countries of some 300 financial institutions of 50 countries covering virtually every market on Earth and find the management there ready to finance purchases from the United States with CFF credit.

The CFF arrangement is deliberately simple. Eximbank agrees to share the financing of purchases of U.S. goods or services equally with a cooperating institution (CI) overseas. The CI determines the borrower's creditworthiness, subject to policy review by Eximbank. This significantly speeds the credit process. Actually, it delivers Eximbank financing right into the marketplace, translating it into indigenous language and procedures, so that even an inexperienced foreign borrower finds it easy to buy from America on credit. As it is structured and administered, the main purpose of the program is to encourage small businesses overseas to look to the United States and to broaden the market for U.S. suppliers, large or small.

The result is that the CFF produces mostly "plus" business—transactions which would not have taken place in the absence of such a convenient facility.

The CI finds the partnership financing arrangement with Eximbank profitable, useful in serving its customers and in attracting new business. The program thus has a built-in growth factor, and new CI's are signing up at the rate of three or four a week. At the same time, however, it is a program that must be continually pointed out because it is new; it is different; and in the constant turnover of bank personnel around the world, those familiar with it shift away from positions where they are able to use it and newcomers take their place.

While qualifying as a basic tool, the CFF is still apt to be laid on a special shelf because it is exclusively American. No other country offers such a service. It is purely an invention of Eximbank. Moreover, it has not been necessary to change or revise the facility in the process of worldwide application, thus it tends to refute an old saying that no idea passes from one language to another without change.

The three cardinal virtues of the CFF are:

First. It provides point-of-sale financing.

Second. It encourages banks all over the world to help sell U.S. products.

Third. It assists more U.S. suppliers to offer their products abroad; in ordinary circumstances a U.S. salesman can accompany a customer in any of the 109 countries to a cooperating bank and have the financing arranged and their deal closed on the spot. No long distance credit negotiations, no waiting, no red tape; more time to see more customers and sell more products.

U.S. export sales financed under the CFF program already have amounted to nearly $500 million. The lines of credit which Eximbank has extended to CI's can support a potential of $3 billion more of our exports, when allowances are made for 50 percent participation by the CI's and for the customary 10 percent cash payment by borrowers. More than 1,000 CFF loans have been authorized, most of them for less than $100,000 each.

A recent poll of CI's for suggestions and comments met with a 75 percent response, such as those mentioned earlier and these:

> We think that this financing will prove to be most beneficial to importers in Spain, and we are promoting the financing in the entire country through our branch network which now includes 270 branches—Banco de Santander, Madrid.
>
> I believe that when our customers get to know this type of financing better, we can certainly expect to do more business together—Bangkok Bank Limited, Bangkok, Thailand.
>
> The first U.S. $1,000,000 credit line has been used up . . . More clients have been approaching us . . . We would request you to consider assigning us another line of credit for $1,500,000—China Investment and Trust Company, Ltd., Taipei.
>
> We now plan a more direct role in the program and have just received a $25,000,000 facility for use by our overseas branches, representative offices and subsidiaries—Chemical Bank, International Division, New York.
>
> The (CFF) program forms part of our marketing effort as one of the tools in our new business program—Iranians' Bank, Tehran.
>
> I can assure you that this program is truly of benefit to us as well as the Japanese importers and contributes a great deal to the promotion of U. S. exports to our country on the whole—The Sumitomo Bank, Limited, Tokoyo.
>
> Very useful to foreign buyers by providing them with financing at an interesting rate of interest—Banque de L'Union Parisienne, Paris, France.
>
> The service is comprehensive and effective—Bank of British Columbia, Vancouver.
>
> We envisage an increasing need for this type of financing in the future—Den norske Creditbank, Oslo, Norway.
>
> Your CFF program is very much needed by the Philippine private sector—Rizal Commercial Banking Corporation, Makati, Rizal, the Philippines.
>
> Eximbank's prompt response to our subloan applications . . . in general has taken about two days. This is a record time—Financiera de Desarrollo e Inversion, S.A., San Salvador, El Salvador.
>
> We could see its (the CFF's) competitive use in respect of larger transactions—the Bank of Montreal.
>
> Our banking and trust department handles your CFF Program quite smoothly and satisfactorily—Central Trust of China, Taipei, Taiwan.
>
> We are happy to participate . . . and we are confident that our cooperation will be of mutual benefit—Privredna Banka Sarajevo, Yugoslavia.
>
> We are confident that when (Australian) interest rates harden we can expect greater opportunities to utilise the (CFF) credit arrangement.—Transcontinental Corporation Limited, Melbourne, Australia.
>
> Our institution is happy indeed to participate . . . (in the CFF program) which will undoubtedly strengthen and develop the relationship between the U. S. and Brasil—Banco de Investimento do Comercio e Industria, Sao Paulo.
>
> We are rapidly committing the funds of our first CFF loan (line of credit) and we will be applying shortly for a second loan—Banco Financiera Hondurena, S.A., San Sula, Honduras.
>
> In our opinion the procedures are quite feasible. We hope, therefore, to use them whenever Dutch importers of U. S. A. goods wish to reduce their cost of financing—Algemene Bank Nederland N. V., Amsterdam, the Netherlands.

The CFF adds significantly to tools available to U.S. exporters; it provides immediate and medium term benefit to the U.S. balance of payments, although some CI's share the credit with banks in the United States. Thus, a supplementary benefit is closer relationships between banks in the United States and banks abroad, expanding credit to buyers and sellers.

For example, a U.S. bank which may not have taken an interest in export financing, may find itself invited by a foreign bank to participate in a CFF loan. The invitation may stem from the foreign bank's desire to get on closer terms with its correspondent banks in the United States, with whom it has been dealing on such routine matters as fund transfers and letters of credit. This increases the U.S. bank's interest in export financing and improves potential sources of credit financing.

Among its CFF literature, Eximbank has a directory listing the thousands of branches, country by country, of financial institutions participating in the program. These directories, available on request, are mailed regularly to U.S. manufacturers to encourage their overseas marketing.

Small businesses in our own country as well as abroad are the CFF's intended beneficiaries. The guiding principle is that small firms tend to buy in small lots, which can be provided by small as well as large suppliers.

The CFF might be called a matchmaker for buyers who have never imported and suppliers who have never exported—a hand of experience to help boost the world trade population.

CONGRESSMAN EILBERG WANTS YOUR OPINION

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. EILBERG. Mr. Speaker, each year since I have been a Member of Congress, I have sent questionnaires to every household in my congressional district.

This year I received more than 10,000 responses which have now been tabulated.

Those who responded were asked what they think are the three most pressing problems facing America today, in order of urgency. Inflation is the number one concern of 38.8 percent of the people of my district; 21.5 percent listed crime and drug abuse as the most disturbing problem; and 14.4 percent thought Watergate is our most vital concern.

This is a clear indication that the Nixon administration is not meeting the needs of the people. Prices are too high, and despite the President's statements to the contrary, the fear of crime continues to be a major factor in urban life. Additionally, Watergate and its related issues have caused the people to distrust the administration's statements in every area which makes it much harder for the Federal Government to implement programs and policies which might solve these and other problems.

At this time I enter into the RECORD the responses of my 1973 congressional questionnaire so that my colleagues can have the benefit of knowing how 10,000 Americans feel about the issues facing this country today.

My questionnaire follows:

CONGRESSMAN JOSHUA EILBERG WANTS YOUR OPINION

(Answers in percentages—"no response" not tabulated.)

1. a. Do you believe the President's Phase III "voluntary control" economic policy is working?

Yes, 2.3; No, 91.0; Undecided, 5.4.

b. Would you favor a return to comprehensive wage and price controls?

Yes, 78.8; No, 9.9; Undecided, 8.3.

c. If price controls are put into effect again, should they include food prices?

Yes, 94.1; No, 3.0; Undecided, 1.6.

d. Have the increases in food prices caused a change in the kind or amounts of food you buy?

Yes, 86.8; No, 10.7; Undecided, .9.

e. Are you buying more or less:

Meat—More, .5; Less, 83.7; Same Amount, 14.2.

Poultry—More, 37.4; Less, 27.4; Same Amount, 31.6.

Fresh fruits and vegetables—More, 13.1; Less, 51.7; Same Amount, 31.8.

Canned and frozen foods—More, 26.1; Less, 22.7; Same Amount, 47.2.

2. Should grain sales to Russia and other countries be continued if these sales continue to cause sharp increases in meat prices?

Yes, 6.1; No, 85.3; Undecided, 6.6.

3. Do you favor a cutback in the Defense budget with the savings applied to solving the problems of the cities?

Yes, 69.9; No, 21.7; Undecided, 6.8.

4. Should a portion of the gasoline tax money collected and pledged for the Highway Trust Fund be directed to improve public transportation?

Yes, 75.4; No, 17.6; Undecided, 6.1.

5. I have introduced legislation to provide Federal funds for up to 35 percent of a public school district's annual budget. Do you support this idea?

Yes, 79.4; No, 11.4; Undecided, 7.7.

6. I am also sponsoring a proposal to provide tax benefits for the parents of students in private schools. Do you support this plan?

Yes, 52.3; No, 39.7; Undecided, 7.2.

7. Legislation has been proposed which would prevent the cancellation of Federal grants and other payments to hospitals which refuse to allow abortions to be performed. Do you approve of this proposal?

Yes, 43.5; No, 42.1; Undecided, 12.3.

8. Do you believe that possession of marijuana for personal use should be a criminal offense?

Yes, 49.2; No, 36.1; Undecided, 13.7.

9. Should pushers of hard drugs who are convicted a second time receive mandatory life sentences?

Yes, 88.9; No, 4.9; Undecided, 5.1.

10. a. Are you satisfied with the progress being made to clean up the environment?

Yes, 19.3; No, 68.1; Undecided, 11.4.

b. Are you prepared to bear some of the cost, in the form of higher prices and increased taxes, of cleaning up the environment?

Yes, 51.5; No, 34.3; Undecided, 11.0.

11. Should U.S. funds be used to rebuild North Vietnam?

Yes, 9.1; No, 82.1; Undecided, 7.7.

12. a. Do you agree with the Administration's policy of continued bombing in Southeast Asia?

Yes, 13.9; No, 74.7; Undecided, 10.5.

b. If this bombing results in the capture of Americans, should ground troops be sent back into Southeast Asia as a means of forcing their release?

Yes, 14.2; No, 69.1; Undecided, 12.9.

13. Should the United States reduce the number of troops stationed in Europe?

Yes, 67.7; No, 18.0; Undecided, 12.9.

14. Now that we have formal diplomatic relations with the Chinese Peoples Republic, do you believe we should normalize relations with Cuba?

Yes, 58.9; No, 22.8; Undecided, 16.5.

15. What do you think are the three most pressing problems facing America today: Please list in order of urgency.

(Using a weighted point system, the following results were tabulated.)

1. Inflation—38.8 percent.
2. Crime and drug abuse—21.5 percent.
3. Watergate—14.4 percent.
4. Environment—8.2 percent.

The remaining 16.1 percent included tax reform, education, Southeast Asia, energy crisis, judicial reform, unemployment, and problems of the elderly.

16. What is the one local problem which troubles you the most?

1. Crime and drug abuse—33.4 percent.
2. Funds for schools—16.2 percent.
3. Transportation—7.4 percent.
4. Judicial reform—5.9 percent.

The remaining 37.1 percent went to a wide range of problems.

SENATOR McGEE ON THE UNITED NATIONS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. FRASER. Mr. Speaker, Senator Gale McGee, of Wyoming, our distinguished colleague in the other body, has set forth some very noteworthy views on the United Nations in a report just released by the Senate Foreign Relations Committee entitled "The U.S. and the U.N.: An Urgent Need for an Increased U.S. Commitment." Senator McGee's report is based on his experiences as a member of the U.S. delegation to the U.N. General Assembly last year.

In calling for increased U.S. commitment to the U.N., the Senator concludes that both Congress and the administration are guilty of placing the United Nations far down the list of their respective foreign policy priorities. I concur in his conclusion. With public opinion polls showing that the American people overwhelmingly support a more effective United Nations, we in Congress and the executive branch have a special responsibility to exert positive leadership toward strengthening the United Nations.

While expecting more than the U.N. can deliver in the area of peacekeeping, we sometimes overlook the important successes it has had in the field of economic and social development. Senator McGee's positive look at the United Nations points out that the U.N. development program surveys have turned up heretofore unknown mineral deposits worth more than $13 billion. Also that the World Bank and the International Development Association provided loan capital credits of more than $2 billion to the developing nations last year. He notes the encouraging start that the U.N. environment program has made in a global effort to arrest environmental decay.

He calls attention to the important role the United Nations has played in the nuclear test ban treaty, the outer space treaty, and he nuclear nonproliferation treaty and the seabeds arms treaty and another important political accomplishment of the United Nations—the role it has played in easing the transition of almost a billion people from colonial to independent status.

Senator McGee makes a number of recommendations concerning U.S. policy at the United Nations. In summary, they are as follows: First, that the U.S. delegation should establish better rapport with the developing countries and weigh their views carefully before important votes are taken at the U.N.; second, that the United States oppose any restructuring of the United Nations which does not place developing nations on an equal status with other nations; third, that the President should address the General Assembly as a demonstration of firm U.S. support for the U.N.; fourth, that Congress increase considerably our voluntary contributions to the U.N.; fifth, that Members of Congress avail themselves of every opportunity to participate actively in U.N. activities; sixth, that adequate living allowances be provided for members of the U.S. Mission to the U.N.

For more detailed recommendations for improved U.S. performance in the United Nations, Senator McGee refers to the Lodge Commission report of 2 years ago. Noting that insufficient attention was paid to this important report by the executive and legislative branches, the Senator urges taking a fresh look at the possibility of implementing more of its points.

I recommend Senator McGee's report to all of my colleagues for the new light that it sheds on U.S. participation in the United Nations. He understands full well that nature of the problem when he says:

> We have all the tools to make the United Nations a more effective organization. But we lack the most important ingredient—the commitment from the Congress and the President.

SOUTHEAST FREEWAY UNDERSTRUCTURE PROJECT

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. GUDE. Mr. Speaker, I would like to bring to my colleagues' attention a most important project currently under study in the District of Columbia. This effort would take an unused and abandoned acre and a half under the Southeast Freeway and turn it into a recreational-educational or commercial center for the community. By doing so the project would restore some of the sense of unity lost when the freeway was built, as well as add greatly to the restoration efforts already underway on Capitol Hill. The project, currently under study by the Afro-America Bicentennial Corporation, would be an appropriate commemorative for the Bicentennial celebrations over the next several years, and it would ultimately be a permanent asset for the community.

This article from the Washington Star-News explains the project:

Goal: Community Unity in 1976

(By Betty James)

By July 4, 1976, there may be a bowling alley under the Southeast Freeway at 7th Street. There also may be a supermarket, a drug store, a movie house, a roller skating rink, a day-care center, an employment agency, a community meeting room—or a combination of all of these.

Transforming 1½ acres between 7th and 8th Streets SE that are covered now by mud, weeds and parked cars is the dream of the Afro-American Bicentennial Corp. and Service Area Five of the D.C. Bicentennial Assembly.

More than a dream, the concept is being backed by an $80,000, six-month federal-District planning grant to the Afro-American Bicentennial Corp. that is involving the Capitol Hill community on both sides of the freeway in deciding what the transformation should contain. Approximately 1,000 citizens have been interviewed so far.

Yesterday, Vincent A. DeForest, chairman of the board of the Afro-American Bicentennial Corp., and others were on hand to explain the project to curious shoppers near the Eastern Market at 7th Street and North Carolina Avenue SE.

Attracted by a display announcing the project's goal. "Community unity through recreation, education and social programs," most shoppers said they hadn't heard of the project, but they were interested.

Dave Wilson of 9 9th St. NE, said, "It looks like a good idea. It's a wasted resource."

DeForest pointed out that the Afro-American Bicentennial Corp. didn't originate the dream, which has been kept alive for six years by various groups and individuals.

But the project, officially called the Southeast Freeway under Structure Project, ties in perfectly with the concept the Afro-American Bicentennial Corp. has of going beyond the fireworks of 1976 with living, lasting efforts, he said.

Using the space constructively will help solve problems the freeway created, he said.

Dubbed the Berlin Wall when it was built several years ago after sustained controversy, the Southeast Freeway has been criticized as physically and psychologically dividing the more affluent white residents of restored townhouses north of the freeway from the less affluent black residents of public housing south of it.

Response has been positive from such diverse segments of the community as the Capitol Hill Restoration Society and residents of the Arthur Capper public housing project.

Taking the pulse of the community are seven teen-agers recruited by Service Area Five of the D.C. Bicentennial Assembly.

So far the survey has shown that most would prefer recreation facilities or businesses like a supermarket or a drug store.

Thornell Page, project coordinator, is a consultant to the Afro-American Bicentennial Corp. from Federal City College, where the project was nurtured in the past.

The hardest part will be finding funds to implement the plan that emerges, Page conceded.

Federal agencies are the most likely source for money, including construction money, he feels. For example, the Department of Housing and Urban Development might fund a multiservice center, or the Department of Transportation might provide a recreation facility.

Congress might be willing to appropriate money for a meaningful and lasting bicentennial effort, backers of the concept feel.

Hopefully, private business will open some shops there.

In any case, Page wants the facility to have something for everyone, from the youngest citizen to the oldest, and to be a far cry from a black-top surface with basketball hoops.

PITTSBURGH MUSEUM DIRECTOR SUPPORTS MUSEUM SERVICES ACT

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, Mr. Graham Netting, director of the Carnegie Museum of Natural History in Pittsburgh, recently testified before a subcommittee in the other body on S. 796—H.R. 332—the Museum Services Act.

I found Mr. Netting's testimony quite interesting as did the subcommittee. I would like to share his testimony with my colleagues and note that the House version of this particular legislation is sponsored by our esteemed colleague from Indiana (Mr. BRADEMAN) under whose able leadership the bill is wending its way through the Education and Labor Committee.

The testimony follows:

STATEMENT IN SUPPORT OF S. 796, MUSEUM SERVICES ACT

My name is M. Graham Netting. I am Director of Carnegie Museum of Natural History, one of two museums—the other being the Museum of Art—included under the corporate umbrella of the Carnegie Institute, of Pittsburgh, Pennsylvania. Carnegie Museum was founded in 1895 by Andrew Carnegie, who took a direct personal interest in the affairs of the Museum during its early years and was responsible for the assembly in the institution that bears his name of a world famous collection of dinosaurs, including *Diplodocus carnegies*, the first giant dinosaur to be excavated and mounted. Carnegie was so proud of his namesake that he presented ten plaster replicas to leading museums in world capitals, spreading the fame of this dinosaur to such an extent that one paleontologist has characterized it as "Dippy, the dinosaur that made paleontology popular." Since its founding, the collections and the public exhibit halls of Carnegie Museum have expanded greatly. Today, the exhibition halls contain over 600 separate displays, which include over 10,000 individual items ranging in size from the largest dinosaur to the tiniest insects, but including also a great variety of archeological and ethnological materials as well as many collections of particular interest to specialized collectors—stamps, coins, watches, dolls, ancient glass.

The research collections of the Museum number uncounted millions of specimens which are constantly being utilized by our own scientists, by colleagues from other institutions and countries, and by students in many colleges and universities, to add to human knowledge and for the betterment of mankind. The new discoveries and insights resulting from study of the research collections are disseminated to the public, to students, and to scholars through exhibits, publications, guided tours, lectures, and direct contacts with the staff. Data from the research collections are being utilized with increasing frequency by the U.S. Corps of Engineers in connection with environmental impact studies.

Over 800,000 visitors view the exhibits in the Museum annually without cost since Carnegie Institute has thus far not established an admission charge to either of its component museums. This policy may have to be changed in the near future because of the urgent need for more operating funds. Many thousands of additional citizens are served by the Museum through response to telephone inquiries and letters, through traveling exhibits circulated through public and parochial schools, and through visits to outpost operations. The Museum operates a Taxidermy Laboratory and an Anthropological Center at Meridan, Pennsylvania, thirty miles north of Pittsburgh, and an 1800-acre field station, Powdermill Nature Reserve, in the Ligonier Valley, fifty-five miles east of Pittsburgh. At the latter station, over 110,000 birds have been banded over an eleven-year period in co-operation with the Federal Bird-banding Laboratory, Bureau of Sport Fisheries & Wildlife. School classes and hundreds of adults visit each of the centers each year and receive demonstrations of taxidermy and archeological techniques, bird-banding, and environmental projects.

Museums of all types have been an important component of human culture for over 2500 years for there was a museum of antiquities (!) in Ur of the Chaldees, the home of Abraham, around 600 B.C. Museums have a unique role—that of preserving actual objects—real examples of the creations of nature and the works of man, and these have an especial impact because they are the basis for text and pictures that appear in mass media, in textbooks, etc. In Carnegie Museum of Natural History, for example, we have on display a huge block of coal so that our visitors can touch a piece of the mineral that has been the foundation of so much industrial development. We also have a large block of bauxite, labelled "77 Skillets in the Rock" (its actual aluminum content), as well as a dinosaur thigh bone and other "touch" exhibits. These and countless other exhibits that may be viewed at close hand are critically important in satisfying the curiosity of children about the world and in helping people of all ages to understand their past and to comprehend the present.

The Ptolemies, who founded the Alexandrian Museum and Library, the two greatest institutions of the Alexandrian Renaissance, were, according to historian George Sarton, "Greek enough to realize that prosperity without art and science is worthless and contemptible." In the United States, the richest country in the world, our museums, which outdraw race tracks and ball parks combined, are inadequately supported. In the face of rising costs and expanded demands for services, it is imperative that endowment income, local tax support, and private giving must be supplemented by Federal aid. This is especially critical for the natural history museums, whose collections constitute a true national resource that is available to, and utilized by, the nationwide community of scholars and students. Many of the largest natural history museums, of which Carnegie Museum of Natural History is one, receive only a small part of their income from taxing bodies. Consequently, they have been subsidizing college and university graduate education in systematic botany, systematic zoology, and anthropology by assembling and maintaining at their own expense the reference collections that are essential for many advanced degrees in such fields.

In recent years, the National Science Foundation (primarily project oriented), the National Endowment for the Arts and Humanities (largely program oriented), and the National Museum Act (largely to aid the museum profession) have been of inestimable value to museums. Many natural history museums have also enjoyed facility grants from the National Science Foundation that have improved the accessibility of collections to students and research workers and have provided para-professional assistants, but far more funding along these lines and for general operations is needed.

In the case of Carnegie Museum of Natural History, we need $400,000 for a new 20,000-square foot storage and laboratory building for earth sciences, both staff and collections, at our rural location at Meridian, where construction can be achieved at $20 per square foot. We need an additional $400,000 to air condition laboratories, offices, and public galleries in the main museum in Pittsburgh. In addition, requests from the curatorial staff for needed steel storage cases for collections total over $200,000. Also, our scientists could accomplish far more in productive research if each of ten curators were provided with a research assistant at a cost of about $10,000 each per year. Through the agencies mentioned above, or from private foundations and individuals, funding is more readily obtained for new exhibits, project research, and expeditions than for the capital and operating needs of most institutions. Local sources, however, can scarcely be expected to support phases of museum operation, such as maintenance of the research collections that benefit the country as a whole.

I hope that the Subcommittee will give earnest and favorable consideration to the urgent need for greatly increased Federal funding for the irreplacable research collections of natural history museums, and for other operational needs of these and other categories of museums.

CALLS FOR INVESTIGATION OF MISSING AMERICAN SERVICEMEN IN VIETNAM

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. YOUNG of Florida. Mr. Speaker, Americans must be incensed at North Vietnam's latest shocking action in violation of the January peace agreement and the followup joint communique of last June, that continued searches for our more than 1,200 missing-in-action American servicemen still unaccounted for, can only continue after the release of political prisoners held by the South Vietnamese.

Attempts at revealing the whereabouts of these Americans have been continuously thwarted by the belligerent reluctance of North Vietnam to abide by the provisions of the peace agreement. Hanoi has apparently set a new condition for any continued search for these men. A new condition is in direct violation of the peace agreement which set all conditions.

Mr. Speaker, to date, there has been no thorough investigation by the Congress into the whereabouts of these more than 1,200 servicemen still unaccounted for. Also, there has been no thorough investigation of the possibility that Americans captured or missing in the Vietnam war are being held prisoner in Communist China or other nearby countries.

The responsible governmental agencies so far have not adequately responded to this dilemma. Accordingly, I have reiterated an earlier request to the chairman of the House Armed Services Committee that such an investigation be initiated immediately in an effort to end, once and for all, the uncertainty for those families of men still missing, as well as to obtain the release of any prisoners who may still be held in Southeast Asia. This action is all the more important, now that Hanoi has apparently added new conditions to the continued searching for these men. Obviously, any condition other than those contained in the January peace agreement and the June joint communique, is in direct violation of the agreements.

In addition, I am cosponsoring a resolution being offered by my colleague, Mr. GILMAN of New York, which calls for an independent congressional investigation into the status of any prisoners of war who may still be held in Southeast Asia, as well as complete information concerning those listed as missing in action and dead.

Mr. Speaker, I am taking this action in a twofold effort to leave no stone unturned in resolving this matter.

The letter referred to follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., September 25, 1973.
Hon. F. EDWARD HÉBERT,
Chairman, House Armed Services Committee, Rayburn House Office Building, Washington, D.C.

DEAR CHAIRMAN HÉBERT: There has yet to be a full scale, thorough investigation by Congress into the whereabouts of more than 1,200 American servicemen still unaccounted for following last January's peace agreement in Vietnam.

Also, there has been no thorough investigation of the possibility that Americans captured or missing in the Vietnam war are being held prisoner in Communist China or other nearby countries.

The responsible governmental agencies so far have not adequately responded to this dilemma. Accordingly, I want to reiterate to you my earlier request that the House Armed Services Committee promptly initiate such an investigation in an effort to end, once and for all, the uncertainty for those families of men still missing, as well as to obtain the release of any prisoners who may be still held in Southeast Asia.

This action is all the more important, now that Hanoi has apparently added new conditions for continued searching for these men. Obviously, any condition other than those contained in the January peace agreement and the June joint communique, is in direct violation of the agreements.

Your cooperation in this matter will be greatly appreciated. With best wishes and personal regards, I am

Very truly yours,
C. W. BILL YOUNG,
Member of Congress.

OVERSPENDING, NOT UNDERTAXING IS PROBLEM

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. ASHBROOK. Mr. Speaker, Melvin Laird, Counselor on Domestic Affairs to President Nixon, has announced that the Nixon administration is considering a "temporary" tax raise of 10 percent. In the 1972 campaign, President Nixon promised that he would not raise taxes.

In 1968, President Johnson also sought and obtained a 10-percent surcharge on income taxes to supposedly fight inflation. There were also promises at that time by the Johnson administration to cut expenses. We all know what has happened since that time. Government budgets have soared along with the number of Government programs.

In fiscal year 1954, the Eisenhower administration and a Republican Congress cut the Federal budget from $74 billion to $67 billion. Now 20 years later the proposed 1974 budget has grown to $269 billion. Ten years ago the budget was $97.6 billion. The respected economist, Henry Hazlitt, has stated that the 1974 budget could be cut by at least $13 billion.

I repeat what I said in 1968 on the floor of the U.S. House of Representatives:

> Our problem is, as it has been for the past ten years, government overspending not undertaxing. The liberal spenders have overpromised, overburdened, overspent, overtaxed, overcommitted, and overprogrammed. They now want more of the same.

I applaud President Nixon's recent call for fiscal responsibility. He stated:

> Every dollar we cut from the federal deficit is another blow against higher prices.

This is quite true. However, the best way to cut the Federal deficit is not to raise taxes and thereby increase Government revenues, but to cut Government spending.

As Government spending has grown, interest rates have grown, the national debt has grown, our deficits have grown, and our problems have grown so now the taxpayer may be asked to pay for these mistakes. This is bad economics and bad policy. Good economics and good policy would be to trim unnecessary spending out of the budget.

Increased taxes, or as Melvin Laird described them "compulsory savings," are not anti-inflationary. To give the Federal Government more money to spend only adds paper to the inflationary fire. Liberal economic theories while proven to be disastrous still are being practiced in Washington, D.C. Planned deficits have led to inflation and consideration of new taxes.

The U.S. Government is paying the highest interest rate in the past 20 years to borrow money to finance its spending. And we must all remember that, when the Government has to borrow, it is we the citizens who have to pay the bill.

I have pointed out numerous times in reports to my constituents and on the floor of the House of Representatives the dangerous road this country is following in not reducing spending. We still have an opportunity to defeat inflation and restore fiscal responsibility to the country. To do so, we must repudiate the economic programs that were proven wrong in the 1960's and are still wrong today.

NANCY HANKS AND THE ENDOWMENT FOR THE ARTS

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. BRADEMAS. Mr. Speaker, I want to bring to the attention of my colleagues an editorial published in the September 19, 1973 issue of the Washington Post which describes the extraordinary contributions made to the arts in our land by Ms. Nancy Hanks and the National Endowment for the Arts, and I ask unanimous consent to insert the editorial in the RECORD.

Mr. Speaker, as the House prepares soon to vote on the conference report extending for 3 years the National Arts and Humanities Foundation Act, I think particularly timely this tribute to Ms. Hanks for her outstanding leadership in strengthening the arts in American life.

The editorial follows:

NANCY HANKS: A SUCCESS STORY

Last week, the President called Nancy Hanks, the chairman of the National Endowment for the Arts, and some of her council members—among them actress Rosalind Russell, painter Jamie Wyeth, pianist Bill Taylor and opera singer Robert Merrill—to his White House office. He told her that he had nominated her for a second four-year term. "You are here," Mr. Nixon said, "because you have been able to get a 900 per cent increase [in federal funds for the arts] out of Congress."

We prefer to think that it is the other way around. We think Congress has authorized a spectacular and most gratifying increase in funds for the arts program because Miss Hanks was there.

With still relatively meager funds (last year the U.S. federal government spent 20 cents per citizen for the arts, in contrast to Canada's $1.40 and West Germany's $2.80), the Endowment, under Miss Hanks' chairmanship, has not only assisted individual artists and touring companies. More importantly, its efforts have considerably increased private donations and local matching funds. It has established a firm and creative partnership between the federal program and ever-increasing state and local efforts to help the arts improve the quality of life in America. The Endowment puts great stress, for instance, on supporting and enhancing the country's rich cultural diversity by aiding the indigenous artistic expression of the people of Appalachia, blacks, Chicanos, Indians, Puerto Ricans, Chinese, Japanese and other minority groups.

Under another program, the Endowment, together with state arts councils, has brought hundreds of dancers, musicians, poets, painters, sculptors, film-makers, craftsmen and actors into America's classrooms and community meeting halls. Nancy Hanks and her council now have an ambitious and important program underway to improve the esthetics of the many things government does that shape the appearance of America: The government's own buildings, graphics, landscaping, renewal projects and other public works that might as easily be well than poorly designed.

And contrary to earlier misgivings by conservatives and liberals alike that federal support of the arts might lead to federal control of the arts, the council has maintained a healthy and at times even scrappy independence. At its last meeting, on the basis of its congressional mandate "to foster a climate of artistic freedom of expression," the council urged artists and art organizations to help make sure that local zealots do not misuse the reecnt Supreme Court obscenity ruling to restrict or curtail valid artistic and creative freedom. (A sheriff who would ban Playboy, might, after all, be persuaded to cover up a Rubens painting.) The council doesn't seek to provoke controversy when it strives to act as the nation's artistic conscience. But neither does it shrink from telling the U.S. Postal Service that some of its postage stamps are poorly designed or to tell museums to make sure that their buildings—with their imposing Greek temple stairs—are made easily accessible to the physically handicapped.

At that same meeting, the council expressed its delight at the re-nomination of its chairman, Nancy Hanks. So do we. We hope the Senate will act promptly to confirm her. And we are particularly delighted that the President has now charged the Arts Council to focus on the arts in the commemoration of the Bicentennial. We can think of no better way to give the planning for that event some much needed focus.

VETO OF THE MINIMUM WAGE: A SOCIAL TRAVESTY

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. ROYBAL. Mr. Speaker, the President's veto of the minimum wage bill passed by Congress after almost 3 years of serious deliberation and debate displays a disregard for the economic well-being of thousands of low-wage earners in our country. His claim that the bill would be inflationary and would create unemployment is a rash judgment founded on weak if not nonexistent facts.

First, the issues involved should be properly identified and separated before national policy is developed to deal with them.

Unemployment is one of the more serious problems of our Nation. It should be attacked with sound and effective programs such as manpower development, job-creation and a steady growth in the total economy. Unemployment, above all, should not be a war cry against the earning potential of workers now receiving less than the officially set 1972 poverty level of $4,275—a level even the $2 rate of the vetoed bill would not achieve in 1973. In addition, past experience also belies the claim that, of itself, an increase in the minimum rate causes a rise in unemployment.

Certainly inflation has been a persistent dilemma in America and, indeed, in most developed nations of the world. Yet the working poor of America should not be made undeserving victims of national policy to fight inflation.

Economic policy dealing with rising prices is potentially broad and should concentrate on those elements of our industrial society which contribute most to its existence. Runaway prices, excessive profits under a loosely administered economic stabilization program, and high wages and salaries in certain concentrated industries should be targets of national policy rather than the subsistence wages of the working poor.

The decisions of the Cost of Living Council on price increases have added billions of dollars to the economic flow in this and the past year. Yet, by this administration's own computation, the vetoed minimum wage bill would add only 0.4 percent to the wage bill for affected workers. In terms of national income, the increase mandated by the bill would have even a lesser impact on the economy. In 1973, the bill would add only $1.6 billion to the approximate $1 trillion received as income by Americans. As such, the additional increase in the national income generated in 1973 by the minimum wage amendments—including overtime and the so-called ripple effects—would be so infinitesimally small that it could hardly be noticed much less considered as inflationary force in today's otherwise violent economy.

The claim that the minimum wage increase is excessive is also spurious. Under the bill, the largest increase for most workers occurs in the first phase. It raises the $1.60 rate to $2 an hour—a 1-year increase of 26.0 percent. Over the total time period stipulated in the bill, the increase amounts to 37.5 percent. Yet, these increases, although large, would go to only a small part of the labor force. That is, the increase would be enjoyed by less than 5 percent of the 85 million employed workers in our Nation now earning a wage below the proposed rates. And, while the increase seems high, it must be noted that the Consumer Price Index has increased by more than 35 percent since the last fair labor standards amendments were enacted in 1966. Consequently, the irony of the situation is obvious. Increases mandated by the bill have already been canceled out by the upward movement in prices occurring during the last 6 or 7 years. In addition, average hourly earnings in the private nonfarm sector have increased by more than 52 percent since 1966.

To deny those workers at the bottom of the income scale a minimum wage which isn't even high enough to meet cost-of-living increases, or the Government's level of poverty, or increases granted to other workers in America is a social travesty which should be corrected by overriding the President's veto of the Fair Labor Standards Act Amendments of 1973.

ON THE VICE PRESIDENT'S LETTER TO THE HOUSE OF REPRESENTATIVES

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. VANIK. Mr. Speaker, late this afternoon, without prior notice, the Vice President delivered a letter to the House of Representatives requesting that this body fully investigate the charges against him.

The Vice President's request to the House of Representatives appears to be a shrewd and calculated maneuver to abort judicial proceedings and disrupt extensive investigations and grand jury deliberations currently underway in the Federal courts.

I hope that the House of Representatives will not fall for this dilatory and diversionary tactic which seeks to destroy orderly court proceedings which will soon lead to either the vindication he seeks or conviction.

When the facts are established through court proceedings the House can take appropriate action.

Under these circumstances and the doctrine of separation of powers, it is my hope that the House of Representatives will allow the judicial branch to complete the work in which it is already deeply involved.

Knowing of the great interest which will center on the case of Vice President Calhoun which is referred to in Vice President AGNEW's letter to the House of Representatives, I am entering in the RECORD at this point the full description of the Calhoun precedent as it appears in "Hind's Precedents of the House of Representatives," volume 3, 1907:

> 1736. Vice-President Calhoun asked the House, as the grand inquest of the nation, to investigate certain charges made against his conduct as Secretary of War, and the House granted the request.
>
> The Vice-President was represented by a Member of the House before a committee of the House which was investigating charges against him.

The proceedings of an investigating committee having brought out statements reflecting on the character of a person not directly involved in the inquiry and not a Member of either House, the House refused to incorporate his explanation in the report.

In investigating charges of an impeachable offense, the committee permitted the accused to be represented by counsel and have process to compel testimony.

Investigating committees do not always confine themselves within the strict rules of evidence.

On December 29, 1826[1] the Speaker laid before the House the following communication from the Vice-President of the United States:

"To the Speaker of the House of Representatives of the United States.

"SIR: You will please to lay before the House, over which you preside, the inclosed communication, addressed to that body.

"Very respectfully, yours, etc.,"

J. C. CALHOUN.

The enclosed communication was addressed "to the honorable Members of the House of Representatives," and began:

"An imperious sense of duty and a sacred regard to the honor of the station which I occupy compel me to approach your body, in its high character of grand inquest of the nation. * * * In claiming the investigation of the House I am sensible that under our free and happy institutions the conduct of public servants is a fair subject of the closest scrutiny; * * * but when such attacks assume the character of impeachable offenses and become in some degree official by being placed among the public records, an officer thus assailed, however base the instrument used, if conscious of innocence, can look for refuge only to the Hall of the immediate representatives of the people."

The letter goes on to state that charges had been filed in an Executive Department that he had, while Secretary of War, corruptly participated in the profits of a public contract. Therefore he challenged the freest investigation by the House. The letter was signed "J. C. Calhoun, Vice-President of the United States."

The House, without division, referred the communication to a select committee with power to send for persons and papers. Mr. John Floyd, of Virginia, was chairman of this committee, and Mr. John C. Wright, of Ohio, was second member.

On February 13, 1827,[2] Mr. Wright submitted a report, which was read and laid on the table.

Mr. Floyd "submitted to the House a paper, also purporting to be a report upon the same subject, and which contains the views of the minority thereof, in relation to the subject-matter of inquiry, which paper was read and also laid on the table."

The report states that immediately after the committee assembled they informed the Vice-President of their readiness to receive any communication that he might see fit to make. The Vice-President, in his response, expressed his wish that, to avoid the inconvenience of communication by letter, he might be represented by Mr. George McDuffie, a Member of the House. Mr. McDuffie had accordingly been admitted. The report then reviews the charges and testimony, gives the conclusions of the committee, and transmits the testimony and a written protest by Mr. McDuffie against the methods by which the committee had proceeded. This protest of Mr. McDuffie[3] was against what he termed the committee's departure—"from the fundamental principles of judicial investigation and the established rules of judicial evidence."

In particular he objected that large quantities of testimony had been admitted relative to the general administration of the War Department, and disassociated from the specific charge committed to the committee; also that on that charge private letters of Major Vandeventer to Elijah Mix had been admitted as evidence against Mr. Calhoun, although they were, as lawyers well known, "incompetent and improper testimony." Mr. McDuffie also protested against hearsay evidence.

"Admitting that it is proper for the committee to assume inquisitorial powers in this investigation [he says], and in that character to ask of the witnesses not only what they know, but what they have heard from others, it must be exceedingly apparent that the only excusable purpose, even of an inquisitorial kind, for which such question could be propounded, is the discovery of other witnesses, by whose evidence the charges might be established."

The report also shows that at the instance of Mr. McDuffie subpoenas were issued for witnesses to testify in behalf of the Vice-President.

The report proposed no action by the House, therefore the House disposed of it by ordering it to lie on the table and be printed, with the accompanying documents and the views of the minority.

After this had been done Mr. John Forsyth, of Georgia, by leave of the House, presented a letter signed C. Vandeventer, expressive of his regret that the committee had not accompanied their report by a communication of his explanatory of transactions as far as he was concerned with the subject of investigation, and praying that it might be received, and with accompanying documents be placed among the papers presented by the committee.

Mr. Vandeventer, who was chief clerk of the War Department, considered that the testimony presented by the committee contained reflections on his conduct, and therefore he wished his explanation to accompany those reflections.

Mr. Wright stated that the committee had received several such communications; but as they did not consider them pertinent to the inquiry committed to them, they had returned them to the senders. The committee did not see why they should enter upon an investigation to exculpate these individuals any more than all the other witnesses. They could not be diverted from the main object of inquiry by unnecessary investigations. To append documents and arguments to the report of the committee for the purpose of exculpating a witness would be a novel procedure, leading to many perplexities.

It was pointed out, on the other hand, that this man was a public officer, who was about to be injured by the publication in a report of matter reflecting on his character. But the reply was made that the proper course in such a case was to do as the Vice-President had done—ask for an investigation.

The House, without division, decided not to print the communication with the report, but laid it on the table.[4]

I regret the efforts of the Vice President and his lawyers to conveniently overlook a major part of the Calhoun precedent—a statement by the Vice President's representative in the House, Congressman George McDuffie, who complained that the investigating committee had departed "from the fundamental principles of judicial investigation and the established rules of judicial evidence."

HAWAII'S DR. FUJIO MATSUDA WORTHY OF NATIONAL RECOGNITION AND EMULATION

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. MATSUNAGA. Mr. Speaker, very seldom in this day and age does a public servant find himself respected by the people, press, and his fellow public servants. Such is the case, however, with my friend, Dr. Fujio Matsuda, who has just completed 10 years as Director of the Department of Transportation in Hawaii. That someone in charge of an area as controversial as transportation could end a decade of service with such unanimity about the high quality of that service is remarkable.

The Hawaii Department of Transportation, under Dr. Matsuda, was instrumental in effecting great progress with the State's highways, airport facilities, and beach areas.

Fujio Matsuda is uncommon, not only in his faith in the worth of what he and the State were doing in the realms of transportation and public facilities, but also in his willingness to hear the "other guy's" point of view.

The former transportation director now serves as vice president at the University of Hawaii, which is most fortunate to receive his services.

As he begins the most recent chapter in a distinguished public service career, the people of Hawaii proudly point to Dr. Fujio Matsuda as an exemplary public servant worthy of national recognition and emulation.

I include at this point an editorial from the May 15, 1973, Honolulu Star-Bulletin:

AN UNCOMMON MAN

An uncommon public servant shifts jobs this week. Fujio Matsuda rounds out 10 years on the hot seat as State transportation director and becomes a vice-president of the University of Hawaii.

Though it could prove otherwise, the University assignment is likely to prove less of a hot seat than the one he is leaving.

Our admiration for Matsuda has been expressed in these columns at various times and for various reasons.

One is simple amazement that a man with a non-political background could come into government and deal with the public, the civil service and the pressure groups impinging on his office so effectively.

In 10 years his department has overseen or planned the spending of more than a billion dollars for public works and most results have been superior.

The Department of Transportation has got the State's Defense Highway program hammered into shape, except for H-3 which we will return to in a moment. It has reordered the financing of the State airport system so that there are improved facilities Statewide, a new airport at Kona, jumbo jet facilities at Honolulu and Hilo, a seaward runway underway for Honolulu—all financed by the users (airlines, airport concessionaries) instead of with tax funds.

The attractive new ocean front at Kuhio Beach was largely worked out under Transportation Department direction and small craft harbors throughout the State have had an uplift, too.

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[1] Second session Nineteenth Congress, Journal, pp. 109, 110; Debates, pp. 574, 575.

[2] Journal, pp. 294, 295; Debates, pp. 1128–1150.

[3] House Report No. 79, page 221.

[4] Journal, p. 295; Debates, pp. 1144–1150.

H-3 highway is a capsule look at both Matsuda's problems and talents. It has become a focus of attack for environmentalists who was to keep Moanalua Valley as a park, mass transit advocates who want to stop all highway building, and Windward residents who want to discourage further development on their side of the Island.

The attack was mounted, Matsuda wryly notes, not when the highway was first planned as it should have been, but when it was just about ready to go under construction after years of planning and route selection studies.

Matsuda personally has taken part in hours of hearings and debate over the highway, patiently arguing the case for it, remaining convinced himself of its worth, but always—and this is where he is uncommon—respecting the right of the opposition to oppose. He advocates future procedures which will lead to a resolution of the problems now raised much earlier in the chain of planning, but he has fully respected the rights of the H-3 foes—and his department has considerably modified H-3 plans to meet various late objections.

H-3 now has a go-ahead from the U.S. Transportation Department. After one more round in the courts, construction may resume.

But the battle over it has been constructive. Designs have been modified to make it more acceptable visually. Two lanes have been assigned to mass transit.

An implied bargain has been struck between the State and City-County which will make the H-3 the last major freeway on Oahu for many years to come and shift the emphasis to mass transit thereafter.

The resumption of H-3 work will be a sharp disappointment to many of its critics, but we doubt that many will contend they have been dealt with unfeelingly or unfairly.

In a tough job, Matsuda's uncommonness has lain partly in his talent as an engineer and administrator but even more in his respect for the public as his ultimate boss . . . a difficult, contrary, emotional boss, hypercritical at times, ill-informed at others, but still boss and always deserving of respect.

THE REAGAN TAX INITIATIVE—CALIFORNIA REJECTS EFFORTS TO USE HER CITIZENS AS TESTING GROUND FOR CAMPAIGN GIMMICK

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. BROWN of California. Mr. Speaker, Gov. Ronald Reagan of my home State is attempting to build support for an amendment to the California State constitution which has become the object of quite a bit of controversy within the State. This proposed amendment, which was prepared at the expense of the taxpayers of California, is being billed as a "tax limitation" proposal, but many leading public figures and organizations have said that they feel it could be more accurately described as a gimmick to boost the Presidential campaign prospects of Governor Reagan at the expense of the people of California. If I may, Mr. Speaker, I would like to enter in the Record at this point several pieces of information regarding this proposal.

The first item is an article by San Bernardino Sun-Telegram writer Ione Oliver which appeared in the Sun-Telegram on the first of this month, describing the effort to oppose the Reagan tax initiative being led by the League of Women Voters of California. It reads as follows:

ACTION IS THE GOAL OF THE LEAGUE OF WOMEN VOTERS

(By Ione Oliver)

SAN BERNARDINO.—Concerted action. That's the aim of the League of Women Voters of California as new officers begin their two-year term.

"We did not adopt a new study program this year," explained Mrs. Juanita Scott of San Bernardino, state membership chairman. "We will be extremely action-minded and our first action will be a campaign against Proposition 1 on the November ballot."

Mrs. Scott, past president of the San Bernardino League of Women Voters (LWV) is the only local member on the state board. She is the first and only black woman to hold such a position.

As she begins her work at the state level, "I want to increase our membership. So many of our women are now employed," she said. "I also want to increase our minority membership."

"In past years," Mrs. Scott said as she sat in her office at Norton Air Force Base where she has been employed 11 years as a housing referral officer, "the LWV members have devoted much of their time to studying legislative problems and proposals. But at the recent general meeting, we did not adopt any new study. Instead, we agreed on a very action-oriented plan in support of the programs we have been studying."

At the top of this list is a statewide grassroots campaign in opposition to Proposition 1, the tax limitation constitutional amendment, a measure LWVC believes "would severely limit the ability of state and local government to meet the changing economic conditions and service needs for California."

On the local level, Mrs. Donald W. (Meredith) Jordon, who succeeds Mrs. Scott as president of the San Bernardino league, says her group has plans for a general meeting in October to present the pros and cons of Proposition 1 to the membership and the public.

Proposition 1 will be called the Tax and Expenditure Limitations Initiative Constitutional Amendment on the ballot for the Nov. 6 election.

The measure:

Limits state expenditures, restricts use of defined surplus revenue to tax reductions, refunds or emergencies. It eliminates personal income tax for lower income persons, reduces others . . . requires two-thirds legislative vote for new or changed state taxes. Limits local property tax rates except school districts. Allows local tax rate and expenditure limit increases upon voter approval. . . .

"It sounds good when you first hear it," Mrs. Scott remarked. Proposition 1 limits expenditures of what the State of California can spend, based on income tax, and makes it a part of the California Constitution.

"But this is a regressive tax," she charged. "If state expenses increase, then there is no other way but to throw it to the local level again.

"Then sales tax as well as property tax could be increased. This would affect pensioners and others on a stable income," Mrs. Scott said.

"We think the state constitution needs to be flexible, orderly and simplified. If this thing (Proposition 1) is locked into the constitution, it cannot be flexible.

"The league wants to assure fair share of taxation and legislative control," she said.

The argument against the proposition, written by LWVC and already submitted to the secretary of State for the November ballot pamphlet, states:

"The offer of reduced taxes by imposing expenditure limitations is a false promise. Tax rates and expenditure ceilings tried elsewhere in the country have led to deteriorating public services and to more costly, inequitable, back-door methods of financing state government. Californians should reject this proposed tax and expenditure limitation initiative.

"Through their taxes, Californians buy services: education, law enforcement, highways, parks and social services. While the proponents claim that under the proposed expenditure limitation, funds would be adequate to maintain these services, their projections are based on questionable assumptions about future growth in state expenditures and taxes. If the future brings an inflation rate over three per cent, or if personal income fails to grow at current rates, existing services will be cut and pressure will build up to increase local taxes, service charges and license fees and promised tax relief for homeowners and renters will be threatened."

The LWVC also sees provisions in the measure as a shift which "would fall more heavily on lower and middle income people," and it "increases executive power and decreases legislative power."

The league's 1973-75 concerted action program is under the supervision of Mrs. Kenneth Kaplan of San Mateo, who succeeds Mrs. Walter C. Schuiling of San Bernardino as president of the state organization.

Mr. Speaker, I applaud the efforts by Mrs. Scott, one of San Bernardino's leading citizens, and the other members of the League of Women Voters of California for their selfless dedication to the public interest of the people of our State. It is through the efforts of the league and the many other concerned groups and individuals that are opposing this cynical campaign gimmicks that the people of California are becoming aware of the hypocrisy behind this proposal.

The next item which I would like to enter in the Record is an Associated Press dispatch which appeared throughout California on the 1st of May, nearly 5 months ago. This story describes an analysis of the Reagon tax initiative which was prepared by the official—and nonpartisan—California Legislative Analyst, A. Alan Post, one of the most highly respected legislative analysts in the entire country. I ask that it be entered in the Record at this point.

POST FINDS REAGAN TAX PLAN FLAWED

SACRAMENTO, CALIF.—Gov. Ronald Reagan's tax limitation plan is based on "misleading and highly inflated" data and would almost inevitably force property tax increases, Legislative Analyst A. Alan Post said yesterday.

Reagan replied with an angry statement that Post "has chosen to abandon the interests of the taxpayers" and claimed the nonpartisan analyst's predictions have been inaccurate in the past.

Post said Reagan ballooned his estimate of the tax burden on Californians by counting among tax receipts more than $3.7 billion worth of non-tax revenues such as employee payments to retirement plans, medical bills patients paid to county hospitals, gifts to the University of California and tickets to UC football games.

Post also said Reagan's current state budget would have to be cut by $2.4 billion this year—more than 25 per cent—if his administration had been forced to operate the past six years under the kind of limits he is proposing for future governors.

"Such a reduction would, in effect eliminate all of the existing direct property tax relief programs and in addition require a 30 per cent curtailment in state support for local schools," Post wrote in his 118-page analysis of the Reagan plan.

Post said renters and the elderly homeowner would probably be hardest hit by cuts which he said the Reagan plan would require.

"Under this initiative it is almost inevitable that reductions in state expenditures will be shifted to local governments and cause increases in local property and sales taxes," Post said.

In his campaign for the tax limitation plan, the Republican governor has stated repeatedly that federal, state and local taxes now take 44 per cent of the earnings of Californians and will climb to 55 per cent in another decade.

Post said the true figure is 32.7 per cent and he added:

"We find no valid basis for the argument that Californians pay 44 per cent of the income in federal, state and local taxes. The 44 per cent tax burden estimate is misleading and highly inflated because many types of receipts have been erroneously classified as taxes, because the income base used to make this calculation is too small," Post said.

"The dollar magnitude of the tax burden has been inflated by classifying as taxes many kinds of receipts which are not taxes and by double counting several categories of receipts.

"The governor's state tax burden estimate is 41 per cent higher than those contained in his own budget. The governor's tax burden estimate has been grossly inflated by including corporate taxes in tax collections while excluding undistributed corporate profits from the income base," he said.

Post said Reagan's claims that state spending will grow from the current $9 billion to $47 billion in the coming 15 years is "illogical."

Post said that assumes that future years will produce the kind of rapid growth in school populations and welfare rolls which has occurred in the past decade. He said Reagan is ignoring declines in school enrollments and birth rates and the effects of his own welfare reforms.

Next I have an article which appeared on the 19th of this month, again in the San Bernardino Sun-Telegram, detailing the opposition of California State Assembly Speaker Bob Moretti to the Governor's proposal. Harvey Feit, the political editor of the Sun-Telegram, sums up Moretti's arguments in a brief and highly readable article, the text of which I offer at this time.

MORETTI RAPS TAX INITIATIVE AS THREAT TO DEMOCRACY

(By Harvey Feit)

SAN BERNARDINO.—Assembly Speaker Bob Moretti, stopping here yesterday on a statewide tour to stir up opposition to the governor's tax initiative, said the election will be the most important event in state history.

Moretti, D-Van Nuys, a candidate for governor, said passage of the measure would restructure the shape of government.

"Democracy would no longer exist in California," he said. "The governor and legislature never again would have the ability or authority to raise revenue to meet future needs."

The measure is undemocractic, he said, because some of its safety-valve provisions require a two-thirds vote of the legislature which Moretti said puts too much power in the hands of a few people.

The initiative, which places a gradually descending ceiling on the percentage of state income the state could take in taxes, will be on a special Nov. 6 ballot.

Moretti said he intends to focus his opposition on provisions of the plan which would raise property taxes.

"If you put an arbitrary lid on the cost of state government," Moretti said, "costs will be forced onto local government and property taxes will shoot up."

He said the measure will cut the state budget $620 million the first year although Gov. Ronald Reagan says the measure will provide all the money the state needs.

"Not only would it freeze spending, but it would reduce things from the way they are now," Moretti said.

Moretti said opponents of the measure hope to raise $250,000 to fight it. Of this, about $50,000 apiece will probably come from the California Teachers Association and the California State Employes Association. The amount of financial support from organized labor is uncertain at this point, Moretti said.

He estimated supporters of the measure would spend $1 million. Among its backers, Moretti said, are the California Taxpayers Association, the California Real Estate Association and the California Chamber of Commerce.

Because of Reagan's dominant position as head of the Republican party, the campaign could turn into a partisan fight, Moretti said.

He said opponents enjoy the support of such nonpartisan groups as the League of California Cities, County Supervisors Association of California, League of Women Voters and the PTA.

Moretti said he opposes an arbitrary lid on state spending because welfare-related costs increase during economic slumps when state income is down.

Noting that California and 34 other states had reduced taxes last year largely because population growth is leveling off, he said:

"Government is responsible enough to lower taxes when it's possible without imposing arbitrary limits. This (Reagan's proposal) handcuffs you; you can't react."

He said Reagan called a special election to insure a small overall turnout while counting on a high turnout of conservative voters. Passage of the measure would boost Reagan's presidential aspirations, Moretti said.

"I don't mind the governor running for President," Moretti said, "but he shouldn't do it at the expense of Californians. He plans to get out before the walls start coming down."

I might add, Mr. Speaker, for those who question the Governor's political intentions, that earlier this year, after first proposing his tax plan, Governor Reagan had booklets describing his proposal sent to 300 newspapers across the Nation. Newspapers in California commented at the time that the mailing of these booklets, which were printed by the State of California, to newspapers in New York, Florida, and other States thousands of miles from California certainly seemed to conflict with the Governor's claims that he is not running for nationwide office.

Finally, Mr. Speaker, let me read an editorial which was broadcast by radio station KNX-FM of Los Angeles on September 7. The editorial is entitled "Special Election Cost," and it goes like this:

KNX-FM STEREO EDITORIAL

Subject: Special Election Cost, 73-17.

Broadcast: September 7, 1973, 12:00 MID, 4:20, 8:00 AM, 12:00 Noon, 4:00, 8:00 PM.

Governor Reagan is about to take a dollar from the pocket of every Californian, stack those dollars in a pile and then light a match to them.

The Governor has called a *special* election in November so that we voters can consider his so called tax limitation initiative. We won't comment on the merits of the initiative now, we're saving that for later. But we're outraged that Governor Reagan decided to make it a *special* election. The experts say this special election will cost us between $20 and $35 million, and we might as well be burning money.

That's how wasteful this special election will be. While the argument rages over who will pay for it, the state or the counties, the fact remains that we will pay for it no matter which pocket we take it out of. It might not have been as politically expedient, but at least it would have been responsible of the Governor to include his initiative in next June's regularly scheduled election, when it would have cost us very little.

The Legislature has tried to stop this special election, but, the Governor got around it and the courts have avoided the issue by turning down several taxpayer suits against it. Now it's time for the people to act. KNX/FM urges you to write, wire or call Governor Reagan's office and tell him you can't afford to have your money so blatantly wasted.

SUDDEN INFANT DEATH SYNDROME

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. SARASIN. Mr. Speaker, a recent article by Mr. Colman McCarthy appeared in the Washington Post which provides an insight into a much unpublicized tragedy which faces a percentage of our population each year. I refer to the 10,000 parents who are witnesses to sudden infant death syndrome or "crib death."

Even more tragic than the infants' deaths is the fact that so little progress has been made to uncover the origins or to assist parents through the great emotional ordeal. A few theories have been hypothesized as to possible causes but with so little interest being expressed in the form of funds for research, there can be little hope for enlightenment in the near future. As a parent, I am concerned that the public and my colleagues be made aware and so I include this September 21, 1973 article in the RECORD.

THE TRAGEDY OF CRIB DEATH

(By Colman McCarthy)

Earlier this year in a small California town near San Diego, John and Patricia Smiley went into the bedroom of their four week old infant. The child, healthy the day before, lay dead. The couple, frantic with sudden shock, immediately called the local sheriff's office to ask for an ambulance. As Smiley remembers it, the voice at the other end replied that if the child was dead, why was an ambulance needed.

So began the post-death ordeal of the Smileys. The young and poor couple was charged on suspicion of involuntary manslaughter and jailed for three days. The charges were eventually dropped but not before the couple had been harassed to the point that they left town. The Smileys were in Washington yesterday, testifying before a joint session of the Senate subcommittee on children and youth and the subcommittee on health. "There are just so many bad memories to the whole situation and I would like to forget," Smiley told the senators, "but I know that I will never be able to forget. . . .

I hope that it never happens to anyone else like it happened to us. The death of a child is bad enough. It's the harassment and lack of knowledge, lack of understanding and lack of compassion that hurts more than anything else."

The tragedy of the Smileys would pass unnoticed—another hard luck case in a world full of them—except that it is part of a national pattern. Their child died from sudden infant death syndrome, a disease that kills an estimated 10,000 infants a year, at a ratio of one in 350. SIDS (crib death) is neither predictable nor preventable. Perhaps because of this interest in its research has been limited, from medical schools to the federal government; current federal primary money for SIDS research grants is $262,000, less than the cost of remodeling the President's jet; primary research contracts are $340,000. What is especially strange about the disease is not its mystery but that little is done for the surviving parents, even though much is known about their anguish. Couples are not usually jailed as the Smileys were, but nearly all are imprisoned within some kind of emotional torment from which release is painful and perhaps impossible.

Many who are concerned about SIDS learned long ago not to look to the federal government for leadership, much less to local health officials. Instead, several private groups are at work. Among them are the Guild for Infant Survival (Baltimore) and the National Foundation for Sudden Infant death (New York). In testimony yesterday, Dr. Abraham Bergman, a Seattle pediatrician and the foundation's president, said that the parents' post-death anguish "is all so unnecessary. By the expenditure of a small amount of funds (such as proposed in legislation now before the Senate), and just the semblance of some action on the part of HEW, the human aspects of SIDS which causes an enormous toll of mental illness could be solved within two years."

In other years, Bergman has come to Washington with mostly general statements on the degree of neglect. The response was small. This time, he is presenting specific details from 158 American communities on what action coroners, medical examiners, health officials and parents take when infants die suddenly and unexpectedly. The report, with a few bright parts, is generally bleak. A coroner in Alabama called a SIDS death suffocation because "blacks do not know how to care for their children properly." An Idaho coroner called it "partial neglect and pneumonia." Only half of some 400 parents were told their children died of SIDS. Only 27 per cent of the communities had pathologists to certify the cause of death; in 43 per cent of the communities it was not even a physician who performed this service, but often an undertaker, ambulance driver or sheriff. More than a third of the families had to wait between a week and many months before the autopsy results were provided; 9 per cent were never told by anyone why their infants died.

Not surprisingly, Bergman's study found racial and class discrimination in the management of SIDS. "Half as many blacks as whites were given SIDS as an explanation for death; four times as many blacks were told that their baby suffocated; and three times more blacks than whites were never told why their baby died. Some 75 per cent of upper class families had heard of SIDS before their baby died, and 92 per cent received information afterwards. Only 48 per cent of lower class families had heard of SIDS before their baby died and only 40 per cent received information about SIDS after their baby died. The people who needed the help most were least apt to receive it."

The loss of an infant causes an anguish that only the surviving parents can feel. Even when a parent is familiar with the disease, the trauma can be intense. A Seattle pediatrician working in the hospital with the world's largest SIDS research project said that her knowledge that SIDS is neither predictable nor preventable "did not protect me from painful guilt feelings and depression. I was a human being and a mother who needed help at a critical time." She was visiting in Los Angeles when her infant son died and the help was not provided. More than two months passed before she even knew that an autopsy had been performed. "I keep thinking," the woman has written, "if a physician's family which has some understanding of SIDS, is treated in this way in Los Angeles, what happens to other families who don't have similar resources? Why can't parents who lose treasured infants be treated with dignity and compassion?"

It is a fair question. One possible answer is the lack of leadership among public health officials. Why should a local sheriff's office be expected to show sensitivity if no example is given by the supposedly alert doctors in many state and federal agencies? At the last Senate hearings on SIDS, an HEW doctor in charge of SIDS research issued the inevitable promise to take action, but he's gone from the agency now. His successor has renewed the promise. "I don't know what happens to people when they come back here to the banks of the Potomac." Bergman said. "Maybe it's the heat or maybe it's the smog. Government officials here in Washington are always busy, busy, busy with *big problems*. HEW always seems to have some reorganization cooking. *Global* health strategy is being devised, or else 'we're new in our job, just give us time.' Senator Magnuson says that, what with all the job changes, the busiest people in this town are the sign painters down at HEW."

If we were told this morning that in the next year a dreadful plague would kill 10,000 of America's children, it is likely the nation's medical community would command the front pages of newspapers to announce plans to meet the threat. The sign painters at HEW would be idle because no official would dare leave his post in this emergency. Every local community, including Alabama coroners, would be on the alert. Such a plague is not coming, of course, at least not the Black Death kind of threat. But a year from now, another 10,000 infants will have been found dead in their cribs. Afterward, their parents will die repeated emotional deaths in private anguish. The research to prevent SIDS may be far off, but ways to prevent the abuse of surviving parents is well known. Perhaps the largest mystery involving SIDS is that we are not acting on facts already available.

MRS. BILLIE JEAN KING

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mrs. MINK. Mr. Speaker, now that the hustling is over and the exaggerated prematch publicity has dissipated, I would like to congratulate Mrs. Billie Jean King on a magnificent performance and a genuinely important victory.

Mrs. King gained a great deal more than Bobby Riggs lost. The tenor and intensity of her play indicated how very much was at stake. No one, least of all Mrs. King, is suggesting that men and women play the same type of tennis. What Mrs. King sought to establish, however, was that women do not play second-rate tennis. Mrs. King succeeded in proving just that.

Bobby Riggs' antics and excesses drew an audience but perhaps obscured the most important issue. Athletics is a form of human expression. Women athletes have endured scorn, their finest efforts have played to empty arenas and muted recognition. The women have endured and they continue to excel and perhaps now there will be deserved notice given to the quality of their achievements.

Perhaps now young American girls, who buck the societal pressure that tells them that athletic ability and accomplishment is somehow unfeminine, will find outlets for their interests and means to develop their potential.

Our school systems have discriminated notoriously against women's sports; colleges are even worse. Women's intercollegiate sports are virtually nonexistent.

I applaud Mrs. King's efforts to bring recognition to women's tennis and to all women's sports in general. I commend her on a brilliant match and a well-deserved victory.

ETHICS AND THE WASHINGTON LAWYER

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. ANNUNZIO. Mr. Speaker, I would like to call to the attention of my colleagues in the House of Representatives an article that appeared in the Monday, September 24, edition of the Washington Post entitled "Ethics and the Washington Lawyer." The article is based on a speech made by the author, Joseph A. Califano, Jr., to the Nader Conference on the Legal Profession.

Joe Califano, as most of us in the Congress recall, did such an outstanding job as Special Assistant for Domestic Affairs for the late President Lyndon B. Johnson. His article is refreshing and forthright, and provides an excellent analysis of conditions as they really exist in the city of Washington. Like Joe Califano, I feel that lawyers should take heed.

The article follows:

ETHICS AND THE WASHINGTON LAWYER

(By Joseph A. Califano Jr.)

A patron of the legal profession, St. Ives was a 13th century poverty lawyer and a saint, a dual role which prompted a contemporary to comment: "He was a lawyer, yet not a rascal, and the people were astonished."

The average American would probably be even more astonished to find a saint among present day attorneys. The portrait of lawyers as unprincipled rascals has been painted in the stark colors of their involvement in the Watergate scandal; with hues likely to deepen as the Senate committee and special prosecutor continue their investigations of dirty tricks and campaign financing. Whether the conduct of the Watergate lawyers is ethically aberrational or whether they simply got caught with their fingers in the cookie jar of power, their plight should at least serve to focus attention on the ethical standards of Washington lawyers. As we focus the ethical camera, it is not particularly reassuring to compare the passive acceptance by the Washington bar of the actions of the Watergate lawyers with the uproar of the legal profession in California.

Two different conceptions of the lawyer's role face off against each other in ethical duel. The traditional view perceives the lawyer as an instrument of his clients, the purchased pistol with hand raised in intentionally uncritical pursuit of his client's interests. Considerations of broad social responsiblity and obligations to impose moral judgments on a client's activities fade against the background of the lawyer-advocate's role in the adversary system.

The less orthodox view sees the lawyer in a larger social context, imposing upon him the moral responsibility to temper representation of his client's interest with an overriding concern for societal morality and objective justice. At its blandest, this view calls upon the lawyer to render moral judgments in many situations where the traditional view would require him to limbo such judgments. At its sharpest, this view calls into question the entire advocacy system of Anglo-American jurisprudence.

Different as these views are, they do not present an ethical Hobson's choice between morally uninhibited representation of a client's interest and the sublimation of that interest to some personal standard of social morality. Most who espouse the rhetoric of the traditional view recognize certain fundamental limitations on the role of the lawyer as representative of a particular client. At the same time, the most avid public interest environmental lawyers would not deny an oil company the right to legal representation even though they believe the position of that company to be morally bankrupt. Moreover, general ethical principles are easily formulated in the abstract by articulate attorneys, but they are tough to apply in specific situations, especially for the Washington lawyer, whether he be private (largely corporate) practitioner, government attorney or public interest lawyer.

The Washington lawyer has special ethical problems. He often represents not merely an individual client, but an entire industry or combination of clients: the sugar growers, the environmentalists, the oil industry, the Federal Housing Administration. The Washington lawyer rarely litigates cases, he tries to appoint judges. He does not write to his congressman, he seeks to deliver a majority on the committee. The Washington lawyer does not draft wills, straighten out a bad conduct discharge, or try to get the U.S. Attorney to drop a marijuana charge against a teen-ager; rather, he is involved in drafting estate tax laws, molding military procurement policies and trying to change the drug laws for some pharmaceutical company.

Whether the Washington lawyer sits on the side of private, public or governmental interests, he is in a very real sense the interface between public and private interest and a potent participant in the exercise of government power. He is qualitatively different from his "brother at the bar" in other cities across the nation: his private practice steps on the brass rail of public policy every time he has an expense account luncheon. His ethical terrain is a moral minefield of gray.

The Washington lawyer can often draw a distinction between defending his client for past acts and advising the client on his future course of conduct. In the former situation, the client who at the outset discloses all material facts to his attorney is entitled to the fullest possible representation and the option to say no should be exercised at the start.

Where the lawyer is an adviser on future conduct, however, there are more options open to his client and his responsibility to exercise moral judgments may be greater. If a substantial public interest will be affected by his client's conduct, the lawyer's advice should not be limited to the technical validity of the proposed action, without regard to its social or economic consequences. Just as many corporations increasingly recognize their broader social responsibilities, so must their attorneys. Here the lawyer's opportunity to enlarge the perspective of his client, to persuade as well as advise, becomes an obligation.

The defense of past conduct and advice concerning future conduct tend to merge where the Washington attorney represents a corporate client on a continuing basis. It is unrealistic for lawyers to argue that they bear no responsibilities for the actions of corporate clients they have been representing 10 or 20 years. Here they must assume moral responsibility by association just as they share in material affluence by association.

Other distinctions can be drawn by the Washington attorney. There is a sharp difference between legislative lobbying and informal relationships with executive departments and the administrative agencies on the one hand, and representation in the courtroom on the other. In the courtroom, it all hangs out on the public record; ex parte communications between judge and lawyer-advocate are generally not permitted; the public and its representatives in the press have a full view of the proceedings; and a host of procedural rules protects the interests of both sides and governs the entrance of additional interested parties into the case.

Lobbying on Capitol Hill is quite different. Most contacts are not on any public record and the public does not have access to most discussions; ex parte communications are the accepted rule, not the frowned upon exception. Except for the most publicized situations, effective representation of a client's interest resides in private face to face conversations with a senator or representative or their aides, not in public testimony. It seems fair to impose standards of factual full disclosure and objectivity on all attorneys in their ex parte lobbying activities, whether private practitioner, public interest lawyer or government attorney. In addition to their client's hat, they wear one as "officer of the Congress," much like the "officer of the court" hat that obliges litigators to cite and discuss judicial precedents adverse to their clients' interests. Informal contacts with administrative agencies and executive department officials should be subject to the same high standards.

There are other situations in which it might be appropriate to impose an especially high ethical standard upon the corporate Washington lawyer. Where his law firm represents a client that has monopoly control in a particular industry the actions of the client are in a sense imputed with "state action" because society has given his client control over a significant segment of the economy.

There it might be reasonable to impose a duty of public interest comparable to the duty imposed on the government prosecutor who, theoretically at least, is an officer of the court seeking justice, as much as he is an advocate seeking a conviction in a particular case, essentially for one reason: state action is imputed to him. This kind of standard might also be imposed where an attorney represents an entire industry, for example, the automobile, steel or food industry. Similarly, where the client corporation is essentially an extension of the government (the most notably examples being large defense contractors), the private attorney's obligations might take on the broader ethical restraints imposed on a government attorney.

The standards of government attorneys and the public interest lawyers should always be invested with a broad sense of social responsibility. This is particularly true of the public interest lawyer, because unlike the government attorney, he is not given his position by the state. He is often self-appointed.

Articulate Washington lawyers will argue interminably ethical questions such as these because the problems are complex and because the terrain is uncharted. But history does offer a clear signal to Washington lawyers etching a profile in courage can be a very expensive proposition, calling for the best in any of us confronted with these problems. The two most outstanding examples of lawyers who said no as a matter of personal conscience and professional standards are Thomas a Becket and Thomas More. When Thomas a Becket said no to King Henry II's request to lawyer a state takeover of the church, the King had him murdered in the cathedral. When Thomas More refused to give legal sanction to the sovereign's divorce, King Henry VIII had him beheaded. It is interesting that Thomas More and Thomas a Becket are remembered as saints, not as lawyers.

CHILEAN REFUGEES

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. DRINAN. Mr. Speaker, I have today introduced legislation which will open the United States to those suffering political persecution in Chile. I urge that the United States give the same treatment to those suffering persecution in Chile as we have given to the Hungarian freedom fighters and the refugees from Fidel Castro's Cuba.

In the last few months, I, along with other Members of Congress and citizens throughout the world, have called upon the Soviet Union to permit her citizens freedom to emigrate. The United States is very proud of its tradition of admitting those who have been the victims of social, religious, and political persecution.

Reports from Chile indicate that Chilean citizens will no longer be given safe conduct passes for political asylum abroad. Many political refugees have gathered in the embassies in Chile. In addition, approximately 7,000 people are imprisoned in the national stadium.

I am greatly concerned for the 40,000 or more foreigners now in Chile as political exiles under the government of the late President Salvador Allende. I am hopeful that the United Nations Commission for Refugees will be successful in aiding these unfortunate people. According to press reports, more than 500 people, mostly Latin Americans, have found political asylum in embassies in Chile. Unfortunately, the Chilean junta has put up guards around most embassies to block those seeking political asylum.

I am distressed beyond measure by the reports of the American citizens who have recently arrived in Miami from Chile to the effect that 400 to 500 people have been systematically murdered by Chile's new military leaders.

The United States has always been a haven for those forced to emigrate because of social, religious, and political upheaval. From the earliest days of our history, pilgrims, Huguenots, Jews, and Catholics have been welcomed when persecution in their homelands forced them to emigrate. I am hopeful that we can live up to these traditions.

A copy of the bill follows:

H.R. 10525

A bill for the relief of certain distressed aliens

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of any other law, there are authorized to be issued fifty thousand special immigrant visas to aliens specified in section 2 of this Act seeking to enter the United States as immigrants, and the spouses and children of such aliens, if accompanying or following to join them.

SEC. 2. Visas authorized to be issued under the first section of this Act shall be issued only to citizens of Chile who are seeking to enter the United States to avoid persecution, whether such persecution is evidenced by overt acts or by laws or governmental regulations that discriminate against such aliens, or any group to which they belong, because of their political beliefs or associations.

SEC. 3. Visas authorized to be issued under this Act may be issued by consular officers in accordance with the provisions of section 221 of the Immigration and Nationality Act: *Provided,* That each such alien is found to be eligible to be issued an immigrant visa and to be admitted to the United States under the provisions of the Immigration and Nationality Act: *Provided further,* That a visa is not immediately available to such alien under the Immigration and Nationality Act at the time of his application for a visa.

SEC. 4. Aliens receiving visas under the first section of this Act shall be exempt from paying the fees prescribed in paragraphs (1) and (2) of section 281 of the Immigration and Nationality Act.

SEC. 5. The definitions contained in section 101(a) and (b) of the Immigration and Nationality Act shall apply in the administration of this Act.

AMENDMENTS TO H.R. 6452, URBAN MASS TRANSPORTATION ASSISTANCE ACT OF 1973

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. BADILLO. Mr. Speaker, when the House next week takes up H.R. 6452, the Urban Mass Transportation Assistance Act of 1973, I will offer amendments designed to assure that the operating assistance funds granted under this legislation are used to promote safety in mass transportation, as well as service improvements generally.

In addition to adding safety as one of the criteria for approval of the comprehensive mass transportation improvement plans to be submitted to the Secretary of Transportation, my amendments also would give to the National Transportation Safety Board a review authority with respect to those plans.

For the information of my colleagues, I present herewith the text of my amendments and a sampling of articles on mass transit safety problems.

AMENDMENTS TO H.R. 6452, AS REPORTED OFFERED BY MR. BADILLO

Page 3, line 6, insert "and safety" after "service".

Page 3, line 10, insert "safe," after "economical,".

Page 3, line 13, after the period insert the following new sentence:

Before approving any comprehensive mass transportation service and safety plan submitted to him under this subsection, the Secretary shall (1) refer such plan to the National Transportation Safety Board for its review and its comments and recommendations, and (2) publish the Board's comments and recommendations in the Federal Register or otherwise make such comments and recommendations effectively available to the public in the areas involved.

[From the New York Times, Aug. 30, 1973]

SUBWAY ACCIDENT LAID TO COLLAPSE OF ARCHAIC DUCT

(By Edward C. Burks)

The collapse of an archaic suspended duct structure, the only one of its kind in the subway system, caused Tuesday's fatal accident in the East River Flushing line tunnel, the Metropolitan Transportation Authority said yesterday.

One man died of massive injuries received from the crash of a 20-ton section of concrete against the front car of a jammed Flushing-bound IRT train during the rush hour. Eighteen persons were carried out on stretchers by rescue teams. For agonizing minutes hundreds were trapped in sweltering heat and dense smoke resulting from a short circuit 110 feet below the United Nations.

Shortly after a three-man M.T.A. board of inquiry began its work yesterday, Dr. William J. Ronan, the authority chairman announced that "immedite steps" had been taken to shore up and secure the area of the concrete collapse.

A spokesman explained that the unusual duct structure extended for 205 feet along the top of the tunnel in that section between Grand Central Station and the river, and that a chunk of concrete 25 by 15 feet in size had fallen.

AUTOPSY REPORT RELEASED

Dr. Ronan said that, according to "preliminary indications," corrosion of metal supports enclosed in concrete and holding the heavy duct to the tunnel roof had caused the collapse.

Full service had been restored on both tracks of the 66-year-old tunnel yesterday.

An autopsy report by Dr. Milton Helpern, the city's chief medical examiner, stated that Robert Beyer of West Islip, L.I., had died of crushing chest injuries when the concrete slab fell. The 35-year-old passenger, first thought to have died of a heart attack, was standing by the door of the front car. The autopsy showed that he had suffered torn lungs, fractured ribs and a broken pelvis.

Meanwhile, the Transit Authority reported that a total of 10 passengers had been taken to hospitals and that at least nine had been treated and released.

While some Transit Authority employes were saying privately that inspectors had warned about the old concrete duct system for some time, there was no confirmation of this from the M.T.A. A spokesman said that the tunnel had been inspected closely every month, the last time being Aug. 1.

There were some delays on the Flushing line yesterday, and trains were operating at eight-minute rather than six-minute headways to allow workmen time to put heavy supporting timbers into place.

Dr. Ronan said that the old suspended steel and concrete chamber bearing ventilation and cable ducts would be replaced with "a column-supported steel structure."

The tunnel was originally built for trolleys. When it opened in 1907, it was the first underwater passenger tube in the city, connecting Park Avenue with Jackson and Vernon Avenues in Long Island City, Queens. The suspended duct system was an adaptation to accommodate subway service initiated in 1915.

Dr. Ronan's statement said that Transit Authority personnel had "met this situation with dispatch and followed appropriate emergency procedures. He added that the Transit Authority two years ago had introduced special emergency procedures at all river crossings where passenger evacuation or handling of disabled trains might be difficult. Rescue equipment is located at each end of such crossings, he said.

1,000 TRAPPED IN AN IRT TUNNEL ACCIDENT, MAN DIES OF HEART ATTACK IN 115° HEAT—18 NEED STRETCHERS AS CEILING FALLS

(By Paul L. Montgomery)

One man died and 1,000 passengers were trapped in 115-degree heat and heavy smoke yesterday after an archway in the ancient Flushing line tunnel under the East River collapsed on the first car of a Queens-bound IRT train.

At least 18 passengers were carried from the tunnel on stretchers by sweating policemen and firemen, and scores of others had to be assisted to the street for treatment before they were sent home. The dead man apparently suffered a heart attack in the heat, smoke and confusion.

Normal service on the Flushing line was restored at 8:46 P.M. after the track at the site of the collapse, near First Avenue and 42d Street, had been cleared.

The 1 hour 20 minutes that the passengers were trapped in the intense heat and smoke was a time of terror and quiet heroism, of chaos and people finding a moment to be kind to one another. Many remarked about the minimum of hysteria.

"There was no panic, compliments to the people," said a fireman, Edward Boljonis, of Ladder Company No. 2.

The accident, the first in the subways since 1971 involving a passenger fatality, occurred at the Manhattan end of the old Steinway tunnel between Long Island City, Queens, and Grand Central Terminal, two blocks east of the Grand Central stop. The tunnel, the oldest in the system, was built at the turn of the century for trolley cars.

A chunk of concrete 20 feet long apparently worked loose from iron retaining rings at an archway of the two-track tunnel and crashed into the side of the first car of an 11-car train that had left Grand Central at 4:50 P.M.

"There was a rumbling sound, like a wheel had fallen off," said Robert Kaiser of Sayville, L.I., who was in the second car crammed with homeward-bound commuters. The concrete crushed the first door on the left side of the train and broke windows, injuring several people at impact.

Instantly, the motorman, listed as G. Lee, pressed an emergency-stop button in the car and the train lurched to a halt 25 feet from the point of impact. Standing passengers were thrown forward by the sudden stop.

Paul Casalta Jr. of Corona, Queens, was in the first car.

"I had been dozing off, and at first I thought I was having a nightmare," he said. "Then I was on the floor and I just saw a guy lying across my feet."

Almost immediately, choking smoke billowed from the tracks near the middle of the train. The smoke apparently was caused by a short-circuit. The sparks from which touched off a small fire in accumulated rubbish near the first car. When the power was cut at 4:55, the smoke abated in the tunnel but drifted in dense clouds toward Grand Central.

[From the New York Times, July 20, 1973]

RAIL HAZARD DATA DISCLOSED BY REID—HE CITES UNION REPORTS OF PERILS ON PENN CENTRAL COMMUTER SYSTEM

(By Martin Tolchin)

WASHINGTON, July 19.—Representative Ogden R. Reid of New York said today that unions representing employes of the Penn

Central's commuter railroads had furnished him with reports of widespread safety hazards that had resulted in delays, derailments, injuries and fatalities.

The unions, which fear a reduction in the railroad labor force, have worked closely with Mr. Reid, a Westchester County Democrat who is expected to be a candidate for the Democratic nomination for Governor next year.

Mr. Reid said in an interview today that union allegations included the following reports:

The radio was not in operation in one of the trains involved in a collision at the Mt. Vernon station on June 9, in which one person was killed and 119 were injured.

The ties on the 138th Street bridge are worn so thin that the metal on the track touches the metal structure on the bridge, thus short-circuiting signals.

Dozens of radios in the engineers' cabs can receive but not send messages, making it impossible for trainmen to warn of impending problems.

"Is no one capable of protecting the public?" Mr. Reid asked.

Robert Van Waggoner, news manager of the Penn Central's metropolitan region, which operates the New York commuter railroads, said that "we feel we run a very safe railroad." He added, however, that "we don't know what the allegations are."

"AS GOOD AS ANY"

David Baxley, press spokesman for Dr. William J. Ronan, chairman of the Metropolitan Transportation Authority, which oversees the Penn Central's commuter railroads, said that "we think the safety standards are as good as any in the country, and we're constantly trying to improve them."

Mr. Reid, however, asserted that "we're faced with a genuine transportation crisis." He added that "what's happening on the New Haven Division is a transportation disaster."

The congressman, who switched to the Democratic party last year and whose upstate trips in recent weeks have convinced many politicians that he is a candidate for Governor, thumbed through a thicket of reports received from unions representing railroad employes.

One report said that "concerning the section of track on the old New Haven tracks from Pelham to the Hell Gate Bridge, many signals are inoperative, the roadbed is in poor condition, and on June 28, there were between seven and 10 broken rails on tracks one and two, which are utilized as passenger tracks."

On June 25, another report alleges, a freight train derailed at the north end of Oak Point Yard, near the Willis Avenue Bridge. The train damaged the tower, where signals and switches are automatically controlled. As a result, all switches and signal levers, including those used for passenger tracks, must be thrown by hand.

"Yard tracks in Oak Point are in such bad shape that hardly a day goes by without one or two derailments," the report said.

A union report also alleged that many fires in the Park Avenue tunnel are caused by "locomotives that have defective third-rail contact shoes which cause them to throw sparks, sometimes resulting in fires."

[From the Washington-Star News, July 20, 1973]

TRAIN CRASH "NIGHTMARE OF BUNGLING"

(By Ann McFeatters)

The government's investigation of the Oct. 30, 1972, commuter train crash in Chicago that killed 45 people and injured 332 reveals a nightmare of bungling, unenforced rules and unsafe railroad cars.

In its formal report released today, the National Transportation Safety Board spared nothing in its denunciation of the worst such crash in more than 20 years and recommended action that could have nationwide impact on high-speed commuter service.

The Board asked the Federal Railroad Administration and the Urban Mass Transportation Administration either to justify or disprove the safety board's recommendation that high-speed commuter service be controlled by an automatic system to prevent collisions and that lightweight commuter cars should be crash-tested before being put into service.

Shortly after 7:30 that October morning Illinois Central Gulf Railroad commuter train 416, with four new two-story highliner cars and a malfunctioning speedometer, overshot the 27th St. station on its way north into downtown Chicago.

The engineer was new to the run that day and failed to brake in time to make the station platform, the board found.

The train was backing toward the platform without a flagman to its rear when a second train, exceeding the 30-mile-an-hour speed limit by an estimated 20 to 25 m.p.h.—it had no speedometer—was routed onto the same track. It smacked into the rear of train 416.

The first 10 feet of the first car of the second train, built between 1924 and 1926, were destroyed. But the real damage came when the rear half of the 85-foot-long highliner car—the last car of train 416—was telescoped by the older train.

The rear of train 416 was painted black and carried low-intensity lights only about 1½ inches in diameter, so it was hard to distinguish from the station platform.

About that time, a third train, arriving late, sideswiped the accident on an adjacent track.

In the resulting confusion and terror, the board said one of the only saving factors was that Michael Reese Hospital is adjacent to the track and that quick emergency response "precluded an even higher number of fatalities."

From post accident tests inspection and hearings, the safety board found that when the new highliner cars were delivered to the railroad there was a collision during acceptance testing at 16 m.p.h. The test cars were so badly damaged that it was more economical to build new ones than to repair the damage.

The board also said that the railroad management's failure to enforce five rules contributed to the accident. The board learned that 18 of 29 interpretations of rules by the crew members involved were wrong.

The board also noted that while overrunning stations is common, train employes usually do not carry flagging equipment to warn other trains when they have to back up. Flagging is considered essential because the automatic signals in use there indicate clear track ahead once a train passes them. The board said better signal systems now manufactured might have prevented the accident.

[From the New York Times, June 18, 1973]

OFF THE TRACK

Two recent incidents have underscored the dangerous deterioration of the Penn Central's commuter operation. The still unexplained delay of more than an hour before the alarm was sounded on May 29, after a fire had broken out in a Penn Central engine beneath Park Avenue, was followed by the crash of two trains at Mount Vernon which killed one passenger and injured others.

Although investigations of both accidents have not yet been concluded, it is evident that the condition and maintenance of the railroad's equipment, the effectiveness of its management and the morale of its personnel are simply not at a level necessary to assure safe, let alone efficient, operations.

No official report is needed to show that the railroad—particularly its New Haven division—which serves as a vital link between the city and some of its major suburban commuter areas can be described only as a transportation disaster. Commuters familiar with the nightly confusion at Grand Central are surprised only when they occasionally complete a trip without problems, inconvenience or delays. Lack of information about the arrival, departure and locations of trains is often shared in equal measure by passengers and railroad personnel.

The ongoing investigations must, of course, determine what or who was at fault in the recent specific accidents. But a report can only be considered responsive to the needs of the city and its commuters if it details the steps to be taken to make this lifeline safe and efficient.

[From the New York Times, June 2, 1973]

IN CASE OF FIRE

The complaint of Fire Commissioner Robert O. Lowery that Penn Central personnel failed to sound an alarm when fire broke out in the engine of a crowded commuter train on Wednesday constitutes a grave charge of dangerous negligence. The train was stalled in the tunnel underneath Park Avenue at 76th Street. Smoke was so dense and acrid that it felled 27 firemen. Yet fire officials maintain that the first alarm was sounded more than one hour after the first sign of the fire, and then apparently only by way of a street alarm box.

A taped telephone conversation between a Fire Department dispatcher and a Penn Central supervisor indicates that persons in authority at the railroad felt—incomprehensibly—that they did not need the Fire Department to cope with the emergency.

If Commissioner Lowery's claims are confirmed, they would point to extraordinary irresponsibility on the part of the railroad. It was in the wake of repeated failures to notify the Fire Department in similar incidents three years ago that emergency plans were agreed upon between the department and the Penn Central. These arrangements included installation of a "hot line" telephone, in addition to a pledge by the railroad that amateur fire-fighting efforts would no longer be allowed to postpone calls for professional help.

Apparently, however, the contingency plan was not followed in the latest emergency. Passengers safety must not be jeopardized by negligence arising from jurisdictional disputes between the railroad and the Fire Department.

[From the New York Times, June 10, 1973]

RAIL CRASH LAID TO HUMAN ERROR—PENN CENTRAL GIVES ITS VIEW ON MOUNT VERNON WRECK

(By Paul Montgomery)

The Penn Central said yesterday that "man failure" appeared to be at the root of the crash of two trains in Mount Vernon, N.Y., Friday evening that killed one person and injured 140.

William Baird, a spokesman for the line, said he could not elaborate on the preliminary finding that human error rather than equipment failure had caused the crash in which the 7:05 New Haven express from Grand Central Terminal rammed into the rear of the 7:10 Stamford local as the local was unloading passengers at the Mount Vernon station.

"We are making a thorough investigation," Mr. Baird said. "A report should be made sometime this week."

After the crash, there were conflicting reports about its cause. Some mentioned a possible confusion in the signal tower that might have sent the express along the same track as the local. Others said the brakes on the express appeared to have failed, and one passenger said the local had backed up before discharging passengers. The Penn Central would not coment on any of the statements.

The man killed in the crash was Dominic Gomes, 26 years old, of Port Chester. Of the injured, five were still hospitalized yesterday, including Colin Hughes, the Australian vice consul in New York, who suffered skull, arm and leg fractures.

The wreckage was cleared by dawn and the two trains were towed away for examination. The line resumed normal Saturday schedules through the Mount Vernon station at 7:30 A.M.

The Penn Central's investigation of itself was one of a number of investigations into the cause of the crash. The Metropolitan Transportation Authority, which owns the New Haven right-of-way, announced that three board members now investigating the Park Avenue tunnel fire late last month had been ordered to investigate Friday's collision.

Dr. William J. Ronan, chairman of the M.T.A. said in a statement that he was "deeply concerned" about the crash and had ordered staff members to the scene to collect information. He said he had asked the panel to "report their findings as soon as possible."

Staff members of the Federal Railroad Administration were also in Mount Vernon to investigate the crash. The administration, under the Federal Railroad Safety Act, has the authority to set safety standards, investigate compliance and, in an emergency, intervene in operations.

Representative Ogden R. Reid, Westchester County Democrat, said he had been pressing the Administration since March to look into rail operations in the county. He regards Penn Central and M.T.A. management as inadequate, and believes that Federal officials should oversee the line's operations.

Representatives of the Westchester County District Attorney's office and the Mount Vernon police also interviewed survivors and crew members about the crash.

Mayor Alfred DelBello of Yonkers, a persistent M.T.A. critic who went to the crash scene Friday night, disputed the Penn Central statement that "man failure" was involved. He said he had talked to a crew member who said that brake failure on the express train had led to the crash.

[From the Washington Post, April 27, 1973]

INATTENTION, DEFECTIVE RAIL BLAMED IN ARLINGTON WRECK

The National Transportation Safety Board said yesterday that a defective rail and crew members' failure to follow signalling rules probably caused an April 27, 1972, railroad collision that derailed 18 cars and locomotives in Arlington County.

The safety board, in a 20-page report on the accident in the Richmond, Fredericksburg & Potomac Railroad's Potomac Yard, repeated its year-old recommendation that federal agencies study the hazards of joint use of tracks by passenger and freight trains.

There were no serious injuries in the 10:17 p.m. collision, the report noted. The report said the engineer of a north-bound passenger train with 28 passengers and six crewmen had good visibility and was able to apply his brakes before colliding with one car of a Penn Central freight train that had derailed on an adjoining track.

The safety board concluded the freight train derailment was probably caused by a defective rail that broke when the train passed over it at 8 miles an hour. The probable cause of the collision, the safety board said, was that the freight train crew members "did not flag the passenger train as they were required to do by operating rules" of both Penn Central and the Potomac Yard.

The report said the freight train's engineer, brakeman and conductor all missed opportunities to prevent the collision by putting up signals on the passenger train track or notifying railroad officials by radio or telephone.

The safety board recommended that Penn Central and the Potomac Yard revise their employee training procedures to ensure all operating rules in such situations are followed. A spokesman for Penn Central said he had not yet seen the report and could not comment on it. A spokesman for Potomac Yard said the yard would be glad to cooperate with the railroads in improving training procedures.

The safety board first urged a federal study of joint freight-passenger train track use in a March 27, 1972, report on a Connecticut passenger-freight train collision. "The operation of freight and passenger trains on adjacent tracks without adequate safeguards to prevent collisions between the two types of trains creates hazards which should be analyzed and controlled," yesterday's safety board report said.

MTA IS SCORED ON IND FATALITY—FAULTY MAINTENANCE CHARGED IN MAN'S DEATH LAST YEAR

Mrs. Carol Greitzer, a member of the City Council, charged yesterday that a fatal subway accident last Dec. 22 could have been caused by faulty maintenance that permitted a train to move with an open door.

Mrs. Greitzer, a Manhattan Democrat, said the Metropolitan Transportation Authority had conducted "a secret inquiry into this fatal accident and refuses to make known the results."

She said some M.T.A. employes "more interested in safety than secrecy indicate to me that the tragedy could have resulted from poor maintenance."

In the last few weeks, she added, "I have received dozens of complaints about doors opening while trains were moving—it is probably a miracle that no deaths have resulted."

MAINTENANCE FORCE CUT

Mrs. Greitzer said in the last several years the preventative subway maintenance force had been cut by 25 per cent and that the maintenance programs were deteriorating so rapidly as to "constitute a very real danger to the lives of straphangers."

Last Dec. 22, Frank Twomy, a 28-year-old visitor from Ireland, got his foot caught in closing doors on a southbound Eighth Avenue local as he tried to get off the train at the 125th Street station. The train moved out with doors ajar because of Mr. Twomy's clamped foot. The victim managed to extricate his foot, but fell under the train, which stopped 50 feet into the tunnel. Mr. Twomy was killed.

"Standard safety devices are designed to prevent such accidents," Mrs. Greitzer said, "but faulty maintenance will destroy the effectiveness of the most perfectly designed safety device."

Mrs. Greitzer, a member of the City Council's Special Committee on Public Transportation, called for Federal and city investigation of the safety aspects of the subway system.

The Transit Authority, responsible under the Metropolitan Transportation Authority, for the operation of the subways, declined to comment on Mrs. Greitzer's charges. A spokesman said the investigation into the death of Mr. Twomy had not yet been completed.

THE FOREST SERVICE: A GOVERNMENT AGENCY WORK BENEFITS ALL THE PEOPLE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. RARICK. Mr. Speaker, the Subcommittee on Forests of the House Agriculture Committee completed hearings today on House Joint Resolution 729 and an identical Senate-passed bill, Senate Joint Resolution 134, legislation which would require the U.S. Forest Service to maintain the level of permanent, full-time employees during the present fiscal year at not less than 450 above the June 30, 1973, permanent full-time personnel ceiling.

When the hearing opened, I made the following statement:

The Subcommittee recognizes that the President, in his recent housing message, remains committed to the objective of the Housing Act of 1949: "a decent home and a suitable living environment for every American family." The Subcommittee is also cognizant of the President's remarks yesterday when he received the findings and recommendations of his Advisory Panel on Timber and the Environment:

"To meet our current and future needs for lumber, the Panel recommends that timber sales from national forests be raised to and maintained at allowance harvest levels wherever market demand is sufficient and so long as adequate funding is made available. This is an objective with which the Forest Service concurs, and I endorse it."

"The Subcommittee is aware that the President's Advisory Panel on Timber and the Environment has recommended that this increased harvest of timber on national forest lands be accompanied by more extensive and intensive management so as to protect the environment and insure an adequate supply of timber for all Americans. We are also aware that the President's Advisory Panel has recommended that the President require Federal land management agencies, especially the Forest Service, to undertake management practices to direct and control all nontimber uses made of the lands; to recognize that the day of unlimited public use of Federal recreation areas is over, and that recreation and other nontimber uses will have to be controlled and managed just as management has been applied over many years to timber growing and harvest and to grazing use.

We are aware of the tremendous importance of the Forest Service and its diversified operations. The Forest Service currently has some 187 million acres of forestland under its control. It is charged with operating under a multiple use concept requiring consideration of timber harvesting, recreational activities, conservation of fish and wildlife, water management, watershed development, and grazing. We are aware of all of these operations, and we recognize that the Forest Service has been charged with increasing timber harvest on national forest lands by 10% or 1 billion board feet, yet the Administration has proposed to reduce the level of permanent full-time employees of the Forest Service almost 1600 persons. We are concerned over this and would like to inquire if the Forest Service has sufficient personnel with which to carry out its assigned duties, much less attempt to implement the recommendations of the President's Advisory Panel on Timber and the Environment.

We know that Chief McGuire of the Forest

Service, in testimony before the Senate Committee on Agriculture and Forestry, admitted that the reduction in personnel would lead to a less intensively managed program. We wonder, therefore, if the Administration in insisting that every agency within the Federal Government face a reduction in personnel is not being penny-wise and pound-foolish.

We recognize that an investment in timber production is an investment in America and its future. Again, quoting Chief McGuire in testimony before Senate Agriculture, for every dollar expended in our timber programs the Treasury gets back about $4 and the Counties get back about 25 percent of that in payments in lieu of taxes. This is an investment that must be protected and the Forest Service is charged with this responsibility.

The workload on the National Forests has been expanding at a substantial rate in virtually every use. The National Forests have truly come of age as more and more Americans look to their 187,000,000 acres for clear water, stable soil conditions, a clean atmosphere, carefully managed plants and animals in order to provide a full measure of both commodity and non-commodity uses. These 187,000,000 acres of valuable national environment are not being as intensively managed as they should be to provide fully for these resources now and in the future.

There is little doubt that the cost of living and the cost of doing business has risen appreciably in this past decade and significantly these past few years. On a constant dollar basis the budgets for the Forest Service have not kept pace with this rise and the budget now before the Congress requests less money than was provided last year. Thus, in the face of inflation, less money will be available both in terms of current dollars and in terms of constant dollars the decline is even greater.

We must see to it that the Forest Service has adequate, trained, full-time personnel to do the job assigned it, and to do it well. Otherwise, future Americans must pay for our mistakes.

Mr. Speaker, a news release issued earlier this year by the Department of Agriculture gives further proof that an investment in timber production is an investment in America. According to this release:

Thirty-nine states plus Puerto Rico received more than $114 million out of $455,216,805 the FS collected during the year.

So that our colleagues might see how important the work done by the Forest Service is to all of our people, I ask that this news release detailing the distribution of funds under this program be included in the Record. As our colleagues know, this money must, by law, be spent for public schools and roads:

West Coast States Received Major Part of Forest Service Fund Distribution

Davis, Calif., Aug. 31.—The three west coast states received the major part of funds distributed by the Forest Service (FS) out of proceeds from users of United States National Forest products and services the year ended June 30, 1973, the U.S. Department of Agriculture (USDA) announced. The total was a record.

Thirty nine states plus Puerto Rico received more than $114 million out of $455,216,805 the FS collected during the year. The three west coast states were given checks totaling $87,388,328—$42,471,875 for Oregon, $27,520,688 for California, and $17,395,765 for Washington. By law the money must be spent for public schools and roads.

Payments to the 40 jurisdictions containing National Forests represent 25 percent of total receipts from fees from grazing, recreation—including admission and user fees—power, minerals and other land use, plus sale of timber. The "25 percent fund" goes to states and Puerto Rico for redistribution to, or expenditures to benefit counties in which National Forests are located.

The latest distribution pushes to more than $1 billion the amount given to non-federal jurisdictions since the Service was formed in 1905. Total FS user receipts since 1905 exceed $4 billion.

Of that portion not sent to non-federal jurisdictions, 10 percent is for FS use in building roads and trails in areas having National Forests, and the remainder, with certain exceptions provided by law, goes into the general fund of the U.S. Treasury.

Increased receipts from timber sales in the latest year were primarily responsible for the payment to states being $29 million higher than in fiscal year 1972, when it totaled $84.6 million.

The amounts being received by each State from the 25 percent fund are as follows:

Alabama	$297, 364
Alaska	973, 915
Arizona	2, 094, 018
Arkansas	968, 199
California	27, 520, 688
Colorado	866, 240
Florida	725, 161
Georgia	355, 627
Idaho	6, 143, 165
Illinois	43, 443
Indiana	20, 212
Kentucky	120, 844
Louisiana	1, 435, 712
Maine	9, 150
Michigan	308, 971
Minnesota	439, 637
Mississippi	1, 662, 454
Missouri	712, 067
Montana	4, 561, 074
Nebraska	28, 219
Nevada	133, 249
New Hampshire	136, 092
New Mexico	904, 129
North Carolina	252, 694
Ohio	19, 854
Oklahoma	143, 317
Oregon	42, 471, 875
Pennsylvania	225, 894
South Carolina	792, 612
South Dakota	82, 628
Tennessee	82, 786
Texas	702, 754
Utah	284, 243
Vermont	148, 313
Virginia	101, 835
Washington	17, 395, 765
West Virginia	151, 902
Wisconsin	146, 202
Wyoming	587, 059
Puerto Rico	2, 650

MURDER BY HANDGUN: THE CASE FOR GUN CONTROL—NO. 24

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. HARRINGTON. Mr. Speaker, another day goes by; another handgun is used; another life is ended. Will it ever stop?

Will we ever begin a real drive to remove the handgun from our society?

I would like at this time to include the text of a September 11, 1973, Washington Post article concerning the recent slaying of a fellow man:

Man Shot Dead in Prince Georges

A 39-year-old Prince George's County man was shot and killed and another seriously injured about 8 p.m. Sunday during an argument with a third man, county police reported yesterday.

County police said Thomas Brown Jr., of 911 62d Pl., Cedar Heights, was shot while standing on the corner of 62d Place and Jost Street in Seat Pleasant following the argument. John R. Allen, 67, who lived at the same house as Brown also was shot during the argument. Allen was listed in serious condition yesterday at Prince George's Hospital.

Willie Black, 48, of 7605 Normandy Pl., Palmer Park, was charged with murder and assault with intent to murder.

MISSING IN ACTION

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. EILBERG. Mr. Speaker, after 12 long years of fighting, the Vietnam war has finally come to an end. Many of our servicemen, including those in prisoner-of-war camps, have been returned home to reestablish their lives.

But what about the more than 1,200 forgotten men who have yet to be accounted for and are still listed as missing in action?

The provisions of the January peace treaty and the June joint communique which deal with MIA's have been ignored by North Vietnam. And, thus far, there has been no thorough investigation of indication that American prisoners are being held in China and other Southeast Asian countries. So far, there have been only inadequate responses by our Government to questions about this situation.

For these reasons, I am sponsoring legislation calling for a congressional investigation into the status of those men still missing in action as a result of the Vietnam war.

This legislation also withholds any aid to the Government of North Vietnam or any government supported by the Communist Forces in Southeast Asia until a complete account of these men has been made.

Additionally, I am proud to announce that the City Council of Philadelphia is also deeply concerned about the whereabouts of our servicemen who never returned from the Vietnam conflict.

I enter into the Record a copy of Resolution No. 204 which was adopted by the Council of the City of Philadelphia on September 6, 1973.

The resolution follows:

Resolution No. 204

Memorializing the President of the United States of America to immediately undertake a vigorous campaign to resolve once and for all the issue of members of the Armed Forces of the United States who are still either prisoners of war or missing in action.

Whereas, The "Peace Agreement" was signed in Paris, France, many months ago between the United States and North Vietnam; and

Whereas, This agreement provided for the safe return of all known prisoners of war and those missing in action, whose whereabouts are known only to the North Vietnamese and Viet Cong; and

Whereas, The mothers, fathers, wives, children and other relatives and friends of these forgotten men undergo torturous mental anguish not knowing whether their loved ones are alive or dead; and

Whereas, The solution to this problem can be achieved by allowing inspection teams into those parts of Southeast Asia that are now denied to us; therefore

Resolved, By the Council of the City of Philadelphia, That we do hereby memorialize the President of the United States of America, and the Secretary of State to initiate without further delay, prompt official action to determine the fate of all America's P.O.W. and M.I.A.

Resolved, That certified copies of this Resolution be forwarded to the President of the United States, the Secretary of State of the United States, to the respective Clerks of the Senate and House of Representatives of the United States, to the United States Senators from Pennsylvania, and to the Representatives from Philadelphia.

CONGRESS MUST ASSUME LEADERSHIP ROLE FOR FEDERAL EMPLOYEES BENEFITS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. WALDIE. Mr. Speaker, the President has once again deployed his heavy artillery for another assault in his continuing "war on Federal employees." And as chairman of the House Subcommittee on Retirement and Employee Benefits, I feel that I must also, once again, set the record straight, even though the present administration apparently does not want to be "confused with the facts."

The most recent example of the President's disregard for Federal workers is his plan to defer for 2 months a pay raise they need—and deserve under the Pay Comparability Act of 1970. Federal employees desperately need a pay raise as soon as possible to help meet the inflationary pressures that Mr. Nixon's policies have failed to come to grips with. But while corporate profits skyrocket, and the cost-of-living index increased 1.8 percent during the month of August, the President gave Federal employees a "Labor Day gift" by announcing on August 31 that he wanted to defer their pay raise from October 1 until December 1.

I suppose we should not have been surprised by his action since it was the third time in 3 years that Mr. Nixon has tried to cheat Federal employees out of their pay raises. In any case, I have decided to do two things. First, I have today introduced in the House of Representatives a resolution disapproving of the President's alternate plan, and calling for a pay raise effective October 1. Second, I have concluded that because of the President's abuse of his discretion in implementing the Pay Comparability Act, my subcommittee needs to hold oversight hearings into this matter with an eye toward developing a system whereby the Federal employee will be treated equitably, and not at the whim of any individual. These hearings will begin in early October.

But, this most recent example of the President's insensitivity to the justifiable needs of Federal employees is simply the most recent in a long series of such Presidential actions, and one which must be placed in the context of the present administration's philosophy.

For politically expedient reasons the President often refers to the "bloated" Federal bureaucracy, without admitting that the percentage of the civilian national work force now employed by the Federal Government is significantly reduced from former years. The President continually implies that there are a lot of make-work jobs in the Government, ignoring the fact that by his own Secretary of Labor's study, the productivity of Federal workers increased at five times the rate of employees in the private sector from 1967–71.

So, it is clear today that both through this administration's words and actions, the Federal employee cannot expect justice from the executive branch. For those of us who believe that the Civil Service Commission should be an agency thoroughly removed from politics and dedicated to the principles of the merit system, I was shocked to hear the Commission's top people refer to themselves as the "President's employment agency." Such an attitude would have been considered unthinkable only a few years ago.

Thus, Mr. Speaker, because, unlike most American workers, Federal employees do not have the right to bargain for their rights and benefits—and I fully support their efforts to obtain such collective bargaining rights—Federal Government workers must turn to and depend upon the Congress to assure them of a fair deal, and adequate employee benefits.

Because the Congress must assume a vigorous leadership role if the Federal Government is to be a progressive employer, I would like to bring to the attention of the Members what our subcommittee's legislative program is for the 93d Congress. We have already accomplished much, and we hope to do more.

Probably our most significant accomplishment has been in substantially reducing the cost of health insurance premiums for most Federal employees. After 2 years of extensive investigative hearings into the Federal employee health benefits program which disclosed an egregious lack of concern by the Civil Service Commission and an understandable willingness by the insurance carriers to take advantage of the Commission's lack of vigilance, 1973 health insurance premiums for Blue Cross/Blue Shield and Aetna were significantly reduced. There can be no doubt that the subcommittee's activity led directly to a savings in excess of $100 million for Federal employees in the past year.

However, I must also warn everyone that in all likelihood substantial premium increases are in the offing for 1974. When they are announced, after negotiations between the Commission and the insurance companies, I will ask the Cost of Living Council to certify that the increases are allowable under the economic stabilization. You will remember that when I appealed 1972 premium increases to the then Price Commission, we were successful in reducing by some 12 percent the rate increase the Commission had granted to Blue Cross/Blue Shield.

But, to be realistic, I am sure that some price increase will be granted for 1974, and it is for this reason that it is particularly necessary that H.R. 9256, my bill to increase the Government's contribution to health premiums, be enacted into law. The primary purpose of this bill is to increase the Government's contribution for Federal employees' health insurance plans from 40 to 55 percent, beginning in 1973, with an additional 5-percent increase each year thereafter until 1977, when the Government contribution would reach 75 percent. Additionally, the bill would permit any annuitant who retired prior to July 1, 1960, to elect coverage under the health benefits program applicable to current Federal employees.

As the Members know, my efforts in this regard were successful when the House passed this legislation last week. We now await Senate consideration and hope that the President will sign the bill. To not sign the bill would be the height of hypocrisy, because 2 years ago Mr. Nixon called upon the private employers of this country to pay a minimum of 75 percent of their employees health premiums. The Federal Government as the largest employer in this country should do no less, particularly in view of the fact that most major corporations in this country now pay 100 percent—not just 75 percent—of their employees' health premiums. The fight in this area is, therefore, not to attain parity, but simply to not fall even further behind the private sector.

The House has also recently done its duty in regard to passing other pieces of significant legislation that I have reported out of my subcommittee.

In the field of retirement the House has passed three bills. On September 17, 1973, the House passed H.R. 3799. This bill would allow a Federal employee who retires after the effective date of a cost-of-living annuity increase to receive the increased annuity which would have been payable had he retired immediately prior to the effective date. The provisions of this bill would be retroactive to July 1, 1973.

Then, on September 20, 1973, the House passed H.R. 9281. The primary provision of this bill would provide for computing the annuities of Federal law enforcement officers and firefighters at the rate of 2½ percent for each of 20 years of service instead of the present rate of 2 percent.

Earlier this year, the Congress passed and the President signed H.R. 6077. This bill made it possible for employees whose agencies were undergoing major reductions-in-force to retire when they completed 25 years of service, regardless of age, or when they completed 20 years of service and reached the age of 50. This bill gave many employees whose agencies were undergoing RIF the opportunity of an early retirement with an immediate annuity, thus saving jobs for many younger workers.

House action on H.R. 9257 is now scheduled for October 1. The immediate effect of this bill would be to require the Civil Service Commission to reduce the present retirement fund contribution rate to 13 percent—from the current 14 percent—6.5 percent each for Federal employees and Federal agencies. This legislation was drafted after the subcommittee discovered that employees had been paying $150 million more annually than was being paid out in benefits, and that the surplus which had accumulated to $450 million over 3 years was being used by the Civil Service Commission to pay for other debts. Passage of this legislation will mean $50 more a year in the pockets of Federal employees where it belongs—and not in governmental coffers subsidizing the retirement system beyond anything the Congress intended.

There are plans now for the House to consider H.R. 9107 in the near future. This bill would increase the annuities of retirees and surviving spouses who retired prior to October 20, 1969, by $300 a year. Additionally, the bill would establish a minimum benefit payable to all retirees equal to whatever minimum benefit may be payable from time to time under the social security program—currently $84.50 a month. Surely, with the recent social security increases, the fairness of this bill is obvious.

The subcommittee will also hold hearings on a bill (H.R. 9630) to have the Government pay the full cost of basic life insurance coverage for employees; a bill (H.R. 30) to eliminate the survivorship reduction and restore the full annuity to annuitants during periods of nonmarriage; and a bill (H.R. 3024) to reduce age and service requirements necessary for immediate retirement with full annuity.

In closing, I want to assure all Federal employees that the subcommittee will continue to work hard to implement those progressive bills and to investigate the programs that appear to be working against his best interest.

I am hopeful that those who read these remarks will respond by telling me of their specific problems and of the type of legislation they need to better perform their jobs and serve their country.

SUDDEN INFANT DEATH SYNDROME

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. **HARRINGTON.** Mr. Speaker, 10,000 infants die in the United States every year as a result of the sudden infant death syndrome, a strange disease for which there exists no known cause or remedy. Today, I am submitting legislation to launch the search for a cure to the syndrome.

The bill would provide $2 million for the establishment of centers devoted to research on the syndrome; for the collection, analysis, and distribution of information on the disease; for counseling services to the families of stricken infants; and for short-term training and other professional services which might help to prevent these mysterious "crib deaths."

I would like to submit for the RECORD articles by Ms. Jean Dietz, of the Boston Globe, and by Colman McCarthy, of the Washington Post, which describe sudden infant death syndrome in its tragic detail:

THE TRAGEDY OF CRIB DEATH

(By Colman McCarthy)

Earlier this year in a small California town near San Diego, John and Patricia Smiley went into the bedroom of their four week old infant. The child, healthy the day before, lay dead. The couple, frantic with sudden shock, immediately called the local sheriff's office to ask for an ambulance. As Smiley remembers it, the voice at the other end replied that if the child was dead, why was an ambulance needed.

So began the post-death ordeal of the Smileys. The young and poor couple was charged on suspicion of involuntary manslaughter and jailed for three days. The charges were eventually dropped but not before the couple had been harassed to the point that they left town. The Smileys were in Washington yesterday, testifying before a joint session of the Senate subcommittee on children and youth and the subcommittee on health. "There are just so many bad memories to the whole situation and I would like to forget," Smiley told the senators, "but I know that I will never be able to forget. . . . I hope that it never happens to anyone else like it happened to us. The death of a child is bad enough. It's the harassment and lack of knowledge, lack of understanding and lack of compassion that hurts more than anything else."

The tragedy of the Smileys would pass unnoticed—another hard luck case in a world full of them—except that it is part of a national pattern. Their child died from sudden infant death syndrome, a disease that kills an estimated 10,000 infants a year, at a ratio of one in 350. SIDS (crib death) is neither predictable nor preventable. Perhaps because of this, interest in its research has been limited, from medical schools to the federal government; current federal primary money for SIDS research grants is $262,000, less than the cost of remodeling the President's jet; primary research contracts are $340,000. What is especially strange about the disease is not its mystery but that little is done for the surviving parents, even though much is known about their anguish. Couples are not usually jailed as the Smileys were, but nearly all are imprisoned within some kind of emotional torment from which release is painful and perhaps impossible.

Many who are concerned about SIDS learned long ago not to look to the federal government for leadership, much less to local health officials. Instead, several private groups are at work. Among them are the Guild for Infant Survival (Baltimore) and the National Foundation for Sudden Infant death (New York). In testimony yesterday, Dr. Abraham Bergman, a Seattle pediatrician and the foundation's president, said that the parents' post-death anguish "is all so unnecessary. By the expenditure of a small amount of funds (such as proposed in legislation now before the Senate), and just the semblance of some action on the part of HEW, the human aspects of SIDS which causes an enormous toll of mental illness could be solved within two years."

In other years, Bergman has come to Washington with mostly general statements on the degree of neglect. The response was small. This time, he is presenting specific details from 158 American communities on what action coroners, medical examiners, health officials and parents take when infants die suddenly and unexpectedly. The report, with a few bright parts, is generally bleak. A coroner in Alabama called a SIDS death suffocation because "blacks do not know how to care for their children properly." An Idaho coroner called it "partial neglect and pneumonia." Only half of some 400 parents were told their children died of SIDS. Only 27 per cent of the communities had pathologists to certify the cause of death; in 43 per cent of the communities it was not even a physician who performed this service, but often an undertaker, ambulance driver or sheriff. More than a third of the families had to wait between a week and many months before the autopsy results were provided; 9 per cent were never told by anyone why their infants died.

Not surprisingly, Bergman's study found racial and class discrimination in the management of SIDS. "Half as many blacks as whites were given SIDS as an explanation for death; four times as many blacks were told that their baby suffocated; and three times more blacks than whites were never told why their baby died. Some 75 per cent of upper class families had heard of SIDS before their baby died, and 92 per cent received information afterwards. Only 48 per cent of lower class families had heard of SIDS before their baby died and only 40 per cent received information about SIDS after their baby died. The people who needed the help most were least apt to receive it."

The loss of an infant causes an anguish that only the surviving parents can feel. Even when a parent is familiar with the disease, the trauma can be intense. A Seattle pediatrician working in the hospital with the world's largest SIDS research project said that her knowledge that SIDS is neither predictable nor preventable "did not protect me from painful guilt feelings and depression. I was a human being and a mother who needed help at a critical time." She was visiting in Los Angeles when her infant son died and the help was not provided. More than two months passed before she even knew that an autopsy had been performed. "I keep thinking," the woman has written, "if a physician's family, which has some understanding of SIDS, is treated in this way in Los Angeles, what happens to other families who don't have similar resources? Why can't parents who lose treasured infants be treated with dignity and compassion?"

It is a fair question. One possible answer is the lack of leadership among public health officials. Why should a local sheriff's office be expected to show sensitivity if no example is given by the supposedly alert doctors in many state and federal agencies? At the last Senate hearings on SIDS, an HEW doctor in charge of SIDS research issued the inevitable promise to take action, but he's gone from the agency now. His successor has renewed the promise. "I don't know what happens to people when they come back here to the banks of the Potomac," Bergman said. "Maybe it's the heat or maybe it's the smog. Government officials here in Washington are always busy, busy, busy with *big problems*. HEW always seems to have some reorganization cooking. *Global* health strategy is being devised, or else 'we're new in our job, give us time.' Senator Magnuson says that, what with all the job changes, the busiest people in this town are the sign painters down at HEW."

If we were told this morning that in the next year a dreadful plague would kill 10,000 of *America's children, it is likely* the nation's medical community would command the front pages of newspapers to announce plans to meet the threat. The sign painters at HEW would be idle because no official would dare leave his post in this emergency. Every local community, including Alabama coroners, would be on the alert. Such a plague is not coming, of course, at least not the Black Death kind of threat. But a year from now, another 10,000 infants will have been found dead in their cribs. Afterward, their parents will die repeated emotional deaths in private anguish. The research to prevent SIDS may be far off, but ways to prevent the abuse of surviving parents is well known. Perhaps the largest mystery involving SIDS is that we are not acting on facts already available.

THE MYSTERY OF CRIB DEATHS

(By Jean Dietz)

At eight o'clock on a Sunday morning in November, 1969, Diana Shatz of Brockton woke up wondering why her son, Daniel, was sleeping so late and went to his room to check. She found a blanket over his head.

"Immediately, I knew something was wrong. I pulled back the blanket and yelled 'Oh my God, the baby is dead,' " she recalled last week. Daniel was nine weeks old.

On a pleasant afternoon in April, 1972, Molliane Cunniff brought her four-week-old son, Brian, to her mother's home in Waltham while she kept an appointment with the dentist.

"About 15 minutes after I left my mother went in to feed him. She was anxious to give him his first bottle because I was breast-feeding the baby. Instead she phoned the fire department," says Mrs. Cuniff. She found the baby dead.

Anne Barr of Stowe took along her daughter, Kate, just over three months old, while the family went skiing with friends at Sugarbush, Vt. It was January, 1963.

"We fed the babies and put them in their car beds, picked up our older children at the nursery, and started home late in the afternoon," she remembers. "In our care, Kate rode in back with her brother, Benjamin, three. When we reached home and went to lift the bed out of the car, she was dead."

Each of these apparently healthy, vigorous babies was a victim of "Sudden Infant Death Syndrome" (SIDS), sometimes called "crib death"—a mysterious disease that is now the nation's top killer of infants less than a year old who survive the first week of life.

Each year, approximately 10,000 babies are victims of SIDS—one in every 350 live births. More often than not, their parents also become victims—victims of psychological pressures resulting from unjustified guilt feelings which can shred their lives and shatter their marriages.

In contrast, Diana and Mark Shatz, Molliane and Joseph Cunniff and Anne and Charles Barr have discovered the healing quality of helping others. It is not an easy battle.

Each credits the National Foundation for Sudden Infant Death—a relatively unknown charitable corporation started by New York parents like themselves—with helping them to face the future.

All are now involved with helping to prevent other parents and children from becoming victims through working with the new Eastern Massachusetts chapter of the foundation, headquartered at 237 Hovendon ave., Brockton.

Anne Barr explains why it is important for people to know about the awful possibility of SIDS:

"When my husband discovered Kate and screamed, 'she's dead,' we both thought she had suffocated. Charles started mouth to mouth resuscitation. It took me about four minutes to get in control and to the telephone. It might have taken me four months. Suddenly, I remembered reading an article in The Globe on SIDS and learning more watching a Marcus Welby television episode.

"But if it hadn't been for the foundation, we would have had no personal help from anyone. Our friends had no experience with death," the 30-year-old mother continued. "When I asked a doctor if there was a group to help, he said 'try the Yellow Pages.'

"Eventually, my father, who lives in New York City, found the foundation which has headquarters at 1501 Broadway. They provide accurate information on the subject. For example, I'm pregnant again. I was worried if there was a possible congenital defect in SIDS. There is not."

One reason it is important that doctors and nurses learn the facts about SIDS is so they can counsel older children in the family. A child often feels guilty about the death of a baby, says Dr. Frederick Mandell, a pediatrician at Children's Hospital Medical Center, who has testified on behalf of proposed legislation for more humane handling of SIDS cases in Massachusetts.

"In the course of normal sibling rivalry, a brother or sister might have wished the child to die. The older child might have taken a bottle or a toy away from the baby just before sudden death occurred. A surviving child must be reassured that nothing he did caused the death of the baby. He should also be assured that he is healthy and that the same thing won't happen to him.

Although their previous knowledge about SIDS was minimal, the Barrs realized they should request an autopsy when the police brought the family to the hospital.

"We had to push for an autopsy, but we got it," says Mrs. Barr. "Nevertheless, the medical examiner said he had to put 'acute pneumonitis' on the death certificate, for legal reasons although our pediatrician told us the cause of death was SIDS."

The autopsy result brought relief for another reason.

"We were terribly worried about the reaction of Benjamin, who had been right next to the baby when she died. We also had a dog who was hit by a car a week after the sister's death.

"On the drive home from Sugarbush, Ben said he would like to feed the baby a raisin. I said, don't. But if it hadn't been for the autopsy, we might have thought there was a raisin in the baby's throat."

Three weeks after her daughter's death, after requesting assistance from the foundation in New York, Anne Barr was called by Marianne Cunniff and invited to visit her home in Natick.

"It was very helpful to see Marianne and her family leading a normal life," she said. "Meeting another survivor gives you the belief that you can do it, too."

The most considerate person in the Cunniff case was "a Waltham fireman who came immediately when my mother dialed for help," recalls Marianne Cunniff:

"My mother had major arterial surgery four months before Brian died. The fireman noticed the scar which goes from the base of her ear to her throat and when one policeman got heavy on questioning her, the fireman turned him off."

From all over the country, parents of SIDS victims report that police and doctors alike often ask them such questions as:

"How many times did you hit the baby?"

"Did your other child choke or in any way abuse the infant?"

"Did you let your dog bite the baby?"

When the family assembled at Waltham Hospital with the baby, Mrs. Cunniff says, "no one seemed to know what to do."

On July 18 Mrs. Cunniff gave birth to a daughter Kerrianne, a happy event for all the family. At Framingham Union Hospital, she says the staff seemed more interested in SIDS than the new baby, although she welcomed the opportunity to get the facts across.

"They would look at my chart and notice three births. I would have to explain the second child would have been 14 months old, if he were alive," she explained.

There was also a nightmarish experience of psychological denial of the tragedy for Diana and Mark Shatz at Brockton Hospital on that dreadful Sunday morning nearly four years ago.

"I went to the hospital in an ambulance with the baby while my husband came in another car," reports Mrs. Shatz, who is now 28. "They put me in a room with a policeman. I kept asking if the baby was alive, but no one answered. Then I heard someone say the baby was dead. We asked to see the baby. The doctor said "what difference does it make? The baby's dead."

"Finally a nurse said, 'let them look if they want to look.' "

In the case of the Shatz tragedy, the medical examiner was helpful. He said "these things happen. I see four or five a year."

"Most unusual of all, the medical examiner wrote Sudden Infant Death Syndrome on the death certificate so we know the baby didn't suffocate. The policeman who interviewed us kept the questions down because he had lost a child to SIDS himself," says Mrs. Shatz, who is president of the Massachusetts chapter of the foundation, as well as the mother of Stephanie, 5, and Stephen, who was born in September, 1970.

Both her children have helped her face reality.

"My daughter, Stephanie, was only 21 months old at that time. But she could carry on a full conversation. My neighbor took her home overnight. When she came back she asked, "where's my brother?"

"I couldn't answer her. But Stephanie went and got a cardboard carton and began packing the baby's clothes away. She knew he was gone."

While there are reports from many parents that doctors glibly tell them to "have another baby," Mrs. Shatz was told not to become pregnant again too quickly.

"Disobeying my doctor's advice turned out to be psychologically good for us," she says today. "Several times during that pregnancy, I was hemorrhaging at the hospital or hemorrhaging at home because we had no hospital insurance. My physical troubles took our minds off the tragedy. The doctor said it was only mind over matter that prevented a miscarriage."

Mothers who are involved as parent contacts to help other families go through the grief reaction that is normal and inevitable after losing a child to sudden, inexplicable death, are careful to empathize, rather than give medical advice. Diana Shatz gives examples:

One woman had been talking about her fear of having another child for several months while I only listened. One day she called wanting to know how to get rid of her birth control pills. I told her you simply open the package and flush them down the toilet one by one.

Fear of losing a surviving child is also very common, often leading the mother to be overprotective. SIDS apparently always strikes in sleep. The mother may fear to let a child sleep alone.

One woman called to say her three-year-old had gone to his room to take a nap and she was certain he had died.

"Go in and look while I hang on the phone. Then come back and tell me that he's all right," Diana Shatz advised.

Within the year since the eastern Massachusetts group was chartered by the national foundation, the local mailing list has grown from 50 parent couples to 350 including doctors, nurses, and other interested individuals. But medical interest is not tremendous.

"Probably all physicians have heard of 'crib death,' but relatively few have encountered it in their own practices. This may not be so surprising as it appears, because relatively few cases ever get to the hospital—except to the pathology laboratory," says Dr. Abraham B. Bergman of Seattle, president of the National Foundation.

Boston ranks high as a medical center, but among the worst areas in the nation for sensitive handling of crib deaths, according to this pediatrician, who has written many articles on the subject for professional journals.

No autopsy is performed in 70 percent of the crib deaths which occur here. Bereaved parents are left with guilt feelings, often convinced they have done something to contribute to the death of their child.

"Immediate and sustained grief reactions, well known to psychiatrists, are almost inevitable," says Dr. Bergman. "Family members may exhibit denial (inwardly refusing to believe that the event has occurred), anger, mild or severe depression, fear of 'going insane' or 'losing my mind' and vague somatic sensations such as 'heartache' or 'stomach pain.' "

Diana Shatz says it took her months to get over "hearing the baby cry at night." It was a long while before Anne Barr could drive an automobile in the evening. Yet, both young women say they had no reason to believe a psychiatrist could help.

"One woman in the group said she went to a psychiatrist and that he was so upset he spent the whole hour talking about a death in his family," Mrs. Shatz pointed out. She was disgusted.

But psychiatrists are not the only offenders.

"Uninformed family doctors and pediatricians have their own feelings to deal with," says Dr. Mandell. "They may feel guilty because this was a healthy child. They may wonder if they missed something when they checked the baby. The more understanding the doctor has, the better he can cope with this disease himself, and provide the family with information and understanding."

Writing in the current issues of the "American Family Physician" magazine, Dr. Bergman makes three major points after years of research on Sudden Infant Death Syndrome:

Death appears to occur from complete upper airway obstruction during sleep. Diagnosis can be rapidly made on the basis of a simple autopsy. Essential to the diagnosis is absence of obviously lethal lesions. In about 15 percent of cases of sudden unexpected infant death, a definite cause other than SIDS is found: for example, meningitis, subdural hemorrhage or myocarditis.

The physician should shield the family from police accusations or foul play or carelessness.

The family must be reassured that the death was in no way their fault or that of anyone else.

"It is ridiculous that families should have to explain to doctors, nurses, policemen, firemen, and medical examiners who investigate these cases what it is that the child died from," says Anne Barr, as she explained the goals of the Eastern Massachusetts Chapter.

The first purpose is to assist parents who have lost a child, and see that they are treated with respect and dignity, and are given the proper information.

Second, is sponsorship of proposed legislation heard before the Special Legislative Commission on Child Welfare which would make autopsy mandatory unless parents have religious or other objections, allocate funds to cover autopsy expenses, and make Sudden Infant Death Syndrome the sole cause of death on the death certificate.

Sudden Infant Death Syndrome has been "a big problem for medical examiners," says Dr. Michael Luongo, medical examiner of North Suffolk County. Before World War II, Luongo says almost all cases were attributed to "mechanical asphyxia."

"If a baby slept on its tummy, it was assumed it couldn't breathe. If it slept on its back, the baby was assumed to have aspirated milk."

Although no adequate anatomical explanation for death has yet been found, research has eliminated this theory which led mothers to unnecessary concern.

While Dr. Luongo admits that the term "acute pneumonitis" is only a euphemism for a "little bit of inflammation in the lungs" found in such cases, he believes that "Sudden Infant Death Syndrome" is another euphemism which, to him, "means only that the child has died."

However, he says "there is no legal reason why a medical examiner can't put it on the death certificate if it is going to make the parents feel better."

When there is no suspicion of violence in the case of a baby found dead, and the infant was "obviously in good, healthy and clean condition," he said the question of an autopsy depends "on the attitude of the medical examiner."

However, Dr. Luongo said he would not oppose mandatory autopsies, provided parents wanted them, so long as the state paid the bill "because the counties have limited budgets."

HOUSE OF REPRESENTATIVES—*Wednesday, September 26, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Finally, brethren, whatsoever things are true, and honest, and just, and pure, and lovely, think on these things and the God of peace shall be with you.—Philippians 4: 8, 9.

Eternal Spirit, amid the tumult of these trying times may we keep within our hearts a quiet place where Thou dost dwell, where Thy power can strengthen us, Thy grace forgive us, and Thy love permeate us. May our spirits, finding new life in Thee, be made ready for the responsibilities of this day and equal to the experiences which come our way.

We pray for our country that she may be steadfast in her devotion to truth, firm in her desire for peace, wise in her dealings with other nations, and faithful in her allegiance to justice and righteousness as the foundation of our national life.

Strengthen our leaders that they may walk with Thee in these critical days and encourage our people that they may learn to do justly, love mercy, and walk humbly with Thee.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate proceeded to reconsider the bill (S. 1672) entitled "An act to amend the Small Business Act," returned by the President of the United States with his objections, to the Senate, in which it originated.

The message further announced that the said bill did not pass, two-thirds of the Senators present not having voted in the affirmative.

The message also announced that the Senate agrees to the amendments of the House to the bills of the Senate of the following titles:

S. 464. An act for the relief of Guido Bellanca; and

S. 2075. An act to authorize the Secretary of the Interior to undertake a feasibility investigation of McGee Creek Reservoir, Okla.

SKYLAB II

(Mr. FUQUA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FUQUA. Mr. Speaker, today we can take great pride in yet another brilliant achievement in our national space program—the return of the Skylab II astronauts. The achievements of Astronauts Alan L. Bean, Owen K. Garriott, and Jack Lousma are already being acclaimed. New firsts in space have again been achieved. To me the most significant aspect of this record voyage to the world's first space station has been the human accomplishment. Skylab II astronauts accomplished 150 percent of the planned mission. In doing their job in Earth resource surveys and other important experiments, the astronauts went beyond the high standards established for them prior to the flight. Today when achieving the norm is often the best that we can expect, it is good to see these outstanding Americans excel in Skylab II. I am confident that we can all join in saluting and congratulating the sterling accomplishments of Astronauts Bean, Garriott, and Lousma, and those who contributed to the flight of Skylab II, and look forward with confidence and anticipation to the flight of Skylab III.

DIOGENES NEVER VISITED BALTIMORE

(Mr. ANDERSON of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of California. Mr. Speaker, Diogenes never visited Baltimore, but if he had, I believe he would have found what he was looking for.

Our system of government and our system of justice—imperfect as it may be—rests on the theory that honest men are rational and just. And, if presented with facts in a court proceeding, can make a true determination of the guilt or innocence of accused persons.

Before we reject this principle and undertake an investigation of our own, we should certainly consider the depth of our faith in the American judicial process.

None of us are beneath the law, nor are we above it. It serves us all, hopefully, equally; and, if we are a government, as Lincoln said, of, by, and for the people—then our faith and confidence in the people's judgment should be beyond a doubt.

If, however, we reject the notion that our fellow countrymen are just and rational, then we certainly reject our democracy and our legal system—something that I will never do.

Our democracy and our system of justice have stood the test for almost 200 years, and our people have always—always—proven to be capable of self-government.

Rather than turn our backs on the people—our peers—I believe that we should express our confidence in their judgment, their honesty, and their rationality.

Certainly, Mr. Speaker, Diogenes would not have been disappointed had he visited Baltimore.

FISCAL RESPONSIBILITY?

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, I must say I find incomprehensible the action taken yesterday by the other body in adding to the 1974 defense authorization bill a $16 billion increase in military retired pay, with high-ranking retired generals and admirals getting the bulk of the increases.

This is the same body that says it is appalled at the inflated size of the 1974 defense budget. Indeed various Presidential candidates over there have been talking boldly of cutting from $6 to $10 billion out of it.

Yet that body now adds $296 million to the budget for 1974 and a total of $16.4 billion between now and the year 2000, because this add-on would become a part of the permanent and unchangeable portions of the Federal budget.

All this was done in spite of the fact that our present military retirement system is probably the fairest in the world. Since it went into effect in 1958 its benefits have increased by 68 percent while the consumer price index has risen by only 49 percent. Indeed since 1960 retired pay has risen from 11 percent of the total defense personnel budget to 30 percent.

And all this was done although the amendment adopted by the other body would add between $5,000 and $6,000 to the pay of retired generals who are already receiving between $24,000 and $29,000, and at the same time the Congress has cut off aviation incentive pay for thousands of colonels and generals who are on active duty.

Is this really fiscal responsibility?

Is this really the way to make intelligent cuts in the defense budget?

VICE PRESIDENT AGNEW'S REQUEST SHOULD BE REJECTED

(Mr. MADDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MADDEN. Mr. Speaker, the unprecedented, unheralded, and history-making action of Vice President AGNEW in requesting that the Congress hold hearings and investigation of the alleged charges by the U.S. attorney's office pertaining to some of his activities as Governor of Maryland 5 or 6 years ago is preposterous.

There is no authority in the U.S. Constitution or the rules of Congress by which the House of Representatives would appropriate money for an investigation of the activities of any Governor throughout the Nation.

Recently, the President of the United States, in answer to a news media question, stated that Vice President AGNEW's record during his period as Vice President has been outstanding and beyond criticism.

The petition of Vice President AGNEW is obviously a legal maneuver in his behalf, designed to burden the House of Representatives with his problems. If indicted by a court, the Vice President is entitled to a fair trial before a duly established Federal or State court and, of course, if convicted his situation might be of concern to the Congress.

The request made yesterday to the Speaker of the House appears to be premature at this time, and therefore, should be rejected.

A FORUM APPROPRIATE FOR VINDICATION

(Mr. WALDIE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and to include extraneous matter.)

Mr. WALDIE. Mr. Speaker, I hope the House will not accede to the Vice President's request for an inquiry. The Vice President is seeking vindication. He has the right at this very moment in time to waive the immunity that he maintains—although I believe mistakenly—attaches to his office as Vice President from responsibility for criminal acts. If he wants vindication in a forum, he can waive that immunity and not even assert it to the court. Then he can find a forum appropriate for vindication.

If, however, he is successful in his contention before the court that he is above the criminal acts of the United States of America and is not accountable for commission of crimes while sitting as a Vice President, then, Mr. Speaker, I believe the House should proceed with an inquiry but an inquiry under a resolution of impeachment.

STATEMENT BY THE SPEAKER RELATING TO LETTER FROM VICE PRESIDENT

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, I rise at this time merely to make an announcement to the House that in the press conference the Speaker made the following statement:

> The Vice President's letter relates to matters before the courts. In view of that fact, I, as Speaker, will not take any action on the letter at this time.

OFFERING PROTECTION FROM CHILD ABUSE

(Mr. PEYSER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEYSER. Mr. Speaker, today a number of Members of the House have joined me in listening to a presentation of a major problem in our country today, that of child abuse. It was very interesting to note that in a 3-week period 2,100 cases of child abuse were reported by 47 States. Many of these cases resulted in death.

Mr. Speaker, it seems to me that we have protected animals and we have protected our environment, and it is about time that we undertake positive steps forward to protect the lives of children who are subject to abuses and neglect as they have been in the past. We in the House will have an opportunity in this session to act on legislation that will offer the protection these children so badly need.

HOUSE SHOULD NOT SUMMARILY REJECT REQUEST OF VICE PRESIDENT

(Mr. McCLORY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLORY. Mr. Speaker, I do not believe the House should summarily at this time reject the request of the Vice President of the United States. It seems to me the request is reasonable and certainly one that merits study by this body before we take any negative action.

Certainly this House through its committees, the Judiciary Committee or some other committee of this House, perhaps a subcommittee of the Judiciary Committee, could determine what our constitutional prerogatives and responsibilities are in this case and determine whether or not there is any basis for such an investigation. We could of course at the end of that time reject the request and say this is something for the courts, but as I understand it a number of the innuendoes and inferences relate not only to events before he became Vice President but relate also to the period since he has become Vice President, and that would certainly put this in a different category from those cases referred to earlier.

Mr. Speaker, I want to add at this point that there appear to me to be three alternatives available to this House if we undertake this kind of investigation. First, we can investigate and determine whether or not there are any grounds for this House to take firmer action such as impeachment. Second, we could decide that the issues are such that they must be resolved exclusively by a court, or third, we could find that there are charges partly within the exclusive—and constitutional prerogatives of this House, and partly within the jurisdiction of our judicial system.

However, to reject the Vice President's request would seem to me to renounce both our rights and responsibilities as Members of this House of Representatives.

MAJORITY WHIP JOHN J. McFALL SAYS PRESIDENT'S HOUSING PROGRAM SEEMS DESIGNED TO SPUR INTEREST RATE INCREASES

(Mr. McFALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McFALL. Mr. Speaker, the major fault with President Nixon's housing program is that it does nothing to deal with the immediate and very pressing problem of tight credit.

The President continues to look to an already overstrained private money market as the first source of housing funds. There is serious question as to whether this tactic will make the money market or break it.

His program of so-called "forward commitments" is not new Federal money. It is simply an attempt to squeeze that much out of an already overburdened credit market.

Essentially, the program seeks to underwrite the availability of up to $2.5 billion in private housing money at 8½ percent interest. This is an ill-conceived attempt to lure funds from the money market; this plan offers little benefit either to the savings and loan industry or to the homebuyer.

The money would not be available now, when it is badly needed—but 6 months from now. It would cost savings-and-loan and other lending institutions an additional one-quarter of 1 percent.

That means that even if these heavily drained S. & L.'s agree to buy these "forward commitments", interest rates must rise beyond 8¾ percent before the S. & L. can make any profit.

In effect, the Federal Government is encouraging the S. & L. to gamble that interest rates will be that high or higher 6 months from now. Rather than easing the housing credit situation, President Nixon's "forward commitments" program seems designed to spur higher interest rates and less credit for the average homebuyer.

PERSONAL EXPLANATION

Mr. JOHNSON of California. Mr. Speaker, on rollcall 476, the amendment offered by the gentlewoman from Oregon (Mrs. Green), which was offered yesterday, I was in the Chamber, placed my card in the box, but was not recorded.

Had I been recorded, I would have been shown as voting "nay."

CALL OF THE HOUSE

Mr. MONTGOMERY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 480]

Abzug
Ashley
Bevill
Blackburn
Blatnik
Boggs
Bolling
Brinkley
Brown, Mich.
Buchanan
Burgener
Burke, Calif.
Cederberg
Chisholm
Clark
Clay
Cotter
Culver
Danielson
Diggs
Dingell
Dorn
Edwards, Ala.
Esch
Evins, Tenn.
Ford,
  William D.
Gettys
Gibbons
Gray
Gubser
Hanley
Hanna
Hansen, Wash.
Harsha
Hébert
Heckler, Mass.
Holifield
Hosmer
Howard
Hudnut
Johnson, Pa.
Long, La.
Lott
McEwen
Mann
Michel
Mills, Ark.
Minish
Mitchell, Md.
Moorhead,
  Calif.
Moorhead, Pa.
Nix
O'Brien
Patman
Pepper
Powell, Ohio
Reid
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Roncallo, N.Y.
Rooney, N.Y.
Ryan
St Germain
Sandman
Satterfield
Sikes
Stanton,
  J. William
Stephens
Stubblefield
Taylor, Mo.
Teague, Tex.
Tiernan
Wiggins
Wright
Wylie
Young, Ga.

The SPEAKER. On this rollcall 355 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

GENERAL LEAVE

Miss HOLTZMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order of yesterday.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

PERMISSION FOR COMMITTE ON INTERSTATE AND FOREIGN COMMERCE TO HAVE UNTIL SATURDAY, SEPTEMBER 29, TO FILE A REPORT ON H.R. 9681

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight Saturday to file a report on the bill H.R. 9681.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

IMMIGRATION AND NATIONALITY ACT AMENDMENTS OF 1973

Mr. EILBERG. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 981) to amend the Immigration and Nationality Act, and for other purposes.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 981 with Mr. Adams in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read the first section of the Committee amendment in the nature of a substitute ending on page 14, line 6.

Mr. EILBERG. Mr. Chairman, am I correct that the title of the committee amendment in the nature of a substitute was read on yesterday?

The CHAIRMAN. The gentleman is correct.

The Clerk will read.

The Clerk read as follows:

Sec. 2. Section 101(a)(15)(H)(ii) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)) is amended to read as follows: "(ii) who is coming temporarily to the United States for a period not in excess of one year to perform other services or labor if the Secretary of Labor has determined that there are not sufficient workers at the place to which the alien is destined to perform such services or labor who are able, willing, qualified, and available, and the employment of such aliens will not adversely affect the wages and working conditions of workers similarly employed: *Provided*, That the Attorney General may, in his discretion, extend the terms of such alien's admission for a period or periods not exceeding one year;".

Sec. 3. Section 201 of such Act (8 U.S.C. 1151) is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) Exclusive of special immigrants defined in section 101(a)(27), and immediate relatives of United States citizens as specified in subsection (b) of this section, (1) the number of aliens born in any foreign state or dependent area located in the Eastern Hemisphere who may be issued immigrant visas or who may otherwise acquire the status of an alien lawfully admitted to the United States for permanent residence or who may pursuant to section 203(a)(7), enter conditionally, shall not in any of the first three quarters of any fiscal year exceed a total of forty-five thousand and shall not in any fiscal year exceed a total of one hundred and seventy thousand; and (2) the number of aliens born in any foreign state of the Western Hemisphere or in the Canal Zone, or in a dependent area located in the Western Hemisphere, who may be issued immigrant visas or who may otherwise acquire the status of an alien lawfully admitted to the United States for permanent residence, or who may, pursuant to section 203(a)(7), enter conditionally shall not in any of the first three quarters of any fiscal year exceed a total of thirty-two thousand and shall not in any fiscal year exceed a total of one hundred and twenty thousand."; and

(2) by striking out subsection (c), (d), and (e).

Sec. 4. Section 202 of such Act (8 U.S.C. 1152) is amended—

(1) by striking out the last proviso contained in subsection (a) and inserting a period in lieu of the colon immediately preceding the proviso; and

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"c) Any immigrant born in a colony or other component or dependent area of a foreign state overseas from the foreign state unless a special immigrant as provided in section 101(a)(27) or an immediate relative of a United States citizen, as specified in section 201(b), shall be chargeable for the purpose of the limitation set forth in section 201(a), to the hemisphere in which such colony or other component or dependent areas is located, and the number of immigrant visas available to each such colony or other component or dependent area shall not exceed six hundred in any one fiscal year.".

Sec. 5. Section 203 of such Act (8 U.S.C. 1153) is amended—

(1) by striking out "201(a)(ii)" each place it appears in paragraphs (1) through (6) of subsection (a) and inserting in lieu thereof in each such place "201(a)(1) or (2)";

(2) by striking out paragraph (7) of such subsection (a) and inserting in lieu thereof the following:

"(7) Conditional entries shall next be made available by the Attorney General, pursuant to such regulations as he may prescribe and in an amount not to exceed 6 per centum of the limitation applicable under section 201(a) (1) or (2), to aliens who are outside the country of which they are nationals, or in the case of persons having no nationality, are outside the country in which they last habitually resided, who satisfy an Immigration and Naturalization Service officer at an examination in any non-Communist or non-Communist-dominated country that they (A) are unable or unwilling to return to the country of their nationality or last habitual residence because of persecution or well-founded fear of persecution on account of race, religion, nationality, membership of a particular social group or political opinion, (B) are not nationals of the countries in which their application for conditional entry is made, and (C) are not firmly resettled in any country: *Provided*, That not more than one-half of the visa numbers made available pursuant to this paragraph may be made available for use in connection with the adjustment of status to permanent residence of aliens who were inspected and admitted or paroled into the United States, who satisfy the Attorney General that they meet the qualifications set forth herein for conditional entrants, and who have been continuously physically present in the United States for a period of at least two years prior to application for adjustment of status.".

(3) by striking out the second sentence of subsection (e) and inserting in lieu thereof the following: "The Secretary of State shall terminate the registration of any alien who fails to apply for an immigrant visa within one year following notification to him of the availability of such visa, unless the alien establishes within two years following notification of the availability of such visa that such failure to apply was due to circumstances beyond his control. Upon such termination the approval of any petition approved pursuant to section 204(b) shall be automatically revoked.".

Sec. 6. Section 212 of such Act (8 U.S.C. 1182) is amended as follows:

(1) Paragraph 14 of subsection (a) is amended to read:

"(14) Aliens seeking to enter the United States, for the purpose of performing skilled or unskilled labor, unless the Secretary of Labor has determined and certified to the Secretary of State and to the Attorney General that (A) there are not sufficient workers who are able, willing, qualified, and available at the time of application for a visa and admission to the United States and at the place where the alien is to perform such skilled or unskilled labor, and (B) the employment of such aliens will not adversely affect the wages and working conditions of the workers in the United States similarly employed. The exclusion of aliens under this paragraph shall apply to preference immigrant aliens described in section 203(a) (3) and (6), and to nonpreference immigrant aliens described in section 203(a) (8). The Secretary of Labor shall submit quarterly to the Congress a report containing complete and detailed statements of facts pertinent to the labor certification procedures including, but not limited to, lists of occupations in short supply or oversupply, regionally projected manpower needs, as well as up-to-date statistics on the number of labor certifications approved or denied;".

(2) A new paragraph (9) is added to subsection (d) to read as follows:

"(9) (A) If the Secretary of State shall find that it is in the national interest that all, or any portion, of the members of a group or class of persons who meet the qualifications set forth in section 203(a) (7) be paroled into the United States, he may recommend to the Attorney General that such aliens be so paroled.

"(B) Upon receipt of a recommendation pursuant to subparagraph (A) of this paragraph and after appropriate consultation with the Congress, the Attorney General may parole into the United States any alien who establishes to his satisfaction, in accordance with such regulations as he may prescribe, that he is a member of the group or class of persons with respect to whom the Secretary of State has made such recommendation and that he is not firmly resettled in any country. The conditions of such parole shall be the same as those which the Attorney General shall prescribe for the parole of aliens under paragraph (5) of this subsection.

"(C) Any alien paroled into the United States pursuant to this paragraph whose parole has not theretofore been terminated by the Attorney General and who has not otherwise acquired the status of an alien lawfully admitted for permanent residence shall, two years following the date of his parole into the United States, return or be returned to the custody of the Immigration and Naturalization Service and shall thereupon be inspected and examined for admission into the United States in accordance with the provisions of sections 235, 236, and 237 of this Act.

"(D) Notwithstanding the numerical limitations specified in this Act, any alien who, upon inspection and examination as provided in subparagraph (C) of this paragraph or after a hearing before a special inquiry officer, is found to be admissible as an immigrant as of the time of his inspection and examination except for the fact that he was not and is not in possession of the documents required by section 212(a) (20) shall be regarded as lawfully admitted to the United States for permanent residence as of the date of his arrival in the United States.".

Sec. 7. (a) Notwithstanding the provisions of section 245 of the Immigration and Nationality Act and without regard to the numerical limitations specified in that Act, any alien who, on or before the effective date of this Act (1) has been granted by the Secretary of Labor an indefinite certification for employment in the Virgin Islands of the United States which has not subsequently become invalid, (2) has been inspected and admitted to the Virgin Islands of the United States, and (3) has continuously resided in the Virgin Islands of the United States for a period of at least five years as of the date of enactment of this Act, and the spouse and minor unmarried children of any such alien, may have his status adjusted by the Attorney General, in his discretion and under such regulations as he may prescribe, to that of an alien lawfully admitted for permanent residence, or may be issued an immigrant visa, if the alien (i) makes application for such adjustment of status or immigrant visa, (ii) is eligible to receive an immigrant visa, and (iii) is admissible to the United States.

(b) Upon approval of an application for adjustment of status under subsection (a) of this section, the Attorney General shall record the alien's lawful admission for permanent residence as of the date of the order of the Attorney General approving the application for adjustment of status.

(c) Applications for adjustment of status or for immigrant visas pursuant to the provisions of subsection (a) of this section may be initiated on or after the effective date of this Act, but not later than the last day of the third fiscal year beginning on or after the date of enactment of this Act. Applications for immigrant visas pursuant to the provisions of this section shall be considered in such order as the Secretary of State shall by regulations prescribe, except that not more than three thousand visas shall be issued in any one fiscal year.

(d) Except as otherwise provided herein, the definitions set forth in section 101 of the Immigration and Nationality Act shall be applicable.

Sec. 8. The Act entitled "An Act to adjust the status of Cuban refugees to that of lawful permanent residents of the United States, and for other purposes", approved November 2, 1966 (8 U.S.C. 1255, note), is amended by adding at the end thereof the following new section:

"Sec. 5. The approval of an application for adjustment of status to that of lawful permanent resident of the United States pursuant to the provisions of section 1 of this Act shall not require the Secretary of State to reduce the number of visas authorized to be issued in any class in the case of any alien who is physically present in the United States on or before the effective date of the Immigration and Nationality Act Amendments of 1973.".

Sec. 9. (a) Section 107(a) (27) of such Act (8 U.S.C. 1101(a) (27)) is amended by striking out subparagraphs (A) and by redesignating subparagraphs (B) through (E) as subparagraphs (A) through (D) respectively;

(b) Section 211(b) of such Act (8 U.S.C. 1181(b)) is amended by striking out "section 101(a) (27) (B)" and inserting in lieu thereof "section 101(a) (27(A)".

(c) Section 212(a) (24) of such Act (8 U.S.C. 1182(a) (24)) is amended by striking out the language: "101(a) (27) (A) and (B)" and inserting in lieu thereof: "101(a) (27) (A) and aliens subject to the numerical limitations specified in section 201(a) (2)";

(d) Section 241(a) (10) of such Act (8 U.S.C. 1251(a) (10)) is amended by striking out the language in the parenthesis and inserting in lieu therof the following: "other than an alien described in section 101(a) (27) (A) and aliens subject to the numerical limitations specified in section 201(a) (2)";

(e) Section 244(d) of such Act (8 U.S.C. 1254(d)) is amended by striking out the following language: "is entitled to special immigrant classification under section 101 (a) (27) (A), or";

(f) Section 349(1) of such Act (8 U.S.C. 1481(a) (1)) is amended by striking out "section 101(a) (27) (E)" and inserting in lieu thereof: "section 101(a) (27) (D)"; and

(g) Section 21(e) of the Act of October 3, 1965 (Public Law 89–236; 79 Stat. 921) is repealed.

Sec. 10. (a) The amendments made by this Act shall not operate to affect the entitlement to immigrant status or the order of consideration for issuance of an immigrant visa of an alien entitled to a preference status, under section 203 (a) of the Immigration and Nationality Act, as in effect on the day before the effective date of this Act, on the basis of a petition filed with the Attorney General prior to such effective date.

(b) An alien chargeable to the numerical limitation contained in section 21(e) of the Act of October 3, 1965 (79 Stat. 921) who established a priority date at a consular office on the basis of entitlement to immigrant status under statutory or regulatory provisions in existence on the day before the effective date of this Act shall be deemed to be entitled to immigrant status under section 203(a) (8) of the Immigration and Nationality Act and shall be accorded the priority date previously established by him. Nothing in this section shall be construed to preclude the acquisition by such an alien of a preference status under section 203(a) of the Immigration and Nationality Act, as amended by section 5 of this Act. The numerical limitation to which such an alien shall be chargeable shall be determined as provided in sections 201 and 202 of the Immigration and Nationality Act, as amended by this Act.

Sec. 11. The foregoing provisions of this Act, including the amendments made by such provisions, shall become effective on the first day of the first month which begins more than sixty days after the date of enactment of this Act.

Mr. EILBERG (during the reading). Mr. Chairman, I ask unanimous consent that the balance of the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AMENDMENT OFFERED BY MR. RODINO

Mr. RODINO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RODINO: Page 15, strike out lines 22 through 24 and insert in lieu thereof the following:

(1) by striking out both provisos contained in subsection (a) and inserting in lieu thereof the following: ": *Provided*, That the total number of immigrant visas and conditional entries made available to natives of any single foreign state under paragraphs (1) through (8) of section 203(a) in any fiscal year shall not exceed 35,000 in the case of any contiguous foreign state and shall not exceed 20,000 in the case of any other foreign state"; and

Mr. RODINO. Mr. Chairman, this amendment is very simple in nature and is designed to provide a maximum of 35,000 immigrant visas each for natives of our contiguous countries, Canada and Mexico.

As I have stated during the general debate on H.R. 981, I fully support the primary thrust of the legislation, but I am opposed to the numerical limitation of 20,000 for Canada and Mexico. I felt so strongly about this issue that I offered several amendments in full committee to provide special treatment for these two countries and when these amendments were rejected, I filed additional views with the report setting forth numerous reasons why special consideration is warranted for these two countries.

In preparing this amendment I gave detailed consideration to the question of whether the additional visas for Canada and Mexico should result in an increased ceiling for the Western Hemisphere. I have come to the conclusion, as did the committee, that H.R. 981 should not increase current immigration levels. Therefore, my proposed amendment, while increasing from 20,000 to 35,000 the numbers of visas for Canada and Mexico, does not alter the 120,000 ceiling on Western Hemisphere immigration.

First of all, I wish to emphasize that we live on the same continent and share extensive common borders with these countries. I concede that continuity and geography alone do not justify special immigration treatment for any country. But, as a result of these shared borders, we experience a wide variety of mutual problems and concern.

These mutual concerns are set forth at some length in my additional views and I do not wish to take the time of the House to restate them at this time.

I would, however, like to set forth a few brief examples of these mutual areas of concern. There are numerous reciprocal agreements between our countries concerning manufactured goods; many labor unions in the United States have locals in Canada and vice versa; many American firms have branches in Canada and Mexico and the opposite is also true. Furthermore, efforts have been consistently made to promote freedom of travel across our contiguous borders. In short, there are numerous cultural, social and economic ties between our countries and we cannot disregard that our relationship with Canada and Mexico is, in fact, "unique."

Over the years, the United States has made continuous efforts to develop special patterns of cooperation and understanding with our contiguous neighbors and these patterns have been mutually beneficial in promoting friendly foreign relations.

Certainly we must not fail to take into account the effect of our immigration policies on our foreign relations with other countries. In some historical context unjustifiable discrimination in our immigration laws has provoked resentment on the part of foreign countries which has been detrimental to our national interests. For example, the total exclusion of Japanese immigrants in 1924 had a serious impact on our relations with that country. Another example was the sharp reduction in immigration from Italy and other countries of Southern and Eastern Europe which resulted from the national origins quota system established by the 1924 legislation. I might add that it took over four decades to eliminate this repugnant concept and we were all pleased in 1965 when this system was finally eliminated. I do not intend to imply that the provisions contained in H.R. 981, as they affect Canadian and Mexican immigration, present as serious a problem as the 1924 legislation but I must stress the importance of avoiding even the appearance of discrimination against our contiguous neighbors. Since Mexico is the only country in the Western Hemisphere which would be adversely affected by the 20,000 limitation, it is entirely conceivable that the Government of that country—and many Mexican-Americans—might well regard this legislation as an affront to its people. Moreover, since most Mexican immigration is family oriented, a 20,000 limitation would seriously impede the reunification of families—which is the primary objective of our immigration laws.

In addition to jeopardizing our foreign relations with Mexico, this 50-percent reduction in lawful immigration may exacerbate the illegal alien problem which this committee and the Congress have worked so hard to eliminate by the passage of H.R. 982.

I might add that the concept of special treatment of Canada and Mexico was supported by the Departments of State and Justice and by almost all of the other witnesses who testified before the subcommittee. In addition, a Special Study Group on Illegal Immigrants from Mexico specifically recommended that "any changes in the system of numerical limitation should be made so as to prevent a significant reduction in the current rate of immigration from Mexico."

In order to prevent such a drastic reduction my amendment provides 35,000 visas for each of these countries and I believe the adoption of this amendment will strengthen H.R. 981 and will assure early enactment of this needed legislation.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RODINO. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

Must these immigrants from Canada and Mexico be native citizens of those countries, or can they be "retreads," that is, people who go to Canada to take out citizenship papers, and then come on into the United States?

Mr. RODINO. No. They must be natives of that country, because our immigration laws consider the country of birth as determining his quota chargeability.

Mr. GROSS. Are they native Canadians and native Mexicans?

Mr. RODINO. Yes; they would be native Canadians and native Mexicans.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. SEIBERLING, and by unanimous consent, Mr. RODINO was allowed to proceed for 2 additional minutes.)

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. RODINO. I yield to the gentleman from Ohio.

Mr. SEIBERLING. As I understand it, the gentleman's position is not that we should not eventually move to a 20,000-limitation for every Western Hemisphere country, but that to take the drastic step of cutting in half the existing legal flow of immigration from Mexico would be too harsh a step to take, in view of the economic and other pressures that exist?

Mr. RODINO. That is correct. I should like to point out that when we made changes in the immigration laws of 1965, we provided for an orderly transition of those countries that enjoy larger quotas. To do this at this time would be to result in a devastating effect, but I might point out, and especially in the case of Mexico, Mexican immigration is totally characterized as one of family reunion, and this would be a disruption of the family-reunion concept which has been at the base of all our immigration policies.

Mr. KEATING. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the proponents of the proposed amendment to grant both Canada and Mexico 35,000 admissions per year argue that a uniform 20,000 per country limitation will seriously impair relations with our neighboring countries Mexico and Canada which, because of their geographic proximity, should receive favored treatment.

First. In response, I first suggest that we should not forget that our immigration law is designed to serve the interests of the United States—not to satisfy the desires of natives of foreign countries. Ours is a selective immigration system with two objectives: First, to reunify families through the admission of close relatives, and second, to attract skills which are needed in the United States because they are in short supply within our country; all this within the limitations of a statutory annual numerical maximum of admissions. Our immigrations law is not designed to meet the demand—that is, to admit all who want to come—but to admit a selected limited number of aliens.

Second. Geographic proximity provides no logical basis for preferred treatment. The founders of the Nation came from across the seas, yet we give no preferred treatment to those countries of origin. In 1965 we abandoned forever the most favored nation concept. Let us not retreat to a discriminatory favoritism for Canada and Mexico, countries which incidentally give no preferred treatment to U.S. citizens who wish to emigrate.

Treatment of Canada and Mexico on the same basis as all other countries should have no harmful economic or diplomatic consequences for our country. For Canada, total immigration in 1973 was less than 9,000—of which fewer than 3,000 were chargeable against the hemispheric numerical ceiling since the parents, spouses and children of U.S. citizens are admissible from all countries without numerical limitation. So obviously a 20,000 per country maximum should not result in any reduction in the admission of Canadians desiring to immigrate. The application of the preference system to the Western Hemisphere will take care of the Canadians who have been somewhat disadvantaged by the current hemispheric situation. Now skilled Canadians seeking admission will be able to secure preference visas.

For Mexico a total of 43,511 natives chargeable to the hemisphere ceiling were admitted in 1973. Some 26,560 natives of Mexico were admitted as immediate relatives not chargeable to any numerical ceiling and would be unaffected by the provisions of H.R. 981. While a 20,000 limitation would appear to reduce Mexican immigration severely, this does not necessarily follow. It is the conclusion of the subcommittee which drafted the amended bill that a considerable number of the Mexican natives who apply for immigrant admission do so for economic reasons and without an intention to remain permanently. This apparently is borne out by the statistics revealing that aliens from Mexico have in past years had one of the slowest rates of naturalization.

Additionally, another section of this bill is designed to provide increased opportunities for natives of Mexico and others to enter temporarily to take employment. Section 2 of H.R. 981 will permit aliens to enter for periods of up to 1 year, with a 1-year renewable option, to take employment in permanent-type jobs whenever citizens will not be displaced or prevailing wage scales undercut. Thus workers will be available when needed to meet shortages in the labor market. It is anticipated that Mexican workers especially will be benefited by these provisions of the bill and a considerable portion of the economic pressure for admission to the United States will be met.

Finally, it should be made clear that to provide special treatment for Canada and Mexico, as proposed, means either a substantial increase in the total number of immigrants admitted to the United States or a reduction in the numbers available to other countries in the Western Hemisphere. In view of the unemployment situation in the United States today, I am confident the American people do not favor an increase in the present rate of immigration. In reference to this possibility, it is interesting to note that the report of the President's Commission on Population Growth recommended that immigration levels not be increased—a position reached after strong internal arguments that the present numerical ceilings be substantially cut. The increase proposed for Canada and Mexico by Mr. RODINO's amendment represents a 25-percent increase in the total hemisphere ceiling—from 120,000 to 150,000. I submit such an increase is not defensible on the ground of foreign relations when the national interest would be so gravely harmed.

The alternative, if the hemisphere ceiling is kept at 120,000, is that immigration from the other 24 hemisphere countries be reduced to a total of 50,000. More than half of the hemisphere ceiling for two countries, and less than half for all the remainder? The obvious discrimination—the obvious flagrant retreat to a most-favored-nation policy—is totally unacceptable.

I urge defeat of the proposed amendment.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(At the request of Mr. RODINO and by unanimous consent, Mr. KEATING was allowed to proceed for an additional 2 minutes.)

Mr. RODINO. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from New Jersey.

Mr. RODINO. Mr. Chairman, the gentleman stated that this is not in the best interests of the United States. Is the gentleman aware that both the Department of State and the Department of Justice have agreed and testified before the committee that they supported a ceiling of 35,000 for Canada and Mexico wholeheartedly?

Mr. KEATING. Mr. Chairman, I would say that I do not always find myself in agreement with the Department of State in its relations with foreign countries.

Let me expand on that and say that by discriminating in favor of the Mexican immigrant, we are also discriminating against other countries in the Western Hemisphere. I think that is a very significant matter. The whole thrust of this bill is to take one big step toward uniformity in our immigration policy the world over. It is, hopefully, to have one policy to rid ourselves of the national origin concept.

I firmly believe the uniformity of 20,000 limitation on each country will be effective and will serve better the interests of the United States and the other countries of the world.

Mr. RODINO. Mr. Chairman, if the gentleman will yield further, I merely want to point out that we talked about population growth and cited some data. I would like to point out a special study group on illegal immigrants from Mexico appointed by the President specifically recommended that committee changes in the system of numerical limitation should be made so as to prevent any significant loss in the current rate of immigration from Mexico.

All these studies frankly recognize that there should be an orderly flow of immigration; but nonetheless all these studies have recognized the concept of the uniqueness of both Mexico and Canada. This is the concept that is recognized by both the Department of State and the Department of Justice, and it is in our best interests to do this.

Mr. KEATING. Mr. Chairman, I know the outstanding work my distinguished chairman has done in the field of immigration, and I would respectfully suggest that the modifications in section 2 of this immigration bill provide some relaxation for the purposes of improvement. It is clear because of the economic conditions in this country that it is desirable for Mexicans to come here to work. Their slower rate of naturalization, I believe, has a tendency to indicate that they would rather work here than become naturalized citizens.

If we provide them that opportunity, we will be solving a lot of the questions raised.

Mr. EILBERG. Mr. Chairman, I rise in opposition to the amendment. I find myself today in the unenviable position of opposing my distinguished chairman. It is not often that I have disagreed with my chairman during the 5 years we have worked together on immigration problems. I was fortunate to serve under him when he was chairman of the Immigration Subcommittee and we closely collaborated on many legislative proposals designed to provide reasonable and equitable immigration policies. My opposition to his amendment today is based primarily on my firm belief that we should treat all individuals regardless of their place of birth on an equal basis.

In 1965 we repealed the pernicious national origins quota system which for four decades represented the concept that some individuals because of their ethnic background or native country are better than other individuals. In 1965 we repudiated this concept and established a first-come, first-served preference system for natives of the Eastern Hemisphere which emphasized family reunification and the admission of individuals who possess needed skills.

In the bill which we have presented to the House today we have extended these principles by establishing a preference system for the Western Hemisphere. In an effort to establish a uniform system of immigration, we have also provided a per country limitation of 20,000 immigration visas for every country in the world. In other words, this bill represents a reaffirmation and extension of the principle that the ability of a person to immigrate to this country should be based upon his family ties in the United States and his personal qualifications and not on his place of birth. In short, by establishing a uniform preference system and per country limitation, the committee bill attempts to remove the last vestige of national origins discrimination.

It has been suggested that equal treatment for all countries discriminates against Canada and Mexico. I submit that special treatment for our contiguous neighbors—no matter what justification is presented—is discriminatory and may possibly create resentment among our other close allies—Italy, Great Britain, Ireland, Germany—who have not received favorable treatment under this legislation. Furthermore, this amendment would allow two countries in the Western Hemisphere to utilize the majority of visas allocated to that hemisphere; thereby, requiring the other 24 independent countries to compete for the remaining 50,000 visas.

It has been suggested that a 20,000 ceiling on Mexico would substantially reduce lawful immigration from that country and thereby may be considered as an affront to the people of that country, as well as Mexican Americans in the United States. These arguments should be rejected for two primary reasons. First of all, there was testimony before my subcommittee that Mexicans were not concerned with the numbers who were permitted to immigrate, but rather with the fact that natives of Mexico were treated differently than natives of countries in the Eastern Hemisphere. In other words, the resentment of Mexicans under the present immigration system is based upon the disparity in treatment between the two hemispheres. Their concern was not one of numbers, but of equality of treatment and this objection will be eliminated by the passage of H.R. 981.

Second, there is generally agreement that the vast majority of Mexicans who enter this country illegally or, in many cases legally, do not intend to reside permanently in the United States. This fact is demonstrated by the commuter program which enables over 40,000 Mexican natives who choose to reside in Mexico to commute daily to their jobs in the United States. Furthermore, the large numbers of Mexicans who participated in the old bracero program is additional evidence of the fact that the main desire of Mexicans is to work temporarily in the United States and then to return to their families in Mexico.

When Chairman Rodino and myself were in El Paso 2 years ago holding hearings on the illegal alien problem, we visited a detention center and spoke with a large number of illegal aliens who were about to be deported. During our discussions with these individuals we were surprised to learn that none desired to immigrate to the United States and that their sole desire was to enter temporarily for employment in order to send money back to their families in Mexico.

In addition, Mexican natives possess one of the lowest naturalization rates of any country in the world and this would seem to indicate that a substantial percentage of those who obtain immigrant visas return to Mexico after they have achieved some degree of economic stability. Further, the present restrictions on the admission of aliens for temporary employment has caused many Mexicans to seek a permanent residence visa when, in fact, they do not intend to remain in the United States.

I would also like to point out that notwithstanding a 20,000 limitation on Mexico, it will continue to be the primary source of immigration to this country for many years to come. Although they immigrated approximately 64,000 in fiscal year 1972, 23,000 of these individuals were immediate relatives and, therefore, would not be affected by the 20,000 limitation in this bill. In fact, I would estimate that, assuming a 20,000 limitation, approximately 40,000 to 45,000 natives of Mexico will immigrate to the United States in future years and this figure closely aproximates the average number of immigrants from Mexico for the last 8 years. In other words, this means that immigrants from Mexico will more than double the number from most other countries in the world even if a 20,000 ceiling is imposed.

Another primary reason for opposing special treatment for these countries is the simple fact that Canada and Mexico do not provide special treatment for U.S. citizens desirous of immigrating to those countries. Therefore, although geography and contiguity may be raised in support of favorable treatment, reciprocity cannot be asserted as such a justification.

Additionally, although it has not been expressly stated, it is apparent that increased ceilings for these countries, particularly Mexico, is an effort to respond to the socio-economic problems in these countries. I submit that immigration policies for this country should be designed to promote the interests of our citizenry and not to react to the problems of unemployment, poverty, and overpopulation in other countries. Certainly these are urgent matters which should be taken into consideration when preparing our foreign aid bills, but not when establishing our immigration policies. In other words, we should not attempt to solve international problems with immigration policy nor should foreign relations be the prime concern when considering amendments to our immigration laws.

Another matter which cannot be ignored in view of the extensive study which has been given to the illegal alien problem is the respect given to our immigration laws by natives of foreign countries. Because of our liberal granting of voluntary departure to Mexicans and the lax enforcement of our immigration laws, an attitude has developed in border areas that our immigration laws "are not to be taken seriously." Therefore, by giving special treatment to Canada and Mexico, we may contribute to this attitude that they are not subject to the provisions of the Immigration and Nationality Act to the same extent as natives of other countries. In 1965, in order to achieve a nondiscriminatory immigration policy, we did away with the national origins quota system, notwithstanding the fact that immigration from Ireland and Great Britain was sharply curtailed. This same reasoning should apply with respect to Canada and Mexico and the idea of a special relationship with these countries should be rejected in favor of the concept of equal and uniform treatment on a worldwide basis.

Mr. Chairman, I conclude by saying that no citizen in this world is better than any other citizen. The fact that he happens to reside in a country which is contiguous to our own should not give him any advantage whatsoever.

Mr. DENNIS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman and Members of the Committee, I would like to associate myself with the remarks of the gentleman from Pennsylvania (Mr. Eilberg) and the gentleman from Ohio (Mr. Keating). I oppose this amendment, and I believe the House should know that the amendment offered by our distinguished Chairman, the gentleman from New Jersey (Mr. Rodino) was thoroughly considered in the subcommittee chaired by the gentleman from Pennsylvania (Mr. Eilberg). It was thoroughly considered and voted on the full Committee on the Judiciary, and it was defeated.

Now, let us just consider for a moment what the bill does and what the amendment does. At the present time in the Eastern Hemisphere we have a 20,000-percent country annual limitation on immigration. We have a preference system based on skills and family ties primarily, and we have an overall ceiling of 170,000 people per year. In the Western Hemisphere, by contrast, we have no per-country limitation; we have no preference system. It is first come first served.

We do have a 120,000 overall limitation.

Mr. Chairman, what this bill does basically is to put the two hemispheres on the same basis. We apply the 20,000-per-country limitation in the Western Hemisphere which now exists in the Eastern Hemisphere. We apply the preference system which now exists in the Eastern Hemisphere to the Western Hemisphere, and we keep, however, in this bill and in the amendment offered by the gentleman from New Jersey (Mr. Rodino) the overall 120,000 limitation which presently exists in the Western Hemisphere.

Now, the only thing this amendment would do is to change the 20,000-per-country limitation to 35,000 in the case of two countries, Mexico and Canada.

It does not affect the overall ceiling. As a matter of fact, it is really an amendment to favor one country, and that is Mexico. The reason for that is that the Canadians do not come anywhere near using up the 20,000 per country limitation; they are nowhere close. It does not affect them as a practical matter. But the Mexicans always exceed it. They will get in about twice that many if you let them all come in and nearly twice that many under the amendment offered by the gentleman.

The question is, Why should we give this preferential treatment to Mexico? The whole thrust of our immigration law since 1965—and this bill carries it out—is to treat everybody in the same way. Now we are trying to treat the Western Hemisphere the same as the Eastern Hemisphere.

Surely the burden of proof is on anybody who wants to come in here and say that one country should have preferential treatment.

The next thing is, if you raise the overall ceiling, of course, you will have increased immigration with all of the problems that that entails in this country at this time. You do not do that under the amendment offered by the gentleman from New Jersey. So the necessary result is that there is less available for the other 24 countries in the Western Hemisphere.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. Keating, Mr. Dennis was allowed to proceed for 3 additional minutes.)

Mr. DENNIS. I thank the gentleman from Ohio.

What I want to say in conclusion before I yield is that this is an unfair amendment which goes back to the idea of favoring one country, and it hurts all of the other countries in the hemisphere.

The only alternative to that, if you wanted to go there, although this particular amendment does not, would be to increase the overall total, which I do not believe this House wants to do.

So I oppose the amendment.

I yield first to my chairman.

Mr. RODINO. I thank the gentleman for yielding.

I merely want to point out that prior to 1965, before we repealed the national origins system, Canada had as many as 37,000 or 38,000 visas, and thereafter that number was greatly reduced as a result of the changes we brought about and the requirements that were then incorporated in the new act at that time.

Mr. DENNIS. The gentleman will agree with me that the Canadians are not using anywhere near 20,000?

Mr. RODINO. That is correct at this time because the other countries are taking the numbers.

Mr. DENNIS. I now yield to the gentleman from California.

Mr. BELL. I thank the gentleman for yielding.

I will ask the gentleman, does he not believe that there is another overall problem here which is facing us, namely, the question of realism in our approach to international affairs. I do not think there is any question but what the most important area of our interest is the Western Hemisphere.

Just taking economics alone, our greatest trading partner is Canada. They are of vital importance to us. I know what happened in Cuba and Chile and other Latin American countries. A vote against the Rodino amendment would have an adverse effect on Canada's and Mexico's attitude toward us. I think it is important that we realize that more of our concentration of effort in international affairs should be dedicated to improving our relationships in our own hemisphere of Latin America and Canada. I support the Rodino amendment.

Mr. DENNIS. And I will say to the gentleman what we are doing is treating all of our hemisphere alike under the bill, but not under the amendment.

Mr. MAYNE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from New Jersey (Mr. Rodino).

Mr. Chairman, the author of the amendment, the gentleman from New Jersey (Mr. Rodino) went to great pains to talk about the common borders which we have with Canada and Mexico, and predicated a good deal of his appeal for this amendment on the need to treat our good neighbors, Canada and Mexico, in a more favored status than other countries.

As the gentleman from Indiana, Mr. Dennis, has just pointed out, the inclusion of Canada in this amendment is really a sham because the Canadians have no interest in it. The Canadians are only using about 7,000 of the 20,000 which this bill provides. They have not gone over that in about the last 5 years. So that there is no benefit for Canada here.

This is an amendment to benefit one country only, to give special preferential treatment to the citizens of Mexico.

I certainly have the friendliest feelings toward the citizens of Mexico. I think that we are treating them very fairly under the bill. Not only will they be able to have 20,000 under the bill as it is written, but we are also admitting about 26,700 additional Mexican citizens every year because they are relatives of Mexicans already admitted to the United States. That means that we are admitting approximately 50,000 Mexicans each year to the United States. I do not see how by any distortion that can be interpreted into an anti-Mexican posture. We are being extremely generous with our good friends, the Mexicans, more so, I will say, than they are to us in the many discriminatory statutes which they have on their books against citizens of the United States. We are going more than half-way with them, and particularly at these times when we have a real concern about finding jobs for our own citizens already in this country, and where organized labor and others interested in the welfare of the working men and women find that there are not enough jobs to go around for our own citizens. So it seems to me that the bill before us which in effect lets approximately 50,000 Mexican citizens into the United States each year is generous enough, and the amendment offered by the gentleman from New Jersey (Mr. Rodino) should be defeated.

Mr. EILBERG. Mr. Chairman, will the gentleman yield?

Mr. MAYNE. I yield to the gentleman from Pennsylvania.

Mr. EILBERG. Mr. Chairman, will the gentleman from Iowa agree that a study was made of the matter of immigrants to this country by the President's Commission on Population Growth and the American Future and that the principal conclusion of that Commission was that the present immigration levels should be maintained and not increased?

Mr. MAYNE. Yes, I recall that. And there was also testimony before our subcommittee to that effect.

Mr. EILBERG. I thank the gentleman.

AMENDMENT OFFERED BY MS. ABZUG TO THE AMENDMENT OFFERED BY MR. RODINO

Ms. ABZUG. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Ms. Abzug to the amendment offered by Mr. Rodino: Insert ", except that the number of aliens from Canada or Mexico above twenty thousand who in any fiscal year may be issued immigrant visas, who otherwise may acquire the status of an alien lawfully admitted to the United States, or who may, pursuant to section 203 (a)(7), enter conditionally shall not be considered in applying the ceiling imposed by section 201(a)(2) on the number of aliens from the Western Hemisphere who may be issued such visas, acquire such status, or so enter conditionally in any fiscal year."

Ms. ABZUG. Mr. Chairman, the purpose of my amendment to Mr. Rodino's amendment is to deal with the question of the disadvantage that accrues to the rest of the countries in the Western Hemisphere by giving Canada and Mexico special privileges. The debate thus far indicates that the increase of the quotas for Canada and Mexico could leave on the face of it only 50,000 more places for all of South and Central America and the Caribbean islands. I think that would work a very severe hardship on these peoples.

I suggest that the increase for Canada and Mexico not be given at the expense of the other countries in the hemisphere.

If we increase Mexico's and Canada's quota from 20,000 to 35,000 at the expense of the 20,000 and 120,000 limitation, we would be hurting these other countries. The fact is that in many areas of the country, and particularly in the area from which I come, there is a large immigration into the country from other countries in South America and Central America and such as from the Dominican Republic and the other Caribbean islands.

I believe it to be inequitable to enlarge the entry limitation of 2 countries at the expense of 24 other countries.

Under my amendment the first 20,000 of Mexico and Canada would be under the 20,000 and 120,000 limitation, and the additional 15,000 would not come out of the 20,000 that each of the other countries is entitled to, but would be 15,000 and 15,000, namely, 30,000 above the 120,000. If there is any justification to the position taken by Mr. Rodino in his amendment—and there may be because of the larger number of people coming in from Mexico than some of the other countries—then certainly my amendment to his amendment makes it much more equitable.

Mr. DENNIS. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. I yield to the gentleman from Indiana.

Mr. DENNIS. If I understand the gentlewoman correctly, what she is doing is saying that the extra 15,000 in the case of each of these two countries does not count against the 120,000?

Ms. ABZUG. That is correct.

Mr. DENNIS. Therefore, the gentlewoman is letting in 30,000 more people or in effect raising the 120,000 overall limitation to 150,000; is that correct?

Ms. ABZUG. That could be the effect.

On the other hand, we have just heard some debate that it would depend upon actually what the numbers are. If it were 15,000 above in each case, yes; if it were not, then that 15,000 would not go into effect; but in any case it would not come from the amount that each country is entitled to, the 20,000 or the 120,000.

Mr. DENNIS. The gentlewoman takes the extra 15,000 from each place and adds them on the top?

Ms. ABZUG. That is correct.

Mr. DENNIS. Making the 120,000 limit 150,000?

Ms. ABZUG. That is correct.

The CHAIRMAN. The time of the gentlewoman has expired.

Mr. EILBERG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would observe that under the gentlewoman's amendment all she does in effect is raise the maximum possible immigration for the Western Hemisphere from 120,000 to 150,000. This is very interesting. I will advise the Members that there are 118 Eastern Hemisphere countries and only 26 Western Hemisphere countries. Her proposal would depart from the committee position that immigration levels should not be increased.

The Western Hemisphere, Mr. Chairman, exclusive of the United States, contains only 9 percent of the world's population; yet it receives 41 percent of the visas which are allocated worldwide. In other words, the population ratio between the Eastern and Western Hemispheres would seem to justify a reduction, not an increase, in the Western Hemisphere ceiling.

The committee ultimately—and it might be in the next Congress—is desirous of eventually establishing a numerically unified worldwide ceiling. Therefore, increased immigration from the Western Hemisphere now would ultimately lead to a higher worldwide ceiling. Obviously, this is not the mood of the country or the Congress.

There is no way, Mr. Chairman, to estimate the demand for immigration from the Western Hemisphere under a preference system. We should wait and see what the experience of the Western Hemisphere will be under the preference system before deciding what hemispheric and worldwide ceilings are warranted.

And if, in the next Congress, assuming that this bill becomes law, there seems to be need for what the gentlewoman is recommending, we can take it up at that time along with legislation which might provide a worldwide ceiling on immigration.

Mr. KEATING. Mr. Chairman, I rise also in opposition to the amendment offered by the gentlewoman from New York to the amendment offered by the gentleman from New Jersey. I would like to associate myself with the remarks of my subcommittee chairman, the gentleman from Pennsylvania (Mr. Eilberg). The amendment to the amendment is clearly discriminatory. The Western Hemisphere is getting greater and better treatment as it is even now under the immigration procedure. This only compounds that problem.

Mr. Chairman, I would not belabor the issue except to say I support my subcommittee chairman in opposition to this amendment to the amendment.

SUBSTITUTE AMENDMENT OFFERED BY MR. GONZALEZ FOR THE AMENDMENT OFFERED BY MR. RODINO

Mr. GONZALEZ. Mr. Chairman, I offer a substitute amendment for the amendment offered by the gentleman from New Jersey (Mr. Rodino).

The Clerk read as follows:

Substitute amendment offered by Mr. Gonzalez for the amendment offered by Mr. Rodino: Page 15, strike out lines 22 through 24 and insert in lieu thereof the following:

(1) by striking out both provisos contained in subsection (a) and inserting in lieu thereof the following: ": *Provided*, That the total number of immigrant visas and conditional entries made available to natives of any single foreign state (other than Mexico) under paragraphs (1) through (8) of section 203(a) shall not exceed 20,000 in any fiscal year; and"

Mr. GONZALEZ. Mr. Chairman, I had originally intended to offer this as a separate amendment but in view of the nature and content of the Rodino amendment and the subsequent amendment offered by the distinguished gentlewoman from New York to the amendment, I am compelled to offer this as a substitute.

I would also like to have the opportunity to comment on some of the statements that have been made on both sides and particularly some made by the distinguished chairman of the subcommittee which reflect malinformation, misinformation, and egregious error and ignorance about some conditions that exist in our country particularly in the southwestern United States.

But with respect to my amendment this simply makes it possible to issue the greatest number of visas to the country where there is the greatest demand, namely Mexico. Mexico is a special case and whether we deplore preferential visas or not, history is preferential and conditions are preferential. They are not theories.

I cannot understand this distinguished committee, having acted as long as it has on these amendments, coming out with this amendment in the form it has, and having the audacity to say it is predicating its argument in behalf of the amendment on equality of treatment. Nothing could be further from the truth.

The managers of this bill say that by giving every country a ceiling of 20,000 immigrant visas, every country is receiving equal treatment. I say this is balderdash. This flat ceiling discriminates flagrantly against countries such as Mexico and bigger countries and it tilts in favor of the smaller countries. Under the 20,000 limitation Iceland with a population of 210,000 would get a visa for 1 out of every 10 of its citizens; Mexico with a population of 51 million would get 1 visa for every 2,500 of its citizens; or Brazil would get just 1 visa for every 5,000 of its citizens. In fact I would like to underscore that Panama would get 20,000 visas for its population of 1.5 million.

And Brazil, 20,000 visas for its population of 100 million. If this is equality, I am afraid I just do not recognize the meaning of that word. Where is the equality here? A 20,000 ceiling is a rank discrimination against a country such as Mexico where the need is the greatest and where the committee has abysmally lost the realism of the facts.

Some of the remarks made by the chairman of the subcommittee remind me of the remarks printed in committee hearings back in the 1920's when we had some committees in the Congress and the country, discussing this question of immigration and referring to the Mexican, where borders have been nonexistent as late as 1923, where a citizen could cross either border merely by just putting in 5 cents for the bridge toll.

There was no such thing as a visa at that time. There was still the historical heritage of our common border. We are talking about a country that had a tremendous amount of real estate in the United States. This is history. This is not true in Canada; this is not true of any other nation, and this inexorable fact is absolutely inescapable, in my judgment. To talk about the Mexican, as the chairman of the subcommittee said, is to repeat what his fellows were saying in their ignorance in 1923, that the Mexican was unassimilable and therefore his entry should be restricted and prohibited. This was said in 1923. The gentleman in 1973—the gentleman from Pennsylvania is saying—and I do not know where he gets his statistics, but they sure ought to be looked over—but the lowest rate of immigration for assimilation is among the Mexicans. Let me point out to this man and every other Member of this House, that if they want to see how well assimilated those of us of Mexican descent have become, cross the border and look at the cemeteries dotted with the names of Mexican aliens who died in Vietnam. Look at the cemeteries containing Mexican aliens who died in Korea. The first man to fall in battle in Korea was a constituent of mine by the surname of Jiminez.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. Gonzalez was allowed to proceed for an additional 3 minutes.)

Mr. GONZALEZ. Mr. Chairman, for this committee to record at this juncture in our history and ask for a diminution and reduction in what is now available is absolutely unthinkable. I cannot reconcile it with the realism of the facts. The chairman's amendment would raise the 15,000, but still be below the actual number Mexico has been obtaining every year since 1965, and also compounds the crass error that the country committed in 1965 in that exalted and much bragged about 1965 Immigration Act, which I did not vote for because I said then and I predicted then that we were adopting a principle that would bring mischief in the future with respect to the Western Hemisphere.

This silly notion that we are going to equate a country the size of Panama with a country the size of China or Japan or Switzerland or France is absolutely flying in the face of logic and reason. At least at this time, my amendment would simply restore the status quo with respect to visas with respect to Mexico, period, because to throw in Canada is just a largesse in order to try to offer some sop of logic to the Rodino amendment.

But, the truth is that it should not be included. Canada does not absorb even its present quota. The need is elsewhere, and it is singular and it is realistic and it is what the facts reveal, not the fancies of some pseudodemographic expert who has not bothered to even check the facts.

To further compound the presentation it was said as an argument that the Mexican alien seeking legal admission indigenously to this country, like our forefathers, should be denied that opportunity he has now, because they say the record shows, and this is the argument I heard astoundingly, that he has not assimilated, that he has the lowest assimilation factor of any immigrant group. That not only is a canard, it is an insult and it flies fully in the face of our history, the facts and the statistics.

I hope, if nothing else, regardless of the outcome of this substitute, that the chairman of the subcommittee will go back.

I do not know what language the gentleman used in talking to these people he said were in concentration camps getting ready to be shipped back to Mexico. I do not know what language he used, but I do not think in whatever language they spoke to him he gathered the real sentiment, the real feeling that throbs in the hearts and minds of these people. They want one thing, a chance to come to this country like our forefathers, to earn an honest livelihood by hard work and rear a family, if possible.

One thing that was a grievous insult under the bracero program was that in effect the concept was to bring the Mexican alone, the male, without his family, use him and ship him back.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(On request of Mr. Teague of California, and by unanimous consent, Mr. Gonzalez was allowed to proceed for 1 additional minute.)

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from California.

Mr. TEAGUE of California. I would like to ask the gentleman what effect he believes his amendment would have on the availability of farm labor in the Southwest?

Mr. GONZALEZ. As the gentleman may know, it may not have a direct impact, but an indirect one. Under the present laws we do have, I think that, regardless of the visa, legal resident permissions given would depend upon the interpretaton under our present law that the officials in the administrative branch of the Government and the Labor Department give.

In other words, this is one reason why I have opposed the special type of restoration of legislation like the bracero law, because I do not think we have to have a law. I think that if there is a legitimate need it should so be established by the proper administrative officials; and then the growers could have a chance, at least, under the law to legally use the labor that at this time is abundant in Mexico; so I do not know that there would be a direct impact.

Mr. EILBERG. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would say to the gentleman from Texas (Mr. Gonzalez) that he has misunderstood some of the words I said previously.

I would first like to say I do not have a copy of the amendment he proposes, but from listening to it I gather what he is recommending is that there be no quota for Mexico. That means unlimited numbers. I am not going to attempt at this time to repeat all the arguments already made against such a proposition. We maintain that every country should be limited to 20,000 visas. Others say 35,000. The gentleman from Texas suggests unlimited emigration from Mexico.

Somehow he has gotten into his mind a concept that I regard or the subcommittee regards Mexicans as inferior citizens. That concept is certainly not correct and I want to correct that point emphatically at this point.

Yes, we were in Mexico and El Paso, Tex. We spoke to a great many deportable Mexicans who had been apprehended.

I would say to the gentleman that those people we spoke to—the chairman of the full committee, myself, and other members of the subcommittee—were as fine people as we could find anywhere. The 20,000 limitation has nothing to do with the personalities or ethnic background of these individuals. Our objective is simply one of equality and uniformity.

Mr. Chairman, the question we are considering here, however, is the number of Mexicans that should be legally permitted to enter the United States each year. I suggest that the reason for the great pressures for people coming from Mexico is economic.

We learned and the subcommittee learned when we went to Mexico that unemployment south of the border is 25 to 50 percent, and obviously they want to find some jobs some place where they can work and send money back to their families. That is exactly what the great bulk of them were doing in the United States. The fact is that we had a great many commuters coming back and forth, which is evidence that they do not want to live in the United States. They could; they are permanent resident aliens, but they do not want to live in the United States.

We take further into consideration that the pressure for admissions from Mexico is economic, and we expand the H.R. 2 provision making it possible for more Mexicans to come to this country. This recognizes the economic situations as they exist.

Mr. Chairman, there was nothing in what I said or in what we intended to do that should be construed as disrespect for the character or personality or friendship of our great neighbors to the south. We simply maintain that the problem is basically an economic one, and there is no reason why Mexico should be given a greater opportunity than any other country in the world.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. EILBERG. I yield to the gentleman from Texas (Mr. Gonzalez).

Mr. GONZALEZ. Mr. Chairman, I have asked the gentleman to yield, because did he not say in his presentation that—and this was one of the arguments against an increase in the allowance—the record showed that the Mexican alien had the lowest rate of integration? Is that not the word the gentleman used?

Mr. EILBERG. No, sir. What I said was that he had the lowest rate of nationalization. I have a chart which indicates 2 percent, which is the lowest figure in that regard for any country in the entire world.

Mr. GONZALEZ. Mr. Chairman, let me say that I believe that figure is subject to very serious revision and study.

Let me say again that if the gentleman were familiar with the history of that territory, he would understand why it is the lowest figure.

There is an historical fact behind it, and it is not a question of any disinclination on the part of any alien members to want to live in the United States.

Mr. Chairman, may I ask the gentleman this: How does he think that I happen to be here as a Member of Congress if my parents did not want to stay in this country?

Mr. EILBERG. Mr. Chairman, I have no doubt that the gentleman, as well as his parents, desired to remain in this country.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. EILBERG. I yield to the gentleman from Indiana.

Mr. DENNIS. Mr. Chairman, I thank the gentleman for yielding.

I would just like to point out that I have the greatest respect for the gentleman from Texas or any other Member who speaks from the heart as he spoke. However, I think the House should consider what this amendment proposes. It leaves the 120,00 overall Western Hemisphere ceiling, and it says that every other country in the hemisphere has a 20,000-per-country maximum except Mexico, and it has none. It is not 35,000 under this amendment, as proposed by the chairman. It is unlimited. They could take the entire 120,000.

Mr. Chairman, I just put the question to the committee whether that is a fair proposition. I understand the gentleman's feeling. I do not blame him for introducing the amendment, but that is what it does.

I will ask, is that what we want to do?

Mr. KEATING. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would just like to raise one point and restate something that I said earlier.

The purpose of our immigration system is to reunify families through the admissions of close relatives and to attract skills which are needed in the United States, because they are in short supply within our country, all this within the limitations of a statutory annual numerical maximum number of admissions.

Our immigration law as it is presently is not designed to meet the demand that is present to admit all who want to come, but to admit a selected number of aliens. So what this means really is that we are talking about a change in the whole philosophy of immigration.

The per country maximum of 20,000 annually has apparently had no adverse effect in the Eastern Hemisphere if special treatment is warranted for any country because the demand exceeds the 20,000 ceiling then the Philippines should be given special treatment. There is a backlog of more than 200,000 applicants in the Philippines waiting for visas but no special treatment is recommended.

So I would say we have a similar situation, and I think we are just starting a series of causes and effects which will trigger a reaction among other nations where the demand is as great as or greater than that of Mexico.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman.

Mr. HINSHAW. Mr. Chairman, regardless of any merit contained in H.R. 981, it seems paradoxical that time be given here today to consider legislation having to do with legal aliens when the country, and particularly southern California and the southwest region, is being overrun with illegal aliens due to an almost total breakdown in the capacity of the Immigration and Naturalization Service to enforce immigration laws.

H.R. 981 will: First, extend to the Western Hemisphere the seven category preference system and the 20,000 per country limit on the number of immigrant visas available annually, which is currently in effect for the Eastern Hemisphere; second, expand the present refugee provisions of the Immigration and Nationality Act to include conditional entry for political refugees from any country in the world, which has the effect of extending to Western Hemisphere refugees the benefits which present law gives only to the Eastern Hemisphere; and third, amends the labor certification provisions of existing law to exclude certain categories of aliens unless the Secretary of Labor certifies the need for the kind of labor they can perform.

INS records show that "more than a million" illegal aliens are pouring into this country each year. This, of course, can be nothing more than an estimate. But, considering its source, it is probably a reliable estimate. This condition is, I am convinced, brought about by failure of the Department of Justice and the Office of Management and Budget to recognize the importance of the Immigration and Naturalization Service and the vital need for INS to adequately perform its functions.

I happen to be a member of the Legal and Monetary Affairs Subcommittee of the House Committee on Government Operations. Two years ago this month our chairman, the Honorable WM. J. RANDALL, asked the General Accounting Office to review the operations of the Immigration and Naturalization Service with a view to determining the economy, efficiency, and effectiveness of that Agency's operations.

When I came to Congress this year I was assigned to the Legal and Monetary Affairs Subcommittee and our first order of business was a hearing concerning the Immigration and Naturalization Service. Coming from Orange County, Calif., I was, of course, well aware of the illegal alien problem. In fact, there are estimates that just about one-half of the illegal aliens in the United States are located in Southern California.

As our hearings progressed it became quite evident to me that the failure of the Immigration and Naturalization Service to effectively cope with the illegal alien problem in the Southwest is a condition that exists to some extent or other at all United States ports of entry as well as in the various INS districts located throughout the interior of the United States.

The Legal and Monetary Affairs Subcommittee has now conducted about 10 days of hearings on INS weaknesses which have led to the mushrooming problem of illegal aliens. The General Accounting Office has compiled two well documented reports on this problem. The subcommittee staff is still conducting an extensive investigation of procedures followed by the Immigration and Naturalization Service, the Agency charged with enforcing immigration laws. Two on-site investigatory trips have been made to Texas, Arizona, and California. Our files are bulging with verified information as to INS weaknesses, and conditions that have led to the inability of that Service to perform at an adequate level; information that has been provided without solicitation but with sufficient documentation as to leave little or no doubt as to its correctness.

INS witnesses have provided the subcommittee with detailed records of their requests for manpower, equipment and money with which to perform their duties. They have told us of the cuts made in these requests by the Department of Justice, within which INS operates, and then further cuts by the Office of Management and Budget before the requests reach the Congress. One example: since 1964 INS has asked for 3,921 new positions to enable the Service to do a better job. They have been given only 966 new positions. Another example: between 1964 and 1973 appropriations for INS have increased from $69 million to just under $136 million. More than $40 million of this increase has had to be used for classified and cost-of-living pay raises. Inflationary pressures in other areas of INS expenditures have made such inroads as to indicate that the effective budget increase during this 10-year period is only $20 million. In 1964, 85,000 illegal aliens were found in the United States. In 1972, 472,000 were found—an increase of more than 500 percent in the number of apprehensions, but with only 3 percent more money and 22 percent more manpower.

The General Accounting Office has informed the Legal and Monetary Affairs Subcommittee that INS records are in a seriously substandard condition; that identification documents and entry permits are so lacking in built-in security precautions as to make them readily and easily counterfeitable. GAO has also indicated serious lack of cooperation by other Government agencies—local, State and Federal—with the INS that would enable the Service to do a better job. Notable in this respect is failure of the Treasury Department to collect taxes from aliens being expelled who are able to pay. Also notable is the extent to which officials at all levels have been willing to look at need rather than entitlement in handing out welfare funds.

Our subcommittee staff has developed information as to lack of communication equipment, motor vehicles in serious state of inefficiency, inadequate office machinery and other deficiencies in the tools needed by INS to function properly.

INS and Border Patrol personnel have volunteered information to the subcommittee and provided substantiation for their allegations concerning voluminous complaints that have never been acted upon, cessation of area control activities because there are no facilities for detention and no money for deportation.

Only this morning the subcommittee staff received photostatic documentation of a case in which permission for entry into the United States was given, on August 21, 1973, to an alien subject who had previously served a prison term in this country for attempted rape; he had been charged with bigamy while here illegally but had fled the country before prosecution and he had been the subject of deportation proceedings following illegal entry into this country 11 times since 1946. Furthermore, the Public Health Service report on this individual indicated that he had an active case of syphilis.

Although I have not decided how I will vote on H.R. 981 on final passage, I am not strongly persuaded as to the propriety of considering such legislation as this when no visible effort is being made at any level of government to stem the tide of illegal aliens whose presence in this country threatens the integrity of the comparatively very few of their countrymen who have taken the time and gone through the trouble to enter the United States legally. It may well be that, to those classes of aliens who will benefit by H.R. 981, this is highly important legislation. But on this side of the border where new horror stories are developing everyday in connection with the growing presence of illegal aliens, it seems to me that we are dealing with the wrong aspect of the immigration problem.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the distinguished gentleman from Texas (Mr GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, I rise only to point out one thing here. If my substitute amendment were to be adopted, it would not make an unlimited visa allowance possible for Mexico. You would still have the overall hemispheric limitation. All it does is maintain the status quo for the Republic of Mexico, but it does not remove your hemispheric limitation of 120,000.

Mr. KEATING. We still have the 120,000 limitation. Is that correct?

Mr. GONZALEZ. That is right.

Mr. KEATING. And your substitute amendment, as I understand it, is unlimited as far as Mexico is concerned.

Mr. GONZALEZ. No. If you look at the part of the bill that is amended——

Mr. KEATING. Unlimited up to 120,000, I mean.

Mr. GONZALEZ. No. In effect that is what you have indicated, but it only maintains the status quo.

Mr. KEATING. What it means is Mexico could eventually use up the 120,000 for the whole Western Hemisphere.

Mr. GONZALEZ. But the gentleman recognizes it could do so now, but it has not and will not. All this does is preserve the status quo with respect to Mexico.

Mr. KEATING. I thank the gentleman.

Mr. SEIBERLING. Mr. Chairman, I move to strike the last word.

It seems to me this has been a very informative dialog because it brings out the two possible extremes, one of which is to take a rigid pattern and try to stretch the body politic, so to speak, to fit it, and the other is to make an exemption which completely eliminates any restriction as far as Mexico is concerned.

I am a member of the subcommittee and was with them when they took the trip to the border areas between Mexico and Texas. I think we all shared the same feeling that we have a very serious problem of relationships with a neighbor country which is suffering from severe economic problems, including severe unemployment.

To take a 20,000 person limitation and impose it in a way that would cut the existing flow of legal immigrants in half is simply to fail to recognize that we have a special problem because we share a common border with Mexico. However, I do not think the way to resolve that is to go to the other extreme and impose a limitation on every country in this hemisphere except Mexico, because by so doing we would exacerbate our relations with the others.

It seems to me Chairman Rodino has offered a way out and a way that the Department of Justice and the Department of State support and a way that recognizes our relationships with Mexico and our special problem on the Mexican border and which does not create a possibility of preempting immigration from the other countries of the Western Hemisphere.

For that reason I am inclined to oppose the substitute amendment offered by the gentleman from Texas and to support the amendment offered by the gentleman from New Jersey (Mr. Rodino).

Mr. EILBERG. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. Yes. I yield to the gentleman.

Mr. EILBERG. The gentleman stated what we are doing is cutting the possible immigration in half. I think what he is referring to is the figures only for the last fiscal year. In fiscal year 1972 there were 64,000 and of that 64,000, 23,000 were immediate relatives. Going back 2 years before that there were 44,000. So I suggest to the gentleman that if we allow 20,000 plus the immediate relatives, taking into consideration the size of the families, we can approach 45,000 which is approximately the average Mexican immigration for the last 8 years. Therefore, we will not do substantial harm to Mexican immigration at all.

Mr. RODINO. Mr. Chairman, would the gentleman yield?

Mr. SEIBERLING. I yield to the chairman of the committee, the gentleman from New Jersey (Mr. Rodino).

Mr. RODINO. Mr. Chairman, I would like to point out again to the chairman of the subcommittee that when we wanted to eliminate the national origins quota and take in the 20,000 per country in the Eastern Hemisphere, and none for the Western Hemisphere, we were careful in insuring that there would be a transition so that the countries which enjoyed a higher quota would not be hurt drastically by suddenly taking away from them all their visas. We therefore provided for a 3-year transitional period. As a matter of fact, I asked for a 5-year period, and history and experience proves that I was correct because there were inequities that continued for a period of 5 years.

That is the reason why it would be terribly unjust to treat Mexico and Canada other than the way I suggest.

Mr. SEIBERLING. I would also like to point out that the effect of the committee bill without the Rodino amendment would have been to cut all immigration from Mexico last year from 64,000 to 41,000, which is at the very least a 33⅓-percent cut; in fact, it would actually cut in half the number of immigrants from Mexico who come in under the preference system. Therefore in the category it is more than a 50-percent cut. And it pressures inside Mexico at a time when we ought to be trying to help them get out of their predicament. I would think that the amendment offered by the chairman, the gentleman from New Jersey (Mr. Rodino) is a logical middle ground, and one that recognizes the facts of life as they exist on the border, instead of trying to fit them into a rigid scheme, desirable as it is as an overall pattern.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. Abzug) to the amendment offered by the gentleman from New Jersey (Mr. Rodino).

PARLIAMENTARY INQUIRY

Mr. KEATING. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. KEATING. Mr. Chairman, will the vote be on the amendment offered as a substitute by the gentleman from Texas to the amendment offered by the gentleman from New Jersey (Mr. Rodino)?

The CHAIRMAN. The Chair will state that there is a perfecting amendment to the amendment offered by the gentleman from New Jersey (Mr. Rodino). The first question occurs on the perfecting amendment to the amendment. Thereafter the vote will occur on the amendment offered by the gentleman from Texas (Mr. Gonzalez), as a substitute for the amendment offered by the gentleman from New Jersey (Mr. Rodino).

If the substitute amendment is agreed to, the vote will recur on the original amendment, as amended. If the substitute fails, the vote will then occur on the amendment offered by the gentleman from New Jersey (Mr. Rodino) in the form in which it was offered.

Mr. KEATING. I thank the Chairman.

The CHAIRMAN. The Chair will restate the question.

The question is on the amendment offered by the gentlewoman from New York (Ms. Abzug) to the amendment offered by the gentleman from New Jersey (Mr. Rodino).

The question was taken; and on a division (demanded by Ms. Abzug) there were—ayes 14, noes 61.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Texas (Mr. Gonzalez) to the amendment offered by the gentleman from New Jersey (Mr. Rodino).

The substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. Rodino).

The question was taken; and on a division (demanded by Mr. Eilberg), there were—ayes 40, noes 50.

RECORDED VOTE

Mr. RODINO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 174, noes 203, not voting 57, as follows:

[Roll No. 481]

AYES—174

Abzug
Adams
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Aspin
Badillo
Bafalis
Bell
Bergland
Biester
Bowen
Brademas
Brasco
Breaux
Brooks
Brotzman
Brown, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burton
Byron
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Chappell
Chisholm
Clausen, Don H.
Clay
Cleveland
Collins, Ill.
Collins, Tex.
Conlan
Conyers
Corman
Crane
Cronin
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
de la Garza
Dellums
Denholm
Dent
Derwinski
Diggs
Dingell
Eckhardt
Edwards, Calif.
Fascell
Fisher
Flynt
Foley
Fraser
Fuqua
Gibbons
Ginn
Goldwater
Gonzalez
Gunter
Hamilton
Hammerschmidt
Harrington
Hawkins
Hinshaw
Holifield
Horton
Hosmer
Hungate
Jarman
Johnson, Calif.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kazen
Kluczynski
Koch
Kyros
Landrum
Leggett
Lehman
Lujan
McCloskey
McCollister
McCormack
McFall
McKay
Macdonald
Madden
Mahon
Maraziti
Martin, Nebr.
Mathis, Ga.
Meeds
Melcher
Metcalfe
Mezvinsky
Mink
Mitchell, Md.
Moakley
Moss
Murphy, Ill.
Murphy, N.Y.
Obey
O'Neill
Patten
Perkins
Pettis
Pickle
Pike
Poage
Preyer
Price, Ill.
Price, Tex.
Pritchard
Railsback
Rangel
Rees
Reid
Rodino
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe

Sandman
Sarbanes
Satterfield
Schroeder
Sebelius
Seiberling
Shipley
Sisk
Skubitz
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steed
Steelman
Steiger, Ariz.
Stokes
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thornton
Ullman
Van Deerlin
Veysey
Waggonner
Waldie
Whalen
White
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Yates
Young, Tex.
Zablocki
Zwach

NOES—203

Abdnor
Addabbo
Alexander
Anderson, Ill.
Andrews, N.C.
Arends
Armstrong
Ashbrook
Baker
Barrett
Bauman
Beard
Bennett
Biaggi
Bingham
Boland
Bray
Breckinridge
Broomfield
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burlison, Mo.
Butler
Camp
Carter
Cederberg
Chamberlain
Clancy
Clark
Clawson, Del
Cochran
Cohen
Collier
Conable
Conte
Coughlin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Delaney
Dellenback
Dennis
Devine
Dickinson
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Findley
Fish
Flood
Flowers
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Gaydos
Giaimo
Gilman
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Guyer
Haley
Hanrahan
Hansen, Idaho
Harsha
Harvey
Hastings
Hays
Hechler, W. Va.
Heinz
Helstoski
Hicks
Hillis
Hogan
Holt
Holtzman
Huber
Hudnut
Hunt
Hutchinson
Ichord
Johnson, Colo.
Johnson, Pa.
Jones, Tenn.
Kastenmeier
Keating
Kemp
Ketchum
King
Kuykendall
Landgrebe
Latta
Lent
Litton
Long, Md.
Lott
McClory
McDade
McKinney
McSpadden
Madigan
Mailliard
Mallary
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Michel
Milford
Miller
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Morgan
Mosher
Myers
Natcher
Nedzi
Nelsen
Nichols
O'Hara
Parris
Passman
Peyser
Podell
Powell, Ohio
Quie
Quillen
Randall
Rarick
Regula
Robinson, Va.
Robison, N.Y.
Roe
Rose
Rousselot
Ruth
Ryan
Sarasin
Saylor
Scherle
Schneebeli
Shoup
Shriver
Shuster
Sikes
Slack
Smith, N.Y.
Snyder
Spence
Steele
Steiger, Wis.
Stratton
Symms
Thomson, Wis.
Thone
Tiernan
Towell, Nev.
Treen
Vander Jagt
Vanik
Vigorito
Walsh
Wampler
Ware
Whitehurst
Whitten
Widnall
Williams
Winn
Wolff
Wyatt
Wydler
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Zion

NOT VOTING—57

Ashley
Bevill
Blackburn
Blatnik
Boggs
Bolling
Brinkley
Brown, Mich.
Brown, Ohio
Burgener
Burke, Calif.
Cotter
Culver
Danielson
Dorn
Evins, Tenn.
Ford, William D.
Gettys
Gray
Hanley
Hanna
Hansen, Wash.
Hébert
Heckler, Mass.
Henderson
Howard
Jones, Ala.
Long, La.
McEwen
Mann
Mills, Ark.
Minish
Moorhead, Calif.
Moorhead, Pa.
Nix
O'Brien
Owens
Patman
Pepper
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Roncallo, N.Y.
Rooney, N.Y.
St Germain
Stanton, J. William
Stephens
Stubblefield
Taylor, Mo.
Udall
Wiggins
Wright
Wylie
Young, Ga.
Young, S.C.

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. WHITE

Mr. WHITE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. White: On page 14, strike lines 7 through 19 and insert the following as section 2 of the bill:

Sec. 2. (1) Section 101(a)(15)(H)(ii) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii) is amended to read as follows: "(ii) who is coming to the United States under a specific, individual contract of labor to perform other services or labor of a temporary or seasonal nature if the Secretary of Labor has determined that there are not sufficient workers at the place to which the alien is destined to perform such services or labor who are able, willing, qualified and available, and the employment of such alien will not adversely affect the wages and working conditions of workers similarly employed in the United States and subject to the conditions that—

"(a) the contract of employment shall be for a period not to exceed one year, which may be renewed for additional periods up to one year, if approved by the Secretary of Labor, but shall not be renewable for periods aggregating more than five years;

"(b) such alien will not perform services or labor not reasonably specified, nor an employer not named, nor during a time period not included in the contract of employment without the approval of the Secretary of Labor;

"(c) the petitioning employer shall comply with regulations relating to minimum housng facilities, medical care, and other conditions of employment in accordance with fair employment practices and where the alien is not covered under existing laws to protect the alien employee from exploitation or abuse as a result of such employment;

"(d) the person who intends to employ such alien shall petition the Attorney General and Secretary of State for temporary visa as herein provided after certification has been furnished by the Secretary of Labor in accordance with the conditions of this subparagraph;

"(e) upon termination of said contract of employment, such alien shall, unless the contract and visa has been renewed by appropriate procedure and authority, present himself to authorities of the Immigration and Naturalization Service for return to his native country within a period of two weeks plus reasonable traveling time from the date of work termination, not to exceed two additional weeks. Failure of said alien to so present himself shall constitute a felony offense punishable by imprisonment in a Federal correctional institution up to five years. Such alien shall thereafter be ineligible for any subsequent admission to the United States under any provision of law, for a period of five years from the last violation."

(2) Section 214(a) of the same Act (8 U.S.C. 1184 (a)) is amended to read as follows: "The admission to the United States of any alien as a nonimmigrant shall be for such time and under such conditions as prescribed by law and as the Attorney General may by regulations prescribe, including when he deems necessary the giving of a bond with sufficient surety in such sum and containing such conditions as the Attorney General shall prescribe, to insure that at the expiration of such time or upon failure to maintain the status under which he was admitted, or to maintain any status subsequently acquired under section 1258 of this title, such alien will depart from the United States.'

(3) Section 214(c) of the same Act (8 U.S.C. 1184(c)) is amended by addition of the following new paragraph: "The status of an alien admitted to the United States under section 101(a)(15)(H)(ii) of this Act (8 U.S.C. 1101(a)(15)(H)(ii)) as herein amended shall terminate when the employment with the petitioning employer of such alien ends. Said employer shall within three days after the alien ceases such employment notify the Attorney General in writing that the employment of such alien has ceased and shall provide the date of termination to the same. Said employer shall in addition provide two weeks notice of work termination to such alien. It is further provided that, any employer who fails to furnish written notice to the Attorney General as herein described shall be guilty of a misdemeanor and shall, upon conviction thereof, be fined not in excess of $200 or be imprisoned not more than thirty days, or both."

(4) Section 214 of the same Act (8 U.S.C. 1184) is amended by redesignating subparagraph (d) as (e) and by inserting the following new subparagraph as (d):

"(d) Renewal of Petition of Importing Employer.

"The question of renewing or obtaining approval of a subsequent admission of an alien under section 101(a)(15)(H)(ii) (8 U.S.C. 1101(a)(15)(H)(ii)) shall again be determined in accordance with the same provisions and conditions. In addition, upon such petition as provided therein, the Secretary of Labor shall determine if the terms of the expiring or previous contract of employment under such category were met by both parties of said contract and in accordance with fair employment practices. If the Secretary of Labor determines that such petitioning employer had materially failed to comply with such contract terms or regulations as issued by the Secretary within the preceding five years, the Secretary shall make such finding and approval of such labor certification or renewal of labor certification shall be prohibited to said employer for a period of five years from the date of such noncompliance."

5) The table of contents of section 214 of the Immigration and Nationality Act (8 U.S.C. 1184, subch. II, ch. 12) is amended to read as follows:

"214. Admission of nonimmigrants.

"(a) Regulations.

"(b) Presumption of status; written waiver.

"(c) Petition of importing employer.

"(d) Renewal of petition of importing employer.

"(e) Issuance of visa to fiancee or fiance of citizen."

(6) Sixty days after enactment of this Act, the Secretary of Labor shall submit to the Congress for review by the appropriate committees of the House and Senate such regulations as referred to in section 101(a)(15)(H)(ii)(c) (8 U.S.C. 101(a)(15)(H)(ii)(c)) and section 214(d) (8 U.S.C. 1184(d)) as herein amended. Not later than ninety days of continuous session of Congress, after submission of such regulations, the appropriate committees of Congress shall notify the Secretary of Labor of their recommendations for acceptance or rejection of the proposed regulations.

(7) The provisions of section 2 of this Act shall become effective upon approval by the Congress of the above-mentioned regulations.

Mr. WHITE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WHITE. Mr. Chairman, the flood of illegal aliens into this country is reaching dangerous proportions. My amendment seeks to cure this particular problem. Section 2 of H.R. 981 is most certainly a giant step forward in solving our domestic labor shortages and in providing a means for aliens to decide they wish to make the United States their home.

But the bill does not spell out the procedures or alternatives.

I offer by this amendment to control temporary, needed, and unavailable labor. Employers will not hire aliens if there is a feasible controlled system to get labor. Aliens are less likely to illegally enter if there is a proper way to get jobs.

Mr. Chairman, I offer this amendment to further specify the conditions of entry under the H–2 category and to provide certain safeguards in behalf of the employer, the U.S. worker, and the alien.

First, in the bill before us there is an ambiguity as to the number and limitation of extensions and renewals under the bill. My amendment sets a limit of 5 aggregate years under this category, but only for 1 year maximum at any one time.

Secondly, my amendment provides that certain conditions of employment must be met by the employer, including the approval by the Secretary of Labor of a specific individual contract of employment between the petitioning employer and the alien.

By the way, Mr. Chairman, I must point out to the Members that on the majority and the minority desks there is a summary of the bill. I would urge that the Members look at the list of the provisions of this particular amendment to satisfy themselves as to the particularities.

The conditions of such a contract, as approved by the Secretary of Labor, include minimum housing, medical facilities, and other basic needs of the alien who comes temporarily into the United States, and where such protections and minimum living and working standards are not already contained in existing law. This is for the protection of the alien in this country to prevent him from being exploited. These minimum standards of employment are to be issued by the Secretary of Labor, after approval by the appropriate committees of the House and the Senate.

In other words, they must come back with these conditions to us in order to have them reviewed.

Third, my amendment requires the employer to notify the Attorney General and the alien when the employment is terminated. Such a provision would allow the appropriate government agency to terminate a visa when the employment is terminated.

This is not provided in the instant bill.

There are innumerable cases of aliens who enter as immigrants with labor certifications for approved employment who quit, and who move into the interior of the United States to take a job away from an American worker—one which would not have been approved by the Department of Labor. This amendment would, therefore, serve to protect both the U.S. employer and the U.S. worker.

Fourth, my amendment requires that the alien present himself to the immigration authorities upon termination of his country, and it provides penalties for employment for return to his native failure to do so. This is not a provision in the instant bill. We must have some provision for him to return.

Mr. Chairman, the amendment I have presented further stipulates that the conditions of employment must have been met on the previous H–2 visa and must be agreed to for renewals of similar petitions by the same employer.

If the employee, however, does not fulfill the terms provided by the Secretary of Labor, he does not remain in the employment of the employer for a period of 5 years.

Mr. Chairman, I have lived on the border all my life and have given many years of serious study, along with other colleagues of mine from Texas and others in California, to the problems associated with and derived from domestic labor shortages and immigration laws which have been wrongly expanded and restricted in other areas in order to meet the shortage.

That is why we have so many illegal aliens in this country, working in this country today.

Mr. Chairman, I am most assuredly in favor of the concept reflected in the bill. I feel certain procedures and regulations must be included in the law to protect the American employer, the American worker, and the alien.

The procedures called for in my amendment will mean that the employer can be better assured that the alien he hires will remain in his employment until the end of the desired term, that the alien can be better assured of fair working conditions, that the American worker cannot legally have his job taken away from him, and that deserving aliens who wish to live permanently in the United States will not have a "green carder" take up a slot in the quota system and thereby unnecessarily prolong their waiting period for admission.

The CHAIRMAN. The time of the gentleman from Texas (Mr. WHITE) has expired.

(On request of Mr. TEAGUE of California and by unanimous consent, Mr. WHITE was allowed to proceed for 1 additional minute.)

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. WHITE. I yield to the gentleman from California.

Mr. TEAGUE of California. Mr. Chairman, does not the gentleman believe that if his amendment were adopted, it would tend to very greatly reduce the number of illegal or "wetback" entrants that we are now experiencing?

Mr. WHITE. Absolutely. If aliens have a way to come into this country properly, they will come in legally, and if employers have a legal way of hiring labor, they will use that means. The gentleman from California knows employers are not desirous of breaking the law, but the fact is that there is not available labor in certain fields. The Secretary of Labor would control this under my amendment.

Mr. TEAGUE of California. I would strongly support the gentleman's amendment. I think one of the principal arguments in support of this is the wetback situation.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. FISHER, Mr. WHITE was allowed to proceed for 1 additional minute.)

Mr. FISHER. I, too, want to commend the gentleman from Texas for offering this amendment, which, as I understand it, is something like the old system we had where these aliens were brought in under contract with very strict conditions under which their living conditions and wage levels and insurance and all of those things were provided for. Is that correct?

Mr. WHITE. It does give them protection. It is not a group type of contrasting, but it is for individual contracts.

Mr. FISHER. I understand. In the old system it applied to the individual, and this would, also.

Mr. WHITE. This would apply to the individual worker.

Mr. FISHER. We know from experience that when we had the almost similar system in the past the illegal aliens and wetbacks were practically nonexistent. It was only after that system was repealed and tossed out that we had the influx of illegals. So if the gentleman's amendment is adopted, we are really making a frontal attack on the massive overflow of illegal aliens in this country.

Mr. WHITE. That is true. I heard an estimate that there were 3 million illegal aliens who have come into this country in the last few years.

Mr. EILBERG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, in January 1973 there was a Presidential special study group which reported on a program for effective and humane action with regard to illegal Mexican immigrants. I have a report of that committee in front of me. One of the recommendations is that the institution of a new bracero program or other system for legal importation of substantial numbers of Mexican workers for temporary employment is not recommended.

I submit notwithstanding all that has been said by my friend from Texas, this is a new bracero program. I think one of the principal evils in the amendment is that it permits a nonimmigrant to work in the United States for a period of up to 5 years and during that period of time the nonimmigrant can build up substantial equities which can be used as a basis to justify the granting of permanent resident status.

My friend seems to suggest there is some ambiguity in the language presently which would extend the H–2 section in our bill, but that provides for a maximum of 2 years.

It seems there is some reason for that. We have shortages of labor in many parts of the country that cannot be filled by local labor. It seems to me that it is something entirely different, but 5 years is entirely too long and out of order, in my opinion.

I might add that similar amendments have been offered by the gentleman from Texas on many occasions and have been defeated on each occasion.

I suggest that the provision in the bill H–2, which appears on page 14 of the bill, will substantially meet the problem addressed in Congressman WHITE's amendment.

Mr. KEATING. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from Texas (Mr. WHITE). I wish to associate myself with the remarks of the gentleman from Pennsylvania (Mr. EILBERG), my subcommittee chairman.

Mr. PRICE of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Texas (Mr. WHITE). The other gentleman on the committee certainly have their reasons, and I am not trying to tear up the bill, but I do know the needs of the people not only in my area, but all over the United States with regard to the Bracero program.

Looking back at the bracero program, I think it was the kind of program that had substantial appeal to those who are involved in it. The U.S. farmer and ranchers liked it because it helped them meet their labor demands by supplying steady and dependable help.

The Mexicans who participated in the program liked the program because it enabled them to make significantly more money doing agricultural work in the United States than they were able to earn doing similar work in Mexico. The Government of Mexico favored the program because it provided an additional means of obtaining U.S. dollars, and it partially helped Mexico's domestic employment problems. In fact, the only primary dissatisfactions with the bracero program stemmed from certain liberal politicians and organized labor representatives who viewed the program in the light of misguided idealism at the best, and union organization needs at the worst.

I regretted the termination of the bracero program, and I have viewed with interest the varied attempts the detractors of the program have made to find a workable substitute.

To date nothing has been really developed to meet this need. Farmers and ranchers in northwest Texas and throughout much of the Southwest still stand in dire need of steady and dependable farm labor. I would point out here that the high unemployment rate has not materially changed this labor shortage situation, because there are just not that many people who are interested in working in agriculture. I saw this despite the fact that the Department of Labor claims that there are workers available in general, and in northwest Texas in particular. I say this because I know that they are not available there. Go out and ask any of the farmers and ranchers, anyone doing farm work today, and they will tell you they are getting help. And around the rosey we go. Check with the district unemployment office, or any other State office, and they will say there is help available. Go to the Labor Department and they say go back and check with the people down there. And around the rosey you go again. And still there is no help to produce the food and fiber we have asked them to produce in this country.

Mr. FISHER. Mr. Chairman, will the gentleman yield.

Mr. PRICE of Texas. I yield to the gentleman from Texas.

Mr. FISHER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I think that it should be emphasized and thoroughly understood, and I think this will answer a lot of the objections to this amendment if the Members will listen to it, and that is that under the contract system no alien can be brought in under contract unless and until the Secretary of Labor himself certifies that there is a shortage of labor in the vicinity where that man is to work as an individual. Not only that, but under the contract system no labor is allowed to come in unless and until the Secretary of Labor certifies that he is going to be paid the prevailing wage for that kind of labor in that vicinity.

I say that those are two important and essential things that made the whole system work so well, and that prevented the great avalanche of wetbacks and illegals from swarming into this country, with which we are plagued today because we repealed the old system.

Mr. PRICE of Texas. Mr. Chairman, I thank the gentleman, my colleague from Texas (Mr. FISHER).

Mr. Chairman, I say this despite the fact that the Department of Labor also claims there are workers available in general, and because I know from bitter experience what other farmers and ranchers know, namely, that the chronically unemployed cannot do the needed jobs on the farms and ranches.

They just cannot do the work. The simple fact of the matter is farmwork is hard work. There is no real timeclock. Work is governed more by the light of the sun and the state of the weather.

In this regard, as I and other farm-State members have often stated, the level of food prices in the marketplace depends more on distribution and packaging costs than they do on farm production costs.

Mr. Chairman, the present welfare system and the unemployment compensation system also have contributed to the farm labor shortage. In some cases individuals can make more money by drawing welfare and unemployment compensation than they can by either working part time or not working at all. This is the type of system we are promoting in this country.

When all is said and done, when the liberals are through gnashing their teeth over the supposed immorality of encouraging Mexicans willing to work on U.S. farmlands, and when the labor organizers are through bemoaning the fact that the bracero program undercuts their efforts to unionize American farmworkers, then one central fact remains—the farmers and ranchers of this Nation need new sources of farm labor. They need it desperately, and they need it now.

Mr. Chairman, I yield back the balance of my time.

Mr. PICKLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the Congress has done away with the bracero program, and perhaps properly so, the way it was operating. That does not cure the fact, though, that we need manpower in this country. We have tried to solve the shortage in some ways and have not been able to reach any accord.

We had a bill before us a month or two ago which made it illegal to knowingly hire an illegal alien and, in turn, to not make it possible for an illegal alien to receive welfare benefits, and that was a good, substantive approach to a very pesky problem. That still leaves us where we cannot get the needed manpower that we ought to have in this country.

The Department of Labor can handle this matter administratively, if the Secretary of Labor would issue these work permits, if he would let these workers come in, if we knew where they were, who they were, and under what conditions they could come to work; but the Secretary of Labor, for political reasons, will not budge an inch. He is afraid to move. At least he does not do it, and that still leaves us no answer to this problem of where we are going to get the needed manpower.

It seems to me the gentleman from Texas (Mr. WHITE) has an amendment that does say these people can come in under contract for a specified time to do certain types of work at certain locations. I am wondering what is the difference between his amendment and what the committee is offering. It just seems to me the gentleman spells out procedures a little more clearly and tries to obtain action by the Department of Labor.

Will the gentleman tell me the difference between what his approach is and what the committee is trying to do?

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Texas.

Mr. WHITE. I thank the gentleman for yielding.

My amendment is a refinement of what is in the bill. Neither the bill nor my amendment is a bracero program. The bracero program is a treaty program for a group contract.

My amendment provides a contract for 1 year at a time. So does the bill. My amendment provides for an aggregate of 5 years, but for only 1-year maximum at any one time. The committee provision is for a period of 1 year, but it can be interpreted as of no limit actually.

My amendment provides for protection for the aliens as to medical facilities and housing. The bill is silent as to protection for aliens coming in.

My amendment provides penalties for employers who do not comply with the provisions for employment. The bill is absolutely silent as to making the employer observe the provisions.

My amendment provides for the ending or termination of a contract and for penalties against the aliens for not leaving the country. The bill is silent as to this penalty.

My amendment provides the criteria

for the entry of these aliens and that the contract provisions must be reviewed by the Congress. The bill is silent about this and does not state that the Congress will review them.

Those are the differences between my amendment and the bill.

In other words, I spell out the procedures but it does not alter, except perhaps in the term of 5 versus 2 years, the procedures, so that the Secretary of Labor will know what he is supposed to do and on what terms he is to let these aliens in.

Mr. PICKLE. I would like to ask the gentleman from Pennsylvania, the chairman of the subcommittee, how does he plead in answer to these very reasonable observations?

Mr. EILBERG. Mr. Chairman, if the gentleman will yield, in the last year or two the rate of immigration for Mexico has increased by leaps and bounds. There obviously has been a substantial increase in unemployment. There is a very desperate economic situation which exists there. Notwithstanding that, we felt that as far as permanent immigration policy was concerned we should not make an exception, as we did not for Germany and Britain and Ireland in earlier years.

I suggest we go to look at section 2, which is not ambiguous. It provides for a 1-year extension, an additional extension up to a second year. We do not think that is ambiguous but if this legislation passes, which will exist until the next Congress, it will serve to take care of this sudden increase from Mexico and we can take another look at it again if necessary.

The CHAIRMAN. The time of the gentleman from Texas (Mr. PICKLE) has expired.

(By unanimous consent, Mr. PICKLE was allowed to proceed for 2 additional minutes.)

Mr. PICKLE. Mr. Chairman, it would seem to me then that what the committee is trying to do is to prevent a limited number of Mexicans from coming into the country. You are not so concerned about them coming under contract to do special work. You do not want any more Mexicans coming in, as the gentleman says would be the case if we increase it. The gentleman from New Jersey (Mr. RODINO) had such an amendment a little while ago and it was defeated. So what we are trying to do is put a double limit on it. You are saying you want to keep the Mexicans from coming into the country. It seems to me we ought to have a way for them to come into the country legally so they can come in and work and then at the proper time return. That is it seems to me a more proper way than just to say we do not want them coming into the country.

Mr. EILBERG. Mr. Chairman, the gentleman might not have the bill in front of him. Assuming he does not have the bill in front of him, let me read from section 2 on page 14, which says:

> who is coming temporarily to the United States for a period not in excess of one year to perform other services or labor if the Secretary of Labor has determined that there are not sufficient workers at the place to which the alien is destined to perform such services or labor who are able, willing, qualified, and available, and the employment of such aliens will not adversely affect the wages and working conditions of workers similarly employed: *Provided*, That the Attorney General may, in his discretion, extend the terms of such alien's admission for a period or periods not exceeding one year;".

Mr. Chairman, that it seems to me answered the gentleman's problem.

Mr. PICKLE. If that is the intent of the committee, why do you not go ahead and specify the conditions under which these people might come in? That is what the gentleman from Texas is trying to do. If we do not do that, we are in the same box as now and the Secretary of Labor will sit on his hands. We could provide for this on a legal basis.

Mr. O'HARA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not appear before the Members to defend the provision in the committee bill. I think perhaps it goes too far and I am quite certain that the provision my friend, the gentleman from Texas, has offered goes much, much too far. The committee bill provides that persons can be admitted for the purposes of performing services or labor after certification. The gentleman from Texas would propose they can only be admitted when they have been hired by a particular employer. It further provides that is the only person they can work for when they get to this country unless they get special permission of the Secretary.

It further provides that if at any time they leave that particular employ, they are then subject to deportation. If they do not get out of the country inside of 2 weeks after leaving the employer who contracted to bring them in, they are subject to prosecution and imprisonment for the commission of a felony.

In other words, if you come to work under a contract for a particular employer, you had better do what he says; you had better behave yourself and you had better not raise any complaints about the wages or the working conditions, because if you do, bango, right back to Mexico. If you do not get back within 2 weeks, you can be arrested, charged with a crime, and prosecuted.

This brings back an element of involuntary servitude that I do not think this House is ready to approve.

Mr. Chairman, I urge the committee not to go beyond the provisions of the committee bill and provide the kind of compulsion that the amendment offered by the gentleman from Texas would provide.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Texas.

Mr. WHITE. Mr. Chairman, under the provisions of my amendment, it is true that if a man leaves the employment he has to leave the country within 2 weeks, plus 2 weeks' travel time, so he has 4 weeks. The present procedure is for an alien to come to this country and then disappear.

If we do not have this provision, we are going to have a continued situation where an alien comes in and remains here illegally without any fear. We want them to leave when their terms are over.

Now, under the provisions of the committee bill it can be interpreted that he can come to this country and leave his place of employment. We are trying to say that with control he has to have an offer to work before he comes to this country.

An employer cannot say, "You go work for somebody else." The employer has got to abide by the very specific terms passed on by this Congress. If he does not, he is subject to penalty. If he cannot use the alien, the temporary visa alien should go back to his own country.

Mr. O'HARA. But, my fundamental objection is that he has to continue working for that employer. If he ever leaves him, he has to get out of the country. He has 2 weeks to leave and another 2 weeks to get there. If he does not get out of the country, he is subject to prosecution for the commission of a felony.

Mr. SAYLOR. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to my colleague from Pennsylvania.

Mr. SAYLOR. Mr. Chairman, I would like to commend my colleague from Michigan for his statement in opposition to the amendment.

I felt when we formed this country, we got rid of all contracts for involuntary servitude, and this is basically what this amendment would create.

You may hide behind the provision to grant several weeks of notice and travel time—but the end result is guilt at the employers discretion. The person would then end up in prison. I urge the defeat of this very objectionable amendment.

Mr. WHITE. Mr. Chairman, will the gentleman yield further?

Mr. O'HARA. I yield to the gentleman from Texas.

Mr. WHITE. Mr. Chairman, the amendment does not do any different in that respect than the committee bill, but he has to be certified; the alien has to be certified for a labor shortage or he cannot come in. There are some other places where there may not be a labor shortage. He must come for that specific reason and zone and then leave. This is a protection for the American worker. It is not involuntary servitude.

Mr. O'HARA. Yes, but under the committee bill, if he finds the conditions of his employment intolerable or he finds something else that makes him decide he does not want to stay with that employer, he can go to a different employer. He is not bound by any particular contract of employment.

Mr. Chairman, I hope the amendment will be defeated.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I should like to inquire about section 2 of the bill with respect to refugees. The section deals with aliens, however, the entire statute with respect to this is not set forth in the committee amendment.

This country has become the depository for thousands upon thousands of refugees, and a refugee, I must assume, is an alien. At the present time, and the movement is just getting underway, the United States is becoming the depository or haven for Asians who were in Uganda and were kicked out of that country when the present army general and dictator took over.

Are these refugees and others going to be located in the Southwest part of the country? That seems to be the issue with respect to this amendment. Are these alien-refugees going to be sent to labor-short areas or are they going to be located willy-nilly over this country where there may be heavy unemployment?

Mr. EILBERG. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman from Pennsylvania.

Mr. EILBERG. I cannot answer the gentleman as precisely as he would like or I would like; but I do know this, that I have been in touch with the State Department. As these people are brought over, they are taken by voluntary agencies. They are carefully placed as best the voluntary agencies can in cooperation with the State Department in those parts of the United States where jobs are available, where suitable arrangements can be made, where they can be assimilated as rapidly as possible. I do know that effort is being made, Mr. Chairman.

Mr. GROSS. Most of these people are merchants, as I understand it. Is that not true?

But let me ask a question that I want to get covered before my time runs out. By what authority are they coming into this country? Congress has not taken official notice of the Ugandan refugee situation. By what authority are they coming here?

Mr. EILBERG. Mr. Chairman, under the existing law there is a parole provision.

Mr. GROSS. A parole provision?

Mr. EILBERG. A parole provision that enables the Attorney General to admit individuals under emergency situations.

This language in the present law which applies to the Eastern Hemisphere is construed to be worldwide in operation. It has been the basis for the admission of refugees to this country.

The bill presently before us, H.R. 981, clearly and specifically clarifies and validates that procedure.

In the seventh preference refugees are clearly defined and the procedure for parole is clearly defined; so that we are not dependent solely upon the determination that an emergency situation exists somewhere in the world.

Mr. GROSS. Is the gentleman saying under the terms of this bill we will be validating or expanding the power of the Attorney General of the United States to approve the entrance of refugees from any place in the world into this country?

Mr. EILBERG. No, sir. I do not believe that we are expanding or giving any additional authority to the Attorney General that he is not presently exercising. We are simply recognizing as a fait accompli what the Attorney General is doing.

Mr. GROSS. Then he has too much authority now on his own. Without coming to Congress, these and other refugees can be brought into this country in unlimited numbers and perhaps located in areas of critical unemployment any place in this country.

Mr. EILBERG. What this bill does is take the language of the United Nations protocol to which the United States is a party.

Mr. GROSS. Here comes the United Nations again and another example of the power we have delegated to that Tower of Babel.

Mr. EILBERG. I am not using this as a super authority. I am simply saying that the language in the U.N. protocol to which we have acceded is the language incorporated in this bill.

Mr. POAGE. Mr. Chairman, I move to strike the last six words.

Mr. Chairman, I think that we have gone a long way from the issues before us. The issue is rather simple.

The gentleman from Texas (Mr. WHITE) has offered an amendment that would substitute, at least in a good many cases, a legal admission for an illegal admission.

Mr. Chairman, we can talk all day here about what we would like to have in the way of immigration from Mexico or for any other country, but we are faced with a bunch of facts, none of which are very desirable. We are faced with the fact that there are a number of illegal citizens of the Republic of Mexico here now. I believe the gentleman says the figure is about 3 million, and I suppose that is about right.

Now, it is a bad thing to have 3 million illegal citizens of any country here. I have no grudge against Mexican citizens. I believe they make some of our best citizens. I recognize that some of our outstanding American citizens are of Mexican origin. However, I do not want illegal Mexicans, I do not want illegal Frenchmen, I do not want illegal Chinese in the United States.

There is a place for a considerable number of Mexicans coming into the United States. They are our closest neighbors who want to come here. There are very few Canadians who want to come. However, I want to accord the same privileges to the Canadians that we accord to the Mexicans.

They want to come into the United States, and the gentleman from Texas is providing a legal way by which they may come in and a way by which we may keep track of their activities.

Mr. Chairman, the gentleman from Michigan says, in effect, that we should not keep track of them, because that would tie them down. He wants them to be free to come in to harvest fruit in California and immediately leave the fruitpicking and go into Los Angeles and get to work in the airplane factories. I do not think that is a good idea, but I believe that is what the gentleman from Michigan is suggesting when he says that he does not want them "tied down."

Now, of course, there are some theoretical objections to saying that a man can only come in and work for the man that he agreed to work for. But those theoretical objections do not seem to me to be nearly as important as the practical objections to allowing them to come in here to pick fruit and then allow them to go to Los Angeles and work in an airplane factory.

This certainly invites alien workers to seek jobs in industries where they are not needed, regardless of what the Secretary of Labor may do.

Under the proposal offered by the gentleman from Texas, we have a control. We have the Department of Labor being able to determine whether or not we need these people. If we do not have that control, then we may get people in here for all purposes, any purpose, and have the same situation that the gentleman from Iowa was describing when he spoke about the so-called parole refugees.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, the gentleman's statement is perfectly true and it is accurate with respect to my district in northern Colorado, but the feature about this amendment that disturbs me is that it says that we have a 5-year penitentiary offense for one of these workers, and most of these people would have no idea about their legal rights. However, they would be subject to a 5-year jail sentence for staying here.

Mr. POAGE. Mr. Chairman, I get the point that the gentleman is making. We have that situation now. We have 3 million illegal entrants who are subject to criminal penalties now, and we send them back over the border and pay their way.

Mr. JOHNSON of Colorado. Yes; but they are not subject to a criminal offense and a sentence of 5 years in jail, are they?

Mr. POAGE. I do not know what the penalty is, but it is a criminal offense now for them to be here. However, instead of putting them in jail, we carry them across the border a distance of 150 miles at Government expense and drop them over there instead of just across the border, because we are afraid they will come back.

Mr. Chairman, it seems to me that it makes perfect sense that we should try to prevent that sort of thing rather than encourage the violation that the gentleman suggests.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Texas.

Mr. WHITE. Mr. Chairman, in response to the question asked by the gentleman, the fact is that in the case of any individual alien, he would know what the conditions of his entry would be, because those conditions would be specified to him and undoubtedly explained to him by his employer and through his contract.

If the penalty disturbs the gentleman, it would be agreeable to me to change that figure. We felt that staying in this country illegally is an offense. If the penalty provided is the problem, we could change it. I do point out, however, that the alien would know these things when he comes in.

Mr. JOHNSON of Colorado. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to continue the colloquy with the gentleman from Texas (Mr. White), if I might.

I think the gentleman is not being realistic when he talks about the nature of informing these people of their rights. I have seen a great number of these people, because I have been a prosecutor in northern Colorado, where we have a large number of them, and I know that most of them do not understand English and it is difficult to explain their rights to them. This is a provision that might be misused, I feel. Would the gentleman have an objection to imposing a penalty instead on the employer who kept somebody in the country and requiring him to see that they went back across the border from whence they came?

Mr. WHITE. If the gentleman will yield, there is a provision in the bill for penalties, but if the gentleman wants to equalize the penalty on employers and employees, to see that aliens do return to their native country, I think that is satisfactory.

Mr. JOHNSON of Colorado. I will say to the gentleman if you really want him to leave the country, then place the penalty and the felony on the individual who hires him in the first place. Make it his responsibility.

Mr. WHITE. There is a responsibility that is on the part of the employer, too, to notify the Immigration Service. If the gentleman wants to place penalties on the employer also that is fine. However, we felt at the time we drafted it that the penalties were realistic. If the gentleman feels otherwise, I do not feel it is so hidebound that it could not be changed. But the basic thing is to give the protection to aliens and to make sure they go back.

Mr. JOHNSON of Colorado. I do not have any objection to that and believe it is a sound feature.

Mr. TEAGUE of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to reiterate once more that I think the important feature of this amendment and the reason why it should be adopted is that it cannot help but cut down very materially on the number of illegal so-called wetbacks now entering this country. It was a well-designed amendment.

I do object to and find some difficulty in accepting the penalty features. Therefore I have an amendment which I now wish to offer.

AMENDMENT OFFERED BY MR. TEAGUE OF CALIFORNIA TO THE AMENDMENT OFFERED BY MR. WHITE

Mr. TEAGUE of California. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Teague of California to the amendment offered by Mr. White, of Texas: Amend section (e) of the amendment by striking the second sentence beginning with the words "Failure of said alien—"

Mr. TEAGUE of California. Mr. Chairman, I shall not take the 5 minutes.

The only purpose of this amendment to the amendment is to strike the felony provision, the criminal provision, from the amendment, which I think is otherwise an excellent amendment.

I, too, have some fault to find with accepting the criminal penalty. The amendment I am offering will simply strike that penalty feature in Mr. White's amendment.

Mr. EILBERG. Mr. Chairman, I rise very briefly in opposition to the amendment offered by the gentleman.

Basically the amendment does not change the nature of, or the main thrust of the amendment. We are providing for a bracero program here, and I submit we do not want that kind of a program.

Mr. WHITE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I briefly rise to state I support the amendment offered by the gentleman from California (Mr. Teague) to my amendment and urge its adoption.

Mr. O'HARA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the effect of the amendment offered by the gentleman from California (Mr. Teague) to the amendment offered by the gentleman from Texas (Mr. White) would be to slightly improve a bad amendment. It would take away the 5-year felony provision, but if the Teague amendment to the White amendment was agreed to, the White amendment would still mean that if you left an employer who had you under contract, for any reason, justified or not, you are subject to deportation. It would provide a very strong hold on that worker, that should not be provided indiscriminately to contact employers.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Teague) to the amendment offered by the gentleman from Texas (Mr. White).

The question was taken; and on a division (demanded by Mr. Eilberg) there were—ayes 56, noes 17.

Mr. EILBERG. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. White) as amended.

The question was taken; and on a division (demanded by Mr. White) there were—ayes 42, noes 48.

RECORDED VOTE

Mr. WHITE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 70, noes 310, not voting 54, as follows:

[Roll No. 482]

AYES—70

Alexander
Breaux
Broomfield
Buchanan
Burke, Fla.
Burleson, Tex.
Camp
Casey, Tex.
Chappell
Collins, Tex.
Conlan
Davis, Ga.
Davis, S.C.
de la Garza
Dickinson
Fisher
Flynt
Ginn
Goldwater
Gubser
Gunter
Haley
Hammerschmidt
Hicks
Hinshaw
Jarman
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Kazen
Ketchum
King
Landgrebe
Landrum
Lujan
McCormack
McSpadden
Mahon
Martin, Nebr.
Mathias, Calif.
Mathis, Ga.
Milford
Montgomery
Murphy, N.Y.
Pickle
Poage
Price, Tex.
Rarick
Rousselot
Runnels
Sebelius
Shoup
Shuster
Spence
Steelman
Steiger, Ariz.
Symms
Teague, Calif.
Teague, Tex.
Thornton
Treen
Vander Jagt
Veysey
Waggonner
White
Whitten
Wiggins
Wilson, Bob
Young, Tex.
Zwach

NOES—310

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boland
Bowen
Brademas
Brasco
Bray
Breckinridge
Brooks
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Carey, N.Y.
Carney, Ohio
Carter
Cederberg
Chamberlain
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conte
Conyers
Corman
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Wis.
Delaney
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford, Gerald R.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gude
Guyer
Hamilton
Hanrahan
Hansen, Idaho
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hillis
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Huber
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Hutchinson
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Keating
Kemp
Kluczynski
Koch
Kuykendall
Kyros
Latta
Leggett
Lehman
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Litton
Long, Md.
Lott
McClory
McCloskey
McCollister
McDade
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mailliard
Mallary
Maraziti
Martin, N.C.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Mink
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Morgan
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Hara
O'Neill
Parris
Passman
Patten
Perkins
Pettis
Peyser
Pike
Podell
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reid
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.

Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ruth
Ryan
Sandman
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schneebeli
Schroeder
Seiberling
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Staggers
Stanton,
  James V.
Stark
Steed
Steele
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Walsh
Wampler
Ware
Whalen
Whitehurst
Widnall
Williams
Wilson,
  Charles H.,
  Calif.
Wilson,
  Charles, Tex.
Winn
Wolff
Wyatt
Wydler
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Zablocki
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NOT VOTING—54

Ashley
Bevill
Blackburn
Boggs
Bolling
Brinkley
Brown, Mich.
Burgener
Burke, Calif.
Cotter
Culver
Danielson
Dellenback
Diggs
Dorn
Ford,
  William D.
Gettys
Gray
Hanley
Hanna
Hansen, Wash.
Hébert
Heckler, Mass.
Howard
Long, La.
McEwen
Mann
Mills, Ark.
Minish
Mitchell, Md.
Moorhead,
  Calif.
Moorhead, Pa.
Nix
O'Brien
Owens
Patman
Pepper
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Roncallo, N.Y.
Rooney, N.Y.
St Germain
Stanton,
  J. William
Stephens
Stubblefield
Taylor, Mo.
Wright
Wylie
Yates
Young, Ga.
Young, S.C.

So the amendment, as amended, was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. ROYBAL: Page 14, strike out lines 7 through 19.
>
> Redesignate the succeeding sections and all references thereto accordingly.

Mr. ROYBAL. Mr. Chairman, this amendment would delete the H-2 program as expanded by this legislation and maintain our present policy in this area.

The law at the present time makes it possible for employers to bring into this country individuals to fill temporary jobs.

If section 2 is adopted it will provide that the same people who now come in to take on temporary jobs will be able to take on permanent jobs.

I have offered this amendment because I do not believe that it provides adequate protection to the wages and working conditions of American workers or safeguards opportunities for employment.

Section 2 contains a multitude of uncertainties. First of all, we do not know what possible adverse effect this legislation will have on U.S. labor.

The committee has already indicated that this provision will have an impact in the urban areas, particularly in the service-oriented industries. We do not know the nature of the extent of this impact.

This puts us in a position of passing legislation whose impact on the labor market will have adverse effects that have not been adequately studied.

Further, this provision could create a form of indentured servitude. The alien worker admitted under this program would be at the mercy of the employer. This situation will certainly discourage the American workers from seeking better working conditions and better salaries.

The employer holds the power to fire the worker. He also holds the power to return him to his home country.

I would like to point out again that this legislation opens the door to alien workers to fill permanent jobs available in the United States. It is no wonder that the AFL-CIO opposes this legislation.

It is no wonder that American workers throughout the United States are at the moment looking to Congress to see what is going to be done with regard to an individual being permitted to come to the United States and to take on permanent employment.

The committee will no doubt argue that this is needed. I agree with the committee to some extent. The legislation at the present time meets that need and makes it possible for these people to come in to work on temporary jobs, but not on permanent jobs.

Mr. Chairman, the committee has already opposed opening up the gates for people to come into the United States when they opposed an amendment increasing the 20,000 limitation. It seems to me that if this is correct, then the committee should also take the position that another door should not be opened, permitting people to come in without the benefit of the 20,000 limitation, to take on permanent jobs.

Mr. RAILSBACK. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Illinois.

Mr. RAILSBACK. Mr. Chairman, I have been listening to the gentleman, and I would share his concern except it is my understanding that under the section that he seeks to strike out, people can come in for up to 1 year only, and even then only when there is a labor certification that there is a shortage of that particular type of labor, and then I believe it can be extended for a period not to exceed 1 additional year.

I do not believe it is a case of permanency, a situation where they are coming in permanently.

Mr. ROYBAL. Mr. Chairman, the gentleman is correct. It is not a case of permanency, but it is a case of an individual coming in to take on a permanent job for a period of 2 years. Under the present law that same individual can come in to take on a temporary job.

Mr. EILBERG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would be putting it mildly to say that the sponsor of the amendment is one Member who has been working very vigorously to bring in—I do not wish to belabor this point—as many Mexicans as he can and I believe that conduct is very proper on his part. I am somewhat startled to find him taking a position which would restrict the temporary admission of so many people from Mexico whom we want to help.

Now, I would say, in commenting on an identical proposal in the past Congress, that the Department of Justice took this view and stated as follows:

> The purpose of this change is to enlarge the opportunities for American employers to obtain needed temporary labor through lawful processes, with safeguards to American labor. Although this change would entail greater vigilance on the part of consular and immigration officers to determine whether the beneficiaries of H-2 petitions are bona fide non-immigrants, it would provide flexibility in fulfilling the needs of American employers, and in diminishing the incentive to use workers who are illegally in the United States.

In commenting on the same subject, the Department of State asserted as follows:

> The Department does recognize that these will be occasions in which there is a legitimate need for the temporary services of such aliens due to a temporary unavailability of qualified workers, either regionally or on a nationwide basis.

In each of these cases, however, the Departments of State and Justice deferred to the Department of Labor for their views.

Mr. Chairman, I would like to say that during our illegal alien hearings we found a large number of illegal aliens were employed in occupations for which American workers could not be found. We found this not only in our hearings, but in our everyday activities in the Congress of the United States. Many of my colleagues were coming to me and telling me about the need for busboys, waiters and waitresses, bartenders, cooks, dishwashers, carhops, maids, parking lot attendants, janitors, cowboys and ranchhands, counter workers, woodcutters, auto mechanics and repairmen, seamstresses, laundry workers—and I could go on and on. My colleagues have been telling me that there are not American workers at the places in their districts to fill the jobs that are so necessary to be filled.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. EILBERG. I am happy to yield.

Mr. MATSUNAGA. What is the present law?

Mr. EILBERG. The present law, Mr. Chairman, is that one may be admitted temporarily for a temporary job, and what we are proposing here is to eliminate the second "temporary," meaning that the job need not be temporary and the stay may be up to 1 year and there may be additional extensions not exceeding a total of 2 years.

Mr. MATSUNAGA. Is there a time limitation under the present law?

Mr. EILBERG. No, there is no time limitation.

Mr. MATSUNAGA. Is the limitation only that the foreign employee must occupy a temporary position?

Mr. EILBERG. That is right. And the result of that is, because most jobs that are temporary do have a temporary duration, we are not able to fill a great many of these jobs that remain unfilled unless we have illegals filling them. What we are engaged in here is trying to find some outlet for those economic pressures confronting people of Mexico and other countries.

Mr. MATSUNAGA. Then, there is no time limitation. Let us assume there is housing construction going on in Guam, where temporary employees of the Philippines are required for labor work. If the job takes 2 or 2½ years, under the present law an American contractor in Guam may hire these Filipinos to fill those temporary jobs, may he not?

Mr. EILBERG. Indeed. The gentleman is correct. But I add the fact that recently the subcommittee visited the Far East and Guam and certainly one of the most urgent pleas in Guam was that the existing law was entirely unsatisfactory in meeting their needs in industries where they feel it is essential. Our present law is totally inadequate in meeting their needs in Guam.

Mr. MATSUNAGA. It appears to me that the answer to the question I put to the gentleman would indicate there would be no difficulty. What difference would there be other than the filling of permanent jobs?

Mr. EILBERG. We agree with that. That is what the amendment provides.

Mr. MATSUNAGA. What type of permanent jobs, for example, in Guam, are now crying for employees?

Mr. EILBERG. We would like to provide service people for the hotels and help develop their agricultural industry and their fishing industry. We conducted a full day's hearings over there. Their need is just so great, and they cannot meet it under existing law.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. Charles H. Wilson of California, Mr. Eilberg was allowed to proceed for 2 additional minutes.)

Mr. EILBERG. I yield to the gentleman from California.

Mr. CHARLES H. WILSON of California. I gather from the statement of the gentleman that the effect of Mr. Roybal's amendment would be that it would prevent illegal aliens from getting jobs from Americans. Is that true?

Mr. EILBERG. That is not correct at all. We are not for illegal aliens taking any jobs that might be filled by American citizens. What we are asking for is that citizens of other countries may come to this country on a temporary basis for up to a year and possibly with extensions up to 2 years. We also provide that the jobs they come to may be permanent in nature. Now they cannot come to jobs unless it has an automatic termination, such as the completion of a building or a work of art.

Mr. CHARLES H. WILSON of California. Will the gentleman yield further?

Mr. EILBERG. I yield to the gentleman.

Mr. CHARLES H. WILSON of California. I am surprised that the gentleman is not supporting the amendment, because it seems that this is the very thing we have been supporting here in the House for some time, that is, the principle of preventing illegal aliens from coming in and getting the jobs that we need so badly in this country.

Mr. EILBERG. The problem, Mr. Chairman, is—and perhaps the gentleman is not listening——

Mr. CHARLES H. WILSON of California. I thought I was.

Mr. EILBERG. I would say to you or any individual that since I have served as chairman of the subcommittee I have received evidence by Members of this House saying that they cannot get a maid or laundry worker or parking lot attendants.

Mr. CHARLES H. WILSON of California. You say you can only get illegals.

Mr. EILBERG. No, the gentleman keeps saying illegal. We want them legally for a very limited period, until the crisis passes, and until we find American workers to fill the job. This is for temporary admission, it is not the 5-year admission that the gentleman from Texas (Mr. White) was referring to.

The CHAIRMAN. The time of the gentleman has again expired.

(By unanimous consent, Mr. Eilberg was allowed to proceed for 3 additional minutes.)

Mr. RAILSBACK. Mr. Chairman, will the gentleman yield?

Mr. EILBERG. I yield to the gentleman from Illinois.

Mr. RAILSBACK. Mr. Chairman, I simply want to strongly reaffirm what the chairman, the gentleman from Illinois (Mr. Eilberg) has said based on the experiences we had in Guam. The example before us relates to Guam. One afternoon we had probably 30 witnesses that appeared before us urging us to adopt legislation like this which would permit some of the Filipinos to come in and work, instead of just on one temporary job, like some kind of a construction job, but would also let them hold any job where it was of vital need.

In Guam they are expanding their tourism, and for various reasons they are unable to get employees to come in and hold down some of these necessary jobs. They were able to get Filipinos and the Filipinos were willing to come in because the wages were higher there than they were being paid in their own country. Yet the Labor Department apparently would not certify them. The idea is that this section 2 will make legal what they feel is a very important need to them as far as their tourism industry is concerned.

I think every single witness we heard on the island of Guam spoke very strongly for this section.

As I say, I just wanted to reaffirm what the chairman has said.

Mr. EILBERG. Mr. Chairman, I would also like to say that American labor is protected under what we are trying to do here since this provision specifically requires a labor certification, thereby vesting the decision making process in the Department of Labor. Incidentally, present regulations require a labor certification, but this provision codifies this requirement.

We presume that the Department of Labor will implement this provision in a reasonable and flexible manner so as to provide alien labor after an employer has made diligent but unsuccessful efforts to find American workers. We will also expect the Department of Labor to closely monitor this alien program in order to insure that alien workers are not subject to exploitation by being paid less than the prevailing wages, and providing substandard working conditions.

Also, Mr. Chairman, the hearings on Guam indicated a serious nonavailability of local labor, and the admission of alien labor to fill jobs which are permanent in nature was felt vital to Guam's economy.

It should be noted that the 1-year admission period and the 1-year extension are maximum periods if, for example, a laborer is admitted for a period of 3 months, each extension is then limited to this initial period of 3 months up to a maximum of 1 year with four extensions. It is anticipated that the Immigration and Naturalization Service would consult with the Department of Labor concerning labor market conditions before granting any extension.

And it is expected that the Department of Labor will issue regulations to prevent exploitation.

Mr. Chairman, I think this provision is absolutely essential.

Mr. KEATING. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I would like to associate myself with the statements made by the gentleman from Illinois (Mr. Railsback) and the chairman of the subcommittee, the gentleman from Pennsylvania (Mr. Eilberg).

The committee has worked very diligently in trying to develop a method by which we can permit workers to come in, temporary workers, to come in to permanent jobs, to take those jobs which American labor will not do, and which are open.

There is no reason why this is not a good provision, and why it is not essential in some areas of this country, particularly in the Southwest, to fill such jobs by these immigrants, these aliens who will come into the country for the sole purpose of doing a job that is necessary to be done, and cannot be otherwise filled.

It does require labor certification. It does require some modification to the present law. It relaxes it somewhat. It makes more sense. I think the committee has done a good job, and it is supported by the evidence that the committee has developed during hearings across the country, and particularly in Guam this past summer.

Mr. ROYBAL. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from California.

Mr. ROYBAL. I thank the gentleman for yielding.

Mr. Chairman, the gentleman is correct that all of these safeguards that he has outlined are provided not only in the legislation before us at the moment, but most of them are provided in existing law. The only thing that my amendment does, or the only objection I have to the proposal of the committee is that it permits an alien to come in to take a permanent job; in other words, it erases "temporary," and now it says he can come in and take a permanent job.

We have absolutely no objection to the

law as it now exists. The only provision, again repeating, is the matter of the permanent job that is to be occupied by actually an illegal alien.

Mr. KEATING. No; it is not an illegal alien at all.

That is not correct; but the gentleman is correct that a temporary worker is taking a permanent job for 1 year, which is a relaxation—which is the proper one—in those jobs protected by labor certification in those areas where labor cannot be found to take that particular job. It is a justified position based upon and supported by the evidence that we have had in all of the hearings across this country.

But the gentleman is incorrect in calling him an illegal alien, because he will be coming in properly.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Indiana.

Mr. DENNIS. I thank the gentleman for yielding.

Is it not a fact that really the only difference between the bill and the present law is that the present law says that these people can be admitted temporarily to do temporary work where no American is available, and the bill says that where no American is available in the locality who can do the work and it is so certified by the Secretary of Labor, that he can be admitted temporarily to do a job which in its nature might be a permanent job, but he is still admitted temporarily?

Mr. KEATING. For 1 year.

Mr. DENNIS. For a maximum of a year.

Under the present law we might bring somebody in to harvest a crop. That would be a temporary job. But he could not take a job as a ranch hand because that is a permanent job.

Under this he could take it for a year. It goes part way to meet what Mr. WHITE wanted.

Mr. KEATING. In the committee bill it does do that, yes.

Mr. DENNIS. It goes part way only. I opposed the White amendment, but to fail to go this far is just special-interest legislation in the other direction. This is an effort to give a reasonable amount of relief to a situation; and these people will not be illegal. They are now, but they will be legal under this special dispensation if they can get the necessary labor certification.

So the bill is a good bill, and Mr. ROYBAL's amendment is regressive. It is going backward where we do not want to be.

Mr. KEATING. It certainly is regressive. As the gentleman pointed out, the ability to work in a permanent job as a ranch hand or on some farms and ranches in the Southwest is certainly warranted. I think the bill meets that problem.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. I thank the gentleman for yielding.

As I understand it, the labor organizations, in particular the AFL–CIO, are opposed to section 2 of the committee bill. Does the gentleman know of the reason why the labor organizations are opposed to this section?

Mr. KEATING. My understanding, which may be correct or incorrect, is that they are opposed to workers coming from outside of the country to take any job in the United States. Our position is that there are some jobs that simply will not be taken by American workers.

Mr. MATSUNAGA. But, as I understand it, American labor organizations are not opposed to the present law which permits the taking of temporary jobs by aliens with temporary visas.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. MATSUNAGA, and by unanimous consent, Mr. KEATING was allowed to proceed for 1 additional minute.)

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, the question of extension of time was raised. As I understand it, section 2 would permit an extended period of 1 year at a time and this could go on for 2 or 3 or 5 years?

Mr. KEATING. No. It is 1 year with the right of renewal for 1 additional year, period. It says "not exceeding" and those are the words contained in the bill.

Mr. MATSUNAGA. May I read the language to the gentleman. It says here:

> *Provided*, That the Attorney General may, in his discretion, extend the terms of such alien's admission for a period or periods not exceeding one year.

Mr. KEATING. That is the second year and that is the limitation and that is the way the bill is interpreted and that is exactly what it is, a maximum of 2 years, including a period or periods not exceeding 1 additional year.

Mr. MATSUNAGA. In the initial part of the section it says:

> who is coming temporarily to the United States for a period not in excess of one year to perform other services or labor . . .

Mr. Chairman, I would take it that if we were to abide by the actual reading of the language, the Attorney General has power to extend for periods not exceeding 1 year at a time.

Mr. KEATING. No. I respectfully suggest that the gentleman's interpretation of the language contained in the statute itself and also in the report is inaccurate. It clearly establishes 1 year and a period of 1 year in which it can be extended, and it can be extended for a period or periods not exceeding 1 year.

Mr. MATSUNAGA. It means then that the total extension must not exceed 1 additional year?

Mr. KEATING. That is correct.

Mr. MATSUNAGA. I thank the gentleman.

Mr. DENNIS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, what this bill says in its present form is:

> who is coming temporarily to the United States for a period not in excess of one year to perform other services or labor if the Secretary of Labor has determined that there are not sufficient workers at the place to which the alien is destined to perform such services or labor who are able, willing, qualified, and available, and the employment of such aliens will not adversely affect the wages and working conditions of workers similarly employed.

Now the gentleman from Hawaii has said the labor unions are against this and that may well be true. But let me suggest that they are making a mistake. Their opposition is what gets us amendments such as the White amendment, which I opposed, because they will not stand for a reasonable amendment such as this. We have got to have a certification from the Labor Department, which is certainly not adverse to any of the unions, that there is nobody in the locality who is ready and able and willing to do the work and that it will not hurt the other fellows' working conditions. It is not unreasonable to give the ranchers and farmers that much help. When the unions say they will not do even that, I suggest they will be biting their noses off to spite their faces. They will get an amendment such as the White amendment. They had better stick with the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROYBAL).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. ROYBAL. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. ANDERSON OF CALIFORNIA

Mr. ANDERSON of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. ANDERSON of California: Page 16, immediately after line 19 insert the following:
>
> (2) by inserting immediately before the period in paragraph (1) of subsection (a) the following: ", or who are persons who have served honorably at any time in the Armed Forces of the United States for a period or periods aggregating three years, and who, if separated from the service, were never separated except under honorable conditions";.
>
> Page 16, line 20, strike out "2" and insert in lieu thereof "3".
>
> Page 17, line 23, strike out "3" and insert in lieu thereof "4".

Mr. ANDERSON of California. Mr. Chairman, under current law, special categories are created in order to allow certain people to immigrate to this country on a priority basis.

For example, brothers, sisters, and children of U.S. citizens, spouses and unmarried children of permanent residents, talented professionals, and workers to fill a labor shortage—all receive special preference.

However, there is no special treatment for those aliens who courageously served as members of the U.S. Armed Forces—those who fought under our flag, under our commanders, side-by-side with American men are not extended the same privileges given other aliens.

While I certainly have no argument with the groups of people who are covered by the preference categories, I am distressed that those aliens who served with the U.S. Armed Forces are not given any special preference for receiving immigrant visas.

Veterans have a special place in the hearts of Americans. We all recognize the debt of gratitude that we owe those who served in the Armed Forces to protect and preserve this great land. But we have been remiss in paying that debt to the aliens who have served honorably as members of our Armed Forces. As an example under current law it means nothing that a man or woman served for several years with the U.S. Army during World War II when he or she applies for an immigrant visa number. This is wrong, and it is high time that we corrected this injustice.

To correct what I believe is an oversight in the law, this amendment would extend first preference category privileges—the same privileges extended unmarried children of United States citizens—to those persons who have served at least 3 years as members of the U.S. Armed Forces and have been honorably discharged.

If adopted, those who put their lives on the line in the service of our country would be on an equal footing with the other groups who receive special preference status.

As a matter of justice, Mr. Chairman, those who chose to defend our Nation and who answered the call at our time of need, certainly deserve to be given the same rights as others who wish to enter this country if they so choose.

Some may suggest this proposal should be studied. I say time is running out, and we should act now—before all of those who may be eligible are no longer with us on this earth.

To put this in perspective, let me cite one instance that was brought to my attention.

Mr. Gerardo Barbero served 4 years with the U.S. Army, under General MacArthur, during World War II and was honorably discharged in 1946. He entered the United States as a visitor in 1966 to visit his brothers—both U.S. citizens—in Minnesota and California. To permit him to remain in this country, Congressman Reinecke introduced a bill in his behalf in 1967 and again in 1969.

At that time, simply the introduction of a bill would temporarily prevent the deportation of an individual.

Mr. Barbero was employed as a machine operator, was supporting himself, was contributing to the community, and would have been an outstanding citizen.

However, the regulations which temporarily prevented deportation were changed and thus, the passage of legislation in Congress to allow him to stay was essential.

In 1971, as Mr. Barbero had moved into my congressional district, I introduced legislation to permit him to become a lawful permanent resident.

The Judiciary Committee held a hearing on this proposal at which I testified arguing the case in Barbero's behalf. The committee, however, denied his request to remain in the country for which he fought.

At the time, I was convinced that this was inequitable, and today my conviction remains firm.

Mr. Barbero, and those like him who served our country, should be permitted to enter this country and make their contribution to our society.

I ask for an aye vote on this proposal.

Mr. EILBERG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman is a veteran of World War II and I share the pride with every other Member of this Congress who has been a U.S. veteran of any world war.

We are talking basically about the Philippines.

The Philippines—the one country in the Eastern Hemisphere which reaches the maximum 20,000 per country limitation—would be the principal beneficiary of this amendment in view of the fact that the armed forces of the Philippines were incorporated into the U.S. Army during World War II and numbered over 76,000 at the end of that war. In addition 115,000 Philippine guerrillas would be potential beneficiaries. Presently, there are over 14,000 Filipinos serving in the U.S. Navy and another 6,000 who have served in the Navy since World War II. Assuming that only a third of them would desire to take advantage of such preference, and allowing for an average family of three, a conservative estimate of the number of those eligible for admission to the United States under this amendment would be 211,000. Thus, placing them in the first-preference category would have the effect of closing immigration from the Philippines for the next 10 years for any other preference category. No spouse or child of a resident alien would be able to enter the United States and no doctor or nurse—of a backlog of 90,000 applicants in this category presently exists in the case of the Philippines—and no brother, sister, married son or daughter of U.S. citizens could enter.

Section 329 of the Immigration and Nationality Act provides that an alien who has served honorably in an active-duty status in the U.S. military forces during prescribed periods, World War I, World War II, Korea, and the Vietnamese situation, beginning February 28, 1961, can apply for expeditious naturalization if: First, at the time of enlistment or induction such alien was physically in the United States; or second, at any time subsequent to enlistment or induction such alien shall have been lawfully admitted for permanent residence.

The act of August 16, 1961, provides that no person shall be enlisted in the military forces unless he is a citizen of the United States or is lawfuly admitted for permanent residence. However, an alien in the United States was subject to the Selective Service Act.

The only persons serving in the U.S. military forces who are not enlisted or inducted in the United States are the Filipino enlistees who are recruited in the Philippine Islands and enlisted in the Philippine Islands.

Notwithstanding, if a Filipino reenlists in the Navy while stationed in the United States, that reenlistment, by virtue of a court decision is held to be the same as an original enlistment and thus does not qualify him for expeditious naturalization under the provisions of section 329 of the Immigration and Nationality Act.

Consequently, the thrust of the amendment is to put the Filipino enlistees within the first-preference category, thus for all intents and purposes affording an opportunity to be admitted to the United States so that they can benefit from the provisions of section 329, as mentioned.

I oppose this amendment, principally because it is premature.

A special subcommittee discussed the issues surrounding the Filipino enlistees with officials of the Department of the Navy, including the commander in chief of the Pacific area in Hawaii, and continued discussions with Navy officials in the Philippines who were in charge of the Filipino enlistment program. The special subcommittee has requested further information regarding the number of Filipinos now serving in the military forces, as well as the future plans of the Navy to enlist additional Filipinos. When the committee is in possession of all the necessary information, a proposal such as that just offered can be fully evaluated, but at this time I firmly believe that the amendment is premature and is not supported by adequate information.

In addition, legislation has been introduced by the Honorable JOHN MCFALL, H.R. 7565, which is similar to the amendment which has been offered here today by Congressman ANDERSON of California. Department reported have been requested on this legislation and any action prior to the receipt of these reports would be premature.

Mr. Chairman, I oppose the amendment, only because we simply do not have enough information. We had a special committee go out to Hawaii and Manila for this very purpose. We do not have the answers yet. This House will have the benefit of the information as soon as it is available.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. EILBERG. I yield to the gentleman from Ohio.

Mr. KEATING. I also am opposed to the amendment. I think the gentleman from Pennsylvania has very adequately and thoroughly explained it and there is nothing I can add at this time.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(On request of Mr. ANDERSON of California, and by unanimous consent, Mr. EILBERG was allowed to proceed for 2 additional minutes.)

Mr. ANDERSON of California. Mr. Chairman, I was quite interested in the reference in which the gentleman said a third of these people would take advantage of it, and I was wondering how the gentleman arrived at that one-third estimate.

I believe it was in San Francisco, that a U.S. district judge, when he granted citizenship to a Filipino, under similar circumstances, at that time, estimated there were 250,000 who would be eligible, and that not more than 10 percent would probably take advantage of it. That would be in toto.

If we spread that over a period of 10 years—because those who would like to come are not all going to want to come at once—we would have 2,500 a year.

So I wondered where the gentleman got the figure of one-third, when I believe 10 percent is more accurate.

Mr. EILBERG. Mr. Chairman, it is based on the present demand.

If the gentleman would look at the number of applications for visas and preferences, the Philippines are probably way ahead of us and way ahead of any other country. We have many demands for third-preference applications and highly qualified individuals, and we want them. We want the veterans, too.

Mr. ANDERSON of California. But we are not getting the veterans, are we?

Mr. Chairman, I do not want to exclude those professionals; I merely want to place the veterans of our Armed Forces on an equal footing and permit them the same privileges afforded others.

Mr. EILBERG. Mr. Chairman, any veteran who reenlists while he is in the United States can become a citizen immediately, and as I said in my remarks, we simply do not know the numbers of veterans or servicemen that we are talking about in this amendment.

I really do not know how the gentleman can press me any further. I have told him we specifically went to the Far East, and this was one of the major questions we had to consider.

It is a question we are considering, and we will bring the answers to the floor of the House when the information is available.

Mr. ANDERSON of California. Mr. Chairman, I believe the gentleman is doing an outstanding job and I commend him for his efforts as chairman of this important subcommittee, but this situation has been going on since 1946. I believe that we ought to have the information soon.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ANDERSON).

The amendment was rejected.

AMENDMENT OFFERED BY MR. BADILLO

Mr. BADILLO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BADILLO: Page 23, immediately after line 24 insert the following:

SEC. 10. (a) The Attorney General, acting through hte Immigration and Naturalization Service, shall conduct a study (1) to determine the number of nationals of the Dominican Republic who are aliens in the United States in violation of the Immigration and Nationality Act, and (2) to determine the professional background, qualifications in the trades, and other employment skills of such aliens. For the purposes of this subsection, the term "United States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands.

Page 24, line 1, strike out "10" and insert in lieu thereof "11".

Page 25, line 1, strike out "11" and insert in lieu thereof "12".

Mr. BADILLO. Mr. Chairman, when one mentions illegal aliens, all too often attention is given to Mexican citizens who enter the United States at numerous locations in the American Southwest. While Mexicans do represent the vast majority of illegal aliens—according to information from the State Department and the Immigration and Naturalization Service—the fact remains that in other parts of the United States, most of those classified as illegal come from other nations of Central and South America and the Caribbean. While exact figures are unavailable, it is believed that the greatest single number of illegal aliens in the Northeast are from the Dominican Republic. It has been estimated, for example, that there are more than 200,000 illegal Dominicans in the New York City area alone and I have heard even higher figures. Most of them have come to the United States in recent years.

Whatever their numbers or nationalities, these hapless men, women, and children are not only the victims of unscrupulous employers and landlords, but are also the victims of punitive and discriminatory tactics used by the Immigration and Naturalization Service. Throughout the New York area there have been countless dragnets in which anyone who may speak with a Spanish accent, who appears to be of Latin background to the immigration inspector or who may otherwise present a "foreign" or Latin appearance is apprehended and forced to present some proof of American citizenship. There is little question, but that these raids violate the basic civil liberties and human rights of citizens and aliens alike.

What is particularly tragic is the fact that no agency—either the State Department or the Immigration and Naturalization Service—seems to be interested in the factors precipitating this great desire to emigrate to the United States, whether legally or illegally. Rather, they only appear to be interested in developing policies and engaging in practices to increase their questionable activities and to harass and intimidate Latin Americans. From what I am able to gather, there just seems to be no real desire to ascertain what meaningful efforts can be made to humanely and effectively resolve the problem.

Affirmative action to come to grips with the situation is long overdue and we simply cannot condone further mass arrests.

Let there be no mistake, I do not condone the illegal entry of any alien into this country. However, as long as we are confronted with this problem, it seems to me that we have an obligation to deal with it on a compassionate and substantive basis. This is not possible, however, if we do not have the basic facts and information with which to work. In order to deal with the situation effectively and humanely, we simply must know more about it. Rather than taking steps which do nothing more than aggravate the problem and which often result in needless domestic and international tensions, I feel it would make a great deal more sense for us to investigate the specific nature of the problem and do what we can to provide some remedies.

My amendment proposes, therefore, that a comprehensive study of the Dominican migration situation be conducted. Such a study would not only include a general examination of the problem and the development of some realistic facts and figures on the number of illegal and legal Dominicans now in the United States, but it would also focus on what can be done to stem the flow of illegal Dominican nationals. Also, these investigations would propose courses of action which can be taken jointly with the Dominican Government in resolving those factors which are apparently forcing many Dominicans to migrate and in formulating economic programs, similar to those conducted in Puerto Rico to relieve similar problems two decades ago. As I noted in my "Dear Colleague" letter, a study such as this is fully consistent with our efforts to aid other nations experiencing economic problems and it will also benefit our various governmental agencies in properly and compassionately dealing with the illegal Dominican alien situation.

In mid-July, during the markup of H.R. 981, I urged the chairman of the Judiciary Committee, Mr. RODINO, to include a provision for a complete and comprehensive Dominican migration study. Unfortunately, my proposal was not accepted. Thus, it is necessary for me to offer this amendment.

Mr. Chairman, I have personally discussed this situation with the very distinguished and able President of the Dominican Republic, Dr. Joaquin Balaguer, and I can tell you that he is deeply concerned about it. He, too, is seeking solutions to the problem and is anxious to stem the flow of migrants which is sapping the lifeblood of his nation's economy.

The results of a comprehensive Dominican study will surely provide no easy answers and cannot be viewed as any sort of panacea. However, it will indicate where we are at and where we are going in terms of the flow of Dominican migrants. It will provide us with the facts and information on which we can base future actions and on which we can proceed in an orderly, just, and meaningful manner. A helter-skelter approach cannot be justified and we must know the precise nature of the problem before fair and equitable solutions can be developed.

I urge the adoption of this amendment and welcome your support.

Mr. EILBERG. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York.

I want to direct your attention to this amendment which directs the Immigration and Naturalization Service to determine the number of nationals of the Dominican Republic who are illegally in the United States as well as determining their background and employment skills.

The gentleman from New York in July of this year wrote the chairman of the Committee on the Judiciary and requested that we undertake a comprehensive study of the Dominican Republic migration situation. Upon receipt of this letter, which was referred to the Subcommittee on Citizenship and International Law, which I happen to chair, the Immigration and Naturalization Service was requested to investigate the problem of Dominicans illegally in the United States. I hold in my hand a report of those illegal aliens who have been located here in the United States. The report was received from the service, which I will be glad to submit for incorporation in the RECORD for the information of the House and the gentleman from New York:

Dominican aliens apprehended in New York City

Fiscal year 1973	1,917
Fiscal year 1972	1,093
Fiscal year 1971	1,669
Fiscal year 1970	1,634
Fiscal year 1969	1,401

IMMIGRATION FRAUDS BY DOMINICAN ALIENS

As early as 1969, the Service became concerned over the heavy increase noted in fraudulent documentation being utilized by Dominican nationals entering, or attempting to enter, the United States. Such documentation includes fraudulent Puerto Rican birth certificates, fraudulently obtained United States Passports, altered or fraudulently used Dominican Passports, counterfeit or altered United States nonimmigrant visas and altered or fraudulently used Forms I-151 (Alien Registration Receipt Card). All Service offices were alerted to the problem and instructed that when such cases are encountered each person found to be involved should be carefully interrogated to fully develop the source of the documentation. They were also instructed to strongly urge the criminal prosecution of such persons for violations of 18 U.S.C. 371 (conspiracy) and/or 18 U.S.C. 1546 (fraud), where the facts developed so warrant. The San Juan office was designated on July 23, 1969, as the coordinating office for all fraud investigations relating to the activities of Dominican nationals, and copies of all reports prepared in such cases by other Service offices were to be forwarded directly to that office. Close liaison is being maintained with the Department of State both on a local and seat of government level. In addition thereto, the San Juan office is maintaining liaison with the American Embassy, Santo Domingo.

I submit that the amendment he proposes is totally unnecessary since the committee has already done the following: First, asked the Immigration and Naturalization Service to commence the investigation, which they are doing, and we have a preliminary report from them; Second, we conducted a hearing on sweep operations, 2 days of hearings on them, and we will be glad to provide the gentleman with reprints of those hearings conducted by the Service. That does not mean that we condone or approve anything they have done in connection with the illegal alien problem. As I said, the hearings will be printed shortly.

Mr. BADILLO. Will the gentleman yield?

Mr. EILBERG. I am glad to yield to the gentleman.

Mr. BADILLO. The problem, Mr. Chairman, is that the report from the Immigration and Naturalization Service merely lists the number of illegal aliens who have been appreheneded in New York City. For example, it says in 1973, they apprehended 1,917. That has nothing to do with what I am talking about. What I am talking about is how many illegal aliens there are and how many have come in the past few years and why they have come. I want to know will the problem increase or decrease in the years to come. Is there a way that we can meet the problem by dealing with the problems in the Dominican Republic.

That has nothing to do with the actual number of people who may be illegally apprehended. That is what I am addressing myself to, and that is a fundamental study that will address itself to the basic causes of the problem and give us the information to begin to deal with it. Merely telling us how many people have been arrested does not lead to information that is useful to us.

Mr. FLOWERS. Mr. Chairman, will the gentleman yield?

Mr. EILBERG. I yield to the gentleman from Alabama.

Mr. FLOWERS. Mr. Chairman, I thank my chairman of the subcommittee, the gentleman from Pennsylvania, for yielding to me.

Mr. Chairman, I do not see how we could embark upon anything like that which the gentleman from New York (Mr. BADILLO) suggests in his amendment. If we did, it would inevitably be a sweep operation. The estimation of the number of illegals by the Immigration and Naturalization Service would be by operation of law and they would be commanded to arrest and deport each one of these people. All this would do would be to ask for a sweep operation which would call for the deportation of all of these illegal aliens. And I think that is not really what the gentleman from New York (Mr. BADILLO) wants to happen.

Mr. Chairman, I ask for the defeat of the amendment.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. EILBERG. I yield to the ranking minority member on the subcommittee, the gentleman from Ohio (Mr. KEATING).

Mr. KEATING. Mr. Chairman, I want to compliment the chairman of the subcommittee, the gentleman from Pennsylvania (Mr. EILBERG) on his command and approach on this amendment. I oppose the amendment. I do not think that I need say anything further on the matter.

Mr. EILBERG. Mr. Chairman, I would like to add one further comment.

The subcommittee is paying particular attention to and is exercising its oversight jurisdiction. We have had hearings regarding the administration of the Immigration and Nationality Act by the Department of State, and the Immigration and Naturalization Service. Furthermore, there is a continuing investigation as part of our oversight investigation into the principal visa issuing posts, one of which is Santo Domingo.

One factor in the flow of illegals from the Dominican Republic is the existing Western Hemisphere immigration system which imposes long waiting periods on applicants seeking to join relatives already in the United States in legal status. These people come illegally rather than wait their turns on the waiting list. H.R. 981, the present bill before us, and which I hope will be rapidly passed by the other body, and be signed by the President, will eliminate or reduce significantly this problem by establishing a preference system for the Western Hemisphere, thus enabling the relatives to immigrate legally rather than illegally.

I suggest that the enactment of H.R. 982 should go a long way toward reducing hiring of illegal aliens, even possibly eliminating the problem.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. BADILLO, and by unanimous consent, Mr. EILBERG was allowed to proceed for 1 additional minute.)

Mr. BADILLO. Mr. Chairman, would the gentleman yield?

Mr. EILBERG. I will be happy to yield to the gentleman from New York.

Mr. BADILLO. Mr. Chairman, what I am suggesting here, and the only reason I am doing this, is to warn the Members of the situation that exists, and that everyone, I feel, is closing their eyes to. What I am suggesting here is the same kind of a study that was done with respect to the Mexican situation. The gentleman from Pennsylvania quoted from that only recently. We need to have a comprehensive study, because the problem is not going to go away simply because we do not act on it, and most people do not want to consider it. The fact is there has been a great increase in the number of illegal aliens coming into the country. It is important that we face up to it now, because if we do not we are going to have to face up to it in the years from now when the problem will be much more severe, and perhaps much more difficult to resolve.

Mr. EILBERG. Mr. Chairman, I suggest to the gentleman from New York, with regard to his suggestion, that the subcommittee is working on this matter, and that it is of great concern to the subcommittee, but that it does not require a special amendment or legislation on this floor to impress the committee with the importance of the subject matter which the gentleman is presenting. The very fact that the gentleman has offered his amendment certainly will encourage the subcommittee to proceed more diligently in trying to find the answers to the questions with which the gentleman is so deeply concerned.

The Immigration Subcommittee made an intensive study of illegal aliens generally in 1971–72. This study was not aimed at illegals from any particular country but an overall problem. No special study of one element of overall problems seems required nor appropriate.

The House has already expressed its judgment as to the appropriate solution of the illegal alien problems by enacting H.R. 982 and should now await Senate action on that bill and the eventual results of its implementation after Senate enactment rather than complicating the situation with proposed action such as in the present amendment.

H.R. 982, known as the illegal alien bill, passed the House on May 3, 1973, and is presently pending in the Senate.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BADILLO).

The amendment was rejected.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROYBAL: Page 15, line 17, strike out "thirty-two" and insert in lieu thereof "forty-five".

Page 15, line 18, strike out "one hundred and twenty" and insert in lieu thereof "one hundred and seventy".

Mr. ROYBAL. Mr. Chairman, I should like to point out the fact that we are here to try to create a memorable and a humanitarian immigration policy, one which treats the Western Hemisphere with equal treatment, and one which gives recognition to the special historical ties and the cooperative arrangements between this country and other Western Hemisphere nations. It is this recognition which has been a cornerstone of our lives and of our policy of friendship with Canada, with Mexico, and with the countries in Latin America.

I believe that it should also be fundamental doctrine of our immigration law.

The argument, Mr. Chairman, will be made that there are more European countries than there are Latin American countries, or more countries in the Eastern Hemisphere than there are in the Western Hemisphere. This is true. On the other hand, there are more people in the United States here illegally from the Western Hemisphere than there are from the Eastern Hemisphere. It seems to me that by increasing the limitation from 120,000 to 170,000 and making everyone equal, that this may be the vehicle that can be used to solve the problem before us.

Mr. Chairman, I yield back the remainder of my time.

Mr. EILBERG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the Western Hemisphere has just a fraction of the population of the Eastern Hemisphere. We have 26 independent countries in the Western Hemisphere. We have 118 independent countries in the Eastern Hemisphere.

The gentleman's suggestion is that preferences be given to the Western Hemisphere which could only affect our relationship with countries in the Eastern Hemisphere. I think patently the suggestion is not a factual one and is not one that could be worked out in a fair fashion as far as the whole world is concerned.

I emphasize, Mr. Chairman, this is the first of a two-step operation in which we are engaged. We hope to provide a Western Hemisphere preference system now and then, hopefully, we will look over the situation and provide a worldwide system.

I think the gentleman's amendment does not go in the direction of either step.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. EILBERG. I yield to the gentleman from Ohio.

Mr. KEATING. I thank the gentleman for yielding.

Mr. Chairman, I wish to indicate my support for the gentleman's position and in opposition to the amendment and point out that even at 120,000, which is the amount allocated to the Western Hemisphere, it is disproportionate both in population and in countries as it now stands. I, therefore, oppose the amendment.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROYBAL).

The amendment was rejected.

Mr. HOGAN. Mr. Chairman, I am pleased to support this bill to bring needed improvements to our immigration law.

As a former member of the Immigration, Citizenship and International Law Subcommittee, I had ample opportunity to study our immigration problems when we had hearings around the country on the illegal alien issue, and extended hearings in Washington on immigration developments under the Immigration Act of 1965.

I wish to congratulate the chairman of the Committee on the Judiciary and Mr. EILBERG, the subcommittee chairman, for bringing to the floor this bill to provide the Western Hemisphere with a preference system for the issuance of visas, as well as the illegal alien bill, H.R. 982, which has already passed the House. These two bills deal with the two most pressing problems in the field of immigration.

This bill corrects an omission in the 1965 act. In applying the same preference system and per country numerical ceiling to both hemispheres, H.R. 981 brings to our immigration law uniformity of treatment for all aliens seeking admission regardless of the place of his birth. I support this change. Our immigration law should give favored treatment to no country and to no nationality—there must be equal, uniform treatment for all aliens with no discrimination. The preference system and 20,000 per country maximum ceiling established for the Western Hemisphere are the same system and numerical ceiling applied since 1965 to all Eastern Hemisphere aliens. It has proved successful, and with one minor exception, brought applications of qualified aliens to a current basis so there is no significant backlog. I believe this same system will work well in the Western Hemisphere. Accordingly, I will oppose any change which would give more favored treatment or special privilege to aliens from any country or countries.

I am pleased also to see that H.R. 981 also will provide a measure of relief to our employment needs when temporary shortages occur in some areas. Section 2 of the bill will make it possible to meet such needs with the temporary admission of nonimmigrant workers whenever the Department of Labor determines such laborers are needed. Border areas both in the Southwest and near Canada as well as in Guam will benefit from this change.

I urge prompt passage of H.R. 981. It is a good bill that will improve our system of immigration.

Mr. FREY. Mr. Chairman, passage of the Immigration and Nationality Amendments Act (H.R. 981) will go a long way toward relieving considerable anguish and hardships suffered by many Cuban refugees. Heretofore, Western Hemisphere immigrants have been granted visas on a first-come, first-served basis unless they have immediate relatives who are citizens of the United States. The ceiling of 120,000 in conjunction with the Cuban airlift have resulted in a waiting period of 21 months or more for all Western Hemisphere immigrants.

These restrictions have divided families; many have fled to European countries for temporary refuge, particularly Spain, where they are not allowed to work and are thus forced to depend on what little financial assistance their friends or families already in this country can afford to send. Their stories are heartbreaking.

In May of 1972 one of my constituents asked my help in securing visas for his relatives who had fled from Cuba. The father was the half brother of my constituent's wife and did not qualify as an immediate relative. Since they could not enter the United States immediately, the family fled to Madrid, Spain, and even this was possible only after 7 years of effort.

All my attempts to help have been of little avail. First we were told that either parent would have to obtain labor certification based on a job offer in the United States. But had the son not been over the age of 16 he might have been able to establish a priority date on the Western Hemisphere waiting list independently of his parents, based on an affidavit of support and the fact that he would be entering the United States to attend school. If this could have been accomplished, when his date was reached his parents could have been paroled into the United States if they qualified in all other respects. Another hope dashed.

The family did establish a priority date on the nonpreference waiting list for Great Britain since the father was British born. Sadly, the father died in July of 1972 and his wife was no longer eligible for the British number.

The wife has now received a priority date of June 12, 1972, and in view of the fact that the State Department is now processing applications for visas with priority dates in 1971, she might be granted a visa by June 1974. But it will still be necessary for her son to obtain a labor certification since he would still be ineligible for parole into the country even when a visa becomes available for his mother.

The son did get an offer of full-time employment as a live-in domestic employee, but first the Labor Department needed proof that he had worked full time in this capacity for 1 year. Other job offers he has received have been disapproved by the Department of Labor and the latest information is that he should seek employment as a lathe operator—but, once he receives his labor certification, he must still wait approximately 2 years for entry. In the meantime, they are not allowed to seek employment in Spain and depend on their relatives in the United States for financial help.

The futility of my efforts and my feeling of helplessness to do anything about this tragic situation have made this one of the most frustrating experiences I have ever had.

H.R. 981 will give top priority to reuniting families by applying the Eastern Hemisphere preference system to Western Hemisphere immigrants.

It will exempt from the ceiling Cuban refugees already in the United States on the date of enactment who adjust their status to permanent residents. This provision will affect over 50,000 Cubans who have already applied for status adjustment and probably many others who are eligible, but have not applied. And this provision will permit the entry of additional Cubans. The bill also establishes a limitation of 20,000 on each country in the Western Hemisphere and provides for more liberal and humane parole procedures. Even the slight revisions in the labor certification provisions will be helpful to those in circumstances similar to those I have just described.

I welcome this action by the House and urge my colleagues in the Senate to move quickly on the legislation. It is particularly important to those Cuban exiles who, in their search for freedom, found themselves in the desperate situation in Madrid dubbed "The Mousetrap." Once in this country they can begin rebuilding their lives and again become productive and industrious.

Ms. HOLTZMAN. Mr. Chairman, I am delighted to vote in favor of final passage of H.R. 981 which will regularize and improve our system of immigration for the Western Hemisphere. It is with great regret, however, that I oppose the amendment offered by the distinguished gentleman from New Jersey and the learned chairman of the House Judiciary Committee which seeks to increase the quotas of Mexican and Canadian immigrants from 20,000 to 35,000 each.

As a member of the Subcommittee on Immigration, Citizenship, and International Law, I am very familiar with the arguments both in favor and against this amendment. And although under most circumstances I would defer to my chairman, I feel in this circumstance that I cannot support his amendment.

Under the present bill every country in the world would be treated the same—no country would be able to send more immigrants to the United States than any other. To grant a preference to Mexico and Canada smacks of the national quota system that we fought so long to abolish. In addition, it would reduce the number of immigrant visas available for people from other Western Hemisphere countries.

Also, the evidence available demonstrates that many of the immigrants from Mexico do not seek to become American citizens, but seek rather to work here. For that reason it is unfair to reduce immigration from other Western Hemisphere countries to accommodate people who seek only to work in the United States.

Mr. EDWARDS of California. Mr. Chairman, I am forced to vote against final passage of H.R. 981 as it has been amended here today. Basically, I am in agreement with the philosophy of immigration inherent in the preference system established by this bill. I feel it is desirable that the United States have a worldwide immigration system which emphasizes the reunification of families and encourages the employment of alien labor to meet specific domestic needs. These ideas are consistent with the American tradition of welcoming those who seek a better life in the United States and with our present ability to provide jobs, housing, and education for a growing population.

However, I feel that this bill also has a serious deficiency. It ignores both the historical relationship between the United States and Mexico, and it discriminates against the present needs of the American Chicano community. Historically, Mexico has had a unique connection with the United States. For years the distinction between Mexican and American real estate was indistinct; the border was open and undefined; and languages, people, and cultural traditions mingled freely. Now thousands of people of Mexican heritage are citizens and permanent residents of the United States. Each year over 40,000 of their relatives immigrate to join parents, children, brothers, and sisters. This bill would flatly discriminate against Mexican immigration, cutting it in half by limiting it to only 20,000 per year. While claiming to equalize immigration for all countries in the Western Hemisphere, it actually works against the goal of reunion of Mexican families, the major purpose of the preference system. For these reasons, I cannot support this legislation which does not contain provisions raising the limitation on immigration from Mexico.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair (Mr. ADAMS), Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 981) to amend the Immigration and Nationality Act, and for other purposes, pursuant to House Resolution 545, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced the ayes appeared to have it.

Mr. KEATING. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 336, nays 30, not voting 68, as follows:

[Roll No. 483]

YEAS—336

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Butler
Byron
Camp
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Conyers
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, S.C.
Davis, Wis.
Delaney
Denholm
Dennis
Dent
Devine
Dickinson
Diggs
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford, Gerald R.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanrahan
Hansen, Idaho
Harrington
Harsha
Harvey
Hastings
Hawkins
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Keating
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Lott
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mailliard
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Mink
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Hara
O'Neill
Parris
Passman
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reid
Robinson, Va.
Robison, N.Y.
Rodino

Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Ruppe
Ruth
Ryan
Sandman
Sarasin
Sarbanes
Satterfield
Saylor
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, James V.
Stark
Steed
Steele
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wyatt
Wydler
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Zablocki
Zion
Zwach

NAYS—30

Anderson, Calif.
Ashbrook
Burleson, Tex.
Burton
Cochran
Collins, Tex.
Corman
Dellums
Derwinski
Eckhardt
Edwards, Calif.
Fisher
Flynt
Gonzalez
Gross
Ichord
Kazen
Long, Md.
Mahon
Moss
Poage
Rarick
Roybal
Scherle
Steelman
Steiger, Ariz.
Symms
Van Deerlin
White
Young, Tex.

NOT VOTING—68

Ashley
Bevill
Blackburn
Boggs
Bolling
Brinkley
Brown, Mich.
Burgener
Burke, Calif.
Cotter
Culver
Danielson
Davis, Ga.
de la Garza
Dellenback
Dorn
Edwards, Ala.
Ford, William D.
Gettys
Hanley
Hanna
Hansen, Wash.
Hays
Hébert
Heckler, Mass.
Hillis
Howard
Jones, Ala.
Long, La.
Lujan
McEwen
Mann
Mills, Ark.
Minish
Mitchell, Md.
Moorhead, Calif.
Moorhead, Pa.
Nix
O'Brien
Owens
Patman
Pepper
Podell
Quillen
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Roncallo, N.Y.
Rooney, N.Y.
Rose
Runnels
St Germain
Shoup
Sikes
Smith, Iowa
Stanton, J. William
Stephens
Stubblefield
Taylor, Mo.
Waldie
Wolff
Wright
Wylie
Yates
Young, Ga.
Young, S.C.

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Sikes.

Mr. Rooney of New York with Mr. Howard.

Mr. Cotter with Mr. William D. Ford.

Mr. Podell with Mr. Mann.

Mr. Bevill with Mr. Riegle.

Mr. Wolff with Mr. Roberts.

Mr. Minish with Mr. Young of South Carolina.

Mr. Moorhead of Pennsylvania with Mr. Wylie.

Mr. Stubblefield with Mr. J. William Stanton.

Mr. Nix with Mr. Waldie.

Mrs. Burke of California with Mr. Yates.

Mr. Hanley with Mr. Young of Georgia.

Mr. Gettys with Mr. O'Brien.

Mrs. Boggs with Mr. Lujan.

Mr. Hanna with Mr. McEwen.

Mr. Long of Louisiana with Mr. Quillen.

Mr. Culver with Mr. Dellenback.

Mr. Danielson with Mr. Rhodes.

Mr. Brinkley with Mr. Moorhead of California.

Mr. Stephens with Mr. Taylor of Missouri.

Mr. Dorn with Mr. Brown of Michigan.

Mrs. Hansen of Washington with Mr. Edwards of Alabama.

Mr. Jones of Alabama with Mr. Shoup.

Mr. Mills of Arkansas with Mr. Rinaldo.

Mr. St Germain with Mr. Blackburn.

Mr. Ashley with Mrs. Heckler of Massachusetts.

Mr. Davis of Georgia with Mr. Roncallo of New York.

Mr. de la Garza with Mr. Hillis.

Mr. Hays with Mr. Owens.

Mr. Pepper with Mr. Rose.

Mr. Reuss with Mr. Mitchell of Maryland.

Mr. Patman with Mr. Runnels.

Mr. Smith of Iowa with Mr. Wright.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EILBERG. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 8825, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; SPACE, SCIENCE, VETERANS' APPROPRIATIONS, 1974

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8825) making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, and corporations for the fiscal year ending June 30, 1974, and for other purposes, with Senate amendments thereto, further disagree to the amendments of the Senate, and agree to the further conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? The Chair hears none, and appoints the following conferees: Messrs. BOLAND, EVINS of Tennessee, SHIPLEY, ROUSH, TIERNAN, CHAPPELL, GIAIMO, MAHON, TALCOTT, MCDADE, SCHERLE, RUTH, and CEDERBERG.

REQUEST OF THE VICE PRESIDENT FOR HOUSE INVESTIGATION OF CHARGES

(Mr. MILFORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILFORD. Mr. Speaker, yesterday the Vice President of the United States asked this House to conduct an investigation of certain charges that had apparently been made against him.

The Vice President's request would involve the House in some serious constitutional and legal ramifications. This request could also have some dangerous secondary involvements in other pending legal contests in which the American people have a vital interest.

Mr. AGNEW has accused Government prosecutors of being the source of "a constant and ever-broadening stream of rumors, accusations and speculations" aimed at him. Indeed, as every Member knows, the entire national press has printed accusations of alleged misconduct and/or criminal acts—in the total absence of any judicial indictment.

On the other hand, legal scholars in this House will immediately recognize numerous ways wherein such an investigation, requested by the Vice President, could be misused in a way that could totally prostitute real justice.

I have absolutely no intention of either defending the Vice President's request nor declining it. In all honesty, I think I am in company with many other Members in that my knowledge is not sufficient at this time to make a fair and rational decision.

As individual Members, we are each limited to our own peculiar knowledge—whether it be in law, farming, or weather forecasting. However, collectively, this House possesses a vast store of knowledge encompassing the entire spectrum of life.

The House of Representatives is known internationally as the most representative forum in the world. Even though no two Members will have the same political philosophy, each possesses an inherent sense of fairness. While emotions may occasionally rise to a fist-fight pitch, this never minimizes the individual Member's desire to further our national aims and commitments.

While this House has absolutely no mandate, nor even a duty, to comply with the Vice President's request, we are morally and legally bound to give full and fair consideration to his plea. I do not think any Member would have the slightest desire to do otherwise.

However, due to the complexities involving deep questions of law and due to the possibility that political rather than judicial motives may be involved, I would ask that the House take no action until each Member has time to consider the full ramifications.

Mr. Speaker, I would ask that the Vice President's letter be allowed to lie on your desk for at least 10 legislative days. During this period of time, I urge each Member to publish in the CONGRESSIONAL RECORD their opinions, questions, answers, and discussions of the complex ramifications that are involved in the Vice President's request.

SELECT COMMITTEE ON VICE PRESIDENT

(Mr. FINDLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FINDLEY. Mr. Speaker, today I am introducing a resolution calling for the appointment of a select committee to recommend whether the House shall undertake impeachment proceedings against the Vice President of the United States as provided in article 11, section 4 of the Constitution.

Although some would rather see the Vice President first twist slowly in the winds of an indictment and trial, the Nation cannot afford such uncertainty. If the Vice President truly believes he is innocent of wrongdoing, he may not resign even if he is indicted, even if he goes to trial, even if he is convicted of a criminal offense, conceivably even if he goes to jail, until he has exhausted his constitutional right of appeal. Such a laborious road could take years to travel. A Federal appeals court judge in Illinois, Otto Kerner, has taken just this tack. Convicted of bribery and conspiracy, he has refused to resign his position, and continues to draw his salary until his appeal has been decided. It has already been almost 2 years since Kerner was indicted, and there is still no end in sight.

The people of the United States cannot afford to have such uncertainty surrounding the man who is only a heartbeat away from the Presidency. Suppose during the long period from indictment to trial to appeal that President Nixon should meet with an untimely death. Could the Vice President assume the incredibly heavy burden of the Presidency in the midst of his own criminal trial? We are faced with the absurd possibility that the Vice President might be called to administer the Nation from his jail cell as he awaits an appeals court decision.

The House of Representatives owes it to the Nation to remove such uncertainty. If the Vice President is guilty of high crimes or misdemeanors, then he should be impeached and removed from office. If he is not guilty, then the cloud hanging over him should be removed so that he can fulfill his constitutional role.

Only the U.S. House of Representatives can perform this essential function by carrying out its own constitutional role. If the Vice President is impeached and found guilty of some crime, there will be adequate time later for a grand jury to indict him and for Federal prosecutors to bring him to trial. But impeachment proceedings should proceed immediately—not for the good of the Vice President, but for the preservation of the Nation.

Furthermore, Vice President AGNEW has pledged his full cooperation in any such proceedings. I presume that this means that he will voluntarily appear personally before the House Committee, and before the House itself, to answer fully any and all questions put to him. Thus, the committee's recommendation regarding impeachment need not be a long dragged-out affair like the Watergate hearings. A decision whether to impeach the Vice President could be reached before the end of this session of Congress.

Therefore, I urge the Speaker to assist the House to perform its constitutional role at the earliest possible moment. This is not a time for temerity on the part of House Members. This is a time for the House to perform its unique role as "the grand inquest of the Nation."

PASSING THE BUCK

(Mr. RANDALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RANDALL. Mr. Speaker, it is interesting to behold how President Nixon and also our former colleague, now White House counselor, Mel Laird, indulge in almost unbelievable comment on fuel shortages as reported in the Washington Post. When they both agreed "We may not be able to wait for action from the Congress. We may have to go forward with a program for this area—mandatory allocation of fuels."

Well, well, well, I remember Mel Laird as a very able and responsible legislator when he served in the House. But now all dear old Mel would have to do to straighten out his thinking, is to turn to Public Law 93–82, section 2, which was signed into law April 30, 1973. There he could read that the President "may provide for the establishment of priorities for systematic allocations of petroleum products."

Elsewhere in the paper, Mel is quoted from his television appearance on "Face the Nation," that—

> Since the House has not been able to agree on a plan, it will be necessary for the executive branch to do so on its own.

The question all of us should ask Mr. Nixon and Mr. Laird is, "What are you waiting on?"

Today I introduced a bill quite similar to Chairman TORBERT MACDONALD's allocation measure which will hopefully reach the floor of the House in the next week or 10 days.

The only difference between the House bill and Public Law 93–28 is that the latter carries language "may allocate" while the proposed House bill has the language "shall allocate."

Yes, the President certainly has the present authority to establish mandatory allocations. It is pure hogwash for he and Mr. Laird to say that they are waiting on the Congress. Yet if the House acts in the next few days then the words "shall allocate" will leave the administration no option or alternative except to act on a mandatory allocation program unless, of course, the President chooses to veto the legislation.

Today our hard-pressed farmers watch helplessly as their mechanized implements stand idle and in the fields for lack of gasoline and fuel.

Let me predict that if an allocation system is not inaugurated in the next few weeks there will be a reduced yield of feed grain crops because there is no fuel to harvest them. If that happens we have never yet seen food prices as high as they will be in the not too distant future.

Mr. President and Mr. Laird, please read Public Law 93–28. Stop passing the buck.

AMENDING THE SMALL BUSINESS ACT

(Mr. WIDNALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WIDNALL. Mr. Speaker, yesterday the other body sustained the President's veto of S. 1672, the amendments to the Small Business Act. As I noted in my remarks here during the debate on the conference report on that bill there were a number of provisions in it that were questionable and invited the President's action. At the same time I pointed out that other provisions of the bill were good and desirable extensions and amendments to the ongoing small business assistance programs and are badly needed. For that reason I am today introducing a bill which contains those desirable provisions which enjoyed bipartisan support and omits those sections of legislation to which the President objected. I hope it will be possible to obtain early action on this bill.

I would like to point out all of the provisions of the bill which I am introducing today were the subject of hearings before the Banking and Currency Committee when it considered H.R. 8606. House Report 93–290 on that bill explains the need for the increase in ceiling authorizations and other amendments to the SBA program. I urge Members who have questions about this bill's provisions to refer to this report.

What this bill omits are sections 4 and 6 of H.R. 8606 dealing with disaster loans and loans for erosion assistance.

These are the costly provisos to which the President objected as did we in the minority when the bill was initially reported. I would point out again today as I have in previous debates that the President has submitted a program for disaster assistance which is before the Committee on Public Works. I understand they are planning to have hearings in the near future—November—and we believe it is proper that these disaster loan provisos should be considered in conjunction with a well-rounded disaster assistance program, which is contemplated in that legislation. To do so is the essence of a logical legislative progress.

In the meantime it is imperative that the SBA ceiling increases be authorized if the well-run program of that Agency is to continue uninterrupted. I hope all Members will agree with me that prompt action on this legislation is imperative and support our efforts to see to it that SBA's vital assistance is continue.

SUFFRAGE FOR DISTRICT OF COLUMBIA

(Mr. GUDE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GUDE. Mr. Speaker, arguing on behalf of Negro suffrage, Abraham Lincoln in 1854 declared:

> Allow all the governed an equal voice in the government, and that, and that only, is self-government.

Echoing this great statement, Rutherford B. Hayes in 1877 said in his inaugural address:

> It must not be forgotten that only a local government which recognizes and maintains inviolate the rights of all is a true self-government.

Warren Harding, whose administration was destroyed by misdeeds, was nevertheless a forward looking man in some areas of social progress. Speaking of local government, he said:

> Every governmental unit must be as nearly as possible a miniature of the ideal state which all hope to realize, capable of standing on its own bottom and managing affairs as best serves the public welfare.

Calvin Coolidge said in Arlington, Va., in 1925:

> Our country was conceived in the theory of local self-government . . . It is the foundation principle of our system of liberty. It makes the largest promise to the freedom and development of the individual. Its preservation is worth all the effort and all the sacrifice it may cost.

In an address to Congress the same year, Coolidge restated this belief:

> Local self-government is one of our most precious possessions. It is the greatest contributing factor to the stability, strength, liberty, and progress of the nation.

The Republican platform of 1888 spoke of "the sacred American principle of local self-government."

The platform of 1893 declared:

> The Republican party has always been the champion of the oppressed and recognizes the dignity of manhood, irrespective of faith, color, or nationality; it sympathizes with the cause of home rule in Ireland and protests against the persecution of the Jews in Russia.

As regards America's territories, the platform said, "the right of self-government should be accorded."

By the 1940s, the Republican Party's great traditional drives for local self-government and for suffrage for all had become quite specific regarding the city of Washington:

> We favor self-government for the residents of the Nation's Capital.

Restated in subsequent platforms, self-government for the District of Columbia remains the policy of the Republican Party—a policy that carries forward the party's traditional views and principles.

Because of this tradition, which is the lifeblood of the Republican Party, I hope all Republicans will give their best consideration to the District of Columbia self-government legislation which will soon be considered here.

The present times are not easy ones for Republicans. I believe we must reassert our traditional beliefs and values, and demonstrate their value. One good way to do this is through support of the practical form of self-government that would be provided by the pending legislation.

VICE PRESIDENT SPIRO T. AGNEW

(Mr. DEVINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DEVINE. Mr. Speaker, yesterday the Vice President of the United States made a very courageous move. He came to the Speaker of the House and presented a letter which now appears in the September 25 RECORD at page 31368.

In my opinion, Mr. Speaker, Vice President AGNEW demonstrated unusual confidence in the integrity and objectivity of this body, expressing his willingness to have the House undertake a full inquiry into the charges leveled against him.

Since the sanctity of the secrecy of grand jury proceedings has seriously eroded, plus leaks from the Justice Department, this Vice President has been all but tried, convicted and executed by the media, and his constitutional right of a fair trial and presumption of innocence are in serious jeopardy.

Much of Mr. AGNEW's dilemma has been compounded by some segments of the broadcast and printed media in their hysteria to ruin a respected public official. They insist on quoting faceless, nameless sources for all kinds of charges, imaginary and otherwise.

Just this morning, NBC's Ray Scherer gratuitously pronounced "AGNEW asked the House to bail him out and save him from the Courts." Obviously this is yellow journalism at its worst and a typical cheap shot at a very decent guy.

I am not sure the freedom of the press guaranteed by the Constitution encompassed the right to serve as a lynchmob, or run like a pack of jackals snapping at the heels of the man that earlier had the audacity to suggest the media was not always fair and unbiased.

Mr. Speaker, if the Vice President is willing to risk his whole future in the hands of this body, dominated by members of the opposite political faith, I feel we should accept the responsibility, appoint a select committee, and get on with an objective inquiry to either confirm the allegations made against, or vindicate the Vice President of the United States.

SOME MAJOR OBJECTIONS TO H.R. 9682, THE HOME RULE BILL

(Mr. NELSEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NELSEN. Mr. Speaker, we will soon be called upon to consider the home rule bill reported out by the House District Committee. This bill does not accommodate the provisions of our Constitution, which in article I, section 8, clause 17, sets forth the following directive:

> The Congress shall have Power . . . To exercise exclusive Legislation in all Cases whatsoever, over such District . . . the seat of the Government of the United States.

The proposed home rule bill, H.R. 9682, would create a virtually autonomous city-State, a municipal corporation with broad State powers and yet not a State, that does not protect the legitimate interests of the Federal Government. Rather, it establishes an elected local government free to interefere with and obstruct the Federal interests, which is contrary to the express provisions of the Constitution.

In 1783 the Capitol was moved from Philadelphia, because of conflicts of administration between the local and Federal establishments. That is why the Constitution clearly prescribes guidelines to safeguard the Federal interest. The framers of the Constitution clearly intended that the Federal interest be predominant in the Nation's Capital, and that the application of the principle of self-government, as it was intended to apply in other parts of the country, must be limited in the District.

The powers of the local government under H.R. 9682 would be virtually unlimited. Nearly all enactments of the city council would become law immediately and could repeal, amend, or supercede Acts of Congress; and neither the Congress nor the President would have an effective check with which to protect the Federal interest. The logical complement of the appropriation of Federal funds is congressional oversight. However, under this bill the President could only comment on the city's requested Federal payment, and the Congress could not participate in determining line-items in the District budget—only "a lump sum unallocated Federal payment" could be appropriated. There is also a delegation of authority to local officials to totally control the Metropolitan Police Department which now provides protection to the President, the Congress, and the Federal Establishment.

The President, in his second state of the Union address, endorsed the Nelsen Commission recommendations as deserving of careful consideration, because they would "strengthen the capability and expand the authority of the city's government and moderate the Federal constraints over its operation." The fact that some of the Commission's recommendations are tied to this highly controversial bill should not persuade us to support legislation that is undesirable. This is especially true when the recommendations are included, as they are, in an altered and unsatisfactory form.

With these thoughts in mind, I am including at this point in my remarks for the RECORD a listing of some of the major objections of H.R. 9682, the bill which was reported out of the House District Committee. I cannot help but conclude that we should keep an open mind on this issue with a view toward considering an alternative approach to H.R. 9682.

SOME MAJOR OBJECTIONS TO H.R. 9682

An analysis of H.R. 9682, the "home rule" bill, indicates the following, among other, principal points of opposition to the bill:

Statehood authority—virtually all executive, judicial and legislative authority—is transferred to a local municipal government without statehood responsibility.

Delegation of authority to the local government to amend, repeal, or supersede Acts of Congress is an infringement on the Constitutional authority of the Congress.

Reservation of the power of the Congress to repeal acts of the City Council offers little protection of the Federal interest in the Nation's Capital, as "repeal" legislation is very difficult to enact.

Transfer of total authority over the Metropolitan Police Department to local control leaves the Federal government dependent for protection upon the D.C. government.

Elimination of Presidential appointment of judges in the District of Columbia courts is unprecedented.

Transfer of broad authority to the Council permits misdemeanors and felonies under the D.C. Criminal Code to be prosecuted by the Corporation Counsel instead of by the U.S. Attorney and is a limitation on traditional Presidential authority.

Exemptions to the Hatch Act for Federal employees could serve as a precedent and lead to a return of the "spoils system" in the government service.

Elimination of Congressional line-item appropriation control (only a lump-sum unallocated Federal payment may be appropriated) over D.C. spending—which includes a substantial amount of the Nation's taxpayers' money—is an abdication of the responsibility of Congress to control and account to taxpayers for Federal spending.

Removal of the President's degree of control over the D.C. budget would be virtually eliminated by the restriction of his authority to merely "commenting" on the city's request for an annual Federal payment.

Provision for a city accounting system that would not be required to meet any professionally accepted standards (such as those of the General Accounting Office or the Municipal Finance Officers Association) would tend to inhibit full disclosure to the public and the Congress.

Delegation of unlimited reprogramming authority to the City Council over all funds, with no requirement for Congressional notification or approval, permits the local government to nullify actions of Congress for previously appropriated funds.

Provision that the D.C. Zoning Commission would not be required to follow recommendations of the National Capital Planning Commission (NCPC) endangers the Federal interest in that the city could alter the Comprehensive Plan adopted by NCPC.

Loopholes for proceeding the city's "14 percent formula" in the matter of capital indebtedness would jeopardize its ability to meet its fiscal obligations, and Congress would inevitably be asked to "bail out" the District to make up deficiencies.

Procedural rules of the House of Representatives are dictated with respect to Congressional resolutions pertaining to certain salary increases and amendments to the charter.

Use of city funds to establish a number of neighborhood advisory councils could be authorized at a minimum annual cost of $400,000 with no limitation on the maximum cost or method of financing.

Penalties are not provided for exceeding apportionments of funds (Anti-Deficiency Act), although the District would be spending large amounts of Federal funds.

Delegation of such broad legislative authority as to be unconstitutional or permit excessive "experimental" local legislation is included.

THE CASE OF VALERY PANOV

(Mr. KOCH asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. KOCH. Mr. Speaker, tonight begins the Jewish New Year, Rosh Hashanah, the year 5734. It is one of the holiest days celebrated by Jews throughout the world. It is a day of meditation spent at prayer in a synagogue. The prayers of Jews throughout the world include a special prayer for our Soviet Jewish brethren held hostage in the Soviet Union. I should like to bring to the attention of the House the plight of the Panov family:

Of all the Russian Jews forcibly detained in the Soviet Union, I feel the closest personal tie to Valery Panov. Last November, a member of my staff befriended Panov while visiting the Soviet Union. In addition, I have recently become acquainted with Mr. Panov's best friend, the eminent museum curator Dr. Leonid Tarassuk. Dr. Tarassuk was successful in escaping Russian repression and is continuing to work tirelessly for the freedom of his friend and other Soviet citizens. My exposure to first-hand accounts of Panov's tragic situation has given me a very personal incentive to offer some help to this very special man.

Valery Panov is a ballet dancer—one of the greatest in the world. He and his 23-year-old wife were members of the Kirov Company in Leningrad when they applied for exit visas for Israel. Panov was immediately dismissed from the Kirov, harassed, and forbidden to dance anywhere. His wife Galina was demoted to the lowest echelon of the Kirov.

Before Leonid Brezhnev visited the United States last June, the Panovs were assured that they would get their visas if they refrained from publicizing their case during the summer months. On August 9 that commitment was officially confirmed to an American visitor in Moscow, Robert Abrams, Borough President of the Bronx, N.Y. A Soviet deputy interior minister named Viktorov, with other high officials present, told Abrams that Panov "will positively be able to leave." The Panovs complied with the stated condition.

Last month the authorities again rejected the Panovs' visa applications. Two weeks ago Panov was told that he might be allowed to leave, but only after leaving Galina behind. He declined the offer.

It has now been 1 year since Valery Panov last appeared on a public stage. At 34 he should be at the peak of his career. Each day of public inactivity makes his former greatness more difficult to retrieve. He has no mail service, no phone service, and he is repeatedly subject to harassment during his infrequent excusions from his tiny apartment. He has no income whatsoever; he and his wife exist on small gifts from friends.

Panov complains that his western sympathizers do not fully understand his situation. They offer him material necessities, but do not appreciate his need for spiritual sustenance. This man is an artist with complete devotion to the ballet. The denial of his right to dance is the denial of his right to live. At the age of 34, he feels his life force draining away. As he told Anthony Lewis the New York Times:

> I have a little more strength left to fight. I must get out or my life is over; there is no more me.

Clive Barnes of The Times has led the American artistic community in a determined effort to free the Panovs. Barnes has recognized that this case presents something more than another vicious denial of individual liberty. The Soviet denial of the Panovs' right to emigrate robs the world of two renowned international talents. Greatness in the arts is so rare that its value is infinite. The detention of the Panovs is an affront to the right of people the world over to appreciate and preserve their few truly creative artists. In the case of the Panov family, one need not be completely altruistic to be outraged. The loss is our own.

I ask the Members of this Congress to keep in mind the Panov family when they consider the Jackson-Mills-Vanik trade amendment. I ask you to give some thought to the notion that war between nations does not exhaust the idea of violence. Surely the enforced isolation of the Panovs is as much an act of violence as any clash of arms. If we shrink now from our moral responsibility to assist the Soviet Jews by failing to support Jackson-Mills-Vanik, we will thereby give tacit approval to the violence done to individuals like the Panovs. Detente yes; but not at the price of the dignity and freedom of Soviet Jews.

BILINGUAL JOB TRAINING IS ESSENTIAL TO AID THOSE PERSONS NOT PRESENTLY BENEFITING FROM MANPOWER PROGRAMS

(Mr. BADILLO asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BADILLO. Mr. Speaker, since the enactment of the Manpower Development and Training Act over a decade ago, some success has been achieved in furnishing employment security to those persons lacking adequate training and preparation for a wide variety of employment opportunities. We have seen the successes of numerous institutional and on-the-job training efforts, by various components of the poverty program and by certain cooperative ventures between the private sector and the Federal Government.

Although there have been significant accomplishments in this field, I believe far too many Federal manpower programs are failing to reach many persons who urgently require occupational training because of language and cultural barriers. Because most of the manpower programs are conducted solely in the English language, the services offered simply do not reflect the needs of those for whom many are intended. These well-intentioned job training efforts frequently fall far short of the mark because of the failure to recognize the fact that the participants' mother tongue—the language which they use in their daily lives—is other than English. It must be understood that Spanish-speaking Americans and other foreign-language speaking persons want to achieve success while retaining pride in their own rich cultural heritages and institutions. Unfortunately, however, these individuals are often penalized in counseling, job referral, institutional training and the various other basic components of current manpower programs simply because they do not speak or have limited abilities in English.

In many cases English is an ingredient of manpower development and training programs. However, they are almost always pre-vocational and just allow the participant to learn enough English to be trained in conventional English-language courses. It has been most aptly observed that, under this situation, the Spanish-speaking, French-speaking or other foreign-language speaking person is forced into a holding pattern before he is even able to undertake the occupational training he desperately needs and wants.

There is a critical need for bilingual job training in New York City, particularly when you consider the number of persons whose mother tongues—the language most frequently spoken in the home and in the neighborhood—is other than English. These men, women and children are already being seriously short-changed by many public education programs and we must not continue to relegate them to this second-class citizenship in job training programs.

This situation is particularly critical in the Spanish-speaking community. Consider the fact that the average median income of Spanish-speaking families is almost $3,000 below the average for the rest of the Nation or that 1 out of every 5 adults of Spanish-speaking background has completed less than 5 years of formal education as compared with only 1 out of 25 for all other groups. The current unemployment crisis has hit the Spanish-speaking community particularly hard and in many instances it has reached depression proportions. In New York City, for example, the jobless rate among Puerto Ricans was 6.7 percent a short time ago while the unemployment rate for all whites in the city during the same period was only 4.0 percent. Similar statistics can certainly be cited for Mexican Americans in the Southwest and for other Spanish-speaking persons throughout the country.

Manpower programs are essential in order that Spanish-speaking and other foreign-language speaking citizens can develop the necessary skills and talents in order to fully and equitably compete with other Americans in business and industry. However, they must be made more responsive to the needs of those they are designed to aid. Action must be taken to establish bilingual manpower training programs to fully involve those qualified persons whose mother tongue is other than English. Meaningful steps must be taken to fill this significant void in our national manpower and employment policies.

I am today introducing legislation—the Bilingual Job Training Act of 1973—to aid bilingual persons to close the gap between their own ability and that of others caused by language and culture. This long-overdue measure places emphasis upon the individual needs of the trainee rather than upon some particular training technique or method. Under this legislation the Labor Department would grant assistance to States, local public schools and nonprofit private organizations to support the establishment and implementation of bilingual job training programs. The bilingual job bill will provide grants for the training of teachers and related educational personnel in order that they may effectively participate in the bilingual occupational training programs and it calls for the development and dissemination of various related instructional materials such as texts and audiovisual materials.

I commend the senior Senator from Texas (Mr. Tower) for the initiative he has taken on this important issue and for his lead in authoring the bilingual job training measure. I am pleased to be able to join with him by sponsoring this legislation in the House.

An effective bilingual job training program will represent a meaningful investment in the Nation's future from both an economic and a cultural standpoint. It will enable those who speak a language other than English to receive the full benefits of the various manpower training programs and will equip them with the tools with which to seek gainful and meaningful employment.

It is particularly appropriate that I introduce the Bilingual Job Training Act at this time as the House Select Labor Subcommittee, of which I am a member, currently has before it comprehensive manpower legislation. An important and integral component of this legislation must be a substantive bilingual occupational training and employment program. A commitment must be made by the Congress that we will not permit those in need of occupational training, job counseling and placement and related assistance to go unaided simply because they are from a different culture and are most accustomed to speaking a language other than English. The extension of bilingual education into the area of job training is long past due and is of utmost necessity if these programs are to be meaningful and truly effective. Equal employment opportunities can only be fully achieved if those who are disadvantaged by their limited English-speaking ability can have access to the job market on the same basis as all other citizens.

The important contributions and programs conducted by such groups as SER and the Puerto Rican Forum have proven the efficacy of bilingual job training programs. I believe we must act promptly and decisively to insure that we significantly expand these efforts by declaring bilingual training to be a national manpower commitment. Whether by enacting the Bilingual Job Training Act as a separate measure or by including it as a component of the comprehensive manpower legislation, I urge that decisive action be taken on this issue and that our colleagues join in fulfilling this commitment.

OVERTHROW OF CHILEAN MARXIST REGIME DRAMATIZES NECESSITY FOR FIRM STAND BY UNITED STATES AGAINST ANY SURRENDER AT PANAMA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Flood) is recognized for 60 minutes.

Mr. FLOOD. Mr. Speaker, the overthrow on September 11, 1973, by the anti-Communist armed forces of Chile of that country's Marxist government immediately aroused the most intense interest among Latin Americans residing in the United States and has produced worldwide repercussions, especially among South and Central American nations. Because of the extent of these reactions the event should be understood in historical perspective.

In 1936–39, before the outbreak of World War II, Army officers of Spain led a successful revolt against that country's increasingly Communist popular front government in what was the first defeat on the field of battle of a growing Soviet imperialism. That victory later enabled Spain, strategically located at the Strait of Gibraltar, to permit the establishment of bases for the armed forces of Western powers on its territory after World War II.

I might add, Mr. Speaker, that as a member of the Committee on Appropriations for the Department of Defense I was present in Spain with Franco when we negotiated the treaty for our air bases there, and subsequently when we negotiated the treaty for our naval base at Rota, which is so very important now with the 6th Fleet in the Mediterranean. And also, by coincidence, I was back there last month for an investigation again, and a survey of the 6th Fleet and the base at Rota, Spain.

The historic functions of Germany and Japan have been to serve as dikes against Russian expansion in Europe and the Far East, respectively. World War II destroyed those two great bastions against Soviet expansion in what eventually became one of the most extensive series of territorial conquests that the world has ever known. It was aimed at setting up a global system of socialistic republics.

In Europe, the donation of 10 formerly independent nations, through secret agreements by pro-Red forces in Washington, assured Soviet domination in East Europe, requiring the United States to maintain large forces there and in the Mediterranean Sea since World War II, and at great cost.

In Asia, the success of influences in Washington favorable to Red interests brought about the fall of the Chiang Kai-shek National Government of China forcing its removal to Taiwan in 1949 and brought about the installation of a tyrannical Communist government for mainland China under Mao Tse-tung.

Mr. Speaker, I happened again by coincidence to be in China in September 1945 and came here and took the floor and warned and spoke of these dangers that would follow if the course which was then being pursued was pursued, and the dangers did take place, and did happen, and were exacerbated.

It was these developments that enabled North Korea in 1950, with active support from two strong Communist powers, the U.S.S.R. and Red China, to invade South Korea, involving the United States in another costly and bloody war. Unfortunately, our Armed Forces were not allowed to win that war in the shortest possible time with the least loss of life. General MacArthur realized that Red powers had chosen Korea to test the West and warned that in the event of failure to win that war decisively it would have to be fought all over again an another area and possibly under less favorable circumstances.

Just as he predicted the consequence of that failure was the 10-year Vietnam war, which was theoretically ended in 1972, after a total of 45,882 U.S. action deaths and 899,156 total deaths for the enemy. This tragedy was our longest and one of our most costly wars, directly traceable to the power of pro-Red advisers in our government in preventing proper conduct of the war in Korea.

The picture presented by post-World War II events is that of a determined struggle for global domination by the world revolutionary movement. A prime objective in that effort has been the control of strategic areas and waterways. These objectives of Red power have included the southern part of South America to dominate Drake Passage around Cape Horn and the Strait of Magellan between the Atlantic and Pacific Oceans, Southern Africa to control the maritime routes around the Cape of Good Hope between the Atlantic and Indian Oceans, Southeast Asia for its resources and control of the Strait of Malacca, the vital

Mediterranean and the Suez Canal, and the strategic Caribbean Basin and the Panama Canal. Geopolitical events since World War II have greatly advanced the fortunes of Soviet powers toward attainment of their objectives.

Red penetration of the Caribbean with the occupation of Cuba in 1959 and the subsequent basing there of Soviet submarines has brought about an increased concern by the people of our country, especially in States on the Gulf of Mexico. The closure since 1967 of the Suez Canal and the Soviet naval buildup in the eastern Mediterranean have had untold consequences for evil, mostly for the people of Europe. The establishment in 1968 of its pro-Red revolutionary government of Panama has increased the dangers that face our greatest artery of interoceanic commerce and hemispheric security—the Panama Canal. The Communist take-over in 1970 of the Presidency of Chile was a further step in the advancement of the Red tide toward its oft-repeated objective—the eventual destruction of the United States.

Mr. Speaker, no wonder the events of September 11, in strategically located Chile, are being hailed by well informed military and naval analysts as the first major setback for the world revolutionary movement since its defeat in battle before World War II in Spain.

Two announced purposes of the provisional military government of Chile are: First, "liberation of the fatherland from the Marxist yoke;" and second, the "restoration of order and constitutional rule." Among its first actions were breaking diplomatic relations with Soviet Cuba and deporting a plane load of Cuban diplomats.

The latest reports from Chile are that the new government has matters under effective control, that the country is returning to normal, and that the new regime is strongly supported by leaders in the Chilean Congress. It is definitely in the interest of Western nations to avoid any intervention in the current restoration of constitutional government in Chile.

Mr. Speaker, as coming events usually cast their shadows, I believe it most significant that on September 7, only 4 days before the Chilean overthrow, Chief of Government Omar Torrijos, the strong man of Panama, in company with his brother, Moises Torrijos, Panamanian Ambassador to Spain, left by International Airline for Madrid on a "planned vacation." His family left a day earlier for the same destination.

When I was in Madrid, Mr. Speaker, last month, I spoke to my Spanish friends, and they told me that Torrijos' brother, the Ambassador to Spain, was back in Panama City. I got back here on the 5th. The next day on the 6th Torrijos' wife and children that night left for Madrid, and the next day Torrijos and his brother left for Madrid. So there you are.

As far as can be ascertained, those departures were not reported in the mass news media of the United States. However, I learned of them from sources believed to be well informed and set out to get any additional information.

When queried by me on September 9, officials of our Government stated that they knew about the Torrijos departures, that they had been long planned and that there was nothing about which to worry. Knowing Latin American tradition of advising key political leaders in time of pending trouble to "take a vacation," I replied that they had better be worried.

Despite the effort by the present Panama Government to avoid a public uproar by playing down the Torrijos departures, many of its citizens, fearing a Red takeover of their country by Communists ensconced in government departments and Red fronts on the isthmus, were reported as clamoring for the return of constitutional rule. Some even predicted that the Torrijos "vacation" would be a prolonged one. The fact that Panama has not had constitutional government since October 11, 1968, when the Torrijos pro-Soviet regime came to power, has naturally created a yearning for its return.

Mr. Speaker, whether the latest news from Panama means that Torrijos was driven out by a pro-constitutional faction or by one more ardently linked with the world Communist conspiracy than he was remains to be seen. But the news does serve to confirm what I have stated on many occasions: That Panama is a land of endemic revolution and endless intrigue. In addition, it emphasizes again the absolute need for a resolute policy on the part of the United States to surrender no part of its treaty-based rights, power and authority over either the Canal Zone or the Panama Canal. The idea of trying to placate radical demagogs in Panama by further surrenders as is now being attempted is historically exposed as pure piffle.

Regardless of what dramatic reactions that the September 11 Chilean overthrow may evoke in Panama, I have often voiced the view of informed North and South Americans from various parts of this hemisphere that the realities of the situation on the isthmus demand that under no circumstances should Panama be allowed to become another Cuba. Nor should it be forgotten that the United States has solemn obligations with Great Britain and Colombia as well as with Panama. Moreover, these events again demonstrate the need for bettering our relations with all countries of the Western Hemisphere from the Arctic to the Antarctic by creating the office of Deputy Secretary of State for the Americas responsible directly to the Secretary of State. CONGRESSIONAL RECORD, March 14, 1973, page 7676.). H.R. 7116 to create such office, introduced by my distinguished colleague from Louisiana (Mr. WAGGONNER), is now pending before the House Committee on Foreign Affairs.

Mr. Speaker, as I have stated in many previous addresses in and out of the Congress, the Canal Zone and Panama Canal form part of the coastline of the United States. Because of this it has long been a main focus of power politics, making it imperative that our Government indicate clearly to the world its intention to adhere to our historic Isthmian canal policy.

The best way to do that is the prompt authorization by the Congress for resumption of work on the suspended major modernization of the existing Panama Canal in the U.S. Canal Zone as improved as the result of experience in World War II. Legislation for such modernization, which is now pending in both House and Senate, has strong support from important ecological, patriotic and shipping organizations, of which the Friends of the Earth, the American Legion, and the American Maritime Association, respectively, are examples.

Such act of sovereignty by the Congress will clear away present confusions and uncertainties generated by years of pusillanimous procrastination and abject surrenders, revitalize the isthmus, benefit the shipping that transits the canal and has to pay tolls, stimulate the economy of Panama, and restore some of our lost prestige in Latin America.

Mr. Speaker, for those seeking additional authoritative information on the canal problem attention is invited to the following address or remarks in the CONGRESSIONAL RECORD of the 93d Congress:

Hon. Harry F. Byrd, Jr., et al. Colloquy by six Senators on "The Future of the Panama Canal," July 19, 1973, pp. 24746–51.

Hon. Philip M. Crane. "Panama Canal: A Study in Sovereignty," Mar. 15, 1973, pp. 8275–76.

Hon. Daniel J. Flood. "Crisis at Panama: A Three-Pronged Assault on the Canal Zone," Feb. 8, 1973, pp. 3912–16.

Hon. Daniel J. Flood. "Sea-Level Canal Controversy: An International Symposium at Monaco," Mar. 5, 1973, pp. 6519–21.

Hon. Daniel J. Flood. "U.N. Security Council: Danger at Panama and the Remedy," Mar. 19, 1973, pp. 8496–98.

Hon. Daniel J. Flood. "Crucial Panama Canal Issues: Continued U.S. Sovereignty Over U.S. Canal Zone and Major Modernization," May 31, 1973, pp. 17512–14.

Hon. John M. Murphy. "Panama Canal: Onassis-Owned Victory Carriers Support Major Modernization," July 31, 1973, pp. 27047–48.

Hon. John R. Rarick. "Canal Zone Sovereignty: Real Issue Is United States Control versus U.S.S.R. Domination," May 9, 1973, p. 15090.

Hon. Gene Snyder. "Panama Canal Problem: Major Issues Clarified . . .," May 10, 1973, p. 15371.

Hon. Leonor K. Sullivan. ". . . Urges Panama Canal and Canal Zone Resolution," Feb. 27, 1973, p. 5683–84.

Hon. Strom Thurmond. "United Nations Security Council Meeting in Panama City," Mar. 15, 1973, pp. 8084–87.

Hon. Strom Thurmond, "S. 2330—Address introducing," Aug. 2, 1973, pp. 27464–67.

Hon. Joe D. Waggonner, Jr. "Panama Canal: Heart of America's Security . . .," June 13, 1973, pp. 19390–91.

Mr. MURPHY of New York. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I will yield to the distinguished gentleman from New York (Mr. MURPHY) who for years served as chairman of the very important subcommittee of the Committee on Merchant Marine and Fisheries which deals with Panama and the Panama Canal. As on old-time veteran he speaks the language, he knows the subject, and I have great pleasure in yielding to the gentleman from New York.

Mr. MURPHY of New York. Mr. Speaker, I would like to point out to my colleagues that we owe a deep debt of gratitude to the gentleman in the well not only for his expertise and knowledge on the subject of the Panama Canal but also on the Americas and on worldwide shipping problems that America and the world face should our canal or our five major passageways, as he pointed out, become obstructed.

I would say for years the House has had the benefit of the knowledge and intelligence of the gentleman from Pennsylvania, Chairman FLOOD, in this area, particularly where the canal is involved. I might say in the hearings that I chaired last year as chairman of the Subcommittee on the Panama Canal, we pointed out that the House of Representatives had jurisdiction in any treaty negotiation or abrogation or extension or changes in treaties between the United States and Panama.

We documented the fact that the Panama Canal was paid for and every parcel of property in Panama was paid for by appropriated funds and any land transfer or change in that treaty is a subject of the House of Representatives and is not in the sole jurisdiction and exclusive jurisdiction of the Senate. The witnesses from the Department of Justice and the witnesses from the State Department could present no evidence to the satisfaction of the committee at the time that the House did not share concurrent jurisdiction.

I might say earlier this year the ambassador appointed by the President for the past 7 years resigned from conducting the treaty negotiations, Robert Anderson, and then Ambassador Ellsworth Bunker was appointed to succeed Ambassador Anderson. I would also like to point out that just this year John Scali, our Ambassador to the United Nations, objected to the United Nations going to Panama to hear the issue of the Panama Canal and to have it be laid out in broad terms before the world.

We saw that forum turned into a diatribe against the United States. We saw the meeting go into the final hours with a resolution that the United States actually could agree to and which had been worked out with Panamanian diplomats. But 2 hours before that resolution was voted on, Panama turned 180 degrees in its approach and placed outrageous demands in a new resolution to which the United States could not possibly agree. It was clear that General Torrijos or people behind General Torrijos had forced him to change his position 180 degrees in order to try to embarrass the United States.

The United States invoked a veto for the second time in its history in the United Nations to block that resolution. And our Ambassador was threatened that if he exercised the veto he had better do it from Tocumen Airport and then leave the country. I think that with the history of the Panama Canal problems being brought up to date, we in the House can thank Chairman FLOOD for keeping us currently abreast of the international problems not just in the Panama Canal, but as Panama relates to all of the Americas.

Mr. Speaker, we are deeply grateful for your pointing that out to us at this time.

Mr. FLOOD. Mr. Speaker, I have always been very appreciative and very grateful to the distinguished gentleman from New York for making another of his most valuable contributions to this extremely important subject.

Mr. SNYDER. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the distinguished gentleman from Kentucky.

Mr. SNYDER. Mr. Speaker, I want to joint with my colleague from New York (Mr. MURPHY) in commending the gentleman in the well for the leadership he has shown on this issue which is not only of importance to the United States, but to the entire free world.

Just last month, I was privileged to spend some time with General Torrijos and be with him in some of his day-to-day operations of government. I found, and of course this has to be personal opinion as I observed it and may obviously contain some error, but it was my observation that he is in such a situation there now that he has very few around him upon whom he can depend. He has been standing almost alone, and I remember the observation the gentleman in the Well has made in regard to his trip to Spain. Whether this is the final trip or whether it is going to occur in the days ahead, I would not want to pass judgment on, but it is going to come and it is not going to be too long.

I saw General Torrijos standing with a .38 strapped on his side and his guards out there with their machineguns standing around as he attempted to mediate a dispute between two labor groups, taxi drivers who were having a dispute in Panama City.

I went with him to the Chiriqui Province, and he himself actually went to see whether or not some people were painting a school on a deal he had made with them that if they would paint the school, he would get up a new school bus.

He did not trust anybody to go and make these observations for him.

I went with him to a small community, the name of which I have forgotten now, but it is near the Costa Rican border, where they dedicated a waterline. It goes into the plaza, the town square, and not into the homes.

I asked, "What size waterlines do you have here?" The Ambassador to the United States said that nobody knew what size the waterline was. General Torrijos, he tells them what it is. Whether he is making it up, I do not know, but the point I am making is that in none of these instances did he have anyone around him to whom he delegated authority.

He made certain commitments and promises to the taxi drivers and teachers. I would question his followthrough on this. I asked the interpreter and he said, "Well, the General will follow through on it." He said, "His secretary is here taking notes." I happened to know where she was. She was not there. She was with the wives over in the compound.

Mr. Speaker, I just want to say that I appreciate the leadership Congressman FLOOD has shown in keeping the attention of the House focused on this very important situation; important to the United States certainly, but also to the whole free world. I hope the gentleman will continue to render this great service, as I am sure he will and as he has.

Mr. Speaker, I would say to him further that there are some internal problems now brewing in the Canal Zone where many of our own people and those who are Americans are employed by the canal company, who perhaps by their actions, and perhaps not with any intent to do so, are giving aid and comfort to those who would take a different position in regard to the sovereignty of the canal so far as we are concerned, the Canal Zone.

I would hope that the gentleman, in his continuing deliberations, would direct his attention to that, also. I thank the gentleman for what he has done and what he has said today and his continued interest in the Canal Zone for America.

Mr. FLOOD. I thank the gentleman very much for what he has said. It is very interesting.

I have been there, as the gentleman probably knows, a few times. I have seen the leaders of Panama come and go like Greyhound buses. As I say, revolution is endemic.

That is a condition precedent to maintaining our position. I serve on the Subcommittee on Defense Appropriations, and I consider that the jugular vein of our hemispheric defense.

I am interested in the entire Caribbean. There is Cuba. There it is, the Soviet Bay.

Mr. MURPHY of New York. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from New York.

Mr. MURPHY of New York. I should like to point out to my distinguished colleague that General Torrijos sent the Guardia Nacionale to the Boise Cascade subsidiary of Fureza e Luz and expropriated that company at gunpoint.

Mr. FLOOD. The gentleman knows General Torrijos very well.

Mr. MURPHY of New York. I should like to say that the buses of the transportation company serving the Panama Canal Zone were hijacked at gunpoint and taken out of the Canal Zone.

We understand the feelings of countries wanting jurisdiction within their own countries, but we also have an understanding of due process of law. I think we have seen a noticeable lack of that in Panama.

Had the Panama Canal Subcommittee not had the hearings on the expropriation of the Boise Cascade property I am convinced a fair market value would not have been paid for that company. In fact, $21 million was paid in the long run for the Fureza e Luz Co.

We have seen the attitude of this regime in its totally unrealistic demands and its actual willingness to abrogate treaties without going through the process of negotiation.

We also should look at Central America at the country of Nicaragua which successfully abrogated a major treaty with the United States through negotiation, through friendship, without any threats. I believe that was certainly an example to all of Latin America as to how to proceed.

Mr. FLOOD. And we have our friend in Nicaragua.

Mr. MURPHY of New York. That is tangible proof the United States will act in good faith with its neighbors.

Mr. FLOOD. Yes.

Mr. MURPHY of New York. And not

be the shark of the Americas, as we have been referred to in many instances in the South.

Mr. Speaker, I would point out to Members the impact of the weak State Department position in the Republic of Panama as exemplified in an article in the New York Times of Sunday, September 23, 1973. An article by Richard Severo, datelined Panama City, appears to have been written from a desk in the U.S. Embassy in Panama. The article reflects the cover story that the State Department has been promulgating since the winter of 1971 in an attempt to hide the fact that high officials in the Panamanian Government were sanctioning and participating in the international narcotics traffic. This is typical of the misinformation that is being fed to the American people over the inability of the current Panamanian Government to function and over the absolute necessity of the presence of the United States in the Canal Zone.

I include at this point in the Record the article entitled "Panama Praised for Drug Curbs" and a letter to the Editor of the New York Times in which I have pointed out only those inaccuracies in the story relating to my activities as chairman of the Panama Canal Subcommittee vis-a-vis the international drug traffic through the Isthmus of Panama.

[From the New York Times, Sept. 23, 1973]

Panama Praised for Drug Curbs—United States, Once Critical, Lauds Efforts Against Traffickers

(By Richard Severo)

Panama City, September 22.—A year or so ago, Panama was being criticized both inside and outside the United States Government as having failed to stop the narcotics trade here. Now, it is receiving nothing but praise.

United States Drug Enforcement Administration sources say that Panamanian anti-narcotics efforts have been so successful lately that heroin traffickers have begun to avoid Panama City, which had been singled out previously as a major transshipment point for narcotics en route to the United States. Officials do not expect the heroin traffickers to stay away indefinitely, however, since one of their ploys is to diversify their routes to the United States.

The change in the effectiveness of police work here has become increasingly apparent in recent months, the officials say, as Panamanian authorities have made major seizures of cocaine and marijuana. Marijuana grows in abundance in this country. The cocaine originates in South America and passes through Panama in a refined state.

Previously, Panamanian authorities expressed sympathy with the United States drug-abuse problem but maintained that the volume of marine and air traffic through this country made detection work very difficult. Now, they apparently have a different attitude.

TRAINING COURSE FOR AGENTS

Last week, at the opening of a training course for 42 Panamanian narcotics agents conducted by instructors from the United States, Lieut. Col. Manuel Noriega of Panama's National Guard emphasized that any indifference in Panama was over and pledged a "war to the death" against traffickers.

United States officials are publicizing their satisfaction at the latest events in Panama. A major part of the reason is the deep resentment two years ago when Representative John M. Murphy, Democrat of Staten Island, charged that high-ranking Panamanian Government officials were engaged in one way or another in narcotics smuggling. One of the names mentioned was that of Juan Antonio Tack, Panama's Foreign Minister.

United States sources now say that no real evidence against Mr. Tack or any other Panamanian Government official was ever turned up, and the United States officials have reportedly apologized to Mr. Tack.

Mr. Tack is frequently an outspoken critic of the United States. He has been among the leaders insisting on a new treaty for the Panama Canal to give Panama full sovereignty over the zone, which the United States has administered since the opening of the Canal in 1914. The accusations against Mr. Tack are known to have hurt him deeply and they came at a time when both the United States and Panama were saying that a new treaty had to be written but without agreement on what it should provide.

DIRECTOR MAKES ARRESTS

There is also a feeling that Panama decided to act more vigorously on the narcotics issue because they wanted to avoid an international reputation for laxity.

Dario Arosemena, director general of the National Department of Investigations—the Panamanian counterpart of the Federal Bureau of Investigation—has taken a personal role in drug investigations and raids, working with agents in actually making arrests.

Among those arrested have been Americans accused of jumping bail on drug charges in the United States.

In Panama now sellers of drugs classified as narcotics can get a maximum of five years in prison. Most of those convicted receive about two years. Possession of heroin, cocaine or marijuana can bring up to two years, but sentences are normally lighter.

Congress of the United States,
House of Representatives,
Washington, D.C., September 26, 1973.

The Editor,
The New York Times,
New York, N.Y.

Dear Sir: I am writing to correct what I consider inaccuracies and insinuations concerning my conduct contained in a New York Times Sunday, September 23, 1973, article entitled "Panama Praised for Drug Curbs", written by Richard Severo. There are three points in the article that are made in reference to my investigation of the Panamanian drug traffic as Chairman of the House Panama Canal Committee which are misleading and inaccurate.

Mr. Severo first states that I have caused deep resentment two years ago by charging that high ranking Panamanian government officials were involved in narcotics smuggling. The facts are, it was not I but investigative agencies of the United States government that made these charges in a special report prepared for the Panama Canal Subcommittee in November of 1971. The Bureau of Narcotics and Dangerous Drugs concluded in that report: "It is clear that the Republic of Panama has not and is not paying sufficient attention to narcotic enforcement activities to achieve noticeable results. This may be due to high level apathy, ignorance and/or collusion."

A year later when Colonel Manuel Noriega issued a highly publicized statement announcing an ambitious anti-narcotics program by the Panamanian government that same month an intelligence report prepared for Congress by the General Accounting Office asserted that "Panamanian officials and security agents" are involved in the traffic in narcotics. In late 1972 a report supplied to the Subcommittee compiled from information and intelligence gathered by the several agencies with responsibility for international narcotics law enforcement reached by the following conclusion on the so-called "Latin Connection:" "Generally speaking, the greatest detriment to effective enforcement in Latin America is corruption. The corruption goes all the way to the top of some Latin American governments. One of the more glaring examples of official corruption is the country of Panama where General Omar Torrijos and President Lakas appear to be controlling factors in the narcotics traffic."

This goverment report concluded: "Because of the known involvement of Panamanian government officials in the international narcotics traffic, the U.S. Government should take a firm stand in the current negotiation of a new treaty for the continued use of the Panama Canal Zone."

As a matter of record, the New York Times carried stories on these reports when they were released by the Panama Canal Committee.

Mr. Severo then implies that I identified Panama's Foreign Minister Juan Antonio Tack as being involved in the narcotics traffic. The facts are, the allegations against Mr. Tack were made by BNDD officers in the Republic of Panama on February 23, 1972, during a subcommittee briefing in that country. Tack became so incensed he had three BNDD agents expelled from the country on 24 hours notice. Senor Tack's name originally arose during a briefing for Members of the Panama Canal Committee by Customs agents on a case that reached into the highest levels of Panamanian officialdom including Moises Torrijos, the brother of Panama's dictator and Foreign Minister Tack. One of the expelled BNDD agents testified before me in Executive Session and confirmed not only that he had told the committee of Minister Tack's involvement, but that he had been forced to sign a letter to Mr. Tack *written by the State Department* denying that he had so informed the committee. Inasmuch as the State Department has had a historic policy of frequently ignoring or denying the involvement of high ranking officials of friendly governments in the narcotics traffic it is not difficult to determine the source of Mr. Severo's information for his article.

All of which leads to the third and most mischievous statement in the article which claims that U.S. sources say that no real evidence against Mr. Torrijos or any other Panamanian government official was ever turned up. The facts are that Joaquin Him Gonzalez, a high ranking Panamanian official and notorious smuggler was arrested in the Canal Zone by U.S. authorities on February 6, 1971. Within two weeks he was brought to Dallas, Texas, for his active participation in the drug market and tried for conspiracy. Him Gonzalez was international transit chief at Panama's Tocumen Airport and he used his high position to protect shipments of drugs to the United States. He was accused on this occasion of sending to Dallas somewhat over a million dollars worth of heroin. Gonzalez was a Torrijos protege and this relationship was made clear when the Panamanian Government mobilized all its resources, something it had not done until that point, for the offender to be returned to Panama. Reports in the press cited the "angry outburst" and "outraged" protest of the Panamanian government—led by Juan Tack—over the arrest of Gonzalez.

The rupture became so great over the arrest of this high ranking Panamanian official the Attorney General of the United States was forced to dispatch a personal envoy to Panama to calm the situation down and write a letter of apology to Panama's President Lakas. Of even more significance, John Ingersoll testified before the Panama Canal Subcommittee in Executive Session that because of State Department pressure over the arrest of Him Gonzalez there would never again be a Panamanian official arrested for narcotics by U.S. narcotic enforcement agencies. And this is just one of the documented cases of official Panamanian involvement in the drug traffic.

I believe Mr. Severo did make one correct observation when he claimed that perhaps

Panama finally decided to act more vigorously against the narcotic traffic because they wanted to avoid an international reputation for laxity. I am convinced that the reason this has come about, if indeed it has, is due to the efforts of the House Panama Canal Committee in exposing the fact of "high level apathy, ignorance and/or collusion" on the part of the government of the Republic of Panama in international drug running.

Sincerely,

JOHN M. MURPHY,
Member of Congress.

Mr. FLOOD. The gentlemen are very kind to me. I am sure they will have an audience. I hope I do as well.

Mr. ASHBROOK. Mr. Speaker, I firmly support the exceptional, statesman's-like address delivered here today by my colleague from the neighboring State of Pennsylvania, DAN FLOOD.

When it comes to the subject of the Panama Canal Zone and the Americas—nay, the free world's stake—in that vital, strategic real estate, the House has always been able to rely on DAN to "tell it like it is." Today, he did just that. I recall that only a few months ago when DAN FLOOD and PHIL CRANE appeared on the TV program, "The Advocates" that he made the point, concerning Soviet presence in the Caribbean, that their submarines zipped in and out of Cuba with the frequency of Greyhound buses.

And in his colorful fashion he underscored the crucial importance of the canal by contrasting its proximity to Red Cuba, which sits astride the vital sealanes between South and North America, by stating that one could stand on Cuba's shores and spit a mouthful of Bicardi rum into the waters of the canal.

As a postscript to the above comments, I might add that the results of the followup poll conducted by the TV program, taken among 12,000 persons on the question, "Should the United States give up the Canal Zone?" show that 87 percent voted "No."

Mr. FLOOD's remarks today, which I urge all of my colleagues to read, points out that the overthrow of the Marxist government in Chile is the first major setback for the world revolutionary movement since the Spanish War of 1936–39.

Information received by the House Committee on Internal Security at hearings held in Miami last October revealed that the late Salvador Allende, former President of Chile and then a senator was the leader of the Chilean delegation which attended the infamous Havana Conference—popularly known as the Tricontinental Conference—of January 1966. Without question this gathering, representing 83 groups from 3 continents, brought together every leading Communist, radical, revolutionary, and every other leftwing luminary worth his Marxist salt from all quarters of the globe. The Kremlin supported that meeting—even at the expense of bypassing its own line—organizations—the orthodox Communist parties.

Allende, who reportedly said he would fight the recent military coup to the very end—but took his own life instead, returned to Chile after the Havana Conference and headed up the Conference's branch office in Santiago de Chile hence giving it a quasi-legal status. He was an official of the Chilean Government at this time.

Chile, in short, was being "Cubanized" as one committee witness related. Noteworthy is the fact that the largest nation in South America, Brazil, had 15 persons in the Chilean Embassy while Castro's Embassy had 48. Moreover, Luis Fernandez Ona, a top intelligence officer in the Red Cuban Embassy is married to Beatriz Allende, daughter of the late President. Not to be overlooked is the fact that Castro, having blown the Bolivan takeover operation attempted by Che Guevara, his former Cabinet officer, was not unmindful of the fact that Chile has over 2,000 miles of common border while Peru, Argentina and Bolivia. Nor was he unaware of the fact that U.S. strategic raw materials from these and other nations pass through the Panama Canal.

Mr. Speaker, to relinquish the canal to the left wing—tilting Panamian Government, is to, in effect, sever the Americas in half. It is in the national and in the hemispheric interests that such a calamity does not come to pass.

If, as DAN FLOOD has stated, the Canal is easily accessible to Red Cuba, the geopolitical reality of the situation in the Caribbean—keeping in mind the abortive Cubanization of Chile and of Bolivia and the unlimited support afforded Castro by Brezhnev—it is well within the realm of rational speculation that the Cuban dictator has every intention of Cubanizing the canal.

As in the case of the canal which links this country with her friends in South America, I would sincerely hope that the aisle dividing Republicans and Democrats in this House would provide the political, bipartisan path through which all of my colleagues may rise in support of DAN FLOOD's legislation.

Mr. CRANE. Mr. Speaker, I would like to commend my distinguished colleague from Pennsylvania (Mr. FLOOD) for taking this special order to again call attention to a very serious matter to all of us, the future of American sovereignty in the Canal Zone and the latest threat to that sovereignty.

The departure of Omar Torrijos from the Republic of Panama only days before the overthrow of the Allende regime in Chile is, as Mr. FLOOD indicated, very significant in viewing our role in the Canal Zone.

But Torrijos' flight follows the pattern of earlier rulers of Panama. His 5 years as dictator established a longevity record for rulers of Panama since the end of World War II.

I would like to share with my colleagues a portion of the transcript of "The Advocates" program of last spring in which the subject of American sovereignty in the Canal Zone was debated:

> If we gave up the Canal Zone, we would be entrusting the security of the Canal to one of the most unstable countries in the Western Hemisphere. Consider the political upheaval just since World War II.
>
> Enrique Jimenez became President under a new constitution. He served until the elections of 1948 which were declared a fraud, and was succeeded by Daniel Chanis. Police chief, Jose Ramon forced Chanis to resign and Roberto Chiari was declared President. The Supreme Court voided Chiari's appointment, and Arnulfo Arias took office. Police chief Remon pressured Arias out of office and Alcibiades Arosemena in. He served about a year until Remon himself was elected President in 1952. Remon was assassinated in 1955 and replaced by Jose Remon Guizado who was arrested 12 days later as a suspect in the assassination. Ricardo Arias served out his term. Ernesto de la Guardia was elected in 1956 and became the first President since the war to serve a full four year term.
>
> Roberto Chiari served until 1964 when Marco Robles took office. Robles was impeached but kept in power by the national guard until the inauguration, again, of Arnulfo Arias in October, 1968. After just eleven days, Arias was overthrown by the guard and Colonel Omar Torrijos, the present dictator, seized control and abolished the constitution.

The question facing this body is not whether the United States should give up its sovereignty over the Canal Zone to such an unstable country, but instead is when will the United States begin the program of modernization and improvement of the canal that is needed now and which will assume the continued efficient operation of this vital waterway by the United States?

Mr. FLOOD should be commended for his efforts in introducing the necessary legislation. I have introduced an identical measure and urge rapid consideration of this important action.

To further explain the program for the major modernization of the existing canal, it is important to know the background of that subject. In a notable letter addressed to the distinguished chairman of the Committee on Merchant Marine and Fisheries (Mrs. SULLIVAN) and distributed to all members of that committee and others, Congressman FLOOD has supplied the Congress a most helpful compendium of unusually pertinent information. Because the indicated letter places the subject in historical perspective, I include it as part of my remarks:

> CONGRESS OF THE UNITED STATES,
> HOUSE OF REPRESENTATIVES,
> *Washington, D.C., June 19, 1973.*
>
> Hon. LEONOR K. SULLIVAN,
> *Chairman, Committee on Merchant Marine and Fisheries, House of Representatives.*
>
> DEAR MADAME CHAIRMAN: As you well know, I have shared, and still share, your deep concern for the security and operational efficiency of the Panama Canal. It was, therefore, with the greatest interest that I read in the January 2, 1973 Report of Activities of your committee its summation of the major canal issues that remain to be resolved, which follows: "(a) Retention by the United States of its undiluted sovereign rights, power, and authority over the Canal Zone, which is the absolutely necessary protective frame of the Canal; and (b) Major modernization of the existing Canal within the present Canal Zone which means that we do not necessarily need a new treaty with Panama." (Ho. Rept. No. 92–1629, p. 36.)
>
> It was especially gratifying to note that the committee followed the above with the very pertinent remark that "all other large Canal questions, however important, including the much discussed 'sea-level' proposal are irrelevant and should not be allowed to confuse that of the Canal's major needs, i.e. its increase in capacity and operational improvement." These cited statements on interoceanic canal policy, I believe, are the best ever made by any Congressional committee since the Spooner Act of 1902.
>
> As you well know there are only two major

canal problems: (1) sovereignty, and (2) major modernization. In regard to the question of sovereignty, the indicated report emphasizes that under the U.S. Constitution the power to dispose of U.S. territory is vested in the Congress and not in the Executive (Ibid., p. 21.) Certainly U.S. sovereignty over the Canal Zone is not negotiable, despite all State Department sophistry; and your committee is in a strategic position to make the Executive realize this fact by following through on what the committee has already done. In viewing the problem of the future canal it cannot be too strongly stressed that, with the exception of the Madden Dam Project and the enlargement of Gaillard Cut from 300' to 500' in width, the Panama Canal is essentially what it was when opened to traffic in 1914. More than 50 years of operating experience have taught us what should be done to improve it; and this can be accomplished with every assurance of success.

The major modernization of the existing canal as provided in H.R. 1517, 93rd Congress, and other bills identical with it, consists of two closely related basic features: (1) increase of lock capacity, and (2) operational improvement.

The needed increase in lock capacity would be provided by the construction of one channel of larger locks (140' x 1200'). The long demonstrated need for operational improvements would be brought about by the elimination of the bottleneck locks at Pedro Miguel and the re-construction of the Pacific end of the Canal to form a summit lake anchorage to match the arrangement of the Atlantic end, with all Pacific Locks in 3 lifts at Aguadulce as they are at Gatun. This proposal, developed in the Panama Canal organization as the result of World War II experience, was promptly hailed by experienced Panama Canal engineers as the greatest single contribution to the Canal since the decision in 1906 by Chief Engineer John F. Stevens to relocate the Atlantic locks and dam from Bohio to Gatun to form Gatun Lake. That war-derived conception, known as the Terminal Lake-Third Locks Plan, promptly won the support of important maritime interests and the approval of President Franklin D. Roosevelt as a post-war project. In addition, the plan was approved in principle by Governor Glen E. Edgerton of the Panama Canal who, on January 17, 1944, in a report to Secretary of War Stimson, recommended it for comprehensive investigation but warned the Secretary that advocates of a sea-level canal "would oppose unjustifiably" any major change in the existing canal. (*Cong. Record,* Vol. 102, Pt. 8, June 21, 1956, p. 10762, par. 70).

Later, on November 15, 1945, the Terminal Lake proposal was approved in general by Governor J. C. Mehaffey during Hearings before your committee on H.R. 4480, 79th Congress, as the preferred plan for modifying the original Third Locks Project (Executive Hearings on H.R. 4480, 79th Congress, p. 91.) More than $76,000,000 was spent on that project before work was suspended in May 1942; largely on huge lock site excavation at Gatun and Miraflores, a railroad-vehicular bridge across the Panama Railroad near Gatun, all of which are usable and will be needed when work is resumed.

With the $95,000,000 expended on the enlargement of Gaillard Cut added to that spent on the Third Locks Project, the expenditures toward the major modernization of the existing canal total more than $171,000,000. Regardless of what State Department officials may say, such modernization does not require the negotiation of a new canal treaty with Panama (*Cong. Record,* Vol. 84, Pt. 9, July 24, 1939, p. 9834.)

In line with the 1944 warning by Governor Edgerton, two subsequent canal studies, authorized on Executive requests and without adequate Congressional consideration, were directed not toward the solution of the problems of ship transit as revealed by years of operating experience but for justifying the long pre-determined objective of a small industrial-professional group to secure authorization for the construction of that "hardy perennial" known as the sea-level project.

The first of those studies, authorized in 1945 during the hysteria that followed the advent of the atomic bomb, was the investigation under Public Law 280, 79th Congress, which recommended the "conversion" of the existing canal to one of "sea-level" tidal lock design for alleged reasons of "security" and "national defense". In the vast propaganda campaign that accompanied the 1945–48 sea-level drive, the atomic bomb was used as the psychological lever with which to browbeat the Congress. Because of the leadership of Secretary of the Navy Forrestal and many others, including distinguished military and civilian engineers and atomic warfare experts, that effort failed.

Subsequently in 1957, your committee secured the services of an independent Board of Consultants to consider and report upon the canal question. Its final report on June 1, 1960, emphasized that a sea-level canal could not be justified economically in the near future and expressed doubt that any canal of sea-level design could be constructed in the Canal Zone without causing "slides of the first magnitude" and "without serious danger of a long interruption to traffic . . ." (Ho. Rept. No. 1960, 86th Congress, p. 5.)

The second attempt to secure the authorization of a sea-level project was the investigation under Public Law 88–609, as amended. Its 1970 report, which has not been formally transmitted to the Congress by the President, calls for the construction not in the Canal Zone as recommended in the 1947 Report but in the Republic of Panama of a new canal of so-called "sea-level" design with tidal locks, about 10 miles west of the existing canal. Such canal will require a new treaty with Panama and involve many costly elements, including acquisition of the right-of-way, construction of new terminals, and reimbursement to Panama for upsetting its economy, none of which are covered in the initial 1970 cost estimate of $2.88 billions.

In the diplomatic negotiations with Panama that have been conducted at the same time with the preparation of the 1970 report, I have noted that Panama has habitually used as its negotiators some of its ablest leaders and scholars, who have done their homework, and that they have succeeded in brainwashing our own officials. The Panamanians always bring up the 1903 Treaty and, so far as can be determined, the 1936 and 1955 Treaties are never discussed.

One of the proposals mentioned in both the 1947 and 1970 reports is the completion of the originally authorized Third Locks Project, which calls for the construction of a set of larger locks alongside each of the existing locks. Such listing of this inadequate project in these two reports only serves to confuse, for any plan for the major modernization of the existing canal that does not eliminate the bottleneck locks at Pedro Miguel is totally defective and should be summarily dismissed as unworthy of any serious consideration.

The attached Memorial to the Congress, representing strong professional support from various disciplines, is probably the most incisive yet brief clarification of the overall canal problem ever prepared and is commended for careful reading. From so doing, it will be clear that the purpose of those preparing it was not the determination of alternatives or the justification of some pre-determined objectives but arriving at the best solution of the problem of trans-Isthmian transit (*Cong. Record,* May 31, 1973, pp. 4210–12.)

In studying the question of increased lock capacity, I have examined some of the back as well as recent reports. They reveal important facts as follows:

August 4, 1931: Governor Harry Burgess, in his report to the Secretary of War on August 4, 1931, stated that under normal conditions the capacity of the canal was 48 lockages per day, that when lockages at Gatun average 32 per day there would be "peak days" of around 48 lockages, and that a third set of larger locks would be "required about 1970" (Ho. Doc. No. 139, 72nd Congress, pp. 24–27.)

COMMENT

At 32 lockages per day the annual total (32x365) is 11,680; at 48, the annual total is 17,520. In the 1960 study by the Board of Consultants, Isthmian Canal Studies (Ho. Rept. No. 1960, 86th Congress, p. 24) there is this table:

	Transits	
Year	*Daily average*	*Peak*
1959	27.2	39.2
1976 (estimate)	32.7	47.1
2000 (estimate)	43.0	61.9

For the Fiscal Year 1972 there were 14,238 transits; and periodic "peak days" involving delays on those days to vessels in transit.

February 24, 1939: Governor C. S. Ridley, in his report to the Secretary of War on February 24, 1939, estimated that the capacity of the existing locks would be reached by 1961 and that additional locks would be needed by that date. (Ho. Doc. No. 210, 76th Congress, p. 5.)

COMMENT

It was largely because of this recommendation that the Congress, without adequate prior investigations, authorized the Third Locks Project. (Pub. Law No. 391 76th Congress, approved Aug. 11, 1939.) It is significant that no treaty was involved in launching this project as it was "expansion and new construction." (*Cong. Record,* Vol. 84, Pt. 9, July 24, 1939, p. 9834.)

June 1, 1940: Governor Glen E. Edgerton, when discussing the 1939 Third Locks Project in a Panama Canal pamphlet, repeated the August 4, 1931, recommendation of Governor Burgess that a third set of locks would not be needed until about 1970. (The Panama Canal, *The Third Locks Project,* June 1941, p. 2.)

COMMENT

Construction on this project was suspended in May 1942 because of more urgent war needs and this afforded an opportunity for it to be re-studied in the light of war operating experience. (Ho. Doc. No. 474, 89th Congress, pp. 177–92.) In the 1947 Report under Public Law 280, 79th Congress, the Governor of the Panama Canal recommended only a sea-level project in the Canal Zone, for major increase of canal capacity, which action served to exclude what well informed independent canal experts then considered and still consider the best solution when the problem is evaluated from all significant angles, thus arousing their strong opposition. (*Ibid.,* pp. 473–78.)

In lieu of the major modernization that was required to solve the canal's marine operational problems, the 1974 Report recommended a program of repairs and alterations. Experienced canal engineers criticized it as being makeshift in character and without sufficient merit. (*Ibid.,* p. 475, par. 4.) They thus served to delay the basic and long overdue solution of the main problems of our long neglected tropical waterway.

While it is true that the repair and alteration programs since the 1947 Report have increased the number of vessels that can transit above the 1931–39 estimates they have not increased usable lock dimensions; and such dimensions are major factors in canal capacity.

As the Canal approaches capacity saturation, the magnitude and cost of essential, correlated improvements will increase. All of these will in one way or other be affected in the event of major modernization and in some cases such costs could be reduced or obviated. (Improvement Program for Panama Canal, 1969.)

In commenting on the advantages of the Terminal Lake-Third Locks Plan, Governor David S. Parker recently summarized its advantages from the engineering point of view:

"It would cost considerably less than a sea-level canal. Navigation through such a canal would be relatively simple because it would make use of the existing Gatun Lake, avoiding the currents and initially narrow channel of a sea-level canal. It would not alter materially the ecology of the area. Gatun Lake would be retained in its present form, and there would be a barrier to the movement of biota from one ocean to another."

It was noted that though Governor Parker discussed the "sea-level" proposal he did not oppose the Terminal Lake-Third Locks Plan as provided in the pending legislation.

The above quoted statement by Governor Parker will find strong support among navigation, conservation, economic, and ecological interests. So far as I can ascertain respected ecologists strongly oppose any canal of sea-level design, which they have condemned as the "conservation challenge of the 20th Century." Moreover, the biological hazards of the "sea-level" proposal at Panama were a major topic of discussion in September 1972 at the International Scientific Congress at Monaco. (*Defenders of Wild Life News*, January 1973, p. 60.) In addition, I would point out that the solution provided by H.R. 1517 would create the best operational canal for the transit of vessels practicable of achievement at least cost, preserve the economy of Panama, avoid the diplomatic hazards involved in upsetting long established treaty relationships with Great Britain and Colombia, complete the great work as originally envisioned under President Theodore Roosevelt, and prevent the opening of a Pandora Box of trouble, including the question of a new treaty with Panama. Most certainly, action on the pending modernization measures should not be delayed any longer because there is a vast amount of work to be accomplished: 2 years after authorization for planning and 8 years for construction. (Ho. Doc. No. 474, 89th Congress, p. 483.)

I trust that the above observations will be of value to you and your committee in the interest of promptly bringing about the long overdue major modernization of the Panama Canal, which, as previously stated, can be done with every assurance of success and should win the enthusiastic support of all mariners who transit the canal.

Sincerely yours,

DANIEL J. FLOOD,
Member of Congress.

Mr. RARICK. Mr. Speaker, as our colleague from Pennsylvania has already pointed out, if the United States is to command a position of leadership in Latin America, a strong stand, favoring our sovereignty in the Canal Zone must be maintained.

We have a responsibility to the trading nations of the world to continue to operate the Canal as "public utility." In an area of political instability, this moral obligation to the world community must be considered in any discussion of our position vis-a-vis Panama.

One manner in which we can uphold this responsibility is through modernization of the existing canal. Major modernization, as opposed to the construction of a sea-level canal, has been applauded as a sound ecological endeavor.

In order that our colleagues may have benefit of further information on this subject, I request that the related magazine article entitled "The Sea-Level Panama Canal Controversy" follow my remarks.

THE SEA-LEVEL PANAMA CANAL CONTROVERSY

(By John C. Briggs)

Since December of 1970, when the U.S. Atlantic-Pacific Interoceanic Canal Commission recommended to the President of the United States that a sea-level canal be excavated across the Isthmus of Panama, the controversy about this project has become very active. So far, the possible ecological effects of such a canal have stirred up considerably more interest than the economic or political aspects. Until recently, most of the discussions on the ecology had been confined to meetings that took place in, and journals that were published in, the United States.

In 1971, the planning committee for the 17th International Zoological Congress, in selecting topics of worldwide importance for a meeting to be held the following year, decided on the subject of the biological effects of interoceanic canals. Consequently, a symposium, one of seven which were arranged for the Congress, was organized. Dr. O. H. Oren of Israel, an expert on the Suez Canal, was selected as chairman and he in turn invited 19 participants from various countries.

The Congress was held as scheduled in Monte Carlo from September 24–30, 1972. The Interoceanic Canal Symposium was well attended and invoked considerable discussion among the delegates. Since the various papers given at the Symposium have not yet been published, neither the general nor the scientific public has been informed about the information presented. Therefore, it seems worthwhile to give a general account at this time. Dr. Oren chose to utilize a broad approach to the subject and invited participants who were knowledgeable about three critical geographic areas, the Bosporus, the Suez Canal and Panama.

THE BOSPORUS

Although it is a natural rather than a man-made channel, the Bosporus, which connects the Mediterranean to the Black Sea, has had some interesting biological effects. A German scientist, Dr. H. Caspers, presented a significant paper on the benthic fauna of the Bosporus. He showed that this passage provided an access to the Black Sea for the relatively rich fauna of the Mediterranean. In contrast, he found no evidence of faunal pressure from the Black Sea to the Mediterranean. The Bosporus is an old connection between the two seas (having been open for 10,000–11,000 years) and is responsible for the fact that most of the present day Black Sea fauna is derived from the Mediterranean.

SUEZ

Eleven papers, the largest group in the Symposium, dealt with the biology of the Suez Canal and adjacent areas. These contributions presented up-to-date information about the effects of the only man-made sea-level canal in the interoceanic category. Although the Suez Canal has been open since 1869, allowing a good period of time for study, its biology was virtually neglected until the past few years. In the Symposium, the general nature of faunal movements in the Canal was discussed as well as those of specific animal groups such as the fishes, fish parasites, polychaete worms, decapod crustaceans (crabs, shrimps, etc.), hydroids, and several planktonic species.

Once a species makes its way through a canal to successfully invade a new territory, it is important to find out how it has been able to make a place for itself. Does it establish a peaceful coexistence with the native species in the same habitat or does it owe its success to its ability to outcompete and displace the native species? Two Israeli biologists, M. Ben-Yami and T. Glaser, documented the history of the invasion of the eastern Mediterranean via the Suez Canal by the Red Sea lizardfish (*Saurida undosquamis*). They showed that the expansion of the lizardfish population was achieved at the expense of its ecological equivalent in the Mediterranean, the Hake (*Merluccius merluccius*). Additional examples of competitive displacement, involving other fish species, were noted.

As far as successful invasion is concerned, the movement of species has been almost entirely from the Red Sea to the Mediterranean. These northward migrations appear to be on the increase due to the changing ecology of the Suez Canal. The high salinity of the Bitter Lakes area has become reduced, the cessation of ship traffic has lowered the turbidity, and the Aswan Dam has cut down on the inflow of fresh water in the vicinity of the northern entrance to the Canal. So far, 140 species of Red Sea animals have established themselves in the eastern Mediterranean but authentic records of Mediterranean species in the Red Sea are very few.

PANAMA

Five of the Symposium papers were devoted to the marine fauna of the Panama area, three of them dealing specifically with the proposed sea-level canal. The latter three may be summarized as follows:

In his report on the Decapod Crustacea, L. G. Abele of the University of Miami pointed out that shrimp from the Bay of Panama form Panama's third largest export item and that the social structure of almost every village along the coast of the Bay is closely tied to shrimp fishing. Since a sea-level canal would permit the invasion of competitive species from the Caribbean, which might possibly result in the loss of the commercial shrimps of the Bay of Panama, Dr. Abele stated that any such canal should be equipped with a tested, effective biological barrier.

A different outlook was expressed by I. Rubinoff, of the Smithsonian Tropical Research Institute in the Canal Zone. He felt that the joining of two oceans by means of a sea-level passage across the Isthmus of Panama would be a "fantastic natural experiment" and that biologists who advised otherwise were being "harbingers of doom." Nevertheless, he concluded by observing that methods of preventing biological exchange through any new seaway must also be investigated.

G. L. Voss, of the University of Miami, expressed the opinion that the "dire warnings" issued by some biologists about the ecological dangers of a sea-level canal were without foundation. However, he did recognize that at least two dangerous or harmful animals could pass through the proposed canal, the poisonous seasnake *Pelamis platurus* and the crown-of-thorns starfish *Acanthaseter planci*. Accordingly, Dr. Voss advocated the establishment of a temperature barrier in the canal to be provided by the building of a thermonuclear power generator. By using canal water for cooling purposes, such a plant could raise the temperature of the water to a lethal level.

J. C. Briggs, of the University of South Florida, called attention to the existence of two zoogeographic principles that would govern the exchange of marine organisms should a sea-level canal be built. First, whenever two regions are separated by a barrier that is partially passable, the region with the richest (most diverse) fauna will donate species to the region with the lesser fauna but will accept few or no species in return. Since it seems clear that the Caribbean side of Central America supports the richest fauna, and that a sea-level canal would permit a formerly complete barrier to become passable, the predominate fauna movement would be from the Atlantic to the Pacific.

The second important principle states that along mainland shorelines each major habitat is probably supporting its maximum number of species. In such situations, it must be recognized that the introduction of additional species can only temporarily increase the diversity and that, over a period of time, the number of species present can be expected to drop back to its original level. This means that a species that has been introduced or has migrated into a new area may either survive in its new home by eliminating a species already there or it may meet so much resistance by the native species that it will be unable to establish itself.

It was observed that, in the advent of a sea-level canal across Panama, we may expect several thousand Atlantic species of marine animals would succeed in reaching the Pacific and vice versa. What would be the results of such a mixture? It was predicted, on the basis of the two principles stated above, that (1) the Atlantic species would prove to be the better competitors and (2) they would eventually eliminate their Pacific relatives.

It is the prospect of a huge and irrevocable loss of perhaps thousands of species native to the Eastern Pacific that constitutes the major biological problem presented by the Panama sea-level canal. In contrast, the fauna of the Western Atlantic may remain relatively little affected. However, there does exist in the Eastern Pacific a number of marine animals that originally came from the Indo-West Pacific, the largest and most diverse of all the tropical regions. Among them are such animals as the poisonous seasnake and the crown-of-thorns starfish. It is expected that these animals would be capable of migrating through a saltwater canal and, once having gained access to the Atlantic, would establish themselves in that ocean.

Dr. Briggs concluded his presentation by advocating the "Terminal Lake-Third Locks Plan" as an alternative to a sea-level canal. Briefly, this Plan would modify the present canal by eliminating the Pedro Miguel Locks, combining Gatun and Miraflores Lakes into one body of water, and installing a third set of larger locks. The Plan has highly important advantages: (1) we would still have a freshwater canal that would prevent interoceanic movement of marine animals, (2) capacity would be increased enough to allow about the same amount of ship traffic as would be provided by a sea-level canal, and (3) the construction cost would be about $950 million compared to at least $2.88 billion for a sea-level structure.

CONCLUSIONS

Although the subject of the Symposium was the biological effects of interoceanic canals in general, its focal point was the prospect of the construction by the United States of a sea-level canal across Panama. The information presented about the Bosporus and the Suez Canal served to underscore the importance of the possible marine biological effects of the Panama proposal. I believe it is fair to state that, in general, the delegates felt that a Panama sea-level canal should not be built without strong, dependable safeguards to prevent migrations by marine animals. Considerable interest was expressed in the Terminal Lake-Third Locks Plan with its obvious advantage of permitting the continuation of the present, effective freshwater barrier.

GENERAL LEAVE

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

HIGH BUSINESS AVIATION AWARDS GO TO TWO KANSANS, DWANE WALLACE AND DENNIS PEARCE OF WICHITA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. SHRIVER) is recognized for 5 minutes.

Mr. SHRIVER. Mr. Speaker, business aviation's highest honor will be presented today to Dwane L. Wallace, chairman of the board of Cessna Aircraft Co., of Wichita, Kans., by the National Business Aircraft Association at its convention in Dallas, Tex. In addition, the association will present its national award for outstanding writing on business aviation during 1972 to Dennis K. Pearce, aerospace writer for the Wichita Eagle and Beacon.

I take this opportunity to extend warmest congratulations to these constituents who have contributed significantly in their respective fields to the advancement of general aviation, not only in Kansas but to our Nation and the world.

Mr. Wallace will be presented with a plaque in recognition of "his engineering, management and marketing accomplishments which have led general aviation to its integral, yet unique, position in the world's transportation network, from Arctic and jungle strips to the most sophisticated hub airports."

In receiving this award, Dwane Wallace joins a list of distinguished leaders in the aviation field including Igor Sikorsky, Donald Wills Douglas, Mrs. Olive Ann Beech, also a Wichitan, William T. Piper, Sr., and James S. McDonnell.

Wallace became chief executive of Cessna in 1936. His contributions to the aviation industry have been many and significant. In April of this year, Cessna was awarded the E-Star Award by the Commerce Department for its outstanding performance in the area of overseas sales.

In addition to its major contributions to the growth and development of business aviation under Mr. Wallace's leadership, Cessna also has provided aircraft and other equipment which have added immeasurably to the defense posture of our Nation.

Dwane Wallace's interests have not been confined to the world of business aviation alone. He has been involved in a broad range of community activities which include the academic enrichment of his alma mater, Wichita State University, to the success of the annual United Fund campaign in Wichita.

The award being made to Mr. Pearce is made each year "to the writer of the published or broadcast work judged to be the most lucid, interesting and timely presentation of the role of a business aircraft operation, or of business aviation itself, in the economy and society of the United States."

Dennis Pearce has the reputation of being an enterprising, accurate and objective reporter who has good command of his "beat." He is a pilot; a native Kansan; and a graduate of Fort Hays Kansas State College.

It is a privilege to salute these two Kansans who have distinguished themselves in the business aviation and journalistic fields. They are deserving of the honors which they receive today free from the National Business Aircraft Association.

REDUCING AIRCRAFT DISASTERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. STEELE) is recognized for 10 minutes.

Mr. STEELE. Mr. Speaker, today I am introducing two bills to amend the Federal Aviation Act of 1958. My legislation would establish new minimum standards for firefighting equipment and personnel training at airports and will require new toxicity and flammability standards for materials used in aircraft interiors.

Fire has always been and still is one of the most dangerous hazards associated with aviation.

One of the most recent aviation tragedies was the Brazilian jetliner crash which took the lives of 122 people. A fire in the rear toilets raced the length of the plane and in seconds engulfed the passengers in a dense and lethal smoke produced by the burning materials and fabrics. The accounts of the disaster aboard the Boeing 707 indicate that attempts to control the fire by use of fire extinguishers proved useless and that even though rescue operations were undertaken immediately only 12 crewmen in the forward section of the plane survived. This accident near Orly Airport in France was not the first where passengers perished in a postcrash fire after impact.

Eight years ago, fire was recognized as a contributing factor to the death of 43 passengers after a crash in Salt Lake City. During the autopsies, cyanide traces were found in the blood samples of the victims. In several more recent tragedies, investigators discovered that two factors contributing to the death of some passengers were the dense smoke and toxic cyanide and carbon monoxide fumes released by burning foam-rubber cushions, plastic curtains, and seat materials.

In my own State of Connecticut, 26 passengers and two flight crew members died in an aircraft crash and fire at Tweed-New Haven Airport in June 1971. A letter I received from the State's chief medical examiner disclosed that the 26 passengers perished from the effects of a postcrash fire; 17 had cyanide in their blood. The New Haven crash could have been a "survivable crash," because the victims did not die from traumatic injuries upon impact, but from the fire. Last December, postcrash fires again contributed significantly to the death of 55 persons in two commercial aviation accidents in Chicago, and 10 of the victims were found to have cyanide in their blood.

In 1966 the FAA began an exhaustive study into the area of material flammability which has since encompassed the problems of smoke emission and toxicity of cabin materials. As a result of their study, the FAA has made some changes in the standards for flammability. However, many experts and organizations continue to see the need for stricter regulations. The agency still has not established any standards for toxicity and smoke emissions.

Recently other Government agencies have studied the fire crash problem and made significant progress toward minimizing the dangers of material flammability and toxicity.

After the Apollo capsule fire in 1967, the National Aeronautics and Space Administration (NASA) started a fire-safety research and development program, which has made great strides. NASA's nonmetallic materials development program has utilized nonflammable and fire resistant materials for use in aircraft interiors, and the agency has also equipped two contemporary Gulfstream planes with the new materials. The 12-passenger two-engine planes are equipped with newly designed fire resistant passenger and crew seats. Each seat is upholstered with a proban treated wool blend, the armrests are covered by fluorel-coated nomex scrim and the cushions given special fluorel treatment to greatly improve their flame resistance and reduce the dangerous smoke emission characteristics inherent in many polyurethane foams. NASA's two experimental Gulfstream planes are given additional fire resistant qualities by the use of fluorel treated pyrelle carpet in the passenger area, specially treated coat closet and cockpit drapes using a durete fabric liner, and headliners in the passenger seating area of fluorel-coated fiberglass. These are but a few of the applications of NASA's advanced technology which has greatly improved the fire resistance of aircraft interiors and enhanced passenger safety in postcrash fire emergencies.

By reconstructing the interiors of the planes with fire-safe materials, NASA has demonstrated that aircraft interiors can be designed to provide greater passenger safety from the dangers of fire and to do so at a reasonable cost.

Unfortunately these advancements have not been transferred or applied to enhance passenger safety in the commercial sector.

My legislation would authorize the formation of a study group composed of representatives from FAA, NASA, the Air Transport Association of America, the Air Lines Pilots Association, and the National Transportation Safety Board. This advisory group would provide a comprehensive and interdisciplinary investigation of the flammability and toxicity problems of materials and make positive recommendations to the Secretary of Transportation.

In turn, the Secretary would make use of these recommendations to formulate stricter flammability standards and enforce new toxicity standards for aircraft interiors within 2 years after passage of the bill.

My second proposal would require the Administrator of the FAA to enforce stronger rules and regulations pertaining to firefighting and rescue equipment and personnel at airports. Earlier this year Congress recognized the need to assure a higher degree of safety in and around airports by passing the Airport Development Acceleration Act of 1973. At that time we agreed to raise the Federal participation for funding of firefighting and crash-rescue equipment, including fire apparatus, required by the Secretary of Transportation for airport certification from 50 to 82 percent.

My bill would build upon our previous actions and allow Congress to thoroughly examine existing FAA rules and regulations prescribing the minimum standards to be met by firefighting and rescue operations at airports. Specifically, I believe there is an important need to provide:

First, better emergency communications equipment;

Second, improved training programs for airport firefighting personnel;

Third, advanced fire-resistant protective outerwear to enhance passenger rescue operations in postcrash fires; and

Fourth, a lower response time capability by emergency personnel at airports.

One of the most critical factors affecting postcrash survival of aircraft passengers is the time required to evacuate the plane. A National Transportation Safety Board (NTSB) study covering a 10-year period from 1962 to 1971 indicates that in fatal air carrier accidents involving postcrash fire, those who survived evacuated the aircraft in less than 2 minutes. Yet, current FAA rules require that only one firefighting and rescue vehicle be able to reach the midpoint of the furthest runway within 3 minutes. Thus, the current standard requires a response time which is 1 full minute longer than what the NTSB study indicates to be the critical survival time for successfully evacuating passengers in postcrash fire situations.

Moreover, it is highly questionable whether the FAA has given adequate priority to its efforts to establish truly effective flammability and toxicity standards. In a January 19 memorandum the FAA stated their "research effort has now been completed covering the area of smoke emission and a notice of proposed rulemaking will be issued in the very near future." I was again assured in a March 22, 1973 letter from the FAA that their toxicity evaluation program was completed and regulation of smoke and toxic gases would have the highest priority in the FAA's rulemaking program. Almost 6 months later there are still no standards in the area of toxicity and smoke emission.

Congress must assume the responsibility to assure the public of the greatest level of safety when aircraft accidents occur. NASA's space-age advancements can be effectively applied to reduce the risks in postcrash aircraft fires. We should carefully review the FAA rules and regulations pertaining to cabin materials and firefighting and rescue operations at our Nation's airports by giving favorable consideration to the proposals I have introduced today.

CIVIL AND FEDERAL EMPLOYEE BENEFITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 5 minutes.

Mr. HOGAN. Mr. Speaker, the present social security and civil service laws provide much needed retirement, disability, and survivors' protection to the great majority of the Nation's civilian work force. There is, however, a select group that migrates from private to Federal employment who may end up with inadequate protection, or even no protection at all in some cases.

Since retirement benefits under the social security system are related to length of time in covered employment, it is clear that many persons who leave the Federal service do not in their retirement years receive benefits corresponding to their actual total work contribution to the national economy.

Similarly, since the civil service retirement system is weighted to reward long periods of service, those who enter Federal employment after years under social security lose the benefits of their previous employment. They are treated by the Government as short-term employees eligible only for civil service benefits based on the portion of their work that was with the Government.

Mr. Speaker, from time to time legislation has been introduced to correct this situation. I believe that there has been too much delay in this matter and that the appropriate way to fill this gap in the retirement, disability, and survivors protection of a significant portion of the Nation's workforce is to legislate rather than to study the situation further. For this reason, I am today introducing a bill which is rather simple in concept. It would provide that whenever a person has credit under social security and under the civil service retirement program, his credits will be combined in whatever way will give him or, in the case of his death, his dependents the highest benefits.

While this legislation does not solve all the inequities arising from the mobility between Federal and private employment, it is intended to resolve the largest single area of deficiency. By enacting this bill we would insure that our employees are not penalized for spending parts of their careers in both areas of service.

VIEWS CONCERNING THE REQUEST BY THE VICE PRESIDENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. SANDMAN) is recognized for 10 minutes.

Mr. SANDMAN. Mr. Speaker, I take this time to make a part of the RECORD my views concerning a request made by Vice President AGNEW. My views are expressed in the attached letter which I believe you will find to be self-explanatory:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., September 26, 1973.

Hon. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: My reaction as a Member of Congress serving on the House Judiciary Committee to the request made by Vice President Agnew to yourself requesting a full inquiry into the charges made against him in the course of an investigation by the U.S. Attorney for the District of Maryland is that such a request should be granted.

I urge you to follow the same course of action taken by Speaker John McCormick in the matter pertaining to the seating of United States Representative Adam Clayton Powell in January 1967.

In the Adam Clayton Powell case, Speaker McCormick appointed a bi-partisan committee headed by the Honorable Emanuel Celler, the Chairman of the House Judiciary Committee. That committee reported to the Full House, and a vote was taken to exclude Adam Clayton Powell from being sworn in as a Member of the 90th Congress.

On that vote, I followed a strict interpretation of the U.S. Constitution and voted "no". I was one of only thirteen Republicans that voted to seat Adam Clayton Powell because I did not believe that the House had the Constitutional authority to exclude him from being seated. I believed that there were serious charges of misconduct against Powell, but again a strict interpretation of the Constitution provided that he be seated and later voted upon for his misconduct. A majority of the House voted otherwise and excluded Powell from being seated.

On appeal to the United States Supreme Court, the high court held that the House was without jurisdiction to act as it did and directed the seating of Adam Clayton Powell thereby supporting the contention that I made on my vote in the House at that time.

Now we are called upon to answer to the request of the Vice President of the United States who merely asked that the charges against him be investigated in full by the United States House of Representatives. The Vice President relies upon Article I, Section 2, Clause 5 of the U.S. Constitution which provides that impeachment proceedings are within the jurisdiction of the U.S. House of Representatives.

Impeachment of the President or Vice President of the United States is a procedure which is specifically included in the U.S. Constitution which removes these two officeholders from being subjected to criminal proceedings in the courts that apply to all other people. There is no authority whatsoever for the President and Vice President of the United States to be tried in any of the courts of this country during their terms of office. This is specifically why impeachment proceedings are included in the U.S. Constitution. It is the only legal forum where the Vice President can be accorded his rights.

The impeachment proceedings in this case are parallel to an indictment by a grand jury which would be followed by a hearing before the United States Senate acting as judges parallel to all other cases that ordinarily happen in the criminal trial courts.

The Vice President cites the ancient case of Vice President John C. Calhoun, who was charged with profiteering on military contracts when he was Secretary of War. In that case, the Speaker of the House appointed a select committee to investigate the charges. This is precisely what is requested by Vice President Agnew.

In my opinion, there is absolutely no jurisdiction in the Maryland proceeding against the Vice President.

I firmly believe that it is your duty as Speaker of the House of Representatives to accede to the Vice President's request that you promptly appoint a select committee from the membership of the House Judiciary Committee, giving each party equal representation and making the Chairman of the House Judiciary Committee the chairman of the select committee.

No other interpretation can be given to the Constitution than what I have suggested in this letter. In the true sense of justice, this is the only forum that can legally hear the charges against Vice President Agnew.

Very truly yours,

CHARLES W. SANDMAN, Jr.,
Member of Congress.

THE HOUSE RESPONSE TO THE VICE PRESIDENT'S REQUEST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine (Mr. COHEN) is recognized for 5 minutes.

Mr. COHEN. Mr. Speaker, many Members of the House are today quite concerned about the apparent summary fashion with which the Vice President's request was disposed of.

I believe the Supreme Court ultimately is going to determine whether or not the Vice President is subject to judicial proceedings while he occupies that office; and the Congress should not, indeed could not, undertake to answer a question not within its competence or its jurisdiction. But I also believe the Congress can make a determination whether or not it should consider alleged improprieties committed by a Vice President during his tenure in that office, and whether or not the evidence is sufficient to support the institution of further proceedings.

I believe the Vice President is entitled to have this determination made, and I regret that the Democratic leadership has refused to grant his request for a fair and impartial investigation of this matter, which would take away the suspicion of infighting and political maneuvering which has recently emerged.

Mr. Speaker, I believe the Vice President and his office deserve better treatment.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. COHEN. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman for yielding.

As the gentleman knows, we have been discussing for the better part of the afternoon the concern that each of us felt when we heard the very brief announcement that the Speaker of the House, because the matter which was referred to him was now in the courts, would not refer the Vice President's letter or request for inquiry concerning his conduct to a committee on conduct of the House.

I share the gentleman's feeling that this is not an adequate response. It is almost 24 hours since this House was confronted with a virtually unprecedented and a very historic challenge in the form of this intriguing request from the Vice President of the United States for acceptance on its part, in view of his feeling that he cannot secure vindication through the judicial process.

Mr. Speaker, I share the feeling of the gentleman from Maine that a resolution should be introduced today. I have asked the gentleman to listen to the language that I propose and see if he concurs in what I propose.

The proposed resolution is as follows:

Resolved that the Speaker instruct an appropriate Committee of the House of Representatives to conduct an investigation to determine if there have been alleged improprieties by Vice President Spiro T. Agnew pertaining to the period of his tenure in office;

And Resolved further that the Attorney-General of the United States be urged to consult with and submit to such committee any information, documents, investigative reports, and other materials which would be relevant to making such determination.

Mr. Speaker, I feel very strongly that if indeed the allegations which have been made concerning the Vice President do pertain to his tenure in office, then we cannot shrink from even such a fearsome responsibility as the one that would be conferred upon us to consider in the nature of impeachment proceedings, resulting from the plea that he made in the letter which was read here in this Chamber on yesterday.

It seems to me, therefore, that rather than simply say that because the courts are now considering the matter, the fact that the courts have this matter under consideration cannot detract from our constitutional obligation to act, if, in fact, this case reveals that these improprieties occurred during his tenure in office.

We cannot take refuge behind the fact that another branch of this Government is simultaneously entertaining a consideration of these facts.

So it would be my hope that in introducing a resolution along the lines which I have just suggested and in the language which I have just read into the RECORD, we could reach this very important question and deal with this matter in a responsible manner.

Mr. COHEN. Mr. Speaker, I would like to thank the gentleman from Illinois and commend him for his statement and indicate that I intend to serve as a principal cosponsor of this particular resolution.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. COHEN. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I have today introduced on the part of myself and my three colleagues from Maryland, Mrs. HOLT, Mr. HOGAN, and Mr. GUDE, as well as five other Members of the House, a resolution which would, in fact, authorize the House to conduct the kind of investigation which the Vice President has requested.

I quite frankly feel it is shameful for the majority leadership of the House to reject out of hand this request from the second highest officeholder in the land. Certainly in the other body we have seen no unwillingness to investigate whatever, despite the fact of the pendency of many court proceedings involving numerous aspects of the Watergate question, and we have seen no reluctance to investigate in great detail.

Mr. Speaker, I think the decision announced this morning by the majority leader on the part of the Speaker was totally political, and I think it should be reconsidered immediately. All of these resolutions, such as have been suggested here by the gentleman from Illinois and the gentleman from Maine, should be considered in due time and not dismissed as something minor. The Vice President's request raises an important and very grave constitutional question which should be considered by the House.

Mr. Speaker, I can tell the Members of the House, being from the home State of the Vice President, that we should accord him the same constitutional privilege of a presumption of innocence which is every

American's right. The very least we in the House can do is to allow these charges to be aired in the proper forum where the constitutional issue can be decided, and I believe that to be the House of Representatives.

If the Vice President's request is to be swept under the rug for political reasons, we will never have that chance.

I would like to introduce in the RECORD at this point the resolution which has been today submitted and I urge its immediate consideration.

H. RES. 567

Whereas, the Speaker has laid before the House a certain letter dated September 25, 1973, from the Vice President of the United States, the Honorable Spiro T. Agnew, in which the Vice President requested that the House fully investigate the charges arising from an investigation being made by the United States Attorney for the district of Maryland; and

Whereas, there exists a serious constitutional question as to whether any President or Vice President can be made the subject of criminal proceedings in the courts of any jurisdiction; and

Whereas, Article I, Section 2, clause 5 of the Constitution gives the House the sole power over charges such as have been made against the Vice President; Now, therefore, be it

Resolved by the House of Representatives that the Speaker of the House, after consultation with the minority leader, shall appoint a select committee of the House to investigate the charges made against the Vice President and to recommend to the House a course of action consistent with the findings of said select committee.

SEC. 2. Such select committee shall be composed of a Chairman and a vice Chairman not of the same political party and twelve other Members as follows: seven of the majority party and five of the minority party.

SEC. 3. Such select committee shall commence its investigation under this resolution forthwith, shall have the power to subpeona witnesses and compel their attendance at such times and places as the committee shall determine, and shall report its findings to the House of Representatives together with its recommendations, at the earliest practicable date.

SEC. 4. There is authorized to be appropriated out of the contingency fund of the House of Representatives such funds as may be required by the select committee to carry out the requirements of this resolution.

KEEP MEDICAL TAX DEDUCTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 2 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, I was shocked to learn that the administration is considering the elimination of medical expenses as a deductible item from Federal income tax returns. Such a move would have a disastrous impact on millions of Americans.

Oilmen enjoy their depletion allowance, farmers their subsidies and businessmen their tax-free martini "business" luncheons—but the Government would refuse to allow families to deduct the cost of legitimate medical expenses? The idea simply defies commonsense, or an appreciation of human needs.

The Fall River Herald News, a leading newspaper in my congressional district, recently examined the proposal in an editorial, which I am now inserting into the RECORD so that the Congress can have the benefit of the paper's perceptive analysis of this question. The editorial follows:

KEEP MEDICAL TAX DEDUCTIONS

The administration is considering a plan to eliminate deductions for medical expenses from income tax returns. The increase in government revenue will be used to help finance medical insurance for every citizen.

While the plan has not been adopted by the administration, the announcement it is under consideration indicates its adoption is likely. Its passage by Congress is doubtful, however, since it is a clear case of the White House putting the cart before the horse.

No medical insurance plan has been passed. In fact, the fight over the various schemes to provide health insurance in some form has not begun in earnest.

It is understandable that the administration wishes to support its health insurance plan with specific measures to finance it. If it can prove that no new taxes will be needed to put it into operation, then it is clear that its chance of passage through Congress will be considerably increased.

But the public, aware as it is of government delays and hangups, will be afraid that the elimination of medical deductions from income tax returns will precede the health insurance plan. If it did, then the financial effect on millions of people would be nothing short of ruinous.

The insurance plan should be worked out at the same time as any alteration in the present system of medical deductions. Public confidence in Washington's efficiency is not strong enough to warrant proceeding with the one before the other goes into effect.

VICE PRESIDENT BEST SERVED BY JUDICIAL RATHER THAN LEGISLATIVE INQUIRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 10 minutes.

Mr. WHALEN. Mr. Speaker, I concur with the Speaker's decision to defer action on Vice President AGNEW's request that the House of Representatives undertake a full inquiry into the allegations stemming from the Justice Department's investigation of his activities.

I am convinced that Mr. AGNEW's rights will be best served by judicial, rather than legislative, consideration of any criminal charges leveled against him.

First, Congress is not bound by the rules of evidence during its investigations. Some observers already have made this point in connection with the ERVIN committee's Watergate hearings.

Second, congressional failure to abide by accepted judicial procedures during any subsequent impeachment and conviction proceedings is not appealable.

Third, and most important, any House and subsequent Senate action in the Agnew case would be clouded by partisan implications and thus suspect in the eyes of the public.

Despite my preference for the judicial avenue, I am uncertain whether the courts possess jurisdiction in any criminal proceedings against the Vice President. In his communication to the Speaker, Mr. AGNEW asserts that they do not. Yet, compelling arguments against this thesis can be cited by eminent constitutional lawyers. In fact, this question remains unresolved, for no definitive court decision affecting it has ever been rendered.

If, as I believe, justice will best be served by court review of the Agnew charges, there obviously is required a determination that the Federal grand jury has the constitutional authority to act upon the information which will be transmitted to it later this week by the Justice Department. No doubt the Vice President and his counsel will raise this issue, thus requiring its ultimate resolution by the Supreme Court.

Confronted with a concurrent House inquiry into the Agnew charges, the Supreme Court might foreclose judicial review on the premise that it would "impede" congressional consideration of the matter. Thus, I believe that the Members of the House of Representatives should support Speaker ALBERT in his decision to defer action on the Vice President's request until the jurisdictional issue is resolved. If the Supreme Court ultimately rules that impeachment must precede a vice-presidential indictment, at that time it would be appropriate for the House to honor Mr. AGNEW's proposal.

CONSTITUENT OPINION POLL—NEW YORK'S 27TH CONGRESSIONAL DISTRICT—PART I

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ROBISON) is recognized for 20 minutes.

Mr. ROBISON of New York. Mr. Speaker, like many of my colleagues I have taken occasional recourse to constituent opinion polls. This is always an interesting experience—or exercise—in what might be called, I suppose, "grassroots democracy;" especially so when, as is my case because of congressional redistricting in New York last year, one represents a district that is substantially new to him.

In any event, as this Congress entered upon its August recess, this year, I sent out approximately 159,000 constituent questionnaires to the "postal patrons" in New York's new 27th Congressional District, comprising the counties of Tioga, Broome, and Sullivan, plus parts of Tompkins, Chemung, Delaware, and Ulster Counties, in what we call upstate New York, with the district itself being more or less what might be described as a corridor-type district, geographically speaking, running from Ithaca, home of Cornell University, in Tompkins County, in a sort of half-moon curve southerly through Tioga, Broome, Delaware, and Sullivan Counties, and then up northwardly again to Woodstock, close by the Hudson River, in Ulster County. It is an interesting district to strive to represent, Mr. Speaker, as I am discovering, since it encompasses urban and suburban, along with strictly rural, areas whose citizens' views—and philosophical attitudes—vary widely from one another. In that sense, it is possible to suggest, I think, that it might be considered as a fairly representative cross-section of the Nation, itself, absent only the broader regional differences which separate East from West, or Midwest, and North from South in these United States.

Having gone through this kind of exercise before, I knew in advance that one of my major difficulties would lie, not so much in the area of choosing the subjects, or issues, on which to ask my questions, but in how best—and most fairly—to frame those questions. I am no expert in this field—none of us here really are—and I therefore anticipated some complaints but was pleasantly surprised by how few such came in. There was really only a handful of those, the most pointed of which came from a man in Vestal, N.Y., who stated he had once done some "survey research" at the University of Arizona and later in southern California and "had never seen a survey as poorly written" as mine. Several other such critics complained—as I knew some would—about the difficulty, if not downright impossibility, of answering certain of my questions with a simple "Yes" or "No," although literally hundreds of those responding got around that problem on their own by writing me supplementary or explanatory letters; and perhaps a half dozen others suggested if I really wanted a good cross section of opinion in my district only a "Harris-type" telephone survey, based on correct random sampling procedures, would do the trick.

This latter kind of criticism, Mr. Speaker, of the kind of opinion polls most of us issue from here probably has some validity. As the most thoughtful such letter I received pointed out, one may not actually get responses from the people unless one chases them down, in accordance with accepted sampling procedures, with the writer arguing that the bulk of responses to my mailing would tend to be "from persons with very well defined views, often extreme in one direction or another." To a degree, that may be the case—I would not dismiss it out of hand—but, at the same time, few of us here can afford to finance a proper "Harris-type" telephone survey, besides which I, for one, do see some value in the broadside "postal patron" questionnaire most of us use in that, at the least, it probably promotes a wider individual and family, or household, discussion and consideration of public issues than would be the event with a telephone survey and also, as I have noted, lays a beginning foundation for correspondence between constituent and Congressman of a sort that, hopefully, will outlast the exercise itself.

Having said as much by way of introduction, what questions, then, did I choose to ask? There were seven, in all, requiring "Yes" or "No" responses, with an eighth question requesting a one-word response. Here are the eight questions:

1. Based on what you know (or suspect) about President Nixon's involvement in the "Watergate Affair," do you think he should leave office—whether it be by resignation or impeachment by the Congress?

2. Congress and President have fought all year over who should set "national priorities." Would you favor settling that argument by legislation compelling the President to spend all funds appropriated by Congress?

3. A recent Supreme Court decision validated the kind of liberalized abortion laws adopted in recent years by New York and other States. Would you favor an amendment to the Federal Constitution to (in effect) repeal such laws and allow abortion only to save the life of the mother?

4. During the last two years, we've gone from freeze to Phase II to freeze and now to Phase IV in an effort to halt inflation through Government control of wages and prices. Would you now favor abandoning this whole effort and going back to a control-free economy?

5. Would you favor a case-by-case review of the Vietnam draft-evaders and the granting of amnesty, conditioned on 2 or 3 years of "public-service" work to those meriting the same?

6. Would you favor Daylight Savings Time on a year-round basis?

7. Should local government have the option of using part of the Highway Trust Fund, derived from gasoline taxes, for alternative transportation purposes, such as mass transit?

8. In a word, what do you think is the most serious and pressing problem faced by the United States and its people?

On the postcard type return form I used, separate columns were provided for husband and wife to use in case they differed—as was the case rather often. There was nothing surprising about that, but surprising to me—since I had used this same format before—were the number of complaints received to the effect that I had provided no space for answers from other members of the household other than husband and wife. I suspect this reflected passage of the 26th amendment to our Federal Constitution, allowing 18-year-old voting. How to get around this mechanical problem when I send out another questionnaire will take some thought—since space is at a premium on post card-type returns—but I sought, this year, to alleviate the oversight a bit by sending questionnaires to interested high-schools throughout the district, for distribution to their older students and tabulation of the results. This separate—if somewhat accidental—aspect of the overall exercise should be especially interesting, Mr. Speaker, and I will report on its result at a later date.

In any event, the questions speak for themselves. Admittedly, several of them are most difficult to answer with a "Yes" or "No"—and it is possible that my fifth question, the one on amnesty, produced more "No" answers than it might otherwise have done since—as one critic of the phrasing of this question pointed out—it could be answered "No" by anyone who does not favor amnesty, at all, or by anyone not favoring a case-by-case review, or by someone favoring amnesty but not on the conditions I suggested.

Finally, as to the criticism—which, let me say again, was minor and restrained, compared to the enthusiasm and commendations received from those others who appreciated this opportunity to give me the benefit of their opinion—there was a concern expressed by a few that my use of the prefatory phrase "Do you favor . . . " in several instances would produce, automatically, a high number of agreements. As I shall report in later installments, Mr. Speaker, this did not so work out that way at all, as my respondents were most selective—or so it seems to me—in presenting their viewpoints.

But, in this installment, Mr. Speaker, I wish to concentrate on my first question—and the results thereon.

To repeat, the question was:

Based on what you know (or suspect) about President Nixon's involvement in the "Watergate Affair," do you think he should leave office—whether it be by resignation or impeachment by the Congress?

At this point in time, I have received upwards of 16,000 questionnaire returns—most of them of the "husband-and-wife" variety and, thus, reflecting the viewpoints of perhaps close to 30,000 constituents. This is, by customary standards, a rather good rate of response, it being noted that returns are still trickling in and that, when the high-school-level responses are added in, the final total response will be considerably higher than now.

As for the Watergate affair, nearly everyone has been attempting—one way or another—to assess its effects on the President. That has been tried in a variety of ways, ranging from the Gallup-Harris-Sindlinger technique of making regular samplings of the level of voter approval of the manner by which the President is handling his job, through that recent Congressional Quarterly survey showing, purportedly, that Mr. Nixon's track record during the first 7 months of this Congress was the worst attained by any President in the last 20 years, and down to that rather dubious New York Times attempt at chasing down as many of the Nation's academics as it could find who, last fall, signed newspaper advertisements supporting Mr. Nixon's reelection, in order to find out how many of them now regretted that fact.

It can be argued, I presume, that any of these—along with like efforts—show something of Watergate's effect on the President's capacity to give leadership to this Nation. But something like the Gallup poll—the last of which I have seen showing only 35 percent of those citizens contacted expressing approval of the President's handling of his responsibilities—reflects as much public dissatisfaction with soaring prices or concern over possible energy shortages, as it does doubts stemming from Watergate. And, while it is true that not much of what could be called the Nixon legislative agenda has yet cleared this Congress, it is also true that the President's legislative wants have been modest, comparatively speaking, this year and, even more significantly, he has managed to maintain so far a perfect score on his vetoes when, as you so well know, Mr. Speaker, the chips are really down on both sides.

All of us know full well, Mr. Speaker, that we face many problems—many serious challenges. And, if the Sindlinger poll can be accepted, it has recently shown that the people of this Nation fault Congress as much as they do the President for failing to come up with positive solutions to those problems—or for failing to squarely meet those challenges.

So, while I could have asked my own question about the effect of Watergate on Mr. Nixon in any number of ways, I chose to ask it in the most pertinent way I could see available which was, based on what my constituents knew—or suspected they knew—about Mr. Nixon's involvement in Watergate, did they now feel he should leave office, either by resignation or through impeachment. My reference to suspicion was deliberate, since I, myself, have believed for some time that we probably will never know all the facts about Watergate and, if that be so, will have to make our final judgment—whatever that be—in part on what can only be called a gut reaction. Despite the fact that many human judgments are made that way, a number of people—and, perhaps, with good reason—took me to task for having so worded my question.

If this was an error in judgment, it did not apparently hurt Mr. Nixon—and, worded as it was, may have made the response to my question even more significant.

For, in any event, as the current tally shows, 57.5 percent of my constituent respondents think Mr. Nixon ought to remain in office, as opposed to 42.5 percent who—for a variety of reasons—would like to see him resign or be impeached. This is a spread of 15 percentage points—a substantial drop for the President from the spread of, roughly, 34 percentage points which separated him, in his successful re-election bid in my district, last fall, from his major opponent.

It is, however, what I think is a respectable showing for Mr. Nixon based on the further fact—though I do not wish to speculate too much in these areas—that, in the hundreds of letters sent in to me along with the questionnaire return from people wanting Mr. Nixon's head, the reasons they cited apart from Watergate were many and varied, ranging from complaints about inflation, impoundments, and Cambodian bombing, all the way to charges that public moneys were used improperly, to improve Presidential residences in Florida and California. These are all matters—and one can think of others—which probably would have substantially reduced Mr. Nixon's voter-approval by this time even absent a Watergate.

There were two events, occurring while my questionnaire was being circulated and considered, which—while unrelated—may have had an affect on the return on this question. The first was the public disclosure of Vice President Agnew's by now well-publicized troubles. This broke into the news at about the same time my questionnaire was being delivered to constituent households, and one woman called me at once to ask if I did not think I should recall the questionnaire and rephrase the first question so people would know, for sure, that if Mr. Nixon left office, for whatever reason, Mr. Agnew would be his automatic replacement. I told her I felt most people understood this, anyway, and would factor the changing situation into their response, though I confess I have no way of knowing what the impact of the Agnew case has been on the level of public support for Mr. Nixon's remaining in office.

The second event—really an event in three parts—was that, at about the same time, Mr. Nixon not only took to the air waves to make a further disclaimer of involvement in the basic "Watergate" break-in and subsequent attempt at its coverup, and to ask Congress to turn its attention therefrom and on other matters of urgent public import, but he also broke out of his self-imposed isolation enough to hold not just one, but two, wide-ranging press-conferences during the course of which he stood up rather well under a sometimes-merciless barrage of questions from a frustrated press corps.

Feeling that this change of attitude on his part would probably help him, I asked the volunteers helping to tabulate our returns to keep a separate percentage score on the answers to question No. 1 as they came in after that first press conference. The difference in response was significant. Prior to that point in time—and, let it be noted, prior to such point the majority by far of my returns were already in—those respondents who thought Mr. Nixon should stay in office amounted to only 56 percent as opposed to roughly 44 percent who felt he should resign or be impeached. After that point in time, support for Mr. Nixon's staying in office rose to 64 percent, while those wanting him to leave office dropped to about 36 percent. If my question had been considered after those press conferences—instead of so largely before the same—I suspect, therefore, without being able to prove it, that the final tally in support of Mr. Nixon staying on would have been higher than I can now report it.

Whatever that event, Mr. Speaker, what does this all prove—or what do comparable attempts at sampling public attitudes toward the effect of Watergate which, generally across the Nation, have shown results comparable to mine prove?

It seems to me the answer has to be that Watergate has, by now, reached—or passed—the peak of its impact on public opinion; and that a further part of the answer is that, now, Mr. Nixon will undoubtedly be able to weather Watergate and, finally, that any possibility of impeachment proceedings against him in this Congress becomes, daily, more remote.

I do not say this is the way it ought to be; I only say that, in the end, this is the way it probably will be for it is the American public that is the ultimate, and really the only, "jury" that will assess Mr. Nixon's continuing fitness as our President.

As one Member of this House who has spoken out on Watergate—both here, and at home—as much, if not more than, many of my colleagues, I have to confess, Mr. Speaker, to what can only be described as a certain anguish over the question of Richard Nixon and Watergate. Does the good outweigh the bad? I think so—and trust I can hold to that belief—even though I respect the opinions of those who feel it is the other way around. Surely, President Nixon's accomplishments—particularly in the field of foreign affairs—have been real, and must be honored. He may have brought us closer to a "generation of peace" than we have ever been before in this century. But, at the same time, it is necessary that we face up to the fact of Watergate—along with the still-unanswered questions stemming from it.

I could go on, Mr. Speaker, trying to sum up my own feelings in this vein, but I shall rest these remarks on this troubling matter by here inserting a recent Wall Street Journal editorial entitled "Watergate: the Damage," since the same, by and large, does reflect what I now feel about it. In doing so, I would wish to stress the fact that I am more optimistic than was the Journal's editorialist about the resiliency of this Nation, and over the prospect, as well that—as he put it—we will eventually "come to see the purging of Watergate as ending our time of discontent." But, for now, let that editorial speak for itself—as well as for me:

Watergate: The Damage

The height of the Watergate affair has probably by now passed, and the time has come to start assessing the damage. Our sense is that the Republic and the Nixon administration are likely to recover surprisingly well in a superficial sense, but that in a deeper sense the damage will prove both extensive and enduring.

It's risky, of course, to speculate about ultimate consequences while the drama is still in progress. At the moment it seems the heart has gone out of the Ervin committee, which has delayed and compressed its hearings and allowed its lawsuit to stalemate. But Special Prosecutor Archibald Cox is pressing his own suit to get the Oval Office tapes. If he succeeds and the tapes incriminate the President, or if the President defies a Supreme Court order, we could have a constitutional crisis eclipsing everything we have seen so far.

That result is not as likely as some assume, though, simply because Mr. Cox is not that likely to prevail. He is an employe of the Executive Branch, and while there are legal technicalities involving the status of a grand jury, in essence he is asking the courts to undertake the job of refereeing a dispute between himself and his boss. The Supreme Court can tell the President to turn over the tapes, but the next morning the President can fire Mr. Cox and appoint a new prosecutor to tell the court the government has changed its mind and is withdrawing the subpoena.

The President's lawyers have not stressed this argument in their oral arguments, perhaps because there is no point in raising the threat to fire Mr. Cox without in fact doing so. But it is in their written brief, and in the past courts have refused to put themselves in so ridiculous a position. That is not to say the Supreme Court could not decide to join the issue this time around, but that kind of judicial activism seems consistent with neither the current composition of the court nor the current mood of the nation.

So despite the risk it's far from idle to speculate that we already know about as much about Watergate as will be disclosed in our lifetimes. If that proves to be true, the immediate impact of the scandal may prove surprisingly light. President Nixon's fall offensive has already proved that those who thought he would be hamstrung for the rest of his term underestimated the powers of the presidency. A few messages to Congress, a couple of turns blasting blooperballs from the press corps, and the President regains the initiative. Congress is already sustaining his vetoes.

In terms of partisan politics, similarly, the commanding terrain feature remains what it was before Watergate, namely the cavernous breach in the Democratic Party. In terms of political programs, the dominant fact is the total exhaustion of Great Society liberalism. In terms of public opinion, the consensus is that while the President is guilty, further venting of the whole affair gets us nowhere. So in all, the President will probably prevail in his desire to leave the matter to the courts and move on to business as usual.

Yet a nation does not live by tangibles alone. The chief problems this nation faces as it moves beyond the 1960s, indeed, have little to do with tangibles. We are at least at peace abroad. Despite inflation's dangers, we are more prosperous than ever before. While our black citizens have not achieved equality, they have made prodigious progress toward it. Our cities have by and large weathered their financial crises. Even Watergate, especially given the alacrity with which it was exposed, is in a sense a testimony that our institutions are bulwarks against tyranny (see "Notable and Quotable" nearby).

For all of this, ours is clearly a troubled land. The troubles lie in the intangibles, in matters of self-confidence, morale, a sense of fitness and legitimacy. A decade of political assassinations, grueling combat, burning cities, riotous campuses, public incivility and disappointed expectations have left us sick in spirit, doubting in mind.

We find ourselves unable to enjoy our tangible health. Indeed, even to mention certain signs of health—the progress of the blacks, for example, or the positive sides of Watergate—is to open yourself to public abuse. Those most incapable of focusing on anything but the blots start to think that a system harboring so much evil must itself be evil. And as a nation we find ourselves divided between those who feel oppressed by a debased society and those who feel their society is being subverted by constant attack.

For a few brief moments, before Watergate and again before its enormity became known, it was possible to imagine that Richard Nixon would help us to work out of this sour mood. In his first term he had set right many of the tangibles, and in his second the intangible fruits of this effort should have been harvested. He was about to, and ultimately did, rout on the electoral battlefield the forces of what Walter Lippmann described as Jacobinism. If his foes could then learn that American society is such that even with Richard Nixon it could find peace and progress, then some measure of national harmony could be restored.

Watergate has destroyed that chance. Or perhaps it is more accurate to say that Watergate has revealed the chance as illusory. Even before news of crimes reaching into the White House, there were those of us who remarked that men sensitive to the intangibles found themselves uncomfortable in the administration. It was not hospitable to men of vision. Increasingly the reins fell to those skilled not in the purposes of power but in the techniques of power. Watergate or no, they were unlikely to cure what they did not understand. And of course, Watergate was itself something singularly likely to come from the technicians of power.

So just when we should be starting to recover, we find our morale further assaulted. We are engrossed for days with sleaziness on the television screens. We are told that the President has an inherent right to burglarize psychiatrists' offices. We learn that in the corridors of power even insane schemes found no man to arise and say no. Those who would hate Richard Nixon feel their fears are confirmed. Those of us who do not are still forced to wonder whether our nation can produce the leadership it needs, not merely at the pinnacle but in depth.

Conceivably we are too pessimistic. This is a resilient nation, and conceivably Watergate will serve as a catharsis. Clearly its excesses were in some measure themselves due to the super-heated times it so shortly followed. Retribution in the form of ruined lives, if not court convictions, is being visited on many if not all of those involved. Surely, even without further legislation, future political campaigns will be cleaner. Perhaps eventually we will come to see the purging of Watergate as ending our time of discontent. Yet it is hard to see how such a view can soon emerge, how any Nixon administration can escape that cleanly from the taint.

So as a nation we have already suffered from Watergate. And the damage will continue to be felt, even if we do not get the larger constitutional crisis that is definitely possible, even if the affairs of state escape any disaster provoked by the distraction. At a minimum we have lost an opportunity to start the process of healing. At a minimum, Watergate has postponed for four more years the time in which we might come to peace with ourselves.

NERVE GAS BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. OWENS) is recognized for 5 minutes.

Mr. OWENS. Mr. Speaker, while I am pleased that hearings have been scheduled for October 3 and 4 by the House Armed Services Committee Research and Development Subcommittee on my nerve gas bill, I am at the same time concerned about last week's announcement that the Army has decided to begin production of the binary form of nerve gas.

This announcement makes it even more imperative that we secure a reevalulation of our policy concerning the need for chemical warfare stockpiles. We have continued to allow a pall of secrecy to surround our whole national policy of chemical warfare, while maintaining a position that nerve gas is an important deterrent weapon system. It is apparently Defense Department policy to refuse to discuss that policy with Members of Congress. They have simply, with a straight face, refused to discuss our nerve gas policy with me after numerous letters and telephone calls. If I were a veteran Member of Congress, I would be insulted by their refusal to talk. As it is, I am more embarrassed than embittered.

Yet we have failed to date, in my opinion, to deal with chemical warfare in the more critical light of its international implications, particularly with the third power countries. Although the impending switch to the binary system seems on the surface to be a perfect solution to the present hazards of storage and transportation of toxic chemicals, it may bring with it greater potential problems. Since binaries can be produced commercially and inexpensively, and are easily transportable and stored, smaller countries and terrorist groups which can not afford conventional and nuclear weapons will have easy access to a nerve gas system.

Julian Perry Robinson, a scientist who has studied chemical warfare for many years, has expressed several problems associated with binaries which need careful evaluation. I insert his article, "Binary Weapons—a Mixed Problem" from the New Scientist, April 5, 1973.

BINARY WEAPONS—A MIXED PROBLEM

(By Julian Perry Robinson)

For the past four years the sponsors of the so-called "binary" nerve gas weapons have been soliciting support within the Pentagon and friendly Congressional committees (see New Scientist, vol 54, p 758). Their objective is a major procurement programme, once the necessary R & D is complete. This will become imminent when the Army comes to seek the Congressional approval that is required by law before it can embark upon the necessary open-air evaluation trials. Congress is likely to be asked for this within the coming year. These activities carry implications that reach a good way outside the American offensive chemical-warfare posture (which is to say the NATO one, if the largely symbolic French capability is discounted).

Instead of containing actual nerve gas, a binary munition is loaded with two relatively harmless chemicals that spontaneously generate nerve gas (of either the G or the V agent series) when they are mixed together—the mixing process taking place only when the munition is on its final trajectory towards the target. The chemicals can be kept in separate containers to be placed in the weapon just before use. Although needing more complicated hardware, this arrangement does away with much of the hazard of handling and storing the weapons. This has been one of the two main stimuli behind the programme.

In the United States, it all began around 1954, when the Army Chemical Corps was trying to develop weapons that the Navy would be willing to have on board ship. The Navy subsequently began a programme of its own, concentrating on aircraft weapons. One of these was a cluster unit of binary G-agent bomblets; another was a massive VX bomb, called "Bigeye", details of which can be found in a patent issued last year. The Navy has since lost interest, but the Army now has a new motivation and is pressing ahead with its range of artillery projectiles and missile warheads. It accelerated its programme in 1969, largely in response to the American anti-CBW lobby and the associated pressure for world CBW disarmament. The Chemical Corps rather strangely believed, as its successors still do, that if its weapons were safer to transport around, the public would no longer be badly disposed towards them. At about this time the US Air Force began a study of "binary biological weapons"—whatever they might be. But the project was soon abandoned. In the current financial year $6 million is allocated for binary R & D—some $2 million up on last year. This would be more than enough, it may be noted, to support the entire CB defence programmes of Canada, the Netherlands, Sweden and West Germany put together.

In addition to the political motivation for going into binaries, the US Army also has an economic one. The bulk of the American antipersonnel chemical-agent stockpile consists of mustard gas and nerve gas. There are around 20,000 tons of each—enough to tide-over the time taken to demothball the binary agent factories and to put them onto full-stream production (reckoned to be about nine months). In addition, there is some agent CS, the turnover of which is rapid, and a token quantity of the incapacitating psychochemical BZ (3-quinuclidinyl benzilate). The mustard gas is mostly stored in bulk, and is in any case scheduled for burning now that the Army has declared it obsolete. Of the nerve gas, however, which is part sarin (GB) and part VX with the former preponderating, 80 per cent is filled into munitions. These have a rather short shelf-life, for within 5 to 15 years (according to the Chemical Corps testimony before Congress) leaks tend to develop and the fusing to deteriorate. When this happens it is current practice to write the munitions off, and scrap or otherwise "demilitarise" them. With ocean-dumping now precluded, this is an expensive process: it is estimated that the present stockpile carries a demilitarisation liability of $180 million (at 1972 prices) in addition to the maintenance costs, which run at some millions per year.

The Army is arguing that, with binaries, stockpile management would become a great deal cheaper. Because the munitions would not be filled with corrosive chemicals, their shelf-life would be longer and their maintenance costs smaller. Moreover, because production of the relatively non-toxic binary fillings would not necessitate heavy capital investment in safety measures, the American chemical industry would be willing to undertake it. This would greatly extend the available production base and, with procurement possibly on competitive contract purchase, permit closure of the government-owned nerve-gas factories at Denver and Newport. Renovation of decaying munitions—for example, transferring their fillings to new casings—is an alternative that is not being emphasized.

VESTED COMMERCIAL INTERESTS?

The situation is thus being approached in America where novel commercial interests could become vested in the perpetuation of the country's nerve-gas capability. The advocates of binary procurement will certainly seek all the allies they can get before going to Congress. One fact which they may well downplay is the inferiority in the purely military characteristics of binaries. A binary weapon cannot easily be used at short range, or from low altitudes, since several seconds must elapse for the binary reaction to complete itself.

By-products as well as nerve gas will be generated (G-agents in any event) so that the effective payload will be smaller and the disseminated agent given a warning irritancy and smell. Last summer's chamber trials with the 155mm GB2 howitzer shell, XM687, showed that at most it yielded only about three quarters of the integrated area dosage of its non-binary equivalent. And finally there are the not inconsiderable logistical problems of having to ship three lots of munition items instead of just one, and to ensure that they all arrive in the same place.

The $200 million or so that was invested during the 1950s in the factories at Denver and Newport and the ancillary plant in Alabama were not a vast drain on the resources of so wealthy a country as the United States. For lesser countries, though, this could be a major obstacle to the acquisition of a nerve-gas capability. By exploiting the expertise in binary technology that must inevitably diffuse out of the American programme, if it continues, any country with an organophosphorus industry, or with access to one through international trade or aid, might feel a good deal freer to go ahead. Munitions fabrication, a much lesser hurdle, would replace agent production as the limiting factor. A plant capable of making, say, the ethylphosphothionic dichloride for the new insecticide fonofos would have little difficulty in turning out the DF component of G-agent binaries, or even the QL needed for binary VX. And, one stage further, binary technology might even put nerve gas within reach of terrorist organisations or other militant dissidents. A diligent researcher can extract the relevant details about DF and QL from the open specialist literature; it takes only sulphur to convert QL into VX, or any one of several alcohols to make G-agent from DF.

The implications of this for the CW disarmament talks in Geneva, now in their fifth year, are obvious enough. In particular, the binaries make it still more urgent that proliferation-control should become one of the main objectives of the negotiations. The emphasis so far has been upon the security problems of the principal nuclear powers and their allies, those of the rest of the world being largely ignored. By no realistic measure is nerve gas a serious threat to these particular countries' security; and for this reason it has been suggested that international verification arrangements—the traditional stumbling-block of disarmament—might be dispensed with altogether. The binaries illustrate the short-sightedness of this approach and the risk that yet another cosmetic disarmament treaty (to use Robert Neild's expression), one that would be much more pernicious than the sea-bed or BW conventions, may be forced upon us. The development drive behind the binaries may then prove to be a further instance where disarmament endeavour has accelerated, rather than retarded, the armaments process.

GAS BUBBLE—VIII

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, on Monday, I advised the House of the interesting payments that Coastal States Gas Co. is making to certain prominent citizens of Texas in connection with the gas supply contract for the city of Austin. Naturally, all these distinguished citizens deny any impropriety and all say that the agreement by Coastal to pay them royalties for the Austin contract, was never any secret. Of course it was not— it is just that nobody ever knew about it except them—up until now.

The operations of Coastal in acquiring the Austin contract are remarkably similar to those they used in acquiring the San Antonio contract.

In the case of Austin, our friend Clint Small, who receives a monthly payment from Coastal had, together with Mr. Wheless and Mr. Craig, who also receive monthly payments from Coastal, entered a bid on the Austin natural gas supply. Evidently they had no company, but they did have an agreement from Coastal that they would buy gas from that company if they won the contract. In other words, Small, Craig and Wheless were not a gas company at all, but a group of speculators who were betting they could win the Austin contract with the help of Coastal. Others receiving payments from Coastal, namely; Erwin, Brown and Sparks, simply say that they were lawyers to whom the first group owed money. When Coastal decided not to supply gas to the Small group, according to Mr. Small, the group allowed itself to be bought out by Coastal. That's what all the payments are for, he says. As for Erwin, Brown and Sparks, they are supposed to be getting money to satisfy some mysterious legal fees the Small group owed to him and his partners. The case of San Antonio is remarkably similar. When San Antonio's gas supply contract came up for renewal, it was also bid on by a ghost company. In this case, it was a few San Antonio businessmen who, perhaps much to their surprise, entered a successful bid, because at the time, they had not even incorporated. When it proved impossible for this group to live up to the contract, they conveniently sold out to Coastal.

In other words, both in San Antonio and at Austin, the municipal supply gas contracts were originally bid on by companies that had no existence and no experience at all in the gas supply business. They were not qualified and they were bought up by Coastal.

Undoubtedly, those who organized these ghost companies made a tremendous profit. Certainly the Small group is still being rewarded for its efforts in opening the wedge for Coastal in Austin. And, undoubtedly, those who organized the short-lived Alamo Gas Co. in San Antonio, are still being rewarded by Mr. Oscar Wyatt, too.

It is interesting to note that in the Austin group, Mr. Erwin is and has been for some time a member of the University of Texas Board of Regents, and in that capacity represents the university in business dealings with Coastal. Yet, at the same time, Mr. Erwin receives and has been receiving for 9 years, monthly payments from that same company. One can only wonder how tough he is in dealing with his friend, Oscar Wyatt.

In the case of Mr. Sparks, it turns out that he is a member of the Texas attorney general's staff and he, too, has been receiving payments from Coastal for 9 years. One wonders how tough Mr. Sparks might be if any Coastal business crosses his desk—and Coastal is about the most important business the Texas attorney general has these days.

So now we seem to have discovered at least part of Coastal's magic recipe for instant growth. It consisted of knowing the right people and paying them the right amount of money and, in some cases at least, those people who created the wonderful ghost companies that made it all possible for Coastal are still getting their regular paychecks and will until 1982.

POSTAL RATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, this week Elmer T. Klassen, the Postmaster General, has asked for a 25-percent increase in the first class postal rates. His basis for this request is the increased cost of operation of the U.S. Postal Service.

For the observer of the U.S. Postal Service one readily concludes that not only has there been a decline in the quality of service, it has engaged in mismanagement, extravagance among high level officials and excessive waste.

Reference could be made to the August 24, 1973 edition of the Wall Street Journal, which reports as follows:

POSTMASTER GENERAL LET $800,000 AWARDS TO PAL WITHOUT BIDS—HOW DO YOU BID ON CREATIVITY? AN AIDE ASKS IN EXPLAINING PUBLIC-RELATIONS CONTRACTS

(By Les Gapay)

WASHINGTON.—Elmer T. Klassen, the Postmaster General, likes to tell people how good he is at saving money.

Last year, he cut the U.S. Postal Service payroll by 37,500 men, slashed overtime and installed manpower-saving mechanized facilities. And in congressional testimony last spring he bragged about reversing a "policy" going back to James A. Farley, FDR's postal chief.

"I was told to keep spending money and keep people working," Mr. Klassen quoted Mr. Farley as saying.

But now Mr. Klassen's own management philosophy is coming into sharper focus, and one thing is clear: He may not be big on keeping people working, but he isn't exactly a tightwad when spending can help an old friend and his own comforts.

For one thing, it now develops that Mr. Klassen has authorized, without competitive bidding, $821,845 in Postal Service contracts to a New York consulting firm headed by a friend of 11 years standing. Since 1970, the contracts have provided one-fourth of the revenue of the firm, which has only seven major clients.

There was nothing illegal in awarding the public-relations and marketing contracts to Burnaford & Co., which is headed by Charles Burnaford, who did extensive work for Mr. Klassen when the Postmaster General was still an executive with American Can Co. The contracts were awarded under a procedure called "sole source procurement," which is often used by other government agencies as well. But the contracts have intensified existing congressional criticism of Mr. Klassen's spending for posh quarters for himself and other postal officials.

Just defending this move out of Gen. Farley's old quarters has kept some Klassen assistants busy recently. Crusty GOP Rep. H. R. Gross of Iowa wondered aloud on the House floor recently whether the new quarters in Washington's L'Enfant Plaza really required a $45,000 private kitchen for the Postal Service board of governors and some $40,000 for furnishing and interior construction in Mr. Klassen's office one floor below.

The board meets only once a month, though there is some talk of using the kitchen for other purposes between meetings. Mr. Klassen likes to eat meals in his office, so that office has a $5,280 mini-kitchen of its own. It's known that he keeps a private cook on the Postal Service payroll.

Rep. Gross has asked the General Accounting Office to look into the costs of the board's meeting room and Mr. Klassen's own office. Some costs of the move have climbed beyond the original projections. Interior construction (paneling, carpeting and the like), once estimated at $4 a square foot, has been running at about $5.60, for example.

The Burnaford public-relations contracts have posed new problems for the spokesmen. When first questioned about them, they maintained they didn't exist. Later, the department acknowledged the firm has received $404,655 in contracts since Mr. Klassen became Postmaster General Jan. 1, 1972. This failed to point out, however, that Mr. Klassen had secured additional contracts for the company while still Deputy Postmaster General. Postal records indicate a dozen contracts altogether.

"A CREATIVE GUY"

Mr. Klassen's chief spokesman, Assistant Postmaster General James H. Byrne, says his boss believes there was nothing unethical about the noncompetitive awards to Mr. Klassen's long-time business associate. "Burnaford is a creative guy, and the Postmaster General has a great deal of respect for his judgment," Mr. Byrne says.

Anyway, he asks, "How do you bid on creativity? You look for a concept, and you know a man who can develop that concept, so you get him." Mr. Burnaford agrees. "When you get into trouble, you go to people you have confidence in," he says.

Among the Burnaford contracts was a $343,000 project to explain, to Postal Service employes and the public, the transformation of the old Post Office Department into a government corporation. Another was a film called "80 billion raindrops"; it explained the Postal Service to school children. There was a $33,974 contract to set up a Washington Conference between Mr. Klassen and his 85 district managers, followed by an $83,857 contract to set up management conferences in postal districts across the country.

Some Postal officials grouse that much of this work could have been done by the service's 68-employe communications department, whose annual budget is $2.3 million. But Mr. Klassen doesn't have much regard for the department. He once declared that his public relations staff consisted of "16 shoe clerks."

Burnaford-produced affairs tend to be more elaborate than shoe clerks might suggest. Thus, last April Mr. Klassen conferred with regional postal officials in the "presidential corridor" floor of San Francisco's Hilton. It cost $300 a night to house Mr. Klassen and four other executives.

At another Burnaford-devised conference last July, 210 top Postal officials met for three days in a Sheraton hotel in suburban Washington, although the agency's headquarters was only a few minutes away. Mr. Klassen gave a speech, and postal officials sat around in 22 small groups, complaining to one another. The purpose was to exchange ideas and eliminate the "discontent at headquarters," according to Philip Goodman, a Burnaford & Co. official.

If morale was low, it was at least partly due to a bombshell Mr. Klassen had exploded only a few days before. That was when he announced he was completely reorganizing his top management, shifting people around, bringing in new ones and firing the top communications department executive, hired only four months before.

Before this request is granted to pass on the costly mistakes of Mr. Klassen to the American people for payment, I urge a complete congressional investigation.

BROWN-BOVERI BEATS OUT WESTINGHOUSE BY $4.60

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Dent) is recognized for 15 minutes.

Mr. DENT. Mr. Speaker, I am today submitting for my colleague's attention a letter from Mr. Thomas Dodds, a constituent of mine from Murrysville, Pa. Mr. Dodds is employed by the Westinghouse Electric Corp. in Trafford, Pa., and is distressed by the recent decision of the Bonneville Power Administration. The Bonnevillle Power Administration awarded a contract for electric circuit breakers to Brown-Boveri, a Swiss manufacturer, instead of to the Westinghouse Corp. On the surface, the award of a $1.6 million bid to a Swiss manufacturer may not strike one as anything to get upset about unless of course, you are a die-hard like me who thinks American business ought to stay American until it is divulged that Westinghouse Corp. lost the bid to Brown-Boveri by $4.60. That is right. Four dollars and sixty cents.

Further investigation into the matter reveals that the Brown-Boveri bid did not include the cost of an installation engineer, even though Brown-Boveri anticipates "travel expenses" to be incurred at a later date. Westinghouse did however include the cost of an installation engineer, but still lost the award.

I sincerely question the rationale and wisdom of the Bonneville Power Administration, a federally subsidized utility, going abroad for such business, when the domestic industry is, in this case, obviously competitive.

I wonder if we are not going at opposite ends when on the one hand, the Congress passes programs intended to stimulate domestic manufacturing, to keep people working, and to increase production, while on the other hand, a federally operated unit awards money and jobs to foreign manufacturers.

I am deeply concerned about the loss of jobs—$1.6 million represents substantial employment for the Trafford plant; the loss of revenue—particularly at a time when the administration is talking about raising taxes; and the increasing assault on domestic markets by foreign competition.

I have asked the General Accounting Office to investigate the circumstances surrounding the bid loss.

I can only hope that we in this Congress wake up to the fact that there are serious problems inherent in "liberalizing" our trade policy. The Westinghouse bid loss means a loss of $1.6 million worth of business—business that will go to Swiss workers, Swiss cities and towns, and Swiss governing bodies. It means that Trafford, Pa., will be $1.6 million poorer.

September 13, 1973.

Congressman John H. Dent,
Law and Finance Building,
Greensburg, Pa.

Dear Mr. Dent: I am an employee of the Westinghouse Power Circuit Breaker Division in Trafford, Pennsylvania and would like to relate a recent development which has an adverse effect on our division and its employees. The problem concerns the disastrous effect of foreign competition on the domestic circuit breaker market. Government-subsidized European circuit breaker manufacturers with their low labor costs seem bent on destroying the American circuit breaker industry. Indeed, they seem to be succeeding as not only Westinghouse, but all domestic circuit breaker manufacturers are currently experiencing very lean times at least partly because of foreign competition.

It is annoying when any American utility goes abroad to purchase circuit breakers or other electrical equipment, but it is particularly frustrating when U.S. Government-subsidized utilities (such as Bonneville Power Administration and Tennessee Valley Authority) do so. Recently (June, 1973), our division lost a bid of over $1.6 million to Brown-Boveri (a Swiss manufacturer) for seven 550,000 volt circuit breakers for Bonneville Power Administration (Solicitation No. 3375). Initially Westinghouse was the low bidder by $332; however, the cost for the services of an installation engineer was excluded from Brown-Boveri's quotation by Bonneville Power and as a result, the Brown-Boveri bid was $4.60 less than the Westinghouse bid. So our division lost $1,622,245.25 worth of business because of $4.60!

Why should the U.S. Government not only permit but indeed *support* foreign manufacturers in destroying the circuit breaker or any other domestic industry? How can a U.S. Government-subsidized agency award bids to foreign manufacturers with seemingly no regard for the jobs and welfare of the American citizens who make the same product? And finally, don't the people at Bonneville Power realize that it is American and not Swiss citizens who pay the taxes which eventually become their salaries? Anything that you or your fellow members of Congress can do to improve this situation will be greatly appreciated by me and the nearly 1000 employees of our division.

Sincerely,

Thomas H. Dodds.

Re B–179029 Bonneville Power vs. Westinghouse.
Re Brown Boveri.

September 25, 1973.

Elmer B. Staats,
Comptroller General, General Accounting Office, Washington, D.C.

Dear Mr. Staats: This letter is to request an investigation by the General Accounting Office into the terms of the contract awarded to Brown-Boveri by the Bonneville Power Administration.

It has come to my attention that the

Westinghouse Electric Corporation, a manufacturing establishment in my district, has recently lost a $1.6 million bid to Brown-Boveri (a Swiss manufacturer) because of a bid difference of $4.60, although in accordance with the "Buy American" provision, a 12 percent factor was added to the Brown-Boveri bid. It seems to me that such a decision certainly violates the spirit of the law that was, among other things, intended to help American industries, like the circuit breaker industry, that are affected by cheap, foreign import competition.

I also understand that Brown-Boveri did not include in their bid the cost of an installation engineer needed to install and check the equipment, even though Brown-Boveri anticipates "travel" expenses for the installation engineer. These "travel" expenses were *not* included in the original bid, but are expected to add to the final cost of work to be done; nor was the 12 percent Buy American factor applied to what is euphemistically being called "travel" expenses. Westinghouse *did* include the price of an installation engineer at a cost that was $4.60 higher.

It is a well known fact that the domestic circuit breaker industry has been one of those unfortunate victims of cheap import competition. I sincerely question the rationale and wisdom of the Federal Government going abroad for such business when, in this particular case, the domestic industry is obviously competitive. I am deeply concerned about the loss of jobs, the loss of tax revenue, and the continued assault on domestic markets by foreign competitors. I wonder, too, if we are not going at opposite ends when on the one hand, the Congress passes program intended to stimulate domestic manufacturing, to keep people working and to increase production while on the other hand, a federally operated agency awards money and jobs to foreign manufacturers.

I am enclosing a letter from a constituent of mine that details the situation.

I would appreciate your immediate attention in this matter.

With every kind regard, I am

Sincerely yours,

JOHN H. DENT,
Member of Congress.

CAMBODIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, over the August recess, I had the opportunity to visit Cambodia to witness the congressionally mandated August 15 bombing deadline, a goal which I and many other Members strived to bring about long before the August 15 date. I would like to share with my colleagues the feeling I came away with after speaking to many Cambodian people and spell out the role which I feel we as a people must assume now that American bombs have ceased to fall on the Khmer Republic.

With the end of American bombing a reality, I felt a new optimism among the Cambodian people and a determination to handle the conflict in their country on their own, without outside interference. The Khmer people have, from the outset of hostilities in Indochina, attempted to maintain a position of neutrality, and in particular, to settle hostilities within their own country on their own, without foreign intervention. The long presence of outside troops and outside interference in Cambodia was a regrettable and tragic mistake which we must not allow to continue in the present nor be repeated in the future. America has, through the Congress, finally come to realize this and has removed itself from the conflict by ending American bombing.

Unfortunately, irrefutable evidence exists today that the North Vietnamese continue to occupy Cambodia and to participate in the fighting there. Throughout the course of our involvement in Indochina, the North Vietnamese have pointed to the presence of American troops in South Vietnam and Cambodia as a justification for their continued assault on the Cambodian people. On August 15, with the end of American bombing, we removed the grounds for that argument and the North Vietnamese proclaimed raison d'etre for being in Cambodia. Their continued presence among the Khmer people belies their long-held statement that they were in Cambodia only because of American troops.

Mr. Speaker, now that the United States has withdrawn itself from the conflict in Cambodia, it is paramount that the North Vietnamese end their assault upon the Cambodian people, in accordance with both the Geneva Agreements and the Paris Peace Agreements, so that peace can return to the Khmers. North Vietnamese forces in Cambodia constitute a barrier to peace which can no longer be countenanced in the absence of American troops and with the end of American bombing. Unless the North Vietnamese remove their troops from Cambodia, they lend credibility to the charge that they were there, not because of American troops, but to overrun the Cambodian people. The U.S. Congress as a whole has finally recognized the particularly civil nature of the conflict in Cambodia, which can only be exacerbated by the presence of foreign troops. The North Vietnamese must follow suit if the Khmer Republic is ever to restore to itself a lasting peace and stability.

Mr. Speaker, I believe that we in the Congress and the American people can bring to bear world pressure upon North Vietnam to end its assault upon the Cambodian people; this is the role which I feel we have a responsibility to assume now that we ourselves are honoring the neutral position of Cambodia and have ended our air activities in the interests of achieving a lasting peace in Indochina.

ANNUNZIO CALLS PRESIDENTIAL DISASTER VETO A "DIRTY TRICK"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I thought the dirty tricks ended with the Presidential campaign, but evidently there are still dirty tricks left around at the White House, because President Nixon has resorted to the lowest form of politics in vetoing S. 1672 which would have provided increased assistance to victims of natural disasters.

S. 1672 contained a provision that would have provided homeowners and businesses, which were victims of natural disasters, long-term loans based on two sets of interest rates. The borrower could pay a 3-percent interest rate and have a forgiveness of the first $2,500 of the loan or if the borrower chose not to have any forgiveness, the entire loan would be written at a 1-percent interest rate. The present disaster law provides for no forgiveness and a flat 5-percent interest rate.

The President vetoed the legislation because he said "that the bill would cost too much money and favored the rich over the poor," but what the President failed to tell the American people is that last summer, following Hurricane Agnes, the President sent legislation to Congress that called for a $5,000 forgiveness and a 1-percent interest rate, or twice the forgiveness feature contained in S. 1672. The President also visited many areas hit by Hurricane Agnes to promise the victims that help was on the way. Of course, that bit of Nixon strategy came during an election year. Now, however, that the election is over and the President does not need the votes, he is turning his back on those who will need help when the next disaster strikes.

I was the author of the disaster relief section of S. 1672 and want to point out that President Nixon was in such a hurry to enact his disaster legislation during the election year, he publicly demanded that Congress take no more than a week to enact the bill.

Furthermore, the President's price tag of $800 million for the vetoed bill is too high. That estimate was based on the amount of disaster relief given during 1972, a year that saw the worst disaster, Hurricane Agnes, in recent years.

During 1973, we have had no major disasters, so it is clear the cost that the President used in his veto message was clearly an arbitrary figure that he picked out of the air to help justify this latest dirty trick.

The disaster relief section of S. 1672 runs for only 2 years and is designed to give the administration and Congress a chance to work out a long-term natural disaster relief program.

In the past, we have always written disaster legislation on an emergency basis. What I wanted to do in this bill was to provide for a 2-year stopgap period to allow us to write legislation when we were not under the gun. I think that is the proper way to handle legislation.

In the 10 years I have been in Congress, I have seen legislation granting subsidies in a wide range of areas, from aircraft companies to railroads to farmers. While these subsidies may well have been justified, I think the strongest case can be made for a subsidy to the victims of natural disasters. A man who has lost his entire home cannot afford to pay an additional 5-percent interest rate on top of already recordsetting home mortgage rates. The 1-percent interest rate in the bill would enable him to rebuild that home and the $2,500 forgiveness feature would enable those with lesser losses to obtain adequate compensation. Unfortunately, the Senate yesterday failed by five votes to override the President's veto of S. 1672.

The Presidential veto is a cruel hoax. It is an insult to the intelligence and integrity of every American and it quite clearly shows that Presidential politics is more important than helping millions of Americans whose futures may be permanently damaged because of a natural disaster.

SATELLITE WHITE HOUSE EXPENDITURES CONTROL BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ROONEY) is recognized for 5 minutes.

Mr. ROONEY of Pennsylvania. Mr. Speaker, this afternoon I have introduced legislation which might best be described as the satellite White House expenditures control bill. Its purpose is to sharply limit the number of residences the American people are asked to refurbish and protect with their tax dollars for the convenience of the President—any President.

For almost all intents and purposes, the bill would prohibit expenditure of Federal funds on any property which is not under the legal or equitable ownership or control of the U.S. Government when such property is used as a residence, temporary or other, by any individual whom the Secret Service is authorized to protect.

Any President has the White House as his primary residence and place for conducting the people's business. He also has the use of Camp David, a mountain retreat in Maryland, which is equipped to serve as a satellite White House.

Only recently, the beautiful West Palm Beach property of the late Marjorie Merriweather Post was offered the United States. I would favor the acceptance of that property and its utilization as an occasional Presidential residence, along with Camp David. Certainly, a mountain retreat and a seaside retreat should adequately fill the President's needs to relax or work, away from the Nation's Capital.

My bill would permit an exception to be made only when the Administrator of the General Services Administration, in consultation with the Secret Service, determines that certain expenditures should be made on private property for the protection of the President or other persons entitled to Secret Service protection. In such instances the proposed expenditures would have to be reported to both Houses of Congress while in session. Either House would then have 30 days to review the proposed expenditures and take action to specifically disallow the expenditures if it chose to do so.

Mr. Speaker, I cannot imagine that any person serving in the Presidency has need of four or five or six residences. Even if he has, the American people should not be asked to bear the cost of equipping that many properties for Presidential security and communication. Any individual who aspires to the Presidency should be expected to resign himself to the use of any one of three possible residences provided for him by the Government, or to be prepared to personally finance the cost of security, communications, and staff accommodations necessary if he chooses to utilize any private property as a temporary residence.

If any of my colleagues share my view that expenditure of public funds to improve private property for the convenience of persons serving in the Presidency has gotten out of hand, Mr. Speaker, I invite them to join in cosponsoring the satellite White House expenditures control bill.

THE MIKULSKI COMMISSION ON DELEGATE SELECTION, WOMEN, REFORM, AND THE MIAMI CONVENTION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, this past weekend the delegate selection commission met to discuss the very future of the Democratic Party. Chaired by Barbara Mikulski this vital meeting received some comment in the press but its importance deserved more. I submitted my views on the subject of delegate selection, what should be the future of the Democratic Party and my view of the lessons of the Miami Beach convention experience. I would like to commend to the attention of my colleagues this statement:

STATEMENT OF CONGRESSWOMAN BELLA S. ABZUG

Our nation is in a political and constitutional crisis in the aftermath of revelations of the Watergate break-in and the host of associated acts committed by the Nixon Administration to undermine Congress, conduct an illegal war, sabotage the Democratic Party, abrogate traditional liberties and subvert the democratic process.

As Americans express increasing despair and cynicism about the workings of our political system, the responsibility rests more than ever with the Democratic Party to assure the electorate that their interests, their diversity and aspirations can be fairly represented within our Party.

If Watergate is to have any remedial consequences, the electorate must feel that they have a positive alternative in our party. As against the manipulative, conspiratorial and illegal acts of the Committee to Reelect the President in behalf of super-rich corporations and special interest groups, the Democratic Party must be open to all.

I therefore fully support the proposals recommended to you by the National Women's Political Caucus and the New Democratic Coalition for a reaffirmation and extensions of procedures designed to encourage participation within the party structure and activities of all groups, particularly those that traditionally have been underrepresented in our party.

The recommendations that will come from this Commission on Delegate Selection and Party Structure are crucial in determining what kind of party we will have. I trust there will be no retreat on the mandate of the 1972 convention to continue and implement the guidelines of the McGovern-Fraser Commission which sought to ensure democratic methods in the process of nominating convention delegates and candidates.

One of the major changes it brought in our party was the provision that meetings must be held for the selection of delegates and that these meetings must be announced and open. I can conceive of no valid objection to such an open procedure.

The commission also set the goal of "reasonable representation" on the states' convention delegations of women, minorities and youth in proportion to their presence in the population as a whole.

At the same time that the Commission was meeting, women throughout the nation were beginning to organize politically to demand that, as a majority of the population, they be accorded equal representation in the political institutions of our society. The multipartisan National Women's Political Caucus was founded in July 1972 and announced it would seek equal status for women in the Democratic, Republican and other political parties.

As head of the NWPC's Task Force on Delegate Selection, as one of the few women members of the Congress, and as a delegate to our party's 1972 convention, I was actively involved in the movement to make our party more representative, and shall continue to be so involved.

The reform guidelines did not establish quotas for representation of women, minorities and the young. They did require the elimination of all vestiges of discrimination against these historically underrepresented groups and required state parties to undertake affirmative action to encourage their greater representation at the 1972 convention.

But while quotas were not established by the McGovern-Fraser reforms, this is not to say they were never applied. Some state parties adopted systems that required roughly equal numbers of women and men to be selected as delegates, and also set approximate percentages for young people and minorities. The Democratic National Committee's interpretative rulings allowing a prima facie challenge to rest on the actual numbers present in the state's delegation led often to a litmus paper test of compliance. This litmus paper test was used to fill the void created by the failure of the national party to undertake any ongoing review of whether affirmative action was taken during the delegate selection process itself. Despite the fact that all states were asked to submit affirmative action plans by January 1972, only three did so and the others were not asked again.

Several of the fact-finding hearings that were part of the Credentials Challenge process in 1972 looked closely into whether affirmative action had in fact been taken, and often the conclusion was that it had not. These hearings were conducted by talented and distinguished groups of men and women selected by Credentials Chairwoman Patricia Harris. In one state, the hearing officer found that the state party took no affirmative steps to involve women in the delegate selection process, or even to register them as party members; efforts by women to encourage party compliance with guidelines A–1 and A–2 were laughed at and rejected; women were excluded from a closed dominant faction slate, and virtually absent from state and county party offices.

In another challenge, the hearing officer found that the state party failed to make any special efforts to comply with the guideline A–2, women were absent from the top ranks of the state party leadership, and seriously underrepresented on the national convention delegation.

These findings were frequently ignored in the credentials challenge deliberations. I mention them now not to reopen old wounds but to suggest that too much attention was paid to numbers in 1972 and too little to the process itself because the procedures through which the guidelines were applied, not because of any inherent fallacy with the concept of affirmative action.

The Mikulski Commission must now work on developing procedures that will effectively implement the concept of affirmative action. Indeed, you have a direct mandate from the 1972 convention to do this. Thus, while there are those who would have us debate whether affirmative action to encourage representation of women, minorities and the young is a necessary requirement, the real issue is not whether this should be policy, but how it should be implemented. This specific mandate cannot be ignored.

It is a mandate that was adopted by a convention of delegates more representative than ever before, and it is time to dispel some of the myths about who was present in Miami Beach.

Certainly young people, women and minorities were present in Miami Beach in much greater numbers than in previous conventions. I think that is a cause for pride, not panic.

An analysis of the composition of the 1972 convention was made by Martin Plissner, the political editor of CBS, and it is an eye opener.

In 1972 women were 40 percent of the delegates. Another way of saying that, of course, is that men were 60 percent of the delegates. Blacks, who accounted for only 5.5 percent of the delegates in 1968, had 15 percent in Miami. That is not a disproportionate figure when you consider that they are 11 percent of the population and at least 20 percent of the Democratic presidential vote.

In 1968, the age group under 30 had only three percent of the delegates, although they are 19 percent of the population and 29 percent of the eligible electorate. At Miami, their number rose to 24 percent.

Some people have suggested that two groups were especially underrepresented at Miami—organized labor and the party's elected officials. The CBS analysis shows on the contrary, that the percentage of labor leaders rose from 4 percent in 1968 to 5 percent in 1972. The percentage of union members rose from 15 percent to 16 percent. More than half the union members cast their presidential ballot for George McGovern, so that the real objection may have been not to the number of unionists present but rather to the nominee they favored.

There were fewer Senators, Governors and members of Congress at the 1972 convention than in previous years, but nevertheless 19 percent of the delegates to Miami were public office holders and another 6 percent had held office in the past. Thirty-eight percent held some party office aside from being delegates.

Since Miami, we have seen a continuing effort to make the reforms the scapegoats for the loss of the election. In particular, the presence of significant numbers of women, minorities and young people was credited for the selection of George McGovern as the candidate and the subsequent defeat. This myth should be reexamined in the light of the Watergate disclosures, and we should stop apologizing for having had a Democratic convention.

The CBS analysis points out—and I agree—that it would be a mistake to assume that if there had been fewer McGovern-voting Blacks, women and young people their replacements would have been older, white, male supporters of someone else.

Most of the delegates who voted for McGovern at Miami Beach had been chosen in primaries or at conventions where those voting for them had been consciously choosing McGovern delegates. If they had not had an opportunity to vote for a woman McGovern delegate, they would have picked a man McGovern delegate. The end result would still have been the nomination of George McGovern.

I do think that the 1972 convention had serious deficiencies. Forty-three percent of the delegates reported income of over $20,000 and only 5 percent had income under $5,000. Only 4 percent were blue collar workers. There is no indication that things were any different at the 1968 convention.

We need a continuing broadening and opening of our party to reflect the diversity of American life. We must have more women, but they should be from all classes, all ethnic, racial and economic groups. We must have more working people and unionists, not only union officials but rank-file-and-file members. We need young people not only the educated and those who were fortunate enough not to be drafted, but the young men and women working in factories and farms and those who had to fight in that dirty war in Vietnam.

The real issues before this commission is not the imposition of quotas, but how it can guarantee diversity and democratic representation within our party.

I therefore support the following proposals:

The Affirmative Actions sections of the guidelines (A–1 and A–2) should be strengthened. The goal should be reasonable representation on the states' convention delegation of women, minorities and youth in proportion to their presence in the states's Democratic voting population, not its general population. The Commission should consider adding workers and the elderly to the list of categories against which a state's delegation should be checked to determine if "reasonable representation" has been assured.

The Democratic National Committee should commit money, technical assistance and other resources to help state party organizations fulfill the goals of affirmative action. Monitoring and compliance review should be available to states to carry out this implementation. The burden of proof that the political process through which party affairs are conducted is open and accessible to all should rest with the state party organizations and the DNC as it did in 1972.

Each state should be required to submit to the DNC or the Commission an affirmative action plan by April, 1974. These plans should include a program of public information to give ample notice of party meetings and party rules; dates and plans for specific events designed to involve women and members of other underrepresented groups in all party affairs; listing of location and times of such events showing that they provide access for all Democratic voters; provision at each event for child care facilities and transportation; and state compliance committees.

The Mikulski Commission should be prepared to certify or to withhold certification that a state's party rules and statutes with which delegate selection will take place conform to the Commission's and the Party's affirmative action rules.

Finally, I would like to point out that the same people who would have us debate mythical quotas which are really goals for participation are at the same time calling upon this Commission to adopt an obsolute quota system to guarantee representation of elected officials at the convention. As a Congresswoman, I would benefit by the automatic delegate seat that such a proposal would provide for me. But I do not believe the party would be providing real responsive leadership in the process of selecting our national candidates by awarding elected officials automatic delegate seats. Nor do I believe that the state party should have any proportion of delegate seats to give away.

We have worked since 1968, with the clear mandate of two national conventions to develop requirements of timeliness, proportional representation and goals of reasonable representation in the delegate selection process. As an elected official, let me say clearly that I believe that no delegate should be excused from complying with these requirements merely because of the office he or she holds. It should also be noted that the overwhelming number of Senators, Governors and Representatives are white males. Automatically seating them would make the goal of full representation more difficult to achieve.

I recognize that elected officials can bring to a convention a great deal of wisdom gained through experience. If they are seated as exofficio delegates, they should not be allowed to vote unless they are elected delegates.

I urge the Commission to stand fast on the McGovern-Fraser reforms, and I would cite a recent episode which indicates what happens when the party leadership is not mandated to ensure fair representation. On September 15th our party conducted a nationwide telethon and succeeded in raising pledges of more than $5 million. I was happy to participate in this worthy effort as one of three representatives from the New York State Democratic Committee, but I must say that I was shocked at the composition of the politicians and entertainers who monopolized the TV screen for eight hours. They were overwhelmingly white males. Only one elected Democratic woman official made a formal speech. None of the many outstanding women who hold office within our party spoke. There were few Blacks, no young people and one Spanish-speaking Democrat was produced at the tail-end of the program to improvise a few words in Spanish. Only a few women were included among the entertainers, and most insulting and unreal of all, in a continuing skit that ran at intervals through the eight hours we saw the spectacle of Thomas Jefferson, Abraham Lincoln, Theodore Roosevelt and Steve Allen trying in vain to persuade a woman autocrat that democracy was desirable.

The telethon was an unhappy remembrance of things past. Members of the Democratic Party have progressed far beyond the point where they can pretend any more that they live in a world consisting almost exclusively of middle-aged, white males. It is ironic that the committee named by this Commission to draft its recommendations is itself heavily weighted with men. May I suggest that reform should begin right here and now.

The Democratic Party must not retrogress to exclusionary policies. It must not just pay lip service to reform. If it is to assume fully its responsibility to organize and mobilize the American people against the assaults of the Nixon Administration, then it must open up its ranks to all groups, concern itself with the issues that affect the great majority of Americans, and give real, democratic leadership.

A CANADIAN SPEAKS OUT FOR AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. FULTON) is recognized for 5 minutes.

Mr. FULTON. Mr. Speaker, in these days of trade and foreign monetary assaults on the United States one is tempted to wonder "does anyone care or even remember that many of these nations who appear to be waging economic war on the United States can thank the American people for their very existence today?"

Around the world it is seemingly the practice to criticize and find fault with this Nation for every conceivable ill, real or imagined. When America lends a helping hand to some stricken nation or people little is noted in the world press. But just let us make one controversial move or decision and the world's editorial writers are quick to condemn or view with alarm.

Therefore, it was very refreshing recently to me to receive a copy of a radio editorial aired in Canada earlier this summer by Mr. Gordon Sinclair. The thoughtful provider of the comments by Mr. Sinclair was Mr. F. C. Sowell of Nashville, Tenn., one of the South's most distinguished broadcasters.

Mr. Speaker, I ask unanimous consent to place Mr. Sinclair's comments commencing with the editor's note in the RECORD at this point. I commend it to the attention of my colleagues:

(EDITOR'S NOTE.—The following editorial was presented by Gordon Sinclair on Radio Station CFRB, Toronto, Canada, on June 5, 1973, and is being widely reprinted in the United States. This Canadian viewpoint should give strong encouragement to those Americans who have become distressed by attacks at home and abroad on this republic's purpose and performance.)

The United States dollar took another pounding on German, French and British exchanges this morning, hitting the lowest point ever known in West Germany.

It has declined there by 41 per cent since 1971 and this Canadian thinks it is time to speak up for the Americans as the most generous and possibly the least appreciated people in all the earth.

As long as 60 years ago, when I first started to read newspapers, I read of floods on the Yellow River and the Yangtze. Who rushed in with men and money to help? The Americans did.

They have helped control floods on the Nile, the Amazon, the Ganges and the Niger.

Today the rich bottomland of the Mississippi is under water and no foreign land has sent a dollar to help.

Germany, Japan and, to a lesser extent Britain and Italy, were lifted out of the debris of war by the Americans who poured in billions of dollars and forgave other billions in debts.

None of those countries is today paying even the interest on the remaining debts to the United States.

When the franc was in danger of collapsing in 1956, it was the Americans who propped it up and their reward was to be insulted and swindled on the streets of Paris.

I was there. I saw it.

When distant cities are hit by earthquake it is the United States that hurries in to help . . . Managua, Nicaragua, is one of the most recent examples. So far this spring, 59 American communities have been flattened by tornadoes. Nobody has helped.

The Marshall Plan and the Truman Policy pumped billions upon billions of dollars into discouraged countries. Now newspapers in those countries are writing about the decadent war-mongering Americans.

I'd like to see just one of those countries that is gloating over the erosion of the United States dollar build its own airplanes.

Come on, let's hear it!

Does any other country in the world have a plane to equal the Boeing Jumbo Jet, the Lockheed Tristar or the Douglas 10?

If so, why don't they fly them? Why do all international lines except Russia fly American planes?

Why does no other land on earth even consider putting a man or woman on the moon?

Your talk about Japanese technocracy and you get radios. You talk about German technocracy and you get automobiles.

You talk about American technocracy and you find men on the moon, not once but several times . . . and safely home again.

You talk about scandals and the Americans put theirs right in the store window for everybody to look at.

Even their draft dodgers are not pursued and hounded. They are here on our streets. Most of them, unless they are breaking Canadian laws, are getting American dollars from Ma and Pa at home to spend here.

When the Americans get out of this bind . . . as they will . . . who could blame them if they said the — with the rest of the world. Let someone else buy the Israel bonds. Let someone else build or repair foreign dams or design foreign buildings that won't shake apart in earthquakes.

When the railways of France, Germany and India were breaking down through age, it was the Americans who rebuilt them. When the Pennsylvania Railroad and the New York Central went broke, nobody loaned them an old caboose. Both are still broke.

I can name to you 5,000 times when the Americans raced to the help of other people in trouble.

Can you name me even one time when someone else raced to the Americans in trouble?

I don't think there was outside help even during the San Francisco earthquake.

Our neighbors have faced it alone and I'm one Canadian who is—tired of hearing them kicked around. They will come out of this thing with their flag high. And when they do, they are entitled to thumb their nose at the lands that are gloating over their present troubles.

I hope Canada is not one of these.

But there are smug, self-righteous Canadians.

And finally the American Red Cross was told at its 48th annual meeting in New Orleans this morning that it was broke.

This year's disasters . . . with the year less than half over . . . has taken it all and nobody has helped.

ON BEING FAIR TO DEALERS IN PETROLEUM PRODUCTS

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, on Tuesday, September 25, 1973, I introduced a bill to compel the Cost of Living Council to be fair to dealers in petroleum products. I was joined in this by Members of the Florida delegation and others. It is H.R. 10502.

This bill proposes two things. First, it allows small business marketers to raise the price of their products to the consumer if their supplier increases the cost to them. Second, the bill would force the Council to apply the same measuring stick to small business that it has applied to the big oil companies.

What has happened, Mr. Speaker, is that the Cost of Living Council has singled out the small businessman in the field of petroleum products—the gas station owner and operator—for discriminatory application of regulations. The result is that thousands of small businesses are on the verge of being forced out of business, with a resultant shortage of petroleum products to the user.

Under present regulations, the gas station operator is not allowed to raise the price of petroleum products to the consumer when his own costs rise. This is grossly unfair and it is unique to the petroleum industry. Other classes of businesses are allowed to pass along their own cost increases on a dollar for dollar basis, thus assuring that the margin of profit remains constant. This is not the case with the gas station operator. He must maintain a constant sale price even if the gasoline company from whom he buys boosts prices to him.

Even more unfair is the fact that the Cost of Living Council has, for some unknown reason, chosen to apply different sets of regulations to the same industry. Gas station operators were ordered to set their price levels at January 10 prices. This date happens to coincide with the time when price wars were underway and prices and profits were abnormally low. At the same time, the oil companies were ordered to set their prices at the May 15 level, a period following a series of price increases to dealers. Thus the huge oil companies set prices at a peak period and the gas station operator sets his prices at a low period. This also is unfair and should be corrected.

My bill would order the Cost of Living Council to set the same base period for all businesses dealing in petroleum products. If the big oil companies set base prices at May 15, the small station owner should do the same.

I believe this bill does nothing more than bring fairness to a vital industry. While some may think it is special legislation concerning itself only with one industry, the fact is that only one industry has been so singled out for this unfair treatment and only the gas station operator is having to bear the brunt of this policy.

Station operators have tried to no avail to have the policy changed. It remains to the Congress to take action if the Government agency charged with being fair to everyone fails to do so.

I urge speedy hearings on this measure and quick approval by the Congress so that thousands of small businessmen in America can remain in business and so all Government agencies are given the congressional message that this body will not tolerate unfairness to any segment of the economy during the crisis of inflation.

The House on yesterday took a step which showed clearly the dissatisfaction of this body with present policy toward the smaller dealers in petroleum products. By an overwhelming vote an amendment was added to the continuing resolution which makes it very clear that the House wants the Cost of Living Council to take prompt steps to insure fair treatment. However pleasing this is, it is not a permanent solution if indeed it provides any solution at all. It shows clearly the temper of the House, but only the enactment of a bill such as mine will insure that the present unhappy situation be corrected. Even though the Cost of Living Council should relent and modify its rulings my bill will be needed to protect the small businessmen in this industry in the future.

FBI SHOULD NOT MAINTAIN POLITICAL FILES ON MEMBERS OF CONGRESS

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on January 3 of this year, I introduced the "Federal Privacy Act" to regulate the maintenance of information on private citizens by agencies of the U.S. Government. This legislation is designed to insure that such information is complete, accurate, and used only for appropriate purposes. In my judgment, these are the minimal safeguards necessary to provide a general system to protect our citizens from unwarranted invasions of privacy. But there is a dimension to the privacy problem left untouched by my Federal Privacy Act. It involves the special problems involved when the executive branch of the Government collects information about the legislative branch.

This problem emerged almost a year ago, with the admission by then Acting Director of the Federal Bureau of Investigation L. Patrick Gray that the FBI had been maintaining files on Members of Congress. His concession came only after columnist Jack Anderson had discovered FBI files on Representatives Frelinghuysen, Reuss, Fauntroy, Albert, Ford, and others.

Upon learning of the existence of these records, I, along with my colleagues Benjamin Rosenthal and Jonathan Bingham, wrote to the FBI requesting that we examine any files relating to each of us. The succeeding correspondence was placed in the Congressional Record of September 12, 1972. According to Director Kelley, no "governmental purpose" would be served by examination of these files. My question is: What "governmental purpose" is served by their existence?

This question cannot be answered unless there is some indication of the files' contents. Former Acting Director Gray admitted not only that the files are "not essential to FBI operations", but referred to their contents as "rot". In addition, Jack Anderson reported that they include highly personal information with no conceivable relevance to the legitimate operations of the FBI. In my mind, this throws considerable doubt on the FBI's public insistance that the files feature only general "biographical information". Throughout my contact with the Bureau, I have been furnished with no justification for the maintenance of congressional files. Whether intentional or not, the maintenance of these files creates the potential for serious abuse of FBI or Executive power.

At first glance, it might appear that this problem is of concern only to Members of Congress. I would argue strongly to the contrary. The events of the past year have demonstrated once again that the liberties of all of our citizens depend very directly on the independence and vigor of the Congress. The issue here runs deeper than a simple matter of unjustifiable invasion of privacy. The files in question constitute a direct challenge to the delicate system of checks and balances that has served to prevent the concentration of power in any one branch of power of the Federal Government. That system absolutely demands that each branch of government function equally and independently.

Mr. Speaker, as long as FBI congressional files exist, the tripartite system is threatened. The potential for the intimidation of elected Senators and Representatives by those charged with the enforcement of Federal law should be frightening to all Americans. Any action which discourages the unfettered discussion of issues by public officials poses a threat to the democratic process. The autonomy of Congress stands in jeopardy as long as an apparatus for Executive coercion is officially tolerated.

I have been informed by FBI officials that statutory limitations now prevent destruction of these files. Therefore, I am today introducing legislation to require their destruction after a period of 60 days, during which each Senator and Representative can become apprised of the contents of his or her own file. Exemptions from this requirement involve those files maintained pursuant to a criminal investigation of a Member of Congress and those maintained to assist in the consideration of a Member for a Federal appointment. The existence of criminal files must be revealed to the Speaker of the House—in the case of a member of that House—or the President pro tempore of the Senate—in the case of a member of that House—and must be destroyed only if no charges against the Member are filed after 3 years of the file's existence. Similar notification must be given of the existence of appointment files. Their destruction will follow after 6 months during which the Member has not been appointed to the office in question.

In my judgment the FBI is violating the Freedom of Information Act in not allowing Members to examine their files. Thus, the introduction of my bill should not in any way suggest that the FBI await congressional action before opening the files to individual members.

I regret having to pursue the elimination of these records by legislative means. The resistance of the FBI gives the Congress no other choice. The legislative branch was established to give the most direct expression to the popular will. We must now ensure that it retains the complete freedom to do so.

The bill and its cosponsors follows:

H.R. 10548

A bill to require the destruction of certain files maintained by the Federal Bureau of Investigation with respect to Members of Congress, and to require notice to the Speaker of the House of Representatives and the President pro tempore of the Senate of certain other such files.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law, the Director of the Federal Bureau of Investigation is directed to permit any Member of Congress to examine any file or other record maintained by the Federal Bureau of Investigation and indexed or identifiable to such Member of Congress, upon the request of such Member, unless such file is exempt from such examination under section 2. Not later than the sixtieth day following the date such examination is concluded, the Director of the Federal Bureau of Investigation is directed to destroy any file so examined, without divulging the information contained in such to any person. The Director of the Federal Bureau of Investigation is directed to destroy promptly, without divulging the contents of such file to any person, any file subject to examination by a Member of Congress under this section, whether or not such examination takes place or is requested, but no such file shall be destroyed prior to ninety days after the date of the enactment of this Act.

Sec. 2. (a) No file shall be subject to the examination of a Member of Congress or destruction under the first section of this Act if such file is maintained by the Federal Bureau of Investigation as a part of an investigation into the alleged violation by such Member of Congress of a specific criminal law for the purposes of prosecution, but the Director of the Federal Bureau of Investigation shall, in the case of each file so maintained, give notice not later than six months after the commencement of the maintenance of that file to the Speaker of the House of Representatives (in the case of a Member of that House) or the President pro tempore of the Senate (in the case of a Member of that House) of the fact that such file is being maintained. No file shall be exempted under this subsection from examination and destruction under the first section of this Act if such file has been maintained for any period greater than three years after the date of the enactment of this Act and no criminal charges or indictment have been filed in court during such three years against the Member to whom such file is identifiable or indexed.

(b) No file shall be subject to the examination of a Member of Congress or destruction under the first section of this Act if such file is maintained by the Federal Bureau of Investigation as a part of an investigation into the background of such Member of Congress to assist in the consideration of such Member for any appointive position in the executive or judicial branches of the Federal Government, but the Director of the Federal Bureau of Investigation shall, in the case of each file so maintained, give prompt notice to the Speaker of the House of Representatives (in the case of a Member of that House) or the President pro tempore of the Senate (in the case of a Member of that House) of the fact that such file is being maintained and of what appointive office is involved. No file shall be exempted under this subsection from examination and destruction under the first section of this Act if such file has been maintained for a period greater than six months, and the Member of Congress to whom it is identifiable or indexed has not been nominated to the office to be mentioned in the notice given to the Speaker of the House of Representatives or the President pro tempore of the Senate under this subsection.

A NEW YEAR'S WISH

(Mr. PODELL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, tonight at sundown, Jews the world over will begin the observance of Rosh Hashana, the New Year. This festival marks the most solemn time of year for Jews, during which we reflect on the events of the past year, repent for our transgressions, and make our peace with the Almighty.

We have one overriding wish as we prepare to celebrate Rosh Hashana—that the coming year be a sweet one, for ourselves, for our families and loved ones, and for people everywhere. We pray for peace and freedom, and that the blessings we have enjoyed in the past year will continue.

There will be an additional element in our prayers tonight, and during the next 10 Days of Awe. We will be praying for the safety of our brothers and sisters who are trapped in the Soviet Union, and we will be praying that they may soon be free in Israel.

One of the most significant events in the Congress, and for the world Jewish community, was the introduction of the Mills-Vanik Freedom of Emigration Act. The overwhelming support this measure received, both in the Congress, and from hundreds of Jewish and non-Jewish organizations, demonstrated that the problems of Soviet Jews were not a narrow issue. They reflected in microcosm the worst defects of the Soviet system—the systematic repression of divergent opinions, of dissidents, of intellectuals, of anyone who dared to be different. Jews have always been hated in Russia. In that respect the commissars are no different than the czars. But the anguish of those Jews in Russia who are seeking permission to emigrate illustrates how the power of the Soviet regime is marshaled against anyone who says that Russia is less than heaven on earth.

We are morally obligated to pass the Vanik amendment. If we give in now to the siren enticements of increased trade with Russia, we will be doing no less than sacrificing innocent human lives. For too long, American foreign policy, both economic and political, has ignored the moral implications of policy decisions. For too long, we have sought to make ourselves look good and make our coffers bulge, without thinking of the costs in human terms.

The cost is great, Mr. Speaker. For every Jew who is given permission to emigrate, two others are arbitrarily denied that permission. Every Jew who has received permission has had to suffer long months of persecution and humiliation. Those who applied but were turned down will continue to suffer, for they have marked themselves as enemies of the state. And how many are afraid to apply, because they have seen the "examples" made of those who were not afraid?

How we can trade with such a nation in good conscience is something I will never understand. How we can let brilliant artists, such as Solzhenitsyn and Panov, undergo the psychological torture of living in a political prison state, defies comprehension. How can we inure ourselves to the pleas of people such as Alexander Tiompkin, whose 13-year-old daughter was forcibly removed from his custody when he applied for permission to emigrate with her to Israel, is past all rationalization.

As the Jews in America and in every free nation turn themselves to their devotions during the high holy days, their thoughts will be with the Jews in Russia, most of whom have no place to worship, no synagogue, no Ark containing the holy Torah, no rabbis. We will pray with them and we will pray for them.

We will also pray that the Congress of the United States will not sacrifice morals to Mammon. We will pray that the New Year, which begins tonight at sundown, will bring the blessing of freedom to the Jews in Russia. For only then will the New Year truly be a sweet one.

To all my friends and colleagues I wish "L'shana tova"—a happy and healthy New Year.

HOW NOT TO FIGHT INFLATION

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, when President Nixon was reelected last year, he made a point of telling the American people how he would bring inflation under control. The American people had given him a mandate, he said, and he would do everything necessary to curb the high cost of living.

Well, in the less than 1 year since President Nixon was sworn in for his second term, we have witnessed a rate of inflation unprecedented in the history of this Nation. In the 6 months from January to June 1973 alone, the rate of inflation was a full 8 percent. This is a far cry from the 3 to 4 percent predicted by the President's economic advisers. Fortunately, for our peace of mind, these wizards have stopped making predictions. But prices still keep going up.

This administration's economic policies defy comprehension. When the Cost of Living Council was established, we looked to it as the last hope for curbing rising prices. But, instead, it has been approving price hikes for this Nation's major industries. The steel industry got its price hike. So did the automobile manufacturers. Steel is one of those basic industries which, when its prices go up, sets up a spiral of price rises in many other manufacturing industries. This is not fighting inflation, but inviting it with open arms.

Such shortsightedness is not the exclusive province of the Cost of Living Council. The administration itself, in the person of the President, has been equally at fault. When the President turned down less than a 5-percent pay raise for millions of white-collar Government workers, he did so on the grounds that to approve the increase now would be inflationary. This would not have been so hard for Government employees to swallow were it not for the fact that, just a short time earlier, he approved a substantial wage increase for postal workers. Why was this not inflationary?

And now, in order to pay for the postal workers' increased salaries, we are faced with the prospect of an increase in postage rates. First class and airmail stamps will go up 2 cents in price. In the case of regular first-class mail, this is a 25-percent increase. It may not seem like much in itself. But when taken along with the actions, or lack thereof, by the Cost of Living Council, it is readily apparent that inflation control is a sometime thing for this administration.

There is so much in the President's economic policies that is unfair to this Nation's work people. Selling one-quarter of our wheat crop to the Soviet Union, without giving a thought to the market disruptions it would cause at home, was unfair. Preventing gasoline retailers from passing through their increased costs while major companies, refiners, and distributors could raise their prices was unfair. Denying Government workers their pay raise while granting United States Steel its price increase is grossly unfair.

Mr. Nixon is President of all the people, not just of United States Steel, Standard Oil of California, or the Consolidated Grain Co. If these corporations are allowed to work their will upon the consumer, and the consumer is given no means of fighting back, then the only conclusion which can be reached is that the President simply does not care about the millions of men and women in this country who work hard for every dollar they earn.

The President's lopsided policies have created inflation in this country, and kept it thriving at an unbelievably high rate. It is unconscionable to say that a 4.77-percent raise for Government employees could make inflation worse. This flies in the face of economic realities. It is not the small salary of the worker which must be controlled, but the vast profits of the giant conglomerates, the built-in inefficiencies in the food industary, the ever-increasing price of unnecessary military boondoggles, which must be curbed.

STATEMENT OF ROBERT F. DRINAN, MEMBER OF CONGRESS, ON THE REQUEST BY VICE PRESIDENT SPIRO AGNEW FOR A HOUSE INQUIRY

(Mr. DRINAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DRINAN. Mr. Speaker, I hope that the Members of the House of Representatives refuse to accede to the request of the Vice President for an inquiry of alleged wrongdoing on his part.

After the most diligent study, inquiry, and discussion on this matter I have come to the conclusion that this particular request is unjustified by law, logic, or history.

UNJUSTIFIED BY LAW

There is nothing in the Constitution which forbids any Federal officer, including the Vice President and the President, from being indicted or otherwise proceeded against by reason of crimes unrelated to their position as a Federal official. This rule is particularly true when the inquiry relates to alleged wrongdoing on the part of the officeholder prior to the time that he became a Federal official.

The whole thrust of the impeachment clause makes it clear that this provision of the Constitution is designed not to investigate or punish crime, but only to come to some judgment with respect to that type of official misconduct which justifies removal from office.

There is, furthermore, no existing American judicial precedent by which the House of Representatives could in effect issue an injunction for a grand jury investigation scheduled to begin tomorrow, Thursday, September 27.

Even if a resolve passed the House of Representatives today mandating an inquiry along the lines that the Vice President requested, it would be my judgment that the U.S. attorney in Baltimore and the Attorney General of the United States would not be constrained by any law to stop the investigation ordered by the Attorney General with respect to this matter on September 3, 1973.

It would be in my view a gross distortion of the separation of powers doctrine for the House of Representatives to intervene in these legal proceedings—particularly at this 11th hour.

The contention made by the Vice President that there is an atmosphere of prejudicial pretrial publicity has no relevance whatsoever to his request for a hearing before the House of Representatives. If there does in fact exist such prejudicial pretrial publicity which would preclude a grand or petit jury from arriving at a just conclusion that same prejudicial atmosphere would inevitably infect the judgments of the 435 Members of the House.

THE VICE PRESIDENT'S REQUEST IS UNJUSTIFIED IN LOGIC

There is no logical reason why the House of Representatives should accede to the desperate attempt of Mr. Agnew and his legal advisers to have this body intervene in the orderly processes of the judicial branch.

Indeed, logic strongly urges the abstention by this House and this Congress from any aspect of this particular investigation. Logic would suggest that the Vice President may well receive a more objective appraisal of the charges made against him in the routine methods of the Federal courts where the presumption of innocence, the customary rules of evidence, and appeals through regularized channels will protect the Vice President as they protect every other person accused of wrongdoing. These same elaborate processes are by no means available in a congressional inquiry where, almost inevitably, partisan judgments enter into the final result.

A REQUEST UNJUSTIFIED BY HISTORY

The precedent of Vice President John Calhoun is not relevant or controlling in any way in connection with the request of the Vice President. Mr. Calhoun did not come to the House of Representatives some 36 hours before a grand jury was to act upon the alleged wrongdoings which he had committeed, not as a private citizen prior to the time he had become Vice President but as the Secretary of State. It would appear, furthermore, that the alleged wrongdoings of Mr. Calhoun did not approximate the apparent allegation about to be made against Vice President Spiro Agnew.

Even if, however, the action of the House of Representatives in establishing a Board of Inquiry with respect to Vice President Calhoun was the correct reaction in those circumstances, that particular unique precedent may not be utilized to justify the request of the Vice President at this time. The situation is entirely different and any appeal to the impeachment powers of the House by the Vice President can only be deemed to be a total misinterpretation of what those powers were intended to be by the Founding Fathers who wrote the Constitution. There is, in short, no analogy between the case of Calhoun and Vice President Agnew which should justify the granting of this particular request by the House of Representatives.

In short, Mr. Speaker, I feel that the granting of the request of the Vice President by the House of Representatives would be a very serious self-inflicted wound. I urge the rejection of the request of the Vice President because it is a demand without foundation in law, logic or history. It is a demand made by desperate attorneys who, by appealing to spurious history, want to impose upon this House a function which belongs not to this House but to the courts of the United States.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Cotter (at the request of Mr. O'Neill) for today on account of illness in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Parris) to revise and extend their remarks and include extraneous matter:)

Mr. Shriver, for 5 minutes, today.
Mr. Steele, for 10 minutes, today.
Mr. Hogan, for 5 minutes, today.
Mr. Sandman, for 10 minutes, today.
Mr. Cohen, for 5 minutes, today.
Mr. Kemp, for 30 minutes, today.
Mrs. Heckler of Massachusetts, for 2 minutes, today.
Mr. Whalen, for 10 minutes, today.
Mr. Robison of New York, for 20 minutes, today.

(The following Members (at the request of Mr. Breckinridge) to revise and extend their remarks and include extraneous matter:)

Mr. Owens, for 5 minutes, today.
Mr. Gonzalez, for 5 minutes, today.
Mr. Alexander, for 5 minutes, today.
Mr. Dent, for 15 minutes, today.
Mr. Wolff, for 5 minutes, today.
Mr. Annunzio, for 5 minutes, today.
Mr. Rooney of Pennsylvania, for 5 minutes, today.
Ms. Abzug, for 10 minutes, today.
Mr. Fulton, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Parris) and to include extraneous matter:)

Mr. Archer in two instances.
Mr. Winn.
Mr. Brown of Ohio in three instances.
Mr. Steiger of Wisconsin.
Mr. Young of South Carolina in four instances.
Mr. Shriver in two instances.
Mr. Erlenborn.
Mr. Beard.
Mr. Veysey in two instances.
Mr. Frenzel in two instances.
Mr. McDade.
Mr. Broyhill of Virginia in four instances.
Mr. Bob Wilson.
Mr. Wyman in two instances.
Mr. Hudnut.
Mr. Hogan.
Mr. Harvey.
Mr. Hunt.
Mr. Miller in six instances.
Mr. Ashbrook in four instances.
Mr. Martin of North Carolina.
Mr. du Pont.
Mr. Vander Jagt.
Mr. Symms in three instances.
Mr. Rousselot in two instances.
Mr. Brotzman.
Mr. Peyser in five instances.
Mr. Nelsen.
Mr. Whalen.

(The following Members (at the request of Mr. Murphy of New York) and to include extraneous matter:)

Mr. Bennett.
Mr. Edwards of California.
Mr. Moss.

Mr. Murphy of New York to revise and extend his remarks and include extraneous matter following the remarks of Mr. Flood in his special order today.

The following Members (at the request of Mr. Breckinridge) and to include extraneous matter:

Mrs. Schroeder.
Mr. Badillo in two instances.
Mr. Rarick in three instances.
Mr. Waldie in two instances.
Mr. Nichols.
Mr. Hamilton.
Mr. Edwards of California.
Mr. Dominick V. Daniels.
Mrs. Burke of California in 10 instances.
Mr. Bingham in 10 instances.
Mr. Biaggi in five instances.
Mr. Lehman in 10 instances.
Mr. Harrington in two instances.
Mr. Fulton.
Mr. Anderson of California in two instances.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 464. An act for the relief of Guido Bellanca; and

S. 2075. An act to authorize the Secretary of the Interior to engage in feasibility investigation of certain potential water resource developments.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 5451. To amend the Oil Pollution Act, 1961 (75 Stat. 402), as amended, to implement the 1969 and 1971 amendments to the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended; and for other purposes.

ADJOURNMENT

Mr. MURPHY of New York. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 11 minutes p.m.), the House adjourned until tomorrow, Thursday, September 27, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

1392. Under clause 2 of rule XXIV, a letter from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to assist States and local governments to improve their capabilities for responsive and effective governmental action; *to the Committee on Government Operations.*

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Illinois (for himself, Mr. Gilman, and Mr. du Pont):

H.R. 10536. A bill to improve the conduct and regulation of Federal election campaign activities and to provide public financing for such campaigns; to the Committee on House Administration.

By Mr. ANDERSON of California (for himself, Mrs. Chisholm, Mr. Gunter, Mr. Rangel, Mr. Riegle, and Mr. Culver):

H.R. 10537. A bill to provide for a 7-percent increase in social security benefits beginning with benefits payable for the month of January 1974; to the Committee on Ways and Means.

By Mr. BADILLO:

H.R. 10538. A bill to provide increased job training opportunities for people with limited English-speaking ability by establishing a coordinated manpower training program, a teacher training program for instructors of bilingual job training, and a capability to increase the development of instructional materials and methods for bilingual job training; to the Committee on Education and Labor.

By Mr. BROYHILL of Virginia:

H.R. 10539. A bill to increase the maximum per diem allowance for employees of the Government traveling on official business, and for other purposes; to the Committee on Government Operations.

H.R. 10540. A bill to amend the Railroad Retirement Act of 1937 to provide that a retired annuitant may elect to be subject to a system of deductions from his annuity on account of outside earnings instead of being subject to the prohibition against returning to the service of his last employer; to the Committee on Interstate and Foreign Commerce.

By Mrs. BURKE of California (for herself, Mr. Moss, Mr. Badillo, Mr. Conlan, Mr. Corman, Mr. Diggs, Mr. Eckhardt, Mr. Edwards of California, Mr. Fraser, Mr. Harrington, Mr. Hawkins, Miss Holtzman, Mr. Leggett, Mr. Matsunaga, Mr. McCloskey, Mr. Moakley, Mr. Podell, Mr. Riegle, Mr. Rooney of Pennsylvania, Mr. Rosenthal, Mr. Roybal, Mr. Sarbanes, and Mr. James V. Stanton):

H.R. 10541. A bill to amend section 611 of the Federal Aviation Act of 1958 to provide control and abatement of aircraft noise and sonic boom; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL (for himself, Mr. Moss, Mr. Rosenthal, Mr. Rooney of Pennsylvania, Mr. Evans of Colorado, Mr. Charles H. Wilson of California, Mr. Dellums, and Mr. Studds):

H.R. 10542. A bill to regulate commerce by assuring adequate supplies of energy resource products will be avaliable at the lowest possible cost to the consumer, and for other purposes; to the Committee on the Judiciary.

By Mr. DUNCAN:

H.R. 10543. A bill to amend the National Environment Policy Act of 1969 in order to encourage the establishment of, and to assist, State and regional environment centers; to the Committee on Science and Astronautics.

By Mr. HOGAN:

H.R. 10544. A bill to amend title II of the Social Security Act to provide in certain cases for an exchange of credits between the old age, survivors, and disability insurance system and the civil service retirement system so as to enable individuals who have some coverage under both systems to obtain maximum benefits based on their combined service; to the Committee on Ways and Means.

By Mr. HOSMER (for himself, Mr. Eilberg, Mr. Rinaldo, Mr. Breaux, Mr. Young of Illinois, Mr. Powell of Ohio, Mr. Ginn, Mr. Guyer, Mr. Steed, and Mr. Huber):

H.R. 10545. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HUDNUT (for himself, Mr. Shriver, Mr. Wyman):

H.R. 10546. A bill to amend the Community Mental Health Centers Act to provide for the extension thereof, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. JONES of Tennessee (for himself, Mr. Bowen, Mr. Findley, Mr. Mathis of Georgia, Mr. Nichols, Mr. Stubblefield, and Mr. Zwach):

H.R. 10547. A bill to amend the Packers and Stockyards Act of 1921, as amended, so as to more adequately cover the egg industry, and for other purposes; to the Committee on Agriculture.

By Mr. KOCH (for himself, Mr. Annunzio, Mr. Brown of California, Mr. Carney of Ohio, Mrs. Chisholm, Mr. Drinan, Mr. Fauntroy, Mr. Gray, Mr. Harrington, Mr. Helstoski, Mr. Leggett, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Nix, Mr. Podell, Mr. Rangel, Mr. Riegle, Mr. Rosenthal, Mr. Ryan, Mr. Stark, Mr. Charles H. Wilson of California, and Mr. Won Pat):

H.R. 10548. A bill to require the destruction of certain files maintained by the Federal Bureau of Investigation with respect to Members of Congress, and to require notice to the Speaker of the House of Representatives and the President pro tempore of the Senate of certain other such files; to the Committee on the Judiciary.

By Mr. MIZELL (for himself, Mr. Broyhill of North Carolina, Mr. Jones of North Carolina, Mr. Martin of North Carolina, and Mr. Ruth):

H.R. 10549. A bill to amend title 23, United States Code, to insure that no State will be apportioned less than 80 percent of its tax contribution to the highway trust fund; to the Committee on Public Works.

By Mr. PATTEN:

H.R. 10550. A bill to repeal the meat quota provisions of Public Law 88-482; to the Committee on Ways and Means.

By Mr. PEPPER (for himself and Mr. Brademas):

H.R. 10551. A bill to amend title VII of the Older Americans Act relating to the nutrition program for the elderly to provide authorization of appropriations and for other purposes; to the Committee on Education and Labor.

By Mr. PEYSER:

H.R. 10552. A bill to amend the Elementary and Secondary Education Act of 1965 to provide a program of grants to States for the development of child abuse and neglect prevention programs in the areas of treatment, training, case reporting, public education, and information gathering and referral; to the Committee on Education and Labor.

By Mr. RANDALL:

H.R. 10553. A bill to authorize and require the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare; to provide for the delegation of authority; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. REES:

H.R. 10554. A bill to amend the Rules of the House of Representatives to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Director and staff, and for other purposes; to the Committee on Rules.

By Mr. ROONEY of Pennsylvania:

H.R. 10555. A bill to prohibit without congressional approval expenditures of appropriated funds with respect to private property used as residences by individuals whom the secret service is authorized to protect; to the Committee on Public Works.

By Mr. STEELE:

H.R. 10556. A bill to amend the Federal Aviation Act of 1958 to require the Secretary of Transportation to provide for a joint study of fire retardant or noncombustible materials for use in aircraft cabins and to require the issuance of minimum standards governing materials so used; to the Committee on Interstate and Foreign Commerce.

H.R. 10557. A bill to amend section 612 of the Federal Aviation Act of 1958 to require the establishment of certain minimum standards relating to firefighting and rescue equipment and personnel; to the Committee on Interstate and Foreign Commerce.

By Mr. STEIGER of Arizona:

H.R. 10558. A bill to provide for the disposition of funds appropriated to pay a judgment in favor of the Northern Tonto Apache Indians in Indian Claims Commission docket No. 22-J, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WAGGONNER:

H.R. 10559. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. WALDIE:

H.R. 10560. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

By Mr. BOB WILSON:

H.R. 10561. A bill to amend the Federal Aviation Act of 1958 in order to authorize free or reduced rate transportation to handicapped persons and persons who are 65 years of age or older, and to amend the Interstate Commerce Act to authorize free or reduced rate transportation for persons who are 65 years of age or older; to the Committee on Interstate and Foreign Commerce.

By Mr. BERGLAND:

H.R. 10562. A bill to provide for financing and economic development of Indians and Indian organizations, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BROTZMAN:

H.R. 10563. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives to improve the economics of recycling waste paper; to the Committee on Ways and Means.

By Mr. CONTE (for himself, Mr. O'Brien, Mr. Bell, and Mr. Brasco):

H.R. 10564. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. DONOHUE:

H.R. 10565. A bill to establish a loan program to assist industry and businesses in areas of substantial unemployment to meet pollution control requirements; to the Committee on Banking and Currency.

H.R. 10566. A bill to regulate commerce by assuring adequate supplies of energy resource products will be available at the lowest possible cost to the consumer, and for other purposes; to the Committee on the Judiciary.

By Mr. HEINZ:

H.R. 10567. A bill to amend title 28 of the United States Code to provide a remedy in the nature of mandamus to be applied against the Attorney General upon the application of any person to require the investigation of certain alleged criminal offenses, and for other purposes; to the Committee on the Judiciary.

By Mrs. HOLT:

H.R. 10568. A bill to encourage and support the dissemination of news, opinion, scientific, cultural, and educational matter through the mails; to the Committee on Post Office and Civil Service.

By Mr. McDADE:

H.R. 10569. A bill to amend title 10 of the United States Code to designate the Medal of Honor awarded for military heroism as the "Congressional Medal of Honor"; to the Committee on Armed Services.

By Mr. MOSS (by request):

H.R. 10570. A bill to amend the Investment Company Act of 1940 to define duties of certain persons subject to that act and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PERKINS:

H.R. 10571. A bill to provide that the special cost-of-living increase in social security benefits enacted by Public Law 93-66 shall become effective immediately and for other purposes; to the Committee on Ways and Means.

By Mr. PEYSER (for himself, Mr, Brasco, Mr. Cohen, Mr. Conte, Mr. Conyers, Mr. Derwinski, Mr. Dickinson, Mr. Edwards of California, Mr. Fish, Mr. Findley, Mr. Gilman, Mr. Hillis, Mr. McDade, Mr. McKinney, Mr. Mitchell of Maryland, Mr. Mollohan, Mr. Podell, Mr. Riegle, Mr. Rose, Mr. Ryan, Mr. Sebelius, Mr. Vander Jagt, Mr. Walsh, Mr. Helstoski, and Mr. Fraser):

H.R. 10572. A bill to amend the Elementary and Secondary Education Act of 1965 to provide a program of grants to States for the development of child abuse and neglect prevention programs in the areas of treatment, training, case reporting, public education, and information gathering and referral; to the Committee on Education and Labor.

By Mr. PREYER:

H.R. 10573. A bill to establish within the executive branch an independent board to establish guidelines for experiments involving human beings; to the Committee on Interstate and Foreign Commerce.

By Mr. ROUSSELOT:

H.R. 10574. A bill to prohibit most-favored-nation treatment and commercial and guarantee agreements with respect to any nonmarket economy country which denies to its citizens the right to emigrate or which imposes more than nominal fees upon its citizens as a condition to emigration; to the Committee on Ways and Means.

By Mr. TALCOTT:

H.R. 10575. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act, and for other purposes; to the Committee on Education and Labor.

By Mr. TEAGUE of Texas (for himself, Mr. Mosher, Mr. Davis of Georgia, Mr. Bell, Mr. Symington, Mr. Esch, Mr. McCormack, Mr. Cronin, Mr. Fuqua, Mr. Martin of North Carolina, Mr. Flowers, Mr. Cotter, Mr. Pickle, and Mr. Brown of California):

H.R. 10576. A bill to establish a national policy relating to conversion to the metric system in the United States; to the Committee on Science and Astronautics.

By Mr. WIDNALL (for himself, Mr. McKinney, Mr. Crane, Mr. Conlan, Mr. Frenzel, Mr. Rousselot, Mr. Gerald R. Ford, and Mr. Johnson of Pennsylvania):

H.R. 10577. A bill to amend the Small Business Act; to the Committee on Banking and Currency.

By Mr. CHARLES H. WILSON of California (for himself, Mr. Coughlin, Mr. Lehman, Mr. Rinaldo, Mr. Sarasin, and Mr. Sarbanes):

H.R. 10578. A bill to establish an arbitration board to settle disputes between supervisory organizations and the U.S. Postal Service; to the Commiteee on Post Office and Civil Service.

By Mr. COLLINS of Texas:

H.J. Res. 745. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in any public place or conveyance; to the Committee on the Judiciary.

By Mr. DOMINICK V. DANIELS:

H.J. Res. 746. Joint resolution, a national education policy; to the Committee on Education and Labor.

By Mr. WAGGONNER:

H.J. Res. 747. Joint resolution proposing an amendment to the Constitution of the United States with respect to participation in voluntary prayer or meditation in public buildings; to the Committee on the Judiciary.

By Mr. MAHON:

H.J. Res. 748. Joint resolution making an appropriation for special payments to international financial institutions for the fiscal year 1974, and for other purposes; to the Committee on Appropriations.

By Mr. RAILSBACK:

H. Con. Res. 317. Concurrent resolution that all citizens should reduce the temperatures of the home and place of work by 2° during the approaching cold period in order to conserve energy; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITE:

H. Con. Res. 318. Concurrent resolution providing for a joint meeting of Congress on July 4, 1976; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself and Mr. Cohen):

H. Res. 566. Resolution providing for an investigation of charges against the Vice President; to the Committee on Rules.

By Mr. BAUMAN (for himself, Mrs. Holt, Mr. Hogan, Mr. Gude, Mr. Ashbrook, Mr. Symms, Mr. Rousselot, Mr. Gross, Mr. Crane, and Mr. Young of Alaska):

H. Res. 567. Resolution to authorize the creation of a select committee to investigate charges made against the Vice President; to the Committee on Rules.

By Mr. BRADEMAS:

H. Res. 568. Resolution providing for printing of additional copies of oversight hearings entitled "Vocational Rehabilitation Services"; to the Committee on House Administration.

By Mr. FINDLEY:

H. Res. 569. Resolution to provide for the appointment of a select committee of the House to recommend whether impeachment proceedings shall be undertaken against the Vice President of the United States; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. HASTINGS introduced a bill (H.R. 10579) for the relief of Clifford H. Macey, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

294. By the SPEAKER: Petition of the National Association of Secretaries of State, 56th Annual Conference, Williamsburg, Va., relative to election procedures; to the Committee on House Administration.

295. Also, petition of Gordon L. Dollar, Tamal, Calif., relative to redress of grievances; to the Committee on the Judiciary.

SENATE—*Wednesday, September 26, 1973*

The Senate met at 8:45 a.m. and was called to order by Hon. Gaylord Nelson, a Senator from the State of Wisconsin.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Lord God of history, we thank Thee that underneath all time and eternity are the everlasting arms. We thank Thee for the everlasting arms which reach out to gather us in and hold us up, which brace and strengthen us in every need. We thank Thee for the everlasting arms underneath all success and all failure which never let us down and never give us up. Encompass us with the everlasting arms of love and grace that we fail Thee not.

"To serve the present age
Our calling to fulfill
O, may it all our powers engage
To do the Master's will."

In His name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The second assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., September 26, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Gaylord Nelson, a Senator from the State of Wisconsin, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. NELSON thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, September 25, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the calendar beginning with United Nations on page 2.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

UNITED NATIONS

The second assistant legislative clerk read the name of Clarence Clyde Ferguson, Jr., of New Jersey, to be the representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of ambassador.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DEPARTMENT OF COMMERCE

The second assistant legislative clerk read the name of William W. Blunt, Jr., of the District of Columbia, to be Assistant Secretary of Commerce.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED NATIONS

The second assistant legislative clerk proceeded to read sundry nominations in the United Nations.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

DEPARTMENT OF STATE

The legislative clerk read the nomination of Kingdon Gould, Jr., of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of the Netherlands.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of William R. Kintner, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Thailand.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, the Senate will resume the consideration of legislative business.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the Senator from Michigan desire to be heard?

Mr. GRIFFIN. No, Mr. President.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Illinois (Mr. STEVENSON) is recognized for not to exceed 15 minutes.

REDUCTION OF TROOPS AND ARMAMENT

Mr. STEVENSON. Mr. President, no Member of Congress—and no citizen, for that matter—will deny that the Nation's security requires an ability to deter aggression, and if that fails, to defend our interests against attack.

We cannot be comfortable about Soviet and mainland Chinese intentions in the world; the repressive internal policies of these nations are repugnant to everything I believe in and everything our country stands for. We can hope for détente, but we cannot afford to be lulled into a false sense of security or to compromise our Nation's commitment to freedom.

I do not support the unilateral withdrawal of substantial U.S. combat forces from Western Europe with negotiations for mutual and balanced force reductions in Europe underway. I believe in national strength—and in negotiating from a position of strength.

When it comes to national survival, there simply are no "hawks" and doves." We all agree that such sums as are necessary for our military requirements must be raised and spent.

The tragedy is that we stumble through our debates about national defense with no reliable standard for determining what is necessary. The absence of a rational and coherent foreign policy makes it impossible to arrive at a national military policy. And then in the name of strength we achieve weakness.

The notion persists that world power and influence—national security—are directly related to the size of the defense budget.

The idea that domestic problems might be solved simply by throwing dollars at them finds no advocates; yet we allow the same notion to drive us to compulsive, nearly indiscriminate expenditures for weapons, military personnel, and power.

No one argues that the United States should become a second strongest nation. But our military policies and our impulsive approach to international relations are in fact robbing us of power and influence; our headlong pursuit of national security is, ironically, driving us toward national insecurity.

Over $50 billion spent since Mr. Nixon took office to finance U.S. military efforts in Indochina can scarcely be said to have enhanced our national security and power. The instruments of war were misapplied in horribly expensive ways—because our policy was itself misguided.

Rationalizations for our involvement in Indochina for a time struck a sympathetic cord with the American people. It began as a war to protect our own shores from a Communist threat. The only continuous thread of justification was self-determination for the people of South Vietnam. But the professed war for self-determination turned out to be, in fact, a war to support autocratic regimes in Southeast Asia which could not command the support of their own peoples. Half a million troops could not win a war for General Thieu any more than B–52's could win a victory in Cambodia for Lon Nol.

Our policy in Indochina, with all its contradictions, cost the United States dearly in blood, dollars, economic vitality, self-confidence and world influence. A military adventure, undertaken in the name of the Nation's security and continued in the name of self-determination for South Vietnam, ended by protecting neither—at a fearful cost to the United States.

This experience alone should make it painfully evident that our military priorities must be geared to a realistic and coherent foreign policy, capable of sustained support by the American people.

II

It is asking too much of Congress and the military to forge a rational defense and military strategy—if they do not have a clearly defined and articulated foreign policy on which to base national strategy.

Yet we do not have such a foreign policy. What we have had, instead, in recent years, are promises, slogans, fitful and contradictory gestures, and a series of globally televised Presidential spectaculars whose results, at best, have been mixed.

An opening by the U.S. Government to the People's Republic of China, for example, was appropriate and long overdue. But the President's Peking visit was handled in a way—by clandestine arrangements and shock revelations—that demoralized our allies in Asia and undermined Mr. Nixon's position in the United Nations with respect to Taiwan. And when the U.N. accepted the logic of his action, Mr. Nixon chastised the U.N.

The President's visit last year to the Soviet Union was less damaging to relations with our foreign friends. But the visit—and the administration's continuing conduct—suggest American indifference to the repression of personal freedom in the U.S.S.R.

What the United States gained from that exercise in Presidential diplomacy, besides the strategic arms agreement limiting deployment of defensive nuclear missiles, remains to be seen. And the antiballistic missile agreement could have been achieved without Presidential participation, in view of the manifest impracticality of devising effective ABM's.

Presidential posturing, in short, is no substitute for a prudent and thoughtful worldwide policy.

Nor are slogans masquerading as policy.

The Nixon doctrine, for example, is at best a vague phrase. At worst it could be a formula for substituting increased arms shipments for the shipment of U.S. troops abroad.

This was to be the era of "negotiations rather than confrontation." But the President's rushes to the summit and his "tilt" toward Yahya Khan in the Indo-Pakistani conflict of 1971 suggest that too often we confront our friends and negotiate with out adversaries.

And what has become of the "Year of Europe"?

Now, with the year well along, we can perhaps be glad that we hear no sloganeering about the fall of Europe. But with no visible results, we are left to wonder whether the phrase, so patronizing of our Western Allies, actually referred to a policy or was merely a catchword.

The world has lost much of its faith in our capacity for international leadership. The value of the dollar proves that. The business community in the United States has lost much of its faith in the Government's capacity for economic sense. The values on the stock market prove that. The dollar and the stock market both began to sag well before Watergate. Watergate did not create weakness. It disclosed weakness—the incompetence and the corruption which were its origin.

III

Drift and weakness in foreign relations have direct and dangerous results in the field of defense policy.

Congress cannot gear military spending to the necessities of foreign policy because it cannot perceive a policy.

And the military is left to prepare for every conceivable contingency. Forced to reach too far, our national security machinery achieves too little.

The Navy, for example, cites the need for capabilities which include "control of sealanes and areas," "projections of power ashore" and "overseas presence." Few bother to ask if the United States must—or can—control the sealanes to every corner of the world.

I doubt that the sealanes, let alone their points of origin and destination, can be protected from interdiction by missiles. I doubt that it is realistic to suppose any longer that American forces must be stationed at sea around the globe for "projection of power ashore." If intervention in local disputes by our land-based forces is inappropriate to the military realities of the mid-20th century, as the Indochinese war indicates, is not the same true of sea-based forces?

Must the United States use its Navy for an overseas presence, to show its flag? The United States last tried that technique in the Bay of Bengal during the Indo-Pakistani conflict. Our ploy accomplished nothing—except to demonstrate our own futility.

Where showing the flag may be desirable, is a fourth billion-dollar nuclear carrier really necessary? Are not our 15 attack carriers already available for this purpose, and for little else?

Until we have a coherent foreign policy and some way of estimating real contingencies, we will probably continue to spread ourselves too thinly. Even if the United States were to plan defense forces for every conceivable contingency, it could do so more effectively with less money.

The functions of a billion-dollar nuclear aircraft carrier, for example, can be performed more effectively and at lower cost by a combination of other vessels, including new surface-effect vessels, and with less vulnerability. A nuclear attack carrier is a sitting duck for a nuclear attack submarine. It is wrong to say that it does not require refueling; its planes and men do require refueling.

One is almost compelled to conclude that the nuclear aircraft carrier is a sentimental throwback to the battleship—an impressive, but expensive status symbol for the Navy. No other nation has built one; the United States already has three.

Nor do the necessities of a sound strategic policy require an accelerated Trident program—or the Air Force's proposed B–1. B–52's can be updated for use in any conventional conflicts, and can still serve as part of the nuclear deterrent well through the 1980's.

The fact is that our military priorities, for whatever contingency, real or imagined, are dictated as much by habit, impulse, and the notion that money equals power, as by any rational yardstick of need.

Our military planners have no clear perception of U.S. interests or policy in the world—because their civilian leaders give them none. Agencies once vital to the foreign policy process—the CIA's Board of Estimates, or the pre-Kissinger Department of State—have been downgraded or ignored.

The contingencies the military prepares for, consequently, reflect obsolete doctrine—or mere impulses from the White House basement.

Instead of giving guidance to the military, the State Department and the Congress tend to follow a leaderless military.

So the cycle takes another turn, and we sink deeper into the morass of uncontrolled arms spending.

IV

In these circumstances, it is little wonder that our military institutions seem hidebound and demoralized; that flabbiness and cost overruns are epidemic in the Pentagon and the armed services.

It is an unhappy fashion nowadays to heap ridicule upon the military. Yet the military at times invites such contempt—with uniformed servants, helicopters serving as limousines, plushly furnished jets for generals. Military bases which resemble country clubs, scandals of unearned flight pay, excess retirement benefits and hoked-up medals and citations do not enhance faith in the military; they destroy it.

These excesses are unsettling symptoms of a self-indulgent, flabby, undisciplined military—when what we urgently require is a lean, highly disciplined and professional military force.

There are now more commissioned and noncommissioned officers than seamen and privates in the armed services. We have 2.2 million personnel in the Armed Forces. Yet the 18,138 colonels and generals, captains and admirals in May 1972, outnumbered by 1,000 the number of officers in June 1945, when the country had 14.7 million men under arms.

If this abundance of high-ranking officers reflected the requirements of sophisticated 20th-century arts of defense, no one could complain. But the Pentagon's ranks now also include about 7,200 civilian employees who earn between $27,000 and $39,000. The military is plainly topheavy. And about 66 percent of the defense budget goes into paying and supporting Defense personnel.

The Nation requires a highly professional military which knows the bounds of its authority, respects civilian control, and is perceived once again to be the honorable profession it is. It can no longer justify the draft—it has no need for a draft. Reasonable personnel levels can be met with volunteers. If the military was recognized as an honorable, worthy profession, those personnel levels would be met by highly qualified young people of all races and backgrounds. But it takes more than wages and fringe benefits to attract volunteers. The experience of the Marines over the past makes the point that an esprit de corps and pride in one's service is indispensable to the enlistment of qualified volunteers. Besides, the wars of the future, if any must be fought, do not now require hordes of half-baked, poorly motivated conscripts.

Evidently the military is incapable of putting its own house in order. It should, therefore, be compelled to restructure personnel practices and reduce personnel levels. The way to do so is to cut authorized personnel levels substantially. A cut of 156,000, as proposed by the Armed Services Committee, would be modest.

I would hope that the Congress might give personnel practices for military and civilian personnel a thorough review and for that purpose create a Defense Manpower Commission, as proposed by Senator BENTSEN and Senator BAKER. The deadwood ought to be chopped out, overall levels reduced, the number of high-ranking officers and civilian personnel cut, and the wage and fringe benefits cut to levels comparable to those on the outside.

V

These facts would be worth little mention if our resources were unlimited—or if military spending, wise and unwise, were without impact on the domestic budget and the national economy.

But it is an unhappy fact that military spending is inflationary. The economic consequences of runaway military spending—inflation and the diversion of funds from demonstrable needs—are already destructive of national security.

The dollar's weakness and our domestic inflation are partly attributable to military spending in Indochina and Europe, and on nonproductive weapons for the U.S. arsenal. Military spending increases economic demand without augmenting supply.

There is a qualitative side to Government spending which has too rarely been recognized in policymaking: Some Government spending is deflationary. Major reforms in such fields as health, housing, and education, for example, could be adopted by the Government without the severe inflationary consequences of military spending. Domestic agricultural and energy production could be increased—in part at Government expense—to meet growing demands for food and energy at home and abroad with deflationary consequences.

It is wrong to argue, as the President argues, that inflation can be halted by cutting Federal spending in the domestic sector, but not in the defense sector of the budget.

And it is time to acknowledge that our current definition of national security is too narrow; an adequate definition must include, not just military hardware and personnel, but the confidence of the American people in their Government; the confidence of the world in our country for enlightened leadership; a sound domestic and world economy, and the conditions of a good life at home.

VI

The economic ravages of reckless military spending are but a preview of what will come, unless checked. Each down payment on a new weapons system tends to commit the Federal Government to greater payments later. An $85 billion commitment to the President's military budget for fiscal 1974 would, in all likelihood, develop into a $100 billion commitment by 1977.

Nowhere are the twin dangers of economic folly and military explosion more forbidding than in the field of strategic weapons policy.

To the extent that the United States now has any strategic policy, the policy is—quite rightly—to sustain an adequate nuclear deterrent.

Unfortunately, that policy is too often muddied by bargaining-chip theories, and by strategic arms limitations agreements which, by limiting numbers only, accelerate the qualitative arms race. The policy is also clouded at times by rank chauvinism, carefully timed leaks about real or contrived Soviet buildups, and interservice rivalry.

For all my misgivings about Soviet intentions, I find it difficult to accept the notion that the United States can decelerate the arms race by accelerating it. Yet that is what the President proposes.

The President does not argue that the United States should increase its military presence in Europe so that its bargaining position is strengthened and it has more to abandon in the mutual and balanced force reduction talks. By what logic, then, must the U.S. MIRV missiles in order to de-MIRV them?

We spend for generation after generation on nuclear arms, always finding ourselves in the same or a worse relative position. With each succeeding escalation, we move a little closer to bankruptcy—and to the flash point.

The United States took the initiative in 1962 when it unilaterally ceased the testing of nuclear weapons in the atmosphere and called for reciprocal Soviet action. That act was followed in time by the Nuclear Test Ban Treaty. We ought to follow this successful example and take similar initiatives now. We ought to embrace a comprehensive test ban treaty and go slow on the development of weapons systems of doubtful utility and extremely high cost—for example, the Trident submarine.

Other considerations aside, which makes more military sense? To invest $1,300,000,000 each in a few large new subs, their missiles, and the enormous new bases they would require, only to gain marginally greater range and silence? Or to spend less money on more Poseidon submarines?

The Trident I missile does not require the Trident submarine. The missile can be retrofitted into the Poseidon fleet, increasing the Poseidon's range from 2,400 to 4,000 miles.

To be more specific about strategic arms, our land-based Minuteman missiles are potentially vulnerable. Should we not, therefore, go slow with the further expenditures to MIRV obsolescent missiles? For its strategic deterrent the Nation can rely principally on its underseas launched missiles. With the ABM discredited and banned, we can do so confidently.

The United States has the power—with missiles capable of delivery against undefended targets—to destroy the Soviet Union. That is enough. If the SALT II talks fail, and the need arises for more offensive weapons, we can move ahead then—and the Soviets know that.

Our power to destroy any adversary is so overwhelming that it is difficult to avoid the conclusion that interservice rivalry, more than the necessities of an adequate nuclear deterrent, dictate the RB-1 for the Air Force, Minutemen for the Army and Trident for the Navy.

Our nuclear deterrent is, after all, secure for the foreseeable future. A halt to the madness must come from some-States.

The United States has time now to give SALT II a chance. It has the power to destroy its adversaries. That gives us enough time to permit at least a breathing spell during which our negotiators can be given a chance to agree with the Soviets on qualitative limitations and give other nations less of an incentive to catch up in the deadly race to join the nuclear club.

The world already spends about $230 billion a year on arms. The United States probably is the biggest spender; and certainly it is the world's foremost merchant of arms.

The administration seeks to justify indiscriminate arms sales abroad as beneficial to our economy. But our own economic distress is caused in large part by the burden of armaments. It is time to put the horse before the cart. We should not encourage developing nations to take on an arms burden they can afford far less than we.

VII

As we stagger from Vietnam and Watergate to the celebration of our 200th anniversary in 1976, it would be worthwhile to ponder what originally gave us power and influence in the world. And perhaps, before we lurch ahead once again in an undetermined direction, it would be worthwhile to ask if there is a way out of the current relentless, upward spiral of military spending.

Surely a sound military policy must be grounded in an accurate perception of the Nation's purpose and role in international politics. Too often, our purpose in the past decade seemed to be to transport the policy of containment—successful in Western Europe—to other parts of the world. The effect, quite unintentional, has been that we are now perceived as a reactionary power. We stand, ironically, in opposition to revolutionary movements that our own ideals helped set in motion.

The first requirement for the future, then, is a foreign policy—a rational, coherent, and communicable foreign policy—and one that is based not only on muscle, but upon our own best principles.

We should remember that our real power and influence among the peoples of the Earth was not won by bribing, bombing, or bullying. If others, including the Soviet Union, resort to imperialism in the name of communism or something else in a world crying for freedom, then let them be the ones to repeat the mistakes of the past. Let us instead learn from those mistakes.

The world hungers, not for Soviet navies or U.S. bombers, but for bread and hope. For a fraction of the amounts devoted to the military, the United States could be developing coal, shale, fusion power, and other domestic sources of energy.

We could be using our untapped water resources to make vast areas of the western plains fertile to provide food for ourselves and a hungry world. Gradual shifts of research and development funds from military to commercial pursuits could help us maintain the technological superiority of our exports in an increasingly competitive world market. Our interventions increasingly should be economic rather than military in this economically interdependent world.

Energy now is the classic, if belated, case in point. The Nation will either spend large sums to develop internal sources of energy or become, as it already largely is, dependent on undependable and increasingly expensive foreign sources of energy. To expend $30 billion on foreign sources of energy in 1980 will adversely affect the value of the dollar in a way that can easily be imagined.

The growing insecurity of the United States was demonstrated again recently at the Algerian conference of 76 nonalined nations. It became evident there that we have not only strained our ties in Western Europe and Japan; we have become increasingly powerless in the third world, where 70 percent of mankind lives. And yet we are increasingly dependent upon that third world for raw materials, including oil and gas.

A real commitment to national security will require expenditures to increase the production of raw materials at home and to provide development assistance abroad. The United States rushes in with humanitarian assistance in Western Africa, Bangladesh, perhaps next in North Vietnam—but too rarely with other nations to cement mutually profitable and amicable relations and self-sufficiency in the angry third world.

A real commitment to national security will require both bilateral and multilateral development assistance abroad. World prosperity, stability, and peace simply cannot survive the gulf between the have- and have-not nations.

The Japanese now control far greater sources of raw materials in the world through economic might than they ever did through force of arms. Neither force of arms nor neocolonialist adventures will guarantee us adequate sources of raw materials. Our influence will depend on good will and our trading position. It does not require nuclear aircraft carriers or massive ground forces. To the contrary, excessive spending on such purposes can be dangerously counterproductive.

With our assistance, Japan plowed its wealth back into the creation of more wealth, not into unproductive weapons systems. So did the West Germans. And while both economies face dislocations in the future, those nations rose from the ashes of World War II to become our principal economic competitors. The dollar is weak. The yen and the deutschemark are strong.

Perhaps, as we enter a new and demanding era in our foreign relations, we can profit by the example of these two once-ruined nations.

VIII

No nation in the world is as secure militarily as the United States. Unlike the Soviet Union and the People's Republic of China, we look across our borders at countries that wish us well. We are fortunate in our friends in Europe and in Asia.

We have every reason to behave not like a frightened giant, but like the secure and well-defended Nation that we are.

Some of these suggestions will be viewed, by the pragmatists who have for so long held sway, as visionary or naive. Yet it is these very pragmatists who have served up, in the past, realistic policies that have been discredited by events. It is these pragmatists who have proven—without themselves perceiving—that a different vision of the future, and a clearer understanding of our past, are what we now most need.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the unfinished business, H.R. 9286, which will be stated by title.

The legislative clerk read as follows:

> A bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

The ACTING PRESIDENT pro tempore. The pending question is on the amendment offered by the Senator from Montana (Mr. MANSFIELD), No. 538, to amendment No. 527. There will be 2 hours of debate.

The Mansfield amendment is as follows:

> In lieu of the language proposed to be inserted, insert the following:
>
> SEC. . (a) The Secretary of Defense shall take such action as may be necessary to reduce, by not less than 50 per centum, the number of military forces of the United States assigned to duty in foreign countries on March 1, 1973. Such reduction shall be completed not later than June 30, 1976; and not less than one-fourth of the total reduction required to be made shall be completed prior to July 1, 1974, and not less than one-half of such total reduction shall be completed prior to July 1, 1975.
>
> (b) Notwithstanding any other provision of law, no funds may be expended on or after July 1, 1974, to support or maintain military forces of the United States assigned to duty in foreign countries if the number of such forces so assigned to such duty on or after such date exceeds a number equal to the number of such forces assigned to such duty on March 1, 1973, reduced by such number as necessary to comply with the provisions of subsection (a) of this section.
>
> (c) As used in this section, the term "military forces of the United States" shall not include personnel assigned to duty aboard naval vessels of the United States.

Mr. MANSFIELD. Mr. President, the time I yielded to the distinguished Senator from Illinois should come out of the time under the amendment.

I ask unanimous consent that there be a brief quorum call, with the time charged to both sides.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STEVENSON). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, in my opinion, the Senate and Congress are going hog wild so far as expenditures for the Department of Defense are concerned.

Yesterday, the Senate agreed to the Cannon amendment, which will add almost a half billion dollars to the bill now under discussion.

Furthermore, the Senate adopted the Hartke recomputation amendment, which will add something on the order of $300 million this year; and by the end of the century, for under 1 million military retirees who fall within the particular category which this amendment would embrace, the figure has been estimated at $25 billion.

I wonder when we are going to wake up to the realities of the economic situation which confronts this Nation today and not be dragged in and bowed down by lobbyists from the outside who run up and down the corridors of the Senate Office Buildings—and they are lobbyists who hold the highest ranks in the armed services. They want their particular gimmicks and gadgets, and they will twist arms, and the Senate will bow down to that twisting.

I think we ought to recognize the fact—and this is reiteration—that something on the order of 60 percent of defense cost is encompassed within the area of personnel. We ought to recognize that we are spending overseas at the present time something on the order of $30 billion a year to maintain our installations, personnel, dependents, U.S. civilian employees, and foreign nationals employed by the Government at these installations.

I wonder whether we mean it when we say that we are going to undercut the President's budget request this year as we have in the past 4 years and beyond or whether we are just playing games in voting for these authorizations in the hope that the Appropriations Committee will reduce them and thereby save us some discomfort and some shame.

This is a most serious proposition which confronts the Nation today and we ought to put our money where our mouths are because the time is past when we can duck and dodge and weave away. The economic situation in this Nation is too grave. Inflation is too rampant and the potential prospects are too disastrous.

I should like to read to my colleagues on the other side of the aisle a statement made by a man I consider a real conservative. When I speak of a real conservative I mean a person who is not imbedded in his idea that everything he says or does is right but who believes in what he advocates and, at the same time is willing to look at the other side of the coin. I read from the statement:

> The key to all the problems before this Congress lies in the size of our military budget.

May I say, apropos of that, that we have been told in no uncertain terms by the Secretary of Defense that the defense budget will increase for next year from $79 billion this year to $83 billion.

I continue to read:

> That determines the taxes to be levied.

That is, the size of the military budget.

> It is likely to determine whether we can maintain a reasonably free system and the value of our dollar or whether we are to be weakened by inflation and choked by Government Controls which inevitably tend to become more arbitrary and unreasonable . . .
>
> We must not so extend ourselves as to threaten economic collapse or inflation, for a productive and free America, is the last bastion of liberty . . .

May I say, apropos of the quotation I am now reading, that what this man said at that time applies to this country today. Inflation, a free economic system, and the value of the dollar—those things sound awfully familiar.

I resume reading:

> And finally, the policy we adopt must be approved by Congress and the people after full and free discussion. The commitment of a land army to Europe is a program never approved by Congress into which we should not drift. The policy of secret executive agreements has brought us to danger and disaster. It threatens the liberty of our people.—Senator Robert Taft, Congressional Record, January 5, 1951.

A man who was a prophet before his time, a man who had his doubts about the policies which were developing in relation to the stationing of troops in Western Europe in 1951.

Senator Hickenlooper asked the following question of Secretary Acheson:

> In other words, are we going to be expected to send substantial numbers of troops over

> there as a more or less permanent contribution to the development of these countries' capacity to resist?

Secretary Acheson replied:

> The answer to that question, Senator, is a clear and absolute "No."

Well, may I say to my colleagues that what we are in the process of doing if we do not face up to our responsibility is establishing as policy the permanent basing of U.S. forces in Western Europe and elsewhere, and we are doing it on the basis of outmoded policies. We are doing it because we are afraid to face up to the fact that the world has changed and that we should change with it.

I am in receipt of a letter addressed to a colleague in this body, whose name I will not mention, but I will read the letter as follows:

> The present administration had assured the voters that our troops would be brought home and our Allies would be asked to do more for themselves than they had in the past. Yet, 5 years and 85 billion dollars later nothing has happened. In fact, in your letter of July 18th, you take a less aggressive attitude than you expressed 5 years ago. You still justify our presence in Europe and the continuity of our forces there.
>
> You go on to say, if we were to terminate our commitment, we could expect a drastic revision of the European attitude, with respect to trade and monetary issues as they concern the United States.

Mr. President, may I say in passing, Just what have they been doing over the past several years?

> I just cannot agree with you in this conclusion.
>
> If there is such appreciation for what we are doing in Europe, why have the French kicked our forces out of their country and forced us to establish new NATO bases at great expense elsewhere? Why are the European Allies not living up to their commitments to NATO? So far as trade and monetary matters are concerned, if it were not for our huge military expenditures in Europe and Japan and for some of our lopsided trade arrangements, we would not need their indulgence and support.
>
> We have deteriorated our financial and economical strength greatly because of the European arrangements which has brought on two devaluations of the dollar, high interest rates and our shaky financial posture. Vietnam alone is not responsible. It is a combination of Vietnam, Tokyo and Bonn which has shaken us up so badly. It is almost incredible that the Bundesbank today holds more foreign exchange than any other central bank in the world.
>
> Our present military arrangement has enriched the European nations, particularly Germany, and has impoverished the American taxpayer. Can you imagine what America could do with these extra billions at home?
>
> Do we not trust our partners . . . that is Bonn and Tokyo? If we do, why not have them rebuild their own defenses and while this is done, have them pay for the forces which are protecting them. Even the 30 year war came to an end. Isn't there ever to be an end to World War II?
>
> A figure of 17 billion dollars is being used as our annual expenditure for NATO. This does not take into consideration our enormous expenditure for our weapons research and for the nuclear umbrella which we provide for all our Allies. Why should our defense budget represent such a high percentage of our total national income when that of our Allies is only a fraction of theirs.
>
> The position you have taken, Senator, can only bring on a further deterioration of our financial structure, more devaluation, higher national debts, higher taxes, higher interest rates, more inflation, inadequate funds for the needs of the American people. This is in contrast to the prosperity prevailing in Bonn and Tokyo who have offered to let us borrow money so we can pay for their defense.
>
> I fail to see how we can justify our position in this matter any longer. After the war, we provided the necessary protection for our Allies. We paid for our troops. There were no negotiations. We did it all out of the goodness of our hearts. Now that the picture has changed, we must go into endless negotiations with our Allies. Even when they do not know what to do with the money they are hoarding, they will not volunteer to pick up any new expenditure without a long drawn out negotiation. Do you call this appreciation for 25 years of services rendered.

I certainly do not.

Mr. President, on yesterday the so-called Jackson-Nunn amendment was agreed to. According to the press it seems that during the debate, which unfortunately I missed, the passage of that amendment seemed to indicate an undermining of the amendment which is now before the Senate. I would like to repeat again today what I said yesterday:

> The Nunn-Jackson amendment now before the Senate seeks to have the President obtain, through arrangements with the other NATO countries, payments by the other NATO countries of the balance-of-payments drain caused by the U.S. troops in Europe.
>
> A substantial reduction of U.S. troops in Europe and elsewhere is long overdue. However, even after a substantial number have been withdrawn, I believe that any U.S. troops that remain should have any balance-of-payments drainage of the United States offset by appropriate payments by the other NATO countries.
>
> In my opinion, the amendment is not at all inconsistent with the efforts to remove substantial U.S. troops from Europe and elsewhere, for that matter.

Mr. President, now we find, and this ties in with what the distinguished Presiding Officer had to say earlier this morning, that there is an overabundance of colonels, Navy captains, generals, and admirals to take care of 2.2 million military personnel. There are more men in those categories today than there were at the end of the Second World War when the number of military personnel was in excess of 15 million. That is something I think we should think about.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. AIKEN. While I think that possibly the Senator's amendment goes a little too far too fast, I believe it is headed in the right direction.

First, I would like to say we should give the administration credit for having withdrawn about 700,000 troops from overseas, largely from Vietnam within the last 2 or 3 years, and having given up about 25 percent of the military posts in foreign countries.

However, as I understand the Senator's amendment it would require 12.5 percent of our remaining overseas troops to be withdrawn before July 1974; 25 percent before July 1975; and 50 percent before the 1st of July 1976. Is that correct?

Mr. MANSFIELD. The figure would be not less than 25 percent in any 1 year.

Mr. AIKEN. Yes.

Mr. MANSFIELD. And I would point out that the Committee on Armed Services has reported a bill, the bill now pending, which calls for a reduction and discharge of 156,000 men. Any of those who were overseas would be included in the category in the amendment now pending.

Mr. AIKEN. I wanted to make sure. I have felt and I even suggested a couple of years ago that we could withdraw troops from Western Europe at the rate of about 10 percent a year. If my arithmetic is correct, the Senator's amendment would provide for withdrawing 12.5 percent the first year; that is, this fiscal year.

Mr. MANSFIELD. That is correct.

Mr. AIKEN. Next year there would be 25 percent of the total, and finally 50 percent of our overseas troops would be withdrawn.

I think I am correct but I realize it is a little difficult to figure out. I am glad the Senator graduated his amendment so that they would not all be withdrawn at the same time. It gives an opportunity for Eastern Europe and Western Europe to get together this fall to see what they can do toward reducing troop numbers in both parts of Europe.

I am inclined to vote for the amendment, but I still think it goes a little too far too fast. I assume, if approved by the Senate, it will go to conference, and undoubtedly this discrepancy between what the amendment says and what I feel will be corrected.

Mr. MANSFIELD. Yes, indeed. I appreciate the remarks of the distinguished Senator.

Mr. President, may I ask how much time is left on this side?

The PRESIDING OFFICER. The Senator has 33 minutes remaining.

Mr. MANSFIELD. Mr. President, I would like to call to the attention of the Senate the fact that the Secretary of Defense announced on August 22, a little over a month ago, that there would be more base closings and cutbacks before next year's congressional elections.

This would be the second wave of base cutbacks in about a year.

The Pentagon in April closed, reduced, or consolidated 274 installations in 32 States at a claimed savings of $3.5 billion over the next 10 years.

Sources said Schlesinger has not given the services specific guidelines in determining which bases would be closed. The number could run into the hundreds, and probably would include some overseas—probably. There are 451 major bases in the United States and 323 abroad.

Any new base closings and cutbacks probably would be announced early in 1974 when the next budget goes to Capitol Hill—that would be the $83 billion budget, and that is a bedrock figure—but would not take effect until after the voters pick their Representatives and Senators next November.

According to an article in the Allentown, Pa., Sunday Call-Chronicle, it states, under the byline of Mr. Ray Howard, that it costs $56,667 to maintain a soldier in Europe:

> We are spending $56,667 for every private, corporal, sergeant, captain, colonel, and general stationed in Europe. But official budget figures say that pay and allowances average only $7,550 per man.
>
> So what happens to the missing $49,117?
>
> Well, there is a lot of support needed, according to the Pentagon generals. That $56,667 per man includes food, shelter, guns, tanks, ammunition, helicopters, supply dumps, and other expensive toys.
>
> But no matter how you cut it, $56,667 soldiers don't come off as much of a bargain. By comparison, $10,000-a-year schoolteachers look cheap. And $9,500 cops look like a steal.

According to a book, supposedly a top secret, green covered book, which Defense Secretary Schlesinger gave to President Nixon—and this is under the byline of Henry J. Taylor, whom a lot of us in this body know—the following information is of some importance:

> Incredibly, we have a military presence today in 38 countries.
>
> Much of this costly presence results from 42 treaties—some as obsolete as the Queen of Sheba's camel.
>
> Mr. Schlesinger noted to Mr. Nixon that we are spending nearly $5 billion this year on these presences and that, almost half of them are a balance-of-payments drain on the United States.
>
> Then Schlesinger included the crusher: Only about two hundred of the citations in the 712 pages are officially listed as vital, even assuming the maintenance of five U.S. divisions in Europe to live up to our NATO commitments.

And, Mr. President, we find, insofar as foreign civilians employed by the DOD are concerned, the following: Direct hire, 60,000. Indirect hire, 109,944. There is a total of foreign civilians employed in overseas bases, for which we pay, and usually in the overvalued currency of the country in which they are stationed rather than in American dollars, almost 170,000.

And what about U.S. civilian employees of the Department of Defense outside the United States as of June 1973? 78,870. What about the military and civilian dependents outside the United States as of September 1972? 365,413.

If we add up the military, the foreign nationals employed, the U.S. civilians employed, and the dependents, we have a presence in excess of 1 million people overseas almost 30 years after the end of the Second World War, and at a cost worldwide of $30 billion a year—not just NATO, which is $17 billion, but worldwide.

There is not a continent in the world where we do not have American military personnel stationed, in one form or another, all in defense of the United States, it says. But I wonder, for example, what the defense of the United States is that calls for 1,000 Americans to be stationed, evidently permanently, in Bermuda, 2,000 Americans to be stationed in Canada, a number of American military personnel in Antarctica, the Bahamas, Bahrain on the Persian Gulf, the Leeward islands in the Caribbean, New Zealand, Norway, Saudi Arabia, South Vietnam, Australia, Cyprus, Ethiopia, Greenland, Iran, Johnston Island, Midway Island.

Well, these figures give one cause to ponder.

Now, Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator now has 27 minutes.

Mr. MANSFIELD. Mr. President, I will withhold the remainder of my time so that I may have a few more remarks to make when there are a few more Members of the Senate on the floor.

Mr. TOWER. Mr. President, I yield myself such time as I may require.

The question before us is not a liberal-conservative issue as we define philosophic differences in this country. I think that it is a question of isolationism, whether or not we are going to retreat to Fortress America, which was indeed advocated by a number of people of my own philosophic stripe a number of years ago. But I cannot think of any time in our history when a retreat into an isolationist posture would imperil the future of the United States more than today.

Now, it has been a verity for many years that when you are faced by a powerful adversary that is bent on your domination, then it is incumbent on you to keep your defense perimeter as far from your own shores as possible and as close to the adversary's shores as possible.

And this is what we are doing. We are not in Europe for some altruistic reason. We are not there just to protect the Western Europeans. We are there because the geographic and strategic realities of this world make it in the best interest of the United States for us to be there and for us to maintain a presence in various parts of this world.

Since 1968 we have reduced the American presence in foreign countries from some 1,171,000 to some 564,000. And that includes men in our naval vessels afloat. Actually if we were to subtract the men in our naval vessels from the total number of those stationed outside the United States, the number gets down in the neighborhood of about 483,000, and that is all.

Mr. President, the distinguished Senator from Montana questioned our military presence in such places as Antarctica. I might mention that the military men in Antarctica are there for scientific purposes and not for military purposes. They have not combat capability. If we want to end all sorts of research efforts and scientific efforts in all parts of the world that are designed to benefit all mankind and not just ourselves, we could withdraw those men.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. MANSFIELD. Mr. President, I would be delighted to keep the 250 men stationed in Antarctica.

Mr. TOWER. Mr. President, let us go further. In the Bahamas, there are less than 250 men. And they are there for communication purposes.

In Bahrain we have very few men. They are there since apparently we do not want to produce cheap Louisiana and Texas oil but would prefer to buy oil from abroad. We feel that we should have some people there to look after our interests.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. MANSFIELD. Mr. President, I happened to see a film the other day which showed marines training in the Mojave Desert in 150° heat. I hope that there is not any relationship between that film and our men stationed in the Mideast to whom the Senator refers.

Mr. TOWER. Mr. President, I think that we have shown that the Marine Corps has proven its worth. The Senator from Montana is a former Marine himself.

Mr. MANSFIELD. Mr. President, if the Senator will yield, I must bow to the Senator from Texas, who happened to be a gunner's mate first class. I happened to be a private first class.

Mr. TOWER. Mr. President, we have no military structure in the Caribbean. In New Zealand there are less than 250 men and Saudi Arabia is the same case.

We are talking about 50 percent of our forces overseas. These would be only a drop in the bucket if we were to bring them home.

The Senator from Montana also mentioned Johnston Island and Midway Island. They belong to the United States. That is American soil.

Mr. MANSFIELD. Mr. President, if the Senator will yield, the Senator has mentioned the bits and pieces. He has not mentioned the 42,000 in Korea, the 42,000 in Thailand, and the 40,000 in Taiwan.

Mr. TOWER. I will mention those. I wanted to point out that we have less than 1,000 men in any of the places mentioned by the Senator from Montana.

The point is that this is an attempt to get us out of Western Europe, because if we call back all of our land military forces, including military attaches and every Marine guard everywhere in the world, it would only be about one-third of our total force posture overseas, and that includes Western Europe and its environs.

Why do we not say what this really is, and that is that it is an attempt to mandate the President to withdraw American forces and reduce the American presence in Western Europe at a time when we are engaged in mutual balanced force reduction talks in negotiations with the Warsaw Pact.

The thrust of the amendment is to undermine American foreign policy. It is to kill the mutual and balanced force reductions. Can one imagine the Warsaw negotiations and the negotiations to reduce forces when the United States unilaterally does so? Of course not.

I think that it would be an act of irresponsibility on the part of the Congress of the United States to say: "We will make foreign policy, and that policy first will consist of a concession to the Soviets that we will withdraw any of our military force structure that we have in Central Europe. We will pull out unilaterally, and we will become isolationists and withdraw to fortress America, because we are tired of the mantle and the cloak that fell on our shoulders after World War II. We will leave the rest of the world to the Soviets. We will come back to America and let the Soviets bully and scare the weaker nations of this world. We will make accommodations with them and ultimately not only isolate the United States from the economic standpoint, but also from the military standpoint. We will become a second-rate Nation if we withdraw without negotiating something in return from the Soviets."

What is proposed here today is that the Congress of the United States cancel the talks on mutual and balanced force reductions. While we are engaging in the rhetoric of détente, the Soviets have been upgrading their military capability. Since 1960 while we have been reducing our presence all over the world, this is what the Soviets have been doing.

Their total forces have gone up from 3 to 3.7 million.

On the NATO front there have been made both qualitative and quantitative improvements. They have more divisions, more tanks, more rocket launchers, and more cannon artillery.

As far as their navy is concerned, its growth has been very significant. They have more ships, more ship-days, and are capable of sustained operations at sea.

In 1965 the Soviets had 6,000 ship-days on the major oceans of this world.

In 1972 they had 35,000 ship-days.

With respect to strategic weapons, they now have new long-range sea-launched ballistic missiles, a new bomb, a growing family of intercontinental ballistic missiles, and a successful test of a MIRV capability.

They have had a steady annual 3-percent growth in their military budget since 1967.

In all of this time we have been reducing the total percentage of our budget and gross national product that was expended on the military.

Mr. President, there is no substitute for the American presence in Western Europe. I think now that we are on the verge of a breakthrough and we are trying to live in an era of nonconfrontation and enter the era of negotiations—and I believe that the era of negotiation is underway—I think that a real détente on a basis that is consonant with the interests of both the United States and the Soviet Union is possible. However, I do not think that is possible if we unilaterally surrender to the Soviet Union on the matter of forces postured in Western and Central Europe.

If this amendment should become law, it would kill the mutual and balanced reduction negotiations. And I think that it would probably initially lead to the end of the strategic arms limitation talks. There are those who believe that we should unilaterally disarm. There are those who believe that we should withdraw from the rest of the world and maintain a sufficient force to defend ourselves against nuclear attack.

There are those who believe that should we unilaterally disarm, the rest of the world would bring moral pressure to bear on the Soviet Union to do likewise.

I have never seen the Soviet Union respond to moral pressure. Where was moral pressure effective against the Soviet Union in Poland and East Germany, in Hungary and Czechoslovakia?

Mr. President, we have to view the world as it is, not as we would like it to be. At a time, now, when the Russians are ready to negotiate, we must be prepared to negotiate from a position of strength; and there will never be a mutual and balanced force reduction in Europe and an accompanying reduction in tensions if we unilaterally withdraw.

Should we unilaterally withdraw, then I think NATO would come apart. It would be demoralized. I might point out that the NATO countries have increased their contributions to NATO substantially, and the West German and British defense budgets both went up this past year, both in terms of actual deutschmarks and pounds and in terms of percentage of their total national budgets. So this is no time for us to demoralize them.

In talking with people in Western Europe, they say over and over, "There is no substitute for the American presence, because otherwise you have the business of, if you withdraw, maybe we could, with German divisions, English divisions, Benelux divisions, or Italian divisions, defend ourselves, but we cannot replace the American presence, because there is something unique about the Soviets being confronted by the only other superpower in the world, rather than being confronted only by the weaker nations of Western Europe."

So our presence is essential, and I think our presence serves as a deterrent. In an age when we are trying to end the strategic arms race, when we are trying to limit nuclear weaponry, should we arrive at a nuclear stalemate, we certainly must be prepared to deter war on a conventional basis, because, facing a nuclear stalemate and removal of the threat of a nuclear war, aggressive nations might be tempted to mount military adventures on a conventional basis, if we do not have a conventional deterrent.

Therefore, Mr. President, I hope the Senate will reject this amendment. I know why the Senator from Montana has offered it, and I think there is no Member of this body who has a higher regard for the intellectual honesty of the distinguished majority leader than I do, or who admires him more as a man. But in this instance, I think he is wrong, that he is tragically wrong.

We are all tired of the burden. I remember Kipling's poem:

> Far-called, our navies melt away—
>   On dune and headland sinks the fire—
> Lo, all our pomp of yesterday
>   Is one with Nineveh and Tyre.

I know that we are tired of this responsibility. We are tired of the financial burden. But we are turning the corner now on balance of payments. So I think we are in pretty good shape there; and as a matter of fact the maintenance of our overseas forces accounts for less than 10 percent of our total imports into this country from overseas in terms of money spent, and that is partially offset by offset agreements.

So I think we must face up to our responsibility, recognizing that it is in our national interest to do so, that there is no substitute for the American presence in Western Europe, and negotiate from a position of strength to bring about the reduction of tensions and the recognition of mutual interests between ourselves and the other superpowers, to the extent that some day we can have peace and we can bring the boys home.

That day will come only if we maintain our current strength, so that we can successfully negotiate.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. TOWER. I yield 3 minutes to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the Senator yielding to me. I agree with much of what the distinguished Senator from Texas has said. Certainly, I support the committee bill that pertains to weaponry and the amendments that would put the country in a better position procurementwise. I believe, too, that the Soviet Union does respond to strength. We must have a national defense second to none to preserve peace in the world.

Yet I am going to support the amendment. I believe the Senator from Montana, distinguished majority leader, is reasonable in his approach of a 50-percent reduction over a period of almost 3 years—a 12½-percent reduction the first year and a 25-percent reduction by July 1, of 1976. We still have the American presence that the distinguished Senator from Texas speaks of.

We know that our former Commander in Chief and late President Dwight Eisenhower, the Commander of our Armed Services during World War II, said that the American presence was the deterrent to aggression rather than the number of troops in Europe.

We have been in Europe not only during World War II, from 1941 to 1945, but continuously since that time, to a large extent as a part of the NATO forces. We have more than borne our portion of the burden of protecting the free world. With only 6 percent of the population of the world we cannot be the police force to protect the entire free world. I believe the people of America want to do their fair share but it is time for the other nations of the world to assume their fair share of protecting the free world against aggressor nations.

I just believe that this is a reasonable amendment. I consider it is in the interest of the country. We have economic problems. We have balance-of-payments problems. I believe we need to let the rest of the world know that we will work with them; but that 6 percent of the people of the world cannot bear the burden of protecting the free world to the same extent that we have done it over the years. The results of the overbalance of our efforts in contrast with that of the remainder of the free world is evident in many facets of our life today. They need not be enumerated here.

However, I commend the distinguished majority leader for offering his amendment. I intend to support it.

Mr. TOWER. Mr. President, I yield such time as he may desire to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, for 20 years we have viewed a strong cohesive North Atlantic Treaty Organization supported by U.S. forces as essential to the fulfillment of U.S. objectives in Europe. The pending amendment, although directed at all overseas U.S. forces, is nevertheless aimed at forcing unilateral U.S. troop reduction in NATO.

OUR PRESENT POLICY

In February 1972, the President reported to Congress our policy in this matter. These are his words:

> Given the existing strategic balance and a similar effort by our allies, it is the policy of this Government to maintain and improve our forces in Europe and not reduce them except through reciprocal reductions negotiated with the Warsaw Pact. With such mutual reductions now on the agenda of East-West diplomacy, this is precisely the moment not to make unilateral cuts in our strength.

Mr. President, this is not the moment in history to make unilateral reductions. If the amendment of the distinguished Senator from Montana is adopted, what would be the use of our having meetings to try to get reductions? We would already have made a unilateral reduction. We will not get a reduction on the other side. Why take away from the President, in this moment of history, the opportunity to go into the conference and get a mutual reduction, rather than merely a reduction on our side alone? Unilateral reduction does not make sense.

Mr. President, this policy was based upon the President's careful consideration of the diplomatic, military, and economic consequences of unilateral U.S. withdrawal, in the light of the U.S. long-term interest in Western Europe.

These consequences are examined below.

THE DIPLOMATIC CONSEQUENCES

A unilateral U.S. reduction would have the following diplomatic consequences within the NATO alliance:

First. It would undermine the President's current diplomacy and directly contradict the U.S. commitment, stated by the President in his 1971 foreign policy message, and reaffirmed in February of 1972.

Second. It would confirm the fears of our allies that U.S. isolationist pressures were taking over and we were withdrawing from our role as leader of the Free World. What other conclusion could be reached if this action is taken?

Third. It would remove any incentive for the Soviets to withdraw forces from central Europe. If we are going to withdraw and not require them to withdraw, too, why would they later even consider withdrawing?

Fourth. It would weaken our Atlantic Alliance by creating doubt among our partners as to our resolve to maintain a strong bargaining position even during a period of détente.

Fifth. It would make the mutual force reduction talks a farce, as the Soviets would know we are going to reduce our troops no matter what agreement is reached.

THE MILITARY CONSEQUENCES

Twenty years ago, the United States enjoyed a nuclear monopoly and had a relatively limited need for a substantial conventional capability in Europe. Today, when we no longer have a nuclear superiority, a NATO conventional capability is needed as never before. While nuclear forces remain, the backbone of our deterrent, our willingness to defend ourselves is made most credible, in today's strategic situation, by the maintenance of strong U.S. and allied conventional forces in Europe.

If we unilaterally move to cut our overseas forces, here is what will happen:

First. The delicate troop balance in Europe, already in favor of the Warsaw Pact, would become more one sided.

Two. The NATO "flexible response" strategy, which seeks to avoid immediate resort to nuclear weapons in case of aggression by the Warsaw Pact, would be jeopardized.

Mr. President, to me, the Senate should bear in mind that the lessons of World War I and World War II showed us that our defense perimeter lies beyond our shores. Forward deployment is the chief means by which the United States prevents attack against its own territory.

Certainly the deployment of U.S. Forces in Korea has helped maintain the peace in that country. Likewise, the presence of U.S. troops in Japan, the Philippines, Okinawa, and Hawaii bring a measure of stability to the Pacific.

At present we are reducing our forces in Thailand because of the changing military situation. But, in my judgement, our overseas deployments have given strength to the mutual security treaties we have signed and have therefore helped discourage would-be aggressors.

Mr. President, a fragile peace agreement is holding together in Vietnam. We are entering mutual force reduction talks in Europe. It is my firm belief that if we give the President the power to negotiate from strength he may be able to reduce our obligations overseas.

This approach would be the responsible path to take. This approach would enhance the chances for world peace. This approach would maintain the viability of our treaties. This approach would not encourage would-be aggressors.

Therefore, Mr. President, I urge the Senate not to undercut the President in his efforts to reduce world tension through mutual force reductions overseas.

Mr. President, U.S. forces overseas are an instrument of the U.S. foreign policy. We all know that. They demonstrate our interest in world peace and support our treaty commitments. At present we are entering talks to achieve mutual force reductions. We have a new Secretary of State. It would be a mistake to preempt the President or the Secretary of State by requiring any reduction of overseas forces at this moment. Such reductions are in the making through mutual talks in Europe, or normal cuts such as reduced forces in Thailand. But let the changes be made by the President. Let him have the flexibility. Why take away from him the military muscle adequate to bring about these mutual force reductions?

We know the Communists are not going to reduce unless they have to reduce. If we have something with which to trade with them or negotiate with them, we can get reductions but if we unilaterally reduce before these talks are held, what inducement, I say, is there, to the Communists to reduce?

It would be a mistake to tie the President's hands as this amendment would do.

Yesterday the Senate addressed itself to the cost problem of our overseas forces by adopting the Jackson amendment. This amendment will require NATO reductions if our allies do not increase their share of the military costs in Western Europe. Therefore, through the Jackson amendment, we have set a limit on our NATO commitment. We have taken a big step to protect our dollar, but in so doing we have not undercut the President nor denied him the flexibility to use our overseas forces as an instrument of foreign policy.

Mr. President, we have in this country a great organization known as the American Legion. The American Legion was organized shortly after World War I. If the policies of the American Legion had been followed in this country by Congress and by this Government, we would not have had these wars.

They have advocated a state of preparedness. They have advocated military superiority. They have advocated keeping this country ready.

I want to say, Mr. President, that their position on this matter is one in accord with the thinking of the President of the United States.

I hold in my hand a telegram from the national commander, Robert Eaton of the American Legion.

The wire reads:

> The American Legion by action of the 1973 National Convention strongly supports defense appropriations adequate to assure the President future effectiveness of our national security. Specifically we urge appropriation of sufficient funds to expedite development and eventual procurement of the B–1, the Minuteman III, the Trident, and air superiority fighters for Air Force and Navy.

Listen to this next sentence:

> Additionally, we are opposed to unilateral reduction of United States troops assigned to NATO.

That is the stand of the American Legion.

If we adopt this amendment, we will be reducing troops in NATO unilaterally. I am sure the author of the amendment would agree that that is the case.

Mr. PASTORE. Mr. President, will the Senator from South Carolina yield for a question?

Mr. THURMOND. Not on my time, but I will be pleased to yield on the Senator's time.

Mr. PASTORE. Will the Senator from Montana grant me 1 minute to ask a question?

Mr. THURMOND. I will be glad to yield to the Senator on his time.

Mr. MANSFIELD. Mr. President, I seek recognition and I yield 1 minute to the Senator from Rhode Island, and then I want to keep the floor.

Mr. PASTORE. I would like to ask the Senator a question. How many nations in NATO have lived up to their commitments apart from the United States? Not one.

Mr. THURMOND. Not very many.

Mr. PASTORE. Not one.

Mr. THURMOND. That is the reason we passed the Jackson amendment yesterday to require them to do more. They have got to do more. Now, if they do not do more, we then will have a reason to reduce our forces. But why should we, on the eve of the mutual reduction conferences act unilaterally?

Mr. MANSFIELD Not on my time now——

Mr. THURMOND. Mr. President, who has the floor?

Mr. MANSFIELD. I have the floor.

The PRESIDING OFFICER (Mr. HART). The Senator from South Carolina held the floor and yielded to the Senator from Rhode Island for 1 minute.

Mr. TOWER. Mr. President, will the Senator from South Carolina yield to me?

Mr. THURMOND. Mr. President, do I not have the floor?

The PRESIDING OFFICER. The Senator from South Carolina does have the floor.

Mr. THURMOND. I am very pleased to yield to the Senator from Texas.

Mr. TOWER. Mr. President, let me say that we are, again, in Western Europe for no altruistic reason. We are not there just to defend Western Europe. We are there in the interests of the United States. I would say that some NATO countries have, in recent months, begun to live up to their commitments—the United Kingdom and West Germany. Some have not. But, really, I do not think that is the point here.

We passed the Jackson amendment, as has been pointed out by the Senator from South Carolina, to require more of them to do so. The point is that we are there because it is incumbent upon us, when confronted by another superpower, to maintain our defense perimeter, our military capability, as close to them and as far from us as possible. We are there in the interests of the United States. Western Europe is a principal trading partner of the United States. We are dependent on them as they are dependent on us.

So it is in our interests to maintain a military force there, if it is going to deter any kind of military and political adventures on the part of the Soviet Union that would ultimately result in the political and economic isolation of the United States.

Mr. THURMOND. I thank the distinguished Senator from Texas.

Mr. President, the Senator from Texas is right. We do not have troops in Europe just to protect the Europeans. We have troops there as a part of our foreign policy, as I stated a few moments ago. It is to our advantage.

Inasmuch as we are going to have this meeting on mutual reduction of forces, why not wait until then and let the President try to bring about a reduction on the part of their forces as well as ours? Why should we unilaterally reduce our forces at this critical time, just on the eve, so to speak, of the meeting for this purpose?

Mr. President, on September 17, an article by the editor of the U.S. News & World Report was published in that great magazine, and I should like to read an excerpt from it.

> Malcolm Mackintosh, consultant to the London-based International Institute for Strategic Studies, says:
>
> "The Soviet Union is basically hostile to the United States. It would like to see a weakening of American power and influence all over the world. It would like to see America's alliance disintegrate and American resolution and determination to aid its friends fade and disappear."
>
> In plain words: To most Americans "peaceful coexistence" signals an end to dangerous tensions and the start of a period when defense and arms spending can be downgraded. To the Communists, it means that rivalry with the U.S. will continue to be pushed—by all means short of actual war.
>
> Their actions show this. For instance:
>
> Soviet military power is being substantially increased, despite the end of the draft and other military cutbacks by the U.S.
>
> Russia continues to maintain 31 divisions in Eastern Europe to keep its grip on Communist satellites when the U.S. is pulling back forces from most of the world and debating a cut in its troop strength in Western Europe.
>
> In the nuclear field, Russia's development of a multi-targeted warhead—while not unexpected—is significant in direction.
>
> At a time when U.S. is accepting—even encouraging—the development of Western Europe as an economic rival, Russia reserves the right to provide "fraternal assistance" to Eastern Europe. This political rhetoric means it will use military force, if that is deemed necessary, to squelch independence.
>
> The Kremlin continues to probe for opportunities to expand its influence at America's expense—for example, by making a security treaty with India, promoting subversion in the Arabian Peninsula and encouraging the Arabs to use "oil blackmail" against us.
>
> Police-state controls are being tightened against dissidents in Russia. Meaningful contacts with foreigners are discouraged.
>
> In short, it is a needle in a haystack to find any evidence that Russia's masters have really changed their ways. Their determination to extend Communist rule worldwide is as firm as ever. So, if a facade of live-and-let-live helps for now, they'll use it.
>
> The danger has been summed up this way by the British weekly, "The Economist":
>
> "The uncomfortable truth is that democracies are bad at dealing with periods of low-tension confrontation . . . There is an almost universal human desire to believe that peace is the natural condition of man, that armies are temporary nuisances, that conflicts of interest can be dissolved by a policy of good will. None of these things is true, but people like to believe they are."
>
> A leading European authority on Soviet affairs recently put the Russian strategy for ending the cold war in these words:
>
> "Above all, in Russia there is the conviction that, in the long run, history is on the side of the Soviet Union. It is Brezhnev's and Kosygin's view that when opportunities present themselves and there is no danger to the security of the Soviet Union, history should be given a little nudge."
>
> If the nudge becomes a shove, watch out.

Mr. President, here we are confronted by a great power, the Soviet Union. We want a mutual reduction in forces; they claim they want it. If we, on the eve of the talks, unilaterally reduce our forces, what incentive is there to the Soviet Union to reduce theirs later? It does not make sense. The only language the Soviets know is force and strength.

We should put in the hands of our President the military muscle, as I stated earlier, to go into those talks and try to get a mutual reduction on both sides. That is what we want. I visualize the time, if we give him the strength and the power when he goes into these talks, that we can get a sizable reduction on both sides, not just a few billions of dollars, but many billions of dollars in arms cuts and many thousands of troops. But we will have no chance to accomplish this if we unilaterally reduce our troop strength in NATO, unilaterally reduce our troop strength all over the world.

In my judgment, this is a dangerous amendment. I hope the Senate will reject it.

Mr. MANSFIELD. I yield myself such time as I may desire.

Mr. President, in my judgment, this is a long overdue amendment. It is about time the Senate faced up to its responsibility and not depend on the American Legion, the Veterans of Foreign Wars, or any other organization, because we are here to make up our own minds. Nor should we depend upon the lobbyists of the highest rank who have been patrolling and prowling around the corridors for the past week or so.

Mr. President, we have heard the old cliches: retreat into isolationism; fortress America; give the mutual reduction conference a chance. Thirteen years ago, I suggested that conference, and only now it is getting underway.

Mr. President, it is time for America to replace a policy of foreign landbased military omnipresence with a policy of discerning internationalism. The amendment I have offered will stimulate that process. Its provisions are not complex. In brief, it will——

First, require a reduction by 50 percent of the landbased military personnel stationed on foreign soil over a 3-year period;

Second, provide that at least 25 percent of the total be accomplished in each of the 3 years;

Third, permit the executive branch total discretion to determine from which countries these reductions will be made.

That should knock the NATO argument into a cocked hat.

The amendment simply recognizes that approximately 500,000 military personnel are presently stationed on foreign soil and seeks to reduce this figure to approximately 250,000 by June 30, 1976. The amendment would not affect or reduce the additional 100,000 military personnel afloat off foreign shores. Thus, under the terms of the amendment approximately 85,000 military personnel must be returned to the United States by June 30, 1974. The President would have total discretion from which countries these 85,000 could be removed.

For example, Okinawa and Thailand could account for the entire 85,000 if the President chose to return these troops home. Only foreign shore based military personnel would be included in the computation for eligibility for reduction.

And, last, the amendment remains neutral on the question of demobilization of the personnel returned. It is my belief that the pressures to maintain a standing Army in peacetime through volunteers will significantly shrink the overall size of the military force levels. In this respect this amendment would complement that forecast and complement as well the unanimous action by the Senate Armed Services Committee which recommends an overall force level reduction of 156,000 by June 30, 1974.

The enactment of this amendment would be totally consistent with the Nixon doctrine of worldwide presence manifested by other than land forces on foreign soil.

Action by the Congress is long overdue. The United States has stationed overseas more than 500,000 military personnel. In addition another 100,000 of military personnel are afloat away from our shores. Thus approximately 30 percent of our military force is stationed beyond our homeland. Not since the days of the British Empire—or, probably more truly, the Roman Empire—have so many been required to "maintain the peace" away from our shores. Many of our post-World War II military postures and weapons procurements, and those of the Soviet Union as well, have been imitative or mirrored responses to each other. When one superpower develops a missile the other responds in kind.

If only that policy of mirrored action were applied to the stationing of U.S. forces on foreign soil.

The Soviet Union has stationed outside the Soviet Union approximately 345,000 military personnel; of this total 330,000 are stationed in Eastern Europe. It is presumed that many of these Soviet military forces in Eastern Europe are there for other than an external threat from the West. But notwithstanding the comparatively restrictive military overseas policy of the Soviet Union, the United States is badly overextended abroad. The presence on foreign soil of so many U.S. military presumes a policy that heavily favors the military option. In fact it is my belief that the commitment and level of U.S. Forces abroad has determined our policy rather than our policy determining the level of U.S. Forces abroad.

It is almost beyond belief to most Americans that our country maintains over 2,000 bases and installations on foreign soil; that the Defense Department employs directly or indirectly approximately 173,000 foreign nationals at these bases and the installations to support these U.S. Forces abroad; that over 314,000 dependents are stationed overseas with these military forces. Disbelief turns to dismay when announcements are made that bases and installations are to be closed in the United States and persons put out of work all in the interest of economy. Economy is a desirable goal but it should apply to expenditures abroad as well as expenditures at home. The impoundment by this administration of $12 billion for domestic programs; the devaluaton and other weakenings of the dollar over the past two years approach 50 percent; all marshal attention to this policy of shameful overseas waste. It cannot be tolerated any longer.

The amendment now pending is directed worldwide and not specifically at Europe. The public debate over the years has focused primarily on Europe because it is there that the largest contingent of U.S. Forces is stationed. But equally forceful questions can be raised to the U.S. troops stationed in Thailand—now about 45,000; or in Okinawa—now about 40,000; or Korea—also about 40,000; or Taiwan—about 8,000; or the Philippines—about 15,000; or even Bermuda where about 1,000 men defend our national interests. In fact, this amendment could be fully carried out during the first 2 years of its operation by reductions entirely from the areas I have mentioned, Thailand, Korea, Okinawa, Taiwan, Philippines, and Bermuda, without removing one soldier from the European theater.

Where, incidentally, Mr. President, we have 134 generals and admirals stationed today, and they are not in the same category as the privates or the noncoms.

But since Europe has become the symbol and for the opponents of any troop reduction, their strongest case, it should be useful to examine the premises and view the weaknesses of this—the strongest case.

Let us look at the realities that faced this Nation in 1951 which precipitated the stationing of four divisions in Europe. Let us look at the premises upon which the Congress assented and the representations that were made about the permanence of such a commitment of manpower abroad. Then let us look at Europe and the United States today, 28 years after the war, 23 years after the initial stationing of these divisions to NATO.

EUROPE AFTER WORLD WAR II

World War II left Western Europe in ruins. The United States moved swiftly with the most massive reconstruction effort ever attempted with its Marshall plan—an effort that has proven successful beyond expectations. The institutions of Europe, political, economic as well as military, were in shambles. With these weakened conditions in Europe combined with the common perception of the threat of the hordes from the East a strong military presence in Western Europe to complement the economic effort was rational. But the North Atlantic Treaty, ratified in 1949, did not commit U.S. troops to the European Continent. The NATO Treaty did not commit U.S. troops to the European Continent.

In fact, the treaty itself made no commitment of U.S. ground troops to Europe. It was not until 1951 that the decision was made to send four land divisions to Europe and congressional assent solicited to this significant commitment of troops.

The history of proceedings before the Congress is very revealing.

Secretary Marshall claimed at that time that there was nothing magical about four divisions. The level was selected based upon a judgment of our resources and their availability. If only the same standard were to be applied today. And why should it not be applied?

But even more revealing is the exchange that Senator Hickenlooper had with Secretary Acheson when it was made clear that each signatory to the NATO Treaty would unilaterally make its own determination of its contribution of military equipment, manpower and facilities. In addition, Secretary Acheson envisioned the return of troops subsequently sent if the situation got better. And Lord, has it gotten better.

But what conditions were envisioned in 1951 that initially warranted the troops to go to Europe and what thorny questions should be resolved for us to expect their return? Senator Smith of New Jersey sought this information from General Bradley in 1951 and General Bradley felt the making of a peace treaty with Germany—get that—and the state of preparedness of the other nations of Europe—get that—as well as the aggressive intentions of the East—get that—were the chief irritants that justified U.S. action. How interesting that all of these irritants have been significantly removed.

Nineteen fifty-one was, in addition, a time when the Korean war was underway; China was an active enemy; the Soviets had come of nuclear age; the Southeast European flank was still threatened; the economies of Western Europe were just back on their feet; political instability was prevalent in most West European countries. Strong men replaced strong institutions and provided the cohesion for Western Europe. But even then the questions were raised: Should the United States commit four divisions to Europe as a deterrent to another European war at least until Europe is ready to assume its own defense?

The Congress assented to that request and the American troops returned to Europe to meet the threat that was perceived at that time.

However real the threat then, has it changed since that time?

EUROPE SINCE THE 1950'S

When U.S. troops were initially committed to the European Continent, total GNP of all European NATO countries was $46.9 billion compared to $831.9 billion for 1972. The total exports from all NATO countries to the U.S.S.R. and Eastern Europe in 1972 amounted to $9.89 billion. The imports from the U.S.S.R. and Eastern Europe to NATO countries totaled $8.67 billion. In this one area alone of trade between the blocs, the most dramatic change in climate must be recognized.

But even more significant than evaluating not only the strength of Western Europe and appreciating the strong trade flow between East and West is the great number of events since 1963 that manifest as well as significantly contribute to the lessening of tensions between East and West. I have selected 82 events I consider significant since 1963, which I ask be incorporated at the end of my remarks.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

(See exhibit 1.)

Mr. **MANSFIELD.** They range from the hot line to the nuclear test ban to the consular convention to the nonproliferation treaty normalizing relations between Germany and Poland; to the Soviet-West German agreement on consulates; to the German treaties with Soviet Union; to the SALT treaty; to the signing of the treaty on relations between East and West Germany. But to many the threat of an all-out conventional war with the East remains the same. Rigidity affects not only the rhetoric but the policy. General Eisenhower, testifying in 1951 about congressional responsibility in the determination and the evolution of the level of U.S. troops in Europe, said:

> I do think that Congress ought to see a respectable, reasonable approach, and the second they see anything to be, let's say, cockeyed and crazy, to get into the thing with both feet.

Well, Mr. President, I think the time has come when Congress must recognize that in the words of General Eisenhower, something is "cockeyed" about U.S. troops stationed abroad. President Eisenhower later recognized that change was justified. He stated in 1963 that one U.S. division would be sufficient to fulfill our commitment to NATO.

It is evident from these indicia of engagement with the Soviet Union and Eastern Europe that the tension that existed in the early 1950's has changed significantly.

It is time that the United States recognized the existence of its own policy toward the East. The policy of this Government should be consistent, not one of engagement with the Soviet Union in trade and cultural exchange and confrontation in military matters. There should be but one barometer by which this Government guides its actions toward the East.

But we have many barometers that provide such different readings for the same phenomenon. This dual standard for rationalizing our policies vis-a-vis the Eastern bloc cannot withstand thoughtful focus. If our policy toward the East is predicated upon a desire to open markets and develop a mutual interdependency of East and West upon each other, that policy will yield benefits beyond the economic sphere as they have with increased cultural and educational exchanges. It is a natural evolution of the events of the past decade. But in the military sphere—in the NATO structure—what remains is a stale rigidity; a resort to old rationalizations from bygone years.

THE MBFR

Again and again over the years we have been told both by our own officials and those in Europe that some decrease in U.S. military presence should take place.

But the time is never right for such action. Two years ago the argument was the policy of detente was underway and that nothing should be done that would disrupt the process, including the U.S.-U.S.S.R. SALT negotiations and the goals envisioned by Chancellor Brandt's "Ostpolitik."

Today we find ourselves in a new situation. Success has been achieved in the first and most important round of SALT talks; the Warsaw and Moscow treaties have been concluded; the status of Berlin has been regularized; through the exchanges of visits between President Nixon and Chairman Brezhnev a new and better climate has been created which allows us to talk about the Cold War in terms of the past.

Despite this movement, we are being told that this is the "worst possible time" in which to take any action on the question of our forces in Europe. The bargaining chip is back. Negotiations on mutual force reductions are to begin on October 30 of this year.

At the outset we were told by all the experts that MBFR negotiations will be even more complicated and lengthy than the first phase of SALT. Most informed and optimistic speculations are that the outcome of such negotiations after perhaps 2 to 3 years might be a reduction of no more than 10 to 15 percent on the part of those countries involved.

Indeed, since the preliminary talks—that is, talks as to whether there should be talks—were expected to take roughly 5 weeks and took about 5 months, my skepticism has been increased rather than diminished about MBFR. I really doubt that the United States can remain immobilized on the troops question for a minimum of 2 and possibly even 4 to 5 years. So the argument to wait for MBFR really is a postponement of significant action indefinitely.

UNILATERAL ACTION

The questions of MBFR are immensely complicated even if they were undertaken in a bilateral framework. The positioning of forces, the proportionate reduction of one side as opposed to the other because of different logistical requirements will generate 19 different solutions equal to the number of participants at the conference. So the complexity of MBFR is magnified 19 times.

The wisdom of the North Atlantic Treaty which left the question of specific troop commitments in the NATO command to be decided unilaterally by each country is abandoned in MBFR. Unilateral action on such a matter is the only practical method. Any nation entering into negotiations whether bilateral or multilateral only agrees in those negotiations to what she determines unilaterally she can do or must do in her own national interest. No negotiation with the Soviet Union would cause the Soviet Union to reduce any of its troops from Eastern Europe if the Soviet Union determines that those troops are needed in the Eastern European countries for other than protection against an external threat. In like manner, if the Soviet Union senses a greater need for its troops on other frontiers, or if she desires to divert a greater proportion of her resources to non-military interests, then the appropriate reductions by the U.S.S.R. will be made—but only then.

So unilateral action on our part to reduce U.S. troops in Europe, while still maintaining our commitment with a more wisely structured but significantly reduced level of troops could very well stimulate a similar independently arrived at response on the part of the Soviet Union. This is not unprecedented in recent history. Unilateral and independent actions taken by the United States and the Soviet Union for moratoriums on nuclear tests in the atmosphere precipitated similar constructive independent responses on each side which ultimately led to the nuclear test ban treaty. So the arguments that unilateral action cannot lead to constructive responses are unwarranted.

Unilateral action on the part of the United States might produce surprising and constructive results. What people fail to realize is that the Soviet Union, ever since World War II, has not only been acting, but reacting, within its military establishment. Much of the Soviet force was created at a time when the United States had clear nuclear superiority. Most informed observers, here and in Western Europe, agree that the Soviet Union is considerably more conservative and suspicious than the United States because of its historical experiences and the character of its society.

Yet no one seems willing to make allowances for the inertia of this military conservatism in the U.S.S.R. We forget that the speeches by our NATO commanders, as well as our political leaders, regarding need for NATO strength and readiness are read in quite a different light by the Soviet leadership than we intend. It seems a simple proposition, that they trust us no more than we trust them, but we do not seem to be able to absorb this view and act upon it.

But even more significant is the European reaction to any removal of U.S. troops from the continent. It is an accepted axiom that the Europeans would follow suit and reduce their conventional forces as well.

What is the threat, then, that requires so many U.S. forces on the Continent? If there is a truly perceived threat of a conventional war from the East, would not our European allies who are closer to the "threat" then respond by an accelerated commitment of resources? But no, they would relax as well, accept the detente and devote more resources to nonmilitary ventures. Then why should we, 3,000 miles away, assume such arrogance as to perceive a greater threat to Europe than do the Europeans?

I think the question presumes a rational answer but there is none. It does highlight, however, the dominance of the military posture in Europe by the United States. Since the formation of NATO, there has never been a Supreme Allied Commander who was not an American. U.S. perceptions of the threat are tolerated by the Europeans and why not—the United States is footing the greatest share of the cost. Since it is really our nuclear response that the Europeans wish committed, their tolerance for our eccentricities—including the World War II conventional war contingency—is very high.

It baffles me why a properly structured U.S. military force of one or at the most two lean, mobile divisions, in position to move rapidly along the German frontier—and they are in the wrong area now—would not be even greater insurance against any form of pressure from the East.

It would be more realistic to the type of improbable attack that might conceivably come from the East. It would permit American forces to be engaged from the beginning, thus allaying any fears on the part of the Europeans that the United States would not be involved in the event of a quick thrust into Western Europe.

THE FINANCIAL BURDEN

Mr. President, I have not dwelled upon the question of budgetary drain and balance-of-payments costs of our troops stationed overseas. I have deliberately left this point to one side in considering these questions because I believe the United States will bear the necessary costs to fulfill its international obligations. Our history will show that. But I believe it is clear that the United States can fulfill its international obligations abroad with a significant reduction of U.S. forces on foreign soil.

I believe a focus on this issue can be gained at last because of the competition for resources at home. But these resources will be saved, not by trimming our sails on our international obligations but by trimming the waste from years of inattention to a rational international policy.

The Senate is well aware that the overall costs of our commitment to NATO amounts to something in the neighborhood of $17 billion, including everything except strategic forces; that the direct annual operating costs for the approximately 300,000 U.S. forces actually located in Europe amounts to approximately $4 billion, and with equipment, over $7 billion; that the net balance of payments drain because of the U.S. forces in Europe is approximately $1.5 billion annually; and that these figures are growing daily because of the U.S. disadvantage because of inflation, successive devaluations of the dollar and other weakenings.

A return to rationality on the part of the United States and its forces abroad would yield a very significant savings in resources to the United States. I have deliberately not addressed myself to the issue of whether the troops that should be removed from foreign soil should be demobilized. It is my opinion that a very sound international policy for the United States could be implemented with a reduction of 50 percent of the approximately 500,000 troops stationed on foreign soil.

The return of approximately 250,000 military personnel would reflect the judgment that they were not needed to fulfill existing international and domestic obligations and therefore appropriate for demobilization. But I do not think that the question of demobilization has to be directly addressed at this time since I believe the pressures of obtaining a military armed force without the draft will to a great extent resolve the issue of demobilization.

CONCLUSION

Mr. President, the time has come to set aside the rhetoric of the cold war used to justify a status quo of military involvement around the world.

The time has come to recognize action under a cloak of multinational negotiations that could take a decade or longer to recommend less than what is justified today.

It is time now to respond to the spirit of détente, to the success of the Marshall plan and the current economic vitality of Europe, to respond to the realities of the 1970's, to respond more fully to the needs of our own people at home.

I urge the adoption of the amendment.

Mr. President, in referring to the Nunn-Jackson amendment agreed to on yesterday, for which I voted, I wish to disabuse anyone who feels that it was meant to undermine the amendment now pending. As a matter of fact, they are complementary each to the other.

Mr. President, the Nunn-Jackson amendment adopted overwhelmingly by the Senate yesterday called for reduction of U.S. forces to NATO—that that was with respect to NATO, whereas this is worldwide—in any amount necessary to offset any future amount of balance-of-payments drainage not assumed by our NATO allies.

I believe that overwhelming judgment of the Senate is necessarily predicated upon their evaluation of what the real threat of conventional war in Europe is. It has been my premise that the threat of a conventional war in Europe is very slim and in assessing national priorities there are many other threats both domestic and international that are more real and more necessary for our limited resources, and may I say our limited manpower.

It has been my premise that the United States should not trim its sails on its international obligations, that it should bear any price tag to fulfill not only its international obligations but to defend itself against any real threats.

The Senate's action yesterday on the Nunn-Jackson amendment implies an agreement with my assessment of the threat in Europe since the U.S. troops stationed in Europe would be reduced, not in evaluation of the threat from the East, but in line with some arithmetic balance sheet deduction which would have no bearing at all upon an assessment of a real threat.

Mr. President, I urge the adoption of my amendment.

EXHIBIT 1

EVENTS FROM 1963 TO 1973 WHICH SIGNIFICANTLY CONTRIBUTED TO THE LESSENING OF TENSIONS BETWEEN EAST AND WEST

1. Renewal of Franco-Soviet trade agreement. February 1973.

2. U.S.-U.S.S.R. agreement to establish an emergency communications link (hot line). June 1963.

3. Tripartite treaty banning nuclear weapons tests in the atmosphere, in outer space, and under water. October 1963.

4. Approval by President Kennedy of U.S. wheat sales to the U.S.S.R. October 1963.

5. U.S.-U.S.S.R. agreement of exchanges in the scientific, technical, educational, cultural, and other fields. February 1964. (Renewal)

6. U.S. restores MFN treatment to Yugoslavia and Poland. March 1964.

7. Renewal of U.S.-U.S.S.R. trade agreement. April 1964.

8. U.S.-Romanian trade discussions. May 1964.

9. U.S.-U.S.S.R. consular agreement. Signed June 1964. Ratified March 1967.

10. French-Soviet trade agreement. September 1964.

11. U.S.-U.S.S.R. agreement on cooperation in desalination of sea water. November 1964.

12. Warsaw Pact Political Consultative Committee approval of the Rapacki suggestion for a conference on European security. January 1965.

13. Franco-Soviet color television agreement. March 1965.

14. Italo-Soviet agreement on joint cooperation in peaceful uses of atomic energy. October 1965.

15. U.S.-U.S.S.R. consular convention. December 1965.

16. Italo-Soviet cultural agreement. February 1966.

17. Italo-Soviet economic, scientific, and technical cooperation agreement. April 1966.

18. Yugoslavia becomes full contracting party to GATT. April 1966.

19. De Gaulle's visit to the U.S.S.R. June 1966.

20. Franco-Soviet scientific, technical, and economic agreement. June 1966.

21. Franco-Soviet space research agreement. June 1966.

22. Fiat-Soviet agreement for construction of a Fiat factory in Russia. August 1966.

23. Renault and Peugeot agreements with the U.S.S.R. regarding cooperation with Soviet motor industry. October 1966.

24. Kosygin's visit to France. December 1966.

25. Franco-Soviet consular agreement. December 1966.

26. Establishment of joint Franco-Soviet permanent commission. December 1966.

27. Establishment of Joint Franco-Soviet chamber of commerce. December 1966.

28. North Atlantic Ministerial Council declaration emphasizing a willingness to explore ways of developing cooperation with the U.S.S.R. and the states of Eastern Europe. December 1966.

29. Franco-Soviet atomic energy cooperation agreement. January 1967.

30. Franco-Soviet trade agreement. January 1967.

31. Kosygin visit to the United Kingdom. February 1967.

32. Fanfani visit to Moscow. May 1967.

33. Italo-Soviet agreement on cooperation in tourism. May 1967.

34. Italo-Soviet consular convention. May 1967.

35. Poland becomes full contracting member of GATT. June 1967.

36. U.K.-U.S.S.R. establish London-Moscow teleprinter line. August 1967.

37. Harmel Report of North Atlantic Council proposes discussion of mutual and balanced force reductions in Central Europe. December 1967.

38. Announcement of plans for joint Franco-Soviet space research. January 1968.

39. Prime Minister Wilson's visit to the U.S.S.R. January 1968.

40. U.K.-U.S.S.R. scientific and technological agreement. January 1968.

41. NATO declaration calling for discussions of mutual and balanced force reductions. June 1968.

42. Signature of the non-proliferation treaty on nuclear weapons. July 1968.

43. Natural gas delivery contract consummated between the State of Bavaria and the U.S.S.R. September 1968.

44. U.K.–U.S.S.R. civil air agreement. December 1969.

45. Franco-Soviet civil air agreement. December 1969.

46. Italo-Soviet long-term agreement on the supply of Soviet natural gas to Italy. December 1969.

47. Soviet-West German agreements on supply of Soviet natural gas to West Germany. February 1970.

48. Opening in Vienna of U.S.-U.S.S.R. negotiations on strategic arms limitation (SALT). April 1970.

49. NATO declaration on mutual and balanced force reductions. May 1970.

50. Signing of non-aggression treaty between the Federal Republic of Germany and the Soviet Union. August 1970.

51. President Pompidou's visit to the U.S.S.R. October 1970.

52. Signing of Franco-Soviet protocol on Franco-Soviet political cooperation. October 1970.

53. Signing of treaty of normalization of relations between the Federal Republic of Germany and Poland. December 1970.

54. Creation of a new basis for SALT negotiations. May 1971.

55. Ouster of hard-line East German Communist leader Walter Ulbricht. May 1971.

56. Resumption of SALT negotiations. July 1971.

57. Soviet-West German agreement to open consulates in Hamburg and Leningrad. July 1971.

58. Signature of first part of quadripartite agreement on Berlin. September 1971.

59. Chancellor Brandt's visit to the U.S.S.R. September 1971.

60. U.S.–U.S.S.R. agreement on exchanging information on certain missile testing activities. September 1971.

61. U.S.-U.S.S.R. agreement on improving the "hot line" between Washington and Moscow. September 1971.

62. Secretary Brezhnev's visit to France, October 1971.

63. Franco-Soviet agreement on economic

technical and industrial cooperation. October 1971.

64. Romania becomes a full contracting party to GATT. November 1971.

65. Soviet-West German civil air agreement. November 1971.

66. Ratification by the West German parliament of the West German treaties with the Soviet Union and Poland. May 1972.

67. President Nixon's visit to Moscow. May 1972.

68. U.S.–U.S.S.R. agreement on cooperation in the exploration of outer space. May 1972.

69. U.S.–U.S.S.R. agreement on cooperation in solving problems of the environment. May 1972.

70. U.S.–U.S.S.R. agreement on joint efforts in the field of medical science and public health. May 1972.

71. U.S.–U.S.S.R. agreement on expanded cooperation in science and technology and the establishment of a joint commission for this purpose. May 1972.

72. U.S.–U.S.S.R. agreement on cooperation between the American and Soviet navies to reduce the chances of dangerous incidents. May 1972.

73. Signing of the SALT Treaty. May 1972.

74. Signing of the final quadripartite agreement on Berlin. June 1972.

75. U.S.–U.S.S.R. three-year agreement on the export of U.S. agricultural commodities (especially wheat and feed grains). July 1972.

76. Settlement of U.S.S.R. lend-lease obligations. October 1972.

77. U.S.–U.S.S.R. maritime agreement. October 1972.

78. Signing of U.S.–U.S.S.R. commercial treaty. October 1972.

79. Quadripartite declaration supporting East and West German membership in the United Nations. November 1972.

80. Signing of the basic treaty on relations between the Federal Republic of Germany and the German Democratic Republic. December 1972.

81. Opening of preparatory talks in Vienna for negotiations on mutual and balanced force reductions. January 1973.

82. Soviet-West German 10-year agreement on the development of economic, industrial, and technical cooperation, and cultural and educational exchanges. May 1973.

Mr. MANSFIELD. I now yield to the distinguished Senator from California (Mr. CRANSTON).

The PRESIDING OFFICER. All the time available to the Senator from Montana has expired.

Mr. TOWER. Mr. President, I would be delighted to yield some of my time to the Senator from Montana. However, I do want to afford people who want to speak on our side an opportunity to talk. Therefore, if the Senator from Montana would not mind deferring at this time, I can give an opportunity to some of these people to speak.

The PRESIDING OFFICER. Twenty-four minutes remain to the Senator.

Mr. TOWER. Mr. President, I will yield to the Senator from Alabama in a moment.

The Senator from Montana said that 35 years ago he advocated mutual and balanced reduction of forces. He is now tired of waiting. They are just now working on the matter. It reminds me of a fellow who spent all night in a poker game attempting to draw to an inside straight. And when it finally came, he had thrown in his hand.

We have finally gotten to negotiations on a mutual and balanced force reduction. Why should we scuttle those talks, now that we have arrived at that point? We will certainly scuttle them if we unilaterally reduce our forces while they continue to improve their forces in various areas of the world, both quantitatively and qualitatively. This would be foolhardy.

The fact of the matter is that it is in the best interests of the United States to be there. The fact of the matter is that it is in the best interests of the United States that Western Europe not be demoralized and that we not make any accommodations with the Soviet Union that are likely in the long run to impact against the best economic interests of the United States.

Mr. President, I yield to the Senator from Alabama.

Mr. PASTORE. Mr. President, I realize that the Senator is pressed for time. However, would he yield to me for an observation or question?

Mr. TOWER. Mr. President, I yield 1 minute to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 1 minute.

Mr. PASTORE. Mr. President, the Senator not too long ago said that we are in Europe for our own protection. In a large sense, that statement is correct. However, we have to realize that Europe needs to protect itself, too. And the argument that the Senator from Rhode Island has made time and time again is that of all of the nations in NATO—and we have about 14 nations in NATO—not a single one except the United States of America has lived up to its commitments.

It stands to reason that if the other 13 nations were to live up to their commitment, we could comfortably withdraw a certain amount of our own troops and at the same time have the same number of allied troops in Europe.

However, the fact still remains that every time we tell them about it and every time our representatives talk to them, they say that they are doing better. I will tell the Senate how well they have done. They have done so well that our dollar had to be devalued twice up to 20 percent. And even the Germans who are really under the gun have not lived up to their commitment. Is that fair to the American taxpayer?

Mr. TOWER. Mr. President, I would like to note that the European allies provide 90 percent of NATO's ground forces, 75 percent of her air forces, and 80 percent of her naval forces, and there are 10 Western Europeans under arms for every American serviceman in Europe.

I would like to say further that certainly what we spend on our troop commitments overseas is a drop in the bucket in terms of impact on the value of the dollar. I will tell you what impacts on the dollar, and that is the fact that we have to buy billions of dollars worth of oil and energy from the Middle East. That is why we have a big dollar overhang in Europe; and one way to solve that is to provide some incentives for domestic exploration for oil and gas in this country.

Now, Mr. President, I yield 7 minutes to the Senator from Alabama.

Mr. ALLEN. I thank the Senator from Texas.

Mr. President, I commend the distinguished majority leader for his steadfastness and perseverance in seeking to obtain a reduction of American forces based overseas, and I agree with him absolutely on the goal which he seeks. What I disagree with him on is his mechanism. I do not feel that it lies within the province of Congress to control the placement throughout the world of American troops.

I do believe, however, that the effort of the distinguished majority leader will be effective in hastening the day when the goal which he seeks will be accomplished. I believe that an agreement on mutual reduction of forces will come about much sooner as a result of the efforts of the distinguished majority leader, and for that I commend him.

NO UNILATERAL WITHDRAWAL OF AMERICAN TROOPS

Mr. President, one of the greatest dangers to the security of the United States, and the free world for that matter, is the belief or hope that the United States can safely scuttle our defense alliances because there is no longer a potential enemy against whom we and our allies must defend ourselves. No enemy—therefore no reason for defensive alliances—so goes this simplistic and dangerous line of reasoning.

The PRESIDING OFFICER. The Senate will be in order.

Mr. ALLEN. I thank the Chair.

Mr. President, it seems to me that we have been swept up and carried off in a wave of emotional and unrealistic expectations associated with achieving superficial accommodations with the Soviet Union. We seem to have overlooked the hard reality that the Communist Party of the Soviet Union has never even for a moment deviated from its goal of world domination. In my judgment we will be guilty of most flagrant wishful thinking if we are persuaded to believe to the contrary.

Mr. President, I can understand why the Soviet Union promotes the idea that Western European countries need not fear any aggressive intentions on the part of the Soviet Union and can, therefore, divert defense expenditures to other purposes. I can also understand why the Soviet Union promotes the same idea in the United States. I cannot understand how the leadership of European nations and the leadership of this Nation could become mesmerized by such an obvious psychological offensive. Yet, here we are exulting in imagined glories of détente with the Soviet Union and find ourselves bending over backward to provide the Soviet Union with advanced technology, to rescue it from the effects of a severe feed and cereal grains shortage, to extend credits, and to bestow most-favored-nations trade status, and otherwise to contribute to the economic, industrial, and military potential of the Soviet Union. We are now being urged to reduce unilaterally our troop and support commitments to our NATO allies—this, at a time when we stand on the threshold of negotiations for mutual balanced force reductions in Western Europe.

Mr. President, this reversal of policy did not occur overnight. We are witnessing a logical extension of foreign policies which preceded current manifestations of wishful thinking. Let us try to put current developments in perspective. We will recall that over the past few years we have been in full retreat from a position of nuclear monopoly, to nuclear superiority, to nuclear parity, to nuclear sufficiency, to a position of questionable nuclear deterrent capability. In the process we have abandoned the policy of containment of Communist aggressions—we have shied away from the responsibility for defending vital world trade routes so very necessary if we are to secure to our Nation adequate strategic resources. Now, as if to top off our flight into the world of fantasy, we are called upon to undermine, if not sabotage our NATO Alliance by demands for unilateral withdrawal of our troops in central Europe, and from camps, posts, bases, stations, and ports throughout the world, in derogation of mutual and solemn obligations.

Is it any wonder that our NATO allies may be asking if we are kidding? What possible reliance can be placed upon an ally which lacks a military capability for participating in a mutual defense and one which has also proven that its treaty commitments are worth no more than the paper on which they are written? Commonsense dictates that nations of the NATO Alliance cannot take seriously their obligation to come to the defense of the United States in the event of an attack, if we are incapable of coming to their defense or if we prove to be a poor risk in fulfilling our obligations.

Mr. President, all of us share in the hope and expectation that the United States may reduce its troop and logistic levels of support in camps, posts, ports, and stations throughout the world. But we must not stick our heads in the sand. Such reductions cannot safely be accomplished in Europe on a unilateral basis.

Our majority leader had a lot of good things to say in his speech about the benefits to be derived from unilateral withdrawal. I cannot see it that way. I do not think good will come from it.

Too, we all look forward to the time when the now economically prosperous European nations may assume a more equitable share of the cost of maintaining NATO forces in Europe. This end can be achieved by negotiations—it must not be achieved by repudiation of our treaty obligations. In this connection, it is well to remember that NATO forces, other than the United States, as the Senator from Texas stated, constitute about 90 percent of NATO's ground forces, 80 percent of its sea power, and 75 percent of its air power. Now let us relate this proportionate composition of NATO forces to the fact that we no longer offer a nuclear umbrella as a deterrent to Communist aggressions.

The best we can claim is a nuclear standoff, if that. A nuclear standoff compels all nations to rely on conventional weapons and capabilities for defense. If the United States does not carry its share of responsibility for maintaining conventional forces—why should the other nations of the alliance feel compelled to defend the United States in the event of an attack against us?

Mr. President, I will leave to others the task of outlining all of the military and economic implications of a unilateral withdrawal of our troops from Europe.

We as a nation and as a member of NATO have a right to demand that any reductions in force in central Europe be reciprocated and the amendment offered by the distinguished Senator from Montana does not make that insistence. The Soviet Union would be far more amenable to our proposals for mutual and balanced force reductions if we did not appear to be so willing to undermine the NATO Alliance before the Soviet Union has conceded anything.

Mr. President, we have much to gain and little to lose in fulfilling our obligations to our allies, and I hope the Senate will reject the amendment offered by the distinguished majority leader.

Mr. TOWER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 10 minutes remaining.

Mr. TOWER. Mr. President, I yield 5 minutes of my remaining time to the Senator from Montana to dispose of as he sees fit.

Mr. BIDEN. Mr. President, will the Senator yield for a question?

Mr. MANSFIELD. Yes, indeed.

Mr. BIDEN. The Senator from Montana has been suggesting for some time now that we take the action that is being proposed here this morning, and there has been a great deal of debate surrounding that issue. I have heard here this morning, as I have heard on past occasions, that the rationale for the cutback in the number of troops stationed in Europe should be based in some way on the détente that has been referred to here. The distinguished Senator from Alabama a few moments ago said that we should not be mesmerized by this new détente—in other words, leading us down the primrose lane—that we might get ourselves into trouble.

I am going to support the Senator from Montana, but not because I have any real faith in this new détente. I have yet to hear a compelling argument—and this is the question, if there is one I would like to hear it—I have yet to hear a compelling argument that would point out that our fighting ability, our ability to defend Western Europe, our ability to defend our own self-interest, that our ready force would in any way be affected by the proposal of the Senator from Montana.

I have heard a great deal about the fact that this will demoralize our allies and that people around the world will begin to question our commitment, but I have yet to hear put in concrete terms the argument that we are going to be really jeopardizing our military position either in the world or in Western Europe or the military position or safety of any of our allies that we keep referring to.

Is there any such argument?

Mr. MANSFIELD. No; I would say that General Eisenhower figured that one division would be enough to be assigned to NATO, but the NATO treaty does not call for the allocation of any U.S. troops to Europe.

Now we have got 325,000 U.S. military personnel there. We have about 220,000 dependents there now. In case of a showdown, what are the military folks going to do, face a potential enemy or look out for their dependents?

What we have is a 7th Army over there which is having trouble with drug addiction and which has, in some areas, low morale. I think it is coming up lately. I would think that it could be streamlined and that a good deal in the way of support troops could be brought home. I think also that it is a little bit ironic we take care of 300,000-odd military personnel in Western Europe and we have at the present time 134 generals and admirals. The cost is high. The imbalance of payments is against us. Our GI's have to suffer on the basis of a devalued dollar and a reevaluated Deutschmark, so far as Germany is concerned. It is quite difficult to keep up their morale on that basis. I also think that the dependents pose a problem—an understandable one.

In my opinion, a forced reduction of about one-half could produce a lean and more compact force than we have there at the present time.

Mr. BIDEN. I would be willing to increase our troop commitment if, in fact, the argument could be made substantially that that was needed for the defense of our allies in Western Europe. If that argument were made, I would vote to increase it but I have not heard the argument. The argument the Senator from Montana has made makes a great deal of sense to me and would better enhance our position and our ability to defend our allies in their present posture.

Mr. MANSFIELD. Mr. President, before I yield to the Senator from South Dakota, I yield to the Senator from Rhode Island (Mr. PASTORE).

Mr. PASTORE. Mr. President, we do not have to increase our commitment——

Mr. BIDEN. I am not suggesting that we should.

Mr. PASTORE (continuing). We have brought it up to 100 percent. We have more than 7,200 atomic weapons in Europe. Some of them are obsolete. Most of them we do not have permission to use in case of an emergency, unless we get permission from them. They tell us that psychologically those weapons are helping but the fact is, for all of that psychology, the American taxpayer is sweating it out.

All we are saying here is that if this peril is so great in Europe, why do not the Europeans themselves live up to their commitments? They do not do it. We do it, though. Every time we take out one soldier, they yell, "The Communists are coming, the Communists are coming," at the same time their money becomes very valuable and our dollar is reduced in value.

The PRESIDING OFFICER (Mr. CHILES). The time of the Senator from Montana has expired.

Mr. PASTORE. I got it all in in time. [Laughter.]

Mr. TOWER. Mr. President, I yield 1 minute to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 1 minute.

Mr. ABOUREZK. Mr. President, I wanted to ask the distinguished majority leader if it is not true that the argument previously given for maintaining our troops in Western Europe was that psychologically Europeans were afraid to allow us to pull our troops back, that they would make some kind of an arrangement with the Soviets if we did pull them back.

Mr. MANSFIELD. Mr. President, that was one of the arguments; but so many arguments are made as to "the wrong time:" There is an election coming this September; or there is a conference in October. Every time the question is brought up, the roof caves in. But as soon as the question is done away with, it is all forgotten.

Mr. ABOUREZK. Since it has been used as a primary argument, I would like to ask the Senator from Montana if it is not correct to say that a new detente brought about by the administration does away with that argument. Their own actions have done away with that argument and, therefore, it no longer exists as a reason to keep our troops in Europe.

Mr. MANSFIELD. The Senator is correct. Absolutely.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. TOWER. Mr. President, the fact is that this administration has brought about a new détente. I grant that fact is recognized here on the floor. But the administration has brought about that détente and I do not believe we should unilaterally withdraw troops from Europe. There is a tendency to place this too much in a military context and the capacity of Western Europe to defend itself with or without American troops.

I would conceive that ultimately if sufficient mobilization and funding could take place, European units could replace American units and perhaps they could be brought up to the combat effectiveness of the American units.

But, there is a political question and a psychological question involved here. What we are trying to do in the Senate is to formulate foreign policy. Military forces are a tool of diplomacy and we must recognize that fact. If we strip away from the President of the United States the ability to use that tool with some degree of flexibility, we are then undermining the foreign policy of the United States.

Now there are other things we can do in Congress, and there are many initiatives we should recapture from the executive branch of Government. We have been steadily delegating away our authority every since Franklin D. Roosevelt's time, particularly in the domestic field. But now we seem to be taking the initiative in the wrong area, in an area where traditionally it has been regarded as the presidential prerogative, and that area is in the field of the formulation and implementation of foreign policy. That is what we are talking about here.

Mark my words, if we unilaterally withdraw our Forces from Western Europe, it will be taken as a signal, and the Ostpolitik will break out everywhere.

I do not like to criticize the head of any friendly government, but Willy Brandt, in implementing the Ostpolitik, did so in an atmosphere of declining confidence in the United States.

He made a deal with the Soviets in which he got the worst of the deal. We can see that repeated over and over again. We can see nations weaker than Germany making independent accommodations with the Soviets.

Norway could—or the Norweigan sea could become a Soviet lake. Indeed it may already be one. The fact is that there is no substitute for the American presence.

The PRESIDING OFFICER. All time has now expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on page 1, line 2, the number "50" be changed to "40" so that it would read "40 per centum."

The PRESIDING OFFICER. Is there objection?

Mr. TOWER. Mr. President, have the yeas and nays been ordered on the amendment?

The PRESIDING OFFICER. They have not been ordered.

Mr. TOWER. Mr. President, the Senator can modify it then.

The PRESIDING OFFICER. There has been a time agreement on it and it would require unanimous consent.

Is there objection to the request of the Senator from Montana? The Chair hears none, and the modification is so made.

U.S. GLOBAL INTERESTS

Mr. DOLE. Mr. President, we cannot lose sight of the fact that the United States is a world power with vital and far-flung interests throughout the globe. There are strong challenges to many of these interests, for they often conflict with the national interests of other countries. If we are to maintain our own interests we must have a visible and credible means available for doing so. Our overseas military forces, far from being overextended, are at their lowest level since before 1960, while our interests have expanded during those years, as our economy has been extended into new areas. It is necessary to ask ourselves quite seriously whether we really would be wise to reduce this strength even further at this time.

As a leading world power, the United States has a vital national interest in the maintenance of peace and stability throughout the world. In Europe, our interests lie with a free and autonomous Western Europe oriented toward the West, with a healthy, integrated European Community and a stable perceived balance of military strength between East and West. In the Middle East, our interests are to see peace maintained and Soviet influence contained in an area daily more crucial to our way of life by virtue of its vital oil supplies and its geographical proximity to the Mediterranean Sea. In Asia, our interests are to maintain the freedom and autonomy of Japan and our other Asian allies, to minimize to the degree possible Soviet influence in that area of the world, and to explore with due caution the degree of true relaxation of tensions that has occurred in our relations with the People's Republic of China.

The United States now has a total of 471,000 military personnel stationed ashore in foreign countries, excluding the United States, its territories, and possessions. I believe that a total of less than half a million troops is a singularly "lean" figure with which both to insure the protection of our extensive national interests and to maintain the peace and stability toward which we have labored so long and hard since World War II.

SPIRIT OF DÉTENTE

We are hopefully on the brink of a new chapter in world history. The events of the past 4½ years have increased the complexity of relationships among nations but they have also provided new opportunities to work out lasting solutions to mutual problems.

As we move into a period of lessened tensions and increased negotiations, it is vitally important that other nations as well as the American people understand our policies and goals fully and accurately. Relations among nations tend to become more complex and the issues more complicated in a period of détente. But these complexities are compatible with peaceful competition between social systems.

It would be unwise to fail to recognize the importance of the new spirit of détente, but certainly we cannot ignore the limitations of that spirit. Now, more than at any time in the past, we need to assure that our national strength is maintained.

THE IMPACT ON MBFR OF TROOP REDUCTIONS AT THIS TIME

Mutual and balanced force reductions in Central Europe is one of, if not, the most significant political-military developments on the European scene today. Preparatory talks were held earlier this year in Vienna among 19 states—12 NATO countries and 7 from the Warsaw pact—and these countries have agreed to begin actual negotiations in Vienna on October 30.

MBFR is a major initiative of the North Atlantic Alliance. The Alliance's objective in these negotiations is to achieve a more stable military balance at lower levels of forces with undiminished security. This objective can be assured only through mutual reductions on both sides in Europe.

There have been some suggestions that United States unilateral reductions would serve as an example for the U.S.S.R. to follow. This is based on wishful thinking, and there is no evidence to support such a contention that the Soviets would actually follow such an example. Indeed, a unilateral United States cut would reduce the incentive for the Soviets to reduce their forces since they would already have obtained one of their key objectives—reduction of U.S. Forces. Such action would invite the Soviets to await further unilateral unravelling of the NATO security structure.

A unilateral United States reduction, unaccompanied by a Soviet reduction, would not meet our objective of a more stable military balance at lower levels of forces with undiminished security. The level of forces would be reduced only on the NATO side and unilateral United

States reductions of any size would not leave NATO's security undiminished nor add stability to the balance.

With negotiations on MBFR set to begin October 30, this is not the time to make unilateral reductions. Such a unilateral action would destroy the chances for success in these negotiations and for obtaining the alliance's security objectives. The allies have expended considerable effort and made significant gains in bringing the Soviets to consider force reductions as an integral part of the effort to bring about greater military and political stability in Europe.

Finally, the President has pledged that given the existing strategic balance and a similar effort by our allies, the United States will maintain and improve its forces in Europe and not reduce them except through reciprocal reductions negotiated with the Warsaw Pact. A unilateral U.S. reduction would run counter to this pledge and would severely diminish our allies' confidence and trust in the United States. It would be a major setback for the alliance and would greatly weaken allied solidarity. The adverse impact of such unilateral U.S. action could be expected to carry over to a variety of our relationships with our European allies, as well as with countries of the East.

While I am opposed to the Mansfield amendment, I recognize that further reductions at the appropriate time may be desirable; therefore I supported the Jackson-Percy amendment which would reduce U.S. forces in individual countries by the amount that country is not offsetting its full share of costs in maintaining U.S. troops.

Mr. KENNEDY. Mr. President, the Senate is voting this morning on an amendment, offered by the distinguished majority leader, to require a progressive reduction of U.S. military forces based overseas. After careful consideration, I will vote against this amendment.

I believe that the changing nature of international politics now makes it possible for the United States to reduce its farflung military deployments abroad. Within the next few years, I expect that sizeable reductions will be made, and that, carried out in an orderly fashion, these reductions can help promote détente and the building of new structures of peace.

My principal concern, today, is with the future of NATO, and the manner of reducing forces on the Continent of Europe. The amendment offered this morning does not require a significant reduction in our NATO forces. Under its terms, it would be possible to make most, if not all, of the cuts elsewhere. Yet I believe that, as a practical matter, this amendment would inevitably affect the forces we have assigned to NATO. At the very least, it would raise grave doubts in the minds of our European Allies concerning the intentions of the United States.

In past years, I have voted for the Mansfield amendments and resolutions on NATO—ones requiring even deeper cuts than the amendment proposed today. And I continue to support the basic position put forward by Senator Mansfield—that it is time to move beyond the postwar era of confrontation, and to find ways of reducing the role of military forces in Europe. For this reason, Senator Mathis and I are offering an amendment to the military authorization bill that will help prepare the alliance for change.

On October 30, however, important negotiations on this issue are due to begin in Vienna—negotiations designed to bring about the mutual and balanced reduction of forces in both East and West. This is a hopeful effort long supported by the Senate majority leader and many of his colleagues. It deserves our support.

I am mindful that the administration has consistently ignored concerns expressed in this Chamber about the need to work for lower levels of deployed forces in Europe. For years, it has been dilatory and obstructive. And I am mindful that there is no guarantee of success for these MBFR talks. They may, indeed, serve to delay rather than to promote a change in the structure of military confrontation in Europe. Yet I strongly believe that we in the Congress must give these talks a chance to succeed, by not legislating a reduction in U.S. Forces deployed abroad, affecting the NATO Alliance, immediately before these talks begin.

If the talks do bring about a reduction of forces in Europe, we will welcome it; if instead they serve merely to delay the process of change—and to thwart the clear will of the American people—then we must take appropriate action here in the Congress. Unless the Administration takes forthright steps to secure early agreement on troop cuts in the MBFR talks, I will strongly support legislation along the lines of the amendment we are now considering.

Let us give the administration this final chance to prove its good intentions; and let us hold it strictly accountable to the Congress and to the American people.

Mr. President, for these reasons, I will vote against this amendment at this time.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time on this amendment has now expired.

The question is on agreeing to the amendment of the Senator from Montana (Mr. Mansfield).

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen) and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I also announce that the Senator from Iowa (Mr. Clark) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. Clark) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. Taft) is absent on official business.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft) would vote "nay."

The result was announced—yeas 49, nays 46, as follows:

[No. 419 Leg.]

YEAS—49

Abourezk
Aiken
Bayh
Bible
Biden
Burdick
Byrd, Robert C.
Chiles
Church
Cranston
Eagleton
Fulbright
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Inouye
Johnston
Long
Magnuson
Mansfield
McClellan
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott,
William L.
Symington
Talmadge
Tunney
Weicker
Williams
Young

NAYS—46

Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Brock
Brooke
Buckley
Byrd,
Harry F., Jr.
Cannon
Case
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hruska
Humphrey
Jackson
Javits
Kennedy
Mathias
McClure
McGee
Nunn
Percy
Roth
Saxbe
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Thurmond
Tower

NOT VOTING—5

Bentsen
Clark
Pearson
Stennis
Taft

So Mr. Mansfield's amendment (No. 538) was adopted.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will now resume consideration of amendment No. 517 by the Senator from New Hampshire (Mr. McIntyre), on which there is to be 4 hours debate today.

May we have order in the Senate?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order.

Mr. CRANSTON. Mr. President, I ask unanimous consent that my amendment as modified may now be voted upon.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Is it possible to now amend the Cranston amendment as amended?

The PRESIDING OFFICER. It would not be possible to now amend the Cranston amendment as amended.

Mr. HUMPHREY. Mr. President, when all time is used on the Cranston amendment as modified, is it possible to offer an amendment?

The PRESIDING OFFICER. It would no longer be possible to amend the Cranston amendment as modified except by unanimous consent, since the substitute therefor has been agreed to.

Is there objection to the request by the Senator from California that the Senate now vote on the Cranston amendment as modified?

Mr. GRIFFIN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Is it possible if all time is yielded back?

Mr. GRIFFIN. How much time do we have?

Mr. MANSFIELD. One hour. The time is running.

The PRESIDING OFFICER. The time is now running on the Trident debate.

Mr. CRANSTON. Mr. President, I yield back all time except 5 minutes.

The PRESIDING OFFICER. Under the previous unanimous consent order the question now recurs on the Trident amendment, with debate for 4 hours, after which there will be a period of 1 hour for debate on the Cranston amendment.

Who yields time?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. McINTYRE. Mr. President. I yield myself as much time as I may need on the amendment of the Senator from Colorado (Mr. Dominick) and me.

Mr. SYMINGTON. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. McINTYRE. Mr. President——

Mr. MANSFIELD. Mr. President, will the Senator yield for a parlimentary inquiry?

Mr. McINTYRE. I yield.

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending question is the debate on the Trident amendment for a period of 4 hours.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. McINTYRE. I yield.

Mr. ROBERT C. BYRD. Mr. President, may we have the amendment read?

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk read amendments No. 517 as follows:

On page 18, line 15, strike out "$650,700,000" and insert in lieu thereof "$645,700,000".

On page 18, line 18, strike out "$3,628,700,000" and insert in lieu thereof "$2,800,900,000".

On page 19, line 12, strike out "$2,656,200,000" and insert in lieu thereof "$2,603,600,000".

Mr. McINTYRE. Mr. President, I was shocked, dismayed, angered, and I do not know what, when I received a report of remarks made by the Chief of Naval Operations in an interview to NBC television, some of which were reported on this morning's news.

I have great admiration for Admiral Zumwalt. I do not know whether it is the tremendous excitement or the desire to win that the Navy always has that motivated him. Unfortunately I do not have a verbatim report of what was said on NBC's "Today" show but I have here a rough paraphrase of the conversation between the admiral and John Cochran of NBC–TV, some of which was aired this morning.

Admiral Zumwalt was asked:

What's this about Soviet agents on the Hill lobbying against the Navy position on Trident?

Admiral Zumwalt:

Well, I think for details on that you should look at the Alsop column a few weeks back.

Admiral, you were quoted as alleging this long before the Alsop column. At a private session over breakfast with some Senate staff.

Admiral Zumwalt:

Well, what I said was the Soviets are using their people to influence the vote. That's a courtesy we allow them in this country that they don't allow us in their country.

What do you mean by their people? Embassy people?

Admiral Zumwalt:

Embassy people and others.

What do you mean by others?

Admiral Zumwalt:

Those in the news media.

What do you mean by that? The Washinging Post, the Times, NBC?

Admiral Zumwalt:

I mean people who work for the Soviets.

You mean TASS?

Admiral Zumwalt:

Well, yes.

He was then quoted as saying he really did not think the Soviet agents would be able to influence the votes of any Senators.

One of the difficulties that faces a lot of us who work on the Armed Services Committee, who try to get hard evidence about what is right, is the oversimplification of the problems of the military. There is a great tendency from many quarters to simplify these issues. As a consequence, the first thing I find is that, all of a sudden, a man like myself who thinks a great deal of the military and who is proud of the military finds that he is called unmilitary. That is the first thing—that I am called anti-Navy because I was a foot slogger in the Army. That is not so. The rudest thing is that all of a sudden one finds himself called un-American, unpatriotic, because once in a while he says "No" to the Army, Navy, or Air Force.

Believe me, I have an editor in my State who knows how to say that. I hate to give him any publicity at all, but he knows how to put the old red tag on you.

I think we have got to insist upon Admiral Zumwalt's coming here and saying directly what he means, because his statement is very fuzzy. I do not like to see this said about Senators who think we should not go too fast in our submarine development. I do not think they like to have this reflect on them. I think we ought to know which Soviet agents lobbied, which Senators they are calling on, and what was said.

Mr. President, this is a disturbing thing and a disturbing note on which to open our debate today, but I felt I had to report this to the Senate.

Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will come to order.

Mr. McINTYRE. Mr. President, I ask unanimous consent to insert in the Record at the conclusion of these remarks an exact, verbatim transcript of that portion of the 8:30 a.m., NBC News Report this morning which dealt with Senate consideration of the Trident submarine. Senators will note that the report contains film from my appearance on the Today program on Tuesday, as well as portions of a filmed interview reporter John Cochran had with Admiral Zumwalt, Chief of Naval Operations.

Earlier today, after my staff had an opportunity to talk with Mr. Cochran, I give the Senate a paraphrased synopsis of that portion of the interview which Mr. Cochran summarized by saying "Zumwalt says Soviet agents have lobbied on Capitol Hill against the Trident."

My staff has reconfirmed with reporter Cochran that Admiral Zumwalt did, indeed, make such an allegation during the interview.

Therefore, Mr. President, I must once again protest the unfortunate implications left by Admiral Zumwalt's remarks and once again demand an explanation from the Admiral detailing what agents he is talking about, whom they lobbied, and how they lobbied.

The NBC Report transcript referred to above follows:

Transcript of NBC News Report, 8:30 A.M., Wednesday, September 26, 1973

Reporter John Cochran. "Senators Dominick and McIntyre are trying to cut more than ½ of the 1.5 billion dollars the Navy wants to build the Trident submarine.

McIntyre. "In my mind the Administration is pushing very hard for this big new submarine to impress our Russian friends at the SALT talks so that we can come up with some permanent agreement on underwater craft. To me it's not a good reason to be spending this money at the rate they want to spend it."

Reporter John Cochran. "Adm. Elmo Zumwalt, campaigning for the Trident submarine, fears the Congress may not take the Soviet threat seriously enough. Zumwalt says Soviet agents have lobbied on Capitol Hill against the Trident."

Zumwalt. "The Soviets have a host of ways, including the use of employees here to make a concerted effort to impact upon U.S. policy. This is a courtesy that is afforded in our Democratic way and a courtesy that they don't afford us in the Soviet Union."

Reported John Cochran. "But Zumwalt is more concerned about Senators McIntyre and Dominick than about Soviet agents. With the vote set for tomorrow the two Senators have about 50–50 chance of pushing their amendment to slow construction of the TRIDENT submarine."

Mr. McINTYRE. Mr. President, as we all know, intensified lobbying—as the Navy says, "the giving of information"—has been going on. Yesterday the Navy made a strong point of the fact that the Navy performed very well with the Poseidon conversion program and, therefore, has demonstrated the capability to do the same with the Trident submarine. In fact, they made an allegation that about $180 million was saved in the Poseidon conversion.

The facts supporting this allegation are that while the total cost estimate to convert the entire fleet of 31 submarines to Poseidon increased by $300 million, from $4.57 billion to $4.87 billion, the increase involves only the procurement of missiles and not submarine conversion. Cost for submarine conversion actually declined by $69 million, from $928.6 million to $859.6 million.

Mr. ROBERT C. BYRD. Mr. President, the Chair has done an excellent job in trying to maintain order today. I hope he will persist in that.

The PRESIDING OFFICER. The Senate will come to order, if the Senator from New Hampshire will refrain. Will Senators please take their conversations to the cloakrooms?

Mr. McINTYRE. Mr. President, there are a few facts about the Poseidon program that we ought to put on the record. The Poseidon program failed to meet its original schedule. It slipped a year and a half.

The Poseidon program was a high priority program. The R. & D. section of the missile testing, of the first five missiles of that program, failed.

It was such a high priority program that whenever the Navy came to the Armed Services Subcommittee on Appropriations, no questions was raised. Whatever they wanted, they were given. It was a "blue plate special." As a matter of fact, during the years of that Poseidon program, the Navy was able to reprogram during the years several million dollars out of the Poseidon program and steer it into other programs because they had more than enough.

So it is very difficult, the way this has been put together, to say that the Navy really had an undercost of $180 million that they claim.

Then, I want Senators to realize that just the other day a report came to us that our Poseidon missiles had a 42 percent operational firing success. In other words, 58 percent were duds and 42 percent went off.

As we look at the two programs we are talking about here, the Trident program and also the Poseidon conversion, I would also like to make this point: There is really no comparison between those two programs. The Poseidon program involved the use of a Polaris submarine, which had already been built, and modifying it to carry a new missile, Poseidon. The basic submarine hull and machinery was not newly constructed, and had been designed, developed, and tested under the predecessor Polaris program.

The Trident submarine will be a completely new boat from the initial conceptual studies, through prototype development and fabrication, and ultimately shakedown developmental and operational tests. It has not yet been built.

The Trident submarine will be new in many other respects.

It will be about a third longer and larger in diameter than the Poseidon submarine.

It will have a new type of hull construction.

It will have incorporated hull machinery and equipment tailored to the unique requirements of the submarine.

It will have a new sonar system.

It will incorporate missile support equipment to be used with the Trident 1 (C-4) missile now under development.

Putting all of these together into an integrated weapon system that must first be tested out is a thousand times more complicated and challenging than simply converting the Polaris submarine to carry Poseidon missiles.

The Trident submarine will face the usual array of developmental problems which all new major weapons systems encounter and which will cause delays and increases in cost. There is no way to avoid this.

As I have said many times, what we have learned in the R. & D. Subcommittee is that you must not go too fast; you must not try to design and develop a submarine at the same time you are trying to produce it.

I want to give Senators a history of the Navy's part with respect to the Poseidon submarine.

In 1957, we suddenly had a missile gap and everybody got excited over the difference between what the Soviet Union and we had.

So, we started cutting the Thresher. We had the Thresher, an attack-type, killer-type submarine. We started to cut it up. The first one was at Mare Island under Roosevelt.

In the course of putting these ships together, we had something, in the Polaris program, like 10,000 change orders. There are not two Polaris submarines in our fleet as Polaris-Poseidon, as originally constructed, that are the same. The change orders involved improvements. Even under that program today, as originally constructed, the first 10 Polaris submarines built would be obsolete. That is why we are not moving to make Poseidons out of them. They are obsolete. They presently plan to dispose of them. When we figure that some of those submarines have only been around for 14 or 15 years, they are pretty young submarines.

These submarines should be good for 25 years without any trouble whatsoever.

Mr. President, I am now happy to yield to the distinguished Senator from Iowa (Mr. Hughes) for 10 minutes.

Mr. HUGHES. Mr. President, before the distinguished chairman of the subcommittee sits down, I would like to ask a couple of questions concerning the statement contained in his opening remarks.

As I understand it, the distinguished Senator does not have a transcript of those remarks from the "Today" show. Is that correct?

Mr. McINTYRE. The Senator is correct.

Mr. HUGHES. The implication of the remarks was to the effect that Members of the Senate were being lobbied by Communist agents, Russian agents, regarding the military aspects of this country.

Mr. McINTYRE. The Senator is correct. The implication is fuzzy.

Mr. HUGHES. Mr. President, in other words by implication and innuendo, Admiral Zumwalt implied to the Nation on a nationwide television show that Members of the Senate, as yet unnamed, have been lobbied by Communist agents, as yet unnamed, which action may influence their votes on a U.S. defense system.

Mr. McINTYRE. That is correct. However, it has been reported that he said that he did not think the Soviet agents would be able to influence the votes of any Senators.

Mr. HUGHES. That is a nice by-comment after these aspersions cast on this body.

I think that as a result of those implications, the admiral should be asked to name publicly the Senators and the lobbyists, and if necessary it should be done in a secret session in this body.

Mr. McINTYRE. I agree. He should put it down in black and white as to what was said and who was contacted and who are the lobbyists running loose in the corridors of the U.S. Senate.

Mr. HUGHES. Mr. President, this is the first implication of this kind that I have ever been aware of. If Soviet agents are lobbying or are around here. I would like to be aware of who they are and what they are doing. In fact, I am appalled at this sort of statement made on nationwide television with the implication it carries without a sound basis for it and without stating publicly what the facts are, who did it, and why.

I thank the distinguished Senator from New Hampshire for calling this matter to our attention. I would hope that if a transcript of whatever happened this morning might be obtained, it may be made part of the Record.

Mr. McINTYRE. We are in the process of obtaining it and will make it part of the Record.

Mr. HUGHES. Mr. President, I am happy to join in this bipartisan effort to restore the Trident submarine program to an orderly pace. The McIntyre-Dominick amendment, which represents the carefully considered view of seven members of the Armed Services Committee, would give our taxpayers an $885 million break this year without in any way reducing the strength and survivability of our sea-based deterrent.

Under the able leadership of the Senator from New Hampshire (Mr. McIntyre), the research and development subcommittee explored the issues on the program at great length and depth. The subcommittee developed convincing evidence, in my view, to support the reductions proposed in this amendment, and also powerful evidence to contradict the new arguments and scare tactics which we have been hearing lately.

Drawing on these extensive hearings, Mr. President, I would like to present my views on this crucial issue.

We are all agreed that the key to our strategy of deterrence is our fleet of nuclear submarines with submarine-launched ballistic missiles (SLBM's). The survival of even one Poseidon submarine, with its 160 nuclear warheads each, could inflict such devastation on an enemy population and industry that any rational planner would seriously question the wisdom of launching an attack on the United States. Our current SLBM force is invulnerable to detection and destruction, and will remain so, according to the best official estimates, at least into the 1980's.

Since there is no disagreement on the importance of SLBM's, the major issues are whether now is the time to proceed at an accelerated pace and with such great cost on the proposed program. The close division of opinion within the Armed Services Committee reflects serious doubts on these matters despite the unanimity of views on the need to preserve an invulnerable submarine force. I think this should be clear.

The threat to our existing SLBM fleet is still hypothetical. Although Soviet ASW capability is expected to improve, we have no evidence of any major breakthrough which would threaten the survivability of our fleet. As Dr. Stephen Lukasik, the Director of the Advanced Research Projects Agency (ARPA) and the man responsible for the pursuit of the most advanced ASW technology in the Department of Defense, told the Research and Development Subcommittee on May 29:

> It is unlikely that a Soviet breakthrough in ASW could negate our Polaris-Poseidon forces before 1980 . . . there is, of course, the potential for Soviet breakthroughs that could lead to deployment of an effective anti-Polaris force by the early 1980's. However, the Poseidon, with its long strike range will increase the SSBN patrol area sufficiently to pose immense additional problems for any ASW sensor that can now be conceived.

One should note that these "immense additional problems" for a potential enemy would be compounded by the placement of the Trident I missile in existing Poseidon submarines. The 4,000-mile range of this missile would at least quadruple the ocean area of the submarines now carrying Poseidon missiles, thus further enhancing the survivability of our SLBM forces. The single most important advantage promised by the Trident system could be achieved by a decision to put the new missiles on the existing submarines.

Let me be very blunt about this, Mr. President. We had very accurate predictions about what the Russians would do in submarine construction and mirving at the time that the original program was proposed in 1971. Nothing has changed in the strategic balance to justify the accelerated schedule for the Trident sub.

But if the threat really does become serious, which I do not expect, then the administration proposal condemns us to several years of reduced survivability because of its refusal to proceed as soon as possible with the conversion of Poseidon subs to Trident missile subs.

Since the threat is still uncertain, the other major argument for replacement of the current fleet is that of aging. While the SSBN's were designed for a nominal life of 20 years, the Navy admits their utility at least for 25 years. Thus, they should be serviceable a least until the 1985–1992 period, as the distinguished Senator from Colorado pointed out yesterday in the debate. And their life might be extended even beyond that for all we know at the present time, but at least that long. Furthermore, the Navy admits that it is not possible to plot the overhaul cost trend versus age. In other words, the Navy cannot prove that the subs are getting too costly to maintain.

Admiral Robert Y. Kaufman, Trident program coordinator, told the R. & D. Subcommittee that "6 to 7 years are required to design, develop, and deploy a new SSBN sub in an orderly manner." We therefore have several years before it is necessary to lock into a final design on a replacement submarine for the mid-1980's and beyond.

The ideal replacement would be a submarine with several characteristics. It should have a longer range missile, and the Trident I missile will meet that requirement. It should be less detectable, and the technology is in hand even now to reduce significantly the detectability of current submarines if we choose that course.

A replacement should also maximize our capabilities under whatever restraints are imposed by a permanent arms limitation agreement. Yet if the current numerical limitations are made permanent, the United States would be able to deploy a maximum of only 29 Trident submarines, instead of our current 41, thereby making it hypothetically easier for a hostile force to locate and destroy all SSBN's simultaneously. Instead of waiting another year for SALT II negotiations to be concluded, however, the Navy is accelerating its program, despite the admission that it will be necessary to take a good look at the Trident design after a new agreement is reached.

Mr. President, they admit that. But instead of slowing down the program in order to have a submarine which best meets our needs for the rest of this century, the Navy chose a very costly option at an accelerated schedule. I am not persuaded that the much larger Trident submarine, costing five times what Polaris submarines cost and twice as much as a new version of Poseidon, is the best way to go. Time and further tradeoff studies may suggest better alternatives.

Our choice now, however, is not between this design or some alternative, but between the Trident at an accelerated pace or the Trident at a more orderly pace. Given that choice, I strongly urge the adoption of the McIntyre-Dominick amendment.

Mr. President, I have seen absolutely no evidence presented either to the subcommittee, the full committee, or on this floor, that would make these alternatives more important today than they have been during the course of the last 2 years. It would seem to me that an orderly procedure, as required and recommended in this amendment, would be not only in the best interests of the future defense of this Nation, but also in the best interests of giving those of us in this body, who must consider and weigh the alternatives, an orderly procedure whereby to consider the latest in research and development technology, and every other thing necessary to assure us of having the best SLBM force in the world at the time that we actually need it, which, at the earliest estimate, will be in the early 1980's.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DOMINICK. Mr. President, the Senator from New Hampshire (Mr. McINTYRE) asked me to take over the allocation of the time, and I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. DOMINICK. Mr. President, I congratulate the Senator from Iowa on what I though was an extremely forcible speech, very pertinent and very, I would think, influential in the process of this debate.

As can readily be seen from simply looking at the separate views which were cited in the committee report, there is nothing partisan about this committee or this amendment. These views in support of the McIntyre-Dominick amendment were, in fact, signed by Senators McINTYRE, SYMINGTON, CANNON, HARRY F. BYRD, JR., HUGHES, myself, and SAXBE.

We are not dealing with a partisan issue here. What we are dealing with, as I said yesterday and as I shall repeat, is a matter of judgment.

For at least 2 years we have been dealing with the Trident before the Research Subcommittee, on which I sit as the ranking Republican member, and for at least 2 years we have been hearing the Navy, the Defense Department, and administration witnesses trying to evaluate, as a matter of judgment, whether the proposal which came in originally in 1971 is the proposal which we should follow, or whether we should follow the accelerated program which was asked for in the fall of last year.

Some of the Senators who have joined in the separate views have been for a strong defense, and still feel that way. There are also some Senators among them—like myself, I might say—who believe that we have to take into account, in building our defense structure, the economics of this country and the ability and the extent to which we can or should spend taxpayers' funds on weapons systems.

Yesterday we were told that if we did not allow Trident by 1978, we would be facing an unbelievable threat from 1978 to 1980. We are talking, in terms of judgment, about what we can foresee for the future. The threat may be, and it may not be.

The threat might be there without the intent. That has a great deal to do with the problem. The threat may be there with the intent, and then the question is—and I think this is what we have to base our final judgment on—do we have an adequate defense against such a threat?

It is my opinion that we have a better defense and will have a better defense by 1978 to 1980 if we adopt the McIntyre amendment rather than going along with the bill as originally reported.

I think this may be the most important amendment to be proposed in this authorization bill this year. We have had debate on the issue already. Yesterday we spent 2½ hours in executive session discussing this system, and other systems, this one being the most expensive weapons system ever proposed to Congress. I want to repeat that: the most expensive weapons system ever proposed to Congress.

So I call the attention of my colleagues who are here to the points that led me to the position of siding with Senator McINTYRE for what I think is a much more orderly development of this system.

At this time in our defense posture, the Trident submarine and the Trident I missile, according to the Navy, should be due in 1978. I am convinced that the continuation of the present schedule for the missile, which would be 1978, and the readjustment of the pace for development and delivery of the first Trident submarine by 1980—which, after all, is a nuclear-powered platform for the missile to be fired from—makes sense economically and militarily, because of the cost savings involved and the nonexistence of any threat to our Polaris-Poseidon deterrent force.

This year, if the DOD request were granted, the Navy would be authorized to spend $1.5 billion on this one system alone.

Mr. McINTYRE. Mr. President, will the Senator yield?

Mr. DOMINICK. I am happy to yield to the Senator from New Hampshire.

Mr. McINTYRE. That is what I thought yesterday. But upon further inquiry beyond the bounds of our budget, I find that over at AEC there is $200 million sitting there for the Trident system, and there is $194 million still left over from last year's appropriation, so it reaches almost $2,180,000,000 this year.

Mr. DOMINICK. I am glad the Senator brought that up, because obviously if we have more expenses for the most expensive system, then we just add to the weight of the problem that we have.

Mr. McINTYRE. If the Senator will yield for just a second further, I forgot to mention, in addition to that $200 million at AEC and $194 million left over, there is $118 million under military construction authorizations, and perhaps an appropriation for the Bangor Washington defense.

Mr. DOMINICK. So we are close to $2 billion on this, some of which is money held over from last year. Then they are asking for $2½ billion for next year, and for the following year, 1976—or a total, without counting the extras the Senator from New Hampshire just referred to, of $6½ billion to be spent in 3 years.

As I read the Navy justification for that kind of expenditure, their argument consists primarily of four points: first, the potential aging of the Polaris-Poseidon submarine; second, the SALT talks; third, the general Soviet naval development; fourth, a Soviet so-called Trident ship.

In the R. & D. Subcommittee, we spent many days in hearings on the topic of the security of our naval deterrent force. In the hearings we concluded that the present Polaris-Poseidon fleet is, in fact, secure until 1980 at a minimum. The Polaris-Poseidon began in the late 1950's and the last boat was completed in 1967.

The design life of the hull on these submarines was programed originally for about 20 years but has been increased and is now scheduled for 25 to 30 years. Therefore, it is into the beginning of 1980 that we are talking about, when age might take its toll. Add 20 years to 1967 and that would be 1987 at the minimum, so probably 1990 in order to make really any significant impact on that particular boat.

I emphasize the word "might" here, because past experiences and the conditions under which these submarines operate led to my conclusion that the hull life cited is "minimum" only; namely, 25 to 30 years.

Much has been made of the SALT limitation agreement and the numbers—44 subs and 710 missiles for the United States as opposed to 62 subs and 950 missiles for the U.S.S.R.

Merely looking at the numbers of the agreement, however, is a very superficial analysis, for there are other factors to be considered. Otherwise, we would never have signed that agreement originally.

The types of submarines we are talking about are not designed to attack each other. In other words, the Trident we are talking about here will not be attacking a U.S.S.R. Trident submarine. Rather, both sides are using this type of submarine as a deterrent force. The consideration must be what their chances of success in that function are. There was no testimony before our subcommittee to show any Soviet breakthrough in ASW warfare to jeopardize our Polaris-Poseidon fleet.

At this point, it should be kept in mind that the subcommittee and this amendment go along with the Navy in developing the Trident I missile by 1978. The deterrent is not the submarine. The deterrent is the missile, and we are not now making any change in the missile. We are in a position where, if we are successful in finishing the missile development by 1978, we will have established the 4,000-mile range deterrent that we are seeking.

Then the only question is, how are we going to fire it, if we have to?

The answer to that is very simple.

The Navy has given its testimony over and over again that it would be relatively cheap and easy to back-fit that missile into the Poseidon submarine. The Navy and the administration, however, want the Trident submarine, which is as big as 2 football fields and twice as large as any submarine we now have. It is a nuclear-powered submarine which will be faster and, supposedly, quieter, and which will be able, therefore, to roam the oceans of the world in a much freer style than even the Poseidon can. That fact is hard to contemplate when we think of what we have done with the Polaris-Poseidon already, going under the ice caps, and traveling all over the world. To develop a boat the size of the Trident is obviously not only complicated but also an enormous breakthrough.

The technology involved in our Polaris-Poseidon is superior to that of the U.S.S.R's deterrent-type of submarine. We will maintain our leadtime through the 1970's and develop a Trident missile which can be placed on the Polaris-Poseidon by 1978, or possibly sooner, thereby increasing the range from 2,500 to 4,000 miles. It will give us much more room, in an underwater force—a missile force that can be a very effective deterrent without building a submarine for the Trident at all.

Also, at the present time, our Poseidon possesses the MIRV capacity. The Russian submarines either do not or are merely starting down that road in research and experiment. When we talk about deterrence, we are talking, therefore, about the missile. When we are talking about submarines, in general layman's terms, most people think of the Polaris, or they think of the submarines of World War II, or they think of whatever we have had in the way of missile-carrying submarines since.

We have been building attack submarines whose purpose is antisubmarine warfare as well as cargo warfare. We have five in the bill alone on which we are continuing construction, in order to boost our antisubmarine warfare capability. These can be used against other naval forces including submarines or against commercial traffic. In addition, we are also in this bill authorizing the funding of antisubmarine aircraft.

So when people start talking about the threat on the other side, we are already going along with what the Navy wanted in our defense capacity against that threat.

The Trident submarine does not come in at all except as a deterrent.

As I have pointed out before, the reliance on the numbers game is a mistake. If we are to rush into Trident submarine, as the Department of Defense proposes, we inexorably will commit ourselves to the construction and design of fewer boats with more missiles. I, for one, am not prepared today to say that that procedure is the best way to go.

Let us take, for example, developing an underwater boat, the size of two football fields and twice the size of anything we have now. It seems apparent to me that the ability of the other side, whoever it may be, whatever country may have submarines or antisubmarine warfare equipment available, can track a ship of that size far more readily than they could a ship the size of Poseidon.

This is a matter of my own feeling. Whether I am right or not, the necessary result, if the SALT agreement is still in effect will necessarily mean that we will have fewer submarines in the ocean by 1980 and thereafter than we now have. To me, that seems not very thoughtful.

I would say that the Navy's procedure on Trident is erroneous. The system has been stirred up into one word: "Trident." However, the one word "Trident' 'should be broken down into two phrases—one the missile and one the launching platform for the missile. The missile, which is really the deterrent, will be ready on schedule, as requested by the Navy under the McIntyre-Dominick amendment; it is only the submarine, or the launching platform, which we are putting off for 2 years.

SALT and Soviet naval development are closely interwoven. Just because the Russians are going forward with a larger submarine—and it is not nearly as large as the so-called Trident—does not mean that we have to plunge helter-skelter through the cash register with them. Our leadtime is not in any kind of serious jeopardy, and we do have a leadtime.

None of my colleagues, I am sure, will question my background as a strong supporter of the Department of Defense and the Navy through the years I have been here. What I have always done, as I have said before, and will continue to do, is to look closely at our overall defense posture and examine the places into which each program must fit.

In this case, the question becomes one of the maintenance of our Polaris-Poseidon and the pace of development of the Trident submarine. The ASW technology of the Soviets has not shown the capacity to jeopardize the unquestioned superiority of Polaris-Poseidon. The development of the larger Soviet submarine—it has also been called a U.S.S.R.

Trident—is nowhere near comparable to the development of the Trident which we are discussing. The U.S.S.R. sub is a smaller boat, with only 12 launchers and no MIRV capacity. In our Trident, we are talking about the most expensive system proposed in any Congress, a system whose complexities have yet to be tested and whose cost demands orderly development procedures.

Let me point out, for example, that we are having trouble with the Poseidon missile, which has been available for years. It is not a very serious problem. If we are having problems with this missile at this time and the capacity to make sure that it fires correctly, then I ask what in the world are we going to do with respect to problems with a Trident submarine, which is twice as big as the Poseidon, much more complex, with a much bigger nuclear reactive power system, and with much more sophisticated devices, both for defense and for quiet running?

I want and support a strong defense establishment for this country, capable of responding to any threat. Senator JACKSON says we have to give them the word. He said it yesterday in the debate. What did we do today? We gave them the word, all right. We cut 40 percent from the overseas manpower by the Mansfield amendment. We certainly gave them the word. We gave them the word that we are going back into isolationism. That is what we did.

This amendment in fact means that we are going to give them the word because we are going to put the deterrent missile on schedule in 1978. That is what the deterrent is in the submarine force.

I cannot justify the authorization of almost $2 billion this year, leading us down the road to $2.5 billion next year and the year following. The system is such that cost overruns, in a concurrency of this nature, where we are building submarines while we are still finishing research, are inevitable. Every time we have had that, we have really had problems.

Our individual views—and I will close and yield the floor with this—should be read, on pages 181 to 183. They really summarized a great deal. On page 182 we say:

> This conversion from Polaris to Poseidon, which will continue through 1977—has been costing us over $700 million a year for the last three years—

A cost which I think was well worthwhile, and which I support—

> and this bill authorizes over $360 million for that purpose this year.

So we are continuing that type of conversion and also continuing the missile.

The other point that I think would be worthwhile to talk about is a reference which has been made to Dr. Lukasik, who is an expert on advanced ASW technology. He said that the conversion to the Poseidon missile—

> Will increase our SSBN patrol area sufficiently to pose immense additional problems for any ASW sensor that can now be conceived.

He did not say "developed." He said "conceived." So if they are going to have that much trouble in finding a Poseidon, what in the world is the rush to go on with a submarine launcher? We can do that much more readily. We can cut $885 millon out of this authorization and be building two boats instead of three, assuming that we have by that time worked out all the bugs which have developed in a structure of this size and complexity.

Mr. McINTYRE. I thank the distinguished Senator from Colorado, who is a cosponsor of the amendment.

I reserve the remainder of my time.

Mr. THURMOND. Mr. President, I yield 10 minutes to the distinguished Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the distinguished Senator from South Carolina yielding time to me. Certainly I shall not use 10 minutes, because the Senator from South Carolina will present the position of the Armed Services Committee insofar as the Trident submarine is concerned.

I was interested, however, in listening to the distinguished Senator from New Hampshire (Mr. MCINTYRE) present his views on radio or television comments allegedly made by Admiral Zumwalt suggesting that there might be some Russians or some Communists who are endeavoring to pressure members of the committee or other Members of the Senate. I should think that no Member of the Senate would question the integrity and loyalty of any other Member of the Senate. I should think that if any suggestion of that nature were made, it would be a fruitless gesture, because we would reject such a suggestion overwhelmingly.

Yet I do believe that every Member of the Senate has been lobbied with regard to this submarine program. I am a junior member of the Committee on Armed Services, and have been lobbied by various individuals and groups including some of the senior members of the Armed Services Committee with regard to the position I should take. As the Senate knows the vote on this program was very close.

While I support the position of the committee, reasonable people may differ. I believe we must at all times be aware of thinking people having differences without questioning the integrity of someone whose position is different from ours. I want to hear the point of view of all sides, in order that I can make up my own mind. There is nothing basically wrong with an individual or group lobbying for his point of view.

We sometimes hear that we may be spending money unnecessarily for defense purposes; that we may be getting some missiles, some submarines, or military hardware that are too expensive or that is not needed.

When we talk about the defense of the country, about military procurement and military equipment, if we should err, I would certainly hope that the error would be on the side of caution, on the side of obtaining the necessary weaponry for the defense of the country. It would be better to have more weapons than we need than too few. I was present when the President spoke in Norfolk, Va., on Armed Services Day. He said—

> Do not send the President to the conference table as the head of the second most powerful nation in the world.

That is a most appealing statement to me that the President made, and I would urge that position on the Senate today.

Let us have an adequate defense. I believe the Trident submarine and expediting the procurement and construction of additional Tridents is a major part of the defense machinery of this country.

I intend to support the committee position, and oppose the amendment of the Senator from New Hampshire.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, how much time do we have remaining on this side? I understand 2 hours was allotted today for each side.

The PRESIDING OFFICER (Mr. BIDEN). The Senator from South Carolina has 1 hour and 55 minutes remaining.

Mr. THURMOND. Mr. President, I yield myself such time as may be required.

Mr. President, if as a Member of the Senate I were undecided about whether to expedite Trident or not I would accept the opinion of the greatest expert in the world on this subject. That man's name is Adm. Hyman G. Rickover. I would accept that opinion because he has been so farsighted in the past that it would give me confidence that he is farsighted now. I realize that he has been accused of being part of the military and that is true, and he is proud of it; and I am proud of the military and I am proud of Admiral Rickover.

I do not know of any man in our history who has contributed more to our Defense Establishment than Admiral Rickover. I wish to read to the Senate an excerpt from his testimony to the Committee on Appropriations of the House of Representatives on June 7, 1973. He said:

> ### SOVIET STRATEGIC IMPROVEMENTS
>
> The Russians in the last 2 to 3 years have launched a considerable number of their Yankee submarines, each of which carries 16 missiles. We estimate their missiles to have a range of 1,300 miles, but there is no reason to expect they will not be able to increase this range.
>
> The Soviet Yankee class ballistic missile submarines are ———. They have about 30 of these Yankee class submarines in the water and they are building ——— more for a total of ————.
>
> ### NEW RUSSIAN DELTA CLASS
>
> The Russians also have under construction a new Delta class of ballistic missile submarines that carry 12 missiles each. At least one has been launched. ———. The new missiles they carry have a range of 4,000 miles.

Mr. President, I wish to repeat that figure—4,000 miles, and these are Admiral Rickover's words. He went on to say:

> In effect, the Russians already have their equivalent of our Trident. In spite of all the talks with the Soviets, they have and are continuing to build up a force of modern, fast ballistic missile submarines, compared to our ———, aging ones which were built with 1950's technology.
>
> By the time the SALT I Agreement expires

in 1977, the Russians can have 62 modern ballistic missile submarines, of which about 30 could be about the equivalent of the Trident.

What is Admiral Rickover telling us? He is telling us that when the SALT-I agreement expires in 1977 the Russians could have 30 submarines equivalent to the Trident, and that will be even before we will have our first Trident operating.

Mr. DOMINICK. Mr. President, will the Senator from South Carolina yield?

Mr. THURMOND. Mr. President, I am pleased to yield on the time of the Senator from Colorado.

Mr. McINTYRE. I yield 2 minutes to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 2 minutes.

Mr. DOMINICK. I thank the Senator. Two minutes is fine.

I would like to ask this question. Does the Senator not feel that the missile of 4,000 miles, which the Senator emphasizes, is the really important thing, and that the submarine is simply a launching platform?

Mr. THURMOND. I think both. Admiral Rickover states here that the new missiles will have a range of 4,000 miles. That is important. It is a greater range than we have today.

Mr. DOMINICK. That is exactly right, but——

Mr. THURMOND. No submarine we have in the water today has a range of 4,000 miles.

Mr. DOMINICK. That is correct, but is the Senator also aware that the Navy does not plan on having a missile of 4,000 miles until 1978? In our amendment we are backing that date and would have it by 1978. We make no change in that at all.

Mr. THURMOND. The greater range that is put into these missiles, and it is planned to do that as we go on down the road——

Mr. DOMINICK. That is exactly correct.

Mr. THURMOND. In other words, Admiral Rickover is saying the Russians already have their equivalent to our first stage Trident.

Mr. DOMINICK. The missile.

Mr. THURMOND. Yes.

Mr. DOMINICK. Of course, their submarine is nothing like what we are planning. On the missile, we may be behind but our amendment does not affect that in the slightest.

Mr. THURMOND. Also, it should be noted that the first Trident will not have the larger Trident II and III type missiles but the submarine will be so built that the larger missiles can be placed in the submarines at some later date.

Mr. DOMINICK. We have a platform for the 4,000-mile missiles now. That is the point I want to make. The deterrent force is the missile, not the submarine.

Mr. THURMOND. We feel that the statement of Admiral Rickover is a very significant statement and that it is in accord with the facts. We feel that if there is any question at all about the matter, if we are going to err one way or the other, we had better err on the side of strength and early strength rather than to be embarrassed later.

Mr. President, I have before an article that was published in the Augusta Chronicle on September 18, 1973, entitled "In Effect, Russians . . . Have Their Equivalent of Our Trident." The article refers to the testimony to which I have made reference and excerpts are quoted. I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Augusta Chronicle, Sept. 18, 1973]

RICKOVER CLOSED-DOOR TESTIMONY—"IN EFFECT, RUSSIANS . . . HAVE THEIR EQUIVALENT OF OUR TRIDENT"

WASHINGTON.—Adm. Hyman G. Rickover says the Soviet Union is building a submarine that can fire 12 missiles to targets 4,000 miles distant, a version of the proposed U.S. Trident submarine.

Rickover also disclosed in closed-door testimony released by the House Defense appropriations subcommittee Monday that the Trident would be able to fire missiles thousands of miles on potential enemy targets from its proposed port in Bangor, Wash.

The firing distance of the proposed Trident missile was censored from the released transcript. But Rickover said the range would permit Tridents to hide in four times as much ocean as can the present 2,500-mile-range Poseidon.

Rickover, the chief pioneer developer of nuclear submarines, made the remarks June 19 in arguing for Congress' continued approval of the United States' program for 10 Tridents carrying 24 missiles.

"In effect the Russians already have their equivalent of our Trident," he said. "In spite of all the talks with the Soviets they have and are continuing to build up a force of modern, fast ballistic missile submarines."

By the time the first U.S.-Soviet arms limitation agreement expires in 1977, Rickover said, the Soviets could have 62 modern submarines "of which about 30 could be about the equivalent of the Trident."

Rickover said the Soviet equivalent is its Delta class, a step beyond its Yankee-class missile-firing submarine.

Nearly all of Rickover's comparisons between the Trident and Soviet submarines were censored from the transcript except for his comment that it is larger than the Yankee class vessel.

He said U.S. officials decided to put 24 missiles in each of the ten Tridents to cut costs per missile, implying by context that the 12-missile Soviet ship uses fewer missiles in more submarines.

The Navy has estimated the 10 Tridents plus the Bangor, Wash., base and all development will cost $12.7 billion.

Rickover said the longer range of the Trident's missiles will permit it to remain in U.S. coastal ports rather than sailing to and from points within the 2,500-mile firing range of Soviet and Chinese targets.

"The (censored) mile Trident missile will also allow hitting potential targets from the Trident homeport of Bangor," he said.

He did not say what targets could be fired on from Bangor or in what nation.

Mr. THURMOND. Mr. President, as I stated, if, as a Senator, I were undecided what to do on this, I would go to the greatest expert in the world, and that would be Admiral Rickover. Admiral Rickover has given his life to this work. If anybody is the father of nuclear power, I would say it is Admiral Rickover. He has made many speeches and made many points in favor of the Trident submarine—

The Soviets have built and continue to build a modern ballistic missile submarine force. They have 30 YANKEE Class submarines operational and more under construction. These submarines each have 16 missile launch tubes, similar to our POLARIS submarines. The Soviets have the largest and most modern submarine building yards in the world, which gives them several times the nuclear submarine construction capacity possessed by the United States.

Mr. THURMOND. In other words, they can build submarines three or four times faster than we can, and we may as well recognize that. The intelligence shows that.

The Soviets have tested an improved missile with a range of about 4,000 miles, just as I quoted Admiral Rickover.

They have under construction a new Delta class of submarines with 12 launch tubes capable of firing this new missile. This gives their submarines the capability to strike from points only a few days from Soviet bases. In a sense, the Soviets are already building their equivalent to our Trident submarines and missiles. These developments increase the threat to our land-based strategic forces and the reliance we must place on our sea-based strategic deterrent. Our submarines, by contrast, have a *relatively long* range to strategic Soviet targets and limited avenues of approach.

The Interim Agreement on Strategic Offensive Arms allows the Soviets to continue building ballistic missile submarines to a total of 950 ballistic missile launchers in submarines, and up to 62 modern ballistic missile submarines. This allows the Soviets to continue building ballistic missile submarines at a rate of about 8 per year during the 5-year term of the agreement. Even under the President's recommended fiscal year 1974 budget for the Trident program, the first Trident submarine will not become operational during the 5-year term of the interim agreement. Therefore, it is essential that the United States proceed now with Trident submarines as proposed by the President.

The Trident submarines and missiles are needed to increase the survivability of our seaborne deterrent in the 1980's and beyond, and to provide for replacement of our aging Polaris submarines.

The United States has 41 nuclear ballistic missile submarines, all built between 1958 and 1967. The oldest of these will be nearly 20 years old by the time the first Trident submarine can enter the fleet in the late 1970's, even under the administration's recommended program. The oldest Polaris submarines are wearing out. They have been operated hard, with two crews, to allow them to be on station a large portion of the time. They were built to specifications based on a 20-year life; their machinery is wearing out. It is unreasonable to expect them to operate more than 20 years without having major breakdowns.

So, after 20 years have passed, what will we have, unless we proceed with a modern submarine?

Also, the Polaris submarines were built with the technology of the 1950's. The Trident submarines are being designed with all the latest nuclear propulsion and submarine design technology. They will be much more difficult to detect and attack than our Polaris submarines, for two reasons: the new longer range Trident missiles will give the submarine vastly more ocean area to hide in, and the new submarines will be much quieter than the Polaris submarines.

Our Polaris submarines are limited in their patrol area by the range of their missiles. This forces them to operate in close range to foreign shores, thus bringing them within range of Soviet shore based aircraft. This limited patrol area simplifies the Soviet antisubmarine problem allowing them to concentrate their sea and air forces in a much smaller area. The Soviets have been investing heavily in antisubmarine warfare research and development, and have built and continue to build improved nuclear attack submarines—one of their best ASW weapons. They have invested large resources in ASW surface ships. Also, indications are that the Soviets are attempting to establish an area antisubmarine surveillance system presumably aimed at locating our Polaris submarines. The Soviets have been working to neutralize our Polaris submarines ever since the first one went to sea 13 years ago.

The first generation Trident missile will have a range of almost twice the range of the 2,500 mile Poseidon missile. This initial Trident missile can be backfitted in the 31 Poseidon submarines and could provide a several fold increase in ocean operating area available to our ballistic missile submarines compared to the shorter range Poseidon missile.

The Trident submarines will have missile tubes which will provide growth potential for even longer range missiles. With this longer range missile, which will fit only in the Trident submarines, the ocean operating area available to our Trident submarines will again be increased several fold over the area available with the first generation Trident missile.

Mr. ABOUREZK. Mr. President, will the Senator yield?

Mr. THURMOND. I shall be pleased to yield on the time of the Senator.

Mr. McINTYRE. Mr. President, I yield the Senator 2 minutes.

Mr. ABOUREZK. Is the Senator able to know at this time when the Trident II missile will be ready for operation?

Mr. THURMOND. Trident I is supposed to come in in 1978. The first submarine will go in the waters then. Trident II will come at a later date, probably a couple of years later. It depends on the development program, of course, but that is just an estimate.

Mr. ABOUREZK. But in 1980, under the McIntyre amendment, the first Trident submarine would be ready for operation.

Mr. THURMOND. Under the McIntyre amendment, the first Trident submarine will not come on until 1980. If we expedite the program, it will come in sooner, in 1978.

Mr. ABOUREZK. But the Trident I missile and the Trident submarine will be developed on approximately the same schedule.

Mr. THURMOND. That is, Trident I, but we do not have a Trident I yet. The Russians already have one equivalent to the Trident I.

Mr. ABOUREZK. However, we do have a Trident missile that we could put into the Poseidon.

Mr. THURMOND. Yes; all the Trident submarines will be accommodated to put in the Trident II.

Mr. ABOUREZK. The Trident I missile will fit into the Poseidon. Is that not correct?

Mr. THURMOND. That is correct.

Mr. ABOUREZK. The argument being made, then, is not really valid, because we do have a missile to put into the Poseidon.

Mr. THURMOND. We can put the Trident I immediately into a Poseidon. Of course, we would then be putting it into an old submarine. We could do that for awhile, but it would not have the deterrent power of the Trident I in the new, quiet, lethal Trident submarine.

We want to put in the hands of the President of the United States when he goes to these mutual and balanced talks the military muscle so that he will have enough power so that the Soviet Union will say: "Yes. We will agree to it."

We not only want to reduce troop forces and weapons and everything else, but both sides want to do so. They are spending billions and billions of dollars that they could be saving. However, if we do not give the President of the United States the power to use in these talks, he cannot be as successful in the talks as if he were to have this power.

The action taken this morning in the Senate on troop reductions will have to be decided in conference. However, if that should be agreed to, we will have unilaterally reduced the troops and will have taken muscle out of the President's hands.

If we do not expedite the Trident, that will take muscle out of the President's hands. We want to put in his hands the strength he needs to get a general reduction of troops and weapons and all facets of defense so that both sides will not have to spend as much on defense in the future. And the best way to do that is to give him that strength prior to the conference that is scheduled for October 30.

Mr. President, the longer range Trident missiles will even permit basing our ballistic missile submarines in U.S. ports. That is something that we cannot do with the Polaris and the Poseidon. The range is not good enough. We can even base the Trident submarine in one of our ports in this country where we will not even have to send it far into the ocean in order to be able to fire the missile and protect this country. What a deterrent it would be. No foreign basing would be required. This would eliminate the vulnerability of our current ballistic missile submarine force to international political action that could deny the use of one or more foreign bases, thus seriously degrading the effectiveness of the existing sea-based deterrent.

The Navy has studied over 100 different approaches to improving survivability of our ballistic submarine force. This issue has also been studied by the Department of Defense and the system analyses community. The consensus of the administration and the Department of Defense is that the Trident is the direction in which we must go at once. And I want to emphasize that. The opinion of this administration, and they are presently responsible for foreign policy, and the opinion of President Nixon, our President, the President of the American people, is that we ought to do this at once.

It is not only his opinion, but it is also the opinion of the Defense Department. They feel that we must move forward at once and expedite this system in order to provide the deterrent we need in order to put into the hands of the President the military muscle he needs in order to be successful in these talks.

Mr. President, as I stated a few moments ago, if I were a Senator in this body and was undecided on what course to take, whether to expedite this submarine or not, I would go to the greatest nuclear expert in the world. He is in this country and in this city. That is Admiral Rickover.

Then if I had any further doubts about the level of strength and where we stand, I would want to talk to the "Jane's Fighting Ships" people. They are supposed to be the most knowledgeable people in the world on naval matters.

When I learned that it was possible to get the editor of "Jane's Fighting Ships" to come before the Armed Services Committee, I made the request that it be done. He was present before the committee. His name is Mr. Norman Polmar. I ask unanimous consent that an excerpt from his testimony before the committee be printed in the Record at this point.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

Senator Thurmond. Mr. Polmar, the Soviets are now deploying a Delta class sub with a missile range of 4,000 miles. This is often termed the "Soviet's Trident." What problems do you feel this new subject will pose for the United States?

Mr. Polmar. It makes ASW, anti-Soviet operations against their missile submarine, with a missile of more than 4,000 range, virtually impossible, because they can essentially sweep the submarine area waters, their area waters, where they can easily detect and knock out any forces we may be trying to counter it with. They can target the United States without going out either to the mid-Atlantic or mid-Pacific. It is a Trident missile range, and indications are that they are going to build right up to their SALT limit with this type of submarine.

Senator Thurmond. Mr. Polmar, would you say that the same principle would apply to the Trident that we are planning to build?

Mr. Polmar. Yes, sir, in that if we go to a missile range of 4,000 miles possibly, but definitely with 6,000 miles, in my opinion, in the foreseeable future, even the most exotic ASW systems that people are talking about, it makes it impossible, because even if it were possible to detect a submarine that far from Soviet targets, they would still have the problem of having to deploy a weapons system out there to attack this submarine.

The big problem with this is that we do not always understand when we build a weapons system what it will be vulnerable to, we do not know how the other side will react.

Mr. THURMOND. Mr. President, I will not have to go into all he said. I just want to say that Mr. Polmar said that the Trident—the weapon we are considering at the present time as to whether we are going to expedite it—frightens the Russians. He said that the Trident is beyond their comprehension. Mr. Polmar went on to tell the benefits to this country of going ahead with the Trident.

Mr. President, I will read one excerpt here. It reads as follows:

> Senator Thurmond. Mr. Polmar, would you say that the same principle would apply to the Trident that we are planning to build?
>
> Mr. Polmar. Yes, sir, in that if we go to a missile range of 4,000 miles possibly, but definitely with 6,000 miles, in my opinion, in the foreseeable future, even the most exotic ASW systems that people are talking about, it makes it impossible, because even if it were possible to detect a submarine that far from Soviet targets, they would still have the problem of having to deploy a weapons system out there to attack this submarine.
>
> The big problem with this is that we do not always understand when we build a weapons system what it will be vulnerable to, we do not know how the other side will react.

Mr. President, he goes on in his testimony at another point. That excerpt reads:

> Senator Thurmond. You were speaking of Trident a few moments ago.
>
> As you know, the Congress is now considering that very matter. Do you have any additional views on Trident that you would care to make at this time?

Mr. President, I did not know what his answer was going to be. I had not talked to Mr. Polmar before the hearings. Here is what he said:

> Mr. Polmar. Just let me, if I may, add to that.
>
> [In reading Soviet literature and talking to the Soviets, in looking at submarines historically—I have written several books on submarine warfare, and I have done some analyses for various people on future submarine operations—Trident concerns the Soviets. They are very much afraid of Trident because today there is no way that they can write a scenario for tomorrow afternoon killing our strategic missile submarines.
>
> They tell me—I can show you in their literature and I can quote some discussions with them—how they would go after our Polaris-Poseidon submarines. They think they would be effective. I have my doubts about it.
>
> With Trident, once you go up to the 4,000-mile range, 6,000-mile range with that submarine, it is just beyond comprehension how to counter that with today's technology or predicted technology.
>
> I have had the Soviets tell me in their literature they could kill our missiles, and how they can kill our Minuteman in a preemptive strike. They are unable to do this with submarines, because submarines are always moving.
>
> When you mention Trident to them, it just throws them off. They cannot cope with this type of a problem.
>
> The only additional view I would add is what I said earlier, because I think this would give us a considerable leverage on the situation, if you will.]

That was the statement of Mr. Polmar, one of the most knowledgeable men in the world on naval matters.

Mr. President, we will put a more complete statement in the Record.

Mr. President, in closing, I just want to say that I hope the Members of this body, if they have any doubts about this matter, will resolve it on the side of strength.

A number of Senators do not have the time to study these matters as we on the Armed Services Committee do. They have their own special fields and their own committees in which to work. However, if there is any question or doubt in their minds, it is my sincere hope that they will vote to expedite the Trident so that we may put in the hands of our President the strength he needs to go into the mutual reduction conference and bring about a reduction on the part of the Soviets as well as ourselves and not have a unilateral reduction of arms on the part of the United States which, to my mind, would be disastrous.

Mr. McINTYRE. Mr. President, I yield 10 minutes to the Senator from South Dakota.

Mr. ABOUREZK. Mr. President, first of all, I want to say that I agree with the Senator from South Carolina that we need a Trident program. I am of the opinion, as he is, that it is the best deterrent that this country could have.

However, I disagree with the Senator from South Carolina in his assumption that the McIntyre-Dominick amendment destroys the Trident program, because it does not, and that has been the error in some of the speeches I have heard in the last few days with regard to the Trident program.

It is undisputed that the Trident program is the most expensive military hardware procurement program ever seriously contemplated by the United States. It seems to me that all too often in recent years we have been finding record-breaknig authorization requests with each new weapond concept that the Defense Department submits to Congress. Before Trident, it was a billion-dollar aircraft carrier, before the carrier, it was the C–5A, and before that the ABM. This year alone, there are more than a half a dozen new weapons proposals which have been sold to Congress with the fear that without them, the United States would lose all of our bargaining chips with the Soviet Union and most likely would slip to nothing more than a second-class power.

Unfortunately, Mr. President, it appears that fear has been the guiding factor in every decision made by Congress on weapons in the past. The Defense Establishment knows how to play the game very well, and the Congress, who can do nothing but rely on their military and strategic advice year in and year out, has been at the mercy of their frightening prophecies. It was out of fear of a Soviet ABM that Congress funded an MIRV program. It was out of a fear of a Soviet breakthrough in new surface-to-surface missiles—SAM—that Congress agreed with the Air Force to build the now all but forgotten B–70, and it was fear of Soviet ASW that swiftly caused us to authorize longer ranged SLBM's—even though, after almost 10 years, that new ASW threat has yet to develop. Now again, fear is playing the dominant role in our determination of the need of a new submarine-launched ballistic-missile system. It seems more than just sheer coincidence that each time a controversial weapons system is to be debated in Congress, sudden new intelligence revelations find their way into the press. In just the short time that Trident has been under consideration this year, DOD intelligence analyists have been reaping a windfall of new information for our consumption. Supposedly by sheer coincidence Soviet MIRV's and popup missiles have been seen just as the Congress is about to take up debate on weapons procurement. We are told that Soviet breakthroughs in these fields are eminent, and that, unless we react immediately to appropriate the necessary funds for the Defense Department's new bag of weapons, we are sure to lose every remnant of superiority we have left.

Not long ago, in my own office, the Navy used its trump card of fear as a final argument for the accelerated Trident program. Although Navy witnesses time and again have stated that present ASW poses not threat whatever to Polaris/Poseidon submarines, I was told that "if the Soviet Union really had the desire, they could lock on an attack submarine to each and every ballistic missile submarine we have.

This, among other things I was told, was why we immediately needed a quieter sub with longer range.

It is the fear of a breakthrough, it is the fear of losing a bargaining chip, and it is the constant fear of losing some kind of weapons superiority that causes us to be led by the questionable wisdom of military war planners.

We are told that we dearly need the Trident, because of imminent ASW breakthroughs, and we are told that without the accelerated Trident schedule we are sure to lose an important bargaining chip, and we are constantly reminded that the Soviet Union is building newer and more capable submarines every year.

As has been said many times during this debate, it does not really matter, if Trident is the issue, how many strategic submarines the Soviet Union is building. It is the Soviet antisubmarine capacity we need to be concerned with. With regard to having a longer range missile firing submarine, there is little question that we need one, but it is the missile itself where long range comes in and we can put a 4,000-mile Trident missile in the existing Polaris-Poseidon fleet.

As the Senator from South Carolina agreed a moment ago when I questioned him, we will not have a missile to put in the Trident submarine that will not fit in the Poseidon fleet by 1980, so there is really no need to build a submarine ahead of that time.

I have another remark that I wish to make, Mr. President. On the news this morning, Admiral Zumwalt was quoted as saying or implying that Soviet agents were lobbying on Capitol Hill against the Trident submarine.

First of all, I would like to ask if Admiral Zumwalt would care to name who the Soviet agents are, and whom they have lobbied. Having asked that, I hope he will respond. I wish to make one comment with regard to Admiral Zumwalt's statement: I do not believe any U.S. Senator would allow a Soviet lobbyist in his office to try to talk about the Trident submarine. I do not believe it for a minute. It is that kind of military red-baiting, fear and emotionalism that we have seen too often in debates on defense procurement. That is something I would have hoped would have ended before now, but unfortunately, if the merits of the accellerated Trident program were as good as we are led to believe by the military, it would not be necessary for them to use that kind of fear tactic.

Mr. President, if we are to put stock

in these arguments we will be doing nothing but admitting that the rationale of fear is far more compelling than the rationale of good commonsense.

Second, the bargaining chip argument, in some ways the argument most representative of the argument of fear, seems the biggest obfuscation of all. With almost 5,000 more nuclear warheads than the Soviet Union, with a far greater bomber force, with a naval force that cannot even be compared with the Soviet Union, we are being told that the 2-year acceleration in the Trident development is essential to maintain an additional bargaining chip. It escapes all logic to attempt to argue that having the first Trident ready to float in 1978 rather than 1980, has a significant effect on disarmament talks going on in 1973.

The Russians are not stupid. They know Congress is committed to a Trident program. They know we do not want to abandon it but want to continue it in an orderly manner. In fact, whatever the date of initial operation may be, it matters little what time frame we are considering in initial deployment. What does matter is that we are deploying a new submarine and that they are to be better than the last ones. What does matter is that the Russians know that we have made a decision, that we are building a new submarine which we will deploy eventually.

With regard to the arguments raised on the hull life of the existing Polaris-Poseidon fleet, we have heard it argued a great many times in the last few days, and I have heard it specifically from Admiral Zumwalt, that Polaris-Poseidon has a 20-year life.

There was testimony in the Armed Services Committee that the submarines in our Polaris-Poseidon fleet will capably operate for at least 25 years. The 20-year argument was glossed over before the committee, where they could be questioned on it. It is now being presented in private lobbying sessions, where many Senators do not have the information available to question the arguments of the admirals.

Mr. TOWER. Mr. President, will the Senator yield at that point?

Mr. ABOUREZK. I yield.

Mr. TOWER. Would the Senator operate a 25-year-old sub at the same depth he would a 20-year-old sub?

Mr. ABOUREZK. Would I operate a 25-year-old sub at the same depth of a 20-year-old sub?

Mr. TOWER. Yes, one programed for 20 years, but has a life more than that.

Mr. ABOUREZK. Let me first respond by asking the Senator what that has to do with the Navy statements that we can easily operate a 25-year-old sub?

Mr. TOWER. When one operates a large submarine over a period of 20 years, obviously we allow for margins of safety and we build in that margin of safety. Conceivably, a submarine designed to operate for 20 years would still operate for 20 to 28 years, but a great part of its programed life depends on how such a sub is operated.

Mr. ABOUREZK. I am only relating what the Navy themselves have said on the subject.

Mr. TOWER. We run certain risks. The Navy will not operate the older subs at test depths because of the hazards involved to the men aboard, which means that the sub would have to operate closer——

Mr. ABOUREZK. Let me ask the Senator what hazards he is referring to.

The PRESIDING OFFICER (Mr. BIDEN). The time of the Senator has now expired.

Mr. TOWER. Mr. President, I yield myself 2 minutes so that I will not be encroaching on the Senator's time.

The point is, when we operate at a lower depth, of course, the hull gets tired just as an airplane fuselage gets tired with age and its structural members get tired and become more vulnerable. So we cannot operate——

Mr. ABOUREZK. Is it the cracking of the hulls which the Senator is referring to as the threat?

Mr. TOWER. If we stretch out the life of the hull we increase its vulnerability because they have to operate the ship at a shallower depth and that makes the submarine more vulnerable to attack.

Mr. ABOUREZK. I would like the Senator to clarify his concern so that I might respond to the specific question.

Mr. TOWER. The Senator has heard talk about pooh-poohing the life of these ships, that they can last from 25 to 28 years, when the fact is it means they have to operate at shallower depths, and have to operate where the margin of safety is much narrower which makes the ship more vulnerable to attack. I wanted to make those points.

Mr. ABOUREZK. If the Senator is saying the hull itself is in danger after a 20-year period, I would like to advise the Senator from Texas that yesterday, in a conversation with Admirals Zumwalt and Kaufman, I was informed, in answer to my question on this point that it was not the strength of the hull that they were concerned about. Even the Navy is not concerned about age on that score.

Mr. TOWER. The Senator says they did not talk about testing the hull?

Mr. ABOUREZK. They did not talk about that.

Mr. TOWER. They did not talk about the depth of operation of submarines?

Mr. ABOUREZK. They did not, when I asked them.

Mr. TOWER. The fact is, the closer to the surface we bring a sub the more vulnerable we make it.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. ABOUREZK. Mr. President, may I have 5 more minutes?

Mr. FULBRIGHT. Mr. President, I was told that I would follow the Senator's 10 minutes.

Mr. ABOUREZK. I have a few remaining comments to make.

The PRESIDING OFFICER. The Senator from New Hampshire has the floor.

Mr. McINTYRE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from New Hampshire has 59 minutes remaining.

Mr. ABOUREZK. I need 5 more minutes.

Mr. McINTYRE. I yield the Senator from South Dakota 5 more minutes and would suggest to him that any more yielding he take out of his own time. [Laughter.]

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 5 additional minutes.

Mr. ABOUREZK. Mr. President, the final argument—that the Soviet Navy is building SLBM's—is the hardest of all to understand in justifying building the Trident 2 years faster. Apparently the Navy is counting on the Soviet Union to use their missile-carrying submarines to ram the sides of our submarines in some new ASW effort. Why else would the rate of construction of Soviet subs be relevant in any way to the development of a follow-on to our Poseidons? These vessels do not fight one another and their numbers and rate of construction is totally irrelevant to any valid discussion of the matter. It is, however, another example of the rationale of fear. If the Soviet Union is building submarines, we have to build submarines, if for no other reason than to demonstrate that we, too, can build every last weapon of total annihilation that man is capable of imagining.

It is the realization that fear has been a motivating factor in considerations involving weapons requests in the past that we must now come to grips with in the debate on the Trident submarine construction schedule. Will we allow the peddlers of fear again to convince us that antisubmarine warfare breakthroughs are imminent, or that we lose a valuable bargaining chip in moving the Trident back to its original schedule? I sincerely hope not, Mr. President. Rather, I hope that good commonsense on this issue will prevail. The return to an orderly development of Trident would, in no way, jeopardize our position either on the seas or on the bargaining table. It would, however, allow the largest single amount for a single weapons system in this year's research and development request—a total of $642 million, which is a savings this year of $885.4 million and almost a billion dollar savings next year.

The amendment would allow construction of the first submarine to continue uninterrupted. It would help insure that the chances of waste and error, most common in accelerated development programs, are kept to an absolute minimum. And rather than diminishing our effectiveness at SALT, it enhances our position by allowing us far more flexibility to respond to future ASW and demonstrates to the Soviet Union that a time tested and reliable submarine system is now easily within our reach.

The arguments resulting from good, plain commonsense are compelling ones. They do not play on anyone's fears, they do not need to rely on some new intelligence estimate that shows the Soviet Union working on some new weapons system, and they are not above rationale of any man. Rather than the dictates of fear, these commonsense arguments quickly demonstrate a powerful case for returning to a more orderly development of a Trident system. I associate myself with those Senators expressing these sensible arguments and urge my colleagues to join in the effort to steer away from the dangerous traps of fear.

Mr. President, I urge adoption of the McIntyre-Dominick amendment.

I thank the Senator from New Hampshire for yielding me this time.

Mr. HELMS. Mr. President, the arguments of the distinguished Senator from Washington and of the distinguished Senator from South Carolina over the past few days have reinforced my conviction that the Trident program should proceed at the most rapid practical rate. While I respect the judgment of the junior Senator from New Hampshire, and his efforts to cut the burden of Government spending, I think that his amendment could put us in a very tight situation within the next 5 years.

As I understand the Senator's amendment, he would stretch out the procurement schedule of the Trident submarines over a longer period of time than the schedule approved by the Armed Services Committee. The main economic effect of this would be to spread the cost over a greater number of years.

Yet we all know what inflation has done to our defense purchasing power. In terms of constant dollars, the fiscal year 1968 budget was 50 percent higher than fiscal year 1974. The probability is that inflation will continue to eat away at the defense budget. The effect of postponing procurement of the 10 Tridents from 2 to 5 years would doubtless erase any of the proposed economic benefits.

But what is more important is that if you lay out the procurement schedule for the 10 Tridents proposed in the amendment on top of the in-serve history of the first 15 Polaris/Poseidon submarines that they will replace, you find that the amendment would bring on the new boats in the 20th and even 21st years of the old ones.

Considering that 20 years of service is maximum before wear and tear and obsolescence sets in, Senator McIntyre's schedule coincides perfectly with the phasing out of the old submarines. It is, in fact, a little too perfect. It presumes a perfection in human affairs that is seldom achieved, particularly in the bureaucratic process of procurement. It makes little allowance for shakedown and testing of each vessel. It also assumes that nothing is going to happen to the Polaris/Poseidon fleet that would prematurely put vessels out of commission, or that the Soviets make no breakthroughs in submarine warfare that would restrict the Polaris/Poseidon mission.

It is indeed unrealistic to expect these old submarines, marvels though they may be of modern technology, to operate efficiently for more than 20 years. We all know what happens to an automobile when it is heavily used and it gets to be 3 or 4 years old. We can keep such a car running, but it takes constant repairs, and the vehicle is out of service when it is most needed.

Admiral Rickover, whose experience in this field is unequaled, testified before the House Appropriations Committee as follows:

Admiral Rickover. Our Polaris and Poseidon submarines are operated hard with two crews. They have been operating far more than almost any ships in naval history. Their machinery is getting old and is wearing out after this hard usage. It is difficult to replace it because the factories no longer make the equipment and they are no longer tooled up for it and they would, in some cases, have to build new tools to make the old machinery.

When I was a young officer, our ships used to operate at sea about fifty to seventy days a year. Our Polaris submarines operate something like 240 days a year. That is a 300 to 400 per cent increase in yearly operation. These submarines have been designed well, we have trained the people, and selected them well——

Mr. Sikes. Are we wearing them out just spinning our wheels when it isn't necessary?

Admiral Rickover. We do not know when or if it will be necessary to use the Polaris and Poseidon submarines. We cannot tell. That is the whole point. We believe that there would be a greater chance of war if we did not have them on patrol. That is why we keep them at sea so much . . .

So far we have conducted 1,024 patrols. We have had 61,500 days of Polaris and Poseidon submarine operations. It is unreasonable to expect them to operate more than twenty years without having major breakdowns.

Mr. President, so far as I am concerned, such testimony is persuasive that the Polaris/Poseidon submarines ought not to be pushed hard in the declining period of their useful life. The committee version is prudent in allowing for an overlap in the time period between the old and new systems, and I fully support it.

Mr. President, I have also read with great interest an interview on the Trident situation conducted by the American Security Council with Dr. William Schneider. Dr. Schneider, who is on the staff of the distinguished junior Senator from New York (Mr. Buckley) is well known around the Hill as one of the most knowledgeable experts on the Hill in the field of defense strategy. I ask unanimous consent that the interview be printed in the Record at the conclusion of my remarks.

There being no objection, the interview was ordered to be printed in the Record, as follows:

INTERVIEW ON THE TRIDENT SITUATION

A warning that attempts to cut back or slow down development of America's planned "super-submarine," the Trident, could cripple U.S. efforts to deter nuclear war has been sounded by a leading authority on military technology.

Dr. William Schneider, consultant to the Hudson research institute and adviser to Senator James Buckley (R-Conn., N.Y.), said a Liberal-led effort in the Senate to slash this year's Trident budget from 1.5 billion dollars to 642 million dollars could have far-reaching consequences for the entire U.S. defense posture.

Following is the text of an interview with Dr. Schneider by the American Security Council's Washington Report:

Question. Why do you think the Trident submarine program is important to the United States?

Dr. Schneider. "The Trident program is one of the keys to our long term future. It is a means of hedging against adverse developments that would otherwise threaten not only our existing missile-firing submarine force but also our other strategic forces, namely our landbased ICBM's (inter-continental ballistic missiles), and our manned bombers, namely the B–52 and the FB–111 aircraft.

"At the present time the United States has a missile-firing submarine capability in a type called the Poseidon and a similar submarine which fires a missile known as the Polaris. These missiles have a range of 2,500 to 3,000 miles. Because many major Soviet targets are located in the central part of the Soviet Union, the area of ocean in which these vessels have to hide is relatively small. This is one of the things that has motivated the Defense Department to look for a different kind of submarine, a submarine that could stay further offshore and yet still reach inland targets. This is important also because of the possible developments of Soviet anti-submarine warfare techniques that would make the submarines with shorter missile ranges vulnerable to detection.

"Further, the Soviets have deployed large numbers of very heavy payload ballistic missiles which are capable of, under at least some circumstances, destroying our land based forces. This would mean that our only remaining forces might be those at sea. If we don't take the necessary precautions of making sure that our sea-based force can successfully evade any plausible improvement in anti-submarine warfare—it might come up in the 1980's—strategic forces—our ICBM's, our land based bombers, and our sea-based submarine force—might suddenly be vulnerable and an American President could face a political crisis in which he would have no other alternative but to back down without a shot being fired.

"The Trident program, because of the 4,000-plus mile range of its first generation of missiles, and the 6,000 mile-plus range of the second generation, would give 13 million square miles more ocean in which the submarine could roam and thus evade Soviet aircraft and naval vessels that are seeking to destroy the submarines. This gives the President an added measure of security at a time when the strategic parity that has emerged between the U.S. and the Soviet Union might otherwise be threatening."

Question. What would be the effect of the two-year slowdown if they cut the funds back and the research and development of the Trident—what would be the effect in your estimation?

Dr. Schneider. "I think there are two effects. The first effect deals with our ability to negotiate with the Soviets. At the time the first round of SALT—Strategic Arms Limitation Talks—resulted in agreement, the President advised Mr. Brezhnev that the United States would make an effort to have an alternative new strategic weapon system deployed if the strategic arms limitation talks did not achieve satisfactory results by 1977. If there is a delay of two years, this would be read by the Soviets as an indication of American unwillingness to maintain the strategic advantage it should otherwise have. As a consequence, we will be perceived as weak and will correspondingly lose in the delicate negotiations that are now in progress in Helsinki.

"A second difficulty with a two-year slowdown in the Trident system is the possibility of longer stretch-outs. The inability to procure long leave-time items that would enable you to bring the force on in 1978 might mean, because of inflation and other things, that we would have to eat into defense resources and slow down production even further. As a consequence, we might well be faced with a situation where we don't have any new submarines coming along to replace the present Polaris Force which by then would be more than 20 years old.

Question. Critics of the Trident program and of the defense budget as a whole, argue that the more that we put into our military program, the less likely the Soviet Union might be to mellow and negotiate from a standpoint of reasonableness. How do you feel about this?

Dr. Schneider. "The evidence looks the other way. I think we can go back to 1968, for example, when Congress had an extensive debate on President Johnson's proposed Sentinel anti-ballistic system. Three days after Congress authorized construction of the Sentinel anti-ballistic missile system, the Soviets responded to a three-year-old invitation to join in Strategic Arms Limitation Talks.

"It appears that there is every indication from the evidence of Soviet behavior that Soviets tend to respond to displays of strength and determination and resolve and tend to exploit an advantage and become increasingly obstreperous. I think the Soviets have taken advantage of what they perceive as American unwillingness to challenge Soviet leadership and have taken this as an opportunity to suppress their dissidence. It seems clear to me that we will be able more effectively to achieve an understanding and a means of coexisting with the Soviets only if we maintain the determination to run the race, so to speak."

Question. You see no indication of relaxation in their military buildup?

Dr. SCHNEIDER. "No, in fact, all the evidence seems to support the advice that Mr. Brezhnev gave President Nixon in May of 1972 when he advised the President that the Soviets had every intention of pushing ahead full speed in areas that were not constrained by SALT and we've seen this in a number of ways. The Soviets have developed a new launching technique for their ICBM's which will enable them to carry heavier warheads; they have improved their guidance systems for their submarines; they have already deployed three submarines which are the equivalent of our Trident-system, namely a 4,500 mile missile. The main difference is that their submarine is so much smaller it will carry only half as many missiles. Nevertheless, they have already got a 4,500 mile missile in the water where the U.S. is, at best, three or four years away from such a system."

Question. What year would you perceive right now as being the critical year for the United States in terms of the nuclear balance?

Dr. SCHNEIDER. "In terms of quantifying things, the Soviet strategic advantage will become starkest in 1977 when the Soviets achieve their limit in their deployment of nuclear subs, namely 62 of the modern "Y class" type or Delta class submarines, while the U.S. will not have deployed a single new strategic system since 1967. We still have the Minute-man force which was deployed last in 1967, the Polaris type submarines which were last deployed in 1966 and the B–52, the most modern version of which went out of production in 1962. The Soviets, on the other hand, will have a visible force that is less than ten years old for the most part, and the force will be quantitatively superior. The unresolved question is how will they behave diplomatically in relation to their perception of quantitative superiority?"

Question. Is this why the Trident and the B–1 and our other programs are extremely important?

Dr. SCHNEIDER. "Yes, important not only for their own sake, in that they contribute to our security, but also because of the effect our willingness to continue to maintain our strength will have on future Soviet behavior."

Question. One last question: How do you answer the argument that we've already achieved "over-kill"? That word keeps popping up again and again, that it's not necessary to build any more new missiles or do any more MIRVing because we've already achieved the ability to wipe out the other side.

Dr. SCHNEIDER. "It's a very popular, and, in many ways, understandable, impulse when you count up the enormous 'kill' potential in millions of ton equivalents of TNT, but the fact that is always relevant in war is how much can you actually apply to a battlefield. When you look at this it becomes quite a different question. It's much like the statement that we have enough rope to hang every citizen in the Soviet Union several times, but the question is you cannot get the average Soviet citizen to stand still long enough for you to do that.

"Since we as a nation would not consider a first strike, we have to be in a position where we can absorb the first strike and still have enough remaining to persuade any Soviet citizen or Soviet leader that it would not be to his advantage to initiate a strike in the first place. When you have that kind of requirement, the raw megatonnage count really is not a relevant statistic. What is relevant is how much in the way of firepower you can actually apply in a real engagement."

Mr. McINTYRE. Mr. President, I yield 15 minutes to the Senator from Arkansas (Mr. FULBRIGHT).

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 15 minutes.

Mr. FULBRIGHT. Mr. President, the Members of Congress, and especially the Senate, have been subjected to an unusually vigorous and sustained lobbying campaign by the members of the Military Establishment in recent weeks. This campaign of personal, direct lobbying on the Members of Congress is backed up by a spate of news releases to the press and by comments from the puppet columnists of the Pentagon.

All of this pressure upon Congress just before we vote is an annual exercise which surely all Members will recognize for what it really is.

Recently, several articles in the press described the newly discovered "popup" missile being developed by the Russians. This is symptomatic of another well-coordinated Defense Department lobbying effort similar in intensity to the ABM campaign of 1969. For the benefit of those who may have forgotten the famous "Starbird memorandum," which was exposed by the Washington Post and which revealed the extraordinary magnitude of that earlier effort, I ask unanimous consent to have this memorandum printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

PUBLIC AFFAIRS PLAN FOR THE SENTINEL SYSTEM

1. References:

a. Part No. 1.01, subject: Sentinel System Charter, SSMP, 3 Nov. 1967.

b. DOD Memorandum OASD(PA) 22/1, subject: Sentinel System Public Affairs Plan, 15 March 1968.

c. AR 360–11, subject: Army Information Guidance for Sentinel Program, 23 August 1968.

d. AR 1–20, subject: Administration Legislative Liaison, 26 Jan. 1967.

2. Purpose and scope:

a. This plan establishes guidelines, implements policy and assigns responsibilities for an active public affair program on a country-wide basis regarding the Sentinel System and the Sentinel deployment program; it sets forth specific DA information objectives and milestones, suggests certain techniques and delineates responsibilities for the planning, execution and evaluation thereof.

b. The provisions of this plan apply to all U.S. Army elements and to all individual industrial firms and civilian contractors participating in the production and deployment of the Sentinel System.

3. Background:

a. On September 18, 1967, the Secretary of Defense announced the decision to produce and deploy a Communist Chinese-oriented ballistic missile defense system. This system will be deployed at 15 to 20 locations in the continental United States, Alaska, and Hawaii. On November 3, 1967, the Secretary of Defense named this ballistic missile defense system the Sentinel System and announced the appointment of LTG Alfred D. Starbird as the Sentinel System Manager (SENSM). Also on November 3, 1967, the Secretary of the Army approved and issued the Sentinel System Charter which, in part, states: "The Sentinel System Manager will develop and, when so directed, assure the timely, effective deployment of the Sentinel System, and will provide a single point of contact within the Department of the Army for the coordination and direction of all activities pertaining to the Sentinel Systems. . . . The Sentinel System Manager, within instructions issued by the Chief of Staff of the Army, will exercise staff supervision over all Army Staff elements and participating organizations of the Department of the Army for planning, direction, and control of the Sentinel program. . . . The Sentinel System Manager will utilize to the maximum extent, compatible with System requirements and within guidance issued by the Chief of Staff, the functional and process oriented capabilities of the Army Staff. . . ."

b. Opposition to the Sentinel deployment decision has arisen and been publicly expressed in three sectors of public opinion: in certain segments of the U.S. Congress, in scientific circles and in citizen/public official interest groups in local communities. Congressional and scientific opposition centers around questions as the Sentinel technical and operational feasibility, cost, disarmament, the international arms race and national priorities and is national in scope. The local interest groups raise these same national questions but also base their opposition to the Sentinel deployment decision on various factors stemming directly from such actions and proposed actions as (1) site selection and validation activities, (2) real estate acquisition, (3) effects of construction on the local environment, and (4) eventual impact of the Sentinel installation and its personnel on the community. Initial adverse reaction from private citizens and local public officials has been the direct results of site validation and acquisition actions which are a necessary prelude to the initiation of construction operations, and are vital to the Sentinel program.

c. The SENSM, in coordination with OCLL and OCINFO, will conduct a public affairs program, on a country-wide basis, to accomplish the objectives established herein.

4. Objectives: The objectives of the program are:

a. To gain public understanding of the reasons for a United States ballistic missile defense (BMD) system oriented on the developing Communist Chinese offensive ICBM nuclear capability.

b. To insure that all sectors of public opinion are fully informed of Sentinel System developments, progress, effectiveness and objectives (within the bounds of national security).

c. To inform the public regarding the reasons for the Sentinel deployment decision, the rationale behind it and why it is necessary and important to obtain real estate for use as Sentinel operational sites in particular geographic areas in implementing the Sentinel deployment decision.

d. To gain the understanding of the people of affected communities by keeping them informed of Sentinel oriented activities in their area. Such information will explain the general methods of site selection and validation, the local and national importance of the site, and the impact of Sentinel-connected activities in the community.

c. To provide timely, factual, and authoritative information by:

(1) Timely release of information on activities which will affect local communities.

(2) Responding to queries for information.

(3) Providing briefings and information fact sheets to members of Congress (OCLL coordination required), local governmental leaders and officials, military audiences, sci-

entific, fraternal, and civic groups and organizations, and representatives of news media.

(4) Preparing informational or educational articles for general news and mass communication media, military, scientific and professional journals that are service-oriented.

(5) Preparing exhibits for showing before appropriate groups.

5. Concept: This program will use a gradual approach to the attainment of the objectives stated above. The thrust of the program will be directed primarily toward explaining the military requirement and strategic concepts inherent in the Sentinel deployment decision. As subordinate but related goals, the program will emphasize that the Sentinel System is specifically designed to meet a strategic defensive military requirement; that it is being deployed in an efficient and economical manner; that it is designed to provide a defense against a possible Communist Chinese nuclear ICBM attack through the late 1970's; (with the capability to continue to deny or at least substantially reduce damage from threats in later years); that it concurrently provides a limited added defensive capability over our Minuteman ICBM sites with the option of improving that defense if needed; that it provides added protection of our population against a possible accidental ICBM launch by any one of the world's nuclear powers; that it will complicate any attack on the United States by the Soviet Union; that its effectiveness in fulfilling its national missions requires the acquisition of Sentinel operational sites in certain selected areas for the emplacement of its missiles and radars.

6. Responsibilities:

a. SENSM will monitor the overall program for CofSA and will be consulted on all substantive implementing decisions or actions.

b. CINFO will:

(1) Serve as the initial DA staff level point of contact and coordinating agent on all public affairs matters pertaining to the program.

(2) Assume for the SENSM overall responsibility for coordination of all Sentinel, public affairs matters with the Army staff, other services when appropriate, applicable Unified and Specified Commands, and OASD(PA).

(3) Provide support and assistance to SENSM, as feasible and appropriate, in implementing the SENTINEL public affairs program.

(4) Arrange speaking engagements, as appropriate, for the CofSA, VCofSA, and senior members of the Army staff to provide opportunities for public explanation of the SENTINEL System.

(5) Establish within OCINFO a Sentinel Public Affairs Coordinating Committee (SENPACC) to provide for periodic review, advice and on-going coordination, development and evaluation of the Sentinel public affairs program. The membership of this committee will include, but not be limited to, representatives from the following commands and agencies: OCINFO, OCLL, Chief of Engineers, ODCSOPS, OCRD, and the Sentinel System Organization (SENSCOM 1.0). The SENPACC will meet periodically on the call of CINFO and submit appropriate analyses and recommendations to SENSM through CINFO.

c. OCLL, DA will:

(1) Provide support and assistance to SENSM as appropriate in implementing the SENTINEL Public Affairs Program.

(2) Provide a representative to SENPACC.

(3) Coordinate with OATSD(LA) as appropriate.

d. ODCSOPS, DA will:

(1) Provide support in those SENTINEL public affairs related to the military requirement and strategic concept of the SENTINEL System.

(2) Provide a representative to SENPACC.

e. OCRD, DA will:

(1) Provide support in those SENTINEL public affairs areas relating to scientific and technical matters or to the Nike-X Advanced Development Program.

(2) Provide a representative to SENPACC.

f. OCE, DA will:

(1) Provide support in those Sentinel public affairs areas relating to Sentinel Systems real estate acquisition and facilities design and construction.

(2) Provide a representative to SENPACC.

g. All elements of the Sentinel System Organization, CONARC, AMC, ARADCOM, and STRATCOM will provide support in those Sentinel public affairs areas germane to their mission and functional areas and as specifically assigned elsewhere in this plan.

h. The basic public affairs responsibilities of CINFO, SENSM, and participating organizations are included in AR 360–11. The SENSM has established as his staff agent for administration of the Sentinel Public Affairs Program the Information Officer assigned as Chief of the Information Office of the SENSCOM. The SENSCOM Information Officer will coordinate all Sentinel public affairs matters for the SENSM and will be the principal point of contract within the Sentinel System Organization on such matters.

i. Within instructions issued by the SENSM and SENSCOM Information Officer may clear and release the information described in paragraph 5.a(3), AR 360–11.

j. Time phases for the execution of the Sentinel Public Affairs Program are established in paragraph 4.a, AR 360–11. Basic responsibilities are with CG, ARADCOM during Phase I (initial briefings of public officials), the SENSCOM Information Officer acting for the SENSM during Phase II (prior to IOC) and (with CINCONAD, CINCPAC) during Phase III (subsequent to the IOC of individual sites).

k. The SENSCOM Information Officer will coordinate activities pertaining to visit to Sentinel installations, facilities or sites by representatives of news media or the public during Phase II, and will advise OCINFO directly on appropriate matters, with an information copy of all notifications furnished to the SENSM, CINCONAD and CINCPAC exercise this responsibility during Phase III.

1. Sentinel information release requests will be processed through the SENSCOM Information Officer, who will transmit his recommendations to OCINFO for staffing within the DA, and, as necessary, with appropriate Unified and Specified Commands, and OASD(PA). It will be the responsibility of OCINFO to coordinate all proposed releases with the SENSM. The following schedule will apply:

(1) News releases and photos will arrive at the SENSCOM Information Office not less than 15 working days before the intended release date.

(2) Speeches and films will arrive at the SENSCOM Information Office not less than 25 working days before the intended publication date.

(3) Briefing texts and technical papers will arrive at the SENSCOM Information Office not less than 25 working days before the intended publication date.

m. The following expands upon the statements of responsibilities contained in AR 360–11 only to the extent required to assure accomplishment of all aspects of the total public affairs program.

(1) CG, ARADCOM:

(a) Plan, supervise and execute the SENTINEL public information and public affairs responsibilities assigned in AR 360–11, and assure appropriate coordination with other participating organizations.

(b) During Phase II, submit proposed SENTINEL related public information releases, not previously cleared, to SENSCOM Information Officer for review and appropriate action.

(c) Support and assist the SENTINEL information and public affairs activities of SENSCOM, USAEDH, SENLOG, STRATCOM and SENSEA.

(2) CG, SENSCOM:

PHASES I AND II

(a) Monitor and coordinate for the SENSM overall Sentinel public affairs and public information activities.

(b) Furnish necessary data on Sentinel public information and public affairs matters as appropriate to SENSM and OCINFO, DA.

(c) Review proposed information material to include displays and obtain clearance for its use from the SENSM, OCINFO, DA; and DODOASD(PA) as appropriate.

(d) Coordinate with OCINFO, DA and SENSO proposed information actions involving other military services, i.e., Sentinel System tests requiring Navy or Air Force launched target vehicles or interface with Navy or Air Force operational systems of those under development.

(e) Review and coordinate with OCINFO, DA and SENSO, information plans prepared by major DA commands and agencies.

(f) Coordinate with OCINFO, DA and SENSO appropriate Congressional notifications through OCLL, DA concerning Sentinel information to be released.

(g) Advise SENSM and OCINFO, DA of impending developments in the Sentinel information program.

(h) Provide individuals to brief Members of Congress, public officials, news media representatives and the public as stipulated by SENSM.

PHASE I

(a) Provide CG, ARADCOM with qualified members of the Phase I initial briefing teams as authorized by SENSM.

(b) Assist other DA commands and staff agencies as appropriate.

PHASE II

(a) Conduct Sentinel Community Relations briefings as appropriate.

(b) During Phase II(a) and Phase II(b) monitor, coordinate and assist the community relations activities (AR 360–61) of the Division Engineer, USAEDH, at potential or approved Sentinel sites, as appropriate.

(c) During Phase II(c) plan, supervise and conduct community relations activities (AR 360–61) at approved Sentinel sites.

(d) Review for technical accuracy, security and consonance with SENSM policy proposed information materials submitted by all participating organizations and contractors; submit to OCINFO, DA for clearance as required by references b and c; advise originating agency and OCINFO of changes in the text of the proposed material made during the SENSCOM review.

(e) Conduct other public information and public affairs activities in consonance with the responsibilities of the SENSM as specified herein and in AR 360–11.

PHASE III

Provide such public affairs assistance as may be required to facilitate turn-over of Sentinel sites to CONAD/PACOM and to insure continuity and consistency of Sentinel site community relations activities with on-going Phase II community relations activities at other sites.

(3) Division Engineer, USAEDH:

PHASES I AND II

(a) Coordinate and supervise the Sentinel information, public relations and community relations activities of Engineer Districts and Divisions.

(b) Submit public information releases concerning Sentinel related engineer activities which contain material or information not previously cleared for publication through the SENSCOM Information Officer for review and appropriate action.

(c) In coordination with SENSCOM conduct, as appropriate, other Sentinel public information and public affairs activities.

(d) Provide individuals to brief Members of Congress, public officials, news media representatives, and the public as stipulated by SENSM.

(e) Provide CG, ARADCOM and CG, SENSCOM with qualified members of the ARADCOM initial briefing team and subsequent SENSCOM briefing teams as required.

(f) Support and assist the Sentinel related public information and public affairs activities of CG, ARADCOM as appropriate.

(g) During Phase II(a) and Phase II(b), in coordination with CG, SENSCOM, plan, supervise and execute Sentinel public information, public affairs and community relations (AR 360-61) activities, as appropriate, in Engineer Divisions and Districts.

(h) During Phase II(c), support and assist the Sentinel public information, public affairs and community relations activities of CG, SENSCOM, as appropriate.

(4) CG, SENLOG: Support and assist the Sentinel information and public affairs activities of ARADCOM, SENSCOM, USAEDH, STRATCOM and SENSEA, as well as other participating organizations, as appropriate.

(5) CO, SENSEA: Support and assist the Sentinel information and public affairs activities of ARADCOM, SENSCOM, USAEDH, SENLOG and STRATCOM, as well as other participating organizations, as appropriate.

(6) Other Participating Organizations:

(a) Plan, supervise and execute appropriate public information and public affairs activities in consonance with DA policy as stated in AR 360-11 and this document.

(b) Support and assist the Sentinel information and public affairs activities of SENSM, ARADCOM, USAEDH and other commands and agencies as appropriate.

(c) Coordinate all SENSM identified activities through the SENSCOM Information Officer.

7. EXECUTION: The SENTINEL System public affairs program will be a responsive implementation of the policy guidance contained in references (a), (b), (c), and (d) as expanded and restated herein.

a. Information Kit. A kit will be assembled and distributed to all commands (to include applicable Unified and Specified Commands) and agencies participating in the Sentinel System Program for use in response to requests for information and to serve as background information.

(1) The SENSM will have the overall responsibility for assembling the kit and for procuring appropriate inputs to it from all commands and agencies participating in the Sentinel System Program and for processing its contents.

(2) The kit will include, but shall not be limited to, the following:

(a) Kit folder.

(b) A fact sheet on the Sentinel System which tells within the bounds of security regulations: What the Sentinel System mission is; what the functions of major Sentinel subsystems and components are; how the Sentinel System will operate; when deployed in CONUS, that Sentinel will be an operational element of CONAD; and when deployed in Hawaii, that Sentinel will be an operational element of PACOM; its defensive coverage area (schematic national footprint chart) and how operational sites are selected, validated and acquired for Sentinel radars and missiles.

(c) A chart showing all commands, agencies, contractors and subcontractors participating in the Sentinel Program together with a capsulized statement of mission or contract requirements.

(d) A listing of Sentinel information milestones as specified herein. (See Inclosure 1 hereto)

(e) Biographies and photos of key service personalities associated with the Sentinel System Program.

(f) Photos or artist-concept sketches of Sentinel missiles, radars, site lay-outs and test or training installations.

(g) Copies of all news releases of national import which have been made on the Sentinel Program.

(h) Copies of major speeches or articles pertaining to the Sentinel System considered appropriate for general distribution.

(i) Copies of major statements or testimony on the Sentinel System made by key DOD and DA personalities.

b. Press Releases.

(1) Press releases will be made when justified by newsworthy Sentinel activities executed in the public environment or by the accomplishment of a Sentinel Information Milestone (see AR 360-11 and Inclosure 1, hereto, for Sentinel Information Milestones). Such releases will normally originate with the Army element or Sentinel contractor or subcontractor having immediate responsibility for or cognizance of the event being reported. Releases will be cleared as required by AR 360-11.

(2) Requests for information about the Sentinel program received from members of the press, radio or television will be met with an affirmative response within security regulations.

c. Magazine Articles: All magazine articles and responses to queries will be processed in accordance with references b and c.

(1) Magazine articles will be prepared by Army staff members or major DA subordinate commanders having operational cognizance of the Sentinel Program for submission to military, scientific and professional journals and publications that are service sponsored or oriented.

(2) OCRD will encourage and assist in the preparation for magazine articles on the Sentinel System by civilian scientific or technical writers of national stature.

(3) There will be an affirmative response to specific requests made by representatives of civilian, military and technical magazines for information about the Sentinel System Program.

d. Interviews.

(1) Requests by representatives of national news media to interview senior DA operating officials regarding the Sentinel System will be met affirmatively.

(2) Officials granting interviews will ascertain to the extent feasible the questions that will be asked concerning the Sentinel System by the news media representatives; where questions regarding the Sentinel System are asked which are outside the context of previously cleared Sentinel material, or where an answer to a question would reveal classified information, the official being interviewed will decline to answer. Every effort will be made to anticipate the questions that will be asked by the interviewing reporter; where unclassified Sentinel information has not been previously cleared which is responsive to the anticipated questions; the anticipated question and the proposed answer will be submitted to OCINFO for review and clearance by SENSM and OASD(PA).

(3) Requests by representatives of local or regional news media to interview Army officials concerned with Sentinel activities in their circulation/broadcast area will be met affirmatively. Officials granting such interviews will be guided by paragraph 6.d(2) above, and the provisions of AR 360-5.

e. Speakers Program. An active speakers program will be established. Senior Army personnel associated with the Sentinel Program will participate in this program to the maximum extent feasible in order to explain to the American people the reasons for the Sentinel deployment decision, the strategic rationale supporting the deployment decision and why it is necessary and important to obtain real estate in particular areas for Sentinel operational sites for the System's missile, radars and supporting facilities.

(1) Speech engagements in support of this program for senior Army staff members will be coordinated by CINFO.

(2) Speech engagements in support of this program for senior Sentinel commanders and members of their staffs will be coordinated by major Command Information Officers.

(3) Every effort will be made to interest high-ranking military and civilian personnel within DOD in making public statements in support of the Sentinel, System Program and the Sentinel deployment decision.

(4) OCINFO, DA and major Command Information Officers will maintain a library of quotations and public statements about the Sentinel System and the Sentinel deployment decision for insertion in speeches made by participating personnel.

(5) A standard briefing text with appropriate slides will be prepared by the SENSM, with appropriate inputs from participating commands and agencies and cleared in advance with OASD(PA). The SENPACC will review this briefing text periodically and suggest up-date inputs as appropriate. Copies of this briefing text will be distributed to major DA commands/agencies participating in the Sentinel Program.

f. Exhibit Program. If available, mobile exhibits cleared by OASD(PA) may be used in conjunction with speeches, panels, conventions and symposiums in which the Sentinel System is discussed.

(1) CG, SENSCOM and the Division Engineer, U.S. Army Corps of Engineers Division, Huntsville (USAEDH), will coordinate and collaborate on the construction of several mobile Sentinel exhibits suitable for display at Community Relations briefings conducted in local communities in connection with Sentinel site validation, acquisition and construction activities.

(2) Requests for utilization of all exhibits in civilian sponsored fairs, expositions, conventions, etc., will be coordinated by OCINFO with the SENSM and OASD(PA) on a case-by-case basis. (Note: This does not apply to exhibits at Sentinel Site Community Relations Briefings conducted by SENSCOM or USAEDH personnel).

g. Sentinel Site Community Relations Briefings.

(1) SENSCOM and USAEDH will collaborate and prepare a Sentinel Site Community Relations Briefing Text, with supporting slides, which (after appropriate clearance by OASD(PA)) will be used by Corps of Engineers, SENSCOM and ARADCOM personnel in briefing, as appropriate, local governmental officials and citizens groups regarding Sentinel site activities underway or anticipated in local communities.

(2) These briefings will be designed to inform recipient audience groups regarding the reasons for the Sentinel deployment decision, the strategic rationale supporting the deployment and why it is necessary and important in implementing the Sentinel deployment decisions to obtain real estate in particular areas for use as operational sites for Sentinel radars, missiles and supporting facilities, and the operational roles of CINCONAD and CINCPAC after IOC. Whenever briefings are given in Unified Command areas, or in communities adjacent to military installations, the commanders concerned will be notified beforehand.

(3) The briefing text shall also include factual information identifying potential Sentinel sites in or near the local area where the briefing is given, and appropriate comments regarding site acreage requirements, site physical lay-out and functions, anticipated site population data, estimated site pay-roll data, how potential sites are validated and acquired (described entire decision-making process to include Title 10 action required by law), expected or anticipated effects of potential Sentinel sites on local property values, tax structure and payments, schools, sewers, water supply, fire protection, police protection, TV and radio reception, roads, highways, and safety to include its radiation and nuclear accident aspects.

h. Operation Understandings.

(1) CG, ARADCOM will periodically update ARADCOM's Operation Understanding Program to highlight appropriate aspects of the Sentinel decision and its supporting deployment program.

(2) Corps of Engineers Districts and Divisions participating in the Sentinel Program, and SENSCOM, will nominate appropriate citizen leaders and officials from local communities adjacent to potential Sentinel sites to ARADCOM for participation in ARADCOM's Operation Understanding.

(3) CG, ARADCOM will issue invitations to nominated citizens to participate in Operation Understanding as feasible and appropriate.

i. SENTINEL Training.

(1) CG, CONARC will develop a Sentinel Training Public Affairs Plan for implementation at the earliest feasible date.

(2) This plan will be submitted to OASD (PA) for review prior to implementation. (See AR 360–11).

j. Press Visit to National Missile Ranges.

(1) CG SENSCOM will develop, in coordination with OCINFO and OCRD, a Public Affairs Plan supporting a visit or tour by news media representatives to Kwajalein Island or to White Sands Missile Range to witness appropriate portions of Sentinel System tests.

(2) These plans will be submitted to OASD (PA) for review prior to implementation (see AR 360–11).

k. Radio/Television.

(1) A program to acquaint service personnel with salient portions of the Sentinel System and the Sentinel deployment decision through Armed Forces Radio and Television will be conducted. CG, USCONARC, in coordination with CG, ARADCOM, will develop a plan to implement this program as part of the overall DA Command Information Program.

(2) There will be an affirmative response by all commands and agencies participating in the Sentinel Program to requests by commercial radio and television for cleared Sentinel newsworthy items to include film clips of missile flights, photos and taped interviews.

1. State officials and Civilian Aides to the Secretary of the Army, state Governors, state Adjutants General of the National Guard, Civilian Aides to the Secretary of the Army and other state officials as appropriate will be kept informed by direct mail or by personal visits by senior officers regarding Sentinel plans or activities which will or may have an effect in the respective states or areas of these officials. Specific notifications or briefings of these officials will be as directed and authorized by the SENSM.

m. Local Officials. CG, SENSCOM and the Division Engineer, U.S. Army Engineer Division, Huntsville, will coordinate activities to keep local government officials informed as to activities which affect their areas. Cooperating Corps of Engineers division and district engineers will maintain liaison with public officials in affected communities to keep them informed of Sentinel-related real estate and construction activities which will impact on those officials' areas of interest.

Mr. FULBRIGHT. Mr. President, during this debate, much has been said about the views of such experts as Admirals Rickover or Zumwalt regarding the Trident.

If we had already made the decision to build the Trident, their views on how to build it would, of course, be important and relevant.

But as to the decision to build Trident on a crash basis, which involves an evaluation of the probabilities of war or of an emergency requiring the subs by 1978 rather than 1980, I cannot see that their expertise or their views are relevant.

The decision to accelerate is essentially a political decision, involving an assessment, first, of the probabilities of an emergency with the Russians occurring, and even more fundamentally, of whether or not it is in the national interest to encourage detente with the Soviet Union.

If we do not favor détente and wish to speed up the arms race, then we should build the Trident as soon as possible, as recommended by the admirals and others on this floor.

The signal we send Moscow, by speeding up the arms race, is that détente is off—off at least until the Russians give in to our demand that they change their emigration policy regarding their Jewish citizens and, as some put it, open up their society, something which is most unlikely to happen.

It is inconceivable to me why anyone is really against a détente with the Russians, but apparently there are people who believe it is either impossible or undesirable.

I believe it is very much against the interest of the United States to prevent détente and to prevent the cessation of the arms race.

Mr. President, the Senator from New Hampshire a few moments ago described the absurd but dangerous, lobbying of Admiral Zumwalt.

It is incredible to what lengths the admirals will go in their efforts to influence the Members of this Senate.

His actions, along with the recent scare tactics about popup missiles, prompts me to suggest an award be given for the most original and far-out contribution to the art of influencing Congress that has occurred this year, or in my memory.

A WORD OF PRAISE FOR THE POPUP PLANNERS AND A RECOMMENDATION FOR THE FIRST ANNUAL POPUP AWARD

Only rarely does politics ascend to the level of art. When that happens, it is appropriate for the Senate to pause in its work to acknowledge such achievement.

I refer to a phenomenon which for many years has been noted, but which has regrettably gone without proper recognition. This is the annual artistry involved in alerting the Congress and the American people to the perils, seen and unseen, which beset the Nation from abroad. Senators will recognize the phenomenon. It is a yearly occurrence: the surprise popup of a serious enemy threat which portends great danger to the Nation and which requires heavy expenditure on exotic weapons systems if we are to be saved. It always occurs shortly before the vote on defense appropriations is taken.

Some, I realize, have seen this phenomenon, but have not recognized it as an art form, thinking it only a kind of skullduggery by which gullible Congressmen, apprehensive of appearing soft on this Nation's enemies, are suckered into excessive appropriations to feed the expanding appetite of the military-industrial complex. I myself have been guilty of speaking uncharitably about these annual alerts simply because they rely upon dubious assumptions, selective disclosure of information, falsely precise estimates, misleading language, and alarmist conclusions built upon pyramids of non sequiturs. In my enthusiasm, I now recognize, I have failed to give adequate credit to the skill required to make such presentations. For truly, when one considers the adversity faced by those who orchestrate the "popup" of each year's threat, one must stand in genuine awe of their creativity and perseverance.

Once, of course, it was easier. When the Nation was subjected to the specter of Asian peasants swimming into San Francisco Bay, or Cossacks vanquishing Manhattan, or even secret Soviet missile implacements on the Moon or on the ocean floor, it was not so difficult a task to rile the Nation into a state of excitation. But that was some time ago. Now the climate in which a popup planner must operate is much more challenging, for Congress and the American people have become more sophisticated about alleged threats to the Nation. We have endured a 10-year war in Indochina based upon false assumptions. We have observed the completion of an ABM treaty, signed by the two superpowers after both sides had concluded that such a weapon probably would not work anyway. And we recognize now that with each side possessing sufficient weapons already to decimate the other, and with neither side able to defend itself from nuclear attack, the only real threat to our security arises in the possibility that either side might be irrational enough to use existing weapons—not some futuristic weapons conjured up by the popup planners.

In light of this growing scepticism of Congress and public about these annual threats, and in view of the difficult domestic burdens and tribulations of this administration, there were many who expected that this year, the administration might simply be, in the old phrase, too pooped to pop. Indeed, one sensed that they had given up and that the annual popup artform had been abandoned for a new form of suasion called the "bargaining chip" theory—which argues that we must increase the tempo of our new weapons acquisition and build new weapons so that, in the event we achieve an arms agreement, we will not have needed to build them, even though they have already been built.

But such a perception of events was ill-founded. For the popup planners were once again equal to the task. Indeed, not only have they popped again, in doing so they have created a veritable classic of the artform. For this year, the Pentagon's popup planners have popped-up at popup time with the most surprising surprise of all: The "popup," an ominous missile whose very name must surely stand as a landmark in the history of strategic threats. Some cynics, of course, may respond without appreciation to the popup missile, arguing that as a threat, it lacks cogency, that it is almost a self-parody. I ask my colleagues, however, to look momentarily beyond that deficiency—to the creativity, drive, and downright determination that must have been necessary in the planning and presentation of this newest threat. And I ask that they see the sunny side. For the apprehensions we had begun to harbor that the popup artform had passed away can now be laid to rest. It is still with us—strong, vital, and alive.

In recognition, Mr. President, I wish to propose the first of an annual series of awards—to be granted either to a person or to an anonymous revelation which, by dramatic timing and irrepressible enthusiasm, does the most to seduce Congress into weapons expenditures beyond those which rationality might indicate.

Had such an award been in existence, it might in past years have afforded us the opportunity to pay due recognition to the revelation of that sinister Soviet ABM known as the Galosh, or to the immortal words of Mr. Melvin Laird when in 1969 he assured the Congress:

> The Soviets are going for a first-strike capability, and there is no question about it.

On other occasions, it would have equipped Congress to grant appropriate homage to the bomber gap of 1955, the missile gap of 1960, the ABM gap of 1967, the heavy missile gap of 1969, and those tantalizing twin gaps of 1971—the R. & D. gap and supersonic bomber gap. On still other occasions, such an award would have allowed Congress to fete the precisely orchestrated alarm which accompanied the appearance of a Soviet ship in the Indian Ocean and the well modulated concern—initiated in 1966—that the Chinese were only 1 year away from perfection of an American-targeted ICBM. How else, but with the aplomb of practiced impresarios, could the popup planners have perpetuated that lingering threat for 7 consecutive years, when the Chinese have even yet to test an ICBM?

Mr. President, these are all examples from the past: art that has gone unrecognized. For the present, we have new examples. For one, there is the specter of a new Soviet aircraft carrier. For another, there are the awesome possibilities called to our attention by Deputy Defense Secretary Clements, who has just returned from a wide-ranging trip to alert us that South Korea, that bastion of freedom in Asia, is in grave danger from a smaller North Korean Army. But for sheer artistry, Mr. President, these current threats do not meet the standard set by the epochal surprise which I now nominate as a candidate for the First Annual Popup Award: the "Popup Missile" Scare of 1973. Other threats may follow, but they will have a high standard to meet.

Mr. President, it was only yesterday that I prepared the preceding remarks for delivery. But already there is another candidate for the First Annual Popup Award.

As I understand it, Admiral Zumwalt, has now warned that the Congress is in danger of being misled by a swarming army of Soviet agents racing through the halls of the Capitol and lobbying Members of this body. So, in all fairness, that swarming army of lobbyists, revealed to us by Admiral Zumwalt, must be given equal consideration as a candidate for the First Annual Popup Award. The "pop-missile" is good, but we must be openminded about threats which are even better.

Mr. President, if it were not so tragic, it would almost be funny: The measures to which Admiral Zumwalt and his colleagues have been resorting in this effort to stop the move to keep the Trident on the original schedule.

I resent the insinuation that Communist agents are effectively lobbying Members of the Senate. Anytime anyone exercises independent judgment on a question such as this, as to whether or not we should speed up the missile race, he is accused of playing the Russian game.

I have been exposed to the same kind of tactic over the past several years with regard to the war in Indochina, so it is not a new experience. However, it is a new experience for people such as the Senator from New Hampshire, who has labored over this program for years and who has made such a contribution in the R. & D. Subcommittee on the Armed Forces Committee by trying to bring some sensible balance into our arms program. I join him in condemning these tactics. I think such tactics are a reflection upon the Military Establishment. I should think the Joint Chiefs, as a whole, would see that it is counterproductive as well as unethical to engage in these tactics.

So I urge the Senate to follow the advice of the Senator from New Hampshire, not to engage in a speedup of this program. As the Senator from Massachusetts said yesterday, this would send a signal to Moscow that any hope of a detente, in the arms race in particular, is out. I think that is the way they would interpret this.

Of course, this is but one of a series of events which have occurred. I have referred—I will not harp on it again—to the fact that a few days ago the Congress gave new life and indefinite tenure to Radio Free Europe and Radio Liberty, which is another move in the same direction.

Finally, I should mention the reaction we have seen to the speeches of Mr. Brezhnev, which show that he is coming under attack by the people in his country who do not believe in détente, the hard-liners.

If events continue to proceed along this line, I would predict that the move toward détente started by President Nixon last year will collapse, and very likely it will result in a change in Moscow simply because of the failure of their effort to bring about better relations with this country. If that happens I think we will all suffer, and not just in this country, because there will then be a real scare, a genuine one, based on the assumption of those in office in Moscow that détente will not work. We will be back in an arms race with all that entails for our economy and the economy in Russia, and with increased competition in peripheral areas, such as the Middle East and other places.

I hope very much the Senate will follow the lead of the Senator from New Hampshire and delay the acceleration of this program.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. I think that would be a signal that there is hope for détente.

Mr. McINTYRE. I thank the Senator. Mr. President, I reserve the remainder of my time.

Mr. TOWER. Mr. President, I want to here and now reject the notion that anyone who supports the acceleration of Trident is opposed to détente. Nothing could be further from the truth.

The President of the United States has been given credit for initiating the détente, and the President of the United States recommends the acceleration of Trident. It seems strange to me that the man with the greatest degree of international sophistication would advocate scuttling détente.

The fact is that the Soviets with their quantitative and qualitative improvement in their armed forces do not keep that détente. We, on the other hand, I guess, are expected to disarm. I suggest that those who favor this kind of scaling down of our arms capability are those who are prepared to accept détente on someone else's terms and not on our own. I find that very difficult to swallow.

It seems that some have expressed concern that by accelerating Trident we will convince the Soviets that we are not acting in good faith. They fully expect us to make all the improvements we can in our inferior numbers we agreed to in the period before we arrive at other agreements and we are living with our commitments, even with acceleration on Trident.

Now, to suggest that the Soviets have some fear of aggressive action by the United States is to ignore history and the nature of the Soviets. That simply is not realistic. The Soviets no more fear aggression by the United States, they no more fear a first strike against them by the United States than they genuinely fear the revival of German militarism or British imperialism. They know we are people who do not want to fight, but only defend ourselves. They know we do not have a first-strike policy and they know we do not have a first-strike capability. So to suggest that they are suspicious of our motives, I think, is a rather naive suggestion.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. FULBRIGHT. I take it that the Senator thinks that I am naive. I do not think that I am, but the Senator is quite at liberty to think so.

Mr. TOWER. I did not say that the Senator was naive; I said the suggestion was.

Mr. FULBRIGHT. The Senator is quite entitled to his views about that, but I can only call attention to the fact that all evidence indicates that during the past 20 years the Soviets have been exerting themselves to try to catch up with this country. Nobody, I think, denies that we have been superior in both numbers and quality of missiles, yet we have been going ahead rapidly with MIRV. The Senator from Massachusetts proposed that we put a freeze on them. The President refused; this body refused. Now we have the MIRV, which makes things much more complicated.

The Senator says the Soviets do not fear us. They would fear anybody with the kind of destruction we have caused. We have been engaged for 8 years in destroying freedom. The Senator says that we are a peace-loving people, yet we have just come out of the longest war in our history, in an area where we had no conceivable business. I do not know how anyone could be so foolish as to think the Soviets do not fear the power of the United States.

The United States is a great power. The Senator said that yesterday in the debate. Several Senators said that. It is the greatest power in the world today.

Mr. TOWER. In response to the Senator's statement, if the Soviets fear American power, then they fear it in the sense that American power might be used to thwart their designs on the free world. We must remember that after World War II, we demobilized. I remember, I was hooked in the person of a deckhand on an amphibious gunboat. I figured up every day the number of my points which would let me go home. My mother wanted me home worse than I wanted to go home. The fact is that we did, in a massive way, begin to demobilize, but the Soviets began to rebuild their capability.

The United States has not been an aggressor. In the last four wars we have gone into, we have gone into them only because somebody else started them.

The fact is that the Soviets are the ones who pulled the iron curtain down on the Eastern European community. It is the Soviets who have participated in all the major military adventures that have taken place since World War II.

The Soviets do not fear us from the standpoint of first-strike capability. Their intelligence is good enough to tell them that we do not have first-strike capability.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. TOWER. No. I have yielded to the Senator on my own time. I will give him time to answer me later, if he chooses to do so. I want to take up some other matters which the Senator has mentioned.

The Senator said that our desire to build up our military strength is insatiable. If that is so, why have the military-industrial schools said that we are spending less in terms of real spending than for defense, and have done so for several years? The fact is that for several years our airplane and other military procurements have been less than they have been for 40 years. The fact is that we are spending less of our national budget and a lower percentage of our gross national product for national defense than we have since about the time of Pearl Harbor.

The insatiable appetite of the military-industrial complex and our intelligence has been mentioned. The Senator from South Dakota said that intelligence somehow magically appears at a time when we are debating the military weapons system, to try to scare us into doing something we really do not need to do. That suggestion carries with it the thought that maybe our intelligence is phony, is unreliable.

If any Senator has any evidence or proof that we are getting phony intelligence, he should bring it before us, and we had better look into it. If that is so, they probably are manufacturing it, and then we are getting onto pretty dangerous ground.

I trust our intelligence, to an extent, but history has shown, recent history has proven, that the tendency of the intelligence organizations is to underestimate, not overestimate, Soviet capabilities.

In the absence of anything else, I have to believe in the intelligence that is presented to me by our intelligence agencies. I do not know what other sources would be superior to our intelligence gathering agencies. I do not think it is right to question the credibility or validity of our intelligence unless we have something to the contrary to prove that that intelligence is wrong.

If we are going to get into that, I think we ought to go into another closed door session, because I think we can demonstrate in a closed door session that that intelligence is pretty good. It is in a pretty advanced stage of the art. But I do not foresee any closed door session.

In any event, I think it would be dangerous for us not to accept our intelligence. Based on experience of recent years, we have not known of some Soviet weapons until they had showed up in a hangar or showed up in an air show. So I think it would be wise to underestimate Soviet strength based on our intelligence rather than overestimate it based on our intelligence.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. TOWER. The reason I took my seat was that the senior Senator from Missouri (Mr. SYMINGTON) wanted to make some remarks. So I was waiting for him to come on the floor. I shall be glad to yield after I have paid my courtesy to the Senator from Missouri.

Mr. SYMINGTON. I appreciate the Senator's position.

I am one of those who is for building a Trident submarine, but not for it on the basis of this accelerated production. Before the Senate Defense Appropriations Subcommittee, I made the following statement:

THE TRIDENT SUBMARINE

I turn now from a subject where we believe the Committee's decision was right to one where many Committee Members believe it was wrong; in fact, our position lost by the narrowest of margins, one vote.

The recent history of the Trident submarine program deserves some detailing, because it is an excellent case-study in unbusinesslike, extravagant, and wasteful military spending.

As late as September, 1971, the Defense Department had an orderly businesslike program for modernization of the Navy's underwater missile submarine fleet. As needed, the Trident I missile (formerly called Extended-Range Poseidon or EXPO) was to be developed and fitted into Poseidon submarines.

Because of its 1,500 mile greater range as compared to the Poseidon, it was estimated that the Trident would provide a significant increase in the ocean area within which United States' submarines could operate while on station. The unprecedentedly expensive Trident submarine—each costing a half billion dollars (not millions, billions) more than the previously most expensive ship in world history, the latest nuclear carrier—and the planned Trident II missile were to be delayed until the early 1980's.

Without commitment, they were to be considered as possible later replacements for the Polaris/Poseidon fleet.

Last year, however, for reasons we have never been able to fully understand, a lobbying effort, the most intense in my twenty-eight years in Government, was undertaken; and thereupon normal, businesslike, order in the Trident planned production program went out the window.

A sensible orderly Trident program was altered to combine procurement with development, apparently in order that this submarine could be operable in 1978 rather than 2 or 3 years later.

From the standpoint of good shop practice, consider the fact that under this accelerated product in program, all 10 Trident submarines will be funded and under construction before the first one is completed.

This extraordinary shift in production planning is exactly opposite to the "fly before buy" program concept this Administration once consistently emphasized would be its policy as the result of the tragic multi-billion dollar waste they found was characteristic of various ship, plane, and tank programs.

Nevertheless an effort is now being made by the Defense Department to justify this accelerated Trident program on various grounds, including the following: Tridents would eventually replace the aging Polaris/Poseidon submarines; would provide for United States basing of ballistic missile submarines; would provide an increased submarine operating area as a hedge against possible Soviet breakthroughs in anti-submarine warfare; and would support future SALT negotiations.

Taking up these assertions in order, the Defense Department itself, as well as other witnesses before the Armed Services Committee, have established that the Polaris/Poseidon submarines, with a design life of 20 years, may be suitable for operation up to 25 years (outside experts have estimated 30 years). Since the oldest submarine will not reach even 20 years of age before 1979, there is no justification whatever to accelerate this program because of aging.

Because the Trident I missile can have a range of 4,500 miles by backfitting it into Polaris/Poseidon submarines, these Polaris/Poseidon submarines, with the missile in question, could also be based in the United States.

Backfitting the Trident missile into Polaris/Poseidon submarines would provide an increase in ocean operating area because the long-range Trident I missiles are what increase the operating area, not the unprecedentedly expensive new submarines. Furthermore, the Director of Defense Advanced Research Projects Agency has testified that the patrol area would increase sufficiently with Trident I missiles to pose immediate additional problems for any ASW sensor that can now be conceived.

The previous program would constitute practical and imposing evidence to the Soviets that the United States was developing an orderly replacement for the Polaris/Poseidon fleet. We do not add to our "bargaining chips" by pursuing a hurried and therefore premature schedule which ultimately could well bring damage to the entire submarine replacement program.

* * * * *

A thorough study of this proposed acceleration was undertaken last year by the Research and Development Subcommittee of the Committee on Armed Services (the only detailed study made by any Committee of the Senate).

For the reasons given, the facts uncovered by their investigation supported the logic of an orderly program similar to the September, 1971, Defense Department position.

This orderly program, however, was rejected by the full Committee, as the result of a tie vote.

This year, the Research and Development Subcommittee recommended by a unanimous vote of the Senators present, going back to a program similar to the September, 1971, DoD Trident schedule, at a saving this year of $885.4 million; and on the first vote last August 1, the position of the Subcommittee was supported by the full Committee, 8 to 7.

Later I was informed a Senator had changed his mind; therefore the vote on Trident should not be considered final. Accordingly, still later, the Committee voted 8 to 7 against the Subcommittee recommendation, and approved both the acceleration and the total amount of money that had been requested by the Department of Defense.

The Subcommittee had recommended $642 million for this Trident program for FY 1974, but the full Committee voted the full request of the Defense Department, $1,527.4 million.

It is our understanding that the Chairman of the Subcommittee, Senator McIntyre, plans to introduce an amendment to reduce this $1,527.4 million to the Subcommittee's position of $642 million.

This amendment would delay the initial operating date for the lead submarine from 1978 to 1980. Such a revised funding level would also permit a speed-up in the program to fit Poseidon submarines with the Trident missile.

That valuable and relatively inexpensive hedge against Soviet anti-submarine warfare improvements was deliberately slowed down by the Defense Department, at the same time the far more expensive new submarine, Trident, was accelerated.

I believe the position of the Research and Development Subcommittee—again, the only Senate Committee to study the matter in depth—is a sensible and prudent alternative to the wasteful, hurried, concurrent program successfully lobbied for by the Department of Defense after the Subcommittee had made its report.

In the interest of sound business management, I urge adoption of the McIntyre amendment.

Mr. President, let me mention again how close this vote was in the committee itself, after being unanimous against this acceleration in the subcommittee.

Another matter is the nature and degree of the lobbying. My colleague from New Hampshire, chairman of the subcommittee, has already presented in able fashion, major arguments in favor of not accelerating the Trident program, and therefore I will not discuss in any detail the points he has effectively raised.

The overriding factor to be considered about this proposed accelerated program is the fact that such a hurried approach would mean all 10 Trident submarines would be funded and under construction before the lead ship the first, is either completed or tested. From the standpoint of good shop practice, any one with manufacturing experience knows this to be unsound, because it could result in more multibillion dollar waste in defense procurement.

Moreover, such production planning is total abandonment of the "fly before buy" principle, which this administration has emphasized time and time again with respect to its policy of the procurement of weapons.

In addition, and of particular concern, is the manner in which the Congress and the American people have been and are being lobbied with respect to this rushed program.

You have just heard the latest—a member of the Joint Chiefs of Staff talking about Communist agents working against the Trident here on the Hill. More on that later.

For the past 2 years the Research and Development Subcommittee of the Senate Armed Services Committee has reviewed the Trident submarine program in greater detail than any other committee of Congress.

Twice that subcommittee has recommended the development of the Trident on an orderly, nonaccelerated basis; but twice that subcommittee recommendation has been overturned by the full Armed Services Committee each time by a single vote—and each time by a switch in the position of one member of the subcommittee, apparently due to heavy outside pressure from Navy and Defense officials.

Such lobbying continues to mount. It is the most intense witnessed in my over 28 years in Government.

An article last week in the New Republic stated:

> Since Congress reconvened early this month admirals have become as familiar in the corridors of the Senate's office buildings as Senate pages. Admiral Elmo Zumwalt, the Chief of Naval Operations, and Vice Admiral Hyman Rickover, Deputy Commander for Nuclear Propulsion, have been leading the shoeleather brigade. The admirals have been talking to their usual allies, and they have even been visiting Senate doves, trying without apparent success to convince them of the wisdom of speeding up Trident. So desperate has the Navy become that Zumwalt charged that "Soviet agents" were on Capitol Hill lobbying against the new submarine.

That is the end of the quotation from the article. That was published last week; and the admiral should be asked, "what Soviet agents?"

Although I did not hear the television program this morning, based on what the distinguished Senator from New Hampshire stated, Admiral Zumwalt apparently repeated this charge on national television just prior to a vote on this matter.

It seems unfortunate we must have such lobbying, but I am not too surprised. In my hands is a memorandum from the Navy written a little over a year ago. It announces four sites that might be used for a Trident base. In that way the interest of four States become involved.

I had hoped that this year Congress would examine the case of Trident acceleration on its merits, not reach a conclusion based on all these pressures.

Comparable instances of this intense lobbying on this issue are numerous. Many of my colleagues have told me of interesting experiences in that connection.

As mentioned, last year Defense requested funds to begin construction on one of two bases for the Trident, one on the east coast and one on the west coast, but would never advise the Congress as to just where the bases would be located. They gave us four sites, the Military Construction Subcommittee, but with the full support of Chairman STENNIS of the full committee, I refused to authorize any base until the locations had been determined.

One of these bases the Navy said was to be in South Carolina, or Georgia, or Florida, or the State of Washington. We refused to give them the money on that basis; and no funds were authorized for the military construction bill for fiscal 1973.

As my colleagues are well aware, earlier this year a decision was made to build one Trident base, in Bangor, Wash.

At the time this decision was announced, the committee staff were briefed on the details of said new base. During that briefing the Navy stated that even if the Trident program were to go to 20 submarines, they would all be homeported in Bangor, Wash., and operate exclusively in the Pacific Ocean. The Polaris-Poseidon fleet would operate in the Atlantic Ocean. Thus, the original plan of two bases, one on each coast, had apparently been scrapped.

Later this year, however, during discussion of the Trident program in the Senate Armed Services Committee, the question arose as to whether the Navy had future plans for a second Trident base in addition to the one in Bangor. Several members were apparently under the impression that there would be 2 bases if the program went beyond the initial 10 submarines; and a check with Navy officials revealed that they were in fact now saying that it was conceivable that a second Trident base would be constructed under such circumstances.

This later position is complete reversal of that presented to the staff some 6 months earlier. It would appear that once again the carrot is being dangled to obtain Trident support on the possibility the base for that submarine might be located in their State.

In citing above illustrations, I do not mean to imply that it is improper for a particular service to defend its position on specific weapons system, but I do seriously question the tactics that have been used by the Navy in its lobbying for the accelerated program.

To the best of my knowledge, everyone who opposes the accelerated Trident program is for handling it on an efficient businesslike basis. They know, however, of the great waste that has been characteristic of many military weapons because of all this rushing, and invariably bad shop practice.

It is my fervent hope that the vote on the acceleration of Trident tomorrow morning will be decided on the basis of the facts presented here today, and not on the basis of this intensive lobbying by the Navy and the Defense Department.

The chairman of the Research and Development Subcommittee, the Senator from New Hampshire (Mr. McINTYRE) and his staff have devoted considerable time and effort in analyzing this unprecedentedly expensive program, and I would hope that a majority of the Members of this body would support his amendment for an orderly production schedule on Trident.

Mr. President, I yield the floor.

Mr. JACKSON. Mr. President, I yield such time to the Senator from Rhode Island as the distinguished Senator may require at this time.

Mr. PASTORE. Mr. President, I want to say at the outset that those who are for the 1978 date and those who are for the 1980 date are equally sincere in their convictions. It is a question of how we want to look at this. It is a question, too, of how much we have been interested in the progress of the underwater Navy we have in this country today.

Mr. President, no one in the Senate, to

my knowledge, has ever built a nuclear submarine. And no one in the Senate to my knowledge has the expertise to say whether this is right or that is wrong. It is a question of what one's judgment happens to be. I can be wrong and, on the other hand, I can be right. And those who differ with me could be right and, on the other hand, they could as well be wrong.

What does a man do when he does not feel well? Does he go down to the street corner and ask a man what he should do about his illness? The first thing he does is to go to the best doctor he knows to find out what is wrong. He does not go to someone on the street corner who, for the moment, does not happen to like doctors.

So, in this area, when we get down to a matter that concerns technology, when it has so much to do with research and development, we have to go to those people whom we consider to be experts in that field.

I want to say to the Senators, regardless of how anyone feels about it, that in my humble opinion Adm. Hyman Rickover, who is the father of our nuclear Navy, is the world's greatest expert without a question in nuclear submarines. One can question him on this and one can question him on that. However, when the chips are down, there is no man in the United States of America, there is no man in the Soviet Union, there is no man in Red China, and there is no man in all the world who knows more about a nuclear submarine and how to build one and what it should be and how much it will take and how much it will cost than Admiral Rickover.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. RIBICOFF. Mr. President, is it not true that this program has been under the guidance of Admiral Rickover and that Admiral Rickover has had experience for almost a quarter of a century in building and designing 101 nuclear submarines and other naval ships?

Mr. PASTORE. Every single nuclear submarine, every nuclear aircraft carrier—the *Long Beach*, the *Bainbridge*—every nuclear ship that was ever built by this country, Admiral Rickover has had supervision over it. He has been on them. I do not know how many Members of the Senate have ever been on a nuclear submarine. I have been.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. PASTORE. I would be glad to yield at this time, if the Senator prefers. I thought I would like to get up some steam.

Mr. FULBRIGHT. Mr. President, I have a conference with the House.

Mr. PASTORE. In that event, I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, the Senator mentioned the fact that if a man is ill he does not go to someone on the street corner. I do not think that is the question involved here.

Mr. PASTORE. But I am going to refer to the letter that he wrote to me today in response to my letter. He is going to give the doctor's advice.

Mr. FULBRIGHT. Mr. President, may I suggest that the doctor's advice on how to build a submarine is not the question. It is whether or not we should expand the initiative of the President for a détente and for a control of the arms race.

The real issue is the political issue—as to how we would proceed in the process of achieving better relations with Russia in order that both of us can save huge sums on weapons.

I do not question the expertise of Admiral Rickover in building a submarine.

I simply question his judgment on the political question as to whether or not it is in the best interests of this country to seek a détente with Russia or the Chinese.

Mr. PASTORE. I am not bringing Admiral Rickover in on that element at all.

Mr. FULBRIGHT. That is quite beyond his expertise.

Mr. PASTORE. I have my own opinion on that and I shall answer that on my own time. That is a matter on which, of course, we have to look to other people within the Government. We have to look to the feelings of Members of the Senate. I shall cover the matter of détente.

As a matter of fact, it was I who introduced the resolution that led to the nonproliferation agreement, and that was passed by a unanimous vote. The Senator knows I stood by his side on the Nuclear Test Ban Treaty. PASTORE is no war-monger. PASTORE wants détente.

I am just speaking here today on the question as to whether or not the Trident, which we all agree should be built, I have been told—the only question before this body here today is, should we do it by 1978 or should we do it by 1980?

Arguments have been made here that we cannot do it, we will waste the money, and if we go to 1980 we can do it and we will save money. I am going to dispel that argument. That is why I went to Admiral Rickover, to get his opinion.

I realize there are some people in the Senate who sincerely feel we should not build the Trident at all. They are going to use any means and method, and God bless them, to try to weaken it if they can.

All I am talking about here is this: If we are going to engage ourselves in building the Trident, the big question is, should we do it by 1978 or should we do it by 1980, and why cannot we do it by 1978, or why should we wait until 1980—that is the argument I am seeking to answer here this afternoon. This is why the first thing I did when I got up this morning was call up Admiral Rickover.

I said, "Admiral, I am going to ask you some questions, and I want you to answer them."

I made sure with the Parliamentarian that I was not divulging or in any way violating the confidentiality of the meeting yesterday. I did not mention that at all to Admiral Rickover. I did not associate my inquiry with the executive meeting we had here yesterday. I merely asked him questions, and these are the questions I asked.

I said, "Now, you take your pencil and write it down, Admiral."

> Apart from political and shipbuilding considerations connected with the SALT I agreement, but including economic considerations:

In other words, I did not want to get into the argument that we have to have Trident because we can make a better deal at SALT. I am discarding that, because it is an imponderable, and anyone's guess is as good as anyone else. And I am not going to get into political questions, because there again, there are some people who still think we have a threat and others who do not think we have a threat, so you can argue that one way or the other. What I am addressing myself to is this argument that 1978 means a waste, and 1980 does not. That is the question I asked him:

> What is the advantage of proceeding with the Trident program approved last year to complete the first submarine in 1978 in lieu of 1980?

Mr. McCLELLAN. What is the what, now?

Mr. PASTORE. What is the advantage of proceeding in 1978 as against 1980?

> It is stated that by postponing to 1980 we can reduce the fiscal year 1974 defense budget by $885.4 million. In the long run would this delay to 1980 cost more or less?

That is a simple question.

> By adhering to 1978 instead of 1980 are we engaging in a project which will be uncertain?

I asked that because the argument was made here that we do not know enough about it.

> R. & D. to justify 1978? How far have we gone in?

That was the argument that was made by the Senator from Colorado.

> Is 1978 an orderly business schedule?

That was the argument that was raised here by certain former industrialists who seem to feel they have a corner on everything the Senate needs to know about business. And the last question is:

> On what experience do you justify recommending we proceed with construction of the lead ship this year?

Those are the questions I asked Admiral Rickover.

I realize his reply is quite involved, and as I read it, Senators cannot follow it too easily, so I had mimeographed copies of the letter made and they are on every desk in the Senate Chamber, so that Senators can follow me if they wish.

These are Admiral Rickover's answers to my questions:

> Last year Congress appropriated funds to procure long lead components for the first Trident submarines based on the lead ship starting operation in 1978. For the past year all Trident work has been proceeding on this schedule. To continue with this program on an orderly basis, construction of the lead Trident submarine needs to be authorized and funded this year. If the Congress now reverses its decision of last year by deferring the lead ship and stretching out the procurement of the follow ships, the program underway for the last year will be disrupted. If ten Trident submarines are bought on the delayed schedule contemplated by the amendment offered by Senators MCINTYRE and DOMINICK, the Navy estimates that the cost of the program will increase by more than one billion dollars.

One billion dollars; that is what it is going to cost you more in the long run.

The Deputy Secretary of Defense in a letter dated May 14, 1973 to the Chairman of the Research and Development Subcommittee of the Senate Armed Services Committee noted that this cost increase would result from breaks in the production lines, delay and disruption, and decreased annual quantity procurements, as well as from inflation occurring during the delay period.

I have been a Member of the Senate now for 23 years. I have been in public life continuously for 38 years. I was Governor of my State for 6 years. And if I learned one lesson, it was this: Every year that passes by, the cost goes up.

Here I am being told today that if we waited until 1980, it would be cheaper than doing it by 1978. Mr. President, that is in violation of every rule I have ever learned.

Mr. McINTYRE. Mr. President, will the Senator yield on my time for a question?

Mr. PASTORE. I will yield on my own time.

Mr. McINTYRE. What is the date of the letter the Senator has from Admiral Rickover?

Mr. PASTORE. This morning. Today. And you know why I got it? Because I was told yesterday that he was not called before the Senate committee to testify. He is the best expert in the world on this subject, and he did not appear before that committee. He was not even asked to appear before the committee. I do not call that prudent.

Mr. McINTYRE. Will the Senator yield for a statement, on my time?

Mr. PASTORE. I yield.

Mr. McINTYRE. Mr. President, I have here a letter dated May 14, 1973, before this controversy arose, when I wrote a letter to the Deputy Secretary of Defense in which I said:

> Will you tell me, on the various alternatives, what the cost will be if we go the basic route or if we go the route that McIntyre and Dominick suggest?

I received back a letter of that date, May 14, which enclosed an official Navy document, before the controversy arose.

Now, in the letter that Senator Pastore is talking about, I understand it is estimated that $1 billion will be lost. Is it not peculiar that before the controversy arose, the estimated inflationary extra cost for this program would be somewhere in the vicinity of $475 million?

But, Mr. President, the R. & D. Subcommittee has tried to tell people, not only in their Senate offices but here on the Senate floor, that the one thing that we have learned in R. & D. is that if we want to go ahead and build submarines and develop them at the same time, let me give you a word picture of what is going to happen here:

You have 10 submarines. The first one has not passed the planning stage. I am looking down the line. The department wishes to buy the first one, that has not even entered the fleet, and nine others are in various stages of production. If that is not concurrency and asking for trouble, the answer is the distinguished admiral gives that we in the Polaris-Poseidon program never make any mistakes, that we are absolutely "non pareil." R. & D. says that the $475 million that it will cost under the McIntyre-Dominick amendment is money well spent if we can get a better and more orderly submarine that will not have to be back-fitted and all of that.

Mr. PASTORE. That is what the Senator is saying. What I am saying is, Why did not my good friend from New Hampshire call in Admiral Rickover? Why have we left out the best expert there is in the world to give his judgment? I do not care about your Secretary of Defense. He is a civilian. He does not know any more about nuclear submarines than you do. As I told you before, no one in the Senate ever built one and there is no one in the Senate that can build one. But Admiral Rickover can build one. He gave us 124 of them—124. Today, our first line of defense is our underwater Navy. And who is responsible? That little man that is buffeted around even by your Secretaries of Defense, by your Navy.

Mr. McINTYRE. My Navy?

Mr. PASTORE. One man. Yes; the Secretary of Defense. Admiral Rickover is the one man that has stood up and said what he pleased.

I notice, when I let all you fellows come in and ask your questions, you do not do that for me. You do not do that for us. That is all right. But, let us get a little spirit generated around here so that we can get the truth on the table.

Mr. DOMINICK. Mr. President, will the Senator from Rhode Island yield?

Mr. McINTYRE. Will the Senator yield me just 10 seconds?

Mr. PASTORE. The other Senator asked first. The Senator asked for a whole 10 seconds. I will give him 1 whole minute after the Senator from Colorado.

Mr. DOMINICK. Mr. President, the Senator from Rhode Island, in this system we are talking about, knows that there are two separate phases. One is building the missile, which is due for 1978, and which, under our amendment, is still due for 1978 and we have not changed that in the slightest, the amount of money, or anything else, but the deterrent is there.

Mr. PASTORE. All right.

Mr. DOMINICK. The launching platform is the nuclear propulsion thing in which Admiral Rickover is a qualified guy.

Mr. PASTORE. All right, but I am going to go into that. But the answer to that is——

Mr. DOMINICK. I have just read the letter.

Mr. PASTORE. All right. You look at the fourth paragraph on page 2. He answers that.

Now, Mr. President, I yield to the distinguished Senator from Missouri (Mr. Symington).

Mr. SYMINGTON. Mr. President, I congratulate the able Senator from Rhode Island for his extraordinary oratorical efforts and his able comments. I would say to him that all you would have to is dot an "i" and change a "t" or two and this is exactly the same talk he made last year when the Trident came before the Senate.

Mr. PASTORE. And who won?

Mr. SYMINGTON. You won.

Mr. PASTORE. And who won?

Mr. SYMINGTON. It was all on the basis of what thoughts Admiral Rickover had and said and did. That debate is in the Record. I also have some respect for Senators who do their best to understand and have no axes to grind, when in a subcommittee they work for months.

It was a fine speech, beautiful to listen to. The Senator from Rhode Island could have just taken his speech of last year and put it in the Record, without changing a word.

Mr. PASTORE. If I have the same success I had last year, then God bless us all.

Mr. SYMINGTON. Right.

Mr. PASTORE. God bless us all.

Several Senators addressed the Chair.

Mr. McINTYRE. Will the Senator from Rhode Island yield to me for one question?

Mr. PASTORE. I yield to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, the excellent question put by the Senator from Rhode Island has not been answered. I am puzzled as to why Admiral Rickover was never called before the committee to give his views on the Trident. I am still waiting for that answer.

Mr. PASTORE. You will not get that.

Mr. RIBICOFF. I think we deserve that answer because I agree that Admiral Rickover is "the" authority in the world on nuclear submarines and I am curious as to why he was not called.

Mr. PASTORE. I am, too. I do not know whether we will ever get an answer to that question. In due time we will ask it again. I have already asked it twice.

I now yield to the Senator from Washington (Mr. Jackson).

Mr. JACKSON. Mr. President, is it not a fact that he was called before the committee? Is that not true?

Mr. PASTORE. He was, but I do not want to make too much of that. I repeat, people are sincere who are opposed to this, but I am merely saying here, whether they did or did not, the fact still remains that I am bringing to the Senate the judgment of a man who is an expert, and I will leave it up to this body to vote their own consciences.

I am just giving my own feelings, my ideas, and my thoughts on this very important subject. I know that I am dealing with $885 million. I know it looks beautiful to be able to go home and say, "Oh, I cut that defense budget by $885 million."

It is like the man who would not paint his house. He kept telling his family, "Look at the money I save," until the house fell down. Then he regretted it.

My mother used to tell a little story and, of course, it was a fable but they liked to tell stories like this in the old days.

A man had a donkey. It was a working animal. He used to feed the donkey three times a day. Then he said to himself, "Look, why should I feed him three times a day? So he fed him twice a day and he did that for 2 or 3 months and he got away with it.

Because he got away with it, he said to himself, "Look, I used to feed him three times a day and now I feed him only twice a day. Maybe I can go to once a day." So he started to feed the donkey only once a day. He got away with it for 2 or 3 months.

Then one day he said to himself, "Why not feed him only once a week?" And that is what he did.

Do you know what happened? The donkey died.

So, Mr. President, it is all right here to prophesy that we do not need this or that. But what if we are wrong? What if we have another Cuban crisis? Can another John Kennedy stand up and say to another Khrushchev, "You cannot bring those atomic weapons in or I will blow up your ships." At the time he said that every strategic American plane was in the air. America was ready for nuclear war.

Khrushchev backed away because he knew that John Kennedy had the power behind what he was saying.

In this day and age, that is what we must have in order to back up our words with these bullies in Moscow and Peking.

Can we back this up with power?

That is what we are talking about here.

Mr. McINTYRE. Mr. President, will the Senator from Rhode Island yield for a question?

Mr. RIBICOFF. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield to the Senator from Connecticut.

Mr. RIBICOFF. In listening to the colloquy between the distinguished Senator from Rhode Island and the distinguished Senator from New Hampshire, it is apparent that we really are not talking about a net saving of $885 million——

Mr. PASTORE. No, but that is what they say.

Mr. RIBICOFF. That is right. In any event, whether we take the figure cited by the Senator from New Hampshire or the figures of Admiral Rickover, in the long run, it is going to cost millions of dollars more if we defer this program another 2 years.

Mr. PASTORE. The Senator was a Governor of Connecticut before he came to the Senate.

Mr. RIBICOFF. That is right.

Mr. PASTORE. I remember a long time ago they cited half a billion dollars against my figure of $1 billion. Everyone knows that costs are going up every day. That is the trouble. We have been present on this floor time and time again and listened to the castigation of the administration because of inflation. Everyone knows the price of everything is going up and that the longer we wait, the more everything is going to cost.

But I am saying now: What is the use of building half a bridge if, when you walk over the half you drown?

That is not the policy of this Senate, I hope.

All I am saying here is I believe the time has come, because we have given our assent to the building of the Trident, it is important for us to find out how fast we can do it, how much money we can save, and what it means to the security of our country.

Mr. McINTYRE. Mr. President, will the Senator from Rhode Island yield for a question?

Mr. PASTORE. I yield.

Mr. McINTYRE. Does the Senator from Rhode Island know why Admiral Rickover was not brought before the subcommittee on R. & D. on the Trident program?

Mr. PASTORE. No, I do not know.

Mr. McINTYRE. Because he is not in charge of it.

The Navy makes the presentation to the Senate. The Navy does not want to bring him in. They bring over their own best men. Admiral Rickover is up at the Schenectady nuclear propulsion plant.

Mr. PASTORE. Senator, let me tell you something. When the pressure is on and there is any question about the makeup of the submarine, who do you think supervises it? Admiral Rickover. It is not true that all he has is authority over the nuclear reactor. He has authority over everything connected with this submarine.

Mr. McINTYRE. He is not in charge of it.

Mr. PASTORE. I do not care whether he is in charge of it or not; he is an expert. Why did the Senator not call him?

Mr. McINTYRE. Why did not the Senator from Rhode Island go to the Secretary of Defense and complain? We had 85 hours down there of listening to various testimony.

Mr. PASTORE. I am not complaining to anybody. You people are complaining. I am just saying that we should follow the committee here. The committee has voted on this. How is it that the Senator's committee did not agree with his position?

Mr. McINTYRE. They came pretty close.

Mr. PASTORE. But close does not count.

Mr. McINTYRE. The first time they voted 8 to 7 on my position, and then a distinguished Senator of this body found that his proxy had been incorrectly cast, and the vote was reversed.

Mr. PASTORE. So what? There is no cheating there, is there?

Mr. McINTYRE. I am telling the Senator how close it was.

Mr. PASTORE. Of course it was close, and this is going to be close, and it may be by one vote. The name of the game is to win.

Mr. LONG. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. LONG. It seems to me that that is the name of the problem here. If war breaks out sometime this year, while waiting for this weapon, it is of no use.

Mr. PASTORE. They keep talking about the Trident I missile. That is the C-4. They have not developed it yet. They do not even have a warhead for it. The remarkable thing about it is that if you put it in the Poseidon, you have to take some of the warheads off, because it cannot carry as many warheads. You can put as many as 12 warheads on the Trident II, and you can shoot them over 6,000 miles.

Mr. McINTYRE. Mr. President, will the Senator yield?

Mr. PASTORE. Yesterday, the Senator from Minnesota said this is a launching pad. Of course, it is. The Russians are not worried about our land-based missiles. They have a 25-megaton SS-9 targeted on every missile we have. If a surprise attack comes, they can blow it up, because our silos are not hardened. But they are afraid of one thing. They are afraid of the mobile launching pad that they cannot find to hit. That is why we are interested in it.

Do Senators realize what this means? You can put the Trident 500 miles off the shore of the United States of America, and you can hit Moscow, and the Trident can move up and down so they do not know where it is.

That is the deterrent. All I am interested in here is deterrence. I am not interested in who is going to win the next nuclear war. Nobody is going to win the next nuclear war. We are all going to come out of our cellars like monkeys if it ever comes, and God forbid.

The thing that is necessary in our day and age is to do what needs to be done, to do what will not allow the other side even to dare to move. John Kennedy proved that in October 1962 in the Cuban crisis. That is how they averted that crisis.

I do not know how much time this side has.

Mr. McINTYRE. Mr President, will the Senator yield?

Mr. PASTORE. Why does not the Senator wait until I get through with my discussion? Not that I am reluctant to yield. The Senator has made a speech. Now I am making my speech. Let me finish it, and then I will stay here until doomsday to answer the questions.

So I urge my colleagues to read this letter very carefully. It is all covered here. Listen to what this man has to say. A copy of the letter is on the desk of each Senator.

> I am confident that we have the technical capability in hand to proceed now with the construction of the lead ship rather than waiting. This confidence is based on my experience over the past quarter of a century of designing and building 101 nuclear submarines and 4 nuclear surface ships now in the fleet.

Why do Senators think Admiral Rickover is called the father of the nuclear Navy? Imagine, the father of the nuclear Navy not being asked to come before this committee before it made an important decision, on the ground that perhaps some admiral or some Secretary of Defense did not want to bring him down. What difference does that make? Admiral Rickover comes before our Joint Committee on Atomic Energy. I have dealt with him since 1952.

I think he is a blessing to America. I do not know where we would be today if it had not been for Admiral Rickover. As a matter of fact, he has stunned the Russians; he has stunned the Red Chinese. Here is a man who is so devoted that he makes it his business to supervise contracts to make sure that the Government gets a dollar of value for every dollar it spends. He is not reluctant to criticize even the members of his own agency, the Navy, or the Defense Department.

This is what he says in his letter:

> The cumulative distance steamed by all of our nuclear-powered ships has surpassed 23 million miles.

One of our nuclear subs was under the icecap at the North Pole 30 days, and it did not surface. That is the sub he built. Do not tell me that he does not know anything about the Trident. Twenty-three million miles—the Russians wish they had him.

I continue reading from the letter:

> Our fleet of Polaris/Poseidon nuclear-powered submarines has completed 1,024 patrols, which amounts to 61,500 days of submerged operation—

Not above water, but submerged operation—"or over 165 years under water."

There you are. That is the man who speaks on this subject. Do not tell me that anybody in this Chamber is qualified to discredit this man. You can disagree with him, but nobody can discredit Admiral Rickover.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. JACKSON. Is it not a fact that Admiral Rickover was born in Poland, which is now a part of Russia and was a part of Russia, and came here at the age of 4 or 5?

I know of no one who understands this problem better than Admiral Rickover I have had the privilege of working with him since 1949, when I became a member of the House Atomic Energy Committee, the joint House-Senate committee, as a Member of the House.

The able Senator from Rhode Island has put his finger right on the problem. When you get into the kind of question that is before the Senate, whether we ought to delay for 2 years or whether we ought to start now, so that we can have the submarines available, the first one, in 1978, I know of no one in the world today who knows more about that particular point than Admiral Rickover. As the Senator from Rhode Island has pointed out, the Soviet Union would love to have him. His parents had to leave because of persecution. Thank God they came to the United States of America.

Mr. PASTORE. One of the most beautiful speeches I have ever heard was the speech made by Henry Kissinger at the time he was sworn in as Secretary of State, when he told the American public that he knew from personal experience what oppression and hatred can do, and he knows that threat.

I do not want to take the position here that this should become a glorification of Admiral Rickover. I am merely presenting him as my expert witness. I have tried hundreds of cases in court, and every time I needed an expert witness, I knew that I had an obligation to qualify him. Admiral Rickover meets every qualification.

I regret very much that the members of that committee did not have an opportunity to listen to this man. Just to listen to him is to have respect and admiration for him. He does not indulge in excesses; he does not exaggerate. He is a fine American, and he does a fine job. He is loved by the people who work with him. He is hated by some people who disagree with him because he is outspoken. He calls a spade a spade. Admiral Rickover would die before he would write anything in this letter that is not true or that he did not believe in.

That is his conviction. He is not a demagog. He is not the kind of man who writes a letter for the sake of writing a letter just to win a point. If he did not believe in the Trident he would stand up and tell us. The remarkable thing is that this letter comes under the heading of the Atomic Energy Commission. I talk to him year in and year out. We have to authorize the money, in the joint committee for the nuclear reactor for the ship, and then it goes to the Committee on Armed Services for the whole ship. But the fact is that here we have the statement of a man who is an expert in this field.

Mr. President, you do not have to accept 1978 if you do not want to; you can even chuck the Trident if you want, but when it is argued on the floor of the Senate that by going to 1978 you waste money and by going to 1980 you save money, nobody is going to believe that. That argument was made on this floor, and I cannot believe it. I know as surely as God made little green apples that if you stretch out this program it is bound to cost more. That has been our experience all along.

I have heard this idea that we are saving $885 million so often. You are just postponing the $885 million; when you get to the end of the line the costs will be a lot more. As Admiral Rickover has said, it may be $1 billion. I know this is expensive, but we need a new family of submarines.

It is strange that Senators rise on the floor and vote for the F–14 saying that we have to have, and vote for something else that we have to have, and the argument is made, that if we do not get it now, the cost is going to go up; yet, when we get to the Trident, the argument is that the cost is going to go down if we stretch it out. The argument is inconsistent.

Mr. President, I ask unanimous consent to have printed in the Record the full letter from Admiral Rickover, to which I have referred.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Atomic Energy Commission,
Washington, D.C., September 26, 1973.
Hon. John O. Pastore,
U.S. *Senate.*

Dear Senator Pastore: In our telephone conversation this morning you requested that I furnish you my answers to the following questions concerning the TRIDENT submarine program:

"Apart from political and shipbuilding considerations connected with the SALT I agreement, but including economic considerations: What is the advantage of proceeding with the TRIDENT program approved last year to complete the first submarine in 1978 in lieu of 1980? It is stated that by postponing to 1980 we can reduce the Fiscal Year 1974 defense budget by $885.4 million. In the long run would this delay to 1980 cost more or less? By adhering to 1978 instead of 1980 are we engaging in a project which will be uncertain? How far have we gone in R. & D. to justify 1978? Is 1978 an orderly business schedule? On what experience do you justify recommending we proceed with construction of the lead ship this year?"

Last year Congress appropriated funds to procure long lead components for the first Trident submarines based on the lead ship starting operation in 1978. For the past year all Trident work has been proceeding on this schedule. To continue with this program on an orderly basis, construction of the lead Trident submarine needs to be authorized and funded this year. If the Congress now reverses its decision of last year by deferring the lead ship and stretching out the procurement of the follow ships, the program underway for the last year will be disrupted. If ten Trident submarines are bought on the delayed schedule contemplated by the amendment offered by Senators McIntyre and Dominick, the Navy estimates that the cost of the program will *increase* by more than one billion dollars. The Deputy Secretary of Defense in a letter dated May 14, 1973 to the Chairman of the Research and Development Subcommittee of the Senate Armed Services Committee noted that this cost increase would result from breaks in the production lines, delay and disruption, and decreased annual quantity procurements, as well as from inflation occurring during the delay period. Thus, deferring authorization of Trident submarine funds this year will not save money—in the long run it will cost much more.

The technical feasibility of building the Trident submarine has been established. The Navy and the Atomic Energy Commission have been working on the design and development of the Trident submarine and propulsion plant for over four years. Over 100 different configurations for the Trident submarine were studied before establishing the present configuration. This issue has also been studied by the Department of Defense and the systems analysis community. The concensus of the Administration and the Secretary of Defense is that the present Trident configuration is the one we should build.

The Trident submarine is following the approach that has been used successfully to design, build, and deploy all our nuclear ships since the Nautilus.

A full size mockup of the entire Trident propulsion plant has been built to demonstrate that the layout of systems and components is satisfactory for operation, maintenance, and repair. The basic design of the nuclear reactor has been proven by tests.

Full size mockups of the Trident missile tubes, control room, sonar room, radio room, and other operating spaces have also been built to demonstrate satisfactory layouts. Equipments for critical systems such as sonar, communications, ship control, atmosphere control, navigation, and missile support systems have been tested.

The nuclear propulsion plant and other submarine systems are based on designs proven at sea using existing technology. There is no basis for assuming that delay of the lead Trident submarine by two years would result in new breakthroughs in technology which would result in changing the design of the submarine.

Some have questioned the wisdom of proceeding with construction of the lead ship while research and development is still being done on the missile and submarine. But programs of the magnitude of Trident make it necessary to proceed with procurement and construction in some areas while other areas are in the resarch and development stage. For example, in developing a new missile the long lead time is in research and development with a relatively short production span of one and one half to two years required to build the missiles themselves, which are not needed until the ship is finished. In contrast, the production span time on major ship components is up to five years under the most favorable conditions. Further, large components must be installed in the early stages of ship construction. The Navy has already done the development work necessary to define what is needed to order the long lead ship components and these are now being manufactured. Delivery of these components will control the construction schedules for the Trident submarines. It is therefore necessary to manufacture them and start building the submarines while the missile work is still in the research and development stage. Detailed design of the submarine and its components and systems must proceed in the research and development program while the hull and long lead time major equipments are being manufactured. This scheduling of detail ship and component design, concurrent with procurement of long lead time components and start of ship construction, has proven successful time and again in the past in every nuclear powered warship program.

The Administration's Trident program provides an orderly business schedule. Design and construction of the submarines are *not* on a hasty accelerated program which could lead to waste and added cost. In fact, more time has been allowed for the development and construction of the Trident submarine than was used for previous classes of ballistic missile submarines.

I am confident that we have the technical capability in hand to proceed now with the construction of the lead ship rather than waiting. This confidence is based on my experience over the past quarter of a century of designing and building 101 nuclear submarines and 4 nuclear surface ships now in the fleet. These ships have required development of over a dozen different design nuclear propulsion plants.

The cumulative distance steamed by all of our nuclear powered ships has surpassed 23 million miles, including 1,960,000 miles steamed by the four nuclear powered surface ships. Our fleet of Polaris/Poseidon nuclear powered submarines has completed 1,024 patrols which amount to 61,500 days of submerged operation or over 165 years underwater. The naval nuclear propulsion program has 123 atomic reactors in operation, which represent an accumulated total of over 1,075 years of operational experience. This is far more than the experience amassed by all the commercial atomic powerplants in the United States combined. The Navy has never had a single radiation casualty and has never had to abort a mission.

I can assure you that I do not take my responsibility lightly when I say I am confident we can proceed with the construction of the Trident submarine now rather than waiting. That confidence is based on my personal knowledge of what we have to do and what we have already done.

Sincerely yours,

H. G. Rickover.

Mr. PASTORE. Mr. President, I wish to thank the Senators for listening to me. If anyone wishes to ask me to yield, I am glad to do so. If anyone wants to speak on his own time, I will yield the floor.

Mr. JACKSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JACKSON. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator from Washington has 30 minutes remaining. The Senator from New Hampshire has 38 minutes remaining. Who yields time?

Mr. JACKSON. Mr. President, I yield 10 minutes to the Senator from Connecticut.

First, Mr. President, how much time do we have tomorrow?

The PRESIDING OFFICER. One-half hour to a side.

Mr. JACKSON. Mr. President, I yield 10 minutes to the distinguished Senator from Connecticut, and then I shall yield to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. RIBICOFF. Mr. President, I am pleased to join with my distinguished colleagues Chairman Stennis, Senator Jackson, and Senator Pastore in support of full funding of the Trident program. In the past we have sometimes differed on the amounts of money which should be spent on specific weapons systems, but there is no disagreement between us on this issue because the Trident program is vital to the future of this country and to world peace.

The Trident is one military program that surely makes sense both strategically and economically. It is a program which builds on the great success of the Polaris program—one of the most cost-effective and reliable weapons systems our country has ever produced.

It is true that the Polaris/Poseidon force we have deployed today is an awesome sea-based deterrent. The completion of the Poseidon conversion program will provide us with an even larger number of warheads. However, numbers in themselves mean little unless survivability is attached to those numbers. Our present submarines, built with the technology of the 1950's, possess weaknesses which could be fatal in the 1980's. The exact moment of vulnerability, of course, is not precise, but Soviet technology has been moving with increasing speed.

Complacency in light of the Soviet progress does not seem warranted. We originally built the Polaris system in a relatively makeshift manner, modifying a planned attack submarine into a strategic one. The result was most beautifully done and at a most opportune time. We moved forward with a progression of improved missiles up to the present time when we have a very flexible and survivable Poseidon. But when a nation is dealing in strategic deterrence, it is necessary to keep ahead of the competition. The Trident will enable us to stay ahead during an era when manned strategic bombers will be obsolete, and land-based missiles will be much more vulnerable.

We are having full discussion and debate of the wisdom of going ahead with Trident program. I am convinced, on the basis of the facts presented by both sides, that the Navy must proceed now to modernize its ballistic missile submarine deterrent.

A few basic considerations are most compelling. First, the Soviets have built and continue to build a modern ballistic missile submarine force with the largest and most modern submarine building yards in the world. They are already building their equivalent of our Trident submarines and missiles, and a number of them are already in the water. These developments increase the threat to other elements of our strategic forces and underscores the reliance we must place on our sea-based strategic deterrent. Frankly, I feel this is the safest and best deterrent force we have, with planes and missiles diminishing in importance.

Second, the Trident would reduce the vulnerability of our sea-based deterrent to any possible Soviet breakthrough in antisubmarine warfare. A Trident submarine with its arsenal of 24 Trident I missiles could hit Moscow from a range of 4,000 miles. This increase in missile range would open up additional areas of ocean in which American submarines would have to be hunted down and destroyed, making the job that much harder for the Rusians. The program also calls for a follow-on missile, Trident II, which would increase the range to 6,000 miles.

Trident is also needed to prevent obsolescence of our aging submarines. All 41 of our present Polaris subs were deployed within a 7-year period, and by 1980 the oldest of them will have been operational for 20 years, their nominal design life.

There is also merit in the argument that approval of the Trident program will provide this country with the bargaining power that is necessary for the success of the second phase of the SALT talks.

Finally, when we view the Soviets' awesome and increasing military capability coupled with Moscow's lack of respect for human détente, we would be remiss in our national security obligations if we did not act resolutely.

No one should be considered an alarmist if he states that we still live in a very dangerous world. Men still fight and die all over the globe, and the potential for conflict remains high in a number of areas.

There has been much talk of détente between ourselves, the Soviet Union, and China. I am certainly for it. Who can be against a relaxation of tensions and greater harmony between East and West? But mere words of peaceful intent must be measured against reality. Détente today, unfortunately, is more fragile than some would have us believe.

Wishful thinking on our part will not hasten the day when we can begin beating our swords into plowshares.

The leaders of the Soviet Union may—when they coldly calculate it to be in their interest—pay lipservice to the concept of world peace. In fact, the United States has given them valuable incentives to do so—one-quarter of our wheat crop last year, the promise of American technology, lavish credits, and development of their natural resources. But at the same time, the Soviets have been building up both their conventional and nuclear armaments at a much more rapid rate than we have. Americans are paying higher prices for bread, poultry, and meat today so that Russia can pursue this policy.

Much has been said about a new era in relations with the Soviet Union. Increased trade is cited as a prime example. But does the Soviet Union look upon increased trade ties with the United States as paving the way for closer contacts and cooperation?

Not when Russia buys U.S. wheat at bargain prices and resells it abroad.

Not when the Soviet Union agrees to pay its lend lease debt at only 6 cents on the dollar, while demanding MFN treatment and cheap credits in return.

Not when Russia is seeking the latest American technology and proposing to repay the United States by permitting us to invest billions in developing their own natural gas reserves—for which we will then have to pay premium prices.

We must ask ourselves whether true détente with the Soviet Union can be bought.

We must also ask ourselves whether our current détente policies are really furthering the cause of human freedom, and moving Soviet society in this direction. The record of performance is unfortunately most dismal. More than 50 years after the Russian revolution Soviet leaders still display the most cynical contempt not only for human rights, but for the truth. The continued use of police state methods to implement both domestic and foreign policies should give us pause to consider. And certainly the Soviet Union's rapid military buildup should not be taken lightly in this atmosphere of repression.

Andrei Sakharov recently made this point most eloquently:

> Détente without democratization, would be very dangerous . . . that would be cultivation and encouragement of closed countries, where everything that happens goes unseen by foreign eyes behind a mask that hides its real face. No one should dream of having such a neighbor, and especially if this neighbor is armed to the teeth.

At a time when we are unsure of Soviet intentions, the Congress must insure the credibility of our overall defense posture and of our nuclear deterrent.

We must ask ourselves what signals we wish to send to the Kremlin leadership at this time. How will Soviet leaders interpret any lack of resolve to take practical steps to ensure the survivability of our strategic forces?

It is not enough to hope that a certain number of submarines or B–52's or Minuteman missiles will be sufficient. We must be dead certain of the strength and survivability of our nuclear deterrent. This takes more than a review of the numbers of missiles and megatonnage; it takes an analysis of what we can sense about the mood of the Soviet leadership.

Lavish toasts to peace are not very reliable guidelines. We must seek evidence that shows, for example, whether the Soviet Union is reconciled to the prospect of exchanging ideas and people with the West. But what do we actually find? A Valery Panov is not permitted to dance; Soviet newspapers are mockeries of the truth; and sane men are locked in insane asylums for speaking out against injustice.

It has taken leading Russian figures to remind us in recent days of the paranoia and heavy handedness of the Soviet system.

The people of the United States and the Congress owe a debt of gratitude to Nobel laureate, Alexander Solzhenitzyn, and to Andrei Sakharov for reminding us of the kind of people we are "détenting" with. We should thank them for explaining why real progress in building a safer world is impossible so long as human freedom is negated.

It is time for those in this country who yearn so desperately for peace and an end to the arms race to realize that both sides must want peace equally. Deep and genuine desires for international harmony must be tempered by an understanding of the harsh realities of the situation.

We all want to eliminate wasteful defense spending. We all would like to see a greater portion of our Government's resources devoted to our schools, the elderly, and the disadvantaged. But unless we are prepared to demonstrate our determination to retain a strong defense posture, world peace and stability could be seriously threatened in the years ahead.

It gives me little joy to seek support for a defense program which will cost more than $1.5 billion this year. But we will be getting a system that is already proving itself and which will provide even greater dividends in terms of peace and stability.

To delay now would create uncertainty as to the strength of our resolve to resist pressures from those who appreciate strength so much.

I urge my colleagues to consider all the arguments carefully, and join me in supporting the committee's recommendation for full funding of the Trident program.

Mr. JACKSON. Mr. President, I wish to commend the able and distinguished Senator from Connecticut for an excellent statement, particularly on the issue alluded to by the Senator from Arkansas (Mr. FULBRIGHT)—détente.

Mr. RIBICOFF. I am quite unable to understand why détente always has to come from the United States and why we always have to lean over backward to prove our peaceful intentions. It seems that no request or demand is ever made for the Soviet Union to prove their own good intentions.

Mr. JACKSON. I could not agree more, yet the Senator from Arkansas was saying that if we go ahead with a program which will launch one submarine in 1978, we will be placing détente in jeopardy.

It is a fact that under the interim agreement the Soviets are permitted 62 submarines, and we are allowed a maximum of 44; they are permitted a total of 950 missile launchers aboard their submarines, and we are allowed 710.

Yet the Senator from Arkansas (Mr. FULBRIGHT), in effect, is saying that we ought not to have our full quota of 710, but he says not a word about the Russians building up to the full 950 submarine-based missile launchers allowed them.

I would point out to the Senate that the Soviets now have, operational or under construction, 50 nuclear-powered missile-firing submarines.

Mr. RIBICOFF. And they also have in the water today the equivalent of the submarine we are trying to put in the water beginning in 1978.

Mr. JACKSON. The Senator is correct. They now have in the water five Trident-type submarines that can fire missiles over 4,000 miles—4,200 miles, to be exact. This is something we cannot do today.

They already have five. They have 12 under construction, for a total of 17.

The Senator from Arkansas and those who argue that it is the United States which threatens détente, for some reason never say anything about what the Russians are doing under the interim agreement. What the Russians are doing is permitted, to be sure, but the Senator from Arkansas does not want the United States to have even one of the three additional submarines we are permitted to have under the SALT I interim agreement. Is that not a one-sided détente?

Mr. RIBICOFF. It certainly is, and does not the history of modern times demonstrate that the Russians always respect strength and show contempt for weakness? If we really want genuine arms limitation agreements we can only get them if we are equally as strong as the Soviet Union.

Mr. JACKSON. The Senator is absolutely right. Perhaps more of our colleagues should listen to two towering men in the Soviet Union, men who stand at the summit of their professions. I refer to Andrei Sakharov, the world-famous physicist, and father of the Soviet hydrogen bomb, and Alexander Solzhenitsyn, the Nobel Prize winner in literature. These men are warning us not to be naive. That is what they are saying, as they speak from Moscow with great courage, as they speak out in behalf of those who have been denied freedom. They say to the U.S. Congress, in support of my East-West trade and freedom of emigration amendment: It is high time for the United States to stop being naive.

If we are going to work effectively for the cause of world peace, America has to be strong. If there is any doubt about it, just ask these Soviet intellectuals. And anyone who is a student of this subject would also say, "Ask the Chinese, ask the Chinese"——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JACKSON. Mr. President, I yield myself 1 additional minute.

It is a fact that, today, the Chinese are terribly concerned over whether the United States is going to maintain a credible deterrent. The only reason the President of the United States was able to go to Peking and to talk with the Chinese, was that the Chinese wanted to talk with us. They know the terrible threat, the Soviet Union, under the Brezhnev doctrine, poses to their country.

The Chinese speak out openly about the possibility of Russian aggression against their country, and the only nation that can use its power in talking to the Russians effectively is the United States of America.

Mr. RIBICOFF. So for SALT II to be successful, the United States must go into those talks with both determination and strength, or it will be a one-sided deal all the way down the line.

Mr. JACKSON. The Senator is absolutely correct, and I compliment him most highly for pointing out the dangers of a one-sided détente and addressing himself so effectively to that question. It has been extremely useful.

Mr. President, I yield 10 minutes to the distinguished Senator from Alabama (Mr. Allen).

Mr. ALLEN. Mr. President, I am prouder each day of my vote against the ABM Treaty, limiting our country to one offensive site, and also my vote against the Arms Limitation Agreement that gave the Russians a 3-to-2 advantage over the United States in offensive nuclear weapons.

Yet we see the Russians developing their technology and improving their submarines. We see that this advantage that was built in for the Russians, based on the advanced technology of our equipment, has resulted from a mirage, because they are developing their equipment and getting it onto a par with ours. The United States needs superiority for its own good, if we are to maintain our defensive position.

Mr. President, the Record has been filled with page after page of authoritative articles from news media throughout the world attesting to the fact that despite SALT I, the Moscow Agreements' and a whole host of other forms of International negotiations, the arms race still goes on. But, Mr. President, it is a one-sided arms race with the Soviet Union showing no signs of slowing down its drive to gain absolute military supremacy over the United States. Once the military supremacy has been established, what will stand in the way of Communist political supremacy?

Even while Senators demand that we scuttle some of our major new weapons system as a peace offering to the Communist leaders, we face the inevitable fact that the Soviet Union has surpassed the United States in actual numbers of strategic missile launchers. Last year we agreed to permit Russia to maintain 62 nuclear submarines—most of which are now of the latest design—while we limited ourselves to 44 nuclear submarines, most of which are aging and in need of expensive modifications just to keep them current.

Mr. President, while the Senate is debating whether to fund the Trident submarine, which would serve as a replacement of our Polaris- and Poseidon-armed submarines, the Russians are already building their equivalent to the Trident. These developments increase the threat to our land-based strategic forces and the reliance we must place on our sea-based strategic deterrent.

The Soviets are continuing to build modern submarines at the rate of eight a year while we build nothing.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. ALLEN. I am happy to yield to the Senator from Washington.

Mr. JACKSON. Mr. President, the best information we have now is that the Russians are building 12 submarines a year—1 a month. This seems to be their present capability.

Mr. ALLEN. I am glad to get this information. I was aware that the Russians are building at the rate of 12 submarines a year, but I was using a more conservative figure in my argument.

Even if the present request for Trident authorizations were approved, the first Trident would not become operational until after the Russians had filled their full complement of modern submarines and were ready to replace them with even more advanced systems than our own. So we would have lost any hope or opportunity to regain or maintain a status quo.

Mr. President, I do not want to see an escalating arms race. I would certainly prefer that we might beat our swords into plowshares and devote ourselves and our resources completely to peaceful pursuits. But we must be realistic and face the fact that the Communists are not slowing down their efforts to attain absolute military superiority over the United States.

I firmly believe that national defense must be our No. 1 priority and that Congress must approve the development and purchase of the finest possible weapons systems so that our Armed Forces can deter any potential attacks against us. This includes full support for the Defense Department's request for the Trident submarine.

I hope that this program will not be extended, that it will not be delayed, that it will not carry over into 1980, but will be allowed to be completed in 1978. Let us not slow down the Trident project. It ought to be full-speed ahead for the project. And that is what it must be if we are to maintain an adequate defense against the Russian submarine threat and if we are to overcome the numerical superiority that the Russians have.

Mr. President, the U.S. News & World Report in its issue of September 17, 1973, published an interesting article, entitled "Despite Arms Pact, the Race Goes On," based on an authoritative study of the continuing Russian drive to attain new nuclear weapons. The Washington Post in its Friday, September 14, 1973, issue published an article by Joseph Alsop which deals with this same subject. I ask unanimous consent that both articles be placed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the U.S. News & World Report, Sept. 17, 1973]

DESPITE ARMS PACT, THE RACE GOES ON

London.—An authoritative analysis of global military developments, just issued here, provides a sober warning.

If Americans are counting on Washington's new relationship with Moscow to produce an automatic slowdown in the costly arms race, they are in for a disappointment.

The situation is this—

Fifteen months after the signing of the Moscow agreements that were expected to dampen the weapons build-up by the two superpowers, the competition between Russia and the U.S. is continuing virtually unchecked.

In only one field—the deployment of anti-missile missiles—is there evidence that the agreements signed in May, 1972, have applied a real brake to spending for sophisticated arms.

In all other fields, and especially in the missiles, the analysis made public by the International Institute for Strategic Studies indicates that no spending slowdown is in sight.

Russian push. The institute, in its annual report on the "military balance," puts it like this:

"The year after the interim agreement on offensive missiles provided little evidence of superpower restraint in this field."

The Soviet Union, the institute points out, is rushing to build the maximum number of long-range missiles permitted under the agreement—a total of 2,359. This will give Russia a considerable advantage over the U.S., which is limited by the five-year interim agreement to 1,710 offensive missiles.

These are the main Soviet advances in the arms race cited by the study:

Three new types of long-range, land-based missiles are being developed and apparently a fourth is in the works. Two of these reportedly are designed to carry MIRV—multiple, independently targeted re-entry vehicles—which the Russians recently tested for the first time.

The Soviets are moving to reach the limit in land-based intercontinental-range missiles permitted under the interim agreement. They now have 1,527 of them operational—nearly 500 more than the U.S.—and appear ready to install missiles in 91 still uncompleted silos.

Thirty-one submarines comparable to the U.S. Polaris have been launched, each with 16 missiles. In addition, three new and more advanced submarines have come off the ways. All are equipped with 12 missiles having a range of about 4,600 miles.

The Soviets appear determined to build all of the 62 nuclear-powered, missile-carrying submarines allowed under the first strategic-arms-limitation talks (SALT) agreement. That would give them a substantial numerical advantage over the U.S., which is limited to 41 such submarines.

Widening gap. Over all, the study shows the Soviet Union well ahead of the U.S. in long-range missiles—with a total of 2,155 presently operational against 1,710 land-based and sea-based missiles for the U.S. And the gap continues to widen as the Russians expand to the limits permitted by their agreement with the U.S.

In other directions, however, the U.S. is forging ahead. The emphasis in Washington is on increasing America's qualitative advantage in order to offset Russia's numerical superiority in missile strength.

The London-based institute cites these factors—

The U.S. has deployed 35 new Minuteman missiles equipped with MIRV and will deploy a total of 550 by 1975. Each is capable of hitting three separate targets with its multiple warheads.

Twenty of America's 41 offensive submarines have been converted to carry Poseidon missiles that can fire between 10 and 14 individually targeted warheads. By 1975 or 1976, an additional 11 submarines will be converted.

Under development is a new Trident submarine-based missile system which could be operational in 1978. The submarines would be armed with 24 missiles having a range of 4,600 miles. Each would carry between 10 and 14 individually targeted warheds.

U.S. advantage. Everything included, the British study reveals, the U.S. at present outdistances the Soviets by more than 2 to 1 in the number of warheads that it can launch against individual targets in an enemy country—roughly 5,000 to approximately 2,200.

And the U.S. could expand this figure to "well over 8,000 warheads" by 1978 if it goes ahead with the construction of three Trident submarines permitted by the interim agreement.

Looking ahead, experts are asking this question:

Will the Soviet Union now try to close this "warhead gap" by marrying its newly tested multiple warhead to its more numerous and more powerful land-based missiles?

If it does, the result could be a major escalation of the superpower arms race with the U.S. speeding up its program to construct Trident submarines and also taking other action to prevent the Russians from gaining over-all strategic superiority.

Critical talks. Should such an escalation take place, the second round of the SALT talks in Geneva will assume critical importance.

Failure there to hammer out a new U.S.-Soviet agreement to avert a dangerous acceleration of the arms race would jeopardize the new political and economic relationship developing between Washington and Moscow.

One hopeful development in the arms race cited in the British study involved anti-missile missiles, or ABM's In contrast to the continued rapid build-up of offensive strategic forces, Russia and the U.S. have shown no signs that either is determined to construct ABM systems up to the limit allowed by the treaty signed in Moscow.

That treaty limits the deployment of these defensive antimissile missiles to two sites which may be equipped with 100 launchers each.

But, says the institute's new study, there is no evidence that either nation is going beyond the construction of a single site.

[From the Washington Post, Sept. 14, 1973]

The Nuclear Balance

(By Joseph Alsop)

If you want to know where this country now stands both politically and strategically, you will learn much from the story of the Trident program in the Senate Armed Services Committee. Trident, aimed to provide the U.S. with a new sea-launched missile force, is first new-generation strategic weapons system that the Pentagon has requested in many years.

In the absence of the committee chairman, Sen. John Stennis of Mississippi, the man charged with piloting Trident through the Armed Services Committee was Sen. Henry S. Jackson of Washington. Senator Jackson held the proxy ballot of Senator Stennis. Even so, Jackson barely managed to keep the Trident program in the defense budget, by a vote of eight to seven; and he had to resort to a drastic measure to get his majority of one.

The measure was arranging to have the central intelligence agency's principal technical expert in this area, Carl Duckett, give the senators the kind of harshly truthful briefing that has become downright dangerous in Washington nowadays. What Duckett said, in effect, was that the Soviets would rather soon achieve really overwhelming strategic superiority.

Anyone who has followed the doings of this town's increasingly powerful anti-defense lobby, knows how these people have stressed the utter impossibility of this kind of Soviet superiority. First, they have said the U.S. had MIRV's—multiple warheads, in fact—whereas the Soviets did not. Second they have said the U.S. with its MIRV's, further had a number of nuclear missile warheads vastly superior to the Soviets' warhead total.

With customary dishonesty, the anti-defense lobbyists further pooh-poohed the Soviets' powerful advantage in other strategically important areas, such as numbers of missiles deployed. But the Soviets quite recently tested a new system for MIRVing their missiles. That knocked out one of the two above-summarized arguments, leaving only the warhead numbers story. And that story must now be abandoned too!

In brief, the Senate Armed Services Committee was warned that in a few years, the Soviets would have 7,000 to 8,000 nuclear missile warheads in the megaton range, as against about half that number of U.S. warheads in the kiloton range. A warhead in the megaton range, of course, can be used as a first strike or "counter-force" weapon if carried by a missile of reasonable accuracy. No such use is foreseeable for the U.S. kiloton-range warheads; for a kiloton has only one one-thousandth of the destructive power of a megaton.

In short, the future actually holds a large Soviet lead in warhead numbers, combined with a really vast Soviet lead in the killing-power of their strategic weapons. This will be attained, one must add, by other crucial new developments besides the new Soviet system for MIRVing nuclear missiles.

The most important of these other new developments is what is called the "pop-up" system. This system has already been successfully tested for the new generation Soviet missile that will replace the existing SS11S. The SS–11S are comparable to the U.S. Minuteman missiles; and the Soviets have about 1,000 SS–11S deployed.

The "pop-up" system is so important because of the terms of the first SALT agreement. SALT essentially forbids only two developments by the signatories. They cannot increase the numbers of missiles already deployed; and they cannot increase the size of the silos, or holes, containing the missiles.

Unhappily, the size and power of a missile in a given hole can be very greatly increased, if the missile can only be arranged to ignite outside the hole. This avoids the need to waste much of the space inside the hole on arrangements to handle the dreadful rush of gas when ignition occurs. The pop-up system, as its name implies, permits the new generation Soviet missiles of SS–11 type to be ignited outside their holes, thus the system will vastly increase the power of the most numerous class of Soviet missiles.

The pop-up system must be added to the MIRV system, of course, since the number and explosive strength of warheads a MIRVed missile can carry are directly proportional to its power. You can see, then, why it was so exceptionally tactful of the Soviets to wait until after the safe signing of the SALT agreement to test this new system, plus their unexpectedly long range new sea-launched missile.

As to timing, if you take the most pessimistic forecast, the Soviets will have their strategic overwhelming lead in 1978–79, but a bit after 1980 is more conservative. Either way, the time is short for corrective action.

Mr. JACKSON. Mr. President, I compliment the Senator from Alabama for his clear, cogent, and logical explanation of this aspect of America's strategic problems.

I have noticed that, since the Senator from Alabama came to the Senate, he has been very effective in presenting matters that are essential to the security of a nation.

I commend him for his forthrightness and for his clear presentation on an issue which is vital to the survival of individual liberty and everything else we hold dear.

Mr. ALLEN. Mr. President, I thank the distinguished Senator from Washington. I am pleased to follow the leadership of the able and distinguished Senator from Washington on the matter of national defense and the need for a strong national defense with which to protect this country and the people of this country.

I do appreciate very much the Senator's remarks.

Mr. JACKSON. Mr. President, I reserve the remainder of my time.

Mr. McINTYRE. Mr. President, I am very pleased to yield at this time to the distinguished Senator from Utah.

Mr. MOSS. Mr. President, I thank the Senator from New Hampshire for yielding to me. I have listened carefully to the speeches made by the Senator from New Hampshire, the Senator from Alabama, and the Senator from Rhode Island.

Mr. President, I rise to support the amendment of the distinguished Senators from New Hampshire and Colorado that would go to cut back on the funds that would go toward accelerated development of the Trident submarine. At a time when the Federal budget is extremely tight, and when skyrocketing inflation is our No. 1 domestic problem, this amendment would save $885.4 million in this year's Federal budget. At the same time, the return to a nonaccelerated rate of development for the Trident would not reduce in the least the capability of the United States to defend itself. When the President is calling for cuts in spending, let us cut where we can without harm to our military strength.

The case for a rapid development of the Trident has never been convincing. The United States presently has a fleet of 41 nuclear-powered Polaris submarines that will provide us with a sound and economical deterrent for some time into the future. We already have begun to install the potent Poseidon missile on 31 of these submarines. By 1976, the Polaris-Poseidon system will carry 5,120 independently targetable warheads, giving the United States far and away the most awesome submarine-launched missile system in the world.

Those who advocate the rapid development of the Trident base their arguments on the possibility that the Soviet Union might achieve some sort of breakthrough in antisubmarine warfare at some point in the indefinite future. They argue that the accelerated development would afford us a system of submarines which would not be as readily detectable as those of our present Polaris-Poseidon fleet. However, if the Soviet Union were to achieve a breakthrough in antisubmarine warfare, it is probable that the accelerated Trident would be just as vulnerable to that new development as the submarines of our present fleet.

Advocates of the Trident also insist that it would have a greater survivability than other submarines if we were to become engaged in a major conflict consisting of naval battles. This naval battle argument is an 18th-century position which cannot be defended in this day of missiles and atomic weapons. Any future naval battle which would result in detection and destruction of our submarine fleet would out of necessity either be negotiated to a speedy conclusion or would result in a quick and devastating exchange of nuclear weapons.

Our present Polaris-Poseidon fleet affords an ample supply of viable missiles capable of reaching targets as efficiently and powerfully. Indeed, the McIntyre-Dominici amendment would not affect the development schedule of the Trident I, or C–4 Trident missile system which can be refitted into our present submarine fleet. The essential importance of the

Trident system is not the physical existence of the submarine, but the potential strike force which its missiles carry. It is this essential force—the Trident missile—which can be utilized on our present Poseidon-Polaris fleet, thus giving our submarines a striking distance even greater than the already awesome potential we now possess.

It is argued that the Trident sub has greater invulnerability to attack, because it is faster and quieter. These attributes are clearly advantages, but they must be weighed against two obvious disadvantages. First, the Trident is larger than the Polaris and in this sense easier to detect. Second, under the SALT Agreement of 1972, the United States would be limited to far fewer Trident subs as opposed to Polaris-Poseidon subs, because the latter carry a smaller load of missiles. Thus, with the Trident we would lose some of the advantages of dispersion. In a phrase, we would be placing more of our eggs in fewer baskets.

Mr. President, I believe that this debate on the Trident illustrates one of the dilemmas presented by our advanced technology. It often seems that the advance of our technology creates the almost obligatory feeling that since we are technologically capable of producing a system, it is therefore necessary that we do so. And once we make this fateful decision to utilize potential technology, we are then pressured to increase the speed with which we develop the new system.

But is it not possible to accelerate development too rapidly? Certainly the most powerful bargaining tool we can possess in our negotiations with other countries is not a submarine system that was developed too quickly to keep pace with technological advances. Instead, it is a system that has been developed within the bounds of technological reason, a system that has wisely utilized to the fullest extent any new developments in technology.

The compulsion with which some advocate the rushed development of this mammoth submarine might be compared with the obsession with which Captain Ahab pursued the great white whale Moby Dick. Though Ahab eventually did sight and chase the monster, in the end he was destroyed by it. Let us, in our deliberation of this issue, remember the example of Ahab and avoid the irrational desire to follow a rash or hasty development of this submarine system. Let us pursue our national defense with reason and consideration so that we might avoid the building of—not a great white whale, but a white elephant—a project that becomes ill-conceived as a result of our desire to pursue the very latest technology simply for its own sake.

It seems to me that with the Polaris-Poseidon submarine now in operation and with the ability to refit the Trident missile into the submarine, we certainly retain all the deterrent power we need while we negotiate further with the Soviet Union in the SALT agreement to see if we cannot further cut back on the pile up of weapons in the two countries and the continuing struggle that goes on with the Soviet Union.

Mr. President, I thank the Senator from New Hampshire for yielding to me for these few remarks.

Mr. McINTYRE. Mr. President, I commend the distinguished Senator from Utah for his important support of the McIntyre-Dominick amendment. I am pleased to have it.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from New Hampshire has 32 minutes remaining. The other side has 20 minutes remaining.

Mr. McINTYRE. Mr. President, I yield myself such time as I may require.

I think it is most important that while we debate the pace of development of the Trident submarine we do not lose sight of the fact that this year's military procurement bill provides a significant amount of money for Navy programs.

To anyone who says we are weakening our naval forces, or who claims that we are sending a signal of weakness to the Soviets, I say, "let us look at the record."

The Navy this year will be receiving about $6 billion in hardware—procurement, and research and development—with almost half that sum being spent on submarine programs. We have approved five new attack subs—that is the killer sub—at a cost of $868 million, and that is not a puny sum. Along with that, we will be doing two Poseidon sub conversions costing $166 million.

One of the reasons we are only doing two, as the Senator from Colorado knows, is that the shipyards are so chockablock full we can only do two of them during this fiscal year.

In addition, we plan to buy $215 million worth of Poseidon missiles for our submarine fleet. The new antisubmarine aircraft for the carrier fleet, known as the S–3A, will carry a total cost of $455 million for this year's batch of 45 planes.

This is the antisubmarine warfare plane that we fly, in most instances, off the carriers. If we include the $1.5 billion request for the accelerated Trident program, we would be spending well over $3 billion for submarine warfare. Even with the reduction which would be effected by my amendment, the Navy would still receive more than $2 billion for underwater programs.

But, of course, that is not the whole story of the Navy budget. We should not forget the $657 million in the bill for a nuclear carrier. With the passage of the amendment of my colleague, the distinguished Senator from Nevada, we will provide in excess of $700 million for the F–14 fighter, the plane we will be flying off the carrier. Also approved were seven new destroyers at a total cost of $586 million.

These are the major aspects of a $6 billion Navy hardware budget for fiscal year 1974. All these expenditures, aside from the accelerated Trident request, had my full support.

I have spelled out these figures in detail, because I feel they offer convincing evidence of the intention of Congress to provide our Nation with the strongest, best equipped Navy in the world. No foe should underestimate our dedication to this proposition, and our willingness to translate intention into action.

But let us at the same time send another message to our enemies. We will continue an active, ongoing assessment of any threats to our security, and take any and all necessary steps to preserve that security. However, we will not be rushed into helter-skelter crash development programs that end up wasting money and delaying the deployment of weapons through design and construction errors.

Mr. President, I could stand here and enumerate some of the mistakes. Take the Cheyenne helicopter. Take the problem we have with the B–1 bomber right now. Take the question of the main battle tank that we had here 2 or 3 years ago. With the gold plating that was being added to that tank, it was approaching a cost of $1 million per tank.

The R. & D. Subcommittee has learned that excessive concurrency is asking for trouble.

IS OUR FLEET THREATENED?

Mr. President, a very strong element in the position the R. & D. subcommittee took with the full committee was on this question that we put to the Navy admirals, the vice admirals, the commanders of the ocean sea.

We said, "You want this new Trident submarine and missile system, and we do, too. But why do we have to go so fast? What is the threat?"

Mr. President, I am sure we have all heard it said over and over again in the debate that we need the Trident as fast as possible to protect against the threat of Soviet antisubmarine warfare.

I would like to take a moment to explore this argument made by the proponents of the accelerated Trident program because I am convinced that the evidence does not support their contentions. The words and actions of the best experts in the Department of Defense serve only to reinforce my conviction that the best way to build the Trident is on an orderly schedule which will serve the double purpose of saving the taxpayer money and assuring a credible and reliable sea-based deterrent.

What, then, do the DOD experts say about a possible threat to our existing Polaris/Poseidon submarine fleet?

My colleagues and I on the R. & D. Subcommittee were fortunate to have the opportunity to hear the testimony of Dr. Stephen J. Lukasik. Dr. Lukasik is the Director of ARPA, the Defense Advanced Research Projects Agency. That is a group that studies beyond the horizon in R. & D., and the ways in which R. & D. might change the name of the game. Dr. Lukasik is well-known, and holds high rank in his profession. In that capacity, he has become perhaps the most well informed man in the Nation on antisubmarine warfare technology—whether it be the projects on which our country is working, or intelligence data on Soviet efforts. On May 29, when Dr. Lukasik testified, the following question was asked:

> Since your primary emphasis in maintenance of the U. S. strategic deterrent is on the undersea deterrent, what is your assess-

> ment of the likelihood that the Soviets could make a technological breakthrough in ASW and capitalize on it in time to field an operational force of sufficient size to negate our Polaris/Poseidon force before 1980?

Dr. Lukasik submitted the following answer through the DOD:

> It is unlikely that a Soviet breakthrough in ASW could negate our Polaris/Poseidon force before 1980. We know the Soviets are investigating some unconventional ASW technology, and of course, we are too.
>
> There is, of course, the potential for Soviet breakthroughs that could lead to deployment of an effective anti-Polaris force by the early 1980's. However, the Poseidon, with its long strike range will increase the SSBN patrol area sufficiently to pose immense additional problems for any ASW sensor that can now be conceived.

Note that Dr. Lukasik uses the word "conceived"—not "developed," but what is even over the horizon—that can be conceived?

But Dr. Lukasik's response is not the only evidence on this question. We also have the statement of Dr. John Foster, the former Director of Defense Research and Engineering. Dr. Foster, who needs no introduction to anyone familiar with Defense technology, presented the DOD research and development program to our subcommittee this spring. In response to a question of mine on April 17, 1973, Dr. Foster admitted the "relative invulnerability" of the Poseidon fleet through the decade. He stated we cannot be "absolutely certain" that our subs would be invulnerable within the limited operating area determined by the range of our present missiles. But Dr. Foster then went on to outline the greatly increased operating capabilities afforded our Poseidon fleet by using our option which calls for backfitting the Trident I missile on the Poseidon submarine.

Again, the invulnerability of our Polaris/Poseidon fleet was confirmed by the Navy in a written response submitted to the R. & D. Subcommittee on May 22, 1973. The Department of the Navy, in response of a written question of Senator Hughes, said:

> There is no postulated ASW threat in this study (a study by the Threat Assessment section of the Defense Research & Engineering Office) that is not considerably blunted by the increase in operating area provided by the long range of the Trident missile, deployed either in Poseidon or Trident submarines.

Mr. President, there is no Senator in this Chamber who feels more strongly than I about the importance of preserving our security. And I agree with the many experts who believe that the sea-based leg of our defensive Triad offers the most secure and viable deterrent. I will, therefore, be the first to demand that our submarine-missile force remain invulnerable. Accordingly I asked these questions about possible threats to the Polaris/Poseidon fleet and was most interested in the experts' answers.

Those answers give us a crystal clear message—our existing submarine fleet is secure and invulnerable through the decade. Again, this is not my conclusion—it is the position of those persons in the Pentagon most closely associated with the problem.

I stated earlier that it was the words and actions of the DOD that reinforce my conviction. You have heard their words—now let us take a look at their actions.

After studying the Trident system and its alternatives for most of the past year, the R. & D. Subcommittee concluded that acceleration was unnecessary. But we decided to press ahead full steam on the development of the Trident I missile. This course would give us an effective option in the unlikely event of an unforeseen Soviet breakthrough in ASW technology. By developing the Trident I missile by 1978, we would be able to fit this longer range missile into the existing Poseidon boats. The result would be to quadruple the ocean area the Poseidon fleet could use while remaining in range of their targets. Any Soviet ASW advance would thereby be negated.

This "backfit" option is not complex nor expensive and would achieve the sought for result of insuring the viability of our sea-based deterrent.

However, the DOD, in pushing their accelerated Trident submarine program, has decided to delay the backfit option. Citing "fiscal constraints," they plan to deemphasize the missile development and deployment on the Poseidon fleet. One can only wonder why, if a Soviet threat exists, has the DOD chosen such a course of action. The only sensible conclusion is that DOD recognizes the improbability of any threat to our Polaris/Poseidon fleet.

Given this improbability, and since we have available to us a cheaper, quicker, and more reliable option, commonsense dictates that we reject this attempt to provide a crash program of Trident development. Let us return to sound management practices and to a rational, orderly response to our future defense needs.

Mr. President, earlier this afternoon. when the Senator from Rhode Island (Mr. PASTORE) was here, he was beating me over the head, because we had not talked to the distinguished Admiral Rickover.

I think the RECORD should show that if Admiral Rickover did not come over to press his case for the Trident missile and the Trident submarine system, that was no fault of the Navy. They sent over the team that could make the best case for them.

So far as I am concerned, I am delighted to hear from Admiral Rickover or anyone else. The Navy is in charge of the Trident submarine, not Admiral Rickover—and not me. So if they did not send him over it was because they felt he would not help their case.

Mr. President, what time is left to me?

The PRESIDING OFFICER (Mr. BARTLETT). Nineteen minutes. The other side has 20 minutes remaining.

Mr. McINTYRE. I thank the Chair. I yield 5 minutes to the Senator from Colorado (Mr. DOMINICK).

Mr. DOMINICK. Mr. President, I appreciate that and am happy to be with the Senator from New Hampshire on this amendment. I do not really think we will be changing anyone's mind but, for the RECORD, we should set out a few points here.

I listened to the speeches of the Senator from Rhode Island (Mr. PASTORE), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Alabama (Mr. ALLEN), all of whom are estimable and very fine individuals.

The Senator from Rhode Island gave his usual impassioned speech. It was a very good one. It reminded me of the time I was trying to change the silver policy of this country and he was opposing it. He was speaking for the user association and he accused me of downgrading the brides of America. That is the same kind of thing I heard today.

Of course, Admiral Rickover is a fine man. Of course, he is doing a very good job in the nuclear reactor field. No man is perfect. All we have to go back to is the early days of aircraft, and we have been building them since not too long after Kitty Hawk, I believe since 1911. We still have got the F-111 which cannot land on the deck of a carrier yet. I killed that in committee myself after we had spent something like $600 million—I cannot vouch for the accuracy of that figure—to fix it up.

We also had trouble, as the Senator from New Hampshire said, with the Cheyenne, and we have been building helicopters for a long time, too.

If we start building 10 massive nuclear reactor launching pads for a missile, we will have trouble when we have not even figured out the R. & D. Whether it is Admiral Rickover or anyone else, we cannot take these things out of the frying pan like cookies. We will have some trouble and we know it. That is what we are trying to avoid.

The Senator from Alabama (Mr. ALLEN) referred to the deterrence capability, and one might think we were not doing anything for the defense of our country. However, we are doing an enormous amount. The real deterrence in the Trident system is the missile, and we are going along with the Navy and the administration, as requested. That will be built by 1978, assuming that we do not get any more problems with it. Then if we do have any kind of problems between 1978 and 1980, we have always got the Poseidon that we can put this in and let the missile be used at that launching pad instead of this new big massive submarine.

We are not trying to kill the new massive submarine. We are providing for it here, with the first one to be in the IOC—initial operating capability—by 1980.

We are talking about 2 years difference. We are not talking about letting down our defenses. We are not talking about not having a signal in SALT. We are not talking about any of those things. We adopted the Mansfield amendment a few hours ago and that is a signal, the 40-percent mandatory cut of all troops we have overseas. That will be a pretty good indicator that we are not about to meet our commitments over there—if it ever holds up in conference—and I say flat out that I hope it does not.

My problem is to try to get people to understand that there are two parts of the system. One is the missile and one is the launching platform.

The distinguished Senator from Minnesota (Mr. HUMPHREY) pointed that out very clearly in yesterday's session. He did a real good job on it and I hope that more people were listening then than are listening now. I can say without any doubt at all, that although I thoroughly enjoyed the speech of the Senator from Rhode Island in his tribute to Admiral Rickover, which is well deserved, we have probably flown aircraft longer than we have ever had a submarine. We are still having problems with airplanes and making sure that they work at least the first time around.

The other point that I think is worthwhile is this: The ones the Soviets are building, which everyone is getting excited about in the process of this debate, are partly, just partly, missile-carrying submarines. The rest are attack submarines, just like ours. We are building five in this bill. We have got it going now. We are not trying to reduce our submarine fleet in any way whatever.

What we are trying to do by this amendment is to say, let us proceed with development of a system by which we know what we have in the configuration we want when the technical details are worked out in the manner that the Defense and Navy Departments think best. Let us not build 10 all at once before we finish the R. & D.

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. JACKSON. Mr. President, a parliamentary inquiry. How much time do I have?

The PRESIDING OFFICER. The Senator has 20 minutes.

Mr. JACKSON. Mr. President, I yield 5 minutes to the Senator from Texas (Mr. TOWER).

The PRESIDING OFFICER. The Senator from Texas is recognized for 5 minutes.

Mr. TOWER. Mr. President, the fact is, we are taking risks when we delay the IOC of the Trident submarine. I do not think anyone could validly maintain that it would be detrimental to our defense effort to put the IOC over into 1978. I do not see how it could be maintained that the committee position is, somehow, detrimental to the strategic posture of the United States. I think we can only conclude that getting the Trident, this great weapons system, into the inventory earlier, advances us in terms of staying apace with the Soviets in military technology.

It is argued that we will have the missile IOC'd by 1978 and if we have some problems we can simply retrofit the Poseidon and put it in there. That is an uneconomical way to do business.

Let me state another aspect of the cost. You cannot tell me, Mr. President, it is not going to cost us more if we string this out 2 more years, because the value of the dollar in terms of buying power is going to continue to decline. So it appears to me that we can get it perhaps a billion dollars cheaper by accelerating it. We will be in a much safer position vis-a-vis that of the Soviet Union.

The fact is that in the Strategic Arms Limitation Agreement, when we allowed certain quantitative superiority on the part of the Soviet Union, we did so because we felt that we would and could be making qualitative improvements that would not relegate us to a position of measurable inferiority to the posture of the Soviet Union. But the Soviet Union also has been working on making qualitative improvements, and more rapidly than we originally suspected. We are aware now how quickly and how far the Soviets have advanced in terms of MIRV technology and MIRV capability. This has to be taken into consideration.

Why we would now, at this time, commit ourselves to what may be a very dangerous gap 6 years hence, I cannot understand. It seems to me that if we are going to make a mistake, we should make a mistake on the side of safety. Why string this thing out? Why have it cost more? Why should we have a potentially dangerous gap just for the sake of stringing it out? I think that would be more difficult to explain to the American people than the hundreds of millions of dollars that will be added to the budget by virtue of the fact that we included it this year.

Mr. President, much has been said about the extended life of our existing Polaris/Poseidon sub. But the Navy says they are programed for 20 years. We all know that you always try to incorporate a safety margin. This means that they probably are good for a substantially longer period of time. But the fact is that the older those boats become, the more shallow depths they are going to be operated at, and the more vulnerable they are going to be. So what we are doing is downgrading our capability in that 2-year period if we are going to rely wholly on Poseidons. Incidentally, by 1980, the oldest will have reached its 20-year lifespan.

The year 1990 is constantly being cited. That is when the first one built will be 30 years old. Are we going to risk the lives of crews in a 30-year-old boat that is programed for 20 years? I certainly do not want to make a decision to do that, for economic reasons or any other reasons.

Also, it is pointed out sometimes that it will be 1987 before the newest one is 20 years old; but, of course, after that, that system should be very obsolescent indeed, and that is the last one in the inventory.

We had better have this program ongoing. Accelerating it can do nothing to damage the strategic posture of the United States. It is calculatd to enhance the strategic posture of the United States, just at a time when we are going to be negotiating further agreements on strategic arms limitations. So the timing is critical. It will be less costly if we accelerate.

Therefore, I see no argument that convinces me that we should not proceed to accept the committee's position.

Mr. McINTYRE. Mr. President, will the Senator yield for a brief question?

Mr. TOWER. I will yield to the Senator on his time.

Mr. McINTYRE. I ask the distinguished Senator from Texas this question: In January and February of 1971, when the Navy came in with their descriptive summary of programs and outlined their program, the ULMS program, the underseas long-range missile program, they had an IOC date of their submarine on the books at 1980.

Nobody was complaining about how old and obsolescent the ships were going to be, and that is exactly what we are proposing now. Why does the Senator say our program is obsolete, when in January 1971 the Navy's program was fine with the Senator?

Mr. TOWER. It has been a long time since January 1971. That was more than 2½ years ago. That was before SALT, before we had knowledge of the extent to which the Soviets had advanced in MIRV technology. We have to revise our thinking on defense systems and weapons systems. We cannot bind ourselves down to some doctrine that might have seemed valid 18 months ago. This is a rapidly changing world.

Mr. McINTYRE. It is still the same date—1980.

Mr. TOWER. But they have accelerated for a very good reason, as times change, as the Senator from Montana was wont to say this morning on another matter.

Mr. JACKSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JACKSON. How much time remains?

The PRESIDING OFFICER. Fourteen minutes.

Mr. JACKSON. I yield myself 5 minutes.

Mr. President, when the debate started this morning, the Senator from New Hampshire referred to a statement supposed to have been made by Admiral Zumwalt about Russian activity, allegedly in connection with the Trident. I have not been able to secure a verbatim transcript of that statement. We should get it; and then I think we can talk more intelligently about it.

But I do want to make this one brief observation—something I know to be a fact. The Soviet Embassy does have a staff assigned to the Hill. They come in and out of my subcommittee office, getting material and literature. If any Senator is so naive as to think that the Soviets are not active up here, he is just not keeping up with what is going on. I do not object to their coming up here.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. TOWER. As a matter of fact, they get to be very familiar faces at some of our open hearings.

Mr. JACKSON. That is right.

Mr. TOWER. We do not get to go to the Russian hearings in Moscow.

Mr. JACKSON. During our SALT I Armed Services Committee hearings in 1972, they had one of their top arms control specialists there.

If any Senators have the idea that representatives of the Soviet embassy and of Soviet research institutes—such as Arbatov's U.S.A. Institute—are not active on the Hill, I say they just do not know what is going on.

Mr. President, I do not object to these Soviet representatives coming up here. But let us keep the record straight. For example, one man—I will give his name in a moment—assigned to the Hill, is in touch with congressional staff. I personally have never been lobbied by the Russians, except on my Freedom of Emigration amendment to the trade legislation, by high Russian officials. They have come in and argued against this amendment which would make it possible for people to leave the Soviet Union. Gregory Rapota, from the Soviet Embassy, is one person assigned to the Hill. He talks to Senate staff members.

I just want to say this for the record: I think it creates a false impression to maintain that the Russians do not send representatives to the Hill. But how many representatives of the American Embassy can visit the Supreme Soviet, their so-called parliament?

So we ought not to react as though there was something startling about the situation Admiral Zumwalt referred to.

Mr. McINTYRE. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. McINTYRE. The difficulty with the statement by the Chief of Naval Operations is that we have a very close contest here. I think we have a well-founded, well-reasoned plan as an alternative to the committee position. I know that the distinguished Senator from Washington does not agree with that. In the midst of that debate, for the chief man in our Navy to imply that perhaps I or the people in my position, who want to delay this acceleration, have been reached by Soviet influence—

Mr. McINTYRE. This is the trouble.

Mr. JACKSON. The Senator from New Hampshire is a good lawyer, and I know he wants to be fair.

I have been trying to get a verbatim transcript of the comments of Admiral Zumwalt. What I have is incomplete. I can only read the part that was given to me. As I understand it the Senator did not put in the RECORD the verbatim transcript.

However, based on what I have seen this is what Admiral Zumwalt said on the "Today Show," September 26:

> Admiral ZUMWALT. The Soviets, in a host of ways, including the use of employees here, do make a concerted effort to impact upon U.S. policy. This is a courtesy that is afforded in our democratic way and a courtesy that they don't afford us in the Soviet Union.

That seems to be all he said. I called the Navy and I asked for the transcript, which they had to get from NBC. I would like a full and complete text.

I am not commenting at all on the Trident issue. I am only pointing out that Soviet representatives are active on Capitol Hill. As I said I do not necessarily object to that. But I would also point out that we cannot have similar contacts with the Supreme Soviet.

Mr. McINTYRE. I hope the Senator understands I do not demean what he is trying to say. But the difficulty is that the statement is made in an intensive debate over the Trident, and the implication is there, and I do not like it.

Mr. JACKSON. Let me ask the Senator if he has ever heard about the activities of Soviet representatives on Capitol Hill.

Mr. McINTYRE. I may have heard of it some time, but I never took it seriously. Nobody from the Soviet Union influences me or anyone on my staff.

Mr. JACKSON. Well, I talk to them often. They come in and they see me—and they lobby me, but not on the Trident. But I must say, they have really lobbied me on my freedom of emigration amendment.

Mr. McINTYRE. I can understand the Senator has an amendment that directly involved the Soviet Union and the domestic policy of that country.

Mr. JACKSON. Does the Senator think it involves domestic——

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. McINTYRE. Mr. President——

Mr. JACKSON. Mr. President, I have the floor. I am giving him time.

Mr. McINTYRE. I understand why Embassy officials might want to come down and state their case opposed to your amendment but it is quite a different thing to say they are lobbying for my amendment to delay the Trident submarine.

Mr. JACKSON. I ask my friend: Did I say that?

Mr. McINTYRE. That is the inference of the things the admiral said.

Mr. JACKSON. I read the quotation from the report I received and it did not say that. I know the Senator wants to be fair. This is what Admiral Zumwalt said in the broadcast. I will read it again and ask where he finds Trident.

> The Soviets, in a host of ways, including the use of employees here, do make a concerted effort to impact upon U.S. policy. This is a courtesy that is afforded in our democratic way and a courtesy that they don't afford us in the Soviet Union.

Where does he mention the Trident?

Mr. McINTYRE. Read the first paragraph. What did the reporter say to him?

Mr. JACKSON. The reporter——

Mr. McINTYRE. Said?

Mr. JACKSON. But that is not Admiral Zumwalt.

Mr. McINTYRE. But the reply is in that context.

Mr. JACKSON. It seems it was the reporter who used the phrases "Soviet agent" and "Trident." The reporter's statement reads:

> JOHN COCHRAN, NBC. Admiral Elmo Zumwalt, campaigning for the Trident submarine, fears that Congress may not take the Soviet threat seriously enough. Zumwalt says Soviet agents have lobbied on Capitol Hill against the Trident.

But, in his statement Admiral Zumwalt does not use those phrases. The Senator from New Hempshire is a good lawyer and knows he did not use them. We ought to have the complete transcript. That is what I am asking for.

Mr. McINTYRE. It was the Trident, and the implication that a host of Soviet agents——

Mr. JACKSON. That is an innuendo. I do not think it is right to say that Admiral Zumwalt said something that does not appear in the transcript. That is all I am saying.

Mr. McINTYRE. If the Senator from Washington cannot find it, it is because he does not want to find it.

Mr. JACKSON. Then put the whole statement in the RECORD. I have quoted directly from the transcript of Admiral Zumwalt's remarks. In fairness we should keep the record straight.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

Mr. HUMPHREY. Mr. President, I want to make this observation.

The PRESIDING OFFICER. The Senator from New Hampshire has 9 minutes remaining.

Mr. HUMPHREY. I listened to the "Today Show," and the implication, of course, was that the admiral had said the Soviet people, as they put it, were working on Capitol Hill. I do not know about that. I do know this. My assistant in the field of international relations was asked by the admiral, "Have the Soviet people been lobbying on Capitol Hill?" That was a man in my office who is on this floor now. I think that is unbelievable. I have not seen any Soviet agents up here. I do not think any Soviet agents are working the floor.

Mr. JACKSON. May I say to my good friend, I did not mention "Soviet agents." I said that representatives of the Soviet Embassy are active on Capitol Hill.

Mr. HUMPHREY. I deny they have been close to me; and everybody else on God's green Earth has been.

Mr. JACKSON. I mentioned that they have been to my office.

Mr. HUMPHREY. They have been to the wrong place. That is how stupid they are. [Laughter.]

Mr. ROBERT C. BYRD. Mr. President, will the Chair ask that the galleries be in order. Would the Chair enforce the rules of the Senate? Would the Chair ask Senators to refrain from referring to one another in the second person?

The PRESIDING OFFICER. The Chair asks that Senators refer to each other in the third person.

The Senator from Washington is recognized.

Mr. JACKSON. I just want to add that representatives of the Soviet Embassy have been up lobbying against my freedom of emigration amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JACKSON. I yield myself 1 additional minute. My good friend is a cosponsor and a strong voice for my amendment. I do not think the Senator wishes to imply that the Soviets are never active on matters before the Senate.

Mr. HUMPHREY. No, I did not say that. I said insofar as the Trident is concerned.

Mr. JACKSON. I never raised that issue.

Mr. HUMPHREY. That is what the admiral referred to.

Mr. JACKSON. I am assuming the Senator is aware of representatives of the Soviet Embassy being active on the Hill in many areas.

Mr. HUMPHREY. No, I am not, to be frank. I know what their attitude is about the Jackson amendment, of which I am proud to be a cosponsor. But we were talking about Admiral Zumwalt.

Mr. JACKSON. The Soviets have been particularly active on the Hill on my freedom of emigration amendment.

Mr. HUMPHREY. That is not what this is about. We are not debating the trade bill.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JACKSON. Mr. President, I want to emphasize the fundamental issue before this body and that is whether or not we are going to follow the best professional advice that has been given to us by those who have dedicated their lives to the problem of trying to design the best weapons system possible in the shortest possible time. I know of no one who is more astute and more effective in this area than Admiral Rickover.

Now, those who advocate delay say they favor a policy of "fly before buy." Yet, they favor going ahead with the missile, but wish to postpone the submarine. This is a major inconsistency in the argument of those who favor postponement.

Our challenge is whether we are going to have an effective, survivable, and credible seaborne strategic system in the late 1970's. Simply put, the Trident submarine will do two things Polaris cannot do. It will be faster by several knots, and it will be quieter by a considerable margin. Those two factors go directly to the survivability of the deterrent.

These are among the points that I now want to develop in greater detail.

I am persuaded, after careful study of all facets of the issue, that it would be dangerous and shortsighted for the Senate to delay the Trident program. In particular, the scope and magnitude and pace of the Soviet strategic development program lead to the conclusion that a delay in Trident now could leave us in an irreparably dangerous position in 1978 or 1980.

It does not surprise me, Mr. President, to hear some Senators argue that the recent Soviet developments—particularly their having obtained a MIRV capability—come as no surprise; on the contrary, they say, the Soviets were long overdue in the acquisition of a MIRV capability. To this I would respond: We knew that the Soviet Union was pregnant with MIRV, but the doctors never warned us that she would give birth to triplets.

Yet this is precisely what has happened. What surprises us is not that the Soviets have acquired a MIRV capability, but that they have developed MIRV's for three—perhaps four—separate missile systems; that they have simultaneously introduced two different sorts of MIRV device—we have only one—that they have dramatically moved to increase the throw weight of their missile force despite the fact that it was already much larger than ours; that they have almost certainly tested a land-mobile ICBM; and that they have introduced a whole range of technological improvements to their missile forces including improved boosters, new launch techniques, increased hardening and other improvements. That these developments should surface in about the time it takes to give birth—over the last 9 months or so—is a fact that requires the most serious and deliberate consideration of the Senate.

Many of these recent Soviet weapons developments were foreshadowed by the positions that the Soviets took during the negotiations on the SALT interim agreement. In those talks they vigorously resisted any inclusion of limits on land-mobile ICBM's, for example, despite our insistence that the deployment of land-mobile ICBM's ought to be banned. I felt at the time that if the Soviets were taking this position, it would not be long before we would discover that they were then developing, and had every intention of deploying, a land-mobile ICBM. And there, Mr. President, it is: a Soviet land-mobile ICBM almost certainly—which, under the terms of the interim agreement, they are free to deploy in whatever quantity they choose. We have nothing comparable.

In my judgment, the development of the bigger and more capable SS–17 and SS–19—Soviet replacement missiles for their SS–11—was also foreshadowed by a position they took in the SALT talks. They refused to agree to a definition of the term "heavy missile" in connection with the article that prohibits either side from converting light missiles into heavy ones. We tried very hard to get such an agreed upon definition because it was our purpose to assure that the Soviets would not be able greatly to increase the throw weight of their light missile force by replacing it with larger, heavier missiles. We should have known that their refusal to go along with a definition suggested that they had every intention of doing precisely that. And there it is, Mr. President: the Soviet SS–17, with twice the throw weight of the SS–11 that it is intended to replace. Had we obtained the agreement we sought, this development of the SS–17 as a replacement for the smaller SS–11 would have been prohibited. But we came away from the SALT I negotiations without an agreed upon limit on the size of so-called light missiles. Instead we settled for a most pathetic and imploring unilateral statement in which we express the hope that the Soviets will "give due account to the consideration that the United States" believes that any significant increase in the volume of a light missile converts it into a heavy missile.

I choose these two examples—and there are others—because it is essential that the Congress, in deciding now on the shape of our strategic deterrent forces 7 years from now, should understand how recent Soviet strategic force developments and their negotiating positions fit together in one ominous direction.

I refer to the shape of our strategic deterrent 7 years from now—that is, in 1980 and beyond—because the decisions we make in connection with this defense procurement bill now will determine the security of the United States in the future. If we fail to make wise judgments today we will be unable to reverse those judgments tomorrow. If our strategic deterrent proves to be inadequate in the decade of the 1980's it will be because we failed to assure its adequacy in the 1970's. It will be too late then if we fail to act now.

Mr. President, it is worth recalling that under the SALT interim agreement the Soviet Union is permitted more land-based ballistic missiles, more sea-based ballistic missiles, more missile-firing submarines, and greater throw weight than the United States. In fact they enjoy, under the terms of the interim agreement, a 50-percent margin in numbers of missiles, land and sea based, and a much greater margin in throw weight. Now, it has been the position of the Government of the United States, repeated again and again—not least of all in defense of the interim agreement—that this quantitative advantage conferred upon the Soviets for a 5-year period, until 1977, is unacceptable as the basis for a permanent agreement. Moreover, it has been the position of the administration that the U.S. strategic deficiency in numbers and throw weight over the next 5 years is acceptable for that period only because we have MIRV and the Soviets do not.

Well, Mr. President, it is clear that the conditions that were said to make numerical inferiority acceptable for 5 years are rapidly changing; and the ability of the United States to refuse lopsided numbers and throw weight in a permanent agreement is being undermined by the current Soviet buildup that will leave our negotiators with very little leverage as we approach the expiration of the interim agreement. That, in my judgment, is the heart of the problem we are considering today: How can the United States achieve a permanent arms limitation agreement that provides equality in a period when the Soviets are engaged in a potentially massive buildup of their strategic forces and we are limiting our own efforts largely to modernization of existing forces? One thing is certain: we cannot hope to obtain a permanent SALT agreement that is better than the existing interim agreement if the Soviet strategic advantage in 1977 is even greater than it was in 1972 when the interim agreement was signed. I emphasize the importance of obtaining an agreement providing for equality because I cannot help but be concerned at the implications for our security if the potential imbalance implied by recent Soviet developments is permitted to develop.

Let me say at once that as I view the current momentum of the Soviet buildup there is a very great danger that in the 1980's the Soviets will be in a position to destroy virtually all of our land-based missile-force and much of our land-based bomber force. They could easily have more than enough large, megaton-range warheads to reduce the Minuteman missile force to a mere handful of surviving weapons. This would leave the United States with only its submarine force—and I want to be absolutely certain that the submarine force of the 1980's is the best that we are capable of building and putting to sea in a timely fashion. The hard fact is, Mr. President, that as we approach the

1980's—and today's decisions determine where we will be then—we may no longer have the crucial advantage of three independent deterrent systems, each of which is capable of surviving a Soviet strike. We may well find ourselves with only one survivable deterrent system. And I for one do not want to face that eventuality with a submarine force designed in the 1950's, however reliable it may appear to be today.

Some people have become accustomed to asking: What difference does it make if the Soviets have 10 percent more or 25 percent more or even 100 percent more strategic weapons than we have since we will always be in a position to destroy the Soviet Union if they should ever be so foolish as to strike the United States? I want to take a moment to deal with this question because inherent in it is an expression of the doubt some people feel about the need for the United States to maintain a strong deterrent.

For many years our strategic planners assumed that we could deter a Soviet attack on the United States by possessing a strategic force adequate first to survive an all-out strike; and then to inflict very high levels of destruction on Soviet cities. We believed that so long as we maintained such a deterrent, known as a "second strike capability," no rational Soviet leader would launch an attack against us—or even make a credible threat to do so. But the remarkable, rapid growth of the Soviet strategic force in recent years has changed the underlying foundation of such a strategy.

Consider for a moment the position of the President of the United States in the 1980's, assuming a continuation of the current Soviet buildup. The Soviets will have just completed the strategic buildup that was taking shape in 1973. They would then possess a strategic missile force sufficient to destroy virtually all of our land-based missiles and most of our land-based bombers. And they could accomplish this using their force of 990 MIRV'ed, "light" missiles—their SS–17 or SS–19 missiles—which, as I indicated earlier, are apparently intended to replace the SS–11. By using only their "light" missiles, they could keep their heavy missile force in reserve—a reserve force that could easily number some 2,000 or more megaton-range warheads.

It is true that in the event of a Soviet light missile attack that destroyed Minuteman and much of the bomber force, the President would still have much of the submarine force available for retaliation. And, according to the theory of deterrence, he would order the submarines to attack Soviet cities. That, after all, is the terrible "second strike," the mere threat of which is sufficient to deter the Soviets in the first place. There is only one thing wrong with the theory. The Soviets would still have a reserve force of 2,000 warheads, any one of which could destroy New York or Chicago or Washington or any other U.S. city. The President thus would face an impossible situation: if he retaliates against Soviet cities he must assume that the Soviets will use their reserve forces to attack American cities. Indeed, the Soviets would be on the hotline with precisely that message: "If you strike against our civilian population, we shall destroy your civilian population." In such a situation no rational American President would actually order the submarines to fire. And I might add that no strategy that requires the mass destruction of innocent civilians can ever guarantee our security.

What troubles me, Mr. President, is not that such a war is likely to take place. But if we allow the strategic balance to develop as it is now tending, we could well face a situation in the 1980's where an American President would know that if he got into a crisis he could face a Soviet strategic force big enough to destroy our land-based deterrent with a Soviet reserve force adequate to discourage him from retaliating. In such a strategic environment, I am concerned that the President will not have the strength to stand up politically and diplomatically to protect American interests in the world. In 1962 the Soviet Union blinked in Cuba. I want to be certain that an American President is not forced to blink in 1982, whether it be in Europe or the Middle East or the Western Hemisphere. It is the political and diplomatic effect of American strategic inferiority that troubles me, not the mechanistic figures of a military exchange.

I want to be certain, Mr. President, that the Commander in Chief in 1980, whoever he might be, has some options in a crisis. Given the direction the Soviets have taken, and the speed with which they are moving, I fear that the President will find himself in 1980 with only one option—retaliation against cities—and that option will no longer be credible. The rules of deterrence were written when the United States had clear strategic superiority. We did not envision then a day in which the Soviets would be able to launch a strike and then deter us from retaliating. Now we can envision such a day; and we had better rewrite the rule book.

I am confident, Mr. President, that the Senate will decide not to delay the Trident program. If we choose the prudent course—to proceed without delay with the Trident program—we can at least be certain that we will have done what we can to support the effort of our negotiators to obtain an equitable SALT agreement if we can—and to protect our national security if we cannot.

I would emphasize the following points:

First. It is wholly unwise, from a strategic point of view, to delay Trident. Trident is the only means we have of "going to sea" if the Minuteman force becomes vulnerable to a Soviet disarming counterforce strike.

Implicit in the failure of SALT I to constrain Soviet technological momentum was the conclusion that, sooner or later, the Soviets would at least duplicate our MIRV achievements.

They are now moving fast to do this—and they have the advantages allowed them in the SALT I interim agreement—their larger numbers of land-based missiles with greater throw-weight.

It is clear that as soon as the Soviets acquire the requisite number of MIRVed missiles, tipped with warheads of sufficient accuracy and yield, the Minuteman land-based deterrent force will be at risk—especially since, under the terms of the SALT I ABM treaty, a meaningful defense of Minuteman cannot be deployed.

We cannot predict with certainty when the Soviets will solve all the technical problems associated with achieving this sort of devastating counterforce capability against Minuteman. But the grave threat is evident. We know the Soviets have underway an impressive MIRV testing program on at least three new ICBM's.

It is none too soon to take decisive steps to hedge against the possibility of a vulnerable Minuteman force—and the only effective hedge available to us is the Trident, without delay.

Second. A 2-year delay on the first Trident boat would call in question a survivable and effective submarine-based deterrent in the period ahead.

The Soviets have five of their Tridents in the water—their so-called Delta-class submarines, equipped to carry a missile with a range of 4,200-nautical miles, equivalent in range to our Trident I. One of their Trident boats is already operational, with missiles installed. An additional 12 Delta-class submarines are under construction at this moment.

As for the status of our own Polaris-Poseidon fleet, we must remember this: our 41 nuclear ballistic missile submarines were all built in the decade between 1958 and 1967. We have not deployed a single Polaris-type submarine since then. The Soviets, on the other hand, floated their first submarine of this type in 1968. This means that, when the interim SALT agreement expires in 1977, the oldest Soviet nuclear ballistic missile submarine will be about 10 years old, but the oldest elements of our fleet will be about 20 years old. This balance in the relative ages of the two submarine forces is a powerful argument against delay—the delay built into Senator McINTYRE's amendment.

Trident is, moreover, our sole hedge against any possible breakthrough in the area of antisubmarine warfare—ASW. The Trident submarine will incorporate the latest advances in technology to enhance submarine invulnerability. Trident will be faster and quieter. It will represent significant improvements over Polaris in this regard, since Polaris is based on essentially 1950's and early 1960's technology.

Third. A 2-year delay in the first Trident boat will undermine a credible U.S. posture in the SALT II negotiations on submarine-based missiles.

My colleagues are aware of the 3-to-2 advantage afforded the Soviets in Polaris-type submarines and in submarine-based missile launchers in the interim SALT I agreement.

When the interim agreement expires in mid-1977, the Soviets will almost certainly have their allotted 62 submarines at sea—and a sizable number "under construction" not yet "at sea" or "operational," and therefore not constrained by the provisions of the interim agreement.

On the other hand, when the interim agreement expires, if the proponents of delaying Trident until 1980 have their way, we will still have only the 41 submarines of the 44 allowed us under the interim agreement—and no prospect that we will have any others for 3 years. I ask every Senator to ponder this situation. Without the first Trident on station in 1978, the Soviets will know that, after the expiration of the interim agreement, we will have no submarine available for 3 years, while the momentum of the Soviet submarine construction program continues unchecked. Under these circumstances, do the Soviets have any incentive to reach a permanent agreement on submarine-based missiles—especially if they envision the missile submarine balance around 1980 of about 90 for them and the same 41 for us?

I think the answer is obvious.

Fourth. The slogans "fly before you buy" and "danger of concurrency" have become substitutes for a basic understanding of how all the significant U.S. strategic systems have been realized.

The fact is that there has been "concurrency" in research and development and production in every significant U.S. strategic system—from the first ICBM's, through the initial Polaris deployments, and the Minuteman missile force.

In regard to seaborne strategic systems, we have a history we can examine, and a sound comparison we can make between the successful Polaris program and its Trident successor. The Polaris was a brilliantly successful program, and the Trident has even more built-in prospects for similar success. For example, in the Polaris program, the period from the completion of the final design until the date the first boat became operational was 3½ years. In the Trident program, the comparable period will be 5 years. As for the missiles, there was a 4-year period between design and operational capability for the Polaris A-3; for Poseidon, the comparable period was 6 years. But for the Trident I missile, that period will be 7 years. In short, greater care is being taken in the Trident program than was taken with the already proven Polaris/Poseidon program.

This great care in structuring the Trident program reflects, I think, the caution of an experienced organization. Indeed, the experience the Navy has gained through the multiyear Polaris/Poseidon program should weigh heavily in this discussion. The advocates of delaying the Trident program seek to convey the impression that Trident is a technological novelty, fraught with the possibility of major cost overruns. But I would emphasize that the Navy is not operating in the realm of the unknown.

Though the first Trident cannot go on station until 1978, almost all the advanced technology associated with the system is either being tested or is already on hand. For example, the missile motors, the computers, and guidance systems will soon be flight tested. The reactor that will power the Trident is an upgraded version of a reactor already operational on an attack submarine. The Trident's sonar is also being tested in an operational submarine at this very moment.

So against the presumed danger of "concurrency," we have the experience gained in deploying Polaris/Poseidon, and the extra care being taken with Trident. And I would add this important point. Admiral Rickover and his production team which made the Polaris an outstanding success still exist. I have great confidence in Admiral Rickover and his people, a confidence he has earned during more than 20 years in the business of producing efficient and reliable seaborne strategic systems.

Moreover, we must remember that a decision to have the first Trident operational by 1978 does not preclude the opportunity to control the rate at which the boats become operational after that date. It may well be that we will wish to—for SALT, or some other purpose—delay the completion of the full Trident complement. But I would reiterate that what we are deciding in our vote on this amendment is when the first group of boats become operational, not when all of them will. A decision to delay the first boat, if made this year, is irreversible; it cannot be recalled. On the other hand, a decision to go ahead and have the first boat on station in 1978 will still allow us sufficient flexibility for the future.

Fifth. Senator McINTYRE's amendment misconstrues the basic economics of the Trident program. For, in fact, the Trident program recommended by the full Armed Services Committee will actually save us money—not cost us money—in acquiring the 10-boat Trident fleet.

The advocates of delay of the first Trident until 1980 tell us how many hundreds of millions of dollars we will save in each of the next 3 fiscal years. Obviously, if you are not working on constructing the submarines, then you are not spending the money to build it. The crucial point is how much money this delay will save us with respect to constructing all 10 of the submarines—and even those who advocate delay, I would emphasize, are in favor of all 10 boats. And here, the proposed savings evaporate. By advocating that we take 6 years to build the 10 boats, rather than the 4 years, the savings of the first 3 years of the construction program will simply be put back into the program in the last 3 years.

And, most significantly, if the program is stretched out for an additional 2 years, as Senator McINTYRE advocates, the total cost for all 10 boats will almost certainly increase. Given what we know about inflation alone, if we follow the McIntyre amendment the cost of a 10-boat Trident fleet will rise perhaps by as much as a billion dollars.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. McINTYRE. Mr. President, I would take issue with my distinguished friend from Washington. The Trident missile is a "fly-before-you-buy" approach. It will be tested to a considerable extent before 1977 and we will have plenty of time to know it is a good missile before we make sizable purchases of it. It is a "fly-before-you-buy" concept.

POPUPS IN PERSPECTIVE

Mr. President, the newspapers have recently carried word of a new Soviet development—the so-called popup missile launching technique. It is the time of the year, of course, when we are deluged with reports of Soviet breakthroughs and new threats, and therefore I was not surprised to see this news. However, it is important to place this development in perspective in terms of its significance for our defense posture.

I do not intend to underestimate the importance of any Russian technological advance. But I do wish to make clear just what such an advance means and what types of response it requires.

The pop-up technique, simply put, is a method whereby a missile is ejected, or "popped up" from its silo by use of compressed gas. After the missile clears the silo, the engines are ignited to provide the normal propulsion. In the conventional launching methods, where the missiles' engines are ignited within the silo to provide the initial propulsion, extra room has to be left around the missile to allow for the escape of the hot engine exhausts. Thus, by using the pop-up, the need for extra silo room is eliminated.

It is the use of this extra space which is of greatest significance. As a recent article in the Washington Post, entitled "Russians Seen Launching New Missile Plan," points out, this extra space—

> Can be used for putting larger missiles or warheads into existing silos, or it can be used to make room for shock absorbers and thicker concrete and steel linings for the silo walls to protect the missile from a nearby nuclear blast.

So that is what the popup is all about. But how new is this newest Russian "breakthrough?" The answer is—not so new at all.

We have been using the pop-up technique to launch our Polaris missiles for some years now. As a matter of fact, if we had wanted to, we could have employed the method on our Minuteman force a long time ago. Indeed, we could have used pop-ups to greater advantage than the Soviets.

But our experts decided that it was not worth the effort. To be sure, we would have been able to obtain an increase in payload by employing this technique. But the most important factor in an offensive capability is accuracy. Thus the popup technology, which does not increase accuracy, is not of overwhelming significance. To imply, as some have done, that this so-called breakthrough poses a great new threat to our Minuteman force is simply not true.

The article by Michael Getler that I mentioned earlier contains a somewhat different analysis of the development. Getler cites "highly placed U.S. officials" and "senior defense planners" who believe, on the basis of new intelligence data, that the Soviets are using pop-up in order to reinforce the strength of their existing missile silos.

This new intelligence information indicates that the Russians are beginning to add more protection to some of their missile silos, and that new silos under construction contain thicker protective linings.

If this interpretation is correct, it would indicate that the soviets are more concerned with maintaining their deterrent capability than with increasing their first-strike strength. This indeed would be a "hopeful sign" as Getler terms it. It would mean that progress toward meaningful offensive arms limitations may be possible. It would mean that we might well see the end of exorbitant and ever-increasing spending on weapons of destruction.

Mr. President, I ask unanimous consent that the article by Michael Getler, entitled "Russians Seen Launching new Missile Plan," from the September 22 Washington Post be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RUSSIANS SEEN LAUNCHING NEW MISSILE PLAN

(By Michael Getler)

Senior U.S. officials say there are new indications that the Russians are beginning a major program to strengthen their underground missile silos against any would-be nuclear attack.

These officials think the Russians may be planning to use a new "pop-up" missile launching technique as part of this effort.

But Sen. Henry M. Jackson (D-Wash.), who is leading the fight on Capitol Hill for a tougher U.S. negotiating position with the Russians in future nuclear arms limitation talks, does not share the view that the new technique is part of a Soviet effort to better protect their missiles.

Jackson believes the pop-up launch method may be aimed—along with other Soviet developments—at making Russian missiles still more powerful and threatening to the U.S.

The senator's office has indicated that Jackson will call attention to the new launch method during debate on this year's defense budget, which now faces a crucial test on the Senate floor. Thus, the interpretation of what the new launch technique means could be significant.

The normal technique for launching a missile is to ignite its rocket engines in the silo. The pop-up method—which the Russians have been testing for about a year—involves first ejecting the missile from its silo by using compressed gas and then igniting the engines. U.S. Polaris missiles have been launched from submarines in this manner for years

Because much of the space in a missile silo is used simply to allow hot exhaust gases from the rocket engines to escape, the use of the pop-up technique can create extra room in a silo.

This extra space can be used for putting larger missiles or warheads into existing silos, or it can be used to make room for shock absorbers and thicker concrete and steel linings for the silo walls to protect the missile from a nearby nuclear blast. It could also be used for a combination of these objectives.

Highly-placed U.S. officials, however, say the most widely held view is that the pop-up technique seems primarily related to a budding Russian effort to add more protection to their new and existing silos.

They base this tentative judgment on new intelligence information which indicates that the Soviets are just beginning to add more protection to some of the existing silos for their 1,000 small SS–11 ICBMs and 288 large SS–9 ICBMs.

Furthermore, it appears that 91 new silos being built in Russia for newer models of these missiles—the SS–17 and SS–18—also have thicker protective linings than their predecessors. Some officials believe these new silos are serving as models for the improvement of the older ones.

It has also been estimated recently that the new large SS–18 missile is roughly the same size as the SS–9 and thus probably can fit into the existing silos—with some modifications—even using existing launch techniques.

This estimate, in combination with the early indications of improvements being made to the older silos, leads some analysts to believe that the Russians are planning to use the pop-up launch technique to save space for the additional protection.

Less is known about the SS–17 missile. Officials estimate this new weapon is probably slightly larger than the existing SS–11, but that it could probably fit in the older silos, with the pop-up technique again used to make room for better protection.

If the Russians decide to install pop-up launch systems in all their missile silos, it would be a long and massive job, taking perhaps a year to remodel each silo.

Senior defense planners say they are neither surprised nor overly concerned specifically about the pop-up launch technique.

They acknowledge Jackson's contention that the technique would allow the Soviets eventually to put still larger missiles in existing silos without technically breaking the SALT agreement not to "significantly increase" the size of silos. It could also allow putting bigger warheads on existing missiles.

But these officials say the old and new Russian missiles are already powerful enough using conventional launch methods, to threaten the U.S., and the principal concern is whether the Russians will attempt to convert much or all of their missile force to carry the highly accurate type of multiple warhead known as MIRV.

The two new missiles are being flight tested with MIRV. Technically, the Russians would be allowed to modernize their force by replacing old missiles with the new MIRVed versions. However, such a massive replacement with MIRVed missiles would undoubtedly rupture any chances for a permanent agreement limiting offensive arms and set off a new spiral in the arms race.

If the judgment that the Russians are seeking protection for their missiles rather than still more weight-lifting power is correct, it could be a hopeful sign.

Mr. McINTYRE. Mr. President, I also have a sanitized, declassified version of the detailed analysis and report of the Subcommittee on Research and Development to the full Armed Services Committee, recommending that we proceed to build the Trident submarine system on an orderly and careful basis, avoiding what we consider excessive concurrency. This report includes the facts and figures which are the heart of my amendment 517 and outlines in detail just what the McIntyre-Dominick amendment would do.

I ask unanimous consent to have it printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Report of the Military Research and Development Subcommittee to the Armed Services Committee

[In millions of dollars]

Trident program:	
Request	1,527.4
Recommend	642.0
Change	−885.4

Recommendation

The Subcommittee recommends authorization of $642.0 million to continue development and provide for long lead-time procurement of the Trident Submarine Launched Strategic Missile System. This is $885.4 million less than the amount requested. The reduction delays construction of the lead and follow-on submarines, but does not affect the program proposed for development of the Trident I (C–4) missile.

Of the $642.0 million recommended for this program, $602.0 million applies to the RDT&E appropriation and $40.0 million to the Shipbuilding and Conversion appropriation.

The request for $1,527.4 million, together with the Subcommittee recommendations, is presented by appropriation in the following table:

[In millions of dollars]

	Fiscal year 1973	Fiscal year 1974 Requested	Fiscal year 1974 Recommend	Fiscal year 1974 Change
R.D.T. & E.:				
Trident I missile	348.4	529.0	498	−31.0
Trident submarine	122.0	125.6	104	−21.6
Trident II missile				
Total R.D.T. & E.	470.4	654.6	602	−52.6
Procurement:				
Ship construction (SCN)	311.0	867.8	40	−827.8
Weapons procurement (WPN)		5.0		−5.0
Total procurement	311.0	872.8	40	−832.8
Total authorization request	781.4	1,527.4	642	−885.4

DESCRIPTION OF PROGRAM

The Trident weapon system will provide a replacement for the Polaris/Poseidon fleet and will upgrade one leg of the Triad of strategic deterrence, the other two being the Minuteman land-based ICBM, and the B–52G and H strategic intercontinental bomber. The Air Force budget provides for continued development of the advanced B–1 bomber which is planned to replace the B–52 force and for continued improvement of Minuteman.

Trident consists of two major subsystems, the primary strategic missile system called the Trident I or C–4, and the submarine system. Both will incorporate the latest advances in technology and be designed to increase employment flexibility, significantly reduce submarine vulnerability, enhance survivability of payload delivered, and greatly expand the dimensions of the U.S. counterstrike force.

The Trident submarine will be nuclear powered, faster and quieter than the Polaris/Poseidon submarine, capable of carrying up to 24 C–4 missiles (range up to 4,000 miles) initially, but designed to accommodate the larger diameter and longer range Trident II or D–5 missile (range up to —— miles) if and when developed.

The C–4 missile, with payload and accuracy equivalent to the Poseidon missile, will be capable of being backfitted on the existing 31 Poseidon submarines, thus increasing their capability. It will be equipped with an improved ballistic reentry vehicle.

Development of the D–5 follow-missile has not been proposed for fiscal year 1974.

BACKGROUND

The Trident program has been subjected to a series of major changes as indicated in the following table, which also presents the Subcommittee recommendations:

	IOC dates			
	Sept. 1971 program	Dec. 1971 acceleration	Sept. 1972 revision	Subcommittee recommendation
Trident submarine	(1)	1978	1978	[2] 1980
Trident I (C-4) missile	[2] 1977-79	1977	1978	1978
Trident II (D-5) missile	None	None		
Trident I (C-4) missile backfit	[2] 1977-79	1977		1978

[1] Early 1980's.
[2] Calendar year.

The significance of each of these changes is explained and summarized below. The Subcommittee recommendation differs from the Defense proposal only in that it delays the Trident submarine program. It retains the C-4 missile schedule so that even if the need arises in the late 1970's to improve our SSBN fleet the Poseidon submarines can be backfitted with C-4 missiles. The Subcommittee recommendations, in effect, returns the program to the Administration plan prior to the acceleration.

EXPLANATION OF PROGRAM CHANGES

In December 1971, OSD accelerated development of the Trident weapon system and requested an additional $35 million of FY 1973 funds to provide for:

1. Trident submarine IOC in 1978, three to four years earlier than before.

2. Trident I (C-4) missile IOC in 1977 with the potential for backfit into the Poseidon submarine.

3. Trident II (D-5) missile with no specified IOC date. (No funds in FY 1973.)

Acceleration was justified as needed: (a) to eventually replace the aging Polaris/Poseidon fleet; (b) to provide for U.S. basing of ballistic missile submarines; (3) to increase the submarine operating area as a hedge against a breakthrough in the expanding Soviet ASW capability;

Following the SALT I agreement, rationale for acceleration rested on the need to continue an aggressive modernization program under the constraints of the agreement.

The need for acceleration was debated at length by the Armed Services Committee and was approved by a tie 8 to 8 vote. It was approved by the Congress after passage by an 8 vote margin in the Senate.

In September 1972, it became apparent that the early IOC (1977) of the C-4 missile and large construction costs of the submarine would require prohibitively large dollar amounts in excess of $2.6 billion each in fiscal years 1974. The program therefore was revised "for fiscal reasons" by:

1. Slipping C-4 missile IOC 10 months to 1978 to coincide with the Trident submarine IOC (rather than being available earlier for potential backfit into Poseidon submarines.)

2. Establishing an IOC date of calendar year for the D-5 missile where no IOC date previously had been prescribed. However, no FY 1974 funding is required for development.

3. Delaying the C-4 backfit option for Poseidon to coincide with the D-5 missile IOC. At that time, as D-5 missiles were installed, they would replace C-4 missiles which then, if needed, could be backfit into Poseidon submarines.

This revision, which is the basis for the FY 1974 budget request, did not change the Trident submarine IOC date of 1978. It did, however, require very large budgets of $2.6 billion.

SUBCOMMITTEE INVESTIGATION

Because of the concern regarding large near-term costs of the program, the high degree of concurrency in submarine development and construction, and the lack of clear justification for acceleration, the Subcommittee by letter dated April 16, 1973, to the Secretary of Defense, proposed six separate alternative 10 Trident weapon system program schedules to be priced out and submitted with statements of specific impacts on our strategic posture in relation to the projected threat, and including the implications of the ABM treaty. SALT I interim agreement and SALT II negotiations. This was answered by letter dated May 14, 1973. Copies of both letters and attachments including priced out estimates are available in Subcommittee files. One statement in the OSD reply has particular significance and reads as follows:

"It is important to note that at their present building rate (SSBNs) the Soviets will not quite reach their limitations (in number of SSBN launchers) by the time the interim agreement expires (May 1977). Should a new agreement not be achieved, they will have no difficulty in continuing or accelerating their production rates. I consider it most prudent, if not vital, that we have a vigorous construction program well underway prior to the expiration of the interim agreement."

This statement strongly emphasizes the relative size of the U. S. and Soviet SSBN fleets and the building rates when the five year interim agreement runs out. It reflects that "worst case" philosophy, since it assumes that the interim agreement will lapse, that there will be no follow-on agreement, and, therefore, that the strategic arms race will resume.

The June 21, 1973, agreement and other agreements and understandings reached between Nixon and Brezhnev, including the announced joint objective of realizing a new permanent agreement in 1974 to include both qualitative and quantitative limitations on strategic nuclear weapons does not bear out the "worst case" assumption of the Department of Defense. Rather, it calls for a more orderly and deliberate, if not restrained pace of Trident submarine deployment. It should be remembered that while Safeguard played an important part in persuading the Soviets to agree on the ABM treaty, it cost the U. S. $500 million to reduce the number of sites. We can ill afford to waste further substantial amounts.

The statement in the Defense letter that "the best way to quickly provide additional ballistic missile launchers at sea was to accelerate the Trident submarine program," now appears to have little significance. It has even less significance considering the statement on Soviet ASW technology made before the Subcommittee on May 29, 1973, by the Director of the Advanced Research Projects Agency (ARPA). At that time Dr. Lukasik was asked:

"What is your assessment of the likelihood that the Soviets could make a technological breakthrough in ASW and capitalize on it in time to field an operational force of sufficient size to negate our Polaris/Poseidon force (without C-4) before 1980?"

The answer by Dr. Lukasik, who is responsible for the pursuit of the most advanced ASW technology in the Department of Defense, and who, therefore, is perhaps more knowledgeable than anyone else in this field, was very significant. He stated:

"It is unlikely that a Soviet breakthrough in ASW could negate our Polaris/Poseidon force before 1980. . . . There is, of course, the potential for Soviet breakthroughs that could lead to deployment of an effective anti-POLARIS force by the early 1980's. However, the Poseidon, with its long strike range will increase the SSBN patrol area sufficiently to pose immense additional problems for any ASW sensor that can now be conceived." [*]

The Defense letter addresses the problem of aging of the Polaris/Poseidon fleet but admits to their utility for 25 years rather than the 20 year design life. The letter states, "Safety of our personnel who man these ships will not permit us to consider continuing operation beyond 25 years of age." The Subcommittee recommendation is consistent with this statement and would permit a later increase in construction rates if needed.

The obvious conclusions that can be drawn from these authoritative statements are:

1. The Polaris/Poseidon fleet will be adequate *at least* until the early 1980's.

2. There is no urgent requirement for the C-4 missile or Trident submarines.

3. There may be no need for a D-5 missile.

CONCLUSIONS

The Subcommittee concludes, based upon its findings, that:

1. The Trident submarine is not required to be operational by 1978 and may be delayed until 1980 or later. The need for quickly providing additional launchers at sea has not been justified.

2. Development of the C-4 missile, which is well under way and is planned for an IOC date of 1978, should be continued as an orderly development program as proposed.

The cost estimates submitted by the Department for the six alternative programs were qualified with the request that they be used for comparative purposes only because of the short period available to prepare them. They also are qualified with numerous variables. On this basis, the difference in total development and acquisition cost between the program proposed by the Department and that recommended by the Subcommittee is less than 4 percent if backfit is included in both. It is some 7 percent if backfit is excluded only from the Defense proposed program. The Subcommittee considers that these variations in estimate are nominal and that the program recommended by the Subcommittee may prove to be even lower in cost because:

a. Further agreements with the Soviets may result in cutback in strategic forces, including the SSBN fleets of both nations. Should this occur, we would be able to avoid the sunk costs for those submarines which otherwise would have been built under the earlier construction plan of DOD.

b. If the Soviet ASW threat does not develop by the early 1980's to the point that a Trident submarine is required, we may further delay the replacement of our Polaris/Poseidon fleet due to aging, particularly if this fleet proves to last much longer than the design life of 20 years.

c. By proceeding more slowly on Trident submarine development, we can incorporate later technology and thereby have a more capable ship as well as avoiding costly modification programs to incorporate these improvements after the submarines are built.

Aside from cost considerations, there are other reasons why the Subcommittee recommended program has merit. These are as follows:

a. By delaying the submarine IOC date, more time is available to develop the C-4 missile if it should encounter any significant technical problems, and if the need for backfit of Poseidon by that time has not been established.

b. Delay of the construction program and building submarines at the rate of —— per year instead of the —— per year, as recommended by Defense for the initial 10, will significantly reduce annual budget requirements in the next 3 years and make such funds available for other important needs.

c. The decision for the annual rate of submarine construction for the first 10 does not have to be made now, under the Subcommittee recommendation. However, when it is made it would be more efficient to establish the work force and facilities to support a sustaining rate of —— per year. Under the Defense plan, after the first 10 were built at —— per year, follow-on quantities would be built at the reduced rate of —— per year. This could require the disruptive firing of people and idling of facilities.

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[*] Dr. Foster, former Director of Defense Research and Engineering in response to a question by Senator Hughes on April 17, 1973, confirmed this statement.

SPECIFIC EFFECT OF SUBCOMMITTEE RECOMMENDATIONS

Implications and explanations of the reductions recommended by the Subcommittee to the FY 1974 request are as indicated below and should be stated in the Committee report on the bill as guidance to the Department of Defense.

RDT & E APPROPRIATIONS

Trident I (C–4) Missile—The reduction of $31 million relates to submarine installed missile system equipment, the development of which may be deferred consistent with the delay in development of the Trident submarine.

Trident Submarine—The reduction of $21.6 million consists of $17.6 million identified by the Department as not being required if development is slowed. The remaining $4 million represents the amount identified by the Navy as being in excess of requirements for design support work to be performed during FY 1974 by Newport News Shipbuilding Corp. as subcontractor to General Electric Corp. in the development of the submarine propulsion system.

SHIP CONSTRUCTION (SCN) APPROPRIATION

The reduction of $827.8 million was identified by the Department as the amount which would not be required in FY 1974 if the submarine IOC was delayed from October 1978 to calendar year 1980. This eliminates the requirement for full funding of the lead submarine and for advance procurement for the three follow-submarines each in fiscal years 1975 and 1976.

PROCUREMENT OF MISSILES (PAMN) APPROPRIATION

The $5 million requested is denied as premature under this appropriation. Commitment to procurement of missiles would be appropriate in FY 1975. If any engineering services are required in FY 1974 to provide technical support for missile facilities planning, they may be accommodated under the RDT&E appropriation for the C–4 missile.

MATTERS FOR FUTURE CONSIDERATION

Last year the Committee report questioned the plan to build the Trident submarine with 24 launch tubes because, under SALT I, it would reduce the number of submarines that could be built to replace the present 16 tube fleet. The Committee encouraged the Department to weigh this matter carefully.

The current plan is for a 24 tube submarine and the decision on the number will be required for the lead submarine by the fall of 1973. However, the decision on the number of tubes for follow-on submarines may be deferred until next year when the matter will again be considered in conjunction with the FY 1975 request.

If the operational life of the Polaris/Poseidon submarine proves by experience to be not much longer than the 20 year design life by the late 1970's or early 1980's, Trident submarine construction could be accelerated to a rate of ——— per year, if required.

Mr. McINTYRE. Mr. President, I yield 2 minutes to the Senator from Arkansas.

Mr. FULBRIGHT. I do not need 2 minutes. All I wanted was to say, in support of the Senator's position, that I have not been approached by any representative of the Soviet Government embassy or anywhere else with regard to the Trident submarine. As a matter of fact, I have not been approached with regard to any subject, including the trade bill, in the last several months. The only time that was mentioned to me was at the time of the Brezhnev visit, at a well-publicized meeting between the committee and Mr. Brezhnev. Then, of course, that matter was talked about.

I have not seen, nor have I heard from any member of my committee or my staff, of any lobbying on the part of the Soviets on Trident at any time. I think this insinuation is most unfortunate and creates a very bad implication with regard to all of us who support the Senator from New Hampshire's position.

Mr. McINTYRE. I tend to agree with the distinguished Senator from Arkansas. I would like to carry that thought beyond this particular issue into the bigger question of the attitude some people take to those of us who work on the Armed Services Committee. As I said this morning, if we oppose a certain aircraft or if we want an alternative to the B–1, in case the B–1 does not work, we suddenly find ourselves with our backs to the wall and find ourselves being told we are antiaircraft. If I push further, I am unpatriotic and un-American. I will tell you one thing—if I find any Soviet agents around my office or anywhere near it, I will kick them you know where.

Mr. FULBRIGHT. But the Senator has not found any.

Mr. McINTYRE. No; but I guess I have to be on the lookout; as the Senator from Washington said, they are around.

Mr. FULBRIGHT. They assume anything they propose is in the national interest. This goes with regard to the deification of Admiral Rickover. Nobody is questioning his ability to build submarines, but I object to the assumption that, because he knows how to build submarines, he also is the last word on our political relationships and diplomatic relationships with the rest of the world—in this case, Russia.

I do not see how his expertise with regard to building submarines gives him any credence on the policy question of whether or not we should have a détente with Russia, or whether or not we should proceed with the arms race at increased speed, or whether or not we should abandon the whole prospect of an effective SALT talk. I think that is quite beyond his jurisdiction and that he should not be persuasive in the Senate as to whether we should speed up the arms race.

Mr. McINTYRE. I think all of us here agree that Admiral Rickover has a great record, particularly in the nuclear propulsion field. At the Research and Development Subcommittee, we said to the Navy, "All right, you have a Trident program. You have a request for $1.5 billion more. Come over and give your case. Bring your team and explain to the subcommittee what you want to do." The Navy did not elect to send Admiral Rickover; they sent their team. It was not my fault. If it was anybody's fault that we did not have Admiral Rickover, it was the Navy's fault. Some of us think they are at fault by going too fast and—I hope not—getting us in trouble.

Mr. FULBRIGHT. This is the same kind of argument made to this body when they advanced the C–5A. I remember the distinguished Senator from Arizona saying [illegible] it was; it was one of the greatest. Now we see what happened to the C–5A.

This is the nautical counterpart of the C–5A. It is going to be the biggest and best that has ever been built. It arises from the urge to build something bigger than anyone else. It will end up as a monument to Admiral Rickover and to our impatience to build something bigger than anybody else has ever built before. Whether it will be sound is another question. The Senator's argument that we should build it in an orderly way is sound, and I think is quite justified by experience with the C–5A. In those days, Lockheed was considered to be the outstanding company in the field, and look what happened. That is the exact counterpart of this proposal, which is for a submarine twice as large as anything anybody has ever built.

Mr. McINTYRE. Mr. President, in conclusion, I want to reiterate that we should all understand that the Research and Development Subcommittee of the Armed Services Committee wants an ongoing new submarine program. So we are in agreement on that. I agree with my friend, the Senator from South Carolina on that. But the disagreement comes on how fast the pace and how fast the rate. This is where our experience has proven that when you go too fast you get into real troubles with cost overruns and the taxpayers have to pick up the tab.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 5 minutes left.

Mr. TOWER. Mr. President, I will be very brief. We have ranged pretty well over all of the arguments on the Trident. I think that we have ranged over some arguments that should not have been a part of the debate. The simple issue is not whether Soviet agents have been lobbying or the personalities of Admiral Zumwalt or Admiral Rickover or the arguments of those lobbying for the Navy establishment.

The real question is on the merits of accelerating the Trident to an operational capacity in 1978 or 1980. And that is the only basis on which the issue should be decided.

There are good arguments on both sides. I think that we should not get buried in irrelevancies or trivia and that we should not lose sight of the central issue simply because we do not like what someone said or the way in which they said it or the fact that someone has lobbied.

The fact is that it is in the best interests of the United States to advance its technology as quickly as possible and at as low a cost as possible. And that is what the case seems to be with the Trident.

Mr. HOLLINGS. Mr. President, I believe we must move full speed ahead with the deployment of the Trident weapons system. Failure to do so will have disastrous effects on the national security position of the United States. Standing still now will guarantee American military inferiority in the years ahead. Standing still now will make negligible any chance for realistic arms reduction agreements to replace the ill-conceived concepts which underlay the SALT I agreement on offensive weaponry.

Mr. President, just 1 year ago, this Chamber was engaged in debating the wisdom of that SALT I agreement. At that time, I spoke out as strongly as I could against the agreement. I was one of two Senators who voted against confirming it. Today, 12 months later, I think that events have justified my vote.

The net effect of the SALT accord was to give the Soviets 5 years to build and to dare them to make the most of that time. The intervening months have demonstrated the Soviet intention to do just that. While we palaver, debate, and forgo, the Soviets research, build, and deploy. They triple our research efforts. They outbuild us in the shipyards. They leap forward in missiles. Their intent is clear—it is written in every ruble they spend and action they take—the Soviets are going for No. 1. And the way things are going, they may very well end up being No. 1. They are not far from it now, and given the terms of the SALT I Agreement on Offensive Weaponry, the initiative is all theirs.

Let us review for just a minute what the SALT I Agreement actually did:

	U.S.	*U.S.S.R.*
ICBM's	1,054	1,618
Ballistic missile submarines	44	62
SLBM launch tubes	710	950
Heavy ICBM's	0	313

In other words, we, first, froze our ICBM's at the same level it had been at for half a decade;

Second. Relegated ourselves to utter inferiority beneath the seas;

Third. Pledged not even to get into the area of the heavy ICBM's, while giving the Soviets the green light to deploy 313 of these monster-sized killers; and

Fourth. Accorded the Soviets a 400-percent advantage in the total destructive weight their missiles can carry.

So anxious were our negotiators for an agreement—any agreement—that we abandoned prudence and caution. I recall the late James F. Byrnes talking about negotiating strategy many years ago, and he said at the time that there is too much of a propensity on the part of free world negotiators to get an agreement signed.

Regardless of terms, said Byrnes, our negotiators too often have the feeling that when you agree with the Soviets, this by itself is a laudable accomplishment. Now—after a year of living with the SALT I Agreement and watching the Soviets spurt ahead on all fronts, we ought to be a little more wary, a little more cautious. And for those who are slow to learn how easy it is to be taken in by the Soviets, ask any American housewife how our side came out on the Soviet wheat deal.

At the time of the debate last year, we were told not to worry, that because of our advantages in MIRV technology, we would not fall behind in number of warheads during the life of that agreement. The Soviets were so far behind us, the official line went, that there was nothing to worry about. That was last year. Now we know that they have tested a highly sophisticated MIRV of their own, and they will be installing these on their missiles far in advance of what our "experts" thought possible.

Soviet researchers and builders have confounded our estimates before. We were wrong in thinking the Soviets could not build an atomic bomb so quickly as they did. We were wrong on their hydrogen bomb. We were wrong on Sputnik. We were wrong on their ICBM. We were wrong on their nuclear submarine. We were wrong on the ABM. And now we have erred again, this time on the MIRV—the one area wherein we thought we would have a reasonably long-term advantage.

Since SALT I, the Soviets developed the MIRV capability.

Since SALT I, four new land-based Soviet ICBM's have appeared, and there is the strong possibility that one of them is the precursor of a mobile ICBM.

And since SALT I, Mr. President, the Soviets have built a sea-launched ICBM tested at a range of 4,200 nautical miles.

This last point should be enough for us to stand up and be counted in favor of Trident without another minute's debate.

It means that the Soviets already have Trident. In fact they have at least four Tridents, which they call their Delta class submarine. They are in the water right now.

And right now we are debating whether or not it might be a good idea to have a Trident capability by 1978, because that is when the first Trident would become operational.

The need for Trident is clear. Our present generation of nuclear submarines has served us well, and they will continue to perform a vital mission in the years ahead. But they cannot last forever, and we must take advantage of the many engineering and technical breakthroughs which have occured since the Polaris was launched in 1958.

There can be no doubt that our present strategic submarines have performed splendidly—even beyond our expectations. But now, some of these ships are beginning to show their age. Maintenance efforts both in materials and man-hours expended are increasing at a rate that cannot be overlooked. Although many improvements have been made, limited only by weight and space, these ships still retain the basic characteristics of the era when they were designed—the 1950's. The *George Washington*, our first SSBN, was literally constructed by cutting a smaller attack submarine in half to allow insertion of a missile compartment.

As of today, these older ships retain the nondetectability they have enjoyed since they were originally sent to sea. But there is no doubt that the Soviets are making every effort in antisubmarine warfare. They are working around the clock to neutralize our strategic submarine capability. Development of such systems as the MOSKVA helicopter-equipped ships, submarine and surface sonars, and marked advances in the Soviet air arm are all indicative of an all-out Soviet effort to develop their anti-submarine warfare potential. They are making research and development efforts in both basic ASW and supporting oceanographic studies that pose a definite threat to our Polaris/Poseidon fleet.

The Trident is a much more difficult ship to detect. It is quieter, faster, and better equipped. It has markedly improved sonar equipment and many other features which will improve its survivability. And with its 4,000-mile range missile, we will be gaining almost three times as much ocean to hide our submarines in. That additional range of operation compounds by many times the difficulty an adversary will have in detecting the whereabouts of our vessels, and then in trying to neutralize the threat.

Because of its wider range and enhanced ease of maintenance and operation, the Trident submarine will spend a greater percentage of its time on patrol—the patrols will be of longer duration—and there will be shorter intervals between patrols. All of this adds up to making the Trident as much as 2.7 times as cost-effective as the current generation of Polaris/Poseidon submarines.

Mr. President, we ought to be deploying replacements for Polaris no later than 1978. The Polaris was designed in the 1950's for a 20 year life span, and the George Washington was at sea by 1958. To delay until 1980 and beyond, as some have suggested, is to play fast and loose with America's security. If there is one area wherein we must keep abreast of new technology and the most up-to-date engineering advances, it is in this critical sector of missile-launching submarines. This is not the usual sort of budgetary thing. I think 100 Senators would agree that this is our first line of defense. We can argue over carriers, the best kind of rifles, helicopters, what kind of Army best fits our needs, and on and on down the line. But the missile-launching submarine is the backbone of our military posture as we enter the crucial last quarter of the 20th century. It is the one system which we can hopefully keep invulnerable over these treacherous years. And I am for invulnerability no matter what the budgetary cost. If the Soviets make progress on antisubmarine warfare comparable to what they have done on MIRV and every other area I outlined earlier, our aging Polaris subs could become sitting ducks to the Soviet armada. That is the kind of gamble that I, for one, am unwilling to take. There is just no reasonable alternative to deploying the Trident submarine by 1978.

Mr. President, we are having to play catchup football. Due to a bad SALT Agreement—and because of the Soviets' all-out thrust in weapons development—we must do everything possible to insure that we are not caught in a potentially fatal hiatus before the Trident is at sea. That is why I believe we should also fit the Trident I *missile onto* our Polaris submarines as soon as possible. This would give the Polaris added clout, wider range of operation, and therefore a greater degree of invulnerability during those crucial years when the Trident submarines are being launched one by one.

Fitting the Trident missile onto the Polaris would make it crystal clear to the masters of the Kremlin that America is determined to do what is necessary to maintain its security. And it would mean that in 1977—when the SALT I Agreement expires—we would be better able to count on invulnerability for our strategic submarine force. That would put us in the position of being able to bargain toughly with the Soviets on future arms limitation agreements. That is the only way we will ever have a meaningful agreement. That is the only way we can avoid another SALT I debacle.

Mr. President, no one is more anxious for genuine arms reduction and for authentic détente than I am. Far better to cultivate the art of peace than to sow the seeds of discord and war. But we must look at the world as it is, and the world I see around us is not one which suffers those who risk needlessly.

Let us be frank. We do not know what the military intentions of the Soviet leaders are. It is certainly not beyond the realm of possibility that they are hell-bent on achieving a first-strike capability against the United States. Perhaps they hope to build so awesome and overpowering a military machine that they can have their way in the world simply by bluster, intimidation, and default. Whatever their motivation, we are certainly in an environment which demands that we leave nothing undone in keeping our military forces up to date and at peak strength and efficiency. If we demonstrate our willingness to match the Soviets—if we show them that we are not about to forgo all the latest developments, then perhaps one day they will appreciate the desirability of meaningful arms limitation talks. Talks wherein each side gives and both sides gain.

But for the present, the Soviets understand one thing best of all—power. That was the case in the days of Josef Stalin, and it continues to be the case today. We will not bring the days of arms reduction closer by voting to delay Trident. Quite the contrary, we will only postpone that day when the Soviets realize that their aims are not going to be achieved through military muscle or intimidation, and that their interests are best served by moving toward genuine agreements with the peace-loving nations of the world.

I think we would do well also, Mr. President, to heed the wise counsel of those who warn about the inadvisability of propping up the Soviet economy at a time when the Soviets themselves are responsible for unbalancing it through their huge military expenditures. It is their own military spending which is sapping the other sectors of the Soviet economy. Why we should pull their chestnuts out of the fire—at the same time they are striving for the ability at least to intimidate, and possibly to destroy, us—is far beyond my power to understand.

Let us go forward with Trident. Let us do so without delay and without doubt. Certainly it is not an expense we are delighted to make. We all know the sacrifices that this expensive project will entail. I have looked for ways to cut the cost of the program, and I proposed an $840 million saving which would have utilized existing basing facilities on the east coast rather than building new ones. Now the decision has been made to deploy initially on the west coast. But when the time comes to base some of the Tridents on the east coast, I will again propose the utilization of existing bases. This would represent a sensible economy. But delaying the program for 2 or more years would be a blunder of possibly fatal proportions.

And so we must bear the burden. We are confronted with a threat and we must live with that threat. The great Calhoun said on the Senate floor:

> Those who would enjoy the blessings of liberty must undergo the hardships of sustaining it.

Throughout our history Americans have lived up to Calhoun's injunction. It has seen us through 200 years of independence and freedom. Now is not the time to cut and run from that principle. We will better serve the cause of peace—real peace—by holding firm. And we will best demonstrate our intent to hold firm by going ahead with the accelerated Trident program.

Mr. CANNON. Mr. President, I wish to comment on the Trident program because in my view here is an area where a substantial reduction in fiscal year 1974 procurement authorization can be made.

I am not opposed to the Trident program. I think it is an essential weapon system which our country needs. I am only opposed to its acceleration and see no need to hurriedly program for 1978 when a more orderly production by 1980 makes more sense.

Specifically, I favor authorizing $642 million for the Trident program for fiscal year 1974 and feel that the DOD request for $1.5 billion—$1,527.4—is not necessary at this time. The recent history of the Trident submarine program deserves some review.

As late as September 1971, the Defense Department had an orderly businesslike program for modernization of the Navy's underwater missile submarine fleet. As needed, the Trident I missile, formerly called extended-range Poseidon or EXPO, was to be developed and fitted into Poseidon submarines.

Because of its greater range as compared to the Poseidon, it was estimated that the Trident would provide a significant increase in the ocean area within which U.S. submarines could operate while on station. The unprecedentedly expensive Trident submarine—each costing a half billion dollars more than the latest nuclear carrier—and the planned Trident II missile were to be delayed until the early 1980's.

Without commitment, they were to be considered as a later replacement for the Polaris/Poseidon fleet.

Last year, however, for reasons we have never been able to fully understand, a sensible orderly Trident program was altered to combine procurement with development, apparently in order that this submarine could be operable in 1978 rather than 2 or 3 years later.

From the standpoint of good practice, consider the fact that under this accelerated program, all 10 Trident submarines will be funded and under construction before the first one is completed.

This extraordinary shift in production planning is exactly opposite to the "fly before buy" program concept this administration only recently emphasized.

Nevertheless an effort is now being made by the Defense Department to justify an accelerated Trident program on various grounds, including that Tridents would eventually replace the aging Polaris/Poseidon submarines; it would provide an increased submarine operating area as a hedge against possible Soviet breakthroughs in antisubmarine warfare; and would support future SALT negotiations.

Taking up these assertions in order, the Defense Department itself, as well as other witnesses before the Armed Services Committee, have established that the Polaris/Poseidon submarines, with a design life of 20 years, may be suitable for operation up to 25 years. Since the oldest submarine will not reach even 20 years of age before 1979, there is no justification whatever to accelerate this program because of aging.

Because the Trident I missile can have a range of 4,500 miles by backfitting it into Polaris/Poseidon submarines, these Polaris/Poseidon submarines, with the missile in question, could also be based in the United States.

Backfitting the Trident missile into Polaris/Poseidon submarines would provide an increase in ocean operating area because the long-range Trident I missiles are what increase the operating area, not the unprecedentedly expensive new submarines. Furthermore, the patrol area would increase sufficiently with Trident I missiles to pose immediate additional problems for any ASW sensor that can now be conceived.

The previous program would constitute practical and imposing evidence to the Soviets that the United States was developing an orderly replacement for the Polaris/Poseidon fleet. We do not add to our "bargaining chips" by pursuing a hurried and premature schedule which ultimately could well bring damage to the entire submarine replacement program.

Purely technical considerations, such as objections to putting all our nuclear eggs in a relatively very few underwater baskets, would dictate the production of submarines designed more on the order of the latest Soviet submarines. The latter have 12 launchers, as against 16 for the Poseidon and 24 for the Trident.

For national security, which do we want: a few large submarines, each with many launchers, or more smaller submarines, each with fewer launchers?

A thorough study of this proposed acceleration was undertaken last year by the Research and Development Subcommittee of the Committee on Armed Services.

For the reasons given, the facts uncovered by their investigation supported the logic of an orderly program similar to the September 1971 Defense Department position.

This year, the Research and Development Subcommittee of Armed Services recommended by a unanimous vote, going back to a program similar to the September 1971, DOD Trident schedule, at a saving this year of $885.4 million. A savings of this magnitude could have a significant impact upon our economy and accordingly I most urgently endorse it.

The PRESIDING OFFICER. All time has expired on the McIntyre-Dominick amendment.

COMMENDATION OF THE SENATE TO THE SKYLAB II CREW FOR THEIR SUCCESSFUL MISSION—SENATE RESOLUTION 175

Mr. MOSS. Mr. President, I send to the desk a resolution on behalf of the Senator from Arizona (Mr. GOLDWATER) and myself and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The title was stated, as follows:

> To provide the commendation of the Senate to the Skylab III crew, for their successful mission, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution? The Chair hears none, and it is so ordered.

Mr. MOSS. Mr. President, I ask unanimous consent that the name of the Senator from South Carolina (Mr. THURMOND) be added as a cosponsor of the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, the Senator from Arizona (Mr. GOLDWATER) and I are submitting to the Senate a sense-of-the-Senate resolution offering our commendation to the crew of Skylab II on the successful completion of the longest voyage in history.

The strong bipartisan support of the Congress of the space program for the last 15 years is manifest in the success of this, our latest national space achievement.

Missions of great significance for the future will stem from this great effort.

The high potential value of the experiments conducted by these brave men will long be remembered.

The Congress and the American people are grateful for the effort being made in space toward a better tomorrow.

This is a most significant mission. I think that the Senate should go on record as commending the crew of Skylab II.

Mr. President, I am pleased to yield to the Senator from Arizona, the ranking minority member of the Committee on Aeronautical and Space Sciences.

Mr. GOLDWATER. Mr. President, I wish to compliment the distinguished chairman of the Aeronautical and Space Sciences Committee for his statement. I agree entirely.

Yesterday at 6:20 p.m., eastern daylight time, Skylab II ended its historic and recordmaking voyage with a splashdown in the Pacific.

The gallant crew, Capt. Alan L. Bean of the Navy, Maj. Jack R. Lousma of the Marines, and Dr. Owen K. Garriott, a civilian scientist, established a new record for the longest voyage in recorded history. Moreover, they more than doubled man's previous stay in space.

They proved beyond a shadow of a doubt that man can perform useful work over extended periods of time above the Earth's atmosphere.

I believe that the crew of Skylab II, the support teams, and all those involved both in Government and industry deserve the heartfelt thanks of a grateful Nation.

Mr. MOSS. Mr. President, I move the adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 175) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

> Whereas the crew of Skylab III completed on September 25, 1973, the longest voyage in recorded history; and
>
> Whereas their 59-day flight was more than twice the length of any previous manned space flight mission; and
>
> Whereas this flight demonstrated man's ability to execute invaluable scientific and technical missions over extended periods in space: Now, therefore, be it
>
> *Resolved,* That it is the sense of the Senate that the mission of the Skylab III astronauts, Captain Alan L. Bean (U.S. Navy) Commander, Major Jack R. Lousma (U.S. Marine Corps.), pilot and Dr. Owen K. Garriott, and their support teams on the ground, ending successfully man's longest stay in space, deserve the heartfelt thanks of all mankind.

Mr. GOLDWATER. I thank the Senator from Utah for presenting the resolution.

DEPARTMENT OF STATE APPROPRIATIONS AUTHORIZATION ACT OF 1974

Mr. FULBRIGHT. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 7645.

The Senator from Vermont (Mr. AIKEN) is familiar with the conference report on the State Department authorization bill.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the amendment of the Senate to the bill (H.R. 7645) to authorize appropriations for the Department of State, and for other purposes.

Mr. FULBRIGHT. Mr. President, I move that the Seante concur in the amendment of the House to the Senate amendment with an amendment, which I send to the desk.

The amendment is as follows:

> In lieu of the matter proposed to be inserted by the House engrossed amendment insert the following:
>
> That this Act may be cited as the "Department of State Appropriations Authorization Act of 1973".
>
> AUTHORIZATION OF APPROPRIATIONS
>
> SEC. 2. (a) There are authorized to be appropriated for the Department of State for the fiscal year 1974, to carry out the authorities, functions, duties, and responsibilities in the conduct of foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:
>
> (1) for the "Administration of Foreign Affairs", $282,565,000;
>
> (2) for "International Organizations and Conferences, $21,279,000;
>
> (3) for "International Commissions", $15,568,000;
>
> (4) for "Educational Exchange", $59,800,000; and
>
> (5) for "Migration and Refuge Assistance", $8,800,000.
>
> (b) In addition to amounts authorized by subsection (a) of this section, there are authorized to be appropriated for the Department of State for the fiscal year 1974 the following additional or supplemental amounts:
>
> (1) not to exceed $9,328,000 for increases in salary, pay, retirement, or other employee benefits authorized by law;
>
> (2) not to exceed $12,307,000 for additional overseas costs resulting from the devaluation of the dollar; and
>
> (3) not to exceed $1,165,000 for the establishment of a liaison office in the People's Republic of China.
>
> (c) In addition to amounts otherwise authorized, there are authorized to be appropriated to the Department of State $40,000,000 for protection of personnel and facilities from threats or acts of terrorism.
>
> (d) In addition to amounts otherwise authorized, there are authorized to be appropriated to the Secretary of State for the fiscal year 1974 not to exceed $36,500,000 to carry out the provisions of section 101(b) of the Foreign Relations Authorization Act of 1972, relating to Russian refugee assistance.
>
> (e) In addition to amounts otherwise authorized, there are authorized to be appropriated to the Department of State for the fiscal year 1974 not to exceed $4,500,000 for payment by the United States of its share of the expenses of the International Commission of Control and Supervision as provided in article 14 of the Protocol to the Agreement on Ending the War and Restoring Peace in Vietnam Concerning the International Commission of Control and Supervision, dated January 27, 1973.
>
> (f) Appropriations made under subsections (a), (b), and (c) of this section are authorized to remain available until expended.
>
> INTERPARLIAMENTARY UNION
>
> SEC. 3. The first section of the Act entitled "An Act to authorize participation by the United States in the Interparliamentary Union", approved June 28, 1935 (22 U.S.C. 276), is amended—
>
> (1) by striking out "$102,000" and inserting in lieu thereof "$120,000"; and
>
> (2) by striking out "$57,000" and inserting in lieu thereof "$75,000".
>
> STUDY COMMISSION RELATING TO FOREIGN POLICY
>
> SEC. 4. Section 603(b) of the Foreign Relations Authorization Act of 1972 (22 U.S.C. 2823(b)), relating to the reporting date for the Commission on the Organization of the Government for the Conduct of Foreign Policy, is amended by striking out "June 30, 1974" and inserting in lieu thereof "June 30, 1975".
>
> USE OF FOREIGN CURRENCY
>
> SEC. 5. Subsection (b) of section 502 of the Mutual Security Act of 1954 (22 U.S.C. 1754) is amended—
>
> (1) by striking out "$50" in the first sentence of such subsection and inserting in lieu thereof "$75";
>
> (2) by inserting immediately before "appropriate committees" the following: "Members and employees of"; and
>
> (3) by striking out the colon and all that follows thereafter in such subsection and inserting in lieu thereof a period and the fol-

lowing: "Within the first ninety calendar days that Congress is in session in each calendar year, the Department of State shall submit to the chairman of each such committee a report showing the amounts and dollar equivalent values of each such foreign currency expended during the preceding year by each Member and employee with respect to travel outside the United States. Such reports of that committee shall be available for public inspection in the offices of such committee."

AMBASSADORS AND MINISTERS

Sec. 6. From and after the date of enactment of this Act, each person appointed by the President as ambassador or minister shall, at the time of his nomination, file with the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives a report of contributions made by such person and by members of his immediate family during the period beginning on the first day of the fourth calendar year preceding the calendar year of his nomination and ending on the date of his nomination, which report shall be verified by the oath or affirmation of such person, taken before any officer authorized to administer oaths. As used in this section, the term "contribution" has the same meaning given such term by section 301(e) of the Federal Election Campaign Act of 1971, and the term "immediate family" means a person's spouse, and any child, parent, grandparent, brother, or sister of such person and the spouses of any of them.

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

Sec. 7. (a) Section 2(2) of the Act of September 19, 1966 (80 Stat. 808; 22 U.S.C. 277d–31), is amended by striking out "$20,000" and inserting in lieu thereof "$25,000".

(b) Section 3 of the Act of August 10, 1964 (78 Stat. 386; 22 U.S.C. 277d–28), is amended by striking out "$20,000" and inserting in lieu thereof "$30,000".

(c) The last paragraph of the Act of September 18, 1964 (78 Stat. 956; 22 U.S.C. 277d–29), is amended by striking out "$23,000" and inserting in lieu thereof "$50,000".

EXTENSION OF PUBLIC LAW 92–14

Sec. 8. Section 2 of the Act entitled "An Act to authorize the United States Postal Service to receive the fee of $2 for execution of an application for a passport", approved May 14, 1971 (85 Stat. 38; Public Law 92–14), is amended by striking out "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

Sec. 9. There is established within the Department of State a Bureau of Oceans and International Environmental and Scientific Affairs. In addition to the positions provided under the first section of the Act of May 26, 1949, as amended (22 U.S.C. 2652), there shall be an Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs, appointed by the President, by and with the advice and consent of the Senate, who shall be head of the Bureau and who shall have responsibility for matters relating to oceans, environmental, scientific, fisheries, wildlife, and conservation affairs.

CERTAIN FOREIGN MILITARY BASE AGREEMENTS

Sec. 10. The Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended, is further amended by adding at the end thereof the following new section:

"Sec. 16. No funds may be obligated or expended to carry out any agreement entered into, on or after the date of enactment of this Act, between the United States Government and the government of any foreign country (1) providing for the establishment of a military installation in that country at which units of the Armed Forces of the United States are to be assigned to duty, or (2) revising or extending the provisions of any such agreement, if—

"(A) the Department of State or any of its officers or employees participates in the negotiations with respect to such agreement;

"(B) funds made available to the Department are obligated with respect to such negotiations; or

"(C) funds made available to the Department are to be obligated with respect to such agreement;

unless such agreement is approved by concurrent resolution of the Congress or is submitted to the Senate for its advice and consent and the Senate gives its advice and consent to such agreement."

FOREIGN SERVICE PROMOTIONS

Sec. 11. Section 623 of the Foreign Service Act of 1946 (22 U.S.C. 996) is amended to read as follows:

"RECOMMENDATIONS FOR PROMOTIONS

"Sec. 623. (a) The Secretary shall establish with the advice of the Board of the Foreign Service, selection boards to evaluate the performance of Foreign Service officers; and upon the basis of their findings, which, except for career ambassadors and career ministers, shall be submitted to the Secretary in rank order by class or in rank order by specialization within a class, the Secretary shall make recommendations in accordance with the findings to the President for the promotion of Foreign Service officers. No person assigned to serve on any such board shall serve in such capacity for any two consecutive years. In special circumstances, however, which shall be set forth by regulations, the Secretary shall have the authority to remove individual names from the rank order list submitted by the selection boards or to delay the inclusion of individual names until a subsequent list of nominations is transmitted to the President.

"(b) The Secretary may, pursuant to a recommendation of a duly constituted grievance board or panel or an equal employment opportunity appeals examiner—

"(1) recommend to the President the promotion of a Foreign Service officer;

"(2) promote Foreign Service Staff personnel and Foreign Service Reserve officers with limited or unlimited tenure; and

"(3) grant to Foreign Service personnel additional step increases in salary, within the salary range established for the class in which an officer or employee is serving.

"(c) The Secretary may, in special circumstances which shall be set forth in regulations, make retroactive promotions and additional increases in salary within class made or granted under the authority of this section.".

REIMBURSEMENT FOR DETAILED STATE DEPARTMENT PERSONNEL

Sec. 12. (a) An Executive agency to which any officer or employee of the Department of State is detailed, assigned, or otherwise made available, shall reimburse the Department for the salary and allowances of each such officer or employee for the period the officer or employee is so detailed, assigned, or otherwise made available. However, if the Department of State has an agreement with an Executive agency or agencies providing for the detailing, assigning, or otherwise making available, of substantially the same numbers of officers and employees between the Department and the Executive agency or agencies, and such numbers with respect to a fiscal year are so detailed, assigned, or otherwise made available, or if the period for which the officer or employee is so detailed, assigned, or otherwise made available does not exceed ninety days, no reimbursement shall be required to be made under this section.

(b) For purposes of this section, "Executive agency" has the same meaning given that term by section 105 of title 5, United States Code.

ACCESS TO INFORMATION

Sec. 13. (a) After the expiration of any thirty-five-day period which begins on the date the Committee on Foreign Relations of the Senate or the Committee on Foreign Affairs of the House of Representatives has delivered to the office of the Secretary of State a written request that it be furnished any document, paper, communication, audit, review, finding, recommendation, report or other material in its custody or control relating to the Department of State, none of the funds made available to such department shall be obligated unless and until there has been furnished to the committee making the request the document, paper, communication, audit, review, finding, recommendation, report, or other material so requested.

(b) The provisions of subsection (a) of this section shall not apply to any communication that is directed by the President to a particular officer or employee of such department or to any communication that is directed by any such officer or employee to the President.

OVERSEAS KINDERGARTEN EDUCATION ALLOWANCE

Sec. 14. Section 5924(4)(A) of title 5, United States Code, is amended by inserting immediately before "elementary" the following: "kindergarten,".

REQUIREMENT FOR CONGRESSIONAL AUTHORIZATION FOR THE INVOLVEMENT OF AMERICAN FORCES IN FURTHER HOSTILITIES IN INDOCHINA, AND FOR EXTENDING ASSISTANCE TO NORTH VIETNAM

Sec. 15. Notwithstanding any other provision of law, on and after August 15, 1973, no funds heretofore or hereafter appropriated may be obligated or expended to finance the involvement of United States military forces in hostilities in or over or from off the shores of North Vietnam, South Vietnam, Laos, or Cambodia, unless specifically authorized hereafter by the Congress. Notwithstanding any other provision of law, upon enactment of this Act, no funds heretofore or hereafter appropriated may be obligated or expended for the purpose of providing assistance of any kind, directly or indirectly, to or on behalf of North Vietnam, unless specifically authorized hereafter by the Congress.

LIMITATION ON PUBLICITY AND PROPAGANDA PURPOSES

Sec. 16. No appropriation made available under this Act shall be used—

(1) for publicity or propaganda purposes designed to support or defeat legislation pending before Congress; or

(2) to influence in any way the outcome of a political election.

HOUSING SUPPLEMENT FOR CERTAIN EMPLOYEES ASSIGNED TO THE UNITED STATES MISSION TO THE UNITED NATIONS

Sec. 17. The United Nations Participation Act of 1945 (22 U.S.C. 287) is amended by adding the following new section at the end thereof:

"Sec. 9. The President may, under such regulations as he shall prescribe, and notwithstanding section 3648 of the Revised Statutes (31 U.S.C. 529) and section 5536 of title 5, United States Code—

"(1) grant any employee of the staff of the United States Mission to the United Nations designated by the Secretary of State who is required because of important representational responsibilities to live in the extraordinarily high-rent area immediately surrounding the headquarters of the United Nations in New York, New York, an allowance to compensate for the portion of expenses necessarily incurred by the employee for quarters and utilities which exceed the average of such expenses incurred by typical, permanent residents of the Metropolitan

New York, New York, area with comparable salary and family size who are not compelled by reason of their employment to live in such high-rent area; and

"(2) provide such allowance as the President considers appropriate, to each Delegate and Alternate Delegate of the United States to any session of the General Assembly of the United Nations who is not a permanent member of the staff of the United States Mission to the United Nations, in order to compensate each such Delegate or Alternate Delegate for necessary housing and subsistence expenses incurred by him with respect to attending any such session.

Not more than forty-five employees shall be receiving an allowance under paragraph (1) of this section at any one time.".

MUTUAL RESTRAINT ON MILITARY EXPENDITURES

SEC. 18. It is the sense of the Congress that the United States and the Union of Soviet Socialist Republics should, on an urgent basis and in their mutual interests, seek agreement on specific mutual reductions in their respective expenditures for military purposes so that both nations can devote a greater proportion of their available resources to the domestic needs of their respective peoples; and the President of the United States is requested to seek such agreements for the mutual reduction of armament and other military expenditures in the course of all discussions and negotiations in extending guaranties, credits, or other forms of direct or indirect assistance to the Soviet Union.

EXPRESSION OF INDIVIDUAL VIEWS TO CONGRESS

SEC. 19. Section 502 of the Foreign Relations Authorization Act of 1972 (2 U.S.C. 194a) is amended by striking out "appointed by the President, by and with the advice and consent of the Senate, to a position in" and inserting in lieu thereof "or employee of".

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas.

The motion was agreed to.

Mr. FULBRIGHT. Mr. President, by way of explanation, this report has resulted from an informal conference that was had with Members of the House. The Senator from Vermont and the Senator from New Jersey (Mr. CASE) were present. This particular amendment that was in issue had been proposed by the Senator from New Jersey, and it has been agreed to by him. The effect will simply be to send the report back to conference with the House.

I move that the Senate insist on its amendment and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on behalf of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. FULBRIGHT, Mr. SPARKMAN, Mr. CHURCH, Mr. PELL, Mr. AIKEN, Mr. CASE, and Mr. JAVITS conferees on the part of the Senate.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. BIDEN) laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing the nomination of William Hinton Fribley, of Kansas, to be Federal Cochairman of the Ozarks Regional Commission, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ORDER FOR CONSIDERATION OF SENATE RESOLUTION 171—DISAPPROVING ALTERNATIVE PLAN FOR PAY ADJUSTMENTS FOR FEDERAL EMPLOYEES

Mr. ROBERT C. BYRD. Mr. President, Senate Resolution 171, a resolution disapproving of alternative plans for pay adjustments for Federal employees, is on the calendar.

Under the law, a request to call up this resolution is highly privileged. It is not debatable.

Also under the law, 2 hours are allotted for debate on the resolution—not more than 2 hours; hence, any Senator can, at any time, seek to get recognition and call up the resolution, except in a situation such as we are in at the moment whereby we have certain amendments locked in, to be considered in sequence.

Once we pass the order of sequence and the last amendment has been considered, any Senator can call up that resolution.

Therefore, having cleared this with the leadership on both sides of the aisle, the resolution having been reported from the committee unanimously, at the request of the Senator from Wyoming (Mr. MCGEE) the chairman of the committee, and the ranking minority member, the Senator from Hawaii (Mr. FONG), I ask unanimous consent that on Friday next, immediately after the two leaders or their designees have been recognized under the standing order, which will be at 9 a.m. that day, the Senate proceed to the consideration of Senate Resolution 171.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes.

AMENDMENT NO. 527

The PRESIDING OFFICER. Under the previous order, the Senate will now resume the consideration of amendment No. 527 by the Senator from California, on which there is 1 hour for debate, the time to be equally divided.

Mr. CRANSTON. Mr. President, I should like, briefly, to summarize the amendment and also to praise the leadership in this effort. This leadership has finally resulted, today, in the first victory in the efforts to cut back on extravagant overseas military spending, to reestablish the role of Congress under the Constitution, and to participate in the decisionmaking process relating to overseas troops.

The main arguments in behalf of the Mansfield amendment are, first, that the total direct and indirect costs of maintaining overseas troops—including backup, logistics, and so forth—is roughly $30 billion a year. The balance of payments deficit attributable to military spending overseas is roughly $4.9 billion a year, thus eroding the dollar and contributing to inflation. Altogether, some 464,000 land-based U.S. troops are stationed in foreign countries, not counting the U.S. fleets and not counting troops in U.S. territories and possessions. They man 1,963 bases in 34 countries.

In general, this pattern of massive overseas deployment became established during the cold war, at a time when our allies were poor and relatively defenseless. Vast U.S. military and economic aid programs, plus general détente, makes deployment on such a massive scale obsolete. The purpose of overseas deployment was originally to permit allies to develop their own economy and defense under U.S. protection; deployment was never intended to be permanent.

Although I mentioned the cold war, I do not believe we should make our decisions solely on the assumption that détente is here to stay. I hope it is, but we should also make plans in the event that it is not.

It is the belief of those who have proposed and supported this amendment that even if détente is not here to stay, the implementation of this amendment would nonetheless permit us to be fully prepared to defend ourselves under the worst possible circumstances. We would actually be stronger, not weaker, because we would eliminate waste and extravagance, and strengthen our economy in the process.

Second the Defense Department directly or indirectly employs some 167,000 foreign nationals to support these overseas forces. Meanwhile the Pentagon continues to fire American citizens employed at bases that are closed at home, instead of closing bases overseas.

Third, cuts could be made in support forces rather than primarily in combat strength. The U.S. "tooth-to-tail" ratio is heavily imbalanced. If necessary, our allies could fulfill more support functions.

Fourth, bases often cause political frictions and anti-American sentiment in the host countries. The presence of U.S. troops favors military rather than diplomatic options whenever hostilities break out near our troops overseas.

Fifth, there *is no threat* in Asia that justifies maintaining, for example, 60,000 troops in Japan and Okinawa; 40,000 in Thailand; 40,000 in Korea; 15,000 in the Philippines; and 6,000 in Taiwan.

In those examples I am referring to troops outside of NATO. I recognize there are many Senators and others who are particularly concerned about the effect of this amendment on NATO. The fact is that it would have absolutely minimal effect on NATO. There would be no significant withdrawal in the next year or two. Furthermore, the geographic allocation of the withdrawals is left to the Department of Defense under the terms of the amendment.

Sixth, the greater transport and mobile force capacity of U.S. forces permits rapid response to crisis. Forward-based deployment is unnecessary in many cases.

Seventh, the amendment is fully consistent with the manpower cut authorized by the Senate Armed Services Committee. But the amendment does not call for the automatic deactivation of all returning troops. Because of projected shortfalls in recruitment for the volunteer services, the question of deactivation is likely to take care of itself.

Eighth, President Nixon is correct in charging that Congress is presently running $6 billion above his $268.7 billion budget ceiling. Cuts are needed in the defense budget to protect funding for vital domestic programs neglected through the Vietnam years, as well as for sound programs in the defense budget.

Let one add some long-range points in favor of the Mansfield amendment. I have already mentioned the cold war. It is often said that the relaxation of cold war tensions justifies an overseas pullback. But this is much too general a statement. After all, countries like the Soviet Union and the People's Republic of China are powerful in their different ways, with interests diverging sharply from our own. An outright attack from either of them on us or on our allies is always possible. But as the record of the last 20 years shows, violence is more likely to break out in local theaters—the Middle East, Southeast Asia, the Indian subcontinent, or the Congo—than on a global scale among the big powers.

Unfortunately, we still live in a violent world, and both our foreign policy and our defense policy must take that reality into account. We must be prepared to defend ourselves and to meet our treaty commitments.

But although international violence is old, there is much that is new.

A very important change that has taken place in the last quarter of a century is economic. It has been U.S. policy to help promote the economic development of our allies, and here we can register an outstanding success.

When postwar U.S. troops were initially committed to Europe on a large scale, in 1951, the combined GNP for European NATO members was $46.9 billion. Now it is $831.9 billion.

In 1950, Japan's GNP was only $11 billion. Now it is the third largest in the world—$856 billion.

The United States helped to promote this kind of phenomenal growth through a generous economic aid program. For the developed countries, U.S. economic programs from 1946 to 1972 totalled $28,411,700,000. For less developed countries for the same period, these programs amounted to $80,103,000,000.

At the same time, the United States carried out a worldwide effort to build up the military capabilities of non-Communist countries. Military programs to Europe from 1946 to 1972 came to $14,393,600,000, and for the less developed countries the figure was $40,963,000,000.

And, particularly in recent years, the traffic in conventional arms has grown to spectacular levels. In fiscal year 1973, U.S. arms sales on a government-to-government basis reached nearly $4 billion. That figure is roughly double the figure for fiscal year 1971—$2.07 billion—and guadruple the figure for fiscal year 1970—$914 million.

All of these aid programs and sales have led to a world of large armies and highly sophisticated arsenals. We should realize that our allies are far, far more capable of defending themselves now than they were at the close of World War II.

Take South Korea, for example.

South Korea's Army numbers 600,000 men, as compared with North Korea's 360,000. Eight South Korean divisions and a Marine brigade, many of whose soldiers have Vietnam combat experience, are stationed at the DMZ. The prestigious Institute for Strategic Studies in London has concluded that the South Korean Army is amply prepared to defeat any invasion from the north.

Yet the United States maintains 40,000 troops in South Korea at an annual cost of $584 million. We have an entire division at the DMZ. Our soldiers man 32 major military installations.

Nor is this all, in fiscal year 1973 the military assistance advisory group assigned to South Korea numbered no less than 406. Military grant aid in the same year totaled $134 million, not counting loans, military sales, ship loans, and transfers of excess property. And under a recent agreement, the United States will further modernize South Korea's armed forces to the tune of $1.5 billion over 5 years, including supplying the sophisticated F–5E fighter.

There is much evidence that our manpower efficiency in South Korea is not what it should be. Our contingent there includes 18 generals and admirals. No less than 1,113 men staff the Eighth Army Headquarters, including 12 generals.

Whereas normally a field army headquarters controls four divisions, this one controls only one. And among that division, numbering 13,000 men, only 7,000 are in combat-related duties. As an enlisted man told the Washington Post:

> There are too many men and too little to do.

Out of the 13,000 in the Army's 2d Infantry Division, there were 11,600 cases of venereal disease reported last year.

As former Secretary of Defense Melvin Laird stated to the House Armed Services Committee:

> A large-scale conventional attack on South Korea is not likely in the future.

In June of this year, South Korea finally agreed to dual U.N. membership for the two Koreas. Talks between the two are currently underway. A topheavy and costly American military presence 20 years after the end of the Korean war seems increasingly obsolete.

But I am not suggesting we should rely entirely on North Korea's good intentions, or on a lessened likelihood of war. I am saying that a realistic look at South Korea's strength in the context of the current situation practically demands a substantial U.S. withdrawal.

This is a country for which the United States sacrificed 33,625 American lives. U.S. taxpayers have given it $8.4 billion in military and economic aid over the years. It is an area of vital interest to Japan as well, and we must be sure to consult with her before any withdrawal takes place. Unfortunately, it became a dictatorship last fall, with hardly a murmur from the United States. But like it or not, South Korea is not a country we would abandon, nor am I suggesting that as an alternative.

I suggest that this is a country where in peacetime, a token U.S. force would suffice.

Japan is another example.

Japan's so-called self-defense forces number a quarter of a million men. Her arsenal already contains T–2 supersonic trainers, C–1 jet transports, diesel-powered submarines, helicopter-carrying destroyers, and antisubmarine aircraft. Her army includes 610 tanks and 130 Hawk missiles, her navy 40 destroyers and 13 submarines, and her air force 490 fighters. Her fourth 5-year defense plan, launched in October 1972, entails an outlay totaling $15 billion.

Yet out of 169,000 U.S. troops stationed in Asian countries—not counting the 7th Fleet—roughly 60,000 are found in Japan and her territory of Okinawa.

On Japan's main islands, there are 125 U.S. military installations, of which 32 are considered major. These include six airfields, two naval bases, two bombing ranges, and six ammunition depots. It is a country where 103 million people live in an area slightly smaller than the State of California and where roughly 80 percent of the land cannot be inhabited or cultivated, American bases take up roughly 1 percent of the total area. As of 1970, roughly 70 percent of the U.S. bases, and 77 percent of the American personnel were located within 60 miles of Tokyo, especially in the densely populated Kanto plain. Anyone who has been to Japan recently knows that in the Tokyo area the housing squeeze is appalling and that land prices have skyrocketed beyond belief. Sadly, American bases are also associated with drugs, a fact that greatly worries local authorities.

On Okinawa, where the drug problem is also worrisome, almost 25 percent of the total land area is taken up with American bases, 40 percent of which are in densely populated areas. A recent poll showed that 77.8 percent of Okinawans felt that U.S. bases should be eliminated or reduced. As Don Oberdorfer put it in the New York Times, Okinawans living in cramped quarters can see American officers strolling on spacious lawns and golf courses.

Meanwhile, Japan is carrying out her own military buildup in Okinawa. She has sent at least 3,100 airmen, including pilots for a squadron of 21 F–104J jet interceptors plus 1,500 soldiers and 500 sailors.

When a member of my staff visited Japan last month, two high-ranking Foreign Ministry officials told her privately that it would be better for both countries for the United States to cut the size of its force level. The Nixon-Tanaka joint communique of August 2 states that the two leaders "concurred on the desirability of further steps to realine and consolidate the facilities and areas of U.S. forces in Japan."

Japan is an important and loyal ally whose interests are closely bound up with ours. Before affecting cuts we should make every effort to consult with her and to reassure her about the strength of our defense commitment. But it is ridiculous to keep 60,000 troops in a nation with the third largest GNP in the world. Since 1946, the United States has given or lent Japan over $5 billion in military and economic aid. It is high time we recognized that this investment has yielded a strong and increasingly self-confident ally.

The two countries I have just discussed, South Korea and Japan, account for approximately 100,000 troops. Roughly 50,000 more are located in Taiwan and Thailand.

Here we are beginning to see some encouraging signs from the administration. Just last week, the U.S. Pacific Command announced that the 274th Tactical Airlift Wing, constituting about one-third of the 9,000 U.S. troops in Taiwan, would be brought home. This reduction marks a long-awaited first step toward the fulfillment of the Shanghai communique, in which the United States "affirms the ultimate objective of the withdrawal of all U.S. forces and military installations from Taiwan" and pledges to begin that task in the interim "as the tension in the area diminishes."

Taiwan's Armed Forces are the seventh largest in the world, with over half a million men under arms. For the last 10 years or so she has been spending 9 or 10 percent of her GNP on defense—a figure even higher than ours. Since 1949, U.S. military and economic aid programs to Taiwan have amounted to $5.2 billion. It just does not make sense to keep on spending $90 million a year there when it is now our public policy to withdraw our troops.

Thailand, of course, has been a major staging area for our massive bombing attacks on Indochina. It was to Thailand, near the Laotian border, that President Kennedy sent the first sizable U.S. military unit—4,000 Marines to fight in Indochina. The U.S. force level grew to 9,000 in 1964, 36,000 in 1966, and 45,000 by 1973.

In Thailand today there is a larger concentration of American airpower than in any country outside of the United States.

As announced last week, about 3,550 American military men and 100 aircraft are being withdrawn, leaving at least 40,000 men and 500 aircraft behind them. For now, the B–52 fleet remains intact, an ominous reminder that the renewal of bombing is still a possibility.

Thailand and Taiwan are "safe" illustrations of my point that withdrawing troops makes military sense because the intention to withdraw has already been announced. But there is no sound military reason why this same spirit should not be extended elsewhere.

I might add, Mr. President, that it is the stated policy of the Department of Defense to reduce the U.S. military presence abroad. In a letter to me dated August 9, 1973, the Deputy Assistant Secretary of Defense for Installations and Housing, Edward J. Sheridan, wrote that—

> In summary the overall thrust of DOD policy is a streamlining of organizations and reduction of military activities overseas.

But except for Thailand and Taiwan, I have seen little to indicate that this policy is being implemented to any significant degree.

I have already cited examples of countries where U.S. troop levels seem excessive. Meanwhile, these countries and other allies have been building up formidable arsenals through international weapons sales. Foreign orders for the new international fighter, the F–5E, are expected to top 1,000; Brazil has already ordered 48. Iran has placed orders with more than $2 billion for helicopters, F–4 fighter-bombers, C–130 transport planes, F–5E, and 707's fitted as aerial refuelers. In fact, Iran will have more sophisticated and up-to-date helicopters than we will.

Saudi Arabia is buying $1 billion worth of arms, including F–4's, and is also interested in surplus destroyers and frigates. Deals with Kuwait total half a billion dollars and will include F–8 Crusader jet fighters. Spain is buying 8 vertical take-off jets from Great Britain. France has been busy selling her Mirage jets to Latin America. A South Vietnamese Air Force officer recently told the Washington Post:

> If we have a good supply from the U.S. we can fight this war forever. Even without B–52s, we can do everything, and with precision, if we get enough equipment. Instead of one B–52, we can use 10 or 20 A–37s. It will take more time, but we will get the same results.

And so it goes. With the general exception of Africa, the world is armed to the teeth.

So far I have been talking about new military and economic realities. Arguments about numbers of U.S. troops overseas must also include a question which is political and psychological as well: For any given country, can a U.S. defense commitment be relied on?

Pressure from Congress for overseas cutbacks often evokes fear on the part of other governments that a troop withdrawal would signify the end of a meaningful American commitment. In their view, American troops are a human tripwire guaranteeing American military involvement should hostilities break out. Rational calculations that might keep us out of a given war will supposedly be swept aside by the sight of American boys bleeding on the battlefield. There is a corresponding conviction that without such a heart-rending stimulus we would selfishly abandon an ally to an enemy's attack.

I do not believe that the tripwire theory is valid. After all, Americans began to die in Indochina from 1961 on, but the decisive escalation did not take place until 1965. We sent troops to the Dominican Republic in 1965 not because American boys were dying, but because we believed—rightly or wrongly—that the survival of the government of Juan Bosch was contrary to U.S. interests.

Nor is the tripwire theory a wise foundation on which to base a decision to go to war. If a conflict breaks out overseas, there may be many good reasons for getting involved, most notably defending an ally from external aggression. But whatever our judgment, it should not be made on the basis of revenge.

But suppose the tripwire theory is valid after all. In that case, since in most countries existing U.S. force levels are not sufficient to meet a full-scale attack, a token force would serve the same purpose. If Japan were the victim of a massive conventional attack, for example, 60,000 troops would hardly be adequate. And in a nuclear attack they wouldn't be of much use either. From the point of view of the tripwire theorist, all we would need is a token force to get shot at.

Mr. President, an important question remains: What criterion should we use to plan an overseas deployment in the long run? Given enough time to work out the diplomatic difficulties associated with a substantial withdrawal, what should be our final goal?

I have already suggested that if the presence of U.S. troops is largely symbolic, signifying to an ally the reality of an American commitment, for many countries then a token force would do just as well. I am thinking particularly of Asia, where involvement in another major war seems unwise as well as unlikely.

But before deciding where to post token forces, where to withdraw troops completely, or where under exceptional circumstances, to keep a sizable force, I think we in the Congress should ask ourselves the following question:

"If we had no troops overseas, where would we want to send them, and how many would we want to send?"

Some clear thinking here could provide a long-overdue initiative on redefining our foreign policy goals and interests, and reshaping our overseas defense policy accordingly. I think this reappraisal should include a hard look at all our present allies, for we may well want to keep our distance from some of the more corrupt and dictatorial among them. We should guard against intervening in civil wars on behalf of unpopular governments. We should continue to uphold the freedom of the seas. And so on.

I have no hard and fast answers to my question. But I do have some broad suggestions.

Generally speaking, in planning for the future, I think that whatever overseas military deployment we do maintain should reflect the new flexibility of today's international politics. For the most part, the structured, ideological, bipolar world view of the 1950's has given way to an interdependent international system.

Seyom Brown, a senior fellow at the Brookings Institution, described this new world forcefully when he wrote in Foreign Affairs that increasingly, alinements over specific issues, rather than highly elaborated military alliances, will be the order of the day; coalition partners on one issue may be opponents on another; and military deployments will have little if any utility as bargaining chips for most of the issues among countries, private groups, and political movements.

Helping to reinforce these tendencies, he wrote, is what American foreign policy should be all about at this juncture of world history.

Mr. President, one lesson to be drawn from the new flexibility in international politics is an even greater need for military mobility. I was interested to see that on August 30, Secretary of Defense James Schlesinger told a group of newsmen that he was "damned interested in mobility." At present, the United States has 79 C–5A's, 13 squadrons of C–141's, and a civil reserve air fleet of some 300 planes. But Dr. Schlesinger indicated that in the event of a major war, these forces would be inadequate to move heavy equipment quickly.

Before recommending new appropriations aimed at expending our transport capacity, I would take a hard look at the mobile forces we have already, including our naval fleets. Even more important, I would try to redefine our interests and to see how many of our alliances actually correspond with those interests. I would take into account the expanded rapid deployment capability that we have already developed. As a distinguished member of the Senate Armed Services Committee, Senator Hughes, has pointed out:

> Just four of our giant C–5 planes can carry as much as our entire military airlift command flew to Korea to respond to the outbreak of war there in 1950.

Finally, I would try to estimate the likelihood of war in each geographic theater. Only then would I decide whether or not a troop cutback from overseas required a new investment in mobility.

Finally, our force planners, together with Congress, should take a look at contemporary warfare, including Vietnam, and reassess our overseas ground troops accordingly. There seems to be widespread consensus, for example, that the United States should not get involved in another major land war in Asia. Surely the bombing that we carried out for 8 years was sufficiently devastating; the Nixon doctrine even implies that others should do the ground fighting.

If I am correct, then we should severely prune our ground forces in Asia and reexamine their usefulness elsewhere in the world as well.

Finally, Mr. President, I would like to quote from the report of the Subcommittee on Security Arrangements and Commitments Abroad, chaired by the distinguished Senator from Missouri, Senator Symington. The report, dated December 21, 1970, observes:

> Once an American overseas base is established, it takes on a life of its own. Original missions may become outdated, but new missions are developed, not only with the intent of keeping the facility going, but often to actually enlarge it.
>
> Within the government departments most directly concerned—State and Defense—we found little initiative to reduce or eliminate any of these overseas facilities.
>
> In recent years outside pressures, primarily domestic budget cuts, have normally preceded any reduction in United States military presence abroad. Such reductions were often resisted on the grounds that they would appear to be a withdrawal from a commitment, and a lessening of will on the part of the United States—conclusions which do not necessarily follow.
>
> In the past, to put it mildly, State and Defense have made but limited effort to study the worldwide base situation. It is only to be expected that those in embassies abroad, and also at overseas military facilities, would seek to justify continued operations in their particular areas; otherwise they recommend a reduction in their own position.
>
> Arguments can always be raised to justify keeping almost any facility open. To the military, a contingency use can always be found. To the diplomat, a base closing or reduction can always be at the wrong time in terms of relations with the host country and other Nations.
>
> The Subcommittee has come to the conclusion, therefore, that only reviews directed by the White House, or limitations on funds imposed by the Congress, can force reduction decisions.
>
> The communications facilities at Rota [Spain] were expanded in 1963 so as to take on the activities in Morocco bases that we were being required to vacate. But when later the United States was permitted to continue operating from Moroccan facilities, the new Rota station was also continued.
>
> In March, 1969, when the Subcommittee staff visited Rota, questions were asked about duplication with communication facilities in Morocco. The staff was reassured that both facilities were needed, with the growth of the Soviet Mediterranean fleet cited as a key reason. One year later, however in March 1970, when the staff visited communications facilities in Morocco, they were told that the comparable facilities in Spain had been taken off the air.

In conclusion, Mr. President, I strongly urge the adoption of the Mansfield amendment; namely, a 40-percent cut in land-leased U.S. troops stationed in foreign countries over the next 3 years.

Mr. President, I turn back whatever time I have remaining, so that others may speak.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I yield the Senator from Colorado such time as he may require.

Mr. DOMINICK. Mr. President, I have not spoken on this measure before, except in the process of the debate on the Trident, but I think I should.

I cannot conceive of an amendment which, at least theoretically, could do us more damage than this one if it passes, and I say that with great conviction.

We have commitments, most of which have been entered into by the Foreign Relations Committee, with a number of allies around the world.

Under this amendment as it is worded, it means that unless we have a 10-percent cutback in military forces by July 1, 1974, they are not going to get any money for those purposes at all.

I would ask the Senator from California and the Senator from Montana, what do we do about places such as the small number of people that we have in the middle of the Indian Ocean as a listening post for the Soviet navy, which is going all through the Indian Ocean? What do we do about meeting our commitments with the United Nations on our Korean situation?

Sure, we can take them down, but who is going to fill that gap? South Korea in that case, but who will fill it on Diego Garcia, in the middle of the Indian Ocean? Who will fill it in terms of what we need to fulfill our responsibility in terms of the commitments which have been made and approved by the Foreign Relations Committee in so many areas around the world?

I think we are taking a move here which is a direct reflection on whether this country is going to revert to isolationism, or whether we will be maintaining our international position in the world.

Mr. President, I vote for the latter.

Mr. TOWER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TOWER. Mr. President, who has control of the opposition time on this measure?

The PRESIDING OFFICER. The Senator from Missouri, unless he is in favor of the proposal. Then it would go to the majority leader or his designee.

Mr. TOWER. Mr. President, could the Senator from Texas inquire as to whether or not the Senator from Missouri is in favor of the amendment?

Mr. CRANSTON. Mr. President, the Senator from Missouri was in favor of the amendment this morning.

Mr. TOWER. Then the opposition time would devolve on the Senator from South Carolina?

The PRESIDING OFFICER. The Senator is correct.

Mr. TOWER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. THURMOND. Mr. President, the proposed amendment stipulates that the United States must decrease its land-based deployments overseas by 40 percent over the next 3 years. I oppose this amendment because I consider it based upon an overly hopeful assessment of recent trends in our relations with the Soviet Union and because I regard it as potentially injurious to this Nation's security interests.

The amendment seems to be based upon the premise that the level of our overseas military deployment is too high. I would challenge that particular premise by examining the supposedly excessive level of our overseas deployments. As of March 31, 1973, there was a total of 606,000 U.S. military personnel stationed outside the United States. However, sometimes improper use is made of this figure when it is asserted that there are 606,000 troops outside our territories and possessions. Rather, 42,000 of these troops are located in our territories and possessions, that is, Guam, so forth, and that, therefore, leaves a total of 564,000 troops in foreign areas. But of these, 93,000 are troops afloat, to which the amendment does not apply. Therefore, that leaves a total of 471,000 on shore in foreign countries. It must be emphasized these are not all combat forces. It seems to me that this is not an excessive number for a major power as ourselves in light of our far-ranging and widely varied interests and commitments.

Mr. President, let me add here that I firmly believe the supporters of this amendments are just as concerned for the security of our country as I am.

However, it would appear that they believe that the world has become so much safer a place of late that the United States no longer needs to maintain an adequate and credible military presence overseas. I cannot agree with this outlook. Certainly, the style of our relationship with the Soviet Union has changed in recent years—we have not had a Berlin- or Cuba-type crisis. However, that does not necessarily mean that our basic national interests are any more consonant with those of the Soviet Union than ever before, or that the Soviet military challenge has been diminished to any significant degree. To assume so would be a most perilous self-deception on our part. We still confront the Soviets at close and potentially dangerous quarters in Berlin, central Europe, and in the Mediterranean not to mention our conflicting interests in the Middle East and Asia.

So, it seems to me that it would be wise to ask for concrete proof that the world is in fact safer before we go on to act as if it were. In this regard, it does not seem that the Soviet military challenge has been reduced to any meaningful extent. I would like to give a few examples that the Soviet military challenge has, in fact, not lessened.

Soviet defense budgets have increased at a rate of approximately 3 percent yearly since 1960.

Soviet military strength has risen from 3 to 3.7 million men since 1960. At the same time, U.S. forces have fallen to 2.2 million, the lowest level since 1950.

Soviet capabilities in Europe have been improved both qualitatively and quantitatively. They have committed more divisions, tanks, rocket launchers, and cannon artillery to the central European front. In the meantime, we have lowered the number of our forces in Europe from 380,000 before the Berlin buildup to 319,000 today, which are not all combat forces.

The expanded Soviet naval forces now have a capability for sustained operations at sea and a force presence worldwide.

Soviet technology has given them a new long-range sea-launched ballistic missile, a new long-range bomber, an increasing group of ICBM's, and of late, they have achieved a successful test of MIRV capability.

It seems to me that actions like that on the part of the Soviet Union are not conducive to a real détente situation. The Soviets talk détente, but at the same time they are improving significantly their military war-making capacity. It would appear that détente with the Soviet Union could be mostly a public relations affair that may include some wishful thinking on our part. This attitude has possibly been brought on by our rejection of our Vietnam involvement and the desire to extend that rejection to all overseas involvements.

Whatever tragedies and errors were enacted in Southeast Asia, they are absolutely not a fitting foundation upon which to base an attack upon our involvements everywhere else in the world, even in those places where our national interests are obviously and basically at issue. This is most clearly true, of course, in Western Europe, and it requires emphasis here that there is no way in which the pending amendment might be executed without making large reductions in our European troop deployments. We must, therefore, stop and consider very seriously whether that is in fact the direction we wish to pursue.

Is our interest in the continued security and autonomy of Western Europe any less fundamental than ever? I assert that it remains as vital to this Nation as ever. Is it legitimate to assume that the Soviet challenge has markedly diminished in Europe? I maintain that the facts listed previously as to the uninterrupted rise in Soviet military capability point clearly to the conclusion that the Soviet challenge is as formidable as ever. Shall we, therefore, believe our selves wise to require a large-scale, unilateral reduction of our military deployments abroad? The realities of the case appear to indicate rather conclusively that we would be ill-advised indeed to engage in any such excess of self-indulgence. It is certainly self-indulgence to maintain in the face of all unpleasant realities that the world is what we want it to be rather than what the facts insist it is. Self-indulgence is a perilous foundation for a nation's foreign policy.

I do not believe that we who oppose this amendment would argue that we must retain our present level of deployment sacrosanct for all future time. However, we would argue that this is not the right time to engage in large reductions on a unilateral basis when after many years of inconclusive maneuvering, the Warsaw Pact nations have finally agreed to join in serious negotiations aimed at reducing the level of military confrontation in Europe. Should we now proceed to make such large unilateral reductions as the present amendment demands, we would effectively rob the MBFR negotiations of all meaning by giving away "for free" everything that we would otherwise agree to grant only on a mutual, reciprocal basis.

I have covered that point previously here today on a more elaborate basis.

These negotiations will take time, of course. It would be foolishly unrealistic not to expect that since they deal with affairs that are sensitive and vitally important to all the parties involved, they will also be very complicated negotiations, far more than even the strategic arms talks were. But if we wish to bring about any real reduction in the Soviet challenge on the continent, we can only do so by bargaining something in return. Not only would the present proposal amount to giving away our bargaining counters for nothing; it would amount to an increase in the Soviets' military power relative to a weakened NATO.

So I believe that we here must consider very carefully whether we may wisely assume that the Soviet Union's military power relative to the Western World has lessened; whether we are in fact ready to scuttle MBFR before it even begins by giving away our concessions before we start; and finally, whether in the light of these considerations the present proposal is a realistic and responsible one that this Senate ought to endorse. I do not believe the pending amendment is in our best interest, and I urge its rejection.

Mr. DOMINICK. Mr. President, will the Senator yield for some questions?

Mr. THURMOND. Mr. President, I am very pleased to yield to the able and distinguished Senator from Colorado.

Mr. DOMINICK. As I read this amendment, it would apply to all military forces. Therefore, I presume it would also attach to military attachés in the embassies. What in the world are we going to do about that? If you have one military attaché, how are you going to cut him 10 percent by July 1?

Mr. THURMOND. Of course, the Senator has propounded a question that would have to be determined at a later date. Perhaps a fraction could be figured out in one place with a fraction in another place, and possibly a decision could be reached on that basis.

Mr. MANSFIELD. Mr. President, will the Senator yield, so that the Senate can turn to the practical from the ridiculous?

Mr. DOMINICK. I will be happy to turn to the practical from the ridiculous.

Mr. MANSFIELD. The discretion is up to the President, and I cannot see the President cutting 1 man in 10 just to achieve a 10-percent reduction without concern of their theater of operation.

Mr. DOMINICK. I cannot, either, but that is what the wording of the amendment says.

I have another question for the Senator from South Carolina. Is it not true that the Armed Services Committee has already cut the manpower level by 7 percent and over the period of the last 2 years has cut it by more than a million people?

Mr. THURMOND. That is correct. And this year alone, the Armed Services Committee reduced the personnel by 156,000 in addition. At a cost of $10,000 each, that would amount to more than $1.5 billion in personnel, if it should stand, in addition to the other amounts in the procurement bill. The amount in the procurement bill requested by the Defense Department was $22 billion, and the Armed Services Committee reported a bill in the amount of $20.5 billion. That is a reduction of $1.5 billion, making a total reduction in weapons and personnel of approximately $3 billion.

Mr. DOMINICK. The only reason I brought up the question is that it seems to me that the Armed Services Committee has been taking cognizance of the fact that a great deal of our economic strength, in terms of weaponry, goes into manpower; that we have been reducing manpower on an orderly basis, and we have every intention of continuing to do so where it is possible.

Mr. THURMOND. The distinguished Senator is correct. It has been reduced. It has been reduced in an orderly manner.

As I stated a few moments ago, we have reduced our forces to approximately 2.2 million men, and the Soviet military strength has risen from 3 million to 3.7 million men. That shows how the Soviets have been going up while we have been going down.

It seems unrealistic to make any further reduction at this particular time. We are on the eve of the mutual reduction talks, and for us to make a reduction now would provide no incentive to the Soviets to bring about a mutual reduction when these talks take place.

THE CHIEF OF NAVAL OPERATIONS AND THE SOVIET AGENTS

Mr. SYMINGTON. Mr. President, I appreciate the typical courtesy of the Senator from South Carolina.

Mr. President, I ask unanimous consent that the short telegram I will now read may appear in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, this is the telegram, dated today, which I have sent to Admiral Zumwalt:

Adm. ELMO R. ZUMWALT, Jr.,
Chief of Naval Operations, The Pentagon, Washington, D.C.:

Based on what we know here, if your evaluation of the Soviet threat on Capitol Hill is comparable to your evaluation of that same threat as justification for acceleration of the Trident, this can only be another reason for opposing that acceleration.

In any case, prior to the vote tomorrow at 11:00 a.m., please supply the names of the Soviet "agents" to which you refer and also the names of the Senators they visited.

STUART SYMINGTON.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I yield such time as he may require to the distinguished Senator from Massachusetts.

Mr. BROOKE. I thank the distinguished Senator from South Carolina.

Mr. President, this morning the Senate voted favorably, for the first time, to require a unilateral and extensive decrease in the number of U.S. forces deployed overseas. To some, this vote represented a justified attempt to lower the military profile of the United States overseas. To me, however, it was an indication that the weariness in this country concerning international involvement is now threatening to change our need for a period of self-evaluation into a more prolonged and dangerous slide into unilateral abrogation of world responsibilities.

The decision the Senate made this morning, if it is confirmed by a positive vote on the pending Cranston amendment, would be unfortunate in several ways:

First. It would be an indication of extreme myopia on the part of the Senate regarding the bargaining dynamics of superpower negotiations. Unilateral initiatives such as the ones suggested here, coming at a time when our superpower adversary is both increasing and modernizing its military capabilities, is a peculiar way to effect desired mutual agreements with the Soviet Union.

Second. The precipitate reductions here contemplated would increase the possibilities that the Soviet Union may begin to put added pressures on certain areas of vital concern to the United States. One need only look at Soviet interest in the Persian Gulf area and the geopolitical and psychological implications of an increased Soviet ability to pressure Iran and Turkey, to understand, in general terms, some of the potential negative effects of the pending amendment.

Third. The Western negotiating position in such forums as the Conference on Security and Cooperation in Europe will be eroded by the contemplated initiative. If it becomes apparent that the West's position there is not buttressed by a strong and durable Atlantic Alliance—and make no mistake of the fact that the amendment, if passed, can do nothing but weaken our ties with Europe—our call for greater freedom of exchange of peoples and ideas between East and West will be "sound and fury signifying nothing" to the Soviet Union.

Fourth. Political integration in Europe is at a delicate phase in its history. This unilateral initiative to reduce U.S. troops overseas and its implications would tend to thwart West European unification and to cause each of the separate West European countries to make individual accommodations to the changed realities. The likely accommodations would not be in the best interests of the United States.

Fifth. Whether we like it or not, the United States is the only country in the free world capable of exerting leadership on a par with the Soviet Union. Through the present amendment, we would be abrogating unilaterally our leadership responsibility. I can only marvel at reasoning that believes some semblance of world peace would be achieved through our doing so.

I have focused here on some of the implications for Europe of this initiative. Many more arguments could be made against it in reference to its potentially disastrous consequences for U.S. interests. Time does not permit me to do so. I believe my colleagues are well aware of the fact that the reductions contemplated by the present amendment would necessitate an almost total reduction of our troops "on the ground" in parts of the world other than Europe if extensive unilateral cuts were to be avoided in the latter area. It does not take much imagination to comprehend what that would mean regarding U.S. ability to influence developments in the world.

In closing, I entreat my colleagues to think carefully about the debilitating possibilities that would face this country and our allies if this initiative was passed. As they do so, I firmly believe that they will vote to defeat this initiative.

Mr. THURMOND. Mr. President, I yield such time as he may require to the distinguished Senator from New York (Mr. JAVITS).

Mr. JAVITS. Mr. President, I suppose this is an issue which divides people not along ideological grounds but because of very profound views as to the outlook for the security of our Nation and the world.

I am fully cognizant of the long and tortured road to conference and signature by the President, and so forth, which this amendment, if it is adopted, must go through. However, I deeply believe that adoption by the Senate of this amendment is an adverse development in terms of our country's and the world's security. Thus, notwithstanding my enormous affection and regard for both authors of the amendment, I must oppose it.

Mr. President, in speaking before the Senate, I would like to testify as a witness, because in this regard I do claim that status. For 2 years, I have presided over a committee called the Committee of Nine, established by the North Atlantic Assembly to review the future of the Atlantic Alliance. This committee has had enormous research capability.

It numbers and has numbered among its members former Secretary General Brosio, the former president of the Common Market, Lester Pearson, who was one of the most eminent leaders for peace in the world before he died and Max van der Stoel who was just appointed Prime Minister to the Netherlands. It is a very distinguished group, indeed.

I think I have a good view of the situation in Europe. I would like to report that to the Senate because I think it bears very importantly on the adoption of this amendment by the Senate.

This amendment would be a signal to Europe, no matter how we slice it. That is the way they would look at it. We lawyers have a saying that it is not what the facts are, it is what the judge thinks they are. Europe is looking at the Senate, which confirms nominees for high diplomatic posts and voted recently on the confirmation of Dr. Henry Kissinger. They understand it well. They understand that the Senate ratifies treaties, such as the arms treaty. They understand that it is the body concerned with foreign policy.

They will look upon the adoption of this measure as a declaration of policy by the Senate, which to them is a most important body related to Europe and the alliance. They will regard our action as directly aimed at our status in the alliance in Europe, because it is easy to determine that cuts will take place in Europe because the United States will not take all troops out of every place in the world to leave Europe intact.

This is going to fall very heavily on Europe. I have tried to specify that in statements to the press today by saying this move is heavily dictated by the desire for a conference on force reductions rather than any shakiness respecting the European relationship in terms of security. I feel that, Mr. President. But I would be less than honest with the Senate if I did not tell you that I do not know whether Europeans will feel that way.

I rather doubt they will. My experience with them induces me to believe they will take it as a direct move to lessen our commitment to the security of Europe in terms of its being the threshold and border of the United States.

What are the consequences of that? It may as many think, result in Europeans filling in with more troops, more preparations, more alarm, a greater alertness respecting NATO. However, there may be a drawdown by Europe and a new leaning toward the Soviet Union. In that connection, regarding the Pakistan-India affair, there was one phrase that was used: A tilt toward Pakistan. That is what may happen in Europe. They will take this as a signal that if the United States is going to begin to lessen its commitment and pull out, then it is time for everyone to take steps to accommodate to the other overwhelming world power.

That is only human, and I believe it could be very much in the cards as far as Europe is concerned. We do not know that this will happen but if this amendment is adopted we certainly increase the risk that it may happen. We are all very anxious to avoid any nuclear confrontation. There is already grave doubt in Europe whether any defense of Europe is possible with the use of tactical nuclear weapons. It is a very critical discussion in Europe. It is only brought nearer by shaking their confidence in the American commitment. Inevitably that is what we would be doing.

Mr. President, again I point out that there is the danger, the real danger, that Europe will seek some type of accommodation with the Soviet Union which could greatly affect the security and freedom in the whole world.

The second part of that issue is that it brings us much closer to the nuclear threshold. It is a matter of most profound importance. The Mansfield amendment has been discussed in Europe for several years. I am constantly asked: Will it carry? Is this the sentiment of the Senate? I do not believe it is.

My remarks are addressed to certain Senators who may have voted for the Mansfield amendment. I cannot hope to influence those who disagree with me about European security and its essentiality to our country, or which way the Europeans are likely to move in the event there is a feeling we will pull out of the nuclear weapons issue. But I hope very much to have some influence in these remarks with Senators who may have been voting this way as an economy move.

The PRESIDING OFFICER. All time of the minority has expired.

Mr. TOWER. Mr. President, will the Senator from California yield? Our time has expired.

Mr. CRANSTON. I yield 1 minute.

Mr. JAVITS. It is my feeling that those Senators who may be voting for this because they know we have to cut down on troop strength and who might think this is an effective way to do it because it affects forces overseas, I appeal to them to think three or four times with respect to what I consider to be the ultimate consequences of this highly dangerous and very prejudicial move.

I thank the Senator from California and the Senator from South Carolina for yielding.

Mr. MANSFIELD. Mr. President, I yield myself 5 minutes with the approval of the Senator from California.

Mr. CRANSTON. I yield.

Mr. MANSFIELD. Mr. President, there has been a lot of emotion dredged up in defending the interests of Europeans and a lot of sympathy expressed for them. In my opinion, too little has been expressed for our own people. It is not so much a sentiment in the Congress, as the Senator from New York indicated, it is the sentiment of the American people.

May I point out that just as the admirals were roaming the corridors this morning, so have the Secretaries of Defense been over here this afternoon; and I also understand that General Goodpaster, the American Supreme Commander of NATO forces, and others, have been calling up Senators and urging them to overturn the action which the Senate undertook this morning. They may well be successful, but the Senate by a vote of 49 to 46 this morning expressed its opinion. I would point out that as far as the upcoming situation is concerned, normally when an amendment is offered and an amendment to that amendment is agreed to, it is a pro forma proceeding to accept the amended amendment, the Cranston amendment in this instance.

I would point out the fact that the 40-percent cut means only 190,000 of those who are overseas. Of these 160,000 to 165,000 can easily come out of Asia and other areas. Of course, we would not disturb the military, the defense attachés, in their jobs, because in some places, even though they are pretty overpopulated I think we could stand that sort of overabundance. But that would mean only 25,000 would come out of Europe the last of the 3 years, and none before that time.

The Senate Armed Services Committee recommends, in the committee report before us, that 14,000 are certainly eligible for a cut in Europe this year. Thus, only 11,000 would be cut from Europe in addition over the next 3 years.

So what we are up against is a power play. Either Senators will stand up and assert their independent judgment or they will not, and what each Senator does will, of course, be his own responsibility. But I recall serving in this body with a great Senator, one of the great conservative Senators, one of the truly great conservative Senators I have ever known, a man who could always, despite his intense and deep convictions, see the other side of the coin. I read what he said:

> The key to all the problems before this Congress lies in the size of our military budget—

Almost 60 percent of the defense budget is in manpower costs—

> That determines the taxes to be levied. It is likely to determine whether we can maintain a reasonably free system and the value of our dollar or whether we are going to be weakened by inflation and choked by government controls which inevitably tend to become more arbitrary and unreasonable. . .

Those words were uttered by Senator Robert Taft on January 5, 1951.

Mr. President, the amendment remains neutral on the question of demobilization of the personnel returned. It is my belief that the pressures to maintain a standing army in peacetime through volunteers will significantly shrink the overall size of the military force levels. In this respect this amendment would complement that forecast and complement as well the unanimous-consent action by the Senate Armed Services Committee which recommends an overall force level reduction of 156,000 by June 30, 1974.

The enactment of this amendment would be totally consistent with the Nixon doctrine of worldwide presence manifested by other than land forces on foreign soil.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MANSFIELD. May I have 2 minutes?

Mr. CRANSTON. I yield 2 minutes to the Senator from Montana.

Mr. MANSFIELD. Not since the days of the British Empire—or probably more truly, the Roman Empire—have so many been required to "maintain the peace" away from our shores. Many of our post-World War II military postures and weapons procurements, and those of the Soviet Union as well, have been imitative or mirrored responses to each other. When one superpower develops a missile, the other responds in kind.

The presence on foreign soil of so many U.S. military presumes a policy that heavily favors the military option. In fact, it is my belief that the commitment and level of U.S. forces abroad has determined our foreign policy, rather than our policy determining the level of U.S. forces abroad.

It is almost beyond belief to most Americans that our country maintains over 2,000 bases and installations on foreign soil; that the Defense Department employs directly or indirectly approximately 173,000 foreign nationals—not to mention 73,000 U.S. nationals—at these bases and the installations to support these U.S. forces abroad; that over 314,000 dependents are stationed overseas with these military forces. Disbelief turns to dismay when announcements are made that bases and installations are to be closed in the United States—and we have been served notice to that effect—and persons put out of work all in the interest of economy. Economy is a desirable goal, but it should apply to expenditures abroad as well as expenditures at home.

I thank the Senator for yielding.

UNILATERAL TROOP REDUCTION

Mr. DOLE. Mr. President, anyone who has ever engaged in negotiations of any sort knows that you cannot yield your own position in advance and then expect the other side to make any important concessions voluntarily. Yet that is exactly the mistake that the Senate will be making if it attempts to force a unilateral withdrawal of American troops from Europe in advance of any mutual force reduction agreement with the Soviet bloc.

You cannot play poker if you toss all of your chips into the other player's lap before the game has started.

It is not a question of numbers so much as impact. Ten thousand troops for instance, are, in the abstract, a small number. But the impact of their withdrawal, and the chain reaction it would set in motion with both our allies and our adversaries would be immense.

Our allies have been repeatedly assured that the United States intends to stand by its NATO Treaty commitments. A unilateral reduction now would seriously injure our credibility at a time when we cannot afford such injury. It would seem to our European friends to confirm all of the alarmist stories about American neoisolationism they hear so frequently. It would convince them that, after the first small troop withdrawal, others would inevitably follow and that America was "phasing out" of NATO.

That could mean only one thing. The crippling of NATO and the fragmentation of the western alliance that has kept America at peace in Europe for over a generation.

From a short-term military point of view, any cut in American troop strength would also weaken NATO's conventional deterrent. This would mean that, in the event of a confrontation, the West would have no alternative to the deadly gamble of nuclear brinkmanship. In the meantime, western Europeans frightened by this prospect, or unconvinced of the credibility of our commitment to meet aggression with nuclear force if necessary, would be sorely tempted to make separate deals with the Soviet bloc. Western unity would be finished.

Make no mistake. This debate is being closely followed by leaders in Moscow and every free capital of Europe. Whatever the confusion about the issue at home, there is no doubt in their minds about what is at stake.

If we act unilaterally now to cut back American troops, the Soviets can only draw one conclusion—America is not interested in a mutual lessening of tensions or a mutual reduction of forces in Europe; America is only interested in lowering its own profile without regard to the consequences.

Every Member of the Senate who is committed to lasting stability in Europe and stronger incentives for peaceful cooperation between the Free World and the Soviet bloc should oppose any measure that would undercut that commitment. And any measure taken by us now that would force a one-sided pullback of American troops falls into this category.

Our allies spent almost $25 billion on defense in fiscal year 1972. The maintenance of United States forces in Europe costs about $3 billion annually. Our allies, by comparison, have recently agreed to spend more than that amount per year on new equipment alone.

The peacetime active military strength of our NATO allies is slightly more than 3 million men. Our total United States military forces are about 2.3 million of which only about 300,000 are serving in Europe.

No one enjoys the idea of stationing a large number of Americans in Europe and paying the bills involved, although this cost represents only 5 percent of U.S. purchases abroad. When you look at the facts you have to realize that, at this time, the alternative is worse.

The way to reduce tensions in Europe and eventually lighten the defense burdens of America, our allies and the Soviet Union is to reach a durable agreement on mutual force reductions.

Mr. CRANSTON. Mr. President, I yield back the time under my control.

Mr. THURMOND. Mr. President, my time is yielded back.

CALL OF THE ROLL

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. GURNEY. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The assistant legislative clerk resumed the call of the roll, and the following Senators answered to their names:

[No. 420 Leg.]

Abourezk
Aiken
Allen
Bartlett
Bennett
Bible
Biden
Byrd, Robert C.
Cannon
Clark
Cranston
Curtis
Dominick
Goldwater
Griffin
Gurney
Hartke
Hathaway
Hruska
Huddleston
Hughes
Humphrey
Jackson
Johnston
Kennedy
Mansfield
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Proxmire
Schweiker
Scott, William L.
Stennis
Stevenson
Symington
Thurmond
Tower

The PRESIDING OFFICER. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Baker
Bayh
Beall
Bellmon
Bentsen
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Case
Chiles
Church
Cook
Cotton
Dole
Domenici
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Gravel
Hansen
Hart
Haskell
Hatfield
Helms
Hollings
Inouye
Javits
Long
Magnuson
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Packwood
Pell
Percy
Randolph
Ribicoff
Roth
Scott, Hugh
Sparkman
Stafford
Stevens
Talmadge
Tunney
Williams
Young

The PRESIDING OFFICER. A quorum is present.

The question occurs on the amendment of the Senator from California, as amended. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. PACKWOOD. On this vote I have a live pair with the Senator from Ohio (Mr. SAXBE). If he were at liberty to vote, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that the Senator from Connecticut (Mr. WEICKER) is detained on official business.

I further announce that the pair of the Senator from Ohio (Mr. SAXBE) has been previously announced.

If present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 44, nays 51, as follows:

[No. 421 Leg.]

YEAS—44

Abourezk
Bayh
Bible
Biden
Burdick
Byrd, Robert C.
Chiles
Church
Clark
Cranston
Eagleton
Fulbright
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Inouye
Long
Mansfield
McClellan
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, William L.
Symington
Talmadge
Tunney
Williams

NAYS—51

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Brock
Brooke
Buckley
Byrd, Harry F., Jr.
Cannon
Case
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hruska
Humphrey
Jackson
Javits
Johnston
Kennedy
Magnuson
Mathias
McClure
McGee
Nunn
Percy
Roth
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Thurmond
Tower
Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Packwood, for.

NOT VOTING—4

Pearson
Saxbe
Taft
Weicker

So Mr. CRANSTON's amendment was rejected.

Mr. THURMOND. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SAM-D—CRUCIAL MISSILE DEVELOPMENT

Mr. McINTYRE. Mr. President, as I stated yesterday, the Senate later this week will be debating an amendment to delete the funds recommended by the Armed Services Committee for the SAM-D missile system.

The Research and Development Subcommittee of the Senate Armed Services Committee, which I chair, has spent many hours in a thorough review of all aspects of SAM-D. Our subcommittee has unanimously concluded that SAM-D is the only air defense weapon that can offer our forces the protection necessary to maintain their combat effectiveness.

The SAM-D concept and much of its hardware have been rigorously proved through an advanced development program to insure a minimum risk effort.

The reduced maintenance and manpower requirements and increased rate of firepower, even with fewer units, make SAM-D the cheapest solution to the air-defense threat to our troops. It is vital to our future success on the battlefield.

I want my colleagues to be aware of an excellent article on SAM-D in the June 1973 issue of Army magazine. Mr. President, I ask that this article by Eugene Fox, "Sam-D—Air Defense for the 1980's," be included in the Record at this time.

There being no objection, the article was ordered to be printed in the Record, as follows:

SAM-D—AIR DEFENSE FOR THE 1980's

The Army sees the SAM-D air-defense system as its most crucial missile development, designed for cover from the attacks of sophisticated air forces which could turn the tide of battle in the first few, critical days.

The nature of conventional warfare today is highly dependent on control of the air space over the battle area. Air-space control will permit the tactical movement of troops and equipment on the ground and will enable decisive engagements to be fought at a time and place of our choosing. Air defense, not critical in Korea and Vietnam, could be the most crucial element in achieving this goal in a war against a nation with a capable air force.

Today's air threat to U.S. forces consists of large numbers of high-performance aircraft in the hands of potential enemies, their satellites and their client states. These aircraft are improving their means of suppressing defensive measures, and this threatens to neutralize our air-defense units now in the field. We must have an air-defense system that can inflict heavy losses in the face of highly refined electronic countermeasures (ECM), tactical formations and tactical maneuvers.

The late hostilities in Southeast Asia are not typical of conditions faced by a field army. The density of targets was quite small compared to our previous experiences. Historically, each air combat sortie had killed at least one tactical target in a battle of field armies. Thus, in light of what we know, the effectiveness of air defense can mean the difference between a successful operation and a swift defeat.

Today there are five systems in our family of ground-based air defense. The Nike-Hercules has high altitude and long range. The improved Hawk has low-to-medium altitude and intermediate range. The Chaparral missile and the Vulcan automatic gun provide short-range, low-altitude coverage at key locations. Finally, the Redeye man-portable system provides self-defense for individual combat units. Together they are a composite air-defense group of weapons which complement each other in establishing the protection necessary for our field forces.

We must measure the capabilities of our current air-defense weapons under realistic conditions in which the attacking aircraft use all available techniques to defeat our defenses. This must be done, of course, by 1980.

The Nike-Hercules and Hawk were built with the technology of the 1950s. They have been improved through the years and are still useful and capable weapons. By 1980, however, they will be very old and maintenance costs will be extremely high. Their ability to operate when the enemy's defensive measures are highly refined will be severely hampered. Essentially, the enemy will make these systems electronically "sightless" by using a wide range of electronic countermeasures and tactical maneuvers.

Even were these systems to be further improved, there are four critical requirements which cannot be met at reasonable cost and constant strengths: increased rate of firepower; increased effectiveness and ability to survive under hostile conditions; improved combat readiness and ability to operate in the field; and reduced cost of ownership.

The SAM-D system is being developed to meet these needs and will have few major pieces of equipment when compared to its predecessors.

Under the direction of the weapon control computer, the phased-array radar (PAR) will simultaneously perform all acquisition, tracking and missile guidance functions against many different targets, replacing ten radars now employed with Nike-Hercules and improved Hawk.

The weapons-control unit will have a digital computer which automatically controls many launchers, the radar and the missiles in flight. It will house the necessary operator displays and controls while a separate vehicle will furnish power for both radar and weapons-control functions.

The launcher will transport four missiles in sealed canisters and will erect and fire them under automatic control of the system computer. There will be many launchers with each fire section.

The missile will be supersonic and very maneuverable with a high-explosive warhead and command and semiactive homing guidance that is highly immune to electronic countermeasures. Its range and altitude will allow any known aircraft to be intercepted.

A grouping of the radar, weapons-control unit, launchers and a power unit is called a fire section—the smallest SAM-D configuration that can provide air defense. The computer software schedules and commands the phased-array radar and, combined with the radar, in fractions of a second steers the beams electronically to various points in space. Thus, all necessary radar functions will be performed nearly simultaneously and many sequences of engagements, from target search to warhead detonation, will occur at the same time.

A typical sequence of engagements for SAM-D might begin with the system's radar searching in an assigned area. A potential target entering the area would be quickly checked to assure that it was a valid target and a hostile one. When these conditions are met and the target entered the engagement zone, a missile would be launched to a predicted intercept point. The tracking, through missile guidance within the missile, provides vital engagement data to the computer. Missile guidance commands are determined by the computer, using information received through the radar from both missile and target. The warhead inside the missile is detonated at the precise moment to insure highest lethality and target kill.

SAM-D is just completing the first year of a five-year, full scale development program. In early 1972, an advanced development period of 4½ years ended successfully and met all objectives. Hundreds of tracking tests were performed against controlled aircraft and targets of opportunity. Dozens of demonstrations and simulations of a unique track-via-missile (TVM) guidance system were conducted. Eight missile flight tests were flown. The risk in entering the full scale development effort was minimized. During advanced development, a weapons-control computer, a control console with visual display and a multifunction phased-array radar were built. This equipment is now being modified for use in the initial testing phases of the full scale development program to be conducted at White Sands Missile Range in New Mexico.

SAM-D will outperform today's systems: it will have four times the capability of our current systems against the expected ECM threat. In addition, the same SAM-D design will maintain an effective defense capability under conditions up to six times this threat. The phased-array radar allows a substantial increase in the number of engagements at any given time, and contributes to a better defense by using fewer fire units.

Can SAM-D survive on the battlefield? Yes, SAM-D will survive and continue to perform its mission. SAM-D has several unique means of reducing vulnerability: It will have a less distinctive battlefield signature, because a small number of equipment elements will make it very difficult to find from the ground or air; the system can be moved rapidly and the remote location of its launchers will not reveal the site of other system equipment; SAM-D's high rate of fire and its ability to operate under heavy attack will allow it to inflict severe casualties on an enemy. The non-rotating radar antenna will be easily camouflaged. Electronic scanning, in contrast to mechanical scanning, permits use of operating techniques that will reduce the effectiveness of existing anti-radiation missiles (ARM). This particular matter is being intensively investigated to insure that SAM-D will make the maximum use of its system capabilities. The unique track-via-missile (TVM) guidance system will reduce miss distances and increase kill probability.

SAM-D is an expensive program. Although it is the most costly of the Army's tactical weapon systems now being developed, it will result in significant savings in manpower and operations. Current planning for SAM-D deployment will reduce air-defense manpower requirements by almost 50 percent and so save in personnel costs which have risen dramatically in the last few years. In addition, the annual operating costs of SAM-D will be less than 70 percent of the Nike-Hercules and the improved Hawk replaced.

The electronic advances worked into each of our long-range air-defense systems tell us what one might expect from system operation based on technology alone. The vacuum tubes of the 1950s (Nike-Hercules technology) were replaced by the transistors of the 1960s (improved Hawk technology), resulting in a conspicuous increase in electronic component reliability. Now the advanced integrated circuits of the 1970s further increase reliability. SAM-D will be essentially an integrated-circuit system. Any fielded air-defense weapon must have a high percentage of "on the air" time. We must pay the maintenance and manning costs required to keep the older technology systems "on the air" until SAM-D is deployed.

Controlling costs is of paramount concern. Today SAM-D is meeting its cost objectives and this knowledge engenders confidence that future goals will be met.

The Department of Defense requires a strict cost management system. The full scale development contracts include incentives for outstanding performance and severe penalties for failure to meet cost goals. Two special features of the SAM-D management system are the Requirements Control Board (RCB) and the Systems Engineering Cost Reduction Assistance Contractor (SECRAC).

The Requirements Control Board was established to insure austerity: It reviews requirements that influence cost and determines at the senior levels of the Army what alterations can be made to keep costs low. This board includes two assistant secretaries of the Army, along with several senior general officers and the SAM–D project manager. The SECRAC checks the prime contractor's operation from a system viewpoint and assures the cheapest solution. As an independent contractor, SECRAC has stimulated more healthy cost reductions by the prime contractor. Special areas for investigation are selected by the Army and independently by the SECRAC contractor.

No discussion of the SAM–D program would be complete without a brief examination of the issues which directly concern its continued development. The Congress has looked, is looking and will continue to look at SAM–D very carefully. Cost is a major issue. The total program will run about $4.5 billion, so the management controls previously described are of considerable interest to anyone who examines the program.

The need for SAM–D is also questioned, but the need is not complex. So long as our country intends to maintain forces that must win if committed to combat, there must be adequate air-defense protection. The air-defense organization must integrate with the rest of the force structure to permit the greatest flexibility in offensive and defensive operations. The force commander must not be limited in his options due to lack of air defense. SAM–D is needed because it is the only system that will be able to defeat the threat of the 1980s; the other systems will have become obsolete and SAM–D is the most cost-effective solution to the air-defense threat.

The survivability of SAM–D is also a major consideration. We have already mentioned the threat that includes antiradiation missiles. SAM–D is being built from the ground up to live on the battlefield of the future. It is being designed to be able to inflict such prohibitive losses on the enemy that any future adversary would be discouraged from attacking. No known system can be built to withstand defeat, but the price for defeating SAM–D will be extremely high—higher than an enemy should be willing to pay.

SAM–D is the only air-defense weapon that can offer our forces the protection necessary to maintain their combat effectiveness. The SAM–D concept and much of its hardware have been rigorously proved through an advanced development program to insure a minimum-risk effort. The reduced maintenance and manpower requirements and increased rate of firepower, even with fewer units, make SAM–D the cheapest solution to the air-defense threat. The reduced manpower needs are particularly significant in view of the volunteer Army and the higher costs of personnel. SAM–D is a major part of the modernization program for equipping the Army. It is vital to our future success on the battlefield.

CATEGORICAL CEILING AMENDMENT, NO. 532

Mr. McGOVERN. Mr. President, my amendment No. 532 to H.R. 8286, the military procurement bill, will be considered in the Senate tomorrow.

I have prepared a memorandum which describes the impact of the amendment in some detail, and I ask unanimous consent that that document, along with the text of the amendment, be printed in the Record at this point.

There being no objection, the material and amendment were ordered to be printed in the Record, as follows:

McGovern Categorical Ceiling Amendment

(Brief Explanation of Amendment No. 532)

While it does not set overall spending ceilings, amendment number 532 does set dollar or number ceilings in four specific categories covered by H.R. 9286—procurement, research and development, active duty military manpower, and civilian manpower. It does not cut specific programs within those areas. It also provides that any further military aid to Indochina should be funded through the Foreign Military Sales and Assistance Act, already approved by the Senate, rather than through Pentagon appropriations.

OVERALL IMPACT

Amendment number 532 would leave a total fiscal 1974 program of $77.8 billion for DOD's military and military assistance operations, compared to the Administration's proposed $85.2 billion. However, it is important to note that appropriations for military procurement and research and development are typically made well ahead of actual spending. For example, only about 15 per cent of the procurement money requested for appropriations in 1974 would actually be spent in the fiscal year. Therefore, the major savings under amendment number 532 would not accrue until fiscal 1975 or later, and the total impact would probably be spread over several years.

So the purpose of the amendment is not so much to address this year's Pentagon spending program, as it is to forestall dramatic increases in future years. The Brookings Institution document, Setting National Priorities: The 1974 Budget, projects that the current Pentagon request will mean spending at an annual rate of $104 billion by 1978. The large gap in the Administration's program between estimated 1974 outlays ($79.0 billion) and requested appropriations ($85.2 billion) is another indication that costs will escalate sharply unless reasonable ceilings are established now.

SPECIFIC PROVISIONS

(1) The amendment would authorize $9,895,235,000 in new appropriations for military procurement, compared to the Administration's request of $13,200,000 and the Committee's recommendation of $12,388,235,000.

However, since it is a limit on new appropriations, not on spending, the spending impact of the amendment is best measured by weighing it against total appropriations, including funds from prior years, which have not yet been spent. As of June 30, 1973, DOD had $25.941 billion in unexpended procurement funds ($19.970 billion obligated, $6.151 billion unobligated). Adding this year's Committee figure, total procurement money would be $38.329 billion, from which the amendment cuts $2.493 billion, or about 6.5 per cent.

(2) The amendment proposes appropriations of $6,964,033,000 for research, development, test, and evaluation. The Administration's request was $8,557,900,000, and the Committee figure is $8,059,733,000.

As of June 30, 1973, DOD had $4.462 billion in unexpended R. D. T. and E. funds ($4.104 billion obligated, $0.358 billion unobligated) from appropriations in prior years. The total with the Committee figure included is $12.521 billion, from which the amendment cuts $1.096 billion, or about 8.7 per cent.

(3) The amendment would make a slight additional cut in active duty military manpower, beyond the Committee reduction. The manpower ceiling at the end of fiscal 1974 would be 2,066,902, down 9,900 from the Committee figure and 166,000 from the Administration request. Reductions should come from excessive support forces and from among the 600,000 U.S. forces stationed abroad or at sea.

(4) The amendment calls for a ten per cent reduction in the Pentagon's civilian bureaucracy, leaving a year-end ceiling of 911,700 direct-hire civilians, compared to the Administration's recommendation of 1,013,000. Active duty manpower has been reduced by nearly 37 per cent since the 1968 Vietnam peak; civilian manpower has been reduced only 21 per cent, and there is actually a slight increase planned for fiscal 1974. The amendment would make the cuts more nearly proportional.

(5) The proposed $952 million in Pentagon-funded aid to Indochina would be eliminated, in line with language in S. 1443, the Foreign Military Sales and Assistance Act, which already authorizes military aid to Vietnam, Laos and Cambodia to whatever amounts are appropriated by the Congress. That bill, which has already passed the Senate, also provides that no military aid shall be given to South Vietnam or Laos, "unless . . . such assistance is furnished under this Act."

AMENDMENT NO. 532

At the end of title I add a new section as follows:

"Sec. 102. Notwithstanding any other provision of this Act, the sum which may be appropriated in the fiscal year 1974 for the use of the Armed Forces of the United States for procurement under this title shall not exceed a total amount of $9,895,235,000."

At the end of title II add a new section as follows:

"Sec. 202. Notwithstanding any other provision of this Act, the sum which may be appropriated in the fiscal year 1974 for the use of the Armed Forces of the United States for research, development, test, and evaluation under this title shall not exceed a total amount of $6,964,033,000."

On page 20, in line five, strike the figure "156,100," and insert in lieu thereof the figure "166,000".

On page 20, after line 17, insert a new subsection as follows:

"(c) The end year strength for direct-hire civilian personnel employed by the Armed Forces of the United States or by agencies of the Department of Defense shall not exceed 911,700".

On page 27, in line 1, strike out the words, "Not to exceed $952,000,000," and insert in lieu thereof the word "None".

AMENDMENT NO. 501

The PRESIDING OFFICER (Mr. Huddleston). The Senate will now proceed to the consideration of an amendment by the Senator from Indiana (Mr. Hartke), No. 501, on which there will be 1 hour of debate.

Mr. HARTKE. Mr. President, I call up my amendment No. 501 and ask that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the Record.

The text of the amendment is as follows:

On page 20, line 9, immediately after "shall be" insert the following: "(1) made first from members of such department who were involuntarily inducted into the Armed Forces under the Military Selective Service Act (or prior comparable legislation) and have not subsequently reenlisted, and (2)".

Mr. HARTKE. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. HARTKE. Mr. President, the Congress is taking an initial step which should receive the approval of all Americans. A provision of the defense authorization bill reduces the size of our military strength by 156,100 by June 30, 1974. I congratulate the Committee on Armed Services for its work in this area.

A reduction in the overall strength of the Armed Forces will not hinder a strong defense policy for the United States. The military forces should be strong in this time of peace, but strength need not be synonymous with numbers of men and women in uniform.

Mr. President, my amendment requires the armed services to give priority in the reduction of their ranks to those individuals who were involuntarily conscripted. This Nation has seen fit to innovate in the areas of military manpower by organizing an All-Voluntary Army. Although opposing arguments for a Voluntary Armed Forces still ring in the halls of the Pentagon, the armed services must take every initiative to generate its continued success.

The Armed Forces have involuntarily inducted 144,242 individuals since January of 1971. Because of the temporary nature of their attachment to the Armed Forces, these individuals fill the least desirable positions within the services.

Let us continue to have a strong defensive posture, but let us achieve that posture with efficiency and management in the utilization of military personnel. Although the pending amendment is directed to personnel management at the lower echelons of the service, a word of caution should be directed to the higher echelons. The alarming quantity of higher grade officers must be closely examined by the Committee on Armed Services during the 93d Congress to determine whether an airplane will only fly under the control of a colonel, and a tank can only be directed by a general.

I urge my colleagues to support this amendment, and remove draftees from the military services at the earliest possible date. This is a first step in personnel management.

My amendment pertains to those members who were involuntarily conscripted into the Armed Forces against their free choice. It does not include those initially drafted, but who then volunteered for active service in order to receive special privileges.

Under my amendment, the reduction of the 156,100 men required by the Department of Defense Appropriations Authorization Act now before us, will be apportioned among the four major services. If, for example, the Secretary of Defense apportions to the Army a reduction of 80,000, the first individuals who should be released are those who are in the service against their will by virtue of the draft. Figures are not available from the Department of Defense on the number of draftees on active duty presently, but an arbitrary figure of 50,000 may accurately indicate present Army draftee manpower personnel. This reflects the 49,514 drafted during 1972, 646 drafted in 1973, minus a percentage of those who volunteered after being inducted, plus a limited number who may still be on active duty who were drafted in 1971. Using this assumption, of the 80,000 personnel to be reduced from the Army in my example, the first 50,000 would be those involuntarily conscripted.

The return to civilian life of the 50,000 draftees does not relieve us of our responsibility for their future. They were taken from their jobs, professions, schooling, and loved ones; placed into a foreign environment against their wills and will now be veterans, having served their country, some in time of international conflict. We must do all we can to assure their successful reintegration into civilian life, but our first duty is to assure their earliest release from the military service. We owe these people so much for their service to their country.

Mr. President, the Armed Services Committee has recommended that support personnel, rather than combat troops, be the first priority of reduction. A significant number of draftees have been combat-trained. However, the reduction of involuntary draftees from the combat forces will open up positions for the career individual to fill. The career soldier should be the one trained in combat techniques and ready to move into any place in the world.

Further, many of the involuntary draftees presently in service are conscientious objectors, not eligible for combat duty. These individuals may be removed from the service without lessening the quality of our combat readiness.

Mr. President, I am convinced that the 50,000 draftees presently serving on active duty in the armed services can be removed without endangering our defense capability. The Congress and the military are in accord that the all-volunteer army should be given every chance to work.

The distinguished chairman of the Armed Services Committee stated on September 24, 1973, on the floor of the Senate that he did not think that "the Congress can or should pass any selective service legislation for at least 2 more years. Having gone as far as we have," he said, "we must be certain that this plan is given a real chance and, to that end, all commissioned officers and noncommissioned officers must make a special effort to see that they have done their best to make it work."

I agree with the distinguished chairman, and call upon the military manpower management to make it work. To say in the meantime that it cannot work unless the 50,000 draftees presently on active duty remain there, is to admit defeat before the program has had a chance for success.

Mr. President, earlier this week, this body gave its overwhelming approval to a proposal of mine which provided for an equitable recomputation of retirement pay for military personnel. That proposal was actively supported by all of the military-oriented organizations in the Nation.

On this issue, however, there are no large interest groups to come here and lobby for the interests of the 50,000 men represented by my amendment because the draftee is not represented by any interest group. He relies upon his elected officials for just treatment under the law.

The least we can do in our wisdom here is to look out for the interests of these men that want to return to their civilian education, jobs and families. The least we can do is expedite their return.

The PRESIDING OFFICER. Who yields time?

Mr. SYMINGTON. Mr. President, it is with great regret that I must oppose the amendment proposed by the distinguished senior Senator from Indiana.

This amendment would require the Department of Defense to release draftees first when the 156,100 manpower reduction is made.

This amendment is contrary to the recommendation of the committee which would allow the Secretary of Defense to apportion the committee-recommended 156,100 manpower reduction among the various services and mission areas. The release of draftees would affect only the Army, since they are the only one to have draftees, and would affect principally the combat and mission units. The Senate has already turned down a proposed amendment to require reductions in headquarters and commands. This amendment essentially would require reductions in combat and other field units.

This amendment is inconsistent with the sense of Congress statement adopted by the Senate a few days ago. This sense of Congress statement urges that the manpower reduction be taken in an equal percentage by grade. The pending amendment would require draftees who hold low grades to be released. Thus, it would aggravate the grade creep problem, which, in my opinion, is one of the more serious problems faced by the Department of Defense today.

Unfortunately, we may need privates more than we need colonels. The Army has already fallen short of its strength objectives as a result of recruiting shortfalls under the all-volunteer concept. These shortfalls are all in the young new men who fill combat units. The amendment would add to the shortfall in young men who man combat units. This would seriously affect the readiness and combat capability of the Army divisions. It would least affect the headquarters and support structure that ought to be reduced.

Mr. President, in a recent article which was critical of some reductions, it was nevertheless pointed out that in an Army of 800,000 men, we have only 120,000 actual combat troops, and this amendment would increase that problem.

This amendment would reduce the dollar savings that could be made in the Defense budget as a result of the manpower cut recommended by the committee, since it would require a large number—about 50,000—low-grade, and thus lower-paid enlisted men to be released first, rather than requiring the Department of Defense to make the reduction in higher-grade people.

Finally, there is a question of equity involved. The amendment would force out drafters—even if some were not ready to leave. But it would tend to keep in men who enlisted only because of the draft. Thus, you could have two men treated differently. The one who was drafted but for some personal reason may wish to stay in a bit longer would be forced out. The one who enlisted at the same time to escape the draft and now wanted to get out would not be released. This does not seem equitable to some of us.

Mr. THURMOND. I yield myself such time as I may require.

Mr. President, I hold the distinguished Senator from Indiana in great esteem and high affection, but I feel it my duty to oppose this amendment.

I rise in opposition to the amendment which seeks to impose upon the Armed Forces the requirement to extend priority in the reduction of their ranks to those individuals who were involuntarily conscripted.

When the President expressed his desire to end conscription and achieve an All-Volunteer Force, the military planned for and implemented a number of programs for transition to a draft-free environment by July 1, 1973. As Senators know, the Department of Defense beat this goal by 6 months.

There were no provisions, however, for the early release of draftees from the Army once that goal had been reached.

This amendment would impose upon the Army a course of action so narrow in scope and so contrary to good personnel management procedures that we could not possibly hold this service accountable for a conscientious, workable solution to whatever reduction in force is finally decided upon.

The reduction, whatever the size, must be executed as a balanced reduction with respect to grade, skills, and mix of categories of personnel. In executing a directed strength reduction, the Department of Defense must be guided by the policies of maintaining the readiness of Army forces, insuring a proper balance of grade, quality and type personnel remaining in the Army, and taking necessary action to insure that a minimum of turbulence results subsequent to the program's implementation.

Maintaining the readiness of Army forces is a paramount consideration in any strength reduction. Forces must be properly balanced with the right kinds of people, grades, and skills. The Army, as the only service affected by this amendment, should not be forced to follow the provisions of a law which is discriminatory in nature. It is particularly discriminating against the draft-motivated volunteer who enlisted but is as concerned with an early return to civilian life as are draftees.

In other words, it is as simple as this: Are we going to show a priority to a man who was drafted over a man who enlisted at just about the same time, and leave the volunteer in and take the draftee out? If anything, it seems to me the priority should be given to the fellow who volunteered and not to the man who was drafted. Some may say that he volunteered because he knew he was going to be drafted. That may be the case. But still he volunteered and why should the draftee who did not go in until he had to go in be given a priority over the volunteer. We think the amendment is discriminatory and not fair. Therefore, we hope the Senate will reject the amendment.

Mr. HARTKE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 19 minutes remaining.

Mr. HARTKE. Mr. President, I think that the Senator from Missouri and the Senator from South Carolina are dedicated adherents to what they believe is the proper approach on this matter, but the fact is that they have things twisted around.

The substance of a Volunteer Army is that it is for those who volunteer. The quicker we remove the draftees the better off they are. In substance what we are saying is that we are giving the dirty work to the draftees; they cannot get rid of the man doing the job because they might put in a man who volunteered.

If Senators believe the Army should be a combat ready operation we should answer the question, "Who do you want behind the gun; the man who said he wanted to be there, who volunteered for this operation, or the man who was forced to be there against his will, who is going to come out in around 2 years?" He is looking to the day he will be released from the service and not be utilized. Are we going to force out the draftee or the volunteer? That is the substance of the amendment.

If Senators do not agree with this amendment they force out the man who says, "I want to be of service." The man who wanted to escape the draft gets special preference. He may have been on the verge of being drafted, but by enlisting he got his preference.

The volunteer is not in the same category as the draftee who is doing something against his will. Since the policy of this Nation is to make the Volunteer Army work we should be providing that opportunity, and that would be to use the volunteers and to use them quickly and in the fashion that is intended. If the draftee wants to stay in, he certainly can. He can go back to the enlistment office and they will be glad to keep him in. We want people to have an opportunity to do what they want to do. We want to have an all-Volunteer Army.

I urge Senators to agree to the amendment.

Mr. President, I reserve the remainder of my time.

Mr. President, I am prepard to yield back the remainder of my time.

Mr. SYMINGTON. Mr. President, we are prepared to yield back our time.

Mr. HARTKE. I yield back the remainder of my time.

Mr. THURMOND. Mr. President, we yield back our time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Indiana. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from North Carolina (Mr. ERVIN) and the Senator from Arkansas (Mr. FULBRIGHT) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. SAXBE) is necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

The result was announced—yeas 19, nays 76, as follows:

[No. 422 Leg.]

YEAS—19

Abourezk
Bayh
Burdick
Church
Clark
Cranston
Gravel
Hartke
Hatfield
Huddleston
Hughes
Jackson
Magnuson
Mansfield
McClure
Moss
Nelson
Percy
Schweiker

NAYS—76

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Hart
Haskell
Hathaway
Helms
Hollings
Hruska
Humphrey
Inouye
Javits
Johnston
Kennedy
Long
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NOT VOTING—5

Ervin
Fulbright
Pearson
Saxbe
Taft

So Mr. HARTKE's amendment was rejected.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. SYMINGTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of the reading clerks, announced that the House had further disagreed to the amendments of the Senate numbered 44 and 45 to the bill (H.R. 8825) making appropriations for the Department of Housing and urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, and corporations for the fiscal year ending June 30, 1974, and for other purposes, had agreed to the further conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BOLAND, Mr. EVINS of Tennessee, Mr. SHIPLEY, Mr. ROUSH, Mr. TIERNAN, Mr. CHAPPELL, Mr. GIAIMO, Mr. MAHON, Mr. TALCOTT, Mr. MCDADE, Mr. SCHERLE, Mr. RUTH, and Mr. CEDERBERG were appointed managers of the conference on the part of the House.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

S. 464. An act for the relief of Guido Bellanca; and

S. 2075. An act to authorize the Secretary of the Interior to engage in feasibility investigation of certain potential water resource developments.

The ACTING PRESIDENT pro tempore (Mr. NELSON) subsequently signed the enrolled bills.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes.

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to Proxmire amendment No. 515 on which there shall be 2 hours of debate. The clerk will report the amendment.

The legislative clerk read as follows:

On page 30, between lines 2 and 3, insert a new section as follows:

"Sec. 703. Notwithstanding any other provision of law, the aggregate amount that may be expended for Department of Defense, military functions, during the fiscal year beginning July 1, 1973, shall not exceed $74,200,000,000."

On page 30, line 3, strike out "Sec. 703" and insert "Sec. 704".

Mr. PROXMIRE. Mr. President, I yield myself 10 minutes.

I do not expect to take my full time. I do not expect that the opposition will take their full time. I think that we may be able to have a vote within an hour or so.

The PRESIDING OFFICER. Would the Senator please suspend until the Senate is in order? I ask the Senators to take their seats or move to the cloakrooms.

The Senator from Wisconsin may proceed.

Mr. PROXMIRE. Mr. President, may I say that a little later on in my speech I intend to show why in my view I think that this vote tonight will represent the clearest anti-inflation opportunity that the Senators will have to vote on in this session.

Mr. President, the amendment I offer today will allow every Member of this Chamber to answer the question: Why should peace cost more than war?

My amendment answers this question by stating that war should not cost more than peace. At a minimum, we should be able to hold spending to last year's level—a level still inflated by high expenditures for Southeast Asia.

That is exactly what my amendment would do. It would involve no cut in spending from last year's level. It would permit the same expenditures as approved last year. There is no reason in the world why the Defense Department cannot provide every necessary article and pay every necessary soldier out of the same amount of money spent during the fiscal year 1973. That is the modest proposal I make.

A look at the proposed fiscal year 1974 military budget shows a remarkable trend. The war is over but military spending continues to go up. We have never been successful at international negotiations. Our most dangerous potential enemies have never been more receptive to the United States. Our leaders have visited China and we have signed an historic arms control pact with the Soviet Union. And yet even with this backdrop, peace will cost more than war. When tensions are at a low level and the international scene appears more promising than at any time in recent years, the defense budget goes up.

In fiscal 1973, the military functions category of the Department of Defense budget accounted for an expenditure of $74.2 billion. That is the outlay figure—the specific type of budget data I will be referring to throughout this speech. This is not the amount of new money provided to the Department of Defense or New Obligatory Authority. Neither is it the total amount of money authorized and appropriated and carried forward—Total Obligatory Authority. It is the amount that actually is spent in any one fiscal year.

This is why, as I will point out in more detail later, this amendment is such a specific anti-inflammatory amendment, far more than any amendment that would just cut obligational authority.

According to the new budget request, military functions outlays will increase by $4 billion to $78.4 billion. Peace this year will cost more than war last year. It is hard to believe but true.

Mr. President, when the question why does peace cost more than war was asked in congressional hearings, the answer came back from then Secretary Richardson, peace costs more than war due to inflation, personnel compensation and deferments in modernization of our forces.

Let us examine each of these answers in turn.

First, inflation and personnel compensation. It is clear to all involved that costs have risen steeply. With manpower now consuming 56 percent of the budget there is no question about the enormous effect pay raises have had on the budget.

But just how much is involved here? The Defense Department says that of the $4.1 billion increase in total obligatory authortiy for fiscal year 1974, $3.2 billion or 78 percent represents military, civilian and retired pay cost increases. Since such costs are incurred in 1 year, this also roughly represents the amount reflected in outlays. This is confirmed by other data indicating that the specific outlay cost of pay increases and the retirement system reform for fiscal year 1974 will be $3.05 billion.

Almost all of the remaining increase goes to inflation on materials and services purchased by DOD. This is the Pentagon claim, and I have no reason to doubt it. It makes a clear point and one that we should all keep in mind. By using the Pentagon's figures, there is about $4 billion in the new budget for inflation, pay, and retired compensation. This is almost the entire increase asked for in fiscal year 1974.

Mr. President, I accept these figures.

But let us examine what has happened to the war in Indochina.

Again speaking in terms of outlays or spending, the full cost to the Department of Defense for Southeast Asia in fiscal year 1973 was $6.98 billion or close to $7 billion. The incremental outlay cost for the same year was $5.88 billion.

Now for the new fiscal year 1974 data. The original outlay figure for the full cost to the Department of Defense budget was $4.61 billion. The incremental cost outlay was $4.069 billion.

These outlay statistics have been modified downward thanks to the Paris Peace Agreement. The Deputy Secretary of Defense, Mr. William Clements, has testified that military assistance service funded has been reduced twice because of the cease-fire. It has been reduced by $500 million in ceiling and $700 million in new obligatory authority. Reductions are possible because of the lower levels of activity in South Vietnam and Laos and are based on classified assumptions and projections contained in documents given to the Armed Services Committee.

The result of these reductions in the military assistance service funded program means a corresponding reduction in the outlay budget for fiscal year 1974. We can now expect the outlay figure for the full DOD cost to be closed to $4 billion and the increments cost outlay ceiling to be well under $4 billion.

This then highlights the actual savings from the ending of the war. The outlay savings from fiscal year 1973 to fiscal year 1974 will be at least $3 billion.

Now remember that the Defense Department has stated that their $4 billion increase this year is taken up by items they have no control over, such as pay increases, retirement increases, and inflation.

When you subtract the savings from the war, of at least $3 billion from the total uncontrolled $4 billion increase, there turns out to be only a $1 billion difference in this budget.

In other words, if Congress can find a way to prune only $1 billion out of the defense budget in unnecessary or wasteful spending, then there is no reason why we cannot live within last year's budget.

Mr. President, there are ample historical precedents for believing that the defense budget could be held in check. You notice I say held in check, not cut back, for the amendment I am offering would only do that—keep spending to last year's level.

After every previous war, the United States has managed to find ways to return to prewar normal budgets plus inflation and pay increases.

In 1944 at the height of World War II, this country purchased $87.4 billion worth of war goods and services. Three years later, after the war, we had returned to a level of $9.1 billion. We reduced that budget for national defense by $78 billion. These statistics, by the way, come out of the Economic Report of the President transmitted to Congress in January of this year.

In 1953 at the height of the Korean

war, our budget for national defense totaled $48.7 billion. Two years later this budget was down to $38.6 billion or $10 billion less.

Now it must be remembered that after World War II, with the abolition of fiscal controls, inflation rose significantly. The same is true of the Korean war period. And the same is true now. That is why these historical examples remain relevant today.

Mr. President I ask unanimous consent that the President's table containing these statistics be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

NATIONAL INCOME OR EXPENDITURE

TABLE C-1.—GROSS NATIONAL PRODUCT OR EXPENDITURE, 1929–72

					Government purchases of goods and services[4]					
						Federal				
Year or quarter	Total gross national product	Personal consumption expenditures[1]	Gross private domestic investment[2]	Net exports of goods and services[3]	Total	Total	National defense[5]	Other	State and local	Percent change from preceding period, total gross national product[6]
					Billions of dollars					
1929	103.1	77.2	16.2	1.1	8.5	1.3	1.3		7.2	...
1933	55.6	45.8	1.4	.4	8.0	2.0	2.0		6.0	−4.2
1939	90.5	66.8	9.3	1.1	13.3	5.1	1.2	3.9	8.2	6.9
1940	99.7	70.8	13.1	1.7	14.0	6.0	2.2	3.8	8.0	10.2
1941	124.5	80.6	17.9	1.3	24.8	16.9	13.8	3.1	7.9	24.9
1942	157.9	88.5	9.8	.0	59.6	51.9	49.4	2.5	7.7	26.8
1943	191.6	99.3	5.7	−2.0	88.6	81.1	79.7	1.4	7.4	21.3
1944	210.1	108.3	7.1	−1.8	96.5	89.0	87.4	1.6	7.5	9.7
1945	211.9	119.7	10.6	−.6	82.3	74.2	73.5	.7	8.1	.9
1946	208.5	143.4	30.6	7.5	27.0	17.2	14.7	2.5	9.8	−1.6
1947	231.3	160.7	34.0	11.5	25.1	12.5	9.1	3.5	12.6	10.9
1948	257.6	173.6	46.0	6.4	31.6	16.5	10.7	5.8	15.0	11.3
1949	256.5	176.8	35.7	6.1	37.8	20.1	13.3	6.8	17.7	−.4
1950	284.8	191.0	54.1	1.8	37.9	18.4	14.1	4.3	19.5	11.0
1951	328.4	206.3	59.3	3.7	59.1	37.7	33.6	4.1	21.5	15.3
1952	345.5	216.7	51.9	2.2	74.7	51.8	45.9	5.9	22.9	5.2
1953	364.6	230.0	52.6	.4	81.6	57.0	48.7	8.4	24.6	5.5
1954	364.8	236.5	51.7	1.8	74.8	47.4	41.2	6.2	27.4	.1
1955	398.0	254.4	67.4	2.0	74.2	44.1	38.6	5.5	30.1	9.1
1956	419.2	266.7	70.0	4.0	78.6	45.6	40.3	5.3	33.0	5.3
1957	441.1	281.4	67.9	5.7	86.1	49.5	44.2	5.3	36.6	5.2
1958	447.3	290.1	60.9	2.2	94.2	53.6	45.9	7.7	40.6	1.4
1959	483.7	311.2	75.3	.1	97.0	53.7	46.0	7.6	43.3	8.2
1960	503.7	325.2	74.8	4.0	99.6	53.5	44.9	8.6	46.1	4.1
1961	520.1	335.2	71.7	5.6	107.6	57.4	47.8	9.6	50.2	3.2
1962	560.3	355.1	83.0	5.1	117.1	63.4	51.6	11.8	53.7	7.7
1963	590.5	375.0	87.1	5.9	122.5	64.2	50.8	13.5	58.2	5.4
1964	632.4	401.2	94.0	8.5	128.7	65.2	50.0	15.2	63.5	7.1
1965	684.9	432.8	108.1	6.9	137.0	66.9	50.1	16.8	70.1	8.3
1966	749.9	466.3	121.4	5.3	156.8	77.8	60.7	17.1	79.0	9.5
1967	793.9	492.1	116.6	5.2	180.1	90.7	72.4	18.4	89.4	5.9
1968	864.2	536.2	126.0	2.5	199.6	98.8	78.3	20.5	100.8	8.9
1969	930.3	579.5	139.0	1.9	210.0	98.8	78.4	20.4	111.2	7.6
1970	976.4	616.8	137.1	3.6	219.0	96.5	75.1	21.5	122.5	5.0
1971	1,050.4	664.9	152.0	.7	232.8	97.8	71.4	26.3	135.0	7.6
1972	1,152.1	731.1	180.2	−4.1	254.9	105.9	76.2	29.7	148.9	9.7
					Seasonally adjusted annual rates					
1970: I	958.0	604.1	132.9	3.6	217.3	99.7	78.9	20.9	117.6	3.9
II	971.7	613.4	137.7	3.9	216.7	96.2	74.7	21.6	120.5	5.9
III	986.3	623.0	139.9	4.0	219.5	95.2	73.8	21.4	124.3	6.1
IV	989.7	626.5	137.8	2.8	222.6	95.0	72.9	22.1	127.6	1.4
1971: I	1,023.4	648.0	143.9	4.5	227.0	96.2	72.5	23.7	130.8	14.3
II	1,043.0	660.4	153.0	.1	229.5	96.3	71.2	25.0	133.3	7.9
III	1,056.9	670.7	152.2	.4	233.6	97.9	70.1	27.8	135.7	5.4
IV	1,078.1	680.5	158.8	−2.1	240.9	100.7	71.9	28.7	140.2	8.3
1972: I	1,109.1	696.1	168.1	−4.6	249.4	105.7	76.7	28.9	143.7	12.0
II	1,139.4	713.4	177.0	−5.2	254.1	108.1	78.6	29.6	146.0	11.4
III	1,164.0	728.6	183.2	−3.4	255.6	105.4	75.1	30.2	150.2	8.9
IV	1,195.8	746.2	192.4	−3.0	260.3	104.5	74.4	30.1	155.8	11.4

[1] See table C–12 for detailed components.

[2] See table C–13 for detailed components.

[3] See table C–8 for exports and imports separately.

[4] Net of Government sales.

[5] This category corresponds closely to the national defense classification in the "Budget of the United States Government for the fiscal year ending June 30, 1974."

[6] Changes are based on unrounded data and therefore may differ slightly from those obtained from published data.

Source: Department of Commerce, Bureau of Economic Analysis.

Mr. PROXMIRE. What lesson can be learned from these prior war experiences? It is obvious that there was an effort to return the wartime budgets to peacetime levels.

My proposal is so modest that it does not even ask that we do the same now. It simply asks that we hold the line to last year's level. Surely if the country was able to cut back on spending after prior wars it is not too much to expect that we hold-the-line after ending the Vietnam war. Is that too much to expect?

Our long struggle in Indochina has cost this country $140 billion and the inestimable lives of over 50,000 men. And yet the Defense Department is continuing the argument that we must pay more—this time for the weapons we would have made had there not been a Vietnam war. This is the basis of the modernization deferment argument made by Secretary Richardson. Particularly with regard to the Navy he states, we must catch up with that which was deferred.

The Nation continues to pay in indirect ways for the Vietnam war.

Just how much more will we pay for these deferred Vietnam costs? Some answer is provided in a table given to the House Appropriations Committee. This table indicates that in terms of total obligatory authority, the amount spent on baseline forces for the United States—those non-Vietnam items—will increase from $74.7 billion in fiscal year 1973 to $82.1 billion in fiscal year 1974. This is over a $7 billion jump in baseline forces. Since only $4 billion can be attributed to pay and inflation, it must be concluded that some $3 billion is included for "catching up." That is a lot of "catching up" for 1 year.

Mr. President, I ask unanimous consent that table 22 of part 2, House Appropriations Committee hearings (p. 553) be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 22.—INCREMENTAL SOUTHEAST ASIA AND BASELINE COSTS BY APPROPRIATION CATEGORY, TOA

[In millions of dollars, current prices]

	Fiscal year—							
	1964	1968	1969	1970	1971	1972	1973	1974
Military personnel:								
SEA		5,003	5,682	5,261	3,881	2,268	953	564
Baseline	12,988	14,936	15,660	17,717	18,744	20,879	22,876	24,115
Total	12,988	19,939	21,342	22,978	22,625	23,147	23,829	24,680
O. & M.:								
SEA		5,660	6,491	5,292	3,464	2,362	2,524	1,276
Baseline	11,700	15,247	15,795	16,224	16,946	18,880	19,816	21,821
Total	11,700	20,907	22,285	21,516	20,410	21,242	22,341	23,098
Procurement:								
SEA		8,081	7,259	3,778	2,181	2,345	2,735	1,071
Baseline	15,115	14,469	15,032	15,472	15,510	16,413	15,887	17,735
Total	15,115	22,550	22,291	19,250	17,691	18,758	18,622	18,806
R.D.T. & E.:								
SEA		200	138	70	17	6		
Baseline	7,049	7,064	7,591	7,328	7,106	7,578	8,054	8,658
Total	7,049	7,264	7,730	7,398	7,123	7,584	8,054	8,658
Mil Con:								
SEA		335	192		27			
Baseline	977	1,221	959	1,020	1,285	1,227	1,559	1,892
Total	977	1,555	1,150	1,020	1,312	1,227	1,559	1,892
Baseline (non-SEA) costs:								
Military retired pay	1,211	2,093	2,443	2,853	3,389	3,889	4,442	5,302
Family housing	602	614	517	601	724	859	1,024	1,167
Civil defense	111	86	61	70	73	78	84	90
Special foreign currency			5	5	8	12	3	3
Military assistance	989	588	693	459	1,487	935	989	1,331
Total DOD:								
SEA		19,278	19,762	14,401	9,570	6,982	6,212	2,912
Baseline	50,742	56,319	58,755	61,749	65,273	70,749	74,736	82,113
Total	50,742	75,597	78,516	76,150	74,843	77,731	80,947	85,025

Mr. PROXMIRE. Returning to the main point, is it possible for Congress to find $1 billion of waste in this budget and thus hold it to last years spending level?

I think the answer is obvious. Consider what has happened in prior years. In 1969 we cut $5.9 billion. In 1970 it was $6.3 billion, 1971 brought the modest amount of a $2.5 billion reduction. In 1972 we found $3.9 billion in waste and unnecessary spending. And last year it was over $5.5 billion.

From these facts alone there is no doubt about finding $1 billion to prune from this budget and thus hold the line at least years level.

Mr. President, I ask unanimous consent that a table represent Department of Defense appropriations and outlays and congressional action for the years 1969 through 1973 be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF DEFENSE APPROPRIATIONS AND OUTLAYS

[In millions of dollars]

Fiscal year	Appropriations			Outlays
	President's budget request	Congressional action	Budget authority	
1969:				
Military functions	82,133	−5,912	76,221	77,872
Military assistance	716	−45	671	789
Total	82,849	−5,957	76,892	78,661
1970:				
Military functions	80,471	−6,085	74,386	77,150
Military assistance	700	−280	420	731
Total	81,172	−6,365	74,806	77,880
1971:				
Military functions	73,884	−2,435	71,449	74,546
Military assistance	1,463	−73	1,390	999
Total	75,346	−2,508	72,839	75,545
1972:				
Military functions	78,667	−3,602	75,065	75,151
Military assistance	1,216	−315	901	806
Total	79,883	−3,917	75,966	75,957
1973:	82,447	−5,570	76,876	
Supplemental	1,135	(1)		[2] 74,200
Military assistance	953	(1)		600
Total	84,535			[3] 74,800
1974:				
Military functions	83,676	(1)		78,194
Military assistance	1,210	(1)		800
Total	84,886			[3] 78,994

[1] Pending.

[2] Estimate includes pending supplemental.

[3] Estimated.

Note: Detail may not add to totals due to rounding.

Mr. PROXMIRE. Mr. President, I reserve the remainder of my time.

The **PRESIDING OFFICER.** Who yields time?

Mr. THURMOND. Mr. President, I yield myself such time as may be required.

Mr. President, I have great admiration for the distinguished Senator from Wisconsin, but I must reluctantly oppose this amendment. Furthermore, I feel that it is one of the most dangerous types of amendments that could be offered to this bill.

As we read the amendment here:

> SEC. 703. Notwithstanding any other provision of law, the aggregate amount that may be expended for Department of Defense, military functions, during the fiscal year beginning July 1, 1973, shall not exceed $74,200,000,000.

Mr. President, the distinguished Senator from Wisconsin is offering an amendment that would affect the whole defense appropriation—not just the bill we are on. The bill we are on aggregates $20.5 billion. The amendment of the Senator from Wisconsin would affect all the appropriations for defense. As I told him a few minutes ago, I am opposed to the substance of his amendment, but certainly if he is going to offer it, this is not the bill to offer it to. He ought to wait and offer it to the appropriations bill, if he is going to offer such an amendment. It is entirely out of place.

The effect of this amendment would be to preempt the work of the Appropriations Committee, of which the able and distinguished Senator from Arkansas is chairman. I am sure that the Appropriations Committee is going into every facet of this defense appropriation, just as we have done on Armed Services; and to come around now and take a meat ax approach is entirely unreasonable. I cannot think the Senate would approve such an approach as that.

I hope the distinguished Senator from Arkansas will say a few words upon this amendment before it is acted upon.

President Nixon's fiscal year 1974 budget showed expenditures of $74.2 billion in fiscal year 1973 and $78.2 billion in fiscal year 1974 for Department of Defense military functions. This amendment would hold fiscal year 1974 expenditures to the fiscal year 1973 level—$74.2 billion—a reduction of $4 billion from the budget.

Mr. President, I must oppose this amendment. I believe there are three pricary arguments against it. The first is that it simply fails to take into account the relationship between budget authority provided by the Congress and expenditures which follow after. Expenditures—that is, the issuance of checks—cannot take place until after budget authority is granted. In some cases, expenditures are made a good deal later, where long leadtimes and production periods are involved. Expenditure trends, then, are to a considerable extent governed by past budget authority. When I use the term budget authority here, I am referring to all funds provided in the appropriations acts, including transfers.

Now in fiscal year 1973, we provided total budget authority of $80 billion. Spending was much less than that in fiscal year 1973—the budget showed $74.2 billion—because budget authority in fiscal year 1971 and fiscal year 1972 had been much less. But when we provided $80 billion in budget authority for fiscal year 1973, we had to recognize that expenditures in fiscal year 1974 spending to grow toward that level. In fact, the budget showed fiscal year 1974 spending of $78.2 billion. This increase in spending shown in the budget, then, is nothing new. It represents the fact that we are paying for the programs we approved and appropriated for in fiscal year 1973. The idea that we can provide budget authority of $80 billion in one year, and then limit spending to $74 billion in the next, is a farfetched one, to put it mildly.

The second problem with this amendment is that it fails to recognize the impact of pay raises and price increases from fiscal year 1973 to fiscal year 1974—especially in short leadtime—fast-spending—areas. Pay and price increases amount to $5.8 billion for fiscal year 1973 to fiscal year 1974. That is, spending would have to rise by that much, just to stay even. This includes $2.8 billion for regular pay increases for military and civil service personnel and for increases in military retirement under existing law; $0.6 billion for new legislation in the pay area, which the Congress is now considering; and $2.4 billion for inflation on goods and services purchased from industry. Just to stay even, then—to hire the same people and to purchase the same items as in fiscal year 1973, nothing added—spending would have to rise by $5.8 billion. The budget provided an increase of $4 billion. The budget proposed a cut, then, in terms of real buying power, of $1.8 billion. The increase was not sufficient to cover inflation. And, by holding spending at the fiscal year 1973 level, this amendment would involve a cut, in real program terms, of $5.8 billion from the fiscal year 1973 level. You can test this out at home. Tell you wife she can spend as much on groceries as she did last year, and see if you eat as well.

This amendment, then, would involve a $5.8 billion program cut, under the guise of holding spending at the fiscal year 1973 level. That is my second objection.

Third, it is essential that it be understood that an expenditure reduction, imposed after a year is well along, has a multiple impact—much greater than the figures would suggest at first glance. A reduction of $4 billion from an estimate of $78.2 billion appears, in that first glance, to be about a 5-percent cut. But that is only a small part of the story. It is now the end of September. Of that $78.2 billion that was planned to be spent in fiscal year 1974, about $34.2 billion has already been spent or is under contract. That leaves $44 billion. Of that, $4 billion has to be set aside to cover statutory retired pay costs for the remainder of the year. That leaves $40 billion.

Let me be sure this is understood. We begin with a $78.2 billion spending total for the year. We must set aside what is already spent, or what will be spent under existing contracts or to meet statutory payments to military retirees. We cannot cut any of that. And, after those amounts are set aside, there is $40 billion left. And the $4 billion cut would have to come out of that. Thus, what looked like a 5-percent cut grows to a 10-percent cut over the balance of the fiscal year.

Mr. THURMOND. Mr. President, now we must consider the timing. The Department of Defense could cut spending by $4 billion if manpower and purchases could be cut back immediately by 10 percent. If the reduction could be made immediately, it could be limited to a flat 10 percent for the last 9 months of the year. But the cut cannot be made immediately. It will take some time before the cut can be put into effect. For example, in the personnel area, new hires cannot be stopped tomorrow—people will be coming into the service for the next few weeks who have volunteered and been accepted. Commitments have been made. It would take even longer, considering notification periods, and other factors, to separate personnel already on the rolls.

What that means is that the defense payroll would take some time to drop, even if this provision were signed into law today. And it will take several months for the payroll to drop as much as 10 percent. Now if we must average a 10-percent cut over the whole 9 months, and if some of the earlier months will be less than 10 percent, it follows that the payroll in the later months must be cut by more than 10 percent. We must allow for this rule of arithmetic, and also recognize the large one-time costs incident to separating people—home travel for military personnel, terminal leave payments, and other separation costs. When we allow for these factors, it is a reasonable estimate that manpower cuts would have to amount to 20 percent by June 1974 to stay within this expenditure limit. This means a reduction of 700,000 people, military and civil service, below the budget levels.

Part of the $4 billion spending cut would fall in the pay area, with consequences just described. The remainder would fall in the area of purchased goods and services. Here, too, the cut could not be effected immediately. Some costs are unavoidably tied to personnel, such as medical supplies and services; other costs such as heat and utilities cannot be avoided until bases are closed, which takes time; and other costs must be incurred to complete repairs on ships and similar work that is already underway. Here again, spending would fall very little at first, and would have to decline by more than 10 percent in the later months. Cutbacks in the range of 20 percent would be necessary by June 1974.

Thus it is, Mr. President, that what looks like a cut of about 5 percent—$4 billion of $78.2 billion—would quickly pyramid to a 20-percent cut by June 1974.

Mr. President let me summarize what I have said. Defense expenditure trends are strongly influenced by trends in budget authority in recent years and by the fact that pay and price increases amount to $5.8 billion from fiscal year 1973 to fiscal year 1974. Expenditures are the final financial action in carrying out programs approved and appropriated by the Congress. Fiscal year 1974 expenditures—as is true for any year—represent the final effect of appropriations granted over many years. The point of expenditure, then, is not the point at which the Congress should exercise control. This applies especially now when the fiscal year is well along, and about half of the year's total is already spent, under contract, or needed to meet statutory retirement payments. A $4 billion cut applied in the other half, applied on a phased basis over the remaining months of the year, would compound to a 20-percent cut in program and manpower levels. A reduction of this magnitude, Mr. President, is far beyond the scope of reasonable adjustments to the fiscal year 1974 budget. This amendment, I hope, will be defeated.

I should now like to yield to the able and distinguished Senator from Arkansas, the chairman of the Committee on Appropriations, who I hope will say a few words on this subject.

Mr. McCLELLAN. Mr. President, last year we had, as I recall, a comparable amendment before the Senate. In effect, it provided for an across-the-board cut in military expenditures. This amendment is equivalent to the same thing, except that the difference is, here, that we are already into the fiscal year that the amendment would affect. Am I correct about that?

Mr. PROXMIRE. The Senator from Arkansas is, in effect, correct, except that the continuing resolution has restrained the level to the amount I have applied. There is no going back. In other words, in July, August, and into September—probably for the rest of this month—we will have to spend at the same level which my amendment would provide.

Mr. McCLELLAN. The continuing resolution was, of course, a temporary expedient, because it was impossible to get all the appropriations legislation passed.

I wonder if it is wise to attach such an amendment to this bill. Why have we not done it on all the others? Why do we not go along with the same appropriation with respect to all the other appropriation bills? Or do we just propose that it be applied to the military? Is that the reason?

Mr. PROXMIRE. No. The answer is that the overwhelming amount of discretionary spending is here. About three-quarters of the discretionary spending is in this bill.

Mr. McCLELLAN. Fifty-six percent of this is expended for the upkeep of troops and other personnel. Would the Senator say that that is the overwhelming exception to which he refers?

Mr. PROXMIRE. A great deal of it, certainly more than half.

Mr. McCLELLAN. If I understand the Senator correctly, if he wants to put it across the board, then we would take 56 percent of every dollar we appropriate for the military; 56 percent would go for the pay and maintenance of personnel. Then he would immediately take $2,240 billion away from the salaries, from the subsistence, of our men in the service. Is that correct?

Mr. PROXMIRE. No, it is not correct.

Mr. McCLELLAN. Well, what would the Senator do about that?

Mr. PROXMIRE. The advantage of this proposal is that it meets some of the objections made in the past, inasmuch as it leaves it up to the discretion of the Secretary of Defense to determine where he wants to make the cut. He can make the cut in personnel. There are plenty of places in the military that cuts could be made.

Mr. McCLELLAN. It is not our responsibility—the Senator's and mine—to make the cut on the floor of the Senate?

Mr. PROXMIRE. I say to the Senator

from Arkansas that I tried to make that cut the other day, and the Senator voted against me. I tried to take the committee language and put that into effect.

Mr. McCLELLAN. May I say to the distinguished Senator—Mr. President, I have the floor.

Mr. PROXMIRE. We ought to leave it up to the discretion of people who know more about it—the Secretary of Defense. That is what I am doing here.

Mr. McCLELLAN. If the Senator wants to carry that theory all the way through, why have an appropriation bill? Why not have a blank amount? Why have line items in it, if the Senator has no responsibility, if he has no confidence in the Senate or in Congress, in its judgment to pass on these items?

Why not make it one overall appropriation and give the discretion as the Senator says he wants to do? Of course, he does not. The responsibility begins here. Now the Senator wants to shift it, because his amendment was rejected the other day. He wants to shift the responsibility to somebody outside Congress. That is exactly what he said.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. PROXMIRE. Does the Senator recall that he voted, as I voted, as the majority of Senators voted, for a ceiling on overall expenditures? I am applying exactly the same principle to the Defense Department. Within that ceiling, we can make our own appropriation reductions.

Mr. McCLELLAN. But the Senator proposes now, in the middle of the year, to impose a cut. That is what he is proposing to do now.

Mr. President, we ought to be fair about these things. If we are going to tell them to cut $2 billion, we ought to tell them where to cut it.

The Senator says that the discretion should be given to them. We could do that with every department—simply say, "This department can only spend so much money. You cut it wherever you want to."

Does the Senator want to carry it that far?

Mr. PROXMIRE. The Senator knows that we have done that in the past.

Mr. McCLELLAN. I want to know if the Senator wants to carry it that far.

Mr. PROXMIRE. One can push any principle to an extreme and make it ridiculous.

Mr. McCLELLAN. The Senator is trying to make the Defense Department the whipping boy for everything.

The Senator knows, and he ought to take it into account, that the cost of maintaining the military has gone up, just as the cost of everything else has gone up. The Senator says they ought to live within what they had last year, because we are out of the war. But the Senator knows that we have raised the salaries and the cost of maintaining this Army by our own action here, by giving them raises that were deserved, by increasing the obligation of the military, by $5.8 billion.

With the inflation situation that exists and with increases what they are, it is like saying to a family with five or six children, "You have to live on what you lived on last year, notwithstanding that one member of the family may not be present this year." Sometimes it can be done and sometimes it cannot be done. That is what we are trying to impose on the military here—a hardship, a burden, that we, ourselves, ought to analyze, and we should have the judgment and the courage to do it right here on the floor of the Senate, in Congress. The Senator knows that.

Mr. PROXMIRE. What I tried to say in my remarks was that we already had a very substantial saving in the military budget by virtue of the fact that we are not fighting in Vietnam.

Mr. McCLELLAN. There were losses of material over there, of weapons, of armaments, and our arsenal was depleted, and that has to be built up.

If the Senator wants to stop all this and not maintain the armed strength and the defense posture necessary to present a proper deterrent under world conditions, he can begin to whittle it down and whittle it down and say we are saving a great deal of money. The Senator said something about war and peace. If it costs more to keep peace than it does to have a war, in dollars and cents, if we save human lives by doing it, I favor spending a little more for a deterrent rather than spending both more for war and more for human lives in a war.

I think we are trying to get a proper balance here.

There has been much discussion about many amendments. I voted to save money; I voted to close some foreign bases, to bring troops home. But I voted for something specific, as to an area in which I thought a cut could be made.

To take this meat ax proposal and make the military the whipping boy would be doing an injustice to America, to our people, and to the security of our country. Let us be specific. There are areas in which cuts can be made, and I am going to support some of those areas. I hope we can bring down the military appropriation this year, as suggested earlier in the year, I think, by $3 or $3.5 billion. I am going to do my best to do that. But I am going to undertake to do it with some judiciousness, with some sense of responsibility as a Senator, not just in a meat ax fashion, as the Senator proposes to do here.

Mr. President, when this bill will have passed, we will have about 8 or 9 months longer to go. If this amendment is going to compel us to reduce our personnel in the military, to lay off civilian employees—that can be done, in this discretion—then we are going to do a grave injustice to many people. They have made commitments, I am sure, on the basis of some anticipation, and they have obligations that they will have to meet.

I do not believe this is good legislation. It is not the right way to go about doing our job.

The Senator is on the Appropriations Committee. He has an opportunity to offer amendments there before a bill comes to the floor and to have the amendments voted on by his colleagues in the committee. He may win some and he may lose some. But simply because, as the Senator indicates, he offered an amendment on the floor and was defeated, because the Senator from Arkansas, perhaps, did not vote with him and he is going to take this approach to it, I think it is the wrong approach and that he does an injustice. That kind of policy is not a practice in which Congress wants to engage.

Mr. President, last year we had a comparable amendment. I ask unanimous consent to have printed in the Record the remarks I made last year with respect to a similar amendment which was proposed by the distinguished Senator from South Dakota.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Remarks by Senator McClellan

Mr. President, I want generally to associate myself with the remarks of the distinguished Senator from North Dakota (Mr. Young), who is the ranking minority member on the Committee on Appropriations and the Department of Defense Subcommittee of the Committee on Appropriations.

As Members are aware, our late beloved colleague, Senator Allen J. Ellender, was chairman of the Department of Defense Subcommittee on Appropriations. His successor has not yet been designated. However, as a member of the Department of Defense Subcommittee for many years, I am convinced that large, across-the-board, or general, unspecified reductions in requests are not the proper way for Congress to legislate. It is not the proper way for Congress to meet its responsibilities and to exercise its constitutional duty in providing for the common defense.

As the distinguished Senator from North Dakota (Mr. Young) stated, in the near future, this body will be considering the Department of Defense appropriation bill for fiscal year 1973.

That bill will contain funds for many, many specific items, activities, and programs for the Department of Defense. At that time it will be in order for any Member of the Senate to submit an amendment to reduce expenditures for specific programs and activities.

Mr. President, that is the traditional way. That is the proper way for Congress to meet its responsibilities. Therefore, I urge the rejection of the pending amendment.

I would point out, Mr. President, as have others who have addressed themselves to this issue, that this amendment does not tell where or does not indicate where any specific reduction should be made. I do not know to whom it leaves the responsibility. Congress has a responsibility. And Congress meets its responsibility in the appropriations bill.

If Congress cannot meet its responsibility item by item, then it had better meet its responsibility for our Government and for our country.

With a broadax cut such as this, who takes the responsibility? On whom are we placing the responsibility? Why do we not have the courage to do this when the items are before us and the country wants and needs them? The Defense Department needs the money. It is in the interest of our country to make the appropriation and to provide the Defense Department with those specific amounts or it is not. We ought to have the capacity and the ability to meet the issue and to say where we should cut, what items should be reduced, and what items should be appropriated.

Suppose we pass this amendment and then Congress in its wisdom and in its authority appropriates amounts in excess of the limitations for this year. What is the consequence? Congress today says that we should adopt a limitation of $77.7 billion. And thereafter in appropriations bills, Congress actually appropriates more. It reverses its limitation and overrides or changes its position by granting the appropriation. Which action of Congress prevails?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. STENNIS. Mr. President, I yield the Senator 1 additional minute.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 1 additional minute.

Mr. MCCLELLAN. Mr. President, I say that the courageous way to do it and the right way to do it is to face the issue item by item. Then if we take the responsibility for doing it and if we sustain the budget or even increase it, that responsibility for doing that is a matter of judgment and reason. However, that is not so in this matter of escaping the responsibility and sticking our heads in the sand and saying, "Let someone else do it." It is our duty to do it and to do it when we face it and not to respond in this fashion.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I thank the able and distinguished Senator from Arkansas for his very pertinent remarks on this subject.

Mr. President, I also wish to call to the attention of the Senate that the Committee on Post Office and Civil Service has just reported a resolution this afternoon entitled "Resolution Disapproving the Alternative Plan for Pay Adjustments for Federal Employees."

The resolution reads this way:

> *Resolved,* That the Senate disapproves the alternative plan for pay adjustments for Federal employees under statutory pay systems recommended and submitted by the President to Congress on August 31, 1973, under section 5305(c) of title 5, United States Code.

Mr. President, if this resolution should be approved, and it will be voted on here this week, I understand, that means that pay raises would take place October 1 instead of December 1; but in any event there will be pay raises for the civilian employees to take place as a result of the recommendation that has been made.

Now, after the civilian employees have gotten their pay raises, the military automatically follows, so I am sure the distinguished Senator from Wisconsin should understand that that is going to take more money to take care of these pay raises, and, therefore, I think it makes his amendment even more impractical.

Mr. President, I do not think it necessary to take any more time on this amendment. I think it is a wrong approach. I think the amendment is impractical and unwise. I hope the Senate rejects the amendment.

Mr. SYMINGTON. Mr. President, would the Senator yield?

Mr. PROXMIRE. I am happy to yield to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, Saturday we heard that the only way to handle the personnel problem of the recommended committee reduction of 156,100, as I remember, was to leave it up to the Secretary of Defense. This was expressed by Senators I respect most from the standpoint of their interest in the economy. As I remember it, just before the vote, which was won by those who said to leave it up to the Secretary of Defense, and by a substantial margin, the Senator from Wisconsin, not his exact words but a paraphrase of the point he made: I hope the people will remember when we go vote procurement, we get down to the last airplane ship, or plane. The Senator from Wisconsin said if it should be left up to the Secretary of Defense in the one case why would it not be applied in the other.

Seldom do I disagree with the able senior Senator from Arkansas, a wise and able statesman. So before voting on this, I would ask the able Senator from Wisconsin several questions.

I am not saying this reduction is right. I have not had a chance to study it in detail. But I do not see why we leave things up to the Secretary of Defense when it comes to personnel but want such a rigid examination of each weapons system.

I would ask the Senator a question. We are told that peace is here; that we are out of the war. Is that correct?

Mr. PROXMIRE. Yes, indeed.

Mr. SYMINGTON. We are told that our present relations with the Soviet Union and the Chinese Republic are better; correct?

Mr. PROXMIRE. Yes.

Mr. SYMINGTON. I am not one who tries to nail down exactly friends and enemies. Lord Palmerston said that no country has friends and no country has enemies; all a country has are interests. There is merit in that observation.

In any case the impression now being given the American people is that we are in better shape all around the world than we have been in many years; correct?

Mr. PROXMIRE. That is correct.

Mr. SYMINGTON. Does the able Senator believe this is expressed in the military budget being asked for by this administration?

Mr. PROXMIRE. Quite the opposite, as I have documented here. We can take the savings we achieved in ending the Vietnam war, and with those savings we will have enough to provide the pay increases and other inflationary elements in the economy that the Department of Defense has to face within $1 billion. It means if we can find $1 billion out of this $78 billion budget, to reduce in real terms, we can meet the requirements of my amendment.

The Senator has documented it better than anyone else in the Senate.

We can make sizable cuts, cuts of 1 percent or 2 percent in real terms, and that is what my amendment would accomplish.

Mr. SYMINGTON. I ask the able Senator this question. He has a capacity for figures. The Senator from South Carolina, ranking minority member of the Committee on Armed Services, mentioned the increased pay. Has the Senator any figures about how much the increase in pay would cost?

Mr. PROXMIRE. The Senator from South Carolina was talking about a situation that we do not know will develop. We will have an opportunity to discuss that later. I think he was referring to the possibility of the money needed to maintain an increase. He took into account pay increases, including retirement reform. I have here a Department of Defense table which shows the cost of the pay and retirement increase in outlays at $3.90 billion. That was taken fully into account on my amendment when I said the reduction in real terms would net out to about $1 billion.

Mr. SYMINGTON. It is our understanding in the committee that the cost of civilians, not military, in the Department of Defense, cost over $13 billion a year.

Mr. PROXMIRE. That is exactly correct. It is $13.5 billion a year.

Mr. SYMINGTON. Unfortunately, at this time the Secretary of Defense states that under the law he cannot do what he thinks should be done in an effort to reduce the grade creep that is also established in the civilian part of the military, just as he has been frank in stating he would like to handle grade creep in the military itself.

Does the Senator agree that we should examine whatever legislation is necessary in order that the Secretary would have a free hand in reducing the $13 billion figure?

Mr. PROXMIRE. I enthusiastically support that. I think it would have strong support in the Senate and in the House and with administration support it would pass, without question.

Mr. SYMINGTON. I thank the Senator, and am impressed with his amendment. The total cut is $1 billion?

Mr. PROXMIRE. That is the net cut in real terms, when you recognize the fact that the increased cost to the military will be balanced for largely by the reduced cost of ending the war in Vietnam. So all we have to find in real terms, in terms of cutting personnel, and other areas documented over and over again on the floor, is $1 billion.

Mr. SYMINGTON. $1 billion would be what percent of the total military budget?

Mr. PROXMIRE. Around 1.4 percent.

Mr. SYMINGTON. I am as anxious as anyone to keep this country adequately strong, and have done my best over weeks and months to eliminate some expenditures which look to me as not necessary to maintain adequate strength.

I have failed consistently in making any major improvement in that position. Therefore, I am quite interested in the able Senator's amendment.

Mr. PROXMIRE. I very much thank the distinguished Senator from Missouri, acting chairman of the Armed Services Committee.

WASTE, WASTE, WASTE

Mr. President, I would now like to examine a few areas where this $1 billion could be found and therefore make my amendment practical.

The procurement of new and necessary weapons has run into trouble. The GAO has discovered that of the 45 major weapon systems investigated, the cost overrun will be over $35 billion. We could easily find corrective measures to cut back on such astronomical sums. And even these high figures are understated because they do not include spare parts, ground equipment, war consummables, and supplies needed to operate the aircraft, ships, and missiles in question. These are not reported in the GAO statistics and yet they represent from $3 to $4 billion.

An analysis of 116 major weapon systems in various stages of procurement shows that weapons costs alone will exceed $53 billion annually for at least the next 6 years.

The list of weapons and their costs was obtained with the assistance of the General Accounting Office and is considered to be the most comprehensive record compiled so far.

Here is how the annual weapons costs are derived:

The Pentagon estimates it will cost $153.3 billion to complete 116 current weapon programs.

Congress appropriated $64.4 billion for the same 116 weapons through June 20, 1972, leaving $89.9 billion yet to be appropriated for the purchase of those weapons.

Assuming it will take an average of 6 years to complete work on the 116 weapons, the amounts yet to be appropriated for their acquisition will total $14.9 billion per year.

The costs of acquisition are just part of the weapons picture. In addition to acquiring the items they have to be operated and maintained, personnel have to be trained to use and repair them, facilities have to be constructed to service them.

The costs of fielding and supporting weapon systems is estimated at from 5 to 10 times the costs of acquisition.

A weapon that cost $1 billion to procure will generally cost an additional $5 to $10 billion to field and support during the life of the weapon.

Using the conservative lower factor of 5, the costs of fielding and supporting the 116 weapons will total an estimated $766.5 billion; 5 times $153.3 billion equals $766.5 billion.

Assuming an average 20-year life cycle for each of the weapons, annual field and support costs will amount to $38.4 billion—$766.5 billion divided by 20 equals $38.4 billion.

The annual field and support costs added to the annual procurement costs add up to $53.3 billion for each of the next 6 years.

It should be emphasized that this is a conservative estimate. Not only is it based on the lower factor of 5, in the calculation of field and support costs, it does not take into account the probable impact of cost overruns, inflation, engineering and design changes, and other factors which contribute to cost growth in weapon systems.

The Comptroller General of the United States has made a long series of recommendations about how to bring these cost overruns into line. If we followed his advice, we could save billions.

A closer scrutiny of excess defense profits would also save money. Last May I released a list of more than 100 defense contractors against whom excessive profits determinations were made by the Renegotiation Board for fiscal year 1972. In one case the contractor was allowed to retain profits of nearly 2,000 percent as a return on net worth, computed after deducting the amount considered excess.

Mr. President, I ask unanimous consent that this list of defense contractors be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Determination No. and name of contractor	Amount of excessive profits refunded	Profits after refund as percent of—	
		Capital[1]	Net worth[1]
1. Stalker Corp	$70,000	20.8	38.2
2. Allen Electric & Equipment Co. Sii to Crown Steel Products Co	175,000	36.0	90.1
3. Rex Precision Products, Inc	50,000	35.0	82.0
4. George D. LaBarre trading as Mohawk Products Co	50,000	(2)	(2)
5. Clevepak Corp	250,000	42.9	99.9
6. Thomaston Special Products, Inc. Sii to Thomaston Special Tool	200,000	33.2	49.3
7. Bradford Dyeing Assoc. (U.S.A.), Inc	150,000	58.3	226.5
8. Eisen Brothers, Inc	150,000	30.4	1,902.7
9. Pascoe Steel Corp	350,000	36.3	100.5
10. Nu-Pak Co	150,000	113.6	434.0
11. Nu-Pak Co	300,000	45.6	115.5
12. Gillmore M. Perry	135,000	(3)	(3)
13. Gillmore M. Perry	145,000	(2)	(2)
14. Gillmore M. Perry	125,000	(2)	(2)
15. United Telecontrol Electronics, Inc	100,000	66.4	108.2
16. Sandnes' Sons, Inc	125,000	68.9	463.9
17. CYJO Dissolution Co	150,000	31.4	62.5
18. Pembroke, Inc	700,000	41.2	109.8
19. Burns Manufacturing Co	100,000	48.2	80.7
20. Dart Industries, Inc. Sii to the West Bend Co	175,000	26.1	47.3
21. Calabrese & Sons	65,000	39.3	76.5
22. Federal Cartridge Corp	350,000	(3)	(3)
23. Guy H. James Industries, Inc	725,000	43.4	126.4
24. Holly Corp	400,000	(3)	(3)
25. Holly Corp	200,000	(3)	(3)
26. Holly Corp	200,000	(3)	(3)
27. Air Industries Corp	550,000	34.2	54.5
28. Far West Industries, Inc	50,000	[4]200.0	[4]200.0
29. Penland Container, Inc	125,000	44.3	69.5
30. DeRossi & Son Co	125,000	38.7	49.5
31. Victor Comptometer Corp	200,000	15.6	31.2
32. H. H. Robertson Co	50,000	26.9	46.9
33. Galion Amco, Inc	475,000	40.2	80.5
34. Clymer Machine Co., Inc	40,000	73.2	248.8
35. Electronic Products & Engineering Co., Inc	150,000	58.1	292.1
36. M. L. W. Corp	150,000	33.2	83.5
37. Tan-Tex Industries, Inc	650,000	15.9	44.5
38. Portec, Inc	225,000	33.4	40.7
39. Vega Precision Laboratories	125,000	56.5	107.3
40. Cleveland Steel Products Corp	200,000	29.7	40.2
41. J. Schoeneman, Inc	75,000	28.9	35.4
42. Chapman Machine Co., Inc	75,000	32.6	51.2
43. Lee Realty Corp	70,000	[4]10.0	[4]51.2
44. Abbot Machine Co	150,000	81.7	203.6
45. Continental Connector Corp	500,000	25.4	34.3
46. Mosaic Fabrications, Inc	100,000	57.4	137.0
47. Glass Designers, Inc	50,000	56.9	95.1
48. Glass Designers, Inc	50,000	53.2	73.2
49. Bilt-Rite Box Co., Inc	75,000	39.4	60.1
50. Trans World Airlines, Inc	200,000	(2)	(2)
51. Norris Industries, Inc	2,000,000	33.0	70.8
52. Lake Shore, Inc	75,000	26.8	52.3
53. Texas Aluminum Co., Inc	50,000	20.3	442.2
54. H. Walters & Co., Inc	225,000	53.7	124.0
55. National Union Electric Corp	5,000,000	22.4	74.4
56. Major Coat Co., Inc	750,000	84.6	589.3
57. Graniteville Co	600,000	20.8	32.4
58. Camel Manufacturing Co	600,000	52.0	102.6
59. Tools Products Co., Inc	$225,000	31.0	52.4
60. Elliot Bros. Steel Co	50,000	27.1	95.6
61. Valcor Engineering Corp	50,000	25.4	34.9
62. Teledyne Inc., Sii to Sewart Seacraft, Inc	700,000	79.8	217.0
63. John Wood Co	450,000	21.2	40.5
64. Dynasciences Corp	125,000	31.2	255.4
65. Kellwood Co	50,000	38.9	142.3
66. Air Treads of Atlanta, Inc	100,000	72.8	435.4
67. Adrian Wilson Associates	150,000	(3)	(3)
68. Hardie-Tynes Manufacturing Co	300,000	19.1	23.8
69. Putnam-Herzl Finishing Co., Inc	100,000	29.0	96.9
70. Thomaston Special Products, Inc. Sii to Precise Products Industries, Inc	225,000	55.4	55.4
71. Standard Resources Corp	75,000	56.3	237.9
72. Tubular Products Co	75,000	35.6	74.7
73. United Tool & Die Co	100,000	25.9	35.0
74. International Chair Corp	15,000	(3)	(3)
75. Aircraft Service International Janitorial, Inc	40,000	(3)	(3)
76. Aircraft Service International Janitorial, Inc	150,000	(3)	(3)
77. Flight Belt Corp	7,000	[4]5.2	[4]7.8
78. Flight Manufacturing Corp	15,000	[4]4.6	[4]4.8
79. O'Brien Gear & Machine Co	250,000	48.1	210.2
80. Stanwick Corp	150,000	(4)	(4)
81. Plaza Mills, Inc	50,000	17.8	55.6
82. Computer Instruments Corp	50,000	37.6	55.1
83. Portec, Inc	550,000	29.8	38.2
84. Michaels Stern & Co., Inc	100,000	25.1	63.3
85. So-Sew Styles, Inc	350,000	[4]121.1	[4]121.1
86. Centre Manufacturing Co., Inc	375,000	45.4	104.6
87. Aerial Machine & Toll Corp	75,000	23.0	49.3
88. National Union Electric Corp	3,100,000	23.7	72.4
89. Rex Precision Products, Inc	40,000	30.7	74.6
90. Whittaker Corp. Sii to Bermite Powder Co	300,000	53.7	579.7
91. Stalker Corp	125,000	35.7	54.8
92. Kilgore Corp	950,000	32.7	68.0
93. Kilgore Corp	750,000	26.3	42.7
94. Glenn Manufacturing Co., Inc	900,000	58.7	123.7
95. Ametek, Inc. Sii to Plymouth Industrial Products, Inc	600,000	90.9	226.4
96. United Telecontrol Electronics, Inc	125,000	35.5	69.3
97. Model Screw Products, Inc	100,000	50.0	137.3
98. Wells Marine, Inc	1,700,000	52.8	206.1
99. Shinn Engineering, Inc	350,000	33.4	63.2
100. Superior Steel Ball Co	100,000	44.8	120.8
101. Warren Pumps, Inc	200,000	23.2	46.9
102. M. Sloane Manufacturing Co	200,000	20.8	872.2
103. American Technical Industries	175,000	30.5	58.3
104. American Technical Industries Sii to Lem Products Corp	35,000	57.4	140.0
105. Neapco Products, Inc	175,000	25.7	30.3
106. Carlisle Corp	500,000	37.0	91.0
107. Sterling Electronics Corp. Sii to 872 Rockaway Corp	40,000	50.4	83.7
108. Milan Box Corp	50,000	23.1	32.9
109. Patty Precision Products Co	40,000	41.1	244.3
110. Sun Garden Packing Co	100,000	22.2	95.3
111. Dale Fashions, Inc	150,000	62.0	(4)
112. American Sportswear Co., Inc	15,000	(3)	(3)
113. National Union Electric Corp	800,000	21.5	91.5
114. Dyson-Kissner Corp. Sii to Northwest Automatic Products Corp	275,000	24.5	33.8
115. Dyson-Kissner Corp. Sii to Northwest Automatic Products Corp	225,000	20.4	27.6

Footnotes at end of article.

Determination No. and name of contractor	Amount of excessive profits refunded	Profits after refund as percent of—	
		Capital[1]	Net worth[1]
116. Anixter Bros., Inc., Sii to Anixter-Normandy	$250,000	39.1	109.6
117. AWA Corp	150,000	55.0	237.1
118. AWA Corp	500,000	48.5	137.0
119. M.L.W. Corp	375,000	56.3	64.5
120. Abbot Machine Co	275,000	66.5	122.6
121. Lee Realty Corp	125,000	(3)	(3)
122. Landis Clothes, Inc	100,000	46.4	214.6
123. Kreisler Industrial Corp	315,000	45.7	138.4
124. Metro Machine Corp	34,000	44.8	119.2
125. Sterling Commercial Steel Ball Corp	225,000	39.3	58.1
126. Lawrence Jaros Co., Inc	30,000	(2)	(2)
127. Lawrence Jaros Co., Inc	30,000	(2)	(2)
128. Oppenheimer, Inc	40,000	16.9	22.2
129. Opacalite Inc	40,000	26.5	135.0
130. Rodale Electronics, Inc	100,000	21.6	46.5
131. Macrodyne-Chatillon Corp., Sii to Consolidated Missile Co., Inc	80,000	[4]86.4	[4]163.4
132. Hitco Sii to Hawley Products Co	250,000	42.2	78.1
133. Alaska-Puget-United Transportation Cos	75,000	(3)	(3)
134. Clearwater Die & Manufacturing Co., Inc	50,000	40.3	64.0
135. Hutt, Inc	175,000	166.1	329.1
136. National Tool & Die Co	135,000	32.6	46.4
137. Pembroke, Inc	425,000	41.3	56.4
138. Border Machinery Co., Inc	40,000	52.5	105.5
139. Puritan Fashions Corp	175,000	25.5	29.6
140. John Wood Co	150,000	20.5	31.5
141. Dallathe Corp	5,000	(3)	(3)
142. Dallathe Corp	12,000	(3)	(3)
143. Panco Corp. Sii to Beeville Corp	29,000	(3)	(3)
144. Panco Corp. Sii to Beeville Corp	18,000	(3)	(3)
145. Panco Corp. Sii to Corpus Mainbase Corp	12,000	(3)	(3)
146. Panco Corp. Sii to Corpus Mainbase Corp	22,000	(3)	(3)
147. Panco Corp. Sii to Corpus Mainbase Corp	$16,000	(3)	(3)
148. Glunco Corp	12,000	(3)	(3)
149. Glynco Corp	10,000	(3)	(3)
150. Panco Corp. Sii to Jaxs Corp	44,000	(3)	(3)
151. Panco Corp. Sii to Jaxs Corp	28,000	(3)	(3)
152. Panco Corp. Sii to Jaxs Corp	32,000	(3)	(3)
153. Panco Corp. Sii to Key West Corp	30,000	(3)	(3)
154. Panco Corp. Sii to Key West Corp	18,000	(3)	(3)
155. Panco Corp. Sii to Key West Corp	17,000	(3)	(3)
156. Panco Corp. Sii to Kingsville Corp	2,000	(3)	(3)
157. Panco Corp. Sii to Kingsville Corp	12,000	(3)	(3)
158. Panco Corp. Sii to Kingsville Corp	5,000	(3)	(3)
159. Panco Corp. Sii to Medius Corp	12,000	(3)	(3)
160. Panco Corp. Sii to Medius Corp	24,000	(3)	(3)
161. New York Corp	9,000	(3)	(3)
162. New York Corp	11,000	(3)	(3)
163. New York Corp	14,000	(3)	(3)
164. Olathe Corp	6,000	(3)	(3)
165. Olathe Corp	3,000	(3)	(3)
166. Olathe Corp	7,000	(3)	(3)
167. Bahia Dorado Corp	10,000	(3)	(3)
168. Metro Machine Corp	40,000	29.6	49.0
169. Bromfield Corp	550,000	45.7	109.0
170. Stanadyne, Inc	275,000	28.0	36.4
171. Lasko Metal Products, Inc	600,000	28.2	63.7
172. Kaynar Mfg. Co., Inc	75,000	27.0	39.7
173. Cone Mills Corp	325,000	25.4	42.1
174. jernberg Forgings Co	100,000	32.3	36.9
175. Gibraltar Manufacturing Co	475,000	48.7	147.4
176. jonathan Logan, Inc	100,000	25.1	198.7
177. Paramount Warrior, Inc. Sii to Pacific Crane & Rigging Co	150,000	(3)	(3)
178. E. Walters & Co., Inc	50,000	35.6	79.5

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[1] Because of the presence of absence of factors, such as Government short- or long-term capital input, sole source or rated order procurement conditions, critical production or delivery requirements, etc., return rates on beginning capital and beginning net worth allocated to renegotiable business on a cost-of-goods sold basis are not always good indicators of comparative profitability. This is particularly true in case of smaller contractors with large increases in renegotiable business during the review year. Also, it is important to note that the ratios are the results of the Board's determinations and that, because of the small number of cases involved and the great variety in underlying conditions, these ratios are not amenable to statistical interpretation.

[2] Nominal capital and/or net worth deficit.

[3] Not relevant, because of the nature of the contractor's business.

[4] Ratios influenced by intercompany relationships.

Mr. PROXMIRE. The mystique that a U.S. troop presence of exactly 320,000 men is essential to European security has been convincingly dispelled.

Europe is strong enough to stand on its own. We should provide the nuclear backup, the naval power, and some of the weapons necessary for the defense of Europe. But the Europeans should provide more of the manpower.

At the present time we provide 10 percent of the NATO ground strength, 25 percent of the air force, and 20 percent of the combined navies. It costs over $17 billion a year not counting the adverse dollar flow—$1.5 billion.

But look at the revitalized economy of Europe. When the United States first made a military commitment to Europe their gross national product was $46.9 billion. Now it is $831.9 billion. But while the United States spends 7.5 percent of our GNP on defense, the Europeans spend about half as much.

They have as many people as the U.S.S.R. and an economy that is every bit as strong as the Russians. They can afford to pull more weight. If they want more troop strength in Europe let them supply it themselves.

What we need is a stronger NATO alliance. If the Europeans come through with more support, we will get it. And it will save us money.

Every year the United States trains fewer fighting men and more bureaucrats. We are building an army of paper shufflers. With the worst combat to support ration of any major army in the world, the United States is faced with an ever more expensive and less capable force.

We are getting soft. It would be better to have a smaller elite fighting force than a bureaucratic behemoth.

We are overstaffed at every level. There are more generals and admirals, colonels and captains now than at the height of World War II but we have 10 million fewer men in the service.

We have over 600,000 military personnel stationed overseas or about 30 percent of total U.S. military manpower. There are 314,000 dependents overseas and we employ 173,000 foreign nationals to work on our 2,000 bases. The cost of American troops abroad is about $30 billion a year.

This kind of bloated defense structure actually reduces our military effectiveness. The Soviet Union does not permit a fighting-to-support ratio of 1 to 10 or overstaffed commands or luxurious accommodations for civilians and military personnel on duty. Why should we?

There are over 7,300 civilian employees of the Defense Department earning between $27,000 and $39,500 a year. All told there are 1 million civilians in a defense capacity or about one civilian for every two military men. It costs $13.5 billion, as the Senator from Missouri has pointed out, to pay for civilians in the Pentagon.

To look at it another way, there are as many defense civilians as employees of the Department of Agriculture, Treasury, Health, Education and Welfare, and Post Office. Many of these positions are unnecessary and simply create layers of bureaucracy that impede decisionmaking. Again we would literally have a stronger military force if we cut this massive Pentagon civilian bureaucracy in half.

Some—not all—but a sizable number of high ranking U.S. officers have provided themselves with unbelievable luxuries and special privileges at public expense.

As disclosed by the House Appropriations Committee, high level officers are flying free around the world with confirmed reservations on the Military Airlift Command. In fiscal year 1972 over 336,000 overseas flights alone were made for nonofficial travel. Lieutenant colonels and above get confirmed reservations and have military personnel to handle their baggage, escort them to and from the plane and through customs, and receive ground transportation and guest house privileges.

This is a waste of valuable manpower.

Pentagon brass are afforded privileges that would make any bureaucrat blush with envy. They have 45 limousines with chauffeurs standing by for local transportation and 62 helicopters for longer trips.

Outside the Pentagon, 178 aircraft are assigned to senior officers worldwide at a cost of $39.2 million annually. Many of these are fixed up to VIP standards. One jet recently redecorated by Gen. Jack Catton cost over $760,000. It contains new fixtures, plush seats, three bathrooms, carpeting, and a racing stripe. This is the kind of waste that can be eliminated.

Where else can that $1 billion be saved? We could be more careful of goldplating and golden handshakes. Goldplating not only forces the cost of our weapons up but it reduces our force structure. If we can only build new planes for a cost of $20 million and these aircraft replace others purchased at $4 million sooner or later it will drive the force level down. It is unilateral disarmament.

Golden handshakes make this situation possible. When industry is allowed to bid in low with the expectation of recovering losses at a later date, it throws the entire procurement process out of step and places Congress hostage to the defense industry. It is much like President Teddy Roosevelt sending the Great White Fleet around the world over the objections of Congress and then simply stating if we wanted the fleet back we would have to pay for it.

Mr. President, even the corrective measures the Pentagon takes are frought with problems. The Navy, for example, paid over a million dollars to a private consultant for an "efficiency" study that should have been used in negotiations for a billion dollar weapon, the Mark 48 torpedo. But the Navy failed to coordinate the study with its own contract negotiator or with other Pentagon officials and the consultant's final report was obtained too late to be used in the negotiations. You might say the Navy torpedoed its own study.

Mr. President, the list of possible savings goes on and on. The committee report this year makes the most reasonable case with this regard. A reading of that document will prove that more than $1 billion can be saved.

Mr. President what do others say about reducing the military budget? Just how much can the budget be reduced and still retain sufficient military capability?

A long series of sound analyses by defense and congressional experts has pinpointed many billions in wasteful spending. According to one study, over $14 billion can be saved out of this year's budget. Authored by Alfred Fitt, former Assistant Secretary of Defense for Manpower; Roswell Gilpatric, former Deputy Secretary of Defense; Morton Halperin, former Deputy Assistant Secretary of Defense; Townsend Hoopes, former Under Secretary of the Air Force; George Kistiakowsky, former Presidential Science Adviser; Herbert Scoville, former Deputy Director of the CIA; Ivan Selin, former Deputy Assistant Secretary of Defense, this study makes a series of specific proposals for cuts in the budget. With experience of that depth and quality, their suggestions cannot go unnoticed.

In an excellent study of support cost in the Defense budget which he calls the submerged one-third, Martin Binkin of the Brookings Institution shows where $2.28 billion could be saved without affecting our fighting capability.

In the major Brookings study this year, a range of defense options indicates that between $10 and $25 billion could be pruned from the budget using different assumptions and force levels.

A study of strategic forces by Alton Quanbeck and Barry Blechman puts forward the possibility that up to $4 billion in strategic weapons costs and operation could be cut gradually from the budget.

A specific recommendation by Herbert Scoville, former high official of the Central Intelligence Agency and the Arms Control and Disarmament Agency has identified almost $3 billion in excess weaponry.

The Center for Defense Analysis has concluded that there is $5.1 billion in the budget for major weapon systems of marginal utility. The center is headed by Adm. Gene LaRocque, retired.

The Members of Congress for Peace Through Law produced an analysis showing where changes in the Defense budget would produce potential savings of $16 billion.

Mr. President, I want to make it clear that I do not support any one of these proposed cuts. I cite them to indicate that many responsible people have reached conclusions of their own that the defense budget can be cut back drastically. I do not believe that there can be a drastic cut in this budget. I would not vote for one.

But I do think that the taxpayers of this country have a right to expect that Congress will force the Pentagon to hold the line on defense spending to last year's level.

That is a very, very modest hope.

According to recent press articles, the House Appropriations Committee is thinking of a cut in the budget of between $4 to $5 billion. The Senate Armed Services Committee already has found nearly $2 billion in wasteful programs. The distinguished acting chairman of that committee, Mr. Symington, has shown that another $2 billion should be cut from the procurement bill. I find his arguments extremely compelling. And they are backed by the kind of thorough research necessary to make the case.

The chairman of the Appropriations Committee has said that "some realistic spending cuts can be made in the Department of Defense budget without diminishing or weakening our national defense posture." He has said, "We may not be able to surpass or even equal the $5 billion reduction of last year but this is our purpose and this is what we shall undertake to accomplish."

Mr. President, in view of all these other statements, my amendment seems far too conservative. But I would argue we must be conservative in these matters. A hold-the-line approach is the answer.

THE CONTINUING RESOLUTION

One of the unique aspects of this amendment is its similarity to the continuing resolution. At present the Pentagon is operating under the authority of the continuing resolution which limits the rate of operations to last year's budget or the new budget whichever is lower. Since the new budget is higher, the Pentagon is operating under last year's levels.

This means that my amendment would not in any way involve a cutback from current Pentagon spending practices. Since they are operating at last year's level, the amendment would simply continue to allow them to spend at present rates. There would be no cutback. There would be no double-up effect for the last half of the year. There would be no base closings. There would be no firings or unemployment problem. Life would go on as before.

The new increases in the budget would be denied, but the old levels would continue to be met. If we adequately defended the country last year at $74.2 billion we can do it again this year without the burden of Vietnam.

Mr. President I ask unanimous consent that a copy of the continuing resolution be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Public Law 93-52

Joint resolution making continuing appropriations for the fiscal year 1974, and for other purposes

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of the Government for the fiscal year 1974, namely:

Sec. 101. (a)(1) Such amounts as may be necessary for continuing projects or activities (not otherwise specifically provided for in this joint resolution) which were conducted in the fiscal year 1973 and for which appropriations, funds, or other authority would be available in the following Appropriation Acts for the fiscal year 1974:

Agriculture-Environmental and Consumer Protection Appropriation Act;

District of Columbia Appropriation Act;

Department of Housing and Urban Development; Space, Science, Veterans, and Certain Other Independent Agencies Appropriation Act;

Department of the Interior and Related Agencies Appropriation Act;

Departments of Labor, and Health, Education, and Welfare, and Related Agencies Appropriation Act, as now or hereafter passed by the House and the Senate;

Legislative Branch Appropriation Act;

Public Works for Water and Power Development and Atomic Energy Commission Appropriation Act;

Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act; and

Department of Transportation and Related Agencies Appropriation Act;

(2) Appropriations made by this subsection shall be available to the extent and in the manner which would be provided by the pertinent appropriation Act;

(3) Whenever the amount which would be made available or the authority which would be granted under an Act listed in this subsection as passed by the House is different from that which would be available or granted under such Act as passed by the Senate, the pertinent project or activity shall be continued under the lesser amount or the more restrictive authority: *Provided*, That no provision in any appropriation Act for the fiscal year 1974, which makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation, shall be effective before the date set forth in section 102(c) of this joint resolution;

(4) Whenever an Act listed in this subsection has been passed by only one House or where an item is included in only one version of an Act as passed by both Houses, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House, but at a rate for operations not exceeding the cur-

rent rate or the rate permitted by the action of the one House, whichever is lower: *Provided,* That no provision which is included in an appropriation Act enumerated in this subsection but which was not included in the applicable appropriation Act for 1973, and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this joint resolution unless such provision shall have been included in identical form in such bill as enacted by both the House and the Senate: *Provided further,* That with respect to the projects and activities included in the Departments of Labor, and Health, Education, and Welfare, and Related Agencies Appropriation Act, the current rate for operations within the meaning of this joint resolution shall be that permitted by the joint resolution of July 1, 1972 (Public Law 92-334, as amended), and other appropriations for the fiscal year 1973: *Provided further,* That the aggregate amounts made available to each State under title I-A of the Elementary and Secondary Education Act for grants to local education agencies within that State shall not be less than such amounts as were made available for that purpose for fiscal year 1972;

(b) Such amounts as may be necessary for continuing projects or activities (not otherwise provided for in this joint resolution) which were conducted in the fiscal year 1973 and are listed in this subsection at a rate for operations not in excess of the current rate or the rate provided for in the budget estimate, whichever is lower, and under the more restrictive authority—

activities for which provision was made in Treasury, Postal Service, and General Government Appropriation Act, 1973;

activities for which provision was made in the Department of Defense Appropriation Act, 1973;

activities for which provision was made in the Military Construction Appropriation Act, 1973;

activities for which provision was made in section 108 of Public Law 92-571, as amended, and such amounts shall be available notwithstanding section 10 of Public Law 91-672 and section 655(c) of the Foreign Assistance Act of 1961, as amended; and in addition, unobligated balances as of June 30, 1973, of funds heretofore made available under the authority of the Foreign Assistance Act of 1961, as amended, are hereby continued available for the same general purposes for which appropriated: *Provided,* That new obligational authority authorized herein to carry out the Foreign Assistance Act of 1961, as amended, and the Foreign Military Sales Act, as amended, shall not exceed an annual rate of $2,200,000,000: *Provided further,* That none of the activities contained in this paragraph should be funded at a rate exceeding one quarter of the annual rate as provided by this joint resolution;

activities of the Commission on International Economic Policy, notwithstanding section 209 of Public Law 92-412;

activities for the "Special fund" established by section 223 of the Drug Abuse Office and Treatment Act of 1972 (Public Law 92-253) for which provision was made in the Supplemental Appropriations Act, 1973;

activities incident to adjudication of Indian Tribal Claims by the Indian Claims Commission for which provision was made in the Supplemental Appropriations Act, 1973;

activities of the Corporation for Public Broadcasting;

activities for operating expenses, domestic programs, of ACTION, for which provision was made in the Supplemental Appropriations Act, 1973;

activities of the Office of Consumer Affairs;

activities of the Cabinet Committee on Opportunities for Spanish-Speaking People;

activities of the National Study Commission on Water Quality Management;

activities of the National Industrial Pollution Control Council;

activities of the Department of the Interior for: (a) Saline water research program, (b) Trust Territory of the Pacific Islands, and (c) grants-in-aid and special bicentennial grants-in-aid under the Preservation of Historic Properties;

activities of the American Revolution Bicentennial Commission;

activities for Coast Guard reserve training;

activities of the Federal Railroad Administration for grants to National Railroad Passenger Corporation;

activities of the National Highway Traffic Safety Administration under the National Traffic and Motor Vehicle Safety Act of 1966, as amended.

(c) Such amounts as may be necessary for continuing projects or activities for which disbursements are made by the Secretary of the Senate, and the Senate items under the Architect of the Capitol, to the extent and in the manner which would be provided for in the budget estimates for fiscal year 1974;

(d) Such amounts as may be necessary for continuing the following activities, but at a rate for operations not in excess of the budget estimate—

activities under section 201(g)(1) of the Social Security Act, as amended, for which provision was made in the Second Supplemental Appropriations Act, 1973;

activities authorized by title I of Public Law 92-328; and

(e) Such amounts as may be necessary for continuing the following activities, but at a rate for operations not in excess of the current rate—

activities of the National Commission on Productivity;

Activities relating to the compensation and reimbursement of attorneys appointed by judges of the District of Columbia courts pursuant to the Criminal Justice Act of 1964, as amended;

activities of the Commission on the Organization of the Government for the Conduct of Foreign Policy;

notwithstanding the fourth clause of subsection (b) of this section, activities of the Department of Health, Education, and Welfare for assistance to refugees in the United States (Cuban program);

activities under the Vocational Rehabilitation Act, as amended, and the Manpower Development and Training Act of 1962, as amended, and title I and title III-B of the Economic Opportunity Act of 1964, as amended, for which provision was made under joint resolution of July 1, 1972, Public Law 92-334, as amended, and the Supplemental Appropriations Act, 1973, Public Law 92-607: *Provided,* That the current rate for operations shall be defined as that permitted by such appropriations for fiscal year 1973; and

activities under the Public Works and Economic Development Act of 1965, as amended.

Sec. 102. Appropriations and funds made available and authority granted pursuant to this joint resolution shall remain available until (a) enactment into law of an appropriation for any project or activity provided for in this joint resolution, or (b) enactment of the applicable Appropriation Act by both Houses without any provision for such project or activity, or (c) September 30, 1973, whichever first occurs.

Sec. 103. Appropriations and funds made available or authority granted pursuant to this joint resolution may be used without regard to the time limitations for submission and approval of apportionment set forth in subsection (d)(2) of section 3679 of the Revised Statutes, as amended, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

Sec. 104. Appropriations made and authority granted pursuant to this joint resolution shall cover all obligations or expenditures incurred for any project or activity during the period for which funds or authority for such project or activity are available under this joint resolution.

Sec. 105. Expenditures made pursuant to this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

Sec. 106. No appropriation or fund made available or authority granted pursuant to this joint resolution shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1973.

Sec. 107. Any appropriation for the fiscal year 1974 required to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, may be apportioned on a basis indicating the need (to the extent any such increases cannot be absorbed within available appropriations) for a supplemental or deficiency estimate of appropriation to the extent necessary to permit payment of such pay increases as may be granted pursuant to law to civilian officers and employees and to active and retired military personnel. Each such appropriation shall otherwise be subject to the requirements of section 3679 of the Revised Statutes, as amended.

Sec. 108. Notwithstanding any other provision of law, on or after August 15, 1973, no funds herein or heretofore appropriated may be obligated or expended to finance directly or indirectly combat activities by United States military forces in or over or from off the shores of North Vietnam, South Vietnam, Laos or Cambodia.

Sec. 109. Appropriations and authority provided in this joint resolution shall be available from July 1, 1973, and all obligations incurred in anticipation of the appropriations and authority provided in this joint resolution are hereby ratified and confirmed if otherwise in accordance with the provisions of this joint resolution.

Sec. 110. Unless specifically authorized by Congress, none of the funds herein appropriated under this joint resolution or heretofore appropriated under any other Act may be expended for the purpose of providing assistance in the reconstruction or rehabilitation of the Democratic Republic of Vietnam (North Vietnam).

Sec. 111. Any provision of law which requires unexpended funds to return to the general fund of the Treasury at the end of the fiscal year shall not be held to affect the status of any lawsuit or right of action involving the right to those funds.

LEGISLATIVE HISTORY

House reports: No. 93-328 (Comm. on Appropriations) and No. 93-364 (Comm. on Conference).

Senate report No. 93-277 (Comm. on Appropriations).

Congressional Record, Vol. 119 (1973):

June 26, considered and passed the House.

June 29, considered and passed Senate, amended.

June 30, House agreed to conference report, and concurred in Senate amendment with an amendment, Senate agreed to conference report and concurred in House amendment.

Weekly compilation of Presidential documents, Vol. 9, No. 27: July 1, Presidential statement.

Mr. PROXMIRE. Mr. President, in prior years, ceiling amendments have involved a cutback in spending. They have met with opposition because of the threat that a cutback would be doubled up for the last half of the fiscal year. This is a consequence of the congressional schedule.

This year that is not the case. There will be no problems of that type. The hold-the-line approach is acceptance of the status quo—not a cutback in present programs.

I am delighted the Senator from Missouri is on the floor, because he has indicated such a deep interest in our economy, and now I would like to touch very briefly on that.

Mr. President, this amendment is designed in two ways to meet the inflation problem.

First, military spending is peculiarly inflationary because all of the spending has the full effect any Government spending has on demand. If my amendment succeeds, we will prevent an additional $4 billion from being pumped into the economy. Inflation is our number one problem. Last month it hit the worst rate since the World War II period. An additional $4 billion of military outlay which this amendment would prevent would surely aggravate that inflation. It would mean $4 billion seeking goods and services and manpower already in short supply in many areas. The prices of those products would be sure to rise more sharply because of this additional spending.

And the military spending has an especially sharp effect because it produces no economic goods. Government spending that builds houses—also increases general demand but it increases the supply and therefore tends to hold down the cost of housing. Government spending that goes into manpower training also swells the general spending and bids up prices, but it results in more men and women trained to work in areas where skills are in short supply, so wage and therefore prices tend to stay within bounds.

But Government spending to hire soldiers and sailors, to build weapons, or to provide for more military staffing, provides no economic goods. Demand increases but there is no corresponding increase in supply. Result: a specially virulent inflationary effect.

Now there is one other reason why this amendment is solid antiinflation fare. It is designed to hold down spending now—when inflation is at its height. Because it is aimed at 1974 outlays, it will have its full effect within the next nine and a half months. Unlike other amendments that would reduce obligational authority, this amendment would stop the inflationary impact of spending precisely when we need to slow it down, not when unemployment is serious and the economic effect would be to aggravate that unemployment. Almost all other amendments designed to reduce the amount of spending in this bill or in the appropriation bill would have a delayed effect, in fact most of the effect would be felt in later years. But every nickel of this hold down amendment would hit the economy by June 30 of next year. It would be right on the economic target.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. SYMINGTON. The Senator said there would be a reduction of $1 billion; but if the present budget is over $78 billion and this amendment is $74 billion, how can there be a reduction of only $1 billion?

Mr. PROXMIRE. What I am talking about is the net effect, in real terms, when we allow for the amount we were spending in Vietnam. The $74.2 billion we spent last year included a very substantial amount, about $7 billion, that we were spending on Vietnam. We will not be spending that money for fighting a war in Vietnam this year. Therefore, we will have an amount that we can apply as a saving to the inflation cost.

And when we do that and apply it, we recognize that we do not make a cut in present funding of anything like $4 billion.

In fact, it is only $1 billion total in real terms. It is a $4 billion cut below the President's request. But it is not a cut below what the Defense Department is spending now.

Mr. SYMINGTON. Mr. President, I want to be sure I understand. We made a cut of $1.5 billion in committee. I recommended an additional cut. We have now reduced that cut by replacing one of the weapons systems—to $1 billion.

Mr. PROXMIRE. Mr. President, I want to stress that this is not a cut, in money terms at least. This is exactly the same amount this year as last year. It is a reduction below what the President recommends. He recommends an increase. This amendment prevents that increase on the grounds that we are not engaged in a war in Vietnam and not spending that money and can apply those funds to take care of the inflation costs and the pay raise costs that we have.

Mr. SYMINGTON. Mr. President, what amount does the able Senator from Wisconsin take out for the Vietnam war?

Mr. PROXMIRE. The way we calculate it, we estimate that it was approaching $7 billion last year. It is about $4 billion this year. It is a net savings of about $3 billion.

Mr. President, I will be able to supply it to the Senator from Missouri.

WHY OUTLAYS?

It may be asked, Why place a hold-the-line ceiling on outlays? Why not total obligatory authority or budget authority?

The answer: Neither TOA nor NOA actually control the rate of expenditures. A considerable amount of TOA and NOA go for out-year expenditures. It is not all consumed the same fiscal year. Therefore any attempt to put a lid on spending must be done with outlays. This controls prior year appropriations as well as present year budget authority.

Sometime before this debate is over the term "meat ax approach" will be used. It is best to meet this point right now. The argument goes that any broad attempt to limit spending is a meat-ax approach. It is not specific. It is too general.

There are several answers to this. First, the hold-the-ceiling approach is designed to allow the Defense Department to make internal adjustments itself. Saturday when I had an amendment up to cut back on headquarters staffs, the argument was made that Congress should not become involved in where the cuts are made. We should leave this to the Pentagon.

Well, this is precisely what amendment 515 would do.

Second, some supporters of the Pentagon argue against line item cuts because we do not have the expertise to go up against the military experts in the Department of Defense. Leave it up to the Pentagon they say. Then these same supporters turn around and object to ceiling amendments because they are the meat ax approach—they are too general and not specific enough. I submit these arguments cannot logically go both ways One must make a choice.

Third, the Senate has taken a firm stand on limiting Federal spending. We placed a ceiling on Federal expenditures of $268 billion. We said no more spending above that amount. Mr. President, there were no cries of a meat ax approach when this legislation came before us. It was a responsible and reasonable thing to do and I supported it with enthusiasm—although I would have desired that the ceiling be lower.

That same concept is now at work here. Amendment 515 places a ceiling on outlays at last year's level. It too is responsible and reasonable.

THIS IS AN ANTI-INFLATIONARY AMENDMENT

Mr. President, Congress is on the spot with the spending issue. The Senate has responded by placing an outlay ceiling on all Federal expenditures $268 billion. We must live within that ceiling.

That will be a tough assignment. Why? Because certain budget items for which Congress has no control have suddenly skyrocketed.

For example, the interest payment on the public debt will be at least $4 billion higher than projected in the President's budget last January. It could go as high as $7 bililon. This is outside the control of Congress.

A second area of expansion is social security. Obviously some of this is mandated by Congress but some also is the direct consequence of high inflation and the cost-of-living factors built into the social security program. Over the latter, Congress has no control.

Mr. President, when you couple these uncontrollable increases with the Federal budget it is obvious that we are in for a hard time keeping to our self-imposed ceiling.

Under the President's budget there are $202 billion in uncontrollable outlays and only $75 billion in controllable outlays. Of the $75 billion in controllable outlays there are approximately $52 billion for national defense and $23 billion for civilian projects.

Now this draws the picture clearly. Congress cannot control Federal spending unless there is a ceiling on the defense budget which accounts for two-thirds of all controllable outlays.

That fact alone makes this amendment the most important anti-inflationary vote of this session.

It will be extremely difficult if not impossible to take the $4 to $7 billion public debt interest increase and the social security increases out of the far smaller $23 billion of controllable civilian spending.

Most of it must come out of the defense budget. And we can do it by holding the line at last year's spending level. This is the economy move allowed by amendment No. 515.

To sum up, Mr. President, there are many factors that make a hold-the-line approach necessary. First, the war in Vietnam is over and there will be a $3 billion outlay savings from that alone. Second, this $3 billion almost by itself takes care of the increase in the defense budget necessary for pay and inflation. Third, the remaining $1 billion can be found in many places as Congress has shown the past 4 years. Fourth, a hold the line to last year's level will not in any way degrade our national security. In fact, it will improve it.

Fifth, there is no other choice if we are to stay within the overall Federal outlay ceiling. This is where the controllable funds are.

And sixth, it is the answer to the question of "Why does peace cost more than war?"

Peace need not cost more than war. Inflation can be slowed down. Congress can limit Federal expenditures.

Amendment No. 515 will help do it.

Mr. President, I am ready to yield back the remainder of my time.

Mr. THURMOND. Mr. President, we yield back the time on our side.

The PRESIDING OFFICER (Mr. Humphrey). All time has been yielded back.

Mr. PROXMIRE. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that my staff assistant, Ron Tammen, be permitted to be present in the Chamber during the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the clerk of the Appropriations Committee be permitted to remain in the Chamber during the rollcall.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment (No. 515) of the Senator from Wisconsin (Mr. Proxmire). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from North Carolina (Mr. Ervin), and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I further announce that if present and voting, the Senator from North Carolina (Mr. Ervin) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Ohio (Mr. Saxbe) and the Senator from Pennsylvania (Mr. Schweiker) are necessarily absent.

I further announce that the Senator from Ohio (Mr. Taft) is absent on official business.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

The result was announced—yeas 31, nays 62, as follows:

[No. 423 Leg.]

YEAS—31

Abourezk
Burdick
Church
Clark
Cranston
Eagleton
Fulbright
Gravel
Hart
Hartke
Haskell
Hathaway
Huddleston
Hughes
Humphrey
Inouye
Kennedy
Mansfield
McGovern
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Pell
Proxmire
Stafford
Stevenson
Symington
Williams

NAYS—62

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Hatfield
Helms
Hollings
Hruska
Jackson
Javits
Johnston
Long
Magnuson
Mathias
McClellan
McClure
McGee
McIntyre
Nunn
Packwood
Pastore
Percy
Randolph
Ribicoff
Roth
Scott, Hugh
Scott, William L.
Sparkman
Stevens
Talmadge
Thurmond
Tower
Tunney
Weicker
Young

NOT VOTING—7

Bayh
Ervin
Pearson
Saxbe
Schweiker
Stennis
Taft

So Mr. Proxmire's amendment was rejected.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, for the information of the Senate, it is my understanding that the distinguished authors of the next amendment, Mr. Baker and Mr. Bentsen, have indicated that they do not plan to ask for a rollcall vote on the amendment. It has also been indicated, I believe, that not much time will be taken by the amendment.

Following that, I understand that the distinguished Senator from South Carolina (Mr. Thurmond) has two amendments which he will be able to call up and dispose of quickly, without yea and nay votes.

On the strength of these assurances, Mr. President, I think Senators can leave at this time if they have other engagements, with the understanding that there will be no more rollcall votes tonight.

Mr. BAKER. Mr. President, for myself and on behalf of my cosponsors, Senators Bentsen, Bennett, Beall, Brock, Robert C. Byrd, Case, Domenici, Ervin, Fong, Hansen, Jackson, Mansfield, Nunn, William L. Scott, Dominick, Goldwater, and Cook, I call up our amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BAKER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with and that the entire amendment be printed in the Record.

The amendment ordered to be printed in the Record is as follows:

On page 26, between lines 22 and 23, it is proposed to insert a new title as follows:

"TITLE VII—STUDY COMMISSION

"DEFENSE MANPOWER COMMISSION

"Sec. 701. (a) There is hereby established a commission to be known as the Defense Manpower Commission (hereinafter in this title referred to as the 'Commission').

"(b) The Commission shall be composed of seven members appointed as follows:

"(1) One member to be appointed by the majority leader of the Senate;

"(2) One member to be appointed by the minority leader of the Senate;

"(3) One member to be appointed by the majority leader of the House of Representatives;

"(4) One member to be appointed by the minority leader of the House of Representatives; and

"(5) Three members to be appointed by the President.

No person may be appointed to the Commission who is a civilian officer or employee of the Federal Government; and no person may be appointed who is serving on active duty with the Armed Forces of the United States.

"(c) The Commission shall elect a Chairman and Vice Chairman from among its members.

"(d) Four members of the Commission shall constitute a quorum. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

"DUTIES OF THE COMMISSION

"Sec. 702. It shall be the duty of the Commission to conduct a comprehensive study and investigation of the overall manpower requirements of the Department of Defense on both a short-term and long-term basis with a view to determining what the manpower requirements are currently and will likely be over the next ten years, and how manpower can be more effectively utilized in the Department of Defense. In carrying out such study and investigation the Commission shall give special consideration to—

"(1) the effectiveness with which active duty personnel are utilized, particularly in headquarters staffing and in the number of support forces in relation to combat forces;

"(2) whether the pay structure, including fringe benefits, is adequate and equitable at all levels;

"(3) the distribution of grades within each armed force and the requirements for advancement in grade;

"(4) whether the military retirement system is fair and equitable;

"(5) whether the military retirement system is consistent with overall Department of Defense requirements and is comparable to civilian retirement plans; and

"(6) such other matters as the Commission deems pertinent to the study and investigation authorized by this title.

"POWERS OF THE COMMISSION

"Sec. 703. (a) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may for the purpose of carrying out the provisions of this title, hold such hearings and sit and act at such times and places as the Commission or such subcommittee or member may deem advisable.

"(b) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purposes of this title. Each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

"(c) The Commission shall establish appropriate measures to insure the safeguarding of all classified information submitted to or inspected by it in carrying out its duties under this title.

"COMPENSATION OF COMMISSION

"SEC. 704. Each member of the Commission shall receive an amount equal to the daily rate paid a GS–18 under the General Schedule contained in section 5332 of title 5, United States Code (including traveltime), during which he is engaged in the actual performance of his duties as a member of the Commission. Members of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

"STAFF OF THE COMMISSION

"SEC. 705. (a) The Commission shall appoint an Executive Director and such other personnel as it deems advisable without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall fix the compensation of such personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates; but personnel so appointed may not receive compensation in excess of the rate authorized for GS–18 by section 5332 of such title 5.

"(b) That Commission is authorized to procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates not to exceed the daily rate paid a person occupying a position at GS–18.

"(c) The Commission is authorized to enter into contracts with public agencies, private firms, institutions, and individuals for the conduct of research and surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

"ADMINISTRATIVE SERVICES

"SEC. 706. The Administrator of the General Service Administration shall provide administrative services for the Commission on a reimbursable basis.

"REPORTS OF THE COMMISSION

"SEC. 707. (a) The Commission shall, from time to time, submit interim reports to the Congress and to the President regarding its duties under this title, and shall include in any such reports its findings together with such recommendations for administrative or legislative action as the Commission considers advisable.

"(b) The Commission shall submit its final report to the Congress and to the President not more than eighteen months after the appointment of the Commission. Such report shall include all interim reports and the final findings and recommendations of the Commission.

"(c) The Commission shall cease to exist sixty days after the submission of its final report.

"AUTHORIZATION FOR APPROPRIATIONS

"SEC. 708. There are authorized to be appropriated to the Commission such sums as may be necessary to carry out the provisions of this title.".

Redesignate the existing title VII as title VIII and renumber the sections thereof accordingly.

Mr. BAKER. Mr. President, there are certain minor changes that result from typographical errors and certain other minor changes that I have outlined in my statement. I ask unanimous consent that the changes as outlined in my statement may be made. I inquire whether that requires unanimous consent.

The PRESIDING OFFICER. Without objection, the changes will be made.

Mr. BAKER. Mr. President, I also ask unanimous consent—and this has been cleared with my cosponsor (Mr. BENTSEN)—that I may modify the amendment on page 7, line 3, by striking out "such sums as may be necessary" and inserting in lieu thereof "a sum not to exceed $2.5 million."

The PRESIDING OFFICER. Without objection, the modification will be made.

Mr. BAKER. Mr. President, last Wednesday, the distinguished junior Senator from Texas (Mr. BENTSEN) and I proposed the establishment of an independent commission to study all aspects of defense manpower, from recruitment to retirement. However, in offering that proposal as an amendment, there appear to have been a couple of printing errors which I should like to correct at this point, as well as making a minor modification in the wording of the Defense Manpower Commission's duties. The changes are as follows:

On the first page, strike all of line 3 which reads, "(5) Three members to be appointed by the." It is out of context, incomplete, and unnecessary. You will notice that the same line is printed on the second page in its entirety on lines 16 and 17.

On page 3, in section 702, line 13, after the word "which," I would like to add the words "civilian and" so that it reads, "(1) the effectiveness with which civilian and active duty personnel are utilized."

This modification is not intended to get the Commission into consideration of the adequacy of the civilian pay scale, but rather the utilization of civilian as well as military personnel at the Department of Defense.

The final change is on page 3, lines 21 and 22. You will notice that military retirement is covered in lines 23 and 24 as well. In reintroducing our proposal as an amendment, military retirement was listed twice as a duty of the Commission while one of the other duties which had been originally cited, was eliminated. This was unintentional and I should like to restore that duty by striking lines 21 and 22 on page 3 and inserting in lieu thereof:

> (4) the cost-effectiveness and manpower utilization of the United States armed forces as compared with the armed forces of other countries;

Thus, Mr. President, the only real change which has been made in our proposal is to expand the duties of the Commission to include the consideration of civilian as well as military manpower at the Department of Defense.

The Commission will consist of seven members chosen from public life, none of whom are active duty military personnel, employees of the Federal Government, or members of Congress. The majority and minority leaders of each House will appoint one member each, while the President will select the remaining three individuals.

As previously mentioned, the duties of the Commission are essentially fivefold. They would be required to study the requirement for and utilization of all civilian and active duty military personnel, the adequacy and equitability of the pay structure at all levels, including fringe benefits, the distribution of grades within each armed force and the requirements for advancement in grade, the consistency of the military retirement system with overall DOD requirements as well as its comparability to civilian retirement plans, and the cost-effectiveness and manpower utilization of the U.S. Armed Forces as compared to the armed forces of other countries. This is indeed an ambitious mandate, but necessary in our view for a number of reasons.

In the last few days, we have debated no less than 15 amendments to the military procurement bill. Of those 15 amendments, a dozen have related to weapons procurement or R. & D.; and yet we spend over 50 percent of the defense budget on civilian and military manpower. In the present request, manpower—narrowly defined—accounts for 55.6 percent of the total budget. However, if we include the costs of medical programs, construction of hospitals, et cetera, manpower accounts for over 66 percent of total defense outlays. That means that two out of every three defense dollars goes for manpower-related expenses. Moreover, projections show that it will continue to get worse and that military retirement alone could cost us a total of $400 billion in the next 26 years.

This is not to say that we should abandon efforts to maximize the cost-effectiveness of each and every weapons system, but rather that we should devote equal attention to the requirement for and utilization of civilian and military manpower at the Department of Defense. I was shocked to find out that the increased cost of defense over the past 20 years is not a result of more expensive weapons, as is commonly believed, but rather a result of sharply escalating manpower costs. Since fiscal year 1954, manpower-related expenditures have accounted for 93 percent of the increased cost of defense as opposed to 7 percent for weapons procurement, military construction, and R. & D.; and since fiscal year 1964, manpower has caused 96.4 percent of the increase in defense costs in comparison to 3.6 percent for the other areas.

Thus, it is reasonable to ask why, in view of such data, we continue to devote the preponderance of our frugality to weapons procurement almost to the exclusion of civilian and military manpower.

Well, there are several reasons. One is that only recently has the Department of Defense come forth with concrete proposals to effect changes in the military retirement system, officer grade limitations, and a number of other manpower areas—proposals which, I am told, will be considered in the next 18 months. But the second, and more significant, reason is that defense manpower is extraordinarily difficult to grasp, especially in comparison to highly visible weapons projects which cost a specific amount of money and are normally deployed for a definite set of reasons. Also, the Congress neither has the time nor the resources to undertake the sort of fundamental, but comprehensive, examination of defense manpower required to deal effectively with this complex matter. Thus, we must rely upon the Department of Defense to initiate proposals in this area. But it is unrealistic to expect members of a prominent institution to entertain notions of fundamental change when the majority of their time is spent defending the status quo.

For this reason, we turned to the independent study commission. This Commission would be responsible primarily to the Congress and would not be accountable to the President to either accept or reject its findings as has been the case with many of the so-called Presidential commissions. Moreover, this Commission would be urged to report to the Congress and the President as often as deemed necessary in order to influence administrative or legislative proposals under consideration in this area. The final report of the Commission would be essentially a compilation of all the interim reports, and would be due 18 months after the appointment of its members.

The only problem which might arise is that of cooperation between the Commission and departments and agencies of the executive branch. But we have attempted to deal with that by requiring the provision of such data, statistics, and so forth, as the Commission may desire upon request from the Chairman or Vice Chairman. Should this section prove to be inadequate, it might be necessary to consider the imposition of time deadlines for gathering of such data. However, I am sure that the Department of Defense, as well as the White House, will do all in their power to facilitate the fulfillment of the Commission's mandate and that the findings of the Commission will prove invaluable to Congress in its effort to maximize the cost-effectiveness of all aspects of the defense budget in the crucial years ahead.

Mr. President, I urge adoption of our amendment.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. BAKER. I yield to the Senator from Arizona for a question.

Mr. GOLDWATER. On page 3 of the amendment the statement is made:

> It shall be the duty of the Commission to conduct a comprehensive study and investigation of the overall manpower requirements.

Does that language include civilian requirements?

Mr. BAKER. That contemplates the civilian employees of the military, as well as the military.

Mr. GOLDWATER. As well as the military?

Mr. BAKER. Yes, that is correct.

Mr. GOLDWATER. I wanted to make that clear, because if there is one thing that needs overhauling in the Pentagon, it is the accumulation of civilians who are there, and I think we ought to correct that situation.

Mr. BAKER. I agree with that; and the amendment so contemplates.

Mr. EAGLETON. Mr. President, has the Senator from Tennessee been apprised of amendments that the Senator from West Virginia (Mr. RANDOLPH) and I intend to offer?

Mr. BAKER. I have been so apprised. I believe that the Senator from Texas (Mr. BENTSEN) has been, too. For my part, I am willing to accept the amendments.

Mr. BENTSEN. That is agreeable to me. I think both amendments are agreeable to me.

The PRESIDENT pro tempore. Does the Senator from Tennessee ask unanimous consent to modify his amendment accordingly—that is, as to the proposal of the Senator from Missouri?

Mr. BAKER. Mr. President, I ask unanimous consent that the perfecting amendments of the Senator from Missouri (Mr. EAGLETON) be accepted.

I ask unanimous consent that the second modifying amendment of the Senator from Missouri be included at the appropriate part of the RECORD, and that the clerk be authorized to conform the modifying amendments to other parts of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I support the Bentsen-Baker amendment. I do so with some reluctance because of the natural suspicion I have of the worth of commissions and study groups. But the all-volunteer concept is a special case. I believe that Congress must obtain vital data about this concept as soon as possible to see whether modifications will be required over the next few years. I commend the distinguished sponsors for their foresight.

One of the areas of prime interest to me—and not specifically mentioned in the amendment—is the recruitment function. With the advent of the All-Volunteer Army, it is becoming obvious that there is a need to carefully scrutinize the procedures by which young men and women are inducted into the armed forces.

Not long ago, several newspaper stories reported a nationwide investigation into widespread malpractice by Army recruiters. One Associated Press study said that 107 Army recruiters had been pulled off their jobs during a 7-month period. One investigation involving possible recruiter malpractices took place in my own State of Missouri, in Kansas City. At the time of that investigation the Army was looking into other reports of malpractice in 37 different States.

Obviously, the tremendous pressure of meeting quotas has caused a serious deterioration of standards—both in the quality of enlistees and the ethics employed to recruit them.

The following passage from an article by Mr. David Cortright entitled "The Military Recruitment Racket," describes the problem we are facing today:

> The expansion of recruitment is spreading a system notorious for its lack of honesty. With their special access to information such as lists of those ordered to take pre-induction physicals of graduating high school seniors, many recruiters employ questionable high pressure methods. . . . Many recruiters make alluring promises they have no authority to keep, or fail to mention the conditions that go along with various options and bonuses.

It is a distressing situation if the military profession must resort to these questionable tactics in order to meet quotas.

Another of the problems related to recruitment is the high-intensity advertising campaign which uses every communications medium to lure new volunteers. On radio, television and in the printed media statements such as "Take a 16-Month Vacation in Europe," and "Hot and Cold Running Blondes," and "Multi-Colored Bedspreads," are trumpeted across the Nation. These exaggerated claims and emotional appeals may in fact help in meeting quotas, but they inevitably lead to morale problems after the recruit finds that his barracks at Fort Dix bears little resemblance to a 16-month vacation in Europe.

The amount of money spent for advertising is also staggering. In fiscal 1971, $10 million was spent and only 8,000 men volunteered for the Army. That was an average of $1,250 per recruit. In fiscal 1972, the Defense Department will require $260 million to recruit the 200,000-plus men required. This is another area that requires our most careful scrutiny.

Two years ago on this floor I took a very unpopular stand when I opposed the effort to abolish the Selective Service System during wartime. I said at that time that I believed that an All-Volunteer Army would be a poor man's army, that it would be composed of young men and women from the lower end of the socioeconomic scale who, because of lack of formal education, lack of training, lack of opportunities, and lack of money would accept military service as a means of economic survival.

Mr. President, the pressure is on now. Army recruiters simply have to meet their quotas or their own careers may be affected. But I see too clearly the road we seem to be heading down and I have great fear that my prediction of 2 years ago will come to pass.

I want to give the all-volunteer concept a chance just as most Americans do. But we must make sure right now that recruitment practices consider human beings as well as quotas.

Mr. President, I hope the distinguished sponsors of this amendment will agree that the Commission should make a careful and ongoing review of the methods employed to recruit enlisted personnel along with the other worthwhile subjects specifically provided for in the amendment.

Mr. President, I ask unanimous consent that the following items be printed in the RECORD following my remarks:

First. A study on military recruitment problems, prepared by my staff.

Second. The article by Mr. Cortright

entitled "The Military Recruitment Racket."

Third. Articles concerning malpractice in recruitment.

Fourth. The text of my modifying amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MEMORANDUM

Re: Military Recruitment Problems.

With the advent of the All-Volunteer Army it becomes necessary to scrutinize the procedures with which young men and women are inducted into the Armed Forces, particularly the Army. With our attention no longer focused on the Selective Service, it becomes imperative that there be some monitoring and review of basic Army recruiting procedures. This report will attempt to abstract and document instances and facts pertaining to Army misrepresentation and possible solutions and guidelines to prevent further injustices and broken enlistment commitments.

PART I—ADVERTISING AND RELATED PROBLEMS

(Abstracted mainly from Hearings before the Special Subcommittee on Recruiting and Retention of Military Personnel of the House Armed Services Committee—H.A.S.C. 92–42, 71/72)

For Fiscal Year 1972, the Army Recruiting Command had a total operating budget of $52,185,200. This figure does not include base-operational support drawn from other military installations such as military personnel pay, vehicle maintenance and related medical services. The breakdown is as follows:

Recruiting	$18, 145, 600
Advertising	12, 579, 000
Armed Forces Examination and Entrance Stations—Operations (AFEES–OPS)	19, 679, 600
Miscellaneous	1, 781, 000

In FY 1972, 200,000 new recruits were needed to fulfill Army manpower needs, and for that reason, says Major General John Q. Henion, these monies are necesary to create and use effectively a modern accession system. The main components of this system are:

1. The continuing presentation of a broad array of options for enlistment which meet the Army's requirements in acordance with projected manpower placement needs.
2. A strengthened and improved recruiter force, composed of carefully selected men and women who will receive improved training and increased support in the form of better facilities, more vehicles and more adequate expense budgets.
3. An improved and expanded advertising program which has the objective of dissemination of information on Army services, through optimum techniques employed in both the print and broadcast media.
4. Improvement of and within AFEES, both physical plant and treatment and processing of young men and women passing through these stations.

In his statement, Gen. Henion placed repeated emphasis on the effectiveness of their advertising campaign in producing new volunteers. Members of the Subcommittee, however, took issue with his insistence. Mr. Daniel in particular, was incensed at the false and misleading information portrayed in the advertising campaign. Such statements as, "Take a 16 month vacation in Europe," and the implication of 'hot and cold running blondes' and 'multicolored bedspreads' were leading to morale problems within the troops when they found that this was not the case. Gen. Henion and his aide, Sgt. Maag, assured the committee that these problems do not occur except in a very few instances, but neither Mr. Daniel nor I were particularly impressed by their weak protestations.

Finally, the amount of money spent for advertising per recruit is staggering. In FY 1971, $10 million was spent and only 8,000 men were inducted, into the Army, for an average of $1250 per recruit. Extrapolating these figures, Mr. Daniel figured that it would require approximately $260 million to recruit the 200,000+ men that the Army would need in FY 1972. These figures border on absurdity. In addition to the tremendous outlays for advertising seemingly necessary, the campaign has not succeeded in raising the quality level of new recruits as the Army had expected. It appears that a basic review of methods of 'getting out the word' is in order, and a more cost-conscious program is necessary.

PART II—RECENT CASE HISTORIES

Congress receives letters nearly every day from either a new recruit or his family complaining about broken enlistment promises.[1] The Army claims that these complaints are infrequent, and that when they do occur they are expeditiously taken care of by the Office of the Secretary of the Army. However, many of these cases seem never to be resolved. An excellent case in point is that of Sgt. Steven P. Eason. (The full text of the letter is enclosed in Appendix 1). In January of 1973, Sgt. Eason wrote to this office explicating a sad tale of an enlistment guarantee never fulfilled. After breaking their commitment, the Army visited further indignities upon Sgt. Eason by coercing him to sign a waiver of his original guarantee under the threat of disciplinary action. Of equal importance is the way in which the Army has handled the alleged violation. Sgt. Eason first filed his appeal in October of 1972, yet it took four months for action to be taken. The typically ambiguous Army response to our inquiry is also included in Appendix 1, pointing to the conclusion that no matter how hard the Army claims that these cases are handled with the utmost speed, it is quite possible that in this and similar cases the soldier will probably have fulfilled his contractual agreement long before the conflict is resolved. (Further documentation is on file).

PART III—LEGAL ASPECTS OF RECRUITING PROCEDURES

The *Military Code of Justice*, incorporated in the United States Code under Title 10, involves myriad sections dealing with Armed Forces recruiting. Concentrating on the Army, four main sections of Title 10 are important to this discussion:

10 USC § 3255—This section empowers the Secretary of the Army to conduct intensive recruiting campaigns to obtain enlistments in the Regular Army.

10 USC § 3256—This section explains the general qualifications for enlistment into the Army.

10 USC § 884—This section states, "Any person subject to this chapter (this includes recruiting officers and enlistees—*10 USC § 802*.) who effects an enlistment in or appointment in or separation from the Armed Forces of any person known to him to be ineligible for that enlistment, appointment or separation because it is prohibited by law, regulation or order shall be punished as a court-martial may direct."

One interpretation of this section reveals that "ineligible for that enlistment" could apply to any recruiter who guarantees any potential enlistee a particular option without carefully exploring his qualifications and making certain that he is in fact eligible and that there is space for him in that program. However, never in the history of Military Justice has this section been used to punish a recruiting officer.

10 USC § 815—This section details possible non-judicial sanction that a commanding officer could visit upon a recruiter for any violation of the recruiting procedures.

On July 25, 1973, this office received a reply to our inquiry concerning an investigation now under way by the Army into alleged violations of AR 601–210, Army Recruiting Procedures. The response was typically vague, not giving us a clear picture of the types of penalties meted out to offending recruiters. However, on July 26, 1973, I spoke with the Department of Defense liaison office and they assured me that some of the sanctions detailed in *10 USC § 815*, such as cuts in rate/grade and denial of privileges, were being used to censure the offenders. It seems, however, from the Army's response [set out in full in Appendix II], that the violations cited were for falsifying information about the applicant, not to him. We have yet to see any punishment for broken guarantees, but DOD liaison is obtaining for me all possible information on the investigation, and it will be attached to the end of this report if possible.

There are two old cases born out of the post-Civil War era which pertain to this topic and could be useful in preparing legislation. The first is *In re Ferrens*, D.C.N.Y. 1869, Fed. Cas. No. 4,746. The essence of this case was that a contract for enlistment irregularly made could be ratified by the receipt of rations and clothing and the performance of duties as a recruit for twenty days. Though this case has never been subsequently cited, and even though it probably would no longer carry any weight, the precedent should be removed from the books so as not to cause any confusion if a similar case is tested in the courts. It would be almost impossible for a recruit to file any sort of an appeal as to an irregularly made contract within twenty days, and since it does not fit within the procedures of the modern Army, it should in no way be a basis for ratification of an enlistment contract.

The second case, *In re Schmeid*, C.C. Iowa 1871, 1 Dill. 587, Fed. Cas. No. 12,461, provides more promising possibilities. The case states that if enlistment was procured by fraudulent representations on the part of the recruiting officer, and has never been ratified by the party, or enlistment is by one who, because of his ignorance of the English language thinks he is simply taking a preparatory step, he may apply to a Federal judge, and be discharged on a writ of Habeas Corpus. This case, never subsequently cited, seems to provide a rational basis for a hearing in Federal Court to determine the culpability of a recruiting officer in misrepresenting the facts about enlistment. Making it a part of recruiting procedure to advise the enlistee of this route of appeal would provide a reasonable alternative to the necessity of going through protracted Army procedures if the conflict could not be resolved by the Army within a 60 day grace period.

PART IV—THE ENLISTMENT CONTRACT AND RELATED PROCEDURES

At this point it is necessary to study the enlistment contract and the related forms necessary to complete enlistment into the Army (Appendix III). These forms and procedures are neatly spelled out for the recruiter in AR 601–210 (Attached). According to section 5–4 of this regulation (the Army Recruiting Manual), in order to insure that the enlistment commitment is honored, the following procedure has been outlined for the officer inducting the new recruit at an AFEES. The presentation of the following forms is necessary:

1. Enlistment Contract—DD Form 4
2. Statements of Enlistment—DA Form 3286 (parts I–VI)
3. Enlistment Guarantee Card—DA Form 3285

Being a contractual agreement, the enlistment agreement must be thought of in those legalistic terms (6 Op. Atty. Gen. 187, 1853). For that reason, we must examine the enlistment contract and its appended forms, for these forms, though not technically part of the contract, are admissible evidence as interpretative of the intent of the parties, which is in essence the real idea of any contract.

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[1] H.A.S.C. 92–42 p. 8412.

In order for a binding contract to be formed, there must be consideration supporting the promises on both sides. In a contract for enlistment, where the recruit has chosen a specific option, the Army, in return for a commitment to serve for a certain number of years, offers compensation plus the guarantee of a specific assignment. It is with this guarantee that we run into myriad problems.

The first problem is that in DD Form 4 itself the promise must be entered twice. The first entry, line 48, is untitled, obviously to the detriment of the unknowing recruit. The second entry is to be contained in line 54, which is beneath four paragraphs of very small print, where it could very possibly be overlooked by the average applicant. If the promise does not appear here, the Army is technically not obligated to fulfill its commitment. The combination of these two entries makes it extremely difficult for the recruit to understand exactly what he is being promised. I strongly recommend that line 48 be titled *Enlistment Option Commitment*, and that line 54 be either eliminated or printed in red to catch the applicant's eye.

Line 55 of DD Form 4 asks the applicant to swear (or affirm) that the contract was read to him and that all entries are true, and that he understands the nature of his enlistment. With a scrupulous recruiting officer this would alleviate many of the afore-mentioned problems, but the form is complex, and misunderstandings are easily foreseeable.

DA form 3286 is the more troublesome form in the enlistment procedure. The statements contained within it are vague, ambiguous and often contradictory. It is here, in part I, that the most modification is necessary. The following is a detailed analysis of the sections that need reformation (please see Appendix III for exact wording).

Line d: Though on its face reasonable, the capricious whims of the Army in denying or granting security clearance is completely out of the control of the enlistee. I suggest that steps be taken to advise the applicant whether he will be granted clearance for his/her selected option before enlistment, thereby providing the opportunity for an alternate choice.

Line f: This section is by far the largest loophole for the Army in the contract forms. It effectively negates any promise made by the Army by denying the applicant the guarantee that the substantial part of his/her enlistment will be spent as promised. I believe that this section should be stricken from the form in its entirety.

In addition to being absurd on its face, this section may have the effect of cancelling the contractual agreement altogether. According to *Contracts*, Laurence P. Simpson, Hornbook Series, 1965, fatal lack of certainty may render a contract unenforceable. Where either party has the right to determine the nature and extent of his own performance, his undertaking is illusory, and therefore too indefinite for enforcement. If tested in the courts, this may prove strong enough for a new recruit to break the contract. For the benefit of both the Army and the enlistee, this section should be omitted from the contract form.

Line i: This section creates the unique problem of trying to determine exactly what the measure of qualifications is. According to the report prepared by the Brookings Institution for the Senate Armed Services Committee entitled, "The All-Volunteer Armed Services; Progress, Problems, and Prospects", quality is not easily defined.

"Quality is not a simple concept; the two principal measures currently in use are standardized tests and level of education. Because of the difficulty of relating the standards to specific military jobs, qualifications in these terms have not been stated with precision."

What this implies is that regardless of commitment by the Army at one's time of enlistment, it is nearly impossible to determine with any degree of certainty whether the enlistee will qualify for the job promised. Here again the enlistee should be allowed to select an alternate option should he fail to meet the qualifications for a certain job, rather than to be left to the whim of the Army high command.

The balance of the contract seems fairly constructed, but is still difficult to understand for the average recruit. For this reason on July 28, 1973, I visited my local Army recruiting station.

Our one hour talk yielded little in the way of new information, but the recruiter did an adequate job of explaining the contract to me. The only interesting point in our discussion concerned *line f* of the Statements for Enlistment which I mentioned previously. His interpretation of that line was that they *cannot* transfer you out of your option no matter what. However, on careful scrutiny, I stand by my interpretation of that provision.

The Enlistment Guarantee Card is the final form to be completed (DA Form 3285). It simply states your guaranteed option, and on the reverse side tells the recruit where to write in case his commitment is not honored. The particulars of the appeal mechanism are detailed in section 5-5 of AR 601-210 and simply recite all the necessary forms and procedures needed to complete an appeal. These procedures are long and complex, and I believe that a more expeditious solution is necessary.

Generally, I feel that the Army's array of options provides a wide choice of participation in the Service if the enlistment commitment is honored. In addition, there is a new procedure whereby a recruit who cannot adjust to Army life within the first six months will be separated with an honorable discharge. However, I have my doubts as to the plan's efficacy.

PART V—RECOMMENDATIONS

Throughout the body of this memorandum I have made specific recommendations for the topics discussed. Here, I would like to state a few more ideas that I believe would be helpful in the preparation of new legislation.

The contract and interview

Most of the recommendations pertaining to reformation of the enlistment contract are contained in Part IV of this report. For better understanding of the commitment to be signed, I suggest that the applicant be allowed to take the contract home with him for 48 hours so that he/she has time to digest the true meaning and to get parental or legal advice. I believe that this will lead to much less confusion over the details of enlistment. Finally, I feel that there should be some procedure by which the interview between the potential recruit and the recruiting officer is transcribed. This would preserve a precise record as to any verbal assurances made to the potential recruit. Although the procedure might be somewhat cumbersome, a simple cassette recording device in use during the interview, with the consent of both parties, would provide this accurate record. Anything said could then be admitted as parol evidence to the formation of the contract, legally admissable in any hearing. The tapes are inexpensive, and if the applicant does enlist, the tape or a transcript thereof would become part of the enlistee's permanent record.

If the applicant chose not to enlist, the tape could be easily erased and reused. A procedure of this type could prove quite valuable to a recruit on appeal and at the same time would tend to keep the recruiting officer honest, thereby alleviating many of the problems already discussed.

Possible procedures for resolution of conflicts

I believe that the Army's procedure for resolving a claim involving a broken enlistment contract is too slow to be of any service to the enlisted man. Therefore I recommend the establishment of an Enlistment Review Board to oversee these matters with the power to resolve them. Such a board could be setup in one of two ways. The first possibility is to create at every major military installation a Personnel Action Committee, composed of four officers and three enlisted men. The committee would have the power to determine whether or not an enlistment commitment had been broken, and if it had, either to right the situation or allow the enlistee to make a second choice of options. If this cannot be done, the committee would be authorized to separate the enlisted man from the service with an honorable discharge. Decentralizing the appeal structure outside of the office of the Secretary of the Army would facilitate the quick handling of these claims.

Another possibility would be to use the structure of the Selective Service System, already in existence, to hear grievances in all recruitment conflict cases. While providing an immediate forum for these problems, it would also put to use the System, which has remained intact despite the end of the draft. Financial outlay would be held to a minimum.

The Local Selective Service Board with jurisdiction over the area in which the military installation the recruit is assigned to should be the site of the hearing. In the case of an overseas installation, the point of embarkation would be used for jurisdictional purposes. The Board would be empowered to collect all applicable information, including the tapes of the interview. The enlistee's Commanding officer should be appointed as a non-voting member of the Board, for he alone could take the administrative steps necessary to enforce the decision of the Board and act to censure the recruiting officer under 10 U.S.C. § 815. This procedure, like the first one cited in this section, would expedite matters concerning conflicts arising from enlistment commitments.

This report provides basic background information into the problem of enlistment guarantees made to new recruits but never fulfilled. In conjunction with this report, a study should be made of the recruiter who falsifies the records of unqualified men and women in order to induct them and thereby meet their quotas. The study should also include the reasons why the Army has recently cut back its minimum qualifications for induction, and why the Army has failed to induct the qualified men it needs.

WILLIAM F. KITZES.

JULY 31, 1973.

APPENDIX I

APO, N.Y., JANUARY 12, 1973.

Senator THOMAS EAGLETON,
U.S. Senate,
Washington, D.C.

SIR: I would like to request help in obtaining action on paperwork I submitted October 18, 1972 concerning a breach of my enlistment contract with the United States Army.

I would like to explain the situation. On February 27, 1971, I arrived in Europe and was sent to 5th Arty. Group, from there to the 85th USAAD on March 6, 1971. This was done even though my enlistment contract explicitly stated "Not less than 24 months guaranteed 56th Artillery Group". During the months of July or August 1971 I was ordered to sign a waiver to my original enlistment contract or be shipped out of the unit the next day. This being done just prior to my going over one year in service, so that the contract still could have been fulfilled. At the time my wife had recently arrived in Europe and we were set up in an apartment and expecting a child to be born within two months. Under these conditions and being told that I'd be shipped out within 24 hours leaving my wife behind I signed the waiver along with approximately 30 others.

There were those who refused to sign and were not shipped out, but how was I to know this when my superiors had said that within 24 hours I would be gone. Those people who did not sign are now out of the service because of the breach in contract.

After one of the others who was tricked into signing the waiver consulted the AFCENT legal assistance and obtained a legal opinion on the waiver, stating explicit reasons why it was an illegal waiver, 22 of us submitted paperwork for a breach of enlistment contract. This paperwork was returned because of an error in format of the disposition form and we resubmitted on October 26, 1972. On November 18, 1972, 5th Arty. Group forwarded the paperwork with a disapproval recommended. Headquarters TASCOM forwarded the paperwork on November 27, 1972, recommending approval. On December 27, 1972 USAEUR forwarded the forms to Department of the Army, also recommending approval and requesting action by January 5, 1973. On January 12 I called the Inspector General USAEUR requesting information. I was told that the Department of the Army must investigate 5th Arty. Group prior to taking action on such a large number of contract violations.

Certainly it is not the contract violation which should be under consideration because approximately 10 have already been approved, those of the people who did not sign the waiver. Only the legality of the waiver should be under consideration which does not require an investigation before taking action. I have no doubts that 5th Arty. Group should be investigated but the delay is causing me needless hardship and has already prevented my enrollment in University of Missouri for the spring semester.

I feel there has been adequate time granted for the Department of the Army to react and make a decision. I feel there has been needless delays on the part of higher headquarters including D.A. which could be deliberate in an effort to retain enough personnel for operating strength of the 85th USAAD. If this is the case then I submit that I am being involuntary extended past an adjusted ETS date of September 23, 1972. I am not interested in being involuntarily extended and collecting extra compensation. I would only like to have action taken and separation from service as soon as possible. If I am being involuntarily extended compensation is desired and will be filed for later.

I hope you will be able to get a justifiable answer from the Department of the Army.

Sincerely,

STEVEN P. EASON
Sergeant, U.S. Army.

DEPARTMENT OF THE ARMY,
OFFICE OF THE SECRETARY OF THE ARMY,
Washington, D.C., March 2, 1973.

Hon. THOMAS F. EAGLETON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR EAGLETON: This is in reply to your inquiry in behalf of Sergeant Steven P. Eason, SSN 500-50-2897, concerning his enlistment commitment.

Sergeant Eason's request for examination of his enlistment contract has been received at Headquarters, Department of the Army. However, in order to make a proper and equitable determination in this matter, it is necessary to conduct a thorough investigation to ascertain all of the facts. As there are degrees of complexity in certain cases, it is not possible to determine the length of time required to fully investigate any particular case. Please be assured, however, that Sergeant Eason's request will be given thorough evaluation before a decision is made.

Your interest in this matter is appreciated.

Sincerely,

JAMES D. SMITH,
Lieutenant Colonel, GS, Deputy Congressional Inquiry Division.

5/21/73—Army advised, by phone, that request for separation was approved and he was separated on 2 May 1973.

APPENDIX II

DEPARTMENT OF THE ARMY,
Washington, D.C., July 25, 1973.

Hon. THOMAS F. EAGLETON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR EAGLETON: Thank you for your recent inquiry concerning the reports and subsequent investigations of alleged incidents of violation of laws or regulations governing recruitment.

Your letter specifically refers to 173 such cases, which is the number of investigations reported by the Army's Criminal Investigation Command as of June 11. As of 6 July 1973, investigations of 144 of these cases have been completed. Of these 144 cases, thirty-three allege wrongdoing by the prospective enlistee rather than by the recruiter, while another nine cases involve allegations unrelated to the enlistment process. A table outlining the remaining allegations made against recruiters is attached (Inclosure 1). Most often these alleged irregularities involve violations of Army Regulation 601-210 (Inclosure 2) and/or of the Uniform Code of Military Justice, 10 U.S.C. §§ 801-940 (1970). See especially UCMJ art. 103, 10 U.S.C. §§ 892, 907 (1970), and highlighted portions of the inclosed Army Regulation.

While 107 recruiters have been implicated, not all have been relieved. Forty-nine recruiters have been relieved since January 1, 1972, while final relief action is pending with respect to fourteen more. Other disciplinary measures were taken with respect to each of the remaining recruiters.

The objectives set for recruiters during the past year are significantly smaller than those of previous years. Indeed, due to the increased number of recruiters authorized for the no-draft era, today's Army recruiter has an enlistment objective approximately one-half that of his 1969 counterpart. Of course, you should realize that a purely quantitative comparison is impossible, since educational and other standards established for enlistment have been raised since 1969.

The Army appreciates your interest and hopes the information provided is of assistance.

Sincerely,

JAMES M. LEE,
Brigadier General, GS, Deputy Chief of Legislative Liaison.

ALLEGATIONS OF RECRUITER IMPROPRIETIES IN THE 102 REPORTED CASES THAT HAVE BEEN OR ARE BEING INVESTIGATED BY THE CID AS OF 6 JULY 1973

Concealed police record	69
Testing irregularities	8
Forgery of parental consent form	6
Accepting a bribe	1
Falsifying applicant's age	1
Concealed prior service	4
Enlistment of aliens	2
False high school diplomas	6
Concealed dependents	1
Concealed medical history	3
Enlistment under an alias	1
Total	102

APPENDIX III

ENLISTMENT CONTRACT—ARMED FORCES OF THE UNITED STATES

(Also to be used by AFEES in conjunction with induction processing as a means of providing data for manpower information reporting systems.)

Form Approved, Budget Bureau No. 22-R0016.

1. Service No./SSAN.
2. Highest school grade completed.
3. Rate/grade.
4. Branch/class and component.
5. Last name, first name, middle name.
6. Date of enl/induc.
7. Term of enlistment/induc, years, minority.
8a. Marital status.
8b. No. depend.
9. Name & location of activity effecting enlistment/reenlistment/induction.
10. AFQT score.
11. Enlisted/reenlisted/inducted:
1st enlist.
Reenl.
Induction.
12. Authority for enlistment/reenlistment/induc.
13. Term of ACDU (Reserve only) months.
14. Active/inactive status (Reserve only):
Retained on AD.
Immed AD (within 24 hours).
Inactive duty.
15. Accepted at.
16. Date mil obli inc.
17. PMOS/AFS code/mod.
18. Religion.
19.
20. Contract duty limitations.
21. Date of birth.
22. Citizenship:
US.
Nat US.
Country (Specify).
23. Place of birth (City, state or country).
24. Date of transfer.
25. Physical profile.
26.
27. Transfer to (Activity and location).
28.
29. Date last DC/Rad.
30. SVC from which last discharged.
31.
32.
33. Type of last discharge.
34.
35. Date of rate/gr.
36. Selective Service No.
37. Rate/gr apt/rapt.
38. Selective Service Local BD (Bd No., city & state).
39. BASD/ADBD.
40. Total active Federal service: years, months, days.
41. Home of record.
42. BP ED/PEBD.
43. Total inactive Federal service: years, months, days.
44. Mental test scores.
45. Sex.
46. Race.
47. Data processing code.
48.

PRIOR SERVICE

49. Branch & Class/Armed Force & component.
Service number/SSAN.
Date Enl. Ind, Apt. and/or OAD.
Date of discharge or release.
Grade/rate or rank.
Type of discharge.
Reason for discharge.
Time lost (No. Days).

50. I know that if I secure my enlistment by means of any false statement, willful misrepresentation or concealment as to my qualifications for enlistment, I am liable to trial by court martial or discharge for fraudulent enlistment and that, if rejected because of any disqualifications known and

concealed by me, I will not be furnished return transportation to place of acceptance.

I am of the legal age to enlist. I have never deserted from and I am not a member of the Armed Forces of the United States, the US Coast Guard or any Reserve component thereof; I have never been discharged from the Armed Forces or any type of civilian employment in the United States or any other country on account of disability or through sentence of either civilian or military court unless so indicated by me in item 56, "Remarks" of this contract. I am not now drawing retired pay, a pension, disability allowance, or disability compensation from the government of the United States.

51. Section 5538 of title 10 of the United States Code is quoted: "(a) The Secretary of the Navy may extend enlistments in the Regular Navy and the Regular Marine Corps in time of war or in time of national emergency declared by the President for such period as he considers necesary in the public interest. Each member whose enlistment is extended under this section shall be discharged not later than six months after the end of the war or national emergency, unless he voluntarily extends his enlistment. (b) The substance of this section shall be included in the enlistment contract of each person enlisting in the Regular Navy or Regular Marine Corps."

52. Section 5540 of Title 10 of the United States Code is quoted: "(a) The senior officer present afloat in foreign waters shall send to the United States by Government or other transportation as soon as possible each enlisted member of the naval service who is serving on a naval vessel, whose term of enlistment has expired, and who desires to return to the United States. However, when the senior officer present afloat considers it essential to the public interest, he may retain such a member on active duty until the vessel returns to the United States. (b) Each member retained under this section—(1) shall be discharged not later than 30 days after his arrival in the United States; and (2) except in time of war is entitled to an increase in basic pay of 25 percent. (c) The substance of this section shall be included in the enlistment contract of each person enlisting in the naval service."

53. I understand that, upon enlistment in a Reserve Component of the Armed Forces of the United States, or upon transfer or assignment thereto, I may be ordered to active duty without my consent—for the duration of a war or national emergency declared by Congress and for six months thereafter, or for a period of 24 consecutive months during a period of national emergency declared by the President, or under any other conditions and for such period of time as are presently or hereafter authorized by law. I further understand, as a statutorily obligated member of the Ready Reserve that if I am not assigned to, or participating satisfactorily in, a unit of the Ready Reserve; and have not served on active duty for a total of 24 months, I may be ordered to active duty without my consent, by order of the President, until my total service on active duty equals 24 months, the terms of my enlistment notwithstanding.

54. I have had this contract fully explained to me, I understand it, and certify that no promise of any kind has been made to me concerning assignment to duty, geographical area, schooling, special programs, assignment of government quarters, or transportation of dependents except as indicated.

55. I swear (or affirm) that the foregoing statements have been read to me, that my statements have been correctly recorded and are true in all respects and that I fully understand the conditions under which I am enlisting.

Signature of witness.

Signature of applicant (First Name, Middle Name, Last Name).

56. Remarks.

57. Oath of enlistment (For service in Regular or Reserve Component of the Armed Forces except National Guard or Air National Guard).

I, (First Name-Middle Name-Last Name), do hereby acknowledge to have voluntarily enlisted under the conditions prescribed by law, this — day of — 19—, in the — for a period of — years unless sooner discharged by proper authority; and I do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic, that I will bear true faith and allegiance to the same; and that I will obey the orders of the President of the United States and the orders of the officers appointed over me, according to regulations, and the Uniform Code of Military Justice. So help me God.

Signature.

58. Oath of enlistment (For service in National Guard or Air National Guard).

I do hereby acknowledge to have voluntarily enlisted this — day of —, 19—, in the (Army) (Air) National Guard of the State — and as a Reserve of the (Army) (Air Force) with membership in the (Army National Guard of the United States) (Air National Guard of the United States) for a period of (Years-Months-Days) under the conditions prescribed by law, unless sooner discharged by proper authority.

I, (First Name-Middle Name-Last Name), do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and of the State of — against all enemies, foreign and domestic; that I will bear true faith and allegiance to them; and that I will obey the orders of the President of the United States and the Governor of — and the orders of the officers appointed over me, according to law, regulations, and the Uniform Code of Military Justice. So help me God.

59. Confirmation of enlistment.

The above oath was subscribed and duly sworn to before me this — day of —, 19—. To the best of my judgement and belief, enlistee fulfills all legal requirements, and in enlisting this applicant, I have strictly observed the regulations governing such enlistment. The above oath, as filled in, was read to the applicant prior to subscribing therein.

Typed name, grade/rank, and organization of enlisting officer.

Signature of enlisting officer.

STATEMENTS FOR ENLISTMENT (PARTS 1 THROUGH V)

For use of this form, see AR 601-210 and AR 601-280; the proponent agency is Office of the Deputy Chief of Staff for Personnel.

PART I—GENERAL STATEMENT OF UNDERSTANDING

(To be completed by all applicants for enlistment or reenlistment in the Regular Army).

1. In connection with my enlistment in the Regular Army, I hereby acknowledge that:

Acknowledgment

All promises made to me are contained in Items 3 (Rate/Grade), 37 (Rate/Grade Appointed/Reappointed), (48 (Untitled Item) of the DD Form 4, my Enlistment Contract.

I have not been guaranteed Technical School Training unless the title of the school course has been entered in Item 48, DD Form 4.

Should I make any material omission or misstatement of fact in connection with any of my enlistment documents:

(1) I may be subject to early separation from this enlistment or,

(2) I will complete, if permitted, the period for which I enlisted in any assignment deemed appropriate in accordance with the needs of the Army.

Should I choose an option which requires a security clearance and I am not granted such clearance after I have enlisted, or my granted clearance is revoked after I have enlisted, I agree to accept any assignment in accordance with the needs of the Army and I will complete the period for which I enlisted.

Law violations for which I have been convicted or have had adverse adjudications as a juvenile or youthful offender may be cause for denial of security clearance.

My choice of initial enlistment option shown in Item 48 of my DD Form 4 does not constitute any guarantee that a substantial part of my enlistment will be served in this option, and the needs of the service may result in my transfer at any time (other than as may be provided by the specific option selected) to any other assignment within the continental United States or to an oversea command.

Should my enlistment involve a commitment for specialized training or a selective assignment, conduct on my part occurring after my enlistment which results in disciplinary action may be just cause for my transfer to any other assignment within the continental United States or to an oversea command.

My acceptance for enlistment carries no promise whatsoever relative to furnishing transportation for dependents to oversea commands or to the furnishing of family quarters either in oversea commands or in the continental United States.

If, after my enlistment for a specific option, I should fail to meet required qualifications which cannot be determined prior to my enlistment, I understand that I will not be offered another enlistment option, but will be trained and assigned in accordance with the needs of the Army and will be required to complete the term of service for which I enlisted.

If, after my enlistment in the Regular Army, I should waive my initial enlistment option as listed in Item 48, DD Form 4 and in Part VI of my statements for enlistment for any reason whatsoever, this initial option will not be reinstated at a later date.

I am not conscientiously opposed, by reason of religious training or belief, to bearing arms or to participation in, or training for war in any form.

I am aware that in the event of armed conflict involving the United States the Secretary of the Army may declare null and void any portion of my enlistment option pertaining to training, assignment, or duty, if he determines such action to be necessary.

PART II—STATEMENT OF LAW VIOLATIONS AND PREVIOUS CONDITIONS

(To be completed by every individual enlisting or reenlisting in the Regular Army or amending a Regular Army enlistment contract).

Instructions to applicant (Read before completing Part II)

a. Complete the statement in Item (1) below by checking the appropriate box.

b. Answer questions (2) through (6) by writing "Yes" or "No" as appropriate, in the "Answer" column.

c. This statement is to be a complete and accurate list of all law violations and offenses (including minor traffic violations or offenses) for which you have been arrested, cited, charged, or held (regardless of subsequent disposition of your case) by civil law enforcement officials, or for which you were referred to juvenile court or juvenile probation officials.

d. Prior Army service personnel list only those violations occurring during and/or subsequent to last period of honorable active service, except for offenses not previously revealed.

e. Inservice personnel immediately enlisting, list only those violations occurring during current term of service, except for offenses not previously revealed.

(1) I have read or had explained to me paragraphs 14 and 19, AR 604–10 which sets forth the criteria (reasons) for discharge and types of discharge and certify that I — have — have not (check one) engaged in disloyal or subversive activities as defined therein.

(2) Have you ever been rejected for enlistment or induction in any of the Armed Forces to include failure of the mental examinations administered by any AFEES, or been discharged from previous service under other than honorable conditions, under Personnel Security Regulations, or by reason of unsuitability, or undesirable habits or traits of character, or for medical reasons?

(3) Have you ever been arrested, cited, charged or held by Federal, State, County, City or other law enforcement authorities or by Juvenile Court or Juvenile Probation Officials for any violation of any Federal Law, State Law, County or Municipal Law, Regulation or Ordinance?

(4) Have you ever been convicted of a felony or any other offense, or adjudicated a youthful or juvenile delinquent?

(5) Have you ever been imprisoned under sentence of any court?

(6) Are you now or have you ever been on parole, probation supervision, under suspended sentence, or are you awaiting final action on charges against you?

3. Remarks (Give full details for any of the above questions to which you answered yes.) (If additional space is required, continue this item on a separate sheet of paper and attach securely to this form.)

PART III—ACKNOWLEDGEMENT OF UNDERSTANDING OF SERVICE REQUIREMENTS

(Applicable to all male applicants who incur a military service obligation under current laws).

4. I understand that upon completion of my period of enlistment in the Regular Army, I will become a Reserve of the Army. Being a Reserve of the Army, if I enlist in a federally recognized unit of the Army National Guard, I will become an enlisted member of the Army National Guard of the United States. I understand further that satisfactory service as an enlisted member of the Army National Guard of the United States constitutes service in the Ready Reserve. Accordingly, if Ready Reserve service in an appropriate activity of the United States Army Reserve is not available to me, I agree to enlist in the Army National Guard of a state (including the District of Columbia and Puerto Rico) in which I am residing, if so directed. If my enlistment is accepted by proper authority I agree to complete my Ready Reserve service as a member of the Army National Guard of the United States.

PART IV—DEPENDENCY STATEMENT

(To be completed by all applicants).

5. Relationship and age of all persons who are dependent upon me for support are recorded below (If none, so state):

PART V—MARRIAGE STATEMENT

(Item 6 is applicable to women applicants. Item 7 to be completed by ALL applicants (men & women)).

5. I understand that at my request I may be separated from the Women's Army Corps by reason of marriage after satisfying service commitments on my current enlistment which were incurred by school attendance or by promotion, or upon completion of 18 months of my current enlistment, whichever is later. If I am eligible for separation on marriage and my application is not submitted before I depart my home station for an oversea assignment, I must serve at least six months of that tour before I can be separated. If I am serving in an oversea command and I am eligible for separation by reasons of marriage, I must serve at least six months of that tour before I can be separated. I understand also that in time of war or national emergency declared by Congress I will not be eligible to be discharged solely for reason of marriage. I further understand that withholding knowledge of pregnancy, parenthood, or marriage will constitute grounds for my being discharged from the United States Army.

7. Complete one of the following statements by entering "X" in applicable box(es) and recording date(s) where appropriate.

—Never married —married —widowed (Date).

—Divorced (Date); —Legally separated (Date).

I have read and understand the meaning of all statements contained in Parts I through V of this form and agree to all conditions set forth therein. I certify that all answers to questions, statements and entries on this form are true, correct and complete and that the Recruiter/Career Counselor has informed me that should I intentionally conceal any information required above, I may later be subject to disciplinary action or discharge upon its discovery. I explicitly understand that Part III—Acknowledgement of Understanding of Service Requirements applies to me, if I have not previously discharged my lawful military service obligation.

Date.

Signature of applicant.

Signature and title of witness.

PART VI—OVERSEA AREA ENLISTMENT OPTION

For use of this form, see AR 601–210; the proponent agency is the Office of the Deputy Chief of Staff for Personnel.

To be completed by all prior service applicants enlisting for this option.

1. Acknowledgment: In connection with my enlistment in the Regular Army for the Oversea Area Enlistment Option, I hereby acknowledge that:

a. My enlistment for this option assures me that upon completion of training provided I meet required prerequisities, I will initially be assigned to the oversea area of my choice. I select (enter the oversea area of choice, e.g., Europe.)

b. Subsequent to my initial assignment, I have not been assured that any specific portion of my term of enlistment will be spent in the oversea area selected.

c. I am aware that if my grade or military occupation specialty (MOS) changes prior to this option becoming effective, I may be eligible for this assignment.

d. Should my grade or military occupational specialty (MOS) change prior to my assignment to the oversea area indicated above, I will be required to submit 3 additional choices of oversea area assignment to the Office of Personnel Operations to obtain confirmation of my assignment. I acknowledge that I may be selected for an alternate assignment based on my current qualifications.

e. If I am a non US citizen, a favorable background investigation with recommendation for oversea assignment must be completed for me prior to my oversea movement and should I fail to receive such a favorable investigation, my enlistment commitment will be voided, and I will be assigned in accordance with the needs of the Army.

f. My term of enlistment is (enter the number of years enlisting, e.g., 6 years).

g. In the event the unit in the oversea area for which I enlisted or to which I am assigned under the provisions of this option is deployed, relocated, inactivated or redesignated prior to the expiration of the guaranteed period of assignment to the unit, the following will apply:

(1) If my unit is deployed or relocated, I will be assigned or remain assigned to the unit for the remaining time specified in the option or for the time specified by Army policy in effect at that time.

(2) If my unit is inactivated and the transfer of its members to other units is necessitated, I will be given my choice of reassignment to any other unit included in this option or to any unit assigned to the major command to which my unit is assigned at the time of inactivation, provided a vacancy in military occupation specialty (MOS) and grade exists.

(3) If my unit is inactivated and another unit is activated to replace the inactivated unit, I will be assigned to the newly activated unit.

(4) If my unit is redesignated, I will be assigned to the redesignated unit.

(5) Should any of the above occur, it will not constitute a breach of my enlistment commitment.

2. Confirmation of option or agreement to alternate option. (Applicant will check or complete, as appropriate, statements shown below.)

All required pre-enlistment processing having been completed, it has been determined that:

a. — I can enlist for the option promised and I hereby confirm my intention to do so.

PART VII—CERTIFICATE OF SPECIFIED PRIOR SERVICE QUALIFICATIONS

1. I certify that the following statements concerning specified aspects of my last period of active military service are true and correct to the best of my knowledge and can be verified by a check of my official Military Records Jacket (MRJ) should such verification become necessary. I further certify that the recruiter/career counselor has informed me that, should I intentionally conceal or misrepresent any information required below, I may later be subject to disciplinary action or discharge upon discovery of the concealment or misrepresentation. (For each of the following statements, applicant is required to line out and initial either the positive or negative verb form enclosed in brackets, whichever does not apply.)

a. I [did/did not] accrue more than 30 days AWOL, if any, during my last period of active military service.

b. I [received/did not receive] two or more, if any, convictions by military courts martial during my last period of active military service.

c. For the MOS Evaluation Test administered to me closest to the date of my last separation from active military service, I [attained/did not attain] a score of less than 70 in my PMOS. (If not administered an MOS Evaluation Test during last period of active military service, line out and initial all words, positive and negative, enclosed in brackets.)

d. I [was/was not] denied reenlistment at time of last separation from active military service under the Qualitative Screening Process (Chapter 4, AR 600–200).

2. I further certify that the recruiter/career counselor has informed me that an affirmative answer (except for applicants not having been administered an MOS Evaluation Test during their last period of active military service) to any of the four statements above constitutes an enlistment disqualification for which request for waiver may not be submitted until two years have elapsed since the date of my last separation from active military service.

Date, and signature of applicant.

Date witnessed and signature and title of witness.

THE MILITARY RECRUITMENT RACKET

(By David R. Cortright)

With the shift to an all-volunteer military force, the huge draft calls of recent years are being replaced with an immense recruitment apparatus reaching out to ever larger numbers of young people and widening the military's influence in society. During the last two years recruiting personnel has been significantly increased; there are now more than 12,000 military field recruiters, backed up by thousands of additional administrative support personnel. Total recruiting costs for all services jumped from $141 million in 1970 to an estimated $276.7 million for 1972 and have continued to rise since then. The average expenditure for each recruit has now risen to $933.

The expansion of recruitment is spreading a system notorious for its lack of honesty. With their special access to information such as lists of those ordered to take pre-induction physicals or of graduating high school seniors, many recruiters employ questionable high pressure methods. An example was exposed by Representative John J. Rooney, New York Democrat, in February, 1972. Rooney complained to the Federal Trade Commission—which has the power to take action against promotional fakery—of "huckstering and double talk" by recruiters who sent letters to young men in his district deceiving them into thinking they had mandatory appointments at the recruitment office. Similar practices were uncovered by the Central Committee for Conscientious Objectors (CCCO) last year at Plymouth High School in Plymouth, Michigan. Local recruiters had sent letters to prospective graduates in the spring implying that it was part of their draft obligation to return enclosed forms requesting additional information about military service. Included in the letter were misleading remarks that enlistment would be preferable to "waiting for the draft and serving for a period of two years which includes two additional years of active reserve and an additional two years of inactive status upon completion of active duty." The letter failed to mention that this obligation has been standard for all draftees and for some who enlist as well; nor did it point out that the reserve status is in fact totally inactive and unrelated to Ready Reserve duty.

Many recruiters make alluring promises they have no authority to keep, or fail to mention the conditions that go along with various options and bonuses. A recent example of such dissembling involved National Guard recruiting in the Puerto Rican community of Dorchester in Boston. Spanish speaking men were told that as Guardsmen they would receive a salary of $300 to $400 per month; they were not told, however, that this was true only for the initial four to six months of active duty and that for the remaining five and a half years they would receive approximately $40 per month. The men were also informed that allotments for dependents would increase as the number of dependents increased, that they could quit anytime after six months, and that they had to sign up within two days of taking entrance examinations. When community organizer Art Melville, of Action for Boston Community Development, heard of these tactics, he sought the help of a supporting group in the area. The Legal In-Service Project promptly sent two members to talk with the men; after hearing of the real conditions of Guard service, seven of the eight involved decided not to join.

Even the hawkish House Armed Services Committee recently admitted that some recruiters "present an unrealistic picture" and that "recruiting advertising appears to promise more than the Navy is able to deliver." In its Report on Disciplinary Problems in the U.S. Navy, the Committee stated that the disillusionment resulting from such deception, especially among black recruits, was an important factor behind rank and file unrest.

The problem is apparently so vast that the Pentagon itself now has been forced to act. Army officials stated on June 13 that a nationwide investigation by its Criminal Investigation Division had uncovered numerous examples of fraud and had led to the reassignment of 107 recruiters over the last seven months. The inquiry, which so far has extended into thirty-seven states, has encountered reports of particularly widespread abuses in Syracuse, Kansas City, and San Antonio. Among the examples of recruiter malpractice cited by the Pentagon were manufacturing false high school diplomas, providing "crib" sheets to recruits about to take qualification tests, overlooking police records which might disqualify potential enlistees, accepting physically unfit men, and falsifying residency requirements.

Not only are young people often unfairly enticed into the military, but once in the service they have no means of legal redress against false promises. The enlistment contract, DD Form 4, and various "statements of understanding" which recruits must sign contain numerous loopholes that favor the services. Furthermore, Article 83 of the Uniform Code of Military Justice makes the remarkable assertion that the enlistment contract is binding on the soldier but not on the service. Despite the new attention being given to recruitment, this unjust system is being enlarged but not reformed.

An integral part of recruitment is advertising. Current figures show increased spending by all the services: The 1973 advertising budget schedules $26.7 million for the Army, $21.5 million for the Navy, $12.8 million for the Air Force, and $6.5 million for the Marine Corps. In addition to these paid advertisements, the Pentagon takes ample advantage of the Federal Communications Commission's public service regulations to obtain free broadcasting time. Hundreds of television and radio stations daily broadcast without charge tapes provided by the armed services. In 1972 the value of these "public service" advertisements amounted to more than $32 million. The services have been actively seeking to expand their use of donated air time, but the networks have so far refused. The Pentagon's massive advertising operation now ranks the armed forces among the nation's largest advertisers.

It is important to understand the reasons why young people enlist. The available evidence indicates that most volunteers join the military to enlarge limited personal and economic opportunities. Roger Kelly, recently retired Assistant Secretary of Defense for Manpower and Reserve Affairs, testified before the House Armed Services Subcommittee on Recruiting and Retention that the two reasons most frequently given for enlisting were "to obtain a better opportunity for advanced educational training" and "to acquire a skill or trade valuable in civilian life." The University of Michigan's Youth in Transition study of some 2,000 high school students corroborates Kelly's statement.

A 1969 sampling by the University's Institute for Social Research found that the most frequently cited reasons for voluntary enlistment were, in order of preference, "to learn a trade or skill that would be valuable in civilian life," "to become more mature and self-reliant," and "opportunity for advanced education, professional training." Similarly, in a 1964 Department of Defense survey of approximately 80,000 enlisted people, nearly forty-seven per cent of non-draft-motivated volunteers gave as their reason for entry "to learn a trade" or "to become more mature." As might be expected, these economic motivations are especially keen among the less affluent. The 1969 Youth in Transition study also found that those intending to enter military service were below the mean in intelligence and family socio-economic level.

Perhaps the best indication of the socio-economic basis of military service is the direct link between enlistment and unemployment. In the words of former Defense Manpower Secretary Harold Wool, "Studies of enlistment trends have shown . . . that enlistment rates have been positively correlated with fluctuations of youth unemployment." A 1967 Pentagon contract study by economists S. H. Altman and A. E. Fechter found that "a given percentage change in the unemployment rate for male youth was associated with a similar percentage change in Army enlistment rate." While the correlation between unemployment and initial enlistment is reasonably well established, the influence of civilian unemployment on the decision to re-enlist is certain. As Secretary Kelly has said, "There is a very accurate and historic relationship between high unemployment and high re-enlistment."

The armed services consciously exploit these economic factors. Recruitment posters and enlistment slogans are specifically aimed at the occupational needs of high school age youth: learn a trade?—WE'LL PAY YOU $288 A MONTH TO LEARN A NEW SKILL; interesting work?—IF YOUR JOB PUTS YOU TO SLEEP, TRY ONE OF OURS; steady work? WE'VE GOT OVER 300 GOOD, STEADY JOBS. Summer is the busiest season for recruiters, as they actively seek to enlist high school graduates flooding the job market. At school "career days," in unsolicited mailings, and through targeted advertising, the new graduate is exposed to the recruitment pitch. Emphasizing the uncertainities of the civilian economy and the supposed employment value of military duty, recruiters hope to persuade young people to join. Technically this is called volunteering. Although the overt compulsion of the draft may be absent, however, it is hardly "voluntary" for sixteen to nineteen year olds, facing a 13.4 percent unemployment rate, to succumb reluctantly to intensive enlistment pressures.

Predictably, the enlisted ranks of the emerging volunteer force are attracting a disproportionate share of youth from working class and lower income backgrounds. Although little direct social information is available on the makeup of the new military, data on educational level, mental quality, and race provide a general picture of the overall social decline in the armed forces. The percentage of high school graduate enlistees for all services declined from seventy-one percent in the year from July 1, 1971, to June 30, 1972, to sixty-three percent in the last half of 1972. The percentage of recruits from the top mental categories has also declined. (Enlistees are assigned to categories I through IV according to results on written intelligence tests, with Category I the highest and IV the lowest.) The service-wide trend shows a decrease in above average recruits (those in Categories I and II) and an increase in those with only average scores (Category III).

The Navy has witnessed a particularly steep decline; the percentage of new recruits in Categories I and II has dropped from nearly fifty percent in January, 1970, to below thirty percent in June, 1972. The percentage of blacks has also steadily increased during the last two years. In 1972, twelve percent of new Navy recruits were black, the highest number in Navy history. In the Army, the percentage of blacks among ground force enlistees has increased from 13.5 percent in 1971 to more than eighteen percent in September, 1972; overall, twenty percent of new male Army enlistees in the last six months of 1972 were black. The trend seems clear, even at this early stage of the volunteer force: the enlisted ranks will henceforth be manned almost exclusively by the poor.

One of the images that most attracts a young person to the ranks is the notion that military service will help him learn a trade. This view, although widely held in America, is demonstrated by the Pentagon's own data to be false. Detailed studies by Harold Wool describe a marked contrast between the type of jobs in the military and those in the civilian economy. Some thirteen per cent of enlisted jobs (i.e., combat) have no civilian counterpart; thirty-eight per cent of enlisted jobs, such as weapons and ship mechanics, account for only 1.5 per cent of civilian jobs, while twenty-nine per cent of servicemen's jobs account for another 9.6 per cent of civilian occupation. Overall, eighty per cent of military jobs are in areas which account for only eleven per cent of civilian jobs.

A look at specific occupations indicates just how extensive the problem is. Using 1960 figures, 10.6 percent of all enlisted people work as aircraft mechanics, while only 0.3 per cent of the civilian labor force is so occupied. The same figures show that thirteen per cent of enlisted positions are in electronics operations or maintenance, compared to only 0.5 per cent of civilian jobs. Moreover, even where broad functional similarities do exist, the actual skills and knowledge required may differ markedly. For example, electronics technicians for missile guidance would hardly be prepared for work as civilian radio and television repairmen.

A closer examination, based on social data, shows that the people most likely to enlist for purposes of economic advancement—those with the lowest socio-economic and educational backgrounds—end up in precisely those positions with no value for civilian employment. This is most obvious in the combat arms area, the training furthest removed from productive military pursuits. The 1964 National Opinion Research Center (NORC) Survey found that the lower an enlistee's educational level, the higher his chances of combat assignment. Harold Wool found similar results based on Mental Group classification. Servicemen in the lowest category, Group IV, comprise nearly forty per cent of those in artillery and infantry positions.

These data demonstrate how slight is the chance of training lower income youth for civilian occupations through military service—and help to unmask the controversial Pentagon program supposedly designed to perform just such a function: Project 100,000. In 1966 Secretary of Defense Robert McNamara announced that 100,000 previously disqualified men from the lowest mental groups would henceforth be accepted into the armed forces. (More than 300,000 have actually entered through the project, since renamed New Standards.)

McNamara claimed that military service would provide the poor with an opportunity "to return to civilian life with skills and aptitudes which for them and their families will reverse the downward spiral of human decay." However, according to Army General Walter Kerwin, forty-one per cent of the soldiers entering under the program were assigned to combat duty (thus affirming the suspicion that the project's real purpose was more to provide additional troops for Vietnam than to aid the needy). As with many who join the military to learn a trade, the servicemen in Project 100,000 were victims of a cruel hoax. Former Secretary Wool, McNamara's own manpower chief, candidly assessed such efforts: "Those enlisted personnel assigned to the ground combat specialties and other uniquely military duties could expect little or no direct benefit from their military occupational training in future civilian jobs."

Survey data from veterans on the usefulness of military training for civilian employment corroborate these findings. In the 1964 NORC survey cited above, veterans were asked to evaluate their military training. Only 9.4 per cent said it had been of "considerable use," 23.4 per cent termed it of "some use," while 67 per cent said their training had been of "no use." A 1955 study of 3,000 airmen had produced similar results.

Besides often being assigned to the wrong jobs, servicemen also must spend much of their time performing non-occupational duties, which the GI refers to as "mickey mouse." Although information on the subject is scanty, the few available studies give a startling indication of the extent of the problem. A 1958 study of missile crewmen quoted by Wool gave the average workweek as: twenty-two hours in actual missile maintenance; sixteen hours for guard duty; and an incredible thirty-two hours in such wasteful duties as cleanup, KP, picking up cigarette butts, and inspections. A 1961 study of Navy electronics technicians showed that "time devoted to duties entirely outside the area of electronics accounted for about half the workday of personnel at the apprentice level and about one-fourth the work time of most senior technicians."

In response to the growth of this immense recruitment network, peace activists in various parts of the country are launching new programs in counter-recruiting. Several groups have found that work at high schools and at recruitment stations can be effective in limiting military influence and in providing an alternative to the high pressure sales pitch of the recruiters. In Grand Rapids, peace workers from the Ammon Hennacy House distributed leaflets to high schools and debated recruiters before school forums. In Van Nuys, California, the Valley Peace Center is establishing a downtown office as a "Counter Recruiting Office." At Fresno State College, counter-recruiters recently set up a table and display next to that of the Marine Corps and successfully persuaded many students to bypass the recruiters. The same group has posted anti-enlistment signs outside various public locations and has applied to have its literature placed in local high school guidance centers. The Midwest CCCO office in Chicago and the People's Coalition for Peace and Justice in New York are lobbying against plans to introduce Junior ROTC in local high schools. The Catholic Peace Fellowship in New York also has announced plans to begin counter-recruitment activities.

For these and other groups organizing against the recruitment put-on, one of the most difficult problems is to meet the needs of young people for meaningful employment and economic security. The task is not easy, for job development programs are often either nonexistent or inadequate. For example, counter-recruiters from the Community for Non-violent Action (CNVA) in Connecticut found that there are almost no job programs in their area and that the few which do operate are sponsored by large war industries. Despite the obstacles, however, alternate job opportunities must be found; if necessary, they can be developed independently by forming cooperatives, working with retired craftsmen, and other means. Another critical aspect of counter-recruiting is the problem of gaining equal access to the media. Citizen groups, especially with regard to public service announcements, might be able to use the FCC's Fairness Doctrine to secure free air time and rebut Pentagon claims about the rewards of military service.

While the decision to end the use of the draft is a welcome step toward reducing Government intrusion in the lives of young people, the volunteer system replacing conscription offers no cause for joy. In place of the traditional "greetings" from Selective Service, the young person is now hounded by his local recruiter and bombarded by a bewildering array of advertising messages. In many cases outright fraud is used to meet enlistment quotas. More frequently, the subtle techniques of commercial oversell—a highly polished delivery, failure to mention extenuating conditions, vaguely defined promises—suffice to lure the impressionable into service.

The military consciously exploits the economic uncertainties of the less affluent by offering assurances of job training and education, yet it is virtually certain that few of those in need of employment security are aided by a three-year stint of toting a rifle and sweeping floors. The services defensively claim that the system is basically sound except for the occasional abuses of individual recruiters. However, the entire approach is fraudulent, for it promises economic advancement which the armed services are fundamentally incapable of providing. (Nor should the military have such a domestic welfare function in a healthy society.) Young people are induced to enlist through false hopes and empty promises which have little or no relation to the real conditions of military life.

Recruiting Probe Here Involves Use of Funds

(By Mike McGraw)

A spokesman for the Army said in Washington today that an investigation of the Kansas City recruiting station involves possible misuse of a unit fund.

It was first believed that the investigation, by the Army's Criminal Investigation Division, involved only possible recruiting malpractices. The two ranking officers at the recruiting station here have been temporarily reassigned.

It is not clear, however, whether that action is a result of the investigation of recruiting procedures or the inquiry into use of the unit fund, which usually total about $2,000.

It was reported Friday that Maj. Quinton Seitz, former head of recruiters here, had been relieved. But the man who took his place, Lt. Col. Leo Guenther, insists no one was "relieved," but that "there have been reassignments pending investigations."

Asked whether the second-ranking officer at the induction station, 2420 Broadway, Capt. Robert Priest, also was reassigned, Guenther said, "Captain Priest was temporarily reassigned."

The Army is investigating 173 induction or recruiting centers in 37 states for possible recruiter malpractices, but a spokesman in Washington said such investigations were not unusual. He said they are conducted on a continuing basis.

Guenther said this morning that the word "relieved" carried serious connotations in Army jargon. "No one is relieved as of now. If I said I was relieved, that would mean you could write me off for good.

"These things could easily happen without my knowing about it, though," Guenther said. "Anyway, even if I did know about the investigation it would be a violation of the code for me to talk about it until it becomes public knowledge."

Guenther said, "I am not in the chain on this one. I have been read out of this thing." He said he was glad of that because if he had any knowledge of the matter he "might feel obligated to discuss it."

Guenther said the unit fund, which reportedly is used for local conferences for recruiters, was recently audited and that there is $2,200 in it. He said, "The fund is not impounded, and I would think that would happen if it is under investigation.

He said the fund is "an instrument of the government, not appropriated by Congress, to be used for the good of enlisted men." He said about $200 is added to the fund each month.

"It is used for whatever they can justify as being for the good of all the troops," he said, explaining that it is made up of profits from post exchanges.

Lt. Col. Bob Schuler of the Army press office in Washington said today he could not comment on whether anyone left the station here because of the investigation.

"We investigate felonies wherever they occur in the Army and the report is turned over to the commander concerned who can then make the adjudication.

"In this case," Schuler said, "the information in the report would go to the commander of the recruiting command in Hampton, Va." A spokesman there was unable to answer questions this morning about the investigation.

The investigation of recruiting procedures here and across the country involves accusations that recruiters falsified records of high school graduation on enlistment forms, gave enlistees answers to qualifying tests, ignored criminal records and enlisted men who were physically unfit.

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107 Army Recruiters Pulled From Jobs for Malpractice

Over the past seven months, 107 Army recruiters, under pressure to meet their quotas now that the draft is dead, have been pulled off their jobs for attempting to enlist unqualified GIs.

A nationwide investigation into widespread malpractices is continuing, according to Army officials.

Since last November, the officials said, the Army Criminal Investigations Division has been looking into reports that recruiters in a number of localities were doctoring records to meet their enlistment quotas.

So far, the investigation has ranged into 37 states. Large concentrations of improper practices, officials said, have been dug up in Syracuse, N.Y., San Antonio, Texas, and Kansas City.

Army detectives are continuing to check out allegations of 173 incidents of recruiter malpractice.

The Army has fallen short by about 10,000 men in its enlistment goals set over the last four months. There is considerable disagreement in the Pentagon about whether educational standards for enlistees have been set too high.

Army officials said recruiters have been caught manufacturing phony high school diplomas, providing "crib" sheets to prospective enlistees before they take qualification tests, ignoring requirements to look for police records on potential enlistees, seeking to recruit medically unfit young men and falsifying residency requirements.

One Army general said it is possible that in its rush to meet Army quotas generally, the Pentagon may have failed to evaluate standards for the 6,500 recruiters around the country. Some 5,000 of these work directly with recruits.

Another official said, "Unfortunately the same qualities of salesmanship that make for a good recruiter sometimes make for these kinds of practices too."

The Army said there is no evidence of collusion among recruiters in different areas of the country. Rather, it appears almost completely to be the action of individual recruiting sergeants pressed to meet their individually-assigned goals.

Mr. KENNEDY. Mr. President, I would hope that in making the request the Senator from Tennessee would also include in his request the amendment which I will introduce with the Senator from Georgia (Mr. NUNN). I would not object even if he did not make that request. If he is not familiar with it, I think the Senator from Texas is familiar with it.

Mr. BAKER. I am.

Mr. BENTSEN. I am familiar with it. I think it adds to the measure.

The PRESIDING OFFICER. If Senators will send their modifications to the desk, the Chair would appreciate it.

Without objection, the amendment proposed by the Senator from Tennessee and the Senator from Texas will be modified accordingly.

The modification is as follows:

On page 4, at the end of line 1, strike out the word "and."

On page 4, between lines 1 and 2, insert the following:

"(6) the methods and techniques used to attract and recruit personnel for the armed forces, and whether such methods and techniques might be improved or new and more effective ones utilized; and"

On page 4, line 2, strike out "(6)" and insert therein "(7)".

Mr. BAKER. Mr. President, I think we have reached the place where I address my inquiry to the managers of the bill. I hope the amendment, as modified, may find acceptability in their eyes. I think that a long and great debate at this point might not be necessary.

Mr. SYMINGTON. Mr. President, the distinguished Senator from Texas spoke to me about this measure before and we are prepared to accept it on this side.

Mr. THURMOND. Mr. President, we join the distinguished acting chairman of the committee, (Mr. SYMINGTON) and accept it on this side.

Mr. BAKER. I thank the distinguished managers of the bill.

Mr. BENTSEN. Mr. President, in joining with the senior Senator from Tennessee in sponsoring this amendment, it is my firm belief that unless the Congress and the President can find some better means to control the expense of personnel for the defense establishment, the security of this country will be seriously jeopardized. I do not consider myself an alarmist, and I am one who has concerned myself with this country's defense all my adult life.

My concern and my criticisms are born of a love for this country, a firm belief that a strong defense capability is essential to its survival, and a conviction that that survival must be the paramount concern of every Member of this body. It would be much easier to stand back, remain silent, and continue along the comfortable lines of the status quo. But we were not sent here to do the comfortable chores or to make the easy choices.

In my opinion, we have come to the point where the rising cost of military manpower necessitates that Congress take action and take action soon.

Mr. President, when a military force of 2.3 million men requires more senior officers, by that I mean the ranks of lieutenant colonel and above, than a force of 12.1 million men required at the peak of a major world war, then the time has come for serious concern on the part of the Congress and the taxpayers who are footing the bill.

Mr. President, when the U.S. Army has more lieutenant colonels than it does second lieutenants and when there are more colonels and Navy captains today in the military services than there were when we had 12 million men in the field fighting a war, then it is time for Congress to take a long, sober look at how the Department of Defense determines its personnel needs. And when it requires eight support types behind every trooper firing a rifle on the front line, then I say it is time for the Congress to become alarmed and to begin the process of reversing this trend which produces more and more headquarter paper pushers rather than frontline fighting forces.

It is estimated that the Defense budget will exceed $15 billion by 1980 and that two-thirds of that budget will be attributable to personnel related costs. A staggering figure and a very worrisome trend in manpower costs.

The Defense Department is paying $22 billion more in fiscal year 1974 than it was 10 years ago in pay and allowances for 400,000 fewer personnel. That is, more money for fewer men, and the fewer men are increasingly to be found in the headquarters and support structure rather than in the combat arms.

At the same time, the average cost of maintaining a serviceman on duty has increased from about $3,400 in 1950 to about $12,400 in 1974. An increase of over 260 percent, and the curve is getting worse, not better.

Now I know that many of these increased costs are justified and that a part of this increase is related to our attempt to establish an all-volunteer force. I support that experiment, and I am willing to pay the necessary, justiable expenses that are related to that effort.

I do not feel, however, that one can justify or support the use of high paid volunteers in the same fashion as $75-a-month draftees. As the cost of defense personnel increases then so must the effectiveness with which they are used.

That is the reason for a defense manpower commission. It will examine the personnel pipeline from recruitment to retirement and give the Congress and the President concrete recommendations concerning what reforms are necessary and how savings can be made. The commission will be independent, and that is most important.

Unless this study is free from control of the Pentagon bureaucracy, both civilian and military, then the Congress will never get the results we desire. The results would be both predictable and disastrous. If this issue is left strictly to the military, it will be the administrators and bureaucrats in the Pentagon who decide where the cuts will be made—not the commanders of fighting units in the field. In effect, those whose jobs are most in question would decide which jobs are to stay and which are to go.

Quite frankly, I expect this commission to approach the problem of analyzing defense personnel issues with a dose of skepticism concerning our present policy and an open mind toward new ideas that might improve that policy. The commission will make periodic reports and the length of its charter, only 18 months, gives promise that this commission will give us the concrete, objective input required to deal with these complex issues through legislation.

There will be no easy decisions or simple solutions on this issue. But there can be informed choices and assured results if we get the facts first and then act upon them decisively. I can think of no issue that deserves our attention more, and I hope the Senate will concur with this amendment.

Mr. President, I yield back the remainder of my time.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. KENNEDY. Mr. President, I wish to commend the Senators on this amendment. I serve as a member of the Military Committee on the North Atlantic Assembly. The distinguished Senator from Texas has been the chairman of the small but important committee to represent the assembly in overseeing the MBFR talks. I have worked closely with the Senator from Texas on a matter which this amendment is concerned with: The relation between combat and support troops, and the number of headquarters and command posts assigned to Europe.

I endorse wholeheartedly the thrust of this amendment. It is far reaching in its inquiry into manpower policies and can be extremely important for the future security of this country.

As a final point on the amendment accepted by the Senator from Tennessee and the Senator from Texas on behalf of the Senator from Georgia and me, we are very much concerned, as I believe are a number of those who follow the manpower policies of the armed services and the shortages of recent shortfalls in recruiting, particularly in combat arms.

I want to commend the Senator from Georgia who has examined this matter in great detail as part of the deliberations of the Senate Armed Service Committee. His work was instrumental in the committee's adoption of a requirement that the Department of Defense report in 90 days on the impact of current recruitment policies on specific manpower goals and requirements of the armed services.

The amendment that I am introducing to the measure put forward by the distinguished Senator from Tennessee and the distinguished Senator from Texas will serve as a complement to the thrust of their amendment and to the actions already taken by the committee.

The amendment specifically directs the commission to examine the implications for the Armed Forces of the shift in the number of poor, the number of less educated, and the number of minority persons who have enlisted since the end to the use of the induction authority.

The amendment also asks that the commission examine the implications of the recent shift within the composition of the enlistees for the Nation as a whole.

The amendment directs that this analysis include the evaluation of the new recruiting policies, including enlistment bonuses in general and combat arms bonuses in particular.

My concern is both that the Army is having substantial difficulty in meeting its required levels of enlistees, falling 19 percent shy of their requirements in August and failing for each of the previous 6 months, and that the rising percentage of blacks and the rising percentage of individuals with less than a high school education indicates a basic change in the composition of the military.

Throughout the debate over the passage of the Military Selective Service Act of 1971, Public Law 92–129, proponents of a volunteer Army argued that there would be no major increase in the percentage of minorities in the Armed Forces. They said the Gates Commission and the Defense Department analyses suggested that the percentage of minority and poor members in the services would remain fairly stable and in most cases would not increase beyond their percentage of the general population.

My concern then and my concern now is that we are telling specific groups in the country that the only road to advancement, the only road for achievement is through the military and particularly through the combat arms route. In other words, they must be in a position where they are risking their lives to provide for the Nation's defense before we will accord them an opportunity to better their economic status.

Now that we have seen the results of the most recent months recruitment—particularly since the lapse of the induction authority on July 1—where 34 percent of the recruits in July and 29.7 percent of the recruits in August were black, it is clear that the original predictions of supporters of the volunteer Army are not being confirmed.

The implications of this failure for both the Armed Forces and for the society must be explored and resolved not only with regard to the black and Spanish-speaking but also with regard to the poor. I am hopeful that this amendment will afford an opportunity to achieve that result.

I, as one who had serious concern about the volunteer Army, wish to stress that those of us who opposed it, because we thought it would end up being a poor man's Army to fight the rich man's war, are being tragically reinforced in that direction. I hope this commission will better enlighten Congress and the American people as to the dangers of this happening.

I thank the Senators for accepting the amendment and I am delighted that the managers of the bill will support it. I look forward to the results of the study.

Mr. BAKER. Mr. President, I thank the Senator from Massachusetts for his addition to the bill and for his favorable comments.

Mr. NUNN. Mr. President, will the Senator yield for a brief comment?

Mr. BAKER. I yield.

Mr. NUNN. Mr. President, I wish to commend the Senator from Tennessee and the Senator from Texas for sponsoring this very pertinent, timely, and very necessary manpower commission to study the needs of the military now, and our Nation in terms of national security.

I have spent a considerable amount of time in the Committee on Armed Services asking what I feel were very pertinent questions regarding the voluntary force, the combat-support ratio, the number of officers we have and the number of enlisted men, and other questions.

Mr. President, I am pleased to join as a cosponsor with the Senator from Massachusetts on a pertinent amendment to the Bentsen-Baker amendment which will further emphasize the concern of this body on the workings or failures of the all-volunteer force. I am pleased to be a cosponsor of that amendment to the Baker-Bentsen amendment. I commend the Senators for having sponsored this necessary study.

Mr. President, I wish to say a few general words regarding the committee-recommended reduction in manpower and the Baker-Bentsen amendment. This recommendation by the committee and the Defense Manpower Commission amendment which I cosponsored comes at a time when there are dramatic but little understood changes occurring both in the defense manpower picture and the overall manpower picture within this country.

The acting chairman and other colleagues have described what has been happening in this important area. Manpower costs have exploded in the past 5 years—basic military pay is up 118 percent since 1968. We have abandoned the draft which provided a broad spectrum of manpower to meet defense needs: the Army has not met its recruiting goals in any month since the draft stopped. As warfare becomes more and more complex, its technology demands higher and higher skilled people to operate and maintain the equipment.

I want to confine my remarks to a brief look into the future. Where are we heading? Where do these manpower trends lead and what do they mean?

First, barring another major military confrontation, there will be continued pressure to hold down defense spending. The President has created a feeling of détente—in regard to the Russians and Chinese. There are strong competing demands for money for social and domestic programs. This country has a long history of keeping down defense spending in peacetime. If manpower costs grow at 5½ percent per year as the Defense Department projects and we retain the current force levels, the manpower budget alone will be about $62 billion by 1980. If, in addition, the total DOD budget were to be limited to $85 billion by 1980, these rising manpower costs would leave only $9 billion available for R. & D., procurement, and military construction combined. Last year we spent over $22 billion on R. & D., procurement and military construction. I know of no responsible person in the country—even the most antidefense minded—who would advocate a 60-percent cut in these programs. Yet that is what would happen if manpower costs continue to rise at their projected rates and the defense budget remains constant.

Another trend that concerns me is the utilization made of people within the Defense Department as manpower costs increase. We see a 1,100,000 support establishment, over 50 percent of the total military strength. I have received many complaints from men in the service about how they are mal-assigned and poorly used. According to studies conducted since 1964, the number of Army men per division is up 8 percent, the number of men per ship is up 44 percent, and the number of men per tactical aircraft is up 43 percent. Civilian manpower growth is even greater—a 92-percent increase in Navy civilians per ship, an 84-percent increase in civilians per division. If these trends continue, the tooth-to-tail ratio by 1980 will be very small indeed. We need a strong, tough, fighting force. But it must be austere, lean, and trim, with no padding or fat. The time has come for the Defense Department to demonstrate its efficiency in achieving such a force, if it hopes to improve its credibility and gather public support.

Finally there is the question of the all-volunteer force. As I have said on many occasions, I have serious doubts about the wisdom of this project. The signs I observe indicate trouble. Even though it is costing us large sums of money, Defense estimates about $3 billion in direct budget costs of the volunteer force this year and there are requests for more in the future, the services are having trouble meeting their recruiting goals in terms of quantity and quality. Defense as a whole was about 25,000 men short of planned strength for fiscal year 1973, about 14,000 of which was attributable to Army shortfalls. In fiscal year 1973, the Army fell 33 percent short of its enlistment objectives for ground combat enlistments—even though it offered a bonus of $1,500 to those enlisting in such units.

A look at the future is even more discouraging. For fiscal year 1974, the Army must recruit 41,000 more men than in fiscal year 1973—a 27-percent increase to meet the strength it requested. Yet with a smaller goal, it had a 4-percent shortfall last year.

Looking further into the future, a recent study conducted for the Senate Armed Services Committee, indicates that in the next several years, Defense will have to recruit one out of every three qualified and available 17-year-old males in the country before they reach age 23. This figure increases to two out of every five if the Reserves are included. That is a very tall order in itself. But looking further ahead, within 10 to 15 years, Defense will have to recruit one out of every two of all the qualified and available 17-year-old males to the Active and Reserve forces. Over 50 percent. I doubt such a goal can be reached.

Mr. President, I am also very concerned regarding the all-volunteer force.

In summary, Mr. President, we need to start action soon if we are to gain control over the problems indicated by the trends I have described.

In the aftermath of Vietnam, our Nation is faced with fundamental questions regarding our national security. In addition to the horrible human tragedies from 1965 through 1972, our participation in the Vietnam war carried a price tag of nearly $120 billion.

What have been the military results of Vietnam and how does this affect our security?

Supplies and equipment which had been issued to National Guard and organized reserve units were reclaimed by the Active forces and redeployed to Vietnam. These forces which are a fundamental part of our defense still have not recovered from this starvation resulting from the war.

While remaining aloof from direct involvement themselves, the Russians spent but a tiny fraction of U.S. war costs. This left a major portion of the Soviet military budget to be used during this period to increase Soviet strategic and conventional military power and to intensify research and development. While any comparison of nuclear arms is a complicated and complex subject, Russia is clearly ahead of the United States in total megatonage of destructive nuclear power which can be launched.

Because of our technological superiority in the development of multiple independently targetable reentry vehicles, commonly known as MIRV, the United States has a substantial lead in the number of nuclear warheads. Russia however is also continuing to develop this technique and with their lead in number and size of ICBM's, if they match us in MIRV technology, our national security will be severely undermined. Therefore, in my opinion, it is imperative that the United States in Salt II press for a freeze on MIRV development by the Soviet Union.

What this adds up to is the harsh reality of the legacy of the Vietnam war:

First. Higher costs for weapons.

Second. A slow-down in research and development and military technology.

Third. Skyrocketing manpower costs and failing popular support for and appreciation of our defense needs.

The hardest reality of all has not been squarely faced by our Government and has not been fully recognized by our people. This reality, the problem of military manpower, is on the verge of getting completely out of control.

The military draft has never been popular and all of us hope that conditions will not require its large scale use again.

Realistically however, it is time for us to take another look at the results of the all-out push for the so-called "volunteer force." This concept is a clear result of the Vietnam war because of its unpopularity caused the President and Congress to yield to the tremendous pressure to end the draft at almost any price.

So much for the background of the volunteer force. What of the future?

At this time, 25 percent of the Soviet military budget goes to manpower costs; 67 percent of the U.S. defense budget goes to manpower costs. This 67 percent does not include such indirect costs as barracks construction, hospital construction and other costs to support personnel.

The direct and indirect cost per man has increased from $5,435 per year in 1964 to $11,580 in 1973. The increase is 113 percent. These costs will continue to rise.

We have 371,000 fewer military and civilian personnel in fiscal year 1974 than in fiscal year 1964 and yet in fiscal year 1974 we will pay about $44 billion in direct manpower costs as compared to $22 billion in fiscal year 1964.

As another example of the increase, direct personnel costs in fiscal year 1968 were $32.6 billion as compared to $43.9 billion in fiscal year 1974 even though the Defense Establishment has been reduced by 1.6 million personnel since that wartime peak.

As another example as to how manpower is utilized, it might be pointed out that for the cost of our general purpose forces we spend about $3 for every $1 spent on our strategic forces. The strategic forces refer to those systems which protect the homeland and provide a nuclear deterrent, such as Polaris, Minuteman, and SAC. General purpose refers to the conventional forces, all of which are planned to be deployed overseas for war.

Most of this phenomenal rise in the costs of manpower can be laid at the door of the All-Volunteer Force concept. We have been told that if we are to get along without a draft, we must make the military career as attractive, or more so, as a civilian career. To this end, Congress has enacted legislation year after year upgrading the system of military pay, allowances, and other benefits, until the expense threatens to bankrupt our entire defense program.

I am not opposed to a fair system of pay and allowances for our servicemen. But I believe that we must face the fact that we cannot afford to see manpower costs escalate until we reach the point where we simply are unable to support a Military Establishment big enough to do the job. We have not yet reached this point, but it is not too much farther down the road.

I do not dogmatically oppose the volunteer concept, but I feel that it is imperative for our Government and our people to ask some hard cold realistic questions as to where this road leads.

The infusion of civilian values into the ranks of the military is an American tradition of longstanding. From the time of the American Revolution, the concept of the citizen soldier, called to the colors in time of crisis, has been a hallowed one. The shift to an All-Volunteer Force will inevitably dilute this tradition, for I do not believe that any system of inducements, no matter how extensive and how expensive will attract enough of the right kinds of young Americans to military service to preserve the essential civilian spirit which has always characterized our men in uniform. There is a remote but increasing danger that the creation of a special military class—a certain consequence of the all-volunteer concept—will pose an increasing challenge to civilian control of the military.

A related danger is that the absence of young draftees in the Armed Forces will remove some subconscious constraints upon the President to allow us to become involved in future military adventures without sufficient and mature consideration. Professional soldiers are not likely to argue so strongly against opportunities to practice their profession as are young civilians temporarily in uniform. Neither are the respective families involved. It is a paradox that those who lobbied for the end of the draft because of their opposition to the war in Vietnam, may well have sown the seeds for future similar involvement.

Although the draft system contains many inequities, it is still a better means of providing an armed force more representative of the American society as a whole than is possible under the all volunteer system. It is most unlikely, for example, that even the prevailing high rates of military pay will succeed in attracting enough really skilled and educated men into the Armed Forces. What is more likely is that the armed services will attract first those who are the most disadvantaged in our society.

America needs a well disciplined and trained force, who can readily be brought up to acceptable standards of discipline and professional skill. In these days, it is not popular to deal plainly with such subjects, but I believe that it is simply not fair to ask or expect the poor man to do most of the fighting. An all-volunteer force manned by the poor and disadvantaged, but officered by a professional elite, is a radical departure from the American tradition.

Finally, I think a word needs to be said about patriotism. This word used to be somewhat overworked—especially by politicians on the Fourth of July—but you do not hear enough about it any more. I submit that in abolishing the draft we may be doing away with the principle of service to our country. Will we be teaching future generations of Americans to expect life and happiness in a great and free country—without giving anything in return?

I think we need to reexamine some of the basic assumptions behind our defense policies. We need to face the fact that the spirit of "détente" is to be desired and cherished, and that an era of negotiation is greatly to be preferred to continuing conflict and confrontation. But we also need to pay heed to the fact that our military might has been a strong inducement to the other side to bring them around to negotiation.

We need to realize that some things cannot be bought for money alone—No mercenary army in history has ever been a match for free and dedicated men fighting to preserve their stakes in a free society. We must take care that the war weariness of the present does not lead us to such despair that we mortgage the future just to get a little rest now. And I still believe that Thomas Paine spoke the truth when he said that "those who expect to reap the blessing of freedom must, like men, undergo the fatigue of supporting it."

The PRESIDING OFFICER. Is all time yielded back?

Mr. BAKER. I yield back my time.

Mr. SYMINGTON. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment as modified was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from South Carolina may now be recognized to call up both of his amendments out of order which were scheduled for tomorrow under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments will be stated.

The amendments were stated as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. 1. (a) No funds authorized to be appropriated by this Act may be obligated under a contract entered into by the Department of Defense after the date of the enactment of this Act for procurement of goods which are other than American goods unless, under regulations of the Secretary of Defense and subject to the determinations and exceptions contained in title III of the Act of March 3, 1933, as amended (47 Stat. 1520; 41 U.S.C. 10a, 10b), popularly known as the Buy American Act, there is adequate consideration given to—

(1) the bids or proposals of firms located in labor surplus areas in the United States as designated by the Department of Labor which have offered to furnish American goods;

(2) the bids or proposals of small business firms in the United States which have offered to furnish American goods;

(3) the bids or proposals of all other firms in the United States which have offered to furnish American goods;

(4) the United States balance of payments;

(5) the cost of shipping goods which are other than American goods; and

(6) any duty, tariff or surcharge which may enter into the cost of using goods which are other than American goods.

(b) For purposes of this section, the term "goods which are other than American goods" means (1) an end product which has not been mined, produced, or manufactured in the United States, or (2) an end product manufactured in the United States but the cost of the components thereof which are not mined, produced, or manufactured in the United States exceeds the cost of components mined, produced, or manufactured in the United States.

At the appropriate place in the bill insert the following new section:

SEC. —. (a) Chapter 157 of title 10, United States Code, is amended by adding at the end thereof a new section as follows:

"§2635. Medical emergency helicopter transportation assistance and limitation of individual liability.

"(a) The Secretary of Defense is authorized to assist the Department of Health, Education, and Welfare and the Department of Transportation in providing medical emergency helicopter transportation services to civilians. Any resources provided under this section shall be under such terms and conditions, including reimbursement, as the Secretary of Defense deems appropriate and shall be subject to the following specific limitations:

"(1) Assistance may be provided only in areas where military units able to provide such assistance are regularly assigned, and military units shall not be transferred from one area to another for the purpose of providing such assistance.

"(2) Assistance may be provided only to the extent that it does not interfere with the performance of the military mission.

"(3) The provision of assistance shall not cause any increase in funds required for the operation of the Department of Defense.

"(b) No individual (or his estate) who is authorized by the Department of Defense to perform services under a program established pursuant to subsection (a), and who is acting within the scope of his duties, shall be liable for injury to, or loss of property or personal injury or death which may be caused incident to provide such services."

(b) The table of sections at the beginning of chapter 157 of title 10, United States Code, is amended by adding at the end thereof the following new item:

"2635. Medical emergency helicopter transportation assistance and limitation on individual liability.".

Mr. THURMOND. Mr. President, this amendment is offered by the distinguished Senator from Missouri, the acting chairman of the Committee on Armed Services (Mr. SYMINGTON) and me, and also the distinguished Senator from Texas (Mr. TOWER) joins in the amendment as a cosponsor.

This amendment would authorize the Secretary of Defense to assist the Department of Health, Education, and Welfare and the Department of Transportation in providing helicopter ambulance services to the public in the event of serious civilian medical emergencies.

This amendment would establish a program known as Military Assistance to Safety and Traffic, or better known as MAST.

It involves authorizing military air ambulances, or helicopters, which are in a state of readiness due to military requirements, to be used in civilian rescue work where injuries are of such a serious nature that life or death may hinge upon the speed of the rescue effort. This concept has already been tested at a number of locations around the country and has been beneficial both to the military and the civilian community.

It has benefited the military because the helicopter crews, rather than training simulated conditions, have received experience in actual emergencies. It has benefited the civilian community because this kind of quick medical service was not available through either private or public sources.

Mr. President, private as well as governmental sources are beginning to provide emergency helicopter service. Some State highway departments have helicopters on call and there are some instances of private sources providing this service in a commercial undertaking.

The provision of helicopter ambulance service to civilians is a mission which the private sector should shoulder. However, until such programs are established there is no reason why military helicopter units should not assist when possible.

This amendment is identical to a bill offered by Representative WILLIAM DICKINSON, of Alabama, which passed the House May 9, 1973, and I understand the distinguished Representative from Missouri (Mr. SYMINGTON) is an author of a bill on this subject.

Although there are a number of Senate bills which provide for a MAST program, including one which I offered, this amendment takes the form of the Dickinson bill because hearings were held on that bill and it contains a number of safeguards necessary to prevent abuses in this program.

These safeguards recognize and deal with four problem areas. First, MAST aid could be provided only in those areas where air ambulance units are regularly assigned, thus barring the transfer of units from one area to another for the purpose of providing such assistance.

Second, assistance by the military air ambulance may be provided only to the extent that it does not interfere with the performance of the military mission of the unit in question.

Third, the provision of this assistance shall not cause the increase in the expenditure of military funds. In other words, the operation will have to be financed from regularly prescribed training funds. As an additional safeguard in the cost area the amendment reads, "any resources provided under this section shall be under such terms and conditions, including reimbursement, as the Secretary of Defense deems appropriate."

Fourth, the amendment protects those individuals in the program by providing that, "No individual (or his estate) who is authorized by the Department of Defense to perform services under a program established pursuant to this subsection (a), and who is acting within the scope of his duties, shall be liable for injury to, or loss of property or personal injury or death which may be caused incident to providing such services."

Mr. President, many lives were saved during the pilot program of MAST. Authority for the Defense Department to participate in this effort on a broader scale will save lives in the future. Therefore, it is important that the Congress act in this matter as soon as possible.

This amendment meets all of the objections raised about the MAST program. It provides for a tightly restricted program, but one which will save lives and also bring the military and civilian sectors into a closer working relationship. I hope the Senate will accept this proposal in order that there be no further delay in establishing this lifesaving joint effort between civilian communities and nearby military installations.

Mr. President, amendment No. 547 is designed to express policies which provide advantages to American firms competing with foreign firms for Defense Department contracts.

It is my view that the Department of Defense, in awarding contracts for the procurement of supplies and equipment, should award these contracts to firms located in the United States which have the capability to supply them provided such action will not result in unreasonable costs or otherwise be contrary to the public interest.

It is only right that firms located in the United States and employing American labor, both of which pay U.S. taxes, should be given a preference in the award of these contracts whenever it is economical and appropriate to do so. This is particularly justified in the case of firms located in the unemployment areas designated by the Secretary of Labor as labor surplus areas and in the case of U.S. small business firms.

Also to be considered is the impact on the U.S. balance payments when contracts are awarded to foreign firms as well as any additional costs involved to the United States in awarding contracts to foreign firms.

I am told that the Department of Defense employs administrative procedures to accomplish these objectives now. However, these objectives are so important and critical to American firms and American workers that there should be a basis for them in law.

The proposed amendment which I offer will require the Department of Defense prior to the award of a contract to a foreign firm to be funded by funds authorized to be appropriated by the act to give adequate consideration to the bids or proposals of firms located in U.S. labor surplus areas, to those of small business firms, and all other firms located in the United States, to the impact on the U.S. balance of payments and to the additional costs, such as shipping costs and duties, which might be involved if other than American goods were procured.

My amendment will not result in any additional costs to the Department of Defense. However, it will constitute a clear expression by the Congress that American goods, when available, are to be procured whenever it is economical to do so and it is not otherwise contrary to the public interest.

A provision somewhat similar to this amendment was contained in the House version of this bill. However, it is my belief that my proposed amendment will lay down more precisely the objectives to be attained and provide the Department of Defense with more specific language which will permit the implementation of those objectives. It should not result in any additional costs and requirements of the amendment are concise enough to insure an evenhanded administration of these proposals.

Mr. SYMINGTON. Mr. President, as a cosponsor of both these amendments, after serious deliberation I accept the amendments of the able Senator from South Carolina.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. THURMOND. Mr. President, I wish to thank the able acting chairman of the committee for accepting these amendments and also for joining as a cosponsor.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

The amendments were agreed to en bloc.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. NELSON) laid before the Senate the following letters, which were referred as indicated:

FORTY-FIFTH MEETING OF AMERICAN INSTRUCTORS OF THE DEAF

A letter from the President of Gallaudet College, Washington, D.C., transmitting, pursuant to law, the proceedings of the 45th meeting of the Convention of American Instructors of the Deaf (with an accompanying report). Referred to the Committee on Rules and Administration.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. NELSON):

A resolution adopted by the City Council of Mayfield Heights, Ohio, opposing further Federal taxes on gasoline or fuel oil. Referred to the Committee on Finance.

A resolution adopted by the Common Council of the City of Buffalo, N.Y., calling for the removal of the Squaw Island Footpath. Ordered to lie on the table.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

Nancy Hanks, of New York, to be Chairman of the National Endowment for the Arts.

Subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

Mr. SYMINGTON. Mr. President, from the Committee on Armed Services; I report favorably the nomination of Maj. Gen. Richard Ray Taylor, U.S. Army, to be major general in the Medical Corps and Lt. Gen. Carroll H. Dunn, U.S. Army, to be placed on the retired list in the grade of lieutenant general; for the Navy, Rear Adm. Joseph P. Moorer for promotion to vice admiral, and Vice Adm. Harry L. Harty, Jr., U.S. Navy for appointment to the grade of vice admiral, when retired; in the Air Force that Lieutenant General Martin, Lieutenant General Smith, Lieutenant General Russell, Lieutenant General Philpott, General Momyer, Gen. Seth McKee and General Wade be placed on the retired list in these respective grades and also in the Air Force that Major General DeLuca be promoted to lieutenant general, Major General Hudson to be lieutenant general, Maj. Gen. George McKee to lieutenant general, Major General Moates to become lieutenant general, Major General Allen to be lieutenant general, Major General Johnson to become lieutenant general, Major General Murphy to be lieutenant general, Lieutenant General Ellis to be general, Lieutenant General Dixon to be general and that Major General Roberts to become lieutenant general and Lieutenant

General O'Keefe to be general. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. In addition, Mr. President, there are 4,232 nominations in the Army, Marine Corps, Air Force and Air Force Reserve for promotion in the grade of colonel and below. Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the CONGRESSIONAL RECORD on September 5 and September 12, 1973.)

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without reservation:

Executive J. 93rd Congress, 1st session, Agreement with Canada for Promotion of Safety on the Great Lakes by Means of Radio, 1973 (Exec. Rept. No. 93–17);

Executive G. 93rd Congress, 1st session, Convention for the Protection of Producers of Phonograms (Exec. Rept. No. 93–18);

Executive M, 93rd Congress, 1st session; Executive S. 93rd Congress, 1st session; and Executive K, 93rd Congress, 1st session. Extradition Treaties with Italy, Paraguay, and Uruguay (executive Rept. No. 93–19).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HUMPHREY (for himself, Mr. CRANSTON, and Mr. MONDALE):

S. 2485. A bill to establish an Independent Commodity Exchange Commission. Referred to the Committee on Agriculture and Forestry.

By Mr. TALMADGE (for himself and Mr. NUNN):

S. 2486. A bill to provide that the project referred to as the Trotters Shoals Dam and Lake on the Savannah River, Georgia and South Carolina, shall hereafter be known and designated as the "Richard B. Russell Dam and Lake." Referred to the Committee on Public Works.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 2487. A bill to provide for the addition of certain eastern national forest lands to the National Wilderness Preservation System, to amend section 3(b) of the Wilderness Act, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. KENNEDY (for himself and Mr. PERCY):

S. 2488. A bill to amend title VII of the Older Americans Act of 1965 relating to the nutrition program for the elderly to provide authorization of appropriations, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. CHURCH:

S. 2489. A bill to amend title XVIII of the Social Security Act to prevent the imposition, under part B thereof, of more than one deductible with respect to expenses incurred for the purchase of any particular piece of durable medical equipment. Referred to the Committee on Finance.

By Mr. SPARKMAN (for himself and Mr. TOWER):

S. 2490. A bill to assist States and local governments to improve their capabilities for meeting goals related to community development, adequate housing, public facilities and services, and other governmental concerns. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. TALMADGE (by request):

S. 2491. A bill to repeal the provisions of the Agriculture and Consumer Protection Act of 1973 which provide for payments to farmers in the event of crop failures with respect to crops planted in lieu of wheat or feed grains. Referred to the Committee on Agriculture and Forestry.

By Mr. RANDOLPH (for himself, Mr. ALLEN, Mr. BAYH, Mr. BENTSEN, Mr. BIBLE, Mr. BURDICK, Mr. ROBERT C. BYRD, Mr. CANNON, Mr. CHILES, Mr. COOK, Mr. CRANSTON, Mr. CURTIS, Mr. DOLE, Mr. DOMENICI, Mr. EAGLETON, Mr. EASTLAND, Mr. FULBRIGHT, Mr. HARTKE, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. HRUSKA, Mr. JACKSON, Mr. MAGNUSON, Mr. MCCLELLAN, Mr. MCCLURE, Mr. MCGEE, Mr. MONTOYA, Mr. MOSS, Mr. HUGH SCOTT, Mr. SPARKMAN, Mr. STAFFORD, Mr. STENNIS, Mr. TOWER, and Mr. TUNNEY):

S.J. Res. 158. A joint resolution to set aside regulations of the Environmental Protection Agency under section 206 of the Federal Water Pollution Control Act, as amended. Referred to the Committee on Public Works.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUMPHREY (for himself, Mr. CRANSTON, and Mr. MONDALE):

S. 2485. A bill to establish an Independent Commodity Exchange Commission. Referred to the Committee on Agriculture and Forestry.

COMMODITY FUTURES EXCHANGE ACT OF 1973

Mr. HUMPHREY. Mr. President, today I have introduced legislation which will strengthen and improve commodity futures trading in our Nation, and its regulation. I am convinced that we must move expeditiously to improve the regulation of our commodity marketing system in order to protect our farmers, consumers, and commodities dealers from self-interested market manipulation by private traders. There is an obvious need not only to improve and strengthen the regulation of commodities now subject to regulation on the futures market, but also to extend such regulation to all trading, in all futures, on all markets.

The bill I have introduced today will remove the commodity exchange authority from the U.S. Department of Agriculture and establish it as an independent agency and bring all trading in futures contracts under Government regulation.

This legislation also provides the new CEA with injunctive powers to stop or prevent violations of the law or regulations before they occur or cause major market disruptions. The same need applies in stopping any trader, or small group of traders, from gaining sufficient control over futures contracts to restrain trading. The need for such powers are extremely important when one realizes that buyers are able to purchase futures contracts on the multibillion dollar commodities market with only the smallest of cash margin requirements; much smaller margin requirements than exist on the stock market, I might add.

The new agency must also be provided with more adequate levels of manpower and better facilities to carry out its functions and responsibilities. Current manpower levels are woefully inadequate. With roughly 160 employees, the CEA has been responsible for the regulation of a market which generated a trading volume of more than $250 billion in the fiscal year ending last June 30, and this volume is growing. For comparative purposes, it is interesting to note that the Securities and Exchange Commission, which regulates the stock market, had over 1,500 people to carry out its responsibilities with the stock market, which had a trading volume of slightly less than $200 billion during the past fiscal year. More manpower is essential if effective regulation of these markets is to be properly enforced in the future.

I believe that we must also tighten up on the qualifications and checks on qualifications of individuals handling commodity accounts—

Mandate the strengthening and improvement of the self-regulatory aspects of futures trading activities by the commodity exchanges;

Provide for financial penalties in regulatory administrative proceedings taken against violators of trading laws or regulations;

Examine floor trader practices, margin rules, hedging, option trading, and other trading practices; and

Examine consolidation of some of the clearing houses now serving exchanges.

There is no question that futures trading is an important and worthwhile mechanism in the economics of our marketplace. However, because of the impact on the well being of American farmers and consumers of the prices arrived at on this market, I believe that its operation must be diligently monitored in the interest of all the people. The wild and often bewildering price fluctuations on these markets, particularly during the last year, have convinced me that the time for a detailed review of this entire system has arrived.

In recent weeks, I have been in contact with a number of experts in this business, both in and out of Government and including commodity trading specialists and regulatory specialists. I am convinced that Congress must act now to modernize the system and the laws and regulations relating to it.

I am hopeful that the bill I have introduced today will serve as a major stimulus for this effort to improve our commodity trading markets. In the weeks ahead I will be working to add improvements to this legislation.

I intend to urge an early and thorough examination of my proposal, and all of the related issues, by our Senate Committee on Agriculture and Forestry.

Mr. President, I ask unanimous consent that a very important series of articles from the Washington Star-News, by John Fialka, entitled "The Food Speculator," be printed at this point in the RECORD.

There being no objection, the articles

were ordered to be printed in the RECORD, as follows:

[From the Washington-Star News, Sept. 23, 1973]

THE FOOD SPECULATORS

(By John Fialka)

MITCHELLVILLE, IOWA.—This is the year that George Redman, 33, learned the hard way that corn on paper is worth far more than real corn loaded on a truck.

The lesson was part of an experience that cost him over $60,000 and took him on an eerie voyage into the complex, nether world of commodity speculation.

But Redman is not alone now when he calls the buying and selling of contracts for future delivery of a farm commodity a "paper game."

A considerable number of his fellow farmers and the merchants who buy and sell real, cash commodities are becoming convinced that this year the theory and the realities of setting food prices have begun to go haywire.

It was no snake oil salesman who came into this prosperous (pop. 1,341) central Iowa farm town this spring and parted Redman and his money.

No, Redman admits, he brought that on himself. As a farmer, a man who has fed corn and soybeans to his cattle for over 12 years, Redman developed a strong notion this spring that the prices he was hearing on the afternoon radio reports were unrealistically high.

The voice of the Chicago Board of Trade, the Nation's largest commodity exchange, is heard here over radios in tractor cabs, in cattle sales barns and other places where farmers work in the early afternoon, shortly after the trading day closes in Chicago.

Of late, the news has been unbelievable. In early June the radio said that the price of soybeans had gone to $12.90 a bushel, roughly six times what it costs the farmer to grow it.

In late July, Iowans heard about $3 (per bushel) corn, an unheard of price in a State where farmers have traditionally piled surplus corn to molder in thousands of metal storage bins and have even burned it during the winter because it was cheaper than coal.

These were the prices from the Chicago Board of Trade, an institution which describes itself as a national "thermometer" for future prices. These were the prices that the traders, men who broker orders for all the commercial and speculative interests who deal in futures contracts, had arrived at.

Redman was no stranger to the notion, common among Iowa farmers (see accompanying article) that futures contracts are really a "paper game" played by doctors, chiropractors and other well-heeled city folks who do not really know crops.

Nevertheless, some time this spring he decided to join in. As he remembers it, the notion came to him while talking with another farmer in a cattle barn. The fields this year were going to be chock full of soybeans, they decided, and a man could make some real money by speculating that the price was too high.

Sometime in April Redman drove to the R. G. Dickinson Co. brokerage firm in nearby Des Moines.

When Redman walked in the door he was joining a growing tide of people who speculate in food. They traded a record of $268.3 billion in futures contracts in fiscal 1973 ending last June 30 for such items as soybeans, pork bellies (uncured bacon) and live cattle. That is more than the $195.1 billion total of stocks traded during the same period and far more than the $75.5 billion worth which the U.S. Agriculture Dept. places on the entire 1973 harvest of crops and livestock.

"Speculation in commodity futures is frequently confused with gambling," notes a brochure distributed by the Chicago Board of Trade. The brochure points out that, unlike gambling, speculation serves a number of useful purposes in agriculture.

Among other things, commodity speculation pools money to provide an orderly market for commodities on a year-around basis. Soybeans, for instance, are traded for delivery in September, November, January, March, May, July and August.

The process, the brochure points out, evolved shortly before the Civil War to prevent enormous price fluctuations caused by the market glut during harvest and severe scarcity during the spring and summer. There, rooted in Chicago, grew a "central market for buyers and sellers of the new wealth of the prairie."

As Redman remembers it, his commodity broker, Bill Knight agreed with him about the soybeans. "He said 'damn, these beans are higher than hell.' They were around $5.52 a bushel then."

In commodities, it is as easy to make money when the market is going down as it is when the market is going up. In either case, the process is likely making a bet on the worth of a future shipment of grain to Chicago.

For example, in January a speculator decides that the price being traded then for July corn futures is going to go higher. He orders his broker to "buy a contract," which amounts to a commitment to receive 5,000 bushels of corn in Chicago in July at the current, January price level, say $1.00 a bushel. This is called "going long."

If the price of July corn futures goes up to, say, $1.50 a bushel by June, the speculator nullifies his commitment by selling his contract to somebody else and pockets the difference, which amounts to 50 cents a bushel, or a $2,500 profit.

If the same speculator had decided in January that the price of July corn was going to drop, he would have ordered his broker to sell a contract, or to make an agreement to deliver 5,000 bushels of corn to Chicago in July. This is called "going short."

Then, if the price of July corn dropped to, say, 50 cents a bushel by June, the speculator nullifies his obligation by ordering his broker to buy a contract at the going rate. Again, he pockets the difference, 50 cents a bushel, or a $2,500 profit. In either case the speculator, like the overwhelming majority of all speculators, has not dealt with actual corn, he's been trading in contracts.

Redman decided to go short on one soybean contract. He gave Knight the required margin, roughly 10 percent of the value, or $2,500. Then he sat back and waited, certain of his theory that soybeans, which had been traded for $2.50 a bushel for years, were going to drop.

This was to be the year, however, when theories often failed to work, as Redman discovered during a call to his broker later in the week.

"I said what's these beans doin'?" He said "——— ———" they don't look too good They're goin' up!"

Redman soon found himself riding up on the great, unbelievable soybean surge of 1973. Only he had bet they would go down.

By the end of May, the price for soybeans to be delivered in September had gone to $6.50 a bushel at the Chicago Board of Trade. The price appeared to be going straight up.

Redman went back to his broker. "So I told him, I says what the hell are we going to do?—He said that about the only way we're going to get back in this ball game is to double up."

Redman said his broker then suggested that he go short on two more September soybean contracts. That way when the price of soybeans fell, Redman would recoup his losses faster.

Redman put down $5,000 margin for the two additional contracts. About that time the Chicago Board of Trade decided to raise the margin requirements in an attempt to cool the speculative fervor that had grown around soybeans. Redman had to put down $6,000 more on each of his three contracts.

And soybeans continued to go up every day. For awhile, the Board of Trade had ruled that the price could only jump by 20 cents a day. Then, the board decided to raise the limit to 40 cents. For six or seven days in a row soybeans contracts shot up the limit.

"I was getting pretty damn worried," recalls Redman.

Other people in Iowa, those who deal in the real, cash version of the commodities being speculated about in Chicago, had begun to worry too.

While the sharp surge in prices was a bonanza for some speculators and misery for others, it was beginning to cause chaos in a farm economy that had been accustomed to dealing with price fluctuations of a few pennies.

The usefulness of commodity speculation had begun to disintegrate in two ways: something was wrong with its price-predicting mechanism, and its protection against sudden price shifts was weakening.

The first of a long line of middlemen between the farmer and the people who push baskets in supermarkets is the country elevator operator.

If the elevator operator pays a higher price for such a basic commodity as corn and soybeans, the price increase is magnified and multiplied through the entire food chain until it confronts the consumer in, literally, thousands of places in the supermarket: in prepared foods, in cooking oil, in a myriad of meat and poultry products from animals whose feed comes from corn and soybeans.

How does the elevator know what price to set? He normally looks to the traders in Chicago for that information.

The theory, again from a brochure composed by the Chicago Board of Trade, is that the "cash basis at the country location is below the nearest futures price by the cost of freight to Chicago."

In other words, if a farmer had carefully saved his 1972 crop of soybeans and hauled them to a country elevator in late May, in theory he would have been offered around $12 a bushel (less freight) because that was where the traders in Chicago were pegging July soybeans.

In fact, however, he would have found that many Iowa elevator operators were not buying soybeans.

Argie Hall is director for the Farmers Grain Dealers Association of Iowa, a cooperative that represents 330 local elevators. Hall probably buys and sells more corn and soybeans than anyone in the state.

When July soybean futures were rocketing up to $12.90 a bushel in Chicago, Hall found that soybean processors dropped out of the market. He had no offers to buy soybeans.

For about two weeks, the cooperative's elevators were instructed not to buy soybeans because there was no market.

"That's hard to explain to a farmer," said Hall. "The price goes up to $12 and he goes in to sell and the elevator operator says nobody will buy them. This will occur again and again if we get runaway markets."

The risk-protecting function of commodity speculation also had begun to turn on the Iowa grain merchandisers. Traditionally, Hall and other grain buyers and processors who found themselves temporarily in custody of large amounts of grain had been able to avoid the risk of price fluctuations through a practice called "hedging."

In theory, the grain merchants would use the process Redman used. They would sell futures contracts covering the amount of soybeans they had on hand. Then, if the price of soybeans went down they would lose money on their stores of soybeans, but the loss would be offset by gains in futures speculation.

The hedge also works the other way. If the price of soybean futures rose, they would lose money on their futures speculation but would gain on the price of the real product, which would reflect the futures price increase.

Thus, in either case, the elevator operator or the grain processor relied heavily on commodity exchanges to shield them from price fluctuations.

This year, according to Hall, hedging turned into a "nightmare" during the frantic trading in Chicago.

There were days when the market hit the trading limit so fast that merchants could not get out of their hedges.

Hall and some of his member elevators were getting margin calls running into the millions in June. Country banks were running out of lending money. Thus, even on some days when there were buyers for soybeans, Hall had his money tied up in hedges and couldn't afford to buy any.

Yet the farmers had heard the siren call of big money. Around Mitchellville, viewed from the air, farmyards appear to be smaller this year, and the orderly rows of crops seem to be squeezing the roads.

For George Redman, however, the more pressing reality was now in Chicago. He decided to unload his three soybean contracts and accept his losses. He ordered his broker to buy three contracts for September soybeans. The going price, then around $9.40 a bushel, meant he would lose about $56,000.

He decided that he had to find some way to recover his loss. In early July, he began to watch the Chicago Board of Trade prices for July corn. It was running around $2.29 a bushel, a price which Redman, who had handled corn for over a dozen years in his cattle feeding operation, decided was "higher than hell."

Again, he drove in to R. G. Dickinson's brokerage house in Des Moines and told his broker Bill Knight to "go short." This time it was two contracts for July corn (10,000 bushels). He put up $13,000 in margin.

When the price of corn dropped Redman planned to buy two corn contracts and recoup some of his soybean losses.

But corn didn't drop. Phenomenal things began to happen to the price of corn, shooting it up the trading limit every day. Again, George Redman was a worried man.

The impact of the heavy trading in corn futures, again also had an adverse impact on the marketing system for real corn in Iowa. According to Hall, the Grain Dealers Association increasingly found itself stuck in its hedges.

If a corn buyer wanted a cash price for his corn, Hall said he would have to add on 15 cents a bushel to cover the risk of not being able to compensate for the sale by removing a hedge at the same time.

"Now that cost is direct inflation," he explains, "it passes right on to the consumer."

In addition, the cooperative found buyers losing interest and margin calls were eating away at available cash. It dropped the price it had been offering farmers, finally using December futures as a pricing guide because it was not gyrating as wildly as July.

According to the accepted theory of speculating in commodities, pure speculators drop out of the market before the final delivery month, leaving the market place to commercial interests who really want to deliver or receive corn.

In the final month, the futures contract is said to "mature." All the forces in the market place have had their impact. The futures price becomes the real price for corn. "It is," as one trader put it, "a process of homing in on the truth."

The "truth" for George Redman, when he walked into R. G. Dickinson's brokerage firm on July 20, came as a considerable shock.

He remembers coming in and seeing all the other brokers standing around Bill Knight talking in hushed voices.

"I said what's up, Bill? He said 'They've taken the limits off of corn.' I said what do you mean? He said 'It's an open ball field.' "

For weeks, the Chicago Board of Trade had imposed a 10 cent a day trading limit on corn futures. When the price rose a dime, trading stopped. The limit, however, was being removed on the final trading day.

Redman remembers Knight asking him if he wanted to get out, that is whether he wanted to buy two corn contracts at the day's opening price, about $2.88 a bushel, and take his loss.

Redman resisted. "I says I don't want to get out. He says 'you have to get out.' I says I'm not gonna get out."

So they both sat down to watch the numbers move across the board on the wall of the brokerage firm.

"We were looking at that corn and it was $2.88 or so, just laying there for about two hours. Then the damn corn went to $2.97, then $3.00, then $3.02, $3.05, and $3.52," remembers Redman.

"I said that's a mistake. We'll see a cancellation."

But there was no cancellation.

The group sitting in front of the board at R. G. Dickinson's brokerage house was watching an historical moment. Corn futures were at a new, all-time high, selling at a price that had never been reached, even in the years of drought, blight and war.

In fact, corn was selling at a higher price than wheat futures. That, too, had never happened.

At that point, the broker, Knight, his manager, Oliver Eckles, and the head of the brokerage firm, R. G. Dickinson himself, were all yelling at Redman to "Get Out!"

What bothered Dickinson was that if Redman didn't get out, he would be obligated to deliver real corn to Chicago—an event that had not happened in all the 14 years R. G. Dickinson had been handling commodities.

But Redman did not get out. July corn went to $3.60, then $3.70 and $3.80 and $3.90, finally dropping to $3.80 when the trading ended.

"There was my broker standing there saying what in the hell am I going to do," recalls Redman. "I told him I know, my mind's made up. I am going to ship the corn."

Redman refused an offer to buy a warehouse receipt for corn then stored in Chicago at $3.80 a bushel, a move suggested by Eckles that would have released him from his contracts and given him a loss of about $16,000.

At that moment the two worlds of corn, the frenzied trading for "paper" corn in Chicago and the negative impact it was having on cash corn prices in Iowa, fused in Redman's mind.

He knew that, up the street from his house, the co-op elevator in Mitchellville was selling corn for $2.32 a bushel. Redman made arrangement for some trucks and asked R. G. Dickinson where he should deliver it.

Dickinson, a tall, dapper man in his late 40's, has a slightly different version of Redman's dealings in commodities. He was first reluctant to speak to a reporter, but later consented, choosing his words carefully.

He insists that selling first the bean contracts and then the July corn was all Redman's idea. At one point in the interview he called Bill Knight into his office.

Knight insisted he did not encourage Redman to "double up," and then began groping for words to explain how Redman went from the beans into the corn.

"Look," he said, finally, "this guy lost a ton of money."

"Wait a minute. Don't say another word," said Dickinson. "What is a ton of money. To a guy who makes 3 or 4 million dollars, $60,000 is not a ton of money."

Knight started to say that Redman did not make that much when Dickinson again cut him of: "O.K. We have your answer. That's all we wanted to know."

Then Eckles, Dickinson's commodity manager, began to explain why it was that all three of them tried so hard to get Redman to buy out the last day.

"That's right. We tried to get him to get out," he said, adding, "The horses were coming down to the wire, the game was almost over."

"Please don't use that language," interjected Dickinson, wincing. "Let us say that the allowable time had almost elapsed."

Finding a place for Redman to deliver his corn to was a major problem for Dickinson. "For 13 years in this business I've never had anybody deliver the goods. It just isn't done," he explained.

"We told him not to do it. We said you're up against the pros," Dickinson added, ticking off the problems he warned Redman that he would have to face. There was a shortage of box cars. The warehouses were all owned by major grain companies who were busy collecting and shipping their own corn. Redman's corn might be rejected in Chicago for being the wrong type, or having too much moisture, or something.

Nevertheless, Redman persisted. He sent a certified letter to Dickinson, demanding to know where his 10,000 bushels of corn should be delivered.

After spending "two or three days" on the phone, Dickinson sent Redman a letter with the names of three companies: Cargill, Continental Grain Co. and Indiana Grain Co.

Then Redman spent some time on the phone. He figured that if the price of corn had hit $3.90 in Chicago, companies there must be ravenous for corn.

The first three companies all refused delivery. One said its elevators were full, another said it did not accept corn in trucks. Redman found the names of three other delivery points sanctioned by the Board of Trade. None of them wanted his corn either. In fact, he discovered that the cash price for corn in Chicago was $2.68 on July 20, not the $3.80 price the traders had arrived at in the corn pit at the Chicago Board of Trade.

"That's when I started getting a little shaky," recalls Redman.

Finally, however, he found a man in Memphis who was vice president of a company in Chicago that would take the corn. He was Dean Campbell, vice president of Dixie-Portland Milling Co.

It took 13 truckloads to get all of George Redman's corn to Chicago. Redman and his brother-in-law, Don Berkey, had it tested over and over again to make sure it was the right kind. Dixie-Portland accepted it. Redman had cut his losses by about $11,000.

Several grain dealers have privately acknowledged that what Redman was caught in is called a "market squeeze." When speculators who hold "long" contracts, calling for delivery, know that there are shorts like Redman who haven't gotten out and know that delivery to Chicago is extremely difficult, they stay in the market until the very last day forcing the shorts to pay an extremely high price to get out.

As far as Campbell was concerned, his company didn't need the corn either. "In our own elevators, we don't have a whole hell of a lot of space, but we were physically capable of doing it. I figured here was a guy who was trapped and couldn't get out."

"There appeared to be a squeeze on in corn. I don't know why it was. The speculator or whoever puts a squeeze on has his right to his profits."

Reminded that such squeezes are a violation of federal law, Campbell said that they sometimes happen anyway.

"We're all 21 years old. We should know what the hell's going on. If we don't, we shouldn't be here."

Because losers don't often talk about their problems, it is difficult to tell how many others have wound up in George Redman's shoes attempting to play the "paper game" he found himself entwined in.

Redman knows one. A dentist from Omaha has called him wanting to know how to deliver corn.

Campbell knows another. After his name was mentioned in a brief newspaper account of Redman's dilemma, Campbell received a call from a banker in Denver wanting to deliver wheat.

"Gamblers" Never See the Crop

Winterset, Iowa.—This year, for the first time he can remember, the neighbors of Jack Jackson, 48, have received telephone calls from speculators in Chicago. They want to know how the corn is doing.

Jackson resents the whole business. He believes the market this year has gone "crazy," magnifying way out of proportion the problems he has in raising corn on his spread of 500 acres.

According to both commodity brokers and farmers in central Iowa, one of the world's most productive areas for corn and soybeans, Jackson's attitude about commodity speculation is fairly typical, "Few farmers speculate in commodities," said one broker, "they've always been plain suspicious."

"If it was dry and you started getting rains," explains Jackson, "why then the market would go way up and if it was raining too much and it looked like we wouldn't get our crops in, bang, it would go way down. They wouldn't have these wild fluctuations if it (trading) was run by people who were actually handling the product."

"It's just a matter of gambling," Jackson added. "There's a lot of people in there who are in there just for the sake of gambling. It's sort of a horse race type thing. Maybe they feel that they're doing agriculture a service, but from where I sit, they're not."

For Jackson, the problem is fairly simple. His soybeans go up to astronomical levels, but so do his costs of operation. "I just paid $14,000 for a tractor that cost $7,000 in 1967.

"I mean these laboring class of people are our best customers. When it gets so expensive that they can't afford it, why they've gotta have more money coming in. If they work on my tractor, then up goes the price of my tractor. I think this will just increase the spiral of inflation."

One of Jackson's neighbors is Kenneth L. Spera, who farms about 900 acres. Last fall he was among the estimated 90 percent of Iowa farmers who sold their soybeans at between $3 and $4 a bushel, before the bonanza started.

Spera, who has been farming for 45 years, figures that $5 a bushel is about all the higher soybeans should go. "I feel sorry for the poor devil who has to buy it on the other end."

"Sure, I realize there's a demand both American and foreign, but the speculator has entered into the picture. Since the first day of January, beans have been a little over $3, up to about $12, back down to below $5 and today they're up to $10.

"That is utterly ridiculous. The demand has not caused that, the speculator has caused that in my opinion. The guy who goes in and lays down a few cents a bushel and buys thousands of bushels of beans . . . he's strictly a gambler. He doesn't know soybeans from buckshot.

"He controls the product that I worked like a dog to produce. He's a gambler, a speculator. He doesn't even see it and he makes all the money."

For Spera, like Jackson, it boils down to a problem of simple arithmetic; "There's just as many bushels today as there were yesterday or will be tomorrow. There shouldn't be a 40 cents a bushel fluctuation in price every day. Those are your gamblers."

The Food Speculators: Making a Bundle in Bean Trade

(By John Fialka)

Chicago.—Between last August and this June, Tom B. Sanders says he has made a million dollars in soybeans.

Sanders does not farm soybeans, nor does he process them. He spends all day standing with about 150 other men inside an eight-sided enclosure with seven tiers of steps descending toward its middle where no one ever sees any soybeans.

This is the soybean pit at the Chicago Board of Trade, the nation's largest commodity exchange. It is the center of the nation's price-setting mechanism for such basic agricultural products as corn, wheat and soybeans.

Working in the soybean pit as a floor broker, Sanders, 31, a former accountant for an automobile dealership in Bethesda, Md., has learned to read meaning from the sight of grown men jumping up and down, waving their arms; from the sound of a chorus of hoarse male voices shouting things like "Gimmie ten may at five!"; and from the sensation of being literally run down by other brokers scrambling to deal with the right buyer or seller.

To an outsider it is frenzy, a maelstrom of meaninglessness, to Sanders it is excitement, big money; to the farmer and consumer, this is the process that tells us, ultimately, how much we will pay or get for our foodstuffs.

The Chicago Board of Trade defines itself in its promotional literature as a "free market where the forces that influence price are brought together in open auction."

"Regard exchanges as you would a thermometer," the literature states. "A thermometer does not influence the temperature, it simply records it."

There is some trouble with the thermometer concept this year, some of it is brewing in the very heart of the thermometer.

First, the Department of Agriculture's Commodity Exchange Authority, which is supposed to regulate the trading of contracts for future delivery of an agricultural commodity, is investigating hyper-active trading at the Board of Trade this summer that culminated in two sensational prices: $3.80 a bushel for corn and $11.87 a bushel for soy beans, both in July futures contracts.

The pattern of trade in the soybeans, for instance, looks like the fever chart of someone dying of malaria. The price went from $5.25 a bushel in early April to an unprecedented $12.90 in May. Then in a series of record trading days the price gyrated wildly, going up and down over an 80-cent range. It dropped to $6.30 before a phenomenal closing rally carried up almost to the $12.00 mark.

According to the House Small Business Committee, which has been investigating the trading, substantial portions of futures contracts calling for delivery of July soybeans were held in a few hands. At one point in June, one trading company owned 35 percent of the July soybean futures. At another point in July, four trading interests controlled over 90 percent of the market between them.

The theory is that futures prices are supposed to serve as a national predictive indicator for cash prices. Usually, in the final month of trading of a futures contract, the futures price comes very close to cash prices being paid by major commercial grain users.

This July, however, the futures prices for both July corn and soybeans assumed a life of their own, at times leading the cash prices for these commodities by as much as $1.50 a bushel.

According to Alex Caldwell, the head of the CEA, his investigation is operating on a theory that the prices may have been manipulated by, as yet, unnamed speculators.

The second problem is part of a protracted debate that has gone on within the secretive confines of the Board of Trade for years: Do exchange rules which permit floor brokers almost unlimited opportunities to trade for their own accounts cause the "thermometer" to generate some of its own heat?

According to his own account and those of several other traders and officials at the Board of Trade, Sanders is but one of dozens of young brokers this year who made fortunes trading for themslves, or, in the jargon of the trading floor, "scalping" in soybean futures.

They are part of a "new breed" taking power in an institution that has, for years, been dominated by sons and representatives of families and companies in the business of gathering and processing agricultural commodities.

Their major characteristics is that that many of them have little or no background in agriculture.

Men have haggled over grain prices in Chicago since the early 1800's when farmers brought their grain in from the prairies over plank roads and dumped it in piles beside Lake Michigan for shipment to world markets.

The Board of Trade evolved as a mechanism to set fair and orderly prices for the grain. Traders used to be experts who poured the grain samples on shiny black tables and bargained over its merits.

But times have changed. Although the board still operates a small cash exchange, most of the grain sampling tables are now used to support banks of shiny black telephones connected to brokerage houses.

Now people are sending money to Chicago in unprecedented quantities to speculate on increasingly rapid price fluctuations. In fiscal 1973, a record $268.3 billion worth of futures contracts was traded in the nation. That is $70 billion more than the worth of all stocks traded in the same period.

The Board of Trade controlled about 60 percent of the business, which continues to mushroom. Last year a record $122 billion worth of contracts were traded at the Board. This year the record was broken in the first six months, when traders handled $128 billion worth of futures contracts.

Officially, the Board of Trade exults in its new image. "Today what you have," asserts Sue Winer, its press spokesman, "is a change in the image of the futures market . . . it is a better educated, younger, very aggressive group of men who find the challenge of markets exciting.

Thus, Tom B. Sanders and his counterparts can now spend a lifetime trading in soybeans without knowing much about them. Their skill is in judging floor activity.

Nine years ago, Sanders left his accounting job, which paid $3.50 an hour, to learn the ropes of the trading floor.

He has always worked as a broker in the active markets. He began in the silver pit when trading in that commodity was new and hectic. Then he gravitated to the corn pit during the frantic months of the corn blight.

Now he works the soybean pit where, recently, the price has gyrated over a range of as much as 80 cents a day.

As a representative of about a dozen brokerage houses, he usually holds a "deck," or a wad of buy and sell orders from outside clients. During lulls in trading he buys and sells for his own account. He is quick to point out that he has never violated the board rule which prohibits a broker from favoring his own trades over customer orders.

How does he know which way soybean prices are going to move?

Sanders begins his trading day by talking to as many as a dozen other brokers to "get the feel of the market." Once the trading begins, he tends to anticipate movements through his knowledge of the traders involved ("See that gray-haired man over there, entering the pit? He represents a big commercial house. He only comes over when he's got a big bomb to drop.")

On an active day, the shouting, handwaving, jumping up and down and an occasional shoving match can erupt in several quarters at once.

It is that part, the action, which Sanders likes best. "I enjoy it, I have to admit. I always wanted to play professional football and I'm too small. This is second to that, but still a contact sport as far as I'm concerned."

While he was explaining his feeling about trading to a reporter, Sanders sold a contract for May soybeans (representing an order for future delivery of 5,000 bushels) at $8.06 a bushel and bought it back, moments later, when the price dropped to $8.04.

At that moment, he was scalping and had made $100 on the transaction. "I don't want to give you the illusion I can do that all the time," he explained.

"This market has had such a big range lately you've got to think quick or you're out of dough," he added, asserting that many floor traders have also gone broke this year. "They're the ones you don't see."

Trades happen in an instant. A broker, using cryptic phrases and special hand signals, makes an offer. Another one will holler "Sold!" The two men will scribble notations on cards. And the price soon flickers on the electronic board on the wall as the latest price for May soybeans.

Because Sanders and his fellow floor brokers could be trading for themselves, for any of a number of brokerage houses they represent, or on behalf of another floor trader at any given time, the fast-paced trading is usually accompanied by an identifying: "O.K. in that one I was . . . (mentions the name of a brokerage house), who are you gonna be?"

To the outside investor, the operation of the scalper is invisible. The changes in the price for soybeans come across the ticker in a steady flow, unaccompanied by the volume of the trade or by any other indication whether the trade was made by commercial interests or scalpers. Each trade makes a new price.

Scalpers move in and out of the market constantly, buying and selling contracts representing up to three million bushels of grain a day, usually ending the day with a net balance of zero.

According to a recent CEA study of the Board of Trade, scalpers now account for as much as 35 to 40 percent of all trades on a given day.

Frederick G. Uhlmann, chairman of the Board of Trade, states that between 150 to 200 of the 800 members who regularly work on the trading floor are full-time scalpers. They do not handle outside orders, but trade only for their own accounts. (See accompanying story.)

According to Uhlmann, scalpers provide the essential "liquidity" to make a solid commodity market. Because they are always there, trading during the slow periods, they react to the needs of the commercial interests. "When the commercials are buying, the scalper is selling," he explained.

Uhlmann's theory, however, has not been universally held by officials of the Board of Trade. According to a former board official, proposals to regulate the operation of scalpers have been under preparation for years.

"They always seem to get shot down at the end of the runway," he added, explaining that a majority faction at the Board, dominated by floor brokers, have always voted it down.

The former official, who asked that his name be withheld, believes that the broker-scalper is an "inherent conflict of interest.

"They're nothing but crap shooters out there. We should have stopped letting people have an opinion in the market for nothing years ago, but we never did," he added, pointing out that scalpers, because they are members of the board, pay only a tiny fraction of the margin that outside speculators put up.

"I remember one commercial broker who always used to raise the pitch of his voice when he had a big order on the floor. The locals (scalpers) knew that. Knowing that was the essence of their business."

If the commercial broker has a big buy order, the scalpers will try to "walk him up" or begin buying at a price higher than he is buying to force the market up, he explained. A similar, downward movement begins with a big sell order.

Scalpers, he maintains, may have been necessary in the early days of trading to provide a constant market, available for commercial users. "Now with the outside speculative business they've got, you could do away with the pit and match the buy and sell orders on a computer."

And Harry Fortes, a Chicago attorney who worked as a commodity broker and scalper for over 20 years, recently told a congressional committee that the scalper's impact was an inflationary one.

According to Fortes: "You've got the broker down there. He's got his deck and he knows what his orders are and he knows what his friends' orders are so he knows which way the market's going to go."

Fortes' experience with commodities was gained at the Chicago Mercantile Exchange, located three blocks west of the Board of Trade. It dominates national futures trading in live cattle, pork bellies, eggs and other markets which the Board of Trade is not involved in.

However, Fortes insists the process works about the same in both exchanges. Broker-scalpers often use their dual role, he asserts, to pull off market "squeezes" that force other speculators to pay huge prices to get out of trading before the time for actual delivery of a commodity is called for.

There are also "accommodation trades" in which the broker uses other friendly traders as straw parties to, in effect, buy and sell from himself at inflated prices, Fortes asserts.

Soybeans, he has argued, should never have risen above $6 a bushel under traditional supply and demand factors. "When did you ever see a time when the farmer would go to bed at night and wake up with his crops worth $50,000 more?"

Self regulation, Fortes asserts, is impossible. "As long as you're a member of the exchange, you've got a ——— good thing going and you keep your mouth shut."

Recently Fortes, 59, quit the Mercantile Exchange, where he served as vice chairman of the board, to take up a law practice which specializes in private antitrust suits against traders accused of market manipulations.

"As I stood there in the pit for over 20 years I tried to delude myself that I was doing a public service. But I knew I was a damn liar. It was no different than Las Vegas," he concluded.

There are other bits of evidence pointing in the same direction. The Securities and Exchange Commission, which regulates stock exchanges, slapped strongly restrictive regulations on scalpers in 1964 after 15 separate studies showed, in the words of an SEC report, that scalpers "as a group are usually buyers when the market is rising and sellers when the market is declining?"

Scalpers, the report concluded, tended to "accentuate price movements," and concentrated "in the active stocks, where additional liquidity is least needed." The SEC also found that the broker-scalper duality amounted to a "conflict of interest" that "arises between the commission broker's duty of fidelity to his customer and his opportunity to personally profit from his customer's investment decisions—perhaps at the customer's expense."

In 1965, investigators from the U.S. General Accounting Office reported that scalping had apparently widened the price range of soybean futures. They said that no definitive ruling could be made, however, because exchanges did not require that cards showing the individual trades be marked with the time of the trade, thus the chronology of trading could not be established.

Several veteran grain buyers also hold the same theory, including Gene F. Cottle, who buys soybeans for the A. E. Staley Co., a major grain company. He believes that some of the up and down gyrations of soybeans this year were the product of scalping activity.

All of these notions are being strongly resisted by the hierarchy at the board. Lee B. Stern, a broker and member of the Board's public relations committee, asserts that by trading for themselves, brokers become "better technicians" to fill orders.

While he admitted that there might be a temptation for brokers to enhance their income at the expense of outside orders, conflicts of interest seldom occur because the brokers police themselves, he added.

"The integrity of this institution is so tremendous that . . ." Stern left his sentence dangling in the air for want of a word to show how deeply he feels about the subject.

There are no public records of how many cases of conflict of interest come before the Board of Trade's disciplinary committee of floor brokers each year or what the committee's actions are.

According to board chairman Uhlmann, that is an internal matter. Uhlmann is equally convinced that there can be no widespread problem posed by the broker-scalper. If a broker traded against his own orders, it would probably be reported by his fellow brokers, he stated.

"You'd be amazed how brokers and traders would know who other brokers are buying and selling for. It's in the same manner in which poker players tell if each other is bluffing or not . . . these fellows have keen noses down there for what's going on," he said.

He concluded that any move to regulate trading by brokers for their own accounts would be "strongly resisted."

Uhlmann believes that all of the price gyrations are caused by outside influences on the market, beginning last summer with the massive Russian wheat deal, which, he said, started the spurt in soybean prices by monopolizing necessary transportation and elevator facilities.

"We want to take the emphasis off the role of the speculator and put it where it properly belongs and that is on the world conditions that led to the distorted marketing patterns that developed," he added.

Uhlmann resents any comparison between scalping and crap shooting. "Please be fair in saying that crap shooting is a dice game and speculating is a different game," he told a reporter.

Because the scalper, he said, works against the market, buying when the commercial representative is selling and vice-versa he helps "take the peaks and valleys" out of the price.

Why then has 1973 been the year of monumental peaks and valleys in grain prices, forcing the Board to repeatedly impose trading limits and stiffen margin requirements?

"We try to be an orderly market, but you can be only as orderly as conditions will permit you to be," Uhlmann said in an interview during which he repeatedly asserted that floor activity this year has largely been mirroring the chaos caused by the shortage of anchovies off Peru and the drought in India.

"Those people who would put the blame on the futures market are the same people who would 'say' cancel all the insurance companies which there's a tornado.

"Obviously those insurance companies are having a hard time keeping their rates down. This has been a storm this year and it has been monumentally difficult to maintain order," Uhlmann added.

"If we hadn't sold wheat to Russia and had it rained in India and had Peru caught fish, prices for soybeans woud have been $3 instead of $10 and you wouldn't be here," he told a reporter.

Because of the drought in India, or for whatever other reasons economists may eventually assign to it, it is raining money in Chicago.

But commodity traders seem to be weathering the storm.

IN THE PIT, A "SCALPER" EARNS HIS

Eddie Schwartz plays a crucial but dimly understood role in the daily drama that unfolds every morning in the soybean pit at the Chicago Board of Trade.

He sees himself as a middleman, standing somewhere in the food chain between the farmer and the supermarket patron, as he stands there in the pit, hands upraised, shouting:

"Hundred may at five."

Translated, it means he wants to buy 100 contracts calling for delivery of soybeans next May at $7.95 a bushel, which happens to be 2 cents higher than the previous price. That amounts to a commitment to buy 500,000 bushels of soybeans, or over two trainloads.

Within seconds a man standing nearby shouts, "Sold." Both men scribble little notations on cards. Soon the price for May soybeans futures is $7.95.

That is the part of Eddie's work that he is proud of. "When that comes across on the ticker," he told a reporter, "that is the world price for May soybeans."

There are apparently other facets of Eddie's job that he is less proud of. The main condition of a recent interview was that his real name (which is not Schwartz) could not be used.

The most interesting part of Eddie's job is that he is a full-time scalper, one of about 150 who own seats on the Chicago Board of Trade.

He does not represent anyone in the grain business. He does not broker orders from outside speculators. Eddie works for himself.

When the price of May soybeans went up 2 cents, to $7.97, he quickly sold his hundred contracts. The 2-cent difference means he will pocket almost $10,000.

Recently during the hectic, record trading in the soybean pit Eddie asserts he has bought and sold the limit imposed on him by board rules, 3 million bushels of soybeans in the first half hour of trading. He sells what he buys, rarely keeping any contracts overnight.

How does Eddie know if soybeans are going up? Does he study world crop reports? Does he know about the failing anchovy catch off Peru and other factors of world protein demand?

Eddie smiles benevolently at the question. "The average guy out on the floor is a gambler. Its just like poker or craps. Ninety percent of floor traders (scalpers) are just crap shooters."

If you're out there long enough, you have a feel for the action, but you don't always know. All I'm thinking about when I'm out there is buy it at half a cent up and sell it at three fourths. . . . That's all I think about."

"What I am is like an underwriter. I'm saying give me a quarter of a cent," he added, explaining that up until this year, scalpers have traditionally worked on tiny, fractional price changes. This year, because of erratic spurts in soybean prices, the game is riskier because the price sometimes gyrates over an 80-cent range.

He sees himself as a "stabilizing factor," a risk taker who helps—if only for a moment—provide the speculative money needed to help commercial food processors hedge against price changes.

"In many respects I will fade them (commercial interests). I am a fader anyway," said Schwartz, using gamblers' slang for taking the opposite side of a bet. When commercial interests are selling futures, he asserts, he is usually buying.

Eddie, 43, a well-known trader on the floor, was once in the commercial grain business. He became a floor broker about 10 years ago and found himself placing sophisticated "spread" orders for outside speculators.

Spreading, also known as arbitrage, is a kind of a bet on the relative price difference between two different markets, say between May soybeans and December soybeans. "I did that for about two months and I found I could fill the spreads so much better for myself that I thought this is what I want to do."

"I like to trade on the floor. I tend to be very competitive and it fulfills a real need for me. I can't go out and play football anymore, like I used to, but this is like being Johnny Unitas. It's a combination of physical and mental at the same time."

"People who worry about the cash grain business make poor speculators," Eddie asserts. Many of the older, more experienced scalpers lost "fortunes" this year because they believed that soybeans could never go over $6 a bushel, he said.

"Those younger guys who bought when they went over $6 bought with their eyes closed, but they turned out to be right." "It's been weird out there this year."

Schwartz regards floor brokers, men who handle orders for other people, as "mechanics" and believes they should not be allowed to scalp at the same time because of a possible conflict of interest.

"Of course when I say that," he added, "you could say it is self-serving because I would get more of the action."

He also is aware that farmers and other people in agriculture often take a dim view of speculators. That's because they don't appreciate the risks he is taking for them, he adds.

"What does a farmer risk? All he has to worry about is the weather."

Finally, he is also familiar with a ruling adopted by the Securities and Exchange Commission that has all but ended the role of the full-time scalper on the floors of major stock exchanges.

The ruling came after several SEC studies concluded that floor scalpers held an unfair advantage over outside speculators and that their activities tended to "accentuate price movements" in the most active stocks.

"That ruling," Schwartz concluded, "is why the stock market is dead.

—JOHN FIALKA.

[From the Washington Star-News, Sept. 25, 1973]

PRICING "POLICEMEN" FOUND LOOKING THE OTHER WAY

(By John Fialka)

The huge speculative waves that have swept across the nation's food pricing system have caused heavy damage to a government-regulated mechanism that is supposed to protect the food business and the public from the vagaries of price fluctuation.

According to dozens of farmers, elevator operators and others in the business of raising and handling foodstuffs, the damage is likely to appear in the form of still higher prices to compensate them for greater business risks.

There is mounting evidence that some of the damage has occurred because the "policeman," the Department of Agriculture's Commodity Exchange Authority (CEA), which is supposed to regulate commodity exchanges, has a long-standing tradition of looking the other way.

This summer the policeman has been following tracks in all directions. It has launched an investigation into possible manipulation in trading of both July corn and soybean futures, trading which produced headline-grabbing record prices of near $12-a-bushel soybeans and $3.80-a-bushel corn.

"Something's wrong there," CEA's director, Alex C. Caldwell, told a reporter. Because the futures price gyrations often outdistanced cash prices there is a possibility of someone having a "squeeze" or a kind of corner on the markets, said Caldwell.

Caldwell also thought there was something wrong with price activity in another favorite of commodity speculators—pork bellies or frozen uncured bacon. The CEA asked the Chicago Mercantile Exchange to stop trading in July and August pork bellies. The exchange complied.

There was also something apparently wrong with August and September soybeans at the Chicago Board of Trade. The CEA asked the board to stop new speculation in those months.

Meanwhile the exchanges themselves have had to wrestle with extremely volatile prices by raising margin requirements and constantly adjusting trading limits.

All of this, the price volatility, the apparent manipulation, the frantic attempts to keep the mechanism under control, have caused a kind of erosion of faith in the system by people who have used it for years.

For years, the nation's futures markets have served as a kind of insurance company for the food business.

The speculator, the man who buys a contract for the future delivery of a commodity makes a kind of bet that the price will increase. He has had his counterpart in the "hedger," the farmer, the elevator operator or the food processor who must keep stores of grain of other foodstuffs on hand as part of his business.

The hedger sells contracts for future delivery of whatever he has on hand in a kind of bet that the price will go down. If it does, he will lose money on his grain, but make money on his futures transaction, thus he "hedges" himself against loss from price fluctuation.

In theory, the speculator takes the risk and the hedger buys peace of mind. Not so this spring.

Mike Graves, who operates three small elevators near Estherville, Iowa, was one of the lucky ones; he saw the waves coming.

Because of a chronic boxcar shortage in northwest Iowa, Graves had hedged tons of grain he could not move. As the first early surges of prices hit, he began getting repeated margin calls from his commodity broker. Finally, he noticed he had borrowed $1.2 million.

That was about four times more money than he'd ever owed in his life. He did not sleep nights.

Finally he sold all of his hedges, taking a small loss. "I said, boy let's get out of this thing or it will kill us," Graves recalls. "The interest was eating us up."

Graves is not sure what he will do for protection this year. If he can't get the farmers to store their grain until boxcars materialize, he feels he will have to take an "awfully big" profit margin to assume the risk himself.

Some were not so lucky. According to Argie Hall, principal grain trader for the Farmers Grain Dealers Association of Iowa, the "runaway markets" created an "impossible hedging atmosphere" in which hundreds of small elevator operators were forced to put up enormous margins or were "trapped" in hedges that they could not remove before the hectic trading drove prices up to the daily limits.

L. C. "Clell" Carpenter, vice president of a Missouri farmers association, recently told a congressional committee that the "excessive paper trading" in soybeans contributed to the killing of pregnant sows and smothering baby chicks by farmers who watched the price of soybeans—the principal ingredient of the animals' feed—rocket from $7.00 to $12.90 a bushel.

The gyrating prices also damaged another traditional use of commodity futures prices, that of a basic demand indicator.

According to George Lawrence, vice president of Penick & Ford Co., a major Iowa corn processor, trading in the last months of futures contracts this year "have gone crazy" making them a poor guide for merchants.

"Take September corn for example," he added, "that's a marbles game."

And there are signs that even speculators are losing faith in the system. The Chicago Board of Trade, which had a booming year in almost every other category, recently announced that speculators in soybeans dropped by about 8 percent over last year.

Dick Collins, manager of H. S. Kipnis Co., Washington's oldest commodity brokerage firm, said he has been advising his customers in recent months to "stay out of the market."

The main reason for the move was for his own protection in the face of bouncing prices. "What do you do if a guy suddenly gets in debt to you for $100,000. Jesus, how do you collect it?"

On one occasion, Collins said, a Kipnis broker was physically unable to nudge his way into the soybean meal pit at the Chicago Board of Trade to carry out a customer order because of the jam of traders in the pit.

"I've advised my brokers to get equities from new customers and put them in treasury bonds. The time will come when this whole damn thing corrects itself," said Collins.

"Meanwhile you just don't go to Las Vegas and stand there and blow your money. We plan to be around for a while," he added.

The Commodity Exchange Authority was created by Congress in 1936 to "provide a measure of control over those forms of speculative activity which too often demoralize the markets to the injury of producers and consumers and the exchanges themselves."

Recently investigators from Agriculture's Office of the Inspector General (OIG) who performed an internal audit on the CEA and its dealings with commodity exchanges dredged up a small mountain of evidence that the agency has not been doing its job.

The study, a copy of which has been made public by a House Appropriations subcommittee, concluded that the CEA "did not make adequate analysis, inquiries and conclusions" on trading "where there were strong indications of price artificiality or manipulation."

In examining records at the nation's major commodity exchanges, the OIG investigators found "evidence of direct and indirect bucketing of consumers orders, accommodation trading, excessive trading between brokers . . . and matching customer orders."

(Bucketing is the filling of a customer order to buy or sell a futures contract at an inflated price without bidding for the contract on the trading floor. An accommodation trade is a non-competitive transaction between two or more conspiring floor brokers at an inflationary price.

(Matching a customer order is done by a broker who places a similar order for his own personal account before executing his customer order. If the market moves during the transactions, it is the broker who gets the cheaper price.)

(All the above practices are illegal.)

"We found transactions," the investigators added, "where the same broker was on both sides of a trade and where trading between combinations of brokers (was carried on) to such an extent to indicate that such trading was prearranged."

One case of manipulation unearthed by the OIG happened in November 1969, under the very nose of a CEA investigator who later wrote that trading in November potatoes at the New York Mercantile Exchange ended "in an orderly fashion."

According to the OIG, one contract for delivery of a carload of November potatoes was sold and resold 35 times on the final trading day by a team of three brokers at ever increasing prices.

On occasions when the CEA has caught brokers performing all manner of market manipulations, the report notes, the penalties imposed have amounted to little more than a slap on the wrist. For instance, in a trade practice investigation in 1969 at the Chicago Mercantile Exchange:

"Violations included matching customer orders, taking the opposite side, trading noncompetitively, making fictitious trades, entering into prearranged transactions, making false entries on trading cards and causing false records to be made."

In February 1971, the CEA rounded up 22 members of the exchange and made them sign statements promising that, in the future, they would comply with trading rules.

The classic case of non-punishment, however, involves Cargill Inc., one of the nation's largest grain trading companies, which was found guilty of manipulating the wheat futures market in 1963. The CEA took 7½ years to mull over the case before handing down its decision.

Although the agency has the power to ban a company from trading, it decided to put Cargill's top officers on probation instead. Later, one of Cargil's traders admitted to a House subcommittee that he could not remember whether he was still on probation or not.

The OIG investigators found that one reason CEA has difficulty making cases is that many of its reports "were filed incorrectly or not filed at all."

"Large traders are not policed for trading in excess of (maximum) limits if they do not report or are not required to report."

And the OIG discovered that no one in the eastern or central regions of the CEA could recall "any instance where administrative action was taken to invoke the penalties" for failing to file required reports. One large trader was discovered to have systematically filed erroneous reports since 1948.

"CEA investigators," their report added, "had little investigative background" and were "poorly trained." During a recent reorganization of the agency, it noted, most of the knowledgeable field investigators wound up in Washington.

Although CEA staff sometimes referred complaints to the disciplinary committees of the Chicago Board of Trade and other major exchanges, the OIG found little evidence that the Board of Trade and the other exchanges did much in the way of self-regulation.

Our audit disclosed that the CEA cannot rely to any great extent on exchanges carrying out their responsibilities of maintaining adequate surveillance over the trading activities of floor brokers," the investigators stated.

Finally, the OIG noted that the CEA was not making studies that would show whether "scalpers" or floor traders trading for their own accounts were a cause of viola tile price movement.

"This has been due primarily to the lack of a staff able to understand the intricate mechanism of the marketplace," the study asserts.

Despite the damning conclusions of the OIG report and evidence of the recent chaos of the marketplace, Caldwell and other Agriculture officials appear to remain convinced that floor trading activity does not tend to influence prices and that traders can still do much of the job of policing themselves.

For instance, Caldwell has a "test study" made by his staff on potato futures trading in 1968 at the New York Mercantile Exchange which concluded that scalpers "restricted" price movements.

"That shows you really don't need a big study on that," said Caldwell, who has recently focused his staff's efforts on more random, smaller market investigations.

"I don't think that should be top priority," said Caldwell's boss, Clayton Yeutter, assistant secretary of Agriculture, referring to the possibility of a thorough study of the operation of scalpers.

"We have bigger fish to fry than that," Yeutter added. Among the "big fish," he added, are proposed legislative changes which he said he could not disclose, a computerized remedy to CEA's report filing problems, and a major effort to persuade commodity traders that they should do a better job of collecting data and investigating themselves.

"We ought to make sure that the exchanges regulate more vigorously," said Yeutter, who said that he has "jawboned" traders at every opportunity in recent weeks.

Yeutter also hinted that there might be a "small" increase in CEA's staff. (The CEA has 160 employes to regulate a business that generated a trading volume of $268.3 billion in the 1973 fiscal year ending June 30. The Securities and Exchange Commission, which regulates the stock market, had 1,656 people to monitor a trading volume of a little over $195 million during the same period.)

According to both Yeutter and Caldwell, much reliance will be placed on a new computer system that will be trained to collect data and decipher floor activity.

The computer effort began in 1971, when Caldwell, who has traditionally been wary about asking Congress for more staff, cut 20 staff positions to help pay for a computer.

CEA staffers pumped much of the data from the million reports they receive each year from traders into the machine and asked it to pinpoint suspicious trading patterns. The computer kicked out numerous trades, most of which, upon further investigation, turned out to be legitimate.

"The computer," Caldwell later explained to a House Appropriations subcommittee, "broke down on step 2. It could not tell us which particular trades really needed investigation. So it was really of no help to us at all."

Still, Caldwell felt there was a future in using the computer to track manipulators. He searched among the "handful" of agricultural economists in the world who understand commodity trading for a man who knew floor trading activity and could harness a computer to track it.

He found the man at the University of Hawaii and gave him a grant to develop the system. Midway through his efforts, however, the expert died.

"He apparently didn't tell any of his associates much of what he was doing," Yeutter said. "Much of what we've seen is not going to be usable."

While the CEA struggles to find another way to use its new computer, world events have provided some additional pressure for accurate trading data.

Investigators from the Senate Government Operations Committee who were combing CEA records found that major trading companies understated their reports of futures trading during the 1972 Russian wheat deal by millions of bushels.

They also found that it would be virtually impossible to see whether there was manipulation at the Kansas City Board of Trade during the Russian deal because there was no requirement that trader's buy and sell orders be timed, thus no way to tell the order in which trades were made.

Then there is the problem with foreigners. Caldwell told the Senate committee that he could not be certain whether the Russians were or were not in the futures market at the time of the trade.

And Caldwell refuses to comment on persistent rumors that part of the reason for gyrations in recent soybean trading was because Japan and certain Common Market countries were using the futures market to hedge later orders for soybeans.

Despite the turmoil, the CEA has strong defenders. Most of them are in the group of futures traders that the agency is supposed to be regulating.

"Boy are they tough on us," asserts Lee B. Stern, a broker and head of the public relations committee of the Chicago Board of Trade. "If we miss a report or something, they are on the phone the morning after."

Among the merchants who are principally engaged in trading the real, cash agricultural products, however, the CEA's support appears to be dwindling.

"I have yet to meet one of those guys," said one Chicago grain buyer, referring to CEA employes, "who really knew much about the grain business."

Last week executives of Cargill, Inc., told a House subcommittee that they felt the CEA should be removed from the Department of Agriculture, given a larger more expert staff, and set up as an independent agency similar to the SEC.

Their recommendation and others similar to it may fall on deaf ears in Congress, however. According to sources close to the House Agriculture Committee, William R. Poage, D-Tex., the committee's chairman, has been reluctant to get involved in an investigation of futures trading because of the complexity of the subject.

He is also, they asserted, opposed to the removal of the CEA from the Department of Agriculture because, as one source put it, "that would take it away from his jurisdiction. He regards it as part of his turf."

If there is a good sign emanating from the growing controversy over the CEA, it may be that it has generated some new ideas for reform within Agriculture. Caldwell accepts some, others he rejects out of hand.

For instance, he believes that the CEA should have injunctive powers to stop apparent manipulation on the spot. He also thinks that futures contracts should be changed to include more places for delivery outside Chicago. This would make it harder for speculators to operate during the final, delivery month of a futures contract.

Could the CEA require exchanges to keep track of the exact times that floor trades are made, thus permitting a true study of trading patterns?

Caldwell doesn't think so. "We've thought of that, but it would slow down trading," he said.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 2487. A bill to provide for the addition of certain eastern national forest lands to the National Wilderness Preservation System, to amend section 3(b) of the Wilderness Act, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk on behalf of myself and the Senator from Arizona (Mr. FANNIN) a bill to provide for the addition of certain eastern national forest lands to the National Wilderness Preservation System, to amend section 3(b) of the Wilderness Act, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of Agriculture, and I ask unanimous consent that the executive communication accompanying the proposal from the Secretary of Agriculture be printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., September 17, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate.

DEAR MR. PRESIDENT: On February 21, 1973, we transmitted to the Congress a draft bill "To provide for the addition of certain eastern national forest lands to the National Wilderness Preservation System, to amend section 3(b) of the Wilderness Act, and for other purposes." The proposal has been embodied in S. 938.

In our letter of transmittal we indicated that the Forest Service was in the process of studying approximately one-fourth of the areas designated for review in the draft bill, and that we expected to be able within the near future to make specific recommendations as to their suitability for inclusion in the Wilderness System.

Interagency review of the areas we have studied has now been completed. Our reviews have been somewhat general, and have not been conducted with the same depth and intensity as have the studies of National Forest Primitive Areas which we have recommended for inclusion in the Wilderness System. Specifically we have not undertaken comprehensive mineral surveys, or formal public hearings as prescribed by section 3(d) of the Wilderness Act.

Congress has expressed strong interest in giving early consideration to the establishment of wilderness areas in the East. Our studies to date on sixteen specific areas strongly indicate that the mineral, timber, and other uses and values that would be foregone would have relatively little social-economic impact. Although formal hearings were not held on the sixteen areas, other means of public involvement, including informal hearings, were utilized. We also recognize that establishment of sixteen wilderness areas in the East would parallel the enactment of the Wilderness Act of 1964, which immediately established a number of wilderness areas primarily in the West.

We therefore would not object to designation as wilderness of sixteen of the fifty-three study areas listed in S. 938. These sixteen areas are listed in an attachment to this letter and are specifically described in the enclosed wilderness reports for the individual areas.

Also enclosed is a revised draft "Eastern Wilderness Amendments of 1973" to provide for immediate designation of the sixteen proposed wilderness areas. The draft also contains a minor, technical revision of section 4(c) of our earlier draft. We recommend this revised draft be enacted in lieu of our earlier proposal.

In accordance with the provisions of subsection 102(2)(c) of the National Environmental Policy Act (83 Stat. 853), environmental statements have been prepared and are also enclosed.

A similar letter is being sent to the Speaker of the House of Representatives.

The Office of Management and Budget advises that there is no objection to the submission of this report and that enactment of this proposed legislation would be in accord with the program of the President.

Sincerely,

J. PHIL CAMPBELL,
Under Secretary.

PROPOSED WILDERNESS AREAS

1. Sipsey Wilderness, Bankhead National Forest, Alabama, 9,400 acres.
2. Caney Creek Wilderness, Ouachita National Forest, Arkansas, 10,200 acres.
3. Cohutta Wilderness, Chattahoochee and Cherokee National Forest, Georgia and Tennessee, 34,500 acres.
4. Beaver Creek Wilderness, Daniel Boone National Forest, Kentucky, 5,500 acres.
5. Big Island Lakes Wilderness, Hiawatha National Forest, Michigan, 6,600 acres.
6. Hercules Wilderness, Mark Twain National Forest, Missouri, 16,600 acres.
7. Whites Creek (Irish) Wilderness, Mark Twain National Forest, Missouri, 19,100 acres.
8. Southern Presidential—Dry River Wilderness, White Mountain National Forest, New Hampshire, 23,100 acres.
9. Ellicott's Rock Wilderness, Sumter National Forest, South Carolina, 3,600 acres.
10. Gee Creek Wilderness, Cherokee National Forest, Tennessee, 1,100 acres.
11. Bristol Cliffs Wilderness, Green Mountain National Forest, Vermont, 6,500 acres.
12. Lye Brook Wilderness, Green Mountain National Forest, Vermont, 14,300 acres.
13. James River Face Wilderness, Jefferson National Forest, Virginia, 8,800 acres.
14. Laurel Fork Wilderness, George Washington and Monongahela National Forest, Virginia and West Virginia, 8,300 acres.
15. Dolly Sods Wilderness, Monongahela National Forest, West Virginia, 10,200 acres.
16. Rainbow Lakes Wilderness, Chequamegon National Forest, Wisconsin, 6,600 acres.

By Mr. KENNEDY (for himself and Mr. PERCY):

S. 2488. A bill to amend title VII of the Older Americans Act of 1965 relating to the nutrition program for the elderly to provide authorization of appropriations, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. KENNEDY. Mr. President, I am introducing today a 3-year extension of Public Law 92–258, the nutrition program for the elderly.

I am pleased that the distinguished Senator from Illinois (Mr. PERCY) who has been a strong supporter of this legislation in the past, has joined me as a chief cosponsor of the measure. In the House of Representatives, Congressman CLAUDE PEPPER who was chief House sponsor of the original bill, has introduced identical legislation. Congressman JOHN BRADEMAS, chairman of the House Education and Labor Subcommittee on the Aging, who also was a leader in the fight for adoption of this measure, has joined as a cosponsor.

The bill authorizes an additional $150 million for fiscal year 1975, $175 million for fiscal year 1976 and $200 million for fiscal year 1977.

The continued need for this program, which has as a goal the provision of hot meals daily to low-income isolated elderly, is evident in a number of ways.

First, the reaction of the States to this program has been uniformly enthusiastic. To a certain degree, the title VII has stimulated expansion of all social services as State plans incorporate a comprehensive range of services that complement the nutrition program. All but two of the States have filed State plans for statewide delivery of these programs.

Second, the impact of inflation on the budgets of elderly persons has made the hot meal program a virtual necessity for vast numbers of elderly Americans. Hopefully, this program will be expanded through State action to meet additional numbers of elderly persons each year. Today, nearly 4 million elderly are receiving incomes of below the poverty line and their meager incomes are cut even further by the worst inflation that we have seen in this country since the end of World War II. The least that the Federal Government can do is try and provide some benefit to as many persons in need as possible.

Third, the continued support for this program from groups representing elderly Americans makes its extension essential. I have received supporting messages from the National Council of Senior Citizens, from the National Council on the Aging and from AARP. In each case, their support of full appropriations for fiscal year 1974 and the extension of this program represent a strong endorsement of the measure.

Finally, we continue to receive documentation of the special nutrition needs of the elderly. In the past, we had firm statements of support from the White House Conference on Food, Nutrition and Health, and the White House Conference on the Aging for a direct Federal responsibility to assure adequate nutrition to elderly Americans.

The White House Conference on Nutrition final report stated:

> The U.S. Government, having acknowledged the right of every resident to adequate health and nutrition, must now accept its obligation to provide the opportunity for adequate nutrition to every aged resident.

The White House Conference on Aging report stated:

> It is recommended that the Federal Government allocate the major portion of funds for action programs to rehabilitate the malnourished aged and to prevent malnutrition among those approaching old age.

I ask unanimous consent for these statements to appear at the conclusion of my remarks.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibit 1.)

Mr. **KENNEDY**. Mr. President, these statements and unanimous private testimony in favor of the program produced an 89 to 0 vote by the Senate in favor of the original measure on November 30, 1971. The House passed the measure 354 to 23 on February 7, 1972 despite the original opposition of the administration, and it was signed into law on March 22.

The support for the program is evident in the congressional approval of the full appropriations for the measure during the first year of its program. While the funds needed for implementing the program were delayed by vetoes for 15 months, it is now being funded at the full appropriations level. The House also has approved $100 million for fiscal year 1974 and the Senate hopefully may increase even that amount. Because of the impact of inflation, I have urged the Senate to raise the fiscal year 1974 funding level to $125 million.

Current estimates of the impact of the program by the Administration on Aging is that it will provide some 206,000 meals per day at the level of $100 million. Ultimately, we hope to more than double the number of participants in this program and expect that as the administrative structure is established that we may be able to expand its reach even further.

The nutrition program for the elderly was modeled on the enormously successful pilot nutrition projects funded in 1968. They demonstrated not only the feasibility of providing hot meals in group settings for isolated elderly persons but also the meals on wheels concept which has been so helpful to elderly persons unable to leave their homes because of illness.

While the bulk of the nutrition for the elderly program is designed to bring isolated older Americans together in a social setting where they can receive nutritious meals, programs have the option to provide meals on wheels arrangements where necessary.

I can conceive of no more important Federal program of assistance to the elderly than the nutrition for the elderly program. Elderly citizens spend nearly 30 percent of their income on food and rising prices have therefore had a greater impact on the elderly than on any other segment of the population.

Former Commissioner on Aging John B. Martin stated:

> I believe the Nutrition Program for the Elderly under the Older Americans Act is a major breakthrough for all older Americans.

I fully concur in this statement and believe that our experience in the next several years will demonstrate the beneficial impact this program will have on the well-being of the Nation's elderly. For in addition to providing basic nutritional value, the nutrition program for the elderly also fosters vital social interaction and meets the obvious needs of the elderly for a sense of participation in the community around them.

Too often, the isolation of the elderly has been accompanied by poor nutrition. The final result often is illness and early and unnecessary institutionalization.

The nutrition program for the elderly works to break that vicious circle. It provides the following benefits:

First. States guarantee that nutrition projects provide at least one hot meal per day for participating elderly persons within its jurisdiction and guarantee that meals contain a minimum of one-third the recommended daily dietary allowance for an elderly person. The program provides those meals a minimum of 5 days a week.

Second. The project is being carried out in sites easily accessible to the majority of elderly residents within the community. Schools, senior citizen centers, community centers, churches, and other public and nonprofit private settings are being used for the program.

Third. Out-reach and transportation services to locate the isolated elderly and assure the maximum participation of the elderly required.

Fourth. The sponsor provides a setting conducive to the expansion of the nutritional program to include information, recreation, health, and welfare counseling and referral services.

Fifth. In addition, preference for staffing positions, full or parttime, will be given to persons aged 60 or over. There is no reason why the programs run for elderly persons cannot be run by elderly persons.

Under this bill, the Federal Government underwrites the cost of equipment, labor, management, supporting services, and food under a 90–10 matching formula with the States.

We must not fail to meet the challenge of ensuring every elderly American the opportunity for adequate nutrition. Passage of this measure to extend the nutrition program for the elderly for 3 years is another vital step in that direction.

Mr. President, I ask unanimous consent that a copy of Public Law 92–258 and supporting material be printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXHIBIT 1

[Public Law 92–258, 92d Congress, S. 1163, March 22, 1972]

An act to amend the Older Americans Act of 1965 to provide grants to States for the establishment, maintenance, operation, and expansion of low-cost meal projects, nutrition training and eduaction projects, opportunity for social contacts, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Title VII of the Older Americans Act of 1965 is redesignated as title VIII, and sections 701 through 705 of that act are respectively redesignated as sections 801 through 805.

SEC. 2. The Older Americans Act of 1965 is amended by inserting the following new title immediately after title VI thereof:

"TITLE VII—NUTRITION PROGRAM FOR THE ELDERLY

"FINDINGS AND PURPOSE

"SEC. 701. (a) The Congress finds that the research and development nutrition projects for the elderly conducted under title IV of the Older Americans Act have demonstrated the effectiveness of, and the need for, permanent nationwide projects to assist in meeting the nutritional and social needs of millions of persons aged sixty or older. Many elderly persons do not eat adequately because (1) they cannot afford to do so; (2) they lack the skills to select and prepare nourishing and well-balanced meals; (3) they have limited mobility which may impair their capacity to shop and cook for themselves; and (4) they have feelings of rejection and loneliness which obliterate the incentive necessary to prepare and eat a meal alone. These and other physiological, psychological, social, and economic changes that occur with aging result in a pattern of living, which causes malnutrition and further physical and mental deterioration.

"(b) In addition to the food stamp program, commodity distribution systems and old-age income benefits, there is an acute need for a national policy which provides older Americans, particularly those with low incomes, with low cost, nutritionally sound meals served in strategically located centers such as schools, churches, community centers, senior citizen centers, and other public or private nonprofit institutions where they can obtain other social and rehabilitative services. Besides promoting better health among the older segment of our population through improved nutrition, such a program would reduce the isolation of old age, offering older Americans an opportunity to live their remaining years in dignity.

"ADMINISTRATION

"SEC. 702. (a) In order to effectively carry out the purposes of this title, the Secretary shall—

"(1) administer the program through the Administration on Aging; and

"(2) consult with the Secretary of Agriculture and make full utilization of the Food and Nutrition Service, and other existing services of the Department of Agriculture.

"(b) In carrying out the provisions of this title, the Secretary is authorized to request the technical assistance and cooperation of the Department of Labor, the Office of Economic Opportunity, the Department of Housing and Urban Development, the Department of Transportation, and such other departments and agencies of the Federal Government as may be appropriate.

"(c) The Secretary is authorized to use, with their consent, the services, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement and on a similar basis to cooperate with other public and private agencies and instrumentalities in the use of services, equipment, personnel, and facilities.

"(d) In carrying out the purposes of this title, the Secretary is authorized to provide consultative services and technical assistance to any public or private nonprofit institution or organization, agency, or political subdivision of a State; to provide short-term training and technical instruction; and to collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under this title.

"ALLOTMENT OF FUNDS

"SEC. 703.(a)(1) From the sums appropriated for any fiscal year under section 708, each State shall be allotted an amount which bears the same ratio to such sum as the population aged 60 or over in such State bears to the population aged 60 or over in all States, except that (A) no State shall be allotted less than one-half of 1 per centum of the sum appropriated for the fiscal year for which the determination is made; and (B) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted an amount equal to one-fourth of 1 per centum of the sum appropriated for the fiscal year for which the determination is made. For the purpose of the exception contained in this paragraph, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(2) The number of persons aged sixty or over in any State and for all States shall be determined by the Secretary on the basis of the most satisfactory data available to him.

"(b) The amount of any State's allotment under subsection (a) of any fiscal year which the Secretary determines will not be required for that year shall be reallotted, from time to time and on such dates during such year as the Secretary may fix, to other States in proportion to the original allotments to such States under subsection (a) for that year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Such reallotments shall be made on the basis of the State plan so approved, after taking into consideration the population aged sixty or over. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for that year.

"(c) The allotment of any State under subsection (a) for any fiscal year shall be available for grants to pay up to 90 per centum of the costs of projects in such State described in section 706 and approved by such State in accordance with its State plan approved under section 705, but only to the extent that such costs are both reasonable and necessary for the conduct of such projects, as determined by the Secretary in accordance with criteria prescribed by him in regulations. Such allotment to any State in any fiscal year shall be made upon the condition that the Federal allotment will be matched during each fiscal year by 10 per centum, or more, as the case may be, from funds or in kind resources from non-Federal sources.

"(d) If the Secretary finds that any State has failed to qualify under the State plan requirements of section 705, the Secretary shall withhold the allotment of funds to such State referred to in subsection (a). The Secretary shall disburse the funds so withheld directly to any public or private nonprofit institution or organization, agency, or political subdivision of such State submitting an approved plan in accordance with the provisions of section 705, including the requirement that any such payment or payments shall be matched in the proportion specified in subsection (c) for such State, by funds or in kind resources from non-Federal sources.

"(e) The State agency may, upon the request of one or more recipients of a grant or contract, purchase agricultural commodities and other foods to be provided to such nutrition projects assisted under this part. The Secretary may require reports from State agencies, in such form and detail as he may prescribe, concerning requests by recipients of grants or contracts for the purchase of such agricultural commodities and other foods, and action taken thereof.

"PAYMENT OF GRANTS

"SEC. 704. Payments pursuant to grants or contracts under this title may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

"STATE PLANS

"SEC. 705. (a) Any State which desires to receive allotments under this title shall submit to the Secretary for approval a State plan for purposes of this title which, in the case of a State agency designated pursuant to section 303 of this Act, shall be in the form of an amendment to the State plan provided in section 303. Such plan shall—

"(1) establish or designate a single State agency as the sole agency for administering or supervising the administration of the plan and coordinating operations under the plan with other agencies providing services to the elderly, which agency shall be the agency designated pursuant to section 303(a)(1) of this Act, unless the Governor of such State shall, with the approval of the Secretary, designate another agency;

"(2) sets forth such policies and procedures as will provide satisfactory assurance that allotments paid to the State under the provisions of this title will be expended—

"(A) to make grants in cash or in kind to any public or private nonprofit institution or organization, agency, or political subdivision of a State (referred to herein as 'recipient of a grant or contract')—

"(i) to carry out the program as described in section 706.

"(ii) to provide up to 90 per centum of the costs of the purchase and preparation of the food; delivery of the meals; and such other reasonable expenses as may be incurred in providing nutrition services to persons aged sixty or over. Recipients of grants or contracts may charge participating individuals for meals furnished pursuant to guidelines established by the Secretary, taking into consideration the income ranges of eligible individuals in local communities and other sources of income of the recipients of a grant or a contract.

"(iii) to provide up to 90 per centum of the costs of such supporting services as may be necessary in each instance, such as the costs of related social services and, where appropriate, the costs of transportation between the project site and the residences of eligible individuals who could not participate in the project in the absence of such transportation, to the extent such costs are not met through other Federal, State, or local programs.

"(B) to provide for the proper and efficient administration of the State plan at the least possible administrative cost, not to exceed an amount equal to 10 per centum of the amount allotted to the State unless a greater amount in any fiscal year is approved by the Secretary. In administering the State plan, the State agency shall—

"(i) make reports, in such form and containing such information, as the Secretary may require to carry out his functions under this title, including reports of participation by the groups specified in subsection (4) of this section; and keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports and proper disbursement of Federal funds under this title, and

"(ii) provide satisfactory assurance that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this title to the State, including any such funds paid by the State to the recipient of a grant or contract.

"(3) provide such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are necessary for the proper and efficient operation of the plan.

"(4) provide that preference shall be given in awarding grants to carry out the purposes of this title to projects serving primarily low-income individuals and provide assurances that, to the extent feasible, grants will be awarded to projects operated by and serving the needs of minority, Indian, and limited English-speaking eligible individuals in proportion to their numbers in the State.

"(b) The Secretary shall approve any State plan which he determines meets the requirements and purposes of this section.

"(c) Whenever the Secretary, subject to reasonable notice and opportunity for hearing to such State agency, finds (1) that the State plan has been so changed that it no longer complies with the provisions of this title, or (2) that in the administration of the plan there is a failure to comply substantially with any such provision or with any requirements set forth in the application of a recipient of a grant or contract approved pursuant to such plan, the Secretary shall notify such State agency that further payments will not be made to the State under the provisions of this title (or in his discretion, that further payments to the State will be limited to programs or projects under the State plan, or portions thereof, not affected by the failure, or that the State agency shall not make further payments under this part to specified local agencies affected by the failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, the Secretary shall make no further payments to the State under this title, or shall limit payments to recipients of grants or contracts under, or parts of, the State plan not affected by the failure or payments to the State agency under this part shall be limited to recipients of grants or contracts not affected by the failure, as the case may be.

"(d) (1) If any State is dissatisfied with the Secretary's final action with respect to the approval of its State plan submitted under subsection (a), or with respect to termination of payments in whole or in part under subsection (c), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceeding on which he based his action, as provided in section 2112 of title 28, United States Code.

"(2) The findings of fact by the Secretary if supported by substantial evidence, shall be conclusive; but the Court for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(3) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"NUTRITION AND OTHER PROGRAM REQUIREMENTS

"SEC. 706. (a) Funds allotted to any State during any fiscal year pursuant to section 703 shall be disbursed by the State agency to recipients of grants or contracts who agree—

"(1) to establish a project (referred to herein as a 'nutrition project') which, five or more days per week, provides at least one hot meal per day and any additional meals, hot or cold, which the recipient of a grant or contract may elect to provide, each of which assures a minimum of one-third of the daily recommended dietary allowances as established by the Food and Nutrition Board of the National Academy of Science-National Research Council;

"(2) to provide such nutrition project for individuals aged sixty or over who meet the specifications set forth in clauses (1), (2), (3), or (4) of section 701(a) and their spouses (referred to herein as 'eligible individuals');

"(3) to furnish a site for such nutrition project in as close proximity to the majority of eligible individual's residences as feasible, such as a school or a church, preferably within walking distance where possible and, where appropriate, to furnish transportation to such site or home-delivered meals to eligible individuals who are homebound;

"(4) to utilize methods of administration, including outreach, which will assure that the maximum number of eligible individuals may have an opportunity to participate in such nutrition project;

"(5) to provide special menus, where feasible and appropriate, to meet the particular dietary needs arising from the health requirements, religious requirements or ethnic backgrounds of eligible individuals;

"(6) to provide a setting conducive to expanding the nutrition project and to include, as a part of such project, recreational activities, informational, health and welfare counseling and referral services, where such services are not otherwise available;

"(7) to include such training as may be necessary to enable the personnel to carry out the provisions of this title;

"(8) to establish and administer the nutrition project with the advice of persons competent in the field of service in which the nutrition program is being provided, of elderly persons who will themselves participate in the program and of persons who are knowledgeable with regard to the needs of elderly persons;

"(9) to provide an opportunity to evaluate the effectiveness, feasibility, and cost of each particular type of such project;

"(10) to give preference to persons aged sixty or over for any staff positions, full- or part-time, for which such persons qualify and to encourage the voluntary participation of other groups, such as college and high school students in the operation of the project; and

"(11) to comply with such other standards as the Secretary may by regulation prescribe in order to assure the high quality of the nutrition project and its general effectiveness in attaining the objectives of this title.

"(b) The Secretary and the Comptroller General of the United States or any of their duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to a grant or contract received under this title.

"SURPLUS COMMODITIES

"SEC. 707. (a) Each recipient of a grant or contract shall, insofar as practicable, utilize in its nutrition project commodities designated from time to time by the Secretary of Agriculture as being in abundance, either nationally or in the local area, or commodities donated by the Secretary of Agriculture. Commodities purchased under the authority of section 32 of the Act of Augst 24, 1935 (49 Stat. 774), as amended, may be donated by the Secretary of Agriculture to the recipient of a grant or contract, in accordance with the needs as determined by the recipient of a grant or contract, for utilization in the nutritional program under this title. The Secretary of Agriculture is authorized to prescribe terms and conditions respecting the use of commodities donated under section 32, as will maximize the nutritional and financial contributions of such donated commodities in such public or private nonprofit institutions or organizations, agencies, or political subdivisions of a State.

"(b) The Secretary of Agriculture may utilize the projects authorized under this title in carrying out the provisions of clause (2) of section 32 of the Act approved August 24, 1935, as amended (49 Stat. 774, 7 U.S.C. 612c).

"APPROPRIATIONS AUTHORIZED

"SEC. 708. For the purpose of carrying out the provisions of this title there are hereby authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1973, and $150,000,000 for the fiscal year ending June 30, 1974. In addition, there are hereby authorized to be appropriated for such fiscal years, as part of the appropriations for salaries and expenses for the Administration on Aging, such sums as Congress may determine to be necessary to carry out the provisions of this title. Sums appropriated pursuant to this section which are not obligated and expended prior to the beginning of the fiscal year succeeding the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure during such succeeding fiscal year.

"RELATIONSHIP TO OTHER LAWS

"SEC. 709. No part of the cost of any project under this title may be treated as income or benefits to any eligible individual for the purpose of any other program or provision of State or Federal law.

"MISCELLANEOUS

"SEC. 710. None of the provisions of this title shall be construed to prevent a recipient of a grant or a contract from entering into an agreement, subject to the approval of the State agency, with a profitmaking organization to carry out the provisions of this title and of the appropriate State plan."

Approved March 22, 1972.

THE CURRENT ALLOTMENTS UNDER PUBLIC LAW 92-258—ALLOTMENTS UNDER NUTRITION PROGRAM FOR THE ELDERLY

State	60 plus population	$100,000,000 appropriated
Total	28, 936, 791	$100, 000, 000
1. Alabama	475, 203	1, 570, 652
2. Alaska	12, 197	500, 000
3. Arizona	233, 729	775, 748
4. Arkansas	334, 603	1, 110, 948
5. California	2, 571, 747	8, 514, 078
6. Colorado	266, 890	881, 096
7. Connecticut	414, 991	1, 379, 108
8. Delaware	63, 815	500, 000
9. District of Columbia	103, 713	500, 000
10. Florida	1, 344, 185	4, 453, 370
11. Georgia	543, 299	1, 800, 052
12. Hawaii	67, 488	500, 000
13. Idaho	97, 963	500, 000
14. Illinois	1, 571, 497	5, 200, 388
15. Indiana	701, 393	2, 317, 668
16. Iowa	477, 392	1, 580, 228
17. Kansas	367, 545	1, 216, 296
18. Kentucky	476, 224	1, 580, 228
19. Louisiana	449, 386	1, 484, 456
20. Maine	165, 124	526, 742
21. Maryland	443, 561	1, 465, 302
22. Massachusetts	888, 972	2, 940, 182
23. Michigan	1, 089, 225	3, 601, 004
24. Minnesota	564, 373	1, 867, 542
25. Mississippi	320, 336	1, 063, 062
26. Missouri	783, 632	2, 595, 406
27. Montana	97, 171	500, 000
28. Nebraska	250, 396	833, 212
29. Nevada	48, 844	500, 000
30. New Hampshire	110, 272	500, 000
31. New Jersey	1, 011, 034	3, 342, 422
32. New Mexico	105, 158	500, 000
33. New York	2, 813, 580	9, 308, 986
34. North Carolina	614, 180	2, 030, 354
35. North Dakota	93, 813	500, 000
36. Ohio	1, 426, 582	4, 721, 530
37. Oklahoma	421, 310	1, 398, 262
38. Oregon	321, 207	1, 063, 062
39. Pennsylvania	1, 831, 564	6, 062, 330
40. Rhode Island	147, 164	500, 000
41. South Carolina	286, 272	948, 136
42. South Dakota	109, 740	500, 000
43. Tennessee	555, 977	1, 838, 810
44. Texas	1, 436, 955	4, 759, 838
45. Utah	112, 540	500, 000
46. Vermont	66, 453	500, 000
47. Virginia	538, 034	1, 781, 348
48. Washington	460, 089	1, 522, 766
49. West Virginia	278, 969	919, 406
50. Wisconsin	661, 349	2, 193, 166
51. Wyoming	43, 730	500, 000
52. American Samoa	1, 029	250, 000
53. Guam	2, 550	250, 000
54. Puerto Rico	258, 661	852, 366
55. Trust Territory	5, 045	250, 000
56. Virgin Islands	3, 630	250, 000

WHITE CONFERENCE ON AGING—RECOMMENDATION

NUTRITION

Introduction

We take it for granted that all older Americans should be provided with the means to insure that they too can enjoy life, liberty, and the pursuit of happiness. Adequate nutrition is obviously basic to the enjoyment of these rights.

Food is more than a source of essential nutrients—it can be an enjoyable interlude in an otherwise drab existence. Thus, provision should be made to meet the social as well as the nutritional needs of older people. A factor that adds dignity and significance to the life of the aged is the feeling that they too are useful and important. Assistance should be provided to make possible preparation of meals for themselves and others. Community meals, however, should be an alternative. Volunteer groups can be involved in such services as transportation, shopping, and distribution of hot meals. Young people should be encouraged to participate in these services and to join the elderly in meals.

All nutrition programs should be supplemented by appropriate educational measures. Older people should be protected from food quackery and unfounded nutritional claims. Lack of research, evaluation and communication leads to failure of otherwise good programs and to the perpetuation of poor programs. The search for more efficient and better means of providing for the good nutrition, health and happiness of older people should be a continuous process.

All recommendations regarding the nutrition of aging Americans should clearly include the elderly in small towns, rural and isolated areas, and the elderly in minority groups. Special cognizance must be taken of the long neglected needs of older Indians and other non-English speaking groups.

Recommendations

It is recommended that the Federal Government allocate the major portion of funds for action programs to rehabilitate the malnourished aged and to prevent malnutrition among those approaching old age. However, adequate funds should be allocated for a major effort in research on the influence of nutrition on the aging process and diseases during old age in order to give meaning and impact to the action programs. Appropriate research findings must be made available to all action programs.

Since approximately one-half to one-third of the health problems of the elderly are believed to be related to nutrition, we recommend that pilot programs be set up for the evaluation of the nutritional status of the elderly.

2. The Federal Government should establish and more strictly enforce high standards with specific regulations for the food and nutrition services provided by institutions and home care agencies that receive any direct or indirect Federal funds, require a high level of performance from State Government enforcement agencies, and when necessary, provide financial assistance to bring non-profit organizations up to standard. These standards should include such important areas as quality and nutritive value of food; methods of handling, preparing and serving foods; the special dietary needs of individuals; and the availability of and accessibility to nutritional counseling.

It is recommended that nutrition services and nutrition counseling be a required component of all health delivery systems, including such plans as Medicare, Medicaid, health maintenance organizations, home health services, extended care facilities, and prevention programs.

3. Government resources allocated to nutrition should be concentrated on providing food assistance to those in need. However, a significant portion of these resources should be designated for nutrition education of all consumers, especially the aged, and to the education by qualified nutritionists of those who serve the consumer including teachers in elementary and secondary schools, doctors, dentists, nurses, and other health workers. This can be accomplished immediately by increasing personnel and funds in existing agencies and institutions.

4. Federal Government policy must offer the older person a variety of options for meals, but should stress the favorable psychological values and the economies inherent in group feeding. The policy should require all Federally assisted housing developments to include services or to insure that services are available for the feeding of elderly residents and for elderly persons to whom the development is accessible. Where a meal is provided, it should meet at least ⅓ of the nutrient needs of the individual. The policy should also require the provision of facilities (including transportation) for food purchase and meal preparation within each household of the development. In addition, Federal policy should encourage and support community agencies to provide facilities and services for food purchase, meal preparation and home delivered meals (often called Meals-on-Wheels) for eligible persons living outside housing developments or in isolated areas.

5. It is recommended that the Federal Government assume the responsibility for making adequate nutrition available to all elderly persons of the U.S. and its possessions.

Minimum adequate income (at least $3,000 per single person and $4,500 per couple) must be available to all elderly. Until money payments are increased above this minimum level existing food programs should be strengthened, including nutrition education, to meet the needs of the elderly. Therefore, it is recommended that:

(a) In addition too store purchases of food, food stamps be used for the purchase of meals in participating restaurants, school and community settings, and any approved home delivery systems.

(b) The food stamp program must be structured to conform to the USDA low-cost food plan at no increase in the cost of food stamps to the recipient.

(c) As long as low income social security recipients are on fixed incomes they should be eligible for self-certification for food stamp and/or Public Assistance cash grants.

(d) Food stamp applications should be mailed with social security checks and stamps sent to older persons through the mail or by some other efficient, practical and dignified distribution method.

(e) The purchase of food stamps should be encouraged and facilitated by providing the first food stamp allotment without cost to the recipient, by permitting more frequent purchases and by distributing stamps at senior citizen centers.

(f) The approximately 1000 counties in the United States still using the Commodity Program must switch by December 31, 1972, to the Food Stamp Program for the individual feeding of the elderly. Until this is accomplished the Federal donated food should be made nutritionally appropriate, in packages of suitable size, and at readily accessible places.

It is recommended that the equivalent of a National school lunch program be established for Senior Citizens, not be limited to school facilities to low-income persons. Basic components of the program should be:

(a) All USDA commodities should be fully available on the same basis as to the school lunch program.

(b) Funding should provide for adequate staff, food, supplies, equipment, and transportation.

(c) Elderly people should be employed insofar as possible.

(d) Auxiliary services should be built in, including recreational, educational, and counseling programs.

It is recommended that nutrition specialists already in the field direct the recruitment of volunteers and/or paid part-time aides from among the elderly and train them to teach sound nutritional practices to older people in groups and in their homes. Qualified social workers should be utilized in getting client acceptance of the services being made available.

6. The responsibility for producing qualify food rests with the food industry. However, it is the responsibility of the Federal Government to establish and enforce such standards as are necessary, to insure the safety and wholesomeness of our National food supply, as well as improve nutritive value. To do this requires more personnel and funding. State requirements that meet or exceed Federal standards must be established, implemented, and monitored with Federal support. Particular attention should be given to both nutrient and ingredient labeling of feed products as a means of achieving greater consumer understanding. An inclusive list of the ingredients in any processed food should be made available by the manufacturer to the consumer on request.

WHITE HOUSE CONFERENCE ON FOOD, NUTRITION AND HEALTH—FINAL REPORT

PANEL II–4: THE AGING

Chairman: Edward L. Bortz, M.D., Senior Consultant in Medicine, Lankenau Hospital, Philadelphia, Pa., former President, American Medical Association.

Vice Chairman: Donald M. Watkin, M.D., Staff Physician, Veterans Administration Hospital, West Roxbury, Mass., former Program Chief, Research in Nutrition and Clinical Research in Gerontology, Veterans Administration.

Panel members:

William Hutton, Executive Director, National Council of Senior Citizens, Washington, D.C.

Juanita M. Kreps (Mrs. Clifton H. Kreps, Jr.), Ph. D., Dean of the Woman's College, Duke University, Durham, N.C.

Alfred H. Lawton, M.D., Ph. D., Associate Dean of Academic Affairs, University of South Florida, Tampa, Fla.

Constance McCarthy, Chief, Public Health Nutrition services, Rhode Island State Department of Health, Providence, R.I.

George Mann, Ph. D., Associate Professor of Biochemistry and Medicine, Vanderbilt University School of Medicine, Nashville, Tenn.

Father Anthony Rocha, Chaplain, Catholic Memorial Home, Fall River, Mass.

Sylvia Sherwood (Mrs. Clarence Sherwood), Ph. D., Director of Social Gerontological Research, Hebrew Rehabilitation Center for Aged, Roslindale, Mass.

Leola G. Williams (Mrs. Wilburn Williams), Director, Greenwood Center, Star, Inc., Greenwood, Miss.

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REPORT OF PANEL II–4

Preamble

The present crisis among the aged demands immediate national action to relieve poverty, hunger, malnutrition and poor health. Furthermore, positive measures are required throughout life to retard the premature debilitating aspects of aging.

Certain priorities exist:

1. Provision of adequate income to the aging.
2. Provision of adequate nutrition to the aging.
3. Provision of adequate health services to the aging.
4. Federal, State and local funding to insure immediate implementation of the above.
5. Prompt provision of substantial increases in Federal funding for support of education, research and development in nutrition and gerontology.

Recommendation No. 1: Meal Delivery

The U.S. Government, having acknowledged the right of every resident to adequate health and nutrition, must now accept its obligation to provide the opportunity for adequate nutrition to every aged resident. Immediate attention must be given to developing a new system of food delivery based on modern technical capability by which meals supplying a substantial proportion of nutrient requirements can be distributed to the aged through restaurants, institutions and private homes when this is necessary. Regional, urban and cultural differences in the United States will require that a variety of systems may be necessary to accomplish this goal.

The Administration on Aging within the Department of Health, Education, and Welfare and the Department of Agriculture should begin at once to implement a variety of meal delivery systems in the following ways:

1. Assemble a working party of scientists, industrialists and representative aged persons with experience in nutrition science, food preparation, food habits, and meal service who will review existing experience with low cost meals and meal delivery service.

2. Undertake permanent funding programs of daily meal delivery service, initially consisting of at least one meal for the aged needing this service and desiring it, in both urban and rural locations emphasizing the importance of the values of eating in group settings where possible. This service may be provided in restaurants, institutions or other suitable sites for the well aged or at home for the homebound.

3. Develop a system of reimbursement with either food stamps or coupons, as outlined in Recommendation No. 3 of this Panel, or credit cards which will be acceptable to the recipients and efficient for the system, and which will retain freedom of choice for the user.

4. Develop surveillance systems that will insure both the nutritional quality and the acceptability of the meals. The single daily meal will furnish at least one-half of the daily Recommended Dietary Allowance of the Food and Nutrition Board of the National Research Council. It may include foods to be eaten at other times during the day. The remaining allowance, especially of calories, may be obtained by the individual's initiative facilitated by income supplements and the revised food stamp program when necessary. The meal delivery system should extend to all areas as feasible systems are developed.

Recommendation No. 2: Increased income

Because diet quality and income are related, and because many older people do not have the income to provide adequate nutritious diets, immediate increases in the incomes of elderly people are a vital first step in freeing the aged from hunger and malnutrition.

Therefore it is recommended:

1. That social security benefits be increased by 50 percent and the minimum benefit raised from $55 to $120 monthly within the next 2 years, taking an additional 5 million people out of poverty and hunger.

2. That the public welfare system be completely revised to provide a Federal welfare program with adequate payments based solely on need of the consumer and with Federal financing and administration of welfare costs.

3. That the Federal Government assure all Americans the economic means for procuring the elements of optimum nutrition and health, and assure the distribution, availability and utilization of adequate information, facilities, and services.

4. That the Federal Government eliminate all barriers to adequate nutrition and health for all segments of the population, particularly those groups with special needs, e.g., the aged, the poor, the handicapped and minority groups, including those using languages other than English.

5. While the Panel on Aging joins other panels in endorsing a guaranteed annual income, we are concerned that older individuals, having contributed to and living within their social security benefits, may find their standard of living reduced. Therefore, we recommend that social security beneficiaries receive income in an amount at least of a level on parity with any implemented system of guaranteed annual income.

Recommendation No. 3: Food stamp program revisions

Supporting the position of Panel V–3, and supporting the policy position of the President that urges revision of the food stamp program as an interim mechanism for implementing the procurement of food by the poor; and supporting the immediate enactment by Congress of S. 2014 and urging the entire White House Conference to press for its enactment,

The Panel on Aging makes the following additional recommendations:

1. The food stamp program must be revised so that any individual or family receiving food stamps may purchase prepared meals with stamps. Restrictions in current legislation limiting eligibility for food stamps to those having adequate cooking facilities must be eliminated.

2. Eligibility for food stamps must be established on the basis of self-declaration under clear, simple, uniform, and widely published Federal standards.

3. Such standards must permit very low income persons and families to obtain stamps without cost. Those who purchase stamps must be permitted to purchase portions of their allotment at various times throughout the month.

4. The U.S. Department of Health, Education, and Welfare should initiate ongoing impact research to monitor and evaluate the effectiveness of the food stamp program in placing the resources for sound nutrition into the hands of all low-income Americans.

Recommendation No. 4: Education, research and development

It is recommended:

1. That the U.S. Government develop guidelines for a nutrition education program aimed at the elderly. This program should include an emphasis on physical activity and social interaction. These guidelines should give direction to mass media, voluntary and official agencies, advertising agencies and industry. To avoid preventable nutritional and health disabilities of aging, these guidelines should emphasize adequate nutrition education and practice throughout life.

2. That educational programs for the elderly be developed by competent, qualified health and social service personnel including those specializing in diet counseling, utilizing a variety of media. These programs should recognize educational reading levels, common language usage, and ethnic or cultural backgrounds, to provide a means of effective education and communication on all aspects of food supply, nutrition and health. These programs should include direct handout material, media programming and the training of indigenous senior citizens where possible as community workers in all service areas.

3. That Government funds be provided to augment training programs for preparation of professional and subprofessional workers in nutrition and gerontology.

4. That surveys of institutionalized and noninstitutionalized aged to be carried out with respect to their nutrition and health status and that these data be used to eliminate faculty diagnoses based on dietary deficiencies.

5. That because of the mental health problems associated with the problems of social isolation and inadequate nutrition, a National Commission for Mental Health of the Aged be established

6. That substantial funds be devoted to the support of basic and applied research as an investment for the future health and nutrition of the Nation. Since effective action programs are based on research findings, immediate action must be based on the best information currently available. However, it must be recognized that continued research on the basic nature of aging and its relation to nutrition is essential for progress in the future.

COMMENTS OF COMMUNITY ORGANIZATION TASK FORCE

Panel II–4: The Aging

The task force felt that residency and citizenship requirements for old age assistance should be done away with. The task force also felt social security benefits should be fully retroactive back to the time of first eligibility for those belatedly applying for benefits. Both of these suggestions were ignored by the panel on the aging.

NEW NUTRITION PROGRAM IS MAJOR BREAKTHROUGH FOR OLDER AMERICANS

Far too many older Americans have not been eating nutritionally adequate diets—for many reasons.

Some have incomes so low they cannot afford the proper food. Others have difficulties shopping. Some need nutrition education to know what foods they should eat; nutrition is, after all, a relatively new science.

And far too many are too depressed, too isolated and lonely, to enjoy meals eaten alone or even to benefit from nutritious foods.

I have reason to believe that any investment in improving the nutrition of older people will be substantially offset by savings in other publicly financed programs. We do not know how much poor nutrition is costing in Medicaid or Medicare dollars, let alone in misery, illness, and premature senility.

I believe the Nutrition Program for the Elderly under the Older Americans Act is a major breakthrough for all older Americans. It will benefit an estimated 250,000 of the 2½ to 3 million Americans 60 and older who may need nutritionally balanced meals. It will provide the meals in group settings which offer companionship in coordination with other needed services, including transportation.

Thus structured, and with its funding supplemented with other funds available under title III of the Older Americans Act, the Nutrition Program can provide a nationwide impetus for improved services for older people.

The Administration on Aging has been doing everything in its power to prepare for the new program promptly and in full accord with the provisions of the new nutrition act.

The framework for the program was provided by experience obtained from 30 research and demonstration nutrition projects funded by AOA during the past 4 years.

Twenty-one of these AOA demonstration projects are continuing and will be brought into the new program.

In addition, the AOA has made 90 grants in 44 States for local planning needed to get the new national program into operation. And approximately 90 planning grants have been funded by States out of title II funds.

Final regulations for the program, signed by Secretary of Health, Education, and Welfare Elliot L. Richardson, were published in the *Federal Register* on Aug. 19. The *Manual of Policies and Procedures for the National Nutrition Program for the Elderly* is at press.

The $100 million program is included in the pending appropriation bill for the Department of Health, Education, and Welfare. Passage by the Congress is expected shortly, for signing by President Nixon. States will receive the allotments authorized under the Act soon thereafter and programs will be funded as rapidly as possible.

By June 30, 1973, it is expected that every State will be operating nutrition programs for the elderly in selected sites.

John B. Martin,
U.S. Commissioner on Aging and Special Assistant to the President on Aging.

[From the Food Research and Action Center Newsletter]

Bill of Rights—The Nutrition Program for the Elderly

The new Nutrition Program for the Elderly was signed into law March 22, 1972. You will hear the new program referred to as "the Nutrition Program." Public Law 92-128, or Title VII of the Older Americans Act.

The Nutrition Program for the Elderly is for all persons age sixty and over. Spouses of elderly persons may also participate in the program if they are younger than sixty. The Program must offer free or low-cost nutritious meals at least once a day, five days a week (with certain rural exceptions).

Although everyone over sixty is welcomed to participate, the Program is most important for low-income elderly. The project serving sites must be located in areas with high concentrations of low-income elderly. Low income is defined as that income below the current Department of Commerce, Bureau of Census, poverty threshold. For 1972, the poverty threshold is $1,959 for an individual over sixty-five, and $2,450 for an elderly couple.

Most importantly, the Nutrition Program for the Elderly should be administered by seniors. The Program was developed by Congress, with seniors, for seniors, to be run by seniors, and the success of the Program will be greatly increased if low-income elderly and their advocates actually run their own programs. In addition, sites serving large numbers of individuals from one minority group should be administered by that minority group.

The following rights guaranteed by the legislation and regulations should make certain that the program is beneficial to the participants. Of course, there is no reason to stop pursuing additional rights once these guaranteed rights are attained. Greater consumer participation in program planning, financial decisions, and hiring should be actively sought by low-income elderly and their advocates.

SUMMARY OF RIGHTS

1. The right of any person over the age of 60, and his or her spouse, whatever age, to participate in the elderly nutrition program. (45 CFR Sec. 909.3(a))

No one over sixty can be turned away by a federally funded elderly Nutrition Program. There can be no maximum number of participants. If the program is full to capacity, it could be expanded by staggered hours or by the opening of an additional site.

2. The right to participate in an elderly nutrition program without proof of income or age. (45 CFR sec. 909.44(b))

Membership in the Nutrition Program for the Elderly is to be based on personal self-declaration. You simply state that you are over sixty and would like to participate. No one can ask further questions of you or pry into your personal affairs.

3. The right to receive free meals (45 CFR Sec. 909.44)

The law guarantees that each participant has the right to decide whether or not he is able to pay for the meals. No income documentation is required and no one should ask for proof of income. You make the decision to receive your meals free. This is your right. Money saved can be used for other necessities.

4. The right to be protected from any form of discrimination if you receive free meals. (45 CFR Sec. 909.44(d))

Your decision to receive free meals is a personal decision, guaranteed by law. You are not to be subjected to separate lines, tickets, or different meals. All participants should be treated equally.

5. The right to pay whatever amount you choose. (45 CFR Sec. 909.44(b))

If you choose to pay, you may pay the amount indicated by the Project Council or any other amount you wish to pay. Your Project Council may only suggest, not demand, a fee or fees. If your income changes, you are free to change the amount you pay or to elect to receive a free meal.

6. The right of low-income elderly to have a serving site close to their place of residence. (45 CFR Sec. 909.38 (a) and (b))

The law states that the project area sites must be located in areas of major concentration of low-income elderly. This means that if poor elderly and representative community groups discover that an elderly nutrition project is about to begin or has begun in a wealthier section of their community, they have the right to demand that their state Office on Aging locate a project in their area as well.

If the state does not comply with this demand, you should obtain immediate legal assistance to challenge the decision of the state Office on Aging.

7. The right of every participant to be provided with supporting social services (45 CFR Sec. 909.42 (1)-(6))

Elderly participants should demand their right to the following supportive services: transportation, information and referral services, health and welfare counseling, nutrition education, shopping assistance, and recreation. They should determine what they want these services to do for them.

Applications and information for the Food Stamp and Food Distribution Programs should be available at the project site. Food stamps and commodities should also be distributed at the project site.

8. The right to one hot nutritious meal per day, five or more days a week (except in sparsely populated rural areas) containing at least the following: (45 CFR Sec. 909.40 (c))

(a) three ounces of lean meat, poultry, fish;

(b) two one-half cup servings of vegetables and fruit;

(c) one serving of whole-grain or enriched bread, or a serving of cornbread, biscuits, rolls, muffins, etc. made of whole grain or enriched meal or flour;

(d) one teaspoon of butter or fortified margarine;

(e) one, one-half cup serving of a dessert such as pudding, ice cream, etc.

(f) one-half pint of milk.

9. The right of the elderly participants to elect representatives from their membership to a project council. More than one-half of the project council must be participants. (45 CFR Sec. 909.37)

There must be a Project Council for the project area. The "project area" is that area that includes several serving sites. The serving site will most likely be administered by a larger organization. The Project Council for the "project area" must have a representative from each serving site, elected by the participants at that site. The number of representatives from the various sites must be more than half the members of the Project Council.

The regulations also encourage the formation of Site Councils. The members shall be elected from among the site's participants.

10. The project council shall make decisions concerning the following issues: (45 CFR Sec. 909.37 (a) (1)-(4))

(a) setting of suggested fee or fees;

(b) approval of menus;

(c) days and hours of project operations; and

(d) decor and furnishings of meal sites.

Federal policy (Administration on Aging's Policy Procedural Manual sec. 21.5 (f) encourages that the Project Councils also advise on the following:

(a) selection of paid staff and volunteers;

(b) preparation of the project's operating budget;

(c) evaluation of project effectiveness and achievements of objectives;

(d) existing and proposed services offered by the project;

(e) additional meat site selections.

The Project Council should be a strong advocate for the rights of the elderly in its community.

11. The right of persons over 60 to be given preference in hiring for all staff positions (45 CFR Sec. 909.35 (a))

The staff should also be representative of the minority individuals participating in the project.

12. The right of a program participant to receive home-delivered meals in the event of illness or other problems preventing his attendance at the project site. (45 CFR Sec. 909.41)

The regulations require that projects provide home-delivered meals, where necessary and feasible, to meet the needs of the elderly who are homebound.

If you become ill, or have an accident, you should receive meals at home until you are able to resume attending the program.

13. The right of any interested group of elderly citizens or persons involved with the elderly to apply to the state for funds to run a title VII nutrition program in their community. (45 CFR Sec. 909.24(a))

Priority must be given by the state to low-income groups desiring to run programs in sites with a high concentration of low-income elderly.

14. The right of minority individuals and groups to receive funds to run an elderly nutrition program at least in proportion to their numbers of eligible individuals in the state, (45 CFR Sec. 909.24(b))

To determine if a particular minority group has been treated fairly by the state, examine: the number of this minority which is elderly in the state; the number of this minority elderly in the areas of high concentration of low income elderly; and the number of projects run by this minority.

If 25 percent of the elderly in all the areas of high concentration of low income elderly are of one minority group, 25 percent of the serving sites in these areas should be run by this minority group.

15. The right of a project to receive ongoing training and technical assistance from the state office on aging both before and after a grant has been issued. (45 CFR Sec. 909.18 S909.27(a))

If your group would like to apply for nutrition funds and needs assistance with planning and proposals, request that the state send you a representative to give you assistance.

16. The right to a fair hearing if your application to run a program has been denied. (45 CFR Sec. 909.26)

If your group's application to run a Nutrition Program has been denied by the State, you should request a hearing immediately from the state.

If your rights are violated and your state or local sponsor contradicts the regulations and the law, write or call collect:

For Legal Assistance: Ron Pollack, Center on Social Welfare Policy and Law, 25 West 43rd Street, New York, New York 10036 (212) 354–7670.

For Technical and Organizing Assistance: Sallie Ruhnka, Food Research and Action Center, 25 West 43rd Street, New York, New York 10036 (212) 354–7866.

Mr. PERCY. Mr. President, I am pleased to join the senior Senator from Massachusetts (Mr. KENNEDY) in introducing today a 3-year extension of title VII of the Older Americans Act, the nutrition program for the elderly.

I want to take this opportunity to commend the distinguished Senator from Massachusetts for his leadership in this field. Our senior citizens have benefited greatly from his dedication to their cause and especially from his role as an advocate for the nutrition program.

Our bill is simple: We are extending the authorization for the existing program through fiscal year 1977. We are proposing to authorize appropriations of $150 million in fiscal 1975—the same level now authorized for fiscal 1974—of $175 million fiscal 1976, and of $200 million in fiscal 1977.

I have been involved in the effort to provide adequate nutrition for older Americans for many years. Two years ago we were successful in the fight to secure additional funding for 21 demonstration nutrition programs for the elderly. The success of these pilot projects was instrumental in convincing the Congress of the viability of providing hot, nourishing meals to the elderly in a group setting.

We passed the title VII program early in 1972 and President Nixon signed the bill in March of that year. He then requested that the program be funded at its authorized level—$100 million—during fiscal year 1973.

The Administration on Aging, under the able leadership of former Commissioner John B. Martin, issued proposed regulations for the program in nearly record time. After considerable public debate and discussion, the final regulations were promulgated little more than a year ago.

We all know that the implementation of the program was delayed because of the controversy surrounding the HEW appropriations bill for fiscal 1973. Money for grants to the States to pay up to 90 percent of the cost of establishing and operating congregate dining sites for the elderly did not become available until late this spring.

In short, a program which should have begun on July 1, 1972, is only now getting underway. And the authorization expires next June 1.

Mr. President, many of us considered the title VII program as a large scale demonstration program. We authorized the program for 2 years and we knew the funding we provided would allow us to reach only a small proportion of the elderly who might benefit from receiving one hot meal a day, 5 days a week, in a social setting.

We did this because we wanted to learn from the experience of the first 2 years of the program. Only after reviewing this experience could the Congress decide how best to assure all our senior citizens access to an adequate diet.

We do not have program experience to draw on, yet we are faced with the need to renew the authorization or to let it lapse. We cannot abandon the program now. What we are proposing today is simply to extend title VII for 3 years and to increase the funding level slightly—barely enough, I think, to maintain the same level of program activity over the next 3 years that is targeted for the end of this year.

A 3-year extension will provide the Congress ample time to evaluate the program after it is fully implemented and to decide to expand it, to modify it, or to allow it to expire.

Mr. President, I believe the nutrition program for the elderly has great potential to fill a major need among our senior citizens. Unusual circumstances have thus far prevented us from knowing if this potential can or will be realized.

Dr. Arthur Flemming, the present Commissioner of the Administration on Aging, is dedicated to this program and has appointed the one man in America who probably is more dedicated than himself to run the program for the AOA. That man is Dr. Donald M. Watkin, chairman of the Technical Committee on Nutrition, and chairman of the Study Panel on Nutrition of the Post-conference Board of the 1971 White House Conference on Aging.

I think this is a brilliant appointment. Now I think we need to give Dr. Watkin and Dr. Flemming the breathing room necessary to put the program into full operation.

That is why I am joining the senior Senator from Massachusetts in introducing this legislation.

By Mr. CHURCH:

S. 2489. A bill to amend title XVIII of the Social Security Act to prevent the imposition, under part B thereof, of more than one deductible with respect to expenses incurred for the purchase of any particular piece of durable medical equipment. Referred to the Committee on Finance.

ELIMINATING A DOUBLE DEDUCTIBLE CHARGE ON MEDICAL EQUIPMENT

Mr. CHURCH. Mr. President, I introduce for appropriate reference a bill to eliminate the possibility of charging two deductibles for one piece of medical equipment under part B of medicare.

Under present law it is possible for durable medical equipment—such as a wheelchair—to be subject to two deductibles in 2 different years. The net impact is that little or no reimbursement may be received by the elderly person covered by medicare. This situation seems to me to be particularly unjust.

Last year, Mrs. Chrissie Owen of Preston, Idaho, a victim of arthritis, purchased a wheelchair for cash payment of $159.50 in July 1972. She sought medicare coverage for this purchase, and it was her only claim for that year. Notification was received that the $50 deductible had been met for 1972, but she did not receive any compensation from medicare in 1972. In 1973, she received checks for $10.40 on January 10, 1973; $12 on January 29; $4.20 on February 26; and a statement in March that $23.75 of her deductible for 1973 had been met.

At this point Mrs. Owen saw that two deductibles were being charged to the same wheelchair and felt that this was wrong. I was asked to investigate. A report from the Social Security Administration advised that two deductibles were indeed being charged because: first, the law provides that purchases for medical equipment costing over $50 be reimbursed in installment payments, which in this particular case, extended over 2 years, and second, Mrs. Owen had no other medical expenses chargeable to medicare part B.

It is obvious from Mrs. Owen's case that the requirement for installment reimbursement and an annual deductible can result in an injustice that Congress did not foresee. While such cases are rare, I feel strongly that this loophole in the application of the annual part B deductible should be plugged. Surely the intent of the legislation providing coverage of needed medical equipment was not to put the burden of two deductibles on one piece of equipment. The amendment which I have introduced would eliminate this possibility, both for those who rent equipment and for those who buy equipment but are reimbursed on an installment basis.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2489

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first sentence of section 1833(b) of the Social Security Act is amended by inserting "(subject to subsection (f)(3))" immediately after "are determinable) shall".

(b) Section 1833(f) of such Act is amended by adding at the end thereof the following new paragraph:

"(3) The deductible imposed by subsection (b) shall, insofar as such deductible relates to expenses incurred by an individual for the purchase of any piece of durable medical equipment included under section 1861(s)(6), be deemed to have been met for any calendar year, if, for such calendar year and all preceding calendar years, there have been imposed, under subsection (b), reductions with respect to the purchase of such piece of equipment, the aggregate of which equals $60. In determining, for purposes of the preceding sentence, the amount of the reduction under subsection (b) for any calendar year with respect to the purchase of any such piece of equipment, there shall not be taken into account any expenses incurred with respect to such piece of equipment until account has first been taken of all other expenses to which the deductible imposed by subsection (b) is applicable."

(c) The amendments made by subsections (a) and (b) shall be applicable in the case of durable medical equipment purchased after December 31, 1972.

By Mr. SPARKMAN (for himself and Mr. Tower):

S. 2490. A bill to assist States and local governments to improve their capabilities for meeting goals related to community development, adequate housing, public facilities and services, and other governmental concerns. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. SPARKMAN. Mr. President, on behalf of myself and Senator Tower, I introduce for appropriate reference a bill to assist States and local governments to improve their capabilities for responsive and effective governmental action.

I ask unanimous consent that a section-by-section summary of the bill be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Section-by-Section Summary of the Responsive Governments Act

To assist States and local governments to improve their capabilities for responsive and effective governmental action.

SECTION 1. SHORT TITLE

This section would provide that this Act may be cited as the "Responsive Governments Act."

SECTION 2. STATEMENT OF FINDINGS AND PURPOSE

Subsection (a) would set forth the following Congressional findings that:

(1) The ability of our federal system of government to respond effectively to the needs of all citizens depends upon the strength and capabilities of Federal, State, and local governments;

(2) The full partnership of the Federal, State and local governments is necessary to deal effectively with the complex problems of this nation;

(3) The ability to plan and manage is vital to effective government, and will become even more critical to State and local governments as they are freed from the restraints of narrow categorical Federal programs and must assume added responsibilities for the use of broader forms of Federal assistance;

(4) Increased reliance should be placed on State and local resources to support the improvement of State and local planning and management capabilities, but Federal assistance toward such improvement is desirable to strengthen the federal system and promote the welfare of all citizens;

(5) Existing Federal assistance programs have not been directed at strengthening the overall capability of State and local officials to respond to the needs of their citizens.

(6) Federal assistance should be extended in a manner which affords State and local governments broad discretion in the use of such assistance in a manner responsive to the needs of the citizens.

Subsection (b) would declare that the purpose of this Act is to increase the capacity of States, units of local government and combinations thereof, to plan and manage all the resources available to them for achieving the goals of: (1) community betterment, in both rural and urban areas, that is responsive to the needs of the public; (2) adequate housing, public facilities, and public services to support an improved quality of life; and (3) conserving and protecting the environment and natural resources for future generations. Accordingly, this Act would assist States and units of local government in: (1) developing reliable information on their problems and opportunities; (2) developing and analyzing alternative policies and programs and making recommendations; (3) managing programs; and (4) evaluating the results, so that programs can be wisely revised or replaced.

SECTION 3. DEFINITIONS

This section would define certain terms as follows:

(1) "Secretary" would mean the Secretary of Housing and Urban Development.

(2) "State" would mean any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa or the Virgin Islands, or any combination of States or an organization representing a combination of States.

(3) "Unit of general local government" would mean any city, municipality, county, town, township, parish, village or other general purpose political subdivision of a State, or an organization representing two or more such units for the purpose of carrying out activities which may be assisted under this Act in a multi-jurisdiction area or an Indian tribe or Alaskan native village whose governing body performs substantial governmental functions, or the Trust Territory of the Pacific Islands.

(4) "Recipient" would mean any State or unit of local government which directly or indirectly receives funds under this Act.

(5) "Planning and Management" would mean—

(A) establishing governmental goals, objectives and policies, together with capital programming, plan coordination and other supporting activities, and could include:

(i) preparation, as a guide for governmental policies and action, of general plans with respect to (a) the pattern and intensity of land use, (b) the provision of public facilities and other government services (including transportation facilities) and (c) the effective development, conservation and utilization of human and natural resources;

(ii) long-range physical and fiscal plans for governmental policies and action;

(iii) programing of capital improvements and other major expenditures, based on a determination of relative urgency, together with definite financing plans for such expenditures in the earlier years of the program;

(iv) coordination of related plans and activities of State and local governments and agencies concerned; and

(v) preparation of regulatory and administrative measures in support of the foregoing; and

(B) conducting the executive function of planning, organizing, coordinating, directing, controlling and supervising an activity with responsibility for results, and could include:

(i) devising organizational arrangements and other methods for effective operations;

(ii) selecting and assigning executive personnel and program managers;

(iii) allocating resources to meet objectives;

(iv) recording and evaluating program development and progress;

(v) revising goals, objectives, policies and programs as appropriate to reflect evaluation, and

(vi) carrying out other activities pertaining to the conduct of governmental efforts in attainment of governmental purposes.

SECTION 4. ACTIVITIES ELIGIBLE FOR ASSISTANCE

Subsection (a) would set forth planning and management activities for which recipients may use Responsive Government Act funds including:

(1) identifying and evaluating the physical, social and economic needs and opportunities of the geographical areas under the jurisdiction of any State or locality;

(2) developing, analyzing and evaluating alternative policies and programs;

(3) establishing goals and objectives, evaluating the results of programs for achieving those objectives, and providing for program balance and coordination in response to State and local needs and priorities;

(4) developing, improving, modernizing and implementing specific governmental management processes, including personnel, revenue and resource allocation systems;

(5) improving governmental structures, authorities, and coordinating mechanisms (including expansion of the capacities of elected executive officials of State and units of local government and improved methods for obtaining effective public participation in policy-making), for dealing with the physical, social and economic complexities of modern society;

(6) providing (directly or through grants or contracts) planning, management, technical assistance, information, or advisory services to communities and agencies needing such assistance or services in connection with activities related to the purpose of this Act;

(7) procuring technical assistance in the formulation, implementation and evaluation of planning and management programs, and specialized or technical services available pursuant to Section 302 of the Intergovernmental Cooperation Act of 1968;

(8) participating in organizations for joint or common governmental or governmental and private action, including interstate action, in solving problems of development, planning, resource allocation or program management; and

(9) other activities or projects for planning and management consistent with the purpose of this Act, including activities relating to community development, resource utilization, housing and other governmental objectives.

Subsection (b) would prohibit the use of Responsive Governments Act funds to defray the cost of the acquisition, construction, repair or rehabilitation, or the preparation of engineering drawings or similar detailed specifications for, specific housing, capital facilities, or public work projects.

SECTION 5. AUTHORIZATION OF APPROPRIATIONS

This section would authorize appropriation, without fiscal year limitation, of such sums as may be necessary for the purpose of carrying out the Act.

SECTION 6. AUTHORITY TO PROVIDE ASSISTANCE

Subsection (a) would authorize the Secretary to make grants to States and units of local government to assist them in carrying out activities set forth in section 4(a). The Secretary would be authorized to provide or allocate assistance under this section directly to units of local government or through States in accordance with such considerations or objective factors relating to population, social, fiscal and economic conditions, or particular needs or governmental opportunities, as he may deem appropriate to further the purposes of this Act. In granting assistance through States, the Secretary would be empowered to impose limitations to assure an equitable consideration of the relative needs of units of local government within such States.

Subsection (b) would prohibit the Secretary from requiring the recipient of any grant which he makes under this section to provide any matching or make any other expenditure as a condition to such grant.

SECTION 7. STATEMENTS OF PLANNING AND MANAGEMENT ACTIVITIES

This section would require recipients of funds in any fiscal year to prepare, prior to receipt of such funds, a final statement of planning and management activities and projected use of funds. The section also would require publication of the proposed statement at least sixty days prior to its final preparation in order to afford an opportunity for public review and comment and consideration of such comments by the recipient. The final statement would be made available to the public, the Secretary and, in the case of a unit of local government, to the Governor. Recipients would also publish, and furnish the Secretary, an annual report of activities undertaken with assistance provided.

SECTION 8. INTERSTATE AGREEMENTS

This section would give Congressional consent to any two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative effort and mutual support of planning and management activities under this Act as they pertain to interstate areas and to localities within such States, and to establish such agencies, joint or otherwise, as they may deem desirable for making such agreements and compacts effective.

SECTION 9. NONDISCRIMINATION

Subsection (a) would prohibit any person in the United States on the ground of race, color, national origin, or sex from being excluded from participation in, denied the benefits of, or subjected to discrimination under any project, program or activity funded in whole or in part with funds made available under this Act.

Subsection (b) would require, the Secretary, whenever he determines that a recipient has failed to comply with subsection (a) or an applicable regulation, to notify the Governor of the State or, in the case of any other recipient which has received funds under this Act directly from the Secretary, the chief executive of the unit of local government or other organization recognized by the Secretary as representing a combination of such units, of the noncompliance and to request the Governor or the chief executive officer to secure compliance. If within a reasonable period of time, not to exceed 60 days, the Governor or the chief executive officer fails or refuses to secure compliance the Secretary would be authorized (1) to refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) to exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d); (3) to exercise the powers and functions provided for in section 10 of this Act; or (4) to take such other action as may be provided by law.

Subsection (c) would provide that when a matter is referred to the Attorney General pursuant to subsection (b), or whenever he has reason to believe that a State government or unit of local government or other organization recognized by the Secretary as representing a combination of such units is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

SECTION 10. REMEDIES FOR NONCOMPLIANCE

Subsection (a) would provide that if the Secretary, after reasonable notice and opportunity for hearing, finds that a recipient has failed to comply substantially with any provision of this Act, the Secretary, until he is satisfied that there is no longer any such failure to comply, must—

(1) terminate payments under this Act, or

(2) reduce payments under this Act by an amount equal to the amount of such payments which were not expended in accordance with this Act, or

(3) limit the availability of payments under this Act to programs, projects, activities not affected by such failure to comply.

Subsection (b) (1) would empower the Secretary, in lieu of, or in addition to, any action authorized by subsection (a), if he has reason to believe that a recipient has failed to comply substantially with any provision of this Act, to refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted.

Subsection (b) (2) would authorize the Attorney General upon such a referral, to bring a civil action in any United States district court having venue thereof for such relief as may be appropriate, including an action to recover funds provided under this Act which were not expended in accordance with it, or for mandatory or injunctive relief.

Subsection (c) (1) would enable any recipient which receives notice, under subsection (a) of the termination, reduction, or limitation of payments, within sixty days after receiving such notice, to file with the United States Court of Appeals for the circuit in which such State is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the Secretary's action. The petitioner would be required to transmit forthwith copies of the petition to the Secretary and the Attorney General of the United States, who would represent the Secretary in the litigation.

Subsection (c) (2) would require the Secretary to file in the court the record of the proceeding on which he based his action, as provided in section 2112 of title 28, United States Code. No objection to the action of the Secretary would be considered by the court unless such objection has been urged before the Secretary.

Subsection (c) (3) would give the court jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole, would be conclusive. The court would be authorized to order additional evidence to be taken by the Secretary, and to be made part of the record. The Secretary could modify his findings of fact, or make new findings, by reason of the new evidence so taken and filed with the court, and he would also be required to file such modified or new findings. These findings with respect to questions of fact would be conclusive if supported by substantial evidence on the record considered as a whole, and he would also be required to file his recommendations, if any, for the modification or setting aside of his original action.

Subsection (c) (4) would provide that upon the filing of the record with the court, the jurisdiction of the court would be exclusive and its judgment final, except that such judgments would be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

SECTION 11. RECORDS, AUDIT, AND REPORTS

In order to assure that resources provided under this Act are used in accordance with its provisions, this section would require each recipient to—

(1) use such fiscal, audit, and accounting procedures as may be necessary to assure (A) proper accounting for payments received by it, and (B) proper disbursement of such payments;

(2) provide to the Secretary and the Comptroller General of the United States access to, and the right to examine, any books, documents, papers, or records as he requires; and

(3) make such reports to the Secretary or the Comptroller General of the United States as either may require.

SECTION 12. GENERAL PROVISIONS

Subsection (a) would require the Secretary to prescribe such rules, regulations, and standards as may be necessary to carry out the purposes and conditions of this Act.

Subsection (b) would authorize the Secretary, directly or by contract, to undertake evaluations of activities under this Act and would require the inclusion of an evaluation of the effectiveness of this Act in the annual report to the President on departmental activities required by section 8 of the Department of Housing and Urban Development Act.

SECTION 13. CONFORMING AND TRANSITION PROVISIONS

This section would provide that in addition to amounts authorized and appropriated under section 5, appropriations available for carrying out section 701 of the Housing Act of 1954 would be available until expended for the purpose of carrying out this Act. The provisions of this Act would be effective, in whole or in part, at such date or dates as the Secretary of Housing and Urban Development prescribes and the Secretary would establish procedures for the orderly transfer of Federal assistance activities from the authority of section 701 of the Housing Act of 1954.

By Mr. TALMADGE (by request):

S. 2491. A bill to repeal the provisions of the Agriculture and Consumer Protection Act of 1973 which provide for payments to farmers in the event of crop failures with respect to crops planted in lieu of wheat or feed grains. Referred to the Committee on Agriculture and Forestry.

Mr. TALMADGE. Mr. President, by request, I introduce a bill requested by the Department of Agriculture to repeal provisions for payments to farmers in the event of crop failures with respect to crops planted in lieu of wheat or feed grains.

I ask unanimous consent that the letter from the Department of Agriculture be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., September 24, 1973.
Hon. HERMAN E. TALMADGE,
Chairman, Committee on Agriculture and Forestry, U.S. Senate.

DEAR MR. CHAIRMAN: In preparing the administrative regulations necessary to implement the various provisions of the Agriculture and Consumer Protection Act of 1973, it has come to our attention that certain provisions contained in the wheat and feed grain titles of such Act appear to present an impossible administrative problem.

The provisions presenting the problem are the parenthetical phrases contained in sections 107(c) and 105(b) (1) of the Agricultural Act of 1949, as amended. These phrases provide that if a producer plants a nonconserving crop instead of wheat or feed grains, a payment equal to one-third of the target price for wheat or feed grains shall be made on the deficiency in production if, as a result of a natural disaster, the total actual production of such crop is less than two-thirds of the normal production of the allotment for the crop for which substitution is made.

We currently do not provide for determining farm normal yields for crops other than wheat, feed grains, and cotton. Although it would be possible to establish normal farm yields for some major crops such as soybeans and oats for which yield data are published annually for most States by the Statistical Reporting Service, it would represent an enormous administrative task. In addition, we cannot visualize how farm normal yields can be determined for most minor crops which conceivably could be substituted for wheat and feed grains such as vegetables, guar, safflower, etc.

It is, therefore, respectfully requested that you consider amending P.L. 93–86, the Agriculture and Consumer Protection Act of 1973, as follows:

"Section 107(c) of the Agricultural Act of 1949, as amended, is amended by deleting the parenthetical phrase '(or other nonconserving crop planted instead of wheat)' wherever it appears therein."

"Section 105(b) (1) of the Agricultural Act of 1949, as amended, is amended by deleting the parenthetical phrase '(or other nonconserving crop planted instead of feed grains)' wherever it appears therein."

The foregoing amendments would limit production protection in the event of a natural disaster to the program crops, wheat and feed grains, and would be identical to the provision for cotton.

Sincerely,

EARL L. BUTZ, *Secretary.*

By Mr. RANDOLPH (for himself and Mr. ALLEN, Mr. BAYH, Mr. BENTSEN, Mr. BIBLE, Mr. BURDICK, Mr. ROBERT C. BYRD, Mr. CANNON, Mr. CHILES, Mr. COOK, Mr. CRANSTON, Mr. CURTIS, Mr. DOLE, Mr. DOMENICI, Mr. EAGLETON, Mr. EASTLAND, Mr. FULBRIGHT, Mr. HARTKE, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. HRUSKA, Mr. JACKSON, Mr. MAGNUSON, Mr. MCCLELLAN, Mr. MCCLURE, Mr. MCGEE, Mr. MONTOYA, Mr. MOSS, Mr. HUGH SCOTT, Mr. SPARKMAN, Mr. STAFFORD, Mr. STENNIS, Mr. TOWER, and Mr. TUNNEY):

S.J. Res. 158. A joint resolution to set aside regulations of the Environmental Protection Agency under section 206 of the Federal Water Pollution Control Act, as amended. Referred to the Committee on Public Works.

Mr. RANDOLPH. Mr. President, today I introduce legislation to forestall actions by the Environmental Protection Agency which are both grossly unfair and contrary to the law. This joint resolution is introduced with the cosponsorship of 33 Senators. The willingness of these colleagues to support this legislation indicates the awareness in the Senate of the inequities that would take place under proposals by the Environmental Protection Agency. This measure is intended to declare null and void regulations promulgated by the Environmental Protection Agency for the distribution to the States of funds authorized by section 206 of the Federal Water Pollution Control Act—Public Law 92–500.

Section 206 provides for the reimbursement of 50 percent of project costs for all publicly owned sewage treatment works on which construction was initiated between June 30, 1966, and July 1, 1972. In cases where metropolitan area planning was involved the reimbursable Federal share is 55 percent. Each qualified project is intended to receive the amount necessary to provide a 50-percent Federal share, whether or not the project had received any Federal financial assistance or was eligible for a Federal incentive grant at the time of construction.

Subsection (d) of section 206 provides that in any year in which available appropriated funds are not equal to the total amount of reimbursement due all such projects, each qualified project shall be allocated its proportional share of available funds. Public Law 92–399 appropriated $1.9 billion for section 206 reimbursement in fiscal year 1973. The current estimate of total reimbursement due all qualified projects constructed from 1966 to 1972 is $2.4 billion.

The Environmental Protection Agency, however, published proposed regulations on June 26, 1973, which have the effect of illegally allocating all the appropriated funds into only one class of qualified projects, creating a priority scheme for the distribution of these funds which is inconsistent with the statute. These regulations are likely to be promulgated in final form this week.

The illegal allocation contained in these regulations would result in 24 States failing to receive any reimbursement funds out of the $1.9 billion appropriated, and 19 States receiving substantially less than the nearly 80 percent of their total reimbursement which an equitable distribution would provide. Since section 206 only authorizes $2 billion for such projects, the chance of these States receiving any significant share of the reimbursement to which they are entitled would be conjectural.

This joint resolution would set aside these regulations and direct the Environmental Protection Agency to republish regulations that are in conformity with the law. In addition, since otherwise under the statute all applications for reimbursement would have to be filed by October 18, 1973, and these redrafted regulations would not be available sufficiently ahead of that time, the filing date would be moved back until November 18, 1973.

The introduction of the joint resolution is an action I take with great reluctance and only after careful consideration of all alternatives. I have chosen this method of response to the Environmental Protection Agency proposals, however, because this is the method by which we can move quickly to avoid an extremely unwise, as well as illegal procedure. It is my hope that the Environmental Protection Agency will respond to an expression of congressional sentiment and take steps to immediately rescind its proposed regulations and replace them with procedures that are consistent with both the law and clearly expressed congressional intent.

I do not intend the introduction of this joint resolution to establish a precedent or to give any indication that Congress should regularly seek to legislatively change regulations with which it may happen to disagree. I have chosen the legislative route in this instance because of the short time frame within which we are operating. This is partially the responsibility of the Environmental Protection Agency which failed to inform the Congress of the implications of its action in sufficient time to permit a reasonable resolution of the problem.

I anticipate that the Committee on Public Works will quickly report this measure so that it can be acted on by the full Senate.

Mr. President, I ask unanimous consent that a table showing the funds estimated to be reimbursed to the States under both the law and the Environmental Protection Agency proposals be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	EPA proposed distribution (estimated)	Distribution under Public Law 92–500 (estimated)	Difference
Total	1,912.5	2,461.1	548.6
Alabama		13.4	13.4
Alaska	10.0	10.0	
Arizona		6.0	6.0
Arkansas		7.6	7.6
California		44.6	44.6
Colorado		9.4	9.4
Connecticut	112.6	112.6	
Delaware	18.4	18.4	
District of Columbia	1.9	59.4	57.5
Florida	10.5	53.8	43.3
Georgia	3.4	62.5	59.1
Hawaii		2.2	2.2
Idaho		1.4	1.4
Illinois	61.2	65.1	3.9
Indiana	.8	8.5	7.7
Iowa		8.7	8.7
Kansas		8.0	8.0
Kentucky	.5	8.3	7.8
Louisiana		6.6	6.6
Maine	12.3	13.7	1.4
Maryland	47.7	47.7	
Massachusetts	9.5	9.5	
Michigan	116.9	130.5	13.6
Minnesota	12.6	22.5	9.9
Mississippi	.9	5.7	4.8
Missouri		30.7	30.7
Montana		1.8	1.8
Nebraska		2.7	2.7
Nevada		2.7	2.7
New Hampshire	10.8	14.6	3.8
New Jersey	38.1	45.9	7.8
New Mexico		2.3	2.3
New York	1,229.5	1,229.5	
North Carolina		21.8	21.8
North Dakota		1.2	1.2
Ohio	55.8	77.9	22.1
Oklahoma		7.5	7.5
Oregon	14.8	14.9	.1
Pennsylvania	34.5	67.2	32.7
Rhode Island	.1	.2	.1
South Carolina	.7	17.8	17.1
South Dakota		1.9	1.9
Tennessee	29.4	29.4	
Texas		29.4	29.4
Utah		2.8	2.8
Vermont		.9	.9
Virginia	3.1	20.2	17.1
Washington	.3	21.4	21.1
West Virginia		3.6	3.6
Wisconsin	73.5	73.5	
Wyoming		.5	.5
Guam			
Puerto Rico	2.7	2.7	
Virgin Islands			
American Samoa			
Trust Territories of the Pacific Islands			

Mr. CRANSTON. Mr. President, today I join the distinguished chairman of the Public Works Committee (Mr. RANDOLPH), my colleague Senator TUNNEY, and others, in a Senate joint resolution mandating the redesign of Environmental Protection Agency regulations governing distribution of funds under the Federal Water Pollution Control Act.

Under EPA regulations as now proposed, some 150 California counties and cities will lose eligibility for $44.6 million in Federal funds. These California communities are clearly eligible for water treatment cost reimbursements as specified in the law. But EPA has drawn its regulations so narrowly as to exclude California entirely.

Mr. President, the Environmental Protection Agency has acted illegally and outrageously in ignoring congressional intent. EPA's regulations, under which communities would be repaid for constructing publicly owned water treatment works, give the State of New York nearly $1 billion, but not a penny to California.

This is not what the Congress had in mind when it passed the Water Pollution Control Act of 1972. Therefore, I am cosponsoring this resolution, which will send EPA back to the drawing board with its regulations. EPA must rewrite its regulations to conform with the law, thus making California eligible for its fair share of the water treatment funds. Also, EPA is directed to extend the application date for reimbursements 30 days—to November 18—giving cities and counties more time to apply.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1401

Mr. GURNEY. Mr. President, I am today joining as a cosponsor of S. 1401, a bill to reinstate the effectiveness of the death penalty through the establishment of rational criteria for the mandatory imposition of the sentence of death.

In 1972 the Supreme Court held that Federal laws providing for the death penalty are unconstitutional, thus eliminating the death penalty as an appropriate punishment and deterrent for some 10 crimes such as murder, treason, rape, air piracy, and delivery of defense information to aid a foreign government. Additionally, the Supreme Court had held previously that certain statutes that authorize the death penalty are unconstitutional because, by permitting the jury rather than the court to impose the penalty, they inhibited the exercise of the right to demand a jury trial. S. 1401 is designed to cure the defects revealed in these two Supreme Court cases, *Furman* v. *Georgia*, 408 U.S. 238 (1972), and *United States* v. *Jackson*, 390 U.S. 570 (1968).

Congress has been slow to follow the lead of the States in reinstituting the death penalty where it is authorized. At this time some 17 States, Arkansas, Colorado, Connecticut, Florida, Georgia, Indiana, Montana, Nebraska, Nevada, New Mexico, Ohio, Texas, Utah, Wyoming, Arizona, and Tennessee, have apparently passed legislation which will revitalize the death penalty as an imposable sentence. Two other States, Delaware and North Carolina, have apparently construed existing statutes as still viable despite the two Supreme Court cases.

S. 1401 is applicable only to the more heinous of the Federal crimes calling for the death penalty: Wartime treason, sabotage or espionage, or murder, committed during the course of seven specified offenses or under other limited circumstances. Even so, the penalty still cannot be imposed unless the factfinding tribunal determines that the act was aggravated by one or more specified circumstances and that none of the enumerated mitigating factors was present. With its imposition thus proscribed, the death penalty will once again be fully effective consistent with the Supreme Court rulings.

Mr. President, the American people demand early action on this issue. To enable speedy consideration by the Senate, this measure was introduced separate from the voluminous Criminal Code Reform Act of 1973 proposal, S. 1400, as well as being included as sections 2401 and 2402 of that criminal code reform bill. It is my hope that the Senate will swiftly act upon the measure.

S. 1687

At the request of Mr. PROXMIRE, the Senator from Idaho (Mr. CHURCH) was added as a cosponsor of S. 1687, a bill to repeal the act terminating Federal supervision over that property and members of the Menominee Tribe of Wisconsin as a federally recognized, sovereign Indian tribe.

S. 2334

At the request of Mr. INOUYE, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 2334, a bill to amend title 5, United States Code, to provide for travel and transportation expenses on the return of an employee who was a past resident of certain areas outside the continental United States from a post of duty in the continental United States.

S. 2336

At the request of Mr. HELMS, the Senator from Arizona (Mr. FANNIN) was added as a cosponsor of S. 2336, a bill to provide objective definitions of unitary school systems for uniform court enforcement of the Civil Rights Act, and to relieve the congestion of court calendars by providing for the orderly release of continuing Federal jurisdiction over desegregated schools, and for other purposes.

S. 2397

Mr. MONTOYA. Mr. President, under Public Law 93-66, a 5.9-percent social security increase is scheduled to become effective in June of 1974. I would like to add my name and my support to S. 2397, as proposed by Senator CHURCH and others, to provide instead that a 7-percent increase be made effective in January of 1974. In giving my support to this measure I feel that I am joining other Members of this body in an emergency action.

Surely, if no other situation exists in the Nation today which deserves the label "emergency" the situation in which we have placed our senior citizens is one which does deserve that label.

We Americans consider that we are citizens of one of the more advanced nations of the world—advanced both in technology and in our enlightened form of government. We are proud that less advantaged peoples turn to us for help when they are hungry or ill. We are proud that we are affluent enough to respond to those pleas with foreign aid both through government and private resources. Even in the face of mounting economic pressures, a worldwide fuel shortage, a world food supply crisis, and increasing international problems, we are being asked this year to support a $5 billion increase in military spending and substantial military and other aid to less fortunate nations. As a leading industrial nation we have done all these things in the past and the administration is asking us to continue to do them in the future. We like to believe that as a nation we are well fed, well housed, healthy, warm in winter, and cool in summer—a successful nation full of hardworking and fortunate people.

It therefore comes as a new shock each time we are forced to look at the real truth about our senior citizens. Yet a recent report from the Congress of Senior Citizens tells of retired American workers who exist by living on dog food, by eating one meal a day at a church-sponsored charity, by shoplifting—stealing vitamins and cans of tuna fish in order to stay alive. Is this the same America which prides itself on being a leader of the free world?

The advance report of the Administration on Aging at HEW tells us that in 1972 20 percent of all families and more than half of all individuals in the 65 and over age group in this America were listed at the "near poverty" and "poverty" levels. The median income of those over 65 was less than half of that of other Americans: as though being old made it somehow possible to live by eating half a dinner or living in half a house.

The National Council of Senior Citizens has said, quite simply, "Every older person should have sufficient income to assure the American standard of living." Now that seems a decent goal, and one we would like to believe we could all approve. In fact, with increases in social security and medicare and medicaid, we in Congress have thought that that goal was in sight. However, inflation has turned our plans upside down, and the real facts today are shocking.

We must judge not by what we have said or what we have wanted, but by what we have really accomplished. If we do that, I am afraid we must admit that the only goal we can claim to have achieved is a weak attempt to provide those on social security with a less than poverty-level income. We cannot claim that social security average payments provide anywhere near the Bureau of Labor "moderate" income standards that is enough to maintain health and self-sufficiency at moderate levels. That would require $5,200 for a couple and $2,860 for single persons. More than half of all the elderly persons on social security are forced to live far below that level.

In my own State of New Mexico the total number of persons receiving social security benefits is 127,136, and the benefits total a little over $15 million monthly. Simple arithmetic provides us with an average monthly benefit of only $117, or an annual income of $1,404. That is a figure well below the Department of Labor's poverty level. The national average is $273 for a couple and $164 for a single worker, retired, and less than $160 for a widow. Averages do not tell the whole story, of course, but it is important to note that all of these figures are near the poverty level or below it. The legislation proposed in S. 2397 would raise those levels to $293 for couples, $177 for single retired workers, and $169 for widows. At the "old" poverty levels that would raise most senior citizens above poverty—but of course inflation will make it necessary for the Bureau of Labor to rethink their figures as to what income level is needed to be in a nonpoverty group. All we are doing with the legislation I am discussing today is catching up to the "old" poverty figures.

In 1972 we made an effort to correct the inequities resulting from inflation and an average social security income which had already become a poverty trap for the retired workers of this Nation. Because of the ceiling limitation on money which could be earned, even those older workers who were able to work to add to their social security income were trapped between sharply rising costs and a fixed maximum income.

It was in an effort to break that trap that I introduced legislation earlier this year to raise the earned-income ceiling for social security recipients.

The 1972 legislation, passed over the objections of the administration, increased social security payments by 20 percent, and we further legislated a future increase of 5.9 percent to be effective in 1974. We were forced to accept a delay until June of 1974 for the implementation of that increase, and based our decision to accept that compromise on the administration predictions of only small increases this year in the CPI.

No American is unaware, of course, of the economic facts which have shot those earlier predictions into a cocked hat. Instead of the small increases predicted we have had skyrocketing inflation, and inflation which is most strong in food, housing, and medical care, which are the three areas most important in the budget of senior citizens. Very few older persons buy the expensive items which have had low rates of inflation since 1969: color TV sets, or whisky and beer. But the meat and poultry which cost $1 in 1969 now cost $1.50 and $1 worth of fruits and vegetable now cost $1.42. The same 50-percent increase in 5 years is found in the cost of a hospital room and medical care. Even with medicare helping to pay part of the expenses, the out-of-pocket medical expenses of the average senior citizen are now higher than they were before medicare. Older persons pay six times as much for health care as other Americans, and medicare pays less than half of that cost. Thus medicare has become only a form of "catastrophy" insurance: a system where regular and preventive care is not covered or not covered sufficiently to make it practical. And even that care is under attack by the administration, which recently moved to decrease Federal support by asking that approximately $1 billion be cut from the Government's share of hospital and physician costs.

The massive inflation in medical care costs hits every American, but it is most disastrous for our older citizens who need care the most.

A record-shattering rise in the price of food last month resulted in a 1.9-percent rise in the cost of living for 1 month; that is more than 22 percent on an annual basis. Most of that rise came from a rise in grocery store prices, a 7.7-percent rise for the month, which is an astounding rate of 92-percent increase on an annual basis. For the senior citizen who pays almost one-third of his small income for food, that makes eating a luxury he can no longer afford. So we find decent old people eating dogfood and stealing vitamins.

Housing, the budget item which takes 34 percent of the average senior citizen's income, has gone up more than 20 percent in 4 years, and property taxes and home maintenance costs have risen almost 40 percent. Retired workers who had planned for a decent and comfortable old age in their own homes are being forced by inflation to sell and become renters in an inflated rent market.

Mr. President, it is clear from all of these figures that an immediate increase in the social security benefit is an emergency need, one that cannot wait for many months while we struggle to contain an economy already beyond the control of our older citizens. The retired workers of this Nation did not create the teetering economic policy which has encouraged inflation. We can no longer ask them to suffer the indignities of poverty in an effort to control it.

It is true that we must make difficult decisions and reexamine every spending bill with care in light of our present real needs. I am sure that this Congress will do that. But we must cut spending where we can do it sensibly. To deny this increase in social security benefits is not sensible or even humane.

I am pround to join my name to those of Senators CHURCH, RIBICOFF, CRANSTON, CLARK, PELL, and HART, in support of S. 2397, to provide a 7-percent social security increase effective in January of 1974. I urge the unanimous support of my colleagues for this legislation.

S. 2439

At the request of Mr. HELMS, the Senator from North Carolina (Mr. ERVIN) was added as a cosponsor of S. 2439, a bill to amend the Wild and Scenic Rivers Act of 1968 by designating a segment of the New River as a potential component of the National Wild and Scenic Rivers System.

S. 2453

At the request of Mr. STEVENSON, the Senator from South Carolina (Mr. HOLLINGS), the Senator from Illinois (Mr. PERCY), and the Senator from Tennessee (Mr. BAKER) were added as cosponsors of S. 2453, to amend section 203 of the Economic Stabilization Act in regard to the authority conferred by that section with respect to petroleum products.

S. 2482

At the request of Mr. CRANSTON, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 2482, a bill to amend the Small Business Act.

SENATE JOINT RESOLUTION 124

At the request of Mr. NELSON, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of Senate Joint Resolution 124, to establish a Joint Committee on Individual Rights.

ORDER FOR STAR PRINT OF CLARK AMENDMENT

Mr. MANSFIELD. Mr. President, on behalf of the distinguished Senator from Iowa (Mr. CLARK), he presented an amendment to H.R. 9286, the pending business, which reads as follows:

> On page 18, line 18, strike out "$3,628,700,000" and insert in lieu thereof "$2,971,000".

Leaving out three zeroes.

I ask unanimous consent that a star print be made available with the correction showing the three zeros in there.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974—AMENDMENTS

AMENDMENT NO. 546

(Ordered to be printed and to lie on the table.)

Mr. THURMOND (for himself and Mr. TOWER) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes.

AMENDMENT NO. 547

(Ordered to be printed and to lie on the table.)

Mr. THURMOND (for himself and Mr. SYMINGTON) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 9286), supra.

AMENDMENT NO. 549

(Ordered to be printed and to lie on the table.)

Mr. HUMPHREY (for himself, Mr. CRANSTON, Mr. MUSKIE, Mr. MATHIAS, Mr. STEVENSON, Mr. BENTSEN, Mr. NELSON, Mr. SCHWEIKER, Mr. EAGLETON, Mr. MCGOVERN, Mr. METCALF, Mr. PROXMIRE, Mr. HASKELL, Mr. CHURCH, Mr. MONDALE, Mr. FULBRIGHT, Mr. CANNON, Mr. TUNNEY, Mr. ABOUREZK, and Mr. CLARK) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 9286), supra.

AMENDMENT NO. 552

(Ordered to be printed and to lie on the table.)

Mr. GOLDWATER submitted an amendment to be proposed by him to the bill (H.R. 9286), supra.

DEPARTMENT OF STATE APPROPRIATION AUTHORIZATION—AMENDMENT

AMENDMENT NO. 548

(Ordered to be printed and to lie on the table.)

Mr. HARRY F. BYRD, JR., submitted

an amendment intended to be proposed by him to the bill (S. 2436) to authorize appropriations for the Department of State and for other purposes.

CONGRESSIONAL BUDGET AND NATIONAL PRIORITIES ACT OF 1973—AMENDMENT

AMENDMENT NO. 550

(Ordered to be printed and referred to the Committee on Government Operations.)

TARGETS FIRST, BUDGET ACTION LATER: AN ALTERNATIVE FOR CONGRESSIONAL BUDGET CONTROL, METCALF-SAXBE AMENDMENT TO S. 1541, BUDGET CONTROL BILL

Mr. METCALF. Mr. President, the Senator from Ohio (Mr. SAXBE) is the ranking minority member of the Subcommittee on Budgeting, Management, and Expenditures of the Committee on Government Operations. Recently that subcommittee recommended an amended version of S. 1541, the congressional budget control bill, for consideration by the full committee. There follows an alternative approach to S. 1541 which I submit today, with Senator SAXBE as a cosponsor, as an amendment in the nature of a substitute.

1. PURPOSE AND EXPLANATION OF THE AMENDMENT

The purpose of this amendment is to establish procedures by which Congress can examine and determine appropriate budgetary requirements for each fiscal year, and provide the maximum flexibility to committees and Members to identify national priorities within these requirements and to legislate such controls over spending, revenues, and debt as may be necessary to meet such priorities and budgetary requirements. The approach here—which differs measurably from S. 1541—is to provide the legislative committees and the Congress with adequate time and information to develop their spending and revenue programs in line with budgetary targets or guidelines, and then after all of the legislation is completed, to provide for a second look at the budgetary requirements, and reconcile by legislation spending and revenues to conform to an appropriate deficit or surplus in line with program needs and economic conditions.

Such purpose and approach would be accomplished by, among other things, the following features in the substitute amendment:

The executive departments and agencies will be required to submit their general budget estimates for the coming fiscal year to a new Congressional Office of the Budget—COB—by September 15. These estimates should identify separately, first, the cost of existing programs, activities, and services; second, and the cost of proposed new and expanded programs, activities, and services.

The budget committees and legislative committees will then begin hearings and studies on the forthcoming budget 9 months before the beginning of the new fiscal year.

The COB will report to Congress not later than November 1 on alternative levels of revenues and outlays based on its own estimates. Such report shall include the amount of revenue loss attributable to "tax expenditures," estimated costs of current services and programs, the estimated costs of new services and programs, and such other information as may be required for preparation of a congressional budget.

The President will submit his budget to Congress as at present. This should also include "the current services budget," plus 5-year projections for expenditures and revenues, including "tax-expenditures." Tax expenditures are authority provided by law to allow any exclusion or deduction from gross income, or which provides a preferential rate of tax or a deferral of tax liability, and which results in Federal revenue losses.

The budget committees will hold hearings on the President's budget 15 days after its submission.

The COB and congressional committees will make reports to budget committees, which shall prepare and submit the first concurrent resolution to respective Houses by March 1.

2. BUDGET COMMITTEES

There will be separate budget committees for the House and Senate. Members will be selected by party caucus in the Senate. The House may choose any method of appointing the members to the budget committee that it may desire. To the greatest extent possible they should be representative of the legislative committees, including the appropriations and finance committees, but their composition should be a total membership decision. To insure broad participation, membership on budget committees shall be limited to 6 successive years, with members serving staggered terms.

The budget committees will be given jurisdiction over five basic areas of budget control: First, the concurrent resolutions—congressional budget; second, legislation exercising new backdoor spending; third, legislation reconciling all spending measures with the total ceilings set forth in the congressional budget—where appropriations or finance committees do not act; fourth, legislation exercising new tax-expenditure authority; and fifth, concurrent resolutions on Presidential impoundment messages.

3. CONGRESSIONAL BUDGET PROCESS

The first concurrent resolution—budget resolution—would be passed by April 15. It will set overall "targets" for guidance of the Congress in action on spending and revenue legislation effective for the coming fiscal year. It will include: First, total limitations on new budget authority and outlays; second, estimated revenues; third, estimated deficit or surplus; fourth, appropriate deficit or surplus based on economic conditions; and fifth, appropriate levels of revenue and the public debt.

The report accompanying the first concurrent resolution will contain a breakdown of spending categories—appropriation bills, Federal programs and services, and permanent appropriations—arrived at in establishing the total limitations on new budget authority and outlays. It will also set forth the amount, if any, by which revenues or the debt limit should be increased or decreased.

Floor action. The concurrent resolution would be handled on the floor under existing rules and procedures.

Authorizations for new budget authority must be completed prior to beginning of the fiscal year—by June 30. The Congress can waive this requirement by enacting a resolution reported by the budget committees to meet emergencies and unforeseen contingencies.

Scorekeeping. Appropriation measures and bills exercising new backdoor spending go forward, but they would be subject to extensive scorekeeping procedures to keep Congress informed as to how its actions correspond to the recommended targets in the first concurrent resolution.

The second concurrent resolution revising or reaffirming the totals in the first concurrent resolution, on the basis of changes in economic conditions, revenue estimates, and spending actions must be reported by the budget committees by September 15.

The totals here would reflect the new budget authority and outlays already approved by Congress, as well as amounts estimated for supplemental appropriations and for uncontrollables.

If, based on the total outlays and the estimated total revenues set forth in such resolution, the amount of the deficit or surplus is different from that set forth as the appropriate deficit or surplus, the resolution shall specify and direct the amount by which Federal revenue shall be increased or decreased by legislation reported by the tax-writing committees, or the amount by which new budget authority or outlays shall be decreased by legislation reported by the appropriations committees, or a combination of both.

The report accompanying the second concurrent resolution could recommend those areas of new budget authority which should be rescinded or reserved, to bring total spending in line with expenditure ceiling in the second concurrent resolution. It could also recommend the sources of any changes to be made in revenue legislation to meet the appropriate deficit figure.

If either House's appropriations or revenue committees fail to report legislation called for by concurrent resolution within 15 days of its approval, the Committee on the Budget of that House is authorized to report such legislation.

4. ANTI-IMPOUNDMENT TITLE

This would provide that any impoundments initiated by the President must be reported to Congress, and Congress is given 60 days to ratify such action, otherwise such impoundments cannot be continued. This title follows closely S. 373, except that the budget committees have jurisdiction for reporting resolution on the President's impoundment messages.

Thus, Congress can establish its own priorities by passing a spending reconciliation bill or revenue legislation, to conform to its budget, but if it fails to act, and the initiative for fiscal control shifts to the President, any action by him would still be subject to congressional review and potential action.

5. OTHER PROVISIONS

The amendment provides for 5-year budget authority and expenditure projections, evaluation of existing programs, and pilot testing of new programs as a means of budget control. It further provides for congressional control leadership in development of Federal fiscal, budgetary, and program-related data and information systems, including the standardization of terminology and classifications, and the ready availability of such information to Congress.

COMMENT

The advantage of this budget approach is the flexibility it would give to the Congress in developing spending and revenue policy, with a minimum of procedural roadblocks.

After going through the authorization/appropriation process, Congress would then have a range of options when it comes to consider the definitive budget—the second concurrent resolution. For instance, it might determine that the total new budget authority and outlays as approved by congressional action were necessary. It might decide that revenue changes were necessary to support these totals and hold the appropriate deficit. Or it might decide that such revenue changes were not needed, and the increased deficit—total outlays over revenues—would not sufficiently disturb the economic situation.

On the other hand, Congress might determine that the total of spending action was too large, or that it resulted in too great a deficit, and that it would be necessary to limit the spending—by recision or reserving expenditure—or to combine such limitations with a more modest revenue change.

Conversely, Congress might determine that in the light of the new totals, the deficit would be too small, and that a tax cut might be in order. By the time the second concurrent resolution is considered, we will know, first, what the country needs by way of expenditures; and second, what the economy can afford. The debate on this concurrent resolution would involve this dialog.

Thus, there would be a constant interplay between the Executive and the Congress on these alternatives since the action by Congress in reconciling the budget is accomplished by legislation which must go to the President. Furthermore any action relating to impoundments taken by the President would come back to Congress for review.

REASONS BEHIND THE AMENDMENT

Even though Senator SAXBE has joined me in the sponsorship of the amendment in the form of a substitute to S. 1541, the following commentary is mine alone.

Mr. President, the Subcommittee on Budgeting, Management and Expenditures was established by the Senate Government Operations Committee to investigate and prepare legislation with respect to the broad field of budget and management control. One of the subcommittee's first tasks was to hold hearings and consider legislation—20 bills—directed to improving congressional control over the Nation's budget. Some 30 witnesses testified to a range of alternatives from the recommendations of the Joint Study Committee on Budget Control to the suggestion that no budget reform was needed.

Early in the subcommittee consideration, it became evident that a decision had to be made on the general approach which a congressional budget process would take.

The Joint Study Committee had recommended a procedure in which ceilings for major spending categories were fixed by concurrent resolution early in the session and were binding on all money bills for the coming fiscal year unless waived by a two-thirds vote. Such ceilings—which were in the nature of rules—could be changed by subsequent concurrent resolutions as the needs and economy of the Nation might require, but the basic objective here was to establish expenditure limits in line with fixed revenue and debt levels and require the Congress to stay within this predetermined budget.

S. 1541, which was introduced by Chairman ERVIN, became the basic vehicle for subcommittee consideration. Except for certain modifications relating to the makeup of budget committees, amendment procedures and backdoor spending, it still contained a relatively rigid approach to budget control very similar to that recommended by the Joint Study Committee.

At least four of the nine members of the subcommittee objected to the rigidity of this approach. Their objections reflected the concerns being expressed by many others in and out of Congress, both liberal and conservative, that the procedures required by the bill would frustrate the work of appropriations and legislative committees and would probably bog down in their own complexity and rigidity.

Many knowledgeable members argued that Congress did not have enough time and information to make such decisions that would lock in the legislative and appropriations committees to a set of priorities before the work of Congress had really begun. They saw a dangerous shift of power to the new budget committees which were given sole authority to propose the spending and revenue limitations. They saw this danger compounded if the membership of such committees were unrepresentative of Congress as a whole.

They further argued that the establishment of early ceilings, rather than objectives, particularly subceilings with respect to appropriation subcommittees and program categories, would place Congress in a straitjacket on spending before its appropriations process had been given a chance to review and complete its own order of priorities. Appropriations subcommittees would be reduced to the role of cutting and shifting funds under arbitrary limitations, rather than reflecting changing needs.

They pointed out that the rules in S. 1541 and in S. 1641, the Joint Study Committee bill, for amending the concurrent resolutions—budget limitations—and the spending bills provide for complicated "consistency" requirements which could result in legislative entanglements, untoward debate, and even budget or spending priorities counter to the will of the majority.

The nature of the process, they said, could possibly lead to undue control in the hands of a few to the detriment of the many who sought a more liberal approach to budget setting and spending, and revenue policy.

Finally, it was suggested that as a first step toward budget reform, such comprehensive and controversial changes in the rule of each House, as imposed by S. 1541, might result in no budget reform at all.

Despite these objections to the Joint Study Committee approach, the subcommittee voted to adopt it in S. 1541 by a vote of 5 to 4, a close vote, and to report the bill to the full committee where it is presently scheduled for markup. I voted against this approach, but I voted for the bill in order to have it reported for committee, and I hope, Senate consideration.

Two major alternative approaches were debated at length in the subcommittee, and were rejected. They reflected an effort to find a more flexible mechanism for arriving at a budget, and following its requirements.

One alternative would have established by concurrent resolution budget totals—spending, revenues, appropriate defiicit or surplus—early in the session which would be "targets" or recommendations to guide the authorizing and appropriations committees and Congress. Recommended targets for spending categories could be contained in the resolution report. Elaborate scorekeeping procedures would keep Members informed of how they were doing as they went along. There could be a "second look" at these recommendations in the fall to take into consideration economic changes and program needs. However, action in line with these recommendations would be up to Congress, and the only incentive to follow the budget would be the possibility of Presidential fiscal action.

Another suggested approach was more restrictive, but not as severe as in S. 1541. This would establish by resolution budget totals, including subtotals for appropriations committees and spending categories, again early in the session which would provide targets for the committees and for floor action. However, it would require that all spending and revenue action for the fiscal year be reconciled with the budget totals. This reconciliation process would allow Congress to take a look at its action subsequent to the adoption of a recommended budget, and adjust its spending and revenues in response to what it then determines to be its priorities and economic needs. Reconciliation could take several forms: An omnibus appropriation bill; a bill rescinding or reserving already enacted spending measures; revenue legislation; or various combinations of all three. The reconciliation legislation could come in response to a second concurrent resolution—reaffirming or revising the first concurrent resolution, or it could in itself reflect these budgetary decisions through its readjustment of the spending and revenue commitment for the fiscal year.

Another approach which was discussed at subcommittee sessions, but not acted upon, was the suggestion that the appropriations process be strengthened to provide budgetary overview and spending control. The Appropriations Committee would report its bills—appropriations and "backdoor" spending measures, under this approach—and Congress would act as it now does, but the legislation would be returned to the Appropriations Committee. After all the spending measures had been acted upon, the committe would be required to bring back an omnibus appropriation measure which would include the appropriations and backdoor spending action taken plus a substitute amendment containing what it believed to be the necessary changes which should be made in the light of fiscal and economic realities at the time. A variation of this would include revenue changes reported by the finance committees, or would provide an open rule for revenue amendments. In any event, this would give Congress a chance to act through debate and amendment on all spending for the fiscal year in line with the appropriate deficit—or surplus—revenue, debt, and other budget requirements.

The range of the debate on this omnibus appropriations-budget bill boggles the mind, but there is ample precedent for the approach in the legislative budget process of State governments. The danger, of course, is that too many basic matters may get buried in the complexity of the legislation.

Proponents of these alternatives to the Joint Study Committee approach all express the intent—or hope—that action on authorization and appropriations bills be completed before, or shortly after the beginning of the fiscal year.

To lengthen the time span, it has been suggested that the fiscal year be pushed up, or as in the case of S. 1541, the President's budget be pushed back. The fiscal year change has gained a range of support recently in connection with budget reform. The Comptroller General has recommended an October 1 date. Others see the calendar year—January 1 to December 31—as more appropriate.

Under the calendar year approach, it was suggested that the President send up his budget in January for a year ahead, and Congress proceed to debate and adopt its budget for that following fiscal year. During the session the authorization and appropriations process can go forward and budgetary adjustments can be made over a 10-month period without the anxiety of legislating for a fiscal year which has already begun. It has been further suggested that year-advance budgeting could be expanded to 2- and 3-year advance budgets, subject to yearly adjustments. Similarly, it is argued that where necessary, adjustments can be made in present fiscal year budgets while Congress is working on the year ahead.

A change in the fiscal year and advance budgeting may be alien to the conventional pace and mode of congressional political action. It may be difficult for Members to concentrate on hypothetical budgets 2 and 3 years away—when they may not even be in Congress to enjoy them. Our style has been to deal with the immediate crises and the immediate political and economic realities. But these innovations deserve serious attention by the Congress, particularly when it is reaching for a new and flexible process for budget control.

With these alternatives in mind, Senator Saxbe and I have tried to fashion an approach which would provide for the greatest amount of flexibility commensurate with budgetary responsibility, under the least amount of procedural complexity and restraint. I am not wedded to this approach in all its partciular. I certainly welcome any criticism or improvements with respect to the legislation. I want an effective, responsible budget control bill. I doubt if S. 1541 is the right way to go about congressional budget reform. I feel we should explore very carefully the other approaches before we embrace in any manner the Joint Study Committee recommendations, or modifications thereof as are incorporated in S. 1541 as amended.

Mr. President, I ask unanimous consent that the proposed amendment to S. 1541 in the nature of a substitute be printed at this point in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 550

Strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Congressional Budget and National Priorities Act of 1973".

DEFINITIONS

Sec. 2. For purposes of this Act—

(1) The terms "budget outlays" and "outlays" mean, with respect to any fiscal year, expenditures of funds under budget authority during the fiscal year.

(2) The term "budget authority" means authority provided by law to enter into obligations which will result in immediate or future outlays.

(3) The term "tax expenditure authority" means authority provided by law to allow any exclusion or deduction from gross income, or which provides a preferential rate of tax or a deferral of tax liability, and which results in Federal revenue losses.

TITLE I—ESTABLISHMENT OF SENATE AND HOUSE BUDGET COMMITTEES

BUDGET COMMITTEE OF THE SENATE

Sec. 101. (a) Paragraph 1 of Rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new subparagraph:

"(r) (1) Committee on the Budget, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to—

"(A) Establishment of limitations on budget outlays and on new budget authority of the United States Government.

"(B) Determination of the amount, if any, by which budget outlays should exceed revenues, or revenues should exceed budget outlays, considering economic conditions and such other factors as may be relevant to such determination.

"(C) Determination of the appropriate level of Federal revenues, and the appropriate level of public debt of the United States.

"(D) The exercise of new advance budget authority within the meaning of section 402 of the Congressional Budget and National Priorities Act of 1973.

"(E) The exercise of new tax expenditure authority within the meaning of Section 403 of the Congressional Budget and National Priorities Act of 1973.

"(F) The control of impoundment in accordance with provisions of Title VI of the Congressional Budget and National Priorities Act of 1973.

"(2) Such committee shall have the additional duty to—

"(A) Study on a continuing basis the operation of the Congressional budget process and recommend to the Senate improvements in such process with a view toward strengthening Congress and enabling it better to meet its responsibilities under the Constitution of the United States.

"(B) Study on a continuing basis the effect of existing and proposed legislation on budget outlays and report the results of such studies on the Senate, and

"(C) Review on a continuing basis the functions and operation of the Congressional Office of the Budget."

(b) Rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) The Committee on the Budget shall consist of fifteen members.

"(b) The provisions of paragraph 6 relating to membership on committees, shall not apply to service of a Senator on the Committee on the Budget.

"(c) (1) Membership on the Committee on the Budget shall be divided into three classes with five seats in each class. The members first elected to the committee shall, by lot, determine the class to which their seats are assigned. Thereafter, members elected to the committee shall be elected to a seat in one of the three classes.

"(2) A member assigned or elected to a seat in the first class during the 93rd, 94th or 95th Congress shall not be eligible to serve on the committee during the 96th Congress. A member elected to a seat in the first class during any period of three consecutive congresses beginning with the 96th Congress and every fourth congress thereafter, shall not be eligible to serve on the committee during the congress immediately following such period.

"(3) A member assigned or elected to a seat in the second class during the 93rd or 94th Congress shall not be eligible to serve on the committee during the 95th Congress. A member elected to a seat in the second class during any period of three consecutive congresses beginning with the 95th Congress and every fourth congress thereafter shall not be eligible to serve on the committee during the Congress immediately following such period.

"(4) A member assigned or elected to a seat in the third class during the 93rd Congress shall not be eligible to serve on the committee during the 94th Congress. A member elected to a seat in the third class during any period of three consecutive Congress, beginning with the 94th Congress and every fourth Congress thereafter, shall not be eligible to serve on the committee during the Congress immediately following such period."

TITLE II—CONGRESSIONAL OFFICE OF THE BUDGET

ESTABLISHMENT OF OFFICE

Sec. 201. (*a*) In General.—There is hereby established an office of the Congress to be known as the Congressional Office of the Budget (hereafter in this title referred to as the "Office"). There shall be in the Office a Director and a Deputy Director who shall be appointed by the Speaker of the House of Representatives and the President pro tempore of the Senate with the approval of the Senate and the House of Representatives, given by resolution of each House. The Deputy Director shall perform such duties as may be assigned to him by the Director, and during the absence or incapacity of the

Director, or during a vacancy in that office, shall act as the Director.

(b) The Director and Deputy Director shall be appointed without regard to political affiliation and solely on the basis of their fitness to perform their duties.

(c) The Director and Deputy Director shall serve at the pleasure of the Senate and the House of Representatives and may be removed by either House by resolution.

(d) The Director shall receive the same compensation as the Comptroller General of the United States. The Deputy Director shall be paid at the highest rate of basic pay set forth in the General Schedule of section 5332 of title 5, United States Code.

(e) Personnel.—The Director shall appoint and fix the compensation of such professional, technical, clerical and other personnel as may be necessary to carry out the duties and functions of the Office. All personnel of the Office shall be appointed without regard to political affiliation and solely on the basis of their fitness to perform their duties. For purposes of pay and employment benefits, rights, and privileges, personnel of the office shall be treated as if they were employees of the House of Representatives.

(f) Experts and Consultants.—In carrying out the duties and functions of the Office, the Director may procure the temporary (not to exceed one year) or intermittent services of experts or consultants or organizations thereof by contract as independent contractors, or in the case of individual experts or consultants by employment at rates of pay not in excess of the daily equivalent of the highest rate of pay set forth in the General Schedule of section 5332 of title 5, United States Code.

(g) Utilization of Services, Etc.—In carrying out the duties and functions of the Office, the Director may, as agreed upon with the head of any department, agency, or establishment of the executive branch of Government or regulatory agency or commission, utilize the services, facilities, and personnel of such department, agency, or establishment or such regulatory agency or commission. The utilization of such services, facilities, and personnel may be with or without reimbursement of the Office as may be agreed to.

(g) Appropriations.—There are hereby authorized to be appropriated to the Office for each fiscal year such sums as may be necessary to enable it to carry out its duties and functions.

Until sums are first appropriated to the Office pursuant to the preceding sentence, the expenses of the Office shall be paid, upon vouchers approved by the Director, one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives.

DUTIES AND FUNCTIONS

Sec. 202. (a) Assistance To Budget Committees.—It shall be the duty and function of the Office to provide information to the Committees on the Budget of both Houses with respect to the budget, appropriation bills, other bills authorizing or providing budget authority, revenues, receipts and estimated future revenues and receipts, and changing revenue conditions. The Office shall also provide to the Committee on the Budget of either House such other information as such committee may request. At the request of the Committee on the Budget of either House, personnel of the Office shall be assigned, on a temporary basis, to assist such committee.

(b) Assistance to Other Committees and Members.—At the request of any other committee of the Senate or the House of Representatives, any joint committee of the Congress, or any Member of the Senate or the House, the Office shall provide to such committee, joint committee, or Member any information compiled in carrying out the first sentence of subsection (a) and shall, to the extent practicable, provide other information requested with respect to the budget, appropriation bills, other bills authorizing or providing budget authority, revenues, receipts, estimated future revenue and receipts changing revenue conditions, and related information. At the request of any such committee, joint committee, or Member, personnel of the Office may be assigned, on a temporary basis, to assist such committee, joint committee, or Member with respect to matter directly related to the items enumerated in the preceding sentence.

(1) The Office shall review, on a continuing basis, the needs of the various committees and Members of Congress for fiscal, budgetary, and program information and shall recommend to the Congress and to the executive agencies, as appropriate, improvements in developing and reporting such information to meet these needs most effectively.

(2) The Office shall develop, establish, and maintain an up-to-date inventory and directory of information sources and systems, including but not limited to such systems operated by executive agencies, containing fiscal, budgetary, and program data and information, and shall provide upon request assistance to committees, joint committees, and Members of Congress in securing and analyzing such information from the sources identified in such inventory and directory.

(c) Use of Computers and Other Techniques.—The Director is authorized to purchase, lease, or otherwise utilize computer capability, to obtain the services of experts and consultants in modern data processing technology, and to develop techniques for the evaluation of budgetary requirements in carrying out the duties and functions of the Office.

(1) The Director shall, to the extent he deems necessary, develop, establish, and maintain a central file or files of the data and information required to carry out the purposes of this act. Such a file or files shall be established to meet recurring requirements of the Congress for fiscal, budgetary and program data and information and shall include, but not be limited to, data and information pertaining to budget requests, congressional authority to obligate and spend, apportionment and reserve actions, and obligations and expenditures. Such a file or files and their indexes shall be maintained in such a manner as to facilitate their use by the committees of both Houses, joint committees, and other congressional agencies through modern data processing and communications techniques.

REPORTING REQUIREMENTS

Sec. 203. (a) Report on Revenues and Outlays.—Not later than November 1 of each year, and based on his estimates of revenues expected to be received by the United States Government during the ensuing fiscal year, the Director shall report to the Congress with respect to alternative levels of revenues and outlays for the fiscal year. Such report shall also set forth—

(1) The amounts of revenue losses attributable to provisions of the Federal tax laws which allow an exclusion or deduction from gross income or which provide a preferential rate of tax or a deferral of tax liability (commonly referred to as "tax expenditures").

(2) The estimated costs of existing programs, activities and services, the estimated costs of proposed new programs, and the estimated costs of changes in or expansion of existing programs, activities, and services, as submitted to the Office by the officers and employees of the departments and establishments in accordance with requirements of sections 502, 503, and 505 of this Act.

(b) The Director may at any time thereafter submit subsequent reports to the Congress revising the report required by subsection (a).

(c) Projection of Revenues and Budget Outlays.—The Director shall develop information with respect to the effect of existing laws on revenues and outlays during the current fiscal year and the ensuing four fiscal years and shall report such information to the Congress as he deems necessary.

(d) Transfer of Functions of Joint Committee on Reduction of Federal Expenditures.—The duties and functions of the Joint Committee on Reduction of Federal Expenditures are transferred to the Office, and the Joint Committee is hereby abolished.

POWERS TO OBTAIN DATA

Sec. 204. (a) Securing of Data.—The Director is authorized to secure from any executive department, office, board, bureau, agency, independent establishment, or instrumentality of the Government, information, data, estimates, and statistics required by the Office to carry out its duties and functions or the purposes of this Act.

(b) Furnishing of Data.—Executive departments, offices, boards, bureaus, agencies, independent establishments and instrumentalities are authorized and directed to furnish such information, data, estimates, and statistics to the Director, upon request made pursuant to this section.

(c) Services of Other Congressional Agencies.—The Director is authorized to obtain all existing information, data, estimates, and statistics developed by the General Accounting Office, the Library of Congress, and the Office of Technology Assessment in the normal course of their operations and activities. Requests for information, and the compliance with such requests, pursuant to this subsection, shall be in accordance with procedures to be developed and agreed upon between the Director and the Comptroller General, the Librarian of Congress, and the Technology Assessment Board, respectively.

(1) In carrying out the duties and functions of the Office, the Director may, as agreed upon with the Comptroller General, the Librarian of Congress, and the Technology Assessment Board, utilize the services, facilities, and personnel of the General Accounting Office, the Library of Congress, and the Office of Technology Assessment, as the case may be. The utilization of such services, facilities, and personnel may be with or without reimbursement by the Office as may be agreed to.

(2) The Comptroller General, the Librarian of Congress, and the Technology Assessment Board are authorized to provide the Office such services, facilities and personnel under this subsection.

(3) Except as otherwise specifically provided, nothing in this title shall be construed as modifying any existing authorities or responsibilities of the General Accounting Office, the Library of Congress, and the Office of Technology Assessment.

TITLE III—ADOPTION OF RESOLUTION ON THE BUDGET

ACTION ON CONCURRENT RESOLUTION

Sec. 301. (a) Action To Be Completed About April 1.—On or before April 1 of each year, the Congress shall complete action on a concurrent resolution setting forth for the fiscal year beginning on July 1 of that year—

(1) limitations on total new budget authority and total budget outlays;

(2) the estimated revenues to be received and the major sources thereof, and the estimated surplus or deficit, if any, based upon such estimated revenues and the limitation on outlays set forth pursuant to paragraph (1);

(3) the amount, if any, by which revenues should exceed budget outlays or budget outlays should exceed revenues considering

economic conditions and such other factors as may be relevant to such determination;

(4) the appropriate level of Federal revenues and the public debt based upon the amount of surplus or deficit set forth pursuant to paragraph (3);

(5) such other matters relating to the budget as may be appropriate to carry out the purposes of this Act.

(b) Hearings by Committees on the Budget.—Within fifteen days after its transmittal to the Congress each year, the Committees on the Budget of each House shall begin hearings on the Budget of the U.S. Government.

(1) In holding such hearings, the committee shall receive testimony from the Director of the Office of Management and Budget, the Secretary of the Treasury, the Chairman of the Council of Economic Advisors, and such other persons as the committees deem appropriate.

(2) Prior to such hearings, the Committees on Appropriations and Finance of the Senate shall submit their views and estimates to the Committee on the Budget of the Senate, the Committees on Appropriations and Ways and Means of the House of Representatives shall submit their views and estimates to the Committee on the Budget of the House, and the Joint Economic Committee and the Joint Committee on Internal Revenue Taxation shall submit their views and estimates to the Committees on the Budget of the Senate and House, with respect to all matters set forth in subsection (a) and which relate to matters within the respective jurisdictions or functions of such committees and joint committees. All other standing committees of the Senate and House shall also submit to the Committee on the Budget of their House, and any other joint committee of the Congress may submit to the Committees on the Budget of both Houses, their views and estimates with respect to all matters set forth in such subsection which relate to matters within their jurisdiction.

(c) Hearings pursuant to paragraph (b), or any part thereof, may be held before joint meetings of the Committees on the Budget of the House and the Senate in accordance with such procedures as the two committees jointly may determine.

(d) Section 242(c) of the Legislative Reorganization Act of 1970 is hereby repealed.

(e) Reporting.—On or before March 1 of each year, the Committee on the Budget of each House shall report a concurrent resolution on the budget for the fiscal year beginning on July 1 of that year. The report accompanying such concurrent resolutions shall include, but not be limited to—

(1) The economic assumptions and objectives which underlie the limits on total new budget authority and total budget outlays set forth in such concurrent resolution;

(2) The amount, if any, by which the aggregate level of Federal revenues is to be increased or decreased by legislation reported by the Committee on Finance of the Senate and the Committee on Ways and Means of the House;

(3) The amount, if any, by which the statutory limit on the public debt is to be increased or decreased by legislation reported by the Committee on Finance of the Senate and the Committee on Ways and Means of the House;

(4) A comparison of revenues and major sources thereof, as estimated for purposes of the concurrent resolution, with those estimated in the budget submitted by the President;

(5) A comparison of tax expenditures, as estimated for purposes of the concurrent resolution, with those set forth in the budget submitted by the President;

(6) A comparison of the limits on total new budget authority and total budget outlays set forth in such concurrent resolution with total new budget authority requested and total budget outlays estimated in the budget submitted by the President;

(7) A comparison of the amounts of new budget authority and budget outlays, as estimated for purposes of the concurrent resolution, allocated to the various Government programs, activities and services with the new budget authority requested and the budget outlays estimated for such programs, activities, and services in the budget submitted by the President.

REAFFIRMATION OR REVISION OF RESOLUTION ON THE BUDGET

Sec. 302. (a) Required Report of Reaffirmation or Revision.—On or before September 15 of each year, the Committee on the Budget of each House shall report a concurrent resolution which reaffirms or revises the concurrent resolution adopted pursuant to section 301. If, based upon the total outlays and the estimated total revenues for the fiscal year set forth in such resolution, the amount of deficit or surplus is different than that set forth in such resolution as the appropriate amount of deficit or surplus, such resolution shall also direct—

(1) the Committee on Finance, in the case of the Senate, and the Committee on Ways and Means, in the case of the House, to report legislation increasing or decreasing Federal revenues by a specified amount; or,

(2) the Committees on Appropriations of the respective Houses to report legislation rescinding or reserving a specified amount or amounts of budget authority and outlays to be made available during the fiscal year; or,

(3) a combination of the measures specified in subparagraphs (1) and (2).

(b) Any committee of either House which has been directed to report legislation by a concurrent resolution adopted pursuant to paragraph (a) of this section and which has not reported such legislation within fifteen days of the approval of such a resolution by the House of which it is a part shall be considered to have been discharged from further consideration of such legislation, and the Committee on the Budget of that House shall be authorized and directed to report such legislation.

(c) Permissible Revisions—At any time after the concurrent resolution for a fiscal year has been adopted pursuant to section 301, and before the close of such fiscal year, the two Houses may adopt a concurrent resolution on the budget which revises the concurrent resolution on the budget most recently adopted for that fiscal year.

RULES FOR CONSIDERATION OF CONCURRENT RESOLUTIONS ON THE BUDGET

Sec. 303. (a) Procedure After Report of Committee.—

(1) A concurrent resolution on the budget reported in either House shall be highly privileged. It shall be in order at any time after the fifth day following the day on which the report accompanying such a concurrent resolution is available to move to proceed to its consideration (even though a previous motion to the same effect has been disagreed to). Such a motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate on any concurrent resolution on the budget, and all amendments thereto, shall be limited to not more than sixty hours. A motion further to limit debate is not debatable.

(b) Decisions Without Debate on Motion To Postpone or Proceed.—

(1) Motions to postpone, made with respect to the consideration of any concurrent resolution on the budget, and motions to proceed to the cosideration of other business, shall be decided without debate.

(2) Appeals from the decisions of the Chair relating to the application of the Rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to any concurrent resolution on the budget shall be decided without debate.

(c) Action on Conference Reports.—

(1) The conference report on any concurrent resolution on the budget shall be highly privileged in each House. It shall be in order at any time after the third day following the day on which such a conference report is reported and is available to move to proceed to its consideration (even though a previous motion to the same effect has been disagreed to). Such a motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate on the conference report shall be limited to ten hours, which shall be divided equally between those favoring and those opposing the conference report. A motion to recommit the conference report shall not be in order and it shall not be in order to move to reconsider the vote by which the conference report is agreed to or disagreed to.

(3) Motions to postpone, made with respect to the consideration of such conference report and motions to proceed to the consideration of other business, shall be decided without debate.

FLOOR AMENDMENTS TO CONCURRENT RESOLUTIONS ON THE BUDGET

Sec. 304. (a) During the consideration in either House of any concurrent resolution on the budget, an amendment shall not be in order unless—

(1) it is germane; and,

(2) it is accompanied by a statement which either (A) contains an estimate of the effect (if any) of such amendment on new budget authority and outlays, or revenues, or both; or (B) states reasons why such an estimate has not been made.

(b) The Director of the Congressional Office of the Budget shall, insofar as practicable, make available a statement containing an estimate of the effect (if any) of any amendment on new budget authority and outlays, or revenues, or both, prior to the time of consideration of such an amendment.

(c) Daily analysis by Congressional Office of the Budget.—At the close of each day on which a concurrent resolution on the budget is under consideration in either House, the Director of the Congressional Office on the Budget shall prepare, and make available before that House meets on the following day, an analysis of the effect, if any, of each amendment agreed to as of the close of such day on matters contained in such concurrent resolution.

TITLE IV—RULES FOR CONSIDERATION OF BUDGET AUTHORITY AND REVENUE LEGISLATION

COMPARISONS IN COMMITTEE REPORTS

Sec. 401(a) In General.—It shall not be in order in either the Senate or the House of Representatives to consider any bill or resolution which provides—

(1) new budget authority for a fiscal year,

(2) an increase or decrease in revenues to become effective during a fiscal year, or

(3) an increase or decrease in the public debt limit to become effective during a fiscal year,

unless the committee report accompanying such bill or resolution contains a statement either—

(A) comparing such new budget authority, as described in subparagraph (1), and the outlays expected to result therefrom, with the applicable amounts of new budget authority and outlays, as estimated for purposes of the concurrent resolutions on the budget reported in both Houses;

(B) analyzing the effect (if any) of such an increase or decrease in revenues, as described in subparagraph (2), on the amount of surplus or deficit, or the appropriate level of public debt set forth in the most recent concurrent resolution on the budget adopted by the Congress; or

(C) comparing such an increase or decrease in the public debt limit, as described in subparagraph (3), with the level of public debt set forth in the most recent concurrent resolution on the budget adopted by Congress.

(b) It shall not be in order in either the Senate or the House of Representatives to consider any amendment to any bill or resolution which provides the authority specified in paragraph (a) of this section, subparagraphs (1), (2), or (3), unless it is accompanied by statement which either contains the applicable information specified in subparagraphs (A), (B), or (C) of paragraph (a) of this section, or states reasons why such information has not been made available.

(c) The Director of the Congressional Office of the Budget, insofar as practicable, shall make available a statement containing the applicable information, as specified in paragraphs (a) and (b) of this section, prior to the time of consideration of any bill or resolution or amendment thereto which provides the authority specified in paragraph (a) of this section, subparagraphs (1), (2), or (3).

(d) The requirements of this section, as applied to consideration of any such bill, resolution, or amendment in either House, may be waived only by resolution reported by the Committee on the Budget of that House.

LIMITATION ON NEW ADVANCE BUDGET AUTHORITY

SEC. 402. (a) LEGISLATION SUBJECT TO POINT OF ORDER.—It shall not be in order in either the Senate or the House of Representatives to consider any bill or resolution which provides new advance budget authority (or any amendment which provides new advance budget authority) unless such bill or resolution, or such amendment, also provides that the new advance budget authority is to be exercised for any fiscal year only to such extent or in such amounts as are provided for such fiscal year in laws enacted after the enactment of such bill or resolution.

(b) NEW ADVANCE BUDGET AUTHORITY DEFINED.—For purposes of subsection (a)—

(1) NEW ADVANCE BUDGET AUTHORITY.—The term "new advance budget authority" means advance budget authority provided by law enacted after the date of enactment of this Act, including any increase in, or addition to, any advance budget authority provided by law in effect on the date of enactment of this Act.

(2) ADVANCE BUDGET AUTHORITY.—The term "advance budget authority" means authority provided by law, whether on a temporary or permanent basis—

(A) to enter into contracts, under which the United States is obligated to make outlays, which have not been provided for in advance by appropriation Acts ,

(B) to incur indebtedness, for the repayment of which the United States is liable (other than indebtedness incurred under the Second Liberty Bond Act), which has not been provided for in advance by appropriation Acts,

(C) to guarantee on behalf of the United States the repayment of indebtedness (other than indebtedness described in subparagraph (B)), which has not been provided for in advance by appropriation Acts,

(D) to make payments (including loans and grants), which have not been provided for in advance by appropriation Acts, to any person or government if, under the provisions of the law containing such authority, the United States is obligated to make such payments to persons or governments who meet the requirements established by such law, and

(E) to obligate the United States to make outlays by any other means which has not been provided for in advance by appropriation Acts.

LIMITATION ON NEW TAX EXPENDITURE AUTHORITY

SEC. 403. (a) LEGISLATION SUBJECT TO POINT OF ORDER.—It shall not be in order in either the Senate or the House of Representatives to consider any bill or resolution which provides new tax expenditure authority (or any amendment which provides new tax expenditure authority) unless such bill or resolution, or such amendment, also provides that the new tax expenditure authority is to be exercised for any fiscal year only to such extent or in such amounts as are provided for such fiscal year in laws enacted after the enactment of such bill or resolution.

(b) NEW TAX EXPENDITURE AUTHORITY DEFINED.—For purposes of subsection (a), the term "new tax expenditure authority" means tax expenditure authority provided by law enacted after the date of enactment of this Act, including any increase in, or addition to, any tax expenditure authority provided by law in effect on the date of enactment of this Act.

SEC. 404. REFERENCE OF BILLS AND RESOLUTIONS.—All bills and resolutions introduced in the Senate which authorize the exercise of new advance budget authority, new tax expenditure authority, or both, shall be referred to the Committee on the Budget of the Senate. No committee of the Senate other than the Committee on the Budget shall have jurisdiction to report any bill or other measure which authorizes the exercise of new advance budget authority or new tax expenditure authority. All bills and resolutions introduced in the House of Representatives which authorize the exercise of new advance budget authority, new tax expenditure authority, or both, shall be referred to the Committee on the Budget of the House. No committee of the House other than the Committee on the Budget shall have jurisdiction to report any bill or resolution which authorizes the exercise of new advance budget authority or new tax expenditure authority.

REQUIREMENT OF ADVANCE AUTHORIZATION BY LEGISLATIVE COMMITTEE

SEC. 404 (a). It shall not be in order in either the Senate or the House of Representatives to consider any bill or resolution (or conference report thereon) authorizing the enactment of new budget authority for any fiscal year after such fiscal year has begun.

(b) The requirements of this section, as applied to consideration in either House of any bill or resolution (or conference report thereon) authorizing the enactment of new budget authority for any fiscal year after such fiscal year has begun, may be waived only in the event of unforeseen emergency situations by resolution reported by the Committee on the Budget of that House.

TITLE V—AMENDMENTS TO BUDGET AND ACCOUNTING ACT, 1921, AND ANALYSES

PRESIDENTIAL BUDGET INCLUDES SAME ELEMENTS AS CONGRESSIONAL BUDGET AND TAX EXPENDITURES

SEC. 501. Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended—

(1) by adding at the end thereof the following new subsections:

"(d) The budget transmitted pursuant to subsection (a) for each fiscal year shall set forth separately the items enumerated in subsection (a) of section 301 of the Congressional Budget and National Priorities Act of 1973.

"(e) The budget transmitted pursuant to subsection (a) for each fiscal year shall set forth the amounts of revenue losses attributable to provisions of the Federal tax laws which allow an exclusion or deduction from gross income or which provide a preferential rate of tax or a deferral of tax liability (commonly referred to as 'tax expenditures').".

(2) by inserting after "ensuing fiscal year" in subsection (a)(5) "and the four fiscal years immediately following the ensuing fiscal year";

(3) by striking out "such year" in subsection (a)(5) and inserting in lieu thereof "such years";

(4) by inserting after "ensuing fiscal year" in subsection (a)(6) "and the four fiscal years immediately following the ensuing fiscal year"; and

(5) by inserting after subsection (a)(12) the following new paragraph:

"(13) the estimated expenditures and proposed appropriations for existing programs, activities, and services, and the estimated expenditures and proposed appropriations for proposed new programs, activities and services and proposed changes in or expansion of existing programs, activities, and services."

SEC. 502. Section 215 of the Budget and Accounting Act, 1921 (31 U.S.C. 23), is amended by striking out "Bureau on or before a date which the President shall determine." and inserting in lieu thereof "Office of Management and Budget and the Congressional Office of the Budget on or before September 15."

SEC. 503. Section 216(a) of the Budget and Accounting Act, 1921 (31 U.S.C. 24), is amended by adding at the end thereof the following new sentence: "Such requests shall separately identify the estimated costs of existing programs, activities and services and the estimated costs of proposed new programs, activities, and services, and proposed changes in or expansion of existing programs, activities, and services."

SEC. 504. Section 206 of the Budget and Accounting Act, 1921 (31 U.S.C. 15) is hereby repealed.

SEC. 505. The Budget and Accounting Act 1921, (31 U.S.C.), is amended by adding at the end thereof the following new title:

"TITLE IV—PROVISION OF INFORMATION TO THE CONGRESS

"SEC. 401. Whenever any officer or employee of any department or establishment submits any estimate or request for appropriations to the President or the Office of Management and Budget, he shall concurrently transmit a copy of such estimate or request, together with copies of any documents submitted with such estimate or request, to the Congressional Office of the Budget. No officer or employee of the United States shall have authority to approve, or to require any department or establishment, or any officer or employee thereof, to submit any estimate or request for appropriations for approval, prior to the submission of such estimate or request to the Congressional Office of the Budget."

ANALYSES BY CONGRESSIONAL OFFICE OF THE BUDGET

SEC. 506. (a) With respect to each bill or resolution of a public character reported by any committee of the Senate or the House of Representatives (except the Committee on Appropriations and the Committee on the Budget of each House), the Director of the Congressional Office of the Budget shall prepare and make available—

(1) an estimate of the costs which would be incurred in carrying out such bill or joint resolution in the fiscal year in which it is to become effective and in each of the four fiscal years following such fiscal year, together with the basis for each such estimate;

(2) a comparison of the estimate of costs described in paragraph (1) with any estimate of costs made by such committee and any Federal agency; and

(3) a list of existing and proposed Federal programs which provide or would provide financial assistance for the objectives of the program or programs authorized by the bill or resolution.

(b) It shall not be in order in either the Senate or the House of Representatives to consider any bill or joint resolution unless the report accompanying such bill or resolution contains the material described in subsection (a) prepared by the Director of the Congressional Office of the Budget.

(c) Section 252 of the Legislative Reorganization Act of 1970 is hereby repealed.

TITLE VI—IMPOUNDMENT CONTROL PROCEDURES

SPECIAL MESSAGE REQUIRED ON IMPOUNDMENT ACTIONS

Sec. 601 (a) Whenever the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States, impounds any budget authority made available, or orders, permits, or approves the impounding of any such budget authority by any other officer or employee of the United States, the President shall, within ten days thereafter, transmit to the Senate and the House of Representatives a special message specifying—

(1) the amount of the budget authority impounded;

(2) the date on which the budget authority was ordered to be impounded;

(3) the date the budget authority was impounded;

(4) any account, department, or establishment of the Government to which such impounded budget authority would have been available for obligation except for such impoundment;

(5) the period of time during which the budget authority is to be impounded, to include not only the legal lapsing of budget authority but also administrative decisions to discontinue or curtail a program;

(6) the reasons for the impoundment, including any legal authority invoked by him to justify the impoundment and, when the justification invoked is a requirement to avoid violating any public law which establishes a debt ceiling or a spending ceiling, the amount by which the ceiling would be exceeded and the reasons for such anticipated excess; and

(7) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment.

(b) Each special message submitted pursuant to subsection (a) shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each such message may be printed by either House as a document for both Houses as the President of the Senate, and Speaker of the House may determine.

(c) A copy of each special message submitted pursuant to subsection (a) shall be transmitted to the Comptroller General of the United States on the same day as it is transmitted to the Senate and the House of Representatives. The Comptroller General shall review each such message and determine whether, in his judgment, the impoundment was in accordance with existing statutory authority, following which he shall notify both Houses of Congress within 15 days after the receipt of the message as to his determination thereon. If the Comptroller General determines that the impoundment was in accordance with section 3679 of the Revised Statutes (31 U.S.C. 665), commonly referred to as the "Antideficiency Act", the provisions of section 602 and 604 shall not apply; *provided, however* that the Committee on the Budget of either House may submit, within five days after receipt of the opinion of the Comptroller General, a report of disagreement to the House of which it is a part, and the provisions of section 602 and 604 shall apply. In all other cases, the Comptroller General shall advise the Congress whether the impoundment was in accordance with other existing statutory authority and sections 602 and 604 of this Act shall apply.

(d) If any information contained in a special message submitted pursuant to subsection (a) is subsequently revised, the President shall transmit within ten days to the Congress and the Comptroller General a supplementary message stating and explaining each such revision.

(e) Any special or supplementary message transmitted pursuant to this section shall be printed in the first issue of the Federal Register published after that special or supplemental message is so transmitted and may be printed by either House as a document for both Houses, as the President of the Senate and Speaker of the House may determine.

(f) The President shall publish in the Federal Register each month a list of any budget authority impounded as of the first calendar day of that month. Each list shall be published no later than the tenth calendar day of the month and shall contain the information required to be submitted by special message pursuant to subsection (a).

Sec. 602. The President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States shall cease the impounding of any budget authority set forth in each special message within sixty calendar days of continuous session after the message is received by the Congress unless the specific impoundment shall have been ratified by the Congress by passage of a concurrent resolution in accordance with the procedure set out in section 604, of this Act: *Provided, however,* That Congress may by concurrent resolution disapprove any impoundment in whole or in part, at any time prior to the expiration of the sixty day period, and in the event of such disapproval, the impoundment shall cease immediately to the extent disapproved. The effect of such disapproval, whether by concurrent resolution passed prior to the expiration of the sixty-day period or by the failure to approve by concurrent resolution within the sixty-day period, shall be to make the obligation of the budget authority mandatory, and shall preclude the President or any other Federal officer or employee from reimpounding the specific budget authority set forth in the special message which the Congress by its action or failure to act has thereby rejected.

Sec. 603. For purposes of this Act, the impounding of budget authority includes—

(1) withholding, delaying, deferring, freezing, or otherwise refusing to expend any part of budget authority made available (whether by establishing reserves or otherwise) and the termination or cancellation of authorized projects or activities to the extent that budget authority has been made available,

(2) withholding delaying, deferring, freezing, or otherwise refusing to make any allocation of any part of budget authority (where such allocation is required in order to permit the budget authority to be expended or obligated),

(3) withholding, delaying, deferring, freezing, or otherwise refusing to permit a grantee to obligate any part of the budget authority (whether by establishing contract controls, reserves, or otherwise), and

(1) any type of Executive action or inaction which effectively precludes or delays the obligation or expenditure of any part of authorized budget authority.

Sec. 604. (a)—All bills or resolutions introduced in the Senate which approve or disapprove any impoundment in whole or in part shall be referred to the Committee on the Budget of the Senate. No committee of the Senate other than the Committee on the Budget shall have jurisdiction to report any bill or other measure which approves or disapproves any impoundment in whole or in part. All bills or resolutions introduced in the House which approve or disapprove any impoundment in whole or in part shall be referred to the Committee on the Budget of the House. No committee of the House other than the Committee on the Budget shall have jurisdiction to report any bill or other measure which approves or disapproves any impoundment in whole or in part.

(b)(1) For purposes of this section, the term "resolution" means only a concurrent resolution of the Senate or House of Representatives, as the case may be, which is introduced at any time before the end of the first period of sixty calendar days of continuous session of the Congress after the date on which the special message of the President is transmitted to the two Houses.

(2) The matter after the resolving clause of a resolution approving the impounding of budget authority shall be substantially as follows (the blank spaces being appropriately filled): "That the Congress approves the impounding of budget authority as set forth in the special message of the President dated —, Senate (House) Document No. —."

(3) The matter after the resolving clause of budget authority shall be substantially as follows (the blank spaces being appropriately filled): "That the Congress disapproves the impounding of budget authority as set forth in the special message of the President dated —, Senate (House) Document No. — (in the amount of $—)."

(4) For purposes of this subsection, the continuity of a session is broken only by an adjournment of the Congress sine die because of an adjournment of more than three days to a day certain shall be excluded in the computation of the sixty day period.

(c)(1) a resolution reported in either House shall be highly privileged. It shall at any time be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. Such motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) If the motion to proceed to the consideration of a resolution is agreed to, debate on the resolution shall be limited to ten hours, which shall be divided equally between those favoring and those opposing the resolution. Debate on any amendment to the resolution (including an amendment substituting approval for disapproval in whole or in part or substituting disapproval in whole or in part for approval) shall be limited to two hours, which shall be divided equally between those favoring and those opposing the amendment.

(3) Motions to postpone, made with respect to the consideration of a resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution shall be decided without debate.

(d) If a committee of conference is appointed on the disagreeing votes of the two Houses with respect to a resolution, the conference report submitted in each House shall be considered under the rules set forth in subsection (c) of this section for the consideration of a resolution, except that no amendment shall be in order.

Sec. 605. If the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States takes or approves any impounding action within the purview of this Act, and the President fails to report such impounding action to the Congress as required by this Act, the Comptroller General shall report such impounding action with any available information concerning it to both Houses of Congress, and the provisions of this Act shall apply to such impounding action in like manner and with the same effect as if the report of the Comptroller General had been made by the President: *Provided, however,* That the sixty-day period provided in section 602 of this Act shall be deemed to have commenced at the time at which, in the determination of the Comptroller General, the impoundment action was taken.

SEC. 606. Nothing contained in this Act shall be interpreted by any person or court as constituting a ratification or approval of any impounding of budget authority by the President or any other Federal employee, in the past or in the future, unless done pursuant to statutory authority in effect at the time of such impoundment.

SEC. 607. The Comptroller General is hereby expressly empowered as the representative of the Congress through attorneys of his own selection to sue any department, agency, officer, or employee of the United States in a civil action in the United States District Court for the District of Columbia to enforce the provisions of this Act, and such court is hereby expressly empowered to enter in such civil action any decree, judgment, or order which may be necessary or appropriate to secure compliance with the provisions of this Act by such department, agency, officer, or employee. Within the purview of this section, the Office of Management and Budget shall be construed to be an agency of the United States, and the officers and employees of the Office of Management and Budget shall be construed to be officers or employees of the United States.

SEC. 608. (a) Notwithstanding any other provision of law, all funds appropriated by law shall be made available and obligated by the appropriate agencies, departments, and other units of the Government except as may be provided otherwise under this Act.

(b) Should the President desire to impound any appropriation made by the Congress not authorized by this Act or by the Antideficiency Act (31 U.S.C. 665), he shall seek legislation utilizing the supplemental appropriations process to obtain selective rescission of such appropriation by the Congress.

SEC. 609. If any provision of this Act, or the application thereof to any person, impoundment, or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons, impoundments, or circumstances, shall not be affected thereby.

TITLE VII—EVALUATION AND PILOT TESTING OF PROGRAMS

LEGISLATION SUBJECT TO POINT OF ORDER

SEC. 701. (a) Except as provided in subsection (b), it shall not be in order in either the Senate or the House of Representatives to consider any bill or resolution—

(1) which establishes a new major outlay program unless such bill or resolution provides (or a prior law has provided) for a pilot test of such program which meets the requirements of this title, or

(2) which authorizes the enactment of budget authority to implement any major outlay program established by law passed by the Congress after the effective date of this title (other than budget authority to carry out a pilot test of such program which meets the requirements of this title) until the appropriate committee of the Senate or the House, as the case may be, has submitted to that House a report on the pilot test of the program pursuant to section 703(a) and a report to the Committee on the Budget of that House pursuant to section 703(c).

(b) Subsection (a) shall not apply to a bill or resolution if the committee report accompanying it contains a statement, together with an explanation, that the committee has given full consideration to pilot testing and, in its judgment, pilot testing would not be feasible or desirable for the program established, or for which budget authority is authorized, by the bill or resolution.

REQUIREMENTS

SEC. 702. (a) In order to meet the requirements of this title, a pilot test of a major outlay program must—

(1) entail a test of the program which consists of a replica, as nearly as possible, of the conditions that would exist if the program were implemented on a permanent basis,

(2) be conducted for at least two complete fiscal or calendar years (excluding any period for planning and preparation),

(3) be conducted by a department or agency of the Government or a public or private organization specified in the law providing for the pilot test, and

(4) require the department, agency, or organization which conducts the test, and the Comptroller General of the United States, to report the results of the test, as soon as practicable after its conclusion, to the committees of the Senate and the House of Representatives which have jurisdiction to report legislation authorizing the enactment of budget authority to implement the program.

(b) Nothing contained in this title shall preclude simultaneous multiple pilot tests of a major outlay program to determine the most feasible alternative before national implementation.

(c) The Comptroller General of the United States shall have full authority to monitor any pilot test conducted pursuant to the requirements of this title.

COMMITTEE EVALUATION

SEC. 703. (a) Upon receipt of the reports of a pilot test of a major outlay program, each committee to which the reports are submitted shall conduct a comprehensive study to evaluate the results of the pilot test and shall, as soon as practicable, submit a report thereon to the Senate or the House of Representatives, as the case may be. In conducting such study, the committee shall receive testimony and evidence in hearings open to the public. The committees of the two Houses may conduct such hearings jointly.

(b) The report of a committee on the evaluation of a pilot test of a major outlay program shall include (but not be limited to) the following matters:

(1) Suitability of the Federal Government to implement such a program on a national scale.

(2) A cost-benefit analysis of the program in relation to other alternative measures.

(3) In the event the program would change a current method of dealing with a specific problem, a comparison of the current method used and the method used in the test, and an analysis in terms of relative effectiveness.

(c) In addition to the report required by subsection (a), the committee shall submit to the Committee on the Budget of its House a separate report containing a detailed cost-benefit analysis.

REVIEW AND EVALUATION BY THE COMPTROLLER GENERAL

SEC. 704. Part 1 of title II of the Legislative Reorganization Act of 1970 (84 Stat. 1167; Public Law 91-510; 31 U.S.C. 1151 and following) is amended by striking out section 204 and inserting in lieu thereof the following:

"REVIEW AND EVALUATION

"SEC. 204. (a) The Comptroller General shall review and evaluate the results of Government programs and activities carried on under existing law when ordered by either House of Congress, or upon his own initiative, or when requested by any committee of the House of Representatives or the Senate, or any joint committee of the two Houses, having jurisdiction over such programs and activities.

"(b) The Comptroller General upon request of any committee or Member of either House of Congress shall—

"(1) assist such committee or Member in developing a statement of legislative objectives, goals, and methods for assessing and reporting actual program performance in relation to such legislative objectives and goals. Such statements will include but not be limited to recommendations as to methods of assessment, information to be reported, responsibility for reporting, frequency of reports, and feasibility of pilot testing, and

"(2) assist such committee or Member in analyzing and assessing program reviews or evaluation studies prepared by or for any Federal agency.

"(c) The Comptroller General shall develop and recommend to the Congress standards for review or evaluation of Government programs or activities carried on under existing law. Such recommendations shall be reported semiannually to both Houses of the Congress on or about March 1 and September 1."

TITLE VIII—FISCAL AND BUDGETARY INFORMATION AND CONTROLS

SEC. 801. That part of title II of the Legislative Reorganization Act of 1970 which precedes section 201 thereof (84 Stat. 1167; Public Law 91-510; 31 U.S.C. chapter 22) is amended by striking out—

"TITLE II—FISCAL CONTROLS

"PART 1—BUDGETARY AND FISCAL INFORMATION AND DATA

and inserting in lieu thereof—

"TITLE II—FISCAL AND BUDGETARY INFORMATION AND CONTROLS

"PART 1—FISCAL, BUDGETARY, AND PROGRAM-RELATED DATA AND INFORMATION"

SEC. 802. Part 1 of title II of the Legislative Reorganization Act of 1970 (84 Stat. 1167; Public Law 91-510; 31 U.S.C. 1151 and following) is amended by striking out sections 201, 202, and 203 and inserting in lieu thereof the following:

"FEDERAL FISCAL, BUDGETARY, AND PROGRAM-RELATED DATA AND INFORMATION SYSTEMS

"SEC. 201. The Secretary of the Treasury and the Director of the Office of Management and Budget, in cooperation with the Director of the Congressional Office of the Budget, shall develop, establish, and maintain, for use by all Federal agencies, standardized data and information systems for fiscal, budgetary, and program-related data and information. The development, establishment, and maintenance of such systems shall be carried out so as to meet the needs of the various branches of the Federal Government and, insofar as practicable, of governments at the State and local level.

"STANDARDIZATION OF TECHNOLOGY, DEFINITIONS, CLASSIFICATIONS, AND CODES FOR FISCAL, BUDGETARY, AND PROGRAM-RELATED DATA AND INFORMATION

"SEC. 202. (a) The Director of the Congressional Office of the Budget, in cooperation with the Secretary of the Treasury and the Director of the Office of Management and Budget, shall develop, establish, maintain, and publish standard terminology, definitions, classifications, and codes, for Federal fiscal, budgetary, and program-related data and information. The authority contained in this part shall include, but not be limited to, data and information pertaining to Federal fiscal policy, revenues, receipts, expenditures, functions, programs, projects, and activities and shall be carried out so as to meet the needs of the various branches of the Federal Government and, insofar as practicable, of governments at the State and local level. The standard terms, definitions, classifications, and codes shall be used by such fiscal, budgetary, and program-related data and information systems operated by executive departments and agencies as the Director of the Congressional Office of the Budget deems necessary to carry out the purposes of this title.

"(b) The Director of the Congressional Office of the Budget shall submit to both Houses of the Congress, within six months of the date of enactment of this Act, a report containing the initial standard terms, definitions, and classifications, as described in this part.

"(c) Thereafter, the Director of the Congressional Office of the Budget, in reports to both Houses of the Congress, shall publish the effective terminology, definitions, classifications, and codes semiannually on March 1 and September 1.

"AVAILABILITY TO AND USE BY THE CONGRESS OF FEDERAL FISCAL, BUDGETARY, AND PROGRAM-RELATED DATA AND INFORMATION

"Sec. 203. (a) Upon request of any committee of either House, of any joint committee of the two Houses, or of the Director of the Congressional Office of the Budget, the Secretary of the Treasury, the Director of the Office of Management and Budget, or the heads of the various executive agencies shall—

"(1) furnish to the congressional committee, the joint committee, or the Director of the Congressional Office of the Budget, information as to the location and nature of available fiscal, budgetary, and program-related data and information;

"(2) prepare summary tables of such data and information and any related information deemed necessary by the requesting committee, joint committee, or the Director of the Congressional Office of the Budget; and

"(3) furnish any program evaluations conducted or commissioned by any executive agency as deemed necessary by the requesting committee, joint committee, or the Director of the Congressional Office of the Budget.

Sec. 803. The table of contents of title II of the Legislative Reorganiation Act of 1970 (84 Stat. 1140; Public Law 91–510; 31 U.S.C. chapter 22) is amended by striking out—

"TITLE II—FISCAL CONTROLS

"Part 1—Budgetary and Fiscal Information and Data

"Sec.201. Budgetary and fiscal data processing system.
"Sec. 202. Budget standard classifications.
"Sec. 203. Availability to Congress of budgetary, fiscal, and related data."

and inserting in lieu thereof—

"TITLE II—FISCAL AND BUDGETARY INFORMATION AND CONTROLS

"Part 1—Fiscal, Budgetary, and Program-Related Data and Information

"Sec. 201. Federal fiscal, budgetary, and program-related data and information systems.
"Sec. 202. Standardization of terminology, definitions, classifications, and codes for fiscal, budgetary, and program-related data and information.
"Sec. 203. Availability to and use by the Congress of Federal fiscal, budgetary, and program-related data and information.".

TITLE IX—MISCELLANEOUS PROVISIONS; EFFECTIVE DATES

CONFORMING AMENDMENTS TO STANDING RULES OF THE SENATE

Sec. 901. Paragraph 1 of Rule XXV of the Standing Rules of the Senate is amended—

(1) by inserting after "Government" in subparagraph (c) ", except as provided in subparagraph (r) (1),";

(2) by striking out "Revenue" in subparagraph (h)1 and inserting in lieu thereof "Except as provided in subparagraph (r) (1), revenue";

(3) by striking out "The" in subparagraph (h)2 and inserting in lieu thereof "Except as provided in subparagraph (r) (1), the"; and

(4) by striking out "Budget" in subparagraph (j) (1) (A) and inserting in lieu thereof "Except as provided in subparagraph (r) (1), budget".

CONFORMING AMENDMENT TO HOUSE RULES

Sec. 902. Rule XI of the Rules of the House of Representatives is amended by inserting immediately below clause 21 thereof the following new clause:

"21A. The respective areas of legislative jurisdiction under this rule are modified by title I of the Congressional Budget and National Priorities Act of 1973".

AMENDMENTS TO LEGISLATIVE REORGANIZATION ACT OF 1946

Sec. 903. (a) Section 133 of the Legislative Reorganization Act of 1946 (2 U.S.C. 190a) is amended—

(1) by inserting "and the Committee on the Budget" after "Appropriations" in subsections (d) and (f), and

(2) by inserting "or the Committee on the Budget" after "Appropriations" in subsection (h).

(b) Section 133A of such Act (2 U.S.C. 190a–1) is amended by inserting "and the Committee on the Budget" after "Appropriations" each place it appears in such section.

(c) Section 134(c) of such Act (2 U.S.C. 190(b) is amended by inserting "or the Committee on the Budget" after "Appropriations".

(d) Section 136(c) of such Act (2 U.S.C. 190d) is amended by striking out "Committee on Appropriations of the Senate and the Committees on Appropriations," and inserting in lieu thereof "Committees on Appropriations and the Budget of the Senate and the Committees on Appropriations, the Budget,".

AMENDMENTS TO LEGISLATIVE REORGANIZATION ACT OF 1970

Sec. 904. (a) Section 232 of the Legislative Reorganization Act of 1970 (31 U.S.C. 1172) is amended by renumbering paragraphs (2) and (3) as (3) and (4), respectively, and by inserting after paragraph (1) the following new paragraph:

"(2) the Committees on the Budget of the Senate and House,".

(b) Section 236 of such Act (31 U.S.C. 1176) is amended by inserting "and the Budget" after "Appropriations" in paragraph (2).

(c) Section 242(a) of such Act (2 U.S.C. 190h) is amended by inserting "or the Committee on the Budget" after "Appropriations".

(d) Section 243 of such Act (2 U.S.C. 190i) is amended by inserting "(a)" immediately after "243" and by adding at the end thereof the following new subsection:

"(b) The provisions of subsection (a) shall also apply to the Committee on the Budget of the Senate."

EXERCISE OF RULEMAKING POWERS

Sec. 905. The provisions of this title (except section 906) and titles I, III, IV, and VII (except section 702(c) and section 704), and section 506(b) of title V, and section 604 of title VI are enacted by the Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply; and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner, and to the same extent as in the case of any other rules of such House.

EFFECTIVE DATES

Sec. 906. (a) Titles I, II, VI, VIII, and IX shall take effect on the date of the enactment of this Act.

(b) Except as otherwise provided therein, titles III, IV, and V shall apply with respect to the fiscal year ending June 30, 1975, and succeeding fiscal years.

(c) Title VII shall take effect on the first day of the first session of Congress following the date of enactment of this Act.

Amend the title so as to read: "A bill to improve congressional procedures for control of Federal expenditures and establishment of national priorities; to create a budget committee in each House; to create a congressional office of the budget; and for other purposes."

SOCIAL SECURITY COST-OF-LIVING INCREASE—AMENDMENT

AMENDMENT NO. 551

(Ordered to be printed and to lie on the table.)

Mr. EAGLETON. Mr. President, I am submitting today amendments to S. 2397, the bill introduced by the Senator from Idaho (Mr. Church) to provide a 7-percent increase in social security benefits effective for the month of January 1974.

Earlier this summer, in recognition of the serious impact of inflation on the elderly and the disabled, the Senate approved legislation providing a special cost-of-living increase in social security benefits and a concurrent increase in supplemental security income payments to become effective in January 1974.

Subsequently, because of the threat of a Presidential veto, the House-Senate conference committee pushed back the effective date of these increases to July 1974.

I felt at the time that this was an unfortunate decision. We all know that inflation hits hardest those elderly persons who live on fixed incomes and must spend large portions of that income on food and shelter.

It is one thing to understand the statistics. It is another thing to talk personally with the people who are literally suffering from the inflation of recent months. This I had an opportunity to do during the August recess at a series of public hearings in Missouri. During this process, the statistics took on a human form.

For instance, I talked with representatives of an elderly housing project in Jefferson City where a survey revealed that a majority of the residents have meatless meals for all but three or four times a week.

In St. Louis an elderly lady told me that she has had to ask her doctor to reduce the dosage of her medicine because she just does not have the money to pay for all he prescribed.

Frankly, the elderly people of my State cannot understand why they have been asked to wait until July 1974 for a cost-of-living increase. And I believe today more firmly than ever that they should not have to wait.

Therefore, I was pleased to join with a majority of the Senate on September 11 in support of an amendment offered by the Senator from Minnesota (Mr. Hum-

Phrey) to make the social security cost-of-living increase previously authorized by Congress effective immediately. I am still hopeful that the Humphrey amendment will become law.

However, because the fate of this amendment is uncertain, I have asked to be added as a cosponsor of S. 2397, the bill introduced by Senator Church to provide a 7-percent benefit increase effective for the month of January 1974.

SOCIAL SECURITY INCREASE MUST BENEFIT ALL

Mr. President, I believe it is essential that the increase in social security benefits proposed in S. 2397 be enjoyed by all social security beneficiaries. It would certainly be unconscionable to deny this increase to those of our elderly and disabled citizens whose need is the greatest and who consequently have been most devastated by the inflation of 1973.

For this reason, I am submitting amendments to S. 2397 which would insure that all recipients of supplemental security income for the aged, blind, and disabled will have the benefit of the social security cost-of-living increase.

First, my amendment would move forward from July 1974 to January 1974 the scheduled increase in SSI payment levels from $130 to $140 for an individual and from $195 to $210 for a couple.

This proposal is identical to that approved by the Senate Finance Committee and passed by the Senate in June. As the committee pointed out in its report dated June 25, 1973, if SSI recipients are not to have their payments reduced by the amount of the social security increase, there must be a concurrent increase in SSI payment levels. I quote from that report:

> The rapid rise in the cost of living which has led the committee to provide for a 5.6 percent cost-of-living increase in social security benefits beginning next January has an even greater effect on the neediest aged, blind and disabled persons—those who will be receiving Supplemental Security Income payments. Furthermore, if social security benefits are increased but no changes made in the Supplemental Security Income level, those SSI recipients who are also social security beneficiaries will have their SSI payment reduced one dollar for each dollar of social security increase.
>
> The Committee bill, therefore, would increase the SSI levels from $130 to $140 for an individual and from $195 to $210 for a couple.

This amendment, making the SSI payment increase effective in January, will guarantee a cost-of-living increase to two groups of the elderly and disabled—those whose only source of income after January 1 will be SSI, and those whose income will be composed of a combination of social security and SSI.

It has recently come to my attention that there is a third group of SSI recipients who, unless existing law is further amended, will not be able to benefit from the social security increase. I refer to those persons who will be receiving a State supplementary payment as mandated by Public Law 93–66.

Under section 212 of Public Law 93–66, the States are merely required to make such payments as are necessary to maintain the total income of their SSI recipients as of December 1973—or prior to the social security increase.

Therefore, if we are to assure that this group of the aged and disabled benefits from the social security cost-of-living increase, section 212 of Public Law 93–66 must be amended to require the States to disregard that increase in determining the amount of the State supplementary payment.

Mr. President, I strongly support legislation to make the social security cost-of-living increase effective at the earliest possible time. However, without the amendments I am proposing, 85,000 aged, blind, and disabled persons in Missouri and over 2 million nationwide would be given an increase with one hand only to have it taken away with the other. I urge my colleagues to support these amendments so that all social security beneficiaries can have the increase in income they need and deserve.

I ask unanimous consent that the text of the amendment be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 551

At the end of the bill, add the following:

"Sec. 2. (a) Section 210(c) of Public Law 93–66 is hereby repealed.

"(b)(1) Section 211(a)(1)(A) of Public Law 93–66 is amended by striking out "($780 in the case of any period prior to July 1974)".

"Sec. 3. Section 212(a)(3)(C)(ii) of Public Law 93–66 is amended by inserting, immediately before the period at the end thereof, the following: ', disregarding (in case such individual who for such month receives a monthly insurance benefit to which he is entitled under title II of the Social Security Act) so much of such monthly benefit as is attributable to the enactment of section 201 of this Act'."

The title to the bill is amended to read as follows: "A bill to provide for a 7 per centum increase in social security benefits beginning with benefits payable for the month of January 1974, and for other purposes."

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT 473

At the request of Mr. Hartke, the Senator from Alaska (Mr. Gravel) was added as a cosponsor of Amendment No. 473, intended to be proposed to (S. 1541) the budget accountability bill.

NOTICE OF HEARING ON NOMINATIONS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, October 3, 1973, at 10:30 a.m., in room 2228, Dirksen Office Building, on the following nominations:

John R. Bartels, Jr., of New York, to be Administrator of Drug Enforcement, vice a new position created by Reorganization Plan No. 2 of 1973, dated March 28, 1973.

Allen Sharp, of Indiana, to be U.S. District Judge for the Northern District of Indiana, vice Robert A. Grant, retired.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. McClellan); the Senator from Nebraska (Mr. Hruska) and myself as chairman.

NOTICE OF HEARINGS ON SIX-MEMBER JURY BILLS

Mr. BURDICK. Mr. President, as chairman of the Judiciary Subcommittee on Improvements in Judicial Machinery, I wish to announce hearings for the consideration of S. 2057 and S. 288. The purpose of S. 2057 is to require the use of six-member juries in civil cases to preserve unanimity of the jury in arriving at a verdict, and to allow two preemptory challenges to each party. S. 288 would require six-man juries in civil cases and also in criminal cases, other than those involving the death penalty.

The hearings will be held on October 16 and 17, 1973, beginning at 10 a.m. in room 1318, Dirksen Office Building.

Those who wish to submit a statement for inclusion in the hearing record should communicate as soon as possible with the subcommittee staff, room 6306, Dirksen Office Building, extension 5–3618.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Charles S. Guy, of Pennsylvania, to be U.S. marshal for the eastern district of Pennsylvania for the term of 4 years, reappointment.

William L. Martin, Jr., of Georgia, to be U.S. marshal for the middle district of Georgia for the term of 4 years, reappointment.

Robert J. Roth, of Kansas, to be U.S. attorney for the district of Kansas for the term of 4 years, reappointment.

Dean C. Smith, of Washington, to be U.S. attorney for the eastern district of Washington for the term of 4 years, reappointment.

John W. Stokes, Jr., of Georgia, to be U.S. attorney for the northern district of Georgia for the term of 4 years, reappointment.

James M. Sullivan, of New York, to be U.S. attorney for the northern district of New York for the term of 4 years, reappointment.

Charles R. Wilcox, of Wyoming, to be U.S. marshal for the district of Wyoming for the term of 4 years, reappointment.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Wednesday, October 3, 1973, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

ANNOUNCEMENT OF HEARINGS BY THE SUBCOMMITTEE ON PUBLIC LANDS

Mr. JACKSON. Mr. President, I wish to announce hearings by the Public

Lands Subcommittee of the Interior and Insular Affairs Committee on S. 111, a bill to quitclaim the interest of the United States to certain land in Bonner County, Idaho; S. 2343, a bill to authorize the Secretary of the Interior to convey, by quitclaim deed, all right, title, and interest of the United States in and to certain lands in Coeur d'Alene, Idaho, in order to eliminate a cloud on the title to such lands; S. 2385, a bill to designate the Chattooga River in the States of North Carolina, South Carolina, and Georgia as a component of the National Wild and Scenic Rivers System, and for other purposes; S. 1582, a bill to provide for the conveyance of certain public lands in Klamath Falls, Oreg., to the occupants thereof, and for other purposes; and S. 184, a bill to authorize and direct the Secretary of the Interior to sell interests of the United States in certain lands located in the State of Alaska to the Gospel Missionary Union.

The hearings will be held on October 10, at 10 a.m., in room 3110, Dirksen Senate Office Building. Those who wish to testify or submit a statement for inclusion in the hearing record should contact Steven P. Quarles at 5–2656.

POSTPONEMENT OF HEARINGS ON INDIAN HOUSING PROGRAMS

Mr. ABOUREZK. Mr. President, I regret to announce that due to uncertainties in the Senate schedule pertaining to votes on the military procurement bill and the foreign aid bill, I have decided to indefinitely postpone 2 days of hearings into the Indian housing programs which the Indian Affairs Subcommittee had scheduled in South Dakota October 1 and 2.

It is my hope that we will be able to reschedule these hearings soon.

We had an exciting 2 days of hearings planned, and I am anxious to get to them.

I want to apologize for any inconvenience this may cause, and I thank the Members for their forebearance.

ADDITIONAL STATEMENTS

A PLANT WHERE WORKERS LIKE THEIR JOBS

Mr. PERCY. Mr. President, today I would ilke to call the attention of my colleagues to an article from the September 8 issue of Business Week entitled, "A Plant Where Workers Like Their Jobs." The United States faces a grave challenge to increase the national productivity growth rate, and those of us who are involved in promoting productivity growth take great pleasure in finding companies who have met this challenge successfully in their own plants.

One such business is the Kennett, Mo., hose manufacturing plant of Uniroyal, Inc. The key to the organization at the Kennett plant is implementation of the concept of "participative management," which relies upon the worker's own sense of responsibility and treats each job equally. At Kennett there are no executive dining rooms or parking slots. At Kennett the opinions of each worker are actively solicited and worker suggestions are a major part of the company decisionmaking process. The result of this approach to business organization is not only an enthusiastic and satisfied work force but a production rate at 120 percent of the plant's projected capacity.

The success of Uniroyal's Kennett plant is an excellent example of the innovative American business tradition at its best. The great challenge we face today to increase the productivity in all U.S. industries can be met by efforts such as that at Kennett. I commend the Business Week article describing the Kennett plant, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INDUSTRIAL PRODUCTION: A PLANT WHERE WORKERS LIKE THEIR JOBS

A UNIROYAL DIVISION THRIVES ON WORKERS' COMMITMENT TO HIGH QUALITY, LOW COSTS

Raymond E. Smith, 44, sold used cars for 20 years. For the past three years, though, he has been running an extruder at the Kennett (Mo.) hose manufacturing plant of Uniroyal, Inc. Says Smith: "I've enjoyed every minute of it."

Smith's enthusiasm for his job may be unusual, but morale at Uniroyal's nonunion Kennett plant, set in the midst of Missouri's cotton and soybean fields, is unquestionably high. After three years of operation, the plant is producing high-quality hydraulic and automotive hose at 120% of its projected capacity, according to plant manager Lloyd Spalter. Moreover, the scrap rate is half what it was at an older plant, absenteeism is a mere 1.7%, and only four of 140 employees have quit within the past year—none, apparently, for job-connected reasons.

To 40-year-old Spalter, all of this proves the value of a new way to manage a factory. And at a time when the so-called blue-collar blues are prevalent at many plants, the Kennett experience could be instructive:

All employees earn salaries instead of hourly wages. This fact makes the low absenteeism rate all the more remarkable.

Machine operators inspect their own output, draw up work rules, and participate in other management decisions.

Managers work constantly on improving communication, up and down.

None of these policies is unique to the Kennett plant. Many plant managers in the U.S. and abroad are experimenting with so-called participative management. And "total salary" systems have become commonplace, especially in the petrochemical industry. But Spalter's superiors in Uniroyal's Industrial Products Div. think that the Kennett approach goes further than most others in seeking employee commitment. So convinced are they of its success that they are extending it to two more hose plants—in Red Oak, Iowa, and Maryville, Mo.—that are just starting up. A few years ago the Kennett plan "seemed bold to top management," says Howard Norris, production manager for the Industrial Products Div., "but we must have sold them."

RESPONSIBILITY

Norris' aim has been to develop a management style that would rate "nine-nine" on the familiar managerial grid—that is, maximum efficiency coupled with maximum concern for people. To start up the Kennett plant in 1969, Norris picked John W. Gorman, who was then managing a department in the division's now-defunct Passaic (N.J.) plant. Gorman visited a number of plants that were operating on a total-salary basis, including some in Uniroyal's own chemicals and plastics divisions. And, says Gorman, who is now managing the new Red Oak plant: "I read a lot," especially on the theories of management psychologists such as Frederick Herzberg and Saul Gellerman.

Out of this came a system that leans heavily on a worker's sense of responsibility or, as Norris says, "trust." After initial training, a machine operator is trusted to know what has to be done and to do it without direction. This seems to make sense to Kennett's machine operators. Says Bernard Boren, who runs the bobbin winding line in the braiding shop: "We don't need a man to watch someone else work. Right?"

Trust also vastly reduces the amount of in-process quality inspection needed, as well as the manpower and paperwork that goes with it. "I think it's demeaning to check an operator," says Spalter, Gorman's successor. "You get better quality if you don't."

The degree of trust that is evident today at Kennett developed gradually as Gorman experimented. "The biggest thing Gorman learned," says Spalter, "was that the more trust you put in people, the more they respond." Not everyone measures up, of course. Spalter has fired a few employees for falsely reporting output or the reason for an absence.

Another key word in the Kennett vocabulary is respect. "We keep selling the philosophy that every job is important," says Norris. "So we have to treat everyone that way." At Kennett, that means no executive dining room, toilet, or parking slots. It means attention to cleanliness and safety in both the plant and the workers' leisure areas. (One inconsistency: Though the offices are air-conditioned, the plant is not.) It also means that a machine operator's request for time off to take his mother to the hospital is treated the same as if it had come from one of Spalter's management staff. "There is no caste system here," says Spalter. "I don't get any privilege that the sanitation operator doesn't get."

INVOLVEMENT

Trust and respect lead naturally to involvement of workers in making all kinds of decisions, from choosing the colors that their machines are painted to setting their own output standards—"sometimes too high," Spalter notes. Some operators also are experimenting with rotation of jobs. And when Kennett ran into an epidemic of yarn breaks in the braiding room, a braiding machine operator sat in on the troubleshooting meeting with the yarn supplier.

Spalter and his staff put high priority on communication. The most regular contact is a daily notice called "Didjanodat?" (for "Did you know that?"—which Spalter suspects is a gibe at his Brooklyn origin) that tells employees how much each department produced the previous day and how the outputs compare with the past and with goals. It also spotlights quality problems, lists expected visitors, and is likely to end with someone's favorite new joke.

Meetings with employees are held at least once a month. At one recent meeting, for example, workers heard about changes that Spalter was making in his staff organization, about a new system for control of raw material inventory, about a planned trip to a St. Louis Cardinals baseball game, and about revisions being made in the annual competition for individual ouput. Special meetings are also held to get operators' suggestions on quality problems. Other meetings are gripe sessions out-and-out.

In addition, any employee can walk in to see Spalter without an appointment. "We want to know what those people are thinking—or may be worrying about," says Spalter. He has even been asked for advice on investments, medical problems, and kids in trouble.

FEEDBACK

Employees get direct feedback on their performance when salaries are reviewed every six months. Ratings of excellent, good, satisfactory, or unsatisfactory are determined by a rigorous point system keyed to attendance, volume and quality of output, acceptance of overtime, housekeeping, and so-called "critical incidents." The ratings determine the increases in weekly salaries.

"Most of our people rate 'excellent,'" says Spalter. However, employees have challenged their ratings often enough to convince him that even more frequent discussions of individual performance are needed.

The unusual environment was hard enough for many workers to adjust to, says Spalter, but it is even harder to supervisors, including himself. "Everything I learned as a production supervisor at Passaic," he recalls, "I had to throw out the window." In a traditional plant "it's very disturbing to walk past a machine and find the operator missing," he says. "Here, he may be playing Ping-Pong in the rec room, but you know that he has been getting tremendous performance. You have to think in terms of total output.

Ordinarily when problems crop up, "you apply pressure, adds Donald J. Slowicki, Spalter's 31-year-old production manager. "Here, you continually work to develop morale and rapport."

The learning has been hardest for first-level supervisors, the so-called unit managers who coordinate the work. Says Spalter: "We expect them to develop a one-on-one relationship with each of their people, not to crack the whip." He recently began a series of meetings aimed at helping supervisors cope with their role.

The result of the management approach at Kennett is "terrific commitment from the operators," says shift manager C. Ray Wayne. "People enjoy coming to work, They know what they're making. They take pride in it."

LOW LABOR COST

Workers' salaries at Kennett, while competitive in the area, are far below the wages paid at the old Passaic plant. Yet, as intended, the plant has so far proved a tough target for organizers of the United Rubber Workers. They lost an election in 1971; now, claims Spalter, "there is zero internal activity." The area is "pretty depressed," complains a URW executive, "and they've never seen this kind of wages before.

The low salary scale and the high productivity, coupled with some advanced processes, make Kennett a low-cost plant for Uniroyal. If Red Oak and Maryville, also in low-labor-cost areas, work out as well, the company fully expects to increase its share of the $400-million industrial hose market.

But Norris, Gorman, Spalter, and others who have been part of the Kennett experiment are convinced that the plant's operating philosophy need not be limited to new, nonunion plants in Middle America. "There are certain things you can't do in a union evironment," says Spalter, "but you can be fair and take a personal approach. I would love the opportunity someday to go into an existing plant and put in these programs."

COMMISSIONER MARY GARDINER JONES SUPPORTS ESTABLISHMENT OF STRONG CONSUMER PROTECTION AGENCY

Mr. RIBICOFF. Mr. President, last week, Mary Gardiner Jones, Commissioner of the Federal Trade Commission, testified before the House Government Operations Subcommittee on Legislation and Military Operations in support of establishment of a strong Consumer Protection Agency. Commissioner Jones' statement explains the need for consumer representation before Federal agencies and courts and emphasizes the necessity of adequate information gathering authority for the Agency.

Mr. President, Commissioner Jones has been a member of the FTC for 9 years. She is one of the Nation's foremost authorities on consumer protection matters. Her views on this subject should be given serious consideration by the Congress. Accordingly, I ask unanimous consent that the text of her statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT OF MARY GARDINER JONES, COMMISSIONER, FEDERAL TRADE COMMISSION

I am very honored to appear before this subcommittee to discuss with you what I regard as the single most important consumer proposal to come before the Congress even taking into account the Federal Trade Commission Improvement Act which of course I also regard as a very important piece of legislation.

The United States is facing a critical period in its history. We are wracked with serious inflation which is of great concern to all citizens. In addition to rising prices we are confronted with serious problems of pollution, energy shortages, soaring health costs, population control and the like. Super-imposed on all of this is a deep sense of powerlessness on the part of our citizens and an unfortunately increasing sense of mistrust of all institutions, particularly government.

Thus, it has never been more important that we find realistic means to integrate the views of the American people into government decisionmaking. The bill which you are considering at these hearings, I believe, will go a long way both to contribute to the quality and responsiveness of government actions and to give American citizens a realistic sense that their government is indeed concerned to listen to their views and is taking their interests into account in their decisions and policy determinations.

I am just now completing my ninth year of service as a Commissioner on the Federal Trade Commission. I have watched—and I hope participated in—the transformation of the Commission from an agency which used to look at its function primarily as one of stamping out violations of law wherever they might appear to an agency which today sees its role essentially as one designed to identify and respond to the needs and concerns of consumers in the marketplace so far as these may be within our jurisdiction. I am convinced that the principal factors in producing this important shift in the Commission's approach to its responsibilities has been the existence of a vocal consumer constituency, the ability of that constituency to make its voice felt in the day to day decisions of the Commission, and finally, the willingness of the Commission and its staff to listen and to respond to the real interests and needs of consumers in the marketplace.

I believe that the Commission's experience illustrates two things: first, the value of effective consumer access to government decisionmaking; and second, the need to institutionalize and mandate that access so that it is not dependent on agency discretion and the personal predilections of particular agency staff and members.

Today the consumers' access to the Federal Trade Commission is wholly dependent on the Commissioners' discretion and willingness of its staff to listen to consumer viewpoint on issues before them. The Commission has never been willing to grant consumer representatives a right of intervention in Commission proceedings. Commissioners still today must be constantly reminded of the value of periodic meetings with consumer groups. The Commission staff could tomorrow discontinue their open-door receptivity to the consumer groups and their representatives.

This is in sharp contrast to the Commission's relationships with industry members and their representatives. Both Commissioners and staff members are in constant contact with industry representatives and spokesmen simply as a part of their day to day regulatory investigatory activities. Industry viewpoints are listened to both as a matter of due process as well as a matter of simple courtesy and a desire on the part of Commissioners to be fair and not to be labelled as biased or antibusiness. Commissioners today unfortunately seem to have less concern about appearing anticonsumer than they do about appearing antibusiness.

Yet I am convinced that consumer viewpoints are as essential as business viewpoints for the Commission's effective decisionmaking. They are essential because the Commission must receive a balanced sense of the issues in order to try and determine where the public interest truly lies. I do not equate the public interest with the consumer interest even though all of us frequently refer to consumers as the public.

Both industry and consumers have an identical interest in our actions: industry because they fear that affirmative action on our part may hurt their business and consumers because they fear that inadequate action or, more frequently, inaction on our part may perpetuate or permit the continuance of conduct which hurts their interests or be inadequate to redress their injuries effectively. If government is exposed to only one side of a problem and hears the points of view and arguments of only one interest group, its action will be to that extent deficient. Nor can it be said, as my fellow commissioners so frequently say, that they know the interests of consumers and hence do not need that input. They could just as easily, perhaps more easily, say they "know" from their own experience the interests of the businesses affected by their decisions. None of us can ever "know" the interests of a particular group as well as the group itself. We owe it to ourselves to be forced to listen to all parties affected by actions of ours before taking that action.

With these as my premises, let me discuss briefly three of the major issues which I understand are of concern to this Committee in their consideration of this legislation: (1) the form in which consumer input should be mandated by this bill; (2) the scope of the consumer agency's participation in departmental action; and (3) the powers which the consumer agency will need in order to discharge its critical responsibilities of representing consumer interests in agency or department decisionmaking.

I am convinced that the Consumer Agency must be able, as a matter of right, to participate in government agency actions to the extent and with sufficient timeliness so that the decisionmaker—be he an individual or a body—has before it all of the facts, including those deemed relevant by the Consumer Agency, which bear on the decision. Let me elaborate this general statement with a few specific examples of government agency decisionmaking in which I believe the Consumer Agency must have an advance participatory role.

There seems to be general agreement that the Consumer Agency can and must participate in all adjudicatory and rulemaking proceedings which result in final actions of some type—promulgation of orders, rules or dismissal of the actions. Questions have been raised about the Consumer Agency's participation in settlement negotiations which are such a predominant part of these formal government agency proceedings. I am convinced that this participation is equally essential. Moreover, such participation can be feasibly accomplished without in any way interfering with these negotiations by requiring the governmental agencies to provide a means by which the Consumer Agency will receive notice of matters under negotiation for settlement, information about the terms of settlement being discussed, and an opportunity to present its views on adequate settlement at least to the staff, and perhaps also to the decisionmaker, before any decision—whether preliminary or tentative or final—is made about the acceptability of a settlement proposal recommended by the staff.

I recognize, of course, that if you limit your bill to only rulemaking and adjudicatory proceedings, you will be affecting only a very small percentage of critically important day to day government decisions which vitally affect consumer interests. I believe, therefore, that it is essential that your bill provide that the Consumer Agency has a right to some type of advance input into these other governmental actions. Sections 204(b) and 206 of H.R. 14 attempt to achieve this objective. Perhaps another way of achieving this objective would be to authorize the Consumer Agency to enter directly into agreements with individual agencies or departments in which the precise categories of decisions made by that Agency which most directly affect consumers interests as well as the most feasible form of participation by the Advocate in each such agency or department decisions or category of decisions would be spelled out.

Each of these special Consumer Agency participation agreements would then be published as a matter of public record. They would be subject to an annual review and modified or amended annually. This approach would enable agencies to know definitively—at lease on an annual basis—which of their decisions or actions might be of concern to the Consumer Agency. At the same time it would protect the Consumer Agency from being inundated with notices of agency decisions—by the Weather Bureau for example—which are unlikely to be of concern to it even though the agency or department has previously listed itself as a government agency with consumer responsibilities. Such a public register of agreements would also enable members of the public to monitor the actions of the Consumer Agency's office so that they can have confidence in its performance.

Another alternative—or supplementary provision—would be for your bill to require agencies or departments to maintain a public roster of decisions—by categories or individually—which they make which in their judgment affect the interests of consumers. This could assist the Consumer Agency in determining which matters require consumer input and it would enable consumers to monitor the priorities of the Consumer Agency in selecting the matters in which it actually provides some input.

Once the scope of the Agency's participation is worked out, it is of vital importance, in my judgment, that the nature of its participation be as broad as possible. It must go beyond the mere right to present oral or written arguments. It must extend to the right to call and cross-examine witnesses, present documentary evidence and generally participate to the same extent that business or industry participates.

I believe the Consumer Agency must also have broad powers to assemble information bearing on the consumer interests in a given matter. I recognize that full discovery powers conferred on the Agency can subject organizations to dual discovery. For this reason, other governmental agencies using discovery for their own purposes with respect to matters which they know are subject to Consumer Agency participation should be required to consult the Consumer Agency in advance and broaden their own discovery requests to encompass matters which it deems relevant. However, where the decisionmaking agency has not used compulsory process, the Consumer Agency must have its own powers to seek the discovery it feels necessary. The producing parties will be fully protected from burdensomeness, harassment or irrelevant requests since they will have the same rights to contest the scope and relevance of the Consumer Agency's discovery requests as they would have for the action agency's discovery. I believe any added burden or delay which might flow from the Consumer Agency's discovery process is the price we must and should pay in order to ensure that government decisionmaking is truly sensitive to all of the interests affected by it.

Finally, I am convinced that if the Consumer Agency's participation in governmental decisionmaking is to carry any genuine weight and influence, it is critically necessary that the Agency be given the right of seeking judicial review of the action agency's decision where it believes such decisions are contrary to the law or to the facts. Without a right of appeal, the Consumer Agency's participation on whatever terms it is agreed upon would be rendered essentially meaningless since the action agency could ignore it with impunity. Indeed unless the Consumer Agency has the right of appeal, its absence might almost create an incentive for the action agency in difficult cases to weigh the facts in favor of industry and thus avoid a review of its decisions. Again, I know of my own experience that it is much more difficult and requires far more care to write opinions dismissing cases since these latter opinions will never be scrutinized on appeal. In opinions which cannot be appealed, the discussion of the evidence can be, and frequently is, much more cursory and the rationale for dismissal can be and frequently is, either summarily put forth or is discussed much more briefly than in decisions susceptible to appeal. Moreover, I do not believe that this right of appeal should be limited to matters in which the Consumer Agency has previously participated as a party since this would have the effect of compelling him to intervene in all matters in order to protect his right of appeal when he has no reason to assume his participation is necessary.

I am deeply appreciative of this opportunity to appear before you on this very important bill. I know that in a very real sense if you approve a bill creating a Consumer Agency you will be making a critical contribution to the improved effectiveness of our democratic system at a particularly critical period in our nation's history.

VICE PRESIDENT AGNEW

Mr. **HELMS**. Mr. President, I would like to commend to the attention of my colleagues an article, written by Bruce Biossat, which appeared in yesterday's Washington Star News.

The article touches on several key themes relating to the Vice President of the United States.

I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Agnew's Slow Agony

With each passing day of his slow, water-torture treatment from the federal judiciary and the White House, Vice President Spiro Agnew may indeed be getting closer to resigning his office.

When that idea first surfaced days ago, many friends and associates described it as "out of character." Only one I talked with insisted that, in the trying circumstances, it was not. Rechecking, I find this essentially minority view increasingly persuasive.

Says this man again, with fresh force:

"Believe me, the vice president does not have the patience to endure this."

This assessment is based upon a close-hand measure of Agnew's mood and private utterance. It has nothing to do with recent stories, now publicly questioned by his lawyers, that the vice president has been "plea bargaining," offering to plead guilty to some minor offense (out of a packet of charges) that he was involved in kickbacks and extortion while governor of Maryland, in return for resigning.

Nor is the judgment linked directly to efforts new at this writing, to block further action by U.S. prosecutors and possibly by a grand jury, until the constitutional issues surrounding the case are settled.

What is involved is this:

When Agnew publicly said he would not yield his office but would fight for his proclaimed innocence from that vantage point, he never dreamed either that the federal judiciary would perform as it has, or that President Nixon would give him so little public backing.

He is strongly inclined now to believe that the battle can be better fought from the outside.

This attitude, reported to me, is wholly understandable, despite the view of some that the office gives him a better fortress from which to mount his personal combat.

It is nearly two months now since the charges against Agnew first appeared. In this inexcusably long span without decisive action, he has been subjected to a running stream of leaked reports. A fair percentage of these unmistakably have come from federal prosecutors who, by such misconduct, should have forfeited any reasonable consideration as continuing or future occupants of public legal posts.

Admittedly, the legal-constitutional issues are complex. There is no need to review them all. Typical and central is the question whether a vice president can be indicted before he is impeached, or must first be impeached.

Nevertheless, it is unconscionably cruel and unfair that federal authorities, fully aware of the massive damage already done to the vice president's reputation and political future by official misconduct, should have allowed so much time to elapse without some sort of formal action on a single charge.

At least as cruel is the President's calculated silence through Agnew's long ordeal. His limp, second-hand expressions of faith in his performance just as vice president amount to nothing. It is hard to escape, too, the indications that the White House has been the source of many leaks, including some suggesting pressure on him to resign.

The merits of the case against Agnew are yet to be weighed. What is plain is that, in this very cruel town, his treatment ranks with the cruelest in history. Justice is a huge loser.

ENERGY REFORM

Mr. **BIDEN**. Mr. President, as the fuel shortage continues unabated, so, too, the experts continue to propose various remedies to the oil-auto energy crisis. Unfortunately, many of these proposals fail to consider the increase in national petroleum consumption augmented by the expanding manufacture and purchase of new automobiles. Thus, the proposed remedies often assume that a little self-restraint will solve the problem.

Stewart Udall, former Secretary of the Interior during the Kennedy administration, proposes a more workable solution in an article, "The ABC's of Energy Reform," which appeared in the New York Times, Thursday, July 12.

Describing the American car as "an economic hemorrhage and an energy disaster," Mr. Udall stresses the need to initiate "sweeping changes in our whole petroleum-based transportation system." These sweeping changes could be accomplished by enacting Dr. Paul McCracken's proposal for an immediate increase of 10 cents per gallon in the Federal tax on gasoline, and allocating the additional revenues to an emergency transportation fund. The moneys in the fund would be spent, says Mr. Udall, to rebuild our public transportation systems, thereby reducing our consumption of oil and avoiding "our impending economic bondage to a few nations in the Middle East."

Under this program subsidies would be provided for current intracity mass transit systems to allow free fares, for cities to construct new mass transit systems, and for railroads to produce faster trains.

If Mr. Udall's plan were implemented, the effects on our environment and energy conditions would be more than satisfactory. Mr. Udall summarizes these benefits succinctly: Decreased air pollution, saving of precious land that guides urban growth, elimination of 15,000 traffic fatalities annually. Moreover, we would avoid the dollar devaluations resulting from dependence on other oil-producing countries.

Says Mr. Udall:

> A program of this magnitude would get at the roots of the oil-auto energy crisis and force us to come to terms with our own gluttony and waste.

Although the quest for new sources of energy will hopefully yield the final solution to our present dilemma, it would not be realistic to believe that the transition to a new energy system will occur in the immediate future. And it would be equally foolish to believe that we can safely afford to wait out the interim period. We require an immediate solution. I believe the proposal set forth by Stewart Udall is a salient one that deserves consideration.

Mr. President, I ask unanimous consent that the text of the article, "The ABC's of Energy Reform," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The ABC's of Energy Reform

(By Stewart L. Udall)

Washington.—Various experts recently proposed assorted remedies for the oil-auto energy crisis. Dr. Arthur Burns of the Federal Reserve has suggested a horsepower tax; Secretary Morton has urged the states to lower their speed limits, and Secretary Shultz has proposed voluntary car pools. My quarrel with such proposals is that they assume the petroleum crunch will diminish if we merely exercise a little self-restraint and make some modest adjustments in our automobile etiquette. All the available facts deny the validity of such assumptions.

Petroleum consumption is increasing 7 per cent each year, and we are manufacturing and buying a record number of new autos this year. The official statistics show that the U.S. oil shortage is worsening daily—and it will grow until we take drastic action to reverse our voracious consumption of petroleum products. It is urgent to deter wasteful travel now; but it is ten times more important to initiate sweeping changes in our whole petroleum-based transportation system.

What might be the first part of such a two-step program has been proposed by Dr. Paul W. McCracken, President Nixon's first chairman of the Council of Economic Advisers. McCracken called for an immediate increase of ten cents per gallon in the Federal tax on gasoline—and an additional ten-cent tax in 1974. He reasoned that such a stiff increase in the gas tax would dampen demand by penetrating the consumer's "threshold of awareness" of the energy shortage. In all likelihood, McCracken's plan would curtail unnecessary travel and help us cut oil consumption in the near term. However, his stopgap measure does nothing to bring about the structural changes in our transportation system that can save us from a far worse crisis a few years from now.

Bold action is imperative. I propose that we convert McCracken's short-term deterrent into a dynamo for long-run reform. The McCracken tax (a ten-cent Federal gas tax will produce over $10 billion in annual revenues) should be enacted and allocated to an emergency transportation fund. This fund should be expended on a crash program to rebuild our public transportation systems, reduce our consumption of oil, and avoid our impending economic bondage to a few nations in the Middle East.

How would the money be spent?

As a starter, we should subsidize current intracity mass transit systems to the point that fares are free—or at least dirt cheap. (This would be a temporary act of equity to low-income people who would be hurt by the regressive nature of the McCracken tax.)

The cities (most of which are ready for action and begging for funds) should be given billions to build and subsidize versatile mass transit systems—everything from bikeways to modern bus systems to monorails. The construction of cheap, pleasant and convenient public transportation would make our one-man, one-car transportation system obsolete. Indeed, "second cars" would soon become an intolerable expense. (We have the technology—and the nearby example of Toronto—so let no one argue that this is an impractical plan.)

The railroads should be subsidized and encouraged to produce a new generation of fast trains that would shift much of our intercity passenger and freight traffic from highways and aircraft to fuel-saving railways.

The automakers should be encouraged (to the extreme of a partial subsidy if necessary) to bring about a swift transition to small, lower-horsepower, 25-miles-per-gallon automobiles. (And Congress could do its part by mandatory laws regulating the weight of autos and the size of their engines.)

The environmental and energy-economy dividends to the nation from such a program would be enormous.

We would cut back the air pollution which is choking our cities.

We would save precious land by slowing down urban sprawl. (In fact, we should spend 10 to 15 per cent of the fund on emergency grants to cities to enable them to purchase open space and greenbelts that would check sprawl and guide urban growth.)

We would probably save at least 15,000 lives annually by reducing and decelerating auto travel.

We would avoid the periodic dollar devaluations that will inevitably plague us if we become economic satraps of the oil-producing countries.

A program of this magnitude would get at the roots of the oil-auto energy crisis and force us to come to terms with our own gluttony and waste. Last year, for example, we burned nearly 55 per cent of the world's gasoline. The behemoth "American car" is now an economic hemorrhage and an energy disaster. Drastic reforms are needed now. Unless the President's new "energy czar" produces a program of the scope I have suggested, hardships and dislocations will impinge on the lives of millions before this decade has run its course.

TRIBUTE TO MRS. ELAINE NIELSEN

Mr. ABOUREZK. Mr. President, I would like to take this opportunity to pay tribute to a truly remarkable individual, Mrs. Elaine Nielsen of Beresford, S. Dak.

Anyone who is familiar with the needs of rural America is undoubtedly aware of the acute physician shortage which plagues many rural communities. To the residents of these areas, access to basic, quality health care is a very real and pressing problem.

While Federal officials theorize about this problem in Washington, many dedicated and hardworking individuals are at work in the field trying to help the sick and unfortunate. Elaine Nielsen is one of these people.

Elaine Nielsen is a compassionate individual who, 16 long years ago, started her own visiting nurse service to help her friends and neighbors. Today, she puts in about 61 hours a week in caring for her 110 patients, makes more than 2,500 home visits a year to patients ranging in age from a few days to 92 years, and travels over 25,500 miles to do so.

I have before me here today a copy of an article, written by Dorothy Kelly, which appeared in the September issue of the American Journal of Nursing. This fine article recounts the accomplishments of the truly remarkable Mrs. Nielsen and also highlights the unique health-care problem which affects much of rural America. I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

One Town's One-Nurse Service

(By Dorothy Kelly)

In Beresford, South Dakota, a rural town, Elaine Nielsen responded to her neighbors' and friends' nursing needs. Thus began a practice which today includes 110 patients.

Today nurses who set up their own practices make news because the idea is still relatively new. Elaine Nielsen started her own visiting nurse service 16 years ago. Today she puts in about 61 hours a week in caring for her 110 patients, makes more than 2,500 home visits a year to patients ranging in age from a few days to 92 years, and travels over 25,500 miles to do so.

On the side her schedule includes such activities as teaching first aid to girl scouts, attending workshops, monitoring special nursing classes on television, studying, and spending innumerable hours of writing records and reports relating to her patients. During a time when Beresford had no resident physician, she attended all high school athletic events at the request of school officials.

Ms. Nielsen never really hung out a shingle. Her service began after her marriage when her neighbors began calling on her to help care for elderly relatives just released from hospitals or patients with terminal illness who, because of financial burdens or preference, spent their final days at home instead of in a hospital. Prior to this she had been the administrator of a small hospital in South Dakota and worked as a general duty nurse in the emergency room of a large hospital in Arizona. She received her diploma at Sioux Valley Hospital School of Nursing in Sioux Falls, South Dakota, in 1950 and remained at the hospital for a year as a general duty nurse in orthopedic and medical nursing.

Soon she was spending more time caring for her neighbors than her own family. So, she and her husband worked out a schedule of charges paralleling fees received by private duty nurses, plus mileage.

Her first paying patient 16 years ago had a terminal case of cancer of the spine. The patient lacked funds for a nursing home but did not qualify for welfare assistance.

Beresford is a town of 1,650 people in southeastern South Dakota, midway between Sioux Falls and Sioux City in Iowa, with approximately 6,000 people living within the 12-mile radius. For 40 years the community had only one medical doctor. Until recently there were no school nurses or public health nurses. The closest hospital is 20 miles away.

The town does have a well-equipped ambulance service, staffed by volunteers. Elaine is one of them.

HER POLITICAL SHREWDNESS

When Medicare went into effect, many elderly patients did not understand why Elaine's nursing service charges were not paid by Medicare. She learned from the state health department that applications to have a home nursing service certified had to be processed through county public health nurses and that only those counties with such an official could approve payment for her services to Medicare patients.

Her territory covers portions of four counties. Two had public health nurses at that time, and they certified her, qualifying those residents for payment of her services.

The other two counties presented a problem. Union County had appropriated funds for a public health nurse, but the pay scale, compared to adjacent Iowa, was too low to attract a qualified registered nurse to the position.

Clay County, Elaine's place of residence, had a different problem. The county had had no public health nurse for 27 years, and the county commissioners said they could make no appropriation for such an office unless citizens requested one.

Elaine hit the speaking circuit in her spare time, enlisting the aid of the county teachers' association, extension club leaders, and anyone else who would listen. Teachers in the county circulated petitions and armed with these and backed by a state nursing consultant, Elaine again met with the Clay County commissioners, who made the appropriation.

HER CASELOAD

Beresford now has the services of one physician, and she calls on this doctor's patients only when they request her services for bedfast patients. She also accepts referrals from out-of-town attending physicians, most of whom are specialists. She is quick to point out that she is not competing with the local doctor for patients; professionally, there can be no competition.

Her patients now include private patients (some of whom come to her home for visits), welfare patients, and some who are on Medicare.

Many long-distance telephone calls are made to doctors when immediate consultation is necessary, and regular hospital calls are worked into her schedule to check on patients' progress and therapy, easing the transition from hospital to home care.

In 1971, Elaine hired a part-time secretary to assist with the paper work, as well as a part-time housekeeper, a neighbor who was then a second-year student in nursing school and who used the money she earned to help pay for her education.

READY FOR EVERYTHING

Elaine travels in a red Toyota equipped to meet almost any emergency she may find. She carries a small tank of oxygen, a mask unit, dressings of all sizes, cotton balls, thermometers, a stethoscope, an otoscope, a sphygmomanometer, splints of various sizes, Fleet enemas, needles and syringes, sterile and unsterile rubber gloves, hand soap, towels, sutures, airways, injectible medications, irrigating solutions, sounds, catheters, and catheter trays. In addition, she carries, at times, equipment needed in the care of specific patients.

For times when the snow drifts are so high the car won't plow through, she has a snowmobile, equipped with a sled. During the winter of 1968–1969, when over 130 inches of snowfall were recorded, she and her husband, who pilots the snowmobile, hauled food, fuel, and other supplies to patients and others who were isolated for weeks at a time by blocked roads. The sled can accommodate a stretcher, but has not as yet been required to do so. It could get a stranded patient from a farm to cleared roads and an ambulance, if necessary.

She has a long list of equipment and supplies which patients rent from her—whirlpool baths, apparatus for Buck's extension, intermittent positive pressure breathing machines, commodes, walkers, crutches, hospital beds, and other things not available in the community.

Throughout her 16 years of nursing service, she has never advertised and has tried to avoid any type of publicity. Her list of patients has grown to the point that to add another would make her workload almost impossible. Yet, she manages to squeeze in more when a doctor or family insists on her services. Few people in the community know the extent of her work.

She acknowledges that the work is strenuous, but derives a great satisfaction and enjoyment from it. Her husband commented one Sunday morning when she remarked she was tired, "I don't know why you should be; you came to bed three times last night."

She has a deep religious faith, "It is sustaining to know I am not out there alone, whether it is night or day, or fair weather or foul. One has to have a strong faith to survive the schedule."

AMERICAN PATRIOTISM

Mr. THURMOND. Mr. President, as the 200th birthday of our great Nation rapidly approaches, it should give us pause to contemplate where we have come from and where we are going.

I have often spoken on the subject of our national heritage and the need for revitalization of the basic—but important—concepts which made this Nation. Fundamental values such as frugality, hard work, dedication, and Christianity are still valid today and must be renewed.

Two articles which recently appeared in Reader's Digest eloquently discuss these objectives. I was so impressed with them that I would like to share them with my colleagues.

Accordingly, Mr. President, I ask unanimous consent that the articles entitled "Spirits of 1776 and 1976—What We Have Lost," and "Spirits of 1776 and 1976—A Chance for Rediscovery," which appeared in the September issue of Reader's Digest, be printed in the Record at the conclusion of my remarks.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Spirits of 1776—and 1976

(Condensed from "The Spirits of '76" by Eric Sloan)

I. WHAT WE HAVE LOST

John Adams wrote: "Posterity! You will never know how much it cost the present generation to preserve your freedom!" He was right: we are not aware. Our heritage is threatened more by indifference than by anything else.

Not long ago, my editor suggested that I write a book for the occasion of the Bicentennial of the United States of America. I started thinking about it, and an idea was born. When we take a hard look at 1776, we see more clearly by comparison what America is today. There is a difference and the difference is interesting.

In America today, we tend to believe that we are exactly like the early American, only wiser and more experienced—that today is no more than yesterday grown older. We accept the fact that the horse and buggy are gone forever. But we perceive only dimly that the man who drove that horse and buggy, the godly, frugal, thankful, work-loving man of yesterday, is gone, too, replaced—all too often by the money-oriented, extravagant, discontented, thankless man of today. Somewhere along the line, the original spirits of America became obsolete.

It might be enlightening, I thought, to isolate some of the valuable philosophies of our early times, the "spirits of '76," that have weakened or vanished; perhaps, in the process, some of these lost spirits might be revived. I suppose that growing philosophical is not in keeping with the popular, gay spirit of celebration, but the approach of a 200th birthday seems to deserve serious reflection. And even if you disagree with my list of vanished American spirits, or want to add some of your own, we will both have done some useful thinking.

THE SPIRIT OF PATRIOTISM

In this age of flag-burnings, when the Stars and Stripes are being worn on the backsides of blue jeans, patriotism in America seems to be at an all-time *low*. As I thought about this, however, I realized that Americans have increasingly related "patriotism" to war and militarism and nationalism. I had never regarded patriotism in such a light, and I began to wonder if we had not been using the word incorrectly. I went to old dictionaries, volumes such as might have been used by George Washington or Patrick Henry, and in one of them I found patriotism defined as: "The Spirit of acting like a Father to one's country: A Publick Spiritedness." Another dictionary called patriotism "a quality of respect of one who is devoted to his family in a fatherly fashion." This has little to do with war or nationalism, but it has a lot to do with the important word "respect."

Respect for the family, respect for the nation and the land, respect for the flag and the law, respect for mankind and respect for oneself. These are the real ingredients of patriotism, and these are the values of the past that we must relearn if we hope to survive as a civilized country.

Adlai Stevenson, for one, seldom used the word "patriotism"—yet he was undeniably patriotic. "When an American says that he loves his country," he once said, "he means not only that he loves the New England hills, the prairies glistening in the sun, the wide and rising plains, the great mountains and the sea. He means that he loves an inner air, an inner light in which freedom lives and in which a man can draw the breath of self-respect."

THE SPIRIT OF HARD LABOR

As I sit in my studio and look out over the New England landscape laced together by ribbons of stone fencing, I wonder at the effort—often by old men—that must have gone into the clearing of the land two centuries ago. Once upon a time in America, such hard work was a part of life, one of the pleasures and satisfactions of living. Now the idea seems to be to try to get the most pay for the least amount of work. Hard labor seems to be considered drudgery, punishment, or at best a necessary evil. Retirement from labor has become a national aim. In other countries this is a personal decision; in America it is forced on a man, often just at the time when his talents are at a peak.

I remember Robb Golding, one of the last of that vanishing race of oldtime Maine guides. "He is an old friend," my wife said, "and he is coming this spring to prepare a garden for us." One day in May, Robb arrived. The next morning, during breakfast, I began to wonder at what time one should awaken a 92-year-old man.

At that moment he appeared at the kitchen door. "I hope I didn't wake you," he said. "Tried to be quiet, but I kept striking your confounded Connecticut stones." He'd been hard at work since six.

At the end of two days, Robb had laid out an extraordinary garden with a split-rail fence around it. I suppose local help would have made it a week's work. When I brought up the subject of pay, Robb gave me a lesson in human nature. "Work is work when you're paid to do it," he said. "When you're not, it becomes pleasure. There's a lot of time in heaven for me to rest, so I want to get in all the working hours I can while I'm still alive."

It is rare today to find someone like Robb, someone who enjoys his work and takes pride in what he does. It wasn't rare two centuries ago. People then created beautiful gardens, built their own homes, made their own furniture, sewed their own clothes. The early American farmer left to future generations countless monuments to the spirit of hard labor. The stone walls flowing into the horizon of my farmland, and the massive beams above me in by barn studio—these things are more than decorative. They are like gifts from one artist to another, and they remind me of a sampler, obviously sewn by a young girl, that came with my farmhouse: "See only that thou work hard, and thou canst not escape the reward."

THE SPIRIT OF FRUGALITY

It has been estimated that we Americans waste more in one second than we made in a whole year two centuries ago. There were no garbage dumps in those days, because people used all their leftovers. Meat-fat scraps miraculously became scented soap; old plaster and cow dung became fertilizer for the garden; and most of the wrought-iron tools around the farm were recreated from other broken or discarded implements.

But the spirit of frugality, once an American trait, has been replaced by a wasteful, throwaway economy. Defying logic, the government seems anxious to prove that the more of our money it spends, the richer we become. Frugality is now frowned upon as being associated with stinginess or poverty; yet it is actually a source of the richer life because it is founded on the principle that all wealth has limits.

Frugality is also a sign of intelligence and sensitivity. The artist or writer knows the value of being frugal with brush strokes or words; he knows how extravagance usually produces little more than bad taste.

I recall going to buy a rag rug from an aged Connecticut farmwife. Tears came to her eyes as she contemplated its sale. "I started that center part," she said, "when we first began farming. You can still see the dyed flour sacks we used for curtains. Where you see the blue gingham—that's from the first dress Bob bought me . . . and there's even a bit of the baby's pink crib cover!" The rug spelled out a large piece of her life, all made from rags such as most people throw away. "I'll come back another time," I lied to her, "when I have the money with me." Of course, I didn't return.

THE SPIRIT OF THANKFULNESS

Pioneer Americans were rich in the spirit of thankfulness. When the *Mayflower* dropped anchor at Plymouth, the Pilgrims gathered on deck for prayers; and when they stepped ashore, they knelt in the sand for another prayer of thanks. It was the proper way of life in those days to be grateful often and to express it openly. In our 20th century world, however, voicing gratitude has gone out of fashion.

But not always. I remember Joseph Sartori, a poor immigrant who started Joe's Restaurant in Coney Island. Whenever one of his waiters was in need, an unsigned envelope containing cash would appear at his home. Joe had prospered without help from anyone, and it became his habit to dispose of his profits. But I also remember how Joe went out of business, a sad man. He had fired a waiter whom he found to be dishonest. The union, however, disagreed with Joe and surrounded his restaurant with pickets. I shall never forget an Italian busboy who marched alongside the pickets with his own handmade sign. It read: "Mr. Sartori is *not* an unfair man. He is a good man. God bless him. Please eat at his restaurant."

It is easy and popular nowadays to display discontent, but to voice gratitude is remarkable. The gifts of life are more and more taken for granted, and the general belief is that we constantly deserve more than whatever we already have. God grant that the spirit of gratefulness may again become a national trait—that we may find more occasions for thankfulness than a single feast day in November.

THE SPIRIT OF GODLINESS

I believe a great man is one who gives whatever gifts God has bestowed upon him to mankind. Perhaps there were more of them in past times because society was based on godliness. In George Washington's day, the church was not only the center of each village, but the main support of American life, tying together family, community and nation. "To attempt government without God," said Washington, "is impossible." Like it or not, accept it or not, the Bible was once the main source of America's national identity.

Today the church is only an embellishment; the churchgoer, all too often, merely decorates his life with occasional attendance. Most have to refer to the dollar bill to recall our national motto, "In God We Trust," and the worship of money—rather than God—has become ingrained. Villages are no longer born around a central church, but wherever a bank is built.

THE SPIRIT OF TIME

As in skating over thin ice, our survival nowadays is thought to lie in speed. We believe that the most efficient way to do things is to do them quickly, and we devote much of our energy to finding new ways to save time. We are always in a hurry.

Two hundred years ago, however, haste was considered vulgar; anyone who was in a hurry was regarded as not quite civilized. Benjamin Franklin expressed it this way: "Only fraud and deceit are ever in a hurry. Take time for all things; great haste makes great waste."

When the modern American observes the extraordinary craftsmanship that went into the making of many early American products, he has a ready explanation. "In the old days," he says, "they had more time." Actually, they had about a fourth of the time that we have today. To begin with, their average life-span was shorter. Without machinery, things took about ten times longer to make. Without electric lights, the workday was much shorter. And no matter what a man's business was, he had to do early-morning chores before he left for work.

Two hundred years ago, the sands of time ran much faster, but somehow there was more time, and the early American had a precious knowledge that we are too impatient to learn—how to make use of each minute. Today we have extraordinary timesavers, but when we actually manage to save a few minutes, we are not at all clever about what to do with them. Indeed, we appear to save time only to squander it, as a man hoards money in order to be extravagant. "Dost thou love life?" asked Franklin. "Then do not squander Time; for that's the stuff Life is made of."

THE SPIRIT OF AWARENESS

Boiled down to one word, the most important difference between the early American and his modern counterpart is *awareness*. Living then was a vital experience; today we often exist in a dreamlike, mechanical world where we seem to have very little role to play in our own lives.

I remember hosting a New Mexican Indian friend from the Taos reservation, showing him the wonders of New York City for the first time. "What impresses me most," he told me, "is the people. They all look as if they are running in their sleep. They have no faces." He was right: you see them now, sitting in buses and at restaurants, working in offices or walking along the streets, withdrawn from the world, hiding behind blank masks.

Living two centuries ago was a more conscious experience because each thing done was done to its fullest. Drinking water meant tasting your own water from a well that you dug yourself; now you turn a faucet and water appears from some unknown place. Illuminating a room was lighting candles which you had made yourself; now you turn on a switch and light mysteriously arrives from God knows where—often the power company itself is not certain. Eating used to be tasting food that you grew and raised yourself, then cooked at home; now we seldom know what we are eating or where it comes from.

With all the necessities of life being made for you or done for you by someone unknown, somewhere else, the only part left for us to play is to pay out money in exchange. The old-timer seldom paid out money; instead, he knew the source, the ingredients and results of his everyday life; this gave him the satisfaction of self-security and self-vitality.

One of the charms of early American objects is that the maker nearly always signed his name or initials and put down the date. We now regard this as a quaint custom, but it was really a key to the spirit of awareness that permeated those profound times. Men were conscious of their position in the new nation, and they did not want to be anonymous. When you create for posterity you are most apt to be excellent.

THE SPIRIT OF HOPE

When I gave this manuscript to my secretary to be typed, I asked her after she finished to tell me her reactions to what I was trying to say. She left me a note which said: "This is an interesting and moving piece of writing, but it is sad in its implications. It doesn't leave much hope."

I was grateful for that comment, and I added this postscript about an American spirit that has *not* vanished—the spirit of hope. The Bible tells us, "There is hope of a tree, if it be cut down, that it will sprout again." So, too, can the old spirits of America sprout up again sometime, somewhere. Once you *know* them, even as small voices from far away, they will surely endure even the loud bombardment of modern change.

The pollution of affluence, congestion, automation and lack of purpose which has so changed our moral nation is not as strong as the powerful spirits that America was born with. In living for Today we can dream for Tomorrow—and learn from Yesterday.

SPIRITS OF 1776—AND 1976

(By Robert O'Brien)

II. A CHANCE FOR REDISCOVERY

(America's approaching Bicentennial calls us, one and all, to a renewal of pride in our heritage and hope in our future.)

To our forefathers in the Thirteen Colonies 200 years ago, independence from Great Brit-

ain was by no means a universal goal. Only about one third of the colonists desired it, and were willing to die for it. Another third were loyal to the British Crown, and wanted to remain British subjects. A final third were indifferent or indisposed to fight, and wanted no part of either side. Nevertheless, the issue concerned them all, and could not be evaded.

To many people involved in planning the American Revolution Bicentennial, commemorating the 200th anniversary of the adoption of the Declaration of Independence, history seems to be repeating itself. Only one of every three Americans appears to be willing to work for the Bicentennial, and considers it a priceless opportunity to excite, inspire and unite America, and to express his or her own love of country. The other two aren't involved—yet.

Nevertheless, like the cause of independence in 1776, the national Bicentennial celebration cannot be evaded. Even though the focal date, July 4, 1976, seems comfortably far in the future, to those concerned it looms uncomfortably close. They realize that it takes time, planning, energy and money to gear up to a Bicentennial effort that the country will be able to look back upon, proudly, for generations to come.

So, already, in cities, towns and crossroad hamlets, there is beginning to be heard a call to action with the urgency of Paul Revere's midnight ride. Committees are raising the cry for ideas on the national theme "A Past to Remember—A Future to Mold." "Maybe you're a printer, an architect, a housewife," claims the Rhode Island Bicentennial Commission to the state's 968,000 citizens. "If you can type, hammer a nail, drive a car or make telephone calls, we need you. Individuals, groups, corporations—young and old—sign up now and volunteer for '76!"

To be sure, the American Revolution Bicentennial Commission (ARBC) has experienced tough sledding in the past year: the Iowa state legislature voted against support of the World Food Exposition at Des Moines, long counted on as a major Bicentennial event; Colorado citizens voted not to hold the 1976 Winter Olympic Games in their state, planned as a major opening event of the Bicentennial year; Philadelphia's plans for an international Bicentennial exposition were dropped.

Despite these major setbacks, the commission *has* registered solid achievements. It has taken a vague, amorphous concept, anticipated ultimately to involve the entire nation, and imposed a solid foundation for the Bicentennial. ARBC's three major theme committees, conceived to honor the nation's past, present and future—Heritage '76, Festival USA and Horizons '76—are well established and functioning.* ARBC has encouraged the states to initiate their own Bicentennial efforts, securing from Congress $90,000 in operating funds for each, and deserves much of the credit for the fact that Bicentennial commissions are off and running in all 50 states and five U.S. territories.

Now, as the efforts shift from organization and planning to action, Congress feels that ARBC has served its purpose. And a Presidential recommendation for reorganizing the 50-member panel, meeting only six times a year, with a small, efficient task force working closely together on a full-time basis, is at this writing before Congress.

Meanwhile, under Presidential directive to get on with the job, federal departments and agencies are undertaking national Bicentennial projects. And at a recent Washington meeting, government spokesmen outlined programs to channel $200 million to $300 million into the Bicentennial over the next three years. Among them:

The Smithsonian Institution's plans for a summer-long Festival of American Folklife, on the Mall in Washington, in which the museum and some 2500 performers will demonstrate the "origins and continuities" of American culture; and its opening, on July 4, 1976, of the $40-million National Air and Space Museum.

The Department of the Interior's volunteer Johnny Horizon program, to rally all Americans to help prevent pollution, to "clean up America for our 200th birthday," and to plant 200 million trees along streets and in parks, via the nation's schoolchildren.

The Library of Congress' publication of some 18,000 letters and documents of delegates to the Continental Congress from 1774 to 1789.

Plans of the National Endowment of the Arts, part of whose annual $50- to $60-million budget will be devoted to "bringing back the arts to the center of American life" through Bicentennial activities of the nation's 5600 choral groups, 2600 community theaters, 6000 museums, 320 regional dance companies, 100 major and metropolitan symphony orchestras, and its 140 professional theater, dance and opera companies.

Out across the nation, state and local commissions are united in a new, emergent "Spirit of '76," pitching in to help make the Bicentennial a thrilling and festive commemoration. Colorado, rebounding from its turndown of the Winter Olympics, plans to rebuild historic forts and trails and to construct 100 small parks in communities all over the state. Philadelphia, likewise resurgent, is hard at work on $160-million plans for the "Historic Square Mile," from Independence Mall east to the Delaware River; for summer-festival programs along Benjamin Franklin Parkway and in Fairmount Park; for neighborhood environmental improvements.

Alabama is forming '76 action communities in every city, town and village. "This way," says director Bobby Bowick, "we'll give every Alabamian an opportunity to do something. We've got some big, exciting things going in our state, but there'll be lots of little ones, too—maybe just plant some daisies, fix up a store front, put up a park bench, anything at all that will express our appreciation for being an American, and that will make this a better, happier country to live in."

There's enthusiasm everywhere. D. D. Nicholson, program chairman of the Charleston, S.C., County Bicentennial committee, reports, for example: "We've got unbelievable excitement—more than 100 organizations with their own plans, some with 30 or 40 plans each." California, which until November 2 of last year operated with no funds or staff, has recently released the state commission's plans, proclaiming the Gold Rush as its Festival USA theme, and naming a corporation to raise funds for its program.

Arkansas citizens are mobilizing behind the state commission's program for a Mid-America culture center at Hot Springs, and a state-wide immunization drive to eliminate communicable diseases. Says Mrs. Glennis J. Parker, the commission's executive director, "We're not a wealthy state, and we can't do big things. But that's not what it's all about. The Bicentennial is a spirit, a demonstration of love for our country. In Arkansas, we're going to have a people's program for everybody—in the hills, in the villages, on the country roads—all about our pride in being Americans."

The Parkers, Nicholsons and Bowicks are not unique. Nor is Gladys Warren, Oklahoma's executive director, who has organized Bicentennial committees in 46 Oklahoma cities and towns, and who gets up before dawn, if need be, to make a Bicentennial breakfast rally 200 miles away. "Our forefathers gave us a free land," she says, "and we are going to shoulder the responsibility that goes with freedom. Out here, we're plain people. We still attend church. We still sit down to family dinners, have community sings, take an apple pie to a sick neighbor. There's a lot of old-fashioned America left here, and we're going to put on a glorious celebration—all the way from painting the fence and fixing the screen door to building a Bicentennial Plaza on the state-capitol grounds and blazing Bicentennial Freedom Trails across the state. The people make this great land, and it's going to be their birthday present to America!"

"I like the dreams of the future better than the history of the past," said Thomas Jefferson. Our country has gone through momentous times since Valley Forge and Yorktown—tragic times that divided us, challenging times that brought us together, times that have tormented us with doubt. As we move toward the Bicentennial, it appears that we are nearing a time for remembrance and renewal that will help unite us, perhaps closer to our dreams and our heritage than we have ever been before.

* * * * *

Archibald MacLeish, the poet and playwright, recently wrote in the New York *Times:*

"Time is famous for its ironies; a national anniversary falls in an incongruous year. For months we have been preparing to celebrate the Bicentennial of the establishment of the first, self-governing people in history. Now, on the eve of that celebration, we discover what appears to have been a conspiracy to undermine precisely the institutions and practices of self-government. . . .

"All of which leaves the Bicentennial where? Where it ought to be, I think: at the center, the focus, of our concern. What we need precisely at this moment of our history is something which will compel us to face ourselves as we once thought we would be and as we are, and the celebration of our Bicentennial can give us such a time. Not a year of self-congratulation, but a moment of truthfulness when all of us together can look Watergate and Thomas Jefferson in the eye, first one and then the other: not our present corruption only but our once and almost forgotten greatness as a people. And the expectation that remains."

DEBT POOLING BRINGS CONSUMER COMPLAINT

Mr. BIDEN. Mr. President, an article in the September 1 issue of the National Observer focuses on an area of increasing consumer complaint. The article, entitled "Those 'Debt Pools' Are Full of Sharks," was written by Morton C. Paulson.

Debt pooling, also called debt adjusting, debt consolidation, or budget counseling, is a mail-order operation in which a company takes money from its debtor clients and parcels it out to their creditors, for a fee which may run from 6 percent to over 25 percent of the customer's total indebtedness, as well as an initial enrollment fee. Mr. Paulson, however, points out that none of the names for this service quite fits:

> Mail-order poolers do little if any counseling and they do not pool or consolidate debts by lending people money for paying off their creditors.

While certainly all companies are not dishonest, nor are their services necessarily worthless, the industry is certainly a source of substantial complaint. However, because of the limited financial injury an individual typically suffers, this widespread problem has gained little notoriety. But to the individual who must bear the loss of a few hundred dollars, the burden may be very large.

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*See "Ring Out, Liberty Bell!" The Reader's Digest, July '72.

I, therefore, bring this article to the attention of my colleagues, in the hope that by publicizing the problem it will warn the unwary.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THOSE "DEBT POOLS" ARE FULL OF SHARKS

(By Morton C. Paulson)

One spring day in 1966 Mr. and Mrs. Roy C. Yokeley of Richmond, Va., noticed a small advertisement in a national television magazine. "Bill troubles?" it read, enticingly. "We can help you pay your bills and GET OUT OF DEBT. Let us set your mind at ease."

The Yokeleys—he is a deaf-mute typesetter and she is partly deaf—were caught in a deepening financial morass. Belligerent creditors badgered them incessantly. Anxiety engulfed them. So they sent the ad's coupon to Atlantic Associates, Inc., here in Providence. A few days later an Atlantic Associates representative called and said that if they would send in $65 a week for an unspecified period, the company would take care of all their obligations.

THE POOLERS EXACT A PRICE

There'd be no more harassment, they were told. Their credit rating would be restored.

The Yokeleys did as instructed. Nothing happened. Weeks passed; collectors kept hounding them. Mrs. Yokeley called Atlantic several times—to no avail.

Puzzled and angry, the couple finally stopped the payments. They were $500 poorer and worse off than ever.

The Yokeleys had been victimized by one of several mail-order concerns that engage in "debt pooling," "debt adjusting," "debt consolidation," or "budget counseling." None of these designations quite fits; mail-order poolers do little if any counseling, and they do not pool or consolidate debts by lending people money for paying off their creditors. They simply take money from their debtor clients and parcel it out to their creditors. For a price, of course.

To recruit clients they advertise extensively in mass-circulation publications. A reply to an ad usually brings an application form by return mail—and a request to telephone the pooler's office at once.

When he calls, the debtor is told that as soon as his first check arrives the company will contact all his creditors and arrange to pay them. Some poolers use high-pressure phone salesmen with fictitious names who represent themselves as "budget counselors" or the like.

If the pooler does in fact use the payments to prorate money to creditors, he collects an initial fee—typically $40—plus a charge based on the customer's total indebtedness. Normally this runs about 6 per cent, but it has been known to exceed 25 per cent.

Some poolers say they attempt to mollify creditors or to get them to allow more time for repayment. Others just send checks as long as the customer does. And some do neither.

At best, then, the mail-order debt pooler does little if anything that a reasonably intelligent debtor couldn't do himself—or have done for him at little or no cost in any of the more than 140 U.S. and Canadian communities that have nonprofit debt-counseling services that are affiliated with the National Foundation for Consumer Credit. Moreover, budget-planning advice and guidance is available to many people from nonprofit groups such as the AFL–CIO Community Service Activities. And overburdened debtors may be able to obtain loans to consolidate debts through credit unions, banks, or other lenders.

"THEY'LL BUY ANYTHING"

"Frankly speaking, the average person doesn't need our service," an employe of one mail-order pooler here candidly acknowledges. "The people we deal with have low incomes. They're not very intelligent. Half of them are illiterate. They have kids, two cars, a boat, and a home. They can't afford all that—but they'll buy anything."

Such people abound. Their ranks have increased dramatically with the enormous growth of installment buying. Hence, debt pooling can be quite profitable.

It would be unfair to suggest that most debt poolers are dishonest. Besides the nonprofit counseling services, there are individuals and small firms who, for fees of 10 to 15 per cent of indebtedness, help debtors work up repayment schedules and try to negotiate better terms from creditors. They do not ordinarily conduct business by mail, many or most of them are licensed, and they provide customers with written contracts. An estimated 300 such services are members of the American Association of Credit Counselors, Waukegan, Ill.

Commercial debt pooling has an unsavory past, however, and 29 states and the District of Columbia have outlawed it except by lawyers, who routinely adjust debts for clients. (The legal establishment spearheaded many of the state bans.) Some foreign countries, including Canada and Great Britain, likewise disallow commercial adjusting. In a 1961 resolution the AFL–CIO executive council publicly expressed its conviction that the "debt adjustment business, regulated or unregulated, is not economically or socially desirable as a commercial activity and should be eliminated."

There are probably no more than 25 to 30 national mail-order operators, but they take in millions of dollars annually from financially distressed families. Rhode Island has attracted several mail-order outfits because a curious state law gives poolers free rein if they don't deal with Rhode Island residents. Several attempts to repeal or modify the statute have failed despite condemnation of mail-order debt pooling by law-enforcement officials, prosecutors, and consumer-protection agencies in and out of Rhode Island.

"It's a dirty, rotten business," exclaims A. Michael Marino, president of the Rhode Island Better Business Bureau (BBB). "Some of the calls we get are heartbreaking." His bureau has received thousands of complaints from all over the country. In Washington, D.C., a member of the House Banking and Currency Committee assails mail-order pooling as "an atrocity—an abomination."

A FLOOD OF COMPLAINTS

Louis J. Lefkowitz, New York state's attorney general, declares: "A debtor who gets caught in this plan is worse off than when he started. He is saddled with high interest charges, service charges, and other costs."

In Providence the BBB, the police department, and other agencies have been deluged with complaints for years. The stories are pretty much the same: People thought their debts would be paid in a lump sum. They sent in their weekly payments but creditors weren't paid or even contacted. When they inquired why, their phone calls or letters were ignored.

"I don't know what they did with my money, but they sure didn't pay any bills," Mrs. Ronald Beidelsich of Upper Sandusky, Ohio, told The Observer in relating her experience with United Security Corp. of Providence. She sent the company $206, but a year later only one creditor had received any money—$10. Finally she complained to the BBB, and United Security returned her money.

Frank J. Randazzo of Oaklyn, N.J., made three $20 payments to the Fidelity Deposit Corp. but quit because none of his seven creditors received a dime. "I feel this is very unjust," he wrote the BBB. Arnold Green, Fidelity's office manager, contends that the $60 wasn't sufficient to start paying the bills after deducting the $39 initial fee. Randazzo received a $21 refund after the BBB interceded.

DOZENS OF VICTIMS

The Yokeleys of Richmond went beyond the BBB. In 1970 they paid a visit to Rodney Sager, the aggressive assistant U.S. attorney for the Eastern District of Virginia. Their story prompted a wide-ranging, year-long investigation in which Sager and U.S. Attorney Brian P. Gettings tracked down dozens of other Virginians who had been bilked by Atlantic Associates.

The following year a Federal grand jury returned a 21-count mail-fraud and conspiracy indictment against Max Gittman, now 52, president of Atlantic Associates; Thomas H. Rosenfield, an attorney for Atlantic and a cousin of Gittman's; and Mayard Weisinger, a telephone salesman for Atlantic.

Gittman and Rosenfield were later convicted on all counts. Gittman was sentenced to three years' imprisonment and five years' probation and fined $24,000. Rosenfield drew a three-year term with all but 60 days suspended and was fined $3,800. He was later disbarred. Weisinger, convicted on two counts, received a three-year suspended sentence and three years' probation.

The Government proved at the trial that Atlantic Associates, contrary to its extravagant promises, did little for its customers. Actually the firm pocketed some $260,000 a year, or more than half of the money clients sent in to pay creditors.

"The victims were mostly poor people—not illiterates but blue-collar types who had become overextended and desperate, with marginal income, maybe $80 to $100 a week," Gettings recalled recently. One man lost his car and others lost furniture and other things when unpaid creditors repossessed the purchases.

In its heyday Atlantic Associates had an estimated 40,000 accounts and was adding 100 new ones a week. "We calculated that Gittman made $1 million himself in four or five years," says Sager.

A STRING OF FRAUDS

Credit Advances, Inc., a Detroit-based outfit with 56 offices nationwide, was even more lucrative. U.S. postal authorities estimate that the public was bilked of $15 million by proprietor Rudolph Barden, who was convicted on 51 counts of mail fraud several years ago. Eugene M. Greene, who operated Debt Aid, Inc., in Detroit prior to his indictment on mail-fraud charges in 1969, "filched $40,000 to $50,000 annually," the Postal Service estimates.

Altogether, 53 debt poolers have been convicted of fraud in Federal prosecutions since 1963. Several others have been restrained or closed down by states or the Federal Trade Commission. Postal inspectors are currently investigating poolers in Arizona, Indiana, Maryland, Pennsylvania, Louisiana, Rhode Island, and the District of Columbia.

Foes have been trying since 1956 to banish the poolers from Rhode Island, but every effort to ban or curb them has failed. Gittman's trial produced testimony suggesting that payoffs had been made to keep restrictive legislation bottled up.

GITTMAN'S BRAIN CHILD PROSPERS

In this permissive climate the poolers thrive. The BBB here gets 20 complaints a month about just one outfit, United Security Corp. Gittman's old company is defunct, but another that he started, Interstate Acceptance Corp., is prospering. Gittman sold it a year ago to Henry Walaska, a former loan-company and bank employe who insists he runs a clean shop.

United Security's chief executive calls himself Robert A. Scott (his name is listed as Robert A. Schettini in the corporation's charter at the Rhode Island secretary of state's office). Reputedly a former Gittman associate, Scott was reluctant to discuss his business with a reporter.

What about the complaint volume? he was asked. "Well, a person in debt tends to get nervous. If a man takes 20 years to get himself in debt, we can't get him out in a month." Would he identify some of his satisfied customers? No, said Scott, "I wouldn't want to get into specifics about our customers." His qualifications as a debt counselor? A previous career in "general merchandise."

"BOOKKEEPERS," THAT'S ALL

Thomas Rosenfield, the disbarred Gittman codefendant, is as active as ever in debt pooling. He's sole owner of Fidelity Deposit Corp., one of the larger outfits.

Another former Gittman confederate, Wallace A. Sharp, runs International Acceptance, which is based in Phoenix but has mail drops in Warwick, R.I.; Great Falls, Mont.; and New Orleans. He was indicted with Gittman in the Arizona case but the charges were later dismissed.

The poolers say they render a service by inducing people to systematically pay their debts. "The average person doesn't know how to budget," one pooler says. "We do it for him. We're registered as a bookkeeping service. That's all we are."

Perhaps such budgeting *has* helped some people. Yet five poolers here refused a request for names of satisfied customers. "We get fine letters from people all over the country," bragged one pooler. Could a reporter see a few? "Well, no. That would violate a confidence."

WARNING VOICES IN U.S.S.R.

Mr. BROCK. Mr. President, I have previously spoken on the subject of detente, and warned that the word does not mean the same thing in Russian as it does in English. My concern is that the American people not be misled into an overly optimistic view of our relations with the Soviets.

If this were to happen, I am fearful that we would lose our will, and inevitably, our capacity for resisting any new Communist expansionist moves that may develop.

It is a fallacy to believe that all Communists are alike, but it is equally fallacious to fall into the trap of believing that just because Comrade Brezhnev is willing to negotiate with us on various issues, his regime is more liberal, more free, and more open than previous Soviet dictatorships.

The Kremlin is negotiating, because they perceive the talks to be in their best interest. That is of paramount importance. The talks may also be in our best interest, but that will only be true if we approach them clear-headed and hard-nosed, ever mindful that individual agreements are only acceptable if, in fact, they are in our best interest.

Trade agreements, for example, may or may not be in our best interest, and I plan a detailed discussion of this aspect of our relationships in the near future.

Events in recent weeks inside Russia have demonstrated that those who saw a new spirit of freedom developing in the Soviet Union under Brezhnev were sadly mistaken. It is now clear that simple, old-fashioned repression is still the order of the day.

Several rather spectacular examples of this fact have recently been noted by Western observers, and in that regard, I would like to call to the attention of this body a particularly incisive editorial which appeared recently in the Memphis Commercial-Appeal, the largest newspaper in my State. Because of its cogent analysis of what it appropriately headlines "Warning Voices in U.S.S.R.," I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WARNING VOICES IN U.S.S.R.

Alexander Solzhenitsyn, in the 1970 Nobel Prize speech which he was not permitted to deliver in person, cried out from the closed society of the Soviet Union, "One word of truth shall outweigh the whole world."

The voices of other Soviet intellectuals and writers have been crying out of late, begging the West as it barters for detente with the USSR to demand some concession for the thinkers within Russia who dare to dissent. And Communist officialdom, petrified by what the exposure of its oppression of people may say to the outside world, is striking back.

Nobel author Solzhenitsyn used the means of an interview published in Paris last week by the newspaper Le Monde to warn that if he dies suddenly the world should know that he was killed by Soviet security agents. The writer branded a series of threatening letters which he has received recently as a "masquerade" on the part of the Soviet secret police.

The Times of London said the other day that oppression of dissident Russian intellectuals appears to be "increasing in direct proportion to the pursuit of detente abroad." The Swiss Review of World Affairs said, "The Soviet Union is haunted by the Chinese problem and its own economic insufficiency. It aims to open up Western economic potential for its own purposes. And in addition it desires to protect its empire in East and Central Europe from latent dangers by obtaining Western confirmation of that empire in the form of nonaggression pacts or the like, by blocking undesirable influences and forces of attraction from the West, by maintaining a rigorous and totally repressive domination, by maneuvering America out of its European outposts and by weakening and dividing the Western European allies."

In other words, in all the dealing going on at the summit, the United States had better not turn a deaf ear to the few brave Russians who dare to warn us of snares and deceits. Nor should the United States stand by passively when these Russians are threatened and punished for sounding their warnings.

We know they are being made to suffer. The story of Andrei Amalrik, young author of a book called "Will the Soviet Union Survive Until 1984? has become well known in America. Amalrik served three years in a Siberian labor camp for criticizing another writer who fled Soviet persecution and blackmail instead of staying to fight it. Upon release he was retried and given another year's term, mainly for defending his belief in "the principle of freedom."

Zhores Medvedev, a noted Soviet geneticist, was stripped of passport and citizenship while in London Aug. 8. The Presidium of the Supreme Soviet said he had discredited "the high title of citizen of the USSR."

The Chronicle of Current Events, an underground publication, has not appeared in print since October, 1972. Pyotr Yakir and Victor Krasin, two key figures in its publication, are under arrest. It is reported that Case 24, code name for investigations into the Chronicle, has resulted in a major civil rights trial in the USSR which is underway.

Perhaps the most impressive warning of all to the West has come from Dr. Andrei Sakharov, the famed physicist known as the father of the Soviet hydrogen bomb. Accused of giving away "state secrets," Sakharov has lost the perquisites that went with membership in the Academy of Sciences. His and his wife's children have lost jobs or posts as students. On Aug. 15 he was summoned to see Mikhail P. Malyarov, first deputy prosecutor general of the USSR. In a dialog the next day, which Sakharov has tried to reconstruct, the Soviet prosecutor (equivalent to Atty. Gen. Elliot Richardson in the United States), accused the physicist of "meeting with reactionary newsmen," delivered a "serious warning," and said, "It is up to you to draw your conclusions."

It was through a meeting with 11 foreign newsmen in Moscow that Sakharov warned the West not to be suckered by Soviet maneuvers in the negotiations for arms and trade deals.

As President Nixon and Secretary of State-designate Henry Kissinger continue to work on detente with the Soviets, let us hope they do not overlook the warning cries from within that nation. For every concession the United States makes in a deal, the Kremlin should make a matching concession. The International Committee for the Defense of Human Rights in the Soviet Union, with headquarters in Belgium, says there are today at least 1.2 million men and women serving time in 1,000 Soviet labor camps, and many more locked in psychiatric hospitals. Among them are the dissidents, the writers like Andrei Amalrik. Our leaders should not forget them.

Said Solzhenitsyn in his Nobel speech: "The simple step of a simple, courageous man is not to partake in falsehood. Not to support false actions."

If America is to do business with the Soviet Union, it cannot afford to permit the appearance of any semblance of support of the Soviet policy of oppression. America must test the good faith of the Kremlin even more stringently than have Solzhenitsyn, Amalrik and Sakharov.

AIR TRANSPORT SERVICE

Mr. CHILES. Mr. President, the quality of air transport service is of particular importance to me and to the people of my State. Shippers, business, and pleasure travelers and many thousands of other Floridians are dependent upon the continued health of the entire travel industry.

And that is why I am deeply concerned about the effects of a bill now pending which would make a fundamental change in the nature of this Nation's air transportation system.

The legislation—S. 1739—has generated much controversy, and has developed vigorous opposition from a great number of individuals, business associations, and newspapers.

Back when Congress created the Civil Aeronautics Board, this body gave the CAB a duel responsibility; to regulate the air transport industry, but at the same time to foster and encourage the development of a sound air transportation system that would be both economically viable and responsive to the public convenience and necessity.

The supplemental carriers, which were authorized by Congress to do just what their name implies, "supplement," the scheduled airline services, have consistently over the years attempted to get the CAB to liberalize its charter regulations. Just as consistently, the Board has been unable to find economic justification for permitting the supplementals to compete with the scheduled carriers in the manner that would be permitted by S. 1739. I too feel that the CAB ought to be looking for ways to aid the growth of charter service, but this bill does not answer my concern.

Certainly, travelers to major vacation-oriented areas such as those in Florida would be the principal targets of the inclusive tour charter operations that would be permitted under this bill. It might be contended that areas such as Miami would be among those most beneficially affected by any increased tourism.

However, both of the major newspapers in Miami have strongly denounced this bill in well-reasoned editorials.

"Bill on Non-Sked Airlines Mustn't Get Off the Ground" is the way the Miami Herald headlined its editorial. The Miami News urged, "Don't Cripple (the) Airlines."

Obviously, if editorial writers in major resort-area newspapers have the ability to look beyond the trees to see the forest, we here in the Senate must be able to, as well.

The News stated that:

> We think Congress should kill the measure for two reasons. First, it is bad fare policy that could damage the total airline industry. Second, it is bad government, setting a precedent of congressional intervention in matters properly reserved to the CAB.

And the Herald noted that to permit nonscheduled carriers to provide point-to-point, individually ticketed air transportation would be to encourage "privilege without responsiblity." The editorial continued:

> Over the last quarter century the scheduled airlines have developed one of the most remarkable transportation networks in the world while maintaining fierce competition. It links 500 U.S. cities and involves more than 14,000 scheduled around-the-clock direct and connecting flights.
>
> Many of these flights barely break even. Others lose money. One airline estimates its profitable business at 20 per cent, its break-even at 40 per cent. Thus the profitable business enables the airlines to "subsidize" the unprofitable business and keep the network intact. Air cargo is well served, too, by the system. If it were not for scheduled air flights Southwest Florida's lucrative flowergrowing industry, for example, could not reach distant markets efficiently.
>
> The argument is made that Europe gets along with vigorous non-scheduled and scheduled competition, but the telling fact is that under it point-to-point flights are fewer and fares are about 70 per cent higher than in the United States.
>
> Which system serves the consumer better, the per cent one or the pale European copy projected by S. 1739? We think the answer is easy and hope that the Senate will find it so.

The Miami editorial makes what I consider to be a key point that the words of those who oppose this bill are "self-serving" words, but they also serve the best interests of most of this country's air travelers.

That, in essence, is my concern and, I hope, that of all my colleagues. I am not specifically worried about the profit level of the scheduled carriers if the restrictions on inclusive tour charters are removed. I am sure the scheduled carriers will survive, since they are keen competitors and innovative marketers. However, I am concerned about the effect that this competitive situation might have ultimately on the availability of scheduled service to the people of the smaller communities in my state. As scheduled carriers are forced to concentrate on the most lucrative markets in "aerial free-for-all" proposed by this bill, it seems inevitable to me that there would be a general constriction of the system, with a loss of service to many smaller communities. The editorials I have quoted from clearly indicate what the consequences of S. 1739 could be. Although this would not happen overnight, I am convinced that the handwriting is on the wall. And I ask all of my colleagues to consider whether we and the people we represent might not be the real losers, if this bill passes.

It is my intent to vote against this legislation, and I urge all Senators to do the same.

FREE MASS TRANSIT

Mr. HART. Mr. President, in passing a bill to authorize Federal subsidies for operating mass transit systems, the Senate accepted my amendment to provide $20 million to test the concept of free mass transit service.

Unhappily, consideration of the entire bill has bogged down in the House.

Fortunately, testing the concept of free mass transit is not awaiting congressional action.

The September 24 edition of Newsweek magazine, in a story entitled "Borne Free," reports on free public transit experiments in Dayton and Seattle.

I ask unanimous consent that the article be printed in the RECORD with the hope it might encourage the Congress to allow the Federal Government to help expand what looks to be a promising experiment.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BORNE FREE

> For years, urban experts have argued that one antidote to the stagnation of the central cities would be the creation of free public transit. The service, they argued, would be financed by taxes on merchants and residents, would pay its own way and yield extra dividends in the process. Free busing would end the ruinous cycle of spiraling fares that had driven away so many riders; it would draw new customers into dying downtown shopping areas, and thus justify the added tax burden. Finally, it would reduce pollution by helping to cut traffic and ease the daily tie-ups at rush hours.
>
> In Dayton, Ohio, tax-subsidized free busing in the heart of the downtown shopping area has steadied a faltering transit system and helped stem a loss of riders and revenue. Reduced fares for the elderly are in effect in many cities. In Atlanta, fares have been rolled back from 40 to 15 cents for everyone, leading to a 15 per cent increase in riders. Last week, Seattle became the first major U.S. city to take the next step; it eliminated downtown bus fares entirely.
>
> Begun as a one-year experiment, Seattle's new "Magic Carpet" bus service will give free rides to anyone traveling within the 77-square-block area containing most of the city's major department stores, office buildings, hotels, theaters and restaurants. Intended to lure people out of their cars and onto the buses, the system was conceived by aides of Mayor Wesley C. Uhlman, partly to help meet strict air-quality standards laid down by the U.S. Environmental Protection Agency. It is being helped by a $64,000 city-council appropriation and operated by Metro Transit, which runs all transit operations—free and fare-paid—in a 2,000-square-mile area in and around Seattle. Optimistic planners hope Magic Carpet may entice enough new riders onto the buses to eliminate the need for subsidy.
>
> Whether or not these rosy predictions are fulfilled, free busing is already resoundingly popular among downtown merchants and property owners. After watching business trickle away year after year to suburban shopping centers, they now sense an end to the dollar drain. Restaurant trade in Seattle's Pioneer Square historical district, half a mile from downtown, has been booming since fares were abolished, and midtown workers feel a newfound mobility. Riders rarely have to wait more than a minute for a bus, and are being won over to the system in droves. "It's great!" exclaims one downtown civil servant. "I can leave city hall, catch a bus to shop, or to Pioneer Square for lunch."
>
> Even the bus drivers, who estimate they are carrying double or triple the number of passengers they once did in peak hours, seem delighted to be a part of it all. "Sure, the number of people slows us down a little," says one. "But now that we don't have to watch over the farebox, we can get them on and off a lot faster."
>
> GLOW
>
> Encouragingly, Magic Carpet is already attracting a more varied cross section of passengers. Suburban matrons and downtown executives now mingle with public transit's hard-core clientele of children, the poor and the aged. Even Mayor Uhlman himself now makes a point of riding buses to meetings. In the glow of the noble experiment, in fact, there is evidence of a growing esprit. "We moved out of Seattle twenty years ago to the suburbs," confides one happy shopper. "But if this is what the city is going to be like in the future, I feel like moving back in!"
>
> A more demanding measure of Magic Carpet's value, however, will be whether it succeeds in keeping cars off the streets. But for the moment, free busing itself—at least in such a limited area—has the look of a thumping success. "The people love it, the drivers love it, the businessmen love it!" exults Mayor Uhlman. "I predict that inside a year every major city in the U.S. will have the same program, or will be working on one."

URBAN HOMESTEADING

Mr. BIDEN. Mr. President, the increasing deterioration of the urban environment has become one of the major problems facing our Nation. The cities, once the center of American life, have been abandoned in the move to suburbia. Portions of our major cities have decayed incredibly, and now, unfortunately, house those American citizens who lack the financial resources necessary to reside elsewhere. The existing state of our urban environment presents us with an increasingly negative aspect of American life.

Mayor Thomas C. Maloney and the city of Wilmington, Del., have, however, attempted to reverse this disheartening trend. Adopting a creative, new program, "urban homesteading," Wilmington and Mayor Maloney are relying upon "city people," individuals with pride in themselves and their environment, to combat urban blight. Under urban homesteading, the city gives abandoned housing to qualified applicants who agree to bring the building up to housing code standards and to reside there for a minimum of 3 years. As the mayor has stated:

> Why not give them away. The city will eventually get out of the real estate business, tax revenue will increase, housing will be provided for families and stronger communities will be built.

The plan for urban homesteading, first implemented in Wilmington, is being studied throughout the Nation. Already adopted in Philadelphia and Baltimore, urban homesteading has instilled new hope and activity related to improving the quality of life in our cities.

I commend Mayor Tom Maloney and Wilmington for taking the leadership in this important area.

The New York Times has published a front-page article about the Wilmington effort. The article, appearing on September 16, 1973, discusses the efforts of the urban homesteaders and the encouragement given them by Mayor Maloney and the city government.

Mr. President, I ask unanimous consent that the text of the New York Times article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Homesteaders Combating Urban Blight

(By Wayne King)

Wilmington, Del., Sept. 15.—At 61 years of age, burly, barrel-chested James **Hadrick** has been a number of things—carpenter, bricklayer, prizefighter, longshoreman, husband and father of 11.

Now he is the contractor on his own house on West Fourth Street here, spending time away from his job on the Wilmington docks. He is renting scaffolds, buying bricks and boards and hiring a man to help him renovate the old abandoned brick house in Wilmington that the city gave him at a lottery last month.

He and nine others in Wilmington are the nation's first "urban homesteaders," part of an experiment in breathing new life into blighted neighborhoods. Quite clearly, they will not be the last.

Under urban homesteading, the city gives abandoned housing to qualified applicants, either free or for a nominal fee, and the recipient agrees to bring the building up to housing code standards and to live in it for an agreed-upon period of from three to five years.

ADOPTED BY MAJOR CITIES

The urban homesteading plan, first implemented here in Wilmington, shows every sign of becoming an idea whose time has come. Already, Baltimore and Philadelphia have adopted the program and Boston is expected to do so soon. A score of others are in various stages of inquiry and study.

In Philadelphia, Councilman Joseph E. Coleman, who ushered a homesteading bill through the City Council recently, has received inquiries about how to set up programs from cities as diverse as Toronto, Halifax, Nova Scotia, Cleveland, St. Louis and Roseville, Minn.

In New Jersey, inquiries have come from Trenton, Camden and Atlantic City, all cities with urban blight problems. Buffalo has asked about the program and housing officials in New York City, where homes are abandoned almost daily, are watching the Wilmington and Philadelphia efforts has some 15,000 abandoned units, mostly owned by the Federal Department of Housing and Urban Development, is expected to adopt the plan soon.

Under the homesteading plan, according to Wilmington's modish 31-year-old Mayor, Thomas C. Maloney, everybody benefits. His city, the Mayor notes, has 1,500 to 2,000 abandoned and dilapidated homes bringing in no tax revenue and blighting surrounding neighborhoods. Eventually, the city takes over the homes in lieu of taxes and usually has to pay to have them torn down.

"So," the Mayor reasons, "why not give them away. The city will eventually get out of the real estate business, tax revenue will increase, housing will be provided for families and stronger communities will be built."

WALK TO WORK

After the required occupancy period, the owner-occupant is free to rent, sell or continue to live in the house.

There are no restrictions on the recipient's income—or, so far, on his existing place of residence. Wilmington's first urban homestead was awarded to Daniel S. Frawley, a tall, blond suburban Philadelphia resident who is a tax attorney for the E. I. du Pont de Nemours & Co. The company has headquarters in Wilmington and Mr. Frawley will be able to walk a few blocks to work once he takes occupancy.

Other applications came from California, Illinois, South Carolina and Georgia, however, the rest of the homes were awarded to Wilmington residents.

Like Mr. Hadrick, Mr. Frawley plans to do some of the work on the house himself and estimates renovation costs of $10,000. Mr. Hadrick estimates his at $5,000.

In Mr. Frawley's case, the renovation costs will pose no great problem. For others—those who needed housing the most, the very poor—financing problems are substantial.

"Banks are the key to the program," observed Robert Kavin, a Boston housing official. "They have shown interest at this point, but have made no firm commitments."

A bill pending in the Massachusetts Legislature would underwrite a percentage of housing renovation loans.

Philadelphia's Councilman Coleman is exploring means to allow very-low-income families, including welfare recipients, to get enough money to renovate homestead housing.

So far, by starting small, with only 10 homesteads, Wilmington has been able to gain cooperation of local banks in providing low interest loans on suitable terms.

CONVENTIONAL FINANCING

So far Mr. Hadrick is the lone homesteader to actually begin work on his home—"can't get anywhere standing around," he says—and his costs for material and contract labor will be met as they are incurred. He will submit his bills to city officials, who are arranging his loan, and the money to pay them will be turned over to him. Those who are able to do so will obtain conventional financing at normal rates.

Advice and supervision are also provided by building inspectors, who will see that all work conforms to housing regulations.

Although the basic approach to the homestead plan is similar in the cities now implementing it, there are variations. In Boston, homesteaders will be allowed to rent part of large houses so long as they themselves live in them, alleviating the housing squeeze and helping out with the city's tax bill, one of the highest in the country.

Boston's proposal, which is expected to run into no trouble on its way to adoption, will, like Wilmington's, award city-owned houses by means of a lottery in instances where there is more than one qualified applicant for a particular house.

Wilmington received more than 100 applications for its initial offering of 10 houses. Another 10—possibly 20—will be awarded next month.

In Philadelphia, where details are to be worked out by a board to be appointed by Mayor Frank L. Rizzo, it has been suggested that where more than one applicant seeks a particular house, the award be made to the highest bidder. Although this would provide city revenue, it would also penalize poorer applicants unless some income formula were incorporated.

While there are now more than 30,000 abandoned homes in Philadelphia, more than the total number of homes in the city of Wilmington, the city government at the moment owns only about 1,200 of them, because of a lag in tax foreclosures.

A similar situation exists in many cities because of the complexity of acquiring a house through tax default. In many cases the delay means that a structure deteriorates beyond repair.

In Baltimore, where an urban homestead program was announced last month, an initial unit of 42 houses is being offered.

MORTGAGES ON 250,000

Renovation of the Baltimore houses is expected to be relatively expensive—$15,000 to $20,000 for a contract job, $7,000 to $8,000 for a buyer doing his own work—but a bond issue already approved makes $2 million available for rehabilitation loans.

Although housing officials are optimistic about the possibilities of homesteading—the Department of Housing and Urban Development owns or holds mortgages on some 250,000 abandoned dwellings across the country—no one expects a miraculous transformation of blighted neighborhoods.

Beyond the problem of high loan rates, there is the fact that a high percentage of abandoned housing is beyond repair at any reasonable cost. Also, officials are not convinced that the high initial public interest will be manifested in applicants willing and able to follow through on the renovation.

However, Wilmington's Mayor Maloney figures the odds are in favor of men such as James Hadrick—"and if he succeeds, we succeed."

HANDGUNS AND MURDER RATES

Mr. HART. Mr. President, a newsstory today quotes William Beardsley, Georgia Division of Investigation director, as saying:

> If I had my way they would take every handgun ever made and throw them in the river.

The basis for that comment doubtless was Mr. Beardsley's awareness that FBI data show that Atlanta's murder rate for each 100,000 population led the Nation in 1972.

According to the newsstory, printed in today's edition of the Washington Post, the cities with the next 5 highest murder rates were in a 12-State Southern region, as were 42 of the 53 "metropolitan areas that reported 12 or more homicides per 100,000 population."

Those are startling figures which I do not believe we should attribute to some flaw in Southern character.

Rather, I think the answer may lie in

Mr. Beardsley's plaintive wish to have handguns thrown in the river.

The suggestion that the cause of those murder rates may have something to do with private ownership of handguns is suppported by Dr. Eugene Czajkoski, chairman of the department of criminology at Florida State University.

Dr. Czajkoski noted, "Generally in the South, restrictions on gun ownership are rather loose" and that Northern cities generally have stricter gun laws.

Perhaps the case cannot yet be documented as well as it should, but should not we begin to ask why five cities from an area with loose gun ownership restrictions have higher murder rates than New York City, Baltimore, Chicago, and Detroit?

And I think the answer to that question will support legislation prohibiting private ownership of handguns.

Let me quickly add that the bill I introduced to S. 747—does not order that guns be thrown in the river, but rather provides funds to purchase handguns at a fair market value.

The cost may be considerable, but it is one cost our society ought to be willing to meet in order to get these instruments of violence out of the bureau draws in homes across our country. Contrary to the bumper-strip argument, the honest citizen is safer without that handgun.

I ask unanimous consent that the Washington Post article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GUN LAWS LINKED TO MURDERS

ATLANTA, GEORGIA, September 25.—An absence of gun control legislation in Southern cities may be one reason why those metropolitan areas are dominating the nation's murder statistics according to some professional observers.

FBI data show Atlanta leading the nation in 1972 with a rate of 23 slayings per 100,000 population, followed by Gainesville, Fla.; Little Rock, Ark.; Greenville, S.C.; Columbus, Ga.; Tuscaloosa, Ala.; Richmond, Va., and Savannah, Ga.

Out of 53 metropolitan areas that reported 12 or more homicides per 100,000 population, 42 were in a 12-state Southern region.

"Generally in the South, restrictions on gun ownership are rather loose," said Dr. Eugene Czajkoski, chairman of the department of criminology at Florida State University.

He said although statistics are unreliable, he is personally convinced that gun control legislation would reduce the murder rate. In a telephone interview from his Tallahassee office, he claimed Northern cities have tighter gun restrictions.

Based on per 100,000 population, New York reported 19.1 murders last year while Los Angeles reported 12.8. Las Vegas had 18.3, Baltimore 17.6, Detroit 17.3 and Chicago 11.5.

By comparison, Gainesville had 22.3, Little Rock and Greenville 20.4, Columbus and Tuscaloosa 20.2, Richmond 19.8, Savannah 19.2, Raleigh, N.C., 18.7, Lubbock, Tex. and Memphis, Tenn., 18.6, New Orleans and Jackson, Miss., 17.9 Charlotte, N.C., 17.6, Chattanooga, Tenn., and Jacksonville, Fla., 17.4.

Houston reported 17.3 murders per 100,000 population, Birmingham, Ala., and Augusta, Ga., reported 17.1 and Wilmington, N.C., had 17.

"If I had my way they would take every handgun ever made and throw them in the river," said Georgia Division of Investigation director William Beardsley.

AMERICAN INITIATIVES AT THE U.N.

Mr. McGEE. Mr. President, in this morning's edition of the Washington Post, there appeared an editorial analyzing Secretary of State Dr. Henry Kissinger's speech to the United Nations General Assembly on Monday of this week.

Since I have been a long-time supporter of the U.N.—and my belief in this institution was further enhanced as a result of my service as a delegate to the General Assembly last fall—I was particularly interested in Dr. Kissinger's remarks. I find myself in full agreement with the assessment of the Post editorial, particularly the writer's closing comment which noted:

> A speech is only a speech. In this one, however, the new Secretary of State launched at least two significant initiatives. These have merit in themselves. They allow the United States to play a responsible international role. And they can serve as vehicles for precisely the kind of international cooperation that the United Nations was set up to provide.

I was heartened by the Secretary's speech which, while realizing the realities of the United Nation's limitations, nevertheless accented its strengths and the need for the United States to actively search for meaningful ways to make the U.N. a more effective international force.

I believe the tone and the content of the Secretary's remarks will go a long way to alleviate legitimate fears that our Nation is losing interest in the U.N. I commend the Secretary for the thoughts he expressed in his address and I would urge the Congress to follow suit. It is important that the Congress work closely with the administration in building a more effective commitment to, and participation in, the United Nations. The new Secretary of State has taken the lead and it is up to us in the Congress to assist him in this endeavor.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AMERICAN INITIATIVES AT THE U.N.

Many foreign nations fear that the Nixon-Brezhnev advances in Soviet-American relations have not brought comparable gains for them. Understandably, this apprehension is much in evidence at the United Nations, the world's principal international assembly. It was, then, with a nice sense of what the times and the occasion require that Secretary of State Kissinger assured the United Nations on Monday that the United States intends to move "from detente among the big powers to cooperation among all nations, from coexistence to community." Dr. Kissinger delivered this message, moreover, in a tone combining both respect and restraint toward the United Nations. He did not treat the world body as a sacred object deserving veneration in its own right, as do some of its less realistic partisans who forget that it is an assembly of sovereign states. Rather, he accepted the U.N. as a forum capable of being used more effectively by its members, if they choose, for their own legitimate national purposes. "Shall we proceed with one-sided demands and sterile confrontations?" he asked. "Or shall we proceed in a spirit of compromise produced by a sense of common destiny?"

The answer Dr. Kissinger offered for the Nixon administration was commendable, we thought, in two special areas. First, peacekeeping. All of the United Nations' efforts in this area have been improvisations; many have been controversial, some almost crippling. Article 43 of the Charter, calling on members to compose peacekeeping forces and procedures, has never been implemented. No new peacekeeping venture has been authorized since 1964. A U.N. subcommittee has been trying fruitlessly to write peacekeeping ground rules since 1965. This group has been deadlocked: the United States has demanded that the Secruity Council give the Secretary General certain leeway in administering peacekeeping missions, while the Soviet Union has insisted that the Council keep the SG on a tight leash. To break this deadlock, Dr. Kissinger said Monday, the U.S. will consider "how the Security Council can play a more central role in the conduct of peacekeeping operations." Was this matter discussed at the Moscow or Washington summits? If so, the Russians may also be prepared to compromise, specifically, to loosen the leash on the SG. It would be a helpful demonstration by both great powers that they can work together for a cause which is important, at least symbolically, to others. Dr. Kissinger, we note, held out the prospect of success "during this session" of the General Assembly.

He showed a good face too on the major issue of the world's food supply. In recent years, as commercial demand for American food exports has grown, the United States has been reluctant to acknowledge that some countries needed food but could not pay for it. The official tendency has been to deny there is a serious problem and, when confronted by it, to pass it off as the result of a temporary spell of bad weather. Dr. Kissinger, however, seized the problem forthrightly. He said that world grain consumption is outpacing production and that even with bumper crops, world reserves may not be rebuilt "in this decade." Accepting the implications of this stark diagnosis, he went on to urge the calling of a world food conference in 1974. A conference is the right way to focus concern and to internationalize responsibility for a condition of world food scarcity which the United States can no longer handle on its own. The U.N.'s Food and Agriculture Organization presumably would provide the staff work for such a conference, although the Russians have yet to join it. But any successful approach can only be made by engaging member states at a high political level. This seems to be what Dr. Kissinger has in mind.

A speech is only a speech. In this one, however, the new Secretary of State launched at least two significant initiatives. These have merit in themselves. They allow the United States to play a responsible international role. And they can serve as vehicles for precisely the kind of international cooperation that the United Nations was set up to provide.

DELAWARE ACTS TO PROTECT ITS ENVIRONMENT

Mr. BIDEN. Mr. President, one of the major concerns in the Senate recently has been with legislation to control and protect our environment. At the last session of Congress the Coastal Zone Management Act was passed to provide a Federal program for protecting one of our country's most valuable assets. In the present session I was pleased to support the land use planning legislation recommended by the Committee on Interior and Insular Affairs and adopted by the Senate. I hope that the House of Representatives will act promptly on this legislation so that we can develop adequate and effective land use controls at the local level throughout the Nation.

I have personally been deeply concerned with proposals to construct deep water ports, particularly off the shores of Delaware. I believe that these ports and the almost inevitable industrial development that would follow such port facilities would impair the coastal areas in which we in Delaware take such pride. Many committee hearings, in which I participated, have been held in the Senate to air all aspects of this critical problem.

I am pleased to see, however, that the State of Delaware has not waited to move ahead to develop controls on development and threats to its environment. In a recent report to the people of Delaware, "Guiding the Coastal Zone," Gov. Sherman W. Tribbitt has spelled out what Delaware is doing to help itself.

Mr. President, I am proud of the accomplishments in Delaware, and I request unanimous consent that portions of Governor Tribbitt's report be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

THE GOVERNOR OF DELAWARE,
Dover, Delaware.

DEAR FELLOW DELAWAREAN: Delaware's environmental movement is unequaled by any other state

It has moved far beyond talk and emotionalism to hard facts and thorough study.

Above all, there's a commitment by a responsible and responsive legislature, dedicated public officials and an aware citizenry.

Perhaps the small size of our State contributes to this strong commitment. All of us know that everyone pays for the loss of our natural resources, whether air, water, beaches or marshes.

Naturally, I am proud of the accomplishments of my administration. But as I pointed out in my "Quality of Life" message, I am particularly proud that they have been attained through a spirit of cooperation which soars above the bounds of partisanship.

Where our environment is concerned, we are all Delawareans, first and foremost.

It is this cooperative spirit that must be sustained if we are to ward off the continual pressures bombarding Delaware.

One is the push for construction of a deepwater oil terminal in Delaware Bay which would have the effect of irreversibly altering the character of our State.

Another is the possibility of Outer Continental Shelf oil and gas exploration off the coasts of Delaware and New Jersey.

Some of these pressures are directed less at the State than at the counties which are called upon to use their considerable powers in behalf of all their residents and businesses. It often makes for difficult decisions; they must balance demands for public services with a concern over higher taxes. When reviewing projects, they must weigh the potential new tax revenues in respect to the impact of these projects on future land use and public facilities.

We know their problems, and we hope to help them, for they are the front line of our environmental defense.

I ask you to think about this idea—that, as our State's environment changes, so will we and, indeed, our children. Do we want this to happen without sharing in shaping those changes? I don't. And I believe you don't either.

Delaware is an open society. All are free to make their views known, to ask probing questions, to voice their concerns and to challenge the State's actions. All our environmental laws and agency procedures have this in mind by providing for extensive public hearings as well as ample opportunity to appeal to higher jurisdictions.

Beginning next week, the Coastal Zone Industrial Control Board will consider new regulations.

The law says that the Board must hold a public meeting on them. But we believe the issues are too important to be confined to a single session.

Therefore, the Board will conduct a series of meetings throughout the State during the next several weeks.

These have been scheduled at what we hope are the most convenient times and places.

And we regard them as forums, designed to tell you where we are and what we are doing, and then to let us listen closely and carefully to you.

We hope that your comments will go beyond the specifics of the industrial regulations, and will deal with the larger issues of the State role in Coastal Zone management.

Indeed, I hope many will comment on my proposals to regulate lightering in the Bay and the regulation of commercial and residential development in the Coastal Zone.

I urge you to attend. But first I suggest that you read this report.

It describes some of the problems confronting Delaware in the face of inevitable change. All of us want Delaware to be a fine State in which to live, work and play. But it will not happen automatically.

With your help, however, we will make the right choices.

Cordially,

SHERMAN W. TRIBBITT,
Governor of Delaware.

FIRM LAWS GUARD ENVIRONMENT

An environmentally aware General Assembly has stepped up its pace in considering major legislation to conserve the State's physical resources.

In 1973, the Wetlands Act (Senate Bill 217) gave the State strong powers to clamp down on undesirable filling and dredging of marshes, one of nature's unique habitats.

And the enactment of Senate Bill 218 totally revamped the State's air and water pollution laws and administrative structure, giving a single focus in the Department of Natural Resources and Environmental Control for the fight for clean air and water.

In 1971, Delaware's Coastal Zone Act drew national attention because of its firm commitment to safeguard the future of our State's shores. The Beach Protection Act the following year gave further evidence of this commitment.

The laws take on different significance for each of those who have worked for their passage.

To Rep. Andrew Knox, a co-sponsor of the 1971 Coastal Zone Act, the laws mean that "Delaware has shown it will preserve its natural environment at the State level."

A member of the Coastal Zone Industrial Coastal Board, Mrs. Gwynne Smith of Wilmington, says:

"The greatest problem now is implementation of the laws—to have a just and understandable way of administering them so that all concerned know the steps to be followed."

Some common features in these laws are that they permit extensive public participation through required hearings, and they rely heavily on planning to help shape official regulations and policies.

Finally, the laws have teeth. They give the State power to move swiftly against violators. Penalties can be stiff: up to $10,000 for each day of violation.

Still pending before the General Assembly are several bills proposed by Gov. Tribbitt as part of his "Quality of Life" package.

The most sweeping of these is the Coastal Zone Management Bill.

This would set up a State Coastal Zone Management Board to carry out, through a permit system, a comprehensive plan for coastal zone development.

The State Planning Office would prepare the plan, based on an analysis of population, natural resources, land use requirements, and the adopted plans of the counties. Under the proposed bill, permits for commercial and residential uses would be issued if a project conformed to both the local and State plans.

Rep. Knox, stating that the Coastal Zone Act was essentially negative, said that positive steps are now essential to deal with total land use.

"Land use planning is the key environmental issue of the next decade," Knox said.

The hardest task lies ahead. The State knows what has to be prevented. Now its agencies and citizens must define what has to be encouraged in the way of Coastal Zone growth.

CITIZEN PANELS CHART DIRECTIONS

During the past few years, a searching examination of Delaware's future has taken place.

An array of citizen panels, along with State agency teams, produced detailed inquiries into the States' recreational, environmental, land-use and energy prospects.

Taken together, Delaware's various studies go a long way toward laying out the issues and options for managing growth.

And in contrast with countless federal commissions and advisory bodies, the work of these groups has brought about action.

Basic work was accomplished by the Governor's Task Force on Marine and Coastal Affairs, appointed in early 1970.

Recognizing the desire of several heavy industry and transportation groups to construct refineries and off-shore terminals, the Task Force did not remain silent while completing its final report. Although the final Task Force report was not issued until July 1972, as early as February 1971 it urged immediate passage of a Coastal Zone Act.

The subsequent law closely followed the group's basic recommendations.

In 1971, the Governor named the Delaware Bay Oil Transport Committee. Its summary report in January 1973 included important basic material on the region's energy requirements.

Still another group, appointed in July 1972, was the Governor's Wetlands Action Committee. It took on the task of thoroughly studying Delaware's coastal wetlands and formulating policy. The 35-member body represented a broad spectrum of the State's citizens and interests. Its preliminary report to the Governor in January 1973 was persuasive; it helped gain passage of the Wetlands Act in June.

The urgent problems of recreation were addressed by the Delaware Comprehensive Outdoor Recreation Plan, released in 1971. Prepared by the State Planning Office, the extensive report gave an inventory of existing facilities, estimated future facility needs, and analyzed recreation demand through the year 2000.

The common theme throughout these investigations is that Delaware can and must fashion policies for the future.

This monumental effort has produced facts and recommendations. As for the unresolved issues, the public now has an unmatched source of information and evidence to assist its own decisions.

PLAN MUST GIVE CLEAR CHOICES

The Coastal Zone Act requires that the State Planning Office prepare a plan for the location of industrial activity in the zone.

Such a plan has been produced in preliminary form. If acceptable to the public, this plan can go far beyond the Act itself in shaping the land use pattern in Delaware's coastal areas.

Clearly a plan for future industrial location must consider much more than industry alone. The plan must be concerned with the multitude of development pressures and issues described elsewhere in this report.

As portrayed on the accompaniyng map, the State Planning Office proposal presents an overall development concept for the Coastal Zone. This approach follows the premises of the 1971 Act and is based on four broad goals:

1. Protection of the environment, natural beauty and recreation potential of the State.
2. Protection of the natural environment in the coastal areas by regulation of industry.
3. Affirmation of recreation and tourism as appropriate uses for the bay and ocean areas as long as these uses do not conflict with the wildlife and conservation values of the wetlands.
4. Encouragement of new industrial locations in Delaware elsewhere than in the Coastal Zone.

The State Planning Office has translated these goals into five recommended development policies for the zone:

1. New development will be built contiguous to existing development.
2. Public facilities must be provided for new development.
3. There will be minimal disruption of soils—and no disruption of marshlands.
4. Regionally dominant communities will be encouraged to allow for concentration of industry and commerce.
5. The amount of new development will be tied to the capacity of natural and man-made resources and services to accommodate growth.

It is these recommended goals and policies which have been translated into the physical location concepts suggested on the preliminary plan map.

In general, most extensive development in the zone should occur in New Castle County north of the Chesapeake and Delaware Canal, and also along the Sussex County shore. There should be very little development elsewhere as the rest of the zone has strong recreation and conservation values worth protecting for the public.

Industrial development specifically should be limited to areas in New Castle County north of the canal where there are suitable soils, sample sites and adequate public facilities.

The rest of the zone must be protected from unwise industrial use. The one possible exception is for limited manufacturing uses near Lewes.

Thus far, only the industrial locations are shown in detail on the map. Much work will be needed to spell out the commercial, residential and recreational proposals. Moreover, any development that does take place will have to comply with all federal, State and local regulations that apply in the zone.

The main question now is whether these generalized goals, policies, and land use designations are what the public wants for Delaware's future.

The State Planning Office—and the legislature—can take administrative and legislative steps to prepare a comprehensive coastal plan with teeth. Does the public want such a plan? Are these ideas in agreement with what our citizens desire?

Forums Will Face The Big Issues

During the next several weeks, five public forums will explain to the citizens of Delaware how industrial projects in the Coastal Zone will be regulated. They will also give full attention to the issues of Costal Zone management which, while not yet covered by State law, will have great future impact.

Difficult questions must be considered, not only by lawmakers and officials but also by you and your neighbors:

How do you feel about the concepts of strict regulation of lightering operations and the requirement of State approval of commercial and residential development of the Coastal Zone as proposed by Governor Tribbitt in his "Quality of Life" message?

How can Delaware and the federal government work together to deal with current proposals for superports?

Is the approach of the present Coastal Zone Act fair in judging whether new industry is acceptable?

Would incentives be useful to attract environmentally sound private enterprise to the Coastal Zone?

What public programs are needed in the Coastal Zone to add to its use and value for all Delawareans?

Your active participation in the forums is invited. There will be ample opportunity to ask questions, give testimony and submit statements as part of the record. For more information about the forums, call the State Planning Office, Dover, at 678–4271; or you may use FAST, the Governor's Free Action State Tieline, statewide by dialing 1–800–292–9570, or in New Castle County by dialing 658–4311.

KILPATRICK COLUMN ANTIDOTE FOR DESPAIR

Mr. McINTYRE. Mr. President, these are grim days. A war we thought was over goes on and on. Inflation is rampant. Disenchantment with leaders and institutions endemic. Traditions, values, and standards questioned as never before.

But just about the time when despair descends like a lowering cloud, some ray of hope or cheer or reassurance breaks through.

Sometimes it is a dramatic demonstration of individual courage, or of personal integrity tested and proven true, or of an institution that has weathered attempts at its compromise.

But other times, Mr. President, other times it is simply something that lifts and comforts the heart by warming the currents around it.

Such a ray of reassurance was James J. Kilpatrick's column in the Washington Star of July 30, a column titled: "Advice to a Granddaughter Turning 3."

Mr. President, I do not share Mr. Kilpatrick's political views, but I have long admired the grace and the skill of his writing, and the deep sense of humanity his columns so frequently reflect.

This particular column had it all. It was whimsical. It was warm. It was witty. And the advice it offered a granddaughter turning 3—"Discover, Heather, simply discover," we could all take to heart.

Perhaps we should all take the time to rediscover the precious fascination of the natural world around us, rediscover the purity of unquestioning love, rediscover that the strength of our Nation derives from the strength of our people, and that strength, in turn, derives from the strength that flows from the roots of family.

Mr. President, as long as there are grandfathers like James J. Kilpatrick, as long as there are granddaughters like Heather, as long as there is this kind of loving link between generations, this Nation need not despair.

I ask unanimous consent that Mr. Kilpatrick's column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star-News, July 30, 1973]

ADVICE TO A GRANDDAUGHTER TURNING 3

(By James J. Kilpatrick)

SCRABBLE, VA.

Dear Heather: Three! You are honest and truly three years old today? I might have guessed two and a half, or two and three-quarters, but three? Why, it seems only day before yesterday, or maybe week before last, that you were honest and truly two. Heather, you are practically middle-aged.

A year ago, when you were honest and truly two, we were counting your vocabulary. You had picked up all kinds of strange and interesting words, but somehow they came out in very few sentences. Now you are talking not just in sentences, but in paragraphs, essays, and books.

You are turning into a talker, Heather, in the tradition of your great-great-aunt Lucille. She laid down the family rule that in any given conversation, whenever the speaker takes a breath he loses the floor. Your father was in the direct line of her inheritance, and you take right after him.

In the past year, I rather regret to say, you have discovered the telephone. Not the play telephone. The real telephone. By next year, maybe you will learn that not all questions need to be answered, "I'm fine!" It is a little baffling, after all, when I ask, "Is your father there?" and you reply, "I'm fine!"

You are discovering many other things also. You have discovered why people go to the bank: They go to the bank to get lollipops. And why do people go to the shoe store? They go to the shoe store to get a balloon. You are discovering the eternal truth that sandwiches taste better if they are cut into triangles instead of squares. You are discovering colors—red, blue, purple, and polka-dot.

Last year, learning the alphabet, you bogged down at G. This year you bog down at wubbiya. Your favorite book, at the moment, is the Sesame Street book, from which you have learned an imperishable assertion: "You're bananas!" You also have mastered, through the doubtful grace of your Uncle Kevin, "Go to the head of the class!"

What you have mainly learned in the past year, though, is how to be helpful. If you have a favorite sentence, this is it: "I want to help." So you help in weeding the garden, you help in shelling peas, you help in watering the lawn, you help in cleaning up the dishes, you help in making the beds, and now and then your mother wonders how in the world she ever got things done without your assistance. Mostly, however, she wonders how she ever gets things done with your assistance.

I like so many things about you it is hard to say what I like best. Maybe it is the way you bounce into a room. You come on like the happy princess in "Once Upon a Mattress," with your blue eyes shining and your blond hair flying, and you talk all in capital letters: "Hi, grandfather! I'm fine!" You sort of clear the air, Heather, like a small hurricane or a three-year-old typhoon. And when you let the collies in with you, barking and pawing and licking your face, the Marines, believe me, have landed.

But I think what I like even better is your lovely conception of time. Everything that has happened before, even if it happened five minutes ago, happened "yesterday." And everything that will happen hereafter, even if it is five minutes hence, will happen "tomorrow." Thus the yesterdays pile up very fast, and the tomorrows are all just ahead. You have your nose snubbed tight against the passing hour, and your world is pretty much bounded by lollipops yesterday and gumdrops tomorrow. When you are three years old, my small friend, that is not such a very bad world.

One of these years, I doubtless will give you, because the books say I should, a vast deal of Very Sagacious Advice. Having been a newspaper editor, your grandfather is full of that. But at honest-and-truly three, a little advice will suffice: *Discover,* Heather, simply *discover!*

Discover the taste of rain, and the taste of mint, and the slippery feel of mud between your toes. Discover June bugs and fireflies and hummingbirds. Discover how the wind blows and a dog's tongue drips and the toad in the garden goes hop. Never stop discovering! And you will discover, a few tomorrows from today, the excitement of having a baby brother or sister who soon enough will discover, like you, how fine it is to be three.

I love you,

Grandfather K.

THE FOOD SPECULATORS—PART III

Mr. McGOVERN. Mr. President, I shall soon introduce legislation which, I believe, can serve as the basis for needed improvements in the system of Federal regulation of our commodities trading markets.

That Federal commodities regulation needs substantial reform is no longer debated.

The Administrator of the Commodity Exchange Authority, the agency of the U.S. Department of Agriculture which now has limited regulatory authority, recognizes some degree of need.

The major grain trading companies have, for the most part, urged reform. Commodity brokers speak of the need for reform. Telephone calls and letters to me from farmers in South Dakota and from other States attest to that need.

The inadequacy of our present regulatory system has been documented well in a series of articles in the Washington Star-News, two of which were printed in the Record earlier this week, and the third of which I ask unanimous consent to be printed following my remarks in today's Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McGOVERN. While my bill is being put into final form, I would like to describe some of its tentative contents.

It will call for removal of the authority for commodity trading market regulation from the Department of Agriculture and the creation of a new, five-member Commodity Exchange Commission with expanded powers.

Rather than ex post facto recommendations, which are the basis of today's regulation, the CEC would have power to issue cease-and-desist orders and seek court injunctions to prevent violation of the Commodity Exchange Act.

The bill would direct the CEC to prohibit undue speculation, bar conflicts of interest between and among traders, brokerage houses and suppliers and users of commodities. It would extend regulation to a number of commodities not now regulated at all.

In short, my bill offers more than just surface reform.

Our commodities trading regulation, it seems to me, is analogous to the state of securities regulation at the time of the stock market crash in 1929. Reform at that time led to the creation of what is generally regarded as an effective Securities and Exchange Commission.

Trading in commodity futures affects the lives and livelihoods of every American as intimately as trading in stocks and bonds—in some ways, more so.

The Congress faces a difficult task, but one we can complete with success, and with reward.

Exhibit 1

Pricing "Policemen" Found Looking the Other Way

(By John Fialka)

The huge speculative waves that have swept across the nation's food pricing system have caused heavy damage to a government-regulated mechanism that is supposed to protect the food business and the public from the vagaries of price fluctuation.

According to dozens of farmers, elevator operators and others in the business of raising and handling foodstuffs, the damage is likely to appear in the form of still higher prices to compensate them for greater business risks.

There is mounting evidence that some of the damage has occurred because the "policeman," the Department of Agriculture's Commodity Exchange Authority (CEA), which is supposed to regulate commodity exchanges, has a long-standing tradition of looking the other way.

This summer the policeman has been following tracks in all directions. It has launched an investigation into possible manipulation in trading of both July corn and soybean futures, trading which produced headline-grabbing record prices of near $12-a-bushel soybeans and $3.80-a-bushel corn.

"Something's wrong there," CEA's director, Alex C. Caldwell, told a reporter. Because the futures price gyrations often outdistanced cash prices there is a possibility of someone having a "squeeze" or a kind of corner on the markets, said Caldwell.

Caldwell also thought there was something wrong with price activity in another favorite of commodity speculators—pork bellies or frozen uncured bacon. The CEA asked the Chicago Mercantile Exchange to stop trading in July and August pork bellies. The exchange complied.

There was also something apparently wrong with August and September soybeans at the Chicago Board of Trade. The CEA asked the board to stop new speculation in those months.

Meanwhile the exchanges themselves have had to wrestle with extremely volatile prices by raising margin requirements and constantly adjusting trading limits.

All of this, the price volatility, the apparent manipulation, the frantic attempts to keep the mechanism under control, have caused a kind of erosion of faith in the system by people who have used it for years.

For years, the nation's futures markets have served as a kind of insurance company for the food business.

The speculator, the man who buys a contract for the future delivery of a commodity makes a kind of bet that the price will increase. He has had his counterpart in the "hedger," the farmer, the elevator operator or the food processor who must keep stores of grain or other foodstuffs on hand as part of his business.

The hedger sells contracts for future delivery of whatever he has on hand in a kind of bet that the price will go down. If it does, he will lose money on his grain, but make money on his futures transaction, thus he "hedges" himself against loss from price fluctuation.

In theory, the speculator takes the risk and the hedger buys peace of mind. Not so this spring.

Mike Graves, who operates three small elevators near Estherville, Iowa, was one of the lucky ones; he saw the waves coming.

Because of a chronic boxcar shortage in northwest Iowa, Graves had hedged tons of grain he could not move. As the first early surges of prices hit, he began getting repeated margin calls from his commodity broker. Finally, he noticed he had borrowed $1.2 million.

That was about four times more money than he'd ever owed in his life. He did not sleep nights.

Finally he sold all of his hedges, taking a small loss. "I said, boy let's get out of this thing or it will kill us," Graves recalls. "The interest was eating us up."

Graves is not sure what he will do for protection this year. If he can't get the farmers to store their grain until boxcars materialize, he feels he will have to take an "awfully big" profit margin to assume the risk himself.

Some were not so lucky. According to Argie Hall, principal grain trader for the Farmers Grain Dealers Association of Iowa, the "runaway markets" created an "impossible hedging atmosphere" in which hundreds of small elevator operators were forced to put up enormous margins or were "trapped" in hedges that they could not remove before the hectic trading drove prices up to the daily limits.

L. C. "Clell" Carpenter, vice president of a Missouri farmers association, recently told a congressional committee that the "excessive paper trading" in soybeans contributed to the killing of pregnant sows and smothering baby chicks by farmers who watched the price of soybeans—the principal ingredient of the animals' feed—rocket from $7.00 to $12.90 a bushel.

The gyrating prices also damaged another traditional use of commodity futures prices, that of a basic demand indicator.

According to George Lawrence, vice president of Penick & Ford Co., a major Iowa corn processor, trading in the last months of futures contracts this year "have gone crazy" making them a poor guide for merchants.

"Take September corn for example," he added, "that's a marbles game."

And there are signs that even speculators are losing faith in the system. The Chicago Board of Trade, which had a booming year in almost every other category, recently announced that speculators in soybeans dropped by about 8 percent over last year.

Dick Collins, manager of H. S. Kipnis Co., Washington's oldest commodity brokerage firm, said he has been advising his customers in recent months to "stay out of the market."

The main reason for the move was for his own protection in the face of bouncing prices. "What do you do if a guy suddenly gets in debt to you for $100,000. Jesus, how do you collect it?"

On one occasion, Collins said, a Kipnis broker was physically unable to nudge his way into the soybean meal pit at the Chicago Board of Trade to carry out a customer order because of the jam of traders in the pit.

"I've advised my brokers to get equities from new customers and put them in treasury bonds. The time will come when this whole damn thing corrects itself," said Collins.

"Meanwhile you just don't go to Las Vegas and stand there and blow your money. We plan to be around for a while," he added.

The Commodity Exchange Authority was created by Congress in 1936 to "provide a measure of control over those forms of speculative activity which too often demoralize the markets to the injury of producers and consumers and the exchanges themselves."

Recently investigators from Agriculture's Office of the Inspector General (OIG) who performed an internal audit on the CEA and its dealings with commodity exchanges dredged up a small mountain of evidence that the agency has not been doing its job.

The study, a copy of which has been made public by a House Appropriations subcommittee, concluded that the CEA "did not make adequate analysis, inquiries and conclusions" on trading "where there were strong indications of price artificiality or manipulation."

In examining records at the nation's major commodity exchanges, the OIG investigators found "evidence of direct and indirect bucketing of consumers orders, accommodation trading, excessive trading between brokers . . . and matching customer orders."

(Bucketing is the filling of a customer order to buy or sell a futures contract at an inflated price without bidding for the contract on the trading floor. An accommodation trade is a non-competitive transaction between two or more conspiring floor brokers at an inflationary price.

(Matching a customer order is done by a broker who places a similar order for his own personal account before executing his customer order. If the market moves during the transactions, it is the broker who gets the cheaper price.)

(All the above practices are illegal.)

"We found transactions," the investigators added, "where the same broker was on both sides of a trade and where trading between combinations of brokers (was carried on) to such an extent to indicate that such trading was prearranged."

One case of manipulation unearthed by the OIG happened in November 1969, under the very nose of a CEA investigator who later wrote that trading in November potatoes at the New York Mercantile Exchange ended "in an orderly fashion."

According to the OIG, one contract for delivery of a carload of November potatoes was sold and resold 35 times on the final trading day by a team of three brokers at ever increasing prices.

On occasions when the CEA has caught brokers performing all manner of market manipulations, the report notes, the penalties imposed have amounted to little more than a slap on the wrist. For instance, in a trade practice investigation in 1969 at the Chicago Mercantile Exchange:

"Violations included matching customer orders, taking the opposite side, trading noncompetitively, making fictitious trades, entering into prearranged transactions, making false entries on trading cards and causing false records to be made."

In February 1971, the CEA rounded up 22 members of the exchange and made them sign statements promising that, in the future, they would comply with trading rules.

The classic case of non-punishment, however, involves Cargill Inc., one of the nation's largest grain trading companies, which was found guilty of manipulating the wheat futures market in 1963. The CEA took 7½ years to mull over the case before handing down its decision.

Although the agency has the power to ban a company from trading, it decided to put Cargill's top officers on probation instead. Later, one of Cargill's traders admitted to a House subcommittee that he could not remember whether he was still on probation or not.

The OIG investigators found that one reason CEA has difficulty making cases is that many of its reports "were filed incorrectly or not filed at all."

"Large traders are not policed for trading in excess of (maximum) limits if they do not report or are not required to report."

And the OIG discovered that no one in the eastern or central regions of the CEA could recall "any instance where administrative action was taken to invoke the penalties" for failing to file required reports. One large trader was discovered to have systematically filed erroneous reports since 1948.

"CEA investigators," their report added, "had little investigative background" and were "poorly trained." During a recent reorganization of the agency, it noted, most of the knowledgeable field investigators wound up in Washington.

Although CEA staff sometimes referred complaints to the disciplinary committees of the Chicago Board of Trade and other major exchanges, the OIG found little evidence that the Board of Trade and other major exchanges did much in the way of self-regulation.

"Our audit disclosed that the CEA cannot rely to any great extent on exchanges carrying out their responsibilities of maintaining adequate surveillance over the trading activities of floor brokers," the investigators stated.

Finally, the OIG noted that the CEA was not making studies that would show whether "scalpers" or floor traders trading for their own accounts were a cause of volatile price movement.

"This has been due primarily to the lack of a staff able to understand the intricate mechanism of the marketplace," the study asserts.

Despite the damning conclusions of the OIG report and evidence of the recent chaos of the marketplace, Caldwell and other Agriculture officials appear to remain convinced that floor trading activity does not tend to influence prices and that traders can still do much of the job of policing themselves.

For instance, Caldwell had a "test study" made by his staff on potato futures trading in 1968 at the New York Mercantile Exchange which concluded that scalpers "restricted" price movements.

"That shows you really don't need a big study on that," said Caldwell, who has recently focused his staff's efforts on more random, smaller market investigations.

"I don't think that should be top priority," said Caldwell's boss, Clayton Yeutter, assistant secretary of Agriculture, referring to the possibility of a thorough study of the operation of scalpers.

"We have bigger fish to fry than that," Yeutter added. Among the "big fish," he added, are proposed legislative changes which he said he could not disclose, a computerized remedy to CEA's report filing problems, and a major effort to persuade commodity traders that they should do a better job of collecting data and investigating themselves.

"We ought to make sure that the exchanges regulate more vigorously," said Yeutter, who said that he has "jawboned" traders at every opportunity in recent weeks.

Yeutter also hinted that there might be a "small" increase in CEA's staff. (The CEA has 160 employes to regulate a business that generated a trading volume of $268.3 billion in the 1973 fiscal year ending June 30. The Securities and Exchange Commission, which regulates the stock market, had 1,656 people to monitor a trading volume of a little over $195 billion during the same period.)

According to both Yeutter and Caldwell, much reliance will be placed on a new computer system that will be trained to collect data and decipher floor activity.

The computer effort began in 1971, when Caldwell, who has traditionally been wary about asking Congress for more staff, cut 20 staff positions to help pay for a computer.

CEA staffers pumped much of the data from the million reports they receive each year from traders into the machine and asked it to pinpoint suspicious trading patterns. The computer kicked out numerous trades, most of which, upon further investigation, turned out to be legitimate.

"The computer," Caldwell later explained to a House Appropriations subcommittee, "broke down on step 2. It could not sell us which particular trades really needed investigation. So it was really of no help to us at all."

Still, Caldwell felt there was a future in using the computer to track manipulators. He searched among the "handful" of agricultural economists in the world who understand commodity trading for a man who knew floor trading activity and could harness a computer to track it.

He found the man at the University of Hawaii and gave him a grant to develop the system. Midway through his efforts, however, the expert died.

"He apparently didn't tell any of his associates much of what he was doing," Yeutter said. "Much of what we've seen is not going to be usable."

While the CEA struggles to find another way to use its new computer, world events have provided some additional pressure for accurate trading data.

Investigators from the Senate Government Operations Committee who were combing CEA records found that major trading companies understated their reports of futures trading during the 1972 Russian wheat deal by millions of bushels.

They also found that it would be virtually impossible to see whether there was manipulation at the Kansas City Board of Trade during the Russian deal because there was no requirement that traders' buy and sell orders be timed, thus no way to tell the order in which trades were made.

Then there is the problem with foreigners. Caldwell told the Senate committee that he could not be certain whether the Russians were or were not in the futures market at the time of the trade.

And Caldwell refuses to comment on persistent rumors that part of the reason for gyrations in recent soybean trading was because Japan and certain Common Market countries were using the futures market to hedge later orders for soybeans.

Despite the turmoil, the CEA has strong defenders. Most of them are in the group of futures traders that the agency is supposed to be regulating.

"Boy are they tough on us," asserts Lee B. Stern, a broker and head of the public relations committee of the Chicago Board of Trade. "If we miss a report or something, they are on the phone the morning after."

Among the merchants who are principally engaged in trading the real, cash agricultural products, however, the CEA's support appears to be dwindling.

"I have yet to meet one of those guys," said one Chicago grain buyer, referring to CEA employes, "who really knew much about the grain business."

Last week executives of Cargill, Inc., told a House subcommittee that they felt the CEA should be removed from the Department of Agriculture, given a larger more expert staff, and set up as an independent agency similar to the SEC.

Their recommendation and others similar to it may fall on deaf ears in Congress, however. According to sources close to the House Agriculture Committee, William R. Poage, D–Tex., the committee's chairman, has been reluctant to get involved in an investigation of futures trading because of the complexity of the subject.

He is also, they asserted, opposed to the removal of the CEA from the Department of Agriculture because, as one source put it, "that would take it away from his jurisdiction. He regards it as part of his turf."

If there is a good sign emanating from the growing controversy over the CEA, it may be that it has generated some new ideas for reform within Agriculture. Caldwell accepts some, others he rejects out of hand.

For instance, he believes that the CEA should have injunctive powers to stop apparent manipulation on the spot. He also thinks that futures contracts should be changed to include more places for delivery outside Chicago. This would make it harder for speculators to operate during the final, delivery month of a futures contract.

Could the CEA require exchanges to keep track of the exact times that floor trades are made, thus permitting a true study of trading patterns?

Caldwell doesn't think so. "We've thought of that, but it would slow down trading," he said.

WILMINGTON EVENING JOURNAL COMMENTS ON TRANS-ALASKA PIPELINE BILL

Mr. BIDEN. Mr. President, on July 19 the Wilmington Evening Journal commented editorially on the Senate's action on the trans-Alaska pipeline. I feel that the comments are thoughtful and well-reasoned and I ask unanimous consent that the text of the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Pipeline Rush Unnecessary

The U.S. Senate, in giving the go-ahead to construction of the trans-Alaskan oil pipeline from Prudhoe Bay to Valdez, may have been guilty of the wrong thing for the right reason.

The North Slope of Alaska can provide the United States with at least 10 billion barrels of much-needed oil, and there is little opposition to the exploitation of this natural resource. The problem comes in transporting the oil from Alaska to the continental United States. None of the alternatives is especially attractive; all are expensive, and pose environmental hazards.

The two leading alternatives are the trans-Alaskan route, nearly 800 miles of pipe that will cut across Alaska from north to south, carrying 2 million barrels of crude oil a day to a terminal where it will be transferred to tankers to complete its trip to the refineries of the West Coast, and a much longer pipeline across Alaska and Canada, ending in the upper Midwest.

The trans-Alaskan pipeline must be laid across hundreds of miles of tundra and permafrost, vast areas where the caribou roam and where man is a rare species. The environmental problems it poses are to the wildlife (will the migrating caribou cross the pipeline like the planners say they will?) and at the two terminals where the oil will be loaded to and from tankers.

A trans-Canada pipeline's problems are more political than environmental; basically, the Canadians are not sure that they want a pipeline built across their country, and they are not sure that they would want it owned by Americans. Therefore, a trans-Canadian pipeline would take at least five years longer to construct, while the demand for oil would continue unabated.

So the trans-Alaskan pipeline is the favorite, and therefore it is appropriate that action be taken to speed its construction. What the Senate did this week, however, was to in effect vote that the environmental considerations be ignored, that no further court challenges against the pipeline be allowed under the terms of the 1969 environmental protection act. That can be considered a case of "Damn the ecology, full speed ahead!"

It is always difficult to maintain the balance between tampering with the environment for good reasons and tampering with the environment without using good sense. The 1969 environmental law was carefully written to require that the impact of any changes on the ecology be carefully studied, and that those studied be open to challenge in the courts.

The trans-Alaskan pipeline has been going through this process for several years. Although the progress through the courts has been slow, the pipeline has been consistently winning. It was in all probability unnecessary for the Senate to have tampered with this process; it was certainly unwise, no matter how badly the oil is needed.

JUSTICE IN A CAMDEN COURT

Mr. HART. Mr. President, the question of amnesty—or perhaps the question of understanding the dictates of the individual conscience—for persons who refused to serve in the military during the Vietnam war because of moral convictions is one that this country must face sooner or later.

As it has in the past, amnesty, on some basis, will come when the wounds of that conflict heal and the passions it generated cool.

Perhaps that cooling process began and understanding progressed in a little-reported trial in Camden, N.J.

The trial involved charges against a number of persons who admittedly broke into a building and destroyed draft records.

The story of the trial and of the verdict reached by 12 residents of New Jersey is reported in the current edition of "The Progressive" magazine.

In their own way, the members of the jury in reaching a not guilty verdict, even more than the defendants who argued their own case, have taken the lead in helping us all understand why in a country which would be free, the individual conscience must be honored.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Progressive, October 1973]

Justice in a Camden Court

(By Betty Medsger)

The second more likely place in the United States to be mugged or killed is Camden, New Jersey, a grimy little city across the Delaware River from Philadelphia. Outranked in per capita crime only by Newark, Camden is a boarded-up, depressing urban wreck that affluent Philadelphians rush through on Fridays on the way to their Jersey coast summer homes. No one spends summer vacations in Camden.

But in 1971 a congenial group decided to summer in Camden, renting places downtown or, in one case, living in an apartment on loan from its owner, a local physician.

The summer visitors did no sunbathing. They slept all day and came out only at night. Some would spend hours on the roof of the Rutgers Law School building, a block behind the Federal building. Others would linger on the roof of the Townhouse Apartments a block away. Some were stationed on the ground. Some of them clocked night traffic light patterns, others the police patrols. One woman, a former art student at Temple University, did appear in daylight to sketch the Federal building meticulously. They talked to each other by walkie-talkie.

Their dress was varied and usually casual but had a common characteristic: They wore dark clothing, some because of imperial decree from Rome, as one of them would later say in court, and the others for the more immediate reason that they were learning to be burglars.

During that summer probably none of the defendants-to-be perceived that they would be the principals in a trial two years later that would produce the first findings of not guilty on all counts in the long line of Government cases against antiwar protesters (other trials resulted in convictions or hung juries or dismissal for technical reasons).

This five-month trial was different not only in result. It had none of the theater of the absurd of the Chicago Seven, or the superstars of the Harrisburg Seven, or the high-establishment actors in Ellsberg-Russo. It received only scant coverage by the media. The trial was distinguished by an astonishing, free-flow dialogue resembling a sensitivity session on a large scale—on war, religion, ethics, patriotism, conscience, parents and children. It was a dialogue that involved not only seventeen defendants who acted as their own lawyers, but a Nixon-appointed Republican judge who was occasionally moved to tears, jurors who asked questions in court, and prosecutors who came to admire their adversaries.

In August, 1971, as the Camden plot was being planned, the protesters never expected to see the inside of a courtroom. They were going to destroy local draft records and run. At that point the group's most helpful supporter was Robert Hardy, local builder, politician, and parishioner of one of the priests in the group. He bought food for them, procured their walkie-talkies, crowbars, drills, and other assorted instruments essential to the burglar's trade. He trained them in speeding up operations and contributed a ladder cut to exactly the right length to reach the roof of the loading dock behind the Federal building. From the roof they took the fire escape up to the fifth floor, the goal of their months of efforts. He also taught them how to drill holes in glass to remove windows quietly.

Hardy had been told by a close friend, Michael Giocondo, in late June, 1971, about the group and that they had decided to abandon the raid plan because they thought they had been discovered by the FBI. Hardy said he would like to meet the members. A few hours before they met he went to the local FBI office and was hired as an informer. At that first meeting with the group, Hardy convinced them that they should persist with the raid scheme. With his skills and FBI money, they did.

From 2 a.m. to 4:30 a.m. the morning of August 21, 1971, six members of the group were in the Selective Service office on the fifth floor of Camden's Federal Building. They were quietly destroying draft records and stuffing the 1As in mail pouches and plastic bags to be burned later. Two members were lookouts on the fifth floor. Others from the twenty-eight-member group were in the churchyard across the street and at a nearby house keeping watch.

Shortly before 4:30 that morning Hardy was driving home in his van. He had communicated with the FBI daily during the past two months from a radio transmitter in that van. At about the time he was pulling into his driveway, eighty FBI agents arrested his trainees, some at gunpoint.

It seemed to be a clear case of burglary and a humiliating failure. Even some friends of those arrested who believe in civil disobedience as protest labeled it a futile stunt. But the case took on a different perspective six months after the arrests when Hardy filed an affidavit in Federal court saying that the FBI had told him it had been ordered by the White House not to prevent the crime but to let the raid and destruction of draft records take place before making arrests. Hardy described himself candidly as an *agent provocateur* who provided food, burglary tools, and training, all paid for by the FBI.

The day after the arrests, then Attorney General John N. Mitchell and the late FBI director, J. Edgar Hoover, issued a confident press release. They had broken the back of the Catholic Left, not only with the Camden arrests but with the arrest the same night of another group inside the Federal building in Buffalo, New York.

After spending two weeks in jail, the Camden group quickly disappeared into anonymity. Unlike Daniel Ellsberg, or the Harrisburg Seven, these defendants were not asked to give speeches, appear on television, or go to chic parties. They were little people, as unknown as the southern New Jersey citizens who would judge them.

They were a mixed group. Among them were Margaret Inniss, an elementary school teacher from Boston. John Swinglish, a Navy veteran from Washington. Father Michael Doyle, an Irish-born priest from Camden. Jesuits Edward McGowan, Ned Murphy, and Peter Fordi from New York City. Milo Billman, a Lutheran pastor from Camden. John Grady, a sociologist from the Bronx who had once run for Congress. Joan Reilly, a Long Island teacher of retarded children. Gene Dixon, a local factory worker. William Anderson, a local physician who lent his apartment to the group. Their ages ranged from the early twenties to forty-seven, but most of them were young people who had interrupted college educations and career plans to work fulltime against the Vietnam war.

The case did not come to trial until February, 1973. Twenty-eight persons were indicted in all, but between indictment and trial, eleven of them were severed for later trial. As soon as the trial ended, the prosecution dropped all charges against those who had not yet been tried.

The seventeen who did go on trial were granted their request to go *pro se*—to be their own lawyers. They were offered (but frequently did not take) advice from three lawyers who sat with them in the courtroom but participated minimally.

In many ways it was an ordinary courtroom—dark gothic walnut paneling, ornate chandeliers, a raised judicial bench backed by a marble arch and flanked by oil portraits of obscure judicial predecessors, wall-to-wall plush avocado carpeting, a jury box, and three Federal lawyers dressed with conservative reserve.

The defendants' side looked like a furniture discount house, with four oak tables squeezed at odd angles and twenty-three chairs jammed together in such a way that all defendants faced the judge and jury. Defense dress ranged from denims to straight suit and tie, skirt and sweater, and clerical black. Bench conferences, usually a matter of sedate whispers among three or four lawyers and the judge, were mob scenes with defendants on the fringes asking, "Louder! What?" Or, "This is no secret. Let's do it in front of the jury."

In the spectator section were nuns, priests, parents, sisters, brothers, friends, and children of defendants in a variety of dress. They ranged from fashionably garbed matrons to many in faded jeans and shirts. Infants crawled under the benches. During recess baby bottles came out, and the defendants' children took the judge's chair or tried balancing themselves on the jury rail.

That casual courtroom atmosphere, however, did not exist at the outset. The trial opened in the usual manner of Mitchell-era prosecutions. There was tight, surly courtroom security. Guards checked all persons entering the building downstairs and again when they entered the courtroom. U.S. marshals were as forbidding as they had been at other movement trials.

The Nixon appointee who presided, Federal Judge Clarkson Fisher, exhibited traditional courtesy to the professional lawyers but was formal with the defendants throughout the prosecution's case. He dismissed all of the defense's pre-trial motions. In the early stages of the trial he threatened to clear the courtroom, when there was laughter or other spectator reaction.

John Barry, the chief prosecutor, presented a predictable and earnest case. He introduced a succession of FBI agents who testified about the night of the arrests. But Barry operated under a serious handicap: Hardy, the informer, had chosen to testify for the defense, not the prosecution.

Several months after the arrests Hardy got in touch with his old friends, defendants Michael Giocondo and Father Doyle, told them about his relationship with the FBI, and admitted that he had since concluded that he, at the Bureau's urging, had been an *agent provocateur* and a leader of the group. He told them he wanted to make his role public. He did, in an affidavit and later in the trial.

Throughout the case, Hardy was a man whose conscience apparently was torn between the FBI and the defendants. He agreed with the antiwar views of the defendants and seemed to admire them personally, but he said he was repelled by the idea of breaking the law and destroying Government property for any reason. When he told the jury the details of his months as an informer, he added that he still disagreed with the actions of the defendants. On the other hand, his lifelong admiration for the FBI was shattered by its use of him not only to watch the "crime" but to cause it.

Still, even with Hardy's defection, the prosecution seemed to have an iron-clad case. Barry claimed it was a simple case of conspiracy and breaking and entering. Either they did or they didn't.

The defendants were the first to say they did. Swinglish, the twenty-eight-year-old Navy veteran, testified that he did it and if necessary would do it again. Cookie Ridolfi said she destroyed as many of the draft files "as I could get my hands on."

Once the defense began presenting its case, Barry found he had obstacles more subtle than a turncoat informer. A defendant would take the stand on his or her own behalf and in the midst of being cross-examined by Barry would assume the role of witness and *pro se* attorney simultaneously and say, "I object." A baffled and irritated Barry would helplessly shout, "Your honor!"

As if the loss of his informer were not enough, the prosecutor had to sit through the testimony of an Army major who testified for the defense. *His* files had been destroyed by the defendants. Major Clement St. Martin, U.S. Army (Ret.), commanding officer of all induction centers in New Jersey from 1968 through 1971, testified that he had become completely frustrated after years of futile complaints through channels about gross unfairness in the way the draft cheated the poor and released the rich, especially the sons of state and Federal officials. He said his frustrations grew particularly deep in 1969 when a "very high" Selective Service official responding to complaints filed by the major, told him, "Mind your business. We have twenty million animals to choose from."

Prosecutor Barry asked the major whether the inequities in the system justified "private individuals breaking into buildings in the middle of the night." The major startled everyone in the room by replying, "If they plan another raid I might join them."

The atmosphere in the courtroom quickly changed as the defense pursued its case. Having admitted everything they were accused of, the defendants presented themselves and others as evidence of the moral justification of what they called "aggressive non-violent civil disobedience."

Some of them had unique courtroom styles. For example, Paul Couming, a twenty-three-year-old from Boston's low income Dorchester section who looks like a cherubic-faced Little League player (and sometimes wore a Little League visor cap to court), began questioning his mother, Rita Couming, with a reassuring, "Hi Mom." When he cross-examined the FBI agent who had arrested him the night of the raid, he began, "Hi, Mr. Smith."

Couming enlisted in the Air Force after he graduated from high school but later became a conscientious objector. His aging father told the Camden jury, "I tried to get Paul to relax . . . I told him to stop his worrying about conditions in Vietnam and in other places, because . . . the men that we had elected to represent us would do a good job for us in taking care of these things . . . But later on I changed my opinion . . . In fact, I at times had thoughts of myself leaving the country with Paul."

The white-haired old man, his voice trembling, concluded, "Whatever you do in your life, you square with your conscience because that is God in you . . . I say to you men and women that God gave you laws and God gave us conscience." The prosecution said it had no questions for that witness.

A few prominent persons testified, including Philip and Daniel Berrigan and historian Howard Zinn, who had testified just a month earlier at the Pentagon Papers trial. Writings of the Berrigans and their own dramatic civil disobedience had motivated many of the defendants, and Judge Fisher permitted the priests to give lengthy testimony.

Robert Williamson, twenty-two, hair below his shoulders and wearing a dashiki, told the jury how in 1966, when he was in high school, he won the annual American Legion oratorical contest with a strong condemnation of burning draft cards.

Father Michael Doyle, speaking in a gentle Irish brogue, talked of life and death in local parishes he has served. As a Camden priest he once had to visit the morgue to identify five children burned to death in a house fire. It was then, he said, that he realized what Daniel Berrigan meant when he wrote of Vietnam as "the land of burning children."

Father Doyle brought the war home to the twelve towns of each of the jurors, most of them from small conservative strongholds in southern New Jersey, as he listed the sons killed in Vietnam: ten from Vineland, five from Millville, one from Lindenwold, three from Pennsauken, nine from Salem, two from Pine Hill, six from Penns Grove, twelve from Atlantic City, two from Cinnaminson, eight from Gloucester, four from Hamilton, and thirty-one from Camden.

In his summation, Father Doyle told the jury it would be "incredibly beautiful" if "people like you could redeem our action with your own decency . . . and lift it to the level of acceptance."

One defense witness was a surprise to even the defendants and to her own son. Over the past four years Betty Good had been troubled by Bob, the eighth of her ten children. She did not understand the people he had been associating with. Most of his new friends' names had a good Irish Catholic ring—Murphy, Grady, Berrigan, Reilly, McGowan—but the things they did—destroy draft cards, break into Federal Buildings, become conscientious objectors, refuse to bear arms—were not what she expected of good Irish Catholics, at least not in America. Like other parents in the courtroom, some of her children had given her serious ethical dilemmas in recent years. She had finally agreed that the war in Vietnam should end. But could she possibly condone burglarizing a draft office to make this point? Like the jurors, she was middle-aged, fifty-six.

After a few days in the courtroom Betty Good began evolving into a new person. About a week after she arrived in Camden, Betty Good took her son aside and said, "Bobby, why don't you put me on?" Remembering how disappointed she was when he dropped out of a seminary and went to work in a soup kitchen in Cleveland, how she always talked about how we must get rid of Communism, and how she did not understand why he went to Cuba a few years ago, Bob Good was stunned. He acceded to her request, but with caution. The day he called her to the witness stand he asked her a few general questions about how he had been raised. Such questions, he hoped, would elicit a brief comment about how she and her carpenter husband found it difficult to argue with Bob when he told them in 1969 he was going to become a conscientious objector because he did not believe in killing.

Instead, his mild questions to his mother elicited an account that transfixed the courtroom and moved Judge Fisher to tears. Basically, it was the story of two of her sons:

Bob, who for three years has lived as though the Vietnam war was next door, as though he could see the killing, hear the bombs, as though he was responsible for it and responsible for stopping it.

Paul, who was Bob's closest brother and had proudly joined the Army. Betty Good last saw Paul when she and her husband drove him to the Pittsburgh airport six years before the day she testified. Less than two months later Paul Good was killed in the Mekong Delta and brought home to Sharpsville, Pennsylvania, to be buried with full military rites.

Betty Good had been like her son Paul and had not paid much attention to the world outside Sharpsville, she said. As Bob Good later told the jury, his brother Paul "had no great feelings about the war. . . . When it came time to get drafted in our town . . . especially in 1967 . . . it was as automatic as going from eighth grade to ninth. . . . They didn't have any argument with the Vietcong. They didn't have any argument with the American Government."

Bob Good was shocked as he stood at the courtroom podium and heard his mother respond to his questions. He explained later that he had not known until that moment that she had just gone through the same changes he and his fellow defendants had experienced a few years earlier.

Never in a courtroom before, Mrs. Good looked at the jury steadily and said, "We ought to be ashamed of ourselves. I know I am. I am ashamed of the day I took my son to that airplane and put him on. I'm ashamed of any pride that I had when taps were played. And I did have pride then. I am proud of my son because he didn't know. *We* should have known, but he didn't know. A kid that never had a gun in his life . . . And to take that lovely boy and tell him, 'You are fighting for your country.' How stupid can we get? He was fighting for his country! Can anybody stand there and tell me how he was fighting for his country?"

Mrs. Good told the jury that the realization that her dead son had not died for his country had come to her only a few days earlier after she had listened to Boston University historian Howard Zinin, testify how in 1941, according to the Pentagon Papers, American interest in Indochina was based on tin, rubber, and oil, while the public later was told the main U.S. interest was in saving Vietnam from Communism and "to save America from attack."

Apologizing for her past tendency to blame every new idea of her sons on Communism, she told the jury, "I was hung up on it. I feel that is the way most of us middle-class Americans are. We're so hung up on Communism . . . that we don't know what our own Government is doing."

A few days earlier Bob Good had delivered a legal paper to Judge Fisher in his chamber. The judge told him he had been reading more about the war in recent weeks and regretted not doing so years earlier.

"I'll tell you, Bob," said the judge, "if you're convicted I'm going to have a very rough time."

A man who says strong words gently, Bob Good replied, "We won't make it easy for you, judge."

By that time Judge Fisher had changed his approach to the defendants. He did not hide the fact that he liked them. To his obvious relief they were not Chicago Seven Yippies. Even when eight of them would rise simultaneously as *pro se* lawyers to object to a prosecution question to a witness, they did so calmly. Gradually the judge began to call the defendants by their first names and permitted a broad spectrum of testimony, despite the frequent objection of chief prosecutor Barry, who was yearning, as the trial days passed into weeks and the [illegible] be back in U.S. Attorney Herb[illegible]s office in Newark trying organized crime and government corruption cases.

By the end of the trial, far from threatening to clear the courtroom at any spontaneity; the judge tolerated applause, commented freely, and made humorous ad libs. Marshals pleasantly chatted with defendants. Commemorations became an all-court ritual with defendants, judge, and jury participating in formal acknowledgements of anniversaries that included the Easter Rebellion in Ireland, the shootings at Kent State and Jackson State, birthdays of defendants, and the second wedding anniversary of Juror number twelve.

Jurors took an active part in the trial long before their deliberations began. They were given an extraordinary invitation to ask questions of all witnesses. A defendant had suggested jurors should have that opportunity. Judge Fisher, apparently finding no precedent for or against it, allowed their questions.

Nearly all jurors took advantage of the invitation, but none more than Sam Braithwaite, a fifty-four-year-old black cab driver from Atlantic City. During much of the trial, Braithwaite sat on the edge of his chair, his eyes eager. Before the trial ended he had written more than eighty questions for the judge to put to witnesses. Having made up his mind early in jury deliberations, Braithwaite said he spent much of the time reading the Pentagon Papers—which had been admitted as evidence after some of the defendants argued that reading the Pentagon Papers in the summer of 1971 had been a strong element in their decision to enter the Camden draft offices.

Judge Fisher instructed the jury not to consider the motivations of the defendants. But probably ninety per cent of the defense testimony had been on motivation. Luckily for the defendants, the judge's instruction to ignore motivations was somewhat like serving guests a sumptuous banquet, relishing it with them, and then saying, "Pretend we never ate this."

The jurors were faced with two primary choices before they could deal with the guilt or innocence of each defendant. They could reach a verdict on the basis of whether or not they thought the Government had overreached its participation through the informer, Hardy, or they could decide whether the defendants' act of civil disobedience was a proper thing to do, something the jurors agreed should have been done. If they agreed that was so, there was no crime to society and no criminal conviction. The latter route—chosen by a few jurors, including Braithwaite—was a political verdict based on the jurors' perceptions of the war, not a verdict based on the immediate facts of the case.

In an unusual charge, Judge Fisher told the jurors they could acquit the defendants if they found the Government's participation in the crime had been so unfair as "to be offensive to the basic standards of decency and shocking to the universal sense of justice."

This was a departure from the typical case involving informers in which the most the defense can hope for is a charge of entrapment. In such cases, mere furtherance of a crime by an informer is not considered legal grounds for acquittal of defendants; the original idea for the crime must have come from the informer for acquittal to be recommended. But in this case the defendants had gone to great lengths to prove that they had harbored plans for the raid long before they ever met the informer.

By the afternoon the jury began grappling with those issues, it was evident that the emotions and politics of the trial had reached into the prosecution ranks. Late that afternoon chief prosecutor Barry, in his mid-thirties and from the same Catholic background of most of the defendants, found himself drinking at the Plaza Hotel bar alongside some of the defendants and their friends. The judge showed up there, too. It was the only bar in the vicinity of the Federal building.

As afternoon became evening, Barry admitted he had not liked prosecuting the case and even conceded that he admired the defendants' principles. This was a startling departure from other Catholic Left trials where Catholic prosecutors expressed deep personal bitterness at secular agitation by priests and nuns.

Two days after the jury began deliberating basic issues, the jurors returned to the courtroom to report they needed a replacement for their exhausted foreman. The occasion required the return of all parties to the courtroom, and after the jury retired again the room looked like a day-care center. A young woman played a guitar. Defendant Terry Buckalew, twenty-one, guided his child with a baby bottle along the jury rail. Jesuit priest Ned Murphy had injured his coccyx in a fall and had to sit on a pneumatic rubber "doughnut." During the hours awaiting a verdict the younger children appropriated the "doughnut" for use as a basketball hoop in a corner of the courtroom. They tossed baskets with a patchwork cloth ball borrowed from a baby. The atmosphere was a mixture of tension and hope.

Less than twenty-four hours later, on a gray and rainy afternoon, the jury returned its verdict: *not guilty on all counts for all defendants.* The courtroom was silent for a split second. Then an explosive gasp. Some began to sing *Amazing Grace,* but the almost universal weeping drowned out the singing. Defendants and spectators hugged each other and cried. Carolyn Ellis, one of the assistant prosecutors, impulsively hugged a spectator and said, "Tell them congratulations for me," and fled from the courtroom. That evening all of the Federal marshals would show up at the defense's victory party at St. George's Church in Camden's Lithuanian neighborhood.

After the jury left the courtroom, John Barry stood by his prosecutor's desk for a while. Slowly he approached the defense side in the traditional adversary courtesy. He started to shake hands, but the handshakes quickly became embraces as he drifted from defendant to defendant. There were tears in his eyes.

He walked up to me, shook hands, and said, "It ended the way it should have ended."

NEED FOR MANDATORY ALLOCATION OF FUEL ADMITTED BY HIGH ADMINISTRATION OFFICIALS—WHY DOES NOT THE PRESIDENT ACT?

Mr. HUMPHREY. Mr. President, I have been urging prompt action for mandatory allocation of home heating oil, diesel fuel, and propane gas since last May.

Hearings before my Consumer Subcommittee then and last week presented an overwhelming case that a mandatory allocation system is urgently needed.

But the administration does not act, and the time is late.

I am sure Senators read with interest a report in the Washington Star last evening of the speech by Stephen A. Wakefield, Assistant Secretary for Energy and Minerals, Department of Interior.

He warned that without mandatory allocation and effective conservation of available fuel, we will have "men without jobs; homes without heat; children without schools."

Mr. Wakefield told a Baltimore audience that—

> The harsh reality is that without anything less than the best of luck, we shall probably face shortages of heating oil, propane and diesel fuel this winter.

Mr. President, we cannot leave to luck the health of our citizens, the functioning of our institutions and the operation of our crucial agriculture and industry.

I ask unanimous consent that the article by Roberta Hornig be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUTLOOK FOR FUEL DARKENS

(By Roberta Hornig)

In the direst official assessment yet of this winter's energy supply situation, an Interior Department official warned today that a cold winter and a lack of energy conservation measures will bring serious hardship to those living in areas heavily dependent on home heating oil.

"Let me be a bit more definitive. I am talking about men without jobs; homes without heat; children without schools. That is what I mean by hardship," Stephen A. Wakefield, assistant secretary for energy and minerals, said.

"This year the comfortable words are hard to come by. The truth is that I can give you no assurance whatever that there will be an adequate supply of heating oil," he said.

Wakefield made his remarks in a speech to the Maryland State Chamber of Commerce legislative conference in Bedford, Pa.

The speech is apparently part of an effort within the administration to press the White House toward mandatory fuel allocations.

Wakefield is reportedly among a group of administration officials who plan to sound such warnings, fearing that the White House energy staff is not moving fast enough or not grasping the immensity of what they believe to be a serious energy shortage.

A similar speech is planned for delivery tomorrow by Duke Ligon, chief of Interior's Office of Oil and Gas.

A proposal for a mandatory fuels allocation program, or equitable sharing of scarce supplies, is now being studied by President Nixon. Such a program was scheduled to be announced by now but reportedly has been held up by differences within the administration over whether it should be put into effect.

Nixon's energy "czar," John A. Love, for several weeks argued against a mandatory program but then came out for one for heating fuel only last week.

He changed his mind after an Interior survey reporting that even under the best of circumstances, meaning warm winter weather, the country faces a heating fuel shortage of at least 100,000 barrels a day.

(Love yesterday told Western governors meeting in Oregon that he expects Nixon to announce soon a mandatory heating fuel allocation program for this winter, the Associated Press reported.

(But Love said that mandatory controls on energy sources, particularly petroleum, should not be regarded as "a panacea for the current energy crisis," United Press International said.

(A mandatory program "would work well if there was a surplus pool to draw on, but production and imports are falling behind demand," Love said. A more likely solution, he said, would be to dampen the demand.)

Wakefield, who has been arguing for several months for a mandatory sharing pro-[illegible]day said that the only immediate [illegible] to get through the winter are "the most effective distribution of existing supply and above all, conservation."

"The harsh reality is that with anything less than the best of luck, we shall probably face shortages of heating oil, propane, and diesel fuel this winter."

Wakefield also said that conserving energy, which a choice now, may be "what we are going to be compelled to do later in any event."

"The only question is, are we going to do it gracefully and sensibly—and voluntarily—or are we going to force the issues of . . . consumer rationing?" he said.

Wakefield warned further that the coming winter fuel outlook is only "the tip of the iceberg."

"Everywhere, in every fuel source, there is trouble, not just this winter or next summer, but for as far ahead as we can reliably foresee," he said.

OFFSHORE OIL DRILLING

Mr. BIDEN. Mr. President, there has been a growing concern over the past few months about the inability of our present system to supply necessary fuel oil to meet this country's consumption needs.

One aspect that has come under extensive study by the Senate is the need for construction of an offshore port facility. As a representative of a State that might be significantly effected by such construction, I have become deeply involved in the debate surrounding such a proposal.

Although the question of whether or not to build a port facility off Delaware's coast has not yet been resolved, we are now confronted with another oil related proposal, which would pose even greater problems for my state—drilling for offshore oil.

Preliminary reports have indicated the possibility of such oil deposits off the Delmarva peninsula, and studies are now being conducted to ascertain the feasibility and ramifications of such a proposal.

The September 13, 1973 issue of the Delaware Coast Press contains the first part of a series on offshore drilling in relation to Delaware.

It reads, in part:

> The deepwater oil port controversy which swept the state last year, has yet to be resolved, but it is clear that even the implications of such a port are minor by comparison with off-shore oil.

I request unanimous consent to print the article "Offshore Oil Drilling," which discusses the background of this proposal, in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OFFSHORE OIL DRILLING

(By Dick Carter)

Seventy percent of the Earth's surface is covered by water, a substance which during man's existence has been both the most essential resource and the most foreign environment.

In the past, seamen have been able to ply their trade on the surface of the seas. More recently men have ventured beneath the surface searching for riches.

As man has expanded he has dominated the Earth's lands. In that domination, he has expanded many natural resources on land. It has become necessary for him either to find similar riches elsewhere or do without them.

Thus, man is going to have to turn to the seas for more of his necessities or face the possibility of extinction.

Because the United States, with six per cent of the Earth's population, consumes about 60 per cent of the world's natural resources, the U.S. in going to the seas before most other nations.

Oil is now the most sought after and the most vital resource in maintaining this nation's standard of living.

The U S. reserves of the fossil fuel on land are severely limited and may well be expended before the year 2000.

Traditionally, we have used our position, as one of the wealthiest and most powerful nations, to obtain the oil we couldn't produce ourselves from other nations. The Middle East, wealthy in oil and poor in most other resources, has been a supplier.

As the demand for oil has increased, political implications have been raised.

We need it. They've got it. Therefore, many nations, which once supplied the U.S. with oil, now do so on the condition that this country adopt a favorable diplomatic position . . . a form of diplomatic blackmail

While being as alien to man as outer space, the ocean floor has largely untapped reserves of oil. Obtaining the oil is dependent on advanced technology.

Oil has been pumped successfully from the sea bed in the Gulf of Mexico off the coasts of Texas and Louisiana and in the Santa Barbara Channel off California since the 1940's.

However, those undersea oil fields are no longer sufficient to supply this country's increasing demand for oil. The political situation in the Middle East adds more complexity to the situation.

Other sources are needed and preliminary oil exploration has determined that the most promising potential sites of further exploitation of undersea oil are the east coast of the U.S. and the Gulf of Alaska.

Along the Atlantic coast, the three most promising are: Georges Bank Basin off New England, Blake Plateau Basin off Georgia and Florida, and the Baltimore Canyon Basin 40 miles off the coast of Delmarva.

The Baltimore Canyon Basin is an undersea area surrounding the Baltimore Canyon, an oceanographic landmark very similar to a land canyon except that it is more than 600 feet underwater. .

It is here that geologists and oil explorers feel that pumping oil from the ocean floor would be most successful.

As the so-called energy crisis developed last winter and a continued supply of cheap crude oil from the Middle East seemed more tenuous, President Richard M. Nixon ordered the Department of the Interior to triple the amount of offshore oil drilling leases along the Atlantic Coast and in the Alaskan Gulf.

At the same time, he charged the Council on Environmental Quality to prepare a report by spring on the feasibility of drilling for oil in the area. The study will also include consideration of the possible economic, environmental and social implications.

The Council on Environmental Quality will hold public hearings on off-shore drilling on Oct. 11 in Ocean City, Md. Residents can register thier views on them.

Delmarva wore specifically those parts of the peninsula bordering on the ocean-Sussex County, Ocean City, Md., and Eastern Shore Virginia find themselves at the very center of a question of global proportions.

Most experts in the oil industry, as well as in government and in such institutions as the University's College of Marine Studies, say that every indication points to rich deposits of oil off the coast. The big question is, "who controls it?" Gov. Tribbitt, in his opening remarks at the seminar, touched that question when he said, "My major concern is that the states themselves appear to have no control over the drilling, and so we are at the mercy of the federal government and the companies who will do the drilling."

"Delaware stands to suffer from probable development but not to profit from any results . . . this is an untenable situation." the governor concluded

He called for immediate federal legislation to give the states affected by development of off-shore oil resources at least some say in that development.

The chances of enactment of legislation favoring the states is doubtful, however, in view of the fact that states like Louisiana and California have been in litigation in the courts on similar issues for more than 20 years.

Atlantic seaboard states, however, may have some claim to the sea beds off their coasts because of their status as former colonies of Great Britain before the U.S. government existed.

A case which should decide that question is now being heard before the U.S. Supreme Court, Delaware and nearly all the other original 13 colonies are joined against the federal government over the issue.

State Geologist Robert Jordan who has been preparing facts for such a situation for years, said that no actual exploratory drilling has yet taken place in the Baltimore Canyon area but all methods of testing, shot of drilling, indicate strongly that oil is in the area.

"Exploratory drilling is extremely expensive and difficult and shouldn't be expected to produce immediate results," Jordan said.

He added that it could be 1977 or 1978 before any definite results are known, but, "the process must start now before it is to go ahead."

Jordan added that although the state role in the search for development of offshore oil is "generally stated to be advisory only, the state has many avenues of approach concerning sharing the profits, as well as having some say over environmental factors involved.

Secretary of Natural Resources and Environmental Control John C. Bryson said that among the problems the state can expect in the immediate vicinity of off-shore wells are the possibility of explosions at the top of the well, fires and leakage of oil onto the ocean floor.

Whether the state gets a controversial deepwater port in the area of the Delaware Bay remains to be seen, but Bryson noted that many of the same hazards concerned with an oil port will be present when oil is transported to and from off-shore wells.

Among those hazards are large oil spills and slicks caused by oil tankers pumping their bilges off the coast.

Bryson said that the record of the oil industry has been good in other areas where off-shore drilling has occurred.

He noted, for instance, that there have been 1,095 recorded oil spills from off-shore wells off the coast of Louisiana which makes up less than one per cent of the oil spilled from all causes annually.

"But that one per cent isn't good enough when you're talking about a state which has less than 100 miles of ocean and bay coastline," he said. Another factor involved is the difficulty of cleaning up deep sea oil spills. Bryson concluded, "Deep-sea drilling and pumping is still an infant technology. There are still major questions involved such as how to control weather and human error.

Delaware state planner David R. Keifer said last week that off-shore drilling will have major effects on the state's coastal zone laws and its economy if a significant oil industry develops.

He said that while it is hard to foresee all the possible effects, down-state Delaware could be turned into another northeastern New Castle County, with its huge build-up of heavy industry and residential development.

"Surveys show that off-shore wells would require large supply vessels, skilled manpower, planes and helicopters, land bases of operation, tugs, barges, huge off-shore platforms to house equipment and much more," Keifer said.

He said that the greatest factor affecting the state's coastal zone could be the tendency of such an industry to attract related businesses such as refineries, petro-chemical industries, and many different types of supporting businesses.

At the very least, Keifer feels, the town of Lewes would very likely become a substantial home port for much of the off-shore oil operation.

Thus, even a cursory investigation of the effects of an off-shore oil business in the waters off the Delaware Coast, indicate that such an industry could have vast impact on the downstate area in nearly every aspect of its life style.

The deepwater oil port controversy which swept the state last year has yet to be resolved, but it is clear that even the implications of such a port are minor by comparison with off-shore oil.

REDTAPE AND THE PAPER SHORTAGE

Mr. McINTYRE. Mr. President, I would like to call to the attention of my colleagues the latest shortage in the American "storehouse": The supply of paper products. The production of paper has become the Nation's 10th largest industry. The average use per person today amounts to 615 pounds per year. This is an increase of more than 33 percent over the consumption in 1962 which was 453 pounds.

Paper manufacturing companies currently have reached their capacity for production. There are a number of reasons why these companies have been unable to expand their production facilities. One is the impact of new Federal environmental legislation on their industry, and another is the aggravation of price controls.

There have been numerous suggestions to help solve the paper shortage. One which I find to be most interesting is a recent admonition by the General Services Administration to all Federal agencies asking them to "exercise maximum page coverage in the future." Federal employees are notorious in their ability to generate paperwork. I have long advocated that Federal agencies cut down on excessive use of paper. I would suggest that, rather than exercise "maximum page cover," the Federal agencies reduce the 2 billion forms per year that they require from all citizens. These 2 billion forms—or 10 for every man, woman, and child in the Nation—require massive amounts of our paper resources.

The Subcommittee on Government Regulation of the Senate Small Business Committee, which I have the honor to chair, has been conducting hearings into the Federal paperwork burden, which I call "Federal forms pollution," for the past 2 years. Our subcommittee has identified many excessive, duplicative and overlapping Federal forms which can be eliminated and still maintain the necessary reporting requirements of individual Government agencies.

The extent of the paperwork problem is evident in the announcement on August 13 of the General Accounting Office which said that the Federal costs of writing memos, signing directives, keeping files, and issuing reports now total an estimated $15 billion a year. Reports and forms alone account for $3.72 billion of this amount. Official records stored around the country now total 11.6 million cubic feet, or an amount 11 times larger than the volume of the Washington Monument.

At a cost of $15 billion per annum, paperwork accounted for approximately 6 percent of Federal expenditures in fiscal 1978. It now costs $7 billion more per annum to process Federal paperwork than it did 6 years ago, and $11 billion more per year than paperwork costs in 1955.

Mr. President, I strongly urge the agencies of the Federal Government to take the lead in solving the paper shortage in this country. If the Federal bureaucracy will reduce its reporting demands on the citizenry, especially on small business, this will go a long way toward alleviating the paper shortage and saving the taxpayers money by reducing the costs of shuffling, processing and filing all of this vast amount of paper.

Two recent newspaper articles on this subject have come to my attention, one from the Wall Street Journal of September 4 and the other from the Washington Post of September 22 which highlight this growing problem in the paper industry. I ask unanimous consent that these articles be printed in the RECORD at the conclusion of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Sept. 4, 1973]

HEARD ON THE STREET

(By Charles J. Elia)

The market's boomlet in stocks of paper companies seems almost like virtue rewarded to some market analysts. Seven paper stocks were on last week's new-high list, a convincing indication that even some institutional investors are reappraising basic industry values.

Maybe so. Certainly few industries seem to have so much going for them as the paper sector—high demand, short supplies, full-capacity operations and a tremendous gush of earnings improvement this year. However, the action in paper stocks needs to come into clearer focus before some money managers conclude that a lasting change has occurred in market psychology.

"A lot of money has gone into the stocks pretty quickly, and I question whether it's money that will stay in or come out just as quickly," says one pension fund manager. "You can take a meaningful position in cyclical stocks like this only if you feel the larger institutional investors are going to support them over the long-term, too, and I have to see more evidence of that."

Such skepticism may be a minority attitude at the moment if research recommendations and the course of stock prices are any guide. Leading institutional brokers, such as Baker, Weeks & Co. and Oppenheimer & Co., and a widening number of others have grown notably more bullish on the industry. Standard & Poor's eight-stock paper industry index advanced nearly 12% last week, a 1973 peak, 37% above its earlier low. Over the past four weeks, paper stocks have ranked only behind farm machinery makers in market performance.

Behind much of the push is the belief among analysts that the paper industry may stay in a shortage-induced seller's market for its wares for some time ahead. That situation coincides with a decidedly unusual dry spell for industry expansion plans. In the past, the industry tended to greet strong business by bringing new capacity on stream and, almost invariably, slipping into over-capacity status.

The analysts say that that isn't going to happen this time, and that paper companies will lose some of their cyclicality even if the economy slows down. With plants operating at full capacity and still unable to supply demand, the analysts see paper companies in good position to continue getting top dollar for their products.

Industry estimates call for a mere 2% addition to capacity in 1974, and it's widely believed paper makers are keeping a closer eye than ever before on any new expansion. The industry has indicated its product prices—and profit margins—would have to go much higher to induce any additions of capacity.

Hardly anyone in Wall Street analytical circles demurs on this score. What is producing some hesitancy among professional money managers who haven't yet bought the story on paper stocks is the compression of time horizons that seems to be part of recent interest in the stocks.

For one thing, recent buying has been keyed in large part to exceptional earnings gains for 1973 that have become highly and broadly visible. It has an unusual aspect because the more sophisticated managers tend to anticipate earnings gains, rather than buy coincidentally with them. In several cases, first half earnings of paper companies, already reported, were up more than 100%, and second half net, while still unusually good, won't be up as much.

Perhaps more important is the fact that Wall Street itself is sharply split over how well the companies will do next year. As a whole, the industry may improve earnings 5% to 10%, some analysts believe, but differences in company-by-company estimates are great, and fall far short of the industry's 1973 showing.

H. C. Wainwright & Co., an institutional research firm that analyzes stocks and industries without making specific recommendations, has recently boosted 1973 earnings estimates and says the industry "appears to have entered an extended period of sustained practical-capacity operations."

Uncertainties of Phase 4 price controls "preclude confidently estimating" 1974 earnings, Wainwright says, but the firm believes the basic trend is still upward. However, tentative Wainwright estimates for nine companies are mixed. The firm forecast flat earnings in 1974, versus 1973, for International Paper, St. Regis Paper, Scott Paper and Union Camp; a 9% decline for Crown Zellerbach; a 5% decline for Mead; a gain of 11% for Hammermill; a 14% gain for Westvaco, and a gain of 5% for Kimberly Clark.

Oppenheimer & Co., on the other hand, recently raised its 1973 estimates for three companies and forecast 1974 increases as well. Oppenheimer analysts now look for earnings of $3.80 to $4 a share this year at St. Regis, and $4 to $4.25 in 1974, versus $2.92 in 1972; $3.40 to $3.60 a share this year and $3.70 to $3.90 next year for International Paper, versus $2.30 in 1972; and $3.70 to $3.90 this year and $4 to $4.25 in 1974 at Union Camp, versus $2.57 a share in 1972.

Until the effect of price controls becomes clearer—or they end—earnings estimates for next year are likely to carry less assurance than many institutional investors prefer before establishing long-term positions. Disparities in estimates currently are wide. A survey of institutional research houses, for example, produces forecasts in some cases that vary as much as 50% between lowest and highest for the same company.

The most crucial decision-point on the paper stocks, say some money managers, is whether the industry can demonstrate it has really modified its traditional vulnerability to the up-and-down cycles of the economy.

The industry may soon face this test if leading economists are right about 1974. Alan Greenspan of Townsend-Greenspan & Co. advised his consulting firm's clients yesterday he is expecting a "modest recession" beginning next spring and reaching bottom in early 1975.

He expects after-tax corporate profits to drop 15% between the first quarter of 1974 and the first quarter of 1975, although he thinks full-year net should be little changed for all of 1974, compared with 1973.

[From the Washington Post, Sept. 22, 1973]

LATEST SHORTAGE ITEM: PAPER

(By Peter Milius)

Safeway and Giant have told their employees to cut down the double-bagging of groceries.

Peoples Drug Stores has run short of school notebooks several times this fall, and was out of its own brand of toilet paper briefly last month.

Federal employees are about to be asked to use less paper in the paperwork for which they are notorious. The General Services Administration is sending a memo to all federal agencies. It will ask them among other things, to "exercise maximum page coverage" in the future.

What all this means is that you can add another item to that list of things you used to take for granted, and that you now sometimes can't get. This time it is paper.

The American Paper Institute says there isn't quite a paper shortage, and that may be true. The country is hardly in danger of having to go back to slate and chalk. As even the institute concedes, however, there is a "tightness" of supply, and it is likely to last for a while. Estimates of how long range from one year to five.

The reasons are the classic ones.

Demand for paper and paperboard—which is the industry name for what the rest of us call cardboard—has gone up astronomically in the past 10 years.

Consumption of paper and paper products stood at 453 pounds per person in this country in 1962. In 1972 it was 615 pounds, an increase of more than a third.

Part of that increase is traceable to our lifestyle, part to the growth rate of the economy.

The Commerce Department says that the manufacture of paper and "allied products" is now the nation's 10th largest manufacturing industry. Because it is disposable, things are being made out of paper today that used to be made out of other materials; diapers are a familiar example.

Alongside these new products has been a rising demand for the old ones. The more the population and the economy grow, the greater the volume of goods that are manufactured and shipped. The greater the volume of goods, the greater the demand for containers to ship them in. Those containers—a lot of them, at least—are made out of paperboard. Paperboard consumption has thus gone up sharply in the last 10 years.

So, for a similar set of reasons, has the consumption of newsprint, the paper that newspapers are printed on. Paperboard now makes up about 45 per cent of the tonnage of paper and paper products consumed in this country each year; newsprint, about another 16 per cent.

The increasing demand for paper and paper products didn't bring about a shortage in the 1960s because paper companies were at the same time increasing their capacity to produce the stuff. Capacity, in fact, stayed a little ahead of demand. That meant there was always plenty of paper. In fact, because the paper industry is still pretty competitive, it also meant that paper prices didn't go up as much as industrial prices generally.

In the past few years, however, there has been no such expansion of capacity. There are several reasons why.

The simplest has to do with the 1970 recession, which reduced demand. The volume of goods being produced and shipped declined; so did the number of boxes needed to ship them in. Newspaper advertising fell off, and newspapers shrank in size. The paper industry responded by cutting back on its plans for expansion. When demand picked up sharply again last year, and continued strong on into this year, the industry couldn't meet it all.

That always happens in boom times; there always are some "tightnesses" in supply.

For paper, however, the tightness this time has been aggravated by two other factors.

One is that the country now wants, in addition to paper, clean air and water. The paper industry has always been a notorious polluter of both. Recent legislation has forced the industry to spend millions of dollars on pollution abatement. Those same dollars might otherwise have been spent to expand production.

Total capital outlays by paper companies haven't changed much in the past few years, but last year about 40 per cent of those outlays went into counteracting pollution. Some paper mills, meanwhile, have simply been shut down. Their owners decided it wouldn't be worthwhile to spend what it would cost to clean them up.

The second factor that has aggravated the tightness this time has been price controls. The paper companies haven't been able to raise their prices as much as they like—as much as they would if demand was this great and there were no controls. They have gotten around that, to some extent, by shifting production away from those kinds of paper on which profits are low, and into those kinds on which profits are high.

This is why Peoples has had trouble getting tablet paper. That is also why office supply companies in this city of lawyers were running out of legal-size file folders this week.

This week, the paper industry went before the Cost of Living Council seeking permission to raise its prices. According to government indexes, they have gone up 8.1 per cent in the past year. The industry says that has not been enough.

James W. McSwiney, chairman of the Mead Corp. the nation's fifth largest paper producer, told the price controllers, that, by one estimate, the demand for paper and paper products in this country will go up by 8 million tons in the next three years. But the industry, he noted, is currently planning to add only 4.4 million tons to capacity in that period. Higher prices, he said, might stimulate a higher rate of investment.

He also told the controller he didn't think a paper price increase would be all that inflationary. A 5 per cent rise in the price of paper, he said, would produce only an .055 per cent rise in the cost of living as measured by the consumer price index.

The controllers may make up their minds next week. In the meantime, though, it is hard to find anything that has come to an actual standstill for lack of paper.

A number of newspapers recently have had to make cutbacks for lack of newsprint. Some have cut their size; some have stopped making out-of-town deliveries; a few have skipped some days of publication. The reason for that, however, is a spate of strikes in Canada, one against the Canadian railroad, the other against several big paper companies.

About two-thirds of the newsprint used in this country comes from Canada, and the strikes choked off the supply. Some of the paper strikes still are unsettled.

The strikes apart, the problem with newsprint is the same as with all other paper.

Saying nothing has come to a standstill, however, does not mean the shortage has had no effect.

Magazines, for example, are still publishing, but many are having to publish on heavier paper; that is the only kind their suppliers are making and will sell their customers. The heavier paper costs most; it also has the effect of increasing postal costs, which are based on weight.

Other users of paper have been put on quotas by their suppliers; they can't get all they want. When they get it, moreover, it often is late. Booms in this sense are self-limiting; the economy grows to a certain point, and then just can't grow any more for a while. It lacks the capacity, and new plants take time to build.

The question no one can answer is how long paper will stay hard to get. The machines that make paper are huge things that take a long time to build; from the time a company decides it wants one to the time it gets it is usually two to three years. So capacity is going to be expanding slowly for a while, with or without a rise in prices.

Demand is what is harder to forecast. Some people think the economy will keep growing next year, some think it will flatten out, and some think there will be a downturn. Demand would slacken in a downturn, but that's a high price to pay for paper.

Another question is simply how long the country can keep on increasing its consumption of paper. Can we keep growing trees as fast as we are cutting them down? That isn't part of today's problem, but it may be tomorrow's.

COVERAGE FOR MENTAL HEALTH IN NATIONAL HEALTH INSURANCE

Mr. HUMPHREY. Mr. President, the establishment of a system of national health insurance for all Americans must remain a priority matter on the legislative agenda of Congress.

Many of us have differing opinions as to the national resources we should allocate to such a system, how it should operate, and to what extent our present pluralistic method of health service delivery should be expanded, modified, or even changed. We have many pressing questions to be answered before we reach consensus about what would be a reasonable approach to dealing with what is now commonly accepted as an important national need. It will take much concerted time, study and energy before an adequate national health insurance system is developed. First, we must thoroughly examine all the issues so as to ensure that the final product is an improvement—not a retrogression in the quality and quantity—of the services now available.

All Americans have the right to quality health care. It is essential that there be no discrimination in the delivery of that care. Equally important is the need to make sure that those who suffer from a particular form of illness have the same right to treatment as those who suffer from any other type of illness. From a humanitarian standpoint, it would be inequitable to treat those we believe most amenable to effective treatment and exclude those we believe more difficult or more expensive to treat.

I specifically refer to mental illness, the Nation's No. 1 health problem. Twenty million Americans suffer from some form of mental or emotional illness. Unfortunately, some people still labor under misapprehensions about this kind of illness. They still believe its treatment is so expensive that adequate coverage cannot be included in national health insurance or that effective treatment cannot be rendered. They believe it might be wise from a fiscal standpoint to either exclude the mentally ill from national health insurance altogether or provide only a very limited benefit. This would not realistically deal with this vast national problem. As a consequence of this kind of thinking, some plans for national health insurance introduced in the Congress of the United States provide little or no coverage for mental and emotional illness.

The American Psychiatric Association, which represents 21,000 of the 25,000 psychiatrists in the United States, has published a study, entitled "Health Insurance and Psychiatric Care: Utilization and Cost," and based upon a variety of health insurance approaches. This study was directed by Louis S. Reed, Ph. D., a prominent health economist, and coauthored by Mrs. Evelyn S. Myers and Mrs. Patricia L. Scheidemandel, of the staff of the association. The project was advised by a committee of consultants of Blue Cross, Blue Shield, the commercial insurance industry, group and individual prepaid group practice plans, labor organizations, and eminent psychiatrists.

The results of this study, the most extensive ever conducted in this field, demonstrate that the cost of providing insurance coverage of mental conditions both in and out of the hospital is relatively low—a few dollars per covered person a year and a relatively small proportion of the cost of coverage for all conditions.

The study also noted that health insurance coverage of mental illness, even though it is hemmed in with special restrictions and limitations, is widespread. At the end of 1970, 63 percent of the civilian population—80 percent of the total with hospital coverage of general illness—had some coverage of hospital care for mental illness, and 37 percent of the total population had some coverage of outpatient psychiatric care; this latter represents 85 percent of all those with such coverage for general illness.

Not to dwell on statistics, I would like to illustrate the feasibility of covering mental illness by noting that under the largest and probably the most comprehensive plan studied, the Blue Cross and Blue Shield plan covering Federal employees, total charges for hospital care of mental conditions in 1969 amounted to approximately $4.13 per person covered per year, equal to 6.3 percent of total charges for all conditions. In-hospital physicians' visits averaged 66 cents per person covered. In regard to outpatient care, there were 13 claims per 1,000 population in 1969 for reimbursement of physician charges for mental conditions. Eligible charges amounted to $2.99 per covered person; benefit payments were equal to approximately $2.16 per covered person. Thus, the total benefit payments in this comprehensive plan, which treats mental illness the same as other illness, were less than $7 per covered person.

Canada has Federal-Provincial programs of hospital and medical insurance covering virtually the entire population. Hospitalization in general hospitals is provided for mental illness on the same basis as for other conditions, and physicians services for mental conditions in and out of hospital are also covered on the same basis as such services for all other conditions. In 1967 hospital discharges and days of care were equal to 3.1 and 4.6 percent, respectively, of the rates for all conditions. Benefit payments for physicians services in and out of the hospitals in 1970 ranged from 43 cents to $2.37 cents per covered person, representing 2 to 4 percent of benefit payments for all conditions.

The advances in the treatment of mental illness have made great strides in recent years. The efficacy of the psychoactive drugs, along with the development of community mental health centers and other treatment resources, has brought about a decline in the resident population of State mental hospitals; from 559,000 in 1959 to approximately 275,000 today.

But there is no evidence that the incidence of mental illness is declining; there are, in fact, more admissions to State mental hospitals than ever before. The difference is that mental patients in general are being treated more effectively, and the length of stay in psychiatric facilities has been dramatically curtailed. Many former mental patients can resume active roles in the community within a very short period of time. Custodialism for the mental patient and confinement in the wards of State mental hospitals is far less common than formerly.

Dr. Alfred Freedman, president of the American Psychiatric Association, pointed out in recent testimony before the Senate Appropriations Subcommittee on Labor and HEW that in the post-World War II period, we have witnessed enormous gains in our ability to treat serious mental illness. He referred particularly to the treatment of depressions and schizophrenia. He cited as an example one form of depression from which only 40 percent of individuals formerly improved after 3 years of treatment. Today about 80 percent improve within a very short period of time.

And yet many special groups of the mentally ill are receiving little or no care. The first in a recent series of articles by Wayne King on child mental health, in the Washington Star-News, July 30, 1973, stated that 10 percent of all children have sufficient emotional problems to warrant professional attention, but only a miniscule number are getting help.

Besides the problems of children and adolescents, our society is beset with other serious problems with a psychiatric component: Alcohol and drug abuse and addiction, psychiatric disturbances relating to aging, and to crime and delinquency, and the adjustment problems of the Vietnam veterans. Yet, it is estimated that only approximately 3.6 million persons in our country receive any kind of specialized psychiatric treatment annually. Worse yet, it is a fact that mental health services remain least available to those in greatest need—the poor and minority groups.

As the American Psychiatric Association has stated in its position statement on national health insurance, which advocates equal coverage for mental illness, health insurance plans that ignore or discriminate against the mental disorders are not only grossly unjust and inadequate, but also anachronistic, in view of the state of the art and the needs that currently exist. Also, they fail to take into account that there is a strong likelihood that covering mental illness will cut down on the utilization of other health services. It is commonly acknowledged that more than 50 percent of patients presenting themselves to physicians with physical complaints suffer from a mental illness component. The recognition and proper treatment of this illness will often avoid prolonged and expensive laboratory testing in diagnosing the disease and in many cases will cut down on the need for other medical treatment.

I heartily endorse the principle advocated by the American Psychiatric Association that national health insurance cover treatment of mental illness in the same way as other illness. This treatment should be allowed to take place in all professionally approved facilities, public or private, that furnish active treatment for the mentally ill—all accredited hospitals, community mental health centers, outpatient or ambulatory care facilities, and intermediate care and nursing home facilities. Treatment by private physicians should also be covered to the same extent as for other illnesses. The elaborate system of peer review being developed by the psychiatric profession will insure that the patient receives the most effective available treatment and for no longer than the time needed to reach the therapeutic goal.

I urge that all Members of Congress follow this just and rational approach toward the mentally ill.

THE GENOCIDE CONVENTION AND FREE SPEECH

Mr. PROXMIRE. Mr. President, during discussion of the Genocide Convention, the question has arisen as to the impact of ratification on free speech in this country. This is a legitimate concern and deserves a forthright answer.

There is only one article in this Convention which affects free speech. This is article III, subparagraph (c) which makes it illegal to conduct direct and public incitement to commit genocide. This section clearly states that the intent of the provocateur must be to cause violation of the law. This is perfectly compatible with existing U.S. law. Currently it is illegal for an individual to incite others to commit crimes. For example, in Brandenburg against Ohio, the Supreme Court made it clear that inciting to riot or inciting to violate the law may be punished, provided that there is clear intent to cause law violation and there is probability of it happening.

Mr. William Rehnquist, then an Assistant Attorney General, testified before a subcommittee of the Senate Foreign Relations Committee that the terms of this treaty would not and, moreover, could not be used to alter our constitutional protection of the right of free speech.

Mr. President, this treaty offers no threat whatsoever to our constitutionally protected freedoms. Rather it accords in every way with our highest principles and I urge this body to consider its immediate ratification.

REHABILITATION ACT OF 1973 IMPORTANT TO MINNESOTA

Mr. HUMPHREY. Mr. President, recently I was invited to address the annual kickoff dinner of the Minnesota Rehabilitation Association, attended by some 400 professional people working in this vital area and handicapped persons who have benefited from vocational rehabilitation programs in our State.

It was with deep regret that at a late hour I found it necessary to decline this invitation due to an extended session of the Senate which necessitated my remaining in Washington. Fortunately, my son, State Senator Hubert H. Humphrey III, graciously consented to read my prepared remarks to this distinguished assembly. I am advised that, while he delivered the major part of my text, he also noted the important work in which he had been involved in the State legislature to strengthen human rights statutes with respect to the handicapped. I have highly commended such initiatives, which are precisely in line with the thrust of my prepared remarks.

This address, as prepared for delivery, focused on the importance to Minnesota of provisions of the recently enacted Rehabilitation Act of 1973, H.R. 8070. It is my belief that this vital legislation can enable our Nation to take a major step forward in guaranteeing the rights of handicapped Americans to self-respect and to succeed to the best of their capabilities.

Mr. President, I ask unanimous consent that the text of my prepared remarks to the Minnesota Rehabilitation Association dinner be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HUBERT H. HUMPHREY

A heavy responsibility has been laid upon you as the major professional organization representing the interests of handicapped citizens in the state of Minnesota. You must be the spokesmen, in a crucial time, of the right of the disabled to comprehensive rehabilitation services.

It is unconscionable that for millions of handicapped persons across America, the promise of an equal chance to learn and to work to the maximum of their abilities, and to live as equal, contributing members of their communities, remains only a distant mirage, despite the enactment by Congress of some four major vocational rehabilitation laws over the past three decades.

Americans who are physically, mentally, or behaviorally disabled are not asking for a handout. They ask only for the opportunity to be counselled, to be evaluated, to be trained, and to have employment commensurate with their abilities without prejudice. They ask for this compensatory or vocational rehabilitation help only to make them productive, self-reliant, and competitive, and they ask that this be done without further delay.

The time has come to firmly establish the rights of handicapped Americans to self-respect and to succeed to the best of their capabilities—In short, to be an integral part of American society, no longer shoved aside with condescending pity.

I think something is terribly wrong with the priorities of the Administration in Washington when, as a result of Presidential vetoes, it has been necessary to bring *seven* times to the Senate floor in the last year legislation for the extension and improvement of the Vocational Rehabilitation Act.

I strongly hope that this time we have succeeded, with the recent adoption by both the House and the Senate of the conference report on H.R. 8070, the Rehabilitation Act of 1973.

The President has confronted a tenacious, stubborn, driving Congress on this matter. We have come back again and again, presenting a bill to the President that demands that the Administration widen its narrow range of vision on what constitutes a program of comprehensive services and genuine priorities on behalf of the handicapped.

And we have insisted that these programs be backed up by adequate funding, with a bill authorizing $1.54 billion over two fiscal years, or $138 million more than the President wanted.

I am advised that full funding of this authorization would provide over $12 million for rehabilitation programs in Minnesota in fiscal 1974—a $1 million increase over fiscal year 1973.

The need for the immediate implementation of this legislation is crucial. As August Gehrke, Assistant Commissioner for Vocational Rehabilitation, State of Minnesota, commented in a recent letter to me about current Federal evaluations of vocational rehabilitation services:

"I consider this perhaps the darkest hour for the rehabilitation of the handicapped. . . ."

Yet the facts which Gus also provided me on the activities of the Division of Vocational Rehabilitation over the past fiscal year demonstrate clearly what can and must be accomplished. A total DVR caseload of over 41,000 included 6,331 who were rehabilitated, including priority groups of alcoholics, drug addicts, public assistance recipients, and social security beneficiaries. If the national Administration does not understand what this means in terms of the restoration of human dignity, then let it attend to one solid economic argument: The annual income of rehabilitants in our state totaled over $36 million, resulting in a return to government of $3.8 million in personal income taxes.

The Rehabilitation Act of 1973 builds upon such records of accomplishment and reaches out to further client groups who can and must be served.

In addition to extending basic state grant programs, this bill calls for a new focus in rehabilitation services upon individuals with the most severe handicaps—those who have been too long ignored under the guidelines of current assistance programs.

Reflecting congressional concern over an inadequate level of priority on vocational rehabilitation in federal domestic social welfare programs, the bill places new responsibilities upon the Rehabilitation Services Administration to insure the effectve implementation of state basic programs.

And it provides that the RSA Commissioner will now be appointed directly by the President, rather than by the Secretary of Health, Education, and Welfare.

Other provisions of this important legislation call for:

New directions toward solving the problems of handicapped persons, through reoriented research and training programs, and through maximum utilization of science. technology, and medical resources toward overcoming current barriers to rehabilitation;

A Federal mortgage insurance program for the construction of necessary rehabilitation facilities; and

The establishment of an Architectural and Transportation Barriers Compliance Board to help enforce statutory requirements that these facilities be made accessible to handicapped persons.

I am particularly gratified that the Rehabilitation Act of 1973 requires a new affirmative action program by all Federal agencies, under the oversight of the Civil Service Commission, and that a similar program is mandated for all Federal contractors and subcontractors. I believe that under such measures the Federal Government can assume a long-overdue leadership in setting the example for the Nation on the employment and job advancement of handicapped individuals.

These new initiatives on the employment rights of the handicapped respond to an original bill which I jointly sponsored, to extend to the handicapped the anti-discrimination protections of the Civil Rights Act against unfair employment practices.

A further bill which I introduced was incorporated in the Rehabilitation Act, to require that there be no discrimination against qualified handicapped individuals in any program or activity receiving Federal funds.

Two other amendments which I sponsored are also carried through in this legislation.

One would add a program of rehabilitation services for public safety officers disabled in the line of duty. And a provision in the bill for an intensive study of the problems of long-term clients in sheltered workshops constitutes an important step toward implementing the intent of my amendment to assure these persons an adequate supplementary income, enabling them to live independently in their communities.

It is my sincere hope that the President will quickly sign this major legislation into law. The physically handicapped, the mentally retarded, and the mentally ill are not only worthy of the compassion and care of the people of this country. Their human dignity also merits the respect of society and our government.

Before this Administration makes any more snap judgments on national priorities and on where federal moneys should be saved, I suggest that it see the hope and the promise that are in the eyes of thousands enrolled in these vital rehabilitation programs. And I suggest that this Administration must totally reform its value system that has denied people in need such crucial opportunities to obtain gainful employment and to know self-respect in being enabled to live independently.

It is clear that Congress must maintain close scrutiny of the implementation of this Act, due to recent reports of contingency plans in the Department of Health, Education, and Welfare to implement administrative actions that run completely counter to Congressional intent.

One well-known proposal under consideration in HEW is that the training and rehabilitation features of the vocational rehabilitation program be replaced by a new cash assistance scheme. I am amazed at the failure such a proposal reflects, to recognize the vital necessity of carefully developed health and educational services.

However, such a study in diametrically opposed philosophies, such a dark hour for the rehabilitation of the handicapped, can and must be transformed into a new day of opportunity.

The American people must be made aware of the true issues and of the great resource which millions of handicapped citizens represent for this nation, so that they can respond affirmatively and demand that our government in fact help these people to help themselves.

The time has come to place this Administration on notice that the needs of handicapped persons are a vital national concern that must no longer be ignored. It is incumbent upon you and upon Congress now to be the spokesmen for these fellow citizens. We must insist that the responsibilities of national leadership include responsibilities of compassion and of respect for human dignity.

This is our obligation. But this is also our great hope and opportunity, to make this nation become what it was truly meant to be for all its people.

JUSTICE AT JUSTICE

Mr. KENNEDY. Mr. President, in the midst of the present governmental turmoil, the Justice Department has found itself on trial. The people of the United States have learned of illegal wiretapping and bugging restrictions on the first amendment, lack of equal protection, and collusion and influence peddling—all sanctioned by some of the men in key positions in the Justice Department. Now, if public confidence is to be restored in the workings of justice, the Justice Department must make some strong moves toward reform.

In a recent speech, former Attorney General Ramsey Clark outlined what he called a "Declaration of Indpendence for the Justice Department," suggesting procedures for departmental reform. His suggestions are excellent, and most heartening is the fact that while Mr. Clark was delivering his remarks, Attorney General Richardson was already taking steps to implement swift and thorough changes to restore the department to its former position as a place of law—not a part of a political administration. I am confident that the Justice Department, under such sensitive and innovative leadership, will begin to move effectively toward its goal of equal justice for all.

I ask unanimous consent that the statements of Ramsey Clark before Ralph Nader's conference on the Legal Profession, and of Attorney General Elliot Richardson before the American Bar Association, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Department of Justice Release,
August 8, 1973

Attorney General Elliot L. Richardson today outlined to the nation's lawyers the steps he has taken to restore public confidence in the Department of Justice in the 10 weeks since his Senate confirmation.

He said his first duty as Attorney General is "to do what I can to eliminate the causes of distrust, having taken office in the midst of the darkening cloud of suspicion and distrust engendered by Watergate."

"This is the undertaking to which I have devoted my principal efforts since becoming Attorney General," Mr. Richardson said in an address to the American Bar Association convention in Washington, D.C.

To counter the suspicion that political considerations or political influence can color the administration of justice, Mr. Richardson said he has:

Directed that no key positions be headed by a person "who is perceived to be an active political partisan" and requested his principal colleagues in the Department foreswear any political activity.

Issued a Departmental order today establishing a procedure for recording all contacts by outside parties with Departmental personnel. The existence of the reporting system "will discourage approaches to the Department by those who are not confident of the purity of their motives," he said. Contacts by representatives of the news media are excluded.

Members of Congress will not be given advance notice of Justice Department grants to eliminate the public impression that the Senator or Congressman had some sort of influence on the result, "when, in fact, he had nothing to do with it."

"Confidence is as fragile as it is precious, as hard to restore as it is easy to destroy," the Attorney General said. "Whatever stains the integrity of the Department of Justice damages confidence not simply in the Department but in government itself."

Mr. Richardson said he was concerned about the Department's relationship with the news media and First Amendment guarantees.

"The prosecutorial power of the Department should never be used—not even by indirection or innuendo—in a way that could weaken the exercise of the First Amendment rights."

He cited the Departmental guidelines issued in 1970 which require the Attorney General's approval before a subpoena can be issued to a representative of the news media as an example of the Department's concern for protecting the First Amendment.

"We are now considering an additional Departmental directive which will require my specific approval before a newsman can be questioned or made a defendant in any federal court proceeding."

One of the major areas where the Attorney General said he is attempting to counter suspicion and create confidence in the Department "is in the candor and openness of our conduct of the administration of justice."

"We have a responsibility to help assure the public that they are as fully informed as possible about what we are doing and why."

"The burden of proof should always be on establishing the need for withholding information," he said, "but there is a legitimate need for confidentiality in the conduct of an investigation, to protect the identity of a source or to safeguard an individual reputation."

The Attorney General said he has also called for a comprehensive government-wide study of the Freedom of Information Act by Department attorneys to guide the Executive Branch and Congress in improving the administration of the Act and clarifying its provisions.

Mr. Richardson said he has notified other Executive agencies that Justice attorneys will not defend Freedom of Information lawsuits unless the Department has been consulted prior to the denial of the request.

Mr. Richardson said he also was considering establishing an Inspector General's Office in the Department. "It is imperative—not only morally requisite but practically requisite—that our commitment to fairness across the board be matched by consistent performance."

The Attorney General said the proposed new office would have the responsibility to assure that those who have the public trust "are consistently worthy of that trust."

To help insure greater consistency in the application of legal standards across the country and across levels of government, the Attorney General said that he had established an advisory committee of United States Attorneys and taken steps to foster more frequent and more systematic contact with the National Association of Attorneys General.

"It is my hope that, working together, we may find ways to develop and implement coherent and consistent approaches to matters of widespread public concern—in such areas as consumer protection, drug abuse prevention, and protection of the environment."

Another method by which public confidence in the Department can be enhanced, according to the Attorney General, is in the improvement of performance.

Saying that his predecessors had generally shown little interest in the planning and management of the Department, Mr. Richardson said he will focus greater resources in this area and will create a new Division for Management and Budget.

"Our ability to determine what works and what does not work—our capacity, in other words, to evaluate—is rudimentary."

As an example, Mr. Richardson said that there had been a two per cent drop in crime nationwide in 1972, "but no one knows with certainty what the causes of the reduction are, and finding out is one of the things we need to work on."

CRISIS AT JUSTICE

(Address by Ramsey Clark, before Aug. 4, 1973)

The beginning was modest. The Judiciary Act of 1789 which established the federal system of courts created the Office of Attorney General providing it should be filled by the President with ". . . a meet person, learned in the law." The first Attorney General, Edmund Randolph, as most of his successors, filled that prescription. Like his father before him, he had served as Attorney General of his state. He was at General Washington's right hand through the Revolution and an important delegate to the Constitutional Convention in Philadelphia, though he did not sign the final draft because he wanted the greater protection for individuals later afforded by the Bill of Rights. The salary was $1,500 per year with no funds for office rent, clerks, secretaries or supplies. While the salary doubled in the first decade to $3,000, it was thirty years, 1819, before the Attorney General of the United States was authorized a single clerk. William Wirt who became Attorney General November 13, 1817, wrote by hand, the first record of the office which began, "Finding on my appointment, this day, no book, document or papers of any kind to inform me of what has been done by any of my predecessors . . ." This merely reflects the nature of the office in that epoch. It provides no precedent for L. Patrick Gray to destroy records.

In 1853, Caleb Cushing became the first Attorney General to abandon the simultaneous private practice of law. Most of his predecessors had engaged extensively in major cases and legal matters of the day for powerful private interests while serving as Attorney General. All had practiced law on the side.

President Andrew Jackson first proposed the creation of a law department for the government. His proposal was defeated, largely through the efforts of Daniel Webster who said it would make the Attorney General ". . . a half accountant, a half lawyer, a half clerk, a half everything and not much of anything." Prophetic words.

Decades passed before the Department of Justice was established July 1, 1870 with a total budget of $67,000 and a single Assistant Attorney General. A century later Departmental employment approaches 40,000 people and its budget exceeds a billion dollars.

There have been times of tragedy, of politics and lawlessness in the Department of Justice. Attorney General Mitchell Palmer led the Department in open violation of the Bill of Rights. Attorney General Harry Daugherty was indicted, but not convicted, for his role in Teapot Dome. In the main, however, it has been a House of Law, above politics, devoted to the pursuit of Justice. It has endeavored impartially to fulfill rights and enforce laws, conceiving the law as an instrument of the people's compact seeking social change. Its duty to the rule of law has tended to make its function quasi-judicial.

My view of the role of the Department of Justice appears as the Introduction to the Last Annual Report of my time there.

"The Department of Justice is not an office of flinty-eyed prosecutors. Its mission is justice. It is moving steadily toward the role of Ministry of Justice.

"It is a house of many mansions. These are among its purposes:

To secure equal justice for all, by enforcement of the civil rights laws;

To represent the United States in civil disputes before the courts;

To provide leadership for all correctional endeavors through rehabilitation of federal offenders;

To provide effective investigation and enforcement of federal criminal laws;

To light the way through research, education and law enforcement in the field of dangerous drugs;

To maintain a free competitive economy by enforcement of the antitrust laws;

To vitalize community relations by providing meaningful involvement, communication and opportunity for a people to affect their lives where they live;

To patrol our borders, service ports of entry and exit fairly and efficiently, and give meaning to citizenship by naturalization to a nation of immigrants;

To support local and state agencies of criminal justice with funds and guidance;

To advise the President and agencies of government;

To process the appointment of federal judges;

To seek more effective justice through legislation, executive action and persuasion; and

To boldly speak for justice.

"In days of turbulence filled with frustration, anger and hatred, the Department of Justice with steady purpose must move effectively toward equal justice for all, unperturbed by the emotion surrounding it. To those who suffer most it must manifest the purpose of our laws as equal justice. To those who fear most it must give confidence in its strength, its fairness and its effectiveness.

"It is an institution close to the heart of two major concerns of the American people in this day: crime and civil rights. Though its role, because we are a federal system, is wisely limited, its leadership potential is significant. We can control crime. We can achieve equal justice. We need only the will, the courage and the effort. There is no contest between liberty and security. Both can be enlarged. Neither can long endure without the other.

"The Department of Justice is a part of the bureaucracy. It faces the critical challenge of all bureaucracy: to generate sensitive, effective, efficient action fulfilling the spirit of the laws. Unless we do this, the system will fail. It is not an easy task in a mass society. Government must strive for excellence in its performance.

"The Department of Justice is a mighty institution staffed by thousands who hold their service more than a job—a cause. Their cause is justice. I am fortunate to have had the opportunity to serve with them."

For the eight years I served in the Department of Justice, excellence in law and government service were the highest personnel standards. As was usually the case in the preceding decades, no presidential appointee, no Attorney General, no Deputy Attorney General, no Solicitor General or Assistant Attorney General had ever been a political candidate for statewide office. Among those who held one of the dozen key presidential appointments in the Department, Byron White, Warren Christopher, Louis Oberdorfer, John Douglas, Norbert Schlei, Don Turner, Edwin Zimmerman and Frank Wozencraft had all clerked for Justices of the U.S. Supreme Court. Nicholas Katzenbach, Archibald Cox, Erwin Griswold, Don Turner, Edwin Zimmerman, and Clyde Martz had been professors of law. Thurgood Marshall and Lee Loevinger had served in the Judiciary. Sal Andretta, Walt Yeagley, Leo Pellerzi, John Doar and Mitchell Rogovin had distinguished careers in government service. A majority of all the Presidential appointees had been editors of their law reviews in law school. Only Robert F. Kennedy and Byron White had been significantly involved in a presidential political campaign.

A radical change unprecedented in its history, began in the Department of Justice in 1969. President Nixon staffed the Department of Justice with politicians: Mitchell, Kleindienst, Richardson, Wilson, Gray, Leonard, Ruckelshaus, Frizell, Mardian, Rehnquist, Kashiwa. These men, all presidential appointees, had years of direct political involvement in personal candidacies and presidential campaigns. Seven were candidates for or had previously held state wide political offices. Politicians can make extraordinary contributions to law and government even in the management of the bureaucracy. But when professional legal discipline is infected by political consideration, we are a government of men, a lawless society. When politicians are placed in key legal positions, the appearance of infection is immediate and the probability of its actuality high.

Political people brought political postures and political judgments to the Department of Justice under President Nixon. In crime control, civil rights enforcement, pardons and parole, antitrust and civil litigation, and First Amendment areas, among others, the Department took political positions and actions. A brief documentation will help show what has happened and must be done. It may be more than irony that President Nixon repeatedly invoked the office of Attorney General in the 1968 campaign.

President Nixon espouses wiretapping. He caused all conversations in his office to be bugged for several years with virtually no one but himself aware of it. For the first time in history an Attorney General, John Mitchell, contended there was an inherent power in the President to tap without congressional or judicial approval in domestic security cases. This view was later rejected by the U.S. Supreme Court but we do not yet know all whose constitutional rights were violated as a result.

The first Nixon Assistant Attorney General for the Criminal Division, Will Wilson, a candidate on many occasions for statewide office in Texas, took a hard political line on law enforcement. Later, he was forced to resign under a cloud. He was the private attorney for a man under federal investigation for fraud from whom he borrowed tens of thousands of dollars after becoming Chief Prosecutor of the United States. Mr. Wilson signed a check payable to a private investigator indicted for wiretapping. Who was tapped? A federal bank examiner, assigned to investigate Mr. Wilson's client.

Attorney General Mitchell met in his office in the Department of Justice with political campaign officials, listened to suggestions of wiretapping the Democratic National Committee, a federal crime and never admonished them of the law, or threatened prosecution. We have yet to learn the extent of illegal wiretapping and bugging committed or condoned by the Attorney General and his agents.

To demonstrate their strong commitment to tough law enforcement, President Nixon's first Chief Marshal of the United States was recruited from the military. The Chief Marshal is the highest civilian law enforcement officer in the federal establishment, just as the Attorney General is the highest lawyer and the Director of the FBI heads the major investigative office. When John Caulfield, a man with civilian police experience, expressed interest in becoming Chief U.S. Marshal, he reports Attorney General Mitchell stated the Administration was looking for a military man. The Provost Marshal General commands the Military Police of the U.S., numbering several hundred thousand. A paramilitary concept of civilian police is foreign to the spirit of a free, democratic society. General Carl Turner, the Provost Marshal General of the United States, was appointed Chief Marshal. He became the first Departmental Official in twenty years to be indicted for crime. His offense was stealing and converting guns forfeited by persons possessing them when arrested by U.S. Marshals and local police. General Turner appropriated the guns for his personal collection, and bank account, ironically paralleling the Administration's view of gun control, take them from bad people, give them to good people.

Soon the Administration's value patterns emerged. While abandoning social programs promising a reduction of poverty, legal services for the poor and the quest for equal justice, government acted to keep people in their place, to make them behave. "Law and order" meant control by force. Tough cops meant bully power. But most Americans will side with Thoreau, "I was not born to be forced."

For the Courts, President Nixon proudly proclaimed his intention to appoint people, not devoted to the rule of law, but to his values. The Justice Department recommended such men as G. Harold Carswell for the United States Supreme Court. William H. Rehnquist, as Assistant Attorney General in the Department of Justice, participated in developing a policy of subpoenaing newspaper reporters before grand juries, and later as Associate Justice of the U.S. Supreme Court cast the deciding vote in *U.S.* v. *Caldwell* which by a 5–4 division holds newsmen subject to compulsory process to disclose sources and information from news gathering.

Sometimes the philosophy claimed was "strict construction," but neither acts nor words could meet this test. A more sweeping and unfounded claim of executive privilege has never been pronounced than that espoused by Attorney General Kleindienst. The privilege by his definition would pull the curtain of secrecy over all executive activity.

No Justice on the Supreme Court appointed by President Nixon has agreed with Justice Black's strict construction of the First Amendment. He believed that because the Amendment provided "Congress shall make no law . . . abridging the freedom . . . of the press . . ." Congress could make no law abridging freedom of the press.

Invoking the symbolism of the death penalty, preventive detention, and a no-knock law while attacking Supreme Court rulings enforcing rights essential to justice, the Department of Justice slowly abandoned, then opposed, enforcement of the equal protection clause. By June of 1969, the Department of Justice stood with the State of Mississippi in opposing the present right of black children to an equal education. In October 1969, when young attorneys in the Civil Rights Division began the first employee protest in the Department's history over the failure to enforce the law, some resigning, Attorney General John Mitchell said, "I couldn't care less." Hindsight indicates he was pleased when successive groups of idealistic young lawyers resigned in protest against the failure of the Department of Justice to follow the law in 1969, 1970, 1971, and 1972. In a major case involving school desegregation in Mississippi in 1970, the U.S. Court of Appeals for the Fifth Circuit, using unprecedented language, referred to the "obtuse, patronizing failure" of the Department to "do its duty." And when the Department failed to enforce a court order it had sought requiring removal of the Vietnam Veterans Against the War from the Capitol Grounds in Washington, D.C., Judge George L. Hart in open court said to Assistant Attorney General L. Patrick Gray, you have "degraded the court."

The President followed the standard by politicizing the Calley trial, telling the world and the Military Courts he would be the final judge. A brave young Army prosecutor, Captain Aubrey Daniel, stood up for the rule of law and criticized his Commander-in-Chief for demeaning law.

Extending its political actions into law enforcement, the Administration authorized the largest, most lawless sweep arrests in our history, 7,000 persons protesting the War in Viet Nam in May 1971. Its conduct indicated its agreement with H. R. Haldeman that such demonstrations were "good" and "great" for its political interests.

The Department of Justice protected the violence and deadly force of the National Guard by refusing to convene a Federal grand jury to investigate the deaths of students at Kent State, Jackson State and other places. Following a police raid in Chicago in 1969, the Department of Justice first assured a private Commission of Inquiry that indictments would be returned, itself an improper act, then released a grand jury report which Senator John L. McClellan criticized as without authority in law. The report blamed everyone, but indicted no one in the death of Fred Hampton and Mark Clark and the wounding of four Black Panthers in a police raid in Chicago. FBI ballistics found one shot, at most, fired by Panthers and scores fired by police.

In the operation of the Department of Justice, numerous political and lawless acts have come to light. U.S. Attorney Stewart, in San Diego, interfered with a grand jury investigating a major Nixon contributor who supported Stewart for a judgeship. Deputy Attorney General Kleindienst sat in his office and listened to the Administrative Assistant to a Republican Senator plead for a constituent and suggest a large political contribution. He did nothing. Later he said he did not recognize the conduct as an attempt to bribe. The person was later convicted of attempting to bribe Mr. Kleindienst in the very meeting. ITT officials held private conversations, unscheduled and outside the presense of staff attorneys working on ITT cases, with Attorney General Mitchell and Deputy Attorney General Kleindienst and perhaps, we learn, the President himself.

No action has been taken by the Department of Justice in dozens of affairs involving huge political contributions: airlines, oil companies, ITT, Allen-Gulf Resources, the Dairy Industry, the Carpet Industry, Andreas, McDonald's, Farkas and others.

James R. Hoffa was granted parole swiftly and separately by a law and order administration that did not pretend to give equal consideration to other applications. (One might ask what lesson tens of thousands of offenders take from this single act.) Attorney General Mitchell is alleged to have directly interceded in a matter for Robert Vesco, then under investigation. Vesco is alleged to have given $200,000 as a political contribution, later returned.

L. Patrick Gray became the second head of a federal bureau that never had an agent charged with corruption in office. As Acting Director of the FBI, he accepted and destroyed, without or only partially reading files that might have contained evidence of federal crime. Agents in a new federal drug agency set up in the Department of Justice for political visibility, thus destroying morale among career professionals, without search warrants required by the Fourth Amendment or facts supporting their action, smashed into private homes in Illinois, terrorized the families, threatened death, used force, destroyed property—and found nothing. The head of the agency which violated concepts of federalism by engaging directly in local drug enforcement at the street level admitted he was the guest at the Texas ranch of a man later indicted for federal crime.

For the first time in history the U.S. Government, acting through the Department of Justice, sought to restrain a free press prior to publication, and a federal grand jury sought to force a newspaper reporter to appear before it bringing notes and answering questions about his sources. The illustrations presently known seem endless. How many more are there yet to see the light of day?

A former Attorney General is under indictment. A Chief Marshal has been convicted and served a prison sentence; the two heads of the Criminal Division during the Nixon Administration have been publicly identified in allegations of wrongdoing; the former Assistant Attorney General of the Civil Rights Division is under investigation for conflict of interest, having undertaken the representation of Dare-to-be-Great Glenn Turner in his various criminal and civil problems after four years of experience with which he could make a valuable public contribution; L. Patrick Gray, former Assistant Attorney General, former Acting Deputy Attorney General and Acting Director of the FBI under federal grand jury investigation; John Dean, former Assistant Deputy Attorney General under federal grand jury investigation; and how many more.

We have seen enough to know that an enormous tragedy has befallen an essential and great Department of Government. We can leave it to the new and future officials in the Department, to the Courts, the Congress and history to tell us how close we came to tyranny and irremediable corruption. For now, we can see the value patterns that guided the misadventure. They were lawless, truthless and violent values that seek power, to curb opposition, to have their way. A young lawyer ashamed of having served in the Department of Justice during these years and speaking what the thousands of career employees who care about justice must feel, was reported by the Wall Street Journal to have said on resigning "There was a time when a career with the Justice Department was all I wanted in life."

We must make that time come again. Lawyers, particularly, have an obligation to make this Department a place of justice. Our profession has failed its assigned mission of equal justice under law.

No system can prevent wrongful conduct by persons in authority while they have the will and capacity to engage in such conduct. The first need will always be the selection of ". . . meet person(s), learned in the law."

A man who believes it is more important that a President be re-elected than that the Constitution be followed and the law obeyed, is not a meet person. We must establish stern traditions assuring the selection of persons of integrity, independence, legal knowledge and experience who have not been engaged in politics.

Lawyers who have made the law their "political religion," in Lincoln's phrase, who have manifested the clear commitment to the rule of law, to the Constitution, the Bill of Rights and the equal protection amendments are meet persons. There are thousands of lawyers who would rather serve the public than bend the power of their intellects to "petty causes" and private interest, who believe in the fundamental principles of our Constitutional government—freedom, equality, and justice; who will adhere to the limitations placed by law on their power and insist others do likewise; who will recognize the essential need of the people in an open democratic society to know the truth and conceive it their duty to make known what they do; who want to be accountable to all the people for their conduct of office; who will not abuse their power, or the rights of any person however feared or despised; who will be the first to divulge to a person accused of crime any evidence relevant to his defense; who will not radicalize the country by political symbolism, with phrases full of fear and hate like "soft on crime," or "Communist conspiracy," which signify nothing; people who do what they say and need not caution others to watch what is done not what is said. Most career lawyers in the Department of Justice have these qualities. Their leadership should have no less.

The Department of Justice is not part of a political administration. It is a place of law. It must seek to enforce the laws in accordance with the purpose of Congress even as it endeavors to reform laws it deems undesirable. It must faithfully enforce the laws as finally interpreted by the courts, however it may disagree with those decisions. It can only participate in the policy views of a President where action is consistent with law. Its client is the people of the United States whom it serves by faithful adherence to the Constitution and the laws of the land.

The present crisis at Justice requires strong action and effective reform. The American bar should play a leading role in developing those measures which will best achieve the desperately needed restoration of law and truth in the Department and respect for the Department in the hearts of the people. The Judiciary Committee of the U.S. House of Representatives and now the American Bar Association have begun investigations that offer forums for those concerned with its reform. Others may be needed.

Among the measures which should be considered in a new Declaration of Independence for the Department of Justice are the following:

1. The President and the White House Staff or others acting for the President should be prohibited from interfering in cases or matters in the Department of Justice. If there is to be equal justice, discussions about pending cases or matters between the President or his staff and officials of the Department, is improper. A recent illustration is the White House conferences between President Nixon, Attorney General Kleindienst and Assistant Attorney General Peterson in the Watergate Case. It is impossible for the President to oversee all cases. The few he selects will inevitably cause discrimination. The President is often not a lawyer, but even when he is, he is not the Attorney General. President Nixon has said, on several occasions, that he will personally decide matters in the Department of Justice. This necessarily politicizes those matters and makes the Presidency the focal point for powerful interests that wish to affect cases. The President has burdens enough. President Monroe understood this when he advised his cabinet at the end of his Presidency, that all should resign except the Attorney General who could remain because his ". . . duties are different. The President has less connection with them, and less responsibility for them." President Johnson understood my belief that it was improper to discuss pending cases with him. If there is dissatisfaction with the performance of the Attorney General the remedy is his removal not to supersede his administration of the law. Congress should consider enacting a law prohibiting the President and his staff from directing the handling of any case or matter in the Department of Justice and officials in the Department from following such directions when they are contrary to law as determined by the Attorney General.

2. To prevent political direction or influence in cases or matters before the Department of Justice, the existence of every communication written or oral referring to any case or matter in the Department from the White House, the Congress or anyone not directly involved in the case or matter should be made a public record. The concealment of such communications should be a crime. The Department of Justice should regularly record the fact of each such communication in a place open to the public. Law, policy and practice should recognize the desirability of open conduct of the Department so that the President, the Congress and the public may have the fullest knowledge of that conduct, of Justice consistent with the rights to privacy of persons under investigation, the secrecy of grand jury proceedings and the necessities of criminal investigation and enforcement.

3. The Senate, in acting on the confirmation of appointees, should insist that the Judiciary Act of 1789 be enforced and that not only the Attorney General, but all other Presidential appointees to the Department be "meet person(s) learned in the law." A person whose experience and interest is largely political is not meet to serve as lawyer for the people. It would be wise to prohibit by law the appointment of any person to such positions who has participated significantly in the Presidential campaign of the incumbent President. The law could also prohibit appointment of anyone who held a high political party position, or managed a campaign, or himself sought high political office within two years of his appointment.

4. Presidential appointees and their personal assistants in the Department of Justice should be prohibited from giving, receiving or soliciting political contributions, from managing or advising a political party or campaign while in office and for two years thereafter; from attending political meetings, public or private; from political speeches and endorsements. Robert F. Kennedy asked this of his assistants when he became Attorney General. It is a small price to pay for needed insulation from political influence and public confidence in the integrity of government law.

5. Presidential appointees and their personal assistants should be prohibited from meeting with principals, attorneys or other representatives of interests with cases or matters in the Department of Justice without public notice of such meeting and the presence of staff attorneys chiefly responsible for handling the case or matter. A glaring violation of this principle which illustrates the need are the numerous off-the-record meetings by various Department officials with representatives of ITT.

6. The law should require that the Attorney General, or the Deputy Attorney General and a minimum number of Assistant Attorneys General, perhaps three, be of the opposite party from the Administration in power or politically independent. Herbert J. Miller, Jr., who served as Assistant Attorney General of the Criminal Division from 1961–1965, a brilliant and effective lawyer who participated in all criminal cases and most significant Department matters during those Democratic years, was a staunch Republican by philosophy. Erwin Griswold, Walter Yeagley and Sal Andretta all served in Administrations of the opposite party.

7. Tradition should encourage and the law might require a minimum number, perhaps three, of the Presidential appointees be drawn from the federal career legal service or held over from prior Administrations. Sal Andretta, a great Assistant Attorney General for Administration, served under five Presidents. Walter Yeagley, an outstanding career attorney, served as Assistant Attorney General of the Internal Security Division under Presidents Eisenhower, Kennedy, Johnson Nixon. Erwin Griswold, distinguished Dean of the Harvard Law School, was appointed Solicitor General by President Johnson and retained for four years by President Nixon.

8. The Congress should remove the United States Attorney from Senate confirmation. As has been true with all such offices limited to a single state or part thereof, this has placed the effective appointing power in the Senator's from the state or local politicians of the party in power and politicized this critically important law enforcement agency at the most dangerous level. Legislation to accomplish this was proposed by the Department of Justice in 1968. These positions should usually be staffed by federal career lawyers and should be insulated from political influence.

9. Congress should enact new laws requiring full disclosure of any evidence that a prosecution is undertaken for political or other discriminatory purposes as has been alleged in the Berrigan case and the Ellsberg case among others, and make it a crime to prosecute for such purposes or to conceal such evidence. The law should also compel disclosure of any evidence relevant to the defense of a criminal case in accordance with the standards of *Brady* v. *Maryland* and make it a crime to conceal such evidence. This would help prevent such incredible acts as the breaking and entering into Daniel Ellsberg's psychiatrist's office, the offer of the FBI directorship to the presiding judge and the failure to advise the defense of the facts.

10. Congress should vest in the Judicial Conference of each United States Court of Appeals power to appoint a special prosecutor on application by any member of the public, or on its own motion, when it finds the interest of justice requires grand jury review of allegations that should be presented by an independent prosecutor. Failure to convene a grand jury following the Kent State killings and the handling of the grand jury in the Fred Hampton case illustrate the need.

11. The Directors of the FBI, the Bureau of Narcotics and Dangerous Drugs and other investigative agencies should be subject to Senate confirmation and serve for terms of four years to begin at the end of the second year of each Presidential term. Total service as Director should be limited to eight years.

12. The FBI and all other federal investigative and enforcement agencies should be required to publish a current list of all investigative and enforcement techniques, the legal justification for each and the controls and limitations on their use. This would include such practices as wiretapping, electronic surveillance, and other eavesdropping, use of informers, mail interception, mail drops, phone call checks, phone dial registers, polygraphs, use of false identification

or false pretense, agent infiltration, physical observation not related to specific criminal conduct, stop and frisk, and entering without knocking. Regular reporting on the times, places, persons and purposes for each utilization should be required in a manner similar to the reporting required for wiretaps and bugs under Court order pursuant to Title III of the Omnibus Crime Control Act of 1968.

13. The FBI and other federal investigative agencies should be prohibited from accumulating information or intelligence other than in connection with a specific criminal investigation except from public sources. Information gathered from public sources for purposes of general law enforcement knowledge should be made available to the public in the form accumulated.

14. Dossiers on individuals or organizations should be prohibited and every individual should be entitled to all information about him in the possession of a federal agency that is not exclusively part of an ongoing criminal investigation, and in any event within two years after its receipt by the agency unless the release of the information might endanger life.

15. The conduct of any criminal investigation or enforcement duty by any government personnel outside agencies authorized in law should be prohibited.

16. It should be a crime for any agent to engage in any unauthorized investigation or enforcement act and aggrieved persons and the public should be empowered to compel full disclosure of the existence of such conduct, to enjoin its continuation, and to recover damages.

17. Every person should be entitled to all information about him, including any investigative practice or procedures employed involving him, in the possession of any federal agency that is not exclusively part of ongoing criminal investigations, and in any event within two years after its receipt by the agency, unless release might endanger life.

18. A Federal Investigative and Enforcement Review Board should be established from broad based citizen groups with power to hear and act on complaints of abuse and to review and recommend on practices and procedures of all federal investigative and enforcement agencies to the Congress, the President, the Attorney General and the public.

19. Responsibility for crime statistics should be removed from the FBI to the Bureau of the Census, and made as scientific as possible to assure their objectivity and prevent misrepresentations for political purposes.

20. The Law Enforcement Assistance Administration should be directed by law to establish clear priorities in accordance with statute for federal grants and the priorities should be strictly adhered to. Personnel throughout the office, including the Director and Assistant Director should be under the same limitations on political activity as other Presidential appointees in the Department of Justice. The State block grant provisions necessarily place the federal funds in political channels and should be repealed. Political influence should be prohibited in the allocation of funds. The office should be required to publish and record all decisions and grants in detail and all communications concerning them.

21. Guidelines for the release of Departmental information to the press that involve the privacy of individuals or organizations whether in relation to a trial or otherwise should be established in law to prevent abuse of such information and the coercion of, or injury to, individuals. Penalties for violation should be established.

22. The provisions of the Freedom of Information Act should be reviewed to provide for the most open conduct of the Department consistent with rights of individuals under investigation to privacy, secrecy of grand jury proceedings and the interests of justice.

If we will face our responsibility to act now, we can bring the Department of Justice to its finest hour, restore the rule of law and create finally a Ministry of Justice.

Address by Elliot L. Richardson, Attorney General of the United States

In addressing this great organization of lawyers, I speak as a lawyer who has returned to a profession he loves. Believing in the law as the organizing principle of an ordered society and the indispensable attribute of a humane one, I am sensitive to the law's imperfections and jealous of its reputation. Like you, I am eager to be called upon to play a part in assuring that all the members of our profession are held to its high ideals.

As a lawyer charged with heading the national government's legal department, I feel a special responsibility—and a special concern—toward the law. Whatever stains—whatever calls into question—the integrity of the Department of Justice damages confidence not simply in the Department but in government itself.

Confidence is not a structure built of stone that can withstand the buffeting winds of accusation and mistrust. It is the expression, rather, of trust itself. It is as fragile as it is precious, as hard to restore as it is easy to destroy. And yet it is obvious that trust is necessary to the very possibility of free self-government. The good health of the body politic needs the tonic of skepticism, but it cannot long survive massive doses of cynical acid.

Having taken office as Attorney General in the midst of the darkening cloud of suspicion and distrust engendered by Watergate, I recognize it as my first duty to do what I can to eliminate the cause of distrust. This is the charge the President placed upon me. This is the undertaking which I have devoted my principal efforts since becoming Attorney General. This will continue to be the objective of my stewardship of that office—and I hope this tour will turn out to be longer than my past assignments!

I am reminded of the words of a great legal scholar and man who gave much to the law—Mr. Justice Cardozo. As he said at the end of his "Ministry of Justice" address:

"The time is right for betterment. The law has its epics of ebb and flow. One of the flood seasons is upon us. Men are insisting, as perhaps never before, that law shall be made true to its ideal of justice."

For the Department of Justice, the first step toward betterment must be to look squarely and unblinkingly at the factors which have impaired confidence in us, however unfair their generalized formulation may be to the overwhelming majority of Department employees. Ninety-nine and 44/100% pure is not now—if it ever was—good enough.

There are, it seems to me, three factors which—in the climate of Watergate—have contributed to diminished confidence in the Department of Justice:

(1) the suspicion that political considerations or political influence can color the administration of justice;

(2) the suspicion that who you are or what you stand for is reflected in the inconsistent or unfair application of legal standards;

(3) the suspicion that the Department is not sufficiently honest in its communication with press and public.

The first of these factors—the question of political influence affecting the administration of justice—is not a new one, but Watergate has given it a new burst of prominence.

In recent history, under both parties, the Attorney General has been more than a political appointee, he has frequently been—before and after he came to the Department of Justice—a political operative as well. Now, I have nothing against political operatives. I have been one myself. And there is still a place for politics as usual—but not in the Department of Justice. To the extent we are handicapped by the suspicion of political influence, we cannot afford to have at the head of the Department—or in any of its key positions—a person who is perceived to be an active political partisan. Past Attorneys General have, I know, been able to draw a line between their political and professional responsibilities. But a citizen of the Watergate era who perceives an Attorney General wearing his political hat is scarcely to be blamed for doubting whether he ever really takes it off.

I have decided, therefore, that one direct contribution I can make to countering the suspicion of political influence in the Department of Justice is not only to foreswear politics for myself but to ask my principal colleagues to do the same. It is my earnest hope that those who follow us will see fit to make the same promise. Other Departmental employees, including the U.S. Attorneys, have recently been reminded by the Supreme Court that the Hatch Act is still alive and well, and on their part no new self-denial is needed.

I am, in addition, today announcing the issuance of a Departmental order formalizing and making uniform a procedure for making records of contacts with Departmental personnel by outside parties. The order requires Departmental employees to make a memorandum of each oral communication about a matter pending before the Department from a "non-involved party." The employee will keep one copy of the memorandum and place another in the case file. A "non-involved party" is someone with whom the employee in the routine handling of the matter would not normally have contact, including Members of Congress and their staffs, other government officials and private persons not directly concerned in the matter. Only news media representatives are excluded.

This new reporting system should result in at least two useful byproducts. One is a contemporary record of contacts with the Department that can be called upon should the need arise to rebut some accusation of improper influence. Beyond that, its very existence will discourage approaches to the Department by those who are not confident of the purity of their motives.

As one more step in the same direction we have put an end to the practice of giving a Senator, or Congressman, through advance notice, the chance to announce a grant in his state or district. While this is a time-honored practice—and there may be nothing inherently wrong with it—it does inevitably, if not intentionally, create the public impression that the Senator or Congressman had some sort of influence on the result when, in fact, he had nothing to do with it.

The second of the factors affecting confidence in the Department of Justice—the suspicion that who you are or what you stand for is reflected in the inconsistent or unfair application of legal standards—is one which, like so many, lends itself more easily to rhetorical expressions of concern than to rigorous attention to concrete performance.

It seems to me requisite that we fully appreciate what may seem like so much more facile rhetoric: that our democratic system fundamentally cannot tolerate—cannot withstand—one law for the rich and another for the poor, one law for the strong and another for the weak, one law for Washington and another for the country.

It is imperative—not only morally requisite but practically requisite—that our democratic rhetorical commitment to fairness across-the-board be matched by consistent performance.

"To ensure the consistent and fair application of legal and moral standards by the Department of Justice, I am considering the establishment of an Inspector General's Office—with full authority and responsibility to assure that those who are charged with executive responsibility for a precious public trust are consistently worthy of that trust. At my regular weekly staff meeting later today I will appoint a Committee on the Office of the Inspector General to analyze this concept and to report promptly to me on the merit of its application to the Department of Justice.

"Bill Ruckelshaus, whom the President has nominated as Deputy Attorney General, will serve as chairman of this Committee—whose membership will also include the Director of the FBI and representatives of affected components of the Department."

To help ensure greater consistency in the application of legal standards across the country and across levels of government, I have established an Advisory Committee of U.S. Attorneys and taken steps to foster more frequent and more systematic contact with the National Association of Attorneys General. It is my hope that, working together, we may find ways to develop and implement coherent and consistent approaches to matters of widespread public concern—in such areas as consumer protection, drug abuse prevention and protection of the environment.

In so doing, we must of course recognize our obligation to preserve those variations in practice which are vital to the health of our pluralistic system. But we cannot allow ourselves to foster or to preserve practices which undermine respect for the capacity of the system to treat people—all the people—fairly under law.

The third area in which we are attempting to counter suspicion and create confidence is in the candor and openness of our conduct of the administration of justice.

We start from the awareness that we are accountable to the people of the United States. The Department of Justice has no interests and no objectives separable from theirs. We have an affirmative responsibility toward enabling them to make wise and responsible choices among clashing policies and competing interests. We have a corresponding responsibility to help assure that they are as fully informed as possible about what we are doing and why. This means that information in our hands should be withheld only where in a given case some clear public interest outweighs the public interest in freedom of information. The burden of proof should always be on establishing the need for withholding information.

Where the administration of justice is concerned, there are inevitably numerous situations in which this burden has to be assumed. But most people are quite ready to recognize that the protection of a confidential source, the safeguarding of an individual reputation or the conduct of an investigation creates a legitimate need for confidentiality. The harder task is to make sure in each instance that the need is real and to insist upon the application of consistent standards.

As the Government's chief legal agency, we have a special responsibility for the administration of the Freedom of Information Act by the Government as a whole. It is vital that the justified expectations of our citizens for access to Executive information not be thwarted by administrative delays or inconsistent responses from the various agencies. Accordingly, in my testimony before three Senate subcommittees on June 26, I announced four new steps that the Justice Department would undertake immediately to insure that the Act fulfills its promise of opening up Government and bringing it closer to the people. As the first of these steps, I have advised all Executive agencies that our litigating divisions will not defend Freedom of Information lawsuits unless the Freedom of Information Committee in our Office of Legal Counsel has been consulted prior to denial of a request.

I am, further, initiating a comprehensive government-wide study of the Freedom of Information Act for the guidance of both the Executive Branch and the Congress in improving the administration of the Act and clarifying its provisions.

The way in which the Department of Justice carries out its functions in any situation where reporters or news media are involved is also important. Reporters have a primary responsibility to the public, just as we do. This responsibility can lead them into controversial situations. But the prosecutorial power of the Department should never be used—not even by indirection or innuendo—in a way that could weaken the exercise of First Amendment rights. Responsive to this concern, the Department of Justice in 1970 issued guidelines restricting issuance of subpoenas to the news media. These have worked so well that only 13 subpoenas have been issued and only 2 of those were contested. These guidelines have been viewed as a model for the nation.

With the same concerns in view, we are now considering a new Departmental directive which will require my specific approval before a newsman can be questioned, served with a subpoena, or made a defendant in any Federal court proceeding.

Such, then, are the measures for dispelling suspicion and restoring confidence presently in effect or under consideration. More can certainly be done, and we are continuing to look for additional such measures. Suggestions will be welcome. But there is another—and more affirmative—side of the confidence-building process, and that is in the improvement of performance.

One obvious opportunity is in the management of the Department. My predecessors, by and large, have had little interest in this area, perhaps because they have thought of the Department as first and foremost a law office and only incidentally as a government department like other government departments. Having come to Justice directly from four and a half years in other bureaucratic institutions, I tend to emphasize its latter aspect. It is a fact, at any rate, that the Department includes nearly 50,000 people, of whom only 6½% are lawyers. Its biggest components are the FBI, the Immigration and Naturalization Service, the Bureau of Prisons, and the newly created Drug Enforcement Agency. These agencies, together with the Criminal Division, the Parole Board, and the Pardon Attorney, embrace all the elements of a criminal justice system except the courts. And yet, ironically, the Department has never had a comprehensive criminal justice planning capacity, notwithstanding our consistent preachment to the states and their subdivisions through LEAA that comprehensive planning is a prerequisite for the efficient allocation of criminal justice resources.

One of my aims is thus to build at the Federal level the kind of comprehensive planning capacity we have been urging on the states. More broadly, we need to apply the same approach to the allocation of resources for all Departmental functions. Our review of fiscal 1975 budget requests is just now getting under way, and each part of the Department, including the litigating divisions, is being asked to explain not only what resources, in terms of money and manpower, it allocates to which existing tasks, but also to rate those tasks on a priority scale. New requests will be similarly rated, and Assistant Attorneys General and bureau heads will be required to make tough choices whether to scrap old programs or whittle them down in order to accommodate new priorities.

To assist in this process I plan to create a new division in the Department to be headed by an Assistant Attorney General for Management and Budget. It is much too soon, however, to make any grandiose claims for the rigor and rationality of the likely results. To plan, to budget, to allocate is to choose, and in all too many areas of Departmental responsibility, we lack the criteria for intelligent choice. Our statistical data base is inadequate. Our ability to determine what works and what doesn't work—our capacity, in other words, to evaluate—is rudimentary. And while it is inherently difficult to measure the comparative costs and benefits of alternative approaches to dealing with any human situation, to recognize that the task is hard is no excuse for the failure to tackle it.

Take, for example, today's announcement of the Uniform Crime Report for 1972, which showed a two per cent drop in crime nationwide—the first in 17 years. Violent crime increased two per cent last year, which is certainly nothing to brag about, but it does represent the smallest increase in 11 years.

I wish I could tell you with certainty what caused that decrease. I certainly believe the strenuous efforts of the Justice Department, the Law Enforcement Assistance Administration's massive grants to all parts of the criminal justice system, and coordinated planning in each of the states had a lot to do with it. But the truth is no one knows with certainty what the causes of the reduction are, and finding out is one of the things we need to work on.

For us at Justice the opportunities that lie ahead are full of promise and excitement. We can help people to be less afraid by giving them less reason to be fearful. We can cut the toll of drug abuse and prevent young people from seeking employment in crime because no other employment is open to them. We can speed the administration of justice and promote the consistency of sentencing. We can bring honesty and realism to the question of why our correctional systems so seldom correct. We can cut through restraints on the freedom to compete and protect the victim of consumer fraud. We can bring greater equity and efficiency to the administration of our immigration laws. We can help bring about a cleaner environment. We can show by the promptness and courtesy, as well as the fairness and responsiveness, of our dealings with all our fellow citizens that we recognize their individual worth.

In all of this we shall work closely with you, for we know you share the same ends and the same devotion to the law as a means to their achievement. By our actions, singly and in combination, we can take part in the building of a new confidence.

CVN-70: EXPENSIVE, VULNERABLE AND UNNECESSARY

Mr. CLARK. Mr. President, this Friday, the Senate will debate the merits of the CVN-70 nuclear aircraft proposal and decide its future.

To build this one ship—and provide it with the planes and nuclear escorts it needs—will cost the American taxpayer about $3 billion. We simply cannot afford to spend that much money for another nuclear aircraft carrier, not when the need to cut Federal spending is so great, not when the effectiveness and usefulness of the CVN-70 itself are so open to question. Because of that, I have introduced the amendment No. 519, which will be considered Friday, to delete the Navy's request for $657 million to build the aircraft carrier.

After considerable debate last year, the Senate authorized $299 million to pay for initial construction work on the carrier's powerplant. However, only $10 million of that actually has been spent, and if the CVN–70 was a questionable proposition at $299 million in 1972, it is even more questionable now at twice the price.

Mr. President, the arguments against the CVN–70 project can be summarized succinctly:

Right now, this country has 14 attack aircraft carriers. Even without CVN–70, there still will be 12 in 1981, three of them nuclear powered.

Other ships—like the "Sea Control" ship already proposed by the Navy—can do many of the carrier's jobs better and at far less cost.

For all of its vulnerability to enemy attack, for the small amount of military effectiveness it provides, the CVN–70 simply is not worth the investment: $1 billion for the ship, $1 billion for the planes, and $1 billion for escort vessels. Total price: $3 billion—$10 billion altogether over the next 30 years.

In many ways, the vote on Friday will be the Senate's last opportunity—the last opportunity to stop the carrier project, the last opportunity to responsibly reduce Federal spending in the military procurement bill. I hope the Senate will take that opportunity.

I ask unanimous consent to print in the Record a unique and valuable study of CVN–70, prepared by the Center for Defense Information under the direction of Rear Adm. Gene R. LaRocque—U.S. Navy, retired—Admiral LaRocque has commanded a U.S. aircraft carrier in the Mediterranean, and he brings his experience and knowledge to this study.

There being no objection, the study was ordered to be printed in the Record, as follows:

The Sinkable Airfield

Would you spend several billion dollars for a ship that may be put out of action by a motor boat?

That of course is putting the question crudely. But it is essentially the issue raised by the Navy's request for a fourth, nuclear-powered aircraft carrier.

If the ship is built, it will be the most expensive in the world. It would also be unnecessary.

The Navy thinks it needs this ship. Many naval experts however don't agree. This Monitor sets forth the pros and cons.

The Center for Defense Information concludes that:

Construction of a fourth, nuclear-powered carrier can be safely deferred, without any risk whatever to national security.

11 carriers are quite adequate in the 1980's, instead of the 12 carriers the Navy wants.

An 11-carrier force, with 1,000 modern aircraft, would be very powerful. To it, a fourth nuclear-powered carrier would add only a 1/12th increment. And that incremental addition is not worth the billions of dollars it would cost.

Pros and Cons of Attack Carrier CVN–70

The Navy is asking Congress for $657 million this year as part of the cost of constructing a fourth, nuclear-powered aircraft carrier, the CVN–70. The Navy estimates the carrier would cost $972 million to build, but this figure is only the tip of an iceberg. It excludes the costs of building the aircraft and the escort ships without which the carrier cannot operate. And the costs are rising steeply.

The Navy's first nuclear-powered carrier, the Enterprise, was commissioned in 1961, and it cost $451 million. Two others, the Nimitz and the Dwight D. Eisenhower, are now under construction. The Navy estimate is that these two together will cost $1.3 billion to build. The Nimitz (CVAN–68) is scheduled to undergo sea trials in August, and the Navy says the vessel's delivery date is to be March 1974. The Eisenhower (CVAN–69) is scheduled for delivery in September 1975.

The CVN–70, if it is built, would join the fleet in 1981. There are at present 14 attack aircraft carriers in service, but older carriers are to be retired, which means that in 1981 there will be 12 carriers including CVN–70, or 11 carriers without CVN–70. (The Navy estimates the life-span of a carrier at about 30 years.) In 1981 the oldest carrier would be the Forrestal, which was commissioned in 1955.

A force of 11 modern aircraft carriers, three of them nuclear-powered, carrying 1,000 modern war planes, would be formidable. It would be big enough, without the CVN–70, to maintain an adequate level of six aircraft carriers stationed in the Atlantic and Mediterranean, and five carriers in the Pacific three of which would be nuclear-powered. The Sixth Fleet would still have two carriers full time in the Mediterranean, the same as now.

The question arises whether it is really worth spending a minimum of $1 billion to build a fourth, nuclear-powered aircraft carrier, when aircraft carriers have no role in the direct defense of the United States in the nuclear age, and also are unlikely to have a mission in a nuclear war with the Soviet Union.

For a long time, the Nixon Administration was dubious about the practicality of building yet another highly expensive, and probably highly vulnerable, nuclear-powered aircraft carrier. When the CVN–70 was being considered by Congress in 1970, the Administration said it might not build the carrier. The following year, the then Deputy Secretary of Defense, David Packard, declared that the Administration would not spend funds for the CVN–70 even if Congress appropriated them. Later, however, Defense Secretary Melvin Laird intimated that the money would be spent if it was appropriated.

Nevertheless, Mr. Packard explained that he had included the CVN–70 in the 1973 budget only as a marginal item, "because it looked as though we were going to be allowed a little higher total" for spending on defense. He also gave his reasons for regarding the ship as just a marginal item. "The carrier," he said, "has a useful function in certain types of show of force, or application of force, around the world. It is not very important in our nuclear deterrent posture. It is not very important in our sea control." This is a billion-dollar ship he is talking about. Senator Goldwater has conceded that "there was a lot of (Navy) pressure to build CVN–70. I did not intend to vote for it."

The Navy is undergoing major modernization and federal budget authorizations for naval construction are 50% higher than the average for fiscal years 1962 to 1969. The Navy's plans call for spending $50 billion over the next 10 years, solely for ship construction and conversion. This excludes operation, maintenance and other costs, all of which can be very severe.

Much of the Navy's budget revolves around carriers, their aircraft, and the other forces that supply and defend them. The Navy plans, for example, to have four nuclear-powered guided-missile frigates for each nuclear-powered carrier.

Carrier-related programs in this year's budget, in addition to the CVN–70 itself, are F–14 aircraft, Phoenix missiles to be fired by those aircraft, S–3A carrier-based anti-submarine aircraft, escort ships, and submarines. Funds for these systems total $2.5 billion in this year's budget.

A decision on construction of CVN–70 has to include consideration of the costs of major weapon systems used for the defense of the new carrier or otherwise related to it. The carrier itself will cost $972 million to build, according to the Navy. But the carrier, its aircraft and its ship and air crews will cost about $10.4 billion, over the possible life-span of the ship. The Navy's estimated cost of building just the carrier itself has already risen by $300 million, between 1970 and 1972, and the ship will take another seven years to construct.

There is considerable doubt concerning the degree of usefulness of an aircraft carrier and its accompanying aircraft, ships and submarines in the modern age. For example, this June 7 the Senate Armed Services Committee was told by Dr. Richard Garwin, a leading scientist who is an IBM Fellow at the Thomas J. Watson Research Center, and until last year was a member of the President's Science Advisory Committee: "While I believe that an aircraft carrier if it is to be built should have nuclear propulsion, my best advice is to recognize the lack of survivability of carriers, in war with the Soviet Union, and to cancel the carrier building program, the F–14 aircraft and most of the S–3 aircraft procurement."

The tasks that the aircraft carrier can successfully perform may be quite few. There may not be many wartime situations it can hope to survive. Many of its weapons are for its own defense, not for attack. The carrier's vulnerability may make it more a liability than an asset.

But there can be little question about the enormous costs attached to carriers and their operations.

Based on the 1973 budget, the one-year cost of operating and maintaining 14 attack carriers, as well as construction and conversion, amounts to $7.6 billion.

The five-year cost of a 14-carrier force, declining to 13 carriers by 1978, comes to $35.4 billion.

The CVN–70 is designed to be 1,092 feet in length, which is as long as three football fields, and to weigh 94,400 tons. There would be 2,829 men in the ship's crew, and the air wing personnel would number 2,506.

"These numbers," Rear Admiral I. W. Linder, Coordinator of the nuclear-powered aircraft carrier program, told the House of Representatives Committee on Armed Services this year, "vary a bit according to expected operations and types of aircraft carried." This exchange then occurred:

Mr. Mollohan: You have accommodations on board for approximately 5,000?

Admiral Linder: For about 6,300.

Mr. Mollohan: That is more people than in my home county.

Costs of CVN–70 over 30 years—$10 billion [1]

Carrier procurement	$972, 000, 000
Aircraft procurement [2]	4, 103, 200, 000
Escort ships procurement [3]	1, 088, 400, 000
Task force operation and maintenance (30 years) [4]	4, 218, 000, 000
30-year total cost	10, 381, 600, 000

[1] In constant FY 1973 dollars.

[2] Four full buys of F–14's, A–7E's and A–6E's; and 3 buys of all other aircraft.

[3] Cost of 4 nuclear-powered escorts.

[4] $140.6 million per year.

30 MILLION MAN-HOUR

The carrier would be able to accommodate between 90 and 100 aircraft. The builder of the ship would be the Newport News Shipbuilding and Dry Dock Co. of Virginia, which is currently building the two other nuclear-powered carriers, the Nimitz and the

Eisenhower. The CVN-70 would require 30 million man-hours of labor to construct. It would have a speed of 31½ knots.

An aircraft carrier is basically an armored box, extensively compartmented into watertight and shock-resistant areas, and fitted with damage control equipment. The ship has four independent engines and four propellers. A carrier task force consists of a "mobile airfield", which is the carrier itself, accompanied by cruisers, frigates, destroyers, submarines and by clouds of aircraft: patrol planes, fighter planes, anti-submarine planes, long-range radar aircraft to detect enemy planes and ships, and airborne fuel tankers to extend the range of the fighters as well as the amount of time they can spend aloft.

The Navy says that the ships are dispersed over hundreds of miles of ocean, that they are highly mobile and elusive, and that they can strike, and they can also withdraw in face of superior force, then probe again from another direction. Admiral Linder claims that an enemy "perhaps is able to determine the location of the force at some particular time, but he will not know its position an hour later and he cannot plot its future course of movement." The enemy's missiles, the Navy explains, must be programmed before being launched, so as to strike a predetermined spot, but the aircraft carrier will not necessarily be there when the missile falls. It could by then be 11 miles away.

Enemy planes and surface ships can be detected by the task force's radar planes while they are still far from the carrier, says the Navy, and the carrier's fighters can get to them when they are still 200 miles off. The new F-14 fighters could fire radar-guided missiles, and the Phoenix missile, officially credited with a 60-mile range, in tests has sometimes hit targets that were 120 miles distant.

Admiral Linder says that new S-3 aircraft, with which the CVN-70 would be equipped should be able to "provide the speed and the improved detection equipment" required to extend the size of the area in which enemy submarines searched for; and that "these anti-submarine defenses give the task force commander a good chance to detect an enemy submarine before it can locate with any degree of precision the major ships of the task force." He says the S-3's would be able to search and attack up to two hours when they were 800 miles from the carrier, and for up to four hours when 500 miles from the carrier. But these anti-submarine aircraft cost $15 million per plane.

Enemy submarines attempting to penetrate the carrier task force's defenses face a whole series of obstacles, says Admiral Linder. "The wide-ranging anti-submarine aircraft, with their highly sophisticated underwater-listening devices, are the first problem encountered. These are backed up by the destroyers and frigates, with their large sonars." Admiral Linder says if the task force also includes a nuclear attack submarine, "the enemy commander may well find himself surprised by a silent and effective adversary operating in his own environment." Finally, he says, the carrier itself is to be equipped to fire missiles to destroy attacking aircraft and incoming missiles, and to jam and confuse the enemy missiles, by electronic means.

CHALLENGED

In spite of those claims, the aircraft carrier's alleged elusiveness and toughness have been challenged. For instance, the Navy says the carrier could be miles away before an enemy missile struck the spot where it had been, because the missile must be programmed before being launched, so as to strike a predetermined spot. But there is a type of so-called "active homing" missile, that need not be preprogrammed: it follows its prey. Then, the sonobuoys dropped in the ocean to detect submarines, as well as the other devices for detecting submarines, are anything but infallible.

Admiral Linder correctly points out that "since World War II, our carriers have not been called upon to defend themselves against an air enemy. Their operations have been relatively static: off-shore air platforms, so to speak."

And the U.S. Chief of Naval Operations, Admiral Elmo R. Zumwalt, Jr., has often stressed that the Soviet Union has 2½ times as many submarines as the United States, and that the Soviets have equipped their surface ships, submarines and aircraft with 1,400 cruise missiles: about 800 on surface ships, 400 on submarines and 200 on planes. A cruise missile is really a small unmanned plane that is electronically controlled.

Some U.S. naval commanders believe it is almost impossible to prevent an aircraft carrier being hit by several cruise missiles, if a number are fired at it. In the second World War, the Japanese directed suicide planes against U.S. aircraft carriers. These planes threw themselves against the carriers. Two out of five carriers that took even one hit from a "kamikaze" Japanese-piloted aircraft had to pull out of action and retire to port, and *all* the carriers that took more than one hit were compelled similarly to retire. An electronically-controlled cruise missile would be at least as effective against a carrier as a World War II manned plane. A cruise missile has a very small radar cross-section and is consequently difficult to detect. Any war that is likely to be fought that involves attacks on aircraft carriers will probably be so short that putting carriers out of action for two or three months would serve the enemy's purposes just as well as if they managed to actually sink the carrier.

Fiscal year 1973 costs of all 14 Attack Carriers—$8 Billion

Military personnel pay	$989,000,000
Military construction	174,000,000
Operation and maintenance	1,260,000,000
Research and development	599,000,000
Ordnance and missiles	947,000,000
Shipbuilding and conversion	830,000,000
Aircraft procurement	2,856,000,000
Total cost	7,655,000,000

COULD BE TORPEDOED

Admiral "Red" Ramage, the U.S. World War II submarine commander who sank five Japanese ships in less than one hour, thinks he could torpedo a modern carrier from a modern submarine, especially if the carrier was operating "in a locale where they are launching planes—they aren't going to be wandering too far from there. It's just a question of blocking and catching them at the right time." Commander Roy Beavers likewise thinks the odds are all on the side of the submarine against the aircraft carrier. Senator Barry Goldwater is on record as declaring: "I would say we would be very lucky if we could keep 25% of the enemy from reaching the target."

The Navy says that first the enemy has to locate the carrier task force. The task force's mobility ensures that a hostile nation will be compelled "to devote a considerable effort to attempting to find and to identify the carrier, among the hundreds and even thousands of ships using the sea"; and that even if a carrier is hit by a cruise missile, it should be able to resume operations "within hours." But the operations of a carrier that had been hit by one or more cruise missiles would probably be limited. An aircraft carrier that has internal machinery malfunction and cannot steam at 30 knots cannot operate combat-ready aircraft if the wind velocity is low.

EXPENSIVE TO DEFEND

In short, the aircraft carrier requires an expensive collection of defensive weapons in order to help it survive, but its survival is not ensured. Admiral Thomas H. Moorer, for instance, merely says he is convinced "that the attrition of carriers can be kept within acceptable bounds." Admiral Moorer is the Chairman of the Joint Chiefs of Staff.

Some believe that in the circumstances the 30 million man-hours that would be needed to construct the CVN-70 could be more effectively used for producing other, more relevant additions to naval weaponry. Dominance of the aircraft carrier in the thinking of the Navy, it is argued, is what has led to a proliferation of expensive defensive weapons all designed to protect the carrier. Another tack would be to build more nuclear-powered attack submarines and to equip more surface ships with improved surface-to-surface weapons, especially low-flying cruise missiles. Greater numbers of smaller, low-cost ships might be built instead of a CVN-70, if it is felt that the incremental military benefit from one more carrier is not worth the CVN-70's immense cost.

A critic of CVN-70 is Captain John E. Moore, who has just retired from the post of deputy director of British Naval Intelligence, and who is the editor of the authoritative yearbook, "Jane's Fighting Ships 1973-74," which was published at the end of July this year. Captain Moore says that the CVN-70's minimum price tag of $1 billion might "be better spent on smaller, less complicated, and cheaper ships." He suggests that the present trend to building bigger and costlier warships, with CVN-70 a glaring example, may be a trend that is shortchanging taxpayers, both in money and protection. Some of the money for CVN-70 ought he thinks to be channeled into developing Hovercraft, and underwater fleets, "fields in which the U.S. Navy is today a leader." Keeping down size and costs makes it possible to produce ships which can deploy over large areas for anti-submarine operations.

What, in fact, are likely to be the current and future uses of carriers?

The Navy maintains that "the carrier can be effectively employed across the full spectrum of warfare," up to and including nuclear war. After World War II, carriers were armed with nuclear weapons and Admiral Linder has told the House Committee on Armed Services that carriers still have those weapons on board (Hearings, FY 1974, Military Procurement, p. 3725). Admiral Zumwalt also told the Senate Armed Services Committee this year that "the attack carriers play a prominent role in a wide variety of nuclear plans" (Hearings, FY 1974, Military Procurement, p. 732). However, the range and power of land-based ballistic missiles, land-based bombers and submarine-launched ballistic missiles far exceed what the carrier can offer for strategic nuclear war purposes.

Neither for strategic nor for conventional war has the aircraft carrier been a primary weapon in the 30 years since carriers displaced battleships in World War II. As Admiral Linder has correctly pointed out, since World War II our carriers have not been called upon to defend themselves against an air enemy and have been static, off-shore air platforms.

CONTROL OF THE SEA

The Navy nevertheless insists that, as Admiral Zumwalt has formulated the argument, aircraft carriers still have "unique" importance for the U.S. for maintaining control of the seas, for ensuring continuity of oil imports and other essentials into the United States, and for maintaining lines of communication at sea with our military forces in Europe and our NATO allies there. At the same time, however, the Navy is prepared to concede not only the "irrationality" of nuclear war between the U.S. and the Soviet Union but also the "improbability" of a NATO war (House Commitee on Armed Services Hearings, FY 1974, Military Procurement, p. 3729).

The Navy says that, for control of the sea, "credible naval power" is required and that only the aircraft carrier can provide the essential concentration of air power that is needed. The Navy says further that the U.S. "cannot conduct overseas military operations without naval support," and argues that, without "adequate naval forces," the U.S. might find itself in the same plight as the Soviet Union allegedly did in the Cuban missile crisis of 1962 when, the Navy says, the Soviet Union had to back down precisely because its naval forces were inferior to those of the U.S.

These arguments are persuasive for supporting "credible naval power." But they are not so persuasive in support of a fourth, billion-dollar nuclear-powered aircraft carrier. For the purposes that the Navy describes, the existing carrier task forces are adequate, and an 11-carrier force in the 1980's would also be adequate. These is no clear case here for adding a 12th carrier in 1980, in the form of a fourth, nuclear-powered carrier.

The Navy says that "in the low-threat areas, where the Soviet air threat and surface threat is not as high as it is, say, next to Europe", the proposed U.S. counters to Soviet threats to U.S. ships are the patrol frigate, and the sea control ship. Both of these are much less costly than an aircraft carrier. The patrol frigate is designed to provide anti-submarine protection and the sea control ship is designed to operate helicopters and V/STOL type aircraft, that is, planes that can rise vertically and can take off and land in a small space. Admiral Price told the House Armed Services Committee the patrol frigate "is a ship we can afford". And he significantly conceded: "It is very expensive to try to build one ship with everything on it, and then it can only be in one spot at a time." That is not a bad description of an aircraft carrier, as opposed to several patrol frigates or sea control ships. According to Admiral Price, the sea control ship "can adequately carry out worldwide sea control tasks in an effective manner (but) it could not carry the . . . F-14's, the aircraft the carrier has to have." (House Armed Services Committee Hearings, FY 1974, Military Procurement, p. 3908)

The F-14 aircraft that are to go on the proposed new nuclear-powered aircraft carrier would be chiefly of use against Soviet cruise missiles. But a war at sea that involves the Soviet Union but does not involve use of nuclear weapons seems highly unlikely, and it is still less likely that any such war would be a long one.

Estimated 5-year costs of attack carriers, fiscal year 1974-78—$35 billion

Ship procurement	$673, 000, 000
Ship operation	2, 721, 500, 000
Air procurement	15, 500, 000, 000
Air operation	4, 214, 500, 000
Escort procurement	1, 068, 000, 000
Escort operation	2, 950, 500, 000
Missile and ordnance procurement	3, 542, 000, 000
Supply-ship procurement	80, 000, 000
Supply-ship operation	427, 000, 000
Land support	320, 000, 000
Research and development	2, 995, 000, 000
Military construction	870, 000, 000
Total cost	35, 361, 500, 000

SOVIETS NOT EQUIPPED

A critical attack by the Soviets against U.S. oil and other shipments from overseas seems implausible outside of a scenario embracing a protracted war of attrition at sea. The Acting Assistant Secretary of the Navy for Research and Development told Congress that the Soviets are not equipped for a long naval war of attrition. That is the opinion of most military experts. If the Soviets attacked this country's oil shipments, they would be opening themselves to the dire prospect of nuclear attack by the U.S., just as we would be opening ourselves to Soviet nuclear attack, if we were to commit such an act of aggression. These alarming escalatory possibilities ought to give great pause to any power contemplating such attacks and serve to deter them.

Admiral Zumwalt calls the aircraft carrier "the principal tactical weapon system through which the Navy carries out its primary non-strategic mission." However, in the event of a conventional war breaking out in Europe, U.S. aircraft carriers operating off the European coasts would be vulnerable to concentrated and sophisticated attack by Soviet land-based aircraft, submarines and surface ships firing anti-ship missiles. The carriers' function presumably would be to add the power of their attack aircraft to that of the land-based tactical aircraft engaged in the fighting. But the carriers' attack planes would to a large degree be only adding to the efforts of the 2,000 land-based aircraft on the NATO side. And the sea-based planes might well find they had to devote most of their energies not to attacking the enemy but to protecting the carriers from concentrated enemy onslaughts.

Admiral Zumwalt's answer to this is to say that "the carrier is the strongest naval ship that can be constructed; it is meant to go in harm's way and to carry out its mission in the face of intense enemy opposition." And Admiral Moorer argues that "to say the carrier task force cannot survive is to imply that no forces on the oceans can survive." But to employ carriers for launching sea-based tactical aircraft into the fray in a conventional war in Europe might be a wrong use of them when land-based tactical aircraft can do the job better.

This is another indication that the missions which carriers can reasonably be expected to perform in modern wartime conditions are modest enough to be undertaken successfully by an 11-carrier force, so that it is not really necessary at this time to spend a billion dollars on a fourth, nuclear-powered aircraft carrier.

VIETNAM WAR

Since the second World War, carriers have been used in the Korean war and the Vietnam war. They were used in the Korean war because no air bases were available on land, these having been overrun by the North Korean forces. In those circumstances, and facing insignificant enemy opposition at sea, the carriers' attack aircraft were able to provide the conventional air power for bombing land targets that normally would have been provided by land-based tactical aircraft. In the Vietnam war, carriers were used as a supplement to land-based bombers. The sea-based tactical aircraft dropped a third of all the bombs that were used on both North and South Vietnam. However, there is no evidence that this bombing managed to significantly reduce the flow of munitions either into North Vietnam, from China and Russia, or from North into South Vietnam.

Elsewhere since World War II, U.S. aircraft carriers were present when the Marines landed at Lebanon and when Americans were evacuated from Jordan; in the Taiwan Straits, to screen Formosa from mainland China; and most recently in the Indian Ocean in 1971, as a show of U.S. naval strength when India was militarily assisting the people of Bangladesh against Pakistan. At the time, official U.S. government sympathy was tilted away from India and towards Pakistan (which lost the war).

Two U.S. aircraft carriers are stationed in the Mediterranean, but have taken part in no fighting there. This may have been just as well. The Mediterranean Sea is a very hostile environment for an aircraft carrier. There, a carrier is vulnerable to attack by land-based enemy aircraft, by enemy submarines, and by enemy surface ships including small boats that have high speed and that carry missiles. The Egyptians have 12 submarines and 20 missile-carrying patrol boats. The Soviet Union has 140 such boats. In the event of war, U.S. carriers in the Mediterranean would be subject to attacks by these as well as by enemy submarines and aircraft. In such a geographically circumscribed area, the carriers would not be able to be elusive and might be vulnerable even to missiles fired by motor boats, which sank the Israeli destroyer, the Eilath, in 1967.

Admiral Moorer has explained the virtues of nuclear propulsion for carriers. "With nuclear propulsion, there is no need to refuel. A nuclear-powered fleet is freed from the constraints of tankers and base support, and therefore has increased reliability, speed, range, less fuel-carrying requirements and more payload." But even a nuclear-powered carrier would still need to be resupplied with aircraft fuel, aircraft ammunition and other items, and for this purpose would have to rendezvous with replenishment ships.

U.S. CARRIERS IN 1973

	Total	In Atlantic	In Pacific
Attack carriers	14	6	8
Antisubmarine carriers	2	1	1
Helicopter carriers	7	4	3

FUTURE IN DOUBT

Admiral Moorer's argument does not prove that it is necessary to acquire a fourth nuclear-powered carrier now, or to have more than 11 aircraft carriers in the 1980's. As Dr. Garwin implied to the Senate Armed Services Committee, the long-term future of the aircraft carrier is in doubt. It would therefore seem prudent to make the most of existing carriers, rather than displace them as rapidly as possible with extremely expensive nuclear-powered carriers. Deferral of construction of further nuclear-powered carriers will buy time in which to resolve the fate of the aircraft carrier, one way or another.

This is not the Navy view. Admiral Zumwalt insists that the aircraft carrier has a "unique capability", and without it, "no other naval surface operations could safely be conducted." But the carrier has become effectively outdated as a strategic force, and, because of its vulnerability to cruise-missiles and other modern weapons, has only limited usefulness in any large-scale conventional war, especially with the Soviet Union.

Carriers may be useful in very remote parts of the South Atlantic, South Pacific and Indian Ocean, where from time to time there may be no base facilities available to the United States for land-based tactical aircraft. Carriers are also used for "showing the flag". The carrier can appear in international waters to signify an American presence, without actually involving the U.S. in a situation unless and until a decision is made to actively intervene.

This was presumably the role of carriers in the Taiwan Straits in the 1950's. Their mere presence may have helped to discourage the mainland Chinese from launching an invasion of Formosa.

POLICING THE WORLD

Dating back to about 1947, the United States has signed a number of treaties, some bilateral, others in connection with regional defense organizations like the South East Asian Treaty Organization. Excluding NATO, there are defense treaties with 21 countries in Latin America, and with at least seven countries in Asia, including the Philippines, Japan, Australia, New Zealand and Thailand. Admiral Zumwalt said last year: "As the number of our land-based forces deployed overseas declines, we will need to keep some evidence of U.S. power in sight. This will at the same time sustain our allies' confidence in us, and demonstrate by our presence both our capability and our determination to protect our commerce and our sources of strategic materials from any interruption." And he said this year: "There are areas of the world where the U.S. has no formal security commitments, but continues to have an interest in helping to maintain stability and reduce the danger of conflict."

In pursuit of those world-wide policing objectives, U.S. aircraft carriers annually "show the flag" in foreign ports around the world, in the Caribbean, the Atlantic, the Mediterranean and the Pacific, from Puerto Rico and Rio de Janeiro, to Greenock and Corfu, and Subic Bay and Yokosuka. But the Navy has not argued that it is essential to have a fourth, billion-dollar carrier in order to "show the flag". Far-flung foreign ports could continue to be visited in the 1980's with an 11-carrier force that included three nuclear-powered carriers.

If more carriers are needed in time of war, their numbers can be increased quite rapidly. The U.S. entered the second World War with only seven attack carriers, but there were 98 carriers on active service in the war's closing months. Again, there were only seven attack carriers on active duty when the Korean War broke out, but there were 16 by the time the war ended. There is however no certainty that carriers would be in great demand in the event of another war. In peacetime, the number of carriers maintained in active service has tended to diminish. That is what is happening now. The U.S. had 25 carriers in active service in 1962. It has 16 at present, 14 of them attack carriers. At the start of the 1980's, there will be 12 attack carriers, if a fourth, nuclear-powered carrier is built in time to be commissioned in 1980, and 11 attack carriers if it is not.

To repeat: At $1 billion, the CVN–70 will be the most expensive ship ever built, and this excludes all consideration of the far greater cost of the nuclear-powered carrier's aircraft and escort ships.

The CVN–70's mission is described as "to support and operate aircraft to engage in attacks on targets afloat and ashore which threaten our use of the sea." But this task can usually be done better by land-based tactical air power, whose capability the carriers duplicate or overlap and thus add a large unnecessary amount to the cost of U.S. conventional forces, which account for 75% of the budget.

And the missions carriers seem best fitted for can be carried out by the carrier task forces already in existence or, in 1981, without the CVN–70.

U.S. AND SOVIET CARRIER STRENGTHS IN 1973

	United States	U.S.S.R.
Attack carriers [1]	[2] 14 (2)	0
Antisubmarine carriers	2	0 (2)
Helicopter carriers	7 (2)	2
Total carriers	23 (7)	2 (2)

[1] These carriers attack land targets, surface ships and aircraft.
[2] Figure in parentheses means number of ships being built.

SUMMING UP

The arguments against adding the CVN–70 to the fleet were perhaps most succinctly presented by Senator Stevenson when he told the Senate: "The Navy has better ways of spending this billion dollars than on the CVN–70. Its antisubmarine role could be performed less expensively by existing land-based planes and new, less expensive multi-purpose vessels, including sea-based planes and helicopters. Its sea control mission could be performed less expensively by destroyers, patrol frigates, and other surface vessels—if sea control against the most modern nuclear submarines is possible by any means. Its shore support mission might be performed by surface-to-surface missiles launched from existing carriers, or additional less expensive carriers. Why must we place so many of our eggs in this one, most fragile and expensive basket?" This is a simple statement, put in simple language, but it is not simplistic. It seems a sensible point of view.

HEARINGS ON "AMERICAN FAMILIES: TRENDS AND PRESSURES"

Mr. MONDALE. Mr. President, this week the Subcommittee on Children and Youth, which I chair, has been holdinng overview hearings on "American Families: Trends and Pressures."

During these hearings we have received extremely valuable testimony from a variety of individuals and groups concerning the needs of families and children in America, the extent to which governmental policies are helping or hurting families, and what kinds of support systems should be available.

In order that these recommendations be available to the Congress and to the public, I ask unanimous consent that the prepared statements of the witnesses who appeared at the first day of our hearings be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

OPENING STATEMENT OF SENATOR WALTER F. MONDALE, CHAIRMAN, SUBCOMMITTEE ON CHILDREN AND YOUTH

Today the Subcommittee on Children and Youth opens three days of hearings on the trends and pressures affecting American families.

Our hearings are based on a very simple belief: Nothing is more important to a child than a healthy family.

During my nine years in the Senate, I have probably devoted more of my time to work with the problems of children than to any other issue. I have seen many ways in which public and private programs have helped children . . . and many other ways in which they can and should help them. But as good as some of our public and private institutions can be . . . and we have some excellent schools and foster homes, for example, . . . it has become increasingly clear to me that there is just no substitute for a healthy family . . . nothing else that can give a child as much love, support, confidence, motivation or feelings of self-worth and self-respect.

Yet, it is also clear that we tend to take families for granted . . . seldom recognize the pressures they are under . . . often give too little consideration to the role they can play in the prevention and solution of children's problems . . . and frequently ignore the implications of changes like the recent increase of one parent families.

The 1970 White House Conference on Children called this 'a national neglect of children and those primarily engaged in their care—America's parents.' And we are paying a high price for this neglect:

Teenage alcoholism and drug abuse are growing problems;

Suicide among young people is increasing geometrically to the point where it is now the second ranking cause of death for Americans between the ages of 15 and 24;

Juvenile delinquency is becoming so widespread that according to predictions one out of every 9 youngsters will have been to juvenile court by the time he reaches age 18.

And now we are discovering how pervasive this problem of child abuse is—a sickening sign that something is seriously wrong.

If we expect to deal successfully with these problems we must begin paying more attention to the needs of families. And we must start by asking to what extent government policies are helping or hurting families, and what kinds of support services should be available.

These hearings are designed to encourage exactly that kind of re-examination: they seek to explore how government policies in areas such as work, institutionalization, mobility, taxes, welfare and housing influence the lives of American families. Through the hearings, we hope to find answers to some of the following questions:

How does unemployment affect family stability? Do part-time or flexible work opportunities enhance the lives of families and children? Should children and youth be provided with more work opportunities, and more opportunities to observe and participate in the work experiences of their parents and other adults?

To what extent has family dissolution been caused by unnecessary institutionalization of children; premature removal of children from their families for placement in foster care; unnecessary incarceration of juvenile offenders; and requirements of hospital treatment for illness in order to qualify for insurance benefits? Do we provide enough alternatives such as day care, homemaker services, community based corrections programs or outpatient medical coverage? To what extent do these offer more promising results for children and families?

How does mobility—particularly forced mobility—affect families? Are there ways to deal more successfully with whatever problems result from mobility decisions?

How do welfare policies affect families and children? Do they provide a disincentive to stable families?

What is the impact of the tax system on families and children? Does it contain incentives or disincentives for family stability? Does it provide adequate deductions for the cost of raising children?

What has been the impact of urban renewal on families and children? What has been the impact of public housing regulations that require families to move once they earn above a certain income? Do zoning practices unnecessarily restrict the location of community based programs such as nursing homes in residential areas?

The task of considering the impact of policies on families and children will not be easy. Values, jobs, lifestyles and needs vary widely. To envision a single model family or a single way to raise children would do great damage to the pluralism and diversity that makes our country strong; would be beyond the legitimate concerns of government; and could produce at least as serious problems as ignoring altogether the impact of policies on families.

Our goals will be to identify and seek changes in arbitrary policies that place hardships on families with children; to develop policies that provide alternative ways of strengthening families; and to determine how we can provide the options and choices that families need to do their best job.

If we can make some progress toward these goals, and help make the question of how governmental policies affect families a larger part of the decision-making process, I believe we will have taken an important step toward increasing justice and opportunity for the children and youth of our nation.

STATEMENT OF MR. VINCENT P. BARABBA, DIRECTOR, BUREAU OF THE CENSUS

Mr. Chairman, I appreciate your invitation to appear before this Committee, to provide you with information on recent changes in the composition and characteristics of American families.

The family has been described as an institution that is essential to the perpetuation of society, as a demographic institution with the prime function of assuring biological and social continuity. The functioning of families underlies the dynamics of population, as the numbers of births and deaths and the volume of migration emerge out of family dynamics. Statistical data collected by the Bureau of the Census in decennial censuses and current population surveys provide some essential information on recent changes and the current status of American families.

The "typical" family undergoes numerous substantial changes during the cycle of married life, from marriage through childbearing, children leaving home, and the eventual dissolution of marriage with the death of one spouse. The typical family itself has changed greatly over the past 20 years because marriage is now occurring about a year later, couples are having approximately one less child, and more couples are surviving jointly for a longer time after their children marry. Many more unmarried persons, especially young people and the elderly, have been establishing or continuing to maintain separate living arrangements apart from relatives.

Types of families.—The Bureau of the Census defines a family as a group of two or more related persons who live together in a house or apartment. Most families include a married couple who maintain a household, and two out of every three of the couples have children or other relatives sharing their living quarters. Statistics on families thus defined are available for dates back to 1940. Ever since 1940, close to 85 percent of all families were of the "husband-wife" type.

Thus, in 1940 about 27.0 million of the 32.2 million families were of this type, and in 1973 the corresponding figures were 46.3 million husband-wife families out of the total of 54.4 million families.

Although the number of families with a female head has constituted only about 10 to 12 percent of the families since 1940, these families are of special interest in the context of the problems of children and youth, and their numbers have been increasing rapidly during the last few years. During the 1960's these families increased twice as much as they had increased during the 1950's. In fact, during the 1960's they increased by a million (from 4.5 to 5.6 million), and by 1973 they had increased another million (to 6.6 million). The increase has been concentrated largely among families of divorced or separated women. Among white families in 1973, only 10 percent had a woman as the head, whereas among Negro families, 35 percent of the heads were women. Thus, the problem of female heads of families is disproportionately a problem of Negro families. Moreover, divorced women are twice as numerous as separated women among white female heads of families, whereas the situation is the reverse among Negro female heads.

The substantial increase in the number of families with a female head is related to many factors, including the sharply upward trend in separation and divorce during the 1960's and early 1970's, the rapid rise in female employment during the 1960's, the absence of many husbands from the home for service in the Armed Forces, and the continued increase in unwed motherhood.

Along with the increase in families with a female head has come an increase during the 1960's and 1970's from 8 percent to 14 percent in the proportion of persons under 18 years of age who were living with their mother only. This inevitably has meant that the proportion of young children living with both parents has been declining. Among Negro children under 18 years of age in 1973, the proportion living with both parents was only 52 percent, whereas 38 percent were living with their mother only, and 10 percent lived apart from their mother. Among whites, 87 percent were living with both parents. The sharp decline in the birth rate since 1960 has brought a corresponding decrease in the proportion of all children in the home who are of preschool age and an increase in the proportion who are of school age. The older children are of an age which makes it easier for the mother to care for them while she works in order to maintain a separate home for herself and the children.

Size of family.—Two interpretations can be given to the "average size of family": (1) the average number of children a woman bears during her lifetime and (2) the average number of family members who live together in a household including parents, children, and other relatives. According to the first interpretation, the average number of children per family among the children who were growing up around 1900 was four (about 4.3). By 1940 the average had dropped all the way down to two children (about 2.3), but by 1960 it had risen again to three children (about 3.3). The decline in fertility during the 1960's and early 1970's has once again lowered the average number of children to two per woman (approximately 2.4). These numbers include all children born alive during the woman's reproductive period, including any who may have subsequently died or left home.

The second interpretation of the size of family cannot be traced back to 1900. However, in 1940 the average number of persons related to each other and living together as one household was 3.8 persons. This figure declined by 1950 to 3.5 as the consequence of changes that occurred during the years of World War II and the immediately following period. By 1960 it had risen slightly to 3.7 as a consequence of the baby boom and remained at about that level throughout the 1960's. However, the effect of the declining birth rate in recent years has caused the average size of family, in this second sense, to fall once again by 1973 to 3.5 persons (3.48). Thus, the average number of family members has fluctuated since 1940 within the rather narrow range of 3.5 to 3.8 persons.

Ages and relationships of family members.—An important consideration in family analysis is the distribution of members between three age groups: the dependent young members, members in the main productive age range, commonly accepted as 18 to 64 years old, and the elderly. In 1973, the average number of members per family was 3.5, of whom 1.3 were in the young group, 2.0 were in the intermediate group, and 0.3 were in the elderly group. Actually, about four out of every ten families either had not yet had any children or their children had all reached 18 years of age. Therefore, if the focus is limited to those families with some children under 18, they had a larger number in the home, on the average, 2.2 children. About three-tenths of the children under 18 were under 6 years of age—preschool age—and the remainder were 6 to 17—school age.

As youths mature they generally leave their parental home to attend college, to obtain employment, and/or to marry. The median age at (first) marriage is now 23 years for men and 21 years for women. This is nearly one year older than the corresponding ages in the mid-1950's. Since men are usually older than women at marriage, they usually leave home at a slightly older age. Yet for both sexes combined, approximately one-fourth of the children 15 to 19 years of age have left home, and a large majority of those who have left home must be 18 or 19 years old. Only one-tenth of the children living with their parents are over 20 years of age, and the majority of them are 20 to 24 years old. Besides the family head, his wife (if any), and their children (if any), there are sometimes other relatives sharing the home. These other relatives constitute only 8.7 million, or less than five percent, of the 182 million family members in the United States at the time of the 1970 census. Of the other relatives, 2.5 were grandchildren of the family head, 2.3 million were parents of the head or wife, 2.1 million were brothers or sisters of the head or wife, one-half million were sons- or daughters-in-law of the head, and the remaining 1.3 million were uncles or aunts, cousins, etc.

Households with and without families.—The term "household" is used by the Bureau of the Census to mean the entire number of persons who occupy a house or apartment that constitutes separate living quarters. Most households have a family as the core members, but they may include partners, lodgers, or resident employees, and, again, they may consist of one person living alone. With the aging of the population, the expansion of social security benefits, and the increasing availability of housing, the number of elderly persons who maintain a household after all of their relatives have left the home has increased quite rapidly in recent decades. Moreover, an increasing number of young unmarried persons have been maintaining a home apart from relatives. Consequently, the number of these "primary individuals" with no relatives sharing their living quarters has increased from 10 percent of all household heads in 1940 to 20 percent in 1973.

Because the rate of household increase has exceeded the rate of population growth since 1940, the average size of household has declined. In 1940 the average size of household was 3.7 persons; by 1960 it was 3.3, and by 1973 it was only 3.0 persons. This decline reflects the net effect of changes in the birth rate and the decrease in doubling up of married couples with their relatives as well as the large increase in the number of one-person households among both the young and the elderly.

Particularly impressive has been the rapid rate of increase over the past decade in the number of young adults who have been maintaining their own households apart from relatives. The number of women under 35 years old living thus increased by one-fourth in the 1950's, and then the number doubled in the decade of the 1960's and increased an additional 40 percent since 1970. Meanwhile, the number of men under 35 years old maintaining an apartment or house apart from relatives has more than doubled each of the past two decades and increased 60 percent more since 1970. The recent rapid growth of apartment dwelling on the part of young "unmarrieds" has occurred at a time when college enrollment has been rising but college dormitory dwelling has decreased; and when more and more young people have been postponing marriage until after they have had a few years of work experience away from their parental home. The total number of these persons under 35 in 1972 who maintained a household apart from relatives was 2.8 million, three out of four of whom have never married.

The young family head of today is better educated, the median number of years of school completed by adults being 12.3 years in 1973 as compared to 9.3 years in 1950. The wife's task as a homemaker, with smaller families and modern appliances, is easier, and she has more education to prepare her to be a more stimulating parent and to help her to accept greater responsibilities outside the home.

Migration.—Most of the people who change their residences move as family groups or in connection with the formation or dissolution of a family. Every year about 20 percent of the population moves to a different residence. However, from 1948 to 1971, there has been little change in the pattern or percent of persons who report having moved in the preceding year, except for some recent decline in local movement. With minor fluctuations, of the 20 percent of the population who move to a different house, about 12 percent moved within the same county, 3 percent moved to a different county in the same State, and 3 percent moved between States.

Moreover, the percent of the total population born in the State where they currently live has remained relatively stable since 1850. For the country as a whole, this percentage has fluctuated between a low of 64 in 1860 to a high of 70 in 1940. Since 1940 there has been a slight but steady decrease of about 2 percent per decade to 65 percent in 1970.

The likelihood of moving is related to age. Typically, peak mobility rates occur among persons in their early twenties—the age when children normally have left or are leaving their parental homes and are in the process of finding employment, marrying, and setting up households of their own. Between March 1970 and March 1971, the residential mobility rate for persons 22 to 24 years old was 44 percent (48 percent if movers from abroad are included). After this peak is reached, mobility rates generally decline with increasing age. Persons who first married during the year had, as might be expected, an extremely high residential mobility rate of 83 percent.

Blacks have a higher residential mobility rate than whites. The residential mobility rate was 20 percent for blacks and 18 for whites between 1970 and 1971. The higher mobility rate reported by blacks, however, was due to greater local mobility, that is, movement within counties; 17 percent of the black population moved within the same county, but only 11 percent of whites made such moves. The migration rate, or movement between counties, was 7 percent for whites and 4 percent for blacks. Whites had higher rates of migration to other counties within States and between States.

Among men there is a clear relationship between employment status and mobility status. Both the local mobility rate and migration rate are higher for unemployed men than for employed men. Similarly, of men who were employed in 1970, both rates were higher for men who worked less than 50 weeks in 1970 than for men who worked 50 weeks or more.

Migration is also related to a person's class of work and occupation. The wage and salary workers are about twice as likely to move within a year as the self-employed workers, 19 percent and 10 percent, respectively. Self-employed farmers are among the least mobile and wage and salary farm workers are among the most mobile.

Families in which the wife works are more likely to undertake short-distance moving and slightly less likely to undertake long-distance migration than families in which the wife does not work. The wife's employment has a greater effect in raising the family's local mobility rates than in lowering migration rates. The migration of husbands interferes substantially with their wives' career development and in this way contributes to explaining why women earn less than men at the same age, occupation, and educational level.

Education also has a consistent effect on the migration rates of men. Among men 25 years old and over, those who had completed four or more years of college had higher migration rates than those who had completed only high school. Men who were high school graduates, in turn, had higher migration rates than men who had completed only elementary schools. On the other hand, men who were not high school graduates were more likely than better-educated men to make moves within the local community.

Married couples without young children are more geographically mobile than those with such children. Among husband-wife couples with children, ages of children exercise a consistent mobility differential; within families classified by age of the head, families with children under 6 years old only are the most mobile both within and between counties, followed by those with both children under 6 and 6 to 17 years old, and followed in turn by families with children 6 to 17 years old only. Female family heads with children are generally more geographically mobile than male family heads (wife present) at the same age and with the same number and ages of children present.

Frequent moving impedes progress in school for children whose parents are not college graduates. For children of college graduates frequent moving does not seem to hinder normal progress through the school system. Thus, children who have made several interstate moves are less likely to be behind in school than less mobile children simply because frequent interstate migration is most likely to characterize well-educated parents and well-educated parents tend to have children who do well in school. The predominance of the well-educated among long-distance movers and among those who settle in new residential developments may offer a partial explanation of the fact that growing communities tend to have children of above average scholastic ability.

Urban and rural residence of families.—The exodus of rural population to the cities has been largely a movement from farms to nonfarm areas over the last several decades. Farm families constituted one-third of all families in 1900, one-fifth in 1940, and only one-twentieth in 1970. However, there has been no absolute change of significance between 1940 and 1970 in the number of rural families—including the rural-nonfarm as well as the rural-farm families. In 1940, there were 14 million rural families and in 1970 there were also 14 million rural families. Thus, all of the increase in families between 1940 and 1970 has occurred in urban areas.

Employment of family members.—An important recent trend that has influenced the pattern of American family life has been an increasing number of multiple-worker families. In 1962, there were 16.1 million husband-wife families in which both the head and at least one other family member were in the labor force. This constituted 45 percent of all husband-wife families in which the family head was working. By 1972, this proportion had increased to 55 percent and the number had grown to 21.3 million families.

The primary contribution to this increase in multiple-worker families has been the growth in labor force participation among married women. For example, in 1950 less than one-fourth of the wives in the United States were in the labor force and for those women with children under 6 years of age the labor force rate was only about 12 percent. However, in 1972 over 40 percent of all wives were in the labor force, and even among those with children under 6 years old 30 percent participated in the labor force.

Several developments have contributed to making work in the marketplace more possible and more acceptable for many women. The expansion in employment opportunities for women is probably the most important factor leading to their increased labor force participation. One relevant development has been the growth in the service sector of the economy in general. Another has been the expansion in such fields as teaching and clerical work and also in retail trade (with its flexible hours and opportunities for part-time employment—characteristics important to married women, especially those with children). Also, there have been more opportunities to work as trained nurses and in other health fields which have been traditional enclaves for female employment. So important, in fact, have new openings in the service and white collar industries been to women that virtually all the increase in female employment between 1960 and 1971 was in one or the other of these two sectors, continuing patterns established between 1947 and 1960.

Other developments that have encouraged women to enter the labor force include increases in the earning potential of women resulting from better education; changes in attitudes about women participating in the labor force in general and in certain occupations in particular; efforts through legal and social means toward greater equality of opportunity for women in the labor force; and declines in the fertility rate.

Income of family members.—A particularly valuable socioeconomic indicator in the United States is the average amount of money income received by families. The different levels of income received by the various segments of the U.S. population can best be represented by median family income—a dollar value which divides the distribution of income received into two equal groups—half of the families having incomes below the median and the other half having income above it. The Bureau of the Census has published family income statistics annually from the Current Population Survey since 1947 and in reports of the decennial censuses since 1950. During the last two decades (1952–1972), median family money income in the United States has nearly tripled and even after accounting for the effects of inflation over this period, it has still doubled, resulting in higher levels and standards of living for the American family.

One of the main reasons for this overall increase in family income is the fact that more and more wives are going to work to supplement the family income and thereby taking advantage of increasing opportunities to achieve more comfortable levels of living.

In March of 1973 nearly 41 percent of the wives in husband-wife families were in the labor force, whereas twenty years earlier in March 1953 only 26 percent of the wives were working. The median income in 1952 for husband-wife families with the wife in the labor force ($4,900) was about 29 percent higher than the median income of families with the wife not in the labor force ($3,810), but between 1952 and 1972, this difference has widened in both absolute and relative terms. The median income of the husband-wife family with the wife in the labor force ($13,900) was 32 percent greater than that of the family with a nonworking wife ($10,560). Statistics from the Special Labor Force Report Series published by the Bureau of Labor Statistics for the years 1958 through 1970 support the observation that the wife's contribution to family income has climbed steadily in recent years. These data show that in 1958 the wife's earnings accounted for about 20 percent of total family income, but by 1970 her earnings accounted for 27 percent.

Although the Bureau has not produced any statistics on the contributions of family members other than the head or wife to family income, data have been published annually since 1948 on the distribution of family income by the number of earners in the family—including the head, wife, and other relatives with earnings. In 1948, only 10 percent of all families reported three or more earners but the corresponding proportion in 1972 had risen to 15 percent. In 1948 the median income of families with three or more incomes ($5,210) was 80 percent higher than that of families with one earner ($2,900), but by 1972 the median income of families with three or more earners ($17,930) was 89 percent greater than that of families with one earner ($9,490). Thus, the proportion of total family income that was contributed by additional earners has risen somewhat over the last twenty-four years.

This, then, is a brief summary of what our statistics tell us about the American family. Thank you, Mr. Chairman. I will be happy to answer any questions.

AMERICAN FAMILIES: TRENDS AND PRESSURES

(Opening statement by Dr. Edward Zigler)

I would like to thank you for the opportunity of testifying before this committee. I, as a long-time admirer of your efforts on behalf of children and youth, feel that your activities are especially critical at this particular juncture in our nation's history of social concern inasmuch as the consensus among astute observers of our social milieu is that we have entered a fallow period in regard to any meaningful new initiatives on behalf of children and families. There seems to be a moratorium on any large and bold efforts to solve the problems plaguing many of our families. But for the fact that a few older programs, some of debatable value, are still in operation, the current attitude toward the crisis of the American family is one of benign neglect. This apathy, which has even overwhelmed once forceful advocates for children and families, can be traced to a number of causes.

In recent years, we have seen the two initiatives most critical for determining the quality of family life fail to become law: the Administration's Welfare Reform Plan and the Child Development Act of 1970. The considerable amount of effort and energy expended on these two pieces of legislation appears to have made people weary and to have given rise to a "what's-the-use?" attitude. In addition, a scholarly, but nevertheless questionable, literature has developed asserting that children's destinies reside in their genes, that admired preschool programs such as Head Start are failures, that variations in the quality of schooling make no real difference, and that a variety of recommended intervention efforts would probably be failures if implemented. This undue pessimism of the early seventies is greatly at odds with the optimism of the sixties, but, nevertheless, has fallen on receptive ears as it can so readily be adopted as the intellectual rationale for the apathy which seems to have infected so many of our decision and opinion-makers. The hearings which you will conduct here on the American family will serve as an antidote to the nihilism that I have been describing.

Whatever the attitudes or actions of decision-makers may be, the lives of America's families go on. In many instances, these families know exactly to what unreasonable pressures they are being subjected and which problems must be solved if their lives are to become more satisfying. The problem is as equally obvious to the family whose breadwinner works full time and whose salary is still below the poverty level as it is to the more affluent family which, because of inflation, is no longer able to meet its expenses. The working mother who cannot find satisfactory child care arrangements for her children at a fee she can afford to pay knows exactly what the problem is. No further analyses are necessary to illuminate the problems of Indian families whose children are sent to distant boarding schools or of families with severely retarded children whose only recourse is to institutionalize them in settings known for the dehumanization of their residents.

In other instances, many families experience a sense of malaise or a lack of self-actualization due to forces too subtle or too huge for them to fully comprehend. What must be noted here is that the family is but one institution in a complex ecological system consisting of a variety of other institutions. The family is in many ways unique since it lies at the intersect of all of the other institutions in our society and is therefore continually influenced by the policies being pursued by such institutions as government, industry, schools, and the media. When the government concerns itself with the movement of cars from place to place and uproots neighborhoods in the process, this has impact on American families. When industries pursue a policy of moving their personnel every three or four years, or when they convert to a four-day work week, this has impact on American families. When schools decide to treat parents as hostile outsiders or when they determine that day care for school age children is not within their legitimate charge, this affects American families. And when the media inundate our young and our not-so-young with the message that smelling good is the essence of social success and that families should be judged by the amount of things they possess, this, too, affects the American family.

I am in agreement that the American family is the foundation stone of our great nation. However, I am also aware that how well a foundation stone does its job is determined by the soundness of the material of which it is comprised and by the pressures to which it is subjected. I agree with many others who feel that a varity of historical, economic, and social factors as well as current pressures make family life in America more difficult today than it once was. I refer here to the decline of the extended family, to the extremely important phenomenon of the ever-increasing numbers of working mothers, to the increased mobility which has come to characterize the American people, and to those types of urbanization and suburbanization that tend to isolate American families one from another. All of these phenomena have taken away supports that families once relied upon. The wisdom of grandparents, aunts, and uncles is no longer readily available to young families. The children of working mothers are without an essential nurturant figure for many hours of the day. The life of a mobile family is burdened with discontinuity and upheaval. Our communities are likewise in a continuous state of flux, so that families once able to rely on the immediate neighborhood for assistance in child rearing or crisis intervention find that they are no longer able to do so.

If all of this sounds unrealistic, I would invite any among you to ask yourselves if you know the names of the children living in homes three doors away from your own, and if the adults in those homes know the names of your children. Indeed, even within families there has been a demarcation of activities across age lines, so that parents no longer interact with their own children to the degree that they once did. We find more and more that children are socializing one another, to their own detriment and to the detriment of the quality of family life. The materialistic emphasis in our society is such that a father thinks that he is doing more for his family by obtaining a second job than he does by devoting time to his own children. Both long-standing male chauvinism and current excesses of the women's liberation movement have led to a devaluation of the role of the woman as mother and homemaker. We have deluded ourselves into believing that women contribute little to our nation's productivity by remaining within the home, although homemakers and economists alike know better. Unfortunately, such myths are translated into our social policy; note, for example, the feature of HR-1 which required mothers of children as young as three years of age to enter the work force if they were to receive benefits.

What we need now is not more rhetoric or empty platitudes concerning the importance of the American family but, rather, a close examination of families as they exist in their major current forms and a course of action directed at enhancing their viability. This is so obvious that one immediately wonders why no such effort has been systematically and continuously implemented by the federal government. The answer is simple and unfortunate. Unlike other democracies, America has never committed itself to a coherent family policy. We have avoided coming to grips with this problem by taking refuge in the view that the American family is so sacrosanct that the government should not meddle in its affairs. The fact of the matter is that the policies of the government, as well as of all the other institutions in the family's ecology, inject themselves into the affairs of families every day. These effects, as a totality, thereby constitute a national family policy by default, and it is my view that these effects are as often destructive as they are constructive to healthy family functioning.

Families are the constituencies of the elected members of both the executive and legislative branches of our government and, therefore, there is an attitude that families are everybody's business. However, in social policy making, when an institution is everybody's business, it becomes essentially nobody's business. Who in government speaks for families and advocates in their behalf on the basis of sound analysis? The one agency that could play such a leadership role in developing an explicit family policy is the Office of Child Development, providing that its mandate were enlarged and that it were to become both in name and in mission the Office of Child and Family Development. When I speak to you of a coherent social policy, I am not raising the spectre of family policies found in certain nations where authoritarian governments massively invade the everyday lives of the nation's families. There is no one at any point on our nation's political spectrum more opposed than I to this sort of governmental intrusion. When I speak of a family policy, I am speaking of a phenomenon not only in keeping with the American ethos, but with the best values and traditions of that ethos.

The construction of a family social policy at the national level would have three facets. First, it would involve identifying what major problems interfere with sound family functioning and determining what solutions to these problems are available, assessing the cost effectiveness of the various solutions that are suggested, and assigning priorities to the specific policies to be implemented. Secondly, a family policy would entail the continuous analyses of the impact of other governmental policies for their effects on family life, so that any cost benefit analysis of these policies would include in its equations the factor of whether the policy in question helps or hurts American families. Finally, a national family policy would make use of the regulating, taxation, research, and moral powers of the federal government in order to persuade other institutions to adopt policies conducive to healthy family life. Again, I wish to avoid the vision of the federal government acting as Big Brother. What I have in mind with respect to this third facet are such possible activities as providing tax credits to industries that provide day care, government-sponsored research to examine the effects of the four-day work week on family life or the value to both industry and families of tailoring the length of the work day to coincide with the length of the school day, and informational and technical assistance to schools willing to do more to strengthen family life.

I am aware that formal family policy construction will come slowly to America and I am certainly not here to present any highly-polished, final product. Rather, it is the purpose of my testimony to make this committee, and through it, perhaps, the nation, aware that we have no such policy and that we are operating instead with the aforementioned family policy by default. Your hearings will be successful if they do indeed produce an awareness on the part of the American people that the federal establishment seems to be less concerned with formulating a well-articulated family policy than with formulating an agricultural policy or a military policy. Then, at least, a dialogue could commence over exactly what role the American people would like to have the government pursue in regard to issues that affect how well the family functions.

There has, of course, never been a dearth of general suggestions as to what might be done to improve the lives of children and their families. Professionals, lay people, and even federal bureaucrats regularly convene to make policy recommendations. Within the past five years or so, we have all had access to the deliberations and recommendations of the Presidential Task Force of 1967, chaired by J. McVicker Hunt, the Goreham Committee of 1967 which brought together persons from federal agencies dealing with children, the Joint Commission of Mental Health of Children of 1969, and the White House Conference on Children of 1970. The Office of Child Development will soon have available the report of the Advisory Committee on Child Development which was commissioned by OCD through the National Academy of Sciences and chaired by Harold Stevenson. The recommendations made in these various reports, though well thought out, have never received adequate response from either the executive or the legislative branches. One reason for the minimal impact of past reports is that there is something of the laundry list about them, with everything and anything that might help families included. If each and every recommendation had been acted upon positively, America's families would indeed be experiencing a modern utopia. Unfortunately, it is much easier to create paper utopias at conferences than it is to get a single piece of legislation with some minimal, but nonetheless obvious, benefits for families enacted into law. The fact of the matter is that our committees and commissions do not deal sufficiently with the economic and political feasibility of the many recommendations with which they present us. Furthermore, the producers of the plethora of recommendations that we have all examined are not sufficiently aware of the fact that social policy construction essentially involves establishing priorities and selecting among alternatives. This is, of course, not to belittle the efforts to which I have been alluding. As a body of work, this collection of recommendations comprises a conscience which the nation can employ when dealing with the problems of children and their families. Furthermore, it represents the raw materials that any administration or legislative body can utilize in the construction of a coherent national family policy.

Perhaps as a result of my two years of service in Washington, I am now so aware of economic and political realities that I cannot come before you to champion the frequently heard recommendations for improving family life, such as a guaranteed annual income of $6,000 for a family of four, and universal developmental day care available free to every family in America. If such phenomena ever become realities, it will probably be generations hence and therefore of little use to American families who need help now. I have much more modest aspirations for the actions that could be taken by this committee. I cannot help but think of an incident that occurred when, as Director of the Office of Child Development, I was informing an audience of the high quality of day care that was to be provided in the President's Welfare Reform Plan. A member of that audience asked why, if OCD was so concerned about the quality of day care, it was not doing more to improve the quality of day care already being provided through Title IV of the Social Security Act. Unfortunately, I had no very satisfying answer to this query and therefore did little more than waffle in the best, or probably worst, bureaucratic tradition. The point of this story is that, while this may not be the time for large new initiatives, it is certainly time for decision-makers to examine extant social policies and practices important to families so that we might at least correct those policies which are, at one extreme, thoughtless and uneconomical, and, at the other, involve the government as a co-conspirator in the abuse of children. It also behooves us to examine existing social policies for those features which are so valuable as to demand their greater implementation.

In dealing with current problems of the American family, certainly a government responsive to family needs must come to grips with the issue of day care for America's working mothers. This is a problem of immense proportions and one for which a solution is not attainable overnight. Its magnitude and difficulty of solution are so great that it appears more politic to ignore it than to engage in efforts that would be helpful to a relatively small percentage of families needing day care. What the nation really needs is a 20-year plan for a child care system that would involve realistic increments in public and private funding as the development of facilities and personnel warrants. Good quality day care was given the number one priority at the last White House Conference on Children. In a needs assessment carried out to develop a state plan for children in Texas, 60% of those queried spontaneously listed day care for their children as their most pressing need. While I think that the real solution of the day care problem can only come from careful long-term planning, there are several things that can be done immediately to improve the day care situation in our nation.

Approximately a billion dollars was spent in the last fiscal year by the federal government for child care, with the bulk of this money going to two programs: Head Start, administered by OCD, and the Title IV day care program, administered by the Community Services Agency within SRS. It should be noted that approximately one-third of the Head Start monies is being spent for day care for working mothers. There has been no real coordination between these two sizable programs, and the rules, regulations, and philosophy of each of the two programs are at odds with those of the other. Were these two programs combined and operated by a single agency, some order as well as new economies could be brought to the child care effort which the federal government is already funding. Indeed, such a combined program would finally give the nation at least an embryonic national child care system providing parents with a variety of child care services including the all-important service of day care for working mothers. Such a unified system could be held responsible for ensuring the quality of child care that is necessary if children are not to be harmed by programs mounted and funded by the federal government. I think that Head Start has been sensitive to the quality issue while the Title IV program has not.

When we think of day care, we often think of centers serving 30 or more children. This accounts for only a small percentage of the day care funded through Title IV. A much larger percentage of these funds is paid by local welfare agencies to unlicensed family day care homes which typically serve six or fewer children. Some of these homes are good, but others are ghastly and, thus, we are witnessing federal funds being spent to place children in circumstances detrimental to their development. If combining the Title IV and Head Start programs into an organized and unified child care system strikes you as a too demanding task, then I would suggest to the Committee members that they at least direct their attention to the problem of implementing and enforcing some minimum standards for every kind of day care that is subsidized by federal funds. Such a set of enforceable and realistic standards was developed under my direction at OCD and, after a close analysis by others within HEW, was approved by the former Secretary of Health, Education, and Welfare, The Honorable Elliot Richardson. These standards were then sent to the Office of Management and Budget over a year ago and, to the best of my knowledge have never again surfaced. Until such standards are promulgated and enforced, children will continue to experience the horrors documented in the Council of Jewish Women's report, *Windows on Day Care*. Even within the present framework, day care can be improved and made more available. Family day care can be of good quality and should continue over the years to be an important component of the total day care picture. It is necessary to provide day care mothers with training and general support by those equipped to give it. We have available to us common-sensical and practical models of how to do this. One good example of this is the Pacific Oaks model in which family day care homes are tied into a network with a central training and technical support facility.

The present day care picture also suffers from a serious lopsidedness in which concern is almost totally limited to the preschool-age child. The fact of the matter is that two-thirds of the children in this nation who require day care are of school age and need adult supervision before and after school and during vacations. Because of our slowness in developing day care models for school age children and inducing schools and other institutions to employ such models, we are now witnessing the national tragedy of over a million latch-key children, cared for by no one, with probably an equal number being cared for by siblings who are themselves too young to assume such responsibilities. The human cost of this situation to families and to the nation as a whole is great indeed. While there is an escalating concern over rising juvenile delinquency figures, few have forcefully pointed out the relationship between the growing phenomenon of young children socializing one another and the rise of delinquency. If this nation is interested in preventing the delinquency rather than punishing it, a major component of such an attempt would be an expanded school-age day care program.

Another child care problem that can and should be dealt with immediately is that of the need for personnel. Our nation simply does not have an adequate cadre of appropriately trained individuals to care for even the present number of children in our child care systems. The development of such a cadre should have top priority and should consist in large part of personnel whose salaries can be met without making day care costs astronomical. OCD moved forcefully into this area by creating a new child care profession in America, namely, the Child Development Associate. The national implementation of the Child Development Associate concept is now in the hands of a consortium consisting of major early childhood education associations and associations representing a variety of consumer and child advocacy groups. A key feature of this new thrust is that accreditation and certification would occur through demonstrated competency rather than on completion of academic programs. However, if this program is ever to produce child care workers in sufficient quantity, it will require the infusion of some new federal money, probably in the neighborhood of 10 to 20 million dollars. This is a relatively small amount of money when one thinks of the annual billion dollars being spent, much of which is buying poor day care primarily because well-trained people who can be employed at a reasonable cost are simply not available. While funding to the CDA program has, to my knowledge, been a feature of two bills, neither have been passed into law.

Let me now turn my attention to other problems facing children and families that are of such magnitude that they constitute a national disgrace. The foster care system in this nation is in need of a major overhaul. Often, the failure of this system can be traced to lack of money. In other instances, the problem rests on our commitment to questionable procedures and our failure to utilize the know-how readily at our disposal. We find children taken from their homes because no homemaker services were available to aid the family through relatively short periods of crisis or stress. Such mother's helpers are readily available in nations such as Sweden and England, and it may be noted that this service is 13 times more available in England than it is in the United States. When children are placed into the foster care system, it is not unusual for them to be lost in its maze, being transferred from social worker to social worker, from family to family, without ever experiencing the stability, affection, and sense of belonging so necessary for normal development. In many cases, foster children are never returned to their biological families and, in view of the cost to the state of raising a child to maturity, estimated to be between $40,000 and $60,000, one might ask why such children are not permitted to be adopted by families who can provide them with the emotional environment they so badly need. The answer resides in controversial policies of our state social welfare agencies. For instance, in New York, a foster child cannot be placed for adoption if the biological parents do so much as send one post card per year to the child.

What is tragic about this state of affairs is that much of it can be avoided. I would refer you to a demonstration project funded by OCD's Children's Bureau and conducted in Nashville, Tennessee. This project, involving comprehensive emergency services for children, is now beginning its third year. As a result of its activities, whereas 322 children were placed in children's institutions in 1969, only 22 had to be so placed in 1972. In 1969, almost 200 of these children were less than six years of age. During the past six months of this program, not a single child under six was institutionalized. The Nashville program is an excellent one and there is no reason that it cannot be implemented in every community in America.

This nation must do all it can to help children out of institutions. It has become all too apparent that the typical large institution, be it a state hospital for the emotionally disturbed, a school for delinquent boys, or a state school for the retarded, is destructive to the lives of children and a source of despair for these children's families. This situation was made abundantly clear in the impressive documentary entitled, "This Child Is Labeled X." While we should do all we can to avoid institutionalizing children and to remove from institutions children who do not belong there, some children absolutely require institutionalization.

Given my own 15 years of professional activity in this field, I am particularly concerned with the lives of institutionalized retarded children. The Willowbrooks, the Rosewoods, the state schools of Alabama, are all too representative of what our institutionalized retarded children experience. This committee is to be commended for the light it has shed and the action it has taken regarding the problem of parental abuse of children. However, if our nation is concerned about child abuse, it must take immediate action on the legalized abuse of children in our state institutions. These institutions invariably receive federal funds which makes the national government a co-conspirator in the abuse to which these children are subjected. A national effort involving the cooperation of the federal and state governments should be immediately begun to correct the national disgrace of our treatment of institutionalized children. My own research as well as the experience of the Scandinavian countries indicates that humane institutionalization constructive to the child's development is possible if we would simply commit ourselves to such a policy. Given the numbers involved, I would give first priority to the problem of institutionalized retarded children.

Finally, I would propose a much expanded effort related to education for parenthood. A small program has already been initiated by OCD and the Office of Education which makes available to schools and youth organizations model courses in parenthood prepared for an adolescent audience. An important feature of this program is that it allows adolescents to work with younger children in Head Start and day care centers as part of the curriculum. We must convince schools and other institutions that they must provide increased support for family life. Teaching young people about the most important role they will ever assume, namely, parenthood, is one such effort. Others should also be undertaken. Schools could become involved with families long before children reach school age. They can provide needed information to mothers beginning with pregnancy and become a meeting center in which mothers and fathers can learn from one another by exchanging knowledge concerning cognitive and emotional development that can be most helpful to young parents in their child rearing tasks. Model programs of this type are already underway in the Brookline, Massachusetts, and Little Rock, Arkansas, school systems. Child support centers need not be confined to schools; a number of effective non-school models are also available needing only greater implementation. I am thinking here especially of the Parent and Child Centers administered by the Office of Child Development and certain more experimental programs being conducted at the University of Florida, University of Illinois, and Syracuse University. I also see great promise in the experimental Child and Family Resource Program recently initiated by the Office of Child Development. This program has created centers which provide a wide array of needed services to children and their families.

Let me conclude by saying that it is my conviction that we can spend the money that we already have at our disposal more effectively. We certainly know how to do much more than we are presently doing. Frequently, relatively small expenditures will result in the correction of many practices which currently are detrimental to family life. Perhaps we cannot reasonably expect at this point major new commitments, but we can and should demand the rejection of apathy and negativism and expect a renewed commitment to the proposition that families are indeed important and that it is the federal government's role to reduce the stresses and to meet the problems confronting families. Such a renewed commitment would at least constitute a first step in developing a real family policy for America.

STATEMENT OF ROBERT COLES, M.D.

Since 1960 I have been working with a range of American families: rural black families of the South; white families from the region's small towns and cities; migrant farm workers' families; Appalachian families; white and black working class families who live in our Northern and mid-Western cities, or to their near suburbs, so-called "streetcar suburbs"; Chicano and Indian families out west; Eskimo families in Alaska. I have also visited the very well-to-do families whose lives intersect with these people—the plantation owners, farm owners, factory owners who hire and fire, issue orders and expect compliance. As a child psychiatrist, my particular interest has been the children of these families: how do boys and girls grow up under the swiftly changing circumstances of our time—a momentary crisis in this nation's history? But no one can speak with children long without coming into contact with their parents and grandparents, their grown-up next door neighbors. So, the three volumes of *Children of Crisis* I have to this date written (Volume I: *A Study of Courage and Fear:* Volume II: *Migrants, Sharecroppers and Mountaineers:* Volume III: *The South Goes North*) give one observer's view of how certain American families are managing, often in the face of severe stress; I hope to complete the series with two more volumes: Volume IV: *Chicanos, Eskimos, Indians:* and Volume V to chronicle the way children grow up who belong to families from the upper middle class world.

Rather obviously one can single-mindedly study the difficulties certain children have, the economic forces that exert themselves on certain workers, the pressures certain mothers have to deal with as they try to get a good education or proper medical care for their children. But in each instance there is something larger at stake—workers or housewives or children belong to families, and what is experienced by one person in a family soon enough affects others who belong to that family. We tend to think of a child with problem A, a man who is going through dilemma B, a woman who faces struggle C; in fact, it is entire families which rather quickly have to respond to the various impasses or quandries particular individuals have to deal with. Perhaps the only thing I can do before this subcommittee is indicate some of the pressing issues I have witnessed American families facing in recent years—often with little or no help from others.

To start, there are families headed by fathers who can't find work. Today many claim to be tired of hearing about the poor—or picture them hopelessly their own worst enemies: lazy, indifferent, wasteful, given to bad habits. Yet, I think of Kentucky or West Virginia counties I have worked in, where one meets in town after town, and up hollow after hollow, tall, sturdy, decent and honorable men, yeomen descendents of people who came to this country centuries ago, explored it and helped build it—and those men are idle not by choice or out of personal inadequacy or wrongdoing, but because there is no work. The same situation holds in other counties in other regions of this nation—and the effect upon thousands of families is the same: fearfulness, anxiety, sadness, a sense of desperation and futility. A jobless man's situation becomes a wife's mood, a child's feeling about what is in store for him or her, too—all of which is the purest of common sense. Yet, I fear we sometimes don't want to notice what is thoroughly obvious and evident.

Then, there are families where the father works alright, and maybe the mother, too. I think at this point I had best let a factory worker speak: "Work: I have plenty of it—so much that it's my whole life. I work my regular shift, then I work over-time—whether I want to or not. Like I say to my wife: it's a bind, because we need the money, just to keep our heads above the water, but it means that I practically never get to see the kids, except on Sunday, and then I'm so tired I can barely do anything but sleep and eat and get ready for the next week. My wife is working too; she has to—or else we'd be drowning in bills. As it is, with the two of us working, we're still in trouble. The money just pours out, as soon as it comes in: food and the mortgage and clothes and the dentist for the kids' teeth and the doctor for my girl—every week. My brother, he doesn't work over-time, but the poor guy had to take a second job on Saturday, or else he told me he'd be borrowing from me. 'Don't try,' I told him: I have none to lend anyone.

"I feel like a guy running hard just to keep in the same position. And let me tell you, it makes a difference at home: my wife feels it, so do the kids, when you're living like that. The other day I went with my wife and daughter to the doctor's. He wanted to see both of us. I had to call in 'sick'; you don't get days off in my plant without a month of red tape—only that two week vacation once a year. We went to the doctor's office, and then we went over to the hospital and we met another doctor; he's a bone specialist. Then I took my wife and daughter to lunch. I decided to splurge—a restaurant instead of the hospital cafeteria we're used to. We were sitting there and I was trying to have a good time and so was my wife, and our girl. She was in seventh heaven. But every once in a while my wife would look at me and I'd look at her and we'd both look back at the prices on the menu, and I'd swallow so hard I was afraid I was choking.

"But we tried to be cheerful for the sake of the kid, and I kept reminding myself that I could always go and get an odd job on a Sunday, if worse came to worse. So, we kept talking and I told my daughter she could have anything she wanted. But she is such a good kid; she said, 'Daddy, just a hamburger, and I hope it's not too expensive.' I told her no, no. Then I sat there, and the next thing, she and her mother went to the ladies' room, and I was sipping my coffee and wishing it was a beer, and all of a sudden I hear these guys behind me talking. They're arguing, only they're laughing at the same time: 'No, I'll take it,' one says, and 'No, I'll take it,' another says, and finally there's a third guy and he says, 'Look, it'll all come out of the United States Treasury, so why should we argue over the check!' For a second I didn't even know what they were talking about, but all of a sudden it dawned on me: they're having their lunch on *me*, that's what. They skim off all that tax money from me every week, and who has the time or money or know-how to get back even a small amount for deductions? Meanwhile, these guys are writing off their lunch, and tomorrow they'll have another 'business' lunch, and God knows what else they're writing off. Can I write off the money I spend taking my kid every week into the hospital; the bus and subway both ways, the lunch she has with her mother, or this time with both of us? You can live off the fat of the land in this country and the ordinary wage-earner, he's the one who pays for it with his taxes. They have the oil-depletion allowance. We're so tired by Sunday with work and over-time and odd jobs now and then and my wife's work—well we're running out of oil ourselves!"

He lives in a neighborhood of working-class families west of Boston, and as I think of the problems I have met up with that his family and others like them face, I can only contrast the attitude our society has toward those families—as measured by laws passed, money expended, institutions supported—with the eagerness we have shown to support other elements in our society. There are dyslexic children, one in ten of all our children, plagued by a medical and educational difficulty which becomes for thousands of families a prolonged and bewildering crisis: what is wrong that my child, apparently so intelligent, can't read, and what can I do—to whom can I turn? To whom, indeed? How many cities or towns have the doctors and teachers who know how to diagnose and come to terms with this widespread difficulty? (Again, it affects whole families, not just the child.) There are runaway children and youth—living symbols of troubled families. A horrible story in Texas crosses our television screens, and for a moment we are appalled; something ought to have been done! But what—and by whom? What are the parents of runaways to do, to whom are they to go, and with what hope of getting the kind of help they need? The police say it is not their problem. Teachers have their own field to plow. Doctors are too busy or too expensive or too few in number—and on and on. Then there are "battered children" whose bruises, inflicted by parents, unfortunately make up only the more apparent evidence of family disorder. Or the plight of families that have a retarded child, an emotionally distressed child, a child plagued by severe or chronic illness, a child who is blind or deaf. Do we need yet additional studies to document the inadequate facilities or professional help or the overwhelming financial burden such children or their parents, such *families* have to sustain?

Nor only are the poor or working-class people up against hard-to-solve family problems. In the course of my work in the Southwest I talked with a man who manages a factory just outside of Albuquerque. He was proud of his company's policies toward Spanish speaking people—and it was on that account that I was seeing him: to find out how some of the Chicano people I knew were getting along at work. "They're doing fine," he told me. "We have some problems, but mostly it's fine." A while later he gave the conversation a dramatic shift: "I wish someone would worry about *my* family. Everyone worries about the minorities. My wife says she's sick and tired of hearing it: the minorities *this* and the minorities *that*. Everyone here worries about Mexican-Americans or Indians. Back East it was the blacks. Life is no picnic. I think someone ought to go study us. Look at my family—first I was in the army, moved about from base to base; then I got out, and I started working my way up in the company. It's been one move, then another. My children know how to smile and tell everyone they love it, they just love it, because they see the country, the whole world. But I hear them giving to the city we are in the name of the city we were in, and I hear them telling their mother that they miss so-and-so, and somebody else—and I stop and ask myself: for *what*, that's right, for *what* is all this moving about? To rise, to make more and more money? That's fine—but there comes a time when you begin adding up the costs, and you get a sick feeling in your stomach: you're paying for 'success' with your family's blood! You mentioned those migrant workers a while back; well, we're migrant workers, too. I'm not asking for anyone's pity, mind you. I love my work. I'd do it again, if I had a choice. I just want to go on the record: no one has a complete monopoly on problems!"

One can only agree. One can only warn, too, against the danger of quickly conceived "solutions," however generous and well-intentioned. The family, poor or middle-class or exceedingly well-to-do, stands in the midst of dozens of "forces," private and public, neighborhood or emanating from far off Washington, D.C. Laws affect families; customs do; and needless to say, economic cycles. Then, there are social upheavals, wars, court decisions: a boy goes to war, abortion is declared legal, mortgage rates spiral upward, a company lays off workers, a new tax law goes into effect, school desegregation begins or a new bussing program to ensure it starts—those are just some of the more obvious "events" which for millions become intimate family matters. I would hope that American families get close and sustained scrutiny from this committee and elsewhere. Many of the families I visit are for one reason or another in some difficulty; but for the most part they are working hard, or trying to, each member in his or her own way. Often they are isolated from other families. Often they have small or no contact with schools, never mind the other institutions which affect them—a city hall, a medical center, a tax or transportation or communication "authority". To call upon the worker I quoted earlier: "Who asks us anything? Do they really go out to us, try to let us know in advance what they're thinking of doing in the schools, or about a road they're building, or about the kind of television our kids are going to be looking at? You hear all the time that people don't care, they're apathetic. But it takes two: the companies and the government—do they really want to get a lot of people down their backs, speaking up with their ideas? I doubt it. It's easier just to go ahead and start something, then take on the few people who complain! Sure I'm tired, and how many hours do I have left each day, when I come home? But if there was something really important going on—some meeting or program that affected my wife and kids, that really meant something to us, I'd try to find the time."

Hopefully without being presumptuous, one is entitled to be a touch skeptical. Just as some youths, whatever the government suggests or offers or prompts—through a Peace Corps or a Vista—show little interest in idealistic social or political activities, so a good number of families are quite insistent that, whatever their troubles, they and they alone will come to terms with them. On the other hand, there are many youth who do indeed want to exert themselves on behalf of others, but find no real opportunity to do so; and there are many families who know full well what they and others like them need and might respond to: new and stimulating ties with schools, with hospitals, with certain governmental agencies, with regulatory agencies of various kinds—sanctioned and encouraged rather than sporadically allowed in response to some crisis: a highway to go through a neighborhood; an airport being enlarged; a court order for desegregation; a new curriculum, emphasizing sex education.

I want to be cautious at this point. The people in the families I visit have no interest in being subjects of yet another "social experiment"—with bureaucratic red tape, a new army of "professionals," all too sure of themselves, and maybe brazenly intrusive when it comes to others. Enough rights of enough citizens have been violated in this country over the years without subjecting families to well-intentioned laws which may, finally, render them increasingly vulnerable to the political power of the state. It behooves people like myself, anxious for various social changes, to remember that federal authority, especially when directed at something as ultimately individual, and one hopes, private as a family must be carefully wielded indeed. But equally important is the almost crying need one hears over and over again for various kinds of help or direction on the part of particular members of various families. And there are the questions; over and over they get repeated as one becomes a regular visitor to homes: What is happening to this country—with the ever rising delinquency in middle class neighborhoods, never mind the ghetto? How can we deal with the drug problem—as a family, and before a legal problem develops? What do we want our children to believe in—apart from winning or succeeding or getting ahead? What should they learn in school, apart from "reading, writing, arithmetic"? Who can one turn to—in this enormously complicated and increasingly impersonal society? Those are the actual questions of parents I have known, and there are others: why do I have to move, just when I have settled in? Why do I have to move, just because I'm making a little more money, and they say I don't belong here, in the "project"? Why do I have to move—because it's "company policy", they say, just like they used to say, when I was in the army, "because Uncle Sam says so!" Why do I have to stay away from my husband, in order to get welfare money; I mean, he can't find a job, and I have children to feed, and isn't it a job, taking care of children, bringing them up, so why do they come here, the welfare people, and make me feel like two cents, and my kids, too? Why do they tell me one thing about my child, then another, call him "sick" or a "severe delinquent", then take him away, then bring him back: I mean, why don't they sit down and try to teach me, so I can help my boy and help the rest of the family, and not always be appearing in court with him?

Perhaps some of those questions are plaintive or self-pitying. Perhaps there is little the federal government can do to supply answers to them. Yet, it is the federal government which writes tax laws, earmarks funds for schools, courts, hospitals, housing projects. It is the federal government which helps build roads and airports, which licenses television stations, sends men from military post to military post, influences in all sorts of ways various business and economic policies. And it is the federal government, through what it does or does not do, which affects family life in America initimately: by a failure to help through tax legislation the worker I quoted from, whose wife makes a weekly trip with their daughter to a doctor's office and then a hospital, the government is making a judgment about this aspect of family life in America. I hope this subcommittee will spend a good deal of time listening to various American families and to those who work with them and try to be of help to them—and eventually, perhaps, find itself in a position to make some judgments of its own about how more American families might live what they feel to be less harassed, calmer and surer lives.

TESTIMONY OF DR. JAMES J. O'TOOLE

Mr. Chairman, members of the subcommittee: This morning I should like to make a few brief remarks that are a distillation of the report on *Work in America* and this last summer's Aspen workshops on Education, Work and the Quality of Life. For the record, I would like to submit documents from these two projects as extensions of my remarks.

I shall confine my comments here to some of the national labor and welfare policies with which you are concerned, and particularly to how these policies relate to family life in America. My testimony is in three parts. First, I shall present some evidence about what work means to the life of an individual. Specifically, I will focus on the effects on family structure of either the lack of work or of work that offers insufficient financial, social or personal benefits. Secondly, I shall present an illustrative framework with which one might view the impact on the entire generational spectrum of Americans of the way we allocate work opportunities. Finally, I shall present an argument for a reformulation of national work and welfare policies in order to strengthen family ties among the poor.

I. WORK AND FAMILY STABILITY

Work is a word that is overworked by politicians, news commentators, educators, clergy and parents. That we use it indiscriminately and incorrectly in common speech is of little consequence to the subcommittee, but that we define work narrowly and carelessly in the creation of federal policies and programs should be of prime importance to these investigative hearings. In almost all federal programs, work is equated with paid employment. Using housework as an example, we can see the harmful social, economic and psychological consequences of the current definition. A housewife, by this definition, does not work. But, ironically, if her services are replaced by a housekeeper, a cook, or a babysitter, these replacements are defined as workers because their salaries contribute to the Gross National Product.

It is clearly an inconsistency to say that a woman who cares for her own children is not working, but if she takes a job looking after the children of another woman, she is working. The economic consequences for mothers and their children of this logical inconsistency are seen in the eligibility requirements for federal programs in welfare, child care and social security, to name only a significant few. In social and psychological terms, this equation of work and money has produced a synonymity of "pay" and "worth." Accordingly, work that is not paid is not considered to be as valuable as paid work. One wonders what the effects of this denigration of unpaid work are on the current, apparent unwillingness of some mothers and fathers to devote time to the proper care and upbringing of their children. As a society, we may have dangerously downgraded the most important work a human can perform.

For the sake of our children—and the future of our society—an alternative definition of work might, therefore, serve as a better guide to policy makers in the Congress and in federal agencies. The *Work in America* task force suggested that, for official purposes, work should be considered as "any activity that produces something of value for other people." This is more than a semantic quibble; we shall see the operative importance of a redefinition of work when we come to our discussion of welfare policies.

Now that I have offered that it is useful to view work as an activity that produces something of value for other people, I would like to call attention to the things that work produces for the worker himself. The first personal function of work is economic. We work to provide food, clothing, and shelter. There are also several less obvious psychological purposes or functions of work:

1. Work contributes to self-esteem—Through the mastery of a task one builds a sense of pride in one's self. The job tells the worker that he has something of value to contribute to society. The work place, then, is the major focus of personal evaluation.

2. Work is also the most significant source of personal identity—We identify who we are through our jobs. We say, "I am a college professor" or "I am a housewife" when someone asks "who are you?" A consequence of this work-connected identification is that welfare recipients and the retired become nobodies.

3. Work is a prime way for individuals to impose order, control or structure on their world. From this perspective, we see that the opposite of work is not free time or leisure; it is being victimized by disorder or chaos.

In short, work offers the individual self-sufficiency, status, identity, self-esteem and a sense of order and meaning. Consequently, if the opportunity to work is absent, or if the nature of work is not sufficiently rewarding, severe repercussions are likely to be experienced by the individual worker and his or her family. To document this relationship, I should like to refer to findings from several major studies of family life and employment:

1. Loss of work has been found to produce chronic disorganization in the lives of parents and children. Among the long-term unemployed, attitudes toward the future and towards the home and community, have been shown to deteriorate. Family life loses its meaning and vitality for these individuals.

2. The children of long-term unemployed and marginally employed workers uniformly show poorer school grades.

3. Despite the popular notion that unemployed people fill their free time with intensified sexual activities, studies show that the undermined egos of former breadwinners lead to diminished libidos

4. The physical and mental health of the unemployed tends to deteriorate. For example, there is a clear correlation between unemployment and the onset of schizophrenia.

5. There is a demonstrable relationship between a family breadwinner's work experience and family stability. Sociologist Frank Furstenberg reviewed 46 separate studies of work experience for the *Work in America* project and concluded that "economic" uncertainty brought on by unemployment and marginal employment is a principal reason why family relations deteriorate."

6. Sociologists have attributed the high rate of illegitimacy among poor people to the occupational uncertainty of men. Lee Rainwater found expectant mothers rejecting marriage if their sexual partners were unemployed or had poor occupational prospects.

7. Manpower economist Michael Piore has developed a Dual Labor Market Theory that helps to explain the relationship between the nature of employment and the ability to sustain a nuclear family. He describes a secondary labor market that is distinguished by low wages, poor working conditions, considerable variability in employment, little security, harsh and arbitrary discipline and little opportunity for upward mobility. Poor people are drawn to this market because they do not have the social or skill characteristics required for employment in the primary market. What is significant for these hearings is that Piore has shown that the secondary market does not meet the social and economic requirements of those who wish to establish a stable family.

8. Anthropologist Elliot Liebow has found a relationship between the frequency and nature of employment of men on the one hand, and their willingness to form stable, nuclear families, with the mothers of their children on the other. Liebow's landmark research among ghetto dwellers in the District of Columbia offers the most poignant evidence we have of the correlation between mother-headed families and the underemployment and unemployment of street corner men.

9. My own research in Watts in Los Angeles and among the non-white population of Cape Town, South Africa reveals a striking similarity in family structure in these two geographically distant communities. In both Watts and Cape Town, there is a high percentage of mother-centered families found among the poorest people. In both communities, mother-centered families are more frequent when the father is chronically unemployed, employed irregularly or employed in a job that will not permit him the social and economic dignity and security needed to assume the breadwinner's role in his family.

10. Divorce and separation rates for the poor are not greatly different than the rates for the middle class. Significantly, however, the *remarriage* rate among the poor is considerably lower than among the middle class. Poor women, once they have been the victims of an unsatisfactory marital experience, tend to be unwilling to repeat the experience with another high-risk mate. For this reason, and not looser morals, statistics for mother-headed households are higher among the poor. Unemployed or underemployed men simply are not seen as good remarriage material.

In summary, the evidence is overwhelming that unemployment and underemployment among breadwinners is the primary factor leading to continued marital instability among the poor. The absence of work, or work that fails to fulfill the function of economic security, self-esteem, identity and a sense of mastery over the chaos of one's environment, will not provide the stable basis required to build a lasting familial relationship.

II. ACCESS TO WORK

Although the work and family problems of the disadvantaged deserve the lion's share of our attention because these problems are so terribly damaging to human development, it is still worth a moment to analyze the way we allocate access to work across our entire population—if only to put the problems of the poor in sharper focus. This not terribly sophisticated perspective, illustrated on the chart I have posted, serves to point up differences in sex, race and generational access to work and helps us to identify some of the possible effects these differences might have on family life. In looking at the chart, we should keep in mind that most of the major pieces of federal social legislation either are responsible for the divisions and problems that we find here, or they were designed to support existing divisions.

I should like to make three preliminary points about the uses of the chart. First, the way in which our society is now structured *promotes* a particular canonical path through life for its individual members. The ways in which we are supposed to attach meaning to life, to develop opportunities, and to generate our senses of societal purpose derive their sanction from the architecture of our culture.

Second, certain of our social structures do not do very well what they are meant to do. What I wish to emphasize here is that even the established and approved ways of living are difficult to come by.

Third, probably no one passes successfully through life along the prescribed canonical path. There is nevertheless the likelihood that those of us who do not proceed down the mainstream do so with a lively awareness of the tension between our own choices and the path which is supposed to be encouraged. Although few approach the norm, it is the norm against which people measure themselves.

The chart helps us to visualize the canonical path that begins with an infancy of two or three years, during which the family is the controlling presence. As in traditional societies, the family is the basic unit which embraces living, working, and learning. There follows a period of childhood, when peer groups, the school, and, especially recently, the various media compete in influence with the family. During the period of youth—which is more and more being prolonged—it is the institution of education that becomes a controlling presence: today, the structure of our society prescribes that youth means schooling, mostly formal. Here, too, but growing less common, may be located some first passes at trial employment.

Freed from the educational institution, the new adult embarks abruptly on his career. His work occupies most of his time, and it is sharply set off from his two other prime concerns: leisure (the whole nexus of entertainment, social and civic and recreational activities, and whatever amount of continuing education he decides to engage in), and, most importantly, family. And at the end of his working life—which is more being shortened—the adult enters a period of retirement. Free time, either voluntary, enforced, or some combination of the two, becomes the key motif. His dependence increases as he becomes older, and finally he may be placed in an institution at the approach of death. Viewed in this manner, life becomes a kind of maintenance path along which we are expected to slide irreversibly.

For which groups is society not prepared to ease the passage along the linear progression? An obvious group—suggested by the fact that we use the masculine pronoun when we describe the canonical path—is women. In spite of our equalitarian motives, girls and boys do not receive the same kind of socialization and education. Nor, perhaps, should they. Nevertheless, girls' expectations of life are different because they are taught to stake different claims on life. Sex stereotypes and the role which they play in encouraging widely divergent life choices have only recently begun to be understood. On the whole, it is still very much the case that the careers which girls are supposed to pursue are meant to be secondary to the careers that men do pursue. John will grow up to be a lawyer, Jill his secretary.

And the labors in the home and with their children that adult women engage in are not "really" work, because they are not rewarded financially, as I have said. And a lifetime of housework does not provide eligibility for retirement.

Disadvantaged minorities, too, are not well served by the canonical path. They receive inferior educations, and they experience difficulty in entering and staying in the work world. At the end, they often find themselves without adequate retirement funds. Other outgroups—the insane, the chronically ill, the involuntarily unemployed—spend their lives in warehouses designed to contain them. Adulthood, for them, is not a period of earning which follows education. It is not a period in which work supports family and leisure activities.

What this chart helps us to do, then, is to identify certain problems associated (a) with the ways we divide the time of our lives, (b) with the ways we provide access to institutions like work and the family that validate our legitimacy as contributing members of society and (c) with the ways our national programs and policies support the current structure. Let us further examine four of the problems.

1. THE SEGMENTATION OF LIVES

As I have said, most working Americans follow a monolithic path through life in which education is synonymous with youth, work with adulthood, and retirement with old age. Several problems result from dividing life into these discrete, age-graded functions:

Work, "the badge of adulthood," is the only fully legitimate activity of maturity. There is "something wrong" with someone who is not working: the adult non-worker is considered to have and to be a social problem. Women who take care of their children, the unemployed and the underemployed, the dropout, the elderly—none have full "working identities." They suffer both economically and psychologically from their second-class status, and so are excluded from some of society's rewards. If one were to place a transparent overlay on our chart that listed the major federal programs and the age groups they were designed to serve, we would find that the programs encouraged this segmentation of lives and did little to help the groups excluded from the mainstream. For example, almost all of our educational expenditures go to the age group between six and twenty-six. Our approach to the excluded is to build warehouses—jails, mental institutions, youth and age ghettos—rather than to integrate people into the community through providing them with jobs.

Family activities are segregated from other activities. In the middle years of life, particularly, the worker is separated from his family for many hours during the day. Often, workers must choose between their jobs and their families—and many men (and, now, increasingly, many women) choose to sacrifice their families for their jobs. Indeed, it is not overstating the case to say that many children today are raised by one parent only—during crucial stages of growing up, the fathers of these children are too occupied with career matters to take an active or significant role in their upbringing.

2. THE SEGREGATION OF GENERATIONS

Education, the activity of youth, occurs at schools, which become youth ghettos. Work, the activity of adulthood, is performed in similarly age-segregated institutions. Retirement, the activity of the aged, occurs increasingly in "leisure communities" cut off from the rest of the world, both spiritually and physically. As a result the segregation of generations becomes a corollary to the segmentation of lives.

Young people seldom, if ever, see adults at work. As James Coleman and Urie Bronfenbrenner have noted, this leaves youth improperly socialized to the work world and prolongs their adolescence. Such problems as campus unrest and drug cultures may result from this age segregation.

Cut off from older generations, from aspects of the essential guides of experience, tradition, and history, young people face a special difficulty in coping with important value questions in our rapidly changing society.

3. ACCESS TO WORK

One of the clearest social problems in the society is the scarcity of jobs due to the national choice of low inflation over low unemployment. But this scarcity does not run evenly across the demographic groups of society; indeed, for middle-aged white males the problem is minimal. To keep the problem at bay for this group, we have kept young people out of the labor market until they are older and retired workers at an earlier age. To create employment for middle-aged women in answer to recent demands, we have increasingly excluded the young, the old, and minority men from the work force.

4. INSTITUTIONAL FLEXIBILITY

Most jobs are organized in an authoritarian fashion built upon the ethic of conformity and obedience learned in the schools. They follow a model of set and simplified tasks, rigid schedules, and tight discipline and control. This has significant consequences for family life. Shift work, for example, has been shown to have a devastating effect on marital stability. More important, perhaps, research shows that adults who work in authoritarian settings impart a sense of inadequacy to their children. These children tend to adapt poorly to change and to have trouble succeeding in school.

Most of us work from 9 a.m. to 5 p.m. for fifty weeks a year. These forms apparently suit many individuals. Increasingly, however, workers—particularly the young—are demanding greater flexibility on their jobs: in scheduling, in educational opportunity, in clothing, in personal autonomy and in job design. From the point of view of family life, it has been suggested that we need more half time jobs so that mothers and fathers can each have a paying job and can each spend half a day with their children. Alternatively, if one parent wishes to devote himself or herself full-time to child care while the other works half-time jobs will offer the opportunity for work during school hours when the child grows up.

I have offered here only a partial catalogue of problems related to family and working life. As a society, we can organize the blocks of time on the chart in any way we see fit. What appear to be natural divisions are actually the artifacts of one particular society. For example, the length of adolescence is as arbitrary as what we eat for breakfast. It comes as a surprise to many Americans that adolescence does not exist in many cultures. But I assure you that that is as true as the fact that not all peoples eat eggs and bacon for breakfast.

But that we can change these blocks of time around at will does not argue that we should. Indeed, great questions of personal values and individual freedom are involved in meeting any of the problems that I have outlined. Given the myriad alternatives before us, and the lack of consensus in favor of any one alternative, I would argue that we should concentrate our national efforts on eliminating the gravest injustices of our society in this area, rather than scattering our resources and energies on problems that are real, but cause little pain and suffering. For this reason, I offer you only one policy suggestion: you should write legislation that would provide work for those who want it.

III. A FEDERAL WORK AND WELFARE STRATEGY

The conclusions of *Work in America* on the question of welfare illustrate—if nothing else—the unrequited role of the intellectual in national policymaking. Almost every researcher who has studied the problem of family disorganization in the ghetto has come to the same conclusion: The causal factor is most probably the lower-class father's inabiilty to get and to hold the kind of employment needed for a stable family life. The solution to the "welfare mess" then is to provide good, steady jobs in order that the men who are the fathers of welfare children can have the same marriage and remarriage opportunities as middle-class men, and so that poor woman can have the same kind of reduced economic risks in marrying and remarrying as middle-class women have.

Although many of these studies have been prepared specifically for our national leaders, welfare proposals and programs still ignore the relationship between the underemployment and the unemployment rates of ghetto men on one hand, and the numbers of women and children on welfare on the other. Even the latest welfare proposals unfortunately offer only punitive measures designed to force welfare mothers (not the fathers of welfare children) to work. This approach contradicts much of what we know about work and welfare: 1) we don't have to force people to work—almost all people will choose to work because of its economic, social, and psychological rewards; 2) welfare mothers are already working—they are taking care of their children; 3) to forcibly remove the mother from a home where the father is already absent is to invite further costs to society in delinquency, crime, drug abuse, and remedial education; and 4) the lower-class ethic calls for the man to support his wife and children—and any other arrangement is cause for the disintegration of the family bond.

Because of these facts, *Work in America* called for increased employment opportunities for the *fathers* of children who are on welfare (men who probably are not on the welfare rolls themselves) as the long-range solution to the "welfare mess." In effect, we offered an indirect, macro-economic solution instead of a direct, transfer payment solution contingent upon mothers taking jobs in the secondary labor market.

In conclusion, I urge this subcommittee to create a federal work and welfare strategy that will aim at creating jobs for all who want to work. There is plenty of work that needs to be done in our nation, we need only create the jobs to do it.

In *Work in America* we suggested that the jobs can be created in the private sector, that they can be good jobs, and that anti-inflationary measures can be taken at the same time.

The existence of a job will be sufficient in most cases to get people to work—the importance of work to life obviates the need for compulsion. There will remain some for whom the availability of work is not enough—they will need training. Again, motivation not coercion should be sufficient to bring people into training programs. Finally, there will remain those who cannot work (for physical reasons) and those who choose to care for their young instead of taking jobs, and these people will require maintenance assistance. This three-pronged federal work strategy establishes the primacy of employment policies and leaves income maintenance as a truly residual category—a fallback for family support.

EXTENSION OF REMARKS

I wish to acknowledge the contributions of Work in America task force members William Herman, Harold Richman and Elliot Liebow to the chapter on "Federal Work Strategies" that follows. Liebow is the primary author of the last section on "Work and Welfare." The excerpt is from *Work in America* M.I.T. Press, Cambridge, 1973.

The chapters on education and work are from a draft of a report on a series of workshops held this summer at the Aspen Institute, Aspen, Colorado. I wish to acknowledge the contributions of Martin Kaplan, John Sunderland and William Harrison to the report. The workshops were sponsored by the Aspen Institute, the Educational Testing Service, the Institute for Educational Development and the Academy for Contemporary Problems.

Further documentation will soon be available in the form of a collection of papers commissioned by the Work in America task force. This book (James O'Toole, ed. *Work and the Quality of Life,* M.I.T. Press, Cambridge 1974) will contain the following relevant selections on work and welfare: Frank Furstenberg "Work Experience and Family Life," Lee Rainwater "Work, Well-Being and Family Life," Thomas Thomas "Work and Welfare."

CENTER FOR APPLIED RESEARCH IN THE APOSTOLATE

Mr. HUMPHREY. Mr. President, we are all aware of the extraordinary challenge facing our Nation's cities as they strive to provide quality educational opportunities for all our children, especially children from poor and minority families. One of the resources which we possess to help face this challenge is the private and largely Catholic parochial school system which provides a wealth of educational resources to our urban communities. As is increasingly evident this private system is undergoing a severe crisis, arising in large measure from financial factors. Under the pressure of events and circumstances and motivated by the desire to replan their activities so as to better serve our communities, many diocesan school systems have turned to research and planning to find answers to the challenges before them.

A leading institution in this effort to reshape the thinking of both church and community about the future role of parochial schools in our urban centers is the Washington-based Center for Applied Research in the Apostolate—CARA, the highly professional, and independent national Catholic "think tank." One observer has written that despite its short 7-year history, CARA is now "by far the most influential leader in the field of religious consulting services," certainly a high tribute to the vision of its founders.

To assist dioceses to come to grips with the many-sided nature of the educational problems facing them, CARA has developed a unique plan for diocesan action built around a total self-study process. Under this process a diocese does not set out merely to examine, for instance, the problems involved in maintaining its schools, which is only a part of its objectives. On the contrary, through the use of evaluation, reflection, and planning, an attempt is made to explore the total objectives of the diocese here and now. This means not just examining the parochial schools but every activity of a diocese that brings its work into the lives of people. This could include general and religious education, CYO, adult education, campus ministry, the liturgy, preaching, the media—religious and secular—family life and so forth.

A total self-study process of this kind is both a creative and a demanding experience. It involves much pulling and hauling until all opinions, not just the strongest ones, can be heard. It must be an ongoing movement which does not stop when the first reports are finally in. The process should continue over time to help the diocese continuously adjust its course of action to the shifting challenges before it. If developed with skill, this process can prove to be a healing instrument whereby the different elements and components in a diocese learn to consider their own goals and needs in terms of the total diocese.

Research on the schools is built into this process. But so is research on all aspects of the diocesan educational program. Nothing is to be viewed in isolation.

Most importantly, this process does not involve the imposition of a preconceived "master plan." Nor does it entail outside experts or consulting firms telling a diocese what everyone already knows. All segments of the diocese are invited to study, explore, and plan the educational mission together. This process, which, of course, benefits from guidance by consultants and research expertise, springs up from the life of the diocese itself.

Using this self-study approach CARA has recently guided a 2-year self-study of the archdiocese of Washington, perhaps the largest and longest project of its kind in U.S. church history. The diocese and the parochial school system are now engaged in planning their educational future on the basis of this massive project. If there are answers to helping concerned Americans find their way to resolving such challenges as those facing the Nation's private schools, one key instrument to assess these will be through research and planning like that done by CARA. The center does not pretend that its work offers any panacea but its work is proving extremely helpful to both church and community as we face up to one of the greatest challenges before us—the education of tomorrow's Americans. I congratulate his Emincence Patrick Cardinal O'Boyle, the Washington Archdiocese and CARA for their vision in developing this project which offers such substantial benefits not merely to one denomination but to the entire population of the Metropolitan Washington area. No doubt other mertopolitan regions of the country will also find news of this project to be of serious interest and concern.

This unique study—the longest and largest of its kind—is merely one of CARA's many-sided activities, both in the United States and overseas. Mr. President, I believe that in an era when many voices want us to decide great public and private issues by emotion rather than reason, it is extremely important that we have in our private sector research organizations like CARA which seek to provide practical yet hard and objective information on which decisions can be reached.

Mr. President, I ask unanimous consent that the first issue of the CARA report be printed in the Record. This offers a brief 8-year history of CARA and describes not only the center's Washington project but its broad-gaged policies and programs.

There being no objection, the article

was ordered to be printed in the RECORD, as follows:

CARA: CHURCH "THINK TANK" USA

I. BACKGROUND

Many persons are only remotely aware of CARA—the Center for Applied Research in the Apostolate, now an eight-year old national Catholic research and planning organization. And that may continue for some time to come for the Center's complex operations, like those of similar research bodies such as the much larger Brookings Institute, and the RAND Corporation, are not easily popularized.

The Center, however, was a direct American response to the Second Vatican Council which challenged the Church to bring apostolic research and planning into every phase of its life and mission.

To be sure, the need for research and planning was recognized long before the Council. As early as 1951, the religious superiors of U.S. missionary institutes had called for the creation of a national research center to help reshape the missioner's role with the emerging Third World churches. This vision was realized in 1961 when the late Richard Cardinal Cushing worked with the religious superiors to create a Study Commission to plan the establishment of such a national research center. In turn, this group spent two years charting the groundwork for the future CARA.

The Study Commission charged the Center to focus its efforts on the total mission of the Church, at home and overseas, rather than on explicitly overseas apostolates. It was further advised to avoid both the shoals of pure theory and the rocks of blind action—to bridge, for the Church, the gap between the worlds of research theory and dynamic action.

In charting its own course, CARA's first step in 1965 was to survey priority Church needs in the research field and to develop a capacity to meet them. Several critical areas of immediate concern turned up. The Church was looking for ways to develop and make better use of its personnel and talent and to respond more effectively to critical urban problems.

II. BASIC PROGRAMS

A. Church personnel research

As a trail-blazing operation for the U.S. Church, the Center established a Church Personnel Research Program in 1965. This has a dual emphasis, (1) on selection and training, especially seminary formation and (2) effective use of church personnel: lay, religious and clergy.

This unit has, among other things, sought to find out the real situation in the USA about such issues as the reasons for perseverance in seminaries and what factors are responsible. Its baseline work includes a 1968 national survey of seminaries and seminarians. It also completed a three-year planning project on better ways to utilize Church talent, a project done under contract to the Bishops' Committee on Clergy Distribution and produced a series of career development guidelines and handbooks. At present it seeks to encourage seminary renewal through an innovative and quite successful venture in journalistic research, "The CARA Seminary Form," and through management consulting services.

CARA takes credit for being the first to identify the roles of the nearly 500 Church-related agencies which handle Church personnel. Its research reports have been extensively used—for instance, its handbook *Assessment of Candidates for the Religious Life,* is now a standard instrument in communities of men and women religious as well as seminaries. The Center's annual *Seminary Directory,* with its data reflecting seminary changes, is extensively used as an instrument for seminary renewal.

B. Nonmetropolitan (town and country) research

A second major area of activity is focused on the role of the Church in non-metropolitan USA. Since 1966 CARA has been involved in two major thrusts: (1) research designed to help non-metropolitan parishes improve their ability to plan and set goals for a better ministry; and (2) research to help town and country people proclaim the Gospel to all those who are not members of any Church.

This program has resulted in publication of a wide variety of research studies on pastoral planning. Among these are studies relating to the theology of planning, the social dynamics of rural areas, possible future roles of the parish, and case studies of local planning. Twenty-two workshops on research results have been conducted in various dioceses, and eleven courses have been given at Georgetown, St. Louis, Michigan State and Catholic University. Experimental field projects designed to test theory have been conducted in twenty areas. CARA is presently developing and field-testing a series of exercises designed to help a rural parish improve its planning skills.

In the near future a field study designed to identify and classify the unchurched will be initiated in six representative rural counties. An inquiry into current trends in Protestant evangelism is now in process. It is expected that the program will eventually produce practical field-tested approaches to this important dimension of the Church's mission.

C. Pastoral Research and Planning

CARA is "by far the most influential leader in the field of religious consulting services." *The Priest,* May 1972.

1. Higher Education

A third CARA research thrust was initiated in 1968 to inquire into the Church's role in higher education, with special emphasis on campus ministries. This unique effort concerned itself at first with developing a research framework through which old problems and new challenges could be examined. It investigated such specific areas as the new role of the Sister as campus minister and the utility of a data bank as a planning tool for the campus ministry. Under a reorganized phase, the problems affecting higher education are being dealt with as a sub-program of the Center's Pastoral Research and Planning Program.

2. Diocesan Planning

Three years ago, CARA developed a new pastoral program, geared initially for dioceses, chiefly in response to numerous requests from Bishops, Priests' Senates and Diocesan Councils. An early and striking example of the effectiveness of this program occurred when CARA was called upon to assist the Diocese of Natchez-Jackson after Hurricane Camille destroyed 75 of 134 church buildings in Mississippi. "Emergency planning" help was sought from the Center.

As it tested this new trust in diocesan planning, CARA first examined the twenty-five years' experience of the Presbyterians and such pioneering Catholic activities as the Baltimore and Brownsville diocesan projects of the late 1960's. The Center then responded in 1970 to a request from Washington's Patrick Cardinal O'Boyle and wound up developing the most thorough diocesan self-study in U.S. Church history. According to a conservative estimate, if this project had been turned over to a leading management consulting firm the cost would have been $500,000, a figure several times over CARA's charge to the Archdiocese.

CARA's Emphasis: Shared Responsibility

The Washington Project centered on the total Christian educational mission of the diocese, fitting the "crisis" facing parochial schools into this broader context. It involved thousands of grass-roots laity in all 180 parishes. In a variety of ways, therefore, this Self-Study was indeed unique. Its foundation was the theology of shared responsibility as put into effect by a "Coordinating Committee" of 25 knowledgeable and dedicated Diocesan experts and its direction was planning from the grass-roots upward rather than imposed from above.

The Center's contractual involvement in the project ended nearly a year ago; yet each week separate teams of three diocesan priests are involved in parish visitations to foster and measure implementation of the work shaped by CARA during the course of the study.

3. "Model" Development in Diocesan Planning

Experience suggested the need to develop flexible "models" for diocesan planning. In accord with CARA's policy noted above, these could be made available on a tailor-made basis at low cost to large, medium-sized and small dioceses. To help shape these research and planning "models," as well as to help dioceses themselves, the Center geared up for new projects in such dioceses as Nassau (Bahamas), Baton Rouge, Oklahoma City and Tulsa, (an examination of the 'floating parish') and Burlington, Vermont (an inquiry into cathedral parish replanning), with several other project being negotiated.

As CARA conducts research, it also searches for ways to communicate the results of its work. In May 1971, for instance, a cross-section of knowledgeable experts and Church leaders joined the Center in examining the scope and purpose of Diocesan Pastoral Councils. Their goals, purpose and organization were probed from various angles. Conclusions and recommendations were communicated to all US dioceses. Later, to aid Church planners, CARA's staff prepared manuals on "Diocesan Pastoral Planning," and on "Planning for Planning." These manuals point to practical answers about the goals and functions of diocesan pastoral planning offices and the role of spiritual reality in pastoral planning.

D. Research and planning for religious institutes

After several years of planning, a fifth major program emerged in 1972—a CARA Program for Religious. Despite its newness, this program has already engaged in separate studies for eight religious orders. The LaSalette Fathers engaged CARA to conduct a survey of the membership, to upgrade a capacity for community self-analysis and to evaluate emerging goals and priorities. A world-wide study of the apostolate of the Atonement Friars took CARA researchers to three continents. A special project focused on Discalced Camelite parishes in Oklahoma and Texas. CARA did two separate studies focusing on promotion and management for the Immaculate Heart Missionaries, including a readership survey of their magazine. At the request of the Jesuits, CARA performed the analysis of extensive survey data on Jesuit high school graduates to evaluate the impact of Jesuit secondary schools on student attitudes.

At the present time CARA is working with the Passionist Fathers (Chicago Province) in a survey of the membership and an examination of other areas of concern; with the Marianists (New York Province) on personnel planning; with the Sisters of St. Joseph (Chestnut Hill, Pa.) on an extensive attitudinal survey of the membership in preparation for a General Chapter; and with the Divine Word Missionaries in the development of a centralized computer-based personnel information system embracing the more than 5,600 world-wide membership of the Society in 36 countries.

Demonstrating the advantages of the Center's wide scope of interests as reflected in its programs, the Religious Life Program draws upon the resources of CARA's other programs, as well. CARA's Seminary Program, for example, one of the Center's Personnel programs, provides regular consulting services in the development of a spiritual formation program for the college seminary of a major religious order.

In addition, the Religion Life Program includes among its affiliated activities the national workshops for religious conducted by the Passionist Institute for Religious.

In retrospect, this activity developed consistently in line with a planning document prepared for itself by the Center two years earlier, a sign of the Center's policy that it must and can project its own course.

E. Overseas

With its foundations rooted in missionary institutes, CARA has, from its inception, possessed a strong overseas orientation. In 1966 the White Fathers' research and information center, AFRIC, became the nucleus of CARA's overseas clearinghouse operations. The Center also developed various studios such as a proposed National Mission Training Institute. More recently CARA staff have traveled to Brazil, Europe, Japan and Korea on research projects for religious communities as well as to help establish a Church-related institute in Japan.

III. BROAD NATIONAL ROLE

Under the direction of CARA's central management services to church clients are flexibly provided with the aid of staff, associates, and when useful, specialized external consultants. At present the Center is continuing its involvement in specialized projects such as studies on the power and influence of religious symbolism and the relationship of the doctrine and devotion of the Sacred Heart to Church renewal. Over time, some of these projects may lead to the development of a full program focusing on a specific area of Church renewal. Over time, some of these projects may lead to the development of a full program focusing on a specific area of Church life, such as career development.

As it responds to the pressing needs of Church clients, however, CARA tries not to get lost only in providing services which may help solve a specific problem. As an important but secondary consideration, services done for church clients help bring in necessary operating funds. Moreover, they enable the Center to keep in day-to-day touch with the research needs of a cross-section of the Church.

But CARA's charter and purpose require it to assume a broader national research role than the rendering of services requested by Clients. CARA was founded in the hope that it would also stimulate Church-related research and planning throughout the U.S. Church. In carrying out this purpose, the Center undertakes various activities whose impact is often not seen until long afterward. CARA was founded also to encourage coordination and cooperation among Church researchers and planners.

CONCLUSION: FUTURE PROSPECTS

CARA can be called upon by any Church body or unit needing research help. In urgent cases, the Center has even found funds to help underfinanced clients pay for these services.

America's Editors wrote in 1965 that CARA has "brains, professionalism and plans" and prophesied that "it shall be heard." Since its founding, CARA—like most Church bodies during the post Vatican II era—has had its share of ups and downs, mistakes and disappointments. As evidenced by its growing programs, however, the Center is being heard as the voice of the U.S. Church's latest and most modern apostolate, pastoral research and planning, at home and overseas.

FOREST RESOURCE MANAGEMENT

Mr. **PACKWOOD**. Mr. President, the President's Advisory Panel on Timber and the Environment has submitted its findings and recommendations to the President. The essential thrust of this document is that many hard questions must be faced and answered by public officials and private citizens if we are to move this Nation toward the difficult task of better management of our Nation's forest resources to meet the many and varied needs of our people.

As is the case with any discussion of an issue of such great and immediate importance to so many people, the panel's report will no doubt engender substantial controversy and debate. This is as it should be.

We cannot allow this report to be placed on a shelf alongside the reports of the multitude of commissions and panels that have been formed in the past to study every conceivable issue of interest to the American public. If we do allow this to happen, we will have perpetrated an inpardonable offense against the well-being of future generations.

As a nation we have drifted hither and yon for far too many years in our failure to face the critical issues involved in forest resource management. We are at the point where we can no longer enjoy the luxury of benign neglect of this matter in hopes that it will solve itself or go away.

I urge each of my colleagues to review this report and participate in the public dialog which is certain to follow.

I ask unanimous consent that the text of the summary of the panel's report be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE REPORT OF THE PRESIDENT'S ADVISORY PANEL ON TIMBER AND THE ENVIRONMENT

PART I(A): MAJOR RECOMMENDATIONS[1]

The Advisory Panel on Timber and the Environment recommends to the President that:

1. The President issue a statement or proclamation to the Nation, emphasizing the unique renewability of the timber resource, and the opportunities to improve substantially the productivity and the value of the Nation's forest resources to meet the multiple demands now being made and likely to be made in the future on these forests; and emphasizing that forest resources are to be cherished, nurtured, and used.

2. The President require the Federal agencies concerned with forests to prepare a comprehensive nationwide program of forest development and timber supply covering the periods 1973–85, 1986–2000, and 2001–20, which will convert into specific programmatic terms the general proposals of this report. Such comprehensive programs should include: Expansion of recreation and wilderness areas where appropriate; protection of water supplies; protection of fragile soils and erodable steep slopes by their withdrawal from timber harvest; protection of wildlife including rare and endangered species of plants, animals, and birds; improved utilization of wood fiber for all its varied uses; assistance to owners of private forest lands in the management of their forests for increased output; and harvesting of timber from the national forests on a schedule commensurate with their productive capacity and sufficient to make their proportionate contribution to national timber needs. This comprehensive program should be carefully monitored by the Forest Policy Board, proposed later.

3. The Federal land-administering agencies and the Congress accelerate their efforts to complete the National Wilderness Preservation System as rapidly as possible. The Federal land-managing agencies and the Congress should develop a system of quasi-wilderness areas in the Eastern United States, in which low-intensity outdoor recreation will be possible under natural forest conditions.

4. The commercial forest lands not withdrawn for wilderness or other specific uses should be designated for commercial timber production and other compatible uses and be managed in accordance with appropriate national policies.

5. The Federal agencies continue to reserve from timber cutting all lands under their jurisdictions where sites cannot now be logged without causing unacceptable environmental damage; such reservation to continue until the means of timber management and harvest have improved so that such lands can be safely harvested.

6. The Forest Service, the Bureau of Land Management, and all other pertinent Federal agencies, improve the environment on forest lands under their jurisdictions by establishing road building standards and logging practices that minimize site disturbances, while at the same time retaining all proven and efficient methods of timber harvest, including clearcutting, under appropriate conditions. These agencies should skillfully apply the best silvicultural and conservation measures in forest management, particularly in timber harvest and forest regeneration. The need to economically and intensively manage the new forest crop as well as manage the existing timber crop shall receive due consideration.

7. In order to help dampen short-term fluctuations in softwood lumber and plywood supply, interested public agencies and private industry representatives should make periodic (perhaps monthly) reviews or analyses of the prospective demand and supply situation for the various wood products, in order to discover possible imbalances and warn against them. Such reviews would be similar to those now made in the Department of Agriculture for agricultural commodities, but should involve both suppliers and users of wood products to a major degree for the knowledge such groups can contribute and also as a means of making the projections more widely known and more effectively used.

8. The annual harvest on lands available for commercial timber production on western national forests can be increased substantially. Analyses based upon nationwide forest inventory data indicate possibilities for increasing the old growth cutting rate in the range of 50 to 100 percent. The Panel's consultant believes that on four forests analyzed in his report, the annual harvest rate should average 39 percent more, than is now proposed in recently prepared Forest Service plans. The Panel recommends that the Forest Service promptly review and revise policies for allowable cut determinations including rotation period determinations, stocking objectives, and old growth management policies for the western national forests. The precise revised level of harvest must be worked out for appropriate geographical areas and must consider, for each area, condition of existing timber stands, road accessibility, market demands, impact on non-Federal forests, and future timber supplies and do so within the limits of sustained yield. The Panel recognizes that an accelerated harvest of old growth timber in national forests should be undertaken only provided that adequate pro-

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[1] Fuller statements of these recommendations and of reasons for them are found throughout the Panel report, as are other recommendations on a number of pertinent subjects.

vision is made for financing whatever intensified timber management is needed to support the new level of harvest. If harvest on national forests during the 1970's is accelerated, it will tend to reduce pressure for harvest of timber from private forests, thereby tending to increase their growth of timber in this and later decades.

9. The Forest Service carry out an accelerated program of timber growing, stressing immediate regeneration, on national forests, in accordance with the foregoing recommendations and with the funds proposed in later recommendations. The objective of this accelerated program is to increase the growth of wood on national forests for harvest in later decades.

10. The Federal Government maintains incentive programs to encourage private landowners to follow forest management programs which protect the environment and to increase future timber supplies from their forests. Such programs should maintain Federal income tax incentives; should include advice and services to forest owners and their associations; and should include cost-sharing for intensive forest management practices, including provision of seedlings. New programs should be developed on a trial basis by providing financial assistance to lessees of land whose forests are combined by lessors of appropriate types into efficient forest management units.

11. Government and industry should conduct and support research to promote technological innovation in forest management and in wood utilization and help develop less destructive logging equipment. Particular attention should be given to methods of timber harvest on fragile sites and to commercial thinnings.

12. The President require all the Federal agencies having responsibility for management of wilderness areas to develop, in cooperation with wilderness users, democratic and equitable systems of managing use of wilderness areas within their carrying capacities, considering the nature of the wilderness experience as well as the wilderness ecosystem.

13. The President require Federal land managing agencies, especially the Forest Service, to undertake management practices to direct and control all nontimber uses made of the lands; to recognize that the day of unlimited public use of Federal recreation areas is over, and that recreation and other nontimber uses will have to be controlled and managed just as management has been applied over many years to timber growing and harvest and to grazing use.

14. The President require the Federal agencies concerned with the administration of outdoor recreation on Federal lands to devise and apply systems of charges or fees for recreation activity which are administratively feasible, equitable to users, reflect the value of the recreation opportunity, and reflect the costs of providing the recreation area and its facilities.

15. The United States continue to import and export forest products of all kinds when it is in the best long-term interests of the Nation to do so, but that, until some of the recommendations herein for increasing timber supplies can be implemented, the executive branch negotiate with Japan to reduce the disruptive log buying activities in the Northwest.

16. The President consider, as one solution, the creation of a permanent national board or council on forest policy to report to the President or other appropriate offices in the White House, with a small group of citizen (not Federal employee) members appointed by the President. The council should examine all aspects of forest policy, on lands of all ownerships, and annually or more frequently recommend action to the President, the Congress, and the Nation, as appropriate.

17. A better method of more adequate and more timely financing of forest management programs on all Federal forest lands is essential. Such a method must recognize the long-term nature of forestry and be based upon sound economic concepts of intensive forest management; programed expenditures and investments must be related to anticipated returns. It is recommended that the President direct the Office of Management and Budget, with solicited help of the General Accounting Office and independent consultants, to devise a management and financial plan that will best meet the special needs of good resource management and at the same time conform to the established requirements of good government.

18. An amendment to the fiscal year 1974 budget be processed to provide sufficient funds for the offering of the full allowable cut on every national forest where there is that volume of market demand.

19. The President propose an increased annual Federal expenditure for forest development of the general order of $200 million. This is desirable and necessary inasmuch as implementation of the preceding recommendations will, at best, take some time and the forestry programs, especially the accelerated harvest of mature timber from national forests, proposed by the Panel merit such critical support. The President should make it clear that this is an investment, not merely an outlay, which should return to the Treasury more than it costs; and he should find ways of establishing an investment account for public forestry programs.

20. Finally, the President provide a suitable forum or means of enlisting review and discussion of this report, especially the policy recommendations, by responsible and informed persons inside and outside of government. The Panel members are prepared to participate.

PART I(B): ABSTRACT OF THE REPORT

The panel's assignment

The President's Advisory Panel on Timber and the Environment was appointed to carry out the following activities:

"* * * to study the entire range of management problems. The Panel will advise the President on matters associated with increasing the Nation's supply of timber to meet the growing housing needs while protecting and enhancing the quality of our environment.

"The Panel will make recommendations on such matters as the desirable level of timber harvest on Federal lands and methods of accomplishing the harvest while assuring adequate protection of the environment; the costs and benefits of alternative forest programs; timber sales procedures; and the possibilities of increasing timber productivity on non-Federal lands."

The Panel has interpreted its charge broadly. Its report considers the entire forest resources of the United States, public and private, and their contribution to national well-being. The report examines the relationship of imports and exports to the national timber supply and the role that the U.S. forest resources have played and can continue to play in the world forest economy.

The timber controversy

The Panel's appointment was the direct result of public concern over two issues: The national housing program, and growing awareness of need for protection of the environment.

The Congress set a goal of 26 million new housing units to be built during the decade beginning with 1968. If fully achieved, this program would result in much needed housing for people of all income levels. Funding and initiating the program required builders to place large orders for lumber and plywood. Yard and mill stocks were quickly reduced and prices advanced sharply. For a time it seemed that the entire housing goal was threatened.

At the same time citizen groups in the Bitterroot Valley in Montana, near the Bridger National Forest in Wyoming and near the Monongahela National Forest in West Virginia were vigorously objecting to clear-cutting timber from these forests. They found a sympathetic forum for their protests in the Congress; also many conservation and preservation organizations quickly reinforced their ranks. Public concern over management practices and perceived priorities on Forest Service lands also involved, of course, the executive branch. If the housing program were not to stop, large quantities of timber were required. A major portion of it would have to come from the national forests as these contained 51 percent of the Nation's softwood inventory. Moreover, the fact that production and use of alternative building materials would impose greater environmental disturbance than does production and use of wood argued for its continued preferential use. Other essential uses for wood continued, hence the total volume of wood demanded increased faster than logs could be cut and processed. This set off a sharp price rise which recurred in 1972, and is still underway.

Builders blamed the lumber and plywood industry and demanded price controls; the industry blamed the Forest Service for not selling more timber; the Forest Service was unable to respond to the increased demand but responded to environmental pressures by increasing its attention to details of timber sale planning and all multiple use objectives thereby making its road and timber activities rapidly escalate in cost. Actual and threatened court injunctions instituted by the Sierra Club, the Environmental Defense Fund, and other groups against timber sales further slowed the sales program. Preservationists insisted that the National Environmental Protection Act required the Forest Service to file environmental impact statements before opening additional forest lands to harvest. This and other constraints to preserve a balanced program vastly increased the work required to prepare timber sales, while Service manpower ceilings remained constant and then were reduced under rulings of the Office of Management and Budget. Consequently, instead of increasing, sales offerings declined. As frustrations mounted, awakened emotions heated rapidly. Impatient citizens seeking improved housing were ultimately penalized by the conflicts as lumber and plywood prices soared.

Late in 1972, Japan stepped up her log buying on the west coast to support her new housing program planned to match that of the United States. Prices of logs have been bid up to double and triple past levels. Such is the fast-moving situation as the Panel submits its report.

Significance of forests

Forests are dominated by trees; yet, forests are much more than land with trees; they are the complex entities resulting from the interactions of physical, chemical, and biological forces on some unit of land. Climate, soil, and water determine which grasses, herbs, shrubs, and trees will develop; the vegetation, in turn, determines which micro-animal and macro-animal forms will exist. Animals feeding on the vegetation further modify ecological relationships as the dynamics of forest life progress.

Throughout history, forests have provided a multitude of products and services; in industrialized societies the major outputs are: Wood for construction and paper products, a site for various forms of recreation, and water. The major consumable product is wood, just as farms produce consumable crops and livestock. Unlike substitute products used in construction, such as clay products, cement, steel, and aluminum, wood is renewable. Also its conversion from logs into finished products takes but a fraction of the energy that is required for refining and processing substitute materials. When its usefulness as a product is over, it is biodegradable to the basic elements of which it was made. Timber is a highly versatile construction material, unmatched in many technical properties. To dispense with it would be costly in money and environmental degradation.

Forests also provide water, fish, wildlife, and forage, in the commodity sense. Equally or more important are their services in building and protecting soil, safeguarding watersheds, cooling and filtering air, and providing innumerable opportunities for outdoor recreation of diverse character.

While only timber and forage among forest outputs usually generate significant financial returns for forest owners, all products and services benefit society in general and therefore are of public concern. Their perpetuation with unimpaired productivity is a solemn obligation of all forest users and government.

Critical features of American forests

No nation on earth is so richly endowed with the variety and wealth of its forests as is the United States. This has been recognized in both the legal and moral obligations which society asserts to assure the Nation that its forest resource not be profligately used. Forests have always been an important natural resource, the use of which is deeply ingrained in American experience and history. Such use is expected to become increasingly important to quality living of the future.

Hardwoods and softwoods

The total forest area of the United States is 754 million acres of which 500 million acres are classified as commercial forest land. From about 1910, when clearing for agriculture ceased to exceed reversion of farmland to forest, until 1970 the area of forests increased; apparently the timber growth rate also increased as slow growing old timber was harvested and replaced by rapidly growing young stands (table I–1). Between 1952 and 1970, both total timber harvest and timber growth rate increased.

TABLE I-1.—TOTAL COMMERCIAL FOREST RESOURCE OF THE UNITED STATES: 1952, 1962, AND 1970

Year	Area (million acres)	In billion board feet		
		Inventory	Growth	Removals
1952	495	2,412	45.1	52.5
1962	508	2,430	52.3	50.3
1970	500	2,421	60.0	62.8

The annual growth of hardwood as of 1970 was 19.7 billion board feet and the annual removal was 15 billion board feet. Hardwood timber is used extensively for flooring, pallets, furniture manufacture, athletic equipment and for paper manufacture. As of 1970, these and other uses totaled substantially less than the annual growth. The Panel does not dismiss the possibility that hardwoods may be in short supply in the decades ahead, as choice walnut, maple, ash, and oak are today. Nor is it unaware that hardwoods may be and in fact are now being used for many structural purposes for which softwoods are preferred. However, it is to the critical softwood timber supply that the Panel was charged to direct its attention.

Softwoods are used not only for lumber and plywood but also are favored for paper and paperboard where high strength and long fiber are requisites. Both softwood growth and softwood harvests on American forest lands have increased during the past 18 years but removals have exceeded growth with consequent reduction in inventory. During 1970 softwood harvest exceeded growth by 7.8 billion board feet. These aggregate national relationships differ between the East and the West and among ownership classes. Eastern forests are predominantly privately owned by farmers and other private owners and forest industry. The trees are young and grow rapidly, and growth exceeds removals for all ownership classes. The situation in the West on forest industry and public forests is the opposite. Most of the western forest are old growth forests where natural mortality offsets all or most of the gross growth. As a result, when harvests on these lands are compared with net growth, there is a current net growth deficit, even though the growth potential of these lands is sufficient to sustain current removal rates. With successful regeneration and continued good management following harvests, net growth on public ownerships will eventually equal or exceed the current rate of removals. On forest industry lands, this will be more difficult to achieve at current removal rates. On farm and other private ownerships, the forests are generally younger, and growth exceeds removals.

Ownership, Inventories, and Growth

There are four major groups of commercial forest ownerships: National forests, other public, private industrial, and miscellaneous private which is composed of farmers, other individuals, and private groups (table I–2). The differences between these ownerships are many, but the primary functional differences are the quality of the lands for timber growing and the level of investment in timber growing each group is willing and able to make.

TABLE 1-2.—AREA AND VOLUME STATISTICS BY OWNERSHIP CLASSES, 1970

Ownership classes	Commercial[1] area held (million acres)	In billion board feet					
		Total softwood sawtimber volume			Total hardwood sawtimber volume		
		Inventory	Growth	Removals	Inventory	Growth	Removals
National forests	91.9	982	8.6	12.7	39	1.3	0.4
Other public	44.2	223	4.0	4.3	40	1.7	.6
Forest industry	67.3	318	10.0	16.3	68	2.4	1.9
Other private	296.2	382	17.7	14.4	368	14.3	12.1
National total	499.6	1,905	40.3	47.7	515	19.7	15.0

[1] Commercial forest land is defined as that forest land capable of producing 20 ft³ of timber per acre per year and which has neither been reserved nor deferred.

Source of table: "Forest Statistics, 1970." FS-USDA.

The industrial group owns about 13 percent of the commercial land. Their growth rates are substantially above the others and their lands on the average are receiving the most intensive management.

Over half of the total softwood sawtimber inventory stands on the national forests; in general, these lands are overstocked with mature and over-mature timber resulting in an average annual growth-per-acre less than half that on industrial lands. National forests, because of less productive soils, use constraints, and remoteness from markets, may never match industrial forests in growth rate but the gap between the two can be drastically lessened as stagnant stands are replaced by thritfy, young timber.

Nonindustrial private lands have the smallest inventory per acre—too low in fact for optimum growth. In contrast to the other ownership classes, very close to half of the inventory on small private holdings is hardwood. These "other private" lands are the only ownership class on which softwood sawtimber growth exceeds removals. This margin between growth and removals must be expanded substantially to increase the proportion of softwoods and raise the total stocking level. Because of size, quality, and ownership objectives, these lands are unlikely to achieve the productivity levels of industrial forests.

The central policy issue

The Central policy issue for meeting the wood needs for the 1970's and 1980's is: at what rate should the old growth inventory on the national forests be converted to well-managed new stands to meet both current and future timber needs. The Panel recommends that national forest timber sales be brought up to and maintained at allowable harvest levels on all forests where there is sufficient volume of market demand. It further recommends review and revision of allowable cut determination policies to make the timber output from the national forests more responsive to national timber supply needs. Rotation period determinations, stocking objectives, and old growth management policies can be adjusted for this purpose within established sustained yield principles.

While sustainable annual harvest determinations should be made for each geographic or economic area of national forest lands, the Panel disavows any need for a strict "even flow" harvest policy at the national forest level. This recommendation is contingent on adquate provisions for financing whatever intensified timber management is needed to support the higher rate of cutting.

The remainder of the 1970's is a crucial time for action to insure future timber supply. The harvesting of presently standing timber, both old growth and second growth, will continue to be important for a few decades; but, increasingly, harvest will consist of wood grown after 1972. For the truly long run, 2020 and beyond, it is timber growth which is all important; and available timber volume in those decades depends upon measures to increase growth taken in the 1970's and 1980's. It is only confidence in a future supply of new timber that makes defensible a recommendation to accelerate harvest of present old growth.

OPPORTUNITIES FOR IMPROVING PRODUCTIVITY OF AMERICAN FORESTS

The output of all products and services of the forests of the United States can be increased materially in the next decades at costs commensurate with benefits. Greater investments of capital, labor, and materials will be needed, but the most important need is for bold, improved quality management. Nontimber values of the forest can be thus increased while at the same time timber growth and harvest are increased. Not every acre can be made to produce more of everything at an economical cost, but total productivity of American forests can be increased greatly for all purposes and at reasonable cost.

Timber growth per acre can be increased in a number of ways. After harvest, fire, windthrow, disease or insect kill, the salvageable timber should be promptly removed and the area regenerated by natural or artificial means. Where available and appropriate, genetically improved seedlings should be planted. If such seedlings are to be used, both economics and silviculture normally dictate thinnings and intermediate selective cutting and final harvest by clearcutting. Precommercial and commercial thinnings, application of fertilizers, and control of insect pests and diseases are all well-tested measures for increasing the growth and development of trees suitable for sawtimber and veneer. Prompt harvesting at maturity, together with immediate regeneration with a new stand before weed trees or shrubs take over the site, is always desirable and often essential for success. A proper balance between harvesting and inventory is essential for maintaining optimum growth rate.

The only source of lumber and plywood during the 1970's will be from trees of merchantable size now standing, whether grown here or abroad. Growth of additional wood on these trees, growth of wood on smaller trees now standing, and growth of trees to be seeded or planted in the future, may all add to the annual timber growth rate and therefore increase the current allowable timber cut even though none of the above trees be cut during the 1970's. Measures to increase growth on these lands are extremely important for the period 1980–2020.

National Forests

The Panel makes several recommendations designed to help the Forest Service meet the legitimate interests of citizen groups and to facilitate the more efficient management of the national forests. The Panel is convinced that the present annual budgeting and appropriation practices handicap efficient Federal land management. Too little money is provided to prepare forests for present and future multiple-use requirements. Response to urgent needs for protection, salvage, and regeneration is too slow; they also provide inadequately for capital investment inherent in proper forest management. A better arrangement would be one in which national forest revenues and expenditures could be brought into some reasonable relationships and in which an adequate level of long-term funding for national forest programs, including higher levels of harvest, could be assured. The problem in achieving such an arrangement is great, because special programs for national forest administration, even though they be efficient, could create precedents for other aspects of government where they are not justified. Nevertheless, the Panel urges that continued study be given to this problem and that a long-term funding arrangement be instituted.

An immediate pressing problem is that national forest timber output is now declining at a time of unprecedented sustained demand for increased lumber and plywood production. The first step to increasing timber supply is to get national forest timber sales up to present allowable cut levels whereever there is that volume of market demand. Federal timber sales should be financed with accompanying manpower authorizations to a level so there is no fiscal restraint to attainment of this objective; otherwise there may be greater loss in receipts to the treasury than there would be savings in expenditures.

For the next decade, a greatly expanded program of quality forest management on national forests and elsewhere is recommended. The Panel is mindful that these are times of budgetary stringency and that this proposal requires large initial outlays of Federal funds in order to be effective. However, well-planned and executed timber growing programs characteristically produce more income than expenses, thus producing net revenue to the Federal treasury. Such annual appropriations need not be treated as if they were current outlays. An apparent net cost outlay often results from transactions which, under any reasonable accounting procedures, produce a net income. The Panel recommends that public land management, particularly where wood is a major end product, be carried on under accounting and financing procedures that reflect the capital investment nature of forest management.

Other Public

The Panel has noted the extensive forest lands managed by Federal agencies other than the Forest Service and by non-Federal public agencies. This category of forest land ownership is the smallest of the four in total commercial forest acreage and in sawtimber inventory, growth and removals. Nevertheless, "other public" forest lands rank second among all ownership classes in sawtimber inventory and removals on per acre basis. Many of the findings about management needs and environmental considerations for national forests apply to other Federal lands as well. Opportunities for improved productivity and better use of these public lands are both real and significant.

Forest Industry

Forest industry lands are of better than average quality for timber production, are generally well managed, and are being brought under intensive management more rapidly than are other classes of forest land. Accordingly, the Panel's chief concern is with the institutional factors in the country which affect the forest industries' role in helping to mold and synchronize growth and harvests of timber on their lands with growth and harvests on the other lands supplying timber for American needs.

A factor that for decades has plagued the lumber industry and added to the risk in timber growing has been the sharp and erratic fluctuations in construction, particularly residential construction. Public programs to stimulate housing have tended to accentuate such fluctuations. Stabilizations of residential construction and other markets, would encourage continued and increased investments of private capital in timber growing and would help to maintain a favorable economic climate for encouraging intensive management of the forest industry lands.

Other Private

A major goal of national forest policy must be to achieve, during the period 1990–2020, a relatively high timber harvest from nonindustrial private woodlands. Whether or not this goal will be attained depends largely on measures initiated in the 1970's and 1980's.

The immense area, low stocking, modest growth, and modest rate of harvest of the "other private" lands makes them the listless giant of forestry. If the growth rate of these woodlands could be increased to match that of the timber industry forests, the effect would be an increase of one-fourth in the average annual growth of all American forests. Part of the problem of getting more output from these lands is technical, part is economic, and part is motivational. Taking into account the present quality and stocking of timber on "other private" lands, one can only conclude that the current growing stock must be improved to serve as an effective "factory" to produce timber for projected future demands. The small area in the typical ownership makes many forestry operations unduly costly per acre, or provides only limited incentive to the owner to apply his resources to forest management. Many such owners are more interested in other benefits and values of their forest than growing wood for harvest.

A variety of public programs have been developed for these small private forests. Though they have aided some owners in practicing better forestry, it is clear that the overall performance of the "other private" forests is comparatively low. The possibility of a more effective type of program that involves aggregating small ownerships into larger operating units is explored in the Panel's report. Such a program would offer the economies inherent in large-scale operations while preserving for the forest owner most of the advantages of individual ownership.

Major hazards to investment in timber growing are ad valorem and other taxes. Forestry investment, because it must be made decades in advance of yield, is highly vulnerable to rapid increase in ad valorem taxes that may take as much as 40–60 percent of the gross revenue. This is especially likely to occur where land developments inflate values before the timber crop is ready for harvest.

The Panel believes that according capital gains tax treatment to timber crops has greatly stimulated investment in forestry by both industries and individuals. It further believes that without this tax provision the timber supply problem would be much more severe than now forecast.

Increasing the efficiency of wood use

The Panel is aware that loss in potential timber supply occurs through present methods of harvesting, processing, and use. Economic factors all along the line have acted to delay fuller use of the wood that is grown. Where forests are accessible by roads, dead and dying timber can be salvaged; if pulpmills are nearby, defective logs, tops, and limbwood that otherwise would be left on the logging site can be converted to chips for papermaking. Average sawmills convert but 40 percent of the log into usable lumber, yet the more efficient mills convert up to 60 percent. Lack of an assured future timber supply is often advanced as a reason for not investing in modern machinery to attain such high yields. Competent experts have found that improved management alone can often meet the same standard. Construction designs and techniques are known that make possible savings up to 25 percent in the total timber required for house construction, but their use requires new labor skills, updated building codes, close inspection, quality control, and improved management of construction operations on the building site.

Steps are being taken by a number of firms to realize such savings in wood use. As lumber prices increase many others will be induced to do so. Government can hasten the process by granting small business loans, investment credit, and depreciation allowances for equipment, and taking such other measures as will encourage adoption of efficiencies in processing, distribution, and use.

Timber imports and exports

The United States has always imported some wood products, and in recent years has become an increasingly important exporter of wood products as well. Trade in wood products is relatively free; import tariffs are low, and exports are uncontrolled except for logs originating from Federal lands. Wood is heavy in relation to its value, and transportation costs, except by water, often prohibit long-distance movement of logs and lumber. Yet, the United States has a substantial comparative advantage as a producer of softwood; its logs (and to a lesser extent, its lumber) are being avidly sought by the Japanese who are large net importers of wood. Japan's pressing housing needs are leading to a sharply increased demand for logs and lumber. Most wood exports to Japan originate in the States of Washington and Alaska.

The United States imports lumber from Canada equivalent to more than twice the volume of our log and lumber exports. The Nation also imports newsprint from Canada and is likely to continue to do so; paper is exported to Western Europe and to Japan. Our imports of pulpwood, paper, and related products were 10 percent of our 1971 consumption. Our exports of similar materials were nearly half of our imports. Exports may be expected to increase in the near future.

Numerous proposals have been made to reduce, eliminate, or otherwise control log exports, particularly to Japan. Conservation and preservation groups opposed to increased timber harvest, timber processors interested in log supply for their mills, and consumers of lumber and plywood have all supported such restrictions. The Panel is concerned about the upsurge in log buying by the Japanese in late 1972 and early 1973 and urges the executive branch to negotiate a reduction to past levels.

There are substantial advantages, however, in retaining relatively free trade in forest products for the long term. Such trade brings in needed foreign exchange, provides more market stability for certain species and affords increased incentive for timber growing through increased prices for logs resulting from increased competition.

Environmental concerns

Many citizens, conscious of the demands modern society places on our environment, criticize operations and management objectives on the national forests. They have found much that upsets them—erosion from logging roads, streams clogged with logging debris, spawning beds silted over, huge quantities of slash and defective material left on logging sites, and large areas clearcut thus offending their esthetic sensibilities. Some question if long-term forest management can be practiced without soil depletion.

The Panel has made a thorough inquiry into these and related matters. A careful review of scientific findings together with on site inspection revealed that most of such damage caused by logging can be avoided or minimized. Many of the fears that have been expressed are unfounded, misleading, or exaggerated, often due to extrapolation from an isolated case to forest lands in general. For example, Norway spruce, when grown in pure dense stands in Saxony, did produce an acid soil condition that reduced growth. This was corrected by mixed planting with alder, or more quickly by application of lime. A meticulous study of published evidence of soil depletion from forest management reveals no case in the United States, or in Europe where records extend over a period of 300 years, in which the removal of timber crops, as opposed to annual litter removal, has led to soil impoverishment. The average annual removal of plant nutrients due to harvested timber is in the order of 1 to 3 pounds per acre for phosphorus, up to 10 pounds for nitrogen and potassium, and somewhat higher for calcium. Such amounts are readily restored by decomposition of soil minerals, nitrogen fixation and additions from rainwater and dust. The accelerated nutrient release caused by direct sunlight following clearcutting is generally small in total amount and subsides quickly as new vegetation springs up. Erosion and plant nutrient losses from well-managed forests are therefore inconsequential compared with those that occur on comparably well-managed, and long cultivated agricultural lands.

Properly executed logging operations do not destroy wildlife habitat, though they may temporarily alter it. For ground-dwelling species such as deer and other large herbivores, timber cutting stimulates the growth of nutritious herbs, shrubs, and tree seedlings at levels reachable by ground feeding animals. Clearcutting does destroy feeding and nesting habitat of some insectivorous birds and may cause them to vacate cutover areas. Meanwhile, seed eaters move in to occupy the site. Within 3 to 5 years in the case of hardwood clearcuts, the tree canopy is restored and insect feeders return. The net effect of forest management, therefore, is to increase diversity in age-classes of timber which in turn favors diversity in species of birds and other wildlife.

Weather hazards during the construction processes preclude the possibility of assurance there will be no soil erosion from road-building, but constant care and vigilance can keep undesirable soil movement to tolerable and correctable proportions. Means of reducing and eliminating such damage are known and need to be applied. Revision of the contractual relationship so that the logger is performing contractual services to the Government and can be denied payment for substandard work will help. Most logging damage on national forests has occurred because of a lack of sufficient competent manpower to effectively plan, coordinate, and supervise field operations.

Large amounts of defective timber and logging slash are inevitably left when old growth timber is cut. In fact much debris is already on the ground in old growth timber but remains unnoticed until revealed by harvesting. Fortunately, as mentioned above, it is becoming feasible to remove much of this material for pulp chips whenever mills are nearby or the chips can be loaded on ships for export, primarily to Japan. Unsightliness for a brief period until the new stand reaches 6 to 10 feet in height can scarcely be avoided following harvest of old growth timber.

The Panel finds that the Nation faces neither scarcity of forest land, nor standing timber; neither scarcity of forest wildlife, nor recreational opportunities, nor existing and potential wilderness areas. It finds further that timber harvesting, where properly planned and supervised, does not cause floods, significant soil erosion nor impoverishment of wildlife habitat. However, the potential for modern logging machinery, when improperly used, to cause significant damage should not be dismissed, nor should the need for careful supervision of logging operations be disregarded.

Forest policy board

There is no single agency or group whose sole or primary concern is national forest policy, and none that brings total forest policy issues to a focus, or, better, avoids or resolves crisis problems. Forest policy in the United States is made by a multiplicity of Federal agencies, private groups and individuals. The very existence of this Panel is evidence that a different approach is needed at the Federal level. A Presidential forest policy advisory board or council, reporting to the President or other appropriate offices in the White House and with members appointed by the President and serving at his pleasure, will provide a satisfactory device for achieving a desirable focus of forest policy. Decisions on forest policy would still have to be made by the President and the Congress, and ultimately by the whole electorate, but issues could be more sharply defined, extraneous matters more quickly disposed of, and alternatives for the future more clearly drawn, by such a board than in any other way.

Conclusion

The forests of the United States present opportunities for better service to the American people. To be sure, there are many problems in the best management of forests of different ownerships and of diverse physical characteristics; but problems are also opportunities.

The Panel's considered judgment is that growth on all forests of the Nation, considered as a whole, might well be doubled by 2020 by a reasonable increase in management input.

Forests are not merely growing in the physical sense; they are growing in importance, in economic output, and in social possibilities as well. The challenge to the Nation and to those directly involved in forest management is to optimize forest multiple-use potential.

The full report provides considerable detail as to how this can be accomplished. The major recommendations address the balanced goals of increasing the productivity of forests for commodity and noncommodity uses in ways which protect and enhance the quality of the forest environment and of American life.

DEFENSE OF THE VICE PRESIDENT OF THE UNITED STATES, SPIRO T. AGNEW

Mr. THURMOND. Mr. President, in recent weeks, the Vice President of the United States has been the subject of a number of very serious charges, apparently arising from an investigation being conducted by the U.S. attorney for the District of Maryland. Because of my long-term friendship with the Vice President and because of my position as a U.S. Senator, I feel it is my obligation to speak out on this subject.

In the first place I want to emphasize that throughout my friendship with SPIRO AGNEW, I have known him to be a man of great honor and of great courage. As Vice President, he has served our country with distinction, dignity, and dedication, and has won the respect and admiration of a vast majority of the American people. I find it most unfair that he should now be subjected to character assassination and conviction on the basis of rumors, heresay, and speculation.

Mr. President, in our system of criminal justice, trials are open to the public. Investigations and grand jury proceedings are supposed to be secret, and usually are secret, for very obvious reasons. I find most distasteful the constant barrage of accusations attributed to "a highly reliable source," or in many cases, to simply, "a source." Publication of such accusations can never further the process of criminal justice; it can only polarize the issues and severely damage the right of an individual to a fair trial.

Mr. President, in an attempt to clear himself of these allegations, and at the same time maintain the principle of separation of powers, the Vice President has requested the House of Representatives to begin an official investigation of the allegations against him.

As I read article 1, section 3, of the Constitution, it clearly holds that impeachment and conviction must come before the institution of any criminal proceedings. The only alternative reading would be that the President or Vice President could be indicted, tried, convicted, and sentenced, and still maintain his office. This alternative construction is patently absurd. Given that impeachment and conviction must come before any criminal proceedings, article 1, section 2, of the Constitution mandates that the House must hear the matter first.

The course of action chosen by Vice President Agnew is precisely the same course of action adopted, over 100 years ago, by another Vice President, the distinguished statesman and South Carolinian, John C. Calhoun. Vice President Calhoun chose this course when he was accused of war profiteering. He was, incidentally, completely vindicated and cleared in the House investigation.

Vice President Agnew is clearly following his oath to protect and defend the Constitution in asking the House to investigate the matter.

In closing, Mr. President, I want to emphasize that the Vice President has not had the opportunity to formally respond to the charges against him in the appropriate forum. Until he has had such opportunity, I urge all Americans to remember that the Vice President, like every other citizen, is entitled to the basic presumption of innocence.

MIDEAST OIL

Mr. FANNIN. Mr. President, I call to the attention of my colleagues an article in last Sunday's New York Times Magazine entitled "Can the Arabs Really Blackmail Us?" by Robert E. Hunter. The article is, indeed, thought provoking and commendably evenhanded. Its only fault, if it has one, is that it is rather optimistic about a lack of vulnerability on the part of the United States regarding political blackmail by Arab countries involving the use of their oil. I have every reason to believe that the Arabs will, indeed, attempt to escalate their demands with respect to a change of attitude on the part of the United States toward Israel. Mr. Hunter recognizes and carefully details the economic forces which are operating in the Middle East and which would encourage the Arab countries to establish production controls. He points out that such production controls would be established at a level lower than world demand.

Apparently, when the editor of the New York Times Magazine decided to do an article on Middle Eastern oil he has solicited comments on the issue from other than Mr. Hunter alone. It appears that Mr. David Hirst was contacted by the New York Magazine and asked to submit an article. Apparently his article was rejected. However, his article was printed in the Middle East Economic Survey. It presents a view which suggests a far greater likelihood than Mr. Hunter would foresee of increasing political uses of Middle Eastern oil. I think that it is important that both of these views be made available to my colleagues.

To repeat, I believe that we will be seeing more political as well as economic uses of oil by Arab countries.

What then can we do about it? Our options are clear.

First. We can become overwhelmingly dependent upon imported oil and be willing to pay whatever economic or political tribute is demanded.

Second. We can become overwhelmingly dependent upon imported oil and be willing to fight for it.

Third. We can forego this source of oil and, failing to develop our own resources, suffer the consequences of a declining standard of living and second-rate status as a world power.

Fourth. We can go to work developing our own energy resources, free to trade with other oil-producing nations only on a no-strings-attached basis.

It seems clear to me that the last alternative I mentioned is the only one which can possibly be acceptable.

Early in our history as a Nation we adopted the motto of "Millions for defense but not 1 cent for tribute." There has been a great deal of inflation since 1797.

Unless we are willing to spend billions and move forward in our domestic resources development, we will have no choice but to pay tribute—tribute which will be much more costly, in more than an economic sense alone—than anything we have ever imagined.

This country has been faced with adversity in the past and on every occasion Yankee perseverance and Yankee ingenuity has saved the day. I know it can happen again, but we must understand that the hour is late.

Mr. President, I ask unanimous consent that Mr. Hunter's article and Mr. Hirst's article be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New York Times Magazine, Sept. 23, 1973]

CAN THE ARABS REALLY BLACKMAIL US?

(By Robert E. Hunter)

"We do not wish to place any restrictions on our oil exports to the United States but, as I mentioned, America's complete support of Zionism against the Arabs makes it extremely difficult for us to continue to supply the United States' petroleum needs and to even maintain our friendly relations."—King Faisal of Saudi Arabia, interview on N.B.C. Television.

"There must be understanding on our part of the aspirations of the Arab people and more positive support of their efforts toward peace in the Middle East."—Standard Oil Company of California, in a letter to shareholders.

"There is increasingly concern in our country over the energy question, and I think it is foolhardy to believe that this is not a factor in the [Middle East] situation."—Joseph Sisco, Assistant Secretary of State, interview on Israel General Television.

"No Jewish blood for Arab oil."—Sign carried by demonstrator outside Standard Oil Company of California.

A new equation is emerging in popular American thinking about the Middle East. First, the United States is beginning to import great quantities of Arab oil; second, the Arabs remain hostile to Israel; and third, they are willing and able to use oil as a political and economic weapon against us to put pressure on Jerusalem. Therefore, the United States will soon have to choose between having an adequate oil supply and continuing its support for Israel.

This is a tempting view, with apparently enough evidence to support it, as the quotations above indicate. Then what should we do? Abandon Israel to its fate (by cutting off arms supplies and monetary aid of all kinds)? Or cut back on oil imports from the Middle East (through a stringent limit on U.S. consumption)? The choice seems unreal, and indeed it is, despite growing anxieties in the United States, a rash of statements in the Arab world and the flamboyance of Libya's Col. Muammar el-Qaddafi. There is no clear answer to the question of how likely it is that one or more major Arab oil states will use our oil dependence as a weapon to try changing U.S. policies toward Israel. We must look at the problem in detail. If we do so, instead of panicking, we will find that many of our fears are unjustified, and that our own policies can vastly reduce the difficulties of relying on the Arabs for oil.

On the face of it, the facts behind the fears are stark enough. Because someone (either the oil companies, the Government, or both) failed to anticipate our oil needs for the later part of this decade, we were unaware until recently that we now must increase our imports of oil by leaps and bounds—unless we cut back drastically on oil consumption, which neither the Nixon Administration, the Congress nor the American people are willing to do. Unfortunately, oil production in the 48 states peaked out about three years ago and Alaskan oil—what there is of it—won't be available for some time.

Of course we do have lots of coal, but we face high pollution costs in digging and burning it, and don't yet have the technologies needed to convert it cheaply into a liquid gasoline substitute for automobiles. We also have large reserves of oil trapped in shale. But it will take many years and billions of dollars (as well as strip-mining) to tap this resource. Nor will the miracles of nuclear and solar power become very important for decades or more, and, even then, they won't help to power the family automobiles. So we must face it: either we import more oil, or we stop growing economically and accept serious damage to the environment. It is simply too late to come anywhere near the goal set a few weeks ago by the President's energy czar, John Love, who called for relative self-sufficiency in energy three to five years from now.

The magnitude of the "crisis" is becoming plain: By 1980—only seven years from now—the United States will have to import more than half of all the oil it consumes, compared to one-third today, and only one-quarter five years ago. That is a staggering amount of oil imports—10 to 12 million barrels a day. Where will it come from? Our first choice—Venezuela—can hardly begin to meet our oil deficit, especially since that Latin nation is now worried about conservation of resources and about the distorting impact too much oil income has already had on its economy.

Nor does Canada offer an answer, despite potentially huge reserves in the Athabasca Tar Sands of Alberta. For quite respectable reasons Ottawa has clamped export controls on both oil and natural gas; and even if it wished, it couldn't slake U.S. thirst for oil. Indonesia? Nigeria? Brunei? These are all possible sources—and production is increasing rapidly in all three—but they also have too little oil to meet more than a small part of U.S. needs.

What about the Soviet Union? The recent flurry of American interest in Soviet natural gas has obscured the true magnitude of our prospects there: Hardly more than 1 per cent of total U.S. energy demand could come from this source. Also, by about 1980 the Soviet Union should itself become a net importer of energy. (It already imports some Middle East oil and natural gas, and exports its own energy to Western Europe for hard currency.) Thus, even if the Russians do prove to be more politically reliable than some other energy exporters—and a conservative force in world energy markets—we will still have to come to terms with the politics of the one major source remaining: the troubled and difficult Middle East.

There, at least one oil-producing country is almost guaranteed to remain friendly to the United States. That is Iran, which has a fathomless need for oil money to finance its economic development and military modernization. More important, Iran is not an Arab country; it has consistently stood aloof from the Arab-Israeli conflicts; and it is quite willing to make a profit at the expense of its Arab oil-producing neighbors (in 1967, during the brief Arab oil embargo against Britain and the United States, Iran made a killing in the European market). Unfortunately for us, however, Iran's production will definitely not be enough to meet U.S. needs in 1980, even if, during a crisis, all of it were diverted from European and Japanese customers to the United States—which in fact couldn't be done.

Only the Arab states are left, especially those in the Persian Gulf, which are sitting on more than half the world's known oil resources. As long as we import large quantities of oil—which means decades—we will have to draw on this pool of reserves, totaling (in the absence of massive restrictions on demand) perhaps one-fourth of all U.S. consumption by 1980. Saudi Arabia alone would have to sell us several million barrels a day, making it our largest single foreign source of oil.

But will they sell us the oil? Some populous, economically restless Arab states, like Algeria and Iraq, have needs for developing capital that will exert tremendous pressure to sell oil and natural gas in large quantities. By contrast, other producers—including Saudi Arabia, Kuwait, Libya and Abu Dhabi—have so much oil and so few people that they could never spend on themselves all the money they would earn if they met future U.S., European and Japanese requirements. Western demand in 1980 for Saudi Arabia's oil (20 million barrels a day, or more than twice its present production) could bring in a yearly income of more than $20-billion at today's prices—or $3,000 per person. Tiny Abu Dhabi could earn $100,000 a year per person by then. For these states, limiting increases in oil production from today's levels would appear to be quite feasible. It is small wonder, then, that so many Americans now hang on every word uttered by Saudi Arabia's King Faisal and his ministers.

In the past, fears were most often expressed about a possible Arab embargo on oil supplies to the United States during a Middle East war, like the embargoes that accompanied the Arab-Israeli wars of 1956 and 1967. In fact, if the Arabs imposed an embargo and stuck to it anytime in the next few years, we would be in serious trouble. Shortly, there will not be enough reserve capacity in the rest of the world to make up the difference, and there won't be enough surplus stocks in Europe and Japan to permit them to meet our needs during a selective embargo directed solely against us. James Akins, the State Department's former energy chief, who was recently appointed Ambassador to Saudi Arabia, has even argued that Saudi Arabia alone could cause us serious damage later in the decade by shutting off the oil tap.

But would an embargo work? There are a few good reasons why it might not. For one thing, there is the persistent myth (fostered in part by Arab talk of "brotherhood") that all Arabs are alike. They are—about the way all Europeans in the Common Market are alike. When Israel is not at issue, Saudis are contemptuous of everyone else, Syrians are outcasts, Iraqis are at odds with all their neighbors, and, in general, there is a wide variety of different opinions on any subject. Nor is there much love lost between Arab capitals when money is at stake, and that means oil. Even if there were a full-blown jihad (holy war) against Israel, every oil producer would be watching every other one to see which was trying to carve out a larger place in longterm markets by violating a proclaimed embargo. Perhaps the situation has changed with the onset of a sellers' market in oil; but this is not certain, especially since the oil companies will retain control over transport, refining and marketing even after their properties in the Arab world are taken over.

For another thing, an oil embargo against the United States today—and presumably tomorrow—would entail real risks for the oil states in return. At the moment, we may rule out future military action, and should do so, for fear of prompting the Arabs to turn off the oil tap in anger. However, possible use of American military power—or some subtle act of *force majeure*—is an implicit factor in the situation. One leading Arab economist, Dr. Youssef Sayegh, has been warning the producers about a possible Western military venture if the screws are turned too tight. And the Arab oil states were bluntly reminded of American might at President Nixon's press conference of Sept. 6 when he recalled the fate of Iran's Prime Minister, Mossadegh, who was deposed by the C.I.A. in 1953 after nationalizing Western oil properties. Of course, a naked use of American power is still most unlikely because of continuing Soviet-American rivalry in the area, which would raise any military intervention to the level of a superpower crisis. On the other hand, if Arab calculations about U.S. intentions lead them to be more cautious about using oil as a weapon, we may benefit from an unintended form of deterrence.

In any event, the United States is simply not a "pitiful, helpless giant" in the Middle East, in energy markets or in the international economy generally—nor is it likely to become one—however much we may dramatize the "energy crisis" today. Indeed, much commentary on oil has the same naive quality of early writings on nuclear weapons and the Soviet threat during the nineteen-forties: Faced with a new challenge, we in the United States tend to play down our strengths. We are also taught the wrong lessons by some oil-company advertising which stimulates fears of dependence on foreign imports. Many of the companies, however, stand to benefit if the scare over Israel's future leads to restrictions on imports. In fact, they can't lose: Either import more Arab oil through them, or at home give them new tax and price incentive for exploration, and reduce pollution controls.

We should take a leaf from Europe's and Japan's book; in those countries, overwhelming dependence on oil imports has long been a way of life rather than a source of fear. Oil imports, after all, may be vital to us during the next two decades or more, but they are only one aspect of the most powerful economy in the world. Major disruptions to the flow of oil are at most unlikely to occur. In an all-out economic conflict with us, the oil-producing states would not escape without serious wounds. Furthermore, Arab oil ministers, like their brethren elsewhere, are conservative by nature. They would have to think about long-term markets, the long-term stability of the international oil industry, and the risk that even the *threat* of pressure on us would merely accelerate the U.S. effort to find substitutes for Middle East oil, as is already beginning to happen.

Also, there is a long history of failure in the effort to use economic weapons to affect major political interests, from sanctions against Italy over Ethiopia to sanctions against Ian Smith in Rhodesia over his racial policies. When important political interests are threatened—and Israel's security certainly represents that to us—nations are wont to paraphrase the Duke of Wellington: "Do it and be damned." For us to do otherwise would be an event unique in our history, a fact that is not lost on Arab leaders, who must calculate how far they can go in putting pressure on us. We should not be so faint-hearted in estimating our long-standing and reflexive resistance to blackmail in any form.

Therefore, before sustaining an embargo, any leader of an oil-producing state will think very carefully about doing any real damage to the United States, even if a temporary embargo were imposed in the heat of the moment. Indeed, the last one—in 1967—didn't hurt the United States at all (as opposed to Britain and the U.S. oil companies), and even then, the three largest producer states prevailed upon the other Arab states for permission to call off the stoppage within three months. Thus it is one thing for oil producers in the Middle East and elsewhere to cooperate within the Organization of Petroleum Exporting States (OPEC) to push up prices and to take over control of operating companies; it is quite another thing for any of them to contemplate doing us real harm.

Nor, it must be observed, is Israel as dependent on the United States for its ultimate security as its spokesmen sometimes assert for foreign consumption, and as is widely believed here. By all accounts, Israel is the dominant military power in the Middle East, and is likely to remain so even if the United States were not quite so generous in its supply of arms and economic assistance. No Arab can have any illusions about Israel's ability and will to defend itself, even with less U.S. support. (The United States itself has never had much success in putting diplomatic pressure on Israel.) Indeed, Israeli resolve is likely to be redoubled by a heightened sense of isolation and of having its back to the wall. By the same token, the Arab states must be careful not to push Israel to far with oil pressure that would lead to a major change in our Middle East policies. Israel's military prowess is well-known and respected in the Arab world; and any serious analyst must base his estimates on Israel's being close to having nuclear weapons, if it does not have them already.

Furthermore, given the state of Soviet and American involvement in the region, it is not possible for there to be a renewal of major fighting in the Arab-Israel conflict without its being raised to an international crisis of serious proportions. All this is known by sober heads in the Arab world, who generally manage to discipline their more militant followers. (We should not underestimate Arab rhetoric directed against Israel but it is often most intense in those Arab states least likely to be clobbered by Israel.)

This is not to suggest that the United States should think about "abandoning" Israel to look after itself; rather that the room for success in Arab policy directed against Israel is much more limited than is often thought; and that estimates of the value of oil as a weapon designed to threaten Israel's actual security must be reduced accordingly.

Yet, even though we must not exaggerate the possibilities of a damaging oil embargo against the United States—because of its support for Israel—a more stealthy form of pressure is possible, especially by those states which have more than enough oil money for domestic use. Libya is most in the news today. However, its production controls and nationalization of foreign oil companies have little direct effect on our oil supplies, since Libya accounts for only 1.5 percent of U.S. consumption. What if King Faisal concludes that it is more important to increase prestige in the Arab world, through trying to use oil indirectly against Israel, than to clip a few more coupons? This possibility is far more worrisome.

Indeed, Faisal is already under considerable pressure, notably from Egypt's President Sadat, to make his position on oil felt in the conflict with Israel. (Sadat, in turn, would welcome the use of the oil weapon as a way of reducing pressures on him from Colonel Qaddafi to reopen fighting with Israel.) Faisal may do so, because of his ambitions to play a much larger role in the Arab world, plus his great reluctance (shared by Sadat) to take part in an effort that could actually lead to war with Israel and another Arab defeat. For him, political pressure on the United States through oil could prove a happy middle ground, as a way of *avoiding* a war, while also buying him some protection against Palestinian and radical pressures on his throne. At the same time, however, he assigns a high value to his relationship with the United States, and the stature that comes from being the world's largest producer of oil. These factors on the side of "responsible" behavior certainly make his position a difficult one.

If Faisal and the other producers do choose to use oil as a weapon, their effort would therefore have to be sufficiently subtle to prevent a major deterioration of relations—or a crisis—with the United States, yet be real and substantial enough to begin pinching the toes of the American consumer. Up to a point this could be done simply through restrictions on the rate at which oil production is increased. It has been rumored, for example, that Faisal has promised Sadat to limit—Saudi production increases to no more than 10 per cent a year, short of the 14 per cent wanted by Western consumers.

It would therefore be foolish to ignore the likelihood of increased pressure on the United States to change its policies toward Israel. Of course, the Arabs would still face major risks similar to those that make an embargo unlikely. Yet, we still need to take a hard look at what we can actually do about the pressure. Short of titanic efforts to reduce oil consumption, the remedy must lie in the realms of politics and economics.

Politically, we can begin by recognizing the pluralistic nature of Arab society. Despite overwhelming concern with Israel in the Arab states during an actual crisis, our relations with many of them can still be based in part on factors that transcend the Arab-Israeli conflict. This includes concern for their economic development and for their legitimate place in deliberations on the international economy. Many Arabs are also less concerned with our support of Israel as such, than with the terms in which it is expressed. It is sometimes suggested here, for example, that the United States could show more concern for the "legitimate interests of the Palestinian people"—in the words of the Nixon-Brezhnev communique of June 24—and for the suffering of the refugees. (To point out that most Arabs themselves do little or nothing, and that we already do a great deal, misses the point. It is our attitude that is at issue.) Perhaps, therefore, there would be some value in showing more simple human concern for the Palestinians (through more financial aid), as a way of seeking greater favor in the Arab world. Yet it is doubtful that much favor would be forthcoming.

More important, we can make much more obvious to all concerned that we do not support all of Israel's diplomatic objectives, including its current policy, soon to be expanded, of creating new political "facts" through settlements, land purchases and Israeli-owned investments in occupied areas. Supporting these policies is not in our interest in any event. Nor is opposing them (particularly if we are promoting a partial settlement of the conflict) a threat to any vital Israeli interest.

In general, the United States has rarely shown much concern for the security of Arab countries against Israel. Whether valid or not, the idea of Israeli "expansionism" is a potent factor in Arab politics—an idea that the United States could offset somewhat by showing an interest in the protection of Arab states as well as Israel. (Ironically, we do support the security of Jordan, though not against Israel, without any outcry in Jerusalem. Unfortunately, Jordan tends to be a pariah among many Arab states and the Palestinians, so we get little credit from them for our aid to King Hussein.)

The U.S. arms "pipeline" to Israel may not be wide open, but it can be opened whenever Jerusalem deems it necessary. This, indeed, is one of the most important psychological factors working against the United States among many Arabs. It is not so much that we are providing arms for Israel's defense but rather that we fail to limit the flow of arms to those Israel needs for its defense, as opposed to a "blank check"—in Arab eyes—that lets Israel demonstrate its superiority over its neighbors. Israel superiority—and U.S. involvement in maintaining it—were symbolized by the use of Phantom aircraft against the Cairo suburbs in 1970, which greatly heightened the crisis and put increased pressure on the Soviet Union to supply arms to Egypt. Similarly, Phantoms were used to shoot down the Libyan airliner earlier this year, and to force an Arab airliner flying from Beirut to Baghdad to land in Israel.

We have followed an arms policy toward Israel that goes beyond its needs of deterrence and defense, and appears, in Arab eyes, to be a U.S. sanction for threats against the deterrent capabilities of Israel's neighbors. In general, however, it is in our interest to impose limits on the flow of arms to those levels and types that we believe Israel needs, without jeopardizing its ability to defend itself. Israel might have to modify its longstanding policy of reacting to guerrilla and terrorist actions with direct military attacks on its neighbors and other offensive acts, but it can be argued that this tactic has rarely profited Israel very much over the years, and at times has actually made matters worse.

Approaches similar to the ones suggested here have sometimes been called "evenhandedness," a State Department phrase which is condemned by its critics as meaning "sacrifice of Israel's vital interests." Yet a U.S. policy of restraint in supplying arms to Israel does not mean "sacrificing" anything vital to Israel; and if it did, the policy should be reversed. Nor should we fall into the trap of believing that selling major weapons to Arab oil states (as we may do with Saudi Arabia and Kuwait) is necessary to buy "credit" with them "Evenhandedness" should mean arms-restraint all around.

Of course, Israel itself would oppose any significant change in U.S. Middle East policy. Indeed, the Israeli Ambassador to the United States, Simcha Dinitz, has been vigorous in emphasizing Israel's importance as "America's strong democratic ally in the Middle East, which acts as a buffer against Communist infiltration and radical Arab subversion." But few Israelis oppose improved U.S. relations with Arab states as such, and many would welcome them. In general, Israel is far more concerned with any act that might weaken its ability ot defend itself, either militarily or economically. By adopting the policies suggested here, however, we should be able to draw that distinction, and, by so doing, perhaps enhance the prospects of Israel's future.

Finally, it is clear that our possible dilemma over oil and Israel would be far less intense—and might even disappear—if there were some settlement of the conflict itself. There is now a real connection between oil and Israel, because some of the Arab states see it this way, and because the U.S. interest in fuel cannot be separated from its deep involvement in the Arab-Israel conflict. In addition to King Faisal's threat to use oil against U.S. policy toward Israel, there is also the possibility that a festering conflict could lead to guerrilla action against oil facilities.

A permanent settlement of the Arab-Israeli conflict is simply not in the cards, at least not a settlement brought about by this generation of Arabs and Israelis. However, some partial settlement may be possible—one that would also give the United States much less reason to worry about its oil supplies. U.S. support for a settlement is important, especially if we can give it without seeming to be in Israel's camp on all issues. President Nixon took a step in this direction at his Sept. 6 press conference when he said: "We're not pro-Israel and we're not pro-Arab. . . . We are pro-peace."

However much we may act as midwife at the birth of a partial settlement, we cannot father the child. Any partial settlement can be achieved in the Middle East only by Arabs and Israelis themselves—directly or indirectly—and then only if they wish it. If they don't, there is little we can do. There will be no imposed settlement: Israel alone could block it, even if others, like Syria, did not. As a result, there is a danger that we will get so deeply involved in the day-by-day details of searching for a settlement that we will get "caught in the middle" as, indeed, we are at the moment. Furthermore, we continue to foster the illusion in many Arab minds that we could "deliver" Israel any time we wanted to do so. We might be able to induce more flexibility in Israel's position on various issues, but even this is not a good bet. The illusion of U.S. influence in Jerusalem will die hard; in fact, its potency may help to explain recent militancy against U.S. positions in the Middle East—such as the murder of diplomats in Khartoum earlier this year and widespread blame attached to the United States for the Israeli raid on Palestine commando leaders in Beirut.

But the Arabs' illusion will not even begin to die as long as we see ourselves as a principal actor in the search for a partial settlement, rather than as an interested observer nudging all parties from the sidelines. The State Department has been shifting in this direction, but not yet far enough to change Arab views of our role.

Taken together, these political efforts can help to reduce any dilemma we will face with regard to Israel's actual security. There are other steps as well, including standby rationing policies, agreements to share energy during a shortage with the West Europeans and Japanese (however limited in effect this policy would be in a tight energy market), and a faster search for alternative sources of energy, at many times today's level of investment, however long it will take to realize them.

All of these efforts are important. But there is a critical economic dimension, as well. Whereas the political problem can be described as negative—how can we prevent the Arabs from limiting oil production to put pressure on us?—the economic problem is positive. Quite simply, the sparsely populated, richly endowed Arab states need positive incentives to raise production to meet Western demands for energy. This problem, along with the potential disruption of international currency markets by oil-state money for economic reasons, will probably cause us more difficulties than anything that is likely to happen in Arab-Israel relations because of our increasing dependence on oil imports. Indeed, even if the United States totally abandoned Israel, there would be no guarantee that the oil would flow in the quantities we want, unless it were in the oil states' interests. After all, how can they be convinced that pumping oil in the near future, and spending the money, will be more profitable than keeping production down until the price of oil goes up? Kuwait, for example, has already adopted a policy of conservation, and has limited its oil production to three million barrels a day.

Many ideas have been advanced to answer this central question. First, along with other consumers, we can encourage the producer states to spend money as rapidly as possible on their own economic development, and we can sell them the technical assistance and advice that they have the money to pay for, but can't provide for themselves. We can also encourage them to diversify their economics, in order to cease being totally dependent on one resource. Iran and Algeria have both set the example, by deciding to deplete their oil and natural gas reserves as fast as they can spend the money on building modern economies.

Second, American businessmen can join in this process by recognizing how big the markets in the Middle East will be—far beyond, for example, the $190-million worth of goods we sold to Saudi Arabia last year. Saudi Arabia is now planning to build two new airports, a steel mill and petrochemical works, totaling more than $1-billion, and much more will certainly follow. Within the last few months, hordes of businessmen have descended on the area from the United States, Europe and Japan. Many more are needed.

Third, we can encourage the oil-producing states to invest money in other Arab countries and elsewhere in the developing world. Kuwait and Abu Dhabi, for example, already have development banks; Robert McNamara of the World Bank has been seeking oil-state financing. King Faisal (mindful of the political value of investment) has shown interest in increasing his role in states like-Egypt through investment of one sort or another, and the OPEC states are considering a development bank of their own, so far without much backing from the Middle East producer states. Oil-state money for development outside the region would be particularly welcomed. India, for example, faces a $1-billion rise in its oil import bill by 1980 because of price rises negotiated by OPEC.

Finally, we can help the producer states find lucrative investment opportunities for their spare cash in the rich countries. In the long run, this last idea may be the most promising. Several oil states have already expressed interest in investing in the "downstream" transport, refining and marketing of oil; Iran, for example, has just gained a 50 per cent share of Ashland Oil Company's refining and marketing operations in New York State, in exchange for guaranteed supplies of Iranian oil. And opportunities outside the oil industry itself should prove limitless.

Such long-term investments by the Arabs at home and abroad would reduce the currency speculations that contribute to instability on world money markets. There is also an added benefit for us. Every dollar of oil money invested in the outside world tends to make finance ministers in the oil states even more conservative. We may indeed see the day when the United States could threaten to nationalize investments made by oil-producing states in this country! Certainly economic dependence won't be all on one side. Even the progressive take-over of the holdings of Western oil firms by the producer states should promote the flow of oil, by giving them a greater direct stake in the stability of the worldwide industry.

Beyond these four steps, we need to recognize right now that several oil-producing states are becoming vitally important to the world economy. It is simply nonsense for a small club of rich countries to continue trying to make all of the world's major economic decisions on, say, trade and international monetary reform. With so much oil money in the world, this won't work any more; and besides, drawing the oil producers into the august councils of economic decisionmaking will help make them even more responsible for international economic order than they are today. With a piece of the action, the oil states are more likely to let go of their precious resource. (Sheiks, too, like to attend international conferences and be treated with the awe and deference reserved for the world's money managers.)

Some of today's Arab noises about oil and Israel may partly reflect our refusal to accord the oil states the recognition they merit in international commerce and finance. Having failed to get our attention by proposing special arrangements with us in oil, Saudi Arabia is now wielding a verbal club that we are sure to feel.

Of course, none of the changes in U.S. policy that I have proposed are panaceas; none are guaranteed success. Yet if we look at the problem of oil imports, without panic, as one that cannot be solved by chanting old slogans; if we analyze the problem of Middle East politics with an intensity and freedom from cant (on both sides) that we have never had before, and if we try the series of political and economic efforts that have been outlined here—we will certainly be better off than before. We will also be better able to cope with the shock of our new dependence on others for a precious commodity, and become more sanguine—like the Europeans and Japanese—about having to be more involved in the life of the outside world than ever before.

Oil is only the first of a series of commodities, among them aluminum and zinc, that we will have to import from abroad in increasing quantities. It would be ironic if we regained self-sufficiency in energy through Herculean efforts, only to find ourselves politically unprepared for increasing dependence on other countries in a host of areas. The world will not leave us alone. Far better to come to terms with it than to try unsuccessfully to run away.

[From the Middle East Economic Survey, September 1973]

ISRAEL-AMERICAN WASTING ASSET

(By David Hirst)

(The following article by David Hirst, Middle East Correspondent of the *Guardian* newspaper of London, was originally commissioned by the *New York Times Magazine* but in the event, for reasons best known to that journal, was not published. A summary of the article, however, appeared in the *Guardian* on 6 September. Here, with the permission of the author, we are printing the full version which, in our opinion, provides a first-rate analysis of the political background to the use of the Arab oil weapon.)

"It is useless to talk about the use of oil as an instrument of pressure against the United States—it is dangerous even to think of that." It is only a year since King Faisal of Saudi Arabia, in an interview with the Egyptian magazine *al-Musawwar,* turned this deaf ear to Arab pleas for the use of the "oil weapon." The "oil weapon" is the one which the Arabs are apt to invoke when they are getting nowhere with real weapons. Its most ardent advocate is Egypt, where President Sadat, unable to dislodge Israel from Sinai in a shooting war, is desperately seeking Arab help in waging an economic one. The theory of it is simple. Israel is a protégé of the United States; it could not stay in occupied Arab territory without American encouragement and support; threaten America's interests in the Arab world and it will quickly forsake its protégé, which will withdraw from the occupied territories

It is only a year, but it is already ancient history. Since then the "energy crisis" has burst upon an almost unsuspecting world. Suddenly, the industrialized Western nations have realized that oil, lifeblood of the affluent society, is not inexhaustible; they have developed such an appetite for it that not only will it start drying up sooner than anyone expected, but, as of now, they will barely find enough of it for immediate needs—enough, that is, to preserve the economic growth rates, the ever-rising living standards and the constant flow of new comforts and conveniences to which (for better or for worse) they have grown accustomed. By the end of this year "free world" demand, rising so much faster than the experts foresaw, will reach 50 million barrels a day; output may just top 51 million b/d—if all goes well. By 1980, according to a State Department estimate, demand may reach 85 million b/d—Europe 28 million, America 24 million, Japan 14 million and the rest 19 million. In the next ten years almost as much oil will be consumed as in the previous hundred. The United States, with 6 percent of the world's population using 33 percent of its energy, has been the first to feel the pinch. For the Americans, it seems, the "energy crisis" is an emotional shock; to deprive a man of his petrol is like depriving him of his constitutional rights. "This time"—says James Akins, former Director of the Office of Fuels and Energy in the State Department and now ambassador designate to Saudi Arabia—"the wolf really is at the door."

It is also ancient history because, since then, King Faisal has changed his mind: he is now definitely envisaging the use of the oil weapon. The most alarming aspect of the "energy crisis" is the power it gives to the Arabs; it has put in their hands a sword of Damocles to raise above the head of the Western world. It is in the great oil producing regions of the Middle East and North Africa that some 350 billion barrels, or 60 percent, of proven "free-world" reserves are located, from there that the great bulk of the anticipated increase in demand will have to be met. About one-seventh of the 350 billion barrels belongs to non-Arab, pro-Western Iran; the rest is Arab. Since the actual reserves of at least two Arab countries, Saudi Arabia and Iraq, could well be at least twice the proven ones the Arab share is really very much higher.

Inevitably, the "energy crisis" has brought a fundamental shift in the balance of power from the consumer to the producer. Those experts who, in the nineteen sixties, predicted a steady or even a precipitous fall in the price of Middle East crude oils are being proved startingly wrong. The price is going up by leaps and bounds.

Europe and Japan can view this situation with more equanimity than the United States. Their long-standing dependence on Middle East and North African oil—now some 80 percent for Europe and 86 percent for Japan—cannot significantly increase. Until very recently, the United States enjoyed a happy self-sufficiency of oil supplies. It has suddenly learned that by 1980 it may be importing as much as 15 million barrels a day, of which 11 million will come from North Africa and the Middle East. That is bad enough. Worse, however, is that the United States is not only becoming dependent, in a seller's market, on foreign countries for a good half of its supplies, it is becoming dependent on countries which are inherently unstable and increasingly hostile to it. It is an unnerving situation for a superpower, a vulnerable spot, if not a real Achilles heel, in America's relations with the Soviet Union, which, whatever its other weaknesses, will for the foreseeable future be getting all that it needs of this most vital commodity from safely within its own capricious frontiers.

There is really only one reason for Arab hostility: Israel. Of course, there is no doubt that, without Israel, the Arab producers would be exploiting the "energy crisis" to drive as hard a bargain as possible. From

Wall Street to the bazaars of Cairo or Baghdad that is no more than the legitimate pursuit of the business ethic. For the crisis has a strictly economic dimension; that is why Iran, at odds with the Arabs on so much else, joins and occasionally even leads, them on the oil front. Without Israel, on the other hand, and fantastically wealthy as they are going to be, the Arabs would have little motive for doing any more than drive a hard bargain. The only reason why they might do so is that the crisis also has a political dimension. Economic realities have put the sword of Damocles in the Arabs' hands; Israel, and Israel alone, gives them the incentive to use it.

It all adds up to a rich historical irony. There are many arguments which the Zionists have used to enlist international support for their cause. One, a constant leitmotif since the earliest days of Jewish settlement in Palestine, has been the strategic one. When, during the first World War, they sought the patronage of Great Britain, still in her imperial heyday, the strategic argument took the form one would expect: a friendly Jewish community in Palestine would help secure British control of the Suez Canal, the lifeline to India and possessions in the East. It was an argument that contributed substantially to the issue of the Balfour Declaration and the sponsorship, through the British Mandate, of the Jewish national home in Palestine. Now, with the United States having taken Britain's place as Israel's patron, the strategic argument maintains that the Jewish state in Palestine, militarily powerful beyond even Lord Balfour's wildest imagining, forms an integral part of the Western defensive system. The astonishing Israeli feat of arms in the Six-Day War, which Secretary of State Dean Rusk described as "quite a victory for the West," lent new strength to the argument. The Israelis became increasingly inclined, not merely to appeal to America's conscience, but to state plainly what they thought America should do for its own good. Thus, in 1968, Teddy Kollek, the mayor of Jerusalem, told American televiewers that the US supported Israel "only because it is in your self-interest and not because you are doing us any favors." With the growth of Soviet influence in the Middle East, Israel was made out to be manning the frontiers of the free world in the struggle against communism. Soviet influence has recently waned somewhat. Naturally, according to the strategic argument, American-Israeli firmness did it. But now, with Arab oil assuming such immense importance, it is clear that, if the strategic argument has any validity at all, this "bastion-Israel" should achieve a veritable apotheosis, and perform for the Western world the supreme service of keeping the oil flowing. Apparently such ideas are in the air. Senator Fulbright was referring to them when he expressed his fears that, as a result of the "energy crisis," the United States might take over the oilfields via its "militarily potent surrogates," Israel and Iran.

Unfortunately, the strategic argument has no real validity, and never did. One suspects that many of Israel's Western supporters who use it do not really believe it; they really support Israel for other reasons—moral, sentimental or electoral—but feel the need to reinforce them, for the benefit of hard-headed foreign policy makers, with suitable appeals to the national self-interest. Of course in certain circumstances, the argument does acquire a spurious plausibility; Israel can perform certain limited functions like helping keep King Hussein on his throne or deterring the Syrians from invading Lebanon. But basically, if there is any threat to Western interests in the Middle East, Israel, and the role the Western powers played in creating and sustaining it, is its root cause.

It was realized from the beginning that sponsorship of Zionism would create a hostile Arab world. In his Declaration Lord Balfour implicitly recognized the danger with the proviso that "nothing shall be done which may prejudice the civil and religious rights of the existing non-Jewish communities in Palestine." Inevitably, those rights were prejudiced. Yet only when strategic factors really came into play, only when, on the eve of the Second World War, Iraqi oilfields had to be kept out of German hands at all costs—only then did Britain act as if it valued the good will of the Arabs more than the Zionists. It issued its famous 1939 White Paper—which, if implemented, would have destroyed all hope of a Jewish state—and from that moment the Zionists became a distinctly unfriendly community in Palestine, a strategic liability, not an asset, to the benefactor without whom most of them would never have made it to Palestine in the first place. A Jewish brigade served with the Allies in the war, but after it, as the Mandate drew to its ignominious close, Haganah, Irgun and Stern were fighting against the British as well as the Arabs.

The Zionists nullified the effect of the White Paper, in the all-important diplomatic field, by switching their main effort to the United States, the emergent super-power. The United States responded handsomely; it watched over the birth of the new state, and has cherished it ever since. But, like a harrassed Britain before it, will it eventually come to see Israel as a strategic liability too? Just at present, it does not look like it. Never has the United States stood so high in Israeli esteem as it does today—and never so low in Arab. Yet it was not always so. There was a time when the Arabs looked to the United States to shield them against the colonial designs of the old European powers. They saw in President Wilson's "Fourteen Points"—self-determination and open covenants openly arrived at—encouragement for their opposition to the Balfour Declaration and the establishment of the Jewish national home. Only the United States seemed to be genuinely interested in determining the real wishes of the inhabitants of the former Ottoman provinces, who even told an American fact-finding team—the King-Crane Commission—that if there had to be a mandate they would prefer it to be an American one. The wheel has turned full circle—or almost. Now the European powers are making a comeback in the Arab world; they know where their strategic, or at least their commercial, interests lie. The U.S. stands alone behind Israel. Yet since King-Crane there has always been a strain in American policy-making that sought to modify the commitment to Israel.

The volumes of "Foreign Relations of the United States" covering the mid-forties are replete with prophetic warnings that if the Administration continued to give support to Zionist political-territorial ambitions, the balance of power would shift dangerously to the detriment of the West. In general, as in Britain during the Mandate, it has been the experts, the administrators and the businessmen—the "Arabists" at the State Department, the diplomats in the field and the oilmen—who have put the case against "bastion-Israel," while the politicians—in the White House and Congress—have put the case for it, or, more correctly, have allowed other considerations, such as Jewish votes, to sway their judgments. The politicians have almost always won. President Nixon, the politician par excellence, was able to tell the electorate last year that he had provided Israel with as much aid as the four previous presidents put together. Since his re-election, he has not only failed to take a more "even-handed" posture, he has, if anything, moved in the opposite direction.

One thing is certain. If, in the coming few years, the United States does not come to see Israel as a strategic liability, it never will. If the "Arabists" do not get the upper hand soon, they never will. For, as a result of the "energy crisis," never have America's vital interests in the Middle East seemed so perilously exposed by its commitment to Israel as they do today—never has "bastion-Israel" looked quite the glaring fallacy that it is.

It will be argued, of course, that, even if Israel is a strategic liability, it does not matter very much because the Arabs are congenitally incapable of carrying out the threats they are forever making. It will be argued—as Israel Foreign Minister Abba Eban recently argued at a fund-raising rally in Miami—that there is no cause for alarm because "the oil-buying countries have alternative places to buy and the Arab states have no alternative but to sell their oil because they have no other resources at all." And it will even be argued, by such renowned oil experts as Mr. Adelman, that "the world 'energy crisis,' or 'energy shortage,' is a fiction," that the American Government, "with light-minded folly," advised the oil companies to buy their way out of trouble at the Teheran showdown of January 1971, thereby exhibiting a fatal weakness which the producers' cartel, like "raw troops . . . welded by success into a real force," has been exploiting ever since.

It is true that at three critical points in their struggle against Israel, in 1948, 1956, and 1967, the Arabs have tried to use their oil as a weapon against the Western powers deemed to be helping Israel and that they failed every time. Yet the fact that the Arabs have failed to use the oil weapon so far does not mean that, under some all-powerful spur, they will not eventually do so. The circumstances are very different today. In 1967, the United States was importing a mere 300,000 barrels a day from the Middle East and North Africa. Moreover, King Faisal, who was then on the worst possible terms with the late President Nasser, simply did not believe the Egyptian leader's face-saving allegation, designed to bring the oil weapon into play, that American and British warplanes had helped the Israelis wipe out the Egyptian airforce on the morning of 5 June. The underlying pressures are much stronger today. Two recent events have illustrated the depth of anti-American feeling in the Arab world. One was the killing of two American diplomats in Khartoum. The other was Israel's raid into the heart of Beirut, the charges of American collusion and incitements to anti-American violence which it generated. Some of the accusations of direct operational involvement levelled by Fatah leader Yasir Arafat were clearly fanciful, and typically undocumented. But this should not obscure what, for more level-headed Arabs, appears to be the underlying reality: it is only because it is confident of complete American political backing, and a continuous supply of American arms, that Israel can get away with all forms of reprisal—conventional land or seaborne invasions, air raids in which hundreds of civilians have died, or "tours de force" of the Beirut variety—in its seemingly inexhaustible repertoire of military virtuousity.

With the growth of anti-American feeling, agitation for the use of the oil weapon, and theorizing about the best way of going about it, has also continued unabated. Every week an Arab leader, press pundit or trade union conference takes up the call. What it all boils down in the end is that it requires only one Arab regime, King Faisal's, to make the oil weapon work. That is why his change of mind, his apparent readiness to use the weapon, is so immensely important. Saudi Arabia stands in a class of its own; its proven reserves of about 150 billion barrels represent more than a quarter of the world total; its actual reserves may be two or three times that much. Not that warning noises from from lesser producers, Libya, Iraq or Kuwait, should be taken too lightly. The supply situation is now so tight that if any one of these stopped producing, the shortfall could only with difficulty be made up from the surplus capacity of the rest. The fiery Colonel Qadhafi is itching to have a go at America. Some time ago he nationalized Bunker Hunt, thereby administering what he called "a good hard slap on America's insolent face." More recently, he took over 51 percent of the interests of all the other—mainly American—operating oil companies in Libya, and since the major international companies are resisting his diktat the result could be the loss of a further 800,000 b/d of precious low-sulfur crude oil to an already pinched world supply pattern.

But Faisal remains the man to watch. He alone can guarantee enough oil to meet the anticipated growth in world demand. Arch-traditionalist and implacable anti-communist, he is also America's best friend in the Arab world. In October last year, his Oil Minister, Ahmad Zaki Yamani, announced in Washington that his country was ready to make a handsome contribution to the easing of America's energy problems. It was ready to raise output from the 6 million barrels it was producing then to an astonishing 20 million barrels a day by 1980. Aramco, giant among Middle East oil concessionaires, is now expanding production and export facilities at a frantic pace—and at a cost of no less than half a billion dollars a year. It has as many as 24 drilling rigs on a single location where it once had four or five; offshore five or six are working where once there was one. Export capacity will rise by two and a half million barrels a day this year—more than the anticipated output of an entire new oil-bearing zone like the North Sea.

America's best friend is also an Arab, a Moslem and his detestation of Israel is second to none. He has emotions and obligations which make the friendship increasingly difficult to sustain. True, he is an absolute monarch; with Western arms and expertise he is building formidable defenses against external aggression and internal subversion; he is the unquestioned leader of the conservative Arab camp; with his money and his zeal for Islam he exerts a pervasive influence that reaches far beyond his own Arabian backyard; he is on excellent terms with Egypt, great power of the Arab world whose friendship has always been highly prized by Saudi rulers; he frequently receives Yasir Arafat, symbol of the Arab struggle, and subsidizes his Palestinian guerrilla movement. But all this is not enough. He, more than any other leader, has it in his power to punish America, the villain standing behind Israel. Not to use that power would be to bring doubt on his Arabism, to undermine all the credit he has earned in other ways; it is to risk internal resolution, to disappoint Sadat, to expose his oilfields to sabotage by Palestinian extremists. In addition, as a devout Moslem, and Guardian of the Holy Places of Mecca and Medinah, he has Jerusalem and the Dome of the Rock written on his heart. They must be restored.

So in April this year—only six months after his offer to raise Saudi output to 20 million barrels a day—the Arab world's leading oilman went to Washington again and told the Americans that Saudi Arabia would not "significantly" increase its output unless they changed their pro-Israeli posture in the Middle East. After Yamani, the Saudi Foreign Minister Omar Saqqaf said that "we do not see any justification for increasing output for the benefit of states which support an expansionist and racist state." Now Faisal himself, not a man given to public criticism of his friends, has roundly declared to an American TV audience: "We do not wish to place any restrictions on our oil exports to the United States, but America's complete support of Zionism against Arabs makes it extremely difficult for us to continue to supply United States petroleum needs and even to maintain our friendly relations with the United States."

If Faisal really is taking up the oil weapon, he will wield it in his own way. There will be no bloodcurdling threats and ultimatums. That would not be his style. It is with the exquisite manners of the indigent, desert-born chieftain he once was that Faisal, the new Croesus, will turn the screw. There is no need for him to halt the flow of oil, or anything drastic like that, no need for him to cut off his nose to spite his face. Abba Eban is out of date. Of course the Arabs have to sell their oil. As President Nasser once said, they cannot drink it. But that is beside the point; the real question now is how much they need to sell, indeed how much they can afford to sell. Round the fabulous shores of the Persian Gulf, the extra dollar no longer appeals as it used to; indeed it becomes a positive nuisance, an economic and social problem. Some oil producers already earn far more money than they sensibly know what to do with. Yet the forecasts of what they will eventually be earning—if world demand is to be met—continue to rise dizzily. It all depends on the price. But by 1980 Saudi Arabia could be getting 25 to 35 billion dollars a year, seven or eight times the 1970 revenue—$4.2 billion—of all the Middle East producers put together. Kuwait has now put a ceiling of 3 million barrels a day on its production. Libya has cut its, to just over 2 million barrels a day by a third. Is not Saudi Arabia entitled to do the same? "If we consider only local interests, then we should not produce more, maybe even less," says Yamani.

Faisal's change of mind has won widespread approval in the Arab world. Egypt is naturally delighted. But approval has also come from experienced Arab oil experts, moderates who, in their dealings with the international oil companies, have consistently steered clear of the demagogy and extremism which bedevils so much of Arab politics. They agree with Yamani that a straightforward "no-growth" policy would do the trick. Dr. Nadium Pachachi, former Secretary General of OPEC, has called on Arab producing countries to freeze their output at present levels until Israel withdraws from all the territories it occupied in the Six-Day War. Conceding that Europe and Japan would perhaps undeservedly suffer too he argues that "this should make Europe and Japan ready to put all possible pressure on the US to force Israel to withdraw"—a forecast which, given the already considerable European-American differences over the Middle East, would almost certainly be fulfilled.

The response in Washington has been the predictable one: American policy will not be influenced by threats. This, however, is an outward imperturbability which, given all the other manifestations of alarm, does not impress the Arabs very much. Nothing is more eagerly pounced upon by Cairo's highly selective news editors than an American Congressman's latest thoughts on the "energy crisis." Nothing more persuasive, for the Arabs, than the apprehensions of Senator Fulbright.

There is an "energy crisis"—pace Mr. Adelman—but because it is at least as much political, the product of the Arabs' undying grievance over the loss of Palestine, as it is economic, it follows that the United States ultimately faces two alternative courses of action. One the more difficult, not to say impossible, is confrontation. It is essentially this course, that, perhaps without really knowing it, the United States is drifting along now. Its basic premise is that, however hostile the Arabs become, the United States is a superpower which, through judicious interventions here and there, can always protect its vital interests. It involves a readiness in the last resort to occupy the oilfields by force of arms. That is not a job that could be performed by proxy; "bastion-Israel," or "bastion-Iran" for that matter, could not do it. Occupying Kuwait would mean occupying every oilfield in the Arab world, protecting every pipeline, storage tank and tanker terminal from the Arabian Gulf to Algiers. It would—as Mr. Elmer F. Bennet, Assistant Director of the Office of Emergency Preparedness said—"make Vietnam look like a picnic."

The other course is conciliation. It means seeing Israel as a strategic liability and acting accordingly. It is the less difficult course, but by no means easy. For the great question then arises: Just how far can the United States go in forsaking the Jewish state, that foster-child of her partisan diplomacy in which, at her own expense and that of the Arabs, she has invested so much money, love and pride? It would certainly have to be quite a long way to make the Arabs sheath their sword of Damocles.

GAS CYLINDER SAFETY

Mr. HARTKE. Mr. President, for some months the Department of Transportation has had under consideration a proposed regulation which would alter the current safety practices pertaining to compressed gas cylinders. At the present time, all imported cylinders must be inspected within the United States and meet U.S. standards. Under the proposal, however, the requirement for inspection within the United States would be eliminated.

The proposal is disturbing because of its safety implications for American consumers. Compressed gas cylinders are used everywhere from dentists' offices to factory workrooms. They are transported on our Nation's highways and on the streets of towns and cities. If it could be shown that foreign inspection is adequate to meet domestic safety requirements, I would have no objection to the proposed rule. The Department, however, has been able to make no such showing to date.

A report issued by the General Accounting Office on May 1, 1973, states that the present program of inspecting hazardous materials by the Department of Transportation has several serious shortcomings. Among the reported deficiencies are a small and unsystematic inspection effort and inadequate enforcement.

In the light of this GAO report, I find it difficult to understand why the Department of Transportation is proposing to turn over inspection of imported gas cylinders to foreign personnel. If current procedures involving only American personnel under American supervision are inadequate, the use of foreign inspection will not be an improvement.

Mr. President, I ask unanimous consent that the digest of the Comptroller General's Report to the Congress on this subject be printed in the Record.

There being no objection, the digest was ordered to be printed in the Record, as follows:

Digest—Comptroller General's Report to the Congress

WHY THE REVIEW WAS MADE

Because of the increasing volume of hazardous materials transported in interstate and foreign commerce and the need for taking adequate safeguards, GAO reviewed the inspection and enforcement program conducted by agencies of the Department of Transportation. Hazardous materials are those that are inherently dangerous, such as explosive, flammable, or toxic materials.

Background

Four units of the Department—the Federal Railroad Administration (FRA), the Federal Highway Administration (FHWA), the Federal Aviation Administration (FAA), and the Coast Guard (referred to in this report as the administrations)—are responsible for regulating the safe transportation of hazardous materials in interstate and foreign commerce by railroads and motor carriers and for regulating shipments transported by civil air carriers and shipments by vessels on U.S. navigable waters.

In 1967 about 1 billion tons of hazardous materials were shipped in commerce; a 36-percent increase is estimated by 1980. Many shipments are transported through or near the Nation's cities and towns and present a potential source of accidents causing death and destruction.

In calendar year 1971, carriers reported 2,292 incidents of hazardous materials accidentally released during transportation that killed 70 people and injured 434 others. The Department concluded, however, that the carriers were reporting only a small portion of the incidents.

FINDINGS AND CONCLUSIONS

The Department needs to improve its inspection and enforcement program to insure compliance with regulations for safely transporting hazardous materials. The Department's program was handicapped by (1) a lack of basic data on hazardous material movements, (2) a small and unsystematic inspection effort, and (3) inadequate enforcement actions.

The Department has not systematically accumulated data on hazardous materials carriers, shippers, or container manufacturers, or data to identify the type, frequency, and magnitude of shipments. Inspectors, for the most part, relied on personal knowledge to direct their efforts. GAO believes such data could be used to assess the risks to life and property and to more effectively direct efforts of the small inspection staffs.

Because of the broad safety responsibilities in their respective areas of transportation and the relatively small inspection staffs, the administrations, except for the Coast Guard, have assigned to their inspection staffs the responsibility to perform hazardous materials inspections as well as to determine compliance with general safety requirements.

Except for the Coast Guard's vessel and waterfront inspections, the number of inspections seemed insignificant compared with the large volume of traffic. Shippers and container manufacturers were inspected rarely.

Inspection reports indicated that carriers were frequently violating hazardous materials regulations and that shippers and container manufacturers also were not complying with the regulations. During a 21-month period ended March 31, 1972:

FRA inspections of 10 large railroads disclosed 674 violations.

FHWA inspections of 74 motor carriers disclosed 1,258 violations by 58 carriers.

Coast Guard inspections in three districts disclosed 1,819 vessels in violation. Inspection reports for 334 of these vessels showed 817 violations.

A 1971 report by the Department, the Atomic Energy Commission, and the Department of Health, Education, and Welfare on a study of air shipments of radioactive materials disclosed that 175 of about 300 packages inspected at airports or carrier facilities violated the regulations.

Many violations found during inspections of carriers' operations indicated that the shipper did not comply with the regulations.

The law prescribes criminal penalties for violating the regulations and such cases must be referred to the Department of Justice for prosecution in U.S. district courts. FRA, FHWA, and Coast Guard have initiated few criminal cases compared with the number of violations. This is due to the difficulties of sustaining a prosecution, the belief that certain violations were minor, or a lack of time by inspectors for adequately developing cases for prosecution. Cases generally required considerable time to process, were frequently closed without penalty, and many fines assessed by the courts were minimal.

FRA, FHWA, and the Coast Guard did not provide for a systematic followup on violations, although available inspection records showed that certain carriers repeatedly violated the regulations even after they had been fined or warned.

Only the Coast Guard and FAA have authority to impose civil fines in addition to seeking criminal penalties. The Coast Guard, however, initiated few civil cases, and fines assessed were minimal. There was no data available for GAO to evaluate the effectiveness of FAA's enforcement.

Because a Federal agency can directly assess civil penalties without the delays of processing criminal cases through the judicial system, GAO believes extending the civil penalty authority to cover violations of FHWA and FRA regulations would promote effective enforcement.

RECOMMENDATIONS OR SUGGESTIONS

The Secretary of Transportation should:

Establish a management information system to develop and maintain data on hazardous materials movements.

Reassess the adequacy of the Department's effort compared with the volume and danger of the materials.

Develop a plan for a more effective inspection and enforcement program.

Present the plan to the Congress for it to evaluate and consider needed resources.

AGENCY ACTIONS AND UNRESOLVED ISSUES

The Department said that it found much of value in GAO's recommendations and that it plans to initiate several actions similar to those that GAO suggested.

The Department agreed with GAO's observation that it is difficult to sustain criminal prosecutions. The Department therefore is considering legislation which would permit assessment of civil penalties as well as criminal penalties on violators of the hazardous materials regulations.

The Department pointed out that too much emphasis should not be placed on the number of violations discovered without establishing their relative seriousness.

The Department added that it also has other methods to insure compliance with its regulations.

GAO believes that, because of the need to take all possible precautions, vigorous enforcement is needed, particularly against repeat violators.

MATTERS FOR CONSIDERATION BY THE CONGRESS

This assessment of the need for better inspection and enforcement in regulating transportation of hazardous materials should help the Congress evaluate the Department's plans and budget requests for carrying out a more effective safety program and any legislation that the Department submits to strengthen its enforcement activities.

OPERATION PEACE OF MIND

Mr. BENTSEN. Mr. President, I would like the following to become part of the RECORD. If this service to which I will address myself benefits just one of our youngsters, it will prove worthwhile.

Mr. President, in this so-called generation gap that supposedly separates us from our children, communication seems to be the key to mutual understanding and respect. The pressures of our present day society, coupled with the restlessness of our adventurous youth who seek to do their own thing, have brought about numerous incidents of runaway youths whose inexperienced and young lives have often been assaulted by a multitude of hurts, abuse and even tragic death. It is most fitting, therefore, that I share with my colleagues a most innovative and bold attempt by the State of Texas in seeking to help resolve this difficult problem.

In the wake of the Houston mass murders, no one can be more deeply affected than the families and friends of our young people who are missing from their homes.

With this in mind, Texas Gov. Dolph Briscoe has announced "Operation Peace of Mind"; a statewide pilot project which will transmit any message these young people have for families and friends. This service, based in Houston, Tex., will consist of two statewide, inbound wide area telephone service—WATS—lines, one national WATS line and three local Houston lines.

The facility will be manned by volunteers 24 hours daily for an experimental period of 30 days. If it is successful, the project will be extended. Additionally, volunteers are also prepared to inform runaway youths where they can obtain various other kinds of assistance.

Governor Briscoe emphasized that the service would in no way be a "detective" type of operation, or serve as an "informer" to the parents. "All that is asked is that the runaway youth communicate with his family, friends, or law enforcement officials, so his safety can be determined."

Hopefully, these young people will use this service in an effort to alleviate some of the worry and genuine concern that the parents have been experiencing.

The numbers to call are as follows: Nationwide—1-800-231-6946; Texas—1-800-392-3352; and Local—1-713-524-3821.

ILLEGAL SEARCHES AND SEIZURES

Mr. TUNNEY. Mr. President, unconstitutional raids and illegal searches and seizures are the more pressing concerns of our Nation's Latino communities.

With indignation, I would like to protest the harsh tactics being imposed on our Latino communities today by the U.S. Immigration Department. Massive roundups and scare techniques have no place in our society if it is to remain free.

Letters that follow, one written by Mr. Sanford M. Gage, president of the Los Angeles Trial Lawyers Association, eloquently expressed what should be the outrage of the country as a whole to the actions of the Department of Immigration.

I ask unanimous consent that the letters be printed in the RECORD.

There being no objections, the letters

were ordered to be printed in the Record, as follows:

Los Angeles, Calif.,
August 2, 1973.

Mr. Sanford M. Gage,
Los Angeles Trial Lawyers Association, 1313 West Eighth Street, Los Angeles, Calif.

Dear Mr. Gage: With respect to your "President's Message" damning the Gestapo-like dragnets conducted by the Immigration Department in our Mexican-American communities, which was printed in the July 1973 issue of the Los Angeles Trial Lawyers Association *Advocate,* Right on!!

Sincerely,

W. Nicholas Ingram,
Attorney at Law.
Albert Z. Praw,
Attorney at Law.
Marc I. Hayutin,
Attorney at Law.

President's Message: LATLA Speaks Out

At its June (21st) Dinner Meeting, Los Angeles Trial Lawyers, an organization of 1,500 trial lawyers, passed unanimously the following resolution:

Yielding to pressure to eliminate alleged competition in the labor market by illegal aliens, the Immigration Authorities have reverted to dragnets designed to detain and interrogate hundreds of thousands of residents of Los Angeles County concerning their status as lawful residents.

Search operations are being conducted, without reasonable or probable cause to believe that individuals stopped and interrogated are in fact aliens, merely because such persons appear to an individual officer to be "foreign looking."

Reports come in almost daily of immigration officers stopping and interrogating individuals at bus stops, on public streets, in private businesses, and of knocking on doors at private residences and apartments and requiring individuals therein to produce proof of lawful status in the United States.

At present the widespread practice is being directed at everyone who might possibly be here from Spain, Mexico or any Latin American country.

Other citizens and residents can draw no comfort from the fact that the present large-scale raids are being directed at Chicanos. Through the years, similar raids have been directed toward Europeans, Orientals, and others, and the same techniques could be utilized to stop any person of any ethnic background presently residing in the United States.

There is no claim that such action is justified by "National Security" nor to prevent crime. Such blatant conduct is justified by placing statistics ahead of people.

Only a rising chorus of protests (or abandonment of these practices by the U.S. Immigration Authorities) can prevent further abuses.

The emphasis is not on the alleged ten thousand or so aliens arrested in Los Angeles in six weeks of mass raids; the emphasis should be on the hundreds of thousands of persons who are subjected to indignity, fear, the threat of restraint, and the violation of their Constitutional Right to be free from such practices here in America.

Gestapo techniques did not develop in Nazi Germany all at once—they relied upon the acquiescence and toleration by citizens who incorrectly felt they were not directly threatened by such practices.

We must be ever vigilant so that neither economic nor political pressures, nor anti-aliens sentiment cause us to yield the personal rights secured by the Fourth Amendment to the United States Constitution.

The Los Angeles Trial Lawyers Association believes that *Terry v. Ohio* correctly stated the law when it emphatically condemned "intrusions upon Constitutionally guaranteed rights based on nothing more substantial than inarticulate hunches."

We condemn the practice of detaining and interrogating individuals based on nothing more substantial than the mere hunch or surmise that such person is a foreigner based solely on the apparent color of his or her skin, or the subjective opinion that such person is not sufficiently fluent in English to satisfy a particular officer.

We believe that the United States and California Constitution require that an Immigration Officer, as any other law enforcement officer in Los Angeles, must not stop and apprehend residents without probable cause to believe that such person has committed an offense or is here as an illegal alien.

We call upon the public to express its indignation by a mass of letters protesting these practices. Send them to your public official or mail them to: Los Angeles Trial Lawyers Association, 1313 West Eighth Street, Los Angeles, California.

Sanford M. Gage,
President, Los Angeles Trial Lawyers.

EDUCATIONAL TESTING SERVICE GI BILL STUDY

Mr. HARTKE. Mr. President, last October Congress passed the Vietnam-Era Veterans' Readjustment Assistance Act of 1972—Public Law 92-540—which increased GI bill education benefits by an average of 26 percent, bringing them more in line with the benefits available following previous wars. While I was grateful for this important step forward, I was disappointed that a number of the more generous provisions of my veterans' education measure, S. 2161, which was unanimously approved by the Senate in August 1972, were reduced or eliminated in deliberations with the House and the administration prior to White House approval.

Section 413 of this act, however, required the Veterans' Administration to assist future decisions in this area by providing an independent comparison of Vietnam era benefits with those after World War II and the Korean conflict, with regard to administration, participation rates, benefit levels, outreach efforts, and a number of other specific concerns.

The law required the Administrator of Veterans' Affairs to submit the study and recommendations for improving the present program to the President and Congress by April 24, 1973. Unfortunately, when that deadline rolled around the Veterans' Administration had not even contracted to begin this crucial investigation. As chairman of the Committee on Veterans' Affairs, I strongly criticized this failure to comply with the law, and urged prompt action to prevent a further delay in making necessary improvements in the GI bill.

Subsequently, the Veterans' Administration contracted for a study by the Educational Testing Service, of Princeton, N.J., and their final report on "Educational Assistance to Veterans: A Comparative Study of Three GI Bills," along with the Administrator's transmittal letter have just been transmitted to Congress. The full study and the Administrator's transmittal letter are being printed by the Veterans' Committee, and will be distributed to all members of the Senate later this week.

In the meantime, however, I believe my colleagues will be interested in the findings and conclusions of the Educational Testing Service study and therefore request unanimous consent that they be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Findings and Conclusions of Report of the Educational Testing Service, Princeton, N.J., University on Educational Assistance Programs for Veterans

There is no doubt that the World War II GI Bill was one of the most important and effective pieces of social legislation Congress had ever enacted. It profoundly affected the fortunes of veterans and postwar society, and it transformed the nation's higher education system. But images from the past should not govern our perception of current realities and future alternatives. The GI Bill may not be doing as much today for veterans as it did in the past, or as it might do tomorrow.

This latter point was recognized by the Congress during its deliberation on the Vietnam Era Veterans Readjustment Assistance Act of 1972 (PL 92-540). Section 413 of that Act required that:

"The Administrator, in consultation with the advisory committee formed pursuant to section 1792 of this title (as redesignated by section 316(2) of this Act), shall provide for the conduct of an independent study of the operation of the post-Korean conflict program of educational assistance currently carried out under chapters 31, 34, 35, and 36 of this title in comparison with similar programs of educational assistance that were available to veterans of World War II and of the Korean conflict from the point of view of administration; veteran participation; safeguards against abuse; and adequacy of benefit level, scope of programs, and information and outreach efforts to meet the various education and training needs of eligible veterans. The results of such study, together with such recommendations as are warranted to improve the present program, shall be transmitted to the President and the Congress within six months after the date of enactment of this Act."

In his Request for a Proposal for the study, the Administrator indicated that the purpose of the study was:

"To compare the operation of the post-Korean Conflict program of educational assistance currently being carried out by the Veterans Administration with similar programs of educational assistance that the Veterans Administration made avaiable to veterans of World War II and the Korean Conflict in the following aspects:

The scope and quality of the educational and training programs.

The degree of veterans participation in the programs.

The adequacy of the program benefits to veterans, educational and training institutions, work force, and American society.

The available information and outreach efforts to meet the various educational and training needs of eligible veterans.

The nature and degree of abuses in the programs and the effectiveness of the safeguards established.

The execution and administration of the educational and training programs."

It should be noted that the total report consists of some 339 pages plus three appendices that have attempted to meet these named needs and purposes in the very limited time available. Because of the availability and accessibility of information, some of the aspects enumerated have been covered in greater detail than others—this does not negate their importance—but suggests that further study and information is needed in those areas before further conclusions can be reached.

Those findings and conclusions reached in the course of the study, which seem to be of particular relevance are highlighted in the following sections. They are not, however, a total summary of the report:

A. The scope and quality of the educational and training program

Significant information is contained in the report regarding the scope of the educational and training programs currently existing. Only limited information has been obtainable regarding the quality of the education and training programs, an area that most particularly warrants further study in the future. Under current procedures the State Approving Agencies are designated to assess the quality of education of courses and training establishments for veterans. However:

1. *The Veterans Administration has currently no means of measuring the quality of the performance of the State Approving Agencies and therefore cannot be assured that the money used to reimburse these agencies was wisely spent.*

The State Approving Agencies are designated to assess the quality of education of courses and training establishments for veterans. In 1973, the State Approving Agencies were authorized to be reimbursed $10.6 million by the VA for their services. However, there is no way to determine whether this money was wisely spent.

While prohibited by law from exerting any control over the State Approving Agencies, the VA is not prohibited from evaluating their performance. Yet to date, little has been done to compile information that would allow an accurate evaluation of the performance of their agencies.

B. The degree of veterans participation in the program

2. *While the participation rate of Vietnam Era veterans is approaching that of World War II, this is not an adequate indicator of the effectiveness of veterans educational assistance.*

A fair comparison of participation rates under the three GI Bills must be based on more information than the percentage of eligible veterans who use their educational benefits. Additional factors such as the demographic composition of the Armed Forces, discharge rates, and eligibility requirements must be considered.

Since servicemen on active duty are eligible for benefits under the Vietnam Era program, participation rates which include them are not comparable to those from the World War II and Korean periods.

At the time of separation from the Armed Forces, the Vietnam Era veteran is better educated, younger, and has fewer dependents than veterans of World War II. These factors suggest that the Vietnam Era veteran should be better suited to pursue post-service education; however, Vietnam veterans have not participated at a higher rate than World War II veterans. Although enrollment in all types of postsecondary education has increased, the usage of the GI Bill over the three periods has remained about the same.

In view of these factors, equality of participation rates for the three GI Bills is not an adequate measure of their relative success in providing readjustment assistance. If 48 percent of the veterans of World War II used their benefits when postsecondary education played a much less important role in career preparation, veterans of the current period should be expected to use their benefits at a higher rate to parallel the corresponding increase in enrollment in postsecondary education.

3. *The rate of participation in educational benefits among black veterans is substantially below that of white veterans and the overall participation rate. This is partly due to differences in age, unemployment, financial stability and dependency status. It appears that current efforts need augmentations in order to further motivate the black veteran to enter training.*

The participation rate among black veterans of the Korean Conflict is estimated to be about 53 percent. However, the current participation rate for black veterans is less than 25 percent.

The participation of black veterans is also substantially below the current participation rate for all veterans. The educationally disadvantaged black, participates in training at only one-third the rate of blacks with a high school education, but at a higher rate than white disadvantaged veterans.

The VA work-study program, if expanded to include the "need to augment subsistence allowance" as a major criterion for participation in the program, together with the initiation of Advance Payment, may increase the number of black veterans in training.

4. *Educationally disadvantaged Vietnam Era veterans, both white and black, are receiving more attention with regard to special education and training programs than have disadvantaged veterans of the two previous conflicts. Nevertheless, they currently still participate in educational programs at a much lower than average rate.*

The establishment of free-entitlement, the Predischarge Education Program, and Project Transition are positive responses to the need among the disadvantaged to secure a high school education or other educational preparation prior to the pursuit of a postsecondary program. Tutorial assistance, though not a program exclusively for the disadvantaged, may be addressed to the academic problems of the disadvantaged in training.

Outreach lists (lists of the educationally disadvantaged) which are circulated by the VA to concerned organizations further illustrate the increased efforts to assist the disadvantaged.

5. *Vietnam veterans are more likely to participate at less than full time rates than World War II and Korean veterans.*

The proportion of veterans participating in full-time training has continued to decline since the World War II period. Since today's veteran is younger and has fewer dependents than veterans of World War II, one would expect the Vietnam Era veteran to participate more in full-time training; however, this is not the case.

Veterans in higher education today are slightly less likely to attend full-time than non-veterans; 68 percent of all students attending institutions of higher learning are full-time compared to 65 percent of veterans.

While enrollment in part-time educational programs is more popular today than in 1945, this is more reason to expect an increase in part-time training than a decrease in full-time training. An analysis of participation rates shows that both full-time and part-time rates for the current program are below the rates for the World War II GI Bill.

C. The adequacy of the program benefits to veterans, educational and training institutions, work-force, and American society

Only limited information is currently available with respect to the adequacy of the benefits for the work-force as a whole or their impact on American Society. The impact concentrates on the adequacy of the program benefits with respect to veterans in light of changes in the economic variables over time:

6. *In general, the "real value" of the educational allowance available to veterans of World War II was greater than the current allowance being paid to veterans of the Vietnam Conflict when adjustments are made for the payment of tuition, fees, books and supplies.*

The current level of benefits, when adjusted for the average cost of tuition, fees, books and supplies at a 4-year public institution, represent a significantly smaller proportion of U.S. average monthly earnings than did the subsistence allowance paid to the veteran of World War II. This is true whether the veteran is attending a 4-year or 2-year public college, whether he is single or has dependents.

Only when the Vietnam veteran's expenditures for tuition, fees, books and supplies are equal to or less than average for 4-year public institutions are his allowances slightly higher than the subsistence allowance paid his World War II counterpart adjusted for changes in the Consumer Price Index.

Unlike the veteran of World War II, the Vietnam Conflict veteran finds a wide variance in the portion of his educational allowance available for subsistence payments, depending on the tuition and fees of the institution attended.

Comparison of this nature does not take into consideration the real cost of living that the veterans face. From this point of view, the World War II veteran was generally better off because many institutions provided special low-cost veterans housing and other special benefits. Institutions today provide little if any special assistance to veterans with respect to housing and other services, i.e., employment for spouse, nursery care, etc.

7. *When educational allowances for the Vietnam veteran are adjusted for the average tuition, fees, books and supplies at a 4-year public institution, the benefits remaining are insufficient to meet the veteran's estimated living expenses.*

Remaining benefits available for subsistence purposes range from some 63 percent of estimated living expenses for single veterans to only 50 percent of estimated living expenses for those veterans who are married. The single veteran would require $728 in additional resources, a married veteran with no children would need $1,644 and, if he had children, would require over $2,000 in resources over and above the current allowances.

To the extent that tuition, fees, books and supplies exceed the average for an individual veteran at a 4-year public institution, that portion of his allowances available for subsistence purposes are correspondingly reduced and his need for additional resources increased.

8. *When total resources available to the veteran for an academic year are compared with his estimated living expenses for a similar period, substantial need exists for additional resources to meet educational costs.*

Estimated resources from all sources are insufficient to meet the estimated living and educational expenses of single veterans and married veterans with children. Only the married veteran with a working spouse contributing over $2,400 to his educational and living expenses has sufficient resources to meet estimated living and average educational expenses.

9. *While other federally funded student aid programs are available to veterans to assist in the financing of their postsecondary education, it appears that participation by veterans of the Vietnam Conflict has been relatively small.*

The small participation of veterans in these other federally funded student aid programs may be attributable to the policy of institutional financial aid officers of giving priority in the allocation of financial aid resources to those students with the greatest financial need.

Estimates of participation, based on those veterans attending institutions of higher education in California, ranged from less than 2.5 percent in those programs providing grant funds to a maximum of 10 percent participation in the Federally Insured Loan Program. Since the veteran has resources available to him through the GI Bill, the institution may reason that he could otherwise attend and, therefore, reserve the other student aid funds for students who do not have significant resources of their own.

The average veteran, faced with insufficient resources to meet his estimated expenses for living plus institutional costs, must either arrange for additional financial resources outside the normal student aid funding sources or seek out a lower-cost institution where such is available.

10. *The accessibility of postsecondary education for the Vietnam Conflict veteran is a function of not only his military service but also his particular state of residence. The effectiveness of the benefits is directly related to the availability of low-cost readily accessible public institutions. The current veteran seeking to use his educational benefits finds that equal military service does not provide equal readjustment opportunities with respect to attendance at postsecondary schools. This is particularly true of institutions of higher education.*

The maximum allowance for payment of tuition, fees, books and supplies provided veterans of World War II allowed them to attend almost any postsecondary institution. At institutions of higher education, veterans were about equally divided between public and private institutions.

Since World War II, tuition levels and other costs at institutions of higher learning have increased substantially and today are two to five times greater. Concomitant with increases in tuition has come a decided shift in total college enrollment from private to public institutions. Since tuition payments reduce funds available for subsistence, the current veteran is attending public institutions to a far greater extent than his non-veteran counterpart. Veteran attendance at low-cost 2-year public institutions is over one and one-third times as great.

Those states with the most highly developed low-cost public educational systems have the greatest degree of participation by Vietnam veterans. There is a strong presumption that veterans living in states without such development benefit less from the GI Bill because they cannot meet the combined costs of education and subsistence.

11. *It appears that the states are subsidizing the cost of education for veterans of the Vietnam Conflict as compared with earlier subsidization by the Veterans Administration. Since higher costs of education appear to reduce participation, this is a significant factor in determining whether the veteran in a particular state will participate in education.*

Analysis of participation rates by state indicate a high correlation between participation and the availability of low-cost easily accessible institutions of higher learning. Veterans have been somewhat less likely to attend private institutions of postsecondary education than have non-veterans; however, the gap has increased from a 1 percent differential in World War II to a 7 percent differential today. The continued lack of a direct tuition payment is a probable cause. Due to lower costs, Vietnam veterans tend to enroll in community and junior colleges to a greater extent than non-veterans. Thirty-nine percent of Vietnam veterans enrolled in institutions of higher learning are attending community colleges as compared to 29 percent of non-veterans. Participation tends to be high in those states that spend the most money per capita on higher education.

12. *Current benefit levels, requiring as they do the payment of tuition, fees, books and supplies, and living expenses, provide the basis for "unequal treatment of equals." To restore equity between veterans residing in different states with differing systems of public education, some form of variable payments to institutions to ameliorate the differences in institutional costs would be required.*

Generally speaking, the average estimated living expenses will not vary significantly by type of institution attended. However, the amount of benefits available to meet those expenses does vary depending on the availability and type of institution attended.

The veteran residing in a state with a well-developed system of low-cost institutions has significantly more of his benefits available to help defray living expenses than would his counterpart living in a state without such a system.

D. The Available Information and Outreach Efforts to Meet the Various Educational and Training Needs of Eligible Veterans

13. *The outreach efforts of the VA have been successful in informing veterans, especially the educationally disadvantaged, that benefits are available. But in both informing and counseling, there has been a decrease in personal contact.*

There were 1,240 contact locations and 6,492 contact employees in 1947. In 1972 there were 247 contact locations and 1,835 contact employees. While the VA has reduced its personal contact with veterans, other efforts have been initiated to contact and inform veterans. The VA has shifted from a passive information role of responding to inquiries to one that actively seeks to inform the veteran of his benefits. The outreach effort includes such programs as overseas orientations, presentations at separation points, a series of letters mailed to recently returned veterans, one-stop assistance centers, mobile vans, and toll-free telephone lines.

14. *The quantity of counseling to veterans under the GI Bill has declined over the three periods.*

The percent of veterans counseled has declined from 12.9 percent under PL 346 and 10.2 percent under PL 550 to 3.8 percent under PL 358 through FY 1973. This decline is specially unfortunate in light of the success of the early counseling program which was both extensive and innovative.

15. *Public attention to veterans and their problems today appears to be of lesser magnitude than during the post-World War II period, though it may be more comparable to that of the Korean Conflict period. Public attitudes toward veterans and wars fought have also changed markedly.*

Surveys of *Readers Guide to Periodical Literature* and the *New York Times Index* show that the number of articles and stories about veterans and their problems after World War II was more than ten times as great as during and after Korea and Vietnam.

Public attitudes about the wars themselves appear to "rub off" on attitudes toward veterans of those wars. A plurality of those questioned in a recent study by Louis Harris, for example, view Vietnam veterans as "suckers" who were "taken advantage of." Of all veterans polled by Harris, 53 percent felt that the public's reception of today's veteran is worse than in the past.

16. *Vietnam veterans appear at a disadvantage when compared with veterans of World War II in terms of the attention to their needs provided and generated by major veterans organizations.*

While services performed for veterans have remained similar, lobbying and public information efforts of the major veterans group have become more moderate in recent years and contrast vividly with efforts on educational benefits on behalf of World War II veterans. Some of their recent outreach efforts show increased attention to the needs of disadvantaged veterans, but recent surveys show relatively low membership by minorities and central city residents in these organizations.

E. The Nature and Degree of Abuses in the Programs and the Effectiveness of the Safeguards Established

The singular lack of significant publicity with respect to widespread abuses in the various education and training programs today—in contrasts to those of WW II—is indicative of both safeguards and changes in conditions over time. Many of the abuses and problems in the educational and training programs following WW II were the result of the sheer volume of trainees at a particular point in time and a lack of previous involvement of federal programs in the educational process. The probability of such abuses occurring at the present time would appear to be minimized due to the widespread experience and interaction of the federal government and the educational community in a wide variety of financial programs and the absence of a large volume of veterans entering educational institutions simultaneously. Some problem areas still remain.

17. *While progress has been made toward reducing abuses in training by correspondence, some problems remain which warrant careful scrutiny and safeguards.*

Veteran participation in training by correspondence has increased substantially in recent years, but completion rates appear to be low.

It appears that problems involving the advertising and sales function of some schools remain, though they are less flagrant than in previous years.

The functioning of the State Approving Agencies and their contractual relationship with the VA does not appear to provide for any systematic assurance of the soundness or educational quality of the correspondence courses. To date, no comprehensive assessment of the effectiveness of existing home-study programs and policies has been undertaken.

F. The Execution and Administration of the Educational and Training Programs

18. *In general, the Veterans Administration has administered the education benefits programs effectively and responsibly over the three Conflict periods.*

The organizational history of the VA is highlighted by developments reflecting functional changes based on operating experience and the establishment of legislative safeguards. While great progress has been made in reducing abuses in the programs and operational inefficiencies, there are some remaining problems:

Some delays are caused by the failure of educational institutions to promptly certify veterans enrollment in their schools. Some delays are caused by errors and backlogs in the processing of educational applications and claims in the Regional Offices. The VA appears to be taking steps to improve its service to veterans in this regard through instituting several new procedures, but it is too early to evaluate the effectiveness of these changes.

19. *Differences in treatment of veterans pursuing college degrees and veterans pursuing non-degree postsecondary educational programs may be inhibiting the use of benefits for below college level training.*

There are several policies regarding progress and attendance that clearly show differential treatment between veterans in degree-granting programs and veterans pursuing other postsecondary educational programs. These policies, which include clock hour vs. credit hour policies, certification of attendance requirements, and change of course requirements, are based on an educational situation that was the standard 23 years ago, but is no longer applicable.

The application of these differential policies places constraints on veterans pursuing non-degree programs, such as vocational or technical programs, and may be discouraging veterans from pursuing these programs. Participation rates which have indicated a decline in below college level education suggest that these policies have had a detrimental effect on enrollment in nondegree educational programs: this is particularly inappropriate at a time when there is increased emphasis on this form of education in legislation, government programs, and projections of manpower needs.

20. *The limited effect of other Federal agencies' effects to provide education and training to veterans has been due in part to a lack of overall direction, leadership and coordination. Although the degree of coordination between the VA and other agencies is greater now than during the previous two conflict periods, it remains limited. When the VA has exercised initiative and leadership the results have been good.*

The VA has increased its participation on interagency committees and increased its working relationships with Federal agencies. However, the VA's coordination effort varies greatly from agency to agency. With some agencies and organizations the VA has built ongoing working relationships at both the national and local levels. On the other hand, coordination with the plethora of local level community services is left to the discretion of the regional or field office.

21. *Other Federal agencies have increased the scope of their assistance efforts for both the general public and for veterans over what they were during the post-World War II and Korean Conflict eras. However, many of these efforts are limited in the effect they will have on the Vietnam Era veterans.*

Federal agencies other than the VA are providing a much greater degree of assistance to the education and training needs of veterans than during the post-World War II and Korean eras. In fact, the Manpower Administration, the Office of Economic Opportunity, and most of the aid programs of the Office of Education did not exist during the earlier periods so that strict comparisons cannot be made. Although the number of veterans served by these programs represent a formidable achievement, it must be placed in the context of greater Federal involvement in education and manpower policy in general. Furthermore, the special efforts to provide services to veterans have come at a late point in the Vietnam Era and some have suffered budgetary cutbacks, significantly limiting their effect.

THE COUP IN CHILE

Mr. STEVENSON. Mr. President, little more than a week ago, the constitutionally established government of Chile was overthrown. A military junta, with no legitimacy other than that bestowed by force, replaced a government that was in the midst of an extraordinary social experiment.

Severe restraints on the personal freedom of Chilean citizens were swiftly imposed. Congress was suspended, pro-Allende political parties were outlawed. Publication of opposition newspapers was halted; public demonstrations were forbidden. Even nonleftist political parties were placed in "indefinite recess"—the junta reasoning that they would not be needed since "the main function of the parties is in congress anyway."

As many as 7,000 Chileans have been imprisoned in the national stadium in Santiago. Reports indicate that there have been perhaps 500 summary executions and 10,000 to 15,000 foreign refugees are anxiously waiting for the junta to decide what shall happen to them, while the military-dominated press stirs feelings of xenophobia.

The U.S. Government has still made little response. I hope our Government's reaction will help to protect the human rights of the thousands of people either in custody or awaiting word of their status as refugees. Encouragement of humane treatment for prisoners and their families, civil trials for civilians and protection of refugees should be essential elements of U.S. policy. These rights are embodied in the international legal instruments referred to in Senate Concurrent Resolution 46. That resolution expresses the sense of the Congress that President Nixon request the junta to observe these rights. I enthusiastically support it.

And because I believe we should do what we can to restore constitutional democracy in Chile, I find it regrettable that our Government was so quick to recognize the new rulers of Chile. The United States has embraced too many repressive regimes. Let us make sure we do not become tied to yet another. There is time enough for the junta to prove it intends to renew Chile's democratic heritage.

The early signs point in the other direction. Last Friday, General Leigh announced that the junta is drafting a new constitution which would increase the role of the military in the government of a country in which non-involvement of the armed forces is a long-standing tradition. Ominously, he also announced that the constitution would not be submitted for popular ratification. It appears that the junta is settling in for a long stay.

We should use our influence to help persuade the junta that the wisest course lies in restoring democracy to Chile. Such opportunities will arise when the new regime seeks foreign aid and Export-Import Bank credits.

It has been shown that American citizens once participated in an attempt to undermine the Allende government. U.S. policy tended to subordinate our national interests to the protection of commercial interests in Chile. Aid was, for example, extended the Chilean military. Credits for the purchase of Boeings was denied Allende. Our protestations of noninvolvement in the coup are suspect and at the least exaggerated. I trust the United States was not directly involved in the coup. But it was involved in undermining Allende.

The Senate Foreign Relations Committee should make public enough of the secret testimony of the Assistant Secretary of State for Inter-American Affairs to clarify the U.S. role and, hopefully, put suspicions to rest. At the present the United States is perceived throughout the world as siding once again with the generals and against the people.

Mr. President, this is especially troubling because of the close philosophical link between the movements for independence in the United States and Latin America. In the early 19th century, the open, honest, free spirit of America spread throughout the hemisphere and helped to liberate the people of South America. That kind of revolution is rare, and probably cannot be recreated. I only hope we can recover a bit of that spirit, and conduct ourselves in a way which will foster the growth of liberty elsewhere, once more. In recognizing, once again, that morality and self-interest can converge, the United States would be enhancing its power and influence in a world which once saw it as its last and best hope.

AUTO REPAIR RIPOFF

Mr. HARTKE. Mr. President, there is not a car owner in this country who does not feel that, at some time in his driving career, he has been unjustly treated by an auto repair shop. Part of this feeling is due to our ignorance of the complex workings of modern automobiles, but part is also due to the unethical and sometimes illegal practices of the auto repair industry.

There are many honest and hard-working auto repairmen in this Nation, but their name has been besmirched by those among them who think nothing of defrauding the public. State legislature after State legislature has begun to grapple with this problem in an effort to assure the car owner of basic consumer rights and restore some measure of confidence between the repairman and the car owner.

Earlier this year, I introduced an Auto Repair Industry Licensing Act (S. 1950). That legislation is designed to encourage and assist States in establishing programs to license auto repair shops and appraisers. This is a national problem and Congress must act now to meet it.

Mr. President, I ask unanimous consent that an article which appeared in the July, 1973 issue of Soldier's magazine be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RIPOFF

(By Barney Halloran)

At a run-down little gas station not far from a major interstate highway a greasy-fingered, stubbly-faced mechanic lowered the hood on a hot '70 Malibu with little more than a sniff and a glance. He grinned and said, "That'll be $75, soldier—plus parts."

With out-of-state plates on a downed car you're at the mercy of the closest repair station. But that doesn't mean you'll get any better deal closer to home. It's all part of what's been called the great American automobile repair ripoff.

If 25 *billion* crisp dollar bills were stacked in the Astrodome with guards watching them day and night and if the money was withdrawn only to pay for auto repairs, every buck would be gone in a year. A lot of them wasted. In Senate subcommittee hearings on the automobile repair industry, estimates on unsatisfactory, unsafe or unnecessary work ran as high as 60 percent. "But just assume," said Senator Philip Hart, "that 10 percent is done in an unsatisfactory fashion. It's not a nickel-and-dime operation."

In fact, the automobile repair industry is part of the second largest in the country and for good reason. Although we have only 6 percent of the earth's population living in this land of superhighways, we operate more than half the world's automobiles. For every 10 miles traveled in the United States, 9 are by automobile while statistics show you're 400 times safer traveling by air.

If automobiles could vote we'd probably be locked up. Not including military vehicles, there are more than 100 million motor vehicles cruising the country and we generally put them together improperly, abuse them and when they're sick send them to the equivalent of a witch doctor for "the cure." The average automobile doctor bill is now in excess of $270 a year and rising. How much of that money actually buys adequate, reasonable and safe repairs is subject to whose argument you're listening to.

While there are a lot of ways a soldier and his dough are separated, stand warned; the auto repair ripoff has been developed into a fine science.

THE ESCALATING ESTIMATE

There's an old story about an optician teaching his son the business. It goes like this: "You tell the customer the charge is $10. If he doesn't blink you tell him that's for the frame, plus $10 for the lenses. If he still doesn't blink you add, 'that's for each lens.' "

That's how the escalating estimate works with automobile repairs. The Deputy Attorney General of California offered this example: "Let's say a customer is quoted $89.50 for a motor overhaul. The repairman takes the car apart, contacts the customer (usually by phone late in the afternoon—the planned psychological effect is to compel the customer to agree to anything because he wants his car back) and tells him the car flunked the micrometer test. It's going to cost him $139.40. If the customer says no, he's told it'll cost him $79.50 just to put the engine back together again and it still won't work. He's now a captive customer and in a poor bargaining position."

As often happens the customer is called again the next day and told, "Because of the condition of your car, the $139 job can't be guaranteed. It's gonna take $399 to get the job done. If the customer balks, he'll probably be offered a $349 repair that isn't fully guaranteed."

THE DECLINING ESTIMATE

Another operation works just the other way around. The declining estimate is a game often played by transmission specialists on older car owners. The customer is quoted a price of $350 for a fully rebuilt transmission with a lifetime guarantee. If he refuses he's offered a less satisfactory 6-month guarantee for only $250. If that doesn't work, he's offered the economy job for $175 with a 90-day guarantee.

The customer is in a bind. He doesn't know the value of any job he's being sold or whether it needs to be done at all.

THE PHANTOM PART

Let's say you bring your car in for a tune-up. The bill comes to $135. You're shown an old ground-up starter that looks like yours. "We had to replace it," says the mechanic. Except they didn't but you paid for a new starter anyhow. The one you saw didn't come from your car at all. Yours is where it always was but now has a fresh coat of black paint on it.

THE NONMECHANIC'S SALES JOB

According to Congressional testimony there's an increasing tendency for salesmen or service managers—without mechanical experience—to pressure or convince customers to have their cars either fully tuned or taken apart before the full extent of the car's problem can be diagnosed.

The State of California for example, has found service managers being trained and encouraged *to sell* repairs. One report from California: "When a car owner comes into a dealer's shop he is sold repairs by a so-called service salesman who often doesn't even look under the hood to find out what's needed. At best he guesses; at worst he pads the bill with unnecessary repairs to improve his salary which is usually based on a percentage of the gross business."

According to the automobile industry, for proper service there should be a ratio of one mechanic to every 60 automobiles. That isn't the case. A dealer's spokesman commented, "The shortage of trained and qualified mechanics is fast approaching a national crisis." It's been estimated that 50,000 new mechanics will be needed each year for the next 10 years just to keep up with the exploding car population. But that says nothing about training.

One large garage owner stated that in years past he had a good choice of mechanics but now he'll take anyone who comes in off the street. Except for a few states that test and certify mechanics, anyone with a tool box or access to one can call himself a mechanic. And many so-called mechanics are frankly incompetent. "There is no standardization of mechanic training," says the California Attorney General. "Many cars leave the shop in worse condition than when they arrived."

Labor charges for repairs are based on one of two methods; actual time spent doing the job or a flat rate book which breaks each job down into allowed time. (Flat rate time times hourly rate equals charge.) Unfortunately the flat rate book leaves little time for proper diagnosis and many mechanics find it easy to "beat the book" by cutting corners. If the mechanic is really untrained and working on actual time, you pay while he toys, tinkers, goofs and messes. Your bill will probably be higher than the cost quoted in the flat rate book.

THE EMPTY GUARANTEE

"25 percent off labor and parts when work is done in our garage" or "90-day guarantee on parts and labor, all parts at dealer's cost." These and similar guarantees are virtually worthless yet several large companies routinely advertise this way while instructing their shops not to perform guarantee work for free. If the car is returned under guarantee you're usually charged anyhow. The explanation is that the malfunction is not related to the work done or the car was abused.

CHARGES FOR WORK NOT DONE

Both the Federal Trade Commission and Consumers Union frequently receive complaints of charges for work not done. It's very simple. Since the flat rate manual pays a mechanic based on the job he's supposed to be doing, if he doesn't do it he still gets paid. It's completely possible for a mechanic to get paid for 18 or 20 flat rate hours in an 8-hour day. And if you're charged for parts never installed the shop makes money on the part, makes money on the nonexistent labor and the mechanic makes a commission on the sale of a part he didn't install.

BAIT AND SWITCH

The newspaper ad claiming, "Brake job, complete for $14.95," is pretty common. But when you get to the shop the service manager tells you confidentially, "The linings used are horrible. Your car won't really be safe to drive. Play it safe, get the $30 job." And for that matter the man is correct. The $14.95 job probably is shoddy but for $30 you could have gotten your brakes fixed in any reputable shop.

NONEXISTENT SERVICES

Another common come-on is the ad claiming free towing service, free loan car and instant credit. The truck is usually out, the loan car's already on loan and the credit deal is with a slick outfit up the street willing to charge you the maximum interest the law allows. Free loan cars are usually tied to buying "guaranteed repairs" or the most expensive job in the shop.

USED PARTS SOLD AS NEW

Everyone knows that rebuilt parts almost always cost less than new parts and much less than "Genuine Parts." But when you pay for a new part you should get one. It doesn't always happen that way. For example, a new starter sells for $53.45. Yours just needs a new drive gear. So your starter is removed and sent out for a rebuild costing the garage $9.80. You get a rebuild off the shelf for the full price of a new one. You bought a paint job and $9.80 worth of repairs.

HAPPY MOTORING, TROOP

Cross country trips on PCS orders and vacations give you an opportunity to learn how efficient some service stations are at getting parts. It works something like this:

Let's say your wife stops for gas. The hood opens and a mechanic squirts a shot of oil on your alternator. "Gee, ma'am, look. Your alternator's all shot. See, it's spraying oil. You get back on the interstate and in 10, 15 miles it'll just fall apart."

To which the lady responds, "Is there anything you can do?"

To which the mechanic responds, "Well, I can take a look and see if we have a replacement for it."

Sure enough. It just so happens they do and your wife cruises out with a $100 bill crunched on her credit card never knowing she was had.

FIRE

Not too long ago, a soldier's dad was driving his son's car back from California. He stopped at a gas station, up went the hood and by George, the alternator was on fire. In this case the station boys didn't feel as though the driver would go for the oil trick.

He was told the alternator would have to be replaced along with the voltage regulator. The story was the regulator points fused together and started the fire. Although no warning lights lit on the dash board and there was no smell of smoke until the hood was raised, the gentleman was stuck.

LEAN ON ME

The same situation often occurs with out-of-state cars. A sensible trooper will have his car checked before taking a long trip home. If he happens into a less than reputable garage, once the mechanic spots out-of-state plates, the game is on.

Suppose you're about to return from 2 weeks' leave and want a tune-up before heading back to post. You go to the shop and there's your engine all over the floor. You can't drive away and the man wants a month's pay. The first mistake was signing what's laughingly called a "work order." The tiny lines below your signature usually read something like this:

"I hereby authorize the repair work herein set forth to be done along with the necessary material and agree that you are not responsible for loss or damage to vehicle or articles left in vehicle in case of fire, theft or any other cause beyond your control or for any delays caused by unavailability of parts or delays in parts shipment. I hereby grant you or your employees permission to operate the vehicle herein described on streets, highways or elsewhere for the purpose of testing and/or inspection. An express mechanic's lien is hereby acknowledged on above vehicle to secure the amount of repair thereto."

"Necessary material" means whatever the boys in the shop decide to stick on. You already agreed. The "express mechanic's lien" is something else. It means if you don't pay the garage they can sell your car to cover the cost of their work. In many states your car can be sold without any court authorization and in others only summary court proceedings are necessary. In any case, it's likely your car won't draw top dollar; after all the garage just wants to get rid of it. Therefore you can't expect much of a return—if any at all—after it's sold.

NEVER A BLANK CHECK

One way to save yourself unnecessary repairs is to scratch out the last word in tiny print on the work order. Scratch "thereto" and write "initialed hereunder." Don't stop. Ask the mechanic or service rep to list all the parts needed for the job on each line, initial them and scratch out the remaining blank lines. Leaving them blank is like writing a blank check and nobody should be that dumb.

A SHINY NEW PROBLEM

Many people feel the best way to avoid expensive repair bills is buy a new car—after all, it's protected by a warranty. However, most people don't seem to understand what is and what isn't covered by their warranty.

Let's begin at the beginning. The Federal Trade Commission concluded that warranties were first designed as a device to *sell* automobiles. An executive of one major automobile corporation went so far as to say, "But when you boil it all down, there's only *one* reason for the 5 year/50,000 mile warranty and Certified Car Care—and that reason is simple . . . to *sell cars!*"

That's one reason why warranties do not cover parts and labor for normal maintenance like tune-ups; adjustments of wheels, brakes and clutches; lubes and oil changes; replacement of brake linings, spark plugs, ignition points, filters, clutch plates and lights. That's also why deterioration of soft trim, decorative bright trim, painted and rubber parts are excluded from warranties.

POOR MR. DEALER

The new car dealer is caught between the consumer on one side and the manufacturer on the other. Look at it from his point of view for a minute. Six years ago the average dealer had $19,000 invested in his business. His total sales were $1,490,000 a year Net income after taxes was $14,000. That's a miserable 10.8 percent return on investment and 1.8 percent profit. In the meantime the manufacturers made eight times that much.

If you're wondering why warranty work is often undone or done miserably, it's partly because the dealer doesn't get reimbursed from the factory at the same rate he can charge his customers. He has to work cheaper on warranty work. The National Association of Automobile Dealers reported there are at least nine additional bookkeeping steps involved in doing warranty work for which the dealer isn't reimbursed at all. He's also required to save, tag and inventory parts replaced under the warranty. Oftentimes the factory will not reimburse him at all for work done under a warranty. If his bookkeeping doesn't meet factory specifications they may reclaim money already paid him. And the manufacturers' flat rate book allows the very least worktime for mechanics.

That, according to the FTC, is why the dealer charges you 20 to 70 percent more for parts and labor. He's trying to make up the loss he suffers doing warranty work.

INSUFFICIENT EFFORT

The editor of *Motor Age* commented that "Manufacturers are beginning to realize the crux of their dealer service problem may be the car was never designed for the convenience of the motorist and the profit of the mechanic. In short it was never designed to be serviced."

Maybe that's why a Consumer's Union poll found 20 percent of all warranty work performed unsatisfactorily, why *Newsweek's* poll showed 14 percent of new car buyers complaining of unsatisfactory dealer service, why the FTC reported "evidence available to this Commission indicates that performance under warranties has fallen short of *reasonable* consumer expectations," and why the FTC reported in plain English: "Have the manufacturers and the dealers made a sufficent effort to put cars in top-notch operating condition? Based on the evidence the answer to this question is 'No'!"

BUY A USED LEMON

Some people feel that in buying a used car they'll finally get their hands on a car with all the bugs worked out and a good bit of life left. Could be.

Dr. William N. Leonard, Professor of Economics at Hofstra University, offered this little teaser: "Because of rapid depreciation rates hastened by Detroit's planned obsolescence (the typical new car depreciates 30–33 percent the first year, 17–20 percent the second and so on) and resale prices being set at low levels, the dealer can take a used car, fix it up and resell it in a seller's market at a profit of several hundred dollars per vehicle. In fact, many dealers will make $400 on a used car selling for $2000, and only $150 on a new car selling for $3000. The result is that used car buyers—those as a rule with lower incomes—help subsidize the new car buyer who has more income to begin with."

A few years ago a former aeronautical engineer named Glenn Kriegel established one of the country's first auto diagnostic centers. His operation was and is all diagnostic. He does no repairs. Mr. Kriegel is not in the business of telling people their cars are sick so his mechanics can play doctor.

"Approximately 40 percent of our business is on used cars people are intending to buy," says Mr. Kriegel. "We find that in most cases a large percentage of the used cars offered for sale to the general public is in very poor condition. In fact, our records show an average of $175 repairs required and these are not skimpy repairs. We find in many cases these cars come from dealers who advertise them as reconditioned and offer certain nebulous warranties on them. In fact, they are not as advertised."

HOW SAFE?

Just because a used car has a safety sticker attached there is no guarantee the vehicle is safe. A late model used car being sold by a reputable dealer can be used as an example. On an independently run test lane this car was found to have its left frame horn, suspension and cross members tack-welded together. Apparently the workmen forgot to finish the welding job. The left front wheel was coming off. Driven on the highway it probably would have caused a fatality. However, the safety sticker on the window was brand-spanking new.

A safety sticker does not mean a car is road safe. Insufficient state inspections were noted in Senator Hart's hearings time and time again. Adequate inspections cost too much money.

YE OLD GAS STATION

Yet whether you have a new or used car you have to have it serviced somewhere. Most people complain dealers are too expensive, lines too long or appointments take days and sometimes weeks to arrange. Why not try the local gas station? It's at least convenient.

The fact to remember is a gas pumper does not a mechanic make. If you can find a service station with a knowledgeable mechanic on duty you're in luck. But remember anybody can call himself a mechanic.

In most stations you're paying the mechanic according to a commercial flat rate manual. The station generally has access to parts through nearby suppliers—although it must pay more than dealers for parts. But if you aren't satisfied with the work done you always have recourse to complain to the parent company.

There are approximately 200,000 stations dotting the countryside; the best thing to do is make friends and find out what kind of service the ones near you are capable of performing. For starters, remember most stations are not equipped to handle major jobs.

INDEPENDENT GARAGES

Most of the country's 112,000 independent garages are equipped to do major jobs. But there are independent garages and independent garages. The biggest ones have a tendency to treat you like just another customer while the smaller ones generally rely on repeat business and seriously work at developing a good reputation.

More than 4,000 of these shops belong to the Independent Garage Owners Association (IGOA). They're small shops often doing less than $50,000 worth of business a year. One distinct advantage of going to an independent garage belonging to the IGOA is their Verified Car Care Plan. These garages are able to service your car without invalidating a new car's warranty. It's a point often misunderstood. You are not required to have maintenance performed on a new car by the dealer, only warranty repairs. your warranty to show you're living up to your part of the warranty in having maintenance performed as prescribed by the factory.

While the independent does have some trouble getting parts, you can expect to pay lower rates in an independent garage than at a dealer's. Despite an FTC order some dealers will not sell certain parts to independents. The "captive part" problem, however, generally doesn't affect the average repair.

You might be interested to know that representatives of IGOA have testified that approximately 20 percent of the work they do is to correct repairs done elsewhere.

SPECIALTY SHOPS

Redoing work suggests someone hasn't lived up to his part of the bargain which is what the Federal Trade Commission has been busy trying to get some specialty shops to do. The companies under the Federal gun were not fly-by-night operations but franchised shops whose parent companies have been stung several times by the FTC for using deceptive sales schemes and false and misleading advertising.

Specialty shops offer promises of quick service, all sorts of guarantees and special sales. But the best promise is one you should make to yourself. Buy only what you went for. It seems your car can be diagnosed as having more problems in a specialty shop than almost anywhere else. The FTC and Office of Consumer Affairs both agree you should shop carefully.

THE MASS MERCHANDISERS

The fastest growing chains of repair shops are related to the country's giant department stores and mail order companies. Their biggest advantage is low prices on parts. It's the old story of buying power: the more they buy, the cheaper they get it. However, complaints registered seem to indicate the large department stores do not have the best mechanics and their shops are not equipped for much more than the general repairs available at most good service stations.

If you have a gripe about the work done some lawyers feel you have a better chance of settling your complaint with the big boys. But if you refuse to pay your bill you can be almost certain your credit rating will suffer. First thing to go will be your company credit card, then comes a big black mark on your general credit record.

MORE THAN MONEY

Since the American automobile yearly becomes more complicated, involving more gadgetry, buzzers, lights, electric windows and air conditioning systems, it pays the owner to know more about it. The more gear on a car, the more chance for failure and costly repairs. Interestingly enough, Dr. Robert Brenner, while Deputy Director of the National Highway Safety Bureau, commented that according to their studies, a full 32 percent of all safety related defects on today's automobiles were design related. In simple English the design was unsafe from the start.

With the passage of the Motor Vehicle Safety Act of 1966, manufacturers are now required to notify buyers of any safety related defect. Last year 12,081,803 vehicles were recalled but only 70 percent of the owners showed up to get their free repairs.

Unattended safety defects, faulty repairs and the high cost of repairs can do more than ruin your budget, they can end your life. Senator Hart said, "If consumers are wasting conservatively one-third of all repair dollars . . . obviously some of that bad work must end up in death or injury."

Donald H. Decant, a member of the Society of Automotive Engineers and owner of the country's first independent auto diagnostic center, testified that 85 percent of the cars tested in his shop had safety related faults. Twenty-six percent had hazardous braking faults and 16 percent more had potentially hazardous brakes.

The Department of Transportation has flatly concluded the quality of repair is inadequate. From available data, DOT found repairs to safety-critical systems—brakes, front end, steering, suspension and tires—were inadequate 23 percent of the time when work was performed under warranty and 12 percent of the time when the customers paid.

Those defects translate into accidents. In a recent limited study of turnpike accidents 11 percent were the result of a vehicle failure. Is the figure higher? In most cases, without an auto autopsy it's hard for police investigators to determine failure. If a car goes off the road and the driver dies, the accident is usually chalked up to driver error or fatigue, not vehicle failure. Systems known to fail most frequently are tires and brakes.

So when it comes time for new tires, forget retreads and cheapies. Consider how much a $14.95 brake job might eventually cost. Before buying a new car figure the cost seriously. DOT estimates a new car should last 100,000 miles or 10 years to be economical. (Yet the Government sells its own cars at 60,000 miles.) If you make a comparison, even as the clunker gets older, repairs each year still cost less than depreciation which makes keeping an old car cheaper than buying a new one. And before buying a monster consider a smaller car. They are cheaper to operate, maintain and insure.

"If consumers have been finding it impossible to get the car that takes fewer repairs from domestic manufacturers—obviously we have some explanation for the increase in imports," said Senator Hart.

"Of course, not all repair problems can be—nor should be—blamed on incompetent mechanics. We have been told by industry that incompetency exists. We have been lectured about the need for many more mechanics.

"But overspending for repairs grows from many seeds. Some grow from incentives in the present system, some from human error, some from out-and-out fraud—a lot from design."

IS THERE NO JUSTICE?

The solutions offered to the motorist are legion. Consumer groups, legislators, economists and safety groups all have solutions to offer but then so do the manufacturers.

The best defensive policy is of course to learn more about your automobile and how it functions. Junior colleges, YMCAs, posts, some independent garages and women's clubs often offer basic courses for beginners. Considering how much money people tie up in their automobiles over a life-time, a basic course or two could certainly be considered an investment. In the meantime play defensively.

DEFENSIVE MEASURES

Read warranties and guarantees carefully, look for the loopholes that will cost you later. Do they include labor?

Get an estimate in writing before signing anything.

Ask to see the flat rate book and ask what the shop's hourly rate is.

Don't let a dealer show you a commercial flat rate book for repairs. Commercial books allow more time than factory books.

Get the work order filled out in full before signing.

Cross out all blank lines on work order.

Initial repairs on work order. Scratch out "thereto" and write "initialed hereunder."

Don't take verbal promises from anyone. Get it in writing.

Get out of your car in a strange service station—especially on the highway—and make sure it's not sabotaged.

Don't let any shop take your transmission or engine apart until you're sure it needs it. Get a second opinion from another shop.

Avoid places that advertise heavily; the odds are against you. Good shops don't need to buy ads.

Paint or scratch an identifying mark on major parts to prevent being sold your own gear.

Don't give in to "The Phone Call." Stick to what work you wanted done.

Don't be afraid to back out if the price sounds too high.

Contact your local Better Business Bureau to check out local repairmen's reputations.

If work isn't done properly, tell the hombre after talking with your legal assistance officer you intend to blow the whistle to—the FTC, the DA's office, your state's office of consumer affairs, the Better Business Bureau and anybody else you can think of.

RESIGNATION OF PRESIDENT ROBERT PANTZER OF MONTANA

Mr. MANSFIELD. Mr. President, in the past decade, one of the most difficult professions has been that of presidency of a college or university. Ten or 15 years ago, the position of university president was highly regarded and greatly sought. Today, the situation is considerably different. There are many colleges and universities—large and small—with vacancies or attempting to seek new administrators. This is due, in part, because of the student protest movement, which appears to have waned, and the complexities of financing higher education and that becomes more difficult each year.

In the State of Montana, we have been fortunate in having a president at the University in Missoula who has weathered the storm and done an excellent job. Robert Pantzer has always fairly represented the interests of the students, the faculty, and the Montana taxpayers. After nearly 9 years, Bob Pantzer has decided to step down. This is his own decision and one I regret as I had hoped that Bob Pantzer would remain in the position he has executed so well. I do understand, however, and I hope that he will go on to other pursuits which will benefit the State and Nation.

President Pantzer survived some difficult years during the student protest movement and I know of few who have been greater advocates of the interests of the students. In recent years, because of the financial problems facing a State like Montana, the university system has had to absorb some serious budget cuts. President Pantzer has met these directives head on and has continued to administer the university in line with the fiscal realities of this day and age.

Bob Pantzer is a Montanan who knows and understands the State. He will go down in history as one of the great presidents of our university and I wish to take this opportunity to wish Bob and his wife, Ann, success in whatever they plan to do in this academic year.

Mr. President, I ask unanimous consent to have the attached editorial printed at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A DECENT MAN IS STEPPING DOWN

Bob Pantzer's resignation as president of the University of Montana, announced Tuesday at a faculty meeting, was expected. He will step down next July 1 after nearly nine years in one of Montana's most exacting jobs. His action is voluntary.

He's been a fine president, but as he noted in his gracious resignation statement, vast changes are under way in higher education generally and at the UM particularly. "The time for new, different and vigorous approaches seems to be at hand," he said.

In addition to the need for new blood, Pantzer cited his own exhaustion with a job that requires him to work seven days a week, 12 months a year. He also mentioned the frustrations caused him by the budget crunch, which occurred this year when the legislature declined to fund the university at all well. Pantzer's administration of the budget crunch last spring brought him into sharp conflict with elements of the faculty, especially in the College of Arts and Sciences. That conflict still simmers warmly and might heat up again this fall.

So it was wise for Pantzer to step down. Thankfully, he will be around this academic year to try to solve various conflicts, and will provide an experienced hand as the entire Montana University System enters a new administrative era with a new board of regents, a new commissioner of higher education vested with extensive powers, and a new Commission on Post-Secondary Education which will try to bring order to Montana's nonsensical system of higher education. Pantzer is hitting it just right: He will be around when his experience is needed, and step down at the proper moment.

His predecessor, Robert Johns, used to cite indignantly a Time magazine article that described the UM as a "graveyard of presidents." It was no such thing, said Johns, who hit the bone pile after slightly less than three years in the job.

So Pantzer took over a tough job and held it. He held it through tough years, especially during the hot period of student antiwar protest. His performance on May 5, 1970, when more than 2,000 students gathered before Main Hall to protest against the Cambodian invasion and the Kent State killings, was superb. He lent support to the aims of the protest, counselled against violence or destruction, and never once then or later gave in to the maniacs who felt the university should crack down hard on nonviolent protest.

Pantzer is a man of spirit and backbone. He has been good for this institution; the right man at the right time. Now it is time for him to step down, and it speaks well of his intelligence and acumen that he recognizes this.

The problem now facing the university system is to find a replacement who is not merely as good, but better.—Reynolds.

POWHATAN'S HISTORICAL COURTHOUSE

Mr. FULBRIGHT. Mr. President, the beautiful old courthouse in Powhatan, Ark., which stands on a hill overlooking the Black River, is being restored through the efforts of a dedicated group of citizens of Lawrence County and with the aid of a grant from the Economic Development Administration.

I am pleased to have been able to work with the local citizens in assisting them in obtaining the grant from EDA.

An article in the Arkansas Gazette of September 23 tells of the efforts to restore the courthouse and the years of work by the Powhatan Restoration Committee and the Lawrence County Development Council. The restoration committee raised $30,000 for the project.

According to the Gazette article, not only has the courthouse been restored, but there are strong signs of new life in the community of Powhatan. The Gazette article states:

> Seeing their six years of work for the court house coming to fruition, the committee and Powhatan have a foundation for their hopes that the town, once the center of commerce and justice in the county, may now become a center for the rich history of Northeast Arkansas.

Mr. President, I ask unanimous consent to have the article from the Gazette printed in the Record, along with an earlier Gazette article, dated September 14, 1972, announcing the EDA grant and the beginning of the restoration work.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Arkansas Gazette, Sept. 23, 1973]

Powhatan's Historical Courthouse Gets New Life

(By Brenda Spillman)

The 85-year-old county courthouse at Powhatan, standing like a monument over a Northeast Arkansas that already was dying when the Lawrence County seat was moved to Walnut Ridge in 1963, soon will have new life when its restoration as a state historical site is completed in this month.

New life is what many residents hope the restoration will mean for Powhatan, county seat for 94 years and formerly the main trade center for the county. Once a thriving Black River port with nearly 1,500 residents, Powhatan began its decline in the 1880s when the railroads passed it by.

Now the courthouse, standing on a hill overlooking the Black River, dwarfs the town, which today probably has fewer than 100 residents and not more than 25 buildings.

"This restoration just may bring this community alive again," said Mrs. Robert Flippo of Lake Charles, president of a committee of the County Development Council which began the restoration campaign in 1967.

Now that the courthouse restoration is almost complete, Mrs. Flippo and other members of the committee and the community are looking to a larger dream which was suggested by a team of visitors from Colonial Williamsburg in 1968. They are hoping eventually to restore several other buildings that date from the 1800s, from the old schoolhouse, now used as a church by a Baptist congregation, down to the old river landing.

"We even have dreamed that we might have a new landing on the river and operate an excursion boat," she said, "but of course that's only a wild dream so far."

But it is not just a dream for the 100-year-old Methodist Church, which will be restored in the near future by its congregation.

"But we're going to get the courthouse finished first," Mrs. Flippo said. "Then we'll see about the church."

Bill Thompson of the state Parks and Tourism Department, which will take over the maintenance and operation of the courthouse when restoration is completed, said that the old county jail, located behind the courthouse, probably also would be restored, although no firm plans had been made.

He said the department also was interested in restoring other old buildings such as the school, the old postoffice and a log house across from the courthouse which is believed to date from the 1830s. However, he said that so far the further restorations were "just talk, without budgeting."

"That doesn't mean to say we wouldn't like to investigate it," he added.

The restoration committee is well aware of the problems involved in getting money and interest in such a project after their six-year campaign for the courthouse restoration.

"Of course, we all think the restorations of the other buildings would be wonderful, but just try to raise even the $30,000 we raised for the courthouse in a small farming community like this," Mrs. Leon Stewart of Lake Charles, past president of the restoration committee, said.

"A lot of people right here in Powhatan said they would just as soon see the courthouse burn as restore it," she added.

She said that from the first the project had been nursed along by the "faithful few" in each community who thought the restoration was worthwhile.

As early as 1964, residents were talking of making the courthouse into a museum, but it was not until 1967 that the Development Council, which ironically was instrumental in the campaign to move the county seat to Walnut Ridge, formed the restoration committee.

In 1969, a drive to raise $25,000, the committee's estimate of the cost of repairing the exterior of the courthouse, began. The rest of the restoration was to be done in stages as the money became available.

However, by the end of July 1970, more than $27,125 had been raised for the project through every means the finance committee could imagine from raffles and rummage sales to solicitations from former residents of the area.

Mrs. Elizabeth Myers of Black Rock, president of the finance committee, said more money was raised from former residents by letter than from within the county. She noted that contributions had come from 17 states and included gifts from United States Representative Wilbur D. Mills of Kensett and then Memphis Mayor Henry Loeb. A former resident, who now lives in Florida, contributed $5,000 to the project.

In 1970, the committee applied for a grant from the Economic Development Administration, with the backing of the Parks and Tourism Department. The only stipulation was that the courthouse be used as a restoration of a courthouse of the period rather than as a general museum.

"There has been some bitterness that the courthouse is not to be used as a museum," Mrs. Stewart said, adding that many residents had hoped to donate items to be displayed at the courthouse.

The grant was approved in the fall of 1972, and work on the project, funded with the committee's $30,000 and $120,000 from the EDA, began last January.

Hardy Little of Jonesboro, the architect for the restoration, said the courthouse, an example of the Victorian architecture prevalent in the United States around 1888 when it was built, had been restored as closely to its original condition as possible using the architect's plans which were found in the vault of the circuit clerk's office. The only change made was the addition of electrical lighting and outlets.

Little said the building was built on a foundation of native stone with brick that was manufactured locally at a kiln in the woods near the courthouse. He said the major work done on the building was the replacing of the roof and the support of the main staircase, which had been removed, causing the stairs to sag and crack the exterior walls.

Other than repainting and replacing of hardware and moldings, the major work necessary for restoration of the interior was the replacing of the courtroom ceiling which had sagged under the weight of "literally tons" of pigeon droppings, according to Mrs. Stewart.

She said her son and Mrs. Flippo's son had shot "thousands" of pigeons that had roosted in the space between the roof and the courtroom ceiling during the period when the courthouse was not being used.

When the committee and members of the community went inside the courthouse at the beginning of the project to inspect the contents, Mrs. Stewart said they found the jury room off the courtroom "piled to the ceiling" with old documents, some of which dated back to 1813. During the period of disuse, the documents had been rained on and some of them had been spoiled by pigeon droppings. Mrs. Stewart said those documents and the ones found in the Circuit Clerk's vault were organized somewhat and removed to Walnut Ridge until the restoration was complete.

Thompson said the state did not plan to open the courthouse to the public until next spring and said that in the meantime the old records and documents would be further organized for display in two rooms to be set aside for a historical library.

Mrs. Stewart said the Development Council hoped to get a grant to microfilm the documents and planned to make recordings of old trial records, found in the circuit clerk's vault, which would be played for visitors to the courtroom.

"We plan for the library to be open to interested students from the universities in the area," Mrs. Flippo said. "I understand some already are planning to write theses on the records we've found here."

The records date back to before the county was formed in 1815 and include the plans for old Davidsonville, the county seat when Lawrence still was part of Missouri Territory. The county, second only to Arkansas County in age, is known as the *Mother of Counties* because 31 present-day counties were formed from its original area.

Powhatan had its beginnings in the 1830s as a community which sprang up around a ferry crossing established there by John Ficklin, for many years the only resident. By 1839, the population had grown sufficiently to warrant the establishment of a steamboat landing. In 1866 the town was incorporated, according to the secretary of state's office.

Lawrence County historian Walter McLeod wrote that Powhatan was a "thriving town when the county seat was moved there in 1869, and then it took on new life." The first courthouse was built there in 1873 and burned in 1885. A safe, built the year the courthouse burned, still stands in the restored courthouse which was built three years later.

But McLeod's testimony of the prosperity of Powhatan when it became the county seat was short-lived. By 1887, the county had been divided into two districts with the Eastern District headquarters located at Walnut Ridge. Around that time the Frisco railroad, unable to get the right of way to the Black River at Powhatan, routed through Black Rock, sounding the beginning of Powhatan's decline as a trade center.

Evan Smith, father of Mayor C. A. Smith and a resident of Powhatan for 71 years, remembers better days at Powhatan.

"You used to be able to go all over town on wooden sidewalks without ever getting on the ground," he said, adding that the town used to be a full half mile square and extended to the river with a livery stable, packing house, sawmill and other businesses associated with the river trade.

But Smith also remembers the ferry leaving around 1935 and the swing bridge, Powhatan's last link with the other side of the Black River, being removed around 1957.

"Why sure, I helped take it down," he said.

When U.S. Highway 63 was built across the county, it, like the railroad, jumped over Powhatan, leaving the little town isolated on old state Highway 25. But while Powhatan was being cut off from efficient means of transportation, Walnut Ridge, crossed by U.S. Highway 67 and the Missouri Pacific Lines, was assured of growth.

By the time the move to consolidate the Eastern and Western District of the county, a bone of contention between the districts since early years finally succeeded in 1963, Powhatan already was all but dead. The vote was an overwhelming 11 to 1 in favor of the move, and even in Powhatan, the only township to oppose the consolidation, the vote was a slim 16 for and 24 against.

Somewhere along the way, although the county and circuit clerks could not find a record of it, the city government at Powhatan had gone inactive. According to Mrs. Vurnece Jones, circuit clerk at Walnut Ridge, part of the reason was because residents were not willing to pay city taxes.

At the time of the consolidation, then County Judge Brooks Penn said he thought the newly approved state park at Lake Charles outside Powhatan, would mean more to the community than having the county seat there.

But whether or not the park has meant a great deal to Powhatan, something has brought back at least a spark of life. The restoration committee has found enough interest to make the restoration of the courthouse possible. In 1971, the town charter was reactivated, according to Mrs. Jones, and new city officials were elected.

"The City Council is real active now," Mrs. Flippo said.

Seeing their six years of work for the courthouse coming to fruition, the committee and Powhatan have a foundation for their hopes that the town, once the center of commerce and justice in the county, may now become a center for the rich history of Northeast Arkansas.

[From the Arkansas Gazette, Sept. 14, 1972]

COURTHOUSE RESTORATION WILL BEGIN

POWHATAN.—With the approval this week of a $120,000 Economic Development Administration grant, restoration of the old, abandoned Lawrence County Courthouse here will get under way within 90 days, according to the architect for the project.

Hardy Little III of Jonesboro said plans were complete and have been approved by both federal and state authorities.

The building will be restored to its condition at the turn of the century when steamboats passed along the Black River. Some beautification of the bluff site also will be done.

The project will employ 28 persons, Little said.

The office of Senator J. William Fulbright (Dem., Ark.) advised earlier this week that the grant had been approved. The EDA grant is being matched by $30,000 from Lawrence County residents.

Mrs. Leon Stewart of Powhatan, the old Western District county seat, was chairman of the Powhatan Restoration Committee. Mrs. Jay Myers of Black Rock served as finance chairman.

When the old two-story brick courthouse was constructed in the late 19th Century, it was one of two courthouses for the county, the other being at Walnut Ridge. Lawrence County often has been called the state's "mother of counties" because 31 counties were carved from the original Lawrence County.

In the early 1960s, Lawrence County residents voted to consolidate the districts into one and build a new courthouse at Walnut Ridge, which had become the county's commercial and governmental center after the railroad and highways bypassed Powhatan.

The restoration project will be incorporated into nearby Lake Charles State Park as a museum.

IN DEFENSE OF HUMAN RIGHTS

Mr. RIBICOFF. Mr. President, last week my good friend and colleague Senator KENNEDY received a Human Rights Award from the Jewish Labor Committee's Trade Union Council for Human Rights.

I can think of no other person more deserving of such an award. Whenever and wherever fundamental human rights are in danger, Senator KENNEDY's eloquent voice is always raised in defense of freedom. Whether the repression has been in the Soviet Union, in Pakistan, in Ulster or in Greece, it diminishes all of us, and Senator KENNEDY, realizing this truth, has never been afraid to speak out.

The Senator's remarks on this occasion about the situation in the Soviet Union are particularly noteworthy. He stated:

> The iron regime of Stalin is gone from the Soviet Union, and tensions between East and West have eased. But still we see Soviet man and women brutalized by the apparatus of state repression. Still we find writers and scientists and poets in the prisons and the mental institutions of that vast country. Still we find Soviet Jews denied the right to free emigration.
>
> Still we wait for a sign of protest from the government of the United States.
>
> We ask our country why there is no protest when Solzhenitsyn is condemned? Why is there no protest when Sakharov is condemned? Why is there no protest when Soviet Jews are condemned?
>
> What all of us here want is a government that, even as it pursues its peaceful policies with the Soviet Union, will speak up against the human injustices and indignities that still plague that land.

I ask unanimous consent that the text of Senator KENNEDY's remarks be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR EDWARD M. KENNEDY AT THE THIRD ANNUAL HUMAN RIGHTS DINNER OF THE JEWISH LABOR COMMITTEE'S TRADE UNION COUNCIL FOR HUMAN RIGHTS, CHESTNUT HILL, MASS., SEPTEMBER 21, 1973

I am pleased and highly honored to be here this evening and to accept the Human Rights Award of the Jewish Labor Committee's Trade Union Council for Human Rights.

I want to especially thank Jack Sheinkman for his kind words and to express my pleasure at being able to join with Ed Milano, Julius Bernstein, Chick Chaikin, Mike O'Keefe, Joe Tonelli, Bill Cleary, Milton Kaplan, Massachusetts State AFL–CIO President Joe Sullivan and Rhode Island AFL–CIO President Tommy Policastro and so many other friends from the New England Labor movement.

As a United States Senator, I can think of no greater accolade, no greater honor, than to be considered by men and women I deeply respect as having played a role in the advancement of human rights. I know that Sam Angoff and Bob Quinn felt a similar sense of pride in this award.

For the banner of human rights has drawn the best from us, calling forth our greatest sacrifices and our greatest commitment.

Both President Kennedy and Robert Kennedy pledged their lives to that banner. If there was one single cause they revered above all others, it was the cause of human rights.

The poet John McCrea wrote: "To you from failing hands we throw the torch; be yours to hold it high. If ye break faith with us who die. We shall not sleep . . ."

No organization has held the torch so high as the Jewish Labor Committee. You stand as a tribute to the opportunities of America and a herald to the cause of freedom.

You are the descendants of immigrants who came here alone, unsure of the future, but determined to live in freedom. You are the witnesses to the spirit of human rights in this land. And as leaders in this struggle, you must continue to speak out against every attempt to deny the rights of others.

The history of the Jewish Labor Committee and the Trade Union Council for Human Rights is the history of men dedicated to the cause of equality and the cause of social justice. It is the history of 40 years of battle to rescue the victims of oppression. It is the history of leaders like Charney Vladeck and David Dubinsky, who fled Czarist rule for the freedom of this country and who forged the JLC to protect that freedom for all who came after them.

The JLC does not stand isolated within the labor movement in its commitment to human rights. For wherever that cause has been threatened the leaders of the American labor movement, both past and present, have stood tall. And I am proud, as my brothers were proud, to stand beside you in that cause.

The struggle of human rights knows no boundaries. It knows no national restrictions. It knows no religious divisions. It is a cause as ancient as the march from Egypt and as modern as the march to Washington.

This year we must look at the world around us and ask with all our wealth, with all our weapons, with all our wisdom, whether the world today is more free, more just, more hopeful than it was 25 years ago.

For this year marks the 25th anniversary of the Universal Declaration of Human Rights.

The assembled delegates listened on December 10, 1948 as Eleanor Roosevelt presented the proposed draft. "Recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world," she read, and she proclaimed Universal Declaration of Human Rights "a common standard of achievement for all peoples and all nations . . ."

No one expected that proclamation to rid the world of tyranny, or of poverty or of injustice.

But for 25 years, it has stood to condemn the denial of human rights.

For 25 years, it has been a standard that no government could publicly disregard.

For 25 years, it has pointed the way toward the future.

This is a time to renew and restore our commitment to that future.

For the barriers to the full expression of that Declaration still appear as a wall of granite. Nations still seek to crush the rights of man into dust. Governments still seek to claim the right to monitor the lives of their citizens in their own interests. States still seek to silence those who dare to dissent.

And too often we allow the victims to pass unnoticed and unattended.

The iron regime of Stalin is gone from the Soviet Union, and tensions between East and West have eased. But still we see Soviet men and women brutalized by the apparatus of state repression. Still we find writers and scientists and poets in the prisons and the mental institutions of that vast country. Still we find Soviet Jews denied the right to free emigration.

Still we wait for a sign of protest from the government of the United States.

We ask our country why there is no protest when Solzhenitsyn is condemned? Why is there no protest when Sakharov is condemned? Why is there no protest when Soviet Jews are condemned?

What all of us here want is a government that, even as it pursues its peaceful policies with the Soviet Union, will speak up against the human injustices and indignities that still plague that land.

I believe the American people want their government to protest these crimes against the cause of human rights. I know the American labor movement does.

For if we are to keep faith with those before us who struggled in this cause, then we must not condone silence in the face of repression.

The American people did not condone silence by their government when millions of Bengalis were being slaughtered.

The American people did not condone silence by their government when political prisoners in Saigon were placed in tiger cages.

And the American people will not condone silence when thousands of Chilean citizens and political refugees are rounded up in football stadiums and ordered to face military courtmartials.

For allegiance to human rights does not permit us to pick and choose those governments we like and those we do not like, to say that the former may violate civil rights, but the latter may not.

We want an American foreign policy which will not permit our ambassador to toast the colonels in power in Greece while the Conference of Europe has condemned the past brutality of that country's regime.

We want an American foreign policy which will not let us act as middlemen in procuring arms for the Franco regime while the nations of Europe condemn that country for its denial of a free labor movement and its denial of civil rights.

We want an American foreign policy which will not call the oppressive government of Brazil the hope of the future in Latin America where tales of torture and censorship continue to emerge from that nation.

And we want an American foreign policy which will not overlook the internment of thousands of Catholics in camps in Northern Ireland.

Now is the time to demand that the Universal Declaration of Human Rights be respected by all the nations of the world, including our own.

Former Chief Justice Earl Warren spoke to all the world when he said, "No one of us, if he looks with a clear and honest eye, can fail to see close at home as well as in distant places, far too many manifestations of man's inhumanity to man."

In this land where the greatest experiment in liberty ever essayed is still unfolding, there remains much left to be done.

We must end the discrimination that continues to rob young children of the chance to be free because their skin is black or brown or red. The road to full equality still lies before us and we must make of it, as Martin Luther King, Jr. said, "a superhighway of justice."

We must end the poverty that condemns 24 million of our fellow citizens to lives of misery and despair. How can we deny a decent minimum wage to millions of our fellow Americans? We can end poverty and end the indignity of welfare by adopting a policy where every man and woman who wants and is able to work is given the chance to do so at a decent wage, in decent working conditions and with the right to participate in the decisions affecting his work. That right must be extended to the farm workers of California as well as to the millworkers of the South. To end social injustice, we must end economic injustice and that means we must build a society in which there is freedom from want for all our people.

We must end a system in which adequate health care is a right for all, not just a privilege for the few. The average working man now works one month out of every year to buy health care for himself and his family.

And there's not a man or woman at this dinner whose family couldn't be driven into poverty by the cost of serious illness. We can put an end to the high cost of serious illness. We can put an end to the high cost of poor health care. We can do it one way only and that is through national health insurance.

We must end the corruption in the administration of laws that permits who you know or how much you contribute to mean the difference in how the Government treats you.

When the dairy companies contribute $422,000 and weeks later, dairy prices are raised, when the oil companies contribute hundreds of thousands of dollars and federal policies consistently protect their profits, when ITT offers $400,00 and then antitrust suits are not carried through, then the process of law has gone out the White House window.

When the courts are used to harass dissenters without political trials and when the police power is used to restrain the press, then both the courts and the police power are made the handmaidens of repression and the free expression of ideas is destroyed.

These continuing evils in our society demand our vigilance, our concern and our protest. For whether they touch us directly today, the Jewish Labor Committee knows full well, that if we fail to speak out today, they surely will touch us tomorrow.

At the end of World War II, a group of German theologians met and issued the following statement:

". . . They came for the Communists, and I did not protest because I was not a Communist.

Then they came for the Jews and I did not protest because I was not a Jew.

Then they came for the Trade Unionists and I did not protest because I was not a Trade Unionist.

Then they came for the Catholics, and I did not protest because I was not a Catholic.

Then they came for me . . . but by then there was no one left to protest . . ."

The Jewish Labor Committee and the American Labor Movement have never been silent in the past and must remain the conscience of America in the future.

For the human rights of all mankind are indivisible and we protect our own rights only so long as we protect the rights of others.

WHY CONGRESS WON'T FIGHT

Mr. MATHIAS. Mr. President, Elizabeth Drew, one of the most articulate and acute of our political commentators, has written a disturbingly thoughtful article on the Congress. She points out that the events of the past decade "make a return to the nineteen fifties version of an effective Congress" impossible and that the key question is "whether the Congress can find a new form of effectiveness."

Mrs. Drew sketches out several instances of congressional failures, but she is more concerned with raising the issue of what Congress can do if it has the will. For example,

Congressional oversight of the executive is a function that is clearly within the grasp of the Congress. It does not call for collective action. It does not require heroism. It does not even demand determined nibbling at a dragon. It does demand an interest in doing the job, and in making the appropriate arrangements. But the Congress has a curious disinclination to do so.

I think my colleagues might be interested in her summary views of the Congress, which I believe is an opinion shared by many thoughtful observers of the political scene.

The Congress is, or is supposed to be, the most responsive branch of Government we've got. The Supreme Court is remote, austere, guided by canonical doctrine. The executive branch can become arrogant and inaccessible. Congress is the accessible branch. It is sloppy, but it is also the only place where all of the interests can be represented. It is unheroic, but it also reads its mail. The Congress cannot be expected to change simply as a result of inner-generated pressure; there are strong countervailing, inner pressures against change. It would be the ultimate irony, if not tragedy, if the result of "Watergate" were greater apathy on the part of the public, disgust with the politicians to the point that it gave up on the Congress. The result could be even greater imbalance of power between Congress and the executive branch. And then when the politicians, in their orotund fashion, talked of a "constitutional crisis" and their fears for "the survival of our democratic system," they would be right.

I ask unanimous consent that the article by Elizabeth Drew printed in the New York Times magazine of September 23, 1973, be printed in the Record at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Why Congress Won't Fight

(By Elizabeth Drew)

Washington.—"I think," said the Senator, summing up a conversation about attempts by the Congress to restore its powers, "we've made substantial headlines—I mean headway."

"Never again," said the Congressman, "will the Congress approve a Gulf of Tonkin resolution—I hope."

When the 93d Congress convened at the beginning of this year, many politicians were saying that the imbalance of power between the legislative and executive branches was such that we were facing a "constitutional crisis." To politicians, phrases like "constitutional crisis," and "the survival of our democratic system," like the deep tones on the organ, lend solemnity to the topic at hand.

But causes for their expressions of concern were apparent enough. The President was unilaterally terminating programs and impounding money. The "carpet bombing" of North Vietnam over the Christmas holidays was sufficiently contrary to the growing Congressional opposition to the war that it had been done while the lawmakers were out of town. Several lawmakers thought that the bombing lacked legal authority. Major policymakers were refusing to appear before the Congress to explain their policies. The Attorney General, stretching the doctrine of "executive privilege" to unprecedented breadth, stated that the President could prevent anyone in the executive branch from appearing before, or releasing any documents to the Congress. The President did not trouble himself to make the traditional trip down Pennsylvania Avenue to deliver a State of the

Union message, but instead sent it to the Capitol by messenger.

Enraged and embarrassed, aware that the President had turned them into walking cartoons, members of Congress made speeches about the need to restore the balance of power. There was also, it seemed, an unprecedented consensus on Capitol Hill that if the Congress was to meet the "crisis," it had to change its ways. And it commenced, with unaccustomed vigor, to do so.

Within three months, the dam holding back that collection of events known as "Watergate" had burst. It stood to reason that the President's troubles enhanced Congress's opportunity to restore itself as an effective branch of the Government. Moreover, "Watergate"—and the uses of power by the executive branch it revealed—underscored the necessity that it do so. But now there is evidence that "Watergate" has diminished Congress's zeal to restore itself. The President and the Congress are now in a name-calling match over who is responsible for how many bills that have or have not passed. But that is not the central issue. The central issue is whether or not we have a system of checks and balances. To the extent that the Congress was motivated at the beginning of the year by its own embarrassment, the embarrassment of the President has reduced its motivation. "There is," Senator Adlai Stevenson, Democrat of Illinois, said recently, "a new complacency because the President is weakened." "The heat's off," said Representative Les Aspin, Democrat of Wisconsin.

This should not, in fact be very surprising. It is not inconsistent with deeply ingrained Congressional habits. To understand how it does and does not work, a minimal grasp of the Congress's tribal culture is essential. The quality of ego that attracts most people into politics is not conducive to collective action once they succeed. Even when a consensus has formed that it is time to act, the burning question may be whose name is on the bill. The Senate's consideration of campaign spending reform legislation has been marked by senatorial jockeying for the lead position. Once elected, most politicians' primary ambition is to get re-elected. This requires, as they see it, playing it safe. The Congress does not like to take responsibility. It would prefer not to have to end a war, delay development of a weapon, raise taxes, or take on a President—except when it appears safe to do so. And after it has taken an important action, it usually wants to take a rest.

The Congress tends to deal in indirection, to avoid substantive questions. When it does vote on an important issue it is likely to obscure the question in baroque language and then put it in the form of a motion to table a motion to do something or other. The Congress's distaste for confrontation spills over into its language: It is not accidental that members of Congress refer to each other not by name, but as "the gentleman from Illinois," "the Senator from Nevada," or that the Senate and the House refer to the other body as "the other body." The quaint rituals, the disinclination to give offense do help to keep the Congress from flying apart.

They also have substantive consequences. The Congress' prophets are usually without honor. (Wayne Morse's obsessive opposition to the war was considered a bit embarrassing.) The talents of its more gifted members, those most in touch with contemporary questions, are often suppressed. Respect for territorial rights can have important effect. If John Stennis, Democrat of Mississippi, says that he is keeping an eye on the C.I.A., others won't. This reinforces the buddy system by which the Congress "oversees" so many executive branch functions. The overseers are cultivated by, befriend and often end up protecting the overseen. Outright confrontations between Congress and the executive branch, such as they are, are generally limited to the White House or Cabinet levels. At less lofty heights, there is a rich proliferation of sweetheart contracts. The subcommittee chairman and the agency chief are often the best of friends (as political "friendships" go). The Congress' fraternal way of making decisions about its own procedures and structure can shape our destiny in rather important ways. When the Congress convened at the beginning of this year, only Philip Hart, Democrat of Michigan, had the temerity to object when his fellow Democrats bestowed the title of President pro tem, by virtue of his seniority, upon James Eastland, Democrat of Mississippi. The position is largely ceremonial, but it also places James Eastland third in line of succession to the Presidency.

Because the Congress moves slowly and in strange ways, it is difficult to take its true measure at any given time. The box score of bills passed is misleading. A seemingly minor, perhaps unnoticed, provision of a piece of legislation can have a major effect on national policy. Almost imperceptibly, forces can build that will, at some future point, have great impact.

If one is to accept Congress' self-advertisements, it has already taken major steps to redress the balance of power. Both the House and the Senate have passed bills designed to circumscribe the President's powers to wage war and impound funds. But as of now, both bills still have some hurdles to overcome. The House and the Senate have to reach compromises on important differences in both measures. If the President vetoes them, both chambers have to muster the votes of two-thirds of their members to override the veto—an uncertain prospect. Moreover, both measures could be seen as conferring some legitimacy on the President's unilateral right to go to war and impound money. They state certain circumstances under which he could do both, thus perhaps lending authority to Presidential actions that might otherwise be without authority. They could, in other words, amount to Congressional complicity in its own undoing. Like Huck Finn, the Congress might be attending its own funeral, the difference being that Finn, at least, saw what was going on.

Congress did, to be sure, vote to cut off the bombing of Cambodia, a move that is presumed to have ended the war in Southeast Asia.

It was an unprecedented action. But the degree of courage that can be attributed to this step depends upon one's view of the context in which it was taken. The war had lasted nine years. A peace agreement had been reached. The bombing of Cambodia, a "neutral" country, was without legal authority. American troops, whose protection had been cited to justify previous bombings, were home. When important members of Congress questioned Administration officials about the bombing, they were told that even if Congress denied funds for the bombing, it would be continued. The logical extension was that a President could bomb anywhere, any time, no matter what the Congress said. Even some of the fiercest old former hawks were disturbed at this notion. The termination date was, moreover, a compromise—a compromise with curious implications. Before the vote, there was no Congressional authorization for the bombing. As some see it, the Congress in effect sanctioned 92 days of illegal bombing of a country with whom we were not officially at war.

And there is another fact about the bombing cut off that even some of its sponsors, in their jubilation and self-congratulation, seem to have missed. Through a last-minute piece of legislative legerdemain by opponents of the cutoff—by the removal of two words—its effect was rendered short-lived. The reports from Capitol Hill led the nation to believe that Congress had ended the war in Southeast Asia. In fact, it had ended it only until September 30. After that date the President may feel that he is free once more to bomb.

Whether even these actions would have been taken if the President had not been in a weakened condition is anybody's guess. Perhaps they would have. But the Congress does have a sort of animal instinct about changes in the flow of power. There was a time when Lyndon Johnson was extracting bill after bill from a complaisant Congress. Suddenly, he was defeated on a relatively minor measure in the House of Representatives. Johnson, who understood these things, turned to an aide and said, "Now the whale has shed some blood, and the sharks will move in." He was correct.

"What this institution needs," said Senator Stevenson, who has held some hearings on Congressional reform, "is power. Our wounds are self-inflicted. The weaknesses will come back to haunt us. I want a strong executive, but I also want to restore the system of checks and balances. We can't do that through a series of confrontations between Congress and the executive, where one kicks the other because it is crippled. The President did that to us, and now we are doing that to the President." The real question, then, is how the Congress is doing at other than playing "kick the President."

One example is indicative. The Congress was sufficiently disturbed at the President's impoundment of funds, and also its own vulnerability to charges of profligacy, that it set out to overhaul its methods of dealing with the Federal budget. The idea was to replace its haphazard method of funding the various Federal activities with a comprehensive approach. To avoid being labeled "spenders," the Congress would set a spending ceiling, and then consider the trade-offs of spending for different purposes within the Congressionally set limit. A joint Senate-House budget committee would be established to set the ceiling and allocate the priorities. It was an earnest move to reform, earnestly pushed by reformers within the Congress. Many believed that as Congressional budgeting became more "rational" in form, it would also change in substance. It was assumed that more money would be spent for domestic, as opposed to military, purposes, and some pointless subsidies would be dropped. On this it seemed clear, reasonable people could agree.

But there was some miscalculation. The reformers had fashioned an instrument of enormous potential power. The senior members of the appropriating and taxing committees, not about to give up power, simply arranged that they would be in charge of the proposed joint committee. The liberals woke up one day and realized that they had been had, and sent their proposed reform back to the drawing boards. And a more informal attempt by Senate Democrats to draw up an alternative to the President's budget also foundered. Whenever a budget cut is proposed—in spending for anything from a weapon to school children's milk—the well-being of someone's constituency is threatened. Politicians are loath to gore their own oxen.

There have been, however, several reforms in the procedures by which Congress conducts its business, particularly in the House of Representatives. The impetus for change in the House began to make itself felt in 1971. That the House has done more than the Senate to modernize is attributed in part to the fact that it had more to do, in part to the passage of time, and in part to outside pressures for reform brought by such groups as Common Cause, the League of Women Voters, the antiwar and environmental movements and by Ralph Nader. In addition, an unusually large proportion of the most senior members of the House have succumbed in the past few years to mortality, fatigue or unaccustomed electoral challenges. The newest members of the House are not inclined to sit still for the "get-along, go-along" philosophy by which Sam Rayburn used to tame his flock. They are not content to wait, as their elders often did, some 10 or even 20 years to have a voice. House members' impatience is in almost direct proportion to their juniority. The chief beneficiaries of the pressures from the bottom and turnover at the top have been some middle-rank members who in an earlier era, say three years ago, would be frozen in a system of obeisance to their elders. The transformation has, however, stopped short of the miraculous. "This is still," said one House member, "the most enduring Oriental society in America."

But within the traditional frame of reference, there has been substantial change. Two years ago, House Democrats limited to one the number of committees or subcommittees a member may head. This has given more junior Democrats—such as John Culver of Iowa, Don Fraser of Minnesota, Lloyd Meeds of Washington—a chance to head subcommittees, and thus raise issues, hold hearings and play a major role in legislative debate. This year, the Democrats decided that committee chairmen must be approved by a caucus of House Democrats. This did not have the effect of dethroning any committee chairman, but House members maintain that the change makes a difference. Some chairmen did exhibit unease that there were any votes against them in the caucus, and it is hoped that this will discourage some of their more domineering ways.

Roll-call votes in the House are now electronically conducted, an innovation last January that made the House as up-to-date in this respect as several state legislatures and the Parliament of India. (Reducing the time required for a roll-call vote from about 45 minutes to about 15 has also had the effect of interrupting more phone calls and lunches, and leaving Representatives more in the dark as to what they are dashing to the floor to decide. When, following a vote, one of the most thoughtful members of the House returned to his half-eaten hamburger in the House dining room one day, I asked him what the issue had been. "I don't know," he replied. "Something about limousines. Eddie Boland [Democrat of Massachusetts] was for it, so that's how I voted." Teller votes, in which House members file down the aisle to cast a vote, must now be recorded, thus eliminating a time-honored method of camouflaging one's true position on a national issue. And it is now easier for members to offer amendments to bills under debate. Many Congressmen find this a mixed blessing, one which forces them to endure longer sessions and, worse, to take positions on issues they would just as soon avoid.

Several House members say that it is highly significant that there is now a committee to study its committees. The basic arrangement of committee jurisdiction in the House has not been revised since 1946. At that time there were no urban, monetary or energy crises, among other things. In fact, compared to current times, there was hardly any Federal Government. The antiquated nature of the committee structure is evident in the response in both chambers to the energy crisis, currently all the rage on Capitol Hill. Several committees of the two houses have staked out jurisdiction over various pieces of the problem—mining, public works, antitrust, tax, trade and foreign policies—thus precluding the possibility of a coherent approach. Another basic problem in the committee structure, at least as difficult to resolve, arises from the fact that the committees are largely self-selected, skewing results of what they do and so what the full Congress usually does. Members from port cities, anxious to protect domestic shipping and shipping subsidies, join the House Merchant Marine and Fisheries Committee, and do so. Members from areas that depend on military bases or contracts proceed, if they can, to the Armed Services Committees, and protect—as they were elected to—their constituents' interests.

The committee to study the committees is headed by Richard Bolling, Democrat of Missouri, a sophisticated student as well as member of the House. If Bolling succeeds in persuading the House to accept a more rational arrangement of committee jurisdiction—a process requiring extensive reallocations of power—he will have wrought one of the greatest miracles since the fishes and the loaves.

The recent changes in the processes and arrangements by which the House does its business have the effect of redistributing power from the committee chairmen to the leadership. (These transfers seem to be cyclical. When Speaker Joe Cannon was considered too powerful in the early nineteen-hundreds, power was transferred from the Speaker to the committee chairmen.) They give more scope to younger members, and make the politicians more accountable for their actions. "There has been," says Representative Tom Foley, Democrat of Washington, a "subtle and imperceptible change in the Zeitgeist. But frankly, I don't see the Congress yet really wanting to change its role from the passive one to the active one of being makers of policy. It has become accustomed to passivity. It still waits for 'the department' to come up with proposals. The basic reasons for this are tradition and convenience. It's what most of the members have always known." I asked Aspin what the real purpose of the changes was. "I don't know," he replied. "We're making tactical adjustments without a strategy."

The Senate has not even done that much. While many of the most vital members of the House envy, and seek to join, their Senate counterparts, many of the most vital members of the Senate are less than delighted with their own lot. The heavy hand of seniority still dominates the Senate. It can affect the size of one's staff and the plenitude of one's office space. Early this year, Stevenson became chairman of a Senate Subcommittee on International Finance. The trade deficit was rising and the dollar value was dropping, but he still had to wage a floor fight in order to hire one professional subcommittee staff member. "The seniors," said one junior Senator, "don't see the necessity for more staff because they have more. They don't see the need to change the status quo because they are its architects." Seniority thus has an impact not just on the substance of the work that gets done, but on the authenticity of the democratic idea: It is not clear why some citizens should receive fewer benefits and services if they do not choose to return the same person to Congress, term after term, be he ever so senile.

It is symptomatic that it was not until 1971, and after several years of study, that the Senate equipped itself with microphones. (Perhaps the Senators kept each other inaudible for as long as possible by preference.) In this respect, it made itself as up-to-date as the House of Representatives. Not long ago, some Senators suggested that Senate offices be wired so that the Senators could attend to office business and still be informed as to what was happening on the Senate floor. But the proposal met with all manner of objections. As a trial compromise, someone sat in the gallery and typed notes on what was taking place, and the notes were sent to a few interested Senators' offices. The time lag between the event and the informing of the Senators about it was approximately 20 minutes—just enough to prevent a Senator from rushing over to the floor to protest or participate in a decision. The project was abandoned. While the House voted earlier this year to hold its committee meetings in open session—a practice that some of its more important committees have already ceased to follow—the Senate decided against an open-meetings policy. Many of the most important decisions that the Congress makes are thus made in secret, and the politicians cannot be held accountable. (Several state legislatures now have open-meetings laws.)

Carl Albert, the Speaker of the House, and Mike Mansfield, the majority leader of the Senate, operate in similar styles: *laissez faire*, deferential. When they do take the lead from time to time, it is usually in response to strong pressures from within their ranks. Yet for all of the talk by both House and Senate Democrats about how they want strong leadership, the truth of the matter is that they don't. At least, not the strong leadership the Congress used to know. If the spirits of Lyndon Johnson and Sam Rayburn returned to reimpose the kind of order with which they ruled the Congress in the late nineteen-fifties, they would meet an unholy rebellion. Many of the politicians and much of the press and the reform-bent pressure groups would not tolerate the kind of passivity and inside game-playing that such leadership required. But it was that sort of leadership that enabled Johnson and Rayburn to go to the White House and negotiate as representatives of a co-equal branch. "If," says one House member, "we all toed the line and did what Carl Albert said, Carl Albert could go down there and negotiate with the President as an effective opponent. But who wants to do that?" Advocates of a "strong Congress" have tended to avoid that question. The Democratic majorities in both chambers are in fact more splintered than at any time in memory. The caucuses have caucuses. (House Democrats, who have a caucus, are divided in turn into a liberal caucus, a middle-of-the-road caucus, a Southern caucus, a rural caucus and a black caucus, which in turn is splintering into a black men's and a black women's caucus. There is also a bipartisan women's caucus.) If, then, there is no returning to the nineteen-fifties version of an "effective" Congress, the question is whether the Congress can find a new form of effectiveness.

In talking about what the Congress is not, it is important to keep in mind what it can be. There may be more than a little illusion behind some of the criticisms of Congress. Portrayals of the Congress as a lumbering institution seem to suggest that it could be otherwise. But it was not designed to, and it cannot behave as a brisk executive. It cannot perform as an analytic, systematic, apolitical "think tank," carefully judging the trade-offs in the decisions it faces, and the consequences of its choices. It cannot, without a blueprint from the executive, design a comprehensive program of government. The Congress has, moreover, a deeply unheroic streak. It cannot be expected to play Saint George and slay the dragon—though it might nibble one to death if it were not a very big dragon.

And in talking about what the Congress should be, some perspective is in order. An unbridled Congress could also be cause for concern. A bestirred, unrestrained Congress is capable of irresponsible action, of responding to the passions of the moment. A Congress cooperating with a President who is responding to the passions of the moment, and who may also have had the opportunity to effect a Supreme Court majority, could mean trouble. It was just that sort of not inconceivable situation that the constitutional checks and balances were designed to prevent. The Congress's sluggardly ways could, at some crucial moment, save us. Moreover, there is a kind of goose-gander principle at work here. Many of those who are now anxious to see the Congress act as a check on the executive sought to reduce the powers of the Congress when an executive of a different ideological persuasion—their own—was in power. There is reason to wonder whether they will be as concerned with checks and balances when their own kind return to power in the White House.

The Congress is a parliament, and there is a serious question whether contemporary issues lend themselves to parliamentary management. I put the question to various members of Congress. "No," said Representative Morris Udall, Democrat of Arizona, a parliamentary system probably can't handle contemporary problems. But there isn't any better system." Representative Fraser is one of the few who will say the almost unsayable on Capitol Hill. "The role of the Congress," he argues, "should not be looked at as a classic, text-book 'third branch of Government,' sharing decisions. I don't think Congress has worked that way or will work that way. Congress provides a legitimization of decisions that flow from the Presidency. It's not a partnership."

"The nice people," said another Congressman, "write and say the Congress should take charge. No way it's going to take charge." There are, however, some things that the Congress can do. It can, on occasion, take an important step. But it usually needs a dance partner. If it is in the embrace of a strong executive (Lyndon Johnson) or an important and outraged segment of the citizenry (the civil rights or consumer movements) or a determined special interest (oil companies in search of an Alaska pipeline), it can move. Second, even when it does not act as a collective body, it can provide a platform from which individuals can speak to our condition, utter their prophecies, try to have an impact. It can offer a forum for a Fulbright, Mondale, Hart or Robert Taft, Sr. for people who can step aside from the swirl of daily events and constituent claims, and think about what we are doing and where we are headed. Through well-timed and carefully considered hearings and speeches—avoiding the excesses that can make them dismissable as bores—individuals can catch the attention of their colleagues and the press, and affect the national dialogue. Individual members can change certain Government practices simply by throwing the spotlight on them. This requires neither legislation nor even hearings—just a flair for obtaining, and dramatizing, information. Third, the Congress can perform its role, as the founding fathers intended, as a check on the executive branch. It can see that the laws are carried out as intended. It can oversee.

Perhaps the Congress cannot run the Government, but it still can, and occasionally does, on its own initiative produce legislation. And there could be limits to what it will permit to go wrong. It could, if it chooses, intervene in the way the economy is being managed. It is not inconceivable that the Congress, without awaiting an Administration proposal, could reform or raise taxes. "It's the tough decisions that we are unable to make," says Fraser. "The fancy proposal for a joint budget committee just provides a mechanical substitute for making hard political decisions. All we need to do is, after we have made the appropriations decisions, make tax decisions accordingly, every year. It's very simple, but we lack the guts."

Congressional oversight of the executive is a function that is clearly within the grasp of the Congress. It does not call for collective action. It does not require heroism. It does not even demand determined nibbling at a dragon. It does demand an interest in doing the job, and in making the appropriate arrangements. But the Congress has a curious disinclination to do so.

Some recent events have shown what this can mean. It is reasonable to wonder where the Congress was when the Administration waged a secret war and established a secret police. Some senior members of Congress are said to have been informed about the fact of the secret bombing of Cambodia and Laos. These were members whom the Administration could trust not to raise questions, or voices. And even these members apparently did not know the extent of the bombing, since the records on that were falsified. One might ask whether the appropriate Congressional committees did not know, or did not care that intelligence-gathering and law-enforcement agencies were being put to political use. To the extent that such practices went on under previous administrations, the question becomes more urgent. One might also question whether we really had to run out of gasoline and beef and other food. If the executive branch did not know, or did not care, that these things were going to happen, could the Congress not have seen what was developing, and done something? The Congress apparently was not informed about Soviet food shortages, or "the wheat deal."

The Congress need not establish a Pentagon-on-the-Hill to rival the one across the Potomac. It need not replicate the Federal bureaucracy. It need only have the interest, and give itself the capacity, to ask the right questions. "The House of Representatives," said one of its members, "does not have the computer capacity of the State Bank of Kenosha, Wisconsin." The Senate has one computer that, in accordance with its priorities, it uses for sending newsletters. The Congress can call upon the Library of Congress for research and the General Accounting Office for investigations of some Government programs. But this amounts to something like attacking the Sixth Fleet with a rowboat. There is pending a proposal that the Congress establish an Office of Technology Assessment, so that it can gather its own information on such questions as how an SST or a nuclear power plant might affect the environment. The idea is to free the Congress from dependence for such information on Government agencies that may or may not supply it, in a form that may or may not represent the truth. But this proposal is now caught in the kind of web that the Congress, with its intriguing ways, can weave. It is hostage to a dispute between the Senate and the House over whether the West Front of the Capitol should be rebuilt. (The O.T.A. and the West Front issues are in the same bill. The House is pro new West Front; the Senate con). Moreover, some lawmakers soured on the proposal to know more about technology when they considered that the Joint Committee to develop such a capacity would be headed by Senator Edward Kennedy, Democrat of Massachusetts, who might, they worried, use it to enhance his political position.

The Congress's customary incapacity, and disinclination, to take on "the experts" are thus of its own making. The exceptions—the successful fights to limit the antiballistic missile and postpone the SST—were major efforts mounted by coalitions of opponents within and outside of the Congress, and were exceptions. The failures of oversight have been failures of will. The C.I.A. oversight committee, Senator Fulbright said to me earlier this year, "functioned as an umbrella to protect the C.I.A." Senator Stennis, its chairman, he added, "never called a meeting of that committee." "Now if there was anybody in the Senate who really undertook to understand the C.I.A.," said Fulbright, "I don't know who it was." The complaisance of the overseers toward the overseen had come to be accepted practice. Now some of the politicians who had gone along with the practice—and had wars waged and agencies compromised under (presumably) unseeing eyes—are embarrassed. There is talk on Capitol Hill of a new determination to give Government agencies the gimlet eye. But these moods, we now know, can come and go.

Institutionalization of closer oversight would be more reassuring. There is pending in the Senate a very simple bill that could have important effects. It says that all Congressional committees should be kept fully informed by every Government agency in all matters pertaining to their jurisdiction, and that every agency shall answer every request for information. The bill has 40 co-sponsors. Its seemingly unexceptionable purpose could make it easier for politicians to know what is going on, when they care to. Some members of Congress who have tried to extract information from the executive have found themselves in long and often losing guerrilla warfare. But once the politicians obtain the information, they still have to wait and figure out how to use it. There is no automatic correlation between more information and better legislative control.

It would also be helpful to get the foxes out of the henhouses, or at least establish methods of warning us that they are there. It is not beyond the mind of man to design reporting systems that would let us know how a Congressman benefits from an agency he is supposed to supervise. Politicians' intercessions on behalf of favored constituents, or contributors, need not be secret from the public, for whom the agencies supposedly work. It would also be healthy to spread the oversight duties around—by rotation or even duplication. This might break up the buddy system. In the "real world," no prudent person sends the same auditors around year after year. There is no reason to expect members of Congress, unlike other human beings, not to become comfortable with the familiar.

Aspin is one of the few members of Congress who has thought through a redefinition of its role. He likens the Congress to a board of directors. A board of directors, he points out, does not try to manage, but if it wants to be other than a doormat there are things it can do. It can have a voice in major personnel decisions, consider major policy questions, keep itself informed and make occasional forays into detail. Aspin argues that the Congress's penchant for avoiding issues, its preference for dealing with procedures rather than substance, can be turned to advantage. The Congress, he argues, could impose procedural changes on the executive branch that would have major substantive effect. For example, Congress wrote into the National Environmental Protection Act a requirement that there be a statement on the impact on the environment of any Government-supported project. The provision has not worked perfectly, but it has made a substantial difference. This kind of change can transfer the burden of proof, insert other voices with other interests in the decision-making process, set up a system of clearances within the Government that offers more possibilities for fail-safe mechanisms, and institutionalize the requirement of certain kinds of information.

The danger of spending too much time on Capitol Hill (or, for that matter, perhaps, in Washington), is that one begins to see things within the frame of reference of Capitol Hill (or Washington). After the umpteenth conversation about the new system of voting for committee chairmen in the House, one can begin to think that it is pretty terrific, that it will make quite a difference. And it is a worthy reform. But within the frame of reference of what's going on in the country, the sum total of all the actions and reforms on Capitol Hill so far this year is not yet cause for celebration.

Moreover, the Congress' limited attention span is cause for unease. "What makes them move up here," said one Senate aide, "is what makes news." The Congress can, given sufficient hue and cry, respond. The politicians are aware, moreover, that the public is not watching them with undiluted admiration. They have noticed that incumbency is not the safe perch it used to be. They fear a wave of antipolitics, which could sweep many of them from office. It is interesting to recall that until just over 60 years ago, Senators were chosen by state legislatures. When the public reaction to the corrupt results became sufficiently strong, the Congress, including the Senators who stood to lose, voted to change the system.

"Great outside pressures," said one Congressman, "produce great change." That may be our best hope. We have had a glimpse of what it can mean to have a Government of men, not laws. A top Presidential aide declared the Bill of Rights "eroded." The President claims the "inherent" right to take otherwise illegal measures against dangers, as he perceives them, to the "national security." His power is subject only, he says, to "the limitation of public opinion and of course Congressional and other pressures that may arise," Provided, of course, that the measures are known. The Congress has yet to devise methods of preventing the executive from arrogating authority that is above and beyond the law. It has as yet done almost nothing to prevent a "Watergate"—perhaps a more smoothly executed one—from happening again. At the same time, citizens are faced with a Government that, if one can speak of "public opinion," they find ever more expensive and less responsive. Things seem out of control. The result could be greater apathy, or acceptance of order—order in a form that could be drained of humanity and liberty.

The Congress is, or is supposed to be, the most responsive branch of Government we've got. The Supreme Court is remote, austere, guided by canonical doctrine. The executive branch can become arrogant and inaccessible. Congress is the accessible branch. It is sloppy, but it is also the only place where all of the interests can be represented. It is unheroic, but it also reads its mail. The Congress cannot be expected to change simply as a result of inner-generated pressures; there are strong countervailing, inner pressures against change. It would be the ultimate irony, if not tragedy, if the result of "Watergate" were greater apathy on the part of the public, disgust with the politicians to the point that it gave up on the Congress. The result could be even greater imbalance of power between Congress and the executive branch. And then when the politicians, in their orotund fashion, talked of a "constitutional crisis" and their fears for "the survival of our democratic system," they would be right.

ORDER FOR CONSIDERATION OF CERTAIN AMENDMENTS AND FEDERAL EMPLOYEE RESOLUTION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the action on the SAM-D missile, the Humphrey amendment dealing with troop levels be made the pending question before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that if the Humphrey amendment is not taken up tomorrow evening because of time and cirumstances—and, of course, if time allows, it will be taken up—it follow on Friday the resolution dealing with pay adjustments for Federal employees which has already been locked in for the first thing on Friday.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, following the disposition of the Humphrey amendment or action on the Federal employees resolution, whichever is the case, I ask unanimous consent that the following amendments be taken up and in the order stated; the Stevens amendment, the Clark amendment No. 519, and the Humphrey amendment dealing with an overall cut.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. ABOUREZK. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I be recognized for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, are there any further rollcall votes this evening?

Mr. ROBERT C. BYRD. Mr. President, there is one additional amendment to be taken up tonight, the Baker-Bentsen amendment. I think there is some thinking that that agreement might be closed out without a rollcall vote. However, I cannot answer the Senator on that.

Mr. ABOUREZK. Mr. President, I thank the Senator.

ORDER FOR CONSIDERATION OF THURMOND AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that immediately following the vote on the Trident amendment tomorrow, the distinguished Senator from South Carolina (Mr. THURMOND) be recognized to call up two amendments in succession and that there be a time limitation on each amendment of 20 minutes to be equally divided in accordance with the usual form and that any time on any amendments to either of the amendments, debatable motions, or appeals be limited to 10 minutes to be divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS, TRANSACTION OF ROUTINE BUSINESS, AND RESUMPTION OF UNFINISHED BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that immediately after the two leaders or their designees have been recognized under the standing order tomorrow, the distinguished Senator from Delaware (Mr. ROTH) be recognized for not to exceed 15 minutes, to be followed by the distinguished Senator from Connecticut (Mr. WEICKER) for not to exceed 15 minutes, to be followed by the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business, with statements therein limited to 3 minutes, for a period not to extend beyond the hour of 10 a.m., at which time the Senate will resume consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at the hour of 9 a.m. After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes and in the order stated: Senators ROTH, WEICKER, and HARRY F. BYRD, JR., after which there will be a period for the transaction of routine morning business, with the usual limitation on statements therein of 3 minutes, the period not to extend beyond the hour of 10 a.m.

At 10 a.m. the Senate will resume consideration of the military procurement bill, at which time the pending question will be on the adoption of the amendment by Mr. DOMINICK and Mr. McINTYRE, which has to do with the Trident. There is a time limitation on that amendment of 1 hour, and the vote will occur at 11 o'clock on the Trident amendment.

On the disposition of the Trident amendment, the following amendments will be taken up in the order stated and under the limitations of time stated:

Amendment No. 524 by Mr. FULBRIGHT, which has to do with the financing of military assistance to Southeast Asia, 1 hour.

Amendment No. 493 by Mr. HUGHES, 2 hours.

An amendment by Mr. McGOVERN dealing with categorical ceiling, 4 hours.

Amendment No. 487 by Mr. BAYH, which has to do with the SAM-D missile, 4 hours.

Thereafter amendment No. 549 by Mr. HUMPHREY, dealing with troop levels, will be called up under a 2-hour limitation.

Mr. President, that makes for a very full and active day on tomorrow, with yea-and-nay votes occurring on the several amendments, I would assume.

On Friday the Senate will convene at 9 a.m. After the two leaders have been recognized under the order, the Senate will proceed to the consideration of Senate Resolution 171, a resolution disapproving the alternate plan for pay adjustments for Federal employees.

In the event Mr. HUMPHREY's amendment has been disposed of on Thursday, the Senate will proceed to the consideration of the Stevens amendment, on which there is a 1-hour limitation. In the event the amendment by Mr. HUMPHREY has not been disposed of on Thursday, the Senate will proceed to take up that amendment prior to consideration of the Stevens amendment.

On the disposition of the Stevens amendment, the Senate will take up the

Clark amendment No. 519, dealing with funds for aircraft carrier, on which there is a 4-hour limitation.

Following the disposition of the Clark amendment, the Senate will take up the Humphrey amendment, which has to do with an overall cut, on which there is a time limitation of 2 hours.

Mr. President, that is about as far as I can state the program into Friday.

The PRESIDING OFFICER. May the Chair inquire as to whether or not there is any time limiation on the pay proposal?

Mr. ROBERT C. BYRD. Yes. I am glad the Chair called that oversight to my attention.

There is a time limitation on Senate Resolution 171. Under the law there is a time limitation of not to exceed 2 hours on that resolution. No motion to recommit would be in order. No motion to amend would be in order and no motion to reconsider following a vote on the resolution would be in order. So, at the most, it would be 2 hours. A motion to reduce that time would not be debatable, and such a motion would be in order and the time could thereby be reduced.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. TOWER. I think the time on the Clark amendment for funding for aircraft carriers could be reduced. I would have to confer with the Senator from Iowa, but we will probably not require 4 hours.

Mr. ROBERT C. BYRD. I thank the Senator. I hope that will be the case, and I think it certainly is possible.

I would hope, also, that time on some of the amendments on tomorrow could be reduced. The leadership on both sides will do our best to have that done.

ADJOURNMENT TO 9 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 9 a.m. tomorrow.

The motion was agreed to; and, at 7:39 p.m., the Senate adjourned until tomorrow, Thursday, September 27, 1973, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate September 26, 1973:

RAILROAD RETIREMENT BOARD

Wythe D. Quarles, Jr., of Virginia, to be a member of the Railroad Retirement Board for the term of 5 years from August 29, 1973 (reappointment).

DEPARTMENT OF STATE

Henry A. Byroade, of Indiana, a Foreign Service Officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Pakistan.

OZARKS REGIONAL COMMISSION

Bill H. Fribley, of Kansas, to be Federal Cochairman of the Ozarks Regional Commission, vice E. L. Stewart, Jr., resigned.

WITHDRAWAL

Executive nomination withdrawn from the Senate September 26, 1973:

OZARKS REGIONAL COMMISSION

William Hinton Fribley, of Kansas, to be Federal Cochairman of the Ozarks Regional Commission, vice E. L. Stewart, Jr., resigned, which was sent to the Senate on September 20, 1973.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 26, 1973:

DEPARTMENT OF COMMERCE

William W. Blunt, Jr., of the District of Columbia, to be an Assistant Secretary of Commerce.

UNITED NATIONS

Clarence Clyde Ferguson, Jr., of New Jersey, to be the Representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of Ambassador.

W. Tapley Bennett, Jr., of Georgia, a Foreign Service Officer of the class of Career Minister, to be the Deputy Representative of the United States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

William E. Schaufele, Jr., of Ohio, a Foreign Service Officer of class 1, to be Deputy Representative of the United States of America in the Security Council of the United Nations, with the rank of Ambassador.

Barbara M. White, of Massachusetts, a Foreign Service Information Officer of the class of Career Minister for Information, to be the Alternate Representative of the United States of America for Special Political Affairs in the United Nations, with the rank of Ambassador.

DEPARTMENT OF STATE

Kingdon Gould, Jr., of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of the Netherlands.

William R. Kintner, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Thailand.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

U.S. SOVEREIGNTY IN THE PANAMA CANAL ZONE

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 26, 1973

Mr. HARRY F. BYRD, JR. Mr. President, the September 5 edition of the Jackson, Miss., Clarion-Ledger included an excellent editorial concerning the issue of U.S. sovereignty in the Panama Canal Zone.

It is my feeling that there can be no compromise of the basic principle of sovereignty. The editorial sets forth a number of important reasons for maintaining control by the United States in the Canal Zone.

I ask unanimous consent that the text of the editorial, "U.S. Control of Panama Canal Important to National Security," be included in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

U.S. CONTROL OF PANAMA CANAL IMPORTANT TO NATIONAL SECURITY

Recent Washington reports indicate that the administration may be willing to go along with demands that the United States surrender control of the Panama Canal. The United Nations favors this, in support of the Republic of Panama.

Some weeks ago our U.S. Ambassador to the U.N., John Scali, told a meeting of the Security Council that our own State Department supports the Panamanian government's demands for an end to the 1903 treaty by which we were granted the Panama Canal Zone in perpetuity.

Fortunately, however, a majority in Congress has taken a dim view of such a giveaway contrary to our national interest. Past efforts to appease Panama have been defeated but now, in 1973, the same political blackmail is being attempted again—this time aided and abetted by the U.N.

There can be no compromise on the basic issue: Will we voluntarily forfeit sovereignty over the Canal—sovereignty recognized as part of international law for 70 years?

Senator Harry F. Byrd, Virginia Democrat, has spotlighted some basic aspects of this controversy in a recent Senate address worth repeating here and now:

The United States, by treaty in 1903, obtained the right to hold in perpetuity the Panama Canal. As part of this treaty we paid Panama an initial sum of $10 million; we indemnified neighboring Colombia to the tune of $25 million and agreed to pay Panama a substantial rent which figure has been increased several times.

Total cost to the United States for 647 square miles of the Canal Zone far exceeds that of many other territorial acquisitions including the Louisiana Purchase—that vast area stretching from the Mississippi River to the Rocky Mountains, and from the Gulf of Mexico to Canada—and such notable additions as Alaska and Florida. Congress and the American public was told in 1967 that there would be a series of anti-American riots in Panama unless we did not give Panama what it wanted. We are being told the same thing now, but it is vitally important that we maintain a position of strength in Latin America—and the pivotal point in our defense arrangement is the Panama Canal and the Canal Zone.

New treaties negotiated within the UN framework as proposed would compromise American interests and weaken our defense posture in the Western Hemisphere. Could anyone seriously contend that Panama with a population of only 1,500,000—about a million less than Mississippi's population—could defend the Canal Zone by itself? Could the uninterrupted movement of commercial or military ships be guaranteed under any Panamanian regime of the moment?

What assurance is there against some Castro-type government grabbing control of Panama? That tiny Republic has been notoriously susceptible to political upheaval, with 44 Presidents having come and gone in 70 years. It was just a few years ago that the President of Panama was assassinated; his First Vice President then assumed office but was soon removed for having been involved in the assassination. The Second Vice President then took over, and he was thrown out the next year.

The Administration should ignore new threats by Panamanian politicians—some Communist-affiliated—just as it should ignore hypocritical howling from the United Nations. Congress, backed by public opinion, should resist any change in our present treaty, if such change could have an effect of giving up permanent U.S. control of the Panama Canal.

POSTAL SERVICE LIVES UP TO NAME

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. STEIGER of Wisconsin. Mr. Speaker, the U.S. Postal Service has come in for much criticism, some justified, some not. Postmaster General Klassen's announcement of proposed new rate boosts will, in all likelihood, cause further clamor over the caliber of the job being done by the Postal Service.

But his intention of increasing the efficiency of mail delivery must be cheered by all of us. For all its faults, the Postal Service has done a better job than it has been given credit for. If it improves that performance, it should do very well indeed.

A recent editorial in the Plymouth, Wis., Review, by editor-publisher Robert S. Johanson, outlined well the kind of job the Postal Service has done for the Nation. The editorial follows:

Postal Service Lives up to Name in Serving Us and Our Readers

(By Robert S. Johanson)

Poking fun at the US postoffice has long been a national pasttime, and in years gone by The Review has printed its share of good-natured cracks at the system.

But I, for one, want to amend that theme. The post office does an excellent job, by and large, and the service they give us is exceedingly good.

The people are friendly and cooperative, and the rates are fair, despite price increases.

Without the mail service, we'd be hard-pressed to deliver thousands of Reviews each week throughout the county, along country lanes, in villages and at every cross-roads.

Yes, we could use newspaper carrier boys in places such as Plymouth and Sheboygan Falls. But I shudder to think of the headaches of distribution to all the rural spots in the county.

Of course, we mail copies to readers all over the US, too, and the mail is the only way they can keep in touch with their home town.

But it's the local and county service that we appreciate the most.

So, to put it on the record, we'd like to note that the postal service is a real service to us—and to you, the reader, and we felt we should say so clearly.

Getting your paper ready for mailing involves quite a few steps.

First, as soon as our first press run is off the press (usually this is the sports section), we begin to address the papers.

Other sections (such as society and general news) follow and are "stuffed" into the section bearing your address.

The reason we do this is that we print sections of eight pages at a time, our press capacity, and we address the first section printed so we can meet deadlines promptly.

Thus our sports section in today's paper, for example, was printed late Wednesday morning, and we immediately began addressing it. We have an address plate for each subscriber but it takes several hours to complete the job of addressing even when we use three machines to do it.

(Copies for sale on newsstands, of course, are put together with the main news section on the outside, and delivered or mailed in bundles to stores.)

Next, we print the section entitled Something for the Girls. This came off the press shortly after noon today. Finally, the main news section, which you are now reading, goes to press in the middle of Wednesday afternoon.

As the papers are addressed, they are assembled in piles by mail route, city zip code, etc.

Papers for delivery in the city of Plymouth are arranged in the precise order which the mailman follows on his route. This eliminates the necessity of his having to sort them all over again.

Papers for rural delivery or for other villages and cities are bundled, labeled and put into mailbags containing a slip bearing the destination.

Thus we have bags for Cascade, Waldo, Elkhart Lake, etc., as well as California, Florida, and cities in Wisconsin that are outside Sheboygan County.

Meanwhile, all of us are inserting the different sections together into complete papers. All of us join in. That's why we close the office about 3 p.m. Wednesdays, turn out the office lights and all assemble in the press room—to take part in the final push.

By 4-5 p.m., we're done and the papers have all been sent on their way—via the postal service—to you.

We repeat the same process Saturday morning for the Monday issue.

Each week I "mark up" a paper for the post office records showing how many inches of advertising and news was in the issue. This is used in calculating mail rates.

Each month, I make out another report showing how many pounds of papers we mailed and to what destinations.

These reports are all double checked at the PO and our rates figured.

Surely, once in a while a postman may miss a Review reader, and once in a while we send a bag of papers to the wrong town (by putting the wrong label on the outside of the bag).

But it seems that the service is very good 99% or more of the time.

For which we, and our readers, I am sure, thank the folks at the postal service. You do a good job!

RESTORATION OF FISCAL RESPONSIBILITY

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 26, 1973

Mr. TALMADGE. Mr. President, I have received a number of letters from 9th- and 10th-grade students at Westwood High School in Atlanta, Ga., that were written as part of their study in economics. The letters were sent to me by their teacher, Miss Gail Byrd, who is certainly to be commended for her good work in the classroom.

In their letters, these students express deep concern about the need to restore fiscal responsibility in the operation of our Government. In my judgment, they reflect feelings of an overwhelming majority of the American people who are tired of seeing inflation rob working people of their earnings, the elderly of their savings, and consumers of their buying power.

As a matter of fact, I am receiving a large number of communications daily expressing deep concern about the present deplorable state of the American economy. I was particularly impressed by these letters from young people because they deal with a problem of vital importance to all our people.

I bring these letters to the attention of the Senate and ask unanimous consent that they be printed in the Extensions of Remarks.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Westwood High School,
Atlanta, Ga., September 20, 1973.

Senator Herman Talmadge,
U.S. Senate,
Washington, D.C.

Dear Senator: These letters are from 9th and 10th grade students. I'm very proud of them for what they've learned in economics so far this quarter. Their interest in "action" is avid and they wanted to write you to relay their feelings.

Most of them refer to the wheat deal which we discussed in class. My information comes from U.S. News & World Report, the Atlanta papers, and other current economic periodicals and books. I try to present an unbiased viewpoint from both sides of the issues.

We all feel that our current inflationary period must be quenched. The students, although not "big spenders", do hear about prices from parents and believe it or not, they are sincerely concerned.

Enclosed is a test I used. My students understand each of the concepts listed at the bottom. Perhaps you're interested in trying out the test for yourself! I answered a few to get you started. Then you may better understand the point of their letters.

This—economics—is something they are just beginning to learn about and I'd like them to become responsible and concerned citizens. After all, "consumer is King" in the U.S. and that's what each person is—regardless of age.

They are most anxious to get a reply. It's sad but most of them feel their letters are read and answered by a computer of sorts—one that prints a standard form letter reply.

I hope you won't disappoint them and will be able to reply. Perhaps you might be out our way and drop in. I'm sure they would all faint! We would also be most delighted.

Thank you for your services to Georgia. I have visited your offices in Washington. Your secretary was most gracious. You must compliment her.

Sincerely,

Gail Byrd.

September 14, 1973.

Senator Herman Talmadge,
U.S. Senate,
Washington, D.C.

Dear Sir: I thank you very much for doing your best for the people of Georgia.

My name is Wanda Lee and I am a student of Westwood High School. Our Business Economics class has been discussing the situation that the United States is in. As a student, not yet in the world, I am greatly concerned about the economical state. Inflation and prices are getting out of hand. It makes me wonder what they will be like in my future. I would like very much to know how you feel, and what you suggest for the citizens of Georgia. I'm not really sure if the people in Washington realize how bad its gotten.

They really ain't affected by the wage freeze much. It's the smaller, less important people that get hurt. I'm quite aware that it's not your fault personally, but it seems to me that their could be something that our Senators could do.

Thank you for taking your time to listen to me.

Sincerely,

Wanda Lee.

September 14. 1973.

Senator Herman Talmadge,
U.S. Senate,
Washington, D.C.

Dear Senator Talmadge: I thank you for your help for all of the citizens in Georgia.

I'm a student at Westwood High School and I'm taking a business course that concerns you in many ways.

Such as, I think that you should try to bring prices of food down. People are having a hard time buying the food now. Also what about this business about exporting wheat to Russia. I think that Nixon made a mistake. Can you give me any information on this wheat? Why did he do this? This is one reason why we have a wheat shortage.

Thank you for taking your time to read this letter.

Sincerely,

Donna Forsyth.

September 14. 1973.

Senator Herman Talmadge,
U.S. Senate,
Washington, D.C.

Dear Senator Talmadge: First of all, I would like to "thank you" for the work you have done for me and the citizens of Georgia.

I am a high school student in the Atlanta area and am studying economics in a business class. We have talked about some of the economics in this country that are making the consumer go broke. Now I would like to discuss some of these problems with you.

Prices aren't getting any lower and wages aren't getting any higher! One or the other must go up or down. I think that the price freezes are a good idea for the time they are in effect. It would be nice for the prices to go down so we wouldn't have to have any price freezes.

Another thing is what President Nixon did with our wheat. I think that he should not have sent so much of it to Russia. If he wants to remain President he better do what is right for our country first. Now there is a great chance of a bread shortage. Bread happens to be one of the most important food groups which we need to survive.

Sincerely,

Melissa Yarbrough.

September 14. 1973.

Dear Mr. Talmadge: I would like to thank you for the work you have done for the citizens of Georgia. We are fortunate to have you as our representative.

I am a student of high school, attending a business class and learning about economics in the world today. I have some opinions that I would like to share with you.

The cost of meat is going up everywhere, and I understand it to be because of the middlemen. I don't see where it is fair for the farmers. They are not getting as much profit, or making as much money as should be. I, as a citizen of Georgia, would like to see something done about this.

Sincerely yours,

Miss Pam Pace.

September 14, 1973.

Senator Herman Talmadge,
U.S. Senate,
Washington, D.C.

Dear Senator Talmadge: I want to thank you for all the many things you have done for the citizens of Georgia.

I'm 14 and taking economics. I'm concerned about high prices and taxes that are so common today. I can curb inflation by only purchasing goods "on sale". But I can't do much about taxes. If this condition persists, we may experience a depression.

What are you doing in this regard?

Again thank you for all the good things you've done for us so far, keep up the good work.

Sincerely,

Donna Westbrooks.

September 14, 1973.

Senator Herman Talmadge,
U.S. Senate,
Washington, D.C.

Dear Sir: I thank you for your help to Georgia's citizens. I appreciate with a strong feeling how hard you work and try to make this state a pleasant and nice place to live.

I am a student of Westwood High a Fulton County school. I am taking a business course which is expressing economics and economic values strongly.

Some comments I want for you to hear from me, as a student are:

Personally, I think the wheat that was exported to Russia is one of the things the President made a careless mistake on.

Another situation the prices of food, clothing, luxuries, and etc., are going up so high that only the rich can afford it!

As a student I don't do much grocery buying but to look at the prices scares me and makes me feel harsh toward the government.

Sincerely,

Donna Foster.

September 14, 1973.

Senator Herman Talmadge,
U.S. Senate,
Washington, D.C.

Dear Senator Talmadge: Thank you so much for the help you have given to the people living in Georgia. We appreciate your working for us.

I am a citizen from Atlanta. I attend Westwood High School and I am taking a business course there. We are studying about the rising prices and other economic conditions of today. What do you think of the inflation? It affects all of the citizens of Georgia very much. Incomes aren't very high. If someone demands something very much then, there will become an inflation. People like certain kinds of food and if the demand is greater than the supply there will be a rise in prices. I wish there were something that could be done about the inflation. People are suffering.

Sincerely yours,

Becky Thames.

September 4, 1973.

Senator Herman Talmadge,
U.S. Senate,
Washington, D.C.

Dear Senator: I would like to thank-you for the job you are doing as a Congressman. I know that you are an experienced man, so I am sure you are doing a good job to represent the people of Georgia.

I am a student in an economics class from Westwood High in Atlanta, Georgia. As a native of Georgia I would like to know about my state as much as possible.

In our economics class, we have been studying about the nations economic situation.

I would like to ask you what is your opinion about the fact that most of our wheat supply was exported to Russia and we haven't received any money yet? Is this fair to the people? Yet we are going to have a shortage in our own country this year because our wheat crops weren't good and we don't have any surplus to fall back on. If you have an opinion on this subject, I would like to hear it. I would like you to be perfectly candid in your answer to this problem.

Thank-you for your kindness, and for being a good Congressman for the state of Georgia.

Sincerely,

Wanda Morrow.

September 17, 1973.

Senator Herman Talmadge,
U.S. Senate,
Washington, D.C.

Dear Senator: I am an 11th grade student at Westwood High School. I would like to thank you for all your help in representing us in Washington.

What do you think of all the high rises in prices? I think its awful for people to have to pay such high prices for meat. The prices all over are going up. It looks as if there is a large demand for something then there should be a large supply. I hope that very soon all these high prices will start coming down, especially the prices of meat.

Sincerely yours,

Pam Cleveland.

WE BACK THE PRESIDENT

HON. EDWARD YOUNG

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. YOUNG of South Carolina. Mr. Speaker, over 100 of my colleagues and I went to the White House last week, where we were all impressed with the President's determination to carry on with the great work he has begun for this country.

The Marion Star has been a strong and consistent voice in support of the President. It echoes the sentiments of the vast majority of the people I listened to during the recess:

We Back the President

Having been born prior to World War II, our entire life has been affected by wars and rumors of war. We have never known a time when there was a feeling of permanent peace. In this country or anywhere else in the world.

Millions have been the sermons, books, articles and philosophies dedicated to the principal of peace. But the wars went on and on.

Never in the history of the world have we witnessed more demonstrations, speeches and writings for peace than within the past four or five years. The war in Vietnam was the strangest of all wars and it divided Americans from corner to corner.

Prior to this there was the Iron Curtain, Cold War and the Russian promise that communists would bury all Americans. In the midst of all of this, there was a revolution going on within our government and society. A social revolution that affected every American in the land.

At a time when the standard of living for all Americans was the highest known in the history of man, war seemed to be the No. 1 concern of everyone—young and old. In the interest of peace we were marching, demonstrating, destroying public and private property, taking over colleges and universities, bombing, killing, etc. Radical individuals and groups were cavorting with the enemy in an effort to force our President to admit defeat in Vietnam and bring the forces home without assurance of protection for the rights and welfare of our prisoners of war.

Yes, throughout our entire life we thought the highest purpose of life was peace for the world.

President Nixon was voted into office by the majority people of this country. His promise during the campaign and after his inauguration was to "end the war and bring our fighting men—and prisoners—home safely."

This he has done.

But he had to do it while fighting the enemy abroad and the enemy at home.

In addition to ending the war in Vietnam and doing something everyone wanted to do, he has brought the communists of Russia and Red China to the conference tables and through signed treaties, prospects for worldwide peace and goodwill are brighter now than at any time during our history. Before President Nixon took office, whoever would have thought that in 1973 an American president would be visiting Russia or Red China, or that their leaders would be visiting us? It was all vastly beyond the most optimistic imagination. But it is true. These are facts. It has happened!

You would think every American would be on his knees in prayers of thanksgiving. Everything in this country is more wonderful than it has ever been before. Not perfect, mind you, but probably as perfect as it will ever be. We have peace and we have prosperity.

One of our domestic problems is inflation. And it is a serious problem. But who isn't living better now than ever before? In spite of inflation we've never had it so good. But President Nixon is doing his utmost to give the people relief in this regard without imposing drastic war-time controls that, certainly, most do not want.

Then there is the bombing in Cambodia. At this moment we are at the same stage and in a similar situation as just before the Paris peace treaty with Hanoi when the Jane Fondas were aiding and abetting the enemy and doing everything possible to stop the bombing of North Vietnam which proved to be the catalyst that brought an honorable peace to American and assured the safe return of every prisoner of war to his native soil. Three presidents and both houses of the U.S. Congress has been wrong in this conflict. But President Nixon had the plan and did the job.

Now, just when he is about to put the final link in the chain of victory and peace for all of Indo China, the Jane Fonda's are at it again. Every Bill coming before the President for his signature now has a rider that forces the cessation of bombing in Cambodia.

This, and Watergate, is the reward America presents to President Nixon for his record.

So far there has not been a solid, unchallenged or proven bit of evidence that President Nixon had anything to do with Watergate or its coverup. All the evidence against him has been through the Senate hearings and this by people who admitted their guilt, who have already admitted under oath that they lied, some admitting they either accepted money or "stole" money that they knew to be tainted. Now that they were caught with the goods they are changing their loyalty, their color and their stories to protect their own necks and get sympathy and leniency from those who are pressing the hearing.

To us, it is and has been obvious as hell that certain members of both houses of Congress, and the leftist news media, have designed their strategy and their reporting to embarass President Nixon and the republican party with less concern for correcting political practices that have gone on, no doubt since the first Continental Congress.

We say press the hearings and punish the criminals. But from our point of view the crooks are wearing the white hats and the innocent are being presecuted by inuendo and priviledged testimony.

As of this writing we're back of our President 100 percent. He has done the things we wanted done. And Watergate is insignificant compared to any one of the great accomplishments he has brought to the people.

SHENANDOAH NATIONAL PARK

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 26, 1973

Mr. HARRY F. BYRD, JR. Mr. President, the Senate recently passed S. 988, a bill to set aside approximately 80,000 acres within the Shenandoah National Park as a wilderness area.

As sponsor of this legislation, I was gratified at the action of the Senate, and I hope that the legislation soon will become law.

On September 20, the Page News & Courier, published in Luray, Va., included an excellent editorial concerning wilderness area in the Shenandoah National Park. The editorial sets forth some of the most important reasons for preserving wilderness areas in this period of rapid expansion of the population.

John Waybright is editor of the Page News & Courier.

I ask unanimous consent that the text of the editorial, "Wilderness Regained," be included in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WILDERNESS REGAINED

In the August "Reader's Digest," writer-naturalist Darwin Lambert, who resides in Page County near the Shenandoah National Park, is featured in an article condensed from one he originally wrote for "National Wildlife."

The article, entitled "We Can Have Wilderness Wherever We Choose," asserts that, contrary to the "conventional wisdom," once wilderness is destroyed it is not gone forever—all we have to do is let nature recreate it for us.

Mr. Lambert recounts how, in 1935 when Shenandoah National Park was being planned, a hike along the Blue Ridge revealed the abuses of the landscape which left less than one per cent of the primeval forest unblighted.

"Today, when I retrace that hike of 38 years ago, the man-inflicted wounds are healed," Mr. Lambert says.

The writer advocates—as did Franklin D. Roosevelt in dedicating the Park in 1936—"other Shenandoahs."

"Nature is ready and willing. The crucial problem is ourselves—our social-economic-political decisions," the author of "The Earth-Man Story" declares.

We agree with Mr. Lambert that "new wilderness re-created from the primeval essence of earth can be as valid, as precious, as the old."

Witness our beautiful Shenandoah National Park—the result of the foresight and dedication of men like Darwin Lambert who foresaw the dangers of man encroaching against nature long before ecology became the urgent and popular cause it is today.

KING VERSUS RIGGS: GRACE UNDER PRESSURE

SPEECH OF

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mrs. BURKE of California. Mr. Speaker, the article which follows, entitled "King Versus Riggs: Grace Under Pressure," the Washington Post, September 22, 1973, articulates the real meaning of the recent tennis match between Bobby Riggs and Billie Jean King. The match was not so much a "Battle of the Sexes" as it was a match of athletic skill and competitiveness, and an attempt to bring attention to the sport of tennis and the role of women in it:

KING VERSUS RIGGS: GRACE UNDER PRESSURE

All those who care about the quality of sport and the values of gutsy competitiveness are naturally elated with Billie Jean King's trouncing of Bobby Riggs. Despite the stunts and chintz of the pre-match publicity—how apt to have the climax in a bizarre Texas field house—what we saw was essentially a test of skill between an intensely dedicated athlete and a buck-minded blabbermouth. A strong case can be made that King had already brought women's tennis a long way toward equality with men's tennis, without the aid of her match with Riggs. She has a shrewd and tenacious business sense, as a Wall Street Journal story recently documented. In addition, she deserves the kind of respect Riggs doesn't; King's struggles go far beyond her own enrichment, to benefiting not only the current players on the women's tour but those to come in future years. On the other side of the court, the vision of Riggs—the author, fittingly, of "Tennis Is My Racket"—went no further than his own wallet.

This mixed singles match then was not so much a battle of the sexes. If that's what anybody wants, let Forest Hills and Wimbledon have only one championship division, open to all male and female comers. It was a battle of talent, decided on the court, not behind the microphone where Riggs' noisy tongue gives him the edge. In calling for a rematch, Riggs deserves to be ignored by King.

About the only person in the whole carnival who came off with real class was Billie Jean King. ABC television, whose Wide World of Sports is a credit to the industry, must have sent the B team to Houston. It was hard—and often impossible—to tell visually if baseline shots were in or out, the referee could not be heard, and Howard Cosell—however much his supercharged mouth was perfectly matched to Riggs'—offered a tempo of chattery commentary better suited to his beloved "sport" of prizefighting than tennis. But never mind Mr. Cosell—or the said spectacle of a once-respectable tennis champion making a bad sexist joke out of the game that gave him fame. What mattered was Billie Jean King outplaying and out-psyching Bobby Riggs. For all the accompanying show-biz buffoonery we cannot remember a more thoroughly satisfactory tennis match.

SOCIAL SECURITY INCREASE

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. CULVER. Mr. Speaker, the harmful effects of inflation have been felt in one form or another by all age groups. But older Americans struggling on limited, fixed incomes have been harder hit than anyone else.

For most of our senior citizens, social security is the economic mainstay. However, social security benefits still fall below the poverty level for millions of people.

The 5.9-percent increase in benefits which is scheduled to go into effect in June 1974, is too little and too late. Prices are rising now, and last month's recordbreaking increase in the wholesale price index provides an ominous warning that further increases are yet to come.

To ask the elderly to wait until July of next year before they receive even minor relief is asking too much of those who have contributed their working lives to this Nation's economy.

To provide a more adequate increase on a more timely basis, I have joined with several of my colleagues in sponsoring a bill in the House of Representatives to increase benefits by 7 percent in January 1974. The simple purpose of the bill is to allow over 20 million Americans over age 65, including over 350,000 in Iowa, to survive the enormous increases in the cost of their basic necessities.

There may be some who will say that moving forward the date of a social security increase will be inflationary. But in my view it is time to stop balancing the Federal budget on the backs of the aging.

Instead of blaming inflation on necessary benefits paid to the elderly, we should trim back unnecessary spending. The administration proposed a fiscal year 1974 budget that would increase overall spending by some $19 billion. Yet they would have us believe there is no room in that budget for this social security increase.

I believe that one priority that is clearly within a responsible budget is the effort to meet the needs of retired Americans. We cannot allow the disgraceful neglect of our senior citizens to continue.

MILITARY PAY LAGS BEHIND CIVILIAN PAY IN MANY CASES

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. BENNETT. Mr. Speaker, an article appeared recently in the Washington Post indicating that "GI Earnings Rated Above Civilian Pay." This article was said to be based upon a Library of Congress study released by Congressman Aspin. I asked the Department of Defense military compensation section to send me a memorandum on this matter and it is printed hereunder:

Military Pay Lags Behind Civilian Pay in Many Cases

Mr. Aspin's press release is a combination of apples and oranges plus the usual and common misunderstanding of the military pay system.

The release states the average military member has a regular compensation of $9,097 a year. This would be true if everyone received the two allowances which are included in the definition of regular compensation. In fact, only 47% of the service members receive the allowance for quarters and only 53% receive the allowance for subsistence. Hence, only one-half the members have the opportunity to receive regular compensation of the magnitude suggested in the press release.

For example, a sergeant with a regular compensation of $9,063, close to the quoted average, may only take home $6,437, or only 71% of his credited regular compensation.

Since the Department of Defense has not received the Library of Congress "study" which Mr. Aspin quotes, it is difficult to comment on its statistics.

The civilian statistics used in the press release are not comparable with 1971 data from the Family and Individual Income Statistics Branch of the Bureau of Census. These statistics show that two years ago the average full time, year-round male workers earned $9,399. It is hard to believe that their wages have not increased during the past two years as indicated by the presss release average of $9,404.

The average civilian worker can be assumed to have a 40-hour week, but in the case of the military member his work week is often far in excess of 40 hours. For instance, the average work week of a sailor on a ship underway is in excess of 70 hours. Military personnel do not receive one cent in extra pay or benefits for overtime work performed.

The press release shows that career military members have benefits and bonuses which are 32.6% of their compensation, while the civilian benefits expressed were only 12.4%. Chamber of Commerce statistics for 1971 show that employee benefits in large companies averaged 30.8 percent of payroll and were rising rapidly. Military benefits closely approximate these statistics, and are much lower than benefits received by civilian employees in many industries. For example, benefits for auto workers are reported as 55% of wages (*Business Week*, Sep. 8, 73, p. 92).

We think that press releases like Mr. Aspin's tend to confuse and mislead the public. This is particularly sad at this time when public confidence in the federal government and its operations needs to be improved rather than further aggravated.

For instance, it might be pointed out that only since Congressional action of 1971 have military wages been competitive with civilian wages, and that the military treats and pays all its members equally regardless of national origin, religion, color or sex. Perhaps the best thing that could come out of Mr. Aspin's release is that it might cause people to beat a path to the doors of our recruiting offices and alleviate our manpower difficulties.

NEGOTIATING WITH THE SOVIETS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. ASHBROOK. Mr. Speaker, recently I have been sharing with my colleagues foreign views on negotiating with the Soviets. Many in this country do not realize that a large number of Europeans are quite skeptical of the goals of the Soviet Union. Too often Americans are led to believe that respected officials and experts in other countries have accepted the promises of the Soviet Union at face value and that the West should seek no fundamental concessions from the Soviets. But this is not true. Many in Europe and Asia are urging the United States to be realistic when dealing with the Soviets and not be misled by any false understanding of détente.

The well-known British publication, the Economist, has published an interesting article discussing recent events in the Soviet Union. I commend this article to your attention.

The article follows:

Behind the Facades

Europe's negotiators at Geneva should try to bring it home to Mr. Brezhnev that a true detente depends on the ending of Russia's isolation.

Gregory Potemkin, who got to be a prince and a field-marshal by way of Catherine the Great's bed, is best remembered in Russia not because of Eisenstein's film about the battleship named for him, but because of the fake Potemkin villages which he built along the route of Catherine's journey through his southern fiefs in order to disguise their wretched state. In Mr Brezhnev's Russia the tradition of erecting deceptive facades is not merely maintained but elaborated. At one end of the spectrum, great care is taken to conceal from the people the blunt fact that a grave food shortage is now being averted only by massive imports of American grain. At the more sophisticated end, a facade that Potemkin would have admired has just been run up in the shape of an outburst of "spontaneous popular indignation" over Professor Andrei Sakharov's criticism of the present Soviet regime's deliberate and manifest suppression of elementary human rights.

It is a pitiful sight to see such eminent figures as the composers Shostakovich and Khatchaturian herded into line among the organised mud-slingers; but it is much more revealing to see Pravda and Izvestia solemnly printing angry denunciations of the professor purportedly written by "ordinary workers". For the Soviet press has not condescended to tell its readers what he said. We are being asked to believe that the masses of the people have been convulsed with wrath on hearing words which, according to the only sources of information available to them, were never spoken.

There could hardly be a clearer example of the kind of suppression of truth and fabrication of untruth that Professor Sakharov had in mind when he argued that true international understanding and relaxation could not be achieved unless a democratised Russia gave its citizens free access to information and freedom to travel. Nor could there be a clearer illustration of what the pan-European conference that was formally opened in Helsinki in July, and is to be properly started in Geneva on September 18th, is really about.

The way the Soviet authorities are handling their campaign against Sakharov, Solzhenitsyn and their other critics, and in particular the way they rigged last week's trial of Pyotr Yakir and Victor Krasin, reveals that they are now aiming to smash the few links that still exist betwen independent-minded Russians and the outside world. In the cruel Yakir-Krasin charade, it was claimed that there was no movement for human rights in Russia; it had all been imagined by the western press and fostered by Russian exiles, west European right-wing groups and other sinister bodies, which used tourists and correspondents to penetrate Russian and circulate slanderous inventions.

What this added up to was a fresh warning to Soviet citizens to beware of foreigners. Such warnings are regularly given. Russia's few foreign residents are inured to having to live in heavily guarded (and, of course, bugged) ghetto residences; any Russian who seeks contact with them comes under KGB surveillance, and only the bravest will dare to maintain any prolonged contact that is not approved by the authorities for their own purposes. But how is this kind of insulation to be reconciled with the fact that at Helsinki in July Mr. Gromyko, in the name of his government, agreed that the Conference on Security and Co-operation in Europe (CSCE) shall seek to "facilitate freer movement and contacts" and to "facilitate the freer and wider dissemination of information of all kinds" among the participating states?

So far, the Russians' way of overcoming the contradiction has characteristically, been to suppress it. The Soviet press did not tell its readers what had been agreed by the foreign ministers at Helsinki. It did not tell them that virtually all the non-communist speeches made there dwelt on the essential link between true detente in Europe and what President Kekkonen of Finland referred to as "opening gates". It suppressed both the speeches and the agreed agenda on which the talks in Geneva, where the CSCE will get down to brass tacks, are to be based.

HE CANNOT CALL IT INTERFERENCE ANY MORE

In the Geneva talks the Soviet representatives will doubtless offer to sign documents that seemingly commit them to opening a few gates. But the line laid down by Mr. Gromyko, Mr. Zorin and other communist spokesmen during the CSCE's opening stages indicates that they will demand that all east-west contacts must be circumscribed by the "existing laws and customs" of the communist states. In plain language this means that the Soviet and other east European authorities' monopolistic control of information would remain unbroken and that their political police would continue to supervise carefully controlled cultural exchanges. There would simply be more Potemkin villages.

Potemkin had the advantage that Catherine, having appointed him viceroy in the south, did not want to expose his deceptions. Mr. Brezhnev, too, would like the western world to treat him as a favourite, to applaud his declared eagerness for detente, to shower him with grain, credits, and even royalty, and to avert its gaze from the nastier realities of his regime. He rebuffs any idea that can be depicted as interference in Russia's domestic affairs. Yet now that the Soviet government has accepted an agenda for the European conference that makes freedom of movement and information items of legitimate international concern, it cannot sustain the "outrageous interference" argument any longer.

It had wanted the conference to go very differently. The Soviet proposal was to stage a quite brief meeting and adopt a set of grandiose declarations that would sanctify the existing division of Europe (and particularly the division of Germany), commit the west to help Russia overcome its economic difficulties, and lead people to feel they could safely relax (people in the west, that is; the communist world still resounds to calls for continued vigilance and increases in armed strength). But the noncommunist countries—including neutrals that are not members of Nato—have insisted on taking the idea of detente seriously. "Greater mobility for both persons and ideas", said the Swedish foreign minister at Helsinki, was needed because "ignorance has always been one of the main causes of tension". "The way to peace lies through exchanges of ideas, through the free movement of individuals", said M. Jobert, adding that, as France saw it, the conference must open up a path to security by way of liberty if it was not to be merely "a delusion for the masses, a manoeuvre for the wiliest, a mistake for others."

SOME DEALS ARE SAFER THAN OTHERS

Mr. Brezhnev cannot expect the west actually to help him erect more facades, and his anxiety for economic help may involve him in opening some real gates. But he will evidently do his best to avoid doing so. Speaking to a French correspondent on August 21st, Professor Sakharov used these perceptive words:

"In this dialogue, the Soviet Union is the interested party, and it is bluffing hard. It is very important that the western countries should make full use of their trump cards. But they must understand that they are dealing with a very crafty partner who has the advantage of a totalitarian regime."

People who, like the professor, know all too well how the Soviet system works do not suppose that trade promotes real understanding or that the multiplication of business deals automatically breaks down barriers.

The widely-publicised project of exporting Siberian gas exemplifies the kind of big new deal that Mr. Brezhnev thinks it fairly safe to contemplate. The American, Japanese or other foreign technicians required would do their work in remote areas; the impact on Soviet society would be small. The real test would come if co-operation was extended to jointly-controlled production in centrally-sited and labour-intensive industries in Russia, with foreign investors insisting on overhauling methods of management and raising awkward questions about, say, the mobility of labour. The tensions that developed when the Fiat plant was built on the Volga show the kind of problems that the Soviet regime would face if it allowed foreign companies to establish themselves more widely. The question is whether anything less than that will suffice to bring about the economic miracle that Mr. Brezhnev hopes for.

On present form, he will stop short of taking such risks. If his government sticks to the positions it has now taken up, Russia's economic difficulties will not be resolved; its citizens will remain isolated from the rest of mankind; and the Conference on Security and Cooperation in Europe will run into the sand without giving Europeans any reason to feel more secure, or any increased opportunities for co-operating. There is still a long way to go before a reality of detente can be built up behind the facades that have become such a prominent feature of today's landscape.

LAND USE PLANNING ACT

HON. CARLETON J. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. KING. Mr. Speaker, a news release from the office of Representative JAMES R. GROVER, JR., has come to my attention, and I sincerely believe its contents are of sufficient importance that it should be called to the attention of my colleagues.

The enactment of the bill described in Congressman GROVER's release would permit the Federal Government to dictate the location of many Government facilities.

In my opinion, the bill should be voted against when it reaches the House floor for a vote.

The news release follows:

One of the most radical and far-reaching legislative bills which I have seen in my years in Congress breezed smoothly through the Senate Chamber some weeks ago. It now awaits the House Interior Committee's action, and many members of that committee are praising it as the panacea for all environmental ills.

This type of legislation is often called a "sleeper." It has an attractive cover and title—The Land Use Planning Act—and its avowed purpose is to encourage the states to undertake a land use planning program. But how does this power grab encourage states to do their planning? It requires the states to submit a land use program to the Interior's Secretary for approval. What if he doesn't approve of the plan? Well then, New York State, for example, loses hundreds of millions of dollars of its share of highway, airport and land and water trust funds. Just a pint-sized package of federal blackmail.

Okay, so lets give them a plan they will approve—what can we lose? Since we must conform to the planning criteria in the bill we stand to lose our home rule shirt at all levels of government. This surreptitious nationalizing of real property laws, zoning laws and building codes makes the UDC look as democratic, harmless and acceptable as a New England town meeting.

It could force public housing on communities, control density and location of residential, business and industrial buildings; it could dictate location of governmental facilities, public utilities and even have a say in police and fire protection in our communities.

We are all for cleaning up our air and water and for keeping our country clean and green. But do we have to totally disenfranchise our villages, towns, cities and counties with this collectivist legislative outrage to accomplish such a goal?

RETIREMENT FOR FEDERAL LAW ENFORCEMENT AND FIREFIGHTING PERSONNEL

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. STARK. Mr. Speaker, I have been concerned for some time that Federal law enforcement and firefighting personnel should be permitted to retire at a time conducive to their interests and to those of society. A quarter of a century ago Congress first acted to give these public servants a retirement formula more generous per year of employment than other Federal workers. The goal was to maintain a relatively young and vigorous corps of workers, while making early retirement feasible for those charged with particularly stressful jobs.

Eventually, a more liberal computation factor was provided for all Federal employees, so the intention of the law was thwarted. Now Congress is acting to rectify this situation, and the House gave its support on September 20 by an overwhelming margin. Although I was absent from the floor for its consideration, I most certainly would have cast my vote in its favor.

THE ABORTION BATTLE CONTINUES

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Ms. ABZUG. Mr. Speaker, after the momentous Supreme Court decision last January, legalizing abortion, most abortion advocates breathed a sigh of relief and turned their attention to other pressing issues. The antiabortion forces, however, mustered their strength and launched a multipronged attack on the Court's decision. At the center of this attack are three proposed constitutional amendments that seek to completely overturn the Supreme Court's decision. Less sweeping, but equally dangerous, is the restrictive legislation that antiabortion activists have actually succeeded in getting passed. These include: an amendment to the Legal Services Corporation Act forbidding Legal Services attorneys from giving counsel to poverty-level women in need of abortions and the Church amendment to the Public Health Service Act Extension which prohibits the denial of Federal funds to hospitals that refuse to allow abortions or sterilizations on the basis of religious or moral beliefs.

Underlying most antiabortion arguments is the assumption that the fetus is a whole human being entitled to civil and criminal protection under U.S. law. The implications of this legal position border on the absurd. According to Arlie Schardt associate director of the ACLU in Washington:

> Every pregnant woman would be constantly acting at her peril . . . lest she be held accountable for any injury the fetus suffered . . . Prosecutors might well be obliged to investigate every miscarriage, to see if it resulted from fetus abuse, carelessness or recklessness. Women taking medicine which also happens to expel the fetus could be guilty of murder. So could women using IUD's. Every woman might have to register her pregnancy with a fetus-protection authority, subjecting every aspect of her life to potential state inspection, regulation and control.

Mr. Speaker, I place the full text of Mr. Schardt's remarks in the RECORD at this point:

SAVING ABORTION

(By Arlie Schardt)

When the Supreme Court legalized abortion last January with a pair of sweeping, 7-2 rulings, many people relaxed. They believed the issue was settled, and that henceforth the state could not interfere with a woman's right to decide with her doctor whether or not to terminate her pregnancy.

Such people could not have been more mistaken. Far from settling the issue, that decision—undoubtedly the most controversial and far-reaching since *Brown* v. *Board of Education* outlawed school segregation in 1954—set off a wave of reaction among certain groups.

At least 188 anti-abortion bills have been introduced in 41 states.

Several states have enacted, or are retaining, anti-abortion laws which are clearly unconstitutional, but are being invoked nonetheless.

Approximately 10 per cent of the U.S. House of Representatives (some 41 of the House's 435 members) are sponsoring some form of anti-abortion legislation.

Although opponents know they can only overthrow the Supreme Court decisions by passing a constitutional amendment, the availability of abortion has already been reduced via amendments to other bills passed by Congress.

Three distinct types of constitutional amendments have been put before the Congress, including one sponsored by seven senators.

A discharge petition (same device used last year in the school busing controversy) has been introduced in the House, seeking to dislodge one of the proposed constitutional amendments from committee and put it directly on the House floor.

COST OF SILENCE

The proponents of these laws have been flooding their legislators with mail. Some members of Congress receive more mail opposing abortion than on any other subject. Because those who favor abortion mistakenly believe the Court has settled the issue, they have not been writing at all. Their silence, if continued, will prove costly.

Among the many ironies attending the issue, two stand out. First, continued inaction by pro-abortion citizens could result in the Court's decision being overthrown through passage of a constitutional amendment by a panicky Congress, even though polls show most Americans favor a woman's right to choose abortion. The last nationwide poll, taken by Gallup in June, 1972, found 64 per cent agreeing that abortion is a decision solely for a woman and her doctor. A Gallup poll of January, 1972, also found 54 per cent of Catholics of the same opinion.

Second, enactment of a constitutional amendment to prohibit abortion will not eliminate abortion, or even reduce it. It will only turn back the nation to the pre-1973 days when millions of women underwent illegal abortions, often under unsafe conditions. Many suffered serious injury or death as a result. Prohibition of abortion has been no more effective than prohibition of alcohol was in the 1930's.

HISTORY OF LAWS

Compounding these ironies is the fact that any new abortion law would be a complete contradiction of the reason why abortion laws were first introduced into English and American common law at all. That reason was to protect women from the dangers posed by medical conditions of those times. Such protection is no longer needed because today abortion is safer than childbirth. This has been true, in fact, since approximately 1930. Abortion laws have thus been counter-productive for some 40 years, because they no longer protect the patient's life, as intended. Indeed, they actually deny the protection they were meant to provide. Studies made after New York State liberalized its abortion laws in 1970, for example, indicate that eight times more women per 100,000 died in childbirth than as the result of legal abortions performed within the first 24 weeks of pregnancy.

The common law liberty of women to have abortions existed in England from 1327–1803, and in America from 1607–1830. Abortion was legal when the U.S. Constitution was written in 1789, thus making it a woman's right under the Ninth Amendment, which says the enumeration of certain rights in the Constitution shall not be construed to deny others.

When legislatures began passing abortion laws in the 1800's, the motive was neither religion nor morality. The laws did not seek to discourage sexual promiscuity, since they applied to married as well as unmarried women, and to victims of rape. Nor did they seek to protect the fetus.

RIGHTS OF FETUS

This last concept—the effort to establish the fetus as a person with full legal rights—has become the rallying cry of the "right to life" groups spearheading the anti-abortion campaign's drive for a constitutional amendment.

Their motive has been questioned by others, who charge that the anti-abortion campaign is really an attempt to impose one religion's beliefs on the lives of all. They point out that vigorous lobbying is being conducted by such official bodies as the U.S. Catholic Conference and the National Conference of Catholic Bishops, and that the membership of the primary citizen lobby, the National Right to Life Committee (NLRC), is overwhelmingly Catholic. The NRCL denies any religious motivation, stating its only concern is the sanctity of all life.

The January Supreme Court rulings, which anti-abortionists seek to overturn, were an expansion of the privacy doctrine through which the Court had earlier determined that persons may not be hampered by the state in their access to contraceptives. There, Justice Brennan wrote for the Court in *Eisenstadt* v. *Baird* that "If the right of privacy means anything, it is the right of the individual, married or single, to be free from unwarranted governmental intrusion into matters so fundamentally affecting a person as the decision whether to bear or beget a child."

The abortion decisions stated that during the first trimester (usually meaning the first 13 weeks of gestation), the decision to have an abortion must be left solely to the woman and her doctor. During the second trimester, government regulations "reasonably related to maternal health," such as licensing of the facility and its personnel, are permissible. Once the fetus has reached viability—i.e. it is potentially capable of life outside the mother's womb, usually at from 24 to 28 weeks—the Court held that anti-abortion laws may be passed to protect the state's "interest in the potentiality of human life," but that abortion prohibitions must make exception for the preservation of the woman's life and health, including her mental health.

COURT'S CONCLUSION

Thus, although the Court found that a woman's right to privacy is not absolute in the case of abortion, it basically recognized that right through two-thirds of the pregnancy, and to some extent through the last third.

As for the fetus, the Court noted that the word "person" as used in the 14th Amendment's stricture against depriving any person of life without due process of law ". . . does not include the unborn."

And in what is probably the first direct attempt in case law to address the status of the fetus's constitutional rights, if any, the Court ruled in a footnote to *Dole* v. *Bolton*, the case brought by the ACLU, that "the Court does not postulate the existence of a new being with federal constitutional rights at any time during gestation."

In any case, the issue of a woman's right to abortion is going to be joined around the uncharted course of the rights of the fetus. This raises the fascinating possibility of 100 fully developed males thrashing about on the floor of the United States Senate, debating the mysteries of the female anatomy, the question of how soon conception takes place after implantation of the fertilized egg into the uterus, and the very definition of life itself. These are problems which have not been solved in medical science, to say nothing of law, throughout humanity's time on earth, and there are those who claim that in the end, even the United States Congress would have to settle for definitions more arbitrary than scientific.

AMENDMENTS

There are also those who contend this is an area where the federal government has no business legislating. Nevertheless, the attempt is underway. The most far-reaching proposals are those seeking to completely overturn the Supreme Court's decision with a constitutional amendment. At least 18 constitutional amendments have been proposed. They divide into three distinct categories.

The first is exemplified by H.J. Res. 261, sponsored by Rep. Lawrence Hogan of Maryland. Hogan's is a so-called "right-to-life" amendment seeking to insure that due process and equal protection are afforded to an individual "from the moment of conception." (Hogan's amendment would also forbid the state from depriving "any human being of life on account of illness, age, or incapacity." Whether this would accidentally abolish the death penalty is unclear.)

On July 10, Rep. Hogan also initiated a discharge petition, a rarely used device which seeks to discharge a bill from committee and place it directly on the floor, where it takes priority over all other business. To do this, the sponsor must obtain the signatures of more than half of the House, or 218 of its 435 members. A similar effort failed last year in an effort to force a floor vote on a constitutional amendment to bar all school assignments based on race. Hogan's petition had only 11 signers at the end of July, but right-to-life forces were planning heavy pressure on representatives back home for the August recess.

The second type of proposed amendment is H.J. Res. 468, sponsored by Rep. G. William Whitehurst of Virginia. Known as a "states rights" amendment, it says that nothing in the Constitution shall bar any state "from allowing, regulating or prohibiting the practice of abortion." As of mid-July, a tabulation by Planned Parenthood-World Population counted 19 bills in the House calling for either a "right-to-life" or a "states right" amendments, with a total of 36 sponsors. Whether advocates of Hogan's more sweeping right to life amendment would compromise by supporting a states rights amendment—thereby placing the decision in the laps of the 50 state legislatures—is unknown.

The third type of proposed amendment is in the Senate. Sponsored by Sen. James Buckley of New York, S.J. Res. 119 is co-sponsored by Senators Mark Hatfield of Oregeon, Dewey Bartlett of Oklahoma, Wallace Bennett of Utah, Carl Curtis of Nebraska, Milton Young of North Dakota, Harold Hughes of Iowa, and James Eastland of Mississippi.

"PERSON"

The Buckley amendment says that the word "person," as used in the Fifth and 14th Amendments (no person shall be deprived of life, liberty or property without due process of law) shall apply to all human beings, "including their unborn offspring at every stage of their biological development."

But the Buckley amendment displeases many purists in the right-to-life movement because it also says it "shall not apply in an emergency when a reasonable medical certainty exists that continuation of the pregnancy will cause the death of the mother." Many right-to-lifers contend that if they are to win they must be consistent, and that to be consistent they can allow no exceptions to the absolute right to life of the fetus.

The Buckley amendment also faces trouble over the problem of when life begins. In introducing his amendment, Buckley said it would apply "from the time a biologically identifiable human being comes into existence." Hatfield, perhaps unintentionally, anticipated the kind of confusion that will take place should this bill ever reach debate in the Senate, when he said, "It may be sensible to point to implantation, and the time after potential segmentation, as the more precise moment when . . . life is present." Technically, this could leave a gap of from five to seven days when abortion would be legal.

Buckley may have further weakened his support from right-to-lifers by explaining that his amendment would probably not apply to women using "morning after" pills or the intrauterine contraceptive (IUD), or to women who were raped. Since the exact point at which life begins is unclear, many right-to-life advocates feel that such contraceptives are really a form of abortion. Some believe the IUD, for example, displaces the embryo after it is fertilized, and thus may be essentially an abortive agent.

The potential for conflict within anti-abortion ranks over possible loopholes may have been signaled in a June 11 press release from the National Right to Life Committee, which stated that its primary goal is an anti-abortion constitutional amendment protecting life from the moment of fertilization, and banning abortificant devices and medication.

CONSTITUTION

There is no historical basis whatsoever, of course, for recognizing the fetus as a person in the constitutional sense. Neither the Constitution nor any amendment has ever treated a fetus as a person. No census taker, from 1790 to 1970, has ever counted a fetus (for one thing, no one knows it sex).

The chaotic impact that a new body of "fetus law" would have on our entire system of civil and criminal law is reason enough to reject any further efforts to ban abortion. Whole areas of long established law having no relationship to abortion would be dislocated.

In civil law, for example, if the fetus is a person, what are the rights of a fetus which is a guest in an automobile? If there is an accident, can the fetus sue for negligence? What if the driver did not know that the woman passenger was pregnant? Or, could the fetus sue for negligence if the woman carrying it negligently contracted German measles, or took a harmful drug?

What about inheritance? As a person, under the Hogan amendment unborn fetuses might inherit property, even if they are never born alive. This could also increase estate taxes, since property passing through the fetal estate might be taxable. Estate tax returns might have to be filed on behalf of fetuses which are miscarried.

There might also be a whole new variety of medical malpractice suits, with claims not only on behalf of the woman, but on behalf of the miscarried fetus.

This would result in increased risks to the life of a pregnant woman because doctors would hesitate to use life-saving medical procedures which might abort the pregnancy.

DEPENDENT?

Still other tort law probl[illegible]ld the fetus be counted as a dependent for tax purposes? How far would Internal Revenue have to go to verify the fact of pregnancy—and thus create a prodigious new threat to the right to privacy? What would be the status of a fetus conceived in the United States by non-citizens?

Who would determine the line between the mother's right to do what she wishes with her own body—e.g. water ski, play tennis, diet, smoke, drink—and a compulsory standard of care to ensure the health of the fetus? Could all such activities be prohibited by the state?

Fetus protection lawyers would surely be involved in constant litigation. The Hogan amendment would plague our legal system with ambiguities, and would open the way for intolerable official intrusion into the private life of a pregnant woman in order to protect the rights of the fetus.

Criminal law would be equally chaotic. At no time in Anglo-American history has abortion been considered the equivalent of murder, yet under the Hogan amendment, anyone committing a lesser crime which incidentally resulted in a miscarriage could be guilty of murder.

Presumably no pregnant woman could be jailed, since the fetus committed no crime. Prosecutors might well be obliged to investigate every miscarriage, to see if it resulted from fetus abuse, carelessness or recklessness. Women taking medicine which also happens to expel the fetus could be guilty of murder. So could women using IUD's.

Assuming anyone could ever really figure out when a woman conceives, every pregnant woman would be constantly acting at her peril from that time forward, lest she be held accountable for any injury the fetus suffered. Every woman might have to register her pregnancy with a fetus-protection authority, subjecting every aspect of her life to potential state inspection, regulation and control.

OUR SIDE

Many notable organizations are on record in favor of a woman's right to choose abortion with her doctor, generally along the lines of the Supreme Court decision. Among them are the American Bar Association, the President's Commission on Population Growth and the American Future, the National Conference of Commissioners on Uniform State Laws, the American Medical Association, and hundreds of doctors of obstetrics and gynecology.

Despite such impressive support, despite the fact that polls show most citizens—including Catholics—favor the right to abortion, and despite the Supreme Court's finding that women have the constitutional right to abortion, the issue frightens Congress.

This is so not only because of abortion's volatile religious and emotional content, but also because Congress is hearing from just one side—those determined to ban abortion. A one-issue group, such as the National Right to Life Committee, can create enough action, in the absence of a counter-force, to make congresspeople feel they will be swept out of office if they go wrong on that issue alone.

Indeed, even though they rarely represent majority opinion, or have enough votes to actually tip the balance in any congressional district, one-issue lobbies always have a disproportionate impact on elected officials. This is partly because they are so active, but also because most people are interested in many issues, and do not vote for or against a legislator because of his or her vote on a single issue. Mark Hatfield and Harold Hughes are in unusual company, for example, with the likes of James Buckley, Dewey Bartlett, James Eastland, et al., on S.J. Res. 119. Yet their pro-abortion constituents are unlikely to reject Hatfield or Hughes due to this one action.

LOBBYING

To offset the exaggerated impact of one-issue lobbies, those representing majority opinions—such as those who favor the Court's rulings on abortion—should simply let their congresspeople know they exist. Once legislators understand that anti-abortion activists are but a small fraction of their constituencies, they can be expected to act more responsibly in support of the Court's decisions.

But in the absence of any pro-abortion lobbying, anti-abortion forces have not only raised the possibility of a constitutional amendment, they have actually succeeded in passing some restrictive legislation.

In the House, for example, an amendment was added to the Legal Services bill forbidding Legal Services attorneys from giving counsel to poor women having problems concerning abortion. This is a flagrant case of class discrimination, since middle class women have access to paid abortion counsel. And it ironically regenerates a portion of the class discrimination that has always attended abortion: namely, during all the years abortions were illegal, rich women could have them anyway, because they could afford them, while poor women could not. A responsible Senate would kill such an amendment.

Another piece of anti-abortion legislation has actually become law (and will likely be challenged soon by the ACLU, which has already filed other suits in eight states, challenging noncompliance with the Supreme Court rulings).

The newly passed law is the so-called Church amendment, added to the Public Health Service Act Extension by Sen. Frank Church of Idaho. The amendment says federal funds may not be denied to hospitals because they refuse to allow abortions or sterilizations on the basis of religious or moral beliefs.

While recognizing that no individual doctor, nurse or health care personnel can or should be required to participate in abortions if they do not wish to, the ACLU contends that hospitals which receive federal funds may not refuse to perform abortions.

In a third action, the National Biomedical Research Fellowship, Traineeship and Training Act of 1973 was amended by anti-abortion forces to prohibit funds for research on live fetuses. Both this and the Legal Services amendment were offered while the bills were on the floor, thus preventing consideration by the appropriate committees. The ease with which this tactic worked shows how reluctant the Congress is to confront abortion, and how vulnerable the issue is to misleading simplification.

Many other bills have been proposed, including one to amend the Social Security Act to prohibit Medicaid payments for abortions except in cases of medical necessity. Such bills will continue to be enacted as long as pro-abortion persons fail to contact their congresspeople.

STERILIZATION

Adding to the explosiveness of the issue is the current controversy over the use of federal funds for sterilization. Anti-abortion interests are capitalizing on this by coupling it with abortion. Yet there is a major difference: Groups like the ACLU, which support the right to abortion, are outraged by recent instances of sterilization, not because they oppose sterilization, but because it had been made compulsory. If a person gives knowledgeable consent to sterilization, that is a right, just as is abortion under the same circumstance.

It must be kept in mind that the Supreme Court abortion decisions are consistent with the above position. No one can be forced to have an abortion. It is the right of those who desire abortion to have it. Those who oppose abortion need not have it, but they may not impose their will on others by denying them this right.

It is worth reiterating that making abortion illegal again will not stop abortion. It never did. It will merely restore the practice of millions of illegal abortions—many under back-alley conditions—that prevailed until recently, and that have been drastically reduced thanks to the Supreme Court rulings. Outlawing abortions again will also restore the discrimination between rich and poor which enables those with money to limit their families, while the poor are denied this choice.

The question is not whether women will continue to have abortions, but whether they will continue to have them in safety.

CONSERVATISM

There is one final, crowning irony to the abortion debate. While attempts to ban abortion are characteristically led by people who call themselves conservatives, their position is actually a flat contradiction of conservative doctrine.

For nothing could interfere more directly with a woman's personal life than state action telling her whether she will or will not give birth. Yet the basis of all conservative doctrine is resistance to state interference with one's personal life.

Today, of course, anti-abortionists are shifting their focus away from a woman's constitutional rights to the notion of the rights of the fetus. This means determining when life begins—which no one knows—and must ultimately rest on man-made definitions more arbitrary, philosophical and religious than scientific.

Congresspeople pay scrupulous attention to their mail, especially mail from individual constitutents rather than obviously organized campaigns. If any portion of that majority who favor abortion simply begin saying so, Congress will find its backbone.

No magic formula is necessary. Letters, mail-grams, telegrams, calls and home district visits have worked just fine for the right-to-life campaign. They will work equally well for those who want Congress to support the Constitution and the Bill of Rights.

Some groups fear they will lose their tax-exempt status by writing. Yet there is nothing to prevent each individual member of a group from writing on his or her own. No meeting should end without making this point.

EQUAL TREATMENT FOR VETERANS

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. CULVER. Mr. Speaker, today I am joining several of my colleagues in sponsoring a bill to insure that veterans' pensions will not be reduced by increases in social security benefits.

Presently, social security benefits are considered as income in determining eligibility for veterans' pensions. Because of this, increases in social security benefits have unfortunately led to a reduction in veterans' pensions. This policy of taking away with one hand what has been given with the other has disastrous consequences for veterans, many of whom rely solely upon social security and veterans' pensions for their income.

Our Iowa veterans, and those throughout the Nation, have served America with great courage, dedication, and in many cases, sacrifice. It is clearly not fitting that we reward their service to our Nation with such indifference. We must at this time give attention to the special problems that veterans face in civilian life, particularly during their retirement years.

Last year's 20-percent increase in social security benefits is one example of the effect that such a raise has on veterans' pensions. Although Congress intended to give all social security recipients the full raise, veterans received less than half the intended increase. If the House acts to adopt this bill, this inequity of treatment would end.

Veterans, like other older Americans living on limited incomes, are perhaps those most severely victimized by the effects of inflation, since the rise in prices over the past 4 years has often been sharpest for services or products of special importance to them. In fact, rampant inflation in such necessities as food, health care, rent, and transportation has made the last raise inadequate even to those who received the full amount. Veterans who did not receive the full benefit of that raise are now experiencing particular difficulty in maintaining a decent standard of living.

By enacting this bill, we can ensure that veterans' pensions will not be reduced by increased social security benefits and that our veterans will be able to enjoy the standard of living they so much deserve. I strongly urge the House to act quickly and enact this bill.

CHILEAN BISHOPS ASK FOR RESPECT, NOT REVENGE, IN COUP AFTERMATH

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. FRASER. Mr. Speaker, the overthrow of the Allende government in Chile has already led to grave internal strife in that former hardy South American republic. On September 20, a resolution was introduced in the House calling on the new government to insure protection of the rights of all persons present in Chile. The 26 Chilean bishops have now asked the military rulers "to show respect rather than revenge for the followers of ousted President Salvador Allende." I find this call for respect a useful contribution to the present tense situation. I regret that the Chilean people have been denied knowledge of the bishops' statement.

The statement follows:

CHILEAN BISHOPS ASK FOR LENIENCY, NOT REVENGE, IN COUP AFTERMATH

SANTIAGO, CHILE.—The 26 Chilean Catholic bishops asked the new nation's military rulers to show respect rather than revenge for the followers of ousted President Salvador Allende, a Marxist, in the aftermath of their coup.

The strict censorship imposed by the junta banned the bishops' statement from radio and television newscasts.

"We hope that those who have fallen in battle and, especially ex-president Allende, will be duly respected. We ask moderation in what affects the defeated and that there be no unnecessary reprisals; that consideration be taken of the sincere idealism motivating the defeated; that there be an end to hatred and that the hour of reconciliation has arrived. We did what we could to avoid these violent events. The blood that has reddened our streets, our neighborhoods, our factories—the blood of civilians and soldiers—the tears of so many women and children grieves and weighs enormously on us. We hope that the social gains of the workers will not be ignored but rather augmented. We ask all Chileans to help restore the gravely altered institutional order and economic life of the country. We recommend that the Armed Forces remember their traditional good sense, their humanistic and democratic values."

HEARINGS ON FLEXIBLE HOURS EMPLOYMENT ACT

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mrs. BURKE of California. Mr. Speaker, today Congresswoman Bella Abzug and I submitted testimony before the Senate Post Office and Civil Service Committee on S. 2022 to provide increased employment opportunity by executive agencies of the U.S. Government for persons unable to work standard working hours. We have introduced a companion bill, H.R. 9109, which already has 19 cosponsors, and are hopeful that it will receive hearings in the House Post Office and Civil Service Committee in the near future.

I believe that these hearings and this statement are of sufficient importance of the Members of this body as to merit insertion in the Record. The statement follows:

Joint Statement by Congresswoman Bella Abzug and Yvonne Brathwaite Burke Before the Senate Post Office and Civil Service Committee on September 26, 1973, Regarding S. 2022 To Provide Increased Employment Opportunity by Executive Agencies of the U.S. Government for Persons Unable to Work Standard Working Hours, and for Other Purposes

Mr. Chairman, let me first explain that I am today presenting a joint statement not only on my own behalf but on behalf of Congresswoman Yvonne Burke of California, who has joined with me in sponsoring H.R. 9109, the Flexible Hours Employment Act. However, because of illness in her family, she can not be here. Let me also explain that I will try to be brief because of my commitments to the deliberations about to commence in the other body.

What this Committee is considering may prove in the future to be one of the most important pieces of legislation to be proposed in this or any other Congress. The concept of flexible hours employment perhaps should be defined at the outset as I and Representative Burke and the 19 cosponsors of H.R. 9109 understand it. It is basically a two-part definition.

The first involves part-time employment. That is generally understood to mean less than the normal 40 hour work week. This could mean either less hours per day for five days or less than 5 days a week employment. The second part of the definition would involve breaking the normal pattern of the 9 to 5 work day. This alone can produce some very interesting results that I will go into in a moment.

Part-time workers comprise an increasingly important proportion of the Nation's workforce, supplying trained manpower needs. In 1967, 6 million women worked part-time out of choice. Three million of them worked part-time year round. In a 16-year period (1950–66) the full-time labor force increased by 20 percent, and the part-time workforce by 69 percent. The proportion of women in the part-time labor force increased by 79 percent.

In 1967, BLS estimated that by 1980 one worker out of every 7 would be part-time. But the rate of increase in part-time workers has been so great that the ratio of 1.7 was reached by the end of 1972, eight years ahead of the estimate. More than 12.5 million American workers were part-timers at the end of last year, 5 million more than BLS found in 1963 when it began keeping those statistics.

The need for this legislation is demonstrable on a number of grounds. First, it would increase the opportunity for the Federal government to employ the skills, resources, talent and brain power of many segments of the population that, because of the current rigid system of employment practices, are denied that opportunity.

Indeed, the President's Advisory Committee on the Economic Role of Women finds that the addition of these millions of women to the labor market contributes significantly to the national output as measured by gross national product. While most of the benefits of this additional output accrue to the women who produce it and to their families, there are direct benefits to society at large, including the taxes paid on women's earnings.

If we had a meaningful system of flexible hours, using the definitions that I have provided, more women—especially women with children, the handicapped and the elderly, would have a chance to work for the Federal government.

The problem of talented women with children who would like to return to work is great.

Skilled professional part-time workers are usually women. Those men who have part-time jobs are generally students or older men. Many more women want to work part-time but cannot find jobs. The unemployment rate in 1971 for women with young children was almost 12%, close to three times the rate of other married women, a condition which is costly to the women, their families, and the Nation.

Some 35 million women workers represent 43% of the nation's work force. These workers have 5 million pre-school age children. I don't have to go into detail with you about the grossly inadequate number of quality child-care facilities available or even the inequities in the child care deduction now allowed within the income tax system. Let me give you an example from a letter I received:

"For the past six years, I have been a civil servant and for the past four years of this time have worked for the Office of Child Development, Department of Health, Education and Welfare in Dallas, Texas. I wholeheartedly support this legislation for several reasons. But this year, I am particularly interested since I will become a mother for the first time in December.

"While the Federal regulations presently are quite liberal compared to most private industry, they are rigid. For instance, you are allowed a period of absence for maternity reasons of about 14 weeks—'6 weeks before expected date of delivery and 8 weeks after actual delivery, unless an operating agency head establishes by regulation that a longer period of incapacitation is normal in his agency for types of positions of a strenuous or physically exacting nature.' No provision is made for part-time work during this period—it is an 'all or nothing at all' situation.

"Many women would come back to work sooner if they were allowed to work only part-time. And this makes sense. I have observed that many women come back to work full-time only to find themselves exhausted in their new dual role of mother and worker. If they were allowed to ease back into their workday which would allow adjustment to their work schedule at home also, all sides would benefit".

But with a little help from the Federal government—with the help provided by a broad flexible hours program—we can upgrade the efficiency of current Federal employees who might opt for flexi-hours positions, attract talented women who because they can't find child care or have some commitments at home can't work 40 hours a week from 9–5. That part-time workers are "management bargains" has been the theme of most evaluations which the increase of part-time workers has generated. Some of the advantages found were:

Greater selectivity possible by the employer; low turnover rates; lower fringe benefit rates; high productivity; greater maturity—ability to organize, to make relationships to synthesize work; stronger motivation, growing out of appreciation for maintaining skills.

The American Society for Public Administration endorsed part-time work in private business as a source of specialized, high calibre professionals. The Wall Street Journal considered the advantages of part-time workers as meriting a frontpage story in March of this year. The Russell Sage Foundation, the Radcliffe Institute, Harvard, Stanford and Princeton are among institutions finding the use of part-time women of value. John Kenneth Galbraith in his recent book *Economics and the Public Purpose* states unequivocally that there should be greater flexibility in work hours to allow more sharing by husband and wife of family chores. Finally, almost 24,000 workers responded to the survey in which 21,683 were in favor of a flexible hours program by supporting a four-day, 40 hour workweek.

Let me briefly mention at least four other segments of the working force population that could benefit from such a program. The talents of the handicapped are lost to the Federal government for a variety of reasons, including prejudice, and often architecture, but one of the problems that groups representing the handicapped have expressed to me, is the problem that the handicapped have in competing with the crush of people during the rush-hour. Adoption of this measure could add this large group to the federal work force in significant numbers.

Students could more easily work for the Federal Government and federal employees could more easily pursue advanced degrees or specialized training. People who are thinking of retiring from the Federal services might think about working longer, giving us the benefit of their experience, if they could reduce their number of hours, Another segment of the population that would benefit from this program are men. Men who are considering the responsibilities of child-rearing and would like to assume a greater share of that responsibility could opt for participation in this program.

Within the Federal Government there have been some experiments with part-time workers—mostly women in the AEC, Department of Labor, HUD, Peace Corps, National Science Foundation and the Veterans Administration. But there are inherent impediments within the Federal Government's employment policies which have retarded its development. Why hasn't the government moved ahead in this critical area?

According to a very thorough report of the HEW Women's Program: The answer seems to lie in the budget process and employment ceiling controls which have created an artificial dichotomy between full-time and part-time employment—a dichotomy which need not persist if the facts are understood.

These controls have emphasized full-time employment and given little attention to part-time. The effect has been to focus management attention on full-time with no incentive to establish and maintain an optimum employment mix.

Does it work?

Yes. It has been successful in private industry where it is being used. Let me give you a few examples. In a recent (September 10) article in Newsweek a Vice-President of Hewlett-Packard, which recently converted its 15,000 employees to flexible hours said, "I now have people from 7 am to 5:30 pm." Still quoting from Newsweek, "Executives say the system virtually eliminates tardiness, cuts absenteeism and boosts morale. . . ." Let me just cite some other American companies that have adopted this system: Nestle, Occidental Life of California, Lufthansa German Airlines, and Metropolitan Life.

There is a subsidiary point that should be raised at this time. I am sure that in your considerations of the Civil Service in general you have come across the problem of getting the civil service to serve the people. Complaints about government agencies, especially those that deal with the public, being opened only from 9–5, 5 days a week. People complain about having to miss their own work to take care of some problem with the government. If we had a flexible hours program it is possible that we can open the doors of the agencies before 9 and keep them open after 5.

With the adoption of this proposal we can increase productivity and efficiency in goverment, open the work force to groups that are excluded and increase the government's contact with the people it serves.

ONE-STOP ITC CHARTER LEGISLATION, S. 1739 AND H.R. 8570

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. MOSS. Mr. Speaker, on September 11, 1973, the Senate Committee on Commerce reported out S. 1739, a bill to amend the Federal Aviation Act of 1958 to provide a definition for inclusive tour charters, and for other purposes, together with minority views; Report No. 93–387, 93d Congress, 23 pages. This piece of legislation is identical to a bill, H.R. 8570, which I and my colleagues Mr. Dellums, Mr. Eckhardt, Mr. Leggett, Mr. Long of Louisiana, Mr. Nedzi, Mr. Pepper, Mr. Rosenthal, Mr. Stark, Mr. Charles H. Wilson of California, Mr. Wright, and Mr. Van Deerlin, introduced in the House of Representative on June 11, 1973.

Recently a number of my colleagues have informed me that they are beginning to receive a large amount of mail in opposition to these two bills, besides those letters favoring the legislation. Upon examination, it turns out that most of the letters in opposition to these two bills were written by scheduled airline employees. In addition, as the Wall Street Journal reported yesterday, September 25, 1973, on its front page, the letters are not spontaneous, but rather part of a well-financed public relations drive by the Air Transport Association of America and the airlines to defeat this legislation.

LABOR LETTER

Companies push employe support for legislation affecting their firm.

The president of Continental and Western Airlines sends all employes letters urging they write their Senators protesting a bill that would ease curbs on nonscheduled carriers. Employes at United get a similar appeal along with their paychecks.

* * * * *

The degree of pressure varies. Continental President Robert Six asks employes to give him a copy of their letters; over 80% of the carrier's managers have responded.

In this regard, I understand the presidents of the various scheduled airlines are also writing every member of their VIP clubs, and having their sales representatives approach city officials and travel agents, in an effort to generate even more support for their cause.

Now, Mr. Speaker, every Member of the House and the Senate has been subjected to a mail campaign of this type at one time or another. It is part of our democratic process. That is not what troubles me. What bothers me is the factual inaccuracy of the information being distributed by the Air Transport Association and the airlines in their efforts to defeat this piece of legislation.

Accordingly, when my colleagues ask for background material, I have referred them to the Senate's Committee on Commerce report, and Senator Cannon's statement in the September 11, 1973, issue of the Congressional Record at pages S16226–S16228, since our own Committee on Interstate and Foreign Commerce has not yet had an opportunity to consider our bill, H.R. 8750. I hope that anyone who is interested in these two bills will take time to read Senator Cannon's remarks.

In addition, I ask unanimous consent to insert in the Record for the further information and interest of my colleagues two letters recently exchanged between Mr. F. C. (Bud) Wiser, Jr., president of Trans World Airlines, Inc., and Senator Cannon which have now been made part of the public record.

Trans World Airlines,
New York, N.Y., September 13, 1973.

Hon. Howard W. Cannon,
U.S. Senate,
Washington, D.C.

Dear Senator Cannon: As the president of an air carrier serving your state, I would like to bring to your attention S. 1739 which may well be on the Senate Floor by the end of this month. We at TWA view this as the most detrimental piece of airline legislation to appear in Congress in the last decade. Passage of this legislation would permit supplemental carriers to fly, for all practical purposes, scheduled service when they so desire. To state it another way, individual members of the public would be permitted to purchase a reserved seat on a flight between any two points the supplemental carrier wishes to fly. Although at first blush this may not appear to be catastrophic, a close perusal of the facts will prove otherwise.

If this legislation becomes law, the supplemental carriers will naturally fly the highly profitable routes and, as usual, omit those whose money-making capabilities are in any way questionable. Moreover, they will fly those preferred routes only during the prime seasons of the year. It is most unlikely, for instance, that there would be any supplemental carriers flying from New York to London in January. The result of this "cream skimming" technique will be to drive the regularly scheduled carriers into an even more precarious financial position than presently exists and some, perhaps, into bankruptcy. It is important to realize that the ability of most scheduled carriers to fly nonprofitable routes is dependent upon offsetting losses with earnings on their prime routes during peak seasons of the year.

I would urge you then to consider very carefully what the adoption of this legislation would do in the long run to the regularly scheduled airline service of this country. Do not be taken in by the proposition that all Americans would be able to travel more cheaply on tours both domestic and international as is done in Europe. As a result of this type of flying authority in Europe, scheduled service is 50–100% more costly than similar U.S. service. In addition, the service is not nearly as frequent or reliable or extensive. Even so, the only way scheduled service is possible in Europe under this system is because most of the scheduled airlines operate in controlled pools.

Senator, there is far more at stake than an increase in low cost air transportation. I strongly urge you to oppose this legislation.

Sincerely,

F. C. Wiser, Jr.

U.S. Senate,
Committee on Commerce,
Washington, D.C., Sept. 21, 1973.

Mr. F. C. Wiser, Jr.,
President, Trans World Airlines,
New York, N.Y.

Dear Mr. Wiser: This will acknowledge your letter of September 13 regarding S. 1739.

I am deeply disappointed by the kind of tactics your letter represents because it implies that I, as a sponsor of and the manager for the bill, do not have any concern for a strong, healthy scheduled airline industry. As the president of one of the largest airlines you should know that is not true.

I am amazed at how the scheduled airlines continue to compete vigorously over the twenty percent or so of Americans who can afford to use air transportation but ignore the other eighty percent whose economic means presently make them unable to take advantage of air travel. I am interested in the development of an air transport system that can meet the needs and the economic realities of *most* Americans—and the marvelous technology of high performance, high density aircraft coupled with modern regulations makes that possible.

Eliminating outmoded and antiquated restrictions will make it possible for most American families to take advantage of vacations by air at a fraction of the present cost and will create a vast new market for air travel that has never even been explored much less tapped by the airline industry. With the tremendous business and financial opportunity such a system offers, it is difficult to comprehend how you continue to fight for the status quo.

As the price goes down, more people will fly. People who would not have flown at higher fares. The air service experience between North America and Europe over the past five years seems to offer concrete evidence in support of this proposition. And I do not believe the scheduled airlines have seen their traffic and passengers diverted to the supplementals.

The figures show that as charter transportation has flourished in the market, scheduled service has also grown at a vigorous rate; a rate far better than the domestic growth within the United States.

The increasing availability of low-cost charters in the market has stimulated new business, it has put more people into the air and the traffic growth of both scheduled and supplemental carriers has been robust. The scheduled airline marketing people have not lost sight of this fact either, I note that your major competitor's charter business over the North Atlantic has increased over 60 percent in 1973. During hearings on this bill I repeatedly asked the scheduled airlines to provide data or statistics to back up the claim that scheduled service would be imperiled by liberalized ITC operations. You may not know that not one shred of evidence was presented to support the allegations. I suspect that none exists.

With these facts in mind, I am troubled by the zeal and vehemence with which you and your colleagues are attempting to defeat this bill.

Now, let me comment on the points you raise in your letter.

First of all, you make the completely false statement that the bill will "allow the supplemental carriers to fly, for all practical purposes, scheduled service when they so desire." This is sheer nonsense. Under the provisions of S. 1739, the supplemental carriers are *not* authorized to provide *point-to-point air transportation* at all, they are authorized to provide inclusive *tours* or vacation packages to that segment of the public which wishes to purchase a *complete vacation* rather than an airline ticket between two points. Obviously that segment of the American public which needs or desires the flexibility of scheduled airline service, on a point-to-point basis for business or personal travel, will not be interested in purchasing a myriad of services designed to meet the need of the price conscious vacationer. Yet you continue to equate the inclusive tour vacation concept with point-to-point air transportation. Another point you *fail* to mention is that the bill would also authorize *the scheduled airlines* to offer and sell to the public this important service. The propaganda barrage from the scheduled airlines would have the public believe that *only* the supplementals could offer ITC services to the public. That simply is not true.

Second, you suggest "the supplemental carriers will naturally fly the highly profitable routes, and as usual, omit those whose money-making capabilities are in any way questionable." That isn't true either. Again, S. 1739 does not authorize the supplemental carriers route authority to sell point-to-point air transportation anywhere—the authority is *expressly* limited to the sale of vacation tours. In addition, you fail to point out that the bill *expressly* gives the CAB the authority to restrict ITC operations in *any geographic areas* or *markets* in which the Board finds that excessive ITC operations pose a threat to scheduled airline service. By omitting mention of this most important provision, you would have the Senate and the public believe that the bill would permit untrammeled ITC's anytime and anywhere the carriers might wish to operate them without regard to any possible impact on scheduled service. Your statement also assumes that the CAB will completely fail to exercise its responsibility as provided for in the provisions of the bill. Our bill and report demonstrate that your charge is absolutely without foundation.

Finally, your charge that ITC's in Europe have resulted in high scheduled fares is ridiculous. Europe's cartelized airline operations have always been high-fare, low-service propositions. The high fares in Europe were there long before ITC's ever came along and anyone knowledgable about air transportation is aware of that. ITC's in Europe, a relatively recent phenomenon, have, if anything held scheduled fares down.

I have read in your "house" newspaper articles predicting doom for the company if this bill is passed. I urge you to print my letter so that your employees might have an opportunity to hear some of the facts that you have been unwilling, so far, to present.

Sincerely yours,

HOWARD W. CANNON,
Chairman, Aviation Subcommittee.

Mr. Speaker, I believe there is another aspect of the airlines' problem being brought to light by Senator CANNON's recent experience which should not be overlooked in the heat of battle, particularly by the scheduled airlines. It is an overriding problem—the lack of factual accuracy.

Like Senator CANNON, I am troubled by the zeal and vehemence with which the scheduled airlines have approached this issue. I fear that regardless of the outcome of this particular legislation, the scheduled airlines and the Air Transport Association of America are in the process of losing one of their most valuable assets, if indeed they have not already lost it—their credibility.

The scheduled airlines and the Air Transport Association of America's loss of credibility is not something to be taken lightly. A recent article in the September 8, 1973, issue of Business Week entitled "The Railroad Paradox: A Profitless Boom," emphasizes the importance of this to the scheduled airlines. In this article, the editors of Business Week indicate that the reason the railroads have not been able to earn money in the industry's finest year is rooted in problems that have been building up for years, one of which is:

> They have the worst credibility in industry. Neither labor unions nor regulators nor the public believe their arguments. Railroads have been threatening collapse for so long without collapsing that nobody listens to them any more. . . .

CONGRESS SHOULD REWRITE VETOED MINIMUM WAGE

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. FUQUA. Mr. Speaker, an excellent editorial appeared in the Tallahassee Democrat of Tallahassee, Fla., on Friday, September 21, 1973, regarding the need for rewriting the minimum wage bill.

As Members of the House know, I expressed considerable concern over this measure during its consideration. Now that the President's veto has been sustained, I think it behooves the Members of the Congress to develop alternative legislation that will meet his objections.

The editorial reprinted herewith is commended for reading by Members of the Congress:

CONGRESS SHOULD REWRITE VETOED MINIMUM WAGE BILL

President Nixon won another veto battle with Congres when the House failed to muster enough votes to overturn his rejection of the bill increasing the minimum wage and extending coverage of millions of workers.

It was the sixth time this year that a presidential veto was upheld. The President obviously retains considerable power despite the setbacks caused by the Watergate scandal. Unfortunately, however, it is a rather negative power, but it might stimulate new legislation more in keeping with his announced goals.

The minimum wage bill was rejected because the President said it would increase unemployment and add to inflationary pressures. It would have hiked the minimum wage from $1.60 an hour to $2 this year and $2.20 next year.

We believe the President was correct in his assessment of the wage hike. But we do see considerable merit in extending the present minimum wage to many workers throughout the country who do not come under it.

New legislation is in order to correct that situation. The President apparently will welcome a revised bill. He said it is now up to Congress to replace the vetoed bill this year with a new bill which will "bring the minimum wage in line with the increased cost of living while doing so in a way that helps to check inflation and that protects jobs for low income workers."

The trouble with most minimum wage legislation is that it does not make compensations for the unskilled laborer, particularly the teenager. Such workers should not be exploited, but there should be some provision to exclude them from minimum wage rules until they can justify full pay.

As matters now stand, the teenager with no skill is unlikely to get a job with any business coming under the federal law. The same goes more so wtih the marginal adult worker whose work output hardly measures up to the norm.

Writing exceptions for these people is difficult. It may be impossible to devise rules which will keep some unscrupulous individuals from exploiting them. But that should not be used as an excuse not to write rules which would encourage businesses to hire them.

Those who violate present rules face severe penalties. Those who take advantage of rules dealing with teenagers and other marginal workers also could be punished. Congress at least ought to try to find ways to encourage employment of people who can't produce enough to justify payment of the current minimum wage.

OMB RELEASES NIER FUNDS

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. ANDERSON of Illinois. Mr. Speaker, I am pleased to announce that I have today received word from the Director of the Office of Management and Budget, Mr. Roy Ash, that impounded funds for the National Industrial Equipment Reserve—NIER—were today being released for the reactivation of the reserve and the popular and successful "tool for schools" loan program.

I wish to commend Mr. Ash for his forthright and exemplary concession that the NIER impoundment and dismantlement order were wrong. While the amount of money involved is not great, I think this reversal does symbolize a new spirit of cooperation between the executive and legislative branches which will hopefully replace the climate of confrontation which has strained relations between the two branches in the past over impoundment.

I also wish to thank the 80 cosponsors of my NIER amendment in this body for all of their assistance in putting NIER back on the track. Today's announcement is especially good news for the 400 schools and 35,000 students who have benefited from training on NIER machinery.

At this point in the RECORD, Mr. Speaker, I include the text of a release issued by my office today on this matter.

The release follows:

ANDERSON ANNOUNCES OMB REVERSAL ON MACHINE TOOL RESERVE IMPOUNDMENT

WASHINGTON, D.C.—Congressman John B. Anderson (R-Ill.) today announced that he had received a phone call from the Director of the Office of Management and Budget, Roy Ash, indicating that OMB was reversing its decision on the impoundment of funds for the National Industrial Equipment Reserve (NIER) and its directive to the Department of Defense to dismantle the reserve.

Earlier this year, Anderson offered an amendment to a supplemental appropriation bill restoring $1.8 million for NIER which had been without funds since December 31, 1972. While $950,000 of that amount was apportioned by OMB to the General Services Administration for operating the reserve during the last six months of 1972, OMB impounded the remaining $850,000 and ordered the Department of Defense to dispose of the machinery in the reserve.

Anderson protested the OMB action as illegal and his charge was confirmed by the Comptroller General in a legal decision Anderson had requested. While the Comptroller General cannot force the expenditure of impounded funds, Ash was apparently persuaded by the opinion and conceded to Anderson today, "You were right and we were wrong; I am today ordering the release of the NIER funds to reactivate the reserve."

In addition to providing a reserve of machine tools for defense production needs in time of national emergency, NIER makes the machinery available on loan to schools for vocational training purposes. At present, NIER machinery is being used in 400 U.S. schools including 15 in Illinois. Four schools in Anderson's 16th Congressional District have NIER machinery on loan: Belvidere High School, Jo Daviess-Carroll Area Vocational School, Freeport High School, and Rockford East High School."

Anderson hailed the OMB reversal as "a forthright and exemplary concession," and added that while the amount of money involved was not great, the decision does symbolize "a new spirit of cooperation between the Executive and Legislative branches which will hopefully replace the climate of confrontation which has strained relations between the two branches in the past over impoundments."

DR. SIDNEY P. MARLAND, JR.: NATION'S FIRST EDUCATOR

HON. ROBERT H. STEELE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. STEELE. Mr. Speaker, I would like to take this opportunity to pay tribute to an outstanding public servant and educator from Connecticut, Dr. Sidney P. Marland, Jr., who resigned September 19 from the position of Assistant Secretary for Education in the Department of Health, Education, and Welfare. Dr. Marland, who has had a distinguished career in the education field, is a native of Danielson, Conn., which is located in my district, and a graduate of the University of Connecticut, where he earned both his bachelor's and master's degrees. He holds a Ph. D. from New York University.

Prior to World War II, Dr. Marland taught in the West Hartford, Conn., school system and following military duty in the Pacific theater, where he won the Distinguished Service Cross, Bronze Star, and Legion of Merit, he became superintendent of schools in Winnetka, Ill., and Pittsburgh, Pa. He was president of the Institute for Educational Development in New York City before he was named U.S. Commissioner of Education in December 1970.

Last fall Dr Marland was appointed the first Assistant Secretary for Education

We in eastern Connecticut, as well as the entire State of Connecticut, are extremely proud of Dr Marland's outstanding contributions to improving the level and quality of education in America We wish him and his family well in the future.

AGONY OF THE AMERICAS BY GRAHAM HOVEY

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. WHALEN. Mr. Speaker, Graham Hovey, a member of the New York Times editorial board, used the occasion of the Chilean coup to review concisely and perceptively the recent tragic history of democratic government in Latin America.

In concluding his article, which appeared in the Tuesday, September 18 edition, Mr. Hovey raises extremely important questions in regard to the political crisis of the Americas and U.S. policy toward that continent. I believe his queries merit the careful consideration of each Member of the House. Therefore, I insert his article at this point in the RECORD:

AGONY OF THE AMERICAS

(By Graham Hovey)

How hollow the rhetoric that ushered in the Alliance for Progress in 1961 sounds in the wake of Chile's tragedy.

"This Alliance," declared the statesmen at Punta del Este, "is established on the basic principle that free men working through the institution of representative democracy can best satisfy man's aspirations. . . ."

First on their list of Alliance goals: "To improve and strengthen democratic institutions through application of the principle of self-determination by the people."

And now, twelve years later? Well, now we have a military junta ruling Chile with an iron fist after delivering the coup de grace to South America's most durable democracy.

And over the Andes, in the country where the Alliance was born, the armed forces of Uruguay (nobody knew they existed in 1961) govern by decree through a puppet President after helping to collapse the purest democracy in the Americas.

And across the Rio de la Plata estuary, the "application of the principle of self-determination by the people" seems certain on Sunday to restore the trappings of power—the substance having been returned months ago—to Juan Domingo Peron, the ancient, ersatz Mussolini who led Argentina from prosperity to bankruptcy before the Army booted him out eighteen years ago.

And up north, in the giant country whos elected President in 1958 paved the way for the Alliance for Progress with his inspired Operation Pan America idea, Brazil's army presides over a spectacular, if highly uneven, economic development, barely giving lip service to democracy and stamping hard on dissent. One of those stamped on is that ex-President, Juscelino Kubitschek.

One could go on, *ad nauseam*, but the point is clear: Twelve years after the launching with high hopes of an Alliance aimed first of all at underpinning freedom and democracy, there is much less freedom in the Americas. There is more oppression, more torture and terror, more censorship and rule by fiat.

Why have things gone so terribly wrong? Why have there been more coups since the beginning of the Alliance than in any comparable period in the modern history of the hemisphere? And most pertinently, in light of worldwide accusations of American complicity in the downfall of President Allende in Chile, is the United States *primarily to* blame for this situation?

The image of this country as ruthless, pervasive practitioner of neoimperialism simply won't wash. If Washington had indeed turned the Monroe Doctrine into the Brezhnev variety there would be no Castro regime in Cuba and a Marxist Government would never have come to power in Chile (not even Lyndon Johnson's invasion of the Dominican Republic in 1965 can be compared to the Soviet occupation of Hungary in 1956 or Czechoslovakia in 1968).

Of course Washington would not help Dr. Allende clamp on Chile a draconian socialism fiercely opposed by a majority of Chileans. Nor would Washington influence international lending agencies to continue accepting Chile as a good credit risk once it became evident that Dr. Allende could not shore up the economy or curb inflation, and that his firebrands would not let him make good his pledge of fair compensation for expropriated enterprises.

But the ingredients for the Chilean tragedy were homegrown, not imported; here, as elsewhere, United States influence, for better or worse, was marginal. As Covey T. Oliver, a former Assistant Secretary of State for Latin America, has written: "We have the power, at one extreme, to remove almost any country from the map . . . but we could not, even if we wished, translate this into control over the country's routine actions."

The valid charge against the Nixon Administration on Latin America is more one of neglect than of imperialist exploitation. After the extravagant rhetoric and feverish activity of the Alliance for Progress heyday, the low-key approach charted by the President was widely welcomed. It soon became evident, however, that behind the lower profile was no hemisphere policy at all.

Mr. Nixon may have disclosed more of his thinking about the political crisis of the Americas than he intended in welcoming President Emilio G. Médici to Washington in 1971: "We know that as Brazil goes, so will go the rest of the Latin American continent."

Is that it, then? Is dramatic economic development achievable only under military rule in a climate of repression and censorship? Many American businessmen involved in Latin America devoutly believe so. Or, at the other end of the spectrum, is a redistribution of wealth, a better deal for the poorest Latins, possible only under a Marxist dictatorship? After the collapse of the Allende experiment, even many American liberals say so.

But can the American Government accept such theses? Even in disillusionment with the Alliance for Progress and recognizing that American influence will be only marginal, can Washington be comfortable with a nothing policy for a continent largely out of control but clearly lurching toward revolution?

Henry A. Kissinger said that his recent call on President Echeverria in Mexico City—his first diplomatic mission since President Nixon nominated him to be Secretary of State—"underlines the importance we shall attach to relations with Latin America." How fine it would be if he really meant it.

ATTICA REVISITED

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. RANGEL. Mr. Speaker, 2 years ago the worst prison riot in the U.S.'s history occurred at the State Prison in Attica, N.Y. It preceded a wave of prison disturbances which shook the penal system to its foundations and which made many of us realize, for the first time, the need for reform of our prisons.

On September 9, the NBC Sunday News presented a report by Mr. Jack Paxton on Attica Prison and the effects the riot had there. I was deeply impressed by the report and have taken the liberty of enclosing the transcript:

ATTICA

JACK PAXTON. On this day two years ago, a minor incident turned into a four day uprising at Attica. The inmates took over the prison. Finally a thousand police charged, firing rifles and shotguns. When it was over 43 people were dead including 9 prison guards.

In the last 2 years, Attica has changed. In many ways, it is now a better place for the inmates. Most of the changes came as a direct result of the uprising.

There have long been plans to improve conditions. It took a riot to pry loose the money. There have been two basic changes: overcrowding has been relieved, the prison population has been reduced by one-third; and the prisoners have more freedom, spend much less time idle in their cells. A gymasium is being built. It was first planned in 1948 but the money didn't come until after the uprising. This prisoner is combining his hobby with work, painting murals to decorate messhalls. He thinks things are better, though there are prisoners who disagree.

PRISONER No. 1. There's much less tension in the yards . . . I think I have to emphasize again that it's this recreation program because before we spent as much as 23 hours in a cell. Usually I'd say about 18 to 20 anyway. But now we have this night recreation, therefore, your aggressions are worked off in sports instead of toward each other.

PRISONER No. 2. They are letting us out of our cells mostly to pacify us but the grievances are still the same. You've got more repression. You've got guntowers in the yard. Any place you go through these halls you have got teargas guns pointed at your back. The guards still carry clubs. You know you got stories every day of guys coming down from the box, guys getting beat.

JACK PAXTON. There may never be much satisfaction in a place that keeps people where they don't want to be and there are undoubtedly abuses, but efforts are being made to improve life here. New equipment to improve food service, educational programs have been expanded including the law library, to help prisoners plan how to get out legally. There has also been a program to re-educate guards to improve their attitudes, to try to eliminate brutality and misunderstandings, racial and otherwise.

Ray Henneberg, a prison guard, was here during the revolt.

RAY HENNEBERG. I think the inmates' attitudes are to my way of thinking the same. We still have 90% of inmates that are cooperative to a great degree and there's always that 10% that want a lot more change than is possible, a lot faster than change is possible. I would say before the riot there was a great deal of tension because of the fact the inmates wanted change and the change because of budgetary reasons wasn't forthcoming. I think that now it has leveled off a great deal because of the fact that the State has realized its responsibility and come through with some of these programs that they were asking for.

JACK PAXTON. It really took the trouble to do it though, didn't it?

RAY HENNEBERG. That had to happen, right, it had to happen.

JACK PAXTON. Attica is still a maximum security prison. Some things can't change. But the tragedy two years ago has made life better here today.

PORTUGUESE GUINEA AND THE PAIGC "DECLARATION OF INDEPENDENCE"

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. CRANE. Mr. Speaker, on September 17 my distinguished colleague from Michigan (Mr. DIGGS) addressed the House on the subject of a "Declaration of Independence in Guinea-Bissau," referring to Portuguese Guinea, and read into the RECORD a recent communique of the Second Congress of the African Party for the Independence of Guinea and Cape Verde—PAIGC.

In so doing, I was struck by the comparison the gentleman made between the communique and our own Declaration of Independence. I believe that most Americans would reject the comparison, especially when they gave the document close scrutiny.

PAIGC, it turns out, is a group of about 5,000 persons—of a population of more than half a million—which promotes active revolutionary violence in Portuguese Guinea, and which, according to the "Annual of Power and Conflict 1971: A Survey of Political Violence and International Influence," edited by the respected British analyst, Brian Crozier, "received aid and support from China, the Soviet Union, and European private charities." Indeed, in its own communique, the PAIGC paid tribute to "the multifaceted aid of the socialist countries, particularly the Soviet Union." This aid seems to come primarily in the form of weapons, which are used indiscriminately against civilian and military targets.

Being a student of American history and interested in matters concerning our NATO partners, I was motivated to do a little research concerning the PAIGC, and I have found no significant parallels between a group supported by the Soviet Union and Communist China on the one hand, and our colonial forefathers on the other hand.

In examining this matter, I came across some very appropriate recent remarks by the Portuguese Foreign Minister, Dr. Rui Patricio, who noted in reference to Portugal's African policy that—

> The principle of non-interference in the internal affairs of other states is insistently proclaimed, but when the Portuguese state is concerned this same principle is ignored. The absolute priority of peace and the universal renunciation of violence and armed struggle is proclaimed insistently to the four winds, as well as the necessity of finding peaceful solutions for all contested problems. In spite of this, when Portugal is concerned, aggression is incited, aid is given to the terrorists, and the threat of war is brandished.

The Portuguese Minister for the Overseas, Professor Silva Cunha, spoke at length on the subject of Portuguese Guinea on September 14. I include the following excerpts from his address in the RECORD at this point:

> Portuguese Guinea is a small territory with an area of less than 30,000 kilometers. Squeezed between the sea, Senegal and the Republic of Guinea, it is traversed by innumerable waterways (which offer additional means of easy penetration), and has a population of about 600,000 inhabitants divided into numerous tribal groups (about 30). The climate is harsh and makes difficult the establishment of white settlers. The economy is based primarily on agriculture carried on by traditional methods and on trade. In the over-all strategy of encirclement of Europe by the Communist world, Guinea occupies a geographical position of great importance. Facing Cape Verde, Portuguese Guinea, if occupied by forces hostile to the West, would provide the necessary springboard for an attack on that archipelago. In a global conflict, Cape Verde would be the key to the South Atlantic. This factor gives, within the framework of the objectives of that strategy, a fundamental importance to Guinea. These facts, together with the smallness of the territory and the easy utilization of neighboring territories by the terriorists as bases for attacks and as sanctuaries, necessitates its being considered a prime objective of attacks against Portuguese positions in Africa, especially since it is believed that the territory's population, constituted predominantly of Africans, would quickly join in the subversion and thus facilitate domination of the territory.
>
> But terrorist actions in Guinea began in 1963, and the facts have not borne out the expectations of those responsible for the global strategy of subversion. In not one part of the territory have the terrorists succeeded in establishing themselves so that they could in truth state: "Here we give the orders." The population has not been won over, and if terrorists are recruited from within some small elements of their tribal groups, the truth is that the great majority have remained loyal to Portugal, indeed to the degree that about 60% of the armed forces and militia which defend peace and order in the territory is composed of Guineans. There are no liberated areas; there is no general subversion of the territory. Life in Guinea is not easy; but the enemy has not succeeded in preventing the construction of more than 500 kilometers of paved roads; nor the resettlement of a substantial part of the population in new, more comfortable and hygenic villages; nor the continued growth of the economy; nor progress, notable in all respects, in areas of health and education. In summary, the enemy has not prevented the continued progress, with the enthusiastic support of the people, of the policy of economic and cultural development now pursued in all parts of the Portuguese territory. This is the reality.

Mr. Speaker, if Portuguese Guinea is strife-torn and dominated by the PAIGC, as some allege, this fact is not verified by the statistics of the World Bank, which points out in its latest Atlas that the province enjoys a per capita income of $250 and a per capita growth rate of 4.9 percent; these figures exceed the income and growth rates of Nigeria, Egypt, Ethiopia, Morocco, and many other more favorably endowed African countries, and are significantly higher than Portuguese Guinea's two immediate neighbors, Senegal and Guinea, from which PAIGC operates.

THERE CAN BE NO COMPROMISE ON HUMAN RIGHTS AND TRADE

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. ANNUNZIO. Mr. Speaker, the Ways and Means Committee is about to consider the provisions of the Trade Reform Act of 1973 that would give the President authority to grant most-favored-nation—MFN—status to nonmarket-economy countries. At this time, important attention is being given to the many aspects of our relations with the Soviet Union, and in the climate of détente that the Nixon administration has established with the Soviet Union, trade relations loom as a crucial area.

Promises about trade and credits have apparently been made to Secretary General Brezhnev, and the Soviet Union seems ready under his leadership to end its independent economic orientation and seek outside help. In this country, the administration has pointed toward the Soviet Union and other East European countries saying that there lies an answer to the U.S. trade deficit; and certain American commercial interests have leaped at the supposedly fat carrot that has been waved before them.

Buying detente by the granting of concessions cannot be continued. Although the aspects of detente that lessen the chances of nuclear confrontation between the United States and the Soviet Union are most welcome, it is paramount that the United States not go overboard, drop its guard, and act as if the Soviet Union is some long-lost relative regained. Indeed, to continue to make economic concessions and deals in the name of detente that is not yet fully defined or clear is rashness of the greatest degree. A careful reading of the Soviet press, official spokesman of their party and Government, reveals continued reference to what they call a successful peace offensive which does not mean the abandonment of the well-known ideological doctrine they regard as central to a continuing class struggle between differently organized societies. When we hear calls for realism in our relations with the Soviet Union, let us be careful not to abandon realism in our assessment of the situation.

It is clear that economic failure in the Soviet Union is leading the Kremlin to seek aid in the West. I emphasize the word "aid." It is most unsettling to see this administration suddenly extending concession after concession to our most powerful rival. We have already witnessed the disruption last year's huge wheat sale—or wheat giveaway—caused in our economy, for which our people are paying through increased consumer prices on food. The price of a loaf of bread is almost out of sight for the average American, while we hear reports that Russia is now selling our grain at incredible profits to other European countries.

Now we are being asked to give the Soviet Union MFN so the Russians can export manufactured products into our economy that we do not really need. In addition, granting MFN status would help the Soviets earn currency to pay for U.S. technology they desperately need to make their industry productive and enable them to make capital investments, necessary for development of their resources sector.

Fortunately, the efforts of my distinguished colleagues, Senator Jackson and Representatives Mills and Vanik, have slowed headlong folly and caused a realistic assessment of conditions in the Soviet Union. It certainly is time now to take a closer look at what the Soviet Union's real objectives are to recognize that the Soviet leadership is very shrewd and calculating in its "détente offensive." I have gone on record in the past as a wholehearted supporter and cosponsor of the Jackson-Vanik-Mills amendment and I can only reiterate in the strongest terms possible my continuing support for the effort my colleagues are making to inject reason into this country's foreign policy.

This past Saturday, the swearing in of Henry Kissinger as Secretary of State reminded me of the circumstances that led to his coming to this country in flight from the worst kind of repression and persecution in Nazi Germany. We as a nation pride ourselves that we offered new lives and careers to countless refugees from intolerable tyrannies. Yet, we find before us legislation—and now a compromise, the Corman-Pettis formula—that would grant to Russia trade privileges and concessions that are certainly undeserved. We are asked to ignore Russia's record of oppression and atrocities, and continuing lack of concern for the human rights of its citizens.

Indeed, we are asked to abandon this Nation's dedication to human principles, and we cannot, we must not, surrender this or any opportunity to influence the Soviet Union's behavior toward those who want to emigrate from the Soviet Union, as well as toward those who want to stay but be treated as human beings.

The Corman-Pettis amendment, if adopted over the Jackson-Vanik-Mills amendment, would be an abject surrender. My colleagues are asking for "reasonable progress" in human rights, and that there be no "unreasonable tax" on emigration. We have already seen what the Soviet Union does to reasonable men. They are harassed, prevented from emigrating or working, are incarcerated in asylums as lunatics, or tried on trumped-up charges and sent to work camps and prisons.

We are forced to witness this, and then are admonished by the Kremlin not to interefere in internal affairs. That is pure nonsense, for when it comes to the rights of human beings, it is the affair of all responsible men everywhere. This Congress must continue to assume its responsibility to do whatever possible to get the Soviet Union to recognize international principles of human rights and assure the continued dedication of the United States to recognition of those rights.

I will admit that there has been progress in the Soviet Union to the extent that dissidents are heard, and that fear of violent death no longer hangs over their heads. But, nonetheless, fear exists and I maintain that the progress made has not been nearly enough. Legislation such as the Corman-Pettis amendment to the trade bill that only seeks "satisfactory balance" and "safeguard arrangements" is nothing more than surrendering to the Soviet Union what it wants without requiring what I feel is the minimum response necessary to earn our favorable consideration.

Mr. Speaker, I, of course, will vote "no" to any extension of MFN to the Soviet Union, and urge that my colleagues join me in supporting the Jackson-Vanik-Mills amendment. We cannot allow unchecked the flow of capital and technology to a country that blatantly ignores the minimum human rights of its citizens. We must make sure that our own country is not endangered by a policy that gives too much away without safeguarding our own national interests, and that America will not abandon the hopes of millions in the world but instead will reassert its moral leadership in the conduct of its foreign policy.

THE COMMUNITY MENTAL HEALTH CENTERS EXTENSION ACT OF 1973

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. SHRIVER. Mr. Speaker, I am today joining with my colleagues from Indiana, Congressman William H. Hudnut III, and from New Hampshire, Congressman Louis C. Wyman, in sponsoring the Community Mental Health Centers Extension Act of 1973. Our bill will continue for 3 years Federal start-up assistance for additional community mental health centers and provide continuing aid for preventive mental health services.

This bill is designed to meet a target date of June 30, 1980, for full coverage of the Nation's population with nearby mental health care. It is estimated that our citizens can be fully served with nearby care with 1,500 community mental health centers. Presently, there are about 500 federally funded centers and 100 centers financed privately or from State and local sources. This means there are at least 900 catchment areas for which centers must still be planned and initial funding secured.

The administration has again proposed to discontinue all Federal support for additional centers. This would be a mistake. The success of this program as shown in the initiation of nearly 500 community mental health centers, which were not there before the availability of Federal start-up aid, and the resulting 36 percent reduction in the population of our State mental health hospitals over the last 5 years provides ample evidence for a strengthening and continuation of this program. I know of no other Federal "pump-priming" program which has produced such measurable results in terms of helping people. Two-thirds of our population remain unserved by nearby centers, and this program should be continued with a high priority.

Our bill provides for Federal start-up assistance for new centers with the Federal role diminishing over an 8-year period as State and local input takes over. Federal assistance up to 10 percent of total operating costs would be continued after 8 years for consultation and education services offered by the centers to schools, courts, clergy, community health and welfare agencies, police, and others in the community.

These consultation and education services are important in the early detection of mental illness. However, since they are not self-supporting financially, many centers would have to discontinue these efforts without this support.

The bill limits the total amount of Federal assistance which any center can receive over the 8-year start-up period. The limitation for operational costs is $18 per capita for nonpoverty catchment areas and $30 per capita for centers in designated poverty areas. Language is included to insure that funds going to poverty centers are actually used on services for the poor.

This limitation on each center's total assistance is intended to spread available funds equitably to the catchment areas not now served. Mental illness pays no attention to geography, and it is essential that skill in grantsmanship by some centers not be permitted to give those centers a disproportionate share of available funds, thus leaving other catchment areas with insufficient startup aid.

The bill provides needed improvements in the services offered by federally assisted community mental health centers. A full range of diagnostic, treatment, liaison and followup services must be provided by all centers to children and the elderly, two age groups which have received inadequate attention by some centers in the past.

The centers would be required to screen and, when possible, provide treatment for persons within their catchment areas who might otherwise be admitted to a State mental hospital. Followup care of persons in the catchment areas who have been discharged by the State hospitals is also required. In addition, the centers are required to provide services to any health maintenance organizations in the catchment areas.

Finally, the bill provides an authorization of $20 million each year for 3 years for the purchase or renovation of facilities to be used for community mental health centers. Special emphasis should be placed on renovation of existing facilities, but authorization is included for new construction if other facilities are not available.

Mr. Speaker, great strides have been made under the community mental health programs across the country in improving preventive measures and treatment capabilities for mental illness. However, with more than 275,000 resident patients in our State mental hospitals and with about two-thirds of the country still unserved by community mental health centers, we must take prompt action on this extension legislation. It is estimated that one family in four will need mental health care. Congress must respond to this need by placing the highest priority on the extension and improvement of this proven program.

HOME MORTGAGES

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. HELSTOSKI. Mr. Speaker, the shortage of funds for home mortgages has been and is continuing to be a major concern to all of us and therefor I believe we should consider all proposals and suggestions directed at making money available to those who want to buy or build their own homes.

I would like to place in the RECORD an address delivered by Mr. Jackson W. Goss, president and chief executive officer of Investors Mortgage Insurance Co. of Boston, before a seminar on conventional mortgages held in Birmingham, Ala., on August 21.

Mr. Goss' proposal for building up funds to meet increasing demands for home mortgage loans might well be fully considered by those interested in finding a solution to a most serious problem.

The text of Mr. Goss' address follows:

> Every American who wants to own his own home should have that opportunity—and should be willing ot do whatever is necessary to accomplish that goal.
>
> Every individual, business, industry and group connected in any way with housing should be willing to help provide the one vital ingredient that makes it possible for families to reach the goal of home ownership—money for home mortgage loans.
>
> These are two undeniable facts of life that every one of us in the housing industry must accept—accept as the answer to keeping the industry and the country moving ahead.
>
> There are an increasing number of economic pundits who keep trying to convince the nation that there simply is no money available right now for housing—for mortgage loans.
>
> They are wrong.
>
> There is money available for housing—it needs only to be put to work in the right places—another undeniable fact.
>
> It is estimated that if every potential home buyer were to deposit $100 in a local thrift institution—there would immediately be more than $1 billion in new funds available for new mortgage loans.
>
> Of course, the skeptic will say, "Well, $100 won't make the down payment on a home."
>
> And he would be right—but $100 in a savings account is a start and it is the first step that any potential home buyer can take toward his eventual goal.
>
> All of these individual accounts would go a long way toward proving the pundits wrong. And if you add to this some very logical steps that all of the individuals, companies and groups related to or connected with the housing industry can take, the pessimists would soon have no audience at all.
>
> There is nothing at all that would bar a home builder, a real estate broker, a mortgage banker or a utilities company from depositing a portion of their capital in a savings and loan.
>
> Consider, for example, construction union pension funds. These are organizations that are continually searching for good, solid long-term investments with little risk and better-than-average returns. The purchase of a mortgage package would be an investment that would mean even more money circulating within the thrift industry.
>
> What better way would there be for such a fund to assure its own continued growth. By helping to provide more money for home mortgages, they would be insuring continued employment for union members in the home building field.
>
> This is the message that must be gotten across to everyone in the housing industry. We must all invest in our own future by seeing that American families and individuals have the financial wherewithal to buy homes.
>
> And we must emphasize even more strongly to the home buying public what the purchase of a home truly means—an investment in the American way of life. A home, for example, is one of the few investments in which the buyer can gain full ownership. He is, in effect, buying his own business.
>
> I can think of no better way to show a young family how capitalism really works than to make it possible for them to buy their home.
>
> All of us who are associated with housing know that it is an amazingly broad and complex field—an industry that is basic to our national economy and the American way of life. How true the statement: as housing goes, so goes the economy.
>
> There are few, if any, other industries in which success depends so strongly on the cooperation and working relationships of so many different groups. Everyone has done a tremendous job thus far in making this industry work and now is no time to let up in that effort.
>
> In fact, it will take an even greater effort in the weeks and months ahead to maintain the pace we have set in meeting the demand for housing. But there is no doubt that it can be done. It must be done.
>
> I am bullish on America—I am bullish on housing. I am bullish on America because of its people—I am bullish on housing because of the individuals who make up our industry.

LAKES ALSO DIE

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. FUQUA. Mr. Speaker, the Bradford County Telegraph of Starke, Fla., has long been recognized as one of the Nation's outstanding weekly newspapers.

In the September 20, 1973, issue of this paper, publishers Bob G. Ferguson and John M. Miller printed an outstanding editorial that I would like to have reprinted in the RECORD for others to read.

Their comments about pollution of a lake in their area can be transposed to literally hundreds of thousands of similar circumstances acrosss the Nation.

Ultimately the solution to many of the pollution problems in the Nation will come when local citizens become concerned enough to take an interest and do something at that level.

As the paper stated, we got into this mess because people just would not get interested until it was too late.

The editorial is as follows:

Lakes Also Die

The Council on Environmental Quality reported from Washington this week that the nation must spend some $274 billion over the next ten years on measures to clean up the environment, but should reap greater benefits in reduced pollution damage. The report contained a bit of encouragement by noting some improvement in national air quality in 1971, its latest available estimate. But it pointed to a distinct and accelerating increase in the concentration of carbon dioxide in the world's atmosphere and blamed it on man's excessive burning of fossil fuels.

A sobering item in the report noted that some scientists fear continued carbon dioxide increases would create a "greenhouse effect," trapping solar heat and perhaps altering the world's climate.

Of the total $274 billion proposed expenditure during the coming decade, measures relating to water pollution correction and control would account for almost half—a staggering $121.3 billion—the largest item in the budget.

All of which brings us to ponder—just how the heck did we allow ourselves to get into such a polluted mess?

The answer is, of course, the age-old human habit of failing to lock the barn door until the horse is stolen.

For a graphic local instance of this frustrating shortsightedness, we have only to look at what is happening to Kingsley Lake—once the most beautiful natural lake, and best suited to swimming and water sports of any lake in Florida. For those who are newcomers to the community, it is still a cut above other lakes in the area, but for those who remember the pristine loveliness of its crystal clear waters and white sand bottom, the present condition of the lake is revolting.

The eminent marine ecologist, Dr. James B. Lackey, who resides on Melrose Bay, once said that "a lake begins to die as soon as it is created." And the cause of its death? What else could it be but the malpractices of that great abuser of the environment—mankind.

Ask a dozen people what is causing the rapid deterioration of Kingsley Lake, and you'll get a dozen different answers. Each individual has his own personal ideas—always excluding, of course, anything that he himself has done or may wish to do in the future in, on, or to the lake.

And it is true that there might be as many as a dozen different causes for this deterioration—each contributing to the deadly cumulative effect which will ultimately end in killing the lake for everyone—perhaps not in this generation; but surely it would take a grossly selfish and unconcerned person not to have some consideration for the pleasure and well-being of the generations to come.

Some of the most likely causes of threatened pollution and/or general deterioration of the lake are these:

The strong possibility that there are numerous septic tanks, placed too near the shore line, which overflow in times of heavy rain, dumping raw sewage into the lake.

Overfertilization from nutrients washing into the lake from detergents, sewage, and the practice of feeding lawns with commerical fertilizers, which leech out into the lake with the very next rain.

The practice of the Clay County road department of repairing eroded roads with clay, which washes downhill into the lake with every rain.

Possible improper drainage structures installed by the Department of Transportation with the redesigning of Highway 16, causing some muck to be discharged into the lake.

Possible sediment in the lake caused by the blowing of sand into the lake with prevailing southwest winds.

The dumping of garbage and human waste into the lake by large-size boats that have been seen on Kingsley at intervals this summer.

And last, but not least—the general overpopulation of the lake due to the increased popularity in recent years of mobile homes, campers, and other types of shelter that can crowd three or four families onto a lot originally intended for one.

Belatedly—just about fifteen or twenty years after it should have been done—a group of Kingsley property owners have petitioned the Clay County Zoning Board to rezone the lake to R–B (residential) from its present classification of "Agricultural."

The request was made with the realization that no lake can support unlimited density of population, and that is just what will happen with the present agricultural zoning. The proposed change in classification is in keeping with Clay County's comprehensive zoning plan which aims to lower the density of population around the county's many beautiful lakes in order to protect them for present and future generations.

A commendable step was taken in this direction recently when the board responded to a petition from residents around Lake Geneva and reclassified that body of water R–A, the highest classification of residential zoning on the books.

When the Kingsley petition was heard on September 6, with four members present, the motion to grant the rezoning was lost for lack of a second, and two members of the board (only four were present) suggested that the petitioners should settle for R–C, a lower classification.

It was difficult for the petitioners to understand why Kingsley, generally considered the finest lake in the area (or was at one time), should deserve only R–C zoning, when Lake Geneva had already been granted R–A. The fairness of this proposal could not be jutsified on any logical grounds.

The petitioners hope that the two opposing members of the board will reconsider their position by the October meeting time and grant the much needed R–B classification. When and if this is done, property owners on Kingsley Lake should lose no time in organizing a Kingsley Lake Protective Association which can speak with some authority when a matter of vital importance to the lake arises. This has been done on several other area lakes (notably Lake Geneva and Melrose Bay) with gratifying results.

Where one or two individuals speak with a voice that is often inaudible in high places, a group, speaking through an organization, will be heard.

The time for complaining to one another about deplorable conditions on Kingsley Lake is past. With the belated, but now rapid growth of this area, conditions will continue to worsen around all our lakes at an accelerated rate.

The ultimate result is death.

It happened to Lake Apopka. It could happen to Kingsley.

H.R. 3483

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. REID. Mr. Speaker, I insert in the Record two recent news items which appeared regarding my bill, H.R. 3483, to exempt certain income of nonresident alien authors, artists, and composers from "developing countries." This legislation would, in sum, protect such persons from double taxation to which they are now vulnerable.

The first piece is a newsstory from the New York Times of September 1; the second is an editorial from the Nation of September 17, 1973:

[From the New York Times, Sept. 1, 1973]

Bill Would Aid Foreign Authors

A group of authors writing on behalf of the Authors League of America have urged Representative Wilbur D. Mills, chairman of the House Ways and Means Committee, to give favorable consideration to a bill that would relieve authors from the developing African and Asian countries from the burden of double taxation on royalties earned in the United States.

Under present law, authors of Western countries are exempted from a United States royalty tax of 30 per cent under treaties between their countries and the United States. As yet, however, most developing countries have not been able to negotiate such treaties. Thus, their authors are taxed both here and at home on the same income. A bill introduced by Representative Ogden R. Reid at the request of the Authors League would relieve authors of developing countries of the United States tax for a period of five years.

The letter to Mr. Mills was signed by Ralph Ellison, John Hersey, Elizabeth Janeway, Toni Morrison, Barbara W. Tuchman, Rex Stout, Jerome Weidman, John A. Williams and Herman Wouk.

[From the Nation, Sept. 17, 1973]

Modest Proposal

According to Anthony Sampson's interesting book, *The Sovereign State of ITT*, the corporation in question, eighth largest in the country, paid no U.S. taxes in 1971. Presumably, ITT's kingdom is not of this world, so it need not render unto Caesar.

Fair enough—but who takes up the slack for ITT? We do, of course, but we have help from unexpected quarters. If, for example, a foreign author should publish a book in the United States, adding to the gaiety of a nation that can use all the gaiety it can get these days, he will be taxed at the rate of 30 per cent. Not 30 per cent of his profits but 30 per cent of the gross royalties from his books. And then his own government will tax him too, at whatever rate it thinks fit.

A foreign author can avoid this double jeopardy if he has the wit to be a citzen of England, France, Germany, or any nation rich enough to have concluded reciprocal treaties with the United States, in which each government waives its rights to tax the other's authors. But if the writer lives in what is called, indifferently, an "underdeveloped" or "developing" nation, the chances are good that he is protected by no such treaty. He may be living in the humblest circumstances in his own country, but our government will combine with his to encourage literature by keeping him poor.

The Authors League of America has drafted a very modest bill to alleviate this instance of an unintended hardship imposed on those least able to bear it. Modest, because this bill "to exempt certain income of nonresident alien authors, artists and composers from taxation," applies only to authors resident in a developing country, defined for the purposes of the proposed statute as having an annual per capita income no greater than $300. That stipulation is eloquent in itself. Members of Congress who have indicated their support for the bill include Andrew

Young, Yvonne Brathwaite Burke, Ronald V. Dellums, John Conyers, Jr., and Barbara Jordan. And if the measure passes, as it clearly deserves to do, what will America gain by forgoing the widow's mite of Asia and Africa? Reciprocal privileges for our own writers in the countries involved, of course. And self-respect which, like gaiety, has been in short supply with us lately.

SNOW'S ISLAND NATIONAL PARK?

HON. EDWARD YOUNG

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. YOUNG of South Carolina. Mr. Speaker, H.R. 9916 proposes that Snow's Island, S.C. be made a national park. Snow's Island is associated with Gen. Francis Marion, the "Swamp Fox," because he used it as the base of operations for the brilliant guerrilla campaign in the winter of 1780.

The Florence Morning News has joined the South Carolina General Assembly, the South Carolina Archives, and numerous historical societies in supporting this concept:

SNOW'S ISLAND NATIONAL PARK?

Snow's Island is an approximate 5,000-acre tract of land where Lynches River flows into the Great Pee Dee. The island is formed by division of Lynches into two arms before it empties into the Pee Dee. The two arms flow on two sides of the island and the Pee Dee on the third.

It is a wild wilderness of lush swamp growth, a natural habitat for wildlife, and a breeding place for mosquitoes that swarm the island.

But it is one of South Carolina's most historic spots in the struggle for American independence. Here in 1780 when the British were in virtual command of South Carolina, Francis Marion established a hiding place from which he would sally forth in quick, devastating strikes against British and Tory troops and their lines of supply.

With the island are associated names legendary in South Carolina's Revolutionary war history: the Horrys—Peter and Hugh, Lemuel Benton, Hugh Ervin, Gavin Witherspoon, John James, a small galaxy of lesser lights, and, of course, Marion himself.

Here, too, was his base when he was made brigadier general, placed in command of Continental troops and instructed to form the brigade which ever afterward was to bear his name.

From the relative security of Snow's Island, Marion conducted the vigorous and sustained campaigns that were major factors in upsetting British plans for conquering the South as a necessary prelude for breaking the military stalemate in the North.

Congressman Ed Young now proposes that Snow's Island be obtained by the federal government and converted into a national park, and he has introduced a bill in Congress to effectuate that end.

It is not the first time that interest has been directed toward properly identifying the island as a significant historical site. But it is the first time, so far as our knowledge goes, an effort has been made to bring it into the system of national parks.

We wish success for the effort. In a sense far more real than historians have ever recorded, the battles took place in South Carolina that made victory possible for the cause of independence. Most of them were not battles at all in the conventional sense, but brief, hard-hitting skirmishes that kept British troops and their movements off balance, and eventually set the stage for the trap sprung upon Cornwallis at Yorktown.

As Associate Editor Dew James said in his by-line column last Sunday, converting the wilderness that is now Snow's Island into a national park would be appropriate to the bicentennial observance in 1976. It would give Marion and his men the place they deserve in U.S. history, appropriately stress South Carolina's contribution to American independence, and awaken as a continuing emphasis "the Spirit of '76.'"

SNOW'S ISLAND NATIONAL PARK IS GOOD IDEA

Probably no one is more pleased than Dr. Robert Bass with efforts of Congressman Edward L. Young and others to convert Snow's Island in Florence County into a national park.

The low-lying island at the juncture of the Great Pee Dee and Lynches Rivers was the hideaway of Revoluntionary War Gen. Francis Marion and his men. It was from that swampy hideaway that the diminutive guerrilla partisan launched those hit-and-run attacks that tormented British troops in the Pee Dee region.

Dr. Bass, a profesor of English at Erskine College until his retirement, has been a Marion admirer since boyhood and is the author of "Swamp Fox," the widely-acclaimed biography of Marion.

Dr. Bass' boyhood home at Britton's Neck was less than a mile from Snow's Island and as a boy he and his father went fishing in that area. His boyhood curiosity about Marion's exploits culminated in his becoming a leading scholar on the American Revolutionary period.

In addition to the Marion biography, he is also the author of "Gamecock," a biography of Revolutionary Gen. Thomas Sumter and "The Green Dragon," the story of British Revolutionary Col. Barnestre Tarleton and Mary Robinson.

Congressman Young introduced a bill Friday to make Snow's Island a national park and thus preserve a site significant to American history. The congressman envisions of a visitors center on Dunham's Bluff, a highland area in Marion County across from the island.

It's a good idea and one that hopefully will win favor in Washington. Establishing a national park on Snow's Island and adjacent area would be an appropriate way for this region to commemorate the nation's bicentennial which is less than three years away.

The idea is keeping with the only really worthwhile proposal to come from the American Revolutionary Bicentennial Commission which has done little else since it was established on July 4, 1966, to prepare an overall program commemorating the nation's 200th birthday.

For some strange reason, the commission voted earlier this year to abandon the idea of establishing a series of bicentennial parks across the nation meaning the proposal to make Snow's Island a national park probably won't fit into the commission's plans if it ever develops any.

Because Snow's Island is low-lying and subject to frequent flooding, its utilization for recreational purposes is probably limited. But if the Okfenokee Swamp in Georgia can be utilized as a park, then it shouldn't be too difficult to dream up ways to make the Snow's Island area both a historical shrine and a recreational area.

FAREWELL TO WILLIE MAYS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. RANGEL. Mr. Speaker, an era is ending this week as the time approaches when Willie Mays will be playing his last major league baseball game.

Last night in New York, more than 53,000 fans came to Shea Stadium to honor Willie Mays on his night and to express that very special love that New Yorkers have held for Willie ever since he came to New York in 1951 as a scared, 19-year-old kid straight from the minor leagues.

Although adopted by New York, Willie has always had a very special place in the hearts of the people of the Harlem community. He first played at the Polo Grounds, which was located in Harlem, and it has become a community legend, that during his early years with the Giants, he would come down into the streets and play stickball with the kids of the community. Willie won our hearts then and became one of us. He was taken away to San Francisco, but we never lost that special feeling for him and always felt he was a part of us and a special part of our community.

It is fitting that Willie came back to New York to end his glorious career. His return last year brought back to the city the feelings of our youth, and new hopes and promises which come with remembrances of the hopes and promises of youth. We knew he did not have much longer to play, but we had the opportunity to love him again as ours, to cheer him on and, once again, to marvel at his unique skills.

Today I join with the people of my community and the people throughout the city of New York in honoring Willie for all that he has done and all that he has meant to us and in wishing him well in whatever he undertakes in the future.

The current issue of Time magazine captures some of the spirit of Willie's career and his special relationship with the city of New York and the Harlem community:

SAY HEY, SO LONG

It was the last contest of the 1954 World Series, and the New York Giants had a deciding 3-0 edge in games over the Cleveland Indians. Cleveland had two outs and a man on third when the batter drove a long fly ball to deep center field. Willie Mays made one of his patented "basket" catches. Thinking there was only one out, he then wound up and fired a perfect strike to Catcher Wes Westrum at home plate in hopes of catching the runner trying for home (who was already dejectedly trotting toward the dugout). A Cleveland sportswriter turned to the boys in the press box and said: "Well, we've finally found Mays' weakness. He can't count!"

True. There were no weaknesses in Willie Mays' career except a refusal to count the years. But last week he had to add up 42 of them, complete with fluid-swollen knees that had to be drained almost daily, an agonizing shoulder that would not let him throw, aching ribs that barely permitted him to breathe. "Maybe I'll cry tomorrow," Mays said, but he finally decided to hang it up after 22 resplendent years in baseball.

Mays was the last of the superstars who could do everything with consummate grace and skill. It was only fitting that he wind up his career with the Mets in New York, where two generations of ghetto kids have practiced basket catches and echoed his favorite cry, "Say hey!" through the streets of Harlem Willie Mays, season after luminous season, made myths come alive and heroes, American-style, believable.

NASA TESTING HYDROGEN IN "GAS" TO CUT AUTO FUMES

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. TEAGUE of Texas. Mr. Speaker, the national space program continues to provide new technology for the benefit of our nation and the world. Mr. Richard Witkin in the New York Times of September 17, 1973, describes a development being carried out at the Jet Propulsion Laboratory, Pasadena, Calif., by the National Aeronautics and Space Administration to reduce auto pollution.

This project, along with many others, benefits from the vast store of knowledge developed in the space program since its inception in 1958. Mr. Witkin's incisive article points out clearly the importance of funding science and technology while gaining practical benefits from our national space program.

The article follows:

[From the New York Times, Sept. 17, 1973]

NASA TESTING HYDROGEN IN "GAS" TO CUT AUTO FUMES

(By Richard Witkin)

A radical system aimed at meeting the legal limitation on auto-engine emissions is being developed by the National Aeronautics and Space Administration.

The concept involves the use of hydrogen as an additive to gasoline in modified versions of standard internal combustion engines. It has shown "promising" results in laboratory tests but will not help power an auto for another two months.

The development is being carried out in Pasadena, Calif. by the space agency's Jet Propulsion Laboratory, whose Ranger and Surveyor vehicles scouted the moon as a prelude to manned landings.

Engineers at the laboratory stressed that the work was in its early stages, with numerous difficult technical details to be worked out.

"It is too soon to talk about whether we really have a handle on being able to meet the Federal standards," said Harry Cotrill, projector manager, in a telephone interview. "We're quite excited by the results so far, but we have a long way to go."

Starting today, representatives of the nation's major auto manufacturers will visit the laboratory for demonstrations of what has been accomplished.

Dr. William H. Pickering, the laboratory's director, said the companies had been invited "to assess the utility of this system with a view to the possibility that they might wish to work cooperatively with us."

The space agency has allocated $600,000 for the first six months of the effort. Dr. Pickering estimated that it might take a total of $4-million to $5-million to meet the emissions standards now mandated for 1976 and 1977 under the Federal Clean Air Act.

A key component of the laboratory's system, based largely on research by an engineer named Jack Rupe, is a hydrogen generator that would be carried aboard the car. Mr. Cotrill predicted that a fully developed research vehicle able to meet the emissions standards could be running about two years from now.

"But after that," he said, "it would have to be engineered for mass production. It wouldn't be ready yet for the little old lady from Pasadena."

The laboratory has bought two Chevrolet Impalas to be used as the research vehicles. The concept would be applicable to piston-engine airplanes as well as cars.

A prime advantage of the laboratory's approach, its proponents contend, is that it would meet auto-pollution requirements without the need for attaching catalytic devices to engine exhausts, as major Detroit companies are planning to do.

The auto capital's concentration on such catalytic devices has been viewed with reservations by technical authorities because of the devices' cost and because of doubts about their durability. Also, strong preferences for more innovative and efficient solutions have been expressed.

At least two other advantages are claimed for the laboratory's method. It would improve fuel consumption, and it could operate with low-grade petroleum or synthetics, not simply with conventional gasoline. The fuel shortages that threaten the nation underscore how important such advantages could be.

READY AVAILABILITY

Over the years, there has been much speculation and some work on the idea of using hydrogen, with its enormous power and ready availability, to power autos. In fact, hydrogen has been increasingly looked upon as the most promising long-term answer to the world's power needs as fossil fuels become exhausted.

The hydrogen-powered car, however, has several obvious drawbacks.

For one thing, hydrogen can be very dangerous because of its extreme volatility. It takes up a great amount of space in gaseous form. And in much more compact liquid form, it must be kept at minus 423 degrees Fahrenheit. This requires expensive tankage that would have a big impact on auto design and on service stations.

The laboratory's concept aims to circumvent these complications in two ways: by perfecting an on-board generator to produce hydrogen as needed, and by using hydrogen not as the main auto fuel but simply as an additive.

How would the hydrogen be generated? First, regular gasoline and air would be ignited in the generator. The mix would burn constantly, much like the mixture in the combustor of a jet engine. Next, a carefully measured amount of water and more gasoline would be injected. The reaction, under the extreme heat from the burner, would produce hydrogen, carbon monoxide, and some inert products.

Why would the use of this hydrogen as an additive cut down on exhaust pollutants? The answer has to do with the fact that hydrogen will burn at much leaner mixtures than will gasoline. A lean mixture is one in which the ratio of fuel to oxidizing air is relatively small.

WATER VAPOR

The combustion of lean mixtures produces lower temperature. That in turn cuts the production of oxides of nitrogen, the most difficult of the three main auto pollutants to curtail (the others are hydrocarbons and carbon monoxide). Tests show that the hydrogen fuel burns so completely that its exhaust products are nearly all water vapor and other inert components.

When idling, the auto engine would be run entirely on the output of the hydrogen generator. In city-street driving, where comparatively little engine power is needed, the proportion of hydrogen to regular gas would be relatively high.

Why not use the hydrogen gas all by itself? "Hydrogen is not that easy to generate," says Mr. Cotrill. Of the products put out by the hydrogen generator, only 20 to 22 per cent will be hydrogen. Furthermore, hydrogen has a habit of causing engine knocks at high power levels.

OLD TRASH—NASHVILLE'S NEW FUEL

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. GUDE. Mr. Speaker, in the August 1973 issue of Contractor magazine, there appears a story of importance in these days of energy shortages and solid waste surpluses. The article, entitled "Old Trash—Nashville's New Fuel," describes the construction of a new thermal transfer plant in Nashville, which utilizes the city's solid waste as fuel for the production of both hot and chilled water.

As one who has long attempted to promote the concept of recycling and reuse of our resources—as a means of getting America away from its brand of what I call a "waste economy"—I find particular ironies in so many of the present "shortages" we face in this country. One of the potentially most serious shortages we face is the energy situation. Yet we continue to consume our resources as if there were no tomorrow and to throw those resources away as if their supply were unlimited, and their usefulness exhausted.

I am delighted to note that the city of Nashville has taken a more realistic approach to two clear problems. Not only do facilities of this nature help solve the problem of what to do with all that trash—and the problems involved with "modern" man's solution—the sanitary landfill—but they also provide a new source of energy.

I would like, at this point, to include the text of the article for the information of my colleagues:

OLD TRASH—NASHVILLE'S NEW FUEL

The building industry is about to make a contribution to cleaner air. A unique new thermal transfer plant presently under construction in Nashville, Tennessee, is designed to use solid waste (garbage, trash, etc.) as fuel for the production of both hot and chilled water.

The idea for the plant was conceived by Mayor Beverly Briley back in 1969 when city officials, in collaboration with I. C. Thomasson and Associates, were studying various means of providing heating and cooling for several downtown public office buildings. At the same time, the city was facing up to an impending crisis resulting from the rapid depletion of landfill areas used for the city's solid waste. It occurred to Mayor Briley to kill two birds with one stone, by building a plant which would utilize solid waste as fuel for the heating and cooling facilities.

Presently there are at least 18 plants operating across the country which use gas or electricity as an energy source in producing hot water or steam and, in some cases, chilled water. The principle of burning solid waste as a source of energy is itself well established. However, the Nashville plant is unique in that it burns solid waste to produce *both* hot and chilled water in one operation.

The project has not been without setbacks. The first and perhaps most serious was the necessity of trimming more than a million dollars from the lowest bid on the project to meet the Bonding Company's requirements. Following a series of consultations between the contractor, subcontractors, suppliers, and the I. C. Thomasson and Associates, based in Nashville, the necessary belt-tightening measures were introduced to trim the original $9,536,000 low bid by Foster & Creighton, AGC, down to the required $8,400,000.

In addition to surmounting these initial hurdles, the actual construction of the energy complex faced other challenges. One of the city's main sewer lines runs through the site and plans had to be altered to get around this problem. Core explorations showed that the subsurface was of two distinct types, with the incinerator resting on solid rock and the chilling plant on fill. The latter situation was remedied by sinking 80 piles of 10-inch steel weighing 43 pounds to the foot, and ranging in length from 30 to 35 feet.

Minor difficulties involved clearing away an old existing dump and relocating the spur of a railroad. Mr. Wilbur F. Creighton Jr., (Chairman of the Board) of Foster & Creighton, far from being discouraged, commented that, "None of these problems were insurmountable—I guess you might say it's par for the course." Besides, the project is slightly ahead of schedule.

MORE EFFICIENT

The plan, as designed, is both economical and conservation-mindful. According to Maurice J. Wilson, systems design consultant for I. C. Thomasson and Associates, the plant will produce steam for about 30 percent of the cost of steam from fossil fuel plants, and chilled water for about 40 percent. One ton of average-composition solid waste provides about the same amount of energy as one-third of a ton of coal. Another savings will be made by the direct delivery of solid waste to the plant at no cost by the city's refuse collection service.

The plant will replace 27 individual cooling and heating systems in its first phase alone, and will conserve some 200 million kwh in electrical usage. When the plant is completed, it will conserve more than 71 million kwh per year, or roughly the electric consumption of a residential area of 15,000 people.

The volume of solid waste will be reduced about 95 percent and will be rendered sterile, requiring no earth cover when used as landfill. In other cities, ash from incinerators has been used satisfactorily as a base material for roads and streets, and might prove useful here.

From the standpoint of its effect on pollution, the plant will make a positive contribution to cleaner air. The pollution rate from the present 27 plants is nearly four times greater for particulate matter and three times greater for sulfur dioxide emissions than will be produced by the new thermal transfer plant.

Construction on the mammoth project got underway last July with a projected completion timetable of approximately two years. It is sited a short distance from another Foster & Creighton venture—the Shelby Street Bridge spanning the Cumberland River.

FULL CAPACITY

One of the two buildings to be constructed by Foster & Creighton will measure 150 x 80 feet and 27 ft. high, and house the central chilling equipment, powered by turbines using steam generated by the incinerator-boilers. The other building, totaling 175 x 155 ft. x 100 ft. high, will house the incinerators and boilers, to produce the steam for year-round heating and cooling.

Two of the boilers will operate primarily from the burning of solid waste; the third is a standby unit which operates from fossil fuels in the event of a city refuse shortage. The plant is designed in such a way that additional boilers and chilling units can be added in the future. Presently, Nashville generates about 1,250 tons of solid waste a day. When the plant goes into operation, it will use about 720 tons daily, but this figure will eventually rise to a target of 1,500 tons daily.

SOVIET JEWRY

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mrs. BURKE of California. Mr. Speaker, at a time when the struggle for human rights in the Soviet Union is highlighted by the irrepressible voices of Messrs. Sakharov and Solzhenitsyn, it is important that we not forget the countless others who must struggle without the benefits of well-known names. Without public recognition in the West, a Soviet citizen who chooses to live according to his individual conscience risks imprisonment, detention in psychiatric wards, and official harassment. The main source of protection for these courageous persons lies in the Congress power to withhold most-favored-nation status from the Soviet Government, until the most basic of all human rights—the freedom to emigrate—is restored.

In reaffirming my support for such rights, I would like to ask that the following resolution of the California Democratic Council be reprinted in the RECORD:

RESOLUTION OF THE CALIFORNIA DEMOCRATIC COUNCIL

Whereas: freedom of travel and emigration without restriction, obstacle or harassment is a fundamental human right of all people; a position which CDC supported in its Issues Statement on Equal Rights at its 1973 Convention, and

Whereas: the government of the Soviet Union has in the past and does today impose numerous restrictions on the emigration of Jews and other minorities, and

Whereas: the Soviet Union seeks to gain Most Favored Nation status, credit guarantees and expanded trade with the United States,

Now therefore be it resolved: that the Board of Directors of the California Democratic Council fully supports and endorses the Freedom of Emigration Act of 1973 now pending in Congress, which would prevent the Soviet Union from gaining Most Favored Nation status and credit and investment guarantees as long as it does not permit freedom of emigration.

THE POMPONIO BROTHERS

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. BROYHILL of Virginia. Mr. Speaker, I would like to draw to the attention of the Congress an example of careless news reporting which has brought grievous harm to an innocent person. It is the type of sloppy, irresponsible, lack of craftsmanship which is rapidly tearing down the respect for the news media.

In the Washington Star-News, Metro Life section, page B1, Tuesday, September 25, 1973, there is a story concerning "The Pomponio brothers who were named yesterday in multiple grand jury indictments." Beside this story is a picture of two people; one is Arthur Pomponio. Arthur Pomponio's name is not listed in the story. Arthur Pomponio is not a member of the group indicted. Arthur Pomponio is not one of the three brothers discussed in the story. Arthur Pomponio is a person with the same last name, but not one of the persons involved in the indictment. Yet, by placing his name and picture beside the story, along with that of one of the indicted individuals, the Washington Star-News has caused tens of thousands of their readers to assume that the pictured Arthur Pomponio has been charged with illegal action by a Federal grand jury. Arthur is a close friend of mine of long standing. He has served a number of times as chairman of the Democrats for BROYHILL in my campaigns. He has crossed party lines to support me out of friendship. I know him to be an individual who cannot laugh off such a terrible slander against his good name even though it is erroneous. As his friend I share his anguish, and as his Congressman I am distressed at the utter freedom newspapers have to do such harm to good citizens without reason, without care. I am incensed particularly because the Pomponio story has been featured for many months and the Washington Star-News has been previously put on notice about the noninvolvement of Arthur Pomponio. Mr. Speaker, I would like to urge the Washington Star-News to openly apologize to Arthur Pomponio and to give assurance to all of their readers that efforts will be made to restoring good practices in the field of endeavor so important to our society. I urge the Washington Star-News to announce a policy of accurately reporting news rather than continue a mad rush to dramatize the news and allow haste to make harm.

RADIO EDITORIALISTS IN IDAHO ARE OUTSPOKEN

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. SYMMS. Mr. Speaker, radio editorialists are outspoken in Idaho, and I would like to share with my colleagues two examples, one from Don Allen, of Radio Station KAIN, and the other from Wayne Cornils, of KFXD:

DON ALLEN EDITORIAL

Just what have you been voting for, friend? Most of the restrictions to personal freedom, the outright confiscation of our individual earnings by legalized taxation, the breakdown in civilized living through coddling of criminals, the disappearance of free enterprise through government manipulation and control . . . none of this has been voted in by the citizens of this country! None of it!

For instance, Franklin D. Roosevelt's 1932 platform was conservative. He accused Herbert Hoover of spending too much, of trying to "purchase" property by huge Government spending and intervention. The citizens agreed with F.D.R. no one voted in "The New Deal," and the new-deal government didn't solve the depression. It couldn't, because government intervention creates poverty rather than cures it! Hard to believe? In 1960, John Kennedy pointed out that seventeen-million people lived in dire poverty. Four years later President Johnson increased that figure to thirty-four million!

The point we make here is that "The New Deal," The New Frontier and the "Great Society" were not voted-on by the citizens! If they had been put to a vote of the electorate, we probably wouldn't have been saddled with them!

Did the electorate vote on our war in Vietnam? Or have any of us had a say in the policy of "No-Win" wars? What we are pointing out today is that the results of elections . . . and what happens after elections have little relationship! You can come up with your particular "beefs," and note they were not voted-in . . . but, rather come from presidential directives, bureaucratic edicts or court decrees!

In reality, our economic problems are caused by long lines of people-in-power who have not the foggiest notion as to how our economic machine works! Everyone pays lip-service to the free-market system, but we don't have a free market! We have not had a free market system since shortly after the civil war! Did any of us vote-out a free market? No. We did not!

And, so it goes. We vote every four years for national parties and leadership. But, both parties and leaders are trapped in a world of dreams . . . jousting with mythical windmills which take their time from grappling with reality. Don't take us wrong . . . we are all for voting . . . but, we are realistic also . . . we know our vote has little to do with deciding events . . . until such time as we can vote on the basic issues . . . and, somehow, the submitted ballots never get around to that!

KFXD EDITORIAL WRITTEN AND DELIVERED BY KFXD PRESIDENT AND GENERAL MANAGER, WAYNE CORNILS

Rank, raw, naked discrimination . . . I have said it before, and I must say it again. Our "no-guts," "got-to-find-a-scapegoat" congress manically groping to find someone to blame for everything has done it again. They've sent to the president a bill to make it illegal to advertise little cigars on radio and TV. Another legal product illegal to advertise on radio and TV, not illegal in newspapers, billboards, magazines, comic books and skywriting only radio and TV. That's blatant discrimination against broadcasting. If smoking little cigars is injurious to our health, then, damn it, gentlemen, make it illegal to grow tobacco, process tobacco, distribute, sell and smoke little cigars; but, don't blow smoke up the ear of your country's people by trying to make them think you've done them a big favor by taking legitimate income away from this country's broadcasters and giving it to their competition. If you are genuinely concerned about the dangers of smoking, gentlemen, then pass a law against smoking if you have the guts. Next week I'll tell you how Hansen, Symms, McClure and Church voted on this whitewash, do-gooder, super discrimination bill.

MURDER BY HANDGUN: THE CASE FOR GUN CONTROL NO. 25

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. HARRINGTON. Mr. Speaker, an editorial on WEEI radio in Massachusetts has commended the position of the National Advisory Commission on Criminal Justice Standards and Goals. Among other things, the Commission recommended confiscating all handguns within 10 years. If she could, Deborah Green would probably support this position; but she cannot. Her husband murdered her with a handgun. Maybe the rest of us should listen to the Commission's advice; before it is too late. I include the WEEI editorial and the article from the September 21 New York Times.

The material follows:

FROM THE POLICE BLOTTER

A 40-year-old Harlem man shot and killed his 21-year-old wife and then killed himself with a handgun in the kitchen of the couple's apartment at 1967 Madison Avenue, near 125th Street. The man, Charles Green, fired a bullet through his throat after shooting his wife, Deborah, in the head, the police said.

GUN CONTROL AND THE NATIONAL CRIME COMMISSION

The National Advisory Commission on Criminal Justice Standards and Goals has spoken.

WEEI hopes everyone listened. In its report to the Nation the Commission sought new methods to fight violent crime in the United States.

To talk about crime and not about gun control would be like looking at a picture with your eyes closed. And the Commission *did* examine gun control in its report.

It surprised a lot of people by proposing the confiscation of all handguns within ten years. Production of these pistols and revolvers would also be cut off. The only exception to the rule would be the police and the military.

The factor that makes this recommendation even more dramatic than it is concerns the composition of the National Commission itself. The members were not so-called intellectuals and liberal senators, known in some circles as "bleeding hearts" and "criminal coddlers". Judges, attorneys general and police officers themselves served on the Commission. If anyone in the nation knows crime, these people should. They see it and deal with it every day, and they realize that the gun is a major contributing factor to violent crime.

WEEI has editorialized in favor of increased gun control many times. Again, WEEI asked you to join us in calling upon Congress to pass legislation that would require the registration of firearms and the licensing of their owners. Contact your U. S. Senator and Representative and tell them how you feel.

Registration and licensing is crucial now and is an important step toward the confiscation of handguns proposed by the National Advisory Commission on Criminal Justice Standards and Goals.

FAREWELL TO WILLIE MAYS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. BIAGGI. Mr. Speaker, last night, 53,603 New Yorkers converged on Shea Stadium to pay tribute to one of the world's greatest athletes, Willie Mays, who at the age of 42, decided last week to retire from baseball after a brilliant career spanning 22 seasons.

These fans who did attend last night's Willie Mays Appreciation Night at Shea Stadium represented only a small segment of the New York population who considered Willie Mays, a New York legend. From that day back in 1951, when Willie Mays made his first appearance in the old Polo Grounds as a 20-year-old rookie, for the New York Giants, to last night at the brink of departure from baseball, as a New York Met, Willie Mays and the New York baseball fan had a continuous love affair.

The "Say Hey" Kid, as he was affectionately known, had one of the most brilliant baseball careers of any player in the sport. His lifetime batting average of over .300, his over 600 home runs, which placed him third on the all-time baseball home run list, and his winning of the coveted Most Valuable Player Award on three occasions, rendered him in a class by himself in the baseball history book.

Yet Willie Mays was more than this, he was an electrifying player, whose daring style of play, his uncanny ability to come up with the clutch hit, the extra base or, the game-breaking catch, thrilled the hearts of millions of baseball buffs throughout the United States.

Yet unfortunately, like all legends, the time came when the hard, cruel decision must be made to retire. It seemed somewhat ironic that as his present team, the New York Mets are themselves involved in a dramatic pennant race, that Willie Mays decided to call it quits. Yet Willie, in the true spirit of the champion he is, realized that he could no longer contribute to the game, therefore, it was time to step aside.

The fans who came to Shea Stadium last night to pay tribute to Willie Mays, represented all segments of society, the old, the young, the rich, and the poor all came with one common thought, that they wanted to personally bid farewell to a baseball institution. And these 53,603 individuals went just a little bit sadder and maybe even feeling a little bit older, because the retirement of the William Howard Mays really signifies the passing of a generation.

PUBLIC FINANCING OF FEDERAL ELECTIONS

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. FRENZEL. Mr. Speaker, the crisis of nonconfidence in Government, specifically the Watergate mess, has given great thrust to proposals for public financing of Federal elections. The popular image of such plans is that they will magically purify elections and relieve elected officials of any and all pressures and taints of "dirty money."

I—and everybody else—warmly embrace the purification of elections, but public financing is neither a magic nor an exclusive means to move us toward better elections.

The same goals we all seek—open, honest, and clean elections—can be achieved more easily and effectively by writing responsible rules into a system of private financing.

Before I start spending the taxpayers' money, I want to be assured: First, the plan will give us the desired result; second, there is no easier way to get the same result; and third, it does no harm. I am persuaded that public financing brings no benefits that cannot be otherwise achieved, and, to the contrary, carries serious risks, some known and some as yet unforeseen.

Some of the known risks are:

First. Under publicly financed systems, challengers will be at the mercy of incumbents. No wonder Members of Congress like public financing. It is a self-protection scheme.

Guess who controls the election appropriations? That is right—the incumbents do! Appropriations can always be set low enough to inhibit any strong political contest. Public financing would guarantee equal expenses when studies show that nonincumbents must spend more merely to establish their identity against incumbents. The identity of an incumbent is already strongly established by the advantages of the frank, access to media and general public visibility.

Second. Federal financing schemes prohibit, or restrict, private contributions. This unconstitutionally denies a long-enjoyed right of free speech. To let one person contribute his time and labor to a campaign and not let another person, perhaps handicapped, make his contribution financially, is the rankest kind of discrimination.

Third. Private financing has been one of the traditional ways of determining the popularity and attractiveness of any candidate. In a country where we finance the arts, our charities, and much of our education privately, we have naturally supported elections in the same way. Other nations with a history and tradition of publicly financed elections are simply not comparable.

Many people want to support candidates and parties. Their enthusiasm helps enliven campaigns and increases voter participation.

Fourth. Public financing would inevitably result in unexciting elections which would cause lower voter turnouts. Candidates would no longer need to have very broad support to get campaign money. We would have scads of candidates. The more candidates per race, the more drab the election and the more the incumbents' chances for victory. Amateur nights are fun, but when minor candidates depress the public interest, the only winner is the incumbent.

Fifth. All of these disadvantages are achieved at the taxpayers' expense. The beleaguered taxpayer will see his money supporting candidates in whom he had no positive interest or to whom he may object most violently. The taxpayer will stand helpless while dozens of candidates, who would not have enough support to enter a privately financed election, happily use up his hard-earned money. Meanwhile, the incumbents would be inevitably returned to office.

Sixth. The taxpayers' money will be actually handled by an elections commission appointed by the President. No matter how high-minded and impartial it is, one wonders how easily it could deny money to a particular candidate for a "violation" of the law. Giving control of financing to the bureaucracy is giving control of elections to the bureaucracy. Control of elections may never get back into the hands of the people.

Seventh. Party responsibility would disappear. Candidates could thumb their noses at parties which could no longer raise money either for themselves or for their candidates. Our history of political regionalism and relatively weak parties points to collapse of parties under public financing.

Eighth. More money would be spent on elections. All the action now is in 50 House races. Over 80 percent of Congress' campaigns are contested feebly, if at all. But Federal money is "free money." Every candidate would use it whether he or she needs it or not.

Ninth. Public financing would dry up individual contributions for local candidates. They already have the hardest time raising money. Pious supporters of public financing probably do not realize that none of the schemes apply to State and local races.

Tenth. Taxpayer-financed elections do not fit our Federal pluralistic elections systems. States vary; districts vary; parties vary; people vary.

Minor party candidates and independents run under different laws and different patterns of tradition in each jurisdiction. They will be encouraged by "free money" to run, but will never be given quite enough to beat the incumbent.

Eleventh. All money is the same color—even political money. It only becomes dirty when it is misused. Stated another way, lawbreakers can violate a public finance law as well as a private finance law.

Minnesota history reveals millions of dollars of clean political money, from donors large and small, used honorably and proudly by our politicians.

For instance, the Minnesota Republican Party in 1972 raised its $1 million budget from two fundraising efforts. In a door-to-door campaign, 2,000 solicitors collected 52,000 separate contributions averaging $7. Sixteen thousand contributors averaged $40 each of the annual dinner. That is real, individual participation by people who believe in something.

Twelfth. Many proponents of public financing are those who seldom give a dime to candidates they claim to support. The law should not be written by those who always tell us "they gave at the office."

The arguments in favor of Federal financing are not without merit. They do, however, have a good deal less merit than the intentions. The proponents always forget to say that the same goals can be achieved by writing responsible rules into a system permitting private financing. The idea that we are spending too much money on our election is one that needs to be analyzed. In 1972 we spent less than $2 per person in this country to elect the President of this country for 4 years, and most of its Congress for 2 or 6 years. If our leadership is bad, that is too much. But, if it is good, the price is certainly reasonable. And, compared to the other democracies of the world, our costs are near the bottom on a per capita basis.

We can achieve our goals of clean, open elections, with a reasonable chance for challengers, through improving our election laws. We need a Federal Elections Commission, better enforcement and reasonable spending and individual contribution limits. We can do all this with private financing.

Public financing gives us no extra cleanliness. What it gives are: Abdication of individual political responsibility; incumbent protection; drab elections; and worst of all, transfer of election control from the people to the bureaucrats.

COLUMBUS DAY

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. EDWARDS of California. Mr. Speaker, in a few days we will again be celebrating Columbus Day and recalling not only the bravery, vision, and faith of a daring explorer, but also the many contributions that those of Italian heritage, like Columbus, have made to this country.

Columbus was not bound by the limited vision and ideas of his day. Defying dogma and pursuing truth, he set out across uncharted seas to prove that the world was round and that the East could be reached by sailing west. Landing in this hemisphere on October 12, 1492, he discovered two continents rich in natural resources and offering the opportunity to establish a new and better life.

Millions have followed Columbus to the new world, showing the same vision, fortitude, and pioneering spirit. Thousands of Americans of Italian heritage share these qualities, be they simple working people or poets, artists, musicians, writers, statesmen, and community leaders. In Santa Clara County, they are a strong community preserving their distinct Italian-American way of life through organizations like the Sons of Italy, the Italian Catholic Federation, the Tricarico Club, the Italio-American Citizen Club, and other social and service organizations. In so doing, they continue their contributions to the greatness of the United States, in the tradition of their Italian forebearer Christopher Columbus.

WHY I LIKE TREES

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. DU PONT. Mr. Speaker, this past week I had the honor to meet with four winners of an essay contest on "Why I Like Trees" which was sponsored by the Girls Club of Wilmington.

The leadership of the Wilmington Girls Club has made one of their priorities the awareness by their young members of the importance of the living things around them.

The Girls Club has asked me to share with you their concern for the unfortunate destruction of trees and plants when new roads, freeways, and expressways are built in the name of progress.

The Girls Club has raised the interesting proposal that all Federal funds being allocated to the states for highway construction include monies for the replanting of trees that have been destroyed in the process of building new highways.

I think you will see from the winning essays below that the Girls Club of Wilmington has been extremely successful in their endeavor to stress the importance of nature.

I insert the essays at this point in the RECORD:

I like cherry trees because they are juisie and they fill me up.

I like all kinds of trees bechcause they make the world a much prettier plase to live in.

By Diane Korwek, Wilmington, Delaware, Age 6, Dennison Club.

I think that trees should have a great life. Just like people should. I think when it is fall and almost spring the trees can feel the changes.

The three get to be bigger and stronger just think if we did not have trees we would not have shade. And that's what I think about trees.

By Kathy Cusack, Wilmington, Delaware, Age 9, Dennison Girls Club.

You should not kill or cut down trees because they give us oxygen. Picture you self as a tree. having a good life then somebody comes and cut you down for nothing what would you do? Think About It.

By Pearl Rochelle Livingston, Wilmington, Delaware, Age 10, Dennison Girls Club.

I think some trees are very lovely. And trees are somethings of nature. And poulloution kills some trees. I like trees because they grow fruit. And some people like trees. And fire kills trees, so be a Good person and keep a tree.

By Juanita Pierson, Wilmington, Delaware, Age 12, Kiwanis Girls Club.

A STUDENT EXAMINES OUR GOVERNMENT

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. ARCHER. Mr. Speaker, each spring I sponsor a student intern program, whereby one junior from each high school in my congressional district comes to Washington for a 1-week indepth study of the Federal Government. The youngsters meet with various Congressmen and Senators as well as department officials and agency representatives. I believe that the best way to insure our country's continuing growth and development is to provide our future leaders with a firsthand glimpse into the workings of our system of government.

One of the participants in this year's program, Miss Sally Metzler of Tomball High School in Tomball, Tex., has written a most interesting critique of the program and her experience. I think my colleagues can benefit from the wisdom of Sally's words and I insert in the RECORD selected excerpts from her letter. The excerpts follow:

DEAR CONGRESSMAN ARCHER: The Student Intern Program successfully combined classroom studies with practical experience. The sights we saw provided the ground level for meetings we attended. The meetings gave us a chance to talk with officials and evaluate them as representatives. They also provided a more thorough comprehension of our democratic system. Above all other points of discussion, I was interested in their reason for being in politics and how they began. This was foremost in my mind, because I felt that a person will only be as good a representative as he is sincere of his motive. I sincerely feel that as a citizen in the 7th District, I could not ask for a better representative than you. These are not only my own impressions, but those of others with whom I have talked. . . . I was impressed by your attempt to preserve equality as much as possible, since a balanced representation means a better chance for equality and justice for every citizen. No government is perfect, but through equal representation *everyone* has the opportunity to be heard so that injustices may be justly dealt with.

I feel that I gained a great deal from our discussion with Dolf Droge [staff member of the National Security Council]. Although the bulk of the session concerned the Vietnam war, his most influential statement, for me, was the importance of each of us being the most constructively effective citizen. No one ever studied the Vietnam culture or society during the many years we were at war with them. We complained without ever researching the whole story. We were not trusting our leaders, whom we elected to do the job. We jumped to conclusions. To believe that there will ever be complete peace among nations is idealistic, but it would be a better place if people would stop criticizing the officials, have faith in them, and give them the support they need to carry out their jobs effectively.

Before the Watergate break-in, I would have said that America, land of freedom and justice for all, did not have to feed propaganda to its people, but now I wonder if we will ever really know the truth. The bond of trust that unites citizens as Americans has weakened. Americans do not know whom to believe. But it is only through faith in God and our fellowman that our nation will be strengthened and united, free from doubt and mistrust, and able to again be the leader she has been in the past.

It was this trip to Washington that deepened my faith in government. I realized that it was run by *real* people, having feelings, families, and lives of their own. For the first time, I felt a personal contact with *my* government and this helped me to have a better understanding of it.

May I, as well as the other student interns, fulfill this service motivation you have begun in us.

Sincerely,

SALLY METZLER.

GOV. FULLER WARREN

HON. JAMES A. HALEY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. HALEY. Mr. Speaker, the State of Florida has lost one of her most colorful and dynamic orators of the last 100 years—former Gov. Fuller Warren.

During Governor Warren's term of service in Florida's highest office from January 1949 to January 1953, I was privileged to serve in the State legislature. This was a particularly difficult period in Florida's history—one of great challenge and change. Governor Warren met those challenges head on and led the State ably through those times.

The Governor's success as a stateman was even more impressive considering his humble beginnings in Calhoun County, Fla. He was a State representative at 21 years of age, an author of three books, wrote a weekly newspaper column, and served his country well as a Navy gunnery officer in World War II.

He initiated the preliminary planning for the Florida Turnpike and arranged for the financing and construction of the Sunshine Skyway at St. Petersburg. Governor Warren used his unique speaking ability to tell the people of other States and of foreign nations of the many fine qualities of life enjoyed by those who toured or lived in the Sunshine State. His efforts brought increasing numbers of visitors and then-needed industry to Florida.

Fuller Warren was my personal friend of many years and I join with fellow Floridians in expressing our admiration for him and extending heartfelt condolences to his family.

ENERGY AND THE PETROLEUM COMPANIES

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. ARCHER. Mr. Speaker, the energy economics division of the Chase Manhattan Bank has recently concluded and published a study of the financial performance of 30 petroleum companies during 1972. I think the results of this analysis are significant and would be worthwhile for all of my colleagues to read, particularly at a time when we are faced with severe shortages of energy.

The study, labeled "Annual Financial Analysis of a Group of Petroleum Companies," contains the following highlights:

There has been a lack of effective communications between the energy industries and Government and the public.

Rate of return on capital invested fell sharply to 9.7 percent from 10.7 percent the year before, the lowest rate since 1958—a year marked by a general business recession.

Over the past 4 years, taxes paid by the petroleum companies increased by as much as 112 percent, but combined net earnings increased by only 2.9 percent.

The companies capital expenditures exceeded the previous years' outlays by a small margin of 2.1 percent.

As a result of the companies expanded activities in response to the continued growth of worldwide demand for petroleum, the gross operating revenues rose by 9.5 percent to a level of $104.2 billion.

Nonoperating revenues declined to $2.1 billion—$637 million less than the year before.

Operating costs rose in 1972 by 8.2 percent to a total of $74.4 billion. At the level, operating costs absorbed 70 percent of the companies total revenue—approximately the same proportion as in 1971.

Funds earmarked for replacement of worn out or depleted equipment totaled $7.5 billion, a 6.1 percent increase over the previous year.

Interest expenses increased sharply in 1972. The companies paid out $1.8 billion, 11 percent more than in 1971.

The companies yielded $6.9 billion of net income, only 6.5 percent of gross revenue—the lowest proportion ever reported and 5.6 percent less than the prior year.

This detailed study of the financial performance of the 30 companies provides a valuable source of reference and should be closely examined by everyone concerned about the energy situation.

GONDOLA SHORTAGE IMPEDES RECYCLING

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. VANDER JAGT. Mr. Speaker, as Congress and the Nation confront a myriad of transportation problems, the shortage of railroad freight cars is a matter of particular concern.

Much of the discussion rightly focuses on the shortage of boxcars. The number of boxcars in use declined by 28.6 percent during a 9-year period from January 1, 1955, to January 1, 1973, and with that decline there occurred a decline of 12.6 percent in boxcar carrying capacity. This trend is alarming both to America's shippers and to its consumers.

However, a similarly serious problem which receives scant attention relates to the status of the general purpose gondola fleet, upon which the iron and steel scrap processing industry is heavily dependent. During the same interval of time, the number of gondolas declined by more than 111,000 cars, or by 38 percent; carrying capacity was reduced by 23.4 percent, or about 4 million tons.

At this time, the gondola car shortage is a serious impediment to the metallic scrap processing industry and to the recycling of precious resources. Many of the gondolas remaining in use are old and in extremely poor condition. Many are used for scrap only after they have become unfit for transporting other commodities. In some instances, it is questionable whether the cars should be loaded with scrap or scrapped themselves.

This critical shortage of gondola cars is part of an apparent pattern of discrimination against the scrap industry by the railroad industry. As we are all aware, the recycling of iron and steel scrap conserves irreplaceable natural resources, and alleviates the mounting problems of solid waste that the Nation is facing. However, according to ICC statistics, railroad freight rates to ship this scrap averaged double the rates to ship virgin iron ore in 1969—the latest data available.

If it is to perform its vital function of reclamation, conservation, and beautification, the metallic scrap processing industry must be granted relief from these discriminatory practices by the railroads. In this connection, I have recently submitted a brief amicus curiae in civil action No. 971–72, in the U.S. District Court for the District of Columbia. The brief supports the view of the plaintiff and plaintiff intervenors that the ICC's implementation of the provisions of the National Environmental Policy Act with respect to the regulation of railroad freight rates has been grossly inadequate.

So that my colleagues might gain more insight into the problems of rate and service discrimination facing the scrap shipper, I ask that an article from the May 1973 issue of Environmental Science and Technology, "Transportation: Bugaboo of Scrap Iron Recycling," by Dr. Herschel Cutler and Gerald S. Goldman, of the Institute of Scrap Iron and Steel, be printed in the RECORD:

TRANSPORTATION: BUGABOO OF SCRAP IRON RECYCLING

(By Herschel Cutler and Gerald S. Goldman)

The next time you see a junk automobile on the side of the road, rather than think of it as an eyesore, view it as a mini-iron mine—above ground. On the average, it represents one ton of steel—just sitting there waiting to be moved to a scrap plant for processing, and then to a steel mill or foundry for remelting into a new product.

Such iron mines above ground, in the form of abandoned and obsolete automobiles, refrigerators, washing machines, farm equipment, and food and beverage cans, literally dot the entire U.S. These basic raw materials are almost everywhere, and yet our inability to mine these resources and convert them into new products creates unsightly backlogs that threaten to engulf us.

VIRGIN MATERIAL VERSUS RECYCLED SCRAP

The question is why are these resources not utilized? Virgin resources such as iron ore realize certain artificial benefits not accorded the secondary product. These incentives come in the form of depletion allowances on the virgin material but not on the recyclable item and railroad freight rates which average 2½ times more for iron and steel scrap than for iron ore.

According to Interstate Commerce Commission figures published in 1968, the average freight rate to ship a ton of iron and steel scrap in the U.S. was $4.12, compared to $1.64 for a ton of iron ore. It's expensive to ship ferrous scrap by rail, and that's the way 70% of the scrap in this nation is moved. It is even possible that the cost to ship significant volumes of scrap is more than the value of the material.

Here's what this means: Fifty junk automobiles, after traveling through a scrap processing plant, yield about 50 tons of scrap. To ship that 50 tons of man-made resources to a steel mill for recycling would cost $206 based on the average freight rate for scrap of $4.12 per ton. On the other hand, 50 tons of iron ore stripped from a hillside would cost $82 to ship to a steel mill based on the average freight rate of $1.64 per ton. In essence, the Federal Government is condoning a freight rate structure that makes it more economic to strip ore from a hillside than to "mine" the metallic solid waste defacing the hillside.

Basic to the transport problem is the refusal of the Interstate Commerce Commission to recognize that iron and steel scrap and iron ore (in its many forms) are direct competitors as raw material inputs in making new steel. For more than five years, the Institute of Scrap Iron and Steel has brought to the Commission's attention, in formal rate proceedings, that scrap and ore are competitive and that this competition should be recognized in the determination of rates. The law requires all carriers to establish rates that are just and reasonable, and the ICC has, in numerous decisions, consistently held that to meet this rule of law, rates on competing commodities should not unjustly discriminate against one, thus favoring the other.

Processors of ferrous scrap are heavily dependent on the nation's railroads for the transportation of prepared scrap to steel mills and foundries. The most recent figures available indicate that 28.2 million tons of ferrous scrap (520,069 carloads) were shipped by rail in 1970. In 1969, the railroads transported 29.7 million tons of ferrous scrap, representing 532,168 carloads. Although there was a decrease in the tonnage of scrap hauled in 1970, railroad revenues for that same year were $136.4 million, $6.8 million more for handling 1.5 million fewer tons.

Virtually every scrap iron and steel processing facility in the nation is designed around rail tracks for the out-bound movement of processed ferrous scrap. There are two basic reasons for this "captivity" to the rails:

The consumer (steel mill) generally requires inbound shipments of prepared scrap to move via rail because his facility also is designed around rail tracks.

Rail movement reduces the consumer's potential safety and security problems, as well as providing time to inspect the scrap (all scrap is sold subject to mill inspection) and to either charge it directly into the furnace or to unload it near the melting area. (Railroads permit the holding of cars for 48 hours without charge, while trucks must generally be released almost immediately, or detention will be charged.)

However, when a scrap processor has viable options as to the mode of transport, he, as is true of virtually all other shippers, exercises this freedom of choice to obtain the best service for a reasonable price. Illustrative of this point is the fact that the scrap processor has converted the major share of inbound service for the movement of unprepared scrap to his processing plant from rail to truck.

Nevertheless, rail movement of prepared scrap is the norm for both shipper (scrap processor) and receiver (steel mill). It is the forced dependence on the railroads—captivity—that has created an atmosphere which allows the railroads, through their pricing policies, to establish freight rates which discriminate against the movement of ferrous scrap and encourage the movement of iron ore.

"Iron units" are required to make new steel. They must come from either a primary source, iron ore, or a secondary source, scrap iron. Whether the steelmaker uses scrap or ore is a decision based upon the comparative costs associated with new steel made from the competing commodities, and transportation is an important cost element in the comparison. The point is, iron ore and steel scrap are interchangeable—one or the other or a percentage of each is used to make new steel.

The Institute repeatedly has brought to the Commission's attention the negative impact that discriminatory freight rates have on the environment, since metallic solid waste is forced to pay a disproportionately higher shipping charge. Although scrap iron and iron ore can be used interchangeably by the steelmaker, the railroads have denied and continue to deny that these two commodities are direct competitive inputs to the steelmaking process; and because scrap shippers are captive to the railroads, the carriers have found it possible to establish freight rates that are unreasonable and unjust.

BATTELLE STUDY

In 1971, the Institute, hoping to demonstrate metallic competition once and for all, contracted with Battelle Memorial Institute (Columbus, Ohio), one of the leading metallurgical research firms in the world, to do a study on "The Impact of Railroad Freight Rates on the Recycling of Ferrous Scrap." More than one third of the report is dedicated to documentation showing the direct competition between iron ore and scrap. Battelle states that "direct competition between virgin and recycled metallics is a fact of steelmaking."

According to Battelle, scrap iron rates should only be approximately 1½ times higher than rates on iron ore, (not the 2½ times found in the rate structure) on the basis of metallurgical competition (iron content of the two commodities: average 90% for ferrous scrap and 60% for iron ore).

Battelle develops the effect of the freight rate differential on decisions made by steelmakers who have the alternative of specifying the amount of scrap they will use in the making of new steel. The problem was investigated from two time frames—the short run and the long run.

In the short run, Battelle finds the freight rate differential results in a $4.21 higher cost than necessary to produce a ton of steel using purchased scrap as the raw material. This is approximately 6% of the total cost ($69–$74) of making a ton of steel. The effect is to create an artificial increase in cost for the steelmaker when he utilizes the secondary material—purchased scrap. As an economic matter, the freight rate discourages the recycling of metallic solid waste and encourages the use of irreplaceable natural resources.

The long-run effect, which concerns itself with the impact of the freight rate on the decision to invest in new scrap intensive furnaces, is equally devastating. Battelle's research indicates that the rate differential in this case results in a decrease in the rate of return of approximately 1%/year for the life of the steelmaking furnace. This could mean the loss of millions of dollars for new furnaces being considered because of the discriminatory freight rates.

General conclusions of the Battelle research study are:

Present scrap markets are retarded because of transport rates which encourage the usage of iron ore.

Future scrap markets are being affected because new investment that would be logically directed to scrap intensive steelmaking is diverted because of the existing freight rate structure to ore-intensive steelmaking.

Iron ore (a limited domestic natural resource) is being exploited when it can and should be conserved.

Some scrap iron that should be recycled is unable to move; thus, the environment is despoiled by unnecessary accumulations of solid metallic waste.

ICC PROCEEDINGS

There should be no doubt that the current position of the Interstate Commerce Commission and the nation's railroads has penalized and continues to penalize severely the processor and consumer of iron and steel scrap. Although at times the ICC has expressed an understanding of the problem, in the three general rate increase proceedings prior to Ex Parte 281, "Increased Freight Rates and Charges, 1972," the Commission concluded that ferrous scrap and iron ore do not compete directly and authorized increases which widened the existing rate disparity between the two commodities.

Again, in Ex Parte 281, the Institute requested the Commission to acknowledge metallurgical competition and the negative impact on the environment in a statement of protest. The Institute's statement was accompanied by a presentation of T. M. Barnes, author of the Battelle research study. His report was submitted as a part of his sworn statement to the Commission.

The Institute requested the same maximum rate increase of 22¢ per ton for scrap iron as proposed for iron ore by the railroads so as to not widen the already discriminatory gap in rates as would occur under the railroad's proposal. For the first time in recent proceedings before the ICC, the railroads submitted a sworn statement by a metallurgist. (In other proceedings railroad traffic experts admittedly with no metallurgical competence would, under cross-examination, say that to the best of their knowledge, competition did not exist. This testimony, under oath, was valueless; they had no knowledge of metallurgy, but unfortunately, their opinions were accepted by the ICC.)

The railroad metallurgist attempted to discredit the Battelle report and to perpetuate the myth that scrap iron and iron ore do not compete. However, under cross-examination, the railroad metallurgist agreed (as any competent metallurgist would) that iron ore and scrap iron are interchangeable raw materials in steelmaking, and that a greater increase in scrap rates relative to ore rates could retard the movement of recyclable iron and steel scrap.

Thus, the railroad metallurgist and the scrap industry metallurgist were in agreement before the ICC that metallurgical competition exists. Therefore, the freight rates for the competing products should be properly related. Wrong, according to the ICC. In its report in Ex Parte 281 the Commission states, "We see no justification for requiring that increases on ferrous scrap be made subject to the maximum per ton limitation applicable on ore. Ferrous scrap . . . does not directly compete with iron ore in the steelmaking process . . ." There was no apparent recognition in the Commission's order of the cross-examination of the railroad metallurgist who admitted that competition does exist.

The ICC ignored and refuted the sworn testimony of experts; no competent metallurgist has ever denied the direct interchangeability of scrap and iron ore. But, the ICC does not agree. The Commission denied that scrap and ore compete; it failed to see the relationship betwen discriminatory rates and the negative environmental impact. What is extremely difficult to understand about the Commission's decision was that it denied a portion of the railroad's proposed increase on other secondary materials, while allowing the full increase on iron and steel scrap. It is totally illogical that the ICC did not apply the same recognition of environmental impact to ferrous scrap as was applied to nonferrous scrap and waste paper or textiles, for example.

Concerning nonferrous metals, the ICC said, the "holddown here imposed should encourage the movement and recycling of these commodities," and "will also have a beneficial effect upon the environment." The Institute agrees.

However, in the case of iron and steel scrap, the Commission states "the increase authorized herein will not inhibit the movement of ferrous refuse such as abandoned automobiles and refrigerators (and) accordingly, we foresee no adverse effect on the quality of the human environment resulting from our approval," in essence, that was the Commission's concluding environmental impact statement. But more than this is required under the National Environmental Policy Act (NEPA).

REACTION TO RATE DISCRIMINATION

Russell E. Train, Chairman of the President's Council on Environmental Quality (CEQ), writes, "Economics are clearly the limiting factor to increased waste use—not technology. Recycling will not increase, but decrease, if its cost exceeds the costs of other alternatives." And yet, the ICC says that their action will have "no adverse effect on the quality of the human environment."

The day following release of the ICC decision, Samuel Hale, Jr., deputy assistant administrator for solid waste programs, federal Environmental Protection Agency, in a discussion on freight rates, was quoted as saying, "it is frustrating. It's hard to get the ICC to recognize, or even study, the possibility of any inequity in freight rates." R. Thomas Wilson, senior vice-president of the American Iron and Steel Institute, has said on numerous occasions that the recycling of tin cans could be more effective if the ICC would revise freight rates to encourage recycling secondary materials.

Just prior to the increased rates becoming effective on iron and steel scrap, the Commission announced that the new rates approved in Ex Parte 281 were being suspended until June 10, 1973, pending a further study of the environmental impact of the proposed rate increases on recyclable commodities. Following letters of protest from CEQ, EPA, the Institute, and others, the Commission undertook to comply fully with NEPA and prepare an environmental impact statement in the spirit of the law's intent.

Industry and government leaders who are in a position to know, have publicly stated that the discrimination problem exists and should be corrected. It would seem that only the ICC needs to be convinced of these facts. The study which the Commission is now conducting provides the vehicle for the regulatory body to take a significant step forward in Ex Parte 281 for the betterment of the environment.

As markets for metallic solid waste continue to dwindle because of the transportation function's lack of responsiveness to the needs of this industry, the waste continues to accumulate. What has occurred and what still continues in the steelmaking market is intolerable and incorrect. The competition between ferrous metallic sources is a fact, it is provable; the distortion brought about by discriminatory freight rates must cease.

Yet, it is not enough to state that these are the facts. Too many months and years have passed without progress beyond mere rhetoric. The nation requires more than moral support of these positions: the nation requires a concerted action by all involved to overcome this inherent bias that is having marked, serious, and inexcusable effects on the well-being of each and every citizen. Every time an abandoned auto hulk mars the countryside or a city street, every time a refrigerator or dishwasher is thrown into the dump and not recycled, every time perfectly acceptable and valuable iron is buried or hidden or covered or somehow removed from view, waste occurs. And such waste cannot continue forever.

There is far more at stake than the existence of the iron and steel scrap processing industry. The impact of the actions and decisions of the railroad industry and the Interstate Commerce Commission must be made to reflect these greater parameters.

WE NEED A MINIMUM WAGE BILL

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. ERLENBORN. Mr. Speaker, 1 week has passed since the House voted to sustain the President's veto of the minimum wage bill (H.R. 7935).

Three weeks have passed since we received the veto message.

It's time we forget the rhetoric and remember we are a part of a representative form of government. That means we should be able to resolve our differences, and there is no issue more compelling than a new minimum wage bill by which we can demonstrate our ability to find middle ground. Finding middle ground ought not be impossible if our common goal is better pay for unskilled workers.

Twelve of us last week went the extra mile by introducing H.R. 10458. This bill is before the General Subcommittee on Labor which produced the vetoed bill and which has nothing more urgent than H.R. 10458 on its agenda.

We know the issues, so we do not need hearings. All we need is a spirit of compromise and a call for a meeting from our chairman (Mr. DENT). We find it hard to understand his continued failure to schedule a meeting to report a bill on this important topic.

NEW YEAR, 5734

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. BIAGGI. Mr. Speaker, at sunset tonight, millions of Jews throughout the world will mark the start of the new year, 5734. The celebration of Rosh Hashonah inaugurates 10 days of penitence closing with a day of atonement.

The year 5734 has been highlighted by both accomplishments and tragedies for the Jewish community. This is an appropriate time to review some of the year's major events.

This past year has been a good one for American-Israel relations. Our ties with the Israelis have become stronger in spite of the increased volume of Arab threats. The coming year will be a further test of the durability of American-Israeli ties. With the Arabs renewing their "oil blackmail diplomacy" there are many who, sensing a significant energy shortage in this country, are urging us to appease the Arabs by moderating our policies with them. This is not the answer. Instead of sacrificing our important ties with Israel let us instead undertake a major commitment to develop alternative energy sources; that is, the Alaskan pipeline—so as to limit our dependency on the Arab world for oil.

The year 5734 also saw a milestone for the Jewish community with the appointment of Dr. Henry Kissinger as the 56th Secretary of State. This represented the highest governmental appointment of a Jew in the history of the United States. Dr. Kissinger, in his previous role as chief foreign policy adviser to the President was the architect of our peace agreements in both Vietnam and Cambodia. He is eminently qualified to serve as the Secretary of State, and he brings to the State Department an unprecedented level of knowledge and experience. Dr. Kissinger will most assuredly pursue a foreign policy dedicated to the protection of the rights and freedoms of the Israeli people against the hostile attack of its enemies.

However, whatever accomplishments the Jewish community achieved in the year 5733, they have been largely overshadowed by the continuing plight of the Soviet Jews. Life for the Soviet Jew continues to one of both persecution and violence, as well as the inability to emigrate freely. Yet Russia is not the only nation where Jewish people have suffered the pains of persecution. Nations such as Iraq, have demonstrated in the past year, an equally callous disregard for the rights of the Jewish population in their country.

Yet, the year 5733 saw some significant inroads in the United States' recognition of the Soviet Jewish problem. Most importantly, this past year I and 285 of my fellow colleagues joined as cosponsors of the Mills-Vanik Freedom of Emigration Act to the Trade Reform Act of 1973, which will make the granting of most-favored-nation status to the Soviet Union dependent on their lifting their ban on emigration.

In addition there has been a tremendously increased awareness by the American people of the problems of the Soviet Jew and the need for U.S. action. Large numbers of people have indicated to their elected representatives their strong opposition to the continuing repressive tractics of the Soviet Union. This demonstration has made it imperative for the President to make any further economic agreements with the Russians contingent on receiving assurances that the Soviets will begin to respect the rights of the Jewish people in their nations, and relent on their archaic emigration policies.

As we begin the year 5734 let us continue to commit ourselves to the cause of freedom for the Soviet Jew. Let us also strive to prevent other nations from engaging in similar tactics. And above all, let me wish to all members of the Jewish community the hope that the upcoming year is one of peace, prospertity, and happiness for all. To them I say L' shana tova.

A FRESH APPROACH TO INTEGRATED HOUSING

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. WHALEN. Mr. Speaker, in light of the President's message on housing which was recently submitted to the House, I would like to bring to the attention of my colleagues an article from the September 15, 1973, issue of the New Republic entitled "Racially Changing Neighborhoods."

The author, Charles Hammer, discusses approaches which are being, and can be, used to halt continual racial neighborhood turnovers. He refers to efforts by city and suburban government, as well as those of interested individual citizens. In detail, Mr. Hammer reviews the plan to disperse low and moderate income housing which is being implemented in my congressional district—Dayton, Ohio, and the surrounding communities.

Mr. Hammer's observations are most timely, and I believe they will be helpful to my colleagues and me in studying the President's proposals.

A FRESH APPROACH TO INTEGRATED HOUSING—RACIALLY CHANGING NEIGHBORHOODS

(By Charles Hammer)

Once upon a time it was the big thing for white idealists to demonstrate brotherhood by moving their families into a racially changing neighborhood. And almost invariably they soon found themselves the last whites in an otherwise all-black neighborhood, a situation no more "natural" than its all-white opposite. So the rest of us caught on (me included) and joined the flight to the stable suburbs. I am here to argue that despite all the sweat and seeming futility, those sweet idealists were dead right.

Try imaginatively to put yourself in one such racially changing neighborhood of Kansas City, Missouri, where I have written as a newspaperman for more than a decade. Like hundreds of similar city neighborhoods in the '40s it was modest, attractive, separated physically from the jammed black ghetto only by one street. For years racial covenants in deeds had prevented the crossing of that street. Then, as 1950 approached, the US Supreme Court declared those covenants unenforceable and the ghetto began expanding southward. Real estate brokers and mortgage bankers cooperated to prevent any scattering that might have resulted in permanently integrated neighborhoods. Block after block was emptied of whites to be filled with blacks.

So swift and chaotic was the change at times that the ratio of black children in one elementary school soared from 25 to 65 percent in a single year. Physical deterioration started when whites saw the wave coming, for they suspended all maintenance of property. The early black arrivals—middle class and nearly always better educated than existing white residents—struggled to keep up their homes. It is no reflection on them to say property values plummeted, since the market was glutted with homes put up for sale by desperate whites. The wave continued, bringing poor blacks from the inner city.

Here we created—are still creating—the worst possible situation for the neighborhood meeting of the races. Even poor black families would have responded better in a stable community where old residents could have monitored them with a critical eye. They came instead to neighborhoods in disorder, and they were treated to a destructive vision of themselves as the pariahs who had caused it. "The thing I dread," said a black judge, "is when I have to explain to my little girl about that kind of thing. That's a cutting thing for a parent to have to tell a child."

Whites who might have been willing to accept integration were never offered a choice. They could flee or prepare to live in a virtually all-black neighborhood. Courageous resistance in the name of understanding invariably proved useless, since there was no metropolitan plan which might have made such gestures successful.

In the wake of neighborhood turnover has come most of Kansas City's other urban problems — loan foreclosures, widespread housing abandonment, new slums, sharp de facto school segregation and a black pupil ratio that has now soared beyond 50 percent.

In 1950 no Kansas City census tract in which the population was more than 24 percent black extended south of 31st Street. In 1970 one tract with a population 39 percent black reached south to 77th. Between lay five miles of neighborhoods, some virtually all black now, the rest still changing. In 20 years some 67,000 whites—equal to almost one-fifth of the city's entire 1950 white population—left Southeast Kansas City.

Much has been said about the white flight to the suburbs. Little has been said or done about its origins, which lie here, in the changing neighborhood. Kansas City may be considered among a lucky few: its ratio of black citizens grew only from 12 percent in 1950 to 22 percent in 1970. Consider the consequences in Chicago, where the comparable figures are 14 and 33 percent; Philadelphia, 18 and 34 percent; Detroit, 16 and 44 percent; or Washington, DC, 35 and 71 percent.

It is a mathematical axiom that as a circle expands the area of isolation inside grows faster than the line of contact around its circumference. No surprise, then, that the American metropolis is more segregated than ever. In 1950 only one-fourth of Kansas City's blacks lived in neighborhoods more than 90 percent black. In 1970 nearly half lived in such areas. Chicago's principal segregating years came between 1920, when none of the city's blacks lived in tracts more than 90 percent black, and 1950, when 67 percent did.

The segregation of cities is becoming segregation of suburbs as the Washington DC ghetto pushes eastward into Prince Georges County, the Cleveland ghetto expands tentatively into DeKalb County, the Baltimore ghetto begins its break westward into Baltimore County. The pattern of ghetto formation and expansion holds even in suburbs such as Media, Chester and Darby outside Philadelphia, Maywood west of Chicago, Grandview outside Indianapolis.

All this would be fine if blacks wanted compact, fortress neighborhoods that could be defended in race war—and if whites wanted handy concentration camps that could be ringed with wire in emergencies. But even die-hard racists on each side don't want that. Yet that is what we have and are getting more of.

Racial turnover begins anew tomorrow and continues forever. But not if citizens organize to stop it. It will take more than the old liberal appeals to human decency, however. Needed now are appeals to interest, appeals to black and Chicano families weary of neighborhood turbulence, to middle-class and working-class whites whose neighborhoods are threatened by turnover, to suburban whites willing to accept integration if it comes with a guarantee against their greatest fear, racial turnover. We need to shift black buying out of the changing neighborhood into stable, outlying areas where scattered purchases by blacks will cause no panic. Here is the rallying cry: "Stop resegregation. Keep East Cleveland integrated. (Make it Prince Georges County or Media or Maywood.) Open cities everywhere."

In nearly every area undergoing turnover there are organizations, usually interracial, which can be useful—Senena Hills Neighbors in a Chicago suburb, the former Dayton View Stabilization Project in Dayton, Ohio, South DeKalg Neighbors near Atlanta. Such groups need alliances in outlying white neighborhoods. Many have found them in the fair housing councils that have sprung up across the country. Blacks can make common cause with whites in the changing neighborhood only when the purpose clearly is not simply the exclusion of blacks. The charge that whites in the changing area only want to move blacks elsewhere can be blunted best by suburban whites eager for new black neighbors.

Such alliances should demand for the changing neighborhood its share and more of city services. If economies are to be made in garbage collection, housing, law enforcement, city beautification, they should be made by neighborhoods without the worst problems. The changing area must be first on the list for tree-planting, city-financed street improvements, park recreation programs and high-quality moderate-income housing. It should be last on the list as a site for low-income housing. It must be protected by city ordinances against blockbusting and the real estate "for sale" signs that tend to increase anxiety.

When racial change in housing begins, citizens should demand of their school board that the schools change more slowly or not at all. Switching individual school boundaries a few blocks often can prevent the swift change in school population that frightens white families. Busing can accomplish more, and busing to stop turnover is far more likely to be tolerated by whites than busing for integration.

The city-suburban alliance could also awaken local government to new options. One idea being discussed by certain city planners would help the changing neighborhood by guaranteeing every resident the return of his home investment there. By easing fears that homes will lose value, the plan would take countless houses off the market, bolstering prices sufficiently that the cash outlay might be relatively small.

Another plan calls for administrators to define neighborhoods likely to undergo racial turnover—white to black, black to white. Government would then pay substantial bonuses—call them "open city" payments—for home purchases there by qualified families whose presence tends to reverse the trend. This would almost always mean paying whites to fill vacancies in changing neighborhoods near the black ghetto. The more controversial obverse side of that notion would have government reward families whose purchases integrated a neighborhood where their race was in a specified, tiny minority and where there was no future danger of racial turnover. This would be positive encouragement for black purchases in the suburbs and—for that matter—white purchases in the heart of the ghetto. Some such scheme would create new white buyers for the changing neighborhood, stop the drop in values, stiffen resistance by the old residents and push black families into outlying areas.

This pattern of dispersal—the pattern of an integrated society—already is emerging. It may be clearest outside Washington, D.C. where more than half of the 460 elementary schools in suburban districts showed percentage increases in black enrollment even before 1969. Chicago suburbs such as Skokie, Highland Park and Park Forest exhibit the same pattern, as do a few areas in nearly all of the nation's metropolitan areas.

The ghetto and changing neighborhood are one market, divided up among black real estate brokers and certain white brokers. Outlying neighborhoods are another, served largely by a separate group of brokers, almost all white. Black families usually find their way voluntarily or are steered to brokers of the first group—a fact that predetermines the housing they will be shown. But interesting things happen when the dual housing market is cracked—when a broker with access to black buyers gets listings in all-white neighborhoods. A pair of black brokers in Kansas City, Kansas put together such an effort in the mid-1960s and lightly integrated the formerly all-white west side of that city. In 1966 one of the two, Donald Sewing, bought a home for himself in the nearly all-white bedroom suburban area of Johnson County, Kansas. Since then he has negotiated sale of more than 40 homes there to black families, making a conscious effort to scatter them.

The force of such adroit personal effort can hardly be overestimated. In 1965 Dorothy Davis, a white housewife from an outlying Kansas City neighborhood, began to wonder why FHA-foreclosed homes in all-white neighborhoods were never sold to blacks. She learned that on market day, when black brokers called in to bid, they were always told the house was already sold. So Mrs. Davis bought one herself, proving in the process that the FHA managing broker had been "pre-selling" these homes to whites before they officially went on the market. She carried the story to a newspaper. Suddenly the foreclosed homes began to sell to black families.

Her work underlines the necessity for citizen scrutiny of federal housing agencies such as FHA and the Veterans Administration. Former HUD Secretary George Romney startled these fusty organizations with new guidelines that helped put some federally subsidized housing for low- and moderate-income families in the suburbs. Inept administration cost the nation much of the good Romney sought. But there is still opportunity for citizens to make something out of the remnants of the Romney era.

In few places around the nation has the trend toward integration taken shape as well as in Dayton, Ohio. The first question to be settled by the Miami Valley Regional Planning Commission there was whether dispersal of low-income housing was necessary and right. The staff of the five-county commission studied the problem for more than a year and in 1970 answered, "Yes." The staff proposed a plan for building 14,000 federally subsidized housing units for low- and moderate-income families. The units were to be dispersed on a formula almost the reverse of past practice: the richer the community, the richer and less crowded the schools, the fewer families of low income, the more low- and moderate-income housing that suburb was assigned. The member cities and counties on the commission approved the plan 30–0. Virtually no subsidized housing had been built before in the metropolitan area outside Dayton. Today 800 units are completed or under construction outside Dayton, and another 2700 are in process. In Dayton itself another 1800 units have been completed or under construction, with 665 others on the way. All are scattered and well away from the ghetto.

Dale Bertsch, Miami Valley executive director, says the major reason for the acceptance the plan has won is that people know each area gets its share of subsidized housing—no more. Miami Valley halted plans for a 465-unit project in Madison township, which is substantially integrated and lies directly in the path of northeastward black movement from Dayton. By opening themselves to racial integration, the Dayton suburbs have gone far toward protecting themselves from racial turnover.

Not directly connected with the Dayton plan but one reason for its success is the former Dayton View Stabilization Project, a city agency set up to battle racial turnover. Its first director, Joe Wine, is another example of how personal weight can help tip the scale. He left a job as department store executive and later became a community organizer of modest national reputation. While leading Dayton View, he helped convince Dayton citizens that only by opening the suburbs could they prevent resegregation of the city.

The Dayton plan is the flying prototype of a machine that could be mass produced across the nation, just as the locally developed Philadelphia plan or variants of it were multiplied to increase minority employment in construction. The first Dayton copy came off the line in 1972, when the Washington Area Council of Governments adopted a fair share dispersal plan. Your town could follow.

The Dayton plan leads inevitably into economic integration, which is precisely where it should. But citizens must demand that when the poor meet the better-off in outlying neighborhoods, they do so under the best of circumstances. That rules out the sort of high-rise, completely low-income project that caused a revolt among middle-class residents of Forest Hills in New York. Far better would be a garden apartment development on a suburban corner, with perhaps 40 moderate-income families and 10 low-income families. Every possible help should be extended to the families, but a landlord should hang in the background, ready to evict any family that fouls the nest. The few that cannot succeed even with major help simply must find a place in inner-city public housing.

The development described here will work—already is working in many outlying neighborhoods across the nation. In it both the poor and the moderate-income families gain housing far better than they could otherwise afford. And the old residents of the neighborhood console themselves that at least it is new construction, that the situation is under control—far better than the sweep of poor and black through crumbling neighborhoods half a century old.

The Dayton Public Opinion Center in one poll asked a cross-section of Montgomery County residents (the county is 14 percent black) whether they agreed or disagreed that their own neighborhood should have a mixture of races and economic groups. Five percent replied they agreed strongly, while 56 percent merely agreed—a total of 61 percent on the integration side. Asked whether subsidized apartments should be built only in Dayton or scattered into suburbs as well, 81 percent of Dayton residents—not surprisingly—said they should be scattered. But 69 percent of the suburban people also voted for scattering.

"It's a natural thing for people to be provincial and protective and frightened," says Joe Wine, "particularly when there is no public ethic. Conversely, if people can be brought to understand the rightness, the essential rightness—witness what Miami Valley has done—people can be matured to understand moral purpose. That's why the work we've been involved in is so exciting."

CONSUMER PROTECTION AGENCY

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. BROWN of Ohio. Mr. Speaker, a week ago last Monday, the Subcommittee on Legislation and Military Operations of the House Government Operations Committee convened to begin a series of hearings on legislation proposed during the 93d Congress to create an independent Consumer Protection Agency. As my colleagues know, this has been an issue under consideration in the House for over 4 years.

There are currently three major proposals under consideration by the subcommittee. My colleague Congressman Don Fuqua and I have cosponsored H.R. 564, a bill identical to the compromise proposal which we introduced for review purposes during the last Congress when it became clear that the far-reaching Consumer Protection Agency bill in the other body would not pass. H.R. 21 has been introduced by Congressmen Chet Holifield and Frank Horton, and is based upon H.R. 10835, passed by the House during the 92d Congress, and which I supported. Congressman Ben Rosenthal has introduced H.R. 14, which in large part is similar to the bill which failed in the other body last year.

So that my colleagues in the House might become better acquainted with the Fuqua/Brown bill as it relates to the other two proposals, I am including in the Record the statement I made before the Legislation and Military Operations Subcommittee on September 17, 1973. The statement follows:

Statement of Hon. Clarence J. Brown

Mr. Chairman and other respected fellow Subcommittee members, these should be historic hearings.

It is with great expectations—and not a little relief—that we come together again to hold what should be the last Congressional hearings on proposals to create an independent Consumer Protection Agency.

HISTORY OF CPA

We have come a long way since our 1969 hearings that resulted in a primitive version of the CPA bills now before us.

We saw that first CPA bill stopped in 1970 by a tie vote in the Rules Committee. That happened the day after the Senate passed its own version of a CPA by a vote of 74 to 4 during the waning days of the 91st Congress.

During the first session of the last Congress, the House passed another version of a CPA. That vote of 344 to 44 belied an unusually bitter and confused debate. A filibuster in the Senate last year, however, killed all hopes of creating a CPA during the 92d Congress.

I am confident that we can go the final lap during this 93d Congress. We have three bills before us that give the Subcommittee an excellent start, H.R. 14 by Congressman Rosenthal and others; the bill that passed the House in 1971 (for which I voted), H.R. 21 by Chairman Holifield, Congressman Horton and others; and H.R. 564 by Congressman Fuqua and myself.

DANGERS TO BE AVOIDED

Make no mistake about it, though, the tarnished history of the CPA bills shows that this concept can—if we let it—become controversial legislation of the worst type.

Fluttering under the provisions of these bills you'll find a bevy of Henny Pennies. Some, who want no CPA, fear an explosion from any federal consumer advocacy; some, who want an avenging angel, fear an implosion unless we create a super agency.

Legislation of this type can make the best of us paranoid, if we let it. After all, everyone has at the same time substantial consumer and producer interests.

We all recognize that consumption and production are both part of the same continuous economic cycle upon which the country's welfare is based.

None of us wants to create an imbalance in this cycle; we want to correct an imbalance, taking care not to overcorrect.

Given the tremendous sensitivity of the CPA's mission—a mission that will affect regulation of our entire economy—a certain degree of Henny Pennyism is to be expected.

We all have seen, however, that CPA paranoia is a communicable disease, one that breeds at an alarming rate when cultured in ignorance of the facts.

ROLE OF THE COMMITTEE

It seems to me that one of our major concerns should be to guard against contributing to the confusion and paranoia that we have seen surround this issue in the past.

We have the votes to create a CPA. We have the commitment to do it. Let us resolve the few critical issues that remain. If we cannot get consensus on all of these issues, let us make sure that they are defined properly, fairly heard and then put them to the test of a vote.

But let us not get grounded on non-issues. Let us not, for example, entertain implications that we are insensitive to the deaths of babies in cribs because some proposals would not allow adequate participation in promulgating safety standards. Let us point out that all bills treat such standard-making proceedings adequately and virtually identically.

It may be surprising to those familiar with the CPA floor debate during the last Congress, but the three bills before us indicate that the various sponsors are in agreement over many more concepts than those over which they disagree.

This is not to say that all of the language is identical or that draftsmanship cannot be improved, of course. But what it does indicate is that we should focus on the few remaining major areas of disagreement, and a consensus may be possible once we get all of the facts on the table.

There even seems to be a growing consensus among business and consumer groups as to what the major issues are. Not agreement, certainly, on how we should resolve these problem areas, but recognition of the fact that we should consider them in depth and attempt to come up with definitive legislative answers.

THE INFORMATION ORDER ISSUE

One of these issues has to do with the CPA's information-gathering powers. Under Congressman Rosenthal's bill, the CPA would be authorized with subpoena-like powers; it could order business firms and employees to file reports and answer detailed questions on confidential matters, under pain of court order and the possibility of contempt charges if necessary. This power is found in subsection 208(b) of H.R. 14, and is related to the proposed power, in subsection 211(c) of that bill, to allow the CPA to protect public health or safety by publishing trade secrets and confidential information so obtained.

The Chairman's bill and my bill would not grant the CPA such information demand power. I, for one, presently feel that making the CPA's scope of responsibility so sweeping—everything that the CPA, itself, considers of interest to consumers—requires us to put limitations on the powers of that agency, at least initially.

With respect to this particular power to issue court-enforceable information demands, a power heretofore reserved for regulatory agencies and usually of narrow scope, it should be noted that the CPA is to be a non-regulatory agency. But I shall listen with attentiveness to the arguments in favor of such a power, arguments that I am sure will be presented by Congressman Rosenthal forcefully and well.

THE COURT APPEAL ISSUE

Another area where there is general agreement between two of the three bills concerns the question of whether the CPA should be allowed to appeal to the courts the final decisions of its brother agencies. H.R. 14 would grant the CPA such a power under subsection 205(a), and H.R. 21 would grant a similar right under subsection 204(d).

The Fuqua-Brown bill would grant no such right, and again I look forward to hearing forceful argumentation on the need for such an extraordinary power. I fear that it would result in significant ambiguities as to what the position of the Government was until the courts tell us.

On this point, I tell you now that I cannot accept the arguments made last year to the effect that it is routine or commonplace for federal agencies to sue each other in court, and that because citizens sue their Government, the Government ought to sue the Government.

The first argument has no basis in fact; it is a myth. The Solicitor General's office has informed my staff that appeals by one agency of the decisions of another are infrequent occurrences. In fact, I have been unable to find a single example of a nonregulatory agency appealing the decisions of a regulatory agency.

The second argument which cites citizen rights makes little sense to me. We are not merely funding a Ralph Nader unit here, we are creating a part of the Government. To confuse governmental duties to protect the public with the rights of private citizens to challenge the Government is a leap toward George Orwell's 1984. I agree with Senator Sam Ervin's sparkling views on this subject, and urge you all to read them. They appear in the Committee report on last year's Senate CPA bill.

THE FULL PARTY ISSUE

The third area of concern is the most legally complicated, and the one about which we knew least during the last Congress, as our debate proved.

The Rosenthal bill, in subsection 204(a), would allow the CPA to assign itself full party status in the formalized agency proceedings where such status was available to anyone.

The Chairman's bill would allow CPA party status, but it carves out an area of proceedings in which the CPA could only appear as an amicus curiae; this area, according to subsection 204(a), is all adjudications "seeking primarily to impose a fine, penalty, or forfeiture" for violation of federal law or regulation. This provision, if you will remember, ignited a very vigorous debate last year.

The Fuqua-Brown bill also would allow the CPA to be an amicus initially, but in addition the CPA would be given the right to reenter the proceeding after all argument and submissions have been made by others, and make its own "last word" arguments for the record.

Describing these provisions will make little sense to anyone except a lawyer schooled in the vagaries of the Administrative Procedure Act—the "APA", as lawyers are fond of calling it. It is through this act, upon which all of the CPA bills are based, that we can understand what each of the bills is talking about, and—more importantly—what they are not talking about.

Because this is such a complicated area, I have set forth in my prepared statement an illustration adapted from one that appears in the hearing record on the Senate CPA bills of this year:

NUMBERS OF FORMALIZED AGENCY PROCEEDINGS SUBJECT TO APA

No party status: Notice and comment rulemaking, 91%.

PROCEEDINGS ON THE RECORD—PARTY STATUS AVAILABLE

Adjudications—8.5%.
Rulemaking—0.5%.

Remember, we are talking about proceedings in which party status is available. This means we are not talking about those proceedings which should be of most concern to consumers and which constitute an overwhelming majority—estimated in the Senate hearings at over 90 percent—of the formalized proceedings in which the CPA could appear.

This is, we are not talking about notice and comment rulemaking under 5 U.S.C. 553 which, according to Professor Roger Cramton's testimony before us, is "an area where [CPA] consumer advocacy can make its greatest contribution."[1] Professor Cramton, then Chairman of the Federal Administrative Conference, told us that such rulemaking is the "most important area" of CPA advocacy, the one that the CPA "should be most interested in."[2]

In this notice and comment area that we are not talking about are all of the familiar examples that many erroneously thought were proceedings in which one could attain party status: Consumer Product Safety Commission proceedings to establish safety standards; Food and Drug Administration proceedings to establish nutrient labeling regulations; Federal Trade Commission trade regulation rules, and so forth.

Risking redundancy to save us from an experience similar to what happened last year, let me point out that in this most important type of proceeding as far as consumers are concerned, the three bills provide little if any area for disagreement. The Rosenthal and Holifield bills would allow the CPA to have all of the rights available to anyone else. (See section 204(a) in each bill.)

The Fuqua-Brown bill would allow the CPA to have more rights than anyone else, because we feel that this is such a critical area; in addition to the present full rights of participants, we would allow the CPA a "last word" right in these proceedings as well as in those where party status was available. (See Sec. 103(a).)

Now, let us finally get to what we are talking about when we discuss party status proceedings. In terms of numbers, we are talking about a small minority of proceedings, usually of very narrow scope and designed to impose a sanction upon someone.

What we are talking about, primarily, are agency adjudications—quasi-judicial proceedings often in the nature of a trial. It is here in this small area of relatively limited concern that I share the Chairman's apparent concern that we not create a dual prosecutor and run roughshod over established due process requirements.

What we are talking about here are agency proceedings which, because of their sensitivity, Congress required to be conducted in similar fashion to a trial, with cross-examination, subpoena and other discovery rights, and with the forum agency required to make its decision on the record developed in the proceeding.

It is true that a fraction of a percentage point of these proceedings are a disappearing species of rulemaking—rulemaking on the record—and perhaps we might wish to look into this area to see if more CPA rights are needed. But my chief concern is with sanction-oriented adjudications.

In sanction-oriented adjudications, a federal lawyer acts as a prosecutor and attempts to get his agency to impose a sanction, usually against a businessman in cases of concern to the CPA. The addition of another prosecutor for the Government is not only unneeded, it is blatantly unfair.

Having said this, I don't want to give the impression that I consider this small area of proceedings of no importance to consumers. Quite the contrary; you will find adjudications of possible significance to consumers in several agencies. FTC adjudications to determine if an unfair or deceptive practice violation has been committed and Federal Communications Commission proceedings to revoke a broadcast license are two that come to mind.

Recognizing these proceedings as important to consumers, but also recognizing their sensitivity, we have devised a CPA power that is greater than mere amicus curiae status, yet avoids giving the CPA party status; that is, we avoid giving the CPA prosecutor status. The words are synonymous in this context.

Our "super amicus" power proposed for the CPA in this limited area was inspired by the limited intervenor status that the FTC assigned to a consumer group recently when it was faced with a demand that the consumer group be given party status.[3]

The FTC refused to grant the consumer group party status, allowing them to appear and make their arguments after the FTC prosecutor had finished his case in chief. Consumers have not been allowed to intervene as full parties in FTC adjudications.

THE INFORMAL ACTIVITY ISSUE

The last major issue may be a non-issue, at least as far as the present thinking of the sponsors of the various bills before us. But it is worth mentioning here because of its potential as an issue to be raised by others, and because of an apparent difference of opinion on the proper interpretation of one of the bills.

Congressman Rosenthal's bill and the Fuqua-Brown bill clearly state, in almost identical terms, the power of the CPA to participate in the nature of an amicus curiae in the unstructured, sometimes called "informal," activities of other agencies. The provisions are found in subsection 204(b) of H.R. 14 and subsection 103(b) of H.R. 564.

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[1] 1971 House CPA Hearings, p. 506.

[2] 1971 House CPA Hearings, p. 498.

[3] The famous SOUP ("Students Opposed to Unfair Practices") case, *In the Matter of The Firestone Tire & Rubber Co.*, Docket No. 8818 (October 23, 1970).

Chairman Holifield's bill, however, does not talk in express terms about informal activities. This has led some to conclude that the CPA would not have a right to participate in this unstructured area. After listening to the debate on this issue during the last Congress, I, for one, believe that such a CPA right was at least intended and that the legislative history of the Holifield bill would be strong enough to sustain that conclusion.

However, we can let the Chairman speak to that for himself. If such was the intent, and if the language of H.R. 21 is not clear enough to satisfy all concerned, we now have the time to report a bill with more precise language.

I might say, at this point, that I am beginning to hear many more negative comments this year than last on granting the CPA the right to intrude into informal activities of other agencies. It goes without saying that we now also have the time to review the language on all bills and to minimize appropriately any risks of delay or disruption. We will be asked, I am sure, to drop the whole notion of allowing the CPA to enter any informal activity as of right. I have yet to hear, however, the grounds upon which such an across-the-board exemption would be justifiable.

SUMMARY

Mr. Chairman, in summary, let me say that I hope we can emphasize the great similarities in these three CPA bills, and resolve fairly and definitely the areas of controversy.

These bills are complex proposals, and we shall all bear a heavier burden because of this fact. Few, inside and outside of Congress, will understand these bills as well as us. We shall have to make great efforts to assure that whatever bill we do produce is not again misunderstood by our colleagues, the press, and—most important of all—the consuming public.

Thank you.

AMERICAN INDIAN DAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. BIAGGI. Mr. Speaker, tomorrow marks the celebration of American Indian Day, a day on which we honor the nobility and rich history of the first Americans, the Indians. Yet, it is a hollow celebration in light of the continuing neglect by the American Government of the problems of the Indians.

The year 1973 has been marked by an emerging militancy by the American Indian against the problems which they have experienced over the years at the hands of the American Government. While I cannot condone such incidents as the takeover of the Bureau of Indian Affairs offices, and the siege at Wounded Knee, I can sympathize with the issues which led to these acts. It is time that the American Government accorded the Indian the same basic rights and privileges which other Americans enjoy.

This can be accomplished by a renewed commitment to the ideals of providing the American Indian with a true voice in our Government. A realinement of the Bureau of Indian Affairs is necessary so that more representatives of the Indian community are involved in the decisions affecting them. Other steps to improve the quality of life on Indian reservations are needed. Indians suffer the shortest life span of any Americans, are subject to greater deterioration of health; are poorly educated and have a limited opportunity for improvement in life, and suffer continued denial of their civil rights in various communities.

I call upon the President and my colleagues in the Congress to begin this long overdue commitment, so that we can truly celebrate American Indian Day in 1974.

STATE OF MARYLAND AIR FORCE EMPLOYEES WHO WON AWARDS ARE LISTED

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. HOGAN. Mr. Speaker, I have received a list of those people from the State of Maryland employed by the Department of the Air Force who have been cited for their outstanding service during 1972 and 1973.

Mr. Speaker, in recognition of these individuals, I would like to have printed into the RECORD the names of the recipients of those awards.

DEPARTMENT OF THE AIR FORCE,
Washington, D.C., Aug. 29, 1973.

Hon. LAWRENCE J. HOGAN,
House of Representatives,
Washington, D.C.

DEAR MR. HOGAN: This is in response to your letter of July 31 to the Secretary of the Air Force requesting a list of individuals from Maryland who have received honorary awards such as the Distinguished, Meritorious, Commendable, or Valor Awards from the Air Force in the past year.

Enclosed are three lists of names with addresses compiled by our commands in this area, along with the title of the award received and the description of their achievements.

Your continued interest in Air Force matters is appreciated.

Sincerely,

MICHAEL L. SORRENTINO,
Col., USAF, Congressional Inquiry Division, Office of Legislative Liaison.

HQ. COMD. USAF HONORARY AWARDS—JAN. 72–AUG. 73

DECORATION FOR EXCEPTIONAL CIVILIAN SERVICE

Boyd, George C., GS–14, 9409 Jones Place, Lanham, MD 20801.

In recognition of distinguished performance as Command Monitor for the close-out of the "Children Have a Potential" program. Served the Directorate of Accounting and Finance for 21 years. Awarded in June 1972.

Ross, Michael, GS–15, 6851 Tulip Terrace, Bethesda, MD 20016.

For exceptional service as Director of Training and Commandant of USAF Special Investigations School, AFOSI, from Aug. 68 to Feb 72. Awarded in July 1972.

AWARD FOR MERITORIOUS CIVILIAN SERVICE

Coleman, J. D., Jr., GS–14, 6004 Joyce Drive, Temple Hills, MD 20031.

For distinguished performance as Director of Civilian Personnel, HQ COMD USAF, from Jan 67 to Jun 73 in providing highly competent, technical leadership in the field of civilian personnel administration. Awarded in Jun 73.

Cooke, Nannabell W., GS–11, 2020 Brooks Drive, Apt 208, Suitland, MD 20023.

In recognition of accomplishments of 17 years in providing outstanding and effective library services to Andrews AFB community. Awarded in June 1973.

Cuticello, Dominic A., WS–6, 8601 Temple Hills Road, Lot 48, Camp Springs, MD 20031.

In recognition of his outstanding accomplishments and managerial skill from April 1966 to May 1973 in improving supply procedures at Andrews AFB. Awarded in May 1973.

Dyer, Robert E., GS–10, 4795 Huron Avenue, Suitland, MD 20023.

For activities from January 1968 to April 1973 in supervising the controlled growth of and many changes in the Documentation Program at Andrews AFB. Awarded in April 1973.

O'Donnell, Bernard J., GS–15, 14147 Flint Rock Road, Rockville, MD 20853.

For meritorious service as Director of Personnel Investigations Control Center, AFOSI, from Aug 70 to Jun 72. Awarded in September 1972.

Sims, Edward E., Jr., GS–13, 6110 Summerhill Road, Marlow Heights, MD 20031.

For professional skill, leadership and dedication in effectively managing varied administrative duties provided to Registrar's Office at Malcolm Grow USAF Medical Center, Andrews AFB, from July 1967 to August 1973. Awarded in August 1973.

MERITORIOUS CIVILIAN SERVICE AWARDS—FISCAL YEAR 1973

Blaga, George, 8012 Carey Branch Drive, Oxon Hill, Maryland 20022.

Mr. George Blaga distinguished himself by meritorious civilian service from February 1969 to May 1973 as Chauffeur to the Secretary of the Air Force. (Conferred by SecAF).

Epstein, Murray, 11108 Dayton Street, Silver Spring, Maryland 20902.

Mr. Epstein contributed greatly in the establishment of a uniform technical framework for the efficient prosecution of military construction with attendant economies of substantial magnitude and improved design.

Klein, Elizabeth, 5904 Cleveland Avenue, Riverdale, Maryland 20840.

Mrs. Klein was recognized for her outstanding performance of duties in the materiel programming field.

Lerner, Harold H., 14124 Bauer Drive, Rockville, Maryland 20853.

Mr. Lerner was recognized for his outstanding administration of the Air Force Labor Relations Program.

Novicke, Gordon A., 5804 Annapolis Road, Apt. 1007, Bladensburg, Maryland 20710.

Mr. Novicke was recognized for his distinguished performance in formulating realistic logistical policies which contributed to increased efficiency of the Air Force missile programs.

Ruffo, Anthony F., 3421 Senator Avenue, S.E., North Forestville, Maryland 20028.

Mr. Ruffo distinguished himself by meritorious civilian service from March 1969 to May 1973 as Chauffeur to the Assistant Secretary of the Air Force (Research and Development).

DECORATION FOR EXCEPTIONAL CIVILIAN SERVICE—FISCAL YEAR 1973

Caffrey, Edith E., 5922 23rd Place, Marlow Heights, Maryland 20031.

Mrs. Caffrey was recognized for her distinguished performance as personal and confidential secretary to the Chief of Staff, Headquarters USAF, from 1 Aug. 1969 through 25 May 1973. Throughout the period of recognition, Mrs. Caffrey consistently displayed the highest standards of professional competence and conduct in meeting the exacting requirements of this critically sensitive and demanding position.

(conferred by SecAF)

Jones, Joe C., 909 Hyde Road, Silver Spring, Maryland 20902.

Mr. Jones distinguished himself by exceptionally meritorious service as Deputy Assistant Secretary of the Air Force (Research and Development) from March 1969 to May 1973. During this period, Mr. Jones worked tirelessly to insure a viable and balanced Air Force research and development program.

(conferred by SecAF)

Munves, William, 8204 Bryant Drive, Bethesda, Maryland 20034.

Mr. Munves rendered consistently exceptional service to the United States Air Force as Assistant General Counsel (Procurement) from April 1965 to May 1970 and as Deputy General Counsel from May 1970 to June 1972. He distinguished himself as a dedicated public servant and legal authority across the entire contracting field.

(conferred by SecAF)

MERITORIOUS CIVILIAN SERVICE AWARD—JANUARY–JUNE 1972

Clark, M. Eleanor, 5510 Surrey Street, Chevy Chase, Maryland 20015.

Miss Clark was recognized for her exemplary service and expertise on matters pertaining to civilian pay determination and leave administration.

Francis, Frankie P., 1913 Oakwood Street, Hillcrest Heights, Maryland 20031.

Mrs. Francis was recognized for her distinguished service and expertise in matters relating to the civilian personnel program and for her outstanding contributions in the area of automation of a civilian personnel management information system and computer assisted personnel program operations.

Pritchett, Duncan N. P., 6912 Oakridge Avenue, Chevy Chase, Maryland 20015.

Mr. Pritchett was recognized for his distinguished performance while serving as Chief, Development and Procurement Division, Directorate of Budget. His judicious and timely application of financial resources in support of critical Air Force plans, programs, and operations made an invaluable contribution to the accomplishment of the Air Force mission.

Perry, Alexander, 4109 Woodbine Street, Chevy Chase, Maryland 20015.

Mr. Perry was recognized for his distinguished performance as a Procurement Analyst, responsible for the development of Air Force positions on new legislation, claims, and releasability of information that resulted in savings throughout the Air Force.

Posten, Yvonne, 6914 Eilerson Street, Clinton, Maryland 20735.

Mrs. Posten was recognized for her performance of duties as Chief, Military Personnel Branch during the period February 1968 through February 1972.

Reiche, Harris G., 11805 Charen Lane, Potomac, Maryland 20854.

Mr. Reiche was recognized for his outstanding achievements while serving as Deputy Chief, Automatic Data Processing Systems Management Division, Directorate of Data Automation.

Wheeler, Mary E., 4514 Willard Avenue, Chevy Chase, Maryland.

Miss Wheeler was recognized for her distinguished performance in the Air Force civilian personnel publications program.

Wells, David W., 9150 Woodyard Road, Clinton, Maryland 20735.

Mr. Wells was recognized for his outstanding contributions which resulted in unprecedented improvements in the retention of a modern and viable industrial base.

West, Raymond H., 4620 Westridge Place, Camp Springs, Maryland 20031.

Mr. West enhanced the Internal Information Program through his superior professional knowledge of audio-visual techniques, awareness of Air Force information needs, dedication to the highest standards of professional conduct, and diligent application of these principles. (conferred by SecAF).

Wiener, Monroe J., 8315 North Brook Lane, Bethesda, Maryland 20014.

The recommendation recognized Mr. Wiener for the outstanding performance in the resolution of complex programming problems of major importance to the Air Force and Department of Defense.

DECORATION FOR EXCEPTIONAL CIVILIAN SERVICE

Frederic L. Eisenmann, Luce Creek Drive, Annapolis, MD 21401.

Charles W. King, Ferry Farm, Annapolis, MD 21402.

John S. England, 5704 San Juan Drive, Clinton, MD 20735.

Peter R. Murray, 1704 Dana Street, Crofton, MD 21113.

AWARD FOR MERITORIOUS CIVILIAN SERVICE

Harold E. Baker, 8310 Bernard Drive, Oxon Hill, MD 20022.

Frank G. Brysselbout, 2021 Brooks Drive, No. 805, Suitland, MD 20028.

J. Meredith George, 935 St. Paul Street, Baltimore, MD 21202.

Charles R. Holloway, 41 Holly Road, Severna Park, MD 21146.

Steven I. Landis, 304 Aragona Drive, Oxon Hill, MD 20222.

Donald P. Rampolla, 6156 Springfield Drive, Greenbelt, MD 20770.

Webster F. Russell, 707 Claire Drive, Arden-on-the-Severn, Crownsville, MD 21032.

Harry J. Sleaman, 5223 Morris Avenue, No. 2, Camp Springs, MD 20031.

Francis X. Brennan, 5610 Chesterfield Drive, Camp Springs, MD 20031.

Ms. Ann R. Digeon, 11300 Marlboro Pike, Upper Marlboro, MD 20870.

Sola W. Gunnoe, 309 Alleghany Avenue, Towson, MD 21204.

Luther T. Lee, Rt. No. 3, Box 109, La Plata, MD 20646.

Marion G. Pritchard, Rt. No. 1, Box 129C, Dunkirk, MD 20754.

Harry E. Roberts, 747 Robin Hood Hill, Sherwood Forest, MD 20770.

Dr. Harvey E. Savely, 273 Smith Avenue, Annapolis, MD 21401.

Melvin Tanchel, 8017 Carey Branch Place, Oxon Hill, MD 20222.

James F. Wayman, 4306 Karen Street, Skyline, MD 20023.

David Zigler, 1220 East West Highway, Silver Spring, MD 20910.

William D. Wiard, 4800 Cedell Place, Camp Springs, MD 20031.

LEAVE THE MARKET ALONE

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. SHRIVER. Mr. Speaker, there is continuing reason to question governmental interference with the traditional supply and demand in the marketplace. This was especially true in our recent experience with beef ceilings. Government action interfered and disrupted the market causing confusion, economic losses, unemployment, and shortages.

Under the leave to extend my remarks in the RECORD, I include a recent editorial from the Hutchinson, Kans., News which effectively points out the importance of leaving the food market alone insofar as government controls are concerned:

LEAVE THE MARKET ALONE

Monday's announcement by Dillons of a cut in beef prices undoubtedly will be echoed by other butchers.

The reduction is welcome. So is the increased supply. And both demonstrate how dizzy the market gets when government tinkers with it. Particularly the food market.

The end of a price ceiling on beef logically would have signalled a sudden surge in prices. Logic did not prevail, for a variety of reasons. One was that producers and feed lot operators had held cattle from the market, to show their contempt for being singled out with controls. And also in anticipation of higher prices ahead.

So, what beef could be purchased came in scattered lots, and required the extra expenses of paying packers to process. That kept the prices high. Now, with some cattle coming back in through regular channels, the retail price is going down.

It is a dicy game, to be played from week to week. Consumer demand for beef faded this summer, but as it increases so will the costs. Further feeder cattle supply is down, which indicates a lower supply this winter.

This whole episode can be chalked to the public relations motives behind many administration actions. Keeping controls on beef was strictly a bid to persuade consumers that the government is acting to bring lower food prices.

Now, Agriculture Secretary Earl Butz admits the whole thing was a mistake. "Counter-productive," is his term. "The consumers would have been better off by far had we not put the price ceiling on meat."

Agreed, And so would beef producers, processors, and retailers.

Let the food market alone. It has enough built-in controls through the old old forces of supply and demand not to justify any government controls. It is so complex, with factors that would make it tough even for a computer to digest, that simple enforcement is an impossibility.

OLD REDS LAUGH AT GENERATION JUST PAST

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. ROUSSELOT. Mr. Speaker, an article appeared in the Washington Post on Monday, September 24, 1973, which should be read and studied by all Members. The article entitled "Old Reds Laugh at Generation Just Past" reminds us that communism is still a threat to our country, and to the democracy which we all wish to protect. The article points out that in battling for their own civil liberties, Communists are "often joined by sympathetic liberals and non-Communists of the left." Ironically, Gus Hall's basic view is that democratic rights are valuable only to the extent that they aid in the fight against capitalism.

Mr. Speaker, I do not mean to imply that there is a Communist under every bed, but the CPUSA is still very effective in selling their philosophy. This philosophy is rooted in strong Federal controls that preempt States' rights, as well as individual liberties. The Communist role as described by Gus Hall in this article:

Would be to continue as advocates of socialism, to support such a development, to have some sort of relationship with that kind of a party in the coalition sense.

We must be mindful of this fact, Mr. Speaker, and forever vigilant that the legislation we approve does not further socialism and thereby promote Communist doctrines. J. Edgar Hoover in his book "Masters of Deceit," states:

But we cannot afford the luxury of waiting for communism to run its course like other oppressive dictatorships. The weapons of communism are still formidable. They become even more effective when we lower our guard and when we become lax in strengthening our democratic institutions in perfecting the American dream.

I most strongly urge that all my colleagues read this article, and I am now submitting it for their thoughtful attention:

OLD REDS LAUGH AT GENERATION JUST PAST

(By William Greider)

NEW YORK, N.Y.—The objective conditions, as a good Marxist-Leninist might put it, are rather shabby behind the unmarked red door on 26th Street, where the Communist Party U.S.A. resides, a small crumbling office building with hand-me-down furnishings.

Inside, however, the Old Reds are enjoying a quite last laugh on the generation of history just past.

The CPUSA is a weak shadow of its old self, but it is still around, despite snide competition of New Left revolutionaries who belittled it as old-fashioned, despite draconian anti-communist pressures which attempted to smash it over the last 25 years.

"I firmly believe that within 10 years in this country we will have millions of people for socialism, on the order of 5 to 10 million," said Daniel Rubin, the 42-year-old organizational secretary, a young man rising in the gray-haired hierarchy. "Socialism is going to become so popular that we're going to have competing brands. We'll even have 'Rockefeller socialism,' only I'll continue to call it monopoly capitalism."

By its own generous estimate, the party now numbers only 16,000 members (a figure which is grossly inflated, according to the House Internal Security Committee). Yet such buoyant predictions are commonplace among its leaders. By its own terms, the Communist Part U.S.A. is flourishing these days, slowly coming out of its cocoon of secrecy and gradualy growing in size. Even its own super-optimistic estimates, however, do not describe the revolution as imminent.

"If you think the revolution is just around the corner and it's not," explained Gus Hall, the secretary-general, "it leads to wrong tactics. Therefore, you have to have a very sober estimate of the process that goes on."

Hall's sober estimate: "The idea of socialism grows in this country. There's no question about that. The growth of our party reflects that. But if you speak about the millions, the mass, they are not yet at the point of socialism."

But Communists are doctrinal optimists, committed to the "scientific socialism" of Marx and Lenin, a faith which promises that history will inevitably reward the true believers. Like a religious convert, convinced that the Kingdom of Heaven awaits him, Communists tend to look upon their calamities as temporary inconveniences.

Carl Bloice, 34-year-old black editor of the party's West Coast newspaper, People's World, remembers the impatience of his young friends from civil rights and antiwar organizations during the '60's, when his own decision to join the Communist Party was so unfashionable.

"People thought they were going to produce a great deal of change within their youth," Bloice said dryly. "Not within their lifetime—within their youth. The period was marked with great spontaneity and not much organizing. It was like fire brigades going all over the place. We made a longterm commitment to be part of the struggle."

Arnold Johnson has done the long struggle, a 69-year-old party official with silvery hair and a gentle manner. He left Union Theological Seminary in the Depression to organize the poor, went to jail in the Harlan, Ky. coalfield strife of the '30s, spent three years in federal prison in the '50s as a "second-string" defendant in the anti-Communist trials. Considering his own travail and the party's many setbacks, Johnson is remarkably contented with his career.

"There is a joy in the Communist life," he said. "As a matter of fact, I think many of my colleagues who were students with me at the seminary were more frustrated and sometimes even envious that I was free and easy, working on things that they talked about—and I did."

To reach Gus Hall, the leader, you must ride up three floors on a tiny elevator, then climb another flight of narrow marble stairs to the loft, where the passage through a small supply room leads to his office. It is lined with books, from floor to ceiling, including 45 volumes on Lenin right behind his chair and numerous editions of "Capital," the primary gospel.

The oil portrait of Lenin which hangs behind his desk was a gift from Leonid I. Brezhnev, who met with American Communist leaders when he made his state visit to see President Nixon in June. Gus Hall gave the Soviet party chief a portait of Brezhnev, done by a CPUSA artist.

"It was supposed to be only an hour," Hall said proudly, "but he postponed his trip to California and we talked for 2½ hours. He was very interested in our reactions to his trip and what the people thought of it, especially black people and working people."

Henry Winston, the 62-year-old party chairman who also met with Brezhnev, describes the emerging East-West détente as ultimately positive for the American Communists. "It strengthens the peace movement," he said, "strengthens them against the forces of imperialism that Nixon represents."

But Gus Hall concedes that it also creates problems for CPUSA. "It's a benefit for capitalism, no question about that, but it's not going to solve capitalism's problems," Hall said. "On the other hand, yes, it's going to create certain ideological problems that we have to deal with, for instance, the thing that some elements have tried to spread, that this proves socialism doesn't work, that they need the technology of capitalism to come out of a crisis."

Ignored now in his own country, Gus Hall is still a public figure in the Socialist world. He was the only American at Ho Chi Minh's funeral. His frequent pamphlets on the party line are reprinted abroad, often providing the semi-official rationale for controversial Soviet policies.

His 1968 pamphlet explaining why the Soviets invaded Czechoslovakia was a best-seller, translated into 100 languages, he says. "I'm not boasting; I'm just saying what the fact is," Hall said. "It is the accepted version of the Czechoslovakian events, including in Czechoslovakia and the Soviet Union. The position did not come from any other place."

For an old radical, born 62 years ago in Iron, Minn., imprisoned as a subversive for nearly eight years and scorned by younger leftists, that worldwide audience is lofty stuff. It helps explain why a confirmed believer might keep the faith, even keep his optimism, despite the party's longstanding failure to threaten capitalism in this country.

"I was born into the party," Hall said. "My father and mother were both charter members of the party, Socialists before that, IWW before that. Not only that, but I had an advantage. This community where I was born was largely made up of iron miners who were black-listed for trying to organize a union, so it was a radical community."

At 25, he was organizing steel workers in Ohio, one of the founding members in the brutish struggle that created the steelworkers union. He ran as a Communist for city council in Youngstown under his given name—Arvo Gus Hallberg—so the next year, when he was trying to get a job in the steel mill, he changed it. "I just decided to cut out both ends," he said.

The man still has the lean, muscular presence of a mill worker, a handsome Scandanavian face with stylish gray sideburns, an affable directness which is draped over now with the dense vocabulary of his ideology. Except when he is talking about the strike of '36; then his speech becomes vivid and immediate. It was a violent and decisive conflict, in which Hall organized strikers at Republic Steel in Warren, Ohio.

"It was a very bitter strike," he remembered. "The company had their own police force, submachine guns, shotguns and so on. I've often said the biggest problem a strike leader had in those days was to convince the workers not to use violence because the companies were so violent and it was counterproductive."

Hall was also indicted on a bombing charge. The National Guard found some nitroglycerin in the strike headquarters. "It was a total frame-up," Hall said good-naturedly. After long delays, he pleaded guilty to a minor charge and was fined $500. When he was drafted for World War II, the Navy tried to reject him because of his past, but Hall persevered and served overseas as a machinist's mate on Guam. By that time, Hall had left the union to become a fulltime organizer for the party.

Those were the best days for the Communist Party—100,000 members in 1943, FDR's "united front" with the Soviet Union, an influential voice in the industrial unions which the Communists helped build, plus the "submarine" members sprinkled through government and the professions.

Then history shook it apart—first a devastating internal clash over the direction of post-war American communism, then the dive underground, to avoid Cold War prosecution, the exposes and trials of the McCarthy period, the shattering revelations about Stalin, the anti-Soviet revolt in Hungary. All of these drove Marxists out of the CPUSA so that by 1960 prudent estimates put the CP membership at less than 10,000—most of whom wouldn't dare tell their neighbors or employers.

The party is issuing membership cards again for the first time in more than 20 years. The Communist Party abolished them more than 20 years ago when "card-carrying Communists" became part of America's common language, an expression of fear and hatred. The new cards, actually, are little red booklets, small enough for a billfold, with spaces for the monthly dues stamps, from 50 cents to $5 a month, depending on the member's income.

"We have a standing understanding" Hall said, "that this is a privilege of every member, whether they want to announce their membership or not. The great majority of our members are not public and this is in spite of the fact that the policy of the party is to make known as many as possible."

So the long night is not over yet. The first priority of the party is to reestablish its political legitimacy, which is one reason why it ran a lively campaign for president last year. Gus Hall was the nominee, with Jarvis Tyner as his running mate, and they managed to get on the ballot in 13 states and the District of Columbia, knocking down a number of state anti-Communist laws in the process.

The party campaign committees spent about $200,000 for what it claims was 50,000 votes including 252 in Washington, D.C. (The House Internal Security Committee puts Hall's total vote at 25,000.) According to the financial reports filed with the Government Accounting Office, practically all of that money was raised by collections at rallies. Indeed, the party reported a total of 1,450 CP rallies from June to November, including 13 in Washington. That's a lot of rallies for all of those FBI undercover agents to attend.

"We have some people who want to contribute," Hall explained, "but they can't afford to be identified so they do it through rallies."

The party does have a few of its own "fat cat" contributors, including an 84-year-old retired businessman from Bal Harbor, Fla., who gave $4,000 to the Hall-Tyner ticket.

"I just got disgusted with all politicians," said M. J. Baker, who is not himself a Communist Party member. "We have these Watergates. I just wanted to give my contribution for a better humanity. I can't take it with me."

The party now claims about 1,000 active clubs, including some new ones in the South, where it was once defunct. The party, however, still centers on New York where as much as 15 to 30 per cent of its membership resides, depending on whether you believe Gus Hall or the House Internal Security Committee.

Rejuvenating a political party which was once labeled a subversive conspiracy has its difficulties. In Washington, for instance, Gus Hall reports that there is an upsurge of new members but the party is proceeding cautiously.

The D.C. party, as Hall notes, was "totally smashed" in the 1950s. The party treasurer, the officer who keeps the membership lists, turned out to be an FBI agent. She was a Virginia housewife named Mary Markward (who died earlier this year), and her revelations sent hundreds of local Reds scurrying for cover.

Now the D.C. club has several dozen new applicants, young people with backgrounds in New Left, black liberation or civil rights organizations. But the handful of older party members, who hung on in D.C. through the lean years, are suspicious.

"We have such an influx of applications," Hall said, "that we decided to take a little time in accepting them and do a little more checking. We think most of them, if not all of them, are honest. Other left organizations have disappeared from the Washington scene and they want to be part of the radical Communist movement. We always assume there are some agents here and there—we assume that."

American Communists, who once tried to work within the two-party system, now foresee its disintegration in the coming years. According to Hall's scenario, as the "two parties of big business" get weaker and fragment into splinter parties, a new major party will emerge—a neo-populist anti-monopoly party, not yet Socialist, but perhaps advocating selective nationalization of some industries.

The Communist role, he predicts, "would be to continue as advocates of socialism, to support such a development, to have some sort of relationship with that kind of a party in the coalition sense."

The working-class, which Hall talks about so fondly, has changed so much since the violent days of the 1930s—de-radicalized partly by the very reforms which Communists helped secure—that his formulations of class-struggle sound quaint and archaic.

"We always recognize," he concedes, "that when you win reforms, there's two effects of that. One is that it does indicate to workers that unity and struggle can win—that's an important lesson. I think workers generally have learned that. The other side effect is that it placates the demand and, in that sense, mitigates against the development of militancy. You have to just accept that as a fact of life."

The central hang-up for the American CP, however, has always been its relationship with Moscow. Hall denounces Watergate as the emergence of a police state, then turns to defend the Soviet Union's heavy-handed suppression of intellectual freedom, the harassment of Sakharov and Solzhenitsyn. "They're total apologists for imperialism," he explained. "They're swindlers—political, ideological swindlers."

That reflects a major irony for the U.S. Communists. The cutting edge of their struggle has always involved a battle for their own civil liberties, often joined by sympathetic liberals and non-Communists of the left. Yet Gus Hall's basic view is that democratic rights are valuable only to the extent that they aid in the fight against capitalism.

"I don't take a classless, abstract position on intellectual freedom," Hall explained. "I ask the question—intellectual freedom to what end? Intellectual freedom for what purpose? I'm for the maximum amount of democracy and freedom that is commensurate with the struggle for a progressive direction, for socialism. In that context, I am for the maximum. Anything that goes beyond that, that endangers this struggle and becomes an obstacle to it. I'm for curtailing."

So Gus Hall defends the Soviet Union on the various controversies over human rights, from the Jewish emigration issue to the invasions of other Socialist nations, as necessary to preserve "a progressive direction." That outlook has dominated the CPUSA from the start and it has repeatedly driven away members who wanted their party to take a more independent, more "American line" on such issues. In 1956, when the U.S.S.R. invaded Hungary, the CPUSA lost a huge chunk of its members—perhaps a majority.

Joseph R. Starobin, who was foreign editor of the Daily Worker, now a political science professor in Toronto, described this self-inflicted attrition in his recent book, "American Communism in Crisis, 1943–1957."

The CPUSA, of which he was once a member, "built what was by far the most powerful and pervasive radical movement in American life and then helped to shatter it," Starobin wrote. "The record shows, beyond dispute, that it was shattered as much by their own behavior, their inability to choose between the antagonistic strands in their own movement and their impotence to change their course, as it was by the formidable power of their opposition."

That poses an intriguing question for neutral historians of the future. Was the Communist Party crushed, as is popularly believed, by the pressures of McCarthyism, the FBI infiltration and the anti-subversive trials, or was the wound self-inflicted? A lot of ex-Communists think it was the latter.

Over 40 years, Gus Hall has seen a lot of comrades leave the party over various issues, but he has an explanation.

"There is such a thing as getting tired," he said. "Just getting tired of the struggle and, instead of having the courage to say that, you know, you find a kind of excuse. I think that's kind of a human thing."

Some old soldiers fight on. The party chairman, Henry Winston, blind and ailing, still manages to summon the party rhetoric that once stirred larger audiences. Winston lost his sight in federal prison when, he charged, the authorities refused to provide proper medical attention. The brain tumor was discovered too late.

"I'm not bitter, I'm not sore at anyone," the chairman said in his deep voice. "I'm bitter toward racism, I'm bitter toward fascism. I'm bitter toward any form of reaction that oppresses the working class. There's nothing personal in that."

EXTENSION OF COMMUNITY MENTAL HEALTH CENTERS ACT

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. HUDNUT. Mr. Speaker, today I am introducing a bill to extend, for 3 years, and to amend the Community Mental Health Centers Act. This is one of the most important and successful health programs in the country. It is federally funded now in about 500 communities in which approximately 35 percent of the Nation's population lives.

The bill I am introducing provides an important middle-ground position between those who call for virtually unlimited Federal spending for community mental health centers, and those who would end Federal financing of center startup costs. It provides for continued growth of community based care to serve the 1 person in 10 who will require treatment for mental illness during his or her lifetime.

In addition to extending the program for 3 years, this measure includes important changes which will strengthen the existing legislation. For example, it would encourage treatment in the community, rather than in a State mental hospital, by providing a screening service for potential State mental hospital patients and by requiring a program for the followup care of discharged State hospital patients.

It mandates continued Federal funding beyond the present 8-year limit for consultation services, which are important in the early detection of mental illness. In addition, it provides for a greater spread of Federal seed money to the two-thirds of the Nation's communities that have not yet received Federal matching funds by first, placing a per capita limit on the Federal dollars an existing center may receive, and second, discontinuing Federal center support after 8 years with the exception of consultation services. Furthermore, it would permit Federal funds to be spent for all center operational costs rather than just for professional and technical support.

As a former president of the Marion County Mental Health Association, I am very much aware of the great value of community mental health centers. By providing a variety of inpatient and outpatient services, along with consultation services to key individuals and groups, centers have greatly reduced the admissions to State mental hospitals from the communities they serve. The trend nationally in State mental hospital census has continued downward with a reduction for the year ending June 30, 1972 of 32,029 or 10 percent. In Indiana, the population of Central State Hospital has declined from 2,100 to about 850 since the advent of the initial community mental health center. There is no reason why the progress that has already been made cannot be duplicated throughout America.

Among the attributes of the community mental health center system are these: First, it encompasses within a single system all of the related services available to serve the population for which it is responsible. Second, there is a high degree of local responsibility. Controls and direction are provided by local volunteer boards. Third, the center program, which was to be imitated in each catchment or population area with the Federal funding on a diminishing basis has moved steadily toward ultimate support by State and local government and private sources. Only about 30 percent of the money invested annually in operating the community mental health center program now comes from local and State government; 20 percent comes from patient fees and forms of insurance. Fourth, the center system places major attention on the development of a preventive approach with better and more efficient utilization of limited professional manpower.

The current authorization for the community mental health services program will expire June 30, 1974. However, I am very hopeful that hearings can be completed early this fall on the legislation and that Congress can vote on the bill by the end of the calendar year, thus avoiding the pressure of last minute action. I would point out also that this program is not one which was developed and put together hastily in response to a crisis, but it evolved out of some 10 years of thoughtful deliberations with extensive community planning at State and local levels. The planning process was initiated during the Eisenhower administration and the program has had the continued support of each administration since then.

SUPPLYING OIL BECOMING AN INVOLVED JOB

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. SHRIVER. Mr. Speaker, Richard Boushka, president of Vickers Energy Corp., which headquarters in my congressional district in Wichita, Kans., has forcefully spoken out on the importance of education as one of the keys to solving the Nation's need for petroleum resources. He has pointed out the need to use all of the technical know-how available to find and produce more oil. Mr. Boushka's views are highly regarded by the industry and by those who are concerned about resolving the energy crisis.

Under the leave to extend my remarks in the Record, I include a recent article from the Colorado Springs, Colo., Gazette-Telegraph which discusses Mr. Boushka's views concerning the challenges facing the petroleum industry:

Supplying Oil Becoming an Involved Job

The petroleum industry's ability to meet national needs depends as much on education as natural resources.

"The United States is still the world's leading crude oil producing nation, but finding and refining that oil is becoming an increasingly sophisticated process," says Richard Bouska, president of Vicker Energy Corp., natural resources division of Esmark, Inc., a Chicago-based diversified international industrial complex.

Boushka was in Colorado Springs the past week for meetings of Vickers Energy's board of directors.

Esmark is a holding company whose three other divisions are: Swift and Company, food; Estech, Inc., chemicals and industrial products; and GSI, Inc., financial services.

"We have become a highly computerized industry, and this is where our educational needs are greatest," Boushka observes.

Computer scientists, usually with advanced degrees, are employed most heavily in the petroleum industry's research and development and staff departments. But Boushka contends that employes in all fields should be trained to use computers to help coordinate operations.

"The right hand must know what the left is doing at all times," he says.

"The days of the old roustabout are gone.

"The petroleum industry can't afford to waste natural gas on the old gushers you see in movies—and it certainly cannot waste time in getting products to consumers. These are areas where computers play a vital role."

Boushka notes that oil is becoming harder to find.

"We must use all the technical knowhow at our command and ability to find and produce more oil depends on it."

He points out that domestic consumption, including imports, is currently about 16.2 million barrels daily. By 1985, this is expected to increase by 50 per cent to 24 million barrels per day.

"Last year, U.S. crude oil production totaled about 9 million barrels per day," Boushka notes. "This must increase unless we want to become totally import-dependent.

"Through the finest education system in the world and the industry's new training programs, we will develop the highly trained minds that are essential in the development of all forms of energy for the U.S. consumer," Boushka concludes.

HOME RULE BILL

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. NELSEN. Mr. Speaker, I wish to insert at this point in the Record a letter prepared by the Wisconsin Avenue Corridor Committee—WACC. This organization takes strong exception to provisions in H.R. 9682, the "home rule" bill, as they relate to the National Capital Planning Commission, its organization and structure. This group represents approximately 40,000 residents of the District of Columbia and nearby Maryland, who are convinced "that the provisions of H.R. 9682 dealing with the planning and zoning matters work to the detriment of all concerned: City and Federal Government, and the citizens of the District of Columbia."

The letter is quoted below in its entirety.

September 12, 1973.

The Honorable Carl B. Albert,
Speaker, U.S. House of Representatives,
Washington, D.C.

Dear Congressman Albert: This month you and your colleagues in the House of Representatives will be considering H.R. 9682, a bill to reorganize the government of the District of Columbia and to provide a measure of self-government to its citizens.

The Wisconsin Avenue Corridor Committee (WACC) coordinates the planning and zoning policies of over 20 citizen organizations, with over 40,000 members, who reside in Northwest Washington and nearby Montgomery County, Maryland. WACC has been attempting throughout the period of the bill's genesis to have the planning and zoning aspects of the proposed reorganization developed in separate legislation and to have the sections 203, 423 & 492 of the present bill embody three principles: 1.) citizen involvement in the planning process from the very beginning; 2.) separation of long range planning from the direct control of a four year elected mayor; 3.) constructive interaction between federal and municipal planning bodies in the development of comprehensive plans for the District and the metropolitan area.

This effort began with the workshops on the Nelsen Commission Report held in the District Building on March 17 and April 28 (where, incidentally, in Workshop I the seven representatives of citizen associations were outnumbered 2 to 1 by District department employees and "special interest" groups) and continued with testimony presented by Mr. Peter Craig on behalf of the Committee of 100 on the Federal City, June 8, before the D.C. subcommittee on Government Operations chaired by Rep. Brock Adams, WACC continued to present the issues in a series of letters addressed to Rep. Charles Diggs, Rep. Adams and the other members of the D.C. Committee, dated June 12, June 24, July 9 and July 17. On July 12 Mr. Peter Hornbostel attempted on behalf of WACC's 40,000 citizens to present testimony to the full District Committee and was denied by Chairman Diggs. Mr. Hornbostel's statement was simply accepted for the record and is now part of the unpublished transcript of the Hearings on H.R. 9056 before the full District Committee.

The bill now before you, H.R. 9682, does not embody any of these principles. The present bill in section 423 states "the Mayor shall establish procedures for citizen involvement in the planning process". Mayor Washington testified before the D.C. Committee on July 12 that appearance by the citizens in the course of Zoning Commission hearings was adequate participation. We consider that this is inadequate and a gross abuse of the citizens since it forces them into a position of continuous opposition. It has been demonstrated in the work of the Citizens Advisory Board for Friendship Heights that the citizens are capable of making a positive contribution and that the resulting product is far superior to that produced by the bureaucracy working in splendid isolation. The remainder of this paragraph in section 423 calls for the Mayor to establish procedures for "appropriate meaningful consultation" with other state and federal agencies. It is not known what the Committee had in mind when they inserted this language, the Mayor has not given his interpretation, but we find it totally meaningless.

Secondly, we view the transfer of the municipal planning function to the direct and sole control of the Mayor as being inherently destructive of sound, responsive planning. On July 13, Mr. Hornbostel proposed to D.C. Committee members the creation of a D.C. Planning Commission as a substitute for section 423 of the bill. The pressures on the Mayor to maximize current tax revenues make rational long range planning a complete impossibility. This is demonstrated by recent Zoning Commission actions. One permits the high rise commercial density presently found only in downtown to be spotted anywhere in the city. The other, the proposed rezoning of the Georgetown Waterfront, is not only in gross violation of the present plan but was done at the very time the National Capital Planning Commission (NCPC) and the citizens of Georgetown are working together to develop a plan for the whole area.

Thirdly, we have seen that the system of relying on veto alone (see section 203) produces inaction, stalemate, and escalating costs through continual revisions of finished plans. We are certain that there is a better way and believe that a process can be developed whereby the planners can work together during the early stages of the process.

Finally, in section 492, the NCPC is left in a purely advisory capacity with no provision made for the resolution of those cases where NCPC recommendations are ignored by the Zoning Commission.

We realize that the entire question of planning and zoning and the issue of federal-municipal interaction in that process are both very complicated. One legislative assistant asked a WACC delegation, "If bad planning is good enough for the other large cities why isn't it good enough for D.C.?" Still another told us to be quiet as we could hurt "home rule." Because we find the language to be grievously deficient we can not remain silent. This bill is created to give us a measure of self-government. Many of us have worked long and hard toward this goal. We are convinced that the provisions of H.R. 9683 dealing with the planning and zoning matters work to the detriment of all concerned: city and federal governments, and the citizens of the District of Columbia.

We therefore request that you act to delete these sections, 203, 423 and 492 from H.R. 9682 and that the issues they represent be considered in separate legislation with the care and thoroughness they deserve.

Very sincerely yours,

JOHN P. BARRY,
Chairman WACC.

HOBOKEN, N.J., HOME IMPROVEMENT PROGRAM HAILED BY NATIONAL LEAGUE OF CITIES

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. DOMINICK V. DANIELS. Mr. Speaker, in the September 1973 edition of Nation's Cities, the publication of the National League of Cities, Ivan Silverman discusses a unique program of home improvement undertaken by the city of Hoboken, which is worthy of study by all Members of this House.

Hoboken is one of America's oldest cities. It has all the problems common to our crowded older municipalities. It would have been easy for Hoboken's city government to simply throw up its hands and say: "What's the use?" But the "Mile Square City" has had three mayors in a row, the late John J. Grogan, Louis DePascale, and now Steve Cappiello, who were made of sterner stuff. Despite the fact that these three men did not always agree on all issues they shared a common dream for their city. Each made his own contribution in which they were assisted by very dedicated elected and appointed public officials. Today Hobroken is a city on the way back from the abyss.

Mr. Speaker, in the article to which I have alluded, Mr. Silverman describes the city's highly successful home improvement project which has won Hoboken national acclaim. I am happy to have had a hand in obtaining Federal approval for this program. It is a good example of government, Federal, State, and local, working together with the individual homeowner. I hope all Members will read this article and see what we are doing in Hoboken.

The article follows:

THE CITY AS A MORTGAGE BROKER

(By Ivan Silverman)

Like many older urban areas, Hoboken, N.J. faced a housing problem of crisis proportions in the mid-Sixties. The city's antiquated building stock was in decline. Property taxes were on the rise. Abandonment was beginning to take its toll.

Recently things have changed for the better in Hoboken, a mile-square municipality on the western banks of the Hudson River opposite New York City. Within the past two years the community of 45,000 has begun to reverse the erosion of its living resources.

In no small measure, Hoboken's turnabout is traceable to its Municipal Home Improvement Project—a home-grown, anti-abandonment unit that has turned the city into a mortgage broker of last resort.

The new program, known locally as HIP, was established in 1971 by Hoboken's Model Cities agency, following an in-depth examination of the city's housing situation.

The core of Hoboken's housing problem, the agency's analysis revealed, lay in the virtual absence of bank financing essential for major housing renovation and repairs. A National Urban League study of housing abandonment in seven cities, conducted in 1970, arrived at similar conclusions about Hoboken's housing picture.

After interviewing local bankers and real estate brokers, Urban League analysts reported that "no conventional mortgage funds are available anywhere in Hoboken for the improvement of existing buildings." Building owners, in other words, had to deplete their savings accounts, or borrow from in-laws, if they wanted to improve their dwellings.

A second crucial point united the investigators. Hoboken has an extremely large number of resident landlords in buildings with one to four units. This on-site owner group could provide the backbone needed in a battle to save housing in Hoboken, Model Cities planners and Urban League analysts agreed.

In 1960, nearly two-thirds of Hoboken's residential structures had owners on the premises—just about the highest landlord live-in rate in the nation. By 1970 the rate had slipped to 60 per cent as many owners abandoned their homes. But it was still exceptionally high.

"The owner-occupancy rate began to curve down in the middle Sixties," Michael Ehrmann, HIP coordinator, says. "We wanted to curve it back up."

As the high, live-in landlord rate suggests, Hoboken has its share of stable neighborhoods—blocks where women polish brass door knobs on Saturday mornings while men sweep the pavement before their homes.

From the outset, HIP's objectives were clear. It had to fill Hoboken's financing vacuum by providing funds for major home renovation. And it had to aid the city's resident landlord population in the fight against abandonment.

From the start, HIP received crucial assistance from Hoboken's civic leaders and governing body. Mayor Steve Cappiello and his predecessor, Louis DePascale, provided backing needed to gain HIP broad support in the community.

To achieve these goals, Martin McCarthy, a New York-based lawyer and housing consultant to Model Cities, devised a deceptively simple plan. McCarthy suggested the use of a two-tier public sector-private sector financing system. Under this approach, building owners receive a "free" interest-reducing grant of money in combination with a conventional bank loan or mortgage.

To illustrate: On a $6,000 home repair job, the homeowner receives a $1,000 nonrepayable grant. When combined with a $5,000 bank loan, due in seven years at a 7 per cent interest rate, the effective borrowing cost is approximately 3 per cent.

To implement the McCarthy plan, Ehrmann and McCarthy examined several approaches. They considered raising money by selling bonds. They weighed the possibility of working with New Jersey's Mortgage Finance Agency (a unit that sells tax-exempt bonds and then loans the proceeds at low-cost rates to banks, which in turn offer low-cost mortgages). They also looked at the possibility of establishing a loan guarantee fund, as one way of encouraging banks to lend Hoboken homeowners money.

These ideas are still under review. They may be useful later, McCarthy believes. To start, however, HIP settled upon a streamlined plan. For private sector funds the project turned to bank monies available through existing federally-insured programs, among them Title I of the 1934 Housing Act and FHA-backed mortgages. For public sector grant funds, the project used money from Model Cities' $2-million annual supplemental budget.

HIP is essentially home-grown. Nonetheless, it does resemble in some important ways Section 312, the Federally Assisted Code Enforcement program (FACE). Like FACE, which is being phased out by the government, HIP focuses upon housing rehabilitation, rather than new construction. Both programs make 3 per cent loans available for major home renovation—although FACE doesn't use the grant/loan system. Both programs are linked by the notion that low-cost money should be available to correct code violations. Beyond this point, however, the paths diverge.

HIP was specially constructed to meet Hoboken's specific problems and to build upon, and preserve, the city's specific strengths. Thus the project limited the use of its grant funds to owner-occupants of Hoboken dwellings. This is not an extreme limitation since 2,400 of Hoboken's 4,100 residences have landlords on the site. (Larger buildings, without on-site owners, are being renovated through other programs, including HUD's Project Rehab.)

In addition, HIP decided against becoming simply another code enforcement project. Once a list of repair guidelines has been met, HIP monies can be used for any reasonable purpose. Code infractions, in other words, aren't a pre-requisite for HIP loans.

"We wanted to promote project amenities to make Hoboken's neighborhoods more attractive. We also wanted to avoid discriminating against owners who had been meeting code requirements," Martin McCarthy says.

After handling basics like plumbing, wiring, and heating, Hoboken homeowners have used HIP funds to remove plaster from walls and expose the brick beneath; to open up closed fireplaces; and to plant trees. One Hoboken resident used part of the low-cost money to erect a turn-of-the-century gas light outside her elegant turn-of-the-century home.

To make sure that tenants, as well as landlords, receive the benefits of HIP resources, the program requires owners to offer apartment dwellers a two-year lease; to accept a limited return on their property; and to sign a non-eviction agreement.

In conjunction with low-cost home repair money, HIP agreements have helped stabilize the rental market in Hoboken.

"With access to 3 per cent funds, homeowners aren't forced to jack up rents in order to meet remodeling costs," Martin McCarthy points out.

To get its program off the ground, HIP had to go outside Hoboken to develop new financial sources for local residents. Banks in Jersey City, a mortgage banking firm in Plainfield, and other capital sources were tapped. Recently, however, Hoboken banks have become active in making loans through the HIP program.

"After watching out-of-town banks doing business in Hoboken, the local bankers began getting back into the market," Michael Ehrmann says with a trace of irony.

To lower borrowing costs on the newly available capital, Model Cities initially used HUD supplemental funds as interest-reducing grants. In April 1973, after completing nearly 50 successful home repair jobs, HIP received a special $200,000 grant from New Jersey's Department of Community Affairs to expand its grant-loan program. The new funds represented a breakthrough for HIP—and something of a breakthrough for the department.

"In the past, we've concentrated upon funding large-scale Rehab projects, rather than working through individual homeowners," says Cynthia Jolson, program manager of the department's division of housing and urban renewal. "The Hoboken grant is a trial balloon. If it works there, we may well go statewide with the concept."

The Community Affairs grant, combined with about $1.25 million in "private" funds which it will generate, will provide low-cost loans for about 200 Hoboken homeowners this year. With these funds, and with this program, the city of Hoboken has, in effect, become a mortgage broker.

Although long-term results are not yet available, the program has already made its presence felt locally. At least in Hoboken, home repair fever seems to be contagious.

In the future, in light of the increased flexibility expected to be given to cities through bloc grant funding, HIP may be of more than local interest. Cities wishing to support housing development and to preserve their older neighborhoods, might consider developing their own home-grown public sector/private sector programs.

Officials from several New Jersey municipalities—including Newark, Asbury Park, and Elizabeth—have visited Hoboken recently to examine the HIP blueprint. And, lawmakers interested in housing and urban affairs have been in touch with Michael Ehrmann and Martin McCarthy. The legislators say that HIP's approach to home repair just might be the prototype for housing laws of the Seventies.

AMERICA NEEDS US TO VOICE OUR LOVE OF COUNTRY

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. NICHOLS. Mr. Speaker, while reading the Sunday, September 23, edition of the Birmingham News, I came across an article by Dr. Max Rafferty. In the article Dr. Rafferty takes to task those who seek to rundown, degrade, and through nefarious ways, imply that America is no longer a country of freedom, justice and humanity. Nothing could be further from the truth. America has repeatedly shown its care for those less fortunate and still remains the bastion among all nations for freedom which we all hold so dear.

I would like for each Member of Congress to read this column and would like to compliment Dr. Rafferty for his call of love to America:

RIGHT OUT LOUD—AMERICA NEEDS US TO VOICE OUR LOVE OF COUNTRY

(By Dr. Max Rafferty)

I know it's the duty of every educator to correct illogic, combat ignorance and strive valiantly against sheer stupidity wherever and whenever found. A teacher all my life, I've done my share of said correcting, combatting and striving, so I should be hardened and weathered to the task. Yet every now and then, examples of arrant asininity crop up to bedevil me, and I find myself losing my cool and even raising my voice.

Consider the case of one of my colleagues, a Rochester, N. Y., high school art teacher named Mrs. Susan Russo whose sullen silence during her classroom's Pledge of Allegiance was recently upheld by our stalwartly patriotic Supreme Court. Mrs. Russo, it seems, refuses to profess her loyalty to her country because she considers its assurance of liberty and justice for all to be hypocritical."

Similarly, Ohio Rep. Thomas Bell a few months back became the first legislator in that state's history to vote against a routine resolution to have the Buckeye State's House members pledge allegiance to the Flag on the first day of every session. This 24-year-old lawgiver says he's "opposed to making a mockery of my country's sacred documents by continually reciting a pledge that we continue to violate."

Of the two, I consider Ms. Russo's blatherings to be the more reprehensible, if only because one would expect a schoolteacher to have more sense than a state assemblyman, but there's actually not a groat's worth of difference between this precious pair. Granted that an American has the right to hate his country if he has a compelling urge to do so. Granted, too, that each of us sees identical facts in the light of our own experience and personality. Still and all, the iron laws of logic apply to all impartially.

The rationale behind this refusal to express respect for our country is that she isn't perfect. The pledge mentions "freedom and justice for all." We haven't yet achieved perfect freedom, says Mrs. Russo, so such a statement is hypocritical and she won't join her children in expressing loyalty to their common country.

Oh, come off it, Mrs. R. So we haven't attained perfect freedom yet. Your mother didn't give you perfect freedom, did she? But did that prevent you from loving her? And telling her so?

Since when does a goal have to be achieved in order to be pledged?

Then there's Rep. Bell.

To him, ideal justice is still somewhere in the dim future. Tell me, Mr. Bell, does your wife always treat you justly? And if, being human, she doesn't, are you therefore going to stop loving her? Or telling her of your love?

You're going to have a fine, rewarding marriage, my friend. Just as you're going to be a fine, rewarding citizen, I don't think.

Teachers should teach their pupils, and representatives should inform their electorate, that it is always good to seek after perfection. The very search for such a goal cannot but ennoble who take part in it. But they should also teach that to demand divine faultnessness as a prerequisite to love or to public expression of that love—whether of one's mother, one's wife or one's country—is to banish love effectively and completely from human affairs.

America is human, created by humans, populated by humans, not by gods. As such, she will fall humanly short of perfection from time to time. The Founding Fathers never pretended that they were putting into operation a system that guaranteed freedom, justice or anything else; all they did was to provide a permanent hunting license for each succeeding generation in the eternal quest for these elusive goodies.

But with all her faults—and what other country advertises its faults as compulsively and obsessively as do we?—America is still far and away the fairest and the freest of all the nations of the world. Watergate proved that for all mankind to see, with the stark and public retribution which followed inexorably in its sorry wake.

America needs our love, and she needs to hear about it from us, even as our own loved ones do.

What's wrong with telling her once in a while? Right out loud. (c)

RAILROAD RETIREMENT ACT

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. BROYHILL of Virginia. Mr. Speaker, the Railroad Retirement Act of 1937 includes a longstanding inequity which I hope to correct by today introducing an amendment to that act.

This amendment would provide that a retired worker, receiving annuities under the act, may elect to be subject to a system of deductions from his annuity on account of outside earnings instead of being subject to the prohibition against returning to the service of the railroad or of his last employer.

The Railroad Retirement Board administers the third largest public retirement program in our Nation, after the social security program and the public employees retirement plan. In the year 1972, 1,098,000 retired railway workers received $208,374,000 a month in benefits.

As we all know, this is a very important program which affects very directly the lives of millions of our citizens.

Since its establishment in 1937, the program has provided partial protection against loss of income resulting from old-age retirement, permanent disability, death, unemployment, and illness for the Nation's railroad workers and their families.

In addition, the Railroad Retirement Board participates in the administration of the new Federal health insurance program for older citizens.

Under the Railroad Retirement Act, benefits are paid to workers who retire on account of old age or disability, to their eligible wives, and to their surviving widows, children, and parents.

Under the related Railroad Unemployment Insurance Act, benefits are payable to unemployed or sick railroad workers. The health insurance program established by the Social Security Amendments of 1965 covers railroad retirement beneficiaries and aged railroad workers on the same basis as other qualified older citizens.

To be eligible for these benefits, a railroad employee must have at least 10 years of railroad service. Full retirement annuities are payable to employees aged 65 and over, and reduced annuities are payable before that age under certain conditions; in particular, disability annuities are payable before the age of 65 if certain requirements are met.

Wives of retired employees are eligible

for full annuities if they are aged 65 or over, reduced annuities begin at age 62 if the wife so chooses, or have children in their care. Monthly and lump-sum benefits are payable to survivors of deceased railroad workers under certain conditions.

For the past 36 years this railroad retirement and insurance program has been an important part of the lives of millions of our people and has brought increased security and happiness to them.

If this amendment is adopted, I believe the program will be substantially improved and a long-standing inequity corrected.

It seems very unfair to me to prohibit a man who has worked for a railroad all of his life and acquired considerable skills and experience to be denied the opportunity to continue to use those skills in the Nation's service should he so desire. Since the primary purpose of the act is to guard against loss of income after the age of 65 it would seem to me to be equally fair that some adjustment in the annuities to be paid to workers who choose to continue working for a railroad after the age of 65 be made. This is why I have included a provision that a system of deductions from his annuities related to his outside earnings be established.

I am convinced that this amendment will be welcomed by many railroad workers who believe that the present system is unfair to them and results in a loss of valuable skills to the Nation.

FAVORS PARK IN KANSAS

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. WINN. Mr. Speaker, it was in July of 1971 that I first introduced legislation to establish a Tallgrass Prairie National Park in Kansas. Although no action was taken on this bill during the 92d Congress, I have reintroduced the measure again this year.

To refresh the memory of my colleagues, let me say that this bill would authorize the Secretary of Interior to purchase and obtain interests in lands in Kansas which are necessary to preserve portions of the tallgrass prairie. This bill would involve no more than 60,000 acres of land in the Flint Hills of Kansas, and this constitutes less than one-third of 1 percent of the State's grassland.

Moreover, the legislation would create a research area within the park which would prove invaluable to scientists investigating the effects of grazing on our land or searching for new, robust varieties of grasses for cattle.

I realize, of course, that the ranchers in the Flint Hills love their land, and they take care of it. Nevertheless, however sincere their efforts, they have altered by their presence, the grassland ecosystem of flowers and wildlife which met the pioneers. It is this ecosystem which I would like to restore and preserve for future generations by withdrawing from productive use a small portion of this prairie.

While I recognize that buying up this land could create inconveniences for a few landowners, I believe there is a national interest here in not letting the prairie be lost forever. Already there is too little prairie which has not been damaged or destroyed by pipelines, power lines, roads, water impoundments, or other manmade intrusions. Past prairie park proposals in other States have become dead issues when the remaining prairie simply disappeared while the proposals were being considered. I do not want to see this tragedy repeated in Kansas.

I have received a great deal of mail on this subject—some in favor of the park, some against. At this time, I would like to share with my colleagues a letter written by a young man in my congressional district. His feelings on the necessity for presrving nature deserve serious consideration and attention.

The letter follows:

PRAIRIE VILLAGE, KANS.,
September 8, 1973.

DEAR CONGRESSMAN WINN: My name is Jack Hylton. I live in Prairie Village. I'm a boy scout in troop 91 age 11. I'm writing to tell you that I'm in favor of establishing the National Grassland Park in the Flint Hills of Kansas. I love nature all of wildlife is special to me. I think that putting in the park would be a very good idea. Nature I think is a place to feel like your troubles have all gone free just a free mind with nothing to think about. It's a place to open your eyes to see what God gave us. All man has done with nature is to destroy it pollute water and air and our land. They have not opened their eyes to see the world of nature. To me nature is more important than grazing land for cows. We saw a small herd of buffalo near Wamego Kansas. It would really be neat to go and see some that are in their own little pasture but with animals that they lived with before.

Sincerely,

JACK HYLTON.

SENATOR ERVIN AND THE WATERGATE COMMITTEE: A RESTORATION OF FAITH IN AMERICA

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Ms. ABZUG. Mr. Speaker, I recently read a thoughtful letter which I believe clearly states the conviction that the function of the Select Committee on Campaign Practices is vitally important to the democratic processes of our society. The text of the letter from Hans Steinitz, the editor of AUFBAU, a weekly newspaper published in my district, follows:

AN OPEN LETTER TO SENATOR SAM ERVIN

JULY 31, 1973.

Hon. SAM J. ERVIN,
Senator of North Carolina, Chairman, Senate Select Committee on Watergate, Senate Office Building, Washington, D.C.

DEAR SENATOR ERVIN: The purpose of this letter which I am taking the liberty of addressing to you at this time is to thank you, Senator, for having restored my faith in America. I am doing this not only in my own name but also on behalf of a large number of fellow Americans who feel as I do.

I am the editor of the weekly newspaper AUFBAU, published in New York City, which is the organ of the German speaking Jewish community whose members have immigrated to this country during the thirties and fourties as a result of the Hitler persecution in their native land, Germany, Austria, Czechoslovakia etc. Being the editor of their own community newspaper, I have been approached by many of them with expressions of admiration for you personally and for the work of your Committee. I, therefore, feel authorized to speak for them and to express their feelings as well as my own. To be sure, I have no formal mandate to do so, but many, I am confident, will wholeheartedly concur with me.

When we first came to this country, our hearts were filled with gratitude. We had succeeded in having escaped tyranny, persecution, thought-control, police states and totalitarian contempt for law and individual freedom. Upon arriving in New York harbor, we greeted the Statue of Liberty with tears in our eyes; we became American patriots over night and willingly and enthusiastically served in the American Armed Forces when called upon to do so in the years of national emergency.

However, as of late feelings of disappointment began to creep into our hearts. To be sure, most of us had acquired a satisfactory standard of living for ourselves and our families, permitting us to live in comfort and security, but the air we were breathing was no longer the air of the 1940ies. What had become—so we kept asking ourselves—of the land of the free, of the Home of the First Amendment? Have we really sworn allegiance to a country that is now being run by narrow-minded men without vision who were betraying our hopes and ideals? Do we have to be afraid to speak out loudly while the star-spangled banner is flying over our heads? Do we have to be afraid to cast our vote freely and are we still telling the truth when we say to our children that all is well in America as long as an elected President stands guard in the White House, preserving our laws and traditions?

Many of us were tormented by grave doubts and unanswered questions. But I am happy to say that at last our minds are at rest. Again, we are breathing easier, again we can walk around proudly. Thanks to some honest, courageous, upright and freedom-loving men, our faith in the United States and in all that this country stands for has been restored. Your wisdom and kindness, Senator, your righteousness and your unwavering devotion to the Constitution, your human understanding and respect for your fellow-citizens have restored our faith; and so have all the other Senators, within and without your Committee who feel as you do. So has Judge Sirica and his grand jury, so have some fifty or hundred newspapermen and radio commentators, and so have all the others who helped defeat the sinister attempts to reduce the United States to the stature of a police state.

I have not had the honor of meeting you in person, Senator, but let me repeat in writing with all the warmth and sincerity at my command that I am grateful to you for having given me back my pride of being an American. Please accept the vote of thanks of one who speaks for many and who in all humility wishes to express to you and your associates a boundless gratitude and admiration.

Sincerely yours,

HANS STEINITZ,
Editor of AUFBAU.

TRIBUTE TO SPENCER H. SMITH

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. McDADE. Mr. Speaker, just a few short weeks ago there was a ceremony at the Department of Interior to pay tribute to Mr. Spencer H. Smith, who was leaving his post of Director of the Bureau of Sport Fisheries and Wildlife. Mr. Smith was granted the Department of Interior's Meritorious Service Award by the Secretary. That award read as follows:

> In recognition of outstanding leadership and significant accomplishments in the field of natural resource conservation.
>
> Mr. Smith's career has been characterized by an extraordinary ability to manage programs and organizations and ingenuity in developing solutions to complex natural resource problems. As Assistant Regional Supervisor of River Basin Studies in Atlanta, Georgia, his effectiveness in negotiating water management and mitigation plans with the Corps of Engineers and local drainage districts commanded the respect of other Federal and State agencies and materially benefited the Bureau's resource management programs in the Southeast. Mr. Smith has capably served the Bureau and the Department as the first Assistant Regional Director—Operations in the Bureau's Atlanta Regional Office, and as Acting Assistant Director—Cooperative Services. He successfully developed criteria for the protection of Alaskan fish and wildlife in conjunction with a Secretarial task force charged with establishing guidelines for the development of Federal lands on the Arctic North Slope, and he has discharged numerous other critical assignments for high level Departmental officials in an outstanding manner. As Director of the Bureau of Sport Fisheries and Wildlife, Mr. Smith has infused new life and direction into the organization and has succeeded in improving the effectiveness of the Bureau's resource management programs by instigating a new system of management by objectives. Under his inspired direction, a new and functional organization has become a program budgeting scheme has been adopted reality. In recognition of an outstanding career in natural resource administration, Spencer H. Smith is granted the Department of the Interior's Meritorious Service Award.

I have known Spencer Smith in his work as Director, and I know few men as deserving as he for such an award for meritorious service. In fact, it was his fourth such award.

Spencer Smith is no bureaucrat; he is a man who gets things done. In every office he has held—aquatic biologist with the Bureau; chief of fisheries with the Mississippi Game and Fish Commission; Assistant Regional Supervisor of the Bureau's Atlanta Office; Assistant Regional Director of the Southeast Region; Assistant Director of Cooperative Services in the Bureau—his whole life has been summed up in action. He found the problems; he faced the problems; he solved the problems.

He had the talent to work with other departments of the Government when there was a crossing of jurisdictions, and he had the capacity to run his own department with the intelligence and clarity of vision we all hope to find in our leading civil servants.

I want to pay my own personal tribute to Spencer Smith as he leaves the directorship of the Bureau. I will miss him; I will miss his competence; and the whole Nation will miss the outstanding service he gave all of us in his work.

I do not have to wish Spencer luck in his new work. He does not need luck. To whatever job he will ever choose, he will always bring the same determination, the same talents, the same intelligence, and the job will be done better than any other person could have done it. He is a splendid man. He has served America well. We are indeed fortunate that he will continue to offer his wise consul to the Department of Interior and through it to the people of the United States.

POSTAL RATE INCREASE WAY OUT OF LINE

HON. RICHARD H. FULTON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. FULTON. Mr. Speaker, the recent announcement by the U.S. Postal Service that it intends to increase first-class postal rates by 2 cents and rates of other classes of mail by an average of 25 percent is a disgrace wrapped in a scandal.

The disgrace is that these proposed increases are inappropriately inflationary and come at a time when our Government is fighting to keep the Nation's head above very troubled economic waters.

It is a scandal because these increases are further evidence of the failure of the U.S. Postal Service to fulfill its mandated task of providing improved postal service and operating with improved cost efficiency.

Ironically, the Postal Service cites efficiencies employed by second-class patrons as one of its reasons for increasing second-class rates by 38 percent. In his appearance before the National Press Club on Monday, Postmaster General E. T. Klassen said the 38 percent increase in second-class rates is necessary because a number of publications have cut the weight and size of their publications to reduce their postage costs. This, in turn, has resulted in reduced postal revenues.

What is the poor second-class patron to do. If he tries to cut costs by reducing his use of the mails his efficiency is rewarded by financial loss.

If the Postal Service cannot reward efficiency and sacrifice any better than this I believe the Postal Service concept should be declared bankrupt and the Congress should restore it to its former departmental status.

However, the future of the Postal Service is another matter for consideration.

For the present I am going to urge, as others are doing, that the Cost of Living Council not only hold public hearings on this rate increase proposal but deny them.

The inability of the Postal Service to perform as it has been charged and has promised to do is no excuse for penalizing the postal patrons of America with unwarranted, inexcusable, and inflationary postal rate increases.

MILITARY PAY

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. BEARD. Mr. Speaker, on Sunday, the 16th of September, the Washington Post carried a front page story headlined "GI Earnings Rated Above Civilian Pay." The story was based upon a Library of Congress study done for the gentleman from Wisconsin (Mr. Aspin) who labeled the study's findings "a real jolt." I agree with that assessment, and I believe that our distinguished colleague from Wisconsin has highlighted the glaring disparity that continues to exist between military and civilian compensation.

Although the study itself notes that the civilian income figures are "rough estimates" the results still make clear the fact that military compensation trails that which is available in the civilian sector. The study report made available in full in the Record for September 19, 1973, discloses that the civilian sector figures were computed based upon "employee compensation per manhour" using a 40-hour week for a total of 2,080 paid hours per year. No comparable manhour comparison was made, used, or attempted by the study's authors for the military.

It is here that Mr. Aspin has performed a valuable service for all of us concerned with proper compensation for our military men and their families. Any of us who have served in our Armed Forces at any time in the past three decades or so know that overwhelming members of our servicemen routinely experience 50-, 60-, 70-hour weeks, sometimes for months on end.

I probably need not remind any of our colleagues, Mr. Speaker, that these are involuntary hours of overtime. The individual soldier, sailor, airman, or Marine, cannot strike over this issue as the employees of one of our larger automobile manufacturers just have. Perhaps Mr. Aspin would care to inquire further into the obvious element of inequity between the civilian and military sectors.

There is simply no provision in the pay schedules of our Armed Forces to compensate our military men for anything over the 40-hour week upon which civilian pay per manhour of work is based. In striking contrast every hour over the basic 40-hours work week is fully compensated in the civilian sector usually at a higher rate than that used for the regular 40-hour work week.

I would urge our colleague from Wisconsin to continue and enlarge his study of military versus civilian compensation. If our goal is reasonable comparability, this first "rough" effort strongly suggests how much remains to be done in this area so vital in an all volunteer era. One additional area of military compensation which could bear much more study than it has received is some way to compensate military families for the long months of separation military service so routinely requires.

Mr. Aspin's effort is a good beginning. It should be pursued further, particularly at a time when we are all watching with growing concern the obvious faltering of the all volunteer experiment.

HARLEM PREP

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. RANGEL. Mr. Speaker, as we enter a new school term with schools opening throughout the country, a tragedy occurred in Harlem. Harlem Prep one of our primary hopes for a viable alternative to the public schools which have so badly failed our community was not able to accept students for the new term.

Harlem Prep, perpetually in financial crisis since its beginning, had finally come to the end of its road. Despite many efforts from all segments of the community, including efforts by the Harlem Prep students themselves to keep this vital community institution alive, we were not able to raise enough money and also unable to convince the foundations and corporations who had aided Harlem Prep in the past to continue their support. There is a possibility that Harlem Prep, through associating with the New York City Board of Education, will be able to obtain sufficient funding to remain open.

Association with the board of education however, although it means renewed life for the Prep, means also new restrictions and a basic change in the educational philosophy and concepts which have proven so successful in turning kids who has rejected education into college-bound highly motivated students. The current issue of Time magazine has an article on Harlem Prep's record, its current situation, and future prospects.

I place this in the Record for the information of my colleagues in the hope that many of you will become interested in the continued existence of Harlem Prep as a free and independent entity in the Harlem community.

Vale, Harlem Prep

It was opening day last week at the rehabilitated supermarket known as Harlem Prep, and some 400 would-be students gathered in the auditorium beneath a large sign bearing their African motto: *Moja Logo* (brotherhood, unity). Headmaster Edward F. Carpenter greeted them with a somber announcement—they had come for nothing, no new students would be accepted. "We thought we were producing here, and we thought we would be rewarded," said Carpenter. "But we have no money. We can't take you."

So ended, apparently, one of the nation's most enterprising experiments in private schooling for the dropouts of the ghetto. Harlem Prep was born in 1967 out of a mixture of inner-city violence, white guilt and black hope. At a time when 65% of New York's black and Puerto Rican students were dropping out before finishing high school, not even the vast promises of Lyndon Johnson's Great Society legislation seemed to be providing enough immediate help. So Eugene Callender, a Harlem minister and local executive director of the Urban League, recruited a white college dropout and three nuns and opened his school in a vacant armory. Within a year, aided by $350,000 given to the Urban League by six corporations and foundations (which later grow to some 50), Callender had organized 49 students into Harlem's own tuition-free Exeter, complete with blue blazers.

Those were symbols, but the whole idea of Harlem Prep was to alter the basic prospects of ghetto dropouts. Instead of routine vocational courses, half-heartedly taught, Harlem Prep stressed college-level math and English, economics and biology. It did not grant a diploma until a student had been accepted into college.

"We'll help anyone as long as he's not an addict," said Callender's successor, Edward Carpenter, 43, a veteran math teacher. He alternately cajoled, encouraged and threatened his pupils. "Nobody hears the word dropout or delinquent around here," he told them, "but this is a workshop, not a picture gallery. If you don't want to work, don't come."

At the same time, the rules were flexible, the discipline light. "People didn't force you to do anything," recalls Jacqueline Williams, 20, who came to Harlem Prep last year when she was "discharged" from her public school, because, she explains, "I talked back to teachers. Here you don't get suspended if you don't work, but somehow, when it's up to you, you feel a real push to learn and get on." According to Math Teacher Erskine Keary: "We don't give our kids just one chance. We give them three and four—as many as they need."

In six years, 637 of the 1,100 students who attended Harlem Prep went on to college, some to Harvard, Radcliffe, Vassar, Brown, and the University of California. But in those same years, the anxiety over ghetto upheavals has also decreased, and so has the concern of private donors. About half of Harlem Prep's supporters have turned to other programs. Says Exxon's Spokesman Richard F. Neblett: "Most corporations structure their grants to demonstrate innovation. They can't fund an independent program ad infinitum."

SENSITIVE SPIRIT

After the announcement that the school could take no new applicants, students set out with tin cans to seek donations from the neighborhood. It was a futile gesture (previous drives have raised merely 5% of the school's expenses). The only solution, apparently, lies in the public school system to which Harlem Prep was supposed to provide an alternative. The school board has agreed to take over the school—provided that it obeys the rules. Meanwhile, unpaid teachers are continuing classes for the 180 seniors who hope to graduate this year.

If Harlem Prep survives, after negotiations with the board, there will undoubtedly be changes. Only three of the school's 19 teachers have New York City certification, for example. Carpenter himself lacks the administrative credentials required for principals. If the standard public school rules are applied to Harlem Prep, security guards will patrol the halls, absent students will be considered delinquent, and anyone over 21 can be barred (Harlem Prep has taken students as old as 28). While board spokesmen have said that they are sensitive to the spirit of Harlem Prep, one official has already suggested that it might be moved from the brightly lit supermarket to a drab, vacant public school nearby.

To some, these changes seem hardly tragic. If the city guarantees the basic financing, some former donors like Exxon and the Ford Foundation indicate that they would again provide special help. Says Exxon's Neblett: "It is important that alternative techniques of education be part of the public schools. The system should adapt and incorporate change." Others are less sanguine. "All you need to do is to look at the problem in other schools to know what's going to happen here," says Math Teacher Keary. "The public schools just don't work for these kids."

THE TRAUMA IN SEXUAL ABUSE OF CHILDREN

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. FRASER. Mr. Speaker, I am encouraged that the social problem of child abuse is receiving public attention. The Senate has passed S. 1191. The House Education and Labor Select Subcommittee on Education has scheduled hearings on this bill and related legislation on October 1 and 5. The District of Columbia Subcommittee on Labor, Social Services, and the International Community is also examining possible legislative responses to this problem.

Monday, September 24, 1973, the Washington Post published Judy Luce Mann's article, "The Trauma in Sexual Abuse of Children." Ms. Mann has thoughtfully explored an aspect of child abuse that is sometimes overlooked. Ms. Mann's piece is a useful starting place for those of us concerned about the abuse of children and the health of the American family.

The article follows:

The Trauma in Sexual Abuse of Children

(By Judy Luce Mann)

Sherry's mother was a prostitute, but in late December she was in the women's house of detention, unable to post $10,000 bond on a robbery charge. She left Sherry, who was then 4½, in the care of a boy friend and his brother and asked another friend, a cab driver, to check on the girl to make sure she was all right.

Shortly after 5 p.m. last Jan. 4, 10 days after the mother's arrest, the cab driver stopped by the hotel where Sherry was staying. He found her on a bed, whimpering with pain. She had been burned, beaten and raped.

Sherry became one of the 257 children who were victims of reported sex crimes in D.C. during the first eight months of this year, according to police sex squad statistics. There were 242 sex crimes against children under 16 reported to police during the first eight months of 1972.

But police, prosecutors and psychiatrists who deal with the children and the molesters say there are no reliable data available on the extent of the problem. And what data are available do not detail who the child molesters were or where the incidents occurred.

Cases reported vary from on-going incest to single, vicious attacks. Authorities say cases such as Sherry's, which require medical attention, are more likely than others to be reported. Most victims tend to be too frightened or ashamed to tell an adult if they are molested.

"Sexual molestation of children is a lot more common than we believe," said Dr. Harold Eist, director of the D.C. Institute of Mental Hygiene. "A lot more common than we would like to believe."

The cab driver took Sherry (not her real name) to Children's Hospital. Annette Heiser, the doctor who treated her, said there were bruises on the child's thighs, legs, buttocks, and face. "She had a hemorrhage in one eye and was bleeding from the vaginal area. There were scratches on her abdomen and arms. Both palms had blisters on them that appeared to be cigarette burns," said Dr. Heiser.

Sherry's mother, brought from the women's house of detention to the hospital, was visibly upset by what had happened. She asked her daughter who had attacked her, but all Sherry would say was, "A man. A man." Sex squad detectives showed her pictures of her mother's boy friend and his brother and asked which one had done it. She identified both. Then she pointed to a doctor in the room and identified him as her attacker.

No one has ever been indicted in the attack. The U.S. attorney's office took the case to a grand jury, which heard testimony from the mother, the two brothers and another prostitute who lived with one of the brothers. Each brother denied his own guilt and said the other brother did it. Prosecutors who handled the case say they had no credible witnesses.

Sherry's case, while atypically violent, illustrates many of the dimensions present in the sexual abuse of children. Prosecutors, psychiatrists, police and medical doctors familiar with the problem say:

Such cases usually go unreported, especially if they occur in the home. The children are silent through fear, shame or the notion that no one will believe them.

The child is the only witness and is often either too young to describe what happened or too afraid to be a reliable witness.

Indictments are difficult to obtain because of insufficient evidence, but once an indictment is returned the defendant is usually found guilty.

Generally, the victims are girls rather than boys, and their assailants are either their fathers, stepfathers, mother's paramour, or a young male relative.

Physical abuse such as beating often accompanies sexual abuse, especially when the child resists.

The child usually is damaged psychologically, but the extent of the damage depends on the brutality of the assault or the extent of time that the abuse went on.

Nan Huhn, an assistant D.C. corporation counsel who specializes in child abuse and neglect cases, has been meeting with representatives of the police sex and youth squad to tighten precedures for handling such cases and to guarantee greater protection to the children.

The sex squad, she said, will now routinely inform the youth division about a sex case involving a child. The youth division is empowered to investigate the home situation and recommend removal of the child to the court. If the father or stepfather is the suspect and if he is released on bail back into the home the child will no longer be in the home to be threatened.

Mrs. Huhn views this cooperation as symptomatic of an increased awareness among public officials that sexual abuse of children is more widespread than statistics show and that it is distinct in some respects from child battering or sexual assault on an adult.

"One thing that's bad, though, is we don't keep data," she said.

"Usually, how we get these (cases) has been when the older sister who has been abused by the lover, father or stepfather comes to the police because a younger sister is being threatened. The older sister got out; she is no longer afraid; she is tremendously sympathetic to what's happening to her younger sister. This abuse usually goes on three or four years.

"Then there is the single girl situation—one girl in the family, or one who is much older than the other children. The man has assaulted her. Many times, the girls say they've told their mothers and many times the mothers ignore it or won't believe it. The girl puts up with it. Then, something happens. The girl may attempt suicide, which happened in one case, although it was not a very serious attempt. Or she may run away from home."

Mrs. Huhn told of a 13-year-old girl who had relations with her natural father "over a period of time, until she couldn't take it anymore." The child ran away to a neighbor's house but the neighbor said she would have to notify the girl's parents as to her whereabouts. The girl broke down and told the neighbor why she didn't want to go home. The neighbor called the police.

"The girl told me she had never had relations with anyone but her father. Subsequently, she got promiscuous. It was just a reaction to the fact that her father told her not to mess around with boys, then he did this to her, therefore he couldn't be telling the truth."

"These kids seem not to know who to turn to. One thing that's consistent throughout: the kids are afraid. Physical abuse," said Mrs. Huhn, "goes hand in hand with sexual abuse. In many cases, the girls are beaten when they resist. The fathers say they are teaching them the facts of life.

"A lot of the kids feel no one will believe them, and a lot of people don't. A lot of mothers can't accept it. It forces them to choose between the child whom they care for and the man whom they care for. Also a lot of children are afraid the father will find out they've told and usually there are threats not to tell. That and the fact they fear no one will believe them are the two biggest reasons these kids don't come forth. And the longer it goes on the harder it is for them emotionally."

The children's reactions vary, Mrs. Huhn said. "Some of the younger ones are calm because they really don't understand what's happened. Some of the older girls are very nonchalant. Some kids come in here and go hysterical.

"The youngest case I ever took to trial was a 6-year-old girl who had been raped. She knew something was wrong. She could be very specific right up to the sexual encounter and right afterwards, but she couldn't discuss the encounter. She would start crying. All of them—both the boys and the girls—all seem embarrassed. Like they're the ciminals. Fear and shame are the two feelings they all seem to have."

W. R. King, chief of the grand jury section of the U.S attorney's office, said cases involving sexual abuse of children are among the hardest to prosecute. "The difficulty with sexual abuse is that most are of a fondling nature that don't leave any physical evidence. In child beatings you have scars, which is not the case in indecent liberties.

"The wife is also often the only corroborating witness. She refuses to testify (against her husband), which she can do. These things are weird. They come out of drinking, jealousies between members of a family. You're all right if you've got a child (who is) 10, 11 or older. Then you can communicate with the child. But what if the child is under 10? It's very difficult to use him as a witness," King said.

He said a prosecutor must also consider the damage done to a child who is forced to take the stand. "Is it worth it?" he asked.

King said the "overwhelming majority" of the cases involve "male defendants and female victims, and occasionally an adult male and male child."

They are prosecuted under several laws, including rape, sodomy, indecent liberties with a minor or enticing a minor to a place for the purpose of taking indecent liberties. He estimated that grand juries return "two or three" indictments a month in child abuse cases and "two or three or four" a month in sexual abuse cases. "Not a lot, as you can see," he said.

"Most of them end up in convictions. But that doesn't include all the ones that washed out along the way."

Sexual abuse of children, like child battering, is a crime that crosses economic barriers and the molesters were often victims themselves. The molester can be the senile grandfather, the alcoholic or drug-addicted father or stepfather, a half-brother, a close family friend, the trusted baby-sitter, according to psychiatrists.

Dr. Belinda Straight, a psychiatrist at Children's Hospital, has treated children and adults who were victims as children and said the lack of disclosure applies "even when there is a good parent-child relationship. The child tends to think it's their fault or that they've done something bad. They may also be threatened if they tell anyone."

"I've seen patients from all walks of life—State Department children who have been overseas and in the care of a non-English speaking caretaker where it happened over a period of time without the knowledge of the parents. It happens to middle-class children and children on welfare.

"It can happen anywhere. It can happen from a stranger but more often from the family or family friends," she said. "Obviously, if there is violence, anger or threats involved, it's more freightening. If it's an adult who may be arraigned and the child picks up the fear of the adult, the aggressiveness, the whole experience can be overwhelming and result in severe anxiety.

"The repercussions may be delayed. The child may experience shock and numbness and go about play. Then the depression may set in and last for years and years." She, and other psychiatrists interviewed said such people will often show up in their offices as adults suffering from impotence or frigidity.

"With one girl," Dr. Straight said, "A family neighbor would take her off, give her an ice cream cone and molest her. She felt it would be very unkind to tell on him after he gave her the ice cream cone. Five years later someone exposed himself and she went into a severe anxiety state."

Dr. Straight told of another child who was suddenly and mysteriously paralyzed from the waist down. Six months before she had ridden her bike to a playground and been molested. The child, in thinking about going back to the same place, developed paralysis and wasn't able to ride her bike back."

"Some people who experience this kind of stress situation often have the compulsion to repeat it, even though the experience was frightening," Dr. Straight said.

"Some of the children who've been traumatized this way can become very seductive. They can get others' into trouble. They begin to act out the experience and become very anxious in the process. It can happen as frequently with boys with a homosexual seduction."

Dr. Straight said that if there is a substantial age difference between the molester and his victim, "it can be very disorganizing. The child can't put his mind on learning and becomes prematurely serious. He is caught between two worlds—an adult world and a child's world—at a very young age. Some of the victims equate sexuality with violence, extreme secretiveness or fear.

"One of the biggest complaints that I hear from adults molested as children or from children is, 'My mother didn't believe it, or didn't do anything about it, or changed the subject.' "

She told of one Foreign Service family with a 50-year-old caretaker who molested the family's 6-year-old daughter. The parents found out what had happened but did not fire the caretaker. "It's a clear message to the child that the child won't be protected," she said.

Dr. Eist said that when the molester is the father, stepfather or boyfriend, "there is often collusion between the mother and the man doing the molesting. The mother, who has the sex hangup, relinquishes her responsibility to the daughter.

"Very often the fathers involved in sexual relations with their daughters are drug abusers or alcoholics. They have a poor relationship with their wife and the wife has a poor relationship with her children.

"The major reason these women keep these men around is that they can't tolerate the dependency demands of the children. They (the mothers) keep him around as a disciplinarian, as a buffer. These parents are very immature people. They turn to their children for their dependency needs, which are often sexual," Dr. Eist said.

Dr. Eist estimated he has treated 100 children who have been sexually abused in the past seven years. "I have not personally seen any child who's been sexually molested or involved in incest who's not been damaged in some degree."

Some of them ultimately turn into child molesters themselves, according to Dr. David Lanham, director of the District's forensic psychiatry office.

"In the history of some of these individuals, you'll find sometimes they have been victims themselves. It is similar to the battered child, but most people have come to believe there is something wrong with people who batter their children," he said.

"Sex offenders cover a whole range and spectrum of humanity," he said. "They range from the mentally retarded, the (person who has) organic brain disease, the psychotic, to the geriatric. Some are under the influence of alcohol and drugs. Just as all human beings are potential murderers, all human beings are potential sex offenders. Obviously, some have the potential closer to the surface.

"There has existed for many years, a category of sexual psychopath. This is what most people think of when they think of the sexual abuser of children.

"Sexual psychopaths are not psychotic, not brain damaged. They are what people generally equate with sexual deviates. He may present himself as a very likeable human being. He may be fairly intelligent, personable, relate well. He may also be a tortured human being, contrary to the portrait painted of them as cold, unfeeling monsters without guilt. That's not necessarily true. The person may be very tortured, guilt-ridden person who wrestles with these impulses, knows that they are wrong, but is pushed by these irresistible impulses.

"A lot of the people we see are extremely dangerous, potential murderers. But not all are. There are sex offenders who are very little likely to be violent with their victims. Some have a more sadistic core."

The child molester, he said, "can become dangerous when he gets scared of being found out and murders the child. These offenses occur in critical times in the individual's life, such as death in the family, separation, severe loss. Anything that will cause depression in another person, may cause him to act it out," by molesting a child.

The molester, Dr. Lanham said, "has poor self concept, immaturity, trouble dealing with adult relationships. He doesn't feel competent to approach a mature woman for sex. He fears rejection, so he goes to a situation where he has more control. Deep down these people think of themselves as children. Sometimes when you talk to these people they talk as if they were the victims and the child the aggressor. They feel like they've been seduced by the child."

Sexual abusers of children, he said, often come from "mixed-up families. Some tend to be very isolated individuals, schizoids with big disturbances in relationships all around them."

He and other psychiatrists and prosecutors interviewed knew of few cases in which women were accused of sexual offenses against children. "I suppose they are much less often reported as sexual offenders, probably because there is less aggression involved," Dr. Lanham said. "We occasionally have an alcoholic woman who is charged with seducing boys but that's very rare. There are aggressive homosexual women. These generally do not get reported, but when you talk to women in therapy you find it's happened to them, say, in boarding school."

Both Dr. Lanham and Dr. Eist said the child molester may find himself impotent with adult women and possibly with the child.

"I do know that many of the molesters who are impotent become so enraged at their own impotence that they blame the child," Dr. Eist said. "Then they react violently against the child."

Probably no one will ever know what triggered the violent attack against Sherry. The child remained at Children's Hospital for a month and became aggressive and disruptive, presenting a severe behavioral problem on the ward. Doctors and social workers who treated her had difficulty understanding her speech. They said her articulation was poor although she appeared to be a bright child. They found old, healed scars on her body—an indication that this was not the first time she had been beaten.

Sherry was placed in the custody of the department of human resources and moved to St. Ann's Infant Home in Hyattsville. There, under the care of nuns her speech improved, although she remained an anxious, frightened child. She would sometimes say her mother was dead. Her mother visited her twice a month, always arriving late and always bringing a gift of candy.

On Sunday, Sept. 9, during visiting hours Sherry was kidnapped from St. Ann's by her mother. She has not been found.

ST. MARY'S CHURCH CELEBRATES CENTENNIAL

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. BYRON. Mr. Speaker, this past Sunday, St. Mary's Episcopal Church in Woodlawn celebrated the 100th anniversary of its founding and its first worship service which was held on September 25, 1873.

I was honored to be among those at the commemoration events which expressed the continuing life in the community for these past 100 years. These events included the Annual Visitation by the Rt. Rev. David K. Leighton, Jr., Bishop of Maryland; a parade through the community; and an old fashion fair including arts and craft displays of yesteryear.

I know you join with me in extending our best to Rev. William H. Fallowfield and to all the clergy and laypeople who have served and been served by the parish over the past decades.

THE MILITARY MAW—PART V

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mrs. SCHROEDER. Mr. Speaker, more and more is being said lately about Congress' role in reviewing defense requests. An important question, not often asked, is how and by whom the military budget is developed and reviewed within the executive branch.

We seem to assume that the executive process which spawns the budget is rigorous; that policies are sharply debated; options carefully scrutinized; and technological judgments fully tested. More to the point, we act as if there has already been some measure of informed civilian involvement, whether by the Office of the Secretary of Defense or the Office of the President.

In recent testimony prepared for the Senate Armed Services Committee, Richard L. Garwin punctures this illusion. With the forced demise of the President's Science Advisory Committee, he suggests there remains within the executive no independent civilian vehicle to check the technical judgments of the military. This vacuum has broad implications in defining the job we must do in Congress.

Mr. Garwin, a former and distinguished member of PSAC, also explores with a good deal of insight the nature of defense management generally. Relevant extracts from his excellent testimony follows:

Testimony by Richard L. Garwin

INTRODUCTION

It is a pleasure for me to be able to respond to the Committee's request for comment on the Defense Department budget proposal for FY–1974. On defense-related matters I testified to committees of the Congress in 1972 in support of the SALT Agreements signed by President Nixon, May 26, 1972, and also in support of increased emphasis on Defense Exploratory Development.

BACKGROUND

A brief biography is attached. As a physicist and technical manager, I have worked for twenty years in industry both on basic research, and very broadly on modern technology. I have been Director of Applied Research in the IBM Research Division. For more than twenty years I have worked for one or two months a year or more as a consultant to the United States government or to its contractors on matters of national defense or intelligence, where I have made major technical and programmatic contributions to the design of nuclear weapons, to ABM and air-defense systems, to military aircraft and antisubmarine warfare, to the interpretation of intelligence, etc. My greatest opportunities for constructive interaction with the Department of Defense extended throughout my two four-year terms as a member of the President's Science Advisory Committee from 1962–1965 and 1969–1972. During that time and afterwards, I was a member or chairman of such panels as the Strategic Military Panel, Military Aircraft Panel, Antisubmarine Warfare Panel, Naval Warfare Panel, and of several *ad hoc* panels dealing with defense problems or opportunities.

The President's Science Advisory Committee and its panels over the years 1957 to 1972 gave a majority of its efforts to the enhancement of national security. It did this in two quite different ways:

1. It assumed a responsibility on behalf of the President to interact continuously with the Department of Defense on technical matters in order to ensure the soundness of the technical approach to the development of new systems and to ensure also that new developments and weapons improvements took advantage of technical opportunities as they became available.

2. The committee assumed for the President the job of assessing technical aspects of U.S. and allied military capability against likely opponents.

It is in this dual role of aiding and assessing military R. & D. on the one hand and assessing military capability on the other that I have spent much of the last fifteen years. The Office of Science and Technology was abolished by President Nixon in a statement of January 26, 1973, and the President's Science Advisory Committee also seems dead. The committee was created in 1957 by President Eisenhower to help him in matters of national security. With the demise of PSAC, the Administration lacks independent technical judgment on military matters. I think it is not generally appreciated the extent to which the Defense Department through 1972 was involved with and to some extent dependent upon the independent evaluations of PSAC. Nor is there a general awareness of the extent to which former and present DOD managers express the need for restoration of a PSAC-like activity in the White House.

In addition to my long involvement in defense matters on behalf of the President's Science Advisory Committee, I have served on the Defense Science Board in the Department of Defense itself, for instance chairing a task force on advanced tactical fighter aircraft which prepared a report for Secretaries Laird and Packard in 1969.

THE NATURE OF DEFENSE MANAGEMENT

The most important questions in defense management are not whether some new weapon system can be built and at what cost. They are rather whether it is worthwhile to buy a certain novel capability which will become effective five or ten years hence, in view of the possible military threats and the technological alternatives on the two sides. Frequently, vast increases in military capability may be obtained by modest modifications of existing systems, while new aircraft or ships in fact offer only mild improvements. In air attack on ground targets, for instance, major improvements of the last decade have come from the incorporation into existing aircraft of LORAN precision navigation systems on the one hand and the use of the laser-guided bomb on the other. However, like any bureaucracy, the Pentagon tends to deny its managers a valid assessment of the options. Even more does it deny such a view to the Office of Management and Budget (OMB), the President, and the Congress. To quote an old friend of mine: "The purpose of a military briefing is not to convey information but to fill time." So long as it remains easier and more productive for the Defense Department to fill the time of the committee than for DOD to volunteer adequate information on its proposed programs and on the *alternatives* to these programs, that is what will happen. Responsible decisions on the major questions of manpower costs, weapon system procurements, phasing down of existing operations, etc., do depend on a presentation of the alternatives, and the same information which is used by the DOD in its decision-making ought in most cases to be available to this Committee. In no sense would this involve the Committee in day-to-day management, but it would enable the Committee to exercise its authority more effectively and responsibly.

I support many of the current programs and recent changes in DOD. For instance, the elimination of the draft has increased the cost of manpower to DOD through the removal of an imputed tax on those who were serving involuntarily. Faced with the real cost of manpower, the Defense Department can now make a better choice of weapon systems in order to obtain minimum cost for a given capability. Passage of the Uniformed Services Special Pay Act would give the Department the necessary tools to do this job.

Among the greatest interactions among weapon systems and programs was the *negative* capability contributed by a system with enormous cost overrun. It froze out other systems. It reduced the numbers of aircraft bought perhaps by a factor 2 or 3 or 4 in order to keep the total program cost within bounds, and in many cases provided *no* net increase in military capability. Thus, "design to a cost" (if it is more than a slogan) can be a significant improvement in the management of defense resources, as can the application of technology "to reduce costs as well as to increase performance."

WHO CRUCIFIED RESPECT?

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. HUNT. Mr. Speaker, the enclosed verse, written by A. J. Dennen, was printed in the most recent issue of Liberty magazine. Entitled "A World Calls," it asks questions many of us have been raising for quite some time. I bring it to the attention of my colleagues:

A WORLD CALLS

Who crucified respect?
Who slashed the image of the badge?
Was it an unsuspecting public? shysters? politics? criminals? police themselves? the press? novelists? TV? you? me?
Who discovered the intellectual weapon to accomplish what all brute force could not—subtle violence to mankind: ridicule planned?
Was it evil's crafty concept to slay the noble with mud?
What happened to the dream of children long ago
who wanted to wear the badge of bravery,
to fight for right in the blue of contemporary life:
good and wise and true, seeking evil to destroy it,
establishing order, making the world a place to live in?
What happened?
Did infection just slither into the blood stream?
Wouldn't SOMEman - in - the - world have stopped THAT?
Who changed "police" to "fuzz"? "officer" to "pig"?
Who hid the good, wise, true? spotlighted the stupid, coarse, brutal?
Was it greed? prejudice? apathy? ignorance? lust? ambition?
Who made him the butt of jokes, dupe of spies,
fool for seduction and masterminds?
Who nightmared the beautiful?
Aimed the machine-gun at the life line of order?
Who? What? When? Why?
Will ANYMAN . . . can Anyman . . . restore . . . rebuild . . . start over . . .?
Anyman?

A. J. Dennen

HAPPY BIRTHDAY METROPOLITAN TRANSIT COMMISSION

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. FRENZEL. Mr. Speaker, September 19 represents the third anniversary of public ownership of our bus system in the Minneapolis/St. Paul area and it is indeed a cause for celebration and some well-deserved pats on the back. Our transit agency in the past 3 years has managed to do what few other communities can claim, they have stopped the decline of transit ridership and can point instead to a 16 percent increase in patronage.

In the process, the MTC has nearly doubled its route network and is well along in its efforts to acquire modern equipment. To their credit, the agency has not been afraid to try new approaches including minibus service and free rides for senior citizens in off-peak hours. Probably most important for the long-range success of mass transit in our area, they are beginning to change the image of public transit in the Twin Cities. Prior to public ownership, the stoogey system was considered to provide a highly unreliable service. It was an open invitation to take the car. Only the so-called captive riders who had no other options were left to indure the progressively deteriorating service. Today because of the improved service and imaginative marketing, the public attitude is changing and the ridership figures speak for themselves.

Nobody, least of all the MTC, believes that we have won the battle. The mass transit system still carries a miserably small proportion of total trips and the area is embroiled in a controversy now over the direction of future transit development. The recent success of the revitalized bus system have only wetted our appetite. Whatever the decision on long-range transit development, the new bus system is providing a solid foundation upon which to build. Other cities across the conutry would do well to take a closer look at the transit success story in the twin cities. An article describing our expanded bus service follows:

PUBLIC OWNERSHIP: 3 YEARS LATER

The fabled words of the carnival barker sum up bus riding in the Twin Cities in the late 1960's: "Ya pays your money, and ya takes your chances."

Some aspects of the art of riding the bus in that era were uncertain to the point of a coin toss. Would it be within a few minutes of its appointed arrival time? Would it reach its intended destination, without incident? Would the heater be working?

Other aspects were depressingly certain. The bus would have seen no fewer than six years of service, and maybe three times that. Fewer and fewer locations would have bus service. The fare would be higher next year.

In the late 1960's the bus system was owned and operated by Twin City Lines, a subsidiary of Minnesota Enterprises, Inc. Twin City Lines, like any other private corporation, had to show its stockholders a profit. And black ink alone was not enough; the profit had to be commensurate with the return an investor might expect if he took his capital elsewhere.

Consistently delivering such a profit was uniquely difficult in the bus business in the affluent, auto-conscious '50's and '60's. More cars meant more urban sprawl, which meant any bus route would generate less revenue for any given mile. Yet operating over that mile was becoming more and more expensive.

Even with the best of motives, management's options were limited. Unprofitable routes had to be cut back. New equipment was out, and amenities such as bus shelters were unthinkable. As fed-up riders abandoned transit in favor of still more automobiles, higher fares had to be charged to those who remained. Those who remained, of course, tended to be those affected the most by higher fares, people unable to own cars.

The situation was becoming quite intolerable from the standpoint of the quantity and quality of a public service. At the same time heavy reliance on the automobile was bringing with it a whole set of urban problems: periods of traffic congestion, air pollution, excessive freeway construction, poor land use, additional urban sprawl.

It was against this backdrop that the Metropolitan Transit Commission, a public agency established by the Minnesota Legislature, decided in 1969 to acquire the bus system.

By themselves, the words "public ownership" were not magic. Costs to a public agency would rise as fast as to a private corporation. The automobile showed no signs of going away. And a 20-year-old bus with a faulty heater remains so, no matter who owns it.

But when they considered the question of public ownership in 1969, members of the Metropolitan Transit Commission realized there were some distinct advantages to a public agency operating a public service.

Most significant was the ability to shift the emphasis from profit to service. There would be no stockholders demanding the marginal routes be trimmed to protect their return. To be sure, the MTC would be spending public tax dollars, and would need to do so judiciously. But service would no longer depend on profit for its existence.

Moreover, as a public agency, the MTC would be able to apply for federal grants for capital improvements, such as new buses. That the federal government funded such improvements on a two-thirds federal, one-third local basis meant that every local dollar would have three dollars worth of purchasing power.

So, after lengthy legal proceedings, the MTC took the keys of 632 buses and three garages on September 18, 1970. Bus riding was not instantly better. But at that time a systematic program to improve the bus operation was initiated, a program that was to progress steadily into the mid-1970's.

Its objective was to make bus riding attractive again, to lure motorists back into the bus, to reverse an alarming statistic: in the preceding quarter-century transit ridership had dropped to little more than one-fifth of its post-World War II level.

Three years after public ownership began, in September, 1973, the MTC inarguably has a success story on its hands.

That conclusion is inescapable in comparing any facet of bus riding in 1973 with that of 1970.

Take buses, for example. In sheer numbers, the fleet has grown from the 632 buses originally acquired to 710 vehicles. Some 315 of the buses are new replacements for ancient equipment. Making up almost half the fleet, the new buses are all air-conditioned and dependable. By next spring 236 more new buses will have arrived.

Save for the Nicollet Mall, there were no heated passenger shelters in 1970. By September, 1973, 55 had been installed, with 80 more committed. Speaking of the Nicollet Mall, there are now small, QT buses there, as well as in St. Paul and in suburban St. Louis Park, all providing innovative circulation service.

In 1970 there was a sign at each bus stop. It said, "No Parking, Bus Stop." Well and good, if you are driving a car and want to avoid a ticket or a tow, but not very helpful for a bus rider. By 1973 busy downtown corners had signs providing complete route and schedule information for routes serving them. Bus stops served by just a few routes had less elaborate signs identifying the routes by number. All bus stops throughout the metropolitan area were being marked at minimum by the famliar, "T" logo.

Another way bus riders can get information is by telephone. In 1970 the single bus information operator on duty during most periods was only slightly less accessible than the President of the United States. Her nickname was Howard Hughes. The MTC hasn't yet done away with the busy signal, but with additional operators on duty now, an average of 3,500 calls a day are handled, compared with 1,850 in September, 1970.

Besides the physical improvements in the bus system, service itself is much more plentiful today than three years ago. It is also better suited to the needs and desires of area residents.

Today it is a much more accurate generality to assert that you CAN get there from here, and by bus. The system the MTC acquired in the fall of 1970 included 521 miles of bus routes. That figure is well on its way to doubling, now at 930 miles and climbing. Additionally, buses themselves are now logging more miles, reflecting in part greater service frequency.

Express service has been emphasized in the expansions that have taken place, with several hundred miles of express routes now being operated, virtually all of it coming about since public ownership. The fourteen express routes serving the I-35W corridor south of Minneapolis on a demonstration basis are drawing record numbers of passengers, and national attention as well.

The ultimate test of public ownership, of the MTC's improvement program, is the response of the riding public. That is where MTC gains are most impressive.

When the MTC purchased Twin City Lines, ridership had been declining steadily. It had fallen off 13 per cent in the previous year alone, due largely to a strike. Since public ownership, the Twin Cities area has experienced the virtually unique phenomenon of increasing ridership. By the end of 1973 patronage is expected to have climbed 16 per cent over its pre-MTC level.

It is well worth noting that, with all these increases, one factor has remained constant: the fare. There are few things that could be bought in 1969 for 30 cents, which can still be bought for that price. A bus ride is one of them, thanks to a fare stabilization program established by the MTC and the state legislature.

For people over 65, bus fare has actually gone down, they pay nothing during off-peak hours.

So September 18, 1973, is a very happy birthday, for the MTC and for the bus riding public in the Twin Cities area.

CHRONOLOGY

April 22, 1970—Authorization to sell $6 million in certificates of indebtedness for purchase of bus company.

May 27, 1970—Retention of American Transit Enterprises (ATE) to manage bus line operations.

June 5, 1970—Urban Mass Transportation Administration awards federal grant for up to $9.7 million for two-thirds of the cost of purchase and improvement of Twin City Lines.

August 19, 1970—Condemnation panel awards Twin City Lines $6.51 million for acquisition.

September 19, 1970—MTC takes control of Twin City Lines and begins operating bus system.

September 27, 1970—University express bus service inaugurated.

October 22, 1970—Opening of first bus shelter in Columbia Heights.

December 24, 1970—Award of contract for purchase of 93 new air-conditioned transit coaches with emission-control equipment.

March 6, 1971—QT buses begin operating in downtown Minneapolis.

August 23, 1971—Red Ball Express service started.

January 1, 1972—Free fares for senior citizens implemented.

February 15, 1972—New signing program begins.

June 7, 1972—Award of contract for purchase of 222 new air-conditioned buses.

July 15, 1972—Beginning of second century of public transit in the Twin Cities.

November 24, 1972—QT buses begin operating in downtown St. Paul.

December 11, 1972—I-35W express bus service started.

August 15, 1973—Award of contract for purchase of 236 new air-conditioned buses.

September 5, 1973—Approval in concept of a new fare zone plan based on concentric circles.

ELECTION REFORMS

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. BROWN of Ohio. Mr. Speaker, last week, along with my colleagues who serve on the House Republican Task Force on Election Reform, I was pleased to present my views on task force recommendations which I believe will lead to a strengthening of our current campaign laws. With the thought that my colleagues may be interested, I am inserting into the RECORD the text of my remarks on legislative recommendations for reform of campaign financing:

VIEWS OF HON. CLARENCE J. BROWN ON ELECTION REFORM

Mr. Speaker, I am pleased to join today with my colleagues on the House Republican Task Force on Election Reform for this Special Order to report on the activities of the Task Force. My good friend Congressman Bill Frenzel, who has acted as Chairman of our Study, deserves special credit and commendation for his leadership during the many weeks of hard work which went into the preparation of our recently released Report and Recommendations on Campaign Finance Reform.

While events of the last year have certainly provided sufficient public demand for campaign reform to make our efforts seem selfless, in reality there has also been a selfish motivation in everything we have done. Selfish because no one knows better than a professional politician that the best way to gain reelection is to run an honest campaign. To the extent that we can draw guidelines which help assure that end, we enhance our own careers. Nevertheless, this has primarily been the public's work, and we believe that this Republican Task Force has risen to the challenge with which it was charged—the development of a legislative proposal designed to insure the integrity of our democratic process.

As is true with any effort of this type, our group was not in unanimous support of every recommendation. Each of us had particular concerns and interest areas which we promoted, and our final product can best be described only as a consensus. None of us favors every proposal made, yet I can safely say we all feel that collectively our report represents as responsible, comprehensive, and aggressive a group of recommendations as has been offered for consideration thus far.

My own greatest efforts as a member of the Task Force were directed towards the adoption of Report recommendations 3, 4, and 5. Briefly, I want to describe and explain these three proposals in hope that better Congressional and public understanding of them will promote their early enactment into law.

Basically these three points address themselves to the problem areas involved in the donation of "group" contributions to a political campaign and the expenditures of "group" funds to influence elections. The key ingredient in honest politics—as in almost anything else—is accountability. If the public knows who gave or spent what on whom, it can be trusted to make rational judgments in choosing its elected officials. But the system breaks down when there are secret supporters and covert lines of influence. The answer, then, is to account for campaign finances.

Recommendation No. 3 provides:

"All campaign expenditures shall be made by the candidate's authorized campaign committee, except that expenditures may be made on behalf of any candidate by political party organizations but such expenditures will be considered as a contribution to the candidate's authorized committee." (and will be subject to the limitations in No. 8). Under existing legislation any special interest group—whether it be business, labor, ideological or otherwise—may spend unlimited amounts of money to influence the outcome of political contests. Sometimes this practice is accomplished openly and the sources are disclosed, but more often than not these expenses are hidden. They take a multitude of forms—free printing, gratuitous telephone banks, and the like. Technically a candidate is presently required to report these services as donations "in kind", but if he or she doesn't know—or chooses not to know about them, they are not reported and accountability is ignored. Recommendation No. 3 would cure this defect in the current law. It would prohibit campaign expenditures by an entity other than a candidate's campaign committee or a political party organization. In either case, the beneficiary campaign committee must make a full disclosure of the expenditures and they become a part of the aggregate spending limitation imposed in Recommendation No. 8.

From a practical standpoint, enactment of this recommendation would result in a comprehensive listing of all campaign expenses in one place—the candidate's campaign committee federal filing form.

In my opinion such complete disclosure will provide the accountability which is presently lacking in our election laws.

Recommendation No. 4 provides:

"No authorized committee may accept contributions from other than individuals or political party organizations. It may receive contributions from other organizations acting as agents of individual contributors provided the individual contributor so designates and the contribution is identified as to the original donor."

It is a known fact in Washington that a small number of business, labor, and professional organizations exert influence on the federal government far out of proportion to the constituency which they serve. The manner in which they accomplish this is through the accumulation of large amounts of cash collected in relatively small donations from their members. By zeroing in on key political contests and politicians with large campaign contributions, they are able to keep "friendly ears" in Washington for their parochial interests. While in theory there is nothing essentially wrong with the expression of a common viewpoint through a collective campaign donation, in practice there are serious flaws. More often than not, donation decisions are made by Washington-based executive committees with little or no input from the individual union member, doctor, or businessman who is the original source of the money. In essence these people are asked to pour money into the wide mouth of a funnel without any real idea of where the spout comes out. The only thing they know is that "it will help the cause." This, I think, is wrong—it frequently corrupts the individual's donation in ways which he would never understand or approve, and it makes a mockery of the "informed electorate" concept by encouraging boss-type politics. If funds are to be aggregated for a particular use, it should be the result of a conscious decision on the part of the individual contributor and not a result of the independent machinations of Washington lobbyists.

Recommendation No. 4 therefore provides that group contributions may be accepted by a candidate's committee only if the group's individual contributors have indicated in writing that they wish their money given to support that specific candidate. In essence—it forces the individual to decide how his political donation should be spent.

Summarizing, this provision would thus serve to tighten the group's accountability to its members, and the politician's accountability to the individuals who supported his election.

Recommendation No. 5 provides:

Except in those instances in which a contributor has expressly designated or earmarked a contribution for the benefit of a particular candidate, a political party organization may contribute to an authorized committee wthout identification of the original contributors.

To those not sophisticated in how the contribution game is played, Recommendation No. 5 may sound innocuous; those who do understand, however, will know that it would end the practice of contribution "washing." Currently it is possible to secretly earmark contributions to a political party. The candidate ultimately receiving the donation merely reports a contribution received from his political party and the original source of the money is lost. This recommendation would not prohibit "earmarking" per se; it would only take the secrecy out of it and, again, provide the accountability in the system which is presently lacking.

Anyone who has studied these three recommendations with any care, will recognize that in my discussion I have left out one point common to all—that is the exemption for political parties. Political parties may make campaign expenditures on behalf of a candidate, but no one else can. Political parties may make "group contributions" without the individual's specific designation, but no one else can. Political parties may earmark donations, but no one else can—at least secretly. The theory behind these exemptions, and I think it is a good one, is that our two-party system provides for healthy government and should therefore be encouraged. We believe that given the type of responsible freedom which these recommendations provide, party organizations will grow in strength and importance and will become increasingly the formu for political expression. This, of course, means that they will become increasingly accountable for their actions, and that, as I have said before, is our ultimate goal.

In closing I would remind my colleagues, and concerned Americans, that no law—no matter how tightly drawn—will prevent a willing abuse. All we can do is structure a framework within which honest individuals can function politically without violating the rights of others or the integrity of the system. We are, therefore, not confident that enactment of these recommendations would be a cure-all for the type of political wrong doing we have observed recently. We are confident, however, that they would, in a most explicit manner, put everyone on notice that they would be publicly accountable for their actions. What we are saying, is that an informed public will make wise decisions. We hope that the Congress as a whole can be persuaded to that opinion.

IN SUPPORT OF THE TV BLACKOUT OF PROFESSIONAL FOOTBALL GAMES

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. EDWARDS of California. Mr. Speaker, I wish to express my doubts concerning H.R. 9553, overwhelmingly passed by the House, and to report to the House my reasons for opposing it. This bill lifts the television blackout on professional football games. This measure will, I believe, have serious effects on professional football teams and related businesses such as food and parking concessions. At this point, I would like to include in my remarks the following article by James Reston from the September 15 issue of the New York Times:

FOOTBALL AND POLITICS

(By James Reston)

WASHINGTON, Sept. 15—It's an undemocratic thought, but whenever the President, the Senate and the House of Representatives agree on something in a hurry and almost unanimously, with shouts of approval from the people, you can probably be sure that something's wrong and the thing won't last.

The big pro-football decision in Washington illustrates the difference between what is popular and what is sensible. All the big shots in this town who had been disagreeing about Watergate, prices, interest rates, welfare, busing, the dollar crisis, the energy crisis, the pollution crisis and the school crisis have suddenly agreed to resolve the football crisis by passing a law that home games should be televised at home it all the seats are sold 72 hours before kickoff.

It is clearly the most popular decision made here since the repeal of the Volstead Act legalizing booze, and it will undoubtedly work for a year, since all seats in most pro-football cities are sold out, but you'd better enjoy it while it lasts, for next year will probably be different.

Not different for the commercial establishments that buy up blocks of seats at the games for their clients and write off the cost as a business expense, or for the football fanatics who not only love the game but also the emotion and excitement of the crowd. But for the average fan, who probably makes the difference between a full stadium and a half-full stadium or at least a lot of empty seats, next year will be an economic problem.

Even in Washington, where the Redskins are the only winners in town, you have to have your doubts.

On a sparkling September or October day even driving bumper to bumper through the town and climbing to your $9 seat behind a post can be fun. But in November, when it rains, and in December when it's cold, the notion of spending at least $20 and maybe as much as forty bucks to see a game you can watch free and in comfort at home, could make a wife, or even the football nut she's stuck with, begin to wonder.

Politically, the decision of Congress and the President is a dream. Most of the time, politicians are taxing people for services the people don't get, but in this case, they are giving the people for nothing services that belong to somebody else. They wouldn't ask General Motors or the Metropolitan Opera to give away what these commercial enterprises are trying to sell but they are asking the football owners, who now have to negotiate $100,000 contracts with the lawyers of quarterbacks, to give away what they are trying to sell, and are asking the customers whether they would like to pay at least $20 to attend a game they can see on television free.

It is a dicey proposition, but maybe it will work. Pro football is a craze in this country. It is one of the few things left that are really professional. While almost everything else is ambiguous and obscure, without clear rules or "definitive" decisions, even in the Supreme Court, football is as precise as the multiplication table.

It has a beginning, a middle or half-time with pompon girls and music, and it has an end. Also, it has a field of play a hundred yards long, clearly defined sidelines, referees whose decisions are final, instant replays on doubtful points, and you know who has won at the end.

Naturally, all this is very popular because it is dramatic and definite. A quarterback is not like a Secretary of State: he either makes it on third down and four yards to go, or he fails. It takes a generation to find out whether Henry Kissinger was right or wrong, but the judgment on Sonny Jurgenson is clear and on the scoreboard by 5:30 every Sunday afternoon.

In a country where public interest and trust in football is greater than in politics, the Government's decision on televising the games is probably more interesting to the people than its judgment on Watergate or trade with Russia, so maybe there is after all a vast audience that wants to put out the money and energy to attend the games, even if they can be seen free at home.

Outside of places like Cleveland, where they have more empty seats than football nuts, most cities have a long waiting list for season tickets, and it could be that, even with televising of local games, the demand for tickets will still exceed the supply.

But the guess here is that it won't. If anything in America today exceeds the popular interest in pro football, it is not politics, Watergate, Nixon, Agnew or Kennedy, but the cost of groceries and interest rates, inflation in general. And when football tickets cost at least $9 a throw for something that can be seen, and often seen better, on TV free, the outlook next year, and even this season in bad weather, is for empty seats.

Fortunately, Congress has agreed to review its generous decision after the experiment. If the games don't sell out, there will be no television, and the old system of blacking out home games will, and probably should be revived. Meanwhile, this should be quite a season, and you should probably enjoy it while you can, because it probably won't last.

There are several possible damaging effects of this bill. The most serious is that of increasing the "no-shows", that is a person who buys a ticket but does not attend the game. There were 624,686 no-shows during the 1972 season. There are many reasons why people buy a ticket but do not attend. Weather is probably the main reason for most no-shows. If the weather is bad, the number of no-shows will increase. However, the temptation not to attend will be further increased if the fan can sit in his warm house and see the game on TV. The effect of the no-show is felt directly by the concessions and supporting facilities such as parking. The revenue to these facilities could be greatly diminished with the lifting of the blackout. These revenues are depended upon to help keep the facilities and teams going. For instance, the Buffalo, N.Y. stadium uses concession revenue to amortize their stadium construction bonds. So a reduction in concession business will reduce their construction bond amortization payments due to increased no-shows.

The televising of home games could also diminish fan participation thus radically changing the game. With the increase of no-shows and lack of interest to actually be at the games, the spirit that is so essential to today's football games will slowly fade away. This could cause the beginning of the decline of football in this country.

Another problem which the bill does not even discuss is those areas where two professional teams are located. For example, in the San Francisco Bay area there are two professional football teams, the San Francisco Forty-Niners and the Oakland Raiders. If the Raiders, for instance, were playing a very important game which had met the 72 hour sell-out rule so that it could be televised and the Forty-Niners were playing an unimportant game, the Forty-Niner attendance would undoubtedly be greatly diminished by the televising of the Oakland game. Fans would not even buy tickets for the San Francisco game if they knew 3 days in advance that the Oakland game would be on TV. However, if the Oakland game were not televised, attendance of the San Francisco game would most likely be higher.

The effects of this bill should be watched very carefully and the results should be analyzed very critically with all sides participating in the discussion. We would be defeating our purpose if we allow the televising of local games but cause the eventual collapse of professional football in the United States.

HEROIC DEED

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. HANRAHAN. Mr. Speaker, I would like to bring to the attention of my colleagues, the heroic deed of State Trooper Michael Dobrowolski of Calumet City, Ill.

On June 1, 1973, Trooper Dobrowolski, who is qualified in Red Cross advanced first aid, was informed that a young man, the victim of an apparent heart attack, was lying beside a roadway. When Trooper Dobrowolski arrived, the victim had stopped breathing. He immediately began to administer artificial respiration until breathing was restored; he also directed others present to assist with other resuscitative measures. Trooper Dobrowolski continued to assist the victim with breathing in an ambulance while en route to the hospital. Without doubt, the outstanding efforts of Trooper Dobrowolski saved the young man's life.

Because of his noteworthy act, State Trooper Michael Dobrowolski will receive the Red Cross Certificate of Merit. This is the highest award given by the American Red Cross. The certificate will bear the original signatures of the President of the United States, Honorary Chairman, and Frank Stanton, Chairman of the American National Red Cross.

ONE STUDENT—ONE BUS

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. MARTIN of North Carolina. Mr. Speaker, restraining myself from a host of remarks that could be made about the absurd consequences of judicial dictatorship over our schools, I am privileged to share with the Members of Congress the following news article which recently appeared in the Charlotte, N.C. News:

LONER: BILL'S THE ONLY PASSENGER ON SCHOOL BUS NO. 417

(By Brooks McGirt)

The caller to West Charlotte High School wanted to speak to a student: Robert Johnson.

"Oh," said a secretary with instant recognition. "He's Billy McNeilly's bus driver."

And Bill McNeilly is Robert Johnson's passenger—his only passenger.

The one-passenger bus service, which both students say they "don't really mind," is a result of lottery assignment of some 600 white students to West Charlotte this fall.

Shortly before school began Bill's family moved from where it was living when the lottery picked him as a West Charlotte student to Lake Norman and northernmost Mecklenburg County.

The latest desegregation order doesn't permit students who have been assigned to West Charlotte by lottery to transfer—even if they move to another part of town.

And since the school system must provide transportation to students who don't live within walking distance of their school, bus No. 417 was assigned to make the daily trip to Bill's stop off Torrence Church Rd.

"At first it felt kind of funny," said Bill, 17, a junior who didn't attend school for the first two weeks while officials tried to figure out what to do.

"I was kind of worried about West Charlotte at first too, but it didn't turn out that bad," he said.

"I like it pretty good," he said of the "private" bus service.

Bus driver Johnson, who gets up at 5:30 every morning to make the 22-mile run to Lake Norman from his Hidden Valley home, says it isn't that bad a route.

The 17-year-old West Charlotte senior liked his previous route better, one with about 25 passengers. And the fact that most of them were girls didn't hurt one bit.

One wouldn't expect him to miss the racket of a loaded bus. But surprisingly, Robert, who drove buses his sophomore and junior years, says the lack of distraction is distracting.

"It's kind of boring," he said. "There's not anything going on with just one person on the bus.

"He sleeps and I drive," Robert added good-naturedly.

Bill admits he catches 40 more winks during the morning ride: with a whole bus to himself there are plenty of places to stretch out. In the afternoon he could do his homework, but doesn't he added.

"I don't really mind it," Robert said. "I get paid for it and I've got to go to school anyhow."

Still, he misses all those girls . . .

The situation is not unique this year, school officials say.

Similar situations involving about four students and two buses have also arisen at Harding High, also affected by the court order. "We've had several so far," said schools' Transportation Director J. W. Harrison. "I don't know what to expect in the future."

It's not an ideal solution, he said, but it was all they could do for the present. Meanwhile, officials are looking for other answers.

"There are a lot of possibilities," Harrison said, including perhaps contracting another carrier, private or commercial, for the service.

In the meantime, the crew and passenger of bus No. 417 are expecting the passenger list on their bus to increase—by one.

Another West Charlotte student is expected to move to northern Mecklenburg County shortly.

REDUCE THE COSTS OF TRAVEL FOR THE ELDERLY

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. BOB WILSON. Mr. Speaker, in our mobile, transient society, families are often dispersed from coast to coast, separated by thousands of miles. Where once grandparents lived in close proximity to their children and grandchildren for most or all of their lifetimes this is no longer the case today. As a result, many senior citizens, living on reduced retirement incomes—often further diminished by the ravages of inflation—exist in isolation and loneliness. The retirement years should be a time to enjoy life and expand horizons, now that seniors are no longer tied to the daily strictures of a job. Unfortunately, this is often not the case.

I am today introducing a bill to make it possible to reduce the costs of travel for the elderly. This bill will authorize the airlines and surface transportation to offer reduced travel fares for those over age 65, the blind, and handicapped during nonpeak times. This measure will work considerably to the advantage of both senior citizens and the transportation industry. With reduced fares, many elderly people would be able to stretch their incomes to purchase a ticket to visit the grandchildren in the Midwest, or sister Sue in Texas, or that old college roommate back East. I have discussed this proposal in my own district and received an enthusiastic response from many senior citizens, who feel they would be able to travel if reduced fares were available.

In addition, the transportation industry would profit as well. Senior citizens would travel at nonpeak times and fill seats that otherwise would stand empty. The Civil Aeronautics Board has permitted Hawaiian Airlines to offer senior citizen rate reductions and, since the inception of this program several years ago, that carrier has had an enormous increase in senior citizen customers.

The blind and the handicapped, regardless of age, are subject to many of the same problems which afflict the elderly—particularly in terms of fixed incomes which do not keep pace with inflation. For this reason, I am including the blind and the handicapped in the provisions of the bill. If the blind or handicapped person requires attendance, the attendant would also be eligible for the reduced fare.

Retirement should be the "golden years" to relax and enjoy the fruits of a lifetime of toil, not a time for isolation and lonely existence due to the restrictions of the pocketbook. The legislation I am introducing today will not take funds from the Federal Treasury, but it will provide untold hours of pleasure and enjoyment for those in the autumn of life. I hope that the Members of the House will give careful consideration to this proposal and will lend their full support.

RECYCLING WASTE PAPER

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. BROTZMAN. Mr. Speaker, the United States is fast becoming one gigantic repository for solid wastes. A tour of the countrysides surrounding our large urban centers reveals acres of land dedicated to the principle of beautiful packaging. The largest single contributor to these monuments of waste is low grade paper of the newsprint and paperboard variety. Ironically, at the very same time, the Nation finds itself with an increasingly serious newsprint shortage. Many small papers must limit the size of their editions because of their inability to acquire adequate quantities of newsprint. Accordingly, I am today introducing legislation that addresses this problem by amending the Internal Revenue Code of 1954 to provide incentives to improve the economics of recycling waste paper. Although the effects of such a proposal are incalculable at this point in time, there is no question of the desirability of recycling used material as opposed to treatment and disposal. It would be a giant step toward cleaner air and water and it would provide a needed holding action against the persistent drain on our natural resources.

In 1972, U.S. consumers used 64 million tons of paper and paperboard. Of this, 37 million tons ended up in the Nation's solid waste system while only 13 million tons were recycled. In 1944, when the country was operating at peak wartime efficiency, 36 percent of the paper and paperboard consumption of the country was filled by recycled waste paper. Despite the new-found interest in ecology, only 21 percent of the country's paper needs came from waste in 1972.

The resulting effect of this backward response to paper needs has been disastrous to our urban centers. Cities throughout the country are running out of adequate incinerator and sanitary landfill space. The Nation's capital is one of the many cities that has run out of landfill space and is in need of new nonpolluting incinerators. A few representative statistics from Colorado's Second District, which I am privileged to represent, are also illustrative. In 10 short years, 1960 to 1970, the city of Boulder, Colo. has doubled in population. With this incredible growth has come a waste disposal problem of dynamic proportions. Within 5 years, the landfill capacity of Boulder will be fully utilized. To further illustrate the need for incentives, it has been estimated that recycling of post-consumer wastes has saved municipalities $160 million per year.

With the obvious economies involved, one must ask why the trend toward efficient paper use was reversed. In the last 7 years 25 companies have shut down 45 paperboard machines with a resulting loss of 1 million tons of capacity. Recycling paperboard, it appears, is a difficult and marginal business. Profit margins are small, equipment is old, and competition with products of virgin materials is difficult. The recycled paper that goes into stationery and tissue products is a high grade waste paper that will never find its way into the solid waste stream because of its value. The problem, then, is to find ways to increase use of the lower grades of waste paper that will go to the city dump if it is not recycled. My bill, Mr. Speaker, will supply the means to that end.

In short, I propose a fixed $10 per ton tax credit to users of waste paper. Limitations on the credit are imposed to assure against abuse. A tax credit is simple to compute and administer and, it can be as permanent or as temporary as needs dictate. Moreover, a fixed dollar amount places the highest incentive on the lowest grades of waste paper which are the most difficult to recycle and the most likely to end up in the solid waste system.

If thought of in terms of an ecosystem, my bill would provide a needed link in the life cycle of paper. Initially, it would help manufacturers develop new and better methods of retrieving waste paper. Also, those interested in collecting paper would receive a better price for their effort. Further, it would generate the necessary capital for improving the quality of low grade recycled waste paper and defray pollution abatement costs.

A study conducted by the Midwest Research Institute has determined that unless new production facilities are developed, the percentage of recycled paper will drop to 17 percent. If we seize the initiative, however, the rate could conceivably increase to 26 percent by 1985. It is my hope, Mr. Speaker, that a majority of my colleagues will join me in support of this legislation. We can no longer afford to shrink away from those desolate areas of land we call dumps.

ENVIRONMENTAL LABORATORY

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. BROWN of Ohio. Mr. Speaker, following is an article from the Wittenberg University Alumni Bulletin concerning a unique study being conducted by the Wittenberg faculty and students under a contract with the Army Corps of Engineers to determine the environmental impact of the Clarence J. Brown Dam and Reservoir located at Springfield, Ohio. This flood control project is one of the first in the United States to provide a public lake and park near a metropolitan area.

The Army Corps of Engineers will use the Wittenberg findings in connection with its environmental impact statement to be issued under the provisions of the 1970 National Environmental Policy Act.

Also, Wittenberg University, which is located at Springfield, will have an unparalleled opportunity to continue over a period of years its studies of the physical, biological, and socioeconomic impact of this 4,000-acre site. These studies will provide invaluable data and material, not only to the Wittenberg faculty and students, but, also, to city of Springfield officials and Ohio State officials to use, if they so choose, in making decisions concerning the Springfield-Clark County area. I commend the faculty and students of Wittenberg University for their interest and efforts.

The article follows:

ENVIRONMENTAL LABORATORY: AN INTEGRATION OF SEEMINGLY UNRELATED INFORMATION

The Army Corps of Engineers concern for environmental changes has opened a 4,000 acre laboratory to Wittenberg students and faculty.

Wittenberg has been contracted by the Army Engineers to conduct an environmental impact study of the Clarence J. Brown Dam and Reservoir site.

Members of at least seven academic departments will have the opportunity to study the physical, biological, or socio-economic impact the reservoir will have on this unusual area.

The C. J. Brown Dam and Reservoir area is unique because it is one of the first large public lake parks in the United States located near a metropolitan area—Springfield.

"We feel it is our obligation to be aware of the environmental changes which might take place because of the construction of this reservoir. It is, therefore, fortunate that we have a university in the area qualified to do the necessary studies," explained Dr. Thomas Eastler, research geologist for the U.S. Army Engineers Topographic Laboratories, Photo Interpretation Research Division, and coordinator of the Wittenberg–Army Engineers contract.

Wittenberg's role in the project will be twofold:

—One of Wittenberg's responsibilities will entail conducting a detailed environmental study and impact assessment of the project and furnishing a draft of an environmental impact statement that meets the requirements of the 1970 National Environmental Policy Act.

—The second requirement calls for Wittenberg to prepare a comprehensive design for a continuing study of the project and its impact. This study will be used, in later years, for monitoring changes and conversions which will occur not only in the immediate project area but the area surrounding the reservoir site.

The information gathered will be available to assess what special operating criteria, if any, are required in order to provide proper handling of the resources studied.

This will include an evaluation of the intensity of recreational use the land can sustain without endangering the animal communities and vegetation within the area, according to Dr. Louis Laux, associate professor of biology and project director.

"The fact that the dam and reservoir are situated near an urban area gives the Wittenberg students an unusual opportunity to integrate a wide variety of seemingly unrelated information," Dr. Laux said.

"The students will get a chance to examine more than just the biological and physical changes. They will be able to estimate and, in future years, evaluate how a large state park near a city will affect the population, land values, and secondary economic effects. No other group or university to our knowledge, has had the opportunity to examine such diversified aspects," he said.

Because there is so little precedent for designing a continuing program, Wittenberg must produce a simple and direct program to facilitate accurate monitoring but still make the program flexible enough to respond to unanticipated impacts, Dr. Laux explained. As well as a large amount of physical ground observations, the Wittenberg contracts will also rely heavily on aerial photography and other remote sensing data collection methods provided by the U.S. Army Engineers Topographic Laboratories.

According to Dr. Laux, there is both educational value to the students and an advantage to the community in making the study.

Not only will the project provide a great opportunity for faculty-directed student research and a laboratory for classroom teaching, but the information gathered will also be available to community leaders for aiding in decision making.

"Wittenberg doesn't wish to be and will not be involved in making decisions for the community, but we will be able to provide the data needed to make knowledgeable decisions, at both the local and state levels, concerning the future of the reservoir and its impact on the Springfield-Clark County area," Dr. Laux explained.

The decisions pertaining to the reservoir might range anywhere from zoning ordinances to Springfield sewage system adjustments, he said.

Much of this information for the impact study and "baseline materials" will be collected this summer by Wittenberg students.

Each department involved in the contract has hired a student to work along with a professor. At least ten students will be working on the project this summer. Three geology majors and Dr. Thomas Gerrard, associate professor of geology, gathered baseline data this spring to be used for surface analysis within the reservoir site.

Hundreds of students, either in classes or working on independent studies, will probably find themselves doing research on the various aspects of the reservoir, Dr. Laux said.

The Geology Department will be assigned the task of studying such things as sedimentation-erosion dynamics, substrate conditions, ground water seepage, stream flow trends, and watershed dynamics. The Chemistry Department will study the chemical water quality, while the Biology Department will get into the areas of animal dynamics, vegetation dynamics, aquatic species distribution, and biological water quantity. The Economcs Department will look at land use dynamics, economic impact, recreational potential, market drawing power of the reservoir area, and transportation. The geography students will deal with recreational values, climatology, agricultural potential, urban-suburban potential, and population dynamics. The Political Science Department is expected to study areas of land use, including industrial zoning regulations, legal aspects, intergovernmental services, and state park-urban area interaction.

COVERAGE OF PRESCRIPTION DRUGS UNDER MEDICARE

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 26, 1973

Mr. WALDIE. Mr. Speaker, today I am introducing legislation to provide medicare coverage of certain prescription drugs purchased outside the hospital by aged and disabled beneficiaries of that program. This legislation is similar in its intent to that which I introduced in the last Congress—and which was also introduced in the Senate by Senator PERCY of Illinois. As the Members will recall, the Senate Finance Committee studied the Percy bill and other proposals to cover drugs under medicare and eventually approved a less comprehensive, but still excellent, measure as part of that bill. Although the provision passed the Senate, unfortunately it was dropped in conference. The legislation I am introducing today is almost identical to the provision approved by the Senate last year but without the provision requiring medicare beneficiaries to pay $1 per prescription.

Mr. Speaker, I believe the adage that a particular idea or proposal or program is one "whose time has come" certainly applies to medicare coverage of drugs. Ever since medicare became effective in 1966, a number of Members of the Congress have vigorously supported extending the program in this regard. We have now reached the point where legislative proposals to cover drugs under medicare have been refined so that the money spent will support those older people who need help the most and the program will cover those drugs which older people absolutely need.

I believe that an outpatient prescription drug benefit is a necessary as well as logical extension of the medicare program. Medicare now covers the cost of drugs given to an inpatient in a hospital or an extended care facility. However, there is no coverage of individually purchased drugs. This is an extremely unfortunate gap in the medicare program for two reasons: First, prescription drug expenses account for a large part of the people on the average spend over $90 per estimate at least 20 percent. And aged people on the average spend over $90 per year on drugs and drug sundries. Second, drug expenses are distributed unevenly among the elderly. Those with chronic illness are often faced with recurring drug expenses and there is really no choice involved in their purchasing such drugs—either they are purchased generally at great cost and financial sacrifice, or the older person dies. So this bill is really a lifesaving measure and certainly merits immediate consideration by the Congress.

Basically, this bill would provide medicare coverage of drugs necessary for the treatment of specific diseases such as diabetes, high blood pressure, chronic respiratory and cardiovascular diseases, arthritis, rheumatism, cancer, chronic kidney disease, and so forth. The bill establishes a formulary committee to select the specific drugs to be covered. And, to save administrative costs and the need to handle large batches of paper, the bill provides for payment to be made directly to pharmacies on the basis, generally, of average wholesale price plus a professional fee or other dispensing charge.

In my view, there is simply no justification for asking older people to pay $1 per prescription. The average cost of prescriptions likely to be covered under the bill is in the neighborhood of $5. In establishing a copayment provision, we are really asking an older person with a chronic disease to pay on the average of 20 percent of each prescription. While it is arguable that copayments for other health care services may serve to deter unnecessary use of such services, this is certainly not the case here. A person has no choice in securing a prescription drug; the doctor alone decided that. The $1 copayment, therefore, serves only to keep the cost of the program down, and I believe that this cost ought not to be borne by people who are living on fixed, low incomes and who are seriously ill. Therefore, I have not included a copayment provision in this bill.

Finally, this bill would prevent any person engaged in the manufacture, preparation, propagation, compounding, or processing of a drug from being a member of the formulary committee. The committee holds the key to this piece of legislation. It decided what drugs should be included in the formulary and, therefore, to a great extent, what drugs are paid for by the Government under the medicare program. It should be composed of not only people who are expert in the field of health care, pharmacology, or pharmacy but, perhaps more important, individuals who have the consumer foremost in mind and not the massive drug companies. I want the formulary committee to work for the public interest, not the interest of the pharmaceutical industry and to reform current industry-oriented practices, not institutionalize them.

HOUSE OF REPRESENTATIVES—*Thursday, September 27, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The salvation of the righteous is of the Lord; He is their strength in the time of trouble.—Psalms 37: 39.

"O Thou, in whose presence our souls take delight,
On whom in affliction we call,
Our comfort by day and our song in the night,
Our hope, our salvation, our all."

In this spirit, O God, we begin another day and with those of the Hebrew faith we begin another year. Incline our hearts to read Thy word, to obey They commandments, and to keep Thy law. Grant unto us the peace of those who put their trust in Thee, the strength of those who walk in Thy way, and the love of those who live with Thee.

Give to our people the mind to think good about our country, the heart to love her, and the spirit to so live that their conduct may carry with it the accent of cooperation. Keep our attention set upon the tasks of justice, mercy, and peace that working for the common good we may find the joy and satisfaction of a sober and honest life; to the glory of Thy holy name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On September 19, 1973:

H.J. Res. 695. A joint resolution authorizing the President to proclaim the period of September 15, 1973, through October 15, 1973, as "Johnny Horizon '76 Clean Up America Month."

On September 21, 1973:

H.R. 6912. An act to amend the Par Value Modification Act, and for other purposes.

On September 26, 1973:

H.R. 8070. An act to replace the Vocational Rehabilitation Act, to extend and revise the authorization of grants to States for vocational rehabilitation services, with special emphasis on services to those with the most severe handicaps, to expand special Federal responsibilities and research and training programs with respect to handicapped individuals, to establish special responsibilities in the Secretary of Health, Education, and Welfare for coordination of all programs with respect to handicapped individuals within the Department of Health, Education, and Welfare, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendment of the House to the amendment of the Senate with an amendment to a bill of the House of the following title:

H.R. 7645. An act to authorize appropriations for the Department of State, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 7645) entitled "An act to authorize appropriations for the Department of State, and for other purposes," requests a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Fulbright, Mr. Sparkman, Mr. Church, Mr. Pell, Mr. Aiken, Mr. Case, and Mr. Javits to be the conferees on the part of the Senate.

CONFERENCE REPORT ON S. 795, NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES

Mr. BRADEMAS (on behalf of Mr. Perkins) filed the following conference report and statement on the bill (S. 795) to amend the National Foundation on the Arts and the Humanities Act of 1965, and for other purposes:

Conference Report (H. Rept. No. 93-529)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 795) to amend the National Foundation on the Arts and the Humanities Act of 1965, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "National Foundation on the Arts and the Humanities Amendments of 1973".

AMENDMENTS TO THE NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES ACT OF 1965

Sec. 2. (a) The National Foundation on the Arts and the Humanities Act of 1965 is amended in the following respects:

(1) Clause (7) of section 2 of such Act is amended by striking out all that appears after "a National Foundation on the Arts and the Humanities" and inserting in lieu thereof a period.

(2) Subsection (d) of section 3 of such Act is amended by striking out ", purchase, renovation, or construction" and inserting in lieu thereof "or purchase", and by adding at the end thereof the following new sentence: "Such term also includes—

"(1) the renovation of facilities if (A) the amount of the expenditure of Federal funds for such purpose in the case of any project does not exceed $250,000, or (B) two-thirds of the members of the National Council on the Arts (who are present and voting) approve of the grant or contract involving an expenditure for such purpose; and

"(2) the construction of facilities if (A) such construction is for demonstration purposes or under unusual circumstances where there is no other manner in which to accomplish an artistic purpose, and (B) two-thirds of the members of the National Council on the Arts (who are present and voting) approve of the grant or contract involving an expenditure for such purpose.".

(3)(A) That part of subsection (c) of section 5 of such Act which precedes clause (1) is amended by striking out "the Federal Council on the Arts and the Humanities and".

(B) In clauses (1) and (2) of such subsection (c) such Act is amended by striking out "production" each time it appears and inserting in lieu thereof "projects and productions"; and, in clause (3) of such subsection, such Act is amended by striking out "projects" and inserting in lieu thereof "projects and productions".

(C) Clause (2) of such subsection (c) is further amended by striking out "in many areas of the country" and inserting in lieu thereof "for geographic or economic reasons".

(D) Clause (5) of such subsection (c) is amended by striking out "and planning in the arts" and inserting in lieu thereof ", planning, and publications relating to the purposes of this subsection".

(E) Such subsection (c) is amended by adding at the end thereof the following new sentence: "In the case of publications under clause (5) of this subsection such publications may be supported without regard for the provisions of section 501 of title 44, United States Code, only if the Chairman consults with the Joint Committee on Printing of the Congress and the Chairman submits to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives a report justifying any exemption from such section 501.".

(4) (A) Paragraph (1) of subsection (g) of section 5 of such Act is amended by striking out "the Federal Council on the Arts and the Humanities and".

(B) That part of paragraph (2) which precedes clause (A) of such subsection (g) is amended (i) by striking out "such assistance" and inserting in lieu thereof "assistance under this subsection" and (ii) by striking out "prior to the first day of such fiscal year" and inserting in lieu thereof "at such time as shall be specified by the Chairman".

(C) Clause (B) of paragraph (2) of such subsection (g) is amended by striking out "except that in the case of the first fiscal year in which the State is allotted funds after the enactment of this Act, a plan may provide that not to exceed $25,000 of such funds may be expended to conduct a study to plan the development of a State agency in the State and to establish such an agency;".

(D) Such subsection (g) is amended by striking out paragraphs (3) and (4) and inserting in lieu thereof the following:

"(3) Of the sums available to carry out this subsection for any fiscal year, each State which has a plan approved by the Chairman shall be allotted at least $200,000. If the sums appropriated are insufficient to make the allotments under the preceding sentence in full, such sums shall be allotted among such States in equal amounts. In any case where the sums available to carry out this subsection for any fiscal year are in excess of the amount required to make the allotments under the first sentence of this paragraph—

"(A) the amount of such excess which is no greater than 25 per centum of the sums available to carry out this subsection for any fiscal year shall be available only to the Chairman for making grants under this subsection to States and regional groups, and

"(B) the amount of such excess, if any, which remains after reserving in full for the Chairman the amount required under clause (A) shall be allotted among the States which have plans approved by the chairman in equal amounts but in no event shall any State be allotted less than $200,000.

"(4) (A) The amount of any allotment made under paragraph (3) for any fiscal year which exceeds $125,000 shall be available, at the discretion of the Chairman, to pay up to 100 per centum of such cost of projects and productions if such project and productions would otherwise be unavailable to the residents of that State: *Provided*, That the total amount of any such allotment for any fiscal year which is exempted from such 50 per centum limitation shall not exceed 20 per centum of the total of such allotment for such fiscal year.

"(B) Any amount allotted to a State under the first sentence of paragraph (3) for any fiscal year which is not obligated by the State prior to 60 days prior to the end of the fiscal year for which such sums are appropriated shall be available for making grants to regional groups.

"(C) Funds made available under this subsection shall not be used to supplant non-Federal funds.

"(D) For the purpose of paragraph (3) and paragraph (4) of this section the term 'regional group' means any multistate group, whether or not representative of contiguous States."

(E) Paragraph (5) of such subsection (g) is amended by inserting after "allotted" the following: "or made available".

(5) Subsection (f) of section 6 of such Act is amended, in the third sentence thereof—

(A) by striking out "$10,000" and inserting in lieu thereof "$17,500"; and

(B) by striking out the period at the end thereof and inserting in lieu thereof the following: ": *Provided*, That the terms of any such delegation of authority shall not permit obligations for expenditure of funds under such delegation for any fiscal year which exceed an amount equal to 10 per centum of the sums appropriated for that fiscal year pursuant to subparagraph (A) of paragraph (1) of section 11(a).".

(6) (A) That part of subsection (c) of section 7 of such Act which precedes clause (1) is amended by striking out "the Federal Council on the Arts and the Humanities and".

(B) Clause (2) of such subsection is amended by adding at the end thereof the following: "any loans made by the Endowment shall be made in accordance with terms and conditions approved by the Secretary of the Treasury;".

(C) Clause (6) of such subsection (c) is amended by striking out all that follows "the humanities" and inserting in lieu thereof a period.

(D) Such subsection (c) is amended by striking out "and" at the end of paragraph (5), by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon and the word "and", and by adding after paragraph (6) the following new paragraph:

"(7) insure that the benefit of its programs will also be available to our citizens where such programs would otherwise be unavailable due to geographic or economic reasons."

(E) Such subsection (c) is further amended by adding at the end thereof the following new sentence: "In the case of publications under clause (6) of this subsection such publications may be supported without regard for the provisions of section 501 of title 44, United States Code, only if the Chairman consults with the Joint Committee on Printing of the Congress and the Chairman submits to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives a report justifying any exexemption from such section 501.".

(7) Subsection (f) of section 8 of such Act is amended, in the third sentence thereof—

(A) by striking out "$10,000" and inserting in lieu thereof "$17,500,"; and

(B) by striking out the period at the end thereof and inserting in lieu thereof the following: ": *Provided*, That the terms of any such delegation of authority shall not permit obligations for expenditure of funds under such delegation for any fiscal year which exceed an amount equal to 10 per centum of the sums appropriated for that fiscal year pursuant to subparagraph (B) of paragraph (1) of section 11(a).".

(8) Section 9(b) of such Act is amended to read as follows:

"(b) The Council shall be composed of the Chairman of the National Endowment for the Arts, the Chairman of the National Endowment for the Humanities, the United States Commissioner of Education, the Secretary of the Smithsonian Institution, the Director of the National Science Foundation, the Librarian of Congress, the Director of the National Gallery of Art, the Chairman of the Commission of Fine Arts, the Archivist of the United States, the Commissioner, Public Buildings Service, General Services Administration, a member designated by the Secretary of State, and a member designated by the Secretary of the Interior, a member designated by the Chairman of the Senate Commission on Art and Antiquities, and a member designated by the Speaker of the House. The President shall designate the Chairman of the Council from among the members. The President is authorized to change the membership of the Council from time to time as he deems necessary to meet changes in Federal programs or executive branch organization.".

(9) Clause (2) of subsection (a) of section 10 of such Act is amended by inserting after "purposes of the gift" the following: ", except that a Chairman may receive a gift without a recommendation from the Council to provide support for any application or project which can be approved without Council recommendation under the provisions of sections 6(f) and 8(f), and may receive a gift of $15,000, or less, without Council recommendation in the event the Council fails to provide such recommendation within a reasonable period of time".

(10) Clause (4) of subsection (a) of section 10 is amended by deleting the semicolon at the end thereof and by inserting in lieu thereof the following: ": *Provided, however*, That any advisory panel appointed to review or make recommendations with respect to the approval of applications or projects for funding shall have broad geographic representation;".

(11) Section 11 of such Act is amended by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"SEC. 11. (a) (1) (A) For the purpose of carrying out section 5(c), there are authorized to be appropriated to the National Endowment for the Arts, $54,000,000 for the fiscal year ending June 30, 1974, $90,000,000 for the fiscal year ending June 30, 1975, and $113,500,000 for the fiscal year ending June 30, 1976. For the purpose of carrying out section 5(g), there are authorized to be appropriated to the National Endowment for the Arts $11,000,000 for the fiscal year ending June 30, 1974. Not less than 20 per centum of the funds appropriated under the first sentence of this paragraph for the fiscal years ending June 30, 1975, and June 30, 1976, may be used only for the purpose of carrying out section 5(g).

"(B) For the purposes of carrying out section 7(c), there are authorized to be appropriated to the National Endowment for the Humanities $65,000,000 for the fiscal year ending June 30, 1974, $90,000,000 for the fiscal year ending June 30, 1975, and $113,500,000 for the fiscal year ending June 30, 1976.

"(2) There are authorized to be appropriated for each fiscal year ending prior to July 1, 1976, to the National Endowment for the Arts and to the National Endowment for the Humanities, an amount equal to the total amounts received by each Endowment under section 10(a) (2), except that the amount so appropriated for any fiscal year shall not exceed the following limitations:

"(A) For the fiscal year ending June 30, 1974, $15,000,000.

"(B) For the fiscal year ending June 30, 1975, $20,000,000.

"(C) For the fiscal year ending June 30, 1976, $25,000,000.

"(b) (1) Sums appropriated pursuant to subsection (a) for any fiscal year shall remain available for obligation and expenditure until expended.

"(2) In order to afford adequate notice to interested persons of available assistance under this Act, appropriations authorized under subsection (a) are authorized to be included in the measure making appropriations for the fiscal year preceding the fiscal year for which such appropriations become available for obligation.".

(12) Sections 13 and 14 of such Act are repealed.

(b) The amendments made by subsection (a) shall be effective on and after July 1, 1973.

HUMANITIES GRANTS

SEC. 3. Section 7(d) of the National Foundation on the Arts and the Humanities Act of 1965 is amended by adding after the phrase "Federal programs" a comma and then the words "designated State humanities agencies".

AMENDMENT TO THE LIBRARY SERVICES CONSTRUCTION ACT, INCLUDING RESEARCH LIBRARIES IN THE DEFINITION OF "PUBLIC LIBRARY"

SEC. 4. (a) Section 3(5) of the Library Services and Construction Act is amended by adding at the end thereof the following new sentence: "Such term also includes a research library, which, for the purposes of this sentence, means a library which—

"(A) makes its services available to the public free of charge;

"(B) has extensive collections of books, manuscripts, and other materials suitable for scholarly research which are not available to the public through public libraries;

"(C) engages in the dissemination of humanistic knowledge through services to readers, fellowships, educational and cultural programs, publication of significant research, and other activities; and

"(D) is not an integral part of an institution of higher education.".

(b) The amendment made by subsection (a) shall be effective on June 30, 1973, and only with respect to appropriations for fiscal years beginning after such date.

And the House agree to the same.

Carl D. Perkins,
John Brademas,
Patsy T. Mink,
Lloyd Meeds,
S. Chisholm,
Albert H. Quie,
Orval Hansen,
Managers on the Part of the House.

Claiborne Pell,
Gaylord Nelson,
Tom Eagleton,
Walter F. Mondale,
J. Javits,
Robert Taft, Jr.,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Houses to the bill (S. 795) to amend the National Foundation on the Arts and Humanities Act of 1965, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The conference agreement adopts an amendment which is a substitute for both the Senate bill and the House amendment. The differences between the Senate bill and the House amendment and the substitute agreed to in conference are noted in the following outline, except for incidental changes made necessary by reason of agreements reached by the conferees and minor, clarifying, and technical changes.

Renovation of facilities.—Existing law permits the National Endowment for the Arts, as part of a project, to carry out the renovation of facilities, without limitation.

The Senate bill places a limitation of $250,000 on the amount of Federal funds to be expended on a project involving renovation of facilities, except that such limitation may be exceeded if two-thirds of the members of the National Council on the Arts who are present and voting approve of the project.

The House amendment creates the $250,000 limitation but does not contain the exception in the case of a two-thirds vote on the Council. The House recedes.

Construction of facilities.—Existing law permits the National Endowment for the Arts, as a part of a project, to carry out the construction of facilities, without limitation.

The Senate bill limits construction authority by requiring that—

(1) there be a finding that the construction involved in the project either is for demonstration purposes or is a project in which there is no other means by which the artistic purpose of the project may be accomplished; and

(2) two-thirds of the National Council on the Arts, who are present and voting, approve of the projects.

The House amendment makes no provision for approval of a project involving construction by two-thirds of the Council. The House recedes.

Expanding availability of arts and humanities programs.—The Senate bill, but not the House amendment, provides authority for the Arts and Humanities Endowments to support programs in areas where citizens do not have access to such programs for geographical or economic reasons. The conference agreement adopts the provisions of the Senate bill.

Publications without regard for rules of the Joint Committee on Printing.—Under existing law, Government publications must be published under the auspices of the Government Printing Office. The National Endowment for the Humanities has, under existing law, an exemption from the Government Printing Office printing requirements, while the National Endowment for the Arts does not.

The Senate bill amends both such provisions of the National Foundation on the Arts and the Humanities Act of 1965, providing that both the Endowments may have an exemption from the Government Printing Office printing requirement if the Chairman consults with the Joint Committee on Printing and submits to the Committee on Education and Labor of the House and the Committee on Labor and Public Welfare of the Senate a justification of the exemption. The House bill makes no substantial change in existing law. The House recedes.

Allotment of funds appropriated to the National Endowment for the Arts for grants to States under section 5(g).—The Senate bill allots 100 percent of the appropriation for section 5(g) to the States. The Senate authorization figures break down, per State, as follows: fiscal year 1974, $200,000; fiscal year 1975, $350,000; fiscal year 1976, $500,000.

The House amendment provides beginning in FY 1975 for a single authorization to carry out section 5(c) (General Art Grants) and section 5(g) (State and Regional Art Programs). The Senate recedes.

Further, the House amendment provides that not less than 20% of the funds appropriated for section 5 shall be used to carry out section 5(g). The Senate recedes.

The House amendment also provides that of the sums reserved for section 5(g), 75% is to be allotted among the states in equal amounts, and 25% is to be available to the Chairman for making grants under subsection (g) to states and regional groups, except that in no event is a state to receive less than a $200,000 minimum allotment. If insufficient funds are appropriated to meet this $200,000 minimum allotment, each state is to be allotted an equal amount. If the amount appropriated is sufficient to meet the $200,000 minimum state allotment but is insufficient to provide the Chairman with an amount equal to 25% of the total amount available for section 5(g), then the full amount in excess of the amount necessary to meet the $200,000 minimum state allotment is available only to the Chairman for making grants to states and regional groups. The Senate recedes with a clarifying amendment to assure that each state receives at least $200,000 before any moneys are available to the Chairman for making grants to States and regional groups.

The Senate bill provides that that part of any State's allotment which exceeds $125,000 and is not in excess of 20 percent of such State's total allotment is to be exempted from the 50 percent matching requirement. The House amendment exempts 20 percent of the total of a State's allotment from the matching requirement of that State, if the State matches its minimum allotment of $200,000. The conference agreement retains the Senate provision. The Conferees wish to stress that the waiver of matching is applicable only to the amounts allotted to the states. Matching may not be waivered at any time with respect to grants made by the Chairman to the States and regional groups.

The Senate bill provides that the discretion to expend funds without regard for the matching requirement be the State's, while the House amendment gives that authority to the Chairman. The Senate recedes.

Under existing law, any funds available to the States under section 5(g) which are not used by the States revert to the Chairman to be used under section 5(c) (the regular endowment program). The Senate bill leaves this provision unchanged. The House amendment provides that amounts allotted to the States which are unused sixty days prior to the end of a fiscal year shall be available for grants to regional groups. Any funds then remaining revert to the Chairman under existing law. The Senate recedes, and the conference agreement adopts a definition of regional groups under which such groups need not be representative of contiguous States.

Grants without Council Recommendation.—Under existing law, Chairmen of the Endowments may make grants not in excess of $10,000 without the recommendations of their respective Councils. The Senate bill raises the $10,000 limit on such grants to $15,000, while the House amendment raises that limit to $20,000. The conference agreement raises such limit to $17,500.

Use of State humanities agencies.—The Senate bill, but not the House amendment, requires the Chairman of the National Endowment for the Humanities to correlate programs of that Endowment with State humanities agencies, to the extent practicable. The House recedes.

Membership of the Federal Council on the Arts and Humanities.—The Senate bill, but not the House amendment, expands the membership of the Federal Council on the Arts and the Humanities to include a member designated by the Senate Committee on Arts and Antiquities and a member designated by the Speaker of the House. The conference agreement adopts the provision of the Senate bill, with the understanding that the term "member" refers to a member of the Federal Council on the Arts and the Humanities, and not to a Member of the House or Senate (although a Member of the House or Senate may be designated a member of such Council by the appropriate authority).

Geographical representation of advisory panel.—Existing law authorizes the Chairmen of the Endowments to utilize experts and consultants. The House amendment, but not the Senate bill, requires that any advisory panel appointed under such authority to review or make recommendations with respect to the approval of applications or projects have broad geographic representation. The Senate recedes.

Authorization of appropriations.—The Senate bill and the House amendment provide authorizations for the Endowments as indicated in the following chart:

[In millions of dollars and fiscal years]

	1974		1975		1976	
	Senate	House	Senate	House	Senate	House
Sec. 5(c)	59	54	105.75	(1 2)	152.5	(1 2)
Sec. 5(g)	11	11	19.25	(1 2)	27.5	(1 2)
Sec. 7(c)	70	65	125.00	(2)	180.0	(2)
Sec. 10(a)(2)	20	15	30.00	(2)	40.0	(2)

[1] Not less than 20 percent of the total amount appropriated to carry out secs. 5(c) and 5(g) may be used only to carry out sec. 5(g).
[2] "Such sums."

The conference agreement provides such authorizations as indicated in the following chart:

[In millions of dollars and fiscal years]

	1974	1975	1976
Sec. 5(c)	54	[1] 90	[1] 113.5
Sec. 5(g)	11	(1)	(1)
Sec. 7(c)	65	90	113.5
Sec. 10(a)(2)	15	20	25.0

[1] Not less than 20 percent of the amount appropriated to carry out sec. 5(c) may be used only to carry out sec. 5(g).

It is the position of the conference agreement that the equality in authorization between the National Endowment for the Arts and the National Endowment for the Humanities, which has been present in the National Foundation on the Arts and the Humanities Act of 1965 since its enactment, has been maintained in such agreement, with the hope and the expectation that appropriations for the two endowments will be approximately equal.

Contingent extension of authorization of appropriations.—The Senate bill contains language which provides that, unless the Congress during the period beginning July 1, 1975, and ending July 1, 1976, passes or formally rejects legislation extending the authorizations of appropriations under the bill, each of the authorizations of appropriations is automatically extended for one fiscal year. The House amendment contains no comparable provision. The Senate recedes.

Research libraries.—The Senate bill, but not the House amendment, amends the Library Services and Construction Act to include in its definition of public libraries research libraries. The conference agreement adopts this provision of the Senate bill.

CARL D. PERKINS,
JOHN BRADEMAS,
PATSY T. MINK,
LLOYD MEEDS,
S. CHISHOLM,
ALBERT H. QUIE,
ORVAL HANSEN,
Managers on the Part of the House.

CLAIBORNE PELL,
GAYLORD NELSON,
TOM EAGLETON,
WALTER F. MONDALE,
J. JAVITS,
ROBERT TAFT, JR.,
Managers on the Part of the Senate.

LEGISLATIVE PROGRAM

(Mr. ARENDS asked and was given permission to address the House for 1 minute.)

Mr. ARENDS. Mr. Speaker, I have asked for this time in order to ask the distinguished majority whip, the gentleman from California (Mr. McFALL), if he would kindly inform the House as to the program for next week.

PARLIAMENTARY INQUIRY

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GROSS. Mr. Speaker, my parliamentary inquiry is this: Would a quorum call at this time deprive the leadership of announcing the program for next week? And would that be fatal if we did not get another bobtailed, as I understand it, work program for next week?

The SPEAKER. The Chair will state to the gentleman from Iowa that the Chair is unable to reply to the gentleman's parliamentary inquiry.

Mr. GROSS. I thank the Speaker.

Mr. McFALL. Mr. Speaker, if the distinguished minority whip will yield, I will be happy to reply to the gentleman's inquiry.

Mr. ARENDS. I yield to the gentleman from California.

Mr. McFALL. Mr. Speaker, there is no further legislative business for today, and upon the announcement of the program for next week I will ask unanimous consent to go over until Monday.

The program for next week is as follows:

On Monday we will have the Consent Calendar and then four suspensions:

H.R. 620, additional Assistant Secretary of the Interior for Indian Affairs;

H.R. 8029, Indian Claims Commission funds distribution;

S. 2419, Agriculture Act technical corrections; and

H.R. 10397, Cabinet Committee on Opportunities for Spanish-Speaking Peoples.

On Tuesday there will be the Private Calendar, suspensions—no bills—and S. 1914, Radio Free Europe, under an open rule, with 1 hour of debate.

On Wednesday and for the balance of the week we will have:

H.R. 6452, Urban Mass Transportation Act, under an open rule, with 2 hours of debate;

H.R. 10088, Big Cypress National Preserve, Fla., under an open rule, with 1 hour of debate;

H.R. 7730, San Carlos, Ariz., mineral strip purchase, subject to a rule being granted; and

House Joint Resolution 748, par value modification appropriations for fiscal year 1974.

Conference reports may be brought up at any time, and any further program will be announced later.

ADJOURNMENT OVER TO MONDAY, OCTOBER 1, 1973

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. GROSS. Mr. Speaker, reserving the right to object, during the 3 weeks preceding the Fourth of July recess of Congress, when the House met early and then ran into bowels of the night on too many occasions, we were told that the target date for adjournment was October 1.

I should like to ask the distinguished majority whip what happened to that target date, or has anything happened? Are we going to get out of here on October 1 on the basis of sine die adjournment?

Mr. McFALL. If the gentleman will yield, I can offer some comment with reference to a target date for adjournment, although I do not know whether the information I would provide to the gentleman from Iowa would substantiate an early adjournment, or even whether or not there was an October 1 target date in the first place.

As the gentleman knows, we tried before the 4th of July to get as many of the appropriation bills and as much of the business completed as was possible so that an early adjournment might be possible. At this time we have done very well with the priority legislation that we have.

We have some more priority legislation, but adjournment hangs on the following situation: The defense authorization bill, is being considered on the Senate floor this week, it will then go to conference, and the defense appropriation bill will then follow it. We then will have to pass some kind of a foreign aid appropriation bill or decide what we are going to do with foreign aid, whether it be a continuing resolution or what. The military construction authorization and appropriations bills will also be coming very soon.

At this point there is no way to tell what might be the adjournment date. It will depend upon priorities. What we do on defense may not be satisfactory to the President of the United States.

We have a Labor-HEW appropriations bill and several other appropriation bills which have not yet been finally enacted, and we may find ourselves in the situation where there will be vetoes on certain bills. Also some kind of an appropriation accommodation will be necessary to meet the expenditure ceiling which was passed in the impoundment legislation, and some kind of an accommodation between the House and Senate and the Executive will be necessary before the House can adjourn.

Mr. GROSS. I take it that the adjournment balloon that was floated in the 3 weeks preceding the 4th of July has been shot down somewhere along the line.

Mr. McFALL. The hopes and expectations of attempting to get done as rapidly as possible have been somewhat delayed, I would say.

Mr. GROSS. Will we be able to properly conduct the business of next week, and I just did get a schedule of it, with the big game hunters of the Banking and Currency Committee in Nairobi or will they have returned by that time?

Mr. McFALL. I understand the gentlemen who went to the International Monetary Conference in Nairobi will be back on September 30 and will be ready to present the mass transit bill to the House next week.

Mr. GROSS. That is helpful.

The gentleman thinks then that there is a possibility we can adjourn sine die by Christmas Eve?

Mr. McFALL. I have been here on numerous occasions when my friend has mentioned the possibility that we might stay until Christmas Eve.

Mr. GROSS. It usually came true, did it not, or close to it?

Mr. McFALL. Very close to it on a number of occasions. The gentleman was more right than a number of others I have listened to.

Mr. GROSS. I thank the gentleman, but I have no occult powers.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday of next week.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PROPOSED PATENT MODERNIZATION AND REFORM ACT OF 1973—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-158)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee on the Judiciary and ordered to be printed:

To the Congress of the United States:

America's dramatic progress from a small agrarian nation to a great technological and industrial leader has been due, in no small degree, to the inventive genius of its people. Names such as Benjamin Franklin, Eli Whitney, Cyrus McCormick, Thomas Edison, Alexander Graham Bell, Samuel Morse, the Wright Brothers and Henry Ford speak volumes about the character of our Nation.

Our creative history, however, has not been a matter of individual inspiration alone. Our Founding Fathers understood the need for innovative thinking and wrote into the Constitution a means of encouraging invention—the patent system—which has enormously stimulated our progress and prosperity.

The national patent system authorized by the Constitution took on form and substance with enactment of special patent acts in 1790, 1793 and 1836. The act of 1836 provided statutory criteria for the issuance of patents and required the Federal Patent Office to examine applications to determine whether they conformed to those criteria. Although this 1836 law has since been amended, no basic change has been made in its general character and it now forms the basis for our present patent system.

While the patent system has changed only slightly since the nineteenth century, the social and economic structure of our Nation has, of course, undergone profound change. The individual inventor, often working alone and unaided, still makes an important contribution, but the lead role in exploring new frontiers of technology is now played by organized research—sophisticated and highly capable teams funded by our Government, industry and universities.

The changing nature of applied research has understandably raised questions about the adequacy of our patent system. Over the past seven years a number of searching studies have been made of that system, including a report by a special Presidential Commission in 1966. Those studies have shown that a successful patent system should meet at least four basic standards. It should:

—provide an incentive for new inventions by offering a meaningful reward to the inventor and to his supporters;

—promote early public disclosures of new discoveries, so that others may also benefit;

—encourage other researchers to explore alternative solutions to crucial technological problems; and

—through the process of discovery and disclosure, widen the opportunity for consumers to choose products of higher quality and lower price.

In recent years, it has become increasingly clear that our current patent system does not measure up to these standards. The United States Patent Office now examines patent applications in an *ex parte* fashion—a series of hearings involving only Patent Office personnel and the party applying for a new patent. The very nature of the examination process denies the Patent Office much information relevant to its decision about issuance of a new patent because that information is frequently held by those who may be in commercial competition with the patent applicant. Thus the Patent Office may grant a patent to one inventor without knowing that similar information already exists. As a consequence, legal disputes between a new patentee and his competitors have often arisen after the patent has been issued, and, because the courts can develop a more complete factual record, a large number of patents have been declared invalid. This litigation is often protracted and needlessly expensive, both for the patentees and their competitors. In addition, there have been increasing allegations of fraud and inequitable conduct in the procurement of patents. The net result is that public confidence in the reliability of our patent system has been eroded, and we have reached the point where reform is clearly desirable.

Accordingly, I am today proposing that the Congress enact the Patent Modernization and Reform Act of 1973. This legislation, which will today be transmitted to the Congress by the Commerce and Justice Departments, is designed to rid the patent system of many of its existing problems without sacrificing the indispensable stimulus to invention now afforded by that system. Specifically, this bill has four major objectives:

1. Strengthening public confidence in the validity of issued patents;
2. Accelerating and improving the disclosure of new technology revealed by the patents;
3. Simplifying the procedures for obtaining patents; and
4. Enhancing the value of the patent grant.

STRENGTHENING PUBLIC CONFIDENCE

The single most important objective of reform must be the establishment of examination procedures which insure that new patents are both sound and reliable. The best way to achieve this objective is to obtain as much information from all sources as is practicable.

To remedy the defects of the present system, I am recommending that we broaden public participation in the review of patent applications, that we strengthen the hand of the patent examiner, and that we require applicants to give greater assistance to the examiner in bringing information to light. If we take these steps, I believe we would not only insure a more orderly and complete patent examination but also greatly strengthen public confidence in the validity of our patents.

Under the proposed bill, the Patent Office would publish all patent applications that seem worthwhile and would then give the public six months to bring to its attention information relevant to the application. Members of the public would be permitted to present their views to the Patent Office in an adversary proceeding, and new procedures for discovery of information and opportunities for the opposing parties to appeal the decision of the Patent Office through the courts would be established. The bill also provides for additional manpower for the Patent Office so that opposition proceedings can be conducted effectively.

The patent examiner, a critical figure in the application process, would also be given additional tools to perform his job. These would include, in appropriate cases, authorization to require an adversary examination proceeding and to obtain the assistance from a special patent officer in such a proceeding, as well as access to adequate discovery techniques under the Federal Rules of Civil Procedure.

To further assist the examiner, patent applicants would be required to disclose all pertinent information at the outset of the examination proceeding along with a written memorandum describing why their inventions are patentable. In addition, this legislation spells out in considerable detail the duties of inventors, patent applicants and their attorneys to bring to the attention of the Patent Office all relevant information which comes to their attention during the examination process.

ACCELERATING AND IMPROVING DISCLOSURE

A basic premise of the patent system is that in exchange for commercial protection of his discovery, an applicant will disclose the techniques of his invention so that others may build upon this knowledge. Some critics, however, have suggested that the current patent system is not bringing forth the full and rapid disclosure of technology that it should.

The legislation proposed by the Administration would encourage applicants to expedite the processing of their applications by granting a period of protection 20 years from the date the application is filed rather than the present 17-year period from the day a patent is granted. In addition, this legislation would require that patent claims be drafted with greater precision so that others would have a better understanding of how to use the invention.

SIMPLIFYING PROCEDURES

The Administration bill also sets forth several important steps to simplify the procedures for filing and obtaining patents. One reform would permit the owners of an invention, not just the inventor, to file the papers for, and directly obtain, a patent. This step should remove the present procedural hurdles to filing of applications by corporations, universities or other research organizations.

The bill would also simplify troublesome problems of amending applications and would give the Patent Office greater flexibility in examining applications containing more than one invention.

ENHANCING THE VALUE OF PATENTS

The legislation I am recommending would also enhance the value of the patent grant. The procedural reforms described above, which are designed to strengthen confidence in the examination process, would do much to achieve this goal. But other, more specific changes are also needed.

Current law leaves the owners of United States process patents unprotected against importers who sell foreign products that have been manufactured by utilizing processes developed in the United States. This law should be changed so that exclusive sales agents or affiliates of foreign competitors who handle such products will be considered patent infringers.

The proposed legislation would also permit the patent owner to settle disputes over the infringement and validity of his patent without resorting to expensive and time-consuming court litigation. Patent owners and those accused of infringing patents may instead, if mutually agreeable, turn to arbitration for resolution once a dispute arises between them. Where arbitration is not possible, improved disclosure and discovery techniques during the patent application process should reduce the expense and uncertainty of subsequent litigation.

In the event of a dispute over the validity of a patent, the legislation I am recommending would clarify the rights of the patentee or a person who might hold his patent, such as an assignee or licensee. Another provision would ensure that the patent laws not be construed to replace or preempt state laws concerning trade secrets so long as those state laws do not interfere with the free flow of ideas in the public domain. Decisions of the Supreme Court in both of these areas would also be left undisturbed.

PRESERVING THE BEST OF THE PRESENT SYSTEM

The Patent Modernization and Reform Act of 1973 is more than a reform bill. It would preserve and extend some of the best and most important aspects of our current patent system. In preparing this legislation, the Administration considered and analyzed a great many proposals for changing the present law—but our decision was to adopt only those proposals for change that would significantly improve the system.

We were particularly anxious to maintain present standards for the awarding of patents, including the requirement that inventions serve a useful purpose. One of the virtues of the American patent system is its emphasis upon practicality—its demands that ideas be reduced to a tangible form having a known usefulness before the public should grant a monopoly on the concept to the applicant.

My proposal would also preserve the American concept of giving the patent to the person who is first to invent, because he is the individual most deserving of recognition and encouragement. In doing so, we would reject the approach of certain other countries that award the patent to the first applicant to file for a patent.

In addition, the existing state of case law on antitrust standards for patent licensing that have been determined by the courts would not be changed. Some have argued that this case-by-case approach to patent licensing has increasingly eroded the value and reliability of the patent grant. Earlier this year, I requested that various proposals addressed to this issue be carefully studied and reviewed by the Secretary of Commerce, the Attorney General, and my chief advisers on economic policy. After much study, they concluded that there is no clearly demonstrated need or justification for introduction of any patent licensing proposals at this time. They also concluded that the legislation I recommend today will help counter the loss of public confidence by improving the reliability of patents that are issued.

CONCLUSION

Benjamin Franklin, a famous inventor as well as a statesman, reflected once that he wished it his destiny "to be born two or three centuries hence" so that he could not only enjoy the conveniences of modern life but also satisfy his curiosity. So long as the spirit of Franklin remains alive in America, we can be confident that our civilization will flourish.

Our patent system should always work to foster that spirit. Unfortunately, our current system does not always serve that end. With the changes I am recommending today, however, we can combine the best parts of our existing system with the most promising proposals for improving it. In that belief, I ask the Congress to give the proposals contained in the Patent Modernization and Reform Act of 1973 prompt and careful consideration.

RICHARD NIXON.

THE WHITE HOUSE, *September 27, 1973.*

PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO FILE REPORT

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

RECLAMATION OF STRIP-MINED LANDS IN THE WEST

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HECHLER of West Virginia. Mr. Speaker, a recently completed report sponsored by the National Academy of Sciences concludes that reclamation of strip-mined lands in the arid west may take decades and even centuries. This fine report, entitled "Rehabilitation Potential of Western Coal Lands" concludes that lack of water and the nature of soils on our western plains result in even greater damage to the land gouged out by coal strip mining than occurs even in mountainous areas. Most people have assumed up to now that the greatest damage done by coal strip mining is in the mountainous Appalachian regions.

This new report concludes that even in the nonarid west, where the rainfall is above 10 inches per year, there is inadequate knowledge of reclamation to insure that erosion control, provision of suitable habitat for wildlife and protection of water quality can in fact be accomplished.

Furthermore, this valuable report recommends that coal gasification and liquifaction plants, which require vast amounts of water, should not be located in arid western areas. There is insufficient water available in these areas to support such plants, and diversion of water from other areas of the west would provide serious shortages for the people, farmers and those who will depend on water for recreational needs.

This report lends strong professional support for my contention that the strip mining of coal must be phased out within a reasonable period of 18 months, as my bill, H.R. 1000 provides. In the light of the huge reserves of strippable coal in Wyoming, Montana, Colorado, New Mexico, and other Western States, this report is so significant that I intend to extend excerpts of the report into the RECORD from time to time.

INTRODUCTION OF THE RESPONSIVE GOVERNMENTS ACT

(Mr. WIDNALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WIDNALL. Mr. Speaker, today I have introduced the Responsive Governments Act (H.R. 10581) as another stone in the foundation of the administration's New Federalism. This legislation will add the planning and management components to the basic development program found in the Better Communities Act. Enactment of each of these measures will provide our State and local governments with the capabilities to attack various urban ills with reduced Federal intervention and red tape.

In his community development message, the President stated that—

> For nearly 20 years, the Federal Government has provided assistance to State and local governments in order to strengthen their planning and management capabilities.
>
> This aid provided under the Comprehensive Planning Assistance Program, has always been helpful, but the program itself has several major flaws. It has tended, for instance, to stress one aspect of public administration—planning—without adequately recognizing other essential features such as budgeting, management, personnel administration, and information-gathering. Planning has often been irrelevant to the problems and the actual decisions. State and local governments have also found it difficult to coordinate their planning because of the fragmented way in which funds have been sent from Washington.

Mr. Speaker, the Responsive Governments Act would correct these deficiencies and assist State and local governments in meeting several important goals such as; developing reliable information on their problems and opportunities; developing and analyzing alternative policies and programs; managing the programs; and evaluating the results, so that appropriate adjustments can be made.

It is of course designed to sustain the achievements of the existing comprehensive planning and management program.

Experience has shown that an effective planning and management process provides the best insurance that Federal funds, as well as local resources, will be wisely invested. As States and local governments are freed from the restraints of narrow, categorical programs, and assume their full and rightful role in relation to community development problems, the assistance offered by the Responsive Governments Act will be vitally important.

Major improvements over the existing program will include:

Removal of constraints and excessive demands in processing and funding of grants.

Expansion of the list of eligible planning and management activities, with new emphasis in the management area.

Open ended authorizations to enhance the Congressional appropriations process.

Removal of requirements for local contributions matching the funds provided through Federal grants, and

Simplification of the application and delivery processes.

Mr. Speaker, the Responsive Governments Act will be a vital, key measure in the orchestration of programs to enhance community development efforts at the local level. I am sure that responsible officials at the State and local levels will substantiate the great need for this legislation.

INVESTIGATING CHARGES AGAINST VICE PRESIDENT AGNEW

(Mr. HUTCHINSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUTCHINSON. Mr. Speaker, today I am introducing a resolution directing the Committee on the Judiciary to conduct an investigation into certain charges which have apparently been made against the Vice President. Cosponsoring this resolution are 14 Republicans on the Judiciary Committee.

Through leak and innuendo the character of the Vice President is being maligned. He has asked the House to investigate those charges and we are of the opinion the House has a constitutional duty to accede to his request.

Such action by the House should not be considered as being in lieu of judicial proceedings. The legal issues in this case may take the courts months, if not years, to resolve. The resolution which I am introducing, instructs the House Judiciary Committee, acting through a select subcommittee of nine members appointed by the chairman, to report to the full House the results of its investigation no later than three months after the date of the adoption of this resolution.

Mr. Speaker, the American public and the Vice President are entitled to a fair and expeditious disposition of a situation which threatens the very foundation of our form of government. The House is in a position to move with dispatch and should waste no time in acting upon this resolution.

INVESTIGATING CHARGES AGAINST VICE PRESIDENT AGNEW

(Mr. McCLORY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLORY. Mr. Speaker, I join in sponsoring the resolution referred to by the ranking Republican member of the House Judiciary Committee, my colleague from Michigan (Mr. Hutchinson).

I appeal to the Speaker of the House and the leadership on both sides of the aisle to support this resolution and its objective. I do not think any man in public life at any time in history has been subjected to the vilification, trial by innuendo and inference, that the Vice President has experienced. It seems to me that his request to this House is fully legitimate and that we should acquiesce in this request.

As I stated on the floor of the House yesterday, the establishment of a Select Committee does not indicate we are going to try the case in the House. It does not mean we are going to assume jurisdiction which may rightfully belong to the courts. But it does mean we are going to be fair, that we are willing to provide a hearing that we wish to inform ourselves to determine what, if any, charges may involve impeachable offenses against him and what, if any, action the House should take.

This, indeed, is our constitutional responsibility, and I believe we should exercise it.

INVESTIGATING CHARGES AGAINST VICE PRESIDENT AGNEW

(Mr. MAYNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAYNE. Mr. Speaker, I have today joined 13 other members of the Judiciary Committee in introducing a resolution directing the committee to conduct a full and complete investigation of charges of impeachable offenses alleged to have been committed by Spiro T. Agnew. The investigation is to be conducted by a select subcommittee of nine members to be appointed by the chairman of the Judiciary Committee. While this resolution is responsive to the Vice President's letter to the Speaker which was read in this Chamber day before yesterday, it should not be interpreted as being filed in defense of the Vice President. I am not prejudging the truth or falseness of the charges which thus far have appeared only in the press based on undisclosed sources. Nor, is it my intention in supporting this resolution to impede the progress of or prejudice the result of any properly constituted judicial proceeding.

But I do believe that the Vice President and the American people are entitled to a full investigation and hearing of such charges to be aired in a public forum, that the House of Representatives is a proper forum for that purpose, and that this is a responsibility which Members of this House cannot in good conscience evade.

INVESTIGATING CHARGES AGAINST VICE PRESIDENT AGNEW

(Mr. COHEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COHEN. Mr. Speaker, I commend the gentleman from Michigan, the ranking minority member of the committee, for introducing the resolution, and I wish to indicate my support for it, in addition to the resolution that was introduced yesterday.

Mr. Speaker, the time has come for the House of Representatives to recognize the responsibilities with which it has been charged under the Constitution, and to properly discharge them. This body alone has the duty to determine whether claims against high elected officials such as the Vice President are serious and substantial enough in nature to initiate impeachment proceedings. Whatever the outcome of a judicial proceeding, only we can decide whether such officials should continue in the office to which they have been elected.

We are all aware of the accusations which have been made against Vice President Agnew regarding alleged criminal activity. We also know that the Attorney General has reached a decision that sufficient evidence exists that a grand jury should consider the possibility of a criminal indictment.

These actions have created great uncertainty in this country and further eroded the public confidence necessary for effective leadership, particularly in times of national crisis. Not only has the situation placed tremendous burdens upon the Vice President, but, should the President suddenly be incapacitated with this matter yet unresolved, the present cloud over the Vice President could well lead to paralysis in our executive branch. The fact that the Vice President himself has requested an investigation by the House of Representatives underscores the need for immediate action.

I hope that the House will not place political considerations above its constitutional obligation and duty to the country.

THE TIME IS NOW

(Mr. RANDALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RANDALL. Mr. Speaker, this is the fourth installment of my effort to call daily attention to a situation which will worsen if this administration does not move quickly to inaugurate some mandatory allocations of gasoline diesel fuel and propane to the farmers of our country.

Because of the wet spring, the normal time for cutting silage is already 3 weeks past due and yet I found repeated instances and examples of mechanized agricultural implements sitting idle in the fields, because the suppliers were ordered not to sell fuels they had in their tanks by the oil companies under threat of losing their franchise if they did.

What a spectacle—it is almost sickening to behold that the major oil companies are together on some kind of quota pattern, which results in the existence of available supply in the tanks of their distributors in the rural areas but the farmers implements sit idle in the fields without fuel to move them.

Maybe this administration is trying to prove its friendship for or favoritism to the giants of the oil industry. I do not know. But whatever the reason for the long neglect, omission, and failure to issue by mandatory order a supply to our farmers to harvest their crops, this failure will boomerang in the months ahead, because of the highest prices for food that this country has ever witnessed in our history.

The time has passed to argue whether the Congress should act first or the administration should act first at the present time. In Public Law 93-28, section 2, the language of that statute plainly states the President may allocate petroleum products. Hopefully, the Congress in the next few days or weeks will enact such language as will leave no option to the President but that is not the situation at this moment.

The President has the authority now. The hour is late. Truly, the time to act is now.

ASIAN PEOPLES' ANTI-COMMUNIST LEAGUE CONFERENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, on July 17, I addressed the Captive Nations Rally in Taipei, Republic of China, a rally attended by over 3,000 representatives of organizations and governments throughout free Asia including many high-ranking government officials and members of the respective diplomatic corps. I have long been deeply concerned over the continuing plight of the once-free nations of Europe and Asia that are now, against their wills, a part of the Communist military and economic power structure. I am also concerned that the official policies of the United States tend to address themselves to the captive nations less and less. Throughout the course of my visit, I was impressed by the spirit of unity and cooperation which pervades the relations between these free nations.

It was, therefore, interesting to me to note the marked dissimilarity between the Asian Peoples' Anti-Communist League's 19th Conference in Taipei on August 20-23, and the so-called Nonaligned Nations Conference held during the past 2 weeks.

The APACL Conference was marked by a high degree of unity and cooperation among the anti-Communist nations of Asia, the Middle East, and Oceania. The conference was an encouraging display of the collective will of free nations to resist any foreign force or power which would destroy freedom and human dignity. In contrast, the Nonaligned Nations Conference was highlighted by open and vitriolic abuse of the United States and other free world nations. Such nonaligned spokesmen as Fidel Castro of Cuba and Prince Sihanouk, who now resides in Peking, were the principle speakers at the Nonaligned Nations Conference. When one contrasts these two conferences, it is clear even to the most casual observer that one conference—the APACL Conference—was composed of nations friendly to the United States and hostile to Communist aggression, while the other—the Nonaligned Nations Conference—was composed of nations who were openly hostile to the United States and the free world and who turned their backs on the oppression and repression occurring within the Communist and socialist countries.

Mr. Speaker, I have taken this special order today with my colleagues from Ohio (Mr. ASHBROOK) and from Illinois (Mr. CRANE) to bring the APACL to the attention of this body.

APACL CONFERENCE

Mr. Speaker, the APACL Conference was attended by 136 official delegates and observers from 24 nations. It was no isolated, rump session of inconsequential powers. These delegates and observers freely exchanged views on the current world situation in general and the distressing Asian developments in particular. The conference was held during a period when it was becoming increasingly obvious that the North Vietnamese were accelerating their aggression in Southeast Asia, even now apparently constructing military airfields inside South Vietnam. To the end that more people may understand the viewpoint of the Republic of China, I include in the RECORD a message of greeting from President Chiang Kai-shek of the Republic of China, the host nation:

PRESIDENT CHIANG KAI-SHEK'S MESSAGE TO THE 19TH CONFERENCE OF THE ASIAN PEOPLES' ANTI-COMMUNIST LEAGUE

Mr. Chairman, delegates and distinguished guests: At this moment, when a miasma of appeasement obstructs the world's field of view and people are deceived by the illusion of temporary peace, it is highly significant that the Asian Peoples' Anti-Communist League should be convening its 19th Conference in Taipei, the wartime capital of the Republic of China. I wish to take this opportunity to extend my sincere and warm welcome to all of you. The Asian and Pacific region of today may be likened to a place swept by wind and rain in the darkness of the night. This notwithstanding, we are able to respond to one another's calls and communicate our common aspirations. Consequently, I am strengthened in my conviction that the righteous will be helped and the virtuous will never walk alone.

The anti-Communist situation of the world has undergone multiform change in recent years. But you have never doubted or given up your confidence in victory over Communism. We know that the annals of civilization's progress constitute a record of developing and improving human nature, resisting brute force, struggling for freedom and opposing enslavement. In the struggle against brute force and enslavement, men have encountered all manner of difficulties, reverses, sufferings and sacrifices. Yet human nature always prevails against the perversity of brute force and men go on to write new pages in history.

This is the way of human progress. We have, therefore, no reason to fear the Communists, no matter how rampant, terrible and rabid they may be at the moment. Nor should we be discouraged by the precariousness of the anti-Communist situation and the weakness shown by some people at this time.

Communist influence has been growing steadily since the end of World War II. This is principally because people are not sufficiently aware of Communist wickedness. They have become obsessed with the illusory quest for temporary peace through appeasement of these forces of evil; they even have sought temporary coexistence with these evil forces. They have lost their moral courage during the course of the struggle and abandoned the exalted goal which has been pursued by people from the beginning of human history. This goal is none other than the fulfillment of human nature as expressed in the pursuit of justice, peace, equality and freedom.

We are aware that in a dark age devoid of human dignity, human rights and freedom, there can be no protection of human life, no meaning to human existence and no attainment of true peace. Mankind today is confronted with an unprecedented challenge as human nature comes up against brute force and freedom faces enslavement. The moral courage shown by the peoples and leaders of various countries in meeting this challenge will decide the weal or woe of these peoples and countries for a long time to come and shape the destiny of Asia and all the peoples of the world.

Schism within the Communist bloc in recent years has given rise to many illusions.

Some people believe these differences have greatly reduced the Communist threat to the security and peace of the world. This has led people to think of seeking temporary peace and of relaxing their vigilance against the Communists.

Others believe we should exploit the Communist schism through the tactic of "pitting one enemy against another enemy" and "making friends with the enemy." They wish to create a new balance of power and base the security and peace of the world on the contradictions between these enemies.

However, the contradictions within the Communist bloc have not changed its common objective of world communization, nor really altered its hostility toward the democracies. Communist expansion in one country or another is equally threatening to the security and peace of the world; other countries inevitably will be affected.

Consequently, we cannot afford to assume that contradictions between our enemies will bring true security and peace to the world. We must never relax our efforts to maintain solidarity and cooperation among the democracies.

An enemy's enemy cannot become a bona fide friend of the democracies; the enemies understand clearly the difference between brotherly contradictions and hostile contradictions and between a temporary power conflict and their unchanged common goal.

The democracies must, therefore, distinguish their relationship with allies from their relationship with enemies. They should never be confused by the temporary contradictions between their enemies or deceived by the enemy's intrigue of "uniting with tomorrow's enemy against today's enemy." Otherwise, they will be making a mistake of historical dimensions which will not be easy to correct.

All of the tragedies of war suffered by Asian peoples in the last two decades are outgrowths of the tragedy on the Chinese mainland. If we wish to ensure freedom and peace in Asia, we must begin with the restoration of human rights to the 700 million people on the mainland through their liberation from the Maoist Communist tyranny. Otherwise, this tragedy will eventually spread throughout the Asian and Pacific region and bring suffering to all. In the end all of mankind would surely be embroiled in a situation of tragic destruction.

The Chinese Communist regime has an appearance of strength but is weak internally. The 700 million oppressed people, including the frequently mentioned "close comrades-in-arms," are steadfastly opposed to the Communists in a life-or-death struggle. In the last two decades, the Maoist regime has been unable to stabilize its rule through the employment of brute force. To the contrary, rebellion and power seizure have never ceased.

The Chinese Communists are preparing to convene the "10th congress" of their party and the phony "national people's congress." They apparently hope to create a false image of solidarity and stability in order to hoodwink the world. In actuality, this is another power struggle and one which is sure to lead to more serious dissensions and bring the regime to the brink of collapse.

We can affirm that the 700 million people of the Chinese mainland will not accept the oppression of Communist brute force indefinitely. They are already engaged in an increasingly fierce struggle to survive and wrest freedom from the handful of oppressors. Most Communist cadres have been awakened by their sufferings and are courageously taking an anti-Communist and anti-Maoist line.

Honorable delegates: The expansion and threat of Communist forces are global in scale. The security and peace of the world are indivisible. Consequently, final victory in the anti-Communist struggle requires incessant struggle based on the unity, common will and effort, and cooperation by the peoples of all regions, nations, races and religions. Although the democracies of the Asian and Pacific region may not be strong enough, each independent of the others, to stand alone against Communist aggression and threats, they can forge themselves into a formidable force and jointly assume the responsibility of ensuring security and peace within the area, provided only that they cooperate in good faith while clearly understanding their common danger and their common enemy, and also provided they are not so shortsighted, selfish and self-deceived as to seek temporary peace. So long as we unite and cooperate, we shall also win the sincere cooperation of the democracies in other regions. This is the way to hold the helm of our own destiny and open up a bright vista for Asia.

Events of the last two decades convince us that such drastic and self-negating changes as power seizure and rebellion may occur on the Chinese mainland within a single night. The facts of these two decades also serve to testify that no matter how the world may change, the Republic of China will never desist nor waiver in her struggle.

We have sufficient moral courage to carry on our fight against the Communists. We are prepared to endure any suffering and sacrifice in order to hold high the anti-Communist standard. Together with all peoples of benevolence and common will from the other democracies, we shall take our place at the head of the hundreds of millions of angry people shut behind the Iron Curtain in their march toward victory in the anti-Communist cause.

I wish you good health and your conference every success.

Mr. Speaker, if this Nation is not to turn its back on the varied and multitudinous peoples of the world that desire freedom and the prosperity which arises naturally from the lifting of economic and political oppression and repression—people whose only hope and encouragement lies in the determination of the United States to stand firmly against all forms of human enslavement, Communist on one side, fascist on the other—then we should heed the spirit and the letter of the APACL Conference.

ASIAN PEOPLES' ANTI-COMMUNIST LEAGUE CONFERENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CRANE) is recognized for 30 minutes.

Mr. CRANE. Mr. Speaker, during a period when there is much discussion about the changed nature of communism, the Asian People's Anti-Communist League held a significant meeting in Taipei.

It is fitting that this conference should have been held in the capital of the Republic of China.

Despite its increasing political isolation, compounded by its expulsion from the United Nations, the Republic of China remains a showcase of freedom and of the prosperity which only a system of free enterprise can produce.

The per capita income in Taiwan climbs steadily. It has doubled to $400 annually in the last 6 years and should reach $1,000 in the next 5. William B. Morrell, Jr., economic counselor of the U.S. Embassy in Taipei, notes that—

> Taiwan is having the highest rate of growth of foreign trade of any significant trading nation in the world. In the next ten years Taiwan will be among the first 15 trading nations and will move to sixth place, with a $6 billion, two-way trade.

It is important to remember that Taiwan, with only 15 million people, does approximately the same $4.3 billion foreign trade as does Communist China with 700 to 800 million people. Writing in Fortune magazine, Louis Kraar reports that—

> The per capita GNP—$400—is already four times as large as in the People's Republic.

Even more important is the fact that the ancient Chinese religion and culture which has been destroyed on the Mainland, thrives in Taiwan. There religious freedom exists, and individuals have control over their own lives. This is a stark contrast to the mainland, where all freedoms have been eliminated and men and women are viewed simply as pawns of an all-powerful state.

Among those addressing the Asian Peoples' Anti-Communist League was Premier Chiang Ching-kuo of the Republic of China, and Dr. Ku Cheng-Kang, President of the Republic of China Chapter of the World Anti-Communist League and that organization's honorary chairman.

Premier Chiang Ching-kuo declared that—

> What concerns us today is that the free world has been numbed by the Communists' smiling offensive. The dividing line between friend and foe has become unclear. Anti-Communst steps are no longer taken in cadence. The result is the emergence of serious gaps in the anti-Communist defense line of Asia and the world. To assure security, freedom and progress for Asia, we must exert ourselves for the timely termination of this crisis.

Dr. Ku pointed out that—

> Turmoil in Asia is all because of the Chinese Communists who, aside from forcibly occupying the Chinese Mainland, have been instigating and supporting Communist armed aggressions and insurrections elsewhere. After so many years of name-calling against the United States, however, the Chinese Communists abruptly turned to soft-pedalling. This tactical change has aggravated the internal crisis of the Chinese Communists and forced them into an adventurist road. The Chinese Communists are seeking alliance with the United States so as to ward off Russian blows, consolidate their dangerously unstable rule of force at home, and at the same time carry out their designs of aggression and expansion in Asia.

Dr. Ku noted that—

> Unless the democratic nations take steps to eliminate threats of Chinese Communist aggression once and for all, Asia can never be truly at peace.

It is essential that we in the United

States pay heed to these wise words from Premier Chiang Ching-kuo and Dr. Ku Cheng-Kang. We must not be deceived by a change in tactics by world communism, but must insist that any change be one which is accompanied by deeds, and not one which is limited to words.

While some speak of an era of détente, the fact remains that the Berlin Wall still stands, Soviet troops still occupy Czechoslovakia and other countries of Eastern Europe, Communists in Vietnam pursue their goal of total domination of that country, and everywhere in the Communist world all freedom has been eliminated. If communism has changed, there is no available evidence at this time to convince us of that fact.

It is essential that we not abandon staunch and faithful allies such as the Republic of China in the hope of an illusory peace based upon trust in the good faith of world communism. Any peace purchased at the expense of the freedom of other nations and other peoples would be a hollow one indeed, and one not worthy of our country.

I wish to share with my colleagues the addresses presented at the 19th meeting of the Asian Peoples' Anti-Communist League by Premier Chiang Ching-kuo and Dr. Ku Cheng-Kang. These addresses follow:

DR. KU CHENG-KANG'S ADDRESS AT THE OPENING CEREMONY OF THE 19TH APACL CONFERENCE

Honorable Delegates, Distinguished Guests, Observers, Ladies and Gentlemen:

As Asia and the world are embroiled in great confusion, the Asian Peoples' Anti-Communist League, moving steadfastly toward its goal, has advanced for this 19th Conference in Taipei the call "For the Security, Freedom and Progress of Asia." The people of the Republic of China feel honored. On behalf of the APACL China Chapter, I extend to all of you distinguished delegates, guests and observers our heartiest welcome and most sincere respect.

Careful observation reveals that the drastic changes in world situation have resulted from the prolonged anti-Communist struggle in Asia. As we view the world from Asia, we see that because of the Asian people's sustained heroic resistance to Communist aggression and rule of enslavement, the Russian and Chinese Communists have been forced to change their world communization tactics. Instead of hot war, they are now pushing offensives of hypocritical smiles and engage the free nations in negotiations. Viewing Asia from the standpoints of the world, we note that the Russians are trying to ally with the Americans to checkmate the Chinese Communists, while the latter are attempting to befriend the Americans for defense against the Russians. In both cases, the primary objective is to strengthen their control and final communization of Asia. Fundamentally, therefore, current world developments are merely the projection of Asian problems, and Asia is the center of gravity of the entire world.

The present Asian situation is still characterized by serious Communist threats of infiltration and subversion. Masses of people are exposed to Communist gunfire and many are dying. However, because of the anti-Communist awakening of Asian people and the continuous growth of freedom forces in the region, crushing blows have been dealt the Communist schemes to conquer free Asia through armed aggression and insurrection.

In Asia today, ceasefire in Vietnam is not yet in effect, and the Khmer Republic is under mounting Communist attacks. This shows that attempts to gain peace through talks with the Communists or to create a multipolar check and balance structure of one type or another are unpractical illusions, and that democratic nations can effectively realize true peace in Asia only by extending positive support to the anti-Communist struggles of free Asian nations, thus enabling them to defend their freedom with their own strength.

In the face of this Asian situation, we must distinctly understand that the road of anti-Communism is the only path for Asians and that neutralist line is positively infeasible. Despite the united front peace campaigns of the Communists, fundamental contradictions between the Communist bloc and the democratic camp remain unchanged. In spite of the tactics of negotiation instead of confrontation, contrast and contradiction continue between freedom and slavery and between democracy and totalitarianism. Given the Communist goal of world communization, satellite existence can only mean servitude and neutralism cannot exist outside the framework of satellite status. Therefore, we must now urge free Asian nations to positively take note of the following points:

No free nation in Asia can afford to entertain hopes that neutrality and self-preservation may be maintained between the fundamentally opposing worlds of democracy and Communism. Any such nation will find itself in the Communist trap of isolation and individual conquest.

In the rivalry between the Soviet Union and the Chinese Communists, free nations in Asia should never commit the mistake of aligning with Moscow to defeat Peiping or aligning with the Chinese Communists to counter the Russians. Any nation attempting to take sides will become either a Russian satellite or a Chinese Communist satellite and find itself engulfed in the inevitable fate of enslavement.

No one in free Asia can mistakenly believe that, in the face of Communist aggressors, a nation may be anti-Communist at home but may at the same time appease the Communists in other lands. No such two-sided approach will work. Also impossible is the self-deceiving line of simultaneous opposition to and appeasement of the Communists. No door should be left open for Communist infiltration and subversion. No free nation should permit its own spiritual disarmament and help the Communists further their communization designs.

Ladies and gentlemen, turmoil in Asia is all because of the Chinese Communists who, aside from forcibly occupying the Chinese mainland, have been instigating and supporting Communist armed aggressions and insurrections elsewhere. After so many years of name-calling against the United States, however, the Chinese Communists abruptly turned to soft-pedalling. This tactical change has aggravated the internal crisis of the Chinese Communists and forced them onto an adventurist road. The Chinese Communists are seeking alliance with the United States so as to ward off Russian blows, consolidate their dangerously unstable rule of force at home, and at the same time carry out their designs of aggression and expansion in Asia. This being the case, unless the democratic nations take steps to eliminate threats of Chinese Communist aggression once and for all, Asia can never be truly at peace. The Republic of China has suffered the longest and the most severely under Communist aggression and insurrection. The nation also has the bitterest of experiences in the face of alternative Communist use of peace talk and battlefront tactics. The Republic of China has the duty and responsibility to let other free Asian nations learn of its painful lessons as well as its firm stand and unshakable faith.

The Republic of China's anti-Communist struggle is for the recovery of its lost territory and for the return of enslaved people to freedom. This fundamental national policy of the nation is positively unalterable. Because of its bitter experience, the nation will never conduct any negotiations with the Chinese Communists.

The Republic of China's anti-Communist struggle constitutes a shield for the security of the Western Pacific and against external Chinese Communist ventures.

The Republic of China's anti-Communist struggle will, together with the anti-slavery revolution of the people on the Chinese mainland, bring about a total destruction of Chinese Communist tyranny and decisively remove the source of turmoil in Asia.

The Republic of China's anti-Communist struggle will continue to promote the unity of overseas Chinese and their cooperation with the governments and people of their host countries. This in turn will generate formidable strength against Chinese Communist attempts at infiltration and subversion.

The Republic of China's anti-Communist struggle is not just for its own benefit. Instead, it has inseparably to do with the freedom and security of whole Asia. Victory for the Republic of China's anti-Communist struggle, therefore, will be an assurance for Asian freedom and security.

Ladies and gentlemen, a new Asian era with Asians safeguarding Asia is taking shape through the struggle of freedom forces against Communist forces. At this crucial moment to decide the course of history, we must grasp the turning point and strive to create a new situation for the victory of freedom.

For these reasons, we must consolidate our unity, fortify our faith, concentrate our will power, and muster all the momentous Asian strength for the defense of Asia. In this connection, we must gallantly make our stand known as follows:

We resolutely maintain that no secret diplomacy of power politics is to be introduced at the sacrifice of Asians. We strongly oppose any and all negotiations conducted against the free will of Asians.

We resolutely maintain that we must forever stand firmly on the side of freedom and democracy and continue our cooperation and common struggle with all the other free nations in the world. Asia's destiny should be decided by Asians. No arrangement of power balance is acceptable to Asians.

We resolutely maintain that free Asian nations should steer their struggle for freedom in the correct direction, oppose neutralist lines, give full play to the spirit of self-salvation and mutual salvation, and crush all Communist schemes to cause dissension and disintegration in the free world.

We resolutely maintain that peace has to be on the foundation of freedom and that peace is to be sought under the condition that all the people behind the Iron Curtain are restored to freedom.

We resolutely maintain that steadfast support must be given the governments and peoples of the Republic of Vietnam, the Khmer Republic and the Kingdom of Laos for their gallant struggle to win freedom and democracy, and that, in view of the urgent Indochinese situation following the end of U.S. bombing against Communist units in Cambodia, the United States and all the free Asian nations should, for the sake of common interest and for international moral obligations, swiftly come up with effective assistance and countermeasures.

We resolutely maintain that free nations in Southeast Asia and Northeast Asia should jointly and speedily seek ways and means to promote regional cooperation in the political, economic, cultural and defense fields for the growth of free democratic Asian society so as to jointly safeguard the existence and freedom of the nations of this area. We oppose any and all plans to connive with the Russian or Chinese Communists to perpetrate their designs of expansion and aggression under the pretext of collective security or peaceful co-existence.

Ladies and gentlemen, the historical mission of the Asian Peoples' Anti-Communist League at the present stage is to act in line with the six major assertions that I have just declared, bring forth insistent Asian determination against slavery, aggression and totalitarianism. Through intensifying free Asian consciousness, self-efforts, and unity, we shall bring about a new high tide of anti-Communist endeavor. Together we shall check aggression, overthrow tyranny, fight for the realization of national independence, political democracy and economic equality and build up a new Asia of freedom, democracy, peace and prosperity.

PREMIER CHIANG CHING-KUO'S ADDRESS TO THE 19TH CONFERENCE OF THE ASIAN PEOPLES' ANTI-COMMUNIST LEAGUE

Mr. Chairman, distinguished guests, ladies and gentlemen:

It is a great pleasure for me to have this opportunity to meet prominent anti-Communist leaders from the Asian and Pacific region at today's opening ceremony of the 19th Conference of Asian Peoples' Anti-Communist League. First, I wish to express on behalf of my government and People our warmest welcome and sincere respect for distinguished guests who came from afar.

Your esteemed League was established for the purpose of uniting all Asian peoples to strive for Asia's security and peace under the righteous banner of freedom and survival in the struggle against Communism and enslavement. The continuing efforts and incessant expansion of your esteemed League in moving toward this exalted goal have made this respected anti-Communist organization a nucleus of the Asian peoples' resistance to Communist tyranny during the last 18 years.

Under your sponsorship and leadership, the World Anti-Communist League was established in 1967. Since then, peace-loving and anti-Communist peoples of all the world have been able to communicate their aspirations and support one another's will, thereby establishing a strong anti-Communist common front. Consequently, your esteemed organization has recorded outstanding achievements and made matchless contributions to the global anti-Communist movement. At this moment when Asia is in potentially grave danger from the menace of Communism, it is highly significant that your esteemed League is holding its conference here to orient the anti-Communist movement in Asia for the days to come, as well as to discuss "the struggle for the security, freedom and progress of Asia" as the meeting's theme. The effects will be far-reaching.

The spread of poisonous Communist ideology and the expansion of its perverse influence is the worst tragedy to afflict mankind in the twentieth century. Although this muddy current originated in Europe, it is Asia which has suffered the most in the last more than half a century. Since the Chinese mainland was shut behind the Iron Curtain, the Chinese Communists, who inherited the irrational and heretical theory of Marx and Lenin, have imposed an inhuman tyrannical rule on 700 million people. They have utilized starvation, terror and persecution to compel the people to serve as their instruments of international threat, blackmail and extortion. This has brought unprecedented tragedy to the Chinese people, transformed the Chinese mainland into the biggest bastion of Communist aggression and made the mainland the epicenter of Asian disturbance and turmoil.

Our President has long pointed out that "the world's crisis lies in Asia and the question of Asia lies in China." Let us take a look at Asian situation since the Communist seizure of the mainland. The Korean war, Indo-China war, and turmoils from Northeast Asia, Southeast Asia and the so-called subcontinent, are without exception the results of Chinese Communist expansion and incitement. In these more than two decades, over half the Asian population has been brought under enslaving and tyrannical Communist rule, countless families have been separated and innumerable lives and properties have been destroyed by war. These tragic facts have testified to the world one fact: that the security of Asia has been threatened, the freeodm of Asians has been infringed and the progress of Asian society has been impeded. All this is the result of Chinese Communist intrigue and ambition.

The excesses and iniquity of the Chinese Communists in the past have aroused animosity and invited attack from the free world. Additionally, the Communists face the affliction of domestic disruption. Consequently, they have had to change their tactics, put on the disguise of a smiling face, pretend to be amiable and talk peace and cooperation in order to deceive the world. If we relax our vigilance and defenses, we shall fall squarely into their trap. In fact, no matter how they pretend to be good nor what lies they tell to mislead the world, the real nature of their wickedness will never change and they will never abandon their intention of carrying out world revolution through Asian communization. We can say with full confidence that so long as the Chinese Communists continue to exist, there will be no true peace and tranquillity in Asia. Consequently, at this moment when your esteemed league has made "the security, freedom and progress of Asia" your solemn task, we should like to over some of our basic views:

The security of Asia can be attained only after the source of turmoil, the Chinese Communist regime, has been removed through the unity, cooperation and joint efforts of Asian ccountries.

The freedom of Asia can be ensured only after Communist infiltration, subversion and aggression have been smashed through the recognition of Asians that these are threats to freedom.

The progress of Asia can be assured only after the tyrannical rule of Communism has been annihilated and Asian countries are able to cooperate in good faith and pursue prosperity and development through joint efforts.

What concerns us today is that the free world has been numbed by the Communists' smiling offensive. The dividing line between friend and foe has become unclear. Anti-Communist steps are no longer taken in cadence. The result is the emergence of serious gaps in the anti-Communist defense line of Asia and the world. To assure security, freedom and progress for Asia, we must exert ourselves for the timely termination of this crisis.

We must point out: Freedom and slavery cannot coexist; democracy and totalitarianism are incompatible. The Communist bloc cannot be expected ever to abandon its ambition of world communization. Consequently, any desire or attempt to bargain with the tiger for its skin or to make friends with the enemy will not bring any new hope for the world. To the contrary, this will only fuel the malignant flames of Communism and exacerbate world turmoil.

We must also point out: So-called "peaceful coexistence" is to the Communists another form of struggle. The purpose is to paralyze the opponent in his own illusions of peace so as to subject him to another political or military attack by the Communists.

We wish to point out further: The Chinese Communists are treacherous and crafty and completely untrustworthy. This has been fully exposed in their notorious deeds of the past. If the free world were not so prone to forget, it could recollect that some Asian countries have sought peaceful coexistence with the Chinese Communists through appeasement and that this resulted in endless trouble and tragedy once the wolf had been let in.

In view of these experiences and bitter historical lessons, we cannot be absolved from the responsibility of urging all peace-loving countries and peoples to uphold justice, stand firm on principle, take a strong stance and renounce all moves of appeasement so as to defend democracy and freedom, attain world peace and reconstruct a strong global anti-Communist defense line.

At the same time, we also have the obligation of advising free Asian countries which are directly threatened by the Communists to strengthen their political, economic, cultural and even defense cooperation and relationships as the precondition for removing the common danger and striving for collective security in order to fight on the common front, move toward the same goal and take concerted steps to realize our aspiration of security, freedom and progress for Asia.

Ladies and gentlemen: Our President also has pointed out: "The Communist threat to Asia began on the Chinese mainland and it will end there as well. As the Communist threat to Asia grew out of the Communist threat to China, it can be eliminated only by destroying the Chinese Communists." Consequently, the annihilation of the Chinese Communists and the suppression of Communist insurrection are inescapable and sacred responsibilities of the Republic of China and have been the basic national policy of our country for years. I should like to take this opportunity to reiterate that no matter how high the Communist flames may rise nor what changes occur in the world, we shall never change, waver or suspend our stand, our confidence and our actions to carry out these responsibilities.

Asia has a glorious history and has made indelible contributions to the progress of civilization and the defense of world peace; it will continue to shoulder its heavy burden and move ahead to make more and greater contributions. We deeply believe that with the intelligence and wisdom of Asians, we can clarify the Asian situation first and then lead the way to the restoration of a bright outlook for the world, and that with the moral courage and force of traditionally peace-loving and freedom-loving Asians, we can eventually overcome the tyrannical, totalitarian and perverse force of Communism. Let us treasure the glorious past of Asia and be proud of being Asians. Let us join together to defend this brilliant escutcheon, which shines as brightly as the rising sun, and do our utmost for the lasting happiness of Asia.

I am aware that all of the delegates to this conference of your League are strong and determined anti-Communist leaders of their countries. With your supreme wisdom, lofty prestige and outstanding leadership, you will open up a broader and smoother road for the Asian peoples' anti-Communist movement.

I wish you good health and happiness and the victory of Asian anti-Communism.

I thank you.

ASIAN PEOPLES' ANTI-COMMUNIST LEAGUE CONFERENCE

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. Ashbrook) is recognized for 30 minutes.

Mr. ASHBROOK. Mr. Speaker, there are still many in the world who understand the threat posed by the Communist regimes. The 19th Conference of the Asian Peoples' Anti-Communist League brought together a large number of delegates—many of whose home countries are facing Communist aggression and/or subversion.

At the close of the conference the delegates issued a communique. As this communique has received no coverage in the American press; therefore, I wish to share excerpts of the communique with you:

Joint Communiqué of the 19th Conference of the Asian Peoples' Anti-Communist League

> After a thorough analysis of the subjects presented, the conferees were convinced that the sustained anti-Communist struggle in Asia has had its impact on the entire world situation and that Asia remains at the center of gravity for changes around the world.
>
> The Conference, therefore, unanimously maintains that:
>
> To protect Asian security, nations of the region must, through unity and mutual assistance, check Communist infiltration, subversion, aggression and expansion;
>
> To safeguard Asian freedom, nations of the region must, through unity and mutual assistance, and the perpetuation of social justice, strive to eliminate the sources of Communist scourges in Asia; and
>
> To promote Asian progress, nations of the region must, through unity and mutual assistance, strengthen their political, economic and cultural cooperation for a more effective democracy and greater prosperity.
>
> The Conference vigorously supports the heroic fighting of the Governments and peoples of the Republic of Vietnam, Khmer Republic and Kingdom of Laos for independence and freedom. In view of the critical Khmer situation, the Conference urgently requests the United States and other free democratic nations to provide unqualified assistance to the government and people of the Khmer Republic in their fight against Communist aggression. The Conference further seeks to help the people of war-torn areas to rebuild free and stable society. Sincere admiration of the conferees goes to Thailand, the Philippines, Indonesia, Malaysia, Saudi Arabia and Singapore and other free nations of Asia for their anti-Communist measures. Since Asia's common security is strictly indivisible, the conferees ardently hope that all the free Asian nations will continue to bear in mind the aggressive qualities and unchanging world communication goal of the Communists. These nations should abandon neutralist and non-alignment policies, strengthen cooperation, and forge ahead in their efforts to attain self-reliance and mutual security.
>
> Deep regret has been expressed over Japanese Government's establishment of relations with the Chinese Communists and the consequent growth of leftist forces. Hopes are that Japanese people will influence their Government to exert common endeavors with the other free democratic nations for the protection of freedom and security in Northeast Asia. In this connection, full support of the Conference goes to the Republic of Korea for its judicious measures against infiltration and encroachment by North Korean Communists and for the maintenance of security and peace in the area.
>
> Concern has been manifested over the unfavorable influences on the other free Asian-Pacific nations resulting from the establishment of ties with the Chinese Communists by Australia and New Zealand. For the sake of collective security in the entire region, the Conference sincerely hopes that the Governments of Australia and New Zealand will continue to strengthen unity and cooperation with the free nations of the area. . . .
>
> The Conference ardently hopes that the United States, closely related to the free Asian nations and sharing the fate fully with them, will further enhance its glorious tradition of democracy and freedom. In view of the Communist offensive of smiles and united-front tactics, the Conference urges the United States to respect the rights and interests of the other free nations when conducting talks with the Communists, continue to fulfill its treaty obligations and defense commitments for its allies, and above all insist that peace must be on the foundation of freedom and under the condition that all the enslaved people are restored to freedom. . . .
>
> The world continues to undergo drastic changes, but the basic contradiction between democracy and Communism has not been altered as a result of detente. Confrontations, in fact, are ever more serious. The APACL, therefore, must fortify its indomitable traditional spirit as the vanguard in the defense of freedom and democracy, persist in its drive toward its goal, fight on to the very end, and bring about national independence, political democracy and economic prosperity in all of Asia. Anti-Communist unity of the whole world should be promoted on the basis of Asian accomplishments and for writing of a new page in the history of man's struggle for freedom. . . .
>
> The participants of the present Conference are convinced that the success of their undertaking marks the beginning of a new stage of action for the Asian peoples' anti-Communist campaign and provides a heartening assurance that the Asian peoples' anti-Communist struggle will achieve ultimate victory.

CONSTITUENT OPINION POLL—NEW YORK'S 27TH CONGRESSIONAL DISTRICT—PART II

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Robison) is recognized for 10 minutes.

Mr. ROBISON of New York. Mr. Speaker, on yesterday I inserted in the Record at this point the first of perhaps four installments reporting, and commenting, upon the results of my recently completed constituent opinion poll. Yesterday's remarks covered the nature of the poll, referred to the minor criticism I had received concerning the form of some of the questions, and then concentrated on the results on my first question, one aimed at trying to discover, in my own way, the effects of Watergate on President Nixon.

Today, I wish to turn my attention to my second and third questions.

This was the second question:

> Congress and President have fought all year over who should set "national priorities." Would you favor settling that argument by legislation compelling the President to spend all funds appropriated by Congress?

What I was trying to get at, Mr. Speaker, was, of course, the public attitude—and depth of comprehension—of what might be called the impoundment issue, a struggle over which we have, indeed, been marching up and down our respective hills all year long.

It was not an easy task to phrase this question in such a way as to produce a useful response; but, as far as I can recall, I received only one complaint, in letter form, as to the nature of my question. That respondent wrote in these words:

> Your survey (question) suggests that all arguments of "national priorities" are related to the budget and appropriations. You do not really believe that, do you?

My answer to his question would be, "No, I don't." However, I do think it true that citizen and Congressman alike, at least at this point in the history of what really is a protracted struggle between President and Congress—and one considerably antedating this current administration—ultimately view that question of national priorities in terms of whether or not spending on those priorities can be fitted within the confines of a Federal budget already bursting at the seams.

As a member of the Committee on Appropriations, I have found myself for several years in the middle of the effort to do just that—an effort our distinguished chairman, the gentleman from Texas (Mr. Mahon), once described as heavily involving "a mix of philosophy, fact, and faith."

It was inevitable, I suppose that, beginning with the growth of the Federal Government under Franklin Roosevelt, the increasing number of skirmishes between President and Congress over which best understood the needs of the Nation would eventually assume the nature of open warfare between the two, as is now more or less the case. I will not here attempt to argue the case for either President or Congress, Mr. Speaker—to here try to prove that the philosophy, facts, or faith of the one is better than that of the other. Even if I were so minded, our own experiences here this year in attempting to find some legislated means for handling Presidential impoundments of funds voted by Congress indicate that I could not convince anyone in this House to change his or her mind.

I will only say, in my own judgment, underneath the surface clash of personalities that colors the current struggle, that there is a deepseated unwillingness in Congress to accept responsibility for raising the revenues required to support its own spending desires. It is easier—as we know—to vote for this or that while laying the burden of reduced expenditures, or of finding new revenues, at the door of the President, whoever he happens to be at the moment. In this sense, then, it may well be true that—without our even realizing it—the practice of Presidential impoundments that has grown up over the years is part of a tacit agreement that Congress will get credit for voting the funds while the President takes Congress off the hook by refusing to spend them, or all of them. If this be true, Mr. Speaker—or anywhere near true—I have to wonder how badly any of us really wants to find, just now, a way to force a President to spend all we have voted in the way of funds.

I say "just now," because I again think, myself, that it is only possible to find a viable solution to this problem through the kind of reform of our own revenue and budgetary procedures as now recommended to us by the Joint Study Committee on Budget Control, or some variant of those recommendations. I strongly hope that those still-pending recommendations do not fall by the wayside just because they involve change, and most substantial change, at that. Change does not come easily around here. As Mr. MAHON has also recently noted—

> . . . the House of Representatives is an anvil that has broken many a hammer.

But it is time for a change—for change in our own procedures for so relating Federal revenues to contemplated Federal expenditures as to make the question of Presidential impoundments an academic one. When, and if, that can be accomplished, then—and, perhaps, only then—can the Congress take its rightful place alongside the President in a partnership approach to the ongoing task of determining what are the true priorities of this Nation and its citizens.

However, to get back, Mr. Speaker, to my questionnaire, if I had hoped for guidance from my constituents as to which course they wanted me to follow in this regard, I must report I received none. For—believe it or not—when the actual totals are rounded off among the some 30,000 responses to my second question, as set forth earlier in these remarks, my constituents coming down on the side of the President ended up in a dead heat with those coming down on the side of Congress, with an almost exact 50 percent responding saying "Yes" to my question and the other 50 percent saying "No."

Happily, without choosing sides as to which was the right choice, responses to my third question did give me substantial guidance.

This was that third question:

> A recent Supreme Court decision validated the kind of liberalized abortion laws adopted in recent years by New York and other States. Would you favor an amendment to the Federal Constitution to (in effect) repeal such laws and allow abortion only to save the life of the mother?

As I noted in my remarks on yesterday, several persons wrote in to worry over the possibility that my use of prefatory words "Would you favor," was ill advised in that any question so phrased tended to elicit agreement. However, such was not the case—at least in this instance. For, again reporting on some 30,000 individual responses, 32 percent said "Yes" to this question, while 68 percent said "No." As I also mentioned on yesterday, I did provide space on my post card return form for husbands and wives to separately state their opinions. This was one question on which I had anticipated finding some differences as between male and female respondents. Curiously enough, however, when the numbers are rounded off, there is virtually no difference, percentagewise, as between male and female respondents on this issue.

Was the question appropriately phrased? Was it fairly stated—so that the issue was clearly understood?

As I have said, Mr. Speaker, I am no expert in this regard—any such question would be difficult to phrase so as to be totally acceptable. However, I can report that I received no complaint—not one—as to the form of this question; and I can further report that, while the questionnaire was out I met, during the recess period, with a delegation of members of the Broome County, N.Y., Right to Life Committee and asked them, then, if they felt my question was fairly stated and they replied that, in their judgment, it was.

To round out that conversation, however, in an effort to be totally fair, they did tell me that they felt there was a great deal of public misunderstanding of, and misinformation concerning, the abortion issue, the chief basis for which lies in their belief—most sincerely held—that human life begins at the point of conception and is thereafter continuous, whether intrauterine or extrauterine, until death. Put another way, it is their holding that a fetus begins a separate life from the moment of conception, so that abortion at any stage is the taking of a human life. It is their further view, as I understand it, that the Supreme Court ruled, in effect, that unborn children are not persons in the eyes of the Constitution, and that their lives can be taken from them at the request of the mother. In answer to the question, sometimes put in response to such a point of view: "Does a mother not have a right to her own body?" their answer is: "This is not her body but the body of another human person."

Mr. Speaker, I shall not here attempt to resolve the deep-seated emotional, moral, and religious differences so strongly—and sincerely—held on both sides of this difficult issue. But it is an issue that has been widely discussed and debated in New York State in recent years, in light of action by our State legislature to reform our anti-abortion laws, and I would tend to believe that most of our citizens understand the issue, although surely the debate will go on.

Now, in conclusion, let me say this—and what I say applies in general to the results obtained by me on all questions, except this one, in the sampling of constituent opinion on which I am reporting.

How should I interpret—and apply—those results?

As I see it, Mr. Speaker, I should use them as guidelines to my own decisions on related legislative matters—but as guidelines, only. This is because I have always believed that the great English statesman, Edmund Burke, put it best almost precisely 200 years ago when he said:

> Your representative owes you, not his industry alone, but his judgment; and he betrays instead of serving you if he sacrifices it to your opinion.

It seems to me that this is the way representative democracy is supposed to work—and the way it works best.

However, the abortion issue is such a "human" issue, involving as it does such deeply held individual viewpoints that, whatever my own opinion or judgment on the same, this is one time that I should fashion my votes thereon—if any there are to be in the future—on the basis of what I conceive to be the majority opinion on it as held by the citizens I am privileged to represent in this House. It seems to me that, for the moment at least, the result obtained by me on this question is the best guide I have as to that opinion. I recognize the fact that it can change, and I intend to sample it again periodically to see if it has changed, in which event I would be guided thereby.

In subsequent installments, next week, Mr. Speaker, I will report on the remaining questions—and the results thereon—as provided by this attempt at determining public opinion in New York's 27th Congressional District.

THIRTY-FIVE MEMBERS JOIN MATSUNAGA IN CALL FOR CABINET-LEVEL DEPARTMENT OF PEACE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 10 minutes.

Mr. MATSUNAGA. Mr. Speaker, along with 35 of my colleagues, I introduced today legislation to promote peace among nations by creating a Cabinet-level Department of Peace within our own Government.

Through our technological advances, we have now reached the point where the realization of peace is the only means of survival for man. "Hiroshima" by John Hersey, offers vivid evidence that if man fails to take the initiative in bringing about a lasting peace, one would not even wish to survive a third world war.

An important first step would be to create an entity within the Federal Government charged with the responsibility of creating the peace we have sought through so many years. Existing structures, committed to other goals, will not serve. One recent Secretary of State, for example, made no secret of his conception of his Department's primary mission:

> Not for one minute do I believe the purpose of the State Department is to make friends. The purpose of the State Department is to look out for the interests of the United States. Whether we make friends I do not care . . . (what follows) will be a problem for some other Secretary of State, not me.

There is an immediate need to provide a sure answer to the question, "Who's in charge of peace around here?" and I believe that the legislation being reintroduced today provides at least a tentative answer.

I think those of my distinguished colleagues who are cosponsoring the proposed legislation with me, and that a list of their names, and a short sectional analysis of the bill, be included in the RECORD at the conclusion of my remarks:

DEPARTMENT OF PEACE BILL SPONSORS

Spark M. Matsunaga, Bella Abzug, Glen M. Anderson, Herman Badillo, John H. Blatnik, Frank J. Brasco, James A. Burke, Shirley Chisholm, Cardiss Collins, James C. Corman, Ronald V. Dellums, Robert F. Drinan, Don Edwards, Joshua Eilberg, Paul Findley, Ella T. Grasso, Michael Harrington, and Augustus F. Hawkins.

Henry Helstoski, Robert L. Leggett, Clarence D. Long, Ralph H. Metcalfe, Robert H. Mollohan, John E. Moss, Robert N. C. Nix, Claude Pepper, Thomas M. Rees, Henry S. Reuss, Peter W. Rodino, Jr., Robert A. Roe, Benjamin S. Rosenthal, Edward R. Roybal, John F. Seiberling, Jerome R. Waldie, Charles H. Wilson, and Antonio Won Pat.

H.R. 4824

TITLE I—DEPARTMENT OF PEACE

A Department of Peace will be established at the Cabinet level, with a Secretary of Peace, four assistant Secretaries of Peace and a General Counsel. All of these Presidential appointments would be with the advice and consent of the United States Senate.

The purpose of H.R. 4824 is to provide a means for achieving peaceful resolution of international conflicts. No entity of the United States Government is currently charged with this responsibility. A Department of Peace would be in keeping with our obligation under the Kellogg-Briand Pact of 1929, the Nuremberg Charter of 1945 and Articles 1 and 2 of the United Nations Charter to seek international peace.

Several functions currently carried out by other agencies would be transferred to the Peace Department. These include those functions carried out by the Agency for International Development (AID), the Arms Control and Disarmament Agency, the Peace Corps, and the International Agricultural Development Service. The Secretary of Peace would advise the President on the appointment of persons to represent the United States in the United Nations and related bodies, as well as assuming those duties of the Secretary of State relating to Article 57 of the U.N. Charter.

An annual report to the President by the Secretary of Peace would be required for submission to Congress.

TITLE II—NATIONAL PEACE ACADEMY

H.R. 4824 also establishes a National Peace Academy with instructors being appointed by the Secretary. A Board of Trustees composed of the Secretary, two officers of the Department, two members of the Senate and House, of different political parties, the Chairman of the Atomic Energy Commission, and the Chairman of the Federal Council on Arts and the Humanities, a member of the National Academy of Sciences, two prominent educators, two prominent persons associated with world peace, and the United States Ambassador to the United Nations.

Enrollment in the Institute will be limited to 150 qualified persons holding a bachelor's degree, or its equivalent from a foreign college or university.

TITLE III—JOINT PEACE COMMITTEE

A joint congressional committee, composed of seven members from each House, with party representation reflecting the relative membership of the majority and minority parties in each House, shall be established to study matters relating to the Department.

JEWISH NEW YEAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ADDABBO) is recognized for 5 minutes.

Mr. ADDABBO. Mr. Speaker, it is with great hope that members of the Jewish faith again celebrate Rosh Hashanah. The beginning of each new year is a time of hope and of anticipation for a better world.

And as this new year begins for those of the Jewish faith, our thoughts turn again to a troubled world, and to the plight of so many who have faced such persecution for their religious beliefs.

We think of the tiny State of Israel, threatened on all sides by belligerent nations, and we can only hope that somehow reason will prevail in the year to come, and peace will finally arrive for the peoples of the Middle East.

We think also of the citizens of the Soviet Union who have waited so long and so patiently for the simple right to worship God as they choose, and to emigrate as they please.

We here in the Congress of the United States can only pray with them that a better day may soon come for the Soviet Jews as we hope it will for the people of the Middle East.

But at least in the case of Israel, this Nation may intervene on behalf of justice through diplomatic negotiations, direct support and in whatever is needed to keep that small nation alive and free.

We in the Congress have fewer options in the case of the Soviet Jews. But I regard it as hopeful that the House Ways and Means Committee, strongly supported by a majority of the Members of the House, has refused to ratify a new trade bill without due consideration for the plight of the Soviet Jews.

The committee has approved the Mills-Vanik amendment, endorsed by myself and 287 other House Members, which will prohibit the United States from conferring favored nation status on any country that practices religious discrimination.

I would hope that the bill will be reported out of committee next week and will be sent to the floor for final consideration shortly afterward. I believe it will be passed overwhelmingly by the Members of this House.

While it is generally known that the bill has particular interest in the plight of the Soviet Jews, we in this Nation must always concern ourselves with discrimination against all or any people, and do what we can to eliminate it once and for all.

The right to worship God as a man chooses is a simple right, but it is fundamental to freedom. Until a man can worship as he pleases, he can never truly be called a free man. We therefore call upon the House of Representatives to reaffirm the faith in the freedom of religious worship that is the founding stone of this Nation by approving overwhelmingly the Mills-Vanik amendment when it comes to the floor of the House.

And we would hope that this action will signal the beginning of change within the Soviet Union, and in the Middle East as well. We believe that man is able to live side by side with his neighbor in peace; we would hope to see the new year bring this tranquility to the world.

And so as this new year begins, there is much that humanity can hope for, and there is much that all of us can do to bring these hopes a little closer to reality. We wish the members of the Jewish faith a happy and peaceful year to come. On this day of celebration, perhaps the best of what is in man will begin to emerge and to stay in sight forever.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MILLER) to revise and extend their remarks and include extraneous material:)

Mr. YOUNG of Alaska, for 5 minutes, today.

Mr. KEMP, for 30 minutes, today.

Mr. CRANE, for 30 minutes, today.

Mr. ASHBROOK, for 30 minutes, today.

Mr. ROBISON of New York, for 10 minutes today.

Mr. FINDLEY, for 5 minutes, today.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PICKLE, for 60 minutes, for Tuesday, October 2, 1973.

(The following Members (at the request of Mr. BREAUX) and to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. MATSUNAGA, for 10 minutes, today.

Mr. ADDABBO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HUBER to revise and extend his remarks in two instances.

Mr. BENNETT in two instances.

(The following Members (at the request of Mr. MILLER) and to include extraneous matter:)

Mr. GUBSER.

Mr. KEMP.

Mr. BAUMAN.

Mr. MCCLORY in two instances.

Mr. MAYNE in two instances.

Mr. COHEN.

(The following members (at the request of Mr. BREAUX) and to include extraneous matter:)

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. ULLMAN in two instances.

Mr. HARRINGTON in three instances.

Mr. ROONEY of Pennsylvania in two instances.

Mr. JOHNSON of California.

Mr. VANIK.

ADJOURNMENT

Mr. BREAUX. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 27 minutes p.m.) under its previous order, the House adjourned until Monday, October 1, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1393. A letter from the Acting Assistant Secretary of the Army (Installations and Logistics), transmitting a report on the planned disposal of various munitions containing lethal chemical warfare agents; to the Committee on Armed Services.

1394. A letter from the Chairman, Civil Aeronautics Board, transmitting a draft of proposed legislation to amend the Federal Aviation Act of 1958 so as to extend the tariff-filing period for proposed tariff changes and to provide that the Board cannot suspend a proposed tariff for interstate or overseas air transportation less than 15 days before the time when the tariff would otherwise go into effect; to the Committe on Interstate and Foreign Commerce.

1395. A letter from the Chairman, Federal Power Commission, transmitting a copy of the publication entitled "Typical Electric go into effect; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PERKINS: Committee of conference. Conference report on S. 795 (Rept. No. 93–529). Ordered to be printed.

Mr. HOLIFIELD: Committee on Government Operations. Report on stream channelization: what federally financed draglines and bulldozers do to our Nation's streams (Rept. No. 93–530). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DINGELL (for himself, Mr. Moakley, and Mr. Seiberling):

H.R. 10580. A bill to regulate commerce by assuring adequate supplies of energy resource products will be available at the lowest possible cost to the consumer, and for other purposes; to the Committee on the Judiciary.

By Mr. WIDNALL:

H.R. 10581. A bill to assist States and local governments to improve their capabilities for responsive and effective governmental action; to the Committee on Government Operations.

By Mr BROYHILL of Virginia:

H.R. 10582. A bill to bring certain employees of the Department of Defense within the purview of the competitive civil service, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 10583. A bill to amend title 5, United States Code, to include as creditable service for the purposes of the civil service retirement system certain periods of service of civilian employees of nonappropriated fund positions in special services recreation and morale programs of the Armed Forces; to the Committee on Post Office and Civil Service.

By Mr. de LUGO (for himself, Mr. Won Pat, Mrs. Burke of California, Mr. Burton, Mrs. Chisholm, Mrs. Collins of Illinois, Mr. Conyers, Mr. Cronin, Mr. Dellums, Mr. Diggs, Mr. Hawkins, Miss Jordan, Mr. Johnson of California, Mr. Jones of Oklahoma, Mr. Ketchum, Mr. Matsunaga, Mr. Meeds, Mr. Melcher, Mr. Rangel, Mr. Roncalio of Wyoming, Mr. Saylor, Mr. Seiberling, Mr. Skubitz, Mr. Stephens, and Mr. Stokes):

H.R. 10584. A bill to amend the public assistance provisions of the Social Security Act to provide that benefits thereunder (including supplemental security income benefits) shall be made available and financed in the case of Guam and the Virgin Islands on the same basis as in the case of other States; to the Committee on Ways and Means.

By Mr. de LUGO (for himself, Mr. Vigorito, and Mr. Fauntroy):

H.R. 10585. A bill to amend the public assistance provisions of the Social Security Act to provide that benefits thereunder (including supplemental security income benefits) shall be made available and financed in the case of Guam and the Virgin Islands on the same basis as in the case of other States; to the Committee on Ways and Means.

By Mr. FISHER (for himself, Mr. Nedzi, Mr. Randall, Mr. Charles H. Wilson of California, Mr. Leggett, Mr. Gubser, and Mr. Van Deerlin):

H.R. 10586. A bill to amend title 10, United States Code, to authorize the use of health maintenance organizations in providing health care; to the Committee on Armed Services.

By Mr. HUTCHINSON:

H.R. 10587. A bill to amend the Export Trade Act, as amended, to provide for clarification of law, for prior Federal Trade Commission clearance of export trade associations, and for other purposes; to the Committee on the Judiciary.

By Mr. MATSUNAGA (for himself, Ms. Abzug, Mr. Anderson of California, Mr. Badillo, Mr. Blatnik, Mr. Brasco, Mr. Burke of Massachusetts, Mrs. Chisholm, Mrs. Collins of Illinois, Mr. Corman, Mr. Dellums, Mr. Drinan, Mr. Edwards of California, Mr. Eilberg, Mr. Findley, and Mrs. Grasso):

H.R. 10588. A bill to promote the peaceful resolution of international conflict, and for other purposes; to the Committee on Government Operations.

By Mr. MATSUNAGA (for himself, Mr. Harrington, Mr. Hawkins, Mr. Helstoski, Mr. Leggett, Mr. Long of Maryland, Mr. Metcalfe, Mr. Mollohan, Mr. Moss, Mr. Nix, Mr. Pepper, Mr. Rees, Mr. Reuss, Mr. Rodino, Mr. Roe, Mr. Rosenthal, Mr. Roybal, Mr. Seiberling, Mr. Waldie, Mr. Charles H. Wilson of California, and Mr. Won Pat):

H.R. 10589. A bill to promote the peaceful resolution of international conflict, and for other purposes; to the Committee on Government Operations.

By Mr. MILLER:

H.R. 10590. A bill to provide effective relief from disruptive imports of nonrubber footwear in a manner that will be fair to producers, workers, and consumers; to the Committee on Ways and Means.

By Mr. MURPHY of New York (for himself, Mr. Clark, Mr. Stubblefield, Mr. Jones of North Carolina, Mr. Leggett, Mr. Biaggi, Mr. Bowen, Mr. Snyder, and Mr. Young of South Carolina):

H.R. 10591. A bill to amend the act of June 13, 1933 (Public Law 73–40), concerning safety standards for boilers and pressure vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. PEYSER (for himself and Mr. Yatron):

H.R. 10592. A bill to amend the Elementary and Secondary Education Act of 1965 to provide a program of grants to States for the development of child abuse and neglect prevention programs in the areas of treatment, training, case reporting, public education, and information gathering and referral; to the Committee on Education and Labor.

By Mr. ROSTENKOWSKI (for himself, Mr. Kluczynski, Mr. Metcalfe, Mr. Murphy of Illinois, and Mrs. Collins of Illinois):

H.R. 10593. A bill to amend the Federal Trade Commission Act (15 U.S.C. 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. HUTCHINSON (for himself, Mr. McClory, Mr. Railsback, Mr. Wiggins, Mr. Dennis, Mr. Fish, Mr. Mayne, Mr. Hogan, Mr. Keating, Mr. Butler, Mr. Cohen, Mr. Lott, Mr. Froehlich, and Mr. Maraziti):

H. Res. 570. Resolution directing the Committee on the Judiciary to conduct an investigation into certain charges against Spiro T. Agnew; to the Committee on Rules.

SENATE—*Thursday, September 27, 1973*

The Senate met at 9 a.m. and was called to order by the President pro tempore (Mr. Eastland).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Lord who hast been our dwelling place in all generations, keep us ever under the canopy of Thy care. We ask not to be separated from the stresses and strains of life, nor kept from problems and pain, but to be kept by Thy grace amid all sunshine and shadow. Shelter us in our coming in, in our going out, and in our daily work that we may be used to advance Thy kingdom.

In Thy holy name, we pray. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, September 26, 1973, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RELEASE OF RESTRICTIONS ON USE OF CERTAIN PROPERTY CONVEYED TO CITY OF ALGONA, IOWA, FOR AIRPORT PURPOSES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 384, S. 1116.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 1116) to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Algona, Iowa, for airport purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 16 of the Federal Airport Act (as in effect on March 20, 1947), the Secretary of Transportation is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (50 App. U.S.C. 1622c), to grant releases from any of the terms, conditions, reservations, and restrictions contained in the deed of conveyance dated March 20, 1947, under which the United States conveyed certain property to the city of Algona, Iowa, for airport purposes.

Mr. MANSFIELD. Mr. President, I ask

unanimous consent to have printed in the RECORD an excerpt from the report (No. 93–408), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SUMMARY AND PURPOSE

S. 1116 would remove the restrictive conditions imposed by section 16 of the Federal Airport Act of 1946 as they appear in the Quitclaim Deed dated March 20, 1947, pursuant to which the War Assets Administration (WAA) transferred to the City of Algona approximately 221.3 acres to be used as a public airport. Such a release would allow part of the airport property to be used for industrial or non-airport purposes.

BACKGROUND AND NEED

At the time of the above-mentioned conveyance, the WAA was unable to convey non-airport surplus property (such as the prisoner of war camp conveyed by the Algona Deed) for airport purposes without a reverter clause because of the conveyance authority contained in section 16 of the Federal Airport Act. Section 16 of the Federal Airport Act states, in part, "each such conveyance shall be on the condition that the property interest conveyed shall automatically be reverted to the United States in the event that the lands in question are not developed, or cease to be used, for airport purposes."

Section 52(a) of the Airport and Airway Development Act of 1970 (P.L. 91–258), repealed the Federal Airport Act as of the close of June 30, 1970. However section 52(c) contained a saving provision concerning such conveyances under the Federal Airport Act, giving rise to the need for S. 1116.

The purpose of this bill is to authorize the Secretary of Transportation to grant a release from this reversionary clause so that the city of Algona may use a portion of the property for industrial development. The bill contains a safeguard against abuse in that the Secretary's authority is made subject to the provisions of Section 4 of the Act of October 1, 1949 (50 App. U.S.C. 1622c).

This section in effect requires that before property is released for non-airport purposes it must be determined that the property is no longer necessary to accomplish the purpose for which it was originally transferred and is not necessary to protect or advance U.S. civil aviation. It further provides that the Secretary may impose such conditions on the conveyance as he deems necessary so as to insure that any proceeds arising from non-airport use of the property will be used for the development and maintenance of the airport.

Similar legislation was approved by the Congress in connection with airport property in Clarinda, Iowa, in 1966 (Public Law 89–649), approved October 13, 1966.

The Department of Transportation has recommended passage of this legislation saying:

"It is the Department's position that such a release to permit use of a part of the airport for industrial or non-airport purposes is not inconsistent with the needs of the Department of Transportation and would, in fact, benefit the airport's overall operation."

The Committee believes passage of this legislation is in the public interest as it will enable a small rural community to promote a new economic development and job opportunities with land that is not needed for civil aviation purposes.

CHANGES IN EXISTING LAW

This bill does not change existing law.

ESTIMATED COSTS

Enactment of S. 1116 will not result in any costs to the United States.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Does the acting minority leader desire recognition?

Mr. STAFFORD. Mr. President, the acting minority leader would like to reserve his time temporarily.

The PRESIDENT pro tempore. Under the previous order, the Senator from Delaware (Mr. ROTH) is recognized for not to exceed 15 minutes.

BUDGET REFORM

Mr. ROTH. Mr. President, I speak this morning to urge Senators to put the force of their interest and participation behind the budget reform legislation now in the Government Operations Committee.

Congress is still foundering without the aid of these key reforms. We continue to take a piecemeal approach to spending the public's money, and have generally abdicated our responsibility to set the Nation's overall priorities. Members from both Houses and on both sides of the aisle have decried the fact that Congress has created a vacuum for itself by failing to adopt these modern management tools. Without them we are often at the mercy of the Executive to decide how authorized funds shall be spent.

We have a good head of steam up on this issue. Congress is aware of its shortcomings. The public has asked for reform. The administration has encouraged a new congressional approach.

As the author of several spending reforms in the past, I have persistently called on Congress to bring this issue to the floor. The time, I urge, is now.

We cannot wait any longer. If this critical legislation is postponed until next year, we will have perpetuated our own inefficiencies for yet another budget cycle. Congress will be in the middle of an election push—a time, as we all know, when deliberations often become embroiled in purely partisan viewpoints.

Mr. President, this is not a partisan issue. Budget reform affects every Member and every American. Programs that deserve funding will be assured their place in congressionally set priorities. Those that do not have the majority's support will no longer eat up our valuable tax dollars.

But we cannot hope to make these choices without the assistance of a well-disciplined mechanism for budget consideration. I say Congress should determine the Nation's goals—but Congress must first equip itself with the means for expressing those intentions.

This is "must" legislation, and we should all get behind it to guarantee passage in this session. Our counterparts in the House should likewise strive to bring this effort to fruition before we return home for Christmas.

Let me recount a debate on this floor almost a year ago. At that time, the question of the statutory debt ceiling was before us and I, like many, felt that the legislation had to have a stronger, more permanent set of teeth.

Consequently, I lead the fight for a spending ceiling to apply to fiscal year 1973, in the hopes that such a measure would focus congressional attention on the desperate plight of our domestic economy and the damage done to it by persistent Federal deficits.

The record at that time was appalling—in the preceding 4 years, Congress had authorized and the Executive had spent some $100 billion more than the Federal tax system had provided for the Treasury. The result of this profligate behavior persists today as an inflation which has eroded the purchasing power of our dollar 14 percent since 1970. Long treasured savings have been eaten up, and we have twice reduced the trading value of our currency in order to stay afloat in the international markets.

Faced with these serious and embarrassing results, the Congress last fall debated the most appropriate medicine for our ailing dollar. Though both bodies agreed that Federal outlays should not exceed $250 billion, we came to a stalemate with the House of Representatives over the specific means of implementing that constraint. I thought that failure was a great tragedy. Two separate conferences were unable to fashion a compromise acceptable to the majority, and in the closing hours of the session, the spending limitation was dropped from the bill.

However, supporters and opponents of the language agreed that Congress could simply not continue to spend its way into further economic chaos. It was clearly felt that a joint panel of House and Senate should devote complete attention to the issue of budget control reform, and report to the Congress with at least tentative findings by February 1973. In a sense, we agreed to accept the short-term responsibility for no immediate action, with the clear understanding that a more deliberate approach could, and should, produce sound legislative recommendations.

Mr. President, I was privileged to serve on the Joint Study Committee and to have an opportunity to present my points of view to a most distinguished panel of senior Senators and Representatives.

As the author of several previous spending limitations, I argued strongly for a mechanism which would force the Congress to make its overall spending decisions early in the year, before the appropriations process begins. To act late in the year, after many bills have already been enacted, is a bit like locking the barn door after the horses have been stolen. Further, I am convinced that unless we set firm ceilings, which cannot be easily breached, we will have perpetrated a charade. We will only be creating a paper tiger.

Rather, we should accept our constitutional responsibility seriously, and schedule a debate on spending priorities that is structured with full knowledge of our available resources. Every company, every household, every State or local government must do this—why should not we?

The Joint Study Committee agreed with my argument and wrote a series of strong recommendations in its final report to the Congress. The bill that emerged, S. 1641, called for a new budget mechanism, with a timetable and specific legislative goals to insure that spending actions would not begin until Congress had resolved the macro budget issues.

Let me dwell for a minute on what I feel to be the significance of that proposal. The Joint Committee reviewed several volumes of historical evidence which showed that even the most conservative Congresses had exceeded their anticipated spending rates. This has been reflected in the numerous times the ceiling on the national debt has been raised, an action signaling an accelerated outflow of Treasury dollars in relation to previous plans.

It was once thought that such a ceiling, set by Congress, would act as a natural brake on future appropriations. But we have only to look at fiscal year 1973 to realize that Congress acted with aplomb in the face of a congressionally determined debt limit. While we had established a debt ceiling last fall of $465 billion, we simultaneously approved spending bills that would have pierced that debt limitation. How can the American public place trust and confidence in an organization whose right hand completely ignores the actions of its left?

I feel that our individual and collective experiences will remind us that Congress is not easily subject to disciplined action. Each of us represents a constituency that may have very different goals and objectives than that from a neighboring State or district. We are here in Washington to fight for those interests, and we do not take naturally to external constraints. But, if we do not accept the necessity of new budget constraints, we are doing poor service to all of our constituents whose dollars suffer at our direction.

Consequently, I was delighted that our new Budgeting Subcommittee voted in favor of a "tough" bill, which would establish an overall ceiling early in the year, and divide, by major program areas, the pieces of the Federal budget. This process would become the focus for the congressional decisions over program priorities, and most important, it would be a clear expression of legislative objectives. We would not be locked in irons—a budget resolution could be changed at any time, but it would be an explicit statement of intentions, rather than the incremental method we currently use.

However, if this becomes law, it would be the first time that Members could sit down and seriously study their own budgetary goals in the context of a unified plan.

Mr. President, I want to express my great thanks to our distinguished committee chairman, Mr. Ervin, for scheduling markup sessions on the bill beginning October 1. I know how dedicated he is to a prompt report to the Senate on the Watergate affair, but he is the essence of an excellent legislator. I know he will devote equal energy to our budget bill, and will bring to it the same wisdom of experience and clarity of thought that he has always shown.

I would urge my colleagues on the Government Operations Committee to work toward fashioning a strong, but realistic bill—one that can be used to help Congress regain its legitimate power over the purse. I hope that committee deliberations will be concluded in time to bring this bill to the Senate floor before the end of this first session. It would be irresponsible for us to adjourn without a vote on this most critical piece of legislation. Let us not lose the important momentum that has built this into such prominence as a pressing national issue.

Our people back home have come to appreciate the significance of huge deficits. We have suffered institutional rebuffs from an administration eager to hold down spending, even if we are not. I am convinced we can regain our fiscal controls if we create for ourselves these necessary budget tools.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from Connecticut (Mr. Weicker) is recognized for not to exceed 15 minutes.

THE TRIDENT SUBMARINE

Mr. WEICKER. Mr. President, the Senate will vote shortly on an important investment in national defense. This is truly an investment, for the Trident submarine program is no budget-bloating boondoggle, but rather represents a carefully designed modernization of our essential strategic deterrent force.

Critics of the Trident funding schedule, as recommended by the Senate Armed Services Committee, generally agree that the present Polaris-Poseidon fleet will need to be upgraded and eventually replaced by a new and more effective ballistic missile launching system. The committee authorization of $1.5 billion for fiscal year 1974 will assure that the first Trident can be deployed in 1978, when some Polaris subs will be approaching their 20th year of service.

Stretching out the Trident schedule would not only inflate the overall project cost but also threaten the viability of the deterrent power. On this score, in light of the increasing maintenance problems and decreasing cost effectiveness of the Polaris-Poseidon fleet, the Navy must move forward with long lead research and development and initial procurement now.

I will not presume to reiterate the arguments relative to Trident that have been thoroughly debated by my distinguished colleagues over the course of the last few days. It is my sincere conviction that this Nation cannot afford not to pay the basic price for the essential submarine-based missile system represented by Trident. I am one Senator who believes we must be cost effective and effective in our allocation of scarce national resources. That is why I voted for the "accelerated" Trident program last year and that is why I will do so again today.

The full funding schedule for Trident reflects a reasoned analysis of this Nation's priorities, and I urge my colleagues to uphold the committee recommendation in the upcoming vote this morning on the Senate floor.

Mr. President, I yield back the remainder of my time.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, on the time of the Senator from Connecticut.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Virginia is recognized.

RHODESIA

Mr. HARRY F. BYRD, JR. Mr. President, I note from the Record of September 25, in a statement made by the distinguished senior Senator from Wyoming (Mr. McGee), that it is anticipated the Senate will soon consider a repeal of legislation which Congress enacted 2 years ago permitting the importation of chrome from Rhodesia.

Of course, I shall oppose the repeal of that previous act.

But I might say that the introduction of the repeal of legislation is not an unmixed matter in my mind. I think it has some benefits in that I feel now would be a good time for a full discussion of the many ramifications of the action taken by the Security Council of the United Nations in 1966 and implemented unilaterally by President Johnson in 1967.

I point out that the legislation, which some in the Senate will seek to repeal, legislation enacted 2 years ago to permit the importation of chrome from Rhodesia, was approved by Congress with Representatives from 46 of the 50 States voting in favor of permitting the importation of chrome. Now, when an effort is made to repeal what was done with such broad support as to have the approval and the affirmative vote of Representatives from 46 of the 50 States, I think that very careful consideration must be given before any such repealer is approved.

Mr. President, there are other aspects of this matter that need to be debated.

For example, in 1976, it will be 200 years since the United States declared its independence from Great Britain. That is an historic date in our country.

Congress almost 10 years ago created a Bicentennial Commission for a celebration of the 200th anniversary of the Declaration of Independence. That is what our country did 200 years ago. We sought our independence from Great Britain and we did it unilaterally. That is what Rhodesia is seeking to do and has been seeking to do for nearly 10 years—to achieve her independence of Great Britain.

Personally, I do not argue if she should or should not be independent of Great Britain. That is a matter to be determined by Great Britain and Rhodesia.

What I object to is our country taking sides in this matter and unilaterally, by action of the President of the Unted States, without consultation of Congress, putting an embargo on trade to prevent Rhodesia from obtaining her independence.

I guess I have a natural sympathy for the underdog. Here is a small nation which in no conceivable way can be considered a threat to world peace. Yet, the United Nations and the United States have declared an embargo on trade against her. Why? Because she seeks to do what the United States did 200 years ago. She seeks to obtain her independence from Great Britain.

I happen to be pro-British. I think the British are among our most trustworthy friends. We have stood side by side in many battles for over 100 years.

But I do not believe that the United States should involve itself in a purely internal matter in Rhodesia; namely, whether she shall be independent of Great Britain or whether she shall be a colony of Great Britain.

I have the same sympathy for Rhodesia as an underdog as I have for Israel. I have great sympathy for Israel, a small nation determined to maintain her independence.

Mr. President, there is another reason I am unhappy that this matter of economic sanctions against Rhodesia should be brought to the floor of the Senate. I think now is a good time for a full-scale debate on the United Nations itself. The American people would like to see the Senate debate this matter. The United Nations has changed over the years that have passed since it was first organized in 1945. At that time there were 51 member nations; now there are 135. The whole attitude has changed.

I returned from the Pacific in World War II in 1945. I came back to San Francisco at the time the United Nations was formed. So through the years I felt a rapport with that organization. I have supported it. I think it is desirable to have a world organization.

But I think that a full-scale Senate debate as to what it has accomplished, what it can accomplish, and what the cost has been to the U.S. taxpayers, and what the cost has been in other aspects of this world organization need to be debated.

It has been many years since the United Nations Participation Act was enacted by the Congress of the United States, and the world has changed since then and the world organization has changed since then. What changes, if any, should be in the original act, approved by the Congress many years ago?

So while I shall oppose the legislation which the Senator from Wyoming says will shortly be coming to the floor to overturn what the Congress did 2 years ago, it is not an unmixed blessing. I think it will present the vehicle for a full discussion of many problems worrying the American people.

I say again, the only times that the Senate and the House of Representatives have voted in regard to economic sanctions against Rhodesia have been to take off sanctions, not to impose them. There has never been a vote in the Congress to impose sanctions. Sanctions were imposed by a President of the United States acting unilaterally.

Mr. President, how much time do I have remaining?

The PRESIDENT pro tempore. The Senator has 4 minutes remaining.

SEATO

Mr. HARRY F. BYRD, JR. Mr. President, I note that the senior Senator from Idaho (Mr. Church) has introduced Senate Resolution 174, dealing with the U.S. commitment to the Southeast Asia Collective Defense Treaty Organization, commonly known as SEATO. The purport of the resolution, as I understand it, is to give consideration to repealing that agreement.

I think the resolution of the Senator from Idaho (Mr. Church) has much merit. The purpose of SEATO was to bring force to bear in that area by the signatories, which are France, Great Britain, Australia, New Zealand, Pakistan, and the Philippines, as well as the United States.

When the United States got into trouble in Vietnam, where were these other signatories? France did not participate. As a matter of fact, France was opposed to what the United States was doing in Vietnam.

Great Britain did not participate. As a matter of fact, she permitted ships flying her flag to take cargo to North Vietnam, at whose hands the American people suffered so many losses. Pakistan did not participate.

The Philippines participated to the extent of 1,900 noncombatant engineers, and then the United States paid the Philippine Government for that participation.

Australia and New Zealand did participate, and I think, for small countries, they participated to as great a degree as they possibly could. That is two partners to the agreement out of seven.

We have a separate treaty with Australia and New Zealand which would not be affected by the Church proposal.

I was not in the Senate in 1954 when the legislation relating to the SEATO agreement was enacted. But as a newspaper editor, I editorially opposed it. I thought it was not a desirable thing, from the standpoint of the United States, to attempt to guarantee the freedom of all Southeast Asia. I did not think we could do it.

Secretary Rusk, time after time after time, told the Senate committees and the American people that it was because of SEATO that the United States was obligated to put ground troops into Vietnam.

I think the Senator from Idaho (Mr. Church) has presented a proposal that deserves full consideration, and I hope the Senate Foreign Relations Committee, to which it has been sent, will give it consideration at an early time. We have commitments to 44 different nations—and that is too many.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 10 o'clock, with statements therein limited to 3 minutes.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE $676 BILLION QUAGMIRE

Mr. MANSFIELD. Mr. President, I have run across a very interesting article in the Progressive magazine for August 1973. The subhead is, "The Bills for the War in Indochina Will Be Coming in for the Next Century."

The main headline is "The $676 Billion Quagmire."

I have never seen a figure that high before. However, on the basis of the Statistical Abstract of the United States, issued by the U.S. Department of Commerce for the year 1972, it is indicated that the total cost of the war in Indochina will be something in the order of $352 billion and will continue into the middle of the next century.

Mr. President, this is an official publication of the Government of the United States and was issued by the Department of Commerce for 1972.

Mr. President, in reading this article by Mr. Tom Riddell, I note that it states:

> In the course of the Indochina War, American forces exploded more than fifteen million tons of air, sea, and ground munitions throughout North and South Vietnam, Laos, and Cambodia. They also saturated South Vietnam with more than 100 million pounds of chemical herbicides. More than 8,000 American aircraft were lost in the war (about 4,600 helicopters and about 3,600 planes).
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> Of the three million who served Uncle Sam in the military, 56,241 were killed in hostile

and non-hostile action. Another 303,616 were injured. The total casualties of this war give it the dubious distinction of being the third most costly war in American history, surpassed only by the Civil War and World War II. Among the injured Americans there are almost 23,000 double amputees and more than 2,500 quadraplegics and paraplegics. About 260,700 Vietnam veterans receive disability payments from the Veterans Administration. More than 1,300 Americans are classified as missing in action and, most likely, they too will be added to the list of those killed in action. The statistics are abundant and grim. America's longest war has exacted a heavy price.

All of these statistics demonstrate the magnitude of the U.S. effort in Vietnam to "secure self-determination for the South Vietnamese and to halt the spread of international Communism and the aggression of the North Vietnamese"—or whatever it is we accomplished in ten years of war and more than twenty-five years of American "interest" in Southeast Asia. However, there is one further measure of the high cost of this war that all Americans can easily understand: the vast amount of money that we have spent, and will spend, as a result of our Southeast Asian adventure. We can only estimate the total final cost, since there are future costs such as veterans' benefits, aid to Indochina, and interest payments on the national debt which have not been incurred yet, but which will have to be paid in the decades to come.

As we shall see, the future costs of wars are usually larger than the original costs of the wars themselves. For the war in Vietnam, when all of the past, present, and future costs are calculated, the ultimate expense will amount to about $676 billion. That is more than two-and-a-half times the amount of money that the Federal Government will spend this year for all purposes, and amounts to about one-half of the current total annual output of the entire American economy.

Mr. President, if I still have enough time remaining, I would like to skip to the end of the article and would like to sum up Mr. Riddell's final conclusions. He states:

In reflecting on this massive amount of money, all Americans should ask themselves if this cost of our Southeast Asian adventure was worth it. Did it serve American interests? What interests? Did we achieve peace with honor? Although each of us has his or her own answer to those questions, ultimately history will decide.

Finally, perhaps every one of the fifty-five million American families should ask whether it was worth the more than $12,000 each of them will ultimately pay for the war in economic terms. Was it worth one year's income to finance a civil war that raged 10,000 miles away? Is it what you would have done with $12,000?

What else could we have done with the tax money that we have spent and will spend on the war?

The $676 billion could have been allocated to other public purposes, towards the neglected priorities of the United States itself. For example, the $141.3 billion spent on direct costs of the war for the past decade could have paid for 5,652,000 single-family homes at $25,000 each.

The remaining $27 billion in miscellaneous expenses already incurred would just about cover the costs of the abatement of air pollution in the United States during the period from 1970 to 1975 (as estimated by the Council on Environmental Quality).

The approximately $30 billion in interest charges on war-caused increases in the national debt would pay most of the $38 billion estimated cost of abating water pollution for the same period.

The $40 billion in U.S. aid that will probably continue to flow to the governments of Southeast Asia for the next twenty years could be used instead to achieve adequate solid waste treatment programs here at home.

The $282.6 billion that will go to Vietnam veterans and their dependents, probably for the next 100 years, could have been used toward the elimination of hunger in the United States for the next fifty years.

The article goes on and on. I ask unanimous consent, Mr. President, that the depressing article by Mr. Riddel be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE $676 BILLION QUAGMIRE

(By Tom Riddell)

(NOTE.—Tom Riddell teaches economics at Bucknell University and is writing his doctoral dissertation on the economic effects of the Indochina war. He is co-author of the Council on Economic Priorities' publication, "Efficiency in Death: The Manufacturers of Anti-Personnel Weapons," and formerly was education director of SANE.)

In the course of the Indochina War, American forces exploded more than fifteen million tons of air, sea, and ground munitions throughout North and South Vietnam, Laos, and Cambodia. They also saturated South Vietnam with more than 100 million pounds of chemical herbicides. More than 8,000 American aircraft were lost in the war (about 4,600 helicopters and about 3,600 planes).

Of the three million who served Uncle Sam in the military, 56,241 were killed in hostile and non-hostile action. Another 303,616 were injured. The total casualties of this war give it the dubious distinction of being the third most costly war in American history, surpassed only by the Civil War and World War II. Among the injured Americans there are almost 23,000 double amputees and more than 2,500 quadraplegics and paraplegics. About 260,700 Vietnam veterans receive disability payments from the Veterans Administration. More than 1,300 Americans are classified as missing in action and, most likely, they too will be added to the list of those killed in action. The statistics are abundant and grim. America's longest war has exacted a heavy price.

All of these statistics demonstrate the magnitude of the U.S. effort in Vietnam to "secure self-determination for the South Vietnamese and to halt the spread of international Communism and the aggression of the North Vietnamese"—or whatever it is we accomplished in ten years of war and more than twenty-five years of American "interest" in Southeast Asia. However, there is one further measure of the high cost of this war that all Americans can easily understand: the vast amount of money that we have spent, and will spend, as a result of our Southeast Asian adventure. We can only estimate the total final cost, since there are future costs such as veterans' benefits, aid to Indochina, and interest payments on the national debt which have not been incurred yet, but which will have to be paid in the decades to come.

As we shall see, the future costs of wars are usually larger than the original costs of the wars themselves. For the war in Vietnam, when all the past, present, and future costs are calculated, the ultimate expense will amount to about $676 billion. This is more than two-and-a-half times the amount of money that the Federal Government will spend this year for all purposes, and amounts to about one-half of the current total annual output of the entire American economy.

The $676 billion figure has been derived by adding together all of the costs to the Federal Government and to the American economy occasioned by American involvement in Indochina. It includes the money that was spent to buy the planes and bombs used in the air war. It includes the money used to provide shelter, clothing, food, and entertainment for American troops. It includes aid to the separate states of Indochina going back to the post-World War II years. It includes the aid that the United States decided in 1950 to grant France for its efforts in Indochina until the French withdrawal in 1954. The future costs of aid to Indochina, veterans' benefits, and interest payments on the national debt have also been included. Estimates of the amount of income that has been lost to the American economy as a result of death and disability of servicemen and exile of young men avoiding the draft have been included. I have also attempted to estimate the costs involved in U.S. efforts, official and unofficial, to end the war. Finally, there is also an estimate of the cost of the American economy, and some of its components, resulting from the de-escalation of the war.

PAST AND PRESENT BUDGETARY COSTS

Let us look first at the direct costs of the war itself. According to official Department of Defense figures, the cost from fiscal year 1965 through fiscal year 1974 adds up to $141.3 billion. The following table breaks down this total on a year-by-year basis:

Fiscal year:	[In billions]
1965	$0.1
1966	5.8
1967	20.1
1968	26.5
1969	28.8
1970	23.1
1971	14.7
1972	9.3
1973	7.9
1974	5.0
Total	141.3

This estimate of war costs covers the "full costs" of the war, that is, all of the costs for the forces, equipment, and material used in the war effort. The Pentagon, however, is fond of using what it calls "incremental costs" for estimating war costs. Incremental costs cover the added costs of fighting the war over and above the normal costs of operating the peacetime military forces. In other words, some Pentagon employes, both military and civilian, who were involved in the war effort would have been engaged in the defense effort even if there had been no war in Vietnam. Conveniently, this method also happens to provide a lower total cost for the war—$112.3 billion.

The Pentagon, though, does provide both sets of figures on war costs. I have used the full cost estimate because these figures represent the total amount of resources and manpower that were devoted to the war effort from 1965 to 1974. It is also possible that even the full cost estimates of the Pentagon understate the true cost of the war. These estimates contain no attempt to assign a value to the time spent on the war by the President or by the top brass in the Pentagon or the State Department. Antiwar groups have consistently charged that the cost figures of the Pentagon were purposely underestimated to curtail domestic opposition to the war.

The figure of $141.3 billion, then, is probably a good compromise estimate of the actual cost of the American war in Indochina. This is the money that was used in direct support of the U.S. war effort. It went to pay for the men and women in the armed services who fought in the war or provided support for those who did. It bought the planes and helicopters, the bombs and mines, the electronic sensors and napalm. It built the runways and ports, the barracks and recreational facilities for the troops. Since 1966, the estimates also include the amounts of military assistance to South Vietnam, Laos, and Thailand (in that year the Department of Defense was given authority over those funds in conjunction with the war effort). The war itself, by the end of fiscal 1974, will have cost American taxpayers more than $141 billion. That comes to about $2,570 per American family—or approximately the present cost of a Volkswagen bug.

The direct costs of American involvement in Indochina can be expanded somewhat by including the amounts of money invested in support of U.S. policy prior to the actual entrance of American forces into the war. The United States began supporting the French effort in Southeast Asia in 1950 by awarding military and economic aid to France and the Associated States of Indochina. Between the time of the agreement to provide aid in May, 1950, and the fall of Dien Bien Phu in May, 1954, the United States provided more than $4.4 billion. Following the Geneva Conference and the end of the first Indochina war, the United States, in essence, took over the role of the French: Military advisers were sent and military and economic aid continued to flow from Washington to Saigon. From the signing of the Geneva Accords to the American entrance into the war, this military and economic assistance amounted to $6 billion. Consequently, even before the United States became heavily involved in the day-to-day fighting, we had already spent about $10.4 billion in furthering U.S. policies in Indochina.

In addition to Vietnam, Cambodia, Laos, and Thailand have all been involved in the war and in U.S. efforts in Southeast Asia. Each of these countries has received American money throughout the entire post-World War II period. The following totals have been gleaned from official Government statistics on aid to these countries:

Military assistance to Laos and Thailand from 1950 to 1966 (after which such funds were included in war cost estimates) amounted to $1.1 billion.

Military assistance to Cambodia from 1950 to 1974 will total $1 billion.

Economic assistance for Cambodia, Laos, and Thailand from 1946 through 1974 and for South Vietnam from 1965 to 1974 comes to more than $7.5 billion.

There are two more categories of direct costs. The first involves the use of "Third Country Military Forces" in the war. This "more flags" policy of involving the troops of South Korea, the Philippines, Thailand, New Zealand, and Australia in the fighting in Vietnam cost the United States an additional $1 billion of special aid as compensation for the services rendered. The second involves the transfer of $5.9 billion of U.S. Government property in the form of military facilities and equipment to the governments of South Vietnam and Thailand.

Summing up all of these costs, we find that American involvement in Indochina and our efforts against "international Communism" there have cost us $168.2 billion since the end of World War II.

FUTURE BUDGETARY COSTS

Unfortunately, however, this $168.2 billion is not the end of the line for the budgetary outlays resulting from U.S. involvement in Indochina. There will be veterans' benefits to be paid to the Vietnam veterans. If history is any guide, these payments to the war veterans and their dependents will continue for at least 100 years. There will be interest payments on the national debt, which was increased substantially to finance the war. And, because there are still U.S. Air Force bases in Thailand, and the Seventh Fleet is still operating in Southeast Asian seas, the direct U.S. military effort in Southeast Asia will require still more funds in the near future.

There is also the matter of continued military and economic aid to the countries of the area, as well as U.S. funds for the reconstruction of Indochina as promised in Article 21 of the Agreement on Ending the War and Restoring the Peace in Vietnam. (Future economic and reconstruction aid, of course, may prove constructive, but these sums must be listed in any accounting of the total costs of U.S. war policy in Indochina.)

These future costs can only be roughly estimated. But experience from past American wars provides us with enough information to derive some reasonable estimates on these costs over future years. As historian James L. Clayton of the University of Utah has pointed out, "Most of the costs of wars in American history have come after the fighting stopped."

On the basis of estimates from the Veterans Administration and the studies of General Omar Bradley's Presidential Commission on Veterans' Pensions in the mid-1950s, Professor Clayton has concluded that veterans' benefits range from 100 per cent to 300 per cent of the original costs of war. If this pattern applies to the Vietnam War, the future benefits for Vietnam veterans and their dependents will range from $141.3 billion to $423.9 billion. If we take the midrange estimate of 200 per cent of the original cost of the war, we can expect veterans' benefits from the war in Indochina to total $282.6 billion.

Clayton has also estimated that the interest payments on the national debt incurred by past wars have ranged from ten per cent to forty per cent of their original costs. In light of recent experience, it is reasonable to assume that the interest payments on the national debt incurred from the war in Indochina will amount to about twenty per cent of its original cost, or about $28.2 billion.

In addition to these future costs, there will be budgetary costs associated with continuing U.S. interests in Indochina in conjunction with emerging American foreign policy. In 1969, Pentagon Comptroller Robert Moot estimated in Congressional testimony that the continuing support to the South Vietnamese government alone would probably amount to about $2 billion annually into the indefinite future. If one considers the estimates for military and economic assistance to South Vietnam, Laos, Thailand, and Cambodia for fiscal 1974, the total comes to more than $3 billion. If one goes a step further, as I. F. Stone has done, and considers the total cost of U.S. military presence in the area and the aid, the total is closer to $10 billion annually. If we take the example of Korea and the fact that our interest there has continued for almost twenty years after the fighting stopped then, using the most conservative estimate, of a $2 billion annual expense in the area, the U.S. Government is likely to pour another $40 billion into Indochina by the 1990s. To this $40 billion we must also add the $7.5 billion that has been promised by the Nixon Administration for postwar reconstruction making a total future cost estimate of $358.3 billion.

Ultimately, then, the war in Vietnam will cost the Federal Government in excess of $526 billion, including direct costs of the war and future budgetary costs. (If the lower and higher estimates of veterans' benefits and interest payments are used the totals are $371.1 billion and $696.1 billion, respectively.) Only World War II, with an estimated price tag of more than $660 billion, has cost American taxpayers more.

HUMAN RESOURCE COSTS

Beyond the $526.5 billion that has been and will be spent by the U.S. Government to pay for its war, there are the "human resource costs" that can be measured in monetary terms. They represent the lost opportunities that have resulted from participation in the war by American men and women, from the deaths and disabilities, from the nonparticipation in American life of draft evaders and deserters, and from the losses associated with Vietnam veterans who have become drug addicts.

In each of these cases, an "opportunity cost" is involved. The men and women who served in Vietnam could have been engaged in other activities within the American economy. Those killed or disabled can not fulfill their productive capabilities—their potential economic output has been lost. Nor will the draft evaders and deserters participate in the American economy. The drug addicts will not contribute to their full potential; in fact, the crime to which some will resort to support their habit will serve as a drag on the economy. These human resource liabilities are very real costs of the war. They cannot be ignored and must be included in any reckoning of the total dollar costs.

Conscripts in America's armed forces and those who volunteer to avoid the draft have traditionally been paid at less than market wages. That is, while in the service, these men earn less than they would earn in civilian employment. This penalty paid by draftees and reluctant volunteers is known as a "conscription tax." It measures the difference between military pay and civilian pay for those affected. In addition, it reflects the amount of civilian output foregone by society as a result of having them in the military. Economist Robert Eisner of Northwestern University, working from data of President Johnson's Commission on an All-Volunteer Armed Force, has estimated that the economic costs of Vietnam conscription from 1956 to 1972 amounted to about $65 billion.

In the same manner, the real and substantial human losses of the war—the dead, the disabled and injured, the missing in action, and even the exiled—also represent a significant cost to society in the form of future income (and productive activity) lost. Based on the average earning capability and span of American men, Eisner and other economists have calculated that the U.S. economy has lost approximately $35.3 billion in future production from Indochina war deaths, injuries, and men missing in action. If the approximately 70,000 draft evaders and deserters are never granted amnesty and do not return voluntarily to the United States, their production potential is also lost. Using Eisner's analysis, this loss may be estimated at about $16.3 billion.

A final human resource cost of the war is represented by the men who returned from Vietnam addicted to heroin. The Senate Veterans' Affairs subcommittee has estimated that there are about 100,000 drug-addicted Vietnam veterans. These men, as long as they are addicts, are not likely to assume a fully productive role in the economy and, in fact, are likely to turn to crime to support their habit. The Bureau of Narcotics and Dangerous Drugs has estimated that the cost of a heroin habit is $30 a day in the States. In addition, to support his habit at an annual cost of about $11,000, the House Select Committee on Crime has estimated that an addict who relies on crime must steal goods worth about $55,000. If we assume that about one-half of the veteran addicts will turn to crime, and if we accept the estimate of the House Committee, these addicts will probably engage in crime costing about $2.7 billion a year (50,000 times $55,000). If we assume that this $2.7 billion cost will have about a ten-year "life," since the addict will either eventually be cured of his habit or become a victim of it, an educated guesstimate, then, of the human resource cost of the drug addiction of Vietnam veterans comes to about $27 billion.

Thus we arrive at a total of $143.6 billion for the real costs to society of the draft, of the war dead and disabled, of the exiles, and of veteran drug addicts. This exceeds the original direct budgetary costs of the war ($141.3 billion).

OTHER COSTS

There have been other costs, too. For years, private individuals and organizations have devoted large amounts of time, energy, and money to efforts to end the war. The Nixon Administration assigned a major portion of Henry Kissinger's National Security Council staff to attempting to end the war. I have estimated that the total costs of these efforts to end the war approximate $220 million.

This total includes an estimate of $10 million from the budgets of the National Security Council for the last five years and a nominal sum for the wanderings of Henry Kissinger. It includes about $90 million spent by the more than fifty national organizations that devoted either their entire energies or a major proprotion of them to ending the war over a period of nine years from 1964 through 1972. And, finally, it contains an estimate of about $120 million as a value for the private efforts—from marching, to lobbying, to letterwriting—of the American people to end the war.

This $220 million total is a considerable underestimate since it does not include all the costs of governmental efforts to end the war (e.g., the U.S. mission at the Paris Peace Talks), or any of the time and campaign money devoted by politicians to articulating the desire to end the war (e.g., no part of the $5 million spent on Senator McCarthy's campaign in 1968 or of the $25 million for Senator McGovern's in 1971–1972).

An additional cost has resulted from the Nixon Administration's winding down the war over the last four years. Associated with the conclusion of any way is a period of economic demobilization—of conversion from military employment and war production to a civilian economy. This conversion process can have two types of costs: (1) the costs of developing the proper mix of programs which provide a smooth conversion, and (2) the costs to the economy of the disruption that can occur if the conversion is not adequately planned.

Planning for conversion from the Vietnam war began in President Johnson's Administration with the Cabinet Coordinating Committee on Economic Planning for the End of Vietnam Hostilities. Under President Nixon, the responsibility for this task was given to a Cabinet-level Interagency Economic Adjustments Committee. This committee, headed by Secretary of Defense Melvin Laird, was to assist in the adjustment process of communities adversely affected by the Vietnam cutbacks. During the cutback, more than two million military and civilian jobs were lost. Unfortunately, the conversion was not smooth and total U.S. unemployment increased by two million.

Based on preliminary estimates of the governmental programs to deal with conversion made by Johnson's committee, and a description of the programs instituted by the Nixon Administration upon the actual beginning of the Vietnam cutbacks, the cost of Federal conversion efforts can be estimated at about $800 million for the 1969 to 1971 period. There is the further cost of the recession engendered by the Nixon Administration in 1970 as a consequence of efforts to control inflation stimulated by the war. The result was that people thrown out of work because of defense cutbacks could not find employment elsewhere in the economy. The average period of unemployment for most of these workers was about one-fourth of the year. Consequently, if we assume the annual economic contribution of an American worker to be about $10,000, then the total loss to the economy of two million unemployed was about $5 billion (one-fourth of $10,000 times two million). The total cost of conversion from the Vietnam war, therefore, comes to approximately $5.8 billion.

THE GRAND TOTAL

If we add up all of the costs discussed so far, we get the estimate of $676.1 billion for the total dollar cost of the war to the American people:

Cost:	*Amount (billions)*
Budgetary Expenditures, 1950 to 1974	$168.2
Future Budgetary Expenditures	358.3
Costs of Efforts to End the War	.2
Costs of Conversion	5.8
Human Resource Costs	143.6
Total	676.1

If the high and low estimates of interest payments and veterans' benefits are used instead, the total costs range from $520.7 billion to $845.7 billion.

In reflecting on this massive amount of money, all Americans should ask themselves if this cost of our Southeast Asian adventure was worth it. Did it serve American interests? What interests? Did we achieve peace with honor? Although each of us has his or her own answer to those questions, ultimately history will decide.

Finally, perhaps every one of the fifty-five million American families should ask whether it was worth the more than $12,000 each of them will ultimately pay for the war in economic terms. Was it worth one year's income to finance a civil war that raged 10,000 miles away? Is it what you would have done with $12,000?

What else could we have done with the tax money that we have spent and will spend on the war?

The $676 billion could have been allocated to other public purposes, towards the neglected priorities of the United States itself. For example, the $141.3 billion spent on direct costs of the war for the past decade could have paid for 5,652,000 single-family homes at $25,000 each.

The remaining $27 billion in miscellaneous expenses already incurred would just about cover the costs of the abatement of air pollution in the United States during the period from 1970 to 1975 (as estimated by the Council on Environmental Quality).

The approximately $30 billion in interest charges on war-caused increases in the national debt would pay most of the $38 billion estimated cost of abating water pollution for the same period.

The $40 billion in U.S. aid that will probably continue to flow to the governments of Southeast Asia for the next twenty years could be used instead to achieve adequate solid waste treatment programs here at home.

The $282.6 billion that will go to Vietnam veterans and their dependents, probably for the next 100 years, could have been used towards the elimination of hunger in the United States for the next fifty years.

The $143 billion in human resource costs represents the value of human labor, and loss of productive potential, that could have been devoted to more peaceful and constructive activities by Americans, such as the construction and maintenance of urban transportation systems, day care centers, hospitals, and schools throughout the nation.

The $6 billion in costs associated with efforts to end the war and with the economic disruption caused by the manner in which the war was wound down could have provided $2,000 college scholarships to one million students for three years.

Pick your favorite neglected priority in the United States: every form of public spending in the country, at the Federal, state, and local level, has suffered as a result of the Federal Government's obsessive pursuit of the war in Indochina.

Mr. PERCY. Mr. President, I have listened with great interest to the words of the distinguished majority leader. I would like to support what the distinguished Senator has said with respect to the cost of war.

I have been working with in the Government Operations Committee together with the Senator from North Carolina (Mr. Ervin) on the recommendations for improved congressional control over budgetary outlays. We will go into mark up on a bill for a new procedure for budgetary control on October 1, 5, and 8.

The reason we feel our procedures are in need of revision is brought out by a situation that seems to be completely out of control. We are faced with the fact that in the 53 years since 1920, the budget of the United States has shown a deficit 37 times. In large part the deficits that we have undergone have been because of war.

We must recognize that of the $268 billion budget we are dealing with for fiscal year 1974, virtually 75 percent of it is beyond the direct control of the Congress. We are only dealing with about 25 percent of that budget that we can say with assurance actually can control. This has been caused largely because of the cost of past wars which have consumed so much of our resources.

I certainly commend the distinguished majority leader once again for bringing out this very sobering thought. I trust that in dealing with the military bill pending before the Senate that we will take that into account. And that is one of the reasons that I will vote decisively against the speedup accelerated program for the Trident today.

Mr. President, in my closing moment, I would like to turn to the majority leader not just as a statesman but also as a fellow grandfather, and indicate to him that when the senior Senator from Illinois leaves the Chamber at 4 o'clock today for 24 hours, it will not be because it is his own birthday—which it is—but because his infant grandson, by the name of Charles Percy Rockefeller, is going to be christened tonight in the great State of West Virginia, and also his son-in-law will be sworn in tomorrow as the new president of West Virginia Wesleyan College.

I shall indicate myself in every vote that I may miss and do not presume that my absence will cause the downfall of the Republic. I think the distinguished majority leader will agree that even a Senator cannot perform his family functions by proxy, and I hope I shall have the understanding of the majority and minority leadership when I leave the Capital for 24 hours at 4 p.m. today.

Mr. MANSFIELD. As Gabriel Heatter used to say:

> There's good news today.

This is a most pleasant and auspicious occasion. I wish we would hear more about things of this nature instead of wars, installations, bases, and expenses everywhere in the world except at home.

Congratulations.

Mr. STAFFORD. Mr. President, the minority would like to join in offering congratulations to the Senator from Illinois. We will certainly understand his absence.

The **PRESIDING OFFICER** (Mr. Mathias). Is there further morning business?

Mr. PERCY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, September 27, 1973, he presented to the President of the United States the following enrolled bills:

S. 464. An act for the relief of Guido Bellance; and

S. 2075. An act to authorize the Secretary of the Interior to engage in feasibility investigation of certain potential water resource developments.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 2176. A bill to provide for a national fuels and energy conservation policy, to establish an Office of Energy Conservation in the Department of the Interior, and for other purposes (Rept. No. 93–409). Referred to the Committee on Commerce.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MAGNUSON:

S. 2492. A bill for the relief of Sara Shepard and Maribel Shepard. Referred to the Committee on the Judiciary.

By Mr. NUNN (for himself and Mr. Talmadge):

S. 2493. A bill to authorize the disposal of silicon carbide from the national stockpile and the supplemental stockpile. Referred to the Committee on Armed Services.

By Mr. HARTKE (by request):

S. 2494. A bill to amend chapter 15 of title 38, United States Code, to provide for the payment of a pension to World War I veterans. Referred to the Committee on Veterans' Affairs.

By Mr. MAGNUSON (for himself, Mr. Moss, and Mr. Tunney):

S. 2495. A bill to amend the National Aeronautics and Space Act of 1958 to apply the scientific and technological expertise of NASA to the solution of domestic problems, and for other purposes. Referred jointly to the Committee on Aeronautical and Space Sciences and the Committee on Commerce, by unanimous consent.

By Mr. CHURCH (for himself and Mr. Moss):

S. 2496. A bill to amend the Public Health Service Act to provide for training programs which will train nurse practitioners to serve as physicians' assistants in extended care facilities. Referred to the Committee on Labor and Public Welfare.

By MR. BAKER:

S. 2497. A bill to require the Librarian of Congress to establish and maintain a library of television and radio programs, and for other purposes. Referred jointly to the Committee on Commerce and the Committee on Rules and Administration, by unanimous consent.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MAGNUSON (for himself, Mr. Moss, and Mr. Tunney):

S. 2495. A bill to amend the National Aeronautics and Space Act of 1958 to apply the scientific and technological expertise of NASA to the solution of domestic problems, and for other purposes. Referred jointly to the Committee on Aeronautical and Space Sciences and the Committee on Commerce, by unanimous consent.

Mr. MAGNUSON. Mr. President, on January 31, 1958, the United States took its first tentative step into the vast reaches of space with the successful launching of the tiny 30-pound Explorer satellite. Now, 15 short years later, the Skylab II astronauts have just completed their 59 days of far-reaching and invaluable scientific exploration of space. The progress that has been made in space is indeed tremendous, but the promise it holds for progress here on Earth is far more incredible and far more important. It is to that promise of solutions to the challenges of life right here on our own planet in our own country that the Technology Resources Survey and Application Act is addressed.

Our achievements in space have demonstated, beyond any doubt, the Nation's capability for marshalling its scientists, its technicians, its managers, its private industry, and its Government into a single technological problem-solving team. The legislation I am introducing today would build upon that model and the knowledge our space program has produced to attack the technological problems we face in our everyday lives—the problems of illness, transportation, safety, housing, pollution, the energy crisis and many others.

Mr. President, this is no idle dream. In testimony earlier this year before the Senate Committee on Aeronautical and Space Sciences, NASA's Deputy Assistant Administrator for Technology Utilization described a wide variety of cases where space-age science is already being applied to the age-old problems of man on Earth. Let me cite just a few examples from that testimony:

Equipment developed for NASA's Manned Spacecraft Center has been adopted for use as a highly refined medical instrument to better diagnose eye tumors.

NASA's Marshall Flight Center and Vanderbilt University have adopted other space equipment and technology to aid doctors in examining children with heart defects and deciding whether surgery is required.

Aerospace technology originally developed for use on the Viking mission to Mars has gone into the development of devices now being clinically tested which detect the presence of bacteria in human body fluids and also measure the patient's response to various medications.

Paralyzed patients and amputees are now using special switches developed originally by NASA for use by astronauts immobilized by high gravitational forces, to control the various support devices the handicapped must have to move around.

NASA technology in life-support systems has made possible the development of new breathing apparatus to protect fire fighters from smoke inhalation.

The NASA Ames Research Center, which has been involved in the development of materials for fire protection aboard spacecraft, is now working in conjunction with the Federal Railroad Administration and the Association of American Railroads to develop materials to protect tanker cars from fire in accidential derailments.

Working together with other Federal agencies as well as with private industry, NASA is developing new smoke detection devices to greatly decrease fire hazards in large housing developments.

The Bureau of Mines and NASA are jointly engaged in adopting the Lunar Rover used by moon explorers to serve as a vehicle to rescue trapped coal miners.

In conjunction with the Environmental Protection Agency, NASA is developing special new sensors to detect and measure air pollutants.

Railroad safety stands to be improved as a result of NASA-developed technology that is now being tested for use in detecting potential rail safety hazards.

Mr. President, science and our scientists, technology and our technicians have passed the critical test of outer space. The developments I have just cited demonstrate that manpower and that knowledge can be successfully applied to the technological problems in our daily lives. Now it is up to us to insure that they will be applied. That is the purpose of the Technology Resources Survey and Applications Act.

This act would create a three-element system for utilizing available technical manpower and other resources in the solution of critical domestic problems.

First, it would create a long-range survey of technological resources. This survey would draw on both Government and private sources to identify the actual scientific research being done by private enterprise, the academic community, government at all levels, and other sources. This survey would also note areas of research critical to the solution of important domestic problems that are being neglected. The survey should also describe to what degree unemployment among technically oriented workers exists. This survey would be updated yearly. It is long overdue and is an approach recommended by the National Academy of Engineering.

Second, the act would provide an inventory of critical domestic problems which are susceptible to resolution by the application of science and technology. It would provide for the selection from among these of such programs as will utilize unemployed technological resources and contribute to the resolution of critical domestic problems.

Third, the act would provide an organization within NASA to carry out programs thus identified to resolve critical national programs. This would expand an activity already underway within NASA and enable us to better utilize a capability which has already exhibited an impressive record of success.

The survey of technological resources and the identification of critical national problems would be under the direction of a National Technology Resource

Council composed of Cabinet Members and agency heads most involved with high technology problems. This Council would not be obligated to assign all problems which it identifies to NASA for solution, but could do so where they felt it to be in the best interests of the country. The Council, procedurally, would make its recommendations to the President who, in turn, would make the ultimate decision as to assignment.

The Technology Resources Survey and Applications Act provides for the systematic application of unemployed technological resources to the Nation's technology oriented problems. Our country has both the technological momentum and resources to overcome the most serious of our technology oriented problems. What we lack is a strategy. The Technology Resources Survey and Applications Act fills an urgent need.

Finally, in light of the proposed change in mission for NASA outlined in this bill, I am suggesting changing the name of the agency to the National Applications of Science Administration (NASA). However, I have not included this name change in the bill. Changing the name is an issue which must be thoroughly considered by the committees with jurisdiction over this bill. I do believe the name I have suggested would accurately reflect the new role which my bill attempts to create for NASA.

Mr. President, I ask unanimous consent that this bill be jointly referred to the Aeronautical and Space Sciences Committee and to the Commerce Committee. I also ask unanimous consent to have the bill printed in full at his point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2495

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Technology Resources Survey and Applications Act".

STATEMENT OF FINDINGS AND DECLARATION OF POLICY

SEC. 2(a) The Congress hereby finds and declares that—

(1) The scientific and technological resources of the United States can and should be used more effectively and efficiently to solve critical domestic problems.

(2) Such scientific and technological resources, if properly applied and directed, could effectively meet many major public needs.

(3) It is the responsibility of the Federal Government to insure the full and efficient use of such scientific and technological resources.

(4) A more systematic approach to analyzing and planning for the resolution of critical domestic problems is essential to achieving such full and efficient use of the Nation's scientific and technological resources.

(5) A comprehensive long-range technological resources survey is a prerequisite to the more effective utilization of scientific and technological resources in the resolution of critical domestic problems.

(b) Therefore, it is hereby declared by the Congress to be the policy of the United States that the Federal Government shall henceforth be responsible for applying the technological resources of the United States to the resolution of critical domestic problems, and shall prepare and maintain a comprehensive national technological survey.

SEC. 3(a) Section 102(d) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451(d)) is hereby amended to read as follows:

"(d) The Congress declares that the capability demonstrated by the aeronautical and space activities of the United States and the expertise developed by the National Aeronautics and Space Administration in research and in the development of new and advanced technology to solve complex problems shall be made available and be used in the resolution of critical domestic problems of the United States to the extent not inconsistent with such aeronautical and space activity functions."

(b) Section 102 of such Act is further amended by adding at the end thereof the following new subsection:

"(e) It is the purpose of this Act to carry out and effectuate the policies declared in subsections (a), (b), (c), and (d) of this section."

SEC. 4. The National Aeronautics and Space Act of 1958 is amended by adding at the end thereof the following new title:

"TITLE IV—NATIONAL TECHNOLOGY RESOURCES PLANNING AND COORDINATION

"THE NATIONAL TECHNOLOGY RESOURCE COUNCIL

"SEC. 401. (a) There is established in the Executive Office of the President the National Technology Resources Council (hereafter in this title referred to as the 'Council') which shall be composed of the—

"(1) Vice President;

"(2) Secretary of Commerce;

"(3) Secretary of Health, Education, and Welfare;

"(4) Secretary of Housing and Urban Development;

"(5) Secretary of Transportation;

"(6) Administrator of the National Aeronautics and Space Administration;

"(7) Director of the National Science Foundation;

"(8) Chairman of the Atomic Energy Commission;

"(9) Chairman of the Council on Environmental Quality;

"(10) Administrator of the Environmental Protection Agency; and

"(11) Secretary of the Interior.

"(b) The Vice President shall be the Chairman of the Council. The President shall from time to time designate one of the other members of the Council to serve as Acting Chairman during the absence, disability, or unavailability of the Chairman.

"(c) Each member of the Council may duly designate in writing a qualified officer or employee of his office, department, or agency to serve as his representative on the Council in his absence.

"(d) Each person designated under subsection (c) of this section as the representative of a member of the Council shall be designated to serve as such by and with the advice and consent of the Senate and shall appear before appropriate committees of the Congress upon request relevant to the activities of the Council.

"FUNCTIONS OF THE COUNCIL

"SEC. 402. (a) It shall be the function of the Council to prepare a technology resources survey in accordance with section 403 of this title and to advise and assist the President with respect to other technology resource matters.

"(b) The Council shall—

"(1) develop and supervise a technology resources survey, in accordance with section 403 of this title;

"(2) develop a comprehensive program to identify in advance scientific and technological resources, including manpower, which are available for the resolution of critical domestic problems but which are not being fully utilized for such purposes;

"(3) review and evaluate the activities of Federal departments and agencies engaged in programs which are recommended by the technology resource survey and similar activities of State and local public agencies;

"(4) make recommendations to the President who may assign any critical domestic problem which is identified by the technology resource survey to the Office of Technology Applications of the National Aeronautics and Space Administration or any more appropriate Federal agency.

"(5) review and evaluate the progress in solving problems assigned by the Council to the Office of Technology Application of the National Aeronautics and Space Administration and to other Federal agencies; and

"(6) prepare and submit a report to the Congress at least once in each fiscal year on the activities of the Council during the preceding fiscal year.

"TECHNOLOGY RESOURCES SURVEY

"SEC. 403 (a) The Council shall prepare and transmit to the President and to the Congress at the earliest practicable date a technology resources survey. Such survey shall identify the existing scientific engineering and technological activities, capabilities, programs and resources and the means by which each might be applied and used to practical advantage in the resolution of the nation's critical domestic problems. The survey shall include, but is not limited to, making—

"(1) an inventory of the Nation's scientific and technological resources;

"(2) an inventory of critical domestic problems which may be susceptible of resolution by the application of science and technology; and

"(3) recommendations for programs which will strengthen the economy and contribute to the resolution of such critical domestic problems.

"(b) Such technology resources survey shall be reviewed and revised annually by the Council. The survey and each such annual revision shall contain a full explanation of the determinations, and recommendations of the Council together with reasons therefore. The survey and each such annual revision shall be printed and made available as a public document and published in the Federal Register.

"ADMINISTRATIVE PROVISIONS

"SEC. 404. (a) The Council is authorized to employ a staff which shall be headed by an executive director. The executive director with the approval of the Council is authorized to the extent necessary to—

"(1) appoint, assign the duties and fix the compensation of personnel without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, at rates not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of such title; and

"(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals.

"(b) The Council shall, to the fullest extent possible, use the services, facilities, and information, including statistical information, of other governmental agencies as well as private research agencies. Each department, agency, and instrumentality of the executive branch of the Government, including any independent agency, is authorized and directed to furnish the Council, upon request made by the executive director with the approval of the Council, such information as the Council deems necessary to carry out its functions under this title.

"(c) The Council is authorized to establish advisory committees and may consult with such representatives of state and local governments and with such groups, organizations, and individuals as it may deem advisable.

"THE OFFICE OF TECHNOLOGY APPLICATION

"SEC. 405. (a) The Administrator of the National Aeronautics and Space Administration shall establish within the Administration an Office of Technology Application to be composed of the Office of Applications and the Office of Technology Utilization in the Administration, and other such offices and agencies as the Administrator determines have functions which primarily relate to the duties assigned by this section.

"(b) In order to carry out the purpose of this Act, the Administrator, through the Office of Technology Application shall—

"(1) upon request, furnish technical assistance to the Council in the preparation of the technology resources survey;

"(2) upon request, furnish technical assistance to the Council in deciding what critical domestic problem may be resolved by applying scientific and technological resources;

"(3) upon direction of the Council, accept responsibility for specific domestic problems which may be susceptible of resolution by the application of scientific and technological resources; and

"(4) utilize aerospace firms and other scientific organizations in the private sector on a contract basis to assist in developing scientific strategies for the resolution of critical domestic problems.

"(c) Except as otherwise provided in this title, the Administrator shall, in carrying out its functions under this title, have the same powers and authority it has under title II of this Act."

SEC. 5. Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraphs:

"(132) Executive Director, the National Technology Resources Council

"(133) Assistant Administrator for the Office of Technology Application, National Aeronautics and Space Administration."

SEC. 6. (a) There are hereby authorized to be appropriated to the National Technology Resources Council $10,000,000 for the fiscal year ending June 30, 1974 and the fiscal year ending June 30, 1975 to carry out its functions under title IV of the National Aeronautics and Space Act of 1958.

(b) There are hereby authorized to be appropriated to the National Aeronautics and Space Administration $200,000,000 for the fiscal year ending June 30, 1975 to carry out its functions under title IV of the National Aeronautics and Space Act of 1958.

By Mr. CHURCH (for himself and Mr. Moss):

S. 2496. A bill to amend the Public Health Service Act to provide for training programs which will train nurse practitioners to serve as physicians' assistants in extended care facilities. Referred to the Committee on Labor and Public Welfare.

IMPROVING THE QUALITY OF CARE IN NURSING HOMES

Mr. CHURCH. Mr. President, I introduce for appropriate reference a bill to help improve the quality of life for the nearly 1 million residents of our 23,000 nursing homes.

My bill would provide funds to schools of nursing to establish programs to train nurse practitioners in geriatrics and the needs of nursing home patients.

The bill is in response to one of the most serious problems in the nursing home field and that is the absence of the physician from the nursing home setting. Almost all students of long-term care will agree that doctors have neglected the care of patients in nursing homes. Even President Nixon, in his speech in Chicago last year, said that physicians do not view the nursing home as part of the medical continum; that they get too "depressed" and feel their time is better spent tending to the younger members of society.

This tendency has been documented by the Subcommittee on Long-Term Care under the chairmanship of the distinguished Senator from Utah, Senator FRANK E. MOSS. In numerous hearings, including investigations of the Baltimore salmonella epidemic where 25 nursing home patients died of food poisoning, the subcommittee has learned that doctors do not view bodies of patients who have died in nursing homes before signing death certificates and that in some nursing homes the telephone is becoming a more important medical instrument than the stethoscope.

The General Accounting Office confirmed these facts in its May 28, 1971 audit of 90 nursing homes in 3 States. The GAO sample revealed that over 50 percent of the nursing homes surveyed did not meet the Federal requirement that medicaid patients be seen by physicians at least once every 30 days.

When the physician is absent from the nursing home, an intolerable burden falls on the nursing staff. The registered nurse must spend more and more of her time with administration and supervisory responsibility, and untrained aides must provide much of the medical care. Certainly this is not true in every State, but the incidence is wide enough to be truly alarming.

To my mind these problems demand immediate action. I am aware of the recent contract between HEW and the American Medical Association to develop seminars to inform doctors of the needs of nursing home patients and I know of the legislation introduced by Senator Moss to help create departments of geriatrics in schools of medicine, but I feel that nursing home patients need immediate and more far-reaching protection. It is for this reason that I am offering my bill for the consideration of the Senate.

Since the most reasonable explanation for the failure of physicians to visit nursing homes is simply that they are already overworked and in short supply, the answer suggested in my bill is to substitute nurse practitioners trained in geriatrics. Nurse practitioners would assume the responsibility for the care of nursing home patients subject to the continuous and overall responsibility of a physician who has agreed to be on call and to assume the duties and title of medical director as defined by the forthcoming skilled nursing facility regulations.

The suitability of the nurse practitioner concept to the care of nursing home patients has been pointed out to me by many experts in the field of long-term care, including Dr. Alfred Popma from my home State. I ask unanimous consent to have printed in the RECORD at this point a copy of his October 19, 1971 letter to me.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MOUNTAIN STATES REGIONAL MEDICAL PROGRAM,
Boise, Idaho, October 19, 1971.

Hon. FRANK CHURCH,
Senate Office Building,
Washington, D.C.

DEAR FRANK: With the concern of you and your Committee for the aged who are in nursing homes, I am impelled to write you briefly my views as they relate to enhancing and improving patient care in these institutions.

Generally speaking, the vast majority of patients in nursing homes are there because of cardiovascular disease, cancer, stroke or one of the neurological diseases. Too often the nursing homes become a "dumping ground" for these people.

There are many nursing homes in the United States where hypertensive patients do not have blood pressures taken; diabetics who do not have blood sugar determinations made; cancer patients who do not have available to them the palliative benefits of modern chemotherapy;—and the list could be expanded. I do not imply that these conditions exist in all nursing homes—there are many in which the care is excellent.

To improve nursing home care to all patients seems to be primarily one of lack of adequate manpower.

As a device to assist in the remedy of this situation, I proposed several years ago, the development of an "intermediary physician"—a nurse specially trained in many of the minor medical skills, who, working under supervision of a physician, could and would make regularly scheduled visits to patients in nursing homes, perform physical examinations, order laboratory procedures, maintain the medical records and report to and consult with the physician regarding her findings and recommendations.

Such a nurse physician assistant would provide a tremendous resource to the very busy doctor. Patient care would be improved and medical care costs could be reduced.

For several reasons, my original proposal met with a number of obstacles which could not be surmounted at that time. Today it would seem that the climate would be more favorable.

I am quite sure that the establishment of such programs, with the necessary changes in the Medicare legislation to provide payment for such services would greatly enhance the delivery of health care services in this area of great need.

If you see fit to present these thoughts to your Committee, I will be grateful to you.

With kindest of regards, I am,

Sincerely yours,

ALFRED M. POPMA, M.D.

Mr. CHURCH. By the term nurse practitioner, I mean a registered nurse who is licensed as such under State law and has completed a program of study to become competent as a registered nurse in an expanded role. A nurse practitioner is an individual who is qualified to be responsible for any or all of the following:

First, obtaining a health history;

Second, assessing health-illness status;

Third, entering an individual into the health care system;

Fourth, sustaining and supporting individuals who are impaired, infirm, ill, and undergoing programs of diagnosis and therapy;

Fifth, managing a medical care regimen for acute and chronically ill patients within established standing orders;

Sixth, assisting individuals in regaining their health;

Seventh, teaching and counseling individuals about health and illness;

Eighth, counseling and supporting individuals with respect to the aging and dying processes; and

Ninth, supervising nursing assistants.

This bill has the enthusiastic support of the American Nurses Association, which has informed me that there are thousands of registered nurses who would consider coming out of retirement if they could have the freedom, the responsibility and the salary commensurate with the nurse practitioner's role. I have every reason to except support from the medical community and from the American Nursing Home Association.

For the sake of the infirm elderly I hope that this legislation can be promptly implemented.

By Mr. BAKER:

S. 2497. A bill to require the Librarian of Congress to establish and maintain a library of television and radio programs, and for other purposes. Referred jointly to the Committee on Commerce and the Committee on Rules and Administration, by unanimous consent.

RADIO AND TELEVISION REPOSITORY

Mr. BAKER. Mr. President, I send to the desk a bill to establish a repository for recordings or films of radio or television programs of historic importance, and ask unanimous consent that it be jointly referred to the Committee on Commerce and the Committee on Rules and Administration. I also ask unanimous consent that the text of the bill be printed in full at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BAKER. Mr. President, this legislation is similar to bills I introduced in the 91st and 92d Congresses. It would direct the Librarian of Congress to obtain, preserve, and index nationally distributed radio and television programs that he determines to be of historical significance or general public interest. In addition, it provides for a study of: First, the guidelines to be used in determining the type of programing not of a journalistic nature that it would be in the public interest to preserve, and the cost thereof; and second, the recordings and film prints that are available that it will be necessary to acquire in order to have as complete a collection as possible of radio and television programs that have been broadcast and are of historical significance, and the cost of such acquisition.

For many years historians and other scholars have relied extensively on contemporary news accounts in their research into the American past. Universities, libraries, and other institutions have long realized the value of preserving newspapers, periodicals, and other printed matter. The advent of microfilm techniques has made this reproduction and storage far more practical.

However, today radio and television are major news forces. Although the print media continue to exert great influence and are capable of providing the kind of in-depth coverage often beyond the capacity of broadcast journalism, radio and television are documenting the mainstream of the continuing evolution of civilization. Historic events of thousand-year importance are being recorded in a most professional and marvelous way. Certainly a thorough account of the Vietnam war and the response of the American people to it would not be complete without reviewing the network news reports and the numerous television documentaries produced during that period of our history.

Mr. President, today radio and television are also an influential entertainment medium. Americans watch television on an average of more than 6 hours a day, and millions of Americans make the radio a part of their daily lives. The social, cultural, and even behavioral impact of this phenomenon on our society is difficult to measure; but we know it is formidable. Some have said, and I believe it to be essentially true, that America for the first time in her history, has become a nation-state—that we are in fact one people free from regionalism or colloquialism. The language idiom—the soft-rounded e's of Southern speech patterns and the cryptic directness of New England are gradually merging into an American language, attributable, I believe, almost entirely to the effect of national communications with national emphasis and interests. The future development of media technology promises to have an even greater impact on us as a people and a nation. Unless we can study the product of our electronic communications media, we cannot expect to understand that phenomenon.

Yet, if one attempts to obtain a news report or an entertainment program that has been broadcast, he would find it to be a difficult, if not impossible, task. This often comes as a surprise to those seeking recordings or films of particular broadcasts. But, the fact is that the material being produced by the electronic media is not being retained for posterity on an organized basis; and, if it is retained, the tapes or films are scattered across the country in various private collections.

At the present time, Vanderbilt University is the only nonprofit institution making an effort to obtain and preserve the nightly news broadcast by the three networks. Most importantly, after indexing the broadcasts, Vanderbilt makes them available for a reasonable rental charge for research purposes. In 1968, at the recommendation of Vanderbilt alumnus Paul C. Simpson, the Vanderbilt Television News Archive was established with the financial assistance of interested Nashvillians and several foundations. Since that time it has expanded its operations as additional grants became available. Vanderbilt is to be commended for the pioneering efforts it has made in this field. However, because these efforts have been financed solely by private contributions, there is a degree of instability that should not be present in a project of such importance to our Nation.

And it is largely for that reason and because we need the guarantee of a national commitment by the Federal Government to preserve the news and entertainment programs that will make it possible to better understand the evolution of our society as recorded by the electronic media, that I introduce this bill today.

I have discussed this legislation with the distinguished chairman of the Commerce Committee, Senator MAGNUSON, as well as the chairman of the Committee on Rules and Administration, Senator CANNON, and I have been assured they will schedule hearings and act on this bill.

EXHIBIT 1

S. 2497

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress finds that the United States Government presently preserves newspapers, periodicals, and other written materials that have been a major source of knowledge of our history, but there is no permanent repository for recordings or films of radio or television programs of historic importance. Therefore, it is the purpose of this Act, in order to provide a more comprehensive understanding of the continuing evolution of our civilization, to estabish a means of preserving the product of our electronic media.

SEC. 2. As used in this Act, the phrase "recordings and film prints" includes all forms of recordings of radio and television programs by any means now known or hereafter developed.

SEC. 3. The Librarian of Congress shall establish and maintain a library containing recordings and film prints of television and radio programs, distributed nationally, which the Librarian determines to be of substantial public interest, including, but not limited to, television and radio news programs, public affairs programs, and other programs of historical significance or general public interest.

SEC. 4. (a) The Librarian of Congress shall—

(1) obtain such recordings and film prints through copyright deposit, or as gifts, or by other means at government expense, from the owners of those programs referred to in section 3;

(2) establish and maintain appropriate indices of such recordings and film prints; and

(3) preserve such recordings and film prints and make them available for study and research in the Library of Congress, or elsewhere, under guidelines which he shall prescribe.

(b) If, in seeking to obtain a copy of any such recording or film print of a program, the owner of the program charges a fee for such copy, the Librarian shall offer to pay an amount for the copy that he considers reasonable. If the owner rejects the offer, the fee for the copy shall be determined by arbitrators selected as provided by the rules of the American Arbitration Association.

(c) The guidelines established by the Librarian under subsection (a)(3) of this section shall be compatible with practices of general research libraries and shall include procedures to insure that any copy of a recording or film print obtained, which is under a copyright or other restriction against reproduction, publication, or public use, is secure against infringement of such copyright or restriction. However, the Librarian of Congress shall not be liable for any act of infringement committed by any other person unless the Librarian has knowingly and willfully consented to or authorized such act.

SEC. 5. Under such conditions or guidelines as he may prescribe, the Librarian of Congress may contract or otherwise arrange with such libraries, agencies, or organizations as he may deem appropriate to assist in carrying out this Act.

SEC. 6. The Librarian of Congress, after consultation with appropriate individuals and organizations, shall conduct a study of (1) the type of guidelines to be used in determining what programs, not of the type referred to in section 3, that it would be in the public interest to preserve, and the cost thereof, and (2) the recordings and film prints that are available and that it will be necessary to acquire in order to have as complete a collection as possible of radio and television programs that have been broadcast and are of historical significance, and the cost of such acquisition. The Librarian shall submit a comprehensive report to Congress with respect to such study within 18 months of enactment of this Act.

Sec. 7. There are authorized to be appropriated such sums as may be necesary to carry out this Act.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1401

At the request of Mr. Hruska, the Senator from Alabama (Mr. Allen), the Senator from Nebraska (Mr. Curtis), the Senator from Mississippi (Mr. Eastland), the Senator from North Carolina (Mr. Ervin), the Senator from Florida (Mr. Gurney), the Senator from Pennsylvania (Mr. Hugh Scott), and the Senator from South Carolina (Mr. Thurmond) were added as cosponsors of S. 1401, to establish rational criteria for the mandatory imposition of the sentence of death, and for other purposes.

S. 1801

At the request of Mr. Bible, the Senator from New Mexico (Mr. Domenici) was added as a cosponsor of S. 1801, to authorize certain Indian hospital facilities to be made available to non-Indians under certain conditions.

S. 2200

At the request of Mr. Cranston, the Senator from New Mexico (Mr. Domenici) was added as a cosponsor of S. 2200, to govern the disclosure of certain financial information by financial institutions to governmental agencies, to protect the constitutional rights of citizens of the United States and to prevent unwarranted invasions of privacy by prescribing procedures and standards governing disclosure of such information, and for other purposes.

S. 2275

At the request of Mr. McIntyre, the Senator from Louisiana (Mr. Johnston), the Senator from New Jersey (Mr. Williams), the Senator from California (Mr. Cranston), and Senator from Georgia (Mr. Talmadge) were added as cosponsors of S. 2275, to provide for an extension of certain laws relating to the payment of interest on time and savings deposits, and for other purposes.

S. 2303

At the request of Mr. Hugh Scott, the Senator from Pennsylvania (Mr. Schweiker) was added as a cosponsor of S. 2303, to authorize the establishment of the Fort Miffin National Historic Site in the State of Pennsylvania, and for other purposes.

S. 2442

At the request of Mr. McIntyre, the Senator from Massachusetts (Mr. Kennedy) was added as a cosponsor of S. 2442 to amend the Export Administration Act of 1969 to prohibit the export of crude oil and petroleum products during any period when prices in the petroleum industry are subject to economic controls.

S. 2453

At the request of Mr. Stevenson, the Senator from Minnesota (Mr. Mondale) and the Senator from Louisiana (Mr. Long) were added as cosponsors of S. 2453, to amend section 203 of the Economic Stabilization Act in regard to authority conferred by that section with respect to petroleum products.

S. 2465

At the request of Mr. Bible, the Senator from Florida (Mr. Gurney), the Senator from Wisconsin (Mr. Nelson), and the Senator from Alaska (Mr. Stevens) were added as cosponsors of S. 2465, to authorize the Secretary of the Interior to guarantee loans for the financing of commercial ventures in geothermal energy; to coordinate Federal activities in geothermal energy exploration, research, and development; and for other purposes.

S. 2466

At the request of Mr. Magnuson, the Senator from Washington (Mr. Jackson), the Senator from California (Mr. Cranston), and the Senator from Texas (Mr. Tower) were added as cosponsors to S. 2466, a bill providing for the continued operation of the Public Health Service hospitals.

SENATE JOINT RESOLUTION 158

At the request of Mr. Randolph, the Senator from North Carolina (Mr. Ervin), the Senator from Florida (Mr. Gurney), the Senators from Georgia (Mr. Talmadge and Mr. Nunn), the Senator from Colorado (Mr. Haskell), and the Senator from Utah (Mr. Bennett) were added as cosponsors of Senate Joint Resolution 158, to set aside regulations of the Environmental Protection Agency under section 206 of the Federal Water Pollution Control Act, as amended.

SENATE CONCURRENT RESOLUTION 47—SUBMISSION OF A CONCURRENT RESOLUTION TO AUTHORIZE PRINTING OF ADDITIONAL COPIES OF A REPORT

(Referred to the Committee on Rules and Administration.)

Mr. CHURCH (for himself and Mr. Mathias) submitted the following concurrent resolution:

SENATE CONCURRENT RESOLUTION 47

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Special Committee on the Termination of the National Emergency five thousand additional copies of its report to the Senate entitled "Emergency Powers Statutes: Provisions of Federal Law Now in Effect Delegating to the Executive Extraordinary Authority in Time of National Emergency.".

CONGRESSIONAL BUDGET AND NATIONAL PRIORITIES ACT OF 1973—AMENDMENT

AMENDMENT NO. 550

Mr. METCALF. Mr. President, I ask unanimous consent to add the following language to Amendment No. 550 of S. 1451, which was inadvertently left out when we submitted the amendment yesterday and on which I wish to make the appropriate correction in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUDGET COMMITTEE OF THE HOUSE OF REPRESENTATIVES

Sec. 102. (a) Clause 1 of Rule X of the Rules of the House of Representatives is amended by redesignating paragraphs (e) through (u), inclusive, as paragraphs (f) through (v), respectively, and by inserting after paragraph (d) the following new paragraph:

"(e) Committee on the Budget, to consist of ———————— members."

(b) Rule XI of the Rules of the House of Representatives is amended by redesignating clauses 5 through 33, inclusive, as clauses 6 through 34, respectively, and by inserting after clause 4 the following new clause:

"5. Committee on the Budget

"(a) Establishment of limitations on budget outlays and on new budget authority of the United States Government.

"(b) Determination of the amount, if any, by which budget outlays should exceed revenues, or revenues should exceed budget outlays, considering economic conditions and such other factors as may be relevant to such determination.

"(c) Determination of the appropriate level of Federal revenues, and the appropriate level of the public debt of the United States.

"(d) The exercise of new advance budget authority within the meaning of section 403 of the Congressional Budget and National Priorities Act of 1973.

"(e) The exercise of new tax expenditure authority within the meaning of Section 403 of the Congressional Budget and National Priorities Act of 1973.

"(f) The control of impoundment in accordance with provisions of Title VI of the Congressional Budget and National Priorities Act of 1973.

"(g) Such committee shall have the additional duty to—

"(1) Study on a continuing basis the operation of the congressional budget process and recommend to the House improvements in such process with a view toward strengthening Congress and enabling it better to meet its responsibilities under the Constitution of the United States.

"(2) Study on a continuing basis the effect of existing and proposed legislation on budget outlays and report the results of such studies to the House, and

"(3) Review on a continuing basis the functions and operation of the Congressional Office of the Budget."

PATENT REFORM ACT OF 1973—AMENDMENT

AMENDMENT NO. 551

(Ordered to be printed and referred to Committee on Finance.)

Mr. EAGLETON. Mr. President, yesterday I submitted an amendment to S. 2397, a bill to provide for a 7-percent increase in social security benefits beginning with benefits payable for the month of January 1974. At that time, the amendment was ordered to be printed and to lie on the table.

Mr. President, I ask unanimous consent that amendment No. 551 be referred to the Committee on Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

FALSE STATEMENTS TO OR DEFRAUDING PATENT OFFICE—AMENDMENT

AMENDMENT NO. 533

(Ordered to be printed and referred to Committee on the Judiciary.)

Mr. BAYH. Mr. President, I am submitting an amendment to S. 1321, for the general reform and revision of the Patent

Laws, title 35 of the United States Code, and for other purposes.

Mr. President, the problem of fraud on the Patent Office is of grave and increasing concern for all friends of the free enterprise system. The published decisions of the Federal courts every month reveal new instances of patent monopolies that have been procured from the Government by fraudulent means, with resultant gouging of the public and injury to business competitors. In one major case, still pending in the courts, the State and Federal Governments have sued to recover overcharges on the price of a leading antibiotic drug, which were due to a fraudulent patent monopoly. A witness has recently advised a Senate subcommittee that the public was milked of over a billion dollars by this fraud. I believe that the Congress must take steps now to discourage and punish this outrageous mockery of our system.

Senator Hart has recently introduced an omnibus bill to reform and update the patent system. Today, I propose an amendment to Senator Hart's bill, which will make it a crime to defraud and deceive the Government in patent application proceedings.

The introduction of such legislation at this time appears particularly appropriate and necessary for several reasons. First, Senator Hart's patent reform legislation has focused interest on improvement of the patent system and the protection of its integrity. Protection of the public against fraud is one of the stated aims of this reform legislation, and my amendment would complement and suplement such efforts.

Second, despite the existence of provisions in the Criminal Code which forbid the making of false statements to Government agencies (18 U.S.C. 1001) and forbid conspiracies to defraud the United States (18 U.S.C. 371), it would appear that little law enforcement action has been taken against such fraudulent conduct. As far as I am aware, the Department of Justice has not brought a single criminal prosecution in recent years against such frauds. Either existing law is inadequate, and I assume that it must be, or the Department of Justice needs to be reminded that law enforcement in this important area of our economy is highly necessary. The monopoly which our patent laws grant to those who develop new ideas is justified in order to encourage invention, but it is a monopoly which must be strictly controlled. Fraud in obtaining such monopoly rights which can involve, as in the drug cases, millions of dollars, must be severely punished. I believe that specific legislation directed against patent frauds is essential and should be included in the general patent reform legislation we will act on in this Congress.

I ask unanimous consent that this amendment to the Patent Reform Act of 1973 be printed in the Record at this point, along with a supplementary memorandum on section 34.

There being no objection, the amendment and memorandum were ordered to be printed in the Record, as follows:

Amendment No. 553

On page 12 line 37 insert the following new section:

"§ 34. False Statements to or Defrauding the Patent Office.

"(a) Any person is guilty of a misdemeanor who, in connection with any patent examination proceeding or other matter involving a function of the Patent Office—

"(1) intentionally makes a statement in respect to a matter which is a significant factor in the proceeding or function—

"(a) which is a false statement, and he knows that the statement is false or he makes it in reckless disregard to its truth or falsity; or

"(B) in which he knowingly fails to disclose any facts or other matters—

"(i) the disclosure of the same therein he knows or should know is necessary to prevent the statement, or a prior statement relating thereto, from being misleading when considered as a whole; or

"(ii) a duty to disclose the same therein has expressly been imposed by any provision of this title, regulation prescribed by the Commissioner pursuant to this title, or other law relating to this title; or

"(2) intentionally submits or invites reliance on any writing he knows is false, altered, mutiliated, edited, or otherwise lacking in authenticity in any respect which is relevant to the proceeding or function; or

"(3) intentionally uses a fraudulent, deceptive, misleading or false trick, scheme, or device, or intentionally conceals or covers up relevant facts or other matters; or

"(4) causes the issuance of a patent to himself or another, or obstructs, impairs, hinders, or perverts such proceeding or function, by fraud, deceit, craft, trickery, or conduct proscribed by paragraphs (1), (2), or (3) of this subsection; or

"(5) conspires or attempts to do any of the foegoing; aids, abets, commands, procures, causes, or induces another to do so; or assists another to conceal his having done so.

"(b) Any natural person who commits an offense proscribed by paragraphs (1), (2), or (3) of subsection (a) of this section shall, upon conviction thereof, be imprisoned for not more than six months, or fined not more than $10,000, or both. Any corporation or other entity not a natural person which commits an offense proscribed by paragraphs (1), (2), or (3) of subsection (a) of this section shall, upon conviction thereof, be fined not more than $50,000. Any natural person who commits an offense proscribed by paragraph 4 of subsection (a) of this section shall, upon conviction thereof, be imprisoned for not more than one year, or fined not more than $50,000, or both. Any corporation or other entity not a natural person which commits any offense proscribed by paragraphs (1), (2), or (3) of subsection (a) of this section shall, upon conviction thereof, be fined not more than $250,000. The punishment for offenses proscribed by paragraph 5 of subsection (a) of this section shall be that for the corresponding substantive offenses proscribed by paragraphs (1) through (4) of such subsection.

"(c) Each offense proscribed by subsection (a) of this section shall be deemed an offense that continues until the issuance of the patent or other termination of the fraudulent concealment of the offense, the statute of limitations shall not begin to run so long as the fraud remains concealed.

"(d) In any proceeding before any court of the United States in which facts come to the attention of the court, indicating that an offense proscribed by this section may have been committed, the court shall direct the clerk thereof to communicate such facts to the Attorney General and to the Public Counsel. If such facts come to the attention of any person admitted to practice before the Patent Office, he shall have the duty to communicate them to the Public Counsel. If such facts come to the attention of the Public Counsel, he shall communicate them to the Attorney General. If such facts come to the attention of the Attorney General, he shall communicate them to the Public Counsel.

"(e) If any corporation or other entity not a natural person engages in conduct proscribed by paragraph (4) of subsection (a) of this section, and derives pecuniary gain therefrom, it shall forfeit to the United States a civil penalty of three times such pecuniary gain, or ten percent of its net sales of products covered by the patent or affected by the proceeding or function, whichever is greater. Any civil action instituted pursuant to this subsection must be filed within two years of the government's discovery of the defendant's conduct, or else it shall be barred.

"(f) The United States District Court for the District of Columbia shall have exclusive jurisdiction over any civil or criminal action, or other proceeding, instituted pursuant to this section. To that end its process shall run throughout the jurisdiction of the United States."

Memorandum on Section 34

Draft Section 34 is a proposed amendment to S. 1321, Senator Hart's patent reform bill completely revising Title 35 of U.S. Code.[1] It would provide criminal penalties for making false statements to the Patent Office or defrauding it. Much of this draft section tracks the language of present 18 U.S.C. §§ 371 and 1001.[2] The language used here, however, is more specific and is specifically directed to patent fraud. Moreover, the Title 18 provisions define felonies, while proposed section 34 defines a series of misdemeanors. It should be noted that the new Criminal Code proposed by the Administration would substantially modify the present Title 18 provisions, and their applicability to Patent Office proceedings might well be severely limited.[3]

Subsection (a) of section 34 defines five misdemeanors. First, it is made unlawful to make an intentional false statement or to make a statement in which material information is withheld which is necessary to prevent the statement from being misleading when considered as a whole. This provision is based on the second clause of present § 1001, although the language is more specific. Second, it is made unlawful to submit forged or falsified documents to the Patent Office. This provision corresponds to the third clause of present § 1001. Third, it is made unlawful to use a fraudulent trick, scheme, or device, or to conceal or cover up facts in a Patent Office proceeding. This provision corresponds to the first clause of present § 1001. The fourth paragraph of subsection (a) prohibits defrauding the Patent Office (procuring a patent from it by fraud). This provision differs from the previous provisions in that success in defrauding the Patent Office, over and beyond deception, is an element of the violation. Finally, the fifth paragraph of subsection (a) prohibits conspiring, attempting, aiding, and abetting the violation of one of the four preceding paragraphs of the subsection.

Subsection (b) makes violations of the first three paragraphs of subsection (a) punishable by a fine of $10,000 and/or six months imprisonment (for natural persons) or a $50,000 fine for corporations. The penalty for violation of the fourth paragraph (which covers successfully obtaining a patent by means of the kinds of misconduct prohibited by the first three paragraphs) is imprisonment for up to one year and/or a fine approximately five times as high as that provided for violation of the other paragraphs.[4] Conspiracies, attempts, etc. have the same punishment as the corresponding substantive offenses.

Subsection (c) provides that the offenses involved here are continuing and they are not deemed completed until the end of the Patent Office proceeding. The statute of limitations, therefore, begins to run only then. Also, fraudulent concealment of the offense tolls the running of the statute of limitations. These provisions are consistent with present law in other fields of fraud, although not necessarily present 18 U.S.C. § 1001.[5] Thus, in treble damage antitrust cases, the statute of limitations is tolled while the conspiracy remains undiscovered.[6]

Subsection (d) provides that courts and patent practitioners who discover that fraud has been committed on the Patent Office should report this to the Public Counsel and the Attorney General. This comports with Disciplinary Rule 7–102(B) of the ABA Code for Professional Responsibility.[7] Moreover, the courts have also recognized the duty to report fraud to regulatory agencies.[8]

Subsection (e) creates a governmental civil penalty action against corporations who procure patents by fraud and then derive pecuniary gain from the offense. The penalty is three times the gain or ten per cent of net sales, whichever is higher. The purpose of the civil penalty is to provide a punishment more likely to fit the crime than will an ordinary criminal fine.

Finally, subsection (f) provides that the District of Columbia, which is the official place of business of the Department of Commerce, will be the forum for cases brought under this section.

FOOTNOTES

[1] H.R. 7111 (Owens and Mezvinsky) is the House bill corresponding to S. 1321.

[2] 18 U.S.C. § 371 provides:

If two or more persons conspire either to commit any offense against the United States, or to defraud the United States, or any agency thereof in any manner or for any purpose, and one or more of such persons do any act to effect the object of the conspiracy, each shall be fined not more than $10,000 or imprisoned not more than five years, or both.

If, however, the offense, the commission of which is the object of the conspiracy, is a misdemeanor only, the punishment for such conspiracy shall not exceed the maximum punishment provided for such misdemeanor.

18 U.S.C. § 1001 provides:

Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

The statute prohibiting obstruction of justice (18 U.S.C. § 1505) is generally inapplicable to this type of fraud. It provides, in pertinent part:

Whoever corruptly, or by threats or force, or by any threatening letter or communication, endeavors to influence, intimidate, or impede any witness in any proceeding pending before any department or agency of the United States, or in connection with any inquiry or investigation being had by either House, or any committee of either House, or any joint committee of the Congress;

Shall be fined not more than $5,000 or imprisoned not more than five years, or both.

This provision appears to be inapplicable unless force or bribery or similar "corrupt" means are involved.

[3] S. 1400, § 1343, corresponds to present 18 U.S.C. § 1001. It punishes any person who "in fact, in a government matter . . . knowingly makes a material false statement; . . . knowingly omits or conceals a material fact in a written application for a pecuniary or other benefit; . . . or knowingly uses a trick, scheme, or device which is misleading in a material respect. . . ." § 1301 of the bill corresponds to present 18 U.S.C. § 371. It punishes any person who "intentionally obstructs, impairs, or perverts a government function by defrauding the government." S. 1, § 2–6D2 (McClellan), is similar to S. 1400, § 1343. All of these provisions define felonies and none is specifically geared to the problem of fraudulent procurement of patents.

[4] These penalties are proposed on a tentative basis. The present Sherman Act penalties are a fine of no more than $50,000 and/or imprisonment of not more than one year. The present 18 U.S.C. § 371 and § 1001 penalties are $10,000 fine and/or five years.

[5] In *Bramblett* v. *United States*, 231 F. 2d 489 (D.C. Cir. 1956) (Fahy, J.), cert. denied, 348 U.S. 503 (1956), however, the court found that a trick, scheme, or device to cover up a material fact was a continuing offense, analogous to a conspiracy.

[6] See, e.g., *General Electric Co.* v. *City of San Antonio*, 334 F. 2d 480, 483–485 (5th Cir. 1964) (collecting cases).

[7] DR 7–102(B) provides:

A lawyer who receives information clearly establishing that:

(1) His client has, in the course of the representation, perpetrated a fraud upon a person or tribunal shall promptly call upon his client to rectify the same, and if his client refuses or is unable to do so, he shall reveal the fraud to the affected person or tribunal.

(2) A person other than his client has perpetrated a fraud upon a tribunal shall promptly reveal the fraud to the tribunal.

[8] See, e.g., *Brennan* v. *Midwestern United Life Ins. Co.*, 417 F. 2d 147, 154–155 (7th Cir. 1967), cert. denied, 397 U.S. 989 (1970) (duty of issuer to report broker's fraud to SEC).

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974—AMENDMENT

AMENDMENT NO. 554

(Ordered to be printed, and to lie on the table.)

Mr. BUCKLEY submitted an amendment, intended to be proposed by him to the bill (S. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each Active Duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes.

AMENDMENT NO. 552 (MODIFIED VERSION)

(Ordered to be printed and to lie on the table.)

Mr. GOLDWATER, by unanimous consent, submitted a modified version of amendment No. 552, intended to be proposed by him to House bill 9286, supra.

The amendment is as follows:

AMENDMENT No. 552 (MODIFIED VERSION)

SEC. . (a) Title 10, United States Code, is amended by adding the following new section at the end of chapter 101:

"§ 2004. Detail of commissioned officers of the military departments as students at law schools

"(a) The Secretary of each military department may, under regulations prescribed by the Secretary of Defense, detail commissioned officers of the armed forces as students at accredited law schools, located in the United States, for a period of training leading to the degree of bachelor of laws or juris doctor. No more than twenty-five officers from each military department may commence such training in any single fiscal year.

"(b) To be eligible for detail under subsection (a), an officer must be a citizen of the United States and must—

"(1) have served on active duty for a period of not less than two years nor more than six years and be in the pay grade O-3 or below as of the time the training is to begin; and

"(2) sign an agreement that unless sooner separated he will—

"(A) complete the educational course of legal training;

"(B) accept transfer or detail as a judge advocate or law specialist within the department concerned when his legal training is completed; and

"(C) agree to serve on active duty following completion or other termination of training for a period of two years for each year or part thereof of his legal training under subsection (a).

"(c) Officers detailed for legal training under subsection (a) shall be selected on a competitive basis by the Secretary of the military department concerned, under regulations prescribed by the Secretary of Defense. Any service obligation incurred by an officer under an agreement entered into under subsection (b) shall be in addition to any service obligation incurred by any such officer under any other provision of law or agreement.

"(d) Expenses incident to the detail of officers under this section shall be paid from any funds appropriated for the military department concerned.

"(e) An officer who, under regulations prescribed by the Secretary of Defense, is dropped from the program of legal training authorized by subsection (a) for deficiency in conduct or studies, or for other reasons, may be required to perform active duty in an appropriate military capacity in accordance with the active duty obligation imposed by regulations issued by the Secretary of Defense, except that in no case shall any such member be required to serve on active duty for any period in excess of one year for each year or part thereof he participated in the program.

"(f) No agreement detailing any officer of the Armed Forces to an accredited law school may be entered into during any period that the President is authorized by law to induct persons into the Armed Forces involuntarily. Nothing in this subsection shall affect any agreement entered into during any period when the President is not authorized by law to so induct persons into the Armed Forces."

(b) The table of contents of chapter 101 of title 10, United States Code, is amended by adding the following new item at the end thereof:

"2004. Detail of commissioned officers of the military departments as students at law schools.".

AMENDMENT OF SMALL BUSINESS ACT—AMENDMENTS

AMENDMENT NOS. 555 AND 556

(Ordered to be printed, and to lie on the table.)

Mr. STEVENSON submitted amendments intended to be proposed by him to S. 2482, to amend the Small Business Act.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 524

At the request of Mr. FULBRIGHT, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of amendment No. 524 to the bill (H.R. 9286) the Department of Defense Appropriation Authorization Act, 1974.

ADDITIONAL STATEMENTS

THE VICE PRESIDENT

Mr. MATHIAS. Mr. President, with the commencement of presentation of evidence to the grand jury in Baltimore today, the controversy surrounding the Vice President enters a new phase. It would be improper for me, as a member of the bar, to comment on that evidence which is now an element of a judicial proceeding.

It would be equally inappropriate for me, as a Member of the Senate, to make any statement that might imply the slightest degree of prejudgment on an issue that may come to the Senate for final disposition.

At the same time, it is incumbent on me to say that the Vice President, like every American in a similar situation, is entitled to a presumption of innocence. If the Constitution is to guarantee the rights of the humblest American, it must safeguard the rights of every American without any exception.

CHILE

Mr. FULBRIGHT. Mr. President, the situation in Chile, and its relationship to the foreign policy of the United States, deserve the most careful and sober attention of the Senate, of the policymaking officials of the executive branch, and of the American people generally.

There is much to be learned from this tragedy, but we are likely to draw the wrong conclusions unless we put the recent events in their proper context.

Chile has long been justly regarded as one of the most democratic, civilized, and advanced countries of Latin America and, indeed, of the world. It suffered from few of the surface appearances of underdevelopment as these are generally measured by economic statistics. It had one of Latin America's highest per capita gross national products and one of the highest literacy rates. It had a well-developed infrastructure and flourishing, stable political institutions, all within a climate of freedom. It was essentially a middle class country, a nation of shopkeepers and petit bourgeoisie.

It also had a rigid social structure and serious maldistribution of wealth and income. Most of the time since World War II, it has suffered from chronic inflation which, even under conservative governments in the 1950's, reached 80 percent a year. Its principal source of foreign exchange, copper, was largely owned by foreigners. Its economic growth rate during the 1950's and 1960's rarely exceeded 2 percent and in some years was negative.

For at least 12 years, the most notable political fact in Chile has been the general movement to the left all across the political spectrum except for the right, which remained anchored somewhere in the 18th century. In 1964, with a good deal of covert help from the United States, the Christian Democratic Party came to power under the leadership of Eduardo Frei. Frei promised a "revolution in freedom," which was seized on in the Washington of that era as the hope of the Alliance for Progress.

American aid poured into the country, reaching a high point of $242 million in a single year and amounting to well over a billion during the decade of the 1960's.

Frei introduced some reforms, but nothing fundamental in the country changed. In the 1970 presidential election, Salvador Allende won a three-way race with 36 percent of the vote as the head of a leftist coalition composed principally of the Socialist and Communist Parties in uneasy alliance. Allende himself was a Socialist and an avowed Marxist. U.S. covert involvement in the 1970 election campaign appears to have been minimal, certainly in comparison with 1964. However, the Allende victory sent shockwaves through at least a part of the Government and the business community. The frantic efforts of the International Telephone & Telegraph Co. to keep Allende from taking office have been well documented in the hearings of the Subcommittee on Multinational Corporations under the chairmanship of the distinguished Senator from Idaho (Mr. CHURCH).

The final scheme presented to ITT by the CIA was essentially a plan for economic warfare. The principal instrument would be a cutoff of credit which would result in a deteriorating economic situation which, in turn, would result in the fall or overthrow of Allende. The plan was rejected by ITT 3 years ago as unworkable, and it was never adopted by the CIA. But, in effect, it is what happened.

The reasons it happened, however, are a good deal more complicated. Allende's election indicated a polarization of Chilean politics; his policies after taking office increased that polarization. There was also a fragmentation of the poles, especially on the left. The Socialists in Allende's coalition pressed for ever more radical policies and in many instances took things into their own hands, leading workers in occupying factories and peasants in occupying farms. The Communists preached moderation. In the opposition, the Christian Democrats split and vacillated between compromise and opposition. The right-wing National Party remained obstinate.

Allende began by decreeing substantial wage increases. This had the immediate effect of increasing demand and of absorbing unused industrial capacity. It also resulted in better living standards for the lower class. But it was not accompanied by capital investment and when industrial capacity was fully utilized, there was no further expansion of production. Hence, inflation which had been bad to begin with, got worse and shortages of almost everything appeared. The situation was aggravated by a chaotic condition in both industry and agriculture, brought on by a flight of managers and technicians from the country, by government intervention of plants and factories or their seizure by workers with consequent disorganization of management, and by a drastic upset of the agricultural sector.

The situation was further aggravated by the drying up of foreign credits. U.S. economic assistance, which had already been reduced to $26 million in 1970, the last year of the Frei administration, was further cut to $9 million in 1971, and most of this was food for peace distributed through voluntary agencies.

More economic problems came in late 1972 when small businessmen, led by truckowners, went on a prolonged strike. This was settled when Allende brought Gen. Carlos Prats, then the Army Chief of Staff, into the government as Minister of the Interior. Congressional elections were held peacefully in March 1973, and the Allende coalition got 43 percent of the vote, a significant increase from its percentage in 1970 but still leaving it with a minority position in Congress. Inflation got worse, rising from 200 percent in 1972 to a rate of 300 percent in mid-1973. Businessmen struck again.

The armed forces were brought back into the government, but to no avail. However, it is significant that in the weeks before the coup d'etat of September 11, the top commanders of the army and air force were replaced. In both cases, they resigned in frustration. In the case of the army in particular, there was also pressure from the officer corps. Their successors were appointed by Allende and were the next ranking officers, but were also more strongly opposed to the government. Allende was also under great pressure from the navy to replace its commander with a more conservative officer, and it may have been his failure to do so which triggered the coup.

In any event, the picture of Chile which emerges over the last year or two is of a society falling apart and of an economy which almost literally ceased to function. Extremists on both left and right made it impossible for moderates to survive, and in Chilean terms, both Allende and General Prats were moderates.

The lessons in all this for the United States are two:

First, if you are caught in enough lies, nobody is going to believe you even when you are telling the truth.

Second, a good many things which we really should not have been doing but which seemed relatively harmless are coming back to haunt us.

The U.S. Government has flatly denied any involvement in the coup. I have not seen any credible evidence to the contrary, at least so far as direct involvement is concerned. But I have been surprised by the number of letters and telegrams I have received which assume that there was U.S. involvement. In this connection, I ask unanimous consent that there be printed in the RECORD at the conclusion of my remarks an article by Chalmers M. Roberts entitled "The U.S. Integrity Gap" in the Washington Post of September 19, and an article by Carl T. Rowan entitled "Chile Is Our Tragedy as Well" in the Washington Star-News of the same date.

The second lesson is related to the first. While refusing to give Chile credits for economic purposes, we have nonetheless continued to extend credits for purchases of military equipment. True, these were not very large—$10 million in 1972—but now we find that equipment being used to overthrow a freely elected government which we did not like. Further, there is the matter of U.S. naval vessels being near Chile at the time of the coup. They were there in connection with Operation Unitas, an annual series of inter-American naval exercises in which the United States carries out maneuvers with a number of Latin American navies. This year, the maneuvers with Peru had just been completed and the American ships were en route to join Chilean ships. When the coup occurred, the American ships were diverted and never, as I understand it, came closer than 150 miles to the Chilean coast. Their presence in the area, however, and the scheduled joint maneuvers provided a pretext for the Chilean Navy to put to sea shortly before the coup and thereby not to have its ships in a Chilean port if the coup failed.

But whatever may be the real explanation of what happened in Chile September 11, we are now faced with the question of the future. The present commanders of the Chilean Armed Forces are taking a much harder line toward supporters of the Allende regime than was anticipated by many observers of the Chilean scene. Although reports of mass executions have not been confirmed, there have been mass arrests and I have reason to believe the casualties, both military and civilian, are much higher than the junta has so far admitted. Most un-Chilean of all, we have seen news photographs of bonfires of books unhappily reminiscent of the pictures from Nazi Germany 40 years ago. This is no doubt a reflection of the polarization which I mentioned earlier and which seems to have been more pronounced even than it appeared.

Two specific factors are also probably involved. One is the series of changes in command of the armed forces. In fact, what we have seen in Chile may not be one coup, but two—the first within the armed forces themselves when moderates were replaced by hard liners, and the second when the hard liners overthrew the civilian government.

In addition, the military probably encountered—perhaps is still encountering—more opposition than it bargained for.

Allende could not govern Chile because he had the support of only 40 percent of the people. Even with guns, the military may have trouble governing Chile with 40 percent of the people against them. It is reasonable to assume that the continued economic deterioration of the last 6 months brought some falling off in Allende's support from the high point of 43 percent in the elections last March, but even allowing for this, the military will still have to deal with a substantial and incorrigible minority, many of whom are armed and even more of whom may feel that the gains they have made in recent years in both living standards and self-respect are now threatened.

A continued policy of repression and brutality in Chile will alienate even further large and vocal segments of public opinion in the United States, and in other countries as well. This is especially the case with respect to treatment of the thousands of political exiles from other Latin American countries who are now in Chile. At a minimum, they should not be sent back to their countries of origin from which they fled, and I am glad to note reports from Chile that the junta has indicated this will not be done. At a maximum, if they are no longer welcome or comfortable in Chile, efforts should be made to help them migrate to some other country where they would be welcome.

The question of U.S. recognition of the military government has already been settled. Many people will take recognition as a gesture of approval when in fact it is not, or should not be. In this connection, I call attention to Senate Resolution 205, agreed to September 25, 1969, which expresses the sense of the Senate—

> that when the United States recognizes a foreign government and exchanges diplomatic representatives with it, this does not of itself imply that the United States approves of the form, ideology, or policy of that foreign government.

I do think the administration should be congratulated on avoiding the mistake of its predecessor with respect to a somewhat analogous coup d'etat in Brazil in 1964 when the White House embraced the new government with unseemly haste and the Secretary of State publicly offered to reinstitute an aid program.

We still face the question of U.S. policy toward Chile generally. I hope there will be no resumption of the aid program, though I anticipate that there will be growing pressure for it. Taking past administration statements at face value, Chile would again become eligible for aid if the new government settles, or begins negotiating in good faith to settle, disputes with American investors. We do not yet know what the attitude of the new government will be on this issue. There have been indications that it would welcome foreign investments, though probably not undo all the expropriatory actions of its predecessor, particularly as these relate to copper.

We do know, however, that the Chilean economy is in a desperate condition, and it is reasonable to expect that voices will soon be raised urging a bail-out operation. I can hear them now: The new government saved Chile from chaos and communism; American aid is all that stands between the new government and unspeakable horrors. That is an argument which I trust will be rejected.

I commented earlier on the administration's lack of credibility. Nothing would be more calculated to impair this credibility still further than a policy of treating the new government of Chile better than its predecessor.

I am not, of course, laying down a prescription for eternity. One of the sources of difficulty in our foreign policy has been our failure to adapt to change in the world—in China, in Cuba, and elsewhere. Indeed, one of the reasons for the widespread skepticism, to use the mild word, of the administration's protestations of innocence in the Chilean coup is precisely our past failure to adapt to change in that unhappy country.

All I am saying today is that we should keep our policy open and flexible until we see what kind of government this new one in Chile turns out to be, or whether it even survives.

Finally, Mr. President, it is worth noting the public reaction in the United States evidenced by the telegrams, letters, and even long-distance phone calls received by the Foreign Relations Committee. These number in the thousands—a large, but by no means unprecedented, volume. What is unprecedented is their unanimity. Not one expresses approval, or even acceptance, of the coup. On the contrary, they express dismay, strong suspicions of U.S. involvement, and deep concern over the fate of Chilean supporters of the Allende regime and of the foreign exile community in Chile. They indicate a depth of public feeling which should be taken into account, both in Washington and Santiago.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE U.S. INTEGRITY GAP

(By Chalmers M. Roberts)

The take-over in Chile by a military junta has demonstrated that the U.S. government in general and the Nixon administration in particular is suffering from a credibility gap. Allegations that the coup was engineered, or at least encouraged, by Washington through the Central Intelligence Agency are being made around the the world. The administration, while conceding that it did have some advance tips that the take-over was coming, denies that it had any part in the affair and, specifically, that the President had heard the reports in time to do anything about them, even if he had wished to do so.

The CIA starts out with several strikes against it. After all it is well known that the agency did engineer a coup against the leftist government of Guatemala in 1954; that it had a hand in saving the Shah of Iran's throne in 1952; that it tried unsuccessfully to topple Sukarno's government in Indonesia; that it was central to the fiasco at the Bay of Pigs; that it has been involved in intrusions into Communist China; and that it conducted for years a secret war in Laos. President Nixon himself recently referred to the Iranian affair without mentioning the CIA role. He finally conceded, last year, that two Americans long held by China were, in fact, CIA operatives. And so on.

As to Chile, the CIA says its hands are clean. But it is on the public record that John McCone, the former head of the CIA, offered a big chunk of money to the agency on behalf of his new employer, International Telephone and Telegraph, to help prevent Salvadore Allende from coming to power. So it is not likely that those who want to believe the CIA is involved in the anti-Allende coup will give the CIA a clean bill of health. As for those who hope, or even believe, that the CIA has learned some lessons or been reined in, it is not very easy to accept, on their face, the current CIA denials. Maybe they are true; but just maybe they are not.

But it isn't just a matter of the CIA; it's President Nixon himself. When you consider his record for dissembling, it makes you wonder about Chile.

During the 1960 Kennedy-Nixon campaign, candidate Kennedy proposed strengthening the anti-Castro forces. But candidate Nixon, who then was the Vice President, knew about the secret Bay of Pigs plan and, to protect the prospects of that invasion, he had to "go to the other extreme" and attack the Kennedy proposal as "dangerously irresponsible," as he himself has written. In short, he lied to cover the operation. More recently, as President, Mr. Nixon secretly authorized the undisclosed bombing of Cambodia while telling the public that the United States was not violating that country's neutrality. As to Laos, he admitted American involvement only when forced to do so by a Senate investigation. In time we shall probably hear of other similar cases now still hidden.

In short, Mr. Nixon's record of credibility hardly encourages one to accept protestations of innocence in Chile. It reminds me of Thurston the Magician who used to show you how empty his sleeves were; he then proceeded to pull from them an amazing assortment of cards, scarves and other paraphernalia of his trade.

In the case of the Bay of Pigs Mr. Nixon, writing in his "Six Crises," never questioned the propriety or legality of the operation against Castro. "The covert operation had to be protected at all costs," he wrote. There is nothing in the Nixon record to indicate that he has in any way altered that point of view. Indeed, the justification in the Watergate case for trying to head off an FBI investigation of the Mexican money transactions was essentially the same. In short, the end justifies the means whenever the end is a matter affecting "national security."

President Nixon's aversion, to put it midly, to the Allende regime was well known. His administration kept on supplying military aid while withholding economic help; international organizations were encouraged not to help Allende. The American ambassador had just made a quick trip back to Washington and had returned to Chile prior to the takeover. Put it all together and the only conclusion one can come to, given the record, is no clear conclusion—and a reasonable doubt about any official conclusion offered by the government.

Perhaps not directly related to Chile but part of the Nixon backdrop to his foreign policy methods is his penchant for surprises, for the quick switch, and for secrecy. Dollar devaluation, the change in China policy, the "Nixon shocks" to Japan, the mining of Haiphong harbor—even the switch to Phase I economic controls here at home—all testify to this style of doing business. Who can guess what he may have in mind for Latin America, where Henry Kissinger says he wants to institute new policies?

Integrity is perhaps the most precious asset that a government can have. The sad fact is that in the post-World War II decades successive administrations have eaten away at governmental integrity. One has only to recall President Roosevelt and the secret Yalta agreements, President Eisenhower's handling of the U-2 affair, President Kennedy's initial covert operations in Indochina and the panoply evasions by President Johnson as documented in the Pentagon Papers. By the time Mr. Nixon got into the White House, government integrity had indeed suffered.

Somewhere along the line Mr. Nixon became entranced with General Charles deGaulle's idea of the "mystique" of high office, of holding aloof from the public, of treating the public like school children in a "papa knows best" manner. He is not the first President to act this way; it seems to be a failing of those chief executives in particular who have been quickest to wrap themselves in the "national security" blanket. But as President, Mr. Nixon has carried it to hitherto unknown extremes.

Perhaps the United States had no direct role in the Chilean affair; there certainly was reason enough, in internal Chilean terms, for the take-over, without judging the right or wrong of it. But this administration's credibility is so low, who can believe its denials?

Chile Is Our Tragedy as Well

(By Carl T. Rowan)

It is conceivable that U.S. military attaches and CIA operatives in Santiago had nothing to do with the military coup in Chile, or the death of Marxist President Salvador Allende. But all the propaganda resources the United States can muster will not convince many Latin Americans.

"I can't prove it, but I firmly believe it," the old Argentine leader Juan Peron said when asked if the United States had overthrown Allende. "I know all about this process. I believe it could not have been otherwise," he added.

That pretty well sums up the suspicions of the overwhelming majority of Latin Americans, whatever their ideology. There has simply been too much testimony in the U.S. Senate, too much media publicity about CIA and ITT schemes to crush Allende, for such suspicions not to exist.

Another reason why U.S. denials of involvement evoke skepticism in Latin America and even here: The maze of lies and cover-ups revealed in the Watergate hearings has created a climate in which the tendency everywhere is to expect the worst of this government and believe none of its denials.

That is why this first Chilean coup since 1931 could become almost as big a tragedy for the United States as for Chile itslef. Somewhere in the U.S. government there may be gleeful handshaking over the demise of Allende, who was, in fact, a demagogue who brazenly ordered Cinderella and Sleeping Beauty rewritten so as to give children Marxist indoctrination. He was a constant headache for U.S. leaders. Some Americans surely are proud that arms we poured into Chile made it possible for the military to topple him.

But only a fool will overlook the fact that Allende was not the creator of the basic problems the United States faces; he was just a symbol of new awakenings in Latin America with which this country has been loath to deal.

It was not just a litany of the leftists when Allende shouted to the United Nations that Latin America remains poor and underdeveloped because it is exploited by huge U.S. corporations which make phony pretenses of "investing" in Latin American countries.

On a recent trip to Latin America I heard that same charge, spoken with angry passion, from the lips of presidents and foreign ministers who are Christians and capitalists and in no way inclined to communism.

Contempt for the multinational corporations already was at unprecedented levels in many countries, and a lot of these firms will suffer in the wave of resentment over the Chilean coup.

No matter how innocent and uninvolved U.S. officials may have been, it will be clear to almost everyone that the coup-makers can retain power only with U.S. arms. Every intelligent Latino will look to see how much the junta relies on the loans and grants that the United States denied Allende.

Whatever the short-term advantages of "ridding" Latin America of its first elected Marxist ruler, we cannot ignore the fact that the Chilean coup pumped a lot of new anti-U.S. venom into the hemisphere.

As a long-range matter it is sad to ponder—except for those who believe that there is nothing to worry about because, whenever U.S. interests are seriously threatened, there will always be a few armed friends ready to stage another coup.

TRIBUTE TO SENATOR GOLDWATER

Mr. BUCKLEY. Mr. President, the current issue of Newsweek, October 1, 1973, contains a tribute to the junior Senator from Arizona (Mr. Goldwater) that I commend to all our colleagues. Once again, his principled stands, his "tough, long-viewed and carefully balanced judgments" are receiving the broad recognition and respect they have always so richly deserved. I ask unanimous consent that the Newsweek article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

In His Heart, He Knows He's Right

For all its Pogoesque complement of villains, white knights, fools and folk heroes, the Nixonian crisis that now ranges from Agnew to Watergate has yet to produce its first statesman, its first detached but responsible overviewer. Congressional Democrats by definition have too great a partisan interest to fill the role, and GOP liberals have not been able to figure out *what* stance to take. But in the vacuum, the tough, long-viewed and carefully balanced judgments of conservative Sen. Barry Goldwater have taken on increasing weight through the long months—and an increasingly outspoken series of recent interviews and newspaper articles have only augmented Goldwater's reputation as perhaps Capitol Hill's most conscientious voice in the whole wretched affair.

Goldwater professes to believe that Mr. Nixon did not know of the break-in ahead of time, nor of the massive coverup afterward—though in private the senator has conceded that the precise truth may never come out. In either case, Goldwater argues that the enormous pileup of national problems has made Watergate an indulgence and a preoccupation that the country can no longer afford. On these grounds, he has urged that the Senate Watergate committee move its remaining hearings behind closed doors—at the same time stressing that the Administration cannot move ahead without "a complete clearing of the air," including release of "selected portions of the Watergate tapes."

Goldwater has taken an equally uncompromising stand on the Vice President problems—and since he is one of the potential stand-ins for Spiro Agnew in Washington's current fever of rumors, his plain speaking may not seem quite so disinterested. If Agnew is indicted, Goldwater said last week, "then I think he would consider resigning"—a statement that those close to Goldwater take to mean that the senator will surely suggest that Agnew resign if the Vice President does not do so voluntarily. If Agnew goes, however, it is problematic whether Mr. Nixon would name Goldwater to succeed him; the senator's hard-line position on the Presidential tapes has hardly endeared him to Mr. Nixon. "Don't rule out the possibility of Goldwater reacting very, very harshly [toward Nixon]" said an intimate, "if the Supreme Court indicates that Nixon must turn over his private tapes to Federal prosecutors."

Goldwater's position springs partly from loyalty; he is plainly worried about the GOP's fate in next year's Congressional elections, with not only the White House scandals but massive economic problems to answer for. As the man who began his Presidential campaign in 1964 with the now-regretted slogan that "extremism in defense of liberty is no vice," Goldwater was horror-struck that the storm-trooper tactics of Mr. Nixon's palace guard should have been branded "Goldwaterism." "Barry's speaking out was a severe jolt to those who don't understand the difference between principled conservatism and the kind of government by reprisal the White House was giving us," said one liberal GOP senator recently. By his judiciousness in the case of Agnew—whom Goldwater has supported for the GOP nomination in '76—the once-derided Arizona conservative is emerging as the most respected man in his party.

STATEMENT BY DR. WERNHER VON BRAUN TO THE SENATE COMMITTEE ON AERONAUTICAL AND SPACE SCIENCE

Mr. MOSS. Mr. President, in an inspiring 30 minutes before the Committee on Aeronautical and Space Sciences' second day of hearings on the state of aerospace industry, our faith in the accomplishments of man for the benefit of mankind was forcefully affirmed by the testimony of Dr. Wernher von Braun. Our country needs to dream and accomplish great things without fear of acting and with hope for the future.

I ask unanimous consent that the testimony of Dr. Wernher von Braun be printed in the RECORD for the benefit of Senators.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY DR. WERNHER VON BRAUN

Mr. Chairman—Gentlemen—I am Wernher von Braun, Vice President, Engineering and Development, Fairchild Industries, Inc. It is a pleasure and an honor to be here. I was associated with all of the other gentlemen who are appearing before this committee throughout our manned spaceflight program and consider it a privilege to be among them.

I have not had the opportunity to hear all of their testimony, but I am sure there will be some repetition in what I have to say. However, if you will bear with such redundancy, there are a few points that I feel are significant.

World leadership and technological leadership are inseparable. A third-rate technological nation is a third-rate power; politically, economically and socially. That is the reason that I have always felt that the National Aeronautics and Space Administration, which has rightfully been called the "cutting edge of our technological progress", bears a grave responsibility for the future of our nation. Whether we like it or not, ours is a technological civilization. If we lose our national resolve to keep our position on the pinnacle of technology, the historical role of the United States can only go downhill.

NASA and thousands of others in the U.S. industry and in our universities have placed man on the moon. In December of this year, Pioneer 10, following a trip of half a billion miles will pass within 87,000 miles of the planet Jupiter to transmit back the most detailed picture man has ever seen of that giant planet. Once the spacecraft has completed that mission, it will not return to earth. With Jupiter's powerful gravity acting as a sling-shot, Pioneer 10 will be hurled right out of our solar system. It may coast through the emptiness of interstellar space for maybe 100 million years before it gets close to one of the nearest fixed stars.

While Pioneer 10 and its successor Pioneer 11, which is also on its way to Jupiter, are expressions of man's indomitable spirit to explore the unknowns that surround us, NASA is doing a great deal of pioneering work of more direct significance to our life here on earth. In aviation, for instance, NASA is conducting much R&D with a view to protecting the environment and relieving air traffic congestion. This work encompasses study of jet engines for cleaner and quieter operations, environmental impact of high altitude and supersonic flight, wing and fuselage shapes suitable for cruise flight close to the speed of sound, and ways to reduce airport noise levels. In addition, NASA has also entered the much neglected field of research in support of general aviation.

The NASA programs that have taken man into space are now legend: Mercury, Gemini, Apollo. A sizable fleet of satellites is circling the earth, helping man with his earthly chores in numerous ways. In addition to communications and weather satellites, the concept of versatile earth observation satellites is now being demonstrated by ERTS–I and by the earth resources experiments in Skylab. Speaking of Skylab, our astronauts Alan Bean, Owen Garriott and Jack Lousma, as you all know, returned to earth the day before yesterday after successfully completing a 59-day mission in a space station.

They have brought the extensive Skylab research and observation program completely back on schedule. For a while, as you gentlemen will remember, this elaborate program was in serious jeopardy when Skylab's micrometeoroid shield was ripped off, and the station became overheated and deprived of most of its electrical power. Speaking of the second Skylab crew's happy return, let me add that I just learned that Arabella, the space spider that quickly learned spinning webs in zero gravity, returned with them.

The reusable Space Shuttle is, of course, NASA's major space project of this decade. It will establish a new way of utilizing our new foothold in outer space. The same can be said of the Applications Technology Satellite No. 6 (ATS–F) slated for launch in the spring of 1974.

It is to these two programs that I would like to address the substance of my remarks this morning, for the Space Shuttle and the communications satellite programs are, in my view, the most promising space programs for the "here and now".

It is sad to say, but there are some who even now would scuttle the Shuttle. In my opinion, this would be a disastrous mistake because it would deprive this country of many of the economical and social space benefits now becoming available to us as a result of our previous national multi-billion dollar space investment. Antagonists of the Shuttle say that we should not spend hard-earned tax money on such a costly new technology program as long as we are still surrounded by so many crying social needs. But, we should never forget that it is in the nature of all social programs that they are wealth consuming.

The Space Shuttle, with all it can do for man down here on earth, is a good example of a wealth producing program. And we will continue to need promising wealth producing programs to support our direly needed social programs. There is an old Chinese proverb that illustrates the situation quite well: "Give a boy a fish and you feed him a meal. Teach a boy to fish and you feed him for a lifetime." I also cannot emphasize too strongly how unfortunate I feel it is that budget limitations seem to be forcing NASA to abandon its fifteen-year involvement in the further development of advanced technology for communications satellites. Caught in a budget pinch, even inside NASA the argument has been made occasionally that communications satellites have developed into such an industrial success story that private enterprise should be able to raise enough R. & D. money to exepriment with more advanced but still unproven communications technologies.

From my new vantage point in a private corporation which is deeply involved with advanced communications satellites, let me assure you, gentlemen, that this is wishful thinking. Customers, whether domestic or international, want satellite communications channels with a guaranteed revenue-producing life of seven years or more, and they don't care a hoot what technology you use, as long as it is well-proven. On the other hand, the potential of technological advancement in this new field, whose surface we have hardly scratched, is almost unlimited. There is great potential in the use of higher frequencies, in laser beams communication, in switching satellite beams by ground signal from one ground target to another, in increasing satellite transmitting power so the cost of ground stations can be drastically reduced, to name just a few. In the fiercely competitive environment of the rapidly expanding communications satellite market, no private company can take the gamble of offering unproven technologies to its customers.

The few commercial giants in the communications fields may indeed be the only ones who can afford to sink a few million dollars here and there in a little experimentation with new-fangled ideas, but their overall record in advancing the field of communications satellites has been so disappointing that the Federal Communications Commission wisely decided to open up the field to a pack of lively, smaller and less sated competitors. If NASA were to discontinue permanently its pioneering technology work in the communications satellite area, it would virtually reverse that FCC policy and give the game back to the established monopolies who, in view of their vast investments in old-fashioned wire communications, never had much of an incentive to explore the satellite potential in the first place.

The space program has done a lot of wonderful things for the human spirit, for the advancement of science and for the direct benefits of man. Only history can properly assess the lasting significance of these contributions to the human spirit and to science. When it comes to the direct benefits, however, we can make some judgment now, and I would give the highest rating to the communications satellite.

I have spent most of my life, particularly the past fifteen years, working toward putting man in space. Eighteen months ago, I left the space agency filled with a feeling of deep gratitude for the unprecedented opportunities NASA had offered me to make a contribution in that fascinating program. Looking for a suitable spot in industry, I wanted to be helpful in expanding the tremendous potential of communications satellites, in particular their use for audio-visual education. It was for this reason that I joined Fairchild Industries which has long been a leader in this field.

There is no field in which the goals of space applications are expanding at a faster rate than in the field of communications. Ever since NASA demonstrated that radio signals bounced off passive reflection satellites such as the Echo balloon or rebroadcast by active repeater spacecraft such as Early Bird, worldwide communications by satellite have been growing by leaps and bounds. Satellites, by providing international telephone and television service, are an important force in overcoming regional and national barriers. It is difficult to maintain hostility and isolation in the presence of free communications.

I would like to review with you, briefly, where we are now, what our plans are for the immediate future, and share my speculations about satellite communications, both domestic and international, toward the end of the century.

Yesterday, I was due to make an address in San Diego, California. Unfortunately, my doctors' advice prevented my making the trip. Therefore my remarks were transmitted via a specially rigged television hookup over a domestic communications satellite. I told my audience in San Diego at the Eleventh Annual Conference of the Tele-Communications Association, "I am speaking to you from my offices at Fairchild Industries near Washington, D.C. My voice is being transmitted by land line to the nearby facilities of the American Satellite Corporation. From there the signal is transmitted to Canada's domestic satellite ANIK II. In San Diego, a transportable ground station has been set up by TelePrompTer Corporation to receive the satellite signal. And a control center in a mobile van processes the signal into the picture you see on the screen."

This method of conveying a talk, or of linking a whole conference of widely scattered participants together via ad hoc television hookups, will soon be commonplace in our country. But let us not get complacent. Though the United States may be a leader in technological know-how, other nations are presently ahead of us in the pragmatic development of domestic communications satellite systems.

Earlier this year, Rudy Pudluk, an Eskimo at Resolute on a Canadian island far above the Arctic Circle, picked up a telephone and called General Peletier, the Canadian Minister of Communications in Ottawa. Pudluk's call began commercial operations of North

America's first domestic satellite communications systems, Telesat Canada. Called ANIK (which means "brother" in Eskimo), it is the world's first satellite for domestic use to be put into synchronous orbit like those of the trans-ocean Intelsat satellites.

ANIK I, launched in November 1972, has been joined by ANIK II, both stationary with respect to the earth, 22,300 miles high over the equator and the eastern Pacific where they view Canada from coast to coast. Since one satellite is sufficient to cover Canada, the second merely gives additional channels and serves as standby.

The Soviet Union has a satellite system linking the vast stretches from Kiev to Vladivostok. The vast overland distance of Brazil, once an overwhelming obstacle to communications, will soon be no more than an inconvenience of the past. That South American nation, larger than the United States, plans by 1975 to have its own Domestic Communications Satellite System. In addition to carrying telephone calls and television programs to the largely undeveloped Brazilian hinterland, it will serve thousands of small jungle schools with audio-visual TV education.

International satellite systems are now in their fourth generation serving 88 member nations of the Intelsat community. Until recently, the technical requirement was to keep the space element as light and simple as possible and to absorb whatever complexity and cost this required in the ground station. As a result, the spacecraft have only relatively modest radiated power while the ground stations are highly sophisticated multi-million dollar installations. Today, that philosophy is changing.

With the capability of putting larger and larger payloads into orbit, and with the advent of the reusable Space Shuttle to service and repair larger satellites, even nations with limited fiscal resources can put in a network of smaller, far less expensive ground stations. Intelsat's successes have caused many countries to begin investigation of satellites as a means of solving their domestic communications problems. It must be remembered that while there are only 88 members in the Intelsat system, the consumers or users are beginning to number into the millions.

Most of these nations are looking at next generation equipment which will put radiated power into orbit and permit acquisition of a number of relatively inexpensive earth stations priced at a fraction of today's costs. These systems contemplate a total communications operations supplementing the existing ground communications network and serving a variety of users, including educators, law enforcement agencies, health care agencies, the scientific community, military services and business organizations.

Brazil is one of these nations. At the moment it has only one Intelsat satellite ground station near Rio de Janeiro. I recently visited that station and was told it was far more difficult to get a telephone call from one of the smaller cities in Brazil's back country to that ground station than from there to Los Angeles or Paris. In some of the developing countries in Africa, it is even worse. While they are proud owners of a single Intelsat ground station, the local hookup to their widespread users is still by tom-tom.

At this moment, thanks to NASA programs initiated a few years ago, the United States is still quite active in that area of pioneering new technology for communications satellites.

Next spring, NASA's ATS–F (for which my own company, Fairchild, is prime contractor) will be orbited. It will be the first of a new generation of advanced spacecraft. As only one of its many functions, it will be the first satellite to provide "direct TV broadcast." This means the satellite is powerful enough to beam its TV signal directly to small, inexpensive roof-top antennas and on into a normal TV receiver.

Like its Canadian brothers ANIK I and II, ATS–F will be operating from a synchronous orbit position 22,300 miles above the equator. But ATS–F will be relaying back voice and video classroom instruction to small dish antennas mounted atop some 500 school houses in the Rocky Mountains, Appalachia and Alaska. Tying together the existing ground based communications systems into a regional network, it will broadcast an hitherto impossible range and variety of use-designed curriculums in childhood education and career development.

Many educators feel the ultimate impact on learning of this novel system could prove the most important advance since movable type as a method of reaching people now separated by vast geographical, economic and cultural barriers.

In 1975 the ATS–F will be literally "walked" from its Western Hemisphere meridian to a position over the Indian Ocean. With ATS–F on a one-year loan, India, under international agreement, will start a test program where education programs will be beamed into 5,000 receivers located in 5,000 remote Indian villages. As the program progresses, India plans to acquire its own educational satellites and use them as the main tool to carry elementary as well as adult education to its 500,000 villages, in a resolute attempt to break the back of illiteracy which for centuries has impaired its economic growth. I recently spent several weeks in India and I was told that for India, just as important as these educational programs—the three R's in the morning for the kids, and agricultural education in the afternoon for the grownups—may be suitable entertainment programs in the evening. Nothing, I was told, would be more effective in fighting India's most troublesome problem, the population explosion.

But let me return to the domestic scene. Just three weeks ago, following several years of debate, the Federal Communications Commission announced a decision which will allow at least six companies to proceed with the development of a domestic satellite system that will serve the entire United States.

I see a tremendous future for this venture. These satellites will not just support the television networks and carry telephone calls. The venture will offer a wide range of services for both civilian and military uses. The system will connect computers for nationwide operations. Hotel reservations and airline ticketing may well be accomplished through the system, as will be distributor support and inventory controls. By reducing the necessity for much business travel and a resultant reduction in air pollution and conservation of petroleum resources, it will even have a long-term beneficial effect on our environment and energy crises.

Visualize the world after the communications explosion—where disaster warning is a universal reality. I refer not just to storm or hurricane watching, but also forecasting of drought and famine; to be able to know where and when emergency action will be needed to combat national disasters.

Think of the finest library being available (via satellite facsimile) to the remotest outpost. A world where telemedicine brings the benefits of expert consultation to the rural doctor—where Nobel Prize lecturers speak to high school classes—where ships at sea and aircraft in flight have quality telephone service.

During the balance of this decade and through the 1980s, we will see the wholesale introduction of domestic satellite systems with capabilities tailored for each nation's needs.

Human language evolved because man felt the need to communicate information and abstract ideas. Communications satellites will enable man to carry education and enlightenment to the remotest hamlets. Thus, space development—once derided as a luxury which only the richest nations can afford—is beginning to provide the only solutions to one of the most difficult problems facing all nations—rich and poor alike—effective communications.

Mr. Chairman, Gentlemen—May I suggest that you give these matters your most earnest consideration. . . . I thank you for allowing me to meet with you today and make these remarks.

CHARLOTTE OBSERVER EDITOR APOLOGIZES TO SENATOR HELMS

Mr. HELMS. Mr. President, this morning I received a very comforting letter from an obviously responsible member of the staff of the Charlotte Observer, published in the largest city of my State.

The author of the letter, Mr. James K. Batten, is, in fact, executive editor of the Charlotte Observer. That newspaper did not support my candidacy last year; it has rather constantly been critical of my activities and positions in the Senate. There have been times, Mr. President, when—to be frank about it—many of my friends have wondered if there might not be some deliberate attempt on the part of this newspaper to misrepresent my various positions.

Be that as it may, Mr. President, the letter I received today from Mr. Batten demonstrates that he has a definite sense of fairness and decency. I did not solicit this letter. I have never mentioned the headline in question. I have always felt that there is great wisdom in that old axiom to the effect that "if you cannot stand the heat, you ought to stay out of the kitchen."

So I am comforted by Mr. Batten's obviously high personal standards and journalistic ethics. I commend him, and thank him.

I ask unanimous consent, Mr. President, that Mr. Batten's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE CHARLOTTE OBSERVER,
Charlotte, N.C., September 25, 1973.

Hon. JESSE HELMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HELMS: We were appalled, as you undoubtedly were, at the tone and total inaccuracy of the page one headline on the story about your proposed compromise in the Joyce Kilmer Memorial Forest dispute. The story appeared in The Observer of Monday, September 24.

I believe all the editors involved now understand the gravity of such an error. It was an inexcusable departure from the standards we try hard to uphold.

We apologize to you and redouble our own determination to avoid such mistakes in the future.

Sincerely,

JAMES K. BATTEN,
Executive Editor.

NEVER FOUND A CONVINCING ARGUMENT FOR FAILURE TO RATIFY GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, said former Justice Arthur J. Goldberg, testifying before a Senate subcommittee in March 1971:

> When I was United States ambassador to the United Nations, I was often asked to explain our failure to ratify the genocide convention. Frankly, I never found a convincing answer. I doubt that anyone can.

The fact is, Mr. President, there is no convincing argument. The United States was a major proponent of the Genocide Treaty at its negotiation almost 25 years ago.

The U.N. General Assembly voted unanimously to approve the Convention on the Prevention and Punishment of the Crime of Genocide at Paris' Palais de Chaillot on December 9, 1948.

The treaty, which formally outlaws "acts committed with an intent to destroy, in whole or in part, a national ethnical, racial or religious group," has subsequently been signed by 75 nations. We, who should have been the first to sign the treaty, may well be among the last.

Indeed, the United States led the way in formulating the original treaty. It was the United States that insisted that a specific intent to commit genocide must be proven before an offender could be punished.

Not only must we admit that we were wrong not to sign this treaty 25 years ago. We must right that wrong. I ask that we ratify the Genocide Treaty in this session of Congress.

JOHN HAMILTON

Mr. DOLE. Mr. President, yesterday's Washington Star-News carried a report of the death of a distinguished Kansan.

John Hamilton was born in Fort Madison, Kans., and went on to establish a noted career as a lawyer and State legislator before coming to Washington in 1935. As Republican national committeeman from Kansas, general counsel, and eventually as national chairman, Mr. Hamilton was a leading figure in the Republican Party for many years. His assumption of the party chairmanship came at the urging of his fellow Kansan, Gov. Alf M. Landon, who was the Republican 1936 Presidential candidate.

Mr. Hamilton established a tradition of professional leadership for the party by being the first chairman to receive a salary in the period between Presidential campaigns. He was also the first Kansan to serve as national chairman, and I know I speak for Wes Roberts—the other Kansan in addition to myself to fill this post—in expressing a sincere tribute to Mr. Hamilton's contributions to our party and to the American political system.

I am sure many of the senior Members of the House and Senate recall Mr. Hamilton and his work for the Republican Party, and I ask unanimous consent that the Star-News article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOHN HAMILTON IS DEAD, WAS CHAIRMAN OF GOP

John D. M. Hamilton, 81, a former Kansas state legislator who was chairman of the Republican National Committee from 1936 to 1940, died Monday in a Clearwater, Fla., hospital. He lived in Clearwater Beach.

Mr. Hamilton, a lawyer, was a senior partner in the Philadelphia firm of Pepper, Hamilton & Scheetz and also a director of Glenmede Trust Co. in Kansas.

When Mr. Hamilton was voted a salary of $25,000 by the Republican National Committee's executive committee in 1936 it was the first time the committee chairman had been put on a full-time salary basis in the interim between presidential campaigns.

Mr. Hamilton was widely known in political circles as a talented speaker and enthusiastic campaigner.

He was born in Fort Madison, Kans. At one time Mr. Hamilton was a probate judge. During his four years in the Kansas House of Representatives he was speaker of the house. He was defeated in 1928.

Mr. Hamilton stepped into the national political picture in 1932 after the death of the then-Kansas national committeeman. He was chosen by presidential candidate Alf Landon to become committeeman, and was nominated in 1934 for the chairmanship at the first national committee meeting he attended. He was defeated, but was chosen general counsel for the committee and became attached to the Washington headquarters in 1935.

He helped organize the Midwestern grassroots Republican convention in Springfield, Ill., in 1935.

Mr. Hamilton leaves his wife, Rosamond K.; a daughter, Mrs. Laura H. Trott of Menlo Park, Calif., six grandchildren and five great-grandchildren.

Graveside services will be held tomorrow in Lancaster, Pa. The family requests that expressions of sympathy be in the form of contributions to the Morton Plant Hospital, Clearwater, Fla.

THE HOPE AWARD TO DR. KISSINGER

Mr. HUGH SCOTT. Mr. President, on Tuesday, September 25, Dr. Henry A. Kissinger was accorded an honor which is not only prestigious, but highly appropriate for our new Secretary of State. Secretary Kissinger received the Hope Award for International Understanding. This award is given in memory of President Eisenhower and is sponsored by Project Hope, which operates the hospital ship, the U.S.S. *Hope*.

The Hope Award salutes Secretary Kissinger for his great efforts in the cause of peace over these recent years. Moreover, it reminds us that President Eisenhower was pledged to the same goals that marked Secretary Kissinger's breakthroughs in international understanding through the negotiations in Paris, Hanoi, Peking, and around the world. As President Eisenhower once said:

> There is no place on this earth to which I would not travel, there is no chore I would not undertake if I had any faintest hope that, by so doing, I would promote the general cause of world peace.

Finally, this award is a testament to the mercy ship U.S.S. *Hope*, a ship of peace that calls no port alien where there are people to be helped.

Mr. President, I am certain my colleagues join me in congratulating Dr. Kissinger for the great honor he has brought to America's striving for peace among all nations.

OFFICE FOR SPANISH-SPEAKING AMERICAN AFFAIRS

Mr. STEVENSON. Mr. President, today I am joining 15 Senators in cosigning a letter to the Secretary of Health, Education, and Welfare, Mr. Caspar Weinberger, urging him to reconsider his decision to eliminate the Office of Spanish-Speaking Affairs within the Office of Education.

This Office was created in 1966, originally as the Office of Mexican-American Affairs. Later its name was changed, and its duties were expanded to meet the needs of all of the Nation's Spanish-speaking people.

Since its inception the Office has helped guide Spanish-speaking educators through Washington's bureaucratic maze. Within the Federal Government the Office has also served as a vigorous advocate of programs designed to meet the needs of the Spanish-speaking community. I recently received a letter from Dr. Salomon Flores, the director of programs for the Spanish-speaking at Chicago State University, detailing the constructive assistance which he has received from the Office. Dr. Flores noted that—

> This Office has been one of the few offices serving Mexican Americans that has come in contact with decisionmakers in Washington.

Despite the proven effectiveness of the Office, the Nixon administration now proposes to eliminate it. It has already cut the Office's staff from seven to three, and the present budget for the Office is only $50,000.

This action is another example of the administration's indifference to our Spanish-American citizens. Last year I advocated increased Federal funding for bilingual education programs under title VII of the Elementary and Secondary Education Act. In testimony before an Appropriations Subcommittee, I pointed out the many inequities in the funding of education programs for Spanish-speaking children, particularly in my own State of Illinois. Despite the Office of Education's assurances of more equitable administration of the bilingual programs, it now appears that Illinois has received less funds under this program for fiscal year 1974 than it did in fiscal 1973. Not only are new funds not available, but existing programs—such as the one we are concerned with today—are being cut back.

I do not consider maintaining the amount that we spend in our efforts to assure equality of opportunity for Spanish-speaking Americans an example of "excessive spending." Unless programs such as this are continued, the Spanish-speaking people of Illinois and the Nation will be unable to overcome the language and cultural barriers that deprive them of full participation in American life. I want to see this rich country do better by all of its foreign-language-speaking residents. We can afford it. We cannot afford to fail them.

Mr. President, I strongly urge the Secretary to reconsider his ill-conceived decision.

I ask unanimous consent that the letter from Dr. Flores, dated August 21, 1973, addressed to me, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AUGUST 21, 1973.

Hon. ADLAI E. STEVENSON III,
U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SENATOR STEVENSON: It has come to my attention that the Office for Spanish Speaking American Affairs, in the U.S. Office of Education of the Department of Health, Education and Welfare, is soon to be terminated. This Office has been one of the few offices serving Mexican Americans that has come in contact with decision makers in Washington. This office has provided Mexican American educators throughout the nation with invaluable services. It has played a constructive advocacy role, and presented the urgent need for federal support for educational programs that will improve the socioeconomic status of Spanish-speaking people in this country.

The role this office has played in helping direct and guide Spanish-speaking educators to the appropriate bureaus and divisions to present proposals has proved invaluable. Keeping us informed on current legislation and guidelines concerning federal resources available for education projects that will help us attain our educational objectives has been another of its many services.

I urge you to contact Caspar Weinberger, Secretary of Health, Education and Welfare; Sidney Marland, Under Secretary for Education; and John Ottina, Commissioner of Education, concerning their plans, and request your support in our efforts to keep the Office in question in operation.

Cordially,

DR. SALMON FLORES.

THE GRAND INQUEST OF THE NATION

Mr. McGOVERN. Mr. President, one of the most distinguished legal and constitutional authorities in this Nation is Prof. Raoul Berger of the Harvard Law School. Professor Berger has written a thoughtful article for the current issue of Harper's magazine entitled "The Inquest of the Nation."

This article is drawn from Professor Berger's forthcoming new book "Executive Privilege: A Constitutional Myth." I found the article, as I have other statements by Professor Berger, to be a wise and highly informed discussion of the current constitutional crisis facing our Nation. I strongly urge my colleagues in the Senate to read it.

Mr. President, I ask unanimous consent that Professor Berger's article be printed in the RECORD:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GRAND INQUEST OF THE NATION

(By Raoul Berger)

"Although remarks made by others in conversations with the President may arguably be part of a criminal plan on their part, the President's participation in these conversations was in accordance with his constitutional duty to see that the laws are faithfully executed. It is the President, not those who may be subject to indictments by this grand jury, who is claiming executive privilege. He is doing so, not to protect those others, but to protect the right of himself and his successors to preserve the confidentiality of discussions in which they participate in the course of their constitutional duties, and thus ultimately to protect the right of the American people to informed and vigorous leadership from their President of a sort for which confidentiality is an essential prerequisite. . . .

"The President has concluded that it would be detrimental to the public interest to make available to the special prosecutor and the grand jury the recordings sought as Item 1 of the subpoena. That decision by the President is in itself sufficient cause for this court to proceed no further to seek to compel production of those records."

—from a brief filed August 7, 1973 by attorneys for President Nixon in support of the President's refusal to obey a subpoena from Watergate special prosecutor Archibald Cox.

Executive privilege is the shorthand for the Presidential claim of constitutional authority to withhold information from Congress. Richard Nixon's deployment of this claim to protect his documents and aides against inquiry by Congress and the courts poses an issue that transcends a jurisdictional squabble among the branches of government—it goes to the heart of our democratic system. He who controls the flow of information controls our destinies.

The fact is that executive privilege—root and branch—is a myth, without constitutional basis and the best evidence that can be mustered for it is a series of self-serving Presidential assertions of a power to withhold information. On this issue, in fact, we have the testimony of Mr. Nixon himself. When Congressman Nixon was riding to glory on the trail of "fellow travelers," the FBI, on instructions from President Truman, refused to deliver an FBI report to a Congressional investigating committee. On the House floor, Mr. Nixon rejected the proposition that "the Congress has no right to question the judgment of the President. I say that the proposition cannot stand from a constitutional standpoint, or on the basis of the merits." History demonstrates that Congressman Nixon was right and President Nixon is wrong.

Since the Supreme Court has traditionally looked to English history for the meaning of common-law terms and practices embodied in the Constitution, in particular for the inquisitorial function as an "inherent attribute" of the "legislative power" given to Congress, it is quite relevant to note that the power of parliamentary inquiry begins as an auxiliary not to the power to legislate, but to the power to impeach—on the common sense ground that one does not first indict and then inquire whether there was just cause. In a random sampling of parliamentary debates at different periods, stretching from 1621 to 1742, I found that legislative oversight of administration had been exercised across the board: inquiries into corruption, the basis for legislation, the conduct of war, execution of the laws, disbursement of appropriations—in short, into every aspect of executive conduct. Foreign affairs, about which American presidents have traditionally drawn a curtain of secrecy, were not excepted.

It is striking that no member of the Nixon and Eisenhower administrations, when executive privilege reached its most extravagant proportions, has advanced a single pre-1787 precedent in English history for executive refusal to turn over information to the legislature. I found none. Thus, whereas Congress's power of inquiry is solidly based on the precedents of Parliament, there is no pre-Convention historical basis for the claim that the power to withhold information from the legislature was an attribute of the Executive. All inferences are to the contrary.

That the Founding Fathers were aware of this inquisitorial attribute or "legislative power" is demonstrated by four or five references in the Constitutional Convention and the several ratifying conventions to the function of the House as the "grand inquest of the nation." There is not the slightest intimation that the Founding Fathers intended to curb the functions of the grand inquest in any way. We need to recall that Madison stated: "In a republican government the legislative necessarily predominates. This minimally carries overtones of the traditional parlaimentary oversight about which James Wilson, second only to Madison as an architect of the Constitution, rejoiced in 1774: "The proudest ministers of the proudest monarchs have trembled at their [the legislators'] censure; and have appeared at the bar of the house, to give an account of their conduct and ask pardon for their faults."

Taking no notice of this history, the thirty-seventh President of the United States has chosen to build his right to withhold information from Congress on the doctrine of separation of powers. But resort to the separation of powers assumes that the Executive was given a withholding power upon which legislative inquiry encroaches. The separation of powers does not grant power; it merely protects power elsewhere conferred. And since the Convention did not confer on the Executive the power to refuse information to the legislature, a Congressional requirement of information from the Executive does not encroach on powers confided to the Executive; it does not violate the separation of powers.

The Act of 1789 confirms that the separation of powers was not designed to reduce the grand inquest function. The Act made it:

"The duty of the Secretary of the Treasury . . . to make report, and give information to either branch of the legislature in person or in writing (as he may be required), respecting all matters referred to him by the Senate or the House of Representatives, or which shall appertain to his office."

The Act contains no provision for executive discretion to withhold information, and there is no reference whatsoever to such discretion in the legislative history of the Act. It was drafted by Alexander Hamilton, who, as a member of the Convention and co-author of *The Federalist*, knew well enough whether an unqualified duty could be imposed on the executive branch to furnish information to Congress. Adopted by the First Congress, in which sat some twenty Framers and Ratifiers of the Constitution, and signed by President Washington, who had presided over the Convention, this Act can hardly be deemed in violation of the separation of powers. It constitutes a vitally important legislative-executive recognition that, under the Constitution, the separation of powers had no application to Congressional inquiry.

Let me now return to the right and duty of Congressional inquiry as a prelude to impeachment, bearing in mind that the Constitution makes express provision for impeachment of "The President, Vice-President and all civil officers." The President, we should remember, was not looked at with awe in 1787 but with apprehension. As if cognizant of parliamentary history, Congressman Lyman stated in the house in 1796 that the "power of impeachment . . . certainly implied the right to inspect every paper and transaction in any department, otherwise the power of impeachment could never be exercised with any effect." And in 1843, a committee of the House stated:

"The President himself, in the discharge of his most independent functions, is subject to the exercise of this power—a power which implies the right of inquiry on the part of the House to the fullest and most unlimited extent."

Given that, historically, inquiry could precede impeachment, and that the Constitution expressly provides for impeachment of the President, this statement seems to be incontrovertible. It was confirmed by President Polk in 1846:

"If the House of Representatives, as the grand inquest of the nation, should at any time have reason to believe that there has

been malversation in office by an improper use of application of public money by a public officer, and should think it proper to institute an inquiry into the matter, all the archives and papers *of the Executive Department, public or private, would be subject to inspection and control of a committee of their body and* every facility *in the power of the Executive be* afforded *to enable them to prosecute the investigation* [my emphases].

This corresponded to parliamentary history and the incorporation of that history by the Founding Fathers. Clearly, the claim of an implied power to withhold information cannot be allowed to defeat the express power to impeach, or to take such measures as will make impeachment effective.

Consequently, President Nixon errs in asserting that "the manner in which the President exercises his assigned executive powers is not subject to questioning by another branch of the Government." Mr. Nixon needs to be reminded that Chief Justice Marshall rejected the notion that the President was immune from subpoena in the trial of Aaron Burr and held that President Jefferson could be required to deliver to Burr a letter written to Jefferson by Gen. James Wilkinson, who was implicated in the Burr conspiracy. In consequence, there is no Presidential immunity that can be shared with the Nixon aides. Furthermore, since "all civil officers" are impeachable by the terms of the Constitution, they are subject to inquiry without the leave of the President. Impeachment, said Elias Boudinot in the First Congress, enables the House "to pull down an improper officer, although he should be supported by all the power of the Executive." The point was made again and again by, among others, Abraham Baldwin, who had been a member of the Convention.

My search of the several Convention records, let me repeat, turned up not a shred of evidence that the President was empowered to withhold *any* information from Congress. Nor was such a power secreted in the interstices of the "Executive power," which the Framers conceived largely as a power to execute the laws. The lawmaking body, as Parliament showed and Montesquieu recognized, has a legitimate interest in examining how its laws are being executed. Since the Framers were at pains *expressly* to authorize the President to "require the opinions in writing of the principal officers in each of the executive Departments," they were hardly likely *sub silentio* to give him carte blanche to cripple the recognized functions of the grand inquest.

The Commander-in-Chief power, described by Hamilton merely as that of a "first General," at best authorizes severely limited withholding from Congress; for example, the time and place of an attack on, say, Normandy Beach. And it was on Congress, we must recall, that the vast bulk of the power to initiate and wage war was conferred. In the treaty-making provision, the President was joined to the Senate; and discussion of this provision in the several Conventions shows that the Senate was meant to participate in the *making* of treaties at every stage. Withholding of information in these areas attests arrogant usurpation rather than constitutional authorization.

On this score, finally, there is a notable constitutional provision, the force of which has not been sufficiently appreciated—the Framers authorized secrecy in only one case, and then by Congress, not the President. Article I, Section 5(3) requires Congress to keep and publish journals except "such part as may in their judgment require secrecy." This provision encountered rough going, being harshly criticized by Wilson, George Mason, Elbridge Gerry, Patrick Henry, and also by Jefferson. To allay the fear of this secrecy provision, its proponents explained that it had very restricted scope. John Marshall stated in the Virginia Convention that the debates "on the propriety of declaring war" and the like could not be conducted "in the open fields," and said, "In this plan, secrecy is *only to be used* when it would be fatal and pernicious to publish the schemes of government."

In light of the denial to Congress of a limitless power to conceal, how can one derive an *implied* grant of such a power to the Executive? On the contrary, as the Supreme Court held in analogous circumstances, the *express* authorization for limited discretionary secrecy by Congress and the omission of a similar provision for the President indicates an intention to withhold such authority from him. What might momentarily be concealed from the *public* by Congress had to be divulged by the President *to Congress* if the senior partner in government was to participate in making those momentous decisions which were temporarily to be kept secret.

In sum, parliamentary practice (which the Supreme Court has held lies at the root of the legislative power of inquiry) and the intention of the Framers establish a comprehensive power of inquiry, an antisecrecy tradition, which leaves no room for an "uncontrolled" Presidential discretion to withhold information from Congress.

President Nixon tells us that "executive privilege" was first invoked by Washington. There were two incidents which can be briefly recounted. First, there was the 1792 House inquiry into the disastrous St. Clair expedition against the Indians. Washington turned over all the documents; "not even the ugliest line," stated his biographer Douglas Freeman, "on the flight of the beaten troops was eliminated."

Mr. Nixon's reliance on St. Clair is based, *not on refusal of the documents,* but on Jefferson's notes of a Cabinet meeting at which it was agreed that the "House was a grand inquest, therefore might institute inquiries," but that the President had discretion to refuse papers "the disclosure of which would injure the public." These notes, however, are hardly reconcilable with the 1789 Act that Washington had signed earlier, and that permitted unqualified inquiry. What little value as precedent may attach to the notes vanishes when it is considered that only four years later Washington himself did not think to invoke the St. Clair "precedent" in the Jay Treaty episode—the precedent upon which Mr. Nixon next relies—and instead stated his readiness to supply information to which either House had a "right," such as the Senate had to treaty documents.

Jefferson's notes did not find their way into the government files, and there is no evidence that the meditations of the Cabinet were ever disclosed to Congress. The notes were found among Jefferson's papers after his death and published many years later, among his *ana,* which he described as "loose scraps" and "unofficial notes." There this "precedent" slumbered until it was exhumed by Deputy Attorney General William P. Rogers in 1957! It is a dispiriting testimonial to the effectiveness of executive propaganda that *Time* magazine could say of this incident, "Washington released the documents but he warned that never again would he turn over papers that might reveal secrets or otherwise would be 'injurious' to the public."

The first authentic assertion of power to withhold information from Congress was made by Andrew Jackson in 1835. Jackson refused a request by the Senate, which wanted to investigate frauds in the sale of public lands, that he turn over the charges that had led to his removal of Gordon Fitz his Surveyor General. He acted on the ground that the inquiry "would be applied in secret session" and therefore deprive a citizen of a "basic right," that of a "public investigation." Measured against historical precedents, Jackson was plainly wrong. The Supreme Court has held in *Watkins* v. *United States* (1957) that the "inherent power of Congress to conduct investigations [comprehends] probes into the departments of the Federal Government to expose corruption, inefficiency or waste." It would be insufferable if the President were able to shield documents revealing the corruption by removing the official.

Jackson's strictures failed to sway his successors, Buchanan and Polk, for both expressly recognized the plenary power of Congress to investigate suspected executive misconduct. Polk's unqualified recognition of a Congressional power that could "penetrate into the most secret recesses of the Executive Departments" is a far cry from President Nixon's "sanctity" of the FBI files, and from his attempt to immunize members of his staff from an investigation into their knowledge of a criminal conspiracy. It would be stale and unprofitable to rehearse subsequent Presidential assertions of a right to withhold information from Congress, for the last assertion stands no better than the first—repetition does not legitimate usurpation. In the words of the Supreme Court in the 1952 "Steel Seizure Case": "That an unconstitutional action has been taken before surely does not render that same action any less unconstitutional at a later date."

Let us focus, rather, on that branch of executive privilege which, according to President Nixon, was "designed to protect communications within the executive branch" and is allegedly "rooted in the Constitution." What the President conceives to be "rooted in the Constitution" was in fact first born in 1954, to fend off Senator McCarthy's savage assaults on Army personnel by a directive that communications between employees of the Executive Branch must be withheld from Congress so that they may "be completely candid in advising with each other." Overnight, this "doctrine" was expanded to shelter mismanagement, conflicts of interest such as led the Supreme Court to set aside the Dixon-Yates contract, the inexplicable selection of high bidders, and so forth.

It is novel doctrine that the acknowledged power to probe "corruption, inefficiency or waste" does not extend to "candid communications" which are often at the core of such misconduct. Had that doctrine prevailed, many an investigation of corruption and maladministration—Teapot Dome, for example—would have been stopped in its tracks. Indeed, this was precisely the objection made by Congressman Nixon in criticizing President Truman's withholding of an FBI report: "That would mean that the President could have arbitrarily issued an executive order in the . . . Teapot Dome case . . . denying the Congress . . . information it needed to conduct an investigation of the executive department." Congress, declared the Supreme Court in *McGrain* v. *Daugherty* (1927), may investigate "the administration of the Department of Justice . . . and particularly whether the Attorney General and his assistants were performing or neglecting their duties. . . . To shield communications between suspected malefactors would go far to abort investigation.

Eisenhower's claim that "candid interchange" among subordinates in an indispensable precondition of good government is an unproven assumption. Indeed, it is disproved by the fact that government functioned well enough from 1789 to 1954 without the benefit of this doctrine, and by the further fact that Eisenhower's withholding (under the umbrella of "candid interchange") of information respecting alleged maladministration of foreign aid in Peru was immediately countermanded by President Kennedy, with the salutary result that exposure lead to correction, not to the toppling of administration. In England, "candid interchange" was laughed out of court by the House of Lords in *Conway* v. *Rimmer* (1968). Against the debatable assumption that fear of disclosure may inhibit "candid interchange," there is the proven fact that such interchanges have time and again served as a vehicle of corruption and malversation—the latest example being the "interchanges" about Watergate within the White House—so that, to borrow from Lord Morris, "a greater measure of prejudices to the public interest would result from their non-production."

Even if there were an "established" doctrine of executive privilege, it is hard to imagine a sorrier occasion for its invocation than as a shield for White House aides, files, and recorded tapes of White House conversations from inquiry into the Watergate affair. Here is a criminal conspiracy to corrupt the election process that has already resulted in the conviction of two former White House aides, C. Gordon Liddy and E. Howard Hunt, and has ever-widening ramifications. Following the break-in was a massive cover-up designed to obstruct justice—in which former White House counsel John Dean confessedly participated and by his testimony implicated his superiors. These charges have been denied, and justice requires that the conflicting testimony be resolved by resort to documentary evidence contained in the White House files or in recorded conversations with the President. The invocation of executive privilege to shield these records thwarts justice and feeds suspicion that the President himself is implicated.

Were executive privilege, even though without constiutional roots, deemed a necessity of government, it should at most shield official action, not unofficial acts of a candidate campaigning for reelection, and certainly not criminal acts. It is a perversion of the separation of powers to convert it into a shield for crimes that would subvert the Constitution. George Washington, upon whose precedent Mr. Nixon heavily relies, took a quite different view. Upon hearing rumors of an inquiry into the conduct of Alexander Hamilton, his Secretary of the Treasury, Washington said, "No one . . . wishes more devoutly than I do that [the allegations] may be probed to the bottom, be the result what it will." He would have welcomed, not blocked, public exposure of "executive" tapes and papers.

"Executive privilege won't kill you," reassuringly states Roger Cramton, recently Assistant Attorney General. Those who insist that Congress needs more information, he says, labor under a "staggering misconception. The practical fact is that Congress gets most of the information that it wants from the executive branch. Except," says Cramton, "possibly in the foreign and military area, Congress is not hindered in making legislative judgments by the failure of the Executive to provide relevant information." That is a tremendous "except." The supply of information about imports of nuts and bolts does not compensate for the suppression of the Pentagon Papers, or the deliberate falsification of bombing raids over a neutral Cambodia. It does not make up for ten years of agonized escalation in Vietnam while Congress and the people were kept in the dark as to dismal expert evaluations and our shifting goals; for secret executive agreements with foreign powers for bases, troop commitments, and projected military aid running into the hundreds of millions. Nor does the supply of innocuous information in bulk balance the shrouding of evidence respecting White House participation in an unparalleled conspiracy. At the heart of "executive privilege" and the "candor" theory of immunity is the view that Congress and the people are the enemy, whereas the truth is that every officer is, or should be, more truly a servant of the people than of the President. Overriding loyalty to the President as Watergate shows, produces its own chamber of horrors.

"Executive privilege" is not therefore "rooted in the Constitution," but owes its being to the reluctance of Congress to assert its right and duty, in no small part because the President, through patronage, withholding of fat defense contracts, and other means of retaliation exercises great leverage on Congress. Even though executive refusals of information have often met with stinging protests by Congress, more often that body has shrunk from confrontation. Nevertheless, if Congress was given a plenary power of inquiry—and it was—it cannot abdicate that power; it cannot divest itself of powers conferred upon it by the Constitution. If powers, said Justice Jackson, "are granted, they are not lost by being allowed to lie dormant." Congressional tolerance of Presidential infringement does not transform it into a constitutional right.

AMERICAN INSTITUTE OF AERONAUTICS AND ASTRONAUTICS

Mr. MOSS. Mr. President, in the brief period of my chairmanship of the Senate Committee on Aeronautical and Space Sciences I have had the opportunity to come into contact with many fine organizations in the aerospace field. One of them, the American Institute of Aeronautics and Astronautics—AIAA—has been singled out for special commendation in an editorial by Robert B. Hotz, editor in chief of the prestigious Aviation Week & Space Technology magazine. It is a pleasure to ask unanimous consent to print this editorial in the RECORD so that my colleagues in Congress can become better acquainted with this enterprising professional society.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FILLING THE VACUUM

(By Robert Hotz)

As the aerospace industry stalled out of its zoom climb to prosperity in the late 1960s and entered its worst period of adversity since the late 1940s, it became apparent that a great vacuum was developing in industry leadership. As it faced a succession of new problems in a changing and largely hostile environment, the industry drifted aimlessly and, except for a few outspoken individuals, without a voice to state its case and confront its critics. For the most part, industry leaders and the organizations that should have shouldered the new responsibilities of leadership were content to roll along as if the glamour world of the 1950s and 1960s still existed. Even the few who recognized that both the industry and its customers had lost much of their former public esteem counseled a low profile in the hopes that the good old days would automatically recycle.

Now it appears this leadership vacuum is being filled by an unlikely and surprisingly effective organization—the American Institute of Aeronautics and Astronautics. The AIAA was formed in 1963 by a merger of the Institute of Aeronautical Sciences and the American Rocket Society as the technologies to which these two professional societies were dedicated melded into the single enterprise of aerospace. Perhaps because its technology was slower to flower and when it finally happened the technological explosion propelled mankind into outer space, the Rocket Society was always livelier and more public-relations conscious than the staid high priests of the IAS representing a more established and then more prosperous segment of technology. Thus it was not surprising that in the merger the vitality of the Rocket Society staff, led by Jim Harford, naturally dominated the new organization and the good gray men of the IAS staff faded gently into obscurity. But their already out-of-date philosophy unfortunately lingered on behind them.

It took the shock of massive and sudden unemployment among the engineers and scientists of its membership in 1970 to knock AIAA out of its ivory tower of professional detachment down into the hurly-burly of the real world where aerospace was getting battered in a critical crossfire. Since then AIAA has been remarkably agile and effective in responding to the real problems of aerospace and exercising perceptive leadership. These efforts have spread into the following areas:

EMPLOYMENT

Responding in early 1970 with its first experimental employment workshop in Los Angeles, AIAA has spearheaded an expanded and intensified engineering employment campaign aided by funds from the Dept. of Labor and support from other professional engineering societies. More than 25,000 unemployed engineers and scientists have gone through the AIAA employment workshops and another 15,000 through the Voluntary Engineers, Scientists and Technicians (VEST) program. More than 12,000 have found jobs through programs. Geoffrey Potter, AIAA administrator of member services, was a key man in organizing these programs, but AIAA's members working in their local environments are making them effective.

TECHNO-POLITICS

For years, the professional engineer disdained any interest in politics and deluded himself into the myth that they did not affect his livelihood. The AIAA leadership stepped into this vital area, moving its main 1972 meeting to Washington in an effort to stimulate greater awareness of what aerospace technology could offer among the legislators who determine national policies and funding priorities. After a shaky start in the right direction in 1972, the next year's meeting last January under the leadership of Edgar Cortright of NASA and USAF Lt. Gen. James Stewart, Aeronautical Systems Div. commander, was a smashing success in producing an effective blend of industry and government dialogue on technology. AIAA also conducted a detailed study on the technology and utility of new space transportation systems and broke the ice on Capitol Hill last spring by presenting its data to four congressional committees. When Preston Layton of Princeton, director of the study, Jim Harford and Jerry Grey, AIAA director of technical studies, finished this presentation, Sen. Barry Goldwater (R.-Ariz.) asked: "Where the hell have you guys been before?" Obviously, more of this type input is required.

URBAN TECHNOLOGY

The application of aerospace technology and techniques to other problems of society presents an obvious goal preceded by a thorny path. AIAA has jumped into this area where others have already given up and is sponsoring its third urban technology conference this week in Boston, again bringing its technical membership into contact with the politicians and civic groups whose problems so acutely require solutions.

YOUTH

Aerospace technology's future is seriously clouded by the current and understandable lack of the youth enthusiasm that attracted bright young people into this field for decades. AIAA is using its university-based chapters to operate with educational television stations to carry debates and discussions of current aerospace problems and progress into the academic atmosphere.

EXPORTS

But perhaps the most important area into which AIAA has moved is the leadership vacuum in the vital field of exports. There are several other organizations, including the Aerospace Industries Assn., which should take the lead in this area but just don't. Expanded exports have become vital to both the U.S. aerospace industry and the national economy's fight against a trade deficit. While some companies have been making fine individual efforts to expand into such new markets as China, the USSR and the eastern European countries, AIAA has emerged as a dynamic catalyst to broaden and strengthen these efforts in the peculiar manner required by the political systems of these countries. All of them would rather deal through a single, official-looking organization than with the western tradition of commercial competition. AIAA's tremendous success is building an aerospace trade bridge to the USSR with its Moscow exhibition last July was a spectacular demonstration of what can and must be done. In fact, the U.S. industry is already well behind the British and French on similar exhibitions in China. With the lack of any other organization willing or capable of blending U.S. government and industry efforts under a single tent, AIAA should push its advantage hard.

During the past three years AIAA has changed from a detached, professionally introverted organization into a vital force of leadership for the aerospace industry both domestically and on the international scene. Under the leadership of Ray Bisplinghoff, Allen Puckett and Holt Ashley, it is on the right track and merits strong support both from within its professional membership and externally from everybody with a stake in aerospace.

WILLIAM T. COLEMAN, JR., MEMBER OF THE BOARD

Mr. HUGH SCOTT. Mr. President, Peter H. Binzen in Thursday's Philadelphia Evening Bulletin, has painted a fascinating picture of an extraordinary man—William T. Coleman, Jr. Coleman, recently named by Black Enterprise magazine as one of 69 Philadelphia blacks who serve on white-controlled boards of directors, has a healthy, if unusual, view of the role of the black director.

Coleman asserts:

> Blacks should not be picked because they're black—And whether a director is a black or Jewish or whatever, he should function as a board member, period, and not try to represent a particular constituency.

This is an interesting article about an interesting man.

I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Human Side of Business: He Brings Added Dimension to the Board

(By Peter H. Binzen)

Black Enterprise magazine published this month a list of all the American black men and women it could find serving as directors of white-controlled corporations and financial institutions. A Philadelphia lawyer named William T. Coleman Jr. was unimpressed.

"A lot of them are there just because they're black," said Coleman of the 69 men and three women listed in the national survey. "That's not the way to run a company. Maybe 10 or 15 are well qualified corporate directors. The rest were chosen for the wrong reasons."

Coleman himself made Black Enterprise's list. Made it in a big way. In fact, with one exception—educator and former U.S. Ambassador to Sweden Jerome Holland—no other American black serves on as many boards of directors as does the 53-year-old Coleman.

PICKED FOR AMEX

Ten years ago not a single black sat on the board of a major U.S. corporation. Coleman joined his first board, Western Savings Bank, in 1968. Earlier this year he was elected to Philadelphia Electric Co.'s board.

Between these two directorships, he was picked for the boards of Pan American World Airways, First Pennsylvania Banking and Trust Co., First Pennsylvania Corp., Penn Mutual Life Insurance Co., and the board of governors of the American Stock Exchange.

These boards meet monthly, and Coleman figures he attends 85 to 100 percent of their meetings. He also finds time to serve as president of the NAACP's Legal Defense Fund, special counsel and chief negotiator for SEPTA, Fairmount Park commissioner, vice president of the Philadelphia Art Museum, trustee for Rand Corp. and Brookings Institution, among many other activities and a busy law practice.

With his vest, his watch chain, his soft-spoken manner that masks a tough, razor-sharp intelligence, "Bill" Coleman, a social worker's son, fits easily into the polished elegance of corporate board rooms.

He was first in his 1946 class at Harvard Law School—a class that included Elliot Richardson, now U.S. Attorney General and godfather to Coleman's daughter, Lovida. Later he clerked for the legendary U.S. Supreme Court justice, Felix Frankfurter.

FIGURE AT GIRARD

In 1952, he joined the big Philadelphia law firm that is now called Dilworth, Paxson, Kalish, Levy and Coleman. He's a senior partner, and senior partners in the most successful law firms here often make upwards of $200,000 a year.

In civil-rights struggles, Coleman has worked effectively for social change without being militant. In the 1950s, he quietly persuaded a prominent builder to sell houses to Negroes. In the 1960s, he helped upset Girard College's whites-only enrollment rule.

He is currently arguing in Washington a key school desegregation case involving Richmond, Va., and its suburbs.

But in viewing his role as a corporate director, Coleman parts company with some other black directors.

For example, the Rev. Leon H. Sullivan says he accepted a General Motors directorship to "help my people." Henry G. Parks, the Baltimore sausage maker, told Black Enterprise he was put on First Pennsylvania Bank's board to be "a burr in the britches" on minority hiring.

Coleman, however, doesn't see himself as a representative of blacks or any other special constituency.

"I'm dead against that," he said. "Obviously, corporate boards of directors, in looking for good people, should not exclude blacks. But blacks should not be picked because they're black.

"And whether a director is black or Jewish or whatever, he should function as a board member, period, and not try to represent a particular constituency," he added.

DOES HOMEWORK

Robert Townsend, in his book, "Up the Organization," charged that the typical company director is "someone who barely knows the name of your company, your product or your problems. He ought to pay you to sit on the board."

Coleman, disputing this, says most of the directors he knows are alert, interested, effective. Certainly, he gets high marks from them as a man who does his homework and knows his business.

Cyrus R. Vance, former deputy Defense secretary at the Pentagon, sits on Pan Am's board with Coleman and recommended him for the Amex post. Of Coleman, Vance says:

"He's one of the ablest men I know—extraordinary versatile. Penetrating in his analysis. He follows up and makes sure he gets straightforward answers. A great board member."

With his close ties to Establishment figures, Coleman has a heavy stake in American free enterprise. With all of its imperfections, he thinks it works better than any other economic system.

"When government owns and operates the major means of production," he says, "you can't have the freedoms that are important to civilized people. The American capitalist system is the only system we can function under. It needs changes but, basically, it works fairly well."

Philadelphia Blacks on Board of Directors

Name: Wm. T. Coleman, Jr., position, lawyer; directorships: American Stock Exchange, First Penna. Banking & Trust Co., First Penna. Corp., Pan American World Airways, Penn Mutual Life Ins. Co., Phila. Electric Co., Western Savings Bank.

Robert Evans, position, personnel director; directorship: Gino's Inc.

Ragan A. Henry, position, lawyer; directorship: Continental Bank.

Rev. Thomas J. Ritter, executive director, Opportunities Industrialization Center; directorship: Philadelphia National Bank.

Rev. Leon H. Sullivan, pastor, Zion Baptist Church; directorships: General Motors, Girard Bank, Philadelphia Saving Fund Society.

FEDERAL PAY RAISE DELAY

Mr. GRAVEL. Mr. President, I would like to announce my support of Senate Resolution 171, recently reported by the Committee on Post Office and Civil Service with a favorable recommendation, which disapproves of the alternate plan proposed by the administration to delay Federal salary increases scheduled for October 1. Based upon a study by the Bureau of Labor Statistics, the Federal Employees Pay Council has determined that Federal employees should receive a salary increase averaging 5.5 percent. I believe that it is a fair figure and it is incumbent on the Government to grant this increase to its employees immediately.

The committee report states that collective bargaining settlements in private industry have been on the order of 5 or 6 percent. Therefore, from the time the previous comparability study was made until July of this year, the cost of living had increased 6.6 percent. It seems to me that in view of these figures, a 5.5-percent salary increase is a modest one. Unfortunately, however, this increase will not even allow Federal employees' salaries to keep up with increases in the cost of living, and yet the President has proposed postponing it.

The Federal Pay Comparability Act give the President authority to set Federal pay rates comparable to private industry. Based on the BLS study, the Federal Employees Pay Council and the President's agent, which is the Civil

Service Commission and the Office of Management and Budget, each made a recommendation. The Employees Council has recommended a 5.5-percent increase and the agent a 4.7-percent increase. The President, who makes the decision with the further advice of a Federal Pay Advisory Committee, has not yet determined a rate, but has decided to postpone whatever increase will be granted.

As provided in the Comparability Act, either House of Congress can, by resolution, override the President's decision to postpone the increase. I hope that my colleagues will support the resolution so that the increase will become effective on October 1.

October 1 is the date that Congress selected for making such increases, but it was provided that the President could propose an alternative plan stipulating a later date when he deemed it advisable. This is the third time in the 3 years since the law was enacted that the President has proposed delaying the increase. Every year the President has found a reason to delay Federal comparability raises, but it certainly was not congressional intent to allow the President to do this on a regular basis. It is extremely unfair to regularly postpone salary increases and to thus "tax" Federal employees every time there is a budgetary problem, which has been happening quite often in recent years and may continue. Federal salaries should not be one of the first places to cut the budget, but one of the last.

We expect a fair day's work from Government employees, and we should be prepared to pay, in fact, committed to pay, a fair day's wages. This commitment must not be taken lightly as we must not toy with a person's income, particularly in these inflationary times. The President has justified the delay because of inflation, but this is precisely the reason this adjustment should not be put off.

The President has called upon Federal employees to make a sacrifice to hold down inflation. I, too, am strongly committed to fighting inflation. However, with personal income over the trillion-dollar mark this year, the inflationary impact of the $358 million increase in income that would result from not postponing the pay increase will be minimal.

Furthermore, Federal employees have already made their sacrifice. It has been almost a year and a half since the last survey was made to set Government salaries comparable to those in the private sector. During that time, salaries in private industry have been going up and inflation has been rampant. Federal employees have not shared in the benefits of increased salaries, but have paid the costs of inflation. I would call this a sacrifice, one greater than most others have had to bear.

In his message to Congress, the President praised the private sector, stating—

> Labor and management in the private sector have done their share by acting with commendable restraint in agreeing upon new wage increases.

Federal employees have not even shared in these increases negotiated with "commendable restraint." Now, without further delay, they should be given comparability, comparability with the past, modest increases in private sector salaries which the President has praised.

CONGRESSIONAL ACTION ON THE BUDGET

Mr. HUGH SCOTT. Mr. President, recently there has been a great deal of discussion regarding the President's budget and congressional action on it.

I have asked Mr. Roy Ash, the Director of the Office of Management and Budget, to prepare a document setting out the record of congressional action on the budget as they view it.

I ask unanimous consent that the response from Mr. Ash with accompanying tables be printed in the RECORD.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL ACTION ON THE BUDGET

The record of Congressional action on the budgets submitted by President Nixon has become a subject of public debate. Administration spokesmen state, with reports of the Congressional Joint Committee on Reduction of Federal Expenditures supporting them, that the Congress has increased the President's budget over the past four years. Some members of the Congress assert that the Congress has cut each of the budgets submitted by the Nixon Administration.

The facts are that the Congress has added to the budgets during the first four years of the Nixon Administration and is adding to the one currently before it.

Those who assert that the Congress has reduced the budget focus on only one measure of Congressional action—appropriations—and consider only the first-year effect of these actions. This measure does show reductions. The more comprehensive and correct measure prepared by the Congressional Joint Committee on Reduction of Federal Expenditures tells the opposite story, even though it, too, shows only the first-year effect and, therefore, understates the magnitude of the Congressional add-ons.

The attached Table 1 summarizes the first-year effect of Congressional action on budget authority and outlays for fiscal years 1970 through 1974 to date. Clearly, Congressional reductions in appropriations bills and, as a result of inaction on Administration proposals, are more than offset by increases that result from Congressional action on other legislation.

Table 2 summarizes the first-year effect of Congressional action to date on the fiscal year 1974 budget.

The following propositions explain how Congress is adding to the budget and why even the attached tables understate the increase.

I. The reduction shown in overall appropriations can be misleading. Included in those overall reductions are small additions to appropriations that may require the President to make subsequent requests for large appropriations. For example, the Congress added $11 million for 38 unbudgeted planning and construction starts to the fiscal year 1974 Public Works Appropriation Act. Thus, $11 million is reported as the first-year effect. If these starts are initiated, the Administration will have to request $1.2 billion of future appropriations to complete them. The future outlays will then be attributable to the Administration rather than to the Congress because they would be included in the President's budget.

II. Congress directly changes the budget in many ways other than through its action on appropriations.

a. Some legislation provides obligational authority directly (backdoor authority) and avoids the need for appropriations committee approval prior to the obligation of funds. A case in point is the Environmental Protection Agency grant program for waste treatment works.

b. Some legislation makes spending mandatory. When such mandated spending requires higher appropriations, as it does for veterans benefits, the President has no choice but to include a request for the higher amount in his budget. The first-year effect of such legislation is generally attributed to the Congress in the Joint Committee report referred to above, but all the later-year effects are attributed to the President. In addition, some mandated spending, like increases in social security benefits, requires no appropriations action at all. Again, while the first-year effect of Congressionally-initiated increases in such spending is attributable to the Congress, the effect on all later years is part of the President's budget.

c. The budget can be increased—as well as decreased—by Congress' failure to enact proposed legislation. The 1974 budget proposes enactment of legislation that would result in nearly $1½ billion of savings. If the Congress fails to enact these proposals, and so far no action has been taken on them, 1974 spending for the affected programs will be about $1½ billion higher.

III. Congress changes the budget by its indirect action on authorizations for appropriation. Comprehensive summaries of the effect of Congressional action like the Joint Committee report normally exclude authorizations with discretionary funding levels because those levels will be determined later in appropriation acts. However, these authorizations create expectations that programs will be started or expanded. Both the Congress and the Executive Branch are sometimes unable to resist the greater pressure for higher appropriations once the authorizations have been enacted.

One measure of the "gap" between amounts authorized for appropriation and amounts appropriated is cited in the April report of the Joint Study Commission on Budget Control. The Study Commission referred to a 1970 analysis of the Advisory Commission on Intergovernmental Relations (ACIR) which showed that the "gap" for certain grant appropriation authorizations (health, education, highways, mass transit, et al.) had increased as follows:

[In millions]

	Fiscal year 1966	*Fiscal year 1970*
Authorized	$14,246	$24,381
Appropriated	$11,561	$15,928
Gap: Amount	$2,685	$8,453
Percent of authorization	18.8	34.7

Clearly, since 1970, further increases in this "gap" have occurred. Further, the ACIR analysis does not include authorizations for direct Federal programs. The "gap" for public works projects alone is now over $25 billion more than appropriation levels.

The growing "gap" caused the Study Commission to note that "Pressure to increase spending has come as a result of the annual authorization process."

TABLE 1.—CONGRESSIONAL CHANGES TO THE PRESIDENT'S BUDGET REQUEST[1]

[In billions of dollars]

	Budget authority				Outlays			
	Appropriations	Other legislation[2]	Inaction on legislation	Total	Appropriations	Other legislation[2]	Inaction on legislation	Total
1970	−5.4	5.7	1.5	1.7	−2.9	1.5	1.4	(3)
1971	−2.6	8.4	−4.6	1.1	−.7	4.2	−.2	3.3
1972	−3.0	.7	−5.5	−7.8	−1.1	3.7	−3.3	−.7
1973	−4.9	15.6	−4.7	6.0	−1.6	7.9	−.1	6.1
Subtotal	−15.9	30.4	−13.3	1.1	−6.3	17.3	−2.2	8.7
1974 to date	.3	5.2	.5	6.1	.5	1.3	1.4	3.2
Total	−15.6	35.6	−12.8	7.1	−5.7	18.5	−.9	11.9

[1] Based on the Budget Scorekeeping Report (Staff Report No. 6) to the Joint Committee on Reduction of Federal Expenditures.

[2] Includes: backdoor authority (authority to obligate funds outside appropriation acts); mandatory authority (bills requiring subsequent appropriation action, adjustments and other changes, e.g., REA loans put off budget); and shifts of fiscal year 1973 requests to fiscal year 1974.

[3] Less than $50,000,000.

Note: Details may not add to total because of rounding.

TABLE 2.—CONGRESSIONAL CHANGES TO DATE TO THE PRESIDENT'S FISCAL YEAR 1974 BUDGET REQUEST[1]

[In millions of dollars]

Items	Budget authority	Outlays
Appropriation bills	+303	+519
Legislation other than appropriation bills:		
Backdoor (authority to obligate funds outside appropriation acts)	+1,588	+20
Mandatory (bills requiring subsequent appropriation action)	+350	[2] +1,458
Adjustments and other changes	−579	[3] −146
Shifts of fiscal year 1973 requests to fiscal year 1974	+3,890	
Subtotal, legislative bills	5,249	1,332
Inaction on proposed legislation	[4] 512	[4] +1,362
Total	6,064	3,213

[1] Based on the Budget Scorekeeping Report (Staff Report No. 6) to the Joint Committee on Reduction of Federal Expenditures.

[2] Modified to include effect of bread tax repeal.

[3] REA loans off-budget adjusted from −$157,000,000 to reflect best estimate.

[4] Adjusted to exclude duplicate burial benefits and Federal Crop Insurance Corporation listings.

ADDRESS BY ROBERT S. McNAMARA TO THE BOARD OF GOVERNORS OF THE WORLD BANK GROUP

Mr. HUMPHREY. Mr. President, in his recent address in Nairobi, Mr. Robert McNamara, President of the World Bank, set the same goals for the assistance policy of the World Bank group that the new foreign assistance legislation, S. 2335, sets for the assistance policy of the United States. Mr. McNamara expressed concern over the growing gap between the rich and the poor—both between nations and within the developing countries themselves—and over the "absolute poverty" that "denies its victims basic human necessities." He announced the World Bank's commitment to helping relieve absolute poverty and bringing the poorest people in the world into the development process.

The dimensions of poverty in the less developed countries are overwhelming. As Mr. McNamara pointed out:

> One-third to one-half of the two billion human beings in those countries suffer from hunger or malnutrition.
>
> 20% to 25% of their children die before their fifth birthdays. And millions of those who do not die lead impeded lives because their brains have been damaged, their bodies stunted, and their vitality sapped by nutritional deficiencies.
>
> The life expectancy of the average person is 20 years less than in the affluent world. They are denied 30% of the lives those of us from the developed nations enjoy. In effect, they are condemmed at birth to an early death.
>
> 800 million of them are illiterate and, despite the continuing expansion of education in the years ahead, even more of their children are likely to be so.
>
> This is absolute poverty: a condition of life so limited as to prevent realization of the potential of the genes with which one is born; and a condition of life so common as to be the lot of some 40% of the peoples of the developing countries. And are not we who tolerate such poverty, when it is within our power to reduce the number afflicted by it, failing to fulfill the fundamental obligations accepted by civilized men since the beginning of time?

As Mr. McNamara pointed out, it will take a major revision of the development policies of many of the less-developed countries themselves as well as of the assistance policies of the developed countries to deal with the problem of absolute poverty. Too often landed elites have concentrated on increasing their own wealth rather than bringing the poorest elements of their populations into the development process. But both the World Bank and the donor nations realize that their past development assistance policies have often contributed to the income disparities in the developing countries rather than reducing them.

Having learned that simply giving money to the less-developed countries does not necessarily contribute to the alleviation of poverty, the donor nations must now commit their technology, their research skills, and their capital to directly improving the standard of living of the millions who are poor.

Mr. McNamara announced several ways the World Bank intends in the next 5 years to contribute to the "eradication of absolute poverty by the end of the century." Since 70 percent of the population of developing countries, and the same percentage of the poor, live in the countryside, the World Bank will concentrate on increasing production and improving living standards in the rural areas. The major kinds of projects the Bank will sponsor are:

Land and tenancy reform—financing land redistribution and providing logistical support for the small farmer;

Providing credit to the small farmer;

Making sure irrigation reaches the small landholder;

Livestock production, particularly small-scale dairy farming in milk-deficient areas;

Expansion of training facilities for extension agents who can help raise the productivity of the rural poor;

Rural works programs; for example, building feeder roads to markets;

Agricultural research institutions, particularly in the development of appropriate technologies for semiarid agriculture; and

Cooperative and similar institutions by which the small farmers can organize to gain better access to markets, credit, and agricultural inputs.

The goals expressed by Mr. McNamara deserve the full support of the United States. We must not only continue to provide financing for the World Bank and IDA. We must also focus our bilateral assistance on alleviating absolute poverty. The United States can make a unique contribution to this effort. Our experience in semiarid agriculture, our agricultural technology and research skills, and our experience in developing vast networks of farmers' cooperatives and extension services can all be applied to the effort to bring small farmers into the development process around the world.

Mr. President, I ask unanimous consent that the text of Robert McNamara's address before the Board of Governors of the World Bank Group be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY ROBERT S. McNAMARA TO THE BOARD OF GOVERNORS OF THE WORLD BANK GROUP, NAIROBI, KENYA, SEPTEMBER 24, 1973

I. INTRODUCTION

Last year I began a discussion with you of the critical relationship of social equity to economic growth. I emphasized the need to design development strategies that would bring greater benefits to the poorest groups in the developing countries—particularly to the approximately 40% of their populations who are neither contributing significantly to economic growth nor sharing equitably in economic progress.

In the twelve months since our last meeting, we in the Bank have given high priority to further analysis of the problems of poverty in the developing countries and to an evaluation of the policies available for dealing with them. On the basis of these studies, I should like this morning to:

Discuss the nature of the poverty problem, particularly as it affects the rural areas.

Suggest some of the essential elements of a strategy for dealing with it.

And outline a plan for World Bank operations in support of this new strategy.

But before turning to these matters, I want to report to you on the results of the Bank's Five-Year Program for the fiscal years 1969–73—a program that concluded on June 30th of this year; and then to suggest the financial objectives for a second five-year plan for the years 1974–78.

II. THE BANK'S 5-YEAR PROGRAM FOR FISCAL YEARS 1969–73

It was in September of 1968 that I first met with you in this forum and outlined the goals of a Five-Year Program for the World Bank Group. You will recall what our objectives were. We stated that we were "formulating a 'development plan' for each developing country to see what the Bank Group could invest if there were no shortage of funds, and if the only limit on our activities were the capacity of our member countries to use our assistance effectively and to repay our loans on the terms on which they were lent."

Based on these analyses, we proposed to double the Ban's operations in the fiscal period 1969–73 as compared with the previous five-year period 1964–1968. That objective has been met: total financial commitments of the IBRD, IDA, and IFC, in current prices, in the 1964–68 period, were $5.8 billion; in the 1969–73 period, $13.4 billion. In real terms, the increase was 100%.

As indicated in the table below, in the five years we achieved a level of operations that exceeded the total of all the operations that the Bank had undertaken in the developing world in the 23 years from 1946 through 1968.

BANK GROUP FINANCIAL COMMITMENTS TO DEVELOPING COUNTRIES BY REGION

[Dollars in millions]

Region	Numbers of projects		Amount of commitments (current prices)	
	1946-68	1969-73	1946-68	1969-73
East Africa	78	104	$834	$1, 099
West Africa	35	102	522	891
Europe, Middle East North Africa	113	168	1, 785	3, 198
Latin America and Caribbean	281	176	3, 554	3, 734
Asia	201	210	3, 927	4, 496
Total	798	760	10, 622	13, 418

But it was not just quantity that we were seeking. We did not simply want to do more than had been done in the past, but to do more of what was best suited to the rapidly changing needs of the developing countries. That meant that within our overall objective we had to shift our emphasis both geographically and sectorally.

While continuing to serve the regions where we had been particularly active, we decided to expand substantially in other areas.

In Africa, for example, we set out to triple our lending—and we have done so.

We undertook operations, for the first time, in Indochina—and in the five years have committed $523 million there.

For the poorest and least developed of our member countries, those with average per capita incomes of $120 or less, we have nearly tripled our lending. During the Five-Year Program period we have initiated 217 separate projects in these countries. The comparable figure for the whole of the previous 23 years of the Bank's operations is 167.

Geographically, then, our planned shifts in emphasis have been carried out, and carried out concomitantly with an increased level of lending in our more traditional regions.

But it was clear to us in 1968 that the Five-Year Program must shift emphasis sectorally as well. Accordingly, we proposed to triple lending in, education and quadruple lending in agriculture. We have done so.

Perhaps the most significant shift was into a sector in which the Bank had previously had no operations at all: the sensitive and difficult, but clearly critical, sector of population.

We established a Population Projects Department, and from the very beginning received more requests for technical and financial assistance from our member countries than we could immediately provide. We deliberately began our project work in a number of smaller countries in order to work effectively within our limited staff resources. But by the end of the Five-Year Program period agreements had been signed for projects in seven countries, including two of the largest and most heavily populated nations: Indian and Indonesia.

In addition to the Population Projects Department—to which has now been added the responsibility for nutritional projects—we launched other initiatives within the Bank. Among them are new departments for Industrial Projects, Urban Projects, and Tourism Projects; an Office of Environmental Affairs; an Operations Evaluation Unit; and a new program of comprehensive country economic reporting.

To achieve the doubled level of our operations, it was necessary, of course, to strengthen the Bank both organizationally and financially. Worldwide recruitment was increased and the staff was expanded by 120% during the period. We were determined in this effort to broaden its international character to the maximum degree feasible. In 1968 the staff represented 25 nationalities. It now represents 92. In 1968 the proportion of staff from our developing member countries was 19%. The proportion is now 29%, and continues to grow.

Lending more has of course meant borrowing more, and that in turn has depended on governments granting us access to their capital markets. This they have continued to do, despite unsettled conditions and monetary fluctuations. It is a mark of confidence in the Bank's financial structure that we have been able to borrow not only in our more traditional markets, but in altogether new ones, and to utilize new borrowing instruments and new channels of distribution.

Net borrowing for the five-year period has been approximately four times that of the earlier period, and our liquid reserves have risen to $3.8 billion, an increase of 170%.

Neither the increase in operations, nor the shift in emphasis toward more socially oriented sectors, has adversely affected net income. On the contrary, total net income for the five-year period was $965 million, 28% more than in the previous period, and this despite the fact that the Bank's lending rate was held down to levels resulting in a substantially greater subsidy to the developing countries than in earlier years.

We have completed the Five-Year Program, then, by meeting the quantitative goals we had set for ourselves in 1968, and by making a sustained effort to improve the overall quality of our work.

But our task now is to move forward with a second Five-Year Program. Like the first, its goals and shifts in emphasis must be shaped by the evolving development situation itself.

I should like to give you my assessment of that situation.

III. THE BANK'S SECOND 5-YEAR PROGRAM: FISCAL YEAR 1974–78

Most of our developing member countries are faced with three interrelated difficulties:

An insufficiency of foreign exchange earnings from trade.

An inadequate flow of Official Development Assistance.

And an increasingly severe burden of external debt.

Each of these problems is serious in itself. But together they threaten the outcome of the entire development effort.

Let me examine each of them briefly.

The trade problem

The core of the trade problem for the bulk of the developing countries is that they cannot expand their exports rapidly enough to pay for their essential imports. These imports are themselves often the key to greater export capability—and higher foreign exchange earnings—and thus the dilemma of trade imbalances in these countries tends to become self-perpetuating.

The problem is compounded by the delay of the wealthy nations in dismantling discriminatory trade barriers against the poor countries. Our studies indicate, for example, that if the affluent nations were gradually to reduce their present protectionist trade restrictions against agricultural imports from the developing world, the poorer nations could, by 1980, increase their annual export earnings by at least $4 billion.

An acute shortage of development assistance

Secondly, the current flow of Official Development Assistance (ODA)—financial aid on concessionary terms—is acutely inadequate. Not only is it far below what the developing nations need and what the affluent nations can readily afford, but, as the attached table indicates, it is only half the modest target prescribed by the internationally accepted United Nations Strategy for the Second Development Decade.

That target called for reaching ODA levels of .7% of gross national product (GNP) by 1975. In fact, by 1975 ODA will not exceed .35%. And yet achievement of the target neither requires the people of the developed nations to reduce their already high standards of living, nor to neglect their domestic priorities. It asks them only to dedicate a tiny fraction of the incremental income—income over and above that which they already enjoy—that will accrue to them in the decade of the 70s.

During the decade, the annual GNP of these affluent nations will grow, in constant prices, from $2 trillion in 1970 to approximately $3.5 trillion in 1980: an increase in output virtually beyond one's capacity to comprehend.

In order to double the ODA flows, and thereby raise them to the targeted .7%, the developed countries would need to devote to that end less than 2% of the amount by which they themselves will grow richer during the period. The remaining 98% of their incremental income would provide them with more than sufficient funds to meet their domestic priorities.

I have heard it said in the developed countries—in the United States and elsewhere—that their domestic problems are so pressing that they require an exclusive claim on the immense incremental wealth which will accrue to their societies in future years, and that not even the 2% of this additional income, which we suggest should be diverted to the developing countries, can be spared. But I believe that such critics of additional assistance to the poorer nations, when citing the needs of their own cities and countryside, fail to distinguish between two kinds of poverty: what might be termed relative poverty and absolute poverty.

Relative poverty means simply that some countries are less affluent than other countries, or that some citizens of a given country have less personal abundance than their neighbors. That has always been the case, and granted the realities of differences between regions and between individuals, will continue to be the case for decades to come.

But absolute poverty is a condition of life so degraded by disease, illiteracy, malnutrition, and squalor as to deny its victims basic human necessities.

It is a condition of life suffered by relatively few in the developed nations but by hundreds of millions of the citizens of the developing countries represented in this room. Many of you have cause to know far better than I that:

One-third to one-half of the two billion human beings in those countries suffer from hunger or malnutrition.

20% to 25% of their children die before their fifth birthdays. And millions of those who do not die lead impeded lives because their brains have been damaged, their bodies stunted, and their vitality sapped by nutritional deficiencies.

The life expectancy of the average person is 20 years less than in the affluent world. They are denied 30% of the lives those of us from the developed nations enjoy. In effect, they are condemned at birth to an early death.

800 million of them are illiterate and, despite the continuing expansion of education in the years ahead, even more of their children are likely to be so.

This is absolute poverty: a condition of life so limited as to prevent realization of the potential of the genes with which one is born; a condition of life so degrading as to insult human dignity—and yet a condition of life so common as to be the lot of some 40% of the peoples of the developing countries. And are not we who tolerate such poverty, when it is within our power to reduce the number afflicted by it, failing to fulfill the fandamental obligations accepted by civilized men since the beginning of time?

I do not wish you to interpret my remarks as those of a zealot. But you have hired me to examine the problems of the developing world and to report to you the facts. These are the facts.

It is true that some citizens of the developed countries protest against increasing their assistance to the developing countries because of poverty in their own societies. They do so either because they are unacquainted with these facts; or because they fail to distinguish between relative absolute poverty; or perhaps because they are obscuring the truth even from themselves—unwilling to admit that the principal pressure on the incremental incomes of their economies comes not from a legitimate concern for the less fortunate in their societies, but from the endless spiral of their own demands for additional consumer goods.

There are, of course, many grounds for development assistance: among others, the expansion of trade, the strengthening of international stability, and the reduction of social tensions.

But in my view the fundamental case for development assistance is the moral one. The whole of human history has recognized the principle—at least in the abstract—that the rich and powerful have a moral obligation to assist the poor and the weak. That is what the sense of community is all about—any community: the community of the family, the community of the village, the community of the nation, the community of nations itself.

I, for one, cannot believe that once the gross deficiency in the flow of Official Development Assistance is better understood; that once the degree of deprivation in the development nations is more fully grasped; that once the true dimensions of poverty in the less privileged world are more realistically compared with the vast abundance in the affluent world (that once the people of the United States, for example, understand that they, with 6% of the world's population, consume about 35% of the world's total resources and yet, in terms of economic assistance as a percent of GNP, rank fourteenth among the sixteen developed nations)—I cannot believe that in the face of all this the people and governments of the rich nations will turn away in cynicism and indifference.

The growing burden of debt

Finally, there is the growing burden of external debt in the developing world. Publicly guaranteed debt currently stands at about $80 billion, with annual debt service of approximately $7 billion.

It is important to understand what the essence of the debt problem is. It is not the fact that there is debt, nor even the size of the debt. It is, rather, the composition and dynamics of the debt; the fact that debt, and debt payments, are growing faster than the revenues required to service them.

Restricted trading opportunities, exacerbated by inadequate flows of ODA, tend to drive developing countries to over-reliance on export credits and other short-term, high-cost loans. It is these factors that threaten to increase the debt burden beyond reasonable limits. Already, since 1970, the situation in several countries—Ghana, Chile, Pakistan, India, Indonesia, and Sri Lanka among others—has led either to debt rescheduling or to unilateral defaults.

The Bank's program for fiscal years 1974–78

Given the nature of this interrelated set of problems in our developing member countries—an insufficiency in foreign exchange due to trade difficulties, the inadequate flow of ODA, and the growing debt burden—the Bank, far from relaxing the momentum of our operations over the next five years, must increase it. And that is what we intend to do.

We plan to expand both our IBRD and IDA lending at a cumulative annual rate, in real terms, of 8%.[1]

For the five-year period FY 1974–78, our lending—in 1973 dollars—should total $22 billion for almost 1,000 projects.

The total cost of these projects will approach $55 billion.

Our $22 billion in new commitments will constitute, in real terms, a 40% increase over the 1969–1973 period, and a 175% increase over the 1964–1968 period.

This, then, in financial terms is our plan for the Second Five-Year Program. It will represent the largest program of technical and financial assistance to developing countries ever undertaken by a single agency.

But the qualitative changes in the program will be of even greater significance than the increase in its size. We plan to place far greater emphasis on policies and projects which will begin to attack the problems of absolute poverty to which I referred earlier—far greater emphasis on assistance designed to increase the productivity of that approximately 40% of the population of our developing member countries who have neither been able to contribute significantly to national economic growth, nor to share equitably in economic progress.

In the remaining sections of this statement I would like to discuss the nature of this poverty problem, consider what means are at hand to alleviate it, and indicate what part the Bank can play.

IV. POVERTY IN THE DEVELOPING WORLD

Poverty and growth

The basic problem of poverty and growth in the developing world can be stated very simply. The growth is not equitably reaching the poor. And the poor are not significantly contributing to growth.

Despite a decade of unprecedented increase in the gross national product of the developing countries, the poorest segments of their population have received relatively little benefit. Nearly 800 million individuals—40% out of a total of two billion—survive on incomes estimated (in U.S. purchasing power) at 30 cents per day in conditions of malnutrition, illiteracy, and squalor. They are suffering poverty in the absolute sense.

Although the collection of statistics on income distribution in the developing world is a relatively recent effort, and is still quite incomplete, the data point to what is happening. Among 40 developing countries for which data are available, the upper 20% of the population receives 55% of national income in the typical country, while the lowest 20% of the population receives 5%. That is a very severe degree of inequality—considerably greater than in most of the advanced countries.

The data suggest that the decade of rapid growth has been accomplished by greater maldistribution of income in many developing countries, and that the problem is most severe in the countryside. There has been an increase in the output of mining, industry, and government—and in the incomes of the people dependent on these sectors—but the productivity and income of the small farmer have stagnated.

One can conclude that policies aimed primarily at accelerating economic growth, in most developing countries, have benefitted mainly the upper 40% of the population and the allocation of public services and investment funds has tended to strengthen rather than to offset this trend.

Reorienting development policy

The need to reorient development policies in order to provide a more equitable distribution of the benefits of economic growth is beginning to be widely discussed. But very few countries have actually made serious moves in this direction. And I should stress that unless national governments redirect their policies toward better distribution, there is very little that international agencies such as the World Bank can do to accomplish this objective.

Without intruding into matters that are the proper concern of individual governments, I would like to discuss an important first step that could lead to a more rapid acceptance of the required policy changes. This step would be to redefine the objectives and measurement of development in more operational terms. While most countries have broadened the statements of their development goals to include references to reducing unemployment and increasing the income of the poor—as well as emphasizing traditional growth in output—they still measure progress toward these complex objectives with a single measuring rod: the growth of GNP.

But the fact is that we can no more measure the achievement of multiple development objectives by the GNP alone than we can describe the quality of life in a city exclusively by its size. The Gross National Product is an index of the total value of goods and services produced by an economy; it was never intended to be a measure of their distribution.

It is important to remember that indices of the increase in gross national product implicitly weight the growth of each income group according to its existing share of total national income. Since in the developing countries the upper 40% of the population typically receive 75% of all income, the growth of GNP is essentially an index of the welfare of these upper income groups. It is quite insensitive to what happens to the poorest 40%, who collectively receive only 10–15% of the total national income.

Were we to fashion a new index which gave at least the same weight to a 1% increase in the incomes of the poorest groups in society as it gave to a 1% increase in the incomes of the well-to-do, we would get a much different picture of development in the past decade. The growth of total income in several of the largest countries in Latin America and Asia, for example, would be significantly lower than the growth as measured by the GNP.

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[1] In last year's address, I stated that our plan, in terms of current prices, was to increase financial commitments 11% per year. The "real terms" equivalent was 8%. Today, because of changes in exchange rates and accelerated price increase, a growth rate of 8% per annum in real terms, for the period FY74–78 vs. FY69–73, will probably require an increase in financial commitments of approximately 14% per year in current prices.

But, in a number of cases—including for instance, Sri Lanka and Colombia—the opposite would be true. In these countries, giving equal weight to the growth of income of each citizen, regardless of his income level, would result in a more accurate assessment of development performance than does GNP because it would give credit for some redistribution of the benefits of growth toward the lower income groups.

Adopting this kind of socially oriented measure of economic performance would be an important step in the redesign of development policies. It would require governments, and their planning and finance ministries, to look at the allocation of resources in a much more comprehensive way. For they would have to consider not only the total output of an investment but also how the benefits would be distributed. This would give practical, operational significance to the rhetorical statements of social objectives now embodied in most development plans. And it would insure that important questions of equity became an integral part of project evaluation procedures both within the developing countries and the lending agencies. We are, in fact, beginning to develop this approach in the World Bank.

Identifying the concentrations of poverty

This proposed reorientation of development strategy would require far greater precision in identifying the main concentrations of the poorest people in a given society and examining much more intensively the policies and investments through which they can be reached.

Clearly, the bulk of the poor today are in rural areas.[2] All of our analysis indicates that this is likely to continue to be the case during the next two or three decades:

At present, 70% of the population of our developing member countries and an equivalent percentage of the poor live in the countryside.

Although demographic projections indicate that 60% of the population increases in these countries (an increase of two billion people by the end of the century) is expected to take place in the urban areas—largely through internal migration—in the year 2000 more than half of the people in the developing world will still reside in the countryside.

Rapid urbanization is already creating very serious problems. Under present policies, per capita public expenditures in urban areas are typically three to four times as great as they are in rural areas. Thus, efforts to relieve rural poverty by still greater migration to the cities will result in an even more inequitable division of public expenditures and only exacerbate the existing inequalities of income.

Within the rural areas the poverty problem revolves primarily around the low productivity of the millions of small subsistence farms. The truth is that despite all the growth of the GNP, the increases in the productivity of these small family farms in the past decade has been so small as to be virtually imperceptible.

But despite the magnitude of the problem in the countryside, focusing on rural poverty raises a very fundamental question: is it a really sound strategy to devote a significant part of the world's resources to increasing the productivity of small-scale subsistence agriculture? Would it not be wiser to concentrate on the modern sector in the hope that its high rate of growth would filter down to the rural poor?

The answer, I believe, is no.

Experience demonstrates that in the short run there is only a limited transfer of benefits from the modern to the traditional sector. Disparities in income will simply widen unless action is taken which will directly benefit the poorest. In my view, therefore, there is no viable alternative to increasing the productivity of small-scale agriculture if any significant advance is to be made in solving the problems of absolute poverty in the rural areas.

But that does not mean there need be an irreconcilable conflict between that objective and the growth of the rest of the economy. On the contrary, it is obvious that no attempt to increase the productivity of subsistence agriculture can succeed in an environment of overall economic stagnation. The small farmers cannot prosper unless there is significant growth in other sectors, both to provide the development resources they will require, and to create the demand for their additional output.

The point is that the reverse is also true—and it is time we recognized it. Without rapid progress in smallholder agriculture throughout the developing world, there is little hope either of achieving long-term stable economic growth or of significantly reducing the levels of absolute poverty.[3]

The fact is that very little has been done over the past two decades specifically designed to increase the productivity of subsistence agriculture. Neither political programs, nor economic plans, nor international assistance—bilateral or multilateral—have given the problem serious and sustained attention. The World Bank is no exception. In our more than a quarter century of operations, less than $1 billion out of our $25 billion of lending has been devoted directly to this problem.

It is time for all of us to confront this issue head-on.

V. A STRATEGY FOR RURAL DEVELOPMENT

In presenting a strategy for rural development I should like: first, to analyze the scope of the problem; second, to set a feasible goal in order to deal with it; and third, to identify the measures required to meet that goal.

The scope of the problem

Let me begin by outlining the scope of the problem in the developing countries which are members of the Bank. It is immense:

There are well over 100 million families involved—more than 700 million individuals.

The size of the average holding is small and often fragmented: more than 100 million farms are less than 5 hectares; of these, more than 50 million are less than 1 hectare.

The possession of land, and hence of political and economic power in the rural areas, is concentrated in the hands of a small minority. According to a recent FAO survey, the wealthiest 20% of the landowners in most developing countries own between 50 and 60% of the cropland. In Venezuela they own 82%; in Colombia 56%; in Brazil 53%; in the Philippines, India, and Pakistan about 50%. Conversely, the 100 million holdings of less than 5 hectares are concentrated on only 20% of the cropland.

Even the use of the land which the small farmer does have is uncertain. Tenancy arrangements are generally insecure and often extortionate. In many countries tenants have to hand over to the landlord 50–60% of their crop as rent, and yet in spite of this are faced with the constant threat of eviction. The result is that their incentive to become more productive is severely eroded.

It has often been suggested that the productivity of small-scale holdings is inherently low. But that is simply not true. Not only do we have the overwhelming evidence of Japan to disprove that proposition, but a number of recent studies on developing countries also demonstrate that, given the proper conditions, small farms can be as productive as large farms. For example, output per hectare in Guatemala, the Republic of China, India, and Brazil was substantially greater on smaller farms than on larger ones. And it is, of course, output per hectare which is the relevant measure of agricultural productivity in land-scarce, labor-surplus economies: not output per worker.

There is ample evidence that modern agricultural technology is divisible, and that small-scale operations need be no barrier to raising agricultural yields.

The question, then, is what can the developing countries do to increase the productivity of the small farmer. How can they duplicate the conditions which have led to very rapid agricultural growth in a few experimental areas and in a few countries so as to stimulate agricultural growth and combat rural poverty on a broad scale?

The first step is to set a goal. A goal is necessary both so that we can better estimate the amount of financial resources required, and so that we can have a firm basis for measuring progress.

Setting the goal

I suggest that the goal be to increase production on small farms so that by 1985 their output will be growing at the rate of 5% per year. If the goal is met, and smallholders maintain that momentum, they can double their annual output between 1985 and the end of the century.

Clearly this is an ambitious objective. A 5% rate of growth has never been achieved on a sustained basis among smallholders in any extensive areas of the developing world. Smallholder production has risen on average only about 2.5% per year in the past decade.

But if Japan in 1970 could produce 6,720 kg. of grain per ha. on very small farms, then Africa with its 1,270 kg. per ha., Asia with 1,750 kg., and Latin America with 2,060 kg. have an enormous potential for expanding productivity.

Thus, I believe the goal is feasible. It recognizes that progress will be slow during the next five to ten years while new institutions evolve, new policies take hold, and new investments are implemented. But after this initial period, the average pace of growth in smallholder agricultural productivity can be more than double today's rate and thereby benefit the lives of hundreds of millions of people.

Now, what are the means necessary to accomplish this goal?

Neither we at the Bank, nor anyone else, have very clear answers on how to bring the improved technology and other inputs to over 100 million small farmers—especially to those in dry-land areas. Nor can we be fully precise about the costs.

But we do understand enough to get started. Admittedly, we will have to take some risks. We will have to improvise and experiment. And if some of the experiments fail, we will have to learn from them and start anew.

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[2] It is true of course that millions of the victims of poverty in the developing world live in the slums of the urban areas and that their social and economic advance depends on an acceleration of the pace of industrialization. I have discussed this subject with you before and will do so again, but today I want to concentrate on the problem of poverty in the countryside where the overwhelming majority of the people live.

[3] It is not my purpose today to discuss the food crisis presently affecting wide areas of the globe. However, any long-term solution of the food shortage, in a world in which population will increase for at least a century to come, clearly requires substantial increases in smallholder productivity. In addition, to provide insurance against the vagaries of the weather, some coordinated system of national food reserves must be established. I strongly support the efforts of the Director-General of the FAO to organize such a program, and I am fully prepared to recommend that the World Bank participate in its financing.

What, then, can we begin to do now?

Measures necessary to meet the goal

Though the strategy for increasing the productivity of smallholder agriculture is necessarily tentative, the following are essential elements of any comprehensive program:

Acceleration in the rate of land and tenancy reform.

Better access to credit.

Assured availability of water.

Expanded extension facilities backed by intensified agricultural research.

Greater access to public services.

And most critical of all: new forms of rural institutions and organizations that will give as much attention to promoting the inherent potential and productivity of the poor as is generally given to protecting the power of the privileged.

These elements are not new. The need for them has been recognized before. But they will continue to remain little more than pious hopes unless we develop a framework of implementation, and agree to a commitment of resources commensurate with their necessity. That is what I propose.

Organizational changes

The organizational structure for supporting smallholder agriculture is without doubt the most difficult problem. Let me examine this subject first and then turn to the others in sequence.

Obviously, it is not possible for governments to deal directly with over 100 million small farm families. What is required is the organization of local farm groups, which will service millions of farmers at low cost, and the creation of intermediate institutions through which governments and commercial institutions can provide the necessary technical assistance and financial resources for them.

Such institutions and organizations can take any number of forms: smallholder associations, county or district level cooperatives, various types of communes. There are, of course, many experiments already going on in different parts of the world. What is imperative is that at each organizational level financial discipline be rigorously required, and that the entire structure be oriented toward initiative and self-reliance. Experience shows that there is a greater chance of success if the institutions provide for popular participation, local leadership, and decentralization of authority.

The reorganization of government services and institutions is equally important. No program will help small farmers if it is designed by those who have no knowledge of their problems and operated by those who have no interest in their future.

The sad truth is that in most countries, the centralized administraiton of scarce resources—both money and skills—has usually resulted in most of them being allocated to a small group of the rich and powerful. This is not surprising since economic rationalizing, political pressure, and selfish interest often conspire to the detriment of the poor. It will clearly require courageous political leadership to make the bureaucracy more responsive to the needs of the subsistence farmers.

The ablest administrators, for example, should no longer be reserved exclusively for the urban sectors. Top engineering talent must be devoted to designing low-cost solutions to the problems of small-farm irrigation. Young graduates can be motivated to take on the problems of the rural poor, and be adequately rewarded for solving them. Educational institutions should recognize that the training in practical skills is as important as the accumulation of theoretical knowledge. In short, national managerial and intellectual resources must be redirected to serve the many instead of the few, the deprived instead of the privileged.

Acceleration of land and tenancy reform

But there are other structural changes necessary as well. And the most urgent among these is land and tenancy reform. Legislation dealing with such reform has been passed—or at least been promised—in virtually every developing country. But the rhetoric of these laws has far outdistanced their results. They have produced little redistribution of land, little improvement in the security of the tenant, and little consolidation of small holdings.

That is extremely regrettable. No one can pretend that genuine land and tenancy reform is easy. It is hardly surprising that members of the political power structure, who own large holdings, should resist reform. But the real issue is not whether land reform is politically easy. The real issue is whether indefinite procrastination is politically prudent. An increasingly inequitable situation will pose a growing threat to political stability.

But land and tenancy reform programs—involving reasonable land ceilings, just compensation, sensible tenancy security, and adequate incentives for land consolidation—are possible. What they require are sound policies, translated into strong laws which are neither enervated by exceptions nor riddled by loopholes. And most important of all, the laws have to incorporate effective sanctions, and be vigorously and impartially enforced.

What we must recognize is that land reform is not exclusively about land. It is about the uses—and abuses—of power, and the social structure through which it is exercised.

Better access to credit

But realistic land and tenancy reform—as essential as it is—is not enough. It is one thing to own land; it is another to make it productive. For the smallholder, operating with virtually no capital, access to credit is crucial. No matter how knowledgeable or well motivated he may be, without such credit he cannot buy improved seeds, apply the necessary fertilizer and pesticides, rent equipment, or develop his water resources. Small farmers, generally, spend less than 20% of what is required on such inputs because they simply do not have the resources.

In Asia, for example, the cost of fertilizer and pesticides required to make optimum use of the new high-yielding varieties of wheat and rice ranges from $20 to $80 per hectare. But the small farmer there is spending only $6 per hectare because that's all he can finance. And most of that $6 does not come from government or institutional sources, but from local landlords or village money lenders at usurious rates of interest.

The present institutions in the rural areas are simply not geared to meeting the needs of smallholder agriculture. In countries as disparate as Bangladesh and Iran, less than 10% of institutional credit is available to rural areas; in Thailand, the Philippines, and Mexico less than 15%; in India less than 25%. And only a fraction of this is available to the small farmer. Even then it is accompanied by stringent tests of creditworthiness, complicated application procedures, and lengthy waiting periods.

Existing commercial institutions are reluctant to make credit available to the small farmers because the administrative and supervisory costs of small loans are high. Further, the subsistence farmer is operating so close to the margin of survival that he is simply not as creditworthy as his more wealthy neighbors.

Nor do governmental credit policies always help the small farmer, even though the intention may have been to shape them for that purpose. The fact is that concern over the usurious rates the farmer pays the money lender has led to unrealistically low rates for institutional credit.

The smallholder does not need credit subsidized at an annual interest rate of 6% for projects which will yield 20% or more per year. He would be much better off if he had to pay a realistic rate of interest but could actually get the money.

In reviewing their financial policies for agriculture, governments should take care that good intentions do not have self-defeating consequences. In many of our member countries, radical restructuring of interest rates is long overdue.

Assured availability of water

No less essential than credit—indeed even more so—is an assured supply of water for the smallholder. Without it, seeds, fertilizer, and pesticides are useless. This means continued research into the most productive uses of water, as well as substantial investment in irrigation and increased attention to on-farm irrigation methods.

It is estimated that the presently irrigated area in the developing world of 85 million hectares can be expanded by another 90 million hectares, but the additional cost would be high: over $130 billion. And not only is expansion of irrigated land expensive, it is a slow process. No major irrigation dam which is not already in the active design stage is likely to yield significant on-farm benefits before the mid-1980s. Although investments in major irrigation projects will continue to be an important part of national investment plans, and of Bank financing, they must be supplemented by more quick-yielding programs designed to benefit the small farmer.

This calls for much greater emphasis in on-farm investment which can take advantage of existing large irrigation projects. There are too many cases—in our experience and that of others—in which it has taken ten years or more after the dam was completed for the water actually to reach the farmers. Major irrigation schemes often preempt necessary resources for on-farm improvement. The drama of harnessing a major river may be more exciting than the prosaic task of getting a steady trickle of water to a parched hectare, but to millions of small holders that is what is going to make the difference between success and failure. The allocation of scarce budgetary resources should reflect this reality.

Thus, development of major irrigation works, though necessary, is not enough. Too many small farmers would be left unaffected. These programs need to be supplemented by others which can bring water to farms outside major irrigation projects—and do so cheaply. Tubewells, low-lift pumps, and small dams can make major contributions to productivity. Moreover, these investments—while not always within the reach of individual poor farmers—can often be afforded by organized smallholders.

Expansion of extension services and applied research

The small farmer needs credit and water, but he needs technical information as well. And he is not getting nearly enough of it. The projected number of trained personnel who will graduate annually from existing agricultural educational institutions can at best satisfy less than half the total needs of the developing world. In the developed countries, the ratio of government agricultural agents to farm families is about 1 to 400. In developing countries, it is on average 1 to 8,000. And only a small fraction of even these limited services is available to the small farmer.

It is not primarily the deficiency of funds that is delaying the necessary expansion of extension services. It is the deficiency of resolve to do more for the small farmer who desperately requires them. There is scarcely a single developing country which does not produce too many lawyers, but there is no developing country which produces enough extension agents. Governments cannot control personal career objectives, but they can offer appropriate incentives, and promote vocational choices which will contribute more directly to economic development and social modernization.

Thus the annual cost of training the required extension personnel would be modest as a percentage of GNP or budgetary resources. The net cost—after deducting savings from changed allocations—would be even less. As long as the supply of extension workers is grossly inadequate, only the large farmers will benefit and the needs of the poor will be ignored.

Behind extension services, of course, lies applied research. In a sample of five major developed countries, the governments are allocating annually from $20 to $50 per farm family for such research. The comparable figures for five major developing countries are only 50 cents to $2 per farm family.

The international network of agricultural research has grown impressively. The Bank, for example, chairs the Consultative Group on International Agricultural Research, and contributes to the financing of the research institutes including the financing of the new institute for the semi-arid tropics. But very much more needs to be done at the national level to explore the special-equipment needs of the small operator, to develop new technologies for the non-cereal crops, and to help the farmer in non-irrigated areas.

General expenditures on research and development in the developing countries are notoriously low and must be increased substantially. In doing this, governments should give very high priority to strengthening that type of research which will benefit the small farmer—research to produce low-risk, inexpensive technology that he can put to immediate use.

Greater access to public services

In other areas too, public services are grossly inadequate. The income of the small farmer could be substantially increased if he were supported by better physical infrastructure. Because of the costs involved, it is not within the power of the developing countries to provide all of this infrastructure quickly to the millions who need it. But governments can provide much of it by organizing rural works programs to construct small feeder roads, small-scale irrigation and drainage systems, storage and market facilities, community schools and health centers, and other facilities which make extensive use of local labor and relatively simple skills.

There is no mystery about designing these programs. They have worked successfully at various times in experimental projects in Bangladesh, Tunisia, Indonesia, and other countries. The major handicap has been their limited scale and inadequate management. The task for governments is gradually to extend these projects to a national scale.

Basic changes are also necessary in the distribution of other public sevices. In the rural areas these services are not only deplorably deficient, they are often not geared to the needs of the people they are supposed to serve.

Educational systems should stress practical information in agriculture, nutrition, and family planning for those both within and outside of the formal school program. Health services should be developed which can assist in eradicating the common enervating diseases that afflict the rural poor. Electricity for rural areas should not be considered a luxury, nor should its purpose be merely to place a lightbulb in every dwelling. One of its most important uses is to supply power for production appliances, such as water pumps. Power is admittedly almost always in short supply but urban lighting and air conditioning should no longer be given such a disproportionate priority in the national systems.

Every country must examine why it can afford to invest in higher education, but fails to offer incentives to attract teachers to rural areas; why it can staff urban medical centers and export its doctors abroad, but fails to provide doctors for the countryside; why it can build urban roads for the private automobile, but cannot build feeder roads to bring produce to market.

Resources are scarce in the developing countries, and their redistribution cannot provide enough for everyone's needs. But a major redistribution of public services is required if the small farmer is to have at least the necessary minimum of economic and social infrastructure.

The programs I have discussed above can all be initiated quickly by governments, and will make a major contribution to the goal of a 5% growth rate in the output of small-scale agriculture by 1985. And all of these programs deserve, and will have, the full support of the Bank Group.

But the fact remains that the measures I have outlined are primarily the responsibility of the developing countries. It would be a great disservice if the aid agencies were to try to convince either these countries or themselves that policies for alleviating rural poverty can be fashioned and delivered from abroad. The problem must be perceived and dealt with by the countries themselves.

But the international community can, and must, help. The resources required to achieve a 5% growth rate in the yields on small farms by 1985 are very large. One estimate would place the annual cost of on-farm investment, land and water resource development, additional training facilities, and minimum working capital requirements for smallholder agriculture at $20–25 billion by 1985. This would be about 3.5% of the combined annual GNP of the developing countries.

Part of these resources must come from additional savings generated by the farmers themselves, and part must come from redirecting resources from other sectors in the developing countries.

But some of these resources must come from the international community—in the form of services and financing which the small farmer needs.

An action program in the Bank

What can the Bank do to assist in this effort?

First of all, we expect to lend $4.4 billion in agriculture during our next five-year program (1974–78), as compared to $3.1 billion in the first five-year program (1969–73), and $872 million in the 1964–68 period.[4]

This in itself is a formidable target, but more importantly we intend to direct an increasing share of our lending to programs which directly assist the small farmer to become more productive. In the next five years we expect that about 70% of our agricultural loans will contain a component for the smallholder. We are now preparing these programs in consultation with member governments.

But we recognize that at best our lending can finance only a small portion of the total credit and investment needs of smallholder agriculture. That is why we intend to give particular attention in our economic advice to governments to those sectoral and financial policies which most affect the rural poor so that the resources to be invested by governments will have a maximum impact.

And though experimentation and innovation will remain essential, the broad policies governing the Bank's program are clear:

We are prepared to do much more to assist governments in the reform of their agricultural financial structure, and to support institutions designed to bring credit to the small farmer.

We intend to continue to invest in large irrigation projects and in the recovery of saline lands, but we will emphasize on-farm development incorporating a maximum of self-financing so that the benefits of irrigation can reach small farmers more quickly.

We will support non-irrigated agriculture, including the financing of livestock production, and in particular small-scale dairy farming in milk-deficient areas.

We are prepared to finance the expansion of training facilities for extension agents who can help raise the productivity of the rural poor.

We are prepared to finance rural works programs as well as multi-purpose rural development projects.

We are ready to assist land and tendency reform programs by providing the follow-up logistical support required by the small farmer, and to help in the technical and financial aspects of land purchase and consolidation.

We have financed agricultural research institutions in the past and are fully prepared to do more in the future, particularly in the development of an appropriate technology for semi-arid agriculture. We propose to support investigation into the most effective uses of water at the farm level, especially in water-deficient areas. We are already assisting one such investigation in Mexico.

We will, in our lending for infrastructure, strongly urge that account be taken of the pressing needs of the rural areas.

VI. SUMMARY AND CONCLUSIONS

Let me now summarize and conclude the central points I have made this morning.

If we look objectively at the world today, we must agree that it is characterized by a massive degree of inequality.

The difference in living standards between the rich nations and the poor nations is a gap of gigantic proportions.

The industrial base of the wealthy nations is so great, their technological capacity so advanced, and their consequent advantages so immense that it is unrealistic to expect that the gap will narrow by the end of the century. Every indication is that it will continue to grow.

Nothing we can do is likely to prevent this. But what we can do is to begin to move now to insure that absolute poverty—utter degradation—is ended.

We can contribute to this by expanding the wholly inadequate flow of Official Development Assistance.

The flow of ODA can be increased, by 1980, to the target of .7% of GNP—a target originally accepted within the United Nations for completion by 1975.

This is feasible, but it will require renewed efforts by many nations, particularly the very richest.

Further, we must recognize that a high degree of inequality exists not only between developed and developing nations but within the developing nations themselves. Studies in the Bank during this past year reinforce the preliminary conclusions I indicated to you last year: income distribution patterns are severely skewed within developing countries—more so than within developed countries—and the problem requires accelerated action by the governments of virtually all developing nations.

A minimum objective should be that the distortion in income distribution within these nations should at least stop increasing by 1975, and begin to narrow within the last half of the decade.

A major part of the program to accomplish this objective must be designed to attack the absolute poverty which exists to a totally unacceptable degree in almost all of our developing member countries: a poverty so extreme that it degrades the lives of individuals below the minimal norms of human decency. The absolute poor are not merely a tiny minority of unfortunates—a miscellaneous collection of the losers in life—a regrettable but insignificant exception to the rule.

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[4] Figures for all three periods are in 1973 dollars.

On the contrary, they constitute roughly 40% of the nearly two billion individuals living in the developing nations.

Some of the absolute poor are in urban slums, but the vast bulk of them are in the rural areas. And it is there—in the countryside—that we must confront their poverty.

We should strive to eradicate absolute poverty by the end of this century. That means in practice the elimination of malnutrition and illiteracy, the reduction of infant mortality, and the raising of life-expectancy standards to those of the developed nations.

Essential to the accomplishment of this objective is an increase in the productivity of small-scale agriculture.

Is it a realistic goal?

The answer is yes, *if* governments in the developing countries are prepared to exercise the requisite political will to make it realistic.

It is they who must decide.

As for the Bank, increased productivity of the small, subsistence farmer will be a major goal of our program of expanded activity in the FY 1974–78 period.

But no amount of outside assistance can substitute for the developing member governments' resolve to take on the task.

It will call for immense courage, for political risk is involved. The politically privileged among the landed elite are rarely enthusiastic over the steps necessary to advance rural development. This is shortsighted, of course, for in the long term they, as well as the poor, can benefit.

But if the governments of the developing world—who must measure the risks of reform against the risks of revolution—are prepared to exercise the requisite political will to assault the problem of poverty in the countryside, then the governments of the wealthy nations must display equal courage. They must be prepared to help them by removing discriminatory trade barriers and by substantially expanding Official Development Assistance.

What is at stake in these decisions is the fundamental decency of the lives of 40% of the people in the 100 developing nations which are members of this institution.

We must hope that the decisions will be the courageous ones.

If they are not, the outlook is dark.

But if the courageous decisions are made, then the pace of development can accelerate.

I believe it will. I believe it will because I believe that during the remainder of this century people everywhere will become increasingly intolerant of the inhuman inequalities which exist today.

All of the great religions teach the value of each human life. In a way that was never true in the past, we now have the power to create a decent life for all men and women. Should we not make the moral precept our guide to action? The extremes of privilege and deprivation are simply no longer acceptable.

It is development's task to deal with them.

You and I—and all of us in the international community—share that responsibility.

PROJECTED FLOW OF OFFICIAL DEVELOPMENT ASSISTANCE MEASURED AS A PERCENT OF GROSS NATIONAL PRODUCT [1]

	1960	1965	1970	1971	1972	1973	1974	1975	1976
Australia	0.38	0.53	0.59	0.53	0.61	0.58	0.59	0.60	0.62
Austria		.11	.07	.07	.09	.19	.22	.25	.26
Belgium	.88	.60	.46	.50	.55	.58	.65	.70	.70
Canada	.19	.19	.42	.42	.47	.49	.50	.52	.53
Denmark	.09	.13	.38	.43	.45	.52	.56	.61	.63
France	1.38	.76	.66	.66	.67	.65	.65	.65	.65
Germany	.31	.40	.32	.34	.31	.32	.34	.36	.38
Italy	.22	.10	.16	.18	.09	.16	.16	.16	.17
Japan	.24	.27	.23	.23	.21	.28	.34	.40	.40
Netherlands	0.31	0.36	0.61	0.58	0.67	0.66	0.70	0.72	0.76
Norway	.11	.16	.32	.33	.41	.56	.67	.75	.82
Portugal	1.45	.59	.67	1.42	1.51	.45	.45	.45	.45
Sweden	.05	.19	.38	.44	.48	.56	.65	.71	.75
Switzerland	.04	.09	.15	.11	.21	.26	.30	.32	.34
United Kingdom	.56	.47	.37	.41	.40	.37	.40	.40	.40
United States [2]	.53	.49	.31	.32	.29	.25	.22	.22	.21
Total	.52	.44	.34	.35	.34	.34	.34	.35	.36

[1] Countries included are members of OECD Development Assistance Committee, accounting for more than 95 percent of total official development assistance. Figures for 1972 and earlier years are actual data. The projections for later years are based on World Bank estimates of growth of GNP, on information on budget appropriations for aid, and on aid policy statements made by governments. Because of the relatively long period of time required to translate legislative authorizations first into commitments and later into disbursements, it is possible to project today, with reasonable accuracy, ODA flows (which by definition represent disbursements) through 1976.

[2] In 1949, at the beginning of the Marshall Plan, U.S. official development assistance amounted to 2.79 percent of GNP.

JUDGE SUPPORTS CONTROLS FOR METHAQUALONE

Mr. BAYH. Mr. President, during my 3 years as chairman of the Juvenile Delinquency Subcommittee, I have conducted an intensive investigation into the diversion and abuse of legitimately produced narcotic and nonnarcotic dangerous drugs.

During the course of our barbiturate hearings, increasing reference was made to the growing incidence of methaqualone abuse. The drug is known as the "love drug," "heroin for lovers," and "the Dr. Jekyll and Mr. Hyde drug." Many law enforcement and drug program staffers claim that it is the "hottest drug on the street" and that its abuse is rising in "geometric proportions."

In my own State of Indiana the abuse of methaqualone has increased substantially in the last year, particularly among youths 13 to 20. Directors of drug crisis centers, personnel operating drug hotlines and law enforcement officers in many Indiana communities, including Evansville, South Bend, Bloomington, Terre Haute, Muncie, Indianapolis, Fort Wayne, Lafayette, Anderson, Peru, and Kokomo, report that methaqualone abuse is increasingly common. They express deep concern because abusers believe the drug to be a safe nonaddicting downer.

Methaqualone is a nonbarbiturate sedative-hypnotic. It is pharmacologically equivalent to the short and intermediate acting barbiturates. Since abusers are primarily interested in pharmacological effects rather than the chemical classification, it is not surprising that this nonbarbiturate is being widely abused. Best known on the streets as "sopors" and "quaaludes," this drug rates attention because of its newly recognized abuse potential and harmful effects.

In many ways the drug has become more attractive to potential abusers because of its nonbarbiturate characterization. The abuser who is "luding out," mistakenly thinks that he or she is using a less dangerous, nonaddictive barbiturate substitute. In fact, recent reports indicate that methaqualone is not only the rage in the addict community and on college and high school campuses, but it is so fashionable in some cities that bowls of "sopors" have replaced peanuts as a cocktail party staple. Individuals who would not abuse amphetamines or barbiturates are abusing "sopors" in ever-increasing numbers.

Most alarming is the fact that methaqualone is often combined with alcohol, wine and beer. As with barbiturates, this is a deadly mixture. There is a potentiation, so that one multiplies the effects of the other. If these practices continue we can expect growing numbers of tragedies associated with methaqualone abuse. As with barbiturates, abuse of methaqualone is risky business, but combining it with alcohol is suicidal.

Methaqualone because of the casual consideration it receives may have an even greater potential for abuse than the barbiturates. Methaqualone, is indeed, the "Dr. Jekyll and Mr. Hyde drug"—seemingly safe while actually deadly.

Although widespread abuse of methaqualone is a relatively recent phenomenon in this country, the problems associated with it are no mystery to students of its abuse. Epidemic outbreaks of methaqualone abuse have occurred in Japan and European nations during the 1960's. A study of 411 drug addicts treated in mental hospitals from 1963 to 1966 in Japan, found that 176—or 42.8 percent—abused methaqualone. When withdrawn from the drug, 9 percent or these methaqualone abusers experienced convulsions and delirium symptoms. The chief reason for these hospital admissions was violent antisocial behavior associated with methaqualone abuse. Apparently the serious methaqualone abuser develops the same disoriented mean drunk temper as the barbiturate abuser.

In this country, methaqualone has not been subject to as much scrutiny as the more traditional sedative-hypnotics. Several studies, however, have concluded that chronic abuse of methaqualone does lead to tolerance and, when the drug is discontinued, to withdrawal symptoms.

The American Medical Association's Council on Drugs says of methaqualone that "long-term use of larger than usual therapeutic doses may result in physical and psychic dependence." The Medical Letter on Drugs and Therapeutics, a nonprofit publication providing unbiased critical evaluation of drugs by a board of eminent physicians, states:

> Despite manufacturer's claims that "even after wide use physical dependence has not been established" . . . we believe it should be classified as a physical dependence producing drug.

In fact, physical addiction to methaqualone was demonstrated by a number of clinical studies in England as early as 1966.

On May 5, 1972, representatives of the Food and Drug Administration assured the subcommittee that their recommendation on stricter controls for sedative-hypnotic drugs, including methaqualone, would be submitted to the subcommittee within approximately 2 months.

Nearly a year after the FDA made such assurance no action had been taken. Unfortunately, this type of administrative delay is not atypical.

It was only after a 3-year struggle that the proponents of stricter controls on the production and distribution of amphetamines could claim a victory of sorts, at least for the many youngsters and others who because of the recently imposed production quotas will perhaps not be exposed to an overabundance of "speed" in the family medicine chest, at school, or on the street.

In spite of conclusive documentation of epidemic Ritalin and Preludin abuse and dependence in Sweden and Japan, as well as evidence of increasing abuse and diversion in this country, a spokesperson for the Attorney General told the members of the subcommittee, in July 1971, that they did not have sufficient evidence of abuse potential to justify tighter controls. The FDA spokespeople expressed the hope that these drugs would be more strictly controlled.

I took strong exception to this wait-and-see approach then, and I reiterated this position most emphatically with regard to methaqualone, when in March 1973, I introduced the Methaqualone Control Act of 1973, S. 1252.

The Methaqualone Control Act, cosponsored by 16 Members of the Senate would place the drug on schedule II of the Controlled Substances Act of 1970. Methaqualone is a prescription drug, but is not controlled under the 1970 act. Under schedule II, methaqualone would be subject to production quotas, stricter distribution controls, and more stringent import and export regulations.

Subcommittee hearings held in March and April on the Methaqualone Control Act documented even further the need for strict controls.

Diversion from legitimate channels occurs at all levels of distribution. This includes thefts, employee pilferage, unauthorized sales and in some instances excessive and unlawful prescribing and dispensing.

Methaqualone is readily available. In Indiana, the 150 mg. tablets sell on the street for 50 cents to $1. Our preliminary surveys indicate that this price range is fairly typical of the street market in other regions of the country. The legitimate wholesale price for 500 tablets of 150 mg. each is approximately $18.25 or 3.7 cents a tablet. When methaqualone is diverted at the wholesale level the profits are enormous.

Reports indicate that there have been instances of significant diversion. The subcommittee recently learned of the diversion of 600,000 methaqualone tablets from a Parke, Davis & Co. warehouse in Detroit, Mich. These tablets were reportedly diverted over a 10-day period in November 1972. These methaqualone tablets would bring from $300,000 to $600,000 on the street. The methaqualone diverted in this one case could provide each of the 24,000 students at Wayne State University in Detroit with 25 "sopors."

The DEA reported 2 additional cases involving diversion of substantial amounts of methaqualone:

> 1. The case of a defendant pharmacist in the Rocky Mountain area who reported to an undercover agent that methaqualone was readily available, and that he had 250,000 tablets for sale. In addition, he admitted that he diverted 300,000 tablets. A DEA agent reports that this pharmacist had revealed that, for the past year and half, he shipped large quantities (25,000 to 200,000 units) to customers in Boston, New York and Columbus, Ohio;
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> 2. A case in which an audit performed by the state pharmacy board revealed a shortage of between 300,000 and 400,000 methaqualone tablets while in the possession of a wholesaler, and disclosed that the firm had made several shipments to non-existent firms.

Physicians and pharmacists are also sources of substantial amounts of the methaqualone which reaches the street. Drug samples and supplies are stolen from doctors' offices and pharmacies. Prescription pads are also sought. One common practice involves a single abuser who visits numerous physicians and complains of the same ailment. From each doctor, the abuser requests and receives a prescription for methaqualone. These prescriptions will be filled and refilled at numerous pharmacies. Thus the abuser or dealer is often able to obtain large quantities of methaqualone without being detected.

In a few instances, physicians themselves are actively engaged in illicit methaqualone traffic. Richard Oliver, investigative reporter for the New York Daily News, working with the Manhattan district attorney, brought such a case to the attention of the subcommittee members. Mr. Oliver commented as follows:

> We sent another youth to the doctor, after determining the visiting hours. He found the cars double-parked outside of the office. He found half a dozen youngsters inside. He introduced himself to the nurse on duty.
>
> When his turn came, during which time the room filled up with other students, when he was called, he was told to say two things: He had trouble sleeping; and his studies were bothering him. The physician did not look up from the prescription pad.
>
> He prescribed 100 tablets of Quaalude, a sedative, asked for $10, and our agent left. He never examined the patient, he never—he barely looked at him.

Unscrupulous pharmacists contribute to the blackmarket traffic. A journalist recently reported that "one pharmacist in the Washington Metropolitan Area does a brisk blackmarket business in methaqualone, taking a percentage of the street profits—much higher than he would get on a doctor's order."

According to the DEA, distribution of methaqualone in the hypnotic dosage form—150–400 mg.—has increased 1,500 percent in the past 5 years. One manufacturer's production has increased from 8 million pills in 1968 to over 100 million pills in 1972. DEA feels "unquestionably, the vast quantities manufactured are a major factor in the growing abuse."

Obviously these tablets, whether diverted from a manufacturer, a wholesaler, a retailer, or a practitioner, are not meeting legitimate research, industrial, or medical needs.

I believe that widespread abuse of this substance can be significantly curtailed by limiting the supply of the drug to recognized legitimate needs, and by simultaneously placing tighter controls on the distribution and prescription, and recordkeeping procedures required for methaqualone.

Following 3 days of highly publicized hearings the FDA finally announced their support of schedule II controls for methaqualone. William H. Rorer, Inc., Fort Washington, Pa., however, formally objected to the administrative proposal to strictly control production and distribution of their methaqualone whose trade name has been adopted as street jargon for the drug. Administrative hearings were completed in early August. The decision by Judge Theodor von Brand is a welcome one. It echoes my contention that methaqualone is a drug with a high potential for abuse and that the abuse may lead to severe psychological or physical dependence within the meaning of schedule II of the Controlled Substances Act. I urge the Drug Enforcement Administration to take quick action to implement this decision.

Our earlier success on the amphetamines and this decision on methaqualone are important steps in limiting the diversion of legitimately manufactured drugs to illicit purposes. But the circle will not be complete until the frequently abused barbiturates are also placed on schedule II.

The Subcommittee on Juvenile Delinquency began its investigation of the adequacy of Federal controls on the widely abused barbiturates 2 years ago. The extent of barbiturate abuse, the high incidence of barbiturate diversion, and the clear potential for even greater abuse have been documented in the subcommittee report, "Barbiturate Abuse in the United States—1972," and the many hundreds of pages of testimony and supplemental materials in our recently published volume "Barbiturate Abuse 1971–1972."

It has been almost a year since BNDD (DEA) concurred in my recommendation on the barbiturates. Five months later, after what some observers have characterized as "a heated but productive subcommittee hearing," the Department of Health, Education, and Welfare announced its support for my long standing proposal, cosponsored by 29 Senators, to reschedule these barbiturates. I hope that the expeditious manner in which DEA handled the methaqualone hearings, reflects a similar commitment with regard to the placement of the widely abused barbiturates on schedule II.

Mr. President, I ask unanimous consent for the full text of Judge Theodor von Brand's decision to be printed in the RECORD.

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

[Before the United States Department of Justice, Drug Enforcement Administration—Docket No. 73–11]

IN THE MATTFR OF SCHEDULING METHAQUALONE AND ITS SALTS

RECOMMENDED DECISION

Theodore P. von Brand, Administrative Law Judge.

Robert J. Rosthal, Esq., Harold Murry, Esq., and Richard Ira Lebovitz, Esq., Counsel for the Drug Enforcement Administration.

Covington and Burling, Washington, D.C., by Eugene I. Lambert, Esq., and Christopher M. Little, Esq.,

Thomas E. Quay, Esq., Fort Washington, Pennsylvania, Counsel for William H. Rorer, Inc.

PRELIMINARY STATEMENT

This is a rulemaking proceeding pursuant to the provisions of the Controlled Substances Act, Public Law 9-1513 (1970), 21 U.S.C. [801 et seq. By notice dated April 6, 1973, as amended on April 17, 1973,[1] the director of the then Bureau of Narcotics and Dangerous Drugs (BNDD)[2] found that methaqualone and its salts:

1. Have a high potential for abuse;

2. Have a currently accepted medical use in treatment in the United States; and

3. May, when abused, lead to severe physical and psychological dependence.

On the basis of those findings, the director proposed an amendment of 21 CFR § 308.12, by listing the drug methaqualone in Schedule II pursuant to the provisions of the Act.

On May 14, 1973, William H. Rorer, Inc. (Rorer)[3] requested a hearing concerning the proposed amendment of the list of drugs contained in Schedule II of the Bureau's regulations (ALJ Exhibit 4). In its comments on the Bureau's proposal, Rorer contended essentially that the Bureau had failed to meet one of the statutory prerequisites to the listing of the drug under Schedule II because of a failure to show that abuse of the drug "may lead to severe psychological or physical dependence" (ALJJ Exhibit 7).

Subsequent to Rorer's request for a hearing, prehearing conferences were held on June 15 and June 29, 1973. The evidentiary hearings were held on July 17 and 18 and August 1 and 2, 1973. The record was closed on the last day of hearings and proposed findings and replies were filed by the parties on August 31 and September 14, 1973.

Rorer does not contest the Drug Enforcement Administration's findings that methaqualone and its salts:

1. Have a high potential for abuse; and

2. Have a currently accepted medical use in treatment in the United States.

The sole issue to be decided is whether the abuse of methaqualone "may lead to severe psychological or physical dependence."

This matter is now before the undersigned for final consideration of DEA's notice of proposed rulemaking, Rorer's comments and requests for hearings, the evidence, the proposed findings of fact, conclusions and briefs filed by counsel for the Government and for Rorer. Consideration has been given to the proposed findings of fact, conclusions and briefs filed by the parties and all proposed findings of fact and conclusions not herein specifically found or concluded are rejected; the undersigned, having considered the entire record herein, makes the following recommended findings of fact and conclusions drawn therefrom:

RECOMMENDED FINDINGS OF FACT

1. Methaqualone is a depressant drug of the sedative hypnotic group (Fort 54).

2. A drug is any biologically active substance that alters the physiology or chemistry of the body whether used in the treatment of illness or used for non-medical social purposes (Fort 53).

3. The psychoactive or mind-altering category of drugs comprises those drugs whose primary effect is on the mind or consciousness of the individual (Fort 53).

4. The central nervous system depressants are drugs that relieve anxiety (sedatives) or induce sleep (hypnotics) (Rorer Exhibit 2, p. 10).

The depressant drugs are one of the major subtypes of the psychoactive or mind-altering drugs. They decrease or dampen the electrical and chemical activity of the brain beginning with the frontal areas and then with progressive dosages, spread to involve the lower centers of the brain on to and including control of respiration and heart action (Fort 53-54).

The depressant drugs are comprised of the sedative hypnotic group which includes the barbiturates, methaqualone, and a variety of other drugs. The narcotics such as heroin, morphine, codeine, and methadone are also included among the depressant drugs (Fort 54).

5. The sedative hypnotic drugs which work on the central nervous system, tend to produce drowsiness, diminish alertness and decrease inhibitions. They impair muscular coordination and to some extent vision, as well as judgment, reasoning, and memory. These results vary with the dosage consumed (Fort 54-55).

The short-term effect of a large dose of a depressant drug or of a sedative hypnotic drug may progress into stupor and coma. If the dose is sufficient in a concentrated time period, it may lead to death with the terminal stages of the individual's comatose state sometimes involving convulsions or chronic movements of the body and a variety of other symptoms (Fort 55).

6. The standard drug in the sedative hypnotic class are the barbiturates (Fort 56).

In the strict sense, methaqualone is a nonbarbiturate hypnotic (Brown 210). Nevertheless, there is a substantial element of resemblance between methaqualone and the barbiturate hypnotics in terms of the chemical and pharmacological properties of this drug (Brown 210): As far as methaqualone's pharmacology and biochemistry is concerned, it is almost indistinguishable from the short-acting barbiturates (Brown 218, 227).[4]

The accepted medical use for the barbiturate drugs is to relieve tension, anxiety, stress or to induce sleep. Another common use is as an adjunct in the treatment of certain forms of epilepsy and as a preanesthetic medication (Fort 57).

Methaqualone, like the barbiturate, is medically prescribed for sedation or for the induction of sleep. It is also, used non-medically for the same reasons as other sedative hypotics, viz., a user would use it in terms of turning on, feeling good, getting high, escaping, or relaxing (Fort 64-65).

Methaqualone would be closest to the short-acting barbiturates such as pentobarbital and secobarbital. By shortacting, it is meant that the drug has a quick onset of action somewhere between two and six hours (Fort 67).

7. The therapeutic dose of methaqualone for sedation would be 75 to 150 milligrams. There is an increasing practice of using the larger tablet, namely, 150 milligrams although 75 milligrams was previously indicated as satisfactory. A therapeutic dose for hypnosis, namely, sleep induction, would be 300 milligrams. The drug is also manufactured in tablets of 400 milligrams and 500 milligrams (Fort 68).

8. Use of a drug means that the person has consumed it. Abuse of a drug means that part of drug use where heavy use measurably impairs health, and/or social or vocational function. For example, drug abuse may impair the body organs such as the liver, impair faculties while driving, or lead to interpersonal conflict associated with heavy use of the drug (Fort 69-70).

9. Physical dependence means addiction and includes the elements of tolerance and withdrawal illness or abstinence syndrome (Fort 70-71, 74).

10. Tolerance is an adaptive process by the body's cells or the body as a whole to an alien compound such as a drug. It is measurable by pharmacological or biochemical tests (Brown 237).

The practical consequence of tolerance is that an individual must take increasing amounts of a particular substance to obtain the same effect (Matthew 253).

Tolerance is part of the withdrawal syndrome since it is highly probable that an individual who has become tolerant to a drug will exhibit the withdrawal or abstinence syndrome when the drug is stopped (Matthew 253-54, Ford 74). In the case of the sedative hypnotics, tolerance and the withdrawal syndrome always go together (Matthew 254).

11. The abstinence syndrome is evidenced by symptoms such as restlessness, agitation, a fast pulse, and frequently, sweating. This may progress through various stages to toxic psychosis and epileptic fits (Matthew 257).

Toxic psychosis is characterized by hallucinations and delusions similar to delerium tremens from alcohol withdrawal (Matthew 257).

12. Severity of physical dependence is measured primarily in terms of the duration and danger of the withdrawal symptoms exhibited (Wieland 438).

13. The barbiturate-alcohol type dependence is the severest kind of physical or psychological dependence occurring with the mind-altering drugs (Fort 100-01, Deutsch 473-74). In the case of sedative-hypnotic dependence, there is central nervous system involvement and withdrawal with precipitate serious syndromes such as convulsions, delirium and organic psychoses which can be life threatening (Deutsch 473).

While withdrawal may be fatal in the case of the sedative hypnotic drugs, this does not occur in the case of narcotics (Fort 79).

14. A clinical study on 116 patients poisoned with methaqualone correlating blood levels of the drug with degree of consciousness, objectively demonstrated the development of tolerance in the case of methaqualone with respect to 42 individuals (Brown 219-20, Matthew 256-57; Government Exhibit 20).

Tolerance to methaqualone on the part of seven patients was established by the administration of a sodium pentobarbital[5] tolerance tests. Such patients were also given pentobarbital for the purpose of treatment, the average patient requiring more than 200 milligrams of pentobarbital, indicating a rather marked dependence on this type of drug (Deutsch 482). Detoxification of such individuals with gradually reduced doses of pentobarbital took approximately three weeks (482-83).

15. Proof that individuals may become tolerant to methaqualone demonstrates that abuse of this drug may lead to physical dependence. In the case of the sedative hypnotics, such as methaqualone, tolerance is one of the indicia of the withdrawal syndrome (Finding 10, *supra*).

16. The fact that sedative hypnotic drugs can be cross-substituted indicates they are of equal dependence liability (Fort 86-87).

17. In the case of withdrawal from methaqualone, a patient would be expected to go through the minor side effects appearing after eight hours or more. These symptoms would then continue over the next 24 to 28 hours. The patient would then have a significant chance of going on to the major withdrawal symptoms such as convulsions, organic psychosis, and delirium (Deutsch 484). A computer study of the symptoms of patients, who by history had taken methaqualone daily, when they could not get the drug, demonstrated that they had an abstinence syndrome indistinguishable from individuals taking tuinal or seconal (Deutsch 476).

Opinion testimony such as that of Dr. Matthew, Dr. Fort, and Dr. Deutsch based on an examination of and interviews with abusers of methaqualone, that abuse of this drug has severe physical dependence liability is persuasive (Fort 106, 113-14, 170-71, Deutsch 484, 473, Matthew 258).[6] The record demonstrates their qualifications to make such a judgment based on their evaluation

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Footnotes at end of article.

of withdrawal symptoms exhibited in the early stages or on their assessment of histories taken from methaqualone abusers. Such opinions need not be based on an examination of the entire clinical course of withdrawal. Correct medical procedure and ethical considerations require that treatment be instituted to prevent the dangerous or life-threatening symptoms of the later stages of withdrawal (Fort 88, Matthew 258, Deutsch 481).

18. The abuse of methaqualone may lead to severe physical dependence (Findings 9 to 17, *supra*).

19. ". . . In general, a person is considered as psychologically dependent upon drugs when the physical sensation or psychological state brought about through the use of the drug is of such a nature that he desires the repetition of the sensation or state, and feels more or less psychological disturbance or distress during periods of abstinence from the drug." Comprehensive Drug Abuse Prevention and Control Act of 1970" (H. Rep. No. 91–1444 (Part 1) 91st Cong. 2nd Sess. 1970 at 7; See also Fort 106 and Deutsch 477–78).

20. Physical and psychological dependence overlap (Fort 108). Nevertheless, a person may have severe psychological dependence in the case of a particular drug without being physically dependent on it, and it is possible to be severely psychologically dependent on a drug without exhibition of withdrawal symptoms (Wieland 467).

21. The symptoms of psychological dependence range from mild symptoms such as feelings of uneasiness and restlessness through manifestations such as a compulsion or craving for the drug so that the individual cannot function without it (Fort 106–07).

22. Case histories taken by Dr. Lionel Deutsch, a New York physician in charge of the inpatient detoxification service at Queens Hospital, demonstrate that persons abusing methaqualone exhibited a craving for the drug lasting from two weeks to a month or more, relapsed after discontinuance, and persisted in use of the drug despite social pressure (Deutsch 477).

23. Abuse of methaqualone may lead to severe psychological dependence (Deutsch 477, Fort 114, 107–08; Findings 20–22, *supra*).

DISCUSSION

This is a case of first impression. It is evidently the first contested rulemaking proceeding under the Controlled Substances Act pertaining to the scheduling of a drug under Section 202 of the statute (21 U.S.C. § 812).

The Government and Rorer disagree both on the meaning of the applicable statutory standard, namely:

"Abuse of the drug or other substances may lead to severe psychological or physical dependence"

and the weight which should be accorded to the testimony of the witnesses and certain of the exhibits as well as the inferences which may be drawn therefrom.

It is Rorer's position that the term "may lead" should be construed as meaning "can be expected to lead in a significant percentage of cases" to severe psychological or physical dependence. DEA argues on the contrary, that the imposition of such a standard cannot be justified either from the legislative history or on the basis of this record. In this connection, the Government contends that the term should be equated with meaning "might lead to" to "could lead to" severe psychological or physical dependence. There is no precedent affording guidance on this subject. The Act does not define the term "may lead" nor does the legislative history in the form of the Senate and House reports give specific guidance on this issue. It is evident, however, from the text of the statute that the scheduling of drugs thereunder is intended to be a prophylactic measure before a drug becomes a public health problem in the form of addiction, i.e., severe physical or psychological dependence. This is clear from the plain meaning of the word "may" which requires that the Government demonstrate that the drug has this potential. Moreover, the statute in this respect does not impose a quantitative standard. The dispute between the Government and Rorer as to the adequacy of the proof and the weight to be attributed to certain of the testimony should be evaluated in the light of those considerations.

The proposed findings and supporting argument principally raise the question of how much weight should be accorded to the expert testimony where there is a conflict between the witnesses or with other items of evidence. An administrative agency, however, is not precluded by conflicts in the evidence from passing on the weight to be accorded to the testimony and other portions of the evidentiary record and making findings thereon. See *Korber Hats Inc.* v. *FTC*, 311 F.2d 358 362 (1st Cir. 1962); *Carter Products Inc.* v. *FTC*, 268 F.2d 461, 491 (9th Cir. 1959) cert. denied 361 U.S. 884 (1959); *NLRB* v. *Nevada Consolidated Copper Corp.*, 316 U.S. 105, 106 (1942).

The main thrust of Rorer's argument is that the testimony of the DEA witnesses is speculative since none had observed severe withdrawal or psychological symptoms resulting from methaqualone abuse. The testimony of Drs. Fort, Matthew and Deutsch, on the basis of their observations of abusers of methaqualone and their assessment of the histories of such individuals that abuse of the drug has severe physical dependence liability, however, cannot be dismissed as unfounded speculation. These experts clearly have the qualifications to make such a judgment based on their assessment of withdrawal symptoms exhibited in the early stages and on their evaluation of the histories taken from and interviews with methaqualone abusers. This evidence supports the finding that there is a probability that methaqualone abuse may lead to severe physical dependence. Neither the demeanor or the testimony of these witnesses gave any indication that they would engage in speculation on questions of this nature. Their testimony that the failure to treat patients prior to the onset of major withdrawal symptoms would be dangerous and contrary to sound medical practice is convincing. Under the circumstances, a prognosis by expert opinion of this nature as to the consequences of drug abuse is within the contemplation of the statute whose purpose is to prevent a public health problem before it arises.

There are additional reasons for not rejecting the opinion of DEA's experts for failure to meet a standard of hard medical evidence. Clinical observation by physicians involves not only what the physician sees with his eyes but also requires an exercise of judgment as to the significance of the patient's report of his subjective state.[7] The opinion of the DEA witnesses, based on their observation of patients and evaluation of the histories of drug abusers constitutes such an exercise of judgment and should be regarded as reliable.[8] Finally, the view of the DEA witnesses that the abstinence syndrome is best established through deterining tolerance is evidently an accepted scientific concept which should not be rejected as speculative.[9]

Turning specifically to the issue of psychological dependence, the testimony of the DEA experts, and in particular, that of Dr. Deutsch, who carefully recorded the histories of methaqualone abuses is persuasive. Certainly, his findings based on detailed histories cannot be considered as conjectural. The opinion evidence of the DEA witnesses compels the finding that there is a probability that abuse of methaqualone will lead to severe psychological dependence. Consideration has been given to the testimony of Dr. Wieland that although there may be cases of methaqualone abuse leading to severe psychological dependence, this is "not dealing in probabilities." (Tr. 467). To the extent that Dr. Wieland's views on this point conflict with those of Dr. Deutsch, the opinion of the latter appears entitled to more weight in the light of his empirical work on this point demonstrated by the record.

Since an individual may have severe psychological dependence without exhibiting symptoms of the withdrawal syndrome, a fortiori observation of the full clinical course of withdrawal cannot be prerequisite to a finding as to the existence of severe psychological dependence.

Although there are conflicts in the evidence between the testimony of DEA's experts and those of Rorer, the Govenment, by a clear preponderance of the evidence, has established that abuse of methaqualone and its salts may lead to severe psychological and physical dependence. There is no indication in the testimony of DEA's experts that severe psychological or physical dependence would be limited to an insignificant number of instances if abuse of the drug were unchecked.

RECOMMENDED CONCLUSIONS OF LAW

A. Under the Controlled Substances Act of 1970 (21 U.S.C. 801 et seq.).

1. The Controlled Substances Act of 1970 was intended to protect the public health and safety by establishing a system of control procedures for drugs with a potential for abuse.

2. These controls include registration requirements, export and import restrictions, labeling and packaging requirements, production quotas, recordkeeping procedures and reports, order forms and prescription restrictions.

3. The controls are effected through a system of scheduling drugs or other substances according to criteria set forth in the Controlled Substances Act of 1970 relating to legitimate medical use and abuse potential.

4. Methaqualone is a drug, with a high potential for abuse and a currently accepted medical use in treatment in the United States within the meaning of 21 U.S.C. 812 (b)(2)(A) and 21 U.S.C. 812(b)(2)(B), as Rorer has stipulated.

5. The Government has proved by substantial evidence of record that the abuse of the drug methaqualone may lead to severe psychological dependence within the meaning of 21 U.S.C. 812(b)(2)(C).

6. The Government has proved by substantial evidence of record that the abuse of the drug methaqualone may lead to severe physical dependence within the meaning of 21 U.S.C. 812(b)(2)(C).

THEODOR P. VON BRAND,
Administrative Law Judge.

SEPTEMBER 25, 1973.

FOOTNOTES

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[1] 38 F.R. 9170 (1973), 38 F.R. 10010 (1973).

[2] BNDD is one of the predecessor agencies of the present Drug Enforcement Administration (DEA).

[3] Rorer is a principal manufacturer and distributor of methaqualone under the brand name Quaalude (ALJ Exhibit 4).

[4] The opinion of Dr. Brown, who is a clinical biochemist, is entitled to particular weight on this point.

[5] Pentobarbital is a short-acting barbiturate (Fort 67).

[6] Dr. Matthew of the Regional Poisoning Treatment Center in Royal Infirmary in Edinburgh, United Kingdom, has personally observed about 50 individuals severely addicted to methaqualone (258).

Dr. Deutsch, who treated seven abusers of methaqualone, testified that if treatment had not interrupted the withdrawal syndrome, these individuals would have been expected to develop the abstinence syndrome with a significant chance of going on to the major withdrawal symptoms such as convulsions and toxic psychosis, which are life threatening (Deutsch 484, 473).

[7] See Wieland, Tr. 441.

[8] Consideration has been given to the contention of Rorer that Government Exhibit 20 demonstrates that methaqualone does not lead to severe psychological or physical dependence. This exhibit and Dr. Matthew's testimony at Tr. 254–57 and 272–76 are cited for the proposition that 42 persons proven tolerant to methaqualone were abruptly withdrawn from the drug and not a single case of severe physical or psychological withdrawal symptoms reported. However, the article is devoted to the treatment of methaqualone poisoning by conservative management such as avoidance of diueresis and does not appear to address itself to the withdrawal problem as such. Individuals tolerant to the drug are not necessarily poisoned (Tr. 260–61). As a result, the silence with respect to withdrawal of an article devoted to treatment of Mandrax poisoning affords an uncertain basis for drawing an inference conflicting with the testimony of Dr. Matthew. His express testimony that he treated persons considered dependent on methaqualone with barbiturates or a strong tranquilizer with a barbiturate and that persons tolerant to the drug, on withdrawal, could be expected to display the abstinence syndrome is persuasive and not vitiated by the possible conflicting inference drawn from the article in question. Moreover, as DEA states, Dr. Matthew did not testify with respect to the article except on the development of tolerance and the treatment of Mandrax poisoning.

[9] See Dr. Deutsch's citation of Cecil and Loeb, a "classical textbook of medicine", on this point (Tr. 481).

ANOTHER ZERO-GROWTH POLICY FOR FOOD

Mr. McCLURE. Mr. President, the continued policy of price controls on fertilizer, by the Cost of Living Council, is insuring that the administration policy for increased food production will fail. Once again two official Federal policies clash, with the American farmer and the American consumer as their victims. It should be obvious to the Cost of Living Council that when fertilizer is selling for $110 a ton in foreign markets, a controlled price of $75 a ton for U.S. buyers guarantees crippling domestic shortages.

I support Secretary Butz' request to the Council, in which he explicitly pointed out that if fertilizer price controls are not lifted promptly, he fears that "the crop yields and production will be reduced in 1974."

The American farmer cannot afford any further delays by the Cost of Living Council. In northern Idaho, for example, it is now raining heavily and a delay of 1 week could mean that fertilizer cannot be applied in time. One wheat grower has called me to explain if he cannot buy 250 tons of fertilizer within 1 week, then his plans for 1,100 acres of wheat next spring are jeopardized.

It is possible that one reason for administration confusion and delay in agricultural matters is lack of understanding of the true situation facing American farmers. A recent article in Farmland News graphically describes what faces them, whether it is a shortage of fertilizer, fuel, or baling wire. The report that old potbellied stoves are going for as much as $150 illustrates the bleak picture that the farmers and other rural citizens see coming.

Mr. President, so that my urban colleagues, administration officials, and the national press may gain a better understanding of the problems in rural America today, I ask unanimous consent that the complete article be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it so ordered.

[From Farmland News, Sept. 15, 1973]

SHORTAGES PUT DAMPER ON THE FARM BOOM

At a time when farmers are being enticed by fabulous prices to go all out in production, they are bucking a shortage syndrome that threatens to frustrate them at virtually every turn.

The delicacy of the gasoline situation for farmers has been well noted, but that is only one facet of the input, or supply, problem.

Whether you are talking about propane, fertilizer, or baling wire, the story is the same: Supplies are tight, perilously so in some cases.

Take propane, for example.

Farmland Industries considers this perhaps its most serious challenge in getting supplies to its member-owners. Dave Arthur, executive director of the fuels sales, says his biggest hope at this point is for a "dry harvest and a warm winter" which would help supplies go around.

Farmland's goal is to supply members as much propane overall as it did in the previous 12 months, but Arthur says this will take some doing.

"We've contracted for some foreign material," he said, "but it isn't expected to be available in time for the drying season. We are trying to buy, borrow or trade ahead for supplies wherever possible, but the propane we are able to get is going to be priced very high, and these costs will have to be passed on to local associations."

Indeed, propane could cost almost twice what it now is selling for. Higher corn prices can compensate for higher propane prices.

So far as the propane shortage is concerned, Arthur said it would be best for farmers to leave corn in their fields as long as possible to enable it to dry out more on its own. But after the experience some had last year in being kept out of their fields by inclement weather, he agrees they will get in as soon as they can.

In any event, whether the harvest is dry or wet, the need for propane will be up because of the anticipated increase in corn production, Arthur pointed out.

Propane for keeping rural homes warm will have top priority. And there are many in rural America who are taking steps to do without home heating fuels if it comes to that. An Oklahoma City newspaper recently reported a "sudden boom" in demand for wood-burning stoves by rural residents who don't want to be caught in winter with an empty butane or propane tank.

Hardware stores across rural Oklahoma were reporting that old potbellied stoves were going for as much as $150. One might conclude a similar "run" was under way in other Farmland states.

Traditionally, homes have been put first in propane shortages. With big crops desperately needed, a wet harvest could make the priority issue even more ticklish. Governor John Love, the new federal energy czar, was expected to set up a mandatory allocations program on propane that could put Midwest farm needs first.

Propane users need to plan carefully to prevent overbuying. By harvesting crops at lower moisture content, farmers can cut the energy needed for drying. They can also save by reducing the drying temperature.

Research under way at Oklahoma State and other universities is aimed at drying crops with natural air. Low humidity air is used during harvest, fuel is conserved and grain quality is improved.

Farmers who are apprehensive about getting enough propane for grain drying can consider one chemical alternative available through Farmland—ChemStor. This is a combination of acetic and propionic acid that prevents mold and spoilage of high-moisture grain destined for feeding on the farm or for sale to feedlots.

In a year when both the profits and problems of farming seem to have reached unparalleled heights, it's little wonder that the biggest hay harvest in years is accompanied by a shortage of wire to bale it with.

If baling wire seemed a minor part of farming before, now it is no longer taken for granted by farmers, some of whom are paying as much as $60 a box for it on the black market.

All steel is short, but wire is the primary product in the minds of everyone due to the excellent hay crop.

"With one of the largest hay harvests coming to an end, and many farmers experiencing shortages of baler wire and twine, we strongly suggest that they need to plan and order their wire and twine needs 6 to 8 months in advance," said Ross Denison, vice president of equipment and supplies, Farmland Industries.

In spite of the shortages, Farmland distributed 32% more boxes of baler wire and 36.5% more bales of twine this past fiscal year, but it still was not enough.

Farmland Industries is the largest baler wire distributor in America and one of the largest twine distributors also. It is expected that the supply of either will not improve materially in 1974 over 1973.

"The important thing to remember is that the producers of baler wire will no longer build inventories in the fall and winter as in the past," Denison said. "They will encourage shipments direct off of the production lines direct to our member associations in order for us to receive our fair allocation, which we feel will be a fair percentage over 1973.

"People wonder why there was a sudden shortage of steel. The reason is simple in that there is now very little foreign steel being shipped into the United States and this, with the increased demand, caused the shortage this past late spring and summer. If there is no change from present conditions, we estimate it will be three or four years before our domestic mills will be able to catch up."

"We're running our machines around the clock to fill orders," said Dick Yates, director of public relations at CF&I Steel Corporation in Pueblo, Colo. "We exhausted our warehouse supply in June and our order book is filled into 1974. We aren't taking on any new customers. We can only produce so much.

Northwestern Steel, in Sterling, Ill., isn't taking on any new customers either. "We don't have any inventory," said Bob Tousley, sales manager. "The wire goes right from the machines to the trucks. We're sold out for the balance of the year. We could take enough orders in a week to keep us busy for six months."

"We have no inventory except the little that builds up overnight," said W. O. Buffe, manager of merchant wire sales at Armco Steel Corporation. "The trucks line up at 6 a.m. and take it away. Most of our output never hits the warehouse floor."

Two years of drought in Africa, Mexico and Brazil, sisal producing countries, have exhausted most of the reserve stocks of sisal inventories from which baler twine is made. Farmland Industries is exploring all sources to have an adequate twine supply available for next season. Farmers placing orders for their twine needs in November and December are likely to receive their needs in time for the haying season. Twine is an imported product and is exempted from price controls.

Never has there been a "run" on fertilizer supplies to match this one.

With farmers planting almost up to their doorways and present grain prices suggesting fabulous returns on fertilizer investment, there is little wonder that Farmland Industries is so hard-pressed to meet demand.

As the major fertilizer supplier in the grain-rich Midwest, Farmland is moving product out to member associations as fast as it makes it. But the demand is so great that Farmland plants have been unable to build up inventories.

Indeed, inventories of all types of fertilizer are virtually nonexistent, according to Warren E. Dewlen, vice-president of fertilizer for Farmland and chairman of the board of The Fertilizer Institute.

"All we've got to ship is the product we make each day," Dewlen said. This is a seller's market, all right, but there is a definite nightmarish aspect to it so far as Dewlen is concerned.

In late August the big demand was for anhydrous ammonia in the wheat belt. Farmland storage facilities at Fort Dodge, Ia., Hastings, Neb., Sergeant Bluff, Neb., Dodge City, Kan., and Lawrence, Kan., can hold a total of 273,000 tons. Normally at this time of the year, a tenth of that capacity is on hand. There's nowhere near that much available now.

"It's not a healthy situation," said Dewlen in noting that member cooperatives are on allocations for all types of fertilizers. In some cases, clients have had to be directed to alternate sources of supply.

Dewlen pointed out that because of the tremendous demands for fertilizers this last spring Farmland had little chance to build up inventories for the fall rush. "By the time corn side dressing was completed," he said, "we were on a day-to-day basis in keeping up with demand."

Farmland facilities are going at full capacity and even if the Enid fertilizer plant, now under construction, was on stream the situation would still be touch-and-go, Dewlen said. It's not a matter of having insufficient supplies of natural gas to make ammonia. It's simply a case of a tremendous demand for fertilizers of all kinds.

"You come back to two key reasons for this situation," Dewlen said. "First, the lid is off on production controls and, second, domestic price freezes have driven a lot of fertilizer into export channels. Export fertilizers bringing as much as $30 a ton more than the domestic price."

Then, too, a lot of land being put back into production is of a marginal quality and needs a lot of fertilizer.

Farmland, of course, has spurned the lucrative export field to try to meet the needs of its member-owners, but other companies are shipping great quantities out of the country. In the last year, Dewlen said, 1.6 million tons of diammonium phosphate and 900,000 tons of triple superphosphate were exported.

So acute is the situation that recently a California cooperative that manufactures fertilizer turned to overseas sources for phosphate rock. The Valley Nitrogen Producers received 30,000 tons from the Spanish Sahara on Africa's west coast. Valley Nitrogen said similar shipments are planned to enable it to triple production of phosphate fertilizer to meet a surging demand for it in southwestern agriculture.

Farmland is studying an expansion program for its phosphate production in Florida and at this point Dewlen can see little likelihood of Farmland becoming importer of rock.

Fertilizer always has represented the farmer's best return on investment, Dewlen noted, and this year the situation is especially tempting to get the required materials.

"When corn was selling at $1 a bushel and wheat at $1.50, the farmer could figure a return of from $2 to $3 for each dollar he spent on fertilizer, "Dewlen said. "Now, with wheat and corn selling at twice and three times those figures, he can expect as much as $5 back for each dollar spent on fertilizer."

In potash, too, the situation is ticklish. A Canadian rail strike has tied up shipments to the U.S. and, even when the strike ends, there will still be a transportation crunch to deal with, Dewlen observed.

Dewlen shies from recommending clamps on fertilizer exports. He sees complications for farmers resulting from such a policy. Rather, Dewlen would prefer to see an end to price controls on domestic supplies. Domestic prices likely would rise but the increased availability of product would more than compensate for the higher costs, he believes.

CAMPAIGN REFORM

Mr. FANNIN. Mr. President, on August 21, 1973, the Arizona Republic carried an editorial which suggests current efforts to attain campaign reform are attacking the problem from the wrong end.

I ask unanimous consent to have this editorial printed in the Record so that we can give some thought to another approach to reform:

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Poor Campaign Reform

Election reform is in the air. Congress is striving to curb the practice of political candidates accepting large campaign contributions from corporations, influential lobbies and individuals.

Most of these attempts appear doomed to fail.

They are unlikely to have an effect because they consist chiefly of reporting requirements which are easily circumvented, and limits on the amounts of the contributions.

One campaign reform already in force is the income tax checkoff which invites the taxpayer to kick in toward the campaign expenses of national candidates. This money is administered by the government rather than being given directly to the candidate cited by a contributor.

It is the germ of tax-paid campaigns much sought after by liberal spokesmen and legislators which would have the effect of breaking the link between a candidate's appeal to the people and his ability to raise funds.

What is missing from these various schemes is the recognition that the real cause of excessive campaign contributions is the excessive power government holds over the contributors.

If the price of milk, for example, were not established by government fiat there would be no reason for the milk industry to contribute so heavily to both parties.

If the power of OSHA and the Environmental Protection Agency to interfere with the operations of business were less awesome businesses would not feel impelled to placate the government with generous donations to officeholders.

If the complaint is that large corporations and powerful lobbies are attempting to purchase favors from the government, the most beneficial solution would be to remove the government from the position of being able to bestow favors.

This would not only help to reform campaign practices, it would go a long way toward restoring productivity to the economy and freedom to the people.

ECONOMIC AND REGIONAL DEVELOPMENT: THE ROLE OF PUBLIC WORKS

Mr. MONTOYA. Mr. President, last week the Senate passed H.R. 8916, appropriations for the Departments of State, Justice, and Commerce. Included in the bill were appropriations for the programs administered by the Economic Development Administration and the title V Regional Action Planning Commissions, both of the Department of Commerce. Included in this legislation was a stipulation that none of the funds appropriated under the act or otherwise available for expenditures by the Department of Commerce could be used to discontinue or phase out these economic development assistance programs. Although I consider the level of appropriations reflected in the legislation still too low, I am deeply gratified that these programs are included in this bill at all, since they had been designated for extinction under the President's original Federal budget for fiscal year 1974.

The provision disallowing a phase out of the Economic Development Administration and the seven Regional Commissions is not—I am certain my colleagues will agree—intended as a confrontation with the administration. Indeed, Congress wishes to cooperate with the administration in formulating regional and economic development policies that more adequately and more efficiently meet the needs of today. To this effect, the Senate, in passing the authorizing legislation, instructed the Office of Management and Budget and the Department of Commerce to examine current and past Federal efforts to secure "balanced economic development" and to submit by year's end a proposal for restructuring these programs. I am hopeful, therefore, that Congress and the administration can work together in this important area and provide the Nation with the best and most efficient program possible.

However, the administration has not yet offered a regional or economic development program which is ready to go into action. In the interim, the badly needed current programs must go on. Congress has acted responsibly by voting overwhelmingly to extend them, and the President apparently agreed when he signed the authorizing legislation. I am sure that the administration as well as the Congress realizes that the inflationary consequences of these particular programs are minimal, since they are not only modest in sum but are also designed to put idle resources to work.

In addition to other benefits, these programs are well suited to combat the adverse economic impacts that unavoidably accompany defense realinements. Budgetary and efficiency considerations, not to mention the ever changing international situation, suggest that further cuts to the defense budget are warranted, but of course we are not dealing exclusively with hardware in this matter. We are also dealing with human beings. We are dealing with our fellow Americans. These men and women were called when the Nation needed them and invested years of their lives in our support and defense. In our current efforts for efficiency in government, we must not simply turn our backs on them. We cannot assume that the private sector will readily absorb released personnel, when unemployment is already 4.8 percent and expected to go even higher. The Government must lend a helping hand as readjustment is made. Programs like those administered by the Economic Development Administration can be used in this effort, the effort of changing from a war-time to a peace-time economy—from an international policeman to an international provider.

In this regard, I applaud the Senate's action this week in authorizing $50 million as part of the military procurement bill to be used by the Office of Economic Adjustment in the Department of Defense to help communities convert military installations to civilian industry. In extending the Public Works and Economic Development Act, the Senate requested a report from the Defense Department on its program of economic conversion for the communities affected by the defense facility and activity realinements announced in April of this year. This report "The Impact of Defense Cutbacks on American Communities" is now available for interested persons and may be obtained from the Committee on Public Works, U.S. Senate.

At the same time, we must continue to seek improvements in the way we do things. We must take into account new factors and new knowledge. In recent years, for example, we have attained a much greater awareness of the intricate interdependencies that must be considered as we try to solve problems. Resource limitations and environmental degradation have forced themselves upon our consciousness placing new constraints upon our actions—constraints that demand greater care in our decisions.

Nowhere is the need for judicious action more necessary for us as a society than in the area of public investment: public works.

Investment that we make as a group can determine the course of events for years into the future; it can influence large groups of people and alter the composition of vast amounts of land; it is usually the necessary, if not the sufficient, prerequisite for economic activity.

As is true of all capital, public investment is a scarce commodity. There are competing demands for its use. Furthermore, investments, particularly investments for public goods, are usually bulky. That is, they cost a lot of money all at once, with costs concentrated at one point in the beginning and benefits extended over a long period of time. These benefits can represent increased national income to be distributed among us individually, or they can represent enhanced national wealth, to be consumed by us jointly.

These characteristics, joint supply, bulkiness, and scarcity, argue for the need to approach public investment decisions with the utmost of care and consideration. The Public Works and Economic Development Act, for example, tried to encourage reasoned investment decisions in order to optimize, given the limited funds allocated for this purpose, economic opportunity for persons living in the Nation's most distressed areas. One way it did this was by establishing and nurturing economic development districts at the substate level and regional action planning commissions at the interstate level. The utilization and emulation of these structures by other State and Federal agencies suggests that these experiments in regional development have not been totally unsuccessful. More important, these experiments have provided us with invaluable experience in the area of public investment decisionmaking. These experiences must be considered as we attempt to formulate new or improved methods for achieving desired results from limited public investments. This hard-earned experience must not simply be wasted.

The administration's proposed alternatives are not completely acceptable. For example, revenue sharing taken alone may fragment both the decisionmaking process and available capital. Optimal public investment frequently requires just the reverse action, a pooling of knowledge and of resources—both horizontally among localities and vertically among governments. We have all heard of the community that recently returned its net sum of shared revenues, $14, with a note telling Uncle Sam that on second thought why not forget the whole thing. This is fragmentation at its worst, of course; but how can communities provide needed public works with these small amounts? Some people argue that needed facilities might be obtained by utilizing shared revenues to pay interest on public facility loans, but how many communities are willing to take on a 20- to 30-year obligation based on a guaranteed income flow of 5 years?

Because I recognized the need for improvements in current economic and regional development programs, I have submitted legislation during both the 92d and 93d Congress that would establish a new regional development program. This legislation—S. 232—has generated great interest and provided the Committee on Public Works with additional information and suggestions that must be considered as we continue work on it. Mr. President, I sincerely hope that Congress and the administration will work together to formulate a new public works and development program by the time the 1-year extension on current programs expires. I hope that we can evolve a program that considers the unique characteristics of public investments, that builds from past experiences, that meets the need of our citizens equitably and efficiently, and that addresses the challenges of today's world.

DMSO REPORT COMPLETED

Mr. HATFIELD. Mr. President, in recent weeks the National Academy of Sciences completed its study of the drug DMSO and submitted its report to the Food and Drug Administration.

In essence, the NAS finds that the benefits which may be found in the use of DMSO are negated by its potential to cause a number of adverse side effects, particularly with relationship to the skin. It is therefore the conclusion of the Academy that—

> The nature of the evidence of effectiveness of DMSO is not such as to warrant the release of the drug for prescription in general medical practice at this time.

Personally, I know of many individuals who have been helped by DMSO, and I would be less than candid if I did not say that I hoped the NAS study would be more positive in its findings. Nevertheless, I am encouraged by the NAS recommendation that applications for clinical investigation of the drug be more widely accepted by the FDA. These additional studies may indicate how DMSO may be safely prescribed for general public usage.

Mr. President, in light of the widespread interest in the Academy's report, I ask unanimous consent that a synopsis of its findings be printed in the RECORD.

There being no objection, the synopsis was ordered to be printed in the RECORD, as follows:

SUMMARY

Dimethyl sulfoxide (DMSO) first became the subject of clinical investigation, with the approval of the Food and Drug Administration, in 1964. In 1965, after some 100,000 patients had received the drug, it was reported that DMSO had been linked with reversible changes in the lens of experimental animals. On the basis of that information, the Food and Drug Administration halted all clinical investigation of the drug. A year later investigations involving the cutaneous application of DMSO for some serious conditions—such as scleroderma, persistent herpes zoster, and rheumatoid arthritis—for which no satisfactory therapy existed were authorized. In September 1968, after special human toxicity studies, investigations in which DMSO might be applied cutaneously for not more than 14 days for less serious disabilities such as acute musculoskeletal conditions were authorized. The use of the drug under other than investigational circumstances has never been authorized and at the inception of this review was subject to the restrictions cited above.

The *ad hoc* Committee on Dimethyl Sulfoxide of the National Academy of Sciences-National Research Council was established in 1972 at the request of the Food and Drug Administration. It was asked to review the scientific information on the toxicity and clinical effectiveness of DMSO and to determine whether that information supported the restrictions imposed by the Food and Drug Administration on the use of the drug.

The Committee screened, and studied the major part of, some 1,200 volumes of reports that had been submitted to the Food and Drug Administration by manufacturers and independent investigators. Generally speaking, the Committee found that only a minute portion of the reports reviewed were of a nature that permitted them to be used, with any degree of confidence, as the basis for a scientific conclusion with respect to th toxicity and efficacy of DMSO. The apparent inability to find a substance producing both the unique breath odor and the skin irritation of DMSO resulted in the absence of double-blind controlled studies in which the *placebo* could not be identified by the participants. Beyond that, however, a large number of reports contained insufficient evidence of the nature of the condition being treated, of the therapeutic results obtained, or of an attempt to eliminate or reduce the influence of subjective factors in the protocol. From reports that appeared to provide reliable evidence, the Committee arrived at the following conclusions:

1. The position of the Food and Drug Administration with respect to the clinical use of DMSO in man, as published in the Federal Register of September 10, 1968, is, in general, supported by the information reviewed. The minor reservation concerns the published criteria for acceptance of individual applications for clinical investigation which, in the view of the Committee, are overly restrictive.

2. DMSO produces side effects, particularly in the skin, in most persons treated and there have been sporadic cases in which DMSO has, with reasonable confidence, been linked to acute generalized urticaria in man. There is also evidence that in some species

of laboratory animals DMSO in doses somewhat higher than those contemplated for man produces a unique alteration of the lens. The nature of these side effects, the import of the animal data, and the incidence of adverse reactions alone would not warrant withholding the drug in clinical circumstances in which it gave promise of saving life or in which it would clearly be more effective than currently available treatment in arresting a disease process, reducing disability, or relieving pain.

3. The nature of the evidence of effectiveness of DMSO is not such as to warrant the release of the drug for prescription in general medical practice at this time. There is suggestive evidence that DMSO may be effective in the treatment of acute traumatic injury and nontraumatic painful shoulder and in relieving the pain of rheumatoid arthritis. Some investigators have claimed that DMSO may be superior to currently available forms of treatment in cutaneous scleroderma and in interstitial cystitis, but the evidence does not allow a conclusion to be drawn in that respect. As a vehicle, DMSO may enhance the effect of other therapeutic agents such as fungicides and antiviral agents.

4. In view of the toxicity and lack of demonstrated efficacy in prior studies, the use of the drug should be restricted to investigational circumstances until it can be clearly demonstrated in some clinical condition that its therapeutic effect warrants the attendant side effects.

5. More reliable data are needed on the toxicity of DMSO and on its mechanism of action.

TRIBUNE NOTES ITC MEASURE

Mr. CRANSTON. Mr. President, the Senate will soon consider S. 1739, a bill to allow inclusive air tour charters to operate in the United States much as they do in Europe.

Although I have not yet determined how I will vote on the bill, I have noted many thoughtful comments in newspapers throughout the country. One of them appeared in the Oakland, Calif., Tribune of September 21.

For the benefit of Senators who must vote on this complex issue, I offer the Tribune commentary as a perceptive analysis of one side of the controversy.

Mr. President, I ask unanimous consent that the editorial to which I have referred be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Charter Tour Ban Unjustified

For 15 years Europeans have enjoyed low cost air and ground package vacations. They have proved so popular that Europeans sometimes take two or three long weekend trips a year. Moreover, they have stimulated scheduled air traffic.

Under regulations of the Civil Aeronautics Board, these flights are not permitted in the United States and therein lies the controversy between the American scheduled air lines and the chartered companies. However, the CAB has repeatedly allowed the European airlines to operate these flights into the United States while denying the same right to U.S. carriers.

Soon the Senate will vote on legislation that would allow both scheduled and charter airlines to operate European-style inclusive tour charter holidays.

Under present CAB regulations, vacationers on tour charters must spend at least one night in three cities and, in addition, the trip must last at least one week and the cost must be more than 110 percent of the regular scheduled air fare.

This is not only expensive but unnecessary. Since the cost of air travel runs up the cost of the trip, the chartered air lines estimate one trip might cost $295 but if the restrictions were removed, as in the proposed legislation, the same trip, including accommodations and all the extras, would cost about $165.

But the scheduled airlines have started a widespread campaign, aimed at mayors and state officials, on the grounds that the change would force them to eliminate or reduce service to some cities.

The Senate Commerce Committee rejected this contention on the grounds it is the "big lie" technique designed to defeat consumer-oriented legislation. Moreover, the European experience has shown that these charter tours have increased regular travel.

In addition, the committee reported, the liberalized rules would be an economic boon to cities and industries catering to tourists and would encourage Europeans to travel here. This would help solve the balance of payments deficit, $3.2 billion of which was run up in tourism alone.

The committee found no evidence to indicate that chartered services have or would impair scheduled services and that fears about a liberalization of the rules are unjustified.

The time has come for an equitable change that will benefit the consumers and the economy, and it is hoped the Congress will take this course.

ANOTHER EXAMPLE OF KANSAS CITY'S PROGRESSIVENESS

Mr. EAGLETON. Mr. President, government at all levels is concerned about reform of the pervasive and regressive property tax. But despite all the concern we have not seen much action.

I would like to bring to the attention of the Senate a record of real progress in this area. I am referring to the record of Kansas City, Mo.

The property tax is still a major source of income for many of our country's large cities. But Kansas City depends on the property tax for only 20 percent of its revenue. According to a survey of a dozen major cities conducted by the Bureau of Census, Kansas City was the least dependent on the tax. The percentage of dependence for the other 11 cities in the study were: Minneapolis, 60.1; San Francisco, 55.3; Dallas, 50.9; New York, 50.8; Chicago, 49.5; Houston, 46.5; Detroit, 44.1; Los Angeles, 35.8; Atlanta, 33.2; Denver, 29.7; Washington, D.C., 26.9.

Kansas City's major source of income is its earnings tax, which is a proportional tax producing 31.6 percent of the operating funds. Only persons who earn money pay this tax.

The property tax is only the third ranking revenue producer for Kansas City. The city's property tax rate of 15 mills has remained the same over the past 40 years.

Mr. President, the decrease in Kansas City's dependence on the property tax began in 1963. I think much progress has been made. It is yet another example of the leadership and initiative shown by one of the most progressive cities in America.

DANGERS IN AMATEUR ATHLETIC ACT OF 1973

Mr. ALLEN. Mr. President, on August 3, 1973, the distinguished Senator from California (Mr. Tunney), on behalf of the Senate Committee on Commerce, reported the "Amateur Athletic Act of 1973." At the same time he introduced an amendment in the nature of a substitute—amendment No. 459—which is intended to eliminate admitted confusion as to the purposes and the scope of the bill.

The bill is now on the Senate Calendar and may be called up in the near future. With this possibility in mind, and considering the confusion which still exists concerning the purposes and the scope of the bill and considering the far-reaching consequences of passage, I consider it extremely important to rebut some of the contentions which have been offered by way of explanation and in support of the proposal.

In the period since the bill was reported on August 3, 1973, educational institutions throughout the country have been assessing the implications of its provisions. Their reaction has overwhelmingly been that the bill goes too far, that it would effect broad Federal control of intercollegiate and interscholastic athletic programs and seriously undermine the autonomy of educational institutions. Collegiate conference commissioners, State high school associations, collegiate athletic directors, coaches, amateur sports organizations and sports writers and commentators have expressed similar concerns.

The nature of the reaction is exemplified by a recent resolution of the executive committee of the National Association of State Universities and Land Grant Colleges calling for hearings on the bill. In this connection, it is well to bear in mind that the hearings heretofore held have been on four separate bills and not the combined omnibus bill which was reported.

The reason the educational community has reacted so strongly is not hard to find. The bill does in fact threaten pervasive Federal control of amateur athletics, including school-college programs. In many respects, the bill goes much further than may be commonly appreciated. More specifically, the bill establishes a Federal Amateur Sports Board, and we need only examine the separate provisions of the bill dealing with its powers, authority, and duties to see the very real threat of Federal control over amateur athletics.

Mr. President, the Board is vested not merely with authority to grant charters to national associations to control sports at the international level, but also with responsibilities regarding athletic facilities and athletic health and safety, authority to conduct inquiries into "any matter pertinent to athletic activity or physical fitness," authority to impose any requirement on chartered national sports associations, authority to define amateurism, authority to review rules of educational institutions regarding the eligibility of students to engage in athletic competitions, unlimited authority to take any action it considers appropriate "to advance amateur athletic competition in the United States" and the power to issue any regulation the Board considers necessary in pursuit of these broad authorities. This is Government regulation of amateur athletics.

In addition, the bill would give a government board the power to override rules and policies of high schools and colleges regarding the conduct of their athletic programs. It opens the door to outside promoters who, by setting up a competition—domestic or international—which meets the bill's definition of "unrestricted"—for example, a meet in which there are events open to both high school and college athletes—and obtaining a sanction for a chartered association, will gain virtually unrestricted access to high school or college student athletes.

Mr. President, I doubt that many members of the Senate realize that under provisions of this bill any high school or college wanting to enforce a policy or rule which would restrain participation by its students in such a competition, or in any way penalize them as a consequence of their participation, could do so only if the individual high school or college in each case applies to the Federal Board and demonstrates to the Board's satisfaction at a hearing that the school or college's rule: first, was previously adopted; second, reasonable; and third, based on the "academic interests" of the institution.

The result is that rules designed to protect student athletes from exploitation by promoters, to limit the demands which either outside promoters or the institutions themselves may make on student athletes in high-pressure sports, to protect an individual institution's own athletic programs or to regulate the recruiting of student athletes appear to be accorded no status under the bill's provisions. These, along with such basic requirements as attendance at practices and games, are rendered unenforceable.

Furthermore, high schools, colleges, and anyone else who may conduct a competition which is open to more than one "class" or "specific category" of amateur athletes—for example, such traditional events as the Drake Relays and the Penn Relays or municipal basketball or baseball leagues open to all comers—may be required to obtain the sanction of some federally charted association recognized by an international sports federation in order to conduct their competition. Yet, the high school-college programs, including unrestricted programs, have been superbly conducted without any need for Government approval.

Mr. President, it must be made clear that most of the provisions of this bill apply to all amateur sports which the Federal Board considers it appropriate to regulate. Government control may thus be extended over not only Olympic games sports, but any other amateur sport, from football to tennis and golf, as well.

Mr. President, let me now turn to a consideration of the bureaucracy to be established by this bill. Structurally it would consist of a five-member Federal Amateur Sports Board, a Division of Athletic Facilities and a Division of Safety and Health—each headed by a Director—within the Board, a 9-member U.S. Olympic Commission, and a National Sports Development Foundation governed by 16 appointed trustees.

In addition to these 30 appointed officials, the bill provides that the Board, each of the two Divisions, the Commission and the Foundation will each have its own staff, including directors, employees and consultants. This bloated Federal amateur sports establishment may not be "massive" as compared with the Department of Health, Education, and Welfare, but it is far in excess of any demonstrated need so far as amateur athletics in this country is concerned and it contains elements which are redundant both as between agencies created by the bill itself and with respect to functions performed by existing Federal Government or private agencies.

Mr. President, in conclusion let me say that the well-publicized problems associated with this country's Olympic effort and other amateur athletic competition at the international level have involved an extremely small number of competitions and athletes in comparison with the broad spectrum of domestic amateur competition which would be affected by the proposed "Amateur Athletic Act of 1973." The basic problem is to break up the monopoly in Olympic sports franchises in the United States which has been held for generations by the same small group. This can be accomplished without imposing broad Government controls and without interfering with our highly successful domestic competition.

I hope that all Senators will carefully evaluate all of the provisions of the proposed "Amateur Athletic Act of 1973," with particular attention given to the sweeping powers and responsibilities of the Board. I am convinced that such an evaluation will lead to a conclusion that this bill should not be passed.

THE IMPORTANCE OF OUR FREE ENTERPRISE SYSTEM

Mr. STEVENSON. Mr. President, the president of the U.S. Chamber of Commerce, Edward B. Rust, made a speech recently in Chicago which should be called to the attention of every Member of this body and to all who cherish our free enterprise system. Speaking to the Public Service Award Luncheon of the National Association of Life Underwriters Convention, Mr. Rust called on his business colleagues "to look with fresh eyes at Ralph Nader and the kind of consumerism he represents." He points out in a most convincing manner that the consumer movement as represented by Ralph Nader and other likeminded leaders is dedicated "to making the free-enterprise system work as it is supposed to—to make marketplace realities of the very virtues that businessmen ascribe to the system."

Mr. Rust is the kind of corporate officer who practices what he preaches. He deeply believes that contact with the customer is an important part of his duties as president of the State Farm Insurance Companies. He states:

> The day I refuse calls from customers is the day I should resign as head of the companies, because that is the day I will have begun to lose contact with the real world in which we operate.

Mr. President, I doubt whether Mr. Rust and I would agree on all issues, but I want to associate myself with the sentiments expressed in this challenging speech and urge again all my colleagues to read it.

Mr. President, I ask unanimous consent that his speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY EDWARD B. RUST, PRESIDENT, U.S. CHAMBER OF COMMERCE, PRESIDENT, STATE FARM INSURANCE COMPANIES, NATIONAL ASSOCIATION OF LIFE UNDERWRITERS CONVENTION, PUBLIC SERVICE AWARD LUNCHEON, PALMER HOUSE, CHICAGO, ILL., SEPTEMBER 18, 1973

Someone asked me shortly after I was elected president of the U.S. Chamber, "Well, how does it feel to be *the* spokesman for American business?" I replied that if that's what they elected me to do, they have elected the wrong man.

I don't propose to speak for all of American business, which would be presumptuous, but I *would* like to share with my fellow American businessmen some of the things I have learned and believe in as the result of managing one business for some 27 years.

There is an aspect to this business of insurance that you and I are in that has always intrigued me—and I am talking especially about those personal lines of insurance that protect the individual's life and his most important personal possessions, his home and his car. This is a unique business, totally unlike any other I know of, because of the nature of the relationship we have with our customers. We don't sell our customer a product and we don't, at least initially, sell him a service. What we sell him, instead, is a promise to deliver a service at some future time when he needs it. That's all the insurance policy is—it's a contract, setting forth promises that the insurer will fulfill for the insured under certain specified conditions.

It's really asking quite a lot of somebody that he should give us a substantial sum of money in exchange for that list of promises.

You can see from the nature of the insurance company's relationship with its policyholders that the relationship depends upon credibility. The insurance buyer needs very much to believe that those promises will be kept. He, furthermore, needs to have a great deal of faith in his insurance company's financial strength, in the ability of its management to keep the enterprise alive and healthy, at least during the period of the insurance contract, so that the insurance company will be in shape to pay the claims that might arise under that policy in the months and years during which that contract is in force.

I think our democratic society is in a situation that is in some ways analogous to the insurance business. The society holds together because we make promises to each other, as individuals and as private and public institutions. To the extent that we keep those promises to each other, and to the extent that we have faith in the promises of others, the society functions rather well. When we begin to lose faith in each other and in our institutions, the social fabric begins to unravel.

We are all aware of the many problems that beset us today as a people—the energy crisis, environmental pollution, inflation, foreign trade deficits, and so on. It is not to dismiss these problems lightly that I say they are, to a degree, transient. They will pass in time, and others of equal urgency will arise to take their place. But there is another problem that, in my view, transcends all of these others. It is suggested by the phrase "credibility gap," which I suppose is just another way of saying we don't believe each other any more. We don't believe the businessman, we don't believe the political candidate or the office-holder or the government agency or the newspaper or the news broadcaster.

Why?

Why has this essential confidence that we need to have—must have—in our institutions eroded so much in the last few years? This is not supposition on my part. It is measurable erosion, and the measurement has been made by the Louis Harris polling organization. The Harris pollsters sought to gauge public confidence in various public institutions and organizations over a recent five-year period.

At the beginning of that period, of those queried, 55% said they had "a great deal" of respect for major companies. Five years later that figure had been halved to 27%. Moreover, three times as many respondents reported they had "hardly any" respect for major companies as said so five years earlier.

And it was not just because that suffered this damaging decline in the public's esteem. The survey also turned up a steep slide in the public's confidence in the military, scientists, educators, doctors and the press.

These are portentous findings, indeed. How can the society, we must ask, function if this decline continues? Can the trend be reversed?

I don't pretend to have the scientific background that would enable me to analyze for you the complex socio-psychological factors that underlie the declining confidence that more and more Americans seem to have in the many institutions that together make up our society. I can only offer the personal observations of an American businessman.

I would agree with Alexander Hamilton, who once said, "The vast majority of mankind is entirely biased by motives of self-interest." I don't know if Mr. Hamilton found that distressing. I do not. But the real problem arises in defining where our self-interests truly lie.

The answer to that question frequently depends upon how far into the future we are willing to look. If as businessmen we look only at tomorrow's profits, then self-interest will dictate that we act one way. But if our focus instead is on the long-range survival of the business enterprise, then we will act in quite another way.

There seems to be some confusion over the role of business in today's society. There is much talk these days about the social responsibilities of business and the need for involvement in social programs. And perhaps we should be doing more of this. But I personally feel that the first order of business is the competent management of business and that management's first priority should be the quality of the product or service it provides.

Please understand that I'm not suggesting we turn away from our obligations to the environment or from any of our social responsibilities. I am only reminding you that quality of product or service is itself a social responsibility with social implications far beyond profit and loss.

It seems appropriate to emphasize that point here today, at your Public Service luncheon. The public service program of the National Association of Life Underwriters has, over the years, contributed in countless ways to the well-being of America's communities, and it is vitally important that you continue this work in the future. But it is equally important to understand that the way we conduct our business also measures our sense of social responsibility. The professional life underwriter knows that, but elsewhere in the business community "social responsibility" and "public srevice" are sometimes discussed as if they were separate and remote from day-to-day business activities.

As businessmen, our focus must always be in the quality of the service or product we offer, simply because this is the first expectation people have of us. The manufacturer that landscapes the factory site but hedges the obligations in his product warranty has a misplaced sense of priorities. It's at this basic level that we must begin to rebuild faith in the institution of business. We need to regenerate a dedication to quality, to value and to service.

We need a commitment to excellence first of all in those things in which we are best equipped to excel. The business manager may need instruction in some of the new social roles that are being urged upon him—but he should need no instruction at all in bringing to the marketplace a product or service that meets whatever claims he is willing to make for it.

Above all else, he should know how to do that!

This, I believe, is what Ralph Nader and other consumerists are saying, and I find it hard to disagree with them on that point. You will notice that you rarely find consumerists criticizing a business for its failures to involve itself in social programs on the periphery of that business. Mr. Nader's focus is usually on the first business of business—its products and services. His primary insistence is on products that perform as they are supposed to, on warranties that protect the buyer at least as much as the seller, on services that genuinely serve.

In accepting the Chamber presidency, I expressed my belief that intelligent men of good will abound in all of our institutions, and that it doesn't make sense that we sit in our respective enclaves of business, labor or government and scream imprecations at one another across barriers of misunderstanding. I also said that most of us share a commitment to the welfare of our nation and of its people, and that we differ only in our perceptions of how to meet that commitment, and that as Chamber president I would focus on those things that bind us together rather than on our differences. It is in that spirit that I invite American business to look with fresh eyes at Ralph Nader and the kind of consumerism that he represents.

He has been described in some quarters as "an enemy of the system," but if we are willing to look objectively at his activities, I think we are forced to the conclusion that his commitment is to make the system work. I believe that it was inevitable that sooner or later someone like Ralph Nader would arise to focus and articulate the dissatisfactions and the frustrations that are widespread among American consumers. And so in him we see not an individual expressing his personal biases, but instead a man who is singularly sensitive to the mood of the public and who is unusually well-equipped to symbolize and express that mood.

Given the wide base of public appeal that Mr. Nader obviously has, I think it is unrealistic to come to any other conclusion. I think it is imperative that American business look calmly and realistically at what consumerism is and what it is not, as represented by Mr. Nader.

I hope you will understand that, as a businessman, I would hardly be siding with Mr. Nader against business. Rather, I simply insist that he is not *on* "the other side." If we look at the record, I think we will see a clear community of interest that Nader has with American business. The whole point of Nader—so obvious that it is often overlooked—is his single-minded dedication to making the free-enterprise system work as it's supposed to—to make marketplace realities of the very virtues that businessmen ascribe to the system.

It is not his style to mount street demonstrations, but it *is* his style to insist that products live up to their advertising and to buyers' reasonable expectation of them—and when they don't, to go to the regulatory authorities and say, "Look here. Now regulate."

That kind of activity suggests a considerable degree of faith in the system, and contrasts sharply with the revolutionary who would tear it down.

But if you would, say that he sometime exaggerates, that he overdramatizes, that he is shrill, then I would have to agree—at the same time pointing out that this is the traditional way to gain attention in the clamorous and free American marketplace, as we who advertise our products and services should be well aware.

We in business sometimes complain that the public—and our young in particular—don't understand or appreciate the free enterprise system. But I must observe that when business sees consumerism and its spokesmen as enemies of that system, then business is demonstrating its own failure to understand the healthy tensions and competing pressures that must always be present in that system, if it is to survive.

The consumerist does not demand perfection of American business. I believe he perceives it as a human institution susceptible to error. But he understands the difference between honest mistakes and deliberate deception—a distinction Nader is able to make with considerable force.

This brings me to a matter that I think is part of this problem of credibility—our self-perceptions. We need always to be aware of our humanity, and that awareness should produce enough honest humility within us to admit that we will make mistakes.

It should be part of the manager's overview of his job to expect mistakes. When he has that view, then he will also have his organization geared to deal with them efficiently and equitably.

It's an exercise in corporate egotism to pretend—assume that mistakes aren't made—to attempt to present to the public an image of godlike perfection, which no one can rightly expect of himself or of the institution he manages. That kind of attitude shows a lack of faith in the American people's capacity to understand that mistakes will be made and their readiness to forgive those who move promptly to correct them.

I think that these attitudes come about as an indirect result of the "giantizing" of our business institutions, to borrow a term from the sociologists. The small businessman cannot isolate himself from his customers, no matter how much he might wish to. But it is possible for the managers of big business to remove themselves from the abrasions of the marketplace.

The tendency is to encapsulate oneself in corporate limousines and executive suites and paneled boardrooms—an environment that in the long run will distort management's view of reality. It's entirely human and understandable, I suspect, that most of us seek to make our lives more comfortable, to escape in some measure the harsh realities of human existence.

But I suggest to you that it is an incapable part of the businessman's job to maintain direct personal touch with the realities of the marketplace. Market research is fine and necessary—but those neat charts and graphs can never give you the feel of product and user that you get from a direct confrontation with an angry or happy customer.

I was in an office conference the other day in Bloomington, Illinois, when a customer of ours in Houston got me on the telephone. He had a problem that I was able to help him with. When our telephone conversation concluded, one of the people in my office commented that an efficiency expert would be appalled that I would interrupt an important meeting to involve myself in the problems of one of our 20 million policyholders. It would strike him as an inefficient use of executive time. My response was—and I deeply believe this—that the day I refuse calls from customers is the day I should resign as head of the companies, because that is the day I will have begun to lose contact with the real world in which we operate.

Share this little fantasy with me—

Suppose every American product has a sticker on it, right up there where everyone could see it—smack in the middle of the car's dashboard, right on the side of the toaster, or in big letters by the dial of the TV set, and it read:

"If this thing doesn't work like we said it would, call our president," followed by his name and telephone number.

It's hard to imagine the impact this would have, but I can tell you a couple of things that would happen. Those consumer complaint statistics that come up in orderly columns from the computers would suddenly come very much alive, bristling with humanity, and in a very short span of time, the corporation president would acquire a very sure sense of reality—as well as an unlisted phone number.

You see, my name is on about 20 million insurance policies. If our service to our insured breaks down—as it sometimes does—or if misunderstandings arise that aren't cleared up elsewhere in the organization, the policyholder will sometimes look at the bottom line of the last page of his insurance contract, see my name and call me. And if he doesn't get me, he gets one of my assistants.

Quite often, he is irate and frustrated and has carefully marshaled the arguments he is sure he will need. But when I listen to his complaint, and if it's clear to me that he has not received what he has a right to expect from us, I apologize to our customer and tell him what I'm going to do to get things back on track for him. At that point, there is often stunned silence on the customer's end of the phone line, and I sometimes have to say "hello" two or three times to awaken him from shock.

Why should candor and a desire to correct error be such a startling experience for an American consumer to encounter in American business?

I have been told that these observations may make of me something of a pariah in the American business community, but I'll take that risk because I have great faith in the reason and good sense of most business leaders and managers.

But just a business must be willing to calmly assess what consumerism is really trying to achieve—must be willing to distinguish between honest criticism and unproductive enmity—so do I believe that it is fair to ask the American consumer to look at business realistically. It is no more sensible for the consumer to expect perfection in everything he buys than it is for business to expect consumer acquiescence to all its shortcomings.

I sense a kind of perfectionist mood in some quarters of the society, an irascible intolerance for error of any kind. This is probably a by-product of our technology and our advertising. Too often, the latter leads people to expect what no product or service can possibly deliver. (I've yet to see the marriage that was saved by changing brands of coffee.)

Our technology presents us with a more subtle problem. We've all heard the nostalgic comment, "They sure don't build them like they used to," and in some instances, this may be true.

But there's another side to that coin. Not too many years ago, the fairly affluent American home could count no more than a half-dozen electrical appliances. Today, an inventory of electrical devices in most American homes would total in the dozens—electric razors, his and hers; electric toothbrushes, mixers, blenders, fry pans and broilers; electric can openers; electric knives.

If the average appliance—when there were only six in the home—operated six years without needing repair, the customer was going to the serviceman on the average of once a year. But if you have three dozen appliances in your home—and many homes would have at least a dozen more—then you are getting something repaired on the average of once every 60 days. In other words, even if the level of quality is the same, your service problems have increased six-fold, which is a pain in the budget and elsewhere.

Inflation, as well, heightens our expectations of products and services; the more you pay for something, the more you demand of it.

I think all of us—businessmen and their customers (and many of us are both)—need to abandon the clichés we too often use in talking and thinking about this thing we call "the system." The businessman sometimes behaves as if he were its sole proprietor, and the customer sometimes expects more of it than it can possibly deliver.

At best, perhaps the system can only be an uneasy partnership, out of which the consumer can expect reasonable satisfaction and out of which the businessman can expect reasonable profits.

I think most reasonable people would settle for that.

And I believe that reasonable people can make it happen just that way.

HOUSE COMMITTEE ACTION ON TRADE REFORM ACT

Mr. JACKSON. Mr. President, I am extremely pleased that the Ways and Means Committee of the House has decided to incorporate in the Trade Reform Act a provision making most-favored-nation treatment conditional on the recipient country permitting free emigration. The action of the House committee is a most welcome affirmation of the commitment of this country to the cause of human rights, and the recognition of the Congress of the courageous struggle of men and women behind the Iron Curtain.

I am confident that the full House, in voting on the Trade Reform Act, will make credits, credit guarantees, and investment guarantees conditional on free emigration just as the Ways and Means Committee has made MFN conditional on free emigration. I understand that this humanitarian restriction on foreign credits, which is a vital part of the Jackson amendment, was not included in the bill as a result of a jurisdictional question. The full House will face no such jurisdictional question; and I am certain it will move to include the full Jackson amendment in the trade bill by adding the credit restrictions to those on MFN.

At a time when Americans are paying interest rates in the vicinity of 10 percent, I believe it would be financially foolish as well as morally mistaken to extend 6 percent credits to countries that close in their people behind barbed wire.

DOCTOR SHORTAGE

Mr. ROBERT C. BYRD. Mr. President, the Inter-Mountain, a daily newspaper in Elkins, W. Va., ran an editorial on a most important subject last Monday, September 17.

Under the headline "Doctor Shortage, But Students Turned Away," the editorial discusses a problem on which I have spoken a number of times over the past few years—namely, the severe shortage of physicians in the United States.

The Inter-Mountain points out that, when classes at the Nation's 114 medical colleges opened this month, only 13,570 freshmen were enrolled. This is far short of the number needed if we are to overcome the doctor shortage, which is currently estimated at 69,000; and it represents only about one-third of the total number of college graduates who applied to enter medical school this year.

The sad fact is that many of those who applied and who were rejected were fully qualified. There simply was not enough room for them in the limited facilities America has for training doctors.

There is a possibility that this situation may be somewhat alleviated in the not-too-distant future. The 92d Congress passed authorizing legislation for the establishment, around the country, of up to eight new medical colleges to be established in conjunction with existing Veterans' Administration hospitals.

As a member of the Senate Appropriations Committee, I was able to secure $20 million in the supplemental appropriations bill for fiscal year 1973, and another $25 million in the fiscal year 1974 appropriations. These funds should be sufficient to get this vital program underway.

As the Inter-Mountain editorial points out, "many more medical schools are required to train the doctors of tomorrow."

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DOCTOR SHORTAGE BUT STUDENTS TURNED AWAY

Doctors, as nearly every patient knows, are a prosperous group. They are also in short supply. Why, then, aren't more young men and women enrolled in medical school, particularly at a time when so many liberal arts graduates are forced to pump gasoline or wait on tables until the job market opens up? Medicine, after all, offers its practitioners the opportunity to help other human beings and to earn an average annual salary of $40,000 while doing so.

The problem is not that Americans are unwilling to undergo the long, arduous and expensive training that leads to an M.D. degree. It is simply that the supply of medical-school openings does not begin to match the demand. In 1973 more than 37,000 persons sent 250,000 applications to the nation's 114 medical schools. But when classes begin this month only 13,570 or one-third of those who applied, will be enrolled. Many of the unsuccessful applicants were fully qualified. As the Los Angeles Times observed (June 10, 1973), "The medical school applicant pool has grown so large that substantial portions of those rejected are quite capable of handling the medical curriculum and would make excellent physicians.

That excellent physicians are needed is beyond dispute. Between 1900 and 1973, the number of graduates from American medical schools rose from 5,214 to 9,551 a year. But the population tripled in the same period. Moreover, Americans of 1973 are more concerned than those of 1900 about their aches and pains and are better able to afford treatment for them.

It hardly needs saying that many more medical schools are required to train the doctors of tomorrow. Around 300,000 physicians now practice in this country, but they are unevenly distributed. In the past decade, the number of counties without a single resident doctor increased from 98 to 133. Three-year M.D. programs and the training of physician's assistants have helped to expand the supply of medical personnel. All the same, most authorities agree that medical schools will have to double their present capacity if America's future health needs are to be adequately met.

ORDER FOR ADJOURNMENT UNTIL 8:45 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 8:45 a.m. tomorrow.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR MATHIAS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the remarks of the two leaders or their designees under the standing order on tomorrow, the distinguished Senator from Maryland now presiding over the Senate (Mr. MATHIAS) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HATHAWAY). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE DEFENSE AUTHORIZATION BILL

Mr. FULBRIGHT. Mr. President, the Committee on Armed Services has taken some important steps toward reducing the requested authorization for military procurement, research, and development, and manpower.

I want to commend the committee for its recommended 7-percent reduction in military manpower, particularly since a substantial portion of this reduction will be in support personnel. There were other commendable cuts within the bill, as approved by the committee, including the reduced funding for the F-14, although the Senate has subsequently reversed the committee's good judgment. I also support the committee's denial of funds for the subsonic cruise armed decoy—SCAD—the strategic cruise missile and the Army light area defense program.

Important as the committee's proposed reductions are, they represent only a beginning for the bill is still replete with extravagant and exotic programs, the continuation of which is not in the best interests of the American public. The taxpayer is deserving of wiser and more constructive use of tax funds.

It is especially regrettable, for example, that the Committee on Armed Services reversed the decision of the Research and Development Subcommittee, and, by a one-vote margin, voted to proceed with accelerated funding for the Trident nuclear ballistic submarine.

The chairman of that subcommittee (Mr. MCINTYRE) has made a highly persuasive case against the accelerated development of the Trident. As he points out, the acceleration of Trident would concentrate the enormous burden of the program on the taxpayer within the next few years. A return to a more orderly development would reduce the $1.527 billion requested this year by $885.4 million and reduce next year's cost by a billion dollars.

I believe accelerated development of Trident to be unnecessary from a strategic standpoint and wasteful and imprudent from an economic standpoint. This would be perhaps the most expensive weapons system in our history. The Navy wants to build at least 10 of them, at a cost of $13.5 billion. Under the accelerated program, all 10 submarines would be funded and under construction before the first one is completed, hardly consistent with good management practices.

Trident is billed as a replacement for the "aging" Polaris submarines, yet the oldest of the 41 Polaris subs is 13 years old, the newest 6. They will be seaworthy well into the 1990's. We are already in the midst of a submarine missile conversion program involving a tenfold multiplication of destructive power. Thirty-one of the Polaris subs are being converted to carry Poseidon missiles—16 Poseidons to a submarine. Each Poseidon missile contains 10 to 14 separate nuclear warheads—MIRV's—which could be directed to widely scattered targets. Thirteen of the conversions have already been completed and all 31 are expected to be completed by November, 1975, at which time the SLBM's will be capable of hitting 5,120 or more separate targets with nuclear warheads two to three times more powerful than the one that destroyed Hiroshima. Just two such submarines could destroy about 30 percent of the population and 50 percent of the industry of the Soviet Union. The Polaris-Poseidon force would have the capability to destroy the 219 Soviet cities of more than 100,000 population nine times over.

The Pentagon has consistently told us that the Polaris-Poseidon force is not vulnerable for the foreseeable future. At present, the nature of any antisubmarine warfare—ASW—threat to Polaris cannot even be predicted. Technology does not exist to even design, much less build, an ASW system which could destroy the Polaris-Poseidon deterrent. When and if such a threat ever arises, the Trident fleet could be more vulnerable than the present Polaris fleet because its greater unit size and its smaller number of ships could make it easier to destroy in a surprise attack, using some now unknown technology.

Mr. Herbert Scoville, Jr., formerly Assistant Director of the Arms Control and Disarmament Agency and Deputy Director of the Central Intelligence Agency, states the case very well:

> We will be placing our eggs in a smaller number of baskets and thus make easier the simultaneous destruction of all that are at sea. If a threat should develop, it may be better to have a larger number of smaller ships. In the meantime, we should save our billions and our resources for our sick and aged, for our poor and underprivileged and our environment.

The value of the Trident has been diminished even more by the decision to place the $500 million Trident base in Bangor, Wash., thus initially foreclosing its operation in the Atlantic, and flying in the face of almost every strategic consideration.

I would agree with the group of eminent authorities on military policy who issued a report for the project on budget priorities. This report concluded that virtually all the potential benefits of Trident, and none of its drawbacks, could be obtained by retrofitting the 4,000-nautical mile Trident I missile on Polaris. This would put our subs in range of Soviet targets, even while still in U.S. territorial waters.

Of course, when all else fails, and when the smokescreen of technical jargon which the Pentagon throws up around so many of its projects has been blown away by thoughtful outside analysis, the administration falls back on the old familiar "bargaining chip" argument, as the President did in his most recent state of the Union message.

As Senator SYMINGTON has pointed out, we do not add to our "bargaining chips" by pursuing a hurried and therefore premature schedule which ultimately would bring damage to the entire submarine replacement program.

Further, this whole business of "bargaining chips" has become absurd. In the past, both sides have approached the SALT talks in the belief that they must go to the bargaining table weighed down with chips. According to this self-defeating theory, you must arm to the teeth before entering an agreement to disarm, so as to have the greatest possible leverage in the negotiations. Since both sides engage in the practice, the very prospect of arms limitations has the effect of accelerating the arms race.

As the Center for Defense Information noted in a recent report, about the last thing the United States needs for "bargaining" or any other purpose is more nuclear weapons. The report stated:

> The U.S. has at present 7,100 operational strategic nuclear weapons, of which about two-fifths, 3,088, are on board the nation's missile submarines. The number of U.S. submarine-launched nuclear weapons is thus far greater than all the nuclear weapons the Soviet Union possesses (2,300) without counting the 4,012 nuclear weapons the U.S. has on land-based missiles and on bombers.

The report further notes that within the next 3 years the total number of U.S. nuclear weapons will climb to 9,204.

We have all the bargaining strength we need. Rather than pouring billions of dollars into an accelerated program which would lock us into design and construction too quickly, the more orderly development of Trident offers us increased flexibility and would maximize our alternatives in the SALT talks and thereafter.

I am hopeful that the Senate will recognize the strong logic of this approach and vote to reduce the funding for Trident by $885.4 million.

This administration speaks of the need for austerity and the importance of limiting Federal spending, yet insists on massive expenditures such as the $1.7 billion—including military construction—for Trident; $474 million for the B-1 bomber, which the committee proposes to cut by $100 million; $657 million for the CVN–70 nuclear aircraft carrier; $194.2 million for the $4.5 billion SAM–D missile system; and the estimated $30 billion overall cost for maintaining 1,900 military installations overseas, 321 of which are considered major, and more than 600,000 troops outside the United States.

For all the talk of changing priorities and despite the end of the war in Vietnam and improved relations with Russia and China, the administration wants to spend more for the military and to cut or terminate important domestic programs.

The administration tries to claim that in "constant" dollars, military spending has not really risen in recent years, which is as misleading as the claim that "human resources" rather than military-related spending constitutes the predominant portion of the budget.

Of course, what they do not say is that one of the major reasons the dollar has not been constant, and one of the major causes of inflation and the drastically weakened position of the dollar internationally, has been the excessive expenditure for military purposes.

The estimated cost of our NATO participation is about $17 billion annually, which is more than the combined total the President has requested in his budget for all Federal programs in agriculture and rural development, natural resources and environment, community development and housing, and elementary, and secondary education.

In previous statements, I have attempted to dispel the myth, fostered by the administration, that military spending is not the major component of Federal expenditures. This deceptive claim is largely based on the inclusion of the social insurance-medicare trust funds under human resources. Yet, the Government simply acts as a trustee for these funds, which constitute about one-third of the budget and which can only be used for specified purposes.

As Michael Getler of the Washington Post reported on August 31:

> Federal statistics also show that in terms of outlays that can be controlled—as opposed to items such as Social Security and veterans payments that are set by law and cannot be cut back—defense accounts for about 69 per cent of the $75.2 billion available for controllable expenditures.

Contrary to the haughty attitude of the administration that cuts in military programs are "unacceptable," I feel that we can and must make substantial reductions in military spending and that such cuts can be made without in any way jeopardizing our national security. In fact, I believe our real security lies in restoring our economy to a sound, healthy basis. To do this we must quit living beyond our means, which we have been doing through our overcommitment abroad and our waste and extravagance on weapons and military projects.

In the coming days we will consider a number of amendments which will offer reasonable means of trimming some of the fat from the $85 billion military budget. I intend to support many of the amendments and am hopeful that we will avail ourselves of this opportunity to bring about a more rational allocation of our resources.

I also want to mention some additional items in the pending legislation which deserve our serious attention, although they have received relatively little notice.

F–111

First I would cite the F–111 aircraft, for which the committee has recommended $158.8 million and for which the House authorized $172.7 million. This is one of the rare areas where the Pentagon has shown a willingness—if belatedly—to cut back. No funds for the F–111 were requested in this year's budget. It is particularly regrettable that Congress has, for the past 2 years, reversed the Pentagon's decision and provided F–111 funding.

I see absolutely no reason to keep the F–111 production line open and would hope that Congress would not be a part to such a misguided action again. Every day that this production line remains open the American people are being misserved and every additional F–111 that is manufactured will be a monument to mismanagement.

The Washington Post reported on August 23:

> Air Force officers . . . privately complain that their budget problems are being compounded by Congressional action, spurred by the Texas delegation, to keep producing the Texas-built F–111 fighter-bomber even after the Pentagon said it couldn't afford any more.

Mr. President, it seems incredible that after a decade of soaring cost overruns, forced designed changes, mysterious crashes in test flights and in combat, and mass cancellations of earlier orders by other nations, that Congress could pour still more funds into this aircraft.

The Permanent Investigations Subcommittee of the Committee on Government Operations, chaired at the time by my senior colleague from Arkansas (Mr. McCLELLAN) stated the case well in its final report on the TFX contract investigation, issued in December 1970. The report concluded:

> The TFX program has been a failure. The Federal Government will spend more than $7.8 billion to procure about 500 aircraft, although the original production schedule called for more than 1,700 aircraft to be purchased for less money. Of the 500 planes we will have, less than 100 (the F–111F's) come reasonably close to meeting the original standards. Spending so great a sum for so few aircraft represents a fiscal blunder of the greatest magnitude. It is clear that vital financial resources were squandered in the attempt to make the TFX program produce satisfactory results.

The report further stated:

> The billion dollar savings in the TFX program, so grandiloquently promised by Secretary of Defense McNamara, became instead a directly accountable waste of more than one-half billion dollars spent on the F–111B, the F–111K and the RF–111 versions of the plane, all of which were unacceptable and had to be cancelled and abandoned before production. The total failure of the attempt to produce a satisfactory F–111B has caused a long and unnecessary delay in filling the Navy's requirement for a new carrier-based fighter. The lack of fighter maneuverability in the Air Force versions of the F–111 plane made it necessary to undertake the development of another fighter—the F–15—to fill this role for the Air Force in the 1970's. The excessive costs of the Air Force versions forced drastic cutbacks in the numbers of aircraft which can be procured to fill the tactical and strategic inventory. The long delays in getting the F–111's into operational use certainly have had an adverse impact on our defense posture.
>
> Aside from the serious impact which the TFX program has had upon our national security and aside from the obvious waste of scarce resources, the TFX case also has affected public confidence in our defense establishment. As this report makes clear, the primary cause of the TFX fiasco was mismanagement. A series of management blunders, made for various reasons, compounded errors with more errors and caused the failure of the program. The management blunders were made at the highest echelons of the Government. Top Presidential appointees in the Department of Defense during the McNamara era overrode expert advice to impose personal judgments on complex matters beyond their expertise. These same officials then made extraordinary efforts to conceal the results of their errors in the TFX case. These efforts included deliberate attempts to deceive the Congress, the press, and the American people. Understandably, this sorry record has done nothing to enhance public confidence in the integrity and competence of the people who are charged with preserving the national security. Nor has it improved the public image of the Department of Defense.

In view of the scandalous history of the F–111, it is difficult for me to believe that Congress could even consider buying 12 more of these planes. The irony is heightened by the fact that it was Congress which uncovered the waste and mismanagement in the F–111, yet now wants to buy still more of the problem-plagued planes.

ADVANCED AIRBORNE COMMAND POST (AABNCP)

A project which is redundant and of highly questionable value is the Airborne Command Post, for which $83 million is requested for fiscal year 1974, following an expenditure of $117 million last year. This bill contains $32.3 million for procurement and $33.1 million for R. & D., or a total of $65.4 million. The House approved $69.6 million. There is also $14 million in the military construction budget for this aircraft, also referred to as the E–4A.

The AABNCP is even more likely than its underground analogs to be out of communications during the crises for which it is designed, assuming that it can get and remain airborne.

I believe this to have been an unnecessary project from the beginning, and it would seem that the three Boeing 747 aircraft already acquired are more than sufficient.

The Department of Defense already has a sizable fleet of airborne command posts, having spent nearly $550 million and perhaps more for them. The Strategic Air Command alone has 29 EC–135 aircraft serving as airborne command posts, auxiliary command posts, communications relay aircraft and airborne launch control centers.

Of course, in addition to the AABNCP we are being asked to approve the AWACS or E–3A, which is the Boeing 707 aircraft, for which the committee recommends $167.5 million this year. The AWACS is supposed to be an airborne surveillance, command, control, and communications system for use by tactical and defensive forces.

There is every indication that acquisition of this large number of the gigantic 747 planes was budgeted with only minimal planning, but the cost of this total program is expected to be $500 million or more.

The Defense Department has taken the largest aircraft available and developed lists of people to populate the aircraft as advisors. A relatively small portion of the aircraft's space would be used for equipment, the same equipment already aboard the EC–135's.

Between the existing command posts on EC–135's and the 747's already approved, I believe we have adequate aircraft and equipment for this purpose, assuming there is any possible role for such aircraft. Further funding for this costly project would be unnecessary and wasteful.

C-130

Little notice has been given to the fact that this bill includes $180.6 million for 36 C–130 aircraft, built by Lockheed. These planes, according to the Pentagon, would "replace airlift aircraft transferred to South Vietnam."

I think it is appropriate to ask under what authority were these planes transferred? If we need such aircraft, then why were such a large number turned over to the Thieu government?

According to Pentagon figures, $93 million was spent for C–130's in fiscal year 1973. The original 1973 budget request included no provision for C–130's. Subsequently, the House Armed Services Committee initiated a move to provide for 12 C–130's to keep the Lockheed production line open. Then President Nixon included a request for $127.7 million for 30 C–130 aircraft in the fiscal year 1973 Southeast Asia amendment on June 30, 1972.

The Congress appropriated $90 million for C–130's last year, and according to the reports of both the House and Senate Appropriations Committees, this was for the procurement of 20 planes.

If 36 planes were transferred to South Vietnam, then it would appear that the President exceeded his authority. And since we are no longer engaged in Vietnam, is there any documented need for such a considerable number of new C–130's? Last year, prior to the transfer of planes to South Vietnam, the Air Force was reported to have 350 of these planes operating, with 12 more on order and 175 in the reserve fleet.

A further consideration here is that the committee proposes to authorize $65.2 million this year for development of the advanced medium STOL—short take-off and landing—transport—AMST—which has been billed as a successor to the C–130. For example, the Appropriations Committee, in its report on the bill last year, referred to AMST as a replacement for the C–130. An examination of discussions on the AMST by Pentagon officials consistently turns up references to this aircraft as an improvement on the C–130.

Additionally, many of the C–130's capabilities are supposedly duplicated or exceeded by the gigantic $4.5 billion C–5A's, which have had a cost overrun of $1.1 billion or more.

I do not believe we should provide further funding for C–130's and see no reason that Congress should blithely ratify the President's giveaway after the fact.

The $180.6 million which would be authorized this year for these C–130's is almost as much as the $185 million would have been authorized for 3 years under the much-needed Emergency Medical Services Act, which the President vetoed as being too costly.

Mr. President, it is especially discouraging to see that despite the billions we are pouring into new projects and all the promises about the great advances which they represent, we are still producing the old planes or weapons systems which they were suppposed to replace. Apparently when a military project gathers momentum it is almost impossible to bring it to a halt.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The PRESIDING OFFICER (Mr. MATHIAS). Under the previous order, the hour of 10 o'clock having arrived, the Senate will resume the consideration of the amendment offered by the Senator from New Hampshire (Mr. McINTYRE), No. 517, on which there shall be 1 hour of debate, with a vote thereon to occur at 11 o'clock.

The Senate resumed the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

Amendment No. 517 is as follows:

On page 18, line 15, strike out "$650,700,000" and insert in lieu thereof "$645,700,000".

On page 18, line 18, strike out "$3,628,700,000" and insert in lieu thereof "$2,800,900,000".

On page 19, line 12, strike out "$2,656,200,000" and insert in lieu hereof "$2,603,600,000".

The PRESIDING OFFICER. The Chair recognizes the Senator from New Hampshire.

Mr. McINTYRE. Mr. President, I should like to state in clear and unequivocal language what amendment No. 517 actually does.

The amendment offered by the Senator from Colorado (Mr. DOMINICK) and myself, as members of the Armed Services Research and Development Subcommittee, has as its purpose the deceleration of the Trident submarine and missile program and a return to an orderly pace of development. Specifically, this amendment would reduce the total funds authorized for procurement in connection with the Trident submarine from the $867,800,000 requested by the administration to $40,000,000. No moneys would be authorized for procurement in connection with the Trident I missile, a reduction of $5,000,000 from the request. Finally, funds for R.D.T. & E. on the missile and the submarine would be reduced from the request of $654,600,000 to $602,000,000.

CALL OF THE ROLL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, the time for the quorum call to be charged equally to both sides.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[No. 424 Leg.]

Byrd, Robert C.
Church
Cook
Dominick
Hathaway
Jackson
Mansfield
McIntyre
Nelson
Nunn
Pastore
Ribicoff
Talmadge
Thurmond
Tower

The PRESIDING OFFICER. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the presence of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Cannon
Case
Chiles
Clark
Cotton
Cranston
Curtis
Dole
Domenici
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Goldwater
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Johnston
Kennedy
Long
Magnuson
Mathias
McClellan
McClure
McGee
McGovern
Metcalf
Mondale
Montoya
Moss
Muskie
Packwood
Pell
Percy
Proxmire
Randolph
Roth
Saxbe
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Tunney
Weicker
Williams
Young

Mr. GRIFFIN. I announce that the Senator from New York (Mr. JAVITS) is necessarily absent for religious observance.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

The PRESIDING OFFICER (Mr. HATHAWAY). A quorum is present. Who yields time?

Mr. McINTYRE. Mr. President, I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator is recognized for 4 minutes.

Mr. McINTYRE. It is my understanding that the Senator from Wisconsin desires to ask me a few questions.

Mr. NELSON. Mr. President, my concern is over the distinction between the amendment of the Senator from New Hampshire and the proposal as it came out of committee. It has been my feeling that there is not a very great distinction between the two positions; that in one of the first Trident would come off the line in 1978, and under the McIntyre amendment it would come off the line in 1980; but that in either event we are locked into a 10-submarine Trident program without adequate opportunity for Congress to continue to reevaluate that program.

If the McIntyre amendment really clearly is saying, "I am going to stretch this out further and we are going to have ample opportunity on more than one subsequent year to continue to evaluate this program and make a decision as to whether or not we intend to, must, or will go ahead with a 10-Trident program or whether we may decide, because of new technology, changes in the strategic situation, SALT talks, or what have you" if we are going to preserve the opportunity to change the program, slow down the program, stop the program if we decide that is in our best interest, then I am for that kind of proposal.

Just as an aside, I regret that we are locked into Trident. We did not have any serious debate around here about whether or not we ought to have more smaller submarines versus the 10 large ones. So I am concerned about being locked in, under the McIntyre amendment or the committee proposal, to a 10-Trident submarine program which we cannot get out from under even though we conclude there are sound reasons why we should get out from under next year or the year after or the year after that.

Will the Senator comment on that?

Mr. McINTYRE. I want to be completely honest with my friend from Wisconsin and say that a heavy proportion of the Armed Services Committee, including this Senator from New Hampshire, desires to have an on-going submarine program such as the Trident, but I would point out to the Senator that, if the objective is to anticipate problems the 10 submarine program will be far easier to control under my amendment. If my amendment is adopted, it will be a great deal easier to reevaluate the program in fiscal 1975 and 1976, in the event something has occurred in the great wide world that demeans or derogates our submarine fleet. We will be in a much better position to reevaluate or amend our commitment on the new submarine than if we go on in a pell-mell rush to build the submarines as proposed under the bill.

Let me give the Senator a technical answer. The amendment the Senator from Colorado (Mr. DOMINICK) and I offer would deny initial long-lead funds for ships 5, 6, 7, 8, 9, and 10—six of the ships. It would also deny funds for the balance of the long-lead procurement for ships 2, 3, and 4. This would result in the use of $311 million provided in fiscal 1973, to support continued work on ships 2, 3, and 4 at a more orderly pace through fiscal 1974.

The bill—the position of the distinguished Senator from Washington as reported here—provides some funds to support all 10 of the projected Trident submarine fleet.

Basically, then, the answer to the question of my friend, the distinguished Senator from Wisconsin is yes, under my amendment we would have a better opportunity to more accurately evaluate the progress and construction of these submarines.

The PRESIDING OFFICER. The time of the Senator is expired.

Mr. McINTYRE. Mr. President, I yield myself 1 minute.

Mr. NELSON. Do I understand the Senator to say that under his amendment there would be no funds for procurement and construction of subs starting with what?

Mr. McINTYRE. Five through ten.

Mr. NELSON. And that in the committee bill there would be funds for 5 through 10?

Mr. McINTYRE. Some funds.

Mr. NELSON. I would be interested in the comments of the Senator from Washington on that.

Mr. McINTYRE. Could they do that on their time?

Mr. JACKSON. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Washington is recognized for 1 minute.

Mr. JACKSON. The point being missed here is that you cannot have it both ways. You cannot say you are for the Trident and then say later you have decided not to be for it.

In order to do with Trident what the Senator from New Hampshire has in mind, he will have to face the fact that some of these items have a leadtime of 7 years. I would like to know how the leadtime is going to be changed as a result of later reevaluation. We are buying Trident now, even under the proposal of the Senator from New Hampshire. The point is this: even under his proposal, we will be buying the long leadtime items for the last 5 of the 10 Tridents. If the program is canceled in the future, we are going to have to pay the forfeiture costs on those long leadtime items. The only real and significant difference between us is whether initial operating capability is to be reached in 1978 or in 1980.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. PASTORE. I think we get ourselves mixed up in a lot of razzmatazz.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JACKSON. Mr. President, I yield myself 1 minute.

Mr. PASTORE. I think this is a very relevant question. It has been decided here that we will build the Trident. If anybody is against building the Trident, the best thing is to vote for 1980; rather than sudden death, he will get a slow death.

Mr. JACKSON. And we will pay more for it.

Mr. PASTORE. If we really want to build the Trident and do it economically and according to schedule, there is not a man on the floor who has ever built a nuclear submarine.

So we have to go to people who have done it. We have the best expert in the whole country. We have Admiral Rickover, who has been in this program from the beginning, and is still in the program, and as long as he is in the Government, he will have direct supervision over it from now on. This is what he said.

Mr. NELSON. I read it.

Mr. PASTORE. The Senator read it. He makes it abundantly clear that we are proceeding according to schedule, that we know the technology, that we have had a full-sized markup. His argument is that anything we can build today will cost more tomorrow if we start building it tomorrow. The point he makes is this: If we are going to have it, we can do it comfortably by 1978, at which time we will know what we have, and the Congress can cancel any authorization and can cancel any appropriation any time it wants to. But if we are talking about dollars, it is fallacious to argue that anything we build by 1978 is going to cost more than if we complete it by 1980. It just does not make sense.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JACKSON. Mr. President, I yield 1 minute.

Mr. NELSON. I wanted to ask a question or two.

Mr. JACKSON. I yield.

Mr. NELSON. Is the Senator saying that if we will have the Trident we have to have 10, that we could not have 5?

Mr. PASTORE. No, I am not saying that at all. We are not authorizing 10 here. There is a tremendous lead time involved here. We have canceled program after program even while the program was going on, but what we want is the first Trident by 1978. That is the question here. Naturally, there may be some money that has to do with hardware that will go in the first one, but if we decide to go later on into the second, third, fourth, and fifth one, we can do it with that. It is going to take a long time before we build the 10. Any time we want to cancel it, we can.

Mr. NELSON. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. NELSON. That is not the way I understood it. The way I understood it, the first Trident will come in in 1978, then three in 1979, three in 1980, and three more in 1981. How do we stop the program if one came in in 1978——

Mr. PASTORE. We do not appropriate the money for the other three. We are not appropriating money for 10 Tridents.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. JACKSON. The Defense Department must come to Congress each year for an ongoing authorization and an ongoing appropriation.

Mr. NELSON. But we cannot build three subs, if one comes off the line in 1978 and the other ones are already under construction——

Mr. JACKSON. The leadtime is 7 years for most of these items.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JACKSON. I yield myself 1 additional minute.

We have already made commitments on many of these long-lead-time items.

Mr. PASTORE. But is there any money in here for the three in 1979? The answer is there may be some money on the hardware, but there is no money for the building of the ships.

Mr. JACKSON. Just for a few long lead items, that is all. Most of the items we are authorizing here have leadtimes of 4 to 5 years. There are some which have a 7-year leadtime. That is why we authorized some long-lead time items last year. They are already being procured.

Mr. NELSON. I am for the longer stretchout. If that really stretches it out, I would be for the McIntyre amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JACKSON. I yield myself 1 minute. If the Senator wants to stretch it out, there is no question it can be stretched out, but the Senator has to ask himself how much more we are going to pay for a stretchout. We have estimates that it will be perhaps $1 billion or more. The argument is not whether we are going to have the Trident or not have it. It is over a stretchout of the Trident program.

The PRESIDING OFFICER. Who yields time?

Mr. McINTYRE. Mr. President, I yield myself 1 minute to make a point and will then yield to the Senator from Illinois.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. McINTYRE. Mr. President, the distinguished Senator from Rhode Island stated that we must build the Trident soon and save money. We on the Armed Services Committee lived with the torture caused by the Cheyenne helicopter which never got off the ground, and the problems of the F-111, which cost the taxpayer billions of dollars. We know the problems caused by speeding up a weapons system. Another classic example was the C-5A. Excessive haste results in cost-overruns and incredible waste.

That is what we are talking about. That is what the conflict in the pending bill is about.

Mr. President, I yield 3 minutes to the distinguished senior Senator from Illinois.

Mr. PERCY. Mr. President, I will try to make seven or eight points in the 3 minutes.

Mr. President, first I believe very strongly in a strong defense. I voted against every single across-the-board cut since I have been a Member of the Senate. We ought to be selective. We ought to take the responsibility and share that responsibility.

I do not believe that détente can be productive if it is not backed up with a strong effective military that can act as a deterrent and we can take the aggressive against any nation that acts against the interests of our allies.

Despite that, I supported yesterday the program for Trident. I believe in it. I spent several years in the U.S. Navy. I keep up as closely as I can with new developments that may occur, as most of us do in the services in which we have served.

Mr. President, I cannot for the life of me see the wisdom of an accelerated program. I support wholeheartedly the McIntyre-Dominick amendment.

First, simultaneous research, development, testing and construction would greatly increase the possibility of costly errors as we have seen in other systems.

If we have learned one thing it is that we ought not to try to tool at the same time we are trying to research and make changes. It is utter madness to do that.

For 25 years I, along with my friend, the distinguished senior Senator from Missouri, learned that the way to speed up is to proceed in a careful manner and not cut corners to speed things up. It would cost us money and we would end up with a product that is never as good as it would otherwise be.

Militarily, there is no need for an accelerated program, since the Polaris/Poseidon force is an awesome sea-based deterrent for which there is no identifiable Soviet threat which could endanger even a small fraction of the force in the foreseeable future. Certainly our technology in this area is ahead of that of anyone else.

Prudent development and construction of the Trident system under the original system provides adequate bargaining power at SALT II.

We believe in SALT II. We want to see it work. However, the bargaining chip idea that we have to start accelerating a program at the same time we decelerate another program makes no sense. I believe that there is adequate bargaining power for SALT II.

Mr. President, Trident acceleration telescopes the financial burden of the program within the next few years, since acceleration envisions beginning construction of all 10 submarines within the next 4 years. Returning to the original schedule, we can save $885.4 million in this year's budget and $1 billion in next year's budget.

I feel absolutely certain that we will get our product in better shape and more error-free and just as soon, if not sooner, than if we were to try to go into an accelerated program. It makes no sense at all.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. McINTYRE. Mr. President, I ask unanimous consent that the time for the vote originally scheduled at 11 a.m. today be at 11:15.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire?

Mr. FULBRIGHT. Mr. President, reserving the right to object, what was the request?

Mr. McINTYRE. Mr. President, I ask unanimous consent that the time for the vote which was originally scheduled for 11 a.m. today be extended to 11:15 a.m.

Mr. FULBRIGHT. Mr. President, it was agreed that the vote would be at 11. I have a very important engagement and I relied upon the unanimous-consent agreement. It was understood that we would vote at 11 a.m. I do not know what else the Senators can say that has not already been said.

Mr. McINTYRE. Mr. President, in order to get some Senators on the floor to hear the closing arguments, we took 30 minutes of our time. They are now present, and that is the reason we are delayed.

Mr. FULBRIGHT. Mr. President, does the Senator really believe that anything can be said that has not already been said?

I would not object to 10 minutes.

Mr. McINTYRE. The vote will occur then at 10 minutes after 11.

Mr. BAKER. Mr. President, reserving the right to object, I did not hear the request.

The PRESIDING OFFICER. The Senator from New Hampshire asks unanimous consent that the vote scheduled for 11 a.m. occur at 11:15 a.m.

Mr. FULBRIGHT. Mr. President, I do not object to that.

Mr. BAKER. Mr. President, I have no objection. I withdraw my reservation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I yield 3 minutes to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, we have heard on the floor of the Senate time and time again about a crash program. The fact still remains that Admiral Rickover, the father of the nuclear navy, knows more about how to build a nuclear sub than any other man in the world. He has been in the program from the very beginning.

He said that we are going according to schedule and can do it comfortably. I do not know where we get the idea that this is a crash program.

Let me remind the Senate that when we built the *Nautilus* and put it in the water in 1954, it was the first one and the cost was $58.2 million. When we put the *Cavalla* in the water in 1973, the cost was $96 million. What does that prove? It proves that the longer we wait, the more it costs.

What I hear today is an echo of what we heard in the early fifties. I remember then about how we wanted to get into the hydrogen bomb. And Edward Teller said that we could build it. A lot of people then asked, "Why should we build it? We have the atomic bomb. We don't need a hydrogen bomb."

We went to see President Truman. He gave his consent and we got into it. It was exploded on the Nevada flats in November 1952. Does the Senator know when the Russians exploded theirs? They had a hydrogen bomb in August 1953, only 9 months after we exploded our hydrogen bomb.

That is what we are arguing today. Let us not lose what primacy we have in our underwater Navy.

The idea that we are on a crash program is ridiculous. Admiral Rickover said that we are not on a crash program. He said that we can do it and do it in less time than 1980.

That is the assurance from the most knowledgeable man in the United States.

I say to the Senators on the floor that none of us has ever built a nuclear submarine.

Mr. RIBICOFF. Mr. President, is the Trident not the key nuclear deterrent in the United States?

Mr. PASTORE. The Senator has put his finger on the crux of the matter. It is a platform, a launching platform, and that is exactly what we need. We can put this Trident 500 miles out of New York and hit Moscow, Peking, or any place in the world. That is the purpose of it.

The Russians cannot find it, and that is why they are frightened. Every land-based missile we have is targeted by a missile our of Russia. However, as far as a moving mobile launching pad is concerned, that is the best deterrent.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JACKSON. Mr. President, I yield 1 minute to the Senator from Connecticut.

Mr. WEICKER. I thank the distinguished Senator from Washington.

I would only point out that I would like to know what theory it is that can possibly explain that a piece of military hardware is going to be less expensive in 1980 than in 1978. No amount of economic gymnastics is going to be able to achieve that. It is a simple matter of commonsense that we are going to pay more and more the longer we drag it out.

The arguments are made that the Cheyenne, the C-5A, and some rather notable failures are equated to the Trident. That is not the issue here, as I understand it. This piece of hardware works.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JACKSON. I yield the Senator an additional half minute.

Mr. WEICKER. It is not in the same category with those particular actions. So both on the cost basis and on the basis of giving us a good piece of defense hardware at the least cost, I throw my support behind the Senator from Washington, and I hope other Senators will look at it in a similar light.

Mr. McINTYRE. Mr. President, I yield 3 minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, we are not arguing today as to whether or not we ought to have the Trident submarine. That has been decided, and I am for it. We are arguing today as to the time frame on which we will build the Trident submarine. We are not arguing as to whether or not we should have the Trident submarine missile system. That has been agreed to. The question now is, when is it to be put in place?

What we are really arguing about here today, Mr. President, is priorities. I am not going to take up the argument as to whether we save any money. I doubt whether we will. I think that is a valid point. But I ask Senators, who passed a budget ceiling of $268 billion, since every Senator here has been voting for programs for the domestic scene which, if we do not cut this defense budget, will bust that budget ceiling, I put the question directly to Senators: Is it so essential that we put the date of 1978 for the Trident submarine and, therefore, spend, in this coming fiscal year, $885 million more because of that date, or can we have it stretch out under the original program up to 1980, and have that $885 million that we can put into health, education, manpower, housing, child care, school lunches, and the things we need? Because, make up your mind: We cannot have everything the Defense Department wants in this budget, and also the things we want. We are going to have to make up our minds.

The PRESIDING OFFICER. The Senator's time is expired.

Mr. HUMPHREY. I submit, Mr. President, we had better put some balance to it.

Give me 1 more minute.

Mr. McINTYRE. I yield the Senator 30 seconds.

Mr. HUMPHREY. Mr. President, are we weakening ourselves? Look at what we have in this budget: $750 million for five new attack submarines; $175 million for Poseidon missiles; $235 million for conversion of Polaris to Poseidon; and $445 million for 45 antisubmarine planes.

And a Trident missile, for which we have $642 million.

We are not going to give the Soviet Union an easy way out. We are a strong country. This program makes it stronger, and the military power of our country is unquestioned.

Mr. WEICKER. Mr. President, will the Senator from New Hampshire yield for a question?

Mr. McINTYRE. Mr. President, at this time I yield 3 minutes to the distinguished acting chairman of the Armed Services Committee, the Senator from Missouri (Mr. Symington).

Mr. SYMINGTON. Mr. President, I have here a telegram from the Chief of Naval Operations, Admiral Zumwalt, which in effect, denies that he used the term "Soviet agents" when discussing this matter on national television yesterday.

I shall read one part of it, and ask unanimous consent that the rest of the telegram be printed in the Record. The admiral did state:

> The Soviets, in a host of ways, including the use of employees here, do make a concerted effort to impact upon U.S. policy.

I ask unanimous consent that the full text of his telegram be printed at this point in the Record.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

Hon. Stuart Symington,
Acting Chairman, Senate Armed Service Committee, U.S. Senate, Washington, D.C.:

Reference your telegram. I assure you I see no Soviet threat on Capitol Hill. I assume your telegram refers to NBC TV report 26 September. Following is transcript of my comment. Please note that therein I made no reference to Soviet "agents" nor, in point of fact, to Members of the Congress.

Quote: John Cochran, NBC. Admiral Elmo Zumwalt, campaigning for the Trident submarine, fears that Congress may not take the Soviet threat seriously enough. Zumwalt says Soviet agents have lobbied on Capitol Hill against the Trident.

Admiral Zumwalt. The Soviets, in a host of ways, including the use of employes here, do make a concerted effort to impact upon U.S. policy. This is a courtesy that is afforded in our democratic way and a courtesy that they don't afford us in the Soviet Union.

John Cochran, NBC. But Zumwalt is more concerned about Senators McIntyre and Dominick then about Soviet agents. In the vote set for tomorrow, the two Senators have about a 50-50 chance of pushing through their amendment to slow construction of the Trident submarine. Unquote.

E. R. Zumwalt, Jr.

Mr. SYMINGTON. Mr. President, the able Senator from Illinois, the former head of a great manufacturing concern, has expressed my position this morning better than could I. All this talk about the vital importance of such long lead-time is plain bunk. Everybody who has had anything to do with military procurement—and I have been connected with it for over 30 years, in private industry, and Government—knows that the trick is to get the camel's nose under the tent, then come back and say, "We have already invested $1 billion, or $2 billion; you do not want to scrap that, do you?"

After listening to this debate during the last several days perhaps we should give serious consideration to abandoning the Research and Development Subcommittee of the Committee on Armed Services, possibly the committee itself. Let us simply call up Admiral Rickover, whose name time and time again has been and is brought up as the only person who really knows anything about manufacturing these submarines—

> Admiral, we have read recently your derogatory remarks about the United States Naval Academy. We know you recently stated we could cut in half the present number of generals and admirals. We appreciate this consistent criticism of your own service. Now please tell us what we should do in this matter, because you are the only one in the world who really knows. Last year you were the only one whose opinion counted. Now this year, based on this debate, apparently you are the only one whose opinion counts. Therefore, please let us know, Admiral, what we in the Senate should do.

Mr JACKSON. Mr. President, I yield 30 seconds to the distinguished junior Senator from Connecticut.

Mr. WEICKER. Mr. President, I would just comment on the remarks of the Senator from Minnesota, who said that everybody agrees the Trident should be built, that clearly the Senator from New Hampshire does not agree. He compares it to the C-5A and the Cheyenne. If that is the case, it should not be built. But it is not the same at all. This works; it is not in the same category, and, therefore, it should be built.

Mr. JACKSON. Mr. President, I think we should emphasize that the Trident program was officially exempted from the requirement of so-called fly before you buy because of the record—dating back to 1957—of the Polaris system. To equate Trident with less well managed weapons systems is like comparing apples with oranges.

Mr. HUMPHREY. Mr. President, will the Senator yield me 15 seconds for one comment?

Mr. JACKSON. Yes.

Mr. HUMPHREY. I did not say we should not build the Trident. I said we should, and so does the Senator from New Hampshire. It is only the question of the time frame in which we build it. And I am not arguing about the price. I am simply saying to Senators, "You cannot have your cake and at the same time have a Trident submarine in 1978, while we fail here, time after time, to expand our budget to meet domestic needs."

Mr. JACKSON. I yield myself 30 seconds. The Senator says we cannot have our cake and eat it. I say the record is clear: To stretch out this program will cost us $1 billion or more over the life of the program. Any Senator interested in saving money should know that stretching out the program costs more.

I yield 2 minutes to the Senator from Georgia.

Mr. NUNN. Mr. President, I raise this question: Are all these domestic programs so desirable and necessary as against a long-range program that relates to the security of our country? I, for one, must voice my dissent that the two can be weighed against each other. To me, national security must come first, and certainly those of us who believe that cannot so weigh it.

Mr. President, throughout the debate on the Trident program, I have been struck by the fact that so little attention has been paid to how this program affects our international position and our national security. Instead of these issues we keep hearing about how we are being misled or deceived by our own people, that our adversary, somehow, is not the Soviets, but the U.S. Navy or the Department of Defense.

I think, therefore, that it is important that we consider, in the concluding moments of this debate, the charges that have been raised against the case supporters in the Senate, and the officials of the Government in support of Trident.

We are told that the Navy is interested only in bigness for its own sake, that it is interested in ever-larger boats regardless of any other consideration. It is interesting that opponents of Trident, who already say the submarine is too expensive, want us to build even more, so-called smaller submarines. They tell us that 10 Tridents are too expensive, but what we really need is 20 or 25 of something else. I can imagine their reaction if the Navy said that it would be better to have 25 small submarines, rather than 10 Tridents. What would the opponents of Trident be saying?

I have also been dismayed to hear the argument that the Trident I missile is enough, that putting this missile into Poseidon boats would allow those boats to remain close to the United States, far away from Soviet antisubmarine warfare forces, and, therefore, make the extended operating area of the Trident submarine unnecessary. It is, of course, counter to all good sense and strategic planning to define the area for potential adversaries in advance, where our strategic submarine deterrent is going to be operating. It is foolish in the extreme to give up the vast operating expanse of ocean as a potential hiding space by restricting the operations of the submarine deterrent to only nearby waters. The Trident submarine, with the Trident II missile, makes the whole ocean a safe sanctuary for our seaborne strategic deterrent. Should we announce to the Soviets that we are going to give up that sanctuary?

Another point raised by the proponents of delaying the Trident is that we ought to "fly before we buy."

All of us think that is a good concept, but, as the Senator from Washington (Mr. JACKSON) pointed out, the proponent of that concept, the originator, Mr. Packard, exempted the Trident program specifically in a conversation that the Senator from Mississippi (Mr. STENNIS) documented on the floor last year in the debate on the Trident program.

Moreover, the argument here is internally contradictory, since the opponents have taken great pains to point out that they wish to proceed with the Trident I missile, and to have the missile available by 1978. They want to proceed, therefore, with production of the first missiles even while developmental work is going on. Why this violation of their own principle?

The fact is that a certain amount of "concurrency" has been a part of the deployment of every U.S. strategic system. The only alternative to it is endless redesigning, and the construction of the Trident fleet on a prototype-by-prototype basis. But to deploy Trident on this basis would remove all the economies of production, and would be a case of mismanagement in the extreme.

I know the advocates of delay say they fear that we may be "locking ourselves in" and that we will not be able to respond to future breakthroughs in the technology of undersea warfare. They use this argument to refute the claim that Trident is needed precisely as a hedge against new developments in this area.

I believe this argument for delay misrepresents the situation. It is, in effect, an argument for doing nothing, while we wait to see what the Soviets come up with. But it conveniently ignores the fact that a seaborne missile system takes years to deploy, that the sensible thing to do is to move ahead with a submarine that will employ every feature of improved speed and quietness available, that can be equipped with a Trident missile, of intercontinental range, so that the area of ocean available for the submarine to operate in will increase geometrically, perhaps 10 times what it is at present. In fact, the company building the reactor for Trident has built all 104 nuclear ship propulsion plants. These ships have steamed over 23 million miles with 1,075 years of operating experience. They are not an untested entity.

These arguments, of course, are in the realm of the technical. The proponents of delay also have a host of arguments that might be termed political and strategic. They say, in effect, that whatever the technical considerations, it is simply bad policy to deploy the submarine in 1978.

I have heard it said, for example, that deploying Trident in 1978 would be a wrong "signal" to the Russians, that we ought to demonstrate our sincerity about arms control by postponing the Trident program. I believe, Mr. President, that if anyone wishes to talk about sincerity in this regard, he ought to be talking to the Russians. The momentum of the Soviet arms program since the first SALT agreements were signed is a matter of record. The massive construction program in the Soviet Union of missile-firing submarines is also a matter of record. The only "signal" we will be sending the Russians if we postpone Trident is that we are prepared to sit still while they move ahead. And that, Mr. President, is precisely the wrong signal to send. It will destroy all hope for meaningful arms limitation agreements.

I want to emphasize, Mr. President, that in expressing our determination to preserve our security, there is no substitute for Trident. Proponents of delay may argue that the right "signal" has already been sent, because we have restored funding for a jet fighter, or because we passed an amendment to last year's SALT I interim agreement resolution saying that we want genuine equality in any permanent SALT II agreements. But voting for a tactical weapon, while postponing a strategic one, and issuing declarations about what we would like to see happen, are not substitutes for doing what must be done.

Finally, Mr. President, whatever else may be said on this subject, I want to stress once again that Trident in 1978 is a feasible and practical proposition. The program will be managed by an experienced, competent team, which has performed brilliantly in the past. It is a team with a proven track record. It has given us the successful Polaris/Poseidon program, when some said it was an impossibility.

I ask the Senate to consider not only the problems of acquiring Trident, but the more important question: Where will we be if we have to wait another 2 years for it? In 1980 the Russians will have had a 4,000-mile plus range missile at sea for 7 years, and we will still not have one. The Russians could have as many as 85 missile-firing submarines at sea, while we have the same 41 as we have today, indeed, the same 41 we have had since 1967. If the proponents of delay have their way, if Trident does not appear until 1980, we will have gone 13 years—from 1967 to 1980—without deploying a single new nuclear powered missile-firing submarine, while in that same period the Russians will have deployed more than 80. This is a risk we cannot afford to take.

Trident is a pressing concern, Mr. President, an urgent national priority which deserves the support of the Senate.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter dated today written to me, from Rear Adm. R. Y. Kaufman, the Trident program coordinator.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE NAVY,
Washington, D.C., September 27, 1973.

Hon. SAM NUNN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NUNN: The Secretary of the Navy has asked me to reply to your questions regarding the survivability aspects of backfitting the TRIDENT–I missile into existing POSEIDON submarines, and on the degree to which the "fly before buy" policy is not being followed in the TRIDENT program.

It is true that the TRIDENT–I missile can be placed in the POSEIDON submarines as early as 1978 in the event that this measure is required to give the existing ships, which are less survivable than the TRIDENT, additional range and patrol area to offset increased ASW threats. There are several very important deficiencies which are not alleviated by this measure alone, however. The POSEIDON submarine, built with technology of the 1950's, is noisier, less mobile, and much less capable in the area of sonar equipment than TRIDENT, and one might observe that a threat which might endanger the oldest of our POSEIDON submarines threatens the newest. There is no basic difference, no significant improvement, from one to another. The lack of very quiet mobility also is most important; the POSEIDON submarine in a normal patrol period can use only about one-quarter of the area, at quiet speeds, as can the TRIDENT with the same 4000 mile missile installed. Finally, the hedge measure of installing longer range missiles in POSEIDON submarines does nothing to remedy the aging problem to be faced by our entire 41 ship force as we reach the 1980 time frame. This entire force, built in a short, 7-year period, will commence reaching a 20 year life—as a block in 1979 and 1980—just shortly after the first TRIDENT can be available. As you know, the specifications to which these vital ships were built assumed a life expectancy of 20 years. The Navy considers these ships of such vital importance in the deterrent mission that they should not be degraded in performance or reliability.

The other point on which you requested amplification was that of concurrency, or the "fly before buy" policy enunciated by former Deputy Secretary of Defense David Packard. I should first like to point out that the development time of our TRIDENT submarine and missile are both greater than that allocated to the previous very successful and respected POLARIS systems. The following table, which provides development periods of the past missile programs and the latest, most complex nuclear attack submarine may give a clear picture of this situation:

SUBMARINE

Interval: Start detail design to delivery in months

Latest SSBN class, 48.
Latest attack submarine, 56.
Trident, 62.

MISSILE

Interval: Start development to IOC in months

Polaris A–3, 48.
Poseidon C–3, 72.
Trident C–4, 82.

The TRIDENT program has been more thoroughly studied prior to completion of Preliminary and Contract design than perhaps any previous ship. The Navy and the AEC have been working hard for over 4 years on the TRIDENT design and development. The same approach to development, design, and deployment of this ship is being followed as has been used in every nuclear propelled ship commencing with NAUTILUS.

It is perhaps of interest to note that even those most severe critics of the TRIDENT program object only to what they view as early introduction of the ship, but not to as rapid development of the TRIDENT missile as is possible to accomplish. Yet, from a standpoint of risk and concurrency, the very fact that the missile development costs about five times that of the ship might raise a question as to the consistency in the views of the critics. It might also be observed that the "fly before buy" policy is not appropriate for complex, large ships which require a development and construction period—a lead-time—of 5–7 years or more, and thus through sheer passage of time would have many obsolescent features built in were we not to overlap in the stages of construction and development.

I feel, Senator Nunn, that we should dwell on this last point for a moment. Our Navy ships do not represent merely a vehicle which performs a single, isolated job. In many cases, they individually perform or can accomplish a number of various roles or missions. They are not dependent upon the success of any one unit or weapon in their arsenals for success of their myriad missions. If one unit of equipment, or one weapon, fails—there is redundancy to permit accomplishment of that or other missions. Unlike missiles or aircraft, which required long R&D periods but short production periods, our ships require just the opposite.

For example, in TRIDENT, as measured by previously funded R&D, the submarine development is one-third complete, and as measured by R&D funding through Fiscal Year '74, will be three-fifths complete! Our ships, unlike a single purpose aircraft or missile, do not lend themselves to the mass production, assembly line techniques so familiar to the aerospace or electronics industries from which spring so many of our advisors in Defense, in the staffs of the Congress, and among the authors of writings on strategic systems most popularly quoted in debates today. Our ships, with large, heavy propulsion plant machinery, and with welded hulls which must withstand tremendous forces, are more representative of "piece work"—work which requires years and care. These ships are not single mission, short life vehicles—they are floating or submerged communities. Adoption of a pure "fly before buy" approach in their case would infer building a single ship, and waiting for the 5 to 7 years required to start the class. One might observe that with the changes technology could provide in that time, we would be led to a situation where we might build a one-ship class every five to seven years! Only where the driving force of the ship—the propulsion plant—or the operational concepts of the ship are completely revolutionary and unique might it be observed that the complete prototype or "fly before buy" concept is applicable to ships. The Navy has adopted that concept, as you know, by building land based propulsion plant prototypes for new reactor plants, or building prototype ships where appropriate. The TRIDENT propulsion plant, in smaller form, is at sea today; furthermore, a full scale, operating prototype is being constructed.

In examining the alternative proposed by the sponsors of the amendment being considered, there is very little difference in concurrency in building TRIDENT at a 1–3–3–3 rate, and at the alternative 1–2–2–, etc. rate. The ship construction periods are so long that in either case numbers of ships would be under construction or contracted before the first has been at sea and extensively operated. Furthermore, the slowed program, by the estimates of the Project Manager, could cost up to $1 to $1½ billion more, with almost $600 million more being attributable to escalation alone.

During Senate action last year in an amendment to the Appropriations Bill, the Chairman of the Senate Armed Services Committee, Senator John Stennis, testified on information that he had been provided by the architect of the "fly before buy" policy, former Deputy Secretary of Defense David Packard, to the effect that the importance of TRIDENT was such that he felt the need, by 1978, was the overriding factor in his decision on TRIDENT.

The orderly program being followed by TRIDENT provides for meaningful steps of testing and evaluation to assure that development problems are identified early in the program. Alternative measures are planned to offset failure of those areas adjudged of highest risk; on the other hand, virtually all of the ship technology, the area of objection by critics, is at hand, in many cases, in ships today in various stages of use or evaluation. The new propulsion plant represents merely an upgrading in size of a successful development in a ship in the fleet. The new sonar has been most successfully tested. The ship construction processes are not basically more complex than has been accomplished by our experienced submarine shipbuilders.

Finally, Senator Nunn, the same development and construction teams as were so successful in the POLARIS program are heading up TRIDENT. Vice Admiral Rickover, the driving genius in the Navy's nuclear propulsion program, and Rear Admiral Smith, whose technical expertise guided POLARIS and POSEIDON, are leading the TRIDENT technical development. Older, wiser, and with personnel who have, now, years of operational experience, our team has a record of past success which should be useful in predicting the results in the future.

I hope this will answer your points satisfactorily. I will be happy to amplify or provide additional information which you may desire.

Sincerely yours,

R. Y. Kaufman.

Mr. JACKSON. Mr. President, I reserve the remainder of my time.

Mr. McINTYRE. Mr. President, I yield 2 minutes to my distinguished colleague from Colorado (Mr. Dominick).

The PRESIDING OFFICER (Mr. Hathaway). The Senator from Colorado is recognized for 2 minutes.

Mr. DOMINICK. Mr. President, obviously I will be, of necessity, brief. First of all, I want to comment on some of the remarks appearing in the Record today.

The Senator from Rhode Island (Mr. Pastore) says and I quote: "The longer you wait, the more it costs." He is referring to the relative costs of what the carriers were. In building a carrier, we have a set design and the cost goes up because of inflation. On Trident we do not have any kind of set design yet. The Navy has not even decided that they should have 24 missiles. They have not decided what they need in the way of insuring that it will be quieter than the others. They have not decided any of these items because we are not far enough along to make the decisions yet.

As the Senator from Illinois says, when we do not have a set design and then we try to crash it together doing everything at once, we have concurrency which has led us into problems before today.

The Senator from Rhode Island (Mr. Pastore) also said,

> We can put these missiles on and take it 500 miles and hit anything in the world.

Well, we can take the missile that is being developed by 1978 and put it on a Poseidon and hit anything in the world 500 miles out of New York. Thus, it does not make any difference whether we build the submarine. The launching platform is simply a launching platform with which the R. & D. subcommitltee, Senator McIntyre and I, are going along by 1980. We can backfit the missile into the Poseidon by 1978——

Mr. PASTORE. Mr. President, will the

Senator from Colorado yield, inasmuch as he mentioned my name?

Mr. DOMINICK. I have the floor and I do not have the time.

Mr. PASTORE. The Senator is mentioning my name——

Mr. DOMINICK. I am quoting what the Senator said——

Mr. PASTORE. I mean, the Senator is misquoting me. He is absolutely misquoting me.

Mr. DOMINICK. Mr. President, the next thing I should like to point out——

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Who yields time?

Mr. JACKSON. Mr. President, I yield 2 minutes to the Senator from Arkansas (Mr. McCLELLAN).

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 2 minutes.

Mr. McCLELLAN. Mr. President, I was undecided when this debate began whether I would support the amendment or oppose it. My concern has been as to what is the wise and prudent thing for us to do. I was not certain that a majority of the Senate, or any large majority of the Senate at least, favored the Trident program.

I am now convinced that it does. I had anticipated someone offering an amendment to strike all of the program from the bill, but no one has offered to do that. No one has offered such an amendment. So those who have remained silent and have not offered to strike it either favor the program or ultimately will do so, or concede that we are going to have such a program.

It will cost $535 million just to cancel the program now—to stop it where it is.

Since the great majority of the Senate propose that we do have the program, that we carry out the project, then the issue resolves itself to this: That we are going to have the Trident, that we are going to have this program, and that we are going to complete it.

So, what is the practical, economical and sensible thing to do, under the circumstances?

I think it has been demonstrated beyond any doubt that if we stretch out this program as proposed by this amendment, ultimately we are going to pay for 11 and get only 10.

Is that the sensible thing to do?

In the meantime, I want to suggest this: That since this matter has to come before the Appropriations Committee, together with my colleagues on the committee, I am going to search every way in the world to see if there can be any practical reduction in the total amount requested for this year. But we are going to have it. We are going to have it. If we want to pay for it, we can get it quicker and cheaper by rejecting this amendment, or we can get it later and pay more by adopting this amendment.

The PRESIDING OFFICER. The time of the Senator from Arkansas has expired.

Mr. McINTYRE. Mr. President, no one on this floor is suggesting that the program be terminated. We will save $900 million plus if we adopt my amendment this year, a year when inflation runs rampant and balancing the budget should have top priority.

Mr. President, as I have warned time and time again, it is concurrency that gets us into trouble. I can think of no clearer example of such dangerous concurrency than what will occur under the accelerated Trident program. Before the first Trident submarine joins the fleet and becomes operational, we will have nine other submarines in various stages of production strung out behind it.

Further, I want to point out to my colleagues that this is the most massive spending program ever suggested or requested by the military.

In the next 3 years, they want us to spend $7 billion on the Trident system.

Mr. President, the Research and Development Subcommittee which I am proud to chair, did not dream up this idea of excessive concurrency. We did not invent the delay factor. My committee has been warned, and the Appropriations Committee has been warned, time and time again, of the costs and dangers of proceeding at an accelerated pace.

Listen to the words of one of the finest men that President Nixon ever sent down here, David Packard, the former Deputy Secretary of Defense:

> Almost without exception, the programs in trouble have been structured so that production had been started before development was complete. . . . Of all the major programs which we examined, there was hardly even one which kept to the original schedule. In every case, if more time had been taken to complete the development before production was started, the new weapon would in fact have been available to the forces just as soon but with fewer problems and at a lower cost.

So, Mr. President, do not buy this idea that if we do it fast we save a lot of dough. If we do it fast, we get ourselves in with a crocodile in the swamp.

Mr. President, I want to respond to the basic argument advanced by the proponents of an accelerated program of develment for the Trident submarine. That argument holds that acceleration will strengthen the President's bargaining position at SALT II by putting the Soviets on notice that we will have a Trident fleet operational sooner than the original development schedule promised.

Implicit in that argument, Mr. President, are two assumptions I cannot leave unchallenged.

In the debate over Trident the point has been made again and again that a vast majority of this body favors producing this giant submarine. The argument, it is said, is over the pace of development.

That is true, Mr. President, but—left at that—the issue seemingly divides us into those who want a Trident fleet as soon as possible, and those who do not. Unfortunately, this simplification hints that opponents of acceleration are not as concerned over security and not as determined to support the President at SALT II.

This is not only unfortunate, Mr. President. It is wrong.

The Senators who support the McIntyre-Dominick amendment to restore orderly development of Trident are motivated not only by their desire to save taxpayers money, but by their determination to see Trident developed and operational without the undue cost and delay they believe is inherent in the kind of crash program advocated by the Navy and the administration.

Mr. President, if I have learned one thing in my 10 years on the Armed Services Committee and my experience on the Research and Development Subcommittee it is this: Rushing the development and production of any major weapons system is not only the surest way to waste time and money—it risks delay in the ultimate development of that system.

As to ultimate costs, I am fully aware that the advocates of acceleration argue that any stretch-out of development time will add substantially to the final cost total because skills, materials and components that cost one price today will cost an inflated price tomorrow.

Indeed, in my subcommittee hearings on Trident the Navy told us that because of the inflation factor the orderly development schedule Senator DOMINICK and I propose would cost a half-billion dollars more than the accelerated schedule.

I am willing to accept that figure, Mr. President, because inflation cannot be ignored in the cost consideration of any long-leadtime system.

But I must say in passing that I am intrigued—if not a little annoyed—by the way advocates of acceleration have "accelerated" that cost differential from the half a billion dollar figure we were given in testimony to the "billion dollars" now being bandied about by the hyperactive hotfooting between Senate offices.

I say "annoyed," Mr. President, because I had hoped we could debate this issue with figures laying some claim to validity, and the critical question here is whether reducing the inflation factor by accelerating the Trident program is offset by a factor not even considered by the Navy when it costed out the two development schedules; namely, the heavy additional costs inherent in waste made by haste.

This is a critical question, and I would like to offer an answer based—not on figures which spring full-blown from the fevered imaginations of overzealous protagonists—but on figures contained in the Government Accounting Office's report to the House Committee on Armed Services.

In analyzing the reasons why actual development costs for 45 acquisitions were consistently above development cost estimates, the GAO cited three causes: Cost estimating changes, the Agency said, accounted for about 25 percent in the cost growth; inflation accounted for 30 percent; and revisions to the specifications—time schedules, quantities, or engineering changes—accounted for 45 percent.

Of the last, GAO said, and I quote from Page 29:

> Much of this type of cost growth results from unrealistic performance targets at the outset, including:

> Trying to do too much—challenging the state-of-the art frontier.
>
> Trying to develop and produce the system too fast. One of the most prominent attempts had been concurrency; that is, beginning production before full-scale development and testing have been completed.

In other words, Mr. President, if we accept the GAO's analysis, then we are left to conclude that excessive concurrency—which translates to haste—can cost more in changes and corrections than it will save in reducing the impact of inflation.

In 1970, the President's Blue Ribbon Defense Panel which included in its membership the current Deputy Secretary of Defense, William P. Clements, specifically warned against concurrency between development and production of weapons systems, and on January 8 of this year, in his final Report to the Congress, retiring Secretary of Defense Melvin Laird told of how he and Deputy Secretary Packard had worked to eliminate this practice in weapons acquisition, declaring on page 7:

> "Major, comprehensive changes have been made in the weapons system acquisition process of the Department. Under the guidance and no-nonsense pragmatic leadership of David Packard, my strong right arm as Deputy Secretary of Defense for three years, we replaced such bankrupt practices as total package procurement and an indiscriminate use of concurrency between development and production.

Mr. Laird continued:

> Our common sense substitutes included "test before you fly" and "fly before you buy" procedures, more realistic cost-estimating techniques, and the widespread use of contract milestones and prototyping. It will take some years before the improvements in our procurement procedures will be fully validated. But I am confident that time will demonstrate the basic soundness of the new procedures.

And so, Mr. President, we have the word of the President's former Deputy Secretary of Defense, the word of the President's former Secretary of Defense, and the word of the President's Blue Ribbon Defense Panel that "excessive concurrency"—beginning production of a system before development is completed—is not only costly, not only wasteful, but can, indeed, delay deployment.

And make no mistake about it, Mr. President, when we talk about an accelerated Trident program that would begin construction of all 10 giant submarines in the next 4 years, we are talking about excessive concurrency.

And when we talk about excessive concurrency we must consider all that excessive concurrency portends: flaws, errors, mistakes; the high cost of corrections; the time costs of backtracking to incorporate new technology; and the very real possibility of deployment delayed not only beyond the target date of the accelerated schedule, but beyond the much more certain target date of a more orderly development schedule.

Let me repeat David Packard's wise observation:

> In every case, if more time had been taken to complete the development before production was started, the new weapon would in fact have been available to the forces just as soon but with fewer problems and at a lower cost.

I ask my colleagues to consider Mr. Packard's words, Mr. President.

I ask them to support the amendment offered by the senior Senator from Colorado and the junior Senator from New Hampshire to return the Trident to a carefully ordered schedule of development that will not only accommodate the technical advances certain to be made in the next few years, not only minimize the costly flaws and errors of headlong haste, not only insure completion and deployment by a date more certain, but will convince the Soviet bargainers at SALT II that we will build Trident—and build it right.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JACKSON. Mr. President, how much time do we have left on each side?

The PRESIDING OFFICER. The Senator from Washington has until 10 minutes after 11, at which time the Senate will vote.

Mr. JACKSON. Mr. President, I believe that the distinguished Chairman of the Appropriations Committee, the Senator from Arkansas (Mr. McCLELLAN) hit the nail right on the head. He said we cannot have it both ways, that we must decide whether we will go with the program or not.

My good friend from New Hampshire is trying to convince the Senate that if we cut $800 million today we will have saved that money. We will not save it.

The Senator from New Hampshire is for the program, and I admire him for that. But the facts are that we are going to pay at least $1 billion more, if we delay the program. That is the crucial point.

You and I know, Mr. President, that no matter how much we think it will cost today, the price will go up even more if we delay.

Moreover, we will be creating difficulties for our negotiators of SALT II. I want to see, in the next agreement, strategic arms cutbacks on both sides. I want the Russians to cut back on their land-based missiles and I want the Russians to cut back on their sea-based missiles. I want to see us do the same thing, so that we can have what the Senate agreed to by a very large vote, what was agreed to in the House by an overwhelming vote, and what was signed into law by the President—United States-Soviet equality in intercontinental strategic forces. That is the way to peace; that is the way to save money; that is the way to help poor people, both here and in the Soviet Union.

Now, let me emphasize the basic points: First, this debate is not over whether or not we should build the Trident submarine. The question is, should we continue the program at its present pace, as approved by Congress last year, or should we order that the program be delayed?

Second, delay will increase the costs. Every Senator who wishes to see the program delayed should understand that this will add to the overall costs. The Defense Department says that it will add a billion dollars to the cost of the program to delay it even to the extent of the McIntyre amendment.

The reasoning here is simple. Building a submarine is a little like building a house—the longer it takes, the more it costs. Anyone who has ever built a home or an apartment house or a highway knows that delay costs money. In the construction business, working on the shortest possible schedule is the key to controlling costs. Stretchouts can turn profits into losses. The problem is that in building something like a submarine, roughly half the cost is overhead. Overhead means that every minute on the clock translates into dollars. The building sheds, the equipment, the machinery, the offices, the accountants and engineers and designers and management teams—all of these have to be maintained for the life of the project. The longer that takes, the more they cost. That is the simple fact: A vote to stretch out the Trident program is a vote to increase the final pricetag for our undersea deterrent.

At every crucial point in the recent history of American strategic programs, there have been those who saw no threat and who saw immense technical obstacles. There were those who said that the capabilities of the Russians were being exaggerated, and that we were falling victim to mindless fear.

I have been in Congress long enough to remember every one of those historic debates. I remember, for example, that some said the Polaris program was unnecessary and hasty, but where would we be today without Polaris, the backbone of our nuclear deterrent? Where would we be today if we had listened to those who said that our security would always be with us, and that any further programs designed to safeguard it were a waste of money?

Mr. President, I urge the Senate to reject the amendment.

Mr. TUNNEY. Mr. President, this vote on the pace of the development of the Trident submarine and missile system is one of the most important of the year. It will have a significant effect on the ordering of our national priorities, as well as on the crucial question of our national defense.

I have listened, in the last few days, to a great deal of discussion and debate about this issue. For the most part, it has been very useful in clarifying and exposing the choices. But I have been extremely distressed that, injected into the debate, has been a suggestion that this vote is a reflection on the loyalty of Senators or others to the United States. It is absolutely insupportable to me for any rational debate in this Congress to be tainted with jingoism or with implications of disloyalty to our country. I wish to state that, having considered all the debate, I have decided to support the amendment of the Senator from New Hampshire (Mr. McINTYRE), for the following reasons.

First, and most importantly, I believe the plan envisaged in the McIntyre amendment, to defer production of the Trident submarine for 2 years, while designs are completed and the Trident missile is perfected, will provide the United

States with a formidable deterrent force, at least the equivalent of the deterrent force we will have under the present Navy plan. We will be able to backfit the Trident missile into our present Poseidon submarines, starting in the late 1970's. This will give us about 10 years of useful life for these Poseidon submarines during which they will have a longer range Trident I missile, which gives them four or five times as much ocean room in which to maneuver. This added range is the single most important defensive factor for our submarines. Also, having the longer range missile in the Poseidon will allow us, at the earliest date, to withdraw our submarine forces from overseas bases.

I was very surprised to learn yesterday that the Navy did not plan to backfit the Poseidons with the Trident I missile if the present schedule for Trident submarine production was kept. This would mean that the Navy proposed to spend upwards of $2 billion to develop a missile which, by their own testimony, is meant only as an interim weapon. Frankly, I think it might be wiser in that case, to start work right away on a 6,000 mile missile, which is the whole purpose of building the huge Trident submarine. Moreover, if the present Poseidon fleet is not backfitted with Trident I missiles, and the Soviets develop superior ASW capabilities in the next 5 or 7 years. I can foresee the Defense Department telling us, in 1976 or 1978, that there was a severe threat to our deterrent because of the vulnerability of the Poseidons, and asking for some expensive, new system—or more billion-dollar Tridents—when our Poseidons would still have a useful remaining life, as a very safe, invulnerable deterrent, had they been fitted with the Trident I missile.

I realize the growth of the Soviet strategic forces, and the potential threat which that means for our deterrent capability. But a plan to backfit our Poseidons will be at least as useful in making our submarine forces into a maximum invulnerable system, as would production of the Trident alone. The Trident will, after all, come off on station in the early 1980's. The Soviets can have no doubt of our resolve and our determination to have a powerful, lethal strategic force under the seas.

The second aspect of the debate on this program is the economic one. On this debate, I find the sides about even. The Navy has testified, without real contradiction, that there will be some added cost in stretching out production of the Trident submarines from the present schedule. The figure given is somewhere in the vicinity of a half billion dollars. This does not include the sure knowledge that, at the end of the program, the costs will be much higher than the presently projected $13 billion, because of overruns and inflation factors. On the other hand, as good as Navy management of the submarine system has been in the past, I cannot overlook the logic of the argument that allowing more time for development of the lead, prototype submarine before committing design and production of the following ships will have to save some money. Every one of our 31 Poseidon submarines was a little different from every other one; they averaged something like 10,000 design changes for each ship. And the Poseidon was a smaller ship, much faster to build than the Trident, without as great a degree of concurrency between prototype design and full production as is proposed for the Trident.

In any case, I feel there are other advantages of the stretchout. New technology will inevitably come along in the next 5 years, both in submarine design and in ASW techniques. Giving a little more time before committing the design of the later submarines will surely allow us, at minimum cost, to incorporate new developments into our Trident fleet, and make that fleet better and stronger. Also, the stretchout will help avoid the problem we have today, of excessive "bunching" of the lifespan of our submarine force. This will be very crucial to us in another 30 years—when few of us will be around to take the blame—when our Trident fleet reaches obsolescence or needs replacement.

What the economic argument, in the end, means to me, is saving money in the defense budget today. Slowing down the Trident will save $3 billion in the fiscal years 1974–76. This is money which we desperately need to put into our domestic problems, and into more pressing defense problems, like modernizing the Navy's surface fleet. This program has been starved for funds because the Navy has placed so much of its procurement resources into some very expensive projects: the Trident, the CVN–70 nuclear carrier, and the F–14. America will benefit by having these funds available for other programs now. And America will also benefit by having a better-built, stronger Trident, and a more invulnerable submarine-based deterrent using a backfit of the Trident I missile.

Mr. ROTH. Mr. President, this is the second year that Congress has debated the question of whether or not to accelerate funding for the Trident submarine program. Last year I supported the amendment offered by the able junior Senator from Texas to continue an orderly and deliberate Trident program along the lines of the original Department of Defense schedule proposed in 1971. I have heard nothing this year to convince me that the hectic, costly accelerated program is either wise or needed. Instead, I continue to believe that the accelerated schedule is not only unnecessary and places an additional burden on the budget at a time we can ill-afford it, but also jeopardizes the effectiveness of the Trident program.

There is no question in my mind on the need for an American second strike capability that can withstand any Soviet attack and deliver a devastating blow in return. Such a deterrent is the surest guarantee that such an attack will never occur. Our missile-firing submarine force is an essential part of our deterrent, complementing our land-based ICBM's and our strategic bomber forces. Because our submarine forces are mobile, hard to detect, and therefore least vulnerable to surprise attack, it is important that they be maintained and improved to meet any foreseeable threat to their destruction.

But the question we are facing today is not whether or not to continue and strengthen our sea-based deterrent by building the Trident, but how best to do so. The orderly Trident program which I favor, as proposed in the amendment proposed by the Junior Senator from New Hampshire, calls for the construction of the first Trident submarine in 1980, followed by two submarines a year through fiscal year 1985. The accelerated program proposed by the Navy requires a lead submarine in 1978 and additional submarines at the rate of three per year. Thus construction of all 10 Trident submarines under the accelerated program would begin within the next 4 years.

This high level of concurrence, that is, the extensive overlapping of research and development with production, has proved in past procurements to be a major cause of cost overruns, production slippages, mistakes, and waste. It violates sound principles of good defense management and would establish an unwise precedent. Concurrency, moreover, is not merely wasteful. It also reduces the credibility of the final product.

By adopting the amendment we will be saving $885.4 million in this year's budget and $1 billion next year at a time when Government spending and inflation continue at a rampant pace. The Trident program is surely one of the most expensive programs ever before Congress—costing an estimated $13 billion to produce a total of 10 ships with missiles. Crowding the bulk of this expenditure into 4 years would make sense if there were sound strategic reasons for it, such as a credible threat to the survivability of our existing sea-based forces.

But no such threat has been demonstrated. To the contrary, the Department of Defense experts testified that our current Polaris/Poseidon submarine deterrent is invulnerable to detection and destruction now and until at least 1980. Its effectiveness is being enhanced by conversion from Polaris to the longer range Poseidon, a program for which this and past procurement bills have provided. Even greater survivability can be achieved, if necessary, by backfitting Trident I missiles, once they are available in 1978, to Poseidon submarines.

My colleagues on the Military and Research Development Subcommittee also report that the Defense Department experts testified not only that the United States leads the Soviet Union in antisubmarine warfare (ASW) technology, but that no Soviet ASW system can now be described. It seems only commonsense that the Trident program should proceed on a schedule that would permit adjustments to be incorporated to respond to ASW technology as it takes shape. It would be folly to have completed at breakneck speed 10 submarines that, however technically superb, were not designed to meet and counter the antisubmarine warfare technology of the future.

It should be emphasized that it is important to keep a close watch on developments in Soviet antisubmarine warfare capability. If, because of developments that cannot be foreseen today, it becomes advisable to expedite the Trident program, Congress can provide accelerated funding in future years.

In conclusion, I want to reiterate my support for the development of an orderly, strong Trident program as envisaged in the amendment. I think it is a responsible amendment and provides the most sensible approach to enhancing the effectiveness and credibility of our sea-based deterrent. The Trident program is a case where the old adage of "haste makes waste" applies.

Mr. McCLELLAN. Mr. President, we have under consideration one of the most expensive weapon systems yet devised or proposed for our defense arsenal, the Trident submarine and missile. This system is estimated to cost about $13 billion for a fleet of 10 submarines, or $1.3 billion each when armed with the Trident missiles. We are faced with making a decision on that system that will have a long-range effect on the quality of our deterrent capability in the 1980's. It will also have a significant effect on our military budget for the next dozen years or more.

There is, perhaps, never a "good" time—a comfortable time—for making a decision of such import and magnitude. But this decision we will make on this issue comes at a time when we are in an economic vise of soaring costs and shrinking dollars.

It comes at a time when we are under compelling necessity to cut Federal spending.

At a time when there are increasing domestic social demands on the Federal treasury.

And at a time when demands are being made for exorbitant slashes in the defense budget.

The Committee on Armed Services has reviewed this proposed weapons system in great detail. I understand the Armed Services Committee is unanimous in support of the Trident. They disagree only on the issue of how fast the program should be implemented. Moreover, a majority of the committee has recommended the full authorization requested for the Trident this year of $1,527,400,000.

We have already invested $960.3 million in this program. If we now approve the amount recommended by the committee, we will have committed $2,487,700,000 to the procurement of the Trident system.

The pending amendment before us would stretch out the Trident program, delaying the initial ship operation from late 1978 to early 1980. The amendment would also cut the proposed authorized expenditure of $1,527.4 million to $642 million, a reduction of $885.4 million in fiscal year 1974.

The Department of Defense takes the position that this reduction, with its imposed slow-down, will ultimately add from $1 billion to $1.5 billion to the overall cost of the 10 boats. We may well, however, recoup far more than that, it is contended, by reducing the high degree of concurrency with its potential for errors and slippages that is built into the existing timetable. That is the essence of what we will decide when we vote on the pending amendment.

This week's debate on the Trident, however, indicated that some Members may have reservations about the need for continuing this program in any form. Therefore, I asked the Department of the Navy to furnish me with its best available estimates of the costs that would be involved to terminate the Trident program in its entirety. Those estimates present the following picture:

Assuming a termination date of December 1, 1973, it would cost U.S. taxpayers $535 million to now wind-down and terminate the total Trident program, both submarine and missiles. The cost involved in terminating the submarine program alone would be $175 million, and another $360 million would be required to terminate the missile development. This $535 million termination cost, if added to the $960 million we already have invested in the Trident, would result in an expenditure of $1,495 million. And we would have spent that money—nearly $1.5 billion—and have produced nothing by way of a tangible, viable weapon system.

Mr. President, I make these observations merely by way of information for the Senate. It is, I think, important that we know precisely where we stand by way of expenditures and investment as we consider our vote on the pending amendment.

Mr. KENNEDY. Mr. President, once more we are considering an amendment introduced by members of the Senate Armed Services Committee to reduce the level of authorization for the Trident weapon system. Once more we are asked to evaluate the claims of the Navy that failure to provide the full $1.5 billion request will jeopardize our national security in an irreversible manner. Once more we must come to a decision on whether our strategic deterrent will be adequate this year and in the next several years even if we do not commit ourselves to supplying the Defense Department with every last dime it has requested.

Since virtually all of us have been visited by the highest officials and officers of the DOD and the Navy Department, I think it is appropriate to recognize at the outset what this amendment does not do.

This amendment does not say we should deny major improvements to our nuclear submarine fleet. I firmly believe that the nuclear submarine fleet is the critical element of our nuclear deterrent. I also believe that in the absence of major new arms control agreements, a follow-on nuclear submarine will be vitally necessary.

But this amendment does not halt the major rearming of the Poseidon fleet. This year alone we are authorizing $200 million for the rearming of additional submarines with a tenfold addition in the number of nuclear warheads they carry. Clearly, this program, which is well underway, represents a major and continuing improvement in our submarine deterrent. No question now exists of our second strike capability.

This amendment does not even halt the plan to develop and be ready to deploy the Trident I missile by 1978. On the contrary, the authors of the amendment are fully in support of the most expeditious completion of the testing and development of the Trident I missile, with its potential to add some 1,500 miles to the Poseidon missile range, effectively tripling the ocean area from which the submarine could strike at the heart of the Soviet Union.

This amendment does not even say that all development of the Trident submarine itself should be halted. In fact, it contains some $104 million for continued research and development on the submarine itself as well as $40 million for the procurement of certain critical long-lead-time items.

As one who seriously questions the rationale for even this level of commitment to the design of the Trident submarine which, under the SALT I agreement, would mean a reduced number of ships carrying our undersea missiles, the amendment represents a substantial accommodation to the Navy's views already.

This amendment, which incorporates the unanimous view of the Members of the Senate Research and Development Subcommittee voting on the measure, as well as 7 of the 15 members of the full committee, merely does the following:

First, it would reduce the level of authorization by $885 million this fiscal year, virtually all of that savings coming in the form of deleting the requirement that the first $1.3 billion Trident submarine be deployed in fiscal year 1978 and three more in each of the following years. Instead of having the first submarine ready by 1978, it would plan for the first ship coming into the fleet in 1980.

In order that there be no doubt of the reasonableness of this time schedule, it is vital to recall that this is the time schedule approved by the Secretary of Defense and by the President only 2 years ago, prior to the SALT agreement. At that time, within the Defense Department, the argument raged over the appropriate deployment schedule. Even then, prior to the conclusion of the SALT agreement prohibiting an ABM system by the Soviet Union and limiting the number of offensive weapons, it was the judgment of the top civilian and military leaders of the Nation, that the security of the Nation would not be affected by the deployment of the first Trident in 1980.

In fact, Admiral Moorer testified before the Senate Armed Services Committee 2 years ago that only in the absence of an ABM treaty and a limitation on the Soviet offensive weapon buildup would it be necessary to accelerate the timing.

The ABM treaty was signed.

The interim agreement to limit offensive forces was signed.

The criteria established by Admiral Moorer were met.

Yet we are told today that the decision merely to hold the timing to the original plan recommended by the Department of Defense would be disastrous to our security needs. I find those arguments difficult to accept, particularly when one examines what our strategic force structure is today and the potential for the future.

The nuclear Triad with its overwhelming redundancy contains 1,054 ICBM's, of which over 550 are being refitted to carry three warheads capable of hitting separate targets in the USSR. Our bomber force of 500 FB–111's and B–52's contain more than 2,000 nuclear weapons and our submarine deterrent with 26 of the Poseidon boats already carrying MIRV's now bristles with more than 3,000 nuclear weapons. A single submarine could destroy 160 Soviet cities at a distance of 2,500 miles.

The reality of the situation is that we now have 7,100 operational strategic nuclear weapons and, by the Department of State's calculations, by 1977 we will have 10,000 nuclear warheads capable of hitting the Soviet Union. Nor do these calculations even consider our forward based bombers which also have a capability of reaching the Soviet Union with nuclear weapons.

Under no circumstances are the arguments of fear and strategic illusion raised by the Department of Defense justifiable. Our strategic deterrent is secure and every witness testifying last year on the SALT agreements acknowledged that fact.

I would like briefly to discuss several of the arguments raised by opponents of this amendment.

First, they claim that the submarine fleet is aging so rapidly that they must be replaced at the earliest possible date. In fact, in 1978 when the Defense Department is asking for the first Trident submarine to be deployed, the average age of the 31 Poseidon boats will be only 14 years. Even by 1980 when this amendment would permit the first Trident to be on the seas, the average age of the vessels will be only 16 years. Even the oldest of the entire Polaris fleet will not be 20 years old until 1980. And despite the frequent claims that 20 years is the maximum lifespan of the nuclear powered submarine, a more accurate estimate would appear to be closer to 25 or 30 years.

In testimony before the House of Representatives appropriations subcommittee, Rear Adm. Harvey Lyon, the Trident project officer, admitted that the useful life of the Poseidon boats was 28 years.

Second, the argument is raised that on the grounds of vulnerability the Poseidon fleet is in danger. But once again, the hard facts seem otherwise. When pressed, no Defense Department witness could point to a single piece of evidence to indicate that the submarine fleet is vulnerable today. As to the future, the speculation of Soviet improved ASW capabilities remains speculation. Despite the massive effort of the past decades, the Navy admits that not once has a Soviet killer submarine ever tracked our submarines. Yet for our deterrent to be endangered, Soviet attack submarines would have to track simultaneously all 41 of our submarines and destroy them simultaneously.

If there is any hedge that appears needed, refitting the Poseidon with the Trident I missile will provide that hedge. It would triple the ocean space where our submarines could hide, by extending the missile range to 4,000 miles. Even that range could be extended by reducing somewhat the number of warheads carried on each missile.

In addition, the issue of vulnerability is two-sided. For the Trident submarine proposed for breakneck development may be even more vulnerable than the existing smaller Poseidon vessel. The larger submarine may be a better target if antisubmarine warfare developments focus on sonar or any other device in which size is a factor. We may be placing more of our nuclear eggs in a smaller number of much larger and perhaps more vulnerable baskets. With the SALT I treaty in effect, we would be limited to fewer than our current 41 submarines if we continued the Trident production. Obviously, the degree of difficulty for an opposing antisubmarine fleet is multiplied when they have to track and kill simultaneously 41 submarines as they would today, compared to being able to concentrate their forces against a much smaller number.

But the basic point remains. No one knows what the developments in antisubmarine warfare are likely to be and there is no immediate national security rationale to justify committing ourselves 2 years earlier than necessary.

A third argument raised by the opponents of this amendment is that we must engage in this expensive process as a way of placing additional bargaining chips in the hands of our SALT II negotiators. Our experience with bargaining chips in the past should have convinced us that this posture means the expenditure of billions of dollars, the escalation of the arms race and the little positive effect on negotiations. It is not the Trident or any other single new weapons decision that affects our negotiating stance. It is the evidence of our will to provide for our own defense—evidence which is amply provided for in a budget of more than $80 billion for defense, whether or not it includes an additional $885 million for Trident. No one can doubt that we are maintaining a strong deterrent, and the Soviet Union is obviously aware of our continued willingness to do what is necessary to obtain a fully adequate defense.

The result of having ABM's as bargaining chips was to see that we spent billions of dollars on an ABM system that has never been proved, a system that is precluded by the ABM treaty. Yet the delay in negotiating an agreement while we pressed forward with an ABM system meant that instead of a single ABM site, the Soviet Union was permitted to build a second site.

The result of declining to agree to a ban on MIRV's or MIRV testing has meant that the Soviet Union finally has given enough time to develop a MIRV capability. For 4 years, the Pentagon cried "wolf" virtually whenever it suited their purpose of arousing fears of a rising Soviet threat so as to justify U.S. deployment of MIRV's.

Mr. President, now they have succeeded in merely adding to the pot another set of chips, chips which would have been better used had they never moved from the research and development state to deployment.

Now once again we hear the Trident being put forward as a bargaining chip. If history is any guide, the commitment to deploy Trident will galvanize the Soviet Union to more rapidly achieving the MIRVing of their submarines. Once again, the bargaining chip will have been used with the only sad result being the Soviet's achievement of their own MIRV bargaining chips.

I believe that this amendment is thoroughly in keeping with a fully adequate nuclear deterrent now and in the near future. It avoids an unnecessary expense at this time and hopefully will avoid the excesses of overlapping research and development and production which was largely responsible for $31 billion in overruns on 45 weapons systems in the recent past. It would not detract from immediate defense capabilities and it would avoid an unnecessary escalation in the arms race. I strongly urge its adoption.

Mr. McINTYRE. Mr. President, in the course of the Senate debate over the McIntyre/Dominick amendment, it has been alleged on several occasions that the Soviet Union already possesses a Trident submarine.

As my colleagues know, I do not believe this to be the case and have so argued during the debate.

Therefore, I was particularly interested to read an analysis of this question in the Washington Post this morning. Written by reporter Michael Getler, a well-informed expert on military matters, this news analysis offers us an unbiased, objective view of the controversy.

I believe his report makes it clear that despite escalating rhetoric on the Senate floor, the Soviet Union does not have a Trident and is not building submarines which would compare with such a vessel.

I hope my colleagues will have an opportunity to read the piece before our vote and will, therefore, ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TRIDENT DEBATE: DO THE RUSSIANS HAVE ITS EQUIVALENT

(By Michael Getler)

As the Senate nears a decisive vote on the Navy's proposed $12.8 billion Trident missile-firing submarine project, defenders of the new weapon are picturing the Russians as "already having their equivalent of our Trident."

That is the way Adm. Hyman Rickover, the Navy's nuclear power chief described it in congressional testimony released last week. This week, Sen. Henry M. Jackson (D-Wash.), who is leading the fight for Trident in the Senate, also stressed that "the Russians already have a Trident" during an NBC-TV show appearance.

Actually, what the Soviet Union has is a missile-submarine program similar to a concept the U.S. Navy discarded two years ago.

In mid-1971, the U.S. Navy was considering a plan—known as Expo—to develop a new 4,000-mile-range missile for existing U.S. Poseidon submarines that now carry 16 missiles of 2,500-mile range.

But for a variety of reasons, the Navy decided instead to put all its money into a completely new missile-submarine combination now known as Trident.

The Russians, meanwhile, took a different tack. They developed a 4,000-mile range missile but decided to put it on what the Pentagon describes as a modified version of their existing Yankee class of submarines. The older Yankee class carries 16 missiles of relatively short, 1,500-mile range.

The submarines with the newer missiles are known as the Delta class.

Thus although much of the escalating rhetoric about Trident credits the Russians with having something equivalent to Trident, there are actually major differences in the U.S. and Russian approaches.

For one thing, the Russians are able to put only 12 missiles on each of their Delta subs. The Trident is meant to carry 24 each.

Further, while the Delta is basically the same as current Russian submarines, the Trident is a completely new vessel. It is to be twice the size of current U.S. vessels and will have the latest in nuclear propulsion and super-quieting devices to make it even harder to find beneath the seas.

Also, existing Poseidon missiles and the proposed Trident carry highly accurate MIRV-type multiple warheads, between 10 and 14 on each missile. The Russian Delta class carries missiles with single warheads.

Authoritative U.S. officials also say the new Soviet undersea missile—despite its longer range—appears to have only about half the weight-lifting power of the existing U.S. Poseidon missile. While the Russians may eventually be able to put MIRV warheads on their sea-based missiles, this weight-lifting factor could limit the size of such warheads to a point where they have limited effectiveness against well-protected U.S. targets.

For the Soviets to put still larger new missiles on submarines would seem to require that a new class of subs be built. Thus far at least, there has been no indication of that.

Aside from a new large submarine, the Trident program includes an initial 4,000-mile-plus range missile and eventually a 6,000-mile-range weapons. Both of these will carry at least as large a MIRV payload as the current Poseidon.

One of two major factors behind strong administration support of a speed-up Trident project, rather than the slower pace Senate critics favor, is the production line situation in each country.

The Russians have open and active production lines for their submarines. The United States is still producing some types of submarines, but no new missile subs have been built since 1967.

The administration wants the Russians to know that production lines would be in full swing as the 1977 deadline approaches when both countries have pledged to try to complete a permanent and more comprehensive limitation on offensive nuclear weapons.

This is linked to the theory that the Soviets recognize that the United States, if pushed, can out-produce the Russians. With no new agreement, the United States could quickly add Tridents to the existing fleet of 41 Polaris/Poseidon subs rather than using the new vessels to replace older ones.

Similarly, supporters of Trident argue that the Russians may attempt to put MIRVs on possibly more than 1,000 of their land-based ICBM force. Unless this is checked at SALT, it is argued that the 1,054 U.S. land-based missiles may eventually become vulnerable to attack. Thus Trident is also viewed as necessary if the United States is to quickly shift more of its nuclear retaliatory force to safer locational beneath the sea.

Critics argue, however, that even Defense Secretary James R. Schlesinger has said that it would take the Russians until about 1980 to actually MIRV their land-based missiles. They note that bombers and submarines are still likely survivors of any attack and that even at a slower pace, Trident would begin joining the fleet by 1980.

Also, aside from Trident, the Pentagon is moving to develop other hedges which should be included in the overall debate about Trident's relative importance.

The Air Force is studying mobile land-based missiles. A start is being requested for new cruise missiles that can be fired from planes or ships outside Soviet defense. Like small pilotless jet planes, they would be hard to detect on enemy radars and could fly in very low under defenses.

The United States is also developing, a new B–1 bomber, is putting new missiles on existing B–52 bombers, and is still spending large sums to develop a new ABM system that can provide an anti-missile defense ring around Minuteman silos if the arms agreements break down.

Mr. BEALL. Mr. President, during the past 3 days the Senate has engaged in a rather spirited debate on the merits of continuing the accelerated development of the Trident Missile/Submarine program. Last year the Congress voted to accelerate the Trident program, especially the development of the submarine itself. If the program continues in its accelerated mode, it is anticipated that the Trident will be ready for deployment in 1978. The missile has the capability of being deployed onboard the Polaris/Poseidon Submarines which are currently in use. With its longer range, the Trident Missile offers a significant improvement in our sea-launched strategic capability. In addition, the longer ranged Trident missile will allow the submarines to cruise further off shore, thus significantly decreasing their vulnerability to enemy counter measures.

During the next few years, the Soviet Union may well develop a first strike capability that will allow them to destroy our land based missiles and bombers. Thus, our seabased strategic capability becomes paramount in our continuing effort to deter the Soviet Union from attacking the United States or our vital interest around the world.

Throughout this debate, there has appeared to be a high degree of unanimity on the basic need to develop the Trident Missile and its sophisticated submarine. The question before the Senate has been, do we continue to develop the missile and the submarine on an accelerated schedule? Proponents of the accelerated development argue that we need to begin deploying the Trident as soon as possible so as to insure our national security.

The question has also beer raised as to how the Soviet Union's political leaders will view a Senate decision to slow down the development of the Trident. This decision coming just 1 year after the decision to accelerate the program might be interpreted by the Soviets as a sign of a flagging American commitment to our own security and that of its allies. I personally believe that such an interpretation would be a serious mistake and a serious miscalculation on the part of the Soviet planners. However, what I think is not important, what is important is how the Soviet Union perceives a deacceleration of the Trident program and how they respond to their perception. If they decide to continue or accelerate their own strategic and conventional buildup, then the approval of the McIntyre-Dominick amendment would have served to destabilize United States/Soviet relations. They might also choose to be less willing to make concessions at the European Security Conference, the Mutual and Balanced Force Reduction negotiations, and the second phase of the Strategic Arms Limitation Talks. Their overall track record during the last 50 years makes it very difficult for me to conclude that they would respond to an American decision to slow the development of the Trident by slowing their own military buildup.

We must also keep in mind the points that were raised with regard to the Western Europeans. Yesterday the Senate delivered a "shock" to our allies even though we ultimately decided not to mandate a 40-percent cutback in U.S. military forces stationed overseas. I opposed this cutback because I do not believe that it is responsible for us as a Congress or as a Nation to undertake acts which would so clearly contribute to destabilizing the international scene and in doing so lessen the chances of world peace. If we follow that "shock" by slowing the development of the Trident, we could well begin the process of unraveling the NATO Alliance and other security arrangements which are designed to protect and promote our national interests. If our allies in Western Europe and elsewhere conclude that we no longer have the will to carry the burden which history has thrust upon us, they will almost assuredly respond by drawing away from the United States and seeking an acceptable modus operandi with the Soviet Union or the People's Republic of China.

Arms control does not mean the same thing as disarmament. The objective of the SALT talks is to place a reasonable ceiling on strategic weapons, while allowing both the United States and the U.S.S.R. to meet their basic security needs. Since the SLBM will be our primary line of defense in the not too distant future, it is important for us to move ahead with all deliberate speed. The deployment of the Trident will certainly contribute to strengthening our position in future arms limitation talks, and I do not believe that this factor can be overlooked in our considerations.

A number of very effective arguments on behalf of these cutbacks. We are all aware of the potential dangers that exist when we move to full production concurrent with the feasibility testing. The $800 million needed to accelerate the Trident program above its original timetable are funds that could probably have been utilized to increase the capability of our Navy. Thus, one program moves ahead of the general needs of the fleet. I have noted, however, that the committee cut $94.6 million out of the Navy shipbuilding and conversion program request. In addition, the McIntyre-Dominick amendment No. 517 would delete $885.4 million from the Trident authorization, with no assurance that these funds would be used for other defense needs.

It has also been argued that the deacceleration of the Trident program would save money. Amendment No. 517

would have reduced spending in fiscal year 1974, but it is projected that the long-range effects of slowing this program would be to add $1 to $1½ billion to the total cost. These projected increases result from the increases in construction costs and readjustments caused by the decision to decelerate development. The estimated total cost of the present program is $12.8 billion which would have increased to at least $13.8 billion under the extended development program.

Mr. President, my decision on this measure has been a very difficult one for me to reach. I have carefully weighed the merits of the arguments on both sides of this issue. I have decided to vote against the amendment No. 517 because I believe that, it is important to the long-range security of the United States, and, perhaps more importantly, I am convinced that the 1978 date will result in a lower total program cost than the schedule prepared in the McIntyre-Dominick amendment. From the cost standpoint, therefore, a "no" vote seems justified.

Mr. HRUSKA. Mr. President, I rise in support of provisions in the bill for the Trident program. They should be retained without amendment or modification.

Much study and consideration went into the preparation of these provisions by the committee. These studies and efforts go back a number of years. They form the foundation and the basis for the authorizations contained in the bill.

Throughout in the development of the 1974 Defense program there exists the imperative of maintaining a clearly and undoubted adequate defense posture. Not a marginal one. Not one which would admit of some conjecture or possibility. But a defense posture which will be of demonstrated and hard-core realization.

The Trident program is a substantial and vital portion of that desired defense posture. It is designed to provide a timely and orderly replacement of the present nuclear powered ballistic missile submarines.

This design calls for the lead ship starting operation in 1978. This date is important. It is vital.

To adhere to this timing will be to advantage in several respects, each of which is persuasive.

First, by the time the first Trident begins operations, the oldest Polaris submarines will be approaching 20 years of age, which is their designed life expectancy.

Second, to delay the contemplated schedule would result in substantial increase in cost. Admiral Rickover, who does not take his responsibility lightly in matters of this kind, stated in this regard:

> If ten Trident submarines are bought on the delayed schedule contemplated by the amendment offered by Senators McIntyre and Dominick, the Navy estimates that the cost of the program will increase by more than one billion dollars.

Assigned as factors in this increased cost are breaks in the production lines, delay and disruption, and decreased annual quantity procurements, as well as from inflation occurring during the delay period. Hence, deferral of authorization of funds this year will not save money. In the long run it will cost much more.

Third, there would be a severe, adverse impact on negotiations to limit arms and armament which are now in progress and which are soon to commence, if there is a change in the authorizations contained in the bill. SALT II—strategic arms limitations talks—are now in progress in Geneva. Next month mutual force reductions talks will commence in Vienna. We should call on a recent experience in this regard. The reason the United States was able to obtain an ABM Treaty at SALT I is that we, not the Soviets, were ahead in ABM technology, and were building a defense missile system the Russians could not match. If we are to achieve success at SALT II, it will be on the same principle. It will not be because the Soviets want to cooperate with us and reach parity. More likely it will be because they think we are ahead of them in strategic systems or that without an agreement we are going to get ahead.

In short, if SALT II is to stand a chance of success, the United States must have the military power to deal with the Soviets. By moving as scheduled into a new weapon system like Trident there is introduced a problem for the Soviets which may furnish the incentive in them to want to assume a reasonable bargaining position. It is through the timely delivery of Trident, together with other important weapons systems that the President will possess the necessary power to achieve meaningful limitations of armament agreements. The bearing of such treaties on the maintenance of peace would be tremendous. So would the reduced pace, volume, and cost of the arms building race which has been going on between the Soviets and ourselves.

Fourth, the establishment and operation of Trident would go far to assure continued free use of the seas. This is of increasing importance to America as our dependence on foreign sources for energy requirements increases. The expanded and growing Russian sea power is being employed by the Soviets globally as an important instrument of their foreign policy. It would be foolhardy indeed not to take steps to counter the probabilities flowing therefrom.

There are those who argue that we now have reached a condition of less tension and hostility internationally than has existed for the past quarter century. Détente among the major nations of the world is said to be the order of the day. Hence, it is said, we can moderate and reduce our national defense posture.

This "détente" condition could readily and speedily change. Should that occur we must remember that the industrial capacity of the United States cannot possibly mobilize rapidly enough to turn military inadequacy into adequacy in face of crisis as it did in previous major wars. The sophisticated technology of the day will prevent that.

While we can be heartened at the détente between our Nation and the U.S.S.R. which has resulted from our foreign policy efforts, a détente is a fragile and often transient condition. Its continuation is dependent upon the intent and long-term ambitions of the U.S.S.R., as weighed against the apparent advantages of a détente situation.

In this regard, we must always keep in mind that today's Soviet leaders have never rejected their predecessors' statements on the inevitability of an eventual death struggle between the Communists and the capitalist-imperialists.

More significantly, despite the apparent détente, there has been no discernible slackening in the growth and modernization of Communist-bloc military strength and in the steady rise of the Soviet defense budget. In considering our own defense program, we must not ignore the latent threat which Soviet military forces pose to U.S. national security.

Mr. President, there are those who point to the heavy cost of the defense program. I certainly have had in mind in previous years as now, the necessity to carefully scan and judge the budget requests for defense as well as other programs. At another time I shall discuss this cost factor in greater detail. For the time being I wish to state that reductions in defense have been achieved in recent years and are reflected in the present request of $79 billion for fiscal year 1974.

One item alone gives clear proof of this: In fiscal year 1968 defense outlays were $78 billion. For this fiscal year, $79 billion are being requested. This means an increase of only $1 billion. However, during that same period of 1968 to 1974 fiscal years. Federal nondefense spending increased by $93 billion. If there is threat of bankruptcy, and if there are swollen budgets, then we should consider and point to the nondefense spending areas, not to defense programs. This is added to by the inflation factor. The 1974 budget figure of $79 billion, because of inflation and other factors, buys $34 billion less than it would have in 1968.

Further, let it be noted that the total authorizations provided in the subject bill is almost 7 percent below the amount requested. The request was $21,959,000,000—$21.9 billion—while the amount recommended is $20.5, which is over $1.5 billion less. So we applied cuts in a suitable fashion and figure.

DESCRIPTION OF TRIDENT PROGRAM

For informational purposes and background, I now set out a general description of this Trident program.

Trident is the popular name used to identify all major components of this new strategic program—the submarine, the missiles, and the support complex. The present program is structured to build 10 submarines, each capable of carrying 24 long-range ballistic missiles and to develop two missiles—the Trident I and Trident II. The first of these submarines will become operational in the late 1970's with the Trident I missile. The Trident I missile will also be compatible with backfit into our existing Poseidon submarines if this should become necessary.

Trident represents recognition of the credibility of our sea-based strategic deterrent in future national planning. Our Polaris/Poseidon Forces have had, and continue to have, a magnificent record of performance. The Trident system is being developed to insure that this record continues, and that our Nation will have a modern, survivable strategic deterrent system in the 1980's and beyond.

The decision to proceed with Trident is not based on any single additional or recent threat, but on a continuing assessment of the entire Soviet military effort. Today there is an absence of a visible, powerful Soviet threat to our Polaris/Poseidon Force, and no major ASW breakthrough is anticipated in the remainder of this decade. Even so, the significant research and development efforts the Soviets are pursuing in both basic ASW and supporting oceanographic studies suggests that the Navy's strategic deterrent forces, so vital to our national interests, cannot afford to sit idle as other elements become increasingly vulnerable to advancing technology.

Our present Polaris/Poseidon Force consists of 41 nuclear powered ballistic missile submarines. The Trident submarine program is designed to provide an orderly replacement for these submarines. By the time the first Trident begins operations, the oldest Polaris submarines will be approaching 20 years of age, their designed life expectancy.

Trident will be even more survivable to antisubmarine warfare efforts than our present submarines, because of improved submarine technology—higher speed and quieter operation—as well as greater missile range—therefore, more useable ocean area to "hide" in. The backfitting of the Trident I missile into Poseidon submarines would also increase the useable operating area for these submarines, but would not provide the submarine improvements of quieting and speed nor provide an orderly replacement program.

The Trident program includes the development of two missiles—the Trident I missile which has an expected range of 4,000 nautical miles and the Trident II missile which has an expected range of 6,000 nautical miles.

For a strategic deterrent force, basing in continental U.S. ports is particularly desirable. This option becomes available with the longer range Trident missile and therefore we do not plan on using overseas basing for Trident submarines.

With U.S. basing, our submarines, with a missile of adequate range, can be on target upon leaving port. Transit times to a patrol area are avoided and logistics problems are simplified and less expensive. We eliminate the need to fly our crews and material support overseas and the ships' crews can be with their families during the refit periods—a factor which aids retention efforts.

Extensive studies have been conducted on the optimal choice for the support site. Virtually every potential site on both coasts, in the gulf area, and some few outside the continental United States were considered. The decision has been made to deploy the initial Trident force in the Pacific Ocean; the site selected is near Bremerton, Wash., at an existing naval base.

Mr. President, it is my earnest hope this program will be followed through as scheduled. Its importance to our country and to the achievement of a stable and enduring peace is of the highest order and priority.

Mr. THURMOND. Mr. President, we have heard much argumentation and refutation on both sides of the Trident question. We have heard from the sponsors of the amendment that they favor the system, but question the "when" in the equation. Mr. President, I feel the "when" has been answered by the action of our adversaries. The information, the facts, that we have been presented in these past few days provide ample prodding. We must move, and move positively and aggressively, to assure that the most survivable element of our triad—the submarine (others being the bomber and the ICBM)—keeps well ahead of the "bow wave" of technology which can roll over a standing target.

Last year we heard much argument on the side of permitting the Soviets more submarines and more missiles than we were permitted. Not just a few more, incidentally, but a lot more. The rationale expressed was based on their shorter range missile, noisier submarines, lack of forward bases and greater distances to patrol areas, and their lack of MIRV. These were the reasons given, the excuses for permitting Soviet numerical superiority. Look at what the Delta class submarine, the new submarine SSN–8 missile—which can target Washington, St. Louis, Charleston—from the submarine construction yards in Russia—look at what these plus the new ICBMs and the MIRV do to that far-from-balanced equation.

Let me speak briefly to the criticisms spoken to on the Trident program:

Concurrency—or "fly before buy"—all one has to do is to examine the fact that Trident provides more development time—and with a top-notch, skilled, experienced development team—than previous Polaris or Poseidon programs. This is true in both the ship and the missile program.

Age of today's submarines—some argue that we can expect them to run until they're 30 years old. The Navy has no such firm expectations. The Navy is concerned as the submarines reach 20 years of age. The Navy sea-going experts like Adm. Rickover are the people we should consult regarding technical and operational considerations. Our oldest classes of nuclear submarines, not one of which is 20 years old, are not used by the Navy as "front-line" submarines now. The strategic submarines, the Polaris submarines, are even more important to us. Let's face the hard facts. With two crews, they are turned around rapidly and they are kept at sea. Let's make sure that our deterrent force can continue to maintain this pace.

"Acceleration" of Trident.—This is a misnomer. The term implies a "crash" program, similar to that of the first Polaris, when our Navy cut an attack submarine in half and thereby developed a Polaris missile submarine. The present program had its genesis in 1966–67. The Secretary of Defense and his subordinates directed introduction of Trident—the ULMS—in 1976–78. The Navy was forced to slip it temporarily in 1971 because they were not provided enough funds to have Trident, Vietnam, and the usual destroyers, carriers, and submarines. This short period of slippage was "cured" by the Secretary of Defense in late 1971 when he ordered Trident restored to its former schedule. He put in enough money for the Navy to do the job at that time. We are talking about a "restored" program, not an accelerated one. The submarine development program, which critics are fretting about, as measured by previously funded R. & D. is one-third complete. As measured by R. & D. funding through fiscal year 1974, it will be three-fifths complete.

High risk of Trident.—The Navy and the AEC have been hard at work on this submarine for over 4 years. The propulsion plant—a smaller model of it—is at sea—successful. It works. The sonar equipment which will give it the "edge" against even quieter generations of Soviet subs is the sonar being installed in the new attack subs now building. It is tested. It works. Quieting techniques to be used have been largely proved in test installations or at sea. I do not see a "high risk" here, unless it lies in the higher cost—much higher—R. & D: effort of the missile. But then the critics do not oppose the missile. But let us not delude ourselves or our constituents with claims of high risk in the much more everyday production of a submarine.

Mr. President—my colleagues—the proposal to delay the Trident submarine in the manner proposed does little or nothing to reduce concurrency. We sorely need momentum in strategic forces. The amendment would have us building Tridents, already once delayed, at a rate of two, instead of three, per year. We are playing with semantics; there is little reduction of the so-called concurrency. Furthermore, the amendment calls for a program which would cost the taxpayer about $1 billion in escalation alone. Not to mention whatever other costs come along because of slower, inefficient production lines, work stoppages, and the like.

Our position at SALT II will be much stronger if we lay the keel for the first Trident now.

The Soviets are building a new family of land-based missiles, which we are not doing. Thus it is more important that we move forward aggressively in building a new system which is lethal, invisible, and nearly invulnerable. It will help preserve the peace we all cherish.

Mr. President, the distinguished Senator from North Carolina (Mr. HELMS) prepared a very interesting and helpful chart that shows when the Trident would come on, as compared with the phaseout of Polaris/Poseidon. I ask unanimous consent that his chart and his letter concerning it appear at the conclusion of my address.

There being no objection, the letter and chart were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., September 21, 1973.
Hon. STROM THURMOND,
Dirksen Senate Office Building,
Washington, D.C.

DEAR STROM: In sorting out the arguments about the Trident submarine, I made up a little chart so that I could see when the Trident would come on, as compared with the phaseout of Polaris/Poseidon. The timing of this becomes crucial when the program authorization approved by the Senate Armed Services Committee is compared with the stretchout of the Trident program proposed by the McIntyre Amendment.

My conclusion is that the Committee bill prudently allows for a little leeway in the time overlap of the new system coming on. The McIntyre Amendment, in effect, cancels that leeway. It is also noteworthy to visualize the time distance between the expiration of the Inerim Agreement on Strategic Arms Limitation and the achievement of full operating capacity of Trident. The McIntyre Amendment would delay this even further. There is no guarantee that a permanent agreement acceptable to the United States can be signed before the Interim Agreement expires.

Further, at the present rate of R and D expenditures by the Soviet Union, it is possible that a breakthrough could be made in antisubmarine warfare that could result in the obsolescence of the Polaris fleet. Therefore, I feel we should continue on the present schedule to preclude that possibility.

Being a mobile system the Polaris/Poseidon fleet is constantly subjected to greater wear and fatigue problems than a fixed system. After twenty such demanding years, its dependability is marginal and the cost of maintenance has reached the point of diminishing returns, not to mention the likelihood of strategic obsolescence. For these reasons, I believe we should not plan on operating the Polaris/Poseidon systems beyond the twenty year period.

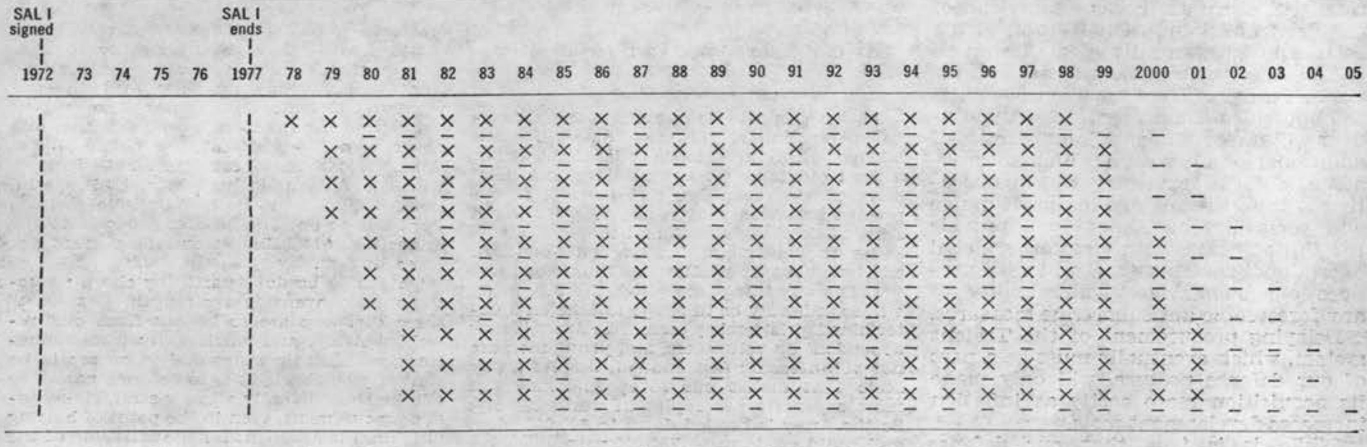
Sincerely,

JESSE.

PHASEOUT OF POLARIS/POSEIDON SYSTEMS COMPARED WITH INITIAL OPERATING CAPABILITY OF TRIDENT UNDER COMMITTEE BILL AND UNDER McINTYRE AMENDMENT

41 Polaris/Poseidon submarines approximate operating capability (based on 20-year life span): Replacement schedule for 1st 15

10 Trident systems: × = Operational program approved by Armed Services Committee; — = Operational program proposed by McIntyre amendment



Mr. BENNETT. Mr. President, the Senate is presently debating and voting authorization legislation for the Department of Defense and while I am not a member of the committees that deal with foreign policy in Defense matters, I am very concerned about the trend which I see developing in the Congress and in the country. It is quite apparent that the frustration which has been pent up in the Congress during the past 10 years as a result of the Vietnam war has now been directed at the over-all military posture of the United States. I am fearful that a repetition of past history is now under way.

America has always wished to remain aloof from the problems of other countries. We tried desperately between 1914 and 1917 to do that. In the end we were still drawn into the war in Europe. But once that conflict was concluded, we again withdrew behind the shores of our oceans and ignored the problems and developments in Europe and Asia during the 1930's. The American people and the Congress as late as 1940 were still ignoring the threats from Europe and the Pacific, and when war came, we were totally unprepared for it.

However, time was on our side, and this factor coupled with the protection of two great oceans enabled us to develop a sufficient arsenal so that hand in hand with our allies we were able to defeat the Axis governments. Unfortunately those oceans no longer provide an adequate measure of protection against today's sophisticated weaponry.

In retrospect America has done well since great power status was thrust upon her after World War II. No one would claim that we have not made mistakes, but Mr. President, I wonder if we are not now running the risk of making one of the great mistakes in American history. Under great pressure at home, facing a dollar crisis abroad, wearied by a long and inconclusive war in Asia and fighting against serious inflation, there is now a strong tendency among the people and the Congress to again retreat into a dangerous state of isolationism—and unilateral, partial disarmament.

The temptation to do this is understandable. For almost a decade and a half we have had serious balance-of-payments problems. We, as a people, have had to maintain a large military establishment while at the same time facing serious demands upon our financial resources at home and rising inflation throughout the free world. Unfortunately, the Military Establishment offers a tempting target for all these problems and frustrations in America.

There is no question that we have experienced some waste and inefficiency in our Defense programs, but I remind the Senate that we have experienced waste and inefficiency in domestic programs as well. There are those who are concerned that our Defense budget has risen despite terminating our involvement in Southeast Asia. These same sources paint a picture of a growing military program entirely out of touch with the new realities. I think however that Congress must be honest with itself and accept the fact that the 1974 Defense budget represents the lowest Defense program in terms of real buying power since fiscal year 1951. Why is this so? Because we, along with past and present administrations, have voted large pay increases for military personnel—and I think no one would deny that they were necessary. We have experienced inflation sufficient to reduce the 1974 Defense buying power to a level 40 percent below that of 1968 and 15 percent below the prewar level of 1964.

With this sagging buying power we must remember that we have in the American arsenal a fleet of aging strategic bombers, a Navy that has been overworked and inadequately maintained as a result of our Southeast Asian involvement and a fleet of aging nuclear submarines whose 20-year estimated lifetime is rapidly drawing to a close.

As a partial answer to the present state of our defense systems the Senate is now asked to vote on the proposed Trident program. Trident is a long-term proposal for the modernization and orderly replacement of our present Polaris and Poseidon submarines which are a key element in our Nation's nuclear deterrent and defense system. The four-part program which includes a 4,000-mile-range sea-launched missile, a

6,000-mile-range sea-launched missile, a new third generation nuclear-powered submarine and a base to be constructed in Bangor, Wash., is essential to the effective modernization and efficiency of our national defenses.

The first phase of Trident is scheduled to be ready in 1978 when 10 Trident submarines will replace the 10 oldest units of the Polaris/Poseidon fleet, which will then be nearly 20 years old and ready for retirement under their original development plans. The advantages of these new Trident submarines and missiles to our national defenses are numerous. First, the submarines will be able to travel faster, run quieter, dive deeper and stay at sea longer than the present fleet thereby enabling the entire system to be less dependent on foreign bases and less vulnerable to detection. The submarines will carry an increased payload of missiles from the present 16 to 24 giving each ship substantially more firepower.

And since the missiles will have an increased range of from 4,000 to 6,000 miles as opposed to the present 2,500 the Trident will have millions of square miles of additional ocean within which to operate while still remaining within operative striking distance. This great range and versatility of Trident will provide the United States with virtually a global operational capability and will vastly reduce our submarines' vulnerability to any foreseeable antisubmarine measures.

Delaying procurement of the Trident system, which eventually must be a part of our defense posture, will only make its acquisition more costly as inflation increases development costs.

While it is true that our defense budget is not sacrosanct, there is a point at which we are no longer trimming fat but cutting vital muscle. We must avoid the temptation to reach this point especially in reaction to the emotional residue from past disappointments. I believe we are now at that stage where all the fat has been trimmed and the muscle is now being exposed to an emotional budget-cutting knife and I would urge my colleagues to avoid the temptation to leave our defense crippled in the future from lack of foresight.

I think no one is opposed to reductions if the end result is a mutual reduction in Soviet forces and arms or if the security of the United States is not jeopardized in the balance. However, this is not the case with many of the proposed reductions, especially Trident, whose opponents have found a convenient place to cut defense without sufficient consideration for the future consequences of failing to implement the program now as a means of replacing aging equipment, and the costs of implementing the same program in the future when costs will have risen significantly, and we are forced to appropriate even larger sums to replace submarines which by then will long have passed beyond their designated life.

A few weeks ago, Stewart Alsop wrote a column in the Washington Post describing the efforts of certain people to emasculate the Defense budget of the United States. I ask unanimous consent that this article be included in the RECORD at the conclusion of my remarks. I quote from a paragraph of this far-sighted piece of journalism.

> It is curious reasoning that the way to deal with the threat of Soviet superiority in conventional and strategic power is to cut back on United States conventional and strategic power.

If this trend continues there will come a time when Soviet expansionism and adventurism, either diplomatic or military, will pose the greatest threat to America and the free world that we have ever known.

Peace is our goal, yet we cannot achieve it negotiating from weakness. Strength is our bargaining tool and from it will grow the generation of peace for which President Nixon has worked so hard.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE OPPOSITION BLUEPRINT FOR STRATEGIC DISASTER

(By Stewart Alsop)

This is going to be one of those old-fashioned, reactionary columns that will cause all right-thinking persons to label the writer a tired old toady of the military-industrial complex. But there are certain facts of our present situation that really do seem worth a bit of thinking about, and that are hardly being thought about, or argued about, or written about, at all. Here are four examples:

1. The way things are going, the U.S. Army will soon hardly be in shape to take on a determined girls' hockey team. The Army is now dependent on volunteers, and young men are not volunteering fast enough, despite a pay scale that makes our Army infinitely the most expensive per capita in world history. So the Army is headed down to 800,000 men, and could go down to 730,000 men.

Moreover, the Army bureaucracy, in its incredible way, has ruled that only 15 per cent of the men in Army uniform should be the fighting men of the three combat services, infantry, artillery and armor. That means an Army of around 120,000 combat soldiers—the rest are support troops or bureaucrats in uniform, rather less capable of harming an enemy than a determined girls' hockey team. An Army of 120,000 combat soldiers must seem some sort of joke to the Russians, who field a superbly equipped army of at least 80 combat-ready divisions.

2. Norman Polmar, U.S. editor of Jane's Fighting Ships, the traditionally accurate British guide to naval strength, believes that the Soviet Union, which hardly had a navy 15 years ago, "may already have become the dominant seapower."

3. U.S. intelligence satellites have spotted no fewer than three new Soviet missile types since the SALT I agreement was signed last year. All three are designed to carry very heavy warheads. One, for example, is a heavier version of the SS–9, which already carries a warhead about 20 times as heavy as the American Minuteman. Another uses a "pop-up" technique to enable the smaller SS–11 to carry a much heavier warhead than before.

Why all this emphasis on heavier warheads? The answer is obvious, MIRVing a warhead is like slicing a pie—the bigger the warhead to be MIRVed, the bigger, and the more numerous, the individually targeted warheads into which it can be divided. The SALT agreement represents a stable nuclear balance, simply because the Soviet missiles are not MIRVed and ours are. But all the experts are agreed that the Soviets will have fully mastered MIRV technology by 1980 at the latest.

Then, unless something is done in the meantime, the nuclear balance will cease to be stable. For then, according to the experts in such matters, the Soviets will have the capacity to knock out our entire land-based nuclear deterrent in a first strike, with enough nuclear warheads to destroy every major city in this country in a second strike. We will lack an equivalent capacity. Thus the stable nuclear balance will cease to be stable.

4. The Canadian truce team in South Vietnam, just before it withdrew in frustration, issued a report. The Canadians, hardly toadies of the U.S. military-industrial complex, reported that the North Vietnamese had been cheating wholesale on the Paris agreement. North Vietnam, the Canadians charged, "without being deterred one scintilla by the Paris agreement, has been infiltrating massive armed North Vietnamese troop units into Cambodia and South Vietnam in order to conduct military operations against the Republic of South Vietnam . . ."

One thing that is interesting about these four assorted facts is the reaction to them of the Democratic opposition. The Democratic Party of John Kennedy and his predecessors would have been howling to high heaven that something had to be done to right the growing imbalance in both conventional and strategic power. The current reaction of the Democrats is summed up in a paper signed by almost the entire liberal Democratic defense establishment—Paul C. Warnke, Adrian Fisher, Morton Halperin, Roswell Gilpatrick, Herbert Scoville, Herbert York and so on. The booklet proposes to cut more than $14 billion from the current defense budget.

This is to be done partly by sharp reductions in conventional strength. "At least" three divisions are to be cut from our enfeebled Army, and carriers, nuclear submarines, tactical air wings and so on are to be similarly cut back. It is to be done partly by eliminating virtually all new strategic-weapons procurement, even to the point of halting "the final installment for the MIRVing of the first 550 Minuteman missiles." And it is to be done partly by cutting off all logistic, economic or other support for the South Vietnamese.

All three proposals are fairly mind-boggling. The men who put their names to the report are intelligent men, but it is curious reasoning, surely, that the way to deal with an unquestioned threat of decisive Soviet superiority in conventional and strategic power is to cut back on U.S. conventional and strategic power.

The report points out that the "imbalance in the teeth-to-tail ratio" needs to be reversed. Indeed it does, and by the toughest kind of action, up to and including the mass firing of generals and admirals. But the way to do so is not to cut three divisions from our 13-division Army, for example, but to demand that the Army provide a lot more divisions—at least 20—from its 800,000 manpower level.

As for the proposal to cut off all logistic and other support to the South Vietnamese, this would of course insure the defeat of South Vietnam. The "massive" infiltration which the Canadians report is clearly in preparation for another North Vietnamese offensive, for which the Soviets and the Chinese are providing generous logistic support, including heavy tanks and long-range artillery. Cut off from all U.S. support, the South Vietnamese cannot possibly contain the offensive.

The betrayal of South Vietnam was the price demanded by the Communists for the return of our prisoners, before the Paris agreement. If this Democratic defense blueprint is approved, South Vietnam will be betrayed gratuitously, and the war lost retroactively. It is a curious atmosphere in which we find ourselves, in which moral men like those listed above can blandly propose the betrayal of a small dependent ally, amid nods of approval from other moral men, who can claim to have been right all along, when the inevitable defeat of South Vietnam occurs.

In such an atmosphere, the Democratic defense blueprint seems likely to be adopted without much argument or much thought. For to dispute its wisdom is to invite the Pavlovian label of cold warrior or Pentagon toady and no sensible man, no politician especially, wishes to be so labeled.

Mr. CHILES. The Poseidon submarines with their missiles are today the most important weapons we have and insure us of the capability of bringing about virtually complete destruction of Russia or any other nation that might launch a nuclear attack against us. The Trident submarine with its Trident missiles is the next generation of weapons to take the place of our existing Poseidon and Polaris subs.

The question before us is whether the Trident should be accelerated to 1978—or held back to 1980. No one participating in the debate is against the Trident. The question is one of judgment of trying to weigh the pluses and minuses of 1978 versus 1980. This is the most expensive weapons system ever proposed to the Congress. It is a bipartisan question with proponents for a strong defense posture of the United States being on both sides of the question.

The Trident has posed for the Senate a very difficult issue. It seems to me that the Trident missiles and submarines provide the very best defense we can have at the highest level of strategic deterrence. The range of the missiles and the maneuverability of the submarines will be a very significant advance over what we and the Russians now have. So I am a strong supporter of the Trident program.

But it is also true that this program is the most expensive weapons system the United States has ever undertaken. It will cost the American public $13 billion to complete the program. Today we faced the choice of whether to accelerate the building of the Trident submarines to be able to have some of them afloat by 1978 instead of 1980 or to stick to the original program as it was initially presented.

I voted to sustain the original program schedule for several reasons. Voting for the slower development of the submarines will have no effect on the production of Trident missiles which have a range of 4,000 miles. The missiles can be carried by our existing fleet of Polaris/Poseidon subs. So the increased deterrence and defense capability that we will get from the greater range and number of Trident missiles will be realized as rapidly as is feasible and would not have been slowed up if the original pace of the Trident program had been maintained.

But the accelerated production of the Trident submarines before the research and development stage has been properly completed would without question have raised the costs of the overall program considerably. The savings to the taxpayer this year alone as between the original and the accelerated program would have been $680 million. I am now chairman of a new Ad Hoc Subcommittee on Federal Procurement. Federal procurement experience shows that major cost overruns inevitably occur when production programs are rushed and pushed on top of research and development. This is compounded by the fact that the Trident submarine is a state of the art advance over what we have previously produced. This means there is more room for errors in the R. & D. stage. So by voting for the original production schedule we are following a more prudent and fiscally responsible procurement policy without sacrificing anything in military preparedness because the missiles will provide us with a good share of that security base given our current submarine capacity.

Mr. ROBERT C. BYRD. Mr. President, I support the McIntyre-Dominick amendment to put the Trident system on an orderly schedule of research, development, and production.

Throughout my years in Congress, I have consistently fought for and supported appropriations to assure that the United States maintained a strong defense posture. I continue to feel that survival must be our first priority and I have been impressed with the arguments on this amendment that, in my opinion, show conclusively that keeping the original production date of 1980 for the Trident will in no way weaken our defense.

In fact, production in 1980, as opposed to the accelerated date of 1978, could actually strengthen the United States by giving more assurances that the Trident, when finally put into operation, would be an effective deterrent.

Under the proposed accelerated program, production of the Trident would take place concurrently with its research and development. All 10 proposed Trident submarines would be built within the next 4 years; and, during the same period, the research and development program for the Trident would be trying to ascertain what kind of potential enemy challenge the submarine should be equipped to meet.

Seven members of the Armed Services Committee have said that "there is no surer way of inviting errors and adding excessive costs" than by building a weapons system at the same time it is in the research and development stage. We have only to look at the Poseidon program, where the first 10 of those submarines were obsolete by the time they were built. Fortunately, in the production of subsequent Poseidons, early errors were capable of being corrected. If, however, the entire fleet of Tridents were built before the research and development made any real progress, it is logical that production errors could not be corrected and both time and money would be wasted in costly overruns.

The McIntyre-Dominick amendment is a rational, reasoned alternative that not only offers savings of $885 million in this fiscal year—when inflation is pushing prices sky-high—but the amendment also offers a better chance of developing a weapons system that will be unquestionably effective. Under the McIntyre amendment, the first submarine would join the fleet in 1980, rather than in 1978; and the remaining Trident submarines, with any needed redesign and development adjustments incorporated, would be added at the orderly rate of two-a-year after that

All available expert testimony reveals that our present submarine fleet will be more than adequate well into the 1980's, and no evidence has been presented of danger to our defense posture in the meantime that would necessitate a pell-mell rush at this time to accelerate the program while the research has not yet been completed. Let us remember, Mr. President, that we are not arguing about whether we will have the Trident submarine. That matter has already been settled. We are going to build the Trident. The 1980 production date for the Trident—called for in the McIntyre amendment—is still several years earlier than the date originally sought by the Navy in 1971.

I repeat that, during my years in public life, I have been a staunch supporter of military appropriations designed to make the United States second to none in defense, and I continue to feel that all the needed budget cuts cannot be taken from the Department of Defense.

However, I see in the Trident program an opportunity to save the taxpayers of America $885 million this fiscal year, and, at the same time, strengthen the Trident program by assuring that its research and development is thorough before its production is begun. I think it is unwise to go for a program under which we would tool up and produce the Trident submarine even before the research has been completed. This could lead to costly overruns in the immediate years ahead. We should proceed in a systematic manner to conduct the research and build the Trident in the orderly way as is contemplated by the McIntyre amendment.

I shall vote for the McIntyre-Dominick amendment.

The PRESIDING OFFICER (Mr. TUNNEY). All time has expired.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from New Hampshire. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. McGEE. Mr. President, on this vote I have a pair with the senior Senator for New York (Mr. JAVITS). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. JAVITS) is absent for religious observance, and his pair has been previously announced.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business, and, if present and voting, would vote "yea."

I also announce that the Senator from Kansas (Mr. Pearson), is absent because of illness.

The result was announced—yeas 47, nays 49, as follows:

[No. 425 Leg.]

YEAS—47

Abourezk
Bayh
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston

Dominick
Eagleton
Fulbright
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Hughes
Humphrey
Inouye
Kennedy
Mansfield
Mathias

McGovern
McIntyre
Mondale
Moss
Muskie
Nelson
Packwood
Percy
Proxmire
Roth
Saxbe
Stafford
Stevenson
Symington
Tunney
Williams

NAYS—49

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Brock
Buckley
Cook
Cotton
Curtis
Dole
Domenici
Eastland
Ervin
Fannin

Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Jackson
Johnston
Long
Magnuson
McClellan
McClure
Metcalf
Montoya
Nunn

Pastore
Pell
Randolph
Ribicoff
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stennis
Stevens
Talmadge
Thurmond
Tower
Weicker
Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

McGee, against

NOT VOTING—3

Javits
Pearson
Taft

So Mr. McIntyre's amendment was rejected.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. THURMOND. I move to lay that motion on the table.

Mr. PASTORE. I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

Mr. ABOUREZK. Mr. President, I call for the yeas and nays on that vote.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays are ordered.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. Whose motion are we considering?

The PRESIDING OFFICER. We are voting on the motion to table the motion to reconsider.

Mr. PASTORE. But my question is, Whose motion is it?

Mr. JACKSON. Mr. Pastore's.

The PRESIDING OFFICER. Senator Jackson made the motion to reconsider. Senator Thurmond made the motion to table.

Mr. THURMOND. To lay on the table.

The PRESIDING OFFICER. Senator Thurmond made the motion to table. Senator Jackson made the motion to reconsider.

Mr. THURMOND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. THURMOND. As I understand now, those who favor the committee position would vote "aye"; those who are opposed would vote "no." Is that correct?

The PRESIDING OFFICER. That is an interpretation and the Chair does not make interpretations.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that the request for the rollcall vote be withdrawn.

Mr. ERVIN. I object.

Mr. THURMOND. I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Iowa (Mr. Clark), is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. Clark), would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Javits), is absent for religious observance and if present and voting, would vote "nay."

I further announce that the Senator from Ohio (Mr. Taft) is absent on official business, and if present and voting would vote "nay."

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

The result was announced—yeas 50, nays 46, as follows:

[No 426 Leg.]

YEAS—50

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Brock
Buckley
Byrd, Robert C.
Cook
Cotton
Curtis
Dole
Domenici
Eastland
Ervin

Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Jackson
Johnston
Long
Magnuson
McClellan
McClure
McGee
Montoya

Nunn
Pastore
Pell
Randolph
Ribicoff
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stennis
Stevens
Talmadge
Thurmond
Tower
Weicker
Young

NAYS—46

Abourezk
Bayh
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Cannon
Case
Chiles
Church
Cranston
Dominick
Eagleton

Fulbright
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Hughes
Humphrey
Inouye
Kennedy
Mansfield
Mathias
McGovern
McIntyre

Metcalf
Mondale
Moss
Muskie
Nelson
Packwood
Percy
Proxmire
Roth
Saxbe
Stafford
Stevenson
Symington
Tunney
Williams

NOT VOTING—4

Clark
Javits
Pearson
Taft

So the motion to lay on the table the motion to reconsider was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all yea-and-nay votes today following the vote on the amendment by Mr. Fulbright, which will be the next vote, be limited to 10 minutes, with the warning bell to sound after the first 2½ minutes.

Mr. GRIFFIN. Mr. President, reserving the right to object—and I shall not object—no Senators are on the floor who heard the request. I would say that there was some concern and objection to the shortening of votes to 10 minutes the other day. It applied to the morning hours when the committees were meeting. As the distinguished acting majority leader has put the request, it would be in the afternoon. As far as I know, no committees are meeting this afternoon. I will join him in doing everything possible to shorten the time consumed on the bill.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished assistant minority leader. We have a very busy schedule. And we need to do everything we can to shorten the time on this bill.

Mr. President, did the Presiding Officer present my request?

The PRESIDING OFFICER (Mr. Tunney). Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

AMENDMENT NO. 524

The Senate will now proceed to the consideration of the Fulbright amendment—No. 524—on which there shall be a limitation of 1 hour for debate.

The clerk will report the amendment.

The second assistant legislative clerk read as follows:

> On page 26, beginning with line 24, strike out all down through line 5 on page 28, and insert in lieu thereof the following:
>
> Sec. 701. Nothing in this Act shall be construed as authorizing the use of any funds, appropriated pursuant to this Act, to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the name of the Senator from Minnesota (Mr. Humphrey) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. Will the Senator suspend until we get order in the Chamber? The Senate will be in order. Will Senators please take their seats or retire to the cloakroom.

The Senator from Arkansas is recognized.

Mr. FULBRIGHT. Mr. President, this amendment would delete the provision in the bill relating to funding of military assistance to South Vietnam and Laos. Thus, it would assure that aid to these countries is provided in accordance with the terms of S. 1443, which passed the Senate on June 26.

This amendment would be in accord with what I believe to be the understanding with the chairman of the Armed Services Committee, the Senator from Mississippi (Mr. Stennis) last year with regard to the jurisdiction over the military assistance to Laos and South Vietnam being in the regular military assistance bill.

Since 1966 military assistance to Vietnam has been funded out of the Department of Defense budget instead of the regular foreign military assistance program authorized by the Foreign Assistance Act. Military aid to Laos and Thailand was switched to the Defense budget the next year. At the time this change took place, U.S. forces were carrying the brunt of the fighting in Indochina, and the executive branch officials pointed out that military aid to these countries could be provided more efficiently through the logistics system of our own Armed Forces. The 1966 Senate Armed Services Committee report, recommending the transfer, stated:

> This limited merger of funding of support of allied forces for a combat area with that of U.S. forces engaged in the same objective is similar to the practice followed during the Korean war. It is desirable because parallel but separate financial and logistics systems for the U.S. forces and for military assistance are too cumbersome, time consuming, and inefficient in a combat zone.

Two years ago the Foreign Relations Committee approved a provision in the foreign aid bill which would have gone back to the traditional method of providing military aid to these countries. That provision was deleted on the Senate floor at the urging of the Senator from Mississippi, the chairman of the Armed Services Committee, who told the Senate:

> I am willing that, in the future, jurisdiction with respect to Southeast Asia be returned to the Committee on Foreign Relations. I think that while we are there and the activities are going on, we sought to keep it where it is, because they have to be considered together.

However, the Senator from Mississippi did approve the return of Thailand to the regular military aid program.

Last year the issue was raised again in connection with the military assistance authorization bill. And the Senator from Mississippi again urged the Senate to continue the existing system, stating:

> My amendment is to strike that amendment in the bill (requiring funding of military aid to Vietnam and Laos under the Foreign Assistance Act) and await events, and just as soon as the hostilities stop over there, or even as soon as we have a cease-fire agreement carried out with evidence of permanence, I would be willing to let the matter go back to the Foreign Relations Committee, or let the Senate do that.

U.S. military forces are no longer involved in hostilities in Indochina. There are cease-fire agreements in South Vietnam and Laos. Other than in Cambodia, a tenuous peace exists throughout the region. And I point out that military aid for Cambodia is not involved here. Aid to Cambodia has been financed under the regular foreign military aid program ever since our involvement began in 1970.

The conditions cited by the Senator from Mississippi in 1971 and 1972 as justification for continued funding of military aid to Vietnam and Laos out of the Defense budget no longer prevail. In view of this, the Senate Foreign Relations Committee voted again this year to end this aberration in the foreign aid program. Following the cease-fire agreements in Laos and South Vietnam, the committee approved a provision in S. 1443, the Foreign Military Sales and Assistance Act, authorizing aid to those countries. These provisoans were not challenged in the Senate and the bill is now awaiting conference with the House.

Under that bill, the President was authorized to provide one-for-one replacement of arms, equipment and munitions to South Vietnam and Laos in accordance with the cease-fire agreements. Department of Defense stocks could be used for that purpose. If large-scale fighting broke out again in Vietnam, the one-for-one limit could be set aside if the President found and reported to the Congress that the cease-fire agreement was no longer in effect because of North Vietnamese military actions.

The bill recommended by the Armed Services Committee has the effect of reversing the Senate's earlier action and is contrary to past assurances that this program would be restored to regular foreign aid funding when U.S. forces were out and a cease-fire agreement achieved. If it is the executive branch's intention to keep this program in the Pentagon budget until no shots are being fired in anger in Indochina, there is not likely to be any change in the current arrangement in my lifetime.

The principal argument advanced in the Armed Services Committee in support of retaining this program in the Defense Department's budget is that the system now in effect gives the executive branch needed flexibility to respond to unforeseen developments in Vietnam and Laos. In reality, all this means is that the executive branch wants carte blanche authority to do what it chooses in Vietnam and Laos with the $952 million recommended by the committee. If the concern is how to supply South Vietnam in the event of a North Vietnamese offensive, the bill approved by the Senate last June gives the President authority to provide all the arms and munitions he thinks the South Vietnamese need by drawing on Department of Defense stocks. The need is not for more flexibility for the executive branch, but for greater congressional control over the vast sums proposed to be poured into Indochina. But, under the present system, Senator Symington told the Appropriations Committee on September 13:

> It . . . has never been possible for the Armed Services Committee to find out just what share of said funds are spent in each of these two countries for specific goods and services.

Congress has reasserted its control over the purse strings to force an end to the direct involvement of our forces in Southeast Asia. The logical next step is to impose tighter controls over the hundreds of millions of dollars in foreign aid going into these countries. The provisions of S. 1443, approved in the Senate without opposition last June, would do that. Adoption of my amendment would reaffirm the Senate's earlier action.

The committee has recommended $952 million in additional military aid to these countries for the current fiscal year. The House approved $1.3 billion for this purpose. In addition, the committee report states that there is $1.2 billion unexpended in the pipeline. There are already vast stockpiles of U.S.-furnished weapons and munitions in South Vietnam. So many, in fact, that the Department of Defense has a total of 4,708 direct-hire civilians and contract personnel in Vietnam to maintain the equipment and teach the Vietnamese how to use what we have given them. The Vietnamese will never learn to be independent and self reliant if Congress continues to be so extravagant with the American taxpayers' money as proposed in this bill.

Mr. President, in summary, I urge the Senate to adopt my amendment because:

The Senate has already acted in this field. Approval of H.R. 9286, as reported, would reverse the Senate's action of only 3 months ago.

The arguments used to justify the transfer of military aid to South Vietnam and Laos out of the Defense budget no longer apply. Proposals to give aid to these countries should be presented to Congress and considered on the same basis as aid to Cambodia, Korea, or Turkey, or the many other countries receiving arms under the Foreign Assistance Act.

Greater congressional control, and less executive branch discretion, over these vast sums of money is needed.

Congress has a responsibility to be prudent with the taxpayers' money. Savings of several hundred million dollars over the amounts recommended by the Armed Services Committee will be made under the authority approved by the Senate in S. 1443.

I hope that the Senate will approve the amendment.

Mr. President, I ask unanimous consent to have printed in the Record several articles relating to the situation, and particularly the corruption and waste of American money in South Vietnam, excerpts from the Committee report on S. 1443, and tables concerning total U.S. assistance to South Vietnam and Laos.

There being no objection, the articles and other materials were ordered to be printed in the Record, as follows:

[From the Washington Star-News, Sept. 24, 1973]

A Well Stuffed Toy

Paris.—Some $170,000 in $100 bills apparently belonging to Mrs. Lon Non, the sister-in-law of Marshal Lon Nol, Cambodia's president, was impounded at Orly Airport as she was about to leave Paris to join her husband in the United States.

The money was concealed in a toy dog that one of two children in the party of seven was carrying. It was reportedly discovered by a policewoman made suspicious by bulges in the stuffed animal.

Lon Non, the younger brother of the president, went to Washington several months ago, ostensibly on a visit. There were reports at the time that the United States had forced him to leave Phnom Penh, the Cambodian capital, as part of an attempt to broaden support for the beleaguered government by bringing in former political rivals.

Mrs. Lon Non will stay in Paris for the time being, a source close to the family said. The source described Saturday's incident as "banal and without importance."

Efforts have been made to retrieve the money, but the chief customs agent at the airport told the family that it would take 10 days for a decision to be made.

French exchange-control regulations permit up to $1,000 to be taken out of the country without special formalities. Above that figure, stamped customs documents must show that the money was brought into the country legally. Mrs. Lon Non and her party did not have such documents.

Family sources said: 'It was all a misunderstanding. The travelers were ignorant of French foreign-exchange regulations, which are changing all the time. No fraud was intended."

The money was described as both for personal expenses and for use by the Cambodian Embassy in Washington.

[From the Washington Post, June 4, 1973]

UNITED STATES REPORTED CUTTING SAIGON AMMUNITION

(By Thomas W. Lippman)

SAIGON, June 2.—The United States has cut its supplies of artillery and heavy-weapons ammunition to Saigon's armed forces by a third in an attempt to reduce the overall level of violence in Vietnam, according to authoritative sources.

The reduction, carried out over a period of several months, was ordered after an analysis of field action by U.S. experts showed that the South Vietnamese army was firing sometimes twenty times as much ammunition as its Communist opponents.

The South Vietnamese were reportedly expending vast quantities of artillery ammunition in what is known here as "H and I fire" (for harassment and interdiction). This is a form of artillery firing in which there is no specfic target. But shells are pumped into a general area in an attempt to reduce enemy activity there.

The United States has also reduced by 20 per cent the amount of petroleum it supplies to South Vietnam's armed forces, the same informed sources said, but the motivation for that decision was economic rather than military.

Military gasoline has a way of winding up on sale to the public in South Vietnam, and the cutback in supplies was largely an attempt to cut down on the black marketeering. American sources have reported that the move was followed by an almost exactly proportionate upturn in commercial gasoline sales.

As for the ammunition, South Vietnamese commanders began reporting some time ago that they had been instructed to cut down on the amount they expended, but the reason was not made clear.

American sources say they have learned that in Indochina, the more guns and ammunition are available, the more the armies in the field will use them.

"After we cut down the ammo supply," one well-informed officer said, "we found out that the South Vietnamese were still outshooting the enemy by 20 to 1, but the overall total was that much lower."

Most of the artillery firing has been in the country's northern military region, especially on the western defense perimeter of Hue, where South Vietnamese officials regularly report shelling attacks by the enemy. What they do not say is that South Vietnamese troops have been shelling, too, although it is no secret to anyone who has visited the area.

No figures on the total amount of artillery ammunition being supplied to the South Vietnamese were immediately available.

U.S. military officials here are watching the results of the search for clues about what would happen if Congress cut off the supply of military aid to the governments the United States is supporting in Indochina.

Some believe that the result would simply be an overall reduction in the level of violence by both sides—a view that is reportedly getting a sympathetic hearing among high-level American officials here.

In any case, the South Vietnamese have become almost casual in their use of artillery over the years, blasting away at targets of questionable military value, and can easily live with the reduced quantities of shells without weakening their overall position, military sources believe.

[From the New York Times, Sept. 18, 1973]

CORRUPTION IN SOUTH VIETNAM SEEMS WORSE

(By Fox Butterfield)

SAIGON, SOUTH VIENAM, September 17.—Lam is an epileptic and mentally retarded, but he was drafted into the South Vietnamese Army anyway because his family could not afford the bribe demanded by Government officials to certify him as unfit. Now, a year later, Lam has finally been discharged after his father went into debt to raise the million piasters ($2,000) the officials wanted.

In Long Khanh Province, northeast of Saigon, the province chief is under investigation by the Government on charges of stealing rice from refugees and transporting it in army trucks for sale to the Communists. His predecessor as province chief was dismissed on similar charges earlier this year, only to be made an assistant army inspector.

These are merely two instances of an official corruption which has long permeated Vietnamese life but which many people now believe is becoming increasingly flagrant and destructive of the Government.

LESS FAT AROUND

"Corruption may not actually be any worse, but with the American withdrawal there is less fat around to live off," remarked a former colonel who is now in the National Assembly. "So corrupt officials these days have to turn for money to ordinary Vietnamese, not the Americans."

In the past few months corruption has become so blatant in fact that, it is said, President Nguyen Van Thieu, long accused by American officials of being too tolerant of erring subordinates, has declared it to be the Government's most serious problem.

According to a well-informed source in the Presidential Palace, Mr. Thieu recently issued strict warnings to his 44 province chiefs that while he will forgive the past he will not accept excessive corruption in the future. The President is also said to be determined to curb thievery by one or two of the four enormously powerful regional military commanders.

IT'S AN OLD STORY

Similar talk has often been heard at the palace, however, and most Vietnamese and Americans remain skeptical that Mr. Thieu will move against men that he seems to feel so heavily dependent on.

Given Saigon's vast bureaucratic, police and military apparatus, petty corruption has long been accepted as a part of life. Almost every daily action requires Vietnamese to deal with some arm of the Government, and therefore necessitates a bribe: 2,000 piasters ($4) for a ride home with the police after curfew at night, $25 to get a certificate of graduation needed for a job, $100 a year for a family to obtain a safe desk job in Saigon for a son in the army.

At the upper end of the scale a province chief must buy his post from the regional commander and then turn over as much as 80 per cent of the monthly take to him. These amounts are often large by Vietnamese standards. In Kien Giang Province, in the Mekong Delta, according to an informed local official, the province chief's job costs $4,000 and the monthly take is $100,000.

The low salary scale of most Vietnamese and the brutal inflation—prices have soared over 20 per cent so far this yer—have contributed to the prevalence of corruption. With a Government clerk and an army lieutenant making only $25 a month, and a month's supply of rice for an average family costing $40, few can afford to be honest.

AVERAGE MAN HURT MORE

What has now disturbed American officials and reportedly upset President Thieu is evidence of increasingly virulent corruption that hurts the average Vietnamese more and undermines popular support for the Government.

In Quang Nam Province, on the central coast, for example, the province chief, a district chief and several officials of the Ministry of Social Welfare were recently ousted after being found guilty of misappropriating millions of piasters in rice and relief money intended for the refugees around Da Nang.

In nearby Quang Ngai Province, the province chief, Ngo Van Loi, was dismissed last month and 105 local officials, including the head of the Provincial Council, were arrested for selling hundreds of tons of scarce rice, gasoline, motorbikes and even army jeeps and trucks to the Communists. In exchange, the officials purchased cinnamon from the forest land controlled by the Vietcong and exported it at a profit estimated by well-informed officials in Saigon to be several hundred thousand dollars.

The commandant of the large army basic-training center near Saigon, Maj. Gen. Doan Van Quang, was dismissed last month after junior officers accused him of embezzling $6,000 a month in money that should have been used for food for draftees. He was transferred to the Ministry of Defense and not punished.

ARBITRARY ARRESTS REPORTED

Some Vietnamese in Saigon have complained recently that the police are arbitrarily arresting people and demanding money to release them.

In one such case Mrs. Huu Thi Lan—that is not her real name—has had to pay bribes to the local police station three times in 18 months to get her 22-year-old son out of jail. The son, a disabled air force veteran, was charged twice with robbery and once with rape; twice he was picked up while asleep at home.

What particularly discourages Vietnamese and Americans who want to stop such corruption is the apparent evidence that the Presidential Palace tolerates it in exchange for loyalty and that corrupt officers are seldom really punished.

For instance, in Military Region II, which embraces the vast, sparsely populated Central Highlands, the present commander, Lieut. Gen. Nguyen Van Toan, who was formerly head of a division, was found guilty of corruption as long ago as 1969 and recommended for dismissal and demotion. Instead he was promoted from colonel by President Thieu.

TWO MORE PROMOTIONS

Later he was widely accused in the Vietnamese press of raping a 15-year-old girl, but again he was promoted. Last spring, at the height of the Communist attack on Kontum, he was made corps commander.

Local officials in the highlands charge that he has not changed his ways. According to a knowledgeable official, the monthly take from illegal police "taxes" on lumber trucks in one district of Pleiku Province is $20,000. The money is picked up by General Toan's chief logistics officer and carried to headquarters by helicopter, the informant reported.

To make matters worse, American officials note, General Toan took many of his own long-time subordinate officers with him to the highlands and installed them in key posts. As commander of the 23d Division in Kontum he named his former deputy commander in the Second Division, Brig. Gen. Tran Van Cam, previously accused by many Vietnamese and Americans of helping General Toan loot the big former United States base at Chu Lai.

General Cam's predecessor as military commander in Kontum was Col. Le Duc Dat, who had been removed as province chief in Phuoc Tuy for "having committed mistakes while discharging his duties and having indulged in illegal activities." Colonel Dat disappeared last year when his forward headquarters at Tan Canh was ignominiously overrun in a few hours.

To combat the pattern of corruption there are three Government bodies, but they are widely regarded as ineffective if not totally moribund and corrupt themselves.

ANTIDOTE HELD INEFFECTIVE

The largest, the so-called General Censorate, has been headed by an uncle of President Thieu, Ngo Xuan Tich, since its inception in 1968. It is estimated that 90 per cent of its investigations are inconclusive, and in any case it has no power to impose punishment.

There is also an army inspectorate, which seldom carries out investigations and which, knowledgeable Vietnamese say, is usually staffed by officers considered unfit for regular command.

Third, there is a special anticorruption committee under Vice President Tran Van Huong, the aged and powerless senior statesman of the Government. It is regarded as merely a showcase.

Occasionally a Vietnamese journalist exposes or threatens to expose some major scandal, but that can be dangerous.

The publisher of a small newspaper was assassinated last year in Saigon by two men wearing paratroopers' uniforms after he had written articles on corruption in the army. Another editor was recently wounded in an ambush on the main road to the Mekong Delta, ordinarily one of the safest roads in the country.

[From the Washington Post, Sept. 2, 1973]

Saigon Must Not Continue To Rely on Heavy U.S. Aid

(By D. Gareth Porter)

Congress is now considering an economic aid program for South Vietnam which would continue to maintain for an indefinite time what one high U.S. official has called the "client relationship" with the Saigon government of Nguyen Van Thieu.

The main purpose of the proposed aid program, which the administration has called a "reconstruction and development" program, is neither reconstruction nor development but the subsidization of Thieu's military-police apparatus. By not only arming and equipping that apparatus but also by paying for most of South Vietnam's budget and artificially maintaining levels of consumption, the United States still refuses to allow the Saigon government to stand or fall on the strength of its support among the Vietnamese people themselves.

The Thieu government remains today essentially a creation of American military intervention in Vietnam. For it is kept in power by a military and a paramilitary control apparatus which the South Vietnamese people never desired and would have been unwilling to finance themselves.

It was in fact the U.S. mission, which imposed this political and economic monstrosity on South Vietnam. As the economic counselor to the U.S. embassy, Charles Cooper—the man credited with masterminding economic policy in Vietnam during the war—told me in a 1971 interview, "We've always been in the position here of pushing their expenditures up. We pushed them on pacification, on increasing the army, etc. . . . We were actually satisfying our own ideas. . . ."

As a result the South Vietnamese ground and air forces increased from 216,000 men in 1964 to 1.1 million in 1972; the police force increased from 20,000 men in 1964 to 120,000 in 1972. The official government budget increased from $219 million in 1964 to $856 million in 1972.

INFLATION OR TAXES

In order to finance such a swollen apparatus of control, any independent state would have had to resort to runaway inflation or heavy taxes on the entire population, rich and poor. The taxes required to support this level of military spending only could be raised succesfully if the government in question had had reasonable solid support for its anti-Communist war effort—something which the Saigon government has manifestly lacked.

But the Saigon government had an alternative to uncontrolled inflation or burdensome taxation—which was to rely on the U.S. to pay for most of its budget and to prevent any significant drop in living standards by providing massive quantities of imported goods.

The main instrument for preserving the Thieu government's military and paramilitary apparatus while minimizing economic hardship is still the Commodity Import Program, under which the government receives letters of credit which it then sells to the Vietnamese importers for piasters. It uses these aid-generated piasters to pay its budgetary expenditures, and when the goods arrive in Vietnam, the customs taxes collected on them add additional resources for the budget. Meanwhile, Vietnamese are able to purchase imported goods which South Vietnam could not possibly afford with its own minimal foreign exchange reserves: gasoline and parts for motor bikes, fertilizer, cement, sugar and other foodstuffs.

In fiscal year 1974, the Nixon administration has requested 275 million dollars for the Commodity Import Program and is adding a $50 million "development loan" for imports which Thieu can also use to help pay for his military budget. This assistance is estimated by the Agency for International Development to represent roughly one-fourth the living standard of the average Vietnamese.

If the artificially maintained standard of living has neither made the Thieu regime popular nor silenced opposition to the war in the cities, it has nevertheless helped to keep urban discontent at a level which can be controlled through the massive use of police surveillance and terror. Millions of Vietnamese thus have been dissuaded from taking to the streets or to the jungles to overthrow the Saigon regime. There is no doubt in the minds of U.S. officials that Thieu's regime could not have survived the political turmoil which would have occurred without the U.S. subsidization of Saigon's state apparatus and economy.

GRADUAL REDUCTION

Despite administration statements paying lip service to the objective of Saigon's economic independence, the official rationale accompanying the 1974 aid program for Indochina makes clear its intention to continue the client relationship with Saigon indefinitely. Instead of offering a plan for the rapid elimination of American subsidization of the Thieu government the rationale suggests that the import subsidy can only be reduced "gradually" and that Saigon will "continue to require foreign assistance for the next few years to maintain the flow of goods needed for production, investment and consumption." It does not mention that this flow of goods is also necessary for Thieu to pay for his army and police force.

The army lives off foreign aid rather than relying on the support of its own people, and any attempt to reorient it economically, socially and politically away from the present American style of organization and operation would almost certainly end in disaster. Moreover, for Thieu to demobilize most of his 1.1 million-man army would mean relinquishing a convenient means of political control over them and, indirectly, over their families.

Equally important, the Saigon regime has shown little interest in making domestic taxation its main financial basis. For nearly 20 years, American largesse has encouraged Saigon to avoid the taxation of domestic wealth in order to gain more fully the support of those comprising the taxable population. As a result, taxation in Vietnam has been feeble on the one hand and regressive on the other.

The Saigon government has shown an aversion to direct taxation, which must constitute the backbone of any healthy fiscal system, and has focused its efforts instead on the taxation of soft drinks, beer and tobacco products, which fall more heavily on the poor than on the rich and which do not draw on the primary sources of wealth in the country. For many years, well over half the domestic taxes collected by the government came from only nine foreign-owned companies in Saigon which produced beer, soft drinks and tobacco. In 1972, direct taxes brought in only $37 million—4 per cent of total income, including U.S. aid.

There are two simple reasons for Saigon's persistent refusal to tax the real wealth available to it. On the one hand, officials have always feared that such taxation would increase its unpopularity or lose the cooperation of those whose acceptance or support was crucial for pacification and political stability. On the other hand, the readiness of the United States to provide whatever revenues were not obtained through taxation provides a lack of incentive for maximizing tax collections and an incentive for officials to exploit the most lucrative sources of wealth for their own benefit.

TAXING ISN'T POPULAR

The government, unable to appeal either to patriotic sentiment or a commonly shared vision of society, has implicitly admitted its own doubts about the legitimacy of the war effort in the eyes of the Vietnamese people in avoiding direct domestic taxation. When he was prime minister in 1969, Tran Van Huong declared, "If we levy more taxes, the government will be unpopular and the political situation here more unstable."

Willard Sharpe, chief of the economic analysis branch of AID in Saigon, explained fears of reduction in American Commodity Import funds in 1971 by saying, "I don't think the government feels it is strong enough to ask the people to pull in their belts. It's just not popular enough."

Between one-third and one-half of the private wealth of South Vietnam still lies in its agricultural production, primarily in the country's rice bowl, the Mekong Delta. American officials have been pointing to the new prosperity of commercialized farmers in the Delta, thanks to large inputs of fertilizer, new rice strains, and favorable rice prices. But Thieu's pacification strategy in the Delta has been based more or less implicitly on the idea that the government can give the farmers something for nothing, with the help of American generosity.

One of Saigon's bright young American-trained economists, who was then vice minister of agriculture, proudly asserted to me in 1971 that his government collected only a "very nominal tax" on land—less than 200 piasters, or 50 cents, on a hectare of land which brought an average of $180 a year in income, or about one-third of 1 per cent of gross income.

"With our system," he pointed out, "the farmers themselves benefit from land reform.

With the Vietcong program, the result is more revenue for the Vietcong." This was precisely the difference between a regime dependent on popular support for its military operations and one dependent on foreign support. As the American tax adviser in Saigon, Paul Maginnis, explained two years ago, "The national government is subsidizing villages and hamlets in order to purchase their loyalty instead of demanding money from them to finance the war effort."

SUBSIDIES INCREASE

While the government collected a token 54 million piasters ($242,000) in agricultural taxes in 1969, it was subsidizing the village budgets in the amount of 2.2 billion piasters ($9.8 million), for both local government operations and village development projects. And while agricultural taxes rose to 3 billion piasters in 1972 ($6.9 million), the subsidy increased even more, to 10.4 billion piasters ($24 million). Whether or not the rural sector of the society will ever contribute more to the budget than it receives in subsidies is thus still open to question.

Political considerations also have kept Saigon from taxing fairly the unsalaried urban middle class which constitutes the most active segment of the U.S.-sponsored political system. The traditional policy toward this stratum has been summed up by one Vietnamese expert on taxation as, "Leave it alone as long as the circumstances permitted." The American budgetary subsidies thus far have provided just such circumstances: In February, 1971, President Thieu abruptly called off the work of special tax teams, which were trying to assess fairly the income of the professional and business class in Saigon, after it complained loudly through the press and its representatives in the national assembly. Later in 1971 the building containing Saigon's tax records was blown up. The teams were never revived.

The most important untapped source of wealth in Vietnam, however, are the profits which were generated by the war itself, which long has been the biggest industry by far in the country. Again, the U.S. subsidization of the budget not only encouraged Saigon to avoid taxing the war profiteers but gave officials an incentive to enter into collusion with them at the expense of the government's fiscal health. And more important than the bars, nightclubs, brothels, laundries and other enterprises, which were officially untaxed but generated large incomes for district and province chiefs, was the import business.

From 1965 to 1971, Vietnamese importers were making enormous profits because of the officially overvalued piaster in exchange for the dollar and the rationing of import licenses. In 1970 a secret government report which was obtained by the House Subcommittee on Foreign Operations estimated that these "windfall profits" were running as high as $150 million per year. (An even more detailed study of windfall profits done in 1970 by Dr. Douglas Dacey of the Institute for Defense Analyses on a contract with AID, which carefully estimated the amount of windfall profits each year on the basis of official economic data, was suppressed by the agency before it could be published. Congressional efforts to obtain a copy have been systematically refused.)

REVENUES AFFECTED

These unearned profits were all at the expense of revenues, since they would have remained in Saigon's treasury had the exchange rate kept up with the rate of inflation. Yet according to the Ministry of Finance, the government collected only 100 million piasters ($250,000) in taxes on the 1969 incomes of those importers—an infinitesimal fraction of their illegitimate profits.

The failure of the government to get more tax revenues from war profiteers was caused by the same situation which produced the windfall profits in the first place. Relieved of the necessity to squeeze every bit of revenue possible from the South Vietnamese economy, powerful officials turned the rigged import licensing and foreign exchange system to their own advantage instead of reforming it.

The officials who had power over the distribution of import licenses used it to extract from the recipients a private "tax" in return for the favor. According to business and financial sources in Saigon, including a former high Economics Ministry official who now is in the import business and a Japanese businessman with 7 years' experience in Vietnam as of 1971, importers had to pay 3 per cent of the total value of the license, or 10 piasters on every dollar of goods imported, to the minister of economics, Pham Kim Ngoc, who became known in Saigon circles as "Mister 3 Per Cent." Ngoc was assumed to have divided "taxes" with other top officials of the Thieu regime. The 3 per cent rakeoff, if applied to the total volume of imports, would have netted $23 million in 1970, or 92 times the amount collected from them in the form of income taxes.

Although the threat of drastic reductions in U.S. subsidies to Vietnam finally moved the U.S. mission to insist on an end to the system of overvalued currency and tight controls over licenses, the system had already allowed importers to accumulate hundreds of millions of dollars, virtually none of which ever was used for the budget. The increased but still modest amounts in income tax collection in 1972 from nonsalaried individuals ($7.5 million) and corporations ($19 million) do not begin to scratch the surface of this wealth.

Ending the Commodity Import Program would have the effect of making the government dependent on the support of the South Vietnamese people for the first time in its history. It would then be up to the Vietnamese people themselves (as it should have been all along) to decide whether or how much they are willing to sacrifice in order to maintain the present military and paramilitary apparatus.

To the extent that the population, wealthy or poor, wishes to see the Saigon government survive, they can contribute their share through direct taxes, which Saigon unquestionably has the physical capability to collect. If the government cannot obtain the resources to support the present level of military spending through this means, it will have to reduce its expenditures to the level that it can support.

In any case, the United States no longer should be in the position of artificially maintaining a political and military structure through its assumption of the bulk of its budgetary expenditures and the subsidization of consumption levels.

TRANSFERS OF U.S. RESOURCES TO VIETNAM

[In thousands of dollars]

	Fiscal year 1972 actual	Fiscal year 1973 estimated	Fiscal year 1974 proposed
Total of all U.S. resources transferred	3, 790, 128	3, 061, 173	1, 837, 000
Security assistance (subtotal)	3, 674, 666	2, 883, 386	1, 184, 200
Military assistance advisory group, administration and training costs	41, 583	41, 500	
Military assistance service funded	2, 159, 500	2, 257, 700	1, 085, 000
Transfers of defense stock (excluding excess defense articles)	217, 392		
Excess defense articles (legal value)	(1)	50, 800	35, 000
Ships transfers (loans, leases)	5, 730		
Real property transfers	538, 132		
Security supporting assistance	385, 229	313, 386	
Public Law 480 (sec. 104(c)) [2]	(50, 600)	(137, 280)	(137, 360)
Purchasing of local currency	327, 100	220, 000	63, 600
Indochina postwar reconstruction (subtotal)			475, 000
Development assistance (subtotal)	115, 462	177, 787	178, 426
Agency for International Development population programs	1, 108	1, 256	1, 500
International narcotics control	500	500	182
Public Law 480 shipments (ccc value)	113, 647	175, 786	176, 420
Mutual education and cultural exchange	207	245	324

[1] Not included in MAP ceiling.

[2] Non add. Estimated at 80 percent of Public Law 480, title I agreements (export market value)

TRANSFERS OF U.S. RESOURCES TO LAOS

[In thousands of dollars]

	Fiscal year 1972 actual	Fiscal year 1973 estimated	Fiscal year 1974 proposed
Total of all U.S. resources transferred	275, 041	406, 169	164, 607
Security assistance (subtotal)	271, 892	401, 700	105, 500
Military assistance advisory group, administration and training costs	3, 254	2, 500	2, 500
Military assistance service funded	213, 300	353, 500	100, 000
Transfers of defense stock (excluding excess defense articles)	6, 008		
Excess defense articles (legal value)	2, 003	700	3, 000
Security supporting assistance	47, 327	45, 000	
Indochina postwar reconstruction (subtotal)			55, 000
Development assistance (subtotal)	3, 149	4, 469	4, 107
Agency for International Development population programs	500	780	912
International narcotics control	1, 100	2, 079	1, 500
Public Law 480	1, 337	1, 421	1, 505
Mutual education and cultural exchange	212	189	109

EXCERPT FROM COMMITTEE ON FOREIGN RELATIONS REPORT ON S. 1443 (S. REPT. 93–189)

(Section 2109. Authorizations for South Vietnam, Laos, and Cambodia (see also section 3109))

Section 2109, coupled with section 3109, authorize a program of military assistance to South Vietnam and Laos to replace that now provided through annual Department of Defense authorization and appropriation bills. These sections would also authorize continuation of military aid to Cambodia.

Subsection 2109(a)(1) authorizes the appropriation to the Secretary of State of "such sums as may be necessary" to provide the armaments, munitions and war materials to South Vietnam and Laos allowed under section 3109.

Subsection (a)(2) authorizes the President to draw on the stocks of the Defense Department to provide the aid authorized, subject to reimbursement of the Department from subsequent appropriations.

Subsection (a)(3) authorizes $150,000,000 for military aid to Cambodia in fiscal year 1974 subject to the provisions of section 3109.

Any military assistance to South Vietnam, Laos, or Cambodia shall be furnished with the objective of bringing about peace in Indochina and strict implementation of the cease-fire agreements in Vietnam and Laos and any agreement that may be reached in Cambodia in the future.

Military assistance to South Vietnam shall be furnished strictly in accordance with Article 7 of the "Agreement on Ending the War and Restoring Peace in Vietnam," signed in Paris on January 27, 1973, which states:

"From the enforcement of the cease-fire to the formation of the government provided for in Article 9(b) and 14 of this Agreement, the two South Vietnamese parties shall not accept the introduction of troops, military advisers, and military personnel including technical military personnel, armaments, munitions, and war material into South Vietnam.

"The two South Vietnamese parties shall be permitted to make periodic replacements of armaments, munitions and war material which have been destroyed, damaged, worn out or used up after the cease-fire, on the basis of piece-for-piece, of the same characteristics and properties, under the supervision of the Joint Military Commission of the two South Vietnamese parties and of the International Commission of Control and Supervision."

Any military assistance furnished to Laos shall be in accordance with Article 3(d) of the February 21, 1973, cease-fire agreement for Laos, which states:

"It is forbidden to bring into Laos all types of military personnel, regular troops and irregular troops of all kinds and all kinds of foreign-made weapons or war material, except for those specified in the Geneva Agreements of 1954 and 1962. In case it is necessary to replace damaged or worn-out weapons, both sides will consult and arrive at an agreement.

Military assistance furnished to South Vietnam or Laos shall be limited to that necessary to replace armaments, munitions and war materials on a one-for-one basis that have been destroyed, damaged, worn out, or used up. Replacement shall be based on lists previously furnished to the International Commission of Control and Supervision for Vietnam (ICCS) and, in the case of Laos, to the International Commission for Supervision and Control in Laos (ICSC).

The Committee expects that any armaments, munitions, or war materials shall be furnished South Vietnam only on a basis that is in full compliance with terms of the cease-fire agreement, and any pertinent regulations that either have been or may be established by the International Commission of Control and Supervision and the Joint Military Commission (JMC). The aid is restricted to those materials as defined by the ICCS as "armaments, munitions, and war material" and shall not include general subsidization of the South Vietnamese armed forces. If the ICCS or the JMC do not establish standards for replacement the following lists, developed by the Department of Defense, shall apply to aid to Vietnam:

ARMAMENTS

Any device which is capable of launching a projectile or flammable liquid which is used for defensive or offensive military operations. Complete armaments systems configured in their entirety, which must be replaced on the basis of piece-for-piece, of the same characteristics and properties are:

(1) Aircraft gun armament systems.
(2) Antiaircraft gun systems.
(3) Artillery pieces.
(4) Flame throwers.
(5) Grenade launchers.
(6) Guided missile systems.
(7) Machine guns.
(8) Mortars.
(9) Pistols.
(10) Recoilless rifles.
(11) Rifles and shotguns.
(12) Rocket launcher systems.
(13) Shipboard gunmount systems.

MUNITIONS

Those items used with armaments as the projectile, dropped from an aircraft, such as bombs, or thrown by hand such as grenades. It also includes all explosives except those used for civil construction or for emergency/survival purposes operations. Munitions which must be replaced on the basis of piece-for-piece, of the same characteristics and properties are:

(1) Ammunition for armaments listed above.
(2) Bombs.
(3) Explosives, excluding commercial explosives used in civil construction operations or for emergency/survival operations.
(4) Grenades.
(5) Mines.
(6) Missiles.
(7) Napalm.
(8) Rockets.

WAR MATERIEL

Those major end items whose principal use is for combat. Major end items are defined as a final combination of end products, component parts, and/or materiel which is ready for its intended use. War materiel which must be replaced on the basis of piece-for-piece, of the same characteristics and properties are:

(1) Tanks.
(2) Military aircraft.
(3) Military self-propelled ships and water craft and barges.
(4) Armored tracked vehicles.
(5) Military tactical wheeled vehicles and trailers.
(6) Military tactical radios.
(7) Landbased military tactical radars.
(8) Military tactical telephones and teletypes.

Before replacement the United States shall take whatever action is necessary to insure that the South Vietnamese Government complies fully with the provision requiring notice to the ICCS of items eligible for replacement and shall comply with any other conditions the Commission may impose. The United States shall insure that the ICCS is provided in advance of delivery with lists of replacement items to be furnished to South Vietnam. Obligations can be made in advance of appropriations for replacement materials drawn from Department of Defense stocks with reimbursement to the Department from subsequent appropriations.

The provision authorizes $150 million in military grant assistance to Cambodia but requires that if a cease-fire comes about the aid be provided only in accordance with the terms of the cease-fire agreement.

Military training assistance could be provided to South Vietnam and Laos under chapter 23, if permitted under the respective cease-fire agreements as interpreted by the respective International Commission. After any future cease-fire agreement, military training for Cambodia would, of course, be subject to the conditions and terms of that agreement.

If there is a general outbreak of fighting in South Vietnam, the President can provide unlimited military aid if he finds and reports to the Congress that the Vietnam cease-fire agreement "is no longer in effect," in other words, that it is null and void insofar as the United States is concerned. Additional aid above the one-for-one replacement cannot be provided, for example, merely by a Presidential declaration that North Vietnam or the People's Revolutionary Government are violating one or more articles of the agreement. Experience to date has proven that such charges are likely to be a common occurrence on both sides. To go beyond the one-for-one replacement limit the President must assume full responsibility for scrapping U.S. support of the Vietnam cease-fire agreement.

In the absence of any replacement criteria being established by the ICSC for Laos or the parties to the cease-fire agreement for Laos, it is the Committee's intent that the list of eligible armaments, munitions, and war material established by the Department of Defense for Vietnam shall apply and replacement shall be only on a piece-for-piece basis. General subsidization of this Laotian armed forces is not authorized.

Finally, the President shall submit a quarterly report to the Congress on the aid furnished and the general status of the implementation of all cease-fire agreements involved in the area, including a full description of all types of assistance furnished to the three countries and the number and types of United States personnel involved who are paid directly or indirectly with U.S. funds.

There are, of course, no funds authorized anywhere in this bill for financing any U.S. military combat operations in Cambodia or anywhere else in Indochina. In this respect the bill is entirely consistent with the Senate's action on the Second Supplemental Appropriation Bill, H.R. 7447, and the Committee's action on the Case-Church amendment to the Department of State Authorization Bill, S. 1248.

(Section 3109. South Vietnam, Laos, and Cambodia)

(See the analysis of section 2109 for a more detailed explanation of the military aid program to be authorized for South Vietnam, Laos, and Cambodia.)

Subsection (a) provides that after June 30, 1973, no sale, credit sale, or guaranty of any defense article or defense service shall be made, or any military assistance, including supporting assistance, furnished to South Vietnam or Laos directly or through any other foreign country unless that sale, credit sale, or guaranty is made, or such assistance is furnished, under this Act. The provisions of this subsection shall not apply to funds obligated before July 1, 1973. However, any assistance furnished to South Vietnam or Laos that is in the pipeline before July 1, 1973, shall be consistent with the one-for-one replacement requirement.

Subsection (b) requires that any sale, credit sale, or guaranty made, or assistance provided under this Act to South Vietnam, Laos, or Cambodia shall be made or furnished with the objective of bringing about peace in Indochina and strict implementation of the cease-fire agreements in Vietnam and Laos and any cease-fire agreement that may be reached in the future with respect to Cambodia.

Under subsection (c) armaments, munitions, and war materials may be provided to South Vietnam and Laos under any provision of this Act only for the purpose of replacing, on the basis of piece-for-piece and with armaments, munitions, and war materials of the same characteristics and properties, those armaments, munitions, and war materials destroyed, damaged, worn out, or used up (1) in the case of South Vietnam after January 27, 1973, and which are included on lists previously furnished by the Government of South Vietnam to the International Commission of Control and Supervision for Vietnam, and (2) in the case of Laos, after February 21, 1973, and which are included on lists previously furnished by the Government of Laos to the International Commission for Supervision and Control for Laos.

Subsection (d) provides that if a cease-fire agreement is entered into with respect to Cambodia, then, commencing with the date such agreement becomes effective, armaments, munitions, and war materials shall be provided Cambodia under this Act only and strictly in accordance with the provisions of such agreement.

Subsection (e) permits armaments, munitions, and war materials to be provided to South Vietnam without regard to the provisions of subsection (c) if the President finds and reports to Congress that the Agreement on Ending the War and Restoring Peace in Vietnam, signed in Paris on January 27, 1973, is no longer in effect insofar as the United States is concerned. No armaments, munitions, or war materials may be provided under this subsection, however, until the President has reported such finding to Congress.

Subsection (f) provides that the President shall submit to Congress within 30 days after the end of each quarter of each fiscal year, a report on (1) the nature and quantity of all types of foreign assistance provided by the United States Government to South Vietnam, Laos, and Cambodia under this or any other law, (2) the number and types of United States personnel present in, or who are involved in providing such assistance to, such countries and who are paid directly or indirectly with funds of the United States Government, and (3) the general status of the implementation of all cease-fire agreements with respect to Indochina. For purposes of this subsection, "foreign assistance" and "provided by the United States Government" have the same meaning given those terms under section 3301(d) of this Act.

AUTHORIZATIONS FOR SOUTH VIETNAM, LAOS, AND CAMBODIA

SEC. 2108. (a)(1) There are authorized to be appropriated to the Secretary of State such sums as may be necessary to provide armaments, munitions, and war materials for South Vietnam and Laos under this chapter.

(2) The President may order armaments, munitions, and war materials from the stocks of the Department of Defense to carry out this subsection, subject to subsequent reimbursement therefor from subsequent appropriations available under this subsection. The Department of Defense is authorized to incur, in applicable appropriations, obligations in anticipation of reimbursements in amounts equivalent to the value of such orders under this subsection.

SOUTH VIETNAM, LAOS, AND CAMBODIA

SEC. 3109. (a) After June 30, 1973, no sale, credit sale, or guaranty of any defense article or defense service shall be made, or any military assistance (including supporting assistance) furnished to South Vietnam or Laos directly or through any other foreign country unless that sale, credit sale, or guaranty is made, or such assistance is furnished, under this Act. The provisions of this subsection shall not apply to funds obligated prior to July 1, 1973.

(b) Any sale, credit sale, or guaranty made, or assistance provided under this Act to South Vietnam, Laos, or Cambodia shall be made or furnished with the objective of bringing about peace in Indochina and strict implementation of the cease-fire agreements in Vietnam and Laos and any cease-fire agreement that may be reached in the future with respect to Cambodia.

(c) Armaments, munitions, and war materials may be provided to South Vietnam and Laos under any provision of this Act only for the purpose of replacing, on the basis of piece for piece and with armaments, munitions, and war materials of the same characteristics and properties, those armaments, munitions, and war materials destroyed, damaged, worn out, or used up (1) in the case of South Vietnam, after January 27, 1973, and which are included on lists previously furnished by the Government of South Vietnam to the International Commission of Control and Supervision for Vietnam, and (2) in the case of Laos, after February 21, 1973, and which are included on lists previously furnished by the Government of Laos to the International Commission of Control and Supervision for Laos.

(d) If a cease-fire agreement is entered into with respect to Cambodia, then, commencing with the date such agreement becomes effective, armaments, munitions, and war materials shall be provided Cambodia under this Act only and strictly in accordance with the provisions of such agreement.

(e) Armaments, munitions, and war materials may be provided to South Vietnam without regard to the provisions of subsection (c) of this section if the President finds and reports to Congress that the Agreement on Ending the War and Restoring Peace in Vietnam, signed in Paris on January 27, 1973, is no longer in effect. No armaments, munitions, or war materials may be provided in accordance with this subsection, however, until the President has reported such findings to Congress.

(f) The President shall submit to Congress within 30 days after the end of each quarter of each fiscal year a report on (1) the nature and quantity of all types of foreign assistance provided by the United States Government to South Vietnam, Laos, and Cambodia under this or any other law, (2) the number and types of United States personnel present in, or who are involved in providing such assistance to, such countries and who are paid directly or indirectly with funds of the United States Government, and (3) the general status of the implementation of all cease-fire agreements with respect to Indochina. For purposes of this subsection, "foreign assistance" and "provided by the United States Government" have the same meanings given those terms under section 3301(d) of this Act.

Mr. FULBRIGHT. One very interesting story I would like to call to the attention of the Senate is one published just on September 24, from the Washington Star, with the headline "Well-Stuffed Toy":

> Some $170,000 in $100 bills apparently belonging to Mrs. Lon Nol, the sister-in-law of Marshal Lon Nol, Cambodia's President, was impounded at Orly Airport as she was about to leave Paris to join her husband in the United States. The money was concealed in a toy dog that one of two children in the party of 7 was carrying. It was reportedly discovered by a policewoman made suspicious by bulges in the toy animal.

This is merely illustrative of the corrupting effect of so much money being heedlessly and carelessly spread around that people like Lon Nol's brother's wife would have $170,000 in hundred dollar bills to use for their personal purposes, or whatever they like.

The other articles simply emphasize the character and extent of the corruption which the vast amount of money we flood into Vietnam causes in that economy.

There are other programs which pump large amounts of U.S. aid into Vietnam.

Altogether, all the items in the President's aid program for Vietnam total $1,837 million for 1974. It is an outrageous amount of money. It is spread around so heedlessly that it is inevitable that the kind of corruption which, as we have seen, results from this misuse of the American taxpayers' money is bound to result.

Mr. CASE. Mr. President, will the Senator yield me 2 or 3 minutes?

Mr. FULBRIGHT. I yield the Senator whatever time he likes.

Mr. CASE. Mr. President, I fully support the chairman of my committee, the Committee on Foreign Relations, in this action. I think it is appropriate and I think it is timely. Everything he has said about the history of our discussion of the return of the control of foreign aid to the jurisdiction of the Committee on Foreign Relations is, of course, accurate and correct, and I think the conditions which have been laid down by general consent for the return of that jurisdiction, or of that matter to our jurisdiction, have been met clearly, unless we are to assume that we are going to be indefinitely in a state of war in that part of the world.

I think it is clear that the people of the country and the Congress, certainly the Senate, do not want that to happen. I think it is clear also that so long as the matter of funding military assistance to these two countries is handled through the Defense appropriation bill and the Defense Department, we will never know exactly how much we are spending, even within the range of hundreds of millions of dollars a year; and that, in the interest of proper economy, proper supervision, and orderly handling of foreign relations, we ought to cease this schism, to end it, and bring back foreign aid, military as well as economic, to the single jurisdiction of one committee, so that it can exercise its proper role of oversight, authorization, and guidance for policy in this most important matter.

I fully support the amendment, and I hope it will receive unanimous support.

Mr. FULBRIGHT. I thank the Senator.

Mr. President, I ask unanimous consent that Mr. Jones and Mr. Dockery, of the Committee on Foreign Relations staff, be accorded the privilege of the floor during the consideration of amendments 524 and 493.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. I yield the Senator from Missouri such time as he may require.

Mr. SYMINGTON. Mr. President, as a member of both the Armed Services Committee and the Foreign Relations Committee, I have had a chance to look at this matter in both committees, and have reached the following conclusions.

With the termination of all direct U.S.

military involvement in Indochina on August 15, it would seem reasonable for military assistance to Vietnam and Laos to be funded henceforth through normal military assistance channels.

The Foreign Military Sales and Assistance Act passed by the Senate on June 26 has, in fact, already provided for the return of the Vietnam and Laos programs to the military assistance program; and in order to "follow up" on that earlier action, I now support the amendment of the Senator from Arkansas to, in effect, delete MASF authority in the bill now before the Senate.

The Pentagon's two principal arguments for continuing the MASF program are: First, the need for "flexibility" in order to respond to "contingencies" which may arise as a result of uncertainties surrounding the cease-fire agreements; and second, the need for authorizations which are now available under MASF, but which might not be available if military assistance to Vietnam and Laos were to be governed by the new Foreign Relations Committee bill.

The "flexibility" argument is essentially an expression of preference that the Congress continue to delegate wide discretionary authority to the executive branch in matters relating to future military assistance to Vietnam and Laos. The previous justification, that it was more efficient to supply Vietnam and Laos from the same pipeline used to support U.S. ground force in Indochina is obviously no longer valid.

The Congress has just reasserted its control over the future involvement of U.S. forces in Indochina. In order to back up that regained authority, the Congress should also bring the military assistance programs in Vietnam and Laos under tighter rein.

If there should be substantial violations of the ceasefires, the President can always come back to the Congress and ask for more money and wider authorities. Under the Foreign Relations Committee bill, the President can, in the event of a major breakdown of the cease-fire, resume full-scale aid to South Vietnam without any restrictions on the type of aid provided.

The desirability of the broader authorities now available under MASF—and which presumably would be lacking under the Foreign Relations Committee bill—should be closely examined.

Why, for instance, should the U.S. taxpayer continue to provide subsistence for Lao and Vietnamese forces? With far less resources at their disposal, the North Vietnamese are able to provide for the subsistence of their own forces.

The same argument applies with regard to the practice of our paying the salaries and allowances of the Lao Army. The North Vietnamese don't pay their soldiers anything. Why should we pay the Lao—or as has been the case in past years, hire Thais—because the Lao won't fight?

The justification for the continued provision of contractual services which are permitted under the MASF program is directly related to the question of what force structures are necessary and appropriate in Laos and South Vietnam at this point in time.

Does South Vietnam need a 1.1-million man force equipped with highly sophisticated equipment which it cannot maintain and operate on its own?

Does South Vietnam need a 66-squadron air force—the third largest in the free world?

Let me repeat, Mr. President—the third largest in the free world.

Does South Vietnam really need F–5E's to replace F–5A's?

Do the Lao need the 171 aircraft now in their active inventory, plus the 14 T–28's still due to arrive, plus 92 planes in other miscellaneous categories?

Do the South Vietnamese really need a sophisticated electronics network and a computerized logistical system?

It should be possible to get a straight military assistance program—MAP—in Vietnam and for the Vietnamese to defend themselves with the material which such a program would provide. After all, the Cambodians are fighting a war under MAP, and no one in the administration has claimed that the MAP restrictions are the reason why the Lon Nol government is having grave problems, indeed.

When the MASF program was established in 1966, it was understood that said program would be terminated upon the withdrawal of U.S. troops from Indochina. Direct U.S. involvement in the war is now over, and I believe, with all our increasingly pressing problems at home, it is time to return the military assistance program in South Vietnam and Laos to the normal channels, to the same channel as Cambodia.

It has been impossible to get our hands on just what is happening to all those millions that continue to be sent by this Government to Vietnam—hundreds upon hundreds of millions of dollars. This is the purpose of the Fulbright amendment; therefore I will vote for it.

One cannot get away from the unbelievable waste and corruption characteristic of the way those people operate with our money.

The distinguished Senator from Arkansas (Mr. FULBRIGHT) has brought out that the sister-in-law of the head of the Cambodian Government was caught in Paris with a toy dog in which she had $170,000 in $100 bills. This is but characteristic of the way our money is handled by these people.

As I see it, it is about time for us to call a halt and put this expenditure back on a normal basis.

I suppose it is not really important to some people, but it is to me, the distinguished senior Senator from Rhode Island (Mr. PASTORE) placed in the RECORD an article about a fine elderly lady whose picture was published in his newspaper, which he showed me. She is 79 years old and receives $145 a month to live on from the U.S. Government from her social security. She spends $85 a month for rent. She said in the article:

> I can get by and get enough to eat after the $85 in rent, but some of my friends just can't. I watch them, my elderly friends, in the evening hitting the garbage cans in order to survive.

What a comparison, Mr. President, hitting the garbage cans in the United States and slipping $170,000, as a member of the ruling Cambodian family, in a toy dog you take out of France.

Some day, on some basis, we should stop this incredible outlay of our taxpayers' money in Indochina.

We have lost some $150 billion in expeditions over there, and what is much more important, 50,000 dead and over 300,000 wounded of the finest of all Americans.

So I would hope we carry out the concept of normalcy and put this MASF program back with all the rest of the countries in the MAP program—not next year, not the year after—everything is "mañana," tomorrow, but now. We are told this war is over and we know what the needs are in this country, including high taxes, and the high prices which are so characteristic of America today.

The PRESIDING OFFICER (Mr. NUNN). Who yields time?

Mr. THURMOND. Mr. President, how much time do we have on each side?

The PRESIDING OFFICER. The Senator from South Carolina has 30 minutes remaining.

Mr. THURMOND. How long for the opposition?

The PRESIDING OFFICER. The Senator from Missouri has 10 minutes remaining.

Mr. THURMOND. Mr. President, I yield 15 minutes to the distinguished Senator from Mississippi (Mr. STENNIS).

Mr. STENNIS. Mr. President, I wish more Senators were in the Chamber, so that we could get the facts before them.

I believe that the main point involved here is that if anyone wants to vote this year for military aid to South Vietnam, this is the place to do it—the items in this bill. It has been carefully scrutinized by the Armed Services Committee. The committee took testimony on it and made a considerable reduction in the amount.

Leaving aside for the moment all the side issues, we have a bill in one small package, so that a person can vote yes or no as to the aid, settle that issue, and move on to something else. We are talking about an October adjournment, and the 1st of October is next Monday.

Mr. President, the matter of so-called jurisdiction—this is not a jurisdictional fight, as such—originated in this way, as best I am able to develop the facts. In 1965, when the late Senator from Georgia was chairman of the committee, he was approached by the then Johnson administration—the fighting was stepping up—with reference to how they would finance our military aid to the countries in Indochina that were engaged in the fighting. The proposal was: "Let us handle this the way we did in Korea"—in the Korean war of 1950—when the practice was to just authorize it and permit it to be paid by the U.S. military out of their funds, taking care of the expenses, the operations, the goods, the supplies—even the food, I take it—of the Korean army; and now, likewise, South Vietnam.

That was agreed to. I heard no objection to it. It was passed then as a part of this military bill.

I became chairman in 1969, and soon the matter of foreign aid became an issue. I had no particular appetite for wanting to handle all the foreign military aid, not at all. I did not think it was primarily for our committee. But this agreement was in full force. It looks ridiculous to me to be fighting a war there with these people—almost each company had some of our men in it—and we would be paying for part of the war out of this MAP program, and then to have another way to try to pay another part of it. It could not be done, really. That is why the system was resorted to, and that is why I continued to defend it from year to year, with some complaining. I complained because it got to the stage that it gummed up the bill and interfered to a degree with the handling of the real hardware and the manpower—the primary functions of this authorization bill.

We have had colloquy here from year to year about this matter. Last year, we had a situation in which we thought we could let Thailand go back to the old system, which was agreed to. The 1974 budget was being prepared in late fall; and, as best I can recall, in December there was hope of a truce, but there was no truce, and the fighting was continuing. It was unknown when our men would be withdrawn. We were just hoping. It was unknown when the POW's would come home. We were just hoping.

The matter of putting it in the budget again this year, in this bill, was mentioned to me by the Defense Department. As best I recall, I put them off until January, when they came back and said, "We are putting the budget together now for the last part. What about this item? The war was still going on to a degree. The POW's were not home; there was no agreement; and overnight it looked to me as though the thing was all off.

I said, the war certainly is not over, and we do not know what kind of mess we will have thereafter. We do not know whether there will be a cease-fire agreement that will hold. So just go on and put it in the bill for this year.

That was around the middle of January, as best I recall—before I went to the hospital on January 30. That was the last I knew about it until something came up here around July.

But the committee, as I said earlier, went on and took jurisdiction of this matter. They took the testimony; they went into it; they examined it; they made a judgment on it. They reduced it from $1.3 billion.

Incidentally, as things cleared up, the requests for these sums were reduced by the administration from what was at one time about $2 billion. They finally asked for a $1.6 billion authorization with an appropriation, as I am told now, as I get the facts, of $1.3 billion. The committee then reduced it to $952 million and put it in the bill, as I understand, without the issue being sharply raised. There was no vote on it, I am told—no record of any vote.

So the matter is here; and, so far as I am concerned, I am making no promise to try to keep this in the bill next year. If things go along as well as they are now, although they are still highly uncertain, I think that would be the time to let this go back to the Committee on Foreign Relations. But I certainly do not think it ought to be done now.

It is unthinkable to me that we leave those people over there just like you pick a chicken and throw it out to the elements, with no assurance from Congress that there is going to be any kind of military aid. We are a long way from deciding on a conclusion such as that.

How can we look in the face of the relatives of those who died over there—more than 50,000 of them—and many, many more who are maimed or handicapped for life? How can we think of leaving those people over there to the elements and to the hazards?

For years and years, we talked about supporting the program that was going on, to train them and finance them and arm them and equip them, so that they could fight their own battle, and we were going to pull out gradually, to keep on making sacrifices in blood and lives, until that condition could be brought about.

Finally, we did get to that position, had an agreement of a sort, and we got our POW's back, thankfully. Now we are just going to turn around and say, "Do the best you can. You have our moral sympathy but you will not have our help." I do not believe it. I do not believe anything like a majority of this Senate wants anything like that done. There has been no opposition to this measure before the Committee on Armed Services.

I have no fuss with the Committee on Foreign Relations. I want to see them try to do something in this area of foreign policy. But with all deference, as I understand this bill, it has not been passed by the House, but it has been passed by the Senate. It does not really render the military aid to these people that is absolutely essential. It refers to providing a piece-for-piece replacement of hardware items. If tanks get blown up, we give them one in place thereof.

But they have to have some hard money, some hardware, and more than that they have to have some moral support from this great Nation that went over there and emptied its money, manpower, lives, and everything else. If we cut out this money, I think we would be doing a thing we do not want to do on a technical argument here about jurisdiction of committees.

Several Senators addressed the Chair.

Mr. STENNIS. Mr. President, I had 15 minutes. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes remaining.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. STENNIS. Mr. President, I yield to the Senator out of courtesy. I know he will be brief.

Mr. FULBRIGHT. Mr. President, I regret the Senator changed his mind. The record will show what he said last year. He had no objection to a return to the regular system when the war was over. I read exactly his words of about a year ago. In addition, the bill the Senator referred to that was passed gives wide discretion to the President if there is a recurrence of the fighting.

But this $952 million is almost an assurance they will be given that amount of money if they need it or not. That has been the history. I do not see why the Senator insists on giving them that much in this appropriation.

The other bill provided for replacement of material and munitions and anything else they need for military purposes, but in addition the Senator mentioned hard money. In addition to this amount, the economic assistance measure has $376 million for Indochina. Part of it is used as the Senator saw. The corruption is indescribable over there. They waste the money which we give them.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. STENNIS. Mr. President, will the Senator from South Carolina yield 5 minutes to me?

Mr. THURMOND. I yield 5 minutes to the Senator from Mississippi.

Mr. STENNIS. I will take only a half-minute. Let me say this.

I assume the Senator from Arkansas quoted me correctly. I do not intend to go back on anything I said. Just as soon as the hostilities stop over there, I said, "and it is hard to say when hostilities stopped over there—or even as soon as we have a cease-fire agreement carried out with evidence of permanence, I would be willing to let the matter go back to the Foreign Relations Committee, or let the Senate do that."

However, budgets have to be made up and those conditions were not true in January and they are not true yet about permanence to the cease-fire. So I stand on solid ground.

I yield to the Senator from Washington.

Mr. JACKSON. Mr. President, I think it is quite obvious that the issue here is whether or not the Senate is going to pull out in connection with jurisdictional questions in the middle of a current fiscal year that is already underway. That is the issue. I believe the distinguished chairman of the committee, the able and outstanding Senator from Mississippi (Mr. STENNIS) should be backed up in this regard.

He has lived up to his commitment, as he just read the words that were spoken at the time this matter was discussed. I think it would be a mistake to turn around in the middle of the current fiscal year, 1974, to make this change.

I hope the Senate will reject the amendment.

Mr. STENNIS. I think the Senator has stated more clearly than I could the point I tried to state in the beginning. That is exactly the picture here, and here is the package. If we want to aid those people, as we have said we would, we must go on and dispose of it now. If this amount is too much, let us cut it down. But let us move forward.

I yield back the rest of the time yielded to me by the Senator from South Carolina.

Mr. THURMOND. Mr. President, I yield myself such time as I may require.

The issue is whether we wish to set aside years of progress toward peace in Southeast Asia through an action which would reduce or eliminate military assistance to Laos and South Vietnam. After many years, we have finally been able to negotiate an agreement which contains the basis for peace in Southeast Asia. We are all aware that these agreements have been openly and flagrantly violated by the other side. It is clear that the other side has not yet reached the conclusion that their best interests will be served by peace in Southeast Asia and are prepared to seize any opportunity to aggressively pursue their objectives throughout the area.

The American people must continue with their resolve to see beyond selfish national interest and to maintain the resolve to seek peace in this area. Peace in Southeast Asia requires the active and willing participation of all the countries involved in these conflicts. We must create a climate within which these nations find it within their interest to have peace. In the proposed legislation, we would restrict and even deny the use of one of the few things which still provides an incentive for the other side to seek peace—the strength of the South Vietnamese Armed Forces which are sustained by U.S. assistance provided on a timely and responsive basis through the MASF authority.

The Senate Armed Services Committee has developed a program of aid for South Vietnam. There is no alternative program. Thus, if we accept this amendment, assistance can be provided only as allowed under the previously passed bill, which does not offer a program of aid but merely replacement.

Some of the money in this bill is to pay for contractor support to help with maintenance and logistics for South Vietnam. The South Vietnamese are taking over these roles daily, but the degree to which they eventually manage these jobs depends upon continued training and transition.

Right or wrong, we have made heavy commitments in South Vietnam over the past years. It is only proper that our disengagement allow for a period of transition. Such a period of transition would be orderly under the military assistance funded program in this bill. To take it out, would cause such problems in South Vietnam that the whole country might be lost.

The American people have stood by four Presidents in their continuing efforts to bring peace to Southeast Asia. We now have a peace agreement in hand and through it a basis for lasting peace. We must all understand that should the funds for MASF be reduced or eliminated, the responsibility for reopening conflict in Southeast Asia might well be the result.

Mr. President, if this amendment carries it would mean there would be no funds for lifeline programs in South Vietnam, such as maintenance of all the equipment we have left, or to operate training programs, or to buy rations for the South Vietnamese forces. They need money to operate on, and they need moral support, as the Senator from Mississippi states.

Mr. President, this is a very important matter. I sincerely hope that the Senate will give it every consideration.

We have withdrawn from South Vietnam entirely. Our forces are out. When our forces were being withdrawn, I remember hearing some of those who were opposed to the war and to our troops being there saying, "Well, we do not mind helping them financially, but we do not want our men over there." Now our men are home, but those same people now seem inclined to withdraw assistance to those people.

We have spent billions and billions of dollars in the war in Vietnam. We have lost over 50,000 lives there and 300,000 have been maimed, blinded, or wounded. Is all of that going down the drain?

All we are doing here is giving them assistance so they can do their own fighting. President Nixon wound down the war. Our men are back home. All we want to do now is help the South Vietnamese to help themselves. If we do not do that, then all our fighting over there has been in vain.

I just want to say that the Armed Services Committee has already cut down the amount granted by the House. The original amount that was requested for this purpose was $2.1 billion. That was reduced by the President to $1.6 billion. The House approved $1.3 billion. The Armed Services Committee has cut it down to a little over $900 million. So we have already trimmed this program.

This amendment would take that out. It would deny these people the opportunity to maintain their equipment to fight for their survival? If South Vietnam goes down, if South Vietnam is lost, the whole of Southeast Asia may be lost. That could jeopardize our own national interest.

In summary, I want to say that the impact of any reduction here sets aside the years of progress toward peace in Southeast Asia. It will virtually eliminate support of South Vietnamese military operations, and cease-fire violations continue. If would be a clear signal to Hanoi of our reduced interest and concern; perhaps a clear invitation for a Communist takeover in South Vietnam.

The amount that we have provided here by the Senate Armed Services Committee has already been reduced. I hope the Senate will look carefully into the matter and think well before it adopts the amendment.

I have before me the testimony of Secretary Clements testifying before the Committee on Armed Services between June 11 and August 3. I want to read one excerpt from his testimony.

> Military assistance program appropriations do not provide the necessary levels of financing nor the "surge" or flexible response capabilities so necessary to meet unexpected or sustained military operational needs.

And that is what they want to do here—

> for South Vietnam and Laos would not be just a bookkeeping exercise. It would be a restrictive and inflexible procedure to impose at this time when it is so important to have available a responsive and flexible method to insure the stability of the cease-fire agreements which are still in a coalescing period.

Mr. Clements has not been with the Defense Department too long, but he has given this matter a great deal of attention. He is a student of this particular subject, and what he says is worth listening to by Members of the Senate.

I hope the Senate will see fit to kill this amendment, because we are confident it is in the public interest not only of the freedom of the people of South Vietnam but the people of America that we not adopt this amendment.

Mr. FULBRIGHT. Mr. President, I yield myself 1 minute.

I wish to put into the RECORD a letter of March 27, 1973, addressed to the Honorable Roy L. Ash, Director of the Office of Management and Budget, from Mr. J. Fred Buzhardt, who was at that time, general counsel for the Department of Defense. It is quite clear that the Defense Department wishes to take over all of the military assistance, this bill being a part of that effort. One of the purposes is section 7, as to which he says:

> The probability is good that most of the existing MAP statutory restrictions could be eliminated.

In other words, they want no restrictions whatever upon the distribution of funds for military assistance anywhere.

This is simply a reversal of the attitude which was expressed by the distinguished Senator from Mississippi last year, in which he said there was no objection to its being concurrent, when the war was over, with the regular military assistance program.

I think it is quite clear from this letter what the intention of the Defense Department is, and what the reversal of the attitude of the committee is. I think the Senate ought to know about it.

I ask unanimous consent that the letter from Mr. Buzhardt be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GENERAL COUNSEL OF THE
DEPARTMENT OF DEFENSE,
Washington, D.C., March 27, 1973.

Hon. ROY L. ASH,
Director, Office of Management and Budget, Washington, D.C.

DEAR MR. ASH: Reference is made to your request for the views of the Department of Defense on the proposed FY 1974 Foreign Assistance authorization bill submitted by the Department of State.

Insofar as the text of that bill is concerned, the Department of Defense recommends certain revisions to section 15 and 20 thereof and the addition of a new section 21. Enclosure 3 to this letter sets forth the texts of those sections as revised by the Department of Defense. Enclosure 4 sets forth the reasons for our recommended revisions.

Even as thus revised, however, the Department of Defense does not concur in the Department of State's proposal. The approach taken by the Department of State is to retain the status quo, namely, to keep military assistance for South Vietnam and Laos (MASF) in the Defense budget and military assistance for other countries and foreign military sales credits in the foreign aid budget. We recognize that this approach is consistent with the decision made by the President a few months ago during his consideration of the FY 1974 Budget Message, but that decision was made in the context of a shooting war in Indochina in which the United States was an active participant. In our view, the current factual situation warrants reconsideration of that decision and a different approach to meet the new situation.

As we see it, the legislative option adopted by the Administration should be designed to meet the following goals:

1. Assure Congressional support for a Southeast Asia reconstruction program—including North Vietnam when that becomes timely—in FY 1974 at an adequate funding level without—

(a) Increasing the total federal budget;

(b) Cutting domestic programs to find savings for reconstruction;

(c) Increasing the NOA requested for foreign aid; and

(d) Diverting funds from other foreign aid requirements.

2. Retain the MASF or equivalent authority at least through FY 1974 in order to assure our ability to provide logistic support to the South Vietnamese armed forces (consumables, spare parts, contract support and one-for-one replacement of major items) and the added assistance which would be required if compliance with the cease fire accords collapses and active hostilities resume.

We do not believe that the State Department's proposal will achieve those goals.

Insofar as reconstruction is concerned, the State Department approach does not expressly address the issue of the sources of funds for reconstruction in North Vietnam when that becomes timely, and provides for the funding of reconstruction in South Vietnam, Laos and Cambodia, at the expense of the supporting assistance requirements of those countries for military budget support and of supporting assistance requirements worldwide. (Assuming that Congress would as it has in the past, earmark $50 million of supporting assistance for Israel, only $40 million would remain for supporting assistance requirements worldwide inclusive of Indochina).

Although not articulated in its submission of the proposed bill, presumably the Department of State contemplates that funds for reconstruction in North Vietnam, when that becomes timely, would be made available through a budget amendment transferring funds from the MASF and/or military functions budget for Southeast Asia operations. Any such transfer, however, would mean an increase in the foreign aid budget, and an increase in that budget would not be politically palatable—particularly for reconstruction of North Vietnam—in the face of increasing pressures for reorienting the overall budget in favor of domestic programs. Moreover, those members of Congress who support the Defense budget are unlikely to look with favor on a cut in the Defense budget in order to fund reconstruction in North Vietnam. Finally, that approach takes for granted that Congress will continue MASF in the Defense budget at a reduced level. If, however, Congress rejects the status quo and directs the return of MASF to the foreign aid budget, the result would not only be an increase in the foreign aid budget for reconstruction in North Vietnam but an additional increase to cover military assistance for South Vietnam and Laos. We seriously doubt that the ultimate amount authorized and appropriated for foreign aid would in any way approximate the aggregate of the original NOA request for foreign aid and of the additional amounts which would be needed for reconstruction in North Vietnam and military assistance to South Vietnam and Laos. The consequent impact on the foreign aid program could well be disastrous.

That the Congress will not retain MASF in the Defense budget even at a reduced level is clearly more probable than not. It is certain that the Foreign Relations Committee, for one, will approve an amendment to the FY 1974 Foreign Aid authorization bill—comparable to the one it approved in February to the FY 1973 bill—prohibiting the obligation of funds for military assistance to South Vietnam and Laos except as otherwise provided for in the foreign aid bill. Insofar as the Armed Services and Appropriations Committee are concerned, because the original rationale for the enactment of MASF no longer obtains after the withdrawal of our forces, we anticipate that they will not vigorously oppose such action by the Foreign Relations Committee; indeed we anticipate that they would favor the shift back to the foreign aid budget unless we can provide a new persuasive justification for keeping MASF in the Defense budget. (The original justification for MASF was that "parallel but separate financial and logistics systems for U.S. forces and for military assistance forces are too cumbersome, time consuming, and inefficient in a combat zone." See Sen. Rep. 992, 89th Cong. 2d Sess., p. 11)

In these circumstances, and in order to achieve the goals outlined above, we recommend an alternative approach to the FY 1974 foreign aid issue, namely:

Transfer MAP and FMS credits to the Defense budget.

Consolidate MAP and MASF.

Recast the authorization for the combined MAP/MASF in terms of a ceiling on deliveries rather than on the NOA program.

Absorb the NOA requirement for MAP/MASF and FMS credits within the NOA amount already budgeted for MASF.

The benefits to be gained from this approach are as follows:

1. Makes more money available for reconstruction in Southeast Asia than any other option, namely, the $1.2 billion in the foreign aid budget for MAP and FMS as against what might be realized under State's proposal.

2. Does not increase the existing foreign aid budget NOA request, and enables the funds requested in the foreign aid budget to be used for reconstruction without a budget amendment shifting those funds from the DOD budget.

3. Affords a basis for new rationale to support continuation of military assistance to Southeast Asia in the Defense budget, namely:

(a) It would fully integrate the worldwide MAP (which would include what is now MASF) into the PPBS of DOD and facilitate trade-offs under the total force concept;

(b) It would enable Congress for the first time to make an informed judgment as to the validity of MAP since the same committees which handle the military functions items of the Defense budget would concurrently be reviewing the MAP request and hence would be in a position to assess the validity of our trade-offs under the total force concept;

(b) It would enable Congress for the first time to make an informed judgment as to the validity of MAP, since the same committees which handle the military functions items of the Defense budget would concurrently be reviewing the MAP request and hence would be in a position to assess the validity of our trade-offs under the total force concept;

(c) The redefined MAP could be presented to the Congress as a program of specifically limited future duration; e.g., five years, at the end of which time only FMS, training, and quid pro quo would continue as permanent provisions of Title 10 of the United States Code, and

(d) A significant management benefit of transferring MAP into the DOD budget would be to integrate the MAP and DOD supply systems and thereby facilitate cost savings and a meaningful application of supply priorities.

4. A delivery ceiling concept provides greater flexibility for reprogramming to meet emergencies within the ceiling because it can make fuller use of DOD assets than the existing MAP system which is accounted on an NOA basis.

5. A delivery ceiling concept would simplify our congressional relations problem since floor action would be required only during the authorization process and not twice as is the case now under MAP where we are annually faced with a floor debate and vote both on the authorization amount and the appropriation amount.

6. Within the context of the overall Defense budget, the delivery ceiling would be a relatively modest amount and the NOA required would be less visible since it would be spread through the various DOD accounts.

7. The probability is good that most of the existing MAP statutory restrictions could be eliminated.

8. The DOD budget would have to absorb the Enhance Plus cost and this option obviates the necessity of explaining and justifying an appropriation to DOD to reimburse the MAP account for Enhance Plus. (We are in dire danger now of losing these reimbursement funds.)

9. The Department of State would still play a significant role in the formulation of the MAP and FMS programs through the normal inter-agency procedures for foreign policy coordination.

10. It is less likely that Senators on the Foreign Relations Committee could make a hostage of the MAP and FMS programs by attaching riders, such as Senator Fulbright's impoundment amendment and the Case bills relating to executive agreements, since the proponents of those riders would have to initiate such action on the floor of the Senate rather than in committee markup.

11. It would obtain the votes of those members of the Congress who are in favor of MAP and FMS but who are unwilling to vote for a foreign aid bill containing economic assistance.

12. It would improve the management of MAP and FMS since historically the authorization and funds for DOD are passed earlier in the fiscal year than foreign aid.

Enclosure 1 to this letter is a draft bill which accords with the foregoing alternative approach, a bill cast in the form of an additional title to the Defense Appropriations Authorization for FY 1974 bill previously transmitted to the Congress. The section-by-section analysis of our draft bill is at enclosure 2.

We urge that our alternative proposal not be dismissed out of hand by OMB because of the prior Presidential decision made in the context of a significantly different factual situation, and that the pros and cons of State's proposal and our alternative be carefully assessed in the context of the goals which we believe the President desires to attain.

Sincerely yours,

J. FRED BUZHARDT.

Mr. FULBRIGHT. Mr. President, I yield 8 minutes, if that is what I have, to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, how much time is there remaining?

The PRESIDING OFFICER. The Senator from Minnesota has 9 minutes.

Mr. HUMPHREY. Mr. President, let us just take a few moments to see where we stand on the subject of military assistance. The Senate, as the chairman of the Relations Committee has reminded us, and as the acting chairman of the Armed Services Committee has reminded us, passed S. 1443 on June 26, and it passed it by a rollcall vote.

The chapter in this bill that relates to military assistance under which the areas of Vietnam, South Vietnam, and

Laos would be included, is known as part 3, chapter 21. There was no particular resistance made to the language of that chapter, but apparently the Department of Defense, after hearing what the Senate had done, comes rushing in now and says, "We have got to have this extra money of $952 million," under what they call the flexibility that they need under the MASF program to aid South Vietnam and Laos.

I want to repeat that the Senate has already acted on this authorization. Are we going up the hill and down the hill? The Senate had a particulate debate on the whole subject of military assistance, and an appropriate committee of the Congress held hearings on military assistance. We marked up a bill, with long discussion in committee, on the military assistance program, and the Senate and the Congress of the United States acted affirmatively on the legislation known as S. 1443 to authorize the furnishing of defense articles to foreign countries and international organizations.

Now we come in and say we are going to change the rules.

It so happens that when the President's budget came down to Congress a particular item was hidden in the budget—I am a member of the Joint Economic Committee—wherein was a request for over $2 billion for a special contingency fund for assistance to South Vietnam. I made quite a point of it. I went on radio and television. I spoke here in the Senate. I insisted that that item was over and beyond what was needed in this budget.

Later on I found that the counsel to the President had been advocating that the whole military assistance program be taken over by the Department of Defense, contrary to all understandings of the Congress of the United States.

I made a point of that. I wrote to the President. I spoke here on the Senate floor. I tried to make public notice of it.

They sort of backed away. Now they come around the barn once again and they need $952 million.

May I say that we talk about $952 million in the Defense appropriations like it is chickenfeed, but we debate for hours in here a few dollars for the school lunch program or for the medical assistance program or for a rehabilitation program for the handicapped and disabled. May I say they are asking for more money here for South Vietnam and Laos—and I will speak to that as being absolutely not needed—than we had for the whole program for all the disabled people in the United States.

I was not quite so warmed up about the Defense debate until I got into it, until after I had seen the lobbying that was going on. I want to remind the Senate that if we are going to make up our minds that we are going to live within the $268 billion budget, we should decide whether we are going to give most of it away in the Defense bill or take care of some of the needs at home. If anyone can show me that the $952 million is vital to our national security, I will apologize. However, it has nothing to do with our security.

Let us take a look at how the poor South Vietnamese are getting along. By the way, I have supported that regime. I have supported our action there. I am not one of the most severe critics. However, I thought the war was over. I thought that we had entered an era of peace.

I know that the troops are home and am grateful for that. The prisoners of war are home, and I hope that those missing in action can be found and brought home.

There is $200 million in the pipeline for flexible assistance that we can use in South Vietnam and Laos—$1.2 billion. I thought that was a lot of money. That staggers the imagination of most of our citizens. There is $1.2 billion for flexible spending already in the pipeline that they can spend as they want to. And the bill we passed in the Senate, S. 1443, provides for that.

We simply said, "When you get through with that, will you please, Mr. President, kindly come in with a program? Will you tell us what you really need?"

What else have we done? We provided under the cease-fire agreement—and that is provided for in legislation passed by the Senate—that there will be a replacement on a 1-for-1 basis. If they shoot a shell, and they certainly know how to shoot shells, they will get a shell back. If they lose a gun, they will get a gun back. If they lose a plane, they will get a plane back. If they lose a tank, they will get a tank back.

We did not leave them weak. Does the Senate remember the newspaper stories on how we were stepping up our shipments of war material to South Vietnam? There was page after page of it in every newspaper in America. The ships were loaded, and we were bringing in as much equipment as the docks could hold.

We loaded the South Vietnamese with everything they needed. We gave them a navy. They have the third largest navy in the free world. They have millions of men under arms. They have weapons. They have tanks. It is unbelievable. We have given them so much that, as a matter of fact, they might bankrupt themselves taking care of it. Yet we are being asked for more. Mr. President, I do not want to see the South Vietnamese go down the drain. I have been no supporter of North Vietnam. But, I read in the newspaper the other day that the brothers got together over at Laos. I do not know whether they are half brothers or full brothers. Anyway, they decided that they would have no more war. It is all part of the royal family. It is not a matter of whether one is a rightist or a leftist. It is all part of the family. They have a celebration and they stop the war to get together for family reunions. They have been doing this for years.

Why do we have special funding for this when there is not any war there?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. Mr. President, if we pass this bill, it will be the biggest waste of money. They do not need $952 million more. Good God, they have everything in the world, and they have $1,200 million that has not been touched.

[Applause in the galleries.]

The PRESIDING OFFICER. The galleries will be in order.

Mr. FULBRIGHT. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Arkansas has 1 minute remaining.

Mr. FULBRIGHT. Mr. President, how much time remains to the Senator from South Carolina?

The PRESIDING OFFICER. The Senator from South Carolina has 3 minutes remaining.

Mr. FULBRIGHT. Mr. President, since there is no one on the floor, there is no point in continuing with the debate.

Mr. HUMPHREY. Mr. President, if the Senator will yield to me, I would like to say——

The PRESIDING OFFICER. The 1 minute of the Senator from Arkansas has expired.

Mr. HUMPHREY. Mr. President, I thought the Presiding Officer said the Senator from Arkansas had 1 minute.

The PRESIDING OFFICER. The time of the Senator from Arkansas has now expired. The Senator from South Carolina has 3 minutes remaining.

Mr. FULBRIGHT. Mr. President, I thought the Presiding Officer said I had 1 minute remaining.

The PRESIDING OFFICER. It took 1 minute to find out about the time.

Mr. HUMPHREY. Mr. President, that should be charged to the Presiding Officer.

Mr. FULBRIGHT. It should not come out of my time, I do not think.

Mr. President, I yield back the remainder of my time.

Mr. THURMOND. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back or expired. The question is on agreeing to the amendment of the Senator from Arkansas. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. LONG), and the Senator from Minnesota (Mr. MONDALE) are necessarily absent.

I also announce that the Senator from Iowa (Mr. CLARK) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. JAVITS) is absent for religious observance.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON), is absent because of illness.

The result was announced—yeas 43, nays 51, as follows:

[No. 427 Leg.]

YEAS—43

Abourezk
Aiken
Bayh
Biden
Brooke
Burdick
Byrd, Robert C.
Case
Church
Cranston
Eagleton
Fulbright

Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Hughes
Humphrey
Inouye
Kennedy
Mansfield
Mathias
McGovern
Metcalf
Montoya
Moss
Muskie
Nelson
Pastore
Pell
Percy
Proxmire
Ribicoff
Saxbe
Schweiker
Stevenson
Symington
Tunney
Williams
Young

NAYS—51

Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Bible
Brock
Buckley
Byrd, Harry F., Jr.
Cannon
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Jackson
Johnston
Magnuson
McClellan
McClure
McGee
McIntyre
Nunn
Packwood
Randolph
Roth
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Talmadge
Thurmond
Tower
Weicker

NOT VOTING—6

Clark
Javits
Long
Mondale
Pearson
Taft

So Mr. FULBRIGHT's amendment was rejected.

Mr. THURMOND. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

PATENT MODERNIZATION AND REFORM ACT OF 1973—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. NUNN) laid before the Senate a message from the President of the United States, which was referred to the Committee on the Judiciary. The message is as follows:

To the Congress of the United States:

America's dramatic progress from a small agrarian nation to a great technological and industrial leader has been due, in no small degree, to the inventive genius of its people. Names such as Benjamin Franklin, Eli Whitney, Cyrus McCormick, Thomas Edison, Alexander Graham Bell, Samuel Morse, the Wright Brothers and Henry Ford speak volumes about the character of our Nation.

Our creative history, however, has not been a matter of individual inspiration alone. Our Founding Fathers understood the need for innovative thinking and wrote into the Constitution a means of encouraging invention—the patent system—which has enormously stimulated our progress and prosperity.

The national patent system authorized by the Constitution took on form and substance with enactment of special patent acts in 1790, 1793 and 1836. The act of 1836 provided statutory criteria for the issuance of patents and required the Federal Patent Office to examine applications to determine whether they conformed to those criteria. Although this 1836 law has since been amended, no basic change has been made in its general character and it now forms the basis for our present patent system.

While the patent system has changed only slightly since the nineteenth century, the social and economic structure of our Nation has, of course, undergone profound change. The individual inventor, often working alone and unaided, still makes an important contribution, but the lead role in exploring new frontiers of technology is now played by organized research—sophisticated and highly capable teams funded by our Government, industry and universities.

The changing nature of applied research has understandably raised questions about the adequacy of our patent system. Over the past 7 years, a number of searching studies have been made of that system, including a report by a special Presidential Commission in 1966. Those studies have shown that a successful patent system should meet at least four basic standards. It should:

—provide an incentive for new inventions by offering a meaningful reward to the inventor and to his supporters;

—promote early public disclosures of new discoveries, so that others may also benefit;

—encourage other researchers to explore alternative solutions to crucial technological problems; and

—through the process of discovery and disclosure, widen the opportunity for consumers to choose products of higher quality and lower price.

In recent years, it has become increasingly clear that our current patent system does not measure up to these standards. The United States Patent Office now examines patent applications in an *ex parte* fashion—a series of hearings involving only Patent Office personnel and the party applying for a new patent. The very nature of the examination process denies the Patent Office much information relevant to its decision about issuance of a new patent because that information is frequently held by those who may be in commercial competition with the patent applicant. Thus the Patent Office may grant a patent to one inventor without knowing that similar information already exists. As a consequence, legal disputes between a new patentee and his competitors have often arisen after the patent has been issued, and, because the courts can develop a more complete factual record, a large number of patents have been declared invalid. This litigation is often protracted and needlessly expensive, both for the patentees and their competitors. In addition, there have been increasing allegations of fraud and inequitable conduct in the procurement of patents. The net result is that public confidence in the reliability of our patent system has been eroded, and we have reached the point where reform is clearly desirable.

Accordingly, I am today proposing that the Congress enact the Patent Modernization and Reform Act of 1973. This legislation, which will today be transmitted to the Congress by the Commerce and Justice Departments, is designed to rid the patent system of many of its existing problems without sacrificing the indispensable stimulus to invention now afforded by that system. Specifically, this bill has four major objectives:

1. Strengthening public confidence in the validity of issued patents;
2. Accelerating and improving the disclosure of new technology revealed by the patents;
3. Simplifying the procedures for obtaining patents; and
4. Enhancing the value of the patent grant.

STRENGTHENING PUBLIC CONFIDENCE

The single most important objective of reform must be the establishment of examination procedures which ensure that new patents are both sound and reliable. The best way to achieve this objective is to obtain as much information from all sources as is practicable.

To remedy the defects of the present system, I am recommending that we broaden public participation in the review of patent applications, that we strengthen the hand of the patent examiner, and that we require applicants to give greater assistance to the examiner in bringing information to light. If we take these steps, I believe we would not only insure a more orderly and complete patent examination but also greatly strengthen public confidence in the validity of our patents.

Under the proposed bill, the Patent Office would publish all patent applications that seem worthwhile and would then give the public six months to bring to its attention information relevant to the application. Members of the public would be permitted to present their views to the Patent Office in an adversary proceeding, and new procedures for discovery of information and opportunities for the opposing parties to appeal the decisions of the Patent Office through the courts would be established. The bill also provides for additional manpower for the Patent Office so that opposition proceedings can be conducted effectively.

The patent examiner, a critical figure in the application process, would also be given additional tools to perform his job. These would include, in appropriate cases, authorization to require an adversary examination proceeding and to obtain the assistance from a special patent officer in such a proceeding, as well as access to adequate discovery techniques under the Federal Rules of Civil Procedure.

To further assist the examiner, patent applicants would be required to disclose all pertinent information at the outset of the examination proceeding along with a written memorandum describing why their inventions are patentable. In addition, this legislation spells out in considerable detail the duties of inventors, patent applicants and their attorneys to bring to the attention of the Patent Office all relevant information which comes to their attention during the examination process.

ACCELERATING AND IMPROVING DISCLOSURE

A basic premise of the patent system is that in exchange for commercial protection of his discovery, an applicant will disclose the techniques of his invention so that others may build upon this knowledge. Some critics, however, have suggested that the current patent system is not bringing forth the full and rapid disclosure of technology that it should.

The legislation proposed by the Administration would encourage applicants to expedite the processing of their applications by granting a period of protection 20 years from the date the application is filed rather than the present 17-year period from the day a patent is granted. In addition, this legislation would require that patent claims be drafted with greater precision so that others would have a better understanding of how to use the invention.

SIMPLIFYING PROCEDURES

The Administration bill also sets forth several important steps to simplify the procedures for filing and obtaining patents. One reform would permit the owners of an invention, not just the inventor, to file the papers for, and directly obtain, a patent. This step should remove the present procedural hurdles to filing of applications by corporations, universities or other research organizations.

The bill would also simplify troublesome problems of amending applications and would give the Patent Office greater flexibility in examining applications containing more than one invention.

ENHANCING THE VALUE OF PATENTS

The legislation I am recommending would also enhance the value of the patent grant. The procedural reforms described above, which are designed to strengthen confidence in the examination process, would do much to achieve this goal. But other, more specific changes are also needed.

Current law leaves the owners of United States process patents unprotected against importers who sell foreign products that have been manufactured by utilizing processes developed in the United States. This law should be changed so that exclusive sales agents or affiliates of foreign competitors who handle such products will be considered patent infringers.

The proposed legislation would also permit the patent owner to settle disputes over the infringement and validity of his patent without resorting to expensive and time-consuming court litigation. Patent owners and those accused of infringing patents may instead, if mutually agreeable, turn to arbitration for resolution once a dispute arises between them. Where arbitration is not possible, improved disclosure and discovery techniques during the patent application process should reduce the expense and uncertainty of subsequent litigation.

In the event of a dispute over the validity of a patent, the legislation I am recommending would clarify the rights of the patentee or a person who might hold his patent, such as an assignee or licensee. Another provision would ensure that the patent laws not be construed to replace or preempt state laws concerning trade secrets so long as those state laws do not interfere with the free flow of ideas in the public domain. Decisions of the Supreme Court in both of these areas would also be left undisturbed.

PRESERVING THE BEST OF THE PRESENT SYSTEM

The Patent Modernization and Reform Act of 1973 is more than a reform bill. It would preserve and extend some of the best and most important aspects of our current patent system. In preparing this legislation, the Administration considered and analyzed a great many proposals for changing the present law—but our decision was to adopt only those proposals for change that would significantly improve the system.

We were particularly anxious to maintain present standards for the awarding of patents, including the requirement that inventions serve a useful purpose. One of the virtues of the American patent system is its emphasis upon practicality—its demands that ideas be reduced to a tangible form having a known usefulness before the public should grant a monopoly on the concept to the applicant.

My proposal would also preserve the American concept of giving the patent to the person who is first to invent, because he is the individual most deserving of recognition and encouragement. In doing so, we would reject the approach of certain other countries that award the patent to the first applicant to file for a patent.

In addition, the existing state of case law on antitrust standards for patent licensing that have been determined by the courts would not be changed. Some have argued that this case-by-case approach to patent licensing has increasingly eroded the value and reliability of the patent grant. Earlier this year, I requested that various proposals addressed to this issue be carefuly studied and reviewed by the Secretary of Commerce, the Attorney General, and my chief advisers on economic policy. After much study, they concluded that there is no clearly demonstrated need or justification for introduction of any patent licensing proposals at this time. They also concluded that the legislation I recommend today will help counter the loss of public confidence by improving the reliability of patents that are issued.

CONCLUSION

Benjamin Franklin, a famous inventor as well as a statesman, reflected once that he wished it his destiny "to be born two or three centuries hence" so that he could not only enjoy the conveniences of modern life but also satisfy his curiosity. So long as the spirit of Franklin remains alive in America, we can be confident that our civilization will flourish.

Our patent system should always work to foster that spirit. Unfortunately, our current system does not always serve that end. With the changes I am recommending today, however, we can combine the best parts of our existing system with the most promising proposals for improving it. In that belief, I ask the Congress to give the proposals contained in the Patent Modernization and Reform Act of 1973 prompt and careful consideration.

RICHARD NIXON.

THE WHITE HOUSE, *September 27, 1973.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. NUNN) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations received today, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (H.R. 981) to amend the Immigration and Nationality Act, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 981) to amend the Immigration and Nationality Act, and for other purposes, was read twice by its title and referred to the Committee on the Judiciary.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation, for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes.

AMENDMENT NO. 493

The PRESIDING OFFICER (Mr. NUNN). The Senate will now proceed to the consideration of amendment No. 493 of the Senator from Iowa (Mr. HUGHES) on which there shall be 2 hours of debate.

Mr. HUGHES. Mr. President, I call up my amendment, No. 493, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 27, line 1, strike out "$952,000,000" and insert in lieu thereof "$500,000,000".

On page 28, between lines 5 and 6, insert a new section as follows:

"SEC. 703. After June 30, 1974, no sale, credit sale, or guaranty of any defense article or defense service shall be made, or any military assistance (including supporting assistance) furnished to South Vietnam or Laos directly or through any other foreign country unless that sale, credit sale, or guaranty is made, or such assistance is furnished, under the Foreign Assistance Act of 1961, the Foreign Military Sales Act, or any subsequent, comparable provision of law. The provisions of this section shall not apply to funds obligated prior to July 1, 1974."

On page 28, line 6, strike out "SEC. 702" and insert in lieu thereof "SEC. 703".

On page 30, line 3, strike out "SEC. 703" and insert in lieu thereof "SEC. 704".

Mr. ROBERT C. BYRD. Mr. President, the Senate has a very busy schedule for the remainder of the day. It appears at this time that the Senate will be in session very late. I wonder whether the authors of the amendments scheduled for today—and the opponents likewise—would be willing to reduce the time on the amendments. Perhaps they would not. Perhaps this is not the time to ask. But I think I ought to venture the suggestion at this point.

May I ask the Senator from Iowa (Mr. Hughes), and the distinguished ranking member and the distinguished chairman of the committee, if it would be possible to reduce the time on the Hughes amendment. I see that Senators McGovern and Bayh are in the Chamber, and I would like to ask them if it would be possible to reduce the time on the McGovern amendment dealing with categorical ceilings, and the time on the SAM-D amendment.

Mr. President, I ask unanimous consent that the time consumed in this colloquy not be charged against the time on the amendment of the Senator from Iowa.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Mr. President, I am fully appreciative and sympathetic with the efforts the distinguished Senator from West Virginia is making to move this bill through and I think that because of his efforts we are a lot further along than we normally would be. I salute him for that.

This SAM-D business is such a complicated matter that it will lead, ultimately, to an expenditure of $4½ billion. So I want to make certain that we have a chance to make the record as to where we are going. When I look at the votes being cast today, I do not know how we are going to come out. Inasmuch as this is a project to be taken step by step, I want to make certain that we make a proper record so that the next time we want to spend money, we can compare where we are this year, because that is what it has been for the past few years, and I am concerned that we may be heading down the track of another cost overrun such as the weapons systems we have abandoned like the Cheyenne and the main battle tank. So I would like to know, before we crank in more dollars here, as to what the situation is.

I see the Senator from Nevada (Mr. Cannon) in the Chamber who will have some remarks to make in support of our position, as well as the Senator from Missouri (Mr. Symington). We will not prolong the discussion but I think we need to make a good case and I would hate to foreclose doing that. I pledge, as the Senator knows, that I will not be dilatory in the use of our time.

Mr. ROBERT C. BYRD. The Senator from Indiana is never dilatory and I thank him for his comments.

Mr. McGOVERN. Mr. President, I think as the Senator from Indiana does on this matter, that I do not want to prolong debate needlessly, but several Senators have spoken to me about their desire to participate in this discussion. We are talking about a five-point proposal that would cut new obligational authority over five major sections of the entire defense appropriation. So while I think at some point we will be able to yield back some of the time, I would rather not make that commitment right at this moment.

Mr. ROBERT C. BYRD. Very well. I thank the distinguished Senator from South Dakota for his comments.

Does the Senator from Iowa wish to comment?

Mr. HUGHES. Mr. President, my amendment enjoys so much support that no one has asked me for any time to speak in support of it. I do not intend to use more than 10 or 15 minutes. So if the majority whip would talk to the manager of the bill about whatever time we can save, that will be all right with me. I should be ready to vote any time after we have made our statements.

Mr. THURMOND. The Senator from Iowa is always generous. I should like to be helpful. Say, 1 hour, with 30 minutes to a side, if that is agreeable?

Mr. ROBERT C. BYRD. I thank both Senators. That will save at least 1 hour for the day.

Mr. HUGHES. Mr. President, the Armed Services Committee has already reduced the administration's request for military aid to South Vietnam and Laos to $952 million. My amendment No. 493 would go even further in two respects: It would cut funding to $500 million and it would require the shifting of these programs back to the regular military assistance program (MAP) at the end of this fiscal year.

I might add at the outset, Mr. President, that there is a typographical error in the printed version of this amendment: Line 5 of page one should begin "Section 702" rather than "703." I ask unanimous consent that this correction be made.

The PRESIDING OFFICER. Does the Senator ask unanimous consent that his amendments be considered en bloc?

Mr. HUGHES. May I defer that request, Mr. President, in the parliamentary procedure?

The PRESIDING OFFICER. Unless they are considered en bloc, the amendment is not in order, since it affects four places in the bill.

Mr. HUGHES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUGHES. Is it permissible to divide the amendment?

The PRESIDING OFFICER. The Chair is informed that this is not one amendment but four amendments, because it affects four separate places in the bill. Therefore, it must be considered en bloc, and the Senator would have to ask unanimous consent for that.

Mr. HUGHES. Mr. President, that does not respond to the question I asked.

Is it permissible to divide the issue and still make an en bloc request for two different sections, so that there would be two votes rather than four?

The PRESIDING OFFICER. The Senator could ask unanimous consent for two votes in lieu of four.

Mr. HUGHES. Mr. President, I suggest the absence of a quorum, with the time taken from my time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUGHES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGHES. Mr. President, I ask unanimous consent that amendment No. 493 be considered en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HUGHES. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HUGHES. Mr. President, section 701 should not even be in this bill. Military assistance to South Vietnam and Laos was covered in S. 1443, the Foreign Military Sales and Assistance Act, which passed the Senate on June 26, 1973. Section 2108 of that bill authorized sums for armaments, munitions, and war materiel; and section 3109 transferred the program back to MAP and out of the Department of Defense.

But I recognize that, given the typical obstacle course for these contentious measures, it may be very late in the year before these matters are settled in conference committees. If the military assistance service funded (MASF) program can be shifted sooner, I would welcome it.

In any event, I believe that Congress should put the executive branch on notice that this shift must take place no later than next July 1. Since the Defense Department claims that a changeover would require 6 months of planning, we should write the law now so that such planning can begin in earnest.

In my view, there is no need to continue MASF. This program was established in 1966 because, as the Armed Services Committee report said at the time, funding through the Defense Department "is desirable because parallel but separate financial and logistics systems for U.S. forces and for military assistance forces are too cumbersome, time consuming, and inefficient in a combat zone." Since those financial and logistics pipelines are no longer supporting U.S. forces in Laos and Vietnam, this justification no longer applies.

We may not have peace in these countries yet, but we surely have a greatly reduced level of conflict. If any change occurs in the military situation, of course, additional funds could be requested from Congress. What I want to avoid—and what I believe we all want to avoid—is a situation where unnecessary and unusable items are funneled into these countries simply because the funds are there now.

We have already given South Vietnam vast amounts of military aid—over $13 billion in the past 8 years. Our accelerated delivery program last fall—between the "peace is at hand" statement and the December bombing—cost over three-quarters of a billion dollars, and we gave South Vietnam, among other things, more aircraft than they will be able to use for a substantial period of time.

All of these expenditures, in my view, reduce the need for huge additional amounts this fiscal year. Amazingly enough, we finished fiscal 1973 with between $160 and $200 million of MASF funds unobligated. In short, we have programed more than we could spend, and we have still given more than the South Vietnamese could use.

It is particularly galling to me, and I believe to most Americans, to read news reports such as those recently showing that, because of U.S. aid, the South Vietnamese are having no trouble obtaining such items as gasoline and scrap steel which are in such short supply in our own country.

How much is enough? The administration wanted, and the House of Representatives approved, more money for MASF this year—a year of proclaimed peace—than we spent at the height of combat activity in 1968.

The Armed Services Committee took a major and commendable step by reducing that request to $952 million. I believe that we can and should go further.

The present bill contains $47.5 million to pay subsistence and other benefits to Lao and Vietnamese forces. Why should we be paying their salaries?

The largest single item still in this bill is $690 million for operations and maintenance—meaning, base support, and maintenance, transportation of supplies, and consumable items such as petroleum, oil, and lubricants, and spare parts.

This amount is excessive and provocative. If we examine comparable O. & M. figures for Laos and South Vietnam in recent years, we see that this year's request for $690 million is $50 million more than we gave those countries in 1970, and is 90 percent of what we gave in 1971 and 82 percent of what we gave in 1972. Even compared with last year, we are still providing this kind of support at the 60 percent level. Yet the fighting has subsided, and I believe our financial support should also.

I say that such large sums are provocative because they involve several thousand American contractor personnel remaining in Vietnam, and we are providing far more than the piece for piece replacement of armaments, munitions, and war material authorized by the Paris cease-fire agreement. In fact, the $952 million in this bill is far more than the total of $705 million in both economic and military aid which North Vietnam received last year from its allies.

The road to reduced tensions requires mutual restraint. We can show such restraint on our part by reducing our levels of support for these nations' war machines.

One more point. Even if the entire amount requested were approved, the Pentagon admits that it will spend only $800 million during fiscal 1974. I do not believe that American taxpayers should be squeezed for any more money than will even be spent.

For these many reasons, Mr. President, I believe that the level of military aid to South Vietnam and Laos can prudently be reduced ot $500 million for the current fiscal year.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I yield myself such time as may be required.

I rise in opposition to this amendment. As I understand this amendment, it would really do two things. It would not only transfer the jurisdiction on this program from the Committee on Armed Services to the Committee on Foreign Relations but also it would reduce the amount of funds allowed South Vietnam. I would like to inquire of the Senator if that is correct?

Mr. HUGHES. It does not make the transfer at this time, but at the end of fiscal year 1974, next July 1. It does reduce the amount of money to $500 million.

Mr. THURMOND. $500 million. And it makes the transfer.

Mr. HUGHES. At the end of the fiscal year.

Mr. THURMOND. At the end of the fiscal year.

Mr. HUGHES. The Senator is correct.

Mr. THURMOND. This is practically what we voted on before except that the amount previously was $952 million. Now, the Senator wants to cut that to $500 million. I would remind the Senate that the President originally requested $2 billion, that was reduced to $1.5 billion. The House made it $1.3 billion. The Armed Services Committee cut that to $952 million. So this amount already has been cut.

The administration feels it needs much more than the Committee on Armed Services approved. The Secretary of Defense, and I know because I heard him say today, feels exceedingly strongly about this matter. He feels that if South Vietnam is going to survive, the full amount provided by the House should be the minimum.

I oppose this amendment because it would signal the North Vietnamese to continue their protracted conflict with enhanced possbilities of success. MASF funding provides the flexibility necessary to oppose or deter further North Vietnamese violations of the cease-fire agreements. The military assistance program—MAP—is too restrictive to provide the assistance needed in a major active theater like SVN.

The administration has recently released intelligence information which plainly shows that the North Vietnamese have continued intensive infiltration of men and war materials to South Vietnam, Laos, and Cambodia since the January 27 Vietnam cease-fire agreement. In addition they have built and refurbished 12 air fields which adds a new and threatening element to the already shaky situation. All this activity is in gross violation of the peace agreements, and further demonstrates Hanoi's determination to achieve her objectives through military conquest.

If our allies in Southeast Asia are to have any chance at all in their efforts to force Hanoi to comply with the Paris agreements, they must have timely and responsive military assistance that they need. A congressional restriction such as the one being proposed, could destroy the credibility of our current stance in Indochina. Some may seek this—but such a move would merely invite Hanoi to exacerbate the situation and to increase the level of tension and of fighting.

We all want to disengage from Indochina. But a precipitous act such as called for in this amendment could have tragic consequences for our allies and for peace.

Mr. President, I reserve the remainder of my time.

How much time do I have remaining?

The PRESIDING OFFICER. The Senator from South Carolina has 24 minutes remaining. The Senator from Iowa has 20 minutes remaining. Who yields time?

Mr. HUGHES. Mr. President, it is quite obvious that most Members of the Senate are not present to hear the debate. It is also equally obvious that the Senator from Iowa is not going to convince the distinguished Senator from South Carolina to change his position. Since no one is around that either of us can convince, I am prepared to yield back my time.

Mr. HUMPHREY. Mr. President, before the Senator gives up——

Mr. HUGHES. I am not giving up. I want to inform the Senator from Minnesota.

Mr. HUMPHREY. Will the Senator yield for a question?

Mr. HUGHES. I yield.

Mr. HUMPHREY. I understand this is a followup of the Fulbright amendment. Is that correct?

Mr. HUGHES. The Senator is correct.

Mr. HUMPHREY. The Senator is accepting the fact of the vote on the amendment and he is seeking to cut the amount.

Mr. HUGHES. That is correct.

Mr. HUMPHREY. The Senator is so right.

Mr. HUGHES. I thank the distinguished Senator for his comment and his support.

Mr. President, if the distinguished Senator from South Carolina is prepared to yield back his time, I am prepared to yield back my time.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. HUGHES. I yield.

Mr. HUMPHREY. There is $1.7 billion in the pipeline of unexpended dollars for this type of fund. If the Senator were able to reduce that to $500 million, that would be $1.2 billion for the people of South Vietnam. We just turned out a disaster relief program for the United States with an $800 million authorization. There are 212 million Americans and there are 15 million South Vietnamese. I think the people of South Vietnam will be able to get by.

Mr. HUGHES. Mr. President, if the Senator from South Carolina is prepared to yield back the remainder of his time, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. THURMOND. Mr. President, the distinguished Senator from Mississippi wanted to speak on this amendment. He has gone to lunch. He expects to be back in a moment. He feels very strongly about this amendment. He spoke on the last amendment, and he told me he wanted to speak on this amendment. We sent word to him.

In the meantime, I wish to read to the Senate a letter addressed to the Senator from Mississippi (Mr. STENNIS). The letter states:

THE SECRETARY OF DEFENSE,
Washington, D.C., Sept. 27, 1973.

Hon. JOHN C. STENNIS,
Chairman, Committee on Armed Services,.
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The President is greatly concerned over moves currently pending before the Senate which would further reduce or eliminate Military Assistance Service Funded (MASF) support of the forces of South Vietnam and Laos.

The Senate Armed Services Committee has recommended an authorization for MASF during FY 1974 of "not to exceed $952,000,000" (Sec. 701, H.R. 9286). This $952 million ceiling contrasts with the President's original ceiling request of $2.1 billion (made in January 1973), which was further reduced by the President to $1.6 billion in June 1973. The House has approved a $1.3 billion MASF authorization for FY 1974.

Enormous cuts in our planned level of assistance to South Vietnam and Laos have already been accomplished. During FY 1973, the ceiling for MASF was $2.735 billion. Further reduction to the FY 1974 request and elimination of MASF this year would be devastating. The 1.1 million man armed force of South Vietnam and the 80,000 man force of the Royal Lao Government are dependent upon us for "life-line" operations and maintenance support as well as for hardware replacements.

The pending Fulbright Amendment (No. 524) would strike the authorization for funding of South Vietnam and Laos. This amendment would shift authorized support from the Defense budget to the foreign aid budget. The Senate passed foreign aid bill, S-1443, does not provide any funding for operations and maintenance support of the armed forces of South Vietnam and Laos.

Support of South Vietnam and Laos under MASF during Fiscal Year 1974 must continue if we are to maintain stability in the area. If the President's initiatives for peace in Southeast Asia are to be successful, we must provide the means to restrict aggression.

I ask for your continued support of MASF for FY 1974.

Sincerely,

JAMES R. SCHLESINGER.

As I stated, Mr. President, this is a letter that was written to the distinguished chairman of the Armed Services Committee (Mr. STENNIS) by Dr. Schlesinger, Secretary of Defense. What he said in here concerning the Fulbright amendment No. 524 is equally applicable to the amendment of the distinguished Senator from Iowa, possibly more so, because he not only transfers the jurisdiction; he wants to cut the amount to $500 million.

Mr. President, I now yield as much time as may be required to the distinguished Senator from Mississippi (Mr. STENNIS).

Mr. STENNIS. I thank the Senator.

Mr. President, I would appreciate it if the Chair would let me know when 5 minutes are up.

I made a statement here on the floor about the preceding amendment, and I briefly repeat it, because it goes to the question of jurisdiction, as to why this military aid got over into the military authorization bill. This is not a fight, so far as I am concerned, with the Foreign Relations Committee. In fact, I welcome the time when we will not have to bring these matters up this way.

However, back in 1965, when the fighting stepped up in Vietnam, the then Secretary of Defense came to the late Senator Russell, then chairman of the committee—and I was not present at the conversation, but I was told about it and have refreshed my recollection about it and know it happened this way—and proposed that the military aid for South Vietnam in particular, in the fighting of the war that we were joining more and more every day, be financed like we did in the Korean war; that instead of going through the military assistance program that applied to the rest of the world, the money be paid by our military for their equipment, food, supplies, and everything else; that it be authorized under this bill and appropriated in the regular appropriation bill.

There was not any dissent from that. It was accepted. It passed with little attention.

But as the years came and went, the war was over; it had ended. It got to be an issue on the floor of the Senate as I became chairman, and we have had some rounds about it. I have said more than once that when the war was over and we had a cease-fire and when things were settling down, or words to that effect—I had the quotation here earlier, but I do not have the papers with me now—I would be through with it, and that our committee, as far as I was concerned, would not be handling this matter.

Then came the budget for fiscal year 1974 when they were putting the figures together in the Pentagon. The war was not stopped. We were pulling down rapidly, but we were still over there and were in the war to a degree. The POW's were not released. There was no cease-fire. So the Pentagon asked me about putting this item in the military bill again. I put them off. When we came back in session in January 1973 they said that they had to finalize the budget in 3 days, I believe it was. They were talking about military aid in the bill.

So I said, "We don't know whether there will be a cease-fire. We don't know whether we are going to get the POW's. We don't know what is going to happen." The thing was contradicting itself.

I said that so far as I was concerned, we would put the item in for this year, but that I was speaking only for the 1974 budget.

Just a few days thereafter, this thing happened to me. I went to the hospital, and I heard nothing more about the proposal, naturally, until sometime in the late summer. I remembered what had happened. The Armed Services Committee, as I understand, had fully passed on the matter. They went into it, took testimony, considered it, reduced the amount, and no point was raised there by any member, as I am told, or by any other Senator, concerning the jurisdiction question.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. HUGHES. I thank the distinguished Chairman of the Armed Services Committee. I want to assure the distinguished chairman that the amendment does not become effective until the first of next July, at the beginning of the next fiscal year. It does not become effective during this fiscal year.

Mr. STENNIS. Perhaps something that I have said indicated that it did.

Mr. HUGHES. Will the Senator further yield?

Mr. STENNIS. I yield.

Mr. HUGHES. The Pentagon has stated in the committee hearings, that it needs 6 months' advance notice for planning to meet this transition.

By next fiscal year it is hoped that the shift could be accomplished, and we could hope to start it back in MAP at that time.

Mr. STENNIS. I thank the Senator. If there was any inference contrary to what I was saying, I appreciate getting the matter straight.

Of course, we did not have hearings, anything of the kind. It seems to me that this situation is very demanding because we have got to go on and provide some military assistance, and do it now, for those people for whom we went to the rescue. We made sacrifices ourselves. We encouraged them by telling them we were standing by them, that we were going to Vietnamize this war, that we were going to put them in control, put them in the saddle. We did that by voting money. We stayed and stayed and stayed.

It is unthinkable to me that we would not put this money in Vietnam; and I think that we should put in enough, of course. According to the evidence, the $952 million that the Senate committee agreed on represents the amount most probably needed.

So in the name of commonsense and humanity, let us not turn our backs or divert our course for this year. But here it is, and it is in a bill that is going to have to be signed into law and become law.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. THURMOND. Mr. President, I yield to the Senator from Mississippi an additional 5 minutes.

Mr. STENNIS. Mr. President, appropriations can follow in an orderly way, and we will settle this matter in keeping with our promise. And I am not making any commitment for my part at all for next year. I do not want this to go on and on and on. I hope that this can move along as this committee has worked on it and that it can be resolved and that a firm recommendation may be made.

As a matter of fact, we had the whole thing in the preceding amendment, not altogether in the same fashion. However, the principle is largely the same. The Senate has spoken on the matter.

Mr. President, I appreciate the fine work that the Senator from Iowa has done on many subject matters for our committee.

Mr. President, I yield the floor.

Mr. HUGHES. Mr. President, I yield myself such time as I may need.

I would like to point out that this is a completely different issue from that contained in the prior amendment. We have already voted on that amendment. That would have wiped MASF out of this bill and made the transfer immediately to the Foreign Relations Committee. This amendment would transfer it in the beginning of fiscal year 1975.

The Pentagon told us that they needed 6 months for planning and preparation in order to do this. This is simply providing for an orderly procedure for doing what they told us years ago they intended to do. They said that when the war is over, this can be done. Unless my hearing is bad, we have been told time and time again that we are now at peace with honor and that there is no more war that this country is involved in. We have been told that the war is over.

Mr. President, if I am to believe what they said, now is the time for an orderly transition. They stated that they need 6 months to make an orderly transition.

This amendment allows them to make the transition at the beginning of the fiscal year 1975.

So in January next year, they can have 6 months and be ready to do it. And in the hearings everything can be orderly.

As far as the half a billion dollars that this amendment cuts it down to, the real question in the amendment is whether we should continue to spend such large amounts of money for South Vietnamese base support, for transportation, fuel, and so forth. And the $690 million provided for these purposes is simply too high. The evidence in the committee and the evidence given this Senator did not support it. The need is not there for it.

In the opinion of this Senator, as the distinguished Senator from Minnesota said, with the $1,200 million in the pipeline, in addition to the authorization, it is not a question of whether we are meeting our commitment. We are meeting it over and over again. This is simply to retain control in the Congress and make the transfer.

The amendment should be agreed to.

Mr. HUMPHREY. Mr. President, if the Senator will yield, I think we ought to again place in the RECORD the fact that for every weapon that is lost to the Soviet Vietnamese, there will be a replacement. For every shell that is fired there, there will be a replacement.

We ought to know that the bill, S. 1443, does not deny the South Vietnamese weaponry. It says that if there is a need over and above the replacement that the President shall come to the Congress and make his proposal.

The amendment extends the program for the coming fiscal year and gives advance notice to the Department that there will be a cutoff. The amendment provides for $500 million. That makes a total of $1,700 million in the pipeline.

The South Vietnamese have their country loaded with weaponry that we gave them before the cease-fire. Everyone knows that, and they have one of the largest navies in the world and one of the largest air forces in the world. We gave them that. They have millions of arms and millions of men in arms. They are not suffering from lack of munitions. They may suffer from lack of will, but not lack of munitions.

Mr. HUGHES. Mr. President, I thank the Senator from Minnesota for clarifying the matter.

Mr. TUNNEY. Mr. President, I would like to have a better understanding of what these contingency funds are to be used for. The word contingency suggests that they are to be held in reserve and not to be expended.

Can the Senator give me a better understanding of how these contingency funds will be used and whether they are going to be used and whether this amendment takes away from the Congress the opportunity to pass judgment on the use of these funds in the future as they affect our foreign policy?

Mr. HUGHES. Mr. President, this amendment does not provide for contingency funds. It is a yearly authorization. There is a backlog of funds that have not been expended. This is an authorization process we go through to keep these supplies and the salaries and so forth going to the South Vietnamese forces.

As the distinguished Senator from Minnesota has stated, there is $1,200 million in the pipeline. This would authorize an additional $500 million. There would be a total of $1,700 million. Moreover, they plan to spend, as near as I can tell, only $800 million, even if we give them all the money.

Mr. TUNNEY. That is the point I was trying to direct the Senator's attention to. What will become of the other money that is not spent, that we will have made available to the Department of Defense?

Mr. HUGHES. Hopefully, as the distinguished Senator from Rhode Island indicated earlier, if someone does not steal it, it will remain in the pipeline for the future.

Mr. PASTORE. Mr. President, if the Senator will yield, might I ask a further question.

Mr. HUGHES. I yield.

Mr. PASTORE. Mr. President, is any part of that money that we are talking about to be used to pay the South Vietnamese soldier to fight for his own freedom?

Mr. HUGHES. Mr. President, $47.5 million goes to pay the personnel costs of the forces of Laos and South Vietnam.

Mr. PASTORE. That means that we are paying the South Vietnamese soldier, the South Vietnamese general, and the South Vietnamese admiral with American dollars to fight for their own freedom.

Mr. HUGHES. We are paying $47.5 million for the purpose of providing subsistence and other assistance to the Laos and South Vietnamese forces.

Mr. PASTORE. Mr. President, I have heard of mercenaries going into other countries. However, I have never heard of our making mercenaries out of people who are fighting for their own freedom.

Mr. TUNNEY. Mr. President, if I understood correctly what the Senator from Minnesota said, if any plane is lost by the South Vietnamese Government, if any tank is lost or any weapon destroyed, that automatically there will be a replacement of that plane, that tank, or that weapon.

Mr. HUGHES. The Senator is correct.

Mr. TUNNEY. Mr. President, that money to pay for those planes, those tanks, and those weapons is from the moneys we are putting in for this purpose.

Mr. HUGHES. Mr. President, that comes out of the pipeline money, the Senator from Minnesota mentioned, the $1,200 million, and this $500 million is on top of that.

Mr. TUNNEY. It is anticipated that only $800 million would be spent. It is not only paying for the salaries of the South Vietnamese troops, but it is also to pay for the replacement parts and equipment that has been lost or destroyed.

Mr. HUGHES. It is only $800 million of the new obligation that is intended to be spent for those purposes.

Mr. TUNNEY. Mr. President, how many more hundreds of millions of dollars will be left in the pipeline?

Mr. HUGHES. Mr. President, if the figure of $1,200 million is right, with the $500 million provided here there would be a total of $1,700 million. We are not sure how much money in that pipeline is already scheduled to be obligated. At any rate, there would be a substantial sum of money left in the pipeline.

Mr. TUNNEY. Mr. President, I thank the Senator.

Mr. THURMOND. Mr. President, I yield myself such time as I shall require.

The statement was made that there was no proof before the committee on this matter. I call the attention of the Senate to the fact that in part 8, pages 5890 and 5891, the Deputy Secretary of Defense testified. He made a strong statement in support of the position the committee took, except that the administration asked more than the committee gave. I will just read one sentence from that statement by way of conclusion:

> The administration strongly opposes this measure because of the risks involved and because it would not be a practical move at this critical juncture.

I would also like to read one sentence from Dr. Schlesinger's letter:

> Further reduction to the FY 1974 request and elimination of MASF this year would be devastating.

Mr. President, it is simply the question of whether or not we want to preserve the base which we have obtained in Vietnam. The people are willing to fight for themselves. We have turned it over to them. It is their responsibility, but they do not have the resources to do it. If we want everything we fought for there for 12 years to go down the drain, the way to do it is just not to help the South Vietnamese to obtain ammunition and weapons and things with which to fight themselves.

The administration feels very strongly about this amendment. It is very important to the peace of the world, in my opinion, because we do not know what a flare-up in any part of the world can bring.

I hope the Senate will reject the amendment.

If it is agreeable to the distinguished Senator from Iowa, I am willing to yield back the remainder of my time.

Mr. TUNNEY. Mr. President, I wish to indicate my support for the amendment offered by the Senator from Iowa (Mr. HUGHES). This amendment would do two very important things: It will reduce our commitment to provide arms for the Saigon Government by a half billion dollars, and second, it will place a firm deadline on the ending of the MASF program for funding military aid to South Vietnam and Laos through the military budget. My able colleague from Iowa has already stated many of the important reasons which compel adoption of his amendment. I will add only a few of my thoughts, and also bring to the attention of the Senators a document which sheds a great deal of light on this question.

Last April, Senator HUMPHREY released to the Congress and the American people a copy of an unclassified internal Defense Department document, from J. Fred Buzhardt, which described a plan by the DOD leadership to transfer the whole foreign military aid and sales budget to the DOD budget, merging all programs into MASF. In the interests of this discussion, I will insert into the RECORD of a portion of this memorandum, the full text of which, with Senator HUMPHREY's cogent remarks, appears at page 12477 of the RECORD of April 16, 1973.

This document shows that the Defense Department was trying to use every maneuver possible to keep its MASF program. Why the great fear that MASF might be returned to the foreign aid budget, where it now belongs For one thing, Mr. Buzhardt's memo makes clear that MASF is a great slush fund to help pay for unexpected military contingencies in Southeast Asia. Buzhardt wrote:

> That MASF provided funds to provide logistic support to the South Vietnamese armed forces . . . and the added assistance which would be required if compliance with the cease fire accords collapses and active hostilities resume.

This is a simple admission by the administration that MASF is not what it is stated to be. It is not just a program to replace South Vietnamese equipment; it is a program which allows them to expand fighting, to fundamentally alter the military situation in Southeast Asia. By having this cushion, the administration can support any South Vietnamese military program without having to go back to Congress.

I think this is an outrageous proposition.

We have given enormous amounts of military assistance to the South Vietnamese already, including a vast buildup of equipment just before the cease-fire. Much of this is just lying unused, because the South Vietnamese have not got the training to use or maintain it. Moreover, there is now a viable cease-fire in Laos and less fighting in South Vietnam, reducing the need for these MASF funds. The South Vietnamese have more than enough equipment right now to meet any reasonable needs; we must not also provide them with a slush fund which would encourage them to upgrade the level of fighting.

If there is any serious increase in fighting in South Vietnam, the administration should come to us for a supplemental appropriation for military assistance. I have no doubt that it would be approved if a case can be made for its necessity. But I strongly believe that it is unwise to give all this money for aid which may not be needed, and which may then be misused by the South Vietnamese, outside our control.

The Buzhardt memo had a second, very interesting point which I want my colleagues to share. DOD had a very good reason why it wanted to put all the military assistance programs, worldwide, into its MASF program. Mr. Buzhardt pointed out that, if military assistance were spread out through the various Defense Department accounts, it would be "less visible." What this memo is telling us is that MASF is a good program from DOD's point of view, because it avoids the scrutiny which the Congress always places on its foreign aid programs. This rationale is very disturbing to me; I think it points out even more strongly the need to control and eliminate this MASF program. This is why the second portion of Senator HUGHES' amendment is so important: It puts the Defense Department and the administration on notice that the MASF goose will stop laying its golden eggs come next June. The argument has been made here, on the earlier amendment of Senator FULBRIGHT, that it is too late in the year to switch from MASF to foreign aid funding. Well, this amendment will make sure that this argument cannot be used on us next year.

We have great stringencies in our domestic economy. Inflation is rampant, our balance of payments are recovering, but in a serious situation. Of all the programs in our defense budget, this vast aid program to South Vietnam is one of the least justifiable. At a minimum, we must heed the call for fiscal restraint by cutting a half billion unneeded dollars from this aid program.

And we must finally remember that a portion of the military assistance which we are voting in this bill is being used by the Thieu regime to keep thousands upon thousands of political prisoners in jail, and to turn South Vietnam ever more into a police state. I strongly urge my colleagues to adopt, next week, the Abourezk amendment to the foreign aid bill, which will prevent any of our assistance programs—MASF included—from being used to support police programs. In the meanwhile, we should cut this authorization to make sure that these excess funds will not find their way into the prisons of South Vietnam.

Mr. President, I ask unanimous consent that a portion of the memorandum by Mr. Buzhardt be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

GENERAL COUNSEL OF THE
DEPARTMENT OF DEFENSE,
Washington, D.C., March 27, 1973.
Hon. ROY L. ASH,
Director, Office of Management and Budget,
Washington, D.C.

DEAR MR. ASH: Reference is made to your request for the views of the Department of Defense on the proposed FY 1974 Foreign Assistance authorization bill submitted by the Department of State.

Insofar as the text of that bill is concerned, the Department of Defense recommends certain revisions to section 15 and 20 thereof and the addition of a new section 21. Enclosure 3 to this letter sets forth the texts of those sections as revised by the Department of Defense. Enclosure 4 sets forth the reasons for our recommended revisions.

Even as thus revised, however, the Department of Defense does not concur in the Department of State's proposal. The approach taken by the Department of State is to retain the status quo, namely, to keep military assistance for South Vietnam and Laos (MASF) in the Defense budget and military assistance for other countries and foreign military sales credits in the foreign aid budget. We recognize that this approach is consistent with the decision made by the President a few months ago during his consideration of the FY 1974 Budget Message, but that decision was made in the context of a shooting war in Indochina in which the United States was an active participant. In our view, the current factual situation warrants reconsideration of that decision and a different approach to meet the new situation.

As we see it, the legislative option adopted by the Administration should be designed to meet the following goals:

1. Assure Congressional support for a Southeast Asia reconstruction program—including North Vietnam when that becomes timely—in FY 1974 at an adequate funding level without—

(a) Increasing the total federal budget;

(b) Cutting domestic programs to find savings for reconstruction;

(c) Increasing the NOA requested for foreign aid; and

(d) Diverting funds from other foreign aid requirements.

2. Retain the MASF or equivalent authority at least through FY 1974 in order to assure our ability to provide logistic support to the South Vietnamese armed forces (consumables, spare parts, contract support and one-for-one replacement of major items) and the added assistance which would be required if compliance with the cease fire accords collapses and active hostilities resume.

We do not believe that the State Department's proposal will achieve those goals.

Insofar as reconstruction is concerned, the State Department approach does not expressly address the issue of the sources of funds for reconstruction in North Vietnam when that becomes timely, and provides for the funding of reconstruction in South Vietnam, Laos and Cambodia at the expense of the supporting assistance requirements of those countries for military budget support and of supporting assistance requirements worldwide. (Assuming that Congress would, as it has in the past, earmark $50 million of supporting assistance for Israel, only $40 million would remain for supporting assistance requirements worldwide inclusive of Indochina).

Although not articulated in its submission of the proposed bill, presumably the Department of State contemplates that funds for reconstruction in North Vietnam, when that becomes, timely, would be made available through a budget amendment transferring funds from the MASF and/or military functions budget for Southeast Asia operations. Any such transfer, however, would mean an increase in the foreign aid budget, and an increase in that budget would not be politically palatable—particularly for reconstruction of North Vietnam—in the face of increasing pressures for reorienting the overall budget in favor of domestic programs. Moreover, those members of Congress who support the Defense budget are unlikely to look with favor on a cut in the Defense budget in order to fund reconstruction in North Vietnam. Finally, that approach takes for granted that Congress will continue MASF in the Defense budget at a reduced level. If, however, Congress rejects the status quo and directs the return of MASF to the foreign aid budget, the result would not only be an increase in the foreign aid budget for reconstruction in North Vietnam but an additional increase to cover military assistance for South Vietnam and Laos. We seriously doubt that the ultimate amount authorized and appropriated for foreign aid would in any way approximate the aggregate of the original NOA request for foreign aid and of the additional amounts which would be needed for reconstruction in North Vietnam and military assistance to South Vietnam and Laos. The consequent impact on the foreign aid program could well be disastrous.

That the Congress will not retain MASF in the Defense budget even at a reduced level is clearly more probable than not. It is certain that the Foreign Relations Committee, for one, will approve an amendment to the FY 1974 Foreign Aid authorization bill—comparable to the one it approved in February to the FY 1973 bill—prohibiting the obligation of funds for military assistance to South Vietnam and Laos except as otherwise provided for in the foreign aid bill. Insofar as the Armed Services and Appropriations Committee are concerned, because the original rationale for the enactment of MASF no longer obtains after the withdrawal of our forces, we anticipate that they will not vigorously oppose such action by the Foreign Relations Committee; indeed, we anticipate that they would favor the shift back to the foreign aid budget unless we can provide a new persuasive justification for keeping MASF in the Defense budget. (The original justification for MASF was that "parallel but separate financial and logistics systems for U.S. forces and for military assistance forces are too cumbersome, time consuming, and inefficient in a combat zone." See Sen. Rep. 992, 89th Cong. 2d Sess., p. 11)

In these circumstances, and in order to achieve the goals outlined above, we recommend an alternative approach to the FY 1974 foreign aid issue, namely:

Transfer MAP and FMS credits to the Defense budget.

Consolidate MAP and MASF.

Recast the authorization for the combined MAP/MASF in terms of a ceiling on deliveries rather than on the NOA program.

Absorb the NOA requirement for MAP/MASF and RMS credits within the NOA amount already budgeted for MASF.

The benefits to be gained from this approach are as follows:

1. Makes more money available for reconstruction in Southeast Asia than any other option, namely, the $1.2 billion in the foreign aid budget for MAP and FMS as against what might be realized under State's proposal.

2. Does not increase the existing foreign aid budget NOA request, and enables the funds requested in the foreign aid budget to be used for reconstruction without a budget amendment shifting those funds from the DOD budget.

3. Affords a basis for new rationale to support continuation of military assistance to Southeast Asia in the Defense budget, namely

(a) It would fully integrate the worldwide MAP (which would include what is now MASF) into th PPBS of DOD and facilitate trade-offs under the total force concept;

(b) It would enable Congress for the first time to make an informed judgment as to the validity of MAP since the same committees which handle the military functions items of the Defense budget would concurrently be reviewing the MAP request and hence would be in a position to assess the validity of our trade-offs under the total force concept;

(c) The redefined MAP could be presented to the Congress as a program of specifically limited future duration; e.g., five years, at the end of which time only FMS, training, and quid pro quo would continue as permanent provisions of Title 10 of the United States Code, and

(d) A significant management benefit of transferring MAP into the DOD budget would be to integrate the MAP and DOD supply systems and thereby facilitate cost savings and a meaningful application of supply priorities.

4. A delivery ceiling concept provides greater flexibility for reprogramming to meet emergencies within the ceiling because it can make fuller use of DOD assets than the existing MAP system which is accounted on an NOA basis.

5. A delivery ceiling concept would simplify our congressional relations problem since floor action would be required only during the authorization process and not twice as is the case now under MAP where we are annually faced with a floor debate and vote both on the authorization amount and the appropriation amount.

6. Within the context of the overall defense budget, the delivery ceiling would be a relatively modest amount and the NOA required would be less visible since it would be spread through the various DOD accounts.

7. The probability is good that most of the existing MAP statutory restrictions could be eliminated.

8. The DOD budget would have to absorb the Enhance Plus cost and this option obviates the necessity of explaining and justifying an appropriation to DOD to reimburse the MAP account for Enhance Plus. (We are in dire danger now of losing these reimbursement funds.)

9. The Department of State would still play a significant role in the formulation of the MAP and FMS programs through the normal inter-agency procedures for foreign policy coordination.

10. It is less likely that Senators on the Foreign Relations Committee could make a hostage of the MAP and FMS programs by attaching riders, such as Senator Fulbright's impoundment amendment and the Case bills relating to executive agreements, since the proponents of those riders would have to initiate such action on the floor of the Senate rather than in committee markup.

11. It would obtain the votes of those members of the Congress who are in favor of MAP and FMS but who are unwilling to vote for a foreign aid bill containing economic assistance.

12. It would improve the management of MAP and FMS since historically the authorization and funds for DOD are passed earlier in the fiscal year than foreign aid.

Enclosure 1 to this letter is a draft bill which accords with the foregoing alternative approach, a bill cast in the form of an additional title to the Defense Appropriations Authorization for the FY 1974 bill previously transmitted to the Congress. The section-by-section analysis of our draft bill is at enclosure 2.

We urge that our alternative proposal not be dismissed out of hand by OMB because of the prior Presidential decision made in the context of a significantly different factual situation, and that the pros and cons of State's proposal and our alternative be carefully assessed in the context of the goals which we believe the President desires to attain.

Sincerely yours,

J. Fred Buzhardt.

Mr. HUGHES. I yield back the remainder of my time.

Mr. ROBERT C. BYRD. Mr. President, this will be a 10-minute rollcall vote.

The PRESIDING OFFICER (Mr. Nunn). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Iowa (Mr. Hughes). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. Fulbright), and the Senator from Louisiana (Mr. Johnston) are necessarily absent.

I also announce that the Senator from Iowa (Mr. Clark) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. Clark) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Javits) is absent for religious observance.

I further announce that the Senator from Ohio (Mr. Taft) is absent on official business.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that the Senator from New York (Mr. Buckley), and the Senator from Kentucky (Mr. Cook) are detained on official business.

The result was announced—yeas 43, nays 49, as follows:

[No. 428 Leg.]

YEAS—43

Abourezk
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Case
Chiles
Church
Eagleton
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Hughes
Humphrey
Inouye
Kennedy
Long
Mansfield
Mathias
McGovern
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Stevenson
Symington
Talmadge
Tunney
Williams
Young

NAYS—49

Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Brock
Byrd, Harry F., Jr.
Cannon
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Jackson
Magnuson
McClellan
McClure
McGee
McIntyre
Nunn
Packwood
Percy
Roth
Saxbe
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Thurmond
Tower
Weicker

NOT VOTING—8

Buckley
Clark
Cook
Fulbright
Javits
Johnston
Pearson
Taft

So Mr. Hughes' amendment (No. 493) was rejected.

Mr. THURMOND. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 532

The PRESIDING OFFICER (Mr. DOMENICI). The Senate will now proceed to the consideration of the amendment by the Senator from South Dakota (Mr. McGOVERN) No. 532, on which there shall be 4 hours of debate.

The clerk will state the amendment.

The assistant legislative clerk read as follows:

At the end of title I add a new section as follows:

"SEC. 102. Notwithstanding any other provision of this Act, the sum which may be appropriated in the fiscal year 1974 for the use of the Armed Forces of the United States for procurement under this title shall not exceed a total amount of $9,895,235,000."

At the end of title II add a new section as follows:

"SEC. 202. Notwithstanding any other provision of this Act, the sum which may be appropriated in the fiscal year 1974 for the use of the Armed Forces of the United States for research, development, test, and evaluation under this title shall not exceed a total amount of $6,964,033,000."

On page 20, in line five, strike the figure "156,100," and insert in lieu thereof the figure "166,000".

On page 20, after line 17, insert a new subsection as follows:

"(c) The end year strength for direct-hire civilian personnel employed by the Armed Forces of the United States or by agencies of the Department of Defense shall not exceed 911,700".

On page 27, in line 1, strike out the words, "Not to exceed $952,000,000," and insert in lieu thereof the word, "None".

Mr. MANSFIELD. Mr. President, with the Senator's permission, I should like to suggest the absence of a quorum and ask unanimous consent that the time not be taken out of the Senator's time.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time on the pending amendment be reduced from 4 to 3 hours under the same regulations as before.

Mr. THURMOND. Mr. President, we have no objection.

Mr. MANSFIELD. And it will be not to exceed the 3 hours.

The PRESIDING OFFICER. Without objection, it is so ordered.

Does the Senator from South Dakota desire his amendments to be considered en bloc?

Mr. McGOVERN. I do desire that they be considered en bloc, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. McGOVERN. Mr. President, I yield myself such time as I may require.

This amendment is basically a five-point proposal that deals with the broad categories in the Defense appropriation bill.

First, it sets a ceiling of $9,895 million, approximately $10 billion, on fiscal year 1974 appropriations for military procurement. That is, in round figures, about $2½ billion below the total amount authorized in the committee bill for all armed services and for all kinds of weapons.

Mr. President, while there are still some Senators in the Chamber I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. McGOVERN. Mr. President, I emphasize that this is not an expenditure ceiling for fiscal 1974. It does not substitute for action of that kind along the lines the Senator from Wisconsin (Mr. PROXMIRE) has proposed. I personally strongly back the expenditure ceiling set by the Senator from Wisconsin. I think it made good sense. But we should understand the difference between the kind of ceiling I am proposing here today and the one the Senator from Wisconsin proposed yesterday.

This is a ceiling on new obligational authority rather than a ceiling on the actual expenditures for fiscal 1974.

In fact, where procurement is concerned, only about 15 percent of the money authorized in the bill and appropriated later this session will be spent in fiscal 1974.

Since we typically appropriate ahead of the actual needs for spending outlays in this area, the remaining 85 percent of the 1974 spending comes out of money appropriated in previous years.

Second, the amendment sets an appropriation ceiling of approximately $7 billion for military research and development. That is about $1 billion below the amount authorized in the committee bill.

Again, this is not an outlay ceiling for fiscal 1974. As a rule, I am told, no more than 40 percent or 50 percent of the money appropriated for research and development in a given year is actually spent in that year. So the amendment is addressed primarily to research and development spending in fiscal 1975 and beyond, just as was the case with the first part of the amendment having to do with procurement.

Third, the amendment makes a further slight reduction in the authorized yearend personnel strength for active duty Armed Forces. The committee called for a cut of 156,000 personnel. My amendment would cut back an additional 9,900 in active duty manpower at the end of fiscal 1974, leaving a total end-year strength of 2,067,000 personnel.

While it is hard to estimate the total savings with any precision, this amendment, compared with the committee position, would permit a reduction in 1974 appropriations of approximately $50 million, with savings of $100 million a year in subsequent years.

Compared to the administration's proposed force level, total military manpower savings would be in the range of $850 million this year and $1.7 billion in subsequent years.

Mr. President, the fourth section of this amendment calls for a 10-percent cut in the Pentagon civilian bureaucracy, leaving a yearend civilian manpower strength of 911,000. This would save approximately one-half billion dollars this year and about $1 billion in each following year.

The fifth, and final, section of the amendment would delete all the remaining Pentagon funded aid to Indochina in this bill. This does not mean that all military aid to Indochina would be terminated, since, under other legislation—S. 1443, the Foreign Military Sales and Assistance Act, which was passed by the Senate last June—there is sufficient authority in that bill to cover military aid to Indochina in any amount being appropriated by Congress.

I stress these points because those who do not analyze it carefully may misconstrue this amendment as a much deeper cut than it actually is, by comparing it to the wrong figures in the President's proposed fiscal 1974 budget or in the Armed Services Committee report on H.R. 9286.

To further clarify this distinction, the administration has planned an increase of some $4.2 billion in arms outlays in fiscal 1974—that is, in actual expenditures—moving up from $74.8 billion to $79 billion. That is money that will actually leave the Treasury in the course of this fiscal year.

As I said earlier, I think we could have safely limited those expenditures to last year's level, as Senator PROXMIRE proposed, particularly since the Pentagon is already limited to spending at last year's rate by the continuing resolution.

But the administration has also sought a dramatic increase in authority for new appropriations, money to be appropriated this year but to be spent largely in subsequent years. The administration has asked for a total of $85.2 billion of new money for Department of Defense military programs and military assistance, the same items covered by the $79 billion outlay figure cited earlier.

What concerns me most about this $85 billion figure is that it clearly forecasts even greater demands in the years ahead. Whenever there is such a large gap between current actual expenditures and requested appropriations for the future, it signals us that we are in the early stages of a sharp escalation in military spending. I do not know how it can be read in any other way. The gap between outlays and requested new money in fiscal 1974 is more than $6 billion.

The authors of the Brookings Institution report setting national priorities in the 1974 budget have given us some specific estimates on this matter; and in connection with the administration's recommended military budget, they state:

> The cost in constant dollars of these forces is projected to rise steadily through the rest of the decade. In current dollars, the base line defense budget would increase from $82 billion in fiscal 1974 to $104 billion in 1978.

So, as we vote on these authorizations, Mr. President, I think Members of the Senate should be aware that we are moving along very rapidly toward a military budget well in excess of $100 billion just a few years hence.

That is a progression I think we have to turn around now. That is why I have proposed the appropriation ceilings in the pending amendment, No. 532. Those on procurement and research and development will not have much impact in the current fiscal year, since actual spending in those areas will come primarily out of the previous appropriations, in any event, but they will break this distressing trend toward a $100 billion military budget just a few years down the road. I suggest, further, that if we are serious about bringing this huge Military Establishment under control, the time to do it is now.

Mr. President, I have participated in debates on military spending ever since I first came to the Senate, almost 11 years ago; and over the years, we have had the same arguments thrown out time after time after time, to the effect that that was a bad time to consider any reductions in the arms budget. There never has been a time in those 11 years when the defenders of an escalating military budget have said now is the time to make substantial reductions in military outlays.

When programs are in the research and development stage, before we really begin buying substantial military hardware, we are told that it is not wise to cut back on projects in the research and development stage, because all they represent, anyway, is the pursuit of a number of different options, that they are simply studies to explore the technology and to give us a chance to make the real production decisions later. Then, when the request for the production money does come before us, we are told that we cannot cut these systems because that would mean wasting hundreds of millions of dollars that have already been spent on research and development and on prototypes and all the rest. Then, if we try to get a handle on military spending by setting total ceilings on what the Pentagon can spend, we are told that that will throw the whole Pentagon game plan into disarray, since the vote always comes after the fiscal year has already begun, and that cutting overall outlays would mean cutting into money that has already been spent or is into the spending rates that already have been set.

But if we try to cut appropriations, someone usually points out that it is irresponsible to reach into expenditures planned for the future, when we cannot predict what the future will be. Mr. President, that is always going to be true.

We are never going to know what the future holds. All we can do is try to arrive at some reasonable estimate of what the most likely defense demands on the country are going to be. Meanwhile, other arguments are used against any kind of tampering with the defense budget. We are told there are delicate negotiations to be considered and if we seek to cut out anything before these negotiations are completed—and they seem to be endless—we are depriving our negotiators of bargaining chips. If we try to cut military spending after a treaty is negotiated, we are told we have to have a hedge against a violation on the other side.

Senators will remember after we negotiated the first phase of the SALT agreement there were many requests for increases in military spending. It prompted some Senators to wonder if we could afford the arms reduction agreement, if it could be argued we are going to spend more money for arms to make sure we have the power to back up any possible snafu in the agreement.

We are told we cannot let the détente lower our guard. Let the other side think we are unwilling to spend less money. I suppose the theory is that if we negotiate some kind of better understanding of the Soviet Union, we want them to think we are as tough as we were the day before. They would have to spend more money after we have succeeded in negotiating some points with them, and presumably it works the same way on the other side.

It is said we must continue to build weapons not specifically prohibited by the agreement as bargaining chips for the next round of talks.

After listening to all of these arguments over the years, I have come to the conclusion that under the rules of those who always plead the Pentagon case there will never be a right time to look at this arms budget credibly or cut back on portions that seem unnecessary.

Whoever it was that came up with the imaginative idea of changing the name of the War Department to the Department of Defense was a public relations genius. If we had had the foresight to call the rest of these departments by a similar name, what a difference it would have made. For example, HEW; if we had called health a part of the defense of the Nation, or if we had called education a part of the defense of the Nation, perhaps we would have been more successful in heading off these things that affect the health of the Nation, but after all, are part of the defense of this country just as bombs and missiles are a part of the defense of this country.

But somehow as I have watched these votes in the last few days, we seem to evidence once again a kind of reverence and regard for anything which has a defense label, even though Senators have made a strong case that some of these expenditures contribute little or nothing to the defense of our country, and somehow weaken the Nation by depriving us of resources we need for other essential purposes.

That was the great and eloquent point the late President Eisenhower made so well in his farewell address when he said if the military spends too much, it actually weakens the Nation's strength rather than contributing to our overall stability.

I think that 1974 is the essential time, regardless of these arguments that we have heard for so many years, to make some modest reduction in military outlays. Let me suggest other considerations which should weigh more heavily. One reason is simply that this budget does contain the seeds of a vast growing military establishment that may soon overrun us.

I do not mean that in a literal sense, but I do mean it in the sense that the late Senator ELLENDER, I think, had in mind when he once said that we are virtually in the hands of the military and it is so difficult to reverse these decisions once they have been made by Pentagon planners.

Just the major strategic systems, which is $4.5 billion requested this year, will cost in the range of $33 billion in years ahead. In other words, in this new obligational authority, where we begin a new system, but what we authorize here today, as those systems move along that carry that $4.5 billion in new authorizations this year the cost will go to some $33 billion in the years immediately ahead. That includes nothing more than replacement, modernization, protection of our ICBM's, or SLBM's, bombers, and strategic air defense. It does not include costly new approaches that are still on the drawing board that few Members of Congress even know about.

Furthermore, we have selected new conventional weapons for which $410 million has been requested in the budget before us, and which would actually involve outlays of more than $11 billion in the next few years. I do not think that either Congress or the American people would actually accept those costs if they knew the seeds of escalating military costs that are contained in the bill before us.

We ought to begin paring down now before we start wasting more money on systems that I am convinced ultimately will be scrapped, cut back, or abandoned entirely.

Another reason for moving now is that we are in a time frame where the American people expect some reductions in arms spending. We have the phase I agreement on strategic arms. Congress has written and the administration has accepted a law which requires the end of our long and costly military involvement in Indochina. That was the real meaning of the August 15 cutoff putting an end to any further military operations anywhere in Indochina. Surely, that action in itself ought to produce the basis for some modest reduction in military expenditures. The President has been to Moscow and Peking and we have learned more about the intentions and the capabilities of these countries; and yet while the President hails a generation of peace, for which we all praise him, he offers a budget that prepares for a generation of war, of more and more elaborate new weapons, and American forces scattered all over the globe.

If détente is real, as we are told it is, if the SALT talks are succeeding, and if peace is cheaper than war, I think the American people have a right to expect that arms spending will go down and not up as this legislation now indicates, and that is what we should require.

The question of priorities is another reason why we should move this year to halt the upward spiral in military spending. This issue could not be more clearly drawn. The President maintains we are threatening to overspend the total budget ceiling he and Congress set by as much as $7 billion. Every Senator knows that was leveled at the head of every Member of this body by the President, that we are going to break his budget to the extent of $7 billion. We have done no such thing, if for no other reason than that we have not acted on the whole program, and the military budget is the largest single component.

But we probably will exceed the budget limits, with some help from the impoundment rulings of the courts and the high interest policies of the Federal Reserve Board, unless we make some sizable changes in this program for arms.

The President, despite his professed concern about the overall size of the budget, declares flatly that he will accept no reductions in his military budget. He continues to veto any domestic bill that spends more than he wants, and now he combines that with a threat to veto any military bill that spends less than he wants.

You cannot draw the issue any more sharply than that.

The President has said, "Let us bring the total budget down, but do not touch the military budget. If you reduce that budget, I will veto the bill. On the other hand, if you increase the spending that I have requested for water and sewer grants, for pollution control programs, for education, for health, for assistance to the handicapped, I am going to veto that legislation." And that is exactly what has happened.

As the Congress, by substantial margins, votes these programs to strengthen the foundations of our society here, one after another is vetoed, and apparently we lack the two-thirds support to override those vetoes.

So, in effect, the President is running the country with one-third support in either the House or the Senate. That is all it takes to defeat what Congress considers to be the proper priorities.

I have no idea what will happen if we cut back what the President has requested for military spending, but at least we will have done our part in meeting the overall budget ceilings that both Congress and the President have suggested.

The simple choice that faces Congress is whether we are going to permit the President, as one man, to dictate national priorities or whether we are going to insist that the legislative branch carries out the function we have under the Constitution, and that is to determine what the legislative priorities of the Nation are. Put more bluntly, the question is whether all the discussions we have had about asserting congressional power over the purse is anything more than empty talk. That really is what is at stake here.

In March the President vetoed a bill authorizing funds to provide jobs and training for the handicapped. Who in the Senate is prepared to tell the 10 million handicapped adults in this country that they cannot have the help they need, because we want the money for a new airborne warning and control system to protect against a nonexistent Soviet bomber threat?

Who is going to explain to the 10 million handicapped that they cannot have the funds they need to be trained to do something useful in life, because we have to have that money for a highly doubtful advance airborne warning and control system having to do with what I believe to be a nonexistent bombing threat?

Calling it inflationary budget-breaking legislation, the President vetoed in April a bill to reinstate rural water and sewer grants for small towns.

Calling it "inflationary budget-breaking legislation," the President vetoed in April a bill to reinstate rural water and sewer grants for small towns—that was the bill that the Senator from Vermont (Mr. AIKEN), the senior Republican in the Senate, introduced some years ago; as I recall, it had 96 cosponsors in the Senate—to provide grants and low-cost loans to small towns to improve their water systems and to improve their waste disposal systems.

That bill was vetoed on the ground that it was an "inflationary budget-breaking piece of legislation."

The President had previously impounded $120 in funds for that program and had announced its cancellation by Executive decree.

Mr. President, which Senator is going to tell the people who are worried about pollution and about clean drinking water and about an adequate water supply in their town and about the adequate handling of waste that their concerns are going to have to wait, because General Thieu and his contemporaries in Indochina need another $1 billion in Pentagon aid in order to stay in power?

In August the President vetoed an emergency medical services bill, even though he had earlier cited studies showing that better ambulance and emergency room services would save 60,000 lives a year.

Sixty thousand lives a year happen to be just a slightly greater number than the total amount of all the young men killed in 10 years of fighting in Indochina—and that emergency services bill provided assistance that is needed to improve the handling of patients over into hospitals under emergency conditions. The President's own people, his own experts, estimated it could save up to 60,000 lives in a year.

But that bill was vetoed on the ground that it was inflationary.

It is interesting that the emergency medical services bill authorized for the 3 fiscal years, 1974, 1975, and 1976 is just half the amount, or $360 million, that this military bill contained for finishing the Safeguard antiballistic missile system in North Dakota.

Mr. President, does anyone really think that having one Safeguard antiballistic missile system in North Dakota is going to save a single life? And yet half the cost of completing that system would have paid for the emergency medical services bill that the best experts the administration has say would have saved 6,000 lives a year.

I find it unconscionable and irrational that that kind of scale of priorities exists, and I do not know how to explain that to the people of my State.

When I testified before the Defense Appropriations Subcommittee on this matter, one distinguished Senator, whom I greatly admire for many of the positions he takes, suggested that it would be wasteful to stop building that Safeguard installation since it was almost completed. He pointed out that we have already spent more than $5 billion out of the total of $5.5 billion that the system will cost; so why not put a half billion more into it, even though commonsense would demonstrate to any of us that one defensive missile sitting up there in North Dakota is not going to defend this country against anyone. Whether or not that system is ever finished, it will not give 1 ounce of added security. It is not going to save anybody's life. We cannot have a nationwide defense missile system, because of the SALT agreement, and both the United States and the Soviet Union agreed not to build an antiballistic system. We were authorized to go ahead and complete this one installation, but that does not mean we have to do it.

Now, the $360 million which is going to be programed in this bill to complete the system, while it may seem like a drop in the bucket in terms of the $80 billion military budget, is still twice as much as the President saved when he vetoed an emergency medical services program that would have saved thousands of lives.

The President has recently vetoed another bill, the proposed increase in the minimum wage to $2.20 an hour by next July 1. Again he called it inflationary. Again, I simply cannot believe that very many people are going to buy that argument.

Why is it inflationary to increase the wages of workers who are at the very bottom of the economic heap and who feel the inflationary pinch more painfully than anything else? They are the ones who are the first to feel the cutback in the grocery budget in the face of inflated food prices.

If it is inflationary to give a modest increase in wages to these people who are at the bottom, why is it not inflationary to increase by many billions of dollars our spending on military programs?

Why does it not occur to the President that there is inflation involved in a request to increase by billions of dollars a military budget that is already the largest single component in our Federal budget? As a matter of fact, Mr. President, the money spent for this purpose is more inflationary than anything else, because it creates purchasing power by paying wages to people who are working in these defense products without increasing corresponding goods and services that can be bought by the public in the marketplace. A housewife does not go out and buy a tank or buy a missile. And obviously, once that missile is shot or a bomb is dropped, they add nothing.

The same amount of money invested in a child's mind, in education, or in improving the health of our people will continue over the years to contribute something to help our country. The money we spend on military items is not only inflationary, but it is inflationary in the most effective sense since it is creating something that the American people cannot buy and use.

And if inflation is our concern, as it certainly ought to be, we ought to look first to this enormously swollen Pentagon budget for a solution and we ought to look last to these low-income workers who so desperately need a raise to keep up with the rising prices.

I am certainly not going to go back to the low-income workers in my State and tell them that we could not do anything about the workers who are at the bottom of the scale, most of whom are unorganized and do not belong to labor unions.

I am not going to tell them that there is nothing that we could do about raising income because that would be inflationary. And I am not going to tell them that we hope they can pay for this military budget which includes an excessive overkill capacity that goes away beyond anything that is really needed for the defense of the country.

These vetoes are past actions. Perhaps I have dwelt too long on them. However, the contrast is continuing in other areas. I frankly think that if our national security is in peril today, it is not because we have given the Pentagon too little. A lot of our difficulty is because we have offered too much for arms and too little for other sources of national strength.

Mr. President, I again plead with the Senate to try to come up with a more realistic definition of what constitutes national defense and national security.

One of the reasons we got into this tragic Watergate mess was because we made a god out of national security. We got to the point in our operations overseas where we were willing to short circuit the Constitution by secretly bombing neutral countries. We got into the habit of playing dirty tricks on other countries in the name of national security.

I think it is ineffective. The way we treat people at home is not right. Some of the people who are being investigated by the Watergate committee have said that everything they did was done by them in the name of national security.

We can carry that doctrine to the point where it destroys our security and undermines our real national strength.

I remember 33 years ago, as a high school freshman, that after the 1940 Presidential election Mr. Willkie, the defeated candidate, took a trip around the world at the request of President Roosevelt. He came back and reported to the President that one thing he found in every country visited was a reservoir of good will toward the United States. No one was suspicious of our motives.

We were not the strongest military power in the world; but he said the greatest reservoir of strength the United States had was that people everywhere he went trusted the decency, the honesty, and the integrity of the Ameircan Government. They believed in the essential goodness and decency of the American people, not because we had an Air Force as strong as some of the others around the world.

I recognize that we went too far in the 1930's and the early 1940's in being inadequately prepared militarily. But we should not forget that that fine, intelligent man who traveled the world over 30 years ago said that the greatest power we had going for us around the world was that our allies trusted our integrity. So let us be careful, even in the name of national security, before we authorize everything that comes up here with that kind of label attached.

We are threatened by a fuel and energy crisis, while our best scientists and engineers are still absorbed in military overkill. The America that was once the world's breadbasket now finds cubboards that are bare and a policy that is barren of ways to assure that we and those in need have enough to eat.

At one time a couple of years ago—I do not think the condition has changed—three-fourths of the best scientific personnel were devoted to the military and space programs. We should have competent people in those areas; but should we have three-fourths of the best engineering, research, and scientific talent of the country tied down to military operations at a time when Germany, Japan, and other countries are beginning to outstrip us in the field of civilian production, taking away from us markets that once were ours, and making it difficult for us to sell to our own people because of their breakthroughs in concentrating their talent on domestic needs?

While our statesmen have concerned themselves with military muscle, our economic muscle has depleted to the point where both our allies and adversaries, some of them with no armed forces, have been able to exploit the economic programs of this country.

The President talked about our being a No. 1 power. The only trouble with that is that we are in real danger of becoming a second-rate economic power. Our dollar has become secondrate. We have become secondrate in the marketplaces of the world. On the basis of the President's vetoes over the past several years, most of us certainly recognize now that increasing arms budgets are at war with other priorities; that increased arms budgets can actually weaken the vital sources of national power. It is clear that if Congress does not cut this military request, it is going to mean cutting elsewhere in programs already approved by strong congressional majorities. That is exactly what is going to happen.

The President is winning the battle as to who shall control the purse strings of the country. Thomas Jefferson and James Madison would turn over in their graves if they could see the President of the United States—one man sitting in the White House—determining which programs are going to live and which are going to die; where the money in the budget is going to be allocated; with Congress sitting helplessly while programs are settled in the executive branch.

It is clear that that will mean an inadequate response to the difficult problems of energy, food, health, housing, transportation, the environment, and others, which the American people have been telling us in every way they can that they want solved.

So on the grounds of priorities in 1974 and beyond, we do have the strongest possible incentive for examining this military request carefully, for determining, before we elect to "err on the side of strength," whether we must err at all.

A fourth reason for tightening up this year is that we should certainly realize by now that it is not enough to exhort the Pentagon about efficiency and about devising simpler and less expensive weapons which could do the job just as well at less cost.

Mr. President, I do not find it hard to understand why the Pentagon is made to fight for every dollar they get out of Congress. No general or admiral ever felt he was fully prepared for the battle ahead, and you and I would do the same thing: we would do everything we could to get every last dollar for preparedness by way of equipment.

It is our job to compare these requests with the other needs of the country, and then make a judgment as to how the resources of our country should be allocated.

I am disturbed to see one proposal after another going down to defeat, including the troop reduction proposal of the Senator from Montana, which passed here yesterday morning, and then, after intensive Pentagon lobbying, we backed away from it in the afternoon.

That is not the way for us to demonstrate our ability to control the allocation of money for our national priorities.

This is a problem that should concern us regardless of how large any one of us thinks the U.S. baseline military force should be. For example, Senator PROXMIRE submitted a paper for the McGovern Panel on National Security which assisted in the campaign last year. He pointed out that our proposed F-14 fighter was expected to cost $20 million apiece, whereas the Soviet Union was able to produce its Mig-21 fighter for approximately $2 million each, calculated on the basis of U.S. dollars and U.S. labor costs. And he made this disturbing calculation:

> For the same number of dollars, the Russians can put 10 planes in the air against one American aircraft.

Mr. President, where does it all end? We are up to a $20 million fighter plane today. Where does this end?

I think we have that same problem across the board in military procurement. The F-15 is going to be an extremely expensive air superiority fighter for the Air Force because the Pentagon decided to build in more capabilities than it needs. The cost of each proposed B-1 bomber is now estimated in the range of $45 million, or over $56 million including research and development costs, compared to the original estimates of $25 to $30 million. Two years ago many people were startled when Congressman SEIBERLING and I projected cost escalation of almost precisely this size in a report on the B-1 prepared for Members of Congress for Peace Through Law.

We predicted at that time that the $25 to $30 million estimated cost of each B-1 bomber would double in the next couple of years. We were ridiculed for that prediction, but that is exactly what has happened since in these 2 years' time, and it is happening principally because of this pressure to incorporate the most advanced technology and the most advanced imaginable capabilities, regardless of whether or not it is related to the threat we can project. Of course, a part of this is due to the inflationary spiral; but a part of it is due to the tremendously complicated nature of these weapons systems, that go beyond the real needs of the weapon.

Members of the Armed Services Committee have addressed this problem before. The report on the fiscal 1972 military procurement bill said that:

> If the geometric cost increase for weapon systems is not sharply reversed, then even significant increases in the defense budget may not insure the force levels required for our national security.

Now, 2 years later, the Armed Services Committee report says much the same thing:

> The Committee regrets that this dilemma is even sharper today than it was two years ago.

So we are still up against this appetite for elaborate and expensive arms. They are still offered on a take-it-or-leave-it basis, so that the choice is not between, say, the F-14 and a less complex system, but between the F-14 or no new Navy fighter at all. And I predict here today that we will not change that situation with words in committee reports. We will change it only if we exert some real fiscal discipline on the Pentagon, just as we do with other Departments, and put a lid on how much they can spend. And 1974 is the time to do it—we must surely have learned this lesson by now.

Mr. President, I have here a lengthy analysis and specific suggestions as to how the various categorical reductions could be made, but I do not think I shall go into those. They enumerate a number of areas where cuts could be made, for example in procurement or in research and development. I prefer simply to include that with my prepared remarks, and at this point of the debate simply to press on to the Senate the urgency of setting some kind of ceiling along the lines I have suggested here in each of the major categories.

SPECIFIC SAVINGS SUGGESTIONS

As I have indicated, amendment No. 532 addresses categories of money—procurement, research and development, military manpower, civilian manpower, and military aid—without specifying where cuts would have to be made to meet the ceilings in those areas. I regard it as a middle ground between two congressional strategies—between cutting specific systems on the one hand, or setting an overall spending or appropriations ceiling on the other.

But I do think it is useful to illustrate how the ceilings could be met. And it could be done without going beyond weapons systems and deployments which have already been widely questioned.

(1) PROCUREMENT

As I have noted, most of the procurement savings would be realized in future years because most of the money appropriated in the fiscal 1974 defense appropriations bill will not be spent until fiscal 1975 or later.

I have recommended a ceiling on appropriations for military procurement of $9,895,235,000, which is $2,507,000 below the committee figure. It could be met by the following steps:

First. End construction of the third *Nimitz* class nuclear carrier, the CVAN-70, entailing a reduction to 11 carriers, instead of 12, by 1980. Procurement savings would be $657 million.

Second. Terminate the F-14 program where it stands, and rely upon the F-4 for carrier based aircraft. Procurement savings would be $197.6 million.

Third. Cut all Trident procurement funds. Savings would be $872.8 million.

Fourth. End construction on the single Safeguard site in North Dakota. Procurement savings would be $159.3 million.

Fifth. Postpone any further installations of MIRV warheads on Minuteman. Savings would be $608.6 million.

Sixth. Cut long lead procurement for the Airborne Warning and Control System, saving $11.7 million.

Cutting procurement funds would not, of course, result in an absolute cancellation of any of these programs. In the case of Trident, for example, the major dispute is over timing. Should we rush ahead now? Or should we regard it as an orderly program to replace the Polaris/Poseidon submarines when they begin reaching the end of their useful life in the mid-1980's? I favor the latter course.

(2) RESEARCH AND DEVELOPMENT

As is the case with procurement money, the bulk of the funds appropriated this year will not be spent until fiscal 1975 or later. Here I have recommended an appropriations ceiling of $6,964,033,000, which is $1,095,700,000 below the figure contained in the bill as reported. Although the amendment does not require it, the reductions could be distributed as follows:

First. Stretch out the Trident research and development program, aiming for deployment in 1984 rather than by 1987; $300 million could be left for research and development, concentrated on the Trident I missile which could, if necessary, be backfitted into existing submarines. Research and development savings would be $354.6 million.

Second. Adopt an ABM research program aimed simply at staying on top of the technology rather than at preparing for deployment. Allocation of $150 million for all areas of ABM research, including site defense, light area defense, and exploratory development, would permit a savings of $211.3 million in R. & D. appropriations.

Third. Slow down the B-1 research and development program, and use some funds for exploring possible alternatives including a stretched version of the FB-111 or a standoff aircraft designed to fire ballistic missiles. A $100 million strategic bomber research program would mean savings of $273.5 million in appropriations in this category.

Fourth. Cancel the research program on the airborne warning and control system, to save $155.8 million in R. & D. funds.

Of the four programs listed for possible cuts, AWACS is the only one which I would recommend canceling outright. In the nuclear war context, it suffers the same logical defect that is shared generally by the air defense concept—why attempt to defend against a strategic bomber attack, when we know that we cannot defend against an attack by nuclear missiles and when we have, in fact, agreed in SALT that we will not try? In the context of conventional war, on the other hand, the airborne command station would be extremely vulnerable to attack by the adversary's tactical airpower and surface-to-air missiles. So while there are reasons for continuing work on a new strategic aircraft, on a replacement for Polaris/Poseidon, and on ballistic missile defense, I can see no merit in this very expensive and doubtful AWACS system.

(3) MILITARY MANPOWER

By calling for a reduction of 166,000 in active duty military manpower, the amendment in effect sets a year-end manpower ceiling of 2,066,902.

If the administration has any understanding of the message Congress has been trying to send through our discussions of manpower issues, then these cuts should come primarily from over 2,000 bases overseas, and from excessive manpower in the category of support forces. Despite the end of our involvement in Indochina, for example, we still have nearly 230,000 troops stationed in East Asia, on bases in Thailand, Japan, the Philippines, South Korea, and Taiwan, or on ships stationed in the area. A distinguished group of Asian security experts, many of them former high-ranking officials of the government with special responsibilities in this area, have recently stated that:

> . . . at least 100,000 of these can be returned and deactivated with no harm either to our national security or our important interests in the areas.

If that recommendation were followed, and if we brought home and deactivated just 66,000 of the U.S. forces now on the ground in Europe, then the entire reduction could be made out of troops presently stationed overseas.

The Senate has, of course, already taken an important step in this direction by adopting Senator Mansfield's amendment yesterday. It requires that 40 percent of our 500,000 troops stationed overseas be returned to the United States. That means the return of 200,000 people over a 3-year period.

The full savings on manpower cutbacks would not be realized until the first full year after the ceiling has been met. Beginning in fiscal 1975, the savings would be about $1.7 billion compared to the cost of the administration's proposed force levels, or another $100 million more than the savings that would result from the ceiling set by the committee. On the assumption that the administration would begin moving toward the ceiling immediately, however, it is safe to project a total reduction of about $850 billion in the manpower appropriations required in fiscal 1974. And since current-year appropriations and actual outlays are nearly identical in this portion of the Pentagon budget, unlike the case that prevails with procurement and research and development, those savings should show up as an actual cut in fiscal 1974 spending.

(4) CIVILIAN MANPOWER

Exclusive of the active duty cuts the committee has proposed or the additional reduction I have suggested, the administration has already reduced active duty military manpower by nearly 37 percent from the Vietnam war peak of more than 3.5 million men. Yet the Pentagon bureaucracy has been reduced by just a little over 21 percent, and there is actually a slight increase in civilian manpower planned in the fiscal 1974 program. I propose a further 10-percent reduction, to a ceiling of 911,700 direct-hire civilians. Savings in this fiscal year would be about $500 million; in subsequent years the amendment would save about $1 billion annually.

(5) AID TO INDOCHINA

The committee bill would authorized $952 million for military aid to Indochina, funded through the Pentagon.

However, S. 1443, the Foreign Military Sales and Assistance Act, authorizes in section 2108:

> . . . such sums as may be necessary to provide armaments, munitions, and war materiels for South Vietnam and Laos under this chapter.

That section also provides $150 million for the fiscal year for assistance to Cambodia.

The same bill provides in section 3109 that:

> After June 30, 1973, no sale, credit sale, or guaranty of any defense article or defense service shall be made, or any military assistance (including supporting assistance) furnished to South Vietnam or Laos directly or through any foreign country unless that sale, credit sale, or guaranty is made, or such assistance is furnished, under this Act.

Those are the provisions of S. 1443 as it has already passed the Senate. So as I take it, it is the policy already adopted by the Senate that we will fund any further military aid to South Vietnam and Laos under the foreign military sales and assistance program, and that we specifically will not provide it through any other source.

It is my personal view that the administration's overall program for military and economic aid to Indochina goes far beyond anything we can reasonably justify. There are peace agreements in effect covering both South Vietnam and Laos. The agreement on Vietnam provides specifically that the Thieu government can receive arms only to replace, on a piece by piece basis, those which are lost or used up, and S. 1443 incorporates that language. At the same time we have declared an end to our involvement in Cambodia. Under those circumstances a program of more than $2 billion in military aid alone should be completely out of the question.

But we need not resolve that issue in connection with my amendment. All I am saying is that we should not violate our own policy on the source of any military aid we do supply, and that we should therefore cut all of this $952 million out of the military budget. That would permit a corresponding reduction of $952 million in DOD appropriations.

A MODEST TOTAL REDUCTION

While a significant portion of the savings in actual outlays would be realized in years following fiscal year 1974, amendment 532 would permit a reduction of $5,891,200,000 from the figure recommended by the Armed Services Committee, and of $7,402,322,000 from the figure recommended by the administration, for DOD appropriations in fiscal 1974. The administration originally requested $85.2 billion for the Department's military and military assistance program. The comparable figure under my amendment would be $77.8 billion.

This total figure is very much in line with the Pentagon budget levels discussed in the Brookings Institution report, "Setting National Priorities: The 1974 Budget." One of the medium range options they outlined would, according to their estimates, entail savings of $7 billion in fiscal 1974.

Other analyses have called for more substantial reductions. A group of distinguished experts in defense, science and foreign policy, including former White House science advisers and former high officials of the Defense Department, the Central Intelligence Agency, the Arms Control and Disarmament Agency, and the National Security Council, has suggested in a paper entitled "Military Policy and Budget Priorities" that—

> Even a conservative analysis shows that some $14 billion can be saved from the Nixon proposal while fully preserving our national security, and starting a return to a peacetime national budget.

I think that is sound advice. But what I am proposing here is more modest. I see this amendment as an interim step toward further reductions in the future, along the lines of the alternative military posture statement I had prepared early in 1972. But it also invites the support of Senators who simply want to prevent dramatic escalations in arms spending in the next several years—who think we must at least be prepared to hold the line in this area, so we can begin devoting more of our resources to pressing needs here at home. And if what we say is a fair reflection of what we believe, I think that is something nearly all Members of Congress would support.

As they evaluate this proposal, I hope Members of the Senate will break away from viewpoints that give a distorted picture of what is actually being proposed.

Because we deal with budgets sent up by the administration, we have a tendency to focus hardest on each proposed cut and how it would change the preestablished national security program. If a number of amendments are offered which would eliminate specific parts of the budget, it is fairly easy to create the impression that those who offer the amendments are trying to eliminate the very muscle, the bone, and possibly even the marrow of our Military Establishment.

But our focus should really be on what is left, not on what is being proposed as a reduction. The rational way to proceed is to see what kind of a military program the remainder will buy. Then we should evaluate that, not according to what the administration wants, and not according to what we spent last year or in some prior year, but according to what we perceive as threats to the Nation's security.

For example, as I have noted, my amendment would leave total new military budget authority of $77.8 billion.

The amendment would not touch any of vast nuclear deterrent forces presently in the American arsenal—1,054 ICBM's, 656 SLBM's, and 500 strategic bombers, carrying at least 7,100 nuclear weapons. That compares to about 400 weapons needed to strike every significant target in the Soviet Union and China combined.

Nor would the amendment eliminate a single conventional weapon that is now in our arsenal. And if the administration manages the proposed manpower cuts prudently, it should not cut at all into the actual combat forces we have to operate those weapons; rather it should reduce an overblown support establishment. It would leave 13 active Army divisions, 3 Marine divisions, 21 tactical Air Force wings, 14 tactical Navy wings, 3 tactical Marine wings, 15 aircraft carriers, over 60 nuclear attack submarines, nearly 200 escort ships, 65 amphibious assault ships, 17 strategic airlift squadrons, and over 50 troop ships, cargo ships and tankers.

And rather than taking any weapons away, the amendment would authorize nearly $10 billion, entirely for the purpose of building and buying new arms either in addition to those we already have or to replace those that are becoming old or obsolete. And beyond that, it would authorize another $7 billion for research, development, test, and evaluation of weapons that may be purchased in subsequent years.

So rather than describe this amendment as a sizable reduction in money for the Pentagon, I would say that if it is adopted, we will have a very generous program, if not a lavish program, for that aspect of our national security which must be protected through arms.

At the same time, if this amendment is adopted, we can move to fulfill a more comprehensive definition of national security.

National security includes a strong economy as well as a strong defense. It includes protection against shortages of food and fuel, as well as protection against enemy guns. It includes schools for our children as well as silos for our missiles. It includes the health of our families as much as the size of our bombs, the safety of our streets and the condition of our cities, and not just the engines of war. And as much as the credibility of our deterrent in the eyes of the Communists, national security includes the credibility of our system in the eyes of our own people.

That is the kind of security the American people deserve. I hope we will act now to assure it.

Let the Department of Defense, within limits, decide how they are going to make these reductions in research and development, and how they are going to apply the overall reduction in procurement, manpower levels, and so on. But I urge Senators to think very carefully about what we are doing with this bill before we obligate new money, away in excess of $80 billion, that is bound to escalate to a budget in excess of $100 billion in a very short time, if we do not begin turning the corner today in scaling down some of these new obligated funds.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 37 minutes remaining.

Mr. McGOVERN. I reserve the remainder of my time.

Mr. GOLDWATER. Mr. President, in the absence of the Senator from South Carolina, I shall assume the leadership on this side in behalf of the committee. I yield myself 20 minutes.

Mr. President, the amendment which is proposed, if put into effect, would jeopardize our national security posture in a number of ways.

Among other things the amendment would debilitate American strength in the immediate future by establishing unacceptably low ceilings on military procurement and manpower levels. The amendment would reduce the Defense Department request $3.5 billion below that recommended by our committee.

Mr. President, I know that it is easy for some Members of this body to think that the Armed Services Committee spends all of its time genuflecting to those at the Pentagon and saying yes to everything that they want. I can assure the Senate that that is not the case. We spend most of our time trying to get the cost of weapons down. However, we have very little control over that because of inflation. Inflation is the major problem that we are faced with, as it is the major problem that the American housewife is faced with, and as it is with other programs in the Federal Government that it is faced with.

I suggest that to come on the floor of the Senate and suggest cuts totaling $3.5 billion in a broad brush way is not the way to get at the problem. The way to do it is to come before the committee and make the arguments on specific line items.

If my memory serves me correctly, only one Member of this body who is not on the Armed Services Committee took the time to come before the committee and argue his case. I will say that he did a very good job. But to come to the floor of the Senate after we have spent months and months discussing this and then suggesting cuts the size of this one, is just the wrong way to go about it.

We do not know where the cuts should be made. We think we have done a job on this bill to the point the amount we are recommending is at the lowest level it could be. Maybe we are wrong, but I think that here on the floor of the Senate is not the place to prove it. The place to have proven it was before the committee by people appearing there with well reasoned arguments that could have convinced us that we were approaching it in the wrong way.

Mr. President, I think that we should understand the chain of procurement. This is not a simple thing. It was not dreamed up by any one person in the Pentagon. Possible expenditures are now being discussed for the next 5 years. Each of the different services projects its requirements for the coming years which must be approved by Secretary of Defense and eventually by the National Security Council.

Mr. President, in light of this amendment, a few remarks about the situation we are faced with in spending in this country today seem appropriate. I know that the defense budget is a large budget. However, it is not the largest budget by any means. It is probably the largest budget assigned to one specific title, but if we lump HEW together, that is the largest budget.

Now, Mr. President, many feel that the reason we have been unable to fund social and economic programs is because of the drain on our national resources caused by defense expenditures, when in fact the reverse is true. Social and economic programs have been growing at the rate of 10 percent per year, steadily, for more than a decade. The problem has been that when they started growing at the 10-percent rate they grew from a very small base. Now they are growing from a much larger base, and with increases in the Government of 7 percent each year, something has to give and has been giving. So that the defense budget is now down to a level of 18 percent, including State, and local governments, which is just about as low as we had at the time of Pearl Harbor.

Mr. President, I look at the trend in public spending, including Federal, State, and local governments, and note that national defense has declined from a point in 1945, when it occupied nearly 80 percent of all public spending, to this year, when it will be about 18 percent of all public spending. That is a significant decrease.

At the same time, social and economic problems, which along about 1945 were occupying about 15 percent of our total spending, have now increased to where they occupy almost 75 percent of our spending.

I point out that in the same period of time, national defense expenditures have decreased while social and economic programs have increased at a very, very fast rate.

Looking at the expenditures in another way, in constant 1974 prices—and these outlays exclude retired pay—in 1956, the defense budget was $78.5 billion. Again, I stress that these figures are in constant 1974 prices. In 1964 it went to $84.5 billion. In 1968, when the Vietnam war was at its height, it went to $111.2 billion. This year it is down to $73.7 billion.

Now, looking at the defense outlays in another way, its share in the gross national product—I might say that I do not have any particular faith in using the gross national product as an economic indicator but, since, most economists in Washington do, and since most of my colleagues on the floor put great faith in it, I am going to use it.

When we look at the outlays of defense expenditures and compare them to the total gross national product, it shows that in terms of the resources provided to the Department, they are at their lowest levels since before the Korean war.

At the present time, Department of Defense research is about 6 percent of the gross national product, down from 13 percent during the 1960's. It will be noted that the Air Force alone in the early 1950's was receiving about 4½ percent of the gross national product.

We are moving in a direction where the entire Department of Defense's share of the gross national product will be similar to the Air Force's share at that time.

Back in the days of the Korean war, about 13 percent of the gross national product was related to defense spending. This year it is running at a rate a little over 6 percent. So it is at the lowest level it has been in the past 20 to 25 years.

When we look at the comparison between the Soviets and ourselves—and I do not like to keep trying to compare the Soviets with us—I do not honestly feel that we are ever going to engage in war with them even though their actions around the world are somewhat suspect. So, by 1978, if we show a tendency to weaken our military, we are going to be faced with some decisions that if we fail to meet them, we will automatically fall in the world power struggle and become a second or a third-class military and economic power.

So what we are doing today has a direct bearing on the problems that the President and the country will face in 1978.

I do not predict there will be any trouble before that, because we have a very strong man in the White House today, and other countries in the world know what will happen if he is forced into a decision relative to our security. But we have an election in 1976 and we might wind up with a man as President who would not be inclined or who would not be strong enough to take on the responsibilities that our President today has taken on.

So we have to look at the Soviets, and when we compare their expenditures in manpower with ours, we have to recognize not only the resources required but the capabilities and actions of our potential adversaries as well. The trend for both the United States and the Soviet Union in expenditures expressed as purchasing power and military manpower, the Soviet defense expenditures have been growing since 1964 at a rate of 3 to 4 percent per year.

It must be noted that this does not include the total defense effort by the Soviet Union. Some of this effort is hidden in other accounts, not easily separable or identifiable. As an example, on defense expenditures, a lot of their defense funds go into scientific research costs, so it is very difficult to separate them out. However, I believe it is correct to say that Soviet defense expenditures in dollar equivalents now exceed those of the United States.

It is clear that actions we have taken to substantially reduce our expenditures for the Department of Defense have quite obviously not been matched by similar restraint by the Soviet Union. Once again, the United States force levels for fiscal year 1968 exceeded those of 1974 by more than 50 percent. However, despite this reduction, military manpower in the Soviet Union has grown from approximately 3 million in 1964 to 8 million at the present time. The Soviets now have 70 percent more manpower on active duty than we have in the United States.

Mr. President, the Soviet expenditures for defense—for weaponry, and so forth—have gone up at a constant rate, until it now is in the neighborhood of $82 or $83 billion; and, while ours peaked at close to $100 billion back in 1968, it has now dropped to where it is today, around $77 billion.

Mr. President I should now like to discuss what is referred to as "the peace dividend." There has been a great interest in the peace dividend that was expected following the Vietnam war. However, it did not materialize for several reasons.

First, in terms of purchasing power, it has already been paid. Second, in terms of the dollar levels made available to the Department, the peace dividend has been absorbed in terms of pay and price increases.

For example, military base pay in 1968 amounted to $12 billion plus, but in 1974 that equates to $18 billion. Military allowances have decreased a little. Civil Service pay has gone up approximately $3 billion during the same time. Purchases for the military have decreased somewhat. With respect to the total, with retired pay included in 1968 we were spending $78 billion, and now it is $79 billion. So any peace dividend, as such, coming from the end of the Vietnam war, is just not there. It has been expended, or it has been absorbed by increased costs. In fact, to be a little more specific, of the $5.5 billion increase in this year's budget, more than half goes to pay increases that we in Congress voted for the military people, and the other half does not quite meet the inflation factor.

If we could end inflation or even get it down to a reasonable level—say, 2 percent instead of over 5 percent—we could be making some headway in cutting not only military spending but all Government spending. We are actually buying fewer pieces of hardware. We will buy fewer aircraft this year than we bought in 1935. This is not because we are being a little short this year in money, but because we do not have anything ready to buy for production yet in the way of aircraft. This will probably come in next year. This, in itself, will cause next year's budget, in my opinion, to be higher than this year's. Whereas the Soviets build a new fighter aircraft every 3 years or so, it takes us a lot longer to get a new fighter into production.

While the sponsor of this amendment, the Senator from South Dakota (Mr. McGOVERN), said he saw no bomber threat from the Soviets, I can assure him that they have a bomber force. It is a bigger bomber force than we have. They are not the same type or quality of aircraft, but they have the ability to bomb this country.

The B-52 is now 22 years old, and the B-1 will not be ready until 1978, or so. The B-1 has been over 4 years in the planning and designing and various stages, and just next week they will put the wings on this new plane. We hope to have it fly sometime in the next summer. So it should be noted that these things do not happen overnight.

Research and development funds are also significant. We have held hearings the last 2 days before the Subcommittee on Aeronautical and Space Sciences and have listened to manufacturers. Their criticism is that they have not received enough research and development money to provide the kind of advancement in weaponry, avionics, and so forth, that we would like to have in order to produce prototypes at a faster rate than we have been doing.

Now let us return to the amendment, and let us consider the facts of our national security situation.

First, the Soviet Union is not unilaterally reducing its forces because of its newly perceived interest in détente. Instead, the Soviets continue to improve and strengthen in numerous ways their already extraordinary military might. For example, we know they have a 3-to-2 advantage over us in numbers of ICBMs and a 4-to-1 advantage in ICBM payload capacity. There is evidence they are making an effort to improve the accuracy of their missiles, are developing new intercontinental missiles, and are conducting tests of MIRV systems. And China's military strength also continues to expand. To illustrate, China is strengthening its conventional forces; and its nuclear reach may soon extend to all of the Soviet Union and—before the end of this decade—to the United States as well.

Second, without the continuing capabilities of our forces to support our interests around the globe, we and our allies cannot insure our security nor continue negotiations with the basic confidence needed to develop new relationships. This, of course, is a critical factor in the negotiations for both strategic arms limitations and mutual and balanced force reductions in Europe.

Next, let us look at the proposed defense budget which has been submitted to us. In fiscal year 1974, the defense share of total Federal spending, total net public spending, the total labor force, and the gross national product would be the smallest in nearly a quarter of a century. Without a single cut in the proposed budget, we would obviously be—at best—in a "touch and go" situation relative to the power of our potential adversaries, and with respect to our negotiating position with the Soviets. How can the massive cuts in the proposed amendment possibly be justified? The answer is that they cannot be justified.

Again, the place to make these cuts is not on the floor of the Senate but before the Armed Services Committees of both Houses, where the witness can bring all the expertise to bear that he can gather and can discuss with the members of the committee and with the staff—which is where the real expertise lies—how he feels cuts can be made.

While I mentioned earlier that I can recall only one Senator who did this, we did have a number of witnesses appear before the committee who outlined areas that they thought could be reduced. I do not say they went away empty-handed, because they have given us some things we can think about in the coming year; and possibly in the next presentation, we will be better equipped to attack this problem.

None of us likes the cost of the weaponry. I do not like the idea that we are paying more than $14 million for a fighter plane. I can remember the fighter planes of World War II costing under $50,000. I said the other day that I think the most expensive airplane I flew in World War II cost $225,000—and, by golly, we are looking at one missile on the Phoenix system now that costs $250,000, and the airplane takes off with six of those rascals strapped underneath it.

So we are spending money. I think there are some great areas we can attack, and we are attacking. We have the lightweight fighter. Two prototypes will fly next year. I feel that all the services can use these prototypes, and we can probably make them for under $3 million each.

The PRESIDING OFFICER. The Senator's 20 minutes have expired.

Mr. THURMOND. Mr. President, I yield 5 minutes to the Senator.

The PRESIDING OFFICER. The Senator is recognized 5 additional minutes.

Mr. GOLDWATER. Mr. President, in terms of the broader implications of the proposed amendment with respect to reduced procurement and manpower levels, we should never forget that the world's hope for peace unequivocally depends on the strength of this Nation. And that means that the world's hope for peace unequivocally depends on our preventing our reduction to a second-rate power—or even to a first-rate power which is second best.

With respect to the severe restrictions which the amendment would place on research and development, a proposed $1 billion cut, let us not close our eyes one moment to the dangers which would result. The Soviet policy to achieve technological superiority is clearly on the public record. In their development of engineers and scientists and in their development and provision of scientific and engineering facilities, they are steadily moving ahead of the United States. In budgetary resources, they are providing some 30 percent more of their annual defense budget than we are in investment and modernization.

Already we are seeing the results of their research and development efforts. We see their overall output in the form of new weapon systems. It is paying off in their increased rate of innovation and in the decreased time lag in fielding systems equivalent to our own. It is paying off in the technical capabilities of new weapon systems. And highly qualified observers suspect that it is paying off in new developments that are hidden under the

Soviets' roofs. How then can a major cut in our own research and developments efforts possibly be entertained?

Mr. President, in closing, we have already discussed the MASF issue in the two preceding amendments, and the Senate exercised its will in that area. The Senate does not see the wisdom in eliminating these funds. As regards military personnel, I suggest that the action taken by the committee in recommending a reduction of 156,000 men may be too much. We cannot afford the risk of another 10,000. Regarding civilian personnel, the committee next year intends to authorize the total number of DOD civilians. So that part of the amendment is, in my opinion, inappropriate at this time. The committee recognizes the problem and it tends to get to it next year.

Yesterday, in connection with an amendment that was accepted, in answer to a question I put with respect to a study of manpower problems in the Pentagon, they specifically said there would be included a study of the civilian problem.

Mr. President, there is hope that we are approaching the threshold of a new era of peace—but this emerging era is still in a highly tenuous state. We need a rational military posture to reinforce, to strengthen, and to stabilize the structure of peace. Let us maintain that rational posture by soundly defeating the proposed amendment which is before us.

Mr. President, it would be very dangerous for us to approve the amendment. I therefore urge that the Senate reject the amendment.

Mr. THURMOND. Mr. President, I wish to thank the distinguished Senator from Arizona for his remarks. He is a military expert. He is a major general in the Air Force Reserve. He has had much service in the military and he is a very valuable member of the Committee on Armed Services. His statement today is a fair contribution to this debate.

I yield 3 minutes to the distinguished Senator from Missouri, the acting chairman of the Committee on Foreign Relations.

Mr. SYMINGTON. Mr. President, I thank my able colleague from South Carolina, the ranking minority member of our committee.

It is my understanding the able Senator from New Hampshire is going to speak against this amendment. That is well, because I cannot support it. The reduction runs around 23.5 percent. I want the Senate to know that as manager of the bill that is my position, and I thank the Senator for yielding.

Mr. THURMOND. I thank the able Senator from Missouri. Ever since I have been in the Senate I have considered him a military expert and it has been a delightful experience to work with him on the committee.

Mr. SYMINGTON. I thank the Senator for his kind remarks. It has been an equal pleasure for me.

Mr. THURMOND. I yield 10 minutes to the Senator from New Hampshire.

Mr. McINTYRE. Mr. President, although I am sympathetic with the underlying objectives of the distinguished Senator from South Dakota, in trying to reduce defense spending, I must register strong objection to his method which contemplates the proverbial meat-axe approach.

The proposed amendment would cut the military procurement request by $5.1 billion, or 23.2 percent. This is $3.6 billion, or 16.3 percent, more than the $1.5 billion reduction recommended by the committee. A cut of this size would literally gut or disembowel our military forces. In the past, large cuts in defense spending were criticized as cutting beyond the fat and into the muscle. The proposed reduction of 23.2 percent goes far beyond this and crushes the very bones in the patient's body. The question no longer becomes one of recovery from a critical blow, but survival from a fatal attack.

I am compelled to ask my good friend from South Dakota from where does he get these numbers? Does he fully appreciate the hard and trying work that the committee has done since last January to arrive at the most difficult decisions presented in the report on the bill? If the months of sweat and strain spent by the committee and its principal Research and Development and Tactical Air Power Subcommitees are not accepted by the Senator as constructive and fruitful reviews of the Defense budget, then I am afraid that much time has been wasted.

Let me address the area of research and development. As chairman of the Research and Development Subcommittee, I applied every ounce of my energies in a most thorough and soul searching review of the Defense Research and Development request. I am not an expert in this field, but with 5 years in this role I consider myself somewhat better educated than most Senators in the details of the Defense research and development program.

The subcommittee spent 82 hours in formal hearings on the fiscal year 1974 request for the research, development, test and evaluation appropriation. The major Defense witnesses responsible for research and development were cross examined at length and in great detail. They included the Director of Defense Research and Engineering, the Director of the Advanced Research Projects Agency, the Assistant Secretaries for Research and Development, and the Deputy Chiefs of Staff for Research and Development of the Army, Navy, and Air Force, and program managers responsible for the major weapon systems under development.

I might say to my good friend from Colorado that I do not remember seeing Admiral Rickover.

These formal hearings were supplemented by extensive discussions and briefings to satisfy the critical questions asked by committee members. In addition, numerous briefings, discussions, and field trips were conducted by the committee staff. The important results of these activities are stated in the committee report on the bill and detailed in the printed volumes of committee hearings.

The actions of the Tactical Air Power Subcommittee, under the able chairmanship of my good friend from Nevada, Senator CANNON, were just as thorough, detailed, and productive as that of the Research and Development Subcommittee.

Mr. President, in the research and development area, the committee cut $498 million or 5.8 percent from the $8.558 billion requested. The proposed amendment would cut an additional $1.1 billion or 13.6 percent more than the committee recommended. This would bring the research and development amount down to $6.964 billion, which is 18.6 percent less than the amount requested.

Such an action, if sustained by the Senate would make a mockery of the work done by the committee; but, more important, it would literally scuttle the Defense research and development program. But let me be more specific, Mr. President. Of the total of $8.6 billion requested, only $132.4 million was included to start new programs. Therefore, essentially all of the funds requested are required to continue contracts that are ongoing and to pay the civilian salaries and expenses involved in operating and maintaining the Department of Defense research, development and test facilities. What this means then, in simple terms, is that the additional cut of $1.1 billion could be realized only by the wholesale termination of hundreds of contracts and subcontracts, the across-the-board reductions in force by indiscriminate firing of large numbers of civilian employees, closing down of vital research and development laboratories and facilities, or a combination of all of these. This would be tantamount to decimating the future capability of the United States to survive in a hostile world.

Also, I notice in this release by the Senator from South Dakota (Mr. McGOVERN), at the bottom of his first page he speaks of the cut that his amendment would be to research and development as a cut of some 8.7 percent.

Actually, I would have to take issue with that, because the way he arrives at it is as follows: He says that his cut would be $1,095,700,000, and it would be taken from a figure of $12,521,733,000.

That figure is $12 billion that he has in the report here is a figure which includes the amount that R. & D. would get or $8,059,733,000. Then he adds to that same $4,462,000,000 and he points out that these are unexpended R.D.T. & E. funds.

Actually the funds he adds on there, to come up with this total of approximately $12 billion, are mostly obligated, and all of those funds, which amount to $4,462 million, are committed to R. & D. programs that are already approved and ongoing.

So when he says the cut to the R. & D. program is 8 percent, I feel he is misleading, because the cut is over 13 percent, which is much too much.

If the Senate should sustain the action as proposed by the Senator from South Dakota, it would make a mockery of the work done not only by the subcommittee but by the full committee. More than that, it would skuttle, it would sink, research and development. Of the total $8 billion which is requested, which the administration and the Defense Department requested, only $132.4 million was requested to start new programs. Therefore, essentially all of the funds requested are required to continue contracts that are ongoing and to pay the civilian salaries and expenses required in operating and maintaining the Office of Research and Development and test facilities in defense.

What this means, then, in simple terms is that the additional cut proposed in the amendment by the Senator from South Dakota of $1.1 billion could be realized only by the wholesale termination of hundreds of contracts and subcontracts, across-the-board reductions in force, by indiscriminate firings of large numbers of employees, closing down essential research and development laboratories and facilities, or a combination of these. This would be tantamount to decimating the future capability of the United States to survive in what is, unfortunately, a hostile world.

So, as I said, while I appreciate the objectives my friend from South Dakota is trying to attain, I do think this amendment is a meat ax, and I do hope my colleagues—and I urge them—will join me in voting against the amendment.

I thank my good friend from South Carolina for yielding to me.

Mr. DOMINICK. Mr. President, will the Senator yield me about 3 minutes?

Mr. THURMOND. First, Mr. President, I wish to compliment the Senator from New Hampshire for his fine statement.

I had promised to yield to the distinguished Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield to the Senator from Colorado.

Mr. THURMOND. I yield 3 minutes to the Senator from Colorado.

Mr. DOMINICK. Mr. President, I thank the Senator from South Carolina and I appreciate the Senator from New Mexico's yielding to me.

I want to express my agreement with what the distinguished chairman of my Subcommittee on R.D.T. & E. has just finished putting into the record. We have spent literally hundreds of hours of time going over the research and development programs which has been proposed. We have one category, I might say to the Senator from South Dakota, called "Other," which means that they are research and development programs which we simply have not had time to look at. I doubt very much whether the Senator from South Dakota could even give us an estimate of how much might be involved in those programs, but it is a lot of money.

What I am saying here is that, for the first time, over the last 3 or 4 years we have had subcommittees looking into these programs to try to determine which ones are not feasible or which ones are so expensive that, even though potentially feasible, are uneconomic. We have done an enormous amount of work therein. To come in at this time and suddenly say the work we have done is useless, is really cutting, I think, against the grain.

I remember very well Dr. Foster coming before us and saying we have intelligence sources which are pretty good and we can tell what other countries are doing once they get the development done and once they get them out into the open where we can see them, but no one can tell us what is going on in the laboratories, particularly in a closed society; and unless we keep our laboratories and experimental work going, we may wake up one morning to find a new system we have no knowledge of at all and no technical capability to try to approach it within the new thresholds of science.

I say that to cut back on R.D.T. & E. when we have a system which does not look economic or does not look feasible from the standpoint of performance is good, and we have been doing that in the committee, but to take out an arbitrary sum is inadmissible insofar as defending the country properly is concerned, and making sure our scientific and research and development capability are effective.

I thank the Senator, and yield back the remainder of my time.

Mr. THURMOND. Mr. President, I wish to thank the distinguished Senator from Colorado.

I now yield to the distinguished Senator from New Mexico (Mr. DOMENICI).

Mr. DOMENICI. I thank my distinguished friend.

Mr. President, I want to say this at the outset. I did submit my detailed opinions to the subcommittee on this matter. I was pleased to have the opportunity, and I believe it was profitable to me, and hopefully to some few others, if not to the Members, at least to some members of the staff.

I wish to commend the Senator from Arizona for bringing to the Senate and the people the facts concerning relative costs of defense versus the costs of other items. It is easy to talk about billions for defense, but it is also very difficult to compare the billions we spend for defense with the billions we spend for health, education, welfare, and all kinds of new programs.

When the Senator talks in terms of our gross national product and says we are not spending any more on defense, in terms of gross national product, than we were 25 or 30 years ago, some people will say that is pre-Pearl Harbor in terms of comparison to gross national product. It is easy to talk about big figures and say that all this is wasted. I compliment the Senator and wish to associate myself with him on that score.

As far as the Senator from Colorado and his comments on research and developments are concerned, just this morning the distinguished Senator from Arizona and I heard Dr. von Braun speak about research and development. He said, very succinctly, a country that is first in applied technology is first in economics and first in the solution of its social problems. He said, just as conclusively, a country which is second in research and development and applied technology is second in the economy of the world and second in the solution of the social problems that confront the people. He also said you do not turn research on and off like a water faucet.

I commend the subcommittee for its deliberations. It is beginning now to give new strength to our Air Force in basic research and development.

Then in conclusion I wish to address just two remarks to the distinguished Senator from South Dakota with reference to the President of the United States and the one-third of the Congress that are passing judgment upon the social expenditures of this country.

I think that I can do so because occasionally I am among the one-third—not all the time but part of the time. I do not think that the distinguished Senator from South Dakota meant what he said in the area of vocational rehabilitation. He said there are 10 million needy Americans and that the President of the United States vetoed a bill that would have provided help to them. I do not think he intends to tell the American people that we are not going to have any vocational rehabilitation this year because the facts are that the people who got help last year, and that was substantial, will get it this year. In fact, we have added two substantial new categories in addition to those covered under last year's vocational rehabilitation bill. We passed this new bill after the President vetoed the first one. The President has signed the new act for this year and we are operating under a vocational rehabilitation program substantially in excess of last year's.

I do not think the Senator from South Dakota meant what he said when he spoke of emergency medical services indicating that because of the President's act many Americans were being denied emergency medical services. In fact, there was no bill last year and even under the bill vetoed there will be some time before emergency medical services plans are forthcoming from the States. The Senator knows that the U.S. Senate, after the veto, passed an emergency medical services bill with all of the provisions of the State one and a similar amount of money. The only deletion in the bill was the deletion of certain public health service hospitals. There is every indication that the House will pass a similar bill and equally strong evidence that the President will sign it.

I do not think that the Senator meant that the one-third of the Congress running the country, according to his way of looking at it, are denying emergency medical services in toto or denying vocational rehabilitation to many millions who got it last year and will get it this year, and even more.

Mr. President, that era of harmony brings to my mind the proposition that détente was brought about because we are strong. Détente will continue as long as we are strong. Détente will permit us to prevail in negotiations for mutual reductions so long as we are strong.

If those with whom we have this new era of harmony ever suspect that, in fact, they are stronger than we are, there will be a quick cessation of détente and that approach which will bring about a quick cessation of détente and that approach which would bring about mutual reductions in arms expenditures and resource expenditures by the world will cease to be even a possibility.

Mr. President, I believe the Soviet Union decided it wanted détente. They want economic help from our country. And they will wait around and see if we are foolish enough to diminish ourselves in power so that they can call it off when they want to.

They want evidence that we are as strong or stronger than they are. And we may be able to fool them by making the détente truly a long-term peace for the people of this world.

Mr. President, it is a distinct pleasure to present my views on the 1974 Department of Defense budget. This is an opportunity I greatly appreciate because I feel that there is no subject more important to the continuation of this great Nation than the treatment of the administration's defense budget by the Congress, particularly at this time when there are so many pressures to approve a budget much lower than the requested level.

One of those strong and attractive pressures, Mr. Chairman, is predicated on the air of détente which is said to exist between the United States and our principal potential adversaries, particularly the Soviet Union. I would like to address myself to what I consider to be the real danger of bending to the pressure.

Webster's dictionary defines détente as "a lessening of tension or hostility, especially between nations, as through treaties, trade agreements, and so forth." With that as its definition, I quite agree that détente does exist between the United States and the Soviet Union and between the United States and the People's Republic of China: That the tension and hostility which has existed between these two powerful nations and our own country has lessened in recent years.

However, in spite of the progress toward lessening of tensions achieved by the Nixon policy of negotiation, strength, and partnership with our allies, the fact of the matter is, Mr. President, that world tension and hostility have not been eliminated. No amount of wishful thinking can change that fact. So, it is against this background, under these circumstances, that I feel we must view our defense budget.

First, Mr. President, I think the true meaning of détente to our potential adversaries must be determined by the trend in their military capabilities during the period détente has become an acceptable—and in self-serving situations an even fashionable—relationship with us. Particularly, we must weigh the meaning and impact on détente of the measurable and quite visible trend toward clear-cut Soviet military supremacy.

I think it is particularly significant, Mr. President, that in 1968 the Soviets had about 800 ICBM's, but now it has twice that number. In 1968, the United States had 1,054 ICBM's—today we have that same number. In short, in the past 5 years, the U.S.S.R. has gone from a position of inferiority to a position of three-to-two advantage over the United States just in numbers of ICBM launchers and has, in addition, a considerable advantage over the United States in terms of ICBM "throw weight."

Again referring to 1968, the Soviets had less than 100 SLBM launchers while today it has more than five times that number. The United States has the same number of SLBM's that it had in 1968—656. At the present rate of construction, the Soviets will equal the United States in SLBM's by mid-1974.

Regarding today delivery vehicles of all types—ICBM's, SLBM's, and bombers—we had twice as many as the Soviet Union in 1968. Today, the Soviet Union has achieved a slight advantage in numbers of delivery vehicles. This Soviet quantitative advantage over the United States is expected to increase further over the next 5 years as we continue to phase out some of our older B-52's and they complete the buildup of their SLBM force to the level permitted by the interim agreement on strategic offensive arms.

Another critical factor to consider relative to the evolving international situation and our defense posture is military research and development. This is an area which unfortunately is not constrained by the agreements on arms limitation. Here, I feel, the pattern of Soviet goals continues to hold true. They give every appearance of having made a basic commitment to the objective of technological superiority. A number of studies have been made of the technological activities of various nations of the wording, including the U.S.S.R. and the United States, and it is very disturbing that no study I am aware of shows that we are even holding our own against the Soviet's concentrated efforts to overcome our technological superiority. In my opinion, it is one of the basic facts of modern life that it is research and development which will determine the character and quality of military forces—in the years ahead. I will speak at greater length on military research and development later in this statement.

There are many other indications of advancing Soviet military might which are totally inconsistent with other efforts to lessen world tension. As I have already observed, it is clear that recent activities have opened the way to more normal relations with the Communist States, and I applaud that trend, but, it is just as clear that the military power of the Soviet Union and mainland China continues to grow. The conclusion to be drawn from this situation is, to me, inescapable—we must maintain a perceptive, objective view of their current and future military capabilities—regardless of what we might hope their ultimate intentions might be. The military balance at this critical juncture is characterized by such extreme delicacy that to do otherwise would be utter foolishness in my opinion.

This is a view I share with the President and others whose judgment I respect. The President, in this year's report on foreign policy, after outlining alarming increases in Soviet military might, concluded that—

> We have no responsible choice but to remain alert to the possibility that the Soviet Union and China may not prove durable.

I would sum up this point, Mr. President, by agreeing with Secretary Schlesinger's assessment of détente. In urging recently that the United States should not go too far, too fast with a détente policy in Europe, Dr. Schlesinger described détente as a velvet glove—a mailed fist in a velvet glove. "Should we," he asked, "be discussing the beauty and textures of the glove, or the import of the mailed fist? Mr. President, when that mailed fist becomes stronger every day, far beyond realistic defense needs, the answer to Dr. Schlesinger's question is obvious.

Turning now to a more subtle connection between détente and the defense budget—I would offer for your consideration the proposition that "a strong U.S. military capability is an essential ingredient in pursuing détente and is critical to the ultimate success of détente."

I think it is beyond question that our military preparedness, combined with our partnership with our allies, provided the basis from which détente is developing. There are other factors, to be sure, such as the Soviet need and desire for economic expansion, but without a U.S. military response deserving of respect from the Soviets, the movement toward détente would have been much slower, if at all, and much more on their terms.

I want détente to continue. I fervently hope that world tension and hostility between nations will continue to be reduced. I am sure that is what all Americans want—we want peace and in good faith we are entering with high hopes into efforts which would lead in that direction.

But, what do the Soviets want, what is their ultimate purpose, and in question here today, what is the relation of that purpose to our defense budget? Perhaps to shed more light on that issue we should examine, in addition to their obvious military expansion, what they say when they think we are not listening very well.

In that regard, Mr. President, the extremely well respected Foreign Report of the Economist Newspaper Limited on July 18, 1973, had the following comments:

> According to well-placed European sources, Brezhnev and his lieutenants went to great pains earlier this year to spell out to the east Europeans the basic principles of Soviet policy. In a series of separate, bilateral meetings, top Soviet officials explained to their opposite numbers in east European capitals that there had been a tactical switch in Soviet policy—but that it was basically a tactical switch.
>
> Essentially, the east Europeans were told that the Soviet Union aimed in the next 12 to 15 years to devote all its resources (a) to pursuing detente with the west, and (b) to building up its own strength, militarily and economically. The Russians stressed that there was no contradiction in these objectives; one complemented the other.
>
> At the end of this period—roughly in the middle or late 1980's—the total strength of the Soviet and east European block would have increased to such an extent that it would be able to gain the upper hand in its relationship with the west.

The foreign report went on to note that—

> There has been debate within the Soviet leadership for more than a year over this policy, and in recent months signs of *opposition within the hierarchy have surfaced*. The changes in the politburo announced after the meeting of the Soviet Communist party's central committee in April to some extent reflected this disagreement—although at the moment Brezhnev is clearly on top. A curious feature is the way Leninist principles are being invoked at every turn; this is obviously to reassure doubtful party workers of the rectitude of the new Brezhnev doctrine. Some of the policies which are being invoked in his name must make Lenin turn in his grave.

In his television broadcast during his visit to the United States, Brezhnev said that "in politics, those who do not look ahead will

> inevitably find themselves in the rear among the stragglers." This broadcast was relayed to the Soviet Union, unlike statements made by his American hosts during the visit, which were jammed. His remarks have been interpreted as a reminder to the more conservative elements in the Soviet Union that they should bear in mind the more long-term aims, and not take the new Soviet attitude at face value.

Our intelligence reports verify the facts contained in these statements. All of this means to me that we in the U.S. Congress must also bear in mind the Soviets long-term attitude established by actions and words, some of which I have drawn to your attention, and not take the new Soviet attitude at face value any more than Brezhnev would have his own leaders do.

The important point here is often overlooked—if détente is desirable, as we all agree it is, and if it is to bear fruit, as we all hope it will—we must not remove the element most critical to its continued existence—a strong national defense. In other words, détente is one of the reasons to remain strong rather than a reason to disarm.

I am aware that there is also strong pressure to drastically reduce our defense spending to meet this Nation's domestic problems. There is a movement to reorder our priorities and devote a greater share of our resources to social needs. These domestic problems are urgent and there are social and human needs in this country which are not being met. I fully realize those facts and I am concerned, just as every one of you are.

However, I am also aware that there has already been a "reordering of priorities" so that social and human needs are receiving a greater proportion of our funds. My examination of budget figures confirms that in the last 4 years, the relative budgetary emphasis between defense and human resources has been exactly reversed.

I know that much more must be done to alleviate conditions of human misery that this great Nation in its abundance should not and cannot tolerate. And I pledge by constant attention and total effort to help overcome those problems, but I must agree with President Nixon's statement in his most recent message to Congress when he said:

> We could have the finest array of domestic programs in the world, and they would mean nothing if we lost our freedom or if, because of our weakness, we were plunged into the abyss of nuclear war.

I would also draw from that Presidential message on the extreme importance of defense research and development activities. The President said and I agree that—

> A vigorous research and development program is essential to provide vital insurance that no adversary will ever gain a decisive advantage through technological breakthrough and that massive deployment expenditures will therefore not become necessary.

Mr. President, I am convinced that we must have a vigorous research and development program to maintain force effectiveness and retain a necessary margin of technological superiority. There can be no doubt that the achievement of technological superiority has been a primary instrument of Soviet national policy for more than 20 years—a policy unchanged by SALT.

I am not an advocate of technological superiority just to be "No. 1." My advocacy of this principle is based on the fact that this Nation will never be able to produce and maintain military force levels of the magnitude of our potential adversaries. In short, we are at a disadvantage in terms of quantity and we must have a quality advantage through technological superiority to offset this quantity disadvantage.

In these times of competing needs for limited resources, there is an understandable tendency to make the cuts where the effects are least visible. Unfortunately, the benefits of defense research and development programs fall into this category of great susceptibility. I hope the Congress will resist this easy route because I am convinced that a reduction in appropriations in this critical area will affect the prospect of peace in the next decade and perhaps into the next century.

In the final part of my statement I would like to mention several specific efforts toward significant budget reductions which I believe are unsound.

The Trident program is one of these issues. Trident will allow us to maintain an effective seabased strategic missile force in the future, provide a significant hedge against the possibility of Soviet technological breakthrough, and insure an orderly replacement for Polaris submarines. It is my opinion that this submarine is critical to our defensive posture as the Soviet numerical superiority becomes even greater. It is absolutely imperative for this country to have a submarine based strategic missile force that is relatively invulnerable to the wide range of potential future threats. The Trident, which will augment and replace the Polaris/Poseidon fleet, will give the range and protection from detection which is required to be invulnerable. The Senate Committee on Armed Services has approved the full amount requested for an accelerated Trident program and I hope it will pass and be fully funded.

I am not as encouraged regarding the Armed Services Committee action on the F-14, for which the committee recommended funding through December 1973, not to exceed $197.6 million, well below the original request. I recognize that there are very substantial problems with the contractor and that these problems require time for proper solution, but the need for this aircraft is so critical in my view, that the Senate should restore the amounts cut.

There are two blanket cuts which concern me, the one in the House version of the procurement bill in terms of dollar limitations, and the one of the Senate Armed Services Committee in terms of military manpower.

The House authorization ceiling amendment, which was opposed by the leadership of the House Armed Services Committee, would limit weapons spending to 1973 levels with a 4.5-percent increase for inflation. It appears to me that such action sets a dangerous precedent and should be rejected to adhere to the traditional line item approach.

In my limited experience, it would seem that having two different approaches in the Houses of Congress will make final agreement on a conference report very difficult, perhaps causing such a problem as to prevent agreement. But, of even more concern to me is the blanket floor amendment as a means to deal with the military budget. It seems to relinquish the control of the Congress over the expenditure of military funds and refuses to recognize that the aggregate amount of very necessary and justified individual defense needs may, as in this case, exceed some arbitrary aggregate limitation.

The Senate Armed Services Committee's cut of 7 percent in our military manpower is another blanket approach to dealing with our defense posture which seems to me to be inappropriate. This specific action comes at a time when the Soviets are engaged in the buildup I have previously described, and in that context of the present delicate military balance represents a unilateral cut of such magnitude that I cannot endorse it. While it is possible that this cut could come from support elements, I think the dangers pointed out by Senator TOWER in his individual views to the committee's report are very valid.

There are other proposals to require substantial unilateral U.S. troop reductions in Europe. It appears to me that, while I think there are accommodations that we should pursue with our allies on relative contributions to mutual security, withdrawals of the magnitude proposed would have disastrous consequences.

Certainly it must be obvious that such unilateral withdrawals would undermine the negotiations for mutual and balanced force reductions scheduled to begin on October 30th. Why would the Soviets need to bargain, why would they want to trade, when what they are interested in is being given away free? If we have any hope of these negotiations resulting in a reduction of forces that will be matched by the other side we must resist impulses of this kind.

What all of this means is that the euphoria expressed by some in our country concerning the current arms agreements and the military balance is at best premature. The facts are that détente is in its infancy, and that we are running second to the Soviet Union in force size, defense investments, and military research and development. That gap must not be allowed to widen, and therefore we cannot cut into our defense budget. Significant cuts in the defense budget now would undermine our strength, would seriously weaken the U.S. position in international negotiations, would require major unilateral force reductions, and would undercut our efforts to build a more stable balance of forces at lower long-term cost to both sides. And it is these efforts which, one way or another, will determine our success in building a lasting structure of peace.

The PRESIDING OFFICER. Who yields time?

Mr. McGOVERN. Mr. President, I yield myself such time as I may require.

There are just a few additional points

I want to clarify in response to some of the things that have been said to the Senator from New Mexico (Mr. DOMENICI) and the Senator from New Hampshire (Mr. MCINTYRE).

Mr. President, first of all, I do not regard this as a massive meat ax approach. When we are talking about the new obligational authority in the amount of $85 billion which the administration has requested and a slightly lesser amount that came from the committee when it proposed that the larger figure, something in the amount of nearly $85 billion, could be reduced by $7 billion, particularly when the funds are not targeted at any special weapons systems. We are not killing any particular weapons systems. We are not telling the Secretary of Defense or the Department of Defense that if there is some particularly high priority system that they feel in their judgment they have to move ahead on without reductions, they cannot do it.

I am simply saying within these broad categories of research and development, procurement, manpower, and military foreign aid, that certain reductions should be made which come to a total of some $7 billion in a total budget of $85 billion.

It also needs to be kept in mind that these are not limitations on spending outlays for fiscal 1974. They are limitations on new obligational authority which is being added to already unexpended billions in the hands of the Pentagon. For example, in procurement and research and development combined, the Defense Department will have over $50 billion of prior year appropriations which, when added to this year's request for appropriations by the committee, is in excess of some $50 billion.

This amendment, in research and development and procurement combined, would cut about $3.5 billion. In other words, out of the total for procurement and research and development money that the Pentagon will have under this legislation, added to previously authorized money, we are cutting that $50 billion by about 7 percent. The impact of that could be spread out over several years. Everyone knows that the total amount of money authorized in this bill is not going to be spent over fiscal year 1974.

What we are concerned about is a military budget that is rapidly escalating to over $100 billion a year as projected by Brookings Institution in the study to which I referred earlier. That indicated that if this appropriation goes through in its present form, we are going to be at the $104 billion level by 1978. What I am pleading for here is a modest reduction of about $7 billion in that total amount so that we can begin to turn the corner on these forward obligations.

The proposal I have made is not a radical one. It is not particularly dramatic.

The July 19 issue of the Washington Post carries a summary of that study by the Brookings Institution. One of the principal authors of that was Charles Schultze, a former Director of the Bureau of the Budget, a very knowledgeable man.

The study shows military costs could be cut by a range of from $10 billion to $15 billion a year before the end of this decade.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield.

Mr. FULBRIGHT. Mr. President, I want to join the Senator. There is nothing radical about the proposal. I think that it is a very reasonable proposal. Others have indicated that in our very stringent conditions, particularly with respect to our domestic economy, it is one of the best places to try to move toward a balanced budget. Certainly I think the Senator's proposal is a modest one.

The Senator referred to the B–1. No one yet has explained to me any reasonable mission for a B–1. I cannot imagine that we would send a bomber over Russia with its capacity for aircraft defense with missiles. I have seen nothing to indicate to me that bombers are at all useful against a sophisticated aircraft defense.

We have been worried about their ABM. That is, we used to be. Of course, we fortunately have gotten over it, I think, or partly over it, although there is some money in here. I believe, for continued research on ABMs. I am not quite sure what that research is, since we have made an agreement, unless we intend to abandon that agreement.

But I am bound to say that the appropriation of large amounts of money for obsolete weapons, just because we have the capacity to make them, does not appeal to me.

That is not the same as the case of the Trident. The argument there is different. No one feels the submarine, as such, as a weapon, is obsolete. The question is whether it should be accelerated.

But I cannot see what they are going to use a B–1 bomber for. Does the Senator believe that is a practical weapon to use against a country like Russia, with its capacity for ground-to-air missiles?

Mr. McGOVERN. Well, I must say to the Senator I have serious questions about it. My questions go to the extent of at least feeling we ought to reduce the acceleration on the B–1. Even in the proposal I make here, while I do not require any cuts in the B–1 program—my cuts are in broad categories, and I leave it up to the Department of Defense to make them—I propose that one place where they might make a prudent cut would be to reduce the research program on that bomber to not more than $100 million, which is still a lot of money. That would save about $273 million.

Mr. FULBRIGHT. Can the Senator tell me why that is any different in concept from the B–70, which we abandoned some years ago because I thought it was agreed, at least by the majority of the government, though I do not suppose the Air Force ever agreed, that it was not really a useful weapon?

What can the missile program do? We have put all this money in the Trident and in the Poseidon; why move it ahead without any visible target in sight? Where does the mission, as they call it, of the B–1 come in?

Mr. McGOVERN. I think it has a very dubious mission, for the reasons the Senator suggests. They are very vulnerable to surface-to-air missiles. We discovered that even in the hands of the North Vietnamese the missiles were devastating.

Mr. FULBRIGHT. Well, of course, they had limited quantities, and I imagine very poorly trained crews for them, but that would be quite different, I think, than Russia.

I do not know what the mission is. If they would tell us what they intend to use them for that would make some sense, I might feel differently about it. But surely we are not going to have another Vietnam and use them against some undeveloped country. I suppose they would be useful if we were going to have a war, for example, with Guatemala or Honduras.

Mr. McGOVERN. To whatever extent that is true, they have no particular advantage over the B–52, and those are not finished by any means. Their life can be extended for a number of years, I think.

We have the possibility of stretching out the FB–111 and other aircraft; people have been talking about a standoff model, that would not fly over the target area but would have the capacity to fly up to a safe zone and then fire a missile over the target area.

It would seem to me that before we plunge ahead with the construction of a very costly bomber system, which apparently will come out, now, to about $50 million for each one of those planes, we ought to explore other alternatives.

Mr. FULBRIGHT. I had understood that they slowed down the missile which could be used on a plane like the B–52 or even a 747, a plane that size, but they slowed it down for fear it might interfere with the B–1's appropriation.

Mr. McGOVERN. That is my understanding; but I have never seen the logic to justify that.

Mr. FULBRIGHT. I do not think there is any logic to it, either. What really bothers me about it is that usually there is some mission that they describe as an important one, that makes some sense, and then they try to design the missile or the airplane around it.

They seem to build the machines first and then try to figure out what to do with them. That seems to be the approach. That is the way we talk about the submarines. I can understand how anyone who is an expert and has devoted his life to submarines would want to build the biggest, finest submarines in the world. That was an ambition they had with the C–5A. I remember hearing the distinguished Senator from Arizona (Mr. GOLDWATER) bragging about the C–5A. It was the biggest airplane. He had just been on it, and it was the greatest thing that had come from creation. Of course, when the wheels started falling off and the wings came off, they downgraded its life from 10,000 to 5,000 hours. Nobody talked about it then; it was a plane without a mission.

I do not know what they expect to do about the B–1; nobody seems to talk about it. It is just such a great change. The challenge is the ingenuity of the engineer.

It is like the building of the pyramids.

There was no purpose in building them except that they were wonderful. People could go to see them, so they were built.

Mr. McGOVERN. They did not do much harm.

Mr. FULBRIGHT. They did not do any harm. They cost a lot of money and a lot of labor. Maybe it was just a make-work project. If the project for building the B-1 is to keep somebody at work, that is a good one, provided there is no blame to be put on it. But there is an awful lot of work to be done in the country to which skills could be applied.

Mr. McGOVERN. The Senator has been around a long time. Can he explain to me why a $7 billion cut in a $85 billion military bill is called a reckless, meat-ax approach, when cuts in the water development systems in all the towns, and all the waste disposal systems are called economizing?

Mr. FULBRIGHT. That is conservativism.

Mr. McGOVERN. Why is it called a meat-ax cut that will destroy the country and crush the whole life and bone out of our way of life if somebody wants to cut a few billion out of an enormous $85 billion budget? I do not understand the difference in terminology.

Mr. FULBRIGHT. The Senator has asked a question that cannot be answered except in philosophical terms. The human race has been asking "Why?" for several thousand years. It is direct and simple: It does not need imagination to hit people over the head with a fist or a missile. It is just a weakness. That is why the human race is in such a difficult condition today. That is why we hear all the dire predictions. We have been bemused since the dawn of time by tyrants. It is characteristic that that has never been curbed. We keep thinking and working on it, but we have not done it. We can see the same thing in other activities concerning our major weaknesses. It has been demonstrated on the floor of the Senate, too. We came within two votes today of winning. We keep hoping we will. But we continue to demonstrate our capacity to keep up with a program.

I agree that the cut is very modest, but I am not sure that the Senator can get it. I applaud the Senator's energy in trying to give us a chance to vote for it. I shall certainly vote for it although I do not know how to explain what is happening. But we want to get as much support for it as we can.

Mr. McGOVERN. One of the reasons why I am interested in offering the amendment is in spite of the fact that I have not disagreed on substantive grounds.

Mr. FULBRIGHT. I think that is right.

Mr. McGOVERN. Is that Congress has said it is going to reduce the budget by $7 billion.

Mr. FULBRIGHT. That is right.

Mr. McGOVERN. I voted for some of the domestic programs that he vetoed. I voted for the emergency medical services.

Mr. FULBRIGHT. So did I.

Mr. McGOVERN. The rural development of water, and so forth. All I am trying to do here is to comply with the President's wish that we save $7 billion, and that is what this amendment would do.

Mr. FULBRIGHT. That is right. Furthermore, this is more consistent with his announced purpose in going to Moscow and Peking last year than is the contrary. What we have been doing here raises serious questions about whether the announced policy of better relations between East and West is a genuine one. It is casting already very grave doubts about whether this administration, or certainly the country as a whole—but I cannot include the Senate in some of these matters because it seems to me the Senate goes further than the President, especially in this East-West trade question. But it does raise serious questions about that, whether, really, our country is seeking better relations with the other parts of the world or whether we want to use our military might to force our views on others.

The way the votes are going would indicate the latter. That is the only thing that I would add.

Mr. McGOVERN. I appreciate the Senator's comments.

Mr. McINTYRE. Mr. President, will the Senator from South Carolina yield me 3 minutes?

Mr. THURMOND. I yield 3 minutes to the Senator from New Hampshire.

The PRESIDING OFFICER (Mr. GOLDWATER). The Senator from New Hampshire is recognized for 3 minutes.

Mr. McINTYRE. I want to say that I operate over there in that research and development area. It is an awfully important area, because that is where the new ideas are looked at. We progress through research, exploratory development, advanced development, engineering development. This year, the administration asked for $8.6 billion. We gave it a hard look and cut it about $500 million, back to $8.1 billion.

What I was saying in this area, especially when I look at the Senator's overall suggested reduction, it would add $1,100 million to the $500 million already cut. This gets into a little difficulty, because when we analyze the overall programs in the research and development field, and the technology we need to have under our belts, or I should say, in our heads, we have only $132 million for new starts and new ideas. The rest is for ongoing programs.

So if we absorb that $1 billion cut, it would mean an awful lot of stops that would have to be administered for the various projects underway. I feel more or less as a speech writer would, who characterized this as a meat-ax approach. I hope that does not offend the Senator, but it does come down pretty hard.

Mr. McGOVERN. I appreciate the Senator's explanation. I know that he has worked very hard on this budget and has provided great leadership in the effort to cutback on the funds for Trident. Many people thought that was a meat-ax approach, too. I did not think so. I voted for the Senator's amendment. But I am sure he will be criticized in some quarters for applying the meat ax to the Trident.

Now, the proposal I have made here with regard to research and development funds does not kill any single program. It leaves it up to the judgment of the Department of Defense to make another modest reduction beyond the commendable cut that was made by the committee. But I do not think it is at all that drastic a cut when we have careful studies such as the one made by experts in the Brookings Institution, including the former Director of our Bureau of the Budget, saying that we can effect a cut of $10 to $25 billion. I have proposed a total cut on everything of $7 billion.

There is also the study—I do not know whether the Senator is familiar with it—put out by a group, entitled "Military Policy and Budget Priorities" which has some of the most respected former members of the Department of Defense, the CIA, and the National Security Council—men like Roswell L. Gilpatric, former Deputy Secretary of Defense; George Kistiakowsky, former Presidential Science Adviser to President Eisenhower; Paul Warnke, former Assistant Secretary of Defense in the Johnson administration, and many other people. They call for a $14 billion cut in military outlays, which is double the amount I am pleading for in this amendment.

All I am saying to the Senator is, I thought his language was just a little bit more extravagant than it was yesterday and I hope that he will not see this as a drastic cut in military spending.

Mr. McINTYRE. Let me say to the Senator that the way he interprets the cut he suggests for the research and development part of the budget, would amount to pretty close to 13.5 percent and that is too much to absorb. That would be tantamount to stopping the programs we need very much to go on.

I emphasize that one of the areas in this whole picture of the $85 billion request, the most sensitive, and the most important, is just in the area of these incubator programs in research and development.

Mr. McGOVERN. With all respect to the Senator who is in the research and development field, where many of these boondoggles get started, once that head of steam starts to build and we get by the research and development stage, then the argument is made that we have already invested $100 million in R. & D. and we have completed careful studies so we had better move on at least to the building of a prototype; then, that it would be better to build a model; and then, pretty soon, the investment is such that it is very difficult to back away from it.

We almost went for the RS-70, the Senator will remember, which is now a "white elephant" out in the museum at Wright-Patterson Air Force field. But so many of these projects were incubated right where the Senator says they were, in the research and development section of the budget. That is why I personally applaud the effort by Representative ASPIN in the other body, a former Defense Department official who took on that sector of the budget and got the House of Representatives to go along with a $1 billion cut. It is in that area where we would best nip some of these

things that eventually run up into billions of dollars before they are finally abandoned.

But I appreciate the Senator's comments.

Mr. President, I ask unanimous consent to have printed in the RECORD a summary of the Brookings Institution study which was published in the Washington Post on July 19, 1973; as well as a report to Congress called "Military Policy and Budget Priorities" prepared by Adrian Fisher, Alfred Fitt, William Foster, Roswell Gilpatric, Morton Halperin, Townsend Hoopes, George Kistiakowsky, Vice Adm. John Lee, Herbert Scoville, Jr., Ivan Selin, Paul Warnke, Herbert York, and Walter Slocombe.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BROOKINGS SUGGESTS POLICY SHIFT TO CUT DEFENSE BY $25 BILLION

(By Murrey Marder)

Major shifts in American defense strategy that could cut spiraling military costs by $10 billion to $25 billion a year in this decade were suggested yesterday in a study by the Brookings Institution.

One projected alternative would overturn existing strategy for the defense of Europe by reshaping U.S. forces "for a short, intense conflict in Europe rather than for a replay of World War II." In addition, "In Asia, the United States would limit its security interests to Japan and disengage from commitments to the defense of Southeast Asia."

These and other bold ideas for revising nuclear and conventional forces and strategies are likely to affect present congressional hearings on American force levels in Europe.

The proposals published by the independent research institution come at a time when the Nixon administration is mounting a major campaign in Congress to beat back drives to cut the numbers of U.S. troops based in Western Europe.

Although the administration prides itself on reductions it has made in numbers of U.S. forces around the world under the Nixon Doctrine, the Brookings report states:

Less attention has been paid to devising ways of using manpower more efficiently or simplifying the design of weapons systems. And for the most part, no changes have been made in the assessment of U.S. interests abroad, and of the forces necessary to protect them.

With the soaring costs of manpower and equipment, the study said, "the fact remains that a year of major progress in the President's quest for international peace has been followed by a substantial increase in the defense budget."

"In effect," the report noted, "this year's peace dividend is to be used for military rather than civilian purposes."

For 1974 the cost of the "baseline force" for U.S. defense is listed at $82.1 billion with $85 billion in total obligational authority. Projecting these costs the report said that "by 1978 the current dollar defense budget could reach $104 billion, or almost 25 percent more than in Fiscal 1974."

Two types of alternatives were given special emphasis in the report.

One is a slowdown of the pace of modernizing nuclear strategic forces and economizing on spending generally, with projected savings of $3 billion in Fiscal 1974, nearly $6 billion in 1975, and $10 billion in 1978.

A bolder option, given special emphasis for achieving savings of $25 billion by 1978, would require the previously noted changes in U.S. doctrine in Europe and Asia.

This departure, based on fighting "a short war" rather than a protracted conflict in Europe, would include the following changes:

Strategic weapons: nuclear land-based intercontinental ballistic missiles would be gradually phased out. Instead of the nuclear "triad" of American land, sea and air power, there would be just two kinds of nuclear forces—"a dyad composed of bombers and submarine-launched missiles, on the assumption that two kinds of offensive forces would provide an invulnerable, flexible and powerful strategic retaliatory capacity indefinitely."

Conventional forces: Total conventional forces would be cut by roughly one-third. Army and Marine Corps divisions would be reduced from 16 to the equivalent of 11, carrier task forces from 15 to 9. Air Force tactical fighter wings would decline from 21 to 16.

Europe: The approximately 250,000 U.S. ground troops in Europe would be reduced about 50,000 by reorganizing the basis for retaining in the United States portions of units based in Europe. Troops would be rotated in relatively short tours in order to reduce numbers of U.S. dependents living abroad, with cutbacks of forces earmarked for protracted war missions.

Asia: A "lower military profile in Asia" would include the recall of about 50,000 U.S. men and four tactical fighter wings from Thailand; sharply reducing the American military presence in Japan, Okinawa, Taiwan, South Korea, the Philippines, and relying primarily on U.S. naval forces in the Pacific for the defense of Japan.

In examining the consequences of such fundamental shifts in U.S. strategy, the study acknowledged that a major question is whether the Soviet Union would interpret them as "a basic weakening of U.S. resolve."

For the Soviet leaders, the report noted, this would mean abandoning the opportunities they now perceive in economic and political cooperation with the United States.

"On the other hand," the report stated, "in the areas of major interest to the United States—Western Europe and Japan—the U.S.S.R. would see little evidence of a change in the U.S. security commitment."

A REPORT TO CONGRESS: MILITARY POLICY AND BUDGET PRIORITIES FISCAL YEAR 1974

Presented by:

Adrian S. Fisher, former Deputy Director, US Arms Control and Disarmament Agency.

Alfred B. Fitt, former Assistant Secretary of Defense (Manpower).

William Foster, former Director, US Arms Control and Disarmament Agency.

Roswell L. Gilpatric, former Deputy Secretary of Defense.

Morton Halperin, former Deputy Assistant Secretary of Defense.

Townsend Hoopes, former Under Secretary of the Air Force.

George B. Kistiakowsky, former Presidential Science Advisor to President Eisenhower.

Vice Adm. John Lee, USN Ret., former Assistant Director, US Arms Control and Disarmament Agency.

Herbert Scoville, Jr., former Deputy Director, Central Intelligence Agency.

Ivan Selin, former Deputy Assistant Secretary of Defense.

Paul C. Warnke, former Assistant Secretary of Defense (International Security Affairs).

Herbert F. York, former Director of Defense Research and Engineering.

Walter Slocombe, Editor, former staff member, National Security Council.

Money bills in Congress—Distribution of the $171.5 billion budget authority requested for fiscal 1974 [1]

National defense (57.2 percent)	$98.1
DOD (including pay raises)	80.5
Veterans benefits	12.2
Military construction	2.9
Foreign military aid	1.3
AEC-military component	1.2
Physical resources (12.3 percent)	21.1
Agriculture, environment and consumer protection	9.5
Transportation	3.1
HUD	2.7
Department of Interior	2.4
Public Works, AEC-civilian component	3.4
Human resources (19.7 percent)	33.7
Labor, HEW	33.7
Other (10.8 percent)	18.6
State, Commerce, Justice Judiciary	4.3
Foreign economic aid	3.1
Space, science	3.6
Treasury, general Government, etc	7.6
Total	171.5

[1] Only $171.5 billion is requested to be appropriated by Congress for Fiscal 1974; the rest of the proposed budget is composed of interest on the national debt, trust funds, and other funds obligated under permanent authorization legislation.

Source: U.S. Senate Appropriations Committee.

MILITARY POLICY AND BUDGET PRIORITIES

Our nation has been burdened in recent years with unprecedented military costs. The Vietnam War and the nuclear arms race have not only cost us dearly in lives and peace of mind; they have also distorted our national budget towards arms and war and away from those vital areas of our people's needs dependent on support from federal revenues. With the end of our Vietnam involvement and the negotiation of the Moscow arms agreements in 1972, we were entitled to expect a major reduction in the military budget for Fiscal Year 1974 similar to the massive reductions achieved upon termination of the Second World War and of the Korean War. But, instead of reductions, President Nixon has proposed a $5.6 billion increase in national defense budget authority for Fiscal 1974 and simultaneously a vast cut-back on a great variety of federal domestic programs essential to our genuine national security.

A new international situation

Now is the time when the defense budget should decline, not increase, to reflect a changing world. The President, in his cordial exchanges with Chinese and Soviet leaders, has repeatedly stressed the need for a relaxing of international tensions. The Nixon doctrine states that foreign allies are primarily responsible for their own security. The SALT negotiations should have begun to curb a dangerous nuclear arms race. The U.S. and Russia have begun to develop economic ties, with large-scale business exchanges, which imply the existence of long-term, stable relationships.

As the President has repeatedly stated, we are indeed moving from an era of confrontation to one of negotiation. We still need a defense fully adequate to ensure our physical safety, but a general reduction in military funding would be consistent with that purpose in this new era. The Administration's proposal for increased military spending would, at best, mean a diversion of U.S. resources from urgent domestic needs. At worst it could re-ignite the arms race, bring about new international crises, and jeopardize our national security.

*Summary of feasible reductions in national defense budget authority fiscal year 1974**

[In billions]

Southeast Asia:	
Military aid to South Vietnam, Laos, Cambodia	$2.1
U.S. combat operations	1.0
Total	3.1

Summary of feasible reductions in national defense budget authority fiscal year 1974—Continued*

[In billions]

General purpose forces:	
Procurement reductions	$2.0
Asia-committed forces	2.0
Total	4.0
Manpower efficiency:	
Reduce support personnel	1.2
Grade levels: restore to 1964 pattern	0.4
Cut civilian manpower 10%	0.8
No recomputation	0.4
Total	3.3
Strategic forces:	
Trident	1.3
Minuteman MIRV's	0.7
B-1 bomber	0.4
ABM	0.4
AWACS	0.2
Others (SLCM, ABRES, mobile ICBM, phased array warning)	0.1
Total	3.0
Military aid: Aid to foreign nations and U.S. military missions	0.6
Total	0.6
Total feasible reductions	14.0

*Detail may not add to totals due to rounding.

The Nixon military budget could safely be reduced by more than 15 percent

We have analyzed the Nixon military budget proposal, which calls for the appropriation of $87.3 billion in Fiscal 1974 for Pentagon programs, nuclear arms, and foreign military assistance, $83.5 billion of which is requested for the Department of Defense. Even a conservative analysis shows that some $14 billion can be saved from the Nixon proposal while fully preserving our national security, and starting a return to a peacetime national budget. Even making a generous allowance for transition and other "shut-down" costs, a substantial amount of the savings can be achieved in Fiscal 1974 budget authority, with the full saving in future years. Specifically, we project feasible savings of $3.1 billion in U.S. military operations in and aid to Southeast Asia, $4.0 billion in paring of our inflated general purpose forces and weapons systems, $3.3 billion in military manpower efficiency improvements, $3.0 billion in elimination or stretch-out of new strategic weapons procurements made unnecessary by the recent nuclear arms agreements with the Soviets, and $556 million in discontinuance of unproductive and even counter-productive foreign military assistance.

We start with some basics:

About half of the current defense budget is enough to provide a more than adequate nuclear deterrent, as well as the land, sea, and air capacity to repel attack on U.S. territory.

The other half is spent to continue our alliance commitments and to maintain our overseas bases and troop deployments.

Many of these latter expenses are well justified; our national security interests at this time are advanced by a strong, stable network of international relationships. But recognition of the proportion of defense spending attributable to these commitments highlights the need for a close link between our international policy and our military spending.

In this report, we focus on that relationship and on wasteful expenses—those deployments and programs that do nothing to further our interests, either to defend the U.S. or to support our alliances. And we point out some expenditures that actively threaten our national security by increasing the prospects of military confrontation.

An issue of priorities

We emphasize that savings from the Nixon military spending proposals must be made not merely because of the general desirability of eliminating wasteful spending. Making reductions on the military side has now become indispensable for adequate funding of many essential domestic programs. Programs now threatened by the Fiscal 1974 budget include: urban and rural housing assistance, water and sewer programs, various community development projects, health care and training programs, educational assistance for the disadvantaged. The cities, where many of these programs have been concentrated, are beginning to feel the effects of the Nixon reductions. The funds for manpower training and employment programs will be decreased nationwide by 13.5 per cent. Community development projects—those dealing with urban renewal, park construction, and sewer services—will be phased out abruptly. There is a promise in the budget of block grants to be available in 1975, but no new money is offered for 1974. Funds proposed for education special revenue sharing will decline by $515 million from comparable program appropriations in 1972.

For all practical purposes, a maximum has been set on the total federal budget. President Nixon has defied Congress to exceed his proposed $268.7 billion "fiscally responsible" federal outlay budget for 1974 and has threatened to impound domestic appropriations which would cause that limit to be exceeded. Congress has generally indicated its approval of such a spending ceiling, recognizing that the present inflation requires a limit on federal spending.

President Nixon, by increasing the military budget while announcing that we cannot afford to increase or even to maintain many of our vital domestic programs, has put before the Congress a fundamental issue of national priorities: It has become indispensable to the maintenance of our true national security that we find savings in the inflated defense budget to meet real human needs at home. We have concluded that at least $14 billion can easily be eliminated from President Nixon's proposed $87 billion military appropriations request.* Those billions saved can and should be applied to the needs of our people.

SOUTHEAST ASIA MILITARY COSTS—RECOMMENDED SAVINGS: $3.1 BILLION

The new budget authority being requested by the Pentagon in Fiscal 1974 for Southeast Asia is $2.9 billion. This figure includes $1.9 billion for U.S. military aid to South Vietnam and Laos, about half of which is slated for ammunition and equipment procurement for those two countries, and half for support of "allied operations." The remaining $1 billion is for the support of U.S. naval and air forces in Southeast Asia. In addition, $180 million for military aid to Cambodia is sought in the military assistance request. All $3.1 billion in new authorizations should be cut out. The arms assistance previously authorized is more than adequate for purposes of self defense.

The Congress and the American people are now united in the conviction that it is time to disengage militarily from Indochina. The January 27, 1973 peace agreement provided for an end to U.S. bombing in North and South Vietnam and the withdrawal of our ground forces there. However, the Administration has continued its heavy military involvement throughout Southeast Asia by conducting extensive bombing raids over Cambodia, sending in new advisers to South Vietnam, flying oil and other supplies to Phnom Penh, conducting two days of bombing raids over Laos, sending reconnaissance planes over North Vietnam, and maintaining high levels of "replacement" of equipment and supplies to South Vietnam.

The U.S. is becoming enmeshed in one part of Indochina—without any constitutional authority—just after disengaging militarily from another area. This can only lead to new military involvement, to new U.S. combat deaths in Indochina, to new prisoners of war, and to further Indochinese deaths.

It is time for the U.S. to end our use of military force in the entire area. This means the cessation of all U.S. bombing, the withdrawal of support for Thai mercenaries in Laos, the suspension of the shipments of enormous amounts of military equipment to the area, and the removal of our air forces in Thailand and our naval forces off the shores. In short, a true U.S. withdrawal can be achieved only by completely ending U.S. military participation in this tragic area, where such participation only serves to keep fighting going and to encourage new outbreaks.

The economic savings from the Fiscal 1974 military budget will be substantial; even more substantial will be the human savings resulting from an end to continued U.S. involvement in Southeast Asia. It is time to leave the resolution of power struggles in Indochina to the Indochinese people.

GENERAL PURPOSE FORCES—RECOMMENDED SAVINGS: $4 BILLION

General purpose forces—Army divisions, tactical air wings, both land- and sea-based, and most naval units—are the most expensive item in our defense budget. General purpose forces absorb 75 per cent of the defense dollar and are the driving element in the increasingly expensive defense manpower bill. Moreover, although they lack the terrible potential for ultimate destruction of strategic forces, the level and deployment of our general purpose forces may have more day-to-day political and diplomatic significance.

For the foreseeable future, the United States must maintain adequate conventional forces so that we do not have to rely entirely on strategic nuclear threats. However, in planning for these forces, we must keep two objectives in mind. First, we must achieve the most efficient possible use of funds spent for the manpower and equipment in our general purpose forces. Both because of budgetary considerations and because it is of profound importance to our national policy, we must clearly link the force levels and deployment patterns of our general purpose forces to our political and diplomatic objectives.

Procurement of new weapons

We must call a halt to the administration's seemingly incurable preference for extravagantly expensive, overly complicated weapons systems and for unjustifiably high force levels, sustained more by tradition than by need. The potential savings in this area are very large, at little or no cost in ability to meet genuine requirements. For example, by cancelling the fourth nuclear carrier and maintaining a reduced number of carriers in the future, we would save $700 million on the new carrier in Fiscal 1974 and very large amounts in annual operating costs for aircraft, missiles, and escort vessels in the future.

Examples of other general purpose weapons systems which can and should be eliminated or cut back include: (Fiscal 1974 authorization requests in parentheses).

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* The figures in this report, except as otherwise stated, refer to "budget authority," i.e., proposed new appropriations. Because actual spending "outlays" includes amounts appropriated in prior years, reductions in appropriations, particularly for procurement, do not immediately produce equally large cuts in outlays. The full savings would be achieved in future years.

Cancel SAM–D Army anti-aircraft missile ($194 million). This complicated system is of marginal utility, even for the NATO missions now chiefly proposed for it.

Eliminate F–14 program ($633 million). This plane is financially and technically troubled and represents little, if any, advance on the proven F–4.

Stretch out SSN–688 nuclear attack submarine program ($922 million), with two instead of five boats in Fiscal 1974 ($550 million savings).

Cuts such as these—and a much more critical look at other proposed new tanks, missiles, planes, and ships—will save large amounts now. More important, if we insist on simpler, more workable systems in the future, the effectiveness of our forces will actually be enhanced. The cuts outlined above, and similar cuts in other smaller programs, could readily save $2 billion in Fiscal 1974 authorization, even taking account of transition costs.

Manpower

Of particular importance in the general purpose forces area is reversing the continuing trend toward an imbalance in the teeth-to-tail ratio. The possible increases in military efficiency, detailed in the following section of this report, have greatest impact on the general purpose forces. Specifically, the 10 per cent cut in support personnel advocated there can be made with no harm to the capability of these forces.

We must review in the light of current conditions the reasons that we maintain our general purpose forces, i.e., the political and diplomatic objectives and policies they are designed to support. We must make these policies determine force levels and deployments and not, as so often has been the case in the past, the other way around. Reduced international tensions and acceptance of the hard-learned lessons of the limits on the usefulness of U.S. military power in foreign policy must be reflected in reduced forces and deployments.

The key practical areas here are deciding what forces we must maintain for Asia and what for European contingencies.

In recent years the level of forces actually deployed in Europe has been the most controversial issue as to general purpose forces. Clearly, the support for the NATO alliance must, in the United States' own self-interest, remain our highest conventional defense priority. However, it is neither militarily or diplomatically necessary, nor is it practically feasible permanently to maintain the present structure of United States forces in Europe. We must begin now, in consultation with our NATO allies, to plan a gradual but significant reduction in the number of United States forces in Europe. The place to begin the cuts is certainly in the overgrown support forces for the United States forces in Europe, as would be done by including European forces and bases in 10 per cent cut in support manpower, stressing greater efficiency and the preservation of combat capability. We cannot wait until the completion of negotiations on balanced force reductions to initiate this review, nor can we permanently delay actual reductions as "bargaining chips" in those negotiations.

With respect to Asia, the case is much clearer that there must be cuts in committed forces to bring our defense policies in line with an updated view of our military role in Asia. If we now understand as a nation the folly of any political commitments which could entail engaging in a major land war in Asia, we have no continuing need for the ground divisions and tactical air wings which are now committed to Asian contingencies.

Independent estimates allocate at least three of our 16 ground divisions and 6–8 of our 38 tactical air wings to readiness for Asian interventions. These forces should be eliminated, with an estimated savings of at least $2 billion. Specifically, there is no longer any justification for continuing to maintain an American division deployed in Korea, as the South Korean ground forces enjoy about a two-to-one advantage over those of North Korea.

MILITARY EFFICIENCY—RECOMMENDED SAVINGS: $3.3 BILLION

In addition to the savings gained by a demobilization of combat units, other savings can be realized by cutting support personnel levels, improving military efficiency and reducing manpower-related waste. Total savings could amount to $3.3 billion.

Reduce support personnel

At present only 15 per cent of military personnel are "combat" forces—the other 85 per cent provide engineering support, transport services, a logistic network, training facilities, and other non-hostile services. While the spending for combat troops has decreased, reflecting the reduction in troop levels following the end of U.S. ground combat in Vietnam, support spending has not decreased proportionately. We recommend a 10 per cent reduction in support personnel which could yield as much as $1.2 billion.

Reduce officer levels—"Grade creep"

One significant source of increased costs is the steadily growing number of higher grade officers in a smaller total force. There are now more field grade and flag officers (lieutenant colonel or commander and above) to command a force of 2.2 million than there were in 1945 when the military numbered 12.1 million. Since 1970 total defense manpower has decreased by 15 per cent, while the number of general and flag rank officers and comparably paid civilians has remained the same. A similar problem exists with respect to non-commissioned officers.

If, by the end of Fiscal 1974, grade distribution were to be restored to the grade pattern of Fiscal 1964—the last "peacetime" year—an annual savings of over $2 billion could be realized from this factor alone. Due to the costs of separation pay and retirement benefits, the first year savings from restoring grade patterns would be an estimated $400 million.

Reduce civilian bureaucracy

The Department of Defense employs one million civilians, or ten times the number employed by the Department of Health, Education, and Welfare. President Nixon recognized in a recent interview that the Pentagon civilians were in need of a "thinning down." Yet his proposed budget raises civilian employment by 31,000.

While DOD civilian personnel have been cut from their Vietnam War high, they have not been reduced in proportion to the cutback in military manpower. A 10 percent reduction in the DOD civilian workforce would save at least $800 million.

No "recomputation"

The Administration proposes to tie military retirement benefits for certain retirees to the salary increases for active duty personnel, in addition to normal cost of living increases. While purportedly giving a fair shake to retired servicemen, this proposal, exceptionally costly over time, is inequitable for the civilian pensioner, the recipient of Social Security, and the taxpayer. Elimination of "recomputation" would save $390 million in Fiscal 1974 and an estimated $17 billion over the lives of the retirees affected.

Other savings

Vigorous implementation of simple operational efficiencies which even advocates of high levels of defense spending have repeatedly called for could easily achieve additional savings. Through a combination of increasing reliance on on-the-job training, reducing pilot training to operational needs, increasing average tours of duty, and improving maintenance procedures, at least $500 million could be saved.

PROCUREMENT OF STRATEGIC WEAPONS—RECOMMENDED SAVINGS: $3 BILLION

Strategic context

Strategic weapons programs must be evaluated in 1973 in light of the Strategic Arms Limitations Agreements signed in Moscow in May 1972. The ABM Treaty, by limiting defensive missile systems to low levels, ensures the viability of our deterrent force. New offensive strategic weapons thus can no longer be justified as necessary to overcome potential Soviet ABM deployments. Furthermore, the capability to respond at appropriate levels in the event of limited Soviet nuclear aggression—the flexible response advocated by the Nixon Administration—has been materially enhanced and requires no new weapons developments. Our present strategic forces may now strike some military targets, including command posts and ICBM silos, without having first to overwhelm an ABM. Finally, the Interim Offensive Agreement freezes the number of large (SS–9 type) Soviet ICBMs at 313, significantly fewer than the number which Secretary Laird posed as a possible future threat to the Minuteman portion of our deterrent.

Despite this improved strategic climate, the Nixon Administration is planning to spend $750 million (30 percent) more on procuring offensive strategic weapons in 1973 than was spent in 1972 and an additional $670 million (20 percent) in 1974 over 1973. The Fiscal 1974 program also includes a number of new projects which, although costing relatively small amounts now, provide a foot in the door for very large expenditures in future years.

In the present strategic situation, we recommend the following minimum specific reductions:

Trident

The budget calls for more than $1.8 billion (DOD and AEC combined) for the Trident submarine ballistic missile system. The missile part of this program, costing $532 million, is divided into two phases: Trident I missile with a range of 4,000 nautical miles, which can also be retrofitted into the present Polaris-Poseidon system, and the Trident II missile with a range of 6,000 nautical miles. The ship part, costing about $1.3 billion, would design and build huge new submarines to carry the Trident II missile.

Trident is rationalized in two ways: (1) as a replacement for the "aging" Polaris submarine, and (2) as a hedge against the future development by the USSR of an anti-submarine warfare (ASW) capability which could threaten Polaris-Poseidon. Neither rationale justifies the procurement of mammoth Trident submarines, more than twice the size of Polaris and each costing $1.3 bililon. The Polaris submarines will remain seaworthy until well into the 1990s, and at the present time the nature of any ASW threat to Polaris cannot even be predicted. When and if it arises, the Trident fleet could be more vulnerable than the present Polaris one because its greater unit size and its smaller number of ships could make it easier to destroy in a surprise attack, using some now unknown technology. The decision to place the $500 million Trident base in Bangor, Washington, still further reduces the value of this new ship by initially foreclosing its operation in the Atlantic.

Virtually all the potential benefits of Trident, and none of its drawbacks, can be obtained by retrofitting the 4,000 nautical mile Trident I missile on Polaris; this would put our subs in range of Soviet targets, even while still in U.S. territorial waters. The Trident program should be cut back to the development of the Trident I missile and to research on alternative submarine configurations including smaller vessels, with a saving of $1.3 billion.

Procurement of Minuteman III with MIRVS

The Fiscal 1974 budget proposes $768 million as the final installment for the MIRVing of the first 550 Minuteman missiles. Since no MIRVs are needed to overwhelm any Soviet ABA, further improvements to the Minuteman force should be deferred and the program halted after completing only those missile modifications now in process. Total savings would be about $677 million.

B–1 bomber

The 1974 budget calls for $474 million for the continued development of the new B–1 strategic bomber, a replacement for the present B–52s, which has less range and payload and is supersonic only at high altitudes. The envisaged eventual procurement of some 240 of these bombers could involve overall system expenditures of at least $30 to $40 billion. However, the later model B52Gs and Hs, of which we have more than 200, are now estimated to remain operational well through the 1980s. The B–52 replacement, if ever needed, could be a slower, longer endurance aircraft equipped with long-range missiles to avoid having to penetrate hostile air space. The program should be cut back to exploratory R&D on a variety of bomber system designs and the procurement of aircraft should be deferred, with a saving of $374 million.

ABM

The budget calls for new authorization of $672 million in Fiscal 1974 for ABMs, of which $172 million would be authorized for weapons outlawed by the SALT treaty. Total outlays of $1.74 billion in 1973 and 1974 are needed to complete the Safeguard deployment at the Grand Forks, North Dakota, site. The new program authority requested should be cut back to exploratory development on advanced ABM systems with no procurement of additional hardware, for a saving of $372 million.

AWACS

The 1974 budget calls for $210 million for continued development and production of Airborne Warning and Control Systems designed to provide highly sophisticated and invulnerable control systems for defense against Soviet bomber attack and for tactical air defense. The tactical system is too expensive and vulnerable to airplane attack to be worthwhile; the strategic system is unnecessary, as Soviet strategic strength is in missiles, not bombers. Since, by the ABM Treaty, the U.S. and the Soviet Union have recognized their inability to defend against missile attack, the expenditure of large sums of money for new defenses against bombers is very wasteful. The AWACS should be cancelled with a saving of $200 million.

Development projects leading to large future expenditures

The Fiscal 1974 budget calls for the initial development of a Strategic Cruise Missile ($15 million), a mobile ICBM ($6 million), and the deployment of a phased array radar for warning against submarine launched missiles ($31 million). None of these are justified. Cruise missiles are unnecessary when ballistic missiles have a free ride to targets in the Soviet Union; a mobile ICBM is unnecessary in view of the invulnerability of our submarine missile force with more than 5,000 warheads; and additional means of warning of submarine missiles is superfluous because of the recent successful deployment of a satellite-based missile warning system. In addition, the program calls for spending $95 million for the development of advanced ballistic re-entry systems and technology. The project could be destabilizing and erode the agreed mutual deterrent balance, spurring the arms race. These four programs should be eliminated or reduced to very low levels with a saving of $122 million.

MILITARY ASSISTANCE PROGRAM—RECOMMENDED SAVINGS: $556 MILLION

The United States must adjust the military assistance program to the new era which has opened in international affairs. The detente among the superpowers has downgraded the significance of political/military developments in regions which were formerly the chief arenas of Big Power confrontation. Moreover, U.S. experience in Indochina in the past decade has shown the limits of military power, direct and by proxy, even when applied in huge amounts, to complex economic, political, and social conflicts within developing nations.

The American people recognize that the United States has neither the resources nor the need to be the world's policeman. It is equally wrong to continue to seek to be the world's chief distributor of subsidized arms and ammunition. Our arms aid and sale policies have led us to arm both sides in local conflicts. They increase the danger that the United States will align itself against the hopes and aspirations of the majority of the world's people by arming authoritarian governments representing a narrow political-military-economic elite.

In the current fiscal year the Executive Branch estimates that military and related assistance and arms sales programs total more than $8.4 billion. Much of this assistance—some $4 billion—is made available through programs which require no Congressional appropriations, for example, Department of Defense foreign military cash sales, excess defense articles, and ship loans.

Some parts of our military assistance and sales programs are clearly in our national interest, and should be continued. But major cuts can be made.

FEASIBLE REDUCTIONS IN THE FOREIGN MILITARY ASSISTANCE PROGRAM

[In millions of dollars]

Program	Fiscal year 1974 budget request	Proposed	Savings
Military grant assistance (request includes $180,000,000 for Cambodia)	652	270	[1]202
Military education and training	33	25	8
Military credit sales	525	200	325
Credit sales ceiling	(760)	(700)	(60)
Security supporting assistance	100	95	59
Total	1,310	590	540

[1] Eliminating the $180,000,000 request for military aid to Cambodia is included in our recommended Southeast Asia cuts, and not here.

Additional savings can be made by reducing Military Assistance Advisory Groups, missions, and military groups attached to U.S. embassies around the world. These groups, which promote U.S. military sales and services, and even the military aid program, too often play a role independent of the U.S. ambassador who is nominally in control. The Administration estimates MAAG Mission/Military Group costs for Fiscal 1974 as follows: $15.8 million from the Military Assistance Program and $50 million from Department of Defense Funds. We recommend a 25 per cent cut this year leading to a total phaseout of the program. Total savings for aid to foreign nations and U.S. military missions: $556 million.

Mr. McGOVERN. Mr. President, this second report that I have just referred to outlines how a total of $14 billion could be cut from the administration's requested $85 billion military budget.

I emphasize again that that is double the size of the cut I am recommending in my amendment.

In a sense, my amendment is a conservative one when we compare it with the recommendations made by the Brookings Institution in its study, which was made by former Defense Department, CIA, and National Security Council experts.

I wish there were more time for Members of the Senate to read these two reports before we vote on this amendment today.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 17 minutes remaining.

Mr. McGOVERN. Mr. President, I would be prepared to yield back my time at such time as the opponents of the amendment are willing to yield back their time.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I rise in opposition to the amendment by the distinguished Senator from South Dakota.

These provisions would limit the fiscal year 1974 authorizations to $9.9 billion for procurement and $7 billion for R.D.T. & E. In considering such a ceiling, let us review the financing of these programs. The fiscal year 1973 Appropriation Act provided $20,445 million for items subject to authorization, including amounts that were provided by transfers from other accounts and spelled out in the appropriation act. For fiscal year 1974, the bill reported by the Committee on Armed Services would provide $20,448 million—nearly identical to the amount provided by Congress in the fiscal year 1973 appropriations. It is necessary to recognize inflation, though. We are a year farther along, and the rate of inflation has been and continues to be very sharp; $20.4 billion in fiscal year 1974 will not buy nearly as much as $20.4 billion in fiscal year 1973. By not allowing any increase at all, the bill as reported by the Armed Services Committee would, in effect, require the Department to absorb all the inflation from fiscal year 1973 to fiscal year 1974 within a fixed dollar total. That inflation, at 6 percent, would amount to more than $1.2 billion. We can say, then, that the fiscal year 1974 amounts in the bill as reported by the committee would involve a program reduction in real terms, that is, in terms of actual buying power, of $1.2 billion, or 6 percent, from the levels appropriated by Congress for fiscal year 1973.

We begin then, with a committee bill that is down $1.2 billion, or 6 percent, from the buying power that we provided for fiscal year 1973. The provisions we are now considering would reduce that committee bill by $3.6 billion. These provisions, then, would produce a program for fiscal year 1974 that is about

$4.8 billion—about 22 percent—below the fiscal year 1973 program.

One more point of perspective: For fiscal year 1964, Congress appropriated $18.9 billion in areas that are now subject to authorization. At fiscal year 1974 prices—today's prices—that would be equivalent to $27.7 billion. These provisions would limit the fiscal year 1974 program to $16.9 billion—about 40 per cent, in terms of buying power, below the levels of peacetime fiscal year 1964.

What these provisions would mean, then, is a reduction of $3.6 billion from the amounts which the Armed Services Committee, after months of review, considered to be necessary to meet our national security needs. They would represent a cut, in real terms, of 22 percent below the levels financed in the fiscal year 1973 appropriation, and a 40-percent cut from the levels of peacetime fiscal year 1964. We are considering, then, massive reductions in defense programs which would have to involve a major strategic reorientation. We are considering a drastic slash in American defense capabilities, entirely out of line with the threat that faces us. Such proposals are simply unsupportable in today's world. Slashes such as these would place our security in the gravest peril.

I am disturbed, too, by another aspect of these provisions: Who would decide where these massive reductions are to be made? The provisions are silent on this point. We are dealing in this authorization with major weapon systems which will, to a very great extent, shape our national security efforts for years to come. We are dealing here with matters involving the fundamentals of national security policy. The appropriate committees have devoted months of study to these matters. Now, today, it is proposed that we reduce the recommendation of the Committee on Armed Services by $3.6 billion—nearly one-fifth—in a blanket, unspecified cut. Who is to decide which weapons are to be eliminated, which forces curtailed, and so forth? The Secretary of Defense? Do we propose to give him blanket authority to make these massive adjustments without reference to Congress? This could only involve a serious weakening of the role of Congress in the national security field, an abandonment of our responsibilities to deliberate and to decide the major issues in this area.

But if Congress is to have a role in this area, what is it to be? Also important, when is it to be? Time is growing short. We are entering the second quarter of the fiscal year. We have been dealing with the fiscal year 1974 budget for more than 8 months, and the fiscal year 1975 budget must be submitted to us less than 4 months from now. Where is the time to make these massive decisions, which involve tearing to shreds a program for a fiscal year that is already well along? Where is the time for sufficient congressional consideration of such major changes in our national security posture? The schedule being what it is, and the date being what it is, I am afraid that the answer is obvious. We would have no choice, in practice, but to make a huge delegation of authority to the Executive in this area.

These provisions must be rejected. They would involve a slash of nearly one-fourth from the levels approved by Congress for fiscal year 1973, and a 40-percent reduction from the levels of peacetime 1964. Cuts of this magnitude are grossly out of line with the national security needs of today's world. Moreover, a blanket cut of this nature would entail a massive delegation to the Executive of the powers and the responsibilities of the Congress in the national security field. We in Congress have the responsibility to provide an adequate defense, and a responsibility as well to deliberate and to decide in major areas of national security policy. By enacting this amendment we would be dodging these responsibilities, and I think this would be a great mistake.

As to the reduction of military manpower, this amendment would reduce the strength of the Armed Forces 166,000 below the level proposed by the President and the Secretary of Defense for fiscal year 1974. Not only would a strength reduction of this magnitude result in the elimination of ground combat units, ships and aircraft squadrons, but also, the resulting personnel turbulence would seriously weaken the remaining units of the Armed Forces.

I earnestly request my colleagues to consider the following facts:

First. The military strength proposed by the Department of Defense, as adjusted by the House, is 1,325,000 lower than at the height of the Vietnam war and 464,000 lower than in the pre-Vietnam year of 1964.

Second. In reducing military strength in the past several years, above-average reductions were made in such support functions as headquarters, base support, intelligence, and logistics.

Third. The military chiefs of each military service have testified that the major share of a reduction of this magnitude would have to be taken from combat "muscle"—ships, aircraft squadrons, and ground combat units.

Fourth. Congress enacted pay raises to provide a decent standard of living for members of the Armed Forces and to make it possible to achieve an all-volunteer force. Now many of my colleagues in the Senate use the cost of manpower as a reason for making an unwarranted and unwise reduction in military strength.

For these reasons I must oppose the reduction of military manpower provided in this amendment of 166,000.

This amendment, if enacted, would also require an arbitrary 10-percent reduction of civilian employment. The number of civilian positions required to be reduced by this amendment would be over 100,000 during the current fiscal year.

The statement that "The civilian bureaucracy of the arms establishment has continued to grow despite reductions in military forces from the Vietnam peak" is false. Defense full-time permanent civilian employment in military functions has decreased by 256,908 since the peak of the Vietnam war. Present full-time permanent strength is about 200,000 below the prewar fiscal year 1964 level when fiscal year 1964 is adjusted to reflect civilian/military substitutions, contractor conversions, and the conversion of National Guard technicians from State to Federal status. On a comparable basis, the ratio of civilian to total positions in the Department of Defense has dropped since fiscal year 1964 from 33.3 percent civilian to 32.8 percent civilian.

The proposed amendment would require a massive reduction in civilian employment during the current fiscal year, nearly all of which would have to be accomplished in the short time frame of the latter half of fiscal year 1974. It would result in widespread layoffs and bumping that would be disruptive of efficiency, damaging to morale, and wholly unrelated to workload requirements.

Finally, this amendment would delete all MASF funds, an action the Senate rejected earlier today.

The issue very clearly before the Senate is whether we wish to set aside years of progress moving towards peace in Southeast Asia through an arbitrary and capricious action to deny the funds requested by the Department of Defense for support of our allies in Southeast Asia. Surely, we all recognize that peace comes only with strength. After a period of years, we have finally been able to negotiate a shaky cease-fire which contains the basis for real peace in Southeast Asia. We are all aware that these agreements have been only and flagrantly violated by the other side. It is clear that they have not yet reached the conclusion that their best interests will be served by peace in Southeast Asia. It is equally clear that there are those on the other side who are prepared to seize upon an opportunity to reinitiate open conflict in Southeast Asia and to pursue aggressive objectives throughout the area.

Elimination of the MASF funds recommended by the Senate Armed Services Committee would be an international signal easily read in Hanoi. It would tell them the United States was no longer going to stand behind our allies in Southeast Asia. It would tell Hanoi that the United States was no longer interested in preserving the tenuous balance we have achieved in Laos and Vietnam. It would open the door to another large-scale North Vietnamese offensive at a time when, in violation of the cease-fire agreement, they have refitted their forces in South Vietnam to a level where they are stronger than they were before the 1972 Easter invasion.

Let us choose the path of peace and responsibility and defeat this capricious amendment.

Mr. President, in summary, I point out that the committee bill provides that procurement would be $12.3 billion. The McGovern amendment would cut this to $9.8 billion, or a difference of $2.5 billion.

The committee bill provides $8.1 billion for research and development. The McGovern amendment would cut that to $6.9 billion, a difference of $1.2 billion.

The committee bill provides $952 million for MASF. The McGovern amendment would provide nothing. That would be a difference of $952 million.

The committee bill has already reduced manpower by 156,000. The McGovern amendment would reduce it by 166,000, a difference of 10,000.

The committee bill sets no ceiling on civilian manpower. The McGovern amendment sets a ceiling of 911,700. That takedown is more than 100,000.

Mr. President, the Committee on Armed Services spent 5 months studying this bill. We have turned out eight volumes of hearings such as the one I hold in my hand. Is all this going to be thrown to the wind? Is all this consideration and deliberation and testimony by experts on these matters to go unconsidered? In my judgment, this would be a great mistake.

It would be unfair for the committee's work to be handled in such a way. The committee has given careful consideration to this matter. It has made many recommendations, it has made many reductions, it has made many revisions, and we feel that to come along now and agree to an amendment such as the amendment of the distinguished Senator from South Dakota, whom I hold in great affection, would be a blunder and Congress would be handicapped in handling the important work of the Department of Defense.

Mr. President, for these reasons, I hope the amendment is rejected.

The PRESIDING OFFICER. Who yields time?

Mr. McGOVERN. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. McGOVERN. Mr. President, I am not going to use a great deal of time. I wish to summarize the highlights of the amendment.

I hope that Senators will break away from viewpoints that give a distorted picture of what is actually being proposed.

Because we ordinarily deal with budgets sent up by the administration, we have a tendency to focus hardest on each proposed cut and how it would change the preestablished national security program. If a number of amendments are offered which would eliminate specific parts of the budget, it is fairly easy to create the impression that those who offer the amendments are trying to eliminate the very muscle, the bone, and possibly even the marrow of our military establishment.

But our focus really should be on what is left, not on what is being proposed as a reduction. The rational way to proceed is to see what kind of a military program the remainder will buy. Then we should evaluate that, not according to what the administration wants, and not according to what we spent last year or in some prior year, but according to what we perceive as threats to the Nation's security.

For example, as I have noted, my amendment would leave total new military budget authority of $77.8 billion.

The amendment would not touch any of the vast nuclear deterrent forces presently in the American arsenal—1,054 ICBM's, 656 SLBM's, and 500 strategic bombers, carrying at least 7,100 nuclear weapons. That compares to about 400 weapons needed to strike every significant target in the Soviet Union and China combined.

Nor would the amendment eliminate a single conventional weapon that is now in our arsenal. And if the administration manages the proposed manpower cuts prudently, it should not cut at all into the actual combat forces we have to operate those weapons; rather it should reduce an overblown support establishment. It would leave 13 active Army divisions, three Marine divisions, 21 tactical Air Force wings, 14 tactical Navy wings, 3 tactical Marine wings, 15 aircraft carriers, over 60 nuclear attack submarines, nearly 200 escort ships, 65 amphibious assault ships, 17 strategic airlift squadrons, and over 50 troopships, cargoships and tankers.

There is no other country or combination of countries on the face of this earth that has military power comparable to that.

The amendment simply provides that so far as new spending is concerned, we are going to cut the $85 billion which for new spending which the administration requested to approximately $78 billion in new spending authority.

And rather than taking any weapons away, the amendment would authorize nearly $10 billion entirely for the purpose of building and buying new arms, either in addition to those we already have or to replace those that are becoming old or obsolete.

One of the strange twists of logic that takes place here every time we talk about the military budget, is that if anyone proposes a cut of $1 billion, it is talked about as cutting into our Military Establishment, instead of looking at what is left after the cut. In this amendment we are adding another $78 billion to what we have in our defense forces. It just happens to be a little less than the addition the administration requested. Let us talk about $78 billion and not the $7 billion.

Beyond that, it would authorize another $7 billion for research, development, test and evaluation of weapons that may be purchased in subsequent years.

At the same time, if this amendment is agreed to we can move to fulfill a more comprehensive definition of national security.

National security includes a strong economy as well as a strong defense. It includes protection against shortages of food and fuel, as well as protection against enemy guns. It includes schools for our children as well as silos for our missiles. It includes the health of our families as much as the size of our bombs, the safety of our streets and the condition of our cities, and not just the engines of war. I suggest there are more Americans nervous about their safety in the neighborhoods and streets of this country than who are nervous about the possibility of Soviet bombers overhead. As much as our deterrent in the eyes of the communities, national security also includes the credibility and effectiveness of the system in the eyes of our own people.

I hope we will take that one prudent and, I believe, conservative step today by adopting this modest reduction in spending that has been requested for the Pentagon.

Mr. President, if the Senator from South Carolina is ready to yield back his time, I am ready to yield back my time.

Mr. THURMOND. We yield back our time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from South Dakota. The yeas and nays have been ordered. The clerk will call the roll.

The legislative cerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. McCLELLAN) is necessarily absent.

I also announce that the Senator from Iowa (Mr. CLARK) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. PACKWOOD) is necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that the Senator from New York (Mr. JAVITS) is absent for religious observances.

I further anonunce that the Senator from Illinois (Mr. PERCY) is absent by leave of the Senate, and, if present and voting, would vote "nay."

The result was announced—yeas 12, nays 81, as follows:

[No. 429 Leg.]

YEAS—12

Abourezk
Fulbright
Gravel
Hart
Hartke
Hatfield
Hathaway
Hughes
Mansfield
McGovern
Nelson
Proxmire

NAYS—81

Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Haskell
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Long
Magnuson
Mathias
McClure
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nunn
Pastore
Pell
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NOT VOTING—7

Clark
Javits
McClellan
Packwood
Pearson
Percy
Taft

So Mr. McGovern's amendment was rejected.

The PRESIDING OFFICER. The Senate will now proceed to the consideration of an amendment by the Senator from Indiana (Mr. Bayh), No. 487, on which there shall be 4 hours of debate. The clerk will report the amendment.

The assistant legislative clerk read as follows:

> On page 19, line 10, strike out "$1,935,933,000" and insert in lieu thereof "$1,741,733,000".
>
> On page 19, between lines 17 and 18, insert a new section as follows:
>
> "Sec. 202. None of the funds authorized to be appropriated by this Act may be expended for any research, development, testing, or evaluation in connection with the SAM–D missile program."

Mr. THURMOND. Mr. President, would the Senator yield to me for a moment to move to reconsider the vote by which the McGovern amendment was rejected?

Mr. BAYH. Mr. President, I yield for that purpose.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the McGovern amendment was just rejected.

The PRESIDING OFFICER. The Senator will have to ask unanimous consent.

Mr. THURMOND. Mr. President, I ask unanimous consent for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I now move to reconsider the vote by which the McGovern amendment was rejected.

Mr. McINTYRE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAYH. Mr. President, I would like to address a question to my distinguished friend and colleague from New Hampshire, as well as any members of the leadership or others who may appear to address themselves to this question.

In my judgment, the SAM–D missile system debate is one of the most important matters to come before the Senate. I will not say it is the most important, because I suppose that all of us tend to become obsessed with the importance of their own particular efforts. I am talking about a new weapons system, a sizable cost overrun, and ultimately the expenditure of several billions of dollars to put into the field a system that we have never had before and some of us feel we never will have.

Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will come to order.

Mr. BAYH. Mr. President, for that reason we have allotted 4 hours, which is a long time. It is a much longer time at quarter to 5 than it would be at a quarter to 12. I do not know how much time it will take. I hate to say that this 4 hours will put us here until a quarter to 9. However, I feel an obligation to see that all of the nuances of this matter are fully brought to the attention of the Senate and voted up or down.

I do not know how long we should spend on this tonight. Should we proceed now or should we proceed at a time when it is a matter of more significance to the Senate?

I am willing to accept the leadership's opinion or the opinion of the Senator from New Hampshire (Mr. McIntyre) or the opinion of the Senator from South Carolina (Mr. Thurmond). If the Senators prefer to have this matter discussed tomorrow, I would be perfectly willing. I am not saying that we should do it now. However, I am dead set on discussing it.

Mr. THURMOND. Mr. President, we are prepared on our side to cut the time in half if the Senator is prepared to do so.

Mr. BAYH. Mr. President, I am not prepared to say that. I do not say that in an arbitrary sense.

We are talking about a major expenditure by the Army and whether we ought to buy one kind of weapon or another. We have to go into it at length.

I do not know how long it will take. I hope that the presentation on our side will not take 2 hours.

I think the validity of the argument is enhanced when we realize that the distinguished Senator from Missouri (Mr. Symington) and the distinguished Senator from Nevada (Mr. Cannon), who have never seen eye to eye on all matters, have brought to our attention that in this bill they are in agreement that SAM–D is a bad system.

I think that lends a great deal more credibility to this matter than the fact that the Senator now speaking, right off a farm in Indiana, has a chance to talk about it. I want other Senators to talk about it.

I do not see the Senator from Ohio (Mr. Saxbe) on the floor. However, he is concerned about the matter. I just offer an opportunity to discuss this matter for the full time, if the Senate prefers.

Mr. THURMOND. Mr. President, I am prepared to say that on our side, the chairman of the subcommittee, the Senator from New Hampshire (Mr. McIntyre), will speak for probably 20 minutes. The Senator from Massachusetts (Mr. Brooke) will speak for about 5 minutes. The Senator from South Carolina, now speaking, will speak for about 10 minutes. The Senator from Arizona will speak for about 5 minutes. We will perhaps not use half the time on our side.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. BAYH. I will be glad to yield.

Mr. ROBERT C. BYRD. Mr. President, speaking on behalf of the majority leader, I am constrained to say that we cannot put the amendment over until tomorrow or put the vote over until tomorrow.

We stated at least 24 hours in advance that the SAM–D missile would be scheduled for a vote today. We are hopeful that all amendments can be disposed of, and that we can reach final passage tomorrow. And if we are able to do that, there will not be any Saturday session.

Senators can see the predicament that we would find ourselves in if we would put this amendment over until tomorrow. The Humphrey amendment is backed up behind this amendment, and we already have several amendments scheduled for tomorrow.

I would suggest that we proceed with this amendment and that the distinguished Senator from Indiana and his supporters present their viewpoints. We have heard the distinguished Senator from South Carolina state the time that each of his supporters would need. I would suggest that the opponents of the amendment cut their time to 1 hour and let the Senator from Indiana retain his 2 hours.

Mr. THURMOND. Mr. President, we would like to accommodate the distinguished Senator from Indiana in any way we can. We are willing to cut our time by the amount of time that the Senator from Indiana is willing to cut his time. If the Senator from Indiana wants to cut the time on the amendment from 4 hours to 2 hours, we are willing to do that.

If the Senator from Indiana wants to make some other reduction in time, we would be willing to do that. However, the Senator from Mississippi (Mr. Stennis) might decide he is against the amendment or others may be against the amendment. The committee voted against the amendment.

We would not agree to a unilateral reduction of time, but would agree to a mutual reduction.

Mr. ROBERT C. BYRD. Mr. President, would the Senator agree to 2 hours to be under the control of the distinguished Senator from Indiana and 1 hour to be under the control of the opponents with 1 additional hour to be under the control of the majority and minority leaders so that if other Senators come in and want additional time beyond the 3 hours, they may obtain it from the time allotted to the majority and minority leaders.

If I understand the Senator correctly, it is not likely that such time would ever be yielded.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. PASTORE. Mr. President, and our distinguished majority whip, who has done an excellent job in expediting the various amendments before the Senate, I take this opportunity to congratulate him. Never before——

Mr. ROBERT C. BYRD. Mr. President, may we have order while the distinguished Senator is complimenting the majority whip?

Mr. PASTORE. Mr. President, the Senator knows that I love him so much I would even say it all over again.

I think we ought to keep going and see if we can finish the program tonight. We ought to stay here tonight and finish the program as laid out. As a matter of fact, I would like to see some items that have been designated for tomorrow acted upon tonight. If we are to go home at 9 o'clock, we might as well go home at midnight. Let us see how much we can accomplish and then get out of here.

Mr. SYMINGTON. Mr. President, will the Senator yield?

But since the beginning, I have said that I did not think we should have a time designated for a final passage vote tonight.

Mr. PASTORE. We are not discussing that now. I did not suggest that.

Mr. BAYH. Mr. President, I am tempted to just sit down and rest my case, but perhaps that would not be the better part of wisdom. For the benefit of those who have already made up their minds on this issue, the Senator from Indiana plans to present a rather comprehensive statement summarizing the opposition to the SAM–D system, and then, of course, it is up to Senators to join in the debate and express themselves if they wish.

I see in the Chamber my friend from Ohio, who feels equally strongly about the lack of propriety and wisdom in this program. Several others wish to talk, and I think I would probably have been better off to start on my speech; but out of deference to the convenience of my colleagues, I thought I ought to offer to debate it tomorrow, or do anything that would meet their convenience. I share the feeling of the Senator from Rhode Island that if we are going to be here until 9 o'clock tonight, we might as well as bere until midnight.

Mr. President, A few weeks ago, the United States finally brought to an end its involvement in the Indochina war—the longest and in many ways the most costly war in our history. The last year has also seen the signing of the historic SALT I agreements—the ABM Treaty and the interim agreement on strategic forces. These two events taken together seem to me to suggest that this is a particularly appropriate time for us to take a serious look at the level of resources we are devoting to national defense and to closely question whether these resources are being wisely spent. For too many years we have based our defense policy on the idea that the Nation has virtually unlimited resources to devote to this area. Today I believe that the people of the United States who are faced with the worst inflation in 20 years accompanied by continuing unemployment, by the highest interest rates in history, and by unprecedented devaluations of the dollar want their Representatives in Congress to take a long, hard look at defense priorities.

Let me make my position absolutely clear: Unchallengeable military strength is our goal, and in my judgment it will be maintained. But the resilience and vitality of our economic and social fabric is every bit as important as our weapons systems in achieving true "national security."

Today the distinguished Senator from Ohio (Mr. SAXBE) and I are asking the Senate to eliminate continued funding for one program which is as good an example as one can possibly find of runaway military costs—the Army's SAM–D missile system. The amount contained in this year's budget, $194.2 million, is frankly not large compared with many other items. Yet by the time this missile is ready for operation, 7 years from now, it will have cost according to current estimates $4.48 billion and thereafter will cost us more than $400 million every year to maintain and operate.

Mr. President, that statement is predicated upon a very important caveat: "According to current estimates." Unfortunately, military costs as well as the prices of shoes and bologna are escalating right now because of inflation.

As former Secretary Packard, one of the most respected experts in the defense field, noted in 1969:

> The most certain way to waste resources is to spend hundreds of millions of dollars on a development and then conclude we will not need what we are developing.

Likewise, as the distinguished chairman of the Armed Services Committee, Senator STENNIS noted in 1971:

> If we can afford a permanent force structure of only one-fifth as many fighter aircraft or tanks as our potential adversaries—because our systems are five times more expensive than theirs—then a future crisis may find us at a sharp numerical disadvantage.

Although Chairman STENNIS was speaking in terms of aircraft and tanks, we clearly face a similar situation with regard to expenditures on air defense. The warnings of responsible defense officials as well as Members of the Congress, echoed again in this year's committee report, were again unheeded in the decision to proceed with the SAM–D. I would lik to bring to the attention of the Senate today several aspects of the SAM–D which I considered important in reaching my decision to oppose the program. But before examining the details of the program, let me summarize where I think the crux of the argument really lies.

We could argue for many hours about the more technical aspects of this missile system and probably never reach a real resolution of these issues. Such arguments would seem to me, however, to miss the basic point. The SAM–D is an enormously expensive weapon system. It takes us down the road towards putting what resources we have available into a very few, highly complex, tremendously costly systems.

I am convinced that such a policy takes us in precisely the wrong direction. What we must do is to tell the Army that it is more important for us to direct what resources we in the Congress are able to provide toward less costly, less complex, and in all probability more diversified systems.

We in the Congress have made these hard decisions in other cases in recent years with highly successful results. Take the main battle tank for example. We agreed that the Army needed a new tank. There was no real argument about that. But when the schedule slipped technical failures multiplied and the cost went over a million dollars per copy, which was three times the previous tank, the Armed Services Committee in their wisdom said: "No. That is simply too expensive and too complicated. Go back and try again." The Army did, and they found they could build more reliable, simpler modern tanks for one-half the price. Similarly the committee wisely raised a similar stop sign for the Cheyenne helicopter when performance and schedule slipped and cost went beyond $4 million, six times that of the previous armed helicopter. We cut the money. They tried again, and now we have the advanced armed helicopter at $1.6 million each with a better chance of proving useful. Thus, in that particular instance, we saved money and got a better helicopter.

I know that there are today a great many thoughtful Army men who are grateful to the Congress for making these hard decisions, for they improved the tank and the helicopter and they freed resources to beef-up conventional, everyday field Army hardware. Today we are considering a weapon of vastly greater complexity and risk than Cheyenne and MBT. The weapon under discussion has shown even worse schedule slippage and cost increases than the two cancelled programs.

It is not as if we are faced with an emergency where a crash program is needed, where money is no object. We are now just today beginning to pay for and field the improved Hawk, a system which the Army has acknowledged is fully adequate to deal with today's threat. We need the SAM–D, if at all, not for today's enemy capabilities, but for the advance aircraft we now speculate the Soviets might develop in the 1980's. We have the time, therefore, to go back and look for less costly solutions. The SAM–D system was designed and planned in the mid-1960's, when defense resources were relatively unlimited, when we never thought in terms of tradeoffs between costs and capabilities. We do not play by those rules any more. We all now, the committee and the Pentagon are agreed that we will follow a concept of "planning-to-cost." We forced these other weapons like the tank and the armed helicopter to conform to this concept, and we have found that the result improves our weapons and our Army's overall capabilities. I would urge the Senate to make the same wise decision with the SAM–D.

COSTS

The cost of development and procurement of SAM–D is now estimated at $4.48 billion. This represents a unit cost growth of 350 percent—a cost overrun, if you please—since it was approved for initial development in 1967. The Army is fond of pointing out that the overall program costs have grown only about 9 percent from the 1967 estimates. What they usually fail to mention, however, is that they—although the total cost of the program has gone up only 11½ percent since 1967—limited overall program costs only by drastically decreasing the number of SAM–D fire sections and missiles to be purchased. The number of fire sections was reduced by 68 percent and the number of missiles by 52 percent. The committee report states that the SAM–D is "within cost estimates." I regard this statement as somewhat misleading, since costs increased again by more than $104 million during the last year. In percentage terms, the present cost overruns on SAM–D exceed those of the C5–A, or any other Army program such as Cheyenne or MBT. In addition, this program is distinguished by the longest schedule slippage of any modern weapons systems ever—76 months or 6½ years, and 350 percent over the estimated cost. I suggest that with statistics like that before us now, it would be folly not to stand back and heed the evidence.

One of the principal arguments made by the Army to support SAM–D is that it will save personnel costs. In point of fact, one SAM–D battery requires the same number of people to operate as do the Hawk and Hercules batteries it is supposed to replace.

The 7,500 man personnel savings that the Army postulates is possible only because the Army's present plans call for fewer SAM–D batteries and because they asume that as soon as SAM–D is operational we will immediately abandon the Hercules and the Hawks. Yet as the GAO report accurately points out, the cost-effectiveness study conducted by the Army's Air Defense Evaluation Board assumed that we would have to continue to deploy and operate the improved Hawk along with the SAM–D to "Provide adequate defense from 1980 to 1990." It seems to me that the Army ought to make up its mind before it asks us to approve continuing the funding of this program whether it needs just the SAM–D or both the Hawk and the SAM–D.

In any event, even if we accept the Army's argument—which I am unwilling to do—as to personnel savings, it nevertheless admits that over a 10-year period, it will cost $2.2 billion more to operate and maintain the SAM–D than it would the alternative system. Every SAM–D battery would cost more than $100 million to buy and operate over 10 years as compared with about $43 million for an improved Hawk battery. Perhaps more important, the highly sophisticated radar and computer equipment of the SAM–D will require much more highly trained personnel to maintain. As a matter of fact, one of the specific objections that our NATO allies have made to the SAM–D is that it will require virtually Ph. D.-level personnel to operate and that they simply do not have these people available, or are unwilling to pay the price for them. This will, of course, be a problem for the United States as well, and it is one which the Army has not given sufficient consideration to, in the judgment of the Senator from Indiana.

Another technique used by weapons system planners to attempt to arrive at a rational judgment on cost-effectiveness is to attempt to measure the difference in costs for the side using the weapon and for the opponent seeking to destroy it. If all other things are equal, the theory then goes, a rational opponent will not persist in attacking a defensive weapon that costs him more to destroy than the weapon is worth. For example, an enemy will not continue to sacrifice a million dollars of investment in order to destroy an opponent's system which is worth, say, only $100,000.

In considering alternative proposed weapon systems, the planner's choice should favor the one which inflicts the most disfavorable cost-ratio on the enemy. In that connection, I asked my staff to compute some rough comparisons of the costs to each side when the SAM–D is pitted against a known Soviet aircraft like the Mig–21, and to check them out with the General Accounting Office. The precise cost ratios in this regard will vary, depending on the aircraft involved and the altitude of the attack. It is clear, however, that it will cost the United States many times more to protect the SAM–D than it would cost the Soviets to knock it out and furthermore that this cost-ratio is considerably more favorable to the Soviets in the case of SAM–D than it is with the improved Hawk, due to the much higher cost of SAM–D and its vulnerability.

In short, Mr. President, even if we ignore all the unresolved technical problems which, as I shall discuss in a moment, I believe exist, and assume that SAM–D will come through on time and at its present cost estimates, we still are talking about a gold-plated, multibillion-dollar weapons system with capabilities which were not designed for defense against manned aircraft. It is something I believe, if we are to talk in terms of economic realities, we just cannot afford.

THE IMPROVED HAWK—AN ALTERNATIVE TO SAM–D

In 1972, the Army began to deploy and pay for the first units of a new air defense system which it calls the improved Hawk. In spite of its name, however, this weapon is significantly different and more capable than is the earlier basic Hawk. The Army itself specifically acknowledged—and I quote from the Army's assessment—that:

> Either the Improved Hawk or the SAM–D weapons is capable of providing an adequate defense.
>
> But their cost-effectiveness study went on to conclude that it would be more expensive to purchase enough HAWK's to meet the threat levels they were postulating than it would be to proceed with development of the SAM–D.
>
> Since this is the real heart of the matter—which system is most cost-effective—I think it is worth spending a few minutes examining the assumptions upon which the Army's supposedly objective cost comparison was based. Instead of comparing what the future costs would be to procure and operate the improved HAWK over, say a 10-year period with the costs of buying and operating the SAM–D over that same 10-year period, the Army started with assuming 23 years of operational costs for the HAWK vs. only 10 years for the SAM–D.

You do not have to be a Ph. D. in mathematics to know that if you prorate costs over 10 years, it is going to cost more per year than if you prorate the costs over 23 years. They did not use the same criteria in assessing costs. The Army now admits, in response to my inquiries, that this discrepancy exists, the effect of which, of course, is to severely bias the study against the Hawk and make SAM–D look better. Yet they blandly assert that it made no difference in their conclusions. I emphasize that. They prorated this over more than twice the period compared with the cost of the Hawk, which should have increased the cost more than twice. Yet, they said that a doubling of this cost estimate had no impact on their conclusion. They further assumed a 300-percent increase in the number of Warsaw pact aircraft that we could be faced with and that we would have an Army of 21½ divisions, with half of them in Europe.

I will not go into detail and compare the numbers now of both divisions and aircraft. The percentage is accurate. In my judgment, I find that a totally unreliable threat to defend against. I should insert in the RECORD now that the Defense Intelligence Agency, the agency that is supposed to know more and be relied upon more than any other intelligence agency in the military, takes an entirely different perspective of what the ultimate threat is going to be than does the Army.

The improved Hawk is already in production and deployment has begun. Thus, the technical and cost risks associated with any new weapons system have now been minimized. The SAM–D, on the other hand, is just now entering engineering development and is 7 years from deployment. In addition, certain critical capabilities of the system have yet to be demonstrated. I am convinced that if the Army's cost-effectiveness study had in fact been fair and used identical criteria in simulation and costing for the SAM–D and the Improved Hawk, their conclusion would have been that the Improved Hawk was more cost-effective than SAM–D.

It stands to reason. If you try to compare the cost of a weapon that has not yet been developed with one that is now being put in the field, which has all the monkey wrenches out of the machinery, it is still not a fair comparison. The Hawk has been through the development, the mistake, the misjudgment costs, that any weapons system has. The SAM–D has not. Yet, the Army applies the different cost criteria to both weapons systems.

Perhaps the key variable in a cost-effectiveness analysis is the threat estimates with which our military forces will be faced. If we are to be able to make any rational judgment at all about how best to spend our defense dollar, it is crucial that we have the best possible estimates of our potential enemy's likely capabilities. Yet here, again, we find unexplained discrepancies in the data used by the Army to justify the need for SAM–D. I noted with interest the recent testimony of the distinguished manager of the overall bill, Mr. SYMINGTON, before the Defense Appropriations Subcommittee, where he said that "instead of beginning with an accurate view of our potential enemy's capabilities, and deriving from that a requirement for America's defense needs, then buying what is needed with maximum efficiency." Current Pentagon practice is to "start with a need to spend money in order to show resolve, work backward to the need for a new and even more expensive weapon system, then concoct the threat to justify the always expensive, and often unnecessary, program in question." This is precisely what took place and is taking place, with the SAM–D.

Enemy threat assessments are the primary responsibility, as I mentioned a moment ago, of the Defense Intelligence Agency, and it is my understanding that all the branches of our Armed Forces are expected to base their planning on the estimates provided by DIA. DIA is supposed to have the answer. Yet, inexplicably, the threat estimates on which the Army bases its case for the SAM–D are vastly different from those of DIA. Although the absolute figures are classified, it is possible to speak in terms of rough comparisons.

The documentation supporting the threat which SAM–D will be required to counter is based in estimates made by the Army in its 1970 study. When we compare these 1970 Army data with the Defense Intelligence Agency estimates for the same period, we find that as to aircraft models currently known to exist, the Army's estimates are approximately 44 percent higher than those of the DIA. As to aircraft models not now known to exist, but postulated for future development, the Army's estimates exceed those of DIA by about 270 percent. In addition, the Army assumed, arbitrarily, so far as I can tell, that these future enemy aircraft models would have two to six times more damage-inflicting capability than do presently known models. It was these figures that were used in the cost-effectiveness study which gave the green light to SAM–D in 1970.

I suggest that if you arbitrarily escalate the size of the threat and arbitrarily decrease the cost of the weapons system, you can make us spend money for anything, and that has exactly happened on both ends of this proposition so far as the SAM–D is concerned.

The Army now, in effect, admits the discrepancy in the 1970 study, but contends that the most recent DIA estimates are "converging" on the Army's figures. I asked my staff to verify this with the General Accounting Office personnel who have been studyng SAM–D. They reported, that using the most recent figures available, although the estimates of the Army and DIA as to currently known aircraft are converging, a very significant discrepancy remains as to future models that are assumed to have much higher capabilities than known aircraft.

Furthermore, the Army assumes that Soviet long range strategic aircraft would be used for attacks against the 7th Army in central Europe. I am no expert in strategic theory; but I have talked to a number of people who are, and they and I would question whether either the Soviets or the United States, if, God forbid, we should ever become involved in a war with one another, would commit strategic bombers—theirs or ours—to tactical use against the field army rather than holding them in strategic reserve, particularly since we know that the Soviets have a very limited number of bombers.

Finally, the Army in its justification studies assumed that Army Air Defense would have to do the job of defending the field army against air attack all by itself. It ignored the contribution by our own Air Force now planned to attack their airfields or by the forces of our NATO allies. If we are going to give the Army enough hardware to do the whole job by itself, then we should perhaps reconsider authorizing the funds for maintaining our tactical air forces, as well as our purchases of new aircraft such as the F–15.

We had a tough vote the other day on whether to go ahead with funds for a new sophisticated aircraft. I thought we needed it. I went along and voted for it. Now, the Army is not going to use this aircraft to defend its own army. That does not make any sense to me.

TECHNICAL UNCERTAINTIES

The SAM–D system was originally conceived as an ABM for defense against tactical or intermediate-range ballistic misslies. This ABM capability required the development of a new and very complex type of radar which combines the previously separated tasks of surveillance, target-tracking, and missile guidance. It also required a very high speed missile. The Army has now changed its mission to one of defense against manned tactical aircraft while retaining what they call a fallout capability which would allow its rapid conversion back to an ABM simply by adding a nuclear warhead. The budget contains several million dollars to, in the Army's words, "preserve the nuclear option." The trouble is that it is this "fallout" capability which requires the SAM–D to continue to employ the highly sophisticated radar and computer equipment and the high-speed missile. There is good reason to believe that some of the SAM–D's characteristics which would be necessary if it were to be used against tactical ballistic missiles may actually be disadvantageous when directed against manned aircraft. For example, at low altitudes which are, incidentally, exactly where the most damage can be done to the field Army, the SAM–D's wingless missile is vulnerable to being out maneuvered by the attacking aircraft. Recent news reports suggested that officials within the Army and the Department of Defense believe that because of SAM–D's relative ineffectiveness at lower altitudes, we may need to buy another missile system, the French Crotele, to protect the SAM–D.

In making its case for the SAM–D, the Army emphasizes the SAM–D's supposed superior ability to withstand severe electronic countermeasures. These measures consist of devices carried onboard the enemy aircraft which attempt to confuse the air defense missile's radar or guidance equipment. Although it is true that the technical capabilities of the SAM–D would make it more effective against certain types of electronic threat, these same characteristics would be disadvantageous against other devices. For example, the greater power of the SAM–D radar would make it more effective against what is called "noise jamming." But the radar's power would at the same time make it more vulnerable to so-called "repeater" jammers which in effect turn the radar's signal back upon itself. Furthermore, the great power and specific characteristics of the SAM–D radar make it considerably more vulnerable to a radar-seeking missile. The SAM–D radar is so powerful that in theory the radar-seeking missile could be launched from the moon and be able to pick up the SAM–D signal. The Army has specifically acknowledged to me that it has yet to develop techniques to protect the SAM–D adequately against these weapons. In addition, as far as the danger to the system is concerned, the power of the radar generates a substantial amount of heat, making it vulnerable to infrared or heat-seeking weapons.

The Army also makes much of the SAM–D's superior ability to engage multiple targets simultaneously. Again, let's look at the facts. One SAM–D battery consists of 40 missiles ready to fire on launchers. One Improved Hawk battery consists of 36 missiles or in its newer so-called TRIAD configuration, 54 missiles. The reloading time for the improved Hawk is 5 minutes. The reloading time for the SAM–D is 1 hour. Both U.S. and Soviety offensive strategy in conventional tactical air attack is to attack in waves, usually spaced several minutes apart.

I think that is important where we are talking about a weapons system needed to defend against incoming missiles. Where the button is pushed and everything comes in at once, that is one problem; but this system is designed to shoot down aircraft. No one tells us they are going to send them in all at once. They come in waves. The first come, and sometimes the second waves come. The first, and sometimes the second waves, consist of aircraft carrying anti-aircraft suppression devices rather than weaponry in order to attempt to neutralize air defense missiles. Because of the difference in reloading time, the SAM–D battery would be exhausted by the first wave, since it would be required to fire its missiles at the aircraft or their missiles in order to protect itself from being destroyed by the radar-seeking or heat-seeking weapons they would carry and the Army has specifically admitted this in testimony before the Armed Services Committee. The SAM–D has one radar with a limited span of coverage. The Improved Hawk has two acquisition radars, each with 360 degrees of coverage. The Hawk can continue to operate at some limited effectiveness if one of its acquisition radars is knocked out, while the loss of the single SAM–D radar destroys the entire system. The Hawk Tridad can track six targets at the same time coming from opposite directions. The SAM–D can follow six targets simultaneously, but they both must be within the 90 degree sector of its radar. The Army tells us that it is working on the problem of the long reloading time for SAM–D but has not informed us as to any specific solutions. One hour to reload the SAM–D; 5 minutes to reload the Hawk.

WHO SHOULD PAY FOR DEFENDING EUROPE

For almost 25 years, the United States has borne the major burden of defending our European allies. Such expenditures were essential in the earlier post-World War II period. It is now time, however, for these nations to assume an increasing share of this burden. The Army's justification studies for the SAM–D are based on defending U.S. forces in Europe. This being the case, it would seem only reasonable that our NATO allies would pay for or at least share a major portion of the costs of SAM–D's development. I asked my staff to obtain the most recent figures as to what percentage of gross national product our NATO friends spend on defense and how this compares with our commitment, part of which is contained in this budget.

The answers are revealing. In the 1973 fiscal year the United States spent 7.5 percent of its GNP on defense. This compares with the 4 percent of their GNP spent by the Germans and about 6.2 percent by NATO as a whole. If one looks at what percentage of our respective defense budgets are being spent on research and development, the United States allots 11.1 percent of its budget to research while the Germans spent only about 4.9 percent.

The Army contends that "discussions" are underway about SAM–D with NATO, but the fact remains, as the Tactical Airpower Subcommittee stated flatly in its report on the SAM–D last year, the Europeans have made it clear that they have "no" interest in SAM–D. They regard it as much too sophisticated and costly. They are, of course, quite willing to have the U.S. bear the entire cost of developing the SAM–D and then bring it over to Europe to protect them. Admiral Moorer, the chairman of the Joint Chiefs, as much as acknowledged this when he testified earlier this year that the "NATO nations will exercise a posture of watchful waiting to see how SAM–D comes out"—watchful waiting while we are spending money on a system which, in my judgment, is not going to come about, in the final analysis, anyhow.

It seems to me that now is the time to say to our European friends, "Do you want this weapon system or not," by formally asking them to participate in SAM–D's development costs. But the Europeans believe that they cannot afford a system as costly and complex as SAM–D, then with so many demands on our limited resources, I would raise the question, can we?

SAM–D AND THE SALT TREATY

Finally, Mr. President, I would like to direct the attention of the Senate to the relationship between the SAM–D and the ABM Treaty with the Soviet Union. As I have suggested, the highly complex and sophisticated equipment of the SAM–D are necessary only if the system is required to retain its potential for use as the ABM and millions are being spent to preserve this "nuclear option." Yet in transmitting the ABM Treaty to the Senate, President Nixon hailed it as a "significant step into a new era of mutually agreed restraints." I read this to mean that we could save some money; that we could save money by this mutual restraint.

Yet here we are spending billions on a system the real justification for which is to have a short range ABM weapon ready-to-go if the ABM Treaty is ever abrogated. President Nixon, it seems to me, and we as a Nation, can't have it both ways. Either the permanent ABM Treaty was a "significant step" allowing us to eliminate, with the exception of the two ABM sites permitted under the treaty, the necessity of spending money on ABM systems or it was not. If it was not and we must continue to develop our ABM capability then Congress and the American people should be told that this is the case.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. McINTYRE. Mr. President, I yield myself 10 minutes.

Mr. President, I want to say that I admire very much my distinguished friend from Indiana's taking a sharp and keen interest in the complicated area of research and development in the Armed Services Committee, and I would just like, before I get into very much detail, to talk a little about how I look at this weapon system.

There has been a great deal of criticism leveled at it, and I know that the Senator from Indiana has said something like this. The scenario goes this way: They started in the 1960's or early or late 1950's, and they had an idea they wanted to protect against incoming ballistic missiles. After some studies, they found it was very complicated and complex and expensive, so they rolled that up and looked around for another mission for this program. I think the Senator from Indiana referred to it as a weapon system without a mission.

Well, actually, way back in the early 1960's we were taking a look at what could be done in the way of defending against ballistic missiles. We had spent, in the span of a year or two, about $7.5 million. We decided it was too complicated and beyond the state of the art to come up with an answer. So we went into what we knew to be a real threat.

If the Senator and others think conventional warfare is gone—and goodness knows, we all wish it would disappear—then they might consider this. We do not want to get into sophisticated weapons of defense such as this one is, but, unfortunately, conventional war still seems to be hanging around, and this system is put up to defend not only vital ports of debarkation, command centers, and so forth, but it seems well suited also to protect the field army. The "field army" is translated, as far as I am concerned, into foot soldiers.

We want to build these big, beautiful submarines, and I am all for it. We want to build a B–1 bomber. It is pretty close, but I am for it. Certainly, as we look to the threat of the future, to the threat to a field army, the infantry soldier, vital points of defense set up we have got to take the technology that is embraced in SAM–D to do the job.

This is a very sophisticated setup. We are using here a phased array radar that operates electronically, that has none of the cumbersomeness caught up in the radar of Hawk, the improved Hawk, and certainly the Hercules. This is a weapon system that can take on something in the vicinity of eight incoming aircraft simultaneously, and I am talking about supersonic aircraft.

Every time we get near this program, we find out there are things about it that are classified, but it is a tremendous system.

There are a lot of complaints that it has been going on too long. The Senator from Indiana is unhappy because it is on to its 7th, 8th, or 9th year of development. But let me tell the Senate this: This program has not slipped to the extent asserted by the Senator from Indiana. This program is fully on time. It has made all of its schedule points or milestones. It has, under the compulsion of its high cost, been able to achieve some cost constraints and bring itself down as a weapons system in cost, which I certainly hoped other high-powered systems we have underway could have done; but, all in all, it has a lot of blue stars behind it. Certainly, as we look into the future, 1980 and 1981, we need it.

The committee recommends approval of the full $194 million requested to permit the continued timely and orderly engineering development of SAM–D, which is one of the Army's top priority programs. I will cover several subjects to support the committee recommendation and to respond to the arguments made by my good friend, the distinguished Senator from Indiana, whose proposed amendment would deny this vital air defense system to the Army foot soldier and force them to fight with inferior weapons designed some 20 years ago. These subjects are:

First. Why SAM–D is needed.

Second. Agreement reached last year between Senator CRANSTON and Senator STENNIS to review the SAM–D program.

Third. Specific response to arguments made last year to support termination of SAM–D program.

Fourth. Rebuttal of arguments made by Senator BAYH to terminate SAM–D.

Let me first explain why SAM-D is needed.

SAM–D is needed in the 1980's and beyond to save the lives of our soldiers in the front lines of combat.

SAM–D is needed to protect our airfields, munitions dumps and command and communications centers so that we may counterattack and defeat the enemy.

SAM–D is needed to destroy the high performance aircraft of the future which will be equipped with advanced electronic jamming equipment and sophisticated air-to-ground missiles.

That is something I want to stress very hard. I said SAM–D is a highly sophisticated weapon. It is. The threat of the future involves not only supersonic aircraft, whether they are aimed to hit vital targets or to destroy men in entrenchments, bivouacs, barracks, and so forth. The whole use of the weapon is tied to electronic instrumentation and electronic countermeasures. The existing equipment we have today in the Hawk, the improved Hawk, the Nike-Hercules would fade away, but SAM–D, due to its high sophistication and phased array radar, can take on and defend against these aircraft.

SAM–D will provide essential improvements over present improved Hercules and Hawk systems which were built with technology of the 1950's and could not survive in the 1980's and beyond.

It would not survive in the 1980's. That is what we are looking at. We are not looking at 1971 or 1972; we are looking at the 1980's.

SAM–D will provide much higher firepower, better survivability and greatly reduced operating costs compared with existing systems.

The SAM–D can simultaneously detect, identify, and destroy large numbers of attack aircraft.

SAM–D can survive on the battlefield better than existing systems through mobility remote location of its small number of equipments.

SAM–D can be manned with substantially less troops than the improved Hercules and Hawk as they are replaced.

There is no other surface-to-air missile under development that can do the SAM–D job in the last two decades of this century.

If the Senator from Indiana was successful and this program was terminated, I would guarantee the Senator that we would have to go right into it again and put it back into effect, because this is the only place where we are working on this technology.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. McINTYRE. I yield.

Mr. BAYH. Mr. President, I do not want to interrupt the Senator's speech. I have heard him make his presentation. I know how hard he has worked on this matter. And I know that in the development of the annual systems study, he has had some questions about this. He has spent a great deal of time on the matter and has come up on the positive side.

The Senator has rendered an excellent service in this matter and has saved the country a lot of money.

I can speak in a spirit of camaraderie and without any feeling against doing mild combat on this. However, one thing that concerns me is that I think what the Senator has said is absolutely correct. There is no other missile system around that can do what this is designed to do.

I do not know whether we want to do this job or not. If one reads what the Army says, the Army says that we can with Improved Hawk do about as well.

However, I want to ask the Senator concerning his statement that we would have to turn around and start all over again. We did that with the main battle tank and the Cheyenne. And we have saved the country a lot of money.

I would hope that we could have them go back to the drawing boards and get us something else that will do the job for not so much money.

Mr. McINTYRE. Mr. President, what the Senator from Indiana has said has not quite hit the nail on the head. We are pursuing successful technology. It has gone through the advanced development stage and is now one year and a half into engineering development.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McINTYRE. Mr. President, I yield myself 5 additional minutes.

If we were to terminate the program, we would have to go back. We would have to say that we cannot let this technology drop. We would promptly come back with the same thing. How are we going to defend against supersonic aircraft and attack aircraft coming in and knocking out installations and knocking out the man with a gun in the conventional type of war?

I do not want to digress or else we will be here much longer. I do not think we want to be here too long.

I do not envision that the SAM–D program is going to be all in Europe. I can foresee it as being part of every field army we have. It might be part of the TO, the table of organization. I would hate to see it, but we might need this in the Panama Canal Zone or Alaska or Florida or any place that is threatened with attack.

It is all very well for the Senator and me to say that we cannot see this threat. However, it is definitely there. It is over the horizon.

The Soviet Union has a lot of high type sophisticated aircraft. I could not mention all of these. However, I can probably enumerate some of them for the RECORD here.

Our friends in the Soviet Union have the Fishbed, the Fishpot, the Fiddler, the Flagon, the Fitter, the Foxbat, the Brewer, the Backfire, and the Flagger.

All of these aircraft if unleashed in a conventional type of warfare would make it very hard for the ground forces of the United States.

Mr. President, I believe I will suspend now and will yield to the Senator from Florida so that he may add his remarks to our debate at this time.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. CHILES. Mr. President, I thank the distinguished Senator from New Hampshire for yielding. It seems to me that in listening to some of the arguments of the opposition to the SAM–D, they are some of the very reasons why I think we can allow this weapon system to continue in its engineering stages without having some of the qualms we have felt when voting for some of the other defense appropriations.

We had a lengthy debate that terminated with a vote today which was a very close vote. It concerned an accelerated system, and about going into production at a time when we had, in the minds of some of us, not completely finished all of the research and development and at a time when we do not really know exactly what is going to be the final makeup of the Trident submarine.

Yet, some criticize the SAM–D because it has taken longer to develop. It seems to me that here is one time when we ought to be saying to the Army and to the rest of the service that this is an example of at least keeping at the drawing boards and continuing on with the preliminary engineering and with the other preliminary stages until we do get all of the bugs out. And even if there is slippage in time and additional costs, this is the stage at which it would be much better, rather than going into production and saying this program will be all right and will accomplish its tasks.

If I felt the service was doing this with every weapons system, I would feel a great deal more comfortable, because I would feel that when we do go into production in the advanced stages, we will know what we are going to pay for it. And we will know that we will have something that will work.

I think that has been the path of the SAM–D. This is as complicated as it can be, as many of these sophisticated weapons systems are. They are reaching into the future. However, as long as we can hold them to the drawing boards and as long as we can see that they do the research and the engineering, we will be much better off. I would rather pay the dollars for that than to go into production and have a tremendous cost overrun or have a turkey.

It seems to me that the dollars we have spent to date on the SAM–D have been good dollars as opposed to the dollars that have been spent on some of the weapons systems.

Mr. President, it is mentioned that the SAM–D will take less manpower than the Hawk or the Nike-Hercules and that we will be able to reduce the horsepower. I think that this is a tremendous plus and is an argument in favor of the SAM–D, because under the figures we are seeing today, over half of the cost for our military budget is going for manpower, and that figure is climbing all the time. Anything that we can do that is going to cause us to need less manpower is certainly the direction in which we should be going.

Many of us are concerned about the number of troops deployed overseas. We have had much debate on the floor about what we can do about our troop strength overseas.

We have an opportunity in the system we are developing to be able to man our overseas commitments, whatever those commitments are, with less troops. That will relieve the pressures we have on our balance of payments as well as being able to cut our manpower commitments.

Mr. President, it seems to me that this is when we want to reduce our overall manpower and hold the spending down. We have a weapons system that can do that for us. I think the fact that it will take less manpower is certainly a plus for the SAM–D and its development.

I think another thing is the argument that we are going forward and getting a better air defense system and a weapon much more capable of trying to keep the peace with the current military procurement.

The PRESIDING OFFICER. Who yields time?

Mr. McINTYRE. I thank my friend from Florida for his support of our position in the R. & D. Subcommittee and in the committee on this amendment, which I know was presented with all good intentions.

Mr. President, I suggest the absence of a quorum on our time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SAXBE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. BAYH. Mr. President, I yield the Senator from Ohio such time as he may require.

Mr. SAXBE. Mr. President, the

amendment that the Senator from Indiana has introduced, and of which I am a cosponsor, is an amendment that I feel recognizes a faulty approach to a serious problem.

The amendment would knock out the money that is going to the SAM–D missile. The SAM–D missile, to my mind, is not an effective missile for the purposes for which it is designed. It can be knocked out by a much cheaper weapon, it is cumbersome, and if it is planned for the time frame that is alleged, which is the 1980's, I think it will simply be out of date by that time.

I think that in the interim, the improved Hawk can do the job at a much cheaper cost, and I think that the first thing we have to recognize is that the radar controlled weapon that we are talking about has increased by such a tremendous amount of money since its concept, and many of the people now supporting it have questioned this increase over the years, that we should take a close look at it. I know it is customary to accept whatever the Armed Services Committee puts out, but I assure Senators that the Armed Services Committee was far from unanimous in its approach to the SAM–D missile.

I am somewhat distressed to think we would vote for the SAM–D missile, or retain it in the budget, for all the wrong reasons—in other words, for parochial reasons, because people who would otherwise be opposed to the SAM–D missile support it because they think it provides jobs and employment for their part of the country.

If we are going to attempt to cure the social ills of the country by use of defense money, as the previous administration's Secretary of Defense once suggested, perhaps we should build super carriers and then sink them, simply because it is so costly to keep them up. Perhaps we could build a super tank and bury it in the ground, because we would be providing jobs. We are using up the material, but it is not going to be effective for the purpose it is built for.

The SAM–D missile, I think, is the same type of gold-plated gimmick that provides substantial employment and makes the manufacturer very happy, but I think when it comes right down to what it is to be used for, it is of questionable value. The cost effectiveness of this weapon has gotten so out of balance that it requires, I believe, that this body take a very hard look at it. Moreover, once we buy it, the cost of maintaining it will be greater than for a comparable weapon. I believe in the speech my colleague the Senator from Indiana (Mr. BAYH) just made, he effectively pointed out the vulnerability of it.

We had an experience in Vietnam where the surface-to-air missiles—and they were the good surface-to-air missiles that the Russians sent in there—that were guarding strategic locations had to be knocked out, and they were knocked out by our planes before we ever proceeded into the missions.

We have sophisticated weapons ourselves, and I am sure we must presume that our supposed enemies must have comparable weapons, that we can fire from substantial distances away—I am talking about 50 to 100 miles—that will home in on this radar, even if it is "blinked," as they refer to it in the trade, and knock it out. The aircraft this missile is supposed to knock out would never be within range of the missile; it would be knocked out by the first wave of weapons, and then, of course, it would simply lay the whole area open to any type of weapon attack. This is presuming, of course, that it is not a nuclear confrontation, which is a presumption I think we are pretty reckless in making.

Our evidence before the Armed Services Committee indicated that the SAM–D missile, like many of the weapons we have proposed over the years, is based on the last war, not on a confrontation sometime in the future that we hope will never happen, but rather on the experiences of the last war, and not even the recent unpleasantness in Vietnam.

Mr. BAYH. Mr. President, will the Senator yield just a moment at that point? I hesitate to interrupt him, but I think he is making a very essential point when he talks about the experiences in the last war, and then points out that we are really not taking advantage of the lesson we should have learned after quite an expensive price tag.

Mr. SAXBE. I yield.

Mr. BAYH. I was amazed to look at some of the loss statistics on our aircraft.

About 89 percent of our lost aircraft were shot down, not by the SA–2's, but by fieldpieces. We lost only 5 or 6 percent to Migs and 5 or 6 percent to the SAM's and 89 percent were shot down by those traditional fieldpieces which we ought to be investing money in, instead of some of these sophisticated weapons systems that really just do not do the job.

Mr. SAXBE. I think that is essentially true; and I might suggest that we have even more hand-held, heat-seeking weapons now that are the real threat to aircraft, because we cannot afford to expend the weaponry that it takes to destroy them. As the Senator pointed out in connection with cost effectiveness on weaponry, you are not going to risk expending a $5 million airplane to seek out a hand-held, heat-seeking weapon that can destroy it.

I think what we have to do is put more mobile field equipment with our tactical operations on the ground. I think we have to rely more and more on our missiles, not only air-to-air, but crew-type missiles. Of course, if we go to nuclear warheads, this is completely ineffective. It can be knocked out, for a whole area, by a low-yield weapon. I am distressed somewhat, and I know we kicked this about, but with a few people in the Chamber now, none of whom will be convinced one way or the other, what we say will be in the RECORD after the fact. In other words, the vote will come before the RECORD is printed and those who might be influenced by what the Senator from Indiana has said, or I, or the Senator from New Hampshire (Mr. MCINTYRE), will never hear it.

I know that the Senator from Indiana and the members of his staff, and the members of my staff, have made a genuine attempt to get the information across to the various staffs of Senators on the SAM–D missile, but I am constantly confronted in discussing this with my colleagues with the idea, "Well, this is a good employer. It is a good operator."

That, to my mind, is questionable when we see the tremendous overruns in costs; but, nevertheless, it does provide jobs and it provides something for this area of the country where they need jobs.

If we are going to build war machines simply for the purpose of providing jobs, then I am going to put in a bill for a paddle-wheel carrier for the Ohio River because that would provide a lot of jobs and would provide something for our part of the country.

But, this, of course, brings to the extreme some of the arguments which are not stated on the floor but are stated in the cloakrooms about why we should support various weapons systems. We voted today on some that a marginal case could be made for, perhaps, if the weapons system should survive. On the SAM–D missile, I do not think we can even make a good marginal case for because of the cost overruns. The question of whether it is in tune with our times, the question of whether we can afford to put in this tremendously expensive missile system with a tactical unit, a missile system that can be knocked out with a $12,000 missile, I just do not think it is cost effective.

I am distressed it has gotten this far, but I think if anyone would take the trouble to read the statement of the Senator from Indiana in the RECORD and the other speeches made, or just look at the performance and the production and the research and development of the weapon over the years, I recognize that we are dealing with an everchanging concept that locked it in at an extremely poor time in the history of this weapon and now that they have locked it in with a radar system, it has gotten so highly technical, requiring extremely well experienced men to run it, that they feel they have to go ahead and produce it.

I do not feel that way.

I hope that the Senate, in its wisdom, does not proceed that way.

Mr. MCINTYRE. Mr. President, I should like to respond briefly to the remarks of the Senator from Ohio and the Senator from Indiana.

We cannot compare what happened in Vietnam, with the SAM missile over there and the SAM–D system we are talking about here. We are planning for a SAM–D system for the battlefields of the 1980's, and the radar that makes up a component part of the system, which is at the leading edge of the technology of radar. It is a thing of absolute sophistication and beauty, if one happens to be in love with radar.

I happen to be the kind of guy who thinks that we should have a Secretary of Radar because we have so much of it. This is radar that can detect eight targets simultaneously. We are not talking about defending troop trains tomorrow but in the 1980's. I think that this is a system which will first be deployed in the early 1980's and the last deployment of the projected buy is in the late 1980's.

If we begin with engineering development, there has been no cost overrun, but if we go way, way back, I think that one could make some sort of case against the system for a cost overrun. But under the contraints of last year and the year before that, and Senators CRANSTON and BAYH with their objections, the whole full team of the Army was put to work along with the staff of the Armed Services Committee and, as a result, this program has been toned down and brought down in its overall costs.

It is a little bit ridiculous—I do not want to try to answer all these charges—but when I see statements made about the manpower needed to operate the system, and how it compares with the improved Hawk, taking an equivalent amount of the SAM–D surface-to-air defense missile development, we will find that the difference is 12,516 in favor of the SAM–D program as opposed to the improved Hawk.

So I think that this makes for a lot of fun, perhaps, in criticizing it, but I stress the high sophistication of the system.

When we talk about Vietnam, remember that in Vietnam, due to the skill we had in the battle between the electronic countermeasures and aircraft, we were able to overcome through the electronic countermeasures, the SAM missiles in Vietnam. This sophisticated SAM–D is able to look through and search through and take on anything in the way that comes along in jamming electronic countermeasures.

Let me now address the second subject and review what happened during the floor debate last year, when my good friend from California, Senator CRANSTON, introduced an amendment to delete all of the $171.4 million requested for fiscal year 1973. However, he withdrew his amendment by agreement with Senator STENNIS with the understanding that the committee would conduct a thorough review of the program and hold separate hearings on the fiscal year 1974 request.

The subcommittee has been scrupulously painstaking in satisfying this commitment. The committee staff conducted a series of meetings throughout the year with the Army and the prime contractor, Raytheon. Visits were made to the contractor's plant by the committee staff and separately by members of Senator CRANSTON's staff. Formal hearings were held and attended by Senator CRANSTON as well as his staff members. An offer was made to Senator CRANSTON to hold open hearings to provide outside witnesses as well as the contractor an opportunity to testify, but he declined because he was satisfied with the steps already taken by the committee. And, finally, the General Accounting Office was requested to investigate certain aspects of the program.

I have looked into this program personally, and I have determined that the Army and Raytheon have performed in an outstanding manner during the past year. It is satisfying to be able to say of at least this major development program that it is progressing satisfactorily, on schedule, within cost estimates, and with no major unresolved technical problems. Moreover, with the encouragement of the committee, the program has been reduced in total cost from last year by some $759 million, from $5.24 billion to $4.48 billion.

Turning now to my third subject, the committee gave serious consideration to the arguments made last year to terminate SAM–D and was successful in setting each one of them aside. But let me examine and dispose of each of these arguments in turn.

First. Further schedule slippage may reasonably be anticipated. The SAM–D program has successfully completed its first 17 months of Engineering Development. The program is on schedule and within costs as specified by the Department of Defense in the Development Concept Paper approving SAM–D's entry into Engineering Development in March 1972. In fact, some work is ahead of schedule. Modification of the advanced development fire control group for use as the demonstration fire section at White Sands Missile Range is complete, and it is now being shipped 2 months earlier than scheduled.

Second. The cost growth in the SAM–D program has been drastic. The SAM–D program costs have not grown; in fact the program has been reduced by approximately $759 million from the estimated cost of last year. The reduction in program costs is primarily due to a reduction in the quantity of ground support equipment and missiles; however, part of the reduction is due to the deletion of RDTE and procurement funds associated with the nuclear and antimissile requirements and the reduced military construction requirement.

Third. SAM–D is vulnerable to antiradiation missiles (ARM's). Antiradiation missiles—ARM's—require an electronic signature suitable for their guidance. An air defense system such as SAM–D must survive and be effective in the ARM environment. The SAM–D missile range and speed, reaction time, radar capabilities and system provides the potential capability to engage the ARM carrying aircraft or the ARM itself. If this should fail, the orderly programing of the radar by the computer could control the radar emission in one of a number of possible deceptive countermeasures.

Fourth. SAM–D's one radar per fire section makes it vulnerable to enemy attack. The single SAM–D radar provides increased system survivability since it is easier to camouflage than mechanically rotating radar antennas. The SAM–D radar is hardened to survive in a tactical nuclear environment. The inherent technology of the SAM–D electronically scanned, multifunction phased array radar permits use of operating techniques that can reduce the effectiveness of antiradiation missiles. In addition, SAM–D has only a minimum number of major equipment items which will be widely dispersed with a few interconnecting cables.

SAM–D has been designed from the start to survive on the battlefield. The single radar is not a liability; instead it serves to reduce the vulnerability of the SAM–D system.

Fifth. Possible alternative systems, that is, Improved Hawk, improved low altitude missile, a tactical AWACS, the F–15, and the lightweight fighter. The threat for the 1980's will outstrip our current air defense capability. The threat aircraft will be much faster and more maneuverable than their predecessors, and they will operate in an intense electronic counter-measures environment. Both Nike Hercules and Improved Hawk have limited rates of fire and will not be able to cope with the aircraft maximum evasive maneuvers. In the electronic countermeasures environment of the 1980s, Nike Hercules will be virtually ineffective, and Improved Hawk will have only a limited capability.

SAM–D with its multifunction phased array radar, digital data processing, high rate of fire, and track-via-missile guidance will possess a greatly increased capability over the present systems against saturation attacks, electronic countermeasures and maneuvering target.

The air defense of the field army, including Air Force fighter aircraft, is a team effort with each element of the team contributing its share to the air defense battle.

Six. Lack of NATO interest. Development of the SAM–D air defense system has been unilateral. In fact, security classification on the SAM–D missile system precluded discussion with our NATO allies until December 1971. Since that time our NATO allies have attended a number of briefings and have continued to show interest in the SAM–D program.

A four-nation symposium—United Kingdom, Federal Republic of Germany, France, and the United States—on air defense research and development was held March 12–14, 1973, at Garmish, Germany, the purpose of which was to identify areas of mutual R. & D. interest for SAM's of the future. A U.S. representative briefed on medium/large surface-to-air missile system requirements and how the SAM–D system fulfills these requirements. All three European nations, France, Great Britain, and the Federal Republic of Germany, agree there is a need for an advanced SAM due to the increased threat generated by ECM and longer range air-to-surface missiles. The European members regard the present SAM–D configuration as complex and expensive; however, they indicated that they will not undertake unilateral national development of a medium to large SAM and that it is clearly an important field for cooperation. It was further indicated that SAM–D technology may be relevant to their desired systems and that such possibilities should be explored.

Direct bilteral exchange of information on U.S. SAM–D and Federal Republic of Germany medium SAM requirements was conducted in Bonn just last month. This exchange of information included detailed U.S. briefings on SAM–D operational concepts in Europe. SAM–D requirements, technical description, cost and effectiveness analyses and the engineering development and production program.

Mr. President, turning to my last subject, my distinguished colleague has made a number of additional arguments with which I do not agree, or which are factually in error. This may have happened because his staff does not have security clearances and therefore could not obtain any of the confidential and secret details contained in either the Army comprehensive 1970 Air Defense Evaluation Board study or in the classified version of the General Accounting Office report on SAM–D. Some of the conclusions stated obviously have been derived from bits and pieces of published and, in some cases, misleading information. This is comparable to an attorney making his arguments based on hearsay evidence but not on basic hard facts.

If the Senator's staff had the required clearances and then could devote the amount of time needed to examine the details of the Army Board study and the GAO study, each of which took about a year and numerous technical and military people to conduct, I would be surprised if the conclusions and recommendations made to the Senator would be the same. In fact, if the compounding of errors in the facts as stated by the Senator could be undone, and if the correct and complete facts could be presented to the Senator on a classified basis, I believe that he could be convinced that his amendment lacks merit and that it should be withdrawn.

I have a separate statement which addresses each of the major errors of fact and I request unanimous approval to have it inserted at this point in the RECORD.

Some of my colleagues will make separate statements covering several other major aspects of the SAM–D program, and based upon the specific facts obtained during the committee hearings.

Let me now briefly address the financial implication of the SAM–D research and development program. Through June 30, 1973, a total of $558 million already has been spent, which has carried the program to about the halfway mark. The additional $194 million requested increases this to $752 million, or 62 percent of the total development cost. Contractor and major subcontractor employment has reached its peak of 3,603 employees, and the program has peaked out at its highest level of spending. Any reduction of funds in fiscal year 1974 would require the disruptive firing of people, termination or slowdown of many subcontracts and vendors, delay and stretchout of a program that is progressing smoothly and on schedule, and result in the inevitable increase of total program costs.

In conclusion, Mr. President, let me point out that last year the Armed Services Committee in recommending approval of the full $171.4 million requested for fiscal year 1973, made the following observations in its report:

> The committee considers approval of the $171.4 million does not constitute a commitment to production. Technical progress and development costs will be closely monitored to insure that the expenditure of these funds in addition to the $386.9 million provided previously clearly supports further development efforts. In this regard, the Army is encouraged to continue its efforts to manage this program in an austere and closely controlled manner.

The Army has complied with this direction to the letter and has managed this program with a high degree of competence. The contract team also deserves high marks for the accomplishment to date. Approval of the fiscal year 1974 request does not constitute a commitment to production but merely the next step in an orderly development program.

I have attempted to cover many of the major issues raised by the distinguished Senator from Indiana and by the General Accounting Office. I am satisfied that they either are without merit or are of little importance. I am convinced that we need SAM–D to provide our Army with a modern air defense system to meet the sophisticated enemy of the future. I urge that all of you join me in voting the full amount of $194 million requested by the Army to continue this essential development program. The very lives of our soldiers are at stake.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Errors of Fact in Statements Supporting Proposed Amendment

Statement: "SAM–D is still 7 years from production" and "total production cost now estimated at 4.5B."

Rebuttal: The SAM–D, 31 March 1973, Selected Acquisition Report, submitted by the Army and approved by DOD, shows, on page 5, a programmed Limited Production Contract Award Decision scheduled for June 1977 and a full production decision for 1979—that to me says, SAM–D is less than 4 years from first production and 6 years from full production (not 7 years from production). That same SAR, on page 8 shows total procurement costs to be $3.27B and not $4.5B as quoted by proponents of the amendment now being considered. The difference of $1.2B is actually the total development costs from 1965 to completion.

Statement: "Maintenance costs over 10 years—$2.8B over Improved Hawk."

Rebuttal: The estimate referred to is that made by the Department of Defense on page 8 of Development Concept Paper No. 50—the number stated there is $2.2B ($600M different from the quoted figure) and it refers to a total ten-year life cycle cost which, as we all know, includes development, investment and operation costs of which maintenance is only a very small part. The "fact sheet" also states that the Army estimate of SAM–D maintenance costs was derived from assuming that maintenance time could be reduced to .01 hours per hour of operation. The requirement for SAM–D is .07 hours of maintenance per hour of operation and the Army's estimates are based on that figure which of course is 7 times as much as the .01 quoted by the opponents of this worthy system.

Statement: "Army estimates indicate that it would cost the U.S. 19–25 times as much to counter the projected enemy threat as it would cost the enemy to counter SAM–D."

Rebuttal: We know of no such Army estimate and the Army denies ever having indicated such an estimate.

Statement: "The Army's Air Defense Evaluation Board—ADEB—which found that the SAM–D was more cost effective than the Improved Hawk itself, specifically acknowledged that 'either system is adequate to meet the anticipated—ECM—threat.' "

Rebuttal: Page 38 of the ADER Report states: "Employed in sufficient numbers and in conjunction with improved short range air defense weapons, either Improved Hawk or the ADEB SAM–D weapon system is capable of providing an adequate defense against the non-nuclear air supported threat to the Army in the field. The key point here is the term "sufficient numbers." Although the numbers themselves are classified the required ratio of approximately 4 Improved Hawks to one SAM–D is not. The ADEB conclusion on page 62 of the same summary report states: "The estimated life-cycle cost of ADEB SAM–D is 30 percent of the life-cycle cost of an equally effective deployment of Improved Hawk.

Statement: "Yet the Air Defense Evaluation Board cost effectiveness study assumed that the Hawks and something they called Improved Hercules would be retained to complement the SAM–D."

Rebuttal: The ADEB did not assume that Hawk or Hercules, would be used to complement SAM–D, Hawk and Hercules would be phased out as soon as possible as SAM–D became available. SAM–D would be complemented by short range air defense systems such as improved versions of Redeye, Chaparral, and Vulcan.

Statement: "As for maintenance, the Army's own studies show that over a ten year period it will cost $2.2 billion more to maintain and operate the SAM–D system than it would to operate the alternative system. . . ."

Rebuttal: The $2.2 billion figure (apparently converted from the $2.8B quoted in the first fact sheet) is a ten year life cycle cost estimate by OSD which includes development, investment and operational costs, not just the cost to maintain and operate. The $2.2 billion does not take into consideration that it would be necessary to quadruple the number of currently planned Improved HAWK units to provide for adequate defense.

Statement: "For ten years it will cost $102M to maintain one SAM–D battery as opposed to $43M for the Improved HAWK."

Rebuttal: Again the figures used are total life cycle cost figures rather than maintenance cost figures and address currently planned quantities of Improved HAWK batteries rather than the quadrupled quantities required to provide adequate defense.

Statement: "Recently the contractor has reduced the maintenance free period to one-sixth of the previous requirements."

Rebuttal: The SAM–D missile is a certified round of ammunition and a requirement exists for a specified missile reliability at the end of two to three years of missile storage. In addition, the Missile reliability must not be degraded as a result of the missile round being deployed in the field for a minimum of six months. These requirements are valid.

Response to Senator Birch Bayh's Letter on SAM–D

GENERAL COMMENTS

1. "Already its cost is 350% higher than estimated."

This statement is a comparison of the estimated cost of a SAM–D tactical fire section computed in 1976 versus the current estimate. This comparison does not adequately portray the cost trail. The most significant reasons for the unit cost increase are economic escalation/inflation, a decrease in the quantity of equipment to be procured and a change in the method of estimating the costs. Economic escalation/inflation, not included in the 1967 estimate alone accounts for almost 42 percent of the cost increase. In addition, 27 percent of the increase results from reducing the number of fire sections to be procured, but the firepower per section has increased. An additional 17 percent of the increase can be attributed to a change in the method of estimating the costs. A balance of about 14 percent could be charged as an increase due to engineering and schedule changes as a result of the development program between 1967 and 1972.

2. "SAM-D costs seven times more than the Improved HAWK."

The two most significant reasons why this cost comparison is not valid are:

(1) *System Capabilities:* One SAM-D battery provides a greater rate of firepower than the combined capabilities of seven Improved HAWK batteries. SAM-D's capabilities against saturation attacks and electronic and tactical countermeasures give it the ability to survive and be effective in situations where Improved HAWK could not be. A cost comparison of one SAM-D battery and seven Improved HAWK batteries turns out to be much in SAM-D's favor when operating and maintenance costs are considered.

(2) *Equipment Costed:* An Improved HAWK Battery, other than new missiles and a ground based computer, is merely a series of modification kits applied to Basic HAWK ground equipment (mods to five Basic HAWK radars and the associated launchers). The quoted cost is for missiles, computer and modification kits only and does not include the cost of the large numbers of inherited Basic HAWK equipments. If additional Improved HAWK batteries were bought to make up in part for its lesser capability, the costs would of course be much higher.

3. "Drastic change in mission, none of the technical characteristics were altered."

In 1960, the Field Army Ballistic Missile Defense System (FABMDS) program was designed primarily for defense against ballistic missiles. The program was terminated in late 1962. The next program was Army Air Defense System—1970's (AADS-70). ADDS-70 was to have a lesser capability than FAB MDS but still designed to defend against the ballistic missile threat and was to defend against the air supported aircraft. Again, this conceptual system was too complex and too costly for development. In 1964, the Secretary of Defense reoriented the program against specific class of air supported threat target and renamed it Surface-to-Air Missile Development (SAM-D). Any anti-tactical ballistic missile capability would be attained only as a fallout of optimizing against the air supported threat. In 1970, the Chief of Staff Army directed a SAM-D study for defense against the non-nuclear air supported threat to the Army in the field. The current program supports the results of that study and the system design is so optimized.

4. "Wingless missile is easy to outmaneuver."

The wingless SAM-D missile can outmaneuver and defeat any known or predicted enemy aircraft. The manifold requirements for SAM-D to successfully engage and detect targets at long ranges from low to high altitudes while these targets are employing sophisticated electronic and tactical countermeasures, dictated the decision to employ a wingless missile. Tradeoff studies have repeatedly shown that the weight, space, cost and design penalties incurred by a winged missile have eliminated it from further consideration. The current missile configuration was designed, fabricated, and successfully flight tested during Advanced Development.

5. "SAM-D can be exhausted by decoys."

The computer control of SAM-D's electronically scanned radar beam allows many observations and comparisons of target data. The flexibility and potential provided by the computer program make the cost of effective decoys comparable to that of real weapons and therefore not an attractive option for attacking SAM-D.

6. "SAM-D can be destroyed by radar-seeking or infrared missiles."

Anti-radiation missiles (ARM's) require an electronc signature suitable for their guidance. An air defense system such as SAM-D must survive and be effective in the ARM environment. The SAM-D missile range and speed, reaction time, radar capabilities and system provides the potential capability to engage the ARM carrying aircraft or the ARM itself. If this should fail, the orderly programing of the radar by the computer could control the radar emission in one of a number of possible deceptive countermeasures.

The SAM-D program includes study analyses on ARM countermeasures by both the prime contractor, Raytheon Company, and by a separate ARM analysis contractor, General Electric Company. These countermeasures will be tested and if adopted, will be included in the program in an orderly manner.

The application of built-in system capabilities, radar techniques and results of the test and evaluation program will provide SAM-D the most effective means of defeating the ARM attack.

The infrared signature characteristics of the SAM-D radar face have been investigated. Results show that at an ambient temperature of 77°F the operating SAM-D radar face reaches a temperature of approximately 154° F and is not detectable beyond 3,600 feet by an infrared seeker operating in the 3-5 micron region. Measurements have shown a tank to be detectable in the same micron region at a distance of 5,300 feet.

Current technology is concentrated in use of infrared Seekers in the 3-5 micron region, yet work is being done in R&D of seekers in the 8-14 micron region. There are many heat (hence infrared radiation) sources on the battlefield, such as trucks, generators, men, tanks, surface-to-air missile sites, etc. Each of these sources emit radiation in both the 3-5 and 8-14 micron region. Selection of seekers for a particular target must consider delivery means, characteristic of flight path, background heat sources, and contrast of target with the background. The threat of an antiradiation missile employing an infrared seeker exclusively is not considered significant due to short acquisition ranges. To effectively launch an infrared antiradiation missile, the delivery aircraft would have to penetrate to such an extent that engagement of the aircraft itself by SAM-D could preclude antiradiation launch altogether.

7. "Each fire section is, after all, a high value target. The question arises then, are we putting too many eggs in one basket?"

The SAM-D fire section with its single radar could be considered a high value target but this is true of any system that is a deterrent to the enemy. The system then becomes susceptible to attack and therefore must incorporate countermeasures to survive on the battlefield.

Actually the vulnerability of SAM-D is decreased rather than increased by the use of a single radar. The single SAM-D radar provides increased system survivability since it is easier to camouflage than mechanically rotating radar antennas. The SAM-D radar is hardened to survive in a tactical nuclear environment. The inherent technology of the SAM-D electronically scanned multifunction phased array radar permits use of operating techniques that can reduce the effectiveness of antiradiation missiles. These techniques are currently under intensive study. In addition SAM-D has only a minimum number of major equipment items which will be widely dispersed.

ISSUE: THREAT ASSESSMENT

Discussion

All Defense Intelligence Agency (DIA) projections, as well as those of the Army's Air Defense Evaluation Board (ADEB), are based upon assumptions. The DIA projections are not a response to a war in Europe but plausible projections of aircraft inventories assuming a relative status quo international environment. The numbers and types of aircraft employed in ADEB are a reasonable response if we went to war and had the two year build-up as the ADEB scenario indicated. ADEB considered families of weapon systems including SAM-D, short range air defense systems and Air Force interceptors to counter the threat.

Although these two estimates evolved from two completely different views of the international situation it is significant to note that the changes in the DIA estimate from 1970 to date lend credence to the original ADEB estimate. For instance:

(1) ADEB estimated a number of BACKFIRE aircraft in the threat and DIA estimated none. Today, DIA project a number of these aircraft in the SAM-D timeframe. ADEB estimated a number of future models, and DIA projected none. Again today, DIA indicates these future models in the threat. These future models are expected to carry increased ordnance and will have an increased degree of delivery sophistication so, therefore, they could have two to six times more damage capability than do present models.

(2) The ADEB utilization of Soviet long range aviation does not result in any over statement of aircraft threat or threat capability. DIA confirms the role of these aircraft as utilized in ADEB.

The Acting Director of Defense Intelligence Agency on 16 Jul 73 in reference to the indicated disparity between the Army and DIA concerning the SAM-D threat stated:

"The General Accounting Agency analysis is based on an Army report written in November 1970. At that time, differences existing due primarily to the threat scenario selected. However, since 1971 the DOD, Army and DIA have been working very closely on the formulation of the threat. In November 1972 the Army, in preparation of an in-depth review of the SAM-D program prior to the FY 74 budget hearings, formally requested DIA to prepare a briefing that addressed the threat to the Army in the field. Such a briefing was prepared and presented by DIA to the Army, DOD and to Congressional Staffs during late 1972 and early 1973. To the best of my knowledge, this is the threat being used throughout DOD and no disparity exists today between the Army and DIA."

ISSUE: TECHNICAL UNCERTAINTIES

Discussion

The Army is not delaying the decision to test, in fact, the system is going through a whole series of ground tests. The question is the point at which to introduce the critical tests into the flight test program. The 1970 decision, to delay the Guided Test Vehicle (GTV) flights originally planned to conclude the advanced development program, is still considered to be a sound decision. The results of captive flight tests and simulations used to test the Track-via-Missile (TVM) guidance showed this area to be a low-to-medium risk. It was originally planned that GTV guidance equipment would conform closely to prototype requirements. As the program progressed it became apparent that the GTV equipment could not be identical to that required for a prototype system. Guidance section packaging had not been sufficiently miniaturized to permit installation in allocated space. Some guidance equipment was, therefore, contained within space allocated to armament components. This was possible because there was no intent to develop or test armament components such as the warhead and fuze during Advanced Development. Much production or packaging engineering remained to be accomplished during Engineering Development. This lack of close identity between the GTVs and the prototype guidance systems was viewed as a technical support to the general agreement that the proposal to redirect the program should be implemented. Influenced by the technical, schedule, and cost environment, the GTV deletion is considered to be a desirable move from a total development program point of view since overall costs were reduced and possible.

SAM–D is required to fill the long-range Air Defense role now occupied by NIKE HERCULES and Improved HAWK. Although these existing systems provide 360° coverage with their mechanically rotating radars, the dimensions of their coverage circles are severely reduced when exposed to enemy electronic countermeasures expected in the 1980's. SAM–D has been designed to maintain its long-range engagement capabilities in the electronic countermeasures environment of the 1980's. The SAM–D radar has been designed to electronically scan a specific sector from radar horizon to its maximum altitude. The SAM–D radar is trainable and can rapidly adjust its assigned primary sector if necessary. When operating in an assigned sector, SAM–D's increased range capability actually provides more than twice the area coverage of Improved HAWK. This coverage ratio increases as the ECM threat increases. Thus SAM–D, as currently designed, has been selected by the Army as the most cost effective means of meeting the air threat to friendly forces in the 1980's and beyond.

ISSUE: HIGHER COST—FEWER UNITS

Discussion

The statement that the unit cost of one tactical fire section is now about three and one-half times (350%) the initial estimate is a gross oversimplification. This is a comparison of the current Program Unit Cost of a SAM–D Tactical Fire Section to the 1967 development estimate Program Unit Cost for a Tactical Fire Section. The point that is not explained is that the 1967 Fire Section contained only two launchers of 6 missiles each and one Fire Control vehicle containing a non-trainable radar, a computer and power source. These equipments were costed in constant FY 67 dollars to obtain the unit cost. In contrast, the current fire section contains five launchers of 4 missiles each (20 ready rounds versus 12 ready rounds of the 1967 configuration) and a Fire Control Group consisting of a trainable radar mounted on its own vehicle, a Weapons Control Computer and Prime Power Group each mounted on their own separate vehicles. These equipments are costed in FY 73 escalated dollars to determine a Program Unit Cost.

The statement that the currently estimated total program cost of SAM–D has increased only 9% since 1967. ($4031 million vs $4482 million) and that the planned procurement quantities of tactical fire sections and missiles have decreased approximately 68 and 52 percent respectively needs to be qualified. Although the number of missiles have decreased by approximately 52 percent, the number of ready missiles in the field army has reduced by less than 16 percent. The 1967 deployment concepts because of the non-trainable radar, required four fire sections per battery. Current planning, using the trainable radar requires only two fire sections per battery. The 1967 estimate for number of batteries in the field army is about the same as we are planning for today. The Continental United States (CONUS) deployments have decreased significantly from the number estimated in 1967 to the current number. The CONUS decrease in numbers of batteries is primarily the result of the major element of the threat shifting from large numbers of manned aircraft to ballistic missile and few aircraft.

ISSUE: SAM–D AND U.S. FORCE LEVELS

Discussion

SAM–D force requirements are based on meeting anticipated wartime requirements. United States national and strategic objectives, and intelligence estimates have served as a basis for planning future force structure. The force planning figures are established by creating realistic scenarios of probable wartime conditions under this guidance. Recent Army studies have validated the worldwide SAM–D force levels. The number of SAM–D batteries programmed for Europe is based on a study of increasing tensions leading to a nonnuclear conflict in Europe, which included a buildup of US ground forces and a responding Warsaw Pact increase in the threat. The total numbe of divisions in Europe is a wartime figure based on current defense planning for such conditions. The worldwide force level was determined to support the total number of U.S. divisions, active and reserve, which would become all active following initiation of hostilities. Some SAM–D fire sections would be deployed around major port areas and aerial ports or logistical airfields which would be used for the input or movement of US supplies. The total number of SAM–D fire sections including a quantity for movement during hostilities in the combat zone to provide for survivability and to maintain adequate air defense coverage of forward combat elements during changing ground situations.

ISSUE: THE IMPROVED HAWK—AN ALTERNATIVE TO THE SAM–D

Discussion

Several criticisms of the SAM-D Program are based on the results of the 1970 Air Defense Evaluation Board's (ADEB) report on the cost effectiveness of the SAM-D system. Although this report formed the basis for the Army's request to enter Engineering Development, several additional studies have since been completed—all of which generally support the ADEB conclusions.

Because the ADEB was specifically interested in determining the most cost effective approach to air defense, they considered estimates of what it would cost to provide air defense for the Army in the field over the period 1972 to 1995, depending on the combination of weapon systems which are fielded for that defense. The two combinations considered were as follows:

Combination 1: Improved HAWK costed from 1972 until replaced by SAM-D and then SAM-D costed until 1995. SAM-D replaced Improved HAWK over a ten year period.

Combination 2: Improved HAWK costed from 1972 until 1995 with the number of units deployed increased so that by the early 1980's the requisite level had been achieved for an equally effective deployment.

Although the use of the inherited Improved HAWK system resulted in lower development costs than SAM-D, greater operations costs resulted in a higher total life cycle cost than SAM-D. The cost effectiveness comparison of SAM-D and Improved HAWK was based on common criteria; that is the total life cycle cost for each system was from 1972 to 1995, the period of interest. Because Improved HAWK began deployment in 1972 and SAM-D was not scheduled to start deployment until sometime later, the total years used to calculate operating costs differed substantially. By the same token, SAM-Ds development costs are spread over a much greater period than Improved HAWK's since Improved HAWK RDTE funds ended in 1974 and SAM-D development continued through 1978.

The resulting conclusion was that the estimated life cycle cost of ADEB SAM-D was 30 percent of the life cycle cost, of an equally effective deployment (comparable firepower) of Improved HAWK.

The performance of SAM-D and the field army quantities as determined by that study have remained constant. CONUS quantities, which were not addressed in the ADEB study have since been determined by a separate study, and adjusted accordingly. No changes are contemplated to the SAM-D system concept which would negate previous cost effectiveness comparisons.

A firepower capability that is at least matched to the potential size of an air raid is fundamental to avoid defeat by a saturation attack. A defense that is overrun or knocked out by the first raid is not enhanced by a rapid reload time. Whereas, a NIKE HERCULES battery can engage only one target at a time and a HAWK battery only two targets at a time, each SAM-D section, of which there are 2 in a battery, has a capability to simultaneously engage a significant number of targets. The number of missiles which can be fired by a SAM-D firing section over a prolonged period is limited only by the number of launchers which are assigned, and there is considerable flexibility in this assignment. In fact, with software changes, there is no real limit to the number of launchers that can be controlled by an individual SAM-D radar. Careful tactical distribution of launchers and planned shuttling of them for reloading will provide the flexibility to selectively reload and continue the battle. In addition a field procedure for minimizing reloading time for SAM-D is under study as part of the development program.

HISTORY OF SAM-D PROGRAM

Mr. McINTYRE. Mr. President, SAM–D has come a long, long way. In fact, it had its inception more than 10 years ago when the Army terminated a 2-year concept formulation study of a field Army ballistic missile defense system (FABMDS) because it was too complex and too costly.

It is from that early study, back in 1960, that the requirement for a system to counter tactical ballistic missiles as well as supersonic aircraft carrying air-to-ground missiles was identified.

When my good friend from Indiana appeared before the Subcommittee on Defense Appropriations on September 12, 1973, he described SAM–D as a weapon system in search of a mission. A very catchy phrase indeed, Mr. President, but in no way a statement of fact. But rather than respond to that charge in generalities, I would like to guide my colleagues through the evolution of the weapon system which the Army has stated as essential to the mission of protecting the Army in the field. That is its mission.

In tracing the significant steps in this program, I ask unanimous approval to insert the complete details, which include the incremental costs incurred from inception through completion of the advanced development phase in February 1972 for a total cost of $293.6 million. My description also will address the change that occurred from the initial primary requirement for a system to counter a ballistic missile threat to the system now under development whose primary mission is to defend against the modern airborne supersonic threat.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SAM–D—CHRONOLOGY OF R. & D. PROGRAM

1960—Field Army Ballistic Missile Defense System (FABMDS) concept formulation study, $1.7 million.

Oct. 1962—The FABMDS study was terminated after two years because it was too complex and too costly.

Army completed study for Air Defense of Allied Command Europe (ADACE) which proposed replacement of Hercules & Hawk with an Improved Surface-to-Air Missile (ISAM). Less complex and costly than FABMDS, would be optimized against air supported threat of 1970s with inherent anti-tactical ballistic missile (ATBM) capability.

Study was renamed Army Air Defense Systems—1970s (AADS–70s). AADS–70s was to provide defense against tactical ballistic missiles of shorter range than in FABMDS and to defend againt supersonic aircraft, $5.8 million.

Oct. 1964—Secretary of Defense directed reorientation of the program to optimize against the modern airborne supersonic threat. The name AADS–70s was dropped and renamed Surface-to-Air Missile Development (SAM–D). Sam–D was to be optimized against the modern supersonic threat. Any antitactical ballistic missile capability would be only as a fallout to this primary requirement.

Feb. 1965—The trade-off studies conducted from 1963–1965 were evaluated to complete the concept formulation phase of the program. A joint Army/Navy group studied the commonality between the Army Sam–D program and the Navy's Advanced Surface Missile System (ASMS), and concluded that there were only a few areas of potential commonality due to the peculiar differences in the system operation and deployment environments, $18.5 million.

Mar. 1966—Office Secretary of Defense directed the Army to proceed with Advanced Development of SAM–D by Contract Definition (CD) to identify alternative technical options, system costs, patterns of funding and decision points relevant to a variety of program options from which a selection could be made of an integrated system for development. The Army also was directed to conduct a cost effectiveness study including Nike Hercules and Hawk.

Aug. 1966—Three 6-month CD contracts were awarded to Hughes, RCA, and Raytheon, $16.2 million.

May 1967—The Secretary of Defense confirmed the decision of the Army selecting Raytheon to proceed with advanced development and a letter contract for a 28-months effort was awarded on 19 May 1967, $136.8 million.

Aug. 1967—The study of cost and effectiveness of Sam–D compared with Nike Hercules and Hawk was completed and concluded that the Sam–D coupled with complementary air defense systems represents the most cost-effective Army air defense to counter the threat in the post 1975 time frame.

May 1969—Deputy Secretary of Defense decision continued Sam–D in advanced development. Army proposal to start engineering development was denied because of uncertainities in system cost and effectiveness.

Sept. 1969—The basic advanced development contract was modified by deletion of certain advanced development (AD) tasks and all engineering development (ED) long lead time items, minus $20.8 million.

Feb. 1970—The AD contract was modified to complete AD program objectives including additional testing and checkout of fire control equipment, missile flight program (propulsion, control and test vehicles), captive flight tests and establishment of the guidance test and simulation facility, $84.5 million.

March 1970—Army Air Defense Evaluation Board (ADEB) study to evaluate the Sam–D Qualitative Material Requirement (QMR) and to determine the program readiness to enter engineering development concluded that Sam–D should enter engineering development in FY 1972 based on the ADEB QMR as modified to maintain the option to add a nuclear warhead and antimissile capability. Army approved this on November 19, 1970.

June 1970—The AD contract was revised to delete the Guidance Test Vehicle flight tests. Engineering development definition (EDD) was added to define the total Sam–D system including subsystem specifications to establish a baseline to develop the total ED program plan. Contract extended to May 1972, $17.2 million.

Aug. 1970—AD contract modified to include the first Supplementary Advance Development (SAD) effort to conduct selected critical study and hardware tasks necessary for reducing risk and lead-time during full scale ED, $8.4 million.

Dec. 1970—Second and concluding portion of SAD effort added to complete SAD tasks previously initiated and approved, $32.8 million.

Feb. 1972—The Sam–D advanced development program was completed. Objectives of the program to validate the system concept derived from the Sam–D contract definition and to functionally demonstrate experimental system hardware performance capabilities through a series of analyses, tests, and demonstrations. All objectives were satisfactorily accomplished.

Mar. 1972—The Deputy Secretary of Defense approved Sam–D engineering development. A contract for full engineering development was executed with Raytheon Company on March 31, 1972.

Dec. 1972—Recommendations of the Sam–D Nuclear and Antimissile Capability Study by the Army approved by the Chief of Staff (1) deleted research and development and procurement funds for the nuclear warhead but retained (with minimal cost) the nuclear ancillary equipment in the ground support equipment and in the missile; (2) reduced the quantity of Sam–D fire sections for CONUS air defense; and (3) initiated research and development on an improved nonnuclear warhead.

Total Sam–D, $293.6 million.

Mr. McINTYRE. In conclusion, Mr. President, it is clear that SAM–D has had a slow, but steady, gestation period. Despite this, it has matured successfully. The engineering development program started in March 1972 is making excellent progress. Contractor testing of engineering development models will begin at the White Sands Proving Ground in May 1974 with a series of guided prototype missile flights. Let me repeat that the program is on schedule and within cost estimates. This cannot be said about many other major weapon systems under development.

Let us keep this baby alive and give it the chance it has rightly earned to prove its success. I urge my colleagues to join me in defeating the proposed amendment.

Mr. BAYH. Mr. President, I should like to ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. McINTYRE. I yield 10 minutes to the Senator from Arizona.

The PRESIDING OFFICER (Mr. Abourezk). The Senator from Arizona is recognized for 10 minutes.

MISSION AND DESCRIPTION

Mr. GOLDWATER. Mr. President, SAM-D will replace Nike Hercules and improved Hawk in providing air defense of the Army in the field and the continental United States. In the field Army, SAM–D defenses will be complemented by short-range, low-altitude forward area air defense weapons and will be integrated with the U.S. Air Force in the overall air defense of the theater of operations. In the United States, SAM–D will provide air defense forces. The advanced features of SAM–D will provide an increased capability against saturation attacks, electronic countermeasures, and maneuvering targets. The replacement of Nike Hercules and Improved Hawk with SAM–D will provide a significant reduction in manpower and maintenance requirements.

I would specifically refer to the remarks made by the Senator from New Hampshire (Mr. McIntyre) that this is a weapon of the future, a really long-range future, not getting into the act much before 1985. We are looking at the battlefield probabilities of 1990 and the 2000's.

COST

SAM–D has decreased in total program cost by almost $800 million since its entry into full scale development in March 1972. Instead of the $5.2 billion program addressed by Congress last year, SAM–D is now less than a $4.5 billion program. This figure is based on procuring missiles and radars at the escalated prices predicted through the late 1980's and yet is only about 10 percent greater than the original $4.1 billion development estimate made in 1967 using constant 1967 dollars. SAM–D is one of the few large defense projects which, if escalation/inflation had not driven up estimates, would have actually decreased in total cost since the time of its development inception and still met the originally intended requirement. It is true that the quantities planned for procurement have changed since 1967, but so has the individual fire section configuration. Although the individual fire section is considered more expensive in terms of total program cost estimates today than in 1967, the system is halfway through its development cost, is clearly defined with far less risk than the 1967 version and is tactically more effective due to its increased firepower. One SAM–D battery will provide greater rate of firepower than seven improved Hawk batteries while its capability against saturation attacks as well as electronic and tactical countermeasures provide for better survivability and versatility. The cost and manpower comparison of one SAM–D battery against seven improved Hawk batteries overwhelmingly favors SAM–D.

As of the end of fiscal year 1973, $558 million of the total $1,212.7 million total development costs had been spent. Approximately another $50 million has been spent in fiscal year 1974 under continuing resolution. To halt the program now would conservatively cost another $100 million to $150 million leaving us with 75 percent of the total development cost spent and an undemonstrated system.

TECHNOLOGY

SAM–D applies the latest solid state microelectronic technology to the job of locating, identifying, threat ordering, and destroying enemy aircraft before they destroy our forces. Specifically designed to combat high speed, modern maneuverable aircraft in sophisticated electronic and tactical countermeasure environments, SAM–D is the only known air defense system which can survive and defeat the aircraft threat predicted for the 1980's and beyond. Improved Hawk, although significantly better than basic Hawk, was designed only as an interim measure to keep pace with the threat until SAM–D could be built and fielded. The limited simultaneous engagement capability of improved Hawk eliminates it from consideration as a viable defense against saturation type attacks. Other considerations, such as missile speed and maneuverability and relative immunity to electronic countermeasures place improved Hawk well below SAM-D in effectiveness.

TESTING

The Army conducted a comprehensive 5-year advanced development program designed to minimize the possible risks associated with full scale engineering development. Presently, SAM-D is 1½ years into engineering development and ready to embark on extensive system demonstration tests. For these tests the Army is procuring 218 missiles and six sets of fire control equipment.

The test program has been designed with well defined goals which must be sequentially demonstrated prior to continuing. The most critical components will be tested early to reduce the risk of the overall program. A significant management effort has established techniques that assist in preventing cost growth and schedule slippage.

NATO INTEREST

Since World War II, our NATO allies have provided air defense of their forces with U.S. Army developed air defense systems. Now the possessors of Nike Hercules and basic Hawk, they are currently negotiating to purchase improved Hawk to maintain capabilities consistent with ours. We entered production on improved Hawk in 1969 and fielded the first battalion just about 1 year ago. This timing sequence—they decide after we test, produce and field—indicates NATO offers to buy SAM-D could not be expected until the 1980's. However, the NATO panels and their associated working groups have recognized a requirement for a medium to high altitude air defense system for the future and have shown considerable interest in SAM-D concepts and technology.

Sam-D is the only air-defense weapon that can offer our forces the protection necessary to maintain their combat effectiveness. The SAM-D concept and much of its hardware have been rigorously proved through an advanced development program to insure a minimum-risk effort. The reduced maintenance and manpower requirements and increased rate of firepower, even with fewer units, make SAM-D the cheapest solution to the Air-defense threat. The reduced manpower needs are particularly significant in view of the volunteer Army and the higher costs of personnel. SAM-D is a major part of the modernization program for equipping the Army. It is vital to our future success on the battlefield.

In closing, I point out one thing to my colleagues: In all the war games I have sat through involving possible attacks on bases in the European theater, it has been conceded that the Soviets, if they were the attacker, would use tactical nuclear weapons on their first strike. If we had no ability to stop this incoming strike from the ground, we probably would not be able to respond in time; because it should be remembered that the President has to authorize the use of tactical "nukes" anywhere, including Europe, even though the tactical "nukes" are there, ready for use.

So this type of weapon, which can be fired from the ground at any threat, does not require authority from the President; it is not nuclear; and it will be able to shoot down incoming enemy tactical aircraft which in all probability will be armed with tactical nuclear weapons.

While I realize that this is an expensive system, I also realize the great amount of time we have spent on it in committee and the arguments we have had. I still think that in the long run it is not only badly needed by the Army and the forces in the field, but that it will prove to be the cheapest. If we cancel it now and then tell the Army to develop a new system, we are going to be talking about a lot more money. I know it is expensive; nothing is cheap these days. I hope that this system can be purchased.

Mr. McINTYRE. Mr. President, I yield 5 minutes to the distinguished Senator from Rhode Island.

Mr. PASTORE. Mr. President, I do not pretend for a moment to be an expert on nuclear weapons, but I do know from my experience of having been in the Senate for 23 years and being a member of the Joint Committee on Atomic Energy, and having been intimately and very closely associated with our development in nuclear weapons, that in the world of technology we live in today is an age of miracles. One never knows, from one day to the next, just what the human mind can achieve.

I realize that this is a very expensive program and that we are dealing with an instrument that is quite exotic when it comes to its technological aspects.

It is true that in my State of Rhode Island at the Raytheon Co. about 400 people are engaged in this program, and I may be influenced in my association with the program. Representatives of the company have been in my office to justify the program. I tell Senators frankly that I have been impressed with what they have had to say.

We all recall when the Russians shot up their first sputnik. No one ever dreamed that it was going to happen, but that miracle did happen. We ourselves became so excited that John Kennedy addressed a joint session of Congress and said that our first priority was to reach and to land a man on the moon within 10 years. We were able to do it.

So today, when it comes to technology, we have reached the point that almost anything is possible. As a matter of fact, the word "atom" means, in Greek, "indivisible." The reason why the word "indivisible" was used was that no one ever believed the atom could be split.

Yet under the Stagg Stadium, in Illinois, in 1942, Enrico Fermi split the atom, creating this tremendous power that led to the atomic bomb, that led to the hydrogen bomb, that led to the nuclear submarine and nuclear surface vessels. We would not have the nuclear powerplants we have today.

The point I am making is that this is a program that was started in March 1966. By the time we will have consumed the amount of money that is authorized in this budget, we will have achieved about 62 percent of the ultimate program. I know that other people disagree with my point of view, and they do so sincerely. We have gone so far in this area, why stop now? Why throw down the drain all the money we have spent thus far, without knowing whether we can achieve our objective? As the Senator from Arizona has pointed out, there is a need for this weapon if we can achieve it. Whether or not we ever will, I do not know. How much it will cost ultimately, I do not know. But what if the Russians get it before we do?

What if we do not get it? What do we do if they get another so-called Sputnik? Will we get into another crash program and say, "Now, we have to get going and do it"?

I realize that most of the things we are doing in the defense budget may never be used. I pray that most of the things we are doing in the defense budget will never be used. I have said this publicly and privately and I repeat it now on the floor of the Senate. The only good purpose of the atomic weapon is to make sure none will ever be used by anyone because I tell Senators frankly there is much power in Russia today, in France, in Great Britain, in the United States, and Red China that they could burn this world to ashes. We could annihilate all civilization. To me, the purpose of the atomic weapon is not to fight and win a war, but to preventing war. Now how do we do that?

As I have said on this floor several times, John Kennedy was elected President of the United States on the ground that we had a missile gap. He told the people of this country that we had fallen behind after World War II, and that we needed to have conventional forces. Whether he was right or wrong is not the question to be debated here today. But when he met his crisis in 1962 it was the power behind him that averted a nuclear holocaust. It was the doom of Khrushchev. When history is recorded the best courage ever shown by Khrushchev will be that he needed the ultimatum of John Kennedy, who said—

> If you come over with your atomic warheads I'll blow up your ships.

He turned back and the minute he turned back he was out because he had discredited the Soviet Union. That is the problem we have today. From that day on the Soviet Union has taken the position this will never happen to them again.

Their position is, "We will never be humilitated again."

That is the dilemma facing this Congress and which faces the free world today. How far do we go to make certain that such a confrontation does not happen again.

I would like to vote against every item in this defense budget and say, "Chuck it all." I would like to say, "Let us take the whole $80 billion and put it in schools, put it in homes for the elderly and do things we need to do." My heart is just as big as the heart of anyone else on this floor. I have argued time and time again that this is an age of priority, and I believe that sincerely. But can we let down our guard? How far can we go in that direction?

The Senator from Nevada made a tremendous pitch for the F-14.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McINTYRE. Mr. President, I yield 2 additional minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. PASTORE. He was sustained by the Senate. He may be right and the rest of us that voted against him may be wrong. But all I am saying is we have gone so far we cannot put our finger on it and say this is it. In this day and age no one can make that assertion. Nobody knows what it is because we are living in a changing world where from day to day we wake up and find there is a new discovery, sometimes cataclysmically, but in truth it is so.

No one ever dreamed that the Russians would be able to shoot a rocket into space before we did. But we did the best we could and we met the challenge. I am saying on this SAM-D, give it another chance; give it a little more time to prove itself. Now is not the time to stop. We have come too far. Do not send the past investment down the drain.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. PASTORE. This may be the answer. Let us try to find the answer.

I yield to the Senator from Indiana.

Mr. BAYH. I have the greatest respect for the logic and the dedication of my friend from Rhode Island, and I got a lump in my throat when he described—

I got a lump in my throat when I was reminded of the situation from which John Kennedy extracted us.

I want to point out to my friend from Rhode Island that the question is not the size of the heart, but the size of the military budget.

Also I wish to ask the Senator: Was this not the same argument used to go ahead with the Cheyenne helicopter and the main battle tank? Was it not argued then that, "We have $500 million invested now, and we cannot afford to stop; let us go ahead and pour another $200 million down the rathole."

Mr. PASTORE. When we get into similitudes, it is a matter of judgment.

With reference to having a big heart, I was talking about homes for the elderly, and no one has done more in that connection than the Senator from Rhode Island.

I do not think the Senator was listening too attentively because if the Senator was following my rationale I do not think he would have gotten as excited as he is.

Mr. BAYH. The Senator from Indiana is not excited.

Mr. PASTORE. It seemed to me the Senator was excited in a melodious sort of way, but the Senator is excited. This idea that every time someone rises to challenge the position of another, that for some reason he is being irrational or does not understand the subject, is going a little too far. I have been in public life for 38 years and I have no apologies to make to anyone for any position I have taken during those 38 years.

Mr. BAYH. If my friend from Rhode Island——

Mr. PASTORE. If the Senator will let me continue, I know the impetuosity of youth. If the Senator will be patient, I will be patient, I will get around to him.

One thing the Senator from Rhode Island has never done that is to retreat from an argument.

All I am saying here is that the time has come for us to realize the potentiality. We talk about what the future has in store. Oh, of course, we rejoiced when Nixon went to Peking and tipped the champagne glasses with the leaders of China, and we all rejoiced when he then went to Moscow and tipped those glasses with the leaders there and got on the television network and told the Russian people how much we loved them. When he came back and threw out that nice red carpet for the prisoners of war, we all rejoiced in that.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PASTORE. Mr. President, may I have a few more minutes?

Mr. McINTYRE. I yield 2 minutes additional to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. PASTORE. All I am saying here is to give this matter a healthy chance. We have supported the Senator from Indiana on many issues where we were in doubt, but we had confidence in his judgment and his integrity. The Senate is going to hear from the distinguished Senator from Massachusetts. The Senate has heard from the Senator from Rhode Island; the Senate has heard from the Senator from Arizona; the Senate has heard from the Senator from New Hampshire; and the Senate has heard from the Senator from Florida. We are reasonable people. All we are saying at this moment—to use a cliche one hears over at the Watergate hearings—at this point in time, it is about time we gave this thing a chance.

That is all I have to say. I hope the amendment is rejected. Now, if the Senator wishes me to, I am glad to yield.

Mr. BAYH. I learned a lesson. I will yield on my own time.

Mr. PASTORE. I hoped the Senator would because I do not have much left.

Mr. McINTYRE. I thank my good friend from Rhode Island for his able remarks.

Mr. BAYH. Mr. President, I yield myself 1 minute. Somehow or other twice this afternoon I have tried to pay my friend from Rhode Island a compliment and somehow or other there is a screen between hither and yon and what I say turns out to be a dirty jab.

Mr. PASTORE. I never said that.

Mr. BAYH. I think the Senator from Rhode Island has the biggest heart in the Senate. I do not question his judgment or his motives, nor do I question the motives of anyone here. I do not think that is in good judgment.

I think we are trying to look at the place this weapon system has in our overall arsenal, If I could be convinced that it has a good place in it, I would be on the side of the Senator from Rhode Island. If I thought we would get a dollar's worth of defense for a dollar's worth of taxes, I would be on the side of the Senator from Rhode Island.

I expect that that side has enough votes to beat us, but I will bet that within the next year or 2 years we will all be coming back here and we will be even more frustrated at the cost overrun and time lag. The argument will be made that, instead of the $500 million, we will have to have $700 million or $1 billion, and then the perpetual system is going to go on, just like the Cheyenne helicopter and the main battle tank went on until Congress had its fill and said, "No more." I am glad to yield to the Senator from Nevada.

Mr. PASTORE. If I may have half a minute——

Mr. BAYH. I yield half a minute to the Senator.

Mr. PASTORE. If we get into overruns this next year, I will be the first one to get up and say we ought to call it quits, but the fact remains that as of the moment I think it would be a sad mistake for us to do that. That is all I am saying.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. McINTYRE. Mr. President, I want to agree with the Senator from Rhode Island. I think that during the course of the earlier part of this week, Senators have heard me talk about overruns. If this program starts to show overruns or overcosts, I will be the first one to say "No."

I want to point out that there is a distinction in the comparison of the Cheyenne program and this program. The Cheyenne helicopter got itself into production at the same time they were trying to develop it. This is the concurrency we worry about. We do not have that in SAM-D.

Mr. BAYH. Mr. President, if the Senator will yield, I point out that the Army has already violated its own regulations. It has gone into engineering and development before it has tried it out. Its own manual says that should not be. It is doing that in spite of its own prohibition.

Mr. President, I yield to the Senator from Nevada.

Mr. CANNON. Mr. President, I am sorry we do not have more of our colleagues on the floor, because I have no illusions about being able to convince the minds of those who are here and listening and who admit that the company is in the State building the system. I say that in good humor, but I have no illusions about it.

Mr. President, I wish to support the amendment of Senator BAYH to the fiscal year 1974 Defense authorization bill to delete funding for SAM-D. My basic reason for being against SAM-D has not changed since last year, namely that it is too expensive to be bought in adequate quantities to be used as an area defense system. Therefore, the limited quantities of SAM-D fire units that could be purchased makes them a high value target potentially vulnerable to mass attacks.

I heard some strong words from the Senator from Rhode Island and the Senator from New Hampshire a few moments ago about the fact that they did not show cost overruns in this particular system, but I would like to point this out. I do not know what the difference between escalation of cost and overrun is, but the unit cost of this system has escalated 350 percent since this system was first approved. I repeat, 350 percent since it was first approved in 1967.

That may not be a cost overrun, but a 350-percent escalation in cost is something worth considering.

I would also point out that the cost to field a SAM–D fire unit will average $1.3 million per missile.

I am sorry the Senator from Rhode Island is not here now, because he was talking about housing for the poor a few minutes ago. When we think in terms of $1.3 million for each missile to field the unit, to put it out in the field ready to fire it, and every time it is fired to has just shot off $1.3 million, I think that ought to be equated in terms of the cost of housing for the poor.

Another disturbing factor is that this system will be used by the 7th Army in Europe. Who is involved with our 7th Army and what is it there for? Our 7th Army is there to protect Central Europe, along with our NATO allies.

Where do our NATO allies stand on that issue? I will tell the Senator where they stand. They do not want the system because it is too expensive and they cannot afford it, and they are the countries that are interested in being defended.

What is SAM–D's history? The Senator from Rhode Island has said, let us give it a chance.

SAM–D began as an intermediate range antiballistic missile, but its mission now is for use against tactical aircraft. We have no mission for SAM–D in light of its original program. Its mission is against tactical aircraft. It is said that it has a great increase in altitude capability. It has. I am sorry the figures are classified and I cannot tell what the altitude capability is, but I will tell the Senate the improved Hawk can reach to an altitude that can attack any tactical aircraft in the Russian inventory today. Any tactical aircraft in the Russian inventory today can be reached by the improved Hawk.

Tactical aircraft do not fly at 80,000 or 90,000 feet. They fly down where they can be used in their air-to-ground role. Their normal activity is from 16,000 feet to sea level or to ground level. That is their basic operating altitude. So why are we talking about a weapon that can fire at some tremendously high altitude that has no opportunity to fire at anything up there?

In spite of this change, all of the sophisticated radar and computer equipment has been retained. I must agree that these capabilities are not necessary for a conventional air defense weapon and that the improved Hawk missile would be adequate to meet the threat.

Also a problem area exists in that SAM–D radar can only be aimed in one 90 degree quadrant at any given time. This makes it potentially vulnerable to a coordinated attack from many quadrants, even though eight missiles can be guided simultaneously in any one quadrant.

Indications from our Southeast Asia experience shows the ARM missile a significant threat to SAM–D. Army studies show SAM–D has a 0.3 probability of surviving an ARM attack. Put another way, the ARM has a 0.7 probability of killing SAM–D. If the SAM–D is shot down, then the ARM kill probability drops to 0.001. Then the ARM has achieved suppression.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. BAYH. There has been a discussion about the sophistication of the phased array radar, which is not more than the Hawk radar. Is not the Hawk radar more than sufficient to do the job with that weapon system?

Mr. CANNON. Absolutely.

Mr. BAYH. I have had to rely on others for expertise. The Senator has been there. Is it not accurate to point out that one of the factors in the phased array radar in combating tactical ballistic missiles is that that generates sufficiently more heat that even if it were shut off it would be more vulnerable to an infrared heat-seeking missile than the Hawk-type radar?

Mr. CANNON. Mr. President, absolutely. The radar reports are much more powerful. They do use more power. They put out a greater signal, and they do have an opportunity for a suppression weapon approach on them.

Another very bad feature of the SAM–D is that if one is on a tactical mission, he would want a weapon that would reload fast. The SAM–D reloading time is estimated to take 1 hour. The missiles are stored in a box in units of four. They are very heavy and difficult to reload.

The Hawk takes 3 to 15 minutes to reload. This is a very important matter in front line activity.

When considered on a cost basis, a new Hawk battery's firepower consisting of 18 missiles is $9 million, whereas the cost of a SAM–D fire section is about $25 million which includes R. & D. not yet spent for 20 missiles.

I certainly agree with the Army that air defense protection for our field Army is a highly important mission.

However, I feel that to rely on the overly-sophisticated, high cost SAM–D to replace our Hercules and Hawk missiles, as the Army plans, will reduce, and not strengthen our Army's defenses against air attack.

The cost of the SAM–D surface-to-air missile program this year will be $194.2 million, a further step toward what will ultimately be a multibillion dollar program.

Again, I am sorry that the distinguished Senator from Rhode Island who showed his concern and commented on his concern for housing for the poor is not present to listen to this. I think that this is a very important fact.

As was true of the now abandoned ABM system—abandoned at a cost to the taxpayers of $5.1 billion dollars—SAM–D has been a system in search of a mission.

This system was conceived originally to be, in part, a limited type of ABM, particularly for defense against tactical nuclear weapons. That explains some of its technical features, which are now less than desirable for its current mission, a field-deployed missile system designed to protect troops from attacking aircraft.

Strategic bomber defense by means of a sophisticated surface-to-air missile is difficult to justify, especially in that we have decided not to deploy an ABM system to defend the continental United States against strategic missiles.

I might say that my colleague, the Senator from Arizona, said that they could be used in the air defense role for the continental United States.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CANNON. Mr. President, would the Senator from Indiana yield me a few more minutes?

Mr. BAYH. Mr. President, I yield to the Senator from Nevada.

Mr. CANNON. That is the most absurd contention that I think that I have ever heard, that this system could be used in an air defense role for the continental United States. We are through with almost all of those activities in this country because we regard the ability of air attack against this country to be very remote.

So to use this missile in that type of mission reaches the height of absurdity.

There is justification for maintaining limited air defenses to protect our air space from unauthorized intrusions, but modern manned fighter interceptors can handle such missions.

The SAM–D program is a good illustration of the problems of concurrency and misdirected technical capabilities that have been characteristic of some weapon system failures.

In this regard, a possible area of trouble are two important technical features of this system, the guidance and the fusing which are not scheduled for flight testing until late in its development program.

The capability to track and fire several missiles simultaneously, a hold-over from its early days as a partial ABM, is not as important in air defense as a rapid-reload capability; and the reload capability of the SAM–D, as previously pointed out, is considerably slower than that of the improved Hawk missile it is intended to replace.

I, accordingly, recommend the funding for this program be terminated.

Mr. BAYH. Mr. President, I thank the Senator from Nevada who has considerably more expertise in this matter than does the Senator from Indiana. His expertise has convinced him that he should join with the Senator from Indiana on this amendment.

Mr. BIDEN. Mr. President, would the Senator from Indiana yield me 1 minute?

Mr. BAYH. I yield.

Mr. BIDEN. Mr. President, I wish that the Senator from Rhode Island were able to listen to the Senator from Nevada present his statement. I think that the statement is quite compelling and in spite of his youth, it has compelled me to vote in favor of his amendment.

Mr. BAYH. Mr. President, I appreciate the comments of the old Senator from Delaware.

I yield to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, I appreciate the courtesy of the Senator from Indiana. It is difficult as acting manager of the bill to oppose recommendations of the committee. Much, if not almost all, of what the distinguished Senator from Nevada, one of the true military experts in this body, embraces a statement I made recently before the Senate Appropriations Committee, at the request of the chairman. We are both opposed to this SAM–D.

This weapon, in effect, is designed for Europe. But they in Europe have no interest in it. They say that it is too complex and too expensive and that, therefore, if we want to build it for them, we can build it.

The statements made about the Hawk missile being at least as adequate as the SAM–D are correct. We are just beginning, as we did this morning, on another tremendously expensive system, a vote we narrowly lost. This is the camel's nose under the tent, and it will run into billions of dollars. It is really a part of the abandoned ABM system, a system now abandoned at a cost to the American taxpayers, already, of over $5 billion.

Somewhere, sometime, we must achieve a true gage on the basis of true cost effectiveness, how much we actually spend on the military.

It might be of interest, inasmuch as we are building this SAM–D for Europe, to talk about something else that we are building and plan for Europe.

We have 8-inch guns in Europe that take conventional shells. The cost of a conventional 8-inch shell, in production, is some $56 apiece. Many people believe in the possibility of tactical nuclear warfare. Tactical nuclear war to us, however, actually is strategic nuclear war to the people in the country in which the nuclear weapons are fired.

We are in production also on a nuclear shell for the same gun, the very same barrel, to be used in Europe. The cost is more than $56 apiece in production. The cost of each of these shells is $402,000 in production. And the same ratio of difference, in effect, is true also with respect to 155 millimeter shells. Over $1 billion for a relatively very few shells.

We are told that we plan these shells for "use in Europe."

I asked, "Have you any agreement with, say the Germans, as to whether they will allow us to use these shells on their territory?"

They said, "We have no disagreement."

I said, "I did not ask you that. I asked if you have an agreement."

They said, "Well, we are working on it."

Later a respected friend came to visit the United States, Chancellor Brandt of Germany.

I asked, "What can I say to him to convince him that he should allow us to use these nuclear shells in this country?"

Now what do you think the answer was? The answer was, "Please do not discuss it with him at all. It is a very sensitive subject."

So here we are, spending billions more on something we do not know whether we can or cannot use them where planned.

I do not know a more conscientious Senator on military matters than the distinguished Senator from Nevada, I agree with everything he has just said. As we consider what is needed for our security and our defense, let us also consider the importance, from the standpoint of true security, of the position of the American taxpayer.

For such reasons, I support the amendment offered by the distinguished Senator from Indiana.

Mr. McINTYRE. Mr. President, I yield 5 minutes to the distinguished Senator from Massachusetts.

Mr. BROOKE. I thank my colleague from New Hampshire.

Mr. President, I have listened to the debate with great interest. I am sure that foremost in the minds of all of the debaters, whether on the side of the proponents of this issue or in opposition to it, all are concerned primarily with the security of this Nation and secondarily with the taxpayer's dollar.

Mr. President, in times of peace it becomes very difficult for a democracy to give adequate consideration to national defense needs. Our thoughts naturally turn away from defense when we are not under attack, and toward what seems to be the more compelling social and economic needs of our citizens. Several times since World War II we have prematurely and unilaterally cut back on our defensive capabilities in the belief that an "era of peace" was at hand. In each case our country's actions were mistaken by some as a lack of resolve on the part of the United States to fulfill its obligations to others and to protect its core interests. A repeat of such an error on our part must be avoided as we seek now to make another so-called détente a reality. It is in this context that the discussion over the SAM–D air defense system should take place.

Last year we were reminded vividly of the destruction of over 3,800 Russian aircraft in 6 days by the German Air Force in Operation Barbarossa in 1941. A similar result occurred in the 6-day war of 1967. These two examples suffice to illustrate that the U.S. Army must have an air defense system which can handle concentrated surprise enemy attacks if our conventional deterrent and war-waging capabilities are to remain credible.

We already have air defense systems—the high-altitude Nike-Hercules and the medium-to-low altitude improved Hawk—and the obvious question is, why do we need a new system? There are four basic reasons why the older ones cannot do the job for much longer. First, their low firepower cannot survive saturation attacks even of the type that occurred in Russia in 1941 and in Sinai in 1967. Second, the 1950's designs of Nike-Hercules and Hawk will not be able to counter the maneuver and electronic countermeasure capabilities of future aircraft. Third, the existing equipment of Nike-Hercules and Hawk will become more and more difficult to maintain. Moreover, the 1950's technology is not susceptible to further substantive improvement. Finally, the cost of supporting these older systems in manpower and dollars is too high. SAM–D will provide four times the firepower of Nike-Hercules and Hawk systems while using only half the manpower and at less than 70 percent of the operating costs of these other systems it will replace.

Perhaps as important as these technical considerations is the relevancy of SAM–D to the European contingency. The next phase of East-West negotiations will entail, in part, an examination of the mutual and balanced force reduction issue. Of key concern here will be the determination of what is meant by the term "balanced." I believe we must begin thinking about this problem in terms of equality of firepower on both sides. It is in this light that SAM–D and its capabilities become relevant. SAM–D is one of those systems that will hopefully permit the Atlantic allies to maintain a credible force posture in terms of firepower vis-a-vis the East even though there may be some imbalances in troop levels in Europe between East and West.

In sum, we need an effective air defense system to protect our field armies. We need SAM–D to enhance the credibility of our conventional defense posture. We need SAM–D to provide a possible technological offset to manpower imbalances between East and West in Europe. Present systems must be replaced at the end of this decade. The SAM–D system will do a better job with fewer people and less money, and we have no other programs on the horizon to do this job. If we are to avoid repetition of past mistakes and if we are going to try to keep our defense manpower and dollars at as low a level as an adequate defense permits, we should proceed with the orderly development of systems such as SAM–D that are relevant to present needs and future contingencies.

Therefore, Mr. President, I urge the rejection by the Senate of the pending amendment.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. BROOKE. I am happy to yield to the Senator from New Hampshire.

Mr. COTTON. I would like to commend the distinguished Senator from Massachusetts on his logical, forceful, and able analysis. I think that, coming from him, this statement should be very persuasive to the Senate and to the country, because none of us, no one in this body and I dare say no one in the State of Massachusetts, does not know how deeply the Senator from Massachusetts feels for the needy and underprivileged in this country, and how hard he works on the subcommittee on which I serve with him for the Federal Government to try to use those resources where they are so badly needed.

This dispassionate, careful analysis in a field that we dare not allow ourselves to neglect, defense, coming from him, impresses me very much, and I want to say to him it is one of the finest presentations I have heard in the Senate.

Mr. BROOKE. Mr. President, I am most grateful to my distinguished colleague, the senior Senator from New Hampshire (Mr. COTTON). I thank him for his most generous words. I am very privileged to serve on the Subcommittee on Labor, Health, Education, and Welfare and Related Agencies of the Appropriations Committee, of which he is the ranking minority member. We have worked together on important problems which require appropriations for the poor and needy in this country, but I certainly agree with him that our first obligation is the defense and security of this Nation, and if I did not feel so strongly that we needed this weapons system for our security and for the security of peace in the world, I assure him I would much rather have seen these funds allocated for the purposes of the needy and the poor. But we are cutting back on defense. We have done some of it in this defense bill already. We will do more. This is not the place to cut back. Our security cannot be compromised.

I am very grateful again for these words from a man whom I respect so much, the distinguished senior Senator from New Hampshire (Mr. COTTON).

I also thank the distinguished junior Senator from New Hampshire (Mr. McINTYRE) for yielding me more than my time to enable me to have this colloquy.

Mr. McINTYRE. Mr. President, I want to compliment the distinguished Senator from Massachusetts (Mr. BROOKE) for his brief statement. I wish it could have been longer. I do appreciate his support for our position.

Mr. BROOKE. I thank the distinguished junior Senator from New Hampshire. Sometimes our colloquies are too lengthy. We could accomplish much more if we just related the facts. I have tried to do that in this statement. So I am very grateful to my colleague.

Mr. McINTYRE. Mr. President, there is no one in this body who has a higher respect for the distinguished Senator from Nevada than myself. He serves as chairman of the Tactical Air Subcommittee on the Armed Services Committee. During the course of his remarks, I noted that he said that each of these missiles would cost in the vicinity of $1.3 million. That jolted me a little bit. His reference to the cost as being $1.3 million comes about when we take all of the development costs, and the 10 years operating costs, and the production costs, and divide it by the number of missiles to be bought, which is about 6,000 plus, and we come up with the figure of $1.3 million.

I would like the RECORD to show that the unit production cost of a SAM–D missile is less than one-tenth that figure as given by my good friend from Nevada.

Mr. BAYH. Which is how much?

Mr. McINTYRE. I want to remind Senators that what we are doing here is talking about a weapons system way downstream. We are talking about 10, 12 years ahead. We are developing a weapons system that will be able to handle the most sophisticated type of electronic countermeasures that are creeping in—I hate to say it—but it is creeping warfare.

I believe the improved Hawk is not that good. If they cannot handle the electronic countermeasures and the jamming that would occur against them, if they are dead, silenced, defeated, it does not do any good to talk about them in 1980, 1981, or 1982. That is what we are looking to.

One other point. I have been critical of NATO and the fact that they have not exuded any great interest in this sophisticated and upcoming SAM–D missile system. One of the main reasons is that we have been holding it close to our vest. They are not in on it. Just recently, in the past year, the countries of NATO have begun to show some interest in talking with our officials and we do think there is every possibility in the future that they will undertake their own defense in 1980 and may be using the SAM–D to do it.

Members of the Armed Services Committee are acutely aware of what we have to do, because of lack of cooperation and lack of a share in the defense of Europe that we get from the NATO countries, but NATO has not had a chance to take a hard look at this highly developed weapons system.

Mr. BAYH. Mr. President, I apologize to my good friend from New Hampshire for my impetuosity a few moments ago. If I might have just a couple of minutes to say that I appreciate the Senator's defining the difference between what he is discussing and what the Senator from Nevada was discussing. But I think we would all agree that we have to charge research and development to something. We cannot say we are marking up research and development to a good and better life.

Mr. McINTYRE. If we are going to do it fairly, do it as the Senator from New Hampshire does—the junior Senator from New Hampshire. He talks about the program unit cost and the production unit cost. The difference there is that when I talk about the program unit cost, I am throwing in all of the research and development that has to go into the whole system, before it can go into production.

Mr. BAYH. I say to my distinguished friend from New Hampshire that I think there is one argument and logic in equating the costs of SAM–D and another in equating the cost of the Trident, which I supported. We look at it differently. I think we have to figure out the total costs of this beast, this monster, this weapons system. Even if we take the logic which I am sure the Senator from New Hampshire feels deeply in his heart, and I would not impugn his motives at all, it costs only $100,000 per missile to fire the SAM–D; but I would like to point out that we can throw in a Shrike and kill it for only $10,000.

Mr. McINTYRE. I thank my good friend from Indiana.

At this time I yield to the distinguished ranking member of the Armed Services Committee, the Senator from South Carolina (Mr. THURMOND), for 10 minutes.

The PRESIDING OFFICER (Mr. ABOUREZK). The Senator from South Carolina is recognized for 10 minutes.

Mr. THURMOND. Mr. President, I rise in opposition to the amendment of the Senator from Indiana.

I would remind the Senate that SAM–D is one of the top priority programs of the Army. The Army has five top priority programs this year. This is one of them.

I would also remind the Senate that the Armed Services Committee carefully studied it and heard both sides and approved it by a vote of 9 to 4. They recommended approval of the full $194.2 million requested to continue the engineering development of this weapons system. In recommending approval of this amount, $194.2 million, the committee emphasized that this does not constitute a commitment to production but merely the next step in an orderly development program.

The program is progessing satisfactorily. It is on schedule. It is within the cost estimates and no known major technical problems are unresolved.

Moreover, the program has been reduced in total estimated costs by some $759 million, from five and a quarter billion dollars to a little less than four and a half billion dollars.

This has been brought about primarily by reducing the quantity of equipment required and by deleting certain unnecessary features.

Surely, we can get by just relying on the Hercules and the Hawk which we now have, but what are we going to do in the 1980's? The weapons provided for today will be the ones we will use in the 1980's.

Mr. President, this is a 1980 weapon. We cannot take the chance. We have got to be ready for the situation that we can anticipate that may arise at that time.

I would remind the Senate, as to the capabilities of this particular weapon, that SAM–D has the fire power, the multiple engagement capability, and the fast reaction to cope with increasing sophistication from any enemy air threat. No other system in the world has the capability of the SAM–D.

I would remind the Senate that the SAM–D has successfully completed its first year of engineering development. It has been completed on schedule and within the program costs, as I stated.

I would remind the Senate that the SAM–D is an integral part of the Army, for the Army must have an effective air defense wherever it goes, whether in this country, in NATO, or some other country. Thus, this is not being developed solely for the deployment of NATO in Europe although some of the NATO countries are emphasizing interest in the weapon. It is possible that they may wish to obtain this weapon later.

I remind the Senate that the concept cost effectiveness of this weapon is good. Over a decade of studies by the Defense Department, the Department has concluded that the most cost effective air defense is a single system such as the SAM–D, rather than our present two systems. Our present two systems are the Hercules, which provides for high altitude and long range, and the improved

Hawk D, which provides for a medium altitude and a medium range. The SAM-D will take the place of both, and the studies show that the single system is to be preferred over two systems.

I remind the Senate that the fire power in the SAM-D is four times greater than the current air defense systems—four to one over the present systems.

I remind the Senate that the SAM-D can survive on the battlefield better than existing systems. How can it do this? In 3 ways: First, because of its mobility. It can move from place to place. Second, because of the remote location of its small number of equipment elements. Third, the extraction of high attrition from the enemy. This is very important, because no system is of any value unless it can survive. The SAM-D is a system that the Defense Department says will be able to survive, if any can.

I remind the Senate that the personnel requirements with this system will be fewer than with the other systems. The SAM-D deployments will require several thousand fewer field army defense personnel than the current Nike-Hercules, and the improved Hawk.

I remind the Senate that the advanced technology used in designing the SAM-D inherently lends itself to a high order of combat-readiness. How does it do this? Because it has the highly reliable microelectronics imbeded in it. The present systems do not have that; therefore, they cannot be as combat-ready as the SAM-D will be.

I remind the Senate that the Soviets have demonstrated the value of good surface-to-air missiles—good SAM's. They did this in the Middle East, and they have done this by knocking down our aircraft in Vietnam.

I remind the Senate that the SAM-D is not scheduled for final procurement decision until 1979; and I repeat that this is not a production program. It is a development program, and this development must continue so that we may have the option to make the procurement decision if cost and conditions warrant.

Mr. President, in closing, I make this point: In every war we have fought, the Army has had to bear the brunt of the battle. I say that without any discredit to the Air Force or the Navy. We are proud of all of them. But if we look at the figures of those killed in the Vietnam War, they show about 1,500 in the Navy and about 1,000 in the Air Force. How many were lost in the Army? 46,000 to 47,000. And 300,000 were wounded, most of them in the Army. Again, I say it is no discredit. The Air Force did a wonderful job; the Navy did a wonderful job. But the fighting is on the ground. That is where it took place.

What is this weapon for? This weapon is to protect the man on the ground. As Senator STENNIS has said frequently, it is to protect the man who has mud on his boots, the man who is fighting on the ground. That is the purpose of SAM-D.

If we can save some lives by procuring SAM-D, if we can save the lives of the men fighting on the ground, this weapon certainly will be worthwhile.

I hope the amendment of the Senator from Indiana will be rejected.

The PRESIDING OFFICER. Who yields time?

Mr. BAYH. Mr. President, I should like to make a few summarizing remarks, and then I will be prepared to yield back the remainder of my time, unless others desire to speak.

As I said at the beginning of our discussion of our debate, the Senator from Indiana has no personal, built-in expertise in this area. Thus, I have had to rely on others.

I am amazed at the disparity between the figures that are cited by those who are in opposition and the figures that were cited by the experts on whom the Senator from Indiana relied. I trust that the Senator from Missouri, the Senator from Nevada, and others on this side of the argument are relying on the same arguments.

I point out that the Senator from Indiana relies heavily on the General Accounting Office experts, on an analysis and critique in their report to Congress. I think it is important for us to look at the fact that many people have different axes to grind around here, but the Comptroller General of the United States is responsible to us. He and his experts are responsible to Congress. They are not responsible to Raytheon or the Pentagon or the Army and all these well intentioned individuals who have built-in prejudices of which they are sometimes not even aware. The statistics we are relying on are the result of the study brought to Congress by the Comptroller General, and he is responsible only to us, nobody else.

I talked to a number of other experts, one of whom is one of the leading military test experts in the country. I said to him:

> Can I bring some other Senators in? Can I use your name?

He said:

> Well, I would like to, Senator, but I have a big house and a big mortgage, and they play awfully tough.

One of the experts the GAO brought in is someone whose name will not be mentioned now; I do not want to embarrass him. I see that he is seated in the gallery. He has been working on this kind of matter since the early 1940's. The Raython people came into my office and totally discredited the man.

I just get it up to the eyeballs with some of these people who have a vested interest in perpetuating a program that the taxpayers have to pay for, citing statistics that have no relevance to facts.

The distinguished Senator from South Carolina, who certainly is dedicated to a strong defense, talked about building to the 1980's. So did the distinguished Senator from Rhode Island and the distinguished Senator from New Hampshire, both of whom are very dedicated Senators. None of us really knows what is going to be present in the 1980's; but I think some rather basic facts are going to exist in the 1980's as they do now: that is, as that aircraft—and that is what the SAM-D is designed to destroy—is up there at 80,000 feet, 100,000 feet, or 200,000 feet, it is not going to hurt anything on the ground. No matter how fast that aircraft goes, we know now, because of the aerodynamics we have learned from our missile programs and our space programs, that vehicle has to slow down before it can discharge any armament, particularly if it is going to come down into the lower altitudes. The heat of fast speed requires it to slow down.

That means before an enemy weapon capacity can hurt our troops on the ground it has to come down to within striking distance of existing weapons systems at a speed that can be dealt with by the existing system.

As far as survival is concerned, one of the most amazing things coming to my attention—and this is the first time I have been in a weapons system fight; if we lose it will not be the last—is to have a staff man of mine, who was sitting in a briefing session with a general, whose name I will not mention because I do not want to embarrass him, and he tells the general that he does not have security classification. Then, the general went ahead and enumerated all the facts and statistics on the SAM-D versus the Hawk, fully aware of my staff man sitting there and having been told this. When we pointed out we were going to make this information available to the Senate, and the case begins to tell, we are then told that the information is classified. That compounded my concern.

I have a document here that has been translated from Russian into English. It is a textbook containing a whole layout of the Hawk system. It contains the sensitive data, all the countermeasures necessary to destroy the SAM-D. This is not a hidden volume of technology but for some reason we still call it classified.

To summarize, we are talking about protecting ground troops. I share the concern of my colleagues on the other side that the fellows with mud on their boots are on the end of the limb and they deserve to be protected. The question is how they are to be protected.

The question is: Are we going to put in a SAM-D system that is $58 million a battery, or are we going to be contented with an $8.3 million system of the present improved Hawk?

We have had so many different figures quoted. I do not want to give Senators what the Senator from Indiana says about the systems. I want to give Senators what the Comptroller General of the United States says as to whether we need one or the other. We have been told we have to have the SAM-D, that it is the only thing available in the country, in the world. Here we have the Comptroller General, after looking at all these classified documents that are not available to us, saying:

> The Army concludes that either the improved HAWK or the SAM-D system would be adequate to counter the anticipated threat.

Yet we are going to go out and build a system costing $58 million a battery when we have one costing $8.3 million. The cheapest system has 54 missiles, taking 5 minutes to reload, and the more expensive system has 40 missiles with 1 hour to reload.

I think we should learn from Vietnam. The distinguished Senator from South

Carolina talks about what happened to our troops in Vietnam. We have lost 89 percent of our pilots in Vietnam due to antiaircraft on the ground, not the SAM-D.

I wish we could shut the system off, convince the Army to go to the drawing board, and come up with a better antiaircraft weapon. We are the only country in NATO that does not have a better weapon going into an antiaircraft gun, the traditional kind of gun that shoots down our planes and that killed our men in Vietnam.

Mr. President, I wish to read into the record a letter in determining where the Army puts its own priorities. I shall read excerpts from the letter. If Senators would like to read the entire letter, it is available. It is from Malcolm Currie, Director of Defense Research and Engineering. He talks about the most critical deficiency in our air defense weapons, and a short-range missile system over a low level and low altitude capacity. I read:

> A low-altitude air defense system with a capability during night and limited visibility conditions is needed as a complement to SAM-D in rear areas and also in corps and division areas to counter heliborne assault operations and fixed-wing aircraft attacks.

So we are talking not only about what is necessary to build the SAM-D, but now we come along and talk about building another system to protect the SAM-D. I do not know where this thing is going to end.

Mr. McINTYRE. Mr. President, will the Senator please put the entire letter in the RECORD?

Mr. BAYH. I shall do so. Mr. President, I ask unanimous consent that the entire letter may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DIRECTOR OF DEFENSE
RESEARCH AND ENGINEERING,
Washington, D.C., July 26, 1973.

HON. STUART SYMINGTON,
Acting Chairman, Committee on Armed Services, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: We have recently been informed that the Tactical Air Power Subcommittee has recommended deletion of the entire $19.5M in R&D funds requested to procure a foreign-developed, U.S. manufactured, short range missile system for Army test and evaluation. This Subcommittee recommendation, if approved, would result in a serious setback in addressing the most critical deficiency in our Army air defense weapon mix.

In 1972, the Secretary of Defense approved the SAM-D development program with the understanding that the Army outyear budget would include sufficient funding to procure an improved low altitude air defense capability, which the Army Air Defense Evaluation Board recommended to provide a balanced air defense in conjunction with Improved HAWK and SAM-D.

The Army decided in 1971 to conduct preliminary tests on CROTALE to determine its potential for Army use. In June 1972, in addressing the low altitude forward area air defense problem, the Secretary of Defense approved preliminary tests and evaluations of three foreign low altitude missile systems (CROTALE, RAPIER, and ROLAND) and a parallel improvement program for CHAPARRAL. The foreign systems are candidates to either complement or replace our present inadequate low altitude air defense capability.

Even before the Army's decision to test these foreign systems, it had conducted design competitions in U.S. industry for technology and systems concepts that might provide improved capability in low altitude air defenses. The results of these and continuing investigations in this area show that any such program begun in the near future would be essentially a duplication of development already nearly completed by our European allies, and would not produce systems significantly more effective or less costly than those that would result from U.S. production of one of the foreign systems. All available evidence indicates this remains true both with regard to new system starts and to efforts that would convert the current CHAPARRAL, to a radar-directed system equivalent to these foreign systems. The CHAPARRAL improvement program now underway is testing an upgraded infrared homing guidance system and includes a prototype feasibility program for an infrared target acquisition system. These improvements, if successful, will significantly increase CHAPARRAL's capability.

The FY74 funds would be used for starting a U.S. pilot production and the remaining required tests of a selected foreign system leading to a production decision if Army tests and evaluations prove a foreign system to be more desirable than improving CHAPARRAL. Total cost of this pre-production program will be contingent on the system selected and specifics of the testing to be performed. Estimates of the costs are in preparation at the present time and will be available in the late fall when the Army is prepared to address its system selection. The results of Army preliminary tests of the three foreign missile systems indicate that all of the systems essentially meet their published performance specifications. The FRG, UK, and France are planning to procure night and adverse weather low altitude missile systems to protect critical targets, such as airfields. FRG and the UK also plan to have these systems deployed in division forward areas. There is good reason to believe that U.S. selection of one of the systems will lead to its being standardized within the NATO Alliance, thereby making a strong, positive contribution to European participation in NATO force modernization.

A low altitude air defense system with a capability during night and limited visibility conditions is needed as a complement to SAM-D in rear areas and also in corps and division areas to counter heliborne assault operations and fixed-wing aircraft attacks. The candidate foreign systems all provide this capability and studies indicate that in most scenarios one of the foreign systems is more cost effective than Improved CHAPARRAL even during clear weather conditions. It is expected that the Army's ongoing study will validate (in the 1st Quarter of FY74) the need for a low altitude air defense system with a capability during night and limited visibility conditions.

As part of our international interdependency program—which is designed to make better use of NATO R&D funds by making use of each other's developments—we have assured our NATO allies that contingent on Army tests and evaluations we plan to produce (in the U.S.) one of the three foreign-developed air defense systems. This program is being closely watched by our NATO allies. In their view, it is a test case to demonstrate our seriousness to pursue interdependency for the conservation of R&D resources. Any unnecessary further delay in this program will be interpreted as a weakening of our resolve.

In summary, the three foreign systems all appear to be excellent candidates to improve our low altitude air defense capability during clear daylight, night, and limited visibility conditions. Results of the Army's ongoing study to address requirement for a low altitude capability during night and limited visibility conditions will not be available until after the Senate Armed Services Committee action on the FY74 Authorization Bill. Delay of program initiation until FY75 would seriously disrupt a program to fulfill a critical requirement and adversely affect interdependency program efforts. Due to program delays, it is recommended that the requested FY74 budget of $19.5M be reduced to $7M and be retained to initiate this program.

Sincerely,

MALCOLM R. CURRIE.

Mr. BAYH. Mr. President, I want to touch on other things. I want the Senate to know where the statistics that deal with this argument have been coming from. They have not been coming from the corporation that has an interest. They have not been coming from the Pentagon—God bless them—because they still have an interest. They have come from our arm—the Comptroller General.

Let us look at the time schedule. The GAO report specifies, on page 8, that we have had a 76-month delay. I do not know where the other side has found the argument that we are on schedule, but at least the Comptroller General, when he looked at all the facts, came to the conclusion that we are 76 months behind time. That is worse than the delay for any other weapon system we have ever had—76 months behind time.

So far as personnel costs have been concerned, we have had many discussions about them. I want to read not what BIRCH BAYH says, but what the General Accounting Office, our investigator, says:

> The Army is planning for fewer personnel—

Then there is a blackout for security reasons.

> for the SAM-D system than for the currently deployed force—

Another blank—

> of the improved Hawk and the Nike-Hercules systems.

The DCP repeats the smaller manpower estimate but states:

> Replenishment spares and maintainance and overhead costs of the SAM-D mission equipment will cost operating costs per battery to be greater than improved Hawk, offsetting the cost advantage of fewer personnel.

It then goes on to say that:

> There would be an additional life-cycle cost increment of $2.2 billion for the field army in spite of the fewer personnel programed for . . .

It also goes on in the same report to say that in addition to the SAM-D "the improved Hawk deployment would have to be continued with an associated increase in cost and personnel to provide adequate defense from 1980 to 1990."

So far as the total costs are concerned, we have already given the GAO's analysis of the cost overrun. We have had an increase in the cost of this program this year of $104 million, and we are buying 68 percent fewer fire sections and 52 percent fewer missiles. That is how we get the figure of a 350 percent overrun. We are buying more to get less than half of what we initially contracted for.

I apologize to the Senate for taking this much time, but it seems to me we should ask ourselves whether we are not paying too much. Just as the Army came up with a better battle tank when we denied them funds for battle tanks; just as they came up with a better and less expensive helicopter when we did the same thing with respect to the Cheyenne; I am confident that if we cut off funds for the SAM–D missile, they are going to come up with a better missile and a cheaper missile and in the meantime, for the foreseeable future, we have, by their own admission, the Improved Hawk, which is fully capable to meet the threat.

Mr. McINTYRE. Mr. President, I yield myself 2 minutes.

In approximately May 1972 the GAO had been making an investigation of Army defense. It filed a report in May 1973.

I ask unanimous consent to include in the Record excerpts from pages 3159 through 3163 of the hearings of the Armed Services Committee on S. 1236, which is an item-by-item reply by DOD to GAO criticsm.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Question. The following questions or statements are based upon the GAO report on SAM–D. Will you comment on each?

The Department of Defense did not adequately apply the criteria established in its own regulations in approving the SAM–D for engineering development in March 1972 because:

a. The Army's assessment of the threat in terms of quantity and quality was greater than that determined by the [deleted].

b. Definition of some performance capabilities was not well defined [deleted].

c. Critical subsystems were not tested in advanced development.

Answer. The Defense System Acquisition Review Council (DSARC) reviewed the SAM–D program prior to entry into engineering development. This included reviewing the postulated Soviet tactical aircraft threat for a target year of 1985. The quantity of this threat, displayed in DCP #50, is comparable [deleted] difference) to that postulated in the ADEB study. As a result of the performance capabilities established during previous studies and EDD, and in response to the ADEB QMR and the MN, the system is being designed to "maintain the option to add a nuclear warhead and the [deleted]. A risk analysis developed for the DSARC showed SAM–D to be a low-to-medium risk program due to the highly successful results of a 4½ year advanced development program. The 1970 decision to delay the Guided Test Vehicle (GTV) flights originally planned to conclude the advanced development program is still considered to be a sound decision. The results of captive flight tests and simulations used to test the TVM guidance showed this area to be a low-to-medium risk. The Army continues to feel that the proper decision was made in terms of program risk and cost. [Additional classified information was furnished to the committee separately.]

Question. The penalties in performance against the primary air-supported threat and the additional complexity and cost associated with the [deleted] capability were not identified.

Answer. [Deleted] capability is inherent in the present design. [Deleted.] The system has the capability to handle the velocities and radar cross sections of the [deleted] threat, to incorporate the increased computer capacity needed, to allow interchange of warheads, and to accommodate necessary PAL devices. No other system requirements are driven by the [deleted] role as the performance obtained is derived from the requirements against aircraft.

[Additional classified information was furnished the committee separately.]

Question. The Army's Air Defense Evaluation Board's (ADEB) study of tactical air defense requirements concluded that "either the Improved Hawk or the SAM–D weapon system is capable of providing an adequate defense" (setting aside considerations of cost).

Answer. The statement regarding the adequacy of SAM–D and Improved Hawk's capability is a statement of quality meaning that either system has the physical capability to counter the threat vehicles which were used in the ADEB study. However, the study further concluded that the [deleted] system would be required to provide a credible and adequate air defense. This latter factor led to the study conclusion that life-cycle cost of SAM–D is 30 percent of the life-cycle cost of an equally effective deployment of Improved Hawk.

Question. The ADEB reports state that it was determined that no reasonably-sized air defense force could adequately defend the surface-to-surface missile units. They were thus excluded from further consideration as a criteria.

Answer. The ADEB identified [deleted] critical field army asset categories for which a damage threshold was established. A 15 percent threshold was applied to [deleted]. Analysis of the computer results indicated that the [deleted]. Consequently, this target category was removed from the calculation of adequate air defense force levels. Since minimum acceptable damage criteria were met for all the other assets, increasing the SAM–D or Improved Hawk force level solely for [deleted] defense was not considered justified. Operational procedures and passive defensive measures were recommended by the ADEB to further decrease the vulnerability of SSM sites.

[Additional classified information was furnished to the committee separately.]

Question. On a force level basis, however, vulnerability should be measured by the fraction of force that survives. By this measure SAM–D is inferior to Hawk at low altitude, losing [deleted] percent of its forces to [deleted] percent for Hawk. At medium altitude, SAM–D's best operating regime, it loses [deleted] percent compared to [deleted] percent for Hawk. These loss rates were obtained during the first raid. Extended over a 30-day period the losses should be substantially greater.

Answer. Although SAM–D, or any other ground based air defense system, may be expected to lose a portion of its units during a severe saturation raid, SAM–D would be extremely costly to the enemy since he would have to commit a much larger force to compensate for the high attrition rate [deleted] during the raid. Each SAM–D fire section can engage [deleted] targets simultaneously and concurrently prepare for follow-on engagements. This high rate of fire extracts a severe toll from the attacking force. Attrition rates of this magnitude would provide a deterrence.

SAM–D has been designed from inception to survive on the battlefield. Its capability to counter suppression tactics combined with passive defensive measures such as, [deleted] will enhance its survivability.

Question. The Army concluded that the [deleted] percent attrition rate inflicted on the attacking aircraft was the overriding factor in determining air defense system force levels and the [deleted] percent damage limiting criteria for AD units was not a driving factor.

Answer. The criterion established for air defense units was based on the air defense forces capability to limit damage to the other field army assets to an acceptable level. In adequately protecting the field army assets, if the air defense losses were somewhat greater than [deleted] percent this was considered acceptable in view of the very high (about [deleted] percent) attrition rate of enemy aircraft.

[Additional classified information was furnished to the committee separately.]

Question. Although major weapon systems are not to be moved into engineering development until technical uncertainties are resolved, the potentially problematic track-via-missile guidance system which has no operational precedent, was never flight tested and the critical warhead-fusing interface will not begin flight testing until 1974.

Answer. The 1970 decision, to delay the Guided Test Vehicle (GTV) flights originally planned to conclude the advanced development program, is still considered to be a sound decision. The results of captive flight tests and simulations used to test the TVM guidance showed this area to be a low-to-medium risk. It was originally planned that GTV guidance equipment would conform closely to prototype requirements. As the program progressed it became apparent that the GTV equipment could not be identical to that required for a prototype system. Guidance section packaging had not been sufficiently miniaturized to permit installation in allocated space. Some guidance equipment was, therefore, contained within space allocated to armament components. This was possible because there was no intent to develop or test armament components such as the warhead and fuze during ADDEV. Much production or packaging engineering remained to be accomplished during Engineering Development. This lack of close identity between the GTVs and the prototype guidance systems was viewed as a technical support to the general agreement that the proposal to redirect the program should be implemented.

Influenced by the technical, schedule, and cost environment, the GTV deletion is considered to be a desirable move from a total development program point of view since overall costs were reduced and a shorter overall development cycle was possible.

Question. Although testing of the guidance system through actual missile flight would have cost an estimated $35 million, we believe such tests would have minimized associated risks during engineering development. Fuzing problems have plagued other missile programs and the much faster SAM–D missile will require much quicker fuze sensing.

Answer. The captive flight tests and simulations give confidence that the guidance components will function properly. There was no intent to develop or test armament components such as the warhead and fuze in the GTVs. There are no currently recognized technical problems which would have been discovered if the GTVs had been fired.

Question. Other uncertainties are yet to be resolved. Studies are continuing, for example, to determine how to provide the SAM–D with 360 degree radar coverage [deleted].

Answer. In the tactical deployment of SAM–D, there are three basic considerations which will be exploited to provide "blind side" defense. These are:

(1) Mutual Support: there will be many SAM–D fire sections in the defended area. These sections will be so arranged that each fire section is within the engagement sector of one or more other fire sections.

(2) Complementing Air Defense: the Army's Short Range Air Defense (SHORAD) systems such as Vulcan, Chaparral, Stinger, etc., will be deployed in areas where masking by prominent terrain will not allow mutual support by another SAM–D.

(3) Trainability of the SAM–D Radar: The SAM–D radar will be capable of [deleted]. This allows quick reaction to targets approaching from the "Blind side" when these targets have been detected by either another SAM–D radar, a SHORAD unit or some other source.

By deploying the SAM–D Fire Sections with the above factors in mind, the possibility of a "blind side" attack can be practically eliminated. Field experience has shown with Hawk for example, that while the radar is normally limited to [deleted] coverage or less due to terrain limitations, deployment with these same above considerations can provide an all around defense capability.

[Additional classified information was furnished to the committee separately.]

Question. Both the Improved Hawk and the SAM–D are justified for their superior capability in an intense electronic countermeasure environment. In this severe ECM environment used by ADEB, the Army concluded that either the Improved Hawk or the SAM–D would be adequate to counter the anticipated threat when deployed in sufficient numbers.

Answer. It is true that ADEB concluded that Improved Hawk in sufficient numbers would be adequate to counter the anticipated threat of the 1980's. The ADEB also concluded that this would necessitate proliferation of Improved Hawk to [deleted] battalions as opposed to the presently planned [deleted] battalions of SAM–D.

Question. Because of the prolonged time required to reload the launchers, DOD officials have acknowledged the SAM–D will be vulnerable to follow-on enemy attack. The Army SAM–D project manager informed us that the Army is aware of this deficiency and studies are underway to determine the cost of either faster reloading or additional launchers.

Answer. The Army is in the process of conducting a stockpile-to-target sequence study to determine the optimum means of providing missile reload capabilities to the fire section in the field. A number of reload options are being evaluated in the study. In an option discussed previously, there could be a battery reload area a short distance from the firing position. Two A-frames, one for removal of the spent cannisters and one for the installations of ready missiles, can be set up. Once a launcher has fired its missile it moves to the reload area and can be reloaded in about [deleted]. Also in the area will be vehicles to transport the battery supply of missiles. The 5-ton wrecker option will be retained to accomplish reload of SAM–D launchers in the firing position since single round replacement is also a requirement.

Depletion of the basic load of missiles leaves the firing section vulnerable in the absence of an immediate resupply of missiles. However, the SAM–D system has two advantages. First, the near real time exchange of data and commands between the fire section and the battalion command and control group provides the battalion commander with means whereby he can distribute engagements between fire sections, thereby reserving some missiles for self-defense of the fire section when and as deemed necessary. Secondly, the SAM–D fire section can march order in [deleted] and, by vacating the firing position, protect itself from follow-on enemy attack.

[Additional classified information was furnished to the committee separately.]

Question. The Army expects the revised DCP to be finalized by March 1, 1973.

a. What significant facts are reflected which may affect the engineering development program as presently pursued, milestone schedules, quantities or costs?

b. If completed, will you provide a copy for Committee use?

Answer. The Army recommended to DOD that page 20 of the DCP be revised to reflect the 7 December 1972, Army Chief of Staff decision regarding the SAM–D Nuclear and Antimissile Capability Study to include an update of procurement unit cost estimates due to decreases in planned procurements. All significant facts which affected the engineering development program were reflected in the 31 December 1972 Selected Acquisition Report. DDR&E has elected not to revise the DCP until after the next OSD Program Review to be held not later than 13 July 1973.

Question. In postulating the threat to the 7th Army, the ADEB assumed a buildup of U.S. ground forces in Europe by [deleted] to [deleted] divisions by [deleted] and a responding Warsaw Pact increase in the number of tactical aircraft by [deleted]. Is this consistent with the present strength under approved NATO contingency plans?

Answer. Yes. The buildup of U.S. and Warsaw Pact forces assumed by the ADEB was based on a scenario which depicted an increase in tension between the Warsaw Pact and NATO. One should not conclude that the U.S. perceives an increase in tension, but rather what would be the corresponding responses if there were an increase in tension. The probability of a conflict between the Warsaw Pact and NATO is hopefully minimal, but there are various situations which could lead to a change in the current detente. Our forces must be prepared for that eventuality. Under current plans to reinforce U.S. forces committed in NATO, total U.S. divisions are increased to [deleted] assuming mobilization. Plans call for the ultimate assignment of [deleted] to support NATO if a conflict occurs.

[Additional information is classified and was furnished to the committee separately.]

Question. The total number of Soviet aircraft postulated for ADEB was [deleted] more than the number estimated by [deleted] in 1970 for the comparable period.

Answer. All [deleted] projections, as well as those of the ADEB, are based upon assumptions. The [deleted] projections are not a response to a war in Europe but plausible projections of aircraft inventories assuming a relative status quo in international environment. The numbers and types of aircraft employed in ADEB are a reasonable response if we went to war and had the two year build-up as the scenario indicated. The numbers and the type characteristics were tempered by product amortizing.

The differences should be addressed by each category and/or type of aircraft. There is a difference of [deleted].

[Additional classified information was furnished to the committee separately.]

Question. The ADEB assumed [deleted] times more future models, (Foxbat, Advanced VGW fighter, advanced tactical fighter), than [deleted].

Answer. ADEB projections were predicated upon a two year political, economic and production response to a rise in international tension as depicted in the scenario utilized. The ADEB study group, in close coordination with the intelligence community, estimated that in response to the before mentioned parameters, Warsaw Pact production lines could be reasonably estimated to produce [deleted] under current status quo production with no increase in political or economic tension.

[Classified information was furnished to the committee separately.]

Question. Future models are assumed by the Army to have [deleted] times more damage capability than current models.

Answer. Damage capability and further damage effectiveness include the functions of the type ordnance, delivery angles/altitudes and quantity of ordnance. Each of the future model aircraft are [deleted]. The aircraft utilized for the ADEB study were loaded by type mission, directly from the [deleted] approved ordnance handbook and the damage results computed using the Joint Munitions Effectiveness Manual.

Question. In establishing the requirement for the SAM–D in the rear area, the ADEB considered also many more medium bombers with larger payloads than [deleted] estimated, to attack high priority targets such as U.S. airbases [deleted] lists Badger, Blinder and Backfire only in [deleted] units and assesses that these bombers would be held in [deleted] conflict. The preceding assumptions by ADEB appear to have resulted in an overstatement of the aircraft threat when compared to the [deleted] estimate at that time.

Answer. [Deleted] estimates that only about [deleted] would be retained as strategic withhold aircraft and that the remaining [deleted] excluding the Backfire, are expected to [deleted]. During the ADEB these aircraft were ordnance loaded and flight programed utilizing approved [deleted] guidance. This [deleted] does not result in any overstatement of aircraft threat or threat capability.

Question. Your operational cost savings comparing SAM–D with Hercules and Improved Hawk are expressed in terms of a battery or fire section. How do these compare when SAM–D is fully deployed in Europe for a total SAM–D force? What is the total of the other missile forces?

Answer. The annual operating cost as shown is an average cost for the SAM–D fire section per year in a field army environment. The total annual operating cost would depend upon the number of SAM–D fire sections deployed to Europe. For example, comparing current Hercules and Hawk units in Europe to planned SAM–D peacetime deployment shows annual savings of approximately 40 million dollars. (The SAM–D force would be far more effective.) [Deleted.] Total field army missile force to include costs, show that SAM–D will save approximately 63 million dollars a year. [Deleted.]

[Additional classified information was furnished to the committee separately.]

Mr. McINTYRE. I might say that this 1-year study by GAO, according to the final word we have at the staff level of GAO, resulted in their feeling today that SAM–D has promise and will be a significant improvement as long as it proves itself technically, and we are proceeding to prove it technically this year and next.

Mr. BAYH. Mr. President, I do not know to whom my friend or his staff are talking at GAO. I have talked to a military testing expert who was afraid he would be fired if his name was made known. I have talked to a former expert in DOD systems analysis.

I do not know where these other experts are coming from, but I want to say the statistics which will be put in the RECORD were published on June 20, 1973, in an unclassified version, and that is from the experts of GAO that I have related to. They are still working there. They are still charged with that responsibility and they still stand by that report.

I yield back my time, if the Senator from New Hampshire will yield back his.

I want to compliment him for the dedication he has brought to the study of our defense budget. I disagree with him on this particular issue, but I want the record to show I really appreciate the effort he has made to try to make us more aware of the kind of money we are spending and where. Hopefully, this debate will lead in the same direction.

Mr. McINTYRE. Mr. President, I congratulate the Senator and urge him to join the Armed Services Committee. We need his talents there. It is a difficult and tough job. We can certainly use his expertise.

Mr. HARTKE. Mr. President, will the Senator yield for a question?

Mr. McINTYRE. I yield.

Mr. HARTKE. Is this the pamphlet we are talking about on SAM–D?

Mr. McINTYRE. Yes.

Mr. HARTKE. Who paid for the pamphlet?

Mr. McINTYRE. The Army paid for the pamphlet.

Mr. HARTKE. I thank the Senator.

Mr. GURNEY. Mr. President, it seems to me the problem we are addressing here is a rather simple one—and that is, do we really need SAM–D and is it worth the dollars we are being asked to expend to get it?

It is my understanding that this system is to replace two existing systems, improved Hawk and Nike Hercules. A significant step forward—utilizing the latest technology to build a new system from the ground up rather than just continue to improve existing systems. In fact, Mr. President, we have reached the end of our rope in improving Hawk and Hercules.

Basic Hawk has provided air defense for the U.S. forces for 12 years and improved Hawk will have to be in service for about 16 years before it can be completely phased out—a total of 28 years for the Hawk system. Nike Hercules, having begun defending U.S. forces in 1958 and scheduled to remain until the mid-1980's, will have been in the inventory over 25 years—a tribute to the original technology and the ability of the men maintaining and operating such a system.

What we are offered now is a chance to have a new system with greatly increased potential for adjustment to future changes in the threat.

I am by no means a technician, but even I can understand the problems involved in replacing parts in old tube-type TV's and radios—even our automotive industry has gone to integrated circuitry in their ignition systems. The improved Hawk and Hercules are a mixture of old technologies—mostly tubes, some transistors and very few integrated circuits A highly reliable missile, with predominately solid state circuitry, hardly helps when one cannot get replacement tubes to keep its target-finding ground-based radar operating.

SAM–D will provide us a system with consistency—the latest microelectronic technology—on the battlefield. Highly reliable, easy to maintain, and manned by fewer personnel, it offers significant savings in operating costs.

The key point about getting this technology into service for us is that we will have taken a giant step up the curve of flexibility and growth potential. No one knows for sure what the enemy air threat will be in 1985—12 years from now. We have those that believe the threat postulated for SAM–D is too severe and was more or less ginned up to support the program; however, there are others who claim SAM–D will be vulnerable to various threats they postulate for the 1980's. The message here is that we had better have some flexibility to adjust to whatever that threat turns out to be.

The only flexibility we have left with Hawk and Hercules is to increase their numbers which is certainly not a cost effective approach. The only logical answer to me is to continue the development of SAM–D which we have already spent 10 years on and give ourselves the opportunity to field a system that can adjust to a changing threat for a good number of years. Therefore, Mr. President, I oppose the amendment and urge my colleagues to do the same.

Mr. McINTYRE. Mr. President, I am prepared to yield back the remainder of our time.

Mr. BAYH. Mr. President, I yield back the remainder of my time.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendments, en bloc, of the Senator from Indiana. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. McCLELLAN), the Senator from North Carolina (Mr. ERVIN), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I also announce that the Senator from Iowa (Mr. CLARK) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. PACKWOOD) is necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

The Senator from Oklahoma (Mr. BARTLETT) is detained on official business.

I further announce that the Senator from New York (Mr. JAVITS) is absent for religious observance.

I further announce that the Senator from Illinois (Mr. PERCY) is absent by leave of the Senate.

On this vote, the Senator from New York (Mr. JAVITS) is paired with the Senator from Illinois (Mr. PERCY). If present and voting, the Senator from New York would vote "yea" and the Senator from Illinois would vote "nay."

The result was announced—yeas 34, nays 56, as follows:

[No. 430 Leg.]

YEAS—34

Abourezk
Bayh
Bible
Biden
Burdick
Cannon
Case
Church
Cranston
Eagleton
Fulbright
Gravel
Hart
Hartke
Haskell
Hathaway
Hollings
Hughes
Humphrey
Mansfield
Mathias
McGovern
Metcalf
Mondale
Moss
Muskie
Nelson
Proxmire
Randolph
Saxbe
Stevenson
Symington
Tunney
Williams

NAYS—56

Aiken
Allen
Baker
Beall
Bellmon
Bennett
Bentsen
Brock
Brooke
Buckley
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Hatfield
Helms
Hruska
Huddleston
Inouye
Jackson
Johnston
Kennedy
Long
Magnuson
McClure
McGee
McIntyre
Montoya
Nunn
Pastore
Pell
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stevens
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—10

Bartlett
Clark
Ervin
Javits
McClellan
Packwood
Pearson
Percy
Stennis
Taft

So Mr. BAYH's amendment was rejected.

Mr. McINTYRE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. HOLLINGS). Under the previous order, the Senate will proceed to the consideration of Humphrey amendment No. 549.

The clerk will report the amendment.

The legislative clerk read as follows:

At the appropriate place in the bill insert a new section as follows:

"SEC. (a) The Secretary of Defense shall take such action as may be necessary to reduce, by not less than one hundred and twenty-five thousand, the number of military forces of the United States assigned to duty in foreign countries on March 1, 1973. Such reduction shall be completed not later than June 30, 1975. Not less than thirty thousand of such reduction shall be completed not later than June 30, 1974.

"(b) Notwithstanding any other provision of law, no funds may be expended on or after July 1, 1975, to support or maintain military forces of the United States assigned to duty in foreign countries if the number of such forces so assigned to such duty on or after such date exceeds a number equal to the number of such forces assigned to such duty on March 1, 1973, reduced by such number as necessary to comply with the provisions of subsection (a) of this section."

The PRESIDING OFFICER. There will be 2 hours on the amendment. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, if the Senator from Minnesota will yield, I have discussed this request with the distinguished author of the amendment, the Senator from Minnesota (Mr. HUMPHREY). He is willing to cut down the time on this amendment. As it now stands, 2 hours are allotted for the amendment.

I ask unanimous consent that there be 30 minutes on the amendment to be equally divided in accordance with the usual form, that there be 10 minutes on any amendment to the amendment to be divided in accordance with the usual form, and that there be 10 minutes on any debatable motion or appeal to be equally divided in accordance with the usual form.

Mr. THURMOND. Mr. President, we are willing to have an hour on the amendment and 20 minutes on any amendment.

Mr. HUMPHREY. Mr. President, what was the suggestion made by the distinguished Senator from South Carolina?

Mr. ROBERT C. BYRD. Mr. President, the Senator from South Carolina suggested 1 hour on the amendment and 20 minutes on any amendment to the amendment.

Mr. HUMPHREY. Mr. President, I want to accommodate Senators here. I think the issue has been pretty well debated. It is on troop levels. It will not take long to state the numbers. We have stated them a number of times. Everyone wants to get out. We can make our presentations briefly.

I hope that Senators would consider our request favorably, because it is an accommodation to all of us.

The PRESIDING OFFICER. Would the Senator from West Virginia restate the request?

Mr. ROBERT C. BYRD. Mr. President, I restate my request as follows: That there be 40 minutes on the Humphrey amendment to be equally divided and controlled in accordance with the usual form, that there be 20 minutes on any amendment to the amendment to be equally divided in accordance with the usual form, and that there be 10 minutes on any debatable motion or appeal to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, it is my understanding that the distinguished Senator from Maryland (Mr. Mathias) has an amendment which has been agreed to by both the manager of the bill and the minority leader on the bill, and it will take just a moment. I want to accommodate him if he can do it quickly. I believe this is an amendment that is noncontroversial. If so, I ask unanimous consent that the Senator from Maryland be recognized without my losing my right to the floor to call up his amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 529

Mr. MATHIAS. Mr. President, I call up my amendment No. 529.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, is this an amendment to the Humphrey amendment?

Mr. MATHIAS. No, this is an amendment which is being called up by unanimous consent at this time out of order. It is an amendment which the distinguished Senator from South Carolina has reviewed, and I believe he is agreeable to it.

Mr. GRIFFIN. I withdraw my reservation.

Mr. Mathias' amendment (No. 529) is as follows:

On page 26, between lines 22 and 23, insert a new title as follows:

TITLE VII—NORTH ATLANTIC TREATY ORGANIZATION STRUCTURE

CONGRESSIONAL FINDINGS

Sec. 701. The Congress finds that the North Atlantic Treaty Organization continues to be vital to the security of the United States and reaffirms its support of that organization.

PRESIDENTIAL REVIEW

Sec. 702. In order to carry out force reductions within the North Atlantic Treaty Organization without impairing the effectiveness of military forces of that organization, and in order to strengthen congressional and public support for the North Atlantic Treaty Organization Alliance, the President shall undertake a thorough and continuing review of the United States forces assigned to or earmarked for the defense of the member states of the North Atlantic Treaty Organization to assure that United States forces so assigned will be employed in the most effective manner to achieve the purposes of the North Atlantic Treaty Organization Alliance. This review shall be carried out with a view to achieving the following goals: (1) an increase in the ratio of combat to support troops; (2) an improvement of the defense capabilities of United States forces assigned to or earmarked for the North Atlantic Treaty Organization, at existing and future reduced levels of manpower; (3) an improvement of the effectiveness of all forces deployed for the defense of the member states of the alliance through consultations with other member states of the North Atlantic Treaty Organization. The President shall report to the Congress at the end of each six-month period regarding the results of the continuing review conducted by him pursuant to this title.

CONSULTATIONS WITH NORTH ATLANTIC TREATY ALLIES

Sec. 703. The President shall, within three months after the date of enactment of this Act, enter into continuing consultations with other members of the North Atlantic Treaty Organization to (1) determine the level of United States forces required on the European continent for the defense of the alliance; (2) establish orderly procedures within the alliance for reductions of United States forces deployed in Europe; and (3) restructure the organization of North Atlantic Treaty Organization forces to take into account reductions made by the United States and other members of the North Atlantic Treaty Organization in their armed forces.

NEGOTIATIONS WITH THE WARSAW PACT TREATY ORGANIZATION

Sec. 704. The President is requested to undertake negotiations with the Warsaw Treaty Organization, in concert with other members of the North Atlantic Treaty Organization, to bring about a mutual and balanced reduction of forces deployed in Europe by both organizations.

EXPANSION OF NATO BASE

Sec. 705. The President, with other members of the North Atlantic Treaty Organization, is requested to make every effort to broaden the base of cooperation and understanding within the alliance, and to pursue accommodation and agreement with the nations of Western Europe on critical economic and political matters, including trade, monetary, and energy matters.

Mr. MATHIAS. The amendment was printed last week. I offer it on behalf of myself and the Senator from Massachusetts (Mr. Kennedy). I believe the distinguished Senator from Missouri (Mr. Symington) has also had a chance to look at it. Members of the Senate have had the weekend and this week to review it. I think the staffs are probably familiar with it. It deals with NATO processes, and unless there is further discussion, I move the adoption of the amendment.

Mr. CANNON. Mr. President, may we be told what the amendment does?

Mr. MATHIAS. The amendment, very briefly, provides for a series of processes by which the President and the Department of Defense may review the arrangements and deployment of troops under the NATO treaty, and, in concert with our allies, looking toward the most efficient, effective, economical deployment of our troops. It is a study of the process, and one which is entirely consistent with the MBR plan and with the administration policy in this area.

Mr. President, the overwhelming majority of the Congress supports the NATO Alliance. The NATO Alliance is a treaty commitment which is agreed by most in the Congress as vital to the security of the United States. Senator Mansfield, and I am sure, most of my colleagues who supported his amendment yesterday for troop reductions, continue to support the NATO Alliance and its purpose of common defense in the event of attack. But the Mansfield amendment is a clear and unmistakable message that many in the Congress now believe that past perceptions of the threat, and in particular military strategies and military deployments have not kept pace with present realities. We are, for the moment at least, in a period of détente. The Secretary of State and the President have negotiated the beginnings of what could be a period of understanding and peace between the great superpowers of the world. There has been a lessening of tensions. There is lessening cause for fear of sudden attack. But it would be foolish to suggest that we can be certain that détente will continue or that dangers do not remain.

It is in this spirit, and with these thoughts in mind that we ask the Senate to support the amendment Senator Kennedy and I have introduced. The purpose of this amendment is to direct the President to undertake continuing efforts to prepare for reductions and adjustments in the NATO military structure, as well as the entire North Atlantic

Treaty Organization, in the event that the present climate of détente continues and should the prospects for peace now evident be strengthened.

Specifically, the amendment directs the President to prepare for future NATO military reductions in concert with our allies, but at the same time to make adjustments in our military deployment posture which would remove present glaring inadequacies such as the maldeployments in the central German plain and an obviously too fat logistic tail. The amendment further directs the President to continue efforts to achieve mutual reductions with the Warsaw Pact and to undertake efforts to broaden the base of NATO in matters of trade, energy and other aspects of economic and social relations between the member nations.

Changes in military posture do take time. If we made a decision today to reduce troops, it would be several years before such reductions could be carried out in their entirety. While there are obvious difficulties in making reductions in our forces at this time, it is agreed by most, including the Pentagon, that reductions can be made now in U.S. forces that would not adversely affect MBFR negotiations; reductions could be made which would not undercut the principle that actions affecting NATO should be taken only in concert with our allies.

We have severe budgetary and balance-of-payments problems. The Jackson-Nunn-Percy amendment which the Senate supported 84 to 5 is recognition of a common awareness in the Senate of the necessity to share the cost burdens. But this amendment is a warning too, that present military arrangements are not satisfactory in the light of the existing conditions of détente, and most important, they are not satisfactory from a point of view of our military needs. For over 10 years the change in the nature of the threat to NATO, the weakening of common purpose, and certainly, the glaring reality of military maldeployments, have been evident to the world. This amendment, we believe, in an orderly and reasonable way, directs the President to take steps to remedy these shortcomings and weaknesses in the NATO Alliance and to meet the challenges that détente poses for NATO and the U.S. defense posture.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. SYMINGTON. Mr. President, the distinguished ranking minority member of the committee and I have looked at the amendment and discussed it with the authors, and we are prepared to accept it on this side.

Mr. THURMOND. Mr. President, the amendment is merely for a study, and we see no objection to it.

Mr. KENNEDY. Mr. President, for more than 20 years, the North Atlantic Treaty Organization has provided the underpinnings of security on the continent of Europe. Throughout these years, the United States has remained committed to this alliance, to the defense of Europe, and to the spirit of community and common purpose among free nations which NATO symbolizes. We have maintained strong military forces in the continent; and as a Nation we are prepared to retain forces there at the level needed for as long as needed.

Today, however, conditions in Europe are changing. There is mutual deterrence between the United States and the Soviet Union; there is détente in a host of areas; and there are major efforts underway, involving every nation in Europe, to seize opportunities for moving beyond the postwar era of confrontation. Here in the United States, as well, there is growing concern to draw the conflicts of the past to a close, and to build new relations between East and West that can permit reductions in the level of military forces deployed for Europe's defense.

Many ideas have been advanced to bring about a reduction in American forces committeed to NATO; some of these ideas have been debated here this week; and negotiations to bring about mutual and balanced force reductions on both sides of confrontation are scheduled to begin next month in Vienna. Yet one thing is clear; in the not-too-distant future there will be some reduction in U.S. forces stationed on the European Continent, and perhaps reductions in the forces of other nations, as well.

Mr. President, the amendment which Senator MATHIAS and I propose to the Senate today is not concerned with the timing of any force reductions, with their extent, or with the manner in which critical decisions will be reached—although it does endorse the talks on mutual and balanced force reductions. Instead, it is concerned with issues that may prove to be equally as important: namely, the preparations made within the American military services—and within NATO itself—to accommodate change in the most orderly fashion and with the least difficulty. In fact, it is my belief that following the approaches proposed in this amendment would make the entire process of reducing force levels in NATO much easier than it would be otherwise.

First, we propose that the President undertake a thorough and continuing review of all U.S. forces, at home and abroad, that are committed to the defense of the NATO alliance. This review would have three goals: First, to increase the ratio of combat to support troops; second, to improve the defense capabilities of all U.S. forces committed to NATO—whether at today's levels or at the levels that will obtain after troop reductions take place; and third, to work with our NATO allies in improving the effectiveness of all allied forces. And the results would not be circulated only within the administration, but would also be presented to Congress, where we could then better exercise our own judgment about these important matters.

I would like to be able to say that a review of this nature is not needed—that U.S. forces are now structured to provide the best defense possible in NATO. But this does not appear to be so. There is still room for reducing the level of support behind our combat soldiers, for streamlining our forces, and for improving their overall quality. This effort is important today; it will be even more important following any force reductions.

As vice chairman of the Military Committee of the North Atlantic Assembly, I have been impressed by the views of my colleagues from the parliaments of other NATO countries. They, too, are concerned that NATO forces—both now and following any force reductions—be armed and organized to provide the best defense possible. They, too, believe that there is room for improvement. I concur in the judgment reached by this committee at its last two meetings—and by the plenary sessions of the assembly itself—that individual NATO allies should undertake national reviews, along the lines of one proposed in this amendment.

Second—and more important—this amendment requires the President to enter into direct and continuing consultations with our NATO allies with regard to a wide spectrum of issues concerning the implementation of force reductions in Europe, however any decision on reductions is made. This, I believe, is a critical process, whether there are unilateral cuts in the forces of any NATO country, or East-West agreement on reductions in both halves of the continent. In either case—or any other—we in the alliance must prepare ourselves for the consequences of change.

To begin with, we need to engage our allies in discussions to determine precisely how many U.S. forces are really needed in Europe to provide for its defense and for a firm understanding and belief on the part of our allies concerning our commitment to them. This process can help all nations of the alliance to discuss and decide actual defense needs, and it can help reduce European anxieties that we will make critical decisions affecting their future without closely involving them. We may, indeed, find that some force reductions become possible by common agreement.

We also need to work with our allies well in advance of any force reductions, to establish orderly procedures for implementing the necessary adjustments in force composition, organization, and deployments.

These efforts may seem to be obvious ones that will be undertaken in the natural course of events. Yet all too often in NATO's history, critical decisions have been taken without adequate consultation or common agreement among governments. And all too often alliances find it difficult to cope with new circumstances, because they did not make adequate preparations in advance. It is easy to preach cooperation; but it is rarely easy to practice it, especially in an alliance of many nations, each with its own interests and concerns that go beyond the common objectives of alliance. We can aid the process of cooperation by undertaking now the efforts at mutual consultation set forth in this amendment.

Mr. President, I believe that working out orderly procedures now for force reductions in Europe can also facilitate those reductions without disrupting the NATO alliance or weakening its political and military strength by helping to reduce anxieties in Europe about our intentions toward NATO's defense. These anxieties are real; and they would be heightened by a haphazard process of reducing troops. But provided that, today, the alliance can establish proper methods of carrying out any reductions, we in the United States can inspire new confidence in our allies concerning our steadfast commitment to their defense, to their efforts in détente, and to the future of their political and economic efforts.

We have precedent for these hopes. During the 1960's, the alliance was troubled over the issue of the control of American nuclear weapons pledged to deter attack on Western Europe. One proposal, the multilateral force, came to naught. In its place, the allies created the Nuclear Defense Affairs Committee and the Nuclear Planning Group.

Neither of these two new organizations resolved what had been the fundamental issue; neither gave our allies a finger on the trigger of our nuclear weapons, or a thumb on the safety catch. Yet these two organizations helped to work a minor political miracle, in allaying the concerns of our allies. They did so, not by turning over to our allies the power of decision on nuclear war, but rather by taking them fully into our confidence and into our strategic planning. They had a new role to play in shaping fundamental decisions about their own future.

Today, as we in the United States are challenged to reaffirm our commitment to NATO, yet face the prospect of force reductions at some point, we owe it to ourselves and to our allies to begin a new effort to bring them fully into our confidence, into our planning and—this time—into joint decision on the best way of implementing any force reductions that may be made, by whatever means. We have nothing to lose, and much to gain in trust, confidence, and common action.

Finally, Mr. President, this amendment calls upon the President—and upon our allies in NATO—to make every effort to broaden the base of cooperation and understanding in the alliance. And it calls upon him to pursue accommodation and agreement with the nations of Western Europe on critical economic and political matters, particularly in trade, energy, and monetary relations.

This issue is critically germane to the problem of preparing for force reductions in Europe, and relates directly to the U.S. commitment to the defense of the alliance. It will profit us little to maintain a full complement of U.S. forces in Europe, if at the same time we fail to resolve other pressing problems of alliance relations that threaten to erode the basis of our common interests and understanding.

Yet if we can solve these problems—and make the adjustments that are necessary in a dynamic alliance of free nations—then we will be far better able to consider a reduction of forces. We will be advancing the cause of common effort in the alliance, and reasserting the mutual trust that is necessary if the whole issue of force reductions is not to raise tensions rather than help to lower them. Rather, we can strengthen the bonds among nations that lie at the heart of the security of all the allied states.

Mr. President, the Senate vote yesterday on the amendment offered by the distinguished majority leader should be a warning to the administration. Although that result was reversed later in the day, it is clear that the Senate will not much longer tolerate failure by the executive branch to tailor U.S. force deployments abroad to real defense needs, and to pursue diligently negotiations on mutual and balanced force reductions in Europe.

As I said yesterday in announcing my vote against the Mansfield amendment, I believe that the talks should be given a chance to succeed. But if they do not—particularly if the administration does not take steps to secure early agreement on troop cuts—then we should indeed take action here in the Congress.

Mr. President, I believe that the procedures set forth in the amendment offered today by Senator MATHIAS and myself offer the best hope of a successful resolution of this issue. It is all the more important in view of the vote yesterday on the Mansfield amendment. I commend the Mathias-Kennedy amendment to the Senate for its consideration and approval.

Mr. President, I want to emphasize that the need for this internal action by the United States is essential if we are going to achieve the basic restructuring of forces to meet the most likely contingent of a short war.

In November 1971, I proposed and the Military Committee of the North Atlantic Assembly, followed by the Assembly itself, adopted a resolution I submitted on the need to reduce the size of our support tail.

That resolution, which I ask to be printed in the RECORD, recommended that NATO "undertake a review of the organizational structure of the member nation forces assigned to NATO, paying particular attention to the ratio of combat to support troops and to the numbers and roles of headquarters units in relation to the forces they command."

There was no comment from the NATO Secretary General on this recommendation.

As a result, last November, once more I introduced virtually an identical resolution, which I ask to be printed in the RECORD, again calling for an indepth analysis of our force structure.

The response from the Secretary General clearly underlines the need for the amendment being put forward this afternoon.

For the Secretary General states in his comment to the Assembly:

> I feel bound to point out, however, that the precise organizational structure of the forces contributed by member nations is decided by their governments in relation to the particular defence requirements of the country concerned and the financial and manpower resources available. These considerations also govern the character of the national command structure and the scale of logistic and other support provided.

The PRESIDING OFFICER. Without objection, the material will be printed in the RECORD.

[See exhibit 1.]

Mr. KENNEDY. Although the Senate Armed Services Committee has eloquently documented the need for this restructuring, there is nothing in the bill that would impel the Army to undertake this review before reducing the size of forces as called for in the bill. In fact, we have received the specific comments of the Navy that rather than focus on support force reductions, they would first reduce our actual combat capabilities in response to the committee's reduction in the size of overall manpower.

The reason that I feel it is essential that a review of our forces be undertaken has been ably stated by Sir General Walter Walker, who retired last year from the British Army. He had been Commander in Chief, Allied Forces, Northern Europe, prior to his retirement.

General Walker told the North Atlantic Assembly—

> NATO should produce statistics to show what an overstaffed, and overstuffed military organization the nations now possess. The figures relating 1972 with, say, 1942, are quite fantastic.
>
> What is wanted is more value for money, and less jobs for the boys. More sharp teeth in the mouth and less length in the tail.
>
> More rationalization and interdependence, instead of independence. There is a great need for much more standardization.
>
> So you see gentlemen, there are many, many ways of improving our conventional capability, without having to incur excessive additional expenditures on defense.

With regard to the United States, General Walker was referring to the following: Of the 313,000 spaces allotted to Europe, only 153,000 are allotted to the 4⅓ divisions that form the conventional combat capability of the U.S. Army in Europe. Of those divisions, only 65,000 actually hold defined combat roles. The remaining men are in either initial support elements or sustaining support elements.

What has occurred is that each division contains a combat force of some 16,000 men including I might note, its own internal support elements of some 7,000 men. The 16,000-man combat division is backed up by an initial support element of some 16,000 men and then in half of the divisions there is an additional sustaining support element of another 16,000 men.

And so we have a situation where support troops support the support troops.

But that is not all. For in addition to the 153,000 men assigned to the division forces in Europe, there are another 50,000 men assigned to the Army. And more than 30,000 of those are in support and administrative roles.

The remaining 110,000 men in Europe, are assigned to the Air Force and to the U.S. 6th Fleet. They too have command support units of their own.

I would emphasize that these figures do not even take account of the specific imbalance in our command structure where we have 9,500 headquarters staff in Europe. In the Supreme Headquarters Allied Powers Europe, there are 31 generals and admirals, 141 colonels, and Navy captains and 332 lieutenant colonels and Navy commanders. What this means is that we have one headquarters staff for every 32 men assigned to Europe. We have far more generals and admirals than we did at the time we were deeply engaged in the Second World War.

For all of these reasons, I think it is essential that we streamline our forces.

EXHIBIT 1

RECOMMENDATION 11

ON THE MOST EFFICIENT USE OF MILITARY MANPOWER

Presented by the Military Committee

The Assembly, *Considering* that the most efficient use of the available manpower of NATO forces will promote the defense objectives of NATO and the security of Europe;

Considering that the most efficient use of the available manpower of NATO forces will promote the defense objectives of NATO and the security of Europe;

Considering that there are different organizational structures within the military forces of the different member nations;

Considering that it would be desirable for any changes in force by any member country of NATO to be made in conjunction with a reorganization of the remaining forces;

Recommends to the Defense Planning Committee of NATO that:

(*a*) it should undertake a review of the organisational structure of the member nation forces assigned to NATO, paying particular attention to the ratio of combat to support troops and to the numbers and roles of headquarter units in relation to the forces they command;

(*b*) it should recommend possible steps each nation might take to reorganise its forces in order to achieve an improved capability for the defence of Europe;

(*c*) it should report on the results of allocating NATO Headquarters and SHAPE in the Brussels area and, according to its findings, recommend next steps to improve their efficiency.

RECOMMENDATION 20

On the Efficiency of Armed Forces[1]

The Assembly,

Recalling Recommendation 10 adopted at the Seventeenth Annual Session at Ottawa;

Recalling Recommendation 11 adopted at the Seventeenth Annual Session at Ottawa;

Considering that the North Atlantic Council's reaction to these recommendations has been disturbingly vague;

Considering that the urgency of these matters is even stronger than in 1971 as negotiations are soon to begin in Mutual and Balanced Force Reduction negotiations between members of the North Atlantic Alliance and the Warsaw Pact;

Reaffirms Recommendations 10 and 11 adopted at Ottawa in September 1971;

Recommends the Defense Planning Committee of NATO to investigate, as a matter of urgency, the possibility of reducing the number of separate fully-fledged national armed services, in order to make, through gradual integration and a new division of labour, North Atlantic defence more effective as well as to obtain better value for money;

Recommends that the Defence Planning Committee of NATO:

(a) should undertake a review of the organizational structure of the forces of member nations assigned to NATO, paying particular attention to the ratio of combat to support troops and to the numbers and roles of headquarters units in relation to the forces they command;

(b) should recommend possible steps each nation might take to reorganize its forces in order to achieve an improved capability for the defence of Europe;

(c) should report on the results of allocating NATO Headquarters and SHAPE in the Brussels area and, according to its findings, recommend steps which could according to its findings, recommend steps which could be taken, in the near future, to improve their efficiency.

COMMENT ON RECOMMENDATION 20 OF THE EFFICIENCY OF ARMED FORCES

1. Member countries of the Defence Planning Committee welcome the spirit which inspires this Recommendation and fully recognize the pressing need to make North Atlantic defence more effective as well as to obtain better value for money spent.

2. As to the first part of this Recommendation, it should be pointed out that measures designed to further integrate armed services and to arrive at a more balanced division of defence tasks among member countries would require careful analytical study in which a number of considerations would have to be taken into account. Thus, special weight should be given to the criterion of improved efficiency: it should be established whether important economies would result while maintaining an undiminished defence capability of the Alliance as a whole. At the same time, however, I may recall that I said on the subject last year, namely that a redistribution of defence task among member countries presupposes a degree of political harmonization not yet attained and unlikely to emerge in the near future.

3. As to the second part of this Recommendation, I feel bound to point out, however, that the precise organizational structure of the forces contributed by member nations is decided by their governments in relation to the particular defence requirements of the country concerned and the financial and manpower resources available. These considerations also govern the character of the national command structure and the scale of logistic and other support provided.

4. Nevertheless, it is one of the prime purposes of the annual NATO Defence Review to ensure that the force contributions of each country are regularly reviewed in relation to the needs of NATO as a whole, and that the available resources of the Alliance are as far as possible allocated in the optimum manner in support of the common defence. In addition, the original "AD 70 Study" and the subsequent follow-on reports have concentrated on the combat effectiveness of NATO forces, and have recommended a number of qualitative improvements, many of which are now being implemented.

5. The Military Committee and the Major NATO Commanders have also under constant review the military efficiency of the forces assigned or earmarked to NATO command and are in regular contact with national Ministries of Defence on the subject of measures for improving their capability. As to the particular problem of Military Headquarters, a special sub-committee of the Military Committee is now reviewing the manpower needs of all NATO Headquarters.

The PRESIDING OFFICER (Mr. HOLLINGS). The question is on agreeing to the amendment (No. 529) of the Senator from Maryland (Mr. MATHIAS).

The amendment was agreed to.

AMENDMENT NO. 549

Mr. HUMPHREY. Mr. President, the amendment now before us is one cosponsored by a number of our colleagues: Mr. CRANSTON, Mr. MUSKIE, Mr. MATHIAS, Mr. STEVENSON, Mr. BENTSEN, Mr. EAGLETON, Mr. MCGOVERN, Mr. METCALF, Mr. PROXMIRE, Mr. NELSON, Mr. SCHWEIKER, Mr. CANNON, Mr. HASKELL, Mr. TUNNEY, Mr. ABOUREZK, Mr. CLARK, Mr. CHURCH, Mr. MONDALE, and Mr. FULBRIGHT.

The purpose is, No. 1, that the Secretary of Defense shall take such action as may be necessary to reduce by not less than 125,000 the number of military forces of the United States assigned to duty in foreign countries on March 1, 1973, and that such reduction shall be completed not later than June 30, 1975. Not less than 30,000 of such reduction shall be completed not later than June 30, 1974.

That is the purpose. It is a 125,000-man force reduction, 30,000 of them by June 30, 1974, and the remainder by June 30, 1975. There is no other purpose.

The PRESIDING OFFICER. The Senate will be in order, so that we can hear the Senator.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CANNON. Does that figure equate to approximately 22 percent, as distinguished from the 40 percent reduction that the Mansfield amendment would have entailed?

Mr. HUMPHREY. That is correct.

Mr. CANNON. I thank the Senator.

Mr. HUMPHREY. Mr. President, I do not think I need to make any further debate. This falls within the troop reduction limit of the committee bill, which is 156,000. This is not for additional reductions; it simply means that there shall be a reduction within the next 2-year period of 125,000 troops, which would come primarily from the Pacific areas and scattered places. This is not designed to weaken our NATO force or forces in Western Europe. I have fought consistently to prevent that, and the purpose of this amendment is surely not in any way to weaken our position in upcoming negotiations with the Soviet Union on mutual balanced force reduction.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. I yield 3 minutes to the Senator from Maine.

Mr. MUSKIE. Mr. President, I am pleased to join my colleagues in cosponsoring this compromise amendment on U.S. troop reductions abroad.

Yesterday, the Senate passed—then defeated— Senator MANSFIELD's modified amendment which would have required an overall reduction of about 190,000 land-based forces abroad over a 3-year period. The compromise amendment which we are considering today would require a reduction of about 125,000 over a 2-year period. I am hopeful that a majority of the Senate will be able to support this provision.

Many Senators have expressed their concern that we not make substantial unilateral troop reductions in Europe at the very time that we are commencing negotiations with the Soviet Union on mutual and balanced force reductions (MBFR). I share that concern. While I am skeptical that these negotiations will ever achieve significant reductions, I do believe we should give our negotiators a reasonable chance to do what they can in this direction. So I am opposed to large-scale unilateral troop cuts in Europe.

The Mansfield amendment which we considered yesterday concerned U.S. troop reductions worldwide—not simply in Europe. The Defense Department would have been given flexibility in choosing where reductions should be made. If it were deemed advisable to avoid large cuts in Europe, that would have been possible—and it would even have been possible to avoid any European cuts at all for the next 2 years.

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[1] Presented by the Military Committee.

So the Mansfield amendment did provide considerable flexibility in setting priorities for a U.S. force presence overseas. I was therefore able to support Senator MANSFIELD's amendment yesterday, even though I had voted against his amendments on European troop reductions in the past. I might add that I was privileged to have Senator MANSFIELD testify on this issue before my Arms Control Subcommittee last July 25. I think he has made an extraordinary contribution to the debate on U.S. force levels abroad—in the detailed, scholarly analysis which he presented to my subcommittee, as well as in his presentation to the full Senate yesterday.

Mr. President, the compromise amendment before us today is a more moderate approach designed to point us in the direction of significant overseas reductions without necessarily touching our force levels in Europe at all. It is well to recall that in Asia and the Pacific our forces number over 225,000 today. This amendment would have the effect of continuing to lower the U.S. profile in Asia—as we lessen our commitments in accordance with the Nixon doctrine. The amendment would not end the U.S. role in Asia, but simply cut back our military presence. For example, I believe that significant withdrawals could be made from Thailand, where we had 45,000 troops at the end of March 1973, South Korea, 42,000; Japan and the Ryukyu Islands, 58,000; without jeopardizing our existing commitments.

Mr. President, it may be helpful to review the worldwide U.S. commitment of forces abroad. The United States has about 600,000 troops abroad in 1,963 bases, installations and properties abroad. Former Defense Secretary Elliot Richardson termed 322 of these as significant bases. Accompanying these troops are 365,413 military and civilian dependents. In addition, the Defense Department employs over 160,000 direct hire and indirect hire foreign civilians plus 78,870 U.S. civilians outside the United States.

The cost of these overseas commitments is staggering. The distinguished majority leader estimates that the total cost of all U.S. troops committed to overseas missions is about $30 billion with equipment, personnel costs and installation maintenance combined. At least one-third of our current serious balance-of-payments deficit results from military expenditures abroad. The economic report of the President earlier this year set the net negative U.S. balance-of-payments deficit for all fiscal year 1972 military transactions at $3.6 billion.

Moreover, Mr. President, it should be pointed out that most of the deployments were made in a world situation very different from the one we find ourselves in today. The recent visit of Chairman Brezhnev to Washington only highlighted the changing world situation. The administration has moved significantly toward détente with both the Soviet Union and China. Last year the United States and the U.S.S.R. signed the SALT accords limiting offensive and defensive weapons systems. Our trade with Russia and China has climbed dramatically in the last year, with more trade deals in the offing. And perhaps most significantly, the administration withdrew the last of our combat forces from Vietnam earlier this year and, as a result of congressional action, ended the U.S. bombing of Southeast Asia.

These changed circumstances should be accompanied by a changed level of U.S. troop deployment overseas. While the administration has made some tentative beginnings in this direction—particularly in Thailand and Taiwan—it seems to lack the determination to go far enough. I believe that it is up to Congress to encourage a new look at our overseas commitments by passing this amendment forcing a significant troop reduction overseas. There is a great tendency to stick with the status quo on overseas force levels without any consideration of the real military or political need for these troops.

A group of experts familiar with Asian affairs, almost all of whom were officials in past administrations, has spotlighted the new world situation in a statement placed in the CONGRESSIONAL RECORD by the distinguished Senator from Minnesota (Mr. HUMPHREY) on September 17. These 14 experts, who include such notables as Robert Barnett, former Deputy Assistant Secretary of State for East Asia and Pacific Affairs, Roger Hilsman, former Assistant Secretary of Defense for Far East Affairs, and Earl Ravenal, former Director of the Asian Division—System Analysis—in the office of the Secretary of Defense, have endorsed a call for the return and deactivation of 100,000 U.S. troops from Asia "with no harm either to our national security or our important interests in the area."

Their statement goes on further to say:

> It is our sincere hope that Congress will take such firm and timely action as is necessary to bring our East Asian force level in line with present diplomatic realities.

Mr. President, I ask unanimous consent that this statement be included in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JULY 31, 1973.

STATEMENT ON ASIAN TROOP REDUCTIONS

The United States is completing a significant reduction in our involvement in East Asia. We have withdrawn from direct participation in the conflict in Vietnam, and are soon to refrain from all direct combat operation in Indochina. We have also begun to establish mutually beneficial relationships with the People's Republic of China and the Soviet Union.

Because of these factors, we, the undersigned, believe that substantial reductions can be made in those military forces now deployed in East Asia and the Western Pacific. There are now 227,000 military personnel stationed in these areas, of whom 45,000 are in Thailand; 18,000 are in Japan; 15,000 are in the Philippines; 40,000 are in the Ryukyu Islands; 42,000 are in South Korea; 9,000 are in Taiwan; and 58,000 are afloat. We feel that at least 100,000 of these can be returned and deactivated with no harm either to our national security or our important interests in the area.

It is our sincere hope that Congress will take such firm and timely action as is necessary to bring our East Asian force level in line with present diplomatic realities.

Endorsed by:

Robert Barnett, Former Deputy Assistant Secretary of State for East Asian and Pacific Affairs.

Jerome A. Cohen, Professor, Harvard Law School (Chinese Law).

Chester L. Cooper, Special Assistant to Gov. Harriman for the Paris Peace Conference on Vietnam.

Alvin Friedman, Former Deputy Assistant Secretary of Defense for International Security Affairs.

Morton Halperin, Former Deputy Assistant Secretary of Defense.

Roger Hilsman, Former Assistant Secretary of Defense for Far Eastern Affairs.

Townsend Hoopes, Former Under Secretary of the Air Force.

Anthony Lake, Former Staff Member, National Security Council.

Dwight Perkins, Associate Director, East Asian Research Center, Harvard University.

Earl Ravenal, Former Director, Asian Division (Systems Analysis), Office of the Secretary of Defense.

Gaddis Smith, Professor of History, Yale University. Speciality: 20th Century diplomacy. Author of recent biography, *Dean Acheson*.

Richard C. Steadman, Former Deputy Assistant Secretary of Defense for East Asia Affairs.

James Thomson, Former Staff Member, National Security Council.

Paul C. Warnke, Former Assistant Secretary of Defense for International Security Affairs.

Mr. MUSKIE. Mr. President, let us look at some specific cases where U.S. force reductions are both feasible and desirable. The changed world situation is perhaps best illustrated in South Korea. The last extensive fighting there occurred over 20 years ago. Since then, the South Koreans, with the generous support and aid of the United States, have built up their ground combat forces to 600,000—many of whom are Vietnam combat veterans—backed by a large trained reserve. In contrast, there are about 360,000 North Korean ground combat forces, most of whom have not fought for 20 years. An Institute of Strategic Studies report of 1969–70 concluded that even then the South Korean army was amply prepared to defeat any invasion from the North.

Since then, in 1971 the United States embarked on a large-scale modernization program of the military forces of the Republic of Korea. This program is scheduled to last for 5 years at a cost to the U.S. taxpayers of $1.5 billion. In conjunction with this modernization, the United States has promised to withdraw our forces by the time the program is completed. The Senate Armed Services Committee reported that by the end of fiscal year 1973, 47 percent of the total funds for the 5-year plan had been spent with a scheduled completion time in fiscal year 1975.

Despite the South Koreans' proven combat ability and despite the modernization program, the United States still maintains 42,000 troops in Korea, the same level as fiscal year 1971. The pay, upkeep and operating costs in fiscal year 1972 for these troops were $584 million. In addition, the United States supplied South Korea with $192 million in economic assistance and $155 million in military assistance. All this is happening in the midst of preliminary détente negotiations between the two Koreas.

It is time for the United States to withdraw more of our troops from Korea. At a minimum, the Defense Department should follow through on its pledge to withdraw our forces by the end of the modernization program in fiscal year 1975. The Armed Services Committee report on H.R. 9286 quoted the Secretary of Defense as recently as the spring of 1973 as saying that—

> Further withdrawal of U.S. forces in South Korea should be phased with the completion of the modernization program.

In light of this and other promises, it was dismaying to see Deputy Secretary of Defense William Clemente begin backtracking on that pledge in a recent news conference held in Tokyo. On September 17, Clements declared that the U.S. assessment of the threats in the area, rather than the modernization program, will become the determining factor concerning U.S. troops in Korea. The Pentagon should be held to its previous pledges.

Thailand is another area where a U.S. withdrawal should be carried out. The United States stationed 45,000 troops there as recently as March of this year. The purpose of the bulk of these troops was to carry out bombing operations in Indochina from several air bases in Thailand. The bombing has come to a long-delayed end, thanks to congressional action. Further legislation in this and other bills precludes U.S. air operations in the area without express congressional approval.

With the mission ended, the United States should take its troops out of the country. In this connection, it is worth noting that the administration has already begun limited withdrawals from Thailand, with about 3,650 troops having been withdrawn as of September 21.

Yet another reason for bringing home our forces in Thailand is the insurgency underway in northern Thailand. The fighting has not been heavy and the threat to the government remains uncertain, but the lessons of Vietnam should make the United States wary of intervening in new insurgencies. As a 1971 Members of Congress for Peace Through Law Military Manpower Report stated:

> If Vietnam has taught us anything, it is that our foreign policy interests are not served by deployments of land troops in Asia.

Back in 1959 the United States had only 327 troops in Thailand. By 1964, that number was up to 9,000. The onslaught of the fighting in Vietnam brought a vast influx of U.S. forces to Thailand, a number which was not reduced until the 1970's. Then with the U.S. withdrawal from Vietnam, many of the U.S. troops in Vietnam shifted to Thailand to continue air operations. The trend should now be reversed. We should return to the 1959 level.

Japan is yet another country from which troops could be withdrawn. The United States has maintained close ties with this rising power since World War II, and has extended our nuclear umbrella for the protection of the Japanese. I believe that our close ties with Japan are an overriding interest of U.S. foreign policy. However, continuing close relations with our Japanese friends and providing nuclear protection does not require almost 60,000 U.S. troops in Japan and the Ryukyus Islands. The Japanese themselves have indicated they would welcome a reduction of at least half the U.S. forces; 30,000 troops will guarantee our commitment just as well as 58,000 and with fewer frictions.

There are two other Asian countries in which the United States maintains a significant number of troops. At the end of March, we still had 9,000 personnel in Taiwan and 15,000 in the Philippines. We should ask ourselves whether we should have any troops in Taiwan at a time when we are establishing ties with China and if the 15,000 troops in the Philippines are likely to get us involved with the insurgency and strife in that country.

Mr. President, the amendment before us will give the Pentagon the discretion and the flexibility to choose which 125,000 troops are in areas of lower priority, while at the same time forcing a cut that large by the end of fiscal year 1976. While I do not favor a withdrawal to any Fortress America, neither do I favor the deployment of over 225,000 troops in Asia and 600,000 worldwide. United States active involvement in world affairs can be maintained by many fewer troops.

I am sure that opponents of this amendment will cite U.S. commitments. In fact, most of those treaties are vaguely worded, discretionary documents which do not call for the standing commitment of any prescribed level of U.S. military manpower. Indeed, when the administration recently announced the withdrawal of a 5,200-man Air Transport wing from Taiwan over the next several months, it made sure to stress that there was "no relation whatsoever between this move and the mutual defense treaty" under which the United States pledges aid to Taiwan if attacked. Withdrawals elsewhere could be accompanied by similar pledges.

Mr. President, a move to reduce our overseas force level is long overdue. Congress can continue its effort to reassert its prerogatives by making its will known in this important policy area. The passage of this amendment will result in substantial savings in absolute costs and in balance-of-payments deficits. I urge its adoption.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, is there time in opposition to the amendment?

The PRESIDING OFFICER. Yes. The distinguished chairman of the committee, the Senator from Missouri, has control of the time.

Mr. LONG. Will the Senator yield me some time in opposition?

Mr. SYMINGTON. Mr. President, I do not oppose the amendment, but I shall be very glad to yield the opposition time.

Mr. LONG. May I have about 3 minutes in opposition?

Mr. THURMOND. I yield the distinguished Senator 3 minutes.

Mr. LONG. Mr. President, I shall vote against this amendment. I voted for the reduction of troops in Europe, and I fully respect the rights of Senators to disagree with complete intelectual honesty. The fact is, however, that in my judgment this amendment would merely confuse the public, and make the public think that we have cut back on troops overseas, in areas where the administration would probably make a cut anyway.

There is nothing, in my opinion, that needs more to be trimmed back than these troops in Europe, and I think that care should be taken for the public to understand that Congress has not yet mustered the votes and the administration has not made the decision to reduce the American troop commitment in Europe.

This Nation is proceeding on the assumptions that if the Soviet Union should want to fight a European war, we will fight a European war with them; that if they want to come by land, we have more than 7,000 nuclear weapons in Europe to meet them; that if they prefer to come by sea, we will be superior on the sea, with nuclear weapons and all that; and in addition, that if we could persuade them to fight a war in Europe with cornstalks, we could whip them with cornstalks, with mostly American troops.

Now, it is all right with me to fight that kind of war in Europe if we can persuade them to fight that kind of war in Europe, but as a practical matter, they have the problem of fighting the same type of war, if they can persuade the Chinese Communists to fight an old-fashioned type of war in Asia. There is nothing to prevent them from shipping their troops in Siberia to the European side and fighting the war there with them.

I remind those in favor of committing our troops to fight an old-fashioned-type war in Europe that in my judgment, we cannot do everything. We cannot defend the whole wide world with ancient weapons. We might be able to do it with modern weapons, but not with so-called traditional weapons.

That is basically what this is all about. All we will do in agreeing to the Humphrey amendment will be to give people the impression that we did vote to cut back on the thing we cannot afford, that is, trying to maintain a capability in Europe to fight an old-fashion-type of war on the continent of Europe. It is a rather ridiculous thing. At some point I think it will be recognized it cannot be done.

If we do not do that, the result for which some of us have contended, that is, reducing forces, will in some way come about anyway, because the drain on our dollars will continue until the dollar will not be worth anything and we will not be able to afford keeping troops outside this Nation. Rather than give the American people the impression that we did something—when, in fact, we did virtually nothing—about a commitment made by the Executive, not by Congress, which we cannot afford to continue, I think the amendment is misleading and I will vote against it.

Mr. BENTSEN. Mr. President, I am pleased to join the distinguished Senator from Minnesota as a cosponsor of his amendment on reducing U.S. forces abroad.

I want to say at the beginning that I continue to feel that the United States has a global role to play as the strongest Nation in the free world. I continue to believe that the surest guarantee of world peace is the continued deterrence of a powerful U.S. defense force. And I continue to believe that no deterrent can be effective unless those forces committed to the prevention of war are at full strength and are committed with a serious purpose.

I feel that these beliefs are not only fully consistent with this amendment but are also strengthened by it. The farflung Defense Establishment of the United States is strong but the economic and trade position of the Nation they are committed to defend has rarely been worse. The impetus behind this amendment, therefore, is to convince our allies that we mean business when we say that they must assume a greater share of our common defense.

Those who share in this sentiment, for example, emphasize the point that after 25 years Europe is no longer a beleaguered, wartorn continent and after the same period of time the United States is no longer an economic colossus that can ignore the costs of its military commitments abroad. Those who call for a greater sharing of the NATO defense burden by Europeans point, with pleasure, to the economic growth of our European allies. They note the progress toward economic and political integration in Europe and welcome Europe as a strong new partner in what has too long been a largely bipolar world.

The question that is raised, of course, is how much stronger need our allies be before the cost of their own defense can become an item of their own expense. I know the familiar retort that Düsseldorf is not Detroit and that the United States is the strong arm of the Alliance but I also know that Düsseldorf symbolizes the healthy economies of Europe and reminds us of our allies' new prosperity and economic capabilities.

Europe is not alone in this regard. U.S. forces, for instance, are still stationed in Korea to the tune of 40,000 men and Taiwan at about 8,000 men, while both of these are recognized as having two of the strongest defense forces in their region of the world. In addition, they enjoy two of the fastest accelerating rates of economic growth in the world. It seems perfectly reasonable to me that they should be able to continue to provide for their own defense with a reduced U.S. presence.

Let me add here that this growing attitude of U.S. concern about our commitments does not represent a waning of our interest in Europe or other regions or a lack of concern for their security. Rather it is born of a deterioration in the U.S. international economic position that jeopardizes our ability to provide for our own needs at home. Some of the danger signs that have raised U.S,. apprehensions are well known to all of us.

In 1971 the United States experienced its worst trade deficit since 1887. In 1972 our balance-of-payments deficit reached its highest level ever and the figures so far for this year are equally disturbing. Devaluations have lessened the value of our currency and increased the cost of meeting our military commitments abroad.

To paraphrase Dickens these are neither the best nor the worst of times for the United States but they are a time for hard-nosed bargaining abroad and closely watched and austere expenditures at home.

In the fact of these deveolpments, U.S. leaders both in the administration and the Congress have approached the question of U.S. foreign commitments with a greater sense of urgency and a stronger resolve to meet these commitments in a fashion that protects U.S. interests.

U.S. supporters of the NATO alliance, for example, will call upon our allies to examine the percentage of their GNP that is committed to defense expenditures and to increase their efforts. Let me cite some 1972 examples: Great Britain spends 5 percent, France 3.7 percent, West Germany 5½ percent, and Italy 2.8 percent. But the United States spent approximately 6¾ percent.

While Europe is the largest recipient of the defense dollar outflow, we have almost as many men stationed elsewhere around the globe as in Europe. Our naval forces put in appearances at nearly every port on earth that's deep enough to float a ship. We have also been increasing our presence in the Indian Ocean and around Australia. Our sizable troop commitments in South Korea, Thailand, and elsewhere in Asia are well known.

We have bases around the world, some of them set up long ago and which we continue to maintain although their reason for being may have become outmoded. A third of our total defense forces today are abroad—and a lot of dependents, a lot of bases, a lot of facilities, and a lot of dollars are flowing out to maintain them. I think it is time to determine whether the security benefits derived from maintaining these farflung bases justify the continued outflow of dollars and the resultant weakening of our dollar position at home and abroad.

This does not mean that we are being isolationist. It simply means we are waking up to the fact that some of these dollars flowing out are not bringing us a dollar's worth of security. I am sure our allies will welcome efforts to strengthen the dollar. Let us pare down unnecessary spending abroad, just as we are attempting to pare down unnecessary spending here at home.

Mr. EAGLETON. Mr. President, the distinguished majority leader, Senator MANSFIELD, has again brought the issue of our military presence in the world to the floor of the Senate. The fact that his amendment was not, on the second vote, supported by a majority of this body does not detract from the policy considerations he so eloquently expressed.

During debate on the Mansfield amendment, several questions were raised over the formula for reduction provided for in that amendment. Many of these objections centered on the extent to which our overseas forces would be reduced. Others argued that sensitive negotiations for mutual force reductions in Europe would be negatively affected by a total 40-percent reduction of all worldwide forces.

The amendment offered today by the Senator from Minnesota, myself, and others is designed to answer these objections. Our amendment would require a reduction of only 30,000 overseas forces by June 30, 1974, and a total of 125,000 by December 31, 1975.

The Humphrey amendment gives the President complete freedom to negotiate bilateral or multilateral reductions in Europe since no cuts would be specifically required from that area. The requirement for an orderly reduction is, therefore, more than met.

Mr. President, it is axiomatic that in a democracy any governmental policy that runs counter to the public will must be changed unless it is to eventually undermine the larger framework it is designed to support. Such is the case with the issue we discuss today.

It is no secret that we are overextended. Our tax dollars are being drained to maintain thousands of overseas support forces whose purpose is unrelated to our defense. It is time to act in our own best interests to relate the number of forces we keep overseas to national security, not to international politics.

Some months ago both Houses of Congress passed war powers legislation designed to revitalize the role of Congress in making the most potentially fateful decision our Nation can make. But the reality is that the pervasive presence of U.S. forces around the world comes close to rendering that bill moot.

It is generally conceded that the President has the inherent power to protect our forces when attacked. If this is so, he theoretically could engage the United States in 38 countries around the world, without congressional consent, on little more provocation than a street demonstration.

If Congress is to have a meaningful warmaking role, we must control the instruments of our policy as well as the policy itself. As Senator MANSFIELD so forcefully asserted in his testimony before the Foreign Relations Committee:

> . . . the fundamental difficulty in discerning semblance to America's policy abroad is that the commitment and level of U.S. forces abroad has determined our policy rather than our policy determining the level of U.S. forces abroad.

Mr. President, the stubborn insistence of this administration to hold to the military option as the primary tool of diplomacy is an inconsistent aberration in this era of détente. To justify that aberration by attacking those who wish to reduce our military presence as "isolationists" can only serve to truly isolate

America in the economic and cultural spheres—spheres which are rapidly passing military strength as indicia of a nation's position in the world.

The debate we have engaged in for the past 2 days has centered on just that semantical misunderstanding. We seem to use the word "isolationism" as it was used in the post-World War I era. But that meaning should be discarded from the lexicon of modern internationalism. We should realize that the central question is not whether we participate in the world, but how we go about it.

The powerful forces of international economics and technology—forces that were in their infancy in the 1920's and 1930's—have revolutionized the previously predictable business of diplomacy. Power relationships have broken down to a complicated ferment of overlapping special interests.

My distinguished senior colleague from Missouri, Senator SYMINGTON, most eloquently described this complicated world scene yesterday when he quoted Lord Palmerston, who said:

> No country has friends and no country has enemies; all a country has are interests.

Mr. President, as we emerge from one of the most difficult periods in our history, we must seek to define our interests objectively. We must realize that in today's world military allies may be economic competitors, and political foes may be trading partners. And most importantly, we must not fail to learn the lessons of overextending ourselves militarily, as we did in Korea and in Vietnam.

Those of us in this body who bear some considerable responsibility for the future involvement of our Nation in war cannot ignore the vision that hindsight gives us. If this amendment passes today and is enacted into law, we will still have some 385,000 American forces in the world on July 1, 1975. Prior to the Korean war in 1950, we had 330,000 forces around the world.

It is, therefore, my firm belief that we will remain overextended even if this amendment passes. But it is our responsibility to begin now to adjust to the realities of the modern world. I urge my colleagues to make that beginning by supporting this amendment.

Mr. MOSS. Mr. President, for several years the United States has been faced with an unfavorable balance-of-payments deficit. To correct this situation we have encouraged our citizens to "buy American" and to "see America first." But despite these entreaties, our balance-of-payments account has remained in the red, confidence in the dollar has declined, speculators have bet against the dollar in money markets, and the administration twice has been forced to devalue. They also have attempted to improve the trade balance by selling great quantities of basic commodities to foreign nations. The devaluations and the heavy export of commodities have resulted in increased prices to our consumers at home.

While we have been attempting to reverse the payments deficit through a myriad of ways, none of which have been fully adequate, we have failed to undertake the step which will help immensely in solving this problem; namely, the reduction of the over 500,000 U.S. troops now stationed overseas. I believe that our trade position has been improving; but by itself, trade will not solve the payments problem. Because of our huge overseas commitment, exports must exceed imports by a considerable degree. In short, we are already in the red before we even start importing and exporting. We simply must reduce the amount of money we pay out as a result of our Military Establishment abroad.

We now have 300,000 men and women of our Armed Forces stationed in Europe with the resulting cost of about $17 billion each year. It is clear that the real dollar is not due to a U.S. citizen taking a 2-week vacation in Europe—the real drain can be seen in these 300,000 members of our Armed Forces who are stationed in Europe 365 days a year. And believe me, for most of those 300,000—especially the enlisted personnel—it is anything but a vacation.

Our enlisted personnel in Europe are faced with both rising prices and a shrinking dollar which leaves them with more and more of less and less. Many of them are experiencing real hardships while trying to keep their families from being separated. In the end far too many men are having to send their wives stateside, because of the tremendous cost of keeping their families together in Europe.

Opponents to this amendment charge that we need to maintain these troops in foreign lands to assure us of peace. If we need to maintain over 500,000 troops overseas to "enforce the peace," I find it difficult to imagine the number it would take to fight a war. The European community as well as the other countries in which we have troops either have no need of those troops or are quite capable of taking care of their own military needs. The United States can no longer assume that all the world needs our troops and that we must send them helter-skelter to any country that would accept them.

If we can believe the statements which have come from both the White House and the State Department we are entering a generation of peace and an era of détente. But the administration also tells us that it would be improper to begin to reduce our troop levels in this "generation of peace." In short, the opponents of this amendment are telling us that we can reduce the number of troops stationed overseas, neither in times of peace, nor in times of war. One begins to wonder whether these troops have any purpose at all.

In fact, it is quite apparent that many of these overseas troops are maintained in their foreign posts not out of necessity, but out of habit. We currently maintain 32 Army bases and 38,000 troops in Korea. In Japan we still have 100 military bases. It is time that we realize that these countries are able to preserve their integrity without great numbers of our military personnel stationed on their soil. Indeed our military presence in many of these countries is the source of much anti-American sentiment among the people, if not the government of these countries, and is looked upon as a form of colonialism.

I believe this amendment to reduce the numbers of forces overseas touches upon one of the profound truths concerning America's defense policy in the 1970's. We no longer can think of our defense merely in terms of troop levels or the size of our arsenal of weapons. The developing detente with China and the Soviet Union has shown that diplomacy is the handmaiden of a successful defense policy. Our extensive Defense Establishment abroad is mainly the reminder of an era when the crude show of force was a substitute for negotiation. In today's setting, however, international peace rests more on reducing fears than it does on the buildup of massive troop levels.

It is becoming apparent that the world role of the United States will be based in the future, to an increasing degree, on our economic strength and our trade relations with other countries of the world. We cannot afford to consider defense policy apart from such crucial matters as the problem of inflation or the balance-of-payments deficit. A defense policy that does not take into account the full economic ramifications of the policy, will, in the end, buy a policy of weakness rather than of strength.

Clearly now is the time to pass this amendment to begin to reduce our overseas troop levels which constitute an unreasonable drain on our manpower, morale, and economy.

Mr. TOWER. Mr. President, will the Senator from Minnesota yield for a question or two?

Mr. HUMPHREY. I yield.

Mr. TOWER. What effect would this have on the ability of the President to deploy troops in the event of some kind of emergency? The Senator's amendment calls for withdrawal. Would this bar the President in the event of an emergency such as those we had with the Dominican Republic, the Lebanese crisis, the Jordanian crisis—something like that? How would this impact affect him?

Mr. HUMPHREY. It is within the limits of the troops available. This requires a reduction of overseas forces, 606,000 troops overseas. It simply says that within a 2-year period the figure should be down to 471,000 men. I gather, if there is any emergency, Senator, and that is not sufficient so that the President can make a substantial number of troops available, that he would be wise enough to come to Congress and discuss it with us and also seek our approval.

Mr. TOWER. Suppose Congress is not in session?

Mr. HUMPHREY. He still has half a million troops to move, and we could get back into session before he had moved one-half million troops.

Mr. TOWER. Now what if there is a crisis in the Middle East? What if there is a threat of war and an additional American naval presence might be required?

Mr. HUMPHREY. The American Navy's 6th Fleet is there.

Mr. TOWER. I know, but what if it

needed to be spreadout, and under certain circumstances it would have to be?

Mr. HUMPHREY. No problem. He still has the Atlantic Fleet.

Mr. TOWER. Could you move the Atlantic Fleet in there? I say that just to make this legislative history.

Mr. HUMPHREY. Yes, indeed.

Mr. TOWER. What about another Jordanian or a Lebanese crisis—anything like that?

Mr. HUMPHREY. We do not put any restrictions on the President in terms of forces—our overseas people. Only that there should be 125,000 fewer men within a 2-year period.

Mr. TOWER. What if there is a crisis in the Mediterranean, or the Middle East again, and the President thought it would be necessary at least to bring troops in seaborne into position as an instrument of diplomacy, let us say. Would he have to bring them all the way from the United States?

Mr. HUMPHREY. Not at all. There are obviously naval forces available in the Atlantic Fleet.

Mr. TOWER. What about bringing in NATO forces?

Mr. HUMPHREY. I do not see why he cannot. It is up to him. I am not going to take in every contingency. If the Russians were coming into the battle, I believe the President might consult the Senator from Texas and the Senator from Washington. He might even get to the Senator from Minnesota. He might even consult the whole Congress. I cannot believe that he would.

Mr. TOWER. I think we are tying the hands of the President here. I think, really, that we are violating a fundamental principle which has existed for a long time in this country and that is that the President is solely responsible for the formulation and the implementation of foreign policy. If we tie his hands and render him inflexible in his use of military forces, I think it will seriously weaken the President in the eyes of the world and certainly in the eyes of the Soviets.

Mr. HUMPHREY. May I say most respectfully to the distinguished Senator from Texas, that this amendment applies only to overseas bases—as of March 31, 1973. There is no restriction against the President, as Commander in Chief, using the forces of this country if they are needed for the defense of this Republic. I do not think we should try to stretch this amendment to the point of absurdity. What this amendment requires is that of the forces presently stationed overseas, 125,000 shall be brought home in a period of years—in the first year, 30,000.

Again may I say that if circumstances which the Senator from Texas indicates were to prevail, any President worthy of the name would come to Congress.

Mr. TOWER. Does this include forces afloat?

Mr. HUMPHREY. This does not include forces afloat.

Mr. TOWER. Only land-based forces?

Mr. HUMPHREY. Only land-based forces, yes.

Mr. JACKSON. If the Senator will yield for a point of clarification, in the discussion of the Mansfield amendment, the overseas forces—ground and air—were listed at 477,000. Now my colleague listed 606,000.

Mr. HUMPHREY. That is correct.

Mr. JACKSON. What does the Senator include in the 606,000? The Senator has a discrepancy here of over 150,000.

Mr. HUMPHREY. The U.S. military strength outside the United States, as of March 31, 1973, appendix A in the committee report—and here it is—adds up to 606,000, according to your own report.

Mr. MANSFIELD. That is correct. That was the figure I used.

Mr. JACKSON. 606,000?

Mr. HUMPHREY. I thought that was the figure the Senator from Montana used.

Mr. JACKSON. Does it include naval forces?

Mr. HUMPHREY. All forces.

Mr. JACKSON. All forces of every kind?

Mr. HUMPHREY. That is correct.

Mr. JACKSON. It includes——

Mr. HUMPHREY. It includes the Air Force, the Navy, the Marines—all forces abroad.

Mr. JACKSON. Our forces in the Trust Territory?

Mr. HUMPHREY. All forces. That is right. Guam—the Panama Canal—Puerto Rico——

Mr. JACKSON. Guam is part of the United States.

Mr. HUMPHREY. That is right.

Mr. JACKSON. The Senator does not want to say that——

Mr. HUMPHREY. It is part of the United States.

Mr. TOWER. We are going to leave Guam defenseless?

Mr. JACKSON. What about Puerto Rico?

Mr. HUMPHREY. It is included in the total appearing in the committee report.

Mr. JACKSON. You say—well, I think this is kind of misleading, Mr. President. A further point of clarification so that we know—the Senator talks about 606,000 units overseas. The inference there is that they are on foreign soil. I think it would be useful to have that broken down as to whether Puerto Rico, Guam, the Trust Territory, Samoa, which are part of the United States——

Mr. HUMPHREY. May I say, the Senator is stretching a nit into a gnat.

Mr. MANSFIELD. The Senator just said "overseas."

Mr. HUMPHREY. That is correct.

Mr. JACKSON. How would the Senator treat Alaska?

Mr. HUMPHREY. I treat Alaska as a State of the Union.

Mr. JACKSON. What about Hawaii? Is that not overseas? It is 2,500 miles——

Mr. SYMINGTON. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. May I say, I realize that some of my colleagues are having difficulty here, so I will try to answer them. Guam has 77,000 troops, the Panama Canal has 10,000, and Puerto Rico has 7,000—these are the only areas outside of foreign countries listed by the committee. They are in the 606,000.

Mr. JACKSON. What about our forces in Hawaii?

Mr. HUMPHREY. That is in the United States of America. I trust the Senator knows that.

Mr. JACKSON. What is Guam?

Mr. HUMPHREY. I excluded that. It is not a State.

Mr. JACKSON. What about Puerto Rico?

Mr. HUMPHREY. It is not a State.

Mr. JACKSON. The Senator does not want to leave the impression——

Mr. HUMPHREY. May I say to my delightful friend from Washington that I have been very fair with him. I have told him the number of forces in those areas.

Mr. SYMINGTON. We could solve this problem—perhaps there is some historical basis for it, perhaps it is just semantics—by following the advice of the late, great President Eisenhower and the also great Senator from Louisiana, and take all the troops out of Europe.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LONG. As I understand the Senator's amendment, they would have to bring home 30,000 troops in the first year. Is that correct?

Mr. HUMPHREY. That is correct.

Mr. LONG. Of that amount, they can take half the cut by just shifting them from Puerto Rico to Florida.

Mr. HUMPHREY. Fine. That is right.

Mr. LONG. So some can be taken from Puerto Rico——

Mr. HUMPHREY. United States military strength outside the United States on September 30, 1972: Foreign countries, 608,000; U.S. territories and possessions, 36,000. We are not talking about shifting from American territory. Foreign countries, I say to the Senator—foreign bases. My amendment refers only to troops in foreign countries. Puerto Rico is not foreign; Guam is not foreign; the Panama Canal Zone, insofar as the law is concerned, is not foreign. Foreign bases—from Thailand to Florida, we are talking about; from Japan to Florida, we are talking about. We even can put some in Louisiana.

Mr. LONG. I am just trying to understand the Senator's explanation of his amendment. I have not read the amendment.

Mr. HUMPHREY. I imagined so.

Mr. LONG. If I understand the Senator's explanation, he just got through telling the Senator from Washington that he is including the troops in the American possessions.

Mr. HUMPHREY. No. I just told him a moment ago that that was excluded from the totals.

Mr. LONG. From the Senator's amendment?

Mr. HUMPHREY. From my amendment. Excluded.

Mr. LONG. Let us understand what the Senator is trying to bring home. He is going to bring home 30,000 troops.

Mr. HUMPHREY. From foreign bases, foreign territories—Americans in foreign countries.

Mr. LONG. That means they will be taken from some foreign nation, not an American possession.

Mr. HUMPHREY. That is correct. I do not consider any American possession a foreign nation.

Mr. LONG. So if 30,000 troops, say, are shifted from Thailand to Guam, that would meet the Senator's requirements?

Mr. HUMPHREY. That is correct. Or to Hawaii.

Mr. LONG. To any American possession?

Mr. HUMPHREY. To any American possession or territory.

Mr. LONG. Move them, say, from Taiwan or Vietnam or Japan to Guam?

Mr. HUMPHREY. Would the Senator like to use some of his time?

Mr. LONG. If I had time.

Mr. GRIFFIN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Minnesota has 3 minutes remaining. Who yields time?

Mr. THURMOND. Mr. President, I yield 3 minutes to the distinguished Senator from Michigan.

Mr. GRIFFIN. I wonder whether I could ask the Senator from Minnesota a question for clarification.

Mr. HUMPHREY. On the time of the Senator from Michigan.

Mr. GRIFFIN. Yes.

If I understand the Senator correctly—and I want to be sure—the purpose of his amendment is that it shall not apply to troops in Europe, so that it will not affect our mutual balance of forces——

Mr. HUMPHREY. I am giving the President and the Secretary of Defense complete flexibility, which I am sure the distinguished Senator from Michigan would like.

It is my understanding that, in light of the administration's attitude, they will make these troop reductions in non-NATO areas.

Mr. GRIFFIN. The Senator does not intend that it shall apply to troops in Europe, unless a satisfactory treaty is arrived at?

Mr. HUMPHREY. That is my personal view, but I am not President. I tried to be, and I did not make it. [Laughter.] And I am not the Secretary of Defense. Because I do have respect for the Commander in Chief in his role as Commander in Chief, I leave the disposition of these troops up to him, with the exception that 125,000 of the troops stationed in foreign countries—which is what the language of the bill says—shall be brought home in a 2-year period.

Mr. GRIFFIN. Unfortunately, as I think the Senator realizes, this is going to be misinterpreted on the part of many people as a direction to the President to require a drawdown of troops in Europe without an agreement on the mutual balance of forces, which would be unfortunate.

Mr. HUMPHREY. There is not a line in this amendment that indicates that it is aimed at Europe. What is in this amendment is a very simple proposition: that the President is directed, within a 2-year period, to be able to remove from foreign countries, not American possessions, up to 125,000 forces; and in the first year, 30,000. That is all there is to it.

It is not complicated. We do not need to have a Ph. D. thesis at Harvard. It is a very simple arithmetical proposition—125,000 brought home from foreign countries, thereby reducing our commitments overseas.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator from South Carolina has 14 minutes remaining.

Mr. THURMOND. Mr. President, I would just like to call to the attention of the Senate a few points with respect to this matter.

This is a very important matter. The President of the United States is the Commander in Chief. I do not know of any instance in history in which Congress has told the President where to position our troops. Are we not treading on dangerous ground when we tell the President how many troops he can have at home or have elsewhere? Is that not a decision for him?

Also, the world situation may be different next year or 2 years from now. The Senate meets every year; Congress meets every year. Why can we not legislate year by year on a matter such as this, rather than to tie the hands of the President and to tie the hands of the people of this country on an important matter of this kind?

Most important, our President is getting ready now to go into negotiations. I can tell the Senate—because he said it today—that the President of the United States and the Secretary of State are deeply concerned about any reductions in troops at this time. These negotiations will begin next month. It is a matter of principle, he says. If we make any reductions at this time, when he needs all the strength he can get, when he wants to go into these negotiations to achieve mutual reductions on both sides, are we not going to make a mistake if this amendment is adopted?

I hope the Senate will think well about this matter and not take precipitate action. We have taken action today that will strengthen the hands of the President. He will go into these negotiations with strength—troop strength, weapon strength, and other strength. Are we going to weaken his position at this time and say that Congress is going to mandate so much this year and so much next year with respect to reductions? Why not leave it to the President? He is the only President we have.

Certainly, Senators believe he is a man of peace. He has ended the Vietnam war. He has brought the soldiers home from Vietnam. He has brought the prisoners of war home from Vietnam. Can we not trust him now a little longer and give him a chance to go into these negotiations and use all the strength he has to achieve reductions on both sides, rather than to have a unilateral reduction at this time?

Mr. President, this is a very serious matter, and I hope the Senate will not adopt this amendment.

Mr. LONG. Mr. President, will the Senator yield me 2 minutes?

The PRESIDING OFFICER. Who yields time to the Senator from Louisiana?

Mr. THURMOND. Mr. President, I yield 3 minutes to the distinguished Senator.

Mr. LONG. Mr. President, I really cannot see that this amendment means a thing on earth, and I think we would be deceiving the American public to vote for it.

All the President has to do is to take some of the 40,000 troops he has on the Ryukyu Islands and move them to Guam, and he would have 10,000 left in the Ryukyus. That would not mean a thing on earth, and they would not be a bit closer to home.

As a practical matter, a vote for this amendment, in my opinion, will just mislead the American public into thinking that you did something when you did not do anything.

It is true that in the second year there would be a cutback of 125,000 men, but we will be here next year and can talk about it next year. What would be done this year? Move 30,000 troops from the Ryukyu Islands to Guam in order to comply with this amendment. If Senators want to vote for something, they should vote for it.

They could move or shift a few fellows from the Ryukyu Islands to Guam and be in compliance with this amendment. This situation will never be corrected in that way. The amendment would mislead the American people to think we had done something but all we did was to move 30,000 troops from the Ryukyu Islands to Guam. It is ridiculous and I refuse to vote for it.

Mr. HUMPHREY. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. HUMPHREY. Mr. President, I say to the Senator from South Carolina, if the Senator talks about weakening the President's hand, the committee has already cut the total number by 156,000 troops. This only takes them from foreign countries and brings them back to American possessions or the United States of America.

When the Senator from Louisiana talks about transferring them from the Ryukyu Islands to Guam, well, Guam is an American possession; Guam is a part of the United States.

Mr. LONG. Mr. President, the Senator would tell someone from Louisiana he is home when he gets to Guam. [Laughter.]

Mr. HUMPHREY. It is a long ways closer to home than being in Thailand. Guam is an American possession. But that is not the purpose of this amendment. The purpose of the amendment is clear. It is to reduce the number of Americans based overseas increasing the possibility of potential involvement. We have had the other debate on the Mansfield amendment and we had the debate on the Jackson amendment. This is a sensible, reasonable, moderate proposal.

Mr. MANSFIELD. Mr. President, this is a most serious matter. I think there has been too much laughter and ridicule. I hope we will get back on the track.

Mr. HUMPHREY. Mr. President, I am prepared to yield back my time if the Senator from South Carolina is prepared to yield back his time.

Mr. THURMOND. Mr. President, I yield 3 minutes to the distnguished Senator from Texas.

Mr. TOWER. Mr. President, I would like to offer an amendment to the amendment of the Senator from Minnesota. I think it is a reasonable amendment. I think that the admonition of the distinguished majority leader to us was well taken. This is a serious matter.

I oppose this amendment on philosophical grounds, on the basis of principle, because I believe military force is a tool of diplomacy, and that the principal responsibility for the formulation and implementation of foreign policy resides in the hands of the President of the United States. When we deny him any flexibility in the use of that tool, we are undercutting and undermining the ability of the President to negotiate with foreign powers, specifically super powers, like the Soviet Union.

On that basis I oppose the amendment. I think, however, that that is not inconsistent with my desire to modify the amendment to make it what I consider to be less restrictive on the President, and at the same time perhaps accelerate some of what the Senator from Minnesota wants to do.

Therefore, when the time has expired or has been yielded back, I intend to offer an amendment which will provide that on page 2, line 5 we delete "such reduction shall be completed not later than June 30, 1975." In other words, leave the out years open rather than to foreclose the President in 2 years. I shall also offer an amendment to mandate, rather than a 30,000 troop reduction, a 40,000 troop reduction in the first year. So that would up the number required to be brought back in the first year but would leave the out years open ended. We could come back here and we have adequate time because the 40,000 reduction would have to be made not later than June 30 next year. Therefore, we could come back and mandate additional cuts.

Indeed, those cuts are mandated in my amendment, but the time is not prescribed.

So at such time as the time of the Senator from Minnesota has expired or yielded back, I shall offer that amendment.

Mr. HUMPHREY. Mr. President, is the Senator from South Carolina prepared to yield back the remainder of his time?

Mr. ROBERT C. BYRD. Mr. President, before he does that——

The PRESIDING OFFICER. The Senate will be in order.

Mr. THURMOND. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from South Carolina has 5 minutes remaining and the Senator from Minnesota has 2 minutes remaining.

Who yields time?

Mr. THURMOND. Mr. President, we yield back our time, if the Senator from Minnesota will yield back his time.

Mr. ROBERT C. BYRD. Mr. President, I have a question for the Senator from Texas. Is the Senator leaving the figure at 125,000?

Mr. TOWER. The figure of 125,000 remains, but there is no prescription in the reduction in that amount. The time prescription is only on the amount of 40,000. In other words, it raises by 10,000 the number required by the Senator from Minnesota. He has 30,000 and I make it 40,000 in the first year. The rest is open-ended, but we have adequate opportunity to come back and mandate additional cuts.

The PRESIDING OFFICER. Is all time yielded back?

Mr. THURMOND. Mr. President, we are ready to yield back our time if the Senator from Minnesota is prepared to yield back his time.

Mr. HUMPHREY. We yield back our time.

The PRESIDING OFFICER. All time is yielded back.

Mr. ROBERT C. BYRD. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 2, line 3 strike 125,000 and insert in lieu thereof 110,000.

The PRESIDING OFFICER. There is 20 minutes on this amendment, 10 minutes to a side. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I yield myself 1 minute.

The argument for my amendment already has been made by the able Senator from Minnesota (Mr. HUMPHREY). The amendment is very simple. It cuts the figure from 125,000 to 110,000. There are some Senators who would like to bring all the troops home from overseas; other Senators do not want to go that far. I do not believe that we can go that far. I voted for the amendment proposed by the distinguished majority leader which would have required a reduction overseas of 190,000 troops over a 3-year period.

I do think there should be a significant reduction. I think my amendment is a reasonable compromise. The amendment speaks for itself. It would effect some savings to the overburdened taxpayers and would make a favorable impact on our imbalance of payments. The President and Secretary of State would retain discretion as to where the reductions overseas would be made. I hope the Senate will agree to this compromise figure of a 110,000 reduction of American troops in foreign countries.

I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays are ordered.

Mr. ROBERT C. BYRD. Mr. President, I am ready to yield back my time.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I feel that this is a reasonable compromise. I would prefer 125,000 but I think we may very well be able to go along with this figure. I would be willing to accept it on our side.

Mr. LONG. Mr. President, I ask unanimous consent that the yeas and nays be vacated. We ought to discuss the amendment.

Mr. ROBERT C. BYRD. I have to object to the request of the distinguished Senator. I think we have to go to conference with a rollcall vote on this amendment. I am perfectly willing to have a 15-minute rollcall vote because I know that some Senators on both sides of the aisle are presently away from the building.

Mr. THURMOND. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Is any time yielded to the Senator from South Carolina?

Mr. TOWER. Mr. President, I ask unanimous consent that the rollcall vote be 15 minutes rather than 10 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection, and it is so ordered. The rollcall vote will be 15 minutes.

The Senator from South Carolina controls time. The Senator from Minnesota is in favor of the amendment.

Mr. THURMOND. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. The Senator from South Carolina has 10 minutes.

Mr. THURMOND. Mr. President, do we control the time?

The PRESIDING OFFICER. The Senator from South Carolina controls the time.

Mr. THURMOND. Mr. President, I just want to say this: The President of the United States said today it was not the size of the reduction; he said it was the principle involved. He said:

> I am going into these talks to try to bring about mutual reductions, to reduce troops, reduce weapons, and reduce everything, and I need all the power I can get.

Are we going to deny him that opportunity? Whether it is 125,000 or 110,000, is it not the prerogative of the President to position those troops? Are we going to say to him, "We are not going to give you a chance to see what you can do?"

President Nixon has gone to China. He has gone to Russia. He is doing all he can to bring about reductions. It would be a mistake, in my judgment—a serious mistake, and that is the President's opinion, and it is Dr. Kissinger's opinion. Are we going to trust him in that matter? This is a matter of foreign policy. Can we not give the President and the Secretary of State time enough to go into these talks and see what they can do?

Mr. President, we are making a great mistake here to make any reduction in troops, any reduction in weapons, any reduction in anything, just at the very moment when President Nixon is going into these talks. They are a short time off. Let us give him the strength to go into those talks so that he can bring about mutual reductions.

He hopes to bring about reductions—not little reductions. He is hoping to get bigger reductions, amounting to billions of dollars, and thousands of troops, but he wants them cut on both sides. If Congress unilaterally mandates that he has to bring so many home now, we weaken his position; and will not the Soviets feel that if Congress cut them this year, next year Congress can cut them again, and will not the Soviet leaders feel they may have to deal with Congress rather than the President?

Mr. President, again I repeat, we have only one President. He is our spokesman. He is doing the best he can. Why not give him the authority and the flexibility to go into the mutual reduction talks with all the strength we can give him?

I hope the Senate will not adopt any amendment here that is going to take away that flexibility.

Again, we have the President saying it is a great mistake. The Secretary of State thinks it is a great mistake. Again I express the hope that the Senate will not make this mistaken judgment.

Mr. LONG. Mr. President, if the Senator will yield, if I were going to save the balance of payments for this country to protect the value of the American dollar and save the taxpayers billions, I would be willing to vote for the Mansfield amendment to bring 100,000 troops back from Europe, even if it did weaken the President's hand; but if all I am going to do is cause them to move 30,000 troops away from Okinawa down to Guam, I do not see any use in taking action that might weaken the President's hand. We would not save a dollar. All we might be doing is shifting 30,000 troops from one point overseas to another point even more distant from home.

As far as a Lousiana boy serving in the service is concerned, the only reason he would know he is on American soil might be that there is an American flag on the flagpole. So it is a distinction without a difference.

Why would Senators want to weaken the President's hand for that reason? If we were going to save billions of dollars, it would be a different matter, but for this kind of window dressing, I quite agree we should not do it.

Mr. THURMOND. Mr. President, I yield back my time.

Mr. ROBERT C. BYRD. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the amendment of the Senator from West Virginia (Mr. ROBERT C. BYRD) to the amendment of the Senator from Minnesota (Mr. HUMPHREY). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative called the roll.

Mr. GOLDWATER. On this vote I have a pair with the Senator from Arkansas (Mr. FULBRIGHT). If he were present and voting, he would vote "yea." If I were allowed to vote, I would vote "nay." I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. McCLELLAN), the Senator from North Carolina (Mr. ERVIN), the Senator from Mississippi (Mr. STENNIS), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Indiana (Mr. HARTKE) are necessarily absent.

I also announce that the Senator from Iowa (Mr. CLARK) is absent because of a death in the family.

I further announce that if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. PACKWOOD) and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that the Senator from New York (Mr. JAVITS) is absent for religious observations.

I further announce that the Senator from Illinois (Mr. PERCY) is absent by leave of the Senate.

The result was announced—yeas 73, nays 14, as follows:

[No. 431 Leg.]

YEAS—73

Abourezk
Aiken
Allen
Bayh
Beall
Bennett
Bentsen
Bible
Biden
Burdick
Byrd, Robert C.
Cannon
Chiles
Church
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Fong
Gravel
Griffin
Gurney
Hart
Haskell
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
William L.
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Williams
Young

NAYS—14

Baker
Bartlett
Bellmon
Brock
Brooke
Buckley
Byrd,
Harry F., Jr.
Case
Fannin
Hansen
Hatfield
Hughes
Moss
Saxbe

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Goldwater, against.

NOT VOTING—12

Clark
Ervin
Fulbright
Hartke
Javits
McClellan
Packwood
Pearson
Percy
Stennis
Taft
Weicker

So Mr. ROBERT C. BYRD's amendment to Mr. HUMPHREY's amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. HUMPHREY. Mr. President, I send to the desk an amendment in the nature of a substitute.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. MANSFIELD. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The amendment must be stated.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be waived, because I can explain what the details are very quickly.

Mr. GOLDWATER. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The clerk will state the amendment.

The second assistant legislative clerk read as follows:

On page 2, strike everything from line 1 through 17 and insert the following:

"SEC. (a) The Secretary of Defense shall take such action as may be necessary to reduce, by not less than one hundred ten thousand, the number of military forces of the United States assigned to duty in foreign countries on March 31, 1973. Such reduction shall be completed not later than December 31, 1975. Not less than forty thousand of such reduction shall be completed not later than June 30, 1974.

"(b) Notwithstanding any other provision of law, no funds may be expended after December 31, 1975, to support or maintain military forces of the United States assigned to duty in foreign countries if the number of such forces so assigned to such duty on or after such date exceeds a number equal to the number of such forces assigned to such duty on March 31, 1973, reduced by such number as necessary to comply with the provisions of subsection (a) of this section.

"(c) As used in this section, the term 'military forces of the United States' shall not include personnel assigned to duty aboard naval vessels of the United States."

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, in view of the fact that the hour is getting late, I ask unanimous consent that rollcalls from now on consume no more than 10 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. Mr. President, in this particular amendment in the nature of a substitute, we have incorporated the modification of the Byrd amendment of changing to 110,000 the number of forces subject to reduction. We have included the date of March 31, 1973, as the base line of forces of the United States assigned to duty in foreign countries, instead of a base line of March 1. Also, we have included the provision that such reductions shall be completed not later than December 31, 1975, instead of June 30, thereby providing a greater period of time for the early reduction of 40,000.

Furthermore, we have stated in the amendment that the reduction of 110,000 shall be completed by December 31, 1975, rather than June 30, 1975.

Why? It gives the President an extra half year to make the reductions.

The amendment incorporates the suggestion of the Senator from Texas of 40,000 instead of 30,000 for the first year, and it incorporates the modification that was just voted by the Senate, of a total of 110,000, in the amendment of the Senator from West Virginia.

It seems to me, Mr. President, that here we have an amendment, now, that will give us a reduction of American forces in foreign countries. It gives the President 2½ years. It provides, may I say, for the first year, in accordance with the suggestion made by the other side awhile ago, a reduction of 40,000.

Mr. President, I believe this is a reasonable, sensible, modest suggestion and proposal, and I urge my colleagues to support it.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I yield such time as he may require to the Senator from Texas.

Mr. TOWER. Mr. President, the "Old Gray Fox" has done it again. I made a mistake in announcing that I was going to introduce my amendment; I should just have sprung up and introduced it. Now I cannot amend, being preempted. I have been around here long enough to know when I have been had.

However, I believe it is in order for me to offer a perfecting amendment to the amendment offered by the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I raise a point of order.

Mr. TOWER. I make a parliamentary inquiry to that effect.

The PRESIDING OFFICER. The Senator from Texas could offer a perfecting amendment to the original amendment. That would be in order when all time on the amendment has expired.

Mr. TOWER. In other words, I cannot offer a perfecting amendment to the amendment in the nature of a substitute offered by the Senator from Minnesota?

The PRESIDING OFFICER. It would be in the third degree. The amendment in the nature of a substitute is in the second degree.

Mr. TOWER. The substitute is in the second degree, so I am barred from offering an amendment in the third degree?

The PRESIDING OFFICER. The Senator is correct.

Mr. TOWER. Let me see if I can bargain with my friend from Minnesota. I doubt if I can.

The amendment in the nature of a substitute of the Senator from Minnesota provides, on line 10, page 2, that the terminal date shall be December 31; is that correct?

Mr. HUMPHREY. That is correct, 1975.

Mr. TOWER. December 31, 1975. Now, of course, the Senate could repeal that subsequently, if it felt it necessary.

Mr. HUMPHREY. That is correct.

Mr. TOWER. Why not go ahead and do it open-ended, then, as suggested by the Senator from Texas? Because we could come back and mandate an even greater reduction than the 110,000 advocated by the Senator from Minnesota. Why should we commit ourselves to that kind of reduction now? The Senator from Missouri made a great case that times change and situations change in debate on another matter, and it is true that times and situations will change. Why do we lock ourselves into that figure for that long a period of time? The Senator from Texas is willing to increase the number of people required to be withdrawn in the first year, but why should we commit ourselves to that kind of withdrawal when we do not know what the world situation will be a year from now?

Mr. HUMPHREY. Mr. President, the Senator from Texas is always a reasonable and intelligent man. May I say he has made the argument I wanted to make in behalf of my amendment in the nature of a substitute: namely, that if Congress feels next year it is desirable, we can change it. But we ought to have some firm deadlines here, so we can have some idea of where we are going. As the Senator says, if we just leave it open-ended we can come in next year and change the numbers to whatever we wish. The Senator is absolutely correct.

So may I say most respectfully to the Senator from Texas, if he feels next year it should be changed, he can offer such a proposal. If he feels that the number of troops should be 90,000, or 200,000, he can propose legislation to that effect. I say most affectionately to my friend from Texas that we have an amendment before us now that everyone understands. It is reasonable, it is not going to cripple the country or injure the President——

Mr. TOWER. If the Senator will yield at that point, the President is not in agreement with that, since he is meeting with Mr. Gromyko tomorrow. He knows that Gromyko will probably giggle at it just a little bit, because the Senate has put it on him tonight.

Mr. HUMPHREY. Yet, may I say most respectfully and with great respect, the weakening of our forces will not come about as a result of my amendment. The committee decided, I think wisely so, to reduce the total forces to 156,000. That is what Mr. Gromyko knows. All the Humphrey amendment says is that from Thailand, from Southeast Asia, the western Pacific, and all those places, we will bring home some of the American forces.

Mr. TOWER. Yes, but that amendment does not require that they be withdrawn from specific areas.

Mr. HUMPHREY. No, I know that.

Mr. TOWER. It does not require that they be withdrawn from Europe and Asia.

Mr. HUMPHREY. No, this makes no requirement except for withdrawal from foreign countries. We leave up to the Commander in Chief the deployment of forces. All we do is fix the level of forces.

Mr. TOWER. Would the Senator consider dropping that portion of his amendment which excludes the naval forces? Because, as the Senator knows, the deepest cut, if we do not cut naval forces, has to come out of the land-based troops.

Mr. HUMPHREY. May I say most respectfully, the reason that section (c) was placed back in the amendment was that I thought it was helpful in terms of our defense situation, because the Navy is principally the instrument needed in our diplomacy, such as the 6th Fleet or the Atlantic Fleet; and I did not want to mandate withdrawal while the Navy was afloat.

Mr. TOWER. I say to the Senator, if you mandate troop withdrawal from Europe, you are diminishing our ability to deal with the crisis in the Middle East. Let us all understand, when voting for this amendment, the kind of hazard it represents to the security of Israel. Let us understand that very clearly, because we must draw down on NATO resources in the event of a crisis in the Middle East. So let us understand what situation we place Israel in here, and make no mistake about that.

Mr. HUMPHREY. I understand. That is why I want to preserve the 6th Fleet.

Mr. TOWER. But these are land-based naval forces in that area. What about Naples? What about Athens?

Mr. HUMPHREY. Would the Senator vote for this amendment if I removed section C?

Mr. TOWER. I do not think the Senator would want to modify his amendment, anyway, because nothing could compel me to vote for it.

Mr. HUMPHREY. I thank the Senator. I thought he was of that mind.

Mr. TOWER. We should modify it to the extent that we can give the President the flexibility he needs to deal with any crisis.

Mr. HUMPHREY. I thought the Senator said he wanted 6 months in there for the withdrawal of troops?

Mr. TOWER. That helps. I talked with the Senator about that. He is extremely cooperative and one of the most delightful people I know.

Mr. HUMPHREY. I thank the Senator from Texas for that.

SEVERAL SENATORS. Vote! Vote!

Mr. ALLEN. May I ask the Senator from Minnesota to explain the significance of the various date changes in the amendment. I do not believe he has explained the reason for the change from March 1 to March 31. There is a difference between the amendment on the troops for March 1 and for March 31.

Mr. HUMPHREY. That was a printing error in drawing it up. The "3" was left out. It is supposed to be March 31.

Mr. ALLEN. I thank the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I am prepared to yield back our time.

Mr. GRIFFIN. Mr. President, will the Senator from South Carolina yield?

Mr. THURMOND. I yield to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry. The Senator from Minnesota has offered a substitute for his amendment 549. While an amendment to the substitute would not be in order, would it not be true that a perfecting amendment to the original amendment would be in order?

The PRESIDING OFFICER (Mr. HOLLINGS). That is correct and was so stated.

Mr. GRIFFIN. Mr. President, a further parliamentary inquiry. If such a perfecting amendment were pending and the substitute were also pending, would it not be true that the vote would first occur on the perfecting amendment rather than on the substitute?

The PRESIDING OFFICER. That is correct.

Mr. GRIFFIN. I thank the Chair.

Mr. TOWER. Mr. President, when all the time has expired, I should like to offer a perfecting amendment provided I can get recognized for that purpose. Maybe I should not make these announcements.

Mr. HUMPHREY. The Senator can do so, no matter how many perfecting amendments are offered to the original language and presume when adopted and when the substitute is voted on it supersedes all the other amendments offered.

The PRESIDING OFFICER. That is correct.

Mr. HUMPHREY. What we would be doing here would be to enter into an exercise of futility because the issue is, ultimately, on the substitute amendment.

The PRESIDING OFFICER. The Chair would inform the Senator from Minnesota that he is not going to answer that. [Laughter.]

Mr. TOWER. Mr. President, if the Senator will yield back his time, I will yield back my time.

Mr. THURMOND. Mr. President, when the Senator from Minnesota yields back his time, we will yield back our time.

Mr. HUMPHREY. I yield back my time.

Mr. TOWER. I yield back my time.

The PRESIDING OFFICER. All time has now been yielded back.

Mr. TOWER. Mr. President, I send a perfecting amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The perfecting amendment will be stated.

The legislative clerk read as follows:

> On page 2 line 5; strike out all after the period.
>
> On line 6 strike out all before the period, delete the word "thirty" and substitute the word "forty".
>
> Delete subsection (B).

Mr. TOWER. Mr. President, I have already explained my perfecting amendment. It would mandate a 40,000 reduction the first year and leave open the time in which the additional 70,000 withdrawals shall occur. This gives us the opportunity to come back next year and make it an even bigger withdrawal if we choose to do so.

I am prepared to yield back my time and go ahead and vote.

Mr. HUMPHREY. Mr. President, I yield back my time.

Mr. TOWER. I yield back my time.

Mr. President, I ask for the yeas and nays on the perfecting amendment.

The yeas and nays were ordered.

Mr. THURMOND. Mr. President, which amendment are we voting on?

The PRESIDING OFFICER. The Senate will be voting on the perfecting amendment of the Senator from Texas to the amendment No. 549 of the Senator from Minnesota.

Mr. THURMOND. I thank the Chair.

The PRESIDING OFFICER. All time on this amendment has now been yielded back.

The question is on agreeing to the perfecting amendment of the Senator from Texas to the amendment No. 549 of the Senator from Minnesota (Mr. Humphrey).

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from North Carolina (Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Arkansas (Mr. McClellan), the Senator from Mississippi (Mr. Stennis), and the Senator from Indiana (Mr. Hartke) are necessarily absent.

I also announce that the Senator from Iowa (Mr. Clark), is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. Clark), and the Senator from Indiana (Mr. Hartke) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. Packwood), the Senator from Arizona (Mr. Goldwater), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

I further announce that the Senator from Ohio (Mr. Taft) is absent on official business.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that the Senator from New York (Mr. Javits) is absent for religious observance.

I further announce that the Senator from Illinois (Mr. Percy) is absent by leave of the Senate.

The result was announced—yeas 36, nays 51, as follows:

[No. 432 Leg.]

YEAS—36

Aiken
Allen
Baker
Bartlett
Beall
Bennett
Brock
Buckley
Byrd,
Harry F., Jr.
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Fong
Griffin
Gurney
Hansen
Helms
Hruska
Jackson
McClure
McGee
Nunn
Roth
Scott, Hugh
Scott,
William L.
Sparkman
Stafford
Stevens
Thurmond
Tower
Young

NAYS—51

Abourezk
Bayh
Bellmon
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Cranston
Eagleton
Gravel
Hart
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Saxbe
Schweiker
Stevenson
Symington
Talmadge
Tunney
Williams

NOT VOTING—13

Clark
Ervin
Fulbright
Goldwater
Hartke
Javits
McClellan
Packwood
Pearson
Percy
Stennis
Taft
Weicker

So Mr. Tower's perfecting amendment to Mr. Humphrey's amendment No. 549 was rejected.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the yeas and nays on the substitute be rescinded, because I understand that if the substitute is adopted, we have to vote on the amendment as amended. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. In order to expedite our time, I ask unanimous consent that the order for the yeas and nays on the substitute be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the substitute amendment.

Mr. THURMOND. Mr. President, this does not preclude a vote on the amendment?

The PRESIDING OFFICER. No.

Mr. HUMPHREY. Mr. President, have the yeas and nays been ordered on final passage?

The PRESIDING OFFICER. The question is on agreeing to the substitute amendment.

The substitute amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the substitute amendment, as amended.

Mr. HUMPHREY. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered on the amendment as amended.

Mr. ROBERT C. BYRD. Mr. President, I would hope that Senators would make sure that this is a sizable vote one way or the other before they leave the Chamber for the evening. The vote could be close enough that we would have a motion to reconsider, and then another vote.

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUGH SCOTT (when his name was called). Mr. President, on this vote I have a pair with the Senator from Arkansas (Mr. Fulbright). If he were present and voting he would vote "yea." If I were permitted to vote I would vote "nay." I withhold my vote.

Mr. YOUNG (after having voted in the negative). On this vote I have a pair with the Senator from Connecticut (Mr. Weicker). If he were present and voting he would vote "yea." If I were permitted to vote I would vote "nay." I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. Eastland), the Senator from North Carolina (Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Indiana (Mr. Hartke), the Senator from Arkansas (Mr. McClellan), and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I also announce that the Senator from Iowa (Mr. Clark) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Indiana (Mr. Hartke) would vote "yea."

On this vote, the Senator from Iowa (Mr. Clark) is paired with the Senator from North Carolina (Mr. Ervin).

If present and voting, the Senator from Iowa would vote "yea" and the Senator from North Carolina would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. Packwood), the Senator from Arizona (Mr. Goldwater), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

I further announce that the Senator from Ohio (Mr. Taft) is absent on official business.

I also announce that the Senator from Kansas (Mr. Pearson) is absent because of illness.

I further announce that the Senator from New York (Mr. Javits) is absent for religious observance.

I further announce that the Senator from Illinois (Mr. Percy) is absent by leave of the Senate.

If present and voting, the Senator from New York (Mr. Javits) and the Senator from Illinois (Mr. Percy) would each vote "nay."

The pair of the Senator from Connecticut (Mr. Weicker) has been previously announced.

The result was announced—yeas 48, nays 36, as follows:

[No. 433 Leg.]

YEAS—48

Abourezk
Aiken
Bayh
Bentsen
Bible
Biden
Burdick
Byrd, Robert C.
Cannon
Chiles
Church
Cranston
Eagleton
Gravel
Hart
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott,
William L.
Stevenson
Symington
Talmadge
Tunney
Williams

NAYS—36

Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Brock
Brooke
Buckley
Byrd,
Harry F., Jr.
Case
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Fannin
Fong
Griffin
Gurney
Hansen
Helms
Hruska
Jackson
Long
McClure
McGee
Nunn
Roth
Saxbe
Sparkman
Stafford
Stevens
Thurmond
Tower

PRESENT AND GIVING A LIVE PAIR AS PREVIOUSLY RECORDED—1

Hugh Scott, against
Young, against

NOT VOTING—14

Clark
Eastland
Ervin
Fulbright
Goldwater
Hartke
Javits
McClellan
Packwood
Pearson
Percy
Stennis
Taft
Weicker

So Mr. Humphrey's amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, there will be no further rollcall votes tonight. I do not think anyone wants a yea-and-nay vote on a motion to adjourn.

I believe the senior Senator from Maryland (Mr. Mathias) has an amendment.

Mr. THURMOND. That has been acted upon.

Mr. ROBERT C. BYRD. Is there any other amendment that could be acted upon by voice vote?

Mr. THURMOND. Not tonight.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL EMPLOYEES PAY ADJUSTMENT

Mr. HUMPHREY. Mr. President, it is necessary that I be absent from the Senate tomorrow morning when this body votes on Senate Resolution 171, which would disapprove the President's alternative plan to postpone from October 1, 1973, to December 1, 1973, a pay adjustment for Federal employees.

Under the procedure established by the 1970 Federal Pay Comparability Act, the President adjusts statutory pay rates of Federal employees in accordance with the comparability principle, on consideration of the report of the Civil Service Commission and the Office of Management and Budget, along with the findings and recommendations of a three-member Presidentially appointed, nongovernment advisory committee. Adjustments recommended become effective on October 1.

Administrative pronouncements to the contrary notwithstanding, it is the expressed and demonstrated intent of the majority of this Congress to hold down unnecessary Government spending and to follow the course of economic stabilization. However, during the phases and half-phases and semi-phases of the administration's program, the salaried Federal employee has been called on to be prepared to make sacrifices in the interest of cooling the fires of inflation.

For the third time in 3 years, the President has proposed that the pay adjustment due to become effective next Monday be postponed.

I believe this is beyond the call of duty to economic stability. For the family of the Federal employee, as for those in the private sector, the costs of food, health care, of housing and of fuel have continued to rise, insuring that the economic crunch is with us to stay. In the 2 months of the President's proposed postponement, we can continue to expect the familiar news of rises in the cost of living. The Federal employee is not immune to this hazard.

But while collective bargaining in private industry has brought about reasonable and timely increases, the Federal employees' economic fate rests in the President's hands.

Only a resolution of disapproval, such as the one offered by the distinguished Chairman of the Post Office and Civil Service Committee, Mr. McGee, and the ranking minority member, Mr, Fong, can nullify the President's decision.

Let me again emphasize, Mr. President, that I am committed to policies which will bring our Nation out of economic chaos. But our policies and guidelines must be equitable. We simply cannot expect one sector to carry more than its fair share of the burden.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE ON MONDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday next, after the two leaders or their designees have been recognized under the standing order, the distinguished senior Senator from Wisconsin (Mr. Proxmire) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, has there been morning business transacted today?

The PRESIDING OFFICER. Yes, there has.

Mr. ROBERT C. BYRD. I thank the Chair.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at the hour of 8:45 a.m. Immediately after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Maryland (Mr. Mathias) will be recognized for not to exceed 15 minutes, after which the Senate will proceed to the consideration of Senate Resolution 171, which deals with the pay adjustment for Federal employees, on which there is a maximum time limit of 2 hours. No motions to amend, recommit, or reconsider are in order. There will be a yea-and-nay vote. I have the feeling that the managers on both sides will be in favor of cutting down the time, but that will remain to be seen.

Mr. GRIFFIN. Mr. President, I want to indicate that I have that feeling and impression on this side and that the vote may very well come after 1 hour of debate rather than 2 hours.

Mr. ROBERT C. BYRD. I thank the Senator.

May I also say there may be some desire on the part of the leadership on both sides of the aisle, depending on circumstances at the time, to delay that rollcall vote until a later hour, but that decision can be made in the morning.

Following the vote on Senate Resolution 171, the Senate will resume consideration of the unfinished business, the military procurement bill, and the Senate will take up the Stevens amendment to the bill, an amendment dealing with housing allowances, on which there is a time limitation of 1 hour. I have a feeling that that time can be reduced.

Following disposition of that amendment, the Senate will proceed to the consideration of the Clark amendment, No. 519, to reduce funds for aircraft carriers. There is a time limitation thereon of 4 hours, but there is every hope that the time limit can be considerably reduced.

Following that, the Humphrey amendment dealing with overall cuts, will be called up. There is a time limitation thereon of 2 hours. Hopefully, that time can be reduced, but I doubt it, judging from the nature of the amendment.

That is about as far as I can see it into tomorrow. Other amendments, of course, will be in order to the military procurement bill following disposition of the Humphrey amendment. There will be several yea-and-nay votes tomorrow, and the session could go late.

ADJOURNMENT TO 8:45 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 8:45 a.m. tomorrow.

The motion was agreed to; and at 9:34 p.m. the Senate adjourned until tomorrow, Friday, September 28, 1973, at 8:45 a.m.

NOMINATIONS

Executive nominations received by the Senate September 27, 1973:

DEPARTMENT OF JUSTICE

John J. Twomey, Jr., of Illinois, to be U.S. Marshal for the northern district of Illinois for the term of 4 years, vice John C. Meiszner.

IN THE NAVY

The following-named officers of the United States Navy for temporary promotion to the grade of chief warrant officer, W-3 subject to qualification therefor as provided by law:

Ackerman, John William
Adams, Lacy Malloy, Jr.
Adams, Raymond Harold
Akins, Olen Charles
Albright, William Charles
Alexander, Robert T., Jr.
Allen, Dale Joseph
Allen, Kenneth Wayne
Allen, Chester Lee, Jr.
Almy, Gideon Wilcox, III
Ames, Lloyd Monroe
Andersen, Robert George
Anderson, Douglas Warren
Anderson, Howard Junior
Anglea, James Carmack
Anglehart, Gary Lee
Archer, William Butler
Arnold, Earl Delbert
Ashcraft, Russel Glen
Ashdown, Allen Stanley
Askren, Virgil Robert, Jr.
Aten, Billy Joe
Austin, James Larry
Award, David Paul
Bailey, James Preston
Baird, Anthony Lee
Baker, Donald Douglas
Ballas, Jim William
Banks, Dwain Arnold
Banks, Paul Elliott
Barber, Richard Davis
Barber, Theodore, Jr.
Barger, James Beatty
Barker, Troy Dean
Barnes, Charles Edwin
Barnhill, Arizona Wendell
Baron, Gilbert Henry
Bartyzal, Edward Thomas
Bassett, William Thomas
Baynes, Robert Thomas
Beasley, Roy Wayne
Beck, Wayne Arthur
Becker, Martin Carl
Beckum, Cecil Rufus, Jr.
Beebe, Preston Lee
Beer, Bill Eugene
Beller, Merle Lee
Bellinger, Richard Alan
Bemenderfer, John Alan
Berdeski, Phillip Ray
Bethune, Gordon Mason
Beutelspacher, James Richard
Bewley, Norman Nelson
Beyer, Richard Anthony
Bilodeau, Ronald Lucien
Bichard, Homer Raymond
Binion, John Isaac, Jr.
Bingham, Harold Eugene
Bissette, Joseph Earl
Bishop, Emory Lamar
Blackstock, John Richard
Blackshear, Arlie Ray
Blocker, Gerald Clinton
Bliven, Robert Paul
Bollinger, George Edward
Bock, Richard Dale
Bone, Louie Cecil
Bolton, Dwight Edward
Borowski, Frank Marshall
Bord, Robert Frederick
Boughter, Chris Edward
Boswell, William Stanley, Jr.
Bowers, Michael Edward
Bowen, Vernon Robert
Bowser, Glenn Lee
Bowman, Jerry Wayne
Braswell, Wallace Edwin
Boyar, John Anthony
Brennan, Thomas Hay
Braswell, Norvin Gilbert
Brigman, William Milton
Bridges, James Earl
Brosh, Lawrence David
Brooks, Guy Randolph
Brown, Charles Anderson, Jr.
Brouse, Robert Ammon
Brown, Harold Miles
Brown, Don Fletcher
Brown, Joseph Morgan
Brown, John Wilfred
Bryant, William Joe
Brown, Rex
Bullis, Richard Alan
Buck, Wayne Eugene
Burbach, Donald Edward
Bulmer, William Richard
Burns, Benjamin Fred
Burgess, Carl Huey
Burrows, Hoyt Nathaniel
Burns, Daniel Patrick
Butler, Samuel Glen
Busch, Danny George
Butters, Joseph Kyle
Butswinkas, Joseph Thomas
Butz, John Erwin
Cadora, Vincent Joseph
Calhoun, Jimmy Royce
Caldwell, Ralph Steven
Canfield, Frank Louis
Calveard, Samuel Richard
Carlton, Curtis Wayne
Caron, Louis Albert
Carr, Patrick Michael
Carr, David Paul
Carramanzana, Rodolfo M.
Cart, Harold Edward
Casey, Daniel Patrick
Castellano, Paul Michael
Catlett, Howard Lee
Chandler, Frank Lee
Chapin, Ronald Clayton
Choate, William Jackson
Cieri, Harry Michael
Clemens, Paul Daniel
Cleven, Ronald Arthur
Click, Robert Lawson
Coard, Richard W., Sr.
Cobb, Junior Lawrence
Coen, Ronald Lee
Coffman, Bert Uwe
Coggin, Billy Ray
Collard, Raymond Herbert, Jr.
Collins, Richard Wayne
Collins, James Edward
Collins, Calfrey Wall, III
Collins, Wyndolin Gray
Combs, Carl Edward
Comfort, Terrence Jay
Coons, Joseph Dale
Cooper, Gerald Oran
Coulliette, Roy Hinson
Cowan, Jack William
Cox, William Travis
Craddock, Twiman Joe
Crank, William Orson
Cranmer, John Michael
Crawford, Robert Carl
Crawford, William Daniel
Cronin, Richard Barry
Crooks, Dennis John
Cross, James Edwin
Crumley, James Jacob
Culberson, Arthur Lee
Culberson, Jerome Joseph
Curry, Raymond Michael
Curry, Dennis Samuel
Curry, Ronald Kenneth
Dahlman, Carl Eskil
Dalton, John William
Daniel, Jess Michael
Daub, Nevin Earl
Davis, Marvin Gary
Davis, Jerrie William
Davis, Raymond Oliver
Dean, Charles Mitchel
Dean, William Wayne
Decker, Charles Edgar
Devries, Harold Marvin
Dickie, Robert William
Dilick, Gregory Frank
Dill, Walter Huey
Dills, William Jay
Dixon, James Allen
Donahue, Charles Richard
Donnellon, Earl Francis
Dooley, John Patrick
Doornbos, Robert Lee
Dossey, Melvin Larry
Doyle, Harlon Frank
Dubose, Roy Harold
Dudley, Roger Albert
Dufford, Robert Howard
Duncan, Robert Aubrey
Dunn, Robert Kenneth
Duryea, George Warner
Earl, Robert Paul
Earle, Douglas Stanley, Jr.
Earnest, William Grover
Easterling, James Thorpe, Jr.
Eberle, Richard Raymond
Eck, Richard Thomas
Eckler, Burton Franklin, Jr.

Ekstrom, Russell Carl
Elder, James Wayne
Ellig, Jack Leroy
Elzner, Jack Edward
Emory, Charles Byron
Engelhard, John Daniel
Erven, Wayne Peter
Esquibel, Umberto Castillo
Evans, George Perry
Evans, Roy Joseph
Fagan, Joseph Thomas
Farrell, James Thomas
Farwell, Gary Lee
Faulk, James Reginold
Fehrs, Thomas Lee
Fenton, Don Joseph
Ferguson, Derrel Eugene
Ferguson, John Lee
Fike, Delmas Gene
Fine, Leo Norman
Finley, Charles Crothers
Finniss, Richard Allen
Fish, George Wayne
Fishel, Walter Evander
Fisher, Glen Andrew
Flamboe, Edward Eugene
Flaugher, Robert Harvey
Fleming, Samuel Edward
Fluker, James Andrew
Foreback, Richard Fay
Foreman, John Edward
Forgays, Reginald Earl
Fortier, Ormond Leo
Foster, Timothy Walter
Foster, Gilbert Lee
Fox, Al E.
Fox, James Henry, II
Fox, Jerry William
Frederick, David
Free, Melvin Leon
Freegard, Sidney Brookes, Jr.
Freeman, Stanford Louis
Freiberg, Roy Edward
Froemel, Anthony Frank
Fry, James Enlowe
Fuller, Carroll Asbury
Funkhouser, Guy Leonard
Galen, Howard Eusibuis, Jr.
Gallagher, James Theodore
Gallagher, Terrence Michael
Gann, James Wilson
Garrett, Harold Lee
Gaskins, Warren Carldon, Jr.
Gault, Donald Richard
Gaut, Leon Westley, Jr.
Gavin, Donald Earl
Gay, Donald Lee
Gibbs, Ralph Walter
Gilbert, John Berton
Gilliland, Larry Daniel
Gladding, Raymond Greene, Jr.
Glynn, William Gardner
Goard, Owen Doughlas
Godfrey, Thomas James
Godwin, Jackie Eugene
Goforth, George Thomas
Goins, Donald Ross
Goodwin, George Mackenzie
Gorans, Larry Dean
Gossett, William Dale
Grace, Robert Michael
Graf, Joseph Herbert
Grafford, Elmer Lee
Grampp, Gordon David
Granthan, Richard James
Greene, Montie Ray
Greene, John David.
Greene, Manson Moses
Greksouk, John Gary
Groshel, Lyle Reynold
Grossglass, Kenneth Alan
Gudis, Richard Paul
Gulbrandson, Charles Richard
Gurey, Charles James
Gustafson, Orville Leroy
Gwise, Thomas Edward
Haack, Howard Ernest
Hafner, Kenneth Duane
Hager, Luther Hunt, III
Hahn, Kurt Robert
Hale, Nathaniel
Halman, Charles Robert
Halpin, Thomas Francis
Hamblin, Gayle L.
Hamilton, Robert Edward, Jr.
Hammerle, Gerald Thomas
Hanon, David Lee
Hanson, Clark Richard
Harden, Kenneth Dale
Harker, Ralph Joseph
Harmel, Robert Jerome
Harold, Thomas Louis
Harrison, Billy Bryan
Harris, Leslie Alan
Harter, Harold Warren
Hartley, John Arthur
Harwell, Michael Adaire
Harwell, Eugene Alley
Hawk, Bruce Leon
Hawkins, Larry
Hawkins, Robert Frederick
Headrick, James Oliver
Heberlein, Alexander Paul
Heckhaus, Richard
Heeger, George Franklin
Hellie, Dennis Duane
Helms, Wallace Junior
Hembree, Buddy Russell
Hendrix, Bobby Edward
Henley, Ronald Wayne
Hennessy, Raymond Michael
Henry, James Perry
Herrington, David William
Hess, Harvey Leonard
Hester, Roger Austin
Hicks, Clayton Thayer
Hicock, Harry Nelson
High, Ellis Lynn
Highlands, William Harry
Hightower, Clyde Kenneth
Hill, Donald Watson, Jr.
Hill, Clark Gale
Hillman, Cecil Martin
Hinnant, Hobbie Lee
Hinton, Herbert Ross
Hite, Ralph Edward
Hodge, William Frank, Jr.
Hoff, Edward Adam
Hoke, Carl Marvin
Holcomb, William Kenneth
Holden, John Palmer
Hollendonner, Frederick R.
Hollingsworth, Laban
Holzworth, James Edward
Hopkins, Michael Rodney
Hoppe, Frederick David
Hormuth, Thomas Patrick
Horsfield, William Robert
Houston, Cornell
Howard, William Joseph
Hoyt, William Henry
Hudgens, Robert Thomas
Hudson, Thomas George
Huff, David George
Huffman, Frank Alfred
Huffman, Karl Howard
Hugghins, Harold Terry
Hughes, Charles Evans
Hughes, Jefferson Carrol
Hull, Roger Leroy
Hunley, Paul Dean
Hunston, Larry Allan
Hunt, Alan Arthur
Hunt, Ted Lawrence
Hurst, Ernest Wayne
Husted, George Gerald
Husted, Harry Robert
Hutchings, Roger Arthur
Hyatt, Jerry Owen
Ingram, Walter Spencer
Isaacson, Richard Daniel
Isaacks, Carl Richard
Jackson, Charles William
Jackson, James Mack
Jackson, Thomas Everett, Jr.
James, Dempsey Dean
James, Richard Holland
James, William Bert
James, William Cyrus
Jecusco, Mark Alexander
Jeffcoat, Alton Bruce
Jeffrey, James Dillard
Jensen, Charles Louis
Jewah, Joseph Horton
Johnson, Curtiss Leroy
Johnson, David Paul
Johnson, Gary Mel
Johnson, Paul Nilan
Jones, Douglas Wayne
Jones, Stephen Ray
Jones, Thomas Nelson
Jones, Walter Lloyd
Jopp, Rudolf Heinz
Jordan, Edwin Moore
Jordan, Theodore John
Josey, Laverne
Joyner, Thomas Frederick
Kadlecik, Donald Michael
Kamienski, Jerald Paul
Kane, Roger William
Kangas, Carl Duane
Kaplan, Donavan Vern
Katschke, William Roy
Keller, Burlyn Lee
Kelley, Thomas Francis
Kellogg, James Lee
Kelly, Tom Joseph
Kennedy, Charley Houston
Kiddie, Kenneth Eugene
Kilby, William Gene
Killingsworth, Henry Cairon
Kilmer, Harold Bruce, Jr.
Kimball, David Earl
King, Earl Edward, Jr.
King, Howard Nelson
King, James Francis
Kinney, Paul Charles
Kirkey, Floyd Ronald
Klissus, Anthony Joseph, III
Knighton, Richard Benjamin
Knupple, William Arnold
Koenig, Bernard Joseph
Kohn, Walter
Kopanski, Edward
Korbelik, Oakley Allen
Kostich, Michael Edward
Krauch, Charles Scott
Kvederis, Bernard Joseph
Lacava, Louis Robert, Jr.
Lafleur, Francis Paul
Lake, James Robert
Lamont, Jerry Edgar
Landick, Richard Earl, Jr.
Lane, Dennis Lee
Lang, James Elroy
Langley, Bobby Gene
Lankford, Roger Lee
Larson, Duane Maurice
Lasky, Ralph Carleton
Latham, Buford Earl
Lawson, James Thomas
Lay, Robert Ernest
Leach, Clifford Jo
Leal, Pedro Guillermo
Leavings, William Albert
Leblanc, George Elsworth
Lee, David Harrison
Levangie, Richard Benjamin
Lewis, Gordon Allen
Lewis, Ira J.
Lindsay, Howard Byron
Little, David Elbert
Little, Jackie Elzie
Little, Larry Leroy
Little, Thomas Richard
Livingston, Thomas Edwin
Logan, James Robinson
Long, Raymond Michael
Lose, Jay Donald, Sr.
Loss, William Joseph
Lott, Richard Alan
Love, Odell Gregory
Lovett, Harry Lee
Lovitt, Roger Allen
Lowell, Robert Owen
Lucas, Ronald Eugene
Lueck, Wallace Roy
Lundby, Neil Warren
Lutes, Jack
Lutz, Philip Edward
Lynch, Norman Wilson

Lynch, Daniel Sheldon
Lyon, Scott Robert
Lyon, John David
Mabry, Eugene Patrick
Macallister, Duane Edward
Macdonald, Donald John
Mackenn, John Fortune
Malich, Thomas Carl
Malloch, James Edward
Mancini, Dante Russell
Manjuck, George Edward
Manley, Richard Walter
Mares, Joe Nieto
Marseglia, Vincent Richard
Marshall, James Franklin
Marshall, Rudy Frederick
Marsh, Robert William, Jr.
Martin, John Douglas
Martin, Marion Lee
Marttila, Elmer Edwin
Massey, Don Ray
Massengale, Thomas Irvin
Masson, Donald George
Masson, Frank Rogers
Mathers, Ivan Gale
Mathews, Hubert
Matthews, Julian Thomas
Mauldin, Robert Epthelle
McAllister, Robert Atkin
McAvinia, Thomas Francis
McBrayer, Gary David
McCaleb, Jack Dodson
McCarley, Theodore Kershaw
McComas, Lucian Raymond
McCoy, Charles Kenneth
McCoy, Ernest Vincent
McCulley, George Francis, Jr.
McGinnis, Daniel Clyde
McGuire, Robert Lee
McInnis, Brady Dale
McKinney, Terry Lee
Mead, Willie Jack
Melion, Walter Edward
Mercado, Daniel Metra
Mergler, George Carl
Meyers, Orville Luther
Milam, Richard Bernard
Miller, Dean Franklin
Millette, James Edward
Millsap, Dewey Jed
Minor, Donald Arvine
Mitchell, Kenneth Ray
Mitchell, Roger Edward
Mitzel, John Thomas
Moatz, Charles Harvey
Moloney, Rodger Timothy
Mone, Frederick Patrick
Moody, Bryan Deuinn
Moody, Paul Louis, Jr
Moore, Dwaine Raymond
Moreau, James Frederick
Moreland, David Ray
Morin, John Earl
Morrison, Thomas Alton
Morris, Homer Valton
Morrissett, Robert
Morris, Leon
Morrow, Robert Eugene
Mott, Charles Wane
Mummey, Ralph Phillip
Munson, Bruce Roger
Murner, William David
Murphy, William Donald, Jr
Murray, William Henry
Muse, Paul Robert, Jr
Mustin, James Ovid
Nadeau, James Claude
Nahill, Francis John
Naron, Harold Franklin
Neasham, Edwin Lowell
Nededog, Jose Terlaje
Neidlinger, Gary John
Nelson, Alfred Donald
Nice, Dan Edwin, Jr
Nichols, Larry Dale
Niles, Michael Edgar
Nims, George Edwin, Jr.
Nolan, Carl William
Oakes, Delbert, Jr.
Odonnell, Edward Joseph, Jr.
Ogle, James Ralph
Ohlemacher, Richard Charles
Oliver, Julian Dale
Oneal, Loren Lee
Oriley, William Thomas
Orlekoski, Michael Gene
Oropesa, John Reboton RA
Orr, Tommy Daniel
Osullivan, Patrick Leo
Othmer, John Arthur
Othus, Ross Bradley
Overall, Gerald Wayne
Overton, Herman Don
Owens, Raymond Patrick
Oxford, Russell David
Ozehoski, Edward Mark
Pallitto, Eugene Anthony
Parker, Ronald Lee
Parks, Clarence William
Parks, James Forest
Partridge, Arthur John
Payden, Bryant Leverne
Peach, Ellis Elbert
Pearl, John Edward, Sr.
Pease, Milton Lee
Pedersen, Kurt Henry
Pendrey, John Willis
Pepper, Liston Duane
Perez, Roy
Perks, Thomas William
Perry, Eugene Joseph
Perry, James Frederick
Peters, Kerry Alden
Peterson, John Eugene
Pettis, Roger William
Petty, William Milton
Pfeifer, Paul
Phifer, Richard Lee
Phillips, Kenneth Wayne
Phillips, William Edmond
Phillips, William Joseph, Jr.
Pichardo, Fortunato
Pierce, John Williamson, Jr.
Piercy, Kenneth Roy
Placke, Chester Eugene
Plimmer, Emmett Louis
Poch, Henry William, Jr.
Poffinbarger, James Clark, Jr.
Porter, Robert Lee
Potter, David Lawrence
Poulin, Donald Robert
Powell, Ronald Dewey
Preckwinkle, Stanley England
Prestidge, Ronald Otis
Price, James Robert
Prior, Melville Edwin, Jr.
Pruter, Thomas John
Ptacek, Russell George
Pugliese, Ronald Francis
Radke, Clifford Arvin
Rand, Benjamin Wilfred
Ratte, Richard Andrew
Ray, Marcus Darrell
Reagle, Robert Milo
Redding, Hugh K.
Reece, William Porter
Reed, Charles Lloyd
Reed, Jerry Lee
Reed, Raymond Lee
Reep, Earl Lee
Reese, James Garnett
Rehill, Peter John
Reid, Gary Lloyd
Reinke, Gerald Gene
Rentner, Richard John
Reynolds, Lyndel Leon
Reynolds, Oscar Otha
Reynolds, Robert Eugene
Riddell, John Paul, Jr.
Ridley, Raymond Charles
Riley, Benjamin Pharo
Ritchie, Freddie Wesson
Roberson, Vernon Frank
Roberts, Glenn Wesley D.
Roberts, William Rhea, Jr.
Robertson, Thomas Arden
Robertson, William Reed
Robinson, Warren Ellison
Rogalsky, Laverne Henry
Rogal, Joseph Walter
Rogers, Frank Leonard
Rogers, Michael Frederick
Rogers, Samuel Earl III
Rohrbacher, Charles Edward
Rohrbacher, Richard Kenneth
Romanek, Donald
Rongey, Gerry Lee
Roof, Carl Gerald, Sr.
Roper, Thomas Wayne
Rose, Joseph Patrick
Rowe, Allan Lyle
Royal, Robert Louis
Rudden, Francis Arthur
Rundberg, Edward Ernest
Runyan, Charles Edwin
Russell, Bobby Gene
Ruth, Charles Mitchell, Jr.
Rutkowski, Robert Bruce
Rutledge, Gerald William
Ryan, Patrick Lawrence
Sablan, Francis Edward
Safford, Russell Melvin
Sanchez, Mariano James
Sarkisian, Manoog
Sauer, Daniel Martin
Saunders, Richard Kevin
Saye, William Andrew
Sayles, Richard Norvelle
Schaefer, Michael Reno
Schick, Carroll George
Schleichert, Kurt Michael
Schlotterer, John Craig
Schmidt, Allen James
Schnell, Donald Duane
Schroeder, Kenneth Leroy
Sciuto, John Joseph
Scott, Charles Richard
Scott, Donald Gordon
Scott, Leroy
Scott, P. S.
Selby, David Ellis
Settje, Larry Allen
Shamburger, William Arthur
Shannon, Gerald Eli
Shaw, James Arthur
Sheehan, Leroy Edmund
Shields, Gerald Thornton
Shirley, Tommy Farrel
Shriver, John Morgan
Sidner, William Howard, Jr.
Simoneaux, Ramon Joseph
Simpson, Neal Leon
Sinclair, Robert Grayson
Singleton, Y. G.
Sitar, John Joseph, Jr.
Sloan, Alexander
Smith, Albert Lawrence
Smith, Billy Truman
Smith, Chester Burton
Smith, Dallas Thomas
Smith, David Lawrence
Smith, John Frederick
Smith, John Joseph
Smith, Kenton Leroy
Smith, Lance Norman
Smith, Robert Myron
Smith, Wayne Owen
Smith, William Sherry
Snipes, Carl Landon
Soper, Ronald Earl, Jr.
Sorensen, John Christensen
South, Michael Larry
Spencer, Richard Allen
Spriggs, Bernard Alen
Staeher, James Paul
Stafford, Jimmy Dale
Stankoski, John Stephen
Steinfort, Gilbert Henry
Stephenson, Luther Guy, Jr.
Steverson, Gerald Howard
Stewart, James Harold
Stewart, James Robert
Stikeleather, Thomas Garner
Stonecipher, William B.
Stott, Michael
Strackbein, Edward Mitchell
Stralo, William Ellis
Stroman, Joe Emmett
Strusinski, John Richard
Sullivan, Alan Bruce
Sweeney, Robert Lee
Szucs, John Howard

Talbot, Ronald Eugene
Tarulli, Thomas
Tate, Freddie Von
Tavares, Michael Humberto
Taylor, Howard Levon
Teems, Billy Walter
Tegethoff, Dennis Doyle
Tennyson, Paul Dewayne
Tew, Larry Allen
Thiebaud, Robert Ray
Thomas, David Storms
Thomas, Edward William
Thomas, Francis Farrell
Thomas, Larry Robert
Thomas, Richard Alvah
Thompson, Billy Ray
Thompson, Joseph Maurice
Thomson, Francis Stoddard J.
Thyfault, Marion Eugene
Tibbetts Joel Frederick
Timms, Terry Wayne
Tolison, Robert Anderson
Tompkins, Robert Walden
Toombs, Jon Loflin
Toomey, Terrance Anthony
Totten, Neil Ray
Touchon, Andrew
Townsend, James Lewis
Trahan, Charles Ray
Treptor, George Thomas
Trimble, Richard Madison
Truitt, William Gene
Tschiltsch, Godfrey Joseph
Tucker, William Thomas
Turner, Howard Wayne
Turriff, David James
Udell, Stephen Marshall
Ulin, Robert Richard
Underwood, Herbert Hoover
Ussery, Herman Ray
Valade, Gerald Robert
Valenta, David Michael
Vandenburg, Richard Jay
Vanvleet, Barry Lea
Varley, John Charles
Vassar, William Lee
Vinson, Bobby Harold
Vollbrecht, Melville W., Jr.
Vonkapff, Achim
Walker, Alvin Richard
Walker, Charles Ray
Wall, John
Wallace, Howard Atkinson, Jr.
Wallace, Robert Ellerslie
Walthall, James Edward
Warner, Charles Robert
Warren, William Donald
Watkins, Thomas Julian
Watson, George Eugene
Weaver, Lloyd Edsel
Webber, Thomas Charles
Wegiel, John Adam
Weiss, Harlan Ellis
Welch, George Douglas
Welch, Gerald Francis
Weller, Wayne Leroy
Werther, Joseph Nicholas
Westfall, Donald Leroy
Whalen, Regis Emmett
Wharton, Charles Eddy
Wheeler, Edgar Allan
Whipple, James Floyd
Whitaker, Jesse Lowell
Whitaker, Joe Daniel
White, Frank Herman, Jr.
Whitlow, John Norwood
Wickliffe, Charles Donald
Williams, Don Ralph
Williamson, Kenny Dew
Williams, Comer Lynn
Williamson, William Leroy
Willson, Harold Arthur
Willson, Herman Theodore, Jr.
Wilson, Francis George, Jr.
Winfindale, Donald Albert
Winkler, James Harry
Witting, Glenn Douglas
Wolfe, Larry Ray
Wollam, Neil Robert
Wollenburg, Alfred Edwin
Wood, James Walton
Wood, Ray Beverly
Woods, Thomas Ross
Wooldridge, Donald Gene
Worrell, Ira Gene
Worsham, Allen Arthur
Worwetz, Harry Joseph
Wright, Randolph William
Wright, Roger Gail
Wright, Douglas Wesley
Wylie, Jon Douglas
Yarbrough, James Melton
Yarmy, William Joseph, Jr.
Young, David Hymans, Jr.
Young, David William, Jr.
Zahner, James Joseph
Zell, Ronald John
Zetsch, Kurt Johann, Jr.
Zimmerman, James Harold
Zingale, James Charles
Zonkel, Joseph Page

The following-named officers of the U.S. Navy for temporary promotion to the grade of lieutenant in the line and staff corps, as indicated subject to qualification therefor as provided by law:

LINE

Aasen, Roy Vernon
Adams, Charles Robert
Adams, Robert Ellison
Adams, Roger Clinton
Adams, Ronald Eugene
Adamson, Robert Edward
Adkins, Joseph Harold
Adkins, William Kenneth, Jr.
Agnew, William Mar
Ahern, Lawrence Raphael
Ahern, Thomas Joseph, Jr.
Ahern, Timothy Michael
Ahlers, Norbert Anthony
Aichele, Stephen Sadler
Akerson, Daniel Francis
Akins, Olen Charles
Albright, George Ernest, III
Albright, James Clifford
Albus, Johnny Patrick
Alden, Robert Keith
Alesso, Harry Peter
Alexander, James Charles, Jr.
Algiers, Michael Anthony
Allen, Corson Lee
Allen, James Stanford, Jr.
Allen, Michael Anthony
Allen, Phillip Kenneth, Jr.
Allsopp, Ralph Stanley, Jr.
Almony, Joseph Robert
Altmann, Raphael Jerome, III
Ambersley, Robert Thomas
Ammons, Andrew Everett
Anderson, Barton Paul
Anderson, Craig Griffith
Anderson, James Dorsey
Anderson, James Douglas
Anderson, Jay Wendell
Anderson, Lyle Allen, III
Anderson, Richard Earl
Anderson, William R., Jr.
Anton, William Max
Archer, Dennis Lee
Arcuri, Louis Edward
Arfman, John Frederick, Jr.
Arion, Ellsworth Eugene
Armstrong, Andrew Adams, III
Armstrong, David John
Armstrong, Keith Stuart
Arneson, Dennis Calvin
Arnold, James Clyde
Arnold, Raymond Dykes
Arthur, William Charles
Ashby, Donald Arthur
Ashton, Richard Arthur
Ashworth, Robert Arthur
Atwell, Robert William
Auckland, John Stacy
Augustine, Sullivan
Averill, Jeffrey Briggs
Aversano, Anthony Joseph
Avery, Robert Bruce
Ayers, Richard Francis
Baarson, Robert Fulton
Babetz, Jeffrey Dale
Babyak, Edward Eugene, Jr.
Bachtell, Charles Ray
Backers, Douglas Allan
Backlund, Bruce Edward
Bacon, William Redding
Baeder, Robert Arthur
Bafus, Guy Raymond
Bahr, Walter Elliot
Bailey, Defort
Bailey, Robert John
Baker, Kenneth James
Baker, Larry Alan
Baker, Robert Donald
Ball, Jeffrey St. John
Banger, Michael Jon
Bannat, Steven John
Barber, Charles Harry, III
Barbour, Richard Edelen, Jr.
Barclay, Ray Franklin, Jr.
Barker, Harvey Ward
Barrett James Martin
Barrows, Richard Douglas
Barry, William Patrick
Bartke, Harrold Lincoln
Bartscher, John Keenan
Bateman, Douglas Allen
Baucom, Larry Clifford
Bauer, Louis William
Baumgartner, William Edward
Beamgard, Richard Stuart
Beason, Richard Edwards
Beatrice, Albert Joseph, Jr.
Beattie, Aaron Joseph, III
Beatty, Larry Vernon
Becker, Dennly Richard
Becker, Stephen Edward
Beckley, Stephen Allen
Beckman, Charles Barry
Bell, Edison Lee
Bell, Marvin Leon
Bemis, Larry Ray
Bender, Gene Paul
Bender, John Frederick
Bender, Thomas Joseph, Jr.
Bengtson, Loren David
Benjes, Christopher
Benko, Michael Jay
Benning, Vale Jean
Berg, Jeffrey Michael
Berger, Robert Floyd
Bergstrom, Alan Lee
Berke, Barry Lewis
Berkheimer, Linden Lee
Bermudes, Eulogio Conceptio
Bernsen, Thomas Jerome, Jr.
Bethke, Gary Walter
Beuerlein, Alan Francis
Beyatte, William Edward
Bianco, Barron Bruce
Bianco, Ralph Dominic
Biola, John Alfred
Bissell, Robert Edward
Bisset, Andrew Everly
Black, James Douglas
Blake, Clifford Dale
Blanchard, Gary Franklin
Blank, David Alan
Blankenship, Robert Merle
Blankenstein, Glen Alan
Bloom, Wade Douglas
Blount, Wilburn Mac
Bloxom, Richard Ralph
Bobo, Billy Joe
Bobo, Jerry Lyn
Bodnar, John Williams
Boerner, Michael Curtis
Boger, Robert Michael
Boley, Morris Victor, Jr.
Bomkamp, Gary William
Bond, Douglas Marsh
Bonwit, Christopher Call
Boon, John Edward
Borer, Paul Joseph
Borgmann, Frederick William
Borns, Michael Oscar
Borries, William Glenn
Boutz, Allen Ray
Bowen, Daniel John
Bowland, Craig Charles
Bowler, Daniel Richards
Bowlin, James Franklin, Jr.
Boyd, Garland Atkinson, Jr.

Boyle, David John
Bozin, William George
Brace, Timothy Barron
Bramlett, William T., II
Braswell, Wallace Edwin
Brattain, Herbert Keith
Brawn, Michael Duane
Breede, Matthew John
Breen, Dennis Francis
Brehm, Dale Eugene
Brennan, David Michael
Brennan, Samuel Harley, Jr.
Brenner, Robert Charles
Brewer, Douglas Bacon, Jr
Bricken, Thomas Llewellyn
Briggs, Bruce Kenneth
Britt, James Frederick
Broberg, Carl Ralph
Brodsky, Larry Stephen
Bronson, Robert William, II
Brooks, Edgar Tearl
Brooks, Wayne Guy
Brotherton, Gene Michael
Brown, Melvin Hugh
Brown, Michael Corbett, Jr.
Brown, Orville Kenneth, Jr.
Brown, Richard Arnold
Brown, Robert Edward
Brown, Tommy Raymond
Browning, Dural Wesley
Bruerton, Charles Jan
Bruninga, Robert Ervin
Brydon, Wayne Robert
Brzezinski, Walter Adam, Jr.
Bucchi, Toney Michael
Buce, Jack McKinley, III
Buck Louis Eugene, Jr.
Buff, Richard Cole
Bulfinch, Scott Robert
Bundschu, Lawrence Michael
Burger, Jerome Paul
Burgess, David Ross
Burns, Gerald Thomas
Burrows, David Reid
Burtchell, Steven Gerard
Burton, Robert Norman, Jr.
Bush, William Frederick
Bushore, Robin Paul
Butler, Gregory Clinton
Butler, Lonnie David
Butler, Robert Edmund
Butler, Thomas Alva
Butler, William Robert
Butorac, George Edward
Butterfield, David Allan
Butyn, Rene Francois
Buzas, Michael Charles
Byers, Bernarr Melton, Jr.
Byrne, Neil Francis
Cadden, Charles James
Cahill, Edward Aloysius, III
Cahill, Philip Thomas
Cain, William Anderson
Caldwell, Kenneth Wright
Callahan, Daniel James
Callaway, Michael Alan
Cameron, John Stanley, III
Cameron, Kerry Duane
Campbell, Bruce Alan
Campbell, Donald Leo
Campbell, Phillip Wayne
Campbell, Thomas John
Cardoza, Rodney Wayne
Carey, Charles Daniel, III
Carey, John Dale
Carley, Norman John
Carlson, David Robert
Carlson, James Robert
Carlson, William Garrett
Carney, James Mann
Carr, Roger Wesley, Jr.
Carroll, Joseph David
Carson, Robert Lee, Jr.
Carson, Steven Alma
Carter, Frank Saulsbury, III
Carter, James Butler, Jr.
Carter, John Byrd, Jr.
Carter, William Joseph
Casey, Rodney Len
Cash, Paul David
Casko, John David

Cassidy, Richard Michael, Jr.
Castell, Robert Blake, II
Caster, Gary Don
Castle, Kristopher Lee
Cathcart, George Robert
Caton, Robert Nelson
Caudill, Gary Patrick
Cauthen, George Barry
Cavender, John Benjamin, III
Chambers, Kenneth William, J.
Chandler, Frank Lee
Chandler, John Stephen
Chaplin, Robert Charles
Chapman, Steven Elliot
Charley, Michael Bryan
Chatham, Ralph Ernest
Cheshire, Lehman Franklin I.
Childers, Gary Neil
Chitwood, Orvis Hugh, Jr.
Chopp, Daniel Matthew
Christenson, Larry Ray
Christianson, Robert Neal
Church, Larry Nathan
Chwastyk, Thomas Frank
Cioffi, Gerald Alfred
Clabaugh, Duane Lance
Clabaugh, Ronald Stephen
Clark, Gerald Wayne
Clark, Richard Earl
Clark, Robert Allen
Clayton, Frederick W. III
Clayton, William Todd
Cleghorn, Larry Everett
Clements, Frederick Roger
Clemons, David Malcolm
Click, Alan Richard
Cloutier, Lawrence Paul, Jr.
Cochran, Larry Lamont
Cochran, Mark Dennis
Cochran, Paul Reginald, III
Cocozza, Timothy Robert
Coffin, Robert Peter
Cohen, Joseph Jeffrey
Colcock, Marshall Gleason
Coleman, Stephen Tredway
Collins, David Oliver
Collins, John George
Collins, Robert Samuel
Colombino, Ralph Frank, Jr.
Colquhoun, Richard Bruce
Colucci, Robert Joseph
Connell, John Clay, Jr.
Connell, Royal William, Jr.
Connolly, Hubert Charles
Conway, Patrick Michael
Cook, Dennis Albert
Coons, William Eric
Coppins, Michael Frank
Cornel Iussen Steven Thomas
Cornwell, Joseph Henry
Coronado, Tomas
Cosgrove, Michael Alfred
Cote, Joseph John, Jr.
Counihan, Thomas
Cox, Raymond Webster
Crace, Jesse Allen
Crain, Robert Levan, Jr.
Crane, Allan Douglas
Crane, Larry Stanley
Cranney, Steven Joseph
Creighton, Richard Alexande
Crisp, John Patrick
Crisson, Phillip Mark Steve
Crites, Don Michael
Cronin, Timothy Gerard
Crosby, Robert Carl
Crosby, William Oscar, III
Crossland, Roger Lee
Crowder, James Dunn
Crump, Mark Woodward
Cruzan, Gary Lee Edward
Crystal, Pete Atsushi
Cudia, David Timothy
Culp, Lowell Ronald
Culwell, Clarence William J.
Cumming, John Charles
Cummings, Kevin Peter
Cunningham, Curtis Brent
Curran, Donald Joseph, Jr.
Currier, James Whittet
Currier, William Robert

Curtis, Keith Paul
Curtis, Kendall William
Cutcher, John McCormick
Cyboron, Robert Edward
Czech, Gregory Jacob
Dailey, Eugene Terrence
Daily, James Leon, II
Dallara, Charles Harry
Dampier, Craig Richard
Daniel, Dale Franklin
Darrow, Edward Eells, Jr.
Davey, Douglas Harry
Davies, Carl Robert
Davis, Charles Carver
Davis, David Lee
Davis, Earl Ronald, Jr.
Davis, John Charles
Davis, Larry Thomas
Davis, Norman Frederick
Davis, Robert Lee
Davolio, Joseph Francis
Dawes, Larry Eugene
Dawson, Howard Wesley, Jr.
Dawson, James Cutler, Jr.
Day, Jeffrey John
Dean, Thomas Emanuel
Deaver, William Nelson, Jr.
Decker, Geoffrey Foster
Deese, David Allen
Defliese, Philip Leroy, Jr.
Deinhardt, John Joseph
Dejong, John Calvin
Dekart, Donald Frank
Delancey, James Douglas
Delano, Kenneth Hatsil
Delappa, John Edward
Delorey, Michael Walter
Delete, Clement Paul
Demai, Nicholas Lee
Demlein, John Joesph, Jr.
Densley, Richard Lavern, Jr.
Denson, Dwight Ellis
Dent, Michael Wayne
Denton, Larry Gene
Denton, Walter Raymond
Depoy, Lloyd Evan
Dete, Leo Joseph, III
Detweiler, Jack Alan
Deutsch, Joseph King
Devane, John Murphy, III
Devaney, James Francis
Dewey, Roger Scott
Diehl, George Francis, Jr.
Dieter, Kenneth Albert
Dietz, Douglas Warren
Digiacomo, Raymond Vincent
Dill, William Edward, Jr.
Dilloff, Neil Joel
Dillon, Hall Stanton, II
Dinger, John Parr
Dobson, Wilbur Joel
Dodd, Gerald Allan
Dodd, Jack David
Dodd, Richard Patrick
Dodson, David Crockett
Doehring, Robert Franklin
Donahue, Edward Joseph
Donnellan, David Francis
Donohue, Philip Vincent, Jr.
Dooley, Lawrence Joseph, Jr.
Doolin, Robert Michael
Doubleday, Michael Webb
Doud, William Edward, Jr.
Dougherty, Thomas James
Douglas, Terry Scott
Doyle, Martin Edward, Jr.
Dozier, Thomas Cader, Jr.
Drier, Melvin Franklin
Driscoll, Richard Francis
Driver, John Edward
Duff, Vaughn Wayne
Duffy, Eugene O'Donnell
Duffy, Raymond Andrew
Dumbauld, Jerry Ray
Duncan, Lynwood Hart
Dunlap, Thomas Rough
Dunn, Franklin Thomas
Dunn, Paul Owen
Dunnington, Robert Alan
Durazo, Manuel Ygnacio, Jr.
Durham, James Leighton

Duval, David Alan
Eadie, Lloyd Davis, Jr.
Eason, William Ralph, Jr.
Eckert, John Morris
Eckert, Warren Raye
Edwards, Bernard Darriel
Edwards, Jesse Daniel
Edwards, Raymond Lewis
Ehret, Philip Harold
Eick, Ira James
Eisert, John Michael
Eliel, Frederick John
Ellingwood, Gerald Vincent
Elliott, Charles Dewey, III
Elliott, Thomas John, Jr.
Ellis, Franklin William
Ellis, James Manning
Ellison, Curtis Joseph
Ellison, Daniel A.
Ellison, David Roy
Emswiler, Robert Byers
Enevoldsen, Jack
Eney, Neilson Eugene, Jr.
Erickson, Geoffrey Dell
Ermentrout, Gerald George
Ertel, Gregory William
Erwin, Robert Ashley
Eslinger, Philip David
Estabrooks, Joseph Orlando
Etten, Gary Albert
Evans, Michael Allen
Evans, Michael Frank
Evans, Robert Bruce, Jr.
Fahrenkrog, Steven Lock
Fahy, Edward Joseph, Jr.
Falstreau, Ronald Harold
Falten, Paul J., Jr.
Fargo, Thomas Boulton
Farrell, Charles Stephen, Jr.
Farrell, Gerard Michael
Farrington, Robert Paul
Farris, Marc
Fatek, William Henry, Jr.
Fedor, John Stephen
Feichtinger, Mark Rudolph
Felgate, George
Felton, Bobby Joe
Fenneman, Leigh Raymond
Ferguson, Jeffrey Edward
Ferry, John James, Jr.
Fessenden, Richard Randall
Fessenden, Steven Howard
Fetter, Norman Leonard
Fetzer, William Woodrow, Jr.
Fidler, Walter Charles
Fillmon, Louis Jason
Fink, Jeffrey Jon
Finn, Neil Charles
Finnegan, Gerard Richard, Jr.
Fiordaliso, Dennis Michael
Fischer, William George
Fish, David Allen Terryl
Fisher, Douglas Frank
Fisher, Glen Andrew
Fisher, Jack Alan
Fiske, Richard Paul
Fitch, Kevin Ferguson
Fitchet, Charles Baxter
Fitzgerald, Robert Lee
Fitzgerald, William Robert
Fitzgibbons, Paul Edwin
Fitzpatrick, Richard Stephe
Flaherty, James, Jr.
Flaherty, Mark Ostrom
Flaherty, Thomas John
Fleischer, David Nathan
Floyd, Stephen Donald
Flynn, Peter Gregory
Fogerty, Thomas Joseph
Folga, Richard Michael
Foote, Herbert Whittier
Foote, Randall Edward
Forbes, Ray Thomas
Ford, Alexander Lawton, III
Ford, Anthony Ellsworth
Ford, Johnnie Edward
Ford, Robert Enright
Forrester, John Walter
Fortik, Donald Floyd
Foss, Harry Carson, Jr.
Foster, Dave E.
Foster, Michael Edward
Foster, William Kim
Fought, Earl Jay
Fowler, Paul Lightle, Jr.
Fowler, Thomas James
Fox, John Williams, Jr.
Fox, Mark
Fox, William Leo, Jr.
Fraley, Randall Martin
Francis, John William
Franklin, Gary Wayne
Franklin, Marvin A., III
Frasher, Steven John
Freeburger, Thomas Oliver
Freedman, Robert Norman
Freeman, Harold Robert
French, Ronny Wade
Freybe, Harold
Frick, Michael Glenn
Fridell, Robert Allen
Frieden, David Ralph
Frith, Benjamin Newton, III
Frydenlund, Douglas Timothy
Fuller, Emil Andrew
Fye, Robert Floyd
Gaal, Gabriel
Gable, Morrison Leslie
Gaddie, Paul Ray
Galdorisi, George Victor
Gange, Dale Edward
Gant, Virgil Fitzhugh
Ganthner, Raymond William
Gardner, Daniel Edward
Garey, Alan William
Garland, Gary William
Garman, James Marshall
Garman, Robert Bruce
Garrison, Charles Figgis
Garrison, Richard C.
Gasink, Robert Ray
Gates, Richard Wesley
Gatewood, Joel Walter, Jr.
Gautreaux, Terrence Michael
Gavin, Joseph William
Gaw, Richard Allan
Geb, John Leonard
Gelzer, Gary
Gengler, Patrick Lee
Gepford, Richard Donald
Germany, Charles Joseph
Getsinger, Clarence Layton
Geyton, James Michael, Jr.
Giambastiani, Edmund P., Jr.
Gibbons, Peter Wickes
Giffen, Robert Carlisle, III
Gilchrist, Stanley Fredric
Giles, Blaine Richard
Gillcrist, John Anthony, Jr.
Gillies, John Arthur
Gimbel, Charles Robert
Goen, Lewis Willis
Goerg, Frederick Clarence
Goforth, Michael Gerard
Golle, Stephen Joseph
Gonzales, Gilbert Manuel
Goodman, Joe Anderson
Goodrow, Everett Eugene, Jr.
Gordon, Harold Leroy
Gorman, Paul Richard
Goss, Marlin Earl
Gotha, William Francis
Gould, Dexter Vernon
Gradisnik, Gary Anthony
Graef, Stephen Robert
Graff, Clinton George, Jr.
Graham, Bryce Lowell
Graham, David Lee
Graham, Richard Keagy
Grasham, Michael Wayne
Graul, Joseph Francis
Graves, Edward Preston
Greaves, Thomas William, Jr.
Green, Albert Allen
Green, Thomas James, Jr.
Greene, Everett Lewis
Gregor, Bruce John
Gregory, Thomas
Gresham, William Bacon, III
Gretzinger, Larry Curtis
Griffin, William Robert
Griffith, Russell Lee
Griffiths, Lee Edward
Grimmer, George Kimboro
Gronewold, David Allen
Grossenbacher, John Joseph
Grubb, Francis Bunyan, Jr.
Grussendorf, Mark James
Guardiano, Jerry John
Guarneri, James Michael
Guertin, Stanley Douglas
Guest, Kenneth Wayne
Guilford, Walter Byron
Gunkelman, Ralph Frank, III
Gunn, Robert Johnstone
Gunter, Wallace Eugene, Jr.
Guppy, Gerald Franklin
Gurnon, Richard Gerard
Guter, Donald Joseph
Haas, Frank Armen
Habermeyer, Kent Leigh
Hackenburg, John Ray
Hacker, John Michael
Hackman, Rhodric Cina
Haffner, Guy Allen
Hagan, Charles Tilden, III
Hagen, Paul Wendell
Hagensick, John Richard
Haggerty, Jerry Michael
Hagood, James Timmons
Haigis, John
Hails, Alan Robert
Haines, Frank David
Hale, Douglas Alma
Halgren, Robert Gustaf, Jr.
Hall, Howard Robert
Hall, Peter Dudley
Hall, Richard Wendell
Haller, Bernard Joseph
Halvorson, George Henry
Hambley, James Gilbert
Hamlin, Kent Williams
Hamm, Marvin Joseph, Jr.
Hansell, William Richard, Jr.
Hansen, Kisk Christian
Hanson, Robert Thomas
Haring, Peter Alan, Jr.
Harmon, Robert Louis
Harrell, John Peter, Jr.
Harris, Clinton Page, II
Harris, Dale Cooper
Harris, John Kenneth
Harrison, Bruce Rodney
Harrison, Mark Morgan
Harry, Robert Meade
Harsch, Steven Merrill
Hart, John Bernard
Hart, Terry Curtis
Hartje, Lynn Allen
Hartle, Christopher Richard
Harvey, Raymond Frank
Hasbach, Robert Raymond
Hash, Steven Peder
Hauck, Russel Eric
Haupt, Lloyd
Havenstein, Gene Leon
Havlik, Charles Earle
Hawkins, Jeffrey Bert
Hawkins, Stephen George
Hawkins, Wayne Randolph
Hayes, Jeffrey Thomas
Hazelrigg, Steven Adolph
Healy, Robert Jay
Heaton, John Fredrick
Heckmueller, John Howard
Heinz, Stephen George
Heitz, William Edward
Held, Rene
Helfen, William
Helin, William Gary
Helkey, John George
Helmkamp, James Crum
Henderson, Breck Wenger
Henderson, Harold Allen
Hendricks, Leon Alexander
Henry, Dean
Henry, Douglas Davies
Henry, Joseph Gerard
Henry, William David
Herb, Robert Donald
Herbert, Garry Lynn
Herbert, Thomas George
Herdrich, Harry Anthony, Jr.
Hereford, Robert Butler
Herman, Paul Irving

Herrman, Larry Virgil
Hersh, Joel Randolph
Hess, Nathan Martin
Heuchert, Richard Herman
Heyworth, Lawrence, III
Hickman, Charles Ryan
Higgins, James Raymond
Hill, James Herbert
Hill, Robert Wallace
Hill, Roger Dale
Hill, Ronald Maxwell
Hillerman, Larry Alan
Hinchliffe, Gregory Ward
Hine, Jerry Gordon
Hingson, Curtis Otho
Hingson, Robert Henry, Jr.
Hitchings, William Lee
Hobbs, Hurshel Benton, Jr.
Hobbs, Terry David
Hodges, Dean Charles
Hodges, James Edward
Hogan, Daniel Timothy
Hogan, John Edward
Hogan, Patrick Michael
Hoke, Mark Allan
Holewa, John Gregory
Hollenbach, Paul Douglas
Hollimon, Geoffrey Lewis
Hollinger, Wayne Melvin
Hollon, Maurice Calvin
Hollowell, Christopher W. I.
Holm, Dwight Patrick
Holt, Benjamin Lewis, Jr.
Hopper, Geoffrey Victor
Horner, Richard Lee
Horsley, Russell Dewey
Houck, Andrew William
Houde, Paul Leo
Houk, William Alvah
Howard, Donald Reed
Howard, James Elijah, Jr.
Howard, John Finley
Howard, Philip Graham
Howard, Thomas Leslie, Jr.
Hoyt, William Henry
Hubbard, Van Richard
Huddleston, Ronald Duane
Hudgins, Thomas Eugene
Huff, Terry Richard
Huffman, Karl Howard
Hughes, David Gerard
Hughes, John George
Hughes, Michael David
Hunka, John Frank
Hunter, David Tait
Hunter, Edward Echerd
Hurd, Paul Merrill
Hurley, Douglas Edward
Hussey, Anthony John, Jr.
Husted, George Gerald
Hutcherson, George Irvin
Hutchins, Albert McConnell
Hutchison, Guy Stuart
Ice, Daniel Rawley
Ide, Warren Harper, Jr.
Ihrig, Clyde James
Infinger, Jasper Milford
Irby, Eldon Elmore
Jackson, Charles Patrick
Jackson, Gordon Campbell
Jackson, Richard Kenneth
Jackson, Robert Burns
Jacobs, Roger Patrick
Jacobson, John Frank
Jacques, Harry Augustine, Jr.
James, Bobby Campbell
James, Roger Dean
Jamison, Earl Joseph
Jans, Jay Bennett
Jeffcoat, John Phillip
Jemison, Thomas Charles
Jenkins, William Frost
Jennings, Edward Payson, II
Jensen, Gordon Mark
Jensen, Jon Robert
Jessen, Stanley Milton, Jr.
Jewell, Glenn Albert
Jinks, John Bradley
Jonanson, Donald William
John, Paul Maret
Johnson, Christopher Harry
Johnson, Dale Raleigh
Johnson, Donald Howard
Johnson, Gary Lee
Johnson, Gary Quentin
Johnson, Geoffrey Nicoll
Johnson, Jack Arthur
Johnson, Jon Robert
Johnson, Richard Gray
Johnson, Robert Alan
Johnson, Thomas Everett, Jr.
Johnson, Thomas Scott, Jr.
Johnston, Darrell Edwin
Johnston, James Edward
Johnston, Michael McLeod
Johnston, Wilford Paul
Jones, Bobby Daniel
Jones, Carlos
Jones, Gordon Lee
Jones, Steven Edward, Jr.
Jordan, Boykin Bristow
Jordan, James Abel, Jr.
Justiss, Ronnie Lynn
Kaahanui, Melvin
Kaider, Donald Keith
Kain, George Hay, III
Kain, Michael Richard
Kaiser, Charles Ellis
Kaiser, Wayne Gordon
Kampen, Roy William
Kane, Jerry Allen
Kane, John Edward, II
Kane, Mark Anthony
Kapololu, John Akahele
Karch, George William
Katz, Alan William
Kauffman, Jack Emerson
Kearney, James Philip
Keefer, Marc Martell
Keefer, Thomas Brian
Keen, James David
Keesling, William Dale
Kellas, John Calvin
Keller, William Joseph, Jr.
Kelley, Archie Parmelee, Jr.
Kelley, John David
Kellner, David Herman
Kellum, William Clayton, Jr.
Kemp, Bruce Raymond
Kemp, William McIver
Kendall, Charles Wilson
Kenney, Daniel Francis, III
Kenney, James Bradley
Kenny, James Francis
Kenyon, Larry Lee
Keperling, Robert Edwin
Kephart, John Gunnar
Kern, Charles Michael
Kerr, George Victor
Kestly, Daniel Ralph
Keymer, Kenneth Lee
Keyser, Stephen Allen
Kidd, Charles Davis
Kidd, John Desta
Kidder, John Lyndon
Kidder, Paul Alfred
Kidney, Jay Kimball
Kincheloe, Everet Vernon
King, Franklin Gary
King, Peter Charles
King, Robert Crippen
King, William Anderson
Kingseed, Jeb Bernard
Kinne, Robert Thomas, Jr.
Kipp, Terence Lynn
Kirby, James Edward
Kirner, Thomas Charles
Kissinger, Robert John
Klassen, Kenneth Wayne
Kleehammer, Thomas
Klein, William Carl
Klementik, David Charles
Kline, Bruce Gregory
Klotz, Stephen Paul
Klotz, Steven Irving
Kluxen, David Stewart, Jr.
Knieriem, Guy Robert
Kniering, John Hovell, Jr.
Knock, Gary Lloyd
Knoll, John Christian
Knudsen, Michael Barry
Knull, William Harlough, III
Knuth, Dean Leslie
Koffend, Paul Francis, Jr.
Kok, Timothy Alan
Koller, Paul Stuart
Komelasky, Michael Charles
Kondrick, Harry Paul
Koster, Thomas Wayne
Kraemer, Thomas Edward
Kraft, James Edwin
Kramer, Kevin James
Kraska, Kenneth Wayne
Krstich, Jeffrey John
Krupp, Thomas Michael
Kuhne, Michael David
Kunigonis, Michael Paul
Kyle, William Carl
Lachance, Norvel Wayne
Lafleur, Timothy William
Lagrone, James Marvin
Lamartin, Douglass Hugh
Lamb, Mark Edwin
Lampert, Bruce Andrew
Lampert, Jerry Jack
Lancaster, Emmett John, II
Landry, James Richard
Langdon, Bruce Arnold
Langell, James Floyd
Langford, William Kent
Laricks, James Richard
Larson, David Allyn
Larson, Larry Morris
Larson, Marlin William
Lashutka, Sergius
Laska, Andrew John
Latham, Rodney Guy, III
Launey, Scott Riordan
Lautenschlager, Jack Allen
Lawless, Patrick Hubert
Lawrence, James Ross
Leary, John James, Jr.
Leath, Dudley Wade
Lechtenberg, Richard Clem
Lee, Robert Edward
Lehman, Jeffrey Allen
Lentz, Joe Blane
Letts, John Francis, Jr.
Levy, James Malcolm
Lewis, Barry Brooks
Lewis, Charles Samuel
Lewis, Robert Earl
Lieurance, John Robert
Lighthart, Lloyd William
Ligon, Edward Campfield, IV
Lingan, James Nickey
Linger, Theodore Gerald
Linkous, Harry Abraham, III
Linquist, James Earl
Linville, James Calder, Jr.
Lipscomb, Jeffrey Ray
Little, Robert Ernest
Llewellyn, Jonathan Frame
Locke, Gary Winfred, Jr.
Locke, Stephen Allan
Logan, William John
Lohrmann, Walter Richard
Long, Homer Richard
Longa, William Christopher
Loomis, Karl French
Lopez, Clyde Cecil
Loranger, Richard George
Lord, Francis Buffum
Lormor, Eugene Harold
Losh, Dennis Michael
Lovejoy, Jay Edward
Lowe, Allan Ford
Lowe, Walter Robert
Loy, David Parker
Lucero, Seferino
Lundy, Robert Franklin
Lunghofer, Dennis Michael
Lunsford, Hollis Eugene
Lupton, Stephen Charles
Lynch, Robert Porter
Lynch, Valentine Dillon, Jr.
Lyon, Scott Roler
MacBain, Richard Dennis
Mace Frederick Earl, Jr.
MacEvoy, John Anthony
Machtley, Ronald Keith
Mack, Lawrence John, Jr.
Mackensen, Warren John

Mackenzie, Thomas Lyle
Mackey, Robert Jemison
Mackin, Patrick Charles
Macpherson, Glenn Eldon
Mader, Thomas Walter
Madey, Stephen Laurance, Jr.
Mady, Clemens James, Jr.
Magaletti, Philip Joseph, Jr.
Magnan, William James
Magoun, Peter Robertson
Magruder, Joseph Hull, Jr.
Mahon, John Francis
Mahoney, Dan Michael
Mahoney, John Stanley
Majchrowicz, Edward John
Makl, Albert Stephen, Jr.
Mallek, Robert Anthony, Jr.
Malone, Laurence James
Malone, Michael Dennis
Malone, Robert Grant
Maloney, Patrick James
Mancini, Anthony Joseph
Manes, Ezra Earl, Jr.
Mangan, John Livingston
Manis, John Jay
Manning, Robert James
Manson, Terrance Lynn
Marcell, Frederick C., Jr.
Marchi, John Albert
Margo, Phillip Carmen
Marino, John Theodore, Jr.
Markle, Donald Franklin
Marsh, Michael Thomas
Marsh, Robert Dean
Marshall, Leo Roy
Marshall, Thomas George
Martel, Reginald Timothy
Martell, Jeffrey Robert
Martella, Michael Baker
Martin, Daniel Joseph
Martin, David Alfred
Martin, Robert Stanley
Martino, Michael Fred
Marvin, Gary Dillon
Mason, James Thomas
Mason, John Clyde
Mason, Richard Edwin
Massetti, Ennio
Mast, Raymond Lee
Mastrangelo, Robert Joseph
Mathews, Carl Leon
Matthews, Robert Brodnax, Jr.
Mattison, Dennis Lee
Mattox, Harvey
Mauldin, Hugh Dubose, Jr.
Maxey, James Robert, II
Maxwell, Clarke Alvin
May, Michael Dale
Mayfield, Michael John
Mazour, Thomas Joseph
McAfee, John David
McCampbell, David Perry
McCauley, Alan Roger
McClain, Tim Scott
McClanahan, Joseph Edward
McClane, James Lenus
McCleer, James Lawrence
McCleskey, Dale Leif
McClure, David Gwin
McComas, Jeffrey Clark
McCombie, Ryan Joseph
McCord, William Kirkland
McCormick, Keith Joseph
McCoy, James Glenn
McCreary, Steven Alfred
McCulley, Michael James
McDougal, Willard Boyd
McElroy, Fred Carl
McElroy, Oliver Robert, Jr.
McFalls, Tommy Ray
McFarland, Stuart Edwin
McGahan, Michael Patrick
McGinnis, William Perry
McGoey, Richard John
McGrane, Myles Thomas
McGrath, Francis Dennis
McGugin, Leonard Fite, Jr.
McGuire, David Nelson
McGurk, Michael Edward
McHale, James William
McIntosh, Richard Cameron
McIntyre, Lewis Frank
McKenny, Edward Russell, Jr.
McKim, John Harvey, Jr.
McMenamin, William Francis
McMunn, Brock Allen
McNamara, Brian John
McNamee, John Robert, Jr.
McPhail, Robert Bruce
McPheeters, James Henry, Jr.
McPherron, Charles Arthur
McReynolds, Darwin James
McReynolds, Michael Joseph
McSorley, William Joseph, II
Meacham, George Edward, II
Meacham, John Monroe
Meadowcroft, Robert Allen
Mello, Gerald Charles
Mellott, Paul Lloyd, Jr.
Melson, Frank Baker, Jr.
Merki, Richard Lewis
Merritt, Thomas Brooke
Messersmith, Ronald Edward
Metter, Joel Jay
Mettin, Verner, Edward, Jr.
Meyer, Gary Charles
Meyer, Glenn Warren
Meyer, Jerry Lee
Meyer, Robert Alan
Meyertholen, Joseph A., Jr.
Michaels, James Richard
Michelsen, Gary Anthony
Michielson, Dennis Clark
Middle, James Leonard
Midkiff, George Neil
Mihalcik, Joseph Andrew
Mikusi, Frank Charles
Milano, Patrick Daniel
Miles, Donald James
Miles, Wilson Ashley, Jr.
Milewski, Robert Francis
Miller, David Damien
Miller, Donald Dean
Miller, Hubert John
Miller, John Barrett
Miller, Michael Luke
Miller, Paul Howard
Miller, Paul Lee
Miller, Robert Peter, Jr.
Miller, Roy Allen
Miller, Stuart James
Miller, William Garett, Jr.
Miller, William Harvey
Milligan, Donald Ray
Milner, Daniel Dewitt
Mitchell, Elmer Ray
Mitchell, Larry Joseph
Mitchell, Tom Eugene
Moe, George Lars
Moffett, Edward Page
Montgomery, John Bernard
Moody, Jack Owen
Moore, Edmund Eugene
Moore, George, Elwick, III
Moore, Larry Ichabod, III
Moore, Richard Stewart, Jr.
Moore, Thomas James, III
Moran, Joseph John
Moran, Matthew Francis, Jr.
Morgan, Robert Wayne
Morgan, William Randall
Morgenfeld, Robert John
Morris, Charles Robert
Morris, Fredricke, McNeil
Morris, Ralph Leslie
Morrison, David Joseph
Morse, John Prescott
Mosby, David Cottrell
Motten, Alexander Fewell
Moulder, Edward Daniel
Moulton, David Wales
Moye, William Michael
Mugg, William Allan
Muhlhauser, Steven
Mulkeen, John Joseph, Jr.
Mullen, Michael Charles
Muller, David Glading, Jr.
Mulvey, Gerald Kevin
Munson, Russell Grant
Murphy, Charles Vincent
Murphy, Daniel Joseph, Jr.
Murphy, Dennis George
Murphy, Michael James
Murray, Michael Thomas
Murray, Ronald Jay
Myers, Albert Clinton
Myers, Terry Ray
Nadeau, Walter Henry, Jr.
Napior, Dennis Arthur
Nassar, Albert Nicholas
Nathan, Rodney Scott
Nathman, John Bernard
Neale, James Henry
Nechvatal, Charles James
Needman, Lester Dow
Neel, Frederick Heard
Nelms, Kenneth Lee
Nelson, Christian Charles
Nelson, Kenneth Lawrence
Nelson, Neal James
Nelson, Robert Terry
Nemeth, Bradley William
Ness, Robert William
Neste, Carl Alfred
Netzorg, Gregory Bertman
Nevins, Michael Francis
New, Melvin Roger
Newberry, John Granville
Newberry, Scott Fletcher
Newton, Christopher Edward
Nichols, Paul Malcolm
Nickens, Donnell Jerome
Nie, John Carlton
Niedenthal, William Jeffrey
Nintzel, Christopher Alan
Nisbet, Peter Allen
Nixon, Henry, Jr.
Nolan, James Emmett, Jr.
Noll, John Byard
Noonan, Thomas Francis
Norman, Richard Michael
Norris, Rick Joseph
Northrop, Thomas Wright, Jr.
Nottingham, James H., Jr.
Novak, Michael John
Nunlist, Mark Moora
Nurthen, William Augustine
Nusom, Frank Allen, Jr.
Nute, John Packard
Nye, Geoffrey Robert
Oakes, John Reid
O'Bannon, Kenneth Leroy
Oberholtzer, David Beardsle
O'Brien, Leslie John, III
O'Brien, William Patrick
Ochs, John Lynn
Ochsner, Steven Lewis
O'Connell, Michael Alexander
O'Dell, James Michael
O'Dell, Paul, Jr.
Oehler, James Christ
Oehler, Michael William
O'Hara, Charles Gabriel
Olavessen, Leonard Robert
Oldfield, Baird Dewes
O'Leary, Thomas Joseph
Oleson, Gary Yngve
Oliver, Michael Patrick
Olmstead, David Edward
Olsen, Charles Clifford, Jr.
Olsen, Fredrick, Lee
Olson, Dennis Dean
Olson, John Stephen
Olson, John Theodore, Jr.
Olson, Russell Clark
O'Neil, Patrick Warren
Otterbein, Thomas Gordon
Otto, Sheldon Carter
Overson, William Patrick
Owen, Richard Lee
Owen, Thomas Barron, Jr.
Pacheck, Edward Richard, Jr.
Paddock, Charles Guy
Page, Alfred Leonard
Paine, Maurice Terrell, III
Paine, Stephen Robert
Pairan, Craig Erik
Palacheck, Daniel Lee
Palla, Richard Warren
Pallesen, David Conrad
Palmer, Charles Frank
Panico, John Russell
Panowicz, Robert John
Para, Alan Edward
Pardee, William McKnight, Jr.
Park, Patrick Joseph
Parker, James Arren
Parker, S. Dupree

Parker, Travis Wood, Jr.
Parkin, Ernest Richard
Parkin, Michael Cavenely
Parks, Steven Greg
Parks, William Hutchinson, Jr.
Parsons, James Franklin
Partesius, John Scott
Paskewitz, Donald Peter
Patch, Gregory Richard
Pate, Michael Bence
Patrick, Peter Devalangin
Patterson, Donald Jay, Jr.
Patterson, Philip Duane
Patterson, Shonnie Jean
Paulk, Ralph Caldwell
Peacock, Frank Charles, Jr.
Pearson, Robert Thomas
Pedrotty, John Richard, Jr.
Pelletier, Ronald Wilbrod
Penhollow, Robert Henry
Penn, Michael Gene
Perch, Robert Leon
Perin, Steven
Perkins, Kevin Patrick
Perkins, Thomas Arcade, III
Perrault, Thomas James
Perrin, Robert Warren
Perry, James Elmer
Perry, James Smith
Perry, Oliver Hazard, III
Peters, John Kenneth
Peters, John Wesley
Peterson, Elden Eugene
Peterson, William Murray
Pfahler, David Lee
Philcox, John Ellis
Phillips, David Shelby, III
Phillips, Kenneth K.
Phillips, William Joseph, Jr.
Piech, Richard Frank
Pierson, David Alexander
Pike, Daniel Lee
Plante, Kenneth Joseph
Plunkett, John Cornelius
Plyer, Bruce Arnold
Poehlman, Philip James
Pohl, John Sherman
Pohl, Matthew John
Pohl, William Charles
Pola, Gary Lee
Pollock, Richard Herbert
Popikas, Charles Frederick
Porter, David George
Porzio, Raymond
Potter, Charles Darrell
Pounds, John William, Jr.
Powell, George Alva
Powrie, Stuart Robinson
Pratt, James Wally
Prell, Richard Edwin
Preston, Noel Gary
Prevette, Henry Slater, Jr.
Priester, John Allison
Prince, Robert Erskine
Pritchard, Kenneth Wayne
Prucha, Robert Stephen
Puffer, David Brackett
Purcell, Richard Lynn
Purdue, Alexander William J.
Purkrabek, David James
Rackiewicz, David William
Radeackar, Randy James
Rakfeldt, Harry Ottomar
Ralph, Russell Loomis
Rand, Verl Allen
Rankin, Randy Dale
Ranney, Bruce William
Rasmussen, Sam Eric
Rawls, Robert Sherwood
Raymond, Terry Alan
Read, Thomas Sears
Reager, William Reardon
Reed, Frank Guy
Reed, William Keeler
Reed, William Scott, Jr.
Regan, Francis Patrick
Register, Stephen Thomas
Regnier, Peter Allan
Reich, Robert William
Reichert, Timothy Martin
Reid, Joseph Bagley
Reifsnyder, Frank William J.
Reigner, Charles Buchanan
Reinhardt, Charles Barnes J.
Reinoehl, Phillip Wells
Reynolds, Danny Wayne
Rhedin, David Victor
Rhodes, Harley Leroy
Richardson, Billy Earl
Richardson, Jack
Rickabaugh, Frederick Lee
Riddile, Andrew Spencer
Riebe, Donald Elmer
Riegel, Michael Glenn
Ries, Robert Randall
Rigg, Gary Lynn
Riley, Benjamin Price, III
Ringer, Charles Edward, Jr.
Riolo, Robert Alan
Rish, Robert David
Riva, Robert Edmund
Rivera, Jaime
Roberson, William Henry, III
Roberts, Crichton Carver
Roberts, Michael Charles
Roberts, Peter Garety
Robertson, Andrew Coxe
Robertson, Bernard Lee, III
Robertson, Donald Joseph
Robinson, Alan Russell
Robinson, Frank Jeffrey
Robinson, John Daniel, Jr.
Robinson, John Gregory
Roderick, Richard Michael
Rodgers, Carl Todd
Roed, Carl James
Roeder, Paul Raymond
Rogers, John Daniel
Rogers, Mark Allen
Rogers, Norman Lionel
Rogge, John Arthur
Rolek, Leo Stanley, Jr.
Romano, Henry Schuberth, Jr
Root, Stephen Lloyd
Rose, Stephen Anthony
Rosemergy, James George
Ross, Albert James, Jr.
Ross, Michael Charles
Rosselle, Michael Francis
Rothrock, Ronald Lloyd
Roundtree, Ronald Terrance
Roy, Allan Harold
Rudden, Francis Arthur
Ruedisueli, Robert Louis
Rugen, Sanford Longstreet
Rugg, Daniel Maltby, III
Rundall, David Glen
Runnerstrom, Eric
Rusch, Preston Godfred
Rusczyk, Richard Stanley
Russack, John Alexander
Ruth, Herbert Merton
Rutter, Richard Way
Ryan, Dennis Leo, III
Ryan, Dennis Michael
Ryan, Stephen Edward
Sachon, Peter Anthony
Saltenberger, William Mark
Salter, Jesse Earl
Samuel, Gary Bright
Samuels, Arthur Michael
Sanders, Doyne Hack
Sanders, John Russell
Sanders, Thomas William
Sandin, Terry Lee
Sansom, Byron Paul
Santille, David Michael
Sauer, George Emery, III
Saur, Joseph Michael
Savage, Carter Dow
Savidge, Patrick John
Sawyer, David Robert
Scamihorn, Marvin Ross
Scanlon, Charles Clark, II
Schack, Robert Paul
Schaffer, Lawrence Carl, Jr.
Schear, Larry Robert
Scheierman, Robert Leroy
Scheine, Murray
Scheiwe, David Arthur
Schellhorn, Charles William
Schempf, Peter William
Schepman, Dennis Wayne
Scherzer, James David
Schilling, John Harding, Jr.
Schmermund, William Henry
Schmidt, Curtis John
Schmidt, Donald Roger
Schmidt, George Michael
Schmidt, Hubert Francis
Schmidt, Joseph Dunn, Jr.
Schneider, James Eugene
Schobert, Frederick George
Schott, Jeffrey Michael
Schrobo, Stephen Michael
Schrot, John Robert
Schwab, John Borden
Schwartz, Harold Wayne
Schwartz, Robert Wendell
Scott, William Andrew
Scruggs, Thomas Daniel, Jr.
Seaman, Richard Curzon, Jr.
Sedgwick, Gordon Lee
Seeley, John Richard, Jr.
Segur, Gregory Vincent
Seitz, Thomas Alan
Sellman, Robert Lee
Semko, Paul Scott
Serwich, Thomas Gregory, II
Seski, John Edward
Sessler, Gregg Frederick
Setzekorn, Robert Ray
Seward, John Wesley, Jr.
Sexton, James Stanley
Shadday, Martin Andrew, Jr.
Shaffer, John Nevin, Jr.
Shannon, John Timothy
Sharer, Kevin Woods
Shaul, Michael C.
Shaw, David Reginald
Shaw, Robert Edward
Sheehan, Timothy O'Grady
Sheldon, Mark Nye
Shepard, Scott Holman
Shepherd, Richard Dewitt
Shepherd, Wilbur French
Sheppard, Dennis Dean
Sher, Thomas Stewart
Sherer, Charles Thaddeus, II
Sherm, Gerald Frederick
Shickle, David Lester
Shields, John Thomas, III
Shinn, Steven Craig
Shonk, Merwyn Roop
Shorts, Chester Arnold
Shutt, Michael David
Siegel, Dan Allen
Silverthorne, Craig William
Simmons, Michael Leroy
Simpson, Gary Michael
Sitz, William Wynn
Skahan, Michael William
Skerbec, Joseph Frank, Jr.,
Skille, Alan James
Skinner, Howard Arthur
Skipper, John William
Skolds, Charles Richard
Slaght, Kenneth Duncan
Slattery, Patrick John
Slowik, Robert Louis
Smith, Carl Chester, Jr.
Smith, Carl Macon, Jr.
Smith, Douglas Vaughn
Smith, Earl Ramon
Smith, Herbert Merrill
Smith, John Walter
Smith, Kenneth Fiesco
Smith, Kenton Leroy
Smith, Robert Emmet
Smith, Robert Emmett, Jr.
Smith, Ronald Clark
Smith, Stanley Harold
Smith, Thomas Earl
Smith, Thomas Holton, Jr.
Smitherman, Robert Emerson
Smoot, Arthur Eugene, Jr.
Snapp, Paul Thornton
Snell, Dean Allan
Snell, Dennis Arthur
Snelson, Jack Alvin
Snowden, Ernest Maynard, II
Snyder, Ralph Oscar
Snyder, Ronald John
Snyder, Thomas Frederick
Songer, Steven Michael
Spangler, Gary Gilbert
Sparks, Howard Frank

Spear, Earl Jay
Spears, Tommie Edward
Specht, Robert David
Speed, Claude Oscar, III
Speh, Warren Glenn
Spenser, Kenneth Vaughn
Spong, Mark Edward
Sponholz, Richard Otto
Springer, Richard Samuel
Sprinkles, Leonard Daniel
Sproule, Robert Harvey
Sponce, Frank Thomas
Staehli, Christopher Paul
Stahl, Dale Edward
Standish, Leslie Clement
Stanek, David Monroe
Stanley, Jeffrey Dean
Stanton, Richard Wayne
Stasi, Frank Anthony, Jr.
Stasiowski, James Michael
Statuto, Mark Arthur
Staudt, Gilbert Mark
St. Clair, Kenneth Malcolm, Jr.
Stearns, Richard A., III
Stearns, Richard Charles
Steelman, Barry Lee
Stefkovich, Daniel Stephen
Stentz, Robert Gail
Stephens, Grant Schneider
Steussy, William Howard
Stevens, Robert Frederick
Stevinson, Floyd Samuel, Jr.
Stewart, Lowell Thomas
Stewart, Michael McAlister
Stiffler, James William
Stiles, Gregory Allen
Stillings, David Gordon
Stockhaus, Daniel Quen
Stockho, William Louis
Stoddard, David Victor
Storer, David Gene
Stout, Charles Minor
Strait, Chester Edwin
Stratton, Larry Rodger
Streeter, Bruce Allen
Stribling, Ronald Anthony
Strickland, Leroy Hickman
Strong, David George
Strong, Franklin Eugene
Stroud, Charles Glayton
Strzemienski, Stephan Josep
Stuck, James Roland
Suhr, James William
Sullivan, John James, Jr.
Sullivan, Paul Francis
Sullivan, Timothy Finbar
Sullivan, Walter Francis
Sullivan, William Daniel
Stutter, Ellis Dee, III
Sutton, William Glenn
Svoboda, John Michael
Swah, Samuel Ryan
Swanson, Raymond Peter
Swigart, John Jacob, Jr.
Swofford, Mark Dudley
Swoope, James Paige
Synowiez, Peter Mortimer
Tabb, Henry Edmund, III
Tabing, Mark Dana
Talbot, Ronald Eugene
Tallardy, Thomas John
Tamburini, Robert
Tanner, William Earl
Tarter, Arlan Gilmore
Taylor, Arch Edward
Taylor, Eugene Warren
Taylor, James Langdon
Taylor, John McClellan
Tempero, Thomas Lucas
Terrible, Joseph Anthony
Terry, Robert Joseph
Tettelbach, Gary John
Thaeler, Leigh MacQueen, Jr.
Thayer, Paul Luke
Thomas, David William
Thomas, Mark Alan
Thomas, Nauman Scott
Thomas, Robert John, Jr.
Thomason, William Rex
Thompson, Benny Edward
Thompson, Clayton Herbert J.
Thompson, Douglas Scott
Thompson, James Jay
Thompson, Richard Allen
Thompson, Robert Bennett, Jr.
Thompson, Robert Miller
Thornhill, Daniel Bruce
Tierney, Glenn Patrick
Todorich, Charles Martin
Townsend, Ronald David
Treadway, Alton Glen
Treichler, John Robert
Tripp, Mark Steven
Tsaggaris, Alexis
Tucker, Benjamin William, Jr.
Tucker, Malcom Richard
Tudor, Tommy Neal
Turbeville, Anthony Michael
Turner, Prescott K., Jr.
Turville, William Charles J.
Tuttle, Donald Eugene
Twyman, William Earl
Tyler, Bobby Dale
Tyler, Robert Jeffrey
Uptegrove, Edwin Wayne
Utterback, Richard Lyn
Uttich, Richard Michael
Valeche, Hal Robert
Vanamringe, Jon Eric
Vanbrocklin, Stephen Ted
Vance, Thomas Coates
Vandenberg, George Edward
Vanderbosch, Steven William
Vandusen, Peter
Vanhee, Richard Charles
Vanhoose, Ronald D.
Vantassel, Paul Franklin
Vantine, Kirk Kelso
Vantrease, Cameron Kent
Vanwie, Steven Leroy
Vaughn, David Joseph
Vechinski, Gregory Joseph
Vercher, John Buford
Vettese, Anthony
Vick, Don Allen
Vine, Gary Lee
Vines, Larry Paul, Sr.
Viney, Robert Michael
Visco, Dominick Wayne
Vogel, Paul Heath
Vonlintig, Richard David
Vsetecka, Leonard John
Waddell, James Barry
Waddle, James Michael
Wade, James Micahel
Wahl, Frank Bernard, Jr.
Walker, Arthur Thomas
Walker, David Russell
Walkky, Kenneth James
Wallace, Harold Boyette
Walmsley, Stephen Robert
Walt, Douglas Orville
Walters, Ronald Wayne
Walton, Jerry Eugene
Ward, Robert Earl Eugene
Waterman, Marc Norris
Watkins, John Bruce
Watkins, William Allen
Watson, Anthony John
Watson, Donald Reed, Jr.
Weaver, Lloyd Rollin
Weaver, Sterrie Leon, Jr.
Webb, Stephen Eugene
Webb, William Francis
Webb, William Jennings, Jr.
Weber, William Lloyd III
Weborg, Gene Marvin
Webster, Edward Mullender J.
Webster, Michael Thomas
Weeks, Bill Frank
Weeks, John Linton III
Weeks, Stanley Bryon
Weigel, Jay Ellis
Weil, Thomas Eliot, Jr.
Weiscopf, Carl Eugene
Welch, Benjamin Harrison, II
Wells, Carl Stanley
Wells, John Timothy
Wertz, Bruce Neal
West, James Clyde, Jr.
Westcott, Gerald Michael
Westcott, Richard Elliott
Westerfeld, Donovan Earle
Whalen, Regis Emmett
Wheeler, Harold Nelson
Whilden, Francis Covington
Whitaker, Charles Henry, Jr.
Whitaker, Clayton Edmund
Whitaker, Dwight Vestal, III
White, Bradley Thomas
White, John Thomas
White, Oakley Francis
White, Richard Dehaven
White, Stephen McConnell
Whitman, David Robert
Whitmire, Dewey Laland
Whitt, Ervin Bishop, Jr.
Whitten, George Brine, III
Whitworth, John Burton, III
Wick, Carl Eric
Widener, Lynn Harbour
Wiedeman, David Blair
Wiens, Leonard Arnold
Wilder, Hubert Boone, III
Wilder, Marc A.
Wilkins, Thomas William
Will, George Frederick
Williams, Bruce Warren
Williams, Charles Baxter
Williams, Charles Leroy
Williams, Douglas Henry
Williams, Galbraith Denny J.
Williams, James Howard
Williams, Reginald Lewis, II
Williams, Thomas Yeaman
Williamson, Edward Hughes
Willis, Thurman Lamar
Wilson, Bryan Paul
Wilson, Charles Howard
Wilson, Dennis Alan
Wilson, James Orville
Wilson, Phillip Robinson
Wilson, William Burton
Winger, Philip Gray
Winowicz, Stanley Joseph, Jr.
Winslow, Robert Michael
Winston, Bruce Howard
Wirkkala, Richard Earl
Witte, Thomas Michael
Wittkamp, Thomas Michael
Wittmann, William Warren
Wlodarczyk, Edward
Wolf, Peter Thomas
Wolfe, Daniel Thomas
Wolfe, Theodore Sheffer
Wolfe, Wayne Leonard
Wood, Don Alan
Wood, Ronal Dewey
Wood, Stephen Murray
Woodall, Jonathan Hill
Woodard, John Houghton
Woods, Gerald Bishop
Worms, Brent Leslie
Wright, Brian Earle
Wright, David Neil
Wright, Gerrit Lee
Wright, Herbert Rawson, III
Wright, John Thomas
Wright, Jon Robert
Wurst, Frank Leonard
Wurzel, David Lawrence
Wyatt, Thomas Verden
Wyld, Thomas Clinton
Wylie, Pete
Yash, Charles Joseph
Yeates, Richard Morris
Yerick, Martin Rudolph
Young, Charles Bruce
Young, William Fielding
Zaborowski, James Joseph
Zackary, Fort Arthur, Jr.
Zambernardi, Paul Anthony
Zavadil, Stephen Wayne
Zeola, John Patrick
Zgolinski, Albert George
Ziebell, Donald Robert
Zielinski, Leon John
Zimmerman, William Lee
Zins, Michael James
Zoglmann, Paul Samuel
Zysk, Thomas Stephen

MEDICAL SERVICE CORPS

Arnold, Anthony Ray
Berkley, Roy Lee
Criscitiello, Joseph John
Donohue, Edwin Allen
Dumais, Gary Wayne

Dunaway, Floyd James
Ferda, Robert
Hanrahan, James Edward
Hardy, Frederick Charles
Hora, Charles Donald
Kraft, John Edward
Lamar, Steven Richard
Lobaugh, Larry Gene
Marolf, Walter Keithley
Mitchell, Michael Lenard
Mumford, William Maxwell
Surratt, Colonel Ogburn
Swales, George Aloysius
Terry, Lynn Marion
Williams, Ralph Thomas

JUDGE ADVOCATE GENERAL'S CORPS

Harmon, Gerald Robert
Regan, William Anthony

NURSE CORPS

Brown, Donald William
Cox, Robert Leroy, Jr
Cuddy, Susan Ann
Guy, Bruce David
Jung, James Wyland
Lefort, David Michael
McBurney, Richard Ellwood
McPherson, Robert Carter
Minzes, David Herman
Peske, Lorelei Sue
Pickens, Connie Lynn
Zuber, Beverly Anne

SUPPLY CORPS

Anastasi, Richard
Anunson, Merton Gregory
Bishopp, Weller Stephen
Bleier, Frederick Leo
Blood, Roger John
Bollman, Terry Lee
Bothe, James John
Brian, James Sanford
Brooks, Ted Edward
Burbridge, Robert Lee
Burdett, James Randall
Bush, Stephen Alan
Cardinali Henry Albert, Jr
Carter, David Maxon
Casey, Michael Wayne
Caskey, Carl Anthony
Coats, Daniel Michael
Compton, David Dean
Conklin, Michael Douglas
Cook, David Michael
Cormier, Edward Norris, Jr.
Cornelison, Gary Alan
Cote, James Raymond
Cubbedge, Carlon Eugene
Davis, Thomas III
Dickey, Thomas Edward
Dickson, Robert Monroe
Dowell, Billy Ray
English, David Floyd
Farlow, Roger Kent
Faubell, Paul David
Faucher, David Paul
Felle, Robert Eugene
Ferris, William Michael
Fitzsimmons, Joseph James
Flahiff, Daniel Edward
Flanagan, John Edward, Jr
Foerster, John Michael
Frary, Charles Marmon
Fulton, Daniel Stuart
Gilbert, Dale Alton
Gillette, Robert Corcoran
Greene, Alan Robert
Gronfein, Jerome Bruce
Grove, Jerome Paul
Hanson, Ryan Lewis
Hassenplug, John Keith
Hastings, Richard G., III
Havey, Patrick Joseph
Hawkins, Paul Russell
Hinson, Kenneth Earl
Hinton, James Reid
Hodges, James Virgil
Holbach, James Henry
Huber, David Lee
Jackson, William Andrew
Johnson, Earl Winslow, Jr.
Johnson, Jay Carter
Johnson, Mark Scott
Johnson, Terrence Bateman
Jones, Samuel Lynn
Joyce, Robert Joseph
Kawakami, Clarke Kiyoshi
Keith, William Brett, Jr.
Kimmel, Charles Bryan, Jr.
Klase, Kenneth Allen
Klingelberger, Carl Ervin
Krey, Russell Warren
Kwiatkowski, William Stanle
Lafauci, Roger John
Lawton, James Patrick
Lombardi, John Ray
Loney, James Eldredge
Lowdermilk, Richard Francis
Lyness, James Douglas
Machado, Bruce Mervin
Madaio, Paul Frank
Marchetti, Ronald Andrew
Martin, Walter Francis, Jr.
McCulloch, John William
McDermott, Thomas Ward
McGown, James Hewitt
McNaughton, Paul Thomas
Meredith, Clarke Henry
Merrell, Thomas Orin
Moeller, William Griswold
Morgan, David
Morgan, Steven Robert
Morrell, Dennis Lee
Morton, George Henry E., III
Mumma, Donald Charles
Murphy, Robert Emmet
Noble, Mark Raftrey
Nyland, Stephen Carel
Pearrell, Larry William
Pendarvis, Daniel, III
Phelps, Richard Patrick
Pope, Michael Stanley
Post, Stephen Edward
Price, Samuel Russell Dow
Purdy, Kenneth Coburn
Ramsey, Phillip Grayson
Randall, Thomas Edward
Reese, James Mackintosh
Rinaldo, John Charles
Ritzel, Charles James
Rodenbarger, Syd W.
Ryan, Robert Joseph
Schimpf, Barry John
Scott, Douglas Thompson, Jr.
Siemers, Uwe
Simmers, Walter William
Smith, Charles Sinclair
Smith, Emmett Wilson
Smith, Kerry Jon
Smith, Robert Coleman
Snyder, Michael John
Stanger, Thomas Joseph
Stephens, Jan Braven
Stokes, David Vose
Stolle, John Richard
Sugermeyer, Robert Storck
Tarver, James Edward
Thomas, Michael
Thorpe, Grant William
Tinker, William Marshall
Tissier, Robert Joseph
Turpie, James Alastair G.
Walker, Allan Warren
Walsh, Robert Arthur, II
Walter, Frederick Sebastian
Webb, James Arrington, III
White, Charles Elbridge
White, John Philip
Wieczorek, Richard Joseph
Wilhite, Bernard Lee
Wilson, Paul Abernathy
Wood, Stephen Joseph
Woods, Charles Johnathan
Young, Charles K.
Young, Robert Wright

CIVIL ENGINEER CORPS

Becker, Raymond Herbert
Bleakley, Robert Lockwood J.
Borowski, Casimir Jan, Jr.
Cahill, Patrick Joseph
Cambron, George Keith
Carpenter, Ronald Gary
Casey, Michael Francis
Dalton, Howard Griffin
Deluca, John, Jr.
Delunas, Leonard James
Ferguson, John Owens
Hanley, John Timothy
Headrick, Jay Clark
Hisey, Howard Alan
Johnson, Michael Ray
Martin, Norman Richard
Micheau, Terry Wayne
Molineaux, Ian Joseph
Mondoux, William Joseph, III
Nettesheim, Richard David
Newton, Willis Gerald
Pilie, Joseph Maurice, Jr.
Rockwood, Thomson Whitin
Rowett, Henry Matthew
Samuelson, Gene Roy
Schraud, Henry Frank, Jr.
Shepard, David Bruce
Smith, Earl Lee, Jr.
Spore, James Sutherland, III
Teater, Richard Michael
Thomas, Kenneth Wilson, Jr.
Thompson, Stephen Ray
Venable, Joseph Brown
Vogt, John Fredric
Wade, Richard Louis
Walley, James Marvin, Jr.
Walsh, David Frank
Wenck, Stanley Erlin
Williams, James Randolph
Wright, James Christopher

The following-named women officers of the U.S. Navy for permanent promotion to the grade of lieutenant in the line, subject to qualification therefor as provided by law:

Barrett, Margaret Doris
Batchellor, Mary Pamela
Blackwood, Elizabeth Anne
Crounse, Carole Heath J.
Gifford, Mary Suzanne
Borst, Sharolyn Benfell
Groves, Linda Katherine
Hoag, Trudy Lynne
Humphreys, Mary Margaret
Johnson, Linda Kay
Kacer, Joanne Alice Camille
Long, Sandra Kay
Matarese, Marcia Dorothy
McCormick, Margaret Ellen
McCue, Sharon Elizabeth
McGann, Barbara Elizabeth
Melson, Leslie
Moll, Kathleen Margaret
Neuffer, Judith Ann
Patterson, Carol Anne
Reish, Margaret Ann
Roberts, Karyl Kaye
Rutherford, Louise Margot
Sanders, Penelope Lane
Schmidt, Dorothy Jean
Skaling, Kathleen Dell
Tracey, Patricia Ann
Vinson, Rebecca Gurley
Walker, Mary Anne
West, Linda Lou
Wheaton, Martha Jane
Zielinski, Margaret Mary
Zmich, Arlene Sharon

Lt. (junior grade) George B. Gilbert, U. S. Navy, for temporary promotion to the grade of lieutenant in the Supply Corps, subject to qualification therefor as provided by law.

Lt. Comdr. Gerald R. Sylvain, Medical Corps, U. S. Navy for temporary promotion to the grade of lieutenant commander in the Medical Corps, subject to qualification therefor as provided by law.

The following-named officers for temporary promotion to the grade of lieutenant in the line of the U. S. Navy, subject to qualification therefor as provided by law:

Milham, Russell O.
Goodnight, Lyman Evans, III
Ricksecker, William Grant

Comdr. Norman W. Busse, U. S. Naval Reserve for transfer to and appointment in the Judge Advocate General's Corps in the permanent grade of commander.

The following-named officers of the U.S. Naval Reserve for transfer to and appointment in the Supply Corps in the permanent grade of lieutenant (junior grade) and the temporary grade of lieutenant:

Cole, Anthony L.
Culver, Kenneth D.
Gernentz, Thomas J.
McKenna, James L.
Walters, Melville J., III

Lt. William J. Anderson, Jr., U. S. Navy for transfer to and appointment in the Civil Engineer Corps in the permanent grade of lieutenant (junior grade) and the temporary grade of lieutenant.

The following-named officers of the U.S. Navy for transfer to and appointment in the Supply Corps in the permanent grade of lieutenant (junior grade):

Arcuri, Louis E.
Bianco, Barron B.
Gunter, Wallace E., Jr.
Heinen, Jerry J.
Smith, Barry L.

Lt. (junior grade) Guy R. Bafus, U.S. Navy for transfer to and appointment in the Civil Engineer Corps in the permanent grade of lieutenant (junior grade).

The following named officers of the U.S. Navy for transfer to and appointment in the Supply corps in the permanent grade of ensign:

Argue, Arthur C., III
Barrs, Jack C.
Frazier, Robert B.
Hoffman, Lee D.
Lottes, William R.
Perkins, George W., Jr.
Potampa, Whitton M.
Raymond, A. Ritchey
Sims, Donald B., Jr.
Wright, Dennis L.

Ensign Michael W. Praskievicz for transfer to and appointment in the Civil Engineer Corps in the permanent grade of ensign.

The following named officers of the U.S. Navy for permanent promotion to the grade of lieutenant (junior grade) in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

Adams, Michael R.
Ambersley, Robert T.
Anderson, Barton P.
Barbour, Richard E., Jr.
Beckley, Stephen A.
Bell, Marvin L.
Benko, Michael J.
Bernard, Eugene P., Jr.
Beuerlein, Alan F.
Birkholz, Howard D.
Black, Richard A.
Bloomfield, Walter W., Jr.
Borsh, Richard M., Jr.
Boyter, William T.
Brennan, David M.
Briggs, Bruce K.
Brooks, Wayne G.
Brown, Jerry K.
Benko, Michael J.
Bernard, Eugene P., Jr.
Beuerlein, Alan F.
Birkholz, Howard D.
Black, Richard A.
Bloomfield, Walter W., Jr.
Borsh, Richard M., Jr.
Boyter, William T.
Brennan, David M.
Briggs, Bruce K.
Brooks, Wayne G.
Brown, Jerry K.
Brown, Stephen J.
Browne, Joseph M.
Cahill, Edward A., III
Caldwell, Kenneth W.
Cameron, Kerry D.
Carlson, James R.
Chopp, Daniel M.
Clabaugh, Ronald S.
Clark, James R., Jr.
Clifton, Lowell D.
Cole, Anthony L.
Collignon, Michael J.
Conner, Barbara A.
Copper, Bruce D.
Cox, Patrick George
Crane, Larry S.
Crosby, Richard A.
Crouch, Orren R.
Curtis, Kendall W.
Dargo, Ronald S.
Dawes, Larry E.
Doty, Brian K.
Doubleday, Michael W
Duncan, Lynwood H.
Dutra, Edward P., Jr.
Faine, Levarn L., Jr.
Farrington, Robert P.
Fatek, William H., Jr.
Fenoughty, Carolyn A.
Flynn, Peter G.
Forrest, William T.
Foster, Dave E.
Freeman, Harold R.
Gadzinski, Gary F.
Gatewood, Joel W., Jr.
Getsinger, Clarence L.
Gillies, John A.
Gilmer, Franklin B.
Gorman, Paul R.
Graham, Linda L.
Graybill, Jon Gilbert
Guilford, Walter B.
Hall, Peter D.
Harlow, Margaret A.
Hawkins, Wayne R.
Hayden, Robert L.
Hendricks, Leon A.
Hodges, Dean C.
Hollimon, Geoffrey L.
Hoople, Douglas D.
Howard, Philip G.
Jessen, Stanley M., Jr.
Kennish, James R.
Keen, Wayne C.
Kidd, Charles D.
Klassen, Kenneth W.
Larson, Marlin W.
Lashutka, Sergius
Linger, Theodore G.
Lover, Kevin F.
Loy, David P.
Mahoney, Dan M.
Marchi, John A.
Martin, Richard F.
Mason, Roger E.
Mattox, Harvey
Maturi, Harold J.
Mayon, Michael H.
McCabe, Michael J.
McComas, Jeffrey C.
McCoy, James G.
McGrath, Thomas R.
McReynolds, Darwin J.
Meyer, Jerry L.
Monteville, Arthur R.
Morgan, Robert W.
Motolenich, Stephen E., Jr.
Munson, Russell G.
Nelms, Kenneth L.
Netzorg, Gregory B.
Nie, John C.
O'Brien, Leslie J., III
Ochs, John L.
Oleson, Gary Y.
Oliver, Larry L.
Overend, William J.
Parker, Travis W., Jr.
Payne, Robert L., Jr.
Phelps, Roy L.
Putman, Michael W.
Pyne, Joseph H.
Ragland, Gordon G., Jr.
Rannells, David A.
Ratner, William D.
Reece, Stephen M.
Roed, Carl J.
Royall, Michael B.
Russack, John A.
Sandin, Terry L.
Saur, Joseph M.
Schilling, Ronald K.
Scruggs, Thomas Jr.
Sharpe, Bruce E.
Simmons, William R.
Speed, Claude O., III
Sponholz, Richard O.
Stanton, Richard W.
Stiles, Joseph E.
Stillings, David G.
Taylor, James E.
Taylor, Samuel W.
Thomas, Joseph W.
Thomas, Robert J., Jr.
Utterback, Richard L.
Vanbrocklin, Stephen T.
Vandenberg, George E.
Vanwie, Steven L.
Waite, Robert C.
Weimerskirch, John P.
Westendorf, William J.
Williams, James H.
Williams, Reginald L., III
Wilmot, James W.
Woodring, Roger O.
Worms, Brent L.
Wylie, Pete
Yeates, Richard M.
Zuger, Margaret A.

MEDICAL SERVICE CORPS

Blome, Michael A.
Criscitiello, Joseph J.
Hermann, Dean A.
Leadbeater, Warrell F.

NURSE CORPS

Ahrens, William D.
Bessent, William M.
Beveridge, Beverly A.
Gookin, Jeannine K.
Hamachek, Susan M.
Minzes, David H.
Petersen, Patricia L.
Roberts, James W.

SUPPLY CORPS

Anunson, Merton G.
Beaty, Richard M.
Bender, Danny A.
Compton, David D.
Crandall, Stephen G.
Featherstone, Harry L., Jr.
Gibbons, Lawrence B.
Herrington, Michael C.
Jenkins, Gwilym H., Jr.
Johnson, Darold L.
Pennington, Craig H.
Richards, James C.
Ridgley, Joe L.
Ross, Charles A.
Shirley, Richard H.
White, Charles E.
Woods, Charles J.
Young, Charles K.

CIVIL ENGINEER CORPS

Casey, Michael F.
Venable, Joseph B.

EXTENSIONS OF REMARKS

FULLER WARREN: 1905–73

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. BENNETT. Mr. Speaker, I join with all thoughtful Americans in tribute to former Florida Governor, Fuller Warren, whose recent death so deeply distressed everyone in Florida.

Governor Warren came from a humble background of hard work on a farm near Blountstown, Fla., and perfected in himself the qualities of character and leadership which led ultimately to his being Governor of Florida and he accomplished many fine things as Governor and in other positions of public responsibility.

Along the way in his life he blessed the lives of all those who knew him with his friendship, kindness, and inspiration. Personally I remember his thoughtfulness when he suggested to former Congressman Lex Green that I run to succeed Congressman Green when he stepped out of the position of representing the Second Congressional District of Florida. This was in 1941. Congressman Green called me and made this suggestion that I run and I did run until World War II began and I dropped out of the race to serve in a military service at that time. Immediately after coming back from the service I ran and was elected in 1948. Incidentally, in the meantime both Fuller Warren and Lex Green served in the armed services during that war. Fuller's thoughtfulness to me and that of Lex Green were typical of both of these fine men and I will forever be grateful.

Governor Warren never forgot those who elected him to office. For the people who shared with him a vision of better things for our State and our Nation, his successes were in turn their successes. This is the way that good politicians should always act. Governor Warren will always be an inspiration to me, not only because of his public life, but because of the warmth and human love that he expressed to all, including those who disagreed with him.

Mr. Speaker, I include at this point an editorial from the Florida Times-Union which speaks eloquently of this fine man's achievements for his fellow man:

FULLER WARREN: 1905–73

Tomorrow Fuller Warren will be returned to the Florida soil over which he toiled in his youth, as a cotton picker working for 75 cents a week and board, on a farm near Blountstown.

Although his career took him to the seats of the mighty, he never really left home in one sense. It was so much a part of him that he carried it along wherever he went.

Although his career took him to the seats of the mighty, he never really left home in one sense. It was so much a part of him that he carried it along wherever he went.

Gov. Fuller Warren, the mellifluous orator with the prematurely gray hair and the burden of weighty decisions, didn't let the pomp and circumstance with which he was surrounded warp his perspective.

He kept the wry Cracker humor that could not resist puncturing a pretension even when that pretension was his own. He kept the real reverence he felt for the state, its traditions and its government from getting pompous by periodically treating his own awe with a jocular irreverence.

During his very early years, he drove a cart in a sawmill, went to sea as a steward on a passenger ship, sold Bibles in the mountains of Alabama, worked in a livery stable, on a survey gang, farmed, dipped cattle, and did, as he is quoted by Allen Morris, "innumerable other kinds of dispiriting labor."

He suffered his first political disappointment at the age of 13 when he was an unsuccessful candidate for page in the Florida Legislature. But by the time he was 21, he had already been elected a member of the Florida House of Representatives from Calhoun County.

He later served as Jacksonville City Councilman for three terms, state representative from Duval County, went to war, and returned to become governor in 1949.

His administration, like that of President Harry S. Truman, has been given a stature by history that it failed to gain in the contemporary setting when the smoke of political battles often obscured the achievements.

His political day faded with the onset of radio and television campaigning. But he had few, if any, peers in spellbinding the crowds at the courthouse squares and barbecues where personal magnetism could come across.

Now the end of the long road, including those occasionally heartbreaking years of what he called "involuntary political retirement,' 'has been reached.

Godspeed, Fuller Warren. We will miss you.

REGIONALISM AND THE NEW ENGLAND COMMISSION

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. HARRINGTON. Mr. Speaker, regionalism is a concept whose time has come. Many of the critical problems we face as a Nation today—environmental decay, energy shortages, rail transportation, urban blight, industrial decline—have a regional characterization that prevents solutions that are exclusively local or even State oriented.

The Public Works and Development Act established seven regional Commissions across the country to design and finance a Federal-State agency to develop regional approaches to problems such as economic development and transportation which are shared throughout the area and whose solution will require interstate cooperation. As many of my colleagues know, the performance of the New England Regional Commission has, in the past, fallen short of this congressional intent.

Recently, however, Governor Sargent of Massachusetts has been instrumental in reforming the Commission, and making it more responsive to New England's needs. There is now considerable promise that the Commission will proceed to address the problems it was created to solve.

The Boston Globe ran an editorial on September 26, explaining this situation and reaffirming the need to preserve the unity of purpose between the States in the area. I certainly concur in the Globe's recommendations and analysis, and insert the editorial in the Record at this time for the information of my colleagues.

The editorial follows:

Regionalism and Ripoffs

For nearly a year, the New England Regional Commission (NERCOM) has been undergoing a housecleaning operation to restore its tarnished reputation. Decisions made at the NERCOM meeting today in Boston will set the direction for this year.

The congressional concept behind the regional commissions was simple and important: design and finance a Federal-state agency to develop regional approaches to problems such as economic development and transportation which are shared throughout the area and whose solution will likely require interstate cooperation.

But the gap between promise and performance was gigantic. By late 1972 NERCOM had become a highlevel pork barrel operation, funding pet projects of other governmental agencies with little or no regional application, and serving as a well-paying dumping ground for friends of political leaders in the six New England states.

Since then, the New England governors, who serve as state overseers of the program, have worked with the Federal co-chairmen to restore the much-needed regional planning concept by cutting excess staff and eliminating some programs.

The first sign for the better was when Congress and the Administration agreed to continue to fund NERCOM and the six other regional agencies in the country for at least one more year. But the regional agencies will be eliminated unless their existence can be justified during the reprieve.

The commission had been supporting projects with no regional application. In addition, the commission was making so-called Special Operating Grants to each of the states. These discretionary dollars amounted to unauthorized revenue-sharing and often became bureaucratic slush funds to buy off the support of the governors who would then not scrutinize the rest of NERCOM's activities.

Resolutions to be considered by the governors today will have the effect of eliminating boondoggles, and ensuring that this year's funding supports projects which are truly multi-state in application.

Under the proposals, no grants would be made unless either the projects would actually be carried out in more than one state, or a project from a single state had the cosponsorship of at least one other state in the region.

Gov. Francis Sargent is serving as chairman of the New England Governors Association and deserves much of the credit for his willingness to give up the largesse of the last few years and try to make regional planning work.

Unfortunately, it is not clear that this step will be taken without a fuss. New Hampshire Gov. Meldrim Thomson has let it be known, in a speech in Washington last week and through the Federal-state rumor mill, that one of his alternatives is simply to withdraw his state from the commission if no discretionary funds are forthcoming. Gov. Thomson's skepticism is understandable, but NERCOM's new look deserves a chance.

Withdrawal would not serve the interests of regional approaches to our problems and would deny the citizens of New Hampshire the benefits of NERCOM's efforts in the areas of transportation, energy supply, and Federal base closings.

The new NERCOM staff has worked closely with the representatives of the governors to respond constructively to last year's criticism and put regional planning on a sound footing. Their recommendations should be supported at the meeting today. Not to do so would be a reversion to business as usual which would undoubtedly spell the final death knell for Federal support.

THE NEW FRONTIER

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Thursday, September 27, 1973

Mr. TALMADGE. Mr. President, a young man in Rome, Ga., has written a poem in memory of our late President, John F. Kennedy. Entitled "The New Frontier," it came to me from Mr. Ronnie Ted Shiflett of Rome, Ga.

I commend this memorial poem to the attention of the Senate, and ask unanimous consent that it be printed in the Extensions of Remarks.

There being no objection, the poem was ordered to be printed in the Record, as follows:

The New Frontier

(By Ronnie Ted Shiflett)

(Dedicated to the memory of our late President, John F. Kennedy.)

The tides of time are drifting high
  Above the earth to wash the sky
And one by one, each surging wave
  Shall flow into a twilight bay

The tides of time are drifting high
  Above the rocks along the shore
And one by one, each sweeping wave
  Shall cleanse the sand forevermore

The tides of time are drifting high
  Beyond this world of darkening sod
To send its spray on yonder shore
  And wash the face of God

The tides of time are drifting high
  Beyond the old for a new frontier
And every wave shall wash away
  Every dark and troublesome fear
From every weary heart that hears,
  The tides of time are drifting high.

INFLATION LAID TO FEDERAL DEFICIT

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. BENNETT. Mr. Speaker, I have long felt that the Federal Government should decrease its deficit spending as a prime cause of inflation. The attached article from the Florida Times-Union of September 25 reported views on this matter expressed by the able and personable Glen P. Woodard, Jr., vice president of Winn-Dixie Stores, Inc. I believe Mr. Woodard's remarks make a great deal of sense and hope that the Congress will take appropriate action to reduce deficit spending. I will continue to do my best to end deficit spending. Congress can, if it will, accomplish this.

The article follows:

Inflation Laid to Federal Deficit

(By Judge May)

The present inflation is the price this nation is paying for more than 30 years of unbalanced federal budgets, according to Glen P. Woodard, Jr., vice president of Winn-Dixie Stores Inc.

Inflation has struck the economy and there are many government economists who have elaborate explanations of its causes, Woodard told the Meninak Club of Jacksonville, meeting Monday in the Thunderbird Motor Hotel.

"The main cause—and it isn't hard to figure out— is that for a period of more than 30 years we have had continued deficit spending, of never balancing the budget," he said.

"Yes, you can expect a deficit during the war years, but our annual deficits now are greater than during wartime," Woodard said.

If a family spends more than it takes in, it soon goes broke, he said, but bureaucrats try to find a whipping boy to blame for economic troubles.

STUDENT ASSISTANCE IS MUDDLED

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks, I submit my Washington report, as follows:

STUDENT ASSISTANCE IS MUDDLED

Thousands of students, caught between soaring costs of higher education and a shortage of financial aid, are wondering if they might be priced right out of the American dream of a college education.

Students from middle-income families seeking some financial help from federal programs for the heavy expenses of higher education face a bleak outlook. The federal student assistance programs, which help roughly one of every three students in higher education, are confused and muddled.

In the past, any student whose family had an annual income of less than $15,000 was eligible for a low-interest loan of $1,500 a year until graduation, with the federal government guaranteeing the loan and paying the interest. Students from families with incomes over $15,000 could get the loans, but they had to pay the interest.

Now the rules have been changed, with the emphasis on "substantial need," not prior scholastic achievement. Students from families with annual incomes in the $10,000–$15,000 range are finding that they do not qualify for the subsidized loans. To make it worse, interest rates are skyrocketing to historic peaks, and the 8¾ percent ceiling on the student loans make them unattractive to lenders, so the loans are harder to get. The voluminous paperwork and the detailed disclosures of assets required to pass the "means test" also discourage many students and families.

At the same time students are confronted with the frightfully high costs of higher education. Yearly costs range from $1,492 for public colleges and universities to $5,500 at the most expensive private schools, with further increases expected. With the median per-student yearly cost at $2,985, even middle-class families cannot afford the costs of higher education over a four-year period without borrowing, and low-income families often find aid insufficient to meet the rising costs.

The good news is that steps are being taken to relieve the squeeze on students from middle-income families. Lenders, usually banks, are being urged to be more liberal with loan funds, and many institutions have responded. Congress and the U.S. Office of Education are urging the college financial aid officers, who recommend to the lender an appropriate loan amount, to loosen up on their interpretation of need. The new government-backed Student Loan Marketing Association ("Sallie Mae") is now buying student loan paper from banks and putting additional money into the banks for more student loans.

Sensitive to the deficiencies of the program, the Congress is beginning a review of the following student assistance programs: (1) the Supplemental Opportunity Grants for students with exceptional need; (2) the College Work-Study Program which pays 80 percent of the wages of needy students; (3) National Defense Student Loan, which provides loans to needy students at subsidized low-interest rates; (4) Guaranteed Student Loan Program, which insures the banks against default on loans to students and, until this spring at least, provided interest subsidies to students from middle-income families; and, (5) Basic Opportunity Grants Program for low-income students.

Even so, all these approaches will take time, and the students need help now. It is not easy to tell a financially-pressed student, even if it is true, that the student assistance programs are muddled and confused because of deep conflicts in Washington on the extent to which aid should be targeted on low-income students. If funds were ample for all programs, a reasonable compromise would work, but funds are short and the struggle is intense between those who want the emphasis to be on the low-income student and those who would spread the aid to include middle-income students.

With the high costs of higher education I have supported a broad range of improved student assistance programs for students from low- and middle-income families, including grants, direct loans, insured loans, and work-study payments.

FBI SHOULD NOT MAINTAIN POLITICAL FILES ON MEMBERS OF CONGRESS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. KOCH. Mr. Speaker, on January 3 of this year, I introduced the Federal Privacy Act to regulate the maintenance of information on private citizens by agencies of the U.S. Government. This legislation is designed to insure that such information is complete, accurate, and used only for appropriate purposes. In my judgment, these are the minimal safeguards necessary to provide a general system to protect our citizens from unwarranted invasions of privacy. But there is a dimension to the privacy problem left untouched by my Federal Privacy Act. It involves the special problems involved when the executive branch of the Government collects information about the legislative branch.

This problem emerged almost a year ago, with the admission by then Acting Director of the Federal Bureau of Investigation L. Patrick Gray that the FBI had been maintaining files on Members of Congress. His concession came only after columnist Jack Anderson had discovered FBI files on Representatives FRELINGHUYSEN, REUSS, FAUNTROY, ALBERT, FORD, and others.

Upon learing of the existence of these records, I, along with my colleagues BENJAMIN ROSENTHAL and JONATHAN BINGHAM, wrote to the FBI requesting that we examine any files relating to each of us. The succeeding correspondence was placed in the CONGRESSIONAL RECORD of September 12, 1972.

According to Director Kelley, no "governmental purpose" would be served by examination of these files. My question is: What "governmental purpose" is served by their existence?

This question cannot be answered unless there is some indication of the files' contents. Former Acting Director Gray admitted not only that the files are "not essential to FBI operations," but referred to their contents as "rot." In addition, Jack Anderson reported that they include highly personal information with no conceivable relevance to the legitimate operations of the FBI. In my mind, this throws considerable doubt on the FBI's public insistence that the files feature only general biographical information. Throughout my contact with the Bureau, I have been furnished with no justification for the maintenance of congressional files. Whether intentional or not, the maintenance of these files creates the potential for serious abuse of FBI or Executive power.

At first glance, it might appear that this problem is of concern only to Members of Congress. I would argue strongly to the contrary. The events of the past year have demonstrated once again that the liberties of all of our citizens depend very directly on the independence and vigor of the Congress. The issue here runs deeper than a simple matter of unjustifiable invasion of privacy.

The files in question constitute a direct challenge to the delicate system of checks and balances that has served to prevent the concentration of power in any one branch of the Federal Government. That system absolutely demands that each branch of Government function equally and independently. Mr. Speaker, as long as FBI congressional files exist, the tripartite system is threatened. The potential for the intimidation of elected Senators and Representatives by those charged with the enforcement of Federal law should be frightening to all Americans. Any action which discourages the unfettered discussion of issues by public officials poses a threat to the democratic process. The autonomy of Congress stands in jeopardy as long as an apparatus for Executive coercion is officially tolerated.

I have been informed by FBI officials that statutory limitations now prevent destruction of these files. Therefore, I am today introducing legislation to require their destruction after a period of 60 days, during which each Senator and Representative can become apprised of the contents of his or her own file. Exemptions from this requirement involve those files maintained pursuant to a criminal investigation of a Member of Congress and those maintained to assist in the consideration of a Member for a Federal appointment. The existence of criminal files must be revealed to the Speaker of the House—in the case of a Member of that House—or the President pro tempore of the Senate—in the case of a Member of that House—and must be destroyed only if no charges against the Member are filed after 3 years of the file's existence. Similar notification must be given of the existence of appointment files. Their destruction will follow after 6 months during which the Member has not been appointed to the office in question.

In my judgment the FBI is violating the Freedom of Information Act in not allowing Members to examine their files. Thus, the introduction of my bill should not in any way suggest that the FBI await congressional action before opening the files to individual Members.

I regret having to pursue the elimination of these records by legislative means. The resistance of the FBI gives the Congress no other choice. The legislative branch was established to give the most direct expression of the popular will. We must now insure that it retains the complete freedom to do so.

The following Members are cosponsors of this bill: Mr. ANNUNZIO, Mr. BROWN of California, Mr. Carney of Ohio, Mrs. Chisholm, Mr. Drinan, Mr. Fauntroy, Mr. Gray, Mr. Harrington, Mr. Helstoski, Mr. Leggett, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Nix, Mr. Podell, Mr. Rangel, Mr. Riegle, Mr. Rosenthal, Mr. Ryan, Mr. Stark, Mr. Charles H. Wilson of California, and Mr. Won Pat.

A copy of the bill, H.R. 10548, follows:

H.R. 10548

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law, the Director of the Federal Bureau of Investigation is directed to permit any Member of Congress to examine any file or other record maintained by the Federal Bureau of Investigation and indexed or identifiable to such Member of Congress, upon the request of such Member, unless such file is exempt from such examination under section 2. Not later than the sixtieth day following the date such examination is concluded, the Director of the Federal Bureau of Investigation is directed to destroy any file so examined, without divulging the information contained in such file to any person. The Director of the Federal Bureau of Investigation is directed to destroy promptly, without divulging the contents of such file to any person, any file subject to examination by a Member of Congress under this section, whether or not such examination takes place or is requested, but no such file shall be destroyed prior to ninety days after the date of the enactment of this Act.

Sec. 2. (a) No file shall be subject to the examination of a Member of Congress or destruction under the first section of this Act if such file is maintained by the Federal Bureau of Investigation as a part of an investigation into the alleged violation by such Member of Congress of a specific criminal law for the purposes of prosecution, but the Director of the Federal Bureau of Investigation shall, in the case of each file so maintained, give notice not later than six months after the commencement of the maintenance of that file to the Speaker of the House of Representatives (in the case of a Member of that House) or the President pro tempore of the Senate (in the case of a Member of that House) of the fact that such file is being maintained. No file shall be exempted under this subsection from examination and destruction under the first section of this Act if such file has been maintained for any period greater than three years after the date of the enactment of this Act and no criminal charges or indictment have been filed in court during such three years against the Member to whom such file is identifiable or indexed.

(b) No file shall be subject to the examination of a Member of Congress or destruction under the first section of this Act if such file is maintained by the Federal Bureau of Investigation as a part of an investigation into the background of such Member of Congress to assist in the consideration of such Member for any appointive position in the executive or judicial branches of the Federal Government, but the Director of the Federal Bureau of Investigation shall, in the case of each file so maintained, give prompt notice to the Speaker of the House of Representatives (in the case of a Member of that House) or the President pro tempore of the Senate (in the case of a Member of that House) of the fact that such file is being maintained and of what appointive office is involved. No file shall be exempted under this subsection from examination and destruction under the first section of this Act if such file has been maintained for a period greater than six months, and the Member of Congress to whom it is identifiable or indexed has not been nominated to the office required to be mentioned in the notice given to the Speaker of the House of Representatives or the President pro tempore of the Senate under this subsection.

DEATH PENALTY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. BIAGGI. Mr. Speaker, on June 29, 1972, the Supreme Court of the United States, in the landmark case of Furman against Georgia ruled the death penalty was unconstitutional on the grounds that its administration constituted a violation of the "cruel and unusual punishment doctrine" as spelled out in the 14th amendment.

This decision stunned many law-abiding Americans including myself, and it left me to ponder whether in the Court's zealousness to uphold the rights of the criminal, the result was a blatant disregard for the rights of the victims of these crimes and their loved ones.

In the brief 15 months since this unfortunate ruling was handed down, more than 20 States have adopted statutes which call for the reenactment of the death penalty. The most comprehensive law was recently passed by the State of California, which calls for a mandatory death penalty for 11 separate crimes including:

First, the murder of policemen;

Second, in cases of murder committed during rape, robbery and kidnaping;

Third, killings of any correctional personnel by inmates;

Fourth, persons convicted of being hired assassins; and

Fifth, person responsible for the killings of any witness to a serious crime.

What do these State actions signify? To me they indicate two distinct things. The first is the realization of the flimsy constitutional and moral grounds upon which this decision was based. More importantly, however, it indicates that the American society, at long last has grown weary of an anemic judicial system, which continues to coddle the criminal, yet does nothing to compensate the victims of these heinous crimes.

What is to be done to resolve this dilemma between conflicting State and Federal statutes? The answer may lie in the formation of strong national legislation, modeled after the California law, which has the safeguards to eliminate the capriousness under which capital punishment was administered in the past. It is only through the continued adoption of responsible State and Federal legislation in this area, can we ever expect to have the Supreme Court review and hopefully overrule the Furman decision.

The need for the mandatory restoration of the death penalty is shockingly evident. The astronomical increase in the numbers of homicides and rapes committed in this country continues to stagger the imagination. But more personally as a 23-year veteran of the New York City police force, I am outraged that while the death rate among policemen has risen over 200 percent in the last 10 years, there has not been a single execution performed in the last 6 to compensate for these heinous crimes. This disparity in statistics indicates to me whose side our judicial system appears to be on, and the further compelling need for the return of capital punishment.

If we are to make any serious inroads in the fight against crime in this country, it is imperative that we begin to take strong decisive steps aimed at not only punishing the criminal, but also providing deterrents to the future lawbreaker. A mandatory death penalty for certain serious crimes is necessary to maintain an equitable system of justice throughout the United States.

There are those in this country who will oppose any reinstitution of the death penalty on the grounds that it will set back the course of society. Yet, what would these same people's reaction be if it were an immediate family member or loved one who fell victim to a crime of violence? Would they want to see the criminal sent to jail, only to be set free again in 20 years or less? I think not.

Support for reenactment of the death penalty is growing in the United States. Consider these facts, in a Gallup poll conducted only 5 months after the Court's decision, 57 percent of the people surveyed indicated their support of the death penalty, the highest percentage in 20 years. Prior to the passage of the California law by the State Legislature, the California electorate had endorsed the proposal by a two to one majority in a referendum.

This support knows no geographical, social, or economic limitations. Recently in the ghettos of Harlem, where the homicide problem is particularly acute, a dramatic example of the strong sentiment for the death penalty was exhibited by Edgar Collins, whose brother was killed during a robbery in his jewelry store. Collins said: "My brother was killed by the law that eliminated the electric chair." As it is now, too many people feel there is no reason not to kill.

H.R. 9877: SINGLE SUBSIDY HOUSING PROGRAM

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. HARRINGTON. Mr. Speaker, experience over the past 30 years has demonstrated that Federal subsidy programs to create low- and middle-income housing in this country have been a mixed success. Some of the programs, in fact, are sadly outdated, and more appropriate for the depression period in which they were created.

Therefore, I am proposing that we replace existing subsidy programs for the production of low- and middle-income housing, including public housing as it is presently structured, with a streamlined program, more in keeping with our needs today. These old programs, particularly the 221(d)3 program and the 236 program which followed, did little to address the fundamental housing problems we face, principally because they perpetuated the pattern of economic segregation. The blame for bad housing projects has traditionally been laid at the door of the occupants. The stigma which has been created, however, should be on public policy, not on the tenants. This is why I have proposed H.R. 9877—to replace present programs with a new, Federal, single-subsidy program.

COST OF THE PROGRAM

The legislation I offer embodies a proposal made by William J. White, executive director of the Massachusetts Housing Finance Association. White's programs have been a notable success. Since 1968, the MHFA has committed $300 million to developers who, to be eligible, must set aside 25 percent of each development for low-income families. The program already has resulted in the construction of 14,000 new units of high quality housing throughout Massachusetts.

Unfortunately, the Massachusetts subsidy programs are both limited and lost in a welter of confusion which handicaps the full realization of this excellent housing concept. The bill I propose, H.R. 9877, would provide the Federal support needed behind the program, and would eliminate the waste and duplication that now exists in numerous Federal housing programs.

This Kaiser commission set a national housing goal of 2.6 million housing units per year, including at least 600,000 for lower-income families. Annual production to meet this goal could be made up of 600,000 low-income units per year, 1 million moderate-income units per year, and 1 million upper-income units per year. The cost of producing these units under a single subsidy program compares favorably with the cost of producing them under the present program.

	Public housing and FHA 236	MHFA single subsidy
Cost per low income unit	$3,584	$2,779
600,000 units	2,150,400,000	1,667,400,000
Cost per moderate income unit	1,778	1,908
1,000,000 units	1,778,000,000	1,908,000,000
Total public cost	3,928,400,000	3,575,400,000
	−3,575,400,000	
Net public savings	353,000,000	

DESCRIPTION OF THE PROGRAM

The single subsidy program would be geared to the production of new and rehabilitated housing. It would be, in effect, a rental allowance program geared to production.

The program would be administered by State housing finance agencies or, in the absence of a State housing finance agency, by a department of government designated by the Governor of that State.

States would have the option as to whether to have insured projects or noninsured projects.

The States would raise the mortgage funds through the sale of tax free notes and bonds, shifting the risk for the capital costs to the States. Using this mechanism, the States could effect a lower rate reflecting a savings in subsidy dollars.

The funds for the program would come in the form of a block allocation to the State from the Federal Government. The formula would be developed in an equitable manner reflecting the State's needs and goals.

The individual States would determine the type, design, and location of housing to be produced. The States would be totally responsible for carrying out and implementing Federal policies such as environmental impact, affirmative marketing, and all equal opportunity laws.

The Federal Government would accept all of the States' processing, programs, and objectives and would monitor on a postaudit basis the results of the States' activities. The Federal Government would assist States in establishing housing finance agencies and would provide technical assistance as requested by the States. The Federal Government would need a small staff to monitor the States' activities.

The States would be unencumbered by Federal regulations, specifications, and standards. Each State would set the percentage mix in the development. The recommended formula would be 25 percent low-income, 50 percent moderate-income, and 25 percent market.

To compute eligibility, you take the gross income, subtract 5 percent to account for social security, then take $300 per minor dependent. This gives a net income for computing rent. The rent is based on 25 percent of the net income. For example, a family of four—husband, wife, and two children—with a gross family income of $10,000 would work out as follows:

Gross income	$10,000
Less 5 percent	−500
Less $300/dependent	−600
Net Income	8,900

Annual rent, 25 percent of income, $2,225.

Monthly rent, one-twelfth yearly income, $185.40.

If monthly rental is $200, the family would receive $14.60 per month subsidy.

Tenants' certification of income would be done through IRS on an annual basis, with the subsidy adjusted upwards or downwards depending on filed tax returns. Subsidy funds would flow to the States directly through the Comptroller's Office, based on the IRS reports, to the States to the credit of the individual tenant and project.

Maximum income criteria would be established by each State. In Massachusetts, for example, the maximum income to receive subsidy would be approximately $15,000 per year. However, there would be no income restrictions on those not receiving subsidy.

The program as conceived is geared strictly to new housing production and rehabilitation. However, if a State elects to use a percentage of the block grant for existing housing stock that meets the State's requirements for safe and sanitary housing, it could do so.

CONCLUSION

This brief program description is intended only to highlight the basic features of the program. The concept, however, is one which I am vitally interested in seeing adopted on a national scale.

What is hardest to grasp about a program of this nature is its simplicity. Under this approach, housing subsidies would go directly to the benefit of the tenant based on his ability to pay. In no case should an individual, after adjustments, pay more than 25 percent of his income for housing. This percentage would include all housing expenses less utilities. Certainly State regulations would be adopted and probably would need to be adopted. The program could only become complicated if people complicate it. What this program attempts to do is meet the public purpose of the Federal Government and local governments to provide decent, sanitary, and sound housing for all its citizens. Cumbersome mechanisms were developed to meet this objective. They have failed. This program is designed to eliminate the inequities that have developed.

Old programs have gaps, such as income limitations that freeze people out because they earned too little for one program and not enough for another. This program is designed to eliminate those gaps with the sole criterion being a person's ability to pay. Other inequities in the programs were unrealistic cost limitations and minimum standards that became maximum. Because of unrealistic guidelines and criteria, developments that got built did not have sufficient income to operate successfully. In essence, the programs were designed to fail.

This was not the intention, but it was the result. Other Federal programs forced mobility of people who had no mobility. As an example, over-income public housing tenants were forced to move but were not quite eligible for other Federal subsidy programs. They were then forced to seek housing accommodations they could afford, which resulted in families moving into substandard housing. Developments built under other subsidy programs were of such a basic nature that, when a family's income rose, the housing accommodations were so minimal that families moved out. In other words, the developments were not worth the price in the marketplace.

The single subsidy program, based upon the 25-percent formual for housing expense, would eliminate people having to move due to income either rising or falling, and the units that could be developed under the program would be of such quality as to command market rents. The MHFA, under its current program, has been successfully using this approach for better than 3 years. The concept has been tested in the marketplace and it works. Now is the time to make it work nationally.

WHY CONCESSIONS TO INDIA NOW?

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. HUBER. Mr. Speaker, it has recently come to my attention that the United States is about to forgive two-thirds of India's estimated debt of $3 billion worth of rupees owed us as a result of sales of American surplus food to India. This is ironic, in view of the fact that we have poured out a total of $9.2 billion into Indian economic aid since World War II. In addition, we supplied, on a very crash basis, some $129 million worth of military supplies during India's border war with Communist China in 1962.

Over the years the United States has made any number of proposals in order to utilize these rupees that were stacking up, and each major proposal has been turned down by India for one reason or another. A GAO report in January 1971, made some recommendations in this regard and in particular recommended an expansion of the United States-India education exchange program. Recently, India sharply limited the number of Americans who could study in India.

There appears to be no compelling reason why India should be the beneficiary of this largesse of the taxpayer's money that I can see. I think, therefore, that this article from the International Herald Tribune of September 21, 1973, deserves the closest attention of my colleagues:

UNITED STATES AND INDIA REPORTEDLY AGREE TO DROP PART OF RUPEE DEBT

WASHINGTON, September 20.—The United States and India have reached a tentative agreement to write off two-thirds of India's estimated debt of $3 billion worth of rupees to this country, administration officials said today.

Daniel P. Moynihan, the U.S. ambassador to India, has been quietly informing congressional leaders about the pending deal, which is expected to end a major, long-standing political dispute between the two countries.

The huge amount of rupees was built up as the result of sales of American surplus food in the 1960s, which were payable in local currencies. The rupees were gaining so much interest that by the end of the century, India could have owed the United States a debt that never could be paid off. And to American officials it was an irritant because the United States never could spend that much money in India without cripiling the Indian economy.

Under the tentative arrangement worked out by Mr. Moynihan with Indian officials in New Delhi, $1 billion worth of rupees would be paid to the United States during a 10-year period, including $100 million in dollars. The $900 million worth of rupees remaining would be spent on maintaining official American establishments in India.

The Indians also have agreed to spend the $2 billion worth of rupees which have been written off on development projects. It does not mean, officials stressed, that the United States would be giving that much money to India since realistically, it was never anticipated that India would ever pay it off.

THE AGNEW MATTER: THE HOUSE SHOULD ACCEPT ITS RESPONSIBILITY

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. BAUMAN. Mr. Speaker, yesterday I and nine other Members of the House introduced House Resolution 567, which would provide for the creation of a select committee to investigate the charges which have been made against the Vice President. Obviously we feel that this is an appropriate response to the Vice President's request for the House to exercise its constitutional responsibility in a matter of grave national concern.

I have been particularly concerned at the cavalier manner in which the majority leadership has dismissed the Vice President's request. The feeble argument that the matters to be investigated are also under consideration by the judicial system does not stand up under analysis. Certainly both Houses of Congress repeatedly investigate and legislate on matters while they are pending in the courts, as witness the Watergate spectacle.

At a time when the majority leadership and the Speaker have been constantly complaining about the executive branch usurping the prerogatives of Congress, it is more than strange that a chance to exercise true congressional responsibility is dismissed with a two-line statement.

I include at this point a well-reasoned editorial from the Washington Star-News of September 26, 1973, which I am sure reflects the views of a great many Americans—that the House should not shirk its responsibility in the Agnew matter, but should act now:

AGNEW AND THE HOUSE

One must hope that the House of Representatives, in the person of Speaker Albert, has not said its last word or thought its last thought about Vice President Agnew's surprise move of yesterday. It is not hard to understand the snap decision to back away. After all, the Democratic majority inevitably asked itself, how do we benefit by getting involved? Why wade into that political quagmire? One sympathizes. And yet a higher interest would be served if the House were to reconsider and ultimately accept the vice president's invitation to conduct a full inquiry into the reported charges against him.

It seems clear now that Agnew does not intend to resign, and that if necessary he will ask the judiciary to shield him from any criminal proceedings, including a grand jury investigation, while he remains vice president. How the courts will respond to that constitutional conundrum, we do not venture to predict. Surely, however, any final answer must be a long time coming. Until the constitutional issue is disposed of, no action will be taken with regard to Agnew in the courts—and even then, perhaps, not until he is out of office.

The Agnew affair cannot, we think, be left stewing in that sort of limbo. If the vice president is innocent of wrong-doing, the present situation is intolerably unfair to him. If he is in fact guilty of receiving kickbacks or bribes, it is equally intolerable that he should be permitted to hide behind the skirts of his high office, escaping prosecution as he remains first in succession to the presidency.

It seems to us essential that the facts about Agnew's conduct, in previous offices and as vice president, now be laid out fully in the public record for the public to judge. Confidence in this government and its institutions, already shaken by the Watergate revelations, has been further weakened by these new accusations and by manifest indecision as to how to deal with them. Any solution which involved glossing over the hard questions of fact in order to sidestep a constitutional problem would be no solution at all.

But if the House on second thought accedes to Agnew's plea, the nation and its representatives will be able, in open proceedings, to assess the accusations being made against him and weigh his defense—and to take action if action is called for.

Agnew did not invite impeachment in his letter to Speaker Albert, but he implicitly recognized that impeachment could result from the suggested procedure. An inquiry by a select committee or the judiciary committee need not necessarily be protracted: the Calhoun case, which Agnew cited, was decided in six weeks. Nor is it correct to describe the vice president's move, as it is described in some congressional comment, as pre-emptive—as seeking to persuade Congress, that is, to take the case away from the courts. Even if the constitutional issue were speedily disposed of, and court proceedings were instituted against Agnew without delay, there would be nothing improper about a parallel congressional inquiry.

House acceptance of Agnew's proposal would not mean that Congress was interposing itself between the vice president and the courts. In practical terms, it would mean only that, one way or another and without delay, the truth of this business must out. It cannot happen a moment too soon.

DEATH OF TOM VAIL

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. ULLMAN. Mr. Speaker, a man of extreme competence who served the public tirelessly for 22 years died last week, a victim of cancer at age 45. I knew him well and respected him very much. His death has saddened me.

All who knew Tom Vail will mourn. As the chief counsel for the Senate Finance Committee, Tom was among the best in a group whose professional competence and deep knowledge is widely admired. He performed a demanding task with great diligence, understanding and integrity. Although I did not always have the pleasure of working with Tom on a day-to-day basis, in those instances when I sought counsel from him, he was always unfailingly courteous, prompt and knowledgeable. His tact and grace never left him no matter how tedious the problem or how great the pressure sometimes confronting the fiscal committees in Congress. While Tom's storehouse of knowledge on tax and related economic matters was vast, his abilities as an organizer and manager are also evident in the way he built almost from scratch a dedicated and highly regarded professional staff for the Senate Finance Committee.

Tom Vail will not be forgotten; he will be sorely missed.

My wife, Audrey, and I wish to send our condolences to Nancy Vail and her four children, and to express our sympathy for their loss.

EYES ON THE FIGLEAF

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. LENT. Mr. Speaker, one of my constituents, Mr. J. James Plesser of Syosset, N.Y., sent me the following editorial from the Wall Street Journal of August 21, 1973, on the subject of the oil crisis, and has asked me to include it in the RECORD:

EYES ON THE FIGLEAF

With the voluminous talk of the "energy crisis" and the eternal tension in the Middle East, a great deal of attention has been focused on the possibility that the U.S. may have to back away from its support of Israel because of its need for Arab oil. We often wonder whether the West isn't more obsessed with Israel than the Arabs are.

Some Arab nations have long made rhetoric about oil and Israel, of course, and the current concern arises because Saudi Arabia has started to join in. Lobbying for a more pro-Arab U.S. policy by Mobil and Standard Oil of California, two of the partners in Saudi Arabia's main oil consortium, apparently results from something King Faisal said to their executives. But we wonder just what the king said, and what he meant by it. Similar well-publicized remarks by his oil minister, Sheik Ahmed Zaki Yamani, seemed on close examination to peter out into remarkably vague and mild statements. We wonder whether the whole issue is being kept in perspective.

Take, for example, the "energy crisis," which in fact is America's adjustment to becoming a larger-scale importer of oil like other industrial nations. Saudi Arabia, which sits on some 28% of the world's proven oil reserves is of course a key factor in meeting future world demand. And the United States will need some Middle Eastern oil to meet its increasing demands. But even 10 years from now about half of American needs will be met domestically, and nearly half of the rest from elsewhere in the Western Hemisphere. Some of the remaining 25% to 30% will come from non-Arab lands such as Iran. Up to now, for instance, our largest supplier from the Eastern Hemisphere has been Nigeria.

As far as the Arab world is concerned, a renewed war with Israel would indeed endanger the flow of Persian Gulf oil. But this possibility seems to have blinded American opinion to the even more serious Middle East trouble spots that border directly on the oil fields. As an immediate source of an oil crisis, Arab-Israeli conflict ranks somewhere below Kurdish nationalism, the Iraqi-Kuwait confrontation over the islands of Babiyan and Warba, the Iraqi-Iranian dispute over the Shatt al Arab waterway, the Saudi tension with Abu Dhabi over the Buraimi Oasis, and the ethnic rebellion in the Dhofar province of Oman.

Arab politics might not even be as monolithic on Israel as many in the West seem to think. In spite of King Faisal's fear of the Jews, the Saudis have not forgotten that the 1967 war forced Egypt to withdraw its expeditionary force from the Yemen, from which it occasionally dropped gas bombs on Saudi border villages.

Rhetoric about Israel in fact often seems to be a "figleaf," as one Middle East bureaucrat puts it, for more pressing economic objectives. Saudi reluctance to increase oil production has its real origin in problems of absorbing oil revenues in a near-feudal economy. Yet the London-based International Institute for Strategic Studies says the answer favored by the Saudis and other Arabs is "a dream of transforming themselves from mere reservoirs into industrialized states, exploiting a combination of surplus capital and cheap energy in order to process oil and other goods for the world market." This dream needs cooperation from America, both as an outlet for investment money and for help creating a local petrochemical industry; the IISS remarks that industrialization depends on "assumed export markets for oil products and other manufactures."

While Saudi Arabia may suffer pressure from more militant Arab lands, the militants themselves have their own economic interests. We hear reports that Iraq's oil boycott plan, for instance, would give Iraq an increased share of the market. Libya has nationalized American properties ostensibly over Israel, but it has nationalized British properties ostensibly over the Persian Gulf islands of Abu Musa, Greater Tunb and Lesser Tunb. It recently cut production limits on Standard Oil of California despite California Standard's pro-Arab lobbying, suggesting that the real targets of the campaign are the oil companies that have not yet agreed to Libya's economic demands.

Egypt's President Anwar Sadat saluted one of Libya's nationalizations in a militant speech about beginning the battle against American interests in the Arab world. Two weeks before, he was inviting Exxon to explore for oil under a 30-year contract. Two weeks later, he was soliciting American bids for construction of a $300 million Suez-Mediterranean pipeline.

The Arabs no doubt are tough customers to deal with, as are the Norwegians, the Ecuadorians, the Alaskans and almost anybody else who sits on oil. There may be serious troubles ahead if the Arabs decide to foresake their development plans and sit on the oil instead. But the idea that to crush Israel they would ignore their economic interests, or would turn charitable if Israel were sacrificed, strikes us as a view tinged with the romanticism which has so often fogged the Western view of the Middle East.

NORTH DAYTON ANGLERS AND GUN CLUB OBSERVES NATIONAL HUNTING AND FISHING DAY

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. WHALEN. Mr. Speaker, last Saturday I had the privilege of joining the North Dayton Anglers and Gun Club in observing National Hunting and Fishing Day.

Founded in 1936 for the dual purposes of sport and conservation, the club has sponsored innumerable worthwhile projects in its 37 years. Saturday afternoon the club presented another outstanding program for the benefit of its members and guests. Particular emphasis was placed on safety and wildlife.

I thoroughly enjoyed the opportunity to share this celebration with the club, and I would like to insert in the RECORD the greeting that I extended during my participation in the club's program:

I am honored to be asked to join you this afternoon in celebrating the second national hunting and fishing day. I say this because it gives me an opportunity to recognize the contributions made by responsible, sports-loving hunters and fishermen throughout the country.

Today in communities in all parts of the nation, skilled and safety-conscious sportsmen are introducing youngsters to the joys and mysteries of these outdoor sports which are as old as mankind's life on this planet.

Fully alert to their duties to conserve our environment from malicious destruction, the sportsmen of America long have been in the vanguard of well-organized efforts to halt the destruction of our land and waters and to protect the natural habitats so vitally important to wildlife.

It has been our country's hunters and fishermen who for generations have manifested their profound concern for our wildlife resources, thus making possible the development of modern wildlife management programs.

By their purchase of licenses and permits, by their payment of excises on hunting and fishing equipment, and by their voluntary contributions to numerous conservation projects, these sportsmen have for years given practical expression to the ideal of wildlife population and habitat preservation. This concept receives mainly lip-service from those who have only recently embraced such goods. American hunters and fishermen have helped to build recreational outlets for sportsmen and non-sportsmen alike. Hunters' and fishermen's conservation efforts have benefited both game and non-game wildlife through habitat development. Sportsmen-conservationists are responsible for the establishment of fish and game departments in all of the fifty states. It has been the hunters and fishermen, themselves, who have insisted upon season and bag limits. In this way everyone wishing to participate might have a fair chance to harvest the annual crop of game and fish without damage to the breeding stock of any species. Through their many conservation-oriented organizations, such as the national wildlife federation, the Isaak Walton League of America, and our own North Dayton Anglers and Gun Club, hunters and fishermen have led the Nation in the struggle for a better use of the priceless natural resources which is the Great American outdoors.

Thus, in their insistence on sound conservation programs, hunters and fishermen have been dedicated environmentalists for these many years, long before the "environment" became a popular public concern.

It is appropriate, then, that we observe National Hunting and Fishing Day. In so doing, we commend the participants in these sports for the efforts they have made to safeguard and improve our natural surroundings. It is a great privilege for me to be able personally to extend my appreciation and congratulations to you.

NATION'S NISEI WAR VETERANS HOLD REUNION IN HAWAII

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. MATSUNAGA. Mr. Speaker, it is always with measures of sadness and pride that I speak of the 442d Regimental Combat Team, the 100th Infantry Battalion which subsequently became the 1st Battalion of the 42d, the Military Intelligence Service Language Unit and the 1399th Engineers. I will always be proud that I was a charter member of the 100th Battalion, but forever sad about the extremely high price paid by the individuals of these units, as they repeatedly demonstrated their valor and patriotism in some of the toughest fighting of World War II.

While the United States was experiencing one of its darkest hours by interning 110,000 Japanese-Americans in concentration camps, the sons, brothers and husbands of these prisoners were giving up their lives to defend the freedoms America so loudly proclaims. Many actually volunteered from behind the barbed-wire fences.

Japanese-Americans did not lose their interest in this Nation with the end of the war, however. They returned to Hawaii and other States to begin rebuilding their own lives and become involved with the well-being of their communities. Their contributions in Hawaii alone are tremendous.

There was much to be done as members of the 442d, 100th, MIS and 1399th gathered in Hawaii this past July for their national reunion. Old friendships were renewed and fond memories refreshened. Gathered for 10 days of activities were Japanese-Americans who have given exemplary service to this country as both soldiers and citizens.

Mr. Speaker, I am sure there is a lesson to be learned from these men who went to war to prove their love for America, and returned home to help build a multiracial paradise in which men find it possible to live together in harmony.

I include at this point two editorials from the July 4, 1973, edition of the Honolulu Advertiser:

HONORING FREEDOM

What does an American think about on the Fourth of July, Independence Day?

Many won't think of much besides the pleasure of having yet another holiday. Some will be reflective enough to count their blessings.

The most obvious blessing is one that we as a people may have neglected too long—independence not as a nation but the freedoms we do or should enjoy in our society.

Watergate will be judged by some a dreary subject to drag up again today. Yet among its disturbing aspects we should be much concerned about the weeks and months it took for many Americans to realize that what's involved is a web of criminal acts, shady campaign practices and improper use of government against citizens who someone in authority deemed to be "enemies."

It could happen here as it has in Washington. In fact, in fairness it can be said that some of the practices exposed by the Watergate investigations were carried on by previous Administrations. In some cases, the Nixon organization has only carried things to new depths.

If American apathy about threats to freedom and basic rights has been a problem cited in Independence Days in the past, it may be the good side of Watergate is that it does seem to be arousing the nation toward reform.

That reform must not just be in laws and ethical practices, badly though that is needed.

There must be reform—or more properly regeneration—of our attitudes toward individual freedom. We might, for example, dwell on the thought that the greatest threat to American freedom comes not from abroad but from within, possibly within ourselves if we don't understand and respect the basic civil rights of others.

The Hawaii Bicentennial Commission is stressing this year that today we do something—have a picnic, fly a flag, maybe just ponder a bit—to stimulate special appreciation of our freedom.

It amounts to bearing witness to a great, national idea, a human right.

The commission's hope is that somewhere along the line today Hawaii's people will consider how we got here, where we are and where we want to go. Those, of course, are themes of commission activities pointing to Hawaii participation in the 1976 national bicentennial celebration of American independence.

Hawaii should observe that occasion in its own special way. But whatever that will be—and there are some exciting possibilities—one theme should be freedom.

And that is something good enough that we don't have to wait three years to appreciate its importance.

THEIR FAITH, OUR VICTORY

It is especially fitting that Independence Day winds up the 10-day national Nisei Veterans Reunion sponsored here this year by the 442d Combat Team, 100th Battalion, Military Intelligence Unit and 1399th Engineers.

For this is a group that fought for freedom at home and abroad and won a victory that enriched the nation and especially these islands.

The stories have been told many times, the bravery in Europe, the service in the Pacific and the China-Burma theater, the medals, the testimonials—all that in grim contrast to the fact many of these men went to war while their families were interned in Mainland relocation camps, a dark chapter in the saga of American faith and justice.

General Fred Weyand, the Pacific Army Commander, put it clearly in addressing Sunday's memorial service at Punchbowl: "Your faith in your country was greater than your country's faith in you."

Much has changed since these men went off to serve some three decades ago. In Hawaii, Nisei veterans were a key element in the social revolution that has taken place. Today many are leaders in government and business; many more are known as good friends and neighbors.

It's in that spirit of accomplishment and quiet confidence that the veterans and their families, including some 800 from the Mainland, have gathered for a reunion they hold every three years.

Tonight's dinner-dance in Waikiki climaxes events that included Neighbor Island visits, the Punchbowl service, Sunday night's luau honoring the 31st anniversary of the 100th Battalion, and other social and sports programs.

This is a gathering, as most such are, devoted to mellow memories and renewing old friendships. That is natural enough.

Yet there is also the feeling this is also a group at the prime of achievement, and that these World War II veterans, plus those from the Korea and Vietnam conflicts, will be key figures in our multi-racial society for many years to come. That entails a responsibility for vital and progressive leadership in changing times.

There is, in fact, a thought from a University of Hawaii futurish: of all the groups in Hawaii none seems more adaptable than the Nisei veterans who have been part of so much dramatic change over so many years.

Whatever that future, however, we can for now all join in thanks to the Nisei veterans. With bravery, modesty and effort, they have made their special victory one for us all.

FULLER WARREN

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 1973

Mr. GUNTER. Mr. Speaker, Fuller Warren, who passed away this week, served the State of Florida ably as its Governor. He was the very embodiment of the people he represented. He was down-to-earth. He was determined. He was, above all, exceptionally resourceful.

I was a young man when Fuller Warren was elected Governor, but old enough to be captivated by one of the great extemporaneous orators of our time.

Fuller Warren made you proud to call yourself a Floridian. My condolences go out to his brothers, Julian and Joe, to his sister, Miss Alma Warren, and to his innumerable friends and admirers within and outside the State he loved.

One of those admirers was the very talented columnist, John Keasler, of the Miami News, who wrote a warm and moving account of Fuller Warren, the public servant and the private man. I insert Mr. Keasler's article in the RECORD:

FULLER WARREN

(By John Keasler)

He should have been Grand Vizier of Florida forever, and kept regally by his subjects.

He should have been Lifelong Premier, Keeper of the Scepter, Pharaoh of Florida . . . some such impressive title in a capacity where courtliness and heart and class count for more than practical political backstabbing.

He should have been Permanent Potentate of Florida, the state that made him, that broke his heart, that finally and, with a universality that was almost eerie, loved him . . . and, above all, high and far above all, was a state that was as much a living part of him as tar sap in a pine tree.

Fuller Warren is dead today, and Florida is different. But like any good actor—and Fuller was the beautiful ham!—he left 'em something to take home with 'em. And what Fuller Warren left us was a mystery; two-fold.

Exactly why . . . so universally . . . was he so large in the heart of Florida, and why will he loom so large in its memory?

Abler administrators have been governor of Florida, and other administrations were not rocked by scandal as Fuller's was, and Florida has had statesmen of perhaps more lasting accomplishment—and perhaps not—but there is surely this: Nobody ever played, looked and knew the role of Governor of Florida like Fuller Warren.

He was born to the role; he knew it when he was running barefoot through sandspur patches in Blountstown, and growing up, saved big words as forever more valuable than ephemeral money. He got himself some store clothes and hit the speaking circuit—and when Florida saw him, by damn, it knew it too!

Hey! He looks like the Governor of Florida! we said.

Indeed he did and he purely was, and nobody has followed the act, although Claude Kirk found part of the script somewhere. None of this, however, touches the mystery.

Is mystery this? Partly? In Palatka and Wildwood and Live Oak are places, Mr. Liberal, where there is a skinning bounty on you. And, in Miami and Swankpart Heights of Tampa and in Cultured Circles in Sarasota there are places, Mr. Redneck, where you are just too crude, don'tcha know?

Then why, today, do right-wingers and left-wingers so similarly mourn the enigma named Fuller Warren?

Something is passing in America and we know it.

It is something with humor and dignity that we cannot readily define. But most of us know that Fuller Warren had full measure of whatever it was.

One mystery? Fuller Warren was a barrel of mysteries. He was a segregationist who heaped abuse on the Ku Klux Klan. He was a full-time ole country boy and got away it, despite the fact that he dressed rather more like Anthony Eden than Jeeter Lester.

He had great affection for newspapermen, and they, let us say, understood him; and, thusly, valued him hugely. But between Fuller and The Press as institution was everlasting war.

Fuller Warren's views of The Press—or at least his public views—when he was offended made Spiro Agnew in his finest hour sound effete and wishy-washy.

In one 1951 speech in Bayfront Park here (2 hours and 14 minutes total) he devoted 17 minutes to blasting The Miami News and 31 minutes to decrying The Herald.

Both papers, he propounded, were slanted, "Iron Curtain censorship," quick to accept charity donations from gamblers, and though not perhaps out-and-out Communists, at the very least un-American. John S. Knight and Daniel Mahorey, publishers respectively of The Herald and The News, were dubbed "Hopalong John" and "Tagalong Dan."

The crowds truly loved it.

Once Fuller thundered: "John S. Knight admitted to me he was one of the greatest crap-shooters in the U.S."

And a woman stood up and shouted, "Aren't they all!"

(The man who wrote that story was the late great reporter of The Herald, Steve Trumbull. And the late Daniel Mahoney of The News once told me of Fuller: "I was applauding the S.O.B. before I realized he meant me, and he spoke so damn great I decided to keep applauding.")

But, when pleased, Gov. Warren could write, "In Morris McLemore of The Miami News we witness the marvelous confunction of a magical pen with the velvet splendor of a mellow talent . . . in his column, a magnificient genius gives off a veritable exhalation of exquisite epigrams . . ."

Or, "Two articles about me by Charles Hesser show The Miami News to be not only a free press, but a fair press, justifying Edmund Burke who, speaking in Parliament, pointed to the reporters' gallery and said, "There sits a fourth estate more important far than they all . . ."

Is it any wonder the press loved him? If somewhat unmercifully and simultaneously putting him on the line?

The late Bill Baggs, when he was a columnist, and before becoming editor of this newspaper, once wrote an open column to Warren:

"Being blessed with stamina, I was able to sit through most of your two-hour-and-45-minute oration Friday night—Governor, you are a good jawsmith and can talk the hind leg off a mule. But you may be the first man in history to carry on nearly a three-hour debate with yourself . . . and lose it."

Fuller Warren, deadpan, wrote: "Bill Baggs' eulogy of the mule is a moving piece of writing . . . and perhaps the tone of melancholy is best explained by another muleologist who said "he has no pride of ancestry nor hope of posterity."

He talked even better than he wrote. He was the champion of the flat-stump circuit, last of the old-timery Southern orators, a man who could talk an owl down out of a tall cypress. And what a mistake it would be to dismiss him simply as that . . . It would be inaccurate to dismiss him only as a silver-tongue, or sometimes—as he could be—the compleat Demagogue.

Once, touring North Florida with him, I heard him repeatedly tear into Barry Goldwater as a liberal NAACP-lover. "My God, Fuller!" I said, "what are you trying to do?" He replied, "John, I'm trying to do two things, campaign for Lyndon Johnson against Goldwater, and get us out of De Funiak Springs alive."

He wasn't kidding. Democratic headquarters had asked him to go into the panhandle for Johnson against Goldwater, and—I do not mean this figuratively—Fuller Warren was the only speaker who could get us out without lumps on our heads.

"Vote for any Republican," he thundered at the farmers, "and that noise you'll hear will be your old gran-daddies whirring in their graves!"

He would remember people.

How rare, now.

This is part of what is passing in America, and leaving us impersonal and estranged and neatly numbered and terribly empty. He remembered everybody, his memory was incredible, but it was not solely a politician's trick . . . or even, simply, magic.

It was deep human warmth, and when he shook hands with overalls in DeFuniak Springs or Ivy League in Culture Circle a strange, strange thing happened The person he was shaking hand with recognized a fellow human being. Rare.

"Same old Fuller," they always said, and indeed he was the same old Fuller—snowy-haired, pink-cheeked, looking at the same time innocent as a choir boy and as knowing as a promoter of underwater real estate, and he could talk smoothly and beautifully never hitting any bumps; he should have had a sceptre and a titular title, and crowds to charm forever.

Trying to unravel the mystery of Fuller Warren—why does he look so large?—I called George Cooper, a gentleman of vast understanding about such too-rare troupers as Fuller Warren.

George Cooper is himself renowned as a wit and a speaker and a self-styled ole country boy, (The Duke of Princeton, etc.) and he has enough years to look back on long friendship with Fuller Warren.

George said: "Fuller operated simultaneously on at least two levels. He would start off parodying the Southern orator, but he was so good he actually became what he was burlesquing . . . and neither Fuller nor anyone else knew when he crossed the line and back, and back again. Least of all, Fuller."

Even more rare, said Cooper, was another thing. "Fuller Warren," he said, "was a completely kind man."

And that may come as close as anything will to defining Fuller Warren, who should be, forever, on a throne in North Florida, welcoming the lucky visitors to the Sunshine State and deploring the wretched fate that sent anyone north of the Florida line.

Completely kind. We need that. Couldn't we have created a title of Caliph of Florida? We needed him, badly then, and we need him worse now, and I have a good idea that as time goes by we will need Fuller Warren progressively more.

But we gave him loneliness, I think, although he was a secret loner and may have courted it himself. Nobody knows. But all my life I will remember this, which I write briefly as it happened:

The Rolls-Royce people, wanting publicity, gave me a $27,500 car for a weekend, and a chauffeur, a few years ago. It had a bar and all, like Jackie Gleason's.

I filled the bar with Kool-Aid, and the car with dogs, kids, and went to places like the Monkey Jungle, then for a blimp ride, and then looking like a very dirty and very rich band of surreal, Rolls-caravan gypsies, we pulled into a Col. Sanders fried-chicken place in downtown Miami.

By himself in a back corner, having the two-piece special dinner, was former Gov. Fuller Warren.

"How's Margery?" he said, and beamed "Sit down. Join me." "Come see my car," I said.

He walked outside. He didn't change expression about finding me in a $27,500 Rolls-Royce. He kissed my wife hello, winked at the kids and said to the startled chauffeur, "You'll notice how much safer the roads are since I got the cows off the highways?"

From the Rolls he waved at imaginary throngs, and, then, by himself, went back to his seat in Col. Sanders, to finish his dinner.

He should have been Grand Vizier and been always kept regally by his subjects. Maybe now he is.

VOCATIONAL REHABILITATION

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. LEHMAN. Mr. Speaker, last Tuesday the House passed the conference report on the Vocational Rehabilitation Act of 1973. I am glad this third attempt to reach an accommodation with the President was successful.

The bill authorizes $1.54 billion for fiscal years 1974 and 1975. The legislation specifically provides that special projects and research authority be directed to the problems of the handicapped with spinal cord injuries and end-state renal disease.

The program of vocational rehabilitation was first initiated in 1920, and since that date, over 3 million handicapped Americans have been returned to productive and meaningful lives with assistance from the Federal Government. But there are still an estimated 7 to 12 million handicapped Americans who have not yet realized their vocational potential.

I recently visited Austria with the Select Subcommittee on Education in order to see how the Austrians were meeting their obligation to the handicapped. We visited a youth workshop, which is a school for 150 severely mentally retarded persons between the ages of 15 and 35. We watched classes where the severely retarded were actually doing useful and productive work—sewing, ironing, boxing, and packaging of small items. The handicapped are trained on special machinery brought into the school from industry. When the person is deemed sufficiently able, the transfer to the identical machine outside can be an easier and more successful transition.

Even before America's first Federal vocational rehabilitation legislation was enacted, Julius Tandler, an Austrian education leader was saying to the Vienna City Council that a nation's sincerity can be measured by the way it treats its handicapped.

That measuring stick is no less appropriate today.

THOUGHT-PROVOKING IDEAS ON AMERICA'S PLACE IN THE WORLD

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. GUBSER. Mr. Speaker, frequently we receive letters from constituents which provoke a great deal of thought. Recently, I received a very interesting and provocative letter from Mr. Stephen D'Arrigo, Jr., one of my constituents. I believe every Member of Congress should ponder the points raised by Mr. D'Arrigo. The letter follows:

SALINAS, CALIF.,
September 21, 1973.

Hon. CHARLES GUBSER,
House of Representatives,
Washington, D.C.

DEAR CHARLIE: There has been a lot of flak, both in and out of Congress, about the wheat deal and our trade relationship with Russia.

We are all concerned about the Russian military-strategic goals and I think we both pretty well know what they are and how they intend to get there. In this concept, I think opponents to the trade have all of a sudden become "concerned" about Soviet military-strategic goals, about their military budget, and about our "helping" the Russians to continue their suppression of their people.

This leads me to question their motives since I am very distrustful of politicians, newscasters, and columnists who are switch hitters. There seems to be one common denominator in their argument against the trade and woven into the arguments is their hue and cry over the higher costs of agricultural products, notably wheat.

I don't think they are as concerned about the Russian military-strategic goals as they are about the flak they're getting from their constituents over the high cost of wheat, etc. They blame the high cost of food to the wheat sales to Russia.

Charlie, it is time these people put their dollars where their big mouths are. These are the same people who not long ago were condemning this Nation as a land of plenty and that it should be shared with the world's poor and starving.

There is no shortage of wheat or any other grain. The huge surplus has been whittled down but we still have a surplus. What we have seen is a simple lesson in economics—supply and demand. The supply is down to where the farmer can stand on his own two feet without aid or subsidy from the taxpayer. There is no more manipulation of the supply by bureaucrats and politicians in order that they may brag to their constituents that "we have the lowest food cost in the world". No longer is this the untouchable sacred cow.

Those who are moaning and groaning are the same politicians, the same writers, the same consumer groups who have been demanding that the subsidies be limited or cut down or cut out altogether and that the farmer, more specifically, the "corporate" farmer, stop leeching off the taxpayer. Well, that day is here and they don't like it and are using their "concern" over Soviet military-strategic goals or the oppression of freedom in Russia as an excuse to scuttle the trade.

These are the same people who were hollering "get out now" from Vietnam. I am confident the wheat sale bought Soviet cooperation in urging Hanoi to negotiate. If so, it was a cheap price to pay to get our men home (since it was a no win war policy to begin with). These people have big mouths, had no guts, no plan to get us out and when we are out they squawk over the price.

I want to throw out another tid-bit for thought. It is true that the Soviets are repressing dissidents. But what has made these people dissidents? Until the cultural exchanges, trade, tours, etc., the Soviet people didn't know what it was like on the outside. There was little or no comparison and therefore, you can hardly be dissatisfied if you do not know that something better exists. These people now want what others take for granted. Unless we continue trade (used as a weapon in a cold war), cultural exchanges, etc., we will make it easier for the Soviet government to continue the suppression of freedom. This is the one weapon we have to put the Soviets on the spot.

I notice the Soviet Physicist Sakharov is still writing and talking about changes and more freedom. In the "good old days" the first time he opened his mouth he would have bought a 4 x 6 piece of ground. Why not now? Here we have two possible thesis. Thesis One—they want us to back out of our agreements, under pressure of Congress, in order to curtail the goodies the people have come to know. The blame becomes ours and the "indignant" Soviet government is off the hook and their people again become docile. They know they can't have goodies because we, not their government, denied them.

Thesis Two—without trade, etc. they can more easily continue the suppression and the world will hear little or nothing about it and their headaches are over.

Either way, if we cut off the trade we contribute to the suppression. I realize that the economic windfalls to the Soviets as a result of trade would benefit their military-strategic goals; but this is like a chess game and if we use trade as a tool or weapon to continue giving the Soviets internal headaches and in general create political mischief for them, I'm all for it.

But Congress will have to face up to the fact that we will have to maintain strategic superiority—not just technical superiority. That fact remains whether or not we have trade. So let's quit blowing smoke around and if Congress is concerned about the military-strategic goals of the Soviets, let them put the money where their wide-angled mouths are.

Sincerely,

STEPHEN D'ARRIGO, Jr.

ESCROW ACCOUNT SYSTEM IMPROVEMENT ACT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. BROWN of California. Mr. Speaker, individuals who are purchasing homes under mortgage agreements for the first time are often surprised to find that, in addition to monthly equity and interest payments, they are also required to pay a modest sum each month which is placed in their "escrow accounts." These escrow accounts are created and managed by the lending institutions and are utilized to pay off the taxes and insurance premiums on the mortgaged property. First-time mortgagors are further surprised by a frequent requirement that they make advanced deposits which, they are told, are used to settle the existing taxes and premiums on their new property at the time their mortgages are closed. These payments form the basis of the escrow account system, a system which traces its origin to the Great Depression of the 1930's. The system's purpose is to protect both the lender and the mortgagor by preventing unnecessary foreclosure due to delinquency in tax payments or unnecessary property value loss due to uninsured property damages.

Unfortunately, many abuses of the escrow account system have occurred since the system was created. Primary among these has been the refusal or inability of the vast majority of lenders to pay interest on the escrow deposits in the same manner as interest is paid on savings deposits. This abuse is particularly poignant because most lenders can and do themselves earn interest on these escrow deposits through investment in short-term securities.

Lenders claim that providing escrow services such as payment of taxes and insurance and computing the necessary payment rates costs them considerable time and effort and thus makes the escrow account system a liability for them. But this system serves for the mutual protection of borrower and lender and hence benefits the lender just as much as it does the borrower. Why should lenders reap undeserved rewards from a system which already benefits them?

Another major abuse of the system has been the demand by various lending institutions for initial escrow deposits of 1, 2, or even 3 years in advance. Some advance payments are necessitated due to the unexpectedness of sudden tax increases and the need to be prepared for them but advance deposits of this degree are totally unwarranted. These institutions are exaggerating the need for escrow deposits to allow them to make profitable long-term investments.

There is no doubt in my mind that the escrow account system satisfies a definite need in the field of home mortgages. Although escrow accounts are only required on a minority of mortgages under Federal law, most mortgagors choose the established one anyway. Unfortunately, lenders have used this great demand for escrow accounts as a weapon to combat demands for interest payment and advance deposit regulation. "If we have to pay interest on escrow deposits, we might be forced to cancel escrow services altogether," they menacingly say. If this were really necessary, why is it that several lending institutions are already paying interest on escrow accounts? Could it be that lenders are really worried that curtailing their current unrestricted control of the escrow account system would force them to work harder to maintain their current competitive positions? Is not the encouragement of more open competition what they are really worried about?

I for one have always sought to increase competition on the home mortgage market as well as every other market. For this reason, I have introduced H.R. 9315, the Escrow Account System Improvement Act, to remedy the abuses in the present system. It will require the payment of interest at a rate of approximately 3 percent on all escrow deposits. This is a modest rate and it should not create undue objections on the part of the lending institutions to the reform proposal while still providing mortgagors with a fair return on their investable deposits.

The bill also encourages borrowers to transfer their escrow deposits when possible to regular savings accounts which pay up to 5 percent interest. This will minimize the number of escrow accounts which lenders will have to manage and will provide borrowers with greater options in the formation of escrow accounts. The bill forbids demands for excess escrow payments while concurrently helping lenders to overcome many of the problems that occur when tax rates are raised unexpectedly.

I have no doubt that there are many lending institutions which do not in any way participate in the abuse of the escrow account system. Nor do I doubt that the system serves a very necessary function. However, I do believe that because this system is so necessary, it must not be manipulated to the advantage of either party to a mortgage. And while my bill does make several changes in the current system, it preserves the basic purpose of the system by strengthening it in its function of preventing unnecessary foreclosure. I believe that, in the long run, taking the steps called for under this bill will result in more open competition and more honest dealings in the home mortgage market.

NURSES ENDORSE THE MONDALE-SCHROEDER CHILD ABUSE BILL

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mrs. SCHROEDER. Mr. Speaker, this past Sunday I had the honor of addressing the 24th annual convention of the National Federation of Licensed Practical Nurses in Denver, Colo. This group, which makes up half of the nursing personnel in the United States, invited me to speak because, in the words of NFLPN executive director Etta B. Schmidt, they "want to know what they can do to help" in the area of child abuse. As invaluable members of the health care system there is much that they and others can do, if provided with the proper resources.

The convention's house of delegates yesterday unanimously adopted a resolution endorsing the Child Development and Abuse Prevention Act (H.R. 6380), which would provide grants to both public and nonprofit private agencies to develop multidisciplinary child abuse teams. These teams would enlist the services of social workers, attorneys, physicians, registered nurses, LPN's, and laypersons to deal with the complex issues surrounding the identification, treatment, and prevention of child abuse. The bill, which has been sponsored by 72 Members of the House and which was passed by the Senate under the leadership of Senator MONDALE, would also establish a National Child Abuse Center to coordinate research, training materials and information on current programs, and a National Commission to revise the model reporting law and study the proper role of the Federal Government in assisting State and local governments.

I am delighted that Chairman BRADEMAS of the Select Education Subcommittee has scheduled hearings on this legislation for October 1 and 5.

Following is the resolution endorsing the Mondale-Schroeder bill adopted at the NFLPN convention:

RESOLUTION

Whereas, child abuse is killing hundreds and permanently injuring thousands of children in this country every year; and

Whereas, this suffering is caused by adults who themselves are often the victims of child abuse; and

Whereas, this perpetuates a vicious cycle of cruelty to children; and

Whereas, the function of the licensed practical nurse is to alleviate suffering and help preserve the health and well being of all people, be it

Resolved, That the National Federation of Licensed Practical Nurses and all its constituent state organizations rally behind House Bill 6380—a measure introduced by Congresswoman Patricia Schroeder that would establish a national center designed to serve as an information clearinghouse on child abuse; publish research on the subject; develop training materials and programs for those engaged in or planning to work in the field; and fund demonstration projects specifically aimed at identifying, preventing and treating child abuse.

ANCIENT ART OF SALTMAKING PRESERVED ON ISLAND OF KAUAI

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. MATSUNAGA. Mr. Speaker, in Hawaii, as in the other States, progress is rapidly transforming many of the traditional ways of the people. Certain traditions, however, manage to last through centuries. A good example of this "staying power" exists on my birthplace island of Kauai.

The ancient art of saltmaking is an activity with roots threading their way back to prehistoric times. The salt beds still in use on Kauai had existed for hundreds of years when the renowned English explorer, Capt. James Cook, used them after his discovery of Kauai in 1778.

With the salt beds have continued the ancient salt bed tabus. One very important tabu is prohibition of all "hukihuki" or all arguing and fighting. A feeling of brotherhood must exist as people work the beds. It is also imperative that some of the first salt produced be offered to the Goddess Pele.

I am proud to be part of this historic tradition which has been handed down through endless generations. As a child, I helped make salt with the Kali family, a family still working the beds.

It is important that in our quest for progress we not destroy our important cultural ties to the past. Treasures such as the salt beds at Hanapepe, Kauai, could easily be preserved through State legislation designating them as historic sites. I vigorously support such action in this particular case.

At this point, I include an article from the July 4, 1973, edition of the Honolulu Advertiser:

SALT MAKING: ANCIENT ART

(By Mary Cooke)

HANAPEPE, KAUAI.—In jet-age Hawaii, would you believe Kauai natives still make salt by prehistoric methods?

It's happening at the ancient Hanapepe salt beds, from which Capt. James Cook probably replenished his supply of ships' salt when he discovered Kauai in 1778. Moreover, Kauai salt makers still observe the salt bed tabus which predate Cook.

"These beds go back beyond memory. They have been there for thousands of years," said part-Hawaiian Joseph Chu, president of the Hui Hana Pa'akai o Hanapepe (salt makers' organization). "Most of us have been working the beds since we were children. Our parents taught us how. Our grandparents, and their grandparents before them, worked these same beds.

"It's the only salt flat of its kind in Hawaii and the only place where salt is still made by this particular method."

After Cook's discovery of the Islands, salt became Hawaii's first export item. It was loaded aboard sailing vessels and taken to Kamchatka where it was used to cure seal skins.

In 1778 one of Cook's lieutenants described the Hawaiian salt making scene: "Their salt pans are made of earth, lined with clay; being generally six to eight feet square and about eight inches deep."

The description still fits. Located near the Hanapepe shoreline, the beds are connected by a series of wells, six to 10 feet deep, which are fed by subterranean sea water. By a series of processes the salt water is transferred to the shallow beds where it evaporates, leaving coarse salt crystals. "In summer we need hot, sunny days because rain would spoil the crop," Chu said. "Every year, in the latter part of April, we start by cleaning out the beds, repairing the edges and making them leak proof."

The material they use to bind and seal the beds is blue-black clay which the salt makers dig from the sides of the wells, a few inches below the red dirt surface. They form it in balls, like potters' clay. To spread the clay and work it into the beds, they use smooth, flat stones which they find in the Hanapepe River bed.

By the same method, a shallow "wai ku" (standing water reservoir) is prepared near each well.

"The old folks knew that if they just put the water from the well into the beds, the process would be slow," Chu said. "So they built these small holding pens where we leave a small amount of water three or four days. In that time, if the sun is real hot, the water should become about 90 per cent salt."

The next step is to scatter boosters of salt crystals in the beds and fill them about two inches deep with concentrated salt water from the "wai ku."

"After the beds are started we come once a day, usually in the evening, to add more water from the kai ku," said Mrs. Christina Kali who has been making salt at Hanapepe since 1918. The process is repeated daily for a month or two to bring the crop to maturity.

To harvest it, salt makers wash their feet before entering the beds, then scrape the salt into mounds to dry.

"In good conditions, one bed yields about a 100-pound bag of salt," Chu said. "We don't sell our salt. The Board of Health won't allow it because of seepage from the (nearby) cane fields. But it's highly prized as a gift."

It is so highly prized that newcomers who want to make salt are threatening the historical and cultural traditions of the place, Chu said.

"It was always rumored that this land was a grant from the king of Kauai to the people who made salt. It was set aside for them, the families who have continued to make salt through the generations.

"Now it's State land, and other people want to make salt. We tell them this: 'This is a historical place. All the beds are original.'

"The only way to allow them to make salt here is to share some of the beds. If the State gives permits to everybody, they'd dig the whole place up."

He said one of the ancient salt-making tabus is "no hukihuki (arguing and fighting). People who work the salt beds should be like brothers, with no ill feelings."

Other tabus observed by Hui Hana Pa'akai members are:

The salt bed area must be kept free of impurities. Today there is a "No smoking, no drinking sign posted at the entrance." In the old days, they'd go outside to drink or smoke in the horse cart, Chu said.

Menstruating women may not enter the salt bed area.

Feather leis may not be worn in the area. "There'll be a lot of dust if you do," Mrs. Kali said.

Some of the first salt made each year must be offered to Pele.

The area in which the salt beds are located was the legendary home of the goddess Pele before she left Kauai for the Big Island. Mrs. Kali said her grandfather, Halalu Helela, used to make the prayer offering to Pele "and then let the people know it's time to come and make salt.

"Those who know the tabus keep up with that, but then there are visitors and, well, we cannot judge them," she said.

Chu, concerned about maintaining the cultural value of the salt bed area, said, "We're trying to get the State to set it aside as a historical site."

SHUTTLE

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. TEAGUE of Texas. Mr. Speaker, Barry Casebolt, science writer of the Huntsville Times, offered a definitive article in the Sunday, September 9, 1973, edition of that newspaper describing the Space Shuttle, cornerstone of the low-cost space transportation system. Mr. Casebolt describes succinctly, but accurately the current status of the space shuttle program and touches briefly on its importance. Skylabs I and II continue to demonstrate, as the Apollo program did, the importance of the utilization of space. The Space Shuttle offers the opportunity to utilize space based on this knowledge, at low cost.

I am including this article in the RECORD for the benefit of my colleagues and the general public:

[From the Huntsville (Tex.) Times, Sept. 9, 1973]

SHUTTLE

(By Barry Casebolt)

By the end of Skylab, half of the workers at Marshall Space Flight Center will be assigned to some phase of space shuttle development, according to one MSFC official.

Today, about 1,200 persons are working on the shuttle, Roy Godfrey, MSFC shuttle manager said.

Testing and development will reach its peak on the reusable craft within two to four years, he said.

While "money is pacing the program thus far," he said a reduction in the U.S. space agency's request for 1975 funding for shuttle will cause an additional program slippage.

The program has already been set back about six months in development because of a previous reduction in funds approved by Congress.

"There's little room to give before we break our commitment schedule for the first test launch in December, 1978," said Godfrey, who has headed the shuttle program at MSFC for about three years.

The space shuttle "cluster" consists of the two reusable boosters, an orbiter and supporting equipment. It is designed to transport people, supplies, spare parts, satellites and scientific instruments into space. It would also become the world's first space rescue vehicle.

The orbiter will be mounted piggyback on the tank with the boosters on the side and launched vertically like a rocket.

After completing its job, the orbiter would re-enter the earth's atmosphere and glide like an airplane to a three-mile-long landing strip being constructed at the Kennedy Space Center in Florida.

Johnson Space Center in Houston is responsible for overall program management.

Marshall has three major assignments, management of the high-pressure orbiter engines, development of the hydrogen-oxygen tank that will fuel the main orbiter engines and the solid-propulsion rocket boosters.

Further, Marshall is performing a lot of engineering tasks as well as designing in house a number of booster and orbiter engine elements.

Dynamic and structural testing of engines, the big tank and the orbiter will be done at Mississippi Test Facility (MTF) a MSFC facility and at the prime contractor's plant in Canoga Park, Calif., said Godfrey. Actual test-firing of the main engines will be done at MTF and in California.

Modifications to Saturn test stands both at MSFC and MTF are under way as is the building up of Marshall's acoustical test area and structural data center.

Management of the high-pressure orbiter engine is "one of the more demanding jobs," said Godfrey. "It's an entirely new engine with a higher performance than any ever built. Its prime requisite, of course, is its reusability. It's never been done."

The "driving characteristic" of the liquid hydrogen and oxygen tank, continued Godfrey, a former Saturn program manager, "is that it must be lightweight, it's as demanding as the Saturn S–2 (second stage) structurally and it must have a low production cost. It will weigh about 70,000 pounds with a 1.7-million pound propellant load."

Development of the boosters is another challenge. "The number one requirement is a low production cost and it must have reusability characteristics. Its life depends on its heavy structural intensity."

Godfrey said the boosters will be reuseable at least 20 times "or more," and that they will be parachuted into the sea after being dropped from the shuttle cluster just before orbital insertion.

"In high seas," he explained, "there may be up to a four per cent loss rate . . . but we're studying the recovery method very carefully."

Development of booster recovery is another MSFC responsibility. Godfrey said they will enter the water in the "tail down, or log mode," or the "spar buoy" positions.

Air in the propellant tanks will keep it afloat until a salvage ship reaches it, plugs up the engine's nozzle, and tows it into port.

"In tests at California, we have already towed a model up to nine knots with no instability," said Godfrey.

According to MSFC's schedule, here is a partial listing for 1976–78;

Activation of S–2 and S–1B test stands at MSFC for main propulsion and dynamic testing.

Full vehicle dynamic testing at MSFC.

Structurally qualifying the tanks at MSFC on the S–1C stand.

Full cluster firing at MTF and in California.

Horizontal testing of boosters in support of JSC's responsibility in checking the aerodynamics.

Running control analyses for JSC to check for "pogo" effects at launch, as an example.

Testing of booster elements separately.

Main propulsion system tests at MTF by putting the hydrogen-oxygen tank and aft portion of the orbiter engine on a flexible stand.

Operation of MSFC's acoustical test and structural data centers.

As testing and development is done at MSFC and MTF, similar work will be done by the prime contractor—Rockwell International Corp., which is now building the hybrid rocket-airplane orbiter.

Martin-Marietta Corp., Denver, won the contract from Marshall to build the propellant tanks at Michoud Assembly Facility, and in November, said Godfrey, a contract will be let to build the solid rocket boosters.

Godfrey is heading up a special evaluation team now which is reviewing proposals for the job.

Marshall Center experts are "defining the first 10 payloads," added Godfrey, for the first 10 missions of the shuttle.

"The shuttle will put us on an entirely new footing with the space program," Godfrey said. "The flexibility of shuttle will accomplish more per given flight—not only for science work but for many useful returns. It's a bet on the future."

NASA will operate the shuttle from KSC and it will be launched easterly for low earth orbit missions and "some high orbits."

The Western Test Range at Vandenberg AFB, Calif., will be operated by the Air Force for its shuttle program, most of which will be carrying secret payloads in polar missions.

There will be some tradeoffs of payloads between NASA and the Air Force.

Recently, Brig. Gen. Henry B. Stelling Jr., the Air Force's space director, said the Defense Department is making plans for a new manned astronaut corps that would fly into orbit three to four years after NASA does.

He said DOD will purchase two shuttle orbiters from Rocketdyne, construct an $800 million spaceport at Vandenberg and establish a new DOD manned space force.

MAGNIFICENT BAND ACHIEVEMENTS

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. JOHNSON of California. Mr. Speaker, occasionally each of us has had an organization bring credit upon the area in which we serve. This summer I was privileged to have two very fine organizations participating in international band festivals held in Europe.

From my own county of Placer the Del Oro High School Golden Eagle Band represented this Nation in the International Band Festival in Vienna, Austria, and from Butte County the Chico High School Band represented this country at an international music festival in West Berlin.

Both organizations worked extremely hard not only to achieve special recognition at these festivals, but even before that to raise the funds to make the trip possible.

I would like to share with my colleagues the victories achieved by these two fine bands. First of all I would like to point out that the Del Oro Golden Eagle Band won top honors in its class in both marching and concert band competition and two of the members won individual awards, Dawn Gade, 16, daughter of Dr. and Mrs. Robert Gade of Loomis, received a superior award and accompanying $1,000 scholarship for her marimba solo, and a $500 scholarship was given to Michael Hewitt, 18, son of Mr. and Mrs. Harold Hewitt of Loomis. Young Hewitt is the band's field conductor.

Praise for these bands was expressed in three very fine articles which were published in their hometown papers. First of all, I would like to share with you the comments of the Sacramento Bee and the Auburn Journal concerning the achievements of the Del Oro Golden Eagle Band and, second, an editorial from the Chico Enterprise Record concerning the Chico High School band, and I insert them in the RECORD at this point:

[From the Sacramento Bee]

WELCOME HOME AND WELL DONE

The victory celebration planned for the Del Oro Golden Eagle High School Band in Loomis should be a dillywacker.

The high-stepping musicians won top honors in both the marching and concert band competition at the International Band Festival in Vienna, Austria, against 13 bands from the United States and countless groups from various countries throughout the world.

All the musicians were on their mettle but the Loomis band was the best in its class. They deserve whatever good things come their way.

Of course the first thing any band has to do to distinguish itself at the International Band Festival is to get there. The Golden Eagle band achieved that goal by its nearly 100 members raising $68,000 with a solid assist from the citizens of Loomis.

Once in Vienna, the band did not let the hometown folks down. Example: Two members, Dawn Glade and Michael Hewitt, the band's drum major, won individual awards in the week-long competition.

There are few things as exciting as a well-uniformed, well-drilled, well-rehearsed marching band. Even as the drum major raises his baton there is a tentative hint of what is to come. And when the band begins to play, imagination takes flight, memories come flooding back. Who can forget the old-time town band in full regalia playing John Philip Sousa's "El Capitan March"?

Congratulations and commendations are the order of the day as the citizens of Loomis welcome the Del Oro Golden Eagle High School band home.

[From the Auburn Journal]

DEL ORO HIGH SCHOOL GOLDEN EAGLE BAND

Members of the Del Oro High School Golden Eagle Band received a well deserved rousing "welcome home" as they returned last week after taking part in the International Band Festival in Vienna.

The young people did their parents, their school and their community proud, winning both marching and concert honors in their class for size-of-school.

A great deal of effort went into the undertaking, and parents who spearheaded the drive for funds emphasized that it was not a matter of "taking" from the local community. The money was earned, through items sold, concerts presented and various events undertaken in which the public got something in return.

In these days when the philosophy of "the world owes me a living" is all too prevalent, theirs was a refreshing approach, indeed, and we feel that hearty commendation is due.

There can be no doubt that those who made the trip earned their way, not only through strenuous fund-raising efforts, but through a long period of rigorous training and rehearsal.

The experience should stand them well as they go on to challenge and conquer the obstacles of later life.

Congratulations, one and all.

[From the Chico Enterprise Record]

A TRULY MAGNIFICENT ACHIEVEMENT

"If dedication, determination and optimism are important virtues—and indeed they are—then you need look no further than the music students of Chico High School to find those commendable characteristics in more than ample supply."

That was the opening paragraph of an Enterprise-Record editorial published last Feb. 14. It ran under a headline saying, "With Hearts So Young and Gay, They'll Be Great Ambassadors," and it dealt with the campaign the young people were waging to raise enough money to finance a trip to Europe to participate in the 1973 International Music Festival in West Berlin.

Yesterday—many long weeks later—the story of that endeavor came to a triumphant ending when the more than 150 youngsters returned home from Berlin in proud possession of three first places and a second captured in the international competition.

Needless to say, the community welcome accorded the four busloads of youngsters when they pulled into the school parking lot was a warm one—and very deservedly so. The young people had triumphed over towering adversities to achieve their goal; and they had performed with unparalleled excellence to put themselves, their school and their community on the map in world cultural annals.

Along the way to that triumph, every ounce of the "dedication, determination and optimism" mentioned above was very much needed. The young people were sorely tested time and again. It is unlikely that the full story will ever be recorded in printed or spoken words—because so much of the saga resides in the hearts, rather than in the heads, of those who underwent the great experience. Nevertheless, a brief recapping may help put the victorious terminal events in historical perspective.

It all began far back in October of last year when Leonardo P. Duarte, music department director announced that the school had received a written invitation to compete in the world affair. The invitation was received from the sponsoring International Institute of Academic Studies in Berlin.

Duarte at that time acknowledged the honor of being accorded the invitation, but realistically admitted that it would be a difficult project to undertake—especially from the financial standpoint. He said the students and department would "look into it."

"Look into it" they did. The prospects of such a musical and geographical adventure kindled the imaginations of the young people, the department and school officials, and some of the parents. Slowly, hope began to grow and a plan began to take shape.

It might be said that the project "snowballed." It was sharply different from the usual snowball venture, however, because this snowball wasn't rolling merrily downhill, gathering size and momentum with speed. Rather, it was being pushed laboriously uphill, and it sometimes appeared that the shoulders behind it were too few and too frail.

Community reaction? Frankness requires admission that the Berlin project was viewed more like a lead balloon than a rocket in the early stages. "Overly ambitious, audacious, unrealistically dreamy," were some of the phrases used as the citizenry gave the young people an "A" for Effort but voiced little hope for attainment.

Gradually, however, indications of size and momentum began to appear. The young people put on exhibitions of hard work and ingenuity in fund-raising efforts seldom before equalled on the local scene. By their hard work, they inspired support. More parents and citizens began to rally to the cause. E-R Publisher A. F. Bramwell noted clippings of their many endeavors—he put the word out to staffers to grant the campaign full coverage and support.

Even with growing public backing and frequent media news support and E-R editorial backing, however, the job was a tough one. Duarte, the young people and their backers worked long and desperately, but the fund grew ever so slowly. Frictions developed occasionally, and roadblocks continued to impede progress toward the more than $70,000 ultimately decided upon as the campaign's bare minimum goal.

It is significant, however, that at no time did the spirit of the young people and their leaders diminish. And this is where the characteristics mentioned above came into prime play:

The dedication of the students was based on their conviction that music is the "international language" by which greater understanding can be achieved to erase lines of contrast and conflict among the peoples of the world.

Their determination stemmed from their pride in their own talents and achievements in music, making them believe with all their hearts that they themselves as artists—individually and collectively—could make a worthwhile contribution to utilization of music as that "international language."

And their optimism stemmed from the conviction that dedication and determination in behalf of a worthy cause cannot fail in a wholesome community so long as the spirit is strong.

In the end, the young musicians succeeded in inspiring the entire community. As such, it was good news last month when the "On to Berlin" headlines became a reality as the fund campaign went over the top.

The record shows that subsequent events did not exactly add up to a bed of roses. Transportation difficulties and schedule hardships and other setbacks plagued the travelers all along the way. In every instance, however, their dedication, determination and optimism carried them through.

And when the critical moments arrived—the competitions before the international judges—the youngsters met the challenges in typical superior style, winning their three first places and a second (a clean sweep, since the second place came in a competition in which first place was captured by another unit of the local group).

From every standpoint, then, the editorial headline of so many weeks ago turned out to be an accurate forecast. The young people who went "On to Berlin" did indeed turn out to be "Great Ambassadors." Their magnificent achievement will be long remembered.

SENATE CONFIRMATION OF THE INTERNATIONAL JOINT COMMISSION MEMBERS

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. VANIK. Mr. Speaker, shortly before the summer recess, I introduced a bill which would require that the members of the three-man American section of the International Joint Commission be confirmed by the Senate after their nomination by the President.

When the International Joint Commission—IJC—was formed in 1909, it was responsible for the resolution of matters of disagreement over the shared boundary waters of the United States and Canada. Much of that boundary passes through the Great Lakes, and thus the agreement stated:

> The IJC shall have jurisdiction over and shall pass upon all cases involving the use or obstruction or diversion of the waters . . .

That initial authority has expanded over the last six decades to include many additional and larger responsibilities. For example, the Great Lakes Water Quality Agreement of 1972, signed by President Nixon and Prime Minister Trudeau, gave additional authority to the IJC in the area of water pollution control.

In total, the Commission now has responsibilities that have impact on water quality, hydroelectric power production, deep draft navigation, and management of the water levels of the Great Lakes.

Water level control has come to be one of the most important areas of IJC jurisdiction. Many of my colleagues are familiar with the unprecedented high water levels in the Great Lakes during the last 2 to 3 years and the attempts to get someone, including the IJC, to implement management and control programs to stabilize the fluctuating water levels. Enormous property losses have resulted from the recent historic highs and still no comprehensive management system has been proposed.

A comprehensive Great Lakes water levels study to look at water level problems and solutions was commissioned by the IJC in 1964, but it is still not completed, and despite an announced completion date of October of this year, it appears that the public will not see the complete study until 1974, almost 10 full years after it was started. This fact alone is extraordinary evidence of the IJC's insensitivity, sluggishness, and lack of response to the two countries it is meant to serve.

In those 10 years the lakes have gone from famine to flood; from low-water conditions where pleasure boats have been grounded at dockside, to high-water levels that have seen hundreds of feet of shoreline eaten away, homes smashed and broken to pieces by waves, and practically every human effort to save personal property and belongings thwarted by the storm-driven waters.

But Mr. Speaker, the correct application of controls and regulations by the IJC can help to at least minimize the enormous fluctuations and make the lives of the 40 million Canadian and American Great Lakes' residents easier and safer.

The problems of stable water levels have grown more and more complicated: ship owners would like to deepen the channels and rivers connecting the Great Lakes so bigger and heavier ships can bring in more cargo; hydroelectric producers want to divert more water and keep water level flows high to allow them to make more electricity; industrial and domestic water consumption is rising while their pollution discharges present other problems; millions of Canadians and Americans want more recreational space; homeowners demand action to save their land from eroding into the lakes.

All these problems must be reconciled. But such reconciliation is difficult. Optimum water levels for one interest group are often anathema for the others. Whose interests are more important? Can we leave shoreline residents at the mercy of the elements? These are the questions that a modern and responsive IJC must deal with.

We can see that the job of the International Joint Commission is not to be taken lightly. Its members must be fully qualified in an area of hydrology, engineering, ecology, or international affairs in order to adequately serve the tasks of the IJC. We cannot afford to let the Commission deteriorate into a patronage agency or allow unqualified members to be appointed.

Senate confirmation of the IJC commissioners would serve several ends, Mr. Speaker. Most importantly, it will show the President and the Commission itself that the Congress expects more from the IJC. It will increase the quality of the Commission and insure that its commissioners are genuinely qualified to serve on an agency with these large and important responsibilities. It will help to increase the public visibility of the IJC; despite a 60-year existence, the IJC has remained low-key in word and deed, and the Canadian and American citizenry it serves often remain unaware of its purpose and activity.

I hope that the public visibility will lead to increased public access to the Commission. The IJC does hold frequent public hearings to help them assess problems, but the public is not allowed access to the executive meetings. Even after a request from my office, the Commission refused to allow us to examine the minutes of the executive meetings. I find that unjustifiable, Mr. Speaker. We cannot be sure what they are doing in their meetings—whether they are playing cards or earnestly considering problems that effect millions of people and billions of dollars of property.

The public is also barred from attending the IJC's investigation and surveillance board meetings. In December of 1972 there were a total of 28 of these boards, according to "A Proposal for Improving the Management of the Great Lakes of the United States and Canada," an excellent binational study prepared at Cornell University's Water Resources and Marine Science Center. These boards make many important and far-reaching decisions that will be recommended to the IJC itself for final consideration.

Compounding the lack of freedom of public access to the IJC's proceedings is the fact that the public is also denied inspection of the technical boards' periodic progress reports to the IJC. As of this date, my office and all other Members of Congress are apparently denied that right also.

Mr. Speaker, the future shows every prospect of the IJC's responsibilities increasing, with an accompanying increase in complexity of the problems and matters to be considered. We must be sure that they can and do carry out their tasks. I hope that my colleagues will give full consideration to legislation providing Senate confirmation of the American members of the International Joint Commission.

TOWARD AN UNDERSTANDING OF HUMAN ACTION

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. KEMP. Mr. Speaker, the 92d birthday of Dr. Ludwig von Mises will be September 29, 1973. As the years pass and my firsthand understanding of the errors of government intervention grows, my appreciation for the contributions of this man—for his eloquent espousal of free market economics—grows exponentially.

Dr. Sylvester Petro, professor of law at New York University, wrote an essay in 1971 published by the Institute for Humane Studies entitled, "Humane Action and the Economic Power Syndrome," which is predicated to a great extent on von Mises' contention that consumer sovereignty must have the central role in any viable economic system.

I find the Petro essay of timely importance for several reasons. First, the economic stabilization programs of this and previous administrations have been dismal failures. As long as the United States continues to deal with the effects of inflation rather than the causes, the uncertainty and despair over inflation among both private citizens, business and labor will continue unabated. Government efforts to supersede the laws of supply and demand and to tamper with free markets have only aggravated an inflationary climate by distorting inflationary pressures and putting the economy in a state of chronic imbalance.

Second, I am convinced that the complexities of the marketplace, the complexities of economic theory, and the practice of political economy preclude the possibility of there ever developing a total concensus in U.S. economic policy.

Third, I am convinced, as I am sure other Members have become convinced over the past several years, that economic indices, analyses, and interpretation simply cannot provide the definitive information from which purely objective economic policy valuations can be made or from which economic policy can evolve—witness the attempts by the Federal Reserve to control monetary policy in the last 2 years.

Last, the overabundance of literature postulating an increase of government remedies to national and international economic woes has, by sheer volume, tended to permeate the thought of many Americans, including many opinion-leaders. While it may be said that the likes of Galbraith and Packard have enlightened many Americans with their perceived fears of salesmanship and advertising in all its multifarious forms, their observations have been misconstrued or used as ammunition by those who believe that the variables, quirks, and challenges of the marketplace can only be ameliorated or stabilized via government intervention. As Dr. Petro and von Mises argue, it simply is not so and Dr. Petro's essay on "Human Action" explains why.

Dr. Sylvester Petro's essay follows:

Human Action and the Economic Power Syndrome

(Editor's Note.—Dr. Petro is Professor of Law, New York University. This article was reprinted in The Freeman by permission from the two-volume Toward Liberty series of essays in honor of Dr. Ludwig von Mises on his 90th birthday, September 29, 1971, published by the Institute for Humane Studies.)

(By Sylvester Petro)

Nature goes its own way, following laws of its own, shaped by forces in which human action—passion, will, thought—is irrelevant. Man's laws and man's societies are something else. The works of Ludwig von Mises, summed up in the monumental Human Action, demonstrate more powerfully than those of any other writer the role played by human will and human thought in the universe which affects and is affected by human action.

Not everying is possible to human action. Nature goes its own way. In the generous realm of the possible, however, man's laws, his rationally directed values, make a difference; perhaps the difference. As a part of nature we share the universal conatus, the striving to be. But our conatus is generic and undefined; we are more than the birds and the bees, or perhaps less, but different, anyway. And our intelligence is correspondingly different. We can kill ourselves, and we can err.

More strangely still, we are capable through intellectual error of killing ourselves by policies which we believe necessary to our survival. I believe that what I call here the "economic-power syndrome" constitutes one of the most destructive combinations of moral and intellectual error that mankind has ever suffered, and I propose to disperse his dark syndrome with the aid of one of Professor Mises' most brilliant contributions to the formulation of sound social policy: his insistence upon a central role for the concept of consumer sovereignty.

ANTI-BUSINESS BIAS IN THE U.S.

For a hundred years, more or less, the policies of the United States have had a characteristically anti-business thrust, sometimes compelled, sometimes condoned, by dominant voices of popular opinion. For public opinion in this country has always been infected to a degree by dread, distrust, even hatred of "big business." Thus Mr. Nader and his raiders, J. K. Galbraith, Vance Packard, even Marcuse, are far from representing a new attitude. They express the same fear, the same suspicion, that brought about the Interstate Commerce Act and the Sherman Act in the nineteenth century and the mountain of restrictive legislation and court decisions of this country. In a word, what they fear and suspect is economic power.

The populist antipathy to economic power in general and to big business in particular has not swept all before it. Ambivalence among the populists themselves, the achievements of American big business, and a persistent minority in favor of liberty and its political corollary, laissez-faire, have also influenced our public policies. Politicians and bureaucrats have known, too, that they could have $300 billion to spend each year only if the economy produced $700 billion to $1 trillion a year—an unattainable result without large-scale economic activity. Hence they have been astute over the years to balance the Sherman Act and other anti-business laws with appropriations small enough to guard against absolute frustration of the need of businessmen for flexibility and freedom. Likewise they have been careful to mitigate populist insistence upon confiscatory income taxation with many loopholes, and with taxes upon capital gains modest enough to guarantee the continued growth of capital and the survival of the capital markets upon which the progress and well-being of the American economy rest.

However, the dominant trend in the public policies of this country has nevertheless been toward ever-increasing regulation of business. Congress and the state legislatures year by year add to the burden of restrictive legislation. The courts, especially the Supreme Court of the United States, zestfully enforce far beyond its letter and spirit all legislation limiting the freedom of businessmen; at the same time, they read virtually out of existence laws, doctrines, and principles which would tend to preserve to businessmen the rights and the freedom recognized in the classic common law.

In so deciding, the courts leave little room for doubt of the philosophy underlying their decisions. Whether we speak of antitrust or labor-law decisions, or even of private-law decisions in which the common-law courts take sides against business, the same theme prevails: Economic Power—it is as much to be dreaded, and therefore to be confined, apparently, as the threat of conquest by enemies from abroad or of chaos by criminals from within.

Such views and policies, the works of Ludwig von Mises demonstrate, are full of disastrous fallacies. The person who follows Mises' argument emerges, on the contrary, with the conclusions that, far from being an object properly of fear and doom, economic power is in all ways good and wholesome; that there are few, if any, capabilities at once so innocent of social harm and so productive of social benefit; and that the fear of economic power which now threatens to tie up the economy in knots is the product of ignorance, confusion, and superstition.

THE NATURE OF POWER

Much of the confusion traces to conceptual complexity in the term "power" itself. The word "power," integrally associated with the problem of causation, refers basically to the capability of affecting reality, of bringing about effects, changes, results. Some results are brought about by strictly individual action, as when primitive man fells a tree with his bare hands or with a tool fashioned by himself. His will, his act, his power is the only human one involved there. In society, things are different. In society, all power, whether of the economic or political variety, rests upon cooperation. This is true of the capacity of a criminal to compel a change in the location of money, from his victim's pocket to his own. Without the cooperation of all those sectors of society which feed, clothe, and arm him, the criminal is helpless to bring about the result he seeks—unless of course he does it with no aids other than those available to the bushman, in which case his power analyzes out as the same, equally modest and precarious.

In society, and especially in respect of operations of a certain scale, power of all kinds, to repeat, rests upon cooperative activity; and, more than that, cooperative activity resulting from a coincidence of opinion. Although he was referring to only governmental or political power, David Hume was correct generally in relating power to opinion. One way or another, directly or indirectly, both economic and political power are founded in opinion.

Ortega y Gasset thought it necessary, in The Revolt of the Masses, to distinguish in his discussion of governmental power between political aggression and political rule. Observing the plain fact that Napoleon's conquest of Spain obviously did not accord with the opinion of the Spanish people, he said: "It is necessary to distinguish between a process of aggression and a state of rule." The distinction, however, is both unnecessary and misleading; Napoleon could subjugate Spain only because its whole people, relative to the people of France from whom Napoleon derived his power, amounted to a minority. The same situation prevails between the people of Russia and the people of Czechoslovakia today. The power of Russia to quell the Czech revolt was founded in the opinion of the Russian people, or at any rate of the ruling majority of Russians, that it was better to support their government in its domination of the Czechs than to withhold such support. I dare say that the same phenomena of majority rule determined the events in this country in the period 1861–65. The opinion of Northerners prevailed over the opinion of Southerners because there were more of them and they had more hardware.

It is important to observe the comprehensiveness and uniformity of the relationship between opinion and power. Within Spain during the Napoleonic war, or Czechoslovakian today, or the Southern States during the War between the States, the situation was not different in kind from the situation between those countries and the aggressors who subjugated them. Within each, the government, resting upon the opinion of the majority, similarly subjugated nonconsenting internal minorities. The government of Napoleon had to deal with recalcitrants not only in Spain but also in France; and the same was true within the Northern States in 1861–65 and is true today within Russia.

The internal government of any state, in brief, while resting as long as it lasts upon the opinion of the consenting majority, imposes its will by force upon a non-consenting minority. That is the specific nature of government power.

I have had to emphasize the point because it is common in our time to overlook this feature of political power, and because, in overlooking this obvious feature, much of the confusion relating to economic power rests.

The sharp difference between economic power and political power does not reside in their respective foundations; both kinds of power rest in opinion. The significant difference between economic and political power rests in the purely consensual character of economic power as contrasted to the only partly consensual character of political power. For no businessman, qua businessman, can ever compel a nonconsenting minority to deal with him. It is the very essence of government, however, to impose the will of the majority upon the nonconsenting minority. The difference, then, lies not in the foundations of economic power and political power but in their respective effects and modes of operation.

The productive power of any business has its beginning in the man or men who found it and who are able to convince others to invest their capital and their talents in it. However, the business succeeds only if the consumers approve its production. In a market economy there is no way for a firm to compel anyone to deal with it or to purchase its goods and services. As Ludwig von Mises has said so often, the consumers daily vote for and against the products of American business. Those firms which gain the patronage of the consumers prosper; those which do not, lose ground. In rewarding those who best serve the consumers, the profit system constantly insures that current allocation of resources which best suits the current wishes of the community. It expands the assets of those firms endorsed by public opinion; it enhances their capacity to bid in the market for other factors of production and thus to increase their economic power—by which I mean their power to produce.

The secret of the so-called ambivalence of American public policy toward big business resides in the phenomena just described. On the one side, mainly from "intellectuals," we hear much about the abuses, the evils, the dark powers of big business to destroy small business, to exploit workers, and to impose its will upon consumers. But these charges, however often made, and however well publicized, have only a limited effect, frequently no more than the crackling of thorns under a pot. They resound hollowly against the prodigious fact that business grows big only because and to the extent that public opinion favors it with its voluntary purchases. More than that, if the polls are correct. Americans favor and admire big business in greater numbers than they do any other institution, including the government. However, since the anti-business opinion has an effect also, we emerge with fragmentary, inconsistent, and ambivalent policies.

It is impossible to understand properly either the meaning of economic power or the real standing of business in the community without a full and accurate grasp of this fact of consumer sovereignty in the market economy. The late Mr. Adolph A. Berle, in many ways a learned man and a keen observer of contemporary society, illustrated in his well-known writings a characteristic error, tracing to inadequate grasp of consumer sovereignty. Although year by year he grew more moderate in his criticisms of big business, yet, even in his latest book, Power (1969) he continued to hold to a confused view of economic power. He attributed to that power a species of capability, a capacity for decision and action which it spoke as though big business simply does not possess. He had unlimited power in the disposition of resources, the direction of investment, choice of product, amount of production, and level of price. From others, such as J. K. Galbraith, such a blunder might be expected. But Mr. Berle was a different case: he frequently displayed a genuine understanding of consumer sovereignty. For example, in his latest book, he had this to say:

> In economic life, every decision made affects, in some way, every life in the modern world. This is the peculiar quality of economics. The impact of economic-power decisions may be imperceptible or great, but it is always there. The woman who chose nylon stockings instead of silk (a choice she still has, though nylon has clearly won the campaign) affected the lives of silk growers in Japan, China, and Southeast Asia.

CONSUMER POWER

Once one grasps the significance of the female preference for nylon hosiery, it is no longer possible to mistake the focus of ultimate power. The Dupont Company has power, of course, but it is only the same kind of power to propose, to offer, that everyone else has, in business and out. Business proposes, the consumer disposes. If she disposes favorably the business prospers and may expand. If not, the business must mend its ways or retire from the field.

The business must do more than propose an attractive product. It must have the capability to deliver that product at an attractive price which still exceeds production costs. When it demonstrates that capability, it demonstrates at the same time its social qualification. Profitability and social utility are two names for the same thing. The business that makes losses has abused the society in which it operates; the business that makes profits has served it; and, remarkable as it may seem, it follows that the higher the profit, the greater the service.

Much current literature views the word "profit" and its reference in reality as downright obscene. Nevertheless, the facts are what they are. The firm that must sell below cost and which, therefore, experiences losses rather than profits, has done society in, and deserves to be penalized rather than praised. It has directed factors of production improperly, from the point of view of consumers and society as a whole. It has engaged in a course of production the full costs of which the consumers are unwilling to pay. In refusing to pay those full costs and thus imposing losses upon the incompetent producer, the sovereign consumers redirect production in a manner more to their liking.

LITERATURE OF THE "NEW LEFT"

Current "new-left" literature—faithful to its mentors, Messrs. Galbraith, Packard, Marx, and Marcuse—rejects the foregoing analysis. It insists that economic power involves a form of compulsion even more objectionable than the physical compulsion exerted by gangsters or by the armed forces of the state. Professor Mises' principle of consumer sovereignty, they say, is a pure myth; the fact is that the concentrations of economic power in big business compel the consumers by way of advertising to want certain things and to fulfill those wants in ways which serve the interests of big business, not of the people.

No conscious human being with normal sensory equipment can fairly dismiss these charges out of hand. All media of communication bombard us constantly with commercial exhortations, appealing to every aspect of human nature, from the most elemental to the most sophisticated, from the subliminal to the most obvious and coarse. There can be no doubt about it. Advertising has us all in siege. And its objectives are among others to expand, shape, and direct our desires.

The question, however, is whether, in what circumstances, and to what extent advertising succeeds. It will not do, in seeking an answer, to confine our attention to the claims of advertising agencies and Messrs. Galbraith, et al. They beg the question; they do not resolve it.

Condensed to its meaningful point, the charge is that, by advertising, big business substitutes its will for that of the consumers, thus making the principle of consumer sovereignty a mere myth.

The fundamental weakness in the Galbraithian thesis is its disregard of certain evident aspects of human nature. For better or for worse, mankind is so constituted as to preclude the substitution of one man's will for another's, except fragmentarily and temporarily, and then only by brute force, not by any other means. No matter how often persons may be bombarded by an appeal to buy Pepsodent, or Colgate, or Crest, the actual decisions when they stand at the counter as to whether to buy toothpaste at all and, if so, which brand, must be made inside each person's mind. In all but the autonomous functions of the body, human beings must act, must choose, as Mises says, and their choices, their actions, proceed necessarily from within. Our limbs and organs are all inner-directed.

Some weight might justly be accorded the Galbraithian thesis in a socialist society, where control of all production and all media of communication were concentrated in the same men who controlled also the physical power of society. In such a society the faculty of choice would still remain, but it would, so to speak, lack traction. It would have nowhere to go, like an automobile with bald tires on slick ice. The government control of all media, from the schools to television, would come close to brainwashing the public, and the lack of variety in consumer goods would carry forward the demolition of practical choice. Consumers would still retain their indestructible humanity; despite brainwashing attempts they would still have wants and still have to make their own choices; but they would have little scope to exercise their power or faculty of choice.

Even so, however, traces of the sovereignty which is fully theirs in market economies would remain also in socialist societies, for so long as man is man, he must choose if he is to live. So, in Russia today, there are shortages in some lines of consumer goods and surpluses in others. To that extent, the consumer remains king, even in Russia, though only in rags.

In a market economy, the Galbraithian thesis makes no sense at all. The characteristic features of a market economy all tend toward providing traction for the faculty of subjective choice. Authority to use physical force is confined to the state. The media of communication are free. The consumer is encouraged on all sides to choose from a vast array of competing goods and services. American Motors, Chrysler, Ford, and General Motors must not only compete with each other; they have also to contend with Volkswagen, Mercedes-Benz, Toyota, and Fiat. And all the motor companies must compete with the airlines, the bus lines, the railroads, the subway systems, as well as the firms which encourage consumers to stay at home or enjoy themselves in their gardens. Even American Telephone and Telegraph competes. It urges us to call, not write. The much maligned soap manufacturers have only one thing to say: "Buy our product."

Ultimately, when one thinks things through, that is the basic message of all commercial advertising.

Advertising agencies claim, quite rightly, I believe (on the whole at any rate), a special ability to bring products and services to the attention of consumers. Their job is to acquaint the public with the fact that such and such a product exists and to urge that it be given a try. From there on, the consumer and the product must fend for themselves. The product must make good on the claim made for it. Thus understood, the specific function of advertising is to promote competition. Any other claim for it, whether made by advertising men or Messrs. Galbraith et al., is mere puffing.

If big business and its advertising had the power attributed to it by Messrs. Galbraith et al., the avidity of men and women for material goods would be a new phenomenon, observable in human history for the first time only in the last fifty years or so. After all, big business is a new phenomenon in the world, and advertising agencies are still newer. But is it true that men and women have grown remarkably desirous only in the last fifty or hundred years? The question answers itself.

On the first page of the first history book ever written, The History of Herodotus, recounting the wars between the Greeks and the Persians, the author reports that "according to Persians best informed in history, the Phoenicians began the quarrel." How was that? Herodotus continues:

> They landed at many places on the coast, and among the rest at Argos. . . . Here they exposed their merchandise, and traded with the natives for five or six days; at the end of which time . . . there came down to the beach a number of women, and among them

the daughter of the king. . . . The women were standing by the stern of the ship intent upon their purchases, when the Phoenicians, with a general shout, rushed upon them. The greater part made their escape, but some were seized and carried off.

Anyone who has ever had the misfortune to be in Macy's on a sales day will know that, whatever Galbraith says about it, big business and advertising have not changed women very much in the intervening two thousand four hundred years.

Nor men, either. Aristotle wrote only for men, it seems, in the Nichomachean Ethics. In discusisng and urging the virtue of temperance, he admonished against the development of voluntary habits. More to the point, he focused upon the inner sources of luxurious desires. "It is absurd," he said, "to make external circumstances responsible, and not oneself, as being easily caught by such attractions." There was hardly any business around at all in Ancient Greece, let alone big business, and B.B.D. & O. were still in the far off future. Such too was the case in 17th century England, when John Locke took note of the insatiable desires of mankind for material goods and services. He said:

> We are seldom at ease, and free enough from the solicitation of our natural or adopted desires, but a constant succession of uneasiness out of that stock which natural wants or acquired habits have heaped up, take the will in their turns; and no sooner is one action dispatched, which by such a determination of the will we are set upon, but another uneasiness is ready to set us on work.

The Galbraithian-SDS thesis is out of touch, not only with the most profound and persistent realities of human nature, but also with the available statistical evidence concerning the use of commercial advertising. Far from establishing the contention that big, concentrated business to some marked extent uses advertising to warp consumer desires, recent researchers reveal: (1) that there is no significant correlation between industrial concentration and advertising; and (2) that there is indeed a contrary tendency, with advertising expenditures tending to rise as industrial concentration decreases.

SOURCES OF MISUNDERSTANDING

I must deal more briefly with the two remaining major sources of misunderstanding which make up the "economic-power" syndrome—(1) the belief that economic power can buy political power or that, at any rate, (2) economic power can shape the political opinions of the community more or less at will.

The first of these can be dispatched fairly readily. Certainly it is true that public servants at every level of government are "for sale," as every person is, for that matter. The question is, however, in what medium of exchange do they do business? In contemporary representative government, the medium of exchange is votes. While the wealthy and the big businessmen could and do bid vigorously in the medium of exchange which they are well supplied with, namely, money, the sad fact from their point of view is that they are not very extensively supplied with votes—and votes are what count. If Tocqueville was correct, this situation has prevailed throughout American history. Writing in 1840 or so about America, he said: "At the present day the more affluent classes of society have no influence in political affairs; and wealth far from conferring a right, is rather a cause of unpopularity than a means of attaining power."

One may argue that while dollars are not convertible into gold, they are convertible into votes, and this is to some extent correct. But only to about the same extent as it would be correct to point out that dollars can buy officials directly. In both cases dollar convertibility is only marginal: a drunken Bowery derelict will sell his vote for a bottle of whiskey; a faithless official will take a bribe here and there.

But the wealthy and the big businessmen are unable to buy public policies with their dollars. If they seek tariffs, exclusive franchises, import quotas, and other such measures, they do not succeed unless the measures they seek coincide with public opinion. Only public opinion to the effect that such policies are good for the country on the whole will secure their adoption. And whether the public is convinced of the merits of a particular policy, dollars are incapable of affecting the result one way or another.

Subsidies for the poor, for commuters, for farmers, for the maritime industry, and pretty soon for everybody else in the country—all these are traded by politicians in return for votes, not in return for dollars. When industry representatives go to Washington for tariffs and import quotas, they are told to return only when they can show some political currency. If they return with trade-union representatives, men who are thought to command votes, and if the union men join in seeking protectionist policies, the tariffs and quotas are forthcoming; otherwise not.

The current situation with respect to tax exemption for interest on municipal bonds makes the point rather well. By and large such bonds are purchased by more or less wealthy people. But if their interest were to be consulted exclusively, there is no doubt that the tax exemption would be removed. The exemption continues because the citizens in local communities, desiring local governmental services, such as public schools, insist upon it. And they insist upon it because, in their (ultimately incorrect) opinion, tax-exempt municipal bonds reduce for the taxpayers the costs of the services in question.

For the disinterested observer, his reason unimpaired by passion and prejudice, there is no need to go on at length with this point. It is sufficient to notice that over the past hundred years in this country, the steady trend of legislation has been against the wealthy and the successful businesses. David Hume was correct in stating as the first principle of government that all public policies are founded in opinion. On the other hand, in declaring that government in capitalist countries serves exclusively the interests of the wealthy, Karl Marx was as wrong as he was when he said that profits come exclusively from the exploitation of labor and that increasing poverty for the masses is the inevitable consequence under capitalism.

AN ARGUMENT OMITTED

Strangely enough, the victims of the economic-power syndrome have left almost completely undeveloped an argument which, if they could sustain it, would carry the day for them. They could be arguing that, while it is true that all government rests upon opinion—on political votes rather than dollars—the wealthy and the big businessmen control government by controlling the political and social ideas of the citizenry. Why is this argument so rarely made?

I offer as a possible answer the fact that the argument is so patently at odds with reality. If we confine ourselves to reality we cannot help observing a tremendous disproportion in all the areas of intellectual communication and opinion-forming. A vast majority of instructional personnel from grade-school through graduate school roams somewhere left of center. Most newspaper columnists, moreover, consider themselves leftist-liberals and spend little time vaunting the virtues of capitalism. For every best-selling author on the right, there are at least ten on the left. Foundations established by the wealthy spend infinitely greater sums promoting the welfare state than they do in defending capitalism. Professor Paul Samuelson has become a wealthy man as author of an economic text sympathetic with the welfare state, if not with socialism. Galbraith's books become automatic best sellers. The works of Ludwig von Mises, the most powerful protagonist of capitalism in print, do not sell in sufficient quantities to feed him.

Let us now approach the problem more systematically. The contention that economic power translates into political power by way of political indoctrination of the masses would have to establish, in the first place, that the wealthy and the big businessmen are themselves uniform exponents of a particular policy or set of policies, for the first requirement in any indoctrination is a doctrine. But the argument then stumbles at the threshhold. The one outstanding and apparent fact about the wealthy and the big businessmen and the institutions they found and support is ideological diversity. If we place H. L. Hunt on the right, as is customary these days, where shall we place the Rockefellers, the Kennedys, the Fords? And should we place all the Rockefellers in the same category? Where exactly would you place the Kennedys, father and son?

There is no common ideology among the wealthy and the big businessmen, just as there is no common ideology among the masses. There are only vague, half-formed, often contradictory opinions, which veer one way now and another way again. They spend their money accordingly. The foundations and institutions attacking capitalism and free enterprise and the profit system seem to have plenty of money. As far as I have been able to tell, the few foundations and colleges which promote free enterprise rarely, if ever, are wealthy.

RECAPITULATION

I have tried to make three points:

1. Economic power, like political power, rests upon favorable opinion, the sovereign opinion of consumers; unlike political power, however, it produces wealth in the form of goods and services and has no compulsory capabilities. The consumers regard with profits those firms which serve the community and penalize with losses those firms which do not.

2. There is no way at all in a market economy for business to substitute its will for that of the consumers in respect of demand for goods and services; it proposes, the consumer disposes; the contention that advertising can supplant the will or implant desires in consumers conflicts with everything we know about human nature as well as with the external facts of life in the market economy.

3. Economic power is not convertible into political power. The medium of exchange owned by the possessors of economic power is money; the medium of exchange in politics is the vote. Dollars are produced by economic capability; votes flow in accordance with political opinion. Unless the holders of dollars represent interests which coincide with the independently derived opinions of the voters, the interests of the wealthy are doomed.

I have in this brief paper failed to deal with a number of features of the economic-power syndrome: the relations between big business and small business, the relations between business and employees, the Jeffersonian ideal of a society composed of farmers and small tradesmen, the notion that the managerial revolution heralded by Berle and Means and by Burnham has somehow incapacitated big business for the service of the community. With respect to these I can say only that there was not space. My silence on these points is not to be taken as an admission of their strength. On the contrary, I believe it a simple matter, on the basis of the points which I have dealt with, to demonstrate equal weaknesses in these which I have not had the opportunity to discuss here.

I wish to say but one thing more, and to quote a statement which sums up what I have had to say here. First, I would not have my remarks interpreted as an apologia for the wealthy or for big business as such. My main interest has been to clarify thought on the subject of economic power. Secondarily, my interest is in consumer sovereignty and its principal servant: the system of free competition emerging from those two common-law institutions, private property and freedom of contract. Ludwig von Mises has summed up a large part of what I have been trying to say. As he puts it:

> The rich, the owners of the already operating plants have no particular class interest in the maintenance of free competition. They are opposed to confiscation and expropriation of their fortunes, but their vested interests are rather in favor of measures preventing newcomers from challenging their position. Those fighting for free enterprise and free competition do not defend the interests of those rich today. They want a free hand left to unknown men who will be the entrepreneurs of tomorrow and whose ingenuity will make the life of coming generations more agreeable. They want the way left open to further economic improvements. They are the spokesmen of progress. . . .
>
> It is manifestly contrary to the interest of the consumers to prevent the most efficient entrepreneurs from expanding the sphere of their activities up to the limit to which the public approves of their conduct of business by buying their products. Here again, the issue is who should be supreme, the consumers or the government? In the unhampered market the behavior of consumers, their buying or abstention from buying, ultimately determines each individual's income and wealth. Should one vest in the government the power to overrule the consumer's choices?

GUTTING THE CLEAN AIR ACT WOULD BE GROSSLY IRRESPONSIBLE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 27, 1973

Mr. BROWN of California. Mr. Speaker, we in the Congress have been coming under increasing pressure of late to weaken the standards and extend the deadlines imposed by the Clean Air Act which we passed just 3 years ago. One of those applying such pressure is the Governor of California, Ronald Reagan, who has written to every Member of Congress from our State, urging us to weaken the act in several ways.

The argument used by those taking this position is that there are serious economic consequences to contend with if we decide to get rid of the poison in our air. These people urge us to sacrifice the health of the citizens who live in our smog centers to protect the pocketbooks of the large economic interests which find it to their financial advantage to preserve the status quo.

I recognize that there are bound to be economic difficulties involved in any situation calling for major changes in such things as our transportation systems and land use planning, but rather than taking a cut-and-run attitude, I think we should face the challenges involved and get on with solving the various problems inherent in the air pollution crisis. The simple fact is that solving the problems would be much easier if we had not already waited so long before taking any action; it follows that further delay will only increase our difficulties.

Mr. Speaker, I do not believe that most Members of Congress are aware of the concern that knowledgeable experts have over the threats by such people as Governor Reagan to see the Clean Air Act weakened. Less than 2 weeks ago I participated in a symposium on the subject of air pollution and its effects on human health, sponsored by the Riverside County Medical Association, the San Bernardino County Medical Society, and the California Medical Association, in cooperation with the University of California at Riverside. At the conclusion of this symposium, which was conducted over the weekend of September 15 and 16, the physicians, legislators, and other citizens participating adopted four resolutions. I would like to place them in the Record at this point:

> Be it resolved by the physicians, legislators, and citizens participating in the symposium, "Air Pollution and Its Effects on Human Health," that:
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> 1) We reaffirm and support the statements of the international conference on "Man's Health and His Air Environment," held December 1–3, 1970, in Riverside, California. Specifically the data presented by the physicians attending the symposium on "Air Pollution and Its Effects on Human Health," which substantiates all conclusions derived from the 1970 international conference on "Man's Health and His Air Environment,"
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> 2) The Clean Air Act of 1970 must not be weakened in substance or its implementation be delayed. We encourage all levels of society; local, state and federal governments to make good faith efforts towards the implementation of the Clean Air Act as amended in 1970.
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> 3) All conferees utilize all available avenues for dissemination of the data and resolutions derived from this symposium.
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> 4) There is a growing body of scientific and medical evidence that indicates air pollution is a health hazard to everyone and that "heroic measures" must be taken to cope with it.

Mr. Speaker, since the first resolution makes reference to the statements and conclusions of a similar conference which was held at the end of 1970, I will also submit for the Record the document which came out of that 3-day meeting. I might add that this resolution was adopted unanimously by the participants:

> MAN'S HEALTH AND HIS AIR ENVIRONMENT
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> The scientists, physicians and citizens participating in the conference on "Man's Health and His Air Environment" sponsored by the University of California Statewide Air Pollution Research Center and the World Affairs Council of Inland Southern California, December 1–3, 1970, find the following conclusions inescapable: (1) that an environmental crisis exists, (2) that levels of air pollutants are being achieved in large cities on many days of the year which have been shown to have serious health consequences, (3) that documentation of effects, reports and recommendations of learned bodies, and the expressions of deep concern by millions of Americans have effected little change in environmental air quality, and that, in fact, in some cities accelerated deterioration of the environment continues. In view of these conclusions we submit the following recommendations:
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> 1. *In California and in the South Coast Air Basin in particular:* The crisis demands immediate drastic actions to alleviate the present situation. These actions include an early health warning system for the protection of susceptible individuals from acute air pollution episodes, based on common basin-wide criteria, and the aggressive implementation of heroic control measures. The control measures so considered should include, but not be restricted to, limitations on the use of private vehicles in cities' centers, the substitution of public transportation and the incentives to use it, the possible rationing of energy use, and the limitation of population growth in critical areas. These, however, should only be considered as holding actions while longer term solutions are aggressively sought.
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> 2. *In the United States:* Mechanisms for pollution control should be developed for aggressively and quickly controlling pollution. The polluter must bear the burden of reasonable proof of the harmlessness of his emissions; the present burden on the citizen and his public agencies to prove harm is unworkable. Training of more environmental specialists with a multidisciplinary outlook is essential and should be coupled with continued research and systematic evaluation of the tradeoffs involved in the selection of approaches to environmental improvement. Environmental control jurisdiction must be concerned with man in a beneficial reciprocal relationship to his ecosystem as opposed to simply health, narrowly defined as the mere "absence of diseases." U.S. participation in the international activities cited below should be active and enthusiastic and accompanied by increased financial commitment.
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> 3. *In the world:* Increased international cooperation must include the exchange of information, techniques of measurement, and control technology, as well as a coordinated program of global monitoring. This should be accomplished through established organizations such as the World Health Organization and the World Meteorological Organization. Assistance must be given to developing nations to achieve orderly growth while avoiding the environmental mistakes made by the developed countries. This must be emphasized since studies show increased deaths among the poor at all levels of pollution. This is probably due to the fact that the deleterious effects of air pollution are added to their already large burden of disease, poverty and malnutrition.
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> 4. *At all levels:* Surveillance mechanisms must be improved for the collection and dissemination of intelligence concerning chronic and acute effects of pollutants, for the documentation of pollution episodes, and for the revision of criteria and standards in the light of this intelligence. It must be recognized that even the radical action recommended here will not provide an ultimate cure for air pollution. Support must be continued and selectively increased for research on all aspects of the problem.
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> Finally, scientists as such can only investigate the origins and effects of pollutants, evaluate the results, and transmit these to

the people and their elected officials. Ultimately, legislative bodies and the courts must translate these conclusions into laws and thence into meaningful actions. The necessary lines of communication must be established and maintained between the scientists and the public. The public, including the air pollution specialists as citizens, must learn to participate effectively in public activities and to maintain the accountability of their elected representatives for effective action to control pollution. Only in this way can the people of the world hope to have a clean and healthy environment.

I hope that our colleagues will see fit to maintain the commitment which we made in 1970 by passing the Clean Air Act, rather than to further endanger to health of our citizenry by folding under the pressure to gut this act. The question boils down to a matter of people versus money. I would hope that no Member of this body would have any difficulty deciding for which to vote.